

568 Livestock Development Corporation

(in Millions of Kina)

PIP No.	Project Title	5 Year Total	2006	2007	2008	2009	2010
2360	LDC EU STABEX	.3	.4	.2	.1		
		.3	.4	.2	.1		
	TOTAL	.3	.4	.2	.1		

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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
DIRECT PROJECT COST								
Current Expenditure								
Personal Emoluments								
Goods and Other Services			.7	.4	.2	.1		
Current Transfers								
Sub-Total			.7	.4	.2	.1		
Capital Expenditure								
Acquisition of Existing Assets								
Capital Formation								
Capital Transfers								
Sub-Total								
A TOT DIRECT PROJECT COST			.7	.4	.2	.1		
Technical Assistance								
Project Preparation								
Advisory								
Training								
Equipment								
B TOT TECHNICAL ASSISTANCE								
TOTAL PROJECT COST (A+B)			.7	.4	.2	.1		
FINANCING SOURCES								
IDENTIFIED FINANCING								
Direct Project Financing:								
Government Contributions:								
a) Government Input								
b) Self Generating Revenue								
Loan								
Grant			.3		.2	.1		
C TOTAL DIRECT FINANCING			.3		.2	.1		
D Technical Assistance								
TOTAL FINANCING (C+D)			.3		.2	.1		
FINANCING SOUGHT								
Direct Project Cost (A-C)			.4	.4				
Technical Assistance (B-D)								
TOTAL FINANCING SOUGHT			.4	.4				

PIP NUMBER: 2360

PROJECT NAME: LDC EU STABEX

EXECUTING AGENCY: Livestock Development Corporation

PROJECT OBJECTIVIES:

The objective of the project is to conduct feasibility study of cashew growing by village smallholder farmers and/or groups within the Rigo and Abau Districts.

PROJECT STATUS:

On-going activities on the compilation of soil information, a number of villages identified for cashew cultivation, project sit visits conducted and workshops held.

PROJECT COMPONENTS:

The project is basically a feasibility study, with five (5) major activities which are: (a) Compilation of existing information on soils, (b) Preliminary selection of villages with soils considered suitable for smallholder cashew cultivation, (c) Site visits to assess the technical and economical viability of the proposed project, (d) Visits to assess capacity to supply and maintain infrastructure support, and (e) Conduct household surveys and consult with project beneficiaries at project site, including meetings and workshops to obtain more detailed information on the village economy credit availability and to gauge potential participation in the project.

PROJECT LOCATION:

Abau and Rigo Districts in the Central Province.

PROJECT JUSTIFICATION:

The Project is in line with the current Government's policy of Recovery and Development based on Export Driven Economic Recovery. Thus, the underlying objectives of the study are to increase income retained internally, create more jobs for Papua New Guineans as well as to increase foreign exchange earnings.

PROJECT CAPACITY:

The LDC has the capacity to manage and coordinate the feasibility study through tendering out the job.

PROJECT BENEFICIARIES:

Smallholder/village outgrowers and the nation as a whole through the contribution of the industry to total GDP.

PROJECT SUSTAINABILITY

The sustainability of the project depends on the successful establishment of the nucleus estate of 850 hectares of cashew nut in the Abau and Rigo districts.

2360 LDC EU STABEX

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
DIRECT PROJECT COST								
Current Expenditure								
Personal Emoluments								
Goods and Other Services			693.6	393.6	200.0	100.0		
Current Transfers								
Sub-Total			693.6	393.6	200.0	100.0		
Capital Expenditure								
Acquisition of Existing Assets								
Capital Formation								
Capital Transfers								
Sub-Total								
A TOT DIRECT PROJECT COST			693.6	393.6	200.0	100.0		
Technical Assistance								
Project Preparation								
Advisory								
Training								
Equipment								
B TOT TECHNICAL ASSISTANCE								
TOTAL PROJECT COST (A+B)			693.6	393.6	200.0	100.0		
FINANCING SOURCES								
IDENTIFIED FINANCING								
Direct Project Financing:								
Government Contributions:								
a) Government Input								
b) Self Generating Revenue								
Loan								
Grant			300.0		200.0	100.0		
C TOTAL DIRECT FINANCING			300.0		200.0	100.0		
D Technical Assistance								
TOTAL FINANCING (C+D)			300.0		200.0	100.0		
FINANCING SOUGHT								
Direct Project Cost (A-C)			393.6	393.6				
Technical Assistance (B-D)								
TOTAL FINANCING SOUGHT			393.6	393.6				

CURRENT DONOR INVOLVEMENT

European Union (EU).

POTENTIAL DONOR INVOLVEMENT

2006 Budget Votes for this PIP are :-

56831011202 EU STABEX