Mobility is essential for extension officers to cover large areas so motor bikes are provided to Partnerships for them. Swim Eliquid rarely works sustainably and so now is avoided.

A PPAP training model has been developed that focuses around clusters of 25 farmers each with a Lead Farmer and his Model Farm managed to Best Practice standards. Partnership Extension Officers manage 10 clusters with a total of 250 farmers. Extension staffs receive training with Lead Farmers who together provide awareness and group training to and collect data from the farmer clusters on the various technical and social training modules.

Impact surveys show that over 90 % of farmers cocoa blocks are being managed to Best Practice standards in the 10 projects that have already been completed so far. Impact surveys have showed that the average cocoa productivity of 4 year old clonal cocoa is some 1.6 tonnes dry bean per hectare – some farmers exceed three tonnes! This is a huge improvement on the national average of just 0.3 tonnes db/ha. Incomes are now being realized by farmers that far exceed the grant amount provided to them.

Thus, the investment by the Government of PNG in the rural economy through PPAP is multiply economic benefits with considerable positive social impact as well as increased export earnings for the nation. Moreover, their cocoa will continue to bear rich fruits for many years to come. Households are using this money for improved livelihoods – improved food, clothing, education, health – some have even built permanent houses with the money received form their cocoa and all in just a few years.

All partnership extension staff with Cocoa Board and provincial extension officers undergoes a Training of Trainers course in Best Practice cocoa managemen and other modules at a recognized centre of excellence and this has been well received. The PPAP provides the opportunity for other agencies to deliver key services through the PPAP.

Bank of South Pacific has conducted many training in Financial Literacy and many new bank accounts have been opened as a result thus helping to fos- ter a savings mentality, so important for an emerging ‘Business Farmer’. Red Cross, Mustard Seed NGO and provincial health authorities combine with PPAP to reach many thousands of rural households. Each farm, if well man- aged, can become a sustainable SME.

The PPAP will end in December 2019 but it is still far from being fully devel- oped - new innovations are evolving every year. Currently, solar driers are being rolled out to all partnerships to address the quality issue of smoke con- tamination in PNG cocoa arising from faulty kiln dryers. Small scale village and larger commercial nursery propagators are also being piloted to produce clones by cuttings method to address the high cost and difficulties in the cur- rently used budding method – another important element of sustainabil- ity.

Six of seven feeder roads servicing PPAP partnership communities have been rehabilitated in East New Britain and three construction is Bougainville. Scoping, costing and selection of all 7 targeted roads in 4 Maleme provinces of the mainland have been completed and Bidding Documents prepared for tender and award by the Central Supply and Tenders Board (CSTB) of PNG. The improved market access is one of the farmer’s high priorities.

The activities to achieve this are strengthening industry coordination and in- stitutions, facilitating linkages between smallholder farmers and agribusiness for the provision of technologies and services, and the provision of critical market access infrastructure. The PPAP has three components designed to address each of these three main activities.

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The PPAP component is managed by a Project Management Unit (PMU) based in Kokopo, East New Britain with regional offices in Bougainville, Madang, and Sepik. The PMU is managed to the high International Standards to the World Bank to ensure transparency, accountability, good governance and efficient and effective project management.

The development objective of the project is to improve the performance and the sustainability of value chains in cocoa- and coffee-producing areas, in order to improve the livelihoods of smallholder cocoa and coffee producers.
Cross Cutting Issues

The Red Cross, Provincial Health Authority and Mustard Seed provided awareness, medical diagnosis, and medication support for HIV/AIDS, Diab-etes, TB, malaria and other illnesses by a mobile health unit. This deliver-ers service directly to the PPAP farming communities, some of which are remote. Other cross cutting components in the packages includes gen-der, nutrition, drug and alcohol abuse, sexual disease etc. Theatre groups are used to convey messages.

Component 3: Market Access Infrastructure

The objective of Component 3 is to improve and maintain the condition of smallholder market access infrastructure in targeted cocoa and coffee areas in a sustainable manner. To ensure the sustainability objectives are delivered a key element of the screening process will be the avail-ability of resources to ensure the ongoing maintenance of the improved infrastructure.

The framework for selecting investments under Component 3 is based on four considerations:
1. Selection and prioritization of investments in market access infra-structure will be within the areas of productive partnerships iden-tified under Component 2.
2. Infrastructure investments will only be implemented once sus-tainable, resourced commitments for their long-term maintenance are secured.
3. A sustainable framework for maintenance of facilities and transport routes will most likely be achieved through partnership between the private sector and LLG and/or provincial governments, shar-ing responsibility and costs.
4. Investments will focus primarily on rehabilitation and maintenance of existing assets to avoid increasing the burden of maintenance on stakeholders through provision of new facilities.

Component 3 has two sub-components as follows:

Sub-component A: Preparation of market access infrastructure invest-ments. The purpose of Sub-component A is to identify and evaluate market access infrastructure investments that will improve market ac-cess in support of Component 2 partnerships. The output of this Sub-component will be an approved list of sub-projects, most likely on an annual basis, following two cycles of Partnership establishment.

Sub-component B: Market access infrastructure development. This sub-component will finance the investments in infrastructure rehabilitation and maintenance that have been identified, screened and approved in Sub-component A. The output of this sub-component will be completed sub-projects placed under sustainable management.

Grievances

Partnership Agreements include a mechanisms for resolving any dis-putes that may arise between the lead partner and sub-partners/farmer groups, and between the lead partner and the PPAP. In the former in-stances the relevant PMU will explain to each party their rights and pro-cedures for resolving grievances and will seek a resolution by informal arbitration. If the resolution proposed by the PMU is not acceptable to both sides, then the matter will be referred to the relevant Administrative Disputes Tribunal.

A SUMMARY OF PPAP TO DATE

Provision of extension services and other forms of support to rural farm-ing communities has degenerated considerably over the years in many countries including PNG.

World Bank Environmental and Social Safeguard Policies and Triggers

The Environmental and Social Management Framework (ESMF) is one of the instruments prepared to support the implementation of PPAP. This is intended to ensure compliance with Environmental Laws of PNG and the Environmental and Social Safeguard Policies of the World Bank, and the document can be considered as stand-alone. This is also required to fit with World Bank requirements. The final ESMF was completed in 2010 and integrated comments received after public disclosure of the draft. The four (4) World Bank policies required under ESMF to support imple-mentation of the PPAP are:
- Environmental Assessment (OP 4.01)
- Pest Management (OP 4.09)
- Indigenous People (OP/BP 4.10) and
- Involuntary Resettlement (OP/BP 4.12)
More information about the Environmental and Social Safeguards is available from the Cocoa PMU and on the cocoa industry website.

Call 3 or Proposal Awariness at Maprik

The objective of Component 2 is to increase the integration of small-holder producers in performing and remunerative value chains, by de-veloping and implementing productive partnerships between smallholders and the private sector in the project areas. The PMUs in the CB and CIC are responsible for implementing Component 2, with sup-port from a Technical Appraisal Committee (TAC).

Call 3 targets Momase Provinces, (ESP,WSP, Madang and Morobe), Nine (9) Partnerships were approved and commencement in July 2016. Five (5) projects are in the Sepik plains (ESP/WSP), Three (3) in Madang Province and One (1) in the Morobe Province.

The Lead Partner and Joint Partners cannot receive PPAP funds for their own businesses or operations – only for costs directly related to imple-menting the PPAP proposal.

Implementation status

Phase 1 ran from 2011 to 2016. The Project was very successful so a second phase was approved with additional financing from the World Bank and IFAD.

Five partnerships were funded in Call 1 and commenced implementation in the fourth quarter of 2012. Three of them are in East New Britain and two are in Bougainville. Seven partnerships were funded in Call 2 and commenced implementation in June/July 2013. Seven of them are in East New Britain and two in Bougainville Call 3 targets Momase Provinces, (ESP, WSP, Madang and Morobe), Nine (9) Partnership were approved and commencement in July 2016. Five (5) projects are in the Sepik plains (ESP/WSP), Three (3) in Madang Province and One (1) in the Morobe Province.

Up scaling of partnership in ENBB and AROB also commenced in July 2016. Ten new Partnerships were approved with some 9200 households. All funds in the Cocoa component of PPAP has now been committed for a total of 32 Partnership and some 25’000 households.