

Pacific Outlook Bulletin Issue 40 | December 2023

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## "I have lots of heroes: anyone and everyone who does whatever they can to leave the natural world better than they found it."

 $\sim$  Sylvia Earle, oceanographer



Photo by Asso Myron on Unsplash

## THE PORGERA GOLD MINE REOPENING

In mid-October the final process towards the re-opening of the Porgera gold mine in Enga Province was signed off by the Papua New Guinea government and New Porgera Mine Limited. Prime Minister James Marape called it a "giant leap". The ownership of New Porgera Mine Ltd is 51% Papua New Guinea stakeholders, which include 10% landowners and 5% Enga Government, and 49% is the mining operator Barrick New Guinea Limited.

"We believe that what has been secure under SML [Special Mining Lease] 13 is in the best interests of everyone, and we look forward to the next 20 years," said James Marape. "It is my view, and the Enga Governor's view, that this arrangement will lift the living standards of Porgera Valley landowners, Enga Province landowners and Papua New Guineans."

Andrew Anton Mako in his Devpolicy *Blog Mining in PNG: blessings, curse and lessons from the Porgera goldmine* looks at the 30 years of the Porgera goldmine from 1990 to 2020. The mine

changed the lives of the Porgera people, who went from living in a traditional community to an urban-based life. A new township was built with a modern hospital, a new high school, which Andrew Anton Mako attended, and an international school for children of the SML area, which included the children of the local landowners. The local landowners also received royalty and compensation payments from the mine. The mine created employment, spin-off businesses and infrastructure projects, and scholarships to landowners and other PNG students. Andrew Anton Mako received a scholarship from 2005 to 2007 at the University of Papua New Guinea.

But on the downside Porgera's population has increased from 4,000 to 70,000, which has created tensions, fighting and many deaths, as well as the destruction of property. The once peaceful mining township is now dangerous and unsafe, even with the presence of military and police.

Thirty years of mining has led to significant environmental degradation of land and rivers. Much of the land on the fringes of the mine is unfit for settlement or farming due to landslips caused by dumping of waste rocks. The landowners became dependent on the payments from the mine, which ceased with the mine closure three years ago, and now thousands are facing financial hardship. Few of the landowners invested in businesses or other ventures.

With the reopening of the mine all PNG stakeholders will receive a larger share of the profits, but Andrew Anton Mako is adamant that the lessons from past mistakes must be learnt. Many landowners and their children did not take the education benefits they were offered very seriously. Many did not complete their schooling or make it beyond secondary school.

In April 2023 the grass roots human rights group, Akali Tange Association protested against Barrick Gold's activities in the Enga province, highlighting the sexually assault of local women by miners, the pollution of land and water, and the violence between clans and tribes. One of the issues when the Porgera mine last operated was the physical abuse of local residents and landowners by the mine's security guards, and another was the sexual assault, including gang rape. In 2012, Barrick launched a company-created remedy mechanism which operated for two years and offered reparations to women sexually assaulted by its security guards and company employees. About 120 sexual assault victims signed remedy package agreements, another 11 sought legal advice and received settlement packages.

Sources: 'Mining in PNG: blessing, curse and lessons from the Porgera goldmine' by Andrew Anton Mako, 21 Jun 2023, DevPolicy Blog, Development Policy Centre, Australian National University; 'The local "resource curse": missed opportunities in Porgera, PNG' by Andrew Anton Mako, 28 Jun 2023, DevPolicy Blog; 'Gold miner faces global protests as it rekindles a mine with a violent legacy' by Ian Morse, 1 May 2023, Mongabay Series, and 'A long-term fund to lift the Porgera mining curse' by Andrew Anton Mako, 30 Oct 2023, DevPolicy Blog.

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## THE PACIFIC ISLANDS FORUM LEADERS MEETING

In November the Cook Islands hosted the 52<sup>nd</sup> Pacific Islands Forum (PIF) Leaders Meeting in Rarotonga. There were calls from civil society groups for the 18 countries, which include Australia and New Zealand, to endorse "the Port Vila call for a just transition to a fossil fuel free Pacific". The Port Vila declaration was made in March 2023 by the governments of Vanuatu, Tonga, Fiji, Niue, Solomon Islands and Tuvalu. But to the disappointment of environmental campaigners, it was noted in the communique after the PIF summit that the leaders "aspire" to a just and equitable transition to a fossil fuel free Pacific, and also acknowledged "that the pathway is not immediate nor is it one size fits all."

The communique also noted that deep seabed mining was a significant topic of conversation at the leaders' retreat. The Cook Islands are pushing forward with deep seabed mining, but the Pacific

Island nations are divided on this issue, and both President Surangel Whipps Jr of Palau and Ralph Regenvanu of Vanuatu both expressed their countries' objections to the exploitation of the seabed. The leaders have requested a *talanoa* (conversation) on this in 2024.

Given the area's sensitivity to nuclear safety concern was expressed about Japan's discharge into the Pacific Ocean of more than million tonnes treated water from the Fukushima Daiichi nuclear power plant disaster. Australia was questioned regarding its plans to purchase nuclear-powered submarines under the AUKUS deal and plans to build a facility for up to six American nuclear-capable B-52 aircraft in Australia's Northern Territory.

For the first time since COVID-19 the Forum dialogue partners attended in person. There are currently 21 dialogue partners, and another eight countries have applied. The delegation from Saudi Arabia, expressing the hope that the Pacific nations would support the Saudi bid to host Expo 2030, announced a pledge of US\$50 million to the Pacific Resilience Facility (PRF). This is a regional financing facility with a goal of US\$1.5 billion. Once the facility has this amount, it will be self-sustaining, reducing the need for debt financing, and crippling interest repayments. Research shows that \$1 investment in resilience-building saves \$7 on post-disaster recovery. PRF will offer grants from US\$50,000 to US\$200,000 for community-level projects for resilience and disaster preparation in the face of ongoing climate threats and increasing natural disasters.

Also, at the meeting Australia and the Pacific Island nation of Tuvalu announced a treaty. Australia is promising to provide a pathway for a certain number of Tuvalu citizens to come to Australia per year to live, study and work, giving them access to permanent residency, and the opportunity to apply for Australian citizenship. Australia is also supporting coastal disasterresilience and land reclaim projects. Australia will act on requests from Tuvalu to respond to major natural disasters and military aggression. And in return Tuvalu is required to "mutually agree with Australia", which means Tuvalu cannot enter into security agreements with other countries without Australia's agreement. It gives Australia the influence it wants, given its concern about the security deal struck last year between Solomon Islands and China.

Because of the vulnerability of the Tuvalu's nine low-lying islands to rising sea levels, the Tuvalu prime minister, Kausea Natano explained to Australian Prime Minister, Anthony Albanese,

"It's my duty as the leader of a country that is going to be under the water if that's the way this continues, to make sure that my people have confidence that they can continue to stay if they want or move to another home."

As chair of the PIF Leaders Meeting, Prime Minister of the Cook Islands, Mark Brown said that the region was of "heightened geostrategic interest" but that "will not and it should not dictate how we advance and progress the priorities that we have determined."

The prime minister of Fiji, Sitiveni Rabuka, suggested that PIF leaders should designate the Pacific as a "zone of peace", with a focus on environmental protection and countries in the region agreeing to refrain from actions that could undermine regional order and stability. There was support for developing that idea into a declaration.

Sources: 'Pacific Islands Forum: what is it and why does it matter?' by Tess Newton Cain, 7 Nov 2023, DevPolicy Blog; 'Climate crisis and China-US rivalry: five top takeaways from the Pacific's most important summit' by Daniel Hurst, 11 Nov 2023, The Guardian; 'Tuvalu residency and security treaty: what is it and why is Australia doing it?' by Daniel Hurst and Josh Butler, 11 Nov 2023, The Guardian, and 'Pacific Islands Forum meeting: some highlights and reflections' by Tess Newton-Cain, 21 Nov 2023, Devpolicy Blog.

## PROJECT SEPIK AND JUBILEE AUSTRALIA WELCOME FINDINGS FROM HUMAN RIGHTS BODY ON THE FRIEDA RIVER MINE

Two previous issues of the GJOP Pacific Outlook Bulletin have looked at the proposed Frieda River mine and the threat it causes to Papua New Guinea's Sepik River. In December 2021 two NGOs, Project Sepik and Jubilee Australia Research Centre lodged a complaint to the Australian National Contact Point on Responsible Business Conduct (AusNCP) on behalf of 2,638 Indigenous members of 64 villages along the Sepik River.

The complaint was brought against the Brisbane-based, Chinese owned company, PanAust Limited and its PNG-based subsidiary Frieda River Mine Limited. The complaint alleged that PanAust has breached the OECD Guidelines for Multinational Enterprises by a) failing to gain the free, prior and informed consent of communities who live along the Sepik; b) failing to adequately assess and mitigate environmental risks of the project, and/or c) inadequately disclosing key information to affected communities and stakeholders.

The Sepik River is 1,126kms long, flows freely its entire length, supports phenomenal biodiversity, and supports over 430,000 people of 300 different language groups.

As outlined in *The Sukundimi Walks Before Me*, a report released by Project Sepik, a not-for-profit organisation based in Papua New Guinea and Jubilee Australia Research Centre, tens of thousands of people living along the river believe the mine should not go ahead because of the irreplaceable environmental and cultural value of the region; glaring inadequacies of the environmental impact statement (EIS); the threat posed by a potential failure of the tailings dam; the inappropriateness of the alternative to a tailings dam – Deep Sea Tailings Disposal, and the lack of consent of the Sepik communities.

The Final Statement of the AusNCP, released in October 2023, said that the process for seeking and obtaining the community's consent was ongoing and therefore did not find PanAust's conduct to be in breach of the OECD Guidelines. However, the AusNCP did consider that prior consent would be necessary from certain groups, which could include groups who were represented by Project Sepik and Jubilee Australia in the complaint.

AusNCP also recommended that:

- PanAust review its internal company procedures regarding free, prior and informed consent to ensure consistency with international standards.
- Any future stakeholder engagement must include Project Sepik and the communities it represents and take into account the traditional governance group of *Haus Tambarans* (traditional meeting houses), which have already come out strongly against the mine.

Although the AusNCP did not find the PanAust in breach of the OECD Guidelines in relation to environmental assessment, it recommended that the company disclose the dam break analysis to relevant communities, which was one of the main requests and something the Sepik communities have been calling for years. The NGOs have maintained that not enough information has been released about the proposed tailing dam, which several experts have argued is potentially unsound.

Sources: <u>www.savethesepik.com</u>; 'Project Sepik and 'Jubilee Australia Welcome Findings From Human Rights Body On The Freida River Mine' 6 Oct 2023, Jubilee Australia Research Centre, and 'The Sukundimi Walks Before Me', Mar 2021, Jubilee Australia Research Centre.

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