

Foreign government funding in Asian countries.

We run across this a lot..and more often than not find that the country who is “facilitating” the project by whatever means, has it’s national contractors embedded in the deal, or at least it would seem a prerequisite for companies from the participating country are very much favoured. In many cases more than just favoured but contractors *not* of that *facilitating countries origin* are for all intent and purposes *locked out of the job* discreetly or subversively.

I sit on tender review panels for government projects now and then and believe you me companies get locked out of projects and some are locked in despite the supposedly transparent nature of the system. Even in Asian countries that appear to follow western standards.

May I be so bold as to suggest that Australia gets with the programme and does the same.

It is particularly pertinent with countries like PNG where Australia is the major benefactor to the PNG economy by way of loans/grant/subsidies or whatever.

David is absolutely right, the Chinese are moving in on PNG infrastructure projects. They don’t contribute anywhere near what Australia does...yet.

But the way they do it, they get a return on their investment because Chinese companies and contractors benefit directly by being awarded the project.

I’ve worked with CSCEC, according to them, the largest Design and Build company in the world. A big claim and probably debatable, but the MO is exactly that, with some help from their friends, the Chinese Communist Party, also their boss.

I have first-hand experience with Japanese companies in Thailand and Vietnam. French companies in Cambodia and numerous Chinese “projects” throughout Asia, Sri Lanka, Bangladesh and Africa (that one is a real eye opener).

I know you guys are not the decision makers, but please send my thoughts to the powers that be.

The Australian sentiment it seems to me to be “when will PNG stop asking for handouts?” My guess is never, David would have a better handle on that than most.

But they won’t have to in the future, the Chinese will give it to them. And at the same time get a return on their investment by way of back to back contracts for Chinese companies doing the work. Maybe even a slice of the land..or waterways surrounding PNG.

And China won’t complain or bully “our” little brother one bit about their predicament, just negotiate a better deal for China.

Let’s turn our lemons into lemonade.

If the Australian Government doesn’t wake up and get with the programme, it leaves a void in PNG (and other nations in the South Pacific) that will be quickly filled by countries eager to explore new lands, like China and Indonesia.

Correct me if I am wrong but was it Tony Abbott who said we would be “More Beijing than Brussels” focused in the future. We business people punching away in Asia trying to do business call that lip service..

We need to get into this game before we don’t have a seat at the table anymore.

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