

## 247 Department of Agriculture and Livestock

(in Millions of Kina)

PIP No.	Project Title	5 Year Total	2006	2007	2008	2009	2010
1808	ssspp		2.2				
2352	NADP		.3				
<b>TOTAL CAPACITY BUILDING PROJECTS</b>			2.5				
2019	nfsp	1.5	1.0	.7	.5	.3	
2227	DRPD	1.2	1.0	.7	.5		
<b>TOTAL CAPITAL PROJECTS</b>		2.7	2.0	1.4	1.0	.3	
<b>TOTAL</b>		2.7	4.5	1.4	1.0	.3	

## 247 Department of Agriculture and Livestock

## AGENCY SUMMARY OF ALL PROJECTS

## EXPENDITURE PROJECTIONS AND FINANCING REQUIREMENTS (K Millions)

PROJECT COST	2004 Actual	2005	5 Year Total	2006	2007	2008	2009	2010
<b>DIRECT PROJECT COST</b>								
<b>Current Expenditure</b>								
Personal Emoluments		.1	.7	.3	.2	.2	.1	
Goods and Other Services		2.8	5.2	3.4	1.0	.6	.2	
Current Transfers		.2	.5	.4				
Sub-Total		3.1	6.4	4.1	1.2	.8	.3	
<b>Capital Expenditure</b>								
Acquisition of Existing Assets								
Capital Formation		.7	.8	.4	.3	.2		
Capital Transfers								
Sub-Total		.7	.8	.4	.3	.2		
<b>A</b> <b>TOT DIRECT PROJECT COST</b>		3.8	7.2	4.5	1.5	1.0	.3	
<b>Technical Assistance</b>								
Project Preparation								
Advisory								
Training								
Equipment								
<b>B</b> <b>TOT TECHNICAL ASSISTANCE</b>								
<b>TOTAL PROJECT COST (A+B)</b>		3.8	7.2	4.5	1.5	1.0	.3	
<b>FINANCING SOURCES</b>								
<b>IDENTIFIED FINANCING</b>								
<b>Direct Project Financing:</b>								
<b>Government Contributions:</b>								
a) Government Input		2.2	2.7		1.4	1.0	.3	
b) Self Generating Revenue								
Loan		1.7						
Grant								
<b>C</b> <b>TOTAL DIRECT FINANCING</b>		3.9	2.7		1.4	1.0	.3	
<b>D</b> <b>Technical Assistance</b>								
<b>TOTAL FINANCING (C+D)</b>		3.9	2.7		1.4	1.0	.3	
<b>FINANCING SOUGHT</b>								
Direct Project Cost (A-C)			4.5	4.5	.1			
Technical Assistance (B-D)								
<b>TOTAL FINANCING SOUGHT</b>			-1	4.5	4.5	.1		

**PIP NUMBER:** 1808

**PROJECT NAME:** SMALLHOLDER SUPPORT SERVICES PILOT PROJECT

**EXECUTING AGENCY:** Department of Agriculture and Livestock

**PROJECT OBJECTIVIES:**

To increase access to smallholder families in the Eastern Highlands and Morobe provinces by improving agriculture support services. This will contribute to the overall goal of increasing agricultural production, productivity and income of smallholders and ensuring the sustainability of their farming systems. An associated objective is to enhance the status of women in agriculture by targeting support service assistance to food crop production which traditionally is the domain of women.

**PROJECT STATUS:**

The focus of the project is to pilot out the concept of contracting out agricultural extension services to individuals or organisations to provide farmers training in agricultural activities. The extension training is farmer driven. The project completion date was 31st December 2004, however is now revised to 31st December 2006. It is jointly funded by ADB and GoPNG. The underlying objective of inceasing the farmers production level has been achieved, therefore the project is now looking at improving market excess for the farmers. An MOU has been signed with the FPDA & through this MOU, two (2) producer groups from the 2 pilot provinces will work closely with a consultant to establish market access for their particular produce.

**PROJECT COMPONENTS:**

There are 3 components: a) establishment of a support services contract facility (SSCF) in the Eastern Highlands and Morobe Provinces to increase out-put based contract services to smallholders, b) capacity building for agricultural staff at the national, provincial, district and local level government level, as well as for support service providers including governmental and non-governmental agencies and groups, c) project coordination unit at National DAL.

**PROJECT LOCATION:**

The project is implemented in Morobe and Eastern Highlands, as pilot provinces.

**PROJECT JUSTIFICATION:**

The project will benefit a significant proportion of households in Morobe and Eastern Highlands provinces, through increased and intensified support services as well as improved quality of support service provisions.

**PROJECT CAPACITY:**

DAL focus will be on coordination, monitoring and evaluating the implementation. The two provinces need to build strength and capacity of its staff to enhance to foster the implementation of the project activities.

**PROJECT BENEFICIARIES:**

The beneficiaries of the program are smallholder farmers and service providers in the Eastern Highlands and Morobe Provinces including the officers and various stakeholders from the implementing agency.

**PROJECT SUSTAINABILITY**

The sustainability of the project depends entirely on continious funding commitment from Government after the loan is fully drawn in order to sustain the project in the long run. In pursuit of this issue the project has developed extension policy, guidelines and operating procedures. Funding components from the provincial governments is imperative to continue the service provider concept after the project terminates.

## 1808 SMALLHOLDER SUPPORT SERVICES PILOT PROJECT

ESTIMATED TOTAL PROJECT COST 25,700.0 ESTIMATED DURATION OF THE PROJECT 5.0 Years

## EXPENDITURE PROJECTION AND FINANCING REQUIREMENTS (K'000)

PROJECT COST	2004 Actual	2005 Budget	5 Year Total	2006	2007	2008	2009	2010
<b>DIRECT PROJECT COST</b>								
<b>Current Expenditure</b>								
Personal Emoluments		104.6	104.3	104.3				
Goods and Other Services		1,957.3	1,795.7	1,795.7				
Current Transfers			300.0	300.0				
Sub-Total		2,061.9	2,200.0	2,200.0				
<b>Capital Expenditure</b>								
Acquisition of Existing Assets								
Capital Formation		638.1						
Capital Transfers								
Sub-Total		638.1						
<b>A TOT DIRECT PROJECT COST</b>		2,700.0	2,200.0	2,200.0				
<b>Technical Assistance</b>								
Project Preparation								
Advisory								
Training								
Equipment								
<b>B TOT TECHNICAL ASSISTANCE</b>								
<b>TOTAL PROJECT COST (A+B)</b>		2,700.0	2,200.0	2,200.0				
<b>FINANCING SOURCES</b>								
<b>IDENTIFIED FINANCING</b>								
<b>Direct Project Financing:</b>								
<b>Government Contributions:</b>								
a) Government Input		1,000.0						
b) Self Generating Revenue								
Loan		1,700.0						
Grant								
<b>C TOTAL DIRECT FINANCING</b>		2,700.0						
<b>D Technical Assistance</b>								
<b>TOTAL FINANCING (C+D)</b>		2,700.0						
<b>FINANCING SOUGHT</b>								
Direct Project Cost (A-C)			2,200.0	2,200.0				
Technical Assistance (B-D)								
<b>TOTAL FINANCING SOUGHT</b>			2,200.0	2,200.0				

**CURRENT DONOR INVOLVEMENT**

Asian Development Bank is the current donor involved in the project through Loan No. 1652 PNG valued at 7.6m US dc

**POTENTIAL DONOR INVOLVEMENT**

Nil.

**2006 Budget Votes for this PIP are :-**

24731016254 PROVINCIAL SMALLHOLDER SUPPORT SERVICES I

**PIP NUMBER:** 2019

**PROJECT NAME:** NATIONAL FOOD SECURITY PROGRAMME

**EXECUTING AGENCY:** Department of Agriculture and Livestock

**PROJECT OBJECTIVIES:**

The objectives of the Food Security Program are: 1) To increase and diversify food production in PNG in order to achieve greater self-sufficiency in food and attain food security in the national and household level by year 2015 and 2) To create awareness and seek support to promote food production, processing and preservation, distribution and marketing to achieve self-sufficiency in food supply at national and household level.

**PROJECT STATUS:**

Only three (3) sub-programs were implemented in 2005. Under Village Livestock Component, the aquaculture farm in Erap station managed to distribute 1400 fish fingerlings to farmers; Not much was done for Horticulture Development; Under the Special Program for Food Security, a Review meeting was held & the Tripartite Agreement was reviewed. The Filipino Team completed a PIRS.

**PROJECT COMPONENTS:**

The projects components have been revised to 3 components in 2005 and 2006. These include Village Livestock, Horticulture Development, and Special Program for Food Security.

**PROJECT LOCATION:**

The programme management is located under the Food Security Division of Department of Agriculture and Livestock (DAL) and implemented through out PNG. A Secretariat has been established.

**PROJECT JUSTIFICATION:**

This programme is identified to support the national food security policy which was endorsed by Parliament in May 2000. It is one of the programmes of crop diversification that promotes high value crops, has comparative advantages and has high potential markets in PNG and abroad. It is anticipated that by year 2005, more than 60,000 farmers throughout PNG will be cultivating spices, resulting in increased rural employment and rural income.

**PROJECT CAPACITY:**

DAL has the capacity to implement this programme through the Food Security Branch and in collaboration with other implementing agencies. Implementation of most sub-programmes (components) are consistent with the National Agriculture medium term Strategic Plan of Action (2000- 2015).

**PROJECT BENEFICIARIES:**

The main beneficiaries are the small farmers throughout PNG. Many people in the rural areas will benefit from the project as well as have the opportunity to participate in possible employment opportunities.

**PROJECT SUSTAINABILITY**

DAL through its Food Security Branch with the support of agricultural- based organisations and other implementing agencies, including donors will provide technical support and training through extension services for small farmers. This will assist in increasing their involvement in the project, thus they in turn can contribute meaningfully to the sustainability of the project.

## 2019 NATIONAL FOOD SECURITY PROGRAMME

ESTIMATED TOTAL PROJECT COST 0.0 ESTIMATED DURATION OF THE PROJECT 5.0 Years

## EXPENDITURE PROJECTION AND FINANCING REQUIREMENTS (K'000)

PROJECT COST	2004 Actual	2005 Budget	5 Year Total	2006	2007	2008	2009	2010
<b>DIRECT PROJECT COST</b>								
<b>Current Expenditure</b>								
Personal Emoluments		26.4	610.0	190.0	170.0	150.0	100.0	
Goods and Other Services		473.6	1,730.0	730.0	500.0	300.0	200.0	
Current Transfers		200.0	150.0	80.0	40.0	20.0	10.0	
Sub-Total		700.0	2,490.0	1,000.0	710.0	470.0	310.0	
<b>Capital Expenditure</b>								
Acquisition of Existing Assets								
Capital Formation		100.0						
Capital Transfers								
Sub-Total		100.0						
<b>A TOT DIRECT PROJECT COST</b>		800.0	2,490.0	1,000.0	710.0	470.0	310.0	
<b>Technical Assistance</b>								
Project Preparation								
Advisory								
Training								
Equipment								
<b>B TOT TECHNICAL ASSISTANCE</b>								
<b>TOTAL PROJECT COST (A+B)</b>		800.0	2,490.0	1,000.0	710.0	470.0	310.0	
<b>FINANCING SOURCES</b>								
<b>IDENTIFIED FINANCING</b>								
<b>Direct Project Financing:</b>								
<b>Government Contributions:</b>								
a) Government Input		800.0	1,490.0		710.0	470.0	310.0	
b) Self Generating Revenue								
Loan								
Grant								
<b>C TOTAL DIRECT FINANCING</b>		800.0	1,490.0		710.0	470.0	310.0	
<b>D Technical Assistance</b>								
<b>TOTAL FINANCING (C+D)</b>		800.0	1,490.0		710.0	470.0	310.0	
<b>FINANCING SOUGHT</b>								
Direct Project Cost (A-C)			1,000.0	1,000.0				
Technical Assistance (B-D)								
<b>TOTAL FINANCING SOUGHT</b>			1,000.0	1,000.0				

**CURRENT DONOR INVOLVEMENT**

Special Program on Food Security will commence in 2004. A tripartite agreement between FAO, the Philippine Governn

**POTENTIAL DONOR INVOLVEMENT**

Current donors providing technical assistance are JICA, the Republic of China, Government of Phillipins and FAO.

**2006 Budget Votes for this PIP are :-**

24731019201 NATIONAL FOOD SECURITY PROGRAMME

**PIP NUMBER:** 2227

**PROJECT NAME:** DOMESTIC RICE PRODUCTION AND DEVELOPMENT

**EXECUTING AGENCY:** Department of Agriculture and Livestock

**PROJECT OBJECTIVIES:**

To assist and develop smallholder rice production in order to encourage local food production in support of the National Food Security Policy and ultimately reducing rice imports.

**PROJECT STATUS:**

The project initially was a component of the Food Security Program in support of the Food Security Policy. It was however, given project status in 2004 after too much focus under the Food Security Program. It is a five year project focused on rice promotion in East Sepik, Madang, and Morobe provinces in collaboration with JICA. The project was not reflected in the 2005 Development Budget however, DNPRD identified K150,000 in the early part of the second quarter of 2005 and made available to the project. Funding under the project is used as counterpart to funds provided by JICA to pilot rice development activities in the provinces of Morobe, Madang, & East Sepik through MOUs that have been signed between the 3 provinces, JICA and GoPNG (through DAL). The achievements so far: 1. 104 model farmers, 19 extension personal & 8 institutional staff (schools & CIS) trained in different aspects of rice cultivation and processing. 2. 5,320 leaflets on basic rice cultivation were distributed to farmers, schools & other institutions. 3. 8 farmer groups were trained in rice cultivation and mill operation & maintenance. 4. 2 vehicles donated by JICA in support of smallholder rice promotion in East and Madang Provinces. 5. 1,075 current & 536 new farmers were provided assistance to produce rice. 6. 910 new farmers participated in planting. 7. 33.5 tonnes of seeds distributed. 8. 17 micro mills were distributed to rice farmer groups & other institutions. 9. 500 tonnes of rice produced, mostly in Morobe and East Sepik.

**PROJECT COMPONENTS:**

The following components will be implemented under the project: (1) Training and capacity building; (2) Seed Production and Distribution; (3) Small Rice Mills and Farming Tools; (4) Data Collection and Dissemination of Information; (5) Provincial Resource Centers; (6) Extension and Advisory Services; and (7) Recruitment of Technical Staff and Labour.

**PROJECT LOCATION:**

The project is focused in the provinces of Morobe, Madang, and East Sepik.

**PROJECT CAPACITY:**

The Department of Agriculture and Livestock under the current set up has the capacity to manage and coordinate the project as part of the Food Security Program. Existing personals will be utilised. Provinces, Districts, LLGs, NGOs, and CBOs will be the implementers.

**PROJECT BENEFICIARIES:**

Smallholder rice growers, institutions, and consumers will have access to cheaper rice produced locally. Generally, the country will benefit from the project by contributing to the GDP and the reduction in the cost of rice imports.

**PROJECT SUSTAINABILITY**

Existing staff of the coordinating agency (DAL) will manage and coordinate the project while the provinces and districts will use their staff with support from NGOs and CBOs.

## 2227 DOMESTIC RICE PRODUCTION AND DEVELOPMENT

ESTIMATED TOTAL PROJECT COST 6,192.0 ESTIMATED DURATION OF THE PROJECT 4.0 Years

## EXPENDITURE PROJECTION AND FINANCING REQUIREMENTS (K'000)

PROJECT COST	2004 Actual	2005 Budget	5 Year Total	2006	2007	2008	2009	2010
<b>DIRECT PROJECT COST</b>								
<b>Current Expenditure</b>								
Personal Emoluments								
Goods and Other Services			1,420.0	670.0	450.0	300.0		
Current Transfers								
Sub-Total			1,420.0	670.0	450.0	300.0		
<b>Capital Expenditure</b>								
Acquisition of Existing Assets								
Capital Formation			780.0	330.0	250.0	200.0		
Capital Transfers								
Sub-Total			780.0	330.0	250.0	200.0		
<b>A TOT DIRECT PROJECT COST</b>			2,200.0	1,000.0	700.0	500.0		
<b>Technical Assistance</b>								
Project Preparation								
Advisory								
Training								
Equipment								
<b>B TOT TECHNICAL ASSISTANCE</b>								
<b>TOTAL PROJECT COST (A+B)</b>			2,200.0	1,000.0	700.0	500.0		
<b>FINANCING SOURCES</b>								
<b>IDENTIFIED FINANCING</b>								
<b>Direct Project Financing:</b>								
<b>Government Contributions:</b>								
a) Government Input			1,200.0		700.0	500.0		
b) Self Generating Revenue								
Loan								
Grant								
<b>C TOTAL DIRECT FINANCING</b>			1,200.0		700.0	500.0		
<b>D Technical Assistance</b>								
<b>TOTAL FINANCING (C+D)</b>			1,200.0		700.0	500.0		
<b>FINANCING SOUGHT</b>								
Direct Project Cost (A-C)			1,000.0	1,000.0				
Technical Assistance (B-D)								
<b>TOTAL FINANCING SOUGHT</b>			1,000.0	1,000.0				

## CURRENT DONOR INVOLVEMENT

JICA.

## POTENTIAL DONOR INVOLVEMENT

2006 Budget Votes for this PIP are :-

24731015216 DOMESTIC RICE PRODUCTION AND DEVELOPMENT

**PIP NUMBER:** 2352

**PROJECT NAME:** NATIONAL AGRICULTURE DEVELOPMENT PLAN

**EXECUTING AGENCY:** Department of Agriculture and Livestock

**PROJECT OBJECTIVES:**

The project has two specific objectives; To conduct an overall national agriculture sector review with a view to reform and revitalise the agriculture sector and to develop a National Agriculture Development Plan that incorporates full participation of all various stakeholders in the sector for the next 10 years.

**PROJECT STATUS:**

The project commenced in 2004. To date, the project has reviewed individual sub-sector plans and is in the process of putting together a national agriculture plan. The project has been working closely with the Department of National Planning to ensure the NADP is closely aligned to the MTDS. Achievements so far include: 1. NADP Secretariat established by DAL. 2. Preparatory of NADP Phase I completed. 3. Phase I Inception Report completed. 4. FAO consults shortlisted, submitted & finalised for recruitment by 5. NEC Information completed. 6. FAO NADP cheque account established at ANZ Bank Port Moresby. 7. Briefing on NADP formulation process with Minister for Agriculture and Livestock and all Heads of Commodity Boards and institutions. 8. Information Paper on NADP for members of economic sector ministers completed. 9. Information Paper on NADP for members of economic sector coordination mechanism completed and submitted. 10. Sub-sector planning teams established.

**PROJECT COMPONENTS:**

The project component will include a national agriculture sector review, development of commodity specific five year development plans for coffee, cocoa, coconut, oil palm, rubber, species etc., a livestock sub-sector five year plan, a food crops subsector five year plan, and institutional capacity building. Following the individual subsector plans a national agriculture development plan will be formulated.

**PROJECT LOCATION:**

The project will be coordinated from the National Department of Agriculture and Livestock with sectoral agencies involvement. Reviews will be conducted in the provinces.

**PROJECT CAPACITY:**

DAL has the capacity to implement the project in 2005 in close consultation with sectoral agencies and central line agencies.

**PROJECT BENEFICIARIES:**

The project beneficiaries are the agriculture sector participants from smallholders, estates holders, and agriculture industry agencies.

**PROJECT SUSTAINABILITY**

The formulation of the development plans will be used as yardstick for development by the agriculture institutions and central agencies.

## 2352 NATIONAL AGRICULTURE DEVELOPMENT PLAN

ESTIMATED TOTAL PROJECT COST 0.0 ESTIMATED DURATION OF THE PROJECT Years

## EXPENDITURE PROJECTION AND FINANCING REQUIREMENTS (K'000)

PROJECT COST	2004 Actual	2005 Budget	5 Year Total	2006	2007	2008	2009	2010
<b>DIRECT PROJECT COST</b>								
<b>Current Expenditure</b>								
Personal Emoluments			8.0	8.0				
Goods and Other Services		400.0	254.0	254.0				
Current Transfers								
Sub-Total		400.0	262.0	262.0				
<b>Capital Expenditure</b>								
Acquisition of Existing Assets								
Capital Formation			38.0	38.0				
Capital Transfers								
Sub-Total			38.0	38.0				
<b>A TOT DIRECT PROJECT COST</b>		400.0	300.0	300.0				
<b>Technical Assistance</b>								
Project Preparation								
Advisory								
Training								
Equipment								
<b>B TOT TECHNICAL ASSISTANCE</b>								
<b>TOTAL PROJECT COST (A+B)</b>		400.0	300.0	300.0				
<b>FINANCING SOURCES</b>								
<b>IDENTIFIED FINANCING</b>								
<b>Direct Project Financing:</b>								
<b>Government Contributions:</b>								
a) Government Input		400.0						
b) Self Generating Revenue								
Loan								
Grant								
<b>C TOTAL DIRECT FINANCING</b>		400.0						
<b>D Technical Assistance</b>								
<b>TOTAL FINANCING (C+D)</b>		400.0						
<b>FINANCING SOUGHT</b>								
Direct Project Cost (A-C)			300.0	300.0				
Technical Assistance (B-D)								
<b>TOTAL FINANCING SOUGHT</b>			300.0	300.0				

**CURRENT DONOR INVOLVEMENT**

Nil.

**POTENTIAL DONOR INVOLVEMENT**

There is a potential donor involvement in 2006 through the provision of technical assistance.

**2006 Budget Votes for this PIP are :-**

24731011211 NATIONAL AGRICULTURE PLAN (NAP)