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PRESS STATEMENT FOR IMMEDIATE RELEASE

TIPNG CALLS FOR HEIGHTENED SCRUTINY ON BENEFICIAL OWNERSHIP

TIPNG is calling for the Prime Minister and relevant Papua New Guinean agencies to investigate what appear to be serious allegations of grand corruption against State Minister William Duma, as reported in the Australian Financial Review earlier this week.

As Parliament prepares to convene its first sitting of the year, TIPNG urges Prime Minister Marape to live by his words that he will fight corruption and that the example must now start with his own cabinet.

“When the Manumanu land deal allegations first surfaced in 2017, TIPNG supported the former Prime Minister’s call for an investigation and in the interest of good governance, that Mr. Duma must step down as minister until he is cleared. We now hear of similar allegations involving the setting up of shell companies and the purported abuse of office to enrich certain individuals, all at the expense of the People of Papua New Guinea,” said TIPNG Chairman, Peter Aitsi.

TIPNG now maintains the same call to Prime Minister Marape, that the Minister at the centre of this report must be directed to step down and a proper independent investigation into the allegations must be undertaken immediately. Given the transaction involved US dollars and an Australian listed company, there is prospect for the PNG Police and anti-corruption agencies to work closely with the Australian Federal Police, the US Securities Exchange Commission and the US Department of Justice to investigate the evidence exposed by the Australia Financial Review.

The main question that needs to be asked is why a company with only K2 capital, was set up days before being granted a petroleum licence; before selling this same license to an international mining company for US\$10.3m (K36m) shortly thereafter. Most importantly who is the behind this company? Who are its beneficiaries? and what role did they play?

TIPNG believes that failure by Prime Minister Marape to act on principles of good governance will only embolden corrupted individuals and networks to continue their activities. While there are certain distinctions from the Manumanu land scandal, as the matter involves a foreign firm & petroleum licenses, the principles of proper governance & accountability of public office must still apply.

The use of shell companies and opaque company structures demonstrates the need for legislating a beneficial ownership registry through the PNG Extractive Industries Transparency Initiative (PNGEITI). Heightening the scrutiny of beneficial ownership through the activation of the PNGEITI processes will assist in improving transparency in licensing and revenue flows from major resource projects.

TIPNG reminds Prime Minister James Marape of his various statements declaring his commitment to fight corruption, the time for talking is over. The PEOPLE OF PNG now NEED ACTION, before new projects like P’nyang and others meet the same fate.

END THIS IMPUNITY!

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What is TIPNG?

TIPNG is a member of Transparency International a global anti-corruption movement committed to fighting corruption. TIPNG is an independent organization in PNG known as a Chapter of the international movement. The PNG chapter advocates against corruption and promotes transparency, good governance, honesty and accountability both in private and public sector dealings. TIPNG tries to assist strengthen the integrity systems of our country such as the police, the parliament, the public services and the judiciary.