

Investment Promotion Authority, and the PNG Forest Authority.

The Commission found most of the SABL leases were unlawful and should be revoked. In a few cases the Commission suggested that if there was genuine landowner approval then the leases should be revised or re-negotiated rather than being completely revoked.

Government Response to the Commission Findings

In response to the Commission findings that the SABLs were not consented to by customary landowners and were not issued in accordance with the law, the government has not taken any action to cancel any of the leases.

Instead, the PNG Forest Authority has continued issuing Forest Clearance Authorities allowing forests in SABL lease areas to be clear felled and the timber exported. One third of PNG's total log exports now come from SABL areas.

This is despite numerous promises from the Prime Minister Peter O'Neill that the government will act on the Commission findings and cancel the leases.

On presenting the Commission reports to Parliament in 2013, Prime Minister O'Neill said they revealed a shocking trend of mismanagement and corruption at all stages of the SABL process and there needed to be change.

"We will no longer watch on as foreign owned companies come in and con our landowners, chop down our forests and then take the proceeds offshore." (Post Courier 20 September 2013)

"For too long landowners have been taken advantage of and had their land stolen from under them." (Post Courier 20 Sept. 2013)

The Prime Minister said he was establishing a new task force to identify a new legislative framework to provide for the conversion of customary land into lease hold land for the benefit of landowners, protect their interests and ensure sustainable land use.

In November 2013 the Prime Minister said the government had appointed a ministerial committee to review the recommendations and findings of the Commission of Inquiry. (Radio New Zealand 6 Nov. 2013)

The Prime Minister said the Committee, comprising the Department of Lands and Physical Planning, Forestry, and the Department of Agriculture and

Livestock had been given two months to complete the review.

On February 6, 2014 the government announced it would start cancelling SABL leases that were acquired illegally. The Prime Minister said Cabinet had appointed a Committee, headed by Forest Minister Patrick Pruaitch and including the Ministers of Lands (Benny Allen) and Agriculture (Tommy Tomscoll) to take note of the SABL Inquiry report and implement its recommendations. (Post Courier 7 Feb. 2014)

The PM said "I will make sure that we terminate the leases of those that were acquired illegally, done not in a proper manner and I have already called Chief Secretary to request the agencies that I have stated – Agriculture, Lands and Forestry – to fast track this and that is happening as we speak and I hope that over the next few weeks we will start the process of terminating the leases." (ibid)

In April and May 2014 the Prime Minister again made the same public promises - the unlawful leases will be cancelled and the abuse by logging companies will be stopped. In June 2014 the National Executive Council ordered the cancellation of all the SABL leases found to be illegal in the Commission of Inquiry and recommended to be revoked. (NEC Decision 184/2014, 12 Jun. 2014)

In December 2014 the Prime Minister blamed the bureaucracy for not responding to political directions to implement the recommendations of the SABL Commission of Inquiry. He said he had tasked the Chief Secretary with ensuring the recommendations were implemented. (EMTV 18 Dec. 2014)

In May 2015 the Chief Secretary announced the government was setting up a new Independent Task Force to speed up the implementation of the Commission of Inquiry recommendations and cancellation of the leases. (EMTV 19 May 2014)

But, by June 2016, three years after the Commission of Inquiry reported, no SABL leases have been cancelled by the government; 5 million hectares of customary land remains in foreign hands and logging continues everyday in some SABL areas.

☎ (675) 7629 6570

✉ info@actnowpng.org

📘 www.facebook.com/actnowpng1

🐦 @actnowpng

www.actnowpng.org



The Commission of Inquiry into Special Agriculture Business Leases (SABLs)

A Summary of Findings



SABL Commission of Inquiry

A Commission of Inquiry was established in July 2011 to look into the legality of the large number of Special Purpose Agriculture Business Leases (SABLs) issued since 2003.

The Commissioners submitted two final reports in June 2013.

Background

Special Agriculture Business Leases have been used to take control of more than 5 million hectares of land away from customary landowners. The land has been given to foreign companies for up to 99-years under leases issued by the Department of Lands and physical planning.

Many landowners have complained their land was taken without their knowledge and agreement. The size of the land-grab - covering more than 10% of PNG's total land mass - has caused a lot of alarm.

As a result of landowner complaints and questions by civil society organisations, academics and scientists in 2011, the government agreed to set up a Commission of Inquiry to look at the legality of the leases.

Establishment and conduct of the Inquiry

Following a National Executive Council decision on 29 June 2011, the initial Commission of Inquiry was established by then Prime Minister Sam Abal for a term of three-months from 21 July.

Three Commissioners were appointed to conduct the inquiry: John Numapo (Chief Commissioner), Alois Jerewai and Nicholas Mirou.

The Commission of Inquiry was instructed to inquire into seventy-five specific SABLs and determine if they complied with legal and policy frameworks. During the Inquiry a further two SABLs were notified to the Commission, bringing the total under investigation to seventy seven.

The initial three month period given to the Commission proved insufficient for it to investigate all seventy-seven SABLs as they were spread all across PNG and some were in very remote locations. The term of the Commission was therefore extended for a further five months by the Prime Minister, Peter O'Neill, on 18 October 2011.

The Commission held public hearings in Port Moresby and in New

Ireland, East and West New Britain, East and West Sepik, Oro, Central and the National Capital District. These Provinces are where most of the SABLs are located.

The Commission presented an interim report to the government on 12 March 2013.

On 11 June 2013 the Prime Minister attempted by letter to further extend the term of the Commission of Inquiry by one month from 24 May 2013 to 24 June 2013 to allow the preparation of final reports.

Two final reports from Commissioners Numapo and Mirou were presented to the Prime Minister on 24 June 2013. No final report was ever submitted by Commissioner Jerewai.

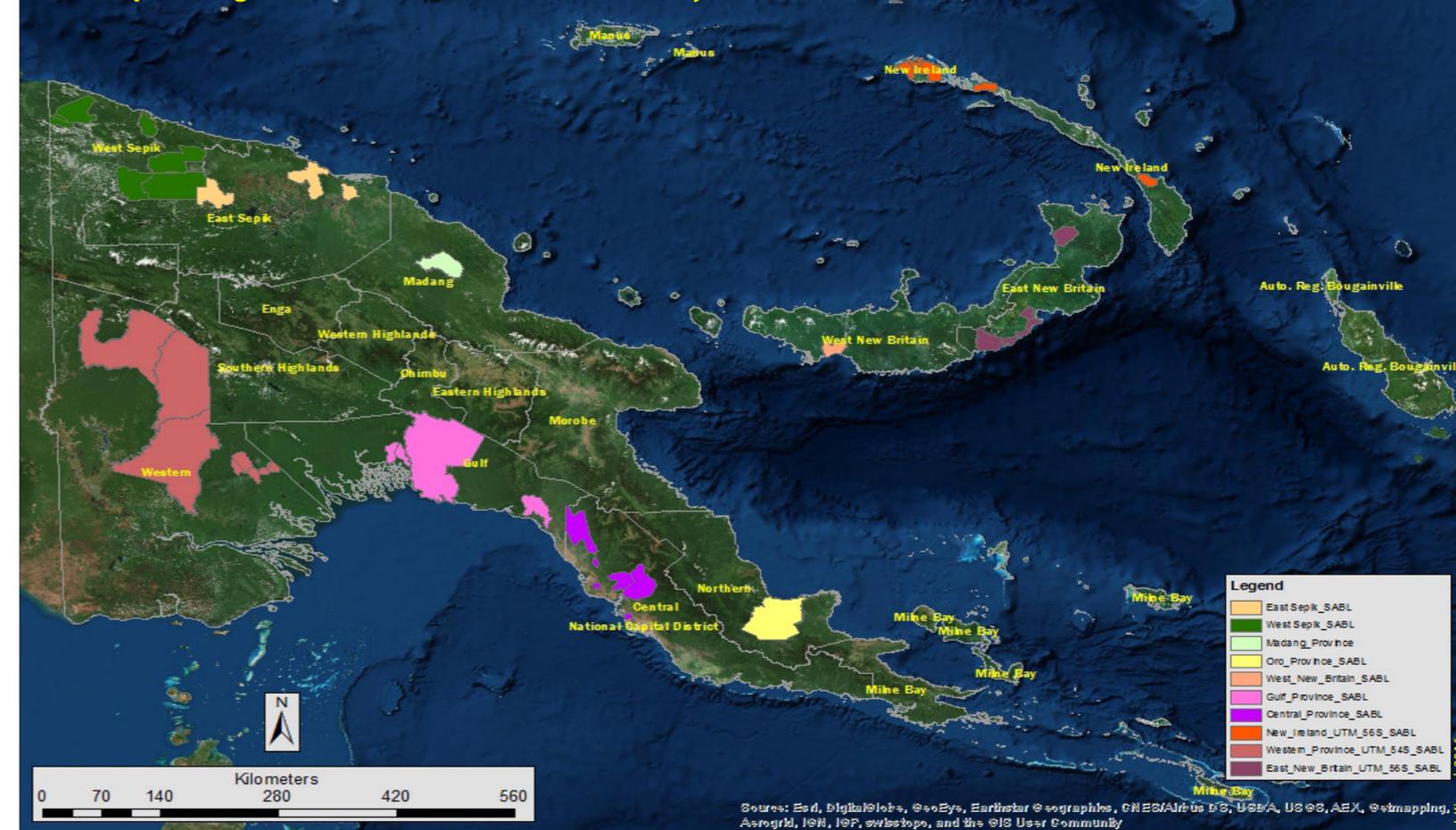
The two reports submitted covered only 42 of the 77 leases investigated. The other 35 leases were to have been included in the report from Commissier Jerewai which has never been sighted.

On 17 September 2013, the Prime Minister presented the Commission reports to Parliament.

Commisson Findings

Out of the 42 leases reported on, only in four cases was there genuine landowner consent and a commercially viable agricultural project being undertaken.

Some Special Agriculture Business Leases (SABLs) by Province



In the other 38 leases there was no genuine landowner consent and widespread abuse, fraud and a lack of coordination between government agencies.

The Commissioner found there was a general failure and incompetence of government officials to ensure compliance, accountability and transparency within the SABL process.

According to the Commissioners,

throughout the course of their inquiry, serious allegations were levelled against officials and senior government bureaucrats involved in the management of SABLs. With bribes and inducements being offered by project developers and representatives of landowner companies to procure SABL titles.

The inquiry also received evidence of undue political pressures being put on government officials by senior Ministers and politicians to fast-track

SABL applications and issue titles.

Incidences of political interference were numerous and were reported in respective individual SABL reports.

The Commissioners found there was corruption and mismanagement, and lack of coordination by key agencies including departments of Lands and Physical Planning, Environment and Conservation, Agriculture and Livestock, Provincial Affairs and Local Level Government,