



**REMARKS BY HE JACKIE BARSON, BRITISH HIGH COMMISSIONER TO PAPUA
NEW GUINEA AT THE ANTI – CORRUPTION WORKSHOP HOLIDAY INN
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I first came across Dominic LeMoignan and International GovRisk back in 2011 in London during my first commercial roadshow to the UK highlighting the commercial opportunities in PNG for UK businesses.

We discussed then some of the challenges facing Papua New Guinea, including around good governance and corruption, and how the UK might actively support PNG in its development.

Given the close and strong ties between the UK and PNG, my aim to encourage more UK business activity in the commercial and investment sectors, combined with the present PNG government's agenda to address corruption, I decided the time was right to support PNG in its efforts to reduce and eradicate financial crime. And here we are in early 2014, delivering what I anticipate will be an invaluable three days of workshops and capacity building. So a big thank you from me for having us here and enabling these workshops to take place.

UK engagement in Asia Pacific is as much about security as it is about trade and prosperity, since these are all inextricably linked. A stable, secure and prosperous Asia Pacific will only be achieved in the long term if countries in the region are able to change, to innovate, to stay competitive through strengthening free trade, individual liberty and the rule of law. The UK has particularly close bonds with nations that share our values most closely and those that are ready to take the reforms necessary to advance free trade and open societies.

As a recent ANZ Bank publication put it, without confidence in the integrity of government processes, investors will not pursue resources or infrastructure projects, or invest in entrepreneurial activity. This view has been underlined by the Asia Development Bank's recent outlook which argues strongly that reducing corruption and improving governance and public service delivery are important for growth and

development. The pressure therefore for exemplary governance is increasing. There are regulations in the European Union over the conduct of many global companies as these spread from their home countries to their “branch offices” no matter where they are. And an example of this is the UK Bribery Act 2010 which came into force in July 2011. The Act provides strict penalties for UK businesses and individuals engaging in acts of bribery both within and outside the UK. The Act provides the UK courts with a wide jurisdiction, and prosecution can happen whether or not the offence takes place within the UK. Again to quote from ANZ, PNG needs to continue its efforts to improve in this area to be able to capitalise on the opportunities available to it. And we the UK want to support PNG in its efforts to address corruption and the abuse of public money – thus complementing PM Peter O’Neill’s robust platform on this issue since coming into office.

Since becoming Prime Minister, under his leadership the Government has amongst other strong measures:

- approved the National Anti-Corruption Strategy
- set up a National Anti-Corruption task Force to implement the strategy
- set up task Force Sweep, under the direction of Sam Koim
- paved the way for ground breaking legislation – the ICAC Bill – to support whistleblowers and ensure the freedom of information
- and initiated a review into the public procurement processes to allow for transparency and accountability

And on a separate but related and equally important point, I would like to congratulate PNG on becoming a candidate country to the Extractive Industries Transparency Initiative (EITI). PNG’s candidacy will be considered next month – this is a notable achievement and a huge step to PNG becoming EITI compliant; and compliments the government’s determination for more transparency and accountability within the public sector.

But PNG is not alone in its battle to address the debilitating effects of financial crime. While no country has fully solved its corruption and law and order problems, as ANZ Bank has identified, initiatives in Africa and elsewhere in the Pacific may provide a template for further progress in PNG. For example, Rwanda, Malawi and Ghana have improved their rankings on the international corruption indices; in turn achieving growth in foreign investment. Strong political will, combined with powerful institutions and zero tolerance, backed up by independent prosecutions, have been central to reduced corruption.

The British High Commission's Programme Budget – actually a regional programme shared with my colleagues in Suva and Honiara – is an important tool in our public diplomacy in the South Pacific. As Heads of Mission, we support proposals that have a clear link to security or prosperity priorities or both. As a Network we want to help to improve governance and support host governments in the South Pacific in their efforts to reform and open up their economies. In supporting the opening up of economies, we want to help British companies and organisations engage in the reform process and to be aware of the opportunities which will arise as Pacific economies integrate with the world economy. And this is where the UK Government and Risk Institute – supported by the British High Commission - is about to play a huge part in delivering a number of workshops this week on Financial Crime, Procurement and Anti Corruption.