



Coffee Industry Corporation NEWSLETTER

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MISSION STATEMENT

To increase financial returns, productivity, production and market access for female and male coffee farmers and others along the value chain, with motivated, competent and continuously learning actors.

EDITORIAL

As we welcome readers to this newsletter, we dedicate this first quarter edition of the CIC's official newsletter to the late Sir Akapite Wamiri who passed on the 26th March 2015.

Publication of this periodical ceased temporarily over some years mainly due to financial constraints, however, thanks to our Chief Executive Officer, Mr Anton Benjamin, we were able to revive republication of the Newsletter as a one-off 2014 issue.

It is our primary ambition to disseminate to our coffee industry stakeholders, as well as other interested people and organizations, news and information concerning the industry. It is not merely disseminating news and information, rather, the Newsletter shall serve as the focal medium to translate and educate our people and these organizations of the roles and responsibilities of the CIC and results of programs and projects of CIC.

We will continue to publish scientific and other research journals from our hardworking Scientific & Research team at the Research, Growers Services Division Headquarters at Aiyura, including scientifically informative extracts from relevant journals or publications elsewhere.

Apart from maximizing the print media's medium of communiqué, we have commenced taking a step further to promote the coffee industry via the television network services through documentaries. Our recent documentary on the history of coffee in PNG and the important visit by the Specialty Coffee Association of Europe (SCAE) mid last year inundated us with accolades and encouragements for more documentaries to be televised. Our CEO in particular, was praised by viewers of that documentary for his in-depth background knowledge as well as the mechanisms involved in the coffee industry.

In this issue we feature developments taking place on the government's appointment of CIC to manage some of the Livestock Development Corporation's programs (LDC), including honey bee operations. CIC's statistics section continues to update the industry stakeholders on coffee production and marketing trends, while the Freight Surety Program takes us to Milne Bay Province where we read about how farmers are moving coffee out of remote Agaun District.

We would like to receive your comments and suggestions on the type of coffee information that you would like to read and know about in our next newsletter, which is scheduled for July 2015

Please do not hesitate to contact us on the address provided at the back of this newsletter or to:

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Until then, Enjoy reading. "Yumi Lukautim Kopi Na Kopi Bai Lukautim Yumi"

John Supa

From the Chief Executive Officer's Desk



The coffee industry has some remarkable national players who pioneered the industry when it was still in its infancy stages during pre-independence era. Notably the industry sadly lost one of its pioneering coffee entrepreneurs recently. The late Sir Akapite Wamiri in his late seventies of Kabiufa outside Goroka, passed away on the 26th March 2015, albeit, having left behind a lingering legacy in the coffee industry.

Historically, coffee was introduced by our then “white colonial masters” back in the fifties. When coffee became a fully-fledged commercialized and exportable commodity during PNG’s post-independence era, the industry was still foreign dominated. Nationals only participated as smallholder coffee growers, while foreigners owned large plantations, processing facilities, as well as exporting coffee. However, when PNG attained independence from Australia in 1975, the late Sir Akapite simultaneously also attained independence (economic) by acquiring the now Anego Coffee Plantation at Kabiufa. His recognition as PNG businessman of the year followed by his knighthood bestowment in 1999 by Queen Elizabeth, for his services to the community and the business sector (especially coffee), was testimony of his determination to contribute towards PNG’s economy. We at CIC salute the late Sir Akapite for his immense contribution to the coffee industry and the publication of this official CIC Newsletter is dedicated to him; one of PNG’s true coffee pioneers – RIP Champion!

In 2014, we entered into partnership agreements with coffee growing districts and provinces through their respective MPs for different programs. While implementation processes are underway in some of these partnership programs, we are yet to implement others. This year (2015) we hope to implement our programs aligned with these MOUs, while at the same time we expect to enter into more such MOUs. I am pleased to say that more MPs are realizing and recognizing the importance of coffee as the crop that would prevail under any circumstances and sustain livelihoods of current and future PNG generations. These visionary leaders are now seriously endeavoring to boost coffee growing in their districts and provinces. In fact, coffee is now gradually being grown in some of the Maritime Provinces currently being dominated by other agricultural commodities like oil palm, cocoa and copra.

CIC maintains its position that every foreign owned coffee exporter must at least own a minimum of 10,000ha of coffee plantation or failing that, CIC would not renew that Exporter’s export license. These foreign owned exporters can either enter into partnership arrangements with local landowners or own the plantations as under single ownerships. The bottom line in our radical approach is to boost coffee production, increased export volumes to surpass our stagnant 1% on the World Coffee Production standing. Subsequently, increased coffee production and export would generate increased revenue for families as well as for our government coffers.

Our annual National Coffee Cupping Competition (NCCC) slated for September 2015 is on target. Experiences gained from last year’s inaugural event would be used to refocus and make this year’s event an even better event. I have already announced publicly that the winner in this year’s NCCC will win a brand new Toyota Land Cruiser utility from CIC, whilst other lucrative prizes for runner ups and category winners would be awarded.

Finally, let me emphasize and stress the need for team work in this joint. The government is focused on ensuring the revitalization of the coffee industry, meaning that it has to be “all hands on deck” for us at CIC to implement the government’s policies.

Till then,

Enjoy this Edition

ANTON K BENJAMIN

Acting Chief Executive Officer

Market Report with *Brian Manny*

DOMESTIC COFFEE MARKET UPDATE

The Coffee Industry Corporation has reported production for the first two months of 2015 closing in at 62,301 bags (3,738 tonnes), representing an increase of 19 percent from 52,390 bags (3,143 tonnes) in corresponding period of last year (Jan-Feb 2014).

Volume of coffee exported in the first two months of 2015 totalled 74,164 bags (4,450 tonnes), representing an increase of 18 percent compared to corresponding first two months of 2014. CIC statistical analyst Brian Manny said: "The decline was attributed to the delay of delivery of some coffees to port of exports caused by continuous down-pour and the frequency of landslips and roadblocks along the main highlands highway".

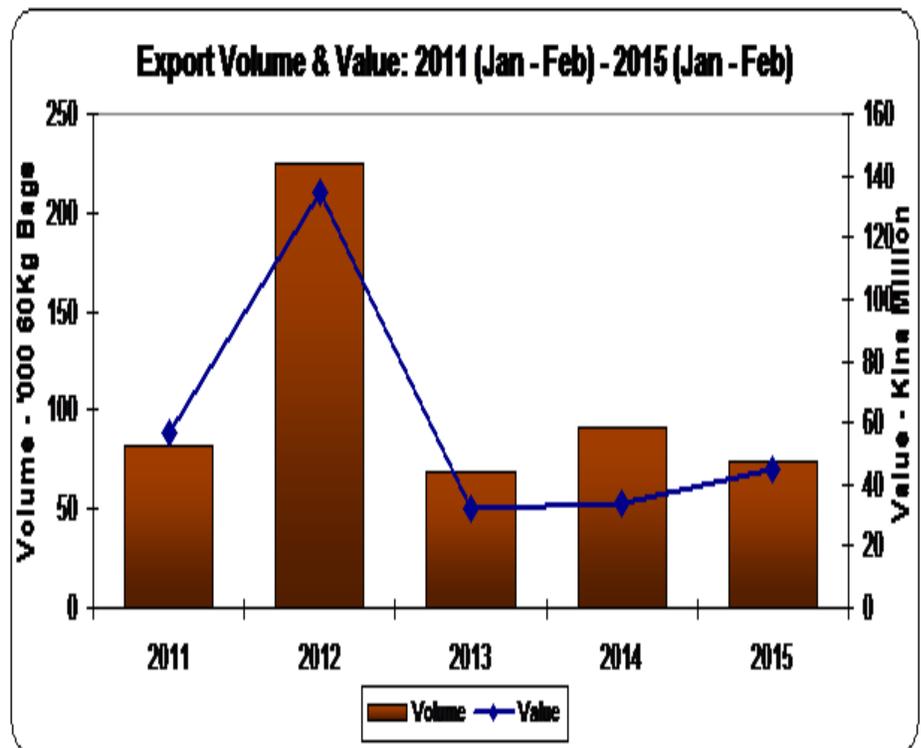
The increase in export prices more than offset the decline in export volume resulting in a 33 percent increase in export receipts to K45.225 million in the first two months of 2015, compared to corresponding months of 2014. The average export price for Y1-grade was K9.48 per kilogram (K9,479.98 per tonne), representing an increase of 67 percent as compared to Y1-grade average export price of the corresponding period of 2014. The increase was mainly due to high international prices in the reporting period.

According to CIC export report, despite higher international prices in the reporting months, over 60 percent of total exports remain Y1-grade coffee. Volume of Y1-grade coffee exported in the first two months of 2015 was 46,629 bags (2,798 tonnes), a decline of 14 percent on Y1-grade exports of corresponding months of 2014. Exports of Y1-grade coffee represented 63 percent of total exports in the first two months of 2015. Exports of Premium smallholder (PSC) coffee totalled 5,025 bags (302 tonnes), a decline of 38 percent from 8,141 bags (488 tonnes) in the same months of 2014, and constitutes 7 percent share

of total exports. The average export price for PSC-grade was K10.85 per kilogram (K10,851.07 per tonne). X-grade share was 8 percent at 5,799 bags (348 tonnes). A-grade exports totalled 3,611 bags (217 tonnes) accounting for 5 percent of total exports in the reporting periods. Exports of Y3-grade were 4,042 bags (243 tonnes), representing over 5 percent of total exports in the months. Robusta exports totalled 600 bags (36 tonnes), representing 0.8 percent of total exports in the period under review.

Germany continued to be the leader in imports of PNG coffee by buying over 20,000 bags (over 1,200 tonnes) in the first two months of 2015 accounting for 28 percent of total exports in the reporting months.

Exports to USA has declined by 44 percent to 17,420 bags (1,045 tonnes), representing 23 percent of the total exports in 2015. Exports to Australia totalled 11,237 bags (674 tonnes), 35 percent lower than the corresponding months of previous year accounting for 15 percent of total exports in 2015. Over 12 percent (8,621 bags or 517 tonnes) of total exports of the first two months of 2015 total went to Japan, representing an increase of 112 percent (doubled) on corresponding months of 2014 in actual volume terms. Exports to New Zealand and Jordan tie at 4 percent each with total export volume of 2,978 bags (179 tonnes) and 3,300 bags (198 tonnes). Jordan was a new and emerging market for PNG coffee.



Source: CIC export records and processor returns

REVISED GREEN BEAN STANDARD

As today's coffee market trends centre more and more on the specialty aspect, the call to define liquor quality is paramount for both specialty and the main-stream grades.

In an effort to address this, the Coffee Industry Corporation with the assistance of the Productive Partnerships in Agricultural Projects (PPAP) have recently carried out an extensive consultation with its stakeholders both in the country and overseas to introduce a new grading system.

This new system will focus more on bringing the smallholder coffee up to a desirable standard.

And to much anticipation and effort by the working committee, the new grading system has been reviewed and finalised. This brings the current grades for Arabica coffee from 12 down to only 5. The new grades are A, B, Y, Y2 and Y3.

The current exportable grades used by the industry include AA, A, AB, C, PB, X, E, PSC, Y1, Y2, Y3 and T. For Robusta coffee, it increases the number of grades applicable to Robusta from two to three, introducing a new top grade to allow for the possible development of specialty qualities of Robusta in the future. The new Robusta grades are R1, R2, and RT in order to prevent any confusion with the grading denominations used for Arabica.

Coffee will now be described according to its quality rather than physical appearance come the introduction of the new grading system for all exported coffee out of the country later on this year.

PPAP Manager David Freyne said that the review focused on putting more emphasis on smallholder farmers.

The current green bean standard is based on where coffee was produced on smallholder gardens or plantation. Secondly, the size of the bean was another factor which mattered.

"The new shift here is that all exported coffee will be based solely on quality. The current grading system we have at the moment has a weak definition of quality but with the reviewed grades, we now have a strong definition for quality," said Mr Freyne.

The last review was done in 2001. After 14 years, another



review is done, cutting down 13 grades down to 3 grades. The review had not done away with bean size, however, subscripts indicating bean size (screen size) will be added on beside coffee grades. The new system gives the smallholder an equal chance to produce same quality coffee a plantation or estate produces.

Mr Freyne had a simple message for farmers: "The job is back to you to produce quality. If you continue as you were before, you get low quality. We have removed the stigma".

This new standard will only become legal once National Institute of Standard and Industrial Technology (NISIT) approves it. The finalised document on the grading system is now with NISIT for acceptance within the next couple of months.

A parallel system is in place between now and September. As of October 1st 2015, all coffee stakeholders are expected to use the new grading system.

FREIGHT RELIEF FOR AGAUN FARMERS

Walking with coffee bags for 3-4 days to the nearest jetty to be transported by sea to Alotau will be a thing of the past for the people of Agaun in Milne Bay Province. This comes after a coffee purchase and freight program which was launched in January this year by the Milne Bay Administration in partnership with the Coffee Industry Corporation.

The Chief Executive Officer of CIC Mr Anton Benjamin was in the province to meet with the provincial administration to look at a way forward for coffee production in Milne Bay.

“CIC is committed to support the districts’ coffee development plans so that this can empower farmers to improve their standard of living by making sure they get the maximum benefit from their produce”, said Mr Benjamin. He further stated that PNG has about 10-20 different coffee flavours mostly used to blend with other coffees in the world and is highly sought after.

Mr Benjamin said that the corporation’s focus for the New Year will look at working in partnership with districts on their coffee development plans, continue with its Freight Surety Program, District by District rehabilitation program and connecting farmers to markets through its various marketing and promotion activities.

Milne Bay Governor Hon. Titus Philemon was present to witness the launching of the freight program in Agaun and also see the air freighting of the first 18 coffee bags out of 670 bags to be flown to Gurney.

Mr Philemon urged farmers not to take the coffee trainings for granted but must utilise the information provided to them by extension officers for the benefit of their cooperative groups. “In the past we have not seen such working partnerships and this is the way forward to partner with CIC to help our people,” said Mr Philemon at the Coffee Freight Launching.

The provincial government has also committed a budget of K300, 000 on the coffee program for the year. A Memorandum of Understanding will be signed at a later date between the Milne Bay Provincial Administration and CIC to work with the coffee growing districts in the province.



Left: Being able to sell their coffees, farmers are able to purchase household items to take back home. **Right:** Loading coffee onto Niugini Aviation in Agaun

MAURO COFFEE NURSERY LAUNCHED

The government has spent K7 million to help coffee development in the country, Minister for Agriculture and Livestock Tommy Tomscoll revealed during the Mauro Coffee Nursery Launching in March this year.

The project, which boasts about 100,000 coffee seedlings, was funded by the Government through the Coffee Industry Corporation for K60,000. Tomscoll said the main objective of the Government's intervention programme was to systematically replace ageing coffee tree stock and encourage planting of new ones.

According to CIC, the objective of the nursery development was to achieve the government's medium term development plan of exporting six million bags of coffee by 2030.

Under the GoPNG funding a total of 77 nurseries were established in 2012. From these nurseries, a total of 2.084 million seedlings were distributed.

In 2013, only 35 nurseries were maintained which raised 220,628 and distributed.

In 2014, a total of 58 nurseries were established and maintained which produced 1,645,700 seedlings. From these nurseries, approximately 700,000 seedlings were already distributed with 450,000 from the Jiwaka central nursery.

In order for the country to produce six million bags of coffee by 2030, it needed to raise and distribute between 324 million and 21 billion seedlings. Tomscoll said the country controlled only one percent of the world's coffee market. He said Brazil controlled 34 percent of the market while Vietnam has 14 percent and Colombia and Indonesia controlled 7 percent each.

The coffee nursery development activity is a component of the district coffee rehabilitation program funded by GoPNG.

The main objective is to supply good planting materials to the coffee industry for the dual purpose of systematically replacing ageing and senile tree stock and encourage new plantings which will grow towards its full genetic potential and ultimately contribute to achieve the GoPNG MTD objective of 6 million bags by 2030.



The Mauro Coffee Nursery is in the Sinasina-Yongomugl district of Simbu Province

IS IT FEASIBLE TO RE-INTRODUCE A PRICE SUPPORT SCHEME OR NOT FOR THE COFFEE INDUSTRY?

Writes Ricky Mitio

For any agriculture producer and coffee farmer if no exception, price is something that comes on mind every time he/she cultivates the land to grow coffee. Even after harvesting and processing and having it ready to sell whether as cherry, parchment or green bean, still price is a major factor that can influence how he sells to factories or exporters depending on where the grower is located.

Since this is a very important pull factor for most smallholder farmers, the Coffee Industry Corporation engaged former CEO and pioneer administrator of the coffee industry with over 33 years experience, Ricky Mitio, to carry out a consultative study on the feasibility of re-introducing a price support scheme for farmers.

The price support concept itself dates back to the 1980s where countries who were members of the International Coffee Organisation (ICO), were allocated export quotas on the volume of coffees each producer is expected to export. During those days, there were a number of agriculture price support schemes in the country. For coffee, a levy collection fee was initiated and a policy guideline was introduced to collect additional levies.

Under the PNG Coffee Industry Board, price mechanism was introduced around the years 1975/76. The price mechanism of having 50% of difference above trigger price was deducted in the form of a levy during peak periods of an actual export FOB (Free on board) prices and 50% of difference was paid back in the form of a bounty when prices fell below the threshold level during that period.

According to Mitio, the objective of the coffee stabilization scheme was to support grower prices through bounty payment at the export point in the marketing chain.

The scheme was initially called a Reserved fund, which was then converted into a coffee Stabilisation fund, Equalisation fund, and finally changed to Coffee Industry Fund in 1976.

The price mechanism principle was for growers to forgo a proportion of the increase in the price paid to them in times of high prices, and then to have these returned to them in times of low prices.

In economic terms, it was holding up the price for the growers. Price support paid to growers worked out until 1988 when a stock holding scheme was introduced to buy all surplus coffee in the country and let growers keep selling. Surplus coffee scheme started from ICO quota restrictions on all producing countries which restricted export of full production of coffee in member producing countries. They were only allocated 50% of their production capacity. This

forced PNG to look for ways to withhold surplus coffees, resulting in reselling these coffees to non-members of ICO at a price 50% or less.

At the peak, K120 million funds were in the stabilisation fund taxed from grower's produce. In the 1988's and 1990's, there was interest by political heads to get hold of the funds. By 1990, funds from the stabilisation fund was run down and the scheme wound down as it proved unsustainable to continue in paying farmers in the long term.

From the recent study by Mitio, it concluded that to apply a price support scheme at this current time is not a feasible option for the industry. This means that if we were to pay a maximum bounty rate of K0.18/kg, it will expense up to K10.8 million from the K11 million grant from the government. This calculation is based on the assumption of 1 million bags of exports forecast for the 2014 calendar year. In broader terms, it does not reflect a sound economic basis to implement price support scheme as it will not make significant difference in prices for a farmer's income.

Some of the notable recommendation from the detailed report stated that the if the price support was to be reintroduced, this should be delayed until current high prices fall below the industry suggested threshold of K5.00/kg FOB on smallholder 'Y' grade and K10.00/kg for plantation 'A'. In addition to that, Price Support be put at the export point on the grounds that coffee be physically exported overseas whilst an economic study is conducted to identify suitable price mechanism for the future.

Another option was for CIC to redirect the price support fund of K11 million into input subsidy for massive coffee nursery scheme targeted at replanting aging senile coffee trees on smallholder farms and plantation and block sector managed through a stand-alone legal entity.

In addition to that CIC must consider emerging co-operative marketing movements including Specialty coffee and certified coffee categories to legislate mandatory registration of coffee producers in PNG so that future price support payment can go directly to the coffee producer.

It is now incumbent that the CIC take on board these recommendations to implement findings of this study.

BEE MITE INCURSION ON HONEY PRODUCTION IN PAPUA NEW GUINEA

By Dr. NA Simbiken

Beekeeping in Papua New Guinea (PNG) is a successful cottage industry that is well suited to smallholder farming. The main beekeeping areas are situated in the highlands, particularly in the Eastern Highlands Province (EHP), which have a more suitable temperate-like climate. Hived honeybee (*Apis mellifera*) colonies yield about 50 tonnes of honey annually with a value of PGK900,000. This is produced by about 1000 beekeepers, with up to 500 of them located in the EHP. The industry itself is worth K10-12 million.

PNG honey is mainly organic and with the support of Honey Producers Ltd, an investor company in joint venture business with PNG government, it was exported to Europe in the 1980s. Since the closure of the company in 1993, exports dropped to near zero. Most of the honey produced is now consumed domestically. PNG honey is bought from beekeepers at a price of PGK 14 – 20 per kilogram and processed locally by several nationally owned companies. PNG consumes about 200 tonnes of honey annually, with the difference coming from imported honey.



Varroa mite (bottom) and Tropilaelaps mite (top)

The beekeeping industry is struggling to survive with little government support, although there is huge potential to generate alternate income among smallholder farmers. The beekeeping industry was managed by PNG Government through the Livestock Development Corporation until 2014 when a policy change was effected to transfer the management of the beekeeping industry to the Coffee Industry Corporation Ltd (CIC). GoPNG plans to grow the beekeeping industry through a bee-coffee based production system and the use of the CIC's existing extension service delivery structure to improve the livelihoods of smallholder farmers in PNG.

The viability of PNG's beekeeping industry has various challenges, but effective pest and disease management remains essential. Only recently the industry has been seriously impacted by the emergence of parasitic mites. The first of these mites, *Varroa jacobsoni*, became harmful to *A. mellifera* after a host-shift from the local Asian honeybee (*A. cerana*), which was identified in 2008. This mite is now widespread in PNG affecting all beekeeping regions and has likely had a significant impact on feral *A. mellifera* colonies. The current status of hives in PNG or what management is being used to control this mite is uncertain, although local reports suggest that hives are being maintained chemical-free despite the presence of mites. More recently, a second parasitic mite, *Tropilaelaps mercedesae*, has invaded western regions of PNG but has not yet reached the central beekeeping region in the EHP. This mite is highly damaging to *A. mellifera* colonies and is anticipated to heavily impact on the beekeeping industry if it continues to spread.

Recent research into these new mite threats has involved surveys by PNG's National Agriculture Quarantine and Inspection Authority (NAQIA), Coffee Industry Corporation (CIC) and Australia's Department of Agriculture (DoA) and Commonwealth Scientific and Industrial Research Organisation (CSIRO). Surveys conducted between 2008 and 2010 identified the new pathogenic form of *V. jacobsoni* and determined its PNG distribution. More recently, the DoA and CIC have independently surveyed some provinces for *Tropilaelaps* mites to help define its distribution and with the assistance of CSIRO have identified the mites as *T. mercedesae*. This has found that *T. mercedesae* is now present in Enga Province, Southern Highlands Province (SHP), Western Highlands Province (WHP), Simbu Province and parts of Goroka Metropolitan areas, Eastern Highlands Province but is yet to reach the other Honey producing areas of EHP.

Tropilaelaps can reduce hived colonies by 50 – 100% within a year. Combined infestation of *Varroa* and *Tropilaelaps* mites has eliminated hived colonies in Sandaun province and the upper highlands provinces. Eastern highlands and other parts of PNG that is yet to have *Tropilaelaps* mite is seriously under threat.

A delimiting survey and training activities are urgently needed to define the boundaries of this *Tropilaelaps* mite infestation and trace-back the likely origins of the incursion. These are important steps for undertaking an eradication of *Tropilaelaps* and improving biosecurity measures to limit the spread of mites throughout PNG and reduce further incursions. Eradication of *Tropilaelaps* mite in Eastern Highlands province is warranted. The upper highlands provinces should be quarantined immediately. Hives infested with *tropilaelaps* mites must be treated with available control measures and eradicated. This is an agricultural emergency and financial support from GoPNG is urgently needed.

COFFEE BERRY BORER SURVEILLANCE IN PNG

By *Dr. NA Simbiken*

Coffee Industry Corporation as the key organization responsible for coffee development and production in the country is well aware of the threat from coffee berry borer that might have on the industry in PNG should there be any incursion. As part of its preparedness for the pest it has been undertaking several activities in the country with its stakeholders and partners.

Surveillance and monitoring is on-going since it started in 2008 however it has been reviewed with Commonwealth Agricultural Bureau Institute (CABI) Bioscience Scientists from United Kingdom (UK). The review identified possible CBB incursion pathways through incursion of exotic pest pathway analysis. More emphasis is now being placed in carrying out surveillance in high risk areas that have been identified, however, some level of surveillance and monitoring is also undertaken in areas where coffee is grown/present in the country based on past experiences from cocoa pod borer and Newcastle disease of poultry among others which entered the country not through the border areas where a lot of surveillance and monitoring were concentrated.

Surveillance and monitoring for CBB is undertaken using Hypotan traps, cherry sampling in the field, sampling of floaters and parchment sampling with less emphasis on Hypotan traps. Hypotan traps have now been deployed in specific locations only like airports, sea ports, coffee storage warehouses and wet/dry processing mills. Cherry sampling for signs of bored holes at the navel end of the cherry and then the presence of the beetle or its life stages in the bored cherry is now the main method of monitoring as it is a simple method for identifying CBB and is currently being used by coffee farmers, Provincial DAL officers and CIC Extension staff in provinces to carry out monitoring. The main problem with the use of traps is with the identification of CBB from other beetles. We don't have the expertise in the country that can do identification for CIC and therefore had to rely on overseas expertise which is quite expensive and time consuming. CIC is working with Scientists especially CBB experts on rapid pest diagnosis using PCR techniques and DNA sequencing methods to be established at Aiyura.

CIC Extension staff, PDAL officers, National Agricultural Quarantine Authority (NAQIA) officers, farmers and other stakeholders in most of the provinces have been trained to carry out surveillance using



The CBB is about 0.25 mm, which makes it difficult to identify with naked human eyes

cherry sampling. So far training has been undertaken in Sandaun, East Sepik, Madang, Morobe, EHP, Simbu, Western Highlands and Enga Provinces in 2010 and in New Ireland, ENB, Oro, Milne Bay and Central Provinces in February 2011. In each of these provinces we have trained stakeholders that can check on CBB and report to CIC. For the border areas especially in Sandaun province we intend to conduct surveys of all coffee grown in the border areas only once a year mainly due to the costs involved. All coffee grown in the border areas have now been documented. The only three provinces yet to be covered are AROB (Bougainville), Gulf and Southern Highlands.

Currently surveillance for CBB in PNG is undertaken by 1) use of Hypotan traps in specific sites, 2) sampling of cherries in the field and 3) sampling of floaters in wet processing mills and parchment in dry processing mills.

Awareness is also on-going and it is done during surveillance trips. Secretariat fo Pacific Community (SPC) and NAQIA have continued to provide support to CIC in terms of printing and freighting of posters for awareness purposes and also in the areas of monitoring and surveillance.

The presence of CBB pest in Yapsie which was detected during our routine surveillance trips to the area in November 2009 has been contained and successfully eradicated due to the prompt action by CIC, NAQIA and DAL Telefomin, Sandaun Province. Following the detection of CBB in Yapsie three delimiting surveys were jointly carried out by CIC, NAQIA, NDAL and PDAL officers in Telefomin in December 2009 and in Vanimo Green District in April 2010 and in August 2010. From these three delimiting surveys and the surveys undertaken in other provinces the pest to date has not been detected except for borings on the cherries which are similar to CBB which have been seen on coffee in most of the provinces visited. The insects responsible for the bored holes seen to date have been identified to be related species of bark beetles and not CBB.

With the little funding, CIC and its partners will continue to carry out surveillance and awareness as a priority in order to protect the coffee industry and the four million smallholder farmers who solely depend on the crop for their livelihood. CIC and its partners have undertaken a lot of activities since 2006 and will continue that in 2015 and onwards.

STAFF OF THE MONTH: *Meet Asure Herohero*

Meet CIC's soon to be 'Jack of all Trades,' the ever assuring Assure Herohero, nicknamed "Assurance".

Now commonly known amongst fellow employees at CIC Headquarters as Assurance. This very committed and enthusiastic office cleaner is always the first employee to arrive for work, even though he lives about 25kms out of Goroka.

Originally from Yabiufa in the Unggai-Bena district, Assure migrated to Asaro where he currently lives with his family at his wife's Nipuka village. The couple have 6 children of which the eldest is a 21 year old girl currently doing grade 10 at the Asaroka Lutheran Secondary School and the youngest is just 5 years old.

Assure is undoubtedly a self-assured and an exemplified role model to others at CIC, as far as his general lifestyle is concerned. At the middle age of 44 and approaching 45, he contradicts his own age because his physical appearance resembles that of someone around their mid 20s.

Assure commenced work at CIC on January 2010 as a security guard under the regime of Mr Navi Anis, the former CIC CEO, before he switched to his current job. Apart from performing his primary duties as a cleaner, he also does the job of a tea boy, book binding, photo copying, scanning, general provisions of security, gardening, vehicle cleaning and of course, he is now doing on the job training to be CIC's back up receptionist. Try calling the CIC landlines numbers during lunch hours and a male voice would answer with the usual telephone manners expected of any trained receptionists. When asked if he was content for the title "Jack of all Trades" at CIC, Assure responds, "Boss iyo, klostu nau" (Boss, almost there).

Assure's daily routine begins at 6am when he hikes a 5 kilometre trek to Asaro station, where he then takes another PMV ride into Goroka town. Assure spends about K4.00 per day to travel back and forth for work. In a fortnight, he has to put aside at least K40.00 for his PMV fare.

Assure is a humble character who has been tacitly carrying out his astute traits of enthusiasm, loyalty, dedication and commitment to his work.



COFFEE FUN FACT

Did you know that until the tenth century, coffee was considered a food? Ethiopian tribesmen would mix the coffee berries with animal fat, roll them into balls, and eat them on their nomadic journeys!

Ref: http://www.gone-ta-pott.com/coffee_fun_facts.html#.VW0Oo_mUdzV

CADET ENTOMOLOGIST AWARDED SCHOLARSHIP TO STUDY IN AUSTRALIA

The Australian Centre for International Agricultural Research (ACIAR) has awarded fellowships to three talented Papua New Guinean scientists to obtain postgraduate qualifications at Australian tertiary institutions.

Jonah Aranka who currently works as a cadet Entomologist with the Coffee Industry Corporation has received a scholarship to undertake a Master of Agriculture at the University of Queensland.

This degree includes research and coursework, which Jonah says he is well-equipped to pursue with excellence. This degree is highly appropriate to future ACIAR projects in coffee or other agricultural commodities as it emphasises 'food security, climate change, carbon, water and the environment within the changing complexity of global markets and work economics'.

Jonah joined the organisation in 2010 as a cadet pathologist. He holds a Bachelor of Science in Agriculture with merit from the PNG University of Technology in Lae.

"I am excited! I know the course will come with a lot of challenges but I'm very well prepared to meet these challenges and looking forward to it," said Jonah.



SENIOR ENTOMOLOGIST RECEIVES PHD



CIC's senior Entomologist Dr Nelson Simbiken has completed studies at the Australian National University (ANU) with flying colours after being conferred a PhD degree in February 2015.

Dr Simbiken underwent studies in Insect behaviour, Genetics and Ecology. His study used soft scale insect on wine grapes in Australia as an example which has applications to scale insects on coffee in PNG.

He emphasises that PNG Coffee Industry and the Agriculture sector is faced with threats from invading pests and diseases. "The skills gained will help resolve many biological and management issues from exotic pests and diseases on coffee in PNG," said Dr Simbiken.

During his time at the ANU, some of his highlights as a student there include attending and presenting at conferences on Entomology in Hawaii (March 2011) and Malaysia (Nov 2013).

In addition to that, his study helped identify and resolved scale insect problems on wine and table grapes in Australia and also helped identified novel knowledge on grape varieties with resistance or tolerance genes against soft scale insect pest.

Dr Simbiken had already attained a Master of Philosophy in Agriculture Science at the University of Technology before pursuing a PhD at ANU.

CIC RENEWS PARTNERSHIP WITH TREE KANGAROO CONSERVATION PROJECT

The Coffee Industry Corporation in its effort to support the livelihood of the rural population has recently renewed its partnership with the Tree Kangaroo Conservation Project (TKCP) by way of a Memorandum of Agreement (MoA). The MoA was signed in March 2015 in Lae, Morobe Province after a team of CIC delegates led by Dr Mark Kenny (General Manager of Research & Grower Services Division) met and discussed with the TKCP office.

The partnership seeks to contribute to sustainable livelihood for farmers by rehabilitating rundown coffee gardens, encouraging new plantings through the nursery programs, providing training for growers on better coffee husbandry practices, processing, marketing and business management.

TKCP supports a number of activities both to promote the conservation of wildlife and to support the livelihood of the local community in the YUS LLG of Kabwum District. Amongst a number of programs, support for sustainable coffee production is one of the activities covered by TKCP. The MoA specifies the objective of the partnership and demarcates areas of responsibilities for both parties over a two year period.

The previous MoA between the two parties initially started in 2010 which extended over 5 years. During those years, there has been an increase demand for YUS coffee from 40 bags of green bean to 100 bags. Farmers were paid K14/kg of parchment inclusive of premium paid for coffee from the conservation area. Therefore, more LLGs in Kabwum will be involved in the conservation program. .

Dr Kenny said that the challenge under this renewed partnership will be to deliver 100 bags at minimal cost to the overseas buyers. "It is hoped that this MoA and others signed with various district authorities will bring in maximum returns to coffee growers," he added.

CIC is endeavouring to connect farmers to niche markets of which TKCP is one example.

CIC will provide support to the program through its various extension programs on coffee production, integrated pest & disease management, post-harvest and marketing programs in all coffee growing villages of YUS in the Kabwum district.

**ENJOY PNG COFFEE; RICH IN
AROMA & CULTURE**



Export Licence boosts revenue for local women group

A local farmer in Eastern Highlands Province is the first woman farmer to have received an export licence, enabling her to export her coffee directly to a buyer in the US. Marey Yogiyo, who owns an 18 hectares block of coffee in her home in the Aiyura valley, is one of the successful stories we share with you this quarter.

Mrs Yogiyo was privileged to go on a trip facilitated by the International Trade Centre (ITC) and the International Women Coffee Alliance (IWCA) on the margins of the Specialty Coffee Association of America's annual conference in Seattle in April 2014. The training outlined and stressed on how the participants could better target specialty markets and fetch better prices for their coffee.

Out of a total of 24 ladies who attended the conference, only four women were able to hook up with green bean buyers. Mrs Yogiyo, who represented the Asia Pacific Region, was one of the lucky four women who was able to engage with an international buyer.

Olam International, a leading agri-business company bought the first lot of coffee from Bauka Women Coffee last year at US\$ 18, 000. The women group is expected to produce another 100 bags this year for their next export to their overseas buyer around June/July.

Mrs Yogiyo said that previously she was selling parchment coffee then moved onto roasting whole & ground coffee with the help of local coffee company Arabicas and is now

taking exporting coffee as another step forward.

The Bauka Women Coffee is made up of eight founding members and with the help of other women she partnered with, will assist in providing the numbers to exporting her coffee overseas.

Bauka Women Coffee has an 18 hectare farm which most of their coffee is grown. Mrs Yogiyo said that they had the potential to increase that up to 20 hectares to further develop their coffees.

"It was a new learning and new experience for me during the workshop in Seattle", said Mrs Yogiyo. "Most ladies who came from Latin America, Africa and the Asia Pacific were already involved in coffee business and into exporting. The experience opened new doors for me and introduced me to my current buyer in the US," said a delighted Mrs Yogiyo.

She commended the CIC for giving her an export license and called on more support in terms of technical assistance and follow up to be done by the industry authorities to give ordinary farmers like herself a reason to continue to engage in the coffee business.



Mrs Yogiyo picking and drying coffee at her farm in the Aiyura valley, Eastern Highlands Province.

STAFF NEWS

RECRUITMENTS, PROMOTIONS & ACTING APPOINTMENTS

Name	Current/Previous Position	Appointments
1. Walter Laia	Accountant	A/Financial Controller
2. Dr Nelson Simbiken	Senior Entomologist	Principal Entomologist and TL (Integrated Farming Systems)
3. John Taunu	New Recruit	Project Officer
4. Michael Waim	Senior Coffee Inspector	A/Manager IRC
5. Johnem Pusa	Coffee Inspector- Goroka	A/Senior Coffee Inspector EHP
6. Rodney Kongri	Coffee Inspector- Mt Hagen	A/Senior Coffee Inspector Mt Hagen
7. Lillian Kongri	Assistant Accountant - Management	Project Accountant
8. Grinson Tereo	Casual	Laboratory Attendant
9. John Barry	Coffee Inspector	Added responsibility - Care taker Livestock, Honey Bee, Piggery, Abbatoir
10. Gertrude Wayaneko	Receptionist/ Typist	Added responsibility- PA to Caretaker Live stock
11. Marco Maniha	Accounts Clerk	A/Senior Accounts Supervisor
12. Bully Gaima	New Recruit	A/ CEO's Security

ON STUDY LEAVE

Mr Fako Zume

Fako is currently taking a short term (ten months) course in National Certificate in Horticulture Level 3 at Aoraki Poly Technic College in New Zealand. "I'm from EHP and I'm under New Zealand Aid Scholarship program Short Term Training Awards.

"I am really proud and happy with CIC for its continuous support in terms of my salary and willingness to take me on board", said Fako He will complete the course by the end of April 2015.

Mr Jonah Aranka - Jonah will be leaving at the end of July 2015 to undertake a Master of Agriculture at the University of Queensland. His study offer has been made possible after receiving a scholarship under the Australian Centre for International Agricultural Research (ACIAR).

Ms Emma Kiup- Emma is currently doing her Masters in Plant Nutrition in smallholder farming systems at the James Cook University in Townsville, Australia.

DEPARTURES

- 1. Mala Ahi** - Financial Controller
- 2. Timothy Mondo-** Administration Officer (RGSD)
- 3. Sally Maladina** - Company Secretary
- 4. Felix Panote-** Mobile Extension Officer EHP
- 5. Edward Edawi** - Librarian

Air Mail

If not delivered, please return to:

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