

Government of Papua New Guinea

Environmental and Social Management Framework (ESMF): *Rural Service Delivery Project (RSDP)*

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Department for Provincial and Local Government Affairs (DPLGA)
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Acronyms

CEPA	Conservation and Environment Protection Agency
CDD	Community Driven Development
CLUA	Clan Land Use Agreement
DEC	Department of Environment and Conservation (now CEPA)
DPLGA	Department of Provincial and Local Government Affairs
EA	Environmental Assessment (of the World Bank)
ECOPs	Environmental Codes of Practice
EIA	Environmental Impact Assessment (of DEC)
EIS	Environmental Impact Statement (of DEC)
ESMF	Environmental and Social Management Framework
ESMP	Environmental and Social Management Plan
ESSC	Environmental and Social Safeguards Checklist
GoPNG	Government of Papua New Guinea
GRM	Grievance Redress Mechanism
LLG(s)	Local Level Government(s)
M&E	Monitoring and Evaluation
MIS	Management Information System
OP	Operational Policy (of the World Bank)
PSC	Project Steering Committee
PMU	Project Management Unit (within DPLGA)
PNG	Papua New Guinea
PPO	Provincial Project Office
PSC	Project Steering Committee
RSDLGP	Rural Services Delivery and Local Governance Project
SPISGs	Subproject preparation and implementation support grants
WB	World Bank
WDC	Ward Development Committee
WDP	Ward Development Plan

B. Introduction

Purpose and Scope of the ESMF

This Environment and Social Management Framework (ESMF) has been prepared for the Rural Service Delivery Project (RSDP) in Papua New Guinea (PNG). The ESMF has the following objectives:

- (i) To establish clear procedures and methodologies for the environmental and social planning, screening, review, approval and implementation of subprojects to be financed under the Project;
- (ii) To specify appropriate roles and responsibilities, and outline the necessary reporting procedures, for managing and monitoring environmental and social concerns, including those relating to gender and different sub-groups within the beneficiary communities, that will arise from the subprojects;
- (iii) To determine the training, capacity building and technical assistance needed to successfully implement the provisions of the ESMF; and
- (iv) To provide safeguard tools and templates for implementing the ESMF.

This ESMF has been developed as specific activities and location of subprojects funded by RSDP have not been identified during the project preparation and specific locations and detailed information about the subprojects will only be known during implementation.

The purpose of this ESMF is to guide the Implementing Agency (IA): Department of Provincial and Local Government Affairs (DPLGA), Project Management Unit (PMU) and stakeholders including Provincial Governments, Local Level Governments (LLGs) and subproject proponents on the environmental and social screening and subsequent assessment of country-specific subproject activities during project preparation and implementation.

The procedures outlined in the ESMF serve to ensure that potential adverse environmental and social impacts that may be generated as a result of each subproject activity are identified early, and appropriate safeguard instruments are prepared prior to implementation to avoid, minimize, mitigate and, in cases where there are residual impacts, offset adverse environmental and social impacts.

The scope of this ESMF includes a description of how safeguards issues will be dealt with by outlining:

- (i) Types of activities that will not be supported by the project using the ‘*negative list*’;
- (ii) Key responsibilities for ESMF implementation;
- (iii) Procedures for safeguard screening and assessment to determine the project category and early identification of potential safeguard issues;
- (iv) The consultation process and handling of complaints;
- (v) Project-specific safeguards instruments, procedures and mitigation measures for activities that may cause adverse environmental and/or social impacts; and
- (vi) Outlining institutional and monitoring arrangements.

The ESMF will ensure that each subproject will put in place a robust approach to consider environmental and social risks and impacts in line with World Bank safeguard policies¹, and to prepare appropriate good practice safeguard instruments for the actual mitigation and management measures identified.

C. Project Description

i. Background

RSDP will build on the Rural Service Delivery and Local Governance Project (RSDLGP) and apply the same community-driven development (CDD) model currently under implementation. The proposed project will provide ward development grants to targeted rural LLGs, which could be used for a wide-range of small-scale social or economic investments and/or services (e.g. water supply systems, classrooms, health aid posts, community halls, solar power, and footbridges). Ward-level sub-project prioritization will involve some socialization and awareness raising activities and other non-infrastructure related activities. The specific purpose of these community grants would be determined by communities on an annual basis with the support of trained facilitators, and would be approved at LLG and/or district levels based on agreed-upon criteria that reflect Government policies and any relevant World Bank requirements. Communities will identify their priorities and be responsible for the design, implementation, and maintenance of their investments, as well as reporting on the use of the funds.

The proposed project will reflect the lessons learned from RSDLGP and scale-up coverage. Lessons from RSDLGP include (a) the scale of grant provided to each community needs to be increased, as limited types of investments could be achieved with the average ward grant amount of PGK 50,000 (approximately USD 15,000) under RSDLGP; (b) communities require extensive assistance with the planning, technical design, procurement, and supervision of civil works. Additional community planning facilitators and infrastructure specialists are needed to provide such support, especially where the assistance from district and LLG administrations cannot be expected; and (c) additional funding is needed for the transportation of construction materials for remote communities, where the costs of helicopters and boats can take up as much as half of the community grants in extreme cases. These additional costs need to be carefully considered in determining the areas and number of wards to be targeted by RSDLGP. The maximum allowed amount of each community grant may be determined by the size of population, remoteness, and successful execution of preceding grants, and is expected to be around PGK 70,000-114,000 on average (approx. USD23,000-38,000).

ii. Project Development Objective

The Project Development Objective of the Rural Service Delivery Project (RSDP) is to improve communities' access to basic infrastructure and services in targeted rural areas using inclusive, participatory planning and implementation.

¹ The World Bank safeguard policies are available at www.worldbank.org/safeguards.

The proposed project will provide two rounds of Ward Development Grants to rural wards in five targeted provinces, which could be used for a wide-range of small-scale social or economic investments and/or services (e.g. classrooms, health aid posts, water supply and sanitation systems, access roads, footbridges, jetties, solar power systems).

iii. Project Description

Component 1: Preparation and Implementation of Ward Development Grants

Subcomponent 1.1: Ward Development Grants

This subcomponent will provide grants to wards to finance community-identified sub-projects. Wards will be responsible for the identification and prioritization of community needs. The sub-projects will be developed through a participatory planning process that will be integrated into the preparation of Ward and LLG development plans and coordinated with the decisions and budget allocations of provincial and district administrations. Typical sub-project grants are expected to include small-scale community infrastructure, technical assistance, and capacity building. Based on the experience of RSDLGP, most common types of sub-projects are expected to be water supply systems, classrooms, health aid posts, community halls, solar power, and footbridges. In order to also help communities to assess and address non-infrastructure needs, ward-level sub-project prioritization will involve some socialization and awareness raising activities on them, such as on maternal and child health.

Subcomponent 1.2: Subproject Preparation and Implementation Support Grants.

Grants will also be provided to the target LLG administrations to provide support to wards in preparing and implementing sub-projects. The grant will be used by each targeted LLG to facilitate and monitor the preparation and implementation of sub-projects. The grants would be transferred to the special accounts of LLG to cover the administrative costs of supporting wards in the ward development grant (WDG) sub-project cycle, including local travel expenses.

Component 2: Capacity Building of National and Sub-national entities

This component would support the strengthening of capacities of national and sub-national government entities as well as community members to manage and implement sub-projects, and to improve local governance as it relates to basic service delivery. At the central level, the capacity of the Department for Provincial and Local Government Affairs (DPLGA) will be strengthened. Activities will be carried out to build their capacity in the overall development and monitoring of the project; coordination across the key government stakeholders (including Department of Community Development, Religion and Sports; Department of Implementation and Rural Development, the National Economic and Fiscal Commission, etc.); and coordination among other donor and international development agencies who are implementing similar programs; and documentation and promotion of good and bad practices of collaboration among provincial administrations, district administrations, LLGs and wards that influence the quality of service delivery. DPLGA staff will be supported to work with districts, LLGs and wards to review and identify (a) specific capacity and processes required at LLG and District levels to facilitate project planning and implementation at local levels, and (b) effective incentives and arrangements for harmonizing LLG, district, and provincial level plans and budgets (both investments and recurrent costs). DPLGA staff will also be supported to prepare reports of such findings to inform future policies on local service delivery arrangements. At the provincial level, capacity-building activities will be conducted to strengthen linkages with the activities being supported in respective

district administrations and LLGs. For example, training would be provided on consolidating development needs from communities at the district and provincial levels and analyzing the recurrent costs of new investments. At district, LLG, and ward levels, capacity building will be aimed at increasing their capacity to manage public resources at the local level, including improved ward planning, review and evaluation of specific ward plans, grant management to communities, basic financial management and procurement, reporting, and monitoring of community projects. Provincial LLG Advisors (who are staff members of the provincial administration) and District Administrators would be the key focal points for work at this level. Ward recorders will also be trained to serve as a key member of ward development committees and/or CDD subcommittees.

This component will also support the updating of tools and training materials and enhance social accountability initiatives (e.g. participatory planning meetings, public education to improve budget literacy, public feedback mechanisms, and participatory performance monitoring) to strengthen downward accountability and responsiveness of service provinces. These tools will be included in the Project Operations Manual and covered by the capacity building modules explained in the previous paragraph, hence are expected to be applied throughout the ward development grant cycles. Training and capacity building support to help improve the participation and inclusion of traditionally marginalized groups (including women, youth, persons with disabilities) would be articulated and financed as well. For all activities, data (gender disaggregated) will be maintained and analyzed on a regular basis to understand the levels of participation and effectiveness of the project activities in building local government capacity.

Component 3: Project Management

The third component will finance incremental costs of the implementing agency for project management, specifically coordination and supervision of implementation activities, financial management, annual audits, and monitoring and evaluation. The current Project Management Unit (PMU) from RSDLGP is expected to be retained and will implement RSDP. The PMU would also be responsible for coordinating funds from other potential sources that may fund the project in the future. Vehicles and office equipment would be purchased for the PMU and Provincial Project Office (PPO) teams to be established in the new provinces. In addition, in response to the experience of RSDLGP in which wards required extensive assistance with the planning, technical design, procurement, and supervision of civil works, this component will recruit and fund two community development works (CDWs) and a technical facilitator (TF) for each targeted LLG. They will work as part of the LLG administration. An external firm would be contracted under this component to design and undertake an assessment of the project upon completion, which would include an independent technical audit.

iv. Target Areas

RSDP will cover five provinces (up from two), covering 19 districts and 20 LLGs. The five provinces where the Project will be implemented are: Central, Western, East New Britain, West Sepik, and Simbu.

D. Existing Environment

Papua New Guinea (PNG) is a resource-rich country of approximately seven million people. The population is characterized by a diverse number of social groups with over 800 distinct languages,

with strong local and clan-based affinities and allegiances. 87 percent of the country's population lives in rural areas. Average national population density is low at about 14 per km².

Papua New Guinea is rich in natural resources, but is subject to extreme weather events and natural disasters. The economy is dominated by agriculture, fishery, and the oil/minerals sectors. Papua New Guinea is located within the tropical zone (latitude 0° equator to 12° S and longitude 141° E to 156°30' E). It shares international boundary with Irian Jaya Province, Indonesia to the west and Australia lies to the south. Papua New Guinea has total land area of 462,842 sq km and only 27 percent is occupied by people. The land is covered with tropical type vegetation of comprising forests (360,000 sq km), rivers, 1,940 sq km, coastline (5,152km), reefs (40 000 sq km), 5 380 lakes, and vast areas of grasslands and savannah woodlands.

Papua New Guinea's varied physical geographic scenery reflects a generally recent geologic history. The movements of the Earth's crust resulted in the collision of the northward-moving Australian Plate with the westward-moving Pacific Plate and the consequential folding creating Fold Mountain ranges. The low-lying plains of southern New Guinea are geologically part of the Australian Plate. Indeed, New Guinea was separated physically from Australia only 8,000 years ago by the shallow flooding of the Torres Strait. The southern New Guinea plains, called the Fly-Digul shelf after the Fly and Digul rivers, are geologically stable but very sparsely populated by semi-nomadic sago gatherers.

Papua New Guinea has over 800 languages and cultural groups while natural environment is a niche to variety of biological species, mineral, petroleum and energy resources, and fresh air generated from natural primary forests. The aquatic environments and resources of both freshwater and saltwater origin are also naturally healthy as the terrestrial environments, except for areas under mining, logging, petroleum, commercial agriculture and transportation infrastructures development corridors. The country contains a range of protected, endemic, endangered, and rare biological species, while there are also various sites of significance to culture and heritage. These environmental conditions are vital to livelihood of the majority of the rural population for food, shelter, clothing, beverages, aesthetics and modern economic opportunities.

More than 80 percent of the country's population lives in rural areas. Rural settlement patterns are extremely varied. In isolated areas of the southern interior there still remain a handful of the previously common giant communal structures that house the whole male population, with a circling cluster of women's huts. In many coastal areas, villages stretch between the beach and an inland swamp in long lines usually broken into clan or family segments.

A detailed social assessment (SA) was carried out in preparation of RSDLGP and was formally disclosed by Government and the World Bank. While the findings of the SA carried out for RSDLGP still stands valid today and also reflect the diversity of the social systems present in the country, it is expected to be updated with additional information from West Sepik, East New Britain, and Simbu provinces. The key findings of the SA are that: (i) women are marginalized in general (all groups studied were patrilineal societies) but have differing levels of power in different communities but note that in general their status has been improving, (ii) the village court system works well as a traditional dispute resolution mechanism, while the church also plays a prominent role in some areas, (iii) decisions regarding land are handled by clan leaders alone in Western province, whereas in Central church leaders also play an important role; allocating land

for development activities is done consensually, and (iv) literacy levels are low, especially in Western province and among women.

Nearly all socio-economic indicators are significantly worse in rural areas than in towns and cities. Poverty in PNG is defined also in terms of lack access to functional basic infrastructure. A significant proportion of the population is unable to take advantage of basic public infrastructure and services.

E. Implementation Arrangements

i. National level

The Department for Provincial and Local Government Affairs (DPLGA) is the Implementing Agency (IA) for the RSDP. Day-to-day operation of the project shall be managed by the RSDP PMU whose office shall be based at DPLGA (Figure 1). The Project Manager will report to the Deputy Secretary – Performance Monitoring and Improvement, who acts as the RSDP Project Director, through the Director of the LLG Services Division, providing technical oversight. The PMU would consist of contract staff including (a) Project Manager; (b) Deputy Program Manager; (c) Coordinator for Central Province; (c) Capacity Building Specialist; (d) CDD/Safeguards Specialist; (e) M&E Specialist; (f) Finance Officer; (g) Procurement Officer; (h) two Finance Assistants; (i) Executive Assistant, who will also be responsible for external communications; (j) Administrative Assistants; and (k) two Drivers. PMU will also assume the functions of the PPO for Central Province. Technical officers from relevant DPLGA divisions will be assigned to work closely with their counterparts in the PMU to build their capacity with the scope of adapting the project’s CDD approach into the mainstream operations of the department.

The Project Steering Committee (PSC) will be retained and chaired by the Secretary of DPLGA will comprise representatives of: (a) the Department of Finance; (b) the Department of Treasury; (c) Department of National Planning and Monitoring; and (d) the Department of Implementation and Rural Development. Other agencies may be invited into Steering Committee as deemed necessary by RSDP.

The PMU will include an engineering advisor who will review or spot check selected designs before final approval and backstop provincial technical support, particularly on higher complexity subprojects.

ii. Subnational Level

The project will retain the Provincial Project Offices (PPOs) for Central Province and Western Province and establish new PPOs in other participating provinces. The PPO works in close cooperation with provincial, district, and local level government (LLG) administrations. Each PPO comprises (a) Provincial Coordinator; (b) Finance Officer; (c) Procurement Officer; (d) Rural Infrastructure and Safeguards Specialist (RISS); and (e) Administrative Assistant. In addition, two community development workers (CDWs) and a technical facilitator (TF) will be contracted for each LLG, who will be funded by RSDP, but work as part of LLG administration with the LLG Manager, Project Officer, and Financial Officer to facilitate and monitor the preparation and implementation of subprojects. To facilitate the work of CDWs, TSs and LLG staff in support of

the project activities, subproject preparation and implementation support grants (SPISGs) will be transferred to LLG accounts. The SPISG will cover the administrative costs of supporting wards in the WDG subproject cycle..

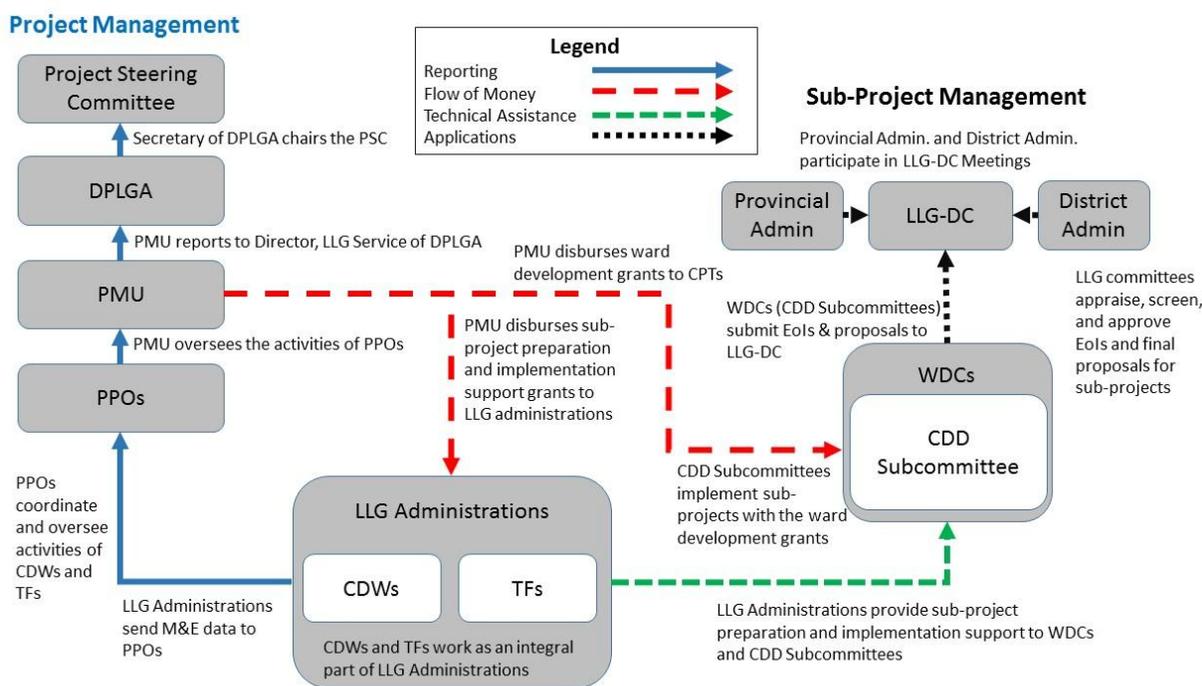
A LLG Development Committee will be formed with representatives of the LLG, District and Provincial staff. Their role will be to select proposed sub-projects from the expressions of interest (EOIs) submitted by communities, and approve the full project proposals prepared by LLG Development Committees. PPO and LLG staff will also assist timely and accurate quarterly progress reporting by CDD Subcommittee. Ward Recorders will be trained and form part of the Ward Development Committees (WDCs) and/or CDD Subcommittee.

The role of CDD Subcommittee are to: (i) prepare EOIs and subproject proposals; (ii) implement sub-projects in accordance with the approved work and financial plan; (iii) execute RSDP funds in accordance with RSDP policies and the approved work and financial plan (i.e. manage Ward Development transactions); and (iv) monitor implementation and submitting reports on the project as per the guidance and templates provided in the Project Operations Manual (POM).

The role of WDCs are to: (i) undertake regular ward development planning processes as mandated by law; (ii) develop proposals that support the highest priority within the latest Ward Development Plan (WDP); (iii) mobilize counterpart funds and additional resources for approved projects; and (iv) and work with the villages benefitting from the approved sub-projects to recruit members of the CDD Subcommittee and oversee their effective implementation of the sub-projects.

The role of the Operation and Maintenance Committee is to organize and manage the operation and maintenance system of the sub-project by leading the development and implementation of the O&M Plan for the sub-project.

Figure 1 RSDP Institutional Arrangements



F. Legal Framework and Regulatory Setting

This section describes the applicable World Bank safeguard operational policies (OPs) and country specific policy, legal and administrative frameworks and rules and regulations applicable to RSDP.

The section also provides an overview of current gaps between Bank policies and existing country systems, relevant to the Bank’s safeguard requirements.

i. World Bank Safeguard Policies

The World Bank’s safeguard policies (also referred to as operational policies or OPs) cover environmental, social and legal aspects of proposed projects.

Table 1 below identifies which safeguard policies have been triggered for the RSDP, with a justification of the safeguard instruments applied in the preparation and implementation phases of the program.

Table 1 Applicable Safeguard Policies

Policy	Purpose/Applicability	Instrument/Requirement
OP4.01 Environmental Assessment	Under Component 1, small-scale infrastructure will be selected by participating communities (e.g. classrooms, aid posts, water supply and sanitation systems, roads, bridges, jetties, solar power systems). A participatory planning process at the ward and LLG level will prioritize small-scale investments and/or services. The type and scale of physical investments under RSDP will be low risk with limited adverse impacts that are site-specific, short term and manageable. The project is Category B.	Screening form and Environmental Codes of Practice (ECOP) Each activity will be screened, and depending on the scale of the subproject, standardized Environmental Codes of Practice (ECOP) will apply to civil works and construction activities.
OP4.11 Physical Cultural Resources	Project siting is identified through a participatory process with community consensus to avoid known physical cultural resources such as sacred sites, structures of spiritual values to communities, objects and structures having high landscape values, etc.	A Chance Finds Procedure is included in the ESMF as a precaution.
OP4.10 Indigenous Peoples	This policy is triggered in PNG in accordance to the Environment and Social Safeguards Guidelines for Pacific Island Countries (ESSIP). The project is designed to maximize the benefits and opportunities of	Process of free, prior and informed consultation with beneficiaries and consultation notes and record of agreements.

	Indigenous People through a participatory process with communities in target areas. The key principles of OP4.10 have been incorporated into overall project design to ensure the participatory process is inclusive and benefits are culturally appropriate.	
OP4.12 Involuntary Resettlement	Activities likely to result in physical and economic displacement, will not be funded under RSDP. Project activities will be undertaken voluntarily on either customary, government or private land and should not involve involuntary restriction or substantive change of land/natural resource use. A Voluntary Land Donation Framework (VLDF—found in Annex 5 and also filed as RPF separately) has been prepared and includes protocol for instances where landowners may wish to donate specific land for project purposes to directly benefit their community.	VLDF/RPF

i. National Requirements

Key legislation guiding project development and rural service delivery in PNG includes:

- Environmental Act 2000
- Environmental Regulations 2002 (Prescribed Activities)
- District Development Authority Act 2014
- National Museum and Art Gallery Act 1992

A new District Development Authority (DDA) Act was passed in late 2014, which is expected to further concentrate PNG's decentralization arrangements to districts. Under the act, a DDA was created at every district, which will control budget allocation priorities and be responsible for service delivery in districts. DDAs are chaired by the district member of parliament (MP), and district public servants will become formally accountable to the DDA priorities. While many of the implementing and operating processes of the DDA act are yet to be established, it is envisaged that the DDAs will play a more prominent role in channeling national public funds for service provision down to sub-national levels. In light of these changes, the Government of PNG is exploring ways to improve the fiscal transfer system, as well as the processes through which the DDA funds can be applied effectively to meet the priority needs of communities at Local-level Government (LLG) and ward levels where resources and staff are limited, and the most basic social and economic services are needed.

The National Museum and Art Gallery Act 1992 states that the National Museum must be consulted should there be a discovery of an artifact during excavation as a result of a project. They

will then assess the find and its significance and what action is undertaken. Chance Finds Procedures have been included in Annex 1.

Under the *Environment Act and Regulations*, the Environmental Impact Assessment process is as follows:

- 1) Register a development activity
- 2) Screening
- 3) Carry out ESIA
- 4) Review of ESIA
- 5) Issue relevant permits
- 6) Decision-making
- 7) Monitoring implementation

Development activities must be registered with the Conservation and Environmental Protection Agency (CEPA). CEPA will conduct screening and categorize the project into three streams or levels, as described below:

- **Level 1 activities:** those that require a minimum level of environmental protection. Regulation of such activities will be based on standards, codes and regulations that set benchmarks for environmentally acceptable activities. For example, maximum discharge levels, ambient quality standards for receiving environment, codes of practice, guidelines for best/acceptable practice. In cases of non-compliance, environmental protection orders, clean-up orders and emergency directions may be issued.
- **Level 2 activities:** those that require a framework of environmental approvals allowing for water discharge permits, or licensing for importation, sale and use of environmental contaminants (hazardous chemicals) and for site-specific environmental conditions to be set for these activities which have more significant potential impacts. Level two activities will be regulated by means of conditions in environmental permits, environmental improvement plans and environmental management programs.
- **Level 3 activities:** those with the potential of major environmental impact and are projects of national significance or of large scale. Such activities will be subject to a process of public and detailed considerations of environmental implication through the Environmental Impact Assessment (EIA) process.

Based on the experience on RSDLGP, it is anticipated that the scale of proposed activities is categorized as **Level 1** under the Environmental Regulations, and Environmental Codes of Practice (ECOPs) are sufficient mitigation and management measures.

G. Potential Environmental and Social Impacts

The overall social and environmental impact of the RSDP is expected to be positive and it is unlikely for eligible activities to result in *significant* risk or *irreversible* adverse environmental or social impacts if carried out in compliance with this ESMF.

Types of Activities

Under Component One, grants will be distributed to wards to finance sub-projects. Wards will be responsible for the identification and prioritization based on community needs. The sub-projects will be developed through a participatory planning process that will be integrated into the preparation of Ward and LLG development plans and coordinated with DDA decisions and budget allocations. Typical sub-project grants are expected to include small-scale community infrastructure, technical assistance and capacity building, and enhancement of sustainable service delivery systems. The project would finance a Ward Development Grants Fund that would be used to support these community sub-projects based on agreed-upon procedures and criteria that would be outlined in an operations manual that the Government would update and the World Bank would approve. Activities that are ineligible for funding are listed in Annex 2.

Potential Impacts

Potential environmental and social impacts may arise if not anticipated or well managed, including:

- Exclusion of key stakeholders in consultation activities.
- Lack of consensus on co-owned assets and their long-term maintenance.
- Poor consideration of upstream or downstream impacts or users.
- Impacts to watercourses, water quality and quantity (siltation, contamination, up/downstream impacts).
- Rural infrastructure development priorities are not based on community need as agreed by target beneficiaries.
- Localised temporary impacts of civil works for village water supplies, etc.
- Lack of supervision resulting in poor quality of construction for small-scale infrastructure.
- Conflict due to natural resources use or infringement of customary rights (e.g. timber felling).
- Expectation of compensation for natural resources or land as a result of the project.
- Conflict over use of land which has not been donated by correct customary representatives or there is a long-standing dispute over said land.

Mitigating these risks and potential impacts will depend on the transparency and inclusivity of the community participation process, screening for risks and impacts during preparation (Annex 3), as well as following the Environmental Codes of Practice (ECOPs) in Annex 4.

A Social Assessment for RSDLGP was carried out in 2013 covering Western and Central Provinces. The recommendations of the final report and how they have been address in the project design of RSDP include:

- To ensure that the most remote and disadvantaged communities are able to effectively participate in the project, capacity building should occur at the Ward level. This might require Trainers to find a location central to the target Wards, or the LLG headquarters. If this is still inaccessible to one of the remote Wards, Trainers must be able to (provisioned

with time and fuel enough to) travel to that Ward and train on their ground. *Community Development Workers (CDWs) will be key in facilitating the process at the Ward level in conjunction with Ward Development Committees. Training will be delivered at the PPO/LLG/Ward levels prior to implementation.*

- All phases of the project should be equipped with a budget for extra fuel, so that there is never an instance of failing to reach a Ward for lack of transport fuel. *This issue has been addressed by increasing the number of CDWs and TFs locally engaged at the LLG level on the Project and general operational costs for LLG Administration have been incorporated.*
- As it is common for customary land to be voluntarily donated for public purposes, the Land Use Agreement template would be an appropriate instrument for formalizing the agreement to allow use of such land for the location of subprojects financed by this project. *A Clan Land Use Agreement (CLUA) is appropriate for this CDD project and a template has been included in the Resettlement Policy Framework (RPF).*
- In the stakeholder training/workshops Ward Councilors, land mediators, Village Court Magistrates, peace officers, clan leaders, church leaders, youth leaders, and women leaders should all be given priority, not just as pro forma but to strengthen these important networks and guarantee project access to them. *Ward Development Committees and CDD Subcommittees will be representative of these persons and all segments of the community to ensure inclusion, and strengthening of the local planning process.*
- The leadership structures in Kairuku and Mekeo communities are based on chieftainships, and therefore chiefs need to be invited to participate in the project. For project entry, the protocol would be to consult the chief first, other community leaders second. *Community Development Workers will work with the best approach given the local socio-cultural norms and context.*
- Women leaders should be specifically encouraged, and even recruited, to participate in all preparatory trainings or workshops as they may hesitate to do so. Efforts should be made to adjust the timing of such events to allow for maximum participation of women. *A women's representative will be required at all stages of the planning process and timing of training will consider the needs of women.*
- Women should be encouraged to participate actively in Ward Development Committees and in the various roles of the Community Project Team. *A women's representative will be required at all stages of the planning process as part of the Ward Development Committee and CDD Subcommittee.*
- Women's leadership is more prominent in the church sphere than the secular world. This is where women have achieved some parity with men in church administration and project management. Thus involving the church in the project is also involving women. *The participatory process will be transparent and inclusive of all stakeholder groups present in the LLG.*
- Church institutions working with the communities should be given consideration in the project because they have been very instrumental in mobilising communities and bringing in projects that have had positive impacts on the communities. *The participatory process will be transparent and inclusive of all stakeholder groups present in the LLG.*
- Youths also have informal groups but these are not very active. Using these groups, however, as a means to network other youth groups is a good idea and would help empower all participants. Their affiliations are more in sports than church so it is important to bring them on board through their group or team leaders. *A youth representative will be required at all stages of the planning process and as part of the Ward Development*

Committee and CDD Subcommittee

- One of the roles of the women in the church is social welfare, working with vulnerable groups (orphans, widows, sick and older people), so these vulnerable populations are best accessed through the women's church groups. *The participatory process will be transparent and inclusive of all stakeholder groups present in the LLG.*
- In the trainings, it is appropriate to use a language mix of English, Pidgin and maybe Police Motu; either one of them or all of them will be understandable by the people. *The Project will engage CDWs and TFs from the local area who speak Tok Pisin and are likely to speak Tok Ples as well. Any training material will be simple and understandable to those with low literacy.*
- Develop and use diagrams and pamphlets to educate people. Stay in the villages if possible and talk with them to ensure the people fully understand before project roll out in the wards. *Awareness of the Project and ward grants will be delivered by the Provincial Government, CDWs and LLGs through a variety of media, visual communication materials and face-to-face visits.*
- As indicated in the brief description of the Grievance Redress Mechanism, local, traditional forms of dispute resolution should be utilized to the extent possible in cases of grievances regarding community projects. However, if such mechanisms are insufficient, concerns should be raised to the LLG Manager, Provincial Coordinator or national Project Management Unit. Information as to how to contact these individuals should be made available to all communities where the project is active. *The Project's GRM reflects this in Section H of this ESMF.*

The Social Assessment previously conducted under RSDLGP sufficiently informs the development of RSDP's design and up-scaling to other provinces.

H. Safeguard Procedures

This section outlines the subproject cycle and incorporates safeguard procedures at each stage (Table 2). Each sub-project cycle is anticipated to take 18 months to complete. The majority of activities are low risk and impacts will be identified through screening at the proposal stage, managed through the application of ECOPs. Higher risk activities may require additional mitigation measures depending on their nature, which is at the discretion of the PMU and Bank.

For subprojects involving small-scale infrastructure, customary land will be utilized via voluntary donation process (as guided by Annex 5—also filed separately as the Resettlement Policy Framework) and the CDD approach will build consensus through the preparatory stages. If small-scale infrastructure is constructed, standard government designs pre-approved by relevant agencies will be updated to fit within the size of grants and used when possible, which will be reviewed by the Department of Works and other relevant departments (e.g. Departments of Education and Health). Community development workers (CDWs) and Technical Facilitators (rather than rural infrastructure specialists (RISs)) will provide a higher level of technical support to WDCs and CDD Subcommittees. In addition, PMU will include an engineering advisor who will review or spot check selected designs before final approval and backstop provincial technical support, particularly on higher complexity subprojects. Technical certification at the time of completion will continue to identify critical improvements before operations and more minor improvements that can enhance the sustainability of subproject facilities.

Table 2 Safeguards in the Sub-project Cycle

Sub-project Process	Description	Safeguards Requirement
1. Start up and Project Entry	Target LLGs will sign partnership agreements with DPLGA. PMU will contract and assign two CDWs and a RIS to each targeted LLG.	Meetings with LLG staff to ensure awareness of safeguard and participation requirements, including selection criteria and activities that cannot be funded (Annex 2). Training for PPO staff and LLG staff on safeguards, including CDWs and RISs. Disclose the nature and protocols of voluntary land donation and gaining informed consent (Annex 5).
2. Community Mobilization and Planning	The CDWs and RIS will conduct outreach activities in wards and facilitate the mobilization or reactivation of ward development committees (WDCs). CDWs will facilitate the organization of a ward development planning meeting, through which ward development priorities and plans will be developed or validated through participatory processes. CDWs will also provide support to WDCs in preparing expressions of interest (EOI) for sub-projects (each ward will submit one EOI in each cycle), as well as a summary of validated ward development priorities <i>based on an inclusive ward planning process</i> .	LLGs, with the support of CDWs and RIS, will document all consultation activities. EOIs will include Clan Land Use Agreement (CLUA) as confirmation that non-disputed customary land can be donated for the subproject (Annex 5). Ward planning process will be inclusive and representative of all community members and attendance will be recorded.
3. Sub-project Selection and Preparation	The LLG Development Committee will review and screen EOIs using a standard set of criteria. The wards whose EOIs were selected by the LLG committee will prepare a full sub-project proposal including technical designs, which will be reviewed again for final approval.	LLG Development Committee screens out EOIs that involve non-eligible activities. CDW completes due diligence on CLUA of EOIs selected. Proposals will include a screening form and selected ECOPs [Annex 2 & 3].

		CDW/RIS and PMU's Engineering Advisor provide technical support. Standard government designs will be utilized where possible and Dept of Works (DoW) and relevant agencies may review final designs for larger projects or where designs are modified to meet grant budget. WDC will receive training including safeguards
4. Sub-project Implementation and Monitoring	Once the full proposal is approved, wards will form CDD Subcommittee who receive Ward Development Grants and start implementing their sub-projects. Construction may commence.	CDD Subcommittee will receive training including safeguards
5. Sub-Project Completion	Once construction ends, the PMU and/or PPO, will conduct technical and financial audits. With satisfactory results of audits and the validation of an operations and maintenance (O&M) plan acceptable to the PMU/PPO, the sub-project will be declared complete.	Technical certification by suitably qualified engineer at completion.

I. Community Participation, Information Disclosure and Grievance Management

i. Community Participation and Citizen Engagement

The Project will be delivered through a community driven development (CDD) modality, based on identified community need and priorities. This requires extensive participatory planning with interested and eligible communities in target wards. Communities will be supported throughout the process from concept to planning and implementation by CDWs, RISs and LLG staff at the LLG level. Women will be encouraged to apply for these positions to enable greater participation of women. To ensure the participatory process is inclusive, fair and equitable, the following principles will be applied:

- At the earliest opportunity, a community should be advised of the Project and how to gain further information about participating.
- All communities will be approached openly in an effort to collaborate and be made aware of the conditions to participate in the project.
- Consultation is a two-way process, with an exchange of information where both the proponent and communities put forward their points of view and to consider other perspectives or priorities.
- All project beneficiaries shall be engaged in a culturally appropriate manner based on free, prior and informed consultation (FPIC)².
- Engagement activities and methods shall consider gender equality, illiteracy, disabilities, ethnicity and social excluded groups to ensure dialogue and activities are **inclusive** and meet the needs of all segments in society.
- Communication will begin early in the project preparation stage and occur regularly throughout the project cycle and allow for timely disclosure³ of relevant information.
- Consultation will be documented and adequately resources to capture stakeholder views about the project and allow adequate time for community decision-making processes.
- Stakeholders and affected communities should have timely and meaningful inputs to, and

²Since OP4.10 is triggered, consultation must follow the key principles of FPIC which includes:(i) **FREE** – Information should be transparent and free from coercion or bias and conducted in a manner that allows Indigenous Peoples to openly express their preferences or concerns without intimidation or trepidation; (ii) **PRIOR** – Consultation starts as early as possible in the project planning. This includes giving Indigenous Peoples / Ethnic Minorities sufficient time to go through the traditional processes of decision-making, deliberation and consensus-building, such that the preferences or concerns raised by Indigenous Peoples communities may be considered before project design decisions or implementation arrangements are finalized; (iii) **INFORMED** - Indigenous Peoples / Ethnic Minorities must be given enough information, transparent about the project scale, and in such a way that allows them to understand fully the impacts being discussed with them and feed into the decision-making process where appropriate, and had sufficient opportunity to consider relevant information about the project; (iv) **CONSULTATION** – An inclusive process that allows Indigenous Peoples / Ethnic Minorities to participate *meaningfully* in decisions directly affecting them, including proposed management and mitigation measures and benefit sharing or distribution, through methods that enable concerns of women, the elderly, or others who customarily may not be expected or allowed to participate in community meetings to be considered.

³It is recommended that communities are *notified at least two to four weeks prior* to the commencement of survey activities and adequately briefed on the upcoming activities to build understanding about what is required of them.

participation in, any phases or aspects of projects that directly affect them and all inputs should be treated equitably and with respect.

- All parties do not have to agree to a proposal, however as a result of undertaking consultation at least points of difference will become clearer or more specific.

The OP4.10 policy objectives requires that the implementing agencies undertake a process of FPIC that results in a collective expression by Indigenous Peoples and Vulnerable persons of broad community support for the project. The Bank may determine whether these stakeholders have provided **broad community support** to a proposed project.

Adequate and respectful consideration of the customary decision-making processes and complex governance systems that exist within Indigenous Peoples and Vulnerable persons is a key element of FPIC. Early in the process, it will be necessary to identify whether any Indigenous representative bodies exist, and whom may be utilized for information dissemination in the appropriate vernacular. The ward planning process will include a **participatory needs assessment** inclusive of all segments of society supported by project staff and selection criteria to enable broad community support and consensus for the selected subproject. All consultation activities such as awareness-raising, meetings, forums, committee meetings and other will be **documented** by the CDWs and community.

Citizen Engagement

Applying a community-driven development (CDD) approach, the Project contains various citizen engagement mechanisms. There are four specific steps through which citizen engagement is facilitated: (a) updating of ward development priorities and preparations of the expressions of interest for ward development grants by Ward Development Committees (WDCs); (b) development of the full sub-project proposals by WDCs; (c) implementation and monitoring of sub-projects through CDD Subcommittee; and (d) development and implementation of the operations and maintenance plan for the sub-projects. Community meetings will be organized, especially for steps (a), (b), and (d), and community helpers will facilitate effective participation of community members. The outcomes of these steps will reflect the input and decisions collectively made by community members, and are therefore also expected to close citizen feedback loops. In order to enhance the engagement of traditionally less influential community members, separate pre-meetings with women, youth and people living with disabilities (and others) will be organized to strengthen their understanding of the processes, confidence, and voice during the ward-level planning meetings.

ii. Information Disclosure

Information disclosure is mandated by OP4.01, OP4.10, OP4.10 and OP4.36, and the Bank's Disclosure Policy. Dedicated channels for information dissemination will be established to ensure consistent communication at national, sub-national and local levels throughout the Project. Safeguard instruments must be disclosed in a language and format accessible to people, communities and civil society who may be interested in, or affected by, project activities to ensure sufficient understanding of the project activities, potential impacts and management arrangements,

as well as the grievance redress mechanism. Translation of documents (and/or summary) in Tok Pisin will be required.

The development of the draft ESMF involved discussion with key stakeholders including the Implementing Agency, government ministries, development partners and civil society with an interest in the Project. Implementation requirements and responsibilities for safeguards relevant to RSDP were discussed with key stakeholders and feedback was sought on the draft ESMF (May and August 2016). A training session on safeguards was held for PMU staff in May and August 2016. The ESMF was formally disclosed by DPLGA at the PMU office on 24 August 2016 and on the Bank InfoShop in October 2016.

iii. Grievance Management

World Bank funded projects are required to implement a Grievance Redress Mechanism (GRM) to receive and facilitate resolution of affected peoples' concerns, complaints, and grievances about the project's performance, including concerning environmental and social impacts and issues.

A GRM will be developed for RSDP to manage any project-related complaints and detailed in the POM. The GRM is for people seeking satisfactory resolution of their complaints on any aspect of the project, including the environmental and social performance of the project. The mechanism ensures that: (i) the basic rights and interests of every affected person by poor performance, including environmental performance or social management of the project, are protected; and (ii) their concerns arising from the poor performance of the project during the phases of design, construction and operation activities are effectively and timely addressed.

In the early stages of engagement, project stakeholders and affected communities must be made aware of:

- (i) how they can access the GRM;
- (ii) who to lodge a formal complaint too;
- (iii) timeframes for response;
- (iv) that the process must be confidential, responsive and transparent; and
- (v) alternative avenues where conflicts of interest occur.

The grievance process is based upon the premise that it imposes no cost to those raising the grievances (i.e., Complainants); that concerns arising from project implementation are adequately addressed in a timely manner; and that participation in the grievance process does not preclude pursuit of legal remedies under national law. A template has been included in Annex 6. Local communities and other interested stakeholders may raise a grievance at any time to the PMU.

Exit Strategy for Subprojects

If all landowner parties are in disagreement about the land or conditions of CLUA, or if landowners are excluded from initial discussions then the subproject will not proceed and the grievance process must be followed where relevant. If the landowners were in agreement of land

donation at the time of the CLUA signing, but unresolvable disputes have since arisen over the land or conditions of the agreement, the subproject will be cancelled.

J. Capacity Building

RSDP will build on the training and capacity building activities delivered for RSDLGP including safeguards training. Training materials and sessions will incorporate safeguard aspects, specifically:

- Community Participation Process and Social Inclusion
- Voluntary Land Donation
- Environmental and Social Risks and Mitigations
- Environmental Codes of Practice (ECOPs)
- Committee Governance
- Grievance Management

Four capacity building modules are planned for each sub-project cycle:

- (1) Provincial orientation
- (2) Intensive training for CDWs and RISs;
- (3) Sub-project appraisal training for LLG and district administration staff; and
- (4) Sub-project Operation and Maintenance / Implementation training.

These are outlined in detail below:

Provincial Orientation. This training will aim to (i) develop the capacity of the PPO and other provincial, district, and LLG partners to implement the project; and (ii) establish a pool of experts at the provincial level to provide technical assistance and respond to the training needs of the pilot LLGs and wards. The target participants for this level of orientation-training are (i) the Provincial Administrators; (ii) the District Administrators; (iii) the LLG Managers; (iv) the LLG Project Officers; and (v) the LLG Finance Officers. Key officials of the provincial government (Policy and Planning, Works, and Community Development) may also be included among the participants of this orientation-training to provide them with a clear understanding of the support roles that they may need to provide to sub-project implementers.

The content of training at this level includes: (i) the overall RSDP design and project implementation guidelines as embodied in the RSDP's Project Operations Manual and the Guide for Field Implementers; (ii) the general principles and strategies of community-driven development (CDD) and inclusive participation; (iii) the overall project financial management procedures and guidelines, including funds transfer arrangements and sub-project procurement procedures; (iv) the ward and sub-project selection procedures; (v) **social and environment safeguards** as prescribed by World Bank and relevant government agencies outlined in this ESMF and subsequent plans; and (vi) project monitoring and evaluation including the Project management information system (MIS).

Intensive Training for Community Development Workers. CDWs are at the frontline of project implementation, and therefore they require intensive training on almost every aspect of the project. The content of the training for CDWs encompasses the whole RSDP Operations Manual. Particular emphasis will be given to the (i) **the project cycle and implementation stages including safeguard requirements at each stage**, (ii) the RSDP Field Implementer’s Guide, and (iii) all the forms and templates that the CDWs, WDCs, and CDD Subcommittee will need to use, with a conscious effort on the part of the trainers to help the CDWs fully understand their roles and be able to effectively implement the project once they return to their LLGs. This includes methods for facilitating an inclusive community participation planning process (i.e. women, youth, and people with disabilities) to ensure fair and equitable representation through the process⁴. Training is expected to also increase their ability to effectively facilitate community meetings in identifying priority needs, before identifying priority sub-projects to meet them, understand how Environmental Codes of Practice (ECOPs) should be applied, and document and report on all aspects. Technical assistance and workshops on Community Orientation and Awareness and Project Planning will occur on a regular basis. Additional training on environmental and social impact identification and mitigation will be delivered on an as-needs basis, with support from Bank safeguards staff and the engineering advisor in the PMU.

Subproject appraisal training for LLG and district administration staff. The LLG committees have a very important role particularly in selecting the sub-project to be endorsed for RSDP support and in ensuring the technical quality of the sub-project proposals. This training will be provided to the LLG Technical Committees of all target LLGs to provide them with sufficient knowledge and skills in appraising and ensuring the quality of the sub-project proposals to be submitted by WDCs. The target participants of this training are the members of the LLG Development Committee which includes the LLG Manager, the LLG Project Officer, and the LLG Finance Officer, together with some technical specialists to be requested from the district office or invited from within the LLG. The main contents for this training are the guidelines for RSDP sub-project proposals and the procedures for reviewing and appraising sub-project EOIs and proposals for RSDP including brief assessment on environmental and social risks. At the end of this training, the members of the LLG Development Committee should have (i) a clear understanding of the required components and content of the sub-project EOIs and proposals for RSDP; (ii) a common understanding of the procedures for reviewing, appraising, and approving the sub-project EOIs and proposals; and (iii) a clear and objective set of criteria for approving/disapproving the proposed sub-projects.

Community Training on Sub-project Implementation / Operation and Maintenance. Training will be provided to the members of WDC, CDD Subcommittee and relevant community members on topics that would facilitate the effective implementation of sub-projects. The content of the training will focus on the skills needed by the community to undertake proper sub-project implementation. Topics include: (i) community procurement, (ii) bookkeeping, (iii) **social and environmental safeguards**, (iv) sub-project monitoring, (v) operation and maintenance, and (vi) reporting. Training specialists at PPOs, with the support of CDWs and RISs, will lead the conduct of community training. The training will emphasize the important of community consensus around

⁴ The CDWs will have the skills to avoid ‘elite capture’ and jeopardizing the project goals so it benefits a few, rather than the majority.

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voluntary land donation (demonstrated in the Clan Land Use Agreement), a transparent prioritization process and when Environmental Codes of Practice (ECOPs) may apply.

K. Budget and Costs

The training and capacity building costs associated with Project planning and implementation are outlined in Table 3 below (approximately USD194,651 per province). Training sessions incorporate safeguard aspects of the project, with a strong focus on equitable community participation as described in Section I above. Additional training sessions and technical assistance will be delivered on an as-needs basis.

Any compensatory aspects incurred are the sole responsibility of the implementing agency, not the Bank and are excluded from the budget.

Table 3 Training Budget

Total	Number of Venues	Number of Participants per venue	Workshop Venue Fee	Workshop Supply	Participants' Transport	Participants' Per Diem	Participants' Accommodation	Number of Trainers	Trainers' Transport	Trainers' Fee	Trainers' Per Diem	Trainers' Accommodation	Total Cost
Provincial Orientation	2	30	\$400	\$600	\$2,400	\$1,700	\$1,700	4	\$4,000	\$	\$280	\$720	\$11,804
Intensive Training for Community Facilitators	2	20	\$4,500	\$400	\$2,000	\$16,000	\$16,000	4	\$4,000	\$	\$4,200	\$10,800	\$57,900
LLG appraisal training	4	24	\$560	\$1,920	\$1,920	\$4,800	\$5,760	3	\$840	\$	\$3,360	\$576	\$19,739
Community Training on Project Implementation and Operation	8	120	\$4,800	\$9,600	\$9,600	\$36,000	\$28,800	8	\$6,400	\$	\$11,200	\$2,048	\$108,456
Total per Province	20	364	\$10,160	\$16,320	\$16,320	\$58,800	\$48,960	0	\$13,640	\$	\$25,760	\$4,672	\$194,651

L. Documentation and Reporting

All consultation activities will be recorded by project staff, especially CDWs who are regularly interacting with community members. CDWs and RISs will monitor sub-projects, provide technical assistance, as well as collect and validate quarterly progress reports submitted by the CDD Subcommittee. PPOs will consolidate sub-project reports at the provincial level, which will then be consolidated by the PMU at the national level.

Annexes

ANNEX ONE: Chance Finds Procedures

There is a possibility that project activities may result in damage to physical cultural resources (PCR) unless identified early. Activities that may occur in areas with possible PCR will specify procedures for identifying and avoiding impacts on this, including:

- Consultation with the appropriate authorities and local residents and communities to identify known or possible sites during the design of project activities;
- Siting of proposed activities to avoid identified sites (including protected areas and zones);
- The cessation of work until the significance of a ‘find’ has been determined by authorities or relevant experts; and
- Mitigation and management measures (e.g. buffer zones) for CFP in any work contracts.

Cultural property include monuments, structures, works of art, or sites of significance points of view, and are defined as sites and structures having archaeological, historical, architectural, or religious significance, and natural sites with cultural values. This includes cemeteries, graveyards and graves.

The list of negative subproject attributes which would make a subproject ineligible for support includes any activity that would adversely impact cultural property. In the event that during reconstruction or construction sites of cultural value are found, the following procedures for identification, protection from theft, and treatment of discovered artifacts should be followed and included in standard bidding documents.

Chance find procedures will be used as follows:

- (a) Stop the construction activities in the area of the chance find;
- (b) Delineate the discovered site or area;
- (c) Secure the site to prevent any damage or loss of removable objects.
- (d) Notify project representative and community representative who in turn will notify the responsible local authorities (National Museum);
- (e) Responsible local authorities and the relevant Ministry would be in charge of protecting and preserving the site before deciding on subsequent appropriate procedures.
- (f) Decisions on how to handle the finding shall be taken by the responsible authorities and the relevant Ministry. This could include changes in the layout (such as when finding an irremovable remain of cultural or archeological importance) conservation, preservation, restoration and salvage.
- (g) Implementation for the authority decision concerning the management of the finding shall be communicated in writing by the relevant Ministry.
- (h) Construction work could resume only after permission is given from the responsible local authorities and the relevant Ministry concerning safeguard of the heritage.

During project supervision, the IA shall monitor the above regulations relating to the treatment of any chance find encountered are observed. Relevant findings will be recorded in World Bank Supervision Reports will assess the overall effectiveness of the project's cultural property mitigation, management, and activities, as appropriate

ANNEX TWO: Ineligible Activities

The table below presents activities that may not be suitable for funding under RSDP due to safeguards operational policies and national legislation. This list should be used at the outset to provide parameters during scoping and further detailed in the project operations manual.

This exclusion list has been compiled to exclude certain activities that fulfill one or more of the following criteria: (i) high environmental risk; (ii) may create impacts that require more sophisticated planning and preparation of mitigation measures not appropriate for CDD modality; (iii) have technical complexities and requirements that would go beyond the capacity normally available in-country or allocated budget; (iv) would trigger additional safeguards policies or change the project's safeguards category; and (v) are not aligned with community interests or do not benefit common goods or public services.

Exclusion List (activities that ARE <u>NOT</u> suitable to be funded under RSDP)
<p>Any activity classed by Conservation and Environmental Protection Agency (CEPA) as Level 2 or 3 under the Environmental Regulations 2002</p> <p>Located in a gazetted protected area or vulnerable areas (below sea level, subject to frequent flooding or storm surge, steep slopes, etc)</p> <p>Located in international waterways or disputed territories without prior notification to riparian neighbours</p> <p>Located in sensitive environments (close to waterways, old growth forests, high biodiversity areas etc)</p> <p>Involve significant conversion, clearance or degradation of critical natural habitats, forests, environmentally sensitive areas, significant biodiversity and/or protected conservation zones</p> <p>May interfere with cultural heritage, sacred sites, graves or archeological sites</p> <p>Could result in irreversible damage rare or endangered species and/or non-replicable cultural property, irreplaceable cultural relics, historical buildings and/or archaeological sites</p> <p>Will result in significant⁵ physical or economic displacement of affected communities, loss of main source of livelihood and restriction of access to traditional lands or resources;</p> <p>Construction of large-scale infrastructure beyond the budget or technical abilities of staff and communities such as large buildings, dams, seawalls, large-scale irrigation channels, roads and traffic bridges</p> <p>Activities that involve:</p> <ul style="list-style-type: none"> • Relocation or removal of houses, business or permanent structures • Involuntary land acquisition of customary or private land • Extensive⁶ land or forest clearing or tree felling • Extensive use of pesticides, fertilizers or hazardous chemicals • Land reclamation or sand mining • Sourcing materials (sand, gravel) from unregistered quarries without control measures or consent • Use or storage of hazardous materials or toxic chemicals • Exacerbates the marginalization of certain religious, social or ethnic groups • Activities that benefit or favor one group in the community more than others, or private interests

⁵ Defined as affecting 200 or more people, however this must be relative to the local context and population size.

⁶ Greater than 420m², or 30m³ of timber

- Payment for salaries, compensation or scholarships/educational purposes
- Will negatively affect long-term sustainability of water sources or natural resources or up/down-stream users
- Land that has disputed ownership or absentee landowners
- More than 10% of landholdings or productive land from any one landowner are donated
- Private or government housing
- Production or trade in any product or activity deemed illegal under host country laws or regulations or international conventions and agreements
- Purchase of guns; chain saws; large amount of pesticides, insecticides, herbicides and other dangerous chemicals; asbestos, asbestos removal and other investments detrimental to the environment
- Production or trade in or movement or use of unbounded asbestos fibers
- Production or trade in pesticides/herbicides subject to international phase outs or bans
- Fishing using electric shocks and explosive materials
- Production or activities involving harmful or exploitative forms of forced labour / harmful child labour
- Trade in wildlife or wildlife products regulated under CITES (Convention on International Trade in Endangered Species of Wild Fauna and Flora)
- Purchase of logging equipment and commercial logging operations
- Production or trade in wood or other forestry products from unmanaged forests
- Adverse impact on a critical natural habitat (including conservation areas and other sensitive environments in the project area) as defined by the World Bank and the CEPA;
- Significant conversion or degradation of critical forests as advised by the Department of Forests;
- Construction or repair of a dam that is higher than 5 meters;
- Adverse impact on a site that has historic, cultural, archaeological, religious or unique natural value;
- Support to marine or coastal fishing, such as large-scale pelagic drift net fishing, that would be harmful to vulnerable and protected species in large numbers and damaging to marine biodiversity and habitats;
- Luxury consumption or the use and/or financial gain of single individuals or private companies;
- Directly support or promote a political party or candidate;
- Totally replaces an existing national government-provided service that should be available in the community (this does not include upgrading of such service);
- Concern religious infrastructures and services;
- Child labor or those that exploit or discriminate against women, children, the elderly and disabled, and other vulnerable persons;
- Production or processing and use of alcoholic beverages, tobacco, or narcotics;
- Directly or indirectly support the extraction, processing or sale of pearls, precious stones and other mineral resources;
- Use of weapons or those that promote a military or paramilitary purpose;
- Manufacture or use of environmentally hazardous materials and goods;
- Financing or supplementing a loan with private individuals or financing institutions.

ANNEX THREE: Screening Form

Sub-Project Technical Design Checklist Form

RISs and TFs will complete and early-stage assessment of the proposed sites using template contained in the Operations Manual, including:

I. Technical Designs and Specifications

a. Site Selection *(This is applicable if the sub-project will involve any type of construction)*

- A. Site Map / Location Map
- B. Proximity to waterways, sensitive ecosystems, gardens, roads and villages
- C. Site Vulnerability (steep slope, areas prone to erosion, flooding, tidal or storm surge, drought, landslides, earthquakes, natural disasters)

Sub-Project Screening (Proposal Stage)

This form is to be used by the CDD Subcommittee, TFs, RISs and CDWs to screen potential environmental and social safeguards issues in subprojects. It should be completed as part of the subproject proposal stage once the EOI is selected.

	Subproject Title		
	Subproject Location		
	CDD Subcommittee Representative		
	Estimated Budget		
	Risk Identification	Y/N	Comments / Action
	LAND & NATURAL RESOURCES		
1	Has a formal land agreement (CLUA) for the plot been signed by landowners?		
2	Does anyone have any gardens, crops or fixed assets on the nominated land? Will their livelihood be negatively affected?		
3	Is the land more than 10% of the donor's landholdings?		
4	Does disagreement about the ownership of the land selected exist?		
5	Is there agreement from resource owners about natural resources (water, timber) that will be sourced locally and gifted as part of the community contribution?		
6	Do resource- and land-owners understand the nature of the 'gift' and that no compensation will be given, now and into the future?		
7	Will there be a change of land use? If so, will this be permanent or temporary?		
	SITE LOCATION		
8	Is power required or available?		
9	Is there a safe place to secure stockpiled materials?		
10	Is there any security risk for the selected project site? (damage/theft)		
	CONSTRUCTION		
11	Will construction take place in the wet season?		
12	Will coastal areas be impacted by construction / physical works?		

13	Will sensitive environments or important animal habitats be impacted?		
14	Will retaining walls, culverts or ditches be constructed?		
15	Will land levelling be required during construction?		
16	Will heavy machinery be used? (tractors etc)		
	NATURAL RESOURCES		
17	Will land or vegetation clearing be required during construction? If so, has permission been given by relevant persons and an agreement signed?		
18	Will the project remove, damage or disturb any natural landscape features, natural resources, crops/gardens, or cultural sites during construction? If so, what will be done to ensure vegetation clearing and damage is minimized?		
19	Is the quantity of land and/or natural resources being disturbed known? If so, has this been acknowledged within the community?		
20	Will the project involve use or extraction of gravel, sand or rock/pebble from coastal areas and/or the local area? Where will these be sourced? If so, has permission been given by relevant persons and an agreement signed? What will be done to ensure extraction and damage is minimized?		
21	Will cutting of timber for bush materials be required? If so, how much timber will be used? (Limit per project is ~420sqm)		
22	Is replanting crops, trees and shrubs post-construction planned?		
	AIR AND NOISE POLLUTION		
23	Is construction likely to result in dust and noise pollution? If so, how will these be minimized?		
24	Will excessive dust, smoke, gases, odors or noise be generated?		
	WASTE		
25	Does a proper waste disposal area exist in or near to the project site (and away from waterways)?		
26	What are the current methods of waste disposal?		
27	Will new waste facilities be a part of the project?		
28	Will discharge of waste water be required?		
	HAZARDOUS MATERIALS		
29	Will hazardous materials be used? (fuel, paint, chemicals, batteries, asbestos etc)		
30	Will hazardous wastes be generated? (chemicals, contaminated medical wastes, etc)		
31	Will solid waste materials be generated? (rubbish, building materials, etc)		
32	Will any liquid wastes be generated? (wastewater etc)		
33	Will storage of hazardous materials or chemicals be required? (e.g. health clinic)		
34	Will pesticides or fertilizers be used or applied?		
35	Does anyone have experience with handling hazardous materials?		
	WATER AND SANITATION		
36	Will the project require water and place additional demand on local supply? If so, is the quantity known? Has permission been given by relevant persons and an agreement signed?		
37	Will small dams (<5m high) or mini-hydro be built?		
38	Will natural waterways be affected or diverted?		
39	Will drinking water sources be impacted and are they at risk of contamination?		
40	Will water be sourced directly from springs or creeks by installing pipes?		
41	Will water wells or soak wells be built?		

42	Will water pumps and/or water tanks be installed?		
43	Will new or upgraded plumbing and drainage need to be installed (including storm water drains)?		
44	Will new or upgraded sanitation facilities (toilets) be installed?		
45	Do any septic tanks or sanitation facilities exist near to the project site?		
	AGRICULTURE		
46	Does the project involve expansion of farming or intensification of agricultural activities? Or deforestation?		
47	Has the applicant sought advice from the Department of Primary Industries regarding the plans?		
48	Will the activity involve rehabilitation or construction of new aquaculture facility?		

ANNEX FOUR: Environmental Codes of Practice

Mitigation Measures at Sub-project level

Based on the form above, the CDW and RIS will guide CDD Subcommittees on selecting mitigation measures that are applicable to the activities from the list below.

Environmental Codes of Practice – General Construction Activities	
Issue	Environmental Prevention/Mitigation Measures
1. Noise during construction	<ul style="list-style-type: none"> (a) Plan activities in consultation with communities so that noisiest activities are undertaken during periods that will result in least disturbance (school hours, church services, etc). (b) Use noise-control methods such as fences, barriers or deflectors (such as muffling devices for combustion engines or planting of fast-growing trees) (c) Minimize heavy vehicle movements through community areas
2. Soil Erosion	<ul style="list-style-type: none"> (a) schedule construction during dry season as much as possible (b) avoid water contamination and runoff by having a buffer between waterways (c) contour and minimize length and steepness of slopes (d) use mulch, grasses or compacted soil to stabilize exposed areas (e) use gabion and rip rap (stones) to reduce erosion and run-off (f) cover with topsoil and re-vegetate (plant grass, fast-growing plants/bushes/trees) construction areas immediately after work is completed (g) design channels and ditches for post-construction flows and line steep channels/slopes (e.g., with palm fronds, jute mats, etc.)
3. Air quality	<ul style="list-style-type: none"> (a) minimize dust from exposed work sites by applying water on the ground regularly (b) reduce earthworks/vehicle movements on very windy days (c) do not burn debris (trees, undergrowth) or construction waste materials near residential areas (d) keep stockpile of aggregate materials covered to avoid suspension or dispersal of fine soil particles during windy days or disturbance from stray animals
4. Water quality and availability	<ul style="list-style-type: none"> (a) activities should not affect the availability of water for drinking and hygienic purposes (b) no soiled materials, solid wastes, toxic or hazardous materials should be poured or thrown into water bodies for dilution or disposal (c) the flow of natural waters should not be obstructed or diverted to another direction, which may lead to drying up of river beds or flooding of settlements
5. Solid and hazardous waste	<ul style="list-style-type: none"> (a) collect and transport construction waste to appropriately designated/controlled dump sites (b) maintain waste (including earth dug for foundations) away from rivers, streams, lakes and wetlands

	<ul style="list-style-type: none"> (c) use secured area for refuelling and transfer of other toxic fluids distant from settlement area and ideally on a hard/non-porous surface (drip trays etc) (d) train workers on correct transfer and handling of fuels and other substances and require the use of gloves, boots, aprons, eyewear and other protective equipment in handling highly hazardous materials (e) collect and properly dispose of small maintenance materials such as oily rags, oil filters, used oil, etc. (f) store hazardous materials in secure area (away from children) when not in use
6. Health and safety	<ul style="list-style-type: none"> (a) provide personal protective gear for workers as necessary (gloves, dust masks, hard hats, boots, goggles) (b) keep worksite clean and free of debris on daily basis (c) keep corrosive fluids and other toxic materials in properly sealed containers for collection and disposal in properly secured areas (d) Ensure adequate toilet facilities for workers from outside of the community (e) Rope off construction area and secure materials stockpiles/ storage areas from the public and display warning signs. Do not allow children to play in construction areas. (f) Fill in all earth borrow-pits once construction is completed to avoid standing water, water-borne diseases and possible drowning (g) Each construction sub-project to have a basic first-aid kit with bandages, antibiotic cream, etc.
7. Other	<ul style="list-style-type: none"> (a) No cutting of trees or destruction of vegetation other than on construction site (b) No hunting, fishing, capture of wildlife or collection of plants (c) No use of unapproved toxic materials including lead-based paints, un-bonded asbestos, etc. (d) No disturbance of cultural or historic sites
Environmental Codes of Practice – Buildings (Classrooms, community halls, aid posts)	
1. Water and Sanitation	<ul style="list-style-type: none"> (a) Provide adequate drainage in the building's immediate surroundings to avoid standing water, insect related diseases (malaria, etc.) and unsanitary conditions (b) Include sanitary facilities such as toilets and basins for hand-washing (c) Do not remove asbestos without certified professional (if retrofitting old building)
2. Amenity	<ul style="list-style-type: none"> (a) Maximise natural light and ventilation systems to minimise artificial light needs. (b) CLINIC/AID POST: Include facilities for proper disposal of health and biological wastes (syringes, blood, etc.) and provide easy access to building for disabled persons (ramps not stairway) if suitable (c) MARKET: Provide garbage/waste disposal that can be emptied regularly, roofs, no areas for standing water
Environmental Codes of Practice – Rural roads and access tracks	
1. Access tracks	Protect from erosion and landslides:

	<ul style="list-style-type: none"> (a) Alignment should consider geography and environmental features to avoid unstable soils, steep slopes and waterways. Additional measures need to be applied should there be no alternatives for road alignments (see below) (b) Avoid road construction through primary forests as it gives access to illegal logging (c) Sediment control structures should be applied where needed to slow or redirect runoff and trap sediment until vegetation is established (d) Spray water on dirt roads, cuts, fill materials and stockpiled soil to reduce wind-induced erosion, as needed (e) Plant locally available, fast-growing grass on slopes prone to erosion (f) Provide interceptor ditch, particularly effective in the areas of high intensity rainfall and where slopes are exposed. This type of ditch intercepts and carries surface run-off away from erodible areas and slopes before reaching the steeper slopes, thus reducing the potential surface erosion (g) For steep slopes, a stepped embankment (terracing) is needed for greater stability (h) Rocks (riprap) can be used in addition to protect the slope (i) Place a retaining wall at the lower part of the unstable slope. The wall needs to have weeping holes for drainage of the road sub-base, thus reducing pressure on the wall (d) Prevent uncontrolled water discharge from the road surface by sufficiently large drainage ditches and to drain water away from the down slope
2. Small footbridges	<p><u>Erosion protection.</u> The main method of slope and erosion protection is through the use of gabions (gravity walls that support embankments or slopes) and ordinary stone pitching.</p> <ul style="list-style-type: none"> (a) Gabions (rocks in bracing wire): <ul style="list-style-type: none"> - The filling of the gabions should be from strong and competent rock which is laid very closely packed to maximise the weight. - Bracing wire should be used to prevent the gabion bulging out. The bracing wire should be placed at each third of the gabion height. - The gabions should be firmly anchored into the ground by founding the gabions below the expected scour depth level. - In cases where stone pitching is not provided, the top layer should be covered by soil to encourage the growth of grass and the stabilisation of the slopes. (b) Stone pitching may be provided as an adequate erosion protection measure in those cases where the erosion potential is deemed minimal. Stone pitching is not very resistant to strong water current and is mainly used as the top finish on gabion walls and may not be appropriate in areas of high rainfall or flows.

	<p><u>Water Quality and Fauna:</u></p> <p>(c) restrict duration and timing of in-stream activities to lower flow periods (dry season) and avoid periods critical to biological cycles of valued flora and fauna (e.g., spawning)</p> <p>(d) use techniques to divert water flow or isolate work area to reduce flow of sediments in moving water</p>
3. Culverts	<p>(a) Remove all formwork from inside the culvert (after concrete has reached full strength). Formwork that is not removed will rot eventually, drop down and obstruct the free flow of water</p> <p>(b) Place large stones at the outlet of the culvert to prevent erosion</p> <p>(c) Keep the culvert inlets free from sand and gravel – the water must flow through the culvert</p> <p>(d) Ensure that the water of the adjacent road sections can flow freely into the roadside ditch</p>
Environmental Codes of Practice – Rural water supply	
1. Wells (deep/shallow)	<p>(a) Before using new water source, take samples for testing for coliform, pH, arsenic, nitrate, colour, turbidity and temperature.</p> <p>(b) Include slab around the well for easier drainage, a crossbeam and a pulley to support the use of only one rope and bucket for collecting water. One rope and bucket is more hygienic for the well and water.</p> <p>(c) Steel rungs (placed inside wall of a deep well) are essential for maintenance of a well or in case of an emergency.</p> <p>(d) A groundwater well usually has a wide open water area. It is necessary to provide a cover/roof/wire mesh on top to protect this area from falling leaves or debris.</p> <p>(e) Wells should always be located upstream of the septic tank soak away. Minimum 15 m distance from septic tank is recommended to maintain quality of the drinking water</p>
2. Rainwater Harvesting	<p>(a) Rainwater storage reservoir should be intact, connected to roof gutter system, with all faucets and piping intact.</p> <p>(b) If distribution pipes are attached into the storage reservoir, install the distribution pipes 10cm above the storage/tank bottom for better use of the storage capacity</p> <p>(c) Cover must be fitted tightly onto the top of the storage reservoir to avoid overheating and growth of algae (from direct sunlight), and to prevent insects, solid debris and leaves from entering the tank</p> <p>(d) A ventilation pipe with fly screen should be placed in the cover to help aerate the tank/reservoir</p> <p>(e) Roof gutters need to be cleared regularly, as bird and animal waste and leaf litter on roofs or guttering can pose a health risk if washed into the reservoir tank</p> <p>(f) Reservoir tanks need overflow so that heavy rain, the excess water can drain away. The overflow should be designed to prevent backflow and stop vermin/rodents/insects entering the system. A good design will allow the main storage tank to overflow at least twice a year to</p>

	remove build-up of floating sediment on the top of the stored water and maintain good water quality.
3. Pipelines from natural springs or surface water sources	<p><u>Water quality and preventing contamination at water sources:</u></p> <ul style="list-style-type: none"> (a) Build a structure with roof over the water source to prevent leaves or other debris from entering into the basin (b) Use fence to protect water source (springs particularly) from public access and risk of contamination (c) Include filter and sand trap, which needs to be regularly cleaned <p><u>Pipe Laying:</u></p> <ul style="list-style-type: none"> (a) PVC water transmission and distribution piping need to be buried underground (coverage 50cm minimum) to prevent pipe against external damage (e.g. passing vehicles, solar UV radiation, etc). Exposing PVC pipe to UV radiation causes the plasticiser in the PVC pipe to evaporate resulting in loss of integrity and becoming brittle. (b) Pipe shall be laid in a straight line, over a constantly falling slope. (c) When conditions do not allow piping to be buried (i.e. pipe is used above ground), then metal pipe must be used, and supported/braced as excessive movement may lead to leaks and breaks.
Environmental Codes of Practice – Solar Power	
1. Solar panel and charge station	<ul style="list-style-type: none"> (a) Tidy wiring for easy maintenance and reduces the risk of accidents. (b) Electrical cabling connections for street lighting need to be protected against rain to prevent short circuits and batteries stored and recycled appropriately (c) A solid steel pole with concrete foundation essential for safe lighting and power distribution.
Environmental Codes of Practice – Small-scale irrigation	
Small-scale irrigation	<ul style="list-style-type: none"> (a) Masonry walls (along the road) or stone riprap should be built to prevent erosion on a sloped bank. (b) A bar screen is essential in front of any inlet structure (upstream) to prevent large objects and debris blocking the irrigation canal. The angle between the bottom of the canal and the screen shall be between 45 to 80 degrees.
Environmental Codes of Practice – Sanitation facilities	
1. Public latrines/toilets	<p><u>Toilets:</u></p> <ul style="list-style-type: none"> (a) All toilets must have a septic tank to provide primary treatment of waste. (b) PVC pipe used to connect pour-flush toilet to a septic tank must be buried underground or covered over (with cement) for protection and to prevent exposure to sunlight. (c) Metal pipe is a preferred choice to be used as the gas vent pipe on septic tanks. <u>Never</u> use PVC pipe as it is unable to withstand long-term exposure to sunlight. (d) Septic tanks must have a vent pipe to prevent the build up of gas inside the chamber and shall have a ‘manhole’ that provides access inside the tank if needed.

	<ul style="list-style-type: none"> (e) A toilet should be at least 20 metres from water sources (f) Septic tanks must be inspected periodically and accumulated sludge emptied every few years to continue functioning properly (g) Do not discharge septic tank effluent to an open drain or other surface water. The effluents need to be treated before final disposal. This may be achieved through: (i) an underground leachfield, (ii) a vegetated leachfield, or (iii) a pit for soaking away
2. Solid waste/garbage disposal	<p><u>Solid Waste Disposal</u></p> <ul style="list-style-type: none"> (a) Solid waste depots/disposal need to be located on hard-standing areas that prevent waste entering surface or groundwater (b) Waste depots/storage/disposal should be contained, sealed and/or roofed/covered to prevent stormwater contamination. Wastes need to be emptied regularly.

ANNEX FIVE: Voluntary Land Donation Framework

Social safeguards policy OP4.12 Involuntary Resettlement has been triggered for this Project as a precaution. The objective of this policy is to ensure affected persons living standards are not adversely affected as a result of the Program or its interventions, especially as a result of involuntary land acquisition. As such, the Borrower is required to either prepare appropriate social safeguard instruments or conduct adequate due diligence to address all adverse impacts that will be generated as a result of project activities and subprojects.

A. Project Overview

The Project Development Objective of the Rural Service Delivery Project (RSDP) is to improve communities' access to basic infrastructure and services in targeted rural areas using inclusive, participatory planning and implementation.

RSDP will cover five provinces (up from two), covering 19 districts and 20 LLGs. The five provinces where the Project will be implemented are: Central, Western, East New Britain, West Sepik, and Simbu.

The proposed project will provide two rounds of Ward Development Grants to rural wards in five targeted provinces, which could be used for a wide-range of small-scale social or economic investments and/or services (e.g. classrooms, health aid posts, water supply and sanitation systems, access roads, bridges, wharves, solar power systems).

The Project comprises three components:

Component 1: Preparation and Implementation of Ward Development Grants

Subcomponent 1.1: Ward Development Grants

Subcomponent 1.2: Subproject Preparation and Implementation Support Grants.

Component 2: Capacity Building of National and Sub-national entities

Component 3: Project Management

A full project description can be found in the Project's ESMF.

B. Rationale

It is envisaged that the land required for project purposes will occur through either voluntary land donation and/or land use agreements. Activities that require physical displacement (relocation or removal of houses, businesses or permanent structures), economic displacement (loss of livelihood, restriction of access to traditional lands or resources), and/or involuntary acquisition or leasing of customary land where suitable government land is available are not eligible for funding under RSDP. This means that any land required for subprojects will largely be based on the goodwill of the beneficiary community.

This framework guides the process where landowners wish to provide access, change of land use, or donate land for subproject purposes that are of **direct benefit** to them and their community. It also outlines the procedures for other scenarios involving government land or assets.

C. Key Principles

- Decisions on land and donations will be made with the informed consent, free of coercion, and will not unduly affect the donor
- Full consultation with landowners and any claimants will occur well in advance
- Living standards and livelihoods not adversely affected (i.e. no individual should lose more than 10% of their productive assets or landholdings)
- Any agreement will be confirmed through written record and verified by an independent third party
- Participating individuals and communities should be made aware of how to access the grievance redress mechanism.

D. Procedures for securing land for CDD Subprojects

RSDP subprojects involving small-scale infrastructure will require the use of land in order to implement the subproject. In most cases, the subproject will involve community asset(s) on customary land (Section E). However, there is potential for other scenarios to arise as detailed in Table 1.

Table 1 Securing land

<i>Scenario:</i>	<i>Requirement:</i>
Community asset on customary land	Clan Land Use Agreement (CLUA) is completed following the voluntary land donation protocol in Section E below.
Community asset on government land	Government verifies in writing it’s acceptable and endorsement for the asset to be erected on government land. Memorandum of Understanding (MoU) between community and relevant Government agency is negotiated and signed, witnessed by Provincial Lands Officer (Annex 2).
Government asset ⁷ on customary land	Government requests use of customary land for direct community benefit. A CLUA between community and relevant Government agency is negotiated and signed.

E. Procedures

⁷ Appropriate assets will include those that are a direct community benefit that the community has requested such as a classroom, aid post or similar.

i. Voluntary Land Donation Protocol for customary land

For cases where communities and/or individual landholders have offered to donate their land for the project because it is of benefit to the broader community, the World Bank's Voluntary Land Donation Protocol (VLDP) should be followed. The project team is to exercise their best judgment where voluntary land is offered and conduct due diligence to avoid adverse impacts and reputational risks. Donations are based on the premise that the project benefit will offset or outweigh the loss of the land donated.

VLD is *only* suitable for community driven projects where the landowner and/or community wish to 'gift' land parcels or small areas for small-scale community infrastructure that will be of direct benefit the donor's community.

1. When VLD is Applicable

Voluntary donation of land by beneficiary households is acceptable where:

- It has been verified the donation did not result from any form of coercion or manipulation and is offered in good faith;
- The donation does not severely affect the living standards of the community and/or individual landholder responsible for the donation (i.e. impacts are marginal based on percentage of loss and minimum size of remaining assets);
- Alternatives and the viability of other locations or sites have been considered;
- The donation does not result in the displacement of households or cause loss of income or livelihood;
- The landholder/s making the donation will directly benefit from the project;
- Consultation has been conducted in an open and transparent manner and to a degree that the landholder/s can make an informed choice;
- The land is free from disputes regarding ownership or tenure;
- Land transactions are supported through the transfer of titles;
- Full and proper documentation of all consultations, meetings, grievances and actions taken to address grievances has been reviewed and made available;
- Where impacts are minor and other alternative sites are not viable.

2. When VLD is NOT Applicable

VLD is NOT applicable under the following scenarios:

- Medium/large-scale infrastructure particularly in cases where a government agency or entity that has a statutory obligation to provide the infrastructure and/or services for which the land is required
- Where inadequate consultation with donors of customary land results in lack of understanding about the terms and conditions of the donation;
- In lieu of formal procedures for land acquisition where these do not exist;
- Where donor property owners, landowners or customary rights holders do not support, or will not directly benefit from the Project;
- Where conflicts over land exist, including customary collective ownership;
- Conflicting land titling that make it difficult to establish with certainty who has a right to own, donate and use a specific parcel of land;

- Where donors did not provide their informed consent and were subject to political or social pressure and coerced into making the donation.

3. Process for Voluntary Donation

This section provides guidance on the process for VLD, namely on how to:

- Verify the requirements of the donation and the formalization of the donation;
- Carry out due diligence on the owners and users of land donated;
- Ensure appropriate consultation and disclosure;
- Establish informed consent of the person donating the land;
- Sign written agreement; and
- Establish grievance redress mechanism.

The project team will undertake the following steps:

(i) Determine VLD is appropriate in the circumstances of the project

The team should assess that:

- land is being put forward *voluntarily* by rightful customary landowners;
- the land is suitable for the proposed subproject (alternatives have been considered);
- the subproject has a direct benefit to the donor and their community;
- the donor and their livelihood will not be adversely affected by the donation;
- size of the area required; and
- donor's understanding of the terms and conditions of the donation.

(ii) Conduct due diligence on who owns and uses the land

Given the specific issues surrounding land ownership and user rights, it is important that the project team carries out careful due diligence to understand the type of land rights that exist and to identify any particular issues relating to land ownership and use. Thereafter, specific due diligence must be conducted on each parcel of land proposed for donation to identify:

- The rightful customary owner(s) of the land;
- Those with customary rights to use the land or its natural resources; or any parties that occupy the land (either physically or through ownership of an asset or conduct of livelihood or business activities on the land);
- Any competing claims of ownership or use;
- Structures and assets on the land;
- Any encumbrances on the land.

It is important to: (a) identify the right that is being transferred (an ownership right, a use right, a right of way, etc.); and (ii) check whether the donor actually has the right s/he claims to have. In many circumstances where careful due diligence has not been carried out, significant conflict has arisen at a later stage when another party claims that they have the same or a competing right. In some circumstances – but not all – the donor will have documentary evidence of such right. Where conflict or potential conflict over the ownership of the land or its boundaries, alternative sites will be required.

(iii) Disclosure and Consultation

The decision to donate must be taken on the basis of a full understanding of the project and the consequences of agreeing to donate the land. Accordingly, the donor(s) and users of the land must fully comprehend what the land will be used for, for how long, and the impact the donation will have on them and their families.

The long-term and inter-generational impacts of the donation need to be fully considered by the clan and/or families donating the land.

(iv) Establishing Informed Consent

It is crucial that the project team is confident that the decision to donate customary land was taken in circumstances of *informed consent or power of choice* and offered on the goodwill of the donor/customary land owner(s). The owner(s) or user(s) of the land understand:

- What the land is going to be used for, by whom and for how long;
- That the ownership or right to use the land will change, and what this really means;
- Possible alternatives to using this land;
- What they will need to do to donate the land (e.g., documentation, get spousal consent);
- The exact demarcation of land boundary;
- The potential intergenerational impact of the donation on their family, what they can do if they (or their family or heirs) want the land back.

(v) Documentation

The terms and conditions of the land donation must be mutually agreed upon and detailed in a written agreement.

Meeting minutes with landowner(s) and parties with an interest in the land must be recorded and documented prior to the donation of land for subproject purposes. All parties must be consulted widely to ensure clear understanding of the intent, voluntary nature and conditions of the donation.

Legal transfer is *not* required since: (i) customary land in Papua New Guinea cannot be bought or sold, and (ii) it is for the subproject purpose and cannot be transferred to an entity as such. However, legal transfer would be required for government land, if applicable.

Representatives of the landowners (family or clan) will sign a Clan Land Use Agreement (CLUA). This certifies that the land is voluntarily donated for the purposes of the subproject and for the benefit of the community. The signature of the Letter is witnessed (as attested by their signature) by a suitable project representative.

The project team will:

- Identify additional appropriate documentation that may be required;
- Ensure that the CLUA:
 - Refers to the consultation that has taken place (date, attendees, topics);
 - Confirms the donation was voluntarily made and not subject to coercion, manipulation, or any form of pressure;
 - Includes accurate map of the land being donated (boundaries, coordinates);

- Ensure that all necessary parties sign the documents, including obtaining consent from spouses and children over a certain age;
- Ensure local witness(es) or third party verification to CLUA.

The Project implementing agency should maintain a record with documentation for each parcel of land donated. Such documentation must be available for World Bank review, and for review in relation to any grievances that may arise.

(vi) Grievance Arrangements

Grievances may be referred to customary conflict mediation arrangements where they are not directly affiliated with traditional leaders who are a party to the donation process. Land that comes under ownership disputes during subproject preparation will result in the subproject being terminated. See ESMF for more information.

ii. Government Land

There may be some potential for community assets funded by RSDP to be located on government land. This will occur when no suitable customary land exists or where the ward is situated in the District or LLG headquarters or the 99 year agricultural lease land areas. In such situations, a MoU with relevant government agencies and community representatives will be required.

The Memorandum of Understanding (MoU) applies when (i) government land is required for a community asset as no suitable alternative sites exists, (ii) where the ward is situated in the District and/or LLG headquarters, (iii) where the ward is situated in the 99 year agricultural lease land area and (iv) the relevant government agency has agreed for the land to be used for a specific purpose, over a specific timeframe, for the benefit of the whole community. The land parcel will be confirmed with relevant Lands Department and the document will need to be witnessed by the Provincial Lands Officer (or District-level equivalent). The Annex 2 contains the MoU template.

Annex One: Clan Land Use Agreement

The Clan Land Use Agreement (CLUA) applies when (i) customary land is required for the subproject; (ii) no suitable alternative sites exists, and (iii) customary landowners have agreed for the land to be used for a specific purpose, over a specific timeframe, for the benefit of the whole community. The CLUA does not apply when state- or privately-owned land will be utilized or needs to be acquired. The agreement will be in relation to small-scale assets that are of direct community benefit that are either government-owned or community-owned. It is important that absentee landowners are engaged, and that a suitable witness (non-clan member) signs this agreement. Due diligence on correct customary landowners must be conducted prior to the signing of this agreement.

Based on discussions during the project preparation phase, the process that would be used under RSDP to enter into the CLUA is as follows:

- If land is required for the identified community sub-project then the clan leaders of the community, along with other community leaders as appropriate (chief, religious leaders, etc.), would organize a meeting with the representatives of the specific clan who have customary ownership of the proposed land;
- Any persons with fixed physical assets on the land/proposed site, but not considered a landowner, is involved in meetings and their rights are taken into consideration;
- The meeting would discuss the proposed sub-project with the land owning clan to reach an understanding that the subproject is for the benefit of the whole community and change of land use (either permanent or temporarily) is required;
- Share the rationale for the sub-project and its proposed siting, and seek the donation of the necessary land by the owning clan;
- The landowners would also be notified clearly that their agreement to donating their land should be completely voluntary and will not involve compensation, now or into the future;
- If agreement to proceed is reached, then a CLUA will be entered into between the clan, the other clans and the leader of the community;
- The CLUA should be endorsed by the Ward Councilor and Provincial and/or District Lands Officer;
- The signed CLUA will be submitted as part of the sub-project proposal.
- The CLUA is submitted to the local magistrate or equivalent for certification.

Should natural resources be gifted by community members from an area different to the project site, it is recommended that a similar agreement ('Resource Use Agreement'), be made and an alternative to the CLUA, but one that specifies which natural resources can be utilized as part of the community contribution.

Exit Strategy and Grievances

If all landowner parties are in disagreement about the land or conditions of CLUA, or if landowners are excluded from initial discussions then the subproject will not proceed and the grievance process must be followed.



GOVERNMENT OF PNG
CLAN USE AGREEMENT FORM

Date: _____

1) We, the undersigned being the representatives of _____ hereby acknowledge that _____ have the right under the native law and custom to lease the land known as _____ for the purpose of _____. We certify that all members of the clan agree to the truth of this certificate and that we are the persons authorized by the clan to sign it.

2) We, the undersigned being the representatives of _____ clan of _____ Village, _____ LLG, _____ District hereby declare that;

(1) We have the right under customary law to gift the _____ land for the purpose of _____;

(2) That we transfer rights to use and access the said land to benefit our entire community;

(3) That we undertake not to interfere in any manner on any activities or developments undertaken;

(4) That we agree to allow the use of natural resources located on the said land (edible or non edible plants/shrubs, sand, gravel, rocks, timber, water sources, bush materials and other organic matters) for the purpose of the community project;

(5) We commit ourselves in upholding the contents and the spirit of this agreement for so long as it remains in force and understand compensation payments will not be made for this is a gift to benefit our community;

(6) We understand that dishonouring this agreement could result in project termination and we will undertake efforts to convey the contents of this agreement to members of the _____ clan and to ensure that they so honour it.

3) INVENTORY OF NATURAL RESOURCES

Resource/bush materials	Quantity	Donated by

4) CUSTOMARY LANDOWNERS and COMMUNITY LEADER

Village	First Name, Last Name	Signature and Date	Contact Details

5) GOVERNMENT REPRESENTATIVES and WITNESS

Village	First Name, Last Name	Signature and Date	Contact Details

Made under our hands these agreements:

This _____ day of _____ 201_ at _____

village _____ LLG _____ in Papua New Guinea

Submitted to:

Local Authority at this location _____

On this _____ day of _____ at _____

Annex Two: Memorandum of Understanding

Template:

This Memorandum of Understanding entered into by and between;

The Independent State of Papua New Guinea (PNG) as represented by the _____ (lead agency);

---AND---

The community of _____ (Name of Ward), _____, Province of _____ represented by its wards leaders, district leaders, leaders of clans and sub-clans, the names of which are enumerated at the end of this document;

Whereas, the State through the _____ (Implementing Agency) is administering and implementing the Rural Service Delivery Project (the Project herein), a World Bank funded loan for small-scale rural subprojects throughout PNG;

We, the Independent State of Papua New Guinea (State), as represented by _____, agree to permit to use of government land to members and representatives of the _____ clans and communities for the RSDP subproject described above exclusively under the Project and guarantee the unimpeded use of the road by the public;

The _____ (Lands Agency) has confirmed the land parcel is confirmed to be government land by _____ and has a total area of _____ square meters / _____ hectares in _____ (Town/Village) _____ (Ward), _____ (District) in _____ Province.

No amendment or additional terms and conditions to this MoU shall be deemed binding between the parties unless mutually agreed upon by them in writing.

IN WITNESS WHEREOF, we have hereunto affixed our signatures this ____ day of _____ 20__.

By and on behalf of the Independent State of Papua New Guinea:

_____ (Name and Signature)

_____ (Designation)

Witness:

I, _____, a Provincial Lands Officer of _____ Province, a public servant of Papua New Guinea, do hereby certify that the contents of this Agreement were read

over by _____ in the _____ language that is understood by the signatories to this Agreement and I further certify that to the best of my knowledge and belief the contents of this Agreement are understood by the signatories hereto.

Dated at _____ this _____ day of _____ Signature:
_____ Designation: _____

Name	Signature	Ward/Village	Clan/Sub-Clan	Date

ANNEX SIX: GRIEVANCE FORM

GRIEVANCE REPORT FORM

Reported by: _____ **Date of Received:** _____
Ward Name: _____ **Ward No.:** _____ **LLG:** _____
Database ID: _____ **Responsible Agency:** _____
Staff Name: _____ **Location:** _____

	Village	First Name, Last Name	Contact Details
Complainant(s)			
Community Rep			

Acknowledged by: _____ **Date Acknowledged:** _____

Description of Concern:

.....

Category:

Compensation / Land Access / Inadequate Notification/ Disruption to Business or Property / Property Damage / Irrigation / Boundary Dispute / Environmental Damage / Construction Activities / Safety Risk / Traffic / Other

Proposed Resolution or Feedback:

.....

Complainant satisfied with process? Yes No Why not?.....

Complainant satisfied with outcome? Yes No Why not?

Print Name (Complainant): _____

Signed (Complainant): _____ Date: _____

Signed (Project Officer): _____ Date: _____