

Semi-annual Report

September 2017

# **Highlands Region Road Improvement Investment Program – Tranche 3**

## **Pangia-Wiru Loop Road Sub-project**

Prepared by Department of Works for the Asian Development Bank.

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## **HIGHLANDS REGION ROAD IMPROVEMENT INVESTMENT PROGRAM**

### **Semi-annual Social Safeguards Monitoring Report for Pangia-Wiru Loop Road (31.4 km)**

**Project Implementation Unit**

**Department of Works**

**National Capital District**

**Papua New Guinea**

**September 2017**

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## **1. Introduction**

01. The Highlands Region of Papua New Guinea (PNG), comprising of the Provinces of Western Highlands, Jiwaka, Southern Highlands, Hela, Eastern Highlands, Enga and Simbu, is a major contributor to the PNG economy through its agricultural production and mineral resources. A well-maintained road network is essential to facilitate the movement of goods and people. The Government of PNG (GoPNG) has made significant investment in improving the road network but a lack of maintenance has resulted in deterioration of the roads such that the Highlands Core Road Network (HCRN) is now in poor condition.

02. In order to address the deterioration of the HCRN there is a clear need to: (i) implement a program of regular maintenance on all HCRN roads that are in good condition; and (ii) improve those roads that are in poor condition and ensure that maintenance begins on those roads as soon the improvement works are completed.

03. The GoPNG has negotiated a Multi-tranche Financing Facility (MFF) loan with the Asian Development Bank (ADB) to implement the Highlands Region Road Improvement Investment Program (HRRIP). The HRRIP includes projects to improve the HCRN, the preparation of long-term maintenance contracts for the HCRN, and the capacity development of road agencies.

04. Tranche 3 subproject roads are composed of four (4) road sections namely; the upgrading and rehabilitation of Pangia-Wiru Loop and Nipa-Munihu road sub-projects, both in Southern Highlands Province (SHP), Gewa-Gembogl road sub-project in Simbu Province and Henganofi-Nipuru road sub-project in Eastern Highlands province (EHP). In total, there are 13 road sections that are expected to be funded under the program. The Execution Agency (EA) for the program is Department of Works (DOW) whilst the Highland Road Management Group (HRMG) is the Implementation Agency (IA).

05. The contracts for the improvement of Pangia Wiru-Loop sub-project has been awarded by the National Executive Council (NEC) to COVEC where the contract was signed on 15<sup>th</sup> March 2017. The pre-construction meeting was held on 12<sup>th</sup> May. The contractor is attending to other formalities such as security bond, etc. which are requirements prior to mobilization.

06. Field surveys to record details of the affected assets and to collect socio-economic data were conducted by the Design Consultants based on detailed engineering plans showing the construction limits. It should be noted that no land acquisition will be undertaken for the sub-projects. The use of customary land for both the existing road as well as the additional land required have been formalized through Memoranda of Agreement (MOAs) signed by the Secretary, Department of Works (DOW), on behalf of GoPNG and tribal leaders representing the affected people.

## **2. Purpose**

07. The purpose of Semi-annual Monitoring Report (SMR) is to present results of monitoring and other issues uncovered during the implementation and completion of resettlement activities in a category B project in HRRIP tranche 3 project as a requirement of ADB SPS. It is a

requirement that SMR is prepared every six months for disclosure until all resettlement activities are completed. The SMR covers the safeguards reporting period from January to June 2017.

### **3. Project Description**

08. The Pangia–Wiru Loop road (31.4 km) starts from Ialibu-Pangia road just before reaching the Pangia Station. The first 3.40km of the sub-project road is located in East Pangia Rural LLG while the next 28 km is located in South Wiru Rural LLG, both in Pangia District, Southern Highlands Province. The affected council wards of East Pangia Rural LLG are Kauwo 1, Kauwo 2 and Kauwo 3. The affected council wards of Wiru Rural LLG are Poloko 1, Koiyapu, Laro 1, Kalane, Kaluwe 1, Kaluwe 2, Weriko, Maubinin, Kerapali, Tunda, Timbare, Mamuane and Powe.

09. The road then traverses into Wala and ends at Kaborini, creating a loop. The second section of the loop with a length of 28 km is not part of the scope of the proposed sub-project road to comply with an eligibility criterion that the subproject does not duplicate a road that is already part of an HRRIP road.

10. The inhabitants of Pangia to Wiru depend entirely on agricultural production since more than 90% of the population is subsistence farmers. Sweet potato (*Impomoea batatas*) and Irish potato (*Solanum tuberosum*) and a wide-variety of greens grow very well there, however; due to bad condition of the road, they are not grown in large quantities. The road serves a cattle ranch located in the Wiru Rural LLG. Generally, an improved Wiru-Loop road will greatly enhance and improve travel and economic activities such as small enterprises, education, delivery of basic services and access to health services and market, etc.

11. The Pangia-Wiru Loop road will serve an estimated population of 63,478 persons (2011 Census of Ialibu/Pangia District). This area is a potential route connecting the Highlands Region to Port Moresby, the capital of PNG. This area is also a potential route to transport petroleum and mineral resources produced in the Kutubu Oil Fields.

### **4. Summary of the Resettlement Plan**

12. The road works will consist of widening the existing formation to provide a 9.0 meter-wide sealed carriageway with 1 meter wide gravel shoulders. The shoulders will be sealed in selected locations to minimize scour from drainage run-off. The vertical and horizontal alignments will follow the existing alignments with improvements to horizontal and vertical curves to provide the minimum requirements in terms of stopping single distance.

13. At several locations where erosion or scouring is evident in the side drains, consideration should be given to provide erosion protection to the drains. Where the erosion is present in the drains located at the base of the cut embankments or unstable areas not subject to surface movement stone pitching cement and stone lining or scour breaks may be used. In

areas where some surface movement may be likely Reno mattress or rock scour breaks may be utilized.

14. In several sections of the road where the instability of the existing slopes will necessitate the installation of retaining structures. The existing drainage is in poor condition and all of the existing culverts will require replacement together with the installation of roadside drainage. There are three existing bridges, all of which are in fair condition and maintainable while improvements will be required at three existing spillways.

15. The sub-project works will take place within the existing road corridor and resettlement impacts are expected between the edge of the existing road and the construction limits. In addition, there are some cut works on the mountainsides that are required to further improve the slope and turning geometry. In these areas, the road widening may exceed 5m, depending on either the width of the cut or fill in a particular road section.

16. The existing road for about 100 Meters in the left-hand side is on State land whereas the rest of the entire section is situated on customary land. The use of customary land for road construction has been agreed in consultation with the clans and communities that jointly own the land. In order to expedite implementation of the project, the use of customary land required to upgrade the road has been agreed upon by the clans and communities through memoranda of agreement (MOAs) permitting the use of customary land for public infrastructure. A Resettlement Plan (RP) was prepared and approved by both DOW and ADB in March 2016. The cut-off date was August 1, 2015 which was the date when the DMS was completed. The RP covers the impacts of acquisition of improvements from the edge of the existing road up to the construction limits (about 15.0 m) including road clearance, and other infrastructure (e.g., drainage and culverts). The RP was validated by a team of officials from HRMG and PIU, approved by both DOW and ADB and, disclosed in August 2016.

17. The results of the DMS assessment indicated that the existing road carriage occupies a total of 14.91 hectares of customary land. The upgrading and rehabilitation of the road will require an additional 18.38 hectares of customary land for the whole road section. In total, the sub-project will occupy a total of 33.29 hectares of customary land.

18. In addition to the customary land, the validated RP confirms that several personal assets are affected. The breakdown of affected assets and the replacement costs as per the RP are shown in the following Table 1: Summary of Resettlement Costs Based on the Validated RP.

**Table 1: Summary of Resettlement Costs Based on the Validated RP**

Item	Unit	Amount (Kina)
Land	33.29 ha	Covered by MOA
House	4	14,214.00
Hut	1	1,794.00
Graves	4 graves	920.00
Fences	8.5 meters (wooden)	85.00

Ceremonial Ground @ Kina 1,000/ha	608 sqm	1,000.00
Crops	18,577 units	45,484.05
Trees	854	30,386.00
Design Features	3 bus bays	51,000.00
Rehabilitation Allowances (including payment to vulnerable groups)	47 households	12,190.00
Ceremonies	9 households	9,400.00
Livelihoods Restoration	71 households	119,940.00
In-kind Assistance	Entire community	60,239.02 <sup>a</sup>
Admin and logistics charges		100,241.06
<b>Sub-Total</b>		<b>515,102.00</b>

Note: <sup>a</sup> This amount includes Kina 45,239.02 as rate increase, calculated as 5.4% increase in the compensation value in addition to another Kina 15,000. This amount will be used to refurbish 3 schools in the affected area.

19. The loss of the land will be addressed by tribes and the affected households will continue to be subsistence farmers. The affected farmers will have to undergo some difficulties in establishing new gardens who will be assisted through the implementation of livelihoods restoration measures. These measures aim to mitigate the non-measurable effects such as the presence of construction crews and their equipment and temporary inconvenience arising out of the construction activities. The entire community will be assisted by way of construction of bus bays and waiting sheds which would facilitate their daily commute. The support to schools will also be a benefit to the community at large.

20. The RP includes rehabilitation allowances to assist the APs in restoring their former living conditions. These allowances included shifting allowance, moving allowance, subsistence allowance, relocation and reburial assistance and vulnerability allowance.

21. The total number of APs affected in varying degrees by the resettlement program is 338 APs (71 APHs), based on the validation exercise conducted last year.

## **5. Implementation of Resettlement Plan**

### **5.1 Payment of Compensation**

22. The disbursement of compensation payment was completed on 30<sup>th</sup> December 2016 at the office of the District Administrator at Pangia Station. All of the 71 APHs (338 APs) who owned the affected asset received their compensation payment totaling Kina 122,009 (Table 2). They all have signed their respective Deeds of Releases (DoRs) at the time of receiving their entitlement. The signed DoR is available at the DoW and HRMG office and a copy is given to the AP after the payment is done.

**Table 2 : Actual Compensation Payment by Assets Types**

<b>ASSETS</b>		<b>ACTUAL PAYMENTS</b>	
	<b># of Structures</b>	<b>Rate (Kina)</b>	<b>Sub-Total (Kina)</b>
House	4	K 120 – K 350 per square meter	14,214.00
Hut	2		3,574.00
Ceremonial ground	1	1,000	1,000.00
House-forming ceremony	5	K 500 per unit	2,000.00
Ceremonial ground ceremony	1	K 1,000	1,000.00
Sub-Total (A)	7		21,788.00
<b>B. Crops and Trees</b>			
<b>Plants and Tree</b>	<b>Units of Plants/Trees</b>	<b>Rate</b>	<b>Sub-Total</b>
Trees	904	Rate provided for in Valuer General's approved list for 2013	28,756.00
Crops	20,145		51,665.50
Sub-Total (B)	21,049		80,421.50
<b>C. Fences</b>			
<b>Material Used</b>	<b>Length</b>	<b>Rate/Linear meter</b>	<b>Amount</b>
Wooden	20 meters	5	100.00
Sub-Total (C)			100.00
<b>Graves Sites and Graves</b>	<b># Sites/Graves</b>	<b>Rate</b>	<b>Amount</b>
Unmarked-grave	2		260.00
Permanent-grave	2		660.00
Sub-Total (D)	4		920.00
	<b># of Entitled HHs</b>	<b>Rate</b>	<b>Amount</b>
Shifting Allowance	6	100	600.00
Transport Allowance	6	100	600.00
Accommodation	4	100 per HH, 14 days	5,600.00
Very-poor	13	300	3,900.00
Women-headed HHs	4	240	960.00
Physically handi-capped	1	240	240.00
Vulnerable multi-count	2	240	480.00
Sub-Total (E)	47		12,620.00
Reburial cost	4	1,600	6,400.00
Sub-total (F)			6,400.00
<b>Total</b>			<b>122,009.50</b>



23. The actual amount paid was K 123,580.00, or Kina 1,570.50 greater than AP entitlements. This is because of rounding up of figures. For example, Kina 671 due to an AP rounded up to Kina 675. The amount paid to APs (Kina 123,580) has been greater than the RP budget for compensation amounting to Kina 115,473.10 because: (a) an additional hut for storage of agricultural produce was required to be removed in order to form the road bench, (b) there were several additional crop and tree items that were paid and (c) rounding of compensation amount paid to each AP in their favor. The above cost does not include administrative and logistics charges.

24. The outstanding compensation payments in this road project will be for claims (grievances) that are being filed with the GRC. Such claims will be acted upon according to the decision of the GRC. As the grievances continue to generate and the GRC has not yet reviewed it, the claimed amount is not known at this stage. A contingent fund has been requested from DOW/POM to settle any decision of the GRC in favor of payment to the complainant, if proved to be genuine by GRC. This will be monitored and reported in the semi-annual monitoring reports.

25. HRMG staff has verified and confirmed AP entitlements prior to payment. Following the confirmation, all APs who are eligible have been informed by HRMG about their entitlements, date of payment and the venue.

26. In addition, the in-kind assistance of Kina 60,239, livelihoods restoration program cost of Kina 119,940 and the amount set aside for bus-bays of Kina 51,000, all of which for a total sum of Kina 231,179 (inclusive of administrative charges) will be disbursed as part of the resettlement program cost as the program of implementation advances. It is planned to conduct assessment of facilities that require refurbishment. This will be done jointly by HRMG and community leaders planned for some time later this year. The NGO service provider for the implementation of livelihoods component will be finalized in November/December whilst the bus-bays component can be implemented after the formation of the road bench, which is expected sometime during 2018.



Photo 1: A man is receiving compensation payment



Photo 2: A woman has received her compensation payment

## 5.2 Negotiation for User Rights of Customary Land

27. DOW has negotiated and entered into a Memorandum of Agreement (MOA) with all affected tribes and clans for the use of the minimum additional land required to rehabilitate and upgrade the Pangia – Wiru Loop road in exchange of improved road infrastructure. In addition, the affected tribes and clans had also validated the permission given by their forefathers to use their land for the existing road. There are no direct costs to secure the use of the required lands for the sub-project. Documentation expenses for the two MOAs have been taken care under administrative expenses of the sub-project. The MOAs were confirmed to be fair and genuine by an independent verifier, who certified on 29<sup>th</sup> June, 2015. This MoA is available at DoW and HRMG project office and a copy is with government and AP each.

## 5.3 Grievance Redress

28. To address the possible complaints and grievances that may arise during implementation, a grievance redress committee (GRC) is provided for in the RP. This model adopted the existing system of resolving conflicts in other road projects.

29. The establishment of the GRC for this sub-project was facilitated by HRMG on 17<sup>th</sup> November 2016 as part of its delegated mandate to implement the resettlement plan. Any AP who has a grievance has been educated to lodge their complaint with the GRC. The purpose of GRC is to ensure that grievances lodged by aggrieved APs would be addressed as quickly and as efficiently as possible, avoiding escalation of issues, reducing adverse impacts that may occur along the road project and maintain a positive attitude towards the project by the stakeholders.

30. The committee is composed of respected local officials and leaders who are well known in the affected communities for their fairness in handling disputes and conflicts. Its main function is to receive, log and deliberate all grievances received from the APs who may have some complaints, either social or environment, arising out of the project. The names of the members of the GRC are shown in the following.

**Table 3 : Composition of the Grievance Redress Committee**

No.	Name	Position	Position in GRC
1	Samson Wereh	Asst. DA Ialibu-Pangia District	Chair person
2	Nixon Kanema	DAO/Project Officer	Member
3	Cr. Miriam John	South Wiru Rep	Member representing women
4	Cr. Punopo	Kauwo 1 Ward Councillor	Member
5	Cr Miwi Yawi	Kauwo 2 Ward Councillor	Member
6	Cr Isaac	Kalane Ward Councillor	Member
7	Cr. Angula	Kauwo Ward Councillor	Member
8	Junior Kupulu	PWM, SHP	Ex-officio
9	Mathias Konga	HRMG Officer	Technical Adviser
10	Paraka Newman	HRMG Officer	Technical Adviser

31. After the formal convening of the first GRC meeting, an orientation to the project and roles of the GRC was conducted at the Pangia District Office. The training workshop was

facilitated by the international Social Safeguard and Resettlement Specialist of the Supervision Consultant, the social safeguards officer and the environmental officer, the latter staff members of HRMG.

32. A total of 718 grievances have been received already by HRMG and has been registered in the complainant log sheet. Details of grievances, the process of handling and the time taken to resolve will be monitored and results included in semi-annual monitoring reports. An initial GRC meeting was convened to go through all grievances lodged by the aggrieved APs. The summary is presented in the following Table 4.

**Table 4 : Number and Status of Grievances with the GRC**

Road Section	Number of Grievances		Total Number
	Eligible	Not Eligible	
Left Side	120	305	425
Right Side	90	203	293
<b>Total</b>	210	508	718
<b>Percentage</b>	<b>29.25%</b>	<b>70.75%</b>	<b>100.00%</b>

33. Based on the deliberations of the GRC members who are all from the subproject road, out of the total of 718 grievances file and registered in the complainant log sheet, only 210 grievances (29.25%) were eligible for compensation while 508 grievances (70.75%) were deemed to be not eligible for compensation and, will not be pursued through in due course.



**Photo 1: Trade Store that may be partially affected as verified by GRC members**

34. The majority of grievances received from APs along the Pangia Wiru Loop road subproject were connected with previous asset damages incurred by the local contractor in 2011-2012 when it was contracted to rehabilitate the said road. At present, the road section from the start of project to km 10+500 is free from obstructions. Only a few portions of the road

contain semi-permanent and bush materials structures, mostly built after the cut-off date which are likely to be affected when civil works commence.

35. Efforts have been exerted to locate the alleged listing of owners and their affected assets made by the previous local contractor. However, the alleged listing cannot be located. Realizing that the damages incurred cannot become the responsibility and liability of HRRIP, the GRC members, inclusive of the ward councilors and tribal leaders resolved at the GRC meeting the following issues and options to amicably settle the outstanding payment issues;

- a) The leaders and councilors in each affected section to assess genuine APs who owned the assets affected during the previous road clearing and grubbing;
- b) An in-kind development package shall be prepared for the affected LLG Wards for the majority to benefit.

36. The above resolutions were adopted in their February 3, 2017 GRC meeting. The GRC members also agreed to meet as often as possible to address the pending grievances, subject to availability of funds for logistical support and allowance to sitting members. The relevant details of GRC meetings and resolutions will be included in the SMR.

## **6. Consultations**

37. As part of the preparatory activities for the payment of compensation, HRMG conducted several public consultations in the affected wards and villages at different times along the subproject road from May to December 2016. The public consultations included the provincial, district and local ward officials and leaders of tribes, clans and sub-clans and the local communities. The APs and other community members were educated on the eligibility criteria, entitlements, cut-off date, the establishment of a grievance redress committee to address grievances and complaints of APs as well as general awareness about project activities. These consultations will continue until all resettlement activities have been completed.



Photo 4: HRMG Staff Explaining to APs on Construction Limits Photo 5 : GRC Members conducting Grievance Verification in Kaluwe Village

38. The main issues discussed during public consultations and AP's feedback is summarized in the following Table.

**Table 5 : Summary Outcome of Public Consultations**

<b>Item No.</b>	<b>Comment or Question</b>	<b>Answer</b>
1	Importance of road rehabilitation was appreciated by all. Community requests that construction begins soon	The comment was noted with thanks
2	What is the process to resolve grievances ? When will grievances be resolved?	A GRC has already been established to resolve grievances. Committee members were introduced. GRC will meet in the coming 2-3 months to resolve pending issues
3	When will construction begin?	This is likely to take place soon. There are few technical issues which DOW is working on it now.
4	Who will pay for assets damage caused by the previous contractor? Will our assets be compensated for?	GRC and community leaders will review this matter and resolution will be pursued. This will be informed to all APs
5	Who we can communicate with regarding grievances?	APs can communicate with GRC members or write to HRMG
6	Who will pay any further damage to assets that may be caused during construction?	The compensation for damage to any asset caused during construction is the sole responsibility of the contractor

## **7. Community Assistance**

39. The RP proposes four activities for the benefit of communities along the road. The first is the livelihoods restoration program, the second construction of bus-bays, the third building of waiting sheds along the road and finally, refurbishment of schools in the catchment. 62 HHs have lost some of their assets. This includes nearly all who lost some of their trees and crops whilst several others have lost their other assets and resources. The main source of living for the APs is crops planting where the produce is for own consumption as well as for sale in the market. Only a few APs have income sources other than crops farming and livestock husbandry. Even those who have other income sources are dependent upon crop produce for consumption. Under these circumstances, the assets loss will be a huge burden to all APs especially those HHs that are vulnerable. The project in consultation with APs has therefore proposed some measures to assist APs to regain crop production impacted by the road. The measures include facilitation in crop farming through the provision of extension, improved seeds and planting materials, the introduction of improved livestock husbandry practices and assistance to improve businesses. The livelihoods restoration package will be implemented over a two-year period by a service provider to be engaged by DOW in the next 2-3 months and monitored by HRMG. The Terms of Reference for service provider is provided in Appendix 2.

40. The sites for bus-bays were identified in intersections where main feeder roads meet with the project road. The local community was consulted to determine the proper location for such facilities which will be built as road construction works move forward. It is necessary to form the road platform and building work itself before the bus-bays can be accommodated.

41. The leaders and school staff are currently conducting assessments of the needs of schools in the road catchment. Few schools located along the road towards its end will be selected. These schools are away from the Government Station and transport difficulties have affected its development. Many schools do not have sufficient facilities such as furniture, proper

buildings, etc. When the list of schools and proposed refurbishment activities are available, HRMG staff will discuss details with the leaders to finalize the list followed by actual refurbishment works.

## **8. Monitoring**

42. The HRMG staff is conducting internal monitoring until one year after the completion date for all resettlement activities as stated in the RP. The monitoring will be conducted on a monthly basis and a report will be prepared for DOW. The quarterly monitoring will be primarily based on the monthly reports with further issues as raised by GRC. The semi-annual monitoring will include further field assessments, in addition to the review of materials already included in monthly and quarterly reports. The SMR will be prepared by the Supervision Consultant in collaboration with HRMG, for review and finalization by PIU in association with ESSB for disclosure. The approved SMR will be posted to ADB's web site.

43. The external monitoring has been contracted to FinnOC, a consulting company based in Finland. It has conducted its monitoring earlier this year where the progress report containing preliminary result has been delivered in July. The final report is expected after the field study next year by which time all resettlement activities will have been completed.

## **9. Conclusion and Recommendations**

### **9.1 Compliance with Resettlement Plan**

44. The approved RP proposes 8 resettlement activities to be conducted. They are compensation payment, establishment of grievance redress committee, grievance redress activities, consultations, implementation of livelihoods and income restoration plan, construction of bus-bays, assistance to refurbish community facilities and, monitoring. Five of the activities (compensation payment, establishment of GRC, grievance management, consultations and monitoring) have already commenced and several other activities are in the process of implementation. The construction of bus-bays will be commenced only after road construction work is executed.

45. The information presented in this report demonstrates that the resettlement is completed as well as the proposed activities are in full-compliance with the RP. The remaining activities will be continued through the life of RP where many are already in-progress. Accordingly, it is to be concluded that at the time of writing this SMR, the activities are in full-compliance with the approved RP. There is evidence that remaining activities will be implemented in future.

### **9.2 Outstanding Actions**

46. The outstanding safeguards activities required at this stage is to assess grievances, resolve those genuine and inform all APs about the status of their grievances, whether genuine or otherwise. In addition, the implementation of livelihoods program, in-kind assistance to refurbish community facilities, bus-bays construction, continuous consultation and monitoring are also required.



## **Appendices**

### **Appendix 1 : TOR for Service Provider.**

## **Terms of Reference for Livelihood and Income Restoration Program**

### **Background**

The district of Pangia-Wiru Loop in the Southern Highlands Province of PNG is characterized by mountainous terrain where the majority of people are subsistence farmers, relying on coffee, other crops and livestock husbandry as their main source of livelihood and income. This road section has been selected for rehabilitation under the HRRIP, assisted by ADB and GoPNG. The road rehabilitation impacts on about 100 households whose assets are located along the proposed alignment. Following the policies of GoPNG and ADB's SPS, a resettlement plan (RP) was prepared to address resettlement impacts on affected people (APs). The RP provides relevant details of APs, their assets impacted by the project and valuation of affected assets. It also includes a program to compensate for asset losses, all above items are costed and is included in a budget. The assets loss by APs will be huge which will have consequences on their livelihoods. Recognizing the loss of income and livelihoods of APs resulting from asset relocation, a program to provide in-kind assistance has been included in RP. The purpose of this component is livelihoods restoration and income enhancement of APs.

An NGO will be identified as the provider of livelihoods and income generation assistance to APs along the project road. The value of livelihood restoration package is Kina 90,000 only for a two-year program of support. This amount shall come from the resettlement budget for the Pangia-Wiru Loop sub-project road of the Highlands Region Roads Improvement Investment Program (HRRIP). The funds will be utilized for the provision of extension service (both crops and livestock), micro-credit facilities, business development training and facilitation to better management of businesses by people along the above road who are mainly the impacted population by project activities;

### **Activities**

The activities to be planned and implemented by the NGO, in consultation with HRRIP, are as follows:

1. Identify all HHs affected by the road project. The vulnerable HHs (elderly, very poor, sick, disable, women-headed) should be identified;
2. Conduct awareness, training and education on road construction plan, grievance redress mechanism established for the project and project time plan for various activities. Particular attention is to be given to vulnerable HH;
3. Build awareness of APs on the livelihoods restoration methods for the target beneficiaries, time plan and other implementation details;
4. Conduct a baseline study of APs paying special attention on their income, employment and road impacts on their assets and other socio-economic information. The baseline report is to be reviewed and approved by HRRIP;

5. Design a livelihoods restoration program in consultation with APs, based both on the results of the baseline study as well as other local partners. This program should be submitted to HRRIP for review, further advice and final approval. The NGO will implement the approved program;
6. The livelihoods and income restoration program should focus, among others, on the following aspects: opportunities for improved crops farming and livestock husbandry, other income generation activities, business development and micro-finance;
7. Coordinate with activities of other service providers in the area;
8. Cooperate with all officers and consultants deployed by HRRIP for inspections, monitoring and supervision of activities implemented;
9. Conduct effective program supervision and monitoring including the delivery of identified outputs; and
10. Develop good documentation system to record activities, inputs, achievements and impacts.

### **Timelines**

The timelines for the program are as follows:

- 1) This program component is for two years at the minimum to ensure that APs have the capacity to buy-in services either newly introduced by or strengthen by the NGO;
- 2) Provide baseline study report within 2 months after signing the contract, for review by HRRIP
- 3) Provide a detailed activity plan with deliverables clearly marked in the third month, for review by HRRIP;
- 4) Provide a monthly progress report on different components of the livelihoods and income restoration component, end of each month. The report format is to be discussed and agreed with HRRIP; and
- 5) Provide a completion report end of each year stating achievements, impacts and future plan.

### **Memorandum of Agreement**

The successful NGO will sign a MOA with the Secretary of Works Department where all details pertaining to this project component are presented.