Papua New Guinea’s Medium Term Development Plan III (MTDP III)

Presentation to the:
Pacific Women Annual Learning Workshop
Wednesday 1-May 2019

‘Securing our future through inclusive sustainable economic growth’
PURPOSE OF PRESENTATION

• Better understand the Government of PNG’s Medium Term focus
• How we align to PNG’s development priorities
• Linking this program of support to the Government’s targets and indicators (so we can measure performance and relevance)
• Identify Important Ways Forward
NATIONAL PLANNING FRAMEWORK

CONSTITUTION AND DIRECTIVE PRINCIPLES

- Vision 2050
- PNG DSP 2010-2030
- Medium Term Development Plan (MTDP)
- Sector, Provincial, District, LLG and Ward, Plans
- Annual Budgets

Supporting National Policies of Government

- Alotau Accord II
- StaRS
- National Population Policy
- PNG Development Cooperation Policy
- All Sector Policies
- Policy M&E Framework
- PNG Strategy for the Development of Statistics
- PNG Trade Policy
- PNG Foreign Policy

Securing our Future through Inclusive and Sustainable Economic Growth and Agenda 2030 SDGs

PLANNING AND MONITORING RESPONSIBILITY ACT
SOCIAL DEVELOPMENT STATUS

Education: Gross Enrolment Ratio
- 54.4% in 1975 to 114.7% in 2012
- IMPROVED

Health: Average Life Expectancy
- 52-years in 1975 to 65 years in 2016. IMPROVED
- Death per 1000 births: 120 in 1975 to 60 in 2016: IMPROVED

Infrastructure Connectivity
- Built 30,000km of road transport network (that is, 8,740km national roads and 21,000km of provincial/district road assets), sufficient marine and air transport infrastructures. IMPROVED

Public Service and Service Delivery
- At independence, public service delivery system was largely centralised serving under 2 million people. Legislative reforms since then provides important networks and human resource capacity, to serve over 8 million people. IMPROVED
HUMAN DEVELOPMENT INDEX (HDI)

What is the HDI? A summary measure on human development

- A long and healthy life
- Access to knowledge
- A decent standard of living

Papua New Guinea HDI Ranking Compared to Other Countries

154 out of 185 Countries (2016 Data)
Positions PNG as a Low Middle Income Country
POPULATION EXPLOSION

• Population growth of 3.1% is the highest among developing countries;

• Alarming growth rate, result from high fertility rates among young people in the population strata, lack of access and awareness to proper family planning information and facilities.

• If we continue at the same path by 2030 we will have a population that is more than what our economy can be able to carry.
ECONOMIC PERFORMANCE

• GNP/Per Capita Growth Rate is slower than other countries such as Botswana, Malaysia and Fiji which were in the same levels in 1970s
• GDP growth has been at 10% over the last ten years: Very slow growth.
• Revenue collection started a decline in 2015
• Global prices greatly affects our economy (Note: High prices enables high export income and vise-versa) Resulting in less tax revenue for the Government.
MTDP III - 8 KEY RESULT AREAS (KRA)

KRA #1: Increased Revenue and Wealth Creation
KRA #2: Quality Infrastructure
KRA #3: Sustainable Social Development
KRA #4: Improved Law, Justice and National Security
KRA #5: Improved Service Delivery
KRA #6: Improved Governance
KRA #7: Responsible Sustainable Development
KRA #8: Sustainable Population

INCLUSIVE SUSTAINABLE ECONOMIC GROWTH
KEY OBJECTIVES OF MTDP III

• Increase internal revenue on a sustainable basis (domestic tax collections, non-tax revenues and export earnings);
• Increase training, capacity and employment opportunities for PNG citizens;
• Increase PNG ownership and benefits in the formal business sector;
• Improve quality of service delivery in rural districts across the country;
• Create a safe and competitive environment to attract foreign and domestic investments;
• Support provinces and districts to generate sustainable internal revenue;
• Manage population growth at a sustainable level and promote family planning;
• Improve evidence-based planning process.
MTDP III - RELEVANT KRA

KRA #1: Increased Revenue and Wealth Creation

KRA #2: Quality Infrastructure

KRA ♯3: Sustainable Social Development

INCLUSIVE SUSTAINABLE ECONOMIC GROWTH

KRA #4: Improved Law, Justice and National Security

KRA #5: Improved Service Delivery

KRA #6: Improved Governance

KRA #7: Responsible Sustainable Development

KRA #8: Sustainable Population
KRA 1: INCREASE REVENUE AND WEALTH CREATION

KRA 1 Goals (Refer to MTDP III page 23-28)

- Increase Revenue
- Increase Exports
- Reduce Imports
- Employment Creation and Economic Opportunities
- Increase Bankable Land for Productive Utilisation
- Wealth Creation by promoting SME Growth
- Women’s Economic Empowerment
KRA 1: INCREASE REVENUE AND WEALTH CREATION  
KRA 1 GOALS: WOMEN’S ECONOMIC EMPOWERMENT, AND EMPLOYMENT CREATION AND ECONOMIC OPPORTUNITIES

<table>
<thead>
<tr>
<th>Goal</th>
<th>Indicator</th>
<th>Baseline</th>
<th>Target 2022</th>
</tr>
</thead>
<tbody>
<tr>
<td>1.3 Employment Creation and Economic Opportunities</td>
<td>1.7 Employment growth rate</td>
<td>3.4%</td>
<td>7%</td>
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<tr>
<td>1.7 Women’s Economic Empowerment</td>
<td>1.14 Gender Inequality Index</td>
<td>0.595</td>
<td>0.40</td>
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</tbody>
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INDICATORS, BASELINE, TARGET 2022
LINKAGE TO THE THEME: WOMEN AND DECISION MAKING

Recent indicators on inequality:

▪ 38% of women compared to 66% of men are in wage employment,
▪ 46% of women compared to 15% of men participate in the informal sector,
▪ 8% of small to medium enterprises are owned by women across urban, rural and remote locations of PNG.
▪ Less than 12.5% of women out of 37% of adults have bank accounts.

It is projected that narrowing the gender gap in formal sector employment will increase household income in PNG by 14% by 2020.
MTDP III STRATEGIC AREAS OF FOCUS

▪ Enhance opportunities for equality in employment, education and other socio-economic activities
▪ Increase women’s access to economic opportunities
▪ Prevent and eliminate violence against women and children by strengthening legislation on family welfare, child and women protection
▪ Strengthen legislation to safeguard people from being stigmatized due to race, cultural and religious orientation
▪ Promote women’s political participation at all levels of Government
NATIONAL STRATEGY TO PREVENT AND RESPOND TO GENDER BASED VIOLENCE

▪ Aimed at achieving zero tolerance towards gender-based violence.
▪ There has been significant progress in laws, policies and practice
▪ It is now about institutionalizing, strengthening and harmonizing multi-sectoral and multi-level coordination
FINANCING OF MTDP III AND SECTOR PLANS OF GOVERNMENT

- Government of PNG’s Direct Investments
- Development Partners’ support through Grants Support and Concessional Loan Financing,
- Private Sector through PPP Arrangements and Innovative modalities applicable,
- Tax Credit Scheme
PNG DEVELOPMENT COOPERATION POLICY 2018-2022

Goal of the PNG DCP:

Ensure that all development cooperation resources make maximum contribution to the achievement of PNG’s MTP III
WHERE DO WE GO FROM HERE?

• Assessing the achievements and lessons learnt this far
• Understanding the broader objective of Government (outlined in MTDP III) is to grow the economy and how does this Program and our investments contribute to that
• Linking up to the MTDP III targets and indicators, its deliverables and strategies is fundamental
• Having a focused program is more valuable (to avoid thinly spreading resources) for greater impact
• More orientation to the sub-national level
WHERE DO WE GO FROM HERE? CONTINUED

• Assessing the different players (DPs, GoPNG, Private Sector, CSOs) and investments in the targeted sectors

• The sustainability of activities through this Program need to be thought through – institutional strengthening is critical for continuity

• Consider how data can be collected and collated for the purpose of measuring up to the MTDP III targets
Thank you

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