

The Peace Negotiations and the Prospects for a Permanent Peace

Introduction

- 4.1 In a statement to Parliament on 9 June 1999, the Minister for Foreign Affairs drew attention to the progress that had been made since the formal Bougainville peace process began in mid 1997:

Although there will always be day-to-day problems and crises along the path towards a lasting peace, it is worth reflecting just how far the parties have come in barely two years since the peace process started. There has been no fighting during that time. Bougainvilleans are now going about their daily lives without fear and are travelling more widely on the island. The Bougainville economy is showing the first tentative signs of activity.

That such considerable progress has been made is in large part a tribute to the commitment and flexibility personally demonstrated by Papua New Guinea's [then] Prime Minister, Bill Skate, as well as his government, most notably the [then] Minister for State, Sam Akoitai. It is also a tribute to all the leaders of Bougainville and, most particularly, to all Bougainvilleans. It is their peace process.¹

- 4.2 Material in this chapter sets out the landmarks in the peace process since the first Burnham meeting, the successes and setbacks in the peace negotiations, and examines the issues still to be resolved by the parties.

1 Hon Alexander Downer MP, Minister for Foreign Affairs, House of Representatives *Hansard*, p. 5157.

Australia's role as a neutral observer of the process and significant contributor in the form of substantial official aid and facilitator of the dialogue, is also discussed.

Visit by Committee Delegation

- 4.3 During the Committee delegation's four-day visit to Port Moresby and Bougainville in March 1999, the members were able to meet with almost all the key parties to the peace process. The discussions greatly assisted the delegates' understanding of the complex issues surrounding Bougainville's troubled path towards peace and the restoration of civil authority.
- 4.4 Although the delegation was not able to meet with the then Prime Minister, Bill Skate, discussions in Port Moresby with senior Government MPs and with senior officials confirmed the delegates' understanding that Mr Skate had made very positive personal efforts to keep the peace negotiations moving forward. On the other hand, the delegation gained the impression from other quarters in Port Moresby, particularly among the Opposition ranks, that acknowledgment of the need to pursue the negotiations with determination was almost grudging.²
- 4.5 The picture which emerged while the delegation was in Bougainville was a far more positive one. In Bougainville, the climate for peace and the momentum of the negotiations were much more in evidence, despite occasional setbacks. These signs were evident, for example, in the willingness of community leaders and members of the factions to work together towards common goals, despite differences on many issues. The delegation was also able to observe at the community level the beginnings of a spirit of reconciliation.
- 4.6 One of the photographs on the cover of the report shows a sing-sing conducted for the Committee delegates at the Arawa PMG Headquarters by the Otomaung Group. It symbolises the progress made towards reconciliation and a lasting peace in a relatively short time, particularly when compared with the very difficult and dangerous circumstances which presented themselves to an earlier Australian parliamentary delegation when it visited Arawa in April 1994.³

2 JSCFADT, *Interim Report*, op. cit., p. 12.

3 *Bougainville: A Pacific Solution*, Chapter 3, Senator Stephen Loosely, Leader of the Delegation.

- 4.7 The Committee delegation's visit to Bougainville enabled the members to observe not only the progress made since the formal peace process began in mid 1997 but also to appreciate the historical, cultural and other traditions which continue to operate in Bougainville and as a background to the ongoing dialogue between the Bougainville parties and the national government. Some of these traditions, not all of which are cohesive forces for peace, are outlined in the following sections.

The Path to Peace

Traditions of Conflict-Resolution and Peace-Making

- 4.8 Since the watershed meeting of the Bougainville groups at Burnham military camp in mid 1997, remarkable progress has been made. The warring parties have ceased fighting and the tens of thousands of Bougainvilleans housed in refugee camps in Bougainville and the Solomon Islands at the height of the conflict have almost all returned to their communities.
- 4.9 There are strong traditions for conflict resolution and peace-making in Bougainville cultures, including well-established mechanisms and procedures for dealing with conflict both within and between communities.⁴ The aspects of Bougainville society which contribute significantly to integration of communities are the churches, women's organisations and government organisations of various kinds. Among the most important has been the education system associated with the churches, a system that long dominated education in Bougainville in a manner and to a degree unique in PNG:

As a result of a combination of factors (including the relatively small total size of the population, the history ... of a dominant catholic education system, the unifying experience of establishing and operating the North Solomons Provincial Government) most of the elite leadership of Bougainville know each other well. Such factors help to explain why the leaders of opposing Bougainville factions were able to make contacts and initiate the present peace process. Such factors also illuminate how it was that even where leaders have been on bitterly opposed sides during the conflict, they have been able to work together well once the conflict ended.⁵

4 A Regan, Submission, p. 562. See also P Johnston, Submission, p. 173

5 A Regan, Submission, p. 562.

4.10 At the same time, some sources of tension that contributed to the conflict remain unresolved, and new ones have arisen during the peace process. In his submission, Anthony Regan, an Australian lawyer and academic who has been working as a technical adviser in Bougainville in recent months, provides some examples of the new tensions which have arisen, while recognising the overwhelming desire of Bougainvilleans for peace:

For example, there is frustration about the slow pace of reconstruction. Basic law and order problems are increasing in some areas. All over Bougainville, individuals and communities are beginning to reconcile over the differences which contributed to and arose during the conflict. Violent conflict erupted between BRA elements in one area late in 1998. There is uncertainty—and some conflict—about not only Bougainville's future political status but also its future path of economic development.⁶

Traditional Leadership Mechanisms

4.11 The collapse of almost all forms of government administration and economic power during the conflict meant that traditional leaders (Councils of Chiefs and Councils of Elders) once again tended to become far more important, particularly as a source of conflict resolution. In many communities they were a major force for social cohesion and stability, which actually enhanced their authority, as Anthony Regan has argued. However, the traditional community leaders often found themselves at odds with BRA and Resistance leaders, and their 'jurisdiction' was in the main restricted to dealing with problems within their immediate communities.⁷

4.12 Both the BIG/BRA and BTG attempted to strengthen the roles of traditional leaders in developing local level social integration and stability as important elements of the peace process. These traditional leaders were seen as important for dispute resolution and reconciliation, as well as the social integration of young men and, possibly, disarmament arrangements. The BIG/BRA leadership tended to work with the Councils of Chiefs, while the BTG administration had links with the Councils of Elders.⁸

6 A Regan, Submission, p. 543 and attachments. Mr Regan is a lawyer from the ANU's Research School of Pacific and Asian Studies, who is working as a consultant on the BPC's negotiations with the PNG Government in relation to Bougainville's future political status.

7 A Regan, Submission, p. 594.

8 Ibid, p. 595.

- 4.13 These traditions, and the Melanesian approach to reconciliation, reconstruction and rehabilitation, are discussed further in Chapter 6.

The Role of Women and Women's Groups

- 4.14 Although most of Bougainville is matrilineal in its landholding system, it does not mean that women form the main political leadership, notwithstanding the significant influence they held in the traditional cultures. Like the rest of Melanesia, Bougainville is a male-dominated society, and the emerging leadership from the various women's groups has created tensions in areas such as Buka where strong, independent and articulate women leaders find themselves in conflict with the movement towards traditional leadership from the Councils of Chiefs.⁹
- 4.15 Discussion during the Committee's public seminar in November 1996 on Australia's relations with PNG included references to the role of women in the Bougainville peace process. Speakers at the seminar referred to an important women's peace conference in Arawa in September 1996, attended by 700 women with church affiliations. The seminar report noted that women in Bougainville had been working towards peace for some years and acknowledged the recommendations which had emerged from the women's conference—support for third party involvement to secure a negotiated settlement; direct involvement of international humanitarian agencies; removal of military forces and replacement by rule of law. The Parliamentary delegation to Bougainville in 1994 had been impressed by the commitment and determination of the women to restore daily life on the island to something approaching normality, by commencing reconciliation processes and the rebuilding of trust between communities.¹⁰
- 4.16 Many of the women who attended the Arawa conference also attended a further conference in Australia in October the same year. Their representatives subsequently met with members of the Committee in Canberra, when they presented a position paper outlining a five-year action plan for peace. The timetable included involvement of a UN peace-keeping force, reconstruction and rebuilding of essential services, re-establishment of a judicial system, investigation of human rights violations, elections for Bougainvillean leaders and an act of self-determination as a final stage.¹¹

9 A Regan, Transcript, 4 June 1999, pp. 259-260.

10 JSCFADT, *PNG Update*, op. cit., pp. 38-39.

11 Ibid, p. 39.

- 4.17 In March 1999, the Committee's interim report acknowledged the role of women in the peace process, and highlighted discussions with an indigenous NGO, the Leitana Nehan Women's Development Agency (LNWDA), which is concerned with community issues, and draws its membership from Buka and Nissan Islands as well as from the northern parts of Bougainville Island. Several submissions drew attention, not only to the long-standing role of women in the peace process, but to the focus of the women's groups on issues wider than so-called 'women's issues'.¹²

Diversity of Women's Groups

- 4.18 It became clear during the course of the inquiry that there were significant differences of view between particular women's organisations in Bougainville. For example, the Provincial Council of Women has traditionally been associated with the BTG, while the Bougainville Women for Peace and Freedom has closer links with the BIG/BRA. In addition, there are other, smaller women's groups and informal networks operating at community levels. The dynamics of these groups, their importance for the peace process, and for the effectiveness of the BPC have been acknowledged by Bougainville leaders such as Sam Akoitai and Joseph Kabui among others.
- 4.19 Anthony Regan has commented further on the developing leadership role of women, which he sees as one of the more complex (positive) impacts of the conflict:

The active roles played by a number of prominent female leaders during the conflict and in the development of the peace process has changed perceptions about the place of women in public life in Bougainville. Among educated women and other women with active public roles, there is a sense that things have changed now, that there are new opportunities opening for women. The leadership of the BIG, in particular, has shown openness to more public leadership roles for women. At the same time, there are signs of concern among many male leaders about the changes, and some who clearly want to see women moving back to what is seen as the traditional role of influence rather than public leadership.¹³

- 4.20 Notwithstanding the strong differences which do exist between the various women's groups on the ways in which the peace process should
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12 For example, Professor M O'Collins, Submission, pp. 291-292. District Development Officers, Submission, p. 525. See also JSCFADT, *Interim Report*, op. cit., p. 17.

13 A Regan, Submission, p. 557. ACFOA, Transcript, 19 February 1999, p.41. Sam Akoitai's comments were reported in the PNG *National*, 'BRG vital for bridging gaps', 20 April 1999.

move forward, women have emerged as significant public figures in Bougainville. Hence they continue to be influential forces for peace.

Enhancing the Role of Women in Peace Negotiations

- 4.21 It was put to the Committee in several submissions and in oral evidence that, although the role of women in the peace process has been recognised, more should be done to enhance that role.¹⁴ It is an encouraging sign that six members of the BPC are women, and that four of them have been appointed to the executive of the Congress.¹⁵ However, given the very significant early role that women had in persuading the leaders to abandon armed conflict and to begin formal peace negotiations, it would be fitting that even more women be represented in the BPC and, ultimately, the BRG.
- 4.22 Australia may be able to assist in enhancing women's contributions to the negotiation process by ensuring official aid funding includes support for programs designed to develop the leadership skills of women. This issue is discussed further in Chapter 6.

Stages in the Peace Process

Early Peace Efforts

- 4.23 As outlined in Chapter 2 there had been numerous attempts to resolve the conflict long before the first Burnham meeting. These early attempts included the Endeavour Accords in August 1990 and the 1994 Arawa Peace Conference, from which Theodore Miriung emerged as the key leader of a coalition of Bougainvilleans committed to peaceful resolution of the conflict. These efforts (and the strength of Miriung's personal belief in the value of leaders' meetings) led to the series of talks in Cairns in September and December 1995 and an agreement facilitated by the Solomon Islands Government in which leaders of the BRA/BIG and BTG arranged to hold discussions in New Zealand in July 1997.
- 4.24 Apart from these initiatives, there were other localised efforts to find a peaceful solution for Bougainville. As Anthony Regan has discussed, these activities involved not only women's groups but also local NGOs and church leaders, and had the effect of developing strong public opinion in favour of peace:

14 For example, District Development Officers, Submission, p. 535.

15 A Regan, Transcript, 4 June 1999, pp. 259-260.

They [women's groups local NGOs and church leaders] all articulated community concerns about the need for peaceful resolution of the conflict. They also undertook local mediation and reconciliation efforts. Local level councils of chiefs mediated in local disputes, and tried to bring the young men with the guns under social control.¹⁶

4.25 A number of mutually inter-connected factors combined in the first half of 1997 to produce a favourable environment for peace negotiations. These factors may be listed briefly as follows:

- Generalised war-weariness in Bougainville, generated in large part by women's groups and community and church leaders;
- Expectations raised by the PNGDF's rejection of the Sandline arrangement and, consequently, final recognition by all the parties that a military solution of the conflict was not possible;¹⁷
- Growing awareness on the part of moderates in the BIG/BRA leadership that the divisive forces unleashed by the conflict would make administration after a military victory very difficult;
- Declining support for the more 'hard line' elements of the BIG/BRA leadership grouped around Francis Ona, in favour of more moderate leaders such as Joseph Kabui;
- Conflict-resolution training conducted in the first half of 1997 by Brisbane lawyers Mark Plunkett and Leo White, encouraging the more extremist members of the BIG/BRA to acknowledge the increasing movement of public opinion towards a negotiated peace;
- New, more moderate, leadership in Port Moresby following the departure of Prime Minister Chan in April 1997.¹⁸

The Burnham Declaration, July 1997

4.26 The first meeting at Burnham military camp in New Zealand was held from 5 to 18 July 1997, attended by a wide range of Bougainvillean leaders, but without the direct involvement of the PNG Government. The resultant Burnham Declaration of 18 July 1998 called for leaders to bring

16 A Regan, Submission, p. 561.

17 The PNG Government's last attempt at a military solution of the Bougainville crisis was the secret engagement of the Sandline mercenaries, which was revealed by the international media in February 1997. The failure of this plan, and the controversy it aroused, led to a renewed focus on negotiation rather than armed conflict.

18 A Regan, Submission, p. 561.

about a ceasefire and for an international peacekeeping force to be established in Bougainville. The Declaration also called for the ultimate withdrawal of the PNGDF and recognised the right of Bougainvilleans to determine their own political future. Demilitarisation of Bougainville was seen as an essential step in the peace process, and the Declaration urged leaders to ensure a supervised disarmament and weapons disposal program was developed. Provision for lifting of the blockade and removal of restrictions on access by international agencies such as the International Committee of the Red Cross (ICRC) and the United Nations International Children's Fund (UNICEF) was also included in the Declaration. It was agreed that Bougainvillean leaders would meet with the PNG Government to advance the peace process. The discussions were not attended by the President of the BIG and supreme commander of the BRA, Francis Ona.

- 4.27 The full text of the Burnham Declaration (Burnham I) is contained in Appendix E. The Declaration was signed by Joseph Kabui, Martin Miriori and Sam Kauona for the BRA/BIG delegation, and by Gerard Sinato, John Momis and Sam Akoitai for the BTG and other Bougainvilleans.

Burnham II (The Burnham Truce), October 1997

- 4.28 A second meeting at Burnham in October 1997 (Burnham II) was attended by officials representing all parties to the Bougainville conflict, including the PNG Government,¹⁹ the BRA and the Resistance, as well as senior PNGDF and Royal PNG Constabulary (RPNGC) officers. The resultant truce agreement was signed on 10 October 1997. It established an immediate truce, agreed to recommend to the parties that a neutral Truce Monitoring Group (TMG) be invited to Bougainville, and produced agreement on the need for reconciliation, for phased withdrawal of the PNGDF and for re-establishment of civil authority. The truce document also agreed to the holding of a 'Leaders Meeting' to discuss a 'political settlement'.
- 4.29 Burnham II endorsed the lifting of all restrictions on freedom of movement and on access to essential services, and laid the groundwork for the meeting of leaders at Lincoln University. The text of the Burnham Truce is contained in Appendix F.

19 The PNG Government is a major party to the peace negotiations, with a number of agencies relevant to the process—The Office of Bougainville Affairs, the PNGDF, the RPNGC and the Department of Provincial Affairs, for example. A new Bougainville Peace and Restoration Office was established by the Morauta government in August 1999.

Truce Monitoring

- 4.30 The next stage of the process was the Cairns meeting between the PNG Government and the Bougainville parties in November 1997, which made preparations for an unarmed regional TMG to be established. The formal document which was produced at the conclusion of the meeting was titled *The Cairns Commitment on Implementation Concerning the Neutral Regional Truce Monitoring Group, 18 - 24 November 1997*.
- 4.31 The mandate for the TMG was set down in an Agreement signed on 5 December 1997 in Port Moresby by representatives of the governments of PNG, New Zealand, Australia, Fiji and Vanuatu. That Agreement set the parameters for regional cooperation on the TMG initiative and the conditions under which the TMG would operate.²⁰
- 4.32 Under the terms of the Agreement, the TMG had responsibility for:
- monitoring compliance of the parties with the terms of the Burnham Truce;
 - promoting and instilling confidence in the peace process; and
 - providing people in Bougainville with information on the truce agreement and the peace process.
- 4.33 The first TMG was deployed on Bougainville on 5 December 1997 and operated from several regional centres in the province. TMG bases at Arawa and Buka were the first to be established, with those at Buin and Tonu operating later. The TMG was predominantly military in composition, mainly provided by the New Zealand Defence Force (NZDF). The Commander of the TMG was a Brigadier from the NZDF. Australia and the other regional partners provided personnel and logistic support. The Deputy Commander was an Australian civilian seconded from DFAT.

The Lincoln Agreement, January 1998

- 4.34 The Lincoln Agreement was signed on 23 January 1998, extending the truce period to 30 April 1998 in order to allow for consultation on the establishment of a 'permanent and irrevocable ceasefire', which was to take effect in Bougainville at midnight on that date. The parties agreed to a phased withdrawal of the PNGDF from Bougainville, 'subject to

20 Under the terms of the *Agreement between Papua New Guinea, Australia, Fiji, New Zealand and Vanuatu Concerning the Neutral Truce Monitoring Group for Bougainville*, the mandate for the TMG was stated in Article 5. This was modified by a Protocol signed on 29 April 1998 to take account of the shift from a truce to a ceasefire (Submission, DFAT, p. 491).

restoration of civil authority'. The parties also agreed to meet again in Bougainville to address the 'political issue' before the end of June 1998.²¹

- 4.35 Detailed arrangements for implementing the Lincoln Agreement were to be incorporated as Annexes to the original document. The PNG Government agreed to seek the endorsement of the UN Security Council for the proposed peace monitoring operations. In Clauses 5 and 6, the Agreement provided for the PNG Government to conclude arrangements for deployment of a replacement for the TMG by no later than 30 April 1998. The new group was to be the neutral Peace Monitoring Group (PMG) and a special observer mission from the UN (UNOM) was to be appointed to oversight the monitoring arrangements. The Lincoln Agreement also provided for free and democratic elections for a Bougainville Reconciliation Government (BRG) and for leaders' meetings to address the 'political issue' before the end of 1998.
- 4.36 The signatories to the Agreement, which was witnessed by the Prime Minister of the Solomon Islands, the Hon Bartholomew Ulufa'alu, MP, were:
- Sir John Kaputin MP, Chief Negotiator for the PNG Government
Hon Sam Akoitai MP, Minister for Bougainville Affairs, PNG Government
Hon Gerard Sinato, Premier, BTG
Mr Joseph Kabui, Vice President, BIG
General Sam Kauona, Commander BRA
Hon John Momis MP, Member for Bougainville Regional, PNG Government
Hon Michael Laimo MP, Member for South Bougainville, PNG Government
Hon Michael Ogio MP, Member for North Bougainville, PNG Government
Mr Hilary Masiria, Bougainville Resistance Force Commander.
- 4.37 Following the signing of the Lincoln Agreement, Australia agreed to host another Bougainville peace meeting in Canberra in March 1998. This meeting provided the opportunity for all the parties to discuss details of the permanent ceasefire and to explore options for the level of external involvement in monitoring the peace process.

21 Appendix G contains the text of the Lincoln Agreement. See Clauses 3, 4 and 13 of the Agreement for the specific provisions relating to the ceasefire, PNGDF withdrawal and the 'political issue', respectively.

The Arawa Agreement, April 1998

- 4.38 Annex 1 to the Lincoln Agreement (the Arawa Agreement of 30 April 1998) proclaimed the implementation of the ceasefire and agreed that the PNG Government would invite Australia, Fiji, New Zealand, Vanuatu and other countries in the region to participate in the neutral PMG.²² The parties agreed that the PMG would:
- Monitor and report on compliance with all aspects of the ceasefire;
 - Promote and instil confidence in the peace process through its presence, good offices and interaction with people in Bougainville;
 - Provide such assistance in implementation of the Lincoln Agreement as the parties to the Agreement and the states contributing to the PMG may agree, and available resources allow; and
 - Cooperate by agreement in ways that assist in democratic resolution of the situation.²³
- 4.39 The parties also agreed that the UNOM would work in conjunction with the PMG in order to monitor and report on implementation of the ceasefire, and that a Peace Process Consultative Committee (PPCC) would be established.
- 4.40 As Mr Regan has observed, the Lincoln Agreement marked the beginning of a shift in emphasis from the process itself towards planned outcomes to be achieved on the more contentious issues. It did this by setting a timetable for the first steps to be taken in those directions—a kind of 'road map' for the peace process.²⁴
- 4.41 The contributions to the peace process by the TMG and the PMG are discussed more fully in Chapter 5.

The Peace Process Consultative Committee and Leaders' Meetings

- 4.42 The PPCC was established by the Arawa Agreement of April 1998, and was intended to be the formal mechanism for regular discussion of the peace process. The first meeting of the PPCC was held on 7 and 8 October 1998. It was chaired by UN Representative Valery Marusin and was attended by the various parties to the conflict, with observer representatives from Australia, New Zealand, Fiji and Vanuatu also

22 *Agreement Covering Implementation of the Ceasefire*, signed at Arawa on 30 April 1998: Appendix H.

23 Clause 4 of the Arawa Agreement, see Appendix H.

24 A Regan, Submission, pp. 564, 572-573.

- attending, including the PMG commander. The participants discussed major issues such as the establishment of the BRG, reconciliation and development, law and order and disarmament.
- 4.43 The PPCC meets regularly in Bougainville, under the chairmanship of the head of the UNOM. These arrangements recognise the formal responsibility of the Mission to monitor and report on the ceasefire and the operations of the PMG.
- 4.44 A meeting of Bougainville leaders (BTG, BRA/BIG, Resistance, women's representatives, chiefs and elders) was held in Buin from 20 to 22 August 1998. This meeting re-affirmed Bougainvilleans' commitment to the formation of the BRG and prepared for further leaders' meetings at Petats in Buka, and elsewhere.
- 4.45 A leaders' meeting on 9 October 1998 deferred decisions on the issues raised in the PPCC so that the parties could consult further. Another special leaders' meeting was held on 20 October in Buka to discuss BRG issues, and a further PPCC meeting took place the next day. At this meeting, the parties agreed to focus on the BRG's formation at the expense of the other major issues.
- 4.46 The Committee delegation's report in March 1999 highlighted the scope for the PPCC to maintain a neutral oversight of the peace process, to demonstrate to all the parties the need to keep the process moving forward and to monitor the actual results achieved.²⁵ Accordingly, the delegation concluded that the mechanism of the PPCC warranted further examination as an avenue for monitoring progress towards a negotiated settlement. The Committee re-affirms its preliminary view on the potential for the PPCC to ensure that a firm focus on outcomes from the peace negotiations is maintained.

Recommendation 1

- 4.47 **The Committee recommends that the Australian Government ensure that the Peace Process Consultative Committee, under the chairmanship of the UN Observer Mission, is given all necessary support from external observer representatives to enable that body to maintain a clear focus on outcomes from the peace negotiations.**

25 JSCFADT, *Interim Report*, op. cit., p. 13.

The Peace Process Steering Committee

- 4.48 The Peace Process Steering Committee (PPSC) is an informal mechanism for holding discussions between the parties to the conflict, including the PNG Government. Australia and the other PMG participants from the region participate as observers. The role of the PPSC is to consult regularly on issues arising from the operations of the PMG. As appropriate, the PPSC discusses such issues with the PPCC.
- 4.49 The main purpose of a PPSC meeting in Brisbane in November 1998, for example, was to review the state of the peace process and to review strategies for the following 12 months. Australia hosted the meeting, which was attended by Sam Akoitai, and shared the costs with New Zealand.
- 4.50 In its report, the Committee delegation expressed the view that there is scope for enhancing the capability of the PPSC to move the peace process forward, by reviewing strategies and monitoring progress. Further, the delegation considered that the effectiveness of the PPSC would be increased if it were to meet at least on a quarterly basis and that the Australian Government should give consideration to providing additional financial support for the PPSC's activities. Similarly, the delegation supported examination of the scope of the Ministerial Meetings associated with the South Pacific Forum to enhance regional contribution to moving the peace negotiations forward.

Recommendation 2

- 4.51 **The Committee recommends that the Minister for Foreign Affairs consider increasing the level of Australia's contribution to the shared-costs arrangement in support of the Peace Process Steering Committee, in order to enhance the prospects of maintaining the momentum of the peace process and reporting on progress with the negotiations between the parties.**

Delays in the Lincoln Timetable

- 4.52 The early focus of the parties on processes rather than the divisive issues facing Bougainville after the ceasefire was an initial key to the success of the process. This focus enabled the Bougainvillean groups in particular to develop confidence in the process, to build trust among themselves and to

build widespread commitment to peace negotiations. For example, formal agreement was needed on various processes—the steps to be taken towards peaceful negotiation; the proposed external monitoring proposals; plans for removal of restrictions on movement, and restoration of essential services. Efforts to achieve results on the potentially more divisive issues were therefore deferred.²⁶

- 4.53 At the end of 1998 the focus changed from one of emphasising the process itself and putting aside the major divisive issues to one of seeking results on substantive issues. The potentially divisive issues covered by the Lincoln Agreement included:
- Disarming the combatants and weapons disposal;
 - Phased withdrawal of the PNGDF;
 - Establishing a civil police force and the rule of law;
 - Preparation for the BRG to be established by the end of 1998; and
 - Discussion of Bougainville's ultimate political status, to be commenced at a leaders' meeting before the end of June 1998.
- 4.54 The last two of the above issues had the most potential to be divisive, given the inevitable redistribution of power that would be involved and the historical distrust between the Bougainville parties. 'Moderate' leaders from areas that had either opposed the BRA or been associated with the Resistance could have been expected to have good reason to fear a BRG dominated by the BIG/BRA and, equally, the BIG/BRA elements could be expected to fear that a BRG dominated by BTG and Resistance elements might show little interest in their concerns about independence.²⁷
- 4.55 In the event, the proposed leaders' meeting on the political issue was not held in 1998. Given the complex dynamics of the peace process, there were understandable delays in meeting the timetables for the discussions envisaged by the Lincoln Agreement.
- 4.56 The timetables themselves were unrealistic for many reasons, including difficulties in resolving differences between the Bougainville groups and the need for leaders to consult with their constituencies at all significant stages of the negotiations.²⁸ For example, until Arawa was declared a demilitarised neutral zone and the callout of the PNGDF under section 204 of the PNG Constitution was rescinded, the BIG/BRA refused to

26 A Regan, Submission, p. 571.

27 Ibid, p. 573.

28 Ibid, p. 591. DFAT, Transcript, 19 February 1999, p. 6.

participate in the PPCC or in the talks on the political issue envisaged by the Lincoln Agreement. Even after those issues were finally settled (in August 1998), difficulties over arrangements for establishing the BRG caused further delays in achieving discussion of the major political issues.

- 4.57 These delays were frustrating for the PNG Government, for Australia and for the PMG.

Setbacks for the Peace Negotiations

- 4.58 There were several Bougainville leaders' meetings planned for the months after the signing of the Lincoln Agreement in January 1998. To keep the peace process moving forward at that time required all parties to maintain close and constant dialogue, to avoid misunderstandings and disruption of the peace plans. This proved to be difficult in the prevailing climate where the communications infrastructure was unreliable or non-existent and the parties at that time were meeting on an issue by issue basis.

- 4.59 There have been periodic setbacks to the process, although none has presented a terminal difficulty. As DFAT has indicated, considering the duration of the conflict and the bitterness it engendered, the peace process has moved quite fast. The occasional delays are due in no small measure to the need for Bougainvillean leaders to consult with their own people about the directions to be taken.²⁹

- 4.60 As previously discussed in Chapter 3, Mr Skate's adjournment of the national Parliament from December 1998 to July 1999 was another setback to ensuring parliamentary oversight of the Bougainville peace process. On 25 June 1999, the PNG Supreme Court ruled that the seven month adjournment of the parliament breached section 124 of the PNG Constitution.³⁰ The constitutional challenge by John Momis to the suspension of the Bougainville provincial government, which was dismissed by the Supreme Court on 20 July 1999, is also discussed in Chapter 3.

The Way Forward: Key Issues to be Resolved

- 4.61 In mid 1997 at the start of the formal peace process, the main issues to be resolved were:
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29 DFAT, Submission, p. 494.

30 Reported in *The Australian*, *The Sydney Morning Herald*, and *The Canberra Times*, 26 June 1999—see Exhibit 23, Folder 'A'.

- Tensions and distrust not only among the main parties but between the Bougainvillean communities;
- Widespread use of violence and abuse of human rights by all sides during the conflict;
- The role and continued presence of the security forces—the PNGDF and riot police;
- Displacement of large numbers of the population into refugee camps in Bougainville ('care centres') and the Solomon Islands.
- Fears of retribution, and compensation issues;
- Restrictions on movement and on access to essential services;
- The huge scale of physical destruction and the virtual obliteration of political, social and economic systems;
- The future political status of Bougainville; and
- Concerns about further economic development, including mining.³¹

Autonomy Issues

4.62 According to DFAT, most Bougainvilleans probably favour staying within PNG, but with a greater voice in their own affairs. However, DFAT acknowledged that there would be clear implications for the PNG Government if it were to grant a greater degree of autonomy to Bougainville than applied to the other provinces:

The debate in [Port] Moresby is about its sovereignty over the island and the extent to which it will make special arrangements for the island; or that it has gone too far in making special arrangements for the island; ...³²

4.63 NGOs informed the Committee that, although many Bougainvilleans may not want independence as such, they increasingly insist on a greater say in their own affairs.³³

4.64 There is, in Anthony Regan's view, a common misconception within the PNG Government's ranks that it was mainly an overwhelming war-weariness which drove the rebel leadership into the peace process. At the same time among the more 'hard-line' Bougainville leadership there is a

31 A Regan, Submission, p. 565.

32 DFAT, Transcript, 19 February 1999, pp. 4 and 16.

33 For example, Australian Volunteers International (formerly Overseas Service Bureau), Transcript, 12 April 1999, p. 86.

perception that the BRA defeated the PNG security forces—especially in repelling Operation High Speed II in May/June 1996 and in the Kangu Beach massacre of September 1996—and that, consequently, there is little standing in the way of complete independence. These diverging perceptions create a potential danger, in that neither group is willing to enter negotiations on the main divisive issue—the future political status of Bougainville—with open minds. Anthony Regan suggests that it may be important for the success of the peace process to find ways to bridge this perception gap before negotiations on the political issues go too far. He also suggests that there is a need for the decision makers at the national level to understand that a fairly radical solution of the autonomy issue in terms of the range of options to be presented is needed for Bougainville. Otherwise there is considerable risk that the more extreme elements in Bougainville will reject what they would probably see as an unsatisfactory response to their demands for greater autonomy and independence.³⁴

- 4.65 As has been stated previously, the future status of Bougainville is entirely a matter for the PNG Government and the parties to the peace negotiations to determine. However, in bilateral discussions and in conjunction with other regional countries, Australia may be able to assist with education processes designed to reduce differences in perception between the parties.

Recommendation 3

- 4.66 **The Committee recommends that the Australian Government examine with regional partners further opportunities to facilitate mutual understanding between all the parties to the peace negotiations, with particular reference to ensuring the future political stability of Bougainville.**

Level of Support for Francis Ona

- 4.67 Francis Ona's position on the question of self-determination appears to be that his 'Unilateral Declaration of Independence' in May 1990 was the legitimate statement on independence and that, as the self-proclaimed President of Me'ekamui, he has support from most Bougainvilleans.³⁵ As

34 A Regan, Submission, p. 564 and Transcript, 4 June 1999, pp. 257-258.

35 Exhibit 17 (b), 'Me'ekamui (Bougainville) Situation Report', 20 May 1999, R Gillespie.

Anthony Regan has stated, it needs to be remembered not only that Francis Ona retains great respect from most Bougainvilleans but also that some 'hard-line' elements of the BRA groups now supporting the peace process do so with reluctance. Nevertheless, the levels of support for Francis Ona may be declining:

Although Ona has made strident attacks on Kabui and the BPC as late as early June, there are signs that his credibility and support are reducing. Further, there are continuing informal contacts between him and the BPC leaders that indicate he is willing to leave the space for Kabui and the rest of the BPC leadership to try to find a way forward.³⁶

Referendum Proposals

4.68 Against the background of swiftly moving events in Bougainville, one of the most recent developments is an outline proposal for a referendum on a greater degree of autonomy for Bougainville. Statements on the independence issue by Joseph Kabui on behalf of the BPC and Bill Skate in June and early July 1999 demonstrated a shared desire for negotiations leading to a solution of the political issue. As Joseph Kabui has stated:

We are taking an *esi esi tasol* [taking it easy] approach to independence, looking at a transition period of up to five years.³⁷

4.69 While ruling out the possibility of independence during his meetings with the Bougainville leaders, Mr Skate made assurances that his government was willing to consider a high level of autonomy for Bougainville, with a level of self-government greater than any other province.³⁸ Under such a proposal, the national government would retain certain powers, controlling key areas such as foreign affairs and defence. Mr Skate also expressed his government's willingness to consider the possibility of a referendum to allow Bougainvilleans to decide their political future.³⁹

4.70 In response to Mr Skate's assurances, and anticipating the national government's decision on the issue, the Leitana Council of Elders, Bougainville MPs and Resistance representatives began preparing a provincial government package.⁴⁰ Francis Ona has welcomed the

36 A Regan, Submission, pp. 588-589.

37 J Kabui, reported in *The Sydney Morning Herald*, p. 27, 12 June 1999.

38 PNG *The National*, 'Kabui thanks PM for Gesture on Autonomy', 8 July 1999 and PNG *Post-Courier*, 'Buka Elders praise sensible idea', 7 July 1999.

39 PNG *Post-Courier*, 'Skate imparts clear point in Buka talks', 1 July 1999, *Asia Pulse*, 'PM to consider referendum on Bougainville autonomy', 1 July 1999 and *The Age*, 2 July 1999, p. A12.

40 PNG *Post-Courier*, 'Buka elders praise sensible idea', 7 July 1999.

possibility of a referendum, while maintaining that Bougainville will not accept any form of autonomy unless it delivers total independence.⁴¹

- 4.71 Further to the process of determining the political future of Bougainville, Joseph Kabui, as head of the BPC, met with Skate (as acting Prime Minister until resumption of the Parliament) in Rabaul, East New Britain Province on 10 July 1999 and signed the 'Hutjena Minute', paving the way for further negotiations.⁴² Political events overtook the process however, when Sir Mekere Morauta was elected Prime Minister on 14 July 1999. Sir Mekere, while expressing his commitment to continuing the peace process and initially taking on the portfolio of Bougainville Affairs himself, has yet to make his government's position clear on the question of the political future of the province.
- 4.72 Several submissions argued that a resolution of the 'political issue' rests with an internationally-supervised act of free choice on the options available.⁴³ An Australia-based support organisation for the BRA, the Bougainville Freedom Movement (BFM), claimed in evidence that there is wide-spread insistence in Bougainville on self-determination. BFM suggested that Australia should use its influence to persuade the PNG Government to give effect to the formation of the BRG and to recognise the widespread support for independence. In a letter to a PNG newspaper in May 1999, Martin Miriori, 'Secretary and Co-Chair of the BRG Steering Committee' based in the Netherlands, distanced himself and the BFM organisation from what he regarded as the unhelpful actions of Francis Ona and his supporters at a time when the peace negotiations were still 'fragile'.⁴⁴

The Range of Options

- 4.73 The 31-member Congressional Executive Council (CEC) of the BPC has been presented with nine options developed by the technical officers on the future political status of Bougainville. These options were originally due to be discussed with the PNG Government by the end of June 1999 under the terms of the Matakana and Okataina Understanding. The various options range from full independence to accepting the new Organic Law, and variations in between.

41 PNG *Post-Courier*, 'Ona uses Taiwan trip against autonomy', 7 July, 1999, p. 7.

42 *The Post-Courier*, 'Kabui and congress support acting PM', 12 July 1999.

43 Bougainville Freedom Movement, Submission, pp. 110, 388 and 393. R Gillespie, Submission, pp. 310, 314. ACFOA, Submission, pp. 478-479.

44 Bougainville Freedom Movement, Transcript, 13 April 1999, pp. 118-119. M Miriori, reported in the PNG *National*, 'Give us credit for promoting peace', 24 May 1999.

- 4.74 There have been early signs that the CEC members are being open-minded in discussing the options and evaluation plans prepared by the technical officers and recognise the historic opportunity to reach a consensus position upon which to negotiate.⁴⁵ However, Clause 2 of the Understanding has caused some dissension, in that the document provides for Sir John Kaputin as Special State Negotiator to bring together a combined Bougainville package of proposals for discussion with the PNG Government, but also allows for individuals and groups in Bougainville to present separate cases to him without reference to the BPC.⁴⁶
- 4.75 With the change of government after the resignation of Bill Skate, a new program of discussions on the political future of Bougainville has, at the time of writing, not yet been announced. However, Sir Mekere Morauta is reported to have expressed disappointment that progress had stalled on the key aspects of Bougainville's political future and the establishment of the BRG, amid reports that the PNG Parliament had extended the suspension of the provincial government pending a report on Bougainville's long-term future.⁴⁷
- 4.76 Other major issues which still have the potential to disrupt progress towards a negotiated settlement for Bougainville—law and order, disarmament and disposal of weapons, withdrawal of the PNGDF—are discussed later in this chapter, under 'Prospects for a Permanent Peace'.

Formation of the Bougainville Constituent Assembly

- 4.77 Despite the delays which occurred in the peace negotiation timetable envisaged by the Lincoln Agreement, there were encouraging signs that the peace process was continuing to move forward. On 24 December 1998, a hastily convened constituent assembly comprising representatives of the main Bougainville groups met in Arawa. It adopted a 'Constitution for the BRG', which provided for the BRG to be established in stages.

45 A Regan, Submission, pp. 587-588. In evidence, Anthony Regan explained that the combined technical team advising the political leaders on the negotiations with the PNG Government comprises around 14 people, including Sam Kauona and Robinson Asitau (Transcript, 4 June 1999, pp. 256-57).

46 A Regan, Transcript, 4 June 1999, p. 263 and Submission, p. 588. Sir John Kaputin has been named as the Minister for Mining in the first Morauta ministry.

47 PNG *Post-Courier*, 'Sir Mekere may visit Bougainville soon', 'Bougainville provincial government suspension extended by House', 6 August 1999. The *Post-Courier* reported on 6 August 1999 that the National Investigation Committee (NIC) would visit Bougainville to review the suspension of the Bougainville provincial government and would report to Parliament at the end of September. World News on Radio Australia reported on 3 September 1999 that the NIC would seek submissions and report findings in October 1999.

- 4.78 The first stage was a Bougainville Constituent Assembly (BCA) comprising representatives of all factions and many interest groups. It was to be an interim but broadly representative advisory body, pending elections and selections for a Bougainville People's Congress (BPC).⁴⁸ The formation of the BCA was a significant step towards developing a representative body in Bougainville which would have a high degree of community support and therefore be capable of negotiating effectively with the PNG Government.⁴⁹

A 'Constitution of the BRG'

- 4.79 The text of the 'Constitution of the BRG' can be found in Appendix J, together with the 'Draft Basic Agreement Concerning the BRG'. Provision was made in the BRG Constitution for nomination of representatives from various organisations in Bougainville, including Francis Ona's group, the former BTG, the BIG/BRA, the Resistance forces, women's groups and the churches. The BCA meeting on 15 and 16 January 1999, which was attended by the then Minister for Bougainville Affairs, the Hon Sam Akoitai, endorsed both documents. The PNG Government has not yet formally agreed to the BRG constitution, although it endorsed the Basic Agreement.⁵⁰
- 4.80 At its first meeting, the large and unwieldy BCA delegated most responsibilities to a core group of leaders—five each from within the BTG and BIG/BRA representatives. This core group became the body that advised the Minister responsible for Bougainville in the exercise of the powers of the suspended provincial government. It also guided preparations for the BPC elections, which were held in May 1999.⁵¹

Interim Constitutional Basis for the BRG

- 4.81 The provincial government framework for PNG and the constitutional strategies necessitated by the legal vacuum created by a combination of the expiry of the BTG's charter on 31 December 1998 and the absence of enabling legislation for establishment of the BRG, has already been described in Chapter 3.

48 DFAT, Transcript, 19 February 1999, p. 23.

49 P Johnston, Submission, p. 172.

50 DFAT, Transcript, 19 February 1999, p. 14.

51 A Regan, Submission, p. 586. The election process began in most parts of the province on Monday 3 May 1999.

- 4.82 Special constitutional arrangements had kept the 1977 *Organic Law on Provincial Government* (the old Organic Law) operating in Bougainville since 1995, giving legal authority to the BTG. In all other provinces of PNG the old Organic Law had been replaced in July 1995 by the *Organic Law on Provincial and Local-level Governments* (the new Organic Law). Without further constitutional provision being made, the new Organic Law would automatically extend to Bougainville from 1 January 1999. It was widely understood that the new Organic Law did not provide a suitable basis for the BRG. The main problem was that it would have the effect of reducing the degree of autonomy already enjoyed by Bougainville, at a time when even 'moderate' Bougainvillean leaders were pressing for greatly increased autonomy.⁵²
- 4.83 From 1 January 1999, the new Organic Law came into operation in Bougainville. However, the PNG Government immediately suspended the provincial government for Bougainville that the new Organic Law provided, vesting all powers in the National Executive Council (NEC) which delegated all executive powers to the Minister for Bougainville Affairs—later the Minister of State—the Hon Sam Akoitai.

Legal Challenges to the Interim Administrative Arrangements

- 4.84 The long-serving national MP for Bougainville Regional, Mr John Momis, had been concerned for some time about the limited role he had been permitted in the peace process. Mr Momis was in effect the Bougainvillean leader with the clearest popular mandate, having received over 50 per cent of the votes cast in the 1997 national elections. By contrast, leaders such as Joseph Kabui and Sam Kauona were at that time not elected, and the BTG leaders had been elected indirectly, through councils of chiefs and local government bodies.⁵³ Under the new Organic Law, John Momis would have automatically become Governor of Bougainville.
- 4.85 In a series of discussions in Bougainville in October and November 1998, Momis and his supporters gained agreement from the other parties that a second set of constitutional amendments be proposed, to provide increased roles for MPs in the Bougainville provincial level government. In the midst of subsequent controversy over the 1999 national budget and moves by Prime Minister Skate to adjourn the Parliament for an extended

52 The constitutional issues relevant to Bougainville, and the consequences of the failure by the PNG national parliament to pass the necessary constitutional amendments to enable the BRG to be established, are discussed in detail in Mr Regan's submission, at pp. 575-581.

53 A Regan, Submission, p. 576.

period, the hard-won bipartisan support for the two sets of amendments collapsed. Most members of the Opposition absented themselves when the vote was taken, and as a result the amendments were not passed. The new Organic Law therefore applied to Bougainville from 1 January 1999.⁵⁴

- 4.86 Soon after the defeat of the constitutional amendments, Bougainvillean leaders met in Arawa and announced opposition to the operation of the new Organic Law. They also re-stated their commitment to establishing the BRG by the end of December, ie outside the framework of PNG's laws.⁵⁵ During difficult consultations in mid December, the PNG Minister for Bougainville Affairs, Sam Akoitai (also the member for Bougainville Central) persuaded key BTG and BIG leaders to compromise on arrangements for establishing an interim BRG as an advisory body. These arrangements were recorded in the 'Draft Basic Agreement'.⁵⁶

Tensions Between Buka and Bougainville

- 4.87 In the main, Momis' support came from Buka, from leaders within the Leitana Council of Elders which had been established in 1997-98 under BTG legislation. The limited support for Momis' stand against suspension of the Provincial Government and against the establishment of the BCA illustrated the persistent historical and ethnic tensions that have existed between the peoples of Buka and Bougainville islands. Tensions were increased by the strong support offered to Momis and Leitana by senior Resistance leaders, several of whom were from Buka.
- 4.88 In the event, the difficulties illustrated by months of tension in early 1999 were kept under control, and concerted efforts were made to include the Momis and Leitana groups in the BCA discussions.⁵⁷ The most positive development, however, was the New Zealand 'study tour' which became the Matakana and Okataina Understanding of 22 April 1999. However, tensions still exist:

... the failure of the New Zealand talks to include John Momis' court proceedings in the negotiations has meant that ultimately the

54 A Regan, Submission, p. 579.

55 Mary-Louise O'Callaghan, *The Australian*, 'Bougainville leaders won't wait for Skate', 11 December 1999.

56 A Regan, Submission, pp. 580, 582. See also Appendix J, 'Draft Basic Agreement Concerning the Bougainville Reconciliation Government'.

57 At this time, the PMG and UNOM also played useful roles in encouraging moderation and dialogue between the parties.

central differences between Momis and the leadership of the groups involved in the BCA were not resolved.⁵⁸

- 4.89 The Supreme Court's decision to disallow John Momis' legal challenge has probably lessened the risk that the peace process could be destabilised by the Buka/Bougainville 'divide'. During the Committee delegation's visit to Bougainville in March 1999, members were able to observe the heightening of tension in the weeks preceding the planned elections in Bougainville. Indeed, the delegation discussed with representatives of the Leitana Council in Buka the ramifications of their stated intention to boycott the elections on the grounds of illegality and lack of consultation. The delegation attempted to explain that non-participation in the elections would only weaken the Council's bargaining position in the advisory body that the elections would establish as the principal avenue of negotiation with the PNG Government.
- 4.90 The delegation also noted concerns expressed by some community leaders about the true representativeness of the Leitana Council, which claimed to represent all Bukans. After discussions in Buka, the delegation understood that the Leitana Council would not boycott the Bougainville elections for an advisory BPC if the courts decided that the elections were not unconstitutional.⁵⁹
- 4.91 In the event, the elections for the BPC held in May 1999 were largely peaceful, and the Leitana supporters did participate once guarantees were given by the BCA that the eight representatives from Buka would be selected by groups of chiefs rather than direct election. Ironically, the outcome was that mainly moderate Buka leaders were selected who were largely independent of the Leitana Council.⁶⁰

Regional Cooperation for Peace

- 4.92 Factors operating within Bougainville itself which produced a climate receptive to a peace process have been mentioned above. However, with so many bitter internal conflicts, there has been a need for external efforts to maintain the momentum, particularly in the early stages of that process. Anthony Regan has explained that the emergence of a role for 'outsiders' was due to enduring suspicion between the various Bougainville groups and the insecurity prevailing in the province in 1996 and 1997. He has also described the role of outsiders as mainly one of encouraging and

58 A Regan, Submission, pp. 583-586.

59 JSCFADT, *Interim Report*, op. cit., p. 15. See also A Regan, Submission, p. 585.

60 A Regan, Submission, p. 589.

supporting Bougainvillean leaders and others in proceeding in the directions to which they had already committed themselves.⁶¹

- 4.93 The Solomon Islands has played a very significant role at various times in the path to peace, notably the Honiara meetings in 1991 and 1994, although Anthony Regan has indicated that, before the emergence of a more constructive and cooperative North Solomons Government in 1997, domestic political considerations had overshadowed attempts to bring the Bougainville parties together.⁶² In June 1997, talks were held in Honiara between the Solomon Islands Government and elements of the BIG/BRA leadership. At the same time, private visits to Honiara by an Australian Senator and professional consultants enabled informal meetings to be held with rebel leaders for the first time since the Cairns II meeting in December 1995.⁶³
- 4.94 A consistent theme which emerged during the inquiry was universal acknowledgment by all the Bougainville parties and most of the external aid agencies that solutions could not be imposed from outside. Australia and other regional countries are not parties to the peace process, and it is clearly the right of the Bougainvillean people and their leaders to reach agreement with the PNG Government on solutions which meet their particular needs. Although advice and assistance will continue to be offered from external sources, there is broad understanding that no outside governments or organisations would seek to impose solutions 'cooked up in Canberra or in any other regional capital'.⁶⁴

New Zealand's Role

- 4.95 Without the disadvantage of Australia's acknowledged 'historical baggage' in relation to the Bougainville conflict, New Zealand was able to build upon its earlier Endeavour Accords initiative in 1990 by offering the Burnham military camp in 1997 as a venue for discussions between the parties to the conflict. This move coincided with an improved climate for negotiation among the general population in Bougainville, and their leaders.

61 A Regan, Submission, p. 562. For example, Brisbane lawyers, M Plunkett and L White, presented conflict resolution material and workshops to BIG/BRA leaders in the first half of 1997 (see L White, Submission, pp. 365-368).

62 Ibid, p.563.

63 JSCFADT, *Interim Report*, op. cit., p. 4. Pan-Bougainville leaders' talks were arranged intermittently after the Cairns meeting, and gathered momentum after Sir Julius Chan stepped aside in the wake of the Sandline revelations.

64 DFAT, Transcript, 4 June 1999, p. 281.

4.96 Why did Burnham succeed where other peace initiatives failed? A response to this question was provided by DFAT, in terms of the war-weariness of the general Bougainville population, the positive fallout from the Sandline crisis and the fact that New Zealand was seen as being a more neutral facilitator—Australia had provided the colonial administration; the Panguna mine was perceived as an Australian enterprise; and Australia's close links with the PNG Government and the PNGDF through the Defence Cooperation Program were considered by many in Bougainville to compromise Australia's neutrality. DFAT emphasised, however, that Australia had strongly (and publicly) supported the New Zealand initiative, and had consulted closely with the New Zealand authorities in preparing for Burnham I and Burnham II and in meeting transport and other costs. In his submission, Anthony Regan endorsed DFAT's views.⁶⁵

Matakana and Okataina Understanding, April 1999

4.97 The main purpose of the series of meetings in New Zealand in late April and early May 1999 was to resolve political conflict that developed from December 1998 into early 1999 about interim political arrangements for Bougainville. The Matakana and Okataina Understanding of 22 April 1999 reflected agreement reached by the parties on a number of key outcomes, although progress has since been described as 'short-lived and achieved at considerable cost of divisiveness and controversy',⁶⁶ namely:

- Steps to select/elect the members of the Bougainville People's Congress (BPC);
- The need for the four Bougainville MPs to work together; and
- The need for negotiations with the PNG Government on future political arrangements to be held before the end of June 1999.

4.98 All the BRA representatives and several BIG representatives refused to sign the Understanding, and media releases from Mr Robinson Asitau, secretary to Mr Sam Kauona, and the Australia-based Bougainville Freedom Movement disassociated its members from the terms of the Understanding, the text of which is provided in Appendix K.⁶⁷

65 DFAT, Transcript, 19 February 1999, pp. 11-12 and 4 June 1999, p. 275. A Regan, Submission, p. 563

66 A Regan, Submission, p. 568. Shortly after signing the Understanding, John Momis MP continued his legal challenge against the suspension of the provincial government and the formation of the BPC.

67 R Asitau and BFM, 'Media Statement, Bougainville', 29 April 1999. PNG *Post-Courier*, 'BRA: NZ Deal a Sell-out', 30 April 1999.

- 4.99 Four clauses in the Understanding appeared to cause the most controversy, prompting the two Co-Chairmen of the BCA to write to all other signatories about the specific issues contained in Clause 2 (role of the Special State Negotiator), Clause 9 (reference to 'proper' elections for leaders), Clause 12 (role of New Zealand in disarmament) and Clause 14 (reference to a centralised 'Reconstruction Authority').⁶⁸
- 4.100 In Clause 14, the Understanding envisages a reconstruction authority modelled on East New Britain's Gazelle Restoration Authority, established after the volcanic eruption of 1994. Anthony Regan informed the Committee that the Bougainville leaders have expressed a wish to review this proposal, because there is a feeling that such a development would undermine any autonomy that Bougainville might achieve through the political negotiations.⁶⁹ Before the conflict, the North Solomons Provincial Government possessed an excellent administrative organisation, capable of running its own reconstruction and public works programs.

The G-17 Group

- 4.101 The so-called G-17 Group of islands MPs was established following the 1997 national elections. Its membership includes the four Bougainville MPs, and its primary purpose is to provide a forum outside the Parliament for MPs from the islands provinces of PNG to discuss relevant issues. The meetings of the G-17 members, which were chaired during the previous parliament by Rabaul MP, Sir John Kaputin, are hosted by the islands provinces on a rotation basis.
- 4.102 The G-17 Group meets regularly and has maintained an on-going interest in the Bougainville peace negotiations. At the time the Committee delegation visited Arawa in March 1999, a delegation of the G-17 Group was also scheduled to visit Bougainville.
- 4.103 A statement issued by the G-17 Group in May 1999 contained resolutions on Bougainville, public sector reforms and current national political issues. In relation to Bougainville, the Group expressed support for the Matakana and Okataina Understanding and resolved to:
- provide assistance to the Special State Negotiator in attempts to reach a negotiated settlement;
 - lobby support from other national MPs for bipartisan action to pass legislation necessary to the negotiated agreements;

⁶⁸ A Regan, Submission, pp.568-569.

⁶⁹ A Regan, Transcript, 4 June 1999, p. 266.

- monitor the implications for other provinces of any arrangements agreed for Bougainville; and
- support the efforts of the four Bougainville members and Bougainville leaders to work together for peace.⁷⁰

Australia's Support for the Negotiations

- 4.104 In evidence, DFAT explained that Australia provides funding to support legal and other technical advisers for the negotiating parties—Anthony Regan (from the ANU), Ted Wolfers (from the University of Wollongong) and Ian Prentice, a Queensland lawyer. Together, these advisers are working in a team of 14 technical officers which has been formed to assist all the parties to the negotiations. The team includes key elements of the BRA (Sam Kauona and Robinson Asitau) who now accept that they should be part of the advisory team rather than be linked to the political leadership.⁷¹
- 4.105 Some of the issues mentioned in the previous section have been resolved as the peace process has unfolded, but still others have emerged. These aspects are discussed in detail in Anthony Regan's submission, but may be summarised briefly as:
- Lack of involvement in the peace process by Francis Ona and his supporters;
 - Law and order problems, often associated with home-brewed liquor;
 - Resentment at the engagement of non-Bougainvilleans in reconstruction work;
 - Lack of residual administrative capacity in Bougainville;
 - Disarmament, withdrawal of the PNGDF, and disposal of weapons.⁷²
- 4.106 From late 1998, political conflict among Bougainvillean groups focused on disagreements about the interim government arrangements for Bougainville. Some of the other main impediments to the peace process are also discussed in the following paragraphs.
- 4.107 The role of Francis Ona and his supporters in addressing the key issues is not clear, particularly given their non-participation in the BPC forum. The

70 Reported after the meeting in Lihir by PNG *Post-Courier*, 'Islands leaders commit to peace', 10 May 1999, and 'Report of committees of G-17', 13 May 1999.

71 DFAT, Transcript, 19 February 1999, p. 14 and Transcript, 4 June 1999, p. 277. A Regan, Transcript, 4 June 1999, p. 256.

72 A Regan, Submission, pp. 566-601 and Transcript, 4 June 1999, p. 257.

BPC leaders, for their part, have indicated that Ona's participation would be welcomed, and have kept open the five places nominated for his group.

Prospects for a Permanent Peace

4.108 The Committee delegation to Bougainville concluded in March 1999 that there were positive signs that the peace process was continuing to move forward despite occasional setbacks.⁷³ Mr Downer has called the formation of the BPC the most important development in the peace process since the ceasefire established by the Arawa Agreement of 30 April 1998.⁷⁴

Moving the Process Forward

4.109 Bipartisan support in the PNG parliament is essential to secure a permanent peace settlement. In evidence, Anthony Regan indicated that the PNG Opposition's strident criticism of the peace process in the early part of 1999 diminished considerably following the negotiations which led to the Matakana and Okataina Understanding. It was an encouraging sign of a more cooperative approach that the Understanding was signed by both John Momis and Michael Laimo, the two strong Opposition members from Bougainville, as well as the representatives of the PNG Government, the Leitana Council, the Resistance and by the Co-Chairmen of the BCA.⁷⁵

4.110 Since the formal peace process began, the PNG Government has sought to use bipartisan negotiating teams, mainly to ensure cross-party support in the Parliament for any agreed settlement. As Anthony Regan has highlighted, bipartisanship seems to have been a major factor, for example, in the appointment of Sir John Kaputin, then an Opposition MP, as Special State Negotiator for Bougainville.⁷⁶

4.111 It is also evident that the Bougainvillean leaders in the BPC have recognised the need to secure bipartisan support from Port Moresby for long-term arrangements in Bougainville. DFAT considers the attitudes now operating in the PNG national parliament to be largely bipartisan,

73 JSCFADT, *Interim Report*, p. 12.

74 Hon Alexander Downer MP, Ministerial Statement, 'Bougainville Peace Process', House of Representatives, *Hansard*, 9 June 1999, p. 5157. The text of the Arawa Agreement is provided in Appendix H.

75 A Regan, Transcript, 4 June 1999, p. 264.

76 A Regan, Submission, p. 565.

with appropriate recognition given to the importance of including all the parties in the negotiations, including the four Bougainville MPs:

[The process] is bipartisan in the sense that the opposition, as far as we can tell, strongly believes in a peaceful resolution of the Bougainville conflict, has participated in the negotiations up to now, and has indicated that it had very few problems with the legislation which would have brought about changes to the PNG constitution to create a Bougainville reconciliation government.⁷⁷

- 4.112 A major weakness in the peace process has been the limited interaction between the national government's advisers and the Bougainville parties outside the formal meetings. Most key national advisers with responsibility for Bougainville issues have made limited visits to Bougainville, according to Anthony Regan. There are few operative national government programs in Bougainville, and the main national agencies with ongoing involvement are the security forces—the RPNGC and the PNGDF—both of which have poor records in Bougainville. Hence the consistency or quality of policy advice to decision makers is perhaps questionable and there is potential for serious misunderstandings to occur.⁷⁸
- 4.113 The Matakana and Okataina Understanding provided for discussions to be held on Bougainville's political future by the end of June 1999. Although in the event this timetable was not met, the signs remain positive that all the parties have firmly committed to working together on the difficult issues relating to autonomy and the arrangements necessary for the long-term government of Bougainville.⁷⁹

Law and Order

- 4.114 As elsewhere in PNG, maintaining law and order in some parts of Bougainville continues to be a problem, as the Committee's interim report observed. Resulting from a combination of factors, including the availability of weapons and home-brewed liquor, and an economic and social order that is only just beginning to be reconstructed, law and order remains a key issue which could affect progress in reaching a peaceful settlement.⁸⁰ In his submission, Anthony Regan has elaborated on the many, and at times mutually reinforcing, factors which contribute to

77 DFAT, Transcript, 19 February, 1999, p. 32.

78 A Regan, Submission, p. 590.

79 A Regan, Transcript, 4 June 1999, p. 262.

80 JSCFADT, *Interim Report*, p. 16.

Bougainville's law and order problems. He has also cautioned against becoming too pessimistic about the scale of the problem:

.. in all the circumstances, perhaps the real surprise is that the law and order problems are not far worse. Further, compared to many other parts of PNG, the law and order situation in much of Bougainville is in fact remarkably good.⁸¹

Disposal of Weapons

- 4.115 While disarmament is a key plank in the Burnham Declaration, the Lincoln and Arawa Agreements, and the Matakana and Okataina Understanding, progress with collection and disposal of weapons and ammunition has been slow. Clause 12 of the Matakana and Okataina Understanding of 22 April 1999 provided for immediate commencement of weapons disposal under the auspices of the PPCC. As already stated, there were also roles for New Zealand and the UNOM in monitoring disarmament.
- 4.116 In public statements as recently as June 1999, Sam Akoitai indicated that putting previous commitments regarding weapons disposal into practice remained one of the greatest challenges facing the parties to the Lincoln Agreement.⁸² At the time of the Committee delegation's visit to Bougainville, it was reported that a BRA discussion paper on disarmament had not been finalised,⁸³ and the issues of the continued presence of the PNGDF and the existence of Francis Ona's armed supporters were sources of tension.⁸⁴
- 4.117 Disarming combatants is an extremely difficult task in any post-conflict situation, and Bougainville is no exception. Anthony Regan's submission outlined the factors relevant to achieving progress in disarmament and weapons disposal, indicating that by mid 1999 there had been some progress towards agreement on a general disposal plan. He confirmed that the BRA, the PNG Government and the Resistance have now submitted discussion papers to the PPCC, although there are still impediments to be overcome in areas such as the timetable for disposal and tensions within the PPCC over the linkages between disarmament and other issues. For example, the BRA insists that disposal should be

81 A Regan, Submission, p. 592.

82 PNG *National*, 'Get rid of arms on Bougainville', 28 June 1999.

83 The BRA discussion paper was presented to the PPCC in March 1999: see Moses Havini, Transcript, 13 April 1999, p. 125.

84 JSCFADT, *Interim Report*, op. cit., p. 16. The delegation's report (p. 19) also indicated that the PNGDF appeared not to have a clearly-defined task in Bougainville.

linked to phased withdrawal of the PNGDF and, possibly, the resolution of the 'political issue', while the PNG Government links withdrawal of security forces to progress on re-establishing civil authority.

- 4.118 DFAT added in evidence that in addition to the disarmament agendas of the BIG/BRA and the PNG Government, other Bougainvilleans either insist on disarmament before the PNGDF withdraws or want the PNGDF to stay until there is a viable police presence and a functioning court system.⁸⁵ Anthony Regan concludes that significant progress on disarmament is most unlikely without progress on settling both the political question and achieving agreement on further reductions in the numbers of PNG security forces. He also maintains that some weapons will continue to circulate in Bougainville until the economic and social environment improves significantly.⁸⁶
- 4.119 In his statement to the Parliament, Australia's Minister for Foreign Affairs included references to the agreement reached in June 1999 for the UNOM to draft a plan for disarmament and weapons disposal. He added that, although Australia had not been asked for assistance, the Government would be prepared to consider any reasonable request from the Bougainville parties and the PNG Government.⁸⁷

Phased Withdrawal of the PNGDF

- 4.120 The Lincoln Agreement provided for phased withdrawal of the PNGDF but linked that issue to the restoration of civil authority and, further, did not clarify the necessary benchmarks for measuring progress on restoration.⁸⁸
- 4.121 On 19 August 1998, the NEC rescinded the call-out order for the PNGDF for the whole of Bougainville. This decision ended a long-standing impasse between the PNG Government and the BRA/BIG, during which the latter organisations had refused to participate in leaders' meetings. Significant withdrawals of security forces have in fact occurred, reducing their numbers from around 1,000 PNGDF personnel in 1997 to under 300 in early 1999, and proposals have been advanced for reducing the number of RPNGC riot squads from three to one.⁸⁹

85 DFAT, Transcript, 4 June 1999, pp. 269-270.

86 A Regan, Submission, pp. 596-597 and Transcript, 4 June 1999, p. 261.

87 Hon Alexander Downer MP, House of Representatives *Hansard*, 9 June 1999, p. 5157.

88 See Appendix G (Clause 4).

89 A Regan, Submission, p. 596.

- 4.122 The Committee delegation learned in March this year that in some cases small PNGDF units are stationed quite near the PMG teamsites at Wakunai, Loloho and in Buka and that, although the defence personnel are armed, they do not carry weapons in Bougainville. Significant parts of Bougainville have no effective police presence, and the delegation understood from its discussions that the BRA and Resistance are conducting joint patrols in some regions, for example around Arawa, although the extent of their authority is uncertain and there are doubts also about their accountability to civil authorities.⁹⁰ Following the resignation of Sam Kauona as commander of the BRA at the end of July 1999, his successor, Ismael Toroama has stated publicly his support for the peace process and for continuing cooperative working arrangements with the chairman of the Resistance, Hilary Masiria.⁹¹
- 4.123 The delegation was also told that through limited civic action programs, the PNGDF is attempting to heal historical tensions at the village and district levels by means of modest confidence-building projects with indigenous NGOs and community leaders and by providing basic assistance in projects to repair school buildings.⁹²

The Importance of Basic Communications

- 4.124 Lack of basic communications in Bougainville, for example dependable telephone lines and trafficable roads, coupled with the inability of participants to travel easily to meet with central government authorities in mainland PNG, has hindered the negotiation process by preventing regular dialogue between the parties. The Committee delegation observed that there were few telephone lines operating out of Arawa and that satellite telephones had been made available by New Zealand to key participants. There have also been occasions when private individuals and companies overseas have provided such telephones to the BRA and others.⁹³
- 4.125 Anthony Regan highlighted the importance of basic communications in educating Bougainville people about the peace negotiations and democratic processes. The PMG also plays a role, spreading information during patrols and publishing regular bulletins. The BPC authorities also publish a weekly broadsheet as part of the BPC's information dissemination responsibilities, although it was not clear how effective

90 JSCFADT, *Interim Report*, op. cit., p. 16. Marilyn Havini, Transcript, 13 April 1999, p. 126.

91 PNG *National*, 30 July 1999, PNG *Post-Courier*, 2 August 1999.

92 JSCFADT, *Interim Report*, op. cit., p. 19.

93 L White, Submission, p. 369. JSCFADT, *Interim Report*, p. 14.

these mechanisms were for providing people in more remote locations, in particular, with meaningful information.⁹⁴

- 4.126 The Committee concluded in its interim report that there may be merit in Australia considering relatively low cost initiatives such as contributing to the availability of satellite telephones for key participants, in the interest of facilitating dialogue and reducing misunderstanding between the Bougainville groups and the PNG Government.⁹⁵ These sentiments had been expressed also in a supplementary submission from the BFM.⁹⁶

Recommendation 4

- 4.127 The Committee recommends that the Australian Government consider relatively low cost initiatives such as contributing to the availability of satellite telephones for key participants in the negotiations, in the interest of facilitating dialogue and thereby reducing potential for misunderstandings to occur between the parties.**

Elections in Bougainville - May 1999

- 4.128 During the Committee delegation's visit in March 1999, preparations were under way for elections to be held in the next stage of the establishment of the BRG, in the form of a people's congress, the BPC. As the delegation observed, the PNG Government had given some form of endorsement to the elections in the expectation of establishing an interim representative body, while the Opposition considered the elections to be unconstitutional. In Bougainville, there were groups who supported the conduct of the elections (for example communities in the Buin area), some factions which supported the Opposition line (the Leitana Council) and still others who saw the forthcoming elections as the means of delivering the BRG envisaged by the Lincoln Agreement. It was also evident to the delegation that the logistic and other arrangements in particular areas were at varying stages of preparedness in the weeks leading up to the elections.⁹⁷

94 A Regan, Transcript, 4 June 1999, p. 259.

95 JSCFADT, *Interim Report*, op. cit., p. 14.

96 BFM, Submission, p. 389.

97 JSCFADT, *Interim Report*, p.15.

- 4.129 Elections for the 67 BPC constituencies were held peacefully in the first half of May 1999, and the first meeting of the BPC was convened on 26 May 1999. At the first meeting, most of the 32 appointed members took their places alongside the elected representatives, the omissions being the five nominations invited from Francis Ona's group. The four Bougainville members of the national parliament were automatically appointed to the BPC, which has a total membership of 103 places. Three days of informal caucusing prepared the way for the election of the Speaker, the Deputy Speaker, the President and two Vice-Presidents.
- 4.130 The BPC made recommendations to the President about selection of the 31-member Congressional Executive Council (CEC), which is considered to be widely representative. In agreeing to a special weighting for Buka representation in that body, a strong signal was sent to Leitana (and to Buka in general) about the determination of the BPC leadership to be inclusive and conciliatory. However, as Anthony Regan has also highlighted, it may be difficult to sustain the large size of the CEC in the longer term in the face of budgetary considerations, since the major costs of the previous BCA meetings were met by New Zealand and those associated with the BPC are currently being paid for by Australia.⁹⁸

Challenges and Opportunities for Australia

- 4.131 Although not a party to the negotiations, Australia has made a major contribution to the peace process by facilitating meetings between the parties, through the work of the PMG, and through the bilateral aid program. DFAT's submission emphasised that Australia's contribution has been made with the agreement of all the parties to the process, and in conjunction with regional partners.⁹⁹
- 4.132 These supporting activities, which have been discussed in some detail throughout this chapter, include political and diplomatic efforts and direct support through the PMG. In addition, the Australian Government provides specific assistance through the bilateral aid program—mainly in the form of meeting transportation costs for parties to the peace negotiations, some communication and office equipment. To date, AusAID has spent or committed approximately \$7 million to peace-related activities and the peace-related transport fund.¹⁰⁰ On the occasion of High

98 A Regan, Submission, p. 587 and Transcript, 4 June 1999, p. 259. AusAID has been providing vital support in funding the transportation costs for the meetings of the BPC. The BPC members are not paid salary, receiving small sitting allowances of around 30 kina per day.

99 DFAT, Submission, p. 490.

100 See Appendix L (AusAID)

Commissioner David Irvine's farewell visit to Bougainville, Joseph Kabui expressed appreciation for the contributions made by Australia, and the High Commissioner personally, to the peace process and to reconstruction and rehabilitation programs for Bougainville.¹⁰¹

- 4.133 While the overall benefits of Australia's direct contribution to facilitating the peace negotiations were widely acknowledged in submissions and other evidence, there was a degree of criticism levelled at the absence of clear criteria for access to the transport fund. In the view of the District Development Officers, for example, this lack of clarity and consistency in the rules for access had caused some frustration and resentment 'particularly when AusAID officials are seen to be using helicopters with abandon'.¹⁰²
- 4.134 The Committee's interim report made reference to the importance of transport and communications access for all the Bougainville parties to the peace process.¹⁰³ Similarly, the BFM's suggestion that Australia should do even more than it has already done to assist with communications and travel costs for meetings and dialogue between Bougainville representatives has been referred to in paragraph 4.126 above. These and other aid-related issues are discussed more fully in Chapter 6.
- 4.135 Aspects related to opportunities for Australia to remove barriers to understanding between the Bougainville parties and the national government on Bougainville's long-term future have been referred to in Recommendation 3 above.
- 4.136 In summary, the Committee is confident that, despite occasional setbacks, the peace process has continued to move forward, and that the parties have reached a sound basis for continuing the negotiations for a permanent settlement. While major divisive issues still remain to be resolved, the Committee views developments such as the peaceful elections in May 1999 and the successful establishment of the BPC as very positive indications that the aims and objectives of the Lincoln Agreement and the Matakana and Okataina Understanding will be achieved in the not too distant future.

101 PNG *Post-Courier*, 10 August 1999.

102 District Development Officers, Submission, p. 535.

103 JSCFADT, *Interim Report*, p. 14.

