



**AUTONOMOUS BOUGAINVILLE GOVERNMENT  
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**Members of the Board  
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Dear Board Member,

It is with deep concern that I write with reference to the recently released Jubilee Australia Report entitled *Voices of Bougainville*. The Report is factually inaccurate, biased, methodologically unsound, and dishonest in claiming that interviews with 65 individuals selected by its authors allows it to represent the voices of 300,000 Bougainvilleans. Those failures have been compounded by even more inaccurate public statements about the Report and its findings made by Jubilee Chief Executive, Brynnie Goodwill.

Many of the grave errors in the Report could have been avoided had those involved in the work simply consulted the elected and representative Autonomous Bougainville Government (ABG), which I head. They failed to do so. They apparently believed there was no value in engaging with the ABG on the assumption there is some form of chasm between the ABG and the people of Panguna. As will become evident, that is simply not the case.

**FACTUAL ERRORS AND MISREPRESENTATIONS**

The Report contains so many factual errors and misrepresentations that in this letter I can do no more than highlight a few of the worst.

**An Alleged ABG Campaign to Re-open the Panguna Mine**

The statements that the ABG has 'initiated a campaign to reopen the Panguna mine' and that I, as President, have been 'spearheading this effort' (p.14), are false. What the ABG 'initiated' as long ago as 2009, was an extensive Bougainville-wide consultation exercise. We began with Panguna-affected landowners, later widening to include all major components of Bougainville society. From the outset our goal has been to *establish whether or not* Bougainvilleans wanted to consider reopening Panguna and, if so, under what conditions. The overwhelming response from these consultations, described below, is that Bougainvilleans do not favour reopening the mine on the same basis as it originally operated. But the vast majority of those consulted *do* favour reopening the mine if it can be done in a

way that avoids the past environmental and social impacts and conflict it engendered, and if Bougainvilleans can share fully and fairly in the economic benefits mining can generate. The ABG is committed to social and environmental base line studies and negotiations being undertaken to establish whether it is possible to reopen Panguna in a way that satisfies these conditions. *If they cannot be satisfied, the ABG opposes reopening the mine.*

I have made it very clear in numerous statements and speeches that Panguna will only reopen with the support of affected landowners and of Bougainvilleans as a whole. This is entirely consistent. To say that my Government has campaigned to reopen the Panguna mine is a gross distortion of the truth. It is equally untrue to suggest that I have spearheaded the effort to reopen Panguna. In fact discussions about its possible reopening were initiated by my predecessors Presidents Kabui and Tanis, who were the first to re-engage with BCL. As anyone who knows my history will be aware, I have been a critic of Rio Tinto and BCL since the 1960s, before the Panguna mine opened. So when I became President in mid-2010, initially I explored several other options, which did not bear fruit. By that time consultations with landowners indicated that overwhelmingly they preferred to initially deal with the ‘devil’ that they knew (BCL), rather than a ‘new’ devil (some other mining company). It was only that strongly expressed view that persuaded me that we should initially engage with BCL.

### **Role of UPMALA**

A particularly obvious and serious factual error involves statements about UPMALA, the United Panguna Mine Affected Landowners Association. The Report states that landowners are represented by UPMALA at the Joint Panguna Negotiations Coordination Committee, a stakeholder entity established to coordinate baseline studies and other preparations for negotiations regarding the possible reopening of Panguna (p.16). It also states (p. 14) that the mine consultation process is led by UPMALAA. It cites a 2014 report of a statement supposedly by the Chairman of UPMALA (p.16). In fact UPMALA has never played any role in any consultation process regarding Panguna, let alone ‘led’ such a process. More serious in terms of the Report’s credibility, UPMALA was disbanded by decision of the nine landowner associations in July 2013, and has not operated in any form since then.

### **Availability of Information on Consultations**

The Report states that ‘there is very little publicly available information concerning the nature of the consultations that have occurred so far’ (p. 16). There is in fact a great deal of information available, which could have been readily accessed had Jubilee and its partners taken the trouble to request it from the ABG’s Office for Panguna Negotiations (OPN), which has coordinated much of the consultation work over the last 2 years. For example the OPN submitted a Report to the ABG legislature in 2013 providing details of all of the Regional Forum’s conducted by the ABG, including numbers and identity of attendees, agendas, and resolutions passed. The Forums were broadcast live in Bougainville by Radio New Dawn, as was the Bougainville-wide Women’s Forum held by the ABG in March 2014. The fact that Jubilee did not even contact the ABG entity responsible for conducting consultations or Landowner Associations to request information suggests Jubilee was not interested in providing a balanced picture. Rather it seems to have been pursuing a specific agenda to represent Bougainville people – or at least those of Panguna - as being against the reopening of the Panguna mine. Were the Jubilee researchers avoiding seeking any information that might interfere with its pursuit of such an agenda?

### **Allegations About Advisors**

The Report notes that the ‘Australian government has assisted UPMALA and the ABG through the provision of advisors .... in the process of community consultations surrounding the mine’ (p.16) and then talks of interviewees expressing ‘dissatisfaction with what they saw as the illegitimate role of Australia (through AusAID) in the peacebuilding and consultation process’ and talks of their ‘strong disapproval of the perceived interference of the Australian Government or AusAID in both the past and present of Bougainville’ (p.37). In fact no Australian adviser has assisted UPMALA. Advisers have contributed to some public meetings, and to consultative Public Forums. They do not in any way control them.

As the main alleged Australian engagement in the consultation process involves provision of advisers, the Report implies that that is what the interviewees were concerned about. That view is underlined by Jubilee’s Ms. Goodwill in a Radio New Zealand interview with Don Wiseman, 17 September 2014 when she said ‘if the Australian government were involved in the consultation process but has not yet essentially come clean in terms of what again locals have advised, that there is suspicion about their role completely and this whole process.’

The Report not only fails to recognise that advisers for the ABG funded by Australia are not imposed on the ABG, but that they are provided only on ABG request, to assist in areas where particular sets of skills and experience are lacking. They act only on ABG instructions. The view implied by this report, and so frequently expressed by ABG critics (including some known to have been involved in the preparation of this Report) that in some unexplained way Australia controls things in Bougainville though advisers paid for by Australian funding not only completely fails to understand donor roles in a post-conflict state and peace building conflict such as Bougainville’s, but is in my view deeply racist. It implies that white advisers can determine what Bougainville leaders do. I can assure you that the ABG is completely confident that its advisers are controlled by, and fully answerable to, only the ABG.

### **Implication that Original Impacts of the Panguna Mine Will be Repeated**

The Jubilee approach is dishonest in implying that the sorts of impacts that accompanied the original development of Panguna, and spelt out in considerable detail in the Report, are likely to accompany any redevelopment of the project. Ms. Goodwill was even more specific in her Radio NZ interview (17/9/2014) when she said: ‘I think there's concern that there would be very little employment locally, I think that there's a feeling that it would be almost like a locked community, I think with other projects in PNG they come with security forces.’

There is simply no way in which Bougainvilleans or their elected government, the ABG, would accept mining on this basis. This raises another basic problem with the Report, its consistent implication is that there is a chasm between the people of Bougainville and its Autonomous Government. There is no basis for this implication. The elected ABG is responsive to the concerns and aspirations of its citizens. This is why the ABG has devoted such substantial resources to community consultation and engagement in relation to Panguna.

### **Assertion that the Report Represents ‘Voices of Bougainville’**

The most fundamental and also dishonest aspect of the Jubilee research is to claim, as it does in the title, to represent ‘Voices of Bougainville’. The research interviewed just 65 people, in the Panguna mine lease areas that have an estimated population of perhaps 10,000. It failed to speak with people from any other part of Bougainville, all of whom were of course affected by the Bougainville conflict. Use of the title ‘Voices of Bougainville’ constitutes misrepresentation of a serious and indeed dangerous sort.

## **CONSULTATION, AWARENESS AND COMMUNITY ENGAGEMENT**

A critically important aspect of the Report concerns allegations about the consultation held so far about the future of Panguna. Here again the Report contains major factual errors and misrepresentations. The Report briefly mentions landowner associations, and the holding of public forums (p.16). But the Report's lack of qualification or comment about the negative views of consultation said to have been expressed by interviewees implies that all such views are valid. In fact consultation has been multi-faceted, extensive and prolonged. This is not to say, of course, that every person interested has been able to express their views. The ABG does not have an unlimited budget for this exercise, and has many competing demands on its funds (see below). Further, access to the area around the mine is still limited, with an armed Me'ekamui Defence Force roadblock restricting access. The area is extremely mountainous, with limited road access, and people living mainly in scattered tiny hamlets of a few houses each. These factors create real constraints, but the ABG has gone to great lengths to overcome them.

### **Consultation About Engaging in Negotiations and Establishing Landowner Associations**

From 2005 the ABG has always stated that there will be no resumption of mining at Panguna without agreement of the landowners of the mine associated leases, and that they must be party to any negotiations or agreements. Initial meetings with mine lease landowner representatives led to extensive public meetings in all lease areas during 2010 to establish whether landowners agreed to negotiations on re-opening the mine, and if so, how they wished to be represented. Clear majorities supported negotiating about re-opening the mine, always subject to strict conditions.

In a series of public meetings in 2010-11, landowners decided they wanted to be represented very differently from the 1980s, when there was a single Panguna Landowners Association. Instead, they wanted initially six, and eventually nine, associations, each representing communities with distinct interests. They also included one for people in areas outside but adjacent to the Special Mining Lease and Tailings Lease. Over the next two years, ABG officers held many consultative meetings with the communities to help them develop association constitutions. Once registered, associations held widely advertised general meetings, involving hundreds of people, to elect executives. To be clear: the ABG left it to landowners to decide what areas should be represented by associations; and it played no role in selection of executives, beyond ensuring that elections at general meetings were free and fair. All association constitutions provide for executives to be changed by democratic process, including at annual general meetings.

### **Regional and Other Public Forums**

The ABG has conducted 5 Regional Forums, and in addition two for large numbers of representatives of former combatants and a Women's Forum in March 2014 involving 200 women from every district in Bougainville. The attendees have been selected entirely by local organisations of various kinds (including local government, NGOs, district Womens' Federations, churches, youth organisations). Contrary to the claim made by one interviewee cited in the Jubilee Report, no Forum was 'a mining advocacy forum' (p.35). In fact attendees were encouraged to express whatever views they wished. While large majorities at each Forum supported exploring the reopening of Panguna, subject to strict conditions being agreed, there were also those who spoke out clearly and strongly against such a move.

In addition to the large-scale Forums for former combatants, the ABG has held extended discussions with senior former combatant leaders, and has taken careful note of their views on the future of Panguna. They have almost all spoken strongly in support of exploring reopening the mine, but always subject to strict conditions, and of engaging initially with BCL.

### **The Need for ‘Proper Reconciliation’ With BCL**

The Report stresses the need for ‘meaningful’ or ‘sincere’ reconciliation between landowners and BCL, and that 27 interviewees ‘strongly felt that further reconciliation efforts needed to take place between Bougainvilleans and/or Australia, Papua New Guinea and/or BCL (p.38). Brief mention is made of BCL committing ‘to participate in a traditional “Bel Kol” reconciliation ceremony’ (p.13).

Those responsible for the Report are clearly unaware that at the initiative of Panguna mine affected landowner leaders, the proposed *Bel Kol* ceremony is in fact directed to achieving meaningful reconciliation with BCL. The initiative originated in a July 2012 joint request from over 40 Panguna lease area landowner leaders attending a meeting with BCL and the ABG. The landowners requested BCL to establish an office in Arawa (central Bougainville) to enable it to clean-up potentially dangerous chemicals left by the mine, evaluate its environmental damage, and undertake community projects identified by the people. But the landowner insisted on first taking initial steps towards customary reconciliation with BCL through a preliminary *Bel Kol* ceremony. BCL agreed, and landowner leaders and the ABG have been working ever since to resolve the complex issues involved in holding the ceremony. Since late 2013 a widely representative organising committee has undertaken an extensive public awareness and consultation program on the proposed *Bel Kol* in communities throughout the Panguna lease areas.

### **Community Consultation and Engagement in Panguna Mine-affected Areas**

The Report fails to even mention the extensive Community Consultation and Engagement Process undertaken in early 2014. It covered some 100 villages and hamlets across all areas affected by the Panguna mine or potentially affected by its possible reopening. The exercise was funded from PNG Parliament authorised development funds allocated by the member for Central Bougainville and strong critic of the ABG, Mr. Jimmy Miringtoro. Coordinated by Bougainvillean anthropologist Rodney Kameata, this process involved the training of 230 local people, 130 of them women. They were organised into 18 community engagement teams to provide information to villagers and to seek their views regarding the possible reopening of Panguna. Each team included at least 3 women, and each engagement session lasted for 3 days. Day 1 focused on provision of information by the engagement teams; Day 2 on group discussions, for example traditional leaders, chiefs; women; youth; ex-combatants; and Day 3 on presentation by villagers of their issues and priorities.

This remarkably extensive community engagement exercise did not reveal widespread, in-principle opposition to the idea of reopening Panguna. It did reveal that virtually all participants nominated important pre-conditions for any reopening of the mine, and identified numerous issues to be resolved in negotiations ahead of any reopening. The most common one was that the mine could not be reopened under the original Bougainville Copper Agreement 1967, but only under a new agreement negotiated under Bougainville legislation. This precondition was achieved by the passage of Bougainville mining legislation, the *Bougainville Mining (Transitional Provisions) Act* on 8 August 2014.

The Jubilee Report is therefore misleading and dishonest in saying that the voices of mine-affected communities ‘have been distant from recent public discussion surrounding the mine’ (p. 5). In fact those voices have been absolutely central to discussion about the future of Panguna. While this extensive program of consultation has certainly revealed that some people are opposed in principle to reopening Panguna, the overwhelming response from participants is that they are in favour of reopening the mine if it can be done in a way that avoids the negative effects of earlier mining and ensures that Bougainvilleans receive a fair share of mining’s benefits. Given this feedback, how is it possible that of 65 individuals interviewed by Jubilee, every single one is against reopening the mine (p.30)?

## **SUSPECT METHODOLOGY**

Such an outcome does not seem possible if Jubilee’s research was conducted in a way that was, as the organisation claims, ‘scientific’. There are clear indications that the research methodology used was in fact designed to bring about a specific result. In particular, the choice of people to interview was not based on any scientific sampling technique. Rather the researchers approached ‘culturally appropriate gatekeepers ... identified on the basis of the researchers’ customary knowledge of villagers ... and through guidance from local contacts ... Village gatekeepers then introduced researchers to potential local participants ... ’ (p. 48). We are not told the identity of the ‘local contacts’ or ‘village gatekeepers’.

Against this background, I strongly suspect that the researchers contacted people they knew were opposed to mining and that these contacts, not unnaturally, suggested participants that they too knew were opposed to mining. This is the only credible explanation as to how 65 of 65 interviewees would all express opposition to mining. It is supported by the Report’s comments on the single Focus Group of 17 persons used in the study. This involved a village from outside the mine lease areas whose ‘members and leaders only agreed to participate, after it was confirmed that the interviewers were not part of an effort to re-open the mine’ (p.50). On Radio NZ (17/9/2014), Ms. Goodwill says that the reason for dealing with this community as a group is that they ‘insisted on staying together’. So it was known in advance that this community involved opponents of mining, intent on presenting a single view-point.

Providing credence to the view that Jubilee has deliberately sought out opponents of mining is the fact that the Report is co-published with the Bismarck Ramu Group and the International State Crime Initiative (ISCI) , organisations vehemently opposed to large-scale mining, and to the ABG’s mining policy. We are aware not only that young Bougainvillean researchers well known to be strongly opposed to mining were involved in the conduct of the research, but also that Kristian Lasslett, a vocal opponent of mining in Bougainville and critic of the ABG, closely involved in ISCI, and a regular contributor of anti-ABG material on the Bismarck Ramu Group’s PNG Mine Watch Blog, was deeply involved in the writing of the Report.

Another problem with Jubilee’s methodology is the failure to include the interview questions which as Ms Goodwill has confirmed were put interviewees (Radio New Zealand 17/09/2014). It is standard practice in any research report that involves interviews to include the interview questions, because it is widely recognised that the way in which questions are phrased can influence answers provided by interviewees. Without the questions being provided in the Report, there must be a strong suspicion that they were heavily ‘loaded’.

## **FAILURE TO RECOGNISE BOUGAINVILLE'S CONTEXT, AND THE CHALLENGES FACING THE ABG**

### **Meeting the Needs of our People, and Realising Real Autonomy or Independence**

With a Bougainville population of over 300,000, the 2014 ABG budget totals K312 million (about AUD\$125 million). Yet only ten per cent of the budget revenue is internally derived, almost all of the rest coming from PNG grants. When we add the \$50 to \$60 million spent by donors that does not go through our budget, our almost total financial dependence on external sources becomes clear. With a very young population (an estimated 50 per cent of school age) the ABG is responsible for most services, including all primary and secondary education, most health services and infrastructure construction and maintenance, and agricultural extension. As the Jubilee Report notes, with its existing resources the ABG is unable to address 'the problems facing families' in the Panguna area ( p.6), and are not doing enough towards 'improving people's current living conditions (p.42). Our people quite rightly demand not just much better delivery of existing services from the ABG, but also many new services. They also want the ABG to move as rapidly as possible towards much greater autonomy within PNG, while many also want Bougainville to be independent as soon as possible.

In the public consultations with Panguna mine lease landowners, many stated explicitly their view that Bougainville's best hope of achieving the kind of fiscal self-reliance needed for either real autonomy or independence lies in mining.

The Report states that all but one of their 65 interviewees 'stated that there exist many other promising economic activities that could represent a solid source of revenue' to 'buttress Bougainville future development and well being' (p.43), and lists such possibilities as horticulture, animal farming, alluvial gold, fisheries and prawn farming. Jubilee makes no attempt to review, or discuss with the ABG, the ongoing efforts to develop all such sectors. Nor does it consider data on the critical question of the potential of such activities to generate tax revenues for the ABG. Our two main industries are small-holder cocoa and small-scale gold mining, generating economic output of about K80 million and K70 million respectively (a combined total of K150 million, or \$60 million). The ABG has carefully considered imposing taxes on these industries. But not only would taxation reduce the incomes of our poorest people, it would create black markets that would undermine the ABG's ability to actually collect any revenue. Even if a turnover tax of 10 per cent could be efficiently applied to these industries, it would produce only a small fraction of the government revenue required to support genuine autonomy for Bougainville.

Jubilee is uncritically presenting simplistic solutions to the most difficult and complex problems facing Bougainville.

### **Panguna as an Issue for the Whole of Bougainville**

The Report makes no mention of a critically important issue emerging from the diverse consultation activities listed above. It is generally accepted that the future of Panguna is no longer a matter solely for the Panguna landowners. Under our custom, the clan groups of those whose blood was spilt in conflict over land gain some rights over that land. Because all groups in Bougainville assisted the people of Panguna in their fight from 1988 onwards, all have some rights over Panguna and its resources. These norms have been recognised in practice for over 15 years in the access that thousands of people from other areas of

Bougainville are given to pan and mine for gold in the Panguna mining and tailings leases, without payment to or specific permission from landowners.

Over the past five years, landowners of Panguna mine-affected areas have made it clear that they accept this norm as applying to decisions on the future of the mine. Some Panguna leaders even express concern that if the expectations of people from elsewhere are not met, Panguna people will be, at the least, deeply shamed. People from Panguna emphasise that one way they can meet their customary obligation is to permit Panguna to re-open as the main means of ensuring that Bougainville has the degree of fiscal self-reliance required for either real autonomy or independence. That is not to say that the Panguna people do not have key decision-making roles, but rather that others have a voice too. Consultations with people from parts of Bougainville other than Panguna make it clear that they also adhere to this principle.

### **Linking Independence and Re-opening Panguna**

The Report cites ten of its 65 interviewees as having concerns about the ABG linking independence to re-opening the mine. But this link is being made by many, many Bougainvilleans, both in the Panguna lease areas and elsewhere, who are applying pressure to the ABG to accelerate progress towards real autonomy or independence by generating revenue through large scale mining.

### **Conclusion**

The Jubilee Report is deeply flawed. Jubilee Australia's Board bears responsibility for allowing such a misleading and irresponsible document to be released, and for limiting and redressing the damage it can cause.

Yours sincerely,



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