

553 Fresh Produce Development Company

(in Millions of Kina)

PIP No.	Project Title	5 Year Total	2010	2011	2012	2013	2014
2065	SEED POTATO	2.3	.8	.7	.5	.3	
2703	NZAID	10.8	3.3	3.0	2.5	2.0	
3050	NEW OFFICE COMPLEX	3.0	2.0	1.0			
3051	BOPM	1.3	.4	.4	.3	.3	
3193	GINGER PRODUCTION AN	1.7	.4	.4	.4	.3	.3
TOTAL CAPITAL PROJECTS		19.1	6.9	5.5	3.7	2.9	.3
TOTAL		19.1	6.9	5.5	3.7	2.9	.3

553 Fresh Produce Development Company

AGENCY SUMMARY OF ALL PROJECTS

EXPENDITURE PROJECTIONS AND FINANCING REQUIREMENTS (K Millions)

PROJECT COST		2008 Actual	2009	5 Year Total	2010	2011	2012	2013	2014
DIRECT PROJECT COST									
Current Expenditure									
Personal Emoluments									
Current Transfers			.8	1.7	.4	.4	.4	.3	.3
Goods and Other Services				7.0	2.2	2.1	1.4	1.3	
Sub-Total			.8	8.7	2.6	2.5	1.8	1.6	.3
Capital Expenditure									
Capital Transfers									
Acquisition of Existing Assets				1.7	1.3	.4			
Capital Formation				8.7	3.0	2.6	1.9	1.3	
Sub-Total				10.4	4.3	3.0	1.9	1.3	
A	TOT DIRECT PROJECT COST		.8	19.1	6.9	5.5	3.7	2.9	.3
Technical Assistance									
Project Preparation									
Equipment									
Advisory									
Training									
B	TOT TECHNICAL ASSISTANCE								
TOTAL PROJECT COST (A+B)			.8	19.1	6.9	5.5	3.7	2.9	.3
FINANCING SOURCES									
IDENTIFIED FINANCING									
Direct Project Financing:									
Government Contributions:									
Loan									
Grant				10.8	3.3	3.0	2.5	2.0	
b) Self Generating Revenue									
a) Government Input				8.3	3.6	2.5	1.2	.9	.3
C	TOTAL DIRECT FINANCING			19.1	6.9	5.5	3.7	2.9	.3
Technical Assistance									
D	TOTAL FINANCING (C+D)			19.1	6.9	5.5	3.7	2.9	.3
FINANCING SOUGHT									
Direct Project Cost (A-C)			.8						
Technical Assistance (B-D)									
TOTAL FINANCING SOUGHT			.8						

PIP NUMBER: 2065

PROJECT NAME: SEED POTATO SCHEME

EXECUTING AGENCY: Fresh Produce Development Company

PROJECT OBJECTIVIES:

To establish the appropriate infrastructure to facilitate production of elite seed necessary to produce certified seed for the production of potatoes required by primary farmers, food processing industries and market consumption.

PROJECT STATUS:

financial support to the importation of seeds from New Zealand. The Government through FPDA now has the task of reproducing these seeds and distribute them as widely as possible through the highlands and throughout the country, This plant takes a lengthy stage and process (years) to fully recover to its pure tuber stage, which is the edible potato. General progress to date is just doing of the tissue culture, nursery them in the screen houses, transferring for planting out in the fields, and harvesting and collection of elite seeds. They are now in the process

The program is successful, however has faced tough times with the recent Potato Late Blight Disease in 2003 which destroyed a lot of the potato base and reproduction areas in the Highlands region. The focus of FPDA now is to revive the industry, particularly the holding of germ plasma of the Sebaco species potato , and also have an abundant supply of seed potato which can be further grown as eating potatoes by farmers. Successful development of the industry started picking up in 2005 with the cooperation of Highlands provincial governments in terms of

of seed collection and distribution and replanting, thus this process will continuing and will take time to fully recover the elite seeds back.

PROJECT COMPONENTS:

There are five components of the project: (a) establish a elite seed base at Tambul, (b) strengthen existing certified seed programme in WHP and SHP, (c) expand certified seed activities into the Enga, Simbu and EHP, (d) Supply seed to coastal provinces, (e) uptake commercial production of certified seed.

PROJECT LOCATION:

The project is located in Tambul, in the Western Highlands Province (WHP) and the extension activities go as far as Southern Highlands Province (SHP), Simbu and Eastern Highlands Province (EHP).

PROJECT JUSTIFICATION:

This project is in support of the implementation of the food security and to reduce the dependence on imported supply of potato seeds. The aim is to encourage the domestic production of elite seed in order to reduce the cost of imports of elite seeds. It is also anticipated that with increased production PNG may be able to export to neighbouring island nations.

PROJECT CAPACITY:

FPDA is now capable and has the capacity to implement the project.

PROJECT BENEFICIARIES:

The direct beneficiaries are the seed potato farmers of Western and Southern Highlands Provinces and eventually other farmers throughout the country.

PROJECT SUSTAINABILITY

The sustainability of the project will depend on how well the FPDA manages the project in terms of the training of the staff to effectively carry out its extension and training functions to the potato growers. Moreover, the success of the project will depend on the success of the domestic production of the elite seed potato.

2065 SEED POTATO SCHEME

ESTIMATED TOTAL PROJECT COST 1,456.6 ESTIMATED DURATION OF THE PROJECT 5.0 Years

EXPENDITURE PROJECTION AND FINANCING REQUIREMENTS (K'000)

PROJECT COST		2008 Actual	2009 Bugdet	5 Year Total	2010	2011	2012	2013	2014
DIRECT PROJECT COST									
Current Expenditure									
Personal Emoluments									
Goods and Other Services				908.0	308.0	300.0	200.0	100.0	
Current Transfers			800.0						
Sub-Total			800.0	908.0	308.0	300.0	200.0	100.0	
Capital Expenditure									
Acquisition of Existing Assets									
Capital Formation				1,392.0	492.0	400.0	300.0	200.0	
Capital Transfers									
Sub-Total				1,392.0	492.0	400.0	300.0	200.0	
A	TOT DIRECT PROJECT COST		800.0	2,300.0	800.0	700.0	500.0	300.0	
Technical Assistance									
Project Preparation									
Advisory									
Training									
Equipment									
B	TOT TECHNICAL ASSISTANCE								
TOTAL PROJECT COST (A+B)			800.0	2,300.0	800.0	700.0	500.0	300.0	
FINANCING SOURCES									
IDENTIFIED FINANCING									
Direct Project Financing:									
Government Contributions:									
a) Government Input				2,300.0	800.0	700.0	500.0	300.0	
b) Self Generating Revenue									
Loan									
Grant									
C	TOTAL DIRECT FINANCING			2,300.0	800.0	700.0	500.0	300.0	
Technical Assistance									
D	TOTAL FINANCING (C+D)			2,300.0	800.0	700.0	500.0	300.0	
FINANCING SOUGHT									
Direct Project Cost (A-C)			800.0						
Technical Assistance (B-D)									
TOTAL FINANCING SOUGHT			800.0						

CURRENT DONOR INVOLVEMENT

None. Project is fully funded through the national budget.

POTENTIAL DONOR INVOLVEMENT

No donor involvement in this project.

2010 Budget Votes for this PIP are :-

55331011203 SEED POTATOE SCHEME

PIP NUMBER: 2703

PROJECT NAME: NZAID SUPPORT

EXECUTING AGENCY: Fresh Produce Development Company

PROJECT OBJECTIVIES:

To provide technical assistance and support to build the capacity with in FPDC to idependently manage and sustain major project initiatives funded previously including the NZ Seed Potato Rehabilitation which concludes at the end of 2008.

PROJECT STATUS:

This is a new project to commence implementation in 2008.

PROJECT COMPONENTS:

Major components of the project includes, (1) Technical Assistance (2) Training.

PROJECT LOCATION:

The project will be located within FPDC Office in Hagen, WHP.

PROJECT JUSTIFICATION:

A number of major projects have been initiated and funded under FPDC and includes the New Zealand Seed Potato Rehabilitation Project. All these projects will conclude towards the end of 2008 and will be left to FPDC to continue to sustain these projects. The NZAID Support to FPDC is an initiative designed to complement these projects to build capacity within FPDC to ensure that the projects are sustainable and the targeted outputs are achieved and realized in the long run.

PROJECT CAPACITY:

FPDC have successfully implemented previous funded projects and this project will further enhance its capacity to manage its operations and and bigger projects in the future.

PROJECT BENEFICIARIES:

Primary beneficiaries will be FPDC and its staffs, the targeted farmers and institutions and the Agriculture Sector.

PROJECT SUSTAINABILITY

FPDC will be able to sustain activities currently undertaken through its various projects through support under this project.

2703 NZAID SUPPORT

ESTIMATED TOTAL PROJECT COST 2,500.0 ESTIMATED DURATION OF THE PROJECT 2.0 Years

EXPENDITURE PROJECTION AND FINANCING REQUIREMENTS (K'000)

PROJECT COST		2008 Actual	2009 Bugdet	5 Year Total	2010	2011	2012	2013	2014
DIRECT PROJECT COST									
Current Expenditure									
Personal Emoluments									
Goods and Other Services				4,000.0	1,000.0	1,000.0	1,000.0	1,000.0	
Current Transfers									
Sub-Total				4,000.0	1,000.0	1,000.0	1,000.0	1,000.0	
Capital Expenditure									
Acquisition of Existing Assets									
Capital Formation				6,819.0	2,319.0	2,000.0	1,500.0	1,000.0	
Capital Transfers									
Sub-Total				6,819.0	2,319.0	2,000.0	1,500.0	1,000.0	
TOT DIRECT PROJECT COST				10,819.0	3,319.0	3,000.0	2,500.0	2,000.0	
Technical Assistance									
Project Preparation									
Advisory									
Training									
Equipment									
TOT TECHNICAL ASSISTANCE									
TOTAL PROJECT COST (A+B)				10,819.0	3,319.0	3,000.0	2,500.0	2,000.0	
FINANCING SOURCES									
IDENTIFIED FINANCING									
Direct Project Financing:									
Government Contributions:									
a) Government Input									
b) Self Generating Revenue									
Loan									
Grant				10,819.0	3,319.0	3,000.0	2,500.0	2,000.0	
TOTAL DIRECT FINANCING				10,819.0	3,319.0	3,000.0	2,500.0	2,000.0	
Technical Assistance									
TOTAL FINANCING (C+D)				10,819.0	3,319.0	3,000.0	2,500.0	2,000.0	
FINANCING SOUGHT									
Direct Project Cost (A-C)									
Technical Assistance (B-D)									
TOTAL FINANCING SOUGHT									

CURRENT DONOR INVOLVEMENT

NZAID is fully funding the project.

POTENTIAL DONOR INVOLVEMENT

There is no potential for other donor involvement but NZAID.

2010 Budget Votes for this PIP are :-

55331011212 NZAID SUPPORT TO FPDA

PIP NUMBER: 3050

PROJECT NAME: NEW OFFICE COMPLEX

EXECUTING AGENCY: Fresh Produce Development Company

PROJECT OBJECTIVIES:

To build a new office complex to be the FPDA headquarters.

PROJECT STATUS:

New project to be implemented in 2010.

PROJECT COMPONENTS:

The major components of the project are; Land negotiation with local, provincial and national government, Acquire and register land title, Survey and provide sketch of the office complex.

PROJECT LOCATION:

The project will be carried out in Goroka, EHP.

PROJECT JUSTIFICATION:

FPDA decided to construct its new office complex due to the lease agreement on the current local expiring by 2012. FPDA is currently properties which is a cost to FPDA and state in rental costs and intendes to build its own office.

PROJECT CAPACITY:

FPDA will liase with the building contractor for the construction of the office complex.

PROJECT BENEFICIARIES:

The project will be benefited by FPDA.

PROJECT SUSTAINABILITY

Maintenance will be mat by FPDA after the building is done. Reporting of the project will be done on quartely bases.

3050 NEW OFFICE COMPLEX

ESTIMATED TOTAL PROJECT COST 2,000.0 ESTIMATED DURATION OF THE PROJECT 1.0 Years

EXPENDITURE PROJECTION AND FINANCING REQUIREMENTS (K'000)

PROJECT COST		2008 Actual	2009 Bugdet	5 Year Total	2010	2011	2012	2013	2014
DIRECT PROJECT COST									
Current Expenditure									
Personal Emoluments									
Goods and Other Services				1,300.0	700.0	600.0			
Current Transfers									
Sub-Total				1,300.0	700.0	600.0			
Capital Expenditure									
Acquisition of Existing Assets				1,700.0	1,300.0	400.0			
Capital Formation									
Capital Transfers									
Sub-Total				1,700.0	1,300.0	400.0			
A TOT DIRECT PROJECT COST				3,000.0	2,000.0	1,000.0			
Technical Assistance									
Project Preparation									
Advisory									
Training									
Equipment									
B TOT TECHNICAL ASSISTANCE									
TOTAL PROJECT COST (A+B)				3,000.0	2,000.0	1,000.0			
FINANCING SOURCES									
IDENTIFIED FINANCING									
Direct Project Financing:									
Government Contributions:									
a) Government Input				3,000.0	2,000.0	1,000.0			
b) Self Generating Revenue									
Loan									
Grant									
C TOTAL DIRECT FINANCING				3,000.0	2,000.0	1,000.0			
D Technical Assistance									
TOTAL FINANCING (C+D)				3,000.0	2,000.0	1,000.0			
FINANCING SOUGHT									
Direct Project Cost (A-C)									
Technical Assistance (B-D)									
TOTAL FINANCING SOUGHT									

CURRENT DONOR INVOLVEMENT

There is no current donor involvement.

POTENTIAL DONOR INVOLVEMENT

There is no potential donor involvement.

2010 Budget Votes for this PIP are :-

55331011210 NEW OFFICE COMPLEX

PIP NUMBER: 3051

PROJECT NAME: BULB ONION PRODUCTION & MARKETING

EXECUTING AGENCY: Fresh Produce Development Company

PROJECT OBJECTIVES:

To promote a sustainable production and marketing of bulb onion.

PROJECT STATUS:

New project to be implemented in 2010.

PROJECT COMPONENTS:

The major components are; Capacity building and networking of bulb onion farmers, Establishment of markets, and Infrastructure building - warehouse.

PROJECT LOCATION:

The proejct will be located at EHP, Simbu and WHP.

PROJECT JUSTIFICATION:

While PNG has the capacity to produce bulb onion on a massive scale to meet the internal demand, we are still dependent on imports to supplement shortfalls. With the LNG Project the government needs to support this project to increase levels of production to meet the market demand and the potential to export to other pacific island nations.

PROJECT CAPACITY:

FPDA has done teh trials and therefore, has established the capacity to carry out the project on much larger scale.

PROJECT BENEFICIARIES:

The project will be mostly benefited by the bulb onion farmers.

PROJECT SUSTAINABILITY

FPDA will sustain the project through its recurrent budget after the project time frame is over.

3051 BULB ONION PRODUCTION & MARKETING

ESTIMATED TOTAL PROJECT COST 440.7 ESTIMATED DURATION OF THE PROJECT 1.0 Years

EXPENDITURE PROJECTION AND FINANCING REQUIREMENTS (K'000)

PROJECT COST		2008 Actual	2009 Budget	5 Year Total	2010	2011	2012	2013	2014
DIRECT PROJECT COST									
Current Expenditure									
Personal Emoluments									
Goods and Other Services				814.0	214.0	200.0	200.0	200.0	
Current Transfers									
Sub-Total				814.0	214.0	200.0	200.0	200.0	
Capital Expenditure									
Acquisition of Existing Assets									
Capital Formation				486.0	186.0	150.0	100.0	50.0	
Capital Transfers									
Sub-Total				486.0	186.0	150.0	100.0	50.0	
A	TOT DIRECT PROJECT COST			1,300.0	400.0	350.0	300.0	250.0	
Technical Assistance									
Project Preparation									
Advisory									
Training									
Equipment									
B	TOT TECHNICAL ASSISTANCE								
TOTAL PROJECT COST (A+B)				1,300.0	400.0	350.0	300.0	250.0	
FINANCING SOURCES									
IDENTIFIED FINANCING									
Direct Project Financing:									
Government Contributions:									
a) Government Input				1,300.0	400.0	350.0	300.0	250.0	
b) Self Generating Revenue									
Loan									
Grant									
C	TOTAL DIRECT FINANCING			1,300.0	400.0	350.0	300.0	250.0	
Technical Assistance									
D	TOTAL FINANCING (C+D)			1,300.0	400.0	350.0	300.0	250.0	
FINANCING SOUGHT									
Direct Project Cost (A-C)									
Technical Assistance (B-D)									
TOTAL FINANCING SOUGHT									

CURRENT DONOR INVOLVEMENT

Nil.

POTENTIAL DONOR INVOLVEMENT

No potential donor involvement.

2010 Budget Votes for this PIP are :-

55331011211 BULB ONION PRODUCTION & MARKETING

PIP NUMBER: 3193

PROJECT NAME: GINGER PRODUCTION AND MARKETING

EXECUTING AGENCY: Fresh Produce Development Company

PROJECT OBJECTIVIES:

To bring ginger commodity into export market for the rural population to earn reasonable income to improve their livelihood.

PROJECT STATUS:

New project to be implemented in 2010.

PROJECT COMPONENTS:

The major components are; (i) conduct traing and extension services to the ginger farmers, (ii) establish production system and help farmers in participating in the system, (iii) establish market for the ginger farmers, (iv) safeguarding ginger quality, and (v) set-up export facilities.

PROJECT LOCATION:

The project will be implemented in the Brown River and Sogeri areas of Central Province.

PROJECT JUSTIFICATION:

The project will promote ginger production and provide market for producers.

PROJECT CAPACITY:

FPDA has the technical and managemental skills to implement the project with the assistance of other agencies.

PROJECT BENEFICIARIES:

The project will be benefited by the local ginger farmers in the Soger and Brown River areas as well as the private companies invlove in the spice industry.

PROJECT SUSTAINABILITY

The project will be sustained via FPDA recurrent budget after the GoPNG funding is over.

3193 GINGER PRODUCTION AND MARKETING

ESTIMATED TOTAL PROJECT COST 437.0 ESTIMATED DURATION OF THE PROJECT 1.0 Years

EXPENDITURE PROJECTION AND FINANCING REQUIREMENTS (K'000)

PROJECT COST		2008 Actual	2009 Budget	5 Year Total	2010	2011	2012	2013	2014
DIRECT PROJECT COST									
Current Expenditure									
Personal Emoluments									
Goods and Other Services									
Current Transfers				1,737.0	437.0	400.0	350.0	300.0	250.0
Sub-Total				1,737.0	437.0	400.0	350.0	300.0	250.0
Capital Expenditure									
Acquisition of Existing Assets									
Capital Formation									
Capital Transfers									
Sub-Total									
A	TOT DIRECT PROJECT COST			1,737.0	437.0	400.0	350.0	300.0	250.0
Technical Assistance									
Project Preparation									
Advisory									
Training									
Equipment									
B	TOT TECHNICAL ASSISTANCE								
TOTAL PROJECT COST (A+B)				1,737.0	437.0	400.0	350.0	300.0	250.0
FINANCING SOURCES									
IDENTIFIED FINANCING									
Direct Project Financing:									
Government Contributions:									
a) Government Input				1,737.0	437.0	400.0	350.0	300.0	250.0
b) Self Generating Revenue									
Loan									
Grant									
C	TOTAL DIRECT FINANCING			1,737.0	437.0	400.0	350.0	300.0	250.0
Technical Assistance									
D	TOTAL FINANCING (C+D)			1,737.0	437.0	400.0	350.0	300.0	250.0
FINANCING SOUGHT									
Direct Project Cost (A-C)									
Technical Assistance (B-D)									
TOTAL FINANCING SOUGHT									

CURRENT DONOR INVOLVEMENT

There is no current donor involvement.

POTENTIAL DONOR INVOLVEMENT

There is no potential donor involvement.

2010 Budget Votes for this PIP are :-

55331011213 GINGER PRODUCTION & MARKETING