

PNG: HIGHLANDS REGION ROAD IMPROVEMENT INVESTMENT PROGRAM (HRRIIP) – TRANCHE 3

NIPA-MUNIHU ROAD SUB-PROJECT

Prepared by Highlands Road Management Group (HRMG), Department of Works for the Asian Development Bank

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Social Safeguards Monitoring Report

Semi-annual (July - December 2019)

PNG: HIGHLANDS REGION ROAD IMPROVEMENT INVESTMENT PROGRAM (TRANCHE 3)

Nipa-Munihu Road Sub-Project

CSTB# 3531

**Department of Works and Implementation
Port Moresby, National Capital District
Papua New Guinea**

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Abbreviations / Acronyms

ADB	Asian Development Bank
AP	Affected People/Person
CEPA	Conservation and Environmental Protection Authority
COVEC	China Overseas Engineering Company
CRO	Community Relations Officer
CSC	Supervision Consultant
DA	District Administrator
DC	Design Consultant
DMS	Detailed Measurement Survey
DOW	Department of Work
DOR	Deed of Release
EA	Executive Agency
ESSB	Environment and Social Safeguards Branch
GOPNG	Government of Papua New Guinea
GR	Grievance Redress
GRC	Grievance Redress Committee
GRM	Grievance Redress Mechanism
GRP	Grievance Redress Process
HCRN	Highland Region Core Road Network
HIV	Human Immunodeficiency Virus
HRMG	Highlands Road Management Group
HRRIIP	Highlands Region Road Improvement Investment Program
IA	Implementation Agency
IMO	Independent Monitoring Organisation
IRS	International Resettlement Specialist
LLG	Local Level Government
MFF	Multi-tranche Financing Facility
MOA	Memorandum of Agreement
MTS	Manager-Technical Services
NRA	National Road Authority
PGK	PNG Kina (Currency)
PNG	Papua New Guinea
PRO	Public Relations Officer
PSC	Project Supervision Consultant
PWM	Provincial Works Manager
RCR	Resettlement Completion Report
ROW	Right-of-Way
SFPC	Senior Field Project Coordinator
RP	Resettlement Plan
SHP	Southern Highlands Province
SIS	Socio-economic Impact Study
SMR	Social Monitoring Report
SPS	Safeguard Policy Statement
SSMR	Semi-annual Social Monitoring Report
SSO	Social Safeguard Officer

Executive Summary

- I. This semi-annual social safeguard monitoring report (SSMR) covered the reporting period from July to December 2019. This report was prepared by the Department of Works (DOW) through the Highlands Road Management Group (HRMG) and the monitoring results will be communicated to ADB through this report.
- II. Nipa-Munihi road sub-project is one of the 4 sub-projects of Tranche 3 of the Highlands Region Roads Improvement Investment Program (HRRIP), an ADB assisted road program. The sub-project is covered by CSTB contract # 3531 entered into by the Independent State of Papua New Guinea represented by the Department of Works and COVEC (PNG) Limited.
- III. The contract was awarded on June 21, 2017, and the project commencement was announced on the 26th of February 2018 followed by the mobilization of plant and equipment's by the contractor. The construction period of the project is 24 months. The Long-Term Performance Based Maintenance Services is 60 months from the issuance of the Performance Certificate for the Improvement Work.
- IV. DOW had established the Highlands Road Management Group (HRMG) stationed in Mt. Hagen to manage and coordinate the HRRIP program. The HRMG as the project implementing unit (PIU) has provided support related to resettlement activities through consultations and grievance redress during this period and prior facilitation of compensation payments which was completed in 2017. With this mandate, HRMG/PSC has provided training/seminars, technical and financial support to empower and upskill the capabilities of its staff and other project stakeholders to implement the approved resettlement plan.
- V. The results of the resettlement impact assessment indicated that the existing road carriage occupies a total of 10.84 hectares of customary land owned by 11 tribes and their respective clans. The upgrading and rehabilitation of the road will require an additional 22.66 hectares of customary land for the whole road section. In total, the sub-project will require a total of 33.50 hectares of customary land which is the subject matter of the Memorandum of Agreement (MOA) between the Department of Works (DOW) and the customary landowners.
- VI. Two separate Detailed Measurement Surveys (DMS) were undertaken for the sub-project road at various dates. The initial covered only the first 13.950 kilometers out of the total road length of 27.8 km. Based on the results, there were 30 affected structures; 16 structures made of bush materials, 14 structures made of semi-permanent materials (trade stores), 35 grave sites and 78 fences with an aggregate length of 3,004 meters to be affected. There were also 21,823 affected crops and trees. A total of PGK307,876.35 were assessed including vulnerability and loss of business allowance, etc.
- VII. The second DMS started at chainage 13+950 – 27.73 and it consisted of total number of structures identified to be within the road construction stands at 83 structures of which 57 are constructed from bush materials, 20 semi-permanent and 6 structures from permanent materials. The total area of these structures is 363.8 sqm. The total amount of compensation for the affected 83 structures is Kina¹ 94,965.60. The sub-project is classified as Category B as confirmed by the findings of the detailed measurement survey (DMS).

¹ Kina is the PNG currency (PGK) and legal tender.

- VIII. The project was categorized B according to ADB SPS 2009 in 2016. It is determined by the severity of impacts on affected people which are mostly along the road corridor. In the case of Nipa-Munihi road subproject, as there are impacts expected on houses, businesses, crops, trees apart from land impacts on 11 tribal group.
- IX. Law and order issues experience in this region during this period resulting in stop work by contractor drastically affected consultation activities. There were 2 public consultations conducted with roadside communities in the Nipa-Munihi sub-project road at numerous intervals from July to December 2019 covering all the affected wards. There were 20 participants and out of this total, 16 were males (80%) while there were 4 females (20%). There were approximately 7 participants who belonged to AP households. This number represented 35% of total public consultation participants. Most of the concerns raised and discussed during the consultations were resettlement and construction related issues. Other issues were resolved on site by the COVEC (contractor) and some were redressed through HRMG and government through the Grievance Redress Committees (GRC).
- X. There was a proposal to conduct a GRC meeting as according to schedule by HRMG but due to law and order issues in faced in SHP have forced its delay and the meeting was postponed. However, GRCs previously convened on September 19, 2018 have concluded and addressed all resettlement related issues. The issues as discussed during the GRC meeting are;(a) issues regarding missed outs and underpayment;(b) grievances relating to previous environmental damages for 500meters road section;(c) grievances relating to further damages caused by landslips in specific sections along the subproject road;(d) Issues relating to ceremonial grounds and;(e) other construction related issues that hinders the progress of civil works for the road project.
- XI. There were five (5) important decisions made by GRC and these are;(a) The total of 451 grievances regarding missed outs and underpayments were recommended to HRMG for final settling of payments;(b) The total of 290 claims filed by APs within the 5 meters road easement over previous environmental damages were considered to be paid in packages. The total of Kina 20,000.00 was approved by GRCs for settling the claims. The amount would be paid in package;(c) Contractor to give sub contracts to locals in landslips affected section;(d) provision of in-kind assistance (community projects) to be given to locals in lieu of compensation payment for the loss of ceremonial ground and;(e) Contractor to build good relationships with locals along the subproject road and address minor social issues that is hindering the progress of civil works.
- XII. Grievances enlisted during the period would be addressed during the proposed GRC meeting, basically they may be captured on the 3rd quarter of 2019 and included in the SSMR.
- XIII. Direct Employment – For the months of July to December 2019, the Nipa-Munihi road subproject was able to generate 1443 payroll positions with estimated wages of Kina 720,000.00 or a monthly average of Kina 120,000.00. There were 252 foreign skilled personnel hired to work in various construction activities. The estimated wages paid to these foreign employees are not reflected in this report because their wages.
- XIV. Women's Participation for the second half of 2019, there were 249 female workers directly employed by the contractor and classified as payroll activities equivalent to Kina 132,000.00 or a monthly average of Kina 20,500.00. For the same period the total of 36 women participated in non-payroll activities equivalent to Kina 18,000.00. For the covered period, women who directly and indirectly participated in the construction activities earned a combined total of PGK 141,000.00.

- XV. Other benefits from this project development in second half of 2019, the customary landowners earned a total of PGK156,615.90 or a monthly average of Kina 26,102.56 as royalties from the operations of the four (4) quarries for the project. Additionally, customary landowners earned a total of Kina 43,800.00 or monthly average of Kina 7,300.00 for land leases paid for the two (2) camps and other facilities located at Mt. Wiri Camp in Lai Valley LLG and Nembi Camp in Nipa Basin LLG. Furthermore, local purchases of the contractor netted the surrounding communities a total of Kina 3,909,080.22 for the month of July to December; 2018. Overall, other direct benefits totaled Kina 63,292.00.
- XVI. Based on four (4) recommendations that required corrective actions as reported in last semi-annual social safeguard report only two (2) issues have been settled and these are; (a) final payment made for the 451 grievances that were endorsed by GRCs and;(b) final payment of Kina 20,000.00 was paid in package to the 290 APs for previous environmental damages.
- XVII. At this time there are four (4) outstanding issues that requires a corrective actions and these are ;(i) provision of in-kind assistance to various clans who owns four (4) ceremonial areas which the road will traverse and (ii) addressing any additional grievances arises during the course of civil works; (iii) Involvement of more women in construction works to meet ADB's safeguards requirement of 30% of Women's participation in Construction work and (iv) Implementation of Income restoration measures.
- XVIII. Based on the RP, HRMG has fully complied with (a) full payment of all affected assets within the construction limits; (b) conducted public consultations and disclosure of project information and entitlement policies; (c) established a functioning grievance redress committee; and (d) set up its internal monitoring system for this sub-project.

1.0 Introduction

1.1 Background overview of the project

1. The Highlands Region of Papua New Guinea (PNG), comprising the Provinces of Western Highlands, Southern Highlands, Eastern Highlands, Enga, Jiwaka, Simbu and Hela 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.
2. In order to address the deterioration of the HCRN there is a clear need to: (i) implement a program of regular maintenance of all HCRN roads that are in good condition; and (ii) to improve those roads that are in poor condition and ensure that maintenance begins on these roads as soon as the improvement works are completed.
3. The GoPNG has negotiated a Multi-Tranche Financing Facility (MFF) with the Asian Development Bank (ADB) to implement the Highlands Region Road Improvement Investment Program (HRRIP). The HRRIP will include projects to improve the HCRN and develop the capacity development of road agencies. Tranche 3 included the upgrading and rehabilitation of four road sections namely, Nipa Munihi Road, Pangia-Wiru Loop Road, Gewa-Gembogl Road and Henganofi-Nupuru Road.
4. The Executing Agency (EA) for whole the HRRIP is the Department of Works (DOW) whilst the Highlands Roads Management Group (HRMG) is the Implementation Agency (IA) based in Mt. Hagen, Western Highlands Province (WHP).
5. The Nipa-Munihi Road Section is covered by CSTB contract # 3531 entered into by the Independent State of Papua New Guinea represented by the Department of Works and National Road Authority and China Overseas Engineering Co., LTD (COVEC China). The CSTB contract was signed on March 15, 2017. The contract was commenced in October 16, 2017, has a duration of 24 months and is expected to be completed in November 16, 2019.
6. Based on the general conditions of the contract, the commencement of the contract will start upon (a) receipt of advance payment by the contractor; (b) delivery to the contractor of reasonable evidence of employer's financial arrangements; and (c) effective access to and possession of the site given to the Contractor. As of 26th February 2018, the commencement date for this project has been established.
7. Prior to the commencement date of the subproject, the contractor has leased customary land and prepared its camp site and other facilities required by the various construction activities. The contractor has mobilized its heavy equipment and construction supplies as per official commencement date on December 30, 2017. Quarry development sites have been selected along the sub-project road, Wapu Su Oro Quarry which is next to the campsite will serve the sub-project road towards the end of chainage. The other two (2) quarry development sites including Sopharam (km 0+900), Haren (4+300) not operational due to poor materials, and Urami (km 7+000) were identified in Nipa side of the road sub project.
8. The contractor has approached the project on two (2) fronts. One team has commenced clearing and grubbing from Nipa at the start of the project whilst the second team started works from the end of the project at (Km 27.727) Munihi in Lai Valley working backwards to Nipa. As of this reporting period, the Nipa and Munihi Team have meet each other especially doing clearing

and grubbing works at km 11+800. Other civil works especially embarkment, line drain, culvert installation, and ceiling were in progress, however law and order issues at the project site has severely affected work progress.

1.2 Project Description

9. Nipa Munihi road section is 27.73 km long that connects Nipa District with Mendi District both in Southern Highlands Province. The existing road traverses through hilly and mountainous terrain with the highest point located at km 13+290 (Elevation: 2283m) and the lowest point located at the km 22+550 (Elevation: 1806m). The road alignment is generally reasonable but minor adjustments will be required in some sections.

10. 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.

11. The whole existing road with a length of 27.73 km is situated on customary land, the use of which has been agreed in consultation with the clans and communities that jointly own the land. In order to expedite implementation of the sub-project, the use of customary land required to upgrade the road have been agreed by clans and communities through Memoranda of Agreement permitting the use of customary land for public infrastructure. The approved resettlement plan (RP) covers the land acquisition impacts from the edge of the existing road up to the construction limits including road clearance, and other infrastructure (e.g., drainage and culverts).

12. The Detailed Measurement Survey (DMS) covered only the first 13.950 kilometers out of the total road length of 27.8 km. Based on the results, there were 30 affected structures; 16 structures made of bush materials, 14 structures made of semi-permanent materials (trade stores), 35 grave sites and 78 fences with an aggregate length of 3,004 meters to be affected. There are also 21,823 affected crops and trees. The sub-project is classified as Category B as confirmed by the findings of the detailed measurement survey (DMS). In addition, the loss of land or income generating assets is below 10% (insignificant).

1.3 Institutional Arrangements

13. The DOW as the executing agency, has the overall responsibility to manage the planning, implementation and monitoring related to acquiring use rights for additional land to implement HRRIP subprojects, as well as compensation for damages on project-affected land.

14. DOW established a Project Management Office (PMO) headed by a Project Director which manages the day to day activities of the program in headquarters. Within the PMO, there are two units, the Project Management Unit (PMU) which is based in Port Moresby. The other is the Highlands Road Management Group (HRMG), the DOW's Project Implementation Unit (PIU) for HRRIP subprojects to carry out the planning, implementation and monitoring for land activities, as required and is based in Mt. Hagen.

15. HRMG is headed by the Field Project Manager (FPM). Under the FPM are two subunits, the construction unit headed by the "Engineer" and the social and environmental safeguards unit headed by the Senior Field Project Coordinator (SFPC). The SFPC is supported by the Manager of Technical Services (MTS). Under the MTS are three sub-units, the social safeguards, resettlement, and HIV/AIDS officers.

16. The reporting protocols for the monitoring reports originate from the resettlement or environmental officers who prepare their back to office reports (BTOR). Routinely, they visit their respective sub-project twice a month. In addition, the safeguards and environmental officers may revisit the subproject as often as needed if issues arise regarding social and environmental issues.

17. These collated BTORs form the basis of the monthly and quarterly reports. These quarterly reports are augmented by the data retrieved from the contractor such as employment, quarry operations, participation of women in employment and other relevant data. The quarterly reports form the basis of the semiannual reports that are being submitted to DOW and ADB for safeguards compliance purposes.

18. This report presents the status of social safeguards including the compliance with approved RAP in respect of Nipa Munihi road section, covering the review period of July 31 to December 31, 2019. This semi-annual social monitoring report (SSMR) is a requirement under the Safeguards Policy Statement 2009 (SPS 2009).

19. This SSMR focus on what have been done on resettlement and will discuss what parameters or indicators will be utilized to internally monitor the implementation of the remaining resettlement activities during actual road construction such as missed out and undervaluation of affected assets, public consultations, grievance redress and monitoring of direct and indirect project benefits.

20. The primary data was gathered through discussions with project staff, officials, community leaders, the contractor and APs. More in-depth discussions were conducted with DPs to gather relevant information on resettlement, the manner of implementation of RP and its impacts and finally the improvement of AP's living standards. The secondary data sources utilized include monitoring reports produced by the HRMG, contractor reports, CSC, district administrators and other reports.

21. Based on the above, internal monitoring activities are conducted monthly thus these reports have been consolidated for quarterly and semi-annual social safeguards monitoring reports. Specific monitoring standards outlined will be:

- ✦ Budget and Time Frame.
- ✦ Delivery of Compensation and Entitlements.
- ✦ Public Participation and Consultations.
- ✦ Benefit Monitoring.
- ✦ Requirements for Remedial Actions.

2.0 Safeguard Staffing and Capacity Building

2.1 Safeguards Staffing

22. The Highlands Road Management Group (HRMG) under the Department of Works based in the DOW compound in Mt. Hagen, who is tasked to internally monitor all activities associated with land acquisition and payment of compensation to DPs have been mobilized since Tranche 1 and Tranche 2 and is now fully staffed to undertake its responsibilities in Tranche 3.

23. It is headed by the Senior Field Project Coordinator (SFPC) who oversees day to day monitoring activities and is supported by the Safeguards Coordinator, Social Safeguards

Officer and Environmental Officers. He is ably supported by the Manager of Technical Services and support staff. There are ten (10) Community Relations Officers (CRO) constituting of a male and female in each of the four (4) road sub-project under Tranche 3. HRMG is assisted by the Social/Resettlement and Environmental Safeguards Specialists from the Construction and Supervision Consultant (CSC).

24. The CROs for the sub-project road have been coordinating with their respective Provincial Works Managers and have been utilizing their facilities as field offices for resettlement related works. In the local level, the CROs have also been coordinating with the Provincial and District Administrators, LLG presidents, and affected ward leaders.

25. The PSC social and environmental specialists work in close coordination with HRMG resettlement and environmental officers. Basically, PSC safeguards team work more closely with the contractor to ensure that the contractor adheres to the safeguards requirements as per the RPs and Environmental Management Plans (EMP) and comply to ADB SPS 2009 and GoPNG laws especially Environmental and Land laws are adhered by the contractor. Routinely, they visit their respective road subproject twice a month. In addition, the field officers of PSC/HRMG may return to the subproject road as often as needed if there are any resettlement /environmental related issues during the implementation of each road sub-project.

26. These collated BTORs form the backbone of the monthly reports. The monthly reports form the basis for the quarterly reports. These quarterly reports are augmented by the data retrieved from the contractor such as employment, quarry operations, participation of women in employment and other relevant data. The quarterly reports form the basis of the semiannual reports that are being submitted to DOW/POM and ADB.

2.2 Capacity Building and Training Activities

2.2.1 Seminar on quarry operations

27. For this reporting period a seminar was facilitated by PSC International Environmental and Social Safeguards Specialist for all Tranche 3 subprojects at Hotel Kimininga, chamber 1 and 2, on 9th September 2019. The training was assisted by National Environmental Specialist of the Project Supervision Consultant (PSC). Attending this meeting were HRMG Environmental Officer(s), PSC Resettlement/Social Safeguards and Environmental Specialist's together with site engineer(s) and their respective resident engineer(s) who will interact frequently with both the contractors and affected communities.

28. The training focused on the environmental responsibilities of the contractor in the implementation of road projects which included "*Selection of Quarries, Operation and Closure or Rehabilitation works*". Basically, the training-seminar gave insights of a quarry management plan and its principles, whether it be a land-based or riverine quarry, and the best management practices to mitigate risks involved in quarry operations. It was also highlighted that adherence to relevant GoPNG laws especially Conservation and Environmental Protection Authority (CEPA) is paramount. For example, Quarry Permits to be obtained from CEPA (Conservation & Environmental Protection Authority) in which for Land-based quarry, if extraction is projected to be 100,000 tons per year – a permit is required from CEPA. For River Gravel Extraction, if extraction is projected to be 10,000 tons for over 6 months, a permit is required from CEPA – thus it is important to incorporate EIA/SIA/QMP/Environmental Policy/Permit Application form. In addition, utmost consideration should be given to Asian Development Bank (ADB) Safeguards Policy Statement (ADB SPS 2009) for compliance purposes especially during quarry closure.

3.0 Delivery of Compensation and Entitlements

3.1 Memorandum of Understanding

29. DOW has negotiated and entered into a Memorandum of Agreement (MOA) with all affected tribes and clans for the free use of the minimum additional land required to rehabilitate and upgrade the Nipa-Munihi road subproject. 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 these MOAs have been taken care under administrative expenses of the sub-project.

30. The MOAs did not cover the structures, trees, crops and land improvements located in the affected lands. Full compensation has been paid to owners of these improvements who will experience physical and/or economic displacement because of the project based on the latest Valuer General's Compensation Schedule for Trees and Plants (All Regions).

31. As part of the preparatory activities for the payment of compensation, HRMG conducted several public consultations in the different affected wards and villages 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. Public disclosures have been undertaken to disseminate the resettlement plan, particularly the eligibility criteria, entitlements, cut-off date and the establishment of a grievance redress committee to address grievances and complaints of APs.

3.2 Process of Initial compensation

32. A verification survey was conducted by the HRMG staff together with LLG ward leaders and councilors, officials from District and Provincial Works based on the Consultant's master list. Some assets that are likely to be affected but were not included in the master list have been assessed by the HRMG staff. The total number of APs based on the Consultant's assessment was 326 household with the total affected assets and allowances of Kina 233, 009.65 net of administrative costs.

33. After site verification of the affected assets, the affected persons increased to 355 APs and the amount also increased to Kina 307, 876.35, net of administrative costs. On the DMS for the second section (Km 13.950 – Km 27.73) which was completed on July 4, 2016 by the HRMG team, there were 923 APs whose affected assets amounted Kina 450, 174.40 net of administrative expenses.

34. In summary, there are **1,278 APs** whose affected assets and allowances amounted to **Kina 758, 050.75**. This total amount is based on the latest Valuer General's Compensation Rates or full replacement costs, whenever applicable. The APs received their corresponding amounts, and all signed their respective Deeds of Releases (DORs).

35. Once the master list of APs with the breakdown of affected assets and their corresponding amounts was submitted to DOW, the list is finally verified and confirmed by HRMG before the final list of APs is submitted to PMO for funding allocation.

36. Unlike Tranche 2, the approved resettlement budget is remitted directly to HRMG instead. Formerly the budget was remitted to the PWM of the concerned province. Once,

received, HRMG schedule the date for payment of compensation, informing the concerned district administrators (AAs), LLG presidents, ward leaders and village councilors to inform and mobilize the APs to attend and receive their compensation payments for the affected assets.

37. The actual compensation payment is directly given to AP and most of the time with their families in the presence of the DA, LLG president, ward and village councilors', PWM and/or his representatives.

38. All compensation rates and the amount of the compensation for damaged crops, trees and structures were based on Valuer General's Schedule of Compensation (August 2013) or full replacement costs if the damaged assets are not included in the compensation schedule.

39. There are also 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.

40. With the presence of ward councilors, each AP is called and receives cash payment contained in an envelope with the amount indicated in the envelope. The AP is photographed while holding the payment before he signs the deed of release (in triplicate) indicating that DOW has fully complied with its obligation and he has waived his right over his affected properties. There are two witnesses, one from HRMG and another from a local leader.

41. HRMG then prepares and finalizes a summary report, attaching the deed of release (DOR) as supporting documents. One set is given to the PWM because he will be dealing with allegations of non-payment and other compensation related complaints. Another set is provided to HRMG as the project implementing unit while the last set is brought to the PMO as part of the funding liquidation process.

3.3 Payments based on GRCs recommendations

42. The Second payment of compensation was based on grievances that were approved by GRC. Only those grievances considered as genuine and approved by GRCs were fully settled as of December 19, 2018.

43. For the covered period, HRMG has fully settled the 451 grievances out of 1,200 claims as recommended by the GRC as well settling the 290 claims filed by aggrieved APs within the 500meters road section relating to previous environmental damages done by local contractor.

44. The claims for the 500meters road section were paid in package based on decision by the GRC. Four (4) separate deed of releases were signed by affected ward leaders confirmed that they have agreed the terms and conditions as contained in the Deed of Release (DoR) and have received the final payment for the loss of improvements within the 500meters road section.

45. The total of Kina 20,000.00 was paid in package to the 290 APs for previous environmental damages done.

46. Payments of compensation based on cases approved by GRCs were paid in Mendi Provincial Works office on December 19, 2018 and was completed the same day. DPs have

all signed the Deeds of Releases (DORs) in front of the ward leaders, HRMG Officers and Staff from the provincial Works office.

47. Members of the Grievance Redress Committees were involved during the payment disbursement. Chairperson for the GRCs was involved in payment disbursement. All deeds of releases were endorsed and signed by the GRC chairperson.

4.0 Stakeholder Consultation and Participation

4.1 Public consultation and women participation

48. Several public consultations were held with roadside communities along the road subproject during the covered period from July to December 2019. The consultations were conducted independently by HRMG (Environmental, Social and Gender Consultants), CSC (National Resettlement and Environmental Specialist) Contractor and CRO for HRMG and PRO for the Contractor.

49. Further consultations and community meetings were conducted on a weekly basis along the project areas by leaders and councilors of the affected LLG Wards. This type of consultations and group meetings on project site were not documented but important issues as discussed during such meetings were related to the road subproject; other issues related to job employment and locals claiming subcontracts from the Contractor. Some issues are being resolved by the contractor and others were discarded as they were considered not valid.

50. The purpose of the consultations and awareness was to inform the community members along the Nipa-Munihi road subproject about the importance of good road network and also briefing them about the difference between Resettlement related issues and Environmental claims to minimize grievances and to place them in a better position anytime their outstanding compensation payments are ready for payout given the reason that as soon as the road sealing begins there would be no hiccups.

51. A focus group discussion was also conducted with locals during the covered period from July to December 2019 to discover factors hindering the progress of civil works and to ensure that possible mitigation measures were recommended to rectify issues relating to the subproject road.

52. Though compensation payments for grievances have been recently paid, some issues and concerns expressed by locals along the roadside communities are relating to grievances pertaining resettlement or environmental issues whilst some were dealing with missed-out or underpaid APs. Consultations were also undertaken to explain about the process of handling grievances, construction limits, and resolve construction damage on property, the procedure of payment for damages and in the matter of employment in civil works.

53. The consultations were conducted in groups, large meetings and individually with the DPs by HRMG staff as well as PSC and the contractor staff. A large meeting was held in Munihi section of the road were facilitated jointly by HRMG and PSC staff to resolve issues on ceremonial as well as outstanding or underpaid compensation issues raised by affected communities. Other meetings held along the roadsides mainly focused on educating APs concerning the importance of subproject road. They were further urged not to take-on political issues by interfering with the road construction works.

54. During the reporting period from July to December, consultations were hindered due to political treats at the subproject road site and stop work by contractor. There were only 2 public consultations conducted with roadside communities in Nipa-Munihi sub-project road.

55. There were 20 participants and out of this total, 16 were males (80%) while there were 4 females (20%).

56. There were approximately 7 participants who belonged to DP households. This number represented 35% of total public consultation participants. Most of the concerns raised and discussed during the consultations were resettlement and construction related issues.

57. Other issues were resolved on site by the civil contractor and some were handled by HRMG through the grievance redress committees. These are summarized in the following Table 1: Summary of Public Consultations.

Table 1: Summary of Public Consultations

Month	# of Consultations	Male Participants	Female Participants	Total Participants	DPs Who Participated
July	1	8	2	10	7
August	-	-	-	-	-
September	-	-	-	-	-
October	1	8	2	10	-
November	-	-	-	-	-
December	-	-	-	-	-
Total	2	16	4	20	7
Percentage	100%	80%	20%	100%	35%

58. It was made known during the several consultations conducted on site that if the contractor fails to comply with its CEMP resulting in further damages done to natural environment will be the sole responsibility of the contractor.

59. An issue that was discussed during the consultation held for the covered period was the ceremonial grounds at Shumbi 1 and 2 in which the sub-project road traverses. Residents of Shumbi 1 & 2 raised their concerns that their communal gathering arena has been there for generations thus used for traditional activities like pride price ceremony, compensation ceremony, and election campaign rallies, etc. have been adversely affected.

60. HRMG/PSC Safeguards officers informed the locals that in-kind assistance would be provided to affected residence in-lieu of monetary compensation payments. However, a spokesperson requested should HRMG/DOW consider monetary benefits for affected persons.

61. Some resettlement related issues were discussed along the subproject road but considered unmeritorious since compensation payments have been already paid to the affected persons.

62. A brief summary of issues is summarized in Table 2: Summary of Issues Raised during January to June consultations and meetings. The attendance sheets of these consultations are not available.

Table 2: Summary of key issues raised during consultations

Location	Issues/Concerns from APs	Response from HRMG/PSC
KM 14+500 Shumbi 1 & 2	<p>A group of people raised their concern about the ceremonial ground since the subproject road will traverse through.</p> <p>Some APs urged if the contractor could re-align the road since their ceremonial ground have been used long ago by their ancestors. Otherwise, they said that</p>	<p>The APs were made known that realignment would not be possible since funding was allocated as per design.</p> <p>Also, APs were made known that '<i>in lieu</i>' of cash, ONLY in-kind assistance would be provided by HRMG/DOW for the taking of ceremonial ground.</p>
Location	Issues/Concerns from APs	Response from HRMG/PSC
	HRMG/DOW would compensate them accordingly.	
Km 21+100	<p>An affected person claiming to be missed-out for the loss of structures</p> <ul style="list-style-type: none"> – Semi-permanent house & traditional house kunai affected during clearing and grubbing. 	<p>The APs was advised that the structures are located within the so-called 500 meters damages incurred by the previous contractor which has been recently paid.</p> <p>As such, it was deemed unmeritorious thus the AP was urged to refrain from dubious claims causing unnecessary delay for civil works to proceed.</p>

63. During the consultations, all APs have been informed about the GRM and the method of accessing the process through consultations such as meetings, focus group discussions and through word of mouth by community leaders who have been thoroughly briefed about the GRM process. APs were also informed that they can resolve their grievances through the formal court system should they be unhappy about the solutions proposed by the GRC.

4.2 Grievance Redress Mechanism

64. A Grievances Redress Committee (GRC) has been established to receive, log and deliberate all grievances received from APs relating to the payment of compensation. Additional grievances relating to resettlement or construction related matters were also referred to the GRCs for deliberations and the recommendations derived were submitted to HRMG for considerations and taking further actions.

65. The establishment of the GRM for this sub-project was facilitated by HRMG as part of its delegated mandate to implement the approved resettlement plan. It was established prior to the commencement of the subproject road. This is to ensure that grievances lodged by aggrieved DPs 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.

66. For the covered period from July to December 2019, GRCs meetings for the subproject road were scheduled but due to law and order issues in SHP have caused unnecessary delay in resolving construction related grievances in the category of resettlement and environmental. A GRC meeting has been conducted last year, December 18, 2019 at Renardet S.A Office located in Mendi Provincial Works.

4.2.1 Final GRC meeting and decisions

67. The GRCs in their last year final GRC meeting have made some important decisions which was submitted to HRMG for considerations and these includes the following.

- a) **Settling of grievances regarding missed out and under-payments**-The GRCs decided through the GRC Chairperson that a total of 451 grievances out of 1,200 claims filed with HRMG were considered to be genuine and is recommended to HRMG for final payment.
- b) **Settling of issues regarding 500meters improvements damages**-The GRC decided that a total amount of Kina 20,000.00 will be paid in package to the 290 claims as filed collectively by aggrieved APs for loss of improvements. The decision was agreed to by four
- c) (4) leaders representing the 290 affected persons in the final GRC meeting.
- d) **Issues Relating to Further Damages Caused by Landslips**-Locals from landslips affected zones will be temporarily engaged by contractor on casual basis for the protection related works as technically instructed by civil contractor.
- e) **Issues relating to Construction Limits**-GRCs clarified that Contractor carries out construction work as per the road design prepared earlier and if any damages done outside of the construction limit will be the responsibility of the contractor; there is no constant road width but will depend on the terrain, design and existing condition of the road.
- f) **Settling Grievances Relating to Ceremonial Grounds**-GRCs decided that the In-Kind assistance will be provided to affected communities in lieu of payment of compensation; Community projects will be nominated upon consultation with locals during the construction works.

4.2.2 Composition of the GRC

68. The GRC is composed of respected local officials and leaders who are well known in the affected communities for their fairness and even handedness in deciding disputes and conflicts. Its main function is to receive, log and deliberate all grievances received from the DPs who may have some resettlement related complaints arising out of the project.

69. There are eight (8) committees members nominated and three (3) technical advisors representing HRMG. The three (3) safeguards officers are assigned for the subproject roads in the western side of the Highlands Region. The members of the GRC are shown in the following Table 3: Composition of the Grievance Redress Committee.

Table 3: Composition of Grievance Redress Committee

NO:	Name	Sex	Title	Position in GRC
1	John Harisol	Male	District CEO-Nipa Kutubu	Chairperson
2	John Titus	Male	LLG President-Nipa Basin	Member
3	Jack Soal	Male	LLG President-Lai Valley	Member
4	Cr. Pip Sogurao	Male	Ward Councillor-Egenda 3	Member
5	Top Zera	Male	Ward Leader-Lai Valley LLG	Member
6	Peter Wapnais	Male	Shumbi 1 Ward Representative	Member
7	Jenetha His	Female	Women's Representative	Member
8	Pastor Samuel Moris	Male	Church Pastor	Church representative
9	Mathias Awi	Male	Social Safeguard Officer	Technical Advisor
10	Garry Dum	Male	Environmental Officer	Technical Advisor
11	Saul Nol	Male	Environmental Officer	Technical Advisor

4.2.3 New Grievance filed with HRMG

70. For the covered period (July – December 2019), some grievances along the subproject road were enlisted by HRMG/CRO, however yet to be screened and verified during GRC meeting. Grievances filed last year 2018 by aggrieved clans entails three (3) ceremonial grounds in which the road will traverse. The three (3) ceremonial areas are;

- a) **Nengia Ceremonial Area at Km 16.500** - Nengia Clan members have filed separate claims regarding the ceremonial area that is going to be affected during civil works because the road will traverse and scatter the *singsing ples*². The matter was deliberated by GRC and was resolved that an in-kind assistance will be considered as part of compensation payment. Final discussions will be held with the affected clans to determine the type of in-kind assistance they collectively prefer.
- b) **Sonba 1 and Sonba 2 Ceremonial Areas at Km 14.100**-Affected clans have also filed separate claims demanding HRMG to settle prior claims before further works could reach the ceremonial grounds. There are two (2) separate ceremonial areas that the road will traverses. The GRC has decided an in-kind assistance to be given to the affected communities but the decision is yet to be confirmed by the leaders of the affected communities.
- c) **Shumbi Ceremonial Area at Km 13.500** -Shumbi Community has also filed their claims with HRMG regarding their ceremonial area. They have expressed concern that their only ceremonial place is going to be disturbed during civil works hence they have demanded HRMG to settle their claims whichever in cash payment or in-kind assistance. Final discussions will be held with affected clans to determine the types of assistance they would collectively prefer.

² Singing ples in Tok Pisin which is synonymous to ceremonial dancing/singing area where villagers gathered to sing or dance.

5.0 Monitoring the Project Benefits

71. The contractor has officially commenced the civil works for the subproject road on December 11, 2017. Since the construction work for the road sub-project commenced, the Contractor has recruited affected persons and those living within the project influence zone (PIZ) to work in various construction activities. And all these activities have generated income and other benefits for the people as further provided in the following paragraphs.

5.1 Employment in Construction Works

72. Project employment is one of the positive effects of the project and the contractor is greatly encouraged to source its manpower requirements from the APs and the residents of the affected wards and villages. It is also a condition in the MOA, wherein the customary landowners permitted DOW to upgrade and rehabilitate the sub-project fully expecting that they will be hired to work in the road project. There are provisions in the contract agreement between DOW and the contractor regarding the employment of residents including DPs and at least 30% women to be employed in the road project. These pertinent provisions also cover and are applicable to local sub-contractors.

73. For the covered period from July to December 2019, the contractor has hired a total of 42 foreign skilled personnel to work in various construction activities. The estimated wages paid to the Chinese employees are not reflected in this report because their wages were paid based on their skills and work experiences.

74. The contractor has also hired Local skilled personnel to work in various construction activities. The estimated wages paid to the employees were based on the Minimum average monthly Wages of Kina 500.00.

75. From July to December 2019, the subproject has hired a total of skilled personnel of 1,443 workers consisting of 1,194 men (82.7%) and 249 women (17.3%). There were 510 DPs that were employed in the sub-project. This represents 35.3% of total persons hired. The breakdown is shown in the following Table 4: Summary of monthly employment by gender.

Table 4: Summary of monthly employment by gender

Months	Male	Female	Total	APs Employed	Estimated Female Wages	Estimated Total Wages
July	398	83	481	170	41,000.00	240,000.00
August	398	83	481	170	41,000.00	240,000.00
September	398	83	481	170	41,000.00	240,000.00
October						
November						
December						
Total	1,194	249	1,443	510	123,000.00	720,000.00
Average	199	41.5	240.5	85	20,500.00	120,000.00
Percentage	82.7%	17.3%	100%	35.3%	17.1%	100%

Note: This table on the summary of monthly employment excludes foreign workers.

76. For the covered period, it is estimated that the contractor paid the 1443 workers and personnel a total of Kina 720,000.00 or an average of Kina 120,000.00 per month. Out of this

total, Kina 123,000.00 was paid to female workers or an average of Kina 20,500.00 per month from July to December 2019.

77. In addition, the contractor also farmed out certain construction activities to women along the road subproject areas. The contractor pays them upon completion of the assigned tasks. There were four activities paid on piece-work basis namely, gabion baskets, line drains, ripraps and headwalls.

78. For the covered period, there were a total of 36 women who worked and were paid for these 4 construction activities. There were 22 women who were involved in gabion works. Women sorted out stones that are specified in for the gabion baskets. There were 7 women who were involved in the construction of headwalls and 7 women involved in rip raps works. The details are shown in Table 5: Summary of Women's Participation in Non-Payroll Activities.

Table 5: Summary of women participation in non-payroll activities

Month	Gabions	Line Drains	Head Walls	Rip Raps	Total
July	10	-	3	5	18
August	7	-	3	1	11
September	5	-	1	1	7
October		-			
November		-			
December		-			
Total	22	-	7	7	36
Average	3.6	-	1.7	1.7	6
Percentage	61.11%	-	19.4%	19.4%	100.00%

79. The minimum wage in the Highlands Region is around Kina 500 a month. This is the basis for estimating the wages paid to women for the covered period. This amount is multiplied by the number of women for the covered period.

80. For the covered period, the 36 women working in the project for non-payroll activities were able to earn an estimated kina 18,000.00 from July to December 2019. The details are shown in the following Table 6: Estimated Monthly Income of Women in non-Payroll Activities.

Table 6: Estimated income (in Kina) for women in non-payroll activities

Month	Total Number of Women	Estimated Wages (Kina)
July	18	9,000.00
August	11	5,500.00
September	7	3,500.00
October		
November		
December		
Total	36	K18,000.00

81. The project area occupies 2 LLGs known as Nipa Basin LLG located in Nipa Kutubu District and Lai Valley LLG located in Mendi Munihu District. The workers from local areas long the project employed by the contractor come from these 2 LLGs and some from outside of the project area. For the covering period 12.9% were foreigners, 46.43% Lai Valley LLG, 35.4% Nipa Basin LLG and the remaining 33.50% come from other LLGs within the province or others. The employment data by origin of workers is presented in Table 7. Summary of Employment by origin for the month of July to December 2019.

Table 7: Summary of employment by origin

Month	Foreigners	Lai Valley LLG	Nipa Basin LLG	Other LLGs	Total
July	42	114	78	14	248
August	42	121	80	51	294
September	42	220	170	48	438
October					
November					
December					
Total	126	455	328	113	980
Average	21	75.83	54.67	18.83	163.33
Percentage	12.9%	46.43%	33.50%	11.53%	100.00%

82. Based on employment data presented above, it is possible to estimate the distribution of wages by LLG area. The workers in 2 project area LLGs namely, Lai Valley and Nipa Basin have received a total of Kina 1,078,000.00 during the covered period from January to June 2019. The details are shown in Table 8: Estimated Wages Paid to Workers from Affected LLGs.

Table 8: Estimated wage paid to workers from affected LLGs

Month	Lai Valley LLG	Estimated Wages (K)	Nipa Basin LLG	Estimated Wages (K)	Total (K)
July	114	57,000.00	78	39,000.00	96,000.00
August	121	60,000.00	80	40,000.00	100,000.00
September	220	110,000.00	170	85,000.00	195,000.00
October					
November					
December					
Total	455	227,000.00	328	164,000.00	391,000.00

5.2 Monitoring Benefits from Quarry Operations

83. The owners of the lands where the quarries are located are usually the tribes and clans who own the customary lands. However, there are tribe members who are assigned portions of customary lands where the quarries are located. These tribal occupants suffer direct disturbances and are entitled to a bigger share than ordinary tribal members. The royalties received each month are divided based on internal agreements within the tribes.

84. For the month of July to December 2019, there were four (4) operating quarry sites and these are known as Wapu Su-Oro quarry located in Munihu side (approximately 3km from

the sub-project road, end of km 27.73), Harren Quarry, Sapharam Quarry, Huremi Quarry, and Suru quarry located along the subproject road.

85. The materials extracted from these four (4) operating quarry sites at an agreed cost of K1.70 per bucket or K13.00 per cubic meter. The total volume of materials extracted for the month of July to December 2019 was approximately 259,197.30 tons. The total royalty payments received by customary landowners from the 5 operating quarry sites was estimated at around Kina 259,197.30. The details are shown in the following Table 9: Estimated Quarry Monthly Volume.

Table 9: Estimated monthly volume of quarry material extracted

Month	Wapun Su-Oro Quarry(M ³)	Sapharam Quarry (M ³)	Harren Quarry (M ³)	Huremi Quarry (M ³)	Suru Quarry (M ³)	Total (M ³)	Total Amount
July	12,547	0	0	14,378	3,784	30,709	52,205.30
August	12,547	0	0	14,378	3,784	30,709	52,205.30
September	12,547	0	0	14,378	3,784	30,709	52,205.30
October	0	0	0	0	0	0	0
November	0	0	0	0	0	0	0
December	0	0	0	0	0	0	0
Total	37,641	0	0	0	11,352	184,254.00	156,615.90
Average	6,273.5	0	0	0	1,892	30,709.00	26,102.65

Agreed amount of K1.70 per bucket / K13.00 per cubic meter, approximately one ton per cubic meter.

5.3 Revenue generated from leasing of customary land

86. The contractor for the subproject road has made use of customary land where camps are built and disposal of spoils at selected stable areas. All such cases have been agreed with the customary landowner for the payment of the agreed fees or in-kind assistance. The total amount received by customary landowners on this account is Kina 43,800.00 as per the signed land agreements for the usage of campsite at Mt. Wiri and Nembi Campsite as well as local workers accommodation next to Mt. Wira campsite. The details are shown in the following Table 10: Summary of Lease Rental Paid to Customary Landowners.

Table 10: Summary of lease rental paid to customary landowners

Month	Mt. Wiri Campsite	Nembi Campsite	Local Worker Accommodation	Total
July	3,000.00	3,000.00	1,300.00	7,300.00
August	3,000.00	3,000.00	1,300.00	7,300.00
September	3,000.00	3,000.00	1,300.00	7,300.00
October	3,000.00	3,000.00	1,300.00	7,300.00
November	3,000.00	3,000.00	1,300.00	7,300.00
December	3,000.00	3,000.00	1,300.00	7,300.00
Total	18,000.00	18,000.00	7,800.00	43,800.00
Average	3,000.00	3,000.00	1,300.00	7,300.00

87. For the payments for the use of disposal sites, selected stable areas have been agreed by landowners for backfilling to create communal areas. Payments and/or other benefits will be reported in the next quarter or semi-annual social safeguards report.

5.4 Other direct benefits to the local people

88. There are two construction camps of the contractor which have purchased locally various construction materials, food, water, and miscellaneous items. For the covered period, these two camps spent Kina 3,909,080.22. The details are shown in the following Table 11: Summary of Local Purchases by the Contractor.

Table 11: Summary of local purchases by contractor

Month	Food purchase (Kina)	Construction Materials Purchase (Kina)	Other Purchases (Kina)	Other Local Expenses (Kina)	Total (Kina)
July	16,662.79	303,090.15	168,537.75	5,069.00	493,359.69
August	7,425.29	267,201.85	20,099.83	29,973.50	324,700.47
September	8,057.01	236,833.55	256,498.38	2,787.30	504,176.24
October	26,137.70	567,303.53	556,314.73	6,924.60	1,156,680.56
November	20,209.60	296,918.65	374,937.73	11,393.80	703,459.78
December	23,849.55	283,359.55	412,350.00	7,144.38	726,703.48
Total	102,341.94	1,954,707.28	1,788,350.23	63,292	3,909,080.22
Average	17,056.99	488,676.82	298,058.00	10,548.7	651,513.37

89. This amount of Kina 3,909,080.22 has been received by affected communities by way of purchases and other services during the review period. Part of these expenses has been received by women who are likely to be impacted positively.

5.5 Summary of benefits generated from the 2nd half of 2019

90. **Direct Employment** – For the months of July to December 2019, the Nipa-Munihi road subproject was able to generate 1,443 payroll positions with estimated wages of Kina 720,000.00 or a monthly average of Kina 120,000.00. There were 252 foreign skilled personnel hired to work in various construction activities. The estimated wages paid to these foreign employees are not reflected in this report because their wages.

91. **Women's Participation** – For the second half of 2019, there were 249 female workers directly employed by the contractor and classified as payroll activities equivalent to Kina 123,000.00 or a monthly average of Kina 20,500.00. For the same period, a total of 36 women participated in non-payroll activities equivalent to Kina 18,000.00. For the covered period, women who directly and indirectly participated in the construction activities earned a combined total of Kina 141,000.00.

92. **Other Benefits** – For the second half of 2019, the customary landowners earned a total of Kina 156,615.90 or a monthly average of Kina 26,102.56 as royalties from the operations of the four (4) quarries for the project. Additionally, customary landowners earned a total of Kina 43,800.00 or monthly average of Kina 7,300.00 for land leases paid for the two (2) camps and other facilities located at Mt. Wiri Camp in Lai Valley LLG and Nembi Camp in Nipa Basin LLG. Furthermore, local purchases of the contractor netted the surrounding

communities a total of Kina 3,909,080.22 from the month of July to December 2019. Overall, other direct benefits totaled Kina 63,292,000.00.

5.6 Indirect social benefits

93. There are also indirect social benefits arising from the upgrading and rehabilitation of the subproject road. These include construction of new structures brought about by the road project and the increase of public motor vehicles (PMVs) plying the route and expected decrease of transportation fares because of improved accessibility.

94. Positive and adverse impacts may occur simultaneously in each project. It is projected that in the Nipa - Munihi road, the positive impacts are forecasted to be more important than the adverse impacts because of the nature of the project. The upgrading and rehabilitation of the road will generate spin-off benefits and boost socio economic activities within the road influence zone.

95. Since the project is still in the preliminary stage, this report could hardly measure and provide any information regarding the indirect social benefits being generated by the project. However, some indirect social benefits notable during the reporting period includes increase of roadside vending and erection of trade stores along the sub-project road.

6.0 Remedial Actions

96. Based on the second half 2019 semi-annual social safeguard monitoring report, there are some aspects that should be immediately addressed. There are also some aspects that require improvement to have a clearer picture of the benefits that are being derived from the subproject road. The following paragraphs contain brief discussions on the remedial actions taken on some of these matters.

6.1 Redressing Pending Grievances

97. For the covered period, HRMG has fully settled the 451 grievances out of 1,200 claims filed so far with HRMG as of December 19, 2018. All grievances filed with HRMG have been deliberated in several GRC meetings conducted and the only approved claims have been recommended to HRMG for final payment. There are three (3) methods that were adopted by HRMG in identifying and selecting the genuine grievances for payments and these are;

- i) Screening and determining genuine grievances through the GRC meetings and ocular inspection, if necessary. Judgements were made by GRCs in recommending the genuine grievances.
- ii) Site verification conducted by GRC members and leaders/councilors of the affected wards to identify the genuine grievances on site and;
- iii) Site meetings and consultations conducted in each of the affected communities were very helpful in identifying and determining genuine grievances.

98. Payments were facilitated by HRMG safeguards officers including GRC members and the representatives from Provincial Works office in Mendi. The District CEO who is also the GRC chairman was involved in the payment disbursement. Deed of Release was signed by each DP in front of ward leaders and was counter-signed and endorsed by the District CEO. The face photos of each APs were taken during the disbursement. Photos and a sample of

signed deed of release are provided in appendix 5: Photographs and sample of signed deed of release.

6.2 Redressing Grievances for the 500 meters road section

99. For the covered period, HRMG has fully settled the grievances filed by aggrieved persons regarding previous environmental damages done by the local contractor IPZ Company Limited within the 500meters road section from Km 21.500.

100. The claims have been deliberated several times by GRCs during the GRC meetings and the final decision was that the amount of Kina 20,000.00 will be paid in package to settle the 290 claims filed by locals regarding damages done to improvements within Km 21.300 and Km 21.800 or approximately 500meters road section.

101. During the payment disbursement, four (4) separate deeds of releases were signed by four (4) community leaders representing the affected persons who have agreed and accepted the Kina 20,000.00 that was paid for loss of improvements within the 500meters road section.

102. The final lists containing the names of 290 aggrieved affected persons was issued to four (4) ward leaders together with the Kina 20,000.00 so that they could disburse the amount in an even way to each of the DPs based on the assessment done by HRMG using the prevailing Valuer General's Rates for compensation.

6.3 Redressing issues relation to further damages due to construction works

103. During the covered period, HRMG together with the contractor have adopted mitigation measures to address issues relating to further environmental damages by construction works and natural phenomenon. There were three (3) mitigation measures adopted by HRMG/PSC in rectifying the issues relating to further environmental damages outside of the construction limits and these are;

- a) Issues regarding further environmental damages outside of construction limits arising out of a natural phenomenon were referred to the provincial disaster office for further assistance; Grievances relating to damages done by landslips in specific zones were referred to the provincial disaster office in Mendi.
- b) Issues regarding damages occurred outside of the construction limits due to contractor's negligence in adopting best environmental management techniques was referred to the contractor to settle them.
- c) Issues regarding environmental damages done within the construction limits were referred to the HRMG and was fully settled alongside other grievances recommended by GRCs as of December 19, 2018. A letter dated December 9, 2018 by the Contractor containing a listing of 11 environmental-related grievances was fully settled by HRMG.

6.4 Dissemination of project related information

104. HRMG/PSC has conducted several public consultations in each of the affected communities along the road subproject during the covered period from July to December, 2019. All project related information was effectively disseminated to the locals in each of the affected communities in a timely manner.

105. APs were informed about the establishment of grievance redress committees and the responsibilities bestowed to them by HRMG in deliberating, screening and deciding any resettlement related issues/grievances.

106. During the consultations APs were informed about the steps and procedures involved in settling any project related grievance during road construction. APs were informed about some of the mitigation measures to be adopted by HRMG and contractor in rectifying any resettlement and construction related issues during civil works.

107. APs were informed about the in-kind assistance adopted by HRMG as part of compensation payment for loss of public assets such as ceremonial grounds, public cemeteries, sacred/ritual places and other sacred areas.

108. The Safeguards Policy Statement (SPS 2009) of ADB was also disclosed to the locals in each of the affected communities along the road subproject. Additional information contained in the Resettlement Plan (RP) for the road project were also made known to the locals along the road subproject.

109. The roles and responsibilities of HRMG/PSC and Contractor during the implementation of the road subproject were also differentiated and made known to the locals along the road subproject.

7.0 Recommended Corrective Actions

110. As of this reporting period there are some outstanding resettlement related matters that requires the implementation of corrective measures in rectifying them during the civil works for the road subproject. There are six (6) outstanding resettlement related matters and these are the following;

- I. **Issues Regarding Ceremonial Grounds-** Outstanding matters on four (4) ceremonial Grounds will be provided in-kind assistance to clan who legitimately owns these areas. Discussions will be conducted with clans to determine the types of in-kind assistance they prefer.
- II. **Settling Grievances-** Any resettlement related issues occur during the implementation of civil works will go through the Grievance Redress Committees for deliberation and screening prior recommendation to HRMG for adopting corrective actions in rectifying the issues.
- III. **Encouragement of More Women Employment-**The Contractor should be encouraged to employ more women to work in both payroll and non-payroll activities as per ADB's Safeguards Policies of 30% women's participation in road construction related works.

111. Under income restoration measures provided in the RP, the tribes and the clans will be provided with three (3) typical bus bays with provisions of road side vending and three (3) waiting sheds that will provide temporary storage areas for farm inputs and outputs as well as road side vending areas. The timing of the construction of bus bays will be just after the sealing of the road section where these facilities will be located to ensure that these facilities will be undertaken in coordination with the whole road sub-project.

112. During the detailed design phase, there were already candidate areas where these bus bays and waiting sheds will be located. These were determined and confirmed through consultations with local leaders and through observations to determine the human traffic in

these candidate junctions. Another round of consultations will be conducted to determine with finality the locations of these bus bays and waiting sheds.

113. In addition, for this reporting period (July to December 2019) there was no GRC meeting conducted. As such, it is very important that HRMG should propose a GRC meeting in order to resolve resettlement or environmental grievances that may arise after the outstanding compensation payment on December 18,2018.

Appendices

Appendix 1: List of References

1. Resettlement Plan (RP) Nipa-Munihi Road Sub-project, March 2016
2. Initial Compensation Payment Completion Report, July 2017
3. Back to Office Report, November 2,2018
4. Contractor's Monthly Progress Report, November,2018
5. Semi-Annual Social Safeguards Report (January – June 2018)
6. Semi-Annual Social Safeguards Report (January – June 2019)
7. Highlights of the Third GRC Meeting, September 19,2018

Appendix 2: List of People Interviewed

1. Alphonse J Niggins, Principal Field Coordinator (PFPC), HRMG
2. Paul Nombri, Technical Services manager, HRMG
3. Mathias Awi, Social Safeguards Officer, HRMG
4. Michael Wang, Project Manager, COVEC, Nipa-Munihi Project
5. Saul Nol, Environmental officer, Nipa-Munihi Road Project
6. Richard Kundapen, GRC Chairperson, Nipa-Munihi Road Project
7. David Pal, Community Relations Office (CRO), Nipa-Munihi Road Sub-project
8. Simon Napin, Community Relations Office (CRO), Nipa-Munihi Road Sub-project
9. Robin Pip, Community Leader, Nipa Basin LLG
10. Mul Wesa, Community Leader, Lai Valley LLG
11. Steven Kolaiye, National Resettlement & Social Safeguards Specialist, RSA T3

Appendix 3: Photographs



Figure 1: As part of Capacity Building and Training Program, a training – seminar was conducted by Project Supervision Consultant at Hotel Kimininga on 9th September 2019. The training focused on environmental responsibilities of the contractor – Quarry Selection, Quarry Operation, and Quarry Selection.



Figure 2: National Resettlement & Social Safeguards Specialist – Mr. Steven Kolaiye of the PSC addressing the aggrieved locals at km 14+500 Shumbi Village. Locals have raised their concern about their ceremonial ground in which the subproject road will traverse through. They have been urged to refrain from causing unnecessary work stoppages since GRC will resolve their issues.



Figure 3: Leaders representing the Affected Persons (APs) within the 500meters road section after signing four (4) separate deeds of release confirming the acceptance of Kina 20,000.00 in package as part of compensation payment for environmental damages within a 500meters road section.



Figure 4: GRC Chairperson and District CEO for Mendi-Munihi, Mr. Richard Kundapen demonstrating the signed Deeds of Release by each recipient (APs). He was officially endorsing the receipt of payment by each APs during the payment disbursement. Witnesses (obscured) were GRC members and leaders of the affected wards.



Figure 5: Nengia Ceremonial Ground at Km 17.950 is one of the four (4) Ceremonial Areas that will be affected during civil works. The road will traverse this ceremonial ground based on the detailed design. Clans owning the area have agreed to receive in-kind assistance as part of compensation payment and pave way for the road to traverse the ceremonial area. The above diagram illustrates where the road will traverse and scatter the ceremonial area.

APPENDIX 4:--ORGANIZATIONAL CHART

Department of Works, Project Implementation Unit (As of September 2017)



