

Partnerships in
ACTION

ANNUAL REPORT 2016



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Delivering
TOGETHER

A photograph showing a group of people in a community setting, likely a library or a community center. The central focus is the back of a person wearing a light blue t-shirt. The t-shirt has a white logo that reads "Caring for Communities. PHIG Proud." and the website "www.oilsearchfoundation.org". Other people are visible in the background, some wearing similar blue shirts, and bookshelves are partially visible on the right side of the frame.

Caring for Communities. PHIG Proud.
www.oilsearchfoundation.org



The power
of **PARTNERSHIP**

“Some challenges seem insurmountable. But when you work together, in strong partnership and refuse to shy away from the hard stuff, anything’s possible.”

PETER BOTTEN



» **VISION** «

Every adult and child in Papua New Guinea has access to functioning and effective health and education services.



» **MISSION** «

To contribute to nationwide development goals by working in partnership with government and stakeholders to improve development outcomes and achieve system stability and functionality.



» **VALUES** «

*We are a caring organisation that operates with high integrity and respect.
We are passionate about development and strive to deliver excellence through innovation and partnership with a diverse and highly responsible workforce.*

The Oil Search Foundation is a proud Papua New Guinean not-for-profit organisation that is committed to achieving real and sustainable development outcomes.

Papua New Guineans know what is best for their country and we ensure that all our programmes are driven by PNG's own development strategies and the stated needs of our communities.

The Foundation's senior leadership team includes experienced Papua New Guineans and all of our staff work from one of four in-country offices. It is in Papua New Guinea that all decisions related to our programmes are made, shaped by the environment in which we work. This also ensures we can act quickly and effectively.

We listen to community needs and focus on their priorities. We deliver interconnected programmes in Health, Leadership and Education,

and Women's Protection and Empowerment. This enables us to holistically tackle some of the more intractable challenges and achieve measurable results.

We know that sustainable outcomes are only possible by working in partnership with others and through PNG's own systems. Through this approach we build capacity, strengthen relationships, and leverage all available opportunities and resources to improve services for some of the hardest to reach populations.

The Oil Search Foundation cares for communities and is PNG proud. These two fundamental principles reflect who we are and underpin everything we do.





Bismarck Sea

Gulf of Papua

PAPUA NEW GUINEA

Solomon Sea

The map displays Papua New Guinea with various markers and lines indicating OSF activities and infrastructure. The Pacific Ocean is to the north, the Solomon Sea to the south, and the Coral Sea to the southwest. Key regions like Milne Bay, West New Britain, and the Autonomous Region of Bougainville are labeled. A legend in the bottom right corner defines the symbols used on the map.

	OSF SUPPORTED HEALTH FACILITY
	OSF OUTREACH
	OIL SEARCH SITE & HEALTH CLINIC
	OIL SEARCH SITE
	OSF MATERNAL & CHILD HEALTH TRAINING PROVINCE (RHTU)
	GAS PIPELINE
	OIL PIPELINE



*Oil Search has committed
US\$56m over five years
to the Foundation,
supporting the delivery of
its expanded mandate*



Oil Search is PNG's largest company, private employer and investor.

As a key player in PNG's oil and gas industry, Oil Search believes that proactive participation in the development of the country by the corporate sector is not only needed, but an obligation. In addition, helping to preserve a stable operating environment in PNG is critical to Oil Search's value. Oil Search is involved in a range of programmes that contribute to creating better outcomes for the country. Oil Search builds infrastructure on behalf of government, provides community education and food security programmes in its area of operations and supports the development of sustainable power options for communities across PNG.

Being committed to sustainable development is an important part of maintaining Oil Search's social licence to operate. By playing a vital role in the economic and social development of PNG, the Company's sustainable development programmes help to maintain operating stability, while improving development outcomes for the people of PNG.

The Oil Search Foundation is one of the more visible ways Oil Search is able to make this important contribution.

It makes good business sense and it ensures Oil Search continues to be a socially responsible operator. Making Papua New Guinean lives better is one of the goals of Oil Search's 2020 Social Responsibility Strategy, which is supported by a number of sustainable development initiatives. These initiatives include the work of the Foundation, which embodies Oil Search's long-term commitment to building PNG's capacity to deliver better and sustainable development outcomes for its people.

With a long history in PNG since 1929, Oil Search values the work of the Foundation as core to operating responsibly for many more decades to come. As its founder and principal donor, Oil Search has committed to fund and build the Foundation into one of PNG's foremost development organisations.



The Company's sustainable development programmes help to maintain operating stability, while improving development outcomes for the people of PNG

“Our 2016 results demonstrate the team’s hard work to establish the Foundation as a credible development partner.”



PETER BOTTEN CBE
CHAIRMAN

In 2016 the Oil Search Foundation Board launched a re-branded programme that extended the Foundation’s focus beyond Health to include Leadership and Education and Women’s Protection and Empowerment. At the same time we welcomed a generous US\$56 million donation from Oil Search over the next five years, that provides the means to support our communities to achieve their own development priorities.

Our 2016 results demonstrate the team’s hard work to establish the Foundation as a credible

development partner. We have built a strong organisational platform that is underpinned by effective governance systems, genuine partnerships, and skilled staff who are making a difference in a country we love. We are especially proud that 60 per cent of our management team, including our Chief Executive Officer, are Papua New Guinean. We are committed to growing Papua New Guinean staff and promoting them into senior leadership roles.



Over recent years we have learned that inputs such as distributing condoms or bed nets are important contributions to meeting specific needs. But standalone activities that are unconnected to a larger system or framework will not see any real shifts in development indicators.

As such, our Board made the decision to restructure the Foundation around the impact we want to help our communities realise. All of the programme activities we now fund in the Foundation must link to an impact area as defined by Papua New Guinea in its own performance frameworks. Our communities deserve to see real shifts in development outcomes and we, as a significant partner, should be

held accountable for helping them to do so. This Annual Report is a good demonstration of progress towards achieving real and positive change.

I am extremely proud of our hands-on, unique model of public-private partnership.

As Chairman I am committed to growing the Foundation as a Papua New Guinean organisation focused on helping our communities realise a strong and prosperous future.

– **Peter Botten**

“For Oil Search there is no business success without social success. As Peter Botten often says, *what is good for PNG is good for Oil Search.*”



KYMBERLEY KEPORE
CEO

It is with great humility, respect and excitement that I have taken on the role of Chief Executive Officer of the Oil Search Foundation. Humility, because I know how incredibly important the work that we do is for our communities. Respect, because I have learned the power of what is at the heart of the Foundation and excitement, because I see the opportunities ahead of us to make a real and sustainable difference.

I am also very proud to have been given the opportunity to lead this unique Papua New Guinean organisation. We help ensure services are delivered in some of the most remote places in PNG and do so hand-in-hand with Government. We are an organisation focussed on supporting our communities to identify their priorities and working with them and other partners to deliver sustainable and appropriate responses.

We are proud to be part of the Oil Search Limited family. It enables us to perform efficiently and effectively with all of the many advantages of working within private sector. For Oil Search, there is no business success without social success. As Peter Botten often says, “what is good for PNG is good for Oil Search.” The company’s generous investment of US\$56 million to support our work demonstrates a strong commitment to social responsibility.

We reflect on an incredible year contributing to outcomes in health, our longest standing sector and our progress in developing expansion programmes in Women’s Protection and Empowerment and Leadership and Education.

I have seen first-hand the difference our programmes are making to the lives of individuals in the communities we support. I have spoken with mothers who have accessed supervised deliveries from health workers who have benefited from Oil Search Foundation training and in health centres we have strengthened. I have seen the faces of children taking their first steps to a life time of learning as they sit reading books in our supported literacy library. I have proudly sat along side my Papua New Guinean brothers and sisters to share ideas on how we can address the difficult challenge of gender based violence which touches the lives of so many families.

The Foundation's achievements are a credit to our staff who are constantly innovating to ensure we adopt the best approaches most suitable to the environment in which we work. We're dedicated to advancing equality, diversity and opportunities in the workplace.

Recognising that Papua New Guineans know what is best for their own communities and the national development agenda, the Foundation is building a workforce with purpose and high morale.

We work hard as a team and with our partners to realise results. Our communities appreciate the depth of care and effort behind our programmes. We thank our donors and partners for

contributing resources, voices and energy to improving and strengthening service delivery throughout PNG.

I could not be more excited about leading the Oil Search Foundation team and working with our partners to continue our progress in 2017.



– *Kymerley Kepore*



WHAT WE PROMISED

WHAT WE DELIVERED

Promote Papua New Guinean Leadership

- » OSF is led by a Papua New Guinean CEO.
- » Increased the overall number of Papua New Guineans to 11 leadership positions within the Foundation.

Work in Partnership

- » Worked in partnership to deliver activities with three Provincial Governments, two Provincial Health Authorities, seven national agencies, six bilateral/multilateral donor agencies, five church agencies, multiple private sector partners, international and national non-government organisations, and communities.

Expand our Mandate

- » Leadership & Education Strategy developed and approved.
- » Facilitated the development of OSL's Domestic Violence Strategy.
- » Implemented the first literacy library in Hela Province.
- » Funded the Tari Family Support Centre ensuring over 1,000 survivors of violence can access medical services.
- » Mobilised the OSL/OSF workforce with Women's Protection and Empowerment tools to effect change in their communities.


WHAT WE PROMISED**WHAT WE DELIVERED****Shape the
Development Agenda**

- » Presented at various conferences including the PNG Government and Development Partner Summit; University of PNG; Australian National University; and the Australian Parliament House.
- » Managed grants from the Australian government, Global Fund and Centres for Disease Control demonstrating high quality grants' management practice for effective service delivery through civil society and faith based organisations working in rural and remote communities.
- » New grants awarded from the Australian government and the World Health Organization.

**Effective Governance
and Financial Management**

- » Secured OSL commitment of US\$56m over five years to deliver an expanded mandate.
- » Demonstrated strong and effective Governance and financial accountability.
- » Nil management actions or qualification from our annual audit.
- » Budgets and activities driven by a performance framework that is aligned to Government priorities and plans.





“What we celebrate today thanks to our friends at Oil Search is a great example of what can be accomplished by working together. Corporate sponsors, government officials, political leaders, public servants and the church. Working together in partnership towards a common goal...” ”

BISHOP DONALD LIPPERT

Mendi Diocese SHP
on the opening of the
literacy library in Kuluanda
Primary School.





2016 was the year of implementation for the Signature Programmes.

Armed with clear strategies, and strong and resilient partnerships, we focussed on addressing the key health development priorities in our three programme areas.

We continued our commitment to align to government systems and processes and expanded partnerships with Provincial Governments and Provincial Health Authorities, the Australian Aid programme, the World Health Organization, UNICEF, Marie Stopes PNG, and several other faith based organisations.

In Hela Province we worked with 16 individual partners to establish quality hospital services that meet the needs of the community.

In October 2016, the National Department of Health (NDoH) visited our programme sites. The team led by the Deputy Secretary, Ms Elva Lionel, commented that they were impressed with the Foundation's work and concluded that OSF was a "model for partnership arrangements in PNG."



Health

Saving mothers from dying during child birth

OSF is committed to safe deliveries for all women in PNG and combines a health facilities and community based approach to decrease the number of women dying from complications during childbirth. OSF facilitated attendance by 5,600 women at antenatal clinics and ensured the majority of these received a HIV test. Almost 4,000 mothers delivered their babies at facilities in programme supported areas.

In collaboration with NDoH and the Australian Aid programme, we have trained 450 health workers across 17 Provinces in essential and emergency care of women in labour bringing the total of staff trained to nearly 2,000 over the last four years.

Our support to the Hela Provincial Hospital has saved the lives of over 70 women through our funding of critical clinical services that enabled surgical intervention following complications during delivery.

We implemented a Delivery Room Improvement Project in both Southern Highlands and Gulf Provinces with four facilities now able to provide quality services to the people in their catchment areas. Combined with our community led Waiting House project in Pimaga in the Southern Highlands, these interventions will ensure a safe and family friendly environment for women and their partners.



OSF facilitated over 60,000 different vaccinations during 2016 including the immunisation of almost 3,000 children against measles.

Increasing the survival of children through quality immunisations

Reducing child mortality and ensuring the generation of the future are healthy and free of communicable diseases are priorities for the PNG Government. OSF is committed to reaching as many children as possible in its supported areas with lifesaving immunisations.

OSF facilitated over 60,000 different vaccinations during 2016 including the immunisation of almost 3,000 children against measles. To ensure ongoing supplies of quality vaccines OSF procured, on behalf of both Gulf and Hela Provinces, a total of 12 vaccine fridges.

HIV

OSF continues to assist people living with HIV in all three of its programme areas. We supported over 14,000 people to undergo testing, distributed 130,000 condoms and facilitated treatment and counselling for HIV positive patients during 2016.

Our Prevention of Parent to Child Transmission (PPTCT) programme continues to experience success with almost 100% of babies with HIV positive mothers testing negative to the disease during 2016.

In collaboration with the NDoH and the National AIDS Council Secretariat, OSF supported an Integrated Management of Adult Illness (IMAI) course. This activity has significantly increased the number of prescribers for anti-retroviral therapy (ART) and improved the overall knowledge and skills for HIV management within our three supported Districts.

Tuberculosis

OSF has expanded its work in Gulf and Hela Provinces to address the growing challenge of multi-drug resistant tuberculosis (MDRTB). Gulf Province, considered one of the three hot spots in PNG for MDRTB, developed its Emergency Response Plan with technical support and funding from OSF. The Foundation is assisting Gulf Province in partnership with Gulf Christian Services to strengthen the response in Kikori District. This includes the establishment of improved diagnostic services, better nutrition for hospitalised patients, training of health workers and a network of community based treatment providers. The number of people completing their treatment in the hospital has increased to almost 100%.

“ There are many good things that are borne out of the relationship Igat Hope has with Oil Search Foundation but the one that stands out most is the support Igat Hope staff are getting from Oil Search Foundation team in Hela. The supervisory support as well as inclusion of staff in OSF programmes is greatly appreciated by Igat Hope management. ”

IGAT HOPE ORGANISATION



Almost 4,000 mothers delivered their babies at facilities in programme supported areas



Almost 100% of babies with HIV positive mothers tested negative to the disease during 2016







Malaria

Since 2011 the Foundation has prioritised maintaining low incidences of malaria across our Oil Search project areas. Our success in achieving almost pre-elimination levels requires constant surveillance and a swift response to outbreaks. In early 2016, OSF funded the procurement of 3,000 Long Lasting Insecticidal Nets, and in partnership with Rotarians Against Malaria (RAM), delivered them in our Highlands programme areas. This intervention, combined with effective management of suspected and confirmed cases, has enabled OSF to contain the percentage of positive slides at a low 3.2%.

Health System strengthening

Achieving and sustaining service delivery improvements in areas such as maternal and child health, HIV, TB and Malaria requires a commitment to strengthening health systems. In 2016 OSF refurbished critical infrastructure, facilitated water and lighting to delivery rooms, trained health workers and communities and ensured basic services reaching all those in need including communities in remote locations that have lacked services for a number of years.

In 2016, OSF trained in excess of 2,000 people, supported three women on health worker scholarships and trained laboratory workers to address MDRTB challenges.

OSF has refurbished wards and clinics in the Hela Provincial Hospital, renovated delivery rooms in Southern Highlands and established a vaccine distribution centre in Gulf Province.

Water is running to 100% of our supported health centres and we are now working to ensure all the remote aid posts also have this critical service.

OSF facilitated more than 1,000 outreach clinics and patrols across all our supported districts. Together with government and faith based organisations, we visited remote locations such as Mt. Bosavi in Hela, Kantobo in Southern Highlands, and the Foroba Mountains and Turama villages in Gulf Province. These villages have not received regular outreach for a number of years.



OSF facilitated more than 1,000 outreach clinics and patrols across all our supported districts

CASE STUDY:

Accessing those in need

Outreach programmes

It's easy to reach a village that is on a main road in accessible terrain. Accessing those villages that sit atop a mountain, not connected by roads and which lay across big rivers, or in areas surrounded by clan violence, are challenges for health services in many countries. But in PNG the geographical and cultural barriers make it just that little bit harder.

Father Paul Lokunume from the Kikori Catholic Church explained:

"It's not that we don't try to get there, they need us to come, they beg us to come. But to travel to these places takes time and is dangerous. I broke my leg climbing a mountain to get to the people of Foroba Mountains."

We also heard a story about two nurses who had to be evacuated because they fell in difficult terrain whilst trying to reach another remote village.

The PNG National Health Plan 2011-2020 identifies a back to basics approach including increased outreach patrols which are essential for successful service delivery including immunisation and encouraging safe deliveries. According to the last Sector Performance Annual Review (SPAR) report released by NDoH for 2015, less than 40% of pregnant women experience safe and supervised deliveries. The SPAR also identifies that antenatal coverage in the Highlands is just a little over 50% and immunisation across PNG remains below 60%.





The District Health Manager for Gulf Province was distressed when she told us:

"There are no functioning health facilities in some of these places. And even in the places where there is a facility it is closed as it is really hard to get health staff to stay in remote areas. The only way to get the children immunised is to go to them."

This sentiment was echoed by the Chief Executive Officer of Southern Highlands Provincial Health Authority.

"Oil Search has provided support for many years to our project areas to evacuate the desperately sick and to transport much needed medical supplies into remote areas."

In 2016, OSF committed its logistics power to reach the unreachable, to restart services in areas which have closed, and to increase visits by partners.

The Walagu Sub Health Centre local nurse, Mike Hawi, expressed his gratitude saying:

"I'm happy that the Oil Search Foundation has come and brought partner ECPNG, too. Thank you for all the medicines and injections for our babies, children and mothers and fathers. I hope you will come again soon to see us."

The Oil Search Foundation will continue to support additional remote outreach clinics and patrols to ensure the next generation of babies born arrive safely to healthy mothers and are immunised against preventable diseases.



*Over the twelve months
40 villages were visited,
2,500 people treated, and
1,100 children vaccinated
in Gulf Province alone*





Travelling by helicopter to the remote Foroba Mountains (Kikori District), we provided more than 600 vaccinations to children of the surrounding villages and communities.



We reached four villages in Turama (Kikori District) by a sea and land patrol and delivered much needed vaccinations, family planning and awareness.



In the Bosavi Mission Station, Walagu and Wasoweido villages in Hela and the Southern Highlands Provinces, a team of doctors from Mendi Provincial Hospital, OSF and other partners immunised more than 200 children and provided health clinics to more than 500 people.

CASE STUDY:

The power of partnership

Delivering health services in Hela







The Hela Provincial Health Authority (HPHA) serves a population of over 300,000 people. It operates in a new province with emerging systems of governance and service delivery. Hela experiences exceptionally high levels of tribal fighting and other forms of violence.

In November 2015, the Papua New Guinean Government formally established the Hela Provincial Hospital as the main referral centre for the Province. Before this time the Hospital operated as a District level facility that was heavily supported by the international NGO Médecins Sans Frontières (MSF). For over eight years, MSF delivered all surgical services as well as other essential support.

When MSF announced in July 2015 that it would be exiting Tari there was a real threat that surgical and emergency services would collapse. There was an urgent need to refurbish infrastructure that was putting patients at risk, recruit over 180 staff and merge MSF and hospital operations. Yet the Hospital did not have a Board or an Executive Management team and lacked the corporate systems to implement budget and staffing changes. The new Board, which held its first meeting in November 2015, was facing a major crisis.

The hospital Board, chaired by Oil Search Managing Director, Peter Botten, worked with 16 different public and private partners to not only continue services, but improve them.



*40,000 people
attended outpatients
at Hela Provincial
Hospital*



*Over 800 people
had major surgery
at Hela Provincial
Hospital*



“I want to thank Oil Search again, I am confident that by working together in partnership to improve health, management and services delivery is the way forward for the sector as we develop and move into the implementation of the National Health Plan.”

HON. MICHAEL MALABAG

Minister for Health and HIV,
Launching of the Hela Provincial
Health Authority





With technical assistance from the Oil Search Foundation, financial support from Oil Search Limited (US\$2.3 million) and substantial engagement from National and Provincial Government departments, the Board addressed the most urgent organisational, clinical and infrastructure priorities.

Within 12 months the hospital had a functioning Executive Management team, 180 newly recruited staff including doctors and nurses, refurbished wards and a permanent water supply. Over this period the hospital provided services to over 45,000 patients, performed

around 800 surgeries and delivered over 1,000 babies. OSF funding ensured the continuation of the hospital's Family Support Centre.

On 5 October 2016 the PNG Government launched the HPHA bringing both hospital and rural health services together under one system.

Although there are many challenges ahead, what partners have achieved to date provides an excellent example of a collaborative approach between the public and private sectors to service delivery in a difficult and remote setting.



The hospital provided services to over 45,000 patients and delivered over 1,000 babies



Leadership & Education

In 2016 the Oil Search Foundation launched a new programme in Leadership and Education. The Foundation Board approved a five year strategy with three focus areas: empowering children through literacy, transformational leadership, and partnerships.

The first priority, as identified by our communities, was to establish an early childhood literacy programme. This recognises that the ability to read and write remains a significant barrier to social and economic prosperity in Papua New Guinea. We know that becoming literate at a young age enables children to take advantage of education opportunities throughout their lifetime.

In October 2016 we opened our first literacy library in Tari, Hela Province in partnership with the Provincial Administration, the Catholic Church and the local NGO, Buk bilong Pikinini. The first class of 80 children have fully embraced the learning opportunity and there is high demand from the community for further libraries. We will establish our second library in Gulf Province in 2017 followed by a third library in Southern Highlands Province.

The Foundation is now exploring opportunities to support improved literacy for women. The international evidence shows, among other things, that literate women have greater control over their sexual and reproductive health, have healthier and better educated children, have higher income and achieve greater equality. Addressing women's literacy also ties in very closely with our Women's Protection and Empowerment Strategy and activities.

In addition to literacy interventions, we laid the ground for the establishment of a leadership programme that will focus on developing young Papua New Guineans who have the values, trust, incentives, skills and confidence to transform their communities and nation.

In 2016 we also built new partnerships with the PNG Department of Education, the Department For Community Development and Religion, and a number of PNG based education organisations. These partnerships will be essential in supporting the further expansion of our programmes in 2017.



Implemented the first literacy library in Hela Province



80 children attended the early childhood literacy library



Four scholarships provided to young leaders to study

CASE STUDY:

Success through collaboration

Literacy library

On 25 October 2016 the Kupari community witnessed the opening of their first literacy library at a local primary school on the outskirts of Tari in Hela Province. The famous Huli Wigmen presided over the opening ceremony drumming, singing and dancing the library into existence. It was a symbol of great appreciation for the partnership they had entered into with the Oil Search Foundation to introduce their young children to the magic of books and reading.

In the excitement of the 'sing sing' it was easy to miss the quieter signs of appreciation shining on the faces of the many parents who ensured their boys and girls were dressed in their new uniforms with neat hair and clean faces ready to embrace their first day of learning.

Sharon Paro, a mother from Homa at the literacy library opening said:

"I'm from Hela but come from Homa on the other side. I brought my little daughter all the way here because I heard this school is the best school to learn English and learn to read... And I want to say thank you to those who've brought us this school. Thank you Oil Search, thank you to the founders and I want to say thank you to the teachers and the community for allowing this school to be built here."







“ ... PNG faces many challenges and we see it here in Hela Province... because of the rugged terrain it's very difficult to bring books and materials to the schools... together with our partners it's possible... There's nothing more rewarding than witnessing the transformation children undergo on their Journey to Literacy. The sense of empowerment that they have and the newfound opportunities. ”

ANNE SOPHIE HERMAN

Founder Buk bilong Pikinini
opening of the literacy library
in Kuluanda Primary School



The mothers told us how important the new programme was to them, their families and communities. A number of women had lacked the opportunity to learn to read, understood the limitations this entailed and were determined to see a better outcome for their children.

We had a similar experience earlier in Kikori in Gulf Province where we met with almost 30 mothers to discuss their priorities for the Foundation's new education programme. They passionately told us how they wanted their kids to read.

One mother said:

"I know books are very good for my children, I know there should be books in the school but there are no books. I know they should be in my home but I don't have any books. I feel sad. My five year old can't read; my 12 year old can't read; my 16 year old can't read. I can't read. I want this to change."

The stories of mothers in Tari and Kikori reflect a broader challenge of improving literacy in Papua New Guinea. We know that literacy as part of early childhood development promotes physical, socio-emotional, cognitive and language development. This is why we are so committed to opening literacy libraries in partnership with local communities and Buk bilong Pikinini.

Armed with the knowledge of the importance of reading, we returned to the Tari literacy library several weeks after its opening. We walked into a classroom decorated with the children's own art and were delighted to see the library bursting with over 2,000 colourful books. We listened to the children singing songs and it was wonderful to witness the women from the local community, trained as literacy teachers, leading games and instilling a love of books.

We were especially impressed with how the children ran into the library and without a single distraction became completely absorbed in the pictures and words.

The Oil Search Foundation recognises that PNG's future prosperity is linked to the education of its people. We are proud to work with our partners to build the future generation of Papua New Guineans starting one book at a time.



We will establish our second library in Gulf Province in 2017 followed by a third library in Southern Highlands Province



Women's Protection & Empowerment

The Oil Search Foundation seeks to contribute to a Papua New Guinea in which gender equality is realised and women are empowered to live productive lives free of violence.

In 2015 together with Oil Search, we developed the company-wide strategy for Women's Protection and Empowerment (WPE). 2016 was the first year of implementation.

Under this strategy the Foundation is pleased to support a number of local organisations that are successfully addressing gender based violence.

For example, the Tari based Family Support Centre sees over 90 cases of family and sexual violence every month providing critical medical and psychological support. With the exit of their key donor from Hela in March 2016, the Centre was facing collapse. The Foundation initially stepped in to assist the Hela Provincial Health Authority to continue services including funding staff salaries, supporting outreach and providing training. This partnership has led to the development of a new programme that will strengthen the entire health sector's response to gender based violence which will be implemented with the local NGO Femili PNG in 2017.

The Foundation also developed a partnership with the Business Coalition for Women. Together we have piloted a programme that recognises traditional approaches to workplace safety do not always include the needs of women. The Gender Smart Safety Tools pilot aims to ensure women are an active part of the risk assessment process and feel comfortable in their working environment.

To support local initiatives the Foundation also established a Small Grants Program where our staff and communities can access funding to implement grassroots activities that address violence in a way that is contextually appropriate. We provided 10 small grants supporting a range of initiatives. Early feedback confirms these grants have been successful in generating community conversations and empowering

both men and women to become champions for change in ending violence within their communities.

Not only have we supported our own staff to be champions of change, the Foundation has worked with Oil Search to develop its workforce specific Family and Women's Protection Procedure. This Procedure recognises that violence has critical impacts on our staffs' well-being and provides tools to address specific challenges.

At the Foundation we are committed to ensuring WPE remains at the forefront of the development agenda recognising that without the comprehensive engagement of women and girls, PNG cannot realise its full potential and neither can we.



Five small grants totalling about K20,000 provided for community based activities to address Women's Protection and Empowerment



1,174 attendances at the OSF funded Family Support Centre in Tari

CASE STUDY:

Partnering to create champions of change

By Gorithie Tai







GORITHIE TAI
OSF PROVINCIAL
DEVELOPMENT MANAGER,
HELA PROVINCE

My work with the Oil Search Foundation has exposed me to many different ideas and tools to address gender based violence which is a big problem in my community in the Highlands of Papua New Guinea.

The Oil Search Foundation's increasing focus on the protection of women led me to reflect that what I had always considered normal was not normal anymore. Domestic violence in my village was commonly being referred to as 'marital problems', rape cases went unreported, bodily injuries, physical harm and retaliation seemed to be everyday issues with minimal or nil action from law enforcers.

One day my pastor invited me to present on what I knew about preventing violence. Over 300 people attended the gathering. The community later requested me to conduct more awareness sessions which I continued to do on a regular basis including at mini church activities, funerals (hauskrais) and sports gatherings. I started to see the attitudes of men and women shift.

I have to admit that my husband, Robert was a bit ignorant towards this subject. I understood this was due to the Highlands 'bigman' philosophy but I did not let this deter me. I continued with the awareness in churches, with local youth and women groups.

My efforts were rewarded when my husband bought me a multimedia projector to assist with my presentations. He confessed;

"I'm seeing the impact your programme is having not only in other people's lives but your own life too."

He's now an advocate himself. He does all the household chores a mother would do; he's the best nanny, prepares meals for the kids, tends the animals, helps with the laundry, daily housekeeping, shopping and all the other 'women's stuff'. He ensures men in his village don't get away with domestic violence.



Oil Search
Foundation



In 2016 the Oil Search Foundation Grant Management Unit continued to consolidate its systems, processes and partnerships to ensure we maximise the performance of our grants.

In addition to managing donor funds, we played a major role in building human resource capacity and strengthening systems, particularly across the HIV, reproductive health and GBV sectors. OSF continued to attract new grants to deliver priority infrastructure and programmes.

GLOBAL FUND HIV GRANT

From June 2015, the US\$14.2 million HIV grant from the Global Fund supported nine partners to deliver programmes in six provinces selected because of their high burden of HIV. A focus of the grant is to ensure 'key populations' such as sex workers, men with diverse sexuality and individuals who identify as transgender, have access to HIV and STI testing, treatment and support services.

Drawing on our strong and productive partnerships the Oil Search Foundation played a important role in sensitising stakeholders to ensure that key populations are not subjected to any form of stigma and discrimination.

The Foundation also supports the Integrated Bio-Behavioural Survey (IBBS), a large study jointly funded by the Centers for Disease Control, the Australian Government and the Global Fund. The IBBS aims to inform programmes in HIV prevention, treatment and care in PNG. The PNG Institute for Medical Research in partnership with the University of New South Wales successfully completed the first phase of the study at the end of 2016.

As part of the Global Fund grant, the Foundation also worked with over 30 different stakeholder organisations to contribute to the government's new National Strategy to Prevent and Respond to Gender Based Violence (2016-2025). This included commissioning EMTV, Papua New Guinea's premier television station, to develop and broadcast 12 episodes to create awareness of GBV in Papua New Guinea.

REPRODUCTIVE HEALTH TRAINING UNIT

In its final year, the Reproductive Health Training Unit (RHTU) trained 450 health workers in Emergency and Essential Obstetric Care, taking the total trained since the programme's inception to 2,000. This has exceeded the initial five-year target by over 350%. It is also estimated that RHTU has reached up to 58% of all health workers delivering services to mothers and newborn babies across Papua New Guinea. The independent evaluation report identified major changes in clinical practice and attitudes of health workers to mothers in labour as a result of the programme.





Over 80% of all management positions are occupied by women



Increased the overall number of Papua New Guineans to 11 leadership positions within the Foundation



The Oil Search Foundation ensures our operations and systems are robust, transparent and adhere to strict international best practice and standards.

Our ability to deliver is underpinned by the importance we place on continually building and maintaining strong capacity in our financial and contract management systems, programme design and implementation, monitoring and evaluation and donor reporting and accountability.

We are committed to providing a workplace that fosters leadership and development and supports individuals to achieve their full potential.

In 2016 we recruited 11 Papua New Guineans into senior management roles.

The Foundation has 75 employees of which nearly 90% are Papua New Guinean and over half are female. Over 80% of all management positions are occupied by women.



PETER BOTTEN CBE
CHAIRMAN

Peter Botten joined Oil Search in 1992, just after oil and gas production started from Papua New Guinea's Kutubu and Hides fields. Appointed Managing Director in 1994 he has overseen the growth of Oil Search from a market capitalisation of around AU\$300 million to more than AU\$14 billion (currently AU\$11 billion).

Peter is the longest serving CEO on the ASX. For two years in a row, he has been included on the Harvard Business Review's list of the 100 Best-Performing CEOs in the World.

Peter has been a leader in the PNG petroleum industry for over 20 years. He was formerly President of the Chamber of Mines and Petroleum and is a Council Member of the Australia PNG Business Council. In 2016, Peter was appointed to AGL Energy's Board of Directors. He is Chairman of the Hela Provincial Health Authority, the National Football Stadium Board in Port Moresby, and the Business for Development Board in Australia.

He was made a Commander of the British Empire (CBE) in 2008 in the Queen's Honours List for services to the community, mining and petroleum industries in Papua New Guinea.



GEREA AOPI
DIRECTOR

Gereia Aopi was appointed to the Oil Search Board in 2006 and presently fills the position of Executive General Manager, Stakeholder Engagement, a post he took up in August 1998.

He has achieved several tertiary degrees in Papua New Guinea and a Master's in Business Administration from the University of Queensland.

Gereia has substantial public service experience and business experience in Papua New Guinea, having a long and distinguished career in government. He has filled a number of important positions including Secretary for Finance and Planning and Managing Director of Telikom PNG Limited.

He is the President of PNG Chamber of Mines and Petroleum and a Director of Bank of South Pacific, Steamships Trading Company, POMSOX, Marsh Limited, Oil Search Health Foundation and a number of other private sector and charitable organisations in Papua New Guinea.

He was the former Chairman of the Independent Public Business Corporation and Telikom PNG Limited.



STEPHANIE COPUS-CAMPBELL
DIRECTOR

Stephanie Copus-Campbell has worked in the field of philanthropy, aid and international development since 1993. Her experience includes Executive Director of the Harold Mitchell Foundation, Principal Executive for International Programmes for CARE Australia, lecturer at Deakin University and international humanitarian coordinator for Australian Red Cross, Western Australia.

From 2009-2011, Ms Copus-Campbell was the head of Australia's AU\$500 million aid programme with Papua New Guinea. She was also posted to Suva, Fiji, as head of Australia's aid programme with Fiji and the Pacific region and has had previous postings to PNG. She is on the Board of the Harold Mitchell Foundation, the PNG based City Pharmacy Group Foundation and Femili PNG, an NGO committed to supporting survivors of family violence. She is also on the Advisory Board of the University of New South Wales Canberra and until September 2015 the Board of UNICEF Australia.

Ms Copus-Campbell holds an MPhil from Cambridge University in international relations and a bachelor's degree from University of California in political science, where she graduated Summa Cum Laude.

The Oil Search Foundation adheres to best practice governance principles including:

- » Standards set by the Australian regulatory body the Australian Charities and Not-for-profits Commission (ACNC).
- » Australian Institute of Company Directors Good Governance Principles and Guidance for not-for-profit Organisations.
- » Australian Council for International Development (ACFID) Code of Conduct.
- » ASX Corporate Governance Council's Corporate Governance Principles and Recommendations.

Our Board sets the organisational tone and culture and has adopted seven policies and a code of conduct that outline minimum standards of behaviour. We have in place a system of procedures, OSF Our Way, which is reviewed annually and guides our day to day activities to ensure we meet our grant agreement commitments and stakeholder expectations.

We have strong commitment to ensuring the safety of children which is actioned through the rigorous implementation of our Child Protection Policy.

The Board has ensured there is an effective risk management system in place including risk registers and regular risk reporting and review.

Recognising that governance is both compliance and performance, the Foundation has a robust Performance Framework which aligns with the relevant Government of Papua New Guinea's strategies and clearly sets out performance measures and targets over a five-year period. We operationalise our Performance Framework through an Implementation Plan, activity-based budgets and regular monitoring.



Oil Search

Oil Search Limited is the founder and principal donor to the Oil Search Foundation. In 2016 Oil Search announced a five year donation of US\$56 million (PGK185 million) to the Foundation.



Centers For Disease Control and Prevention

The Centers for Disease Control and Prevention (CDC), operating with funds from the US President's Emergency Plan for AIDS Relief (PEPFAR), increased its co-funding commitment for the implementation of the Integrated Bio-Behavioural Survey (IBBS) to US\$796,251.



The Global Fund To Fight AIDS, Tuberculosis and Malaria

The Oil Search Foundation is the Principal Recipient of the US\$14.2 million HIV grant from the Global Fund to PNG. The grant commenced on 1 July 2015 and will continue to the end of 2017.



The Australian Government

The Australian Government continued to support the Reproductive Health Training Unit in 2016 through its AU\$4.9 million grant that commenced in September 2012. The Australian Government committed AU\$1.6 million as co-funding for the implementation of the Integrated Bio-Behavioural Survey (IBBS).

World Health Organization

The World Health Organization provided PGK110,775 as part of the Hela drought relief programme. These funds were used to reticulate the two bore water holes that we drilled within the Hela Provincial Hospital grounds by the International Organization for Migration.



Statement of profit and loss and other comprehensive income

For the year ended 31 December 2016

	2016 \$	2015 \$
REVENUE		
Donations received	18,615,743	11,610,568
Interest Income	17,389	12,501
TOTAL INCOME	18,633,132	11,623,069
OPERATING EXPENSES		
Pillar 1 – Signature Programmes		
Hela Program	2,222,944	1,898,433
Gulf Program	1,580,228	
Hela Provincial Health Authority Program	2,336,034	
Pillar 2 – Development Partner		
Grant Management Unit	659,187	
Women Protection and Empowerment	779,074	
Leadership and Education	358,715	
Global Fund Programmes		
– HIV		
– Implementing Partners Expenditure	2,190,632	1,807,628
– Sub Recipient Expenditure	2,234,935	835,681
– Oil Search Funded Expenditure	801,227	1,231,990
– Integrated Bio Behavioural Study – Partners Contribution	419,368	
– Malaria		
– Implementing Partners Expenditure		583,116
– Sub Recipient Expenditure	–	446,159
– Oil Search Funded Expenditure	–	–
Reproductive Health Training Unit	834,696	1,257,516
Sorptomist	3,737	228,198
PNG Industry Malaria Initiative	36,559	180,652
Closed Programmes		152,380
Pillar 3 – Organisation Performance		
Accountability and Administration	2,944,237	2,430,297
Monitoring and Evaluation	159,188	135,501
Foundation expansion		367,301
Fx loss	34,821	51,620
Gain on disposal of fixed assets	(4,564)	(9,204)
TOTAL EXPENSES	17,591,019	11,597,268
Surplus for the year	1,042,113	25,801
TOTAL COMPREHENSIVE INCOME	1,042,113	25,801

This is an extract from our Annual Financial Report, all values are shown in US\$. You can find the full version of the Annual Financial Report for the year ended 31 December 2016 on our website at www.oilsearchfoundation.org

Statement of financial position

At 31 December 2016

	2016	2015
	\$	\$
NON-CURRENT ASSETS		
Property, plant and equipment	182,215	153,007
	182,215	153,007
CURRENT ASSETS		
Cash and cash equivalents	5,736,666	4,387,029
Trade and other receivables	838,824	485,557
	6,575,490	4,872,586
TOTAL ASSETS	6,757,705	5,025,593
EQUITY AND LIABILITIES		
Retained surplus	5,243,391	4,201,278
CURRENT LIABILITIES		
Trade and other payables	1,514,314	824,315
TOTAL LIABILITIES	1,514,314	824,315
TOTAL EQUITY AND LIABILITIES	6,757,705	5,025,593

This is an extract from our Annual Financial Report, all values are shown in US\$. You can find the full version of the Annual Financial Report for the year ended 31 December 2016 on our website at www.oilsearchfoundation.org

ACFID

The Australian Council for International Development is a coordinating body for non-government overseas aid and international development organisations in Australia.

ACNC

The Australian Charities and Not-for-profits Commission is an Australian statutory body and the national regulator of the voluntary sector, including charities and other not for Profits.

BbP

Buk bilong Pikinini is an independent charity based in Port Moresby, PNG which aims to foster a life-long love of reading and learning, increase literary rates and empower vulnerable children.

CDC

The Centers for Disease Control and Prevention is the leading national public health institute of the United States.

DOTS

Directly Observed Treatment Short course is the internationally recommended strategy for tuberculosis control that has been recognised as a highly efficient and cost-effective strategy.

EPI

The Expanded Programme on Immunization is a World Health Organization programme with the goal to make vaccines available to all children.

FSC

The Family Support Centre at Hela Provincial Hospital in Tari, PNG provides essential medical and psychological support in critical cases of violence.

HIV

The Human Immunodeficiency Virus is a lentivirus that causes HIV infection and over time Acquired Immunodeficiency Syndrome (AIDS).

HPHA

Hela Provincial Health Authority is the governing state institution responsible for the administration of health service delivery in Hela Province established in October 2016.

IBBS

The Integrated Bio-behavioral Survey provide vital insights into the HIV epidemic and potential determinants of HIV in PNG and provides confirmatory evidence of current surveillance data.

MSF

Médecins Sans Frontières/ Doctors Without Borders is an international medical humanitarian organisation that treats people where the need is greatest.

NDoH

The National Department of Health in PNG.

PNG

Papua New Guinea.

PPTCT

The Prevention of Parent to Child Transmission programme aims to prevent the perinatal transmission of HIV from an HIV infected pregnant mother to her newborn baby.

RHTU

The Reproductive Health Training Unit in PNG assists Provinces in providing continuing professional development to their reproductive health workers.

SIREP

The Special Integrated Routine EPI Strengthening Programme introduces two new vaccines in PNG – the Inactivated Polio Vaccine (IPV) and measles-rubella (MR) – to further strengthen routine immunisation in order to protect children’s health.

TB

Tuberculosis is a disease caused by infection with the bacteria *Mycobacterium tuberculosis*.

UNAIDS

The Joint United Nations Programme on HIV and AIDS is the main advocate for accelerated, comprehensive and coordinated global action on the HIV/AIDS epidemic.

UNDP

The United Nations Development Programme is the United Nations’ global development network.

USAID

The United States Agency for International Development is the United States Government agency which is primarily responsible for administering civilian foreign aid.

VSO

Voluntary Service Overseas is the world’s leading international development organisation that uses volunteers to fight poverty and reduce inequality.

WPE

Women’s Protection and Empowerment development programme of the Oil Search Foundation.

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