

Sustainability of Bougainville



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Overview

On 30 August 2001, the Bougainville Peace Agreement (BPA) was signed, establishing a comprehensive framework for ending more than a decade of civil conflict that had left the former province — once the wealthiest in Papua New Guinea — in ruins and countless people traumatised. The BPA set in place three pillars for resolving the conflict: demilitarisation, autonomy arrangements for the region and a referendum on independence to be held 10–15 years after the establishment of the autonomous government. The implementation of the agreement was initially energetic, with large-scale surrenders of weapons by the secessionists and withdrawal of the Papua New Guinea armed forces leading to the election of the first Autonomous Bougainville Government (ABG) in 2005. Substantial progress was made in reconciling diverse factions within Bougainville. More recently, however, there have been signs of stagnation: the handover of powers from the national government to the ABG has been slow and there are some signs that the national government increasingly looks to Bougainville as only one province amongst many. There is broad agreement that the wholesale destruction of infrastructure and government capacity during the conflict is not being redressed adequately. This loss of pace comes at an especially sensitive time, as the timeframe set for the referendum (2015–2020) approaches.

To discuss these and other issues affecting the present and future of Bougainville, the Port Moresby Bougainville Association held a two-day conference 29–30 August 2013, ending on the 12th anniversary of the BPA. Themed ‘Sustainability of Bougainville’, the conference heard presentations by distinguished Bougainvilleans including President John Momis, ex-president James Tanis and ex-combatants representative Sam Akoitai, as well as scholars with a long participation in Bougainvillean affairs, including Anthony Regan and Satish Chand.

Autonomy Without Resources?

In his address to conference attendees, President Momis summarised the basic problem faced by the ABG: the funds on which it is to operate are limited, even from the perspective of basic government functions. Expansion of a local capacity to govern is threadbare.

As noted by Anthony Regan, this under-resourcing of the ABG must be taken in context of the provisions of the BPA, which provides both for increased autonomy and a delayed referendum. The conference heard that rather than consolidating its presence in Bougainville, Papua New Guinea appears to be under-investing in the region. The political implications of this were drawn by President Momis, who observed that ‘the people of Bougainville deserve to have a real choice between two comparably attractive options, namely full autonomy and independence. If autonomy is perceived as not comparable to independence, then the people have no choice.’

The under-resourcing of the ABG is especially noticeable in relation to the Restoration and Development Grant. The size of this grant is not only indexed to inflation, but is defined in proportion to the total revenues of the National Government. Regan noted that for many years — including the fat years of the mining boom — the effects of this second provision were not taken into account. When the figures were computed in 2012, however, it was found that the fund was in arrears by PGK188 million. Many in the audience were shocked by this announcement — especially in the context of the presentation by Sister Lorraine Garasu, who patiently explained that essential trauma counselling and women’s shelter services struggle to find the funds necessary for operation — funds that amount to tens of thousands of kina.

At the same time, the conference heard a presentation by Peter Siparau — an accountant commissioned to examine the ABG’s finances

since its establishment in 2005. Siparau noted numerous irregularities, including five years of unreliable accounts between 2005 and 2010, lack of tendering, lack of physical stock inventories, and unacquitted accounts for 2010 alone that totalled PGK7.4 million in travel allowances, hire cars, and reconciliations. President Momis accepted the report while distancing the ABG from the financial mismanagement it alleges.

Forgetting Hard-Learned Lessons?

It is not only in relation to the special status of Bougainville as an autonomous region that the National Government appears to be slipping on its commitments to the region. The Port Moresby conference heard that provisions for the referendum are themselves widely misunderstood even in Bougainville.

Why have the terms of one of the 'pillars of the peace agreement' been misunderstood? Part of the answer is that there has been significant turnover of politicians and administrative staff, especially in the National Government. It appears clear that greater attention must be devoted to informing stakeholders, especially government officials, of the terms of the BPA.

Prospects

Prior to the civil war, North Solomons Province had led all of Papua New Guinea's provinces except for the National Capital District in terms of GDP, health and education indicators. Professor Satish Chand's presentation made it clear that, in GDP terms, Bougainville has now become one of the poorest provinces, although there are areas of improvement. Per capita income has returned to 40 per cent of pre-conflict levels, despite the departure of large-scale mining. There are clear signs of accelerating economic activity in many sectors. Here again, however, lack of government capacity is a factor: cocoa production has been affected by cocoa pod borer, and without government assistance smallholders have difficulty co-ordinating management efforts.

Participants also engaged with the main question facing Bougainvillean economic policy: the question of mining. Whilst Samuel Lahis observed that the region has excellent agricultural potential, there appears to be a broadly shared understanding that without mining, it will be extremely difficult if not impossible for Bougainville to attain self-sustaining development. Progress in this regard is being made, both in terms of devolving mining powers to the ABG — a process which includes drafting a mining act for the Region — and in the political settlement between landowners. Raymond Masono, however, noted the expense of the mining negotiation process and the need for discussions with potential donors on the possibility of a multi-party trust fund to help the ABG finance these costs.

Summary

The Sustainability of Bougainville conference touched on a number of contentious and sensitive issues for Bougainville as it moves closer towards its referendum on independence. The conference illustrated an important opportunity to negotiate the required building blocks for a 'sustainable Bougainville'. As articulated by conference participants, these features currently centre on a capable ABG, full implementation of the BPA, a strong and transparent economy, as well as continued efforts towards reconciliation and peace-building. In order to make progress towards these goals, three key issues were identified: a more speedy handover of powers from the national government to the ABG, increased resources for the ABG, and efforts to curb financial mismanagement.

Notes on Authors

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