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Summary of Agency Expenditure by Program Structure

(in thousands of Kina)

Activity		Actuals	Appropriation	
Code	Description	2012	2013	2014
Main Program	Agriculture and Livestock Services	9,184.0	7,223.0	32,423.0
Program	Coffee Industry Corporation	9,184.0	7,223.0	32,423.0
11642	Coffee Industry Corporation	2,184.0	3,223.0	3,223.0
20442	Freight Assurance Subsidy Scheme	4,500.0	4,000.0	7,000.0
21448	District Coffee Rehabilitation Program	2,500.0		
22054	Coffee Rehabilitation and Development Phase II			7,000.0
22055	Lae Coffee Export Office Rehabilitation			2,200.0
22104	Strategic Defense of PNG Coffee Industry against Coffee			2,000.0
22175	Coffee Price Subsidy			11,000.0
Grand Total		9,184.0	7,223.0	32,423.0

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Summary of Agency Expenditure by Item(s)

(in thousands of Kina)

Economic Item		Actual	Appropriation	
Code	Description	2012	2013	2014
2	EXPENSES			
21	Personnel Emoluments		1,795.8	1,836.8
211	Salaries and Allowances		1,537.8	1,537.8
212	Wages		123.0	164.0
213	Overtime		85.0	85.0
215	Retirement Benefits, Pensions, Gratuities		50.0	50.0
22	Goods & Services	1,280.0	1,518.0	22,127.0
221	Domestic Travel and Subsistence			50.5
222	Travel and Subsistence		50.5	
223	Office Materials and Supplies		56.2	56.2
224	Operational Materials and Supplies	500.0	85.4	1,716.4
225	Transport and Fuel		59.2	59.2
227	Other Operational Expenses	200.0	961.7	19,611.7
228	Training	580.0	305.0	633.0
23	Utilities, Rentals and Property Costs		166.0	166.0
231	Utilities		56.0	56.0
232	Rentals of Property		85.0	85.0
233	Routine Maintenance		25.0	25.0
25	Grants Subsidies and Transfers	5,784.0	2,523.2	23.2
251	Membership Fees, Subscriptions & Contribution		23.2	23.2
252	Grants/Transfers to Public Authorities	5,784.0	2,500.0	
27	Capital Formation	2,120.0	1,220.0	8,270.0
271	Office Equipments, Furniture & Fittings			400.0
273	Motor Vehicles			340.0
274	Feasibility Studies & Project Preparation		100.0	
275	Plant, Equipment & Machinery	520.0	865.0	390.0
276	Construction, Renovation and Improvements	1,600.0	255.0	7,140.0
Grand Total		9,184.0	7,223.0	32,423.0

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Main Program: Agriculture and Livestock Services

Program: Coffee Industry Corporation

Program Objectives:

To support and improve production and price of coffee exported by Papua New Guinea relatively to other competitive coffee producing countries. To increase the production of coffee. To improve efficiency of coffee production by growers. To promote the consumption of PNG coffee in existing and potential new markets. To increase the processing and manufacturing of coffee locally. To reduce the incidence of coffee pests and diseases. To promote PNG's interests within international organizations such as the ICO. To maximize the efficiency of the processing, manufacturing and exports subsectors of the industry. To facilitate the effective involvement of all industry sectors in the management and control of the industry.

Program Description:

Extensive research on coffee quality control and cantimor trials to improve production. Provision of personnel administration and information management and support systems to implement its strategies and for monitoring and evaluation. Provision of an efficient and effective agricultural extension service for coffee growers, particularly smallholders throughout PNG.

This program consists of 7 Activities and Projects the expenditure and other data of which are given in the following tables:

11642	Coffee Industry Corporation
20442	Freight Assurance Subsidy Scheme
21448	District Coffee Rehabilitation Program
22054	Coffee Rehabilitation and Development Phase II
22055	Lae Coffee Export Office Rehabilitation
22104	Strategic Defense of PNG Coffee Industry against Coffee
22175	Coffee Price Subsidy

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Activity: 11642 Coffee Industry Corporation

(PBS Code: 55431011101)

A: Expenditure (in thousands of Kina)

Economic Item		Actual	Appropriation	
Code	Description	2012	2013	2014
2	EXPENSES			
21	Personnel Emoluments	0.0	1,795.8	1,795.8
211	Salaries and Allowances	0.0	1,537.8	1,537.8
212	Wages	0.0	123.0	123.0
213	Overtime	0.0	85.0	85.0
215	Retirement Benefits, Pensions, Gratuities	0.0	50.0	50.0
22	Goods & Services	0.0	1,238.0	1,238.0
221	Domestic Travel and Subsistence	0.0	0.0	50.5
222	Travel and Subsistence	0.0	50.5	0.0
223	Office Materials and Supplies	0.0	56.2	56.2
224	Operational Materials and Supplies	0.0	85.4	85.4
225	Transport and Fuel	0.0	59.2	59.2
227	Other Operational Expenses	0.0	961.7	961.7
228	Training	0.0	25.0	25.0
23	Utilities, Rentals and Property Costs	0.0	166.0	166.0
231	Utilities	0.0	56.0	56.0
232	Rentals of Property	0.0	85.0	85.0
233	Routine Maintenance	0.0	25.0	25.0
25	Grants Subsidies and Transfers	2,184.0	23.2	23.2
251	Membership Fees, Subscriptions & Contribution	0.0	23.2	23.2
252	Grants/Transfers to Public Authorities	2,184.0	0.0	0.0
	GRAND TOTAL	2,184.0	3,223.0	3,223.0

B: Other Data in 2014

1 Staffing 115 Staff on Strength, 100 labourers, Nil vacancies

2 Revenue An estimate of K9 million to be generated in 2014.

3 Footnote: CIC reoprt back to BSC in the 2014 budget context on options to: (A) increase revenues earned including but not limited to increase fees charges for services provided; and (B) Reduce its reliance on the recurrent budget funding.

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Project: 20442 Freight Assurance Subsidy Scheme

(PBS Code: 554-3101-1-207)

A: Expenditure (in thousands of Kina)

Economic Item		Actual	Appropriation	
Code	Description	2012	2013	2014
2	EXPENSES			
	01 - Government of Papua New Guinea	4,500.0	4,000.0	7,000.0
212	Wages	0.0	0.0	19.0
224	Operational Materials and Supplies	0.0	0.0	200.0
227	Other Operational Expenses	0.0	0.0	6,032.0
228	Training	380.0	280.0	19.0
252	Grants/Transfers to Public Authorities	3,600.0	2,500.0	0.0
273	Motor Vehicles	0.0	0.0	340.0
274	Feasibility Studies & Project Preparation	0.0	100.0	0.0
275	Plant, Equipment & Machinery	520.0	865.0	390.0
276	Construction, Renovation and Improvements	0.0	255.0	0.0
	GRAND TOTAL	4,500.0	4,000.0	7,000.0

B: Other Data in 2014

1. Revenue Source : Fully GoPNG funded.

2. Performance Targets/Indicators : Remote farmers engaged through the corporative society concept and their coffee produce freighted.

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Project: 21448 District Coffee Rehabilitation Program

(PBS Code: 554-3101-1-212)

A: Expenditure (in thousands of Kina)

Economic Item		Actual	Appropriation	
Code	Description	2012	2013	2014
2	EXPENSES			
	01 - Government of Papua New Guinea	2,500.0	0.0	0.0
224	Operational Materials and Supplies	500.0	0.0	0.0
227	Other Operational Expenses	200.0	0.0	0.0
228	Training	200.0	0.0	0.0
276	Construction, Renovation and Improvements	1,600.0	0.0	0.0
	GRAND TOTAL	2,500.0	0.0	0.0

B: Other Data in 2014

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Project: 22054 Coffee Rehabilitation and Development Phase II

(PBS Code: 554-3101-1213)

A: Expenditure (in thousands of Kina)

Economic Item		Actual	Appropriation	
Code	Description	2012	2013	2014
2	EXPENSES			
	01 - Government of Papua New Guinea	0.0	0.0	7,000.0
224	Operational Materials and Supplies	0.0	0.0	1,000.0
227	Other Operational Expenses	0.0	0.0	1,000.0
228	Training	0.0	0.0	400.0
276	Construction, Renovation and Improvements	0.0	0.0	4,600.0
	GRAND TOTAL	0.0	0.0	7,000.0

B: Other Data in 2014

1. Revenue Source : Fully GoPNG funded.

2. Performance Indicators/Targets : Aneffective rehabilitation and expansion program through the establishment of nurseries, model farm concept and appropriate technical support.

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Project: 22055 Lae Coffee Export Office Rehabilitation

(PBS Code: 554-3101-1214)

A: Expenditure (in thousands of Kina)

Economic Item		Actual	Appropriation	
Code	Description	2012	2013	2014
2	EXPENSES			
	01 - Government of Papua New Guinea	0.0	0.0	2,200.0
227	Other Operational Expenses	0.0	0.0	100.0
271	Office Equipments, Furniture & Fittings	0.0	0.0	400.0
276	Construction, Renovation and Improvements	0.0	0.0	1,700.0
	GRAND TOTAL	0.0	0.0	2,200.0

B: Other Data in 2014

1. Revenue Source : Fully GoPNG funded.
2. Performance Targets/Indicators : Coffee Export Office rehabilitated and the quality of exported coffee is improved.

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**Project: 22104 Strategic Defense of PNG Coffee Industry
against Coffee**

(PBS Code: 554-3101-1-215)

A: Expenditure (in thousands of Kina)

Economic Item		Actual	Appropriation	
Code	Description	2012	2013	2014
2	EXPENSES			
	01 - Government of Papua New Guinea	0.0	0.0	2,000.0
212	Wages	0.0	0.0	22.0
224	Operational Materials and Supplies	0.0	0.0	431.0
227	Other Operational Expenses	0.0	0.0	518.0
228	Training	0.0	0.0	189.0
276	Construction, Renovation and Improvements	0.0	0.0	840.0
	GRAND TOTAL	0.0	0.0	2,000.0

B: Other Data in 2014

1. Revenue Source : Fully GoPNG funded.
2. Performance Targets/Indicators : Appropriate countermeasures established in combating Coffee Berry Borer.

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Project: 22175 Coffee Price Subsidy

(PBS Code: 554-3101-1-216)

A: Expenditure (in thousands of Kina)

Economic Item		Actual	Appropriation	
Code	Description	2012	2013	2014
2	EXPENSES			
	01 - Government of Papua New Guinea	0.0	0.0	11,000.0
227	Other Operational Expenses	0.0	0.0	11,000.0
	GRAND TOTAL	0.0	0.0	11,000.0

B: Other Data in 2014

1. Revenue Source : Fully GoPNG funded.

2. Performance Targets/Indicators : Price for coffee subsidized resulting in sustainable and increase production of coffee at smallholder level.