

ANNUAL REPORT 2019





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Cover: A family heads home on the river, Papua New Guinea.

Above: Communities in Papua New Guinea.

Below: Jubilee Australia supporters advocate with Emmanuel Peni on his speaking tour, October 2019.



WHO WE ARE

Jubilee Australia Research Centre 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.

WHAT WE DO

- ▶ We work with individuals and groups to identify and document human rights abuses, environmental destruction or economic injustice in their communities.
- ▶ We identify and document how Australian companies, financial institutions and Australian government actions cause or contribute to those adverse impacts.
- ▶ We identify and document how policy change at the national and international level might prevent current and future environmental and human rights abuses and economic injustice.

MESSAGE FROM OUR CHAIR AND EXECUTIVE DIRECTOR

Jubilee started out twenty years ago as a campaign against the unsustainable and unjust debts that poorer, less developed countries owed to richer, more developed ones. Today, with just two staff members, our work has expanded to include a range of development, environmental and human rights questions. We are proud that Jubilee continues to make a big impact far beyond our size, and we thank you for your support along the way.

Two particular highlights demonstrate the breadth of the work that we have done this past year. The first is our report, *Enter the Dragon*, strongly critical of the proposed new Infrastructure fund for the Pacific. Having learnt that the Australian aid program, which for years has been premised on grants, would once again be experimenting with foreign loans, we felt it was necessary to put on the record many of the new program's potential flaws. Although the government pushed the fund over our objections and many of our partners in the aid sector, our report stands as an enduring testament to the risks of this new approach to aid.

Secondly, our work in Papua New Guinea's Sepik region continued to grow. There, the enormous Frieda River Mine poses a serious threat to one of Asia's great unspoilt river systems. In collaboration with our new partners in Papua New Guinea, Project Sepik, we published a report, *The River is Not Ours*, about PanAust's proposed mine. The report is an investigation of the project's environmental and social impacts and the views of local communities regarding the mine and was an important first move in the ongoing work we have to do to protect the Sepik river and the livelihoods of its inhabitants.

As these highlights and the following pages show, in 2018 and 2019 we have continued to accomplish a great deal across a wide range of policy areas, engaging both with Australian companies and with government officials, both elected and appointed.

We are a small organisation with a big impact. It is thanks to our supporters and donors, large and small, that we are able to do any work at all. A special thanks to our dedicated team of staff, consultants, board members and volunteers, on whose perspiration and inspiration the organisation continues to rely.



KATE GAULD

Chair of the Board

LUKE FLETCHER

Executive Director



OUR VISION

Australia exerts enormous influence over some of its neighbours in the Asia Pacific region. The Australian Government's trade policy and aid program, and the practices of Australian companies, matter in the region. More often than it should, Australian influence is exerted in ways that result in considerable harm to poor and marginalised communities.

Jubilee Australia is working to change this. We want Australia to be a good neighbour in the region.

Our work focuses on sustainable economies, mining and communities, land and forests in the Asia Pacific.

Our research and advocacy examines whose interests are served by the policies and decisions of Australian corporations and government agencies. In cases where we find that the interests of communities in our region or the Australian public are not being served, we seek to highlight these facts to the attention of governments, corporations, the media and our supporters.



“

We challenge the prevailing notion that extractive-led development is necessary to lift developing countries out of poverty.

Our research shows that extractive industry projects too often leave countries worse off and that sustainable and broad-based alternatives exist.

”

- Dr Luke Fletcher, Executive Director



SUSTAINABLE ECONOMIES

2019 saw the Pacific return to front and centre of Australian foreign policy debates. In response to increased Chinese aid and 'soft power' in the region, in late 2018 the federal government proposed a new Australian loan fund as the flagship of a renewed Australian commitment to the Pacific, otherwise known as the 'Pacific step up'. The Australian Infrastructure Investment Fund for the Pacific (AIFFP) is a \$2 billion facility that intends to combine \$500 million of aid grants with \$1.5 billion of loans –potentially doubling the amount of Australian aid to the region.

In response to these developments, we published a report in March 2019 called *Enter the Dragon* that analysed the proposed fund. With contributions from Caritas Australia and the University of New South Wales, the report made a number of critiques about the AIFFP.

The fund was clearly a response to increased Chinese aid in the Pacific, and yet the fund mimics many features for which the Chinese aid program has been rightly criticised. The AIFFP is premised on an alleged need for infrastructure without a case being made that this is the best use of aid money; as a loan fund, it is debt creating; its design does not appear to be the best form for addressing the impact of climate change on Pacific nations; and it is premised upon the stimulation of economic growth, when an approach based on poverty reduction, livelihoods and resilience would be more beneficial. Moreover, it is problematic that the fund is administered by the Export Finance and Insurance Corporation (EFIC), now renamed Export Finance Australia, given the history of similar collaborations in the past.

In late 2018 and early 2019, Jubilee and our partners participated in advocacy with federal MPs about the proposed fund. We also played an important role in encouraging the Australian Council for International Development (ACFID) to oppose the government's plan. Despite the progression of the government's plans to implement the fund in April 2019, we maintain our position about the project's flaws and will continue to advocate to changes to its design.

Above: Families tend to their gardens along Chambri Lakes, August 2016.



Meanwhile our previous reports about what a sustainable economy in Papua New Guinea might look like continue to have an impact. This year saw a change of government in PNG, which was partly due to the allegation that the former government did not do enough to use the revenues from the nation's gas boom to bring about development. This was a critique that really came to prominence with the publication of our report *Double or Nothing* in April 2018.

Elsewhere in PNG, as Bougainville appears to be moving ever-closer to independence, more and more people are asserting that Bougainville needs mining to survive economically.

This was a question that we examined thoroughly in our September 2018 report *Growing Bougainville's Future* and the accompanying short film *Bougainville: Long Han Blom Yumi (Bougainville: It's In Our Hands)*. The research, which saw contributions from over a dozen experts, raised questions about the viability of relying on mining as a development strategy for an independent Bougainville.



Above top: Community members at Paga Hill, Papua New Guinea.
Above: Jubilee Australia's research report *Growing Bougainville's Future*.



MINING AND COMMUNITIES

One of the major areas of our focus are our collaborations with communities whose lives and livelihoods have been affected by mining or who are considering whether to initiate a new mining project on their lands. Much of our energy and attention on this issue this past year has been on the plans to develop the Frieda River mine in PNG's Sepik region (see the following two pages).

In Bougainville, we have become seriously concerned about plans proposed by the Autonomous Bougainville Government (ABG) to overhaul its 2015 Mining Act. Our analysis found that the proposed amendments would completely remove the important rights of landowners to consultation about what happens on their land: their right to free, prior and informed Consent. Our concerns about these amendments were covered in May 2019 by various media outlets including Radio New Zealand and ABC's Pacific Beat program. We will continue to keep a watchful eye on these worrying developments, in particular its connections to certain Australian businessmen who appear to be behind these moves.

Elsewhere in the Asia-Pacific region, we helped draw attention to a little-known conflict that has been playing out in the Filipino Province of Nueva Vizcaya, on the island of Luzon. In June 2019, Australian-Canadian company Oceana Gold was attempting to continue mining there, despite the expiration of its mining lease and despite the express refusal of consent from the municipal and the provincial governments. A blockade by locals lasting months stymied the company's plans, and Jubilee has been supporting the call for Oceana Gold to quit the project given the obvious lack of a social license.

Above: Community members meet with Project Sepik, 2019.



“ The Sepik River is not just a river it is a living thing... The River is an identity, it defines us and we it. It is a spirit that is present in us and we are part of it in spirit. We are intricately connected to the river. ”

- Emmanuel Peni
Co-ordinator, Project Sepik



THE THREAT TO THE SEPIK RIVER

In May 2019, after 6 months of development by Jubilee Australia and many more by our partners in PNG, we released a major report, *The River Is Not Ours*, about the potential threat posed by a vast new copper mine on the mighty Sepik, one of Asia's last untouched river systems.

The report emerged from a collaboration with our partner organisation Project Sepik, a small, hardworking NGO based in the Sepik. Project Sepik believes that the mine, which would sit up in the mountains on the Frieda River, a Sepik tributary, could have serious impacts on the river.

Above top: A community member protests about the Frieda River mine.
Above: Community on the Sepik River.

The report was based on discussions that Project Sepik staff and volunteers had with communities who live on the Sepik River. Communities are also concerned that the mine could have a huge impact on their lives and on their environment.

The report also found that the inherent challenges of waste disposal in copper mining, as well as the high rainfall and the seismic activity in the area, means that the communities' safety concerns are absolutely valid.

The impact of the report's release was felt instantly, with the East Sepik Governor, whose support for the project is important were it to proceed, immediately declaring that the mine would not go ahead unless it was deemed environmentally safe.

The Environmental Impact Statement, released in September 2019, is now being analysed by Jubilee's partners. Unless the project can be conducted in a way that completely protects the river and the communities who rely on it, Jubilee will continue to support its partners Project Sepik in their stance against the mine.

Below: The Sepik River.

“ Frieda River is a mining project the likes of which PNG has never seen – it is the size of the rest of the PNG mining industry combined.

That is, it equals the size of Panguna, Ok Tedi, Lihir, Porgera, Hidden Valley and Golpu together. ”

- Gavin Mudd, Associate Professor, RMIT University





A NOTE FROM PROJECT SEPIK

Project Sepik represents hundreds of thousands of people along the Sepik River, other Papua New Guineans and those around the world. But until this year, our voice has had little traction, little and visibility outside our province. However, the report by Jubilee Australia and Project Sepik called, 'The River is not Ours' was like a tidal wave crashing onto the shores of the local PNG news outlets, the doors of Waigani and the dinner tables of Members of Parliament and proponents of the Frieda Mine. The waves ensured new surges of conversations and newer questions. Doubters or those who questioned the motivations of Project Sepik or other individuals for speaking up, stepped forward to share the messages or support the call to 'Ban the Frieda Mine'.

The visibility or respect of Project Sepik as an organization, the conversations or the concerns of the Frieda Mine, would not have reached this level of influential spaces, audience and influence in its campaign had it not been from the collaborative work between Project Sepik and Jubilee, especially the publication of the report and the resultant Guardian new article. It has led to increased scrutiny on PanAust's attempts to acquire an environmental permit and a mining license and increased pressure on the responses from Members of Parliament and proponents of the Frieda Mine to justify their claims that the mine will not harm our river.

My visit to Australia that Jubilee helped to organise was so important in accessing new media outlets and establishing and maintaining new networks. Moreover, as environmental defenders, in small and rural towns of PNG and other parts of the world, we work in isolation. It would be rare to be invited to a social gathering or meet others who are passionate and value driven in the area of our work. Therefore, the connection with Jubilee Australia (ongoing communications – conversations – chats), the reassurance and support, the kindness and passion, were essential as key ingredients for collaboration, solidarity and motivation.

With deepest thanks,

Emmanuel Peni
Co-ordinator, Project Sepik



LAND AND FORESTS

Land, and access to land, is a key theme in much of Jubilee's work. In PNG, customary land plays such an important role in the lives of the majority of the population, where it serves as a resource, providing families and clans with food, shelter and a way to participate in the market economy.

However, in PNG, the institution of customary land has slowly and surely been chipped away by successive governments and their foreign supporters, who have seen it as an impediment to lucrative mining and forestry, and agribusiness projects, despite the fact that these industries have not been successful in bringing wealth and prosperity.

In our May 2019 report, *Land Summit or Land Grab*, written in partnership with The Oakland Institute, we made a passionate plea for the preservation of customary land as the best way to secure food security, livelihood, and social security for the majority of communities in PNG.

Previous page: Emmanuel Peni, Co-ordinator, Project Sepik.

Above: A father cradles his child, Paga Hill, Papua New Guinea.



In other land matters, Jubilee has been investigating the ongoing plight of the evicted residents of Paga Hill, who for decades lived on the harbour foreshore in Port Moresby before their community was demolished by bulldozers in a series of forced evictions in 2012 and 2014. This harrowing story was beautifully told in the 2017 documentary film *The Opposition* (directed by Hollie Fifer and produced by Media Stockade).

Along with our partners at AID/WATCH, Jubilee engaged in fieldwork research to find out what has happened to some of the 3,000 people who lost their homes in these forced evictions. Their tale is not a happy one. A report of our research will be published soon, where it will serve as a cautionary tale about the devastating impacts that forced eviction can have on a vulnerable group such as the Paga Hill community.

Above: Community at Paga Hill, Papua New Guinea.



ACCOUNTABILITY AND REFORM

For 10 years now, Jubilee has been the main civil society organisation monitoring the activities of Australia's export credit agency, Export Finance Australia (formally known as Efic). Our interest has principally been in Efic's involvement in so-called Category A projects, those with high environmental and social risks. Although these projects only tend to come along once in a while, on average once every year or two, they can have significant impacts on communities and ecosystems, and we have felt it is important that we engage when potential projects arise.

This year, Efic announced that it was considering financing a project called, 'SNE Field Development Phase 1', a planned deepwater offshore oil development of Woodside Petroleum off the coast of Senegal. Jubilee, along with partners Action Aid and Caritas, prepared a submission listing our concerns about the project in April 2019. We made a number of recommendations about what would be required to ensure the project adheres to important social and environmental safeguards.

As a general policy position, Jubilee continues to hold the position that Export Finance Australia, and all export credit agencies, should place an immediate moratorium on all new fossil fuel developments. The reason for this is the increasing body of evidence that meeting the Paris target of 1.5 degrees temperature this century will not be possible unless all fossil fuel reserves are left in the ground. We continue to raise this point with policymakers at every opportunity.

Above: Community in Papua New Guinea.

This past year was also an important one for The Australian Corporate Accountability Network (ACAN), of which Jubilee is a founding member and on whose steering committee we are represented. The highlight of the year was a landmark conference at UNSW in November 2019 on the subject of business and human rights. Local experts were joined by those from overseas countries where implementation of tougher corporate accountability mechanisms are currently being put in place (France, Canada, Switzerland). Jubilee partners, Ruth Saova Spriggs from the Bougainville People's Research Centre and Allan Mogerema from the Paga Hill community, also spoke at the conference.

Recent improvements to the Australian OECD National Contact Point for the OECD Guidelines on Multinational Enterprises were welcomed by Jubilee. Although much more could be done to strengthen the business and human rights accountability in Australia, these reforms were a step in the right direction. Although we are less actively involved on a day to day level, Jubilee remains part of a number of other networks seeking better accountability of our multinationals, such as Publish What You Pay, the Tax Justice Network, and AFTINET—The Australia Fair Trade and Investment Network.

“ Efic has poor transparency and accountability with regard to its social and environmental assessment processes. Because of this, they have a history of involvement with questionable projects.

Our research shows that the PNG LNG project, which Efic lent \$500 million to, is an abject failure as it resulted in PNG going backward on most economic indicators and an increase in violence.

- Dr Luke Fletcher, Executive Director





PUBLICATIONS

In 2018/ 2019, Jubilee published the following research publications:

Growing Bougainville's Future: Choices for an Island and its Peoples, (September 2018)

Enter the Dragon: Australia, China, and the New Pacific Development Agenda, joint publication with Caritas Australia and UNSW, (March 2019)

Land Summit or Land Grab, joint publication with the Oakland Institute, (May 2019)

The River Is Not Ours, joint publication with Project Sepik (June 2019)

We provided the following submissions:

Submission to Efic's consultation on the SNE field development phase 1, joint submission with Action Aid Australia and Caritas Australia and UNSW (April 2019)

Submission to the DFAT Consultation on the Australian Infrastructure Financing Facility for the Pacific (AIFFP), (March 2019)

Submission to ABG Parliament's Legislation Committee on Bougainville Mining (Amendment) Bill 2019, (May 2019)

We released the short film:

Bougainville Long Han Blom Yumi (Bougainville: It's In Our Hands), (September 2018)



OUR TEAM

STAFF

Dr Luke Fletcher

Executive Director

Dina Hopstad Rui

Research and Communications Officer

With great thanks to our volunteer **Bo Ling** and to our interns: **Voleak Sroeung**, **Jessica Gaubert**, and **David Ceylon**.

BOARD

Kate Gauld

Chair of the Board

Solicitor, NSW Office of the Director of Public Prosecutions

Anne Lanyon

Board member, Vice-Chair (1 July 2018 to 17 December 2018)

Retired, former Co-ordinator, Columban Mission Institute Centre for Peace Ecology and Justice

Dr Kate Macdonald

Board member, Vice-Chair (17 December 2018 to 30 June 2019)

Lecturer, University of Melbourne

Dr Elizabeth Thurbon

Board member, Treasurer (1 July 2018 to 28 September 2018)

Senior Lecturer, University of NSW

Dr Kristian Lasslett

Board member

Professor in Criminology, University of Ulster

Kenneth Wallace

Board member, Treasurer (28 September 2018 to 30 June 2019)

CEO, Educator Impact

Dr Luke Fletcher

Secretary

Executive Director, Jubilee Australia

PATRON

Tim Winton

Author



OUR PARTNERS

LOCAL PARTNERS

We greatly appreciate working with other local human rights, environmental and development organisations in Australia, whose passionate commitment and skills we continue to learn from:

Australasian Centre for Corporate Social Responsibility
Action Aid Australia
AID/WATCH
Caritas Australia
Human Rights Law Centre
NSW Environmental Defender's Office
Oxfam Australia

A special thanks to the UNSW School of Social Sciences whose generous support hosting our organisation during this financial year was greatly appreciated.

INTERNATIONAL PARTNERS

Jubilee's impact as an organisation relies on relationships formed with international partners, particular those on the group with links to communities where we work. We could not do this work without them.

Our partners in Bougainville: Ruth Saovana Spriggs, Theonila Roka-Matbob and Nathan Matbob

Act Now PNG
Project Sepik
The Bismarck Ramu Group
The Oakland Institute
Mining Watch Canada

FINANCIALS

STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

FOR THE YEAR ENDED 30 JUNE 2019

	Note	2019 \$	2018 \$
Revenue	3	56,871	134,825
Expenses			
Consultant expense	4	(28,139)	(114,013)
Administrative expense	5	(15,840)	(13,074)
Management service fee		-	(38,441)
Employee benefits expense		(80,194)	-
Travel expense		(3,444)	(15,224)
		<hr/>	<hr/>
Deficit before income tax expense		(70,746)	(45,927)
Income tax expense		-	-
		<hr/>	<hr/>
Deficit after income tax expense for the year		(70,746)	(45,927)
Other comprehensive income for the year, net of tax		-	-
		<hr/>	<hr/>
Total comprehensive income for the year		<u>(70,746)</u>	<u>(45,927)</u>

Refer to note 2 for detailed information on Restatement of comparatives.

Audit of Jubilee Australia Research Centre was performed by WIS Partners in accordance with section 60-40 of the Australian Charities and Not-for-profits Commission Act 2012,

STATEMENT OF FINANCIAL POSITION

AS AT 30 JUNE 2019

	Note	2019 \$	2018 \$
Assets			
Current assets			
Cash and cash equivalents	6	11,468	96,806
Trade and other receivables	7	191	270
Prepayment	8	-	1,896
Total current assets		<u>11,659</u>	<u>98,972</u>
Total assets		<u>11,659</u>	<u>98,972</u>
Liabilities			
Current liabilities			
Trade and other payables	9	<u>23,057</u>	<u>39,624</u>
Total current liabilities		<u>23,057</u>	<u>39,624</u>
Total liabilities		<u>23,057</u>	<u>39,624</u>
Net assets/(liabilities)		<u>(11,398)</u>	<u>59,348</u>
Equity			
Retained surpluses/(accumulated deficits)		<u>(11,398)</u>	<u>59,348</u>
Total equity/(deficiency)		<u>(11,398)</u>	<u>59,348</u>

Refer to note 2 for detailed information on Restatement of comparatives.

STATEMENT OF CHANGES IN EQUITY

FOR THE YEAR ENDED 30 JUNE 2019

	Retained profits \$	Total equity \$
Balance at 1 July 2017	105,275	105,275
Deficit after income tax expense for the year	(45,927)	(45,927)
Other comprehensive income for the year, net of tax	-	-
	<u>(45,927)</u>	<u>(45,927)</u>
Total comprehensive income for the year	<u>(45,927)</u>	<u>(45,927)</u>
Balance at 30 June 2018	<u>59,348</u>	<u>59,348</u>

Refer to note 2 for detailed information on Restatement of comparatives.

	Retained profits \$	Total deficiency in equity \$
Balance at 1 July 2018	59,348	59,348
Deficit after income tax expense for the year	(70,746)	(70,746)
Other comprehensive income for the year, net of tax	-	-
	<u>(70,746)</u>	<u>(70,746)</u>
Total comprehensive income for the year	<u>(70,746)</u>	<u>(70,746)</u>
Balance at 30 June 2019	<u>(11,398)</u>	<u>(11,398)</u>

Audit of Jubilee Australia Research Centre was performed by WIS Partners in accordance with section 60-40 of the Australian Charities and Not-for-profits Commission Act 2012,

STATEMENT OF CASH FLOWS

FOR THE YEAR ENDED 30 JUNE 2019

	Note	2019 \$	2018 \$
Cash flows from operating activities			
Receipts from donations, grants, sponsorships and other activities		56,897	139,532
Payments to suppliers and employees (inclusive of GST)		(142,288)	(143,535)
Interest received		53	122
		<u> </u>	<u> </u>
Net cash used in operating activities		(85,338)	(3,881)
Cash flows from investing activities			
		<u> </u>	<u> </u>
Net cash from investing activities		-	-
Cash flows from financing activities			
		<u> </u>	<u> </u>
Net cash from financing activities		-	-
		<u> </u>	<u> </u>
Net decrease in cash and cash equivalents		(85,338)	(3,881)
Cash and cash equivalents at the beginning of the financial year		96,806	100,687
		<u> </u>	<u> </u>
Cash and cash equivalents at the end of the financial year	6	<u>11,468</u>	<u>96,806</u>

Audit of Jubilee Australia Research Centre was performed by WIS Partners in accordance with section 60-40 of the Australian Charities and Not-for-profits Commission Act 2012,



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