

#### **PAPUA NEW GUINEA**

**Presentation** 

# AGRICULTURE MECHANIZATION Issues & challenges

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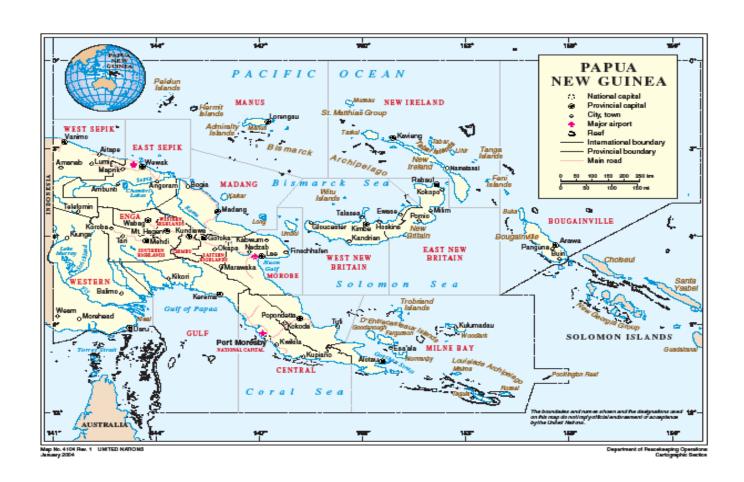






### Papua New Guinea

#### 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 POTENIAL

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)

<u>Staples</u>	Rural Areas		<u>Urban</u>
	<u>Highlands</u>	<u>Lowlands</u>	
Sweet Potato	440	100	35
Banana	60	95	45
Other Root Crop	s 60	95	45
Sago	0	40	30
Rice	20	<b>30</b>	70
<b>Wheat Product</b>	10	15	50

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

- Direct Machinery/Equipment Orders for sale from Traditional Vehicle Dealers
- Orders based on Cliental Request/preferences
- 3. User Direct Import Plantations, Commercial Estates
- 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 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

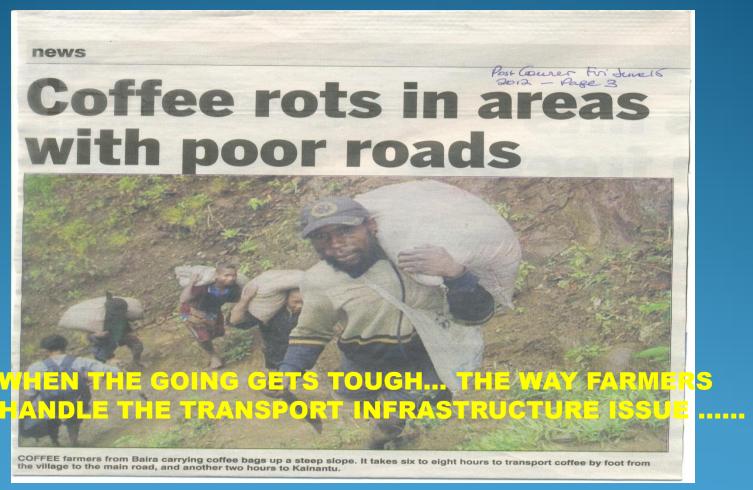
Dealer and Manufacturer relationship (especially with new manufacturers) must address issue of dialogue and commitment to ensure parts are accessible/available – ANTAM partners in country of Manufacturing ensure to maintain data base of genuine suppliers.

Policing of Standards/Codes

















### **ACKNOWLEDGEMENTS AND THANK YOU**

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and

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**Global** 





END

**THNK YOU**