



**INAUGURAL ADDRESS BY THE PRIME MINISTER,
HONORABLE JAMES MARAPE, ON THE OCCASION OF
HIS ELECTION AS THE PRIME MINISTER OF PAPUA NEW
GUINEA, IN THE 11TH NATIONAL PARLIAMENT, 09
AUGUST 2022.**

Mr. Speaker,

I am delighted and honored to rise on this occasion to speak to this House. I want to congratulate you on your appointment as the Speaker of the 11th Parliament of Papua New Guinea. I want to also congratulate all members of Parliament who have been elected or re-elected to the people's House. I see old faces who have brought experience onto the floor. I also see new faces who have brought freshness into the house.

Mr. Speaker,

It is my humble privilege to address this house as the Prime Minister. In 2019 I secured the mandate to be Prime Minister on the floor of Parliament. I served for three very hard years with the support of a lot of you. Today, I have secured the mandate from the people of Papua New Guinea. They have empowered, emboldened, and mandated me and the party I lead to be in government. I am privileged to lead a coalition of likeminded leaders to be your government.

On behalf of my wife and children and the people of Tari Pori, I accept this mandate with the greatest humility because of the solemn responsibility this position entails. But I would not be here without the Members of Parliament who voted me. I want to thank them. I want to thank the Pangu Party members and our supporters throughout the country who voted for the Party. I would like to also thank my coalition partners for standing by me and for your unrelenting support.

Mr. Speaker,

In seeking to outline what we must do; we must inevitably talk about what we have done in the last three years. The election is an important pause to refresh our mandate, but we are a continuing government. We are also

a continuing coalition, except for a few leaders who have joined us from the opposition.

Mr. Speaker,

I seek to anchor my statement on the remarks I made on this floor on 30 May 2019. I wanted Papua New Guinea in the next decade to be a K200 billion economy. I wanted Papua New Guinea to be the Richest Black Christian Nation on Earth. My statement recognized that our political forebears have ushered in political independence in 1975. They crafted legislations, built institutions, wrote policies and established relationships to deliver us political independence. This generation of leaders must deliver economic independence to Papua New Guinea. That Pangu has secured the mandate from Papua New Guinea can only mean that our people in the length and breadth of this country support this intention.

We are consistent with the Vision 2050 on the development phases of our country to be smart, wise, fair, healthy, and a happy society by 2050. It aligns nicely in that we are called to deliver economic enablers to fast-track development. Fastrack we must, as we do not have the luxury of time to wait around for things to happen at their pace.

Mr. Speaker,

Pangu's mantra has been premised on initiatives resonating around PNG's socioeconomic development agenda through various policy and legislative reforms that are aimed at ensuring equal participation and benefit sharing of our landowners in the natural resources sector and generally leaving no one behind. We build a safe society, plug the holes of corruption, initiate investment friendly policies and provide more for our citizens.

Mr. Speaker,

The Pangu Party gave political independence to Papua New Guinea in 1975. It gave us our nationhood bedded the national constitution and the sovereignty that we now enjoy. It gave us the three arms of government, the legislature, the judiciary and the executive who in their separation has held us together. The public service was birthed in 1975.

Mr. Speaker,

Our foreign policy was pronounced in 1975. We are friends to all and enemies to none. We believe that someone else's enemy is not necessarily our enemy, and that we believe in treating all international

partners fairly and honorable. This philosophy holds true even today as we navigate the emerging geopolitical challenges of our times.

Mr. Speaker,

The 2022 National General Elections brings our country to the cusp of 50 years of nationhood. Three years before we turn 50 years old as a nation, Pangu gets a further opportunity to deal with some fundamental issues confronting our country. The onus and responsibility now rests on each member of Parliament to rise up to the occasion and renew our commitment to pass on a better Papua New Guinea to the next generation.

Mr. Speaker,

The forefathers of our country in 1975 gave us political independence. This generation of leaders must liberate this country through economic independence. Economic independence means that our people must have the means and the ability to benefit from their own resources, such as agriculture, tourism or marine resources, gold, oil or gas. Our people must be the biggest beneficiaries of our resources, our land and what it offers to us. It is important to us that we go back to basics and build from the ground up.

Mr. Speaker,

We must begin our work by **strengthening the democratic processes, building a resilient economy, building economic infrastructure, addressing natural resources, address business and investment confidence, addressing law and order, working on education and health, and strengthening the institutions of state.** These are fundamental areas of focus that must drive our government's work for the next five years. It will not be easy but it is absolutely necessary.

Mr. Speaker,

Strengthening the democratic processes

Electoral Reform

We must reform our electoral processes. It is evident that maintaining a status quo on this is no longer an option. We must perform an audit of the National General Elections 2022. Granted that this government actually for the first-time front-loaded funds to the Electoral Commission, Police and Defense, we need to ask what happened? The review will be the basis

for us to reform the electoral processes to make sure that one citizen gets one vote. We must aspire to give an improved electoral system as a gift to the country on the 50th Anniversary of the Independence of Papua New Guinea.

We must build a strong governance oversight arrangement for the Electoral Commission. We must adopt a systemized way of updating our common roll and deploy every means necessary to have reliable identification systems. We must seriously discuss biometric identification system and electronic voting and counting system. The National Population Census associated with the electoral reform will be conducted as early as 2023.

Mr. Speaker,

There will be a number of nationwide consultations we have to conduct. First and foremost is the need for us to consult our people on whether a Prime Minister ought to be elected directly by the people. This question is foundational if we are to build a system of government that is resilient and resistant to the pressures of managing varied expectations of our different stakeholders. This question is very important to the strength of governance and government so we must consult our people.

Mr. Speaker

Building a Resilient Economy

When we took office in 2019, we went about addressing our economic woes in three very difficult years. We were determined to repair and restore the economy. It required an upfront due diligence on government budgets. The passage of the 2019 Supplementary Budget, a review of the 2018-2022 Medium Fiscal Strategy, and the Medium Revenue Strategy set the baseline for our economic management going forward. We must ensure that there is transparency and accountability in the budget processes and that the current program of budget repair and construction must be sustained. From 2022 onwards we must maintain a budget management framework which clearly spotlight the different components of revenues, operations, and capital expenditure and growth projections up to 2033. We have focused on achieving a balanced budget in 2027 while projecting important investments in key growth sectors heading into that important year. The 2022 Supplementary Budget, when it's handed down later in September 2022, will consolidate on this intention and allocate investments appropriately.

Mr. Speaker,

Building Economic Infrastructure

Connect PNG

We must sustain the connect PNG policy. This policy is the critical economic enabler that will accelerate economic activity and connect our country through improved roads, airports, airstrips, wharves and ports, ICT and energy to build an inclusive country and stimulate growth and further opportunities. We must quarantine resources to fund these investments. We must fully implement projects in energy, road infrastructure and ICT to make this initiative sustainable. It is about unlocking our country so that it realizes its full potential.

All parts of our country must be connected with roads, jetties, ports, airports, power and the internet within the decade. It must facilitate movement of people, services and businesses. We must link all parts of our country with power, and internet, for education, health and learning. These enabling infrastructure must unpack the agriculture potential for our people in coffee, cocoa, copra, fish and tourism and hospitality industry. The investment returns for Connect PNG must be in opportunities that come from these infrastructure investments.

Mr. Speaker,

We must sustain the State-Owned Enterprise Reforms which are aimed at improving key utilities such as power, water and telecommunications which will complement the work under the connectivity agenda. Efficient state-owned enterprises can support development and growth we need long term. I want to place on record support that is coming from the Asian Development Bank in this regard. The reforms in the SOEs must give us the important platform to build partnerships with provinces and land owners reflecting our policy to carve out business or equity participation for our important stakeholders.

Mr. Speaker,

Addressing Natural Resources

Our country is endowed with natural resources, such as forestry, fisheries, oil, gas, mining, and energy. Our government must monetize these resources sustainably, so that it contributes to our development aspirations. We must focus responsibly on the resource laws regime and reform the laws so that we unleash opportunities for our stakeholders.

In February 2020 I foreshadowed that we will review laws in consultation with the industry and have some changes by 2025. We must engage the industry with the assurance that we respect their views, as we also seek to effect changes that would be mutually beneficial to all of us.

Mr. Speaker,

I continue to assure resources license holders for Wafi Golpu, Pynyang, Papua, Pasca A and Porgera that to enjoy the benefits of the current regime we need to work together to make investment decisions on their current licenses now. We continue to work closely with them to get to that point that they make investment decisions. Our intentions are clearly demonstrated in the deal that we have agreed to for the New Porgera mine. We have gained more for the different benefit streams for the Papua New Guinea stakeholder, but at the same time provided much respect to the interest of the investor.

My government is committed to see that current projects on the pipeline are progressed. Porgera is the lowest hanging fruit. Papua LNG goes into feed soon. We have a very good agreement with ExxonMobil on P'nyang and we will progress it in sequence with Papua LNG. Wafi Golpu is undergoing negotiations and that a landing is in sight. We must resurrect negotiations with Pasca A which has stalled for a couple of months now.

Mr. Speaker,

We must review the revenues from taxation and equity from our resource projects. We have been fortunate to be part of the high prices in the last couple of months, which is likely to yield enormous benefits from both the taxes and the equity. We must make sure that projects are not disrupted in any way. We must finally settle all our commitments to landowners, and also ensure that the Sovereign Wealth Fund to commence. We owe it to our future generation to move quickly to establish it.

Mr. Speaker,

We want to focus on forestry, fisheries, agriculture, and the opportunities that they present. We want to unpack the opportunities and get our people into productions. We want to build opportunities in the primary industry. We have to take the industrialization leap, by encouraging downstream processing. Our conversation on adding value to our economy must include import substitution. Things that we can grow and produce locally, we must grow and consume locally. Import substitution means saving on foreign exchange every year.

Mr. Speaker,

Agriculture

We are focused on growing the rural economy through agriculture. We must explore commercial agriculture. We must open up markets for agriculture products. We must sustain the commodity price support, and freight subsidy programs both of which have had enormous impact in growth in the agriculture sector. We must build economic infrastructure to unlock the agriculture potential rural areas. We must build market systems through digital platforms.

Mr. Speaker

Fisheries

Our government has brought down the long-term fisheries development plan. We must sustain the work under this plan, and invest in the outcome of this plan. It builds regulatory resilience but also provides very clear guidance on fisheries investment, and downstream processing. Our government will participate in the market directly, which is designed to encourage downstream processing of our marine products, not just tuna.

Mr. Speaker,

In forestry, we are committed to stopping all round log exports by 2025. We can no longer tolerate this wrong doing happening for a very long time under our noses. We are also exploring state market options for logs that are earmarked for the state, which will give us the volume to move into downstream processing. This level of intervention is likely to also shine a spotlight on the challenges of the sector and what needs to happen to it, to stimulate growth.

Mr. Speaker

Addressing Business and Investment Confidence

We must build business and investor confidence back into our economy. The largest part of that effort is to sustain a stable government, with very focused policies. We are in this process now, but its greatest manifestation is when there is transparent processes in business entry, work permits and visa reforms and a stable policy and operating environment.

It also includes ongoing business processes improvements, important infrastructure, and energy sustainability, security improvement in the

environment, and stability of policy and a willingness to engage the private sector on important matters. Taxation reforms and process auditing and improvements are some important initiatives which would build confidence to the economy for investments and businesses.

Mr. Speaker,

Micro Small to Medium Enterprises

This government will be focused on SME development. We will be carrying on with support of K200 million each year to support all SME lending. We want to migrate 50% of MSMEs into the formal economy to broaden the tax base and generate additional revenue for the Government. We will sustain our capital support for small business lending and work with our partners to ensure that the product receives the right levels of encouragement and support. There is a clear focus on SME and agriculture to ensure that the bulk of our families receive sustained support but at the same time allow growth and justifies the high levels of support we are putting into infrastructure. Our infrastructure program provides the enabling environment for economic growth through SME and agriculture development.

I want to call on our people not to sit idly by and watch things unfold. Our people must work hard and create opportunities. You must provide the justification for the government to help you more. The government will provide the enabling environment but we must work hard to help ourselves.

Mr. Speaker,

There will be special intervention for existing Papua New Guinean businesses. We will pursue special quarantining of resources for existing Papua New Guinean businesses who want to go the next mile. These are the ones who are paying their taxes faithfully. They are good corporate citizens. They are existing Papua companies whose businesses are in the country. We will not discriminate for Papua New Guineans only, but Papua New Guinean based businesses because their taxes contribute to our economy. You can be a non-citizen but if you have paid your taxes well, and are a good corporate citizen, and have been with us for over ten years, you are part of the economy. And you want to go the next mile, then we are here to support you, the next mile being to participate in our government's focus on downstream processing, tourism and the construction sector.

Mr. Speaker,

We have not capitalized on tourism in our country. There are unique tourism products in this country. We are creating the enabling infrastructure, the SME support, and the secured environment which will unlock this potential. It is our intention to positively support those who are serious about going into tourism services. We want to develop tourism areas for local tourism as well as international tourism.

Mr. Speaker

We have rolled the Special Economic Zone concepts to areas that need a big push in development. The SEZ allows businesses to be built so that they provide employment but delivery important services and growth opportunities for the areas that are part of the determination. At the same time, it provides much needed concessions to allow businesses to grow. By its very nature, it can help build infrastructure and services that government or the private sector cannot build on their own.

Mr. Speaker,

Addressing Law and Order

Law and Order

We must reform the structure of law enforcement with one ministry called Internal Security for both police and correctional services. If you are a lawbreaker of our country, you are an enemy of our country. We must use the appropriate pathways for dispute resolutions. We want you to use the village courts, district courts, national and supreme courts. We must strengthen the judiciary system, and the reward system for our judiciary.

Mr. Speaker,

We will look at our discipline forces closely and work on instilling discipline back to the command structures. We want to build a simplified but workable reward system within the law enforcement teams to ensure that we attract the best people and build loyalty. We must build prison industries. This concept will be deployed in all our Correctional Service institutions to build skill sets within the prison population, and incentivize prison term on the basis of skills and good behavior.

We will also look at partnering prisons for juvenile centers. It must be a place of lodging. Children who are homeless can go and stay there. They work and they get a second chance education provided for them. This

redefines the role of correctional services to not just administer penalties and corrective behavior but to also build technical skills and provide second opportunities for offenders and those who do not have a home to go to.

Mr. Speaker

Corruption

Corruption permeates our society relentlessly. Our government has supported, funded and established the Independent Commission Against Corruption. We have passed the amendments to the Proceeds of Crime Act. It is an economic concern we are addressing. There is no point getting back more from our resources when resources are wasted through corruption and corruption related leakages.

Mr. Speaker,

We will make sure that ICAC is functional. We will make sure that the systems are well established and a process is in place to bring those who engage in corrupt practice to account. We have now inserted provisions on undisclosed wealth into the Proceeds of Crimes Act, that ensures that no public official is living beyond his means. We must make sure that public officials are doing their best at their work and not conducting businesses geared for their own benefits. Any public servants who want to be in business may be supported by the government but they must resign their employ.

Mr. Speaker

There have been many inquiries conducted over the years. We will gather them from our file backrooms and address the issues as recommended. We stand committed to ensure that those findings are clearly addressed. We must ensure that those who have erred in the past must account for their errors. We must reset our people's expectations on what is right and what is wrong. These actions will be taken swiftly as there is public demand for actions to take place and for wrong doers to take responsibility for what they have done wrong.

Mr. Speaker,

Working on Education and Health

Education

In education we must ensure that no child must be left behind. Every PNG child must be educated to Grade twelve. We must integrate FODE into formal school arrangement, and ensure that they follow the same pathway for tertiary level education. We must utilize digital technology to educate our children. We must expand current capacities in universities and colleges by 100% in the next decade. That means that teachers' colleges and technical colleges now taking 500 students will have to take 1000 students. We must explore program financing in the higher education sector. We want to create 20, 000 spaces for higher education in this decade. This initiative may overlap past 2027 but the work must start today.

Mr. Speaker,

Every Papua New Guinean must be economically productive. All our school systems must teach business and commerce. We must teach agriculture and different business opportunities in our school's systems for direct entry into SME.

We must partner the Defense Force and National Volunteer Service so that every child after high school goes into the National Volunteer Service and into the Defense reserves. This service must be linked into SME, business, continued learning and labor mobility scheme promoted by Australia. We also have opportunities to put our students through education with Indonesia. Indonesia is prepared to offer over 2000 TVET spaces every year for Papua New Guinea.

Mr. Speaker,

A small minority of Papua New Guineans are carrying the rest of the country through their taxes. We need to have more people carry the burden of this country. Just imagine if more people are able to carry our economy. This ratio is unsustainable and places a burden on a few tax payers. Education development can open up opportunities for this ratio to be addressed specifically so that the burden is shared by more people. As more people share the burden, it would become easier to ease off on the taxation and put money back in people's pockets which creates demands for more goods and services.

Mr. Speaker,

Health

We must ensure that a health facility is within one hour walk, one hour by boat, one hour by plane, one hour by truck. It simply means that health services must be accessible to our people. It means that an aid post, health center, district hospital or provincial hospital or a specialist hospital must be within one hour reach by our people by 2025.

By 2025, we do not want Papua New Guineans to go overseas looking for health services. We worked hard to establish to invest into building the Port Moresby Heart Facility, and the Lae cancer facility. We must now build more facilities for kidney and cancer. Major demands for tertiary health care are in heart, kidney, and all forms of cancer. We must respond to this demand. We must be able to do open heart patient care, dialysis, transplants in our facilities, complemented by highly trained professionals.

Mr. Speaker,

The lives of our people will not be compromised. We will give you the top priority. The greatest gift to our people as we celebrate 50 years of nationhood will be to improve our health system. We are committed to upgrading 21 provincial hospitals and a hospital for the Autonomous Region of Bougainville. We must review which hospitals are on track as far as construction is concerned. Our commitment is that by 2025 most of the 21 provincial hospitals and one AROB hospital are either completed or on their way to being completed as the nation turn 50 years old.

Mr. Speaker,

We want to give the nation assurance that their health and their children's health is secured. This is a major undertaking. Every village must have health facility closest to them. Every LLG must have a health center. Every district must have a hospital. Every provincial headquarters must have a provincial hospital. Our regions must have regional hospitals, and our nation must have specialists' hospital. These interventions are what makes life bearable. Any prosperity gospel loses its significance when one is unwell or when a relative is struggling with illnesses that are manageable.

Mr. Speaker

Strengthening the Institutions of State

Public Sector Reforms

Our public service must be leaner. Our delivery systems must be effective and efficient. We must sustain and build on the work that the Special Parliamentary Committee on Public Sector Reform has started to achieve these reforms. Our public services must perform to its fullest potential, and this is where we want to focus our attention.

We will ensure that the appointments of our heads of agencies are merit based. Our public servants are responsible for delivering public goods and services. To begin this process now starts with leadership and merit-based appointments. We will ensure that the best candidates take on important public appointment.

We must make it our business to build capacities in the districts. This is where the action is supposed to be yet more people are in Port Moresby. It is our intention to make the district more attractive so that good public servants can more back to the provinces.

Mr. Speaker,

It is vital that we address governance on procurement surrounding our key sectors of health and education. We must insert transparency in the process, and ensure that the outcome is cost effective for the recipients of these services. The capacity of both the health and education sectors hinge on these processes being very effective and transparent.

Mr. Speaker

Land Reforms

We have to deal with land issues head on. Land is the key component of economic development. Only 3% of total land area is alienated, while 97% is under customary ownership. We need to unlock the potential for land from a productivity standpoint. Formalization and codification of our land assets under the 97% ownership of our people has the potential to unleash important economic activity for all people as long as the legislative bedrock is sufficiently crafted to suit our specific situation.

Mr. Speaker

Strengthening the Provinces

We must work closely with our provinces to build the potential they have in investment and growth. The more we take back from our resources, we put into a basket, and we deliver to all parts of our country, **fairly, equally, and equitably**. Equitably, means you must contribute, in agriculture, forestry, fisheries. Provincial governors must lead from the front. When we talk about autonomy you must also have the ability to raise revenue. We want to partner with you to reform our provincial government system so that you are not just a cash call center or expenditure center but you are also making money from resources in your provinces.

Mr. Speaker,

We will have a wholistic review into the functionality of our provincial governments. We will look in the context of autonomy and what potential it has for us going forward. It must be a functional autonomy where you must be able to raise revenue at the provincial levels. You send the residual to the national government and that the rest you keep to finance your provincial functions. This is an important intention which will strengthen the provincial governments to be more self-reliant and explore ways of sustaining themselves instead of waiting for the national government to fund their operations.

Mr. Speaker

Bougainville,

The Autonomous Region of Bougainville is an important agenda for this government. They have voted 97.7% for independence, as prescribed in the Bougainville Peace Agreement and the National Constitution. We will consult with the rest of the country because our people must have a say. This year and first half of next year we will consult the country on some of the key constitutional questions and we will work to the plan that we set out in Wabag, in that by 2024 we bring the matter to Parliament. It is a political question so a political solution must be found.

Mr. Speaker

When I received the results of the referendum in Arawa in 2019 I said that I was taking the results in my *bilum* as member for Tari Pori. I have and continue to have one vote. But the question on altering our national boundary is a constitutional matter, and the entire nation must be consulted. The result of the referendum stands as high as Mt. Wilhelm. It cannot be diluted. We will deliver on that political commitment to find that

political solution that is mutually acceptable to Bougainville and Papua New Guinea.

Mr. Speaker,

Finally, I want to acknowledge our foreign partners, foreign missions of countries we have bilateral relationships with, the multilateral communities, and those who are guests in our country. You have been part of the fabric of our society and we thank you and acknowledge your contributions to our lives and livelihoods.

We also thank long term investors in our country. We invite you to partner with us in downstream processing, whether it is in mining, gold bullion in our country, refinery. Metal refinery. Petroleum sector, gas and oil. In a country exporting oil and gas, we need to bring our prices high so that we passing on savings to our consumers. We invite partners to help address these issues.

We want to encourage existing businesses in our country to partner with the government in important activities. We acknowledge ExxonMobil, Total, Santos, Barrick, Newcrest, Harmony, who have these partnership interests with the government by virtue of various agreements. We also acknowledge New Britain Palm Oil in agriculture, companies in forestry, fisheries and tourism sectors. Thank you for your businesses and your contributions to this country. As opportunities unfold, we must collectively explore what we can do together to enhance our mutual benefits in the future.

Mr. Speaker,

I conclude my speech by saying this. Your government is now energized to do more for all. We will deliver a list of things that we will do in the next couple of days. The supplementary budget for September 2022 will address some of the key enablers which will bed down our intentions going forward to the next five years.

I call on both sides of this august house to work with my government to deal with the important policy initiatives that we have outlined. All of us have been mandated to deal with important challenges before us, and it is our collective opportunity to meet these expectations. We do not have the luxury of time. We will establish important timetables to ensure that these tasks are accomplished against key targets.

Mr. Speaker,

My final appeal is to our citizens. The elections may have polarized you, but it is now over. We must collectively face the challenges of this country together. The government will do what it can within its powers but if an appropriate response is not forthcoming by our citizens, then all good things we may do will be in vain.

To the public servant, you must look beyond your fortnight and do what is within your sphere of responsibilities to do and strive to be significant. Ask not what the country can do for you, but what you can do for your country. To the ordinary citizen, what good is a road to your village if you prefer to sit on the road and watch cars go by without tilling the land. To the student, what good is a new classroom if you are not prepared to apply yourself to reach your fullest potential.

These next three years before we cross the magic 50-year mark will be telling for all of us. Are we willing to do the hard yards and stand for real change, or are we content to just sit back and watch others do the hard yards while we complain about the misfortunes that come to us? The challenge is on this body of leaders to commit and deliver for our people, and for our collective citizens to respond and help take this country forward. We all represent the vastness of this country, from the cold highlands, to the islands, from momase to the southern shores of this great land, one people, one nation, and one country under God. It is our responsibility to deliver a better, safer, wealthier Papua New Guinea to our children and their children.

I want to end by paying tribute to our founding fathers, some of whom have gone before us. I pay special mention and tribute to *The Last Man Standing*, The Right Honorable Sir Julius Chan, Governor of New Ireland, who is still among us. I wish him a long life and good health as he begins yet another term in this the 11th National Parliament. And I thank him sincerely for his long years of service to the National Parliament and our country in his capacity as a former Prime Minister, a State Minister and as Provincial Governor. May God bless you.

God bless Papua New Guinea.

Thank you, Mr. Speaker.