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**Statement by
H.E Mr. Robert G. Aisi
Permanent Representative of Papua New Guinea to the United Nations
and Chairman of Delegation**

**United Nations Conference on Sustainable Development
22 June 2012, Rio de Janeiro, Brazil**

Chair,

On behalf of my delegation, I express my gratitude to the Government and People of Brazil for the courtesies accorded to us since our arrival in Rio de Janeiro.

The Government of Papua New Guinea renews its commitment to sustainable development, and in so doing is ensuring the promotion of an economically, socially and environmentally sustainable future for its people, our planet and for present and future generations.

Chair,

We also join the consensus in the adoption of the Rio+20 outcomes.

We support the idea of sustainable development goals and look forward to the work to further elaborate them while at the same time we call on the international community to remain committed to work on the MDGs.

We are all agree with the objectives of this Conference and commit to a green economy and the strengthening of the institutional framework for sustainable development.

Like other Pacific Island States, Papua New Guinea in adopting the concept of a green economy also recognizes the importance of the “blue economy” which compliments the green economy. Importantly “blue economy” signifies our peoples’ historical dependence on marine and maritime resources.

Chair,

The concept of sustainable development in Papua New Guinea is firmly enshrined in our National Constitution. Among the National Goal and Directive Principles we declared as our 4th goal relating natural resources that: *“... Papua New Guinea’s natural resources and environment to be conserved and used for the collective benefit for us all, and be replenished for the benefit of future generations”*.

Over the 30 years since Independence in 1975, the National Goals and Directive Principles have been encapsulated in our long-term strategies. More recently, the Papua New Guinea Vision 2050, the Development Strategic Plan 2010-2030 and the Medium Term Development Plan 2011-2015 have been formulated to outline the development aspirations of Papua New Guinea.

These developments strategies and plans are in line with the outcomes of this conference thus setting out at pathway for Papua New Guinea to achieve sustainable development and ultimately to provide a better life for all of our peoples.

Moreover, our official development assistance programs with our development partners and the private sector are now being closely aligned with these plans and strategies.

When fully implemented, these strategies will result in improved human well-being, provide social equity while at the same time significantly reducing environment risks and ecological scarcities.

Chair,

Papua New Guinea has a dual economy. A large and widely diffused traditional informal sector based on subsistence agriculture provides livelihood for more than 85% of the population. A small formal industrialized sector continues to provide a narrow employment base in the natural resources and manufacturing sectors while the public sector along with the service industries, including finance, construction, transport, and utilities provide further but limited opportunities.

In the last 12 years, Papua New Guinea experienced unprecedented and uninterrupted economic growth due primarily to windfall revenues from the mineral and petroleum sectors and partly supported by the agriculture sector.

In 2010, Papua New Guinea's growth was over 7% underpinned mainly by large investment flows into the multi-billion dollar PNG/LNG project which in turn has had spill-over effects into the economy, especially the retail and construction sectors. In 2011, Papua New Guinea recorded a growth rate of 9%. In the national budget for 2012, of the US\$4bil, US\$3b was generated from internal revenue and investments. The Government has appropriated US\$2b into the 4 key development priority areas of education, infrastructure, health, and law and order.

Despite this positive economic growth, the challenge for the Government and Papua New Guinea is to effectively translate these windfall revenues into improved socio-economic and environmental sustainability indicators.

In 2009, the UN's Human Development Index (HDI) placed Papua New Guinea at 148 out of 182 countries. Life expectancy was estimated at 58 years in 2009 while adult literacy rate and basic gross enrolment for primary to grade 8 (6-14 years) were 58 and 85.5 per cent respectively. Real per capita GDP was shown at K1, 919.80/US\$940. In an effort to address these poor social indicators, Papua New Guinea's Vision 2050 strategy outlines amongst its many goals the substantial improvement in Papua New Guinea's Human Development Index ranking.

The development process for Papua New Guinea remains challenging and complex. It involves protecting and maintaining the harmony has that existed for centuries between our diverse peoples and their cultures within their natural environment but at the same time requiring the country be connected to the fast and evolving globalized world of today.

Therein lies the fundamental development dilemma in the context of the cultural and demographic complexities of Papua New Guinea.

Chair,

Papua New Guinea has one of the largest natural tropical forests cover in the world and is a country endowed with vast natural resources and rich ecosystems. Containing more than 5% of world's total biodiversity, about 400,000 species of fungi, plants and animals on a landmass that is less that 0.5% of the earth's surface area. The REDD initiative seeks to protect these as global assets.

Over 90 percent of the coastal and near shore resources are under customary ownership. PNG accounts for over 50 percent of live coral cover with globally significant coral reefs of more than 400 known species. Under the Coral Triangle Initiative, Papua New Guinea, Indonesia, Malaysia, Philippines, Solomon Islands and Timor Leste have committed to manage our collective marine and natural ecosystems that are being seriously threatened by over-fishing, adverse impacts of climate change, acidification, man-made and natural pollutions.

Additionally, a nationwide mangrove-planting project is providing security against natural disasters and regenerating food sources along coastal areas.

In this regard, we acknowledge the work of the Global Environment Facility, the World Bank, World Wildlife Fund, The Nature Conservancy and USAID.

We also acknowledge the initiative of the World Bank and the Government of the United Kingdom on their initiative in introducing the concept of Natural Capital Accounting (NCA) at a recent side event during this Conference.

We agree that a country's wealth cannot just be measured by its GDP or its HDI. We therefore look forward to the elaboration of the NCA methodology and would be happy to actively participate in its further elaboration.

Chair,

The support of development partners and other stakeholders in PNG's development is essential. The inadequacy of human capacity and resources along with weaknesses in the coordination mechanism provide challenges in achieving sustainable development.

The establishment of the Global Green Growth Institute (GGGI), the brainchild of the President of the Republic of Korea, is an example of an international organization that can provide real and tangible support for capacity building and strengthening. PNG was thus pleased to sign on as a founding member of the GGGI. As a contribution to furthering the objectives of the GGGI, Papua New Guinea is offering office facilities for the GGGI to undertake its work Papua New Guinea.

Furthermore, while the provisions of the outcome document do not make direct reference to UNESCO, we believe that through its mandate, it will continue to play a critical role in promoting education for sustainable development. We would also include the United Nations University in this regard.

The current population growth rate in Papua New Guinea will continue to put pressure on our available natural resources including food, shelter, water supply and other basic needs which in turn will contribute to demographic and economic changes, including greater migration from rural areas to the few growing urban areas.

The adverse impacts of climate change are increasing threats to food security and other natural resources along with increases in vector borne diseases like malaria. It is estimated that about 3 million people in the country depend on climate-sensitive crops which at an annual yield loss of 10% would cost the Government USD 100 – 150m food replacement.

Deforestation and land degradation is caused mainly by unsustainable agricultural practices and unsustainable forestry practices. Like the marine resources, our people have long connections to the forests and this needs to be protected.

Climate change impacts places stress on food security and have the potential to force thousands of people in Papua New Guinea to move from their homes and look for better livelihood opportunities and living conditions.

The public and private sectors along with CSOs are addressing the impact of climate change in different ways. As the focus and scale differ, the Government has established the Office of Climate Change and Development (OCCD) which is mandated to coordinate these initiatives to address climate change in Papua New Guinea. Currently, policies and regulatory frameworks are being established in order to properly assist the majority of the population to become aware of how to mitigate and adapt to climate change.

While Papua New Guinea has enjoyed a decade of positive economic growth, opportunities and wealth have been skewed increasingly in favor of a largely urban-based segment of the population. The challenge for Papua New Guinea remains the equitable distribution of the wealth to all areas in PNG.

Increasingly, the limited formal sector is unable to absorb the growing unemployed urban population because of the requirement of predominantly skilled and semi-skilled workers.

It has to be an imperative for Papua New Guinea to address the large and growing unemployed youth population, a critical factor in Papua New Guinea's sustainable development aspirations. To this end we would support the call of the recent the NAM Ministerial Meeting held in Sharm El Sheikh calling for the establishment of UN Youth – along the lines of UN WOMEN. Additionally, it is important for women to actively participate in the sustainable development process.

Papua New Guinea has made steady progress towards achieving its sustainable development. But more needs to be done! It has to done by way of an all of government approach including private sector, CSOs, and in particular, the inclusions of women and youth if progress is to be accelerated.

Thus far, Government institutions have integrated commitments made at international and regional forums, adopted relevant legal and policy frameworks and enhanced outreach and stakeholder engagement to address growing concerns on the lack of open and transparent dialogue on key issues relating to sustainable development.

Our Founding Fathers enshrined in our Constitution the need to preserve our traditional and cultural heritage through a set of National Goals and Directive Principles.

Our peoples have lived on the land, by seas and ocean for centuries. While we want to preserve this heritage, we also recognize that we are a part of a larger humanity sharing this earth.

As our forebears have preserved our land and seas, we too must do the same. However, our forebears did not have to contend with the idea of a globalized world. Nevertheless, the challenge of reconciling these interests are an imperative if Papua New Guinea is to achieve sustainable development.

I thank you.