



## MINISTRY OF LANDS AND PHYSICAL PLANNING

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### NATIONAL LAND DEVELOPMENT TASK FORCE “LAND DEVELOPMENT PROGRAM”

BY

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#### *Introduction*

The inability to access land for development has seriously impeded progress in Papua New Guinea for a long time. As a consequence, Papua New Guineans have been shackled to poverty in a country rich with land. Hence, the statement that Papua New Guinea is land rich, land tenure confused, and asset poor. This scenario will now be legacy of the past, with the implementation of the Land Development Program.

There have been several attempts to feature land reform on the national development agenda. However, all of them either failed to pass the consultation stages, or achieve their intended goals. In two instances the outcomes were undesirable, resulting in mass protests and public demonstrations led by students and non-government organisation activists. The results underscored the continuing status of Papua New Guinea as being resource rich, with abundant land, yet being economically strapped into poverty.

#### *National Executive Council Decision*

On 15 November 2006, the National Executive Council, at Meeting No.50/2006, through decision NEC Decision No. 267/2006, accepted the findings and recommendations of the National Land Development Taskforce (NLDT)

concerning administrative, legal, and institutional land reforms, for implementation, commencing in 2007.

The Government indicated its support for the reforms by establishing a Program under the 2007 Development Budget entitled, Land Development Program, for the specific purpose of implementing the NLDT's recommendations.

The program will incorporate a Project Implementation Unit (PIU) and has been allocated an initial one million kina (K1 million) to scope, plan, and manage the implementation of the recommendations. The PIU will be located within the Department of Lands and Physical Planning.

The NEC has abolished the Urbanisation Committee, and established the Land and Urbanisation Committee. This ministerial committee will take the political leadership in overseeing the Land Development Program. The Minister for Lands and Physical Planning will be the Chairperson of the committee. Other committee members will include the Ministers for Finance, National Planning and Monitoring, Treasury, Justice and Attorney General, Community Services, and Housing and Urbanisation. This committee will also take on board the responsibilities of the former Urbanisation Committee.

The NEC has also appointed an advisory body, which replaces the National Land Development Taskforce (NLDLT), to receive periodic reports from the PIU, assess the implementation of the recommendations, and advise the Land and Urbanisation Committee. The advisory body will have representatives from the National Research Institute, the University of Papua New Guinea, the PNG University of Technology, the Institute of National Affairs, and the private sector.

The strategic steps taken have led to the inclusion of the Secretary for Lands and Physical Planning as a member of the Central Agencies Coordinating Committee (CACC). Decisions relating to land are critical for development, and past experience has shown that these issues have not been adequately considered in the government's decision-making process. The inclusion of the Secretary for Lands

and Physical Planning on this important decision-making committee will ensure that critical decisions on land development are fast-tracked, and dealt with by the Government in a timely manner. The decision requires legislative changes, and reinforces the government's concern over land development, and the desire to see positive action take place.

### ***Background to the Land Development Program***

As Minister for Lands and Physical Planning, I am pleased to say that we have achieved a great deal in just over a year.

The National Land Summit was held in August 2005. In December 2005, the NEC established the NLDT to implement the recommendations of the land summit. The NLDT completed its work in October 2006, and made a submission to the NEC. The outcome of this process is the 'Land Development Program', which will lead to the implementation of the NLDT's recommendations.

### ***Recommendations***

The key focus of the NLDT was how to access land for development purposes. In particular, what strategies could be adopted to enable Papua New Guinea to attain an economic growth rate of five percent or more, which is the target set down in the Medium Term Development Plan.

We must give priority to improving land administration and dispute resolutions mechanisms, before we start work on devising mechanisms to develop land that is currently held under customary land tenure systems.

The current land administration practices need drastic improvement, as it is clear from our findings that they are a hindrance to economic growth and development. Much of the three percent of alienated land remains underutilised for various reasons. In many cases, development covenants are not complied with and default provisions are not strictly applied. There is no physical planning, and as a result, large pockets of alienated state land in potentially high growth areas remain undeveloped.

There is ample evidence of this in Port Moresby as well as other major towns and cities. This has led to “squatting” on most of the undeveloped state land, which is an uneconomical activity that will create further problems for government. Many hard working and law-abiding Papua New Guineans are frustrated with a system that does not work, and some even confessed to conducting activities that are deemed illegal.

Because of the poor recording and related management systems, titles cannot be transferred in a timely manner. As a result, many occupants of leases for houses, business, and agricultural use cannot mortgage their properties to conduct business. This has stifled the property market, and as a result, has not contributed very much towards economic growth.

Put simply, if we improve land administration, there will be significant contributions to economic activity.

There are 18 recommendations from the NLDT, and 16 of them refer specifically to the operations of the Department of Lands and Physical Planning, and related activities in the provinces.

The taskforce believes that if all the recommendations made under land administration are implemented, there would be a significant impact on the economy, and the government’s five percent economic growth target would be surpassed. This is prefixed by the fact that the three percent of alienated land in the country represents almost ninety percent of the country’s prime land.

It is also evident from our consultations with key government officials that most of them do not understand the link between land and economic growth. We need to put more resources into improving land administration, if we are to see significant improvements in the economy.

In the area of Land Dispute Resolutions, the taskforce has recommended the establishment of a single Land Court to deal with all disputes relating to land. There are many reasons, as documented in the committee's report, that capture the rationale for the establishment of the single court system.

For example, the number and frequency of land disputes indicate that the current arrangements are clearly inappropriate, especially the work of the Land Titles Commission, the National Lands Commission, and the District Land Courts.

The NLDT was informed of a backlog of land mediation appeal cases, (more than 200 for the Goroka District alone) awaiting hearing by the District Land Court. One can just imagine how many there are from the other districts of Eastern Highlands province, and how many from all of the other provinces.

In our consultations, the communities want mediation services rather than formal courts to resolve disputes over customary land. The NLDT acknowledges that mediation services are important, and that they must be a part of the single land court system.

It is imperative that the land court system is established and operational, before work begins on developing customary land. The number of land disputes is likely to increase significantly, and the land court system must be in place to deal with them.

In the area of "Accessing Customary Land," the committee worked on a very difficult guiding principle. They had to identify a mechanism which ensures that customary land will remain in the possession of the landowning group, yet be comfortably leased and utilised freely, in the modern business environment.

The committee drew on previous work, and looked at existing mechanisms. The model, or framework, that has been proposed recommends the use of existing legislation, with some modifications. The proposed concept is acceptable to the banks and the community at large.

However, it will require a lot of work to get the mechanisms correct and functioning properly from the start. This is critical in order to maintain public confidence.

This can only be achieved in an environment where land administration and the dispute settlement machinery are operating efficiently and effectively. Our recent participation in the Land Summit in Vanuatu shows that we are on the right track.

The taskforce had recommended that the proposed model be initially trialled with one or two landowning units on the periphery of Port Moresby, or Lae, and then rolled out to other communities.

If we do not do it well in this trial phase, or learn lessons, and improve on the model, as conceptualised, we run the risk of another failure.

This is an area where the committee that has been involved in the accessing and development of customary land should continue, in some form, under new arrangements, so that they can contribute to the development of a practical system.

### ***Implementation***

The National Land Development Taskforce (NLDT) technically, ceased operations after it handed its report to the Minister for Lands and Physical Planning. In its place, and consequential upon NEC decision No. 267/2006, it is required that we have the following units established, and operational in 2007, under the Program - Land Development Program (LDP).

The LDP will comprise the following:

- i) Ministerial Land and Urbanisation Committee,
- ii) Land Development Advisory Group,
- iii) Land Development Program Implementation Unit,

- iv) Key implementing agencies and operational units, and
- v) Comprehensive implementation plan of operation of Land Development Program

As a preliminary guide towards implementing the National Executive Council (NEC) decision, there is a process through which the NEC decision will be implemented. The process is divided into specified time/periods, and identifies individual actions and activities to be undertaken by respective agencies, in each period.

### ***Land Development Program (LDP)***

The LDP will have its own distinct identity with corporate image, depicting its mission and objective as a comprehensive long-term, social and economic reform initiative, aimed at collectively growing the economy and social well being of the government and people of Papua New Guinea. To succeed in this endeavour, those responsible for leading the implementation, must embrace the mission and objective with a genuine sense of ownership.

This is particularly important because each recommendation will be a sub-program with a series of projects, which in turn will have their own series of activities. Each sub-program and projects will therefore, be implemented, using specific technical skills and agencies.

Full implementation of all projects under the LDP must evolve over time. And as a social and economic reorientation process, its success will come to fruition over an extended period, with the fullness of commitment and time. There should be no expectations for quick fixes overnight, especially because land matters remain very sensitive to all Papua New Guineans and the prospects of curtailment cannot be sustained under any circumstances without adverse consequential costs.

A unique feature of the LDP, quite unlike any other program, is the fact that it is a major program with sub-programs, projects, and activities. Furthermore, it will embrace the entire process; i.e. from policy decision, to legislative enactments and regulations, to implementation, and to post-implementation reviews and evaluations.

Finally, the process cuts across different provinces and cultures, government ministries, departments, state agencies, and different levels of government. It will therefore require much more than the usual rudimentary attention, for it will involve policy and management coordination across the full breadth, and from head to tail. There may be a need where necessary to consider making

statutory provisions for the Land Development Program and its objectives and instrumentalities, more assertive, through appropriate legislative changes or amendments under appropriate legislations including the Land Act.

### ***Ministerial Land and Urbanisation Committee***

The Ministerial Land and Urbanisation Committee (MLUC) will provide the political leadership for the LDP. The Chairman MLUC, who is the Minister for Lands and Physical Planning, should meet at least four times a year. Its main function will be to deliberate on submissions for policy decisions and quarterly reports provided by the:

- i) Operational units within key implementing agencies via the Program Implementation Unit, through the Land Development Advisory Group (LDAG), and
- ii) Any other business deemed appropriate by the LDAG

To initiate this process, the current Minister should soon write to colleague ministers, advising them of the committee's role, with a schedule of at least four (4) meetings in 2007. The first ministerial committee meeting should be held before the end of March 2007, just straight after the first meeting of the LDAG.

### ***Land Development Advisory Group***

The LDAG will provide policy advice and regular briefing reports on the land development program to the ministerial committee. In this respect, the secretariat of the LDAG, operating from the National Research Institute, will need to establish and maintain regular contact with the Program Implementation Unit, operating from the Department of Lands and Physical Planning.

Members of the LDAG will be from the National Research Institute, Institute of National Affairs, University of Papua New Guinea, University of Technology, and the private sector. The LDAG will meet every quarter.

The immediate task of the LDAG is to:

- publicise the NEC decision. Place paid public notices, in both dailies, the press statements made by the Minister and Chairman, while announcing the NEC decision,
- publish a monograph, documenting the work of the Taskforce, through the National Research Institute. This is an important step in creating a literature around the land issues and policies and to serve as a reference material and guide to the implementation and post-implementation evaluation. Copies to be produced in both hard and soft copy for wider distribution,
- identify suitable candidates from the private sector for inclusion in the LDAG,
- plan for a workshop in early February, 2007, to be attended by all the stakeholders, members of the taskforce, and LDAG. This workshop will be used to educate those responsible for the implementation of the LDP to understand their specific roles and design the strategy for framing the land development program,
- liaise with and monitor understanding of the NEC decision by the respective stakeholders, including donors, and the public,
- attend the planned workshop being coordinated by the Department of Lands and Physical Planning. The main contribution will be to make the department understand its role in the LDP,

### ***Land Development Program Implementation Unit (LDPIU)***

This most essential unit will be largely responsible for coordinating the implementation of the Land Development Program. It will ensure all project requirements, from conception to project documentation, technical designs and work scoping, resource procurement and allocations, implementation updates, project reviews and evaluations, are fulfilled.

The unit, established within the Department of Lands and Physical Planning with an initial strength of three (3) in 2007, will maintain a stockist's account of all projects' requirements and implementation records and reports. It will produce quarterly progress reports, including any technical advice and recommendations to the LDAG and key implementing agencies.

The unit will have counterparts, located within each of the respective key implementing departments and agencies, with which it will maintain regular contact, regarding projects under the Land Development Program.

It will be administratively located within the Department of Lands and Physical Planning. It will report to a technical committee, chaired by the Secretary for Lands and Physical Planning. Other members are the Secretary for Attorney General, Secretary for Inter-governmental Relations, Secretary for National Planning and Monitoring, Secretary for Treasury, and Secretary for Social and Community Development. This committee should meet monthly to oversee the implementation of the LDP and the work of the PIU.

The LDPIU will be headed by a dynamic Papua New Guinean, as the Program Director, to be engaged early in 2007. An acting appointment may be made based on recommendations of the LDAG. In due course, the LDPIU and its director's position may all be legitimised, through statutory provisions, upon appropriate amendments to the Land Act.

Other subordinate positions including Project Manager, Executive Assistant, and any other required positions will be determined as the need arises, by the Program Director.

The Program Director will determine and seek endorsement of the technical committee on the most suitable options for the LDPIU organisational structure, bearing in mind the need to effectively implement all projects, under the LDP within each key implementing agency. The proposed organisational structure will then be presented to Department of Personnel Management for approval.

In instances where the LDPIU is unable to provide technical documentation and work scoping for identified projects, it will draw up the required TOR for consultants to produce technical documentations, that must include recommendations for implementation, based on specified time frames. However, there will eventually be a need for full staffing contingent to be in place at the LDPIU, with designated officers, specifically assigned to cover for each of the key implementing agencies, i.e. Lands and Physical Planning, Justice and Attorney General, and Urbanisation.

The important stakeholders, for the LDP are as follows:

- Department of Lands and Physical Planning,
- Department of Justice and Attorney General,
- Law Reform Commission,
- Department of National Planning and Monitoring,
- Department of Treasury,
- Department of Personnel Management
- Office of Urbanization,
- Land Development Advisory Group,
- Department of Community Services, and
- Donors.

### ***Important Time Periods***

#### *Transition period*

The period, November, 2006 to April, 2007 is defined as the transition period. This is a crucial period during which, the key stakeholders need to fully understand their roles, as required under the NEC policy decision, based on the findings and recommendations of the NLDT. A clear understanding of their respective roles will assist in the design of the program, selling the package to donors and the new government after elections, and successful implementation.

Land has long been a sensitive issue in Papua New Guinea. However, both the NLDT report and the NEC decision demonstrate the willingness and desire for change. This government, in particular has recognised that land issues need to be addressed, and has not been afraid to take the risks. It is evident, through the NEC decision, announced by the Minister for Lands and Physical Planning that, this Government has responded to the challenge, and is very serious about the implementation

of the taskforce recommendations. However, this is only the beginning. The ultimate objective is to develop and implement all of the recommendations contained in the report.

As the politicians go to the elections in 2007, we as technocrats will have to progress to the next important step of designing and costing the program, to be presented to the new government in September, 2007, to begin implementation in 2008. The program item, already in the 2007, 2008, and 2009 Public Investment Program will be fully costed and implemented, starting in 2008. It is likely to take a minimum of ten years and cost a minimum of K100 million.

The challenge is now up to the bureaucrats, such as the Secretary for Lands and Physical Planning, the Secretary for Justice and Attorney General, and the Land Development Advisory Committee, to begin this process. Because, land reform remains the most important and fundamental reform initiative, ever undertaken in Papua New Guinea, genuine technical input and clear direction is greatly needed. Both the political will and the people's desire for change need to be appropriately motivated and directed in the right direction. This is where the role of technicians becomes important. We the technicians have to take the responsibility for planning and managing the implementation phase.

*December 2006 to January 2007*

The NEC decision was announced in 27 November, 2006. During the period between December, 2006 and January 2007, the following needs to be undertaken, by the respective stakeholders:

- Department of Lands and Physical Planning:
  - proceed with the running of their planned workshop.
  
- Department of Justice and Attorney General:
  - the Land Dispute Settlement committee should be advised to proceed to produce a draft proposal for the single Land Court, for NEC, as requested by the Minister for Justice and Attorney General.

*February to March 2007*

- Land Development Advisory Group (LDAG) Secretariat:
  - organize a workshop for all the stakeholders. The role of each stakeholder will be defined and agreed to at this workshop.
  - draft the terms of reference, advertise and recruit a consultant or consulting firm to design and scope the Land Development Program.
  - assist in establishing the PIU.
  - the LDAG should have its membership confirmed and designed a work plan for the year.
- Department of Lands and Physical Planning
  - work with the LDAG, Department of Justice and Attorney General, and other relevant agencies to get the legislative changes done to have the Secretary for Lands represented at the Central Agencies Coordinating Committee.
- PIU will liaise with respective agencies in organising a workshop to discuss the proposed single land court system.

*April to November, 2007*

- the PIU to package the land development program – define technical details of program with suitable implementation timeframes.
- PIU to sell the land development package to the LDPAG.
- LDPAG to sell the package to the Minister for Lands and Physical Planning, and the NEC through the Ministerial Committee, donors, Department of Planning and Monitoring and Treasury.
- work closely with the Department of National Planning and Monitoring and to submit the program to the 2008 Public Investment Program to begin full implementation in 2008.

*December, 2007 onwards*

- full implementation of the land development program.

### ***Challenge for Implementation of the NLDT Recommendations***

As the key ministries and principal custodian for the Land Development Program implementation, all parties have to embrace the mission and objective of the LDP as trustees for and on behalf of the government and the people of Papua New Guinea. And being landowners ourselves, we have to take full ownership responsibility, ensuring at all times that the institutional interest take precedent over our own personal interest.

The NLDT recommendations under land administration, which are for the Department of Lands and Physical Planning, are really sub-programs, under which there are multitudes of smaller projects and subsequent activities under each of them.

The other recommendations for a single land court and development of customary land follow a similar pattern and likewise, there will also be smaller sub-programs and projects.

As some may have discovered, there are recommendations that simply restate what may already be in operation. If this is the case then there is all the more reason to revisit and improve performance with renewed vigour. We will require a complete change of attitude to achieve much more, with definitive targets and goals, within specified time frames. The valued contribution of a suitable land reform program towards national development, including the role of respective departments and agencies, have been overlooked in the past but this is no longer the case. Land reform has finally been recognised and promoted to the forefront, and our role as key operational units becomes even more significant with this recognition.

The need for regular updates on progress to the Program Implementation Unit and the LDAG should have no mercy for non-performance. And as anyone would have already noted from the Government's announcement of the decision by the minister, this has been a remarkable milestone achievement.

In terms of the administrative aspects of implementation of the NLDT recommendations, respective departments and agencies are best placed to handle these and perhaps much more so than any outsider. Where there is need for resources, the Program Implementation Unit should be brought into play.

In terms of the legislative implications, and these may become a prerequisite to actual implementation of many NLDT recommendations, the coordination role of the PIU must be fully drawn on to provide required resources. Depending on the circumstances it may be necessary to cover most aspects of the LDP under a more specific set of regulations under the Land Act.

Whatever the case, in terms of overall implementation, the onus rests entirely on us, as landowners, cum instruments of change. The need for cooperation and teamwork cannot be overemphasised. It is important that everyone including those not directly involved in implementation to uphold the honourable task of assisting in whatever way possible. We cannot sit back and expect outsiders to tell us how to handle our land problems. As a program with different components, there should be no quest for overall control or dominance by any of the implementing agency. The PIU will be the central coordination unit of our own land development program and as valued team members with the same mission and objective, our aim must be to procure long-term social and economic gains with pride for Papua New Guinea.

### ***Papua New Guinean Ownership***

It must be acknowledged that it has been mainly through our own home-grown expertise and nationally owned institutions, that we have been able to achieve what has been a daunting, insurmountable challenge, which was unsuccessfully tackled by past consultants and experts. The interest and commitment of those people who were involved - the majority of them being private professionals - has been a major selling point.

### ***Acknowledgement***

I wish to express my gratitude and utmost appreciation to each and everyone who contributed, in one way or another, towards the successful outcome and the affirmative decision by the Government.

The Secretary and staff of the Ministry and Department of Lands and Physical Planning have received a lot of criticisms in the past.

However, I must congratulate them on their eagerness to embrace the recommendations of the NLDT to bring about changes. This positive attitude and desire to make a difference has been demonstrated through the level of cooperation by everyone in the department. I take this opportunity to encourage all staff members to continue to maintain the spirit of cooperation as we embark on implementation in 2007.

The media have made a major contribution to the success of this land reform initiative. The publicity in the two dailies - the *Post-Courier* and *The National*, - the coverage on EMTV, and the round-up of events by radio, especially the National Broadcasting Corporation, has all been favourable. I wish to thank you all for your efforts.

To the Chairperson of the National Land Development Taskforce, the members of the Taskforce, the committee chairpersons and committee members, and the staff of the National Research Institute (NRI), let me thank you all as well. It is also appropriate to thank the Chairman of NRI Council and the council members for giving their support to the Director of NRI, in his capacity as Chairperson of the NLDT.

There are many other people whom I must thank, including colleagues in government, especially the Prime Minister and members of the NEC, particularly the Economic and Budget Ministerial Committee, the staff of key departments (especially the Department of Justice and Attorney General and the Department of National Planning and Monitoring), agencies such as the Public Sector Reform Advisory Group and the Central Agencies Coordinating Committee, members of the public, the private sector and business community, land group representatives, community leaders, provincial administrations, donor agencies, banks and financial institutions, UPNG, Unitech, the Institute of National Affairs, the PNG Business Council, the PNG Chamber of Commerce and its affiliates, the PNG Trade Union Congress and its affiliates, families, clans, tribes, and landowners, and the list goes on. My apologies if I have missed anyone.

### ***Conclusion***

The decision by Cabinet represents a milestone in the history of Papua New Guinea. Since independence in 1975, land issues have not been adequately addressed, nor given the prominence, which is deserving of such a fundamental prerequisite for national development. Instead, land issues had been kept on the backburner, as they were culturally sensitive, diversely volatile, and intrinsically sacred in value, as much as the source of livelihood for most Papua New Guineans.

For what has been a remarkable achievement, let me thank you all for your wonderful contributions. It has given me a genuine sense of achievement as Minister for Land and Physical Planning, and as I look forward to implementation in 2007, I am confident that, with all of your positive support, it will be a successful program.

Hon. Dr. Puka Temu MP

**Minister for Lands and Physical Planning**

January, 2007