

INDICATOR INSIGHT BRIEF:

PNG INTERNAL CRISIS

08/03/2024

Indicator

On 18 February 2024, a conflict involving over 17 tribes resulted in over 70 fatalities in the Enga province, Papua New Guinea (PNG). The tribes were reportedly armed with AR15-pattern rifles, self-loading rifles, and pump-action shotguns, and had hired gunmen. On 26 February, an armed group abducted an Australian pilot and two local subcontractors near a remote telecommunications facility of Mount Sisa, Hela Province. They were rescued within hours.

Domestic economic issues, including high inflation and nationwide fuel shortages, have led to a deteriorating security situation in PNG. It has also increased opposition to the sitting Prime Minister James Marape, who is set to face a no-confidence vote in May.

Context

In January 2024, violent civil unrest started after false reports were shared of public sector pay-checks being reduced by 50%. Public sector workers, including members of the police, went on strike resulting in widespread opportunistic lootings in Port Moresby. The violence spread across the country and led to 25 deaths. The government declared a 14-day state of emergency in the capital to restore stability. In 2024, PNG averaged approximately six violent or protest events each week, up from three in 2023.

Bank PNG's limiting of foreign exchange translated to the dominant fuel supplier, Puma Energy, closing stations for the last two weeks. Air Niugini (PX) reduced the number of flights due to limited fuel availability. There were significant disruptions for motorists and boat operators, who faced strict fuel rationing. PNG was in talks with the Australian government to assist with emergency fuel. There were also discussions to empower Kumul Petroleum Holdings Limited (KPHL), the national oil company, to "take over the import, refinery, storage and bulk distribution from Puma." Both talks have been inconclusive and are likely to not be resolved in the short term.

Analysis

Ambrey assesses the conditions within PNG - high inflation, high unemployment, lack of access to fuel, widespread protests, and increasing violence - indicates a potential for further instability. Additionally, political opposition to PM Marape increases the possibility of incidents leading up to the no-confidence vote in May.

Protest incidents and violent civil unrest are assessed to be localised to urban centres such as Port Moresby. Ambrey assesses that areas such as the Highlands region are likely to face a higher number of tribal conflicts and armed crime incidents due to geographical inaccessibility and consequent lax law enforcement.

Implications

Ambrey assesses that there is a HIGH likelihood of violent protests across PNG in the short to medium term, particularly in the period of fuel crisis. However, this is unlikely to impact port operations for vessels calling PNG. Ambrey assesses the threat from tribal conflict to be LOW for maritime assets as the incidents are largely localised to the Highlands. Vessels calling PNG ports or transiting in the vicinity are at LOW risk of facing violence. There is a MODERATE risk of robbery and violence for individuals in the city of Port Moresby. Ambrey advises avoiding crew changes.