



Papua New Guinea Country Profile

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(FINAL DRAFT)

Prepared by SPC Strategic Policy and Planning Unit

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Papua New Guinea Country Facts¹	
Country or territory official name	Independent State of Papua New Guinea
Capital city	Port Moresby
Government and legal status	Constitutional parliamentary democracy Independence gained in 1975
Head of state	Queen Elizabeth II, represented by Governor General Sir Paulius Matane
Head of government	Rt. Hon. Prime Minister Sir Michael Somare
Land area	462,840 square kilometres
Exclusive economic zone (EEZ)	3,120,000 square kilometres
Population (mid-2004 estimate)	5,695,300
Population density (mid-2004 estimate)	12 persons per square kilometre
Annual intercensal population growth rate	2.7 per cent
GDP (2004)	USD4,060 million
GDP per capita (2004)	USD796
Real GDP growth (2002)	2.0 per cent
CPI annual change (2004)	2.1 per cent
Exports (2004)	USD1,345 million
Imports (2004)	USD1,573 million
Trade balance (2004)	-USD228million
Crude birth rate per 1,000	35.0
Crude death rate per 1,000	12.0
Total fertility rate	4.6 children per woman
Infant mortality rate per 1,000	64.0
Male life expectancy at birth	53.7 years
Female life expectancy at birth	54.8 years
Urban population	13 per cent
Dependency ratio (15-64)	74
Median age	19.7 years
Youth (15-24)	19.9 per cent
Male labour force participation rate (2000)	68.4 per cent
Female labour force participation rate (2000)	66.7 per cent
Religions	Roman Catholic, Lutheran, United Church, Anglican, other Protestant, indigenous beliefs
Languages	Melanesian Pidgin, Hiri Motu, English, over 700 local languages
Official currency	Kina (PGK)

¹ Source: SPC Statistics and Demography Programme (and its Pacific Regional Information System – PRISM www.spc.int/prism)

Introduction to the Country Profile

SPC country profiles document the nature and extent of the organisation's services to individual members.

The country profile presents basic country facts and a synopsis of Papua New Guinea's development background and a narrative summary of the Secretariat's assistance during the period 2008. Annexes include specific country activities and human resource development activities in 2008 and a financial summary of assistance provided from 2005 to 2008..

Papua New Guinea Development Background

With a land area of nearly 463,000 square kilometres and a population exceeding 6 million (2007 estimate), Papua New Guinea is the largest developing country in the South Pacific region. The population is growing at an annual rate of approximately 2.7 per cent, and nearly half of the population is 19 years of age or under. Most Papua New Guineans live in rural communities based on traditional village social structures and dependent on subsistence agriculture supplemented by cash cropping. Less than 15 per cent live in urban areas, although migration to cities and towns in the past decade has contributed to substantial urban unemployment and accompanying social problems.

PNG has a relatively small dual economy. The formal sector is dominated by large-scale resource projects, particularly in mining and petroleum, which provide a large proportion of government revenue. The formal economy also includes a relatively limited manufacturing base, some large-scale commercial agriculture, public sector activities, and service industries such as finance, construction, transportation and utilities. The formal sector employs less than 15 per cent of the workforce. Subsistence farming accounts for the bulk of informal economic activity.

Papua New Guinea has an abundance of natural resources, which include:

- Large mineral reserves
- Extensive forestry and fishery assets
- Significant potential for expansion of commercial agriculture
- Many scenic locations with potential for ecological and cultural tourism



Despite the potential represented by these resources, PNG's economic performance has fallen well below expectations. Following a relatively stable macroeconomic performance in the first decade after independence, the country experienced a series of crises in the 1990s, principally arising from unsustainable expansion of government expenditure during a period of weak and deteriorating governance. After several years of decline, the economy returned to growth in 2003. The 2007 PNG budget estimates real GDP growth of 3.7 per cent for 2006 and forecasts 4.5 per cent real GDP growth for 2007. Other macroeconomic indicators have also improved, with inflation and interest rates remaining low, foreign reserves at historically high levels and growing formal sector employment.

However, in spite of these positive signs, improvement in macroeconomic performance has not been translated into improved service delivery. The country continues to face substantial medium-term economic challenges, including degraded infrastructure, widespread law and order problems, and the cost of maintaining a large and generally inefficient public service.

In general, PNG's social indicators are well below those of other lower middle income countries (LMICs), especially in the rural areas. Life expectancy, and maternal and child mortality rates have shown improvements since independence, but these indicators are still well below the averages for LMICs. Although the country does not exhibit the widespread abject poverty that is associated with some developing countries, poor health and social indicators demonstrate that poverty is a significant problem. PNG still has limited primary health care facilities, and infectious diseases are claiming many lives. Endemic diseases such as malaria pose a significant public health risk, and there are signs of an emerging HIV/AIDS epidemic. Two per cent of the total population are estimated to be carrying the virus.

Highlights of SPC's Assistance to Papua New Guinea 2005-2008²

Over the past three years, Papua New Guinea has benefited from SPC assistance worth around 14 million kina (PGK). And more eight million kina worth of assistance is already in the pipeline for the next three years. SPC's Oceanic Fisheries Programme, Land Resources Division, and Public Health Programme have been major contributors to this assistance.

The Oceanic Fisheries Programme (OFP) provided PGK5.9 million in assistance to PNG during 2005-2007, much of it associated with the PNG Tuna Tagging Project, a joint undertaking of OFP and PNG's National Fisheries Authority (NFA). Tuna are highly migratory, and tuna fisheries are crucial to the economic development and food security of Pacific Island countries. In 2006, the landed value of tuna in the Pacific exceeded PGK7.7 billion. Tagging tuna, and then releasing them and seeing where they are recaptured, provides vital information on the abundance and health of stocks, as well as how quickly the fish grow and how far they travel. This information enables tuna fisheries to be managed sustainably for the benefit of all Pacific Islanders. From 2008-2010, OFP will provide more than PGK1.8 million in additional assistance to PNG related to tuna tagging, stock assessment, data entry, status reports and training.

The Pacific Regional Influenza Pandemic Preparedness Project (PRIPPP) has been designed to build the capacity of Pacific Island countries and territories (PICTs) to deal with the potential threat of avian influenza, pandemic influenza and other emerging diseases. PRIPPP is a four year project, spanning the period 1 July 2006-30 June 2010. The project covers both animal and human health sectors, and it is jointly managed by SPC's Public Health Programme and Land Resources Division. PRIPPP is designed to enable PICTs to effectively and efficiently respond to emerging diseases, especially highly pathogenic avian influenza (HPAI) and pandemic influenza. The project assists PICTs with development of avian influenza and pandemic influenza and broader emergency plans, surveillance and response by animal and human health systems, and regional coordination and project management. Over the life of PRIPPP, PNG is expected to receive assistance worth more than PGK2.6 million. This assistance will include provision of human and animal health specialists and small grants to support pandemic influenza preparedness.

In addition to PRIPPP, SPC's Land Resources Division (LRD) provided nearly PGK3.8 million in assistance to PNG during 2005-2007, much of it in the form of technical assistance relating to pest and disease surveys and the associated means of prevention, eradication and control. During the same period, LRD provided training and assistance for nationals to attend conferences and workshops

² A significant proportion of SPC's assistance is provided at a regional level, e.g. the work of the Oceanic Fisheries Programme. Hence, it is difficult to accurately apportion this assistance to individual SPC member countries and territories. In addition, the cost of SPC staff time is not incorporated in the current costing methodology. As a result, country profiles tend to significantly underestimate the value of SPC assistance.

amounting to more than PGK1.3 million. From 2008-2010, in addition to PRIPPP, LRD expects to provide PNG with at least PGK2.6 million in technical assistance, training and assistance with attendance at conferences and workshops.

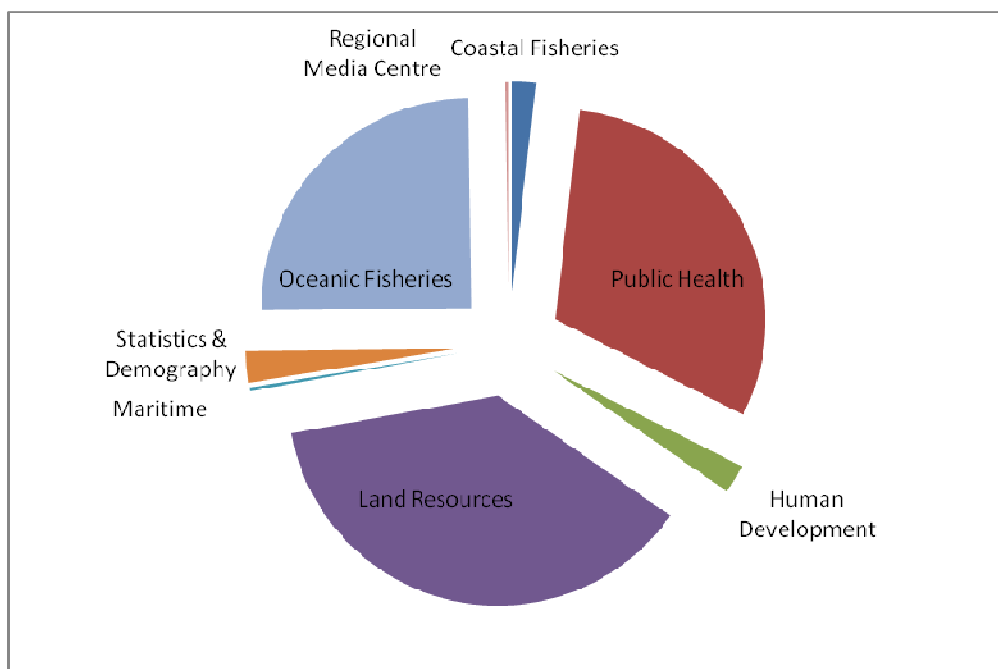
Over the past three years, PNG has also benefited from assistance provided by SPC's Human Development Programme (HDP). HDP aims to contribute to maximising the development potential of Pacific Island people in health, culture and information, and to enhance the empowerment of women and young people. One of its major objectives is to build national-level capacity to respond to human and social development needs. HDP's Community Education Training Centre (CETC) provides focused community development training and capacity building in human development approaches through the provision of both long- and short-term courses. During 2005-2007, PNG nationals benefited from CETC training worth more than PGK0.8 million.

SPC's Coastal Fisheries Programme (CFP) has also been actively assisting PNG over the past three years, providing technical assistance, training, research and assistance with attendance at conferences and workshops valued at more than PGK0.8 million. Much of this assistance has been provided through the DevFish and PROCFish projects. Jointly facilitated by the Forum Fisheries Agency (FFA) and SPC, DevFish aims to increase the economic benefits to Pacific Island countries from tuna fisheries through creation of the right policy and economic environment for further development of both fishing and processing operations. PROCFish is jointly implemented by the Reef Fisheries Observatory and SPC, and it is designed to promote improved management of Pacific Island reef and oceanic fishery resources through a focus on applied research and environmental and socio-economic surveys and analysis.

Over the past three years, SPC's Regional Maritime Programme (RMP), has provided technical assistance, training, research and assistance with attendance at conferences and workshops worth more than PGK0.5 million. RMP assisted PNG to gain and maintain its "White List" status and comply with the new international port security regime, which is essential for trading nations such as PNG. Training has been provided to PNG maritime administrators, port personnel, ship owners and seafarers to ensure their operations conform to international treaties, codes and conventions, and accepted best practice.

A more detailed summary of SPC's assistance to PNG is presented on the following pages.

SPC 2008 Assistance to Papua New Guinea



	PNG Kina
Coastal Fisheries	68,850
Public Health	1,149,489
Human Development	82,569
Land Resources	1,405,035
Maritime	10,316
Statistics & Demography	89,747
Oceanic Fisheries	935,820
Regional Media Centre	9,180
Total Kina	3,751,006

ANNEX 1: 2008 Notable Activities in Papua New Guinea by SPC Programmes

Land Resources Division
<ul style="list-style-type: none"> • Study tour for 3 officers to Tasmania, Australia as part of a forestry training programme relating to the implementation of the Code of Harvesting Practice. • Technical assistance relating to pest and disease surveys and the associated means of prevention, eradication and control. • Support for a participant to attend a 5 day DSAP strategies workshop in Nadi, Fiji. • Technical assistance to address the development of avian influenza and pandemic influenza and broader emergency plans, surveillance and response by animal health specialists.
Marine Resources Division
<ul style="list-style-type: none"> • Technical assistance via the SPC Reef Fisheries Observatory to promote improved management of reef and oceanic fishery resources. • Supported the participation of 4 officers to complete the Australian Certificate IV in Workplace Assessment and Training, held in Suva, Fiji. • Technical assistance relating to creating policy and economic environments for further development of tuna fishing and processing operations. • Supported the attendance of 4 officers to attend a Maritime Law Seminar in Suva, Fiji. • Continued implementation of the PNG Tuna Tagging Project, a joint undertaking of OFP and PNG's National Fisheries Authority (NFA). • Provided training for 32 officers to complete the Oceanic Fisheries Programme Basic Fisheries Observer Course in New Ireland, PNG.
Social Resources Division
<ul style="list-style-type: none"> • Provided training for 27 officers at a Global Salmonella Surveillance Workshop in PNG • Technical assistance to build the capacity of PNG to deal with the potential threat of avian influenza, pandemic influenza and other emerging diseases. • Supported the attendance of 4 officers at a Radio Broadcast Production workshop in Suva Fiji. • Technical assistance to contribute to maximising the development potential of PNG people in health, culture and information, and to enhance the empowerment of women and young people. • Supported the attendance of an officer at a UNSD-SPC Census 2010 Technical Workshop in Noumea, New Caledonia.

ANNEX 2: 2008 SPC Human Resource Development Activities for Papua New Guinea

SPC Programme/ Section	Training subject area (or course title)	Month	Year	Duration	Type:	Location (city/town country)	Total PNG Participants	Male	Female	Number person days
LRD - Forests and Trees	Implementation of the Code of Harvesting Practice	April	2008	6 days	Study Tour	Tasmania, Australia	3	3	0	18
LRD - Forests and Trees	Regional Awareness Workshop on CDM Forestry	Jan	2008	4 days	Workshop	Nadi, Fiji	2	2	0	8
LRD- Development of Sustainable Agriculture in the Pacific	DSAP Strategies	April	2008	5 days	Workshop	Nadi, Fiji	1	1	0	5
MRD - Regional Maritime Programme	Advance Auditor Refresher Course	Sept	2008	5 days	Training	Suva, Fiji	1	1	0	5
MRD - Regional Maritime Programme	Australian Certificate IV in Workplace Assessment & Training	July	2008	5 days	Training	Suva, Fiji	4	4	0	20
MRD - Regional Maritime Programme	ESCAP KMI SPC Workshop on Shipping Information	Sept	2008	1 day	Workshop	Suva, Fiji	2	2	0	2
MRD - Regional Maritime Programme	IMO LRIT	June	2008	2 days	Training	Suva, Fiji	1	1	0	2
MRD - Regional Maritime Programme	Maritime Law Seminar	July	2008	4 days	Seminar	Suva, Fiji	4	3	1	16
MRD - Regional Maritime Programme	Pacific Maritime Security Conference	May	2008	3 days	Training	Nadi, Fiji	3	3	0	9
MRD - Regional Maritime Programme	Port Management Training Course	Sept	2008	4 days	Training	Suva, Fiji	2	2	0	8
MRD - Regional Maritime Programme	Security Auditor Training	July	2008	5 days	Training	Suva, Fiji	2	1	1	10
MRD - PROCFISH	Sub-Regional Training workshop on socioeconomics fisheries surveys in Pacific Islands : Collecting a minimum dataset	Jan	2008	1 week	Training	Noumea, New Caledonia	1	1	0	5
MRD - PROCFISH	UVC4 - Sub-Regional Training Workshop on	August	2008	1 week	Training	Noumea, New Caledonia	2	2	0	10

	Underwater Visual Census (Vuki) Methodologies for the Assessment of Reef Fish Resources									
MRD - Coastal Fisheries Programme	Training for Heads of Fisheries on Fisheries Policy		2008	tbd	Training	tbd	1	1	0	
MRD - Coastal Fisheries Programme	Training on fisheries statistics and stock assessment – phase 2		2008	tbd	Training	tbd	2	2	0	
MRD - Oceanic Fisheries Programme	Basic Fisheries Observer Course	Feb	2008	3 weeks	Training	New Ireland, PNG	16	16	0	240
MRD - Oceanic Fisheries Programme	Basic Fisheries Observer course	June	2008	3 weeks	Training	New Ireland, PNG	16	16	0	240
SRD - Public Health Surveillance & CDC	CDC Influenza Surveillance Lab Training	August	2008		Attachment	Melbourne, Australia	1	0	1	
SRD - Public Health Surveillance & CDC	Global Salmonella Surveillance Workshop	June	2008		Workshop	PNG	27	15	12	
SRD - Statistics & Demography	UNSD-SPC Census 2010 Technical Workshop	Feb	2008	5 days	Workshop	Noumea, New Caledonia	1	1	0	5
SRD - Regional Media Centre	Media and Communications	April	2008	1 day	Workshop	Suva, Fiji	1	0	1	1
SRD - Regional Media Centre	Radio Broadcast production	June	2008	2 days	Workshop	Suva, Fiji	4	1	3	8
						Total	122	98	24	919
LRD	Land Resources Division									
MRD	Marine Resources Division									
SRD	Social Resources Division									

ANNEX 3: Summary of SPC Assistance to Papua New Guinea for the Period 2005-2008

Sector/Type of Assistance	Cost by Year (PGK)				Total
	2005	2006	2007	2008*	
Coastal Fisheries					
Technical assistance		281,010	39,015	11,475	331,500
Training activities (national, regional and attachments)	79,560	112,583	108,426	22,950	323,519
Research activities	13,847	278,282			292,129
Participation at meetings, workshops, etc.		11,552	21,165	34,425	67,142
Sector Total	93,407	683,426	168,606	68,850	1,014,289
Human Development					
Technical assistance	92,897	17,621			110,518
Training activities (national, regional and attachments)	60,971	92,183	818,244	16,830	988,228
Participation at meetings, workshops, etc.	116,765	10,430	63,903	65,739	256,837
Sector Total	270,632	120,233	882,147	82,569	1,355,581
Land Resources					
Technical assistance	595,680	711,261	742,902	841,676	2,891,519
Training activities (national, regional and attachments)	194,534	104,685	372,122	262,109	933,450
Research activities	91,800	90,489	114,053	127,850	424,192
Direct financial grants	61,200	61,200	61,200	61,200	244,800
Participation at meetings, workshops, etc.	300,130	184,786	220,973	112,200	818,089
Sector Total	1,243,344	1,152,422	1,511,249	1,405,035	5,312,050
Maritime					
Technical assistance	44,548	39,170	36,418		120,136
Training activities (national, regional and attachments)	14,892	107,941	88,079		210,912
Research activities		37,230	27,923		65,153
Participation at meetings, workshops, etc.	42,815	46,027	56,515	10,316	155,673
Sector Total	102,254	230,368	208,935	10,316	551,873
Oceanic Fisheries					
Technical assistance	215,248	146,842	165,796	178,500	706,386
Training activities (national, regional and attachments)	26,046	78,126	34,548	196,320	335,040

Research activities		2,643,293	2,643,293	561,000	5847586
Sector Total	241,294	2,868,261	2,843,637	935,820	6,889,012
Public Health					
Technical assistance			542,691	744,039	1286730
Training activities (national, regional and attachments)				290,700	290700
Direct financial grants				114,750	114750
Participation at meetings, workshops, etc.		46,237	22,695		68932
Sector Total		46,237	565,386	1,149,489	1761112
Regional Media Centre					
Technical assistance	9,180	9,180	60,180	9,180	87,720
Research activities			38,250		38250
Sector Total	9,180	9,180	98,430	9,180	125,970
Statistics and Demography					
Technical assistance	13,260	74,715	13,515	89,747	191,237
Participation at meetings, workshops, etc.	24,990	62,526	24,327		111,843
Sector Total	38,250	137,241	37,842	89,747	303,080
Grand Total	1,998,361	5,247,366	6,316,232	3,751,007	17,312,966

*Expenditure for 2008 is indicative only.

Please note that this table includes only the direct cost of SPC assistance. It does not include major expense items such as the cost of SPC personnel (e.g. salaries). The total financial value of SPC assistance is therefore significantly higher than shown in this table.