



CIRCULAR NO: 15/2019

To : All Ministers

**Cc : All Heads of Departments/Agencies
: Statutory Bodies
: State-Owned Enterprises**

Date : 28th June 2019

SUBJECT : Strategic Planning - Mapping Our Priorities

1. With the new Government now almost one month old, it is timely that we advance the process of taking stock and identifying our key priorities over the remaining term of the current parliament.
2. You will all be aware of my core vision and priorities, underpinned by a desire to *take back PNG* and *make PNG the richest black Christian nation within 10 years*, but this requires a collective effort, strategic planning and an agreed way forward. In simple terms, as a Government we must be working toward the same goals where our commitment is driven by a desire to serve the nation and our people.
3. As we move forward I want key Departments, Agencies and our SOEs to have clearly defined goals and agreed outcomes. Each of these goals must align to the broader vision and mandate of the Government. They must be underpinned by performance indicators and achievable expectations.
4. To assist in this process, the attached matrix has been prepared. It outlines our strategic priorities as a government. It is not exhaustive, but in my view, it is realistic. It articulates our broad objectives and contains some broad indicators.
5. The next step is for Department and Agency Heads, and Heads of SOEs to now formulate clear activity plans accompanied by a realistic timetable. These plans must be informed by the matrix.

6. Following the conclusion of the current sitting of Parliament it is my intention to visit all Departments, Agencies and SOEs to clearly outline my expectations and to meet with staff. The Office of the Chief Secretary will coordinate a program and you will be notified of the timing in due course.
7. In the meantime, I ask that you review the attached matrix and commence the process of developing practical, manageable and achievable implementation plans.
8. I take this opportunity to thank each of you for your continued support. Together, we can take back PNG and transform our great nation for generations to come.



HON. JAMES MARAPE, MP
Prime Minister

➤ *Attachs...*

MARAPE-STEVEN GOVERNMENT: STRATEGIC PRIORITIES
WORKING DRAFT 18 June, 2019

Key Themes: “Richest Black Christian Nation” and “Taking Back PNG’s Economy, where no child is left behind”

SECTOR	OBJECTIVE	ACTIVITY	EXPECTED DATE	RESPONSIBLE AGENCIES
A. ECONOMIC 1. Treasury	<ul style="list-style-type: none"> • Achieve balanced budget by 2025 • Reduce Debt/GDP by legal Limit • Increase tax revenue collection by 50% • Enhance taxation compliance measures • Reform tax system to provide more equitable collection • Review tax arrangements of major resource projects • Develop Resource Development Project Taxation Framework and Best Practice Guide, incentive based tax regime. • Empower provincial tax collections 			
2. National Planning & Monitoring	<ul style="list-style-type: none"> • Enhance cross government coordination • Implement whole-of-government government reporting • Enhance Development Partner Accountability measures • Align Development Partner support to core Government priorities • 50% of Development Partner support to be targetted at infrastructure • Enhance economic corridors • Delivery of MTDP III • Refine Key Performance Indicators – Vision 2050 			

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3. Finance	<ul style="list-style-type: none"> • Implementation of National Procurement Commission • Review of Procurement Guidelines to promote local companies on all bids of K10 million or under • Deliver accountability measures and frameworks for Government Departments and Agencies • Implement accountability frameworks • Completion of IFMS rollout • Effective budget management and drawdown consistent with national appropriation 			
4. Commerce and Industry	<ul style="list-style-type: none"> • Develop local industry framework, with 30% of SMEs to be locally owned by 2022 • Formulate research and Development policy and develop incentives to enhance R&D and local content • Develop innovation framework • Create incentives for local SMEs • Promote downstream processing with 30% of local resources developed/manufactured in PNG by 2022 • Develop manufacturing sector Policy and Framework • Review of tax concessions for local companies • Increase percentage of e-commerce by XX% by XXXX. 			

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5. Lands & Physical Planning	<ul style="list-style-type: none"> • Undertake review of land policy by 2020 • Review current leasehold arrangements by 2020 • Implement auction/tender policy for use of undeveloped state land • Develop local content policy, with XX% of land allocation reserved for Papua New Guineans • Undertake review of customary land policy by 2020 • Develop policies to promote responsible and sustainable land development • Increased land rate collection by 2020. 			
6. Housing & Urbanization	<ul style="list-style-type: none"> • Review urban housing policy by 2020 • Review urban planning policy by 2020 • Develop smart cities policy by 2020 • Develop safe cities policy by 2020 • Enhance urban corridors, green space and community facilities 			
7. Agriculture & Livestock	<ul style="list-style-type: none"> • Increase cash crop production by 30% by 2022 • Increase Livestock production by 30% by 2022 • Develop taxation incentives for locally owned farms • Formulate agriculture and livestock diversification plan by 2020 • Increase downstream processing by 30% by 2022 • Ensure that Local Landowners and Provincial Governments participate through equity sharing and downstream business spin off. 			

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8. Fisheries	<ul style="list-style-type: none"> • Increase downstream processing by 50% by 2025. • Increase revenue collections by 30% by 2022 • Review current licensing arrangements by 2020 to promote local companies • Review internal water fisheries production policy • Ensure that Local Landowners and Provincial Governments participate through equity sharing and downstream business spin off. 			
9. Forestry	<ul style="list-style-type: none"> • Increase downstream processing by 50% by 2025. • Landowner participation via equity and business spin off • Increase revenue by 30% by 2022 • Ensure that Local Landowners and Provincial Governments participate through equity sharing and downstream business spin off. 			
10. Mining	<ul style="list-style-type: none"> • Review existing benefit and equity resource laws by mid 2020 • Review existing equity distribution arrangements • Develop local content policy by 2020 • Promote local workforce participation • Ensure that Local Landowners and Provincial Governments participate through equity sharing and downstream business spin off. 			

SECTOR	OBJECTIVE	ACTIVITY	EXPECTED DATE	RESPONSIBLE AGENCIES
11. Petroleum	<ul style="list-style-type: none"> Review existing benefit and equity resource laws by mid 2020 Review existing equity distribution arrangements Develop local content policy by 2020 Promote local workforce participation Ensure that Local Landowners and Provincial Governments participate through equity sharing and downstream business spin off. 			
B. STATE ENTERPRISES				
1. Kumul Consolidated Holding Ltd				
	<ul style="list-style-type: none"> Restructure – establish as General Trust 			
2. Air Nugini Ltd				
	<ul style="list-style-type: none"> Achieve profitability by 2022 Reduce Airfares and increase affordability by 2022 Maintain social obligations (national flag carrier) Efficient, Reliable, Airworthy Airline Develop Fleet modernisation policy Strategic plan 2020 to 2035 Review of international routes Partial Privatization by 2021 to help fund future investment 			
3. PNG Power Ltd				
	<ul style="list-style-type: none"> Achieve profitability by 2022 Reduce tariffs and enhance affordability Maintain urban and rural electrification targets Transformation of business model from producer to distribution and transmission Private sector partnership – implementation of auction/tender process to meet future power demands Elimination of 90% of illegal connections by 2022 Increase reliability by 80% by 2022 Partial Privatization by 2021 to help fund future investment 			

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4. Ports PNG Ltd	<ul style="list-style-type: none"> • Achieve profitability by 2022 • Implement Key Performance indicators by 2020 • Consolidate investment to harness growth • Increase container clearance rate by 50% by 2022 • Invest in modernisation and technological reform • 80% of port facilities modernized by 2022 			
5. Kumul Telekom Holding Limited	<ul style="list-style-type: none"> • Achieve profitability by 2022 • Increase affordability and reliability of high-speed internet connections by XX% by XXXX • Complete domestic submarine cable by XXXX • Increase operating revenues by XX% by XXXX • Partial privatization by 2022 to aid long term investment • Reduce tariff rates and enhance affordability and reliability 			
6. Post PNG Ltd	<ul style="list-style-type: none"> • Achieve profitability by 2022 • Review existing business model by mid 2020 • Develop modernisation strategy by 2020 • Review business opportunities and third-party revenue arrangements 			
7. Water PNG/Eda Ranu Ltd	<ul style="list-style-type: none"> • Achieve profitability by 2022 • Achieve 100% coverage across provincial towns by 2030 • Achieve 60% coverage of all district towns by 2030, growing to 100% by 2050 • Increasing standard of sanitation and hygiene 			
8. Kumul Petroleum Holding Ltd	<ul style="list-style-type: none"> • • 			
9. Kumul Mining Holding Ltd	<ul style="list-style-type: none"> • • 			

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C. SOCIAL 1. Education	<ul style="list-style-type: none"> • Compulsory bible studies in all grades from 2020 • Enhance balance between quality and quantity • Enhance partnerships with Provinces and Districts, Churches and others • Increase access and equity by 50% by 2022 • Implement quality teaching measures and performance assessments for all teachers by 2022 • Maintain annual growth in enrolments of around 7% • 100% gender equity across both primary and secondary schools by 2022 • Increase in number of students transitioning to tertiary education by 30% by 2022 • Investment in new schools • Achieve Standards Based Curriculum and learning interventions • Ensure merit-based appointment system for appointment of teach staff 			
2. Higher Education	<ul style="list-style-type: none"> • Help students to gain entry to higher education, offer quality education and increase graduate output • Increase sponsorship of students by government by 15% by 2022 • Increase percentage of PIP funding for universities by XX% by XXXX • Increase percentage of PIP funding for technical and business colleges by XX% by XXXX • Increase percentage of PIP funding for teachers' colleges by XX% by XXXX • Increase percentage of PIP funding for nursing colleges by XX% by XXXX • Completion of Western Pacific University by XXXX • Establishment of the National Skills Development Agency 			

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3. Health	<ul style="list-style-type: none"> • Set up a loan/fund scheme to assist tertiary school fee system. 			
4. Community Development, Youth and Religion	<ul style="list-style-type: none"> • Achieve Universal Health Care by 2024 • Implementation of 100% of free primary health care by XXXX • Investment in new health infrastructure • Support PNG Institute of Medical Sciences in training new medical professionals • Address shortage of health workers • Support Provincial Health Authorities • Modernisation of medical supply management strategies and systems governance • Eradication of Polio 			
	<ul style="list-style-type: none"> • Review of legislation and policies • Promotion of National Disability Policy • Recognition of the Family as the key social institution • Embracing social inclusion and promoting rights • Enactment of Disability Authority Bill under development • Continued promotion of women's rights and empowerment • National Strategy to prevent and respond to gender-based violence • Protection of children's rights through the Lukautim Pikini Act • Establishment of the Office for Children and Family Services and training of child protection officers • Strengthen links with informal economy • Strengthen Church Partnership Program • Continued Development of District Community Development Centres 			

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D. LAW & ORDER				
1. Police	<ul style="list-style-type: none"> • Maintain RPNGC Modernisation program • Manage perceptions • Maintain growth in recruitment targets • Increase professional conduct of serving officers • Investment in police stations and modernisation of infrastructure • Policy to encourage reporting of crime • Review and modernisation of Police Act • Increase force strength • Develop Bomana School of Excellence • Increase fees and modernise fine/fee collection. 			
2. Correctional Services	<ul style="list-style-type: none"> • Increase standards of professional conduct • Enhance security of facilities • Promote rehabilitation and reintegration of prisoners • Invest in modernisation of infrastructure • Prison industry development. 			
3. Justice & Attorney General	<ul style="list-style-type: none"> • Legislation – ICAC by end of 2020 • Enhance capacity of office of public solicitor • Enhance capacity of office of Director of Public Prosecutions • Enhance capacity of Solicitor-General office • Enhance capacity of State Solicitor office • Constitutional law reform • Support for the judiciary - % increase in judges? 			

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4. Defence	<ul style="list-style-type: none"> • Rehabilitation of defence force • Enhanced focus on nation building initiatives • Improvement of force discipline • Review of budgetary and development of 10 year investment strategy • Review of budget priorities • Focus on building operational capability • Rehabilitation of infrastructure • Maintain active recruitment of around 400 each year service personnel per year • Review legal frameworks • Continued Bilateral cooperation partnerships with Australia, New Zealand, China Japan, Indonesia, India, UK and UN • Manus naval base rehabilitation. • Defence Industries Corporation. 			
5. NIO	<ul style="list-style-type: none"> • Review of national security threats • Investment in counter-intelligence measures • Development of National Security Strategic Plan • Bilateral engagement and intelligence sharing • Enhanced Pacific collaboration. • Modernise intelligence data and systems in our country. 			

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E. ADMINISTRATIVE 1. Prime Minister & NEC	<ul style="list-style-type: none"> • Restore effective whole-of-government coordination • Promote best practice policy implementation • Review and update NEC procedures and legislate requirements • Digitize cabinet processes • Implementation CACC and governance reforms • Assist PNGEC with review of electoral commission laws and installation of new modern voting system • Assist NCOBA on Bougainville matters • Assist DPM in progressing public sector reforms • Assist Finance in managing and consolidating complexities around office accommodation 			
2. Personnel Management	<ul style="list-style-type: none"> • Achieve quality workforce planning • Reform and modernise public service • Create smarter and leaner organisational structures, removing duplications and inefficiencies • Complete comprehensive manpower and payroll audit • Review of legislation and general orders • Review the PSMA too empower provinces to better manage provincial government personnel • Promote practical and targeted training for public servants 			

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3. Labor & Industrial Relations	<ul style="list-style-type: none"> • Review work permit laws with view to consolidation and incorporation into Immigration and Citizenship Authority • Review labour laws and promote localization and empowerment of PNG workers • Undertake compliance of all workplace laws, including health and safety, foreign workers etc • Promote effective labour force training • Develop long term labour force plan with view to reducing dependency on foreign labour (links to education outcomes, long term migration program) • Collect more fees. • Improve on this sector. 			
4. Inter-Government Relations	<ul style="list-style-type: none"> • Review Organic Law and DDA Act • Promote greater devolution to provinces • Empower provinces to better manage own affairs • Assist with census preparations and better management of population data at all levels of Government • Coordinated management of provincial and local government affairs 			
5. Bougainville Affairs	<ul style="list-style-type: none"> • Support a free and fair referendum • Promote policies to sustain peace • Continued efforts to eliminate weapons • Promotion of economically sustainable policies • Promote downstream processing and manufacturing base • Support of Autonomy arrangements • Review funding arrangements • Promote continued reconciliation, including national reconciliation • Review internal revenue arrangements • Promote public sector reform • Align aid to priorities of government and to support economic development 			

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6. Immigration & Border Security	<ul style="list-style-type: none"> • Promote safe and orderly border management • Review Immigration Act and associated legislation • Enhance whole-of-government approach to border security • Enforce compliance of visa laws • Move towards bio-metric passports • Respond to trans-national threats from organized crime, including people smuggling and irregular migration • Support reforms to amalgamate work permit and visa functions to eliminate duplication, leverage economies of scale and reduce red tape to business 			