# INDEPENDENT STATE OF PAPUA NEW GUINEA

# Public Administration Country Profile

Division for Public Administration and Development Management (DPADM)

Department of Economic and Social Affairs (DESA)

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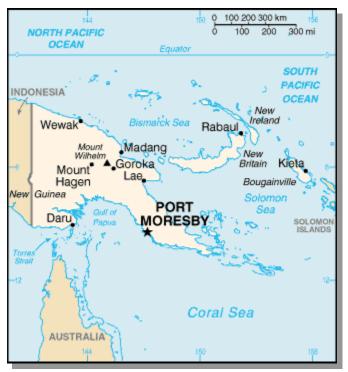
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# **PAPUA NEW GUINEA**

## Click here for detailed map



Source: The World Factbook - Papua New Guinea

# **Government type**

Constitutional monarchy with parliamentary democracy

## Independence

16 September 1975 (from the Australian-administered UN trusteeship)

#### Constitution

16 September 1975 (in brief)

# Legal system

Based on English common law

#### Administrative divisions

20 provinces (click here)

Source: <u>The World Factbook</u> – <u>Papua New Guinea</u>

The system of government in Papua New Guinea (PNG) is one of parliamentary democracy. As no one party has ever achieved an absolute majority in parliament and party alliances are volatile, loss of government by a vote of no confidence has been characteristic of Papua New Guinea politics since Independence

Prime Minister Skate adjourned Parliament for over six months to July 1999. In July, he resigned as Prime Minister, days before Parliament was to resume. Sir Mekere Morauta was elected Prime Minister on 14 July 1999 (by 99 votes to 5). Mr. Skate was nominated Leader of the Opposition. On 26 July, Sir Mekere announced his first full Cabinet, retaining for himself the control of the key portfolios of Finance and Treasury.

Since becoming Prime Minister, Sir Mekere has embarked on a program of wide-ranging political and economic reforms. These have included changes to some key public service appointments (including Secretary for Finance and Treasury, Central Bank Governor, and Police Commissioner), and moving quickly to re-engage with the International Financial Institutions, stabilize the economy and rebuild private sector confidence. He has also worked towards re-establishing the integrity of state institutions and continuing the Bougainville peace process.

Source: Australia Department of Foreign Affairs and Trade - PNG Country Brief (edited)

# 1. General Information

1.1 People	PNG <sup>i</sup>	Fiji	SLBii	1
Population				а
Total estimated population (,000), 2003	5,711	839	477	
Female estimated population (,000), 2003	2,767	412	232	
Male estimated population (,000), 2003	2,944	427	245	
Sex ratio (males per 100 females), 2003	106	104	106	
Average annual rate of change of pop. (%), 2000-2005	2.22	0.98	2.88	
Youth and Elderly Population				b
Total population under age 15 (%), 2003	41	32	42	
Female population aged 60+ (%), 2003	4	7	4	
Male population aged 60+ (%), 2003	4	6	4	
Human Settlements		•		С
Urban population (%), 2001	18	50	20	
Rural population (%), 2001	82	50	80	
Urban average annual rate of change in pop. (%), '00-'05	3.69	2.53	6.03	
Rural average annual rate of change in pop/ (%), '00-'05	1.92	-0.5	2.59	
Education				d
Total school life expectancy, 1998/1999	6.1			1
Female school life expectancy, 1998/1999	5.7			1
Male school life expectancy, 1998/1999	6.4			1
Female estimated adult (15+) illiteracy rate (%), 2000	43.2	9.2 <sup>iii</sup>		2
Male estimated adult (15+) illiteracy rate (%), 2000	29.4	5.1 <sup>iii</sup>		2
Employment		•		е
Unemployment rate (15+) (%), 1995	5.4 <sup>vi</sup>			1
Female adult (+15) economic activity rate (%), 1996		39	85 <sup>iii</sup>	2
Male adult (+15) economic activity rate (%), 1996		79	87 <sup>iii</sup>	2

Notes: <sup>I</sup> Papua New Guinea; <sup>II</sup> Solomon Islands; <sup>III</sup> 1986; <sup>IV</sup> Official estimates

1.2 Economy	PNG <sup>i</sup>	Fiji	SLB <sup>ii</sup>	2
GDP				а
GDP total (millions US\$), 2002	2,793	1,878	240	
GDP per capita (US\$), 2002	520	2,282	542	
PPP GDP total (millions int. US\$), 2002	11,503 <sup>iii</sup>	4,402	672 <sup>iii</sup>	
PPP GDP per capita(int. US\$), 2002	2,141 <sup>iii</sup>	5,349	1,517 <sup>iii</sup>	
Sectors	-			b
Value added in agriculture (% of GDP), 2003	25.7	16.2 <sup>iv</sup>		
Value added in industry (% of GDP), 2003	39.1	27.0 <sup>iv</sup>		
Value added in services (% of GDP), 2003	35.2	56.8 <sup>iv</sup>		
Miscellaneous			•	С
GDP implicit price deflator (annual % growth), 2003	5.8	2.4	9.8	
Private consumption (% of GDP), 2003				
Government consumption (% of GDP), 2003				

Notes: <sup>1</sup> Papua New Guinea; <sup>II</sup> Solomon Islands; <sup>III</sup> Estimate is based on regression; other PPP figures are extrapolated from the latest International Comparison Programme benchmark estimates; <sup>IV</sup> 2002

<sup>&</sup>lt;sup>1</sup> <u>United Nations Statistics Division</u>:

a Statistics Division and Population Division of the UN Secretariat; b Statistics Division and Population Division of the UN Secretariat; c Population Division of the UN Secretariat; d UNESCO; d UNESCO; e ILO; e

a <u>Quick Reference Tables</u>; b <u>Data Profile Tables</u>; c <u>Country at a Glance</u>

1.3 Public Spending	PNG <sup>i</sup>	Fiji	SLB <sup>ii</sup>	
Public expenditures		•		3
Education (% of GNP), 1985-1987		6	4.7 <sup>iv</sup>	а
Education (% of GNP), 1995-1997			3.8 <sup>iv</sup>	а
Health (% of GDP), 1990	3.1	2	5	
Health (% of GDP), 1998	2.5	2.9		
Military (% of GDP), 1990	2.1	2.3		ь
Military (% of GDP), 2000	0.8	1.5 <sup>iii</sup>		ь
Total debt service (% of GDP), 1990	17.2	7.7	5.5	
Total debt service (% of GDP), 2000	8	2	3.3	

Notes: <sup>1</sup> Papua New Guinea; <sup>ii</sup> Solomon Islands; <sup>iii</sup> 1999; <sup>iv</sup> Data refer to a year or period other than that specified

1.4 Public Sector Employm	nent and Wag	jes				
Data from the latest year available	ç	Papua New Guinea 1991-1995	Papua New Guinea 1996-2000	East Asia & Pacific average <sup>4</sup> 1996-2000	 average⁴ 1996-2000	Middle income group average <sup>4</sup> 1996-2000
Employment						
Civilian Central Government <sup>5</sup>	(,000)					
Civilian Central Government	(% pop.)			0.63		0.59
Sub-national Government <sup>5</sup>	(,000)					
Sub-Hational Government	(% pop.)			0.63		0.59
Education employees	(,000)	13.5				
Education employees	(% pop.)	0.31		0.76		1.20
Health employees	(,000)					
	(% pop.)			0.16		0.70
Police	(,000)					
Folice	(% pop.)			0.26		0.30
Armed forces	(,000)		4.3			
Armed forces	(% pop.)		0.09	0.53		0.46
SOF Employage	(,000)					
SOE Employees	(% pop.)			1.18		3.61
Tatal Dublic Franksum ant	(,000)					
Total Public Employment	(% pop.)					6.05
Wages						
Total Central gov't wage bill	(% of GDP)			9.4		8.5
Total Central gov't wage bill	(% of exp)			24.4		21.6
Average gov't wage	(,000 LCU)					
Real ave. gov't wage ('97 price)	(,000 LCU)					
Average gov't wage to per capita GDP ratio				2.9		4.2

Source: World Bank - Public Sector Employment and Wages

<sup>&</sup>lt;sup>3</sup> <u>UNDP</u> - <u>Human Development Report 2002</u>

<sup>a</sup> Data refer to total public expenditure on education, including current and capital expenditures.

b As a result of a number of limitations in the data, comparisons of military expenditure data over time and across countries should be made with caution. For detailed notes on the data see SIPRI (2001).

<sup>&</sup>lt;sup>4</sup> Averages for regions and sub regions are only generated if data is available for at least 35% of the countries in that region or sub region.

<sup>5</sup> Excluding education, health and police – if available (view <u>Country Sources</u> for further explanations).

# 2. Legal Structure

Section 99(2) of the Constitution of Papua New Guinea spells out a structure of government consisting of three arms: Parliament, Executive and Judicial System. The Constitution also allocates to each of these arms specific functions: law-making, executive government of Papua New Guinea, exercise of judicial authority respectively. The Constitution goes on to uphold the principle "the three arms shall be kept separate from each other".

Source: Transparency International - National Integrity Systems, Country Study Report, PNG (2003) (edited)

# 2.1 Legislative Branch

Unicameral National Parliament - sometimes referred to as the House of Assembly (109 seats, 89 elected from open electorates and 20 from provincial electorates; members elected by popular vote to serve five-year terms).<sup>6</sup>

women in parliament: 1 out of 109 seats: (1%).7

The National Parliament is a single chamber legislature elected for five year terms by universal suffrage in single constituency open or provincial electorates.

Source: Australia Department of Foreign Affairs and Trade - PNG Country Brief

The 109-member Parliament in turn elects the prime minister, who appoints his cabinet from members of his party or coalition.

Members of Parliament are elected from 19 provinces and the national capital district of Port Moresby. Parliament introduced reforms in June 1995 to change the provincial government system, with regional (at-large) members of Parliament becoming provincial governors, while retaining their national seats in Parliament.

Papua New Guinea's politics are highly competitive. Members of Parliament are elected on a "first past the post" system, with winners frequently gaining less than 15% of the vote. There are several parties, but party allegiances are not strong. Winning candidates are usually courted in efforts to forge the majority needed to form a government, and allegiances are fluid. No single party has yet won enough seats to form a government in its own right.

#### Fact box:

elections: Last held 15-29 June 2002 and April and May 2003; completed in May 2003 (voting in the Southern Highlands was not completed during the June 2002 election period): next to be held no later than June 2007 election results: Percent of vote by party - PPP 15%, Pangu Pati 14%, NA 14%, PDM 8%, PNC 6%, PAP 5%, UP 3%, NP 1%, PUP 1%, independents 33%; seats by party - PPP 16, Pangu Pati 15, NA 15, PDM 9, PNC 7, PAP 5, UP 3, NP 1, PUP 1, independents 37; note - association with political parties is very fluid (2002)

Papua New Guinea has a history of changes in government coalitions and leadership from within Parliament during the 5-year intervals between national elections. New governments are protected by law from votes of no confidence for the first 18 months of their incumbency, and no votes of no confidence may be moved in the 12 months preceding a national election. In an effort to create greater stability by reducing incessant votes of no confidence, the Integrity of Political Parties Act was passed in 1999, forbidding members of each party in Parliament from shifting loyalty to another party.

<sup>&</sup>lt;sup>6</sup> Source of fact boxes if nothing else stated: <u>The World Factbook</u> - <u>Papua New Guinea</u>

<sup>&</sup>lt;sup>7</sup> Inter-Parliamentary Union - Women in National Parliaments

The last national election was held in June 2002. The election was characterized by a 75 percent turnover in sitting members of Parliament. A number of veteran politicians lost their seats and a number of independents were elected.

Source: U.S. Department of State - Background Notes

42 political parties contested in the 2002 election, but many of these have since amalgamated with larger parties: 24 parties won seats.8

Papua New Guinea has a relatively large number of political parties, most of which have seats in Parliament. The House also contains a large number of independent members. The voting system is 'first past the post,' although a preferential system of polling will be introduced at the 2007 parliamentary elections. With a large number of candidates competing, winners do not always represent the majority of the voters in their constituencies: they can win with as little as 9% of the votes cast.

A law on "the Integrity of political parties", passed in 2002, made it impossible for a new government to be the subject of a vote of non-confidence in its first 18 months in office. It also made the crossing of the floor by Members of Parliament, from one party to another, more difficult.

Source: European Commission - Political Situation

#### 2.2 Executive Branch

cabinet: National Executive Council appointed by the governor general on the recommendation of the prime

elections: None; the monarch is hereditary; governor general appointed by the National Executive Council

Papua New Guinea, a constitutional monarchy, recognizes the Queen of England as head of state. She is represented by a Governor General who is elected by Parliament and who performs mainly ceremonial functions.

Source: U.S. Department of State - Background Notes

Following legislative elections, the leader of the majority party or the leader of the majority coalition usually is appointed prime minister by the governor general.

Source: The World Factbook - Papua New Guinea

There are a maximum of 29 ministers allowable under the Constitution and they are appointed from members of Parliament. Most governments have appointed the full complement of Ministers since independence.

### Fact box:

chief of state: Queen
ELIZABETH II (since 6
February 1952),
represented by Governor
General Sir Albert KIPALAN
(since 13 November 2003)
head of government: Prime
Minister Sir Michael
SOMARE (since 2 August
2002); Deputy Prime
Minister Andrew BAING
(since 15 November 2003)

Source: Transparency International - National Integrity Systems, Country Study Report, PNG (2003)

## 2.3 Judiciary Branch

Supreme Court (the chief justice is appointed by the governor general on the proposal of the National Executive Council after consultation with the minister responsible for justice; other judges are appointed by the Judicial and Legal Services Commission).

The Constitution provides for an independent judiciary The Supreme Court is the final court of appeal and has original jurisdiction on constitutional matters. The National Court hears most cases and appeals from the lower district courts established at the provincial level. There also are village courts headed by lay

<sup>&</sup>lt;sup>8</sup> <u>Transparency International - National Integrity Systems, Country Study Report, PNG (2003)</u>

persons (generally local chiefs, known as "big-men"), who judge minor offenses under both customary and statutory law.

Source: U.S. Department of State - Background Notes (edited)

Three or five or seven judges sitting together constitute the **Supreme Court**. The jurisdiction or powers of the Supreme Court are as given by the Constitution or any other statutory law of Papua New Guinea. The jurisdiction of the Supreme Court extends to the following:

- hear appeals from decisions made by the National Court;
- review decisions made by the National Court (concerning matters of which the law does not allow for appeals to be made);
- give an opinion or advice on whether a proposed law or already made law by Parliament is constitutional (that is, whether it complies with the Constitution or not);
- develop rules of the underlying law;
- enforce human rights as provided under the Constitution.

The **National Court of Justice** is established by the Constitution and the National Court Act provides for the rules of practice and procedure of the Court. The Judges of the National Court are the same as the judges for the Supreme Court. One judge constitutes a National Court. The National court has power to hear any case unless the Constitution gives the power to hear a particular case to another court.

The **District Court** is established by the District Courts Act. The District Courts Act, though made prior to independence, is assumed to be the legislation envisaged by the Constitutional provision that provides for other courts within the national judicial system. The District Court consists of magistrates of the Magisterial Service.

The other formal courts within the national judicial system are the Coroners Court, the Land Court, the Children's Court, the Tax Court and the Military Court. These courts are not separate and additional to the formal courts of the national judicial system referred to above. The National Court and the District Court reconstitute themselves as these various courts. Members of these courts are the judges and magistrates of the National Court or District Courts.

The **Village Courts**, though established by the Village Courts Act 1989, were in existence before independence under the former Village Courts Act. The Village Courts are the non-formal courts in Papua New Guinea, in that they are not part of the national judicial system. They are the only courts in the country that apply and enforce customary laws and practices to disputes arising under custom and traditional law of the indigenous peoples. The procedures of the village courts are also as allowed for under custom. There are no formal and strict requirements of evidence and standards of proof as is done in the formal courts.

Source: PNG Judiciary Home Page - About the Courts

#### 2.4 Local Government

Until 1995, Papua New Guinea had a three-tier system of government with provincial government, local government and the national government.

Source: <u>Transparency International - National Integrity Systems</u>, Country Study Report, PNG (2003)

The aim of the 1995 provincial reforms was to use decentralization to improve public service delivery with The Organic Law on Provincial Governments and Local-Level

Governments (July 1995) providing the basic legal structure underlying the provincial reforms.

A new division of government jurisdictions under the provincial reforms resulted in the establishment of 18 provinces, 87 districts, and 284 local governments (excluding the National Capital District and Bougainville).

Source: World Bank - Improving Governance and Performance (1999)

Provincial leaders are elected and appointed. The political head of a province is a member of the national parliament. By law he or she is the regional member of the province who is elected by all voters in the province into the national parliament. He or she is then mandated as a governor of the province. In the event that the regional member is given a ministry, then another open member from the province is appointed by the legislature to be the governor. Provincial administrators, on the other hand, are appointees of the National Executive Council. Heads of local governments are also elected by all eligible voters of the local areas, while voters within their respective ward elect councilors.

Source: Transparency International - National Integrity Systems, Country Study Report, PNG (2003)

The reformed political structures outlined in the 1995 Organic Law on Provincial Governments and Local-Level Governments are designed to ensure that Parliament plays a strong role in sub-national governance. For example, members of Parliament who represent district electorates in a province are made chairs of the provincial assembly. These members also serve as provincial governors and chairs of provincial executive councils. In addition, joint district planning and budget priorities committees are chaired by the members of Parliament representing each district electorate, and provincial administrators are nominated by members of Parliament in the provincial executive councils. Because provincial administrators also chair the joint provincial planning and budget priorities committees, members of Parliament essentially control all planning and budgeting at the provincial and district levels. Furthermore, to the extent that a joint district planning and budgets, members of Parliament control local planning and budgeting as well.

Source: World Bank - Improving Governance and Performance (1999)

# 3. The State and Civil Society

# 3.1 Ombudsperson

Papua New Guinea's Ombudsman Commission (PNGOC) comprises of both the office of the ombudsman and the office administering the Leadership Code and making the leadership code enforceable. The legal basis of the commission is provided for in Sections 218-220 of the Constitution and the Organic Law on Ombudsman Commission. These sections state that:

- The commission may not inquire into 'justifiability' of NEC;
- Its functions are to investigate conduct relating to administration, which may be 'wrong', and enforce leadership code (section 219);
- Its enforcement is limited to publicity, reports and recommendations, except for leadership code (219 (6));
- It is required to prepare and submit its annual reports to parliament (220).

When dealing with maladministration, PNG's Ombudsman Commission (PNGOC) is empowered to:

- Investigate a wide range of official bodies;
- Initiate investigations, as well as respond to complaints or referrals;
- Question decisions, as well as the process of decision-making;
- Consider defects in law.

In essence the PNGOC is empowered by the constitution to expose government actions and those of public officials that are detrimental to the public and its trust. The commission is made up of three members who are appointed by the Ombudsman Appointment Committee made up of the Prime Minister as the Chairman, the leader of Opposition, The Chief Justice and the Chairman of Public Service Commission, and the Chairman of the Appropriate Permanent Parliamentary Committee.

The Ombudsman Commission received a budget of K8 million for the years of 2001 and 2002, and this was increased to K8.9 million for 2003. Staffing levels for the Commission are not readily available from the annual reports.

Source: Transparency International - National Integrity Systems, Country Study Report, PNG (2003) (edited)

# 3.2 NGOs and Civil Society

To further enhance the participation of civil society, the Organic Law on Provincial and Local Governments (OLPLG) specifies that there must be representatives of women, youth, churches, and employers' and employees' organizations appointed to the provincial and local government legislatures. This provision, in many ways, mandates the public's accessibility to government information and documents. Through such provisions society makes submissions to the legislature to make laws and relevant policies. It also allows for the monitoring of the government's performance in the delivery of services.

Source: Transparency International - National Integrity Systems, Country Study Report, PNG (2003)

# 4. Civil Service

The public service in Papua New Guinea is the largest employer in the formal sector, employing over 61,000 staff. This accounts for more than 40 percent of the total work force in the country. Every year this sector consumes over one third of Papua New Guinea's Gross Domestic Product. Of this, 85 percent goes towards administration costs and salaries.

Source: Asian Journal of Public Administration - Selected Problems in the Papua New Guinean Public Service (12/2000)

Restoring the integrity and efficiency of institutions is one part of three-pronged Structural Reform Program instigated in 1999. Improving governance, effectiveness and efficiency in civil services, has resulted in reinstating the establishment of Public Service Commission, the establishment of Central Agency Coordinating Committee (CACC) and the recognition of Public Accounts Committee, the Auditors General Office, the Ombudsman Commission, and the adoption of an Anti- Corruption strategy. A review of the public sector is currently on going in PNG and headed by the Prime Minister's Department

Source: University of Wellington (CAS) - Case Study on Papua New Guinea Public Sector Reform (2003)

# 4.1 Legal basis

Since 1986 and after the passing of Public Service Management Act (PSM), the civil service became more open to political interference. This law facilitated the establishment of the Department of Personnel Management (DPM). Both developments relinquished the powers and functions of the Public Service Commission (PSC). The PSC is a constitutional body that was (is) responsible for personnel matters within the public bureaucracy, such as appointments, promotions, transfers, termination and reviewing the organization of state services.

With the backing of the PSM Act, the Secretary of the DPM can delegate to respective heads of departments, the day to day personnel decisions relating to appointments, promotions, discipline, and approval of allowances and other entitlements. Moreover the introduction of the 1986 Act has also led to separation of powers whereby the NEC18 is now responsible for determining personnel policies including the appointment of departmental heads and heads of statutory bodies. (Tsiamalili, 2002a)

Source: Transparency International - National Integrity Systems, Country Study Report, PNG (2003) (edited)

#### 4.2 Recruitment

A survey conducted by students reading for the paper on Comparative Public Sector Management with the Public policy and Management program of the University of Papua New Guinea showed that almost seventy to seventy five percent of its 2000 and 2001 graduates' entrance into the public service was made easier by ethnical alliances or other networks. (Ugaia and Kaukia, 2002: 7)

Source: Transparency International - National Integrity Systems, Country Study Report, PNG (2003) (edited)

<sup>&</sup>lt;sup>9</sup> In the meantime the PSC has been re-established.

# 4.3 Promotion

Source: Institution - Title

### 4.4 Remuneration

Source: Institution - Title

# 4.5 Training

The Papua New Guinea Institute of Public Administration was and is on the 2002, 2003 and 2004 budget with the program for In-service Training of Public Sector Employees and others. The objectives were and are to develop, administer, coordinate, facilitate and offer training programs to meet the needs of public servants and other employees for Papua New Guinea.

Source: The Departments of Finance and Treasury - Budget 2002 (detail 219)<sup>10</sup>

#### 4.6 Gender

Source: Institution - Title

<sup>&</sup>lt;sup>10</sup> See also <u>The Departments of Finance and Treasury - Budget 2003 (detail 219)</u> and <u>The Departments of Finance and Treasury - Budget 2004 (detail 219)</u>

# 5. Ethics and Civil Service

# 5.1 Corruption

2003 CPI Score relates to perceptions of the degree of corruption as seen by business people and country analysts and ranges between 10 (highly clean) and 0 (highly corrupt).

Corru	Corruption Perceptions Index						
		2003 CPI Score	Surveys Used	Standard Deviation	High-Low Range	Number Inst.	90 percent confidence range
Rank	Country						
1	Highly clean	9.7	8	0.3	9.2 - 10.0	4	9.5 - 9.9
118	Papua New Guinea	2.1	3	0.6	1.5 – 2.7	3	1.5 – 2.5
133	Highly corrupt	1.3	8	0.7	0.3 - 2.2	6	0.9 - 1.7

Source: Transparency International - Corruption Perceptions Index 2003

**Surveys Used:** Refers to the number of surveys that were used to assess a country's performance. 17 surveys were used and at least 3 surveys were required for a country to be included in the CPI.

**Standard Deviation:** Indicates differences in the values of the sources. Values below 0.5 indicate agreement, values between 0.5 and c. 0.9 indicate some agreement, while values equal or larger than 1 indicate disagreement.

High-Low Range: Provides the highest and lowest values of the sources.

**Number Institutions:** Refers to the number of independent institutions that assessed a country's performance. Since some institutions provided more than one survey.

**90 percent confidence range:** Provides a range of possible values of the CPI score. With 5 percent probability the score is above this range and with another 5 percent it is below.

<u>Click here</u> for Transparency International's Country Study Report (in the National Integrity Systems series) on Papua New Guinea 2003.

There have been several serious cases of public service corruption in the last decade and there has been much media attention directed towards possible serious cases; however, there have been very few successful prosecutions in Papua New Guinea.

Source: Financial Management and Governance Issues in Papua New Guinea (2000)

Papua New Guinea (PNG) faces (i) uncertain norms in corporate institutions, (ii) underdeveloped control mechanisms, and (iii) a poorly paid civil service—elements that have aggravated unethical tendencies. Common practices—giving gifts to employers, superiors, and other influential people, for example —are inherently inimical to procedures such as formal tendering. Corruption has damaged the public procurement process, reduced confidence in Government, and slackened competition for Government contracts, rendering public procurement less economical.

Source: Asian Development Bank - Combating Corruption in the Asian and Pacific Economies (2000)

A recent initiative to fight corruption in the Public Service was the signing of a "Statement of Alliance" which paves the way for the establishment of an effective system of investigating corruption in Papua New Guinea. Department heads representing Police, Finance and Treasury, Provincial and Local Governments, Attorney-General, Ombudsman Commission, Public Prosecutor, and Department of Personnel Management signed the Statement in the presence of the Chief Secretary and other departmental heads.

The initiative was the result of work done by the Public Sector Anti-corruption Liaison Committee that was established in 1999. The Committee has developed an anti-corruption strategy that recommends the establishment of a National Anti-corruption

Agency that will combine the existing resources to effectively investigate and prevent corruption.

Source: Financial Management and Governance Issues in Papua New Guinea (2000)

In order to read the ADB Anti-corruption Policy recommendations click here

Also, the Government has established the National Government Contracts Review Committee in response to serious allegations of corrupt practices in awarding of contracts whereby the State and many of its statutory and corporate institutions had been committed to pay huge sums of money for goods, services, and works.

Source: Asian Development Bank - Combating Corruption in the Asian and Pacific Economies (2000)

Culture in PNG is one factor that can give an explanation to the causes of corruption. While it can be argued that there are certain attributes of the culture which seem to be more compatible with corruption, this does not mean that Papua New Guinea has a corrupt culture. In many parts of the country, sharing and caring is synonymous with a clan leader or an elder of a family. Amongst traditional leaders, mobilization and distribution of wealth is an essential component of their responsibilities. Such activity further enhances their status in the clan or the tribe.

Such leadership traits are said to continue amongst elected leaders and appointed officials who facilitate their cultural responsibilities and their social obligations through their access to public resources. It is common to hear voters selecting a particular candidate on the basis of his or her attributes of sharing and caring.

Source: Transparency International - National Integrity Systems, Country Study Report, PNG (2003)

#### 5.2 Ethics

Drawing from Section 26 of the Papua New Guinea Constitution and the Organic Law on the Duties and Responsibilities of the Leadership (OLDRL) the Leadership Code sets out the "responsibilities of office". It specifies that a leader<sup>11</sup> must not place her/himself in a "conflict of interest"

In general, the code defines monitoring and disclosures of assets by the leaders, their conduct and the rules and registries concerning gifts and hospitality. It sets out the responsibilities and obligations of leaders in the Papua New Guinea body politic and other public posts. Amongst other things it compels leaders to make an annual return to the Ombudsman Commission setting out a statement of wealth and sources of income.

Source: Transparency International - National Integrity Systems, Country Study Report, PNG (2003) (edited)

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<sup>&</sup>lt;sup>11</sup> The definition of a leader covers ministers, members of national and provincial legislatures, members of local level governments, constitutional office holders, heads of national and provincial departments, heads and board members of SOEs, ambassadors, commanders of disciplinary forces, and defined executives. There are about 600 plus leaders and list of offices to which the code applies.

# 6. e-Government

#### e-Government Readiness Index:

The index refers to the generic capacity or aptitude of the public sector to use ICT for encapsulating in public services and deploying to the public, high quality information (explicit knowledge) and effective communication tools that support human development.

The index is comprised of three sub-indexes: Web Measure Index, Telecommunications Infrastructure Index and Human Capital Index.

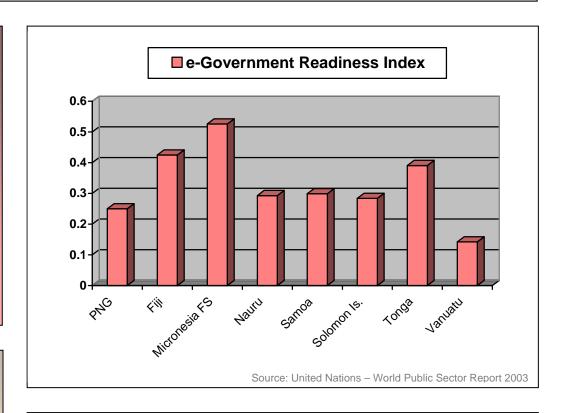
#### Web Measure Index:

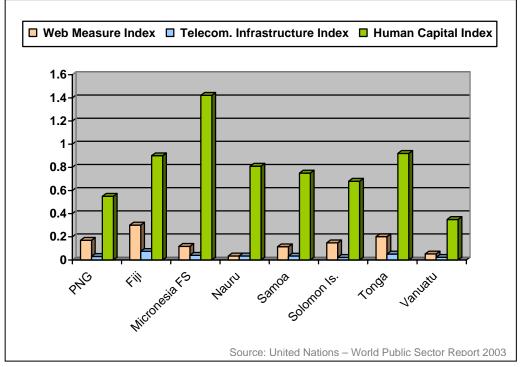
A scale based on progressively sophisticated web services present. Coverage and sophistication of state-provided e-service and e-product availability correspond to a numerical classification.

# Telecommunications Infrastructure Index:

A composite, weighted average index of six primary indices, based on basic infrastructural indicators that define a country's ICT infrastructure capacity.

Primary indicators are: PC's, Internet users, online population and Mobile phones. Secondary indicators are TVs and telephone lines.





# **Human Capital Index:**

A composite of the adult literacy rate and the combined primary, secondary and tertiary gross enrolment ratio, with two thirds of the weight given to adult literacy and one third to the gross enrolment ratio.

# e-Participation Index:

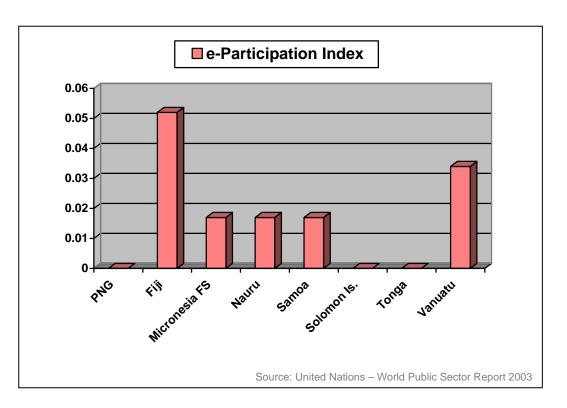
Refers to the willingness, on the part of the government, to use ICT to provide high quality information (explicit knowledge) and effective communication tools for the specific purpose of empowerring people for able participation in consultations and decision-making both in their capacity as consumers of public services and as citizens.

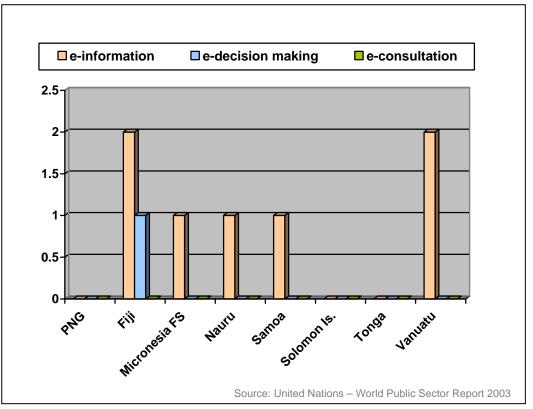
#### e-information:

The government websites offer information on policies and programs, budgets, laws and regulations, and other briefs of key public interest. Tools for disseminating of information exist for timely access and use of public information, including web forums, e-mail lists, newsgroups and chat rooms.

# e-decision making:

The government indicates that it will take citizens input into account in decision making and provides actual feedback on the outcome of specific issues.





#### e-consultation:

The government website explains e-consultation mechanisms and tools. It offers a choice of public policy topics online for discussion with real time and archived access to audios and videos of public meetings. The government encourages citizens to participate in discussions.

# 7. Links

7.1 National sites	
Authority	Topic
Government Online	http://www.pngonline.gov.pg/
Prime Minister	http://www.pm.gov.pg/
National Judicial System	http://www.pngjudiciary.gov.pg/
National Statistical Office of PNG	http://www.nso.gov.pg/
Papua New Guinea Online	http://www.niugini.com/

7.2 Miscellaneous sites				
Institution	Topic			
Asian Development Bank (ADB)	http://www.adb.org/PapuaNewGuinea/default.asp			
AusAid	http://www.ausaid.gov.au/country/papua.cfm			
European Union (EU)	http://europa.eu.int/comm/development/body/			
Transparency International (TI)	http://www.transparency.org/activities/nat_integ_systems/			
United Nations Development Programme (UNDP)	http://www.undp.org.pg/			
World Bank (WB)	http://www.worldbank.org/pg			
NiuMedia Pacific - Law	http://www.niumedia.com/pnginlaw/			