3

THE PAPUA NEW GUINEA COFFEE REHABILITATION PROGRAM

Richard C. Doery, Consultant, Hassall and Associates

Introduction

Steps are being taken to establish a national program for the rehabilitation of the coffee industry. The impetus was the discovery of widespread coffee rust in the major coffee growing area of the Western Highlands, and to a lesser extent in many other areas.[1] The potential impact of the disease on one of the country's major export industries was estimated to be huge. General problems of management of smallholder coffee production meant that any measures to control the disease would be of no value unless there was a major rehabilitation program, including an upgrading of coffee management by smallholders and specific measures to deal with the rust problem by plantations. The Coffee Industry Board expanded its support of the work carried out by extension staff of provincial governments with funds provided through a special levy on coffee exports, while the government and private sectors introduced other initiatives as follows:

Formation of the Coffee Development Agency

After considerable discussion within the Department of Primary Industry, and between the Coffee Industry Board, the Coffee Industry Association and the provincial and national governments, it was agreed that a special Agency be established with responsibility for extension services to smallholder coffee producers. Formal approval was granted in January 1987, with the Coffee Development Agency given nationwide jurisdiction in respect of all matters related to smallholder coffee development, rehabilitation, and pest and disease control. The focus of the Agency is therefore much broader than the coffee rust control program, and its objectives include:

- To promote the development of smallholder coffee holdings in Papua New Guinea through the implementation of improved coffee husbandry technologies to increase production and effectively control and regulate coffee pests and diseases;

- To promote the use of improved harvesting and processing techniques;

1 See 'The coffee rust problem in Papua New Guinea' in the first issue of the Bulletin.

- To promote the use of agricultural chemicals, fertilizers, farm tools and equipment;

- To collect, compile and circulate information and statistics regarding growers, crops, land and all other aspects of the industry;

- To provide advice and disseminate information on coffee production methods, machinery and management techniques;

- To promote the commercial use of coffee processing equipment by growers;

- To consult and collaborate with the Coffee Industry Board, the Coffee Research Institute, Department of Primary Industry, provincial authorities and all other agencies and authorities concerned or involved in the industry as well as growers, plantation groups and organizations interested or involved in any object of the agency; and

- To do all other things as are conducive or incidental to the attainment of these objectives.

The Agency is a new organization and its full structure is still being determined. It has been established as a company limited by guarantee, with membership currently confined to the national government, the Coffee Industry Board, and the three provincial governments in whose area coffee production is a major activity. Voting rights are weighted to ensure the interests of its various members.

A rehabilitation program is to be established under the auspices of the Agency with the financial support of the national and provincial governments and the Coffee Industry Board. The anticipated budget for May to December 1987 is K4.7 million (A$7.3 million). A major portion of the funding comes from a 10 toea per kilo levy on all exports. Provincial governments in each of the major growing areas have identified staff who are to be allocated full time to providing coffee extension services and these provincial programs are being coordinated with the national program of the Agency. Initial efforts have been concentrated in the Baiyer River Valley area where the disease was first discovered and its deleterious effects are likely to be greatest. Large numbers of smallholders in this area have now pruned and treated their trees, and evidence of regrowth can already be seen. The total task to be undertaken is still very large, given the fact that there are some 266,000 families in thirteen provinces involved in the coffee industry.

Financial assistance is also to be provided to smallholder farmers by the national government. An amount of K2 million has been allocated to the Agriculture Bank for on-lending in the form of 'coffee rust loans'. The Coffee Development Agency vets loan applications as part of its overall rehabilitation program.

Plantation sector

The well managed plantations have taken rust control or prevention measures, and have also assisted in assessing the disease situation of adjacent smallholder farmers. Some estates have incorporated local smallholdings within their spraying and control efforts.

Coffee Research Institute

The function of the Institute is primarily technical support, and it has proceeded to upgrade its program through the importation and development of disease resistant material and other measures designed to improve productivity, and through the expansion of its staff to work specifically on rust research.

External assistance

The Papua New Guinea Government requested assistance from Australia to support its control program, and an appraisal mission was subsequently undertaken to assess appropriate forms of technical and capital support for both the Coffee Research Institute and the Coffee Development Agency. This project could proceed in early 1988.

Conclusion

Although the introduction and rapid spread of the coffee rust disease has the potential to be a disaster of national proportions, it has also provided the stimulus for a major rehabilitation effort that in the long term could see a much better managed and expanded coffee industry in Papua New Guinea.