

NATIONAL AFFORDABLE LANDS AND HOUSING PROGRAM

Stakeholder Briefing and Update

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PRESENTATION OUTLINE

1. Introduction
2. NUP & NALHP
3. NALHP Components
4. Capacity Building
5. NUP On Going
6. Land Reform
7. District Housing
8. Minimum Land Cost Model
9. Free Land Model

INTRODUCTION

- ✘ About Office of Urbanisation-Secretariat
- ✘ Why SELECT OoU to coordinate Land and Housing?
- The NUP 2010-2030
- ✘ The Six Implementation Components-Program
- ✘ The NUP link to NALHP-Entry Point

NUP LINK TO NALHP

- ✘ NUP advocates for
 1. Planned Towns and Cities
 2. Managed urban growth
 3. Environmental sustainability

NUP cannot fulfil any of the above if the land and housing issues are not sorted out. Why So?

1. People are not birds. For shelter (basic need) they will do what ever they can to provide shelter for their families.
2. The result is the ever expanding informal settlements (Squatters).

NALHP provides the solution- The Entry Point for NUP implementation. NALHP complements NUP wants with the objectives of the NALHP

NALHP COMPONENTS

1. Capacity Building
2. Land Reform (NLDP)
3. Cost Recovery Model (NHC)
4. Ongoing Urbanisation Projects
5. District Institutional Housing
6. Free Land Model

CAPACITY BUILDING

- ✘ Drone for Surveying first of a kind in PNG
- ✘ Office of Urbanisation re-orientation and restructure
- ✘ Legislation /teeth for implementation and compliance enforcement
- ✘ Logistics support & Technical capacities of partners/implementing agents
- ✘ Networking and building viable partnerships

LAND REFORM

- ✘ Accessing Customary Land for urban use and other purposes *must* be pursued.
- ✘ NLDP is now a COMPONENT of the NALHP, NOT a PARALLEL Program. It is not separately funded.
- ✘ Main mission of NLDP was for DLPP and agencies Capacity building and Awareness. That mission has been largely achieved. Now agencies **MUST** be Allowed to RUN with it.
- ✘ Magisterial Service need continue reform for Land Dispute Resolution
- ✘ NRI must continue Land Research and will be supported through funding from NALHP.

COST RECOVERY MODEL

1. NHC has been funded K7m in 2014 for Durand Farm Housing Development. This project is expected to yield 3-4 thousand serviced allotments.
2. Each of the allotments will attract an average price of K50,000.00. This is also “affordable” considering land pieces may be fetching anywhere between 150 and 500 thousand depending on the size.
3. NHC has been allocated a further K5 million to continue that project this year.

ONGOING URBANISATION PROJECTS

1. TVPP - 1700
2. Faniufa - 200
3. Minj - 300
4. Umi - 1000
5. Nadzap 600
6. Mt Hagen 300
7. Kokopo yet to visit and establish.

DISTRICT INSTITUTIONAL HOUSING

- ✘ Each District Budget K2m for 10 houses
 - + DSIP contributes K0.5m
 - + PSIP contributes K0.5m
- ✘ The term of Office of the District MP should build 40 institutional houses to boost capacity,
- ✘ 41 districts received last year and 48 will receive this year.
- ✘ Districts Housing we hope to capture on Website for all to see and compare.

FREE LAND MODEL – LAND DEVELOPMENT

- ✘ Land will be acquired or accessed
- ✘ Social surveys done
- ✘ Environmental Impact Study done
- ✘ Geo technical studies done
- ✘ Such land is planned
- ✘ Boundary Surveyed
- ✘ Subdivided & Surveyed
- ✘ Registered and issued section lot numbering
- ✘ Titling

FREE LAND ALLOCATION PROCESS

1. A quota is offered to Orgs*. The quotas are not standard. Some get more.
2. The Org. upon getting the quota through the IHC determine the order and priority of who deserves a free block first.
3. This list is returned to the Secretariat and team will visit to interview nominees and establish housing and financial status.
4. The distribution of land will be based on the information gathered. Higher financial ability get high covenant blocks.
5. The offer of free block of land will accompany an option for housing finance packaged by the Secretariat. The beneficiary can opt to use this package or decide to build the house using their own resources.
6. The Two Paths to owning the land and the house.

FLM- HOUSING & FINANCING PACKAGE

- ✘ A bulk request will be put to the bank/s. Currently only BSP has the K200m fund from Government for this purpose to lend @4% over 40 years.
- ✘ The challenge is in the negotiation to get the banks to waive the equity requirement.
- ✘ If 500 or 1000 applications are lodged with equal number of titles for banks to take mortgage over will all be worth on average K150plus thousand.
- ✘ The land and house package will be valued at more than K300 thousand plus.
- ✘ Once the loans are agreed and processed, this money will be paid to the selected builder and construction should commence thereon.
- ✘ The beneficiary on his/her part is to honour the Repayment Agreement. One need not get tied down for 40 years if other income or savings are sacrificed to get rid of the loan and the sooner the cheaper for the beneficiary. There will be no penalties for early repayment.
- ✘ Banks will have the right to takeover the land if the Trust Committee* finds no one else ready to takeover – the details still to be worked out.

FLM – OWN BUILT HOUSING

1. The option to build your house out of your own arrangements is perfectly okay but upon **CONDITIONS**.
2. Beneficiary will need to **SIGN A CONTRACT** with terms clearly stating that house meeting all the standards will be built within the agreed period.
3. The land if no house is built upon it within the agreed time you **AGREE TO HAVE IT FORFEITED** to the Trust Committee#.
4. The last thing we want is for people to turn the site into an unplanned settlement and more than that we will not allow people to sit on the undeveloped land and speculate or sell to the next person with the money.
5. The message is simple. Build a home and you have the land but with no house built on it – it is **NOT A FREE LAND GIVE-AWAY** scheme rather it is a **Affordable Land and Housing**.

THE GOVERNANCE SYSTEM OF THE FREE LAND HOUSING MODEL

1. Land Trust Deed will set out all the operational processes and procedures for managing the free blocks and coordinate between banks etc.
2. Defaulters under bank arrangements or own built failures and title forfeitures and reallocations will be detailed out in the Trust Deed Documents.
3. A committee of persons such a DNPM Secretary, Executive Director OoU, DLPP Land Services Deputy Secretary, Banks Rep and Private Sector rep could form the Trust Committee.
4. The job of this committee is to manage the system using the Trust Deed Instruments.

PROGRESS SO FAR

1. Survey plan of Gerehu 3B2 done and expect 1600 allotments and 600 already offered to individuals
2. 1000 is yet to be allocated to individuals but already allocated to Orgs.
3. We are working on the pegging of the surveyed area and road works, the basic will commence. Coal tar, curbed and channelled road can come late.
4. Big challenge is to get PNG Power and Eda Ranu to bring their main trunk services closer to the project site. We would like to deposit K1 million each for that purpose.
5. We hope to access stage 2 and 3 of this project with a further yield of 3,000 allotments for distribution under this free land scheme.

SUMMARY

- ❑ The Government has come good with a simple strategy to fix what many will say borders on personal pride, integrity and self-worth. HOUSE-This is one 's ability to provide adequate and decent home for their families.
- ❑ Many who benefit from this program will appreciate the Government for this program for they may have struggled with finding decent accommodation let alone *one that they can call their own home*.
- ❑ A house is a basic need that is never treated as a basic need in this country for too long..
- ❑ We hope this program will relieve individuals and many to proudly say the words 'this is my home' while providing a solution to our ever increasing slums all over this beautiful country.

THANK YOU