

## **Completion Report**

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**Project Number: 43197-013**

**Loan 2998/2999 – PNG**

**Report: Resettlement**

**September 2016**

### **PORT MORESBY POWER GRID DEVELOPMENT PROJECT**

## **RESETTLEMENT COMPLETION REPORT**

### **KILAKILA SUBSTATION AND 66kV TRANSMISSION LINE**

Prepared by PNG Power Limited for the Asian Development Bank.

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**Date:** 21/09/16

Dear Sir,

**SUBJECT: SUBMISSION OF RESETTLEMENT COMPLETION REPORT – SP1,  
KILAKILA SUBSTATION AND 66kV TRANSMISSION LINE.**

Your attention is drawn to the above.

The Port Moresby Power Grid Development Management Unit hereby is pleased to submit to your office the final completion report of the Land Acquisition Report for the Kilakila Sub-Station and 66kV Transmission line project.

After ADB review, the verification report from a Third Party Verifier and incorporating all comments, the report is now final and we submit for disclosure of this report at earliest time possible.

Attached herein find the Kilakila Sub-Station Resettlement Completion Report.

Yours Sincerely,

**Peter Tangwari**  
Project Manager  
POM GRID Project  
PNG Power Limited



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**Loan 2998/2999 - PNG**

**PORT MORESBY POWER GRID DEVELOPMENT PROJECT**

## **RESETTLEMENT COMMPLETION REPORT**

**KILA KILA SUBSTATION AND 66kV TRANSMISSION LINE**



**SEPTEMBER 2016**

Prepared by PNG Power Limited on behalf of the Government of Papua New Guinea.

## ABBREVIATIONS

ABA	-	Acquisition By Agreement
ADB	-	Asian Development Bank
AP	-	Affected Person
CBD	-	Central Business District
CLC	-	Central Land Claim
CEO	-	Chief Executive Officer
CLO	-	Customary Land Officer
CMV	-	Current Market Value
CPG	-	Central Provincial Government
DLO	-	District Land Officer
DSC	-	Design & Supervisor Consultants
EA	-	Executing Agency
GAP	-	Gender Action Plan
GOPNG	-	Government of PNG
GRM	-	Grievance Redress Mechanism
HA	-	Hectare
IA	-	Implementation Agency
ILG	-	Incorporated Land Group
KCH	-	Kumul Consolidate Holdings
KV	-	Kilo Volt
LA	-	Land Acquisition
LIR	-	Land Investigation Report
LLG	-	Local Level Government
LPA	-	Land Acquisition Process
LTC	-	Land Titles Commission
LV	-	Land Valuation
MLCS	-	Manager Lands and Community Services
MOA	-	Memorandum of Agreement
MOU	-	Memorandum of Understanding
NCD	-	National Capital District
NCDC	-	National Capital District Commission
PLO	-	Provincial Lands Officer
PMU	-	Project Management Unit
PNG	-	Papua New Guinea
PMPGDP	-	Port Moresby Power Grid Development
PPL	-	PNG Power Limited
RCP	-	Resettlement Completion Report
ROW	-	Right of Way
RP	-	Resettlement Plan
SPS	-	Safeguard Policy Statement
SSO	-	Social Safeguard Officer
TB	-	Tuberculosis
TL	-	Transmission Line
TLR	-	Transmission Line Route
TPV	-	Third Party Verification
VG	-	Valuer General
VLGI	-	VAGA Land Group Incorporation

## Currency Equivalents

(as of 08th August  
2016)

Currency unit	–	Kina (K)
K1.00	=	\$0.3155
\$1.00	=	K3.1696

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## EXECUTIVE SUMMARY

This Resettlement Completion Report (RCR) captures the overall progressive and outcome for land acquisition at Kilakila and Korobosea for Subproject One (1) Kilakila Substation and 66kV Transmission Line. The subproject does not involve physical displacement of people however it requires the acquisition of 0.64 hectare (ha) of vacant grassland land for the substation establishment and another 14.86 ha of land for the Transmission Line easement.

The Kilakila Subproject is one of the six subprojects of the Port Moresby Power Grid Development Projects (PMPGDP) that is funded through Asian Development Bank (ADB) Loan 2998/2999 PNG. This project is designed to expand renewable energy generation and connect currently unserved customers and significantly improve quality of power supply in Port Moresby. The Kilakila Subproject is located within South-East of Port Moresby along the Kilakila village road within the Joyce Bay area (*refer to Figure 1*)

The primary stakeholder beneficiary for the subproject is the affected landowners called the VAGA Land Group Incorporation (VLGI) at Kilakila and two other clans at Korobosea. The second stakeholder beneficiary groups are the provincial and national government agencies and PNG Power Limited (PPL) and business communities. The government agencies, PPL and landowners from Kilakila and Korobosea were involved in the land acquisition.

According to the Resettlement Plan (RP) disclosed on September 2016, the number of affected persons (AP) belongs to 3 clans namely, Vaga, Iarogaha and Uhadi Iarogaha. The total numbers of families are 198 with a population of 744 individuals. All members of the first clan (Vaga) are residents of Kilakila village while the latter 2 clans (Iarogaha and Uhadi Iarogaha) are residents of another village called Korobosea.

The affected landowners were consulted through community meetings, landowner group meetings and stakeholder meetings. Consultations were done from the beginning and continuous throughout the implementation and will continue after the completion of land acquisition. A memorandum of Agreement (MoA) was signed between the VLGI and PPL for the Kilakila land acquired for the substation (*refer to Appendix J*). A Third Party Verification (TPV) of the MoA and the consultation process was done and TPV report made available to PPL in-accordance to ADB Safeguards Policy Statement 2009 (*refer to Appendix K*).

All compensation payments for land were made by PPL finance in instalment payments and the final payment was made in May 2016 (*refer to Appendix C*), after the signing of the Deed of Release and Sale and Transfer of Land Instruments (*refer to Appendix H*). The transfer was facilitated by PPL and executed by Department of Lands & Physical Planning (DLPP) officers. The Land Titles Certificate will be issued by the Lands Title Commission to PPL for the ownership of land.

A Grievance Redress Mechanism (GRM) was setup as per the RP and was coordinated and implemented accordingly by the PPL Lands and Social Safeguard Officer (LSSO) in accordance to the ADB Safeguard Policy 2009 requirement.

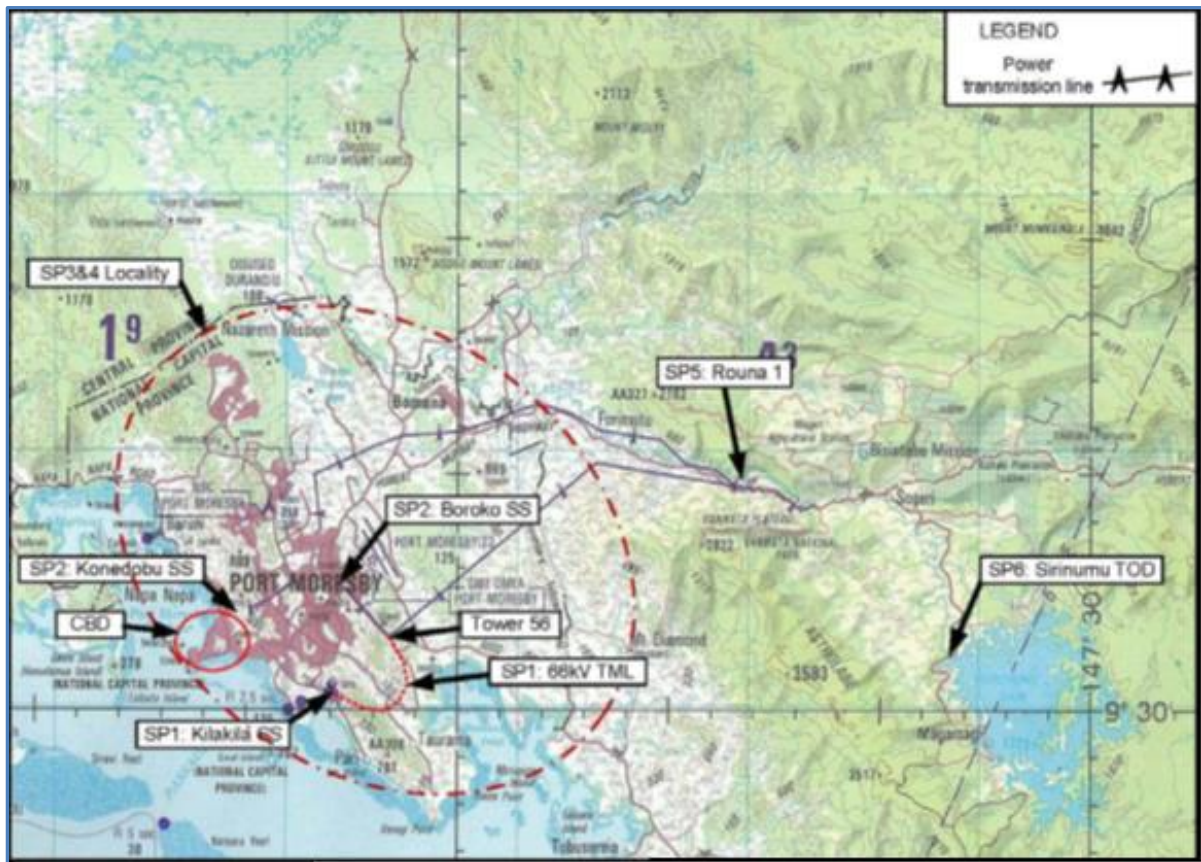
The AP have been fully consulted and compensated with satisfaction. There is no further claim or whatsoever on the Kilakila Subproject. All records of LA and compensation payments are kept at PPL and National Lands Office and the VAGA LGI Chairman and associates. Monitoring has commenced in 2015 and will continue throughout the project implementation phase.

## I. BACKGORUND

1. The Asian Development Bank (ADB) is supporting Government of Papua New Guinea (GoPNG) to develop and expand its energy sector, with the expansion of the Port Moresby City growing rapidly over the past decade. The demand for power has also increased. The result has been obvious, the GoPNG needed to meet these demand with sufficient power supply. Through a sovereign loan given by ADB with counter funding given by GoPNG, 6 sub projects were approved by ADB to help the increasing demand for quality power supply within Port Moresby.
2. The Executing Agency (EA) is the Kumul Consolidated Holdings (KCH) the major shareholder of PPL and other state-owned entities in PNG. The designated implementing agency is PPL, a fully integrated power authority responsible for the generation, transmission, distribution and retailing of electricity throughout PNG, servicing individual electricity consumers.
3. The PMPGDP is funded by ADB Loan 2998/2999 PNG. The loan project is broken up into six sub project, namely Kilakila Substation and 66 kV transmission line, Substation capacitor, Upgrade of 11kV System to Open Loop Mesh, Loss Reduction and Energy Access, Rouna 1 Hydropower Plant Rehabilitation & Upgrade and Sirinimu Hydropower Plant Upgrade. All these subprojects entail investment into power, transmission, distribution and generation.
4. The PMPGDP has 6 subprojects that make up the projects. LA is relevant only in the case of Kilakila subproject which requires a portion of customary land for the construction of Transmission Lines (TL) and a power substation. The total land required for the Kilakila subproject and TL is 15.5ha comprised of 0.64ha for Substation and 14.86 ha TL routes (*refer to table 1*).
5. The PPL PMU has technical assistance from an international consultancy firm, Fichtner GmbH Limited. The project is expected to achieve significant improvements in power generation, supply, efficiency, and reliability. Kumul Consolidated Holding Ltd (KCH) as the Executing Agency empowered PPL through its Asset Development Business unit division to embark on this project with the creation of the PMU. The PMU with relevant Stakeholders have organized and coordinated efficiently and executed the RP and acquired the land at Kilakila.
6. This Resettlement Completion Report (RCR) describes principles, entitlements, procedures, and implementation arrangements and achievements with regard to acquisition of land for subproject One (1) Kilakila Substation and 66kV Transmission Line. Accordingly, this report also covers the impacts under the Kilakila subproject, where land is required.
7. This report as per the RP is aligned with relevant laws and regulations of the Independent State of Papua New Guinea (PNG) and the resettlement requirements of Safeguard Policy Statement 2009 (SPS 2009) of the ADB.



8. A locality plan of the Project Area is shown in Figure 1. It covers the area where the PMPGDP is located.



**Figure 1: POM Power Grid development Project Sites**

## II. LAND ACQUISITION

9. The Kilakila substation requires 0.64 ha for the substation and 14.86 ha of land for the 66kV Transmission Line route. A total of 15.5 ha of customary land were acquired during the land acquisition process. In accordance with the RP (September 2012), the project has followed appropriate technical engineering designs to minimise land acquisition and resettlement impacts. The methods adopted by PMU to minimise land acquisition are (i) to maximise the use of existing substations and to restrict the number of new substations to one (paragraph 4), (ii) identifying a new transmission line alignment across the land owned by three clans instead of using a more direct route which would require the acquisition of several land parcels held by many people and clans, (iii) follow the new distribution lines along road easements rather than across private land, (iv) fix all switch gear to power poles or within properties owned by PPL and accommodate switching stations and capacitors within substations and/or on power poles.
10. During the Land Investigation the ownership of the land was identified to be owned by VAGA Land Group Incorporated (VLGI). Only 0.56ha of land belongs to both Iarogaha and Uhadi Iarogaha clans of Korobosea village where transmission tower (TT) 56 stands. The Iarogaha, Uhadi Iarogaha and Vaga clans have agreed and given their consent

through the signing of the Memorandum of Agreement on 24 August 2016 (*refer to Appendix J*). The agreement was reached between PPL and VLGI for PPL to acquire the land for the Kilakila substation.

11. The RP (2012) recorded the total number of affected person during the study was 744 APs; the impacted area per AP is 0.007 ha. In depth interviews with clan leaders suggest that the total area (affected + other lands) held per individual is about 3 ha. Hence, the total area of land held by the 744 APs is about 2,230 ha. Accordingly, the area lost per AP becomes 0.15% of all land held by each. Therefore, land acquisition and resettlement impacts of the subproject will be less adverse than category A project therefore Kilakila Sub-projects and 66kV TL is *classified as Category B* as per SPS 2009.

12. The Following table below illustrates the total land acquired for the Kilakila Subproject and the number of APs during the resettlement.

**Table 1: Summary of Land Acquired.**

Subproject	Activity description	Land Acquired	Ownership (Clans)	Affected persons
Kilakila Subproject	New Substation at Kilakila and 6.1 km Transmission Line	0.64 ha for substation and 14.86ha for Transmission Line route	CC 45. VAGA ILG 14.7 ha Substation and Transmission Line	513
			CC 79. Iarogaha Uhadi, and Iarogaha clans 0.80ha Transmission Line	231
	TOTAL	15.50 ha	15.50 ha	744

**Source:** Resettlement Plan, 2012.

### III. IMPLEMENTATION OF LAND ACQUISITION

13. The land acquired for both the Substation Site and the Transmission Line Route (TLR) was made possible through constant consultation with the AP and DLPP before the implementation of the RP. A thorough land investigation and survey was executed again in 2015 to establish the demarcation of the boundaries.

14. Land requirements were confirmed based on the detail project designs, which indicated the required amount of land that will be need for this subproject. Follow up consultations with affected communities on the implementation of the RP was paramount, in order to disseminate information to the stakeholders and APs. In addition socio-economic studies carried out as per the RP, was the basis for the implementation of the RP and the land acquisition process.

15. Public consultation was also important with the acquisition process, as most importantly the public (Kilakila community) and the APs were informed on the procedure and

processes that will be followed when acquiring the Land. Information on the Public consultation can be seen on Appendix A.

16. The RP information was disclosed to the ward councillors, AP and VLGI and further informed on the implementation process for the Land Acquisition. First initial compensation payment was paid during the signing of the MOA on 24 August 2012. The remainder of the total amount was paid in instalments depending on availability of funds and the final payment paid was made on 12 May 2016 when all land issued were resolved. Refer to receipts attached in *Appendix C* for compensation payments.

#### **A. Legislative Requirements**

17. According to the Legal Framework and the implementation of the RP, most legal requirements have been followed and adhered to by the IA. Given the design of the facilities to be established is for public purpose, the subproject site was anticipated to be acquired pursuant to Section 10 of the Land Act No. 45 of 1996. That is Acquisition by Agreement (ABA) is the only available option for DLPP to facilitate the accessing land required for Power Stations, Transmission Lines, Access Road and other Operation facilities. Hence, appropriate advice and guidance had been provided to the participating stakeholders in the regard and that land access process, documentation and report compilation had been done as each noted provision of the Land Act 1996. Through constant consultation with the Customary Landowners and DLPP, the administered land acquisition process, appropriate advice of land legislations and policies had led to the successful completion of the land acquisition.
18. Most notably the abstract used from the legislative and policies are as binding for the acquisition land was mainly take from the following,

##### **(i) Section 10 of Land Act No. 45 of 1996 – Acquisition of Customary land by Agreement.**

*Clause: The State acquisition of customary land for public purposes that are authenticated by appropriate Instruments and Ministerial approved manner, on term and conditions agreed between the Minister and Customary Landowners and after reasonable and diligent enquiry on persons to whom the land may devolve by custom.*

##### **(ii) Land Registration (amendment Act 2009)**

*Clause: The Act relates and applies to ownership of lands held under customary tenure and dealings with the main emphasis for the land to be registered and administered primarily through the Incorporated Land Groups (ILGs). The registered proprietor is the Incorporated Land Group.*

##### **(iii) Memorandum of Agreement (MOA)**

*This agreement was made between PPL and VLGI to pave the way for the successful implementation and development of the project with the intention to help address impediment to the project.*

##### **(iv) Free, Prior and Informed Consent (FPIC) – United Nations Declaration on the Rights of Indigenous Peoples 2008**

*Is the principle that a community has the right to give or withhold its consent to proposed projects that may affect the lands they customarily own, occupy or otherwise.*

#### **(v) ADB's SPS (2009) Requirements on Land Acquisition and Resettlement**

*ADB's SPS requires ADB-assisted projects to (i) avoid resettlement impacts wherever possible; (ii) minimise impacts by exploring alternatives; (iii) enhance, or at least restore, the living standards of DPs/Aps in real terms relative to pre-project levels; and (iv) improve the living standards of the poor and other vulnerable groups. It covers both physical displacement (relocation, loss of residential land, or loss of shelter) and economic displacement (loss of land, assets, access to assets, income sources, or means of livelihoods) as a result of land acquisition or restriction on land use, or on access to parks and protected areas.*

19. Other relevant Acts and Legislations like the PNG Constitution, Land Disputes Settlements Act (2000), and the Land Groups Incorporated Act were also used as guides to help with the Land Acquisition Process.

#### **B. Land Descriptions**

20. Located approximately 1.6 km South – East of the Port Moresby main CBD area, the Kilakila substation lays along the main Kilakila road along Joyce bay. The transmission line runs North from the Substation at Kilakila through the Taurama valley and crosses north-east over to 6 mile where it links up with TT56 along the Magi Highway.
21. The subject site is legally described as Varahe No: 02, Portion 2997c Milinch of Granville and Fourmil Moresby in Kilakila Village within National Capital District, Joyce Bay area. The survey plan for the subject site was registered on the 31<sup>st</sup> January 2013; according to the Registered Survey Plan Cat: 49/309 (refer to Appendix B).
22. The TL route is currently in the process of Registration as it was been resurveyed twice because of land disputes involving squatters along the ROW. However, the TL route is now free from any encumbrances or obstruction and a separate land description will be given to the easement upon registration.
23. The topography for the subject land and the transmission line route is covered in scrub with some small bushes. The owners have not used this land for decades as the land is in hilly grass terrain with minimum suitability for crop production. There are no trees nor does the land produce any other useful or edible products. Annual burn offs affect the existing vegetation which leads to the regeneration of tussock grasses and bushes. The land has very low agriculture potential and least accessible by locals.

### C. Land Acquisition Process and Activities

24. Most activities of the acquisition process which started after a detail survey was done to identify the boundaries that was required. This was followed by the LIR and Land Valuation (LV) and finally the signing of the MOA and compensation payments done and legal land title processed.
25. After the signing, the MOA and consultation and compensation, the process was verified by a **Third Party Verifier**, a Lawyer from Environmental Legal Services, on the 19<sup>th</sup> September, 2016. The TPV was engaged by PPL to verify the process and signing of MOA as well as the consultation etc. Third party verification report was done because the amount was a negotiated and payment done on the agreed price other than the price set by Valuer Generals Report. The Third Party Verification Report can be referred to in *Appendix H*.
26. The Land Acquisition process started off with the PPL technical assistance team identifying the proposed substation site. A detail survey was carried out during the Months of August 2011 by the Survey team. The Survey was done on the substation site and the transmission line route (*refer to figure 3*). However the only the substation site at Kilakila was survey and completed on the September. The proposed route was to be surveyed at a later date due to issues surrounding the angle tower at TT 56.
27. The Survey Plan was logged to the Office of Surveyor General and was registered on the 31<sup>st</sup> January, 2013. This survey plan was only for the substation site, as plans were underway to have an agreement reached between PPL and affected landowners.
28. An LIR instruction number issued by DLPP led to the DLO carrying out the Land Investigation. The LIR was done in conjunction with the Valuation Report and both were completed respectively. These reports can be obtained or request through the PPL's PMU or the DLPP Valuer Generals office.
29. The Market Value (MV) assessed for the land and improvements was valued at PGK 1, 027,796.50. This value was negotiated between PPL and the VLGI and an agreed price of K750, 000.00 was negotiated. This was the negotiated selling price the VLGI was willing to sell their land by Outright Purchase to PPL. The Price agreed upon included both the substation site and TL route. PPL ensure due process of negotiation, constant consultation and information dissemination to the AP, and consent of AP are considered before the final negotiation which according to all parties is fair, meeting the expectations of all parties involved.
30. Even though the acquisition process was slow since the signing of the MOA. The absence of a PPL SSO delays the fast tracking of the acquisition process because no one to follow up to ensure everything is done right and accordingly. The DLPP stringent financial processes also influence the delay payment and in acquisition process and delivering in a timely manner.

31. However now that SSO is on board since August 2015, the LA has been implemented and complete with all payments for land compensation fully paid to the AP. The signing and execution of the Deed of Release and Sale and Transfer (*refer to Appendix H*) of Land Documents occurred in May 2016. This was a major step forward in securing the subject land, which propagates the process of facilitation of Title transfer to PPL.

32. All due process has been followed by PPL for the land acquisition and DLPP has processed all necessary documents and the transfer and awarding of Land Title to PPL. The said land is now the property of PPL as it has been legally acquired from the VLGI and other two clans at Kilakila and Korobosea village.

33. Table 1 illustrates and depicts the activities and process that was done to carry out the process of acquiring the land during the implementation of the RP.

**Table 2: Summary of Land Acquisition Activities**

<b>Activity</b>	<b>Entity</b>	<b>ACTION</b>	<b>RESULTS</b>	<b>Date (Start)</b>	<b>Finish (Finish)</b>	<b>Current STATUS</b>
Survey	PPL	Survey of Substation and Transmission Line Route	Survey for the Substation Site completed.	August 2011	Sept, 2011	Transmission Line Route pending
Survey File Registered by Surveyor Generals Office	DLPP	Registration of Substation Site	Survey Registered	October 2012	31/01/13	Closed
Land Investigation Report	DLO & PPL	LIR for Substation Site	LIR Completed	15 <sup>th</sup> February, 2011	15 <sup>th</sup> March, 2011	Closed.  New LIR for Transmission Line will be carried out upon Registration of ROW.
Valuation	Kumul Reality & Consultants Limited	Market Value of Land & Improvements Assessed	Valuation Complete	05 <sup>th</sup> January, 2011	11 <sup>th</sup> February, 2011	Closed
Negotiation of Land Value	PPL & VLGI	Negotiation	Negotiated Price Agreed for both the Substation & ROW	March 2011	17 <sup>th</sup> March 2011	Closed
Signing of MOA	PPL & VLGI	Signing of MOA for the Acquisition for the substation and the Transmission	Agreement Signed		17 <sup>th</sup> March 2011	Closed

		Line Route				
DLPP endorsed LIR	DLPP Customary Land Division	Creation of Land File	File Created		20 <sup>th</sup> April, 2011	Closed
Department of Provincial Affairs Issues Certificate of Alienability ( COA)	DLPP	This Document was issued after a thorough Land Investigation was carried out between the CPLO, the DLPP lands Officer and PPL Lands Officer and was sent to Dept. of Local Level Government.	COA obtained from the DPLL		22 <sup>nd</sup> June 2015	Closed  ( COA Issued after LIR was deemed void due to errors identified within the LIR
Department of Lands facilitates for Land Acquisition process.	DLPP	All documents within the Land File have to be reviewed, and screen before transfer instruments are produced.	Land Investigation Needs update due to changes in ILG Executives	12th July 2015		Closed
Update of Land Investigation Report.	DLPP, DLO,PPL and VLGI	DLPP has requested the update of the Land Investigation Report, because Vaga ILG has made changes to their executives	Land Investigation Updated New Vaga ILG Executives were advertised and an update was facilitated by PPL Officers and DLPP		23rd September, 2015	Closed
Reroute of Survey for Transmission Line Route. ( Engagement of Private Surveyor – Arman Larma Surveyors)		Slight Changes have been made to reroute the Transmission Line Survey because of squatters settling on the Original Route.	Reroute of Transmission Towers done and completed	18th November, 2015		Land Issued resolved and survey peg markers installed (Closed)
Survey Completed		Survey Plans Submitted to Surveyor Generals Office.	( This Survey Plan is Still pending		04th Dec, 2015	Closed

			Registration )			
Signing of Deed of Release and Sale and Transfer Instruments		<p>The Signing was held at PPL Head office between PPL and VAGA ILG executives and was executed by Officers from DLPP.</p> <p>Currently the Transfer instruments are at DLPP, and will go through Registration before the Deed Title is Release to PPL.</p>	Processing of Title Deed still pending		05th May, 2016 (Signing of Deed & Transfer Documents)	Closed
Readjustment of Survey for Tower 06,07,08,09 & 10		TT 08 and TT 09 are within the Proposed Taurama Army Barracks proposed residential subdivision.	Proposed TT 08 & TT09 readjusted and is cleared from any obstruction or encumbrances.		June 2016	Final adjustment made and survey plans submitted awaiting Registration from Surveyor Generals Office
Construction of Sign Board and Fence		Proposed Sign Board and fence to be constructed at the substation site.	Completed	01 <sup>st</sup> May 2016	31st May 2016	Closed
Third Party Verification Report on the Process of negotiation	Environmental Legal Services	<ul style="list-style-type: none"> <li>- Verify the process of Negotiation for the Acquisition</li> <li>- Verify the MOA between PPL &amp; VAGA</li> <li>- Verify the process of Compensation payment</li> </ul>	Completed	19th September 2016	21 <sup>st</sup> September, 2016	Closed  <b>( refer to Appendixes J and K )</b>



#### D. Compensation Procedures and Methods

34. The completion of the LIR and Valuation for the land in subject, a MOA was signed between PPL and the VLGI executives on the 24<sup>th</sup> August 2012. The compensation was divided on five instalments based on the available of funds from the PPL. The Schedule of Initial payments and compensation payments are listed in the Table 4 below. The payments were deposited into the Vaga ILG accounts with the bank's associated cost taken car off by PPL (*refer to Appendix C*). The land is now released and ready for the project to commence, while waiting for the title to be issued by the Lands Title Commission (LTC) from the DLPP.

#### E. Land Compensation Process

35. The compensation process during the acquisition was made possible when VLGI and PPL agreed to the negotiated compensation value. The process starts with PPL raising the cheque and making payments in instalments depending on the availability of Funds. Once the total agreed price for land has been paid in full, PPL requests a meeting of all land owners where the cheque will be presented to the VLGI Executives. The Final payment was made in the presence of DLPP Officer who than completed the land acquisition forms. It is up to the ILG officials to disburse compensation amount among all clan members following the accepted customary practice.

#### F. Land Compensation Costs

36. The cost for land acquisition and compensation is presented in Table 3. The land acquisition and compensation costs are based on the compensations for Land and Improvements plus the other variables. The compensation costs were confirmed by an Independent Valuer before updating the RP and the negotiated price for both locations represents a fair market price.

**Table 3: Land Acquisition and Compensation Costs.**

Serial N°	Item	Unit Cost (Kina)	Total Cost (Kina)
<b>A. Land Acquisition &amp; Compensation</b>			
1	Registration & title transfer fee	2,500 x 2	5,000
2	Land survey		71,160
3	Valuation		4,620
44	Land compensation		750,000
	<b>Total</b>		830,780

37. PPL is responsible for payment of compensation to ILGs and the procedure, in which the compensation is paid as per the RP, is as follows.
38. The procedures to be followed include:
- ✓ Manager, Land Management and Community Services requests PPL's CEO to authorise compensation amount and the approval of the cheque.
  - ✓ The PPL will inform ILGs about the date, time and place as well as documentation required, for payment of compensation;
  - ✓ At the time of payment, the Chairman of ILG will sign a compensation document to acknowledge the amount and receipt of payment; and
  - ✓ When compensation payments are complete, the PPL will prepare a report and submit to ADB and PPL Board.

39. Table 3 shows the Compensation payment paid in 5 instalments. The first initial payment of K100, 000 was paid upon the signing of the MOA in 2011. Cheque payments can be seen on *Appendix C*.

**Table 4: Land Payments in Instalments.**

<b>Payment (Item)</b>	<b>Amount (PGK)</b>	<b>Date Paid</b>	<b>Remarks</b>
Trees and crops at TL Route. (Improvements)	3,796.50	August 2011	Includes Compensation Payment to Iarogaha, Uhadi Iarogaha clans.
Land Value	1,024,000.00	Not paid but negotiated.	Current Market Value of Land as at 11 <sup>th</sup> February 2011.
Land Acquisition Negotiated Price	750,000.00 (Negotiated Price)	Paid in 5 instalments	This is the negotiated amount between the VAGA clan and Government
1 <sup>st</sup> Payment	100,000.00	14 <sup>th</sup> March, 2011	Paid to the clan on the day of signing the MoA.
2 <sup>nd</sup> Payment	150,000.00	17 <sup>th</sup> August, 2012	
3 <sup>rd</sup> Payment	100,000.00	10 <sup>th</sup> December, 2012	
4 <sup>th</sup> Payment	200,000.00	03 <sup>rd</sup> October, 2014	
5 <sup>th</sup> Payment	200,000.00	05 <sup>th</sup> May, 2016	Final Payment is made when all land was free from any obstructions.

#### **IV. PROJECT BENEFICIARIES**

40. The compensation disbursement was done payment made to VLGI through clan leaders within the Kilakila village. The other two clans namely Iarogaha and Uhadi Iarogaha were paid according to the loss of economic trees and food crops who owns land along the TL route. The payment made to the clans bank accounts are then distributed to each clan members and it is up to the clans to decide.

41. The AP impact communities including family households will receive quality power service after the completion of the subproject and the TL established in Port Moresby. Houses will be connected and energy supply to families who will have easy access to power.

42. PPL will have access to land to establish the Kilakila substation and 66kV TL to transmit power to the station and distribution to other areas in Port Moresby.

43. Government, businesses and nearby communities will receive quality and easy access to power supply which will enhance and improve the social and economic development in Port Moresby.

## **V. STAKEHOLDER INVOLVEMENTS**

### **1) Executing Agency**

44. The Kumul Consolidated Holdings (KCH) is the EA and has signed the project agreement with ADB on 28 May 2013 to oversee the execution of the project. KCH is the major shareholder and business entity that has the major shares in all state owned companies in PNG including PPL. During field trips and site visit as well as community consultation and negotiations it is observed that there is minimum involvement KCH during the implementation of RP whereas all activities are planned and executed by PPL PMU and DLPP. PPL is taking all the responsibility to ensure the resettlement project is implemented and in line with ADB SPS (2009), Land Act 1996 and also meeting the GoPNG development goals in providing sustainable energy.

### **2) Implementation Agency**

45. PPL is the IA for the PMPGDP. Through the Project Steering Committee it has established the PMU within PPL. The Lands and Community Support Service Division (CSSD) within PPL deals with land acquisition. On a daily basis they were responsible for implementing the LA project. One of its main responsibilities is to implement the environment and social safeguard plans and monitor and evaluate the project outputs and results. PPL also ensure that the allocation, disbursement and payment of compensation funds are processed in accordance with project finance requirements and on a timely manner. Further, PPL through its Lands and CSSD has engage a Private Valuer to assist the District Lands Officer and Customary Lands Officer (CLO) carry out valuation on the subproject site and asses the compensation of crops and trees affected. All survey on environment and social impacts including the substation and transmission line route have been completed.

### **3) Project Management Unit**

46. The PMU is the team that is managing the implementation of the land acquisition and resettlement project through the safeguards office. The PMU is made up of Project Manager, Project Administration Assistant, Project Manager –Rouna, Project Engineer Mechanical, Project Engineer –Civil, Environmental Officer, Lands & SSO, Project Surveyor, Project Engineer –Distribution, Project Engineer - Transmission, Project Engineer –Electrical, Project finance Officer. PPL is responsible for other roles to support the subprojects through its main operation. PMU is the management team that manages the PMPGDP which includes the six (6) sub projects. It is supported by a Design and Supervision Consultant (DCS) which is mostly responsible for the construction and civil works. DCS has no input on the resettlement project. PMU also rely on ADB safeguards specialist guidance and advice on the best practices on the implementation of RP while GoPNG supports PMU through provision of funding, engagement of government lands and district administration officer. Technical capacity was an issue with PMU hence these has been mitigated with the recruitment of lands and community development officer who performed the role of SSO and close collaborative efforts from DLPP CLO, surveyors and Central Provincial Lands Officer (CPLO).

#### **4) Safeguard Unit**

47. The Safeguard Unit established under the PMU, is responsible for implementing, the EMP and the LARP on subprojects, and liaise with Government Departments and other relevant Institutional Organization on monitoring and evaluating LARP.
48. The Safeguard Unit carried out regular inspections on subject site and has done Site Visit Report in monthly and quarterly reports to ensure the project designated areas are cleared from any obstructions and response to any concerns that may appear.

#### **5) The District Lands Officer**

49. The DLO assists the PMU to carry out the Land Investigation Report (LIR) and also consults with and advises the affected communities about the POM Grid Power Development project.
50. Regular meetings are held with the Land owners within the subproject area to identify and establish the rightful owners. LLG officers and ward councillors are actively involved with consulting communities together with PMU Safeguard Officer.
51. Combine coordination in carrying out site inspections to ensure compliance is maintained and all required land is free from any form of encumbrance or obstruction. Constant consulting and collaborating with affected community on any issues within the area is done routinely, with regularly monitoring between PPL, Land Owners and the DLO.

#### **6) PLPP Customary Lands Services**

52. The CLO assists the DLO with carrying out the LIR and monitors and implements all land acquisition procedures and policies are followed in accordance with the Land Act.
53. CLO also collaborates with PPL and DLO in carrying out awareness to the affected communities and help give advice where necessary.
54. The CLO has prepared the Land File for the acquisition when all requirements were met. The Deed of Release and Sale and Transfer of Land documents have been facilitated and executed in May this year. The final compensation payment was done and all relevant documents are now at DLPP awaiting registration and Title Transfer.

#### **7) NCDC – Social Service Division**

55. Through the Social Service Division, NCDC have only assisted in carrying out consultation for the project with ward councillors during the initial stages of the Project. Most of the other consultation was done by the DLO and CLO with PPL PMU safeguards unit.

## **VI. GRIEVANCE REDRESS**

56. Also during the implementation of the RP, 4 complaints were raised, and this included developers of land which were within the Transmission Tower (TT) Route of TT 03, 10 and 16. Issued raise were encroachments and was mainly identified as preliminary as such no major improvements were made to the land. The issue was brought to the Clan leaders who redress the issues with the developers and was settled. PPL and PMU were assured by the VAGA clan leaders to continue the project as such the concerned areas are free from and encumbrances. Most land issues were resolve before January 2016.
57. There was a grievance redress committee established in 2013 but mostly within the lands department that deals with customary land issues. All issues pertaining to land compensation are addressed through the director for customary lands who provides response to complaints and concerns from those who claim ownership of the same traditional land. PPL also have the PMU office that deals with the grievance from the AP through a GR mechanism process as per stated in the RP (2012).
58. During the implementation it is evident the GRM through the Customary Lands officer address land issues through its normal process of responding to land matters through the government systems. This has worked well for the PMPGDP and so far there isn't any major issue on Kilakila substation land or courts that may restrict the project.
59. The Central Province District Lands Officer (DLO) assists the PMU to carry out the (i) Awareness, (ii) Land Investigation Report (LIR), (iii) Liaise and inform the affected communities about the POM Grid Power Development project. DLO also provides mediation between landowners wherever there are issues. DLO is the government representative in the Central Province.
60. The Local Level Government (LLG) Officials and village councillors in CP are actively involved with community consultation, mediation and information dissemination together with PMU Safeguard Officer. There are combine coordination of activities in carrying out site inspections to ensure compliance is maintained and all required land is free from any form of encumbrance or obstruction.
61. DLPP is the government department that is responsible for land acquisition of alienated (state land) or non-alienated land (customary land). Customary Lands Officer (CLO) of DLPP is responsible in ensuring all procedures and process are followed and payments done before submitting for land titles to be given to the developer. The CLO assists the DLO with carrying out the LIR and monitors and implements all land acquisition procedures and policies are followed in accordance with the Land Act. CLO also collaborates with PPL and DLO in carrying out awareness to the affected communities and help give advice where necessary. The CLO has prepared the Land File for the acquisition when all requirements were met. The Deed of Release and Sale and Transfer of Land documents have been facilitated and executed in May this year. The final compensation payment was done and all relevant documents are now at DLPP awaiting registration and Title Transfer.

## **VII. INFORMATION DISCLOSURE, CONSULTATION AND PARTICIPATION.**

### **A. Public Consultation**

62. Information disclosure and public consultation was conducted as early as 2011 during 2012 to inform stakeholders about project components and discussion on the main environmental impacts expected from project implementation (*refer to Appendix A*). The main result of the public consultation is that there is general support from the affected people.
63. The objective of the stakeholder consultation process was to disseminate information on the subprojects and the expected impact, long-term as well as short-term, among primary and secondary stakeholders and to gather information on relevant issues so that the feedback received could be used to address these issues at early stages of project design. Another important objective was to determine the extent of the concerns amongst the community, to address these in the project implementation and to suggest appropriate mitigation measures. For the purposes of this RP the main group interviewed was the community around the subprojects in the NCD area and the local officials in the National Capital District Commission administration. A formal consultation session was also held with Kilakila land owners. The feedback received has been used to address these issues at early stages of project design and during the implantation of the RP.

### **B. Project Stakeholders Consultation**

64. The primary stakeholders of this Project are the customary landowners and users of land whose land was acquired to construct a new 66kV substation plus transmission line. The new substation requires 0.64ha and 14.86 ha of land for the Transmission Line route, ROW.
65. The acquisition of customary land does not have a significant impact on their livelihood and there is no resettlement of AP's. All AP's including the surrounding communities has been fully informed of the acquisition process and the procedures that will be followed before, during and after the implementation of the RP. Most AP's has shown greater interest and support the PMPGDP proposal.

### **C. Consultation & Participation Mechanism**

66. Consultation and participation mechanisms have been utilized to implement the RP. Village based consultation meetings involving both women and men from all clans living in the village, whether customary landowners or nearby communities, were facilitated by the PPL. The Project was introduced to meeting participants, the probable positive and possible negative impacts explained, and land acquisition and other resettlement-based issues introduced. Participants at the meeting were afforded the opportunity to discuss among themselves and with issues that concerned them and to ensure women could make their voices heard.

67. In relation to APs, both the APs and the Kilakila community had joint meetings held. Although not all were in attendance, it was ensured that an adequate number of women were in attendance. These women were consulted to ensure they understood the nature of the resettlement investigations and their likely outcomes. An important participation mechanism was to ensure consultations were undertaken at venues and times that would not disadvantage women. Where it was inconvenient for women to attend the community meetings or AP meetings because of childcare responsibilities or caring for the sick and elderly the TA Consultant visited these women in their homes or communities.

#### **D. Results of Consultation with Affected Persons**

68. The summaries of results of the public consultations were also recorded. Many local people were pleased to respond. In addition all the residents interviewed indicated they had some comments to make on the Project discussed below. None said the Project would affect their working and home lives adversely.

69. All respondents were in favour of the project and indicated their support for the PMPGDP. More than 75% agreed that the project would contribute significantly to the city in terms of business and other development. Although in support, more than 60% of respondents were concerned about the removal of garden plants, trees and subsistence crops and tree trimming near the proposed transmission lines. About 50% commented that there should be other improvements associated with power supply such as better street lighting and traffic signals. They were assured that during the construction phase traffics signs and lightings will be set up. The AP was also assured that they will be advised accordingly when the construction will start, thereby avoiding destruction of their food crops.

70. APs and local stakeholders were provided with relevant information about the project, its land acquisition requirements, and policies on compensation and entitlements during preparation and implementation of the RP.

71. Prior to developing RP, there is community consultation to gauge the AP's views and their consent on the power project development. The AP's consent and participation were taken into consideration and captured in the RP. All communications are in English and Tok Pisin and in some cases interpreted in Motu language which is the common language spoken by the Motuan people at Kilakila and Korobosea.

72. Social and Gender Awareness were carried out to the affected communities and project description and awareness were made clear to them. Most affected community members and ILG executives plus ward councillors were present and fully understood what was been presented. No major concerns were raised during this consultation but all shared the same sentiments and agreed with the project.

73. The final approval of RP by ADB and disclosed on the ADB website has triggered project awareness carried out during the months of April-May 2015. Copies of the RP were distributed to the PMU, PPL, and DLPP and also to other relevant stakeholder and the APs concerned.

## **VIII. GENDER IMPACTS AND OUTCOME.**

74. The gender issues among APs are no different in the project area from the overall situation in the PNG. Women's position is disadvantaged due to their lower social status affecting their access to basic services (i.e. health services and education), limited participation in decision making and their income earning capacity. Firewood is the major source of cooking fuel for almost all Aps. Women and children usually collect fuel wood for cooking, a time consuming and back breaking task. Women in the project area move about in and around their villages to collect fuel wood. They need assistance during the project to increase their participation and engagement in the project design and implementation.
75. Even though women involvement during the Land Acquisition process is minimal, males dominated the leadership of village-level organizations. The formation of the VLGI recently elected women representatives to be part of the ILG. This is part of the GoPNG initiative to amend the ILG Act to incorporate the participation of women to be included in the Land Group.
76. Although most of the church groups support women's groups and they also have the capacity to transcend village-level organizations and function at the ILG. Nevertheless during the implementation of RP, most women mentioned that men are considered to be household heads, clan leaders, and representatives at the village level. Women do not want to overturn existing structures of participation and decision making but would welcome the opportunity to be provided with the enabling environment to have their voices not only more openly heard but also to influence how the Project will be implemented. Their views are been voiced by women representatives within the Vaga Land Group Incorporation.
77. From discussions held, the women want this energy project to proceed as planned by the GoPNG because they see it as quite a developmental activity. Most women during the consultations were mindful of the possible social risks but were reassured that these social risks could be managed.
78. Most of the women were given basic book keeping, tailoring and hand craft training. Almost most of the participants were made of 80 % females. Further training will be conducted during the construction phase were males and females both skilled and unskilled will be trained to be engaged as casuals by the contractor.
79. In General, most basic awareness such as Gender and Social training were conducted successfully to help to locals understand the issues at end and the main participants were youths both males and females.
80. Gender and Health awareness were carried out within the Project Management Unit and the VLGI and APs during the implementation of the RP as part of the project awareness. Both awareness were carried on the 22<sup>nd</sup> – 23<sup>rd</sup> September, 2014 respectively for both the PIU team and the APs and Kilakila community. The main facilitators were two senior lecturers from the Social work strand within UPNG in collaboration with the Rise Inc.



81. The main purpose of the awareness carried out was to educate the key audiences on the concepts;
- Gender mainstreaming
  - Equipping the participants with the know-how to include gender perspective in the planning and the implementation of sub projects and programs
  - How to enhance gender relations within the family, community, work place and project related contexts.
  - Sexual disaggregation and its importance and
  - Health issues and prevention methods.
82. Most participants express gratitude for the awareness provided and expressed that they did learn new things during the Gender awareness and training programs.

## **IX. INCOME RESTORATION AND REHABILITATION**

83. During the implementation of the RP, it was clearly identified that PPL will provide following assistance to APs: (i) skills training by contractors particularly for women; before and during construction phase and (ii) priority employment for APs (vulnerable APs in particular) in project unskilled jobs. The female-headed households will get priority in these activities.

### **a) Income Restoration**

84. It is estimated that it will take two years to construct the substation and during this time waged labour opportunities will be made available as a priority to APs. Such employment opportunities on their own do not ensure sustainable livelihoods but being paid at least the minimum wage and enjoying working conditions as per ILO Core Labour Standards. Priority of employment will be awarded to unskilled labourers and vulnerable APs living within the project corridor.
85. Trainings, basic book keeping, sewing, basic carpentry and brick laying, plus Gender and Social awareness will also be done during the construction period which will include both male and females, and this was made known to the APs during the implementation phase of the RP. All APs were informed that this is priority and whoever the contract is awarded to will be told to comply with the requirements.
86. Casual labourers mostly APs were also engaged during the TA team carrying out awareness, during implantation of RP and during the resurvey of the Transmission Line Route. All labours engaged were from Kilakila village especially the APs and village community youths.

### **b) Compensation Distribution**

87. As discussed the Compensation payment for the Acquired sites have been paid in instalments. The money obtained from the compensation was paid directly to VLGI. This money was used by the VLGI to help the AP's, the community and the running of the VLGI office.

88. The compensation paid will have assisted the APs and the community through paying of school fees, food items, transport, and general necessities for the community at large. The payments were distributed amongst clan leaders and through individual households by VLGI.

## **X. ISSUES AND MITIGATION MEASURES IMPLEMENTED**

89. The minor issues were identified and resolved during the implementation of the RP in terms of acquisition of the main transmission line route. Since the Signing of the MOA and disbursement of the initial compensation payments, the Transmission lines Route have been resurveyed three (3) times due to certain structures been built within the Right of Way. The timing, in which the last major public consultation with APs happened in 2012, was identified to be the cause because there was no safeguard officer involves in the project. Since then there were no more consultation carried out in the village until 2015. As a result portion of customary land earmarked for the TL route has been sold by certain land owners to willing buyers.
90. PPL have re-adjusted this route and have managed to solve the land issue with individual owners through the VLGI. PPL has made it known to all APs and the general community at large that any land dealings done should be made through the ILG. PPL has consulted the VLGI and the property owners to remove illegal squatters on along the Right of Way when the construction of transmission lines begins.
91. PPL has erected sign boards notifying community of the land being earmarked for the project. PPL carried out awareness with Vaga ILG on the Substation site and the other sites at beginning of the transmission line route.
92. Splinter clan groups claiming ownership of Vaga ILG are dealt through the CLO at DLPP or with the Vaga ILG. All land at Kilakila have been identified in the LIR and legitimate clans are been verified by the DLPP records with consultation from other clans within the same community. A splinter clan (Geakone clan and land group) claiming ownership of same customary land was referred back to the Vaga ILG or DLPP to verify their claims or to the district land's courts where cases pertaining to land can be referred to for judicial decision making. The issue is now subsided and so far there is no major claim from another clan that possess treat to the current arrangements thus all is going on well with signing of MoA and Compensation been made.

**Table 5: Chronological Order of Issues and Mitigations**

Issue	Communication		PPL Response	Current Status
	Date	Type		
A house was being constructed within the ROW adjacent to T56 <sup>1</sup> . The owner had to be notified and asked to move his property away from the TT and future OHLs.	02/06/15	Site visit	<p>Site visit by project engineers to confirm obstruction and meet with the owner.</p> <p>The property owners, a Miki Kaeok and Max Tumu were not in so a message was left with their relatives there, for them to contact the Project Manager for a meeting.</p> <p>A meeting was held at the PPL HQ with Max Tumu and members of the PMU. He agreed to relocate after requesting PPL to give him monetary compensation for the trouble of moving, and formal notification of the proposed works.</p> <p>He also wanted to physically see the survey pegs for the towers himself and estimate the ROW, so he could relocate accordingly.</p> <p>A site visit was done after the meeting to fulfil this obligation.</p> <p>A formal letter was delivered to the owners outlining the request to move obstruction, and for them to furnish their official land ownership documents to PPL for assessment. See Appendix A.</p> <p>The owners never replied to the letter nor did they return to PPL HQ.</p> <p>Upon future site inspection it was noted that the owner was in the process of relocating his property, simply because they were illegal squatters, without formal concern from the LO's.</p>	Closed
	04/06/15	Meeting		
	04/06/15	Site visit		
	18/06/15	Letter		
	23/06/15	Site visit		

<sup>1</sup> T56 is the existing tower located at 6-mile, in which the newly constructed TT's coming from Kilakila will interconnect with.

An obstruction to TT3 was occurring, whereby a property owner was clearing land outside of his boundary.	08/12/15 Letter	Site survey & Meeting	<p>The project survey team were placing survey pegs at the proposed tower sites, when they came upon an encroachment at TT3. An excavator was clearing land where TT3 was to be located. Upon instruction from a Mr Simon Berum (lessee) who was trying to extend his property. The land is customary land which is sold to individuals. Hence the Lands/Social Safeguard officer was sent to notify the LO's of that area about the encroachment.</p> <p>The LO's through their ILG (Vaga) sent a formal letter to the said lessee instructing him to discontinue his activities within the vicinity of TT3. Upon future site registration by the survey team, the obstruction was deemed to have been cleared.</p>	Closed
	08/12/15	Letter		
A company, South Pacific Pharmaceutical Distributors Limited (SPPDL) acquired land adjacent to the proposed substation site. In doing so they fenced of the area which also included the site for the landing tower (TT16) into the substation.	27/10/15	Site visit & Meeting	<p>The survey team was going to place survey pegs at TT16, but were unable to access the site due to an obstruction. A fence was erected around the site for the proposed tower by SPPDL. The survey and lands team had a meeting with the LO's notifying them of the issue, and instructed them to deal with SPPDL as it was in their prerogative to do so.</p> <p>Vaga ILG sent a letter to SPPDL requesting relocation of their premises. SPPDL replied in a formal letter to PPL outlining their reasons as to not moving their boundary, and requested that PPL move the substation instead.</p> <p>PPL replied in a letter to SPPDL Managing Director Mr Philip Tukuyawini, advising him of the existing MOA between PPL and Vaga ILG.</p> <p>PPL also emphasised to SPPDL that further discussion on this matter should be addressed to Vaga ILG.</p> <p>The Chairman of the Vaga ILG, Mr Goasa Geita Sebea sent a letter to PPL, without the consent of his members reiterating that PPL move TT16 from its originally proposed site.</p> <p>PPL responded formerly in a letter outlining the reasons as to why the relocating of TT16 was unrealistic at this stage of the project.</p>	Closed
	08/12/15	Letter		
	08/01/16	Letter		
	19/01/16	Letter		

	29/02/16	Letter	<p>Vaga ILG replied, this time with the consent of all its members stating that TT16 will remain as it is and be erected at the original site. The survey team was finally given access to the site by SPPDL to place the survey pegs for land registration. It has now been resolved with agreement from all interested parties that the tower will be erected within SPPDLs premises.</p>	
	22/03/16	Letter		
<p>Payment of outstanding land entitlements by PPL to the LO's was pending due to issues of obstruction/encroachment as mentioned above. This however culminated in the final payment being given to Vaga ILG once everything was resolved.</p>	05/01/16	Letter	<p>Vaga ILG in a letter requested PPL to pay 50 % of its final payment, which would have been K100,000. See Appendix H. PPL replied in a formal letter that the payment will be withheld until all land issues are resolved. See Appendix I. As part of the Vaga letter reiteration of prompt payment of the outstanding land payment was stressed. Culminating on the 4<sup>th</sup> of May 2016 the final payment of the Kila Kila Substation land and ROW for TTs was given to Vaga ILG at the PPL Head Office. Payment breakdown is attached in</p>	Closed
	18/01/16	Letter		
	04/05/16	Meeting		
<p>An obstruction was identified at Taurama, where the PNGDF is planning on building its housing scheme. Certain TTs and OHLs would be running right through the proposed development. Discussions were held with the developers, Planpac Group PNG to settle this issue.</p>	11/05/16	Meeting	<p>The first meeting was held with the developers to clarify PPGDPs position in that the tenders have already gone out and a contractor should be awarded shortly. Planpac wanted detailed drawings of the proposed towers that intersect the estate land. A discussion was held with the developers and the PMU, where an outcome was reached that the particular TTs could be realigned to fall outside of the estate area. The survey team has already plotted the realignment of the TTs, and currently awaiting land registration.</p>	Closed
	10/06/16	Meeting		

## **XI. CONCLUSION**

93. The Customary LA was a tedious process due to traditional landownership especially in hereditary lineage which needs thorough land investigation and ascertain of rightful landownership and dealing with appropriate executive authorities (VLGI) which finally result in the favourable outcome.
94. The delay in compensation payments due to land issues and slow release of funds to complete payments, delays the LA process. The process LA started with the implementation of the RP was slow. However the LA process still went on when and the land was legally acquired after the final payment and the execution of the Deed of Release and Sale and Transfer instruments were done.
95. Main land issue during the acquisition were based on the Transmission Tower easement. There were certain business houses and opportunist settling on acquired land which interferes with ROW for the TL Route. However all these issues were mitigated and resolved with the VLGI and PPL in 2016.
96. Information's were disclosed to all stakeholders including APs, through all forms of communications methods such as pamphlets distribution, media release, public awareness, and written memos and others. The AP including women in general was pleased with the subproject and benefits it would bring to them and village community.
97. A GRM was in place to handle any issues relating to the land and or other grievances that may affect the projects can be channelled through the process. Rather PPL is the first line of defence to receive and response of grievances whereas any land disputes is channelled through DLPP. So far there are no more issues regarding land whereby all payments were completed and PPL to be issued with land titles as soon as DLPP Lands Title Commission is ready to present the certificate to PPL.
98. Finally, the Kilakila subproject is free from any land issues or encumbrances that may have an impact on the project. Social safeguards monitoring is done on monthly and quarterly basis.

## **XII. RECOMMENDATIONS**

99. It is recommended that a Safeguard Specialist in the project monitoring by ADB is required to help assist the National Safeguard Officer during the construction phase.

### **XIII. REFERENCES**

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- 3) Free, Prior and Informed Consent “Making FCIP work for Forest and Peoples”  
<http://www.forestpeoples.org/sites/fpp/files/publication/2015/10/tfdpicresearchpapercolchesterlo-res.pdf>
- 4) Initial Environmental Examination: Kilakila Substation and 66 kV Transmission Line, September 2012. <http://adb.org/Documents/RRPs/?id=43197-013-3>
- 5) Land Act No: 45 of 1996, Section 10, pg 45,  
<http://scholar.google.com/scholar?q=www.paclii.org+papua+new+guinea>
- 6) Land Registration ( amendment Act 2009), pg 10,  
<http://scholar.google.com/scholar?q=www.paclii.org+papua+new+guinea>
- 7) Land Disputes Settlements Act (2000)
  - a. <http://scholar.google.com/scholar?q=www.paclii.org+papua+new+guinea>
- 8) Port Moresby Power Development Project: Land Acquisition and Resettlement Plan, September 2012, <http://adb.org/Documents/RRPs/?id=43197-013-3>
- 9) Port Moresby Power Development Project: (RRP PNG 43197) “Project Administration Manual” April 2013, pp 28, 34-35  
<http://adb.org/Documents/RRPs/?id=43197-013-3>

## APPENDICES:

### APPENDIX A: Disclosure of Information on Kilakila Land Acquisition

#### PORT MORESBY POWER GRID DEVELOPMENT PROJECT

#### Disclosure of Information to Affected People on Land Acquisition

1. The purpose of Port Moresby Power Grid Development Project is to improve the reliability and capacity of Port Moresby power system and thereby promote socio-economic development. The six subprojects under project are aimed to stabilize current power supply, to minimize interruptions including black-outs, frequent shut-downs and surges, to improve the delivery of quality power. The project will also support development of renewable energy through the rehabilitation of Sirinumu hydro-power plant, and upgrading of the Rouna 1 hydropower plant.
2. The main project activities are construction of new transmission main lines and substation, installation of switching gear, transformers and loss reduction equipment, rehabilitation of distribution system and the refurbishment of existing hydropower generation facilities. The construction of transmission mains and substation requires the acquisition of 5.47 ha of customary land. The project does not require relocation of households or businesses.
3. The subject land is under scrub with scattered bushes. The owners have not used this land for decades as the land itself is in a hilly terrain with minimum facilities for crops production. There are no trees or it does not produce any other useful and edible products. Annual fire burns out the existing vegetation that leads to the regeneration of tussock grasses and few bushes.
4. The affected people (APs) belong to 3 clans namely, Vaga, Iarogaha and Ihadi Iarogaha. The estimated number of families is 198 with a population of 744 individuals. The members of the first clan are of Kilakila Village while the latter 2 clans are residents of another village called Korobosea. The land are registered in 3 Incorporated Land Groups (ILGs).
5. The subject land has been valued by a registered valuer at the on-going market rate. The final purchase price has been negotiated between PPL and the leaders of affected clans. Part of the negotiated price has already been paid out. The following matrix summarizes eligibility and entitlements for APs.

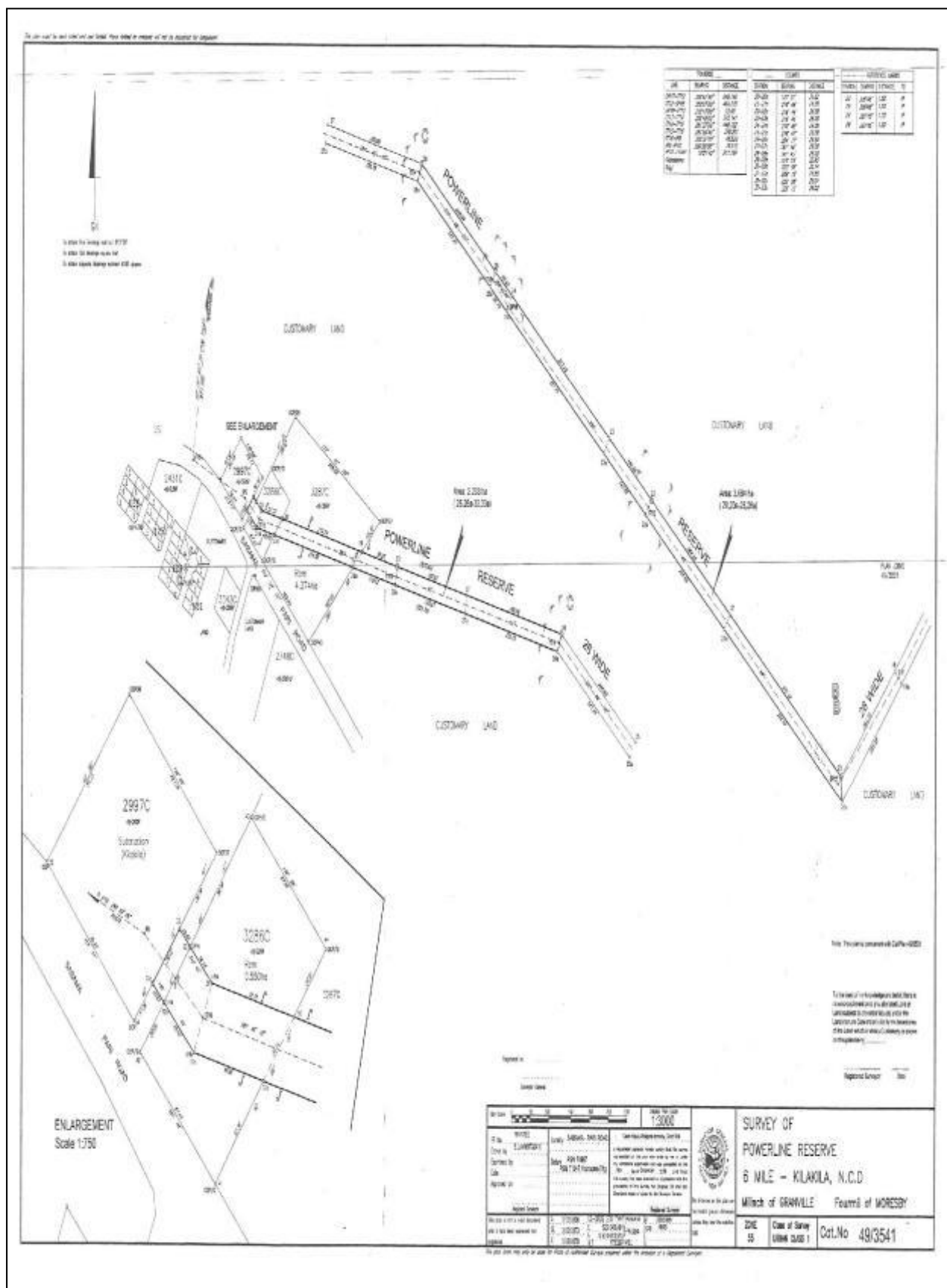
**Entitlement Matrix**

Impacts	Persons	Entitlements
Permanent acquisition of land	Customary land owners	Customary land owners will be provided with cash compensation at replacement cost
Temporary use of land, if required	Customary land owners	Rent will be negotiated with landowners before commencing to be paid for the entire period of use
Health and employment	All APs	Contractors will undertake HIV/AIDS awareness and prevention programs in construction camps and surrounding communities
Unforeseen or unintended impacts	Concerned APs	Determined as per PPL's policies and ADB's safeguard policy

6. The project has followed appropriate engineering designs to minimize land acquisition and resettlement impacts.



## APPENDIX B: Transmission Line Survey Plan





## APPENDIX C: Compensation Payment Receipts.

**VAGA LAND GROUP INC**  
PO BOX 5662  
BOROKO, NCD  
BOROKO,  
Papua New Guinea

**REMITTANCE ADVICE**  
FOR ALL ENQUIRIES QUOTE A/C No: 11131  
PNG POWER LIMITED  
P.O. BOX 1105, Boroko Tel: 324 3200  
Date: 14-MAR-11  
Cheque No: **097208**

OUR REFERENCE	INVOICE NUMBER	INVOICE DATE	GROSS AMOUNT	DISCOUNT AMOUNT	NET AMOUNT
	794/11	09-MAR-11	100,000.00	0.00	100,000.00
<b>TOTALS</b>			100,000.00	0.00	100,000.00

**1st Payment**

**PNG POWER Ltd** **Bank South Pacific** **097208**  
DATE 14-MAR-11

PAY THE SUM OF	MILLIONS	HUNDRED THOUSANDS	TEN THOUSANDS	THOUSANDS	HUNDREDS	TENS	UNITS	TOTAL	AMOUNT
ZERO	ONE	ZERO	ZERO	ZERO	ZERO	ZERO	ZERO	00	K 100,000.00

TO THE ORDER OF **VAGA LAND GROUP INC**  
For and on behalf of PNG Power Limited

Operating Account 008-645 1600489317

#097208# 088#943# 1000489317#

**VAGA LAND GROUP INC**  
PO BOX 5662  
BOROKO, NCD  
BOROKO,  
Papua New Guinea

**REMITTANCE ADVICE**  
FOR ALL ENQUIRIES QUOTE A/C No: 11131  
PNG POWER LIMITED  
P.O. BOX 1105, Boroko Tel: 324 3200  
Date: 17-AUG-12  
Cheque No: **117894**

OUR REFERENCE	INVOICE NUMBER	INVOICE DATE	GROSS AMOUNT	DISCOUNT AMOUNT	NET AMOUNT
	1609/12	13-AUG-12	150,000.00	0.00	150,000.00
<b>TOTALS</b>			150,000.00	0.00	150,000.00

**2nd Payment**

**PNG POWER Ltd** **BSP** **117894**  
DATE 17-AUG-12

PAY THE SUM OF	MILLIONS	HUNDRED THOUSANDS	TEN THOUSANDS	THOUSANDS	HUNDREDS	TENS	UNITS	TOTAL	AMOUNT
ZERO	ONE	FIVE	ZERO	ZERO	ZERO	ZERO	ZERO	00	K 150,000.00

TO THE ORDER OF **VAGA LAND GROUP INC**  
For and on behalf of PNG Power Limited

Operating Account 008-645 1600489317

#117894# 088#943# 1000489317#

**VAGA LAND GROUP INC**  
PO BOX 5662  
BOROKO, NCD  
BOROKO,  
Papua New Guinea

**REMITTANCE ADVICE**  
FOR ALL ENQUIRIES QUOTE A/C No: 11131  
PNG POWER LIMITED  
P.O. BOX 1105, Boroko Tel: 324 3200  
Date: 10-DEC-12  
Cheque No: **123143**

OUR REFERENCE	INVOICE NUMBER	INVOICE DATE	GROSS AMOUNT	DISCOUNT AMOUNT	NET AMOUNT
	3315/12	07-DEC-12	100,000.00	0.00	100,000.00
<b>TOTALS</b>			100,000.00	0.00	100,000.00

**3rd Payment**

**PNG POWER Ltd** **BSP** **123143**  
DATE 10-DEC-12

PAY THE SUM OF	MILLIONS	HUNDRED THOUSANDS	TEN THOUSANDS	THOUSANDS	HUNDREDS	TENS	UNITS	TOTAL	AMOUNT
ZERO	ONE	ZERO	ZERO	ZERO	ZERO	ZERO	ZERO	00	K 100,000.00

TO THE ORDER OF **VAGA LAND GROUP INC**  
For and on behalf of PNG Power Limited

Operating Account 008-645 1600489317

#123143# 088#943# 1000489317#

**VAGA LAND GROUP INC**  
PO BOX 5662  
BOROKO, NCD  
BOROKO,  
Papua New Guinea

**REMITTANCE ADVICE**  
FOR ALL ENQUIRIES QUOTE A/C No: 11131  
PNG POWER LIMITED  
P.O. BOX 1105, Boroko Tel: 324 3200  
Date: 02-OCT-14  
Cheque No: **150435**

OUR REFERENCE	INVOICE NUMBER	INVOICE DATE	GROSS AMOUNT	DISCOUNT AMOUNT	NET AMOUNT
	3983/14	29-SEP-14	200,000.00	0.00	200,000.00
<b>TOTALS</b>			200,000.00	0.00	200,000.00

**4th Payment**

**PNG POWER Ltd** **BSP** **150435**  
DATE 02-OCT-14

PAY THE SUM OF	MILLIONS	HUNDRED THOUSANDS	TEN THOUSANDS	THOUSANDS	HUNDREDS	TENS	UNITS	TOTAL	AMOUNT
ZERO	TWO	ZERO	ZERO	ZERO	ZERO	ZERO	ZERO	00	K 200,000.00

TO THE ORDER OF **VAGA LAND GROUP INC**  
For and on behalf of PNG Power Limited

Operating Account 008-645 1600489317

#150435# 088#943# 1000489317#

Received by: SEBERA RABURA  
18-10-2014

VAGA LAND GROUP INC

PO BOX 5862  
LAUREL, NCT

REMITTANCE ADVISE

FOR ALL ACQUISITION QUOTE NO

PNG POWER LIMITED  
P.O. BOX 1103, GOROKA Tsl: 324 3200  
11131

Date

Cheque No: **165734**

OUR REFERENCE	INVOICE NUMBER	INVOICE DATE	GROSS AMOUNT	12-MAY-16 DISCOUNT AMOUNT	NET AMOUNT
J2021KSL Papua New Guinea	680913	09-OCT-15	200,000.00	0.00	200,000.00
TOTALS			200,000.00	0.00	200,000.00



**PNG POWER Ltd**



GORDONS JBR 961

**165734**

DATE 12-MAY-16

PAY THE SUM OF	MILLIONS	HUNDRED THOUSANDS	TEN THOUSANDS	THOUSANDS	HUNDREDS	TENS	UNITS	TOEA	AMOUNT
	ZERO	TWO	ZERO	ZERO	ZERO	ZERO	ZERO	00	K 200,000.00

TO THE  
ORDER  
OF VAGA LAND GROUP INC

For and on behalf of PNG Power Limited

*[Signature]*

NOT  
NEGOTIABLE

Operating Account 088 951 100648517

⑈ 165734 ⑈ 088 951 100648517 ⑈

## Appendix D: VAGA LGI Letter to S. Berum for Encroachment at TT3



**Date** : 8-Dec-15  
**Ref** : VLG-A-008

Mr. Simon Berum  
Kerere Estate  
P. O. Box 6591,  
**BOROKO,**  
National Capital District  
Mobile# (675) 71558273

Dear Mr. S. Berum,

**RE: PNG POWER TRANSMISSION LINE EASEMENT**

Reference is made to our meeting dated 27<sup>th</sup> October, 2015 and the content of it has been noted that we are tasked to ensure that TT3, TT10 & TT16 are along the pathway for the transmission towers and must be relocated immediately.

Mr. S. Berum, we have been informed that your structure is in the way for PNG Power transmission pole marked as TT3. That land portion is and will be acquired by PNG Power.

It is advisable that you should consult the land owner whom you dealt with prior to establishment of your structure. In this case, see Mr. Goasa Geita for relocation for your structure.

Sadly, we are informed through the last meeting that easement has increased to 26m x 26m. 52 square meters corridor of land.

Please seriously consider this to avoid further inconvenience.

Find attached is a copy of the PNG Power Pole map for your information.

  
**ELLY MOMO**  
ILG Secretary



Cc: Mrs. Cathy Sigiamo – Manager Lands & Community Support Service  
Cc: Mr. Goasa Geita - ILG Chairman  
Cc: File

Noted 29/12/15  


NOTE: (from the Vaga Land Group Constitution - binding all members including CLUA Holders) "Vaga Land Group Inc. and its members' principle and existing customary land development policies not to sell our much needed customary land in the city and completely dispose our indigenous rights altogether but to best use our land by registering it with DLPP on a lease-lease back arrangement. Our policy is to retain the head titles of all our parcels of land and sub-lease to potential developers to sustain our ownership of our land."



## APPENDIX E & F: Survey Works on Sub-project Site & TL Survey Route



**Figure 2: Survey Works at Subproject Site**



**Figure 3: TL Survey Route**

## APPENDIX G: Minutes of Meeting for Resurvey of Transmission Line Route



**ASSET DEVELOPMENT BUSINESS UNIT**

**Port Moresby Power Grid Development Project-PMU**

Telephone: + 675 324 3254

Faxmile: : + 675 325 0185

Office of the Project Manager  
PNG POWER Limited National Office  
Corner Wards Road and Codia St, Hohola  
PO. Box 1105, BOROKO, NCD  
PAPUA NEW GUINEA

### CONSENT

PNG POWER LTD & VAGA ILG

**Date:** Tuesday 24th May, 2016  
**Start:** 2:15pm  
**Finish:** 2:45pm  
**Venue:** KiraKira Village (Secretary's Residence)

### ATTENDEES

#### ( PPL )

John Firis  
Philip Omaro

Project Surveyor – POM Grid  
Lands & Social Safeguard Officer – POM Grid

#### VAGA ILG


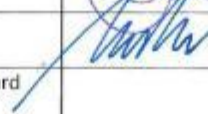
Goasa Geita  
Elly Momo

Chairman  
Secretary

NO	Item	Remarks
01	Resurvey Works on Right of Way ( Easement) for Transmission Towers 08,09 & 10	<p>John Firis – <i>The resurvey works on the Transmission Tower 08, 09, &amp; 10 will be realigned from its original route. The reason behind the readjustment was because the PNG Defence Force Retirement Housing Benefit Scheme Subdivison will be on the site which was proposed for the Transmission Towers mentioned above.</i></p> <p><i>Further it was clarified that the realignment work for the Towers will be just opposite the previous site approximately 50 metres away and will not affect any properties or land belonging to nearby property owners.</i></p> <p><i>The new proposed sites will be carefully realigned to avoid any structures and obstruction which might be in</i></p>

		<p>the Right of Way.</p> <p>Philip Omaro – Further asked to clarify the ownership of the new site proposed for the readjusted Towers.</p> <p>Elly Momo – Mr Momo welcomed us and thanked us for showing initiative by consulting them.</p> <p>He further stated that the new alignment for the Transmission Towers 08, 09 &amp; 10 is still on VAGA Land Central Claim No 45, and as long as the realignment does not affect any nearby properties or encroached over private land, than it is alright with the VAGA ILG.</p> <p>Mr Momo on behalf of VAGA ILG gave his assurance and have <b>NO OBJECTION</b> with the realignment and adjustment of the Transmission Tower Route for Towers 08,09 &amp; 10 along the Taurama Barracks entrance.</p> <p>John Firis – Thanked Mr Momo for his time and assured them that the resurvey work will commence next week and local youth from the village will be engaged.</p>
2.0	Approval	<p>VAGA ILG has <b>NO OBJECTION</b> in granting permission for the realignment of Transmission Towers 08, 09 &amp; 10 along Taurama Barrack Junctions as long as it does not encroach or affect any nearby properties.</p>




- End of Meeting -

Signed By	Goasa Gelta – Chairman VAGA ILG		Date: 20.07.16
Second by	Elly Momo – Secretary VAGA ILG		Date: 20.07.16
Witness By	Philip Omaro – Land/Social Safeguard Officer		Date:





## APPENDIX H: Deed of Release

 <b>PNG POWER LTD</b> PORT MORESBY POWER GRID DEVELOPMENT PROJECT OFFICE <b>RECEIVED</b> Date: 02.08.16 Time: 11:00 am Signature: 	 <b>PAPUA NEW GUINEA</b>
<b>INDEPENDENT STATE OF PAPUA NEW GUINEA</b>	
<b><u>DEED OF RELEASE</u></b>	
THIS DEED made this <u>09<sup>th</sup></u> day of <u>May</u> , 2016.	
BETWEEN:	<b>THE INDEPENDENT STATE OF PAPUA NEW GUINEA</b> (hereinafter called "the Releasor") of the other part.
AND	<b>IOYA GEITA, HENAO MATHEW, GOASA GEITA, GADIKI MATHEW, WILLIE GEITA, MANGAL GEITA and WILLIE NIGANI</b> all of Vaga clan of Kilakila Village in the National Capital District, (hereinafter called "the Vendors") of the one part
<b><u>WHEREAS IT IS AGREED:</u></b>	
A. <b>THAT</b> the Releasor hereby pays to the Releasee a total sum of <b>TWO HUNDRED THOUSAND KINA (K200,000.00)</b> as the final part payment from the total consideration of <b>SEVEN HUNDRED AND FIFTY THOUSAND KINA (K750,000.00)</b> as agreed price to of which a sum of K550,000.00 has already been paid by the releasor to the Vendors and the Vendor herein accepts the payment as the final part payment from <b>SEVEN HUNDRED AND FIFTY THOUSAND KINA (K750,000.00)</b> for the subject land described in the Sale & Transfer instrument.	
• <b><u>Payment details of K750,000.00 as per the Valuation Certificate.</u></b>	
Negotiated and Agreed Price	= <b><u>K750,000.00</u></b>
Less Part Payment being done (K550,000 had been paid to the vendors with PNG Power Limited Cheques.	= <b><u>K550,000.00</u></b>
- First down payment = Cheque No: 097208	K100,000.00
- Second Payment = Cheque No: 117894	K150,000.00
- Third Payment = Cheque No: 123143	K100,000.00
- Fourth Payment = Cheque No: <u>159899</u> <u>150435</u>	K200,000.00
Total Amount paid =	<b><u>K550,000.00</u></b>
Final Payment payable	= <b><u>K200,000.00</u></b>
Payment:	PNG Power Limited Cheque No. <u>159899</u>
Dated:	<u>09/10/2015</u>
Amount:	<b>TWO HUNDRED THOUSAND KINA (K200,000.00)</b>
Deed of Release – Portion 2997C Milindih; Granville Fournal; Moresby (also known as Varahi 2 Land)	

B. In consideration of the sum of **TWO HUNDRED THOUSAND KINA ( K200, 000.00 )** as final payment by the Independent State of Papua New Guinea through its agency, The PNG Power Limited (the releasor) which is paid by the Chief Executive Officer for PNG Power Limited as a Delegate of the Minister for State Enterprise as the 'final part payment' of the total purchase price for the outright purchase of the land as described as **Varahe 2 Portion 2997C Milineh: Granville, Fourmil: NCD-NCD Province** otherwise also known as **Varahe 2 Land** and is Situated near **Port Moresby Government Station – Joyce Bay/Pari Road (Kirakira)** in the National Capital District in National Capital District Province, the Releasee hereby

**RELEASES AND DISCHARGES** the Releasor from all actions, and demands whatsoever pertaining to the payment which the Releasor now has or at any time hereafter may have but for the execution of the Deed could or might have had against the Releasor.

1.0 **RELEASE**

The Releasee **RELEASES** the State, its servants and agents for and against all actions, claims, demands and cost whatsoever which the Releasees have had, now have or at anytime hereafter might have upon execution of this Deed and the receipt of the 'full payment' by the Releasee.

2.0 **INDEMNITY**

The Releasee **INDEMNIFIES AND AGREES FOREVER TO KEEP IMDEMNIFIED** the State, its servants and agents against all actions, suits, claims, demands and cost which may be brought or made against them in respect of the subject land.

3.0 **UNEQUIVOCAL AGREEMENT**

The Releasee **AGREES FOREVER NOT** to meddle in, damage or do any act whatsoever that may be seen or be deemed as an interference with the STATE's **RIGHT of PERPETUAL OWNERSHIP** now or at any time hereafter. Any such act hereinafter or in future will be seen as an act of trespass and the matter and any perpetrators shall be dealt with by the Court of Law and the PNG Royal Constabulary (Police) accordingly.

The Releasee also **AGREES THAT** all and/or any the persons or persons who otherwise would have become entitled to the said land by virtue of their native custom (*i.e. next of kin, etc.*) is also subject to this Deed and shall be bound by the undertakings of their kin's' authenticating this Deed and the Sale & Transfer instrument. The instruments authenticated now conveys a good and proper interest and it shall be bind any person who otherwise might have had an interest in the land under custom if it had not been for this **'OUTRIGHT PURCHASE'** of the subject land.

**IN WITNESS WHEREOF** the parties have hereunto affixed their signature.

**SIGNED** for and on behalf of the Releasor by the Departmental Head of the Department of Lands & Physical Planning in his capacity as the Delegate of the Minister for Lands & Physical Planning.

)  
)  
)   
) **LUTHER SIPISON**  
) **A/Secretary**

**SIGNED** by: -

1. **GOASA GEITA**

) 

2. **HENAO MATHEW**

twf ) 


3. **GOASA GEITA**

) 

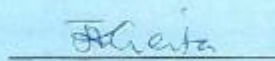
Deed of Release – Portion 2997C Milineh: Granville Fourmil: Moresby (Also Known as Varahe 2 Land)



4. GADIKI MATHEW

) 

5. WILLIE GEITA

) 

6. MANGAL GEITA

) 

7. WILLIE NIGANI

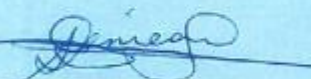
for) 

**WITNESSED** by:

  
**LAZARUS MALESA**  
Director, Customary Land Projects


  
**PHILIP PORIEI**  
Manager, Legal Services  
PNG Power Limited

  
**SIMON MALU**  
Director, Land Acquisitions

  
**SAMSON SIMEON**  
Senior Projects Officer (Infrastructure)


Deed of Release - Portion 29970 Milnech: Graaville Pourmill: Moresby (Also Known as Parake 2 Land)

## APPENDIX I: Sale & Transfer Documents



**PNG POWER LTD**  
PORT MORESBY POWER GRID  
DEVELOPMENT PROJECT OFFICE

**RECEIVED**  
Date: 02, 09, 16  
Time: 11:00 am  
Signature: *[Signature]*



**PAPUA NEW GUINEA**

**INDEPENDENT STATE OF PAPUA NEW GUINEA**

Lands File: 04116/02997e  
D.D. File:  
Land Name: Varahe 2 Land

**SALE AND TRANSFER OF LAND**

This DEED made the 04<sup>TH</sup> day of MAY, Two Thousand and Sixteen (2016)

**BETWEEN:** IOVA GEITA, HENAO MATHEW, GOASA GEITA, GADIKI MATHEW, WILLIE GEITA, MANGAL GEITA and WILLIE NIGANI all of VAGA clan of Kilakila Village in the National Capital District (hereinafter called "the Vendors") of the one part

**AND:** THE INDEPENDENT STATE OF PAPUA NEW GUINEA (hereinafter called "the Purchaser") of the other part

**WHEREAS** the persons named in the Schedule of Owners annexed hereto and marked with letter "A" are the true owners by native custom of all that land and more particularly described in the Schedule hereto and delineated in red on the plan annexed hereto and marked with letter "B" (hereinafter called "the said land") and are deemed to be legitimate Vendors for all intents and purposes.

**AND WHEREAS** the Vendors by the custom of the Vaga clan as evidenced by the declaration of custom annexed hereto and marked with the letter "C" have the full power and right to sell, transfer, convey, alienate or otherwise dispose of the said land and the rights and interest of the owners therein and to further execute all documents in relation thereto and to receive all payment in respect thereof on behalf of all the owners of the said land and interest therein.

**AND WHEREAS** the Vendors have agreed with the Purchaser to sell the said land and all the rights and interest therein to the Purchaser free from encumbrances together with improvements for the sum of **TWO HUNDRED THOUSAND KINA (K200,000.00) as final payment** from the agreed price of **SEVEN HUNDRED AND FIFTY THOUSAND KINA (K750,000.00)** as the total consideration for purchase price payable to the Vendors as **FIVE HUNDRED AND FIFTY THOUSAND KINA (K550,000.00)** has been paid by the Purchaser to the Vendors for Varahe 2 land containing 0.640 hectares Portion 2997C Milinch Granville Fournil Moresby National Capital District.

**AND WHEREAS** the net payable sum of **TWO HUNDRED THOUSAND, (K200, 000.00)** is the final payment from **SEVEN HUNDRED AND FIFTY THOUSAND KINA (K750, 000.00)** which shall be paid upon the authentication of this Instrument in a PNG Power Limited Cheque No: 159899 dated the 04<sup>TH</sup> of MAY 2016.

NOW IT IS WITNESSED that in consideration of the sum of **TWO HUNDRED THOUSAND, (K200, 000.00)** being for the final payment from **SEVEN HUNDRED AND FIFTY THOUSAND (K750, 000.00)** Outright Land Acquisition price the Vendor shall, with the powers vested in them by virtue of native custom hereby sell, transfer and convey to the Purchaser the subject land and all right of title and interest therein of the said owners and of all the persons who otherwise would have subsequently become entitle to the said land by virtue of native custom (i.e. next of kin, etc.) in the same and every part thereof.

*Sale and Transfer of Land Instrument for the land known as VARAHE 2 LAND, NCD*





INDEPENDENT STATE OF PAPUA NEW GUINEA

**AUTHENTICATION**

This Sale & Transfer instrument is **SIGNED** by the hand of the 'Vendors' with the powers vested in them by virtue of their native custom to sell, transfer and convey to the Purchaser the subject land and all their rights of title and interest therein and all of the persons who otherwise would have subsequently become entitled to the said land by virtue of their native custom (i.e. next of kin, etc.) in the same and their authentication is **WITNESSED** by an officer of the Department of Lands & Physical Planning as identified hereunder in his official designated capacity.

**SIGNED** for the Vendors by: -

1. IOVA GEITA
2. HENAO MATHEW
3. GOASA GEITA
4. GADIKI MATHEW
5. WILLIE GEITA
6. MANGAL GEITA
7. WILLIE NIGANI

For

For

**WITNESSED** by: -

**SAMSON SIMEON**  
Senior Projects Officer (Infrastructure)

This Sale & Transfer Instrument is **SIGNED** for and on behalf of the Independent State of Papua New Guinea through its agent, the Department of Lands & Physical Planning, by its Departmental Head in his designated capacity as a Delegate of the Minister for Lands & Physical Planning and his authentication is **WITNESSED** by an officer of the Department of Lands & Physical Planning as identified hereunder in his official designated capacity.

**SIGNED** for the Purchaser by the  
Departmental Head of the Department of Lands  
as the Delegate of the Minister for Lands &  
Physical Planning.

**LUTHER SIPISON**  
A/Secretary

*Sale and Transfer of Land Instrument for the land known as VARAHE 2 LAND, NCD*

WITNESSED by: -

)  
)  
)

\_\_\_\_\_  
**SIMON MALU**  
Director, Acquisitions

)  
)  
)

\_\_\_\_\_  
**LAZARUS MALESA**  
Director, Customary Land Projects

)  
)  
)

\_\_\_\_\_  
**PHILIP PORIET**  
Manager, Legal Service  
PNG Power Limited

*Sale and Transfer of Land Instrument for the land known as VARAHE 2 LAND, NCD*





INDEPENDENT STATE OF PAPUA NEW GUINEA

**CERTIFICATION BY OFFICER EXECUTING DOCUMENT**

I, **SAMSON SIMEON**, in my capacity as a Senior Customary Land Projects Officer, Customary Land Services, Impact Projects Division with the Department of Lands & Physical Planning in Papua New Guinea do hereby certify that the Vendors and customary landowners of the said land known as the **Varahe 2** Land containing an area of the **0.640** hectares situated within the Varahe area/Joyce Bay-Pari Road (KiraKira) near **Port Moresby** Government Station in the **National Capital District** of the **National Capital District** Province did sign the initial Sale & Transfer Instrument at **KiraKira** Village on the 04<sup>TH</sup> day of MAY, 2016 in my presence.

THAT previous to their signing the Sale & Transfer instrument, I did truly and fluently interpret the contents of the said instrument earlier in the **PIDGIN** and **ENGLISH** languages which were fully understood by the Vendors/Customary Landowners named in the instrument.

THAT I am confident that the Vendors/Customary Landowners did understand me and that they acknowledged that the sum of **TWO HUNDRED THOUSAND KINA (K200, 000.00)** shall be paid as the **final part payment** from **SEVEN HUNDRED AND FIFTY THOUSAND KINA (K750, 000.00)** as the total consideration for the subject land described in the Schedule of the Sale and Transfer instrument.

That when the Vendors/Customary Landowners signed the Sale & Transfer instruments they fully appreciated and had an educated understanding (in pidgin) of the sale, transfer and conveyance of the subject land, the right of title and the various interests thereon to the Purchaser being the Independent State of Papua New Guinea.

That the Vendors/Customary Landowners do appreciate and are fully aware that neither they nor their next of kin or descendants' hereon nor any persons who otherwise would have subsequently become entitled to the said land by virtue of their native custom will contest the acquisition or pursue the matter pertaining to this acquisition in the immediate future or thereafter.

WITNESSED by my hand this 04<sup>TH</sup> day of MAY, 2016.

**SAMSON SIMEON**  
Senior Projects Officer (Infrastructure) Customary Land Projects

*Sale and Transfer of Land Instrument for the land known as VARAHE 2 LAND, NCD*

# AMENDED MEMORANDUM OF AGREEMENT

Between



**PNG POWER Ltd**

And

**VAGA LAND GROUP INC.**



## AMENDED MEMORANDUM OF AGREEMENT

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This Memorandum of Agreement (MOA) is made on this 24<sup>th</sup> day of August 2012.

**BETWEEN:** VAGA LAND GROUP INC., C/- P O Box 5662, BOROKO, National Capital District, jointly as Vendors in Trust for and on behalf of VAGA Landowners Group Inc. (herein referred to as "Vendors") of the first part;

**AND:** PNG POWER LIMITED, a company duly incorporated under the Companies Act of 1997 and having its registered address at PNG Power Haus, Wards Road, Hohola, PO Box 1105, Boroko, National Capital District, hereinafter referred to as ("PPL") of the second part.

### 1. RECITALS

- 1.1 PPL intends to construct a Sub-station and other operational facilities on Part of Portion CC.45 at Kila Kila, National Capital District which consists of 0.640 hectares.
- 1.2 The proposed Sub-station site is on Kila Kila Land as described in Clause 1.1 owned by the Vendors and sold to PPL, outright of purchase pursuant to the Contract of Sale.
- 1.3 As a consequence, the parties are desirous of having the agreement between them recorded in writing.
- 1.4 This Amended MOA now supersedes the previous MOA signed on the 17<sup>th</sup> March 2011 by the parties.

### 2. PURPOSE OF THE MOA

The purpose of the MOA is for the parties to confirm beyond doubt the terms of their agreement in respect of purchase of Portion CC.45 including the transmission line easement for the purpose of the Sub-station and the payment of it thereof.

### 3. TERMS OF THE MOA

#### 3.1 Application

The MOA must be executed by the parties whereupon it becomes legal and binding for all intent and purposes.

### **3.2 Outright Purchase**

The parties have agreed that the land (Part of Portion CC.45) including the transmission line easement must be sold by the Vendors and purchased outright by PPL and be executed by the parties.

### **3.3 Land Purchase Price**

The parties have agreed that the outright purchase price of the land known as Part of Portion CC.45 including the transmission line easement is fixed at a cost of K750,000.00.

### **3.4 Commitments**

The parties have also agreed on the following:

#### **(i) Construction Phase**

- a) During the construction phase of the power station, PPL will introduce Contractor(s) to the Vendors who by this time would be former title holder of the land described herein for employment purposes.
- b) The Vendors will be given the first right of refusal in respect of the engagement of unskilled labor only.
- c) After the construction of the Sub-station, PPL will award security contract to a security entity owned by the people of Kila Kila Village to secure and protect the Sub-station and the adjacent PPL facilities and properties.

#### **(ii) Urban Electrification**

PPL will survey and design the distribution lines required to provide electricity to the former title holder in the immediate vicinity of the new Sub-station. This survey and design will proceed when the Sub-station at Kila Kila is commissioned. The construction of distribution lines will be funded by PPL under its Urban Electrification Programme and PPL will proceed to construct lines upon funds being made available. Normal retail and metering services will apply for the provision of electricity.

#### **(iii) Assessment of Commitments**

At the end of the period of the construction phase referred to in Clause 3.4(i), all commitments under this MOA shall be assessed in consultation with the Vendors. In the course of this assessment and or as and when required by PPL, all commitments accorded to the former title holder under this MOA will cease except the provision of security, clearance and cleaning works within and around the vicinity of the Sub-station will continue.

### **3.5 PPL's Responsibilities:**

- 3.5.1 The first down payment of K100, 000.00 was paid to the Vendors upon the signing of this agreement and further sum of K150, 000.00 is being paid now and the remaining balance of K500, 000.00 will be paid upon the transfer of the Title. PPL agrees that the price negotiated with the Vendors being the amount of K750, 000.00, as land payment will be paid in full to the Vendors. PPL will continue its best endeavors in maintaining a good relationship with the people of Kila Kila Village.
- 3.5.2 PPL also agrees to improve the access road to the project site as and when it has the capacity to do so.
- 3.5.3 PPL shall ensure that all potential causes of environmental contamination are prevented as much as possible and eliminated as and when PPL has the capacity to do so.

### **3.6 Vendors' Responsibilities:**

- 3.6.1 It is the responsibility of the Vendors to ensure that its clan members and or others from Kila Kila or the surrounding villages do not, in any way whatsoever, interfere with, or disrupt the construction work by PPL and or the Contractor(s) or any Sub-contractor(s).
- 3.6.2 The Vendor must cooperate with PPL staff and/or their agents to undertake assessments and to access the area for research purposes on prior notice.
- 3.6.3 The Vendors further agree that the amount of K750, 000.00 is the full and final settlement for the land and that upon full payment of the purchase price, they will not make any further claim(s) or demand(s) on PPL for the same land.

### **4. COMMENCEMENT DATE**

The MOA shall come into effect on the 24<sup>th</sup> of August 2012.

### **5. DURATION**

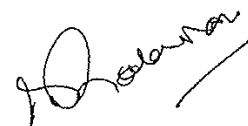
The MOA becomes effective as aforesaid and continues in force until the commissioning of the Sub-station.

IN WITNESS WHEREOF THE PARTIES have read and understood this MOA the day and year herein before written.

Signed for and on behalf of  
**VAGA LANDOWNER GROUP INC.**

In the Presence of:

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**SEBEA RABURA**  
Chairman

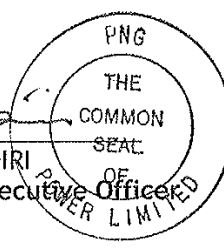


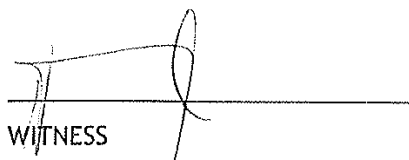
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WITNESS

The Common Seal of  
**PNG POWER LIMITED** was hereunto  
affixed by the authority of the Board  
In the presence of:

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)

  
\_\_\_\_\_  
**TONY KOIRI**  
Chief Executive Officer

  
The seal contains the text: PNG, THE COMMON SEAL OF, PNG POWER LIMITED



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WITNESS

*Dr. Angelica Braun, MLC PhD*  
*24/08/2012*  
*Pm NEC*



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19 September 2016

The Project Manager  
Port Moresby Power Grid Development Project  
PNG Power Limited  
P O Box 1105

**BOROKO**

National Capital District

**INDEPENDENT VERIFICATION REPORT:**

**MEMORANDUM OF AGREEMENT FOR ACQUISITION OF CUSTOMARY LAND BY PNG POWER LIMITED FOR THE PORT MORESBY POWER GRID DEVELOPMENT PROJECT.**

I, **Damien Ase**, a lawyer of the Environmental Legal Services provide the independent verification of the Memorandum of Agreement (MOA) signed on the 24 of August, 2012, between VAGA LAND GROUP INCORPORATED (VAGA ILG) and PNG POWER LIMITED (PPL) with regard to acquisition of customary land owned by the Vaga clan by PNG Power Limited for the construction of the sub-station for the Port Moresby Power Grid Development Project (the project) at Kilakila village in the Motu - Koitabu Local Level Government area, National Capital District, that (i) the landowners support the construction of the sub-station for the power grid for Port Moresby and have agreed to provide sufficient land, (ii) consultations and negotiations with the landowners have been undertaken meaningfully, freely and in good faith, and the landowners have made informed decisions on use of land, and (iii) terms and conditions of the agreement have been explained to and understood and agreed by the landowners. The verification is based on our independent:

**-Review** of available documentation relating to consultations with the customary landowners of the proposed site for the Port Moresby Power Grid Project and to verify that any Land Use Agreements, Memorandum of Agreement or Agreements arising out of those consultations were freely entered into by the landowners without coercion and with full knowledge of the intended future use of the land by the VAGA ILG and PPL for development and delivery and supply of electricity.

**- Verify** that the signatories to those Agreements are, or duly represent, the true owners of that land.

- **Verify** that the landowners understood that PPL was acquiring the subject land through outright purchase on fixed price and that they were compensated in accordance with the agreed price other than the valuation of that land as assessed by the Valuer General having regard to the valuation methodology , laws and policies of the Government of Papua New Guinea and the Project's Land Acquisition And Resettlement Plan (LARP) with respect to the acquisition of customary land prevailing at the time of acquisition.
- **Verify** that the landowners or their duly authorized representatives have identified the extent of the land to be acquired and were present at the time that the boundaries were determined and marked by the attending land surveyors.
- **Verify** that the original landowners or any other users/occupants of the land will not experience major adverse impacts arising from the acquisition of that Portion of land, and
- **Verify** that any minor impacts including environment impacts, have been identified, sufficiently addressed and documented.



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**Damien Ase LLB (Hons)-UPNG**  
Lawyer & Independent Verifier