

Semi-annual Report

August 2018

HIGHLANDS REGION ROAD IMPROVEMENT INVESTMENT PROGRAM -PROJECT 3 Nipa-Munihu Road Sub-Project

Prepared by Department of Works for the Asian Development Bank

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**SEMI-ANNUAL SOCIAL SAFEGUARDS MONITORING
REPORT No. 1**

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

Nipa–Munihu Road Sub-Project

(July – December 2017)

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

August 2018.

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ABBREVIATIONS

ADB	Asian Development Bank
BTOR	Back to Office Report
CRO	Community Relations Officer
CSC	Construction Supervision Consultant
DA	District Administrator
DC	Design Consultant
DMS	Detailed Measurement Survey
DP	Displaced Person
DOR	Deed of Release
DOW	Department of Work
DSRT	District Sanctioned Reassessment Team
EA	Executing Agency
EHP	Eastern Highlands Province
EO	Environmental Officer
ESSU	Environment and Social Safeguards Unit
FPM	Field Project Manager
GR	Grievance Redress
GRC	Grievance Redress Committee
GRM	Grievance Redress Mechanism
GRP	Grievance Redress Process
HCRN	Highland Region Core Road Network
HRMG	Highland Road Management Group
HRRIP	Highland Region Road Improvement Investment Program
IA	Implementation Agency
IMO	Independent Monitoring Agency
IRS	International Resettlement Specialist
LLG	Local Level Government
MFF	Multi-tranche Financial Facility
MOA	Memorandum of Agreement
MTS	Manager Technical Services
NRA	National Road Authority
PIU	Project Implementing Unit
PMO	Project Management Office
PMU	Project Management unit
PNG	Papua New Guinea
POM	Port Moresby
PRO	Public Relations Officer
PWM	Provincial Works Manager
RAP	Resettlement Action Plan
RCR	Resettlement Completion Report
ROW	Right-of-Way
RP	Resettlement Plan
SFPC	Senior Field Project Coordinator
SHP	Southern Highland Province
SIS	Socio-economic Impact Study
SMR	Semi-annual Monitoring Report
SPS	Safeguard Policy Statement
STD	Sexual Transmitted Diseases
TOR	Terms of Reference

EXECUTIVE SUMMARY

- A. This second semi-annual social safeguards monitoring report for Nipa-Munihi Road covered the period from July to December, 2017. This report was carried out by the DOW through the Highlands Road Management Group (HRMG) and the monitoring results will be communicated to ADB through this report.
- B. Nipa - Munihi sub-project road is one of the 4 sub-projects of Tranche 3 of the Highlands Region Roads Improvement Investment Program, 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.
- C. The contract was awarded on June 21 2017, and the project commencement officially started on December 11, 2017. The construction period of the project is 24 months and will be completed on December 10, 2019. The Long-Term Performance Based Maintenance Services is 60 months from the issuance of the Performance Certificate for the Improvement Work.
- D. HRMG, the project implementing unit (PIU) has provided support related to activities to acquire land for upgrading HRRIP road. With this mandate, HRMG has provided training/seminars, technical and financial support to empower and upgrade the capabilities of its staff and other project stakeholders.
- E. The resettlement plan was submitted and approved by ADB in March, 2016. There were affected assets such as structures, fences, graves and communal places. There were also affected crops and trees of various categories which were assessed during the initial DMS and the due diligence survey. The total amount of the affected assets was Kina 758,050.75 net of administrative costs. The Nipa-Munihi road was classified as Category B as confirmed by the findings of the DMS. The cut-off date was 7 September 2015 which was the date when the DMS was completed.
- F. 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. The MOA was officially signed on 15 August 2015. In addition, the affected tribes and clans also validated the permission given by their forefathers for the use their customary land for the existing road.
- G. In addition to the customary land, there are personal assets affected as well as economic displacements. The technical solutions adapted to minimize previously identified obstructions reduced the number of affected structures from 63 structures identified in January 2012 to only 26 structures identified during the DMS. These affected structures are composed of 14 structures made of bush materials, 12 semi-permanent structures made of semi-permanent materials and 2 structures (trade stores) made of permanent materials.
- H. There are 21,575 crops and trees along the whole construction limits and these are mostly Pandanus, coffee and other useful crops while affected trees are mostly categorized under "lesser known useful species" and other trees. There are 32 affected gravesites mostly unmarked tombs and three cemeteries which will be partially affected by around 2 meters. There are 3,141 meters of affected fences, mostly classified under "plants and bushes (hedges).
- I. Based on the RP, there were 326 APs with the total affected assets and allowances of Kina 233,009.65 net of administrative costs. 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. Based on the due diligence survey 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.

- J. The due diligence survey for the second section from Km 14+950 – Km 27.73 which was not included in the original DMS was conducted and completed on 4th July 2016. Those assets likely to be affected when the improvement works commence have been assessed and valued using the latest Schedule of Compensation Rates for trees and crops issued by the Office of the Valuer General.
- K. 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).
- L. There were 11 public consultations conducted with roadside communities in the Nipa-Munihi sub-project road at numerous intervals from July to December 2017 covering all the affected wards. There were 720 participants and out of this total, 480 were males (66.66%) while there were 240 females (33.33%).
- M. There were 350 participants who belonged to AP households. This number represented 48.61% of total public consultation participants. Most of the concerns were relating to grievances on missed outs and underpayments, previous environmental damages done by local contractor and issue over missed out payment for ceremonial grounds. Other issues in relation to new improvements developed after the DMS cut-off date were also raised and discussed during the consultations.
- N. The establishment of the GRC for this sub-project was facilitated by HRMG as part of its delegated mandate to implement the resettlement plan last 15 November 2016. The members of the GRC are officials and leaders of affected wards and villages along the subproject.
- O. For the covered period, there were a total of 765 grievances received by HRMG and have been registered in the complainant log sheet. A GRC meeting will be convened to deliberate on the merits of these grievances lodged by the APs. The decisions of the GRC will be communicated to HRMG for taking proper action. The grievances filed by aggrieved APs are in relation to missed out payments, under-payments, issues regarding ceremonial grounds and environmental damages caused by a previous local contractor within the Km 22.00 to Km 22.500.
- P. Realizing that the asset damages incurred by the previous local contractor cannot become the responsibility and liability of HRRIP, the GRC members, inclusive of the ward councilors and tribal leaders suggested that assets removed or damaged by the previous local contractor during the clearing and grubbing activities will be addressed by the previous local contractor. An in-kind development packages shall be provided for the affected LLG Wards. Community projects will be selected for the benefit of the majority.
- Q. 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.

- R. From July to December 2017, the Nipa-Munihi project hired some workers and personnel for the covered period to work on the establishment of contractor's campsite and others were temporarily employed to assist the contractor in executing the pre-construction survey. The number of persons employed are on a temporarily basis because the actual construction work has not commenced yet. Workers employed are only involved in establishing the contractor's campsite and others were engaged in carrying out the pre-construction survey.
- S. For the covered period, there were no reported quarry activities because the actual construction work has not commenced yet. Some materials have been extracted during the establishment of campsite but the volume is undetermined. Subsequent extractions will be covered in the succeeding social safeguards reports.
- T. The contractor's campsite is just being established at Mt Wiri along the newly improved Mendi-Kandep road subproject. Once the campsite is fully completed, it will contain all the support facilities for the project. It will also contain a mess hall to serve food for its workers and this will require local food items. The contractor will also purchase local food items from the surrounding communities. For the covered period, the contractor did not provide any details of their local purchases because the campsite is still under construction phase.
- U. Regarding employment of women, the contractor and sub-contractor is expected to employ more women in the construction work as it is a prerequisite in the construction contract which states that the contractor shall hire at least 30% of the women in the workforce. For the covered period no women have been employed yet because the actual construction work has not started yet. It is expected that the contractor will hire some women to work in the camp.
- V. There are four (4) recommendations for corrective actions and these are ;(a) the pending grievances which is yet to be deliberated by GRCs; (b) Provision of in-kind assistance to aggrieved APs who have lost assets within the 500 meters road section; (c) Provision of In-kind assistance to clans who owns four (4) ceremonial grounds which will be adversely affected during the course of civil works and; (d) provision of income restoration measures as contained in the RP.

1.0 INTRODUCTION

1.1 PROJECT BACKGROUND

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 (HRRRIIP). The HRRRIIP 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 Munihu Road, Pangia Wiru Loop Road, Gewa Gembogl Road and Henganofi Nupuru Road.

4. Tranche 3 (Loan # 3404/3408) included the upgrading, rehabilitation and maintenance of four road sections namely; Nipa Munihu Road in Southern Highlands(SHP), Pangia Wiru Loop Road in Southern Highlands(SHP), Gewa Gembogl Road in Simbu and Henganofi Nupuru Road in Eastern Highlands Province.

5. The Executing Agency (EA) for whole the HRRRIIP is the Department of Works (DOW) whilst the Highlands Roads Management Group (HRMG) is the Implementation Agency (IA) based in Mt. Hagen Provincial Works Compound, Western Highlands Province (WHP).

6. Nipa - Munihu sub-project road is one of the 4 sub-projects of Tranche 3 of the Highlands Region Roads Improvement Investment Program, 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.

7. The contract was awarded on 21 June 2017, and the project commencement officially started on 11 December 2017 and is scheduled to be completed within 24 months or on 10 December 2019. The Long-Term Performance Based Maintenance Services is 60 months from the issuance of the Performance Certificate for the Improvement Work.

1.2 SUB-PROJECT DESCRIPTION

8. The Nipa Munihu (27.730 km) road section aims to upgrade, rehabilitate and maintain roads in the Highlands Highway (HH) network in PNG. The whole length (27.730 km) Nipa-Munihu road is on customary land. The first 19.500 km of the sub-project road is located in Nipa Basin LLG in Nipa-Kutubu District while the next 8.23 km is located in Lai Valley in Mendi-Munihu District both in Southern Highlands Province.

9. The inhabitants of Nipa-Munihu depend entirely on agricultural production as more than 90% of the population is subsistence farmers. Sweet/English potato and variety of greens grow very well there, however, due to poor condition of the road, they are not grown in large quantities. Generally, an improved Nipa-Munihu road will greatly enhance and improve travel and economic activities such as small enterprises, education, delivery of basic services and access to health services, etc.

10. The road works will consist of widening the existing formation to provide a 5.5-meter-wide sealed carriageway with 0.25-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. Approximately 3,600 linear meters of retaining wall will be required at various locations to provide adequate formation width and avoid extensive embankment construction.

11. After several documented public consultations with the clans and communities that jointly own the land, a memorandum of agreement (MOA) was agreed upon permitting the use of the customary land in exchange for public infrastructure. This meant that there was no change in land ownership but only permission to use their customary land. This MOA also validated and confirmed the permission granted by their tribal forefathers for the existing road carriage from Nipa-Munihi sub-project.

12. The MOA covered the land from the edge of the existing road up to the construction limits including road clearance and other infrastructure (e.g., drainage and culverts). This linear area on both sides of the road was the subject matter of the DMS. The cut-off date is the date when the DMS was completed which is 7 September 2015 in this road sub-project.

13. This sub-project's resettlement category is Category B as the number of affected persons who will suffer major impacts defined as physically displaced and losing 10% or more of productive assets are expected to be less than 200 persons. The various resettlement impacts are discussed in the section of asset impacts.

1.3 INSTITUTIONAL ARRANGEMENTS

14. The Department of Works, 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.

15. DOW established a Project Management Office (PMO) headed by a Project Director which manages the day to day activities of the program. 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 HHRIP subprojects to carry out the planning, implementation and monitoring for land activities, as required and is based in Mt. Hagen.

16. HRMG is headed by the Field Project Manager (FPM). Under the FPM are two sub-units, the construction unit headed by the "Engineer" and the social and environmental safeguards unit headed by the Senior Field Project Coordinator (SFPC). In the revised organizational chart (as of 1 September 2017), the positions of FPM and SFPC are handled by the same person for smoother coordination and more effective implementation. For the social and environmental safeguards, the SFPC is ably supported by the Manager of Technical Services (MTS). Under the MTS are two sub-units based on geographical considerations, namely Eastern and Western Sections of the Highlands Region. The details are shown in Appendix 3.

17. The new 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 once or twice a month. In addition, both the EOs and Social Safeguards Officers may return to the subproject as often as needed if any environmental and social/resettlement issues will arise during the course of the implementation of the road project.

18. Based on new arrangements made, the EOs and SSOs are also being assisted by the CROs assigned for each road sub-projects in attending and addressing to social/resettlement and environmental related issues of concern. The CROs are now at the front lines of information dissemination, coordinating and monitoring activities of HRMG in close coordination with the SSOs and EOs.

19. 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 semi-annual reports that are being submitted to DOW/POM and ADB.

1.4 Purpose & Methodology

20. 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 to December 2017. This semi-annual monitoring report (SMR) is a requirement under the Safeguards Policy Statement 2009 (SPS 2009).

21. This report also establishes and summarizes various resettlement and social safeguards activities that were undertaken for this sub-project which were presented in some other reports including the back to office reports and quarterly reports during the covered period. Highlights and important milestones are reiterated to produce this document containing all the previous documentation and activities for this sub-project. This report is undertaken to establish the basis and foundation for future quarterly, semi-annual and annual reports.

22. This semi-annual report is based on data gathered from several sources. The primary data was gathered through key informants' interviews (KIIs) with project staff, officials, community leaders, the contractor and APs. The secondary data sources were gathered through the monthly reports prepared by Environmental Officers of HRMG and National Environmentalist of the Project Supervision Consultants (PSC).

23. Indicators for the internal monitoring are those related to process, immediate outputs and results. This information has been collected directly from the field and reported in a form of monthly executive briefs to the DOW by HRMG through the office of the Senior Field Project Coordinator/Field Project Manager to assess the progress and results of RP implementation, and to adjust the work program, if necessary. These monthly and quarterly reports have been consolidated for this semi-annual social safeguard monitoring report. Specific monitoring standards are:

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

2.0 BACKGROUND OF RESETTLEMENT ACTIVITIES

2.1 Detailed design stage

24. The Nipa-Munihi (27.730 km) road section aims to upgrade, rehabilitate and maintain roads in the Highlands Highway (HH) network in PNG. The resettlement impacts, both physical and economic displacements arising out of the implementation of the road project and their corresponding compensation based on full replacement costs based on Resettlement Plan (RP) are shown in the following **Table 1: Summary of Resettlement Costs Based on the RP**.

Table 1: Summary of Resettlement Costs Based on the RP

Resettlement Costs	Unit	Amount
Houses and Trade Stores	30 structures	91,865.00
Graves	35 graves	8,260.00
Fences	78 fences	8,175.00
Crops and Trees	21,823 crops & trees	124,709.65
Rehabilitation Allowances		
Moving Allowance	30 households	7,200.00
Shifting Allowance	14 households	3,360.00
Subsistence Allowance	30 households	7,200.00
Grave Relocation & Reburial Allowance	35 households	35,000.00
Severity Impact Allowance on Productive Assets	183 households	24,941.93
Vulnerability Allowances		
Elderly headed households (65 years & above)	20 households	4,800.00
Female headed household	15 households	3,600.00
Physically challenged HH Heads	3 households	720.00
Households below poverty line	22 households	6,600.00
Total (Net of Administrative Costs)		233,009.65

Source: Design Consultants' Computations

25. The selection criteria for subprojects for the HRRIP include provisions that the proposed work is on an existing road, does not involve major earthmoving works and avoids the displacement of residential structures or other, permanent structures. These selection criteria in effect aim to minimize the resettlement impacts for any candidate road for the HRRIP.

2.2 Process of Compensation

26. 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.

27. After site verification of the affected assets, the affected persons increased to 355 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 4 July 2016 by the HRMG team, there were 923 APs whose affected assets amounted Kina 450,174.40 net of administrative expenses.

28. 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).

29. 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.

30. Unlike Tranche 2, the approved resettlement budget is remitted directly to HRMG. 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 (DAs), LLG presidents, ward leaders and village councilors to inform and mobilize the APs to attend and receive their compensation payments for the affected assets.

31. 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.

32. There are also rehabilitation allowances to assist the APs (particularly those that are APs) in restoring their former living conditions. These allowances included shifting allowance, moving allowance, subsistence allowance, relocation and reburial assistance and vulnerability allowance.

33. 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.

34. 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.

3.0 BUDGET AND TIME FRAME

3.1 Resettlement Staffing

35. 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 APs have been mobilized since Tranche 1 and Tranche 2 and is now fully staffed to undertake its responsibilities in Tranche 3.

36. It is headed by the Senior Field Project Coordinator (SFPC) who is in charge of 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 eight (8) 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 Project Supervision Consultant (PSC). The organizational chart is shown in Appendix 6: Organizational Chart.

37. The CROs for the sub-project road have been coordinating with their Provincial Works Manager 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. The job description of the CRO is attached as Appendix 4: HRMG Community Relations Officer.

3.2 Capacity Building and Training Activities

3.2.1 Training Seminar for Contractors

38. For the covered period there was one seminar training facilitated by HRMG for all Tranche 3 subprojects in the conference room of HRMG last 12 July 2017. The meeting was assisted by the resettlement and environmental specialists of the construction supervision consultants (CSC) of Tranche 2 since these specialists of CSC for Tranche 3 have yet to be regularized. Attending this meeting were the contractors for Tranche 3 subprojects.

39. The induction meeting focused on the resettlement and environmental responsibilities of the contractor in the implementation of the road project. For the resettlement aspect, it was emphasized that damages to assets occurring outside of the construction limits will be the responsibilities of the contractor. The contractors were also informed that there may be cases wherein assets inside the construction limits may have been missed out or undervalued, hence, there were inform that these matters should be relayed to the resident engineer of the subproject, who will then inform HRMG, which will initiate the appropriate actions.

40. The contractors were also informed to be cautious on matters concerning unmarked graves or ceremonial grounds because these are very sensitive cultural matters which, if left unaddressed may lead to disputes and sometimes violent reactions from the affected tribes which could hinder the progress of civil works.

41. The contractors were also reminded that based on their signed contracts, they should give employment and livelihood priorities to the APs and residents of affected wards, villages and tribes. It was emphasized that they should give utmost priority for women to be employed in the road project. The recommended number of females to be employed is 30% of the total work force.

42. Finally, the contractors were encouraged with the approval of the resident engineer to build user friendly facilities in the road construction such as putting steps or access to areas

traditionally used by the communities. These efforts will generate better relations with the affected communities and foster project ownership which would facilitate construction activities.

3.2.2 Induction Meeting for Community Relations Officers of HRMG

43. A joint induction meeting for community relations officers (CROs) of Nipa-Munihi and Pangia-Wiri Loop was conducted on 11 September 2017 at the Lalibu District Office, Southern Highlands Province. The participants of the induction meeting are newly assigned CROs and social and environmental safeguards officers for the Nipa-Munihi and Pangia-Wiri Loop subproject roads.

44. There are two assigned CROs for each subproject road consisting of a male and a female, all residents of the project areas. These CROs are employed by HRMG and are assigned permanently in their respective subproject roads as community representatives of HRMG in addressing resettlement and environmental issues arising out of the implementation of the subproject roads under HRRIP.

45. The main purpose of the induction meetings is to familiarize the CROs with the project and empower them to liaison with the affected communities in providing project information, exercising preliminary mediation responsibilities and assisting in the monitoring and reporting function of HRMG.

46. Project information consisted of procedures in the selection of candidate roads, formulation of the resettlement plan (RP) including the memorandum of agreement (MOA) between DOW and the customary landowners, ADB's Safeguards Policy Statement (SPS), the construction contract, organizational arrangement for project implementation, grievance redress procedures, requirements for monitoring and the job description of the CRO.

47. Based on the experiences in Tranches 1 and 2, there is a further need to improve and clarify the responsibilities of the CROs to enable them to focus on their responsibilities so that it can perform effectively in the project areas so that issues and concerns may be settled in a timely and fair manner to avoid the escalation of grievances.

3.2.3 Induction Training of Environmental and Social Safeguards

48. Induction training on Environmental and Social Safeguards for HRRIP Tranche 3 Projects was conducted from 31 October to 1 November 2017 in Kiru Lodge, Mt. Hagen City. The participants were the officials of the contractors, including their environmental officers, HRMG officials and staff and members of the project supervision consultants, specifically the resident engineers and the quantity engineer who will interact frequently with both the contractors and affected communities.

49. This induction training is compliant with the CSTB contracts mandating HRMG and the Project Supervision Consultants to conduct such a training as a precondition in the preparation of their respective Contractor's Environmental Management Plans (CEMPs). Since the CEMPs include social safeguards components, the presentation and discussions included social safeguards concerns.

50. One of the highlights of the induction training was the delineation of responsibilities between HRMG and the contractor in terms of complaints and grievances from the stakeholders and affected communities. It was pointed out that generally, asset damages occurring within the construction limits are the responsibilities of HRMG and should be endorsed to their CROs. Asset damages occurring outside of the construction limits are the responsibilities of the respective contractors.

4.0 DELIVERY OF COMPENSATION AND ENTITLEMENTS

4.1 Memorandum of Agreement

51. 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. 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.

52. 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).

53. 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.

4.2 Verification Survey of DMS Results

54. The DMS undertaken in middle of 26 August to 6 September 2015 by the international design team was limited only to the first Km 13.950. There were some affected assets that may have been missed out during the DMS and to settle this uncertainty, a verification survey was conducted by the Resettlement Unit of Highlands Roads Management Group (HRMG) and was completed in July 25, 2016.

55. The affected assets that were missed out in the previous DMS and identified in this verification were combined with the previously identified affected assets and are discussed in the following paragraphs. There were also some instances wherein previously affected assets such as some crops and trees were excluded in the master list because after re-measuring of the construction limits, these will not be affected by the project.

4.2.1 Compensation for Structures

56. A verification survey was conducted by HRMG to determine the total of structures situated within the road construction limit that were likely to be affected. From the initial 30 affected structures, the number of affected structures increased to 55 structures which were likely to be affected. Out of the total of 55 structures, 26 structures are made of bush materials, 24 structures made of semi-permanent materials and 5 made of permanent materials. The total area of the 55 structures is 501sqm. The rates reflect the current prices of materials, labour and other associated costs. The total amount of compensation for the affected 55 structures is 131,711.00 Kina.

4.2.2 Compensation for Gravesites

57. There were 35 graves and gravesites previously identified to be affected by the project. Combining the previously identified graves and gravesites with the results of the verification survey, there are now 48 affected gravesites; 28 sites un-marked, 14 permanently marked and 6 permanently marked with features. The applicable rates for the Valuer General's Schedule of Compensation Rates specifies as follows; un-marked graves K130.00, permanently marked graves at K330.00 and sites with permanent features at K1,300.00, totaling 16,130.00 kina.

4.2.3 Compensation for Fences

58. There were 78 previously identified fences to be affected by the project. Based on the combined results with the verification survey, there are now 112 fences affected with the following lengths; 3,645 meters plant/bush; 416.66 meters wooden fence; and 14.28 meters metal. The total amount for fences is 14,250.50 kina. The details are shown in the following Table 2: Compensation Costs of Affected Assets (0+000km -- 13.950 km).

Table 2: Compensation Costs of Affected Assets (0+000km -- 13.950 km)

Affected Assets	Unit/Area	Amount	Total Amount
Structures	55		131,711.00
Bush Materials	26 Structures (222sqm)	30,636.00	
Semi-Permanent	24 Structures (96.21sqm)	38,775.00	
Permanent	5 Structures (77.38sqm)	62,300.00	
Graves	48		16,130.00
Cemetery & Unmarked	28	3,710.00	
Permanently Marked	14	4,620.00	
Permanently Mark w/Features	6	7,800.00	
Fences	4,076		14,250.50
Plant/Bush	3,645	11,250.50	
Wooden	416.66	2,500.00	
Metal	14.28	500	
Crops and Trees	21,575		121,784.85
Category A	1,726	31,069.00	
Category B	11,971	26,898.70	
Category C	3,606	40,682.65	
Category C1	1,068	3,025.85	
Category C2	112	295.55	
Category C3	467	4,002.60	
Trees	2,625	15,810.50	
Rehabilitation Allowance	100		24,000.00
Business Disruption Allowance	18	4,320.00	
Moving Allowance	55	13,200.00	
Vulnerability Allowance	27	6,480.00	
Total			307,876.35

Source: Detailed Measurement Survey. August-September 2015& Verification Survey 02, July 2016

4.2.4 Compensation for Crops and Tress

59. In the initial DMS, there were 21,823 crops and trees most likely to be affected by the project. Based on the combined results with the verification survey, the crops and trees most likely to be affected by the project decreased to a total of 21,575 crops and trees in different stages of development and different categories based on the latest Valuer General's Schedule

of Compensation Rates. The compensation rates and amounts for the affected crops and trees totaled 121,784.85 Kina and the details of which are shown in the above-mentioned table.

4.2.5 Rehabilitation Allowances

60. Based on the verification survey, there are 18 APs who own businesses such as trade stores, canteens and a poultry house along the road corridor within the road construction limit. They have to shift their affected structures away from the construction limits. During this time, they will suffer temporary business losses. They are entitled to receive a business disruption allowance in the form of shifting allowance equivalent to 240.00 kina each or a total amount of 4,320.00 kina to be paid to the 18 APs.

61. There are 55 APs whose structures such as houses, trade stores, canteens, huts and sheds situated within the road construction limit that will require relocation. The moving allowance is equivalent to 240.00 kina for each AP. Total amount to be paid is 13,200.00 kina.

62. There are 100 households that will receive vulnerability allowances of 240.00 kina each for women headed households, elderly headed households and households headed by mentally or physically challenged persons amounting to 24,000.00 kina. The details of rehabilitation allowances are shown in the above-mentioned table.

4.3 DMS for Second Section

63. DMS for the second section from Km 14+950 – Km 27.73 which was not included in the original DMS was conducted and completed on 4th July 2016. Those assets likely to be affected when the improvement works commence have been assessed and valued using the latest Schedule of Compensation Rates for trees and crops issued by the Office of the Valuer General.

64. Some ceremonial areas likely to be affected have been recorded including the ceremonial ground in Chainage 26.680. This will be further assessed based on the pre-construction survey to determine the actual scope of impact and possible technical adjustments during construction activities. As ceremonial grounds are communally owned, in-kind compensation is preferred where entire communities benefit from such development package.

4.3.1 Compensation for Structures

65. 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 94,965.60 Kina.

4.3.2 Compensation for Gravesites

66. There are 69 affected gravesites, 61 unmarked graves and 8 permanently marked graves. The total amount of compensation for graves is 16,485.00 Kina.

4.3.3 Compensation for Fences

67. There are 101 fences to be affected by the project, 49 of these fences are made from plant/bush, 49 fences made of wooden materials, one fence constructed with metal and two fences constructed with stone. The total amount to be paid is 20,710.00 Kina.

4.3.4 Crops and Trees

68. There are 65,342 crops and trees belonging to seven crop/tree categories that will be affected by the project. The total value of these affected crops and trees is 271,693.80 Kina.

4.3.5 Rehabilitation Allowance

69. There are 193 affected persons (APs) who are entitled to rehabilitation allowances. This total is broken down into business disruption allowance, moving allowance and vulnerability allowance. The total amount of rehabilitation allowance is 46,320.00 Kina. All the details are shown in the following **Table 3: Compensation Costs of Affected Assets (km 13.950 - km 27.73)**.

Table 3: Compensation Costs of Affected Assets (km 13.950 - km 27.73)

Affected Assets	Unit/Area	Amount	Total Amount
Structures	83		94,965.60
Bush Materials	57 Structures (229.80 sqm)	31,717.60	
Semi-Permanent	20 Structures (111sqm)	44,733.00	
Permanent	6 Structures (23sqm)	18,515.00	
Graves	69		16,485.00
Cemetery & Unmarked	61	13,845.00	
Permanently Marked	8	2,640.00	
Fences	101		20,710.00
Plant/Bush	49	6,340.00	
Wooden	49	12,660.00	
Metal	1	1,050.00	
Stone	2	660	
Crops and Trees	65,342		271,693.80
Category A	3,537	58,649.90	
Category B	18,971	58,165.90	
Category C	5,600	53,039.95	
Category C1	22,092	26,969.80	
Category C2	5,296	5,671.65	
Category C3	2,506	18,173.30	
Trees	7,340	51,023.30	
Rehabilitation Allowance	193		46,320.00
Business Disruption Allowance	23	5,520.00	
Moving Allowance	147	35,280.00	
Vulnerability Allowance	23	5,520.00	
			450,174.40

4.4 Full Payment of Compensation

70. Payment of compensation to APs who owned the affected asset within the construction limits were based on (a) the DMS undertaken by the design consultant in 2015 and verified by the HRMG team for the first 13.950 km and (b) the results of the DMS conducted by HRMG for the remaining section of 13.78 km for the Nipa Munihi Road.

71. Actual payments were made in Mendi Provincial Works Office, SHP which started last 18 May 2017 and was completed on 23 May 2017 (Saturday and Sunday excluded). The payments were facilitated by the HRMG staff in close coordination with the personnel from the Southern Highlands Provincial Works. Security personnel was also involved in the disbursement of payments to ensure that payments were disbursed in an atmosphere free from intimidation and coercion.

72. There were 355 APs in the first 13.950 km section who all received their compensation payments totaling Kina 307,876.35 net of administrative costs. They all signed their respective Deeds of Releases (DORs).

73. For the remaining section of 13.78 km, there were 923 APs who also received their compensation payments totaling Kina 450,174.40 net of administrative expenses. They also signed their respective Deeds of Releases (DORs). Combining the 2 sections, the total APs was 1,278 persons and the total compensation payments disbursed for the Nipa Munihi road accounted to a total of Kina 758,050.75.

74. Appendix 4 provides a sample of 5 DORs signed by APs and countersigned by the HRMG Safeguards Officer. The details of the consolidated compensation costs net of administrative expenses are shown in the following Table 4: Consolidated Compensation Costs.

Table 4: Consolidated Compensation Costs

Affected Assets	Unit/Area	Amount	Total Amount
Structures	138		226,676.60
Bush Materials	83 structures	62,353.60	
Semi-Permanent	44 structures	83,508.00	
Permanent	11 structures	80,815.00	
Graves	117		32,615.00
Cemetery & Unmarked	89	17,555.00	
Permanently Marked	22	7,260.00	
Permanently Mark w/Features	6	7,800.00	
Fences	129		34,960.50
Plant/Bush	69	17,590.50	
Wooden	55	15,160.00	
Metal	3	1,550.00	
Stone	2	660	
Crops and Trees	86,917		393,478.65
Category A	5,263	89,718.90	
Category B	30,942	85,064.60	
Category C	9,206	93,722.60	
Category C1	23,160	29,995.65	
Category C2	5,408	5,967.20	
Category C3	2,973	22,175.90	
Trees	9,965	66,833.80	
Rehabilitation Allowance	293		70,320.00
Business Disruption Allowance	41	9,840.00	
Moving Allowance	202	48,480.00	
Vulnerability Allowance*	50	12,000.00	
Women Headed Households	21	5040	
Elderly	11	2640	
Handicapped Headed Households	18	4320	
			758,050.75

Vulnerability allowance includes women headed households, elderly and handicapped headed households. The amount is disaggregated into these three categories in the table.

To facilitate compensation payments, a schedule was followed based on location, clustering affected wards and Tribes/Clans. The details are shown in the following

Table 5: Compensation Payments by Wards and Tribe/Clan

No.	Chainage	Tribe/Clan	Ward/Area	Total APs	Amount
1	0+000 – 7+100	Nipa/Towns	Egenda 1/ Nipa	100	59,450.90
2	7+100 – 11+300	Hinn	Egenda 2	131	117,242.75
3	11+300 – 13+100	Hal	Egenda 3	125	131,183.70
4	13+100 – 14+200	Pint	Shumbi 1	335	136,034.10
5	14+200 – 18+600	Kopol	Shumbi 2	205	129,749.30
6	18+600 – 23+500	Maip	Maip 1	204	103,256.80
7	23+500 – 27+730	Kupin	Maip 2/ Munihu	178	81,134.20
			Total	1,278	758,050.75

75. The outstanding compensation payments in this road project are the grievances and claims filed with the GRC that may be decided in favour of the complainants by the GRC. A contingent fund has been requested from DOW/POM to settle any decision of the GRC in favour of payment to the complainant under the “pay as we go” approach.

5.0 PUBLIC PARTICIPATION AND CONSULTATIONS

5.1 Public Consultations and Women’s Participation

76. Public Consultations were conducted at numerous intervals with roadside communities who are direct stakeholders and other indirect stakeholders including the District Administrator, Official from Prime Minister’s Office, LLG Presidents, Ward Councilors, religious and women representatives. The consultations for the most part covered the project and the positive and negative impacts of the project.

77. A project disclosure leaflet was developed and distributed to the direct stakeholders. During the public consultations, the contents of this leaflet was presented and explained to the participants. The information included in the leaflet included information on HRRIP, construction activities, steps in project implementation, detailed measurement survey, highlights of the MOA, project cut-off date, compensation package, grievance redress mechanism, income restoration measures and project schedule.

78. For the covered period, there were 11 public consultations conducted with roadside communities in the Nipa-Munihu sub-project road at numerous intervals from July to December 2017 covering all the affected wards. There were 720 participants and out of this total, 480 were males (66.66%) while there were 240 females (33.33%). These are summarized in the following Table 6: Summary of Public Consultations & Women's Participation.

Table 6: Summary of Public Consultations & Women's Participation

Month	# of Consultations	Male Participants	Female Participants	Total Participants	APs Who Participated
July	1	70	45	115	68
August	1	80	35	115	43
September	3	85	43	128	52
October	2	70	45	115	52
November	2	75	20	95	60
December	2	100	52	152	75
Total	11	480	240	720	350
Percentage	100%	66.66%	33.33%	100%	48.61%

79. There were 350 participants who belonged to AP households. This number represented 48.61% of total public consultation participants. Important points discussed during the consultations are the about the project are; positive and negative impacts. Positive impacts discussed during the consultations are; better road access would link to other basic services, generation of spin-off benefits, improve in socioeconomic activities, creation of employment opportunities and improve in livelihoods. Negative impact of project discussed during the consultations includes; damages incurred by the previous contractor, loss of assets and other adverse impact to environment and eco-system and loss of land if necessary. However, the positive impacts outweigh the negative impact because people begin to realize the importance of having better and accessible road. A brief summary of issues is summarized in Table 7: Summary of Issues Raised During August 2017 Consultations. The attendance sheets of these consultations are shown in Appendix 8: Attendance Sheets.

Table 7: Summary of Issues Raised During August 2017 Consultations

Consultation Location	Issues/Concerns Raised by APs	Response(s) by HRMG Officers
Nipa Station	Grievances in relation to missed out and under-payments	The grievances are before the Grievance Redress Committee for deliberation and only the genuine claims will be recommended to HRMG for settling payments.
Egenda Market Place	Grievances in relation to missed out and under-payments Assets Developed after the DMS Cut-off date.	The grievances are before the Grievance Redress Committees for deliberation and only the genuine claims will be recommended to HRMG for settling payments. Assets developed after the DMS cut-off date (7 September 2015) will not be considered as the cut-off date has already been set. Awareness was conducted along the subproject area for people not to develop any assets after the DMS cut-off date was established.
Shumbi	Grievances in relation to missed out and under-payments Missed out payment for one (1) ceremonial ground	The grievances are before the Grievance Redress Committees for deliberation and only the genuine claims will be recommended to HRMG for settling payments. Ceremonial ground is collectively owned by the surrounding clans' hence no individual person will be paid but instead an in-kind assistance will be provided to the surrounding communities. This will be further discussed during the course of the civil works.
Sonba Ceremonial Area	Missed out payment for two (2) ceremonial grounds which the road will traverse	Ceremonial ground is collectively owned by the surrounding clans' hence no individual person will be paid but instead an in-kind assistance will be provided to the surrounding communities. This will be further discussed during the course of the civil works.
Pareninz Junction	Environmental damages done within the 500 meters road section by local contractor (IPZ Co. Limited)	Previous damages are caused by the Local Contractor; hence landowners could collectively lodge a formal complaint with the Contractor to address the issue; ADB/HRMG only addresses issues regarding assets within construction limits.

80. The discussions in Pareninz Junction focused on previous damages caused by local contractor (IPZ Co. LTD). Some expressed concerns over further environmental damages. There were some resettlement related issues such as unmarked graves and burial sites which were missed out during the DMS. These were referred to the GRCs and only approved claims will be submitted to HRMG for consideration.

81. 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 are allowed to resolve their grievances through the formal court system should they be unhappy about the solutions proposed by the GRC. The steps in the GRC are shown in Appendix 3: -- Procedures for the GRC Process. A visual flow chart was also presented as shown in Appendix 5: Flow Chart of GRC Process.

82. During the verification process, HRMG personnel explained to the affected wards and villages the contents while they are verifying the affected assets. This includes the implementation process and their entitlements, overall objectives of the RP and the establishment of a grievance redress mechanism. Upon the completion of the verification process, APs were informed about their affected assets and the valuation of the said assets which are to be presented to DOW/POM to secure payments.

83. APs have also been informed that grievances arising from environmental damages caused by any construction activity are the responsibility of the contractor. DOW through HRMG would only be liable to address any resettlement related issues if these issues emanate within the construction limits.

5.2 Grievance Redress Mechanism

84. A Grievances Redress Committee (GRC) has been established at the Provincial Works Office in Mendi to receive log and deliberate on all grievances received from APs relating to the payment of compensation. The establishment of the GRC for this sub-project was facilitated by HRMG as part of its delegated mandate to implement the resettlement plan last 15 November 2016 at the Provincial Works Office in Mendi.

85. It was established prior to the disbursement of payments. This 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.

86. After the formal convening of the first GRC meeting and with the unanimous approval of all the members, an introductory workshop was conducted at the Provincial works office in Mendi. The workshop provided the rationale of the committee, their roles and responsibilities as committee members of the GRC. The training workshop was facilitated by the International Social Safeguards and Resettlement Specialist, the National Resettlement Specialist and the Environmental Officer of one of the Tranche 2 subprojects.

87. The formal Grievance Redress Committee meeting will be conducted once all grievances already filed are received and registered in the complainant log-sheet. The results of the GRC meeting will be communicated to HRMG for further actions.

5.2.1 Composition of the GRC

The committee 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 APs who may have some resettlement related complaints arising out of the project. The names of the members of the GRC are shown in the following

Table 8: Composition of the Grievance Redress **Committee**.

Table 8: Composition of the Grievance Redress Committee

No:	Name	Gender	Title/Position	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 Adviser
10	Saul Nol	Male	Environmental Officer	Technical Adviser

88. While there were no deadlines to submit the complaints, members of the GRC were urged to encourage APs with complaints to lodge their grievances within 14 days after receipt of compensation payments in their wards and villages. During compensation payments, the APs and persons claiming to be APs were also informed of this 14-day filing period. The complainants may file their complaints with the HRMG or Provincial Works Office in SHP so that their complaints may be formally registered in the compliant log sheet which is the basis for setting up the agenda of the GRC.

5.2.2 Grievances Filed With GRC

89. For the covered period, there were a total of 765 grievances have been received by HRMG through the Resettlement and Social Safeguards section and has been registered in the complainant log sheet. A GRC meeting will be convened to deliberate on grievances lodged by the aggrieved APs for the subproject road and the final recommendations derived through the deliberations will be communicated to HRMG for proper action. The summary is presented in the following **Table 9: Grievances Lodged with the GRC (July -- December 2017)**.

Table 9: Grievances Lodged with the GRC (July -- December 2017)

Road Section	Grievances Filed	Nature of Grievances			
		Previous Environmental Damages	Ceremonial Grounds	Missed out	Under-Paid
Left Side	388	65	25	230	68
Right Side	377	53	16	206	102
Total	765	118	41	436	170
Percentage	100%	15.42%	5.35%	56.99%	22.22%

6.0 BENEFIT MONITORING

90. The contractor has not yet officially commenced its construction in this subproject road since the commencement date started only on 11 December 2017. The contractor is in the process of mobilization and construction activities for the road has not commence, hence, there are very few, if at all, to be reported on the benefits arising out of the construction activities. It is quite premature to report expected benefits that have yet to materialize. The discussions under this section will focus on the parameters and indicators that will be used and what will be expected in the next semi-annual monitoring report for the first half of 2018.

6.1 Road Construction Employment

91. 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 land owners 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 local residents including APs and at least 30% women to be employed in the road project. These pertinent provisions also cover and are applicable to local sub-contractors.

92. From July to December 2017, the Nipa-Munihi road sub-project has not kept the proper documentation on the number of workers hired to provide labor in the preliminary activities such the establishment of campsite and carrying out pre-construction activities. Since the project has not carried out the actual construction work, it does not have permanent workers. Only few workers were employed on a temporarily basis to engage them in pre-construction activities.

93. Internal monitoring will cover the (a) number of employees per month broken down into gender, (b) estimated amount of salaries and wages of women in payroll activities, number of women in non-payroll activities and the estimated amount of wages per month, and number of APs employed. It will also present employment data by affected LLG and the estimated aggregate amount per LLG.

6.2 Benefits from Quarry and Other land Related Revenues

94. For the month of July to December 2017, the contractor did not extract any volume of burrows from the quarries. It is anticipated that some materials were extracted for the camp set up but the actual tons of burrows extracted were unavailable. In the next semi-annual report, the report will contain the actual tons of burrows extracted from quarries, the revenues of customary landowners from the quarry operations, the revenue for the lease of customary land for the camp site, other construction facilities and disposal sites.

6.3 Other Local Benefits

95. For the covered period the contractor has not purchased any food items for the camp(s). This will also be presented in the next semi-annual monitoring report. These local purchases composed of vegetables and fruits as well as local construction materials benefit the impacted communities of the project.

7.0 REQUIREMENTS FOR REMEDIAL ACTIONS

96. As of 30 December 2017, the end of this reporting period, there are four outstanding issues, namely the grievances pending in the GRC, in-kind assistance for the affected ceremonial grounds, environmental damages incurred by the previous contractor and the implementation of the income restoration measures. The implementation of the recommended income restoration measures involving the construction of bus bays and waiting sheds are scheduled to commence once the portion of the proposed locations would have been sealed. The following paragraphs discuss briefly these two outstanding issues.

7.1 Pending Grievances

97. A total of 765 grievances received by the resettlement unit of HRMG and these grievances have been registered in the complaint log-sheet. The grievance redress committee will deliberate on the merits of these grievances during the grievance redress committee meeting. Since the number of grievances is quite large, the GRC deliberations may take several meetings to fully discuss these claims.

98. It is possible that site visit / inspections will be undertaken by the GRC members for better appreciation of the complaints. Coordination will be undertaken with complainants, local leaders and district officials. In these cases, resolution of grievances will take some time.

99. Meritorious complaints as decided by the GRC will be endorsed to HRMG for further actions. Upon receipt of advice that additional funds are available, HRMG will promptly settle these meritorious complaints.

7.2 Missed Out Payments for Ceremonial Grounds

100. There were four (4) ceremonial grounds that will be affected by the road project. These ceremonial grounds were identified during several site inspections. The ceremonial grounds are; (a) Shumbi ceremonial ground located at Chainage 13+100;(b) Sonba 1 Ceremonial ground located at Chainage 16+050;(c) Sonba 2 ceremonial ground located at Chainage 16+200 and;(d) Nengia Ceremonial Ground located at Chainage 19+350.

101. Several discussions were conducted with the affected clans about the approaches to be taken by HRMG in settling their issues regarding the missed-out payment for the ceremonial grounds that will be affected during the course of civil works.

102. Affected clans have been informed about the method of provision of in-kind assistance to be given to the affected clans who legitimately owns these ceremonial grounds. In response, the leaders of the affected clans have agreed with the idea of provision of in-kind assistance. Further consultation will be conducted with the affected clans on the types of assistance they most prefer.

7.3 Environmental Damages

103. The outstanding issue in regards to the 500 meters section of the road will be addressed through the provision of in-kind development packages to the APs. However, APs have suggested that a certain amount of money will be provided to them in a form of package so that they will equally share among themselves. This idea will further be deliberated through the GRC meeting and final consultation with the affected clans to suggest amicable methods to rectify the issue.

7.4 Implementation of Income Restoration Measures

104. Under income restoration measures provided in the RP, the tribes and the clans will be provided with three (3) 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 particular road section where these facilities will be located to ensure that these facilities will be undertaken in coordination with the whole road sub-project.

105. The locations for the establishment of bus bays and waiting sheds will be identified during the course of the implementation of the road subproject. These strategic locations will be determined and confirmed through consultations with local leaders and through observations to determine the human traffic in these candidate junctions.

APPENDICES

Appendix 1 List of References

1. Resettlement Plan (RP) Nipa-Munihi Sub-Project, March 2016
2. Initial Compensation Payment Completion Report, July 2017
3. Resettlement Completion Report, July 2017
4. Semi-Annual Report (January – June 2017)
5. Community Consultation and Awareness Report (October 2017)
6. Highlights of the Introductory GRC Meeting (2017)

Appendix 2: List of People Interviewed

1. Alphonse Niggins, Senior Field Coordinator, HRMG
2. Paul Nombri, Technical Services manager, HRMG
3. Mathias Awi, Social and Resettlement Safeguards Officer, HRMG
4. Saul Nol, Environmental officer, Nipa-Munihi(HRMG)
5. Jr Kupulu, PWM, SHP
6. John Harisol,GRC Chairperson and District Administrator, Nipa-Kutubu District
7. David Pal, Community Relations Office(CRO)Nipa-Munihi Road Sub-project
8. Ms.Jennetha His, Women's Representative and Member to GRC
9. Robin Pip, Community Representative, Egenda Wards
10. Charlie Dalaka, Environmental officer,(COVEC) Nipa-Munihi
11. Cr. Pip Sunguro, Egenda 2 Ward Councillor
12. Cr. Robin Pu, Map 1 Ward Councillor
13. Jack Wari, Representative of Displaced Persons (DP), Munihi Side.

Appendix 3: Procedures for the GRC Process

To rationalize the GRC process and make them uniform for the different subprojects for Tranche 3, the following steps are recommended for formal adoption of the four GRC committees. The flow chart included in this report shall be posted in each of district office where the subprojects are located to ensure that APs is fully aware of the GRC procedures.

Step1: The potential affected person (AP) files verbally or in written form his/her complaint or grievance with the community relation officer (CRO) of HRMG, detailing his/her name, residence location or chainage, name or ward, and an enumeration of assets that are the subject matter of the complaint. He//she shall put the basis for the complaint.

Step 2: The CRO initially screens the verbal or written complaint and determines if the complaint is a resettlement related issue located inside the construction limits or it is an environmental issue arising out of any construction activity which affects the environment (such as food gardens, trees, crops, bodies of water) outside of the construction limits. If the complaint is an environmental issue, the complaint shall be log out and forwarded to the contractor for proper action.

Note: *There are cases wherein the complainant is the husband, brother, son or daughter of owner of the alleged affected asset. The CRO shall ascertain at this stage who is the real owner of the asset. Consult with the ward, tribal leaders in the area to ensure that only the real owners file grievances.*

Step 3: Only safeguards related issues will be forwarded to the GRC. The CRO shall assist the AP or files the written complaint in behalf of the AP. The CRO shall maintain his own log book (See Form 1) for all the safeguards related complaints that he/she will forward to GRC. This log book shall also contain all the necessary information to track down the status of each and every complaint filed with the GRC.

Note: *Specific complaint includes missed out payment, payment to wrong person, claimed asset is inside construction limits, wrong counting of affected assets, Inadequate pricing of affected assets, damage incurred by the previous contractor (previous asset loss) and others.*

The GRC on its own may refuse to take cognizance of the complaint brought before them when it appears that the GRC has no jurisdiction based on the face value of the complaint. In this case, the AP may opt to bring the complaint to other venues for the proper disposition of the claim.

Note: *There were previous cases wherein grievances filed were not connected with the subproject or were incurred by previous contractors. HRMG may take cognizance in a case to case basis.*

From this point of the complaint, he/she acts as the custodian of the records of the complaints and also acts as the secretariat supporting the official functions of the GRC. He/she shall closely coordinate with the social safeguards officer (SSO) of HRMG to ensure that proper documentation of all complaints is maintained, safe, intact and readily available to the SSO.

Note: *All records, documents, transcriptions, attendance sheets and photographs of all aspects of GRC proceedings are owned by HRMG and shall not be shared, photocopy or emailed unless with the written consent of the Senior Project Coordinator of HRMG.*

Step 4: The chairperson of the GRC, upon assurance of the availability of funds¹ from HRMG shall schedule a GRC meeting, specifying the claims and grievances that will be tackled in a certain road section of the subproject and the date and time of the meeting. The CRO shall inform HRMG Mount Hagen and the complainants that are included in the agenda of the covered road section in any form of communication available.

Step 5: At the date of the GRC meeting, the SSO and CRO shall go to the designated place of the meeting. The official GRC meeting can take place in a certain place or can be in a nature of a verification visit to personally assess the locations and types of assets mentioned in the complaint. Oral arguments and other modes of discoveries may be permitted during these verification visits with APs, upon proper permission of the chairperson. The decisions or resolutions made by the GRC shall be binding to the project and only an adverse decision of a local land court as per the Land Dispute Settlement Act may reverse the GRC decision. Again, if the complainant is not satisfied with the decision of the GRC, he/she may avail of other remedies such as filing a complaint with the local land court.

Note: *The CRO and SSO shall document every decision of the GRC made in the field, taking note of each vote of every member present, in cases wherein the votes are not unanimous. These should be noted in the log book corresponding to a particular complainant. If the grievance is deemed genuine or not genuine, the reason of the GRC should be explained in the log book.*

Step 6: The CRO shall update his log book and make the proper notations on the decisions of the GRC and jointly submit with the SSO, a summary to HRMG, containing all the details of the compliant with some photographs. The summary should be signed by the chairperson of the GRC. The SSO shall also maintain a log book of his own containing all the decisions of the GRC. The SSO shall reconcile his log book with the CRO to ensure that there is consistency and uniformity of data.

Note: *The ultimate responsibility of submitting to HRMG the summary of the decisions of GRC is with the SSO. It should contain per road section the number of grievances filed within the covered period, grievances deemed genuine, the amount awarded to each of the complainants.*

At this juncture, the CRO shall inform the APs of the decisions of the GRC whether the claims are dismissed or monetary awards have been given to the APs. On the latter case, the amounts of monetary awards should be communicated to the APs.

Step 7: The SSO shall submit the summary of the decisions of the GRC (See Form 2) and the necessary supporting documents and photographs to HRMG. He shall prepare the proper documents requesting payment for claims favorably acted upon by the GRC to HRMG.

Note: *The SSO shall also attach with the summary the decision for each of the complaints in Matrix form.*

Step 8: HRMG shall schedule payments of meritorious claims as decided by the GRC based on the road section visited or discussed by the GRC. The schedules will be based on the availability of funds of HRMG in Mount Hagen or from the approved payments and remittances of DOW/POM.

Step 9: Upon availability of funds, the SSO shall inform the CRO the schedule of payments of awards of the GRC, including the time, place and the names of APs that will be paid, including

¹ Members of the GRC receive sitting allowances with the chair receiving more. In addition, logistical expenses are incurred by SSO and SSC from Mount Hagen. It is recommended to give the CRO assigned to the GRC an allowance equivalent to the allowance of a sitting member to fully document the GRC proceedings. Payable upon submission of the complete report.

the corresponding amounts. On his/her part, the CRO shall inform all pertinent parties about the payment schedule and their corresponding amounts.

Step 10: SSO together with the CRO and ward leaders go to the road section and pay the GRC awards. APs sign deeds of release² and receive the payments for the awards of the GRC. SSO prepares summary of payments and photographs and submits to HRMG within 5 days after the payments.

² HRMG should have a set of Deeds of Releases per project as part of its documentation and future reference in cases wherein future claims involving same affected assets are claimed.

Appendix 4: HRMG Community Relations Officer (Job Description)

General Function:

The Community Relations Officer is responsible for carrying out community relations activities including, project information dissemination, local communities' notification & liaison, reporting and monitoring and issues management to promote goodwill and foster good relationships with Affected Persons (APs), affected wards and LLGs officials, customary landowners, affected tribes and clans and other stakeholders.

Specific Functions

Information Education and Communication (IEC) Function

- Communicate project disclosure leaflet to affected wards and villages;
- Explain the responsibilities of DOW/HRMG on resettlement related issues and contractor's responsibilities and liabilities outside of the construction limits, especially environmental damages arising out of the implementation of the project;
- Provide information to communities and other stakeholders on the progress of construction activities;
- Participate together with the SSO in the pre-construction survey and disseminate project information;
- Notify and organize affected communities in advance for scheduled activities, visits, consultation meetings that may be held from time to time in the job site;
- Provide information on the procedures on grievance redress committee (GRC) and assist APs in filing of cases with the GRC, if needed;
- Ensure proper documentation of attendance sheets, number of participants, women and displaced persons (APs);

Mediation Function

- Proactively identify potentially contentious community issues, provide advice for effectively managing issues;
- Initially identify whether an issue is resettlement or environmental related;
- Discuss with potential complainants the information in the leaflet and try to settle issue at this level;
- If issue is unsettled, refer to the proper authorities or units, issues arising out of the implementation of the project (HRMG/DOW or contractor's issues);
- Assist HRMG Mt. Hagen officers in the clarification and settlement of issues;
- Document GRC proceedings, resolutions and findings;

Monitoring and Reporting Function

- Be on site and participate in the pre-construction survey, wherein the plotting of the construction limits are undertaken jointly by DOW and the contractor;
- Prepare summaries of progress and monitoring parameters every month;
- Inform HRMG Officers of any outstanding issue that should be addressed;
- Report pressing individual and community issues to HRMG that require immediate actions;
- Assist in the implementation of any community development plan or income restoration measures for the affected communities;

Miscellaneous Function

- Attend periodic training and/or seminars for capacity building;
- Collect additional project information that HRMG may need from time to time;
- Perform other functions that may be assigned by HRMG;

Monthly Deliverables of the CRO

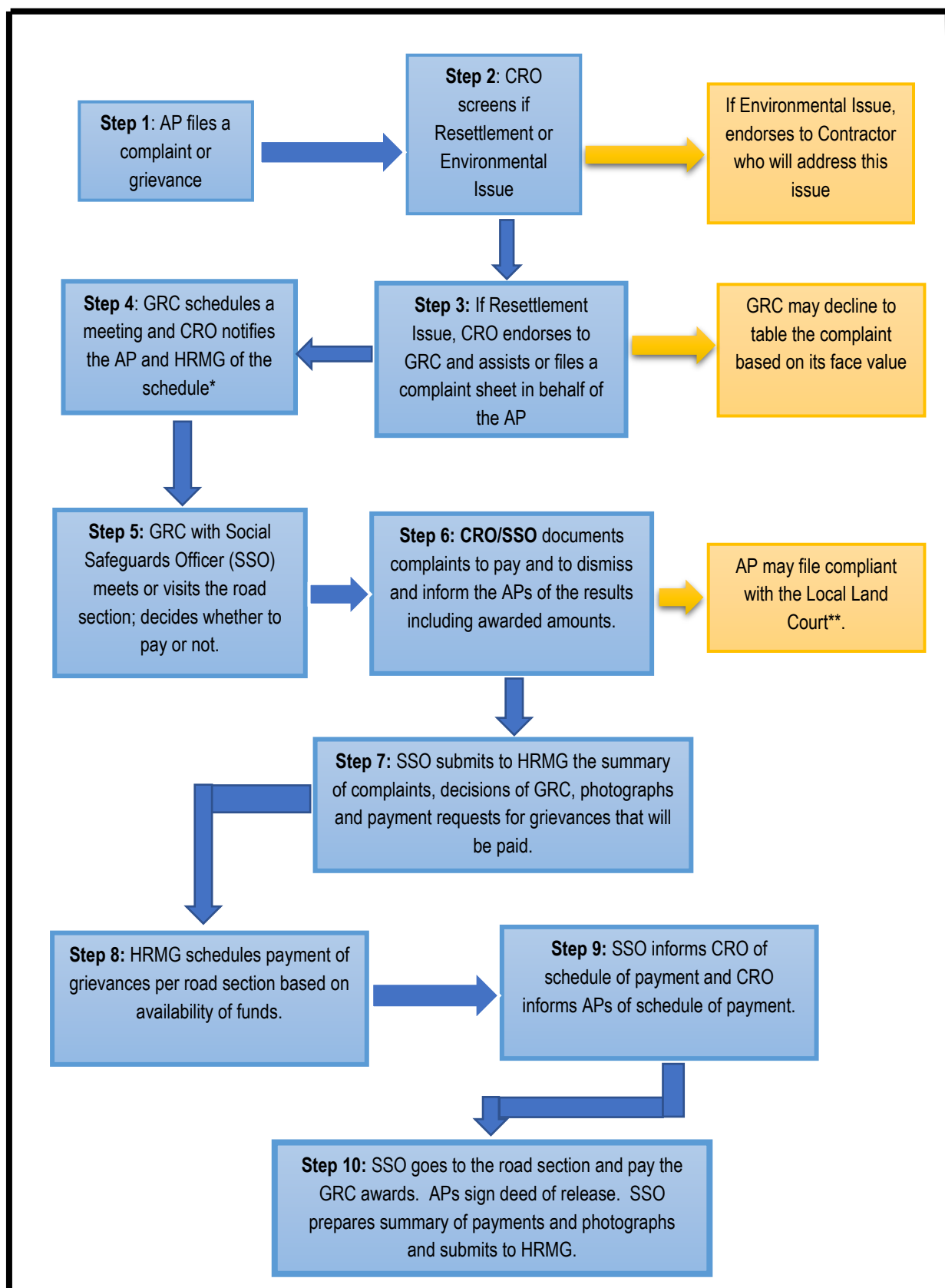
- Full documentation of public meetings, consultations, site visits including disaggregated by gender and APs attendance sheets, highlights of the meetings, some photos;
- Proof of prior notifications of meetings, village assemblies and other activities;
- Full documentation of GRC proceedings including grievances handled, resolved and outstanding issues and amounts involved;
- Monthly summary of community issues and complaints arising out of the covered month and any outstanding issues from the previous month;
- Monthly employment data and other direct and indirect benefits arising out of the project;

Qualifications & Skills:

- Preferably a resident of the sub-project road;
- Educational attainment of at least grade 12;
- Able to read and write;
- Experience in managing community issues;
- Good communication, interpersonal and presentation skills; and ability to expand relationships;
- Good presentation skills and negotiation;
- Strong service-orientation result driven and proactive;
- Proficiency in Microsoft office.

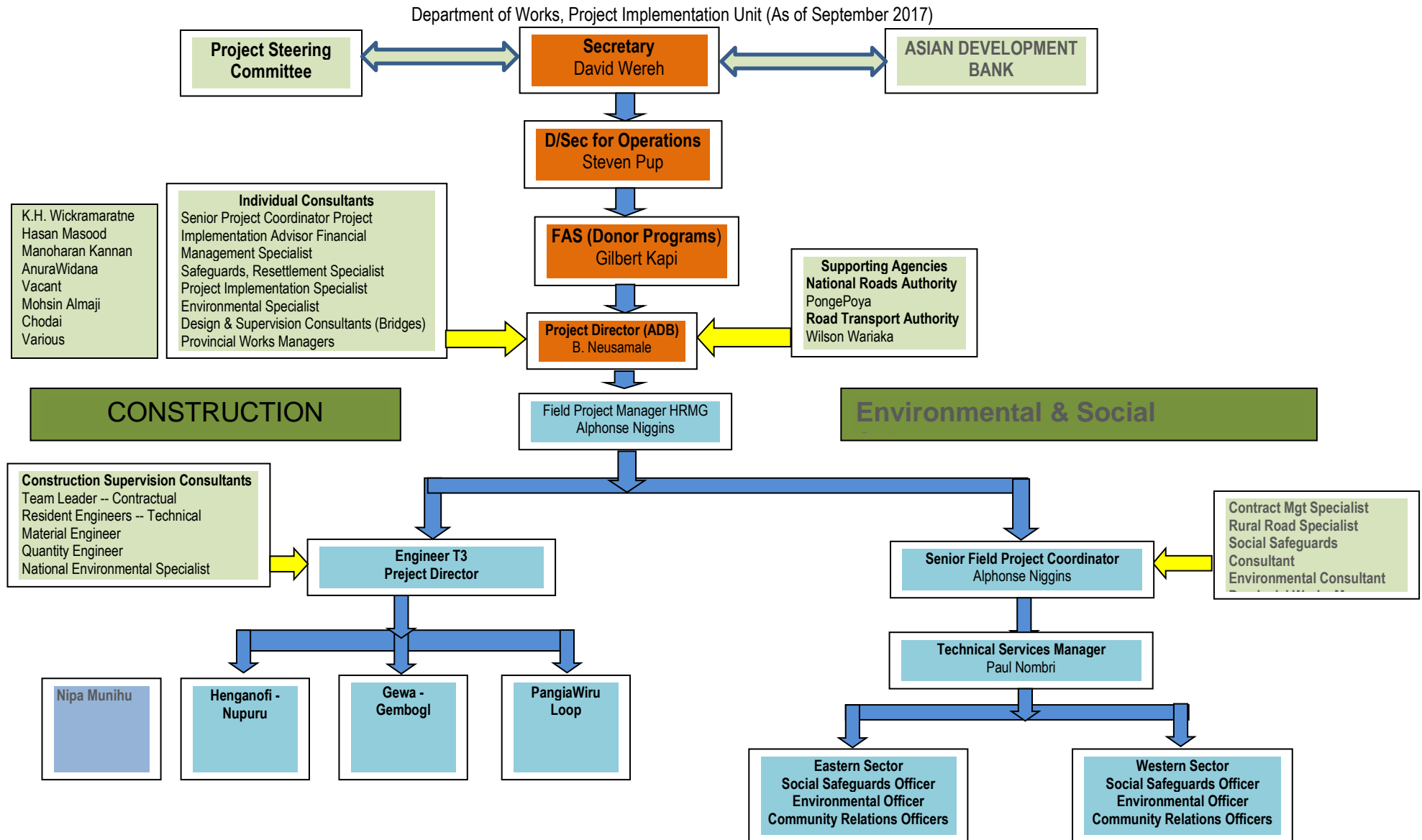
Women are encouraged to apply for this position as part of the policy of HRMG as gender equality employer.

Appendix 5: Flow Chart of GRC Process



* Schedule is based on the road section where grievances are scheduled to be heard by the GRC.

** Based on the provisions of the Land Settlement Act of 1975.

Appendix 6: Organizational Chart

Appendix 7: Photographs

Image 1. The induction session held on July 12, 2017 was jointly chaired by Field Project Manager and Senior Field Projects Coordinator and attending were the contractors of Tranche 3. Presenters were International Environmental Specialist Dr Emmanuel Lleba and International Social Safeguards Specialist Mr Rolando Soncuya both from Renardet S A and other Construction Supervision Consultants, Mr Almaji Mosin, HRMG Manager Technical Services and national Environmental and Social Safeguards Officers.



Image 2. Establishment of the GRC and an introductory GRC meeting held at the conference room of Provincial Works office in Mendi.



Image 3. Public Consultation conducted by a HRMG officer at Egenda Communal Place (Km 5+100). Being presented are project information, compensation policy and the establishment of a grievance redress committee that will address resettlement related problem.



Image 3. Chief Leader Mr. Vincent Kolom stressing a point relating to asset damages done by the previous contractor during the consultations. He is inquiring about possible payment of their affected assets.



Image 4: APs pointing to newly improved food gardens which were improved after the DMS cut-off date. Other similar gardens were observed along the road sub-project during the verification work. All are within the construction limits and will be affected during the course of civil works

Appendix 8: Attendance Sheets on consultations**Attendance at Kopisor Market Place on August 20, 2017**

#	Name	Gender	Designation
1	Susan Jimmy	F	Housewife
2	Sydney Hohn	M	Subsistence farmer
3	Freeman Hapon	M	Community leader
4	Sombol Hapson	M	Former LLG councillor
5	Jimmy John	M	Subsistence farmer
6	Thomas Iswe	M	Ward Councillor
7	Paul Simon	M	Teacher
8	Wolum Hon	F	Subsistence farmer
9	Simon Wulum	M	Subsistence farmer
10	Margart Simon	F	House wife
11	Supex P	F	Women Rep
12	Manu Jim	M	Community leader
13	Puu Jim	M	Subsistence farmer
14	John Kelap	M	Subsistence farmer
15	Philip Epio	M	Teacher
16	Joshua Ephio	M	Subsistence farmer
17	Lamek Ephio	M	Community Leader
18	John Ephio	M	Subsistence farmer
19	Jenetha Mais Peter	F	House Wife
20	Francis Solo	F	Community leader
21	Billy Sorowe	M	Retired Policemen
22	David Pombral	M	Subsistence farmer
23	Moses Perep	F	Subsistence farmer
24	Simon Peter	F	Student
25	Sydney Harisol	M	Subsistence farmer

Attendance Sheet for Consultation and Awareness at Egenda Market Place

	Name	Gender	Designation	AP(s)-Yes/No?
1	Ps. Job Sawe	M	Church Pastor	Yes
2	Andrew Olwie	M	Chief Leader	Yes
3	Martin Kuril	M	Subsistence farmer	No
4	Dorothy Simon	F	Housewife	Yes
5	Kope Lapon	M	Subsistence farmer	Yes
6	Sen Robin	F	Elementary school Teacher	No
7	Remcy Robin	M	Subsistence farmer	No
8	Remon Robin	M	Security	Yes
9	Cabby Steven	M	PRO- COVEC	Yes
10	Micah Albert	M	Subsistence farmer	No
11	Jonathan Albert	F	Subsistence farmer	Yes
12	Maiya John	M	Student	Yes
13	Wem Am	M	Village court clerk	No
14	Pot Am	M	Subsistence farmer	Yes
15	Geaol Kuril	M	Carpenter	No
16	Noel Asiop	M	Subsistence farmer	Yes
17	Jetro Asiop	F	Student	Yes
18	Steven Kuriol	M	Teacher	No
19	Sao Kep	M	Community leader	Yes
20	Mery Hep	M	Subsistence farmer	Yes

Attendance Sheet for Consultation at Shumbi Ceremonial Area

#	Name	Gender	Designation	AP(s)-Yes/No?
1	Ronny Joseph	M	Sub-Farmer	Yes
2	Tolis Perap	M	Sub-Farmer	Yes
3	Dalo Pereap	M	Sub-Farmer	Yes
4	Samuel Pereap	M	Sub-Farmer	Yes
5	Ben Pereap	M	Sub-Farmer	No
6	Molo Alombol	M	Teacher	Yes
7	Wap Sap	M	Sub-Farmer	No
8	Wanpis Pon	M	Sub-Farmer	Yes
9	Manuel Nembol	M	Sub-Farmer	No
10	Upon Pul	M	Sub-Farmer	Yes
11	Lee Saipe	M	Sub-Farmer	No
12	Manu Micheal	M	Sub-Farmer	No
13	Sao Lipi	M	Sub-Farmer	Yes
14	Jacob Noah	M	Sub-Farmer	No
15	Bullet Mone	M	Sub-Farmer	No
16	Henja Pere	F	Housewife	No
17	Sementtha Hapon	M	Housewife	Yes
18	Oikor Hapon	M	Student	No
19	Mecklyn Makon	F	Housewife	Yes
20	Carty Wapu	F	Housewife	No
21	Norman Simbu	M	Sub-Farmer	No
22	Pambinong Olpa	F	Housewife	Yes
23	Sonia Naika	F	Housewife	No
24	Jim Elipi	F	Student	No
25	Justin Elipi	M	Sub-Farmer	Yes
26	Alitin Elipi	M	Sub-Farmer	No
27	Thomas Halop	M	Sub-Farmer	Yes
28	Noel Hapon	M	Sub-Farmer	No
29	Samuel Halop	M	Sub-Farmer	Yes
30	Tom Thomas	M	Sub-Farmer	No
31	Simon Hapon	M	Sub-Farmer	No
32	Johnson Thomas	M	Sub-Farmer	Yes
33	Felix Hapon	M	Sub-Farmer	No
34	Kopeap Hapon	M	Sub-Farmer	Yes
35	Wilson Wan	M	Sub-Farmer	No
36	Enjolar Wiri	M	House-Wife	No
37	Steven Thomas	M	LLG councillor	Yes
38	Somb Makon	M	Village court magistrate	Yes
39	Wan Makon	M	Village court magistrate	Yes
40	Olim Kep	M	Community leader	Yes