



ECONOMIC SIGNIFICANCE OF SUPPORTING AGRICULTURE PROJECTS

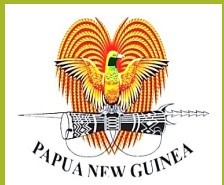
**POLICY, DEVELOPMENT PRIORITIES &
OPPORTUNITIES**



CONTENT



- Acknowledging Past and Present.
- National Policies and Plans
- Development Priorities
- Extractive Industry & Agriculture Development
- The Need for Partnership for Prosperity in PNG.



ACKNOWLEDGING PRESENT & PAST IMPACT INVESTMENTS

Agriculture Production

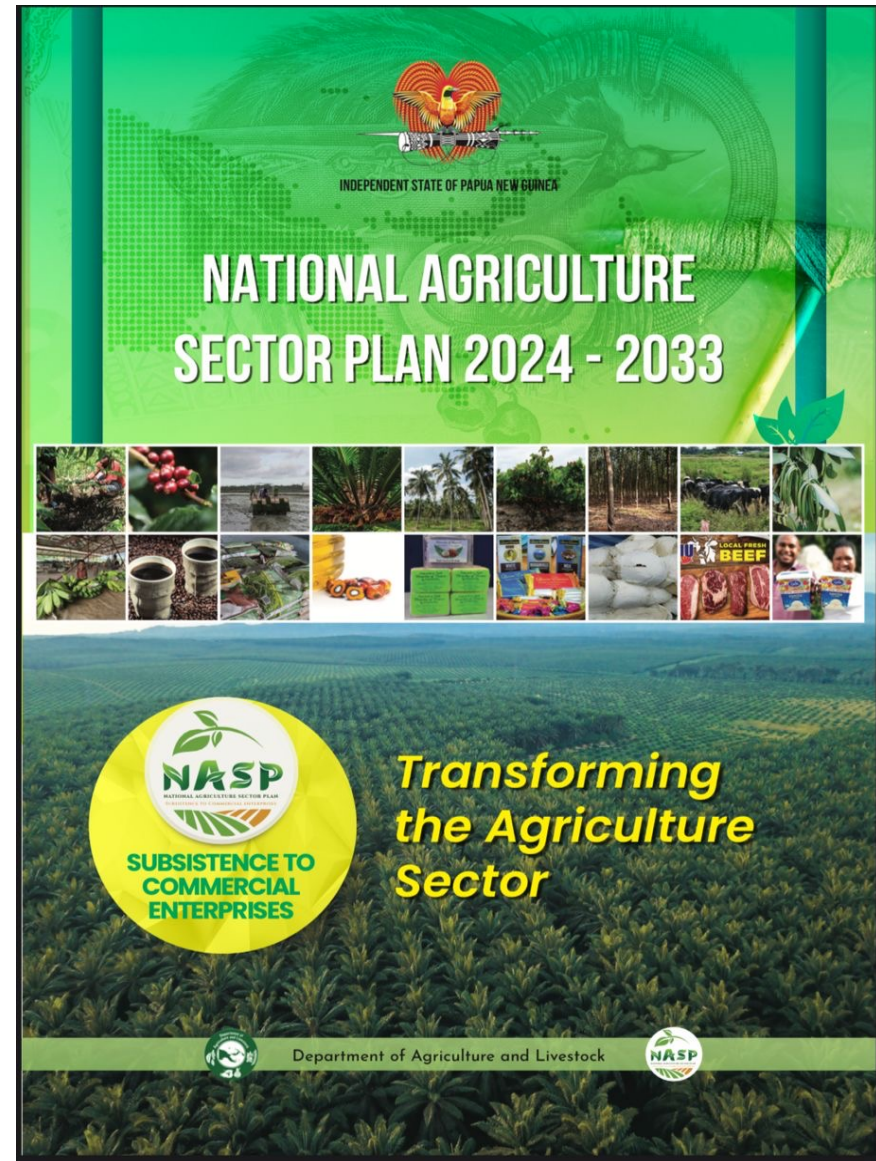
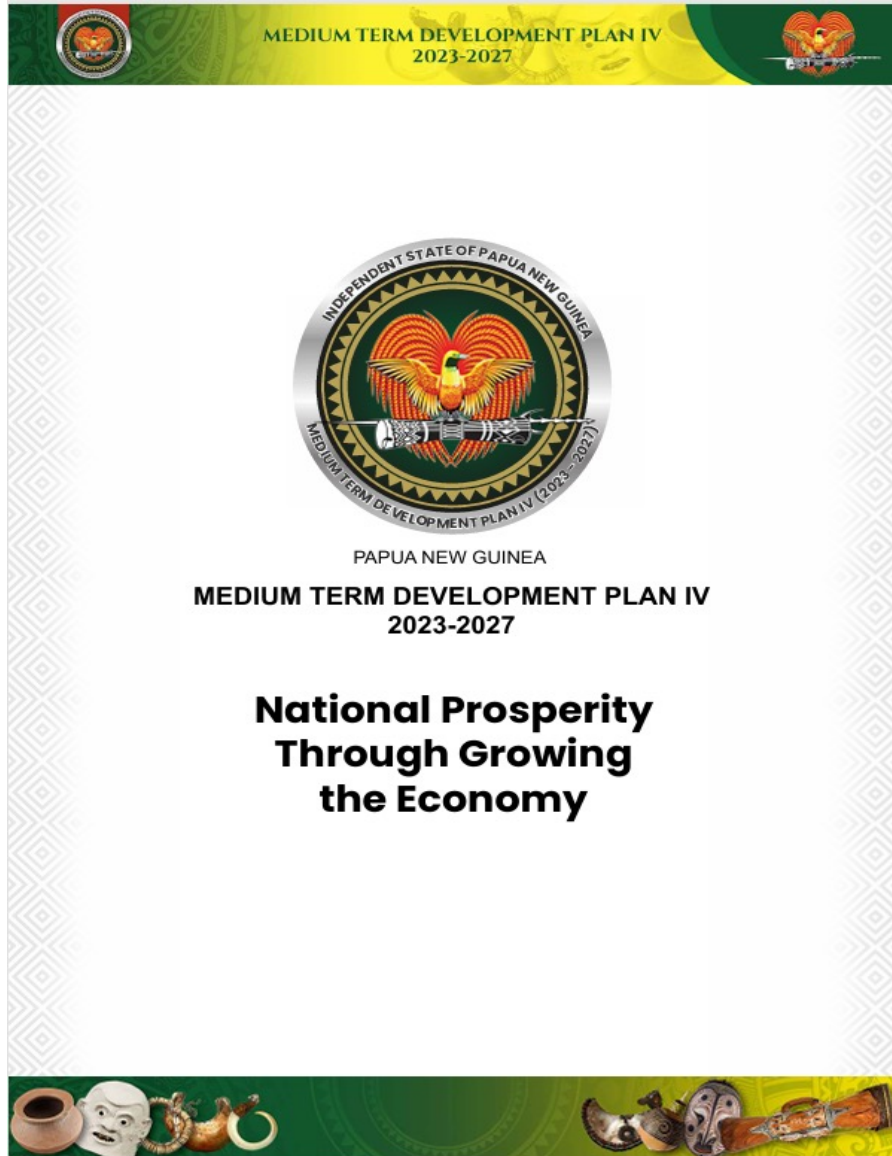
- Sime-Darby – New Britain Palm Oil, Ramu Agri-industries, Milne Bay Estates formerly Cargills.
- SIPEF Hargy Palm Oil
- Turubu Palm Oil
- Bewani Palm Oil
- WR Carpenters
- Kenmore Group
- Highland Products, Zenag Chicken
- Mainland Holdings, Niugini Tablebirds
- Boroma Piggery
- Wonderland Agristock

Non-Renewable Resources

- Bougainville Copper Limited – 1970's-1980's
- Ok Tedi Mining 1980's to current
- Barrick, formerly Placer-Dome – New Porgera
- Newmont, formerly Newcrest – Lihir
- Newcrest and Harmony Gold – Hidden Valley
- K92 Gold - Kainantu
- Ramu Nickel Co. – Madang
- Newcrest and Harmony Gold – Wafi-Golpu in development
- Santos and Exxon-Mobil, formerly Oilsearch and Chevron – Kutubu, Moran and Gobi Oil, PNG LNG
- Total and Exxon-Mobil – Papua LNG under pre-development



NATIONAL POLICIES AND PLANS FOR AGRICULTURE DEVELOPMENT



NATIONAL AGRICULTURE SECTOR PLAN (NASP) 2024 -2033

& COORDINATION STRATEGIES

2 Key Development Outcomes

1. GDP Contribution of K30 billion
2. Create 2 Million Jobs



“INVEST IN AGRICULTURE SECTOR”



Livestock Farming

Transforming the Agriculture Sector:

Subsistence Farming to Commercial Enterprises, Exponential 11% Growth Per Annum

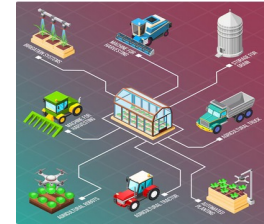
AGRICULTURE DEVELOPMENT PRIORITIES



FOOD, NUTRITION AND HOUSEHOLD ECONOMIC SECURITY

11 Million People, 80+% Rural, 40% Poverty, 48% Early Childhood Stunting, 80% of Food Calories Consumed in PNG are Grown in PNG.

QUALITY, ACCESSIBLE AGRIBUSINESS INFRASTRUCTURE & SERVICES



COMMERCIALIZE AGRICULTURE - FORMALIZE, VALUE CHAINS, SUPPLY CHAINS

UPSCALE PRODUCTION FOR EFFICIENCY, SCALE AND SUPPLY CONTINUITY



VALUE-ADD LOCAL PRODUCTS THROUGH DOWNSTREAM PROCESSING



COMPETITIVELY REPLACE FOOD IMPORTS WITH LOCAL PRODUCTION

CREATE 450,000 MSME's AND MICRO, SMALL AND MEDIUM INDUSTRIES BY 2030



CREATE 1 MILLION NEW JOBS BY 2030 AND 1 MILLION MORE BY 2033

CONTRIBUTE PGK30 BILLION TOWARDS PGK200 BILLION GDP BY 2030



Locations where the Extraction Industries are Based

- The Major and Minor Projects are located in more Remote Parts of PNG
- Demographic parameters of People there are Poor –
 - such as under-5 child mortality,
 - life expectancy,
 - literacy rates and
 - These are not improving much over time
- They have low cash income
- Limited access to markets, health services and education opportunities.



What about Resource Extraction and Agricultural Development?

- Most of the operators of major, and minor, **extractive industries fund some Agricultural Programs** for rural villagers in the project impact area. Here are a few examples.
- **ExxonMobil**, the operator of PNG LNG project, funded an agricultural program that made significant improvements for villagers in the Hides area of Hela.
- **Santos Foundation** is currently planning an ambitious agricultural support program in the Kutubu-Mt Bosavi sub-region in Southern Highlands.
- **Kainantu gold mine** has a successful agricultural program in the mine impact area in parts of Morobe and Eastern Highlands provinces and plans to expand this in 2025
- **Much Fresh Food for Extractive Industry Messes** is sourced from within PNG.



Why should Extractive Industry Operators put more Resources into Agriculture?

- A recent baseline study found that the Resource Sector makes a significant contribution to the National Economy *but these Gains in Government Revenue are Not Being Converted into Sustainable Livelihoods for the Resource Owning Communities.*
- Supporting communities in the project impact area **enhances their ‘social licence’** and **reduces the risks** of discontent and disruption to operations and staff safety.

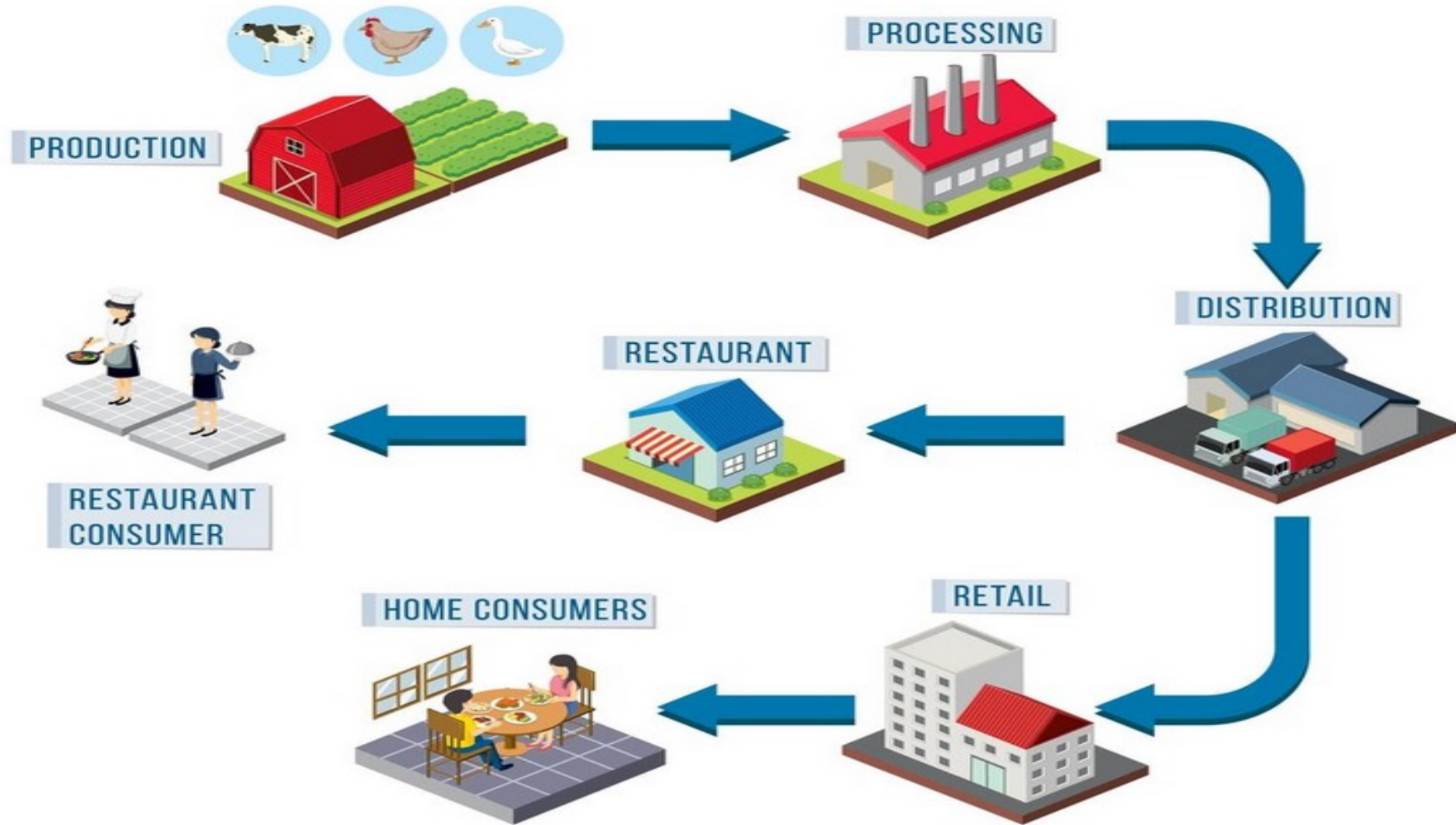


Suggestions for Greater Engagement by Operators of Extractive Industries for Agriculture Projects

- Operators should engage more **Agricultural and Community Development Experts** to work with local communities to facilitate agricultural production and marketing.
- Resource companies to leverage their Assets, including **Taxi Credit Funds, to Invest in Long-Term Agriculture Projects for Development.**
- A higher proportion of **Fresh Food should be sourced from within PNG.**
- **Operators should Engage with my department (National DAL),** and FPDA, Coffee Industry Corporation, Cocoa Board of PNG, and other GovPNG Agencies.
- National DAL would like to **Partner** the Chamber of Resources and Energy to discuss strategies to **Support the Development of Agricultural Projects.**



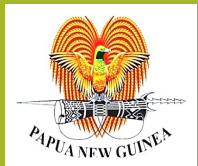
PRIVATE SECTOR LED AGRICULTURE DEVELOPMENT





Livestock Farming

THANK YOU



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