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Between Reopening and Return: Porgera, Panguna and What Endures

Social licence, sustainability and the governance of resource development in Papua New Guinea and Bougainville

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Executive Summary

This paper considers two places in Papua New Guinea's resource landscape, Porgera in Enga Province and Panguna in Bougainville and the people whose lives move between them carrying experience, memory and expectation. One is a reopened gold mine operating under renegotiated arrangements following closure and dispute, while the other remains closed yet continues to sit at the centre of Bougainville's economic future and political horizon. These places are not simply sites of extraction. They are lived environments shaped by history, identity and continuity. Development does not sit above them; it sits within them.

The starting point is a practical observation at the Porgera mine camp, where Bougainvilleans working at Porgera speak about Panguna not as a closed chapter but as a possible future. That moment provides a point of entry into a wider analysis. Porgera becomes a place where systems are observed in operation, while Panguna becomes a place toward which those observations are directed. The movement between the two reflects a broader pattern within Papua New Guinea, where knowledge is accumulated across sites and carried forward by people.

The central proposition advanced in this paper is that sustainability in mining cannot be understood solely as the continuation of activity. Gold and copper are finite resources and do not regenerate. The relevant question is therefore what remains for the grassroots people of these regions when extraction changes, slows or ceases. Sustainability in this context is better understood as the continuity of capability, reflected in the retention of knowledge, confidence and institutional strength that allows communities to engage with systems over time. Social licence reinforces this understanding, as it is not created through agreement alone but through confidence built gradually through legitimacy, credibility and trust.

By placing Porgera and Panguna in direct comparison, they are considered not as parallel projects but as connected sites through which questions of governance, sustainability and social licence can be understood across Papua New Guinea ("PNG") and Bougainville. The most enduring outcomes are not those that can be easily measured but are found in whether systems hold, whether institutions are trusted and whether people are able to participate meaningfully in the decisions that shape their future.

Part 1: Between Shifts, Porgera

At the Porgera mine camp, the return from day shift follows a practical and familiar rhythm as buses and "troopies" arrive from site and people move directly toward the mess with little pause in between. Hands are washed and people take their place in the dinner line, while some prepare to head out again for night shift, often passing almost unnoticed in the general flow. Attention settles on food, on getting a plate, choosing what is on offer and finding a place to sit, creating a brief transition out of the intensity of the day into something more settled and communal.

There is often a short exchange at the front of the line about what is being served, with some stepping forward to look before joining, while others take their place immediately. A few begin with soup before deciding on the main meal, while others take a soft serve ice-cream and sit outside near the camp office, while many gather at the same tables they occupy most evenings. Those returning from the gym arrive later and change their clothes before entering the mess, recognising the shared expectations of that space. The atmosphere remains orderly and relaxed, shaped by routine rather than occasion, and conversation moves easily between the day's work and matters beyond it. All of this unfolds under the presence of Mount Paiam, which rises above the valley and the township below, a constant feature of the landscape that sits quietly alongside daily life and work in Porgera [33].

It is within this setting that Bougainvilleans speak about Panguna, carrying a sense of direction rather than nostalgia. They do not speak about Panguna as something finished but as something that may yet return. Their work at Porgera is not only employment, it is also observation. What holds their attention is not simply the task in front of them but the organisation around them. They are watching how decisions are made, how systems function and what allows a mine to hold together over time and under pressure. Their interest lies in structure rather than in any single activity. Porgera becomes a place where experience is gathered, while Panguna becomes a place toward which that experience may one day travel.

This moment matters because it places Porgera and Panguna in relation to one another through people rather than theory. Porgera is a place where systems are being observed in real time, while Panguna is a place where those observations acquire meaning. Between them sits not only mining but the broader question of what kind of future can be built when people have seen both the benefits and the fractures that resource development can bring.

Porgera's reopening sits at the centre of this comparison. Following the expiry of the Special Mining Lease in April 2020, the mine entered care and maintenance before reopening in

December 2023 under New Porgera Limited (“NPL”) [1]. This transition was not only operational, it reset relationships between the State, landowners and corporate actors [40]. Reopening in such a context is never simply technical. It is social and it tests whether confidence can be rebuilt and whether governance arrangements can support a different future.

The physical setting of Porgera shapes how this is experienced. Located in the Enga Highlands, the area is defined by steep terrain, deep valleys, dense cloud and fast-moving rivers. The gold is not present in large visible seams. It sits within sedimentary rocks such as mudstone and siltstone that were later altered by mineral-rich fluids moving through fractures [2][3]. This geological structure means that gold is dispersed and must be extracted at scale through excavation and processing.

That footprint extends beyond the lease boundary. Roads, transmission infrastructure and river systems connect Porgera to a wider landscape and the Strickland River carries effects far beyond the immediate site. In practical terms, Porgera is not contained. It forms part of a broader physical and social system, within which impacts, benefits and pressures are distributed unevenly across geography and communities.

That broader system matters in PNG because development does not move only through extractive sites. It also moves along roads, through ports, across rivers and through the public institutions that keep infrastructure functioning. As previously noted in public commentary, a road is never just a road. From the back seat of a troopie on the Highlands Highway, the condition of the surface reflects a wider story about maintenance, coordination, public authority and the capacity of institutions to hold over time [31]. In this sense, roads and mines are not separate governance subjects. They reveal the same underlying question, which is whether systems continue to function when the immediate announcement, launch or construction moment has passed.

The local people most closely associated with Porgera are the Ipili, yet even here the social and legal picture is not simple. The Special Mining Lease (“SML”) is a defined geographic area and those living within it are the most directly affected by the mine and are recognised through particular benefit and compensation arrangements. Other Ipili communities sit outside the SML, including those associated with Leases for Mining Purposes (“LMP”) and they may be affected differently and benefit differently, and also bear the costs of development in ways that are not always aligned with formal entitlement.

Beyond that again are communities affected through infrastructure corridors, the Hides–Porgera transmission line and downstream riverine systems. Communities in areas such as Maip Mulitaka Local Level Government are not within the SML or the LMP, yet the highway and the wider movement of the project pass through their land and shape their experience of the mine. This extends further through major river systems, including the Strickland River, which carries impacts downstream to Lake Murray, the largest freshwater lake in PNG. Mine impact therefore, does not stop neatly at the lease boundary. Identity, geography and entitlement do not always align and that is part of what makes the social field around Porgera more complex than formal maps suggest.

Within that wider system, land is not understood solely through legal title. For the Ipili people of Porgera, land is *papa graun*. It is inherited, relational and central to identity. It is experienced rather than abstractly defined and remains connected to memory, belonging and authority across generations. This understanding does not disappear in the presence of a mining lease. It continues to shape how the mine is lived with and how relationships around land, compensation and legitimacy are interpreted in practice. Questions of identity, belonging and the tension between customary life and introduced systems have also long been explored within Papua New Guinean literature, including in Russell Soaba's novel Maiba [54].

Comparable ideas can be seen in other contexts, including in New Zealand, where the Māori concept of *tūrangawaewae* is often understood as a place to stand and belong. The underlying relationship between people, land and identity is therefore not unique to PNG. In New Zealand, however, that relationship has in some instances been recognised more explicitly in law. Treaty of Waitangi [37] jurisprudence and Waitangi Tribunal findings have long recognised rivers as *taonga*, a term in Te Reo Māori referring to something highly valued or treasured, including natural resources and places of significance [36], while more recent legislation has gone further, with the Te Awa Tupua (Whanganui River Claims Settlement) Act 2017 recognising the Whanganui River as a legal person. While grounded in different histories and traditions, these perspectives reflect a shared emphasis on land and environment as the basis of identity, continuity and authority.

Part 2: What Sits Just Outside the Fence

It is within this context that the question of informal and small-scale mining becomes more difficult to frame in simple terms. The term "illegal miner" [40], commonly shortened to "IM", is widely used in Porgera, but it is not neutral. It can carry a pejorative tone and frame those involved primarily through a lens of illegality, rather than recognising the complexity of their relationship to land and livelihood. From a regulatory perspective, these activities fall outside authorised frameworks. From a lived perspective, however, the picture is more complex. Some individuals, including those with customary connections to the area, understand themselves as having a legitimate basis to access land, even where that access is not recognised within formal mining arrangements. Others come from different parts of Enga and across PNG, bringing different relationships to place, opportunity and necessity. These are not neatly separated categories. They overlap and interact within a connected social landscape.

The scale and organisation of this activity can also shift over time. What may be described as small-scale is not always small in practice. In some areas, activity has developed into more sustained and coordinated forms of extraction, at times extending into semi-industrial patterns, including underground tunnelling and more organised methods of recovery. This does not sit outside the system. It emerges where formal arrangements are incomplete, contested or unevenly experienced, and where access to land, livelihood and opportunity is being negotiated in practice rather than resolved in policy.

The distinction between legality and legitimacy is therefore not always aligned [4]. This tension is not peripheral to Porgera. It sits within the everyday reality of the operation and

shapes how the mine is experienced and understood by those around it. It is also reflected in the wider security environment, where public reporting has described ongoing tensions involving informal miners, landowners and security forces, alongside incidents affecting operations and movement within the mine area [27][28][29][40]. These are not isolated events. They form part of a broader pattern in which pressure, expectation and uneven inclusion are experienced across the system.

As one person familiar with site conditions observed, even when the intensity of conflict appears to ease, the underlying environment does not fully settle. At times this is sensed in small, passing ways, such as a casual remark about the lingering smell of gunpowder in the air, noted not as alarm but as part of the conditions people continue to work within [35]. What changes is often the immediacy rather than the presence of tension. That observation does not stand alone. It reflects a wider reality in which operational stability is maintained within conditions that remain inherently fragile, where the pressures experienced within the mine are connected to those in surrounding communities, and where conflict does not sit outside the system but forms part of the environment that people navigate in both work and daily life.

This pattern is not unique to Porgera. In other parts of PNG, community leaders have described resource development as sitting at the centre of local conflict dynamics, with disputes over land, benefits and access intersecting with broader social pressures. While experiences differ across regions, the consistent feature is that resource projects do not operate in isolation from the communities around them. They sit within existing systems of relationship, expectation and obligation, and where those systems are under strain, conflict can become part of how development is experienced.

Earlier work by the Papua New Guinea National Research Institute documented how benefits from Porgera are structured and distributed among landowners, the Enga Provincial Government and the State [5]. That work remains important because it demonstrates how value is intended to move through formal systems. It also highlights a central governance question. The design of distribution is one thing. How that distribution is experienced in practice is another. It is within that difference that governance becomes real.

This distinction is particularly visible in relation to Community Development Agreements. In Papua New Guinea, these agreements are required under the Mining Act 1992, which provides that large-scale mining projects must enter into formal arrangements with landowners and affected communities as a condition of development [6]. They are intended to set out how benefits derived from the project are to be shared and how those benefits are directed toward agreed priorities, including infrastructure, health, education and local economic participation.

In practice, a Community Development Agreement (“CDA”) sits at the point where law, policy and lived experience intersect. It translates statutory entitlement into a structured framework that guides how value moves from the mine into communities over time. It also becomes a reference point against which expectations are formed and measured. In that sense, it is not simply a financial instrument. It is a governance mechanism that is expected to carry both distribution and accountability.

At Porgera, this has particular significance given the history of the mine, its closure and reopening and the renegotiation of ownership and benefit-sharing arrangements under NPL. Public statements indicated that a Porgera CDA would be concluded by December 2025 [7][8]. However, as at late May 2026, I have not found reliable public confirmation that the CDA has been signed. At the same time, public reporting and company statements indicate that relocation and resettlement of affected communities within defined areas of the SML and LMP footprint have become increasingly significant governance issues. In January 2026, NPL announced a formal cut-off date and moratorium applying to new gardens, structures and settlements within defined project areas as part of Stage 1 resettlement planning [52]. The announcement established eligibility boundaries tied to verified occupancy and assets existing prior to 25 January 2026 and was accompanied by reference to baseline census work, asset recording and compliance with International Finance Corporation ("IFC") guidelines.

The IFC, part of the World Bank Group, publishes internationally recognised standards relating to environmental and social risk management, including resettlement planning, compensation and livelihood restoration in large-scale projects. In practical terms, the moratorium also functioned to cap and control future compensation and resettlement claims by preventing speculative settlement and asset creation following public disclosure of resettlement planning activities. Subsequent political statements framed relocation of affected landowners as a broader development and security priority [53].

The situation in Porgera, however, is not straightforward. Formal eligibility frameworks, customary relationships to land and broader community understandings of who is affected do not always align neatly in practice. These issues are not simply matters of timing or administration. They go to land, safety, legitimacy, livelihood and the credibility of the wider benefit-sharing framework itself. Until the CDA and associated arrangements are finalised and implemented in a way that affected people recognise as legitimate, confidence will remain tested in practice.

The concept of social licence is useful here because it directs attention to experience rather than procedure. It emerged within the mining sector to describe the ongoing acceptance of a project by communities and stakeholders [10][11]. It is not granted through law and cannot be secured once and for all through documentation. It is built through legitimacy, credibility and trust over time. It differs from the social contract described by the seventeenth-century English philosopher John Locke, whose work was grounded in formal political theory concerning the relationship between citizens and the state [12]. Social licence is lived, and it is tested repeatedly in environments where expectations, pressures and realities do not always align.

Part 3: Panguna, Where Nothing Has Closed

If Porgera shows how governance is tested in a reopened mine, Panguna shows how history continues to shape the terms on which any future development must be approached. Panguna lies within the mountainous interior of Bougainville, set back from the coast and connected to a wider landscape that falls steeply toward the Solomon Sea. The terrain is rugged and heavily forested, with river systems cutting through valleys that have long

supported settled communities and established patterns of land ownership and exchange. The deposit itself is a porphyry copper–gold system, meaning that the mineralisation is not concentrated in narrow veins but spread across a large volume of rock formed through volcanic processes deep in the earth's history [13]. Over time, mineral-rich fluids moved through this rock, depositing copper and gold in a diffuse pattern across a wide area.

This geological structure matters because it determines how the resource is extracted. Unlike deposits where minerals can be accessed in more concentrated form, a porphyry system requires large-scale excavation and processing to separate valuable material from the surrounding rock. At Panguna, this resulted in the creation of an extensive open pit and associated infrastructure that reshaped the immediate landscape. The scale of the deposit therefore sits in direct relationship with the scale of intervention required to access it, and that scale in turn shapes how the mine is experienced by surrounding communities.

Before mining, Bougainville was already structured through established systems of land ownership, exchange and authority [14], as reflected in contributions to *Bougainville Before the Conflict*, including work by Hugh Laracy. These systems were not isolated. They formed part of a broader pattern across Melanesia in which governance was grounded in participation, reciprocity and locally recognised authority rather than solely in centralised institutional structures.

This wider regional experience can be seen in movements such as the Maasina Rule in the Solomon Islands, which emerged as a locally organised assertion of authority and collective governance during the mid-twentieth century [15]. As documented in *Pacific Protest: The Maasina Rule Movement, Solomon Islands, 1944–1952*, Maasina Rule demonstrated the capacity of communities to organise governance structures that were internally legitimate, collectively enforced and sustained over time. It illustrates that governance does not begin with formal institutions but can be generated, maintained and adapted by communities themselves.

The conflict that followed in Bougainville was a period of profound disruption involving loss of life, displacement and long-term institutional damage [16]. Its effects remain present and continue to shape how development is approached. That experience is not held uniformly. It is carried differently across communities and generations, and it continues to influence how questions of land, authority and future development are understood.

The depth of that disruption is captured not only in formal accounts but also in literature. Lloyd Jones' novel *Mister Pip* is set during the Bougainville conflict and reflects the experience of communities where formal institutions had withdrawn and learning, order and meaning were sustained through improvisation, memory and story [17]. While a work of fiction, it resonates because it reflects how communities adapted in the absence of functioning systems.

Panguna has not remained inactive. Artisanal mining continues within and around the former mine site, reflecting both economic necessity and the continuing relationship between people and land. In some areas, this activity has moved beyond subsistence-level extraction into more organised forms, including tunnelling and coordinated recovery methods. In the absence of

formal large-scale operations, activity has not ceased but has instead shifted form, demonstrating that where formal systems are withdrawn or delayed, informal systems emerge and organise themselves in response to immediate realities.

Bougainville's current position needs to be understood alongside this reality. The Autonomous Bougainville Government ("ABG") is working within a landscape shaped by history, expectation and ongoing activity. Its 2026 budget framework emphasises fiscal discipline, internal revenue generation and institutional capability [18][19], signalling that development is being positioned within a broader governance framework. Recent parliamentary developments indicate that this institutional direction is beginning to take more concrete legislative form. In March 2026, President Ishmael Toroama outlined a suite of mining sector reforms to the Bougainville House of Representatives, including the passage of the Bougainville Mining (Gold Production Levy Amendment) Act 2025. This legislation formalises the taxation of gold production and strengthens the mechanisms through which revenue from mining activity can be mobilised. Implementation is being approached through coordination between core agencies, including the Department of Mining and Petroleum, the Bougainville Tax Office and the Department of Commerce, Trade and Economic Development, reflecting an effort to ensure that revenue, regulation and oversight operate in practice rather than remaining at the level of policy design [34].

This direction is also reflected in Bougainville's legislative architecture, including the Bougainville Mining Act 2015, which places a stronger emphasis on landowner consent, local control and the alignment of formal mining processes with customary authority structures [32].

Governance discussions in Bougainville increasingly recognise the importance of how formal institutions interact with customary authority. Public commentary has reflected this direction, including recent observations by Belinda-Maree Gara, Secretary for the Department of Community Government within the ABG, who has emphasised decentralisation and the continuing role of traditional leadership structures within Bougainville's governance framework [44]. These perspectives reinforce the view that institutional design must operate in a way that reflects authority already recognised within communities. These pressures are not confined to Enga. In Bougainville, recent cyclone impacts and associated landslides damaged roads and bridges, disrupted food supply chains and cut access to Panguna, reinforcing that governance is exercised in environments where physical conditions can shift quickly and unpredictably [43]. For the ABG, this means that institutional development, service delivery and longer-term planning continue alongside the need to respond to immediate environmental disruption, adding a further layer to how authority is exercised in practice.

The landscape is not uniform. While there is interest in economic development, including mining, there are also longstanding concerns, particularly among some landowners and community leaders, about environmental impact, land use and the long-term consequences of renewed extraction. These concerns are not new. Opposition to mining at Panguna existed prior to the original operation and has continued in different forms. Recent reporting has highlighted women landowners raising concerns about environmental protection, land use

and the implications of renewed mining activity, reinforcing that these perspectives remain part of the current landscape rather than historical footnotes. These positions sit alongside and at times in tension with, broader development aspirations.

At the same time, developments during 2026 have also demonstrated growing momentum among parts of Bougainville's political and customary leadership toward redevelopment. On 27 May 2026, the ABG publicly reported holding a customary "Tampa Ungko" ceremony at Panguna involving representatives of the five major Panguna landowner clan groupings, ABG leaders, veterans representatives, Bougainville Copper Limited ("BCL") and representatives of Lloyds Metals & Energy Ltd ("LMEL") [51]. The ceremony was framed as recognising landowner authority, reconciliation and unity in support of the Panguna redevelopment process, while also coinciding with the launch of exploration drilling activities under Exploration Licence 01 ("EL01") and the return of drilling activity to Panguna for the first time since the conflict period. Exploration drilling is undertaken to gather geological information and assess mineralisation as part of evaluating the technical and economic viability of future mining activity. Public statements associated with the ceremony also called for disputes to be addressed through recognised dialogue processes and for unauthorised miners operating within the pit area to vacate the site. These developments reinforce that the landscape surrounding Panguna is not static. Support, concern, memory and expectation continue to exist simultaneously, and not always uniformly, across communities.

At the same time, differing views regarding the pace, legitimacy and conditions of any future redevelopment continue to be expressed publicly and through collective action. In April 2026, women landowners from communities around Panguna led a public protest against proposals linked to the potential reopening of the mine, raising concerns about the absence of clear community consent and warning of the potential for renewed tension if development proceeds without broader agreement [49]. The form of the protest itself, including the use of cultural symbolism, reflects that authority in this context is not exercised solely through formal structures.

Discussion surrounding the protest also reflects differing positions among community leaders and ongoing questions about consultation and the role of local actors in any future arrangements. This resonates with what is also visible in Porgera. Formal mechanisms such as Community Development Agreements can set out how benefits are to be shared, but they do not in themselves secure legitimacy. Where consent is contested or incomplete, the conditions required for social licence remain fragile. In both places, agreement on paper and acceptance in practice do not always align, and it is within that gap that governance is tested.

This approach can already be seen in how Bougainville is addressing the legacy of Panguna itself. In April 2026, the Autonomous Bougainville Government marked the commencement of hazardous materials removal works at Loloho Port, the first tangible step arising from the Panguna Mine Legacy Impact Assessment. The work focuses on environmental and human rights impacts that have remained unresolved since the mine's closure in 1989, including contamination, unstable infrastructure and risks to downstream communities [9].

What is notable is not only the technical nature of the work but how it has been framed. The process has been described as a responsibility to affected communities and as part of a broader commitment to remediation and trust. It has also been made clear that external actors, including Rio Tinto, are engaged solely in relation to legacy impacts rather than any return to mining operations. This distinction matters. It separates remediation from development and reinforces that any future decisions about Panguna sit within Bougainville's own governance framework.

The work is being carried out through structured oversight, with contributions from technical advisers and international organisations [9]. This reflects an approach that combines local authority with external expertise while retaining control of the process within Bougainville. It also signals that environmental restoration and community wellbeing are being treated as foundational considerations rather than secondary matters. Not all views align with the pace or direction of these processes, and some community representatives continue to express concern about how priorities are set and whose interests are being advanced. This, in itself, reflects an active governance environment in which decisions are subject to ongoing scrutiny.

Seen in this way, Panguna is not simply waiting for a decision about reopening. It is already part of an active governance process in which past impacts are being addressed and future conditions are being shaped. Development is not only about what is built next. It is also about how what has come before is acknowledged and managed.

Part 4: When the System Has to Hold

Development becomes harder to describe at this point, because it is no longer only about what can be seen. A mine reopens, a road is built, a budget is passed or a payment is made. These are visible and important, but they do not in themselves explain whether development is working in a way that will endure. Beneath them sits a more difficult question about whether the systems required to support those outcomes are able to function consistently over time.

That question became more explicit in Papua New Guinea following the closure of the Panguna mine in 1989. In the years that followed, there was recognition at the national level that large-scale resource development required more structured community participation, particularly in relation to decision-making and benefit-sharing. Development forums were introduced as part of the formal process for negotiating resource projects, creating a mechanism through which landowners, government and developers were brought together prior to project approval. While this represented an important shift toward more inclusive governance, the consistency with which these processes have been applied has varied over time, and in some cases the intent has not translated fully into practice.

Contemporary development thinking reflects a similar concern. Work by Andrews, Pritchett and Woolcock shows that outcomes depend not only on what policies or agreements set out to achieve, but on whether institutions are able to implement, coordinate and respond under

real conditions [24][25]. That includes the capacity to manage competing expectations, to operate across different levels of government and to adjust where initial approaches do not hold. The World Bank's *World Development Report 2017: Governance and the Law* reinforces the same point, emphasising that governance systems must function within the realities they face rather than relying on models that assume stable conditions and predictable behaviour [26].

This question is not only theoretical. In April 2026, Papua New Guinea entered a new Extractive Industries Transparency Initiative (EITI) validation cycle, with the process formally commencing under the 2023 EITI Standard and placing renewed focus on how resource revenues are disclosed and tracked in practice [45]. This provides a structured form of external scrutiny, reinforcing that accountability in the sector is not a single event but an ongoing requirement.

Earlier critiques pointed to the same underlying tension. Sachs questioned the assumptions embedded within development language, showing how it can mask underlying power relationships and impose external frameworks of progress [20]. Scott's work on moral economy demonstrated that communities often prioritise stability, reciprocity and subsistence over maximising economic return, meaning that development interventions can disrupt existing systems of security if they are not carefully understood [21]. Forsyth's work in political ecology further reinforces that environmental and economic systems cannot be separated from the social and political relationships within which they are embedded [22].

In Papua New Guinea, these dynamics are visible in practice. In many rural areas, economic behaviour is shaped not only by market opportunity but by social obligation, reciprocity and the practical limits of what cash income can achieve in environments where access to goods and services remains uneven. Income matters, but its role sits within a broader system of relationships and expectations that influence how resources are used and shared.

Taken together, these strands point toward a consistent conclusion. Development cannot be understood simply as the delivery of projects or the distribution of benefits. It must be understood in terms of whether systems are able to function, whether institutions are credible and whether people are able to engage with those systems in ways they recognise as legitimate. That aligns directly with Papua New Guinea's experience and with earlier work on the tuna fishery, which asked whether development increased real agency for Papua New Guineans or became shaped by external commercial and institutional interests [23].

The governance question does not sit only within mining. As discussed in *Tuna, Gold and Banks: The Governance Question Facing PNG*, the country's resource future is shaped not only by what is extracted but by the systems that connect natural wealth to public outcomes [30]. Tuna, gold and banks may appear to sit in different sectors, yet each reveals the same underlying issue. Tuna raises questions of control over a renewable natural resource and the extent to which value is retained domestically. Gold raises questions of extraction, ownership, benefit-sharing and the long-term consequences of resource dependence. Banks represent the financial architecture through which value moves, accumulates or leaks away, and the functioning of that system can be seen in practice. At Porgera, BSP formally reopened its

branch on 26 January 2026 following a period of closure due to security concerns, restoring access to banking services for approximately 19,000 customers in the district [48]. This reopening reflects more than the resumption of a single service. It signals the reactivation of the systems that sit around the mine, including payroll, contractor payments and the movement of funds between site, community and the wider economy.

In Bougainville, the continued presence and expansion of banking services, including BSP's branch network and plans for a new branch in Arawa, point to the same underlying requirement. Alongside commercial banking, other financial services are also present, including institutions such as National Finance, which operates in Arawa and Buka, reflecting a broader layer of access to credit and financial participation within Bougainville [46][47][50]. In both places, banking is not separate from development. It forms part of the institutional architecture through which value is accessed, stored and transferred. Where these systems function, participation becomes possible. Where they do not, the ability of individuals, communities and institutions to engage in economic life is constrained.

Together, these sectors show that the central issue is not simply whether Papua New Guinea is resource-rich, but whether its institutions are able to ensure that wealth moves through the country in a way that builds capability, public confidence and long-term resilience.

The contrast becomes clearer when visible development gains are set against vulnerability in the wider system. Roads may be built, mine production may resume and financial returns may be announced, yet unless the institutions around these activities remain capable, those gains may prove fragile. That vulnerability is not shaped only within Papua New Guinea. Events beyond its borders also exert pressure. Ongoing conflict in the Middle East [38] [42] and its effects on global energy markets highlight how dependent resource operations remain on imported fuel and stable supply chains. Short-term stockpiles may provide some immediate buffer, but they do not remove the underlying exposure. Mining operations, transport systems and associated infrastructure rely on consistent fuel access, and any sustained disruption has the potential to affect production, movement and cost. In turn, that places pressure on foreign exchange and the value of the Kina, reinforcing how closely Papua New Guinea's resource sectors are tied to global conditions. These pressures are not only global. In May 2024, a large landslide at Mulitaka in Enga Province caused widespread loss of life and disrupted access through parts of the highlands, including routes connected to Porgera, illustrating how quickly physical events can affect both communities and the operating environment [40] [41].

Sustainability, in that context, cannot be understood only at the level of the project. It must also account for the resilience of the wider systems on which those projects depend, including the extent to which energy sources can be diversified and risks managed over time.

The distinction between benefits and outcomes becomes important here. Benefits may be counted in payments, royalties, infrastructure or services. Outcomes sit elsewhere. They are found in whether people understand the systems affecting them, whether they can navigate agreements, whether communities can hold institutions to account and whether the state itself can coordinate, maintain and respond. That includes not only providing oversight and setting standards, but also converting the proceeds of resource development into public goods

and services that are experienced across the country, including in remote communities that may not sit directly within the footprint of a project.

In the context of mining, the question becomes sharper rather than softer. Gold and copper are finite resources. They do not regenerate. Sustainability therefore cannot be defined by the continuation of extraction itself. It must be defined by what remains when extraction changes or comes to an end, including whether capability has been built, whether institutions have strengthened and whether communities are better able to participate in and shape their own futures.

Social licence sits alongside this. It is not created through agreement alone and cannot be secured at a single point in time. It is built through experience, through whether systems are seen to operate fairly and through whether people recognise themselves within them. It is sustained through confidence, and that confidence is tested repeatedly in practice.

Part 5: What Carries Forward

Seen in this way, Porgera and Panguna are not simply separate mining stories. They are two locations through which Papua New Guinea's wider governance challenge can be read. Porgera shows the difficulty of rebuilding confidence after closure, conflict and renegotiation. Panguna reflects the depth of history that must be reckoned with when a project is considered not only in economic terms but in relation to memory, conflict, authority and political future. In both places, development is inseparable from legitimacy, including how environmental and social impacts are understood and how values grounded in land, identity and belief continue to shape expectations.

The question of what endures does not sit in production figures, agreements or announcements. It sits in whether systems hold when pressure comes, whether institutions remain credible over time and whether knowledge and confidence stay with people, allowing them to participate in and shape the systems that affect their lives. It is also reflected in the opportunities that emerge alongside resource development, including employment, local enterprise and the broader economic activity that extends beyond the life of a single project.

Across Porgera and Panguna, beneath the discussion of systems, agreements and institutions, something less visible sits. Development does not begin with a project. It begins with people.

In Enga, this has long been understood. The formation of young men was not left to chance but shaped through structured and often demanding processes. Discipline, endurance and responsibility were practised and carried forward across generations. Women, in turn, have long carried roles that require resilience, adaptability and continuity across both household and community life. These are not abstract qualities. They are part of the social foundation that allows communities to endure through change.

That same idea can be seen in the conversations at the Porgera mine camp. The Bougainvilleans working there are not only earning a living. They are observing, learning and building an understanding of how systems operate in practice. They speak about Panguna not simply as a place to return to, but as a place that will require capability if it is to hold over time. There is an irony within this movement. Panguna was once one of the largest and most

technically complex mining operations in Papua New Guinea, operated by Bougainville Copper Limited and in that setting it became a site where skills were developed and carried outward across the country. During its years of operation, the mine drew workers from different parts of Papua New Guinea and provided training across a range of technical, operational and administrative roles, with experience then moving into other mining projects as the sector expanded and, in some cases, into other areas of the economy [39]. What began as employment at a single site became part of a wider circulation of knowledge and capability. Now, experience is being gathered elsewhere and may one day return.

At Porgera, that question is already being tested. The mine has reopened and is operating within a complex environment where formal arrangements, including the Community Development Agreement, remain incomplete. Activity continues, and systems are required to function in real conditions rather than in design. Governance is not expressed only through agreement. It is also expressed through the decisions not yet made, through the issues that remain under discussion and through the space that is left for those affected to be heard.

In Bougainville, a different but connected approach is visible. Work is underway to address the legacy of Panguna, to strengthen institutions and to establish the conditions under which future decisions might be made. The choice to proceed deliberately, and at times to delay, reflects an understanding that legitimacy cannot be assumed and that confidence must be built over time. At the same time, not all views align with the direction or pace of these processes, and differing expectations continue to shape how development is discussed and understood.

Between these two places, the movement of people matters. Those working at Porgera are not only participating in the present. They are observing how systems operate in practice and forming an understanding of what it takes for them to hold. When they speak about Panguna, they do so with that experience in mind. The future, in that sense, is not abstract. It is being shaped through what is seen, learned and carried across places.

This brings the discussion back to sustainability. Gold and copper do not regenerate. Mines do not endure. What remains is whether capability has been built. Sustainability, in this context, is not the continuation of activity. It is the continuity of capability.

Social licence sits alongside this. It is not created through agreement alone and cannot be secured at a single point in time. It is built through experience, through whether systems are seen to operate fairly and through whether people recognise themselves within them. It is sustained through confidence, and that confidence is tested repeatedly in practice.

In both Porgera and Panguna, the future is not determined solely by what is written in agreements or set out in policy. It is shaped by whether systems are able to function in the environments in which they are placed and by whether people are able to engage with them in ways that are understood as legitimate. What endures is not the project itself, but the capacity to carry what comes next.

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