



The Hon Julie Bishop MP
Minister for Foreign Affairs
PO Box 6022
House of Representatives,
Parliament House
Canberra ACT 2600

27 February 2017

Dear Minister Bishop

I am writing to you today with deep concerns that Australian aid money is being used to develop the Paga Hill site as part of Australian Government support for Papua New Guinea's hosting of the Asia-Pacific Economic Cooperation (APEC) Forum in 2018. It has been reported¹ that Australia is providing up to \$100 million in assistance for the forum. The Paga Hill Estate Project has been declared a project of national significance by the Papua New Guinea Government and is expected to host the leaders meeting at the conference. AID/WATCH is furthermore concerned about the complete lack of transparency around how much Australian funding is going towards APEC overall.

If Australian Government funding is being used to develop the Paga Hill site, including the ring road, this would be incompatible with an aid program that taxpayers expect is used to benefit the poor. As you are no doubt aware, there are ongoing concerns about human rights abuses that have occurred in the eviction of around 3,000 people from settlement and National Housing Corporation communities in the area that are decades old. According to the International State Crime Initiative, none of the United Nations Basic principles and guidelines on development-based evictions and displacement were followed. Reports show that threats of violence and violence (including kicking, punching, hitting and cutting with machetes) were used to force residents to demolish their own homes. A significant number of Paga Hill residents are still displaced and their grievances have not been resolved.

AID/WATCH also draw your attention to the Public Accounts Committee report into the Department of Lands and Physical Planning which labelled the land deal underpinning the development as 'corrupt'. According to the International State Crime Initiative, senior executives involved in the Paga Hill development have been censured in three Commission of Inquiry reports, four Public Accounts Committee reports, and two Auditor General Reports. Given Australia's aid commitment to public integrity, good governance and anti-corruption, we are sure you will share our concern over these findings.

It would be unseemly for Australian aid to be going towards the Paga Hill project, especially when Australians expect aid money to be used for assisting people living in poverty, not for luxury developments. I would be most grateful if you could answer the following questions:

1. How much money is Australia providing, including funding through all Australian Government agencies, towards the APEC summit to be held in Port Moresby in 2018? Please provide a breakdown of the amount by agency and purpose.
2. Is any official development assistance being used to support the APEC summit to be held in Port Moresby in 2018? If yes, how much and for what purpose?
3. Are any Australian Government funds, including official development assistance, being used for, or in support of, the Paga Hill Estate Project, including the ring road? If funds are being used, please provide a list of the projects, funding and recipient.

I look forward to your response.

Matt Hilton
AID/WATCH Committee of Management Member

¹ <http://www.abc.net.au/news/2017-02-01/australia-bankrolls-png-summit-costs/8228208?pfmredir=sm>