



Papua New Guinea LNG Project

**Kutubu to Hides (KP 0–80)
Resettlement Action Plan Addendum #1:
Updated Resettlement Impacts**

PGHU–EH–SPZZZ–490032

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ACRONYMS

Acronym	Definition
CAA	Clan Agency Agreement and Authority to Pay
CRP	Communal Resource Plan
EHL	Esso Highlands Limited
EIS	Environmental Impact Statement
ELC	Environmental Law Centre
FN	Family Number
FRV	Full Replacement Value
HGCP	Hides Gas Conditioning Plant
IFC	International Finance Corporation
IPCA	In-Principle Compensation Agreement
KP	Kilometer Point (Hides to landfall at Omati)
LNG	Liquefied Natural Gas
LR	Livelihood Restoration
M&E	Monitoring and Evaluation
MSEL	Monitoring, Social, and Environmental Law
PIA	Project Impact Area
PMV	Passenger Motor Vehicle
PNG	Papua New Guinea
PNG LNG	Papua New Guinea Liquefied Natural Gas Project
PS	Performance Standard
Q&A	Questions and Answers
RAP	Resettlement Action Plan
RIT	Resettlement Implementation Team
ROW	Right of Way
RPF	Resettlement Policy Framework
SIA	Social Impact Assessment
VG	Papua New Guinea Valuer General
VLO	Village Liaison Officer
VST	Video Survey Team

1.0 INTRODUCTION

This report is an Addendum to the Resettlement Action Plan (RAP) for the Kutubu to Hides area (KP 0–80).

It provides additional details pertaining to resettlement anticipated in the original KP 0-80 RAP, and also describes further resettlement in areas near the KP 0–80 right-of-way (ROW) corridor:

- Proposed gas pipeline ROW (KPs 7.8–10.3; 10.3–13.8; 13.8–14.4; 14.4–17.8; 17.8–19; 19–20)
- Landslip area near Homa (KP 57–58)
- Quarries (off the ROW near Pagu, but used for aggregate on the pipeline ROW)
- Access Roads (Tagari North)

This RAP Addendum #1 only focuses on updates to the physical and economic displacement associated with these latest Project interventions. The original Kutubu to Hides (KP 0-80) RAP contains additional background related to the Resettlement program for the KP 0-80 areas, as well as the eligibility and entitlements, legal framework, and cultural context for the clans in these communities.

2.0 PROJECT IMPACTS

A summary of Project impacts for Addendum #1 KP 0–80 is provided in **Table 11**.

Table 1-1: Summary of Impacts and Mitigation Measures - KP 0-80 RAP Addendum #1

Impact	Scale	Mitigation – Project Responses
Resettlement impacts – households and structures	166 households physically displaced (243 structures) ¹ ; 160 households economically displaced.	Package reflects agreed cash and in-kind compensation provisions for affected landowners consistent with the RPF. Landowner acceptance evidenced by signed agreements, copies of which will be lodged with Department of Petroleum and Energy (DPE).
Loss of use of land	Total land loss for KP 0-80 is 479.1 ha	Compensation for rights to use land will be paid to clan landowners in accordance with the Oil and Gas Act, 1998. A livelihood restoration program will be implemented to assist affected households with restoring or improving livelihoods.
Loss of gardens, trees and crops	Total loss of new garden areas is 14.5 ha <ul style="list-style-type: none"> • Coffee; economic trees (casuarina, black palm, bamboo etc); • Garden crops (banana, choko, chili, corn, cucumber, ginger, etc.); Tree crops (avocado, 	Compensation at market rates will be paid for tree and crop losses. Temporary rations (or cash conversion of rations, if elected & subject to a means test) will be provided to meet household's subsistence needs until gardens are re-established. A livelihood restoration program will be implemented to assist affected households with restoring or improving livelihoods.

¹ In Huli, some people may have more than one house or structure on a piece of land. As such, the total number of impacted structures may be higher than the total number of affected households.

Impact	Scale	Mitigation – Project Responses
	breadfruit, fig, marita, etc.)	
Disruption in social networks	Disruption in social networks is expected to be minimal, as affected households have indicated moves within the same clan land.	Most households will self-relocate to areas in close proximity. Social networks with respect to exchange relations will continue as these are based on kinship, descent, affinity and friendship ties not related per se to specific locales/areas.
Potential Vulnerable	Potentially vulnerable households will be assessed by the Vulnerables Coordinator	Households assessed as vulnerable will qualify for special assistance tailored to their specific needs.
Cultural heritage	No new sites	Compensation will be paid for a range of cultural heritage sites (ESMP Appendix 13, Cultural Heritage Management Plan; PGGP-EH-SPENV-000018-015). Skeletal material to be handled by PNG National Museum. Appropriate rituals to be undertaken by local landowners and caretakers of sites. Chance-find sacred stones and artifacts to be relocated by people themselves. Other material to be lodged with National Museum and overseen by archaeologists as per mitigation measures outlined in the Angore Road and Angore Well Pads Pre Construction Survey Report (ESMP Appendix 13, Attachment 3: Cultural Heritage Chance Finds Protocol).
Loss of Businesses	6	Compensation is paid for loss of physical trade store and disruption to or loss of potential future income
Newcomers² / Loss of speculative structures	Approximately 170	Nominal payment negotiated with landowners to cover time and effort in erecting a structure; paid upon completion of dismantling.

An Eligibility and Entitlements Matrix, which describes what each category of landowner qualifies for under the Resettlement Program, is provided in Appendix 1 APPENDIX of the original Kutubu to Hides (KP 0-80) RAP.

Table 2-2 lists the impacted communities, number and type of affected households, and areas of land and garden to be accessed. For reference purposes, the table also lists the original total, as provided in the initial Kutubu to Hides (KP 0-80) RAP.

Figure 2-1 shows the Project infrastructure and location of social services such as health, education and religious institutions. Selected maps for the impacted areas are also provided in **APPENDIX**.

² These are landowners who have erected structures both prior to the resettlement 'cut-off' date (referred to as 'newcomers'), and/or following the resettlement 'cut-off' date (referred to as 'speculative structures').

Table 2-2: List of Affected Households Covered by Kutubu to Hides (KP 0-80) RAP and Addendum #1

KPs	Nearby Village	Description of Land Use	Physically Displaced FNs	Economically Displaced FNs	Estimated Newcomer Houses	Overall Ha (All non-garden land)	Garden Areas (within HA total)
5-10	Tagari	ROW / Access Road / Laydown	17	20	13	33.4	2.2
9-20	Angore	ROW	134	111	169	117.8	11.3
50-59	Homa	ROW / Debris Slip (KP 57-58) ³	33	15	0	81.1	0.8
NA	Pagu ⁴	Quarry	1	14	0	NA	0.2
Previous Total (KP 0-80 RAP)			93⁵	154	416⁶	479.1	30.1
New Total (including this Addendum #1)			259	314	360	479.1	44.6

³ Two minor debris slips occurred near KP 57-58 as construction was working on the steep ridgeline in April 2013. No structures were immediately impacted by the sliding debris, however, it was deemed necessary from a safety perspective to relocate 33 households residing at the base of the steep ridge.

⁴ Nearby quarry used to source aggregate for KP 0-80 pipeline ROW.

⁵ This was an estimate in the original KP 0-80 RAP.

⁶ This was an estimate in the original KP 0-80 RAP.

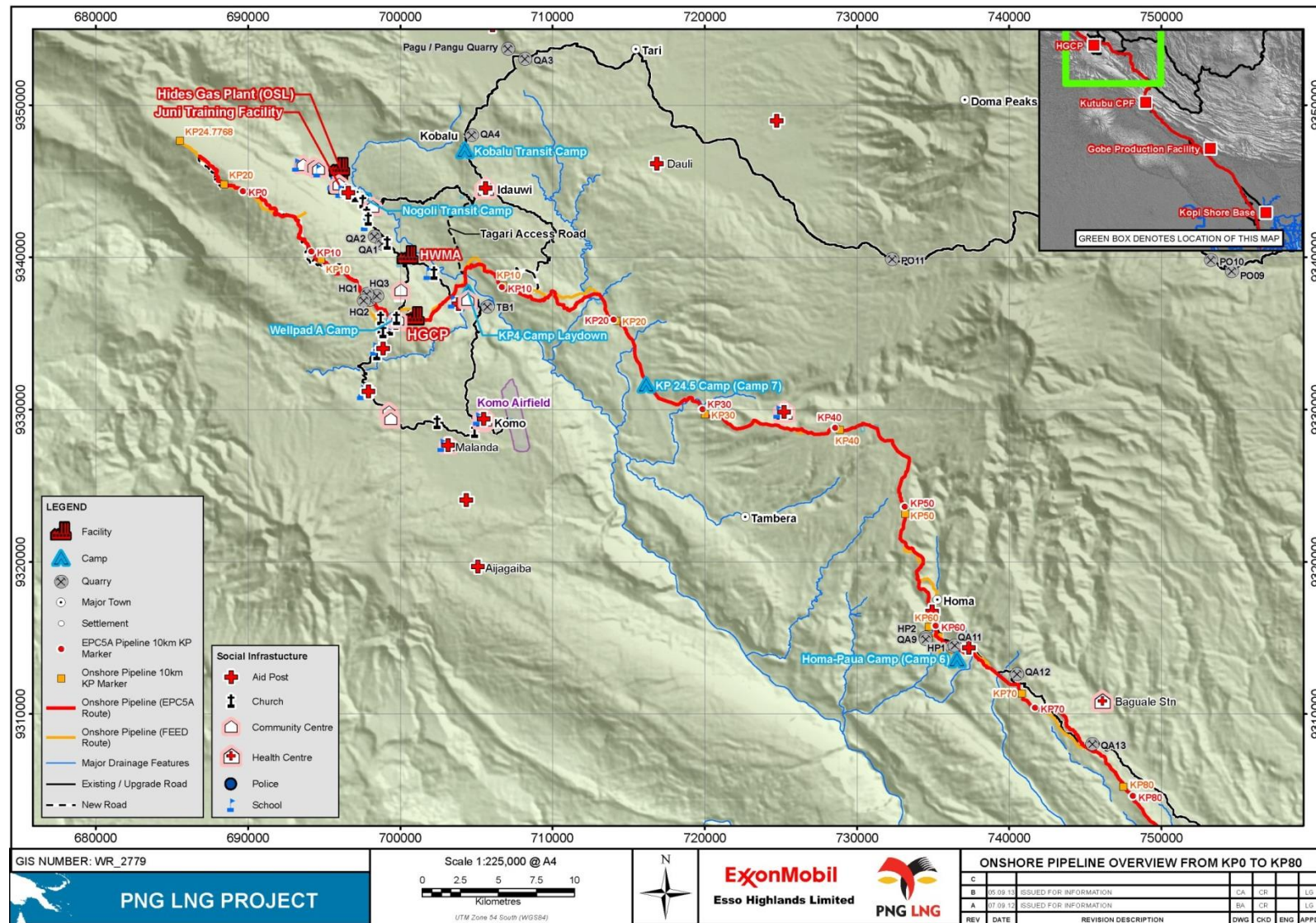


Figure 2-1: Revised Overview Map of KP 0-80 ROW, Quarries, Access Roads, and Social Infrastructure

3.0 SOCIAL, ECONOMIC, AND CULTURAL CONDITIONS

3.1 Social Landscape

The general area is occupied by the Huli ethnic group who number some 150,000 speakers. This Addendum covers much the same areas as described in the original Kutubu to Hides (KP 0–80) RAP. The original RAP contains details on the local clan composition and history, and socio-economic characteristics. These are essentially the same in terms of characteristics that informed the resettlement measures. However, the Angore area (KP 5–20) has historically been a tribal fighting zone, and with the presence of the Project in the area, stability and security is seen to be restored to this area and as such, the landowners from this area are gradually returning to the area after having fled due to tribal fights.

3.2 Description of Households

The Census and Survey Team recorded 243 structures⁷, of which 222 were made from bush-materials, 15 from semi-permanent materials and six from permanent materials. The largest percentage of these structures was located in the KP 17–20 catchment of Neango.

A total of 1521 household members were listed in the social survey forms. Fifty-six per cent of household members were absent at the time of the census and survey which is consistent with the levels recorded elsewhere in resettlement affected places and in the initial KP0–80 RAP.

Less than one per cent of households had water tanks, which is consistent with the findings in the original RAP, where there were no recorded tanks in the Angore-Benaria-Yarale catchments. The affected populations obtained their drinking water from local rivers, springs and streams. Average time to collect and return with water was approximately 20 minutes, with a declared range from 1–120 minutes. Seventy per cent of respondents reported that water was available all year round.

3.3 Vulnerable Households

A number of individuals were identified during the Census and Survey as potentially vulnerable because they fell into designated categories, including those over 60 years of age, pregnant women, and those with various disabilities, such as epilepsy or blindness. However, based on further assessment of their situation and existing support, these households were not deemed to be more vulnerable than other affected people to the effects of displacement or their ability to participate fully in resettlement measures. Should this type of vulnerability arise, an impact assessment will be undertaken for these households, with careful consideration of each case, and assistance rendered in agreement with that affected resettlement person/household.

3.4 Local Business Enterprises

Census and survey of the KP 0-80 RAP Addendum #1 areas indicated ownership of 30 trade stores, 1 sawmill, and 1 video business. The same process for valuation and compensation that applied in the original Kutubu to Hides (KP 0-80) RAP also applies to these businesses.

4.0 AWARENESS, CONSULTATION, AND DISCLOSURE

4.1 Awareness and Consultation

⁷ In Huli, some people may have more than one house or structure on a piece of land. As such, the total number of impacted structures may be higher than the total number of affected households.

A meeting was held with the community in a public place – where was it held, and included impacted landowners, other community members, Resettlement team members, MSEL advocates, and Community Affairs team members, during which information about the Resettlement program was presented. Table 3-1 lists the awareness sessions undertaken for these KP 0-80 Addendum #1 areas.

Table 3-1: Resettlement Consultations for KP 0-80 RAP Addendum #1 Areas

Locale	Date	ROW KP	Number of Attendees			
			Male	Female	Children	Total
Kewabi/Ketere	26/02/2013	KP 14-17	30	12	10	52
Kewabi/Ketere	15/04/2013	KP 14	8	6	7	21
Neango	29/09/2012 – 20/5/2013	KP 18-20	30	8	5	43
Pagu Quarry	29/07/2013 – 08/08/2013	N/A	82	8	6	96
Tagari Access North	05/09/2013	N/A	12	0	0	12
Total			162	34	28	224

During the Census and Survey process, a questionnaire was utilized to determine landowners' level of understanding of the information presented about resettlement at the community meeting.

Table 4-1: Landowner Awareness of the Resettlement Process in KP 0-80 RAP Addendum #1 Areas

Question No.	Question Posed	Yes	No	Unsure
I1	Did you attend the road-show presentations of the RAP?	69%	31%	0%
I2	Do you think you understand the Resettlement Action Plan? ⁸	49%	24%	27%
I3	Would you like the Project to explain the Resettlement Action Plan to you again?	31%	47%	22%

Throughout the resettlement process, resettlement team members and MSEL advocates continually engage with the impacted landowners (FNs) and community members to address questions they may have regarding the resettlement process. These activities have improved the awareness and understanding rates that are shown in Table 4.1.

While these consultations focus on resettlement-related questions or concerns, it is common practice for the landowners to raise issues about other areas of interest, including non-Project related issues. Records indicate that landowner concerns across the KP 0-80 areas generally include:

- Resettlement—speculators and amount offered for the structures and gardens
- Employment and recruitment of local hire through preferred Lancos

⁸ It is acknowledged that one might equally interpret such answers as simply a disinclination to want to understand or engage in more consultation.

- Lack of fair in-take of students from the area into the Juni Training Facility
- LBBSA, UBSA and IPCAs issues
- Road Construction Safety
- Maintenance of existing infrastructure (road, aid post and school) and request for assistance to support small community initiatives
- Livelihood support
- Business participation—maximizing business opportunities for local lancos
- Access roads and ROW to be widened
- Presence of DPE in the project area—to facilitate the incorporation of the land groups and advise on the national content plan
- Selection of VLOs

4.2 Disclosure

This RAP Addendum #1 will be made available to the public on the PNG LNG Website (http://www.pnglng.com/commitment/resettlement_action_plans.htm)

A summary of this information will be communicated both verbally and through visual aides to the impacted communities.

5.0 MONITORING AND EVALUATION-

Requirements for internal and external resettlement monitoring and evaluation are defined in the LARLR. Internal monitoring for resettlement activities defined in this RAP Addendum #1 will extend through 2014–2015 to include these additional impacted communities.

6.0 RAP IMPLEMENTATION SCHEDULE

Table 5-2 sets out the tasks required in order to implement the resettlement program for the KP 0–80 RAP Addendum #1 areas.

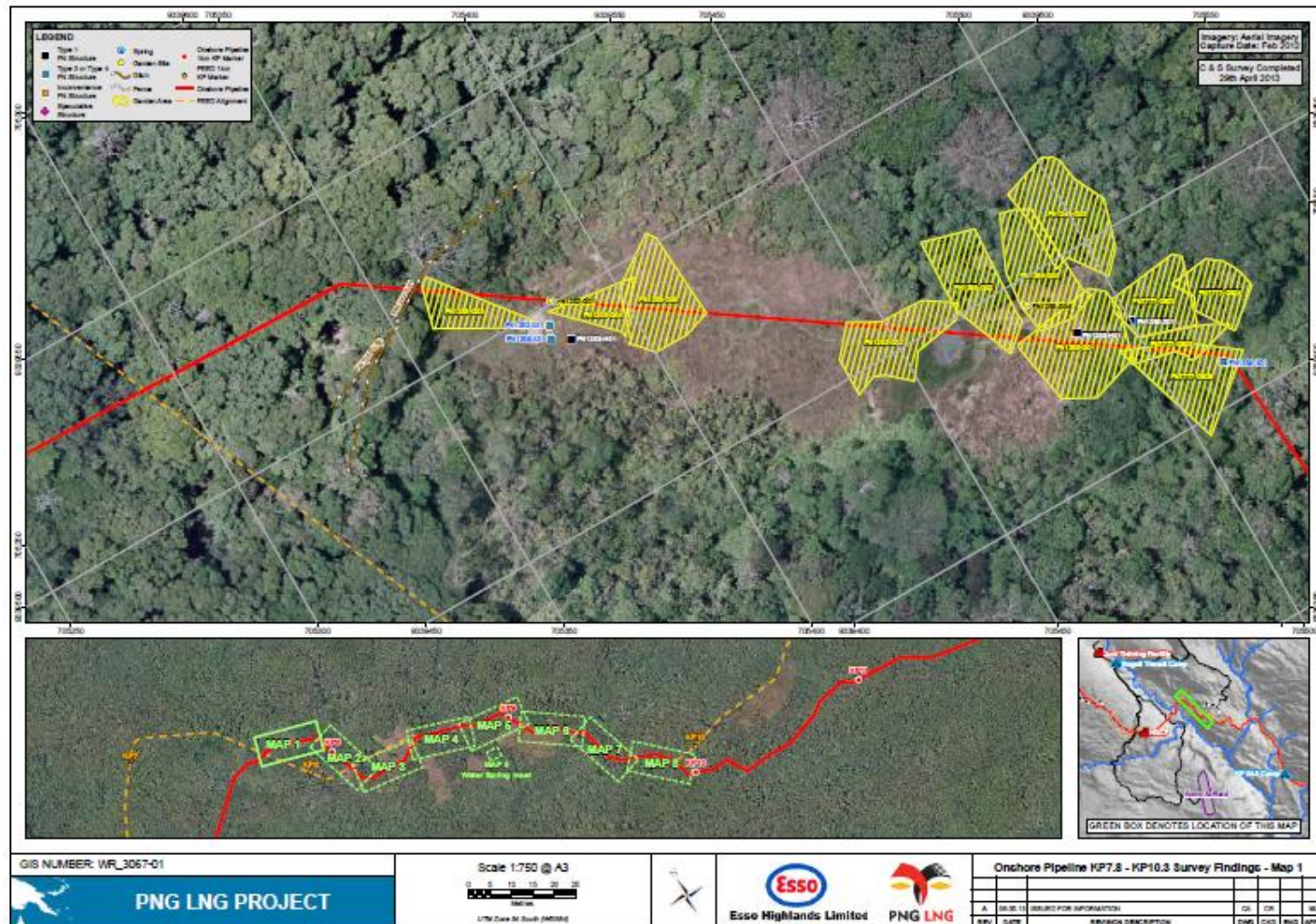
Table 5-2: KP 0-80 RAP Addendum #1 Implementation Schedule

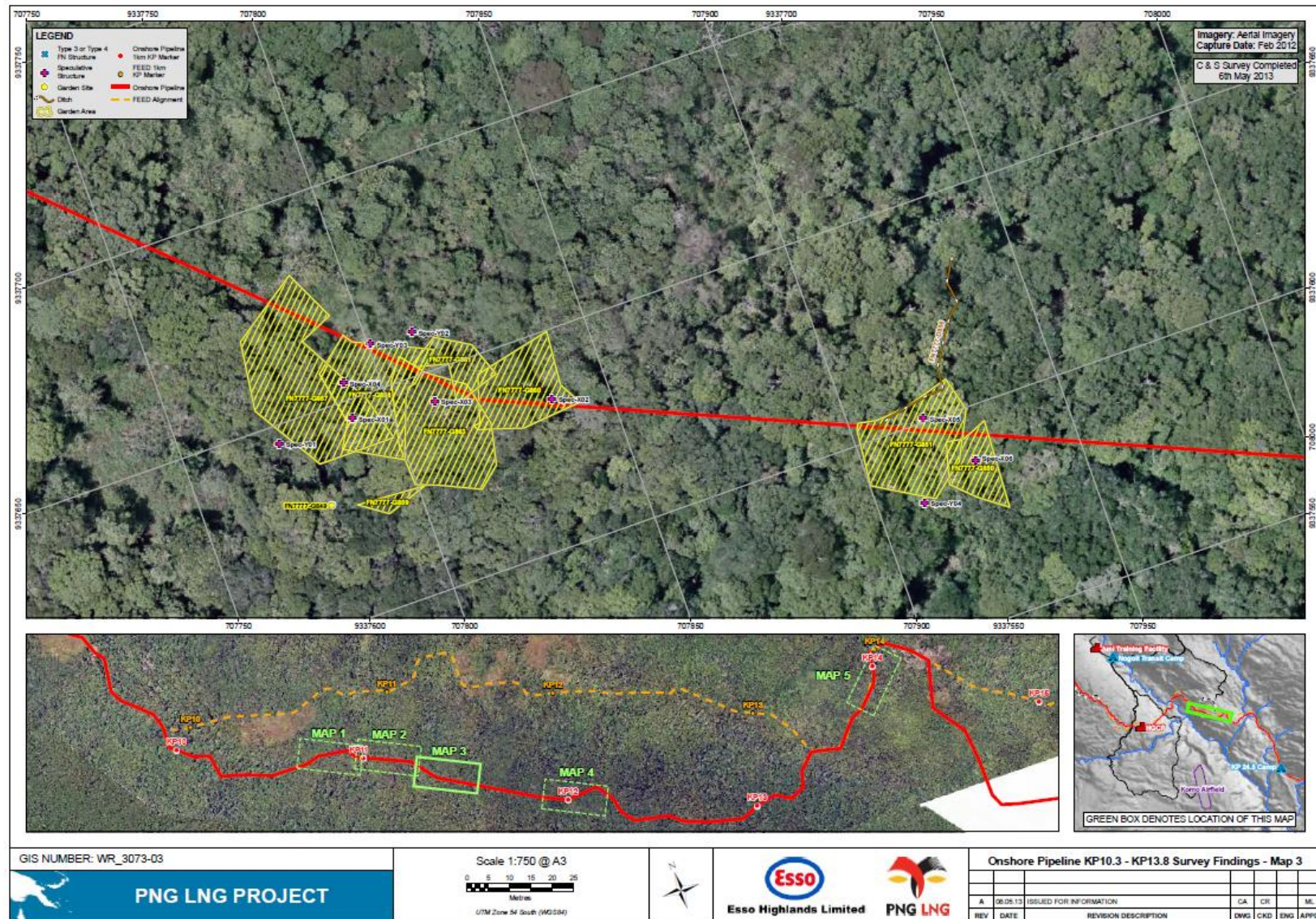
Activity or Task	Actions	2013				2014		
		S	O	N	D	J	F	M+
Planning	Completion of KP 0-80 RAP							
Approvals	Internal EHL approval of the RAP							
	RAP Submission to Lenders							
	RAP Summary to community and feedback to ELC & RIT							
Land Issues	Confirm resettlement sites & any impacted water sources (provision)							
Confirm and finalize compensation agreements	Final identification of vulnerable households							
	Verify inventories of affected land and assets (incl. special valuations)							
	Finalize any entitlement contracts							
Compensation payments & relocation	Cash payments to individuals & relocation							
	Housing package, distribution materials or cash component/restitution							

Activity or Task	Actions	2013				2014		
		S	O	N	D	J	F	M+
Livelihood Restoration	Provide livelihood restoration program to affected families							
	Non-agri training and agribusiness programs							
	Distribution of rations							
Verification, monitoring, & evaluation	Design & implementation of monitoring and evaluation system							
	Local advocacy & compensation advisors							
	Internal monitoring							
	Internal and external evaluation (including completion audit)							

7.0 COST AND BUDGET ESTIMATE

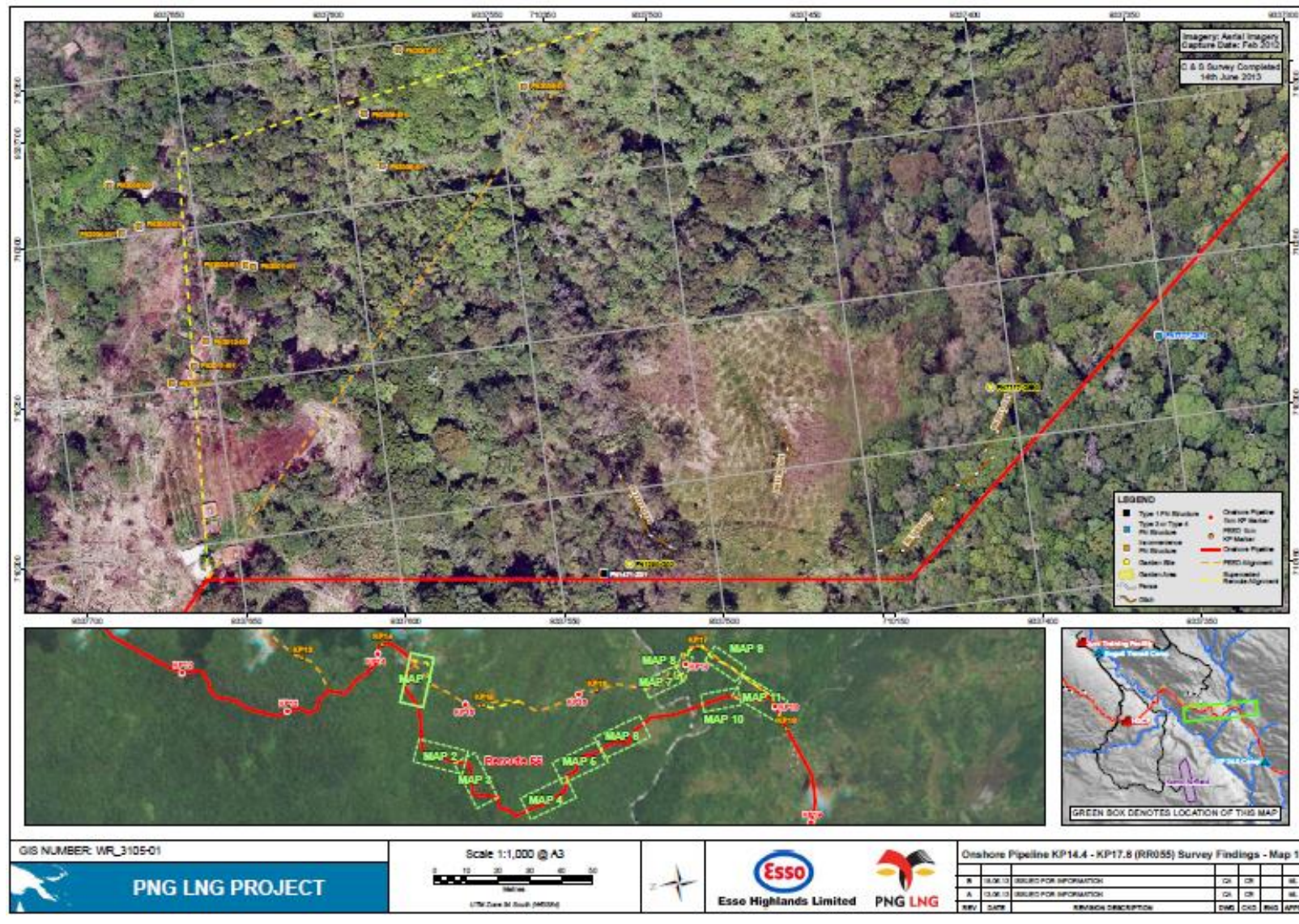
All funds for the cost of the KP 0–80 RAP Addendum #1 resettlement program have been made available by the Project, which is estimated at between USD \$4-6 million.





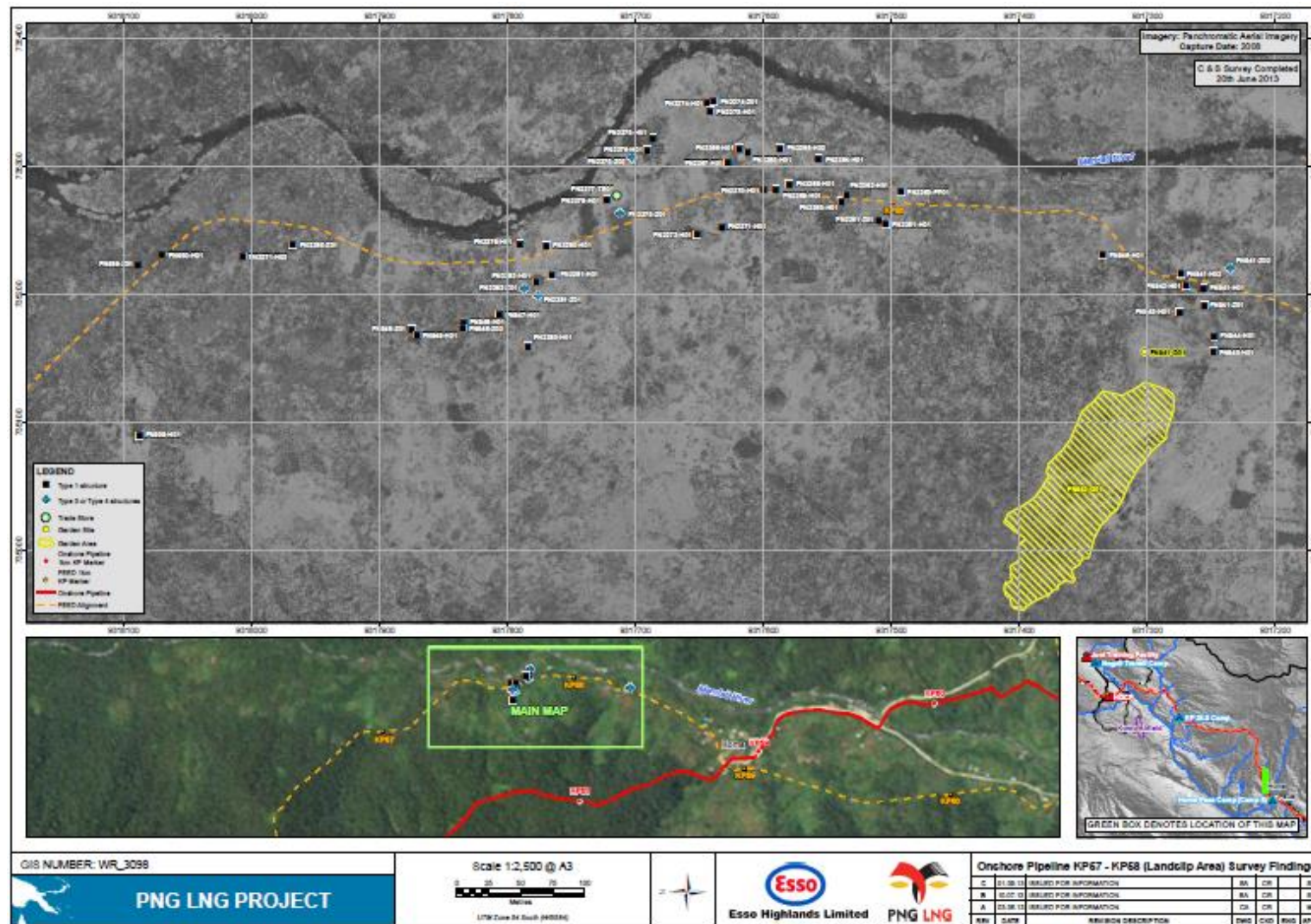
Appendix 1 Figure 1-2: Census and Survey Map from KP 10.3-13.8 (Map 3)





Appendix 1 Figure 1-4: Census and Survey Map from KP 14.4-17.8 (Map 1)





Appendix 1 Figure 1-6: Census and Survey Map from KP 57-58 Debris Slip Area