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## ACRONYMS

<table>
<thead>
<tr>
<th>ACRONYM</th>
<th>DESCRIPTION</th>
</tr>
</thead>
<tbody>
<tr>
<td>CAA</td>
<td>Clan Agency Agreement</td>
</tr>
<tr>
<td>CRP</td>
<td>Communal Resource Plan</td>
</tr>
<tr>
<td>EHL</td>
<td>Esso Highlands Limited</td>
</tr>
<tr>
<td>GPS</td>
<td>Global Positioning System</td>
</tr>
<tr>
<td>IESC</td>
<td>Lender Group's Independent Environmental and Social Consultant</td>
</tr>
<tr>
<td>IFC</td>
<td>International Finance Corporation</td>
</tr>
<tr>
<td>IPCA</td>
<td>In- Principle Compensation Agreement</td>
</tr>
<tr>
<td>L&amp;CA</td>
<td>Land and Community Affairs</td>
</tr>
<tr>
<td>LNG</td>
<td>Liquefied Natural Gas</td>
</tr>
<tr>
<td>PNG</td>
<td>Papua New Guinea</td>
</tr>
<tr>
<td>RAP</td>
<td>Resettlement Action Plan</td>
</tr>
<tr>
<td>RoW</td>
<td>Right of Way</td>
</tr>
</tbody>
</table>
## DEFINITIONS

<table>
<thead>
<tr>
<th>TERM</th>
<th>DEFINITION</th>
</tr>
</thead>
<tbody>
<tr>
<td>Physical displacement*</td>
<td>Involves the loss of shelter and assets resulting from acquisition of land associated with a project that requires the affected persons to move to another location.</td>
</tr>
<tr>
<td>Economic displacement*</td>
<td>Involves the loss of income streams or means of livelihood resulting from land acquisition or obstructed access to economic resources (land, water, forest) resulting from the construction or operation of a project or its associated facilities.</td>
</tr>
<tr>
<td>Customary landowners</td>
<td>The term ‘customary landowner’ means a person who has an interest in customary land. Under customary principles in Papua New Guinea, land is held at the clan entity level, not an individual level, therefore, the term customary landowners is typically referencing a communal group.</td>
</tr>
<tr>
<td>Absentee landowners</td>
<td>Absentee landowners are landowners who are not resident on the land they own. This may have resulted from a conflict that has caused people to leave their land temporarily or may result from individuals moving to larger population centres. It does not cover situations where individuals or families own multiple houses and only reside in each one for a period of the year (as is common in Huli culture).</td>
</tr>
<tr>
<td>Buffer zone</td>
<td>A ‘buffer zone’, in relation to a petroleum project, is the area around the dedicated project facilities of that petroleum project determined by the relevant Minister to be the buffer zone for that petroleum project, but does not include land within a petroleum development licence pursuant to which the petroleum project is conducted or any land not within five kilometres of a dedicated project facility;</td>
</tr>
</tbody>
</table>
| Full replacement cost       | Is defined as market value of the assets plus transaction costs.  
1. “With regard to land and structures, replacement costs are defined as follows:  
   - Agricultural land – the market value of land of equal productive use or potential located in the vicinity of the affected land, plus the cost of preparation to levels similar to or better than those of the affected land, and transaction costs such as registration and transfer taxes  
   - Land in urban areas—the market value of land of equivalent area and use, with similar or improved infrastructure and services preferably located in the vicinity of the affected land, plus transaction costs such as registration and transfer taxes  
   - Houses and other structures—the cost of purchasing or building a new structure, with an area and quality similar to or better than those of the affected structure, or of repairing a partially affected structure, including labour and contractors’ fee and transaction costs such as registration and transfer taxes”  
2. With regard to annual and perennial crops, the replacement should take into consideration the preparatory and maintenance costs, the average annual yield, the production duration, and the in-season market value of the particular crop. For perennials, replacement cost should consider also lost production/income during the period between loss and replacement plants/trees becoming productive.  
3. For all other items, including but not limited to timber and non-timber forestry products (wild nuts, medicinal plants, etc.) market values should be quantified (and updated regularly) with regard for sales in the relevant locality. |
| Host communities            | Host communities are those communities who receive relocatees. They are not physically displaced themselves; however, they can experience some impacts from resettlement activities as their community changes. |
| Voluntary resettlement      | Resettlement is considered voluntary when the land acquisition and displacement process is a market transaction in which the seller is not obliged to sell and the buyer cannot resort to expropriation or other compulsory procedures if negotiations fail. |
| Involuntary resettlement    | Resettlement is considered involuntary when affected individuals or communities do not have the right to refuse land acquisition that will result in displacement. This occurs in cases of: (i) lawful expropriation or restrictions on land use based on eminent domain, and (ii) negotiated settlements in which the buyer can resort to expropriation or impose legal restrictions on land use if negotiations with the seller fail. |

* Denotes definitions taken from the International Finance Corporation’s Performance Standards on Social and Environmental Sustainability
1.0 INTRODUCTION

This Plan describes the requirements for Esso Highlands Limited (EHL) and its contractors with regard to land access, resettlement and livelihood restoration activities during the production phase of the Papua New Guinea Liquefied Natural Gas (PNG LNG) Project (the Project).

1.1 Scope

EHL is responsible for obtaining access to land needed for its exploration, construction, production and maintenance activities. EHL is also responsible for the management of any displacement, physical or economic, which is generated by the land access requirements, as well as the associated livelihood restoration activities resulting from this displacement.

Most of the land required for the Project was obtained during the construction phase. This Plan applies to any new land access required during the production phase and for managing the commitments for land that was obtained in the construction phase. Livelihood restoration obligations for displacement that occurred during the construction phase are also covered by this Plan as they will be concluded in the production phase.

This Plan supersedes the Resettlement Policy Framework, which was developed for the construction phase.

1.2 Objectives

This Plan incorporates three inter-linked activities, with each having specific objectives:

- Land access:
  - All land access will be conducted using procedures that promote transparency and the fair treatment of customary landowners in Papua New Guinea

- Resettlement:
  - Avoid and minimise the need for physical and/or economic displacement through alternatives analysis and siting, re-alignment and other design modifications
  - Conduct appropriate consultation processes that achieve the free, prior and informed participation of affected people and communities in decision-making related to resettlement. Endeavour to ensure their continuing participation during implementation and monitoring/evaluation
  - Design and implement resettlement in a manner that gives physically and economically displaced people the opportunity to at least restore their livelihoods and standards of living
  - Compensate people affected by displacement, both economic and physical, for loss of assets at full replacement cost
  - Identify and provide special assistance to people who are especially vulnerable to displacement impacts
  - Provide measures to support the physical relocation and re-establishment of communities
  - Improve the living conditions of physically displaced households
  - Carefully monitor and evaluate activities to ensure that resettlement measures are meeting the needs of affected people and to identify the need for corrective measures. Implement corrective measures as required
Livelihood restoration

- Design and implement culturally sensitive and economically sustainable livelihood restoration measures for economically displaced individuals/households.

1 "The term 'livelihood' refers to the full range of means that individuals, families and communities utilize to make a living, such as wage-based income, agriculture, fishing, foraging, other natural resource based livelihoods, petty trade and bartering". This definition is taken from the IFC Performance Standards for reference.
2.0 LEGAL AND OTHER REQUIREMENTS
There are numerous Papua New Guinean laws and regulations, along with other requirements, that apply to EHL’s land access, resettlement and livelihood restoration activities. The most pertinent laws are summarised within this section.

2.1 Papua New Guinean laws and regulations
The most relevant Papua New Guinean statutes include the Oil and Gas Act 1998, the Land Act 1996, the Land Dispute Settlement Act 1975 and the Environment Act 2000. Each is discussed separately below.

2.1.1 Oil and Gas Act 1998
EHL acquires interests in land that enable construction of infrastructure and occupation by virtue of licenses issued under the Oil and Gas Act 1998 (the Act). The Act prescribes in sections 110 to 120 the rights of the licensees, which are subject to obligations to pay compensation to customary landowners who are impacted. With respect to compensation for land access, Section 118 (2) of the Act states:

Subject to this Section, compensation shall be paid for:

- “The deprivation of the use and enjoyment of the surface of the land or any part of it or of any rights customarily associated with it, except where there has been a reservation in favour of the State of the right to such use and enjoyment
- Damage:
  - To the surface of the land or any part of it, or any improvements on it
  - To any trees, fish or animals, caused by the carrying on of operations by the licensee
- Severance of the land from other land of any owner, occupier or person interested in the land
- Rights of Way (RoW) and easements
- Any other damage consequential on the licensee's use or occupation of the land.”

Under Section 118 of the Act, the following types of compensation will potentially be paid depending on each site that requires land access:

- Damages:
  - Initial damage:
    - Initial damage refers to damage to non-cultivated, naturally growing vegetation. This covers all damage to the original flora
    - One-time payment
  - Surface damage:
    - Compensation for surface damage is paid for irreversible damage to the landscape
    - One-time payment
  - Deprivation (“rental”):
    - Compensation paid to customary landowners for use of customary land
    - The deprivation of the use and enjoyment of the surface of the land or any part of it
    - Rates are adjusted for increases in the Consumer Price Index per Papua new Guinean precedence set by prior extractive projects
    - Annual payment during EHL’s use of customary land
The Act also stipulates the need for preliminary and full-scale social mapping and landowner identification studies for Petroleum Prospecting Licenses, Petroleum Retention Licenses, Pipeline Licences, and Petroleum Development Licenses.

2.1.2 Land Act 1996

Papua New Guinea has enacted various laws in which a type of tenure called “customary land title” gives legal basis to the inalienable tenure of traditional lands to the Indigenous Peoples. Customary land notionally covers most of the usable land in the country (about 97 percent of the total land area).

Under the Land Act 1996, a private entity cannot purchase customary land. It is possible for a private entity to obtain a lease over land either through: lease/lease back arrangement with customary landowners whereby the land is released to the State which in turn issues a State lease to those customary owners who in turn may sub-lease the land to a private entity; or by receiving a State lease directly from the State where the State has compulsorily acquired customary interests under the Land Act 1996 with compensation paid to customary landowners.

2.1.3 Land Dispute Settlement Act 1975

When a dispute occurs over land ownership between two or more parties and cannot be resolved through normal customary practices; legal processes to resolve such disputes are detailed in the Land Dispute Settlement Act 1975 Chapter 45.

2.1.4 Environment Act 2000

EHL holds a license issued under the Environment Act 2000 for the Project. Compliance with this legislation and the Project licence will be canvassed in a separate Plan. In regards to compensating customary landowners for access to land, it is noted here that the Environment Act 2000 states that:

- Section 79: Rights to water in Papua New Guinea are vested in the State but customary rights to use it are recognised
- Section 80: Apart from domestic use, watering of stock and fire fighting, permits are required for the use of water.
- Section 82: Rights conferred by a permit
- Section 87: Compensation is payable by a permit holder to customary landowners for damage

2.2 International Finance Institution Requirements

The following International Finance Corporation (IFC) Performance Standards are relevant to land access, resettlement and livelihood restoration planning and implementation:

- Performance Standard 5: Land Acquisition and Involuntary Resettlement (IFC, 2006)
- Performance Standard 7: Indigenous Peoples (IFC, 2006)
- Performance Standard 8: Cultural Heritage (IFC, 2006)

Performance Standard 5: Land Acquisition and Involuntary Resettlement (IFC, 2006) is the core Performance Standard applicable to land access and displacement. The objectives of this standard include:

- To avoid or at least minimise involuntary resettlement wherever feasible by exploring alternative project designs
- To mitigate adverse social and economic impacts from land acquisition or restrictions on affected persons’ use of land by: providing compensation for loss of assets at replacement cost; and ensuring the resettlement activities are implemented with
appropriate disclosure of information, consultation and the informed participation of those affected

- To improve or at least restore the livelihoods and standards of living of displaced persons
- To improve the living conditions among displaced persons through provision of adequate housing with security of tenure at resettlement sites

These objectives are expanded in the requirements described within the Performance Standard, with key aspects being:

- Project design – Consider feasible alternative project designs to avoid or at least minimise physical or economic displacement, while balancing environmental, social and financial costs and benefits
- Compensation and benefits for displaced persons – When displacement cannot be avoided, displaced persons and communities will be offered compensation for loss of assets at full replacement cost and other assistance to help them improve or at least restore their standards of living or livelihoods. Project standards for compensation will be transparent and consistent within the Project. The Project will provide opportunities to displaced persons and communities to derive appropriate development benefits from the Project
- Consultation and engagement – Informed participation and consultation with affected persons and communities, including host communities, will be facilitated by the Project in decision-making processes related to resettlement. This consultation will continue through the implementation, monitoring and evaluation of compensation payment and resettlement to achieve outcomes that are consistent with the objectives outlined above
- Grievance mechanism – A grievance mechanism to receive and address specific concerns about compensation and relocation that are raised by displaced persons or members of host communities, including a recourse mechanism designed to resolve disputes in an impartial manner will be developed
- Resettlement planning and implementation – Where involuntary resettlement is unavoidable, a census with appropriate socioeconomic baseline data to identify the persons who will be displaced by the Project will be conducted, to determine who will be eligible for compensation and assistance, and to discourage the inflow of people who are ineligible for these benefits. Cut-off dates for eligibility will be established and will be well documented and communicated throughout the affected area. Where physical displacement occurs, under either acquisition of land rights under eminent domain or through negotiated settlement, a resettlement action plan or framework will be developed. The plan or framework will be designed to mitigate the negative impacts of displacement, identify development opportunities and establish the entitlements of all categories of affected persons, with particular attention paid to the needs of the poor and the vulnerable. All transactions to acquire land rights, as well as compensation measures and relocation activities will be fully documented. Procedures to monitor and evaluate the implementation of resettlement plans and take corrective actions where necessary will be developed. Resettlement is only considered complete when the adverse impacts of resettlement have been addressed in a manner that is consistent with the objectives identified above. Where negotiated settlements of economic displacement occur, procedures to offer the affected persons and communities compensation and other assistance that meets the objectives above, will be developed. In cases where affected persons reject compensation offers that meet the objectives outlined above, and as a result expropriation or other legal procedures are initiated, opportunities to collaborate with the responsible government agency will be explored
- Physical displacement – If people living in the project area must move to another location, the project will: offer displaced persons choices among feasible resettlement
options, including adequate replacement housing or cash compensation where appropriate; and provide relocation assistance suited to the needs of each group of displaced persons, with particular attention paid to the needs of the poor and the vulnerable. Alternative housing and/or cash compensation will be made available prior to relocation. New resettlement sites built for displaced persons will offer improved living conditions. Where physically displaced persons have formal legal rights to the land they occupy or have a claim which is recognised or recognisable under the national laws, they will be offered the choice of replacement property of equal or higher value, equivalent to or better characteristics and advantages of location, or cash compensation at full replacement cost where appropriate. Where physically displaced persons have no recognisable legal right or claim to the land they occupy, they will be offered a choice of options for adequate housing with security of tenure so that they can resettle legally without having to face the risk of forced eviction. Assets will be compensated at full replacement cost. The Project is not required to compensate or assist those who encroach on the project area after the cut-off date

- **Economic displacement** – If land acquisition for the project causes loss of income or livelihood, regardless of whether the affected people are physically displaced, the Project will:
  - Promptly compensate economically displaced persons for loss of assets or access to assets at full replacement cost
  - In cases where land acquisition affects commercial structures, compensate the affected business owner for the cost of re-establishing commercial activities elsewhere, for lost net income during the period of transition, and for the costs of the transfer and reinstallation of the plant machinery or other equipment
  - Provide replacement property (e.g. agricultural or commercial sites) of equal or greater value, or cash compensation at full replacement cost where appropriate, to persons with legal rights or claims to land which are recognised or recognisable under the national laws
  - Compensate economically displaced persons who are without legally recognisable claims to land for lost assets (such as crops, irrigation infrastructure and other improvements made to the land) other than land, at full replacement cost. The Project is not required to compensate or assist opportunistic settlers who encroach on the project area after the cut-off date
  - Provide additional targeted assistance (e.g. credit facilities, training, or job opportunities) and opportunities to improve or at least restore their income earning capacity, production levels and standards of living to economically displaced persons whose livelihoods or income levels are adversely affected
  - Provide transitional support to economically displaced persons, as necessary, based on a reasonable estimate of the time required to restore their income-earning capacity, production levels and standards of living

Where communities of indigenous peoples are economically displaced (but not relocated) as a result of Project-related land acquisition, the requirements of this standard as well as those of Performance Standard 7: Indigenous Peoples (IFC, 2006) are applied.

### 2.3 Company policies and standards

This Plan is consistent with the ExxonMobil approach to property rights and resettlement. The approach states that ExxonMobil will minimise involuntary resettlement through project design. When resettlement is unavoidable, EHL seeks to ensure the appropriate restoration of the livelihoods of displaced people. In all cases when resettlement is unavoidable (e.g. for the Project) ExxonMobil applies international best practice aligned with the IFC Performance Standards in conjunction with applicable host-country regulatory requirements.
The ExxonMobil 2012 Upstream Socioeconomic Management Standard provides additional detail on the expectations linked to land use and resettlement:

- Respect property rights in the countries in which we operate; and as part of new projects, seek to engage in free, prior and informed consultation with impacted communities
- Avoid involuntary resettlement and minimise the need for resettlement. Where resettlement cannot be avoided, seek to ensure appropriate restoration of the livelihoods of displaced people

To meet these expectations, where possible, EHL has committed to:

- Avoiding voluntary and involuntary resettlement
- Seeking free, prior and informed consultation with communities
- Establishing and implementing fair and transparent resettlement and compensation systems and processes
- Avoiding accessing land until agreements are established
- Providing appropriate communications and training for the resettlement team
- Where resettlement is resisted, EHL will follow its protocols and procedures which incorporate:
  - Applicable Papua New Guinean law
  - ExxonMobil’s Principles on Security and Human Rights (also known as the ‘Framework on Security and Human Rights’)
  - *Performance Standard 5: Land Acquisition and Involuntary Resettlement (IFC, 2006)*
  - *Basic Principles and Guidelines on Development-based Evictions and Displacement (United Nations Special Rapporteur, 2007)*

2.4 **Operations Integrity Management System**

There is no specific resettlement aspect in the Operations Integrity Management System, however social risk management is captured as described in the Environmental and Social Management Plan.
3.0 ORGANISATION

Land access, resettlement and livelihood restoration activities are managed by the Land and Community Affairs (L&CA) group. Two teams within L&CA manage these activities, working under the Land Manager and the Social Impacts Manager, both of whom are supervised by the L&CA Manager as shown in Figure 3-1.

Figure 3-1: Land and Community Affairs organisation chart

Primary responsibilities for L&CA department managers and field teams are summarised in Table 3-1.

Table 3-1: Land and Community Affairs team responsibilities

<table>
<thead>
<tr>
<th>COMPLIANCE</th>
<th>LAND</th>
<th>COMMUNITY AFFAIRS</th>
<th>SOCIAL IMPACTS</th>
<th>FIELD TEAMS</th>
</tr>
</thead>
</table>
| • Lender Interface  
• External L&CA reporting  
• Business Controls  
• Internal Reporting  
• SMP Compliance  
• Monitoring | • Land Access  
• Land Agreements, including ongoing payment commitments  
• Cash Management | • Community Affairs  
• Field Liaison  
• Stakeholder Engagement  
• Grievances  
• National Content  
• Benefits tracking  
• Infrastructure Development  
• Grant support | • Community Investment  
• Business Development  
• Livelihoods Restoration  
• Resettlement Action Plans (RAPs) | • Stakeholder Engagement  
• Community program implementation  
• Local business development |

Some sample job descriptions are provided in Section 7.0 to demonstrate the type of roles that will apply during the production phase. As the needs of the Project change over time, a number of roles may be replaced by others more appropriate to the Project’s needs at the time.
4.0 RISKS AND IMPACTS MITIGATION

Processes for the three linked activities of land access, resettlement and livelihood restoration have been developed during the construction phase of the Project. These processes all serve a different and specific purpose as summarised here:

- **Land Access** – The process followed to gain access to communally held land, including the payment of damage and deprivation payments at a clan level for impacts to land.
- **Resettlement** – The process followed when physical and/or economic displacement is required, including the payment of compensation to households and individuals for displacement impacts.
- **Livelihood restoration** – An integral aspect of the management of economic displacement, this process is followed where households and/or individuals have been economically displaced and it aims to restore their livelihoods. Where physically displaced households have also experienced economic displacement (i.e. where their livelihoods have been affected, potentially through impacts to gardens etc.), they would also be included in the livelihood restoration activities. Where physically displaced households have not experienced economic displacement, livelihood restoration activities would not include them.

These processes have been developed to address and mitigate risks identified with the activities. Each of the processes is described below, along with a summary of the risks and their mitigation actions in a tabulated form.

### 4.1 Land access

The land access and compensation process, as shown in Figure 4-1, has five steps: In-Principle Compensation Agreements (IPCA), demarcation and mapping, Clan Agency Agreement (CAA), initial payment and annual deprivation payment.

This process aims to ensure an open and transparent approach to gaining land access, resulting in agreements which are satisfactory to customary landowners, are legally enforceable and sustainable. Land access agreements are made at a community level.

![Figure 4-1: Land access and compensation process](image)

Procedure that comply with ExxonMobil’s business controls and contracting guidelines are provided in the Land Management Manual, which is retained and controlled by the L&CA department.

#### 4.1.1 In-Principle Compensation Agreement

The IPCA is a general agreement between the Project and the community within the potential impact area which establishes recognition of clans on the ground and their rights. It sets rates for actual damages that may be sustained to customary land. An IPCA contains information about: clan and village names; a general description of the subject land, including local names; the type of compensation to be paid; compensation rates based on the standard land access rates; and names of the clan leader.
When an assessment is undertaken to develop an IPCA, the following is taken into consideration:

- Social mapping data, pre-construction surveys (to the extent that they have been completed at the time) and other available information to identify clan(s)
- Visiting sites and ground truthing to ascertain clans to be involved in the IPCA
- Reviewing vegetation in the area and ease of land access for development of compensation rates
- Identification of clan leaders who will execute the IPCA

The IPCA is executed with clan leaders, with compensation terms negotiated in advance of signing the agreement. Documentation relating to the IPCA is managed and controlled by the L&CA team.

4.1.2 Clan demarcation and mapping

Demarcation and mapping are part of the assessment process required for drafting and executing the CAA described below. Depending on the construction scope and use of the land parcel, demarcation may be completed prior to construction or afterwards.

Once EHL land requirements are clearly identified, clan boundaries are identified and surveyed. Where there are multiple clans within a site, the Project works with clan leaders of adjoining clans or subclans to complete a boundary survey. From this process, a clan demarcation map is developed which is reviewed with clan leaders for accuracy and acceptance.

Where clans cannot reach an agreement on boundary surveys, an L&CA officer encourages clans to resolve the dispute voluntarily or seek resolution under the Land Dispute Settlement Act 1975. No compensation is paid until the land dispute is resolved. However, the Project may continue to work while the disputing clans resolve their conflict if the land parcel is within the boundaries of the Project license.

4.1.3 Clan Agency Agreement and payment

The CAA is the standard agreement used for statutory compensation covering EHL assets.

Statutory compensation for customary land is payable to clans. Clan members appoint Clan Agents who receive statutory compensation on behalf of clan members and for the benefit of the clan. The Clan Agents accept the funds and distribute them under normal customary practices.

4.1.4 Annual deprivation payments

L&CA maintains a list of deprivation payment obligations based on existing CAAs or other Land Agreements that include the provision for continuing payments. Each year payments are made for customary land that is accessed by EHL, which conducts operations in accordance with licenses granted through the Oil and Gas Act 1998.

4.1.5 Land Access Consultation

Implementation of the land access process requires consultation with affected communities. Meetings and clan engagements are conducted with the aim of achieving the participation of most of the affected clan members. This is through engagements held in the village and made accessible to clan members. All engagements have a focus on open and clear dialogue between EHL representatives and clan members, with respectful consideration of clan members’ opinions and concerns.

4.2 Resettlement

The resettlement process, illustrated in Figure 4-2, involves census and survey activities of the proposed area prior to the commencement of resettlement activities, and the payment of compensation and other entitlements to resettled households.
4.2.1 Census and survey

The resettlement process begins with the definition of land required by the Project. The steps involved are summarised in Table 4-1.

Table 4-1: Census and survey process

<table>
<thead>
<tr>
<th>PROCESS STEP</th>
<th>DESCRIPTION</th>
</tr>
</thead>
<tbody>
<tr>
<td>Initial walk-through</td>
<td>Records the number, ownership, general condition and Global Positioning System (GPS) waypoint locations of all affected residential structures. Community engagement session held upon arrival to provide community with information on process for planned pictorial record capture and why it is required. Video may be used in some cases.</td>
</tr>
<tr>
<td>Cut-off date</td>
<td>Announced at the end of the initial walk-through, when a photograph will also be taken of affected resource owners holding a sign displaying the cut-off date. Local resource owners will also be advised that all structures and garden features that appear after that date will be considered speculative and in general, will not be considered in the valuation of assets for compensation purposes.</td>
</tr>
</tbody>
</table>
| Definition of households | Using photos and/or video, base data sheets and other information collected during the earlier initial walk-through, the Census and Survey data team will determine the “type” of each affected household, based on the following criteria:  
  - Type 1 – residential house or large economic/food gardens, if major portion of garden overlap project site boundary or is impacted by Project site  
  - Type 2 – Economic/food gardens are located within or overlap the Project site boundary (by more than ten percent of total area)  
  - Type 3 – purposively planted trees are located within the Project site |
<table>
<thead>
<tr>
<th>PROCESS STEP</th>
<th>DESCRIPTION</th>
</tr>
</thead>
<tbody>
<tr>
<td>boundary</td>
<td>Type 4 – residential house and gardens are within or overlap the Project site boundary, but have only appeared just before initial walk through to take advantage of compensation opportunities</td>
</tr>
<tr>
<td>Social and agricultural surveys</td>
<td>Census, resettlement and health surveys will be conducted, with family numbers allocated and verification of GPS waypoint locations of all residential structures (including photographs of structures and household members). All affected agricultural assets will be surveyed, with their GPS coordinates recorded and ownership determined (including photographs).</td>
</tr>
<tr>
<td>Form production</td>
<td>Agricultural compensation forms will be generated, along with family profiles and maps of the project site showing the location of all surveyed assets. This information will be recorded in the document management system before being sent to the RAP Implementation team.</td>
</tr>
<tr>
<td>Data compilation</td>
<td>The social and agricultural survey data is compiled into spreadsheets and databases which can be used in the preparation of RAPs.</td>
</tr>
</tbody>
</table>

4.2.2 Compensation and other Entitlements

EHL compensates and/or assists people who are affected by resettlement in a manner that provides them with the opportunity to at least restore their livelihoods and standards of living.

A resettlement assistance package is offered to eligible households. EHL consults with all resettlement impacted communities, households and individuals to identify eligible households/people and develop appropriate compensation and assistance measures.

Eligible households and individuals include all physically and/or economically displaced people, as described in Table 4-2. Eligibility for community compensation is related to land access, and is discussed in Section 4.1.

**Table 4-2: Eligibility and entitlements criteria**

<table>
<thead>
<tr>
<th>ELIGIBILITY CATEGORY</th>
<th>DAMAGE OR LOSS</th>
<th>REFERENCE</th>
<th>COMPENSATION/ASSISTANCE/ SUPPORT</th>
</tr>
</thead>
<tbody>
<tr>
<td>Recognised landowner for garden land</td>
<td>Loss of use of land as a result of deprivation to landowners by the Project.</td>
<td>Oil and Gas Act 1998 s.118(2)(a)</td>
<td>Compensation paid at agreed intervals directly and publicly to landowner.</td>
</tr>
<tr>
<td>Recognised owner of construction such as a house</td>
<td>Loss of man-made constructions such as houses and fences.</td>
<td>Oil and Gas Act 1998 s.118 (2) (b) (i)</td>
<td>Compensation for replacement of house, fences etc.</td>
</tr>
<tr>
<td>Recognised owner of economic trees</td>
<td>Damage to any trees of economic value.</td>
<td>Oil and Gas Act 1998 s.118 (2)(b)(ii)</td>
<td>Cash (Valuer General rates) as and when damage occurs, paid publicly by the Project to the owner.</td>
</tr>
<tr>
<td>Recognised owner</td>
<td>Injury to domestic animals.</td>
<td>Oil and Gas Act 1998 s.118(2)(b)(iii)</td>
<td>Cash, as and when damage/injury occurs, to owner by the Project.</td>
</tr>
<tr>
<td>ELIGIBILITY CATEGORY</td>
<td>DAMAGE OR LOSS</td>
<td>REFERENCE</td>
<td>COMPENSATION/ASSISTANCE/SUPPORT</td>
</tr>
<tr>
<td>----------------------</td>
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<td>--------------------------------</td>
</tr>
<tr>
<td>Lawful owners and rightful occupiers (or parties determined to have such interest) of improvements whether landowners or not</td>
<td>Damage to improvements.</td>
<td>Oil and Gas Act 1998 s.118</td>
<td>Cash, once-off, by the Project to the owner of the improvement.</td>
</tr>
<tr>
<td>Persons recognised as landowners of land to which access is severed</td>
<td>Severed access to land.</td>
<td>Oil and Gas Act 1998 s.118 (2)(c)</td>
<td>Compensation paid by the Project at agreed intervals until severed access ceases.</td>
</tr>
<tr>
<td>Persons recognised as landowners along easement</td>
<td>Easements.</td>
<td>Oil and Gas Act 1998 s.118 (2)(d)</td>
<td>Compensation paid at agreed intervals by the Project in public to owner.</td>
</tr>
<tr>
<td>Households whose water supply is damaged (specific importance of water for sago processing)</td>
<td>Water damage.</td>
<td>Environment Act 2000 s.87 (2) (d)</td>
<td>Cash paid by the Project as and when damage is deemed to be directly attributable to Project operations; where damage is continuous, a permanent alternative supply may need to be provided.</td>
</tr>
</tbody>
</table>
| Households with house on land (including absentee landowners) | Loss of dwelling and associated assets including agricultural assets where applicable. | Performance Standard 5: Land Acquisition and Involuntary Resettlement (IFC, 2006) | Options for:  
- Part A: An amount as agreed by negotiation within 15 days of signing the Resettlement Agreement; further amount after the household has dismantled their houses/structures and moved to a new location recorded by the Resettlement Team; and further amount after the household gardens are well established at the new location  
- Part B: Deferred payment, if required  
- Part C: An amount for replacement housing, made once a new house is constructed at the relocated site, the household has a water source available, and has established food gardens  
- Transit assistance, if required  
- Transition rations, if required  
- Livelihood restoration measures  
- Access without financial penalty to old house materials  
- Provision of garden tools, if required  
- Provision of Compensation Advisor to assist and advise on investment and business options, if required |
| Households with no houses but gardens inside (including absentee landowners) the Project area | Loss of gardens and associated assets where applicable. | Performance Standard 5: Land Acquisition and Involuntary Resettlement (IFC, 2006) |  
- Pay compensation at full replacement value for loss of crops  
- Livelihood restoration measures directed at establishing and maintaining subsistence patterns – seeds, two garden cycle assistance; training  
- Provision of garden tools, if required  
- Provision of Compensation Advisor to assist and advise on investment and business options |
<table>
<thead>
<tr>
<th>ELIGIBILITY CATEGORY</th>
<th>DAMAGE OR LOSS</th>
<th>REFERENCE</th>
<th>COMPENSATION/ASSISTANCE/SUPPORT</th>
</tr>
</thead>
<tbody>
<tr>
<td>Vulnerable individuals and groups including aged, young, infirmed and disabled</td>
<td>N/A</td>
<td><em>Performance Standard 5: Land Acquisition and Involuntary Resettlement (IFC, 2006)</em></td>
<td>• Assistance as appropriate to allow people with special vulnerabilities to fully participate in resettlement activities</td>
</tr>
</tbody>
</table>
| Individuals, households, businesses | Loss of income resulting from loss of employment and/or business. | | • Loss of business income compensation  
• Loss of employment income compensation  
• Provision for training programs |
| Community Based Organisation and/or community (where applicable) | Relocation of community structures e.g. churches, schools, etc. | *Performance Standard 5: Land Acquisition and Involuntary Resettlement (IFC, 2006)* | • Full replacement and construction by the Project OR  
• Full replacement compensation and constructed by community |

Eligibility criteria for absentee landowners are:

- Households or individuals living outside the affected area who own an existing house or structure within the affected area not utilised at the cut-off date
- Households or individuals living outside the affected area who own a garden within the affected area not utilised at the cut-off date

Statutory compensation is paid to landowners through the process described in Section 4.1. Compensation for resettlement depends upon consultation with each household or individual. Options provided by the Project include:

- **Housing:**
  - Negotiated compensation, as cash or in-kind support, as required

- **Transit allowance:**
  - The household is provided with assistance with the logistics of relocation

- **Livelihood restoration for economically displaced households/people:**
  - The Project provides the household with targeted sustainable agricultural program assistance
  - The Project provides support for cash-based market opportunities
  - Affected people are given preference in community development income-related programs

- **Rations allowance is provided for the interim resettlement period:**
  - The Project provides rations delivered on a fortnightly basis to a representative of each family at a designated point from the time garden access is lost for a maximum period of six months, or until gardens are re-established, whichever is the sooner. Rations may be delivered for up to nine months at non-linear sites
  - Rations may be cashed-out if it is determined that:
    1. The household has access to alternate garden supply outside the Project area
    2. The household has access to foods at markets nearby
The following describes the resettlement compensation EHL provides individuals, households or businesses based on eligibility:

- Monetary support for new construction – Determined on type of structure to be built
- Loss of business income – Payment for proven loss of reasonable profits due to physical displacement (relocation)
- Loss of employment income – Payment for proven loss of wages due to physical displacement (relocation)
- Provision of business and compensation advisor

Full details of the resettlement assistance package are documented in a RAP for all people affected by physical displacement. The RAP is reviewed by the Lender Group's Independent Environmental and Social Consultant (IESC) prior to implementation. No displacement is undertaken prior to the approval and sign-off on the RAP by the IESC.

4.2.3 Compensation and assistance advocacy

The Project provides access to a local advocate for all resettled households. The advocate acts as an independent advisor to Project affected households with respect to their rights, responsibilities and options concerning resettlement in the context of both national Papua New Guinean legislation and Project plans and provisions.

4.2.4 Payment process

Due to the absence of banking facilities in many parts of the Project area and to reduce security and safety concerns associated with cash payments, cash management procedures have been developed by the Project and are described in the Land Management Manual.

4.2.5 Resettlement Consultation

The resettlement and livelihood restoration consultation process aims to achieve free, prior and informed consultation with communities affected by the Project. The process is coordinated by the L&CA group, working in collaboration with resettlement specialists.

The objectives of this process are:

- Full participation of all affected communities and landowners, and consultation with other stakeholders and government
- Consultation starts early in the development process
- Culturally appropriate consultation and disclosure activities
- Stakeholders have access to information at all stages
- Consultation takes place throughout the displacement process in a participatory manner with ongoing feedback to stakeholders
- Training and support is provided to representative community groups
- Appropriate record keeping of consultation and disclosure activities

4.3 Livelihood restoration

Livelihood restoration is a critical element of managing the impacts of economic displacement. The Project area is dominated by people with subsistence livelihoods (both agricultural-based and to a lesser extent, fishing-based). The goal of livelihood restoration activities is to ensure economically displaced households and individuals at least restore their livelihoods and standards of living following displacement. Livelihood restoration measures will be self-sustainable where possible.

The land-based component of the Livelihood Restoration Program consists of extension and support activities aimed at: re-establishing gardens and subsistence agricultural practices and promoting rural enterprise through awareness creation and initiatives to generate cash income for individuals.
The non-land based component of the Livelihood Restoration Program focuses on reducing the dependence on subsistence agriculture by training and collaboration for community development activities to benefit the broader community and generate a cash income for individuals. These programs aim to improve social infrastructure in the area and support infrastructure development.

Livelihood restoration activities vary depending on the location of the affected community. Restoration activities are based upon the principle of sharing knowledge to improve productivity or to expand the diversity of income streams. In the Upstream area (Southern Highlands and Gulf Provinces) restoration activities to-date have involved cultivating field crops, which include pathogen tested sweet potato and temperate climate vegetables; along with animal husbandry and food processing. Restoration activities for the LNG Plant site focus on cash crops and marketing of goods.

Where individuals, households and communities are reliant upon fishing resources which are impacted by the Project, restoration activities focus on fishing. Depending on the ownership/access of the resource which has been impacted, the restoration activities may be undertaken at a communal level or individual/household level.

Livelihood restoration is intended to sustainably restore the livelihoods of affected households/individuals. Further details are included in the Monitoring section (Section 5.0).

4.4 Documentation

Where physical displacement is required as a minimum, a RAP is prepared. Where communal resources are impacted (economic displacement), a Communal Resource Plan (CRP) is prepared.

RAPs are reviewed and approved by the IESC prior to the start of physical displacement activities.

4.5 Risk and impact mitigation

Table 4-3 summarises the measures used to minimise or compensate for the effects of Project land access and resettlement.
<table>
<thead>
<tr>
<th>SUB-CATEGORY</th>
<th>RISK/IMPACT TO THE COMMUNITY</th>
<th>RISK/IMPACT TO THE PROJECT</th>
<th>MITIGATION MEASURES</th>
<th>REF #</th>
<th>MONITORING</th>
<th>MONITORING FREQUENCY</th>
<th>RESPONSIBILITY</th>
</tr>
</thead>
<tbody>
<tr>
<td>Land rights and usage: access to, and use of, physical, economic and cultural resources and institutions, including employment opportunities, RoWs.</td>
<td>• Illegal access to land caused by failure to recognise customary issues and practices and lack of understanding amongst staff of due process</td>
<td>Land access procedure maintained and implemented. Training for new Project staff.</td>
<td>5-3</td>
<td>Verification</td>
<td>As land is required</td>
<td>EHL</td>
<td></td>
</tr>
<tr>
<td></td>
<td>• Land access agreements are deemed invalid due to failure to engage with &quot;appropriate owner or person capable of representing the clan&quot;</td>
<td>Land ownership/access system to be led by competent specialists.</td>
<td>5-4</td>
<td>Verification</td>
<td>As land is required</td>
<td>EHL</td>
<td></td>
</tr>
<tr>
<td></td>
<td>• Land access agreements deemed not applicable or adequate for operations phase (e.g., long-term restrictions on land access and use along pipeline RoW, or buffer zones surrounding permanent project facilities, or biodiversity offsets), requiring renegotiations with relevant parties</td>
<td>Training to be provided to production team and contractors on the land clearance processes.</td>
<td>5-5</td>
<td>Training records</td>
<td>As land is required</td>
<td>EHL</td>
<td></td>
</tr>
<tr>
<td></td>
<td></td>
<td>Maintain access to independent legal advice for affected communities.</td>
<td>5-6</td>
<td>Verification</td>
<td>As land is required</td>
<td>EHL</td>
<td></td>
</tr>
<tr>
<td></td>
<td></td>
<td>Trespassers encroaching on the RoW over time with potential to compromise safety of people and safety of pipeline in the event of accident.</td>
<td>Develop/ implement land use restrictions/pipeline RoW maintenance agreements.</td>
<td>5-7</td>
<td>Verification</td>
<td>Ongoing</td>
<td>EHL</td>
</tr>
<tr>
<td></td>
<td></td>
<td>Employment of &quot;wardens&quot; to maintain and clear areas around RoW and limit access by impacted communities (self-regulation).</td>
<td>5-9</td>
<td>Employment records</td>
<td>Ongoing</td>
<td>EHL</td>
<td></td>
</tr>
<tr>
<td>SUB-CATEGORY</td>
<td>RISK/IMPACT TO THE COMMUNITY</td>
<td>RISK/IMPACT TO THE PROJECT</td>
<td>MITIGATION MEASURES</td>
<td>REF #</td>
<td>MONITORING</td>
<td>MONITORING FREQUENCY</td>
<td>RESPONSIBILITY</td>
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<td>----------------</td>
</tr>
</tbody>
</table>
| Physical displacement - Relocation options: land availability, access and seasonality. | Unforeseen impacts or predicted impacts exceeded resulting in adverse community affects and claims for relocation/compensation. | • Lack of full implementation of this Plan including compensation and livelihood restoration  
• Management of opportunistic attempts to obtain compensation  
• Future project activities require access to, and use of, new land | This Plan describes the requirements to be implemented for a RAP – involving physical and economic displacement, and CRP involving economic displacement. | 5-10   | Field assessments | Annual                      | EHL            |
|                                                                            |                                                                  |                                                                 | 5-11 Verification: Completion audit                                               |        | Verification    | At 12 and 24 months after completion of displacement | EHL            |
|                                                                            |                                                                  |                                                                 | Undertake completion audits.                                                       | 5-12   | Verification    | At 12 and 24 months after completion of displacement | EHL            |
| Physical displacement - Compensation (replacement housing, cash, in-kind). | Mis-management and absence of options for management of cash payment where this has formed a significant part of resettlement compensation. | • Livelihood restoration monitoring reveals the need for more support to relocatees and/or vulnerable people  
• Top-up payments to full replacement cost generate further claims for compensation or claims of inequity  
• Lack of resources and capability (experienced professionals) to complete top-up payments due to demobilisation of construction phase workforce (EHL) | Company to encourage banks to maintain facilities in the region. | 5-13   | Verification    | Annual                      | EHL            |
<p>|                                                                            |                                                                  |                                                                 | Personal viability training for impacted individuals and other interested stakeholders to ensure they have money management knowledge and skills. | 5-14   | Verification    | At time of compensation                   | EHL            |
|                                                                            |                                                                  |                                                                 | Adequately resourced and funded team to carry out ongoing activities and commitments. | 5-15   | Verification    | At time of compensation                   | EHL            |</p>
<table>
<thead>
<tr>
<th>SUB-CATEGORY</th>
<th>RISK/IMPACT TO THE COMMUNITY</th>
<th>RISK/IMPACT TO THE PROJECT</th>
<th>MITIGATION MEASURES</th>
<th>REF #</th>
<th>MONITORING</th>
<th>MONITORING FREQUENCY</th>
<th>RESPONSIBILITY</th>
</tr>
</thead>
</table>
| Physical displacement - Security of tenure. | • Self-relocation results in poor location outcomes due to: lack of sufficient detail on future Project developments to inform siting choice, and poor selection in terms of meeting basic needs (shelter, water, security of tenure, access to community facilities such as schools, medical clinics, churches, etc.)  
• Failure to match or exceed livelihood standards at new location resulting in compromised well-being | • Failure to plan Project requirements or avoid late changes to Project execution such that additional resettlement required  
• Schedule delays due to resettlement approval process | Housing payment for physical displacement only paid when relocates can demonstrate a new structure which meets established criteria. Monitoring of relocates continues for 24 months. Independent Advocate and Resettlement Advisors verify relocation site and advise on consequences. | 5-16    | Completion audit  | At 12 and 24 months after completion of displacement | EHL    |
| Economic displacement - Compensation, damage and deprivation, targeted assistance (credit assistance, training, job opportunities). | • Failure to receive entitlements according to pre-agreed rates and schedule  
• Diminishing community support for the Project | • Failure to meet payment schedule  
• Retribution by affected individuals and communities | Ensure timely annual land deprivation payment.  
Meet statutory compensation payment requirements for new access.  
All displacement (both physical and economic) activities need to be overseen/managed by specialist competent persons. | 5-17    | Verification     | Quarterly                                        | EHL    |
<p>|                                       |                                               |                                                                                        |                                                                                                        | 5-18    | Verification     | As needed                        | EHL    |
|                                       |                                               |                                                                                        |                                                                                                        | 5-19    | Verification     | Annual                        | EHL    |</p>
<table>
<thead>
<tr>
<th>SUB-CATEGORY</th>
<th>RISK/IMPACT TO THE COMMUNITY</th>
<th>RISK/IMPACT TO THE PROJECT</th>
<th>MITIGATION MEASURES</th>
<th>REF #</th>
<th>MONITORING FREQUENCY</th>
<th>RESPONSIBILITY</th>
</tr>
</thead>
<tbody>
<tr>
<td>Poor and vulnerable people - Well-being, ability to claim or take advantage of assistance and related development benefits.</td>
<td>Increased hardship and impoverishment.</td>
<td>Lack of awareness of emerging or materialised issues due to delayed or ineffective monitoring</td>
<td>Identify and assess vulnerability as part of the resettlement process and identify measures to reduce the vulnerability on an individual basis.</td>
<td>5-20</td>
<td>Verification per RAP</td>
<td>EHL</td>
</tr>
<tr>
<td>Livelihood restoration - Land-based, wage-based and enterprise-based livelihoods. Livelihood Restoration - Production levels (gardens/ agriculture etc.) Livelihood restoration - Standards of living.</td>
<td>Households have a lower standard of living after displacement, resulting in hardship and impoverishment, including diminished access to social networks (kinship, neighbourly ties, village/community-specific ties, leadership ties, religious/ethnic ties and relationships, etc.</td>
<td>Internal monitoring fails to identify situations where objectives and outcomes of this Plan are not being met</td>
<td>Maintain internal monitoring and internal evaluation to inform progress and initiate follow-up as required.</td>
<td>5-22</td>
<td>Verification Annual</td>
<td>EHL</td>
</tr>
<tr>
<td></td>
<td>Increased number of vulnerable or ‘at-risk’ household</td>
<td>Increased adverse environmental and social impacts in areas where displaced households have moved to</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td></td>
<td>Internal monitoring fails to identify situations where objectives and outcomes of this Plan are not being met</td>
<td>Conduct internal audit to confirm effective implementation of this Plan and associated RAPs.</td>
<td>5-23</td>
<td>Audit results Bi-annual</td>
<td>EHL</td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td>Disclosure of relevant project information (nature and timing of anticipated impacts) in a timely manner to affected communities.</td>
<td>5-24</td>
<td>Verification Annual</td>
<td>EHL</td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td>Undertake RAP and CRP completion audits.</td>
<td>5-25</td>
<td>Completion audit At 12 and 24 months after displacement</td>
<td>EHL</td>
</tr>
<tr>
<td>SUB-CATEGORY</td>
<td>RISK/IMPACT TO THE COMMUNITY</td>
<td>RISK/IMPACT TO THE PROJECT</td>
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</tr>
<tr>
<td>Speculators and forced eviction - Resettlement process (especially consultation and disclosure of cut-off dates.)</td>
<td>People encroaching on a Project facility after the 'cut-off' date in anticipation of compensation and endangering their own safety.</td>
<td>Development of situation requiring forced evictions • Negative effect on Company reputation</td>
<td>Maintain regular monitoring.</td>
<td>5-26</td>
<td>RoW field assessments</td>
<td>Bi-annual</td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td>Keep current a management process for forced evictions (including warnings/communication, daylight hour, police implementation, due process/third party monitor, existence of new viable location), and ensure conformance with established international protocols, especially those relating to human rights.</td>
<td>5-27</td>
<td>Verification</td>
<td>Ongoing</td>
</tr>
</tbody>
</table>
5.0 MONITORING AND EVALUATION

Effective monitoring is essential to ensure that displacement activities have not adversely impacted communities, households and/or individuals in the long-term. The goal of monitoring and evaluation analysis is to determine whether an affected household’s conditions have improved, been maintained, or declined.

The monitoring and evaluation process includes the following primary components:

- **Internal monitoring** – Looks mainly at progress against inputs in the areas of land access, resettlement and livelihood restoration. Checks progress against schedule and Plan and compliance with applicable policies and Company commitments
- **Outcome evaluation** – Can be either internal or external and assesses the outcomes (or results) of the measures to improve or maintain the standard of living of physically displaced households and livelihood strategies for economically displaced households, through an assessment of the mid-term and long-term impacts of the land access, resettlement and the Livelihood Restoration Program on affected households
- **Completion audit** – Ultimately checks whether the primary commitments made in this Plan and in each RAP and CRP have been met and determines any corrective actions that need to occur and the timeline for their completion

5.1 Internal monitoring

Monitoring refers to the ongoing, methodical data collection and analysis of land access, resettlement and livelihood restoration mitigation and development activities, which provides EHL with early and ongoing indicators of progress and goal achievement. Monitoring allows the opportunity to develop additional or alternative mitigation measures if objectives are not being met.

Monitoring takes place against the activities, entitlements and timeframe set-out in this Plan and contained within each RAP and CRP. Monitoring will check the progress against the indicators established in these documents and expected short-term results and will report the data quarterly to EHL.

The monitoring process measures whether inputs are delivered according to schedule and per Plan (including explanations for any variations) and whether targeted outputs are achieved. Input monitoring includes the following:

- Compensation for loss of land or land access
- Compensation for loss of crops
- Compensation for loss of houses
- Confirmation of reconstruction of new houses
- Support for vulnerable people
- Grievance process
- Any schedule variations

Monitoring will also collect data on changes that may, or may not be, directly related to project impacts including:

- Changes in households socioeconomic status
- Changes to local economy

The number of input monitoring indicators will reduce over time as the programs complete. Input monitoring indicators are defined in the CRP and RAP documents appropriate to each specific situation.

In addition to the input monitoring indicators which address specific mitigation inputs, indicators which cover more general socioeconomic changes may also be collected. These

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2 Monitoring will normally continue throughout the life of the Project, even after the period of intensive resettlement activity. The Lender Group may require monitoring well after resettlement activities are complete.
indicators may be collected through a range of tools, including the socioeconomic surveys associated with the integrated Health Demographic Surveillance System, as described in the Community Health, Safety and Security Management Plan. The applicability of these indicators and the frequency of collection will be reviewed on a regular basis.

For land access activities specifically, the following input monitoring indicators are reported on a weekly, monthly and annual basis:

- Total hectares assessed
- Total hectares compensated
- Percent of total hectares compensated
- Estimated total compensation
- Total compensation paid

5.2 Outcome evaluation

Outcome evaluation determines the extent to which inputs and outputs are achieving, or are likely to achieve, the overall goal and the principles of the RAPs with particular emphasis on livelihood restoration and standard of living. The evaluations will also identify and make recommendations for any changes or additional measures required to meet the needs of affected people. Additionally, the evaluations will capture lessons learned from each resettlement that will be useful for the Project’s future resettlement activities. For standard of living (physically displaced households):

- Whether post displacement living conditions are on balance an improvement over pre-displacement conditions; are the same as pre-displacement conditions, or are inferior to pre-displacement conditions
- The cause of any decline in current living conditions compared to pre-displacement conditions
- Corrective actions needed for any persons whose post-displacement conditions have declined and the decline can be associated with the impact of displacement

For livelihood restoration (economically displaced households):

- Whether post-displacement livelihood status is an improvement over pre-displacement status, is the same as pre-displacement status, or has declined as a result of displacement
- The cause of any decline in livelihood status compared to pre-displacement livelihood status
- Corrective actions needed for any persons whose post-displacement livelihood status has declined and the decline can be associated with the displacement

Outcome evaluation monitoring indicators include analysis of:

- Standard of living for households that have been physically displaced (see Table 5-1)
- Livelihood restoration for households that have been economically displaced. Some households that have been physically displaced will also have been economically displaced, but livelihood restoration and standard of living will be analysed separately (see Table 5-2)

Indicators for evaluation of the outcomes of livelihood restoration measures will include income, as well as proxy indicators, because many people are reluctant to divulge their actual income (indicators are shown in Table 5-1 and Table 5-2).
Table 5-1: Standard of living data analysis for physically displaced households

<table>
<thead>
<tr>
<th>HEAD OF HOUSEHOLD NAME</th>
<th>TENURE</th>
<th>SIZE, STRUCTURE OF HOUSING</th>
<th>UTILITIES (RETICULATED WATER SUPPLY, METAL ROOF, TOILET, WASTE MANAGEMENT)</th>
<th>ACCESSIBILITY (MARKET, HEALTH CLINIC, SCHOOLS, WATER SOURCES ETC)</th>
<th>ASSESSMENT (IMPROVED, MAINTAINED OR DECLINED)</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>PRE-DISPLACEMENT</td>
<td>POST- DISPLACEMENT</td>
<td>PRE- DISPLACEMENT</td>
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<td>PRE- DISPLACEMENT</td>
</tr>
</tbody>
</table>

Table 5-2: Livelihood restoration data analysis table for economically displaced persons

<table>
<thead>
<tr>
<th>HEAD OF HOUSEHOLD NAME</th>
<th>GROSS INCOME (YEARLY)</th>
<th>ABILITY TO SETTLE EXISTING DEBTS</th>
<th>AMOUNT SPENT ON MOBILE PHONE CREDITS (MONTHLY)</th>
<th>INVESTMENT IN INCOME PRODUCING ACTIVITIES* (E.G. AMOUNT SPENT PURCHASING NEW SEEDS OR ANIMALS, AMOUNT SPENT ON OVEN PURCHASE ETC.)</th>
<th>PURCHASE OF LUXURY ITEMS* (E.G. VALUE OF PHONE CREDITS, AMOUNT SPENT ON BAKERY ITEMS, SUCH AS CAKES)</th>
<th>ASSESSMENT (IMPROVED, MAINTAINED OR DECLINED)</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>PRE- DISPLACEMENT</td>
<td>POST- DISPLACEMENT</td>
<td>PRE- DISPLACEMENT</td>
<td>POST DISPLACEMENT</td>
<td>PRE- DISPLACEMENT</td>
<td>POST DISPLACEMENT</td>
</tr>
</tbody>
</table>

* These items will be specified in each RAP and/or CRP. Examples are provided here, but the indicators must be tailored to the specific situation of those impacted by economic displacement.
Where the data analysis indicates that households have declined or are very close to a declined state in either standard of living or livelihood restoration indicators, further analysis will be undertaken to determine the following for each of the declined households:

- Specific factors related to the declined conditions
- Probable cause of declined condition – Is the cause associated with displacement or to a factor unrelated to displacement?
- If the decline is related to displacement, corrective actions need to be identified including a timeline for implementation

The Resettlement team will undertake internal evaluations through assessing a representative sample of displaced households and individuals. Internal evaluations for standard of living assessments (applicable to physically displaced households) will be undertaken within six months of relocation, with a follow-up review approximately six months later. Livelihood restoration assessments (applicable to those who have economically displaced) will be undertaken approximately six to twelve months after the commencement of the Livelihood Restoration Program and continue for about one year after livelihood measures have been completed.

The results of these evaluations will be verified by the IESC, who will review a subset of the cases sampled internally. The IESC will conduct this review every six months.

Evaluations will determine the extent to which inputs and outputs are achieving, or are likely to achieve, the overall goal and the principles of the RAPs, with particular emphasis on livelihood restoration and standards of living. The evaluations will also identify and make recommendations for any changes or additional measures required to meet the needs of affected people (including hosts). Additionally, the evaluations will capture lessons learned from each resettlement that will be useful for the Project’s future resettlement activities.

5.3 Completion audit

An independent third party will be contracted to conduct a completion audit for each RAP and CRP. The overall purpose of the completion audit is to determine whether the RAP/CRP and its implementation comply with the requirements of Performance Standard 5: Land Acquisition and Involuntary Resettlement (IFC, 2006). The completion audits for all Project resettlements will focus on standard of living (physical displacement) and livelihood restoration (economic displacement) measures and effects.

Completion audits will occur approximately 12 months after all RAP and CRP measures have been implemented.

Livelihood restoration and monitoring will need to continue for those households deemed not to have regained their pre-displacement levels where this can be linked to the activities of EHL.

The completion audit will verify:

- That all physical inputs committed to have been delivered in a timely manner and all services are provided in order to meet standard of living requirements for physically displaced households
- That efforts to restore the livelihoods of economically displaced households have been properly conceived and executed and have had the desired effect and, if not, identify the cause of failure to achieve the desired effect
- That resettled landowners are achieving sustainable livelihoods

The completion audit will bring to a close the resettlement process. However, if the completion audit finds that certain resettlement objectives have not been achieved, the audit will recommend additional actions and a timeframe in which they should be completed.
6.0 REPORTING

6.1 Internal

Internal reporting will include summaries of issues and challenges encountered while executing the work and remedial actions required to meet the objectives of this Plan. These reports will be prepared on a monthly basis.

Outcome evaluation reports to management will be prepared bi-annually, following each outcome evaluation.

6.2 External

All RAPs and CRPs will be made accessible to interested stakeholders through the Project website.

EHL will also prepare and submit to the IESC/Lender Group a semi-annual Production Environmental and Social Report for the period following the completion of construction and prior to operations, followed by annual reports thereafter. The Production Environmental and Social Report will summarise the Project’s performance and compliance in all material respects with the Environmental and Social Management Plan (including this Plan), applicable Lender Group environmental and social standards and all applicable environmental and social laws. The elements of these reports that are relevant to this Plan are:

- Details of environmental monitoring (sampling and analysis) and social monitoring undertaken during the reporting period
- Details of livelihood restoration monitoring, where applicable
- Details of additional land acquisition and compensation and resettlement where applicable
7.0 ROLES AND RESPONSIBILITIES

The following job descriptions are examples of the type of roles that will apply during the Production phase. As the needs of the Project change over time, some roles may be replaced and or combined with others that are more appropriate to the Project’s needs at the time. Some roles may be outsourced to external third party providers as appropriate.

7.1 Job descriptions – Land access

Land and Compensation Manager:

- Management responsibilities include oversight and coordination of the following activities:
  - Execution of land agreements, on behalf of EHL, ensuring compliance with all corporate contracting standards, delegation of authority guide and process control requirements prior to contract execution
  - Implementation and execution of plans for the payment of Oil and Gas Act 1998 compensation owed to landowners in a timely manner
  - Interface with the Grievance Management team to assist in the resolution of land grievances
  - Interface with field teams to effectively meet schedule and make payments
  - Compilation of performance metrics and status updates
  - Execution of land-related activities in accordance with EHL safety, security, health and environment standards and policies
  - Provision of advice on Papua New Guinean hydrocarbon resource law and the Oil and Gas Act 1998
  - Capturing lessons learned
- Stewardship of responsibilities associated with the cash payment process and ensure compliance with all process controls
- Preparation of budgetary forecasts for land and compensation-related activities

Land Management Lead:

- Oversee the execution of land agreements, on behalf of EHL, ensuring compliance with all corporate contracting standards, delegation of authority guide and process control requirements prior to contract execution
- Assist with implementation and execution of plans for the payment of Oil and Gas Act 1998 compensation owed to landowners in a timely manner
- Interface with the Grievance Management team to assist in the resolution of land grievances
- Interface with field teams to effectively meet schedule and make payments
- Compile performance metrics and status updates
- Ensure execution of Land related activities in accordance with EHL safety, security, health and environment standards and policies
- Provide advice on Papua New Guinean hydrocarbon resource law and Oil and Gas Act 1998
- Capture lessons learned
- Prepare budgetary forecasts for land and compensation
- Monitor adherence to land management procedures/process and modify/update the Land Management Manual and other processes as necessary
- Coordinate necessary training in land compensation, basic legal knowledge, and other areas as required for field L&CA officers to execute land compensation plans/agreements effectively
- Assist in supervision of Field Cash Management team

L&CA Officer:
• Work with local community to determine who will be affected by EHL’s access to the land
• Interface directly with affected community to identify clan boundaries
• Work with the clans to identify clan agents who will represent the clan and receive compensation
• Ensure that the compensation process is properly witnessed and recorded
• Ensure proper records and documentation of all compensation activities
• Interface with EHL personnel to plan and schedule land compensation activities according to the Project priorities
• Work to ensure that all compensation activities are in compliance with Land Management Manual
• Ground truthing of social mapping data
• Provide reliable and timely updates to the Land Access team regarding coordinates of prominent sites and land boundaries
• Submit regular reports for updating of priorities and performance indicators

7.2 Job descriptions – Resettlement and livelihood restoration

Social Impacts Manager:
• Overall responsibility for achievement of resettlement and livelihood restoration goals
• Responsible for ensuring that programs implemented conform with the objectives and mitigation measures defined in this plan
• Receive regular reports on RAP implementation programs and review analysis of monitoring data and evaluation processes
• Provides status updates to L&CA Manager for distribution to Lenders and the IESC, as required
• Commissions advice from technical experts and specialists as required

Resettlement Team Coordinator:
• Reports to the Social Programs Manager and has day-to-day responsibility for the development and ongoing stewardship of resettlement program
• Coordinates the following teams:
  • Census and Survey team
  • RAP Implementation team (including the monitoring and evaluation)
• Coordinates the writing and review of RAPs and CRPs as required
• Serves on the Grievance Panel

Census and Survey team:
• Undertake the initial reconnaissance surveys, census, asset and livelihood surveys and spatial mapping
• Plan and undertake video surveys as appropriate
• Complete any required clan boundary demarcation and identification

Resettlement Advisor:
• Review draft RAPs and act as an expert advisor to provide high-level input and guidance prior to documents being endorsed for distribution and implementation

RAP Implementation team:
• The RAP Implementation team is composed of an Implementation Coordinator with day-to-day management responsibility for:
  • Initial formation and ongoing operations of the RAP Implementation team
  • Management of RAP implementation for relevant areas
- Planned consultation with and information disclosure to affected households and host communities
- Provision of regular progress reports to the Resettlement Team Coordinator
- Liaison with the Local Advocate and Compensation Advisor
- Coordination of the Resettlement Assistance Package delivery
- Resettlement grievance procedure operation

• In addition, coordination and support personnel will assist with coordinating and implementing:
  - Physical infrastructure development
  - Procurement and logistics
  - Compensation advice
  - Consultation and disclosure
  - Resettlement package delivery
  - Grievance management

Livelihood Restoration Team:

• The Livelihood Restoration team will also be responsible for implementation of livelihood restoration and development support programs and for livelihood restoration aspects of RAP implementation progress monitoring and reporting. In addition this group will also establish and maintain a resettlement database containing the monitoring baselines

The L&CA team will provide personnel to support the implementation of resettlement activities by acting as the principal point of day to day contact with households to be relocated. They will also coordinate all consultation processes and will work closely with the Local Advocate and Compensation Advisor. The RAP Implementation team will also communicate and coordinate with the relevant Village Liaison Officers from the affected areas.

The Public and Government Affairs team will support the resettlement process by coordinating communication and consultation with the relevant local and regional government departments.

7.3 Competency

Land access, resettlement and livelihood restoration are technically complex fields. The Project will ensure subject matter experts are placed in management positions to ensure these topics are managed effectively. This may be through direct employment or through engaging consultants.
8.0 TRAINING AND AWARENESS

8.1 Training

Training will be provided for land access, resettlement and livelihood restoration teams on the following topics:

- Stakeholder engagement approaches appropriate to rural Papua New Guinean communities
- All planning engineers will undergo specific training on the importance of the avoidance of displacement (economic and physical) where possible, and where not possible, the minimisation of impact, and the restoration of livelihoods
- Monitoring and evaluation training, with a focus on analysis skills will be provided for Port Moresby based resettlement and livelihood restoration team members and managers

8.2 Awareness

The Project induction will include a brief explanation of land ownership and cultural structures for all employees.
9.0 REFERENCE LIST


