Landowner Association or Socio Economic Development Agency: Case of Ramu Hydro Scheme

Presenter: Patrick Kavare
General Manager
Arona Valley Development Authority Inc.
It is through its (NRI) former name IASER that a report of 1983 saw the establishment of Arona Valley Development Authority Inc. (AVDA) an entity established to advance socio economic development for the people of Arona Valley.
Objects of AVDA

PAPUA NEW GUINEA

ASSOCIATIONS INCORPORATION ACT CHAPTER NO. 142

ARONA VALLEY DEVELOPMENT AUTHORITY INC.

CONSTITUTION

1. The name of the Association is "ARONA VALLEY DEVELOPMENT AUTHORITY INC."

2. The purpose of the Association is to assist with the improvement of the standard of living of the local inhabitants of the Arona Valley and its environs, Eastern Highlands Province consequent upon the carrying into effect by the Electricity Commission of Papua New Guinea of the Yonki Dam Project.

3. The objects of the Association are:

   a) to promote the economic and social development of the Arona Valley and its environs;
   b) to promote agriculture, commerce, industry, afforestation, educational and welfare services, recreational facilities and similar business and community enterprises and services for the benefit of the local inhabitants of the Arona Valley and its environs;
   c) to provide guidance and technical assistance to the said local inhabitants in connection with agricultural, commercial, industrial, afforestation and community projects;
   d) to promote the economic self-sufficiency of communities within the Arona Valley and its environs;
   e) to ensure that the social and economic development of the Arona Valley and its environs does not impede the development and function of the Yonki Dam as a water storage area for the production of hydro electricity.

4. The membership of the Association shall consist of:

   a) two (2) representatives elected by the Aparahi people of the Arona Valley to be members of the Association;

P. WINGTI
Chairman

I certify the above to be a correct record of the Decision reached by National Executive Council.

P.M. EKA Secretary, N.E.C.

Date: 6TH OCTOBER 1966

Distribution: MINERALS & ENERGY/MINISTER FOR POLICE/LANDS/
   PRIME MINISTER & NEC/
Commercial Development – Business Investments

Community Development
Social Services including Health, Education, Law & Order, Roads etc

Administration & Finance
Administration of AVDA
Whilst PNG has undergone substantial political, social, economic, fiscal and technological changes including changes in polices and legislations, there has never been any comprehensive reviews undertaken for the Ramu Hydro Electricity Scheme and AVDA. National Executive Council (NEC) Decision of 1986 including provisions made remain outstanding;
NEC Provisions

Physical Environment and Socio-Economic Impact

Since National Executive Council decision of 1981, Elicom has initiated and funded several reports concentrating on the Socio-Economic and Physical Environmental aspects of the Yonki Dam Project. The Papua New Guinea Institute of Applied Social and Economic Research completed the Social Impact Report on the Yonki Dam Project and a Draft of the Socio-Economic Development Proposals for the Arona Valley. Cameron McNamara Kramer P.N.G. Pty. Ltd. prepared the Physical Environment Assessment and the project’s Environmental Plan. The Environmental Plan was approved by the Minister for Environment and Conservation on 31st May, 1986.

The Environmental Plan concluded that that various works and the proposed reservoir will create few problems with the physical environment and all these can be handled by appropriate care in design, construction, rehabilitation and operational maintenance.

The Yonki Dam Project will have considered Socio-Economic Impact on the Arona Valley. Elicom understands this and has made provisions to ensure the people receive significant benefits from the projects.

These include:-

- Provision of pre-project training and employment during construction and operation of the scheme. The Contractor will be required, to the extent practicable and reasonable, to give preference in recruiting labour firstly from the immediate project area and then to the people of the Eastern Highlands Province and then to the country as a whole.

- Elicom has made provision for rural electrification of the Arona Valley.

- The local people shall be encouraged to use the reservoir for recreational purposes such as swimming, fishing and boating. Provisions will be made for simple recreation facilities at points on the reservoir. In conjunction with this, a programme will be run to educate the people on safety around water.

- A permanent market will be established by Elicom once construction is complete.

- Elicom has noted the presence of the Gadsup Sacred Site of Obevoka and a memorial will be planned in consultation with the people. Elicom will also be ensuring that the 10% of Archaeological sites which will be lost due to the dam construction and the reservoir will be recorded and documented.

- Stimulation of and assistance with agricultural development in the Arona Valley. Elicom is already assisting in the establishment of local small holder coffee projects.

- Elicom is taking the initial steps to establish a major coffee estate that will eventually belong to the people through the proposed Arona Valley Development Authority.

- Elicom is assisting in the establishment of the Arona Valley Development Authority.

- Provision of Pre-Project Training and Employment during construction and operation of scheme.

- ELCOM has made provision for rural electricity for the Arona Valley

- Utilizing the Reservoir for Recreational and Tourism Purposes

- Permanent Market

- Preservation of Cultural and Heritage Sites

- Government Services in Arona valley to be over and above provisions in other localities

March 17, 2023
Ramu continues to provide the cushion for the many financial shocks that is experienced. Ramu continues to stabilize and subsidies high costs of energy production in the country.
Regardless of these significant contributions that AVDA and its people make to the energy sector and development of this nation, we remain stagnant and displaced after the 1983 IASER report.
Organic Law on Provincial and Local Level Government & Water Resource Act

- Where does AVDA Stand?
- Who is our reporting authority?
- How does the Organic Law on Provincial and Local Level Government and its provisions affect us?
- Water as a resource and resource owner benefits including development levies and royalty payments. Are we entitled to it under the law?
- Water Resource Act and provisions for applicable water charge and rates for the use of water to produce hydro electricity. Is it applicable to AVDA?
## DAP SUMMARY SINCE 2002

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The issues of landowners of Ramu Hydro must be corrected before Ramu 2 Commence