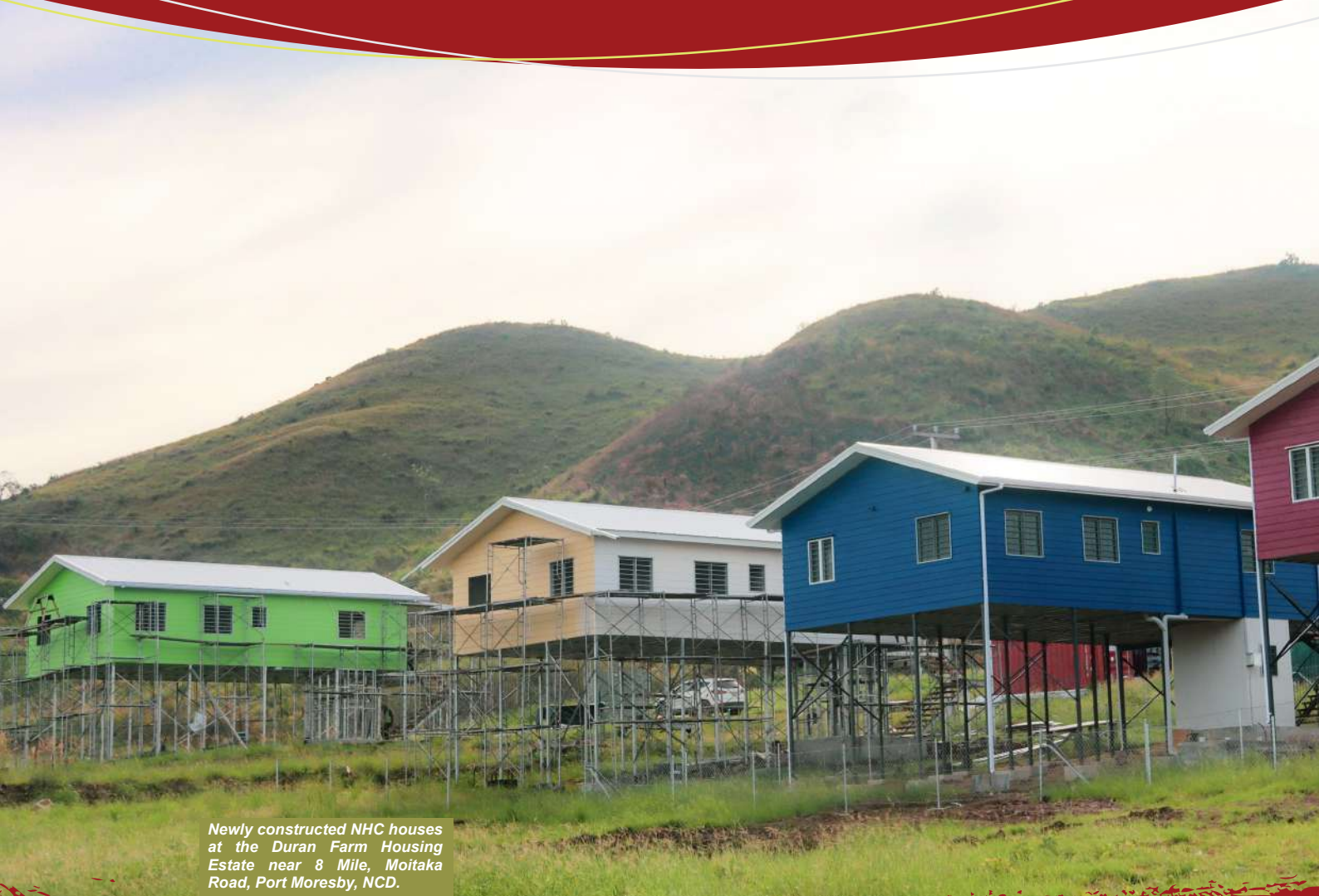




NATIONAL HOUSING CORPORATION

ANNUAL REPORT 2024



Newly constructed NHC houses
at the Duran Farm Housing
Estate near 8 Mile, Moitaka
Road, Port Moresby, NCD.

**"PROMOTING INCLUSIVE SOCIAL HOUSING AND
SUSTAINABLE URBANIZED HOMES AND
CREATING WEALTH FOR THE INCLUSIVE BENEFIT OF
ALL PAPUA NEW GUINEANS"**

CONTENTS

1.	Executive Summary.....	3
2.	Ministerial and Leadership Statements.....	4
	Minister's Statement.....	4
	Board Chairman's Statement.....	5
	Managing Director's Statement	6
3.	Vision, Mission, and Motto.....	7
	Vision.....	7
	Mission Statement.....	7
	Motto.....	7
4.	Governance.....	7
	Corporate Governance Structure.....	7
5.	Office of the Managing Director	8
	Board Secretariat – Governance and Strategic Oversight	8
	Internal Audit and Compliance.....	8
	Legal Department.....	8
6.	Operations Directorate.....	9
	Property Management Division	9
	Technical Services & Urbanization Division	9
	Commercial Investments Division.....	10
7.	Corporate Services & Administration Directorate.....	11
	Human Resource & Administration Division	11
	Finance & ICT Division	12
8.	2024 Key Achievements.....	13
9.	NHC Act Review and Recommendations	14
10.	Appendices.....	15
11.	Integration Notes.....	15

Executive Summary

The National Housing Corporation (NHC) 2024 Annual Report highlights the Corporation's significant progress and achievements in addressing Papua New Guinea's housing challenges while acknowledging the obstacles encountered throughout the year. Guided by the Papua New Guinea National Housing Policy 2023-2033 (PNGNHP 2023-2033) and the NHC Corporate Plan 2023-2027, the NHC has focused on delivering quality housing solutions, strengthening governance, and improving operational efficiency.

Key Achievements

- **Policy and Strategic Frameworks:**
Finalization of the PNGNHP 2023-2033 and 90% completion of the NHC Corporate Plan 2023-2027, both designed to guide future operations and reforms.
- **Operations and Housing Development:**
 - Successful implementation of the **Durand Farm Public Sector Housing Project**, with critical infrastructure for the Stage One of the project completed and beginning of construction of houses underway.
 - Expansion of the **Triple V Exercise**, enabling property validation and improved asset management in NCD and provinces.
 - Progress in reclaiming vested property titles from National Housing Estate Limited (NHEL), strengthening NHC's asset portfolio.
- **Governance Reforms:**
The reconstituted Board of Directors established new subcommittees and endorsed significant policies, improving oversight and compliance.
- **Financial and IT Enhancements:**
Integration of cashless payment systems, improved revenue collection, and ongoing financial audits for prior years (2015-2024).
 - Conforming to requirements under Section 63(3) of Public Finance (Management) (Amendment) Act 2016 and Part II of the Audit Act 1989 by submitting financial statements for the fiscal years 2021 to 2024 well ahead of the required deadline to the Auditor General's Office
 - Completing 10-year audit backlog will bring the audits of NHC books and accounts to current for the first time and will boost investors' confidence in partnering with us to deliver our housing schemes.
- **Human Resource Development:**
Payroll migration to the Alesco system, staff capacity-building programs, and updates to internal HR policies and the NHC Determination 2024.

Challenges

- Delays in securing funding for major initiatives, including the launch of the National Housing Policy 2023-2033.
- Resource and logistical constraints affecting land acquisition, property maintenance, and project implementation.
- Limited collaboration and coordination across divisions, slowing the completion of critical tasks.

Looking Ahead

The NHC is committed to addressing these challenges through the following strategies:

1. Launching the **PNGNHP 2023-2033** in **2025** as a priority initiative.
2. Advancing reforms to the NHC Act 1990, ensuring alignment with modern housing demands and operational requirements.
3. Enhancing collaboration with provincial governments, developers, and financiers to scale housing programs nationwide.
4. Investing in IT systems, staff training, and resource mobilization to improve operational efficiency and service delivery.

Conclusion

The achievements of 2024 demonstrate the NHC's resilience and commitment to improving housing solutions for Papua New Guineans. By building on this foundation, the Corporation is well-positioned to expand its impact and meet the evolving needs of the nation in the years ahead.

Ministerial and Leadership Statements



Minister's Statement

HONOURABLE Members of Parliament, esteemed colleagues, and citizens of Papua New Guinea,

It is with great pride that I present this statement on the achievements of the National Housing Corporation (NHC) for 2024. Under my leadership and with the unwavering support of the Marape-Rosso Government, NHC has embarked on transformative initiatives to address the country's housing needs and restore its operational integrity.

Key Policy Achievements

In 2024, we completed the **Papua New Guinea National Housing Policy 2023-2033**, which provides a strategic framework to address the country's housing challenges. The **NHC Corporate Plan 2023-2027** has also been finalized, setting clear goals for the organization's growth. Furthermore, significant progress has been made in revising the 1990 NHC Act, with regional consultations completed and a final national consultation planned for early 2025.

Housing Development and Maintenance

The **Durand Farm Public Sector Housing Project** has seen remarkable

progress. Essential infrastructure, including sewer reticulation and utility installations, has been completed, and the first two (2) houses are under construction. Nationwide property maintenance initiatives have also been implemented, starting with the refurbishment of key properties in NCD and plans for regional rollouts.

Governance and Operational Reforms

The reconstitution of the NHC Board in October 2023 marked a turning point in governance. With new subcommittees for Corporate & Governance, Audit & Risk, and Project & Investment, the Board has provided strong oversight, endorsing critical policy documents and strengthening compliance. Operational efficiency has been enhanced through digitization, including the Triple V exercise, which validates and values NHC's vast property portfolio, and the integration of cashless payment systems.

Financial Stability and Revenue Generation

Despite significant financial liabilities, the NHC has made strides in revenue collection and transparency. Initiatives such as the adoption of EFTPOS systems and property rent adjustments

are improving cash flows. Partnerships with developers and financiers are addressing housing affordability and supporting the Corporation's self-sustainability goals.

Challenges and Way Forward

While challenges such as financial constraints, manpower shortages, and aging infrastructure persist, the NHC is steadfast in its commitment to reform. Priorities for 2025 include completing the NHC Act revision, expanding housing projects, and introducing innovative solutions to strengthen the Corporation's financial and operational capacity.

In conclusion, the National Housing Corporation is on a transformative journey to fulfill its mandate of providing quality and affordable housing for the people of Papua New Guinea. These achievements are a testament to the dedication of the NHC leadership, staff, and partners. Together, we will continue to drive progress and make housing accessible for all.

Thank you.

**Hon. Dr. Kobby Bomareo, BSc, MBBS, MP
Minister for Housing**



Board Chairman's Statement

AS Chairman of the National Housing Corporation (NHC), it is my privilege to present this statement on behalf of the Board of Directors, highlighting the transformative steps undertaken by the Corporation in 2024.

Guided by a renewed focus on governance and strategic oversight, the NHC is on a progressive path toward delivering quality and affordable housing to the people of Papua New Guinea.

Strengthening Governance

The appointment of the NHC Board in October 2023 marked a pivotal moment for the Corporation. With a capable team of directors, we have established three subcommittees – Corporate & Governance, Audit & Risk, and Project & Investment – to ensure effective decision-making and oversight.

This has enabled us to set clear priorities, including endorsing the Papua New Guinea National Housing Policy 2023-2033 and the Corporate Plan 2023-2027, both of which will guide the Corporation's operations in the coming years.

Policy and Legislative Reforms

The Board has prioritized addressing long-standing legislative gaps. Substantial progress has been made on revising the 1990 NHC Act, with

regional consultations completed in 2024. This revised legislation will position the Corporation to meet modern housing demands and operational challenges effectively.

Housing Development and Asset Management

In 2024, the Board supported key housing projects, including the Durand Farm Public Sector Housing Project, which has advanced with significant infrastructure milestones and the construction of two (2) houses.

The ongoing Triple V exercise demonstrates our commitment to understanding and optimizing NHC's vast property portfolio, enhancing both accountability and financial performance.

Financial and Operational Sustainability

The Board recognizes the financial constraints facing the Corporation, including substantial liabilities and operational inefficiencies. In response, we have focused on revenue generation through property rent adjustments, marketing initiatives, and strategic partnerships with developers and financiers.

Operational digitization, such as the integration of EFTPOS systems and improved asset management tools, has further strengthened the Corporation's capacity.

Challenges and Strategic Vision

Despite our progress, challenges remain. Aging infrastructure, funding shortfalls, and the need for skilled personnel require concerted efforts to resolve. Looking ahead, the Board will continue to drive reforms, ensuring that NHC aligns with its strategic objectives and national development goals.

A Commitment to Excellence

The achievements of 2024 reflect the unwavering commitment of the NHC Board, management, and staff to transform the Corporation into a beacon of hope for housing in Papua New Guinea.

As stewards of this critical mandate, we are committed to fostering innovation, efficiency, and accountability to fulfill our mission.

On behalf of the Board, I extend my gratitude to the Minister for Housing, Hon. Dr. Kobby Bomareo, MP for his leadership and support. Together, we are confident in our ability to achieve greater heights in 2025 and beyond.

Thank you.

.....
Mr. Robin Kembo'nga Kawat
Chairman of the Board of Directors
National Housing Corporation



Managing Director's Statement

It is with great pride and responsibility that I present this statement on behalf of the management team of the National Housing Corporation (NHC).

In 2024, we have made significant strides in reforming the Corporation to better serve the people of Papua New Guinea and deliver on our mandate of providing quality and affordable housing.

Operational Achievements

The NHC has achieved several key milestones in 2024. The Durand Farm Public Sector Housing Project has advanced with the completion of critical infrastructure, such as sewer main from the McGregor Police Barracks to the Morata Sewer Pond.

The sewer reticulation is currently under vetting by the National Procurement Commission (NPC) after the RFT in October.

Other utility installations such as electricity and water are nearing completion, paving the way for housing construction in Stage One. NHC obtained five approvals to construct houses and the construction of two (2) houses are underway.

Our Triple V exercise has enabled the verification, valuation, and validation of properties nationwide, strengthening asset management and financial transparency. In NCD, we have published a list of 3,544 defaulters who owe NHC over K11.6 million. Reconciliation of accounts are currently underway between the tenants and NHC.

Policy and Legislative Reforms

We finalized the Papua New Guinea National Housing Policy 2023 – 2033 and the NHC Corporate Plan 2023 – 2027, which provide strategic frameworks for the Corporation's future operations. Significant progress has

also been made in revising the 1990 NHC Act, with regional consultations completed in 2024 and a final national consultation scheduled for early 2025.

Governance and Efficiency Improvements

Under the guidance of the Board of Directors, we have focused on improving governance and operational efficiency. Initiatives such as the integration of EFTPOS systems and the digitization of asset management processes have enhanced transparency and streamlined operations.

We have also established our Audit Committee and, for the first time, completed a 10-year audit backlog by the Auditor General's Office, resulting in our books and accounts being current.

Financial Performance and Challenges

While the NHC continues to face financial constraints, including liabilities and arrears, we have taken bold steps to improve revenue collection and explore innovative financing models. Adjustments to rental rates and partnerships with private developers and financiers are helping address these challenges.

With the ongoing Triple V exercise, we have embarked on accurately valuing our fixed assets in land and property, and debtors whilst reconciling and confirming our creditors listings. After the completion of the Triple V exercise, NHC will have accurate information on its fixed assets and will be in a strong financial position going forward.

Housing Development and Maintenance

The Corporation has undertaken significant

maintenance projects, starting with key properties in NCD and the highlands regional office in Goroka. These efforts reflect our commitment to improving living standards for tenants while enhancing the value of NHC assets.

Challenges and Strategic Focus

We acknowledge the challenges that remain, including limited resources, aging infrastructure, and workforce capacity. However, our management team remains steadfast in addressing these issues through strategic planning, enhanced partnerships, and targeted investments in human resources and infrastructure.

A Vision for the Future

The achievements of 2024 set a strong foundation for the NHC's future. Moving forward, we will continue to focus on expanding housing projects, modernizing operations, and fostering sustainable revenue streams.

Our mission to provide quality and affordable housing for all Papua New Guineans is more achievable now than ever, thanks to the leadership provided by our Minister and the dedication of our Board, management, staff, and partners.

On behalf of the NHC management team, I extend my gratitude to the Minister for Housing, the Board of Directors, and our hardworking staff for their support and commitment. Together, we will achieve even greater success in 2025 and beyond.

Thank you.

.....
Mr. Abel Tol, LLB
Managing Director
National Housing Corporation



Vision, Mission & Motto

Vision

Building Dreams and Transforming Lives

Mission Statement

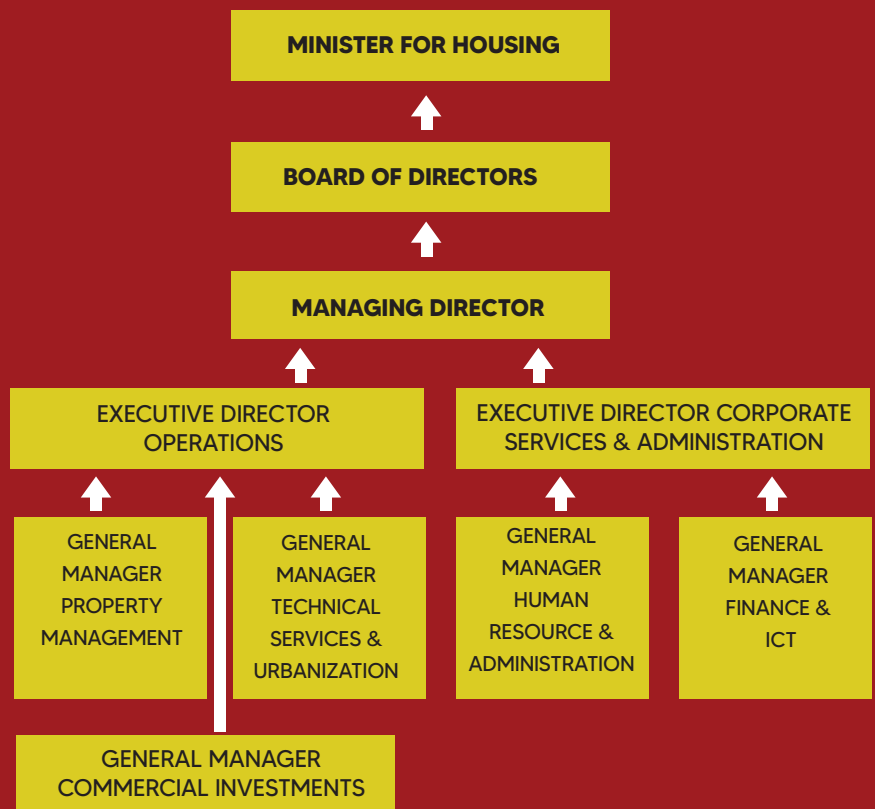
To be the lead pathway to sustainable urbanized homes and creating wealth for the inclusive benefit of all Papua New Guineans

Motto

Stay on Your Lane, Follow the Process, No Overlapping

Governance

Corporate Governance Structure



Office of the Managing Director

Managing Director

The Managing Director Mr. Abel Tol was appointed by the NEC on 18 December 2024 after a vigorous selection process. He was shortlisted with two other candidates and was eventually appointed by the NEC. The following are the Key Result Areas (KRA's) for the Managing Director in 2025.

Key Result Areas (KRAs) - Managing Director

The Managing Director of the NHC has outlined specific Key Result Areas (KRAs) to ensure operational efficiency, strategic alignment, and the fulfillment of NHC's mandate for 2025. These KRAs serve as measurable benchmarks to track progress and accountability:

1. Strategic Leadership

- o Drive the implementation of the Papua New Guinea National Housing Policy 2023-2033.
- o Oversee the launch and execution of the NHC Corporate Plan 2023-2027.
- o Lead the finalization and national consultation for the revised NHC Act 1990.

2. Affordable Housing Development

- o Ensure the timely completion of critical

infrastructure and housing projects under the **Durand Farm Public Sector Housing Project**, targeting 100 houses by August 2025.

- o Expand housing initiatives into provinces such as Jiwaka and Hela, facilitating partnerships with stakeholders.

3. Asset Management and Revenue Growth

- o Oversee the nationwide rollout of the *Triple V Exercise* to validate, value, and verify properties, improving asset management accuracy and rental revenue collection.
- o Implement strategies to enhance rental rate adjustments and ensure optimal property utilization.

4. Governance and Compliance

- o Strengthen organizational governance by ensuring adherence to approved policies, legislative requirements, and internal controls.
- o Support the completion of outstanding financial statement audits (2015-2024) and advance compliance with the Public Finance Management Act.

5. Operational Modernization

- o Champion the modernization of ICT systems to streamline property and financial management processes.
- o Enhance service delivery through the adoption of cashless systems and integrated financial platforms.

6. Human Resource Development

- o Promote capacity-building programs for staff, focusing on professional development and alignment with organizational goals.
- o Oversee the implementation of HR reforms, including payroll system enhancements and updated policies.

7. Stakeholder Engagement

- o Foster partnerships with government bodies, private developers, and financiers to support affordable housing initiatives.
- o Strengthen collaboration with provincial governments and district authorities for housing programs.

Board Secretariat - Governance and Strategic Oversight

Under the leadership of the Board of Directors, chaired by Mr. Robin Kembo'nga Kawat, the NHC has significantly strengthened its governance framework.

Key milestones include:

- Appointment of the Board in October 2023, with subcommittees established for Corporate & Governance, Audit & Risk, and Project & Investment.
- Endorsement of the PNGNHP 2023- 2033 and the NHC Corporate Plan 2023-2027, both critical documents shaping the Corporation's future direction.
- Advancement of the review of the 1990 NHC Act, with consultations completed and a 60% draft prepared for finalization in 2025.

The Board has conducted six full meetings and seven subcommittee sessions to oversee operational improvements and strategic alignment. Efforts are also underway to address outstanding audits and reports from 2020-2024, with a focus on ensuring compliance with Section 76 of the NHC Act for future annual reporting.

Internal Audit and Compliance

The Internal Audit Unit, reporting directly to the Managing Director, played a critical role in ensuring accountability and promoting good governance throughout 2024.

Key Achievements

- Initiated audits for the financial years 2015-2020, with progress supported by the Auditor General's Office.
- Completed divisional audit reports for Finance & ICT, HR & Administration, Property Management, and Technical Services.

Challenges

- A severe shortage of manpower, with only two auditors serving the entire Corporation.
- Lack of funding and logistical support, hindering regional audits and the implementation of robust internal controls.

Recommendations

- Increase staff by appointing two additional auditors. This process is currently underway and hopefully we have a full-strength staff commencing January 2025.
- Allocate dedicated funds for regional audits, ensuring nationwide compliance. This has been captured in the 2025 operational budget so that the Audit Workplan for 2025 for Regional Audits will be implemented.
- Provide vehicles for mobility and register auditors with professional bodies to enhance operational capacity. Administrative support vehicle is lacking due to limited capacity, however, that can be rectified with the support from the Office of the Managing Director. Registration for Auditors with Corporate Bodies is captured under the 2025 Budget.

These efforts by the Internal Audit Unit are foundational to the NHC's drive for improved compliance with the Public Finance Management Act and better governance across all levels.

Legal Department

The Legal Department, under the Office of the Managing Director, has played a critical role in managing the NHC's compliance and litigation matters in 2024.

Key Highlights and Achievements

1. Litigation Management:

- o Handled 464 active legal cases across the District, National, and Supreme Courts, including cases initiated by NHC against illegal dealings and breaches concerning its assets.
- o Successfully managed court rulings in favour of NHC to reclaim properties previously vested in the National Housing Estate Limited (NHEL), allowing title transfers back to NHC.
- o Collaborated with eight law firms on Retainer Agreements to address the Corporation's legal matters efficiently.

2. Revised Tenancy Agreements:

- o Updated tenancy agreements for social and commercial housing, aligning

them with modern policies. These agreements were approved in principle and are being rolled out across NHC properties.

3. NHC Act Review:

- o Spearheaded the review of the National Housing Corporation Act 1990, with regional consultations completed in 2024. Preparations are underway for the National Consultation in 2025 to finalize the legislative revisions.

4. Fraud Prevention and Title Recovery:

- o Partnered with the Fraud & Anti-Corruption Directorate to address illegal property transfers and recover titles.

Challenges

5. Financial Liabilities:

- o Accumulated court-ordered liabilities of K47 million remain a significant burden.
- o Outstanding legal bills owed to law firms on Retainer Agreements.

6. Resource Constraints:

- o Limited professional staff, with only one senior and one junior lawyer managing all legal matters.
- o Lack of compliance measures within the organization increases litigation exposure.

Recommendations

- Secure external funding through NEC submissions to offset court-ordered liabilities.
- Recruit additional in-house lawyers to reduce dependence on private firms.
- Invest in software to streamline legal document management for conveyancing and litigation.
- Implement ongoing legal compliance training and in-house audits to mitigate risks.

Conclusion

The Legal Department has made notable progress in reducing risks, managing litigation, and supporting organizational reforms. However, addressing resource gaps and financial liabilities is critical to achieving sustainable improvements and enhancing the Corporation's legal capacity in the future.

KPA One: Affordable Social and Public Housing

Strategic Priority Area: A robust social and public housing program targeting middle and low income earning public servants, employees of business entities.

KPA Two: Housing and Urbanization

Strategic Priority Area: An effective partnership and coordination with government agencies, SOEs and private sector dealing with the housing and urban development regarding land accessibility and trunk infrastructure and services, which is established, strengthened and made effective.

KPA Three: Maintaining Standards and Compliance

Strategic Priority Area: A diligent process of maintaining standard in the housing development and the necessary compliance to housing laws and regulations are instituted, supported and funded.

KPA Four: Sustaining the Housing Industry

Strategic Priority Area: A sustainable economic housing industry that support the government revenues and enhances the rental and mortgage arrangement by NHC, which is supported and funded.

KPA Five: Governance and Institutional Framework

Strategic Priority Area: An enabling governance, legislative and institutional mechanism that allows for the effective management, coordination, regulation and delivery of the housing programs is reviewed, improved and strengthened.

Key Result Area 1: Implementation of Duran Farm Housing Project in Port Moresby, NCD

Key Policy Areas (KPAs)	Key Result Areas (KRAs)	Performance Indicators – Qualitative & Quantitative Outputs	Performance Measurement – Process & Timeline
KPA 1 KPA 2	1. Implementation of Duran Farm Housing Project in Port Moresby, NCD	- Commence Stage 1 Sewerage Reticulation in March 2025 - Complete Stage 1 Power Reticulation by June 2025 - Complete Stage 1 Water Reticulation by June 2025 - Commence Civil Works in Stage One by March 2025 - Obtain Statutory Approvals for 100 houses by June 2025 - Construct 10 or more houses per month starting March 2025 - Title registration of all NHC portions of land within Duran Farm - Allocation land to State Departments, Statutory Agencies & SOEs through MOU & MOAs and assist with construction of houses - Establish NHC's Construction & Maintenance Team	- Complete 100 houses by August 2025. Monitor monthly progress. - Water, power and sewerage reticulation completed in stage 1 by Q2 2025. - Statutory Approvals for 100 houses obtained by Q2 2025 1,000 plus Title Registration with DUFF ongoing for Durand Farm Allotments – ongoing. - MOUs & MOAs signed with State Departments, Statutory Agencies & SOEs – ongoing. - NHC Construction & Maintenance Team Assembled Q1 2025. - Monitoring & Evaluation – ongoing.

Key Result Area 2: Triple V Exercise (Verify, Validate & Value) NHC Properties

Key Policy Areas (KPAs)	Key Result Areas (KRAs)	Performance Indicators – Qualitative & Quantitative Outputs	Performance Measurement – Process & Timeline
KPA 4 KPA 5	2. Triple V Exercise (Verify, Validate & Value) NHC Properties	- Identify and validate NHC assets nationwide, starting with NCD - Validation and Valuation of all NHC properties in NCD - Verification of Tenants and outstanding rental arrears - Disposing properties under old NHC Give Away Schemes (GAS) to tenants and closing their accounts - Stock Take of all rental NHC properties within NCD and other provinces - Reconcile all property records. Verify and process titles for various housing schemes and transfer to legal tenants. - Create an Asset Register for all NHC Properties throughout the nation. - Recover and commercialize all properties under National Housing Estate Limited	- December 2025: Submit final report to Board/ Minister/ NEC. - NHC Properties Master Register Completed – Q4 2025 - GAS Titles Transferred to respective clients – 16 September 2025. - Self Help Scheme Titles Granted to respective Tenants – 16 September 2025. - Revenue Generated through Rental and Commercial Properties – ongoing. - Monitor & Evaluate implementation on a quarterly basis.

Key Result Area 3: Completion of NHC Headquarters Refurbishment / Redevelopment

Key Policy Areas (KPAs)	Key Result Areas (KRAs)	Performance Indicators – Qualitative & Quantitative Outputs	Performance Measurement – Process & Timeline
KPA 4 KPA 5	3. Completion of NHC Headquarters Refurbishment / Redevelopment	- Complete Staff Meeting Hall by March 2025 - Complete Archives Building by February 2025 - Complete HQ fencing by June 2025 - Complete HQ Concept Design for redevelopment under PPP Arrangement (BOIT) by March 2025.	- February 2025: Archives Building Project Closure. - March 2025: Staff Meeting Hall Project Closure. - June 2025: Perimeter Fencing Project Closure. - Q3 2025: Initiate procurement for HQ redevelopment. - Monitoring & Evaluation – ongoing.

Key Result Area 4: Policy, Legislative, and Strategic Framework Development (NHC Act Review, National Housing Policy Implementation, Internal Policy Review)

Key Policy Areas (KPAs)	Key Result Areas (KRAs)	Performance Indicators – Qualitative & Quantitative Outputs	Performance Measurement – Process & Timeline
ALL KPAs (1,2,3,4,5)	4. Policy, Legislative, and Strategic Framework Development (NHC Act Review, National Housing Policy Implementation, Internal Policy Review)	- Conduct National Consultation on the review of NHC Act 1990 - Launch PNG National Housing Policy 2023-2033. - Update all internal policies and SOPs. Align with Public Service Reforms & MTDP IV. - Finalize & launch NHC Corporate Plan 2023-2028 with the main objective of implementing the National Housing Policy & MTDP IV. - Finalize & launch the National Housing Sector Plan - Finalize & Launch of the National Housing Revenue Strategy	- February 2025 – NHC Act Review National Consultation. - Q1 2025: Consultation report & policy launch. - Q3 2025: Finalize legislative review & policy updates. - Provide quarterly updates to the Board, Minister and NEC. - Monitoring & Evaluation – ongoing.

Key Result Area 5: Expansion of NHC Operations & Housing Project Rollout (Expansion into Jiwaka & Hela, Regional Offices & National Housing Project Rollout, land acquisition nation wide)

Key Policy Areas (KPAs)	Key Result Areas (KRAs)	Performance Indicators – Qualitative & Quantitative Outputs	Performance Measurement – Process & Timeline
KPA 1 KPA 2	5. Expansion of NHC Operations & Housing Project Rollout (Expansion into Jiwaka & Hela, Regional Offices & National Housing Project Rollout, land acquisition nation wide)	- Establish new NHC offices in Jiwaka & Hela. - Register properties in both provinces. - Refurbishment / Redevelopment of existing NHC Provincial Offices through PPP arrangements. - Rollout Institutional Housing under MTDP IV throughout the country in collaboration with the Provincial Governments (PGs) and District Development Authorities (DDAs). - Acquisition of more vacant state land or customary land in collaboration with Department of Lands & Physical Planning and customary landowners.	- Q2 2025 – Jiwaka & Hela Offices established. - Provincial Offices Refurbishments – ongoing. - Deliver Institutional Houses Under MTDP IV – by December 2027 - Provide quarterly updates to the Board, relevant stakeholders and NEC. - Monitoring & Evaluation – ongoing.

Key Result Area 6: Implementation of NEC Decision 341/2023

Key Policy Areas (KPAs)	Key Result Areas (KRAs)	Performance Indicators – Qualitative & Quantitative Outputs	Performance Measurement – Process & Timeline
KPA 2 KPA 3 KPA 5	6. Implementation of NEC Decision 341/2023	- Rebuild NHC as the central agency for all Public & Institutional Housing programs. - Secure budget & partnership from all stakeholders (Government Departments, State Agencies & SOEs) - Provincial Governments and DDAs.	- Q2 2025: Secure stakeholders' collaboration and partnership in implementing the NEC Decision 341/2023. - Monitoring & Evaluation – ongoing.

Key Result Area 7: Improve Corporate Governance, Compliance, Financial Integrity and Revenue Management. (Governance & Financial Audits, Outstanding Audits, Legal Case Management & Compliance)

Key Policy Areas (KPAs)	Key Result Areas (KRAs)	Performance Indicators – Qualitative & Quantitative Outputs	Performance Measurement – Process & Timeline
KPA 5	7. Improve Corporate Governance, Compliance, Financial Integrity and Revenue Management. (Governance & Financial Audits, Outstanding Audits, Legal Case Management & Compliance)	- Improve compliance and coordination with the Board and its sub-committees. - Complete all pending audits (2015-2024) to bring financial records to current. - Audit NHC Revenue sources - Recover outstanding payments - Conduct revenue audits - Implement internal financial controls and fraud risk management. - Manage legal case portfolio - Introduce internal policies and standard operating procedures (SOPs)	- Q2 2025: Finalize outstanding audits. Quarterly Audits: Ensure compliance & financial integrity. - Q3 2025: Submit legal compliance report. - Conduct Quarterly revenue audits - Monitoring & Evaluation – ongoing.

Key Result Area 8: Human Resource, Payroll, (HR & Organizational Restructuring, Revenue Audits, ALESCO Payroll Budget for 2026)

Key Policy Areas (KPAs)	Key Result Areas (KRAs)	Performance Indicators – Qualitative & Quantitative Outputs	Performance Measurement – Process & Timeline
KPA 5	8. Human Resource, Payroll, (HR & Organizational Restructuring, Revenue Audits, ALESCO Payroll Budget for 2026)	- Implement DPM/SCMS salary & staffing structure. - Conduct recruitment to fill vacancies - Prepare and submit 2026 ALESCO Payroll Budget	- Q3 2025: Complete staff selection & placement. - Q4 2025: Formulate Organizational Restructure - Q3 2025: Submit PE Budget for 2026. - Monitoring & Evaluation – ongoing.
		- Payment of Nambawan Super Contributions. - Introduce Succession Plan - Organizational Restructure for 2026	

Key Result Area 9: Renovation of Existing NHC Properties

Key Policy Areas (KPAs)	Key Result Areas (KRAs)	Performance Indicators – Qualitative & Quantitative Outputs	Performance Measurement – Process & Timeline
KPA 3 KPA 4	9. Renovation of Existing NHC Properties	- Renovation of existing Duplexes, Hostels, and rental properties in NCD and other provinces. - Increasing rental charges and execution of new tenancy agreements after completion of renovation works - Increase revenue collection for NHC	- Q1 2025: Identify Duplexes, Hostels, and Rental properties for renovation. - Q1 2025: Inspect Duplexes, Hostels, and Rental properties & provide BOQs - Q2 2025: Procure contractors for renovation work on Duplexes, Hostels, and Rental properties. - Provide quarterly reports on progress. - Monitoring & Evaluation – ongoing.

Key Result Area 10: NHC's ICT Systems Upgrade

Key Policy Areas (KPAs)	Key Result Areas (KRAs)	Performance Indicators – Qualitative & Quantitative Outputs	Performance Measurement – Process & Timeline
KPA 4 KPA 5	10. NHC's ICT Systems Upgrade	- Upgrade of MYOB and IFMS Financial System - Installation of Fixed Asset Management System (AMS) - Installation of Lease Management System (LMS) for the Property Management Division - Payment Portal & Website creation for tenants / clients - Installation of NHC's Mortgage Facility for public servants - Click-in / Click-out System for HR Division	- Q3 2025: MYOB & IFMS Systems completed - Q3 2025: AMS & LMS installed and launched. - Q2 2025: Launch NHC Mortgage Facility. - Q1 2025: Installation of click in/click out system completed. - Provide quarterly reports on progress. - Monitoring & Evaluation – ongoing.

Key Result Area 11: OS. 745 of 2014: Niu Sky Limited & NAC -v- NHC (Dispute over DCA properties)

Key Policy Areas (KPAs)	Key Result Areas (KRAs)	Performance Indicators – Qualitative & Quantitative Outputs	Performance Measurement – Process & Timeline
KPA 5	11. OS. 745 of 2014: Niu Sky Limited & NAC -v- NHC (Dispute over DCA properties)	Resolve dispute between the NHC and the Civil Aviation over properties worth millions of kina throughout PNG	- Provide updates at the end of first quarter 2025. - Monitoring & Evaluation – ongoing.

Key Result Area 12: Direct Grant of Lease by the Lands Board:

Key Policy Areas (KPAs)	Key Result Areas (KRAs)	Performance Indicators – Qualitative & Quantitative Outputs	Performance Measurement – Process & Timeline
KPA 5	12. Direct Grant of Lease by the Lands Board:	- Complete all NHC Properties both registered and unregistered and update master listing countrywide. - File OS Proceedings against the Lands Board to issue Direct Grant of Lease on the listed NHC Properties both registered and unregistered.	- Q1 2025: Use the Triple V Exercise to compile Master Listing on all NHC properties, both registered and unregistered. - Q2 2025: Proceed with Registering All Unregistered Leases to NHC. - Q2 2025: Instigate OS Proceedings to stop all Direct Grants on all listed NHC properties both Registered and Unregistered.

Operations Directorate

THE Operations Directorate, comprising the Property Management Division, Technical Services & Urbanization Division, and Commercial Investments Division, has made significant progress in delivering the National Housing Corporation's mandate in 2024.

Property Management Division

The Property Management Division played a dual role in tenant services and supporting NHC's broader strategic initiatives:

Triple V Exercise

Worked collaboratively with the Commercial Investments Division to conduct the Verification, Validation, and



NHC Properties Manager for NCD and Central Graham (right) posing with his officer Davis Oropa in front of the new bus that will be used for the Triple V exercise.

Valuation of properties in NCD in 2024. NHC intends to completely rollout the exercise in the provinces in 2025. This initiative enhanced asset management accuracy and supported rental revenue

collection.

Provincial Land Acquisition Support

Staff in provincial offices actively supported the Land Acquisition program under the MTDP IV, ensuring alignment with local requirements and national housing development goals.

Institutional Housing

Progressed on lease registrations and tenant management, ensuring effective use of institutional properties. NHC intends to rollout the Institutional Housing Program in 2025 in collaboration with the Members of Parliament, Governors of Provinces, District Development Authorities (DDA's) and the Provincial Administrations under the MTDP IV intervention.

Key Performance Indicators (KPIs) - Property Management Division

Key Priority	Baseline Indicator	Achievement (KPIs)	Expected Outcomes	Remarks / Constraints
Roll Out of Triple V Exercise in 2 NCD	Moratorium notice issued on 8/10/2023 and 13/03/2024	Data collection for NCD completed, assisting in tenant identification, arrears recovery, and title issuance.	Update of NHC's master list, arrears collection, and title issuance to purchasers.	Funding delays and waiting on IT to install a new Asset Registry System to capture raw data.
Triple V Exercise for Provinces	Moratorium notice issued on 28/10/2023 and 13/03/2024	Initial exercises scheduled for West New Britain (Mid-Nov 2024) and Manus (Early-Dec 2024).	Expansion of the Triple V exercise to provinces; similar outcomes as NCD for asset management and arrears recovery.	Funding constraints; provincial offices yet to provide property inventory listings; some travel expenses shared.
Institutional Houses in Districts and Provinces	Identification of properties in provinces and districts	MOA signed with Manus Provincial Government; meeting held with Gulf Provincial Government.	Transfer of properties to provincial and district administrations to improve utilization and management.	Pending logistics and funding to finalize lease registration for transfer.
AROB Property Implementation	Completion of NHC Master Asset List	Awareness successfully conducted, locals informed of property transfer process to ABG.	Smooth implementation of property transfer to ABG under agreed timelines.	Stationery and logistical support required for continued activities.
Acquisition of Vacant Land (10,000 ha)	Identification of land by Lands Department and NHC	Progress made in information gathering for land acquisition.	Secure land for public housing projects, aligning with MTDP IV goals.	Negotiations required for acquiring customary land; collaboration with the Lands Department is critical.

This table captures the outcomes and experiences of the Property Management Division in achieving its KPIs.

Technical Services & Urbanization Division

The Technical Services team focused on land acquisition, housing projects, property maintenance, and infrastructure development:

1. Land Acquisition:

- o Advanced plans for securing 10,000 hectares of land for housing developments in collaboration with the Department of Lands and Physical Planning (DLPP).
- o Provincial teams, in conjunction with Property Management, provided on-ground support for land identification and negotiation.

2. Housing Projects:

- o Durand Farm Public Sector Housing

Project:

- Completed critical infrastructure, including sewer reticulation and utility installations for Stage 1.
- Registered 237 land titles, with additional titles in progress.
- Initiated construction of two (2) housing, by Rhodes PNG Ltd.

o Standardized Housing Designs:

- Developed new designs (L40, H65, H90) tailored to economic and demographic needs, with brochures and pricing under development.

3. NHC HQ Projects - Perimeter Fencing, Staff meeting Hall & Archive Storage:

- o Perimeter Fencing:

- The contractor has defaulted, and the contract was terminated.
- NHC instigating both civil and criminal proceeding against the contractor to recoup monies paid.
- NHC also took charge to move materials procured by the contractor to the site.
- o **Staff Meeting Hall:**
 - Work has gone beyond the required time of completion.
 - Completion date extended to 30 November by NHC SPC.
 - Current progress report at 70% completion per Project Manager Report.
 - Contractor paid 30% of the initial cost only.

continue to next page...

- o **Archives Storage Facility:**
 - Work has gone beyond the required time of completion.
 - Completion date extended to 30 November by NHC SPC.
 - Current progress report at 85% completion per Project Manager Report.
 - Contractor paid 89.7% of the total contract.

4. Property Maintenance:

- o Refurbished prime residential properties, including:
 - Completion of 6x2 and 8x2

bedroom units at Tokarara.

- Renovation of duplex bedsitter units at Gerehu Stage 2.
- o Maintenance of key facilities at Manu Section 82 and Gordons 5 flats in Port Moresby.

5. Land and Surveying:

- o Achieved 99% cadastral survey completion for Durand Farm Stage 1 and 2 grids.
- o Progressed topographical and sewer line surveys to support engineering plans.

6. Challenges:

- o Delays in title processing by the Department of Lands and Physical Planning.
- o Resource constraints, including insufficient manpower and logistics.

7. Recommendations:

- o Strengthen coordination between provincial staff and headquarters for land acquisition efforts.
- o Allocate resources for enhanced logistical support and staff capacity building.

8. Annual Activity Based on Divisional KRAs Progressive Update:

a). KRA and KPI for TSU Division - 3 Sections

1. Architecture/Building and Contracts Section

Key Priority	Baseline Indicator	Key Performance Indicator (KPIs)	Expected Outcomes	Time Frame	Remarks
Standard House Designs	Update of all standardized housing plans	1. Review and redesign L40, H55, H65, H90, H105 designs	Conceptual: 100% Complete; Detailed: 80% Complete	May-Dec 2024	Coordination with NHC Commercial Division
		2. Plan and standardize price ranges	Presentation brochures at 40% completion	May-Dec 2024	In Progress
Institutional Housing Design	Redesign of new flats, apartments, condominiums	1. Develop cost-effective designs and brochures for marketing	Conceptual: 80%; Quantifying price templates at 40% completion	May-Dec 2024	Collaboration ongoing
Social Housing Design	Design affordable mid-income housing	1. Cost-effective designs for mid-income earners	Achieve standardized designs for low-cost housing	May-Dec 2024	In Progress
Property Maintenance	Assess and implement maintenance schedules	1. Develop workable schedules and plans	Standardized monitoring for property rehabilitation	May-Dec 2024	Systematic sequencing initiated
		2. Monitor contract outcomes and ensure quality	Enhanced service standards for NHC properties	May-Dec 2024	

2. Lands and Surveying Section

Key Priority	Baseline Indicator	Key Performance Indicator (KPIs)	Expected Outcomes	Time Frame	Remarks
Cadastral Surveys	Complete 99% of cadastral surveys	Register remaining grids with Surveyor General	Survey and allotments completion	May-Dec 2024	Grids 20, 21, 25, 28, and 29 pending
Engineering Surveys	Await NCDC design approval	Execute engineering designs	Approved designs ready for construction	Sep-Dec 2024	In Progress
Topographic Surveys	Await site construction requests	Execute topographic surveys as required	Completed site evaluations	Sep-Dec 2024	Ongoing

3. Technical Services Section

Key Priority	Baseline Indicator	Key Performance Indicator (KPIs)	Expected Outcomes	Time Frame	Remarks
Engineering Design	Obtain engineering design certification	Submit designs to NCDC for approval	NCDC approval and building permits	Jan-Dec 2024	Awaiting final approvals
Engineering Construction	Commence civil works	Approved designs and plans	Initiate roadworks for Stage 1	Jan 2024-2025	Yet to commence

b). KRA and KPI for TSU Division - 3 PIP Funded Projects

1. Durand Farm Project

Key Priority	Key Result Area	Key Performance Indicator (KPIs)	Expected Outcomes	Time Frame	Status Update
Stage 1 Housing	Cadastral Survey	Stage 1 Survey Plans registered	237 Titles registered	Jan-Dec 2024	Completed
	Land Titles	Lease documentation prepared	Secure remaining 92 titles	Jan-Dec 2024	In Progress
	Sewer Infrastructure	Sewer trunk main completed; reticulation pending	Complete infrastructure for Stage 1	Jan-Dec 2024	95% Trunk Completed

2. Headquarters Refurbishment Project

Key Priority	Baseline Indicator	Key Performance Indicator (KPIs)	Expected Outcomes	Duration	Remarks
NHC HQ Renovation	SPC procurement established	Contract awards for 3 main HQ components	Improve HQ facilities and services	Jan 2022-Nov 2024	Archives: 85%, Hall: 70%
		Perimeter fence terminated for non-compliance	Legal action pending	Sep-Oct 2024	Terminated

Commercial Investments Division

The Commercial Investments Division focused on revenue growth and asset management:

- **Triple V Exercise:** Collaborated with the Property Management Division to validate and value NHC's properties, improving data accuracy for investment and revenue generation.
- **Property Title Reclamation:** Secured a major win by reclaiming property titles previously vested in National Housing Estate Limited (NHEL). Through Gagma Legal Services (GLS), court rulings ensured these titles were returned to NHC, restoring critical assets.
- **Revenue Generation:** Adjusted rental rates for institutional and commercial properties to better align with market conditions.
- **Public-Private Partnerships:** Engaged with developers and financiers to introduce mortgage facilities and expand institutional housing programs.

Conclusion

The Operations Directorate's achievements in 2024 highlight its pivotal role in driving the National Housing Corporation's mission of delivering quality and affordable housing. Through enhanced asset management, innovative housing programs, and strategic partnerships, the Directorate has not only addressed critical challenges but also laid a solid foundation for future growth.

By fostering collaboration across divisions and integrating modernized operational frameworks, the Directorate has strengthened its capacity to deliver impactful results. Looking ahead, the Operations Directorate remains committed to improving service delivery, expanding housing initiatives, and advancing sustainable development to meet the evolving needs of the people of Papua New Guinea.

Corporate Services & Administration Directorate

The Corporate Services & Administration Directorate comprises the Human Resource & Administration Division and the Finance & ICT Division, which provide critical support services to the NHC. In 2024, the Directorate focused on strengthening internal processes, enhancing staff capabilities, and ensuring financial sustainability.

Human Resource & Administration Division

The Human Resource & Administration Division is integral to managing NHC's workforce and operational efficiency. It is structured into three key departments, each addressing specific organizational needs:

1. Human Resource Development (HRD):

- o Oversees administration, payroll, industrial relations and staff records.
- o Successfully migrated the organization's payroll system to the Alesco platform, ensuring compliance with modern payroll standards.
- o Addressed staff entitlements, including gratuity payments, retrenchments, and POSF contributions, despite financial constraints.

2. Training, Performance & Evaluation:

- o Coordinated staff capacity-building initiatives to improve performance across the organization.
- o Conducted evaluations to align staff roles with organizational objectives.
- o Initiate training for staff to improve competency and output.

3. Policy & Research:

Introduction

The Policy & Research Unit has been instrumental in advancing key initiatives for the National Housing Corporation (NHC) in 2024. The completion of the Papua New Guinea National Housing Policy 2023-2033 stands as a significant milestone, achieved with the support of the Managing Director, Board, Minister, and all NHC staff.

Key Result Areas (KRAs) and Achievements

a) Papua New Guinea National Housing Policy 2023-2033:

- o Finalized and submitted to the Central Agencies Coordination Committee (CACC) for vetting. Awaiting NEC approval and public launch in 2025.

b) NHC Corporate Plan 2023-2027:

- o Achieved 90% completion; awaiting final vetting by senior management and Board endorsement.



The NHC Audits team at the office

c) NHC Act 1990 Review:

- o Regional consultations completed; working draft under development for legislative review and submission to NEC.

d) National Housing Sector Plan 2023-2027:

- o Draft completed; integrates housing development strategies for national implementation.

e) National Housing Inter-Agency Task Force:

- o Draft Terms of Reference (TOR) and a K2.5 million funding proposal submitted to the Department of Treasury for 2025.

f) Internal HR Policies and Determinations:

- o Compilation of updated NHC Determination 2024 and formulation of internal HR Policies and Standard Operating Procedures (SOPs).
- o All Job Descriptions for 322 SCMC Approved Positions completed.

Challenges

- Funding delays, including a shortfall of K1 million for the PNG National Housing Policy launch.
- Limited transportation resources for task completion.
- Coordination challenges across divisions and stakeholders.

Suggestions for Improvement

- Implement periodic financing for policy work plans through the recurrent operations budget.
- Enhance collaboration and communication across all NHC divisions to ensure timely completion of tasks.
- Align Policy & Research strategies with organizational priorities for 2025.

Proposed Reforms

- Embed reforms derived from the PNG National Housing Policy into the NHC Act review to establish standards for housing development, land acquisition,

urbanization, and institutional governance.

Recommendations

1. Prioritize the launch of the PNGNHP 2023-2033 in 2025.
2. Allocate K300,000 for the PNG National Housing Policy launch, sourced internally or through external funding.

Finance & ICT Division

The Finance & ICT Division focused on improving financial management and modernizing IT systems to support NHC's operations.

1. Finance Department:

- o Enhanced revenue collection through adjustments in property rental rates.
- o Initiated the integration of the MYOB Version 23 system and continued progress with the Integrated Financial Management System (IFMS).
- o Introduced EFTPOS machines to streamline rent payments and improve cashless transactions.
- o Progressed financial statement audits for prior years (2015-2024), supported by the Auditor General's Office.

2. ICT Department:

- o Upgraded IT infrastructure to enhance organizational efficiency.
- o Improved data management systems, including the digitization of property and tenant records.

Achievements:

- Increased financial transparency and accountability.
- Improved efficiency in financial reporting and cash flow management.

continue to next page...

Key Milestone Table (Actions to be Taken)

Here is the refined **Key Milestone Table** extracted and reformatted based on the content in the report:

Description	Planned Completion Date	Progress to Date	Responsible Officer(s)
Installation of New Server	3-6 months	Progress on hold due to IT issues	R. Mitut / P. Tapol (Consultation with Telkom PNG)
Controls Over Billing/ Debtor Accounting	Jan-Dec 2024	Progress on hold due to IT issues	R. Mitut / S. Vele
Revenue Collection - Improve Efficiency	Jan-Dec 2024	In progress	S. Kila / S. Vele
Financial Statements - Complete and Correct	Jan-Dec 2024	In progress; awaiting consultant to deliver final draft of internal control policies	K. Tewana / J. Morehari
Payments Procedure	Jan-Dec 2024	Not specified	Not specified
Wrong Code Working Committee	3-6 months	In progress	J. David / M. Loi
2024 Budget - Quarterly Review	In progress	In progress	J. David
Fixed Asset Management	March 31, 2024	Work in progress; control policy awaiting NHC Board approval	E. Tom

Challenges:

- Insufficient funding for key IT upgrades and regional financial audits.
- Delays in implementing a centralized IT system for better integration across divisions.

Conclusion

The Corporate Services & Administration Directorate has made significant strides in 2024, supporting the NHC's strategic goals through improved human resource management, policy development, financial transparency, and IT modernization. Despite challenges, the Directorate remains committed to enhancing operational capacity and ensuring sustainable growth for the organization.



2024 Key Achievements

Key Achievements

- Completion of the Papua New Guinea National Housing Policy and the NHC Corporate Plan
- Renovation of the Highlands Regional Office in Goroka
- Refurbishment of Tokarara headquarters projects and rollout of maintenance projects in NCD
- Main sewer trunk completed and commissioned from McGregor Police Barracks to Morata Sewer Pond
- Obtained five approvals to construct five houses at Durand Farm
- Construction of two (2) houses by Rhodes PNG Ltd under way at Durand Farm.



Housing Minister Hon. Kobby Bomareo meeting with the Acting Managing director Abel Tol and other Senior NHC Officers.



Housing Minister Hon. Dr. Kobby Bomareo paying a routine visit to the Durand Farm project site



Properties officers assembling before carrying out the Triples V Exercises in the Nation's Capital and Central Province.



Finance at ICT officers at their workstation at the NHC head office.

NHC Act Review and Recommendations

NHC Act Review and Recommendations

- Updates on consultations for the 1990 NHC Act revision.
- Progress toward the final national consultation and legislative drafting in early 2025 and onwards.



PNG National Housing Policy National Stakeholders Consultation Workshop

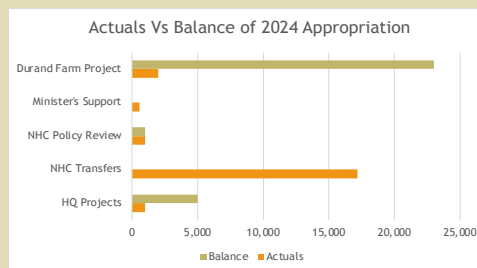
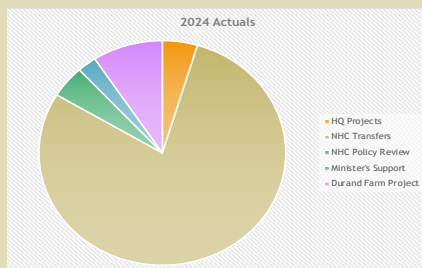
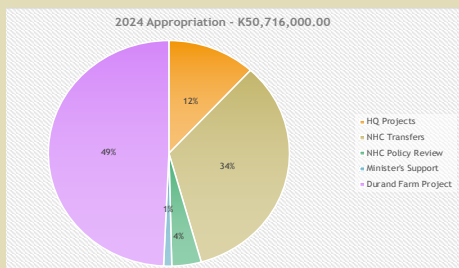
Appendices

Appendices

- Financial Summaries (from the draft report)
- TSU Division Budget Reports and Updates (from TSU Management Report).
- Media Reports.

Notes:

- NHC received K5 million towards the end of 2024 from the PIP Appropriation.
- K1 million for the HQ Projects
- K4m for the Durand farm Housing Program.
- Ministerial Support was K550,00.00 for 2024
- Operational Grants received was K5,706,045.00
- With prudent management, NHC managed to ensure some targets set for 2024 were achieved.



Integration Notes

1. **TSU Management Report:** The comprehensive divisional updates have been placed under Technical Services & Urbanization with subcategories for project management, challenges, and recommendations.
2. **Financial Data:** Detailed financial summaries were extracted from the draft report to enrich the Finance & ICT Division section.
3. **Design and Standards:** Housing design updates from TSU have been allocated to a subheading under Technical Services & Urbanization.



NCD Properties Manager Graham Inua addressing tenants and clients outside of the NHC Head Office.



**"PROMOTING INCLUSIVE SOCIAL HOUSING AND SUSTAINABLE
URBANIZED HOMES AND CREATING WEALTH FOR THE INCLUSIVE
BENEFIT OF ALL PAPUA NEW GUINEANS"**

For more information, contact:
The Office of the Managing Director
NATIONAL HOUSING CORPORATION
PO Box 1550, BOROKO, NCD
Email: nhcmd@gmail.com

Section 195 Allotment 03, New Horizons Building, ATS Road, 8mile NCD.