



EASTERN HIGHLANDS PROVINCIAL GOVERNMENT

LUFA DISTRICT DEVELOPMENT AUTHORITY BOARD



LUFA DISTRICT FIVE YEAR DEVELOPMENT PLAN

2023-2027

Acknowledgments

The Lufa DDA Board would like to acknowledge the involvement and regular guidance from the Member for Lufa from the outset. Also, the Lufa DDA Chief Executive Officer his Deputy, and District Finance Manager played a crucial role and facilitated the participatory workshop and consultative practical inputs of all Sectoral Managers to converge views on setting the platform and parameters of formulating the Lufa District Five Year Development Plan 2023-2027. Initial dialogue with key State agencies and development partners provided the basis for the DDA Board to adopt the Sector Priorities and align them to the DSIP budget envelope.

Specialized service providers are commended for undertaking initial legwork, policy reviews, budget planning and collation of baseline data from stakeholder conversations who provided invaluable inputs to feed the new approach for the Plan design. The support of ancillary staff of Lufa DDA who ensured minimal disruption in logistics support during workshop deserve special mention

Disclaimer and Copy Right

Disclaimer: THE INFORMATION PROVIDED IN THIS PUBLICATION IS OFFERED AS-IS, WITHOUT WARRANTY. THE READER OF THE INFORMATION PROVIDED BY THIS PUBLICATION ASSUMES ALL RISKS FROM USING THE INFORMATION PROVIDED HEREIN. THIS PUBLICATION'S OWNERS, AUTHORS AND PARTNERS DISCLAIM ANY AND ALL LIABILITY FROM THE INFORMATION PROVIDED HEREIN. ANY FINANCIAL OR OTHER INFORMATION PROVIDED IN THIS PUBLICATION IS NOT INTENDED AS A REPLACEMENT FOR PROFESSIONAL CONSULTATIONS WITH OTHER QUALIFIED TECHNICIANS. IF THIS PUBLICATION PROVIDES FINANCIAL-RELATED INFORMATION, NO SUCH INFORMATION PROVIDED BY THIS PUBLICATION IS INTENDED TO OFFER ANY SPECIFIC DIAGNOSIS TO ANY INDIVIDUAL'S ECONOMIC OR FINANCIAL PURSUITS.

© 2023 Lufa District Five Year Development Plan – 2023 to 2027

The information published in this five-year district development plan is copyrighted by the Lufa District Development Authority, Lufa District, Eastern Highlands Province, Papua New Guinea. Feel free to quote, but reproduction or circulation of this material in any form of storage, paper, electronic etc is forbidden without the express written permission of the Lufa District Development Authority. All contents copyright ©2023, all rights reserved.

The Lufa District Five Year Development Plan 2023 – 2027 has been reviewed and approved by the National Department of National Planning and Monitoring on 30 March 2023 (in principal) before official release of MTDP IV. Any changes will be done after the official release and launching of MTDP IV. This will allow the district to proceed with its development plans for the medium term.

Abstract

The Lufa District Five Year Development Road Map has been designed by the Peoples Parliamentary Representative following consultations with key stakeholders in the 3 Local Level Government (LLG) covering 32 Wards. It will guide the Lufa District Development Authority Board (DDAB) in equitable allocation of District Service Improvement Program (DSIP) funds for prioritized socio-economic sectors in collaboration with National Government (GoPNG), Eastern Highlands Provincial Government (EHPG) and development partners. The Catalytic Economic Projects driven by Small-Medium Enterprises (SMEs) will be given special consideration to stimulate an entrepreneurial drive to create wealth. Church run Health and Education institutions and centers are prioritized with 10% DSIP funding, under the State Church Partnership Program. Lufa DDAB will exercise its right for equity options in Krater Mountain Mining Project as partial host District. The Coffee rehabilitation and expansion programs will be initiated and supported. The dormant Lufa Mushroom (Juncao) Pilot Project will be Revived into a Key Joint Venture Commercial Industry. Activate Inactive TVET Initiatives and educational opportunities will attract substantive support from the DSIP (& PSIP). Climate Change and Environment Conservation initiatives will be factored into all development agendas and programs. Enterprising constituents will be assisted with seed capital for deployment in Village Industries or Agro-based SMEs and be self-reliant to afford basic goods and services. It will stem incidence of poverty, illicit practices and HIVAIDS. Economic infrastructures like roads, bridges, power and telecommunication linkage carry priority rank to spur Business Growth Centres in strategic locations to promote sustained economic growth of the District

Note: This Plan was crafted during transition from MTDP3 to MTDP4 presentation format, hence MTDP3 is applied and that any major changes shall be reviewed and adjusted later to comply with MTDP4 presentation format.

Picture: Lufa DDA CEO, Deputy CEO and Sectoral Managers at Planning Consultative Workshop – November 23-25, 2022, Phoenix Hotel, Goroka, EHP



	Page
List of Abbreviations and Acronyms	5
Foreword by Open Member	6
Remark by DDA Chief Executive Officer	7
Executive Summary	8
I. Summary Breakup of DSIP Funding of Priority Sectors	10
II. Summary Budget of the Five-Year Development Plan	11
III. Overview and Summary of Development Priorities, Strategies and Objectives	12
IV. Profile of Eastern Highlands Province	13
V. Lufa District Profile	16
VI. Lufa District Five Year Development Plan 2023-2027	20
VII. Lufa District in Planning Context	21
III. Guiding Principles of Development Plan	22
IV. Strategic Partnerships and Network Forging Framework	22
V. Vision, Mission, Goals, Values	23
 Sectoral Profiles	
PART A: GOVERNANCE & ADMINISTRATION	24
SECTOR 1: STRENGTHEN DISTRICT DEVELOPMENT AUTHORITY CAPACITY	24
i. District Administrative Reforms and Structural Adjustment	
ii. Strengthen DDA Capacity and Operational Support	
iii. Good Governance and Accountability	
SECTOR 2: BUSINESS INVESTMENT & GROWTH CENTRES FOR SELF-SUFFICIENCY	28
i. LLG and Ward Administration and Support	
ii. Establish Lufa District Business Arm	
iii. Strategic Investments in Industries & Business Growth Centers	
iv. Wards and LLG Chambers Development Program	
PART B: SOCIAL & COMMUNITY DEVELOPMENT	33
SECTOR 3: HEALTH	33
i. DDAB – Church Partnership Program	
ii. Rural Health Centre’s and Clinics/Aid Posts Rehabilitation	
iii. Community Multipurpose Resource Centres of Influence	
iv. Water Supply and Reticulation System	
SECTOR 4: EDUCATION	38
i. DDAB-FBO Partnership for Quality Outcome	
ii. Student Fee Subsidy Scheme: Universal Basic Education	
iii. Schools Infrastructure Development and ITC Support Program	
SECTOR 5: LAW & JUSTICE	41
i. Village Courts and Peace Mediation Support Program	
ii. Police Support & Rural Lock-up Project	
iii. Anti-Drug Abuse and Guns Control Advocacy	
SECTOR 6: COMMUNITY DEVELOPMENT ACTIVITIES	43
i. Sports and Recreational Facilities Development	
ii. Establishment of Local Market & Facilities for Fresh Produce	
iii. Youth and Women Empowerment Initiative	
iv. Strategic Network with Development Partners	
PART C: ECONOMIC AND BUSINESS DEVELOPMENT	46
SECTOR 7: ECONOMIC INFRASTRUCTURES	46
i. New Access Road Construction and Rehabilitation Plan	

ii.	Communication Network Expansion-Tower Installation	
iii.	Rural Electrification and Alternate Power Source	
SECTOR 8:	AGRICULTURE AND LIVESTOCK	57
i.	Agro-Industries Incentive Scheme for Youths & Families	
ii.	Livestock Farming- Cattle, Sheep, Goats, Priority.	
iii.	Industrialize Lufa Mushroom (Juncao) Project	
iv.	Coffee Farmer Credit Support for Start-up Capital	
SECTOR 9:	COMMERCE AND INDUSTRY	62
i.	SMEs-Small-Scale Business Activities	
ii.	Agro-Business Management and Commercial Training	
iii.	Development & Expansion of Apiculture (Bee-hive Distribution)	
iv.	Micro-Credit Guarantee Scheme (NDB)	
SECTOR 10:	NATURAL RESOURCES DEVELOPMENT	65
i.	Forestry and Afforestation Program	
ii.	Fisheries and Aqua-Culture – Inland Fish Farming	
iii.	Hydrocarbon & Mineral Resources Development	
iv.	Environment Conservation and Climate Change	
SECTOR 11:	LAND USE AND DEVELOPMENT	72
i.	State Land and Asset Utilization	
ii.	Customary Land Registration-SABL and Business Partnership Arrangement	
iii.	Incorporated Land Groups (ILG)- Land Mobilization and Development.	

PART D:	KEY SUPPORTING DOCUMENTS (ATTACHMENTS)	75
Attachment # 1:	<i>Lufa DDA Board Approved Priorities (per Resolutions)</i>	
Attachment # 2:	<i>SWOT Analysis Matrix</i>	
Attachment # 3:	<i>Annual Sectoral Expenditure Budget</i>	
Attachment # 4:	<i>District Plan Results Framework</i>	
Attachment # 5:	<i>DSIP Guideline Compliance Management Schedule</i>	
Attachment # 6:	<i>Risk Assessment and Management Framework</i>	
Attachment # 7:	<i>Monitoring and Evaluation Framework</i>	

List of Tables

Table 1:	District Services Improvement Program (DSIP) Budget Summary	10
Table 2A:	Overview of 5 Year Cycle Budget	11
Table 2B:	Overview and Summary of DDA Board Priorities and Objectives	12
Table 3-S 1:	Ward & District Administration Sector Strategies, Desired Outcome, Activities and Budget Estimates	26
Table 4 – S 2:	Business Investment and Growth Centre Sector Strategies, Desired Outcome, Activities and Budget Estimates	29
Table 5-S 3:	Health Sector Strategies, Desired Outcome, Activities and Budget Estimates	34
Table 5-S 4:	Education Sector Strategies, Desired Outcome, Activities and Budget Estimates	39
Table 6-S 5:	Law & Justice Sector Strategies, Desired Outcome, Activities and Budget Estimates	42
Table 7-S 6:	Community Development Sector Strategies, Desired Outcome, Activities and Budget Estimates	44
Table 8-S 7.1	Economic Infrastructure Sector Strategies, Desired Outcome, Activities and Budget Estimates	47
Table 8-S 7.2:	Lufa District Five Year Economic Priority Projects and Budget Estimates	48
Table 8-S 7.3:	Economic Sector (ICT and Rural Electrification) Strategies, Desired Outcome, Activities and Budget Estimates	56
Table 9-S 8:	Agriculture and Livestock Sector Strategies, Desired Outcome, Activities and Budget Estimates	58
Table 10-S 9:	Commerce and Industry Sector Strategies, Desired Outcome, Activities and Budget Estimates	64
Table 11-S 10.1:	Natural Resources (Forestry & Agro-forestry) Sector Strategies, Desired Outcome, Activities and Budget Estimates	67
Table 11-S 10.2:	Natural Resources (Mineral Resource) Sector Strategies, Desired Outcome, Activities and Budget Estimates	70
Table 11-S 10.3:	Natural Resources (Environment & Conservation) Sector Strategies, Desired Outcome, Activities and Budget Estimates	71
Table 12-S 11:	Land Use and Development Sector Strategies, Desired Outcome, Activities and Budget Estimates	74

LIST OF ABBREVIATIONS/ACRONYMS

<u>Abbreviation</u>	<u>Definition</u>
ADB	Asian Development Bank
BOM	Board of Management
CBO	Community Based Organization
CCDA	Climate Change Development Authority
CEO	Chief Executive Officer
CEPA	Conservation and Environmental Protection Authority
CIC	Coffee Industry Corporation
DIRD	Dept. of Implementation and Rural Development
DDAB/DDA	District Development Authority Board/District Development Authority
DP	Development Partners (Australia, China, Japan, United States, United Kingdom, New Zealand, European Union, World Bank, ADB, IFAD, UN, Care International, Oxfam etc.)
DSIP	District Services Improvement Program
FBO	Faith Based Organization
EHPG	Eastern Highland Provincial Government
EHPHA	Eastern Highlands Provincial Health Authority
GoPNG	Government of Papua New Guinea
HQ	Headquarter
HR/HRD	Human Resource/ Human Resource Development
ILG	Integrated Landowner Group
ITC	Information Technology & Communication
JV	Joint Venture
LDDA/LDDAB	Lufa District Development Authority/Lufa District Development Authority Board
LLG	Local Level Government
LO	Land Owner
M&E	Monitoring & Evaluation
MTDP	Medium Term Development Plan
NADP	National Agriculture Development Plan
NDB	National Development Bank
NEC	National Executive Council
NGO	Non-Government-Organization
NSDP	National Strategic Development Plan
OLPGLLG	Organic Law on Provincial Government and Local Level Government
PG	Provincial Government
PNG	Papua New Guinea
PS	Public Service
PS-GO	Public Service General Order
PSIP	Provincial Services Improvement Program
PPP	Public Private Partnership
SME	Small-Medium-Enterprise
TFF	Tertiary Fee Free
UN	United Nations
UN SDG	United Nations Sustainable Development Goal

Foreword By Member



This Document articulates the District Five Year Rolling Plan or Roadmap and provides the context and direction for progressive development of **Lufa District** under the New DDAB mandate and tenureship. It underpins the **Priority Initiatives** and encourages collaborative partnership with National, Provincial and Local Level Governments, Development Partners and Non-State Actors to synchronize implementation in order to reduce inequitable development of the District. The **Priority Projects** are aligned to the EHPG Integrated Provincial Development Plan and major policy pillars. The paradigm shifts from **“business as usual”** mode to a dynamic mode to capture Public Sector Reforms which streamline District implementation strategies with the Directional principles embedded in the overarching pillars and the National Budget Framework.

The Road Map is an innovative approach to rationalize and align policy to programs/projects with policy- driven budget. Special attention will be accorded to elevate Sector Priority Initiatives so that impact is visible and experienced. *It has been crafted against the backdrop of lack of proactive leadership, politicizing projects, poor project management expertise and inadequate personnel capacity, law and order, compounded by logistical challenges in the delivery chain. Efforts will be exerted to rectify the legacy issues that have perpetuated chronic imbalance in services outreach, hence disadvantaged isolated communities experiencing marginal socio-economic change. Heightened focus will be on assisting constituents to be inclusive actors in SMEs, agri-business and rural industries including Coffee, Apiculture and Lufa Mushroom Project. With funding, resources and capacity constraint the focus of the district will target toward few sectors where the district's strengths are to maximise economic returns on.*

The DDAB will set-up an Investment Business Arm that caters for its investment portfolios to help sustain its service operations. It is consistent with provisions of OLPGLLG Act 1997 and DDA Act 2023-24 for DDA's/LLGs rights to conduct business to bolster internal revenue and attain financial self-sufficiency. It will ensure that the resource owners are equitable participants in *spinoffs emanating from potential extractive projects like Krater Mountain Mining, hydrocarbon, commercialization of Lufa Mushroom, expand Apiculture and Carbon Trading from Conservation Areas.*

Developing enabling Socio-Economic Infrastructures to support rural farmers and empowerment of human capital is paramount. Demand for social services is growing rapidly whilst State funding is static therefore drastic innovative approaches is necessary to ascertain that Lufa is in the mainstream of economic growth or face the risk of being lagging behind. In modernizing PNG, schools and communities must be upgraded with current telecommunications system, electricity in various forms, water supply and ITC connectivity for children to attain competitive quality education. The sectoral priorities in the District Plan reflects the New Leaderships vision with clear sense of direction and commitment to empower the people in the 32 Wards in 3 LLGs to be resilient to overcome the constraints with innovative steps to be inclusive partners in wealth creation to and to be self-sufficient with access to basic goods and services for improved lifestyle.

The Roadmap journey will be one with **resource challenges** and **capacity constraints**. It is therefore the DDABs interest to **forge strategic collaborative partnerships** with GoPNG and development partners and civil society organizations to achieve the desired outcomes, produce required deliverables, targets of the prioritized initiatives and projects.

Simo Kilepa

Honourable Simo Kilepa, MP

Member for Lufa Open, Chairman of DDA Board & Minister for Environment Conservation & Climate Change

Lufa District CEO's Remarks



The Priority Integrated Socio-Economic Development Projects is a reflection of a paradigm shift from “hand-out dependency” to “help-out approach” that will set the platform for Lufa to become a model District that will help the people to be economically vibrant and be financially self-sufficient.

Efforts to attain the desired objectives, targets and indicators will face challenges and manpower constraints, however they are achievable with leadership commitment and sustained implementation assistance and the support of astute development partners in community programs and investors in business enterprises.

The collaborative support of our strategic partners, especially home-based ones; and NGO's with their targeted interventions towards our development efforts will be most essential. Working with our faith-based organizations (FBO) is critical for greater outreach, sustained presence, visible impact and margin of success.

The Priority DSIP Projects Implementation Plan provides the **strategic thinking** of the incumbent leadership that is focused on LLGs structural adjustment, reorientation of its business operations and service delivery chain. The bold step is to systematically embrace changing circumstances and daunting demands prompted by internal and external dynamics.

DSIP plays a pivotal role in adding value to government's strategic priorities in nation building starting at the rural base level with workforce capacity building and HRD framework to create wealth espoused in MTDP3/4, Vision 2050 and UN SDG. Its primary responsibility is to deliver practical, qualitative service to meet the needs of the rural masses and empower them with innovative methods to be inclusive participants in life changing activities.

DDA is committed to deliver outcomes anchored on directional principles of good governance, ethical leadership, prudent resource management, compliance and accountability. Upscaling capacity is crucial, especially of role players who are positioned in the service delivery mechanisms. With the increased DSIP allocation *the policy will continue to attract focus to stimulate rural development, empower village industries and alleviate poverty and eliminate the dependency syndrome.*

Targeted Training for LLG's and Wards with ICT connectivity and rehabilitating core enabling infrastructures will empower rural people to experience visible change and improved lifestyles. The peoples' resilience and enterprising spirit will be boosted with incentive help-out schemes and credit facilities through establishment of user-friendly Micro-Finance facilities to facilitate MSME to propel Lufa into a business growth hub.

The emphasis on strategic reforms in the administration which will help revamp and realign core programs, ensure quality of service through change management is imperative. LDDA must be abreast of rapid globalisation, adopt ICT connectivity to access opportunities to meet diversifying needs and challenges in the business space.

Key strategic approaches to engender *inclusive growth during the implementation cycle will emphasize a Paradigm shift from conventional work practice to corporate approach; bolster collaboration with key stakeholders to attain desired deliverables, outcomes; and assist viable revenue generating MSME's and business ventures that will be self-sustaining over the long-term.*

The Plan is innovative, proactive and outward looking to draw external development partners and investors who would be keen to pursue joint venture in target natural resource development activities. DDA is now better organized and strategically positioned to navigate the District to new heights of prosperity and financial autonomy over the coming five years.

The escalating challenges confronting PNG are numerous, and the District must stay alert in the context of being vibrant and proactive to meet the changing expectations of the stakeholders. Evolving dynamics over the last decade has overwhelmed the District's capacity to keep pace with significant changes .

Demo Imara

Demo Imara
Chief Executive Officer
Lufa District Development Authority



Executive Summary

The Lufa District Development Plan is a five-year development plan for Lufa District in Eastern Highlands Province which will cover the period 2023-2027. This plan is aligned to the National Government's medium to long term development plans and vision enshrined in MTDP III/IV, National Strategic Development Plan and Vision 2050 and the UN Sustainable Development Goals. The MTDP III/IV is the medium-term development plan aligned to the parliamentary cycle of five years.

This development plan captures and takes into account the recent reforms under the DDA Act as well as relevant updated developments and provides a Road Map for the District to effectively implement its plans and programs for service delivery to the people. **It is understood the MTDP IV is in draft stage and has not being officially released by the National Government and therefore most of the contents are aligned to the current MTDP III.** Any major or drastic changes in MTDP IV will be reviewed and captured in the updated version of this development plan, otherwise any format or priority changes can be accommodated in each revised annual budget plans. Therefore, the *design of this development plan* is a **simplified version targeted to guide implementors.**

The **Lufa District** consists of **Three (3) LLGs and 32 Ward Council areas** with an estimated population of **45,868 (2011)**. It is one of the eight Districts of Eastern Highlands Province. **Lufa District Development Road Map** is a proactive initiative formulated by the National MP after consultations and workshop with key stakeholders and incumbent CEO of Lufa DDA. Subsequently, the Proponent coordinated inputs hence designed strategies to address the remote rural people's need by way of a **District-LLG Based Development Plan as a Way Forward.**

The starting sections provide a profile of the district and a brief background on socio-economic and development situation and challenges in the district in contrast to the development goals and visions set forth by the National Government. These development challenges have provided the basis for Lufa district to set its medium-term and long-term vision, mission and goal in the development plan and identifies the immediate top priorities to address. Similar to many remote districts in the country, Lufa district's five-year development plans top five priorities are: socio-economic infrastructures (including buildings for schools and health centers), health, education, agriculture and strengthening governance and administration of the district.

The five-year district development budget is constrained to K20 million per year under District Services Improvement Program (DSIP) and total funding envelop for the five-year period will be K100 million under the recent announcement by Marape-Rosso government. However, the district is embarking on Partnership arrangements with key stakeholders in development such as Provincial Government, National Government, Local and International Development Partners, State-Owned Enterprises, Faith-Based Organisations and Non-Government Organisations to increase funding and resources by additional K150 million up to K250 million for the entire five years to address the challenges of the top priority sectors. By addressing these challenges, it is the district's long-term vision to improve access to basic services and income earning opportunities for the people of Lufa by 10 percent or more from the status quo.

The implementation is through strategic sectoral analysis covering all sectors from Governance and Administration (Strengthening District Development Authority capacity, Business Investment & Growth Centres); Social and Community Development (Health, Education, Law & Justice and Community Development Activities); and Economic and Business Development (Economic Infrastructure, Agriculture & Livestock, Commerce & Industry, Natural Resource and Land Use). The sector analysis covers sectoral strategic objectives, activity plans and estimated budget and provides a guide for each sector implementors.

The Road Map identifies the rural development potentials and fits into appropriate *National Government Development Policy and Implementation Frameworks* such as the MTDP III 2018-2022, National Development Strategy, Vision 2050, UN SDG 2030. The Priority Sector identified in the Road Map are critical areas factored in the Plan under Sectoral rural development programs, Initiatives and to be progressively implemented for the benefit of the remote people, who have remained isolated for decades without basic services.

However, the important part of this District-LLG based Plan will also strengthen the coordination effort of Development Partners and DDA Officials to make the delivery mechanism functions effective and efficient. Monitoring of program implementation shall be from top down to Ward and village levels. This approach will ensure remote people have equitable access to State resources and services. Many inhabitants in remote parts still lead isolated lifestyle in challenging mountainous terrains bordering Simbu and Eastern Highlands Provinces.

The Plan sets the backdrop for annual planning and budgeting to fund socio-economic sectors in Lufa. It is the visionary Roadmap that sets the framework and sense of direction to achieve target milestones and deliverables over coming five years. The existing socio-economic situation analysis provides a reality check that demands a strong Leadership stance to bring into focus the criticality of developing Agro-industries, equity participation from benefits accruing through hydrocarbon/minerals, new road networks, Hydro-electricity, District Headquarter, ICT capacity, support SME as engine to trigger growth, Strategic Partnership in Health and Education, Youth and HR empowerment, climate change, water supply and law and justice;

Lufa District Annual Sectoral Development Programs have remained largely unfulfilled due to lack of proactive leadership, inconsistent policies and inadequate budgetary support. Consequently, the District remains in perpetual stagnant state and requires radical change to get Lufa into mainstream national economy. This is albeit the fact that major minerals extraction by Crater Mountain Mining has been operating for the past twenty years; and the Jun Cao Technology trialed by Lufa Mushroom Project, not been industrialized. There is greater need to revive these to set business growth base.

It is envisaged that Lufa will experience drastic visible changes in the peoples' attitude towards improved lifestyles and living standards with the streaming of potential extractive industry projects, Joint Venture Investment financing of Lufa Mushroom Project, commercial expansion of Apiculture and sustained coffee rehabilitation as Lufa boasts a concentration of six (6) coffee processing and marketing mills.

To this end, the five-year development plan roadmap for Lufa District is ready for implementation amidst capacity challenges and its success requires the establishment of an effective Project Management Unit or team to support the DDA in implementation with regular annual monitoring and reporting. These are to be guided by Monitoring and Evaluation Framework as well as Risk Management Framework so that funding and resources will be used efficiently to achieve the vision espoused in this plan.

I. Summary Breakup of DSIP Funding of Priority Sectors

The DSIP Priority Projects to be funded under the Annual K20 million Budget Appropriation will involve:

Table 1: District Services Improvement Program (DSIP) Annual Budget Summary
(DSIP is recently being revised up from K10 million to K20 million under the Marape-Rosso Government)

Annual DSIP Budget Summary			
	PRIORITY SECTOR	TOTAL ALLOCATION (K20 million)	TOTAL ALLOCATION (in percentage of the Grand Total)
1	Rural Electricity and Communication	3, 000, 000	15 %
2	Roads and Transport Infrastructure	4, 000, 000	20 %
3	Water Supply & Sanitation	1,000, 000	5 %
4	Health	2, 000, 000	10 %
5	Education	4, 000, 000	20 %
6	Law and Justice	1,000, 000	5 %
7	Economic Empowerment	3, 000, 000	15 %
	<ul style="list-style-type: none"> SME Growth Initiatives 2,000,000 Agriculture-agro-industries 1,000,000 		10 % 5 %
	Aggregate Sector Total	18, 000, 000	
8	Administration Component (10%)	2, 000, 000	10 %
	GRAND TOTAL BUDGET	20, 000, 000	100 %

The Five Year District Development Plan (FYDDP) is not confined to funding from DSIP, rather the above shows the allocations to key government sectoral priorities whereby Lufa district will show commitment from DSIP to attract other funding sources through the Provincial Government, National Government institutions, Public Investment Program (PIP), and Development Partners both international (Australia, China (PRC), Japan, New Zealand, United States, Asian Development Bank, World Bank, United Nations, IFAD, Care International, Oxfam, etc.) and domestic to venture into partnership to co-financing projects under this plan. This FYDDP is part of the longer term 30-year plan envisioned in the PNG government's strategic plans (Vision 2050 and NSDP).

The DSIP Guideline Compliance Management Schedule in Attachment# 6 will guide the administration (Lufa DDA) to comply with the usage of DSIP funds for effective disbursement and accountability of public funds.

II. Summary Budget of the Five-Year Development Plan by Sectors for Lufa District (2023 to 2027)

Table 2A: Overview of 5 Year Cycle Budget

Sector	Total Five-Year Budget in millions of Kina	Percentage of Total	Source of Funding
1. Governance and District Administration Capacity	25.00	10 %	DSIP/DSG/PSIP /PIP/DP
2. Business Investment & Growth Centre	12.50	5 %	DSIP/DSG/PSIP /PIP/DP
3. Health (including Water & Sanitation)	37.50	15 %	DSIP/DSG/PSIP/ PIP/EHPHA/DP
4. Education	25.00	10 %	DSIP/DSG/PSIP /PIP/DP
5. Law and Justice	12.50	5 %	DSIP/DSG/PSIP /PIP/DP
6. Community Development	5.00	2 %	DSIP/DSG/PSIP /PIP/DP
7. Economic Infrastructure	75.00	30 %	DSIP/DSG/PSIP /PIP/DP
8. Agriculture & Livestock	32.50	13 %	DSIP/DSG/PSIP /PIP/DP
9. Commercial & Industry	7.50	3 %	DSIP/DSG/PSIP /PIP/DP
10. Natural Resource Development	12.50	5 %	DSIP/DSG/PSIP /PIP/DP
11. Lands	5.00	2 %	DSIP/DSG/PSIP
TOTAL	250.00	100%	

Refer to Table in Attachment # 3 for yearly breakup of Annual Budget over 5-year planning cycle

The summary of the five-year development plan budget accommodates for intervention support funding through partnership from other sources (National Government agencies, Provincial Government, Development Partners, NGOs, etc.) to compliment the DSIP funding of K100 million to develop and transform Lufa district within the next five years. The economic infrastructures sector is allocated with the largest funding as it is identified as the key economic enabler which will set the pace for other sectors to thrive on. The top five sectors (Economic Infrastructure, Health, Agriculture, Education and District Administration Capacity) with increase funding demonstrates the priorities envisioned and endorsed by the Lufa District Development Authority Board for Lufa District. *The funding allocated is only a guide on the sectors based on available information and estimates at the time of compiling and consultation. It may vary with changes in variables such as prices of goods and services, economic conditions or government policy based on situation over time which will be revised and captured in the district, provincial and national government annual budgets going forward each year by appropriate authorities.*

III. Summary of Development Priorities, Strategies and Objectives

Policy Priorities and Target Initiatives: Specific, Measurable, Achievable, Realistic, Time-Bound (SMART). The LDDAB **Development Priority Sectors** are centered around the following core impact sectors, with specific Prioritized Projects. They shall attract the intervention of DSIP, PSIP and PIP/CIP in undertaking these critically important Infrastructure and Business Investment Projects. These interventions in key enabling economic and social infrastructure are expected to improve the standard of living of the people in the *medium to long term* from their existing status quo such as having road access to sell coffee or garden produce, having easy access to clean drinking water, short distance of going to health facilities and school including improvement in school performance and competitiveness through use of information technology. At least the basic indicators of human development index in health, education (and literacy), employment and income earning opportunities of people in the district **improve by 10 percent or more from the current status quo.**

Table 2B: Overview and Summary of DDA Board Priorities and Objectives Under Each Sector

#	Socio-Economic Sector	Priority Projects, Activities	Strategic Objective	Strategic Outcome
i.	DDA Governance & Administration	Reforms and Human Resource Capacity Development, District Headquarter Complex, LLG-Ward Support	Bolster efficiency, accountability	Staff operating at a permanent headquarter in Lufa district.
ii.	Economic & Business	Setup Business Arm , Agro-industries, Food security, Business Centres	Enablers for Economic base & business growth	Set-up of rural markets, creation of District Business Arm to promote Business Growth Centres in 3 LLGs
iii.	Education	Partnerships with FBOs/NGOs/DPs, Fee Subsidy/Awards	Quality Human Resource Development, Upgrade School facilities, Information Technology & Communication (ITC)	Infrastructure and facilities at existing primary and secondary institutions are upgraded to required standard ; Increase number of children in rural complete Primary education level to reduce level of illiteracy; Establishing more pathway opportunities for secondary and tertiary education
iv.	Health	Partnerships with FBOs/NGOs/DPs/ Health Centres, Staff Houses	Healthy vibrant community	At least one of the current Clinics in the district is upgraded to District Hospital Status; Doctors and Health Workers are stationed at the rural clinics/hospital Rural; Population are made aware of preventive measures of communicable disease.
v.	Law & Justice (Order)	Police Support, Village Courts & Land/Peace Mediation	Community Policing, Effectiveness	Increase Community Involvement & Participation With State Agencies to Maintain Law & Order
vi.	Economic Infrastructure	Roads, Foot Bridge, Telecom, Rural Electrification, Solar, Hydro	Access markets, light, ITC, digital	Key infrastructure in place to support human and economic development.
vii.	Commerce & Industry	Industrialize Mushroom, Coffee & Apiculture Strengthening and Expansion, and Empower MSMEs	Economic growth Base, Business hub	Agro-Industry/Commercialisation of Mushroom and Coffee
viii.	Social and Community	Youth (Gender) Empowerment, Water Supply-sanitation, Sports	Benefits, partake change lifestyle	Healthy Community engage in productive activities
ix.	Environment and Conservation	Biodiversity, Climate Change Mitigation, Carbon sink protection	Carbon Trade, Credit, GEF Benefits	Landowner Groups benefit from Carbon Trade/Credits from Conservation activities
x.	Land Mobilization	ILG Registration, Landowner (LO) Identification	Resource dev access, Equity	Land Owners are supported and recognized fairly in resource or infrastructure development
xi.	Culture & Tourism & Sports	Culture, Trade artifacts, Cultural Show, Eco-Tourism	Preserve culture, Traditional identity	Maintain originality of Lufa Culture and Tradition for new and future generations

IV. Eastern Highlands Province Profile

Eastern Highlands Province Profile General Information



Vital Statistics-Fact File

Population Distribution

Highlands: 43%

Pop-2011: 3,001,598

(Growth rate: 3.8%)

EHP: 8.2%

Pop-2011: 582,159

(Growth rate: 2.7%)

Districts Pop Distribution

Daulo: 8.1%

Goroka: 16.7%

Henganofi: 11.0%

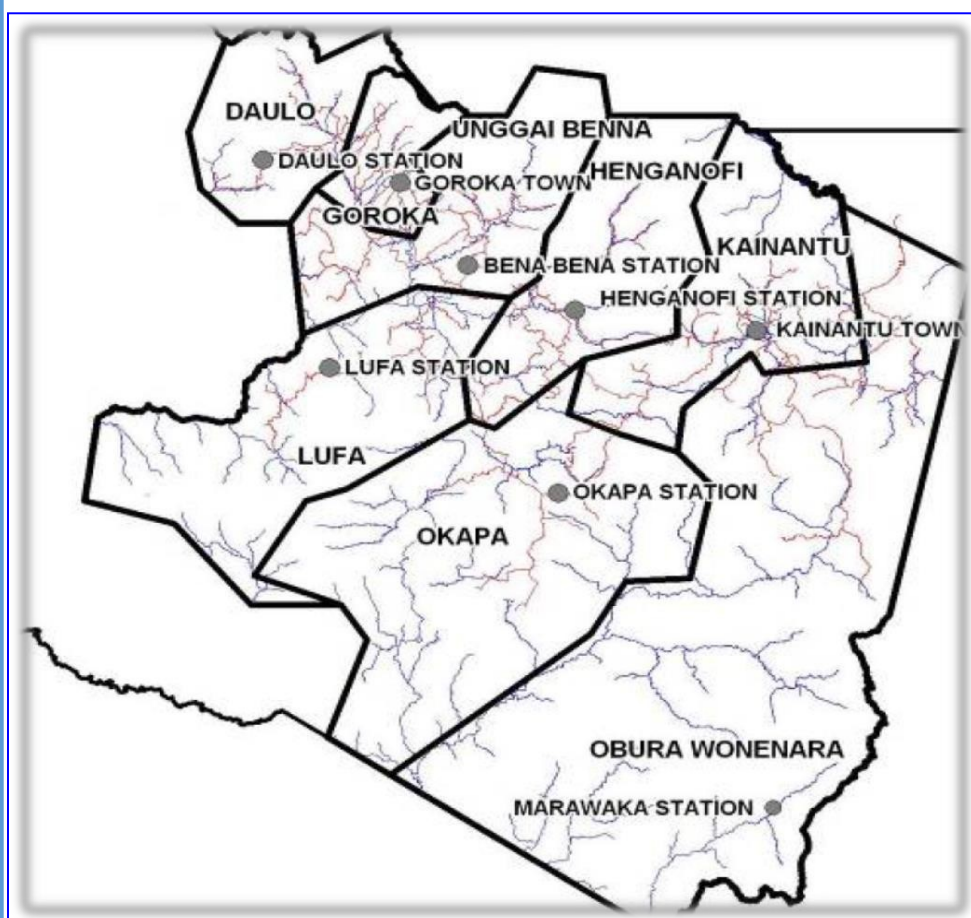
Kainantu: 22.2%

Lufa: 10.7%

Obura-Won: 6.9%

Okapa: 12.8%

Unggai-Bena: 11.7%



Note: The information provided in this document is based on data extracted from the National Research Institute's (NRI) Report first published in March 2010. The publication was supported by the Australian Government, through AusAID, and maps provided by the National Mapping Bureau. The demographics are taken from the PNG Census 2011 Preliminary Figures compiled by the National Statistical Office.

About Eastern Highlands

Eastern Highlands Province includes the Bismarck Range and Upper Ramu Valley in the north of the Province. It also covers the Asaro, Bena, Kafetina and Dunatina Valleys, all of which are very agriculturally productive. However, the south of the province, especially near Marawaka, is mountainous and remote.

The Provincial Member is Mr Simon Sia, who succeeded Peter Numu, who previously overthrew Ms Julie Soso-Akeke. Prior to her was late Malcolm Kela-Smith in 2012 under THE Party. This is his first term.

Geographically, the area around Henganofi provides very good agricultural income from the sale of coffee, food, tobacco and firewood, and most of the north of the province can earn moderate incomes. However, there are very few income-earning opportunities for those in the south of Obura Wonenara, Okapa and Lufa.

The Highlands Highway and network of trunk routes and smaller feeder roads cover the north of the Province. Limited and deteriorated roads snake through Lufa and Okapa Districts, while Obura Wonenara has very limited roads, especially in the remote south.

Administration		
Provincial Headquarters:		Goroka, Yanepa Haus
Number of Districts:	8	Daulo, Goroka, Henganofi, Kainantu, Lufa, Obura Wonenara, Okapa, Unggai Bena
Number of LLGs:	24	
Number of Wards:	261	

Population			
		Male (%)	Female (%)
Total	432972	51.5	48.5
< 15 years	167955	53.2	46.8
15-64 years	253535	50.2	49.8
> 65 years	11482	51.5	48.5
Citizen households	99483		

Area and Population Density	
Area (km²)	11157
Occupied area (km²)	5724
Population per km²	38.8
Population per km² of occupied area	75.6
Average annual population growth rate	(1980-2000): 2.2 %

Electoral Statistics	
Eligible voters (2000 Census)	239169
Number of votes cast (2002)	435301
2002 Electoral Roll	602228
Number of votes cast (2007)	355203
2007 Electoral Roll	383471

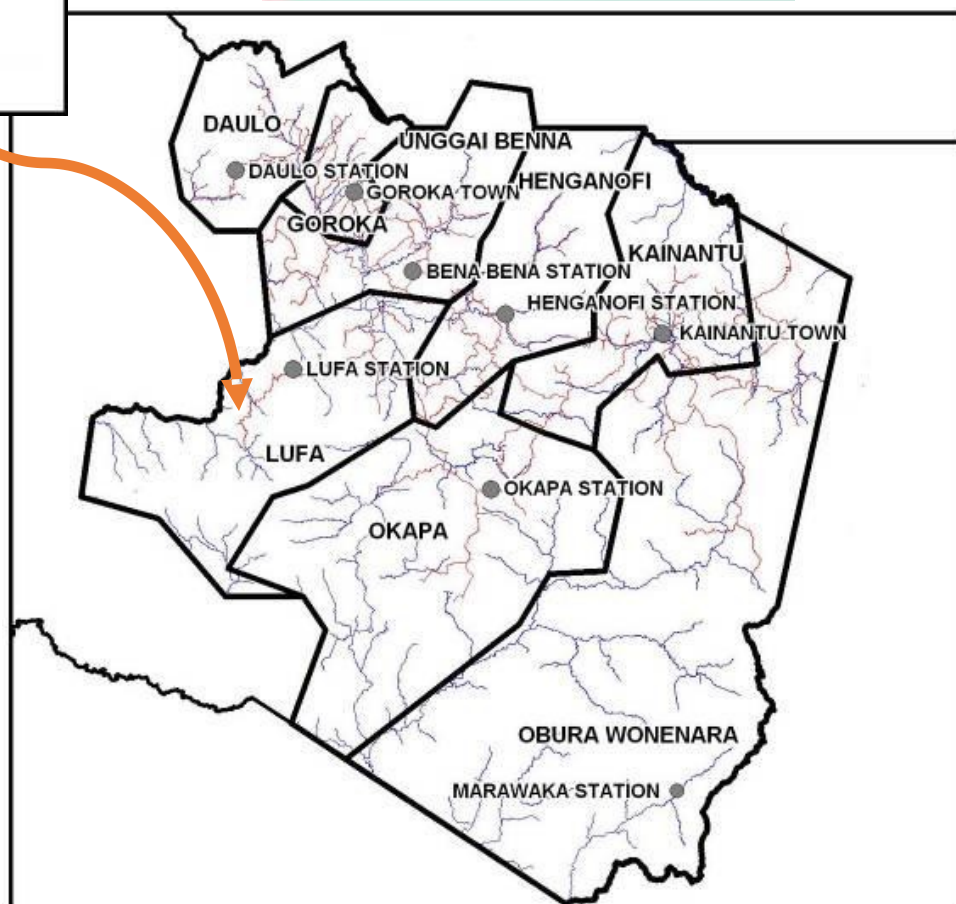
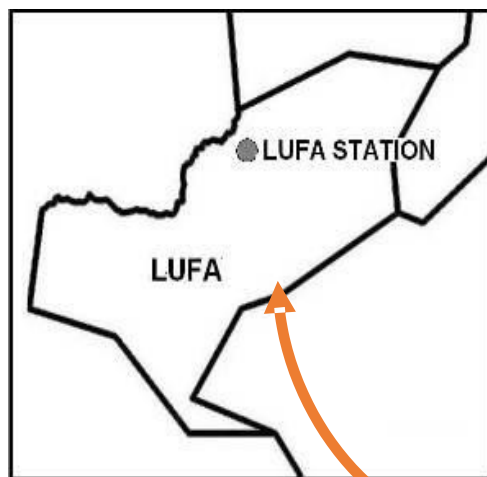
Education- <i>Type and number of schools</i>		
Elementary	307	
Community	103	
Primary	128	
Provincial high	6	
Secondary	7	
Vocational	5	
Universal basic education indicators (%)		
Net admission rate	9.9%	
Gross enrolment rate	61.7%	
Net enrolment rate	50.1%	
Literacy rate (%)		
<i>Total</i>	<i>Male</i>	<i>Female</i>
43.9%	51.0	35.5%

Health: Number and population per facility		
Health centres	32	13530
Aid posts	54	7465
Number and population per officer		
Medical officers	16	27061
Nursing officers	70	6185
Mortality rates (per 1000)		
Under 5 mortality rate	73	
Infant mortality rate (under 1 year)	54	
Child mortality rate (1-4 years of age)	19	
Life expectancy (years)		
<i>Total</i>	<i>Male</i>	<i>Female</i>
55.4	54.6	56.3

Economic Activity: <i>Top agricultural activities of citizen households</i>		
	% engaged	%* engaged for cash
Coffee	88.4	85.4
Food crops	76.7	11.9
Livestock	47.8	4.9
Betel nut	13.5	3.7
Priority	12.5	4.4
*of total citizen households		

Infrastructure		
Electricity customers	5445	
Percent of population within 5km of a national road	45.4	

V. Lufa District Profile



General Information

District headquarters: Lufa
Number of LLGs: 3 - Mt. Michael Rural,
Unavi Rural, Yagaria Rural
Number of wards: 32

Population

		<i>Male (%)</i>	<i>Female(%)</i>
Total	45868	50.8	49.2
< 15 years	17960	53.0	47.0
15-64 years	26766	49.1	50.9
> 65 years	1142	54.8	45.2
Citizen households	11004		

Area and population density

Area (km²) 1358
Occupied area (km²) 638
Population per km² 33.8
Population per km² of occupied area 71.9

About Lufa:

Lufa District, bordering Simbu Province, covers the Upper Tua Valley, Crater Mountain and Upper Koma Valley as well as the Gidahu Valley in the south west.

The current District MP is Mr Simo Kilepa, who succeeded Mr. Moriape Kavori. Former MP was Mr. Jeffrey Kuavi who unseated previous two-term MP Mr. Yawa Silupa, a member of the National Alliance Party. This is his first term.

Most incomes in the district are low to very low, derived from the sale of coffee, firewood, food and tobacco. However, there is potential in the Fengatu Valley for some agricultural development on land that is close to markets.

Electoral statistics

Eligible voters (2000 Census) 25388
Number of votes cast (2002) 39830
Number of votes cast (2007) 35659

Economic Activity

Top agricultural activities of citizen households

*% engaged %*Engaged for cash*

Coffee	97.0	95.7
Food crops	83.9	7.8
Livestock	65.7	4.1
Poultry	8.0	2.1
Betel nut	3.1	1.8

Education

Type and number of schools

Elementary	28
Community	15
Primary	13
High school	2
Secondary	1
Vocational	1

Universal basic education indicators

Net admission rate	1.2%
Gross enrolment rate	41.6%
Net enrolment rate	32.1%

Literacy rate

<i>Total</i>	<i>Male (%)</i>	<i>Female (%)</i>
32.1	39.3	24.7

Infrastructure

Road access

There is a road running from the Highlands Highway to Lufa and onwards to Agotu. However, people in the Gidahu Valley require up to eight hours travel to get to Goroka.

New access road is planned from Lufa Station to Unavi-Mengino and on to Karamui over 4 years.

Health

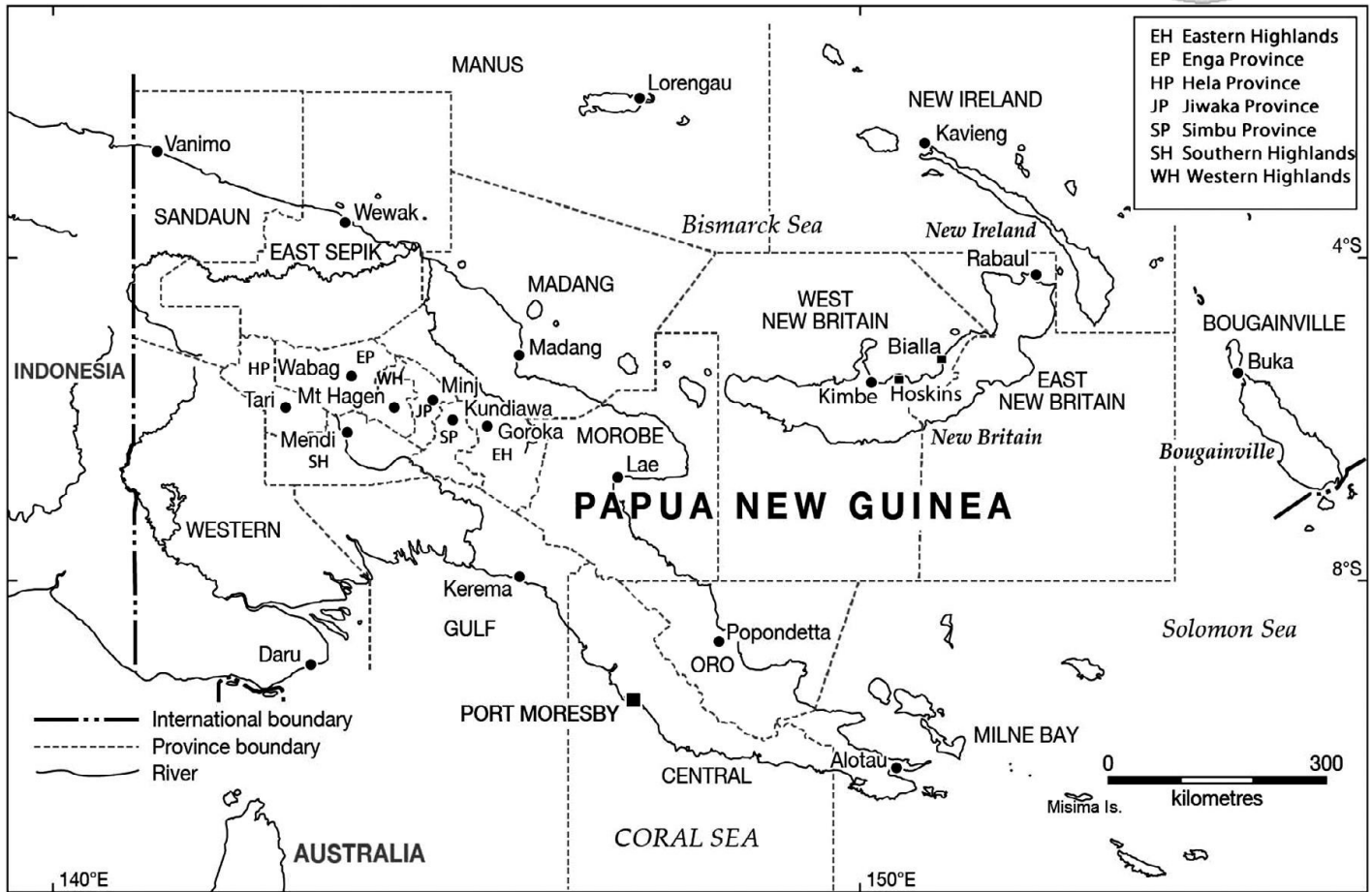
Number and population per officer

Medical officers	0- n/a
Nursing officers	6- 7645

Number and population per facility

Health centres	4 -11467
Aid posts	14 -3276

Provincial Boundaries of Papua New Guinea



VI. Lufa District Five Year Development Plan 2023-2027

Background

Backdrop of Government Reforms

The Organic Law on Provincial and Local-level Government (1995) was enacted primarily to improve and strengthen service delivery in a cost-effective manner. Despite the implementation of the Reform Strategies there remain major obstacles. The current systemic flaws continue to be major causes of poor service delivery relate to inherent legacy issues of poor personnel management practices, financial management, lack of funding, cumbersome and ineffective inter-governmental financing arrangements, dismal economic performance, lack of accountability for performance (measurement of PSIP/DSIP impact), poor planning and budgeting, corruption and instability, inappropriate agency structures (high overheads and overlapping responsibilities), law and order problems; and existing health concerns, including HIV/AIDS.

Restoring Capacity to Local Level Government (LLG/District)

Based on advice of the Public Sector Reform Advisory Group (PSRAG) in 2002/2006 on Restoring capacity to Local-level Governments by giving direct funding to them, the **District Development Authorities Act 2014 abolished the JDP & BPC and replaced it with DDA Boards**. From March 2014 with 35 Districts adopting the DDA concept it is now widely accepted. **They perform business in a corporate fashion in service delivery.**

The core issue of reforms is to improve transparency and accountability. The National Development Forum highlighted that:

- ◆ Present system stifles community initiative and empowerment; government approach must change to engage people;
- ◆ National government must support communities to become partners; to avoid an economy of “haves” and “have nots”;
- ◆ Budget strategies should inject cash or seed capital into communities to stimulate SMEs, self-reliance & productivity;
- ◆ Decentralization should incorporate the 8 Directive Principles to achieve social harmony, better living standards and greater wealth.

Recent Reform Measures by National Government

Some recent actions that have been taken or presently on stream include:

- ◆ Identified and pinpointed current actual functions of each tier of government; -National, Provincial, DDA/LLG/Wards
- ◆ Determining cost of delivering services in each District and Province;
- ◆ Quantifying internal revenue generation at the Provincial/District level.
- ◆ Roll-out and consolidation of the District Development Authorities (DDA's) Concept across PNG
- ◆ Increased Annual Budgetary Appropriation to Provinces and Districts under PSIP and DSIP.

The DDA Act 2014 is an attempt to empower DDA's as semi-corporate entities to support LLGs to be coherent and efficient in delivery of basic goods and services. Albeit the legislative reforms there is still lack of clear understanding of how to transition from old public service way to the new corporate way of doing business.

VII. Lufa District in Planning Context

Current Situation Assessment

The two obvious strengths Lufa has are land and people. The bountiful resources we have on our land can be our strengths if they are utilized well in a sustainable and environment friendly manner, so they are preserved as a heritage for our future generations.

Aside from the natural resource (both extractive and non-extractive resources) we have human capital as the single fundamental and critical resource Lufa District has. Lufa District and the country will be competitive at the global stage if we develop our people well and empower them. They remain our greatest asset and strength.

On land agriculture through organic coffee is major catalytic tree crop for economic empowerment for our people in the district. There are other agriculture potentials such as commercialization of mushroom, vegetables and food production and optimize harnessing of Apiculture.

Lufa District is covered with estimated 60 percent Natural rain forest and also host Rain Forest Conservation areas (Mt. Crater Wildlife Conservation Management Area and Hogave Community Conservation Area). Good for preserving forest that contributes to saving the planet from climate change effect including using the economic opportunity for carbon trading

The following are some opportunities that can be usurped to better the lives of our people:

- Coffee continues to serve as the economic cash crop for our people in the District and the Province Lufa has high grade organic coffee in Mt. Michael and Unavi LLGs which are not accessible by proper roads. Lufa need road accessibility to the mountainous terrains in the two LLG to enable the isolated farmers to bring in more high grade organic coffee to the exporter's market in Goroka.
- Rainforest conservation and reforestation to utilize as economic opportunities through Carbon Trading/Credit presented by current incumbent Government focus on Climate Change and alternate renewable energy.

From a socio-political and cultural dimension, there are legacy and emerging cross-cutting issues that are impediments in the delivery chain. They weaken the systems and processes as well as personnel with dire consequential effects. These issues that cut across all sectors includes:

- Rampant Corruption that goes unchecked
- Politics especially instability and the corrupt contemporary political cultures
- Law and Order spiraling out of control with diminishing cultural values, norms and practices
- Difficult terrain and topographic challenges for effective outreach
- Capacity Issues including Weak and Ineffective Public Service,
- Low Social Indicators especially literacy rates and low retention rates of student outputs;

There is eminent trending cross cultural and cross-boundary issues that also threaten social order and human existence that demands urgent attention:

- Emergence of new disease patterns especially lifestyle diseases; Covid-19, TB; Polio and HIV AIDS
- Climate Change resulting from Global warming and need for mitigation and adaptation
- Pollution and environmental destruction by resource developers and people through non-adherence to the Global Green Planet Policies
- Growing YOUTH population with lack of engagement in formal or non-formal sectors
- Rising of social issues from alcohol and drug (marijuana)
- High demographic growth trend in District, (National growth rate: 3.1% per annum)

VIII. Guiding Principles of the Development Plan

The Constitutional, Legislative and Policy Authority Reference are the Organic Law on Provincial and LLG Act, DDA Act, NEC Decisions, DDA Board Directives. Also, PS General Orders stipulates that:

- All government agencies have Corporate Plans with key performance indicators;
- They improve and strengthen procurement and service delivery mechanism; and
- Develop Monitoring and Evaluation (M & E) mechanisms to ensure institutions and /or entities become accountable.

IX. Strategic Partnerships and Network Forging Framework

LDDAB is keen to forge strategic alliances with diverse range of development partners. Many modern writers (Austin, Biermann, Bitzer, Gray, Glasbergen) have defined various dimensions of partnerships in pursuit of socio-economic development agenda. The Partnership scope entails resource use (material/social) and stakeholder management across multiple levels: local, national and global. Institutional partnerships comprise of two or more entities which collaborate to pursue a shared vision. Collaborators have their own aims/aspirations, but through consensus, their agendas can coalesce as a continuum in pursuit of collective goals. Public, civil society organizations (CSOs, FBOs, NSAs, IGOs, NGOs) and private actors can cooperate to address burning issues. The institutional frameworks of **public-private partnerships**, (PPP) global/cross-sector partnerships, multi-stakeholder alliances and business Joint Ventures (JV).

Also, LDDAB is aware of issues in partnerships revolving around the unequal power relations among actors, and whether market-based approaches where diverse, sustainable standards for production are promoted to alleviate socio-ecological issues are achieved. With ambiguities that prevail in partnerships where there is no clear understanding of the different roles of partners who participate as collaborators. Nevertheless, LDDAB will aim to put development issues in perspective and make collaborative efforts to remedy societal problems in Lufa. For instance, innovative approaches in collaborations involving the market, expertise of business, bottom-up approaches to development and participation of CSOs can be utilized to optimize outcomes of its development plan. Targeted partners include GoPNG agencies, and all established external-based Development Partners and Mainstream Churches, financial institutions and other non-state actors, (NSAs). Collaboration is vital in that all state agencies and development partners are contesting to reach the same categories of communities.



01

Vision

Lufa District Development Authority (LDDA) consolidates its corporate image of profile as distinguished and model District that exemplifies positive attributes of proactive Leadership, good Governance and Accountability in EHP, the region and the country.



02

Mission

Inspired by dynamic Organisational leadership the LDDA aims to be transformed into an Authority that promotes outstanding high quality future leaders through Awards Scheme, molded in ethical leadership and moral principles; and investing in SMEs and Agro-industries to meet the changing needs of rural communities in collaboration with willing development partners to attain the aims and long term goals of Vision 2050.



03

Goal

Remain current with changing circumstances in forging strategic alliances to attain Prioritized targets, indicators and deliverables inspired by Vision and Mission Focus on Leadership, Good Governance and Accountability in a challenging, changing and dynamic environment.



04

Values

The most important values LDDA will employ in pursuit of its Corporate Vision and Mission are:

- Achieving Results through Effective Change Management with optimized delivery standard in a robust governance framework
- Quality and Impartiality of service/advice LDDA provides; as these aspects are practical expressions of the quality of the DDAB expertise.
- Commitment to build strategic networks and partnership to instil shared responsibility with quality inputs to strengthen LDDA's image.
- Professionalism through Teamwork to develop internal human capital to attain competency benchmark to organizational best practices.
- Providing exceptionally high standard of service to stakeholders in the district and province.
- Cross-cutting development issues of Gender Equality, Inclusive social justice and HIV/AIDS mainstreaming will be workplace policies;
- Code of Conduct based on fundamental ethics, principles and obligations stipulated in PS GO & Admin Orders that governs the DDA.

Sectoral Profiles

Part A: Governance & Administration

SECTOR 1: DISTRICT & WARD ADMINISTRATION

*LDDA will institute holistic Reforms, Restructure & Corporatize DDA, Streamline and institute Coherence in Policy and Program Implementation across all Priority Sectors. Develop HRD Capacity of DDA & LLG Personnel and transform modus operandi to business enterprising mode. Facilitate Wards to furnish baseline data input to District Information Management System (DIMS) for proper planning and budgeting. Strategic reforms will boost effectiveness in the Delivery Chain under a well-functioning corporatized DDA and an equally skilled CEO at the helm of management and committed personnel. **The most critical element is to empower the LLGs and Wards. This will enhance cooperation, collaboration, and genuine partnership responsibility-sharing in governance.***

Legacy Issues and Challenges Affecting the Effectiveness of DDA and LLGs at Operations Level

- Lack of Capacity Building & Institutional Strengthening
- Very weak linkages between levels of Government and among Agencies
- Operational Funding is insufficient to fund annual planned activities for the full year
- Funds diverted to non-priority areas
- Insufficient 'Impressed Advance' at District Treasuries to support service delivery
- Poor Maintenance of District Infrastructure & Assets/Insufficient administrative infrastructure
- No real incentives for staff serving in the remote locations and High Transport cost
- Poor Accountability and Reporting and lack of statistical and baseline data to quantify realistic planning.

Remedial Approaches to Bolster the Efficacy of the Delivery Mechanism:

The incumbent government is currently embarking on Public Sector Reform to improve the service delivery machinery so that intended basic services are dispatched efficiently and effectively. The plan aims to improve working environment and provide incentives as catalysts to enhance performance by the public servants. *The Priority Activities of LDDAB shall embark on to rectify the existing situation.*

i. Strengthen DDA Capacity and Operational Support with Leadership Responsiveness and Action to Roadmap Direction

*The Leadership responsiveness will be critical in pursuing Holistic Administrative Reforms (Rapid Appraisals to determine needs/gaps), Structural Adjustments & Realignment of Policy Priorities, Programs and Projects that matches the Budget ceiling. Enablers will be also vital to promote Knowledge Based Economy through Integral HRD, Electricity, ICT and SME Empowerment. To ensure collaboration and partnership the DDAB projects featured in its Plan should link **into the Integrated Provincial Development Plan (IPDP) and MTDP4***

ii. Good Governance and Accountability/M & E Framework for Implementation Performance Outcomes

Since the Organic Law establishing the Provincial and Local-level Governments in 1995 came into effect there have been major lapses in budgetary support, coordination and coherence at lower tiers resulting in poor performance in service delivery. Good governance and accountability have been overshadowed by corruption and mismanagement at every level of the services delivery chain. These are attributed to serious constraints and difficulties in effective financial administration of Districts.

The main issues under each section are pointed out in order to understanding the chronic negligence of the National and Provincial Government's legal obligations in sustaining LLGs and Wards.

Plan is formulated against a backdrop of prevailing issues including staff morale, affecting the progression and transformation of District Authorities across PNG. Significant issues of concern are to:

- *Adopt a practicable strategy that is consistent with complex and dynamic changes occurring in the market place and ensure it remains competitive and a self-sustaining;*
- *Address the need for comprehensive organizational strategy to effectively drive the strategic vision and mission of the DDA; and*
- *Strengthen comprehensive Connectivity with GoPNG/PG/DDA's/LLGs/Wards by building LLG Chambers to Manage Wards.*

iii. LLG Chambers Development Program to Manage Wards and Trigger Biz Growth Centres

The specific Targeted LLG Chamber Buildings in each of the three (3) Local-Level Government Areas in District will become trigger for Business Growth Centres. These Projects are designed to be funded under the DSIP 2023-2024 through partnership arrangement with the Provincial/National Governments and Development Partners. This will enable the respective LLG to be close and among the people in the Wards so constituents feel a part of the governance process

Formulation of LLG Priority Projects and Prepare Project Submission on Targeted LLG Assembly Halls in the District, under the DSIP 2023-2024 is of paramount importance. Lufa, like most Districts & LLGs in the country, is handicapped by non-existent Assembly Halls to meet and coordinate implementation of activities and outreach to Wards. Even gallant efforts by Community-based Organizations (CBOs), NGOs and Faith-based Organizations are constrained by resources and logistic challenges. These strategic weaknesses and organizational gaps need to be plugged. They are fundamentals that ensure coherent and systematic approach to embrace people into the development mainstream.

Approaches to ensure consistency of sustained delivery of services the weak links in the delivery link needs to be strengthened. The pointed strategies to deal with the existing situation pertains to:

- Design and establishment of Targeted LLG Assembly Halls, or Multi-Purpose Resource Centres and facilities in the three LLGs;
- Facilitate the LLGs in crafting Project Submission to engage with DDA, EHPG and Development Partners for resource support,

Table 3-S 1: Ward & District Administration Sector Strategies, Desired Outcome, Activities and Budget Estimates

GOAL: To institute relevant Public Sector Reforms and bolster DDA Capacity to ensure good governance for effective and efficient management of administrative processes, procedures and systems to best serve the people of the 3 LLG Divisions through the provision of basic goods and services; and participate in opportunities to create wealth.										
OBJECTIVES	STRATEGIES	DESIRED OUTCOMES	PROG/PROJECTS/ & ACTIVITIES	ANNUAL COST ESTIMATE (K'000) OVER 5 YEARS					TOTAL	SOURCE OF FUNDING
				2023	2024	2025	2026	2027		
1. Institute Public Sector Reform Prog to Corporatize DDA	1.1 Improve financial management Prog	1.1. Financial Mgt improved	DDA Reform Prog	30	30	30	30	30	150	EHPG/LDDA DP
	1.2 Improve Service delivery chain.	1.2. Efficient Service Delivery	DSIP/Public Sector Reforms	30	30	30	30	30	150	
	1.3 Improve HR Skills Capacity Prog	1.3. HR Capacity up-skilled	HR Capacity building	20	20	20	20	20	100	
	1.4 Improve Mgt functions/roles.	1.4 Improved Prog management	Functional review and reforms	20	20	20	20	20	100	
2. Develop HRD Capacity of DDA & Wards to update District Info System for proper planning budgeting	2.1 Implement District Info Mgt. System	2.1. Data/Info Mgt upgraded	Dist Information Mgt System Prog DIMS	50	50	50	50	50	250	EHPG/LDDA DP
	2.2 Improve Research Prog & methods.	2.2. Research data Quality improved	PSR	30	30	30	30	30	150	DSIP/PSIP EHPG/LDDA
	2.3 Facilitate, regulate Data Base protocol.	2.3.District Data system improved	DIMS	50	50	50	50	50	250	EHPG/LDDA DP
	2.4 Strong information networks	2.4. Formal linkage & dialogue intact	Communication strengthening Plan	20	20	20	20	20	100	DSIP/PSIP EHPG/LDDA
3.Improve planning & budgeting process and Improve revenue base	3.1 Improve LLG plan, Budgeting & prog management	3.1. LLG planning, budgeting process improved.	Planning & Budget reforms	100	100	100	100	100	500	EHPG/LDDA DP
	3.2 Improve DDA planning/budgeting & Prog Mgt	3.2. Planning, budgeting & Mgt improved	PSR-Planning & Budget reforms	80	80	80	80	80	400	DSIP/PSIP EHPG/LDDA
	3.3 Regulate Internal Revenue raising	3.3 Intl Revenue enforced	Tax Reforms	20	20	20	20	20	100	
4. Improve and maintain District Authority and Support Services	4.1 Legal Advisory Services.	4.1.Retain legal services in place	Legal Services	50	50	50	50	50	250	EHPG/LDDA DP
	4.2 Improve DDA Advisory Support	4.2. Effective Policy Advisory	PSR	100	100	100	100	100	500	DSIP/PSIP EHPG/LDDA
	4.3 Establish a project management unit for all large to medium soci-economic projects	4.3.1 Effective Project delivery and completion 4.3.2 Improved governance, accountability and transparency of financial records 4.3.3 Project Management Services established and running	1. Secure professional services to establish the structure 2. Publicly Advertise to secure relevant profession project management professionals or firm to apply and manage. 3. Project Management Services establishment	1,500	1,500	1,500	1,500	1,500	7,500	
5.. Construct District HQ Building and Staff Houses	5.1 Incentivize staff to stimulate performance	5.1. Improved commitment of DDA personnel	District HQ at Lufa Planning & Rehabilitation Proj	400	700	700			1,800	EHPG/LDDA DSIP/PSIP/DP
			Construction of District HQ Building Project (New)	2,000	1,000	1,000			4,000	
			Build staff houses	700	700	1,400	1,400		4,200	
6. Install All vital amenities at Dis HQ	6.1 Dist. HQ Rehab project	Regular power supply	Genset x 3 or install solar mini-grid for HQ Office & staff	500	500				1,000	EHPG/LDDA DSIP/PSIP/DP
	6.2.Water Supply	HQ empowerment	Running water	500					500	
	6.3 Staff Security	HR Incentive	Erect fencing @ HQ	100	100				200	
	6.4. Logistic support	High Staff morale and productivity	Purchase 4 x Sector Support Vehicle @ HQ	200	200	200	200		800	
7. LLG engagement in Governance & outreach to people	7.1 LLG empowerment	6.1.Government close to people	Build 3 LLG Chambers: one in each LLGs	500	500	500			1500	EHPG/LDDA DSIP/PSIP/DP
	Land Acquisition	Asset Management	To build staff houses & Chambers in LLGs	100	100	100			300	
	8. Ward & LLG Plans Ward Recorder	PSR/DIMS	LLG Planning & data collection	100	100				200	
TOTAL				7,200	6,000	6,000	3,700	2,100	25,000	

SECTOR 2: BUSINESS INVESTMENT & GROWTH CENTRES FOR SELF-SUFFICIENCY

Under the new robust leadership, a radical paradigm shift is essential to set Lufa on a dynamic platform to establish its Business Arm as Investment Vehicle to industrialize/commercialize potential opportunities to flourish the District economy to prosper. LDDAB will institute Reforms, Restructure, Streamline and institute Coherence in Investment Policy and Program Implementation across all Priority Sectors. The key aim is to capitalize on existing business opportunities to develop Lufa into a thriving business hub in EHP via self-generating Business Growth Centres towards economic self-sufficiency.

Legacy Issues and Emerging Challenges:

- ◆ Influx of people into Urban Centers, mining towns and cities
- ◆ Increase in law-and-order problem
- ◆ Illegal settling and land grabbing;
- ◆ Prevalence of prostitution, HIV/AIDS and social problems
- ◆ Deteriorating road infrastructure;
- ◆ Lack of modern communication systems and unreliable power supply
- ◆ No clear demarcation of respective socio-economic classification zones

Remedial Approaches to Restore Confidence in Service Delivery Mechanism:

Lufa District has three (3) LLGs and its District HQ at Lufa Station, which has yet to adopt an Urbanization Program integrated into the plan to vigorously address inherent problems as outlined hereunder which engenders social inclusion of citizens to change their livelihood.

- ✚ Rehabilitate and construct infrastructures and public utilities to trigger urban setting growth;
- ✚ Central market and commercial businesses with banking and postal services facilities, which are still lacking;
- ✚ Improve and maintain trunk route and feeder roads in and around Lufa Station
- ✚ Improve and extend basic services to urban and peri-urban centers
- ✚ Expand, improve and maintain urban infrastructures, facilities and amenities
- ✚ Improve and maintain the functions of urban authorities

Table 4 – S 2: Business Investment and Growth Centre Sector Strategies, Desired Outcome, Activities and Budget Estimates

GOAL:	Initiate establishment of District Business Arm for DDAB Investments in Agri-business/infrastructure, Administrative and Business Growth Centres (Oliguti Market) in LLG Divisions and District HQ and create a conducive urban and peri-urban environment to create wealth, foster social-economic growth and improve people’s lifestyles									
OBJECTIVES	STRATEGIES	DESIRED OUTCOME	PROG/PROJECT ACTIVITIES	ANNUAL COST ESTIMATE (K'000) OVER 5 YEARS					TOTAL	SOURCE OF FUNDING
				2023	2024	2025	2026	2027		
1. Establish business growth zones, improve, and maintain all Dist HQ infrastructure, facilities, and amenities.	1. 1. Develop public utilities/amenities	Adequate township infrastructure and amenities installed	Public Amenities & Infrastructure Prog	200	200	200	200	200	1,000	EHPG DDA Proj MOA, DP EU/CWSSP
	1.2. Improve and maintain transport networks in Wards	Efficient usable Transport network and passable	Town Water supply/sewerage Rehabilitation plan	200	200	200			600	EHPG/LDDA
	1.3. Improve and maintain ITC - towers communication network	Adequate & efficient communication network upgraded	ITC Towers and infrastructures Proj.	500	500	500			1,500	EHPG/LDDA
	1.4 Improve commercial, industrial, residential, recreational zones and major public facilities	Urban zones and public facilities are planned and constructed effectively	Parks & Ovals, Public utilities upgrade, Program	200	200	200	200	200	1,000	EHPG/LDDA
	1.5 Urban areas have supply to electricity	Electricity is available in urban area	DHQ Electricity project	200	200	200	200	200	1,000	EHPG/LDDA
	1.6 Ensure proper rubbish disposal	1.6 Rubbish is disposed properly.	Leasing & fencing of rubbish dump site	200	200				400	EHPG/LDDA
2. Empower Wards: Office-responsibility & ownership of roles	2.1. Ward development to share leadership	Give profile to government close to rural constituents	Build Chambers & All-Purpose Resource Train Centres in Wards	500	500	400	300	300	2,000	DSIP/PSIP/PIP
3. Plan for Urban LLG & Authority status	2.2. Build facilities and public amenities	Lufa Station DDA HQ becomes self-generating	DDA HQ set up in Lufa Station							DSIP/PSIP/PIP
2. Setup Business Arm, & Growth Centres	2.3. Acquire Shelf Co or register entity with IPA	Investment Co set up and operationalized	Lufa District Business & Investment Arm set-up	500	500				1,000	DSIP/PSIP/PIP JV Partners
	Establish Biz Office & Growth Centres	1.1 Establish Markets in each LLGs	Setup Oliguti market	2,000					2,000	DSIP/ PSIP/ DP
			Establish 1 Market @ Lufa HQ & 2 markets (1 each in the other 2 LLG)		600	700	700		2,000	DSIP/ PSIP/ DP
			TOTAL	4,500	3,100	2,400	1,600	900	12,500	

Some Core initiatives that LDDA shall undertake to enable the District to be on par with other progressive Districts will entail the following:

- i. **Establish Lufa District Business Arm –Investment Vehicle**
 - ii. **Strategic Investments in Industries, Infrastructures & Business Growth Centers**
 - iii. **Restructure and Corporatize DDA to Facilitate Business Streaming;**
 - iv. **Improved DDA Leadership Responsiveness to Policy Direction, Prioritizing and Performance Output**
- i. **Establish Lufa District Business Arm –Investment Vehicle**
 - a. *Register New Investment Company to participate in commerce and industry*
 - b. *Corporate Structure-Management & Board*
 - c. *Establish New Board and Hire Management Team*
 - d. *Insightful Strategy for the Boards Active Role in Policy Guidance & Direction,*
 - e. *Effective Top Management and Corporate Performance Output of the Company underpins the platform of its success.*

The key questions that need asking are that will set the platform for incorporation and operationalizing include:

- *Do we have a structured plan, timeframes and accountabilities, to establish the Board?*
- *Do we have the support, resourcing and experience we need to deliver?*
- *Are there clear priorities on what needs to occur first?*
- *Are we aligning our frameworks, policies and appointments with our strategy?*
- *Is the Board defining its 'risk appetite'?*
- *Do we have access to better practice frameworks and instruments?*

Business Development (and Investment) Initiative (Process)

- ❖ *Seek DDA Board approval for set up of well-endowed Business Investment vehicle*
- ❖ *Secure professional Advice to enter into commercial service industries or prospective projects'*
- ❖ *Business analysis to engage in strategic gainful investment portfolios*
- ❖ *Initiate dialogue with new potential JV Business partners-domestic and external;*
- ❖ *MOU framework to discuss areas of long term mutually beneficial partnership arrangement*
- ❖ *Register Company with IPA as holding vehicle for DDAB Business investment interests*
- ❖ *Recruit Business Manager to coordinate and Manage business operations as stand-alone entity*
- ❖ *Establish Marketing Unit as core business of new company under strong JV*
- ❖ *Transfer all Revenue making and funds management accounts to business vehicle*
- ❖ *DDA Board and Minister to Secure Cabinet approval for One-Off PIP funding from DNPM for venture*

ii. Strategic Investments in Industries, Infrastructures & Business Growth Centers

Mushroom Industry as Catalyst for Rural Micro-SMEs



The Juncao Project is a Major Catalytic SME that is designed to address key impediments and development issues already highlighted above. It will promote domestic collaborative investment and people involvement in Juncao farming, downstream processing and marketing under Nucleus/Cooperative concepts. It is sustainable with high returns and environment friendly. Help realize the Governments policy intentions to empower willing rural entrepreneurs with financial capacity to improve their economic wellbeing and general quality of life.

The Initiative is genuinely geared towards empowering people for self-reliance and alternative source of protein and will reduce the entrenched mentality of **HAND-OUT dependency** and instil **HELP-OUT attitude**. It is also designed to:

- *Be community-friendly in that the presently disjointed and ad hoc Agro-industries shall be gradually systemized, in terms of extension support, training and hence to achieve full and consistent supply and value chain for nucleus enterprise;*
- *Avail easily accessible technical and financing support specifically established for improving Mushroom product and service quality;*

There are two complementary but distinct elements to this Industry Initiative. The two concepts are briefly defined below to set the tone and parameters concerning the Proponents specific business strategy for inclusive engagement of the community in emerging potential businesses or expand existing businesses at Micro-SME level.

iii. Restructure and Corporatize DDA to Facilitate Business Streaming;

Current DDA organisational structure will be revised, revamped and well-defined with sound job design, robust task and person specification and versatile selection processes, reward, employment relations and human resource policies, underpinned by a commitment for strong employer branding and employee engagement strategies

iv. Improved DDA Leadership Responsiveness to Policy Direction, Prioritizing and Performance Output

Legislative and policy reviews and changes are constantly occurring at Central Government level that have operational and financial ramifications on lower tiers. It is therefore incumbent on DDAB/DDA leaders to keep abreast of these developments to ensure Lufa is in the loop of the evolving circumstances to effect the necessary adjustments. Delayed responses and actions to adapt will create a backlog and drag effect on advancement.

Rapid response and turn-around time will incite vibrancy in HR performance output and higher margin of success in achieving targets and indicators and key deliverables in the prioritized sectors.

Part B: Social & Community Development

SECTOR 3: HEALTH

This Social Sector Priority aims to Improve the Health Services that is Responsive, Effective, Affordable, Acceptable and Accessible. It will achieve a high margin of success under the State Church Partnership Program by engaging with mainline Faith-Based Organizations (FBOs). LDDAB is inclined to enhance strong working alliances with FBOs to deliver basic services in Health and Education sectors. The pointed strategy is to allocate ten percent (10%) of Annual DSIP funding to bolster capacity of FBO run Health facilities and Educational institutions in Lufa.

i. Ten Percent (10%) DSIP Funding Support for Churches Partnership Programs

- Rural Health Centre's and Clinics/Aid Posts Rehabilitation
- HIV/AIDS Mainstreaming Strategy
- Community Water Supply and Reticulation System

Inherent Issues and Challenges:

- Increase in outbreak of preventable diseases
- Increase in infectious diseases
- Deteriorating state of health facilities
- Shortage of medical supplies
- Insufficient professionally skilled staff
- High incidence of infant mortality
- Long walking distance to nearest health centers
- Increase in child abuse

Remedial Approaches:

The Health concerns of the District are taken very seriously although there are no drastic health concerns apart from that of the HIV/AIDS epidemic. The District aims to ensure a healthy happy population through the provision and improved health services. The plan aims firstly to expand, improve and maintain health facilities. It also must ensure efficient medical supplies and equipment, and provide staff

training and incentives.

There must also be awareness campaigns carried out on various health issues affecting or that may affect the District populace.



Micro-SME Deployment-Not Employment

- Family-Based businesses/enterprises within scope of skills, training and resource management capacity
- Cooperative and Nucleus Estate Enterprise Concept industries which create a cluster for other allied spin-off business to evolve and prosper;
- Peoples land resources, sweat equity and labour are mobilised and empowered to initiate communal partnership in Nucleus SMEs

Put Money in the People's Pockets

- *DDA Board to empower the vast untapped human capital with seed funding/Business Start-up Grant to boost Micro-SME growth;*
- *When people are incentivised and experience cash changing hands it becomes a natural stimulant for others to emulate;*
- *"Teach a man how to catch a fish and he will not bother you", this is a Chinese saying that rings true in business and culture.*
- *A well-written business plan, including capital costs, marketing, staffing, and customer base are essential before seeking funding*

Establish Micro-SME Juncao Training Centre and explore Technical Cooperation and Exchange Programs with Fujian Agriculture * Forestry University, Asia-Pacific Edible Mushroom Training Centre (APEMTC) at FAFU and the Fujian Commission of Science and Technology, relating to technical training and assistance. This should provide the business platform for:

- Agreement to promote Full-scale Industrialization of Juncao Technique in Lufa, EHP and nation-wide
- Access to capital is a fundamental requirement, particularly for small and medium-size enterprises (SMEs).

The banking sector is not oriented to providing loans to potential business ventures/ideas. These and other restrictive banking policies and guidelines are major deterrents to small farmers who are resilient and willing to generate income to sustain their livelihood.

This is a major constraint to economic growth and development in EHP, particularly since the primary view suggests that development of smaller enterprises will be the main engine for growth in the Province.

There is increasing popular perception that taking into account the very low level of SME and commercial business owned by locals compounded by the constraints imposed by the banking and non-banking financial institutions, the Government should consider looking at other alternatives to improve easy access to SME fundings for the grassroots at least from Eastern Highlands Province perspective.

Table 5-S 3: Heath Sector Strategies, Desired Outcome, Activities and Budget Estimates

GOAL: To improve and maintain the general health of the people through improved basic Health Services in Partnership with FBOs under State- Churches Partnership Program with annual allocation of 10% DSIP Funding										
OBJECTIVES	STRATEGIES	DESIRED OUTCOME	PROG/PROJECT ACTIVITIES	ANNUAL COST ESTIMATE (K'000) OVER 5 YEARS					TOTAL	SOURCE OF FUNDING
				2023	2024	2025	2026	2027		
1. To improve people's knowledge, attitudes, beliefs via Health Education and DDAB- FBO alliance and Awareness	1.1 Ten Percent (10 %) DSIP to Churches Partnerships	1.1 Key Partners engaged working together	DDAB-FBO Partnership Prog SCP Framework	100	100	100	100	100	500	DSIP/ DP/ EHPHA/ PSIP/ PIP
	1.2 Improve manpower capacity for health	1.2 Broad spectrum of people reached & IEC	DDAB-FBO Partnership Prog	100	100	100	100	100	500	DSIP/ EHPHA/ PSIP/ DP
	1.3 Link with community via advocacy	1.3 Community linkage set - Healthy Island Concept	DDAB-FBO/SCP Partnership Prog	100	100	100	100	100	500	DSIP/ PSIP/ EHPHA
	1.4 Awareness -educate people on diseases	1.4.Populace informed of TB, STI,HIV/AIDS Lifestyle disease	Disease Control Prog-communicable disease	100	100	100	100	100	500	DSIP/ PSIP/ EHPHA/ DP
2.Reduce high mother/child mortality and mobility rate - Family Health Services	2.1 Increase children immunization scope	2.1 Targeted 95% of children fully immunized.	Dist Children Immunization Program	50	50	50	50	50	250	DSIP/ PSIP /EHPHA/ DP
	2.2 Improve/promote family planning	2.2 Effective family planning mechanism -Target 25%	Sustained Family Planning Program	50	50	50	50	50	250	DSIP/ PSIP/ EHPHA/ DP
	2.3 Reduce maternal mortality rate via Safe Motherhood	2.3 Maternal mortality rate reduced- ratio below 70/100,000 live births	VBA training – with safe motherhood Training programs	50	50	50	50	50	250	DSIP/ PSIP/ EHPHA/ DP
	2.4 Reduce incidence of malnutrition -Iodine deficiency survey	2.4 Malnutrition Incidence reduced and revitalize nutrition program	SUN- Nutrition Health Revival Program	50	50	50	50	50	250	DSIP/ PSIP/ EHPHA/ DP
	2.5 Secure family health medical supplies	2.5 Health of School children improved	Quarterly School Health Prog all PS/HS	50	50	50	50	50	250	DSIP/ PSIP/ EHPHA/ DP
3 To reduce high rate of mobility and mortality caused by communicable and non-communicable diseases.	3.1 Reduce Malaria related incidence	3.1 Malaria Morbidity and mortality rate reduced	Communicable disease Control Prog	50	50	50	50	50	250	DSIP/ PSIP/ EHPHA/ DP
	3.2 Reduce typhoid related mobility and mortality rate	3.2 Morbidity and mortality Rate of typhoid reduced, via Advocacy	Healthy Lifestyle and Advocacy Prog	50	50	50	50	50	250	DSIP/ PSIP/ EHPHA/ DP
	3.3 Reduce children mobility/mortality diarrhea.	3.3 Morbidity and mortality Rate of diarrhea reduced	Integrated Child health Management Plan	50	50	50	50	50	250	DSIP/ PSIP/ EHPHA/ DP
	3.4 Reduce Sexually Transmitted Diseases	3.4 STD cases reduced and controlled	Safe sex Counselling and STI Control Plan	50	50	50	50	50	250	DSIP/ PSIP/ EHPHA/ DP
	3.5 Control TB growth rate via prevention	3.5 TB growth Rate reduced and controlled	TB drugs supervision/ treatment Prog- VHV	50	50	50	50	50	250	DSIP/ PSIP/ EHPHA/ DP
	3.6 Reduce deaths rate from Acute Respiratory Infections	3.6 Morbidity/mortality rate caused by Respiratory infections reduced.	Respiratory illnesses management Prog	20	20	20	20	20	100	DSIP/ PSIP/ EHPHA/ DP
	3.7 Early detection of disease outbreak	3.7 Effective surveillance & management plan set	Surveillance Standard operations procedures	20	20	20	20	20	100	DSIP/ PSIP/ EHPHA/ DP
	3.8 Reduce prevalence of lifestyle diseases	3.8 Rate of Lifestyle diseases decreased.	Initiative – Wellness clinic at all facilities	50	50	50	50	50	250	DSIP/ PSIP/ EHPHA/ DP
	3.9 Construct safe drinking Water Supply for villages & HQ	3.9 Health disaster and epidemic management prog supported	Rural Water supply construction & WASH Program	1,500	1,500	2,000	1,000	1,000	7,000	DSIP/ PSIP/ EHPHA/ FBO/ DP
4. To Improve occupational health and wellbeing of the people and reduce risks linked to environment	4.1 Disaster/Epidemic Management at Dist	4.1 Required water supplies constructed	Disaster out- break management plan	100	100				200	DSIP/ PSIP/ EHPHA/ DP
	4.2 Install Sewerage & waste disposal system	4.2 Required waste Mgt system established	Waste management system dev Prog	300	300				600	DSIP/ PSIP/ EHPHA/ DP
	4.3 Workplace safety & living condition for staff EIA	4.3 Effective Environment Impact Assessment (EIA) protocols in place.	New Staff House Building Project	500	500	500	500		2,000	DSIP/ PSIP/ EHPHA/ DP
5. Improve the management support plan functions for quality health service delivery	5.1 Performance and competency training for health workers	5.1 Relevant trainings attended or provided for targeted number of staff.	HR Capacity building Training Support Prog	300	300	300	300	300	1,500	DSIP/ PSIP/ EHPHA/ DP
	5.2 Expand, improve and maintain the health facilities and amenities	5.2 Target health facilities and amenities improved (Uvaguvi SC. Nupuru SC Kiseveroka, Guasa, Lufa)	Nupuru HC upgrade Level 2 to Level 3	2,000	1,500	1500			5,000	DSIP/ PSIP/ EHPHA/ DP
			Uvaguvi HC upgrade Level 2 to Level 3			2,000	1,500	1,500	5,000	DSIP/ PSIP/ EHPHA/ DP
			Health facilities upgrade (Lufa Station upgrade to District Hospital, Guasa, & Kiseveroka	1,000	1,000	2,000	1,000	1,000	6,000	DSIP/ PSIP/ EHPHA/ DP
	5.3 Procure adequate pharmaceutical equipment/supplies	5.3 Adequate supplies of pharmaceutical equipment stocked	Procurement Plan- Area Medical Supplies NHSS 2022-2023	450	450	450	450	450	2,250	DSIP/PSIP/EHPHA/DP
TOTAL				7,140	6,640	9,740	7,740	6,240	37,500	

Church and Development

Spiritual, Cultural, Church and Community Development

- ❑ Improve the current **State-Church Partnership Policy** framework to assist in the primary responsibility of the church;
- ❑ Increase the role of churches in the provision of **Basic Health Services; (10% DSIP)**
- ❑ Increase the role of churches in the provision of **Education Services; (10% DSIP)** and
- ❑ Develop systems and protocols for **engagement with church-based organizations (FBO's)** and
- ❑ **Management training** for church-based organizations

[Public Sector Reform Program]

i. **Ten Percent (10%) DSIP Funding Support for Churches Partnership Programs**

The rationale is premised on fact that Impact of Non State Actors Partnership have been tangible with high margin of impact:

- ◆ ***Churches have consistently and continuously assisted the Government over many years in delivering Basic Service to the people.***
- ◆ ***People value the role churches play in total Human Development (BMS).***
- ◆ ***Churches Need Support by Government to deliver services***

ii. **Rural Health Centre's and Clinics/Aid Posts Rehabilitation**

Health is one of the most important sectors and is increasingly putting pressure on government ability to contain the growing demand within its resource constraints. The early National Health Plan was focused on expanding rural health services. The scope and focal dimension of the sector has broadened to an extent with new diseases like HIV/AIDS, Malaria, Covid19, etc. that prioritization for allocating scarce resources to target areas is an issue of concern.

Although health status of the population had improved considerably with set-up of comprehensive network of health facilities, the issue of inadequate funds to operate large numbers of facilities effectively and secondary or rural health facilities/centers are extremely run-down and tertiary services very limited. The LDDAB is according priority to primary health care at District level and that shall be enhanced by greater community involvement.

It is important to note that Poor health (of population) adversely affects economic performance through absenteeism, the ability to work and ever increasing costs of treatment. Therefore, LDDA is taking the initiative to Partner with mainstream Churches to manage delivery of Health Services in the District.

iii. **Mainstreaming HIV/AIDS and Plan for Future Pandemics like Covid19**

Rationale

The levels and methods of HIV/AIDS/COVID19/TB advocacy in Wards and Districts required to deliver in changing PNG society have increased dramatically. Holistic socio-economic trends and reforms have placed heavy demands on technical, professional and personal development programs to develop labor skills. HIV/AIDS threat to PNG work force and community at large is real thus it is incumbent on individual and communal efforts to contain the epidemic. **Lufa District** is committed to stem HIV/AIDS in the rural Wards/3 LLGs.

Impact of Sectoral Intervention Programs in DDA – FBO Health Partnerships

- ❑ Intervention Programs are not effectively managed and coordinated in the District and Province
- ❑ Intervention Programs run parallel to each other, no integration and creates confusion.
- ❑ Communities see Intervention Programs as competition of Agencies for own purposes
- ❑ Provincial Staff are too preoccupied with IP and ignore their Core Roles and Duties

iv. Community Water Supply Reticulation System and Sanitation

Safe Drinking Water supply is a major problem for the people of the District. Especially the women walking miles in dry weather seasons to fetch water for their family's consumption. It is therefore imperative that water supply projects are given priority so the people in the community have access to clean healthy water.

In the 3 LLG areas and 32 Ward targeted projects will require new pipes, water tanks as soon as funds are availed from – DDA DSIP and EHPG PSIP or Development partners. The pipes, taps and tanks will be installed at identified sites in the villages for communal use. These villages require stream water captured and piped through Poly pipes reticulation system to be installed at target sites. Installation and extension work on the water supply systems would be done to ensure that flow of clean water supply is maintained from the creek or river or bore source.



SECTOR 4: EDUCATION

LDDA focus to Improve the Education Infrastructure and Facilities for Delivery of Quality Education & HR Capacity Development with 10% DSIP funding to Partner with FBO Operated Academic Institutions and Education Centre's. LDDA Priorities are:

- i. **Ten Percent Allocation of DSIP to Support FBO run academic institutions**
- ii. Student School Fees Subsidy Scheme: Universal Basic Education to Higher Academic Institutions (UOG, UPNG, etc.)
- iii. School Infrastructure Support Program
- iv. Lufa Secondary and High School Support- Upgrade Facilities, Staff Residences & Vehicle
- v. Elementary and Primary School Infrastructure – in Strategic partnerships (State, DP, Digicel Foundation, etc.)
- vi. Lufa Academic Excellence Award System

Impact of Sectoral Intervention Programs in Education

- ❑ Intervention Programs are not effectively managed and coordinated in the Province
- ❑ Intervention Programs run parallel to each other, no integration and creates confusion.
- ❑ Communities see Intervention Programs as competition of Agencies for own purposes
- ❑ Provincial Staff are too preoccupied with IP and ignore their Core Roles and Duties

Issues and Challenges Inherent in Education Sector:

- ❖ High rate of school dropouts
- ❖ Inadequate number of levels of educational institutions
- ❖ Poor condition of school facilities
- ❖ School age children are not educated and low literacy level
- ❖ Ineffective Board of Management (BOM)
- ❖ Lack of parental and community support
- ❖ Lack of Maintenance on existing facilities
- ❖ Construction of new infrastructure is insufficiently funded

Remedial Approach:

Education, whether formal or informal, ensures overall an understanding and cooperative District population. People in the District must be educated to a degree that not only equips them to part take in the development of the District and province, but also to take initiatives to better their own livelihood. To address the challenges faced in the District, the plan aims to ensure construction of an elementary school per ward per District, to carry out maintenance and expansion of primary and secondary schools, and to ensure construction of more Vocational and Technical schools. There must also be efficient supply of school materials, and awareness campaigns on various educational issues.

Table 5-S 4: Education Sector Strategies, Desired Outcome, Activities and Budget Estimates

GOAL: To facilitate and create an educated progressive society by establishing, improving and expanding academic learning, literacy and related skills training Centre's through the provision of quality formal educational opportunities to all children in strategic Partnership with Mainstream Churches in Lufa District and its 3 LLG Divisions.										
OBJECTIVES	STRATEGIES	DESIRED OUTCOME	PROG/PROJECT ACTIVITIES	ANNUAL COST ESTIMATE (K'000) OVER 5 YEARS					TOTAL	SOURCE OF FUNDING
				2023	2024	2025	2026	2027		
1. Improve the Education Infrastructure and Facilities for Delivery of Quality Education & Human Resource Capacity Building	1.1 Facilitate/support Church Education for 5 year cycle	1.1 Quality output of students under DDAB-FBOs	DDA-FBO –SCP partnership with FBO run Centres	500	500	500	500	500	2,500	TFF/PSIP/DSIP EHPG/LDDA GoPNG/PIP
	1.2 Upgrade TVET Facilities	1.2 Improved skills upscaling of HR	Gotomi TVET Upgrading Proj	250	250				500	TFF,PSIP,DSIP,EHP G/LDDA DP-Donor
	1.3 Upgrade secondary school & staff homes	1.3 HS Facilities upgraded to secondary level	School facilities & Staff support Proj	200	200	200	200	200	1,000	EHPG/LDDA DP-Donor
	1.4 Establish New Tech High School	1.4 Create students career pathways to tertiary institutions	Hegise Technical High School Proj – Infrastructure/classrooms	500	500	500	500	500	2,500	TFF/DSIP/PSIP/DP
	1.4 Secondary School Support Program	1.4Support Proj & items delivered on site	Sec School Support Proj	200	200	200	200	200	1,000	TFF/PSIP/DSIP
	1.4 Implement 166 education structure change	1.4 Upgraded Existing education facilities	Elementary classroom & facilities Project.	700	700	700	700	700	3,500	EHPG/ LDDA/ PIP/PSIP/ DSIP/ DP
	1.5 Construct school classroom/Staff houses.	1.5 Adequate classrooms staff housing built.	Schools Building and facilities built	500	500	500	500	500	2,500	TFF/ PSIP/ DSIP/ GoPNG/ PIP/ DP
	1.6 Student Tuition Subsidy Scheme	1.6 Fees remitted to institutions on time	TFF Scheme (attached to coffee pdn)	1,200	1,200	1,200	1,200	1,200	6,000	TFF/PSIP/DSIP/CIC
	1.7 Excellence Award to incentivize students	1.7 Award System launched - Gr 10/12	Lufa Academic Excellence Award	200	200	200	200	200	1,000	TFF/PSIP/DSIP
	2.2 Com Learning Centres/A Literacy	2.2 CLC and Adult Literacy in Wards	CLTC & Multi- purpose Centres	100	100	100	100	100	500	EHPG/LDDA NGO/FBO
3. To improve and maintain administration and program management function	3.1 School Board of Management	3.1 Effective functioning of schools prog & governance	1. Appointments of BOM for all schools	100	100	100	100	100	500	EHPG/LDDA
	3.2 Improve school inspection in Dist	3.2 Effective inspection program in place.		200	200	200	200	200	1,000	TFF/PSIP/DSIP
	3.3 Improve data collection & management system	3.3 Effective data collection and management set	Dist Information Management System-DIMS	50	50	50	50		200	EHPG/LDDA
4. HIV/AIDS factored in education curriculum	4.1 Promote religious instructions in schools	4.1 School children's negative attitudes reduced		50	50	50	50	50	250	EHPG/LDDA/FBO
	4.2 Incorporate HIV/AIDS into school curriculum	4.2 (100% of Gr 6,7 & 8) are informed of the epidemic		50	50	50	50	50	250	TFF/ PSIP/ DSIP/ EHPHA
TOTAL				5,300	5,300	4,950	4,750	4,700	25,000	



More Tertiary students

Tertiary Graduates for the district



SECTOR 5: LAW & JUSTICE

LDDAB is Making Renewed Efforts to Provide Support for Effectiveness, Administrative Efficiency in the District to Ensure the Environment is Conducive for Police and Criminal Justice System to Thrive. Priority Projects the DDA will Focus on :

- i. Village Courts and Peace Mediation Support Program
- ii. Police Support: Housing, Vehicle, Uniforms,
- iii. Advocacy on Anti-Drug Abuse and Guns Control & Rural Lock-up Project

Issues and Challenges Confronting Community Justice Sector

- ❑ Village Court not established in all Wards
- ❑ Insufficient Funding for Village Courts and Land/Peace Mediation Mechanisms
- ❑ No Supervision and Training for Village Courts Officials
- ❑ Poor Awareness and Increase in Alcohol and Illicit Drugs Abuse
- ❑ Tribal Fights and disputes, Underage Pregnancies
- ❑ Declining Family and Social Norms & Values and Increasing Lawlessness
- ❑ Lack of Police manpower and logistics-No Community Policing in Wards

Remedial Approaches:

Law & Justice in the District has become a grave concern. Not that the current situation in the district is out of hand, but the trend depicts that there will be greater law and order problems in the District if the current challenges faced are not adequately addressed. There are Law & Justice enforcing agencies that are making practical efforts by promoting, creating, and maintaining a conducive environment free from unlawful activities that can be enjoyed by the people. However, these agencies need to be supported further considering the current constraints that they face. The plan aims to firstly expand, improve and maintain facilities of law and order enforcing agencies, and provide training and incentives for village court officials. The District will also execute regular inspection on village courts, establish Peace and Good Order Committee, and revive Auxiliary Police. In addition, extensive awareness campaigns on drug abuse and other related issues shall be carried out.



Table 6-S 5: Law & Justice Sector Strategies, Desired Outcome, Activities and Budget Estimates

GOAL: Strengthen the Law and Justice systems and enabling mechanisms to engender a peaceful and harmonious environment in the Lufa District and 3 LLG Areas so that the law-abiding people can move freely to conduct business and live-in safety										
OBJECTIVES	STRATEGIES	DESIRED OUTCOME	PROG/PROJECT ACTIVITIES	ANNUAL COST ESTIMATE (K'000) OVER 5 YEARS					TOTAL	SOURCE OF FUNDING
				2023	2024	2025	2026	2027		
1. To reduce Law and Order problems in the Division/Wards & District	1.1 Extensive awareness of law and order and justice issues	1.1 People's Law and Order knowledge is increased	1.1.1 Awareness Campaign	200	200	200	200	200	1,000	DSIP/ EHPG/ AUSAID & DP
	1.2 Identify, appoint and train Land Mediators	1.2 Fluent and effective Land Mediators	1.2.1 Land Mediator training	60	60	60	60	60	300	PSIP/DSIP
	1.3 Identification, extension and construction of Village Court houses	1.3 Village Court houses are built -services extended to new areas	1.3.1 Build Village Court Houses in all 3 LLGs	1000	1000	1000	1000	1000	5,000	DSIP/ PSIP/ PIP/ DP
	1.4 Village Court review and training	1.4 Village court replenished with quality personnel	1.4.1 Review, extension and training	100	100	100	100	100	500	DSIP/ EHPG/ AUSAID & DP
	1.5 Establish Law and Order Committee, and Law & Justice office.	1.5 Effective law & order committee and L&J office is established	1.5.1 Peace and Good Order Com set-up	40	40	40	40	40	200	PSIP/DSIP
			1.5.2 Setup L&J office	40	40	40	40	40	200	DP
	1.6 Maintain and improve Community Auxiliary Police	1.6 Auxiliary Police is reactivated	1.6.1 Auxiliary Police Training	200	200	200	200	200	1,000	DSIP/ EHPG/ AUSAID & DP
	1.7 Maintain and monitor village courts	1.7 Village court services are effectively delivered	1.7.1 V.Court Inspection Prog-MOA for CAP	100	100	100	100	100	500	PSIP/DSIP
	1.8 Improve and maintain police facilities and cells	1.8 Facilities/cells effectively improved/hygenically	1.8.1 Cell maintenance	90	90	90	90	90	450	GoPNG/ DP
			1.8.2 Logistic Support (New Police Vehicle x 3 @ 1 each year)	240	240	250	60	60	850	DSIP/ EHPG
	1.9 Establish new police post in appropriate locations.	1.9 A new police Substation is built	1.9.1 Police sub-station/Com police	250	250	250	250	250	1,250	DSIP/ EHPG/ AUSAID & DP
	1.10 Facilitate/Support any initiatives of CIS and Police	1.10 Community based corrections implemented.	1.10.1 Community Based Correction	100	100	100	100	100	500	PSIP/DSIP
2 Engage Peace Foundation Melanesia -assist	1.1 Facilitate and Support and any other initiatives of PFM peace mediation methods	Identify effective methods of peace mediation and win-win resolution	Workshops & Training of mediators for conflict resolution	100	100	100	100	100	500	DP/ FBO
3 Est Community Justice Centre	Establish C/JC in strategic locations	Reintegration of juveniles thru community service	Com Based Correction and reintegration	50	50	50	50	50	250	DSIP/ EHPG/ AUSAID & DP
			TOTAL	2,570	2,570	2,580	2,390	2,390	12,500	

SECTOR 6: COMMUNITY DEVELOPMENT ACTIVITIES

The Sector very critical for maintaining social interaction and harmony therefore the LDDAB has decided to Focus on Improving and Developing Community Based Activities like Sports and Recreational Facilities to Improve Well-being. The Priority Projects are:

- i. Youth Skills Development and Empowerment Initiative;
- ii. Community Hall and Facilities Development for 3x LLGs
- iii. School Leavers Second Chance –FODE Centre Project
- iv. Support Scheme for those with Disabilities
- v. Establishment of District Markets Facilities for Fresh Produce
- vi. Youth Skills and Women Empowerment Program
- vii. Faith-based, Community-based and NGO Support Programs

Issues and Challenges Prevalent at Community Level:

- 'Handout Mentality' promoted by leaders
- Breakdown of Law and Order and Urban Drift
- Lack of HIV /AIDS /Awareness
- Increasing Usage of Alcohol and Illicit Drugs
- Increase in HIV /AIDS/Covid19 challenge and Underage Pregnancies
- Diminishing Community Support and Destruction of Service Facilities
- Gender Inequality and Lack of recognition of status of women
- Tribal Conflicts and Land Ownership Issues
- Lack of proper District Market outlets for fresh produce
- Disintegration in cultural values and beliefs
- Lack of Government support on church run programs and services

Remedial Approaches:

Community Development is an area that basically deals directly with people, their welfare, and their way of life in the community as they interact with each other and people outside their community. Problems in the community such as family disputes, abuse of women and children in the home, youth problems, cultural changes and such all hinder development of the community. The plan in this area targets firstly expanding, improving and maintaining Community Development and Management functions, and facilitate and increase funding for women and youth development activities. There shall also be a database on NGOs and their related activities established. Expanding, improving and maintaining community development facilities and awareness and counseling programs are also planned.

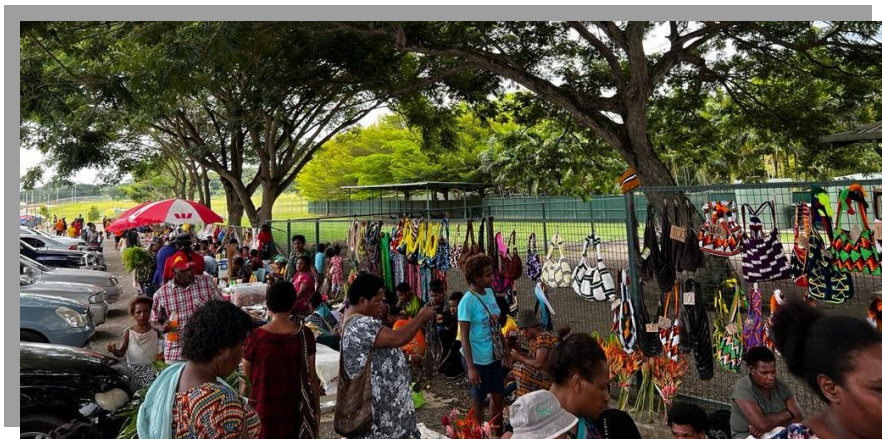


Table 7-S 6: Community Development Sector Strategies, Desired Outcome, Activities and Budget Estimates

GOAL:	Develop multi-sectoral Community Service Development programs and activities to create an atmosphere of partnership and inclusiveness and promote gender equity for productive engagement to trigger growth in all aspects of life and elevate quality of living standards in the 3 LLG Divisions/32 Wards in Lufa									
OBJECTIVES	STRATEGIES	DESIRED OUTCOMES	PROGRAM/PROJECTS /ACTIVITIES	ANNUAL COST ESTIMATE (K'000) OVER 5 YEARS					TOTAL	SOURCE OF FUNDING
				2023	2024	2025	2026	2027		
1. Initiate major Community Development Prog that encompasses youths, women, disabled (PLWD) sports and market facilities in District	1.1. Develop/ improve, and bolster Youth activities	1.1. Youth Empowerment to participate in economic ventures & life-skills	Youth life-skills training Prog	200	200	200	200	200	1,000	DSIP/ PSIP/ GoPNG/ CEPA /DP
			Labour Mobility Program	150	150	150	150	150	750	
			Afforestation Tree Planting	250	250	250	250	250	1,250	
	1.2. Expand/sustain Women's Prog.	1.2. Women support Prog effectively implemented	Credit Facilities for Women in Agriculture Projects	200	150	150	150	150	800	DSIP/PSIP/NDB
	1.3. Improve/ maintain all sporting prog and facilities	1.3. Sporting programs effectively implemented with wide participation	Sports Talent Development Prog - Fields in LLGs to stage Grassroots/PNG Games	100	100	100			300	DSIP/PSIP
	1.4. Strengthen Soc Welfare Prog	1.4. Social Welfare services administered with success	Establish Family counseling office Com Resource Centres				100	100	200	DSIP/PSIP
	1.5. Disability Office for PLWD	1.5. Social Inclusion to improve lives of PLWD	Social Inclusion Strategy	20	20	20	20	20	100	DSIP/ PSIP/ /DP
2. Address Cross-cutting issues of Gender based violence, (GBV) HIV/AIDS, FSV Sorcery victims, etc.	2.1. Implement AIDS Programs.	2.1. AIDS prog implemented in Wards	Awareness on AIDS and gender-based violence-	100	100	100	100	100	500	DSIP/ PSIP/ EHPHA/ DP
	2.2. Build CLTC Community Halls (CLTCs) in LLGs	2.2. Community gatherings meetings can be heard/discussed CLTC	Construction of 3 x Community Halls/Centers (CLTCs) Project Shared task							DSIP/ PSIP/ EHPHA/ DP
	2.3. Establish Safe Houses in 3 LLGs	2.3. Build X3 Safe Houses for GBV & Sorcery linked Survivors	Construct X3 Safe Houses in each & Sustain them-Refer Admin							DSIP/ PSIP/ EHPHA/ DP
	2.4. Empower Dist GBV Committees, and Advocacy	2.4. Trainings & Logistic Support to Deliver Prog in Ward communities.	Social Welfare Prog with NGO/CBO/FBO Partners.	20	20	20	20	20	100	DSIP/ PSIP/ EHPHA/ DP
3. Setup/Improve Target Markets in Wards District	3.1. Set up in target areas for markets in Wards	3.1. Enable village farmers to sell their saleable produce Create avenue for income	Phased local market development prog refer sector 2							DSIP/ PSIP/ EHPHA/ DP
			TOTAL	1,040	990	990	990	990	5,000	

Networking and Partnership

Networking and partnership is a clear process in itself as well as an important strategy for community transformation and effective community governance. It is the pathway to enhancing mobilisation and enforces networking at the national level, involving all state institutions and agencies and cascading to the lower tiers of government.

The central agencies or policy making bodies in state institutions are to mobilise and bring in their specialty and expertise through an integrated approach with a focus on linking community, civil society, churches, NGOs and the state mechanisms at the sub-national level.

The Way Forward

The way forward is to strengthen social contact and shared responsibility between the government, community, churches and NGOs in order to draw clear lines and links between delivery mechanisms for effective community governance. This can be done through:

- Strengthening the LLG which could be the necessary step forward for efficient and improved community governance. This will encourage more community participatory planning processes involving public funds based on communal needs which are more basic.

The concept **Rationale** is based on the premise that:

- FBOs, CBO's, NGOs and NSAs are equitable and efficient partners in the delivery chain well equipped and committed to engage cross-sections of communities in active lifestyles based on sound principles and deliver basic integral goods and services in holistic way.
- The perception that a healthy community forms the foundation of a healthy and prosperous economy is a principle that should be instilled in the mindset of government policy thinkers, decision-makers, development partners and all civil society stakeholders.
- Concept is necessary as the District inhabitants have not been effectively coordinated or mobilized for growth, hence products and services being delivered in ad hoc manner for a long time. The establishment of a fully complemented Multi-Purpose Service Delivery Center and Sub-Centres will provide opportunities for life preserving services;
- Innovative concepts must be eligible for State assistance from various funding mechanisms such as the **State-Churches Partnership (SCP) Scheme, Public Investment Program (PIP), Provincial/District Service Improvement Program (PSIP/DSIP); Public –Private Partnerships (PPP) Framework;**
- These community-oriented tools will be viable vehicles to drive the Localization of SDG's targets and indicators can experience visible and decent change in their lives.

Challenges and Problems Affecting Community Outreach and Service Delivery Impact are certainly inherent issues and challenges that affect effective service delivery. These are being dealt with in each sector presentation.

Part C: Economic and Business Development

SECTOR 7: ECONOMIC INFRASTRUCTURES

It is vital to help Improve Key Economic Infrastructures: Roads, Communication, Electricity; -to an Acceptable Standard for Efficient and Effective Service Delivery. It sets the ideal platform for MSMEs and JV business ventures to flourish and prosper. Sector Priorities are articulated in Narratives and Tables below.

- i. Rehabilitating and Upgrading Existing Roads, Culvert and Bridges;
- ii. Construction of New Access Road from Lufa Station to Unavi LLG-Mengino Division (giving access to Karimui)- Feasibility Scoping and construction;
- iii. Install Telecommunication Towers and Install ITC for High and Secondary Schools; and DDA HQ/Office domain
- iv. Rural Electrification: -(a) Solar Power; Mini Grid for Lufa Station and off-grid for homes, Hybrid Diesel-Solar Ramu Grid; (b) Hydro Power Feasibility Study

Legacy Issues and Challenges Affecting Road Transport Infrastructure Sector

The Road and Transport Infrastructure Sector is confronted by many Challenges, including:

- ◆ Poor Access feeder roads into the impassable remote Rural Communities
- ◆ Insufficient Funding for New & Routine Maintenance
- ◆ Organic Law Provision of Works Functions and responsibilities resulting in duplication of limited resources
- ◆ Delays in Major Contracts being awarded due to lengthy Government Procurement Processes and Capacity
- ◆ Continuous and Exorbitant or unrealistic Compensation Claims for Land on Road Routes
- ◆ Minimal access of rural produce to local markets
- ◆ Intended basic services are not being dispatched to the majority of the rural populace.
- ◆ Economic activities are discouraged or frustrated
- ◆ Inadequate funding by respective levels of government

Remedial Approach: The LDDA recognizes that the major catalyst and enabler for boosting development activities in the District is, no doubt, transport infrastructure, and thus, it is targeted as the **District and Provincial Government's top priority.**

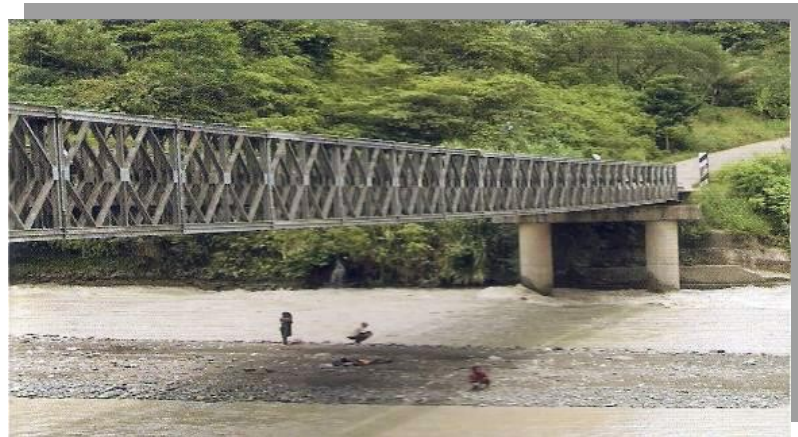
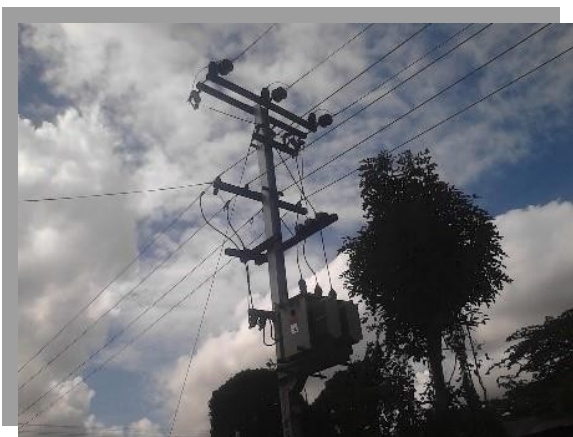


Table 8-S 7.1 Economic Infrastructure Sector Strategies, Desired Outcome, Activities and Budget Estimates

GOAL: Construct, improve and maintain all Economic Infrastructures including Access Roads, Rural Airstrips, Telecommunication Networks and Rural Electrification in the District to facilitate economic and industrial development and growth, thus improve quality of living standards for the people of Lufa District dispersed across the 3 Rural LLG Divisions.										
OBJECTIVES	STRATEGIES	DESIRED OUTCOME	PROG/PROJECT ACTIVITIES	ANNUAL COST ESTIMATE (K'000) OVER 5 YEARS					TOTAL	SOURCE OF FUNDING
				2023	2024	2025	2026	2027		
1. Build, improve and maintain basic land transport infrastructures to enhance smooth flow of goods and services.	Design Access Road implementation plan	Comprehensive road maintenance plan	Road building & maintenance plan	500	500				1,000	PSIP/DSIP/Connect PNG
	Construct new priority feeder road in Wards	Link road from Lufa-Unavi-Kanimui	New Road Construction including bridges	2,500	4,000	5,500	4,000	2,000	18,000	DSIP/EHPG/LDDA/PIP
		Acquire Plant & Machines	Purchase plant-excavator/grader/roller/truck	2,000	2,000				4,000	
	Improve access roads	Met safety standard.	Road Rehab Prog	1,500	1,500	1,500	1,500	1,500	7,500	DSIP/PSIP/DP
	Fix bridges/ culverts	Safety standard met.	Road Repair	500	500	500	500	500	2,500	PSIP/DSIP
	Build Bailey bridges	Target bridges built	Bridge construct	1,000	1,000	1,000	1,000	1,000	5,000	PIP, DSG, PG
Survey	Preconstruction Survey & Design	All contour lines, pegs & Designs done	Survey Activity done	250	250				500	PIP, DSG, PG
Emergency Works	Allocate for Emergency Works	Attempt quick on the emergencies	Emergency Attempt	400	400	400	400	400	2,000	PIP, DSG, PG
Building and Architectural Branch	Building/Architectural Branch established in District Civil Work	Basic facilities & building at Lufa HQ –Refer Admin Sector	Building supports in the district	500	500	500	500	500	2,500	PIP, DSG, PG
Maintenance Cycle- Quarterly	Seal Road Maintenance Cycled in a yr.	All roads maintained free from vegetation encroachment	Maintenance Cycle- Quarterly	1500	1500	1500	1500	1500	7,500	PIP, DSG, PG
To increase the flow of third level airlines into remote areas	Maintain and improve airstrips	Maintained to air safety standard level.	Airstrip maintenance	500	500	500	300	200	2,000	Provincial/GoPNG/PIP
	Construct Airstrips	Required Airstrip is constructed	Airstrip Construction	500	500	500	500		2,000	PIP/GoPNG
Construct Communication Networks	Set up VSAT and Com Towers for mobile service	VSAT & Com TV Radio Towers constructed- Access world news, etc.	Feasibility studies & installation prog designed	500	500	500	500	500	2,500	DSIP/PSIP Dataco/KCH/ DP
Roll-out Rural Electrification prog in Division/Wards	Electricity supply primary as a service to more than 60% of household and secondly as a trigger growth of business & SMEs	Rural power supply plan developed with Feasibility Study plans	Feasibility studies conducted/ Report made & commencement of Hydro (Solar & Hydro)	500	500	1,000	1,000		3,000	DSIP/PSIP PPL/ DP
			Solar Power Non-Grid for homes	750	750	750	750		3,000	
			Solar Power Mini-grid for Lufa station	2,000	2,000	1000			5,000	
			TOTAL	15,400	16,900	15,150	12,450	8,100	68,000	

Note: Governance and Administration Sector to create positions to support the Civil Works Division of the district and establish a Project Management Unit to support Socio-Economic infrastructure projects and large-scale Agriculture project for the district. A 15% from the budget under New Road projects is being allocated to establishment of project management administration under Table 3-S1.

Summary: Top Priority Investment Projects in Each Sectors (Economic, Social and Infrastructure) That Are Economic Enablers for The Lufa District for Next 5 Years (2023 To 2027) To Secure Funding Under Public Investment Program

The Table Below Outlines the Development and Funding Schedule of the Key Economic Infrastructures

i. Rehabilitating and Upgrading Existing Roads and Bridges;

Table 8-S 7.2: Lufa District Five Year Economic Priority Projects and Budget Estimates

Sector	Priority Projects	2023 (in millions of Kina)	2024 (in millions of Kina)	2025 in millions of Kina)	2026 (in millions of Kina)	2027 (in millions of Kina)	2023- 2027 TOTAL	Source of Funding
Economic Infrastructure	1. New Road Lufa: Gouno – Mengino (Lufa to Karamui Access Road)	5.0	5.0	5.0	5.0	5.0	25.0	DSIP/PIP
Economic Infrastructure	2. Rehabilitation and upgrading of existing economic roads (Korofeigu-Nupuru/Oliguti-Lufa station)	2.0	2.0	2.0	2.0	2.0	10.0	DSIP/PSIP/PIP /DP
Infrastructure	3. Rural Airstrip Upgrade	1.0	1.0	1.0	1.0	1.0	5.0	PSIP/PIP/ GoPNG
Infrastructure (Social Sector)	4. Rural Water Supply (Yagaria LLG and Mt. Michael LLG)	2.0	2.0	2.0	1.0	1.0	8.0	DSIP/PIP/ GoPNG
Infrastructure (Social Sector – Health)	5. Rural Health Centres Upgrade (Nupuru/Uvaguvi/Lufa Station/Gouno)	3.0	2.5	4.5	4.5	3.5	18.0	DSIP/PSIP/ EHPHA/DP
Infrastructure (Social Sector – Education)	6. Rural Schools facility Upgrade (Primary, Secondary, TVET & FODE Centres)	1.5	1.5	1.5	1.5	1.0	7.0	DSIP/PSIP/PIP GoPNG/DP
Infrastructure (Economic Sector)	7. Rural Electrification	3.0	3.0	2.0	2.0	2.0	12.0	DSIP/PSIP/DP
Economic Sector (Econ Empowerment)	8. Mushroom Project	5.0	1.0	1.0			7.0	DSIP/PSIP/PIP/ GoPNG
Economic Sector (Econ Empowerment)	9. Rural Market Upgrades (one in strategic location in each LLG)	1.0	1.0	1.0	1.0		4.0	DSIP/PSIP/PIP/ DP
Economic Sector (Econ Empowerment)	10. Coffee plantations Rehabilitation (and small-holder Expansion)	4.0	4.0	4.0	4.0	4.0	20.0	DSIP/CIC/PIP/ DP
	TOTAL	27.5	23.0	24.0	22.0	19.5	116.0	

Note: The funding of these projects is captured and reflected in the various sector tables (Table 5-S3, Table 5-S4, Table 8-S7.1, Table 8-S7.3, Table 9-S8)

DETAILED NOTES ON THE PRIORITY PROJECTS FOR LUFU DISTRICT (2023 -2027):

Project 1:	New Road: Lufa to Karamui Access Road (Gouno – Mengino-Karamui)
Objective(s):	<ol style="list-style-type: none"> 1. To open up and provide access road to people in Mt. Michael LLG, Unavi LLG in Lufa District (EHP) and Karamui District (Simbu) people to bring their organic coffee and cocoa to market. 2. To allow access to basic government services (education and health services and economic activities) which has been minimal or non-existence since independence
Status	This will be a new road project similar to the Wabag – Maramuni road in Enga Province. The economic potential of organic coffee and cocoa has not reached its full potential because of no roads
Funding & Duration	This project is estimated at K25 million over 5 years (2023 to 2027) with K5 million each year to be funded from DSIP, PIP and PSIP
Location:	Lufa District (EHP) and Karamui District (Simbu)
Justification:	<ol style="list-style-type: none"> 1. To enable basic government services (education and health) to reach these people of Mt. Michael and Unavi LLGs and Karimui. 2. The road will open up the economic potential of organic coffee and cocoa market in the area, empower the people of Lufa and Karimui to improve their standard of living and to contribute to National economy through exports. This is an economic route.
Capacity:	Lufa District Authority, Eastern Highland Provincial Works Department and National Works & Highways Department will implement this project through establishment of an MOU. A 15% of the funds budget allocated for this new road project is earmarked to support the establishment of a project management unit to support the district administration to implement socio-economic infrastructure projects and large scale agriculture projects (Coffee and Mushroom) within Lufa district.
Beneficiaries	Lufa District (EHP), Karamui District (Simbu) and Papua New Guinea
Sustainability	Capacity in Works Division at the Lufa District Authority and Eastern Highland Provincial Government.
Project 2:	Rehabilitation and Upgrading of existing Roads (Korofeigu to Nupuru, Oliguti to Lufa Station, Lufa Station to Gouno and Forapi to Lufa Secondary School)
Objective(s):	To maintain existing roads in the Districts to allow to government services (health and education) to be accessed and economic activities (Coffee and vegetables) to have accessibility to market
Status	These existing economic roads need support to maintain key feeder road for coffee and vegetables from Lufa and Okapa Districts.
Funding & Duration	This project is estimated at K10 million over 5 years (2023 to 2027) with K2 million each year to be funded from DSIP PIP and DP
Location:	Lufa District (EHP) and Okapa District (EHP)
Justification:	<ol style="list-style-type: none"> 1. To enable basic government services (education and health) to reach people of Okapa and Lufa District in Eastern Highlands 2. The road has empowered people through accessing market for organic coffee and vegetable and contribute to National economy through exports of coffee.
Capacity:	Lufa DDA, EHP Provincial Works Department and National Works & Highways Department will implement this project
Beneficiaries	Lufa District (EHP), Okapa District (EHP) and Papua New Guinea
Sustainability	Capacity in Works Division at the Lufa District Authority and Eastern Highland Provincial Government
Project 3:	Rural Airstrip Upgrade (Maimafu and Mengino)
Objective(s):	To allow for basic government services and goods to reach rural people and public servants in Mt. Michael LLG and Unavi LLG in Lufa District (EHP).
Status	These are existing rural airstrips and the only access for people to urban Centre in Goroka for goods and services which have not been maintained for a very long time
Funding & Duration	This project is estimated at K5 million over 5 years (2023 to 2027) with K1 million each year to be funded or co-funded by PIP and GoPNG
Location:	Unavi LLG and Mt. Michael LLG of Lufa District (EHP)
Justification:	To enable and maintain basic government services (education and health) and goods to reach these people
Capacity:	Lufa District Authority, Eastern Highlands Provincial Works Department and Rural Airstrip Authority
Beneficiaries	Lufa District (EHP), Karamui District (Simbu) and Papua New Guinea
Sustainability	Capacity at the Lufa District Authority and Eastern Highlands Provincial Government
Project 4:	Rural Water Supply
Objective(s):	To enable villages, schools and clinics especially those in savannah area and ridges to have access to basic clean drinking water including the staff and those living at the Lufa Station district headquarters.
Status	Close accessibility to proper clean water is a challenge for many villages
Funding & Duration	This project is estimated at K8 million over 5 years (2023 to 2027) with K2 million each year from (2023 to 2025) and K1 million from (2026 to 2027 to be funded or co-funded under DSIP, PIP and Development Partners(DP))
Location:	Lufa District especially Yagaria LLG and other two LLGs that need clean water supply.
Justification:	To enable villages including schools and clinics to have access to clean running water near their doorstep
Capacity:	Lufa District Authority, Eastern Highland Provincial Works Department and Development Partners (involved Wash Program-Water & Sanitation)
Beneficiaries	Lufa District (EHP)
Sustainability	Capacity at the Lufa District Authority and Eastern Highland Provincial Government

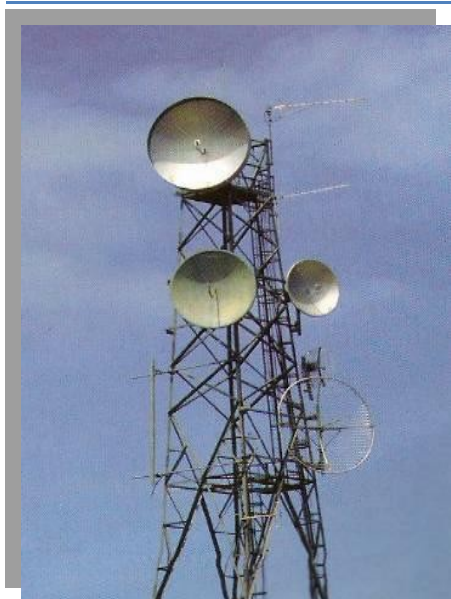
Project 5: Rural Clinics Upgrade (Lufa District)	
Objective(s):	To upgrade the existing health center and clinic to rural hospital status
Status	There are three existing rural health Centres where three are run by government at Nupuru, Uvaguvi and Lufa Station and one by Faith Mission in Gouno which needed assistance for upgrading. (Upgrade Nupuru and Uvaguvi from level 2 to level 3).
Funding & Duration	This project is estimated at K18 million over 5 years (2023 to 2027) with average of K3.6 million each year from (2023 to 2027). To be funded or co-funded under DSIP, EHPHA, EHPG, PIP and DP
Location:	Lufa District (Nupuru, Uvaguvi, Lufa Station and Gouno Health Centres)
Justification:	The growing population within the District requires the facilities to be upgraded from health Centres into rural hospitals.
Capacity:	Lufa District Authority, Eastern Highlands Provincial Health Authority, and Development Partners
Beneficiaries	Lufa District (EHP)
Sustainability	Capacity at the Lufa District Authority, faith-based organization (Faith Mission) and Eastern Highland Provincial Health Authority
Project 6: Rural School Facility Upgrade (Lufa District)	
Objective(s):	To upgrade facilities in existing Primary, Secondary, High School, TVET and FODE centers
Status	There is one secondary school, two High Schools, New Technical School and seventeen Primary schools in the District and focus will be to identify those that needed upgrading of infrastructure facilities and prioritize and support these schools
Funding & Duration	This project is estimated at K7 million over 5 years (2023 to 2027) with K1.5 million for each year for four years and K1 million for one year. To be funded or co-funded under DSIP, EHPG, GoPNG, PIP and DP.
Location:	Lufa District (Secondary Schools, High Schools, TVET, FODE and Hagise Technical High School within Lufa District)
Justification:	The growing population and aging infrastructure at the schools within the district requires the facilities to be upgraded
Capacity:	Lufa District Authority, Eastern Highland Provincial Works Department and Development Partners
Beneficiaries	Lufa District (EHP)
Sustainability	Capacity at the Lufa District Authority and Eastern Highland Provincial Government
Project 7: Rural Electrification (Lufa District)	
Objective(s):	1. To improve productivity and efficiency in social and economic sectors of the community through accessibility of sustainable reliable electricity in the schools, clinics and households in rural areas. 2. Use of Green energy and replace fossil fuel energy to provide sustainable electricity.
Status	Most of Lufa District does not have electricity connectivity from main PNG power grid (from Yonki). Lufa government station and some schools are operated on diesel generator.
Component of Project	1. Solar Power: Mini-grid at Lufa Station 2. Solar power: Off-grid Households 3. Hydro
Funding & Duration	This project is estimated at K12 million over 5 years (2023 to 2027) with K3 million for each year from (2023 to 2024) and K2 million each year from (2025-2027) To be funded or co-funded by DSIP, PIP, EHPG and DP
Location:	Lufa District
Justification:	The growing population, the Lufa Government Station, schools, health Centres and potential economic activity for coffee plantation factories in the District requires sustainable reliable electricity
Capacity:	Lufa District Authority, Eastern Highlands Provincial Government, and Development Partners
Beneficiaries	Lufa District (EHP)
Sustainability	Capacity at the Lufa District Authority, faith-based organization and Eastern Highlands Provincial Government
Project 8: Lufa Mushroom Project (Lufa District)	
Objective(s):	1. To pilot the commercialization of mushroom as an alternate source of income from coffee for Eastern Highlands Province and PNG 2. Support alternate source of food security.
Status	There was a pilot project done over 20 years ago and the potential to grow into commercialization is there however lack of funding and capacity has not eventuated over time
Funding & Duration	This project is estimated at K7 million over 3 years (2023 to 2027) with K5 million at the starting year (2023) and K1 million each year (from 2024 to 2025). To be co-funded through DSIP, PSIP, PIP and DP.
Location:	Lufa District
Justification:	Alternative source of income for Papua New Guineans as well as commercialization for local and export demand. Supports food security for Lufa, Eastern Highlands and Papua New Guinea
Capacity:	Lufa District Authority, Eastern Highlands Provincial Government, Private Sector and Development Partners. A 15% of the funds budget allocated for this Mushroom project is earmarked to support the establishment of a project management unit to support the district implement socio-economic infrastructure projects and large scale agriculture projects (Coffee and Mushroom) within Lufa district
Beneficiaries	Lufa District, Eastern Highlands Province and Papua New Guinea
Sustainability	Capacity at the Lufa District Authority and Eastern Highlands Provincial Government through Private-Public-Partnership arrangement.
Project 9: Rural Market Upgrade (Lufa District)	
Objective(s):	To facilitate and empower villagers and rural farmers through provision and upgrading of rural market facilities
Status	There are small markets in nearby governments station, schools or health Centres where many cannot afford the transportation fees to transfer the crops to the market in Goroka

Component of Project	1. Oliguti Market upgrade 2. 3 x Other Markets one in Lufa Station and one each in the Unavi and Mt Michael LLGs
Funding & Duration	This project is estimated at K4 million over 4 years (2023 to 2027) with K1 million for each year from (2023 to 2026). To be funded or co-funded by DSIP, PSIP and DP.
Location:	Lufa District
Justification:	The cost of transport for many rural farmers to bring produce to Goroka market is expensive and therefore a locally upgraded market such as Oliguti market will facilitate this need
Capacity:	Lufa District Authority, Eastern Highlands Provincial Government, and Development Partners
Beneficiaries	Lufa District (EHP)
Sustainability	Capacity at the Lufa District Authority, faith-based organization and Eastern Highlands Provincial Government
Project 10: Coffee Plantation Rehabilitation and Coffee Expansion (Lufa District)	
Objective(s):	1. To support and rehabilitate existing run-down plantation and large small-holder blocks in order to contribute towards meeting the export volume target set by Coffee Industry Co-operation and income generation for the district and country 2. Provide employment and income earning opportunities.
Status	Many plantations and medium-coffee block holders are run down due to many issues including management and funding. Lessons have learnt and needed a sustainable approach to rehabilitating these coffee plantations and large-blocks
Component of Project	1. Run-down coffee plantation rehabilitation and replanting 2. Medium and small coffee block rehabilitation and expansion
Funding & Duration	This project is estimated at K20 million over 5 years (2023 to 2027) with K4 million for each year. To be funded or co-funded by DSIP, PSIP and DP.
Location:	Lufa District
Justification:	Coffee has been singled out in Agriculture sector as one of the key cash crops which has been not performing to its full capacity. Therefore, capital injection and governance strengthening through effective stakeholder partnership will improve the current situation and therefore contributing to reaching the K200 billion economy target set by the government
Capacity:	Lufa District Authority, National Development Bank and Coffee Industry Co-operation. . A 15% of the funds budget allocated for this coffee project is earmarked to support the establishment of a project management unit to support the district administration to implement socio-economic infrastructure projects and large scale agriculture projects (Coffee and Mushroom) within Lufa district.
Beneficiaries	Lufa District, Eastern Highlands Province and Papua New Guinea
Sustainability	Capacity at the Lufa District Authority and National Development bank

Note: A Project Management Unit is highly recommended to be in place in the district immediately by Lufa DDA to effectively secure funding, co-ordinate, implement and monitor these priority economic and social infrastructure projects.

v. **Install Telecommunication Towers and Install ITC for High and Secondary Schools; and DDA HQ**

ICT-Information and Communication Key to Spur Growth of Economy



Information key to growth is an undeniable fact in light of rapid advancement in Information & Communication Technology (ICT). PNG is already caught in the scramble for equity in the ICT and its desire to be on par to be an E-Society.

Digital splendour has exploded the global community. The **“world is in the palm of your hands”** would have been ridiculed a decade ago but it is incredibly true today. The globe is stunningly reduced to the size of a Smartphone and getting smaller because of the technological madness of making every gadget as small as possible.

The Context of global communication phenomena is undisputable. The potential of ICT to revolutionize the way citizens engage with government generally is increasing rapidly. There is little evidence of substantial changes in behaviour of citizens as consequence of online interaction with government but it is increasingly imperative for EHPG to recognise and act on that potential. Lufa should not be left lagging behind in ICT modernization.

Inherent Issues and Challenges in Communications Sector

- ❑ Inadequate existence of public utilities and amenities in the Districts
- ❑ Lack of quality modern communications facilities at District HQ, Business Centres and High Schools
- ❑ Need for Direct and faster Communication-Village Satellite (VSAT)
- ❑ Increasing need for electricity supply to support business and spur economic growth;
- ❑ Vandalism on existing public utilities
- ❑ Exorbitant land compensation demands

Remedial Approaches:

Serial	Project Title	Specific Task/Location	Allocation - K	Remarks
1	Telecom Towers Installation	Communication/ITC in District HQ	350, 000	Counterpart funding – Telikom, Digicel, Dataco
2	Telecom Towers Installation	Communication/ITC in H Schools	160, 000	Technical Service Provider-Digicel, Datec
3	Telecom Towers/ITC Installation	ITC Equipment-Business Centres	50, 000	Technical Service Provider-Vodafone, Datec
4	Telecom Towers Installation	Communication/ITC in District HQ	100, 000	Technical Service Provider-Vodafone, Datec
5	DHQ Power & Communication	Com Tower/ITC/Internet @ DHQ	100, 000	Technical Service Provider-Vodafone, Datec
6	Rural Communication –V-SAT	Lufa District/LLG/Wards	100, 000	Cost Assessment Survey
		TOTAL	K 860, 000	

The Communications Infrastructure and Technical Equipment installation will be in collaboration with stakeholders: **Telekom, Digicel, Dataco/B-Mobile-Vodafone, and other ISP Companies/Datec/Global/Emstret).** In

order for the Administrative arm of Government in Lufa to function effectively and deliver vital services to the people, the District telecommunication network has to be established. **LDDA must have** to have Internet connections to EHPG Headquarter Central Government in Waigani and Development Partners stationed in Port Moresby and Goroka to expedite vital activities in the District.

ii. Rural Electrification: -Mini Grid for Lufa Station and Hybrid Diesel-Solar –Ramu Grid



This is a very important Sub sector. There is no power service in District therefore detailed project scope of feasibility study and nature relating to Power Service line development in **Lufa District** to service the DDA HQ and 3 LLG Divisions/32 Ward areas will need to be undertaken. In the absence of power line grid, the alternative source of Solar Power installation will be ideal for widely dispersed communities in remote areas in the district.

With this growing demand, the Feasibility Study Project will determine the scope of rural electrification and assess the costs to provide accessibility to the District. The Scope may entail Ramu grid-Lufa Hydro –Solar power, distribution coverage for EHP for LD Revenue generation.

Serial	Project Title	Specific Task/Location	Allocation -K	Remarks
1	Gotomi-Haga	Power Service line	K400, 000	Counterpart funding –State & DP-EU, AusAID, PPL
2	Central Lufa-Station	Power Line extension	K400, 000	Pole & Line extension and ITC /Village
3	Nupuru-Dagenava-Kisivero	Power Service line	K400, 000	Pole & Line extension and ITC /Village
4	Lufa Station-Uvaguvi	Pole & Line extension	K400, 000	Power & Telephone line
5	Feasibility Study-Hydro Power Hybrid	Scope-District and Province	K400, 000	Scope of Services - Technical/Cost Assessments
		TOTAL	K2.0 million	

- ❑ Provide innovative management and skills up-scaling programs that empowers ILG and Landowner Association to effectively discharge their roles and responsibilities to serve the concerns and interest of these communities in project areas,
- ❑ Engage local youths and ILG community or business groups to be inclusive partners in socio-economic infrastructure developments,
- ❑ Demonstrate sensitivity and respect for cultural heritage sites that have ancestral significance and needs to be preserved for posterity,
- ❑ Increase in demand and use of hydro power makes it imperative for PNG Power to ensure compatibility of economic value of project site is factored into royalties, compensation or equity calculation formula,
- ❑ Electricity generated from hydro dam and solar energy, demands equity consideration to ensure long-term assurance of project operation,
- ❑ Institute environmental conservation and protection program to preserve forests and sacred customary sites for ILG communities,
- ❑ Establishment and awarding of academic scholarship schemes that target professional and technical training and eventual engagement.
- ❑ Stream collaborative mutually beneficial equity/investment partnership and spin-off framework for landowners and developers.

Table 8-S 7.3: Economic Sector (ICT and Rural Electrification) Strategies, Desired Outcome, Activities and Budget Estimates

OBJECTIVES	STRATEGIES	DESIRED OUTCOMES	PROGRAMS/ PROJECTS/ AND ACTIVITIES	ANNUAL COST ESTIMATE (K'000) OVER 5 YEARS					TOTAL	SOURCE OF FUNDING
				2023	2024	2025	2026	2027		
2. Improve, expand and maintain communication network in District and Schools	2.1. Install District communication facilities at DDA HQ, Business Centres and High Schools	2.1. An effective District communication system is in place and ITC services accessed	2.1.1 Communication Tower Program	600	600	600	600		2,400	LDDA/EHPG / DSIP' PSIP/DP
			2.1.2 Telephone/mobile Installation	100	100	100			300	LDDA/EHPG / DSIP' PSIP/DP
			2.1.3 Satellite Disc Installation	300	300	300			900	LDDA/EHPG / DSIP' PSIP/DP
			2.1.4 Postal Service	50	50				100	LDDA/EHPG / DSIP/PSIP/DP
3. Provide, Rural Electrification Services with Development Partners & State	3.1 Promote Community understanding and participation	3.1. Common understanding reached & compensation risks reduced	3.1.1 Community Awareness and Acceptance	200	200				400	LDDA/EHPG / DSIP' PSIP/DP
	3.2 Link District Center and community with main power supply.	3.2 Main hydropower linked and supplied.	3.1.2 Roll-out Rural Electrification Prog	400	400	400	400	400	2,000	LDDA/EHPG / DSIP' PSIP/DP
	3.3 Feasibility Study-identify, alternate sources of power supply; and Solar Power distribution	3.3 Feasible alternate Hybrid sources of electricity are identified, for phased development.	3.1.3 Hydro & Hybrid Power generation for District /EHP							LDDA/EHPG / DSIP' PSIP/DP
4. Facilitate and establish Rural Banking Service	4.1 Provide support and allocate Business/office space at DDA HQ & BC	4.1 Consistent and effective Banking Service established	4.1.1 BSP Business Centre/Agency Office Space				200	200	400	LDDA/EHPG / DSIP' PSIP/DP
5. installation of VSAT	5.1 Provide faster communication access	5.1. Enables quick decision-making process	5.1 Setup technical facilities in Dist.	250	250				500	LDDA/EHPG / DSIP' PSIP/DP
			TOTAL	1,900	1,900	1,400	1,200	600	7,000	

Note: The Lufa District Civil Works Division is lacking capacity in terms of logistics, **Manpower & Basic Support Equipment**. Thus, this sector in the district is a very important sector by which it is the direct implementing arm of the administration facilitating the plans set forth for 5 years. Administration Sector to create positions and/or fill up vacancies to support the Civil Works Division of the district

SECTOR 8: AGRICULTURE AND LIVESTOCK

DDA has Prioritized this backbone Sector with innovative strategies to diversify Investments in Agro-Industries, and support for agro-based Cooperatives, MSMEs and community aggregates. Special focus will be to Improve and Increase Agricultural Production, engage in Diverse industry farming including Revival of dormant Lufa Mushroom Project with Funding and Extension support to enable inhabitants to experience visible change in their lives. Prioritized Sector Activities include:

- i. **Coffee Production Incentive Scheme (increase Yield and Income)**
- ii. **Food Security** (Household food safety)
- iii. **Lufa Mushroom** Industrialization and Marketing
- iv. Development of **Apiculture (Honey bee keeping and B Hives Distribution)** with the medium- and long-term view to commercialize when the industry matures
- v. **Livestock Farming- Cattle, Sheep, Goats, Priority, etc. (Start-up Capital.)**

Challenges: Inherent Issues in Agriculture & Livestock Sector

- ❑ Lack of Agriculture Extension Services
- ❑ Lack of Marketing Infrastructure and Accessibility for farmers
- ❑ Legislation, Corporatization & Management of Commodity Agencies affect Extension Services
- ❑ Lack of effective Coordination and Implementation of the National Agriculture Plan (NADP)
- ❑ Reduction in Agriculture, Livestock and Fisheries production
- ❑ Lack of farmers' start-up capital and Low household income
- ❑ Food Security (growing poverty)
- ❑ Poor Economic tree crop development program
- ❑ No Farmers Incentive Schemes to Upscale Farmers farming knowledge and techniques
- ❑ Insufficient stagnant Livestock Projects

Remedial Approaches:

The Agriculture & Livestock Sector has long standing distinction as the backbone of PNG dual subsistence and cash economy. Albeit all forms of initiatives and strategic plans to bolster the sector it is constantly plagued by numerous daunting Challenges. The LDDAB has endorsed various community-based projects that are targeted as having the potential to make visible and tangible impacts on the lives of rural communities. The attempts are dovetailed into the DSIP 2023-2027 to address the needs of the District. The sector projects are prioritized against the backdrop of the above challenges.

Table 9-S 8: Agriculture and Livestock Sector Strategies, Desired Outcome, Activities and Budget Estimates

GOAL:	Devise Strategies to increase the Agriculture Sectors profile as premier backbone of PNG economy with innovative methods of farming and new hybrid cash crops and traditional crops to ensure food security and income generation; also to create a conducive environment for livestock farming, Rice production and Apiculture enterprises and related income opportunities to enhance the people livelihood									
OBJECTIVES	STRATEGIES	DESIRED OUTCOMES	PROGRAMS/ PROJECTS/ AND ACTIVITIES	ANNUAL COST ESTIMATE (K'000) OVER 5 YEARS					TOTAL	SOURCE OF FUNDING
				2023	2024	2025	2026	2027		
1. Develop, expand and promote marketing outlets for primary agro-products and ensure household food security, Promote mushroom and Rice farming and Apiculture.	1.1. Expand, promote and maintain domestic marketing system.	1.1. Domestic Marketing system is established for primary products.	Local market depots outlets supply plan	200	200	200	200	200	1,000	PSIP/DSIP/DDA, SSG/PIP EHPG/LDDA
	1.2. Expand/maintain export-marketing system.	1.2. Export marketing system is secured.	Export market establishment plan	200	200				400	PSIP/DSIP/PIP
	1.3.Commercialize Lufa Juncao- Mushroom – demand	1.3.Meet increasing product demand	Lufa Mushroom Commercialization Proj	5,000	500	500			6,000	DSIP/DDA, SSG/PIP/JV
	1.4.Local Rice farming for income and Food Security	1.4.Household food safety is assured and for income	Domestic Rice production Project	100	100	100	100	100	500	EHPG/LDDA JV Partner
	1.5.Develop Apiculture-Honey Bee keeping	1.5.Harness untapped value of Honey production	Sustained Apiculture development plan			1,000	1,000	1,000	3,000	DSIP/DDA, SSG/PIP/jv
	1.6. Facilitate and regulate marketing standards	1.6. Dist marketing standard is established	Quality control & compliance protocols			200	200	200	600	PSIP/DSIP/PIP
2. Improve and maintain major export market crop production with quality control	2.2.Expand, improve and maintain coffee production.	2.2. Coffee production & yield is increased and sustained	Coffee Rehabilitation	2,000	2,000	2,000	2,000	2,000	10,000	PSIP/DSIP/PIP
			Coffee Nursery & Expansion Prog	2,000	2,000	1,500	1,500	1,500	8,500	PSIP/DSIP/PIP
	2.3. Increase spice production Volume.	2.3. Spice production in the District is increased	Storage Facility Project	300	300				600	PSIP/DSIP
			Spice Farming Prog	100	100	200	200	200	800	PSIP/DSIP
3. Expand, improve and maintain Livestock and	3.1. Implement District livestock production policy.	3.1 District Livestock production implemented.	Cattle, Sheep, & Priority Farmer support initiative	100	100	100	100	100	500	PSIP/DSIP/LDC
Priority production for community consumption and marketing	3.2. Improve, commercial livestock production	3.2 Commercial Livestock production increased	Dist Live-stock center	50	50	50	50	50	250	PSIP/DSIP/LDC
	3.3. Improve smallholder livestock production.	3.3 Smallholder livestock production is increased	Village Service Extension program	50	50	50	50	50	250	PSIP/DSIP/LDC
	3.4. Expand other primary livestock production.	3.4 Other Primary livestock production is increased	Register of Farmer Cooperatives in Wards	50	50				100	PSIP/DSIP/LDC
			TOTAL	10,150	5,650	5,900	5,400	5,400	32,500	

i. Coffee Production Incentive Scheme (increase Yield and Income)



Coffee is an important agricultural cash crop and commodity in PNG. Apart from its contribution in foreign exchange earnings to the national economy, it has become a major income earner in the highlands region which, to date, continues to sustain the livelihood of over two (2) million people who live in the rural areas and engaged in the thriving sector.

Until the oil and mineral boom in the 1990s, coffee export earning peaked at K200-307 million between 2000 and 2003. However, the Coffee Industry experienced sharp declines since then. In 2004, the total annual export was valued at K288.98 million (or 1,142,644 GB bags) compared to K307.1 million or in 2003 (CIC Coffee Report No 62). The

overall qualities of green bean (GB) bags exported have not improved over the 1,373,000 bags exported in 1999. In fact, export volume dropped to 1,050,000 bags in 2000.

GoPNG specified strategies and resource framework to revive coffee are articulated in the MTDP3. The industry aspirations are captured in the *Coffee Industry Strategic Business Plan 2020-2024* and plots the way to address the critical need to alleviate the *ad-hoc* manner of managing the lucrative “green gold” and restore PNG coffee status in the domestic and global markets.

The CIC Strategic Business Plan (SBP) targets to increase coffee production to 1.7 million bags (60 kg green bean) in the medium term (2020-2024) from currently averaging 900,000 bags. In 10-years’ time (2020-2030), the Strategy envisions the production of 3 million bags with foreign exchange earnings of K1.4 billion.

Quantified Objectives of Industry Revival and Development

Supported by affected State entities commitment, reflected in resource allocated to the various programs undertaken at various levels of the industry value chain, the stakeholders laid down quantified objectives for the coffee sector for 2020-2025:

- ⦿ **Production:** 125,000 tons' of -25,000 tons of Arabica and 100.000 tons of Robusta.
- ⦿ **Exports:** 80.000 tons, of which 15.000 tons of Arabica and 65.000 tons of Robusta.
- ⦿ **Domestic Consumption:** 10.000 tons of green coffee.
- ⦿ **Sub-regional market:** quantified exports to: Australia, New Zealand, Indonesia, Philippines) is essential.

In the light of PNGs performance in the past five years as much in terms of production as in exports, the objectives selected by the stakeholders are highly ambitious, given current lackluster performance; however, they are achievable in the best scenarios. LDDA will facilitate productive partnerships and mobilize growers’ groups, aggregates/smallholders to engage in productive relationships with other value chain participants to advance the industry to help realize the ambitious projections in the Coffee Industry Corporation (CIC) Plan. The district focus will rehabilitation of coffee plantations and expand small-to-middle block holders’ coffee through nursery and necessary support in partnership with CIC, NDB and relevant stakeholders.

ii. Food Security (Household food safety)

Domestic investment incentives by locals are geared towards realizing core policies of promoting food security and alleviating the increasing growth of poverty in a country so richly endowed by natural wealth. Lufa is determined to be in the mainstream of implement various aspects of the governments’ concerted efforts to drive the economy through agriculture. The peoples’ initiatives are focused on involving a broader spectrum of families and

communities to gain benefits, in terms of improved nutritional intake, quality of life and socio-economic welfare. Targeted beneficiary groups in Wards through sustained training and skills enhancement of farmers and out-growers and incentive Help-Out schemes will ensure minimum quality standards are attained.

iii. **Lufa Mushroom Industrialization and Marketing**

Lufa, let alone EHP, can become a major competitive Juncao producing Province in PNG; however, it will depend largely on strategic intervention by Lufa MP and DDA Board, LLG & EHPG Leadership, GoPNG and or Chinese Joint Venture investment partners.

The failure by successive governments to commercialize the Juncao Technology is attributed to lack of vision and policy commitment, poor business acumen and managerial skills to operate and maintain regular production.



Governments **“Public Private Partnership”** policy is an ideal vehicle that should be optimized to achieve various economic growth objectives. The Proponent is keen to put on stream its Nucleus Juncao Industrializing and commercialization business concept under PPP framework. *LDDA has embarked on Reviving the Juncao (Mushroom) Technology that had proven successful from scientific results of the Lufa Mushroom Pilot Project in 1998. The commercialization had not been pursued as it was stifled by leaders who lacked vision and bureaucrats with no business acumen.*

Central to this initiative is to make Juncao Mushroom farming a house-hold income activity, help alleviate poverty, assure food security, healthy alternative nutrition, and bolster rural development, product for external trade. Leadership in Lufa is proactive and committed to grasp this life-changing business venture that will make tangible impacts on lives of rural communities. It will be a coordinated participatory effort at all level to **Revive the Outstanding Juncao Mushroom Industry** with capital investment and renewed focus on empowering people in the 3 LLGs to be self-reliant.

iv. **Development of Apiculture (Honey bee keeping and B Hives Distribution)**



Honey Bee Farming, Production & Marketing will be one of the Core Entrepreneurial Initiatives the LDDAB will undertake. This initiative shall be supported by an Incentive Funding Assistance Mechanism that EHPG will establish in consultation with State and Private Sector Partners and Bee Farming Communities.

There is increasing interest in bee farming business in the District as a result of spiraling price of honey and hence competition from the establishment of small-scale honey buying, processing and packaging factory in Goroka and elsewhere by locally-owned companies. To develop and apply suitable development, extension and training, processing, marketing and research methods for increased production of honey and **high value by-products of bees (beeswax, pollen, propolis etc.)**. Apiculture industry can be expanded in the District on existing base under Cooperatives, Nucleus Agro Enterprise/SMEs. Apiculture can be bolstered into major SME driven industry with adequate incentive funding assistance from DDAB/LLGs, EHPG and private investors.

v. **Livestock Farming- Cattle, Sheep, Goats, Priority, etc. (Start-up Capital.)**

Meeting Government Policy Objectives

The JV Developers of the dual Farm Facilities aims to fulfill current government policy to **“take back PNG”** through industrializing agriculture and livestock industries and empower citizens with entrepreneurial spirit to improve their lifestyles and grow the economy. This initiative will encourage families/communities to engage in informal MSMEs. Ultimate goal is for locals, to get involved in all areas of agriculture, livestock and allied industries and not be mere spectators so that they promote equitable business growth in production of Day-Old Chicken/Fresh Eggs.

SECTOR 9: COMMERCE AND INDUSTRY

LDDA has resolved to Assist and Promote Small Businesses, Agro-industries, commercial ventures, MSMEs and Service Industries such as eco-tourism as a Step towards Achieving Industrialization in the Long Term. The Priorities that will draw DSIP funding assistance are:

- i. SME-Small-Scale Business Activities Support Program
- ii. Agro-Business Management and Commercial Training
- iii. Micro-Credit Scheme (NDB)

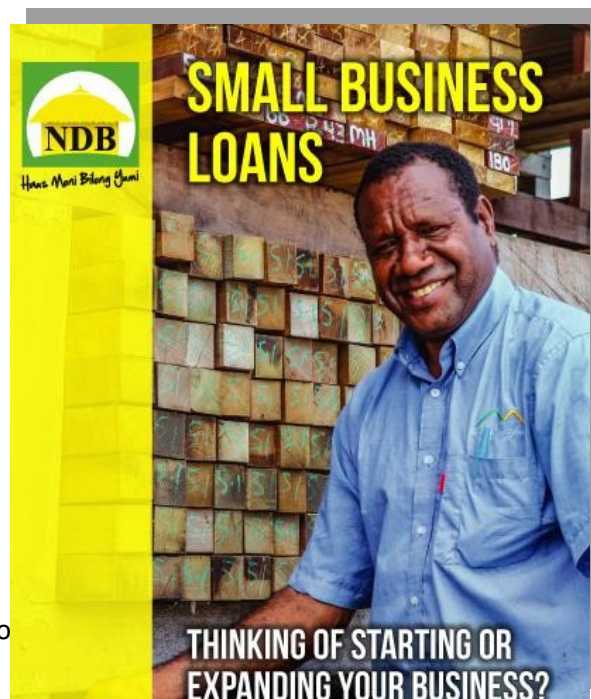
Issues and Challenges Affecting the Sector:

- Decline in business activities
- Lack of business management and commercial training
- Exorbitant land compensation demands and disputes
- No database on economic activities, particularly SMEs
- No awareness on potential business opportunities
- No industrial development policy or plan for District
- Difficulty in accessing business start-up capital from banks
- Deteriorating Commerce and Industry facilities

Remedial Approaches:

Under this sector the District will focus on promoting entrepreneurial spirit of the people. This sector provides much employment for educated or trained people and also casual employment for others. Commercial and Agro-based industry training shall be introduced to position willing participants to startup SMEs to generate income to access service and reduce growing incidences of poverty. The Plan will empower communities with user-friendly Micro-credit schemes to pursue business ventures, hence creating a vibrant economy.

The National SME Master Plan attempts to embrace these issues confronting District and potential entrepreneurs across the country. The Lufa DDA Plan will translate the advocated strategies by adopting innovative initiative to promote rural SMEs through 1) *setup of microfinance credit facility or startup seed capital*; 2) *facilitate and simplify processes in establishing and maintaining a business via viability skills development with NGO Partners*; 3) *Establish SME skills up scaling Centre that assists businesses to grow and become successful SME*; 4) *Facilitate feasibility or rapid business appraisal studies on current level of SME Activities and potential for new ones as well as research on promoting partnerships with foreign businesses*; and 5) *Encourage the development of designated facilities or Business Growth Centres for SMEs to sell and market their products to the public and tourists.*



i. SME-Small-Scale Business Activities Support Program

Small & Medium Enterprises (SME) - National Policy Framework

There is an increasing need to fulfil the legislative and policy intent of Government's (LLG) with enabling investment schemes and empowering people to participate in sustained business ventures in growing the economy, starting at the grassroots/Ward level. Government overhauled business sector legislations and institutional structures and adopted the ambitious SME Policy & Master Plan. They encapsulate the target roles and strategic interventions of each tier of government and stakeholders to strive to:

- ❑ Proactively steps to establish **empowerment mechanisms** that will help deploy people to invest in village industries, through cooperatives, community aggregates and existing or emerging sustainable SMEs;
- ❑ Undertake **Core Catalytic Projects** in the LLG Divisions that triggers rippling effect to revolve around the Project acting as Clusters thus creating other allied businesses or spin-offs and broader wider community involvement;
- ❑ Set-up community-friendly and innovative incentives, creativity and commitment to empower and facilitate citizens in rural/urban settings for inclusive engagement in sustainable MSMEs to consolidate economic base;
- ❑ Empower the vast untapped Human Capital who generate income with ability to access basic goods and services that are becoming costly;
- ❑ Increase new investment while ensuring that existing investments are safe and progressive in order to maintain the level of employment, income and benefit by **"thinking out of the box"** to optimize on returns from business portfolios; e.g. acquire equity in LNG, Mining Projects, or agro-industries;
- ❑ Form partnership with the private sector under the Public-Private Partnership policy to invest in SMEs, viable JVs and bolster revenue base.

ii. Agro-Business Management and Commercial Training

A Roadmap for *training on management and quality check and control* of produce from tree crop plot and block-holders as well as agro-industry farmers is essential to provide assurance of standard minimum quality requirements to oblige contract quota and onward export volume.

Appropriate technical and commercial/business training packages on coffee and fruit-crop farming shall be arranged with established institutions like the **Goroka Agri-Business Training Institute (GATI) or similar**. Collaborative arrangement shall be identified to support and train agro-industry farmers so that accruing benefits of technical training and basic business concept will result in high quality yield per season/year and management skills.

iii. Micro-Credit Scheme (NDB)

Grower Credit Support Plan shall be established to assist rural farmers, SMEs, local aggregates and Cooperatives and Small & Block-Holder Coffee & Nursery Support Plan. Farmer credit scheme for Juncao Mushroom, potato and vegetable farmers need start-up capital to become inclusive partners in village-based businesses and industries that helps improve their quality of life. Tailored Start Your Business (SYB) Training Program will empower famers and families. ***The Credit Guarantee mechanism can be established with National Development Bank (NDB) to enable farmers to obtain reasonable credit line to set-up or expand their MSMEs.***

Table 10-S 9: Commerce and Industry Sector Strategies, Desired Outcome, Activities and Budget Estimates

GOAL :	Promote and create a conducive business and commercial environment for enterprising people and communities to capture opportunities to initiate and improve on existing commercial enterprise and venture into viable industries including service industries such as tourism, thus contribute to business growth Centres concept, job opportunities and income for the District.									
OBJECTIVES	STRATEGIES	DESIRED OUTCOMES	PROGRAM /PROJECT /ACTIVITIES	ANNUAL COST ESTIMATE (K'000) OVER 5 YEARS					TOTAL	SOURCE OF FUNDING
				2023	2024	2025	2026	2027		
1. Initiate and facilitate, or expand small scale commercial development activities and SMEs	1.1 Craft commercial development policies/programs	1.1 Commercial development policies and programs are implemented	SME Regulatory Committee	200	200	200	200	200	1,000	EHPG/LDDA
	1.2 Empower people to start SMEs	1.2 Commercial activities in the District are improved	SME Promotion Program	200	200	200	200	200	1,000	EHPG/LDDA PSIP/DSIP
	1.3 Facilitate, improve SME growth	1.3 Small-scale economic enterprise are improved	SYB Training Program	200	200	200	200	200	1,000	EHPG/LDDA
	1.4 Regulate SME Growth Centres per standards	1.4 Commercial Development standards are regulated and enforced	SME Start-up incentives	200	200	200	200	200	1,000	PSIP/DSIP
2. Promote & facilitate, potential industrial development activities	2.1 Apply industrial dev. policy	2.1 Industrial Development policy is being implemented.	Setup Industrial Dev Support Facility	200	200	200	200	200	1,000	EHPG/LDDA
	2.2.Ensure compliance of business standard	2.2 Major Industrial activities in the District has increased.	Credit Scheme- MOA with NDB	400	400	400	400	400	2,000	PSIP/DSIP
3. Facilitate, promote and expand on tourism programs and activities to promote income-earning opportunities for the people.	3.1 Implement Provincial Tourism policies and plans.	3.1 Provincial Tourism policies and plans are facilitated and implemented	Setup Tourism support facility	100	100	100	100	100	500	EHPG/LDDA
	3.2 Conduct extensive tourism awareness at community level.	3.2 Communities have greater knowledge and understanding of the tourism industry.	Tourism Projects	100	100	100	100	100	500	PSIP/DSIP
	3.3 Identify/establish tourism lodging facilities in villages.	3.3 Tourism lodging facilities are established in appropriate communities.	3.1.3 Fund Rapid appraisal on tourism potential	100	100	100	100	100	500	EHPG/LDDA
	3.4 Identify/promote viable eco-tourism	3.4 Feasible eco-forestry areas are identified and developed.	Conservation & Eco Tourism	100	100	100	100	100	500	PSIP/DSIP
	3.5 Identify & promote cultural activities for tourist attraction.	3.5 There is community involvement in cultural activities for tourist attraction.	Tourism SME Program	100	100	100	100	100	500	EHPG/LDDA
			TOTAL	1,500	1,500	1,500	1,500	1,500	7,500	

SECTOR 10: NATURAL RESOURCES DEVELOPMENT

LDDAB will ensure that the District and ILG Stakeholders are active partners in the major Natural Resources in its borders and support socio-economic activities based on the principle of Sustainable Development and guaranteed welfare of future generations. It also aims to ensure that host LLGs /ILG's/Land owner Association derive maximum benefits from formal MOA through higher Equity rights with Sustainable long-term financial gain from ILG Equity and Investment Share in the Project.

Extractive Industries and Non-Renewable Resources Sector Revenues should be invested in Primary Sectors: Agriculture, Forestry, Fisheries and Tourism in Social sector as major Renewable and sustainable sector to cushion the adverse impact when these Non-Renewables are exhausted over next 30 to 40 years. Environmental Protection and Conservation of Protected Areas in the face of Climate Change must receive special attention to Mitigate consequential effects and to draw benefits from Carbon Trade/Credit Mechanisms like GEF.

Natural Resource Development in the District has great potential as an income-generating alternatives for the people, but has been untapped and overlooked over the years. People are beginning to realize the immense benefit derived from forestry, hydrocarbon extraction and minerals exploitation. Demand is spiraling for forest products and services, however the Climate Change phenomenon is bringing new challenges and demands for whole of Government approach to mitigate them and assisting land/resource owners.

- i. Forestry and Forestation Program**
 - * Bio-diversity, Forestation and Nursery Projects
 - * Small-scale Community Sawmilling Projects
- ii. Mineral Resources Development**
 - * Extractive Industries-Oil & Gas, Minerals Mining Projects
- iii. Environment & Conservation, Climate Change Adaptation Plan**
 - * Certification of Forest Conservation Areas by Land/Resource Owning Clans under ILG's
 - * Climate Change Mitigation measures for resilience and Adaptation
 - * Officially Registered with CEPA/CCDA-REDD+ for Carbon Trade/Credits

a. Forestry and Agro-Forestry Industries

Advocacy for Log Export Ban and enforce sustainable timber harvesting practices. Decisive steps should be adopted to protect the environment as it is the source to livelihood of the forested areas and resource owners should be inclusive participants in the development process. Policy makers should bear in mind the issues of concern highlighted in order to adopt strategic measures to address them effectively.

Legacy Issues and Emerging Trends and Challenges:

- » Increased rate of forest depletion
- » Lack of forestry management skills
- » No reforestation program
- » Increase incidence of bush fires
- » Lack of awareness on forest conservation
- » Lack of forestry extension services
- » Increase in demand and use of forest resources
- » Need for small-scale community sawmilling programs

Remedial Approaches and Mitigation Measures:

- ❑ Provide innovative management and skills up-scaling programs that empowers ILG and Landowner Association to effectively discharge their roles and responsibilities to serve the concerns and interest of these communities in project areas,
- ❑ Engage local youths and ILG community or business groups to be inclusive partners in all natural resources development,
- ❑ Demonstrate sensitivity and respect for cultural heritage sites that have ancestral significance and needs to be preserved for posterity,
- ❑ Increase in demand and use of hydro power makes it imperative for PNG Power to ensure compatibility of economic value of project site is factored into royalties, compensation or equity calculation formula,
- ❑ Institute environmental conservation and protection program to preserve and sacred customary sites through relevant awareness campaigns in ILG communities,
- ❑ Establishment and awarding of academic scholarship schemes that target professional and technical training and eventual engagement.
- ❑ Stream collaborative mutually beneficial equity/investment partnership and spin-off framework for landowners and developers.

In this area, the plan aims to adopt, enforce and maintain relevant legislation and stringent regulatory protocols to govern environmental protection and conservation with pointed awareness campaigns executed. It also anticipates realizing a reforestation program established, advocacy and publicity promoted on natural resource development, and facilitation of landowners and developers' participation in mining and hydrocarbon extractive industries. Whilst management-training programs are facilitated to protect and promote the interest of the forest resource owners and environmental rehabilitation programs shall be expanded, improved and sustained.

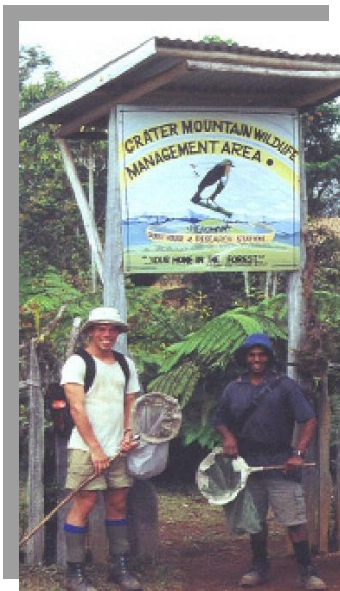


Photo (Left): Staff of Crater Mountains Wildlife Management Area (CMWMA) in Lufa District. CMWMA spans into three provinces, Eastern Highlands (Lufa), Simbu (Karamui) and Gulf (Baimuru) which covers an area of 2700 km².

Photo (Right): Dense tropical jungle in Papua New Guinea are found within this conserved area of Crater Mountains.

Table 11-S 10.1: Natural Resources (Forestry & Agro-forestry) Sector Strategies, Desired Outcome, Activities and Budget Estimates

GOAL: Sustainable Management of Natural Resources with strategic planning and management Programs in compliance with environmental and Conservation standards to explore, Register Conservation Areas for Eco-Tourism, Carbon Trade and adopt Climate Change mitigation strategies, to achieve sustainable management actions and Equity partnership of LO's for economic growth and improve living standards.										
OBJECTIVES	STRATEGIES	DESIRED OUTCOMES	PROGRAMS /PROJECTS AND ACTIVITIES	ANNUAL COST ESTIMATE (K'000) OVER 5 YEARS					TOTAL	SOURCE OF FUNDING
				2023	2024	2025	2026	2027		
1. To Plan, Manage Implement, Natural Resources activities in the District	1.1. Maintain Office and Program Management	1.1.Sector Funded & managed effectively with resources	Admin Component Support plan	20	20	20	20	20	100	PSIP/DSIP/LDDA/EHPG
	1.2.Resource Allocation for Asset acquisition	1.2.Resource sites registered and Tech Equipment, procured	Logistic Support Project Vehicle	200					200	PSIP/DSIP/LDDA/EHPG
2. To prepare strategic position for DDAB, for JV partnerships invest in resource development per policy guidelines & laws on target industries	2.1. Adopt Sustainable Agricultural Techniques.	2.1.Sustainable Agricultural Techniques utilized effectively	Juncao/Mushroom and Rice Projects (Most funding/activity captured under Agriculture refer to Table 9-S8	50	50	50			150	PSIP/DSIP/LDDA/EHPG/China Aid
	2.2. Strengthen communities on Land Mobilization	2.2.Increased understanding of culture and government policies	Biz Awareness & Investment Plan	20	20	20	20	20	100	PSIP/DSIP/LDDA/EHPG
	2.3.Conduct Feasibility Studies into natural resources.	2.3.Potential natural resource identified and developed	Feasibility/Baseline Studies	100		100		100	300	PSIP/DSIP/LDDA/EHPG
	2.4.Facilitate Assistance for small Alluvial Mining activities.	2.4.Assistance/Training for Alluvial Miners established	Regulate/assist small scale Miners	100		100		100	300	PSIP/DSIP/LDDA/EHPG
3. Ensure eco-friendly practice/activities	3.1.Enforce Environmental Protection and	3.1.Enviro/Social Impact Study on Conservation Areas effect	Conservation & Climate change	50	50	50	50	50	250	PSIP/DSIP/LDDA/EHPG
environmental protection and conservation, Climate Change and Carbon Credit	3.2. Adapt to Climate change & mitigation & REED+ protocol	3.2.Environmental Rehab & Climate mitigation strategy set	Reforestation Nursery Project	250	250	250	250		1,000	PSIP/DSIP/LDDA/EHPG/DP
	3.3.Strategise to benefit from Carbon Credit funds	3.3.Carbon Trade Awareness and Trading Plots designated	Link Pilot COP27 Projects	200		200		200	600	PSIP/DSIP/LDDA/EHPG/Donors
4.Reliable Energy to power the District	4.1.Reliable Clean Energy Source to support Dist growth	4.1.Hydro Mini-Grid & Solar Panel Installations Tech Studies	Rural Electricity supply Program (Captured under Economic Infrastructure Table 8-S 7.1)							PSIP/DSIP/LDDA/EHPG
5.Petroleum (Oil and Gas) resources	5.1.Landowner Mobilization to engage in Papua LNG	5.1.Landowners positioned for benefiting sharing set	Papua LNG PDL 37 in Lufa side	250	250	250	250		1,000	DSIP/LDDA/EHPG/Developer
TOTAL (K'000) OVER 5 YEAR CYCLE				1,240	640	1,040	590	490	4,000	



Photo: (Right) Hogave Community Conservation Area in Lufa District. This is a community initiative lead by their community leader Mr. David Kima. The conserved area covers about 20 square kilometers.

Photo: (Left) Waterfalls are within the conservation areas of Hagave Community Conservation Area and Crater Mountain Conservation Management Area both in Lufa District, EHP.

ii. Mineral Resources Development



Hydrocarbon: Oil and Gas/LNG and Minerals comprise premier non-renewable Extractive Industries that are being exploited in extreme and unscrupulous ways by developers. The present development regime in its enclave nature benefits the developer/investor more than the people and country. The review and reforms must put in perspective the gist of the aspirations and anticipated opportunities for creating wealth and actually experiencing the benefits derived from extraction of hydrocarbon, stripping and processing and marketing LNG and other

allied by-products of the natural resource. Will the powers that be and influential investors engage the land/resource owners and host of the Project as genuine equity partners and share the benefits or will they be forced out to be passive bystanders?

Preparatory Road Map for EHPG, LLG and Landowners shall involve preliminary studies, socio-economic impact, market assessments, technical scoping's and infrastructure design concepts, including layout plans or sketches for development of new Township and LO Resettlement scheme. The studies establish the platform for EHPG, LO's and wider people of EHP to be active equity partners in target Project and engage in Investment and Economic Development in EHP.

It should attempt to address the fears, anxieties and expectations of the EHPG, LO's and people in District so that they conditioned and positioned to be active strategic partners in the life-altering extractive project in PNG. The Preparatory Phase should be designed to be implemented over initial twelve calendar months. The study shall be guided by the Project Terms of Reference (TOR). It is anticipated that from the studies and assessments of the Core Elements in the Road Map the Recommendations of the reports shall form the second and third phases.



Burning Issues and Emerging Challenges:

1. Rapid rate of hydrocarbon extraction projects hence fast depletion
2. Enclave nature of extractive industries – no equitable impact on national growth
3. No long term Plan for Gas and Oil or mineral deposits
4. Resource Legislations governing sector are outdated and needs urgent reforms
5. Social Obligations Programs are inconsistent and no visible impact on Project area communities
6. No Sovereign Wealth Fund to cushion the economy and for posterity/future generations

Remedial Approaches:

- ❑ Provide innovative management and skills up-scaling programs that empowers ILG and Landowner Association to effectively discharge their roles and responsibilities to serve the concerns and interest of these communities in project areas,
- ❑ Engage local youths and ILG community or registered business groups to provide security for all Phase II installations and technical infrastructures,

Put on stream collaborative and partnership program between landowners and developers for long-term participation in project and spin-off activities.

Table 11-S 10.2: Natural Resources (Mineral Resource) Sector Strategies, Desired Outcome, Activities and Budget Estimates

GOAL:	Design a Business and Investment Policy Framework that ultimately ensures local communities in Lufa District and EH Province become inclusive participants, Equity partners and beneficiaries in any Natural Resources Development Projects, especially Extractive Industries, including Hydrocarbon (oil, gas) and minerals exploitation in the District									
OBJECTIVES	STRATEGIES	DESIRED OUTCOMES	PROGRAMS /PROJECTS AND ACTIVITIES	ANNUAL COST ESTIMATE (K'000) OVER 5 YEARS					TOTAL	SOURCE OF FUNDING
				2023	2024	2025	2026	2027		
1. Adopt policy framework to enable Local Communities Equity participation in natural resource development projects and spin-off businesses	1.1. Adopt policy for equity partnership in oil and gas, mining projects in future	1.1 Sustainable investment opportunities for people in District to be engaged	Social Mapping and LO Identification ILG Registration	500	500				1,000	PSIP/DSIP/LDDA/EHPG
	1.2 Establish and maintain linkages with communities on land mobilization programs	1.2 Increased understanding of Local communities on land issues & Govt policies	Business & Investment Road Map		200	200			400	PSIP/DSIP/LDDA/EHPG
	1.3 Conduct feasibility studies resources development.	1.3 Potential natural resource are identified and developed.	Resource Potential mapping project		200	200			400	PSIP/DSIP/LDDA/EHPG
	1.4 Promote awareness and publicity on natural resource development.	1.4 Awareness of natural resource development is promoted effectively.	Advocacy/awareness campaigns			100	100		200	PSIP/DSIP/LDDA/EHPG
2.Petroleum (Oil and Gas) resources	2.1.Landowner Mobilization to engage in Papua LNG	2.1.Landowners positioned for benefiting sharing set	Papua LNG PDL 37 Lufa side	500	500				1,000	LDDA/EHPG/Developer
3 .LO's to be Equity partners in natural resource projects	3.1.Mobilize LO's ILG's Equity in extractive industries	3.1.Mutually beneficial MOU framework in Mining Projects	LO ILG Rego and Mobilization Plan	200	200	200			600	PSIP/DSIP/LDDA/EHPG/MRA
4. Mobilize LO's and communities	4.1. Social Mapping and Landholder Identification	4.1.ILGs Registered and Clans Vetted and mobilized	LO Mobilization Plan	300	300	100			700	DSIP/LDDA/EHPG/MRA
5.Establish Dialogue with Stakeholders	5.1. Dialogue with Developers for Equity & spin-off business	5.1.Engage with UP GOLD PNG for Crater Mt Gold Mining Proj	Small-scale mining & LO Support Plan	200	200	100			500	LDDA/EHPG/Developer
			TOTAL	1700	2100	900	100	0	4,800	

iii. *Environment & Conservation, Climate Change/Carbon Trade and Eco-Tourism*

- **Forest Conservation Area Certification**
- **Biodiversity -flora and fauna- Environmental protection and conservation programs**
- National Inventory of natural virgin/tropical forest and wild life.
- Climate Change Mitigation and Adaptation;
- Landowners Benefits from Carbon Trade/Credits-Preservation of Forest Areas
- Nursery for Reforestation and Afforestation Program
- **Actively Promote Eco-Tourism as Long-Term Sustainable Service Industry**

Table 11-S 10.3: Natural Resources (Environment & Conservation) Sector Strategies, Desired Outcome, Activities and Budget Estimates

GOAL:	Natural resource developers and investors must comply to strict Environmental Protection Guidelines (CEPA) and Conservation of the Districts rich/unique Bio-diversity is not destroyed and to ensure that Natural Resources of the District are managed based on the principle of Sustainable Development for the benefit of future generations									
OBJECTIVES	STRATEGIES	DESIRED OUTCOMES	PROGRAMS /PROJECTS AND ACTIVITIES	ANNUAL COST ESTIMATE (K'000) OVER 5 YEARS					TOTAL	SOURCE OF FUNDING
				2023	2024	2025	2026	2027		
1. Initiate eco-friendly practice as per EHPG Policies and regulate environmental protection and conservation programs.	1.1 Implement and maintain conservation policies.	1.1.Conservation policies are designed & implemented.	Environmental & Social Impact Study	200	200	200	100	100	800	PSIP/DSIP/LDDA/EHP
	2.2 Enforce and maintain relevant legislation on environmental protection and conservation.	2.2. Relevant legislation on Environmental protection and Conservation of Biodiversity enforced.	Conservation Area management for carbon trade/credit	250	250	250	250		1,000	PSIP/DSIP/LDDA/EHPG
	2.3 Expand, improve and maintain environmental rehabilitation programs	2.3. Environmental Rehab programs identified and developed.	Afforestation and Nursery Prog	200	200	200			600	PSIP/DSIP/LDDA/EHPG
2. Empower locals as inclusive partners in development Proj	2.4 Facilitate land owners and developers participation in renewable energy projects.	2.4 Mutual understanding between land owner and developer in resource Proj	Sustained DDA support for eco-tourism	200	200	200			600	PSIP/DSIP/LDDA/EHPG
3.Eco-tourism to create income & jobs	3.1.Promote Eco -tourism Products to create income	3.1.Eco-tourism areas established & tourist attracted	Sustainable Eco-Tourism Plan	100	100	100	100	100	500	LDDA/TPA/CEPA
4.Eco-Tourism Network & marketing	4.1.Network and Partnership to market natural allurements	4.1.Platform for Development Partners and benefits	Tourism industry Business Alliances	80	60	60			200	PSIP/DSIPEHPG/TPA
			TOTAL	1,030	1,010	1,010	450	200	3,700	

SECTOR 11: LAND USE AND DEVELOPMENT

- i. State funded activities and private sector investments will occur on State Leases. LDDAB is committed to work with customary Landowners to Provide an Adequate Supply of Land and Housing to Cater for the Increasing Population Growth. Assist with social mapping and LO Identification and registration of ILG's to ensure Equity participation extractive industry projects and JV business.
- ii. State Land and Asset Utilization
- iii. Customary Land Lease-SABL and business Sub-Lease Arrangement
- iv. Customary Land Mobilization and Development.

i. State Land

- ❑ Government infrastructures currently on State land shall be rehabilitated to become dynamic focal points for service delivery and use idle land to generate income for LLG operational expenses.

ii. Customary Land Mobilization, Registration and Development.

- ❑ Registration of Customary Land is now encouraged and promoted by State in order for landowners to develop their land for economic gain through Joint Venture business partnerships and commercial lease arrangements
- ❑ Land owning Clans Must Register Incorporated Land Groups (ILG) to be eligible to acquire SABL for Lease-Lease Back of Customary Land;
- ❑ Registered Land Portion can be used for Sub-Leasing to External Investor to develop Agro-Forestry projects or other economic ventures
- ❑ Extractive Resource Developers to have Access Lease Agreements with Lease Holders as per terms and conditions of SABL

Land Value as Cultural Heritage

AusAID and the World Bank have in the past developed programs of land mobilization and land registration, with the aim of shifting areas of land under customary title into the registered and indefeasible Torrens Title system. Economic arguments used to justify this particular form of 'land

reform suggest first the macroeconomic desirability of export-oriented resource industries and cash crops (such as oil palm) and second that ordinary poor communities can better make use of their land assets by registration, which would give them access to mortgage finance, as well as income from leases. These arguments rest, however, on certain resummptions about the operations of markets, which are inappropriate in Papua New Guinea.

Lease values on rural land, relying on willingness to pay



and prior transactions, have come up with values as low as K50 per hectare per year, plus some uncertain royalties. In another case, a group of West New Britain villagers appear to have leased over 700 hectares of land for 40 years (under a lease– lease back arrangement, for an oil palm developer, but through the state) for only K20 per hectare.

Valuer General Schedules on rentals for residential, commercial and industrial land show much higher values (Papua New Guinea 2001), but these are mostly based on urban areas and thus reflect the highly restricted supply of urban property. Rural land markets are highly limited; the customary landowners are asset-rich, cash poor and have very little information on the real opportunity cost value of their land. Better information on the opportunity costs might encourage higher lease values, but an oversupply through large-scale registration and transactions could lower them. The current reality is that lease values are extremely low.

Important implications of the limited nature of rural land markets include the fact that value is assessed in terms of cash income but typically excludes considerations of the land-based non-cash values, for example food, housing and other benefits:

- i. Customary landowners' vulnerability in markets, due to money being scarce and highly valued and land being abundant and lowly valued town rental housing being scarce and highly valued
- ii. Food being abundant and relatively cheap in areas where land is widely held
- iii. Customary landowners having little experience in establishing and managing leases or mortgages. The effect of this is that customary landowners typically value their land at very low cash rates and are vulnerable to:
 - Agreements for low value leases, and/or
 - Dispossession of their major asset, through registered mortgages and an inability to meet mortgage commitments.

Challenges:

1. Exorbitant land compensation demands.
2. No clear demarcation of land boundaries.
3. Reclaiming of state land by customary landowners.
4. Land disputes.
5. Land laws are outdated and rendered ineffective

Remedial Approaches and Mitigating Strategies:

Land disputes and related issues are a hindrance to development in the District, be it social, economic, or physical. These issues need to be addressed appropriately should intended basic services be dispatched. The plan basically aims to involve customary landowners to participate in the economic development of the District by ensuring timely availability of land for sustainable economic and social development.

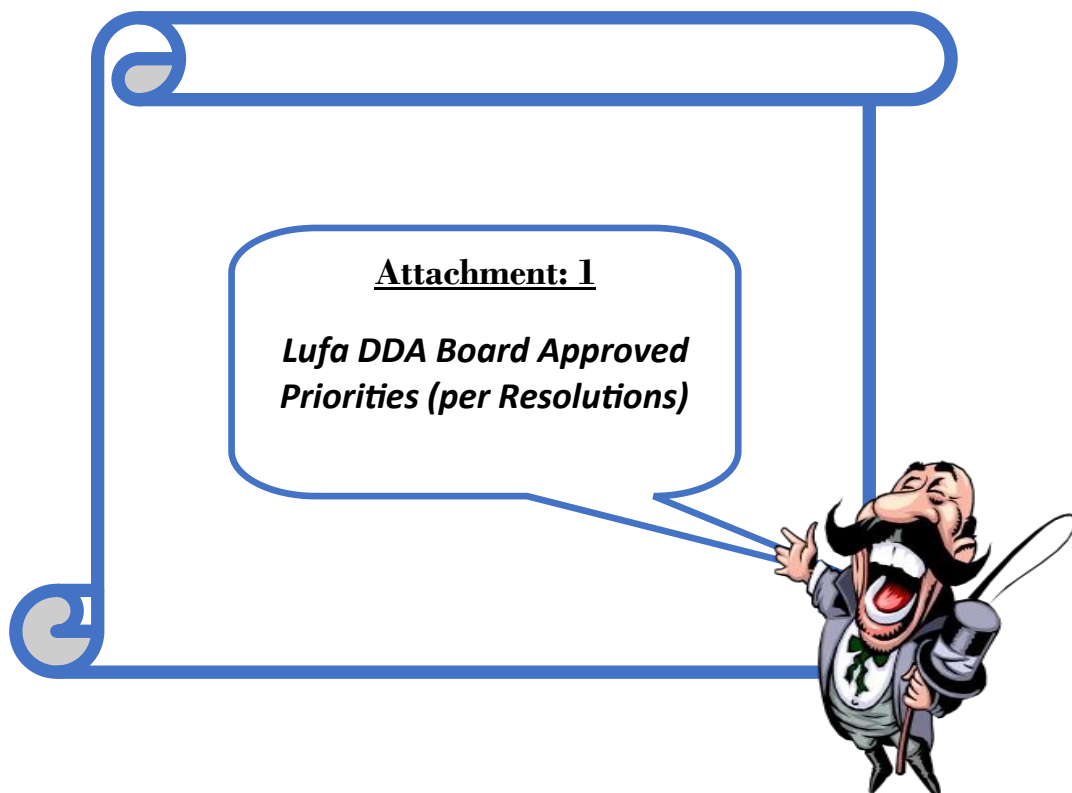
Table 12-S 11: Land Use and Development Sector Strategies, Desired Outcome, Activities and Budget Estimates

GOAL:	To facilitate and secure assistance for LO's to Register customary idle land portions and maintain land use management procedures for maximum utilization of land use potentials in the District for productive growth, equity participation in natural resource projects and, thus, increase the real domestic income of the District.									
OBJECTIVES	STRATEGIES	DESIRED OUTCOME	PROG/PROJECT ACTIVITIES	ANNUAL COST ESTIMATE (K'000) OVER 5 YEARS					TOTAL	SOURCE OF FUNDING
				2023	2024	2025	2026	2027		
1. To establish, improve and maintain an efficient Land Administration Function.	i. Develop and maintain land use information system.	A well-established land use information system is in place.	Geo-Tech study and Survey & Title deed				100	50	150	Lands, DDA B/ LDDA MOA/EHPG/
			Land asset database				100	50	150	
	ii. Facilitate, regulate and enforce land use legislation	Land use legislation is regulated and is being enforced	Social Mapping & LO identification Proj	300	300	200	200		1,000	DSIP/PSIP DDA Board
			Land Mediation & Dispute settlement	500	500	500	500		2,000	
	iii. Register & fence in State land	State land secured & recorded in Register	ILG' Registration Prog	200	200	200	200		800	
	Identify JV investment partners for Business	Understanding of accruing benefits	Design Business development plans	200	200	200	100		700	IPA, DTCI, Lands, DDA
2. Land Alienation x 2 Health & Education	Maintain all state acquired lands	Physical development and use of land assets	Land Alienation & Registration Plan	50	50	50	50		200	DSIP/PSIP DDA Board
			TOTAL	1,250	1,250	1,150	1,250	100	5,000	

Lufa District Five Year Development Plan 2023 -2027



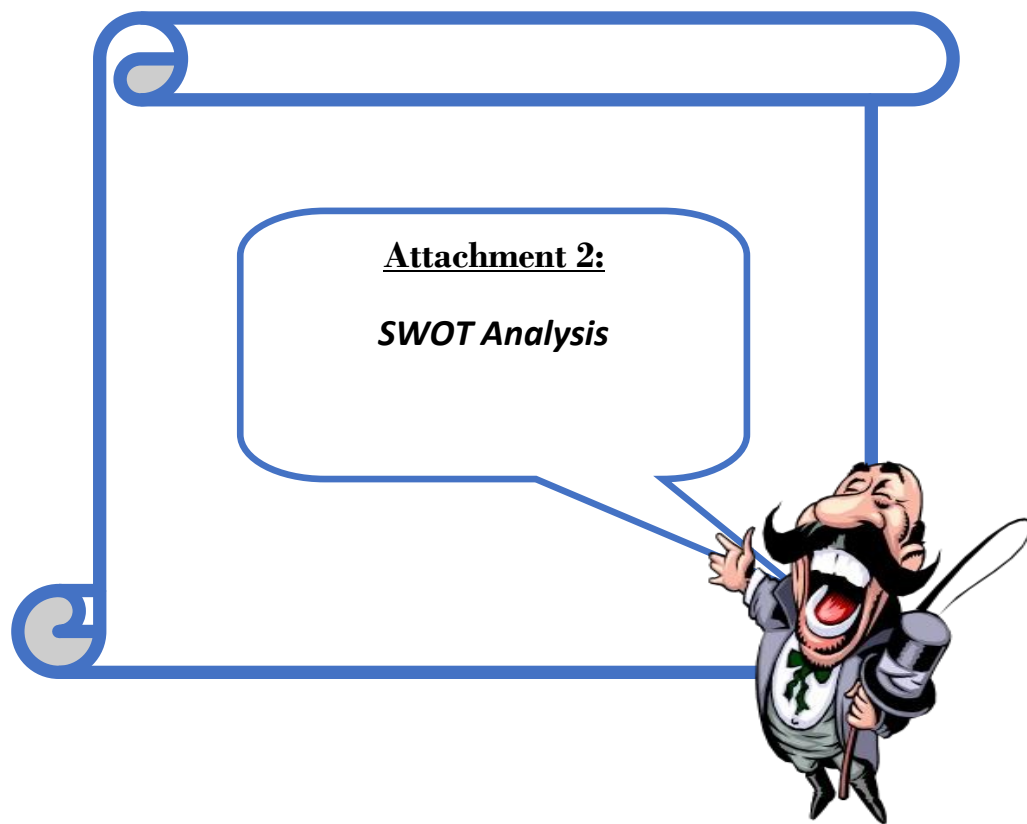
- Attachment # 1:** *Lufa DDA Board Approved Priorities (per Resolutions)*
- Attachment # 2:** *SWOT Analysis Matrix*
- Attachment # 3:** *Annual Sectoral Expenditure Budget*
- Attachment # 4:** *District Plan Results Framework*
- Attachment # 5:** *DSIP Guideline Compliance Management Schedule*
- Attachment # 6:** *Risk Assessment and Management Framework*
- Attachment # 7:** *Monitoring and Evaluation Framework*



Lufa District Development Authority Board Approved the following Sector Priorities by Resolution

- 1. 10% of District Budget to support Church Run Education & Health infrastructure facilities**
- 2. Infrastructure Development (Maintain and build new roads, education and health infrastructure in the district)**
- 3. Communication Infrastructure (Tower installation – ITC platforms)**
- 4. Rural Electrification (Solar and Hydro)**
- 5. Law and Order (Justice)**
- 6. Education (School Fee support and Infrastructure-TFF)**
- 7. Health Services (Support and Upgrade Rural Health Centres)**
- 8. Rural Community Water Supply support plan**
- 9. Youth and Community Empowerment**
- 10. Environment Conservation and Climate Change**
- 11. Agriculture (Coffee Rehabilitation, Mushroom and Apiculture)**
- 12. Cultural Preservation (and Eco-Tourism)**

NB: Economic enablers (Infrastructure) are set as top priorities to set pace for basic services (health, education) and business, agriculture and economic activities to follow suit. This is reflected in the allocation of funds in Attachment #3 below.



Attachment # 2: SWOT Analysis Matrix

Assessment of the business potential **Strengths**, resource base and the potential **Weaknesses**, **Opportunities**, and internal and external **Threats** or challenges within the entity, location and the determinant business driving forces are essential to the potential success of the Authority. During operational phases Strategic Business/Corporate planning will aim to overcome the weaknesses and capitalize on the strengths that have been identified by the SWOT analysis.

<p>STRENGTHS DDA has Advantages in:</p> <ul style="list-style-type: none"> ■ Political leadership Biz /Management Capabilities ■ Capital Assets base, professional people with solid experience in public sector ■ Adequate Financial reserves-capital injection ■ Value proposition- business viability is solid with State ■ Strong DDAB commitment for mushroom production ■ Can offer competitive market Price, value, quality; ■ Strategic Partner- have secured Land asset-capital input ■ Sufficient Land for commercial Juncao & Honey farming; ■ First major initiative to produce home grown mushroom ■ Available Juncao Tech Assist ■ Large community grower base for Apiculture & outgrowers ■ Capitalize in Government prioritizing Agro-industries 		<p>WEAKNESSES DDA. to rectify Disadvantages:</p> <ul style="list-style-type: none"> ■ Fill Gap in resource base capability ■ Cash Flow -self-sustain operations ■ Ensure consistent Suppliers at farm level ■ Experience reversal of import dependency; ■ Poor baseline data to verify indicators, targets ■ Delegation of responsibilities is lacking ■ Accessibility to producers and freighting of produce; ■ Potential underutilized –affects traders; ■ Producers management capabilities in quality/quantity; ■ Transportation, road access and air freighting to ports of export; and Inadequate Communication infrastructures ■ Inadequate trained and skilled people in Juncao technique; ■ Capability of operational management ■ Poor credit support schemes for youth empowerment
<p>OPPORTUNITIES DDA to capitalize on opportunities:</p> <ul style="list-style-type: none"> ■ Areas to improve-market share-provincial and national ■ Abundant organic produce - ■ Industry trends-global demand ■ New products-locally produced -New Cash crop ■ New innovations-ICT platforms ■ Key Partnership-State & willing JV investors ■ Export ability to move from locality to off-shore markets; ■ Readily available/accessible funds; via DDA/State equity ■ There is no competition and rivalry in the business location; ■ Opportunity to attract Honey producers by opening up market access; via central market depot ■ Address econ infrastructures-enablers to exploit available untapped resource; ■ Pharmaceutical varieties for export market ■ Quick Return on investment ■ Market demand- increase with demographic trend 		<p>THREATS Challenges DDAB. shall address:</p> <ul style="list-style-type: none"> ■ Economy movement-Covid19 ■ Obstacles faced-political currents ■ Competitor actions-resistance ■ Political impacts-unscrupulous ■ Environmental Effects-Climate change adaptation ■ Coops; SMEs, aggregates have low levels of social capital ■ Political interference; ■ Financing/credit obstacles; ■ Competition/rivalry with potential existing importers/traders; ■ Vulnerability to business/industry driving forces; ■ Price fluctuations -farmers' poor response to production; ■ Regulatory requirements and government intervention ■ Law and order disrupts business and service delivery ■ DDAB indecisive to capture business opportunity ■ Grower groups have low trust levels among members

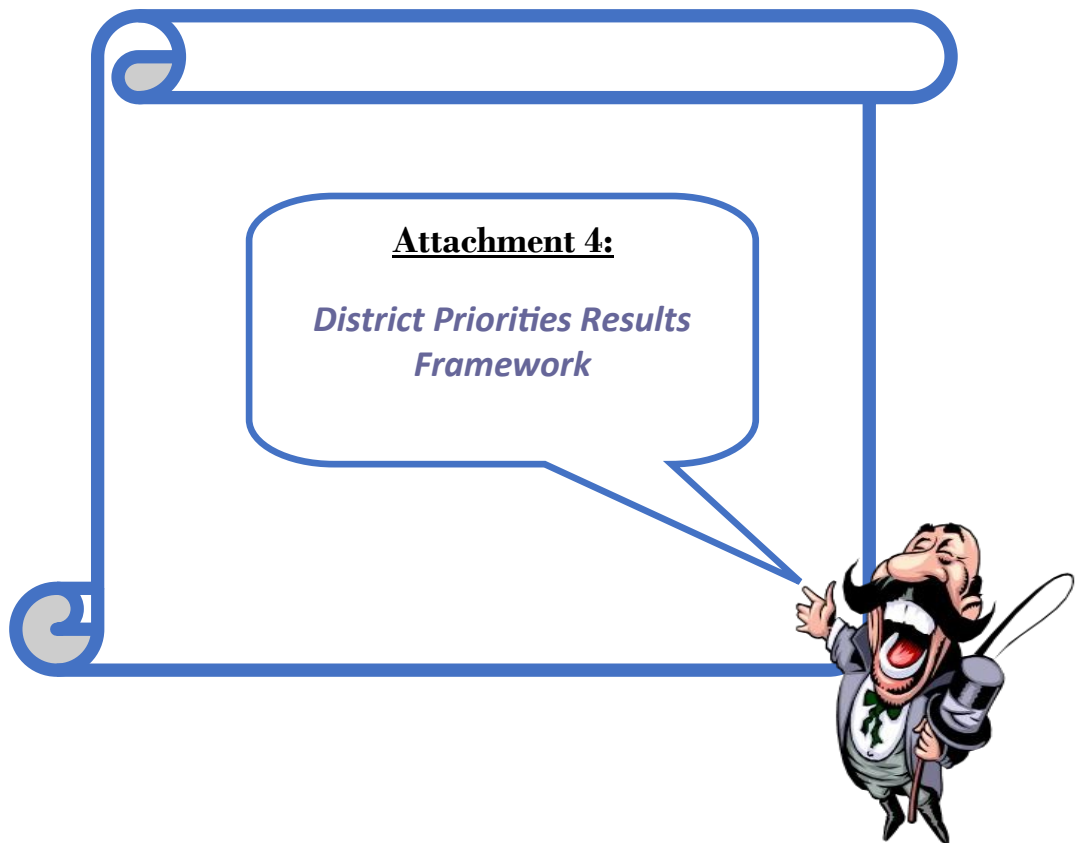
Attachment 3:
***Annual Sectoral
Expenditure Budget 2023-
2027***



Attachment # 3: Annual Sectoral Expenditure Budget for the Five Year Development Cycle

Sector	2023 (K'm)	2024 (K'm)	2025 (K'm)	2026 (K'm)	2027 (K'm)	Total Five Year Budget in millions of kina	Percentage of Total	Source of Funding
1. Governance and District Administration Capacity	7.20	6.00	6.00	3.70	2.10	25.00	10%	DSIP/DSG/PSIP/PIP/DP
2. Business Investment & Growth Centre	4.50	3.10	2.40	1.60	0.90	12.50	5%	DSIP/DSG/PSIP/PIP/DP
3. Health (including Water & Sanitation)	7.14	6.64	9.74	7.74	6.24	37.50	15%	DSIP/DSG/PSIP/PIP/EHPHA/DP
4. Education	5.30	5.30	4.95	4.75	4.70	25.00	10%	DSIP/DSG/PSIP/PIP/DP
5. Law and Justice	2.57	2.57	2.58	2.39	2.39	12.50	5%	DSIP/DSG/PSIP/PIP/DP
6. Community Development	1.04	0.99	0.99	0.99	0.99	5.00	2%	DSIP/DSG/PSIP/PIP/DP
7. Economic Infrastructure	17.30	18.80	16.55	13.65	8.70	75.00	30%	DSIP/DSG/PSIP/PIP/DP
8. Agriculture & Livestock	10.15	5.65	5.90	5.40	5.40	32.50	13%	DSIP/DSG/PSIP/PIP/DP
9. Commercial & Industry	1.50	1.50	1.50	1.50	1.50	7.50	3%	DSIP/DSG/PSIP/PIP/DP
10. Natural Resource Development	3.97	3.75	2.95	1.14	0.69	12.50	5%	DSIP/DSG/PSIP/PIP/DP
11. Lands	1.25	1.25	1.15	1.25	0.10	5.00	2%	DSIP/DSG/PSIP
TOTAL	61.92	55.55	54.71	44.11	33.71	250.00	100%	

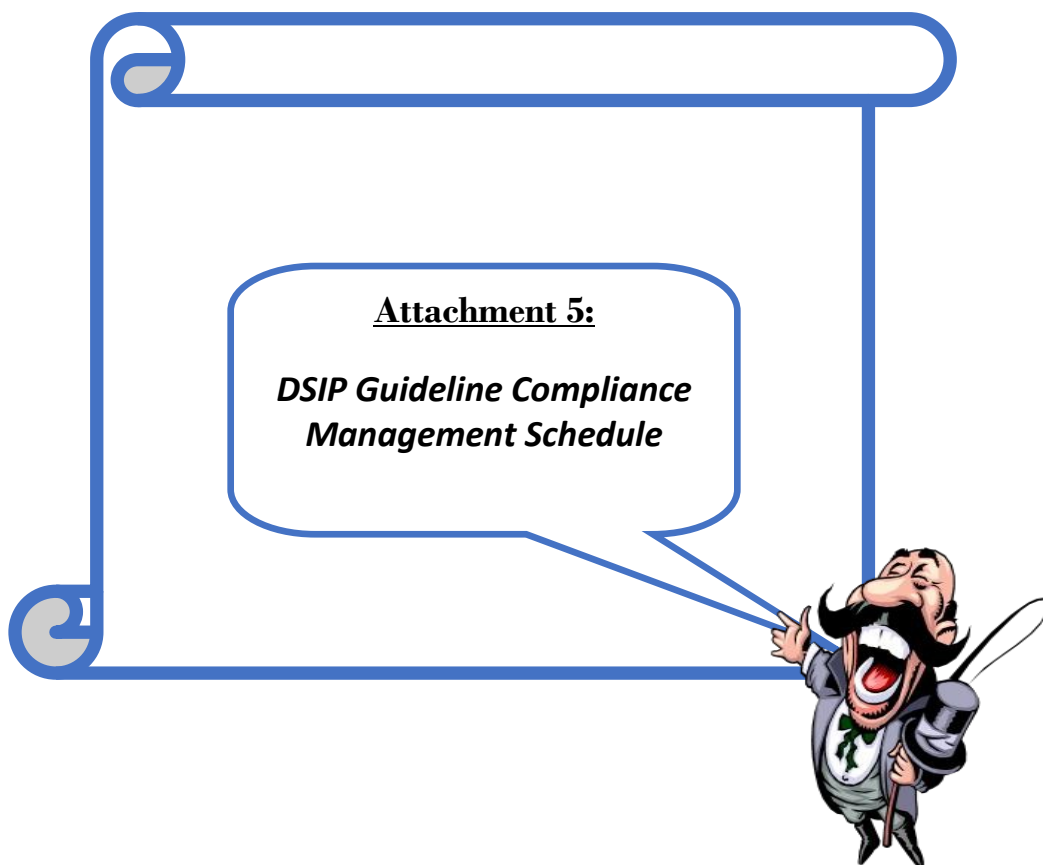
The sectoral expenditure budget of the five-year development plan budget cycle accommodates for intervention support funding through partnership from other sources (National Government agencies, Provincial Government, Development Partners, NGOs, etc.) to compliment the DSIP funding to develop and transform Lufa district within the next five years. The economic infrastructures sector is allocated with the largest funding as it is identified as the key economic enabler which will set the pace for other sectors to thrive on. The top five sectors (Economic Infrastructure, Health, Agriculture, Education and District Administration Capacity) with increase funding demonstrates the priorities envisioned and endorsed by the Lufa District Development Authority Board for Lufa District. *The funding allocated is only a guide on the sectors based on available information and estimates at the time of compiling and consultation. It may vary with changes in variables such as prices of goods and services, economic conditions or government policy based on situation over time which will be revised and captured in the district, provincial and national government annual budgets going forward each year by appropriate authorities.*



Attachment # 4: District Priorities Results Framework

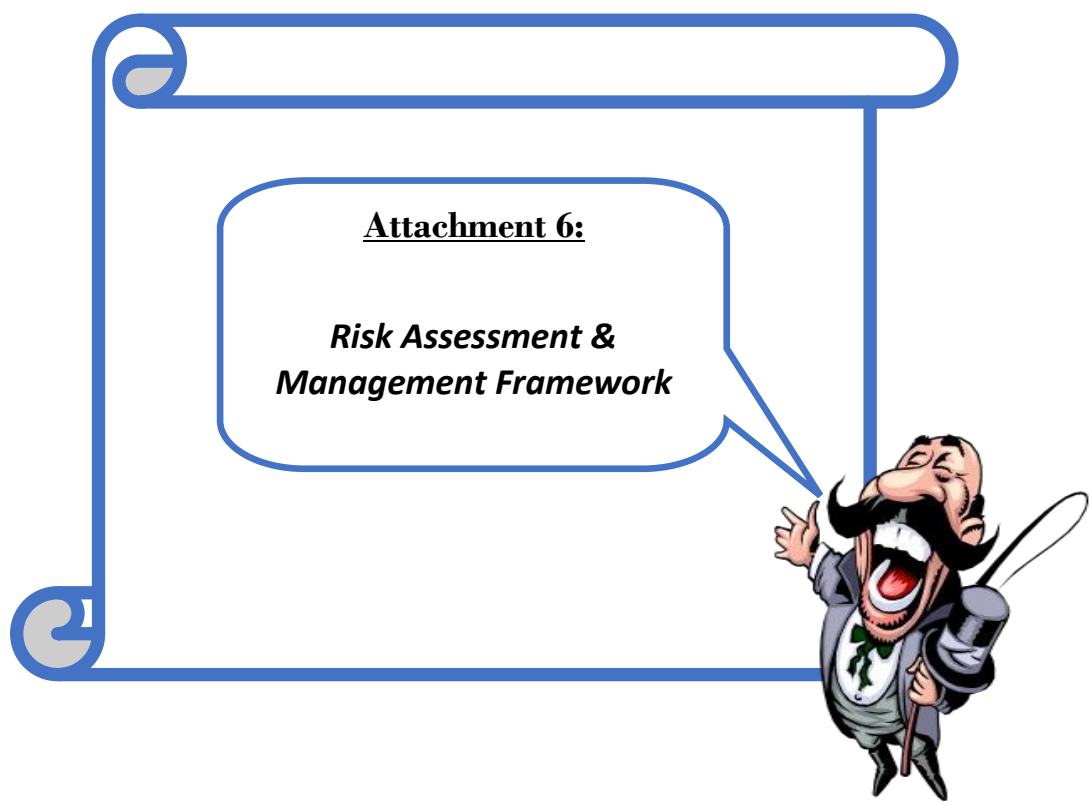
DDA Plan Outcome & Output Results: Aligned to MTDP III Implementation Framework for 2018-2022

Summary of Results	Target/Indicator(s)	Means of Verifications	Key Assumptions	Risk Analysis	Mitigating Strategies/Measures and Key Actions
Program Purpose/Objective: To support the small producers in target District through the establishment of sustainable livelihoods of x villages by 2022					
Activity/Project Output: Support the implementation of community-based livelihood initiatives – MSMEs and establishing new Company	Target: About 5, 000 families, (20% women), in project areas/Wards undertaking community-based eco-enterprise, agro forestry, aqua-culture & livestock, in each village industry, e.g. Mushroom, bee keeping, coffee Indicators: No. of families (gender equity) benefited from community-based sustainable livelihood initiatives Youths/families empowered No. of direct/indirect beneficiaries from training/livelihood	<ul style="list-style-type: none"> * Project Progress Briefs * End of project report, * Monitoring reports * Community baseline and end-line surveys * M&E Report 	The DDA Board, communities and other partners are committed to continue to promote for sustainable livelihoods Lawlessness contained to allow business to thrive	<ul style="list-style-type: none"> ◆ Competing economic development in locality hamper community equal participation ◆ Dev Partners not keen to buy-in; ◆ Poor counterpart funding to attract PIP or DP input ◆ Poor leadership 	Intensify and complement support for Business/MSMEs with incentives; Biodiversity conservation to be equity participant's in carbon trade Provide technical and financial/credit assistance to pilot initiatives Mobilize/deploy vast human capital engage in income generation More involvement of national, local/Ward leaders in the promotion of sustainable livelihoods in rural areas; DP interest not aligned to Project
Indicative Activities: <ul style="list-style-type: none"> ■ DDA Capacity assessment on to deliver social service ■ Empowerment of productive HR for wealth creation ■ Capacity building-education, skills upscaling, agro-biz, SME/Mushroom/apiculture village-based livelihoods ■ Socio-Econ Infrastructure development Prog-ITC ■ Provision of technical and financial assistance to support Implementation of livelihood projects ■ Set-up Business Arm & Biz Investment Projects 	<ul style="list-style-type: none"> ◆ Identification, selection and start-up of 20 viable com initiatives ◆ Training of 10 core trainers ◆ Roll out of skills training in 3 villages, with a total of 120 participants 	<ul style="list-style-type: none"> * Project reports, * Training reports, * M&E reports, * Interviews with beneficiaries * Project Contractor Reports * Prog Managers watching Briefs * CEO site inspections 	<ul style="list-style-type: none"> ■ People are willing as inclusive partners; ■ Change mindset of Hand-out to Help out; ■ Beneficiaries keen to take ownership & onus to improve their lifestyles; ■ Fair idea of self-help business ventures 	<ul style="list-style-type: none"> ■ Lack of Capacity & skills to deliver on target priorities; ■ Poor business managmt skills ■ Mismatch in staff placement to manage project/business; ■ Rivalries among Proj area clans ■ Poor com policing; ■ Tribal conflicts 	Selection criteria for other project partners and beneficiaries shall be based on their commitment, capacity and experience that can add value, contribute expertise, Partnerships with Dev Partners to match funds and share risks; Collaborate with key state agencies and Credit Support schemes, -NDB IPA/IRC statutory requirements and JV Biz Partnerships



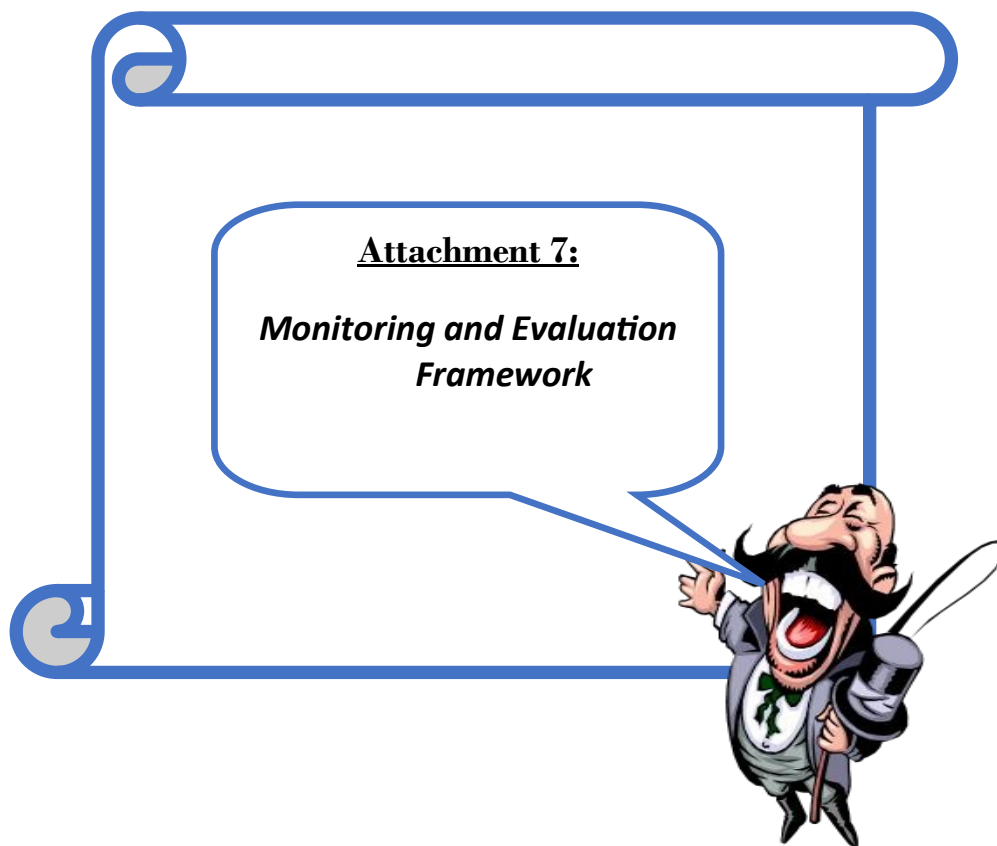
Attachment # 5: DSIP Guideline Compliance Management Schedule

PROGRAM	TASKS	ACTIVITIES	ACTION OFFICERS	TIME FRAME	OUTPUT (Indicators of Achievement)	OUTCOME
SERVICE IMPROVEMENT PROGRAM (SIP)	Tracking DSIP & LLGSIP)	M&E SIP in LLGs/W • Assess progress	CEO/Mgrs., SPO,TSO	Apr-May 2023 Qtr. 2	Targets, indicators, SIP Performance Report	• Efficacy of SIP implementation; • Margin of success
	Awareness on SIP benefits	Partnerships with CBO's, FBOs, GO's		Apr-May Qtr.2 2023	Awareness Conducted Alliances setup-Report	•Districts & LLGs adhered to rev SIP Compliance assessed
	Asset Registry Template	Setup Asset Registry Template in Dist HQ	PC/IT/Asset Officer	Apr-May Qtr.22023	• 3 x LLGSIP Asset Registry Submitted	•Asset Management Register set - Compliance/Accountability
APPLICATION OF SIP GUIDELINES	Update DSG Guidelines with DIRD	Disseminate changes to LLGs		Jan-Mar Qtr. 1 2023	•SIP Review Meetings Conducted/attended	•Revised SIP applied (Dist/LLG)
SIP (PSIP, DSIP, LLGSIP) IMPLEMENTATION REPORTS	Prep Evaluate 2023/24 SIP Imp Progress Reports	Prep SIP Reports Reporting Template Submission to DIRD Reports for 2023/4	AS, PC, SPO, PO	Jan-Dec, 2023-24	•All Provinces, DDA & LLG Report sent •DIRD appraised.	•Timely Reporting of 2023/24 SIP Implementation to DIRD •High % Compliance to SIP AG & FI by DDA/LLGs
	Submit Outstanding 2022 SIP Imp Reports	Compile outstanding 2023 SIP Reports Update R/Template Remit 2023 Reports	CEO, Mgrs. SPO, PO	Jan-June, 2023-24	•Reporting Timeline-Reminder Notices to Submitted O/S 2022 SIP Implementation Reports	•80-100% Compliance to SIP AG & FI by DDA & LLGs
CONSTITUTIONAL GRANTS – DISTRICT SUPPORT GRANTS	Facilitate Release of 2023 Const Grants	DSG acquittals for 2022	CEO/DFM SPO, PO	Jan-Dec, 2023	•DSG Acquittals Submitted, appraised/cleared by DIRD	• 80-100% Compliance. • Timely Release of 2023-24 Constitutional Grants
	Prep O/S 2022-3 DSG Acquittals	Remit O/S DSG Acquittals for & DSG Non-Discretionary	CEO, DT, SPO, PO	Jan-June, 2023-24	•DSG Acquittals for Dist submitted & Cleared	• 100% Compliance, • Outstanding 2023/24 grants disbursed
RAPIDPRO ROLL-OUT TO DISTRICTS	Participate in f RAPIDPRO	Liaise with DIRD re: AIDREFORM/POLICY	CEO,PC, SPO, DFM	TBA	•Training attended •Report submitted to DIRD	• Updated District Information & Data -
	Program	workshop training.				DIMS achieved • Data used in planning
DISTRICT 5 YEAR DEVELOPMENT PLAN	Craft 5Yr District Dev Plans for 3xLLGs	Consultation W/Shops to Design 5Yr Plans Final Plan to DIRD	MP, CEO, DFM, PC, SPO, PO	Oct-Jan, 2022-23	• Dist 5 Year Roadmap captured in Integrated Provincial Development Plan with 3xLLG SYDPs	Implementation of Five Year Plans streamed by DDAB/LLG 80-100% Progressively implemented
LEADERSHIP CODE & FRAUD MATTERS	Assist OC & Police Fraud Squad re: DSG/DSIP use	Prep copies of Acquittal Reports for OC as requested IP 2023	PC, SPO, PO	Jan-June, 2023-24	DSIP & LLGSIP Acquittals & reports furnished to OC	Timely facilitation of OC's requests for DSG & DSIP acquittals for investigation
REGIONAL ANNUAL WORK PROGRAM & PERFORMANCE MANAGEMENT	Track DIRD Regional Annual Work Plan	Obtain copy for 2023-24 Annual Work Plans for the region	CEO, PC & SPO	Jan-Feb, 2023-24	2023-24 Annual Work Plan Document acquired	•Targeted activities selected for participation •Adequately prepared
	District Staff Performance on DSIP delivery	Compile Staffs DSIP Performance Report	CEO, HR, PC, SPO, PO	Jan-Jun, 2023	Staff Performance Report Assessed	Performance evaluated for advancement/skills training
		Submit Staffs DSIP Performance to DDAB	CEO, HR, SPO, LLG M	July 31, 2023	Staff Performance skills appraised/recommendation	Recommendations for job placements effected
PERFORMANCE REPORT TO DIRD MANAGEMENT	Dialogue with DIRD 2023/24 Dist Reports	Develop and submitted 2022/23 performance report for District	CEO, DFM, HR, LLG Mgr.	Jan-Mar, 2023	Participation outcome Performance report submitted to DIRD	Timely Submission Increased efficiency (%) rate
STAKEHOLDERS COORDINATION	Arrange inclusive Stakeholders engagement	Coordinate & Participate in Stakeholders Forums	CEO/DFM, SPO, LLG M	Jan-Dec, 2023	Meeting Reports & Briefs	Effective Stakeholders Coordination & Participation
		Liaise & establish/re-establish networks with key stakeholders	CEO, DFM, HR, LLG Mgr. SPO	Jan-Dec, 2023	Stakeholders Contacts Registry Regional Internal Directory	•Effective Stakeholders Liaison •Improved Dialogue & Stakeholders Relations
INSTALL/UPGRADE DATA/RECORD MANAGEMENT	DIMS linkage to DIRD system	Receive, register/record all correspondences and Minutes, Memo's, etc.	CEO, SPO, PO All Staff	Jan-Dec, 2023-24	DIMS Systemized External Correspondence Incoming Correspondence	DIMS Files & Records Updated Effective File Management Systems for Dist/Province



Attachment # 6: Risk Assessment and Management Framework

No.	Potential Risk	Potential Interventions
1	Lack of Funding could possibly hinder or delay progress of project implementation - due to: i. cash flow and ii. Non-compliance in financial & administrative requirements in SIP Administrative Guideline & Financial Instructions	DDA Chairman should work closely with District Authority CEO and District Finance Manager to submit timely reports to Department of Implementation and Rural Development (DIRD), Ombudsman Commission, Department of Finance (DoF) and Department of National Planning & Monitoring (DNPM)
2.	Land disputes could cause delay or shutdown of projects	i. Customary land where projects will pass through – All clan leaders, councillors, village court magistrate and concern parties should be called for land mediation for peaceful settlement before project starts. ii. Proper social mapping should be carried out before implementation of the projects iii. To minimise or avoid the risk all impact project the District Administration should be implemented on state lease land and/or land proposed for development should be properly registered before progressing with project.
3.	Lack of human resources technical capacity to implement and supervise the project from initial start to completion.	i. Poor Engineering projects: - National Department of Works and Highways and Provincial Works will be called upon to assist. ii. For Social and Economic Projects: - National Department line agencies will be called in to assist the district administration. To some extent development partners such as ADB, AusAID can assist.
4.	Lack of Environmental Risk Management	Conservation and Environmental Protection Authority (CEPA) will be called to assist
5.	Politics and Policy changes in all levels of government can affect the smooth implementation of projects	Politics of the day has always been the obstacle to development and delivery of goods and services to people in the district. Political leaders are law makers while bureaucrats or public servants are implementers of the law. Public servants are key to effective service delivery and should not swing to political leader's self-interest rather for the people consistent with government plans within the laws.
6.	Unexpected Extreme Weather pattern from climate change (such as excessive or prolong rain) may delay project and may lead to increase in cost	i. DDA to work with National and Provincial works to assist in projecting engineering advise and cost adjustments to be factored into every annual district and provincial budget.
7	Lack of technical expertise at district level to provide strategic advice , write submissions and follow through for sourcing funds or financing with appropriate agencies such as DNPM, GoPNG line agencies and development partners can hinder or stall progress in new projects PLAN	i. Through the DDA Board Chairman to work closely with DDA CEO and DDA Board to outsource this services to technically competent firm or individual to: (i) provide strategic advice, (ii) write technical submission (iii) able to network with key government funding agencies such as DNPM and development partners and (iv) able to secure funding to fund projects outlined in this Five Year District Development Plan ii. Establish a Project Management Unit immediate in 2023 to supplement the point i. above and effectively co-ordinate and implement the projects that are planned in this 5 Year Development Plan .



Attachment #7: Monitoring and Evaluation Framework (Purpose)

This MEF is designed to establish the logic for the Priority Projects contribution (inputs and outputs) to achieving the District Program goal, hence Agro-Economic Sector goals and provide a framework for monitoring and evaluation (M&E) of Project progress and achievements. It guides how this information will be collected, collated and analyzed. The MEF will ensure the projects should be implemented and in turn establishes information flow path where:

- scope of Project's monitoring and evaluation is clearly stated,
- timely collection and analysis of data to inform and guide strategic project development and implementation,
- mechanisms are in place to facilitate the feedback of lessons learned and recommendations for Project management and implementation, and
- information collected will inform contribution analysis for the Project/program.

Guiding Principles for Monitoring and Evaluation

Eight guiding principles underpin the Projects/Programs approach to M&E. These are:

- ❖ **Simplicity:** the clear specification of information requirements and responsibility for its collection, analysis and application.
- ❖ **Practicality:** a system that directly supports core management is fully integrated with management systems and provides performance monitoring information which directly supports strategic and implementation decision-making.
- ❖ **Quality of inputs:** a framework that focuses primarily on assessment of quality of inputs and processes, and outputs based on overall strategic objectives.
- ❖ **Realistic:** linkages with Agronomics Sector and District M&E will continue to develop, recognizing that current sectoral agency systems are weak and will take time to mature.
- ❖ **Flexibility:** the development of an MEF that is flexible and responsive to emergent needs, recognizing the evolving nature of the Organizational Programs/Projects.
- ❖ **Partnership:** fulfilling District Development Plan, (DSIP), PSIP, State and obligations to development partners, hence demonstrate responsibility for performance against agreed expectations.
- ❖ **Strategic:** activities individually and collectively are based on well-considered intervention logic.
- ❖ **Continuous improvement:** a focus on results, learning and innovation will ensure a maximum contribution to the District, Provincial, National Partnership in Socio-economic sector.

For the purpose of Project and District Rolling Development Plan monitoring, reporting and evaluation shall be undertaken at two levels:

- i. Strategic level; Committee responsible will ensure that Project Outputs contribute to the Outcomes identified (KRA's/performance indicators);
- ii. Implementation level; monitor Project Inputs and Outputs to ensure that funds are used for intended purpose.

Monitoring Outputs to Outcomes

In development budgets projects are prioritized which contribute most to set targets and objectives, the envisaged outcomes, of the Provincial Plan. The quantitative targets and qualitative objective are used as benchmarks or measuring yardstick for monitoring, evaluating and reporting the effectiveness of strategies, project outputs and implementing entities of Province/District

If projects or strategies for each Key Focal Areas are failing a review is essential to realign resources and methods. The M&E Unit will monitor performance of all core aspects as to how they roll out to contribute to the Project and District Development Plan targets and objectives. Reliable baseline studies or situation analysis are crucial as starting point for any prioritized program/project in respective KFA. If baseline data for indicators are lacking then the targets shall be set against National, Provincial or District benchmarks already set.

Monitoring Inputs to Outputs

Implementing entities are accountable for approved and funded projects or programs in employing resources for intended purpose to achieve desired outputs. Regular reporting during project cycle concerning funds disbursement and project status is critical. It will be imperative to identify key factors and impediments affecting progress of project and indicate if innovative steps being taken to address them. Also, indicate if project is on track and tracking within budget to achieve prescribed objectives.

If the project outputs are not delivered the implementing entity will be required to provide explanation. Therefore, early identification of negative factors will help circumvent the failure to deliver.

Reporting of Monitoring Results

A concise report from Project Proponent, as beneficiary of the State DSIP/DDA and PSIP/Provincial equity, will submit a report to the District/Province (& State /DNPM as necessary) so that it is factored in the annual publication on LLG, Provincial or National Governments yearly development budget expenditures. It will signify the Communities involvement in accessing vital incentive resource support in wealth creation and be inclusive partners in development as envisioned in PNG Vision 2050 and reflect how their participation is contributing to the national economic development trends.

Impact Assessments for Ex Post Evaluation

Diagram depicting Traceable results chain for Projects and Programs

