

## 247 Department of Agriculture and Livestock

(in Millions of Kina)

| PIP<br>No.                       | Project Title        | 5 Year<br>Total | 2011 | 2012 | 2013 | 2014 | 2015 |
|----------------------------------|----------------------|-----------------|------|------|------|------|------|
| 1808                             | SSSPP                | 7.2             | 3.2  | 1.0  | 1.0  | 1.0  | 1.0  |
| 3131                             | PPAD                 | 11.0            | 11.0 |      |      |      |      |
| 3195                             | PNG EID PROGRAM      | 1.4             | 1.4  |      |      |      |      |
| TOTAL CAPACITY BUILDING PROJECTS |                      | 19.6            | 15.6 | 1.0  | 1.0  | 1.0  | 1.0  |
| 2069                             | nscdp                | 6.0             | 2.0  | 2.0  | 2.0  |      |      |
| 3132                             | SRPP                 | 11.1            | 11.1 |      |      |      |      |
| 3337                             | RURAL ECONOMIC DEVEL | 29.5            | 29.5 |      |      |      |      |
| TOTAL CAPITAL PROJECTS           |                      | 46.6            | 42.6 | 2.0  | 2.0  |      |      |
| TOTAL                            |                      | 66.2            | 58.2 | 3.0  | 3.0  | 1.0  | 1.0  |

## 247 Department of Agriculture and Livestock

## AGENCY SUMMARY OF ALL PROJECTS

## EXPENDITURE PROJECTIONS AND FINANCING REQUIREMENTS (K Millions)

| PROJECT COST                     |                              | 2009<br>Actual | 2010 | 5 Year<br>Total | 2011 | 2012 | 2013 | 2014 | 2015 |
|----------------------------------|------------------------------|----------------|------|-----------------|------|------|------|------|------|
| DIRECT PROJECT COST              |                              |                |      |                 |      |      |      |      |      |
| <b>Current Expenditure</b>       |                              |                |      |                 |      |      |      |      |      |
| Personal Emoluments              |                              |                |      | 1.6             | .4   | .4   | .4   | .1   | .1   |
| Current Transfers                |                              |                |      | .5              | .1   | .1   | .1   | .1   | .1   |
| Goods and Other Services         |                              |                | 6.0  | 21.6            | 16.3 | 2.1  | 2.1  | .6   | .6   |
| Sub-Total                        |                              |                | 6.0  | 23.7            | 16.8 | 2.6  | 2.6  | .8   | .8   |
| <b>Capital Expenditure</b>       |                              |                |      |                 |      |      |      |      |      |
| Capital Transfers                |                              |                |      |                 |      |      |      |      |      |
| Acquisition of Existing Assets   |                              |                |      |                 |      |      |      |      |      |
| Capital Formation                |                              |                |      | 42.4            | 41.4 | .4   | .4   | .2   | .2   |
| Sub-Total                        |                              |                |      | 42.4            | 41.4 | .4   | .4   | .2   | .2   |
| A                                | TOT DIRECT PROJECT COST      |                | 6.0  | 66.1            | 58.2 | 3.0  | 3.0  | 1.0  | 1.0  |
| <b>Technical Assistance</b>      |                              |                |      |                 |      |      |      |      |      |
| Project Preparation              |                              |                |      |                 |      |      |      |      |      |
| Equipment                        |                              |                |      |                 |      |      |      |      |      |
| Advisory                         |                              |                |      |                 |      |      |      |      |      |
| Training                         |                              |                |      |                 |      |      |      |      |      |
| B                                | TOT TECHNICAL ASSISTANCE     |                |      |                 |      |      |      |      |      |
| <b>TOTAL PROJECT COST (A+B)</b>  |                              |                | 6.0  | 66.1            | 58.2 | 3.0  | 3.0  | 1.0  | 1.0  |
| <b>FINANCING SOURCES</b>         |                              |                |      |                 |      |      |      |      |      |
| IDENTIFIED FINANCING             |                              |                |      |                 |      |      |      |      |      |
| <b>Direct Project Financing:</b> |                              |                |      |                 |      |      |      |      |      |
| <b>Government Contributions:</b> |                              |                |      |                 |      |      |      |      |      |
| Loan                             |                              |                | 5.0  | 10.0            | 10.0 |      |      |      |      |
| Grant                            |                              |                |      | 42.9            | 42.9 |      |      |      |      |
| b) Self Generating Revenue       |                              |                |      |                 |      |      |      |      |      |
| a) Government Input              |                              |                |      | 13.3            | 5.3  | 3.0  | 3.0  | 1.0  | 1.0  |
| C                                | TOTAL DIRECT FINANCING       |                | 5.0  | 66.2            | 58.2 | 3.0  | 3.0  | 1.0  | 1.0  |
| <b>Technical Assistance</b>      |                              |                |      |                 |      |      |      |      |      |
| D                                | <b>TOTAL FINANCING (C+D)</b> |                | 5.0  | 66.2            | 58.2 | 3.0  | 3.0  | 1.0  | 1.0  |
| <b>FINANCING SOUGHT</b>          |                              |                |      |                 |      |      |      |      |      |
| Direct Project Cost (A-C)        |                              |                | 1.0  | -.1             |      |      |      |      |      |
| Technical Assistance (B-D)       |                              |                |      |                 |      |      |      |      |      |
| <b>TOTAL FINANCING SOUGHT</b>    |                              |                | 1.0  | -.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 Smallholder Support Services Expansion Project (SSSEP) builds on a pilot project SSSP which was implemented by DAL in Eastern Highlands and Morobe Province from 2000-2007. It was funded by Asian Development Bank and the National Government. SSSP was trialed in a way to address the inadequate and ineffective delivery of agriculture support service in PNG. The approach involved contracted individuals and institution to deliver support service to smallholder farmers. Over the pilot period, 12 000 households directly benefited from extension services.

**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 continuous 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                     |  | 2009<br>Actual | 2010<br>Bugdet | 5 Year<br>Total | 2011    | 2012    | 2013    | 2014    | 2015    |
|----------------------------------|--|----------------|----------------|-----------------|---------|---------|---------|---------|---------|
| <b>DIRECT PROJECT COST</b>       |  |                |                |                 |         |         |         |         |         |
| <b>Current Expenditure</b>       |  |                |                |                 |         |         |         |         |         |
| Personal Emoluments              |  |                |                | 719.5           | 143.9   | 143.9   | 143.9   | 143.9   | 143.9   |
| Goods and Other Services         |  |                |                | 2,945.5         | 589.1   | 589.1   | 589.1   | 589.1   | 589.1   |
| Current Transfers                |  |                |                | 500.0           | 100.0   | 100.0   | 100.0   | 100.0   | 100.0   |
| Sub-Total                        |  |                |                | 4,165.0         | 833.0   | 833.0   | 833.0   | 833.0   | 833.0   |
| <b>Capital Expenditure</b>       |  |                |                |                 |         |         |         |         |         |
| Acquisition of Existing Assets   |  |                |                |                 |         |         |         |         |         |
| Capital Formation                |  |                |                | 2,986.0         | 2,318.0 | 167.0   | 167.0   | 167.0   | 167.0   |
| Capital Transfers                |  |                |                |                 |         |         |         |         |         |
| Sub-Total                        |  |                |                | 2,986.0         | 2,318.0 | 167.0   | 167.0   | 167.0   | 167.0   |
| <b>TOT DIRECT PROJECT COST</b>   |  |                |                | 7,151.0         | 3,151.0 | 1,000.0 | 1,000.0 | 1,000.0 | 1,000.0 |
| <b>Technical Assistance</b>      |  |                |                |                 |         |         |         |         |         |
| Project Preparation              |  |                |                |                 |         |         |         |         |         |
| Advisory                         |  |                |                |                 |         |         |         |         |         |
| Training                         |  |                |                |                 |         |         |         |         |         |
| Equipment                        |  |                |                |                 |         |         |         |         |         |
| <b>TOT TECHNICAL ASSISTANCE</b>  |  |                |                |                 |         |         |         |         |         |
| <b>TOTAL PROJECT COST (A+B)</b>  |  |                |                | 7,151.0         | 3,151.0 | 1,000.0 | 1,000.0 | 1,000.0 | 1,000.0 |
| <b>FINANCING SOURCES</b>         |  |                |                |                 |         |         |         |         |         |
| <b>IDENTIFIED FINANCING</b>      |  |                |                |                 |         |         |         |         |         |
| <b>Direct Project Financing:</b> |  |                |                |                 |         |         |         |         |         |
| <b>Government Contributions:</b> |  |                |                |                 |         |         |         |         |         |
| a) Government Input              |  |                |                | 5,000.0         | 1,000.0 | 1,000.0 | 1,000.0 | 1,000.0 | 1,000.0 |
| b) Self Generating Revenue       |  |                |                |                 |         |         |         |         |         |
| Loan                             |  |                |                |                 |         |         |         |         |         |
| Grant                            |  |                |                | 2,151.0         | 2,151.0 |         |         |         |         |
| <b>TOTAL DIRECT FINANCING</b>    |  |                |                | 7,151.0         | 3,151.0 | 1,000.0 | 1,000.0 | 1,000.0 | 1,000.0 |
| <b>Technical Assistance</b>      |  |                |                |                 |         |         |         |         |         |
| <b>TOTAL FINANCING (C+D)</b>     |  |                |                | 7,151.0         | 3,151.0 | 1,000.0 | 1,000.0 | 1,000.0 | 1,000.0 |
| <b>FINANCING SOUGHT</b>          |  |                |                |                 |         |         |         |         |         |
| Direct Project Cost (A-C)        |  |                |                |                 |         |         |         |         |         |
| Technical Assistance (B-D)       |  |                |                |                 |         |         |         |         |         |
| <b>TOTAL FINANCING SOUGHT</b>    |  |                |                |                 |         |         |         |         |         |

**CURRENT DONOR INVOLVEMENT**

The project is fully funded by AusAid.

**POTENTIAL DONOR INVOLVEMENT**

NZAID is currently funding this project and PNG counterpart funding is been sought to assist some components

**2011 Budget Votes for this PIP are :-**

24731016254 PROVINCIAL SMALLHOLDER SUPPORT SERVICES I

**PIP NUMBER:** 2069

**PROJECT NAME:** NATIONAL SPICE CROP DEVELOPMENT PROGRAM

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

**PROJECT OBJECTIVIES:**

The objective of the project is to improve the technical systems of SIB in spice crops production, marketing and exports and improve the institutional capacity of the SIB.

**PROJECT STATUS:**

In the last two years the Board had only one staff on strength being the CEO while utilising the facilities of the National Department of Agriculture and Livestock. The Spice Board is currently operating only through a Board with no institution and technical staffing, has lack of appropriate Spice quality standards registered and assured despite imposing an export liscence fee and a national code of practice. Despite this set back the industry has flourished. A ministerial directive was issued to cease and review all export liscence. A national consultative workshop was held on the 18th of October to devise a draft national spice plan. Field development has signed with Simbu and Madang Provincial and Local Level Government for the development of Karamui and Buid Spice Projects following a study for the areas.

**PROJECT COMPONENTS:**

The components include institutional strenthening of the PNG Spice Industry and field development, production and quality control systems including training of farmers and industry participants.

**PROJECT LOCATION:**

The Spice Industry Board will seek increased staff capacity in 2004. Spice crop development for cardamon will be heavily implemented in kobun, Madang Province and in Simbu Province. National spice crop development will take place in the provinces. The 10 key spice provinces are Wewak, Vanimo, Madang, Lae, Kimbe, Rabaul, Kavieng, Lorengau and the Central Province.

**PROJECT JUSTIFICATION:**

Following the need to corporatise government responsibilities in the agricultural commodity sector, the National Parliament enacted the Spice Industry Act, 1989. Under the Act, The PNG Spice Industry Board was established by Government in 1991. In the last 2 years spice crop production in the country has picked up and needs to be coordinated. It needs a regulatory body to oversee its activities and provide technical and advisory support.

**PROJECT CAPACITY:**

NDAL has the capacity to implement the project but is lacking in the technical resource enabling the project to effectively conduct it's activities.

**PROJECT SUSTAINABILITY**

The project activities will be incorporated into the recurrent activities of the Spice Crop Industry Board.

**2069 NATIONAL SPICE CROP DEVELOPMENT PROGRAM**

ESTIMATED TOTAL PROJECT COST 1,000.0 ESTIMATED DURATION OF THE PROJECT 3.0 Years

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

| PROJECT COST                     |                              | 2009<br>Actual | 2010<br>Bugdet | 5 Year<br>Total | 2011    | 2012    | 2013    | 2014 | 2015 |
|----------------------------------|------------------------------|----------------|----------------|-----------------|---------|---------|---------|------|------|
| <b>DIRECT PROJECT COST</b>       |                              |                |                |                 |         |         |         |      |      |
| <b>Current Expenditure</b>       |                              |                |                |                 |         |         |         |      |      |
| Personal Emoluments              |                              |                |                | 900.0           | 300.0   | 300.0   | 300.0   |      |      |
| Goods and Other Services         |                              |                |                | 4,500.0         | 1,500.0 | 1,500.0 | 1,500.0 |      |      |
| Current Transfers                |                              |                |                |                 |         |         |         |      |      |
| Sub-Total                        |                              |                |                | 5,400.0         | 1,800.0 | 1,800.0 | 1,800.0 |      |      |
| <b>Capital Expenditure</b>       |                              |                |                |                 |         |         |         |      |      |
| Acquisition of Existing Assets   |                              |                |                |                 |         |         |         |      |      |
| Capital Formation                |                              |                |                | 600.0           | 200.0   | 200.0   | 200.0   |      |      |
| Capital Transfers                |                              |                |                |                 |         |         |         |      |      |
| Sub-Total                        |                              |                |                | 600.0           | 200.0   | 200.0   | 200.0   |      |      |
| A                                | TOT DIRECT PROJECT COST      |                |                | 6,000.0         | 2,000.0 | 2,000.0 | 2,000.0 |      |      |
| <b>Technical Assistance</b>      |                              |                |                |                 |         |         |         |      |      |
| Project Preparation              |                              |                |                |                 |         |         |         |      |      |
| Advisory                         |                              |                |                |                 |         |         |         |      |      |
| Training                         |                              |                |                |                 |         |         |         |      |      |
| Equipment                        |                              |                |                |                 |         |         |         |      |      |
| B                                | TOT TECHNICAL ASSISTANCE     |                |                |                 |         |         |         |      |      |
| <b>TOTAL PROJECT COST (A+B)</b>  |                              |                |                | 6,000.0         | 2,000.0 | 2,000.0 | 2,000.0 |      |      |
| <b>FINANCING SOURCES</b>         |                              |                |                |                 |         |         |         |      |      |
| <b>IDENTIFIED FINANCING</b>      |                              |                |                |                 |         |         |         |      |      |
| <b>Direct Project Financing:</b> |                              |                |                |                 |         |         |         |      |      |
| <b>Government Contributions:</b> |                              |                |                |                 |         |         |         |      |      |
| a) Government Input              |                              |                |                | 6,000.0         | 2,000.0 | 2,000.0 | 2,000.0 |      |      |
| b) Self Generating Revenue       |                              |                |                |                 |         |         |         |      |      |
| Loan                             |                              |                |                |                 |         |         |         |      |      |
| Grant                            |                              |                |                |                 |         |         |         |      |      |
| C                                | TOTAL DIRECT FINANCING       |                |                | 6,000.0         | 2,000.0 | 2,000.0 | 2,000.0 |      |      |
| <b>Technical Assistance</b>      |                              |                |                |                 |         |         |         |      |      |
| D                                | <b>TOTAL FINANCING (C+D)</b> |                |                | 6,000.0         | 2,000.0 | 2,000.0 | 2,000.0 |      |      |
| <b>FINANCING SOUGHT</b>          |                              |                |                |                 |         |         |         |      |      |
| Direct Project Cost (A-C)        |                              |                |                |                 |         |         |         |      |      |
| Technical Assistance (B-D)       |                              |                |                |                 |         |         |         |      |      |
| <b>TOTAL FINANCING SOUGHT</b>    |                              |                |                |                 |         |         |         |      |      |

**CURRENT DONOR INVOLVEMENT**

There is no donor involvement. The project is fully funded GoPNG.

**POTENTIAL DONOR INVOLVEMENT**

Nil.

**2011 Budget Votes for this PIP are :-**

24731016257 NATIONAL SPICE CROP DEVELOPMENT PROGRAMM

**PIP NUMBER:** 3131

**PROJECT NAME:** PRODUCTIVE PARTNERSHIPS FOR AGRICULTURE DEVELOPMENT

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

**PROJECT OBJECTIVIES:**

To improve the performance and sustainability of value chains in cocoa and coffee producing areas, in order to improve the livelihoods of smallholder cocoa and coffee producers.

**PROJECT COMPONENTS:**

(1) Institutional strengthening and industry coordination (2) Productive partnerships (3) Market access infrastructure

**PROJECT LOCATION:**

The provinces that the program will be located in are East New Britain, Eastern Highlands, Autonomouse Region of Bougainville, Simbu and Western Highlands.

**PROJECT JUSTIFICATION:**

Both coffee and cocoa are very important tree crops which earn significant level of foreign exchange for the country as well as many rural population depending on them for income and employment. It is PNG's national interest that these crops are protected, including through such project intervention.

**PROJECT CAPACITY:**

The National Department of Agriculture and Livestock as well as the two Commodity Boards have the capacity to implement the program. It is highly likely that the outcomes of the project will be achieved with the Government's full support.

**PROJECT SUSTAINABILITY**

The program initiative will be sustained through the outcomes of the achieved outputs aside from the Government's support through annual recurrent budgets and the National Agriculture Development Plan (NADP)

## 3131 PRODUCTIVE PARTNERSHIPS FOR AGRICULTURE DEVELOPMENT

ESTIMATED TOTAL PROJECT COST 5,000.0 ESTIMATED DURATION OF THE PROJECT 1.0 Years

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

| PROJECT COST                     |                              | 2009<br>Actual | 2010<br>Bugdet | 5 Year<br>Total | 2011     | 2012 | 2013 | 2014 | 2015 |
|----------------------------------|------------------------------|----------------|----------------|-----------------|----------|------|------|------|------|
| DIRECT PROJECT COST              |                              |                |                |                 |          |      |      |      |      |
| <b>Current Expenditure</b>       |                              |                |                |                 |          |      |      |      |      |
| Personal Emoluments              |                              |                |                |                 |          |      |      |      |      |
| Goods and Other Services         |                              |                | 5,000.0        | 1,000.0         | 1,000.0  |      |      |      |      |
| Current Transfers                |                              |                |                |                 |          |      |      |      |      |
| Sub-Total                        |                              |                | 5,000.0        | 1,000.0         | 1,000.0  |      |      |      |      |
| <b>Capital Expenditure</b>       |                              |                |                |                 |          |      |      |      |      |
| Acquisition of Existing Assets   |                              |                |                |                 |          |      |      |      |      |
| Capital Formation                |                              |                |                | 10,000.0        | 10,000.0 |      |      |      |      |
| Capital Transfers                |                              |                |                |                 |          |      |      |      |      |
| Sub-Total                        |                              |                |                | 10,000.0        | 10,000.0 |      |      |      |      |
| A                                | TOT DIRECT PROJECT COST      |                | 5,000.0        | 11,000.0        | 11,000.0 |      |      |      |      |
| <b>Technical Assistance</b>      |                              |                |                |                 |          |      |      |      |      |
| Project Preparation              |                              |                |                |                 |          |      |      |      |      |
| Advisory                         |                              |                |                |                 |          |      |      |      |      |
| Training                         |                              |                |                |                 |          |      |      |      |      |
| Equipment                        |                              |                |                |                 |          |      |      |      |      |
| B                                | TOT TECHNICAL ASSISTANCE     |                |                |                 |          |      |      |      |      |
| <b>TOTAL PROJECT COST (A+B)</b>  |                              |                | 5,000.0        | 11,000.0        | 11,000.0 |      |      |      |      |
| <b>FINANCING SOURCES</b>         |                              |                |                |                 |          |      |      |      |      |
| IDENTIFIED FINANCING             |                              |                |                |                 |          |      |      |      |      |
| <b>Direct Project Financing:</b> |                              |                |                |                 |          |      |      |      |      |
| <b>Government Contributions:</b> |                              |                |                |                 |          |      |      |      |      |
| a) Government Input              |                              |                |                | 1,000.0         | 1,000.0  |      |      |      |      |
| b) Self Generating Revenue       |                              |                |                |                 |          |      |      |      |      |
| Loan                             |                              |                | 5,000.0        | 10,000.0        | 10,000.0 |      |      |      |      |
| Grant                            |                              |                |                |                 |          |      |      |      |      |
| C                                | TOTAL DIRECT FINANCING       |                | 5,000.0        | 11,000.0        | 11,000.0 |      |      |      |      |
| <b>Technical Assistance</b>      |                              |                |                |                 |          |      |      |      |      |
| D                                | <b>TOTAL FINANCING (C+D)</b> |                | 5,000.0        | 11,000.0        | 11,000.0 |      |      |      |      |
| <b>FINANCING SOUGHT</b>          |                              |                |                |                 |          |      |      |      |      |
| Direct Project Cost (A-C)        |                              |                |                |                 |          |      |      |      |      |
| Technical Assistance (B-D)       |                              |                |                |                 |          |      |      |      |      |
| <b>TOTAL FINANCING SOUGHT</b>    |                              |                |                |                 |          |      |      |      |      |

## CURRENT DONOR INVOLVEMENT

The program is funded by the World Bank.

## POTENTIAL DONOR INVOLVEMENT

Nil.

## 2011 Budget Votes for this PIP are :-

24731015218 PRODUCTIVE PARTNERSHIP FOR AGRICULTURE DI



**PIP NUMBER:** 3132

**PROJECT NAME:** SMALLHOLDER RICE PROMOTION PROJECT

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

**PROJECT OBJECTIVIES:**

(1) To improve food security situations and (2) Sustain subsistence rice farming practiced by smallholders by developing and applying the support system for model farmer extension activities.

**PROJECT COMPONENTS:**

(1) Training of local farmers on rice growing and harvesting techniques (2) Training of counterpart NDAL officers (3) Distribution of seedlings to local farmers

**PROJECT LOCATION:**

The program will be located in the East Sepik and Madang Provinces.

**PROJECT JUSTIFICATION:**

To meet the needs of the local rice farmers in their production. Since rice is a new crop in PNG, local farmers still lack the experiences skills in the production of rice. The current government see that the practice of rice self-production will provide effective food security measures against possible drastic population increase in the future. This project will also contribute to decrease in expenditures in rice expenditures on rice imports.

**PROJECT CAPACITY:**

The Department of Agriculture and Livestock has the capacity to implement the project. The project is currently facing the completion of phase three (3) scoping and the implementation of phase 3 will commence in 2010.

**PROJECT SUSTAINABILITY**

The Department of Agriculture & Livestock will sustain this project through the recurrent budget provided under the Domestic Rice Policy and Food security. JICA through phase 2 will dispatch experts for the project.

## 3132 SMALLHOLDER RICE PROMOTION PROJECT

ESTIMATED TOTAL PROJECT COST 0.0 ESTIMATED DURATION OF THE PROJECT 1.0 Years

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

| PROJECT COST                     |                              | 2009<br>Actual | 2010<br>Bugdet | 5 Year<br>Total | 2011     | 2012 | 2013 | 2014 | 2015 |
|----------------------------------|------------------------------|----------------|----------------|-----------------|----------|------|------|------|------|
| DIRECT PROJECT COST              |                              |                |                |                 |          |      |      |      |      |
| <b>Current Expenditure</b>       |                              |                |                |                 |          |      |      |      |      |
| Personal Emoluments              |                              |                |                |                 |          |      |      |      |      |
| Goods and Other Services         |                              |                | 1.0            | 11,108.0        | 11,108.0 |      |      |      |      |
| Current Transfers                |                              |                |                |                 |          |      |      |      |      |
| Sub-Total                        |                              |                | 1.0            | 11,108.0        | 11,108.0 |      |      |      |      |
| <b>Capital Expenditure</b>       |                              |                |                |                 |          |      |      |      |      |
| Acquisition of Existing Assets   |                              |                |                |                 |          |      |      |      |      |
| Capital Formation                |                              |                |                |                 |          |      |      |      |      |
| Capital Transfers                |                              |                |                |                 |          |      |      |      |      |
| Sub-Total                        |                              |                |                |                 |          |      |      |      |      |
| A                                | TOT DIRECT PROJECT COST      |                | 1.0            | 11,108.0        | 11,108.0 |      |      |      |      |
| <b>Technical Assistance</b>      |                              |                |                |                 |          |      |      |      |      |
| Project Preparation              |                              |                |                |                 |          |      |      |      |      |
| Advisory                         |                              |                |                |                 |          |      |      |      |      |
| Training                         |                              |                |                |                 |          |      |      |      |      |
| Equipment                        |                              |                |                |                 |          |      |      |      |      |
| B                                | TOT TECHNICAL ASSISTANCE     |                |                |                 |          |      |      |      |      |
| <b>TOTAL PROJECT COST (A+B)</b>  |                              |                | 1.0            | 11,108.0        | 11,108.0 |      |      |      |      |
| <b>FINANCING SOURCES</b>         |                              |                |                |                 |          |      |      |      |      |
| IDENTIFIED FINANCING             |                              |                |                |                 |          |      |      |      |      |
| <b>Direct Project Financing:</b> |                              |                |                |                 |          |      |      |      |      |
| <b>Government Contributions:</b> |                              |                |                |                 |          |      |      |      |      |
| a) Government Input              |                              |                |                | 300.0           | 300.0    |      |      |      |      |
| b) Self Generating Revenue       |                              |                |                |                 |          |      |      |      |      |
| Loan                             |                              |                |                |                 |          |      |      |      |      |
| Grant                            |                              |                | 1.0            | 10,808.0        | 10,808.0 |      |      |      |      |
| C                                | TOTAL DIRECT FINANCING       |                | 1.0            | 11,108.0        | 11,108.0 |      |      |      |      |
| <b>Technical Assistance</b>      |                              |                |                |                 |          |      |      |      |      |
| D                                | <b>TOTAL FINANCING (C+D)</b> |                | 1.0            | 11,108.0        | 11,108.0 |      |      |      |      |
| <b>FINANCING SOUGHT</b>          |                              |                |                |                 |          |      |      |      |      |
| Direct Project Cost (A-C)        |                              |                |                |                 |          |      |      |      |      |
| Technical Assistance (B-D)       |                              |                |                |                 |          |      |      |      |      |
| <b>TOTAL FINANCING SOUGHT</b>    |                              |                |                |                 |          |      |      |      |      |

## CURRENT DONOR INVOLVEMENT

The current donor is JICA.

## POTENTIAL DONOR INVOLVEMENT

Nil as the project already is donor funded.

## 2011 Budget Votes for this PIP are :-

24731015217 SMALLHOLDER RICE PROMOTION PROJECT

**PIP NUMBER:** 3195

**PROJECT NAME:** PNG-EID PANDEMICS AND EID PROGRAM

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

**PROJECT OBJECTIVES:**

The object of the project is to reduce the exotic and endamci pest and diseases of food crops and livestock, hence promote and maintain food security in the country.

**PROJECT STATUS:**

This project to be implemented in 2010.

**PROJECT COMPONENTS:**

The major components of the project are; awarness on exotic and endamic diseases of plants and animasl, and maintain food security.

**PROJECT LOCATION:**

The project will be staged nationwide.

**PROJECT JUSTIFICATION:**

This project is vital for the agriculture and livestock sector to be free from exotic and endamci pest and diseases. Thus, increase food and livestock production that maintain food security in the country.

**PROJECT CAPACITY:**

The Department of Agriculture and Livestock has the capacity to implement the project with the assstant from Australian Government.

**PROJECT BENEFICIARIES:**

The project will be benifited by the farmers who are affected by pest and disesas form various crops and livestock.

**PROJECT SUSTAINABILITY**

The Department of Agriculture and Livestock will implement the project while the Austrailan Government will sustain the project in terms of funding.

## 3195 PNG-EID PANDEMICS AND EID PROGRAM

ESTIMATED TOTAL PROJECT COST 1,026.0 ESTIMATED DURATION OF THE PROJECT 1.0 Years

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

| PROJECT COST                     |                              | 2009<br>Actual | 2010<br>Budget | 5 Year<br>Total | 2011    | 2012 | 2013 | 2014 | 2015 |
|----------------------------------|------------------------------|----------------|----------------|-----------------|---------|------|------|------|------|
| <b>DIRECT PROJECT COST</b>       |                              |                |                |                 |         |      |      |      |      |
| <b>Current Expenditure</b>       |                              |                |                |                 |         |      |      |      |      |
| Personal Emoluments              |                              |                |                |                 |         |      |      |      |      |
| Goods and Other Services         |                              |                | 1,026.0        | 1,428.0         | 1,428.0 |      |      |      |      |
| Current Transfers                |                              |                |                |                 |         |      |      |      |      |
| Sub-Total                        |                              |                | 1,026.0        | 1,428.0         | 1,428.0 |      |      |      |      |
| <b>Capital Expenditure</b>       |                              |                |                |                 |         |      |      |      |      |
| Acquisition of Existing Assets   |                              |                |                |                 |         |      |      |      |      |
| Capital Formation                |                              |                |                |                 |         |      |      |      |      |
| Capital Transfers                |                              |                |                |                 |         |      |      |      |      |
| Sub-Total                        |                              |                |                |                 |         |      |      |      |      |
| A                                | TOT DIRECT PROJECT COST      |                | 1,026.0        | 1,428.0         | 1,428.0 |      |      |      |      |
| <b>Technical Assistance</b>      |                              |                |                |                 |         |      |      |      |      |
| Project Preparation              |                              |                |                |                 |         |      |      |      |      |
| Advisory                         |                              |                |                |                 |         |      |      |      |      |
| Training                         |                              |                |                |                 |         |      |      |      |      |
| Equipment                        |                              |                |                |                 |         |      |      |      |      |
| B                                | TOT TECHNICAL ASSISTANCE     |                |                |                 |         |      |      |      |      |
| <b>TOTAL PROJECT COST (A+B)</b>  |                              |                | 1,026.0        | 1,428.0         | 1,428.0 |      |      |      |      |
| <b>FINANCING SOURCES</b>         |                              |                |                |                 |         |      |      |      |      |
| <b>IDENTIFIED FINANCING</b>      |                              |                |                |                 |         |      |      |      |      |
| <b>Direct Project Financing:</b> |                              |                |                |                 |         |      |      |      |      |
| <b>Government Contributions:</b> |                              |                |                |                 |         |      |      |      |      |
| a) Government Input              |                              |                |                |                 |         |      |      |      |      |
| b) Self Generating Revenue       |                              |                |                |                 |         |      |      |      |      |
| Loan                             |                              |                |                |                 |         |      |      |      |      |
| Grant                            |                              |                |                | 1,428.0         | 1,428.0 |      |      |      |      |
| C                                | TOTAL DIRECT FINANCING       |                |                | 1,428.0         | 1,428.0 |      |      |      |      |
| <b>Technical Assistance</b>      |                              |                |                |                 |         |      |      |      |      |
| D                                | <b>TOTAL FINANCING (C+D)</b> |                |                | 1,428.0         | 1,428.0 |      |      |      |      |
| <b>FINANCING SOUGHT</b>          |                              |                |                |                 |         |      |      |      |      |
| Direct Project Cost (A-C)        |                              |                | 1,026.0        |                 |         |      |      |      |      |
| Technical Assistance (B-D)       |                              |                |                |                 |         |      |      |      |      |
| <b>TOTAL FINANCING SOUGHT</b>    |                              |                | 1,026.0        |                 |         |      |      |      |      |

**CURRENT DONOR INVOLVEMENT**

The project will be fully funded by Australian Government.

**POTENTIAL DONOR INVOLVEMENT**

Nil.

**2011 Budget Votes for this PIP are :-**

24731014203 PNG-EID - PANDEMICS AND EID PROGRAM

**PIP NUMBER:** 3337

**PROJECT NAME:** RURAL ECONOMIC DEVELOPMENT

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

**PROJECT OBJECTIVIES:**

To provide a grant facility to support agricultural activities in rural areas. This facility will ensure direct support is provided to districts that demonstrates a positive attitude towards better development, total accountability and transparency.

**PROJECT STATUS:**

This is a new project that will commence implementation in 2008.

**PROJECT COMPONENTS:**

Main activities of the project includes: 1) Support to further development and improvement of district development plans with a focus on fostering and supporting rural economic growth, 2) Support to investment facilitation, improved access to markets, e.g. through improved infrastructure and information systems at the local level, 3) Support to innovative income generation activities in rural economic sectors, and 4) Institutional support to strengthen a strategic and coordinated approach for fostering rural economic growth at the national and sub-national levels.

**PROJECT LOCATION:**

The project will be implemented at the rural districts and wards, but will be coordinated through the European Union Desk located at the Department of national Planning & Monitoring and the Project Team at DAL.

**PROJECT JUSTIFICATION:**

The main focus of this project is to fund investments in the rural agriculture sector that will enhance income generating activities and encourage rural economic growth along the poverty corridor.

**PROJECT CAPACITY:**

The funding will be provided through the European Union with the actual implementation to be managed jointly with National Planning and DAL.

**PROJECT BENEFICIARIES:**

The project will benefit the rural agricultural sector and industries, the farmers and local communities in and around impacted project area.

**PROJECT SUSTAINABILITY**

The project will be sustained through EU grant funding.

**3337 RURAL ECONOMIC DEVELOPMENT**

ESTIMATED TOTAL PROJECT COST 0.0 ESTIMATED DURATION OF THE PROJECT 3.0 Years

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

| PROJECT COST                      |  | 2009<br>Actual | 2010<br>Bugdet | 5 Year<br>Total | 2011     | 2012 | 2013 | 2014 | 2015 |
|-----------------------------------|--|----------------|----------------|-----------------|----------|------|------|------|------|
| <b>DIRECT PROJECT COST</b>        |  |                |                |                 |          |      |      |      |      |
| <b>Current Expenditure</b>        |  |                |                |                 |          |      |      |      |      |
| Personal Emoluments               |  |                |                |                 |          |      |      |      |      |
| Goods and Other Services          |  |                |                | 650.0           | 650.0    |      |      |      |      |
| Current Transfers                 |  |                |                |                 |          |      |      |      |      |
| Sub-Total                         |  |                |                | 650.0           | 650.0    |      |      |      |      |
| <b>Capital Expenditure</b>        |  |                |                |                 |          |      |      |      |      |
| Acquisition of Existing Assets    |  |                |                |                 |          |      |      |      |      |
| Capital Formation                 |  |                |                | 28,861.0        | 28,861.0 |      |      |      |      |
| Capital Transfers                 |  |                |                |                 |          |      |      |      |      |
| Sub-Total                         |  |                |                | 28,861.0        | 28,861.0 |      |      |      |      |
| <b>A TOT DIRECT PROJECT COST</b>  |  |                |                | 29,511.0        | 29,511.0 |      |      |      |      |
| <b>Technical Assistance</b>       |  |                |                |                 |          |      |      |      |      |
| Project Preparation               |  |                |                |                 |          |      |      |      |      |
| Advisory                          |  |                |                |                 |          |      |      |      |      |
| Training                          |  |                |                |                 |          |      |      |      |      |
| Equipment                         |  |                |                |                 |          |      |      |      |      |
| <b>B TOT TECHNICAL ASSISTANCE</b> |  |                |                |                 |          |      |      |      |      |
| <b>TOTAL PROJECT COST (A+B)</b>   |  |                |                | 29,511.0        | 29,511.0 |      |      |      |      |
| <b>FINANCING SOURCES</b>          |  |                |                |                 |          |      |      |      |      |
| <b>IDENTIFIED FINANCING</b>       |  |                |                |                 |          |      |      |      |      |
| <b>Direct Project Financing:</b>  |  |                |                |                 |          |      |      |      |      |
| <b>Government Contributions:</b>  |  |                |                |                 |          |      |      |      |      |
| a) Government Input               |  |                |                | 1,000.0         | 1,000.0  |      |      |      |      |
| b) Self Generating Revenue        |  |                |                |                 |          |      |      |      |      |
| Loan                              |  |                |                |                 |          |      |      |      |      |
| Grant                             |  |                |                | 28,511.0        | 28,511.0 |      |      |      |      |
| <b>C TOTAL DIRECT FINANCING</b>   |  |                |                | 29,511.0        | 29,511.0 |      |      |      |      |
| <b>D Technical Assistance</b>     |  |                |                |                 |          |      |      |      |      |
| <b>TOTAL FINANCING (C+D)</b>      |  |                |                | 29,511.0        | 29,511.0 |      |      |      |      |
| <b>FINANCING SOUGHT</b>           |  |                |                |                 |          |      |      |      |      |
| Direct Project Cost (A-C)         |  |                |                |                 |          |      |      |      |      |
| Technical Assistance (B-D)        |  |                |                |                 |          |      |      |      |      |
| <b>TOTAL FINANCING SOUGHT</b>     |  |                |                |                 |          |      |      |      |      |

**CURRENT DONOR INVOLVEMENT**

GoPNG and EU are funding this project.

**POTENTIAL DONOR INVOLVEMENT**

Nil.

**2011 Budget Votes for this PIP are :-**

24731012207 RURAL ECONOMIC DEVELOPMENT