

**Management Commitments Regarding the Papua New Guinea
Smallholder Agriculture Development Project (SADP)**

The following commitments and target timeframes are taken from Management's Action Plan, Effluent Action Plan and Annex 1 of Management's Response. Follow up is required to determine if these commitments are moving forward according to their target timeframes.

- Implement activities to improve smallholder welfare, including encouraging income and employment diversification – Extension Specialist in charge of these activities began work in **June 2011** (p. 27).
- Assist the government and milling companies in updating the PNG Environmental Code of Practice for the Oil Palm Processing Industry – target start date **September 31, 2011** (pp. 42-43¹).
- Award the contract for a comprehensive baseline survey – target completion date **November 2011** (p. 19).
- Expand the women's skills training groups to the Popondetta Project area – target start date **soon after Management's Response was written** (p. 27).
- Implement reorganization of OPIC “in a participatory manner” to increase harvesting rates, address productivity issues and improve coordination between milling companies' smallholder affairs departments and growers associations – target implementation date **January 2012** (p. 24).
- Begin the Road Maintenance Trust Fund study, which will include “extensive consultations” with growers associations and the broader grower community and will specifically encourage the participation of women, as well as a “thorough analysis of routine and non-routine maintenance costs, savings in transport costs, and the willingness and ability of smallholders and other stakeholders to contribute to road maintenance costs” - target start date **early 2012** (p. 30).
- Establish baseline information regarding treatment and quality of final palm oil mill effluent for each Project area mill – target completion date **March 31, 2012**. (pp. 41-42).

¹ All page numbers refer to *Management Report and Recommendation in Response to the Inspection Panel Investigation Report: Independent State of Papua New Guinea Smallholder Agriculture Development Project*, IDA Credit 4374-PNG (Oct. 31, 2011).