Asia-Pacific Network for Testing of Agricultural Machinery (ANTAM)

PAPUA NEW GUINEA
Presentation

AGRICULTURE MECHANIZATION
Issues & challenges

16-19 September, 2014
China National Convention Centre (CNCC),
Beijing, China

Stephen A. Mesa
PNG MINISTRY FOR AGRICULTURE AND LIVSTOCK
LAE
1. Brief Introduction to Papua New Guinea (PNG)
2. Agriculture in the Economy
3. Food Security Average Consumption (PNG) – Staples
4. Agriculture Machinery/Equipment – Importation
5. Country Entry - Agriculture Machinery
6. Issues and Challenges
7. Way Forward
Papua New Guinea
Geographic Coordinates, 6°S and 147°E
1. Brief Introduction Papua New Guinea (png)

**POPULATION** 7.6 million (growth rate 2.7%), 85% Population is rural

**AGRICULTURAL NATION AND HUGE POTENTIAL**

**LAND AREA** 459,854 sq km, ONLY 27% Inhibited

47% Land hilly to variable Mountain Ranges,

41% Plains/Plateau land,

30% suitable Agriculture Development

**CLIMATE:** Dry season from May to October, the wet periods extend from November to April.

**RAINFALL:** Range from 1,000 mm to 8,000 mm.
2. Agriculture in Economy (PNG)

COFFEE, COCOA, COPRA & COPRA OIL, OIL PALM, RUBBER, FRESH VEGETABLE, BEETEL NUT SPICES/MINOR CROPS

90% VALUE OF (AGRICULTURE) EXPORT COMES FROM COFFEE, COCOA, COPRA & COPRA OIL, OIL PALM

Major Economic Sectors

Agriculture (26% GDP), Forestry, fishery, manufacturing (9%), mineral (75% GDP) and petroleum (11% GDP), retail and wholesale, building and construction, transport and telecommunication, finance and business trade. Others incl. Social Services (12% GDP)
### 3. Food Security - Average Consumption (PNG) – Staples
(Kg/person/year)

<table>
<thead>
<tr>
<th>Staples</th>
<th>Rural Areas</th>
<th>Urban</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Highlands</td>
<td>Lowlands</td>
</tr>
<tr>
<td>Sweet Potato</td>
<td>440</td>
<td>100</td>
</tr>
<tr>
<td>Banana</td>
<td>60</td>
<td>95</td>
</tr>
<tr>
<td>Other Root Crops</td>
<td>60</td>
<td>95</td>
</tr>
<tr>
<td>Sago</td>
<td>0</td>
<td>40</td>
</tr>
<tr>
<td><strong>Rice</strong></td>
<td><strong>20</strong></td>
<td><strong>30</strong></td>
</tr>
<tr>
<td>Wheat Product</td>
<td>10</td>
<td>15</td>
</tr>
</tbody>
</table>

Source: Gibson (2001b)
4. **Agriculture Machinery/Equipment – Importation**

No Agricultural Machinery Production Plant in PNG

1. **LARGE PLANTATION HOLDING/ESTATES** [OIL PALM, SUGAR CANE, COCONUT, TEA, ONE COMMERCIAL RICE FARM]
   
   LARGE MACHINERY/EQUIPMENT [TRACTORS]

2. **SMALLHOLDER PRODUCERS [RICE]**
   
   SMALL MACHINERY [RICE MICRO MILLS]
5. COUNTRY ENTRY - AGRICULTURE MACHINERY

1. Direct Machinery/Equipment Orders for sale from Traditional Vehicle Dealers
2. Orders based on Cliental Request/preferences
3. User Direct Import – Plantations, Commercial Estates
4. Logging/Oil Palm Companies

Government in 2004 provided reduction in Customs Duty to 10%

NOTE: TRADITIONAL VEHICLES IMPORTERS BUY - TRACTORS/EQUIPMENT FROM COMMON SOURCES FROM USA/JAPAN VIA AUSTRALIA

New Importers with new and unknown brands of Agricultural Machinery/Equipment
6. Issues and Challenges

- Different Dealers (Importers), New Importers with new Sources of Machinery Brands/Model – Question of Standards
- Lack of Data/Information/Statistics on Agricultural Machinery in country
- Lack of Coordination
- Geography/Terrain
- Poor Road Infrastructure

- Small Agricultural Machinery - Micro Rice Mills - too many brands
- No Back up parts and availability [big problem]
- Dealers having difficulties in communicating with suppliers
7. THE WAY FORWARD

Dealer and Manufacturer relationship (especially with new manufacturers) must address issue of dialogue and commitment to ensure parts are accessible/available — ANTAM partners in country of Manufacturing ensure to maintain data base of genuine suppliers.

Policing of Standards/Codes
When the going gets tough... the way farmers handle the transport infrastructure issue......

Source: Post Couriers, 2012
ACKNOWLEDGEMENTS AND THANK YOU

UNESCAP, CSAM

ANTAM Coordination and Logistics Staff, Beijing, China

and

ANTAM KEY PRESENTERS/EXPERTS FOR VALUABLE INFORMATIONS DISSEMINATION

Global
END

THNK YOU