



**Australian Government**

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**Department of Broadband,  
Communications and the Digital Economy**

**SUBMISSION TO THE SENATE**

**STANDING COMMITTEE ON FOREIGN AFFAIRS, DEFENCE AND TRADE**

**INQUIRY INTO THE MAIN ECONOMIC AND SECURITY CHALLENGES  
FACING PAPUA NEW GUINEA AND THE ISLAND STATES OF THE  
SOUTHWEST PACIFIC**

**26 August 2008**

## **Introduction**

The Department of Broadband, Communications and the Digital Economy contributes to information and communications technology (ICT) capacity building activities in Pacific Island countries. Principal partners in these activities are AusAID, the Pacific Islands Forum Secretariat (PIFS), the Pacific Islands Telecommunications Association (PITA), the Asia-Pacific Telecommunity (APT) and the International Telecommunication Union (ITU). The Department's primary focus is on promoting good-practice regulatory frameworks to support the development of accessible and secure communications services in a competitive market environment.

This engagement reflects broader Australian Government concern to build capacity and stability in the region.

### *Pacific Islands Forum*

Departmental officers participate in the Pacific Islands Forum Taskforce on Regional Approaches to ICTs in the Pacific. The Taskforce was established at the March 2006 Forum ICT Ministerial meeting in Wellington to further the implementation of the Digital Strategy. The Digital Strategy is a component of the Pacific Plan and although officially endorsed at the Forum Leaders' meeting in October 2005, remains a work-in-progress. Participants include Australia, The Cook Islands, Fiji, French Polynesia, The Republic of the Marshall Islands, New Zealand, Papua New Guinea, Samoa, Tonga (Chair), Tuvalu, PITA and PIFS. The Taskforce is scheduled to report at the next meeting of Pacific Islands Forum ICT Ministers, expected to be held in early to mid 2009.

The Taskforce is considering a proposal for a regional resource centre to provide a mix of ICT policy, operational, regulatory and technical advice and to act as a forum for pooling expertise. Governance and funding arrangements remain to be settled and will need to take account of wider institutional structures in the Pacific. The World Bank has agreed to undertake an independent analysis of the proposal and is expected to report back to Taskforce members before the end of 2009.

A portion of Australia's financial contributions to international organisations such as the ITU and the APT is able to be directed toward the support of capacity-building activities in the Pacific Islands region in collaboration with PIFS and PITA. Recent activities supported in this way include the ITU Regional Cybersecurity Forum in Brisbane in July 2008 and the ITU/APT/PITA Workshop on the Principles of Cyber Legislation for Pacific Islands Countries in Auckland in March 2007.

### *Spam Legislation Projects*

With limited connectivity in the Pacific Islands region, spam is a burden on Internet traffic and associated costs of connectivity. In response to requests from the region, the Department has undertaken spam legislation projects with Pacific Islands countries. These projects seek three key outcomes:

1. Development of a package of anti-spam policy and legislation modelled on Australia's *Spam Act 2003*;
2. Building local enforcement capability; and
3. Participation in an international network of enforcement agencies.

Extensive in-country consultation is undertaken with governments, industry and civil society to ensure that the outcomes suit each participating country's legislative and regulatory environment while also providing a model for a consistent legislative and regulatory approach developing in the Pacific region.

The activity should also

1. reduce the potential for the establishment of spam ‘havens’ in the region that undermine global efforts to minimise spam;
2. enable Pacific nations to act against spam both domestically and internationally; and
3. improve the overall capability of Pacific Islands countries to engage in electronic commerce.

Current projects, with the support of AusAID, are underway in Niue, Samoa and Vanuatu and build on earlier work undertaken in the Cook Islands and Tonga.

#### *Satellite and Undersea Cable Connectivity*

The Department commissioned a consultancy on the “Use and Application of satellite networks in the Pacific Region” which was completed in June 2007. The consultancy provided an overview of the operation of the satellite market in the Asia Pacific region and supports the work of the Taskforce with regard to satellite services.

The focus of the consultancy was on the countries of the Pacific Islands Forum, excluding the developed economies of Australia and New Zealand. These are the Cook Islands, Federated States of Micronesia, Fiji, Kiribati, Nauru, Niue, Palau, Papua New Guinea, Republic of the Marshall Islands, Samoa, Solomon Islands, Tonga, Tuvalu and Vanuatu. Given the Government’s commitment to building capacity and stability in Pacific Island countries, the report provides a useful fact base for ongoing work in the region.

The report notes the challenges faced by the communications sector in the Pacific region, due to huge distances, small low density populations, low incomes and lack of local expertise. The report provides details of the Pacific Region’s continued dependence on satellite communications despite the high costs of service.

The report suggests a number of practical strategies to improve affordability and accessibility in the region. This includes demand aggregation to gain more bargaining power for island countries negotiating with satellite service providers, harmonising key regulatory requirements, encouraging cooperation on a range of technical choices and developing community access programmes.

The report is available at:

[http://www.dbcde.gov.au/communications\\_for\\_business/international/report\\_on\\_satellite\\_networks\\_in\\_the\\_asia\\_pacific\\_region](http://www.dbcde.gov.au/communications_for_business/international/report_on_satellite_networks_in_the_asia_pacific_region)

During the same period, a range of proposals for submarine cable connectivity in the region were put forward and were discussed by the Taskforce. Apart from the regime which the Australian Government has put in place for the protection of cables of national significance, the Government does not have a role in the commercial development of submarine cable networks. However, the Department has worked with the Pacific Island members of the Taskforce in seeking assistance with the assessment of proposals and related due diligence issues. In response, the World Bank has agreed to undertake an independent analysis of proposals and its final report is expected to be available before the end of 2008.