

AGRICULTURE AND THE BOUGAINVILLE PEACE PROCESS

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Honourable Mao Zeming, Deputy Prime Minister and Minister for Agriculture and Livestock; Senior officials and distinguished guests; ladies and gentlemen.

Village-based agriculture is the main source of food and cash incomes in Bougainville, as it is in other rural areas in Papua New Guinea.

Farmers and agricultural officers in Bougainville face many of the same challenges as their counterparts in the rest of the country. But certain challenges are unique to Bougainville. Some result from the eight years of death, destruction and general disruption which occurred during the period of violent conflict from 1989 until the **Burnham Truce** was signed in October 1997. Others are integral to peace-building and the prevention of further conflict.

So let me begin by outlining the effects that the conflict has had on Agriculture in Bougainville. I shall then suggest how the agricultural sector can contribute to lasting peace by peaceful means.

I shall show what is required - and what is being done - in other economic sectors and government activities, including foreign aid, for agriculture to succeed.

My conclusion is the same as the policy - objective I believe must be pursued. Government at every level, the private sector and the community must all work together to ensure that sustainable agriculture helps to ensure self-sustaining peace.

EFFECTS OF THE CONFLICT

While public attention has tended to concentrate

on mining at Panguna, the reality is that agriculture has always been the backbone of the economy as far as most people in Bougainville have been concerned.

Agriculture fed and provided cash incomes for people in rural areas. It provided more people with productive employment. If properly managed, agriculture, unlike mining, has always been potentially sustainable in the long run. As in other parts of Papua New Guinea, people have had regular access to adequate quantities of a variety of nutritious foods.

Before armed conflict broke out in 1989, Bougainville was - by far - the largest cocoa - producing province in Papua New Guinea accounting for over 40% of national cocoa exports, and about 2% of global production.

Cocoa not only contributed to the macro-economy but - with **75 per cent** of total production coming from Papua New Guinean smallholders - it did so in ways which were consistent with such national goals as equity and participation.

Home to some of the largest commercial coconut plantations in the South Pacific, Bougainville was also a major copra-producer. Again, smallholders played a very significant part. Village-based cocoa and copra production was generally additional to subsistence agriculture. Vegetables and fruit were sold at urban markets in Buka and Arawa.

Locally-produced meat came from hunting, village pigs, and chicken projects. Fish were a further important source of protein. Most Bougainvilleans not only had enough to eat but were able to earn a small cash income. Their lifestyle was typical of what is widely described as 'Subsistence Affluence'.

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As the crisis spread and intensified from 1988-89, public infrastructure, homes and gardens were damaged, destroyed or left to decay. Cash-cropping was increasingly disrupted. Many villagers eventually abandoned their homes, tree-crops and food-gardens and fled to care centres.

For the first - and, one hopes, the last - time, food security became a widespread concern. Commercial plantations were left to themselves. A number of them were eventually taken over by customary claimants. In either event, they tended to be neglected and production went down; and exports virtually ceased.

An entire generation of young people have since grown up with little or no experience of gardening for food or cash-cropping, and almost no formal education or training. Access to the rich variety of foods previously available has declined. So have cash incomes.

As peace has consolidated since late 1997, most villagers have returned to their homes, and begun working in their food-gardens again. Village plantations are being cleaned up. Seedlings, including new hybrids, are being sown.

Though cocoa and copra production are only small fractions of what they were before, they have been rising - and are still going up. Where people have - or can borrow - sufficient funds, cocoa fermentaries and copra driers are being repaired, or built.

The result is that village-based agriculture is gradually recovering, both subsistence production and cash-cropping. New crops - including rice for subsistence - are being planted and harvested. But most large commercial plantations continue to suffer neglect - awaiting decisions on their future. The reality is that a great deal more work still needs to be done before pre-conflict levels of subsistence and income return.

AGRICULTURE AND PEACE

Both the **Lincoln** and **Ceasefire Agreements**

recognise the diverse range of issues they address to provide a framework for a comprehensive and integrated approach to building peace. Neither agreement refers specifically to agriculture. But agriculture is clearly integral to restoration and development - making it possible for people to return to their homes, to support themselves, and to begin improving the quality of their lives.

Agriculture can also contribute to peace-building in other ways. They range from the obvious - such as producing food for traditional reconciliation ceremonies - to subtly providing former fighters, youths and their communities with alternatives and incentives which give them a direct stake in peace.

Rehabilitation and further development of agriculture can, therefore, facilitate weapons disposal, re-establishment of civil authority, and other changes required to bring about an early return to normalcy.

But resources must be adequate. They should be carefully targeted. As Minister for Bougainville Affairs, I must, therefore, point out that responsibility for agriculture in Bougainville is not mine - and not the national government's - alone. Success in the agricultural sector will require active participation by business, and support from the community as a whole.

They currently carry them out in consultation with leaders and groups who do not want to come under the **Organic Law** - through an agreement between the interim provincial government and the Bougainville people's congress.

Unfortunately, Francis Ona and the hard-core of his closest supporters are not party to the agreement, or to the Peace Process as a whole - though we continue to invite them to join in.

The Governor is preparing to hold a public forum to discuss priorities for planning in Bougainville. His proposal has my full support. The sooner we obtain detailed information on community needs and priorities, the earlier we can try to secure

resources from the National Budget and Foreign Aid Donors - and the faster we can get on with the job.

An agreed Mechanism for co-ordinating the planning and implementation of major restoration and development activities, including efforts by Foreign Aid Donors, would be another desirable outcome.

The challenge we face is not simply to grow or acquire - and then distribute - seeds or technical information, but to provide the agricultural sector with the other supports it needs.

We must also make sure that every effort is made to prevent further conflict by learning from - and avoiding - past mistakes.

They include failure to ensure equity, as well as adequate opportunities for Bougainvillean participation.

SUPPORT FOR AGRICULTURAL RECOVERY AND DEVELOPMENT

The Cocoa and Coconut Extension Agency is currently working on an ambitious rehabilitation project involving the planting of more than 9 million cocoa and 100,000 coconut trees. In addition to the National Government, the project receives substantial financial and technical support from a number of Foreign Aid Donors.

They include the European Union, AUSAID and the United National Development Programme. Total cost is expected to be K6.2 million over two years. The same project will also assist in the rehabilitation of cocoa fermentaries and copra driers. The budget is expected to be K3.8 million.

But recovery - and further development - of the Agricultural Sector after a major conflict involves more than pruning and replanting, or repairing production equipment. It requires many other supports.

In an administration which has not been able to

operate properly for more than ten years, building capacity and strengthening institutions must be urgent priorities. Financial and other forms of accountability must be improved, and made fully effective.

When almost entire generation in some parts of Bougainville has missed out on school, let alone specialist training, simply recruiting and training qualified people will not be enough. Fresh opportunities must not be allowed to reinforce past inequities or divisions.

A substantial catch-up component is, therefore, essential - focusing on areas, communities and individuals who have missed out. I am pleased to say that Bougainville leaders have recognised the need - and indicated that they will support an appropriate project.

Given the lead-times which planning, aid programmes and, especially, education involved, it is vital that arrangements for such a project are finalised without delay. Other supports for agricultural recovery and further development must receive equally urgent attention.

They include provision of adequate training for potential farmers, many of whom have not been able to gain even quite basic skills. In addition to lack of experience in planting and caring for crops, the difficulties which must be addressed and overcome include widespread inability to read extension materials, ignorance of book-keeping, and the absence of basic industrial skills.

The adverse economic effects the Bougainville crisis has had on many local communities mean that potential farmers will, almost certainly, need access to small loans. But, firstly, the commercial banks which hold deposits from Bougainvillean customers must do more to release funds in accounts which became dormant during the crisis.

They should make themselves more readily accessible for the purpose (for example, by sending representatives to tour Bougainville). The

same applies to funds held in deceased customers' accounts. They should be released to the rightful heirs without further unnecessary delay.

As Minister for Bougainville Affairs, I am determined to increase the funds available for small loans for Bougainvilleans who need assistance in rehabilitating, establishing or developing village plantations.

I encourage Foreign Aid Donors such as AUSAID, the European Union and UNDP to expand or develop similar schemes. A related option, which should soon be considered at cabinet level, concerns the possible acquisition and redistribution of large commercial plantations.

In addition to equipping and supporting farmers directly, the rehabilitation and further development or cash-cropping in Bougainville will require repair, reconstruction and upgrading of infrastructure damaged, destroyed, or left to decay during the conflict. Needs include roads, bridges and wharves.

AUSAID is currently funding work on the main trunk road between North and South. The project provides additional support for the Peace Process by subcontracting to Bougainvillean firms and groups, including former fighters.

The European Union has taken responsibility for feeder roads. Where produce can be moved to the coast, the wharf at Kieta is now being used by ships engaged in export trade (Buka is the other operational export wharf).

Buying-points for cocoa and copra are functioning at Buka, Wakunai, Loloho, Kieta, Kangu and Mamago'a. A Papua New Guinean company, AGMARK, has been licensed to export cocoa from Bougainville to overseas. Thus, much of the infrastructure required to export agricultural products from Bougainville is now in use, or will soon be ready.

The agricultural sector is well-placed to contribute to further consolidating peace. The main question is when other aspects of the Peace

Process will be ready to do the same.

As I have already said, recovery and further development of agriculture can provide support for such varied aspects of the Peace Process as weapons disposal, re-establishment of civil authority, as well as restoration and development generally. But the reverse is also true.

Farmers and agricultural officers require peace, order and the rule of law in order to work or do business, especially when it comes to moving produce to market. The joint policing project with Australia and New Zealand is making good progress in recruiting and training Bougainvillean auxiliary police.

Consistent with the priority that the Government has given to strengthening the integrity of State Institutions and stabilising the budget we have to make sure that graduates from the project are given regular employment and pay.

They must be supported by appropriate equipment, infrastructure (including housing and offices), as well as other key elements of the justice system, such as courts and correctional institutions.

It follows from the comprehensive and integrated approach to Peace-Building outlined in the **Lincoln and Ceasefire Agreements**, that people who work in the agricultural and other sectors must feel safe. It is, therefore, vital that arms must be removed from the community - and civil authority must be strengthened - without further delay.

The government has already made clear how concerned we are at the continuing failure to finalise practical arrangements for weapons disposal, despite the concessions we have made. Instead of moving ahead on an issue which goes to the heart of mutual confidence-building, we continue to be met with further conditions and delays.

The effect of such tactics is not only to hold up weapons disposal but to cast doubt on the com-

mitment that certain parties - or, at least, their spokespersons on the peace process consultative committee - have for the peace process as a whole.

It is hard to see how far a progressive political settlement can proceed without agreement, at least, on a detailed plan for removing guns from the community. It is even more difficult to imagine how free and democratic elections can be held until after the guns have been put out of reach permanently.

CONCLUSION

The aim of my statement has been to highlight that agriculture in Bougainville faces not only the same challenges as in other parts of Papua New Guinea but some that are unusual, even unique.

Just as peace-building requires a comprehensive and integrated approach, so recovery and further development in the agricultural sector depend on other supports.

Like every other area of government activity, agriculture is on the agenda for the next round of political talks - not specifically, but by virtue of the powers and functions which the combined Bougainville delegation has proposed for an autonomous Bougainville government.

In early July, my ministry convened an executive workshop at which more than 100 heads and senior officials from almost all government agencies considered the Bougainville leaders' proposals.

As Minister for Bougainville Affairs, I am obviously keen to see the National Agriculture Council take note of the points I have made in this statement about the particular needs of agriculture in Bougainville, including the supports required from other areas of government activity, Foreign Aid Donors and the community as a whole.

I should also like to see the neutral, regional

peace monitoring group keep supporting the Peace Process in new and creative ways - for example, by ensuring that further reductions in numbers and increased contracting-out are accompanied by procurement of locally-produced food.

Finally - and, in many ways, most pressingly and importantly - let me invite you all to think through the implications of the Bougainville proposal that all government responsibilities in agriculture should gradually and ultimately be transferred to an autonomous Bougainville government.

On the other hand, I would like to alert you to the issues being discussed in the Bougainville political talks.

On the other hand, I invite you to make your views known - about the extent of any transfer, and the scientific, technical or legal safeguards which the national interest might require.

As officials and advisers of the National Government and combined Bougainville delegations are due to meet again on 28 August - and leaders a few days later - I should welcome your early advice.

Thank you.