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MEDIA RELEASE

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Proposed Bougainville mining laws a ‘reckless land grab’, says Jubilee Australia

Over the last two weeks, the Autonomous Bougainville Government (ABG), led by its president the Reverend Dr John Momis, has [announced its intention](#) to amend Bougainville mining laws.

The proposed amendments to the 2015 Bougainville Mining Act, along with accompanying legislation, will give the ABG the power to hand over mining leases to all parts of the island not under existing leases to Bougainville Advanced Mining, a new entity created for this purpose. The ABG would have 60% ownership of Bougainville Advanced Mining, while 40% would be owned by a foreign partner.

Statements [made by the President last week](#) suggest that Caballus mining, a Perth-based company headed by Jeff McGlinn, will be the foreign partner involved.

‘These are radical changes and appear to be nothing more than a reckless land grab,’ said Dr Luke Fletcher, Executive Director of Jubilee Australia. ‘First, this would hand over control of the majority of the island to the President and his foreign partner, Mr McGlinn.

‘Second, the President would have the power to unilaterally distribute leases without any consultation or permission from landowners. As a result, landowners will be cut out of the process. These amendments undermine the principal of Free, Prior and Informed Consent, said Dr Fletcher. ‘Doing so is both anathema to Melanesian culture and [vitaly important in the Bougainville context](#).’

‘It is not clear to us that this legislation is even constitutional,’ said Dr Fletcher. ‘It is a startling and dangerous move. Given the disastrous history of the Panguna mine in Bougainville, which has caused irreparable environmental damage to the Jaba river and was the major cause of the Pacific region’s worst ever civil war, forcing through such enormous changes with very little consultation is a reckless and desperate ploy.’

Comments [made by the President to Radio New Zealand](#) justified the move based on the need to hold the Bougainville independence referendum: ‘The people of Bougainville are determined to have the referendum and they must find the money to fund the referendum,’ the President said. ‘One way of doing it would be if we started our own company and generated the revenue to enable us to conduct the referendum. We cannot sit on our hands.’

‘As [our recent study of the question demonstrates](#), we are highly dubious that mines like Panguna could ever raise enough revenues to satisfy both foreign investors and the people of Bougainville,’ said Dr Fletcher.

‘It is certainly impossible that the mine will raise any revenues before the independence vote. It will take years for the building/repair of infrastructure, the completion of environmental studies and other importance processes that need to take place before the mine can generate revenue.’

Background—Mining on Bougainville

The Panguna Mine was one of the world's biggest copper-gold mines until a civil war forced its closure in 1989. The war took up to 20 000 lives and displaced an additional ten thousand people. The Panguna Mine was a leading cause of the war. The communities have not been offered redress for the damage.

Since 2009, there has been a push to re-open the mine, with proponents claiming that Bougainville needs the mine to be economically independent. President Momis has been at the forefront of this fight, under the auspices of former operator Bougainville Copper Limited (BCL), claiming that it would be the best and quickest option to generate revenue.

In December 2017, however, the president [announced a moratorium of mining at Panguna](#) and revoked BCL's mining license, after a meeting of landowner meetings voted against such an extension.

See [here](#) for more information about the history of mining in Bougainville.

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About Dr Luke Fletcher

Dr Luke Fletcher is the Executive Director of the Jubilee Australia Research Centre. He is the principal author of a number of Jubilee's reports, including *Pipe Dreams* (2012) about the PNG LNG project and *Risky Business* (2009) on the activities of Australia's export credit agency, Efic. Dr Fletcher has a PhD in Politics and International Studies from the University of Cambridge and has been involved in Jubilee in both staff and Board roles since 2005.

About JARC (www.jubileeaustralia.org)

The Jubilee Australia Research Centre (JARC) engages in research and advocacy to promote *economic justice* for communities in the Asia-Pacific region and *accountability* for Australian corporations and government agencies operating there. Jubilee's work has been quoted in Australia and international media: [The Australian](#), [ABC](#), [The Guardian](#), [Reuters](#), [The Asia Pacific Report](#). Jubilee has made [Parliamentary submissions](#) to a number of government inquiries as well as provided testimony.

Jubilee Australia's sustained engagement on the question of Bougainville's development has provided information and awareness that has helped the people of Bougainville resist the reintroduction of mining on the island. ['Voices of Bougainville'](#) explores the voices of the communities surrounding the Panguna Mine and found that those interviewed almost unanimously shared the view that the re-opening of the mine should not be linked to Bougainville's independence. ['The Devil in the Detail'](#) reports on the serious deficiencies in the Bougainville Mining Law, and how it fails to adequately protect the Free, Prior and Informed Consent of Bougainvilleans. ['Growing Bougainville's Future'](#) examines the question of 'to mine or not to mine' and concludes that there are other more sustainable options for Bougainville to pursue.

On mainland PNG, Jubilee has been one of the few voices that has questioned the benefits of the gas sector for the people of PNG and has explored the impacts of the Exxon-led and Australian-supported PNG LNG project. ['Double or Nothing'](#) catalogues the economic impacts of the project at a national level and found that it has contributed to PNG going backwards on most economic indicators. ['On Shaky Ground'](#) examines the impact of the PNG LNG project on the local communities and found undelivered development promises, a frustrated community and increasing risk of violence.