



# COFFEE INDUSTRY CORPORATION LTD

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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

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**Cover photo:** Agriculture Minister (second from left) with CIC and NAQIA officials during a recent visit to a CBB infested area in Eastern Highlands Province.

Welcome to the first issue of the PNG Coffee Industry Corporation Newsletter 2017!

We bring to you more updates in the industry on production and export news to what affects our main producers (the smallholders) right at home, and taking you to those places where our field officers cross rivers and mountains to get the coffee gospel to rural communities.

In this quarter, we feature stories on how the world bank-funded project (Productive Partnership in Agriculture Projects) is improving lives of farming communities, CIC freight program looks at repositioning charter locations to save costs, new AusAID funded research on women in agriculture and CIC's efforts in addressing the incursion of coffee berry borer in Papua New Guinea.

We welcome feedback and comments on our stories for review and improving the quality of information provided through this quarterly bulletin.

Till then,

We hope you enjoy this edition.



**CIC Media Team**



## *From the Chief Executive Officer's Desk*

In the year 2016, PNG's coffee exports from January to December, totalled 1,133,180 bags and generating K646,850,375.00 in foreign exchange for all coffee industry players, including boosting the economy of PNG directly.

CIC's strategic plan under the government's Vision 2050, is to grow more coffee towards producing an average of 6 million bags of coffee by the year 2030. That would mean that coffee alone would be generating more than K6 billion annually (that is basing on current coffee prices on the world market).

However, in order to achieve such targets to produce and export 6million bags of coffee, a cohesive and unified approach by both the industry stakeholders and CIC is the way forward.

In the first quarter of 2017, CIC forged a Memorandum of Agreement (MoA) with the Royal Papua New Guinea Constabulary for the establishment of a Reserve Police Unit in CIC. This is because crimes and other social problems normally affects and impedes the progress of any tangible activities that are undertaken towards expanding the coffee industry in PNG.

Apart from other ongoing projects such as the freight subsidy and extension initiatives, we head into 2017 with a much more bigger responsibility at hand, as the industry faces another challenging year of dealing with the Coffee Berry Borer (CBB) incursion in the country.

We are appealing to leaders both at the national, provincial and district level where you represent a coffee growing community, to come forward during this critical time to assist where you can to address the current situation.

CIC's biggest challenge would be to coordinate farmers in unison at the farm level in terms of sanitation practices and that is where we will need more manpower to boost these efforts together with CIC.

Most smallholder coffee farmers are not aware of the seriousness of CBB pest and the serious damage it causes to the coffee berries. Coffee farmers will have to be made aware of the pest in terms of its life cycle, how it damages the coffee berries, how it is spread and measures to deal with it.

The general awareness has initially started in the highlands provinces, beginning with Jiwaka and Eastern Highlands, and this will continue into the rest of the highlands provinces and other regions and provinces.

We are mindful, that once CBB enters a country, it is there to stay and the coffee industry must develop plans to live with it through research and development programs to improve coffee productivity and quality. CIC anticipates to refocus its extension efforts including research and development in light of the incursion.

We have deployed our team of coffee inspectors into Chimbu where a road block is currently being staged at the Koronigl bridge and another team is expected to set up a roadblock this week at the Lufa/Okapa junction in Eastern Highlands. The third check-point is being planned for Kondapina in Jiwaka province. The roadblocks will stop the movement of coffee from infected areas to non-infected areas. Current containment exercises will include setting up of roadblocks, activating the cherry ban policy, applying pesticide in infected areas and getting farmers to go back to the basics of field sanitation.

We invite all industry stakeholders and leaders from coffee growing provinces to support CIC and partners during this critical time.

**CHARLES DAMBUI**

**Chief Executive Officer**

*Lukautim Kofi na Kofi bai Lukautim Yu*

# COFFEE BERRY BORER THREATENS PNG COFFEE INDUSTRY

THE presence of Coffee Berry Borer (CBB) is now public knowledge as a result of wide publicity and awareness. The delimiting survey conducted by CIC shows that the pest is quite widespread in Jiwaka Province where it was first reported. Latest verbal reports subject to confirmation by further delimiting survey, indicate that the pest is also present in parts of Eastern Highlands and Morobe Provinces. With this incursion and detections there are 3 basic approaches to deal with CBB and these are; 1) eradication, 2) containment and 3) long term management or control measures.

With such widespread occurrences as reported any attempts to eradicate CBB will be a total waste of limited resources. The next option would be to take actions to contain the pest within the detected areas. However, experiences from other countries show that even containment may not be possible especially given the nature of our cultivation practices. Even with the best of plans for containment, the pest is more than likely to spread from Jiwaka to neighbouring Western Highlands and Simbu Provinces and likewise for other areas of detection and it won't be long before the pest will spread to every corner of the country. In the final analysis, it is the long term sustainable control measures that require the most attention. It is for this reason that CIC will need over K40 million to build research capacity, conduct research on appropriate measures of control, and as part of CIC's extension service delivery program it will build the capacity of coffee growing communities to adopt long term control measures as recommended through local research.

CIC spent the past 10 years preparing for CBB incursion and was able to respond to the situation with efficiency. Since the 21st of February when the pest was first reported, CIC has spent almost K500,000 and delivered the following results;

- 1) confirmed the identification of the pest within 24 hours as opposed to more than a month under normal circumstances,
- 2) held consultation with NAQIA and other stakeholders,
- 3) conducted initial delimiting survey with the results as presented in the following map,
- 4) conducted awareness among various stakeholders,
- 5) assisted NAQIA with further delimiting surveys,
- 6) took out gazettal notice under CIC Act through DAL minister on restricting movement of coffee to prevent further spread of CBB and,

7) arranged for procurement of CBB traps, chemicals and chemical application equipment.

Going forward, CIC in the short term will support containment actions with extensive CBB trappings, chemical applications, field sanitation and restriction on coffee movement. These will form part of the containment actions. For the long term, CIC aims to deliver the following outputs;

1. build research infrastructure to facilitate the introduction, evaluation and mass production of biological control agents, the development and mass production of trapping attractants and the in vitro evaluation of chemicals,
2. Conduct research trials on various CBB control methods (chemical, cultural and biological inclusive of breeding) and develop a package for integrated pest management (IPM),
3. Facilitate training of scientific and technical staff in plant health as part of research capacity building to ensure continuity in plant health research,
4. Mobilise grower groups and build capacity to full coffee SME status to take ownership of long term control measures for CBB,
5. Empower grower groups with knowledge and skills on CBB management and material support for improved and sustained coffee production,
6. Establish CBB control model gardens per grower group and per blocks and plantations and provide material support for model gardens,
7. Build grower group capacity for coffee quality improvement including some assistance for centralized wet mills,
8. Facilitate marketing through existing partnership arrangement with MG Corporation of Japan and other exporters so that coffee SMEs maintain coffee quality and production to meet market requirements.

These outputs can be delivered as long as the government provides the required funding. The bottom line for CIC interventions is the sustainability of coffee production of improved quality and maximum financial returns to the grower. Failing to support CIC in full will mean the government accepting responsibility for poverty and social disorder for the rural population.

# CONTAINMENT EXERCISES UNDERWAY FOR CBB

THE PNG Coffee Industry Corporation (CIC) as the key institution responsible for coffee development and production in the country, has been in the forefront in addressing the Coffee Berry Borer (CBB) incursion since the detection of the pest in Banz, Jiwaka province in February 2017.

From recent delimiting surveys conducted, it has shown that Western Highlands, Southern Highlands, Enga, Simbu, and Hela remain free of the pest whereas Asaro and Kamaliki areas in Eastern Highlands indicate CBB presence.

CIC is already embarking on immediate control measures to address the issue.

General Manager for research and growers services division Dr Mark Kenny said CIC had already scaled down on other operations and committing resources to address the CBB incursion.

“We have deployed our team of coffee inspectors into Simbu where a road block is currently being staged at the Koronigl bridge and another team is expected to set up a roadblock this week (April 3rd) at the Lufa/Okapa junction in Eastern Highlands. The third checkpoint is being planned for Kondapina in Jiwaka province.

Dr Kenny added that police personnel in Banz and Kerowagi, including communities near the roadblock sites, have shown enormous support towards CIC to carry out its activities on the ground.



**CIC General Manager Dr Mark Kenny testing out the mist blower that will be used to spray insecticide on infested coffee trees.**

CIC chief executive officer Charles Dambui said delimiting surveys have been carried out in all disease- declared highlands provinces to date and this will continue as part of its surveillance exercise.

“We are now into the containment stage and this will basically involve looking at short term measures to address the problem.”

Mr Dambui said the containment exercise was expected to begin right away in Goroka and will be replicated into other Highlands provinces in the weeks to follow.

Current containment exercises will include setting up of roadblocks, activating the cherry ban policy, applying pesticide in infected areas and getting farmers to go back to the basics of field sanitation.

Mr Dambui said the roadblocks will stop the movement of coffee from infected areas to non-infected areas.

## GROWERS CONCERNED ABOUT CBB



COFFEE growers across the country are appealing to the government for immediate funding support to the PNG Coffee Industry Corporation (CIC) and the National Agriculture Quarantine and Inspections Authority (NAQIA) to combat the incursion of coffee berry borer (CBB).

PNG Smallholders coffee growers’ association chairman and board chairman for CIC, Mr Joseph Kom, reiterated the need for the government to urgently make funds available at this point in time as there are already reports of CBB in Menyamya in Morobe and Kaintina in Gulf provinces.

Mr Kom called on the government to treat this as an emergency and not to make commitments for CBB operations but make funds available immediately.

He said this while visiting the Mehuwo coffee block in the Asaro valley of Eastern Highlands last Friday.

“Coffee is the main source of income for over 2.5 million farmers and we do not want this pest to wipe out this industry”.

Mr Kom said this would severely affect families and households whose lifeline depended on the crop for their social and economic wellbeing if immediate measures are not carried out by respective authorities.

He added that coffee farmers needed to be assured by the government of the day that it was taking this issue seriously and to deliberate on funding support.

# Statistics Update with Brian Manny

## Production

COFFEE production in Papua New Guinea (PNG) has increased on average by 3 percent per year from 650,000 (39,000 tonnes) bags since independence in 1975 to stabilize at 1.12 million bags until 2005. The PNG Coffee Industry Corporation has reported through a recent report on production and export.

From 2006 to 2016, production declined on average by 2 percent with a record drop in 2015 to 733,831 bags (44,030 tonnes).

In 2016, it soared to 1.13 million bags, 65 per cent or more than half on 2015 production. Production in the last decade (2007-2016) averaged 995,000 bags (59,700 tonnes) a year.

According to CIC Statistical Analyst Brian Manny, the peak production in the period was seen in 2011 (89,000 tons) while the lowest was in 2015 (44,030 tonnes).

Production is dominated by village-based small farmers, who produce 85 percent of the annual crop. It is estimated that there are some 400,000 rural households in PNG that depend upon coffee to provide all or part of their income and about 70 percent of those living in rural areas. Plantations or larger estates take up a share of (4%) and intermediate sized holdings or 'blocks' come in with (11%) of between 10 and 20 hectares produced the remainder.

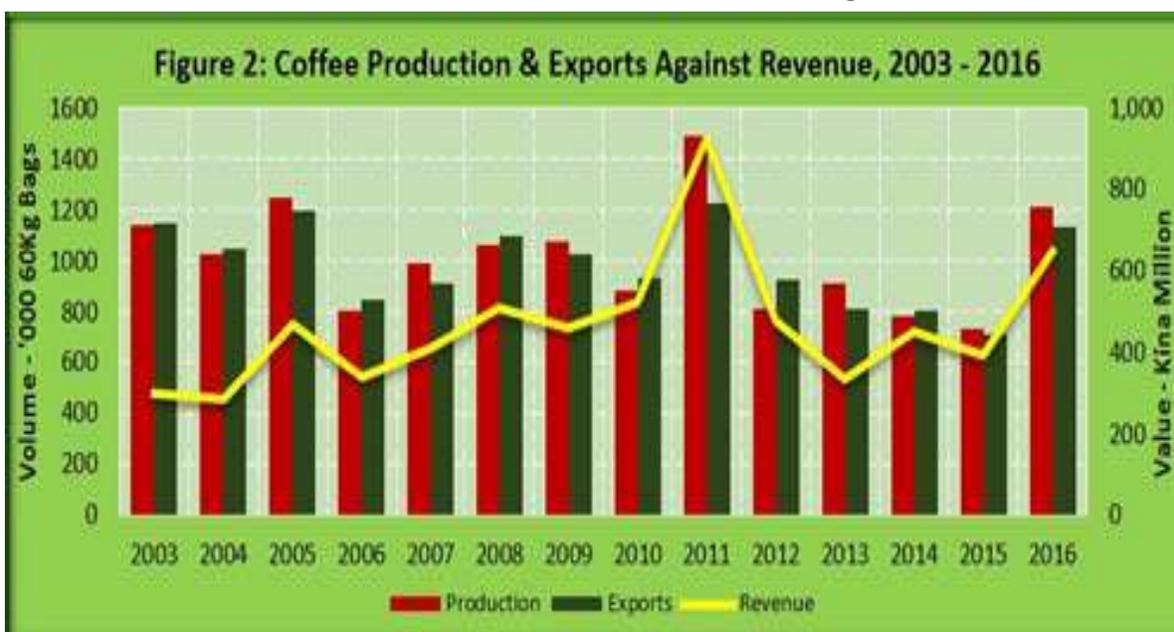
At present, coffee is grown in 16 provinces of PNG, but production is mainly centred in Eastern Highlands, Western Highlands, Jiwaka, Morobe and Simbu provinces. These provinces account for over 90 percent of production. East Sepik supplies most of PNG Robusta exports. The Arabica coffees produced in PNG, especially those produced on the larger estates, are considered to be among the finest gourmet coffees in the world.

## Exports

PNG exports almost all (99.9%) coffee it produces in green bean, and less than one percent is exported in roast and ground form. The trend in exports therefore resembles that of production. Exports have averaged 960,000 (57,600 tonnes) bags per year worth K510 million in the past 10 years (Figure 2).

Major export grades continue to be Y1 grade 58%, followed by Premium Smallholder Coffee (PSC) grade at 12%, X grade 9% and A grade 6%. PSC grade has fetched premium price of 64% per kilogram over Y1 grade.

United States continues to be the main buyer of premium coffee taking in more than 57% and 41% of A and X grades respectively. Australia imports over 19% of PSC grade while Germany ships most of Y1 grade (55%). New Caledonia picks up most of Robusta coffee (78%) while Australia receives about 43% of Y3 grade.



Graph showing PNG production and export figures against revenue over a 13-year period.

## Research facility upgraded

THE Western Highlands-based Coffee Industry Corporation (CIC) substation has been upgraded and equipped with new office facilities. The latest inclusion is a power generator, thanks to the Productive Partnerships in Agriculture Project (PPAP).

The new 35KVA generator was commissioned on Friday 17 March, 2017. The Powermax model diesel engine generator costing K52,000 (inclusive of GST) was purchased by CIC's Productive Partnerships in Agriculture Project (CIC-PPAP). The funding was from joint World Bank and PNG Government to improve CIC's capacity to better serve its farmers and other industry stakeholders.

Continuous power outage in the province has been affecting the operations of the officers including internet connectivity, accounting system and general operation of the organization for some years. The new generator and new look office building and facilities at Panga will improve productivity of staff there.

"We can't run an organization effectively and efficiently with blackouts affecting IT and accounting systems," said PPAP manager Mr Potaisa Hombunaka.

The substation facilitate coffee development and research work in the upper highlands provinces namely Jiwaka, Western Highlands, Enga, Southern Highlands, and also Madang and East Sepik.

Chief Executive Officer of CIC Charles Dambui who commissioned the new generator challenged the staff to utilize the assistance provided by PPAP to improve productively at work place and to ensure regular maintenance of the facility.

"We have to embrace these changes. We can't call it a research station until we have proper facilities in place and thanks to PPAP coffee," said Mr Dambui.

The CEO also acknowledge the presence of CIC officers attending to the Coffee Berry Borer pest in Banz and surrounding areas.

"We at CIC are better prepared to attend to CBB and I want to commend the effort of our inspectors on the ground," Mr Dambui said.

So far PPAP coffee has spent a total of K387,000 to upgrade CIC's Panga office. The spending comes under component 1 of PPAP development objective aimed at improving the capacity of CIC to effectively and efficiently service all stakeholders in the coffee value chain including growers and producers.

In 2015 PPAP financed the expansion of the office space facility with a fully-furnished conference room that can take up to 30 personnel at one time for all kinds of meetings and training sessions.

The substation was also supplied with 35 chairs, 6 tables and support facilities for an overhead projector for the conference room.

The extension work alone cost K270,000 in total and was funded by the World Bank and IFAD (International Fund for Agriculture Development) loan facility with counter-part funding from GoPNG. Extension work was carried out by Niugini Builders Ltd costing K230,000 and K40,000 was paid to Lae Theodist for supply of office furniture.

Another contract for K65,000 was also signed with Keith Builders last year to renovate the old office. This was financed from joint World Bank and PNG Government funding.

Senior procurement officer for CIC-PPAP Ms Theresa Witi said contractors for the development work at the Western Highlands substation were engaged under stringent World Bank procurement guidelines.

The PPAP is a coffee rehabilitation initiative of CIC funded by a loan facility from World Bank IDA (International Development Association) and IFAD (International Fund for Agricultural Development) with counter funding from PNG Government.



*CIC officers and Kerowagi police personnel carrying out road checks at the Coffee Berry Borer (CBB) checkpoint at the Koronigl area in Chimbu Province.*



*CBB stakeholders meeting in Goroka, Eastern Highlands Province.*



*Senior coffee inspector Johnem Pusa speaking to a community in Banz during the CBB awareness last month.*



*CIC CEO presenting a farewell gift to Mrs Tinai early this year.*



*CIC team with the newly appointed managers: Front row (2nd from left) is Michael Waim and (3rd from left) is Rose Romalus at the official hand-over take-over ceremony earlier this year.*



*CIC officers taking a break at the CBB checkpoint at the Lufa/Okapa junction in Eastern Highlands Province.*



*From left: Unggai-Bena local MP Benny Allen, Sallyn Lomutopa, Anna Bryan of CARE International and Steven Tumae of CIC during the 5-year plan launching of Ginipa coffee.*



*Offloading coffee at the Gusap airstrip in Ramu.*



*Service providers get training on how to make simple CBB traps.*



*CIC officers and Jiwaka/WHP smallholders rep Jack Kulam at Kina Kofi in Jiwaka.*

# BAD ROAD CONDITIONS A CONCERN

THE PNG coffee industry welcomes the initiative taken by the government through the Asian Development Bank to upgrade the Highlands highway to international standards.

CIC CEO Mr Charles Dambui said the Highlands highway is the economic lifeline for many coffee growers, processors and exporters. "To operate coffee business efficiently and effectively, a better road infrastructure network is the way forward."

He highlighted that market efficiency can be improved and financial returns can be maximised via good road links.

"We want to see road infrastructure improvement program to benefit the entire economic corridors via road networks. Such improved network can automatically remove obstacles to development and add positive economic and social benefits not only to farmers but the rural population whose economic lifeline depends on good road network system."

Meanwhile, an exporter's representative, John Edwards, said while the industry was happy about efforts by the government to look into fixing the national highway, there are a lot more businesses that are currently being affected on the ground due the continued deteriorating road conditions in the country.

"From the exporters end, we are concerned at the moment because there are several sections of the highway that are risky or may present problems in the near future if the wet season continues."

Mr Edwards added this could be a problem particularly now that the mines are not involved and there is less pressure to keep the roads opened. "It is the off-coffee season at the moment and not a lot of coffees are moving down the road, however, it will be critical once export movements pick up in April onwards.

He further called on responsible authorities to improve from adhoc maintenance to regular upkeep of the highway so that coffee can be moved in an organized manner.

Trans Wonderland Operations Manager Simon Pariakua shared the same sentiments saying the highway condition is affecting the business in terms of delayed deliveries, wear & tear on the truck and its components and the security of the cargoes. "We are at the mercy of the looters when carting attractive goods like food stuff, coffee, etc. The pressure on the truckies to deliver materials and goods for important economical projects like Exxon's LNG project and Oil Search Limited are beyond what the road infrastructure can support."

He said it was relieving to hear about the Prime Minister's announcement to upgrade the highway, however, suggested that it must not just upgrade it but upgrade it and own it. "Its law enforcement agents and various arms of the government must own the asset and maintain it."

The current state of the Highlands highway needs immediate action by responsible bodies to act swiftly and bring back confidence to the business community and travelling public.

The sections of the highway which are under havoc include Kassam Pass where semi-trailers are having difficulties getting up and down, the recent closure at Wandu in Kundiawa, Daulo in Eastern Highlands and Dumun in Chuave, Simbu province.



*Sections of the deteriorating Highlands highway in the Wandu area of Chimbu Province.*

# 40,000 seedlings for Kovon farmers

CLOSE to 40,000 coffee seedlings are ready for distribution to gardens in the mountains of Simbai and Kovon in the Middle Ramu District of Madang Province.

This is an initiative of Coffee Industry Corporation's industry rehabilitation under call 2 proposals in partnership with the Diocese of Aipo Rong – Anglican Church of PNG (ACPNG).

The seedlings will be distributed from the main nursery at Kaironk Village following a field visit by a team of CIC-PPAP officers on Thursday 26 January, 2017. The officers flew into the area on a MAF flight from Mt Hagen and walked for almost 13 hours in three days from Dusin airstrip to meet the farmers after spending two nights in two villages.

"This is your future. Plant it, look after it and the coffee tree will look after you in return," said Richard Alepa of CIC-PPAP who jointly launched the project with CIC officer in-charge of Middle Ramu, David Elmai.

Over 100 enthusiastic farmers and their families including children participated in the welcome and launching ceremony.

These seedlings will replace old coffee trees as part of coffee rehabilitation efforts to help some 877 farmers taking part in coffee rehabilitation in the area.

A field verification exercise was also conducted with farmers who expressed satisfaction with the CIC-PPAP intervention to revive their coffee gardens with benefits like distribution of tools at a subsidized cost.

The farmers and their families also participated in some trainings conducted by the lead partner ACPNG in the areas of business management skills, HIVAIDS and gender equality.

"Coffee remains a significant source of income to keep the people here out of absolute poverty."

"In a diversifying agriculture economy, growing coffee may not give them all they wanted in life, but at least it moves them in some direction out of poverty, and that is something," says Project Manager Mr Potaisa Hombunaka.

The 877 growers or households operate under five (5) cluster groups covering 439 hectares stretching from as far as Lower Jimi in Jiwaka Province across to Angoram District in East Sepik.

The PPAP-Coffee Component is a CIC project under the auspices of the Department of Agriculture & Livestock financed by a loan facility from World Bank (IDA) and IFAD (International Fund for Agricultural Development) with counter-funding from PNG Government.



*The main nursery site at Kaironk Village that will distribute 40,000 seedlings to the farmers in the mountains of Simbai and Kovon in Middle Ramu District of Madang Province.*

# PROJECT TO FOCUS ON WOMEN'S PARTICIPATION IN AGRICULTURE

THE socio-economic section of the Coffee Industry Corporation is embarking on a four year project which aims to develop new knowledge of the factors that explain women's low level of engagement in small-scale agricultural enterprises.

The ACIAR (Australian Centre for International Agricultural Research) funded project, titled "Identifying opportunities and constraints for rural women's engagement in small-scale agricultural enterprises in PNG", will focus on highlighting enabling factors and key pathways and improving the capacity of women to engage in successful enterprises in agribusiness through better access to networks and business development services.

This was presented at a recent inception meeting for all partners held on January 27th in Aiyura, Eastern Highlands Province.

The research project will partner with five different organisations – PNG Oil Palm Research Association (PNG-OPRA), PNG Cocoa Coconut Institute, PNG University of Technology, CARE International and Curtin University.

Project Leader, Dr. Gina Koczberski, highlighted that

PNG ranked 134 out of 148 countries on the Gender Inequality Index (GII), and is one of the countries that did not meet the 2015 Millennium Development Goal targets set for the promotion of gender equality and women's empowerment.

Dr Koczberski added that women are central to family livelihoods and wellbeing in rural PNG.

"Whilst research among smallholder households has demonstrated the important role of women in the production and sale of agricultural produce, few studies have focused on the opportunities or barriers to women engaging more strongly in the agricultural sector, especially as managers of small-scale agricultural enterprises."

The project spans across three main export cash crop sectors of coffee, cocoa and oil palm and the domestic fresh food produce sector, with each project partner carrying out a specific research component of the project.

Research & Growers Services Division General Manager Dr Mark Kenny welcomed the project saying it was vital to have researches done into barriers affecting farmers at the ground level, and more importantly women as managers of income earned.

The project has commenced in January this year and field work is expected to be carried out in the course of the project in West New Britain, East New Britain, Bougainville, Eastern Highlands Province and Morobe Provinces.

The research will be conducted among rural women/households and private and public sector organisations across the main export commodity crop industries and the fresh food produce sector in PNG.



*A female coffee farmer sun drying coffee in Gelehi village in the Eastern Highlands Province.*

## COOPERATIVE LAUNCHES 5-YEAR PLAN AND COFFEE BRAND

HARD work, commitment and dedication and most important of all, perseverance finally paid off for the dawn of a new dimension and era in the coffee industry for the Lower Unggai Community Development Foundation (LUCDF), a community based NGO from the Unggai Bena District in Eastern Highlands Province.

On March 20th, the LUCDF launched two seemingly significant projects aimed at alleviating poverty as well as empowering the organization and its members, including the surrounding areas.

LUCDF simultaneously launched its very own packaged roasted or ground coffee under the brand "Ginipa Coffee" that is exportable to overseas markets as well as domestically, and also launched the LUCDF's 2017 – 2021 five year plan.

Speaking before local MP and Lands Minister Benny Allen, Coffee Industry Corporation (CIC) senior officials and partner CARE International and other government representatives, founder and Chairperson of LUCDF, Sallyn Lomutopa joyously expressed the achievement of her organization.

Mrs Lomutopa attributed the success of LUCDF to the partnership support that her organization was and is getting from CARE International, CIC and other government agencies.

CIC's General Manager, Steven Tumae when praising Lomutopa and her organization members, hinted that LUCDF was the answer to the missing link between the government and the people actually trying to sustain themselves economically on the ground.

While emphasizing the importance of producing and exporting quality coffee overseas, Mr Tumae also challenged the Unggai Bena people to embrace and participate in CIC's annual National Coffee Cupping Competition (NCCC). The NCCC is the event which coffee farmers all over PNG through their cooperatives showcase the production of quality coffee only judged by professional connoisseurs brought in from abroad.

MP Benny Allen echoed the importance of the people embracing coffee, while explaining that the extractive resources like gold, copper, oil and gas would be depleted one day but agricultural commodities like coffee, cocoa and copra would remain to sustain the livelihoods of every Papua new Guineans. He exemplified himself as a product of coffee's income towards his educational upbringing.

## MOA SIGNED FOR POLICE RESERVE UNIT

THE safety of coffee growers has been assured with the signing of a Memorandum of Agreement (MOA) between the Coffee Industry Corporation and the Royal Papua New Guinea Constabulary on February 8th, 2017 in Port Moresby.

The MOA will establish a reserve police unit within CIC to address law and order issues in the industry.

CIC general manager Steven Tumae said it is through such bipartisan approaches between the Police Force and its partners where it paves way towards tackling the endemic social evils and practices, which should be an alternate approach to addressing such social issues.

"CIC deals with over 3 million people through coffee, we are community orientated, therefore, with this Reserve Police concept, we can at least address social problems through our coffee communities."

Mr Tumae said this agreement will help the hard working growers whose beans are often stolen during harvest time by thieves who sell them in illegal markets.

Police Commissioner Gari Baki said that having lived in the Highlands, he understood that illegal coffee trading was an ongoing issue and the signing of the agreement gave the police an opportunity to extend its responsibility down to those areas where their presence is needed the most.



# Staff News

## Recruitment



**Doreen Robert**

Doreen joins CIC this quarter as Assistant Payroll Officer.

Doreen holds a Bachelors Degree in Business Management from the University of PNG. She comes from Seigu village in Eastern Highlands Province.

Doreen says she is privileged to join an organisation that works directly with communities and strives to do her best in her new role.

## Departures



**Bruce Tinai- Senior Projects Officer**

Mr Tinai is calling it a day after serving the industry for more than 10 years. He has been a key staff member leading the Economics & Market Research Unit before being tasked to look after the Projects Office and playing a vital role providing insights into world coffee movements and domestic price trends for the organization and industry.

Thank you Mr Tinai for your immense contribution and for sharing your experiences with your colleagues at CIC. May God bless you and your family.



**Lillian Amu- Internal Auditor**

Ms Amu left CIC in January 2017 after taking up the role in October 2015.

Prior to her departure, she was able to successfully facilitate the establishment of an audit committee.

We wish her all the best in her next phase in her career path.

## Woman officer to head regulations unit

THE PNG Coffee Industry Corporation General Manager for industry operations division Mr Steven Tumae has welcomed the official appointment of Mrs Rose Romalus as the Acting Manager for the Industry Regulations (IR&C) section.

Speaking at the hand-over ceremony in Goroka on Wednesday February 22nd, 2017, Mr Tumae congratulated Romalus saying that she started with the organisation 18 years ago as a junior staff member and has worked her way up through perseverance.

“CIC is an equal opportunity employer and this promotion for Mrs Romalus should challenge other staff to be motivated and give your best in whatever responsibility you hold in the office or field.”

Romalus commenced work with CIC in 1999 as a quality control officer at its exports office based in Lae and has since moved from being a junior to a senior quality officer before taking up the Manager Industry Regulations and Compliance position.

Outgoing Industry, Regulations & Compliance Manager Michael Waim, who will be taking up a senior role for CIC’s business arm (Kofi Management Services Ltd), congratulated Romalus and urged staff under the section to give her all the support to carry on from where he left.

“This will be totally different from my day-to-day tasks in the quality field; however, I am confident to take this challenging role with the support of a very good team already in place,” said Romalus.

Mr Tumae added that the IR&C manager position was a male dominated one, however, under the CIC strategic plan; it has proved that the organisation is aware of gender issues and has rewarded the hard work of a long term serving officer. The section is responsible for quality control, industry regulations, licensing and exports.



# Repositioning charters to save costs

Coffee freighting from various remote settings only accessed by air using light aircrafts, is a challenge in terms of the costs involved. Due to the placement of many of these airstrips in rugged geographical locations, coffee farmers from within these areas have difficulty in transporting their coffee to the markets. This year in February 2017, an arrangement was made with Adventist Aviation Services based in Goroka to look at positioning the plane at Gusap Airstrip in the Ramu Valley to uplift coffees from airstrips in Rai Coast District, Madang and Kabwum District in Morobe Province.

Gusap Airstrip has been identified ideal central location to position planes there to freight coffees in from Kabwum, Rai Coast, Usino Bundi and lower Middle Ramu Districts. The aim of repositioning the aircraft there is to save costs and increase the number of trips to lift out many coffee bags.

During the positioning of the Adventist Aviation aircraft there, it freighted in 20,753kgs (20.7tons) of coffee parchment from Teptep 1,071kgs, Gogiok 6,218kgs, Sapmanga 3,150kgs, Yawan 7,284kgs, Bungawat 3,030kgs at the cost of K98,000.00.

Whilst doing this, on an average charter from Dinangat to Goroka would cost K5,720.00 but the route to Gusap is at K5,000.00.

The coffees belonged to farmer groups under the Tree Kangaroo Conservation Program in the Yus LLG of Kabwum District in Morobe. The coffees were processed and sold overseas.

It has been noted that it takes a longer flight time from the airstrips to Goroka, Aiyura, Madang and Nadzab.

The positioning trial has proven succesful and the Coffee Freight Program aims to look into such possibilities with other rural airstrips.



## Letters

**To:** Coffee Industry Corporation

**From:** Eunice Gware at Digicel group

A very nice informative newsletter on CIC and the good wok it does among our people.

Regards,

Eunice

**To:** Coffee Industry Corporation

**From:** Gina Koczberski at Curtin University, Australia

Thank you, much appreciated to be kept up to date when I'm here in Australia.

Regards

Gina

# TOKSAVE

## KOPI BERI BORA IN STAP PINIS LONG PNG

KOPI BERI BORA EM  
WANPELA BINATANG  
WE ISAVE MEKIM HUL  
GO INSAIT LONG SERI  
KOPI LONG PUTIM  
KIAU BLONG EM.



SAPOS YU LUKIM HUL  
LONG HET BILONG  
GRIN O MAU SERI KOPI  
KATIM GO HAP.



SAPOS YU LUKIM OL  
DISPELA BAGARAP  
INSAIT LONG BIN.



TOKSAVE HARIAP LONG CIC OPIS  
KLOSTU LONG YU