

Semi-annual Report

February 2016

# **Highlands Region Road Improvement Investment Program – Tranche 2.**

Mendi – Tambul Road Sub-project.

Prepared by Department of Works for the Asian Development Bank.

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# **HIGHLAND REGION ROAD IMPROVEMENT INVESTMENT PROGRAM – TRANCHE 2**

## **Mendi to Tambul ROAD SUB-PROJECT SOCIAL SAFEGUARD MONITORING REPORT (July to December, 2016)**

**Project Implementation Unit**

**Department of Works**

**National Capital District**

**Papua New Guinea**

**February 2017**

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## Abbreviations

ADB	- Asian Development Bank
AP	- Affected People
CRO	- Community Relations Officer
CSC	- Construction Supervision Consultant
DA	- District Administrator
DC	- Design Consultant
DMS	- Detailed Measurement Survey
DOW	- Department of Work
EA	- Executive Agency
ESSU	- Environment and Social Safeguards Unit
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	- Highland Road Maintenance 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
NRA	- National Road Authority
PNG	- Papua New Guinea
PRO	- Public Relations Officer
PWM	- Provincial Works Manager
RAP	- Resettlement Action Plan
RCR	- Resettlement Completion Report
RP	- Resettlement Plan
ROW	- Right-of-Way
SHP	- Southern Highland Province
SIS	- Socio-economic Impact Study
SMR	- Semi-annual Monitoring Report
SPS	- Safeguard Policy Statement
STD	- Sexually Transmitted Diseases
TOR	- Terms of Reference

## 1. Introduction

### 1.1 Background

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

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

03. The GoPNG has negotiated a Multi-tranche Financing Facility (MFF) loan with the Asian Development Bank (ADB) to implement the Highlands Region Road Improvement Investment Program (HRRIIP). The HRRIIP includes projects to improve the HCRN, the preparation of long-term maintenance contracts for the HCRN, and the capacity development of road agencies. In total, 13 road sections are expected to be funded under the program. The Execution Agency (EA) for the program is Department of Works (DOW) whilst the Highland Region Maintenance Group (HRMG) is the Implementation Agency (IA).

04. The Project 2 (Tranche 2) included improvement to three road sections namely, Mendi-Tambul, Kotna-Lampramp and Ialibu-Kagua in the Western Highlands Province (WHP) and Southern Highlands Province (SHP), respectively.

05. The rehabilitation of the Mande-Tambul road is one of the 13 projects supported through the above loan. The contractor mobilized on 25 January and the camp established in February 2016. Another camp that had already been established under the previous loan is also utilized to house staff working in Mendi section. The contract for construction has been awarded to COVEC (China) Limited. The construction period of the project is 30 months. It is expected that the project is to be completed by early 2018. After construction, this road will provide an effective link between the 2 provinces, Western Highland and Southern Highlands.

### 1.2 Project Description

07. Mendi-Tambul road section is 55.53 km long that connects Mendi in the SHP with Tambul station in WHP. The construction work of this road section includes up-grading of the tract between Komea and Minabel that existed in the past.

08. The road consists of 5.5 meter sealed carriageway with 0.25 meter gravel shoulders on either side together with road furniture as per the design. The subproject work will take place within the existing road corridor and direct impacts will be confined to the edge of the existing road and the construction limits. The existing road is situated on customary land, the use of which has been agreed to, by the clan leaders and communities that jointly own the land via memoranda of agreement (MOAs) permitting DOW the use of customary land for public infrastructure.

09. The resettlement impacts assessed at the time of project preparation categorised the project as Category B. The same category was confirmed by the findings of the Detailed Measurement Survey (DMS). The RP was approved in 2013, disclosed in the web site and executed between September 2014 and December 2015. The RP reveals that resettlement impacts are relating to the displacement of structures such as houses, crops and trees, huts, animal cages, fence lines, grave yards. The resettlement completion report (December, 2015) contains all relevant information on compensation payment which is not repeated in here.

10. Apart from compensation payment information, the RP consisted of the establishment of institutional arrangements for implementation, grievance redress mechanism and consultations with the APs during and until all resettlement activities are completed. The RP included a budget of Kina 1,150,080.13 of which Kina 655,316.31 is to be paid directly to APs whilst the remainder is included as administrative and IMO expenses. The latter is sourced from elsewhere though originally included in RP budget. The actual amount paid to APs in December 2015 was Kina 790,801.90 which is in excess of what was included in the RP budget. Internal monitoring has been undertaken by HRMG with further advice from ESSU based in Port Moresby whilst external monitoring has been assigned to an Independent Monitoring Organisation (IMO). The IMO is expected to review activities in respect of Tranche 2 road projects in 2017.

### **1.3 Purpose**

13. This report was written to present the status of social safeguards including the compliance with approved RAP in respect of Mendi-Tambul road section, covering the review period of July to December 2016. The comprehensive semi-annual monitoring (safeguards monitoring) reports (SMR) is a requirement under the Safeguards Policy Statement (SPS).

15. This report contains the outcomes and issues encountered during the implementation of RAP, for the review period referred to above. The report also presents the corrective action plan for execution during 2016.

### **1.4 Methodology**

16. This report was written using data gathered from several sources. The primary data was gathered through discussions with project staff, officials, community leaders, the contractor and APs. More in-depth discussions were conducted with APs 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.

18. The list of reports reviewed is in Appendix 1 whilst names of people interviewed are presented in Appendix 2.

### **1.5 Report Organisation**

19. The report consists of the foregoing introduction and 2 other sections as follows:

Section 1 – Introduction

Section 2 –Monitoring results and findings

Section 3 – Conclusions and recommendations

## **2. Monitoring results and findings**

20. The main findings of internal monitoring during the review period are presented in this section.

21. The basis for monitoring is the parameters and indicators listed in the RP. The RP contains ten parameters that are to be included in the program of internal monitoring. The monitoring parameters proposed under the program of resettlement for the sub-project road are as follows:

- Compensation payment
- Consultations
- Grievance redress
- Training
- Employment
- Skills development
- Land use by contractor
- Women associations formed
- Income and livelihoods restoration
- External monitoring

22. Discussed below is the status of performance of each of the above parameters during the reporting period.

### **2.1 Compensation payment**

23. The compensation payment according to the RP has been completed (refer to resettlement completion report, December 2015). The remaining issues addressed in this report are the missed out APs. The number of APs who have missed out on payment have been identified, verification conducted and assessment finalised. The APs have been missed out as it has not been possible to contact them living elsewhere with properties within the road corridor. The GRC has approved the payment for all genuine APs as confirmed by the verification team. On the matter of grievances, there are 3,596 APs who have reported a grievance. GRC reviewed the grievances to find that the majority are not genuine. The committee agreed to conduct ground assessments of all grievances for assets built prior to the cut-off-date and sitting within the corridor of 20 meters. A core team comprising of 2 GRC officials and 2 HRMG officials has been formed to conduct ground verification. The team worked with the relevant ward councillor and community representatives in their respective ward areas to conduct verification. The process was completed and the data is being assessed for presentation to the GRC.

25. It has been noted that the new claim for compensation includes all assets located within the construction limits. All such claims were within the alignment where road bench has already been completed by the contractor, yet assets remain undisturbed. This matter is being further assessed by the project. Compensation amount of Kina 7,000 was also paid to APs to conduct the ritual prior to removal of old trees in Komea village. This issue is further explained in the next section.

### **2.2 Consultation activities**

26. The consultations undertaken during the review period were relating to grievances of which almost all were dealing with missed-out payment. 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. The consultations were conducted in groups, large meetings and individually with the APs by both HRMG staff as well as contractor staff. Two large meetings held in Mendi section of the road were attended by senior project staff to resolve additional compensation issues raised by the community. The first meeting saw a large number of people demanded that compensation is paid for all assets that are located within the construction limits that remain undisturbed. Their claim was that they were informed of compensation payment to all assets whether disturbed or not. The people were informed that a further assessment will be undertaken into this matter. Thereafter, the community allowed construction works to continue. The second consultation was at Komea where community members interrupted the contractor on the removal of about 10 old Casuarina trees. The community demanded money to conduct rituals prior to removal of trees. This was resolved by the senior staff of HRMG.

### **2.3 Grievance redress**

27. The grievance data compiled by HRMG reveals that 3,596 cases have been reported. The field assessment indicated that there are few genuine missed-out cases while the majority are relating to new compensation claims for assets that are located within the construction limits but were not affected by civil works. There are also assets that have been built after the cut-off-date. The claimants were informed that all grievances will be subject to proper assessment and the genuine APs will be compensated after seeking the approval of GRC. The assessment and consultation works were in operation during the review period.

### **2.4 Education, training and skills development**

28. Training and skills development were in three main areas. First, about 25 APs together with a large number of community members who were employed by the contractor had received training on skill jobs such as line drain construction, culvert building and welding. Second, all community members (inclusive of several APs) who were employed on casual jobs such as gabion work, road construction, removal of debris from road surface, culvert work, etc. were also given training prior to works commencing. The number provided with this training is about 250. Third, a large number of community members were educated on the prevalence and control of HIV/STDs. This form of education was provided through community meetings as well as in groups. Finally, few members continued to receive training on office management whom were already employed by the contractor in their offices. The data on AP numbers who have received training are not available as it has been difficult to separate APs from non-APs. An attempt was made to identify APs from the list of employees which was found to be a difficult task due to names mismatch.

29. The PRO and CROs together with their senior staff attended the training provided by PIU in October. This training was conducted to provide further skills to field staff on public consultations, educate on grievance process including reporting and improve their gender knowledge. The training was well-received by all participants including the senior staff of the contractor. All of them requested that further training is provided in the future.

### **2.5 Employment**

30. Together with the completion of construction works last year, the camp at Mopa was closed down until February of 2016. The camp was re-opened to house contractor's staff deployed for the construction of Mendi-Tambul road which intersects Mendi-Kandep road at the beginning. The Mopa Camp employed about 60 staff of which 45 are from the Medi-Kandep road catchment. The community members are employed as camp helpers, cleaners, office and laboratory workers and as CROs. The average income for a male worker is about Kina 500-600 whereas the wages for a woman worker is less (Kina 400-500) as the latter is employed in unskilled tasks such as cleaner, cook, etc. With regard to women employment,



the contractor has already employed about 20 women where the number increased after the mobilization of a woman CRO. The PRO and his team of ten CROs (9 men and 1 woman) have been instructed to explore ways by which more women are employed in construction work. The contractor has already employed a woman CRO to facilitate more women engagement in construction work, following the suggest by PIU in the previous reporting period.

## **2.6 Land use by contractor**

31. The contractor has made use of customary land for quarry operations, storage of construction materials, dumping of road waste and for the use of two land parcels where camps are built. All such cases have been agreed with the customary land owner for the payment of the agreed fees. There was a dispute on the payment for land at Ande Camp. The issue is with regard to the payment that has been made to another member who has represented himself as the duly authorised representative of the clan. This matter has been resolved during the latter part of the review period.

## **2.7 Other benefits**

32. The purchase of food items (fresh garden produce, fish and animals) from the community members, inclusive of APs continued by the contractor. About 30% of requirement of fresh garden produce of the camp is met through purchases from community members. There are about 20 vendors mainly women who sell various items to contractor near the Mopa Camp. About 8 of vendors are APs.

## **2.8 Women associations**

33. There are several women associations that are already in operation in the road catchment. This makes it not necessary to form yet another one for the purpose of women employment. The contractor staffs are working with existing associations and exploring other ways to further increase women employment. This aspect received much discussion at the workshop conducted in October.

## **2.9 Income and livelihood restoration**

34. As mentioned earlier, a small number of community members have received income from employment in camp and office work. They continued to receive income by way of selling food and other items to the contractor and the camp staff. Details of income received by APs are not available as it is difficult to identify APs from non-APs.

35. The training already provided by contractor to community members on crops farming coupled with the distribution of seeds for planting was further consolidated. The contractor continued to educate the community.

## **2.10 External monitoring**

36. The external monitoring included two aspects. The first is independent monitoring that has been contracted to an outside agency. The contractor (FinnOC) carried out its assessment of resettlement performance in both sub-projects in Tranche 1. The relevant assessment in the sub-project area will be conducted in 2017.

37. The second aspect is socio-economic impact study (SIS) where the baseline survey has already been completed in this road section. The data on housing, employment, ownership of household possessions, income, livelihoods, etc. has been collected for a sample of villages within the road catchment (treatment villages) as well as a few villages

away from the road (control villages). The comparison of data on all parameters collected from treatment and control villages reveal that there is no difference. This suggests that the socio-economic status is the same in treatment and in control villages. Future studies include a mid-term impact and final impact assessment study. The comparison of baseline data with that of final impact data between treatment and control villages will help establish improvements in the socio-economic status. This comparison will be performed of APs and non-APs to determine the socio-economic well-being of APs after the completion of program of resettlement.

### 3 Conclusions and Recommendations

#### 3.1 Conclusions

43. The main conclusions arising from the monitoring activities during the review period are:

- The compensation to missed-out APs inclusive of a 19% rate adjustment could not be completed as APs have demanded additional payments. Their claim is to pay for all assets that stay within the construction limits regardless of whether such assets are damaged or not. This matter is being further assessed by the project staff;
- All grievances have been compiled, assessed and verification conducted. The majority of grievances are dealing with additional payment whilst a few are with regard to missed-out payments. The data will be presented to GRC for review and judgement in 2017;
- The construction program saw work-stop in two occasions. In one case, the reason was APs asking for compensation not recorded earlier. This matter is being assessed by the project. The second case was due to the removal of culturally important trees which has been resolved after payment of expenses for the relevant ritual;
- The socio-economic status of APs before and after resettlement will be compared when the relevant data is available from the SIS;
- The community along Mendi-Tambul road continues to receive income from the contractor by way of purchase of food, construction and other items. Several people also continue to receive wages as construction and office workers whilst a few are receiving the payment for the temporary use of their customary land. About 30% of camp's requirement for vegetables and fresh garden produce are purchased from the community; and
- Women employment saw an increase following the recruitment of a woman CRO. The project and contractor staffs are exploring various methods to provide further employment to women workers.

44. Based on the above conclusions, it is clear that all resettlement activities as stated in the RAP have been completed and missed out APs and grievances are been addressed in this reporting period.

#### 3.2 Recommended actions

45. As stated in the previous paragraphs, the only pending resettlement activity is the payment of compensation for missed out APs of which there are 449. The Table below provides information on the up-dated action plan.

Table 1: Up-dated Corrective Action Plan

Serial No.	Item and Corrective Action	Responsibility	Completion Date	Remarks
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			(Planned)	
1	Complete all outstanding payments representing missed out APs and aggrieved APs	DOW/HRMG	New completion date 30 <sup>th</sup> June 2017	Could not be completed as APs demanded compensation for items not listed in the approved RP
2	HRMG staff to identify women groups and undertake other actions to increase women employment on construction works.	HRMG/Contractor	To continue	Women employment has increased since the recruitment of a woman CRO . This will be further monitored and improvements made. Will make use of existing women associations
3	Disaggregated data on AP benefits from construction works	HRMG/PIU	Continues	The matter discussed in CRO training in October. Difficulty to separate APs from non-APs
4	Comparison of resettlement performance	PIU	First quarter 2018	Subject to production of IMO report for the sub-project

46. Based on above discussion, the only resettlement activity yet to be completed is the missed out AP and genuine grievances. These activities are now planned for completion in the first half of 2017. Accordingly, it can be confirmed that most activities as per the approved RP have been fully completed except for the payment for missed out APs and the assessment of performance of resettlement program. Both activities are in-progress at the time of writing this report.

## Appendices

### Appendix 1 : List of References

1. Resettlement Plan for Mendi-Kandep Road section (2013).
2. Resettlement Monitoring Report for Mendi-Kandep (Nov 2014)
3. Resettlement Monitoring Report (Feb, May and June 2015)
4. Resettlement Completion Report (2015).
5. Safeguards Monitoring Report for January-December, 2015 and January-June 2016.

### Appendix 2 : List of People Interviewed

1. Ippio Acceri, The Team Leader, CSC
2. Alphonse Niggins, Senior Field Coordinator, HRMG

3. Paul Nombri, Technical Services manager, HRMG
4. Jerry Yang, Camp Manager, Mopa Camp
5. Patterson Sonali, CRO, Mendi-Tambul (Mendi side)
6. Newman Paraka, Environmental officer, Mendi-kandep
7. Mathias Awi, Social Safeguards Officer, HRMG
8. Jerry Kevin, Safeguards Coordinator and member, resettlement disbursement team
9. Andrew Noria, Team leader, resettlement disbursement team
10. Angeli Lei, Resettlement disbursement team member
11. Jr Kupulu, PWM, SHP
12. Kaison Mai, LLG Councillor Tambul
13. Robin Wang, Engineer, Ande camp, Tambul
14. Walter Liu, translator, Ande camp
15. He Jianbio, project manager, COVEC
16. Zhao Ning, health and safety officer, COVEC
17. Rose Sisi, Woman CRO
18. Foster Hungi, PRO
19. Benjamin Timbol, CRO
20. James Somna, CRO
21. Samuel Yangapen, CRO
22. Waina Kimbu, CRO
23. Nixon Emba, CRO