



COFFEE INDUSTRY CORPORATION LTD

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BIO-CONTROL FOR CBB UNDERWAY



Also inside this issue:

- *DAL Minister emphasizes teamwork to deliver to farmers**
- * Industry-wide review on regulatory policy guidelines**
- *Officers complete police reservist training**
- * Coffee- highlight during EHP/APEC visit**

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.



COVER PHOTOS:

A fully rehabilitated coffee garden in Asaro, Eastern Highlands Province and a farmer in the area assisting CIC staff in his coffee plot.

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Message from the Chief Executive Officer



I take this time to congratulate Agriculture and Livestock Minister Hon. Benny Allan and his Vice Minister Hon Henry Ame on their appointments in the third quarter of 2017.

The Board and Management of CIC is confident with their appointments and will be giving our full support as we continue to work towards targets set by the government, and that is to increase production levels by 2030.

As we wind down another quarter's work, I would like to recap that 2017 has been a very challenging year for CIC as a regulator, and the industry as a whole.

With the incursion of CBB in February 2017, it has meant extra work, manpower and resources to address the issue into the New Year.

Most of CIC's provincial extension offices have shut down and officers recalled to Goroka to assist with rehabilitation and containment efforts in CBB-affected areas.

As we enter the 14th month since the incursion, a lot has been executed and we anticipate to release the bio-control for the pest as soon as lab preliminary results are confirmed by our scientists.

We acknowledge the government's support through tough economic times to put in much needed funds to continue work on the ground.

On the export front, despite an increase of 5% in exports, total production estimate in 2016/2017 coffee-year was 968,499 bags (58,110 tonnes) a decline of 6% on 2015/2016 crop.

In 2016/2017 coffee-year, volume of exports to specialty markets continue to witness significant growths, reaching 58,273 bags (3,496 tonnes) or more than half the previous coffee-year and constitutes 6% of total exports in 2016/2017 coffee-year.

Growth for exports to specialty market segment continues to be very impressive resulting in increased returns to farmers who are participating in certification programs.

Continued partnerships with various government heads and development partners is the way forward for the industry to holistically address industry issues.

**Charles Dambui
Chief Executive Officer**

Work together to produce results: Minister

THE agriculture sector, particularly coffee, has been neglected overtime by successive governments and we must bring back confidence with the support from the current government.

Agriculture and Livestock Minister Hon. Benny Allan said this on his official visit to the PNG Coffee Industry Corporation (CIC) headquarters in Goroka on Thursday November 9th, 2017.

The Minister was accompanied by the Vice Minister Hon. Henry Ame and DAL Secretary Dr Vele Pat Illa'ava.

An official program in welcoming the Minister on his first visit to the organisation was convened before a meeting with the CIC board and management.

Mr Allan said under the Alotau Accord II, the O'Neill/Abel government is prioritising agriculture as its focus going forward.

He challenged the board, management and staff of CIC to put farmers first in every programs and initiatives that were being undertaken.

"You are not working in this organisation because you want employment but you have a duty to play for the best interest of rural farmers."

"Programs and projects must produce results. We must step up."

He reiterated that all should work together so that in the next five years, there should be a story to tell on how all have contributed in changing a farmer's life.

He said the government was fully aware of the contribution of coffee industry as well as the hardships it faces. He said coffee contributes to the foreign exchange, employment and income, support of gross domestic products, social welfare and stability in communities, and providing food security.

He highlighted that income from coffee feeds into other sectors and acts as a social security net. Our people use this to meet other social and economic obligations.

"Alotau Accord II gives more focus towards increasing revenue base for the country by giving priority to key drivers of key renewable and resource sub sectors."

CIC Chief Executive Officer Charles Dambui in congratulating the Ministers on their appointment welcomed their support to the coffee industry.

He acknowledged the government for making available K5 million for coffee berry borer. He added that his management was pleased to see that the government has refocused to put money into a sector that will generate revenue for the country's economy.

Mr Dambui added that coffee over the last five years generated over K3 billion into the economy and it was important to re-strategize so that farmers get more into their pockets.



DAL Minister Hon. Benny Allan, flanked by CIC Director Josephn Kom, DAL Vice-Minister Hon. Henry Ame and DAL Secretary Dr. Vele Pat Illa'ava on arrival at the CIC headquarters in Goroka.

Industry reviews regulatory policy guidelines

AN industry-wide consultation was out by the Coffee Industry Corporation (CIC) on its regulatory policy guidelines (RPG) in September 2017.

The guidelines have been the underlying parameters for the integrity and function of the industry over the last 41 years, sustaining the industry operational efficiency and viability up until the present day.

Long-time coffee administrator ,Ricky Mitio, led a team of CIC officials who conducted the forums in Goroka, Mt Hagen, Lae and Port Moresby.

General Manager for Industry Operations, Steven Tumae says a review was done on the RPGs in 1976 and there were no further changes until now. He added that regulating and reviewing guidelines was part and parcel to make it relevant to current changes facing the industry.

“It is a living document that will be amended as and when it becomes necessary to meet the emerging new business environment. CIC has been mandated to regulate the industry so that we maintain our competitive edge on the quality of coffee we produce.”

Mitio said it was timely for CIC to carry out this review. He said the review is being made to counteract changes in the global coffee market and the emerging new business challenges facing stakeholders involved in the value chain of the PNG coffee industry.

“PNG has to respond by re-organising its industry so the maximum benefit coming from these markets is filtered down to the growers.”

He said the main sector in the value chain of PNG coffee industry that needs to be sorted is the coffee buying sector. It is currently not regulated and could continue to compromise quality.

He says this will be addressed in the new RPG once all is finalised.

Mitio further explained that the industry was commercial driven and all business operators were looking for regulatory policy guidelines that provides “even playing field” for all involved to fully participate and grow the industry.

“It’s the good governance and duty of care of the industry that matters.”

He said operators did not want too many rules that obstruct business flow or detrimental to the efficiency of the private sector, but provide a conducive environment for investors.



The coffee buying sector is not regulated and there are plans to improve that to control quality issues.

Integrated Pest Management -Focus for CBB

AS continued efforts for the coffee borer pest find its way into the 14th month, a new detection has been confirmed in Bundi, Madang Province.

Coffee Industry Corporation (CIC) Chief Executive Officer Charles Dambui said that the area is geographically isolated and support from the district administration is needed to conduct a full survey of the area. "Technical officers have been sent into the area and have returned with reports of CBB presence in the area.

Meanwhile, ongoing dialogue with the Madang provincial and district government should pave a way forward for collaborative efforts to eradicate the sparsely infected areas.

From January to February 2018, in Jiwaka, a total number of the coffee trees that have been pruned are 96,110 in the CBB infected gardens.

A recent technical report said that as of February 2018, a total of 4,689 ha of coffee garden are infested with CBB in Banz, Jiwaka. Most of these gardens are present in Banz areas with only few infested gardens in Minj areas.

In Eastern Highlands Province (EHP), a total of 58,687 coffee trees in the CBB infected gardens have been pruned. There are more coffee gardens infested with CBB in EHP than Jiwaka.

Mr Dambui said the total coffee garden areas infested with CBB is at 17,486 ha and is gradually increasing. "Many infested gardens are located around Asaro areas with only few gardens recorded in Unggai Bena areas particularly in Kamaliki and Yabiufa in Unggai area."

He said with the inclusion of new infested garden recently discovered at Siokei plantation in the Bena area, there is a possibility of CBB spreading into nearby uninfested gardens.

Mr Dambui said that a team of scientists from the organisation have already isolated local strains of *Beauveria Bassiana*, and have applied to infested coffee trees on experimental basis.

B. Bassiana is a fungus which grows naturally in soils, and causes a disease in various insects by acting as a parasite.

"The preliminary findings have shown that the fungus is successful in controlling CBB."

He said after further evaluations on the fungus, it will be mass produced and applied in infested coffee gardens.

"As part of the Integrated Pest Management (IPM) of CBB, this bio-control agent will be applied on infected gardens together with application of insecticides, striping cherries and pruning coffee trees."

CIC officers, service providers and farmers have been working around the clock to rehabilitate infected gardens in Jiwaka and EHP.

Whilst rehabilitation work is in progress, trucks with coffee that pass through roads blocks at Korofeigu in EHP and Ganige in Simbu Province are being monitored by CIC officers.

A total of 25 containers were fumigated in November and December 2017, and continued monitoring and surveillance activities are part of the ongoing efforts to restrict infected coffees to move into clean areas.

Mr Dambui said in the coming months, rehabilitation and management practices will continue with more emphasis on integrated pest management.



Lab assistant Margaret Norme at the CIC micro-laboratory with trial samples of *B. Bassiana* fungus.

Tools donated to aid CBB fight

THE Coffee Industry Corporation's productive partnerships in agriculture project (CIC-PPAP) is continuing to support farmers with tools and materials to improve their gardens.

The latest was for 110 farmers from the Mt Michael range in Lufa, Eastern Highlands Province.

The villagers were part of the 1500 farmers in Lufa taking part in the CIC-PPAP's industry rehabilitation project.

The PPAP coffee component is financing the project.

Field technical consultant Maureen Kahento on behalf of CIC-PPAP told the farmers: "With the training on best practices taught to you by CDA Goroka extension officers and field assistants who have been here for a week, I urge you to take ownership of the tools and use them in your gardens."

Project manager Potaisa Hombunaka said a farmer paid only five per cent or K100 of the total cost of K2000 for the tools.

"The sad reality is many growers can't afford these tools and materials so it doesn't make sense telling them to produce more quality coffee without providing the necessary tools," he said.

"With coffee borer presence the government through CIC must mass procure this rehabilitation items and make them available to all coffee growers to contain the dreaded pest."



ASARO KOPI FAMA AUTIM WARI LONG CBB

SIK bilong kopi (Kopi Beri Bora) o CBB i wok long bagarapim planti kopi long Asaro Veli long Daulo distrik long Isten Hailans provins.

Dispel sik bilong kopi i mekim na planti ol local kopi fama na groa i stopim wok bilong kopi na lukluk long kamapim wok bilong ol fres kaikai olsem kaukau, banana, taro, tapiok na ol arapela kaikai long gaden bilong ol.

Viles komyuniti lida na kopi fama long Asaro, Elvy Gunure i tok, ol kopi fama na groa i luksave long dispel Kopi Beri Bora sik bilong kopi, na ol opisa bilong Kopi Industri Kopresen (CIC) i luksave tu long dispel sik i bin kamap na ol i traime long daunim dispel sik. Tasol ol i bin wok liklik taim tasol na lusim, olsem na dispel sik em i no stop, em i wok long kamap bikpela tru na bagarapim planti kopi long Asaro Veli.

Gunure i tok gavman i save kisim planti milien kina long kopi long wan wan yia olsem na ating em i gutpla moa long gavman i mas putim moa mani i go long wok bilong daunim sik kopi beri bora.

"Olsem wanpla local kopi fama, mi bin lukim planti gutpela samting em kopi i bin bringim i kam long mi wantaim family bilong mi long ol yia i kam na i go. Mipela i save lukim planti gutpela inkam long taim mipela i save pikim kopi, draim na salim," Gunure i tok.

Em i tok taim ol sik olsem kopi ras na kopi beri bora i kamap, em i bagarapim planti kopi na bagarapim tu ol gutpela inkam na sindaun bilong ol family.

Gunure i tok dispela i mekim na nau yet planti ol kopi fama na groa i lusim wok bilong kopi na lukluk nau long mekim wok bilong fama long planim na groim ol fres gaden kaikai long wan wan hauslain na viles komyuniti bilong ol.

"Klostu wankain olsem kopi, mipela i lukim gutpela inkam tu i kam long ol fres kaikai bilong gaden. Maski ol kopi i kisim ol sik, mipela bai lukluk nau long groim ol fres kaikai na salim long ol maket wankain olsem mipela i save salim ol kopi bilong mipela," Gunure i tok.

Em i go moa na salensim gavman na CIC long putim moa mani i go long adresim dispela hevi na pait egnesisim sik kopi beri bora long Asaro Veli, na ol arapela provins tu husait i save groim kopi.

Source: Wantok Niupepa, Mas 1-7, 2018, Rurel Nius

BINATANG TOKTOK..

Below are views collected from various farmers in Eastern Highlands and Jiwaka provinces on the coffee berry borer, and how they feel it would affect their families and livelihood.



Binatang ino go yet long liklik ples so kofi bilong mi mas i stap yet long givim mi mani long sindaun bilong mi long ples.

Nelson Aeno, Coffee Farmer, Unggai-Bena District



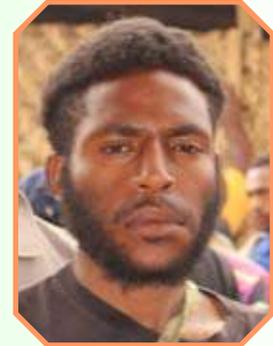
Mi gat 3,500 kofi diwai. Taim mi harim long displa niupla binatang sik i kam, mi tingting planti. CIC mas go in long eria blong mipela ol kofi fama na sekim kwik taim tru.

Koni Ubie, Moveto 2, Unggai/Bena



Kofi tasol wokim na mi go skul na pinisim skul na gat sans long wok moni. Dispela binatang sik kam bai bagarapim mipela nogut tru. CIC na ol narapela atoritis mas stopim long noken spread go long ol klin-pela hap.

Allan Nick, Henganofi District



Dispela binatang sik igo pinis long eria blong mi na mi stap wanbel tasol long wok wantaim CIC taim ol go in lo mekim wok bilong kofi.

Patrick David, Daulo District



Mi gat sevenpla pikinini na sikstinpla tumbuna. Mi gat bikpela femli na kofi tasol save helpim mipela long ol nids blong mipla. Taim mi harim olsem kofi bora i kam, mi tingting planti long wanem ol ripot i tok olsem namba bilong kofi bag mipela mekim i ken pundaun kam daun.

Sallyn Lomutopa, Unggai/Bena District



Mi kisim 4 dram seri go long Banz long salim na baya givim K22 tasol long tupla dram na narapela tupla ol givim K18. Mi kros na askim wai mi kisim K40 tasol long wanem mi save kisim K70 long fopela dram bipo.

Tasol i luk olsem kilo bilong kofi bin i bin pundaun long dispela binatang. Mi wari na nau mi wok long wok wantaim ol CIC opisa long stretim kofi gaden bilong mi.

Kum Michael, Jiwaka Province

PRUNING COFFEE TREES TO FIGHT CBB

FARMERS of coffee trees infested with coffee berry borer (CBB) pest must welcome extension officers to rehabilitate their gardens and blocks with no demand for compensation, says a senior officer of Coffee Industry Corporation Limited (CIC).

There is no logic for you to demand compensation for us to come in to help you," says Dr Mark Kenny, General Manager of Research, Growers and Service Division.

"We must stop this kind of attitude and work together to contain and eradicate this beetle."

Dr Kenny was appealing to close to 100 farmers who gathered at Tolu in Jiwaka Province on Tuesday 12 December, 2017 during a major CBB awareness campaign.

The campaign under the theme 'Together We Fight Coffee Berry Borer, Kopi Beri Borer Rausim Kopi Moni' started on Monday 11 December, 2017 and will continue this year.

Tolu is the base of former Wahgi Mek Plantation, one area in Jiwaka infested with the CBB pest. Local landowners have taken over the plantation after the demise of the plantation management system and divide it into blocks.

CIC extension officers have successfully conducted pruning of coffee trees in some blocks at Tolu.

Dr Kenny explained to the attentive farmers that they should not ask for payment as a result of pruning and subsequent reduction in their coffee income.

"The reduction is minimal for a period of at least three years, but the good thing is you save your block from complete destruction by the CBB pest that can completely cut off your main or only source of income."

"All coffee trees in an infested area must be pruned. The CBB beetle will spread from a block or garden that is not pruned.

"This is why farmers of all infested coffee trees in an area must participate in the recycle pruning exercise."

The Minister for Agriculture & Livestock Benny Allan in September 2017 announced publicly that there will be no compensation claims.

"Plant Disease and Control Act provides for the destruction of plants and plant parts and the execution of containment and eradication exercise is within the law."

"Any claims for compensation shall be deemed as extortion and the offender arrested and charged under the relevant laws."

Meanwhile, CIC is encouraging a partnership approach for all stakeholders including community leaders and farmers to take ownership of the fight against CBB which has been restricted to parts of Eastern Highlands and Jiwaka provinces.

"We cannot reduce the damage this pest can cause unless we hold hands and work together."

"You must welcome CIC officers into your gardens and allow us to rehabilitate your trees," said Joe Alu, Team Leader of the awareness effort in Jiwaka.

Mr Alu said the objective of this awareness was to inform, educate and seek cooperation from the CBB infested communities and affected growers on the recycle pruning exercise that will follow as one important strategy to contain the pest.

Recycle pruning is removing of all branches with only one remaining that will be cut off later after suckers grow from the stump.



Villagers from Hemagave in the Asaro Valley giving their responses to CIC team after awareness was made in the area.

continued from page 08.....

“We want farmers to understand and support what we will do. Pruning improves yield from a coffee tree. One or two trees that does not retain suckers we will replace from our nurseries under this program,” said Mr Alu.

Dr Kenny said CIC extension and field officers will approach the infested gardens from outside a 1 kilometer buffer zone and also develop protocols for recycle pruning of coffee trees.

“The pruning exercise will begin from the buffer zone and advance towards the epicentre of infestation. This approach will disturb and push CBB beetles to move inwards to the centre of coffee plots.”

Farmers in CBB infested communities were also told to register with CIC to take part in the following rehabilitation activities:

- They will be mobilized to form coffee growers’ cooperative to effectively manage CBB in the long term;
- To receive training for long term CBB management through the cooperatives;
- To build in long term management of CBB in the containment areas;
- For CIC to maintain weed control for new plantings or new suckers raised from old stumps up to first full crop harvest;
- To get new seedlings for replanting or infilling; and
- For CIC to set up CBB traps for up to three years before garden owner takes over.



Top left: Women in Asaro weeding out grass in coffee plots, Top right: A clear picture of how recycle pruning is done on a coffee tree, Below Left: A fully recycled coffee plot in Asaro valley and right: Manager Farmer, Training & Extension Matei Labun with farmers in Asaro.

A special shipment of green bean coffee

SHIPMENT of green bean coffee by air is a very rare, expensive and you would not find this a common exercise by businesses. When such a thing happens, it gives significance to a very special coffee.

Kongo Coffee Limited had the privilege to successfully airfreight 900 kilograms (15 x 60 kg bags) of one of its premium green bean brands to Japan in July last year.



Women workers at the Kongo factory hand sorting coffee for export.

“It marks a very significant and special event for Kongo Coffee Limited (KCL) and the entire PNG coffee industry,” says Mr Jerry Kapka, Managing Director of KCL.

“This goes to demonstrate that our coffee is very special and can attract very good buyers from Japan and other parts of the world,” he added.

KCL is a leading exporter of premium and specialty coffee brands to Japan and other parts of the world. The company has been exporting premium and specialty coffee brands including its Elimbari Specialty coffee to very reputable coffee roasters and traders in Japan for over 15 years.

“This recent shipment by air demonstrates the confidence and trust our buyer have in our coffee.”

Japan imports over 8 million bags annually, and is the third largest importer of PNG coffee behind the United States and Germany.

Japan presents a very good market for PNG coffee thus; all serious and intending exporters are encouraged to explore the opportunities that exist right at our doorstep.

The management of KCL would like to thank its staff, the CIC export section, EFM, NAQIA and all other partners who assisted to make the shipment a success.

Coffee industry building capacity of farmers' groups via partnerships

THE Coffee Industry Corporation's Productive Partnerships in Agriculture Project is building the capacity of farmer groups under its coffee rehabilitation effort.

In March this year, Sallyn Lomutopa and Thomas Oruga conducted a week-long participatory rural appraisal planning training for the Kasuka Coffee Cooperative farmers.

The group is a partner of the agri-business firm Wia Trade Enterprise which is implementing coffee rehabilitation activities with the 813 farmers in Nawaeb and the Wain-Erap local level government in Morobe.

The training for Kasuka farmers was at Kalebo village from March 12-16 to strengthen farmer groups by learning from past mistakes, mapping out opportunities and potentials and moving forward as a group.

PPAP coffee manager Potaisa Hombunaka said of the many contributing factors to the demise of farmer groups or cooperative societies, the lack of transparent leadership and poor governance were two common causes.

“If there is no further extension to coffee rehabilitation project after June 2019, this is an activity under the exit plan,” he said.

“Farmer groups or cooperatives must be strengthened to operate as a business to service their member farmers and others in the community.”

The training was for 60 farmers including young men and women from eight cluster groups representing villages to discuss their problems, realise their opportunities and plan a way forward for their cooperative.

Coffee-highlight for EHP/APEC visits

DELEGATES from the Asia Pacific Economic Cooperation (APEC), SOM 1, had the opportunity to see for themselves the beauty and richness of Eastern Highlands culture and it's Small-Medium Enterprises (SME) during their visits on March 6th and 10th, 2018.

Coffee Industry Corporation was the lead organisation for the APEC delegate visit to Goroka. Site visits to a coffee plantation, exporter and a roaster were organised for the visitors to taste and experience PNG coffee.

The delegates were impressed with the local coffee and the display of organic products during the exhibition at the National Sports Institute.

Spokesperson of the APEC senior SOM1 officials, and the representative of the economy of the Republic of Korea, Don Sun Park, said he was impressed with the way coffee is organically grown in PNG.

"You have an industry that is environmentally friendly and can attract tourists as well as producing countries. It is a good industry to cultivate and I wish you well for the future," he said.

During a luncheon hosted by the Eastern Highlands Governor Peter Numu, he told the delegates that his administration had sought to further consolidate stability in the provincial government and aims to further promote cooperation between political leaders in the administrative arm of the government.

"Our main aim is to foster the five-year economic development plan focusing on three key priority areas. That is agriculture, trade and investment and road infrastructure."

Mr Numu said although the province had a lot to offer in natural resources, the burden of transporting local produce to other provincial centres and the outside world was still limited.

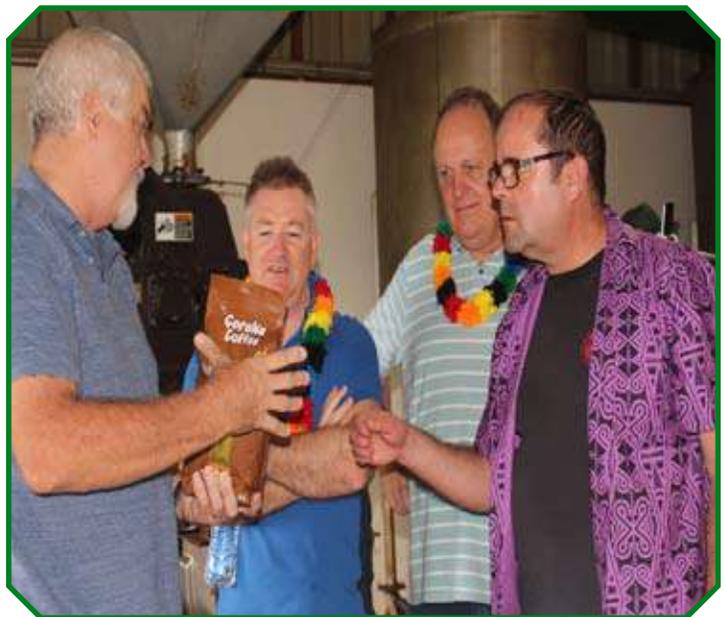
"SME is crucial and in Eastern Highlands we have a lot to offer to the APEC region if only we can expand by investing more money into it. SME is the backbone of our country. I hope this action of shared knowledge and teamwork will foster greater regional growth and encourage more trade relations for Eastern Highlands, the country and APEC economies."

Minister for APEC Justin Tkatchenco said the APEC meeting is very important as the deliberations and the outcomes they have will benefit our economy in the long term. "For me, it's about exposing our country to the world and the APEC economies."

APEC representative from the Australian Government's Department of Foreign Affairs and Trade, Heath McMichael, said the visits were very educational as they learnt about coffee's role in Eastern Highlands Province and how it supports and drives other economic activities.



Top: A Korean delegate happy with his coffee purchases, and below: Goroka Coffee Roaster's general manager Ian Mathews speaking with APEC delegates during a visit to the factory.



PPAP on the roll to build rural roads

THE Coffee Industry Corporation's Productive Partnerships in Agriculture Project (CIC-PPAP) is set to rehabilitate its second access or feeder road under its infrastructure and market access component.

This follows signing of a contract agreement for a 5.1 km Kapalku - Ngumbkora access road in North Waghi of Jiwaka Province.

The works agreement for Tender No. CSTB 3188 was signed at Central Supply and Tenders Board (CSTB) office in Gordon, NCD, on Monday 9 April, 2018. Parties to the agreement are CSTB and private local firm Lorma Construction Ltd.

The signing paves way for rehabilitation of the rural road to serve 5,000 plus people of eight villages between Kapalku and Ngumbkora. Some big villages in the area are Napalm, Engendered, Malang and Ngumbkora.

PPAP coffee expert Steven Tevo who work with growers in the area says the rural population mostly women carry their sick children and walk for hours to the nearest accessible road and also to sell their coffee and other garden produces.

The Kapalku – Ngumbkora access road starts at the turn off from Banz to Kiriwil along the old Highlands Highway and links up with the Millep-Norba back road connecting to Nondugul station.

The road will also service Lutheran Mission Station, Ngenda Common School and SDA Mission at Ngenden.

The closing and opening of bids for two other rural roads were conducted at the CSTB office on Thursday 5 April. The Tender No. CSTB 3675 for a 12.89 km Yasubi – Takai Purosa feeder road in the Okapa District of EHP attracted 10 bidders. While Tender No. CSTB 3676 for a 4.5 km Avi Market-Kamdika Village feeder road in the Anglimp South Whagi District of Jiwaka Province had 11 bidders.

Senior procurement officer for CIC-PPAP Ms Theresa Witi explained the applications for respective road works follows an exhaustive screening process enforcing CSTBs stringent procurement and tendering guidelines.

"This is the PPAP coffee approach to ensure good governance and accountability is respected in the tendering processes," says Ms Witi.

"We also want to ensure works standard road is built that is durable and can last long."

The third 5 km road, Sigri to Girabw in North Waghi District, Jiwaka Province should be signed this month for construction also to begin.

Meanwhile, work is progressing well for a 5 km Nombia – Bibiori access in the remote Obura-Wanenara District of Eastern Highlands. This is the first road construction under PPAP Coffee. There is more than 12 km of inaccessible road in front of this link which PPAP is working in productive partnership with Obura Wanenara District Development Authority to rehabilitate for easier access by the contractor to the Nombia site.

The access road once completed will service over 20,000 rural communities including coffee growers of Tairora LLG and Lamari LLG. The area is known for producing very high quality organic coffee.

Contractor for this first milestone road works under the coffee industry rehabilitation program is Kassampy Construction Ltd.

Mr Hombunaka, PPAP Manager says these roads will help not only to open up market access for coffee farmers but also the general rural population including mothers and children to access other social and economic services.

"The importance of roads to connect the vast rural areas of Papua New Guinea to form a national market and economy cannot be overstated."

"Connectivity provided by roads is perhaps the single most important determinant of wellbeing and the quality of life of people living in an area."

The remaining four access roads totalling 18.68 km in Jiwaka and Western Highlands provinces will be advertised this month (April).

The coffee rehabilitation is a PNG Government initiative financed by a loan facility from World Bank and IFAD (International Fund for Agricultural Development). The CIC is the custodian of the project through the Department of Agriculture & Livestock.

Banz Kofi achieves international accreditation

BANZ Kofi Fektori is the first coffee producer in Papua New Guinea to achieve the internationally recognised Hazard Analysis and Critical Control Points (HACCP) accreditation.

HACCP is an internationally recognised way of managing food safety and protecting consumers. This accreditation means Banz Kofi products can be exported to Australia and other countries where HACCP accreditation is a requirement before accepting imports.

Company owner Patrick Killoran said this was a significant achievement for Banz Kofi.

He said without the support of Pacific Horticultural Agriculture and Market Access program (PHAMA), they would not have achieved their ambition of gaining HACCP accreditation.

Banz Kofi has been operating since 1990 from Mt Hagen in the Western Highlands Province where coffee is grown and harvested from the beautiful Waghi Valley at 4000 feet above sea level.

PNG exports approximately 43,000 tonnes of coffee per year, valued at around K394 million with over 500,000 households involved in the value chain.

The Australian and New Zealand-funded Program has been instrumental in assisting Banz Kofi achieve HACCP accreditation. PHAMA works with private sectors and government agencies to help manage and improve exports.

PHAMA PNG country manager Sidney Suma commended Banz Kofi following their accreditation.

"We are happy Banz Kofi has got its HACCP accreditation. PHAMA is also very appreciative of the collective efforts put in by Banz Kofi, the Coffee Industry Corporation, HACCP Australia and also the support of the coffee industry working group in this achievement," Mr Suma said.

"Banz Kofi has set the pace for other roasters to also get their facilities certified. APEC meetings will put Banz Kofi in a good position to market," CIC general manager for industry operations division Steven Tumae said.

Source: Post Courier, April 11th, 2018.



Government and private sector representatives at the Holiday Inn Hotel after a recent meeting organised by PHAMA.

Officers graduate as police reservists

THIRTY one officers of the Coffee Industry Corporation have successfully completed a four-week intensive reserve police training in Aiyura, Eastern Highlands Province.

The officers were taken through various drills and training sessions which included learning the PNG constitution, court procedures, powers of arrest, rights of arrested persons, use of force, application of judges rules and safe handling of firearms.

In its inaugural graduation ceremony on Friday February 16th, 2018, Police Commissioner Gari Baki officially announced the appointment of the officers as police reservists, before senior members of the Royal Papua New Guinea Constabulary (RPNGC), CIC senior management, staff and families of the graduates.

In congratulating the graduates, Commissioner Baki said CIC was one of the few organizations to come onboard to partner with the RPNGC to cohesively address the issues of law and order in the country. "For CIC, this graduation of 31 officers is a relief to the organization in terms of enforcement of rules and regulations of the CIC Act."

"You have been empowered as police reservists to arrest, charge and prosecute offenders, and more importantly, protect assets, staff members and families and the communities that you expected to serve."

Mr Baki highlighted that policing in Papua New Guinea is very challenging and unique. He said challenges such as inadequate policing numbers, lack of police resources, poor road networks and infrastructure, made it more difficult for the RPNGC to effectively carry out duties.

"One way to increase our numbers is to empower citizens to join the RPNGC and to help our community through reserve policing concept as law and order is everyone's responsibility."

He said through the reserve policing concept, citizens are now being empowered to police our community. "CIC is one such organization that I feel can contribute more in assisting the RCPNG managing our law and order issues particularly in the Eastern Highlands and other Highlands provinces. The industry must be protected and we must ensure it sustains us for the future."

"The creation of the CIC reserve unit now empowers you to exercise your powers within the confines of the law."

Mr Baki reminded the officers that they have sworn an oath before God to protect and serve the people and must do it honestly and with dignity.

CIC Chief Executive Officer Charles Dambui urged officers to demonstrate what they had learnt. He told them to be of sober habits and discipline now that they have taken on added responsibilities as police reservists.

"One of the things that we would like as much as possible is to equip our officers by basically giving them power to not only train farmers but also apply some necessary enforcement on the coffee trade."



Left: CIC CEO Charles Dambui, Police Commissioner Gari Baki, Assistant Police Commissioner-Northern Command Peter Guinness and CIC Public Relations Officer John Supa during the graduation ceremony in February 2018.

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Dambui said CIC was mandated by an act of parliament to conduct research, extension and regulate the coffee industry. He said some of the notable challenges include quality issues, pest and disease, law and order, tenure issues, and dealing with unregistered dealers.

He said the training is part of ongoing efforts to make CIC relevant to take on ongoing and emerging challenges.

Directorship training completed

THE Coffee Industry Corporation Board of Directors and management underwent a two-day director development training in Goroka, Eastern Highlands in February this year.

The training was conducted by the PNG Institute of Directors and facilitated by the Institute officials Eileen Simet and Taunu Vai.

Executive Officer and Board Secretary Eileen Simet said the institute had been operating for 18 years, and conducted director development and leadership workshops for both corporate and government organizations six times a year.

She said the course program structure reviewed in 2015 was used during the training for CIC.

“Governance issues affect the overall operation of an organization and it is vital to fully understand how directors of a board can contribute meaningfully to the development of its plans.”

Simet said 12 topics were covered on governance, roles and responsibilities, financial analysis, structure, policy, strategy and risks management.

CIC Board chairman Patrick Komba thanked the CIC management and World Bank through Productive Partnership in Agriculture Project (PPAP), coffee component, for organising the training.

“The training has put us into perspective as to what is expected of us as directors representing the interest of smallholder farmers, our associations, the organisation and industry as a whole.”

He said it has helped them to better understand their roles and responsibilities.

General Manager- Industry Operations Steven Tumae said the training was timely as the organisation’s strategic development plan was due for review this year.



Left: CIC General Manager-Industry Operations Steven Tumae, PNGID’s Taunu Vai and CIC Director Nick Elo at the close of the training at GK Lodge, Goroka.



CIC Board with senior management staff after the two-day directorship training in Goroka.

ROBUSTA COFFEE TO BE ENHANCED IN SEPIK CENTRAL

THE potential of Robusta coffee to help sustain the livelihood of the rural population in East Sepik Province, particularly those from the hinterlands will be boosted with a reliable market to access facilities.

This is the focus of a coffee rehabilitation effort being undertaken in Sepik Central by an agri-business firm Weni and Mandol Investments, who is a lead partner with the Coffee Industry Corporation's Productive Partnerships in Agriculture Project (CIC-PPAP).

"A processing mill in Maprik will ease the pain of transporting coffee all the way from Sepik Central down the Sepik Highway to Wewak," said lead partner Anton Areka of Weni and Mandol Investments.

"Coffee was a traditional crop before cocoa and vanilla. This proposal will capture the farmers' interest by bringing the factory to them."

Growers in Nuku District of West Sepik Province also transport their coffees to Wewak via Maprik.

A weeklong field visit was made by PPAP field technical consultant Steven Tevo and communications expert Leo Wafiwa into the area on February 19-23, 2018.

The PPAP team observed the high cost of transporting coffee to Wewak at K25 to K30 per bag. Also noted was the processing fee of 34t to 50t per kg and a low recovery rate of 70% to 75% from parchment to green bean as uneconomical for the hard working growers.

The PPAP team was impressed with the way farmers organized themselves under group marketing arrangements in their respective cooperatives. The main obstacle is the many processes they go through to sell their coffee overseas.

The chairman of respective cooperatives notify CIC Maprik office when they have sufficient parchment bags. CIC help to transport their coffees to a marketing agent in Wewak, Sepik Coffee Ltd. The firm helps farmers to market green bean coffee at K5.30 per kg.

Sepik Coffee arrange processing of parchment to green bean with Pacific Agro Ltd, the only processing mill in Wewak. Sepik Coffee Ltd then transport the bags to Kundu Coffee Ltd in Lae to export overseas.

The three players along the value chain collect their fees and the balance is held by CIC to notify cooperative chairman to organize deposits into respective farmer's bank accounts.

The PPAP manager Potaisa Hombunaka said the lead partner had been informed that for sustainability purposes a coffee factory at Maprik is a must.

A land at Amahuk at Abiges-Mamblep LLG just outside of Maprik town has been identified to set up a processing mill.

While the vanilla hype has returned to Sepik Central fetching between K800 and K1050 per kg at the time of this report, some people continue to maintain an interest in Robusta coffee.

The coffee rehabilitation effort covers 1000 farmers from 38 cooperatives or farmer groups actively taking part in reviving their gardens.

According to data provided by the lead partner with the help of CIC Maprik office, farmers in Sepik Central have participated in 28 sales between 2006 and 2017. In the 11 year period they produced 15,600 green bean bags. These bags brought in K4,780,503 in foreign exchange. Net income to farmers alone was K3,118,820. The balance of K1,661,683 was paid to marketing, processing and export firms.

The annual return or income from Sepik Central alone is estimated at half a million Kina. It is anticipated that market access, also with rehabilitation of existing gardens should improve these figures.

The PPAP manager said East Sepik Provincial Government, plus DDAs of particularly Maprik, Dreikir, Wosera, Yangoru-Saussia, even Nuku are encouraged to invest some agriculture development funds with Weni and Mandol towards construction of a dry processing mill in Maprik to help coffee farmers.

"Marketing infrastructures establishment is the key to unlocking the coffee potential of the province."