

National Transport Strategy



Minister's Statement

Papua New Guinea is on the threshold of an era that will lead to the achievement of the Vision 2050 objectives. We need to take firm action if we are to realise our national vision of a healthy, wealthy and an educated society. Transport is integral to achieving this as it affects each and every one of us on a daily basis.

Our National Transport Strategy provides the Transport Sector with a flexible and responsive approach for moving forward while recognising that we cannot do everything at once. We must foster economic growth while living within our means and also being equitable in our support of people throughout Papua New Guinea. The Strategy is consistent with and complements our broader national strategies and plans such as the PNG Vision 2050, the Development Strategic Plan and the Medium Term Development Plan.

The Strategy has been developed as an entirely new review of the transport sector, its guiding principles, the structure and development of its institutions, transport policy in regards to economic and safety regulation, the role of Government, public funding and an investment strategy for maintaining and developing the transport network.

The successful implementation of the National Transport Strategy depends on active participation and commitment from everyone including other state line agencies, the private sector, provincial governments and the wider members of our communities nation-wide.

I commend the sector for the Strategy's development and recommend it to Government and to transport service providers and users at all levels.

Hon. Ano Pala, MP
Minister for Transport

What is the National Transport Strategy (NTS)?

The **NTS** is a 20 year strategy with a rolling five year investment plan that addresses Papua New Guinea's transport system. It provides an action plan for policy, institutional and infrastructure development together with a process for monitoring implementation.

The **NTS** is aligned with the Vision 2050 and Development Strategic Plan. The supporting Medium Term Transport Plan aligns with the National Medium Term Development Plan. The MTDP is currently under review but this will not impact the targets and strategies contained in the **NTS** and MTTP.

The **NTS** provides guidance to the Transport Sector and supports the delivery of services in Agriculture, Forestry, Minerals, Health and Education. This reflects Transport's role as a facilitative sector.

The **NTS** provides guidance to our important Development Partners to support aligning their investment strategies with those of PNG.

The **NTS** gives prominence to integration of National and Provincial transport systems with the Department of Transport increasing its support and assistance to Provinces with a view to improving the quality of transport planning processes and making of investment decisions.

The **NTS** is the official Transport Sector Policy endorsed by the National Executive Council and launched on 31st July 2013.



Better Structures – delivering performance improvement and better service delivery through having the right organisations in place.

Examples of what we will do:

Clearly define roles - standards and expectations for all transport sector agencies.

Establish a new Road Traffic Authority to deliver better safety and service outcomes for the travelling public.

Establish a National Maritime Authority to improve coordination and regulation of ports and shipping.

A single National Rescue Coordination Centre will be established to provide a cross-modal response to search and rescue functions.

The **Legal Framework** will be reviewed and updated to ensure it supports the Government's vision for the transport system.

Oversight of **Price, Competition and Performance** will be based on encouraging efficiency while ensuring that standards of service delivery are maintained.

Working Effectively – improving coordination and integration between all agencies involved. Examples of what we will do:

Cross-Government Coordination between modes, services and infrastructure will be promoted by the extension of the Transport Sector Coordination, Monitoring and Implementation Committee.

Integration between National and Provincial Planning processes will be enhanced to improve the prioritisation of basic transport access within available funding.

Private Sector / Government Coordination and Cooperation will be improved through better communication to be achieved by establishing:

• **National Logistics Association** - targeting freight movements.

• **Marine Industry Advisory Group** - integrated with a reformed PNG Shippers Council to address maritime transport service delivery.



What is the Transport System?

Infrastructure (roads, seaports, airports etc.) that goods and people move through or across;

Vehicles (trucks, cars, boats, planes, PMVs etc.) that travel on the infrastructure;

Service Providers (transport companies, airlines, PMV operators, shipping companies etc.) that do the actual moving;

Legislation (Regulations, Rules) that make sure our system is safe, secure and competitive;

Users (people, freight) that need to get from point A to point B or who are trying to get goods to/from production to market.



Smooth Operations – making sure our systems and processes reflect the needs of our changing environment. Examples of what we will do:

Security will be maintained and enhanced by establishing a Transport Security Policy Unit to oversee this vital area.

A **Quality** based approach will be implemented to ensure improved compliance by transport service providers.

Competition will be encouraged with government regulation focusing on safety and security. Price control will be overseen through Government oversight.

Composition of Government Boards will focus on the inclusion of appropriately skilled members with all existing appointments to be reviewed for skills relevance.

Innovative procurement approaches will be encouraged but assessed on a case-by-case basis.

Environmental Impacts both by transport and on transport will be the subject of new plans to limit impacts such as emissions and to plan for climate change.

Gender Equity will be integral consideration in contracting and licensing and the significant benefits from inclusion of this half of the population in the transport system.

Government and Private Sector Roles

Governments (National and Provincial) have the role of facilitating economic and social development. They do so through providing infrastructure and the regulatory environment. Tools include: education, regulation, enforcement, construction and maintenance of infrastructure (where it's not commercially viable). Communities have a supporting role in providing support through sweat equity and adhering to rules and regulations.

Private Sector's role is to provide commercial transport solutions to meet the demands of commerce and industry and the general public for the movement of people and goods.

Capacity to Deliver – making the best use of what we have and ensuring appropriate financial resources and skills are available. Examples of what we will do:

Outsourcing to other Gov. and private sector agencies will be considered to fill skills gaps having regard for cost, quality and safety.

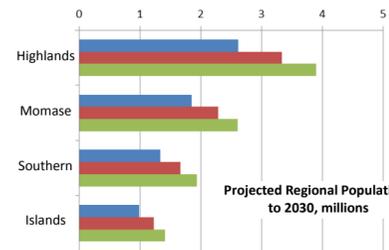
Provincial and Local Level Governments will be supported through developing centres of expertise and agreements between Provincial Administration and National Agencies.

User-charges Regimes and user-pays principles will be extended from maritime and aviation to the road system to improve maintenance programs in the area.

Non-economic transport services and infrastructure are essential for equity and inclusion of disadvantaged population groups. A Community Service Obligation policy and related funding regime will be developed to support expenditure in these areas on an equitable basis.



Why we need a National Transport Strategy!



The transport system needs to respond to the key drivers of population and economic growth. These determine the type and scale of infrastructure, services, regulations etc. that we need in the future.

While there has been a trend towards increasing urbanisation, the majority of the population is still settled in rural areas. Population is forecast to grow at over 2% annually for the planning period - the highlands will form 40% of the national total by 2030.

Income is another important determinant of transport demand. Increased cash income generates demand for goods and services as well as travel for social purposes. Cash income is related to the opportunities to grow cash crops, engage in other home-based income generating activity and the availability of employment outside of the home.

The projections of income and employment growth over the period of the NTS are therefore an important underpinning to the growth in personal travel demand.



Getting Value – making the decision that will maximise the value of investment of our limited resources. Examples of what we will do:

A **Value for money focus** will see a move to a rigorous, project business-case based approach to identifying and scoping projects.

Adhering to a **Functional Hierarchy** for transport infrastructure investments will provide a basis for maximising the access and equity considerations for all Papua New Guineans.

Leveraging the substantial **Expertise of Transport Sector Agencies** in assessing infrastructure investment proposals will improve the likelihood that appropriate projects are successfully delivered.

The support of Stakeholders in the preparation of the National Transport Strategy is gratefully acknowledged. In particular the ADB in its provision of Technical Support and AusAID for funding the Transport Infrastructure Priorities Study.

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Secretary's Statement

Papua New Guinea faces many challenges in the development of its transport infrastructure to serve the needs of economic development, wealth creation and to provide equitable access to transport services for its widely distributed population.

As the central point for policy coordination, the Department of Transport has a crucial role in successful delivery of the National Transport Strategy.

The new planning framework provided by Vision 2050, Development Strategic Plan and the Medium Term Development Plan and increased funding for the transport network offer a renewed prospect of a cohesive national effort to fully rehabilitate the national and provincial transport infrastructure to serve our dispersed population.

Success of the National Transport Strategy and its supporting Plans will require increased awareness and improvements in progress monitoring. The Department will lead the way in creating awareness of the new strategy and plan so as to maximise the opportunities for successful implementation. Ultimate success will be determined by the commitment and capacity of implementing agencies together with the resources available.

Improved integration of national and sub-national transport planning are provided for through the National Transport Strategy. Success will reflect the participation and commitment by various levels of Government.

The National Transport Strategy is a living document and will be regularly reviewed. The Medium Term Transport Plan will become a key document in monitoring progress in policy and institutional development, and investment in the sector.

Roy Mumu
Secretary, Department of Transport

| NTS REGIONAL AWARENESS FORUMS | |
|--|---------|
| National (Port Moresby) | 25 Sept |
| Southern Region (Alotau) | 15 Oct |
| New Guinea Islands Region (Kokopo) | 22 Oct |
| Highlands Region (Mt Hagen) | 29 Oct |
| Momase Region (Lae) | 7 Nov |

