

Civil Aviation Development Investment Program

Tranche 2 and 3

Prepared by National Airports Corporation for the Asian Development Bank.

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Project Social Monitoring Report

Loan Number: Tranche 2 - 3069/3070-PNG
Tranche 3 – 3496/3497- PNG

Reporting Period: January to June 2018

PNG: Civil Aviation Development Investment Program – Tranche 2 & 3.

Prepared by National Airports Corporation through the Government of Papua New Guinea for the Asian Development Bank.

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- A. Social Monitoring Checklist

1.0 INTRODUCTION

A. Institutional Arrangement

1. The National Airports Corporation (NAC) is the executing Agency (EA) of the Civil Aviation Development Investment Program (CADIP) in Papua New Guinea. The EA has set up a Project Implementation Unit (PIU) headed by a Program Director to implement CADIP. The PIU is comprised of a team of designated designed engineers and other support staff for the initial scoping of works to design and planning (including tendering processes) to the execution of the civil works and reporting to the stake holders. CADIP ensures compliance to ADB and GoPNG requirements at all times.
- .2. A full time PIU Project Officer (PO) is in charge of the social safeguards implementation. The PO basically monitors, manages and reports on all project related land and social matters. The PO is assisted intermittently by a Safeguard Specialist (SS) who can either be an International or a National SS to;
 - Provide guidance in ensuring timely and effective implementation of the Resettlement Framework (RF) including the Resettlement Plans/Summary Resettlement Plans (RPs/SRPs); and
 - Support in monitoring and grievance redress, preparation of social safeguard Due Diligence Reports (DDR) for subsequent airport upgrading tranches; and to provide internal monitoring.
3. For Community Awareness & Local Participation Program (CALPP), coordination with respective Provincial Administration Officers and relevant statutory bodies was maintained during this period (January–June 2018). In addition to community awareness, the local Health Office and Provincial Community Affairs Division within the Provincial Administration were involved in HIV/AIDS Awareness. They provide feedback to the PIU through the project contractors for adjusting and designing work program to address concerns raised by the Affected Persons (APs), beneficiaries and stakeholders during their operation. Grievance redressed is one of the main aspects of their activities. In effect, this CALPP is included in the Memorandum of Understanding (MOU) or general consent between respective Provincial Administration of the project sites, relevant Provincial Stakeholders and NAC. This arrangement formalizes respective responsibilities not only to carry out awareness but also holistically managing and addressing project related land and social matters.
4. Compliance checks for validating safeguard implementation such as assessing livelihood of APs and local women folks during the construction phase of the project was done by the PO during quarterly audits of current ongoing Tranche 2 & 3 projects. Project awareness; meetings with APs, local women, respective province administrations; and preliminary works for land clearance was done for Tranche 2 & 3 projects during design phase.

B. Budget Allocation for Resettlement/Social Management

5. All costs for CADIP associated with land acquisition, compensation, operation and administration costs, land surveys and reporting will be financed by the Government of PNG (GoPNG) using counterpart funds. The GoPNG and NAC will release sufficient budget for the implementation of such activities in timely manner. Costs for monitoring and evaluation of the processes will however be sourced from the loan component as usual.
 - i. **Costs for Acquiring Additional Land to Upgrade Airport**
6. The current airports under Tranche 2 & 3 that require additional land to cater for the upgrading works have already being valued by the Valuer General form the Department of Lands & Physical Planning (DLPP) waiting for payment. These airports are listed in table 1 below.

Table 1: Land Acquisition Value of Tranche 2 & 3 Projects.

Airport Project	Land Status	Value (K)	Progress last semi-annual (June 2017 - December 2017)	Current progress (January 2018 – June 2018)	Mitigation measure
Gurney	State lease (Agricultural) to New Britain Palm Oil (NBPOL) company	K 6, 869,000.00	<ul style="list-style-type: none"> ▪ Pending funding from the GoPNG 	<ul style="list-style-type: none"> ▪ The NBPOL engaged a private Valuer to do an independent valuation. The reported Re-valued amount is at K12 million at current market rate. ▪ A negotiation is in progress between the Provincial Government and NBPOL for acquisition settlement. 	<ul style="list-style-type: none"> ▪ Re-scope to include runway extension within declared aerodrome land. ▪ NAC to negotiate with NBPOL and have an Agreement in place for plight path clearance of tall palm oil plants. ▪ Future runway extension for growth shall depend on the availability of GoPNG funding.
Kavieng	Customary	K 4,901,619.60	<ul style="list-style-type: none"> ▪ Pending funding from the GoPNG ▪ Formal correspondence between the Minister for Civil Aviation to the Governor for New Ireland Province notifying the need to acquire the customary land. 	<ul style="list-style-type: none"> ▪ Still pending GoPNG funding. 	<ul style="list-style-type: none"> ▪ Re-scope to include runway extension within declared aerodrome land. ▪ Future runway extension for growth shall depend on the availability of GoPNG funding.
Buka	Partly Customary & State	<ul style="list-style-type: none"> ▪ Customary land is yet to be valued ▪ Estimated value is K 7,570,000.00 ▪ For partly aerodrome / state land – K359,147.85 is value for improvements 	<ul style="list-style-type: none"> ▪ For customary land - Pending Land Investigation and Valuation of planted improvements and structures to be done by the Provincial Lands Officers ▪ For the aerodrome/state land – valuation for planted improvements & structures is completed. Verification of the valuation by Valuer General, Lands Department in progress. Payment to be done by end of March 2018. 	<ul style="list-style-type: none"> ▪ For customary land – Still pending Land Investigation and Valuation of planted improvements and structures to be done by the Provincial Lands Officers ▪ For the aerodrome/state land <ul style="list-style-type: none"> (i) Verification of the Valuation Report completed. (ii) Compensation Payment for affected improvements (planted & structures) completed (iii) Crops & structural clearance to make way for the airport fencing works in progress. 	<ul style="list-style-type: none"> ▪ For customary land – Still pending Land Investigation and Valuation of planted improvements and structures to be done by the Provincial Lands Officers ▪ Liaise with Lands Officers from Autonomous Bougainville Government to complete Crops & structural clearance by the end of 3rd quarter 2018.

(iv) Boundary identification survey for state land

Goroka	Private land allotment (11-18) within declared aerodrome land boundary.	K 2 million	<ul style="list-style-type: none">▪ K1 million paid – cheque▪ K1 million yet to be paid by the GoPNG	<ul style="list-style-type: none">▪ The first K1 million cheque payment bounced back from the Bank.▪ Still pending K2 million acquisition payment from GoPNG	<ul style="list-style-type: none">▪ Write a letter to the EHPG requesting their intervention with the National Government to make necessary payment▪ Arrange a consultation with the owner of the allotment (11-18) to seek their concurrence
Girua	Customary	Pending MOA for the land use agreements with Land owners	Initiating the MOA with the land owners for the acquisition prior to the Boundary Survey, LIR and Valuation.	The Lands Officers from the Oro Provincial Administration (OPA) are yet to initiate the MOA with the land owners	<ul style="list-style-type: none">▪ Write a letter to the OPA requesting their intervention with the landowners.

7. Buka, Kavieng and Gurney airport projects involve land acquisition and resettlement whereas Girua and Goroka airport requires land acquisition only. For Buka, land to be acquired to cater for the proposed runway extension and associated works is partly customary and State land. Acquisition process of the customary part of the land such as land investigation, social mapping and valuation is undertaken by the Lands Officers from the Autonomous Bougainville Government (ABG). As for the State land part, only new survey is done and registered for boundary identification based on ABGs lands advice and past cadastral plans indicating these areas as State or aerodrome land. The valued amount for customary land acquisition is yet to be valued. Compensation payment for improvements was done to the APs. Crops and structural clearances is in progress.
8. Land acquisition payment for Gurney and Kavieng is pending GoPNG funding. Documentation for the acquisition has been made through the Periodic Financing Request (PFR) to the GoPNG under Tranche 3 projects but budget allocation for the purpose of land acquisition is not forthcoming.
9. In addition, NAC has request the Department of Lands & Physical Planning and the Department of Treasury through the Ministry of Civil Aviation to allocate and disburse funds for compensation and allowances related to land acquisition/resettlement.
10. Prolonging of land acquisition funds from the GoPNG will subsequently lead to the re-scoping of runway extension and associated works to be within the confines of existing declared aerodrome land. However, all other airport upgrading works in Tranche 2 & 3 will be happening within declared aerodrome land.

ii. Training and Capacity Building Costs

11. CADIP will provide necessary funds for training and capacity building related to land acquisition and resettlement activities. The financing assistance will include:
 - An amount to engage an international and/or a national consultant to support NAC on land acquisition and resettlement aspects, including developing and implementing a training program for PIU including the Provincial and District Land Officials.
 - An amount will be allocated to assist Department of Lands & Physical Planning (DLPP) with the costs of preparing the Land Investigation Reports (LIR), Valuation Reports (VR), Memorandum of Agreements (MOA), and other land acquisition processes.
 - For the local women in those communities impacted by the projects, some form of small business training can be organized in partnership with the National Development Bank. The NBD has Offices in most provinces and will facilitate those programs that can link women to credit facilities and banking facilities once an avenue like the markets are being constructed by the project. The market facility and the training provided will empower women in terms of finance management and ownership of assets as well. Training proposal in progress with NDB for this first quarter of 2018.

Table 2: Estimated cost for training and capacity building during this period.

Item	Cost	Remarks
Engaging consultant	-	Not budgeted for this period
DLPP assistance	K9,000.00	Verification of Valuation Report
Livelihood improvement training for locals	-	One planned to be undertaken in any of the projects for next 3 rd and 4 th Quarter 2018

C. Monitoring Arrangement

i. Internal Monitoring

12. The Project Safeguard Officer (PSO) of PIU continues to monitor all activities associated with land acquisition and payment of compensation to APs. The scope of monitoring includes (i) compliance with the agreed policies and procedures for land acquisition; (ii) prompt approval, allocation and disbursements of funds and payment of compensation to APs, including supplemental compensation for additional and/or unforeseen losses; (iii) the availability of other necessary resources to effective land acquisition/resettlement activities; and, (iv) reporting requirements for remedial actions.
13. For this period (January 2018 – June 2018), follow up meetings and correspondences has been made by to the DLPP for the land acquisition funding for Kavieng, Gurney and Buka. All civil works shall commence once the land compensation funding is secured in a timely manner. Otherwise, there will be a re-scope to reduce the scope of works within declared aerodrome land to avoid land acquisition.

ii. External Monitoring

14. The PSO has maintained the coordination, monitoring and reporting on project related social activities in liaison with relevant provincial administration officer assigned by respective Provincial Administrators or Chief Secretary (as referred to in Buka) to assist in addressing any such social issues. The appointed officer from the province administration provides external monitoring and reporting to the PSO.
15. For this period, no intermittent Safeguards Specialist (SS) was engaged to conduct external monitoring for land acquisition/resettlement social impacts of the airports and whether APs are able to restore, and preferably improve, their pre-project living standards, incomes, and productive capacity after land acquisition and resettlement is settled. Specific terms of reference for the SS for external monitoring will be agreed to by ADB.
16. Land acquisition and resettlement task was undertaken by the PSO and externally supported by the appointed officer and other relevant officers' from within the Provincial Administration.

2.0 MONITORING ACTIVITIES

13. Apart from the PSO, monitoring was also carried out by the Project Engineer/Site Supervisor and the respective Contractors for the ongoing projects. A social safeguard audit is planned to be carried out to end this 2nd quarter of 2018. Otherwise, monthly monitoring and reporting to the Project Site Engineer and/or Supervisor is maintained by the contractors' representative. Issues identified are noted, discussed and corrective actions are strategies to mitigate, address or prevent any such issues.
14. Most information in monitoring are taken during site meetings, contractors' representative consultation, and contractors monthly reports, meeting with APs & nearby communities, through dialogues with respective Provincial Administration Officers (i.e. CLO or Administrator) and general project site observation.
15. It was emphasized during the contractors' meetings that monitoring is an integral part of the social safeguard implementation and must be reflected adequately in their monthly reports.
16. This semi-annual report was prepared by the PSO without external assistance from SS. The SS will be engaged on an intermittent basis to conduct post-acquisition evaluations twelve (12) months after compensation and resettlement like done in Buka under the fencing project. All safeguards reports prepared by the SS will be submitted to PSO and ADB.

3.0 MONITORING RESULTS AND ACTIONS

17. It is confirmed that CADIP Tranches 2 & 3 has no impact on Indigenous People (IP). Affected people were compensated for their affected food gardens/crops and structural during clearance to allow for construction of perimeter fencing at Buka airport. The runway extension land dealings is undertaken by the Autonomous Bougainville Government lands officers. The land acquisition for airport extension and upgrading for Gurney and Kavieng is pending due to unavailability of funds from the government.

D. Tranches 2 and 3

18. In place of the Resettlement Plans (RPs), due diligence reports were prepared and/or updated for the project packages having temporary Involuntary Resettlement (IR) impacts as in the Goroka, Mendi and Tari Airport Projects. Affected persons were identified through the census survey on the basis of ADB's Involuntary Resettlement Policy of 1995.

Table 3: Summary of Resettlement Implementation under Tranche 2 & 3

Airport	Status of APs, land and value	Implementation status
Buka	Unimproved land (Customary) = Yet to be valued Affected structures = K 180,969.10 Affected planted improvements = K 104,012.90 Total affected Households = 34 Total APs = 57 Estimate total cost of RP = K 7,570,000.00	Land acquisition will depend on the timely (i) land clearance works undertaken by the Lands Officers from ABG, and (ii) availability of funds from GoPNG counterpart funding.
Kavieng	Total APs = 11 Total affected Households = 5 Total APs (indirect impact) = 511 Total land area = 52.555 Ha Total cost planted improvements = K116, 349.10 Unimproved land value = K 4,785,200.00 Total Land Value = K4,901, 549.00	Pending availability of funds from GoPNG counterpart funding.
Girua	Land to be acquired is Customary. Customary land negotiation in progress	Confirmation of land status and MOA yet to be finalised between Lands Department and Landowners. Valuation and survey yet to be done
Kerema	Total APs = 43 Total affected Households = 39 Total cost of structural improvement = K348,250.00 Total cost planted improvements = K28, 562.10.10 Total Land Value = not required because the improvements and the APs are inside declared aerodrome land	<ul style="list-style-type: none"> ▪ Valuation done by Valuer General from DLPP is completed ▪ Compensation payment pending availability of funds from GoPNG counterpart funding. ▪ If compensation is not possible, fencing alignment will be shifted inside airport land as an avoidance technique for resettlement and compensation.
Gurney	Planted improvement value = K2, 821,000.00 Unimproved land value = K4,048,000.00 Total Land (leased) area = 22.83488 Ha Payment of block holders (3 APs) = K 70, 807.20 Contingency = K1,837,192.80 Administration cost of LARP =K 63,000.00 Total Land acquisition cost Est. = K 8,840,000.00	<ul style="list-style-type: none"> ▪ Land acquisition cost has changed. NBPOL did an independent Valuation and the value is now reported to be at K13 million. ▪ Still pending availability of funds from GoPNG counterpart funding.
Goroka	APs = 1 Compulsory acquisition done between State and the AP (K2 million)	<ul style="list-style-type: none"> ▪ K1 million paid. Bank Cheque payment got bounced back from the Bank. The AP will have to follow up with the Finance Department for a new cheque payment. ▪ K1 million yet to be paid

NB: Payment of APs includes shifting allowances.

19. The nature of impacts along with the vulnerability status of the APs identified under Tranche 2 & 3 project is presented below in Table 3. Only projects with vulnerable status are shown.

Table 4: Status of Livelihood Restoration Program - Tranches 2 & 3

No	Activities	Current Situation	Action Proposed/ Remarks
1	Livelihood restoration program	<ul style="list-style-type: none"> ▪ Compensation payments for affected improvements were used to supplement their livelihood. ▪ The APs are genuinely locals and have land elsewhere in Buka to continue their livelihood. ▪ Mini Airport Market will be used as an avenue for local mothers to buy and sell their home products to support their household 	<ul style="list-style-type: none"> ▪ NAC to liaise with respective contractors to include a training program for this 3rd quarter 2018 in consultation with National Development Bank or a Commercial Bank. ▪ Ensure mini market design and cost is included in Tranche 2 & 3 projects.
2	Provision of project employment	Total employment of APs and other locals was reduced from 164 to 92 due to completion of works for Vanimo, Girua and Momote Airport projects.	Contactors is encouraged to employ willing and vulnerable APs including other skilled locals.
3	Compensation payments disbursed	Done for Buka Airport Fencing project to clear improvements inside airport land.	GoPNG yet to fund land acquisition for Buka, Kavieng, Girua and Gurney Airport upgrade. Otherwise, there will be a re-scope to reduce runway extension works to be within airport land.
4	Skills training of APs initiated	Contractors have provided training on-site for APs working with new plants and machineries like mixing of asphalt and laying them on the runway using the asphalt layer..	Ensure contractors execute little skills training during this 2 nd & 3 rd quarter 2018.
5	Number of households displaced and resettled	ABG commencing on assisting with the relocation of 34 households inside Buka Airport land.	for Kavieng and Kerema will depend in GoPNG funding
6	Formation of self-help groups	Maintaining involvement of local youths form the impacted community forth Chimbu airport outlet drainage restoration works.	Liaise with contractors to assist interested youth or women groups to form formal work groups

20. Resettlement Plan has been documented for Buka, Kavieng and Gurney. Apart from these airports, there is no physical involuntary resettlement; land acquisition will depend on the budget allocation by the Government and no impacts to indigenous people under Tranches 2-3 projects.
21. The ongoing issue with the AP from Goroka is to do with him not having access to the Government Cheque compensation payment from the Bank due to the cheque being bounce-back. "Deed of Release" and "Transfer of Sale" has been signed between the AP and the State in November 2016.
22. Most of the land to be acquired for Gurney Airport Runway extension is under Agricultural Lease to New Britain Palm Oil (NBPOL). The new development is Land acquisition value has changed. NBPOL did an independent Valuation and the value is now reported to be at K13 million. The value has increased overtime since the first valuation was done in 2013 with a value of K8.84 million. A Memorandum Of Agreement (MOA) drafted between NBPOL, block holders, NAC and Lands Department is yet to be endorsed to make way for Provincial Lands to file relevant supporting documents for the acquisition and Transfer of Title. Land acquisition to cater for runway extension for Gurney, Wewak, Girua, Kavieng and Buka will depend of timely allocation and financing form the National Government. Otherwise, runway extension will be reduced within existing airport land.
23. Land acquisition for Kavieng, Girua and Buka will involve customary land. All preliminary land acquisition works such as land investigation and social mapping is done by respective Provincial Lands Department. Improvements inside airport land has been valued and compensated to the APs. For Kavieng, all preliminary works for acquisition is completed now awaiting funding availability from the GoPNG for payment. Buka and Girua airport land

acquisition awaits Provincial Lands Officers to undertake MOA with Landowners, land investigation, social mapping and valuation.

24. On-going consultation with the respective Provincial Administration (PA), the APs and surrounding communities is maintained. Land issues relating mainly to outstanding land compensation with the National Government payment not necessarily from the projects have been effectively managed through respective Provincial Administration. The Grievance Redress Mechanism (GRM) established in respective project areas with the PAs is maintained. The GRM composition differs from one project site to another. For example, Wewak and Mt Hagen Airports GRM are addressed through an airport working committee whilst issues for Goroka are addressed through the Provincial Administrators office. The same GRM establishment will follow for other upcoming Tranche 3 airport projects.
25. PIU has maintained close coordination with DLPP, Provincial Administrations (PA) and local level government to disseminate information and consultation with stakeholders at different points in the preparation and implementation of Tranche 2 & 3 projects to ensure that APs and other stakeholders have timely information about land acquisition, resettlement and compensation.
26. Awareness, dissemination of information and orientation on HIV/AIDS and other STDs was provided to the labors, construction workers, and surrounding communities residing in the various labor camps as a part of the health and hygiene awareness program during this period. Second quarter 2018 audit will be done to ensure healthy living conditions at the labor camps of ongoing projects. Contractor representatives and laborers were notified on the importance of equal wages and equal participation for men and women involved in the construction activities.
27. CADIP has been committed to monitoring and evaluation of the social safeguards programs in place to reduce project related social risk and impacts from happening. The objective of effective social safeguard monitoring and evaluation is to;
 - Create awareness among community concerning program issues and benefits and to enhance sustainability through improved community involvement;
 - Facilitate in developing concept of community ownership, promote and sustain intensive community involvement and participation in all components of the project during planning and implementation;
 - Provide implementation support of ADB's safeguard policies. Ensuring compliance to social and environment related issues such as indigenous people development, temporary involuntary resettlement, and safe environment at construction sites before and during construction activities
 - Provides feedback to the PIU for adjusting and designing work program to address concerns raised by the APs and stakeholders. GRM is one of the main aspects of addressing concerns..

E. Major Activities Performed

28. General safeguard activities implemented by the PSO of PIU from January 2018 to June 2018 includes;
 - Memorandum of Understanding (MOU) as part of the GRM endorsement was signed between Hela Provincial Government and NAC for Tari Airport Fencing Project.. Most other airport projects under tranche 2-3 have completed the initial community consultation on social impacts assessment of APs and livelihood restoration completed.
 - Maintaining coordination with Provincial Administration of Tranche 2 & 3 project areas with continued awareness related activities and construction facilitation through public meetings and proper GRM.
 - Grievance recording and forwarding to PIU remained open and continuous either through reports or discussions.

- Contractors of on-going projects have been advised to incorporate social and environmental inputs in weekly site observations and collectively present them in monthly reports to PIU.
- Projects site visits and safeguard audits on quarterly basis is maintained by PSO
- Locals have been engaged by contractors on various works suitable to their skills. Majority are engaged as general labor works. Local women participation has been considered as well.

29. Sections below from a) to i) are specific safeguard activities undertaken for Tranche 2 & 3 projects for this period.

a) Momote Fencing & Associate Works

No.	Activities	Date	Remarks
1	Third quarter 2017 safeguard audit done	27-28 th October 2017	Not done. Plan for a 2 nd quarter 2018 audit this July 2018.
4	The GRM committee has worked closely with the locals to clarify the legality of claims of ownership over State land and the actions of threat or sabotage to the contactors and the progress of the project.	Ongoing	Maintained and ongoing
5	Contractor has shifted from initial quarry extraction site to another location due to ownership disputes between locals at the initial location.	March 2018	No quarry ownership issues at the new location
	One ADB review mission meeting held with NIPA to discuss anticipated airport landownership matters and grievances.	13 th April 2018	

b) Buka Fencing & Associate Works

No.	Activities	Date	Remarks
1	UXO clearance works and completion certificate issued to PIU of NAC	24 th January 2018	Completed
	NAC requested the Valuer Generals Office of DLPP for the verification to the Valuation Report (VR) documented by the Lands Officers of ABG	29 th January 2018	
	Valuer Generals Office of DLPP responded to carry out the verification on-site and document a can verify the VR later	31 st January 2018	
4	Verification of Valuation Report on-site in Buka	14-17/2/2018 December 2017	
5	Documentation of verified VR by Valuer Generals Office of DLPP	15 th Febraury 2018	
	Compensation payment proceedings to the APs based on the verified VR	6-9/4/2018	All APs signed MOAs, receipt of payment and accepted the 21 days' Notice of Eviction from

			NAC as of 9/5/2018
	Clearance of improvements inside airport land in progress	In progress	To monitor in this 2 nd quarter 2018 audit
	Surveyor General of DLPP registration of the new survey plan incorporating the additional Customary and part State land into one aerodrome land portion to cater for the proposed runway extension and associated works	March 2018	
5	<ul style="list-style-type: none"> ▪ About two meetings including one ADB review mission meeting held on separate occasions with the ABG and relevant stakeholders to discuss and address project related land acquisition matters and grievances. ▪ About two meetings held with APs. One for the MOA signing in agreement to the compensation payment proceedings. 	On-going	
6	Contractor to maintain proper community and workers HIV/AIDS and Gender awareness to be implemented by the contractor, ABG and NAC as required by social safeguards policy.	ongoing	One awareness done to a Provincial High School

c) Tari Fencing, Pavement Strengthening & Associated Works

No.	Activities	Date	Remarks
1	Follow-up with the owner of Section 4 Allotment 4 within the existing Terminal Building area for the valuation of his properties. Plan to have one consultative meeting during 1 st Qtr. 2018	Ongoing	Meeting reschedule to this 3 rd quarter 2018 due to recent earthquake
2	Meeting with Hela Provincial Administration seeking their assistant to expedite No. (1) above.	12/3/2018	<ul style="list-style-type: none"> ▪ Did not eventuate due to recent earthquake. ▪ Prepare a letter of acquisition interest to the owner of Section 4 lot 4

d) Kiunga Fencing & Associated Works

No.	Activities	Date	Remarks
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1	Plan to have another meeting with the Western Provincial Administration to follow up on project related anticipated social safeguard issues and mitigation measures	July 2018	
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e) Kerema Fencing & Associated Works

No.	Activities	Date	Remarks
1	Follow-up with Gulf Provincial Administration on the relocation status of awareness to the settlers inside airport land. Plan to have one consultative meeting during 1 st Qtr. 2018.	On-going	Meeting reschedule to the 2 nd quarter of 2018

f) Kavieng Pavement Upgrade, Runway Extension & Associated Works

No.	Activities	Date	Remarks
1	Follow-up with New Ireland Provincial Administration on the land acquisition status for the additional land required for runway extension. Plan to have one consultative meeting during 1 st Qtr. 2018	On-going	Meeting reschedule to the 2 nd quarter of 2018
2	MOU as part of GRM is drafted and to be circulated to the New Ireland Provincial Administration (NIPA) for their input before finalise for signing between NAC and NIPA.	3/5/2018	Disclosed draft MOU to NIPA by July 2018
3	One ADB review mission meeting held with NIPA to discuss progress of land acquisition matters and grievances.	10/4/2019	

g) Mendi Pavement Upgrade & Associated Works

No.	Activities	Date	Remarks
1	No meetings with Provincial Administration and stakeholders this period (July – Dec, 2017). Plan to have one consultative meeting during 1 st Qtr. 2018		Arrange a meeting during this 3 rd quarter 2018
2	Land Portion (Lot 19, Section 6) within aerodrome land on a private lease currently investigated for clearance	On-going	Liaise with NAC Commercial and regional Airports Division to get status of the private lease.

h) Vanimo Pavement Upgrade, Runway Extension & Associated Works

No.	Activities	Date	Remarks
1	Arrange a meeting Provincial Administration and relevant stakeholders during this 3 rd quarter 2018	August 2018	

i) Madang Pavement Upgrade, New Terminal Building & Associated Works

No.	Activities	Date	Remarks
1	One consultation with Provincial Administration and relevant stakeholders to provide project update and follow up on the Prov. Administration task for relocation of settlers within Aerodrome land and managing claims of airport landownership by locals.	13/6/2018	
2	Rezoning of additional land, which is a state land, required for new Terminal Building access road.	3 rd Quarter 2018	Apply to DLPP for planning permission for the rezoning

j) Gurney Pavement Upgrade, New Terminal Building & Associated Works

No.	Activities	Date	Remarks
	One ADB review mission meeting held with NIPA to discuss progress of land acquisition matters and grievances.	28/3/2018	

k) Goroka Pavement Upgrade, Runway Extension, New Terminal Building & Associated Works

No.	Activities	Date	Remarks
	Meeting with the GRM committee to address outstanding land matters whilst in preparation for the airport opening	1 st -4 th June 2018	
	One ADB review mission meeting held with Eastern Highlands Provincial Administration to discuss landownership matters, outstanding payments to locals who assisted in felling of trees around the airport for flight path clearance and other airport grievances.	4 th April 2018	

l) Wewak Pavement Upgrade, Runway Extension & Associated Works

No.	Activities	Date	Remarks
1	One consultation with Provincial Administration and relevant stakeholders to follow up on their progress of works for the creek and road diversion to make way for the runway extension.	12/6/2018	
	Letter from CAA Minister to the Hon. Allan Bird (Governor for East Sepik Province) stating the reduce scope of works to exclude runway extension due to limited time and no significant works done for the creek and road diversion under the Provincial Administration.	19/2/2018	
2	Rezoning of additional land, which is a state land, required for runway extension as part of aerodrome is in progress. It is done by the Provincial Lands Officers.	1 st Quarter 2017	<ul style="list-style-type: none"> ▪ Re-scoping to include runway extension but not beyond creek and road.

			<ul style="list-style-type: none"> ▪ Ensure to complete in time for future runway extension.
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m) Mt. Hagen Pavement Upgrade, New Control Tower & Associated Works

No.	Activities	Date	Remarks
	One ADB review mission meeting held with Western Highlands Provincial Administration Executives to discuss anticipated land acquisition matters and project related grievances.	3 rd April 2018	

F. Consultations with Provincial and Stakeholders

30. About six consultations were done with provincial administrations and other relevant stakeholders. During these consultations, the Project Implementation Unit (PIU) discloses information regarding the scope and objectives of the CADIP and the airport project plans; the policies, principles and procedures for land acquisition/resettlement; and, preliminary estimates of land acquisition/resettlement requirements and impacts. Also, monitoring the working progress of tasks needed to be undertaken by the provincial administrations and other relevant stakeholders such as land rezoning for airport development purpose, managing of landownership grievances, resettlement and wider community awareness about project benefit.

G. Consultations with Affected People/Communities

31. Two meetings were held with affected persons (APs) of Buka Airport Fencing Project for the purpose of valuation to affected improvements and compensation proceedings. Community Relations Program (CRP) such as HIV/AIDS Awareness to local schools and community was done by the contractor for Buka Airport Fencing Project. This CRP was done in collaboration with local health authorities. Claims of outstanding Airport land compensation was communicated through Provincial Administration. And aggrieved person(s) with such issues were advised to channel their issue through the appropriate entity such as the Provincial Administration or DLPP and not NAC.
32. An important component of the CRP is community consultations when there is a requirement to prepare a RP¹. Following detailed engineering design for airport works PIU has collaborated with respective Provincial Administration Officers for consultation with those communities affected by land acquisition and or resettlement in Buka, Kavieng, Kerema, Mendi, Tari and Gurney. Participants in our consultation include traditional or village leaders in the village, affected improvement (crop and structural), land owners of additional land required for runway extension, other interested members of the community and local Police personnel where appropriate. Village leaders encourage all community members to attend including women, elderly people and young people. Since women in are often reluctant to speak in general community meetings, separate meetings were be held with them to understand and discuss their preferences and concerns.

H. Grievance Redress

33. A grievance redress mechanism (GRM) process was established in Tranche 2 and 3 projects sites involving relevant Provincial Administration. The GRM is established to ensure that all AP grievances on any aspect of land acquisition or resettlement are resolved in a timely and satisfactory manner. APs were made fully aware of their rights (both verbally and in writing) and informed how they can access the GRM. Other than disputes relating to land ownership

¹ Other components of the CRP are discussed in the SPRSS for the CADIP tranches.

rights, it is anticipated that all grievances related to benefits and other assistance will be resolved at the project or PIU level.

34. APs lodging of project-related complaint with the PIU was maintained in a variety of ways, including contacting the project team at the project site or at one of the NAC offices. The contractor, NAC Officers, Provincial Administration representatives or GRM team leader will assist APs in registering their complaints with PIU or NAC office or project site office. The PIU Program Director (PD) will consider the complaint and within 15 working days will convey a decision to the APs. The Project Safeguard Officer (PSO), along with Provincial Administration representatives or GRM team leader will assist the PIU PD in reviewing and addressing the complaint. The PSO will facilitate communication between the APs and the PIU in this process. If the APs are not satisfied with the PIU's decision, they may then take the grievance to the PNG judicial system. The above GRM process has been satisfactorily maintained during this period.
35. The Land Disputes Settlement Act establishes judicial procedures for resolution of landownership disputes on customary land. It has a mediation process whereby a designated mediator meets with the disputing parties to resolve grievances. This process is closely allied with the village court system and traditional mediation procedures that draw on the skills of recognized local leaders and elders. If mediation fails, parties can appeal to the designated courts following the steps set out in the Act. The steps in the dispute resolution process include:
 - (i) Local Land Mediation: The District Land Officer (DLO) brings together the disputing parties with the mediator. If this fails, the matter can be referred to the Local Land Court.
 - (ii) Local Land Court: The case is heard before the Local Land Court Magistrate for determination. If the litigants are not successful, they may appeal to a higher court.
 - (iii) District Land Court: The case is heard before a District Land Court Magistrate. If the litigants are not successful, they may appeal to a higher court.
 - (iv) Provincial Land Court: The case is heard before the Provincial Land Court whose decision is final.
36. To a certain extent whereby landownership issues arise, PIU in collaboration with the CLO and/or DLO will institute a process to resolve disputes and grievances based on the accepted procedures of mediation. As required, the participation of appointed and traditional leaders will be promoted to achieve satisfactory resolution of issues at the local level. In general, customary mediation will yield satisfactory results to most complaints. However, if that is not possible, the CADIP will adopt procedures to refer matters to the system of land courts as set out in the Land Disputes Settlement Act.
37. Any form of land compensation through resolved grievances and disputes shall be held by the Department of Lands & Physical Planning and/or relevant State department trust account until proper formalities are being followed for the compensation will be paid in full upon final resolution of the case in the courts or other forum, in accordance with the entitlements of the affected person.
38. For this period, no issues or disputes was settled through the Land Dispute Settlement Act no through mediation process. All matters were resolved through project level and at GRM level.

I. Land Acquisition

39. All works are within State owned declared aerodrome. GoPNG funding for additional land acquisition is not forthcoming then proposed runway extension for Gurney, Kavieng, Buka will be reduced and occur within existing aerodrome land without resettlement. This approach shall minimize resettlement impacts by prioritizing rehabilitation and optimization work within existing facilities' or premises. Works will commence on vacant Government land or declared aerodrome land where feasible.
40. Values or cost of land acquisition and resettlement is stated in table 2.0 above.

J. Relocation Sites

41. Relocation impacts under Tranche 2 & 3 are temporary in nature and confined to squatters, block-holders and mobile vendors on roadside/airport fence-side. All APs are locals so there is no need for permanent relocation to new or other places. APs have been provided advance information regarding the upcoming construction activities to ensure no or minimal disruption in their livelihood. If, and when required they will also be assisted to temporarily shift for continued economic and livelihood activities. For example local vendors near the airport will be assisted to shift outside of the aerodrome boundary where no civil work is proposed. Land allocation to accommodate this temporary shifting of market will be done in liaison with the Provincial Lands Department or owner of that land.
42. In case of unavoidable temporary impact on livelihood for a certain limited period, APs will be compensated as per the provisions of the Land Act. This was applied to APs under Buka Fencing Project during this period.

K. Replacement of Community Assets

43. There was no temporary or permanent impact to any community assets. The 6-meter fence line corridor clearance provides unhindered access to community assets during execution of work. Once fencing is installed around the airport boundary, at least 3 meters to 4 meters of clearance on the outside of the boundary will be an alternative access would be provided by the contractor as a part of additional works to the main contract. Where feasible, some sections outside of the airport boundary will be well constructed with access road such as the paved access road to the new Momote Airport Terminal location.

L. Assessment

44. This period assessment of implementing safeguard covenants in accordance with the Resettlement Framework (RF) prepared for the projects under tranche 2 & 3 is summarized in Table 4 below.

Table 5 : Compliance Status to Loan Covenants

Covenants items	Compliance Status	Responsible Agency
Land Acquisition and Resettlement (if applicable to a project)		
A. The State through the EA shall undertake the Project in accordance with the Borrower's and State laws and regulations, ADB's Policy on Involuntary Resettlement (1995) and the Resettlement Framework (RF).	Maintaining Compliance	NAC-CADIP

<p>B. The State through the EA shall ensure that to the extent possible, Projects will not require land acquisition or involuntary resettlement; however, if and acquisition and / or involuntary resettlement are required for any project , the EA shall ensure following:</p>		
<p>i. A RP/RF for the Project acceptable to ADB is prepared in accordance with applicable laws and regulations in consultation with the affected persons. Disclosure of the RP to the affected persons including information on land acquisition and compensation process undertaken;</p>	<p>Maintaining Compliance</p>	<p>NAC-CADIP</p>
<p>ii. All land, rights of way and other land-related rights required for the Project are acquired or made available;</p>	<p>Maintaining Compliance</p>	<p>Provincial Administrations</p>
<p>iii. All affected persons are compensated and paid resettlement assistance in accordance with the agreed RP, before award of civil works contracts of the related project including any section-wise handover thereof, strictly in accordance with the stipulation in the related civil works contract. If during detailed design and implementation, any modification and/additional land acquisition or involuntary resettlement impacts are identified, the RP will be prepared (or modified if existing) in accordance with applicable laws and regulations and the RF and prior approval of ADB obtained before further implementation of the RP and the Project ;</p>	<p>Partly complied due to (i) timely availability of GOPNG funding, & (ii) lack of counter-finance and resource support from Provincial Administration.</p>	<p>DLPP, Provincial Administration and NAC-CADIP</p>
<p>iv. Ensure that efficient grievance redress mechanisms are in place in accordance with the related RP to assist affected persons resolve queries and complaints if any, in a timely manner; and</p>	<p>Maintaining Compliance</p>	<p>Provincial Administration and NAC-CADIP</p>
<p>v. Ensure that all compensation at replacement value for acquired assets made to affected persons well in advance for them to make alternative arrangements, before award of civil works contracts.</p>	<p>Partly complied due to (i) timely availability of GOPNG funding, & (ii) lack of counter-finance and resource support from Provincial Administration.</p>	<p>NAC-CADIP</p>

Indigenous Peoples

<p>The State through the EA shall ensure that (i) if any impact is identified during planning, design, or implementation of any Project on indigenous peoples, that an Indigenous Peoples Development Plan (IPDP) or integration of specific actions for the indigenous people in the RP is prepared in accordance with ADB's Policy on Indigenous Peoples (1998) and the Indigenous Peoples Development Framework (IPDF) and that the same is further approved by ADB before award of related civil works contract, and (ii) implementation before commencement of related civil works contract. Any updating or revision of the IPDP due to change in detailed designs or during implementation shall be in accordance with applicable laws and regulations and the IPDF and prior approval of ADB obtained before further implementation of the IPDP and the Project .</p>	<p>Not Applicable at this stage</p>	<p>PIU</p>
<p>The State through the EA shall ensure that (i) if any impact is identified during planning, design, or implementation of any Project on indigenous peoples, that an Indigenous Peoples Development Plan (IPDP) or integration of specific actions for the indigenous people in the RP is prepared in accordance with ADB's Policy on Indigenous Peoples (1998) and the Indigenous Peoples Development Framework (IPDF) and that the same is further approved by ADB before award of related civil works contract, and (ii) implementation before commencement of related civil works contract. Any updating or revision of the IPDP due to change in detailed designs or during implementation shall be in accordance with applicable laws and regulations and the IPDF and prior approval of ADB obtained before further implementation of the IPDP and the Project .</p>	<p>Not Applicable at this stage</p>	<p>PIU</p>

Social Issues

The State through the EA shall ensure that civil works contracts under the Project follow all applicable labour laws of the Borrower and the State and that these further include provisions to the effect that contractors;

- | | | |
|---|---------------------|-------------------|
| (i) carry out HIV/AIDS awareness programs for labour and disseminate information at worksites on risks of sexually transmitted diseases and HIV/AIDS as part of health and safety measures for those employed during construction; and | Maintain compliance | PIU & Contractors |
| (ii) follow and implement all statutory provisions on labour (including not employing or using children as labour and equal pay for equal work), health, safety, welfare, sanitation, and working conditions. Such contracts shall also include clauses for termination by the State or EA in case of any breach of the stated provisions by the contractors. | Maintain compliance | PIU & Contractors |

4.0 MANAGING ISSUES

45. Main issues identified, and the mitigation measure undertaken to correct or address these issues during this period are stated in table 6.0 below.

Table 6: Issues and Mitigation Measures Undertaken During January to June 2018

Airport	Issues	Mitigation Measures	Remarks
Goroka	Confrontation and 'stop work' instigated by representatives of Henganofi Development Corporation (HDC) due to the commercial Banks non-acceptance of the compulsory acquisition cheque payment	a) Arrange a final consultative meeting with the HDC reps. Involving Provincial Administration reps, Police, Law & Justice and Contractors to clarify the matter to fencing works to commence. b) Seek legal opinion on the conditions of the Deed of Release and Transfer of Sale c) Get the AP consent to proceed with the fencing installation works or otherwise.	Reschedule to be done this 3 rd Quarter 2018.
Buka	Possibility of changes in the scope of works to include runway extension within the airport land without the need to acquire additional customary land.	Revise and documentation of Due Diligence Reports - DDRs (in place of the Resettlement Plan)	<ul style="list-style-type: none"> ▪ Done. ▪ Re-scoping to have the runway extension within existing airport land
Kavieng	(Same as above – Buka)	(Same as above – Buka)	<ul style="list-style-type: none"> ▪ (Same as above – Buka) ▪ A formal letter dated 13/3/2018 from CAA Minister to the New Ireland Provincial Governor advising of the option of re-scoping if GoPNG funding for land acquisition is delayed.
Gurney	Same as Buka but the land to be acquired is state land on Agricultural State Lease to New Britain Palm Oil limited (NBPOL)	(Same as above – Buka)	<ul style="list-style-type: none"> ▪ Done. ▪ Re-scoping to have the runway extension within existing airport land
Wewak	• Same as Buka but most are State land. Only a	(Same as above – Buka) Follow up with ESPG on the;	<ul style="list-style-type: none"> ▪ ESPG task will continue until all is satisfactorily completed.

<p>fraction is customary land.</p> <ul style="list-style-type: none"> • Land clearance works, compensation and resettlement is undertaken by the East Sepik Provincial Government (ESPG) through their stormwater project Unit and Provincial Dept. of Lands & Physical Planning. 	<ul style="list-style-type: none"> a) Rezoning and amalgamation of land areas required for runway extension, creek and road diversion must be completed by Qtr 2. 2018. b) Registration of new airport survey plan incorporating rezoned areas with new legal description c) Compensation and resettlement of APs 	<ul style="list-style-type: none"> ▪ PIU to monitor. ▪ Re-scoping to have the runway extension within existing airport land
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5.0 SUMMARY AND CONCLUSIONS

46. No permanent resettlement activity is going to take place at this time. Only temporary relocation and shifting of structures out of airport land including clearing of food gardens and crops along works area for Buka Airport Fencing Project. Buka relocation is financed and assisted by the Autonomous Bougainville Government. Land acquisition for the project will be the responsibility of the State with cooperation from appropriate stakeholders. Additional land required for runway extension will not happen if (i) GoPNG funding for land acquisition and resettlement is delayed, and (ii) lack of financial and resource support of relevant Provincial Administration to their GRM coordinators and Provincial Lands Officers. .
47. Social safeguards outcome during and after the project has been highlighted to the contractors' during site meetings to ensure they comply. This will be emphasized again during this end of 2nd quarter 2018 safeguard audit for ongoing projects.
48. Contractors have reduced the involvement of local woman, youth groups, and man in the project due to project completion like Girua and Goroka Airport Upgrade.
49. To a certain extent, land acquisition and resettlement issues was minimized through proper engineering designs applying avoidance technique as a mitigating measure like in one section of Buka Airport fenceline where the fence has to be shifted 10 meters into the airport land to avoid resettlement of high covenant houses and a trade store. Only temporary impacts were identified on the mobile vendors, squatters and bush material to semi-permanent structures.
50. RPs will be prepared for projects that will directly affect APs in the right of way and acquisition that require permanent resettlement activities. However, change in the scope of works to reduce works within airport land will require updating of the airport DDR.
51. HIV/AIDS awareness was facilitated by the contactors to its workers and surrounding communities. Contractor will be notified to implement gender mainstream awareness and women empowerment for this 3rd and 4th quarter 2018.
52. Maintaining coordination with established airport working committee and the respective Provincial Administration to address project related safeguard issues was satisfactory for this period. This is the GRM in place under the project.

ATTACHMENT : SOCIAL MONITORING CHECKLIST.

Project Title Civil Aviation and Development Investment Program					
Project No.					
Airport Title: Tranches 2 and 3					
Short Airport Description: General overview of monitoring based on RP and IPP					
Location and Impact Area: Tranche 2 & 3 Airport Project nearby communalities/Settlements/on-site					
Possible Land Acquisition Impacts	Yes	No	Not Known	Possible	Remarks
Will the project include any physical construction work?	X				
Does the project include upgrading or rehabilitation of existing physical facilities?	X				
Is land acquisition likely to be necessary?		X			Re-scope to include runway extension within airport land without the need to acquire additional land.
Is the site for land acquisition known?	X				Yes
Is the ownership status and current usage of the land known?	x				Yes. All works are within declared aerodrome land
Will flight path be part of the existing right-of-way?		X			NAC will have to negotiate with owners of land outside of the flight path
Are there any non-titled people who live or earn their livelihood at the site or within the right-of-way?		X			Yes. Settlers are inside Buka Airport land
Will there be loss of housing?	X				Temporal – valuation and compensated
Will there be loss of agricultural plots?	X				Temporal – valuation and compensated
Will there be losses of crops, trees and fixed assets?	X				Temporal – valuation and compensated
Will there be loss of businesses or enterprises?		x			
Will there be loss of incomes and livelihood?		X			
Will people lose access to facilities, services or natural resources?		x			
Will any social or economic activities be affected by land use-related changes?		x			
If involuntary resettlement impacts are expected:					
Are local laws and regulations compatible with the ADB Policy?		X			
Will coordination between government agencies be required to deal with land acquisition?	X				Funding for resettlement and land acquisition remains a constraint.
Are there sufficient skilled staffs in				X	Not possibly at this

the Executing Agency for resettlement planning and implementation?					stage but stakeholders' coordination remains helpful. The only Safeguard Officer of PIU continues executing RPs
Are training and capacity-building interventions required prior to resettlement planning and implementation?	x				Yes. Also involve Provincial Administration officers

Whenever possible, consider also any future airports or investments.

Information on Affected Persons (APs):

Any estimate of the likely number of households that will be affected by the airport?

No Yes If yes, approximately how many? Refer to this report (above information) on APs

Are any of them poor, female heads of households or vulnerable to poverty risks?

No Yes If yes, briefly describe their situation: Nearly all are subsistence farmers and fisherman

Are any APs from indigenous or ethnic minority groups?

No Yes If yes, please explain: _____

