

Papua New Guinea has all the right ingredients for effectively engaging civil society in the sustainable management of forest resources. An admirable number of local NGOs are very active in PNG, especially as related to monitoring logging operations, close scrutiny of trade in illegally-sourced timber and in working with landowners at the grassroots level. The mission was introduced to two successful activities undertaken by NGOs.

However, there is significant criticism about the Government of PNG's apparently deliberate exclusion of NGOs and Landowners in decision making processes related to the granting and renewal of concessions. This is the subject of a number of legal disputes.

There are significant problems overall with the transparency of the process and information on the forest sector and its management. For example, in the acquisition of forest areas for FMAs the only aspect publicized is the notice of tender. No subsequent steps are available to the public.

Conclusions and Recommendations

The general conclusion of this "Diagnostic Mission" is that PNG has many solid acts, laws and legislation in place, but implementation is problematic due primarily to administrative and governance constraints and intervention. The government and industry have not been able to demonstrate integrated, economically viable, ecologically compatible and socially acceptable forest management practices in line with the ITTO Criteria and Indicators. Forest management is reduced to monitoring logging operations at the expense of overall Sustainable Forest Management.

The environmental impacts of timber harvesting decisions and operations are poorly addressed and the regulatory framework is not being enforced due to inefficient collaborative efforts of PNG Forest Authority and DEC in field monitoring and control. The landowners constantly complain about lack of involvement in all government decision making processes related to forestry.

The following are some specific conclusions and recommendations pertaining to areas identified by the mission as crucial for working towards achieving sustainable forest management. The recommendations are addressed to the government and to ITTO.

Forest management

- The National forest inventory is outdated; hence existing national and provincial level plans are based on "guesstimates" of the area, species and growing volume, which vary tremendously from region to another. It is strongly recommended that PNG undertake and then continue to maintain a forest inventory as soon as possible. A multidisciplinary team of foresters, environmentalists, and sociologists should be involved in a National Forestry Inventory every 5 to 10 years as recommended in the PNG Forest Policy.
- ITTO should provide a technical mission to assess monitoring and build capacity needs for areas of forest being harvested.
- Land use planning (LUP) including definition and delineation of protected areas is lacking. It is recommended that PNG, possibly with the help of ITTO, undertake a LUP with due consideration to stakeholder consultation processes.
- There is a weak institutional working relationship between the two primary agencies (PNG Forest Authority and DEC) responsible for the sustainable management and protection of forests in PNG. This situation must be remedied.
- The design and layout of planted forests are not adequate to demonstrate the protection, restoration and conservation of natural forests and does not seem to minimize pressure on natural forests. It is recommended that PNG finalize the Reforestation Policy and complete the Forest Plantation Development Programme.

- The massive areas under Forest Management Agreements (FMA's) coupled with inadequate logistics render the working conditions for field officers almost impossible. The government should address the complaints of the field staff.

Forest Policy and administration

The mission concluded that the enacted laws and legislation and the written policies related to forestry in PNG are comprehensive and would help to achieve most aspects of Sustainable Forest Management; therefore conducive to achieving Objective 2000. Nevertheless, it is clear that when it comes to implementation, all activities of the government center around the economic values of the forests and the functions of forest management plans are reduced to mainly "policing" of forest harvesting operations.

There are also serious deficiencies on the ground. Apparently, part of the problems is the multiplicity of the entities (bodies under PNGFA) and the overlap of their mandates and responsibilities. The *modus operandi* of PNGFA is very complex and processes of granting licences to harvest forest are cumbersome. Some specific conclusions and recommendations include:

- The National Forest Plan is based on the outdated information of the current National Forest Inventory. There is an urgent need to update the National Forest Plan with due consideration to the three pillars of SFM; economic, environmental and social aspects. International organizations such as ITTO and FAO could help with these processes especially for national capacity building.
- The government needs to make the processes of negotiating, granting and monitoring of FMA's more transparent and participatory, including the extension of FMAs, Timber Authorities and other existing agreements which have, or which will shortly expire.
- The diverse interests of landowners augmented by the undue influence of certain interest groups complicate the efforts to achieve SFM. A strong extension programme is overdue in PNG.
- The Mission believes that adopting transparency in the implementation of actions related to the Forest estate is fundamental to achieving Objective 2000.

Forest Governance and Law Enforcement

The Technical Mission endorse the strong view held by many people that the laws of the Papua New Guinea are generally excellent, though with far more steps and complexities than necessary. On the other hand, concern was raised about the capacity of PNG to monitor and enforce its own laws. Project Supervisors assigned to FMAs are responsible for overseeing compliance with the laws and the implementation of all clauses stipulated in the agreement. In addition, they have a politically complex job of distributing the landowner's allocation to the community and mediating in disputes. There are serious concerns about the practicality of such responsibilities given the shortage of personnel and facilities.

- There appears to be a confusion between what constitutes illegal activity, non-compliance and sustainable logging in PNG. The government needs to redefine "sustainable logging" as just one integral component of the economic, social and environment aspects of sustainable forest management. This critical gap is particularly striking in light of the 97% of the forest land and resources belonging to landowners. In this regard, the narrow focus of the PNGFA almost exclusively on exploitation of the forest resource for the primary financial benefit of the national government presents a significant obstacle to achieving Objective 2000. ITTO should build on its previous workshop on illegal logging by offering to work with the Government of PNG to facilitate a process with all stakeholders to address these issues.

- Many questions have been raised regarding the compliance of the government itself with the laws of PNG. The processes for designating a forest area for logging purposes, negotiating the terms of agreement with landowners and monitoring compliance and procedures for extending current agreements could be the focus of an ITTO Mission, workshop or project.
- PNG civil society, particularly NGOs, provide an important contribution in the forest sector, along with international NGOs. The Constitution and the law in PNG provide the basis for transparent engagement in all aspects of sustainable forest management, including decisions made about whether or not a forest area should be considered for an FMA, protected area or other use.
- The PNG government should seek more effective involvement of landowners and NGOs on the National Forest Board, the PFMC and in other forest decision-making processes.
- ITTO should offer to carry out an independent survey of market intelligence needed within PNG, including also the development of the potential role of the PNG Forest Research Institute focused on: timber pricing, the timber market, transfer pricing, the current and future role of planted forests and value-added products in international trade.

This Executive Summary provides only excerpts of the mission diagnosis, conclusions and recommendations. Members are invited to read the full report for a more comprehensive understanding of Papua New Guinea, its challenges and opportunities in moving much closer to achieving Objective 2000, hopefully in the near future.

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