
Summary Report of the DAL Retreat

9th – 13th April, 2018

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Summary

A sector planning retreat for Agriculture sector was held from the 9th to 13th of April 2018, at Hotel Genesis, Kimbe, WNBP. The retreat brought together key staff within Department of Agriculture and Livestock (DAL) with representatives from other relevant government agencies such as the PNG Forest Authority (PNGFA), Departments for Land and Physical Planning (DLPP) and National Planning and Monitoring (DNPM) and the Conservation and Environmental Protection Authority (CEPA) to discuss how best to support efforts to reduce emissions from deforestation and forest degradation (REDD+). A key focus of this discussion was how to move the agriculture sector further towards a green development pathway.

The retreat focus was on:

- Strengthening Commercial Agriculture in PNG including: policy reform, development of Palm Oil Commodity Platform and Palm Oil Policy, the development of Agricultural Investment Guidelines for PNG, and a financial framework to support commercial agriculture; and
- Strengthening support to family agriculture, including review of the existing extension services to family agriculture and development of improved agricultural extension services.

Within these areas the retreat set out to develop a clear list of actions that could be:

- supported through FCPF2
- included in the REDD+ Finance and Investment Plan (RFIP)
- proposed for funding by the Green Climate Fund (GCF)

Based on this, the retreat was divided into four (4) sessions of information focusing on:

- *Setting the scene on REDD+ and process of national REDD+ development* – providing an overview of REDD+ - background on REDD+ globally, Forest land use & Land use change in PNG (Collect Earth/FRL), REDD+ Progress in PNG – Outline of main developments in REDD+ in PNG including NRS development and FRL Outline of REDD+ Finance and Investment Plan (RFIP) and next steps.
- *Context of PNGs Agriculture Sector: Climate Smart Agriculture* – providing a way forward suggestions for the agriculture sector to effectively and efficiently participate in the national and globally effort in reducing GHG emissions, through specific commercial agriculture policy and revitalization of family agriculture extension services.
- *NRS Linkage to Agriculture* – providing the NRS linkage to current DAL proposed Bills and Amendments: Agriculture Investment Corporation Bill - covering four areas of funds for agriculture innovations, agribusiness development, farm inputs support capital information; Agriculture Administration Adjustment Bill – provides for climate change mitigation and adaptation through strengthening commercial agriculture policy, including studies on oil palm and rubber and revitalize the extension services to support and strengthening family agriculture.
- *Challenges in effectively guiding strategic land use planning* – looking at challenges in new oil palm developments, the processes in acquiring customary land, including formation of Incorporated Land Group (ILG), and need for proper land use planning using GIS and remote sensing techniques as a tool, leading to protection of High Value Conservation (HVC) and High Carbon Stock (HCS) areas.

The sessions provided an overview of the progress in REDD+ work in PNG including RFIP to implement the NRS and linking them to recent developments in the agriculture sector in terms of the new policy

developments towards strengthening commercial and family agriculture sectors. In order to develop a way forward a number of group works sessions were undertaken to allow participants time to discuss key issues and develop proposed areas of action for the agriculture sector. To help guide these discussions groups were divided to focus on key priority areas for environment in PNG targeting:

- Strengthening Commercial Agriculture Policy
- Strengthening support to family agriculture
- Agriculture Policy/Legislation alignment to NRS

Based on these discussions a number of key action areas and recommendations were developed as way forward for agriculture sector.

Outputs of Retreat Group Assessment

These are outlined in more detail in Section 3.5 of the report with a summary of key elements highlighted below:

Strengthening Commercial Agriculture Policy

There is need to align or link legislative framework with all sectors and not only the concerned sector. There is also a need for commercial tax incentives for commercial agriculture investment. It was noted that integrating planning and policy development must have interaction with financial institutions (banks) to access loan for the purpose of evaluation and monitoring so that local farmers are fully supported. It was emphasized that the retreat should help in identifying possible actions and framework that will help to realize the outcomes of the identified barriers.

Strengthening support to Family Agriculture

It was noted that decentralization of extension services from the national level to the provincial level has affected the funding system and hence the extension services delivery. Now that all agriculture institutions are under Department of Higher Education, Research, Science & Technology (DHERST) and no longer under DAL, there may be lack of proper curriculum development leading to lack of appropriate training. There is also need to increase the number of female officers to address cultural issues in terms extension services.

There is need that all activities must be aligned to the MTDP3 to access financial support where reforms have caused disconnect in service delivery. The major problem now is that resources are going to or more focused on non-productive economy. Also there is no continuity in the implementation of policies.

Agriculture Policy/Legislation alignment to NRS

It was highlighted that agriculture policy frameworks must focus on quality factors that will give the sector an edge to penetrate niche markets. Agriculture sector has evolved without a clear policy direction with many attempts towards policy developments and policy interventions that have not been formalised or implemented.

Although internationally recognised certification processes were not highlighted as a solution to the challenges of the whole sector it was noted that for some commodities certification could be relevant dependent on market demand.

It was thus noted that initial focus may be needed to increase smallholder market access, and to make agriculture sector laws compliant to other sectors, something which needs effective collaboration with other sector as strategized in NRS.

1.0 Introduction

A sector planning retreat for Agriculture sector was held from the 9th to 13th of April 2018, at Hotel Genesis, Kimbe, WNB. The focus of the retreat was to bring together the key Department of Agriculture and Livestock (DAL) staff with representatives from relevant government agencies to discuss how best to support efforts to reduce emissions from deforestation and forest degradation (REDD+) in close consultation with key sectors such as forestry, lands, environment and conservation, and national and monitoring to ensure economic development and climate change outcomes are achieved. In general, directing the Agriculture sector towards promoting transformation change and moving towards the green development pathway.

Agricultural sector is central to economic growth and poverty reduction in PNG. Expansion plans for palm oil, coffee and cocoa are a key parts of government's long-term strategy to develop a world-class agriculture sector that is responsive to international and domestic markets by 2030. Government is targeting improvements in agricultural productivity by 60% and an expansion of area under cultivation by 180%. Yet, government support of agriculture sector is limited, with a lack of coordination between key government agencies, little dialogue and transparency between the different actors engaged in agricultural commodities, low capacity in government agencies to enforce existing legislation and agriculture budget representing less than 2% of the public spending.

There is an emerging policy direction for a stronger and more sustainable agricultural sector (Agriculture Administration Adjustment Bill and Agriculture Investment Corporation Bill). StaRS, the National Strategy for Responsible Sustainable Development, and its associated Green Growth Framework, aims to establish PNG as a global leader in high-quality agricultural production.

PNG's National REDD+ Strategy (NRS) which provides the framework for implementation of REDD+, requires key sectors identified in the NRS to present and elaborate specific plan of actions within different sectors and costed plans of how these will provide a single document to coordinate government finance, and attract development partners and private sector technical support. Climate Change and Development Authority (CCDA) with support from the United Nation Development Programme/Forest Carbon Partnership Fund (UNDP/FCPF), and in partnership with other line agencies as outlined in the NRS are working on the development of REDD+ Finance and Investment Plan (RFIP), the implementation of which will be partially financed through a proposal to the GCF.

2.0 Retreat Objectives and Outputs

2.1 Retreat Objectives

To develop a clear list of actions to be 1) supported through Forest Carbon Partnership Fund 2 (FCPF2), 2) included in the REDD+ Finance and Investment Plan (RFIP), 3) proposed for funding by the Green Climate Fund (GCF), and 4) develop clear understanding of action areas to be undertaken by DAL in collaboration with other sectors.

2.2 Retreat Outputs

- All participants are aware of the role and action areas of DAL, the NRS and proposed next steps for REDD+ implementation in PNG
- Develop common understanding and consensus on how to strengthen operations within the DAL and the agriculture sector

- Preliminary key theory of change drafted for how emissions from the agriculture sector can be reduced while maintaining an economically productive and sustainable development in the agriculture sector
- List of actions to be included within the framework of the NRS and RFIP and key actors responsible for them.
- Identification of finance needs for the sector and potential funding sources.

3.0 Overview of Sessions

The retreat was divided into a number of sessions that sought to address key topics within the agricultural sector and linking with REDD+ and these were:

- *Setting the scene on REDD+ and process of national REDD+ development* – providing an overview of REDD+ - background on REDD+ globally, Forest land use & Land use change in PNG (Collect Earth/FRL), REDD+ Progress in PNG – Outline of main developments in REDD+ in PNG including NRS development and FRL Outline of REDD+ Finance and Investment Plan (RFIP) and next steps.
- *Context of PNGs Agriculture Sector: Climate Smart Agriculture* – providing a way forward suggestions for the agriculture sector to effectively and efficiently participate in the national and globally effort in reducing GHG emissions, through specific commercial agriculture policy and revitalization of family agriculture extension services.
- *NRS Linkage to Agriculture* – providing the NRS linkage to current DAL proposed Bills and Amendments: Agriculture Investment Corporation Bill - covering four areas of funds for agriculture innovations, agribusiness development, farm inputs support capital information; Agriculture Administration Adjustment Bill – provides for climate change mitigation and adaptation through strengthening commercial agriculture policy, including studies on oil palm and rubber and revitalize the extension services to support and strengthening family agriculture.
- *Challenges in effectively guiding strategic land use planning* – looking at challenges in new oil palm developments, the processes in acquiring customary land, including formation of Incorporated Land Group (ILG), and need for proper land use planning using GIS and remote sensing techniques as a tool, leading to protection of High Value Conservation (HVC) and High Carbon Stock (HCS) areas.

These sessions were interspersed with a number of group working sessions that focused on identifying key actions to be taken forward as part of the REDD+ Finance and Investment Plan (RFIP) development process and as part of this for consideration for financing through the Green Climate Fund.

The below sections provide an overview of the information sessions held with the final section looking at the outcomes of group work activities.

3.1 Session 1: Setting the scene: REDD+ and process of national REDD+ development

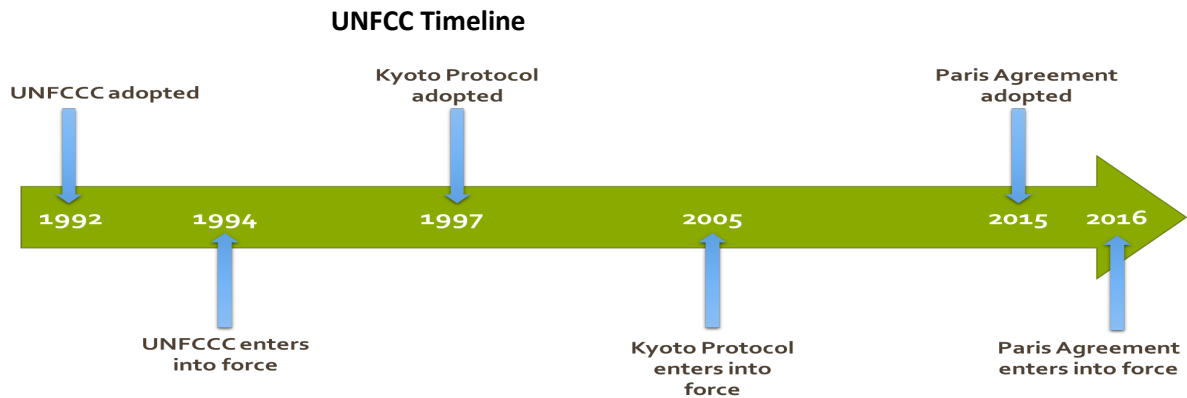
Five (5) presentations were given during the session - providing an Overview of FCPF support activities, an overview of REDD+ globally, an Overview of Forest land use and Land use change in PNG (Collect Earth/FRL), an Update on REDD+ progress in PNG, an Outline of REDD+ Finance and Investment Plan (RFIP). Key information points include:

3.1.1 An Overview of FCPF Support Activities

- Forest Carbon Partnership Facility (FCPF1) (2015-2018) provided an important support to GoPNG to build country's capacity to efficiently manage REDD+ through establishment of management arrangements and development of a National REDD+ Strategy
- Executing agency is Climate Change and Development Authority (CCDA) and the Implementing partner is PNG Forest Authority (PNGFA) with UNDP as the delivering partner and providing technical support
- The results to date are:
 - National REDD+ Strategy 2017 – 2027;
 - Development of RFIP to implement NRS currently in progress;
 - REDD+ Capacity Building (more than 120 reps from government, civil society and private sector)
- Established pool of national experts and strengthened inter-sectoral coordination;
- Feasibility studies (Issues and Options, Sustainable Agricultural Commodity, Safeguards and SIS, agro-mapping assessment, financial flows, etc.)
- The goal of DAL retreat is to initiate discussions on how best to strengthen economic productivity and sustainable livelihoods.
- The objective is to develop a plan of actions for implementations of NRS that is relevant for DAL that can be identified for immediate support through FCPF 2 or included within the RFIP
- The expected outcomes from the retreat were to:
 - Increase the understanding of DAL, the NRS and proposed next steps for REDD+ implementation in PNG.
 - Develop common understanding on how to strengthen operations within the Agriculture sector.
 - Identify list of actions to be included within the framework of the NRS and RFIP and key actors responsible for them.
 - Identification of finance needs for the sector and potential funding sources.

3.1.2 Global Overview and Background of REDD+

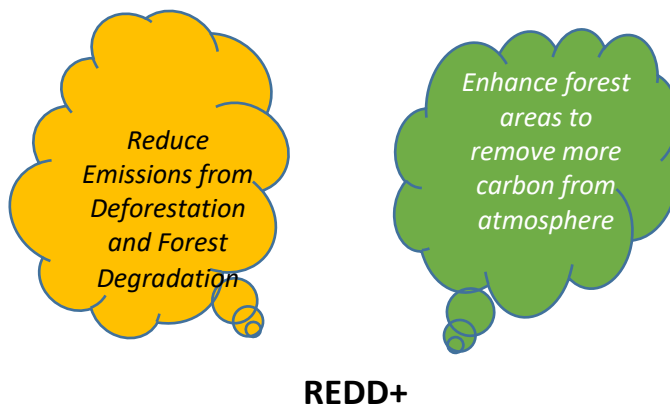
- Provides background information on the United Nation Framework for Convention of Climate Change (UNFCCC) and the Conferences of Parties (COP), which led to Adoption of Paris Agreement in 2015 and Enforcement of Paris Agreement in 2016 on REDD+.
- UNFCCC requires respective governments to appoint focal entities and persons that will attend the annual negotiations and other technical meetings.
- The major agreements include Kyoto Protocol and Paris Agreement.
- REDD+ went through many decisions since 2007 and adopted under Paris Agreement mechanism
- The Green Climate Fund (GCF) is created by countries as the financial mechanism of the UNFCCC
- The diagram below provides the information on the timeline of UNFCCC



Key Elements of Paris Agreement

- **Aim:** to keep the temperature increase well below 2 degrees, and to 1.5 degrees if possible
- **Objective:** to level off the GHG as soon as possible
- **Principle:** developed countries must lead the way and support developing countries to also make reductions
- **Method:** countries must submit Nationally Determined Contributions (NDCs) which are revised upwards every 5 years
- **Finance:** \$100b per year from 2020
- **Entry into force:** 2016

REDD+ is reduce emissions from deforestation and forest degradation and enhance forest areas to remove more carbon from the atmosphere.



The fate of anthropogenic carbon dioxide (CO₂) (2006-2015)

The photos below illustrate the level of carbon emissions and carbon sinks from key sources. It should be noted that about 9% of total carbon emissions come from land use and land use changes and forests (LULUCF) while about 30% of the total carbon stock is stored in the forests. This is why developing countries with high cover forests like PNG are encouraged to manage their land use changes and forests to retain the carbon stocks in the forests.



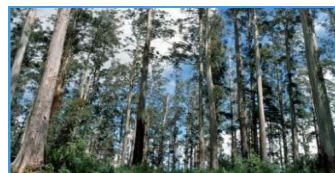
34.1 GtCO₂/yr
91%

16.4 GtCO₂/yr
44%



9%
3.5 GtCO₂/yr

30%
11.6 GtCO₂/yr



SOURCES OF CARBON SINKS

26%
9.7 GtCO₂/yr

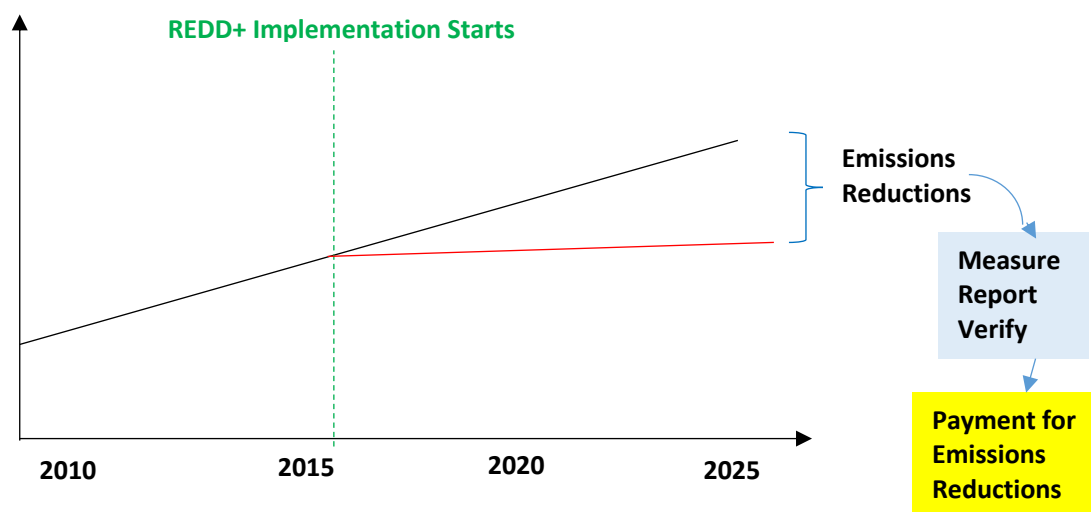


SOURCES OF CARBON SINKS

Share of Green House Gas Emissions (GHG)

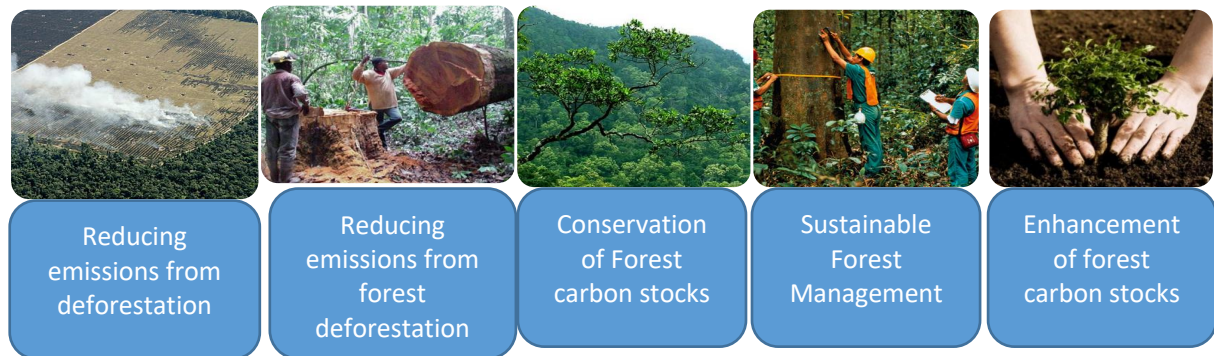
- The share of GHG emissions resulting from LULUCF in 2000 of the top 100 emitting countries indicated that PNG is ranked second to Liberia with 95% of its emissions comes from LULUCF activities.
- Therefore, PNG's commitments under REDD+ is to reduce that level of emissions to 50% by 2030.

REDD+ Concept

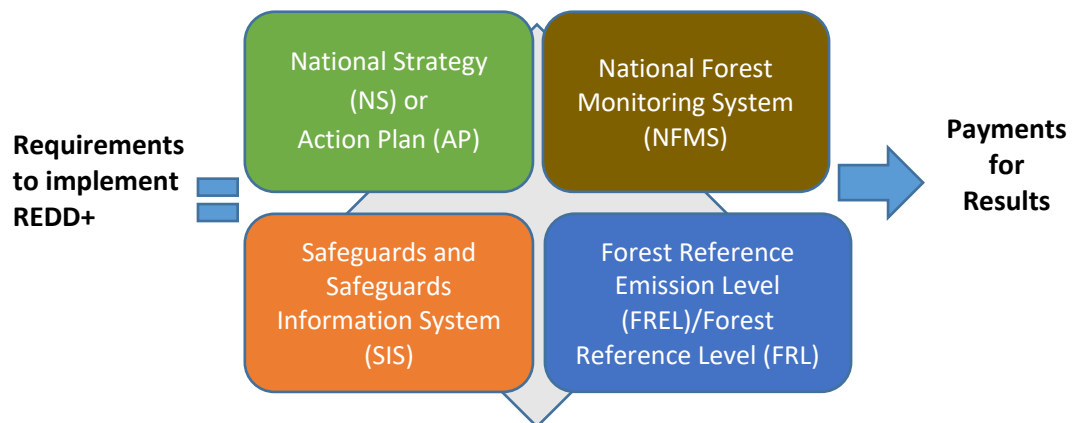


The graph illustrates the processes of results based payments where emissions reductions should be measured, reported and verified for payments.

The five (5) activities required under REDD+ Concept in which each country is required to undertake:



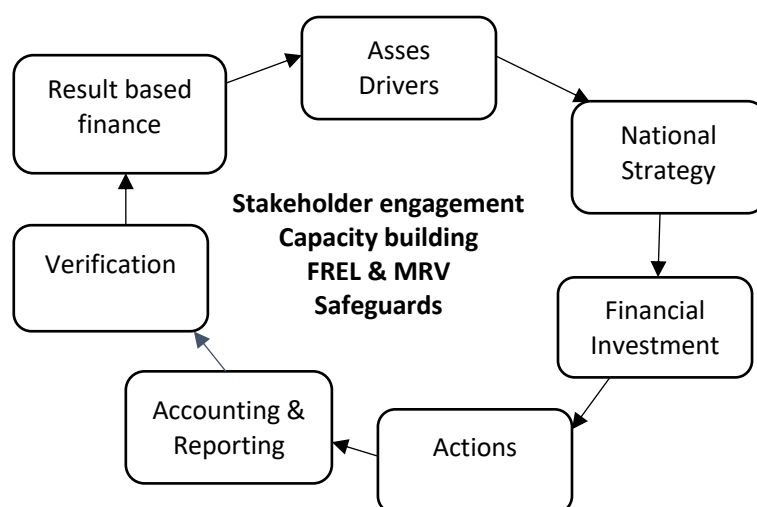
The four (4) elements of REDD+ required under UNFCCC for result-based payments are:



The three (3) phases REDD+ Implement are:

- **Phase 1** – Readiness: Develop a National Strategy (Capacity building and developing system)
- **Phase 2** – Implementation/Piloting: Implementation of National Strategy (Test & refine methods, implement, further capacity building)
- **Phase 3** – Full National Implementation (Emissions reductions are measured – reported-verified for Result-based finance).

REDD+ in Practice – The diagram below shows the processes of REDD+ in practice



- PNG currently is at Financial Investment stage activities and planning

3.1.3 An Overview of Forest Land Use and Land Use Change in PNG (2000-2015)

Land Use in the Context of GHG Emissions

- GHG emissions from forestry under AFOLU (Agriculture, Forestry and Other Land Use) /LULUCF contributes about 24% of the total global emissions (IPCCC, 2014) while from PNG perspective, about 69% was produced from land use and forestry and 13% from agriculture (PNG 2nd National Communication).
- The largest source of GHG emissions in PNG is from forest and land use
- Addressing these emissions can, if planned effectively, will not only contribute to the global fight against climate change, but also support the concepts of long term sustainable and green growth that are embodied in PNG's constitution and Vision 2050 as well as being central to the National Strategy for Responsible and Sustainable Development (StaRS)
- To address these emissions, we must understand forest & land use change dynamics for informed decisions on:
 - Policy and measures (PAM) for sustainable forest management (SFM), sustainable land management (SLM), climate change & other land use decisions

Methodology and Materials

- *Collect Earth Software* is a free open source software and user-friendly GIS tool developed by FAO which uses a *Google Earth* interface which facilitates a point-based data collection and visual interpretation of *freely available high and medium spatial resolution satellite images* in Google Earth, Bing Maps and Google Earth Engine Playground
- The satellite imageries (materials) include – Landsat 7 (1999-2015), Landsat 8 (2013-2015), Digital Globe (e.g. QuickBird), and Bing Maps.
- Approaches:
 - Systematic point sampling approach using 4x4 km grid laid over PNG land mass
 - Assessment was done at every 4 km in a 1 ha plot of which 25,279 plots were assessed
 - 6 IPCC Land Use Categories were used as broad land use classes (Forests land, Cropland, Settlement, Grassland, Wetland, and Other land), and 12 specific sub-categories were used for PNG circumstances

PNG Land Use Composition at 2015

- *Total land area – 46.1 million ha*
 - Forest land – 78.0%
 - Cropland – 11.2%
 - Grassland – 5.2%
 - Wetland – 4.6%
 - Settlement – 0.9%
 - Other land – 0.1%(6 IPCC Land Use Categories)
- *Population Density and Land Use*
 - The population density analysis indicates that where the population density is low the larger the forest land areas, and vice versa.
 - In contrast, the lower the population density, the smaller the availability cropland areas.
- *Land Use at Elevation Range*
 - Land use at elevation range indicates that land use changes with elevation range:

- Cropland increases with elevation and reaches the peak at 1,700 m above sea level and decreases to 2,800m, beyond which where there is no cropland
 - Similarly, the highest population density is found at 1,700 m above sea level and decreases to 3,000 m, beyond which no human population is found.
 - This trend strongly indicates that elevation range influences the size of cropland areas and thus the population density.
- *Forest Types*
 - PNG has total forest land of 35.9 million ha which comprised the following sub-categories land use
 - Lowland altitude forest on upland – 31%
 - Low altitude forest on plains and fans – 25%
 - Lower montane forest – 22%
 - Swamp forest – 7%
 - Dry seasonal forest – 6%
 - Woodland forest – 3%
 - Savana forest – 2%
 - Montane forest – 1%
 - Seral forest – 1%
 - Scrub forest – 1%
 - Mangrove forest – 1%
 - Montane coniferous forest – 0%
 - Littoral forest – 0%
 - Plantation – 0%
 - (12(?) natural forest types and 3 major forest types)
- *Forest Degradation and Disturbance by Human*
 - Of the 35.9 million ha of PNG's Forest land – about 23.5% of the forest was disturbed by human being while 79.5% were not disturbed, as of 2015
 - Of the 23.5% of the forest disturbed by human being, the following were the key human activities
 - Logging – 10.7%
 - Gardening – 8.3%
 - Fire – 3.1%
 - Walkabout sawmill – 0.2%
 - Other – 1.2%
- *Cropland and Composition*
 - Of the total cropland area of 5.1 million ha, the following are the types of cropland activities
 - Subsistence agriculture – 64%
 - Palm Oil – 19%
 - Coconut – 8%
 - Cocoa/coconut – 2%
 - Coffee – 2%
 - Cocoa – 1%
 - Rubber – 1%
 - Sugar – 0%
 - Not sure – 3%

PNG Land Use Change 2000-2015

- *Deforestation – conversion of forest land to any non-forest land*

Land Use Type	2000	2015
Forest	78.5%	78%
Cropland	10.7%	11.2%
Grassland	5.2%	5.2%
Wetland	4.6%	4.6%
Settlement	0.8%	0.9%
Other land	0.1%	0.1%

- Most forest conversion were to cropland
- *Deforestation Drivers*

Land Use Type	2000	2015	Drivers	2000-2015
Forest	78.5%	78.0%	Subsistence Agriculture	64%
Cropland	10.7%	11.2%	Palm Oil	31%
Grassland	5.2%	5.2%	Cocoa	1%
Wetland	4.6%	4.6%	Coconut	1%
Settlement	0.8%	0.9%	Large Settlement	1%
Other land	0.1%	0.1%	Other	2%

- Conversion over 15 years (2000-2015) was estimated to be 0.7%
- The drivers can be compared to the composition of the total cropland area of 5.1 million ha where subsistence agriculture remains the same while palm oil increased from 19% to 31% and coconut decreased from 8% to 1%.
- *Distribution of Deforestation by Provinces*
 - The distribution of deforestation by provinces graph indicates that the biggest deforestation is found in Sandaun provinces with estimations of 56,000 ha by subsistence agriculture and 33,000 ha by oil palm, followed by WNBWP with 12,000 ha by subsistence agriculture and 32,000 ha by palm oil.
 - Expressing these in annual rates would help to identify the underlying causes and thus the appropriate plan of actions and activities to slow down the rates.
 - In general, as indicated above, the biggest driver of deforestation is subsistence agriculture followed by palm oil.
- *Forest Degradation – conversion of primary forest to disturbed forest*
 - Forest degradation at 2015
 - Forest intact - 76.5%
 - Logging - 10.7%
 - Gardening – 8.3%
 - Fire – 3.1%
 - Walkabout sawmill – 0.2%
 - Others – 1.2%
 - In general, more than 70% of the total forest is intact while 6.6% of the total forest was degraded or disturbed by logging between 2000 and 2015.

Summary

- 6.6% of forest degradation in 15 years (2000-2015) at the annual rate of 0.4% per year
- 0.7% of deforestation in 15 years (2000-2015) at the annual rate of 0.05% per year
- On average, about **27.7 M t CO₂e** is emitted annually from Forest Degradation while **4.4 M t CO₂e** is emitted from Deforestation, and about **31.6 M t CO₂e** emission removals per year.
- A strong trend of continuity if actions are not taken to change (reduce) the trend

3.1.4 An Update on REDD+ Progress in PNG

Climate Change is a problem

- *Potential to cause increase in extreme weather*
 - Increase intensity of storms
 - Increase intensity of heat waves
 - Rising sea level
 - Unpredictable weather
 - Damage to infrastructure
 - Damage to crops and livelihoods

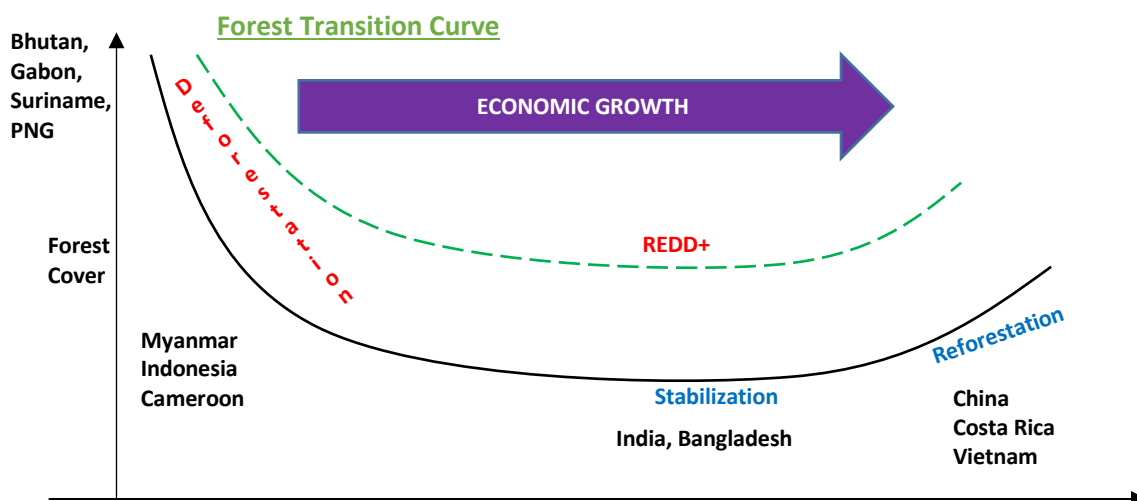
PNG taking Actions on climate change

- *PNG plays leading role in UN Climate Change negotiations*
 - First to propose REDD+ in 2005
 - Active leader in final negotiations on the Paris Agreement
 - First to submit Nationally Determined Contributions of 50% reduction by 2030, not including forestry
- *Taking Action at home*
 - Climate Compatible Development Action Plan and Policy 2014
 - Climate Change Management Act 2015
 - UN Paris Agreement (Implementation) Act 2017
 - National REDD+ Strategy 2017-2027
 - Initiation of access to GCF Finance

What is REDD+?

- *Reducing emissions from **deforestation** and **forest degradation** and the role of **conservation**, **sustainable management of forests** and **enhancement of forest carbon stocks** in developing countries ('REDD+')*
- REDD+ is a financing mechanism to support countries to address climate change in their forest sector.
- Intended to support 'transformational' change in a way countries manage their forests
 - Change from economy reliant on deforestation and forest degradation to the one that can support forest cover

Why REDD+ in PNG?



- The Forest transition curve is perhaps the best way to illustrate and best articulate what REDD+ successfully implemented within developing countries hopes to achieve.
- REDD+ basically aims at lessening the negative effect on forest cover (deforestation), whilst encouraging economic growth (Sustainable economic growth).

Why do we need REDD+?

- PNG has national targets related to forests:
 - PNG has already set targets to maintain its forest cover and quality of the forest recognizing the important economic role it can play in our society
 - Forests play a key economic role in society providing goods and services
 - Loss of these services would be a significant cost to government – increasing impact of natural disasters and enhancing poverty

Future Drivers

- Future drivers of deforestation and forest degradation are:
 - Population growth and changing national and international economies will cause changes in drivers
 - Population increasing by 3% - over 9 million by 2020, 13 million by 2030 will create increasing pressure on resources
 - Family farming including collection of fuel wood
 - Commercial agricultural expansion will also be relevant with increasing demand for development and international demand for agricultural commodities
 - While logging is the big driver at the moment and increased interest in agricultural expansion and a growing population will increase the impact of these drivers

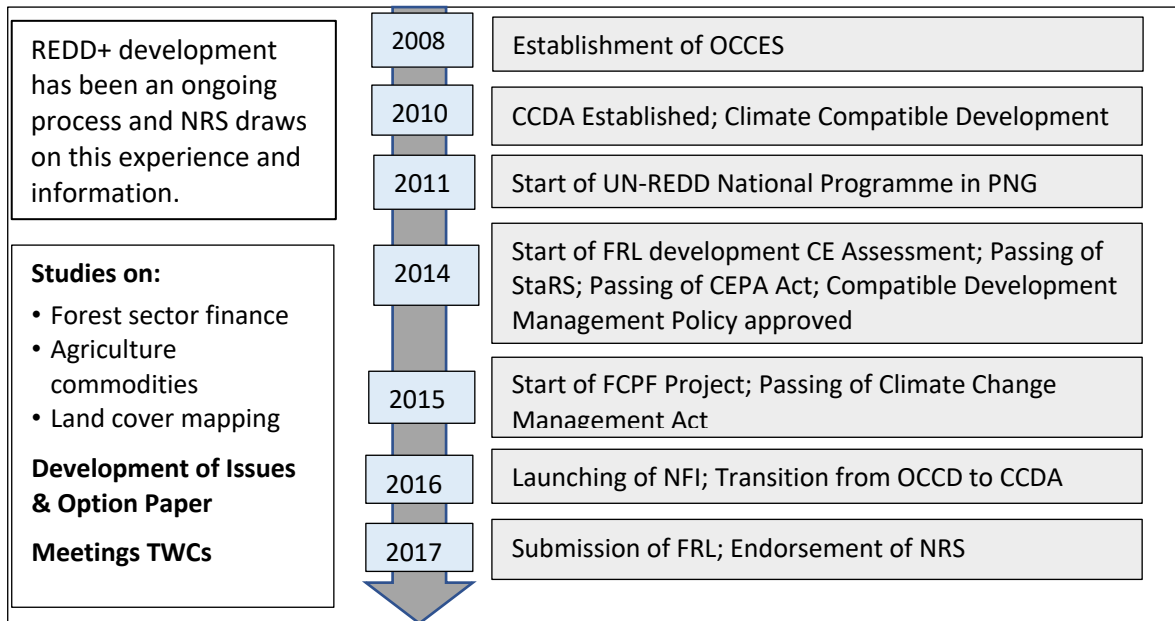
Main Drivers

- The main drivers of deforestation and forest degradation are - *Commercial Logging; Commercial Agriculture; Family Agriculture*
 - Drivers of deforestation and forest degradation are not negative;
 - Drivers play a key role in economy and society of PNG;
 - Target to ensure that PNG is utilizing its resources in most effective way to maximize development impacts and reduce long-term costs

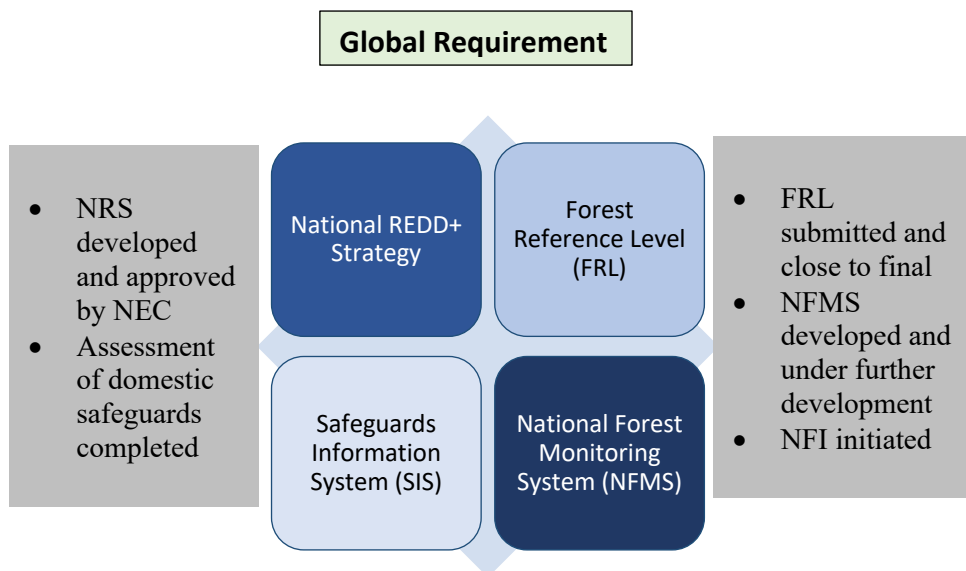
What is the benefit of REDD+ to PNG?

- Provides opportunity for PNG through
 - International support to address forest cover loss
 - Development of coordinated approach to land use and forest management
 - Target the goals for StaRS
- CCDA worked with partners to develop a 'no regrets' approach to REDD+
 - Actions target development goals
 - Actions support sustainable economic development and not to stop economic activities
 - Actions support cross-sector coordination and government systems
 - Actions support communities and landholders to benefit

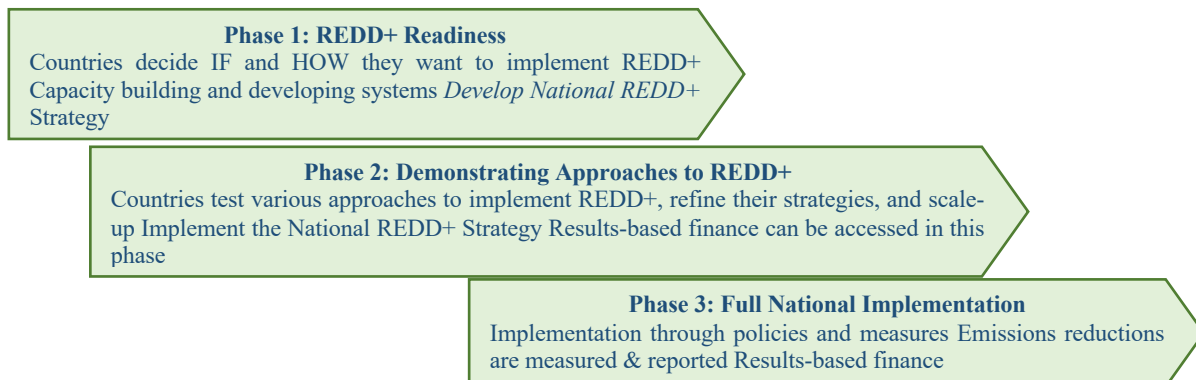
What has PNG been doing?

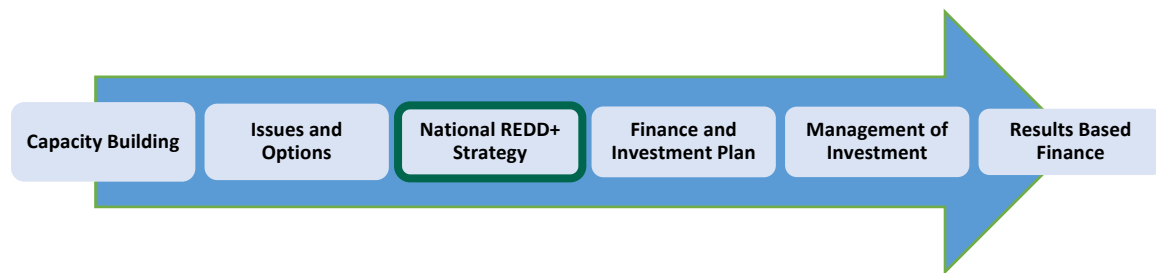


What is PNG doing?



- NRS is part of the processes towards full national implementation of REDD+



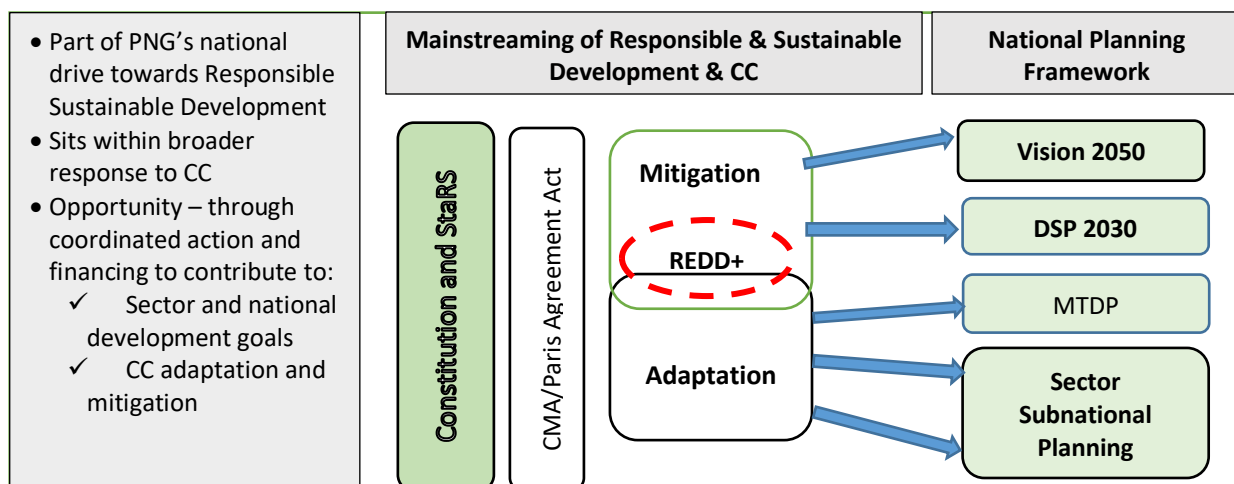


NRS - Some Basic Facts

- A 10-year time frame
- Based on all REDD+ work from past 6 years (esp. I&O paper)
- Does not provide a budget of actions
- Will be supported by more detailed action plans for sectors and provinces through REDD+ Finance and Investment Plan (RFIP)
- Two Main Sections
 - REDD+ Development in PNG REDD+
 - REDD+ Vision and Approach
- Approximately 30 pages

The Outline of NRS

- **Section 1: PNG Climate Change and REDD+**
 - Provides overview of climate action in the context of PNG, the drivers of forest cover change and REDD+ development in PNG
- **Section 2: PNG's Vision and Approach to REDD+**
 - Sets out the vision and approach to REDD+ and its two components:
 - **Component 1:** REDD+ Action – Policies and Measures
 - ✓ Strengthened land-use and development plan
 - ✓ Strengthened environmental management, protection and enforcement
 - ✓ Enhanced economic productivity and sustainable livelihoods
 - **Component 2:** REDD+ Coordination and Reporting
 - ✓ Coordination of four (4) elements of NRS, FRL, NFMS, SIS
 - ✓ Overview of financing
 - ✓ Next steps
- **Section 1: PNG Climate Change and REDD+**
 - NRS within the Development Context



- **Section 2: PNG's Vision and Approach to REDD+**

Vision and Approach

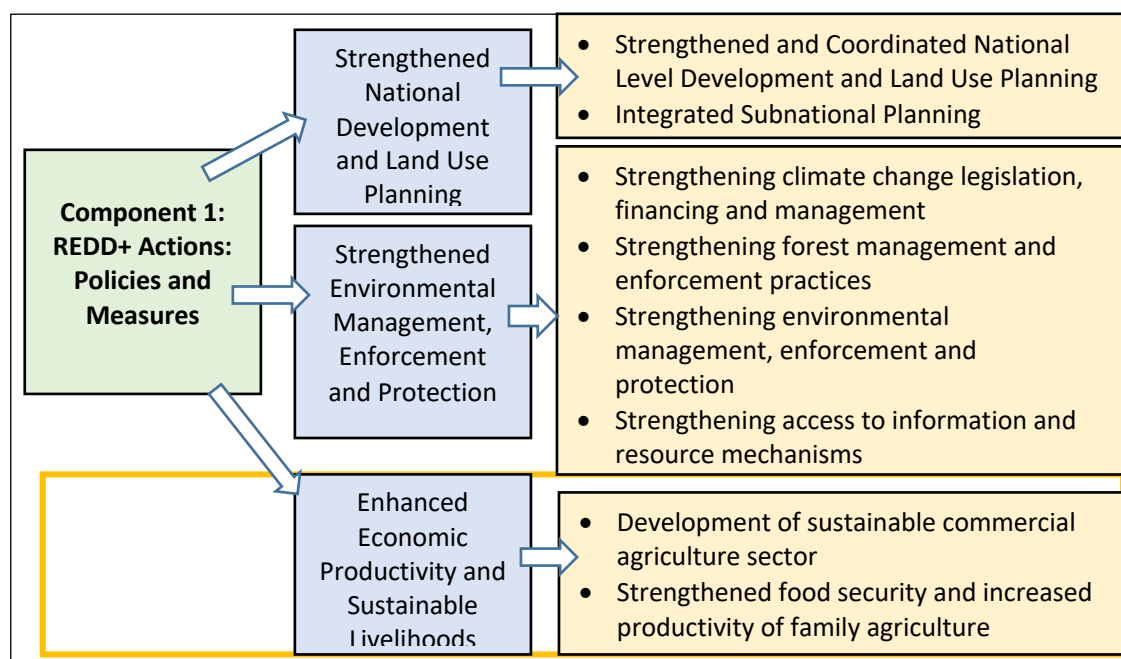
To catalyze transformational change within the forest and land use sector towards a new responsible economy with lower GHG emissions, stronger long term economic growth and community livelihoods and the effective conservation of biodiversity and ecosystem services while ensuring that Papua New Guinea's forest resources are used in a sustainable and equitable manner for the benefit of current and future generations

- **Approach:**

- PNG's approach to REDD+ will:

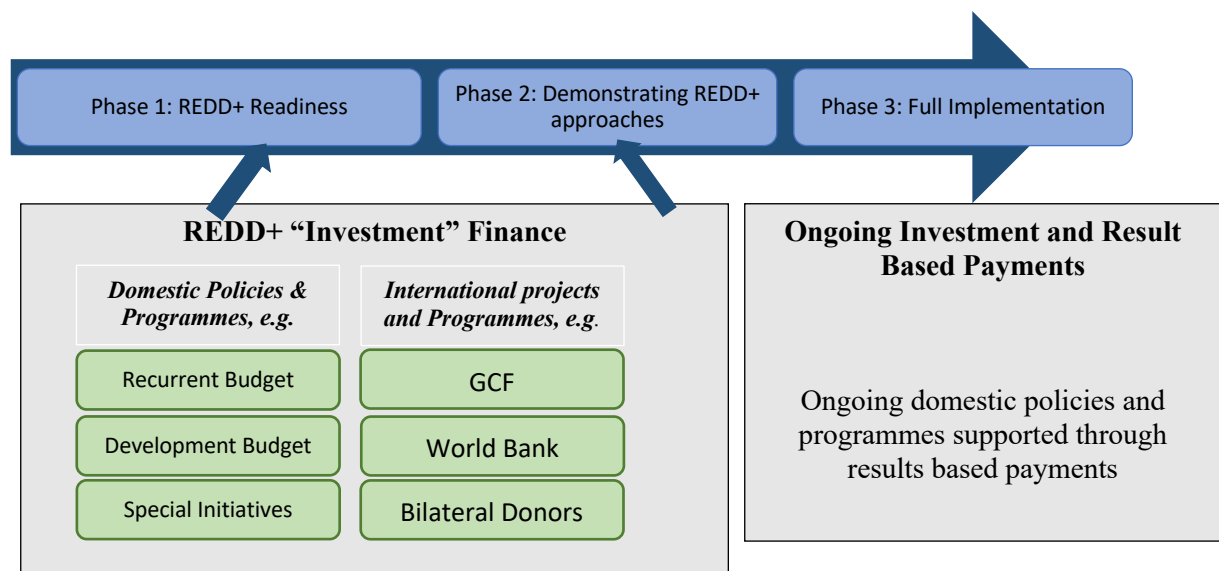
- Support a transformational change in the way that the country approaches economic and land use development to enable PNG to achieve a low emission, green development growth
 - Support sector agencies, communities and landholders to take actions in line with the policies and measures described within the strategy through support based on non-carbon indicators of improved forest management
 - Be in line with guidance of the UNFCCC
 - Initially report emissions and removals related to three of the five REDD+ activities:
 - Reducing emissions from deforestation
 - Reducing emissions from forest degradation
 - The enhancement of carbon stocks
 - ✓ This relates **only to the way emissions are measured and reported** – it does not restrict the Actions and PAMs that can be undertaken
 - ✓ Approach will minimize the cost of monitoring while capturing key changes in the nature of PNG's forests
 - ✓ Option to improve measurement over coming years, e.g., improved assessment of degradation
 - Require any project targeting voluntary carbon market to follow guidelines linked to the national REDD+ development process and UNFCCC guideline

- **Component 1: REDD+ Actions – Policies and Measures**



- **Component 2: FRL**
 - The FRL provides information on historic rates of forest cover change and predicts what future trends will be
 - It is the base line against which emission reductions and removals are assessed
 - Draft FRL developed
 - Currently under technical review
 - Working to improve quality data (NFI) and methods
 - Improved assessment of degradation/SFM
- **Component 2: NFMS**
 - The NFMS provides a transparent system for monitoring changes in the forest cover
 - NFMS is valuable for forest management and can provide information on REDD+ safeguard system
 - NFMS already available
 - Ongoing improvements in data quality and management
 - Links with FRIMS, DSS, other systems
 - <http://png-nfms.org/portal/>
- **Component 2: SIS**
 - Safeguards are put in place to help prevent negative impacts from actions, e.g., Environmental impact assessments, requirements for community consultation
 - Cancun REDD+ Safeguards present 7 safeguards
 - Initial assessment of Cancun REDD+ safeguards within national context conducted
 - Further work done on potential policies and laws relevant for inclusion in safeguard framework
 - Further work needed to link directly to NRS and future REDD+ Finance Investment Plan and to design data collection system

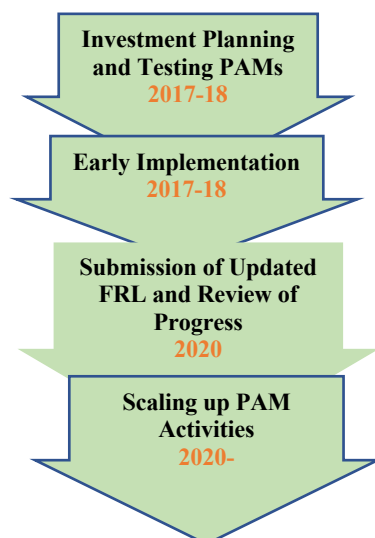
Finance



- Finance for investment phase will be sort from range of donors including GCF, EU, JICA, GEF.
- Financial management will depend on the source (e.g. domestic budget or donor - GCF, JICA, GEF...), in accordance with each source's specific requirements
- During investment phase, work will be done to establish a financial management system.

- Focus on cost sharing:
 - What actions, policies and measures require funding to achieve emission reductions?
 - What source of funding exist (how much, from where?) and how could they be made more REDD+ supportive (alignment)
 - What is covered, and what are the priorities

- **Next Steps**



- Development of detailed PAMs and Investment Plan
- Testing of PAMs in specific locations
- Expansion of test approaches
- Increase Investment in key PAMs
- Updating of FRL to identify progress
- Review of PAM early implementation
- Review and updating of investment and action plans
- Scale up of target PAMs

- **Current Focus**



- Development of detailed PAMs and Investment Plan
- Testing of PAMs in specific locations

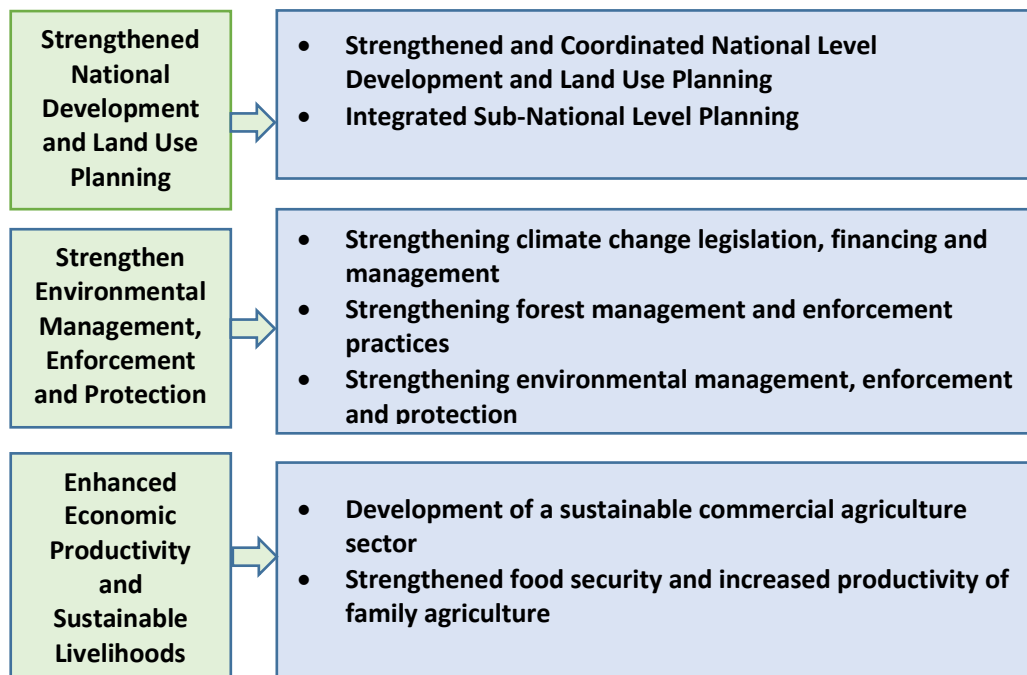
- RFIP provides a tool to catalyze and ‘crowd in’ finance from government, private sector and donors around central targets and activities
- Needs to show how results (emissions reductions) will be achieved
- Needs to show specific activities that will be undertaken to deliver results, when they will be done and how much they will cost
- Seek GCF finance to provide central support to NRS implementation

3.1.5 An Outline of REDD+ Finance and Investment Plan (RFIP)

REDD+ Finance and Investment Plan (RFIP)

- Provides information on the key investment areas that a country can focus on to achieve REDD+ related results (in line with the NRS and other country documents)
- Identifies potential investment needs, sources of investment and potential returns or impacts of investment
- Supports government decision making on how these are financed and their capacity to attract finance for their implementation.

Investment Areas – based on NRS



Potential Impacts and Benefits

- Returns on investment
 - Not just direct financial gains but broader environmental social and economic activities, e.g.:
 - *Reduced emissions* – reduction in CO2 emissions and potential for performance based payments
 - *Increased livelihoods* – improved livelihoods at community level and reducing poverty
 - *Maintain provisions of environmental services*
 - *Maintain/increase tax revenue*

Sources of Investment

- *Government of PNG*
 - Significant budget – tailoring this focus on most beneficial activities – improved forest monitoring, use of reforestation levy, support to conservation
- *Private sector*
 - Big level of investment
 - Shift to increase more sustainable investment – e.g. spending on certification/legality standards
- *Development partners and climate change finance*
 - Help to bridge the investment gap – e.g. supporting land owning communities with capacity to engage with private sector

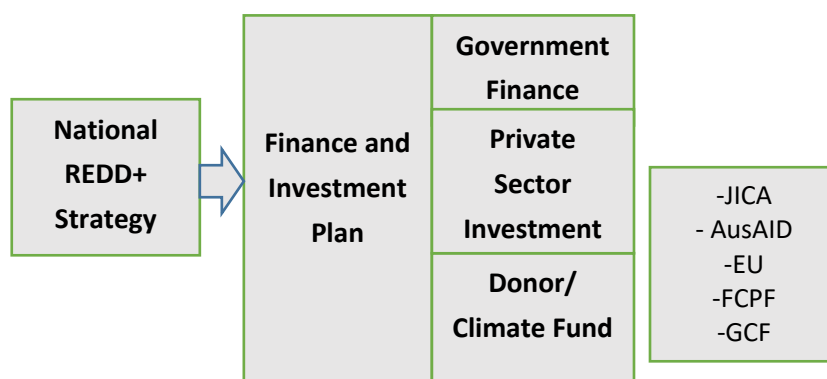
What are we doing to develop this?

- Sector retreats and workshops to develop specific action plans
- Provincial level consultations
- Key stakeholder meeting – PS, Government, Civil society
- Number of assignments:
 - Financial flows assessment - existing sources and levels of expenditure
 - Economic assessment – of proposed activities

- Forest Sector Scenarios Analysis – looking at supporting planning in forest sector
- Livelihood assessment – reviewing existing and potential livelihood options
- Assessment of existing land use planning systems – looking at policy and operational systems
- **Examples – Oil Palm**
 - **Problem** - unsustainable expansion of oil palm
 - **Barriers** – Lack of political will to establish a sustainable approach, lack of regulations, difficulties in accessing international standards
 - **Solutions** - Action at national and local levels
 - Establish a National Sustainable Palm Oil Platform – policy and action plan
 - Develop tools to reduce costs of smallholder expansion under sustainability standards
 - Support smallholders in accessing credit
 - Strengthening access to markets for smallholders
 - **Finance** - Activities supported by government (DAL, OPIC), private sector (palm oil companies) and development partners
 - **Impact** – reduced expansion of oil palm into high quality forest areas

Overview of Approach

- Need to prioritize actions that will address D&D and deliver results as results = more finance



Time Line for Development of RFIP

- 2017 Number of sector retreats held to start to identify activities
- Q1 2018 - follow up with other sectors – develop outline plan
- Q2 2018 – further review and consultation on plan for further work to attract finance
- Draft RFIP for end of Q2 this year
- Key information needed – concrete information on proposed activities and costing information – where could actions be done, how much will they cost.

RFIP and the GCF

- Green Climate Fund (GCF) is **one** of the potential financing sources
- It provides an opportunity to support early implementation of some PAMs
- There is a need to prioritize which PAMs are included based GCF requirements and also what finance is available for other PAMs areas, e.g. other development partners/private finance
- Concept Note (CN) for GCF is being developed

Summary

- REDD+ is a financing mechanism to support and provide finance for delivering emission reductions and removals
- Actions will be implemented through line agencies and in partnership with PS – CCDA supports coordination of this
- Working to develop a finance and investment plan for REDD+ to support implementation of the NRS
- RFIP will identify a large number of PAMs and support government to align domestic finance and access international and PS finance to support these
- GCF is planned to be one of these sources of finance and will help support some of the PAM areas

3.1.6 Overview of REDD+ - Proposal to GCF

GCF Overview

- Financial mechanism of the UNFCCC → aim of disbursing \$100b per year by 2020
- Mandate: To promote low-emission and climate-resilient in developing countries
- Funds adaptation and mitigation
- Three financing windows related to REDD:
 - **Readiness (cross-cutting)** – supporting countries to improve access to GCF – PNG already accessing this with support from GGI (green-growth innovation)
 - **Investment finance (adaptation and mitigation)**
 - Simplified Approved Process
 - Full Project or Programme
 - Results-based payments – pilot programme for REDD+ established \$500m – based on national reporting against FRL

3.2 Session 2: Context of PNG's Agriculture

One main presentation on PNG Agriculture Sector which provide a Review & Future Outlook focusing on Climate Smart Agriculture for Papua New Guinea.

3.2.1 Climate Smart Agriculture for Papua New Guinea

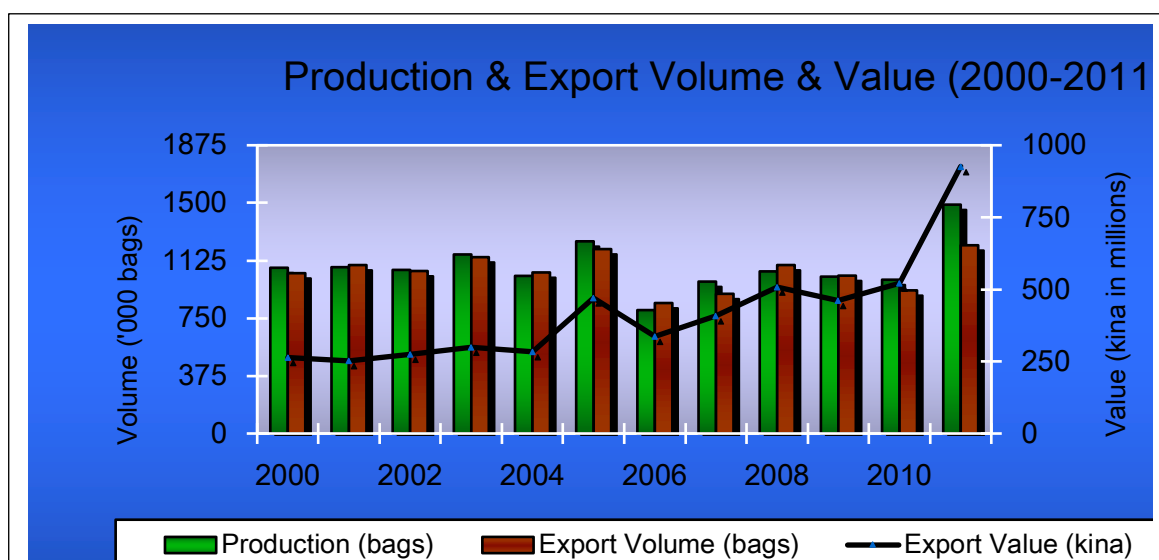
Current Status of PNG Agriculture

- Agriculture contributes over 25% to 40% GDP for more than 40 years
- Fertile young soils derived from volcanic ash
- Rainfall: 1.5m to over 10m per year
- Climate: Tropical with temperatures from 20 to 31°C year round
- Population: 6.1 of 7.2 million depend on Agriculture daily

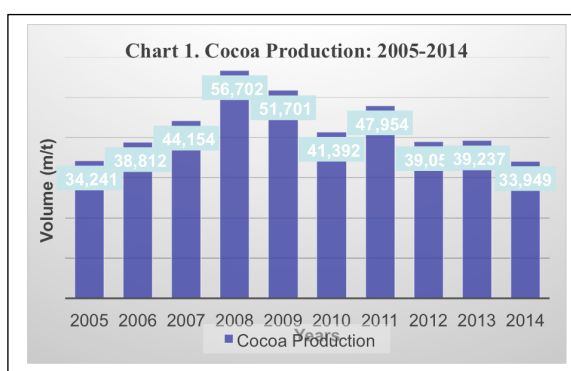
PNG Agriculture Sector

- | | |
|-----------------------------|-------------------------------|
| ✓ Agriculture Department | ✓ Rubber |
| ✓ Coffee (CIC) | ✓ Livestock |
| ✓ Cocoa | ✓ Spice |
| ✓ Coconut (KIK) | ✓ NAQIA |
| ✓ Fresh Food Produce (FPDA) | ✓ Tea |
| ✓ Oil Palm | ✓ Grain (Rice, Corn, Sorghum) |

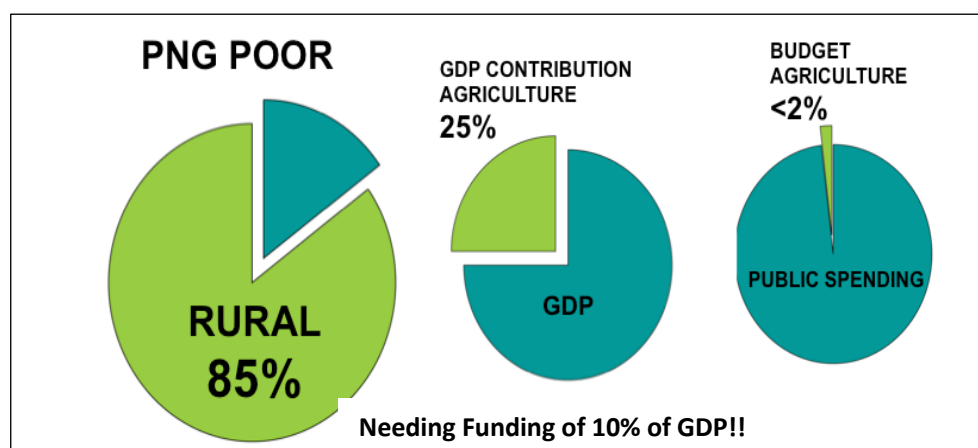
Production Trend for last 20 years



- ✓ Coconut – declining
- ✓ Cocoa – declining
- ✓ Coffee – declining
- ✓ Oil Palm – increasing
- ✓ Fresh Produce – no export
- ✓ Cattle – declining – no export
- ✓ Piggery – declining – no export



Government Support for Agriculture

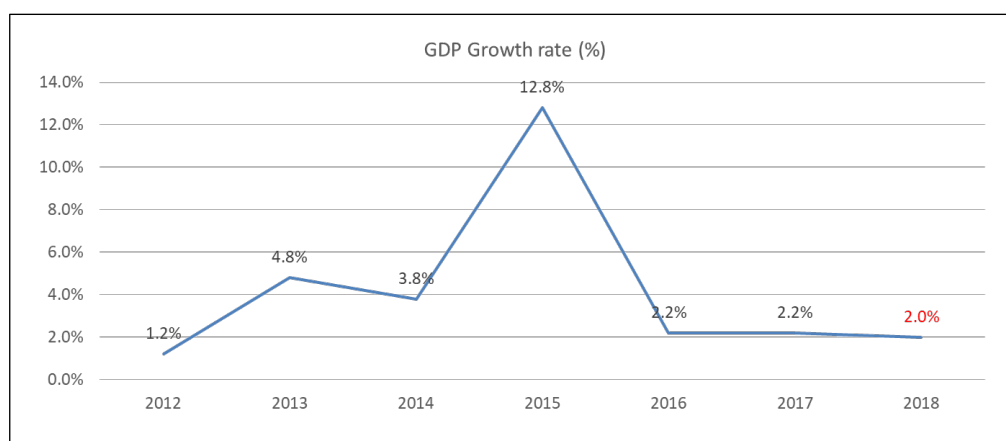


Current Development Status of PNG

Indicator	2015	2016
Population		7.5 million
Population Growth Rate (%)	3.1	
Human Development Index (HDI)	0.466 Low Development Category placing 157/189 countries	
Life Expectancy	63 years	

Adult Literacy		50%
School Aged Children	25% of children are unable to attend school	
Electricity	13% of population have access to electricity grid	
Poverty	37.5% of population living on less than US\$1.25/day	
Infant Mortality	64% per 1000 live births	
Maternal Mortality	733 per 100,000 live births	
Sexual Transmission Infection (STI)	21,213 (2000); 71,000 (2009) a 325 percent rise	
Net School Enrolment Rate	52.9% (2007) of which 51.4% are female; 63.6% (2009) of which 61.2% are female	
Per Capital Income	US\$2,112 (Gross National Income)	
Livelihood	85% live in rural areas; 75% of households depend on subsistence agriculture	

Economic Growth Rate Trend



- The peak in 2015 is due to the sale of LNG.
- The growth rate before and after 2015 remained low and keeps declining with the forecasted 2% in 2018 and beyond, if nothing is done.

Bigger and more Sustainable Economy

- *Sustainable Sector*
 - Agriculture;
 - Fisheries;
 - Forestry;
 - Tourism; and
 - Manufacturing Services
- *The Sustainable Sector must:*
 - Replace imports;
 - Grow and increase exports;
 - Value Addition (Downstream processing)

Our Stakeholder Priorities

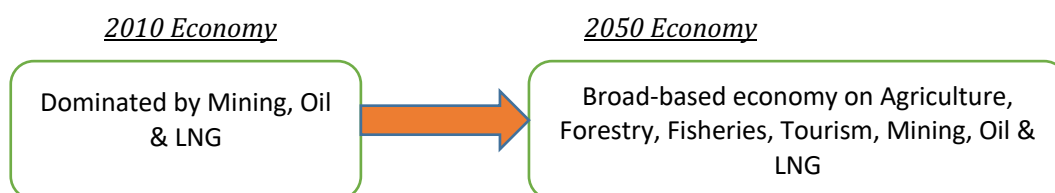
- End hunger & end all forms of malnutrition

- Promote sustained, inclusive and sustainable economic growth, full and productive employment and decent work for all.
- Encouraging entrepreneurship & job creation
- Take urgent action to combat climate change & its impacts by regulating emissions & promoting development in renewable energy.
- Protect, restore & promote sustainable use of terrestrial ecosystems, sustainable manage forests, combat desertification & halt & reverse land degradation & halt biodiversity loss.

PNG APEC Policy in Partnership for Food Security (PPFS) 2018 Priorities

Priorities	Expected Outcomes
	1: Balanced Growth
1: Improving connectivity, deepening regional	2: Inclusive Growth
2: Promoting sustainable and inclusive growth	3: Sustainable Growth
3: Strengthening inclusive growth through structural reform	4: Innovative Growth
	5: Secured Growth

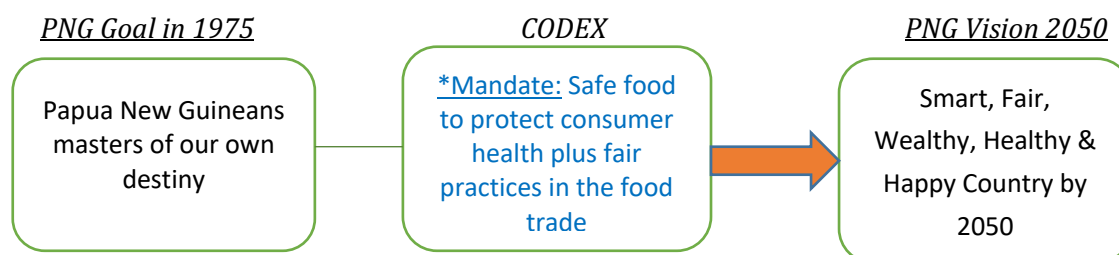
Deliver Strategic Direction of PNG Vision 2050



- Converting an economic that is non-renewable resources depended to an economic that is renewable resources dependent supported by non-renewable resources.

Have Solid Strategic Partners

- Modern, climate smart and international competitive PNG Agriculture Sector



For a Modern and Competitive Sector

- Build a modern and international competitive agriculture sector
 - Vision 2050 (2010-2050)
 - Strengthen system and capacity for food safety and food trade for DOMESTIC and International Markets
 - Improve PNG regulation and monitoring of food imports and exports
 - Develop standards for food safety and food trade for DOMESTIC and International markets.

What do our People really want?

- INCREASED INCOME for individuals and families
- INCREASED OPPORTUNITIES for employment and business
- EASY ACCESS TO SAFE and NUTRITIOUS FOOD, QUALITY BASIC SERVICES like health, education, clean water, shelter and infrastructure

Have High Priority Impact Programs

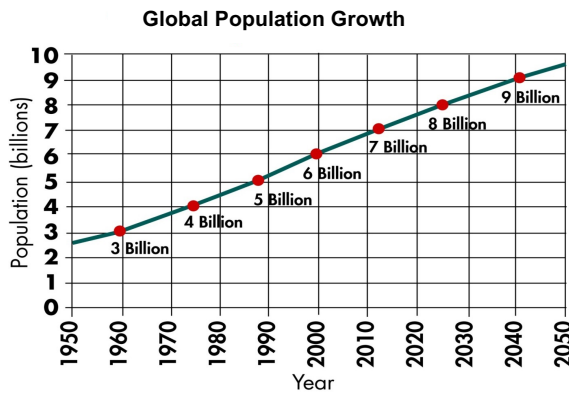
Commodity	Key Programs	2018 Production Per Year	2022 Production Per Year
Coffee		850,000 bags	100,000,000 bags
Cocoa	Nursery	35,000 tonnes	60,000 tonnes
Coconut	Quality		
Oil Palm	Market Access	640,000 tonnes	800,000 tones
Livestock	Rehabilitation	70,000 cattle	90,000 cattle
Fresh Food	Freight Subsidy	3,500 tonnes	5,000 tonnes
Rubber		3,500 tonnes	5,000 tonnes
Spice			
Rice		20,000 tones	60,000 tonnes (PNG Rice Policy)

Climate Change Opportunities



- About 30% of the greenhouse gas emissions from AFOLU comes from agricultural activities while about 16% from forestry.

Economic Growth Opportunities



Source: OECD, FAO, US Census Bureau
(Growth Projections)

Investment Opportunities

- Centrally developed economies – APEC, EU, South Pacific Forum
- Agriculture – attractive investment destination
- US\$20 billion for agriculture in 2012 from SWF alone

Increasing demand on food

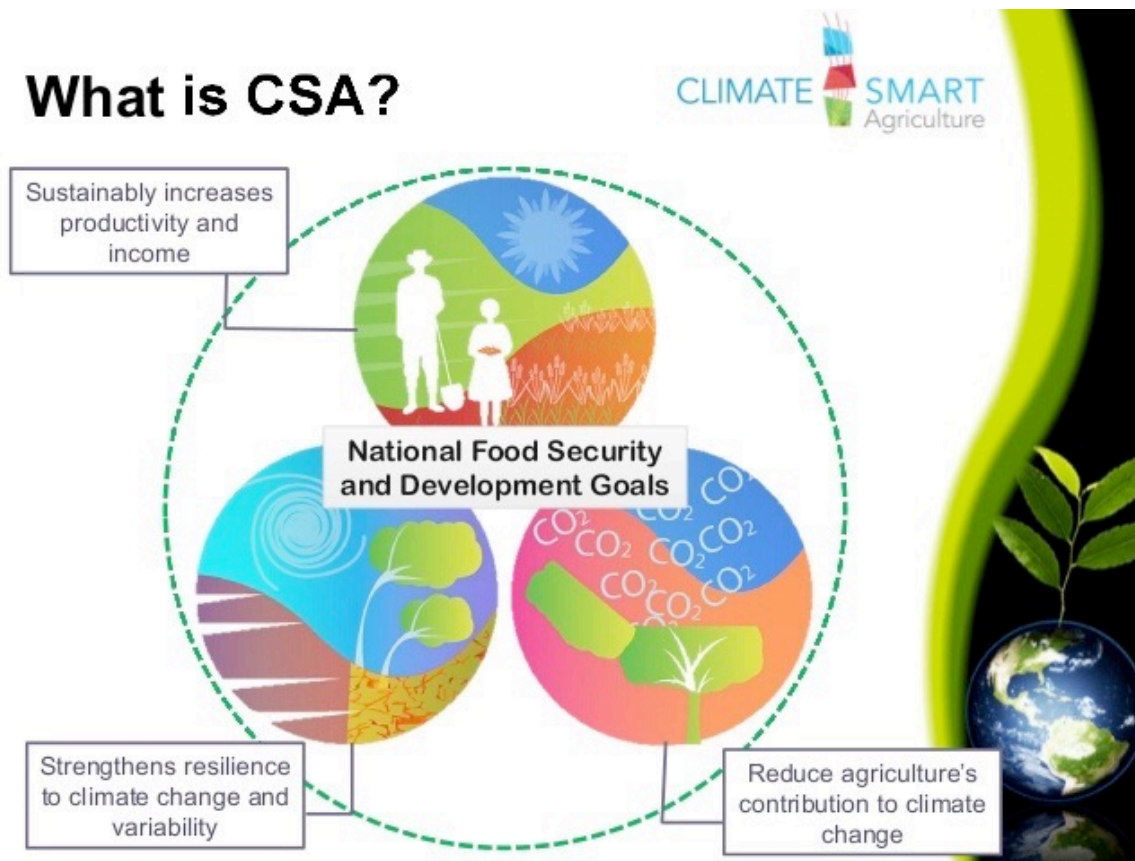
- Increasing global population
- Protein consumption increasing
- 60 million ha needed by 2020 to feed the world

More New Markets

- Biofuel demand increasing
- High value niche markets – e.g. organic markets +...

- Climate Smart Agriculture (CSA) to Commercialize Subsistence Farming

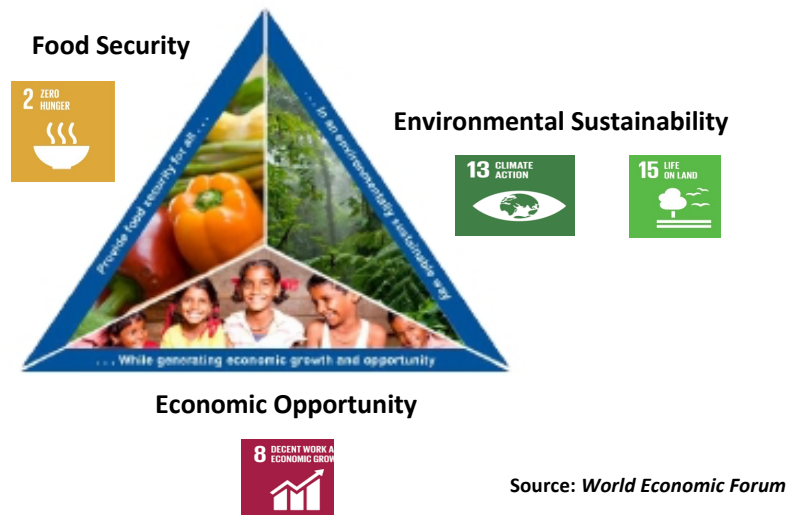
What is CSA?



Climate Smart Agriculture Deliverance

- CSA holds that to meet the world's/PNG's needs for sustainability, agriculture must simultaneously deliver food security, environmental sustainability and economic opportunity.

- Increase agriculture production by 20% each decade to provide food security for all in an environmentally sustainable way while providing wealth creation opportunities for all and generating inclusive economic growth.



Why shift from Subsistence Farmers to Business Farmers?

- Farming in Rural Areas – 85% of the total Food Production
- Subsistence farming needs *Farmers Insurance Policy* to make it more viable business
- To shift from subsistence to business, farmers need guarantee and incentives against risks
- Quality food and food safety start at the farm

Change our People's Mindset and Attitude

- International Trade is an effective tool to shift mindset/practice from subsistence farmers to business farmers
 - PNG cocoa won Cocoa Excellence Awards in Paris during 2011
 - Also won Excellence Awards in Coffee, Tea and Cardamom

Business Incentives for Agriculture Sector

- **Market Industry/Protection**
 - *USA Protection Scheme*
 - Bans imports of amongst – non-fat milk, butter, peanuts, cotton, and orange juice
 - Income support program by law – should the price of milk drop below certain levels, the US Government subsidizes the difference in direct payment to the producers
 - Export subsidies
 - *Australia*
 - Concessional loans for farmers
 - Drought Relief scheme
 - Drought Recovery scheme
 - Restrictions on imports, e.g., bananas
 - *EU*
 - Wide ranging restriction on imports

- Investment of 95 Billion Euro in different payment to local farmers

Tax Incentives Under the PNG Law

- Existing Tax Concessions – Not currently available for agriculture:
 1. GST Zero Rating
 2. Exemption from Customs and Exercise Duty
 3. Withholding Taxes Concessions
- ✓ **Solutions**
 - Government providing a mechanism for the provision of grants, equity investments, concessional and commercial finance
 - Private equity funds, sovereign guarantee, direct loans by Government, or direct loans by commercial banks (similar to housing scheme)
- *Fiji recently introduced a new legislation providing agriculture projects with exemption from import and customs duties in addition to 13 years tax holiday for all projects in the sector*

WAY FORWARD

- Mindset and Attitude Change
- New Thinking – Pie is Big Enough for All of US!
 - ⅓ to ½ of Corporate Revenues come from NATURE (INVISIBLE ECONOMY – US\$2.25 trillion/year) (Dr Pavan Sukhdev- UN Green Economic Advisor)

Policy and Investment Priorities

1. Climate smart agriculture to commercialize subsistence farming
2. Climate smart agriculture for productivity, adaptation and mitigation
3. Climate smart agriculture for innovative financing – visible economy plus invisible economy:
 - ✓ Productivity
 - ✓ Quality and market access
 - ✓ Capacity building along supply chain

Closing Remarks

- Without Farmers there is no PNG Agriculture Sector
 - Quote “If You Want 1 Year Prosperity, Grow Grain; If You Want 10 Years of Prosperity, Grow Trees; If You Want 100 Years Prosperity, Grow People” Chinese Proverb.

Session 3: NRS Linkages to Current DAL Proposed Bills and Amendments

The main presentation in this session covers the NRS linkages to the current DAP Proposed Bills and Amendments. Also presentations from other key agencies making linkages to NRS.

3.3.1 Proposed Agriculture Bills and Amendments Linkage to NRS: Agriculture Investment Corporation (AIC) Bill, Agriculture Administrative Adjustment (AAA) Bill

Background

- 2013 FER of Commodity Boards and Agencies commissioned by National Executive (NEC) as part of *Alotau Accord 1*.

- The central question of the FER Terms of Reference – *“How could an overhaul of commodity boards and other agriculture sector agencies contribute to greater investment and higher economic growth in the agricultural sector of PNG, with better opportunities for men and women to participate in commercial activities?”*
 - 1 May 2014 – FER Report approved by NEC
 - 2014-2016 – Implementation of FER Recommendations

Overview of new legislations for Agriculture

- *Agriculture Administration Adjustment (AAA) Bill*
 - Overarching legislation that redefines the role of the DAL so it can play an effective role as the agricultural sector apex body responsible for:
 - Development of policy and legislation,
 - Coordination and monitoring of government policy implementation by commodity boards and agencies and provincial agencies, and
 - Facilitation and linking of sector programs and resourcing requirements with government central agencies and external donors
- *Agriculture Investment Corporation (AIC) Bill*
 - Establishment and management of the Agriculture Investment Corporation (AIC); and
 - Secure funding and manage investments in the agriculture sector:
 - Agriculture Fund – 4 Sub funds:
 - Agriculture innovations
 - Agribusiness development
 - Farm inputs support
 - Capital formation

New Legislation for Agriculture – Update

Agriculture Administration Adjustment Bill

- Letter of Necessity issued by the State Solicitor on 27 October 2015
- Approved by NEC on 12 November 2015
- Referred to FLC for drafting

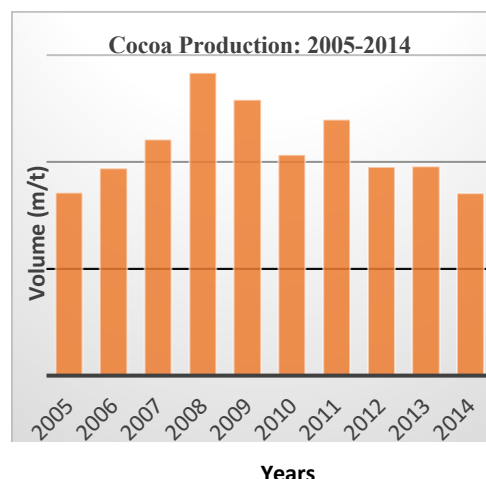
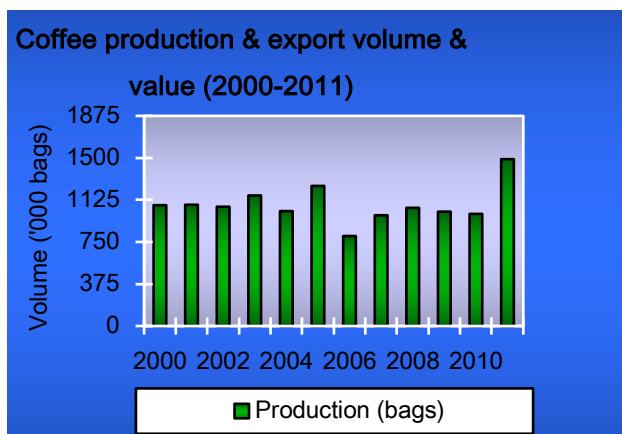
Agriculture Investment Corporation Bill

- Letter of Necessity issued by the State Solicitor on 27 October 2015
- Presented to NEC on 4 February 2016
- Referred to the Ministerial Economic Committee (MEC)

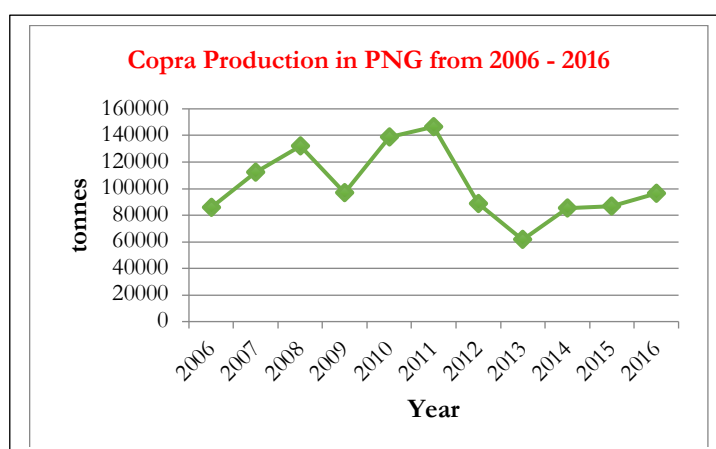
- *Bills were subject to be reviewed in the 100 Day 25 Point Plan*

• **Why Reform PNG Agriculture?**

- No legislation or legislation framework since Independence in 1975 to manage the affairs of Agriculture or DAL
 - 22/33 FER recommendations had directly to do with the lack of legislation
- Productivity and Production Levels for Smallholder Farmers producing the commodity crop and products continue to be low and stagnant
- Underinvestment in Agriculture
- ***Production Trends in the BIG 4 Commodities (Coffee, Cocoa, Copra and Oil Palm)***
 - *Graphs below provide examples of Production Trends of Coffee, Cocoa and Copra*



Graphs showing the production levels for coffee and cocoa between two different time periods. Coffee between 2000 and 2010 and cocoa between 2005 and 2014.

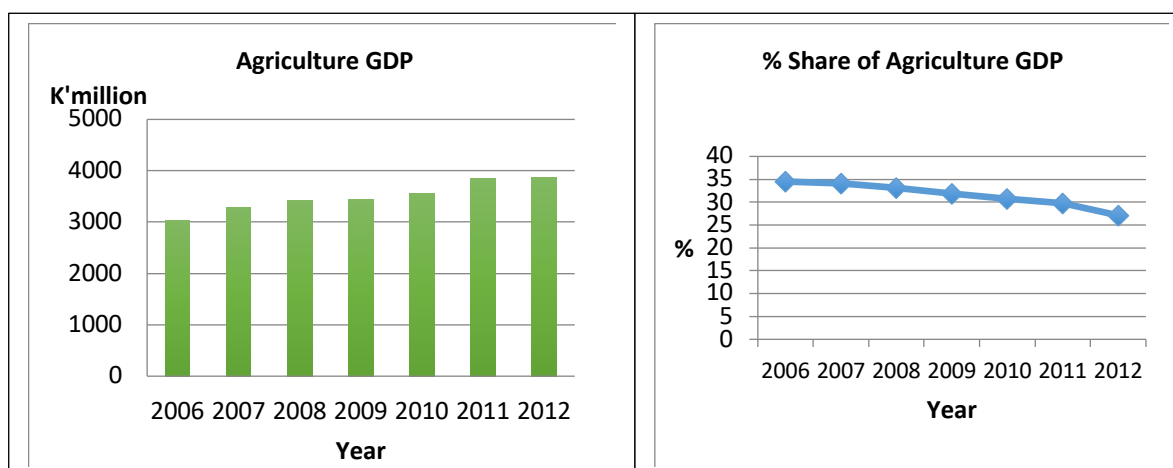


The graph shows the production level for copra between 2006 and 2016

○ **Smallholder Productivity Trends**

Crop	Estimated Current Yield (Kg/Ha)	Genetic Potential (Kg/Ha)	Type of Material
Coffee	600	2,000	Omuru 1 Robusta variety
Cocoa	366	2,500-3,000	Hybrid clones
Copra	900	1,200	Local talls and Hybrids
Oil Palm	17,000	20,000-25,000	Dami hybrids

Macroeconomic Trends



- Total contribution to GDP has increased from K3.0 billion in 2006 to K3.9 in 2012
- % share of GDP has decreased from 34.5% in 2006 to 27.1% in 2012

Public Expenditure on Agriculture relative to agricultural GDP	Public expenditure on agriculture relative to Total GDP
2006 – 1.9%	2006 – 0.6%
2012 – 4.6%	2012 – 1.3%
Average: 7 years = 3.2% per annum	Average: 7 years = 1.0% per annum

- Signs of underinvestment – restricts the sector from being a key driver of economic
- Proposed for 10% funding under in the AIC Bill....

Papua New Guinea Agriculture Administration Adjustment Act 20XX

- Being an Act to establish a platform for a single productive agriculture sector by –
 - Consolidating multi-stakeholder, multi-sub-sector and multi-levels of government into a single line market chain for improved agriculture production, rural livelihood and economic growth by mobilisation of agriculture producers in rural areas; and
 - Empowering agriculture producers with information; providing incentives with knowledge and resources enabling producers to bring into production customary land; increase and improve commodity extension services and partnership with key stockholders along the supply and value chain in the provinces; and
 - Empowering farmers and producers to mitigate climate change through adaptability and improved management of farming eco-systems; and
 - Integration and adjustments of roles of various levels of government to provide enabling environments leading to greater opportunities for investments in the agriculture sector, and for related purposes.

Linkages to the National REDD+ Strategy (NRS)

- **Key Drivers of Deforestation are:**
 - Large scale Commercial Agriculture
 - Small scale Family Agriculture
 - Sufficient attention has been and captured in the two bills for addressing the needs of Commercial Agriculture and Family Agriculture

- **Strengthening Commercial Agriculture Policy**
 - *Captured in Part VI, VII, VIII of AAA Bill*
 - *Commissioned Studies in Oil Palm and Rubber*
- **Strengthening Support to Family Agriculture**
 - *Revitalization of Extension Services (AAA Bill)*
 - *Smallholder Stimulus Policy Package*

Agriculture Planning Retreat and going forward...

- Continued collaboration – create critical mass...
 - Contributions to Futures...
 - *"I have mixed feelings about our future. Emissions have grown too fast, and their impacts on the climate system have been severe. And I've had my hopes dashed once before, in Copenhagen in 2009, making it hard to place my remaining reserves of hope in the Paris climate meeting. But I also feel that things have changed fundamentally, and for the better, in the last few years. **The threats are accelerating beyond expectation, but so are the opportunities.**"*

Tim Flannery, *Atmosphere of Hope* (2015)

3.3.2 Agriculture Targets and REDD+ Outcomes

REDD+ and Agriculture Targets

- Agriculture targets all look at expansion of agriculture – this will be necessary as population is growing and expansion of commercial agriculture is likely to be a key element of PNG's broad based growth increasing income at rural levels.
- Much of that expansion may be in forest areas – but REDD+ is about reducing deforestation, so how do we reconcile?

Agriculture:

- ✓ Increase cocoa production from 40,000 tonnes to 310,000 tonnes by 2022 and plant 13 million trees
- ✓ PNG to become self-sufficient in rice
- ✓ Coffee largest exporter of high quality coffee in Asia Pacific
- ✓ AGRICULTURAL EXPANSION



REDD+:

Reduce
Deforestation

How to
Reconcile?

Forest Transition Curve (see page 12)

- Shows deforestation reaching a point of stabilization and need to reforest as a result of Economic Growth
- The REDD+ line shows how best deforestation can be done under economic growth while retaining sufficient forest cover

- REDD+ is not about stopping development it is about lessening the impact of development on forest areas
- PNG has very high forest cover (see page 9) so it is likely that PNG will need to cut down some forest as population grows and as we develop
- REDD+ is about supporting PNG in reducing the impact of that development and helping us choose wisely where we will cut down forest.

What does NRS say?

- *NRS is NOT about stopping development of agriculture sector. It is about doing that development better!*
- *It targets:*
 - *Development of a sustainable commercial agriculture sector*
 - *Strengthened food security and increased productivity of family agriculture*

How to Reconcile?

- *PNG is looking to do two main things in agriculture:*
 - *Increase food security – by ensuring the country has enough food to maintain itself*
 - *Increase income – by increasing the value of key agricultural exports*
- *In most cases the solution to these is simply produce more*
- *The question is what are the best ways to do that and how can that link with REDD+?*
- *If we want to increase production, do we need to*
 - *A. Expand the area under production? (and if so where?)*
 - *B. Increase the productivity of the areas already producing?*
- *If we want to increase earnings, do we need to:*
 - *A. Expand quantity of production?*
 - *B. Increase the quality of product (and the branding that goes with it) – especially for export commodities?*
- **Consider Scenarios**
 - **Scenario 1**
 - *Big increase in Oil palm production with no safeguards on expansion*

Possible Positives:

- ✓ Increase in income for some groups
- ✓ Increase in tax revenue (possibly)
- ✓ Potentially provision of additional services (roads/ schools, etc.)

Possible negatives:

- ✓ Environmental degradation
- ✓ Food insecurity if farmers turn over all good agricultural land to oil palm
- ✓ Limited access to international markets – reduced prices
- ✓ Potential failed investments – no forest left, degraded land and no income

○ **Scenario 2**

- *Increase in oil palm production with safeguards / sustainability standards in place*

Possible Positives:

- ✓ Increase in income for some groups
- ✓ Improved working conditions
- ✓ Higher productivity per ha
- ✓ Access to international markets / higher price
- ✓ Reduced environmental impacts

Possible negatives /challenges:

- ✓ Costs of achieving sustainability standards
- ✓ Potential need for international firms (positive/negative)
- ✓ Limitations on expansion due to international standards

- *Adopting strong sustainability standards is likely to attract more responsible long term investors, which should help to improve standards, productivity and long term support to communities*
- *Should also increase access to markets and ability to access price premiums*
- *Should also result in reduced environmental impacts as well as food security as sustainability standards may require maintaining of community lands for food*
- *This is the ideal BUT we know it isn't easy due to the negatives / challenges*
- *The potential need for international firms to access international standards and markets, not just smallholders on their own.*

Envisage the scenarios PNG need to pilot its course

• **Scenario 1**

- ✓ No safeguards on new projects
- ✓ Corruption
- ✓ Poor assessment of



Disaster

- ✓ Loss of forests
- ✓ Environmental damage
- ✓ No cropland for communities
- ✓ Failed agriculture investments

• **Scenario 2**

- ✓ Clear and well implemented regulation
- ✓ Effective support for communities
- ✓ Good private sector / government coordination



Reality will be somewhere in between – need to ensure we strive for the dream and avoid worst of the nightmare!!!

Dream

- ✓ Low environ impact, forest retained
- ✓ Good land use with community crop lands and commercial production
- ✓ Long term investments and support
- ✓ High price for products

- The main point is saying we will likely end up somewhere in the middle the key thing is we want to push more to the dream and avoid the nightmare

Avoiding disaster – getting the dream?

- How do we do this and where can we realistically be between the two areas – politically, economically, capacity wise?
- What tools do we have at our disposal to help guide sustainable production? E.g.
 - Foreign investment requirements
 - Safeguards on clearing of forest land or types of land that can be used (EIA/IEE)
 - Production standards – regulations and enforcement
 - Extension services / support (increased productivity)
 - Improved seed stock
- Key question – are there things that are already working?
- E.g. Oil Palm
 - Government targets to increase production of oil palm and increase smallholder engagement

Challenges:

- Difficulties in expanding due to certification standards linked to forest clearance
 - Smallholder productivity is low due to poor roads, limited extension, limited access to finance and old tree crops
 - Investment environment makes large firms reluctant to invest – SME Policy, difficulties with land title
- **E.g. Oil Palm**

Challenges	Options?
Difficulties in expanding due to certification standards linked to forest clearance	<ul style="list-style-type: none"> • Development of internationally recognized standards (e.g. HCV/HCS – proposed to be done through POP) • Develop tools to reduce costs of achieving certification standards – e.g. training, development of tools to help assess potential areas for expansion
Smallholder productivity is low due to poor roads, limited extension, limited access to finance and old tree crops	<ul style="list-style-type: none"> • Support to extension services – privatization of services • Approaches to increasing access to finance (which allows investment in replanting / improved production) – e.g. support to securing land title
Investment environment makes large firms reluctant to invest – SME Policy, difficulties with land title	<ul style="list-style-type: none"> • Revisions to policies to promote long term sustainable investment • Development of clear and efficient regulatory framework to make investment easier • Allow first using international certification to not have to pay additional domestic costs e.g. environmental assessment

So Question to All

- *Based on the targets and actions you've identified*
 - How can we increase the sustainability / quality of this expansion and reduce its potential negative impacts on the environment / communities? (What could an additional set of targets be?)

- What are the barriers to achieving this?
- What specific activities should be undertaken to address the barriers and achieve increased sustainability/ quality?
- *Think about:*
 - What is working at the moment – good products, projects – how do we scale them up?
 - What guidance / safeguards or the way they are applied would help to make increases in production more sustainable and have lower impacts?
 - Are there premium markets we can target e.g. conservation coffee or vanilla, certified products?

3.3.3 Planning at the Sub-National Level

Introduction

- This presentation will show briefly explain internal government and its role in sub-national planning.
- In order to support the implementation of the actions that are being identified in this workshop the linkages must be understood and made
- At the end of this presentation participants should be able to identify avenues for planning linkages through legally established processes and requirements.

Organic Law of Provincial Government and Local Level Government (OLPGLLG)

- The Organic Law on Provincial Governments and Local-level Governments establishes our Provincial Governments, Local-level Governments and the District Development Authorities
- It also establishes the Provincial Administration which comprises of both the Provincial and District Administrations.
- The Organic Law on Provincial Governments and Local-level Governments establishes our Provincial Governments, Local-level Governments and the District Development Authorities
- It also establishes the Provincial Administration which comprises of both the Provincial and District Administrations

Provincial Governments

- They are made up of the Provincial Assembly and the Provincial Administration
- Provincial Assemblies pass laws including Provincial Appropriation Laws and deliberate on other matters where legally required.
- The Provincial Administration implements directives of the Provincial Assemblies, facilitates the extended services of National Departments and Agencies amongst other tasks. It also undertakes Administrative matters relating to Provincial Governments as contained in the Provincial Governments Administration Act 1997

Provincial Planning

● PGA Act - Section 16(d)&(e)

“...a Provincial Government shall, in addition to its other functions in relation to the province, be responsible for–

- (d) *establishing the basic minimum needs for the development of rural and urban areas and maintaining minimum standards as required by law in relation to–*
 - (i) *maintenance of roads, bridges and infrastructures; and*
 - (ii) *urban roads, public facilities and environment; and*

- (iii) *health facilities, health programmes and hygiene; and*
- (iv) *education facilities; and*
- (v) *safe housing; and*
- (vi) *safe and accessible water; and*
- (vii) *safe environment and proper rubbish disposal; and*
- (viii) *family values and community relationships; and*
- (e) *providing support to the activities of the extended services of the National Departments and other State Services in the province..."*

District Development Authority (DDA)

- Act passed in 2014 with implementation in 2015
- DDA's are not a level of government
- They are an administrative mechanism to facilitate service delivery
- They are applicable to 80 of the 89 districts in the country

DDA Planning

- *Section 5. Functions of the Authority*
 - "...(a) to perform service delivery functions and carry out service delivery responsibilities specified in the Ministerial determinations under Section 6; and*
 - (b) To develop, build, repair, improve and maintain roads and other infrastructure; and*
 - (c) to approve the disbursements of district support grants and other grants; and*
 - (d) to oversee, co-ordinate and make recommendations as to the overall district planning, including budget priorities, for consideration by the Provincial Government and the National Government; and*
 - (e) to determine and control the budget allocation priorities for the Local-level Governments in the district; and*
 - (f) to approve the Local-level Government budgets for presentation to the Local-level Government and to make recommendations concerning them; and*
 - (g) to draw up a rolling five-year development plan and annual estimates for the district; and*
 - (h) to conduct annual reviews of the rolling five-year development plan..."*

Local-Level Governments

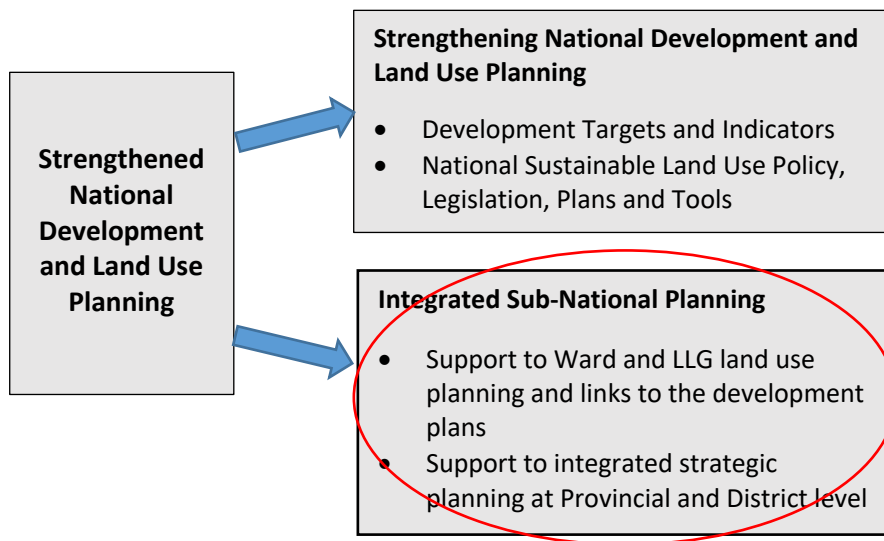
- The LLG is made up of the LLG Council and the Provincial Administration which extends right down to the LLG.
- LLG Councils pass laws including LLG Appropriation Laws and deliberate on other matters where legally required.
- The Provincial Administration, through its District Administration facilitates directives of the LLG's. It also undertakes Administrative matters relating to LLG's contained in the Local-level Governments Administration Act 1997.

LLG and Ward Planning

- *Section 38(d) to (g)*
 - *"...a Local-level Government shall, in addition to its other functions, in relation to the Local-level Government area, be responsible for–*
 - (d) preparing corporate plans and estimates; and*
 - (e) preparing a rolling five-year development plan taking into account rolling five-year development plans for the wards as prepared by the elected ward members; and*
 - (f) preparing an annual plan taking into account the rolling five-year development plan; and*
 - (g) preparing annual budgets based on the annual plans, to which shall be applied the–*
 - (i) Organic Law grants to be paid directly to the Local-level Government; and*

- (ii) *Local-level Government's own resources; and*
- (iii) *revenues from any other sources; ..."*

Plans and NRS



Challenges

- Challenges in coordinating the planning across levels of government
- Challenges in integrating land use planning and development planning
- Limited capacity at the provincial, district, local and ward levels

Addressing Challenges

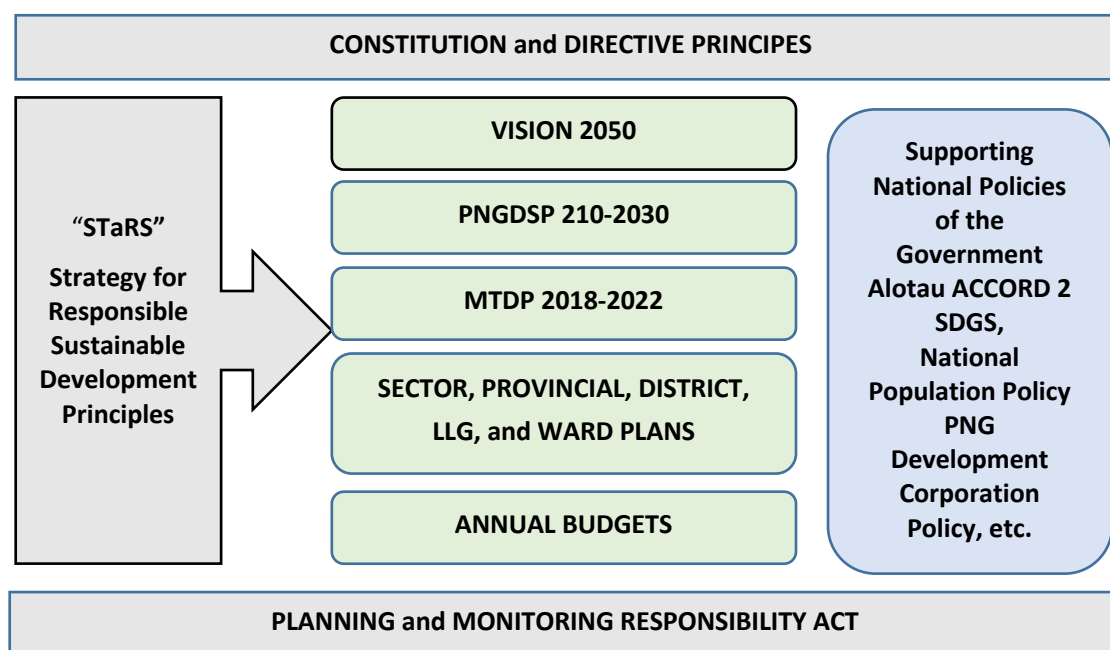
- DPLGA and DNPM have now integrated the planning process through the National Planning Act 2016 which now clearly links international obligations with national plans and sub-national plans through a national planning framework.
- The NRS will facilitate the sub-national planning
 - **The NRS will provide:**
 - Support to Ward and LLG land use planning and linking those plans to development plans
 - Support to integrated strategic planning at Provincial and District level

Other Consideration

- Plans guide the budget estimates that provinces and LLG's are required by law to provide
- After the national budget is passed and a province is allocated funding it then has to pass its own Appropriation Act through its Provincial Assembly. This is the same for the LLG's.
- Initiatives, programs etc. contained in sub-national plans are prioritized for funding
- Provincial and District Plans are endorsed by both National and Local politicians
- This is the avenue to build political will behind various plans and programs
- LLG Plans and Ward Plans are endorsed by local politicians and give the people at the Ward level the opportunity to participate in decision making and allow for dissemination of information (e.g. VCLR)

3.3.4 Agriculture Sector Plan – Align to the MTDP 3

National Planning Framework



Planning and Monitoring Responsibility Act

- The National Planning & Monitoring Responsibility Act 2016 provides the legal framework for development planning in PNG and makes reference to the establishment of four frameworks:
 - National Planning Framework
 - National Service Delivery Framework
 - Annual Budget Framework Paper
 - MTDP M&E Framework
 - The Act clearly states that we are to link the annual budget to the MTDPs (this includes government and development partners)
 - State bodies are to comply with the above four frameworks.

MDTP 3: 2018-2022

- MTDP 3 maps out key Growth Strategies in order to improve the economic and social indicators of the country. These are:
 - Increase Exports
 - Reduce Imports
 - Increase revenue
 - Wealth creation
 - Improve Service Delivery
- Further, the government will adopt SDG indicators that are relevant to PNG and those that fall in line with the priorities of government.

Alignment to MDTP 3

- Indicators and targets to be endorsed by NEC
- Four regional alignment workshops will be held in May 2018
- All provinces and districts are expected to participate and align themselves

Alignment of Agriculture Sector to MTDP 3

- *Agriculture Sector*

- All the indicators are targeted at revenue raising and increasing production. There are no indicators on the sustainability of the sector or climate change related activities or indicators.
- There is no alignment between the sub-sectors or commodities. All the commodities are competing for sources of funding from the same resource envelope. Most times resources are spread too thinly
- *Climate Change, Environment and Forest*
 - There is some alignment between Forestry and Climate Change. However, there are data gaps and it is difficult to monitor and keep track of development trends
- *Lands*
 - There is a disconnection between land, agriculture, forestry, environment and climate change indicators and targets.
 - Given the competing priorities, strategies need to be in place for better coordination for land-use.

Planning Summit Discussions

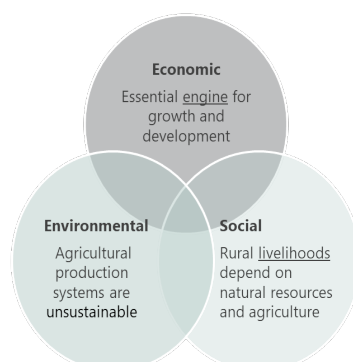
- New economic corridors opened
- Direct investment in smallholders, blocks and plantations
- PPP mechanism to be strengthened in the value chain
- Strengthen cooperatives as a mechanism in achieving economies of scale
- Quality improvement
- Market Access to be improved
- A key risk in commodity production is unmanaged expansion, hence, the need for sustainable best practices

Conclusion

- The need for all agriculture sector agencies to align themselves
- Sequencing of priorities in the sector needs to be done
- Challenge for Agriculture Plan to capture the Sustainable development aspects of agriculture especially in terms of implementing the REDD strategy.

3.3.5 PNG Sustainable Palm Oil Platform – Statement of Intent and Palm Oil Policy Development

Agriculture Commodities – Backbone for Global Economy



The three pillars of sustainable development are *social*, *economic* and *environment*. The diagram above illustrates how agriculture sector development activities fit into the three pillars.

What are some of the Specific Problems?

Unclear Land Tenure	Low Productivity
Poor Land Use Planning	Weak Extension Systems for Small Farmers
Policies and fiscal incentives promoting negative impacts	Projects work in isolation
Limited access to financial services	Lack of alignment and coordination between stakeholders

Enormous Potential for Change

UN Responds: Green Commodities Program (GCP)

- Launched by UNDP in 2009 – global technical experts
- **Mission:** To improve the national economic, social and environmental performance of agricultural commodity sectors
- **Why?** To improve rural livelihoods, mitigate climate change, and protect forests and ecosystems
- **Goal:** By 2020 GCP aims to transform agricultural commodity sectors that currently impact 8 million farmers and 20 million hectares. This has the potential to indirectly benefit 40 million people worldwide

GCP has Pioneered National Commodity Platforms

- Provide a **neutral** space that convenes multiple stakeholders to jointly agree on a National Action Plan – combining production and demand aspects
- Deliver **multi-sector coordinated action** for sustainable commodity production
- Enabling environment for change - policies
- **Led by Government**, driven by participants, and enabled by GCP
- Provide **effective and efficient** implementation
- Foster national **leadership**
- Work on **systemic solutions to root causes**



National Commodity Platforms Around the World

- Costa Rica – **Pineapple & Fisheries**
- Dominican Republic – **Cocoa**
- Philippines – **Fisheries**
- Indonesia – **Palm Oil & Fisheries**
- Ghana – **Cocoa**
- Paraguay – **Soy & Livestock**
- Peru – **Palm Oil & Coffee**
- Ecuador – **Fisheries**

Collective Action for Change

- National Action Plan
- Collective Vision for Future
- Road Map to Guide Investment and Activities

The Case of Palm Oil in PNG

- *International Context*

- The need for sustainable palm oil
 - Due to its negative impacts Palm Oil is under increased scrutiny from consumers, government, regulators, investors, NGOs, etc.
 - Some of the largest companies have adopted sustainability targets and sourcing policies to ensure that palm oil is **traceable, sustainable and deforestation free**
- *Deforestation - free commodities*
 - Commercial agriculture drives at least two-thirds of tropical deforestation globally with the majority of forest clearance and impacts stemming from the production of the “big four” commodities: **palm, soy, timber & pulp, and cattle**
 - “deforestation-free supply chain” is a new benchmark for production and trade with commitment from:
 - Companies
 - Government
 - Others
- *Companies Commitments*
 - The **Consumer Goods Forum** (a global consortium of over 400 companies with a turnover of 2,5 Trillion USD employing more than 10 million people) have pledged to **zero net deforestation through their supply chain by 2020**
 - As the signal from purchasers has strengthened, growers and traders have made commitments too. Companies that account for **90% of global trade** in palm oil have **committed to no deforestation** in their supply chain policies (e.g. Unilever, Nestle, Wilmar, Cargill, Musim Mas, Golden Agri Resources, etc.
- *Government Commitments*
 - **Tropical Forest Alliance** (TFA 2020): public-private alliance including 8 governments, 27 private sector companies, 33 NGOs partnering to implement the transition to deforestation-free supply chains
 - **Amsterdam Declaration**, 2015: signed by 5 governments in the EU (Denmark, France, Germany, Netherlands, UK) to ensure that **by 2020, 100% Palm oil entering their countries is from sustainable sources**
 - **New York Declaration on Forests**: world leaders endorsed at the UN Climate Summit in 2014 a global timeline to halve natural forest loss by 2020, end it by 2030 and to restore 350 million hectares of degraded land
 - **Marrakesh Declaration** for the sustainable development of the oil palm sector in Africa

Palm Oil in PNG – Baseline Situation

- Palm Oil is the first agriculture crop in terms of its economic importance to PNG. It accounts for 2/3 of agricultural exports and directly supports the livelihoods of around 170,000 people.
- Important source of employment and source of local infrastructure development (e.g. construction and maintenance of roads)
- Two major producers: New Britain Palm Oil Limited and Hargy Oil Palms Limited – together control around 150,000 ha
- Mix of smallholders and plantations
- Until recently almost all exports were 100% RSPO certified ensuring access to high value markets within the EU

○ **PNG Palm Oil Market**

	Est. Tonnes	Percentage	
Netherlands	169,765	33.0%	} European Union 100%
United Kingdom	168,657	32.8%	
Germany	116,218	22.5%	
Spain	60,117	11.7%	
Total PNG Exports	514,757		

- Currently, almost all of PNG's palm oil is sold into the EU which demand assurances that what they are buying is independently certified sustainably produced palm oil (see Amsterdam Declaration signed by Netherlands, UK or Germany)

Challenges

- Low productivity of smallholders
- Land disputes, conflict and social instability
- Poor transport infrastructures
- Lack of coordination, dialogue and trust between key actors
- Estimated ten-fold increase in production area in the next 15 years – new development in forested areas
- There is no existing national policy for palm oil making rapid expansion vulnerable to high environmental and social impacts.
- Expansion from new investors not in line with sustainability standards currently applied by existing palm oil producer
- Huge reputational risk and risk for long term profitability of the sector in PNG

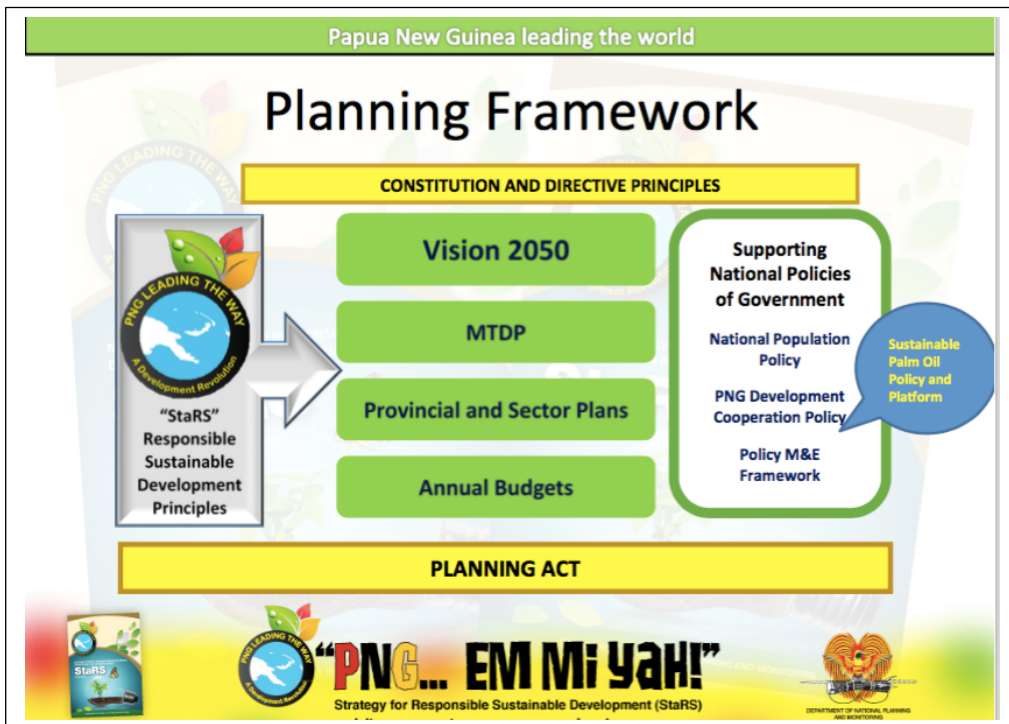
UNDP GCP Involvement in PNG

- Support to the government since 2016 as part of REDD+ activities
- REDD+ is an international system to financially reward developing countries for sustainably managing their forests as part of global efforts to address climate change
- Forest Carbon Partnership Facility's (FCPF) Country REDD+ Readiness project initiated in 2015 and will run until the end of 2020.
- Implemented by the Climate Change and Development Authority (CCDA) as the Government of PNG's (GoPNG) lead implementing agency with technical support from the PNG Forest Authority (PNGFA) as the responsible party. UNDP is delivery partner

○ **Phase 1: Baseline study on sustainable agriculture commodities**

- Study commissioned in January 2016 by the Forest Carbon Partnership Facility REDD+ readiness project
- Objective was to *assess the business case for, and feasibility of, enacting a set of policies and measures to reduce the future impact of key agricultural commodities on forest cover in PNG, while allowing for ongoing growth within these sectors.*
- Multi-stakeholder consultations with government (DNPM, DAL, CCDA, CEPA, PNGFA, PM/NEC, DLPP, OPIC), private sector and civil society

- **Phase 1: Recommendations**
 - **PNG should position itself as a global leader for sustainable palm oil production: a win-win scenario**
 - ✓ Fully aligned with StaRS/government long-term strategy
 - ✓ Fully aligned with corporate and political momentum for traceable, sustainable and deforestation-free palm
 - ✓ Will provide strong benefits for PNG's people, economy and the environment
 - ✓ Help the government remain competitive/maintain access to premium markets, secure foreign exchange
 - ✓ Support poverty reduction and safeguards social interests, communities and workers
 - ✓ Help reduce forest loss and associated emissions, protect the environment
 - ✓ Facilitate access to REDD+ financing
 - A **National Policy for sustainable palm oil** is developed and supported by mapping of appropriate areas for expansion and off limits areas to help guide further expansion
 - A **Multi-stakeholder palm oil platform** is established (by adapting GCP global framework to PNG realities) to help improve dialogue, coordination, transparency, ownership, trust and ultimately ensure the credibility, competitiveness, profitability and long term sustainability of palm oil in PNG –
- **Phase 2: Policy and Platform Development**
 - Started in January 2017
 - Objective is take forward the recommendations of the sustainable commodities report through rigorous multi-stakeholder consultations
 - Working with Climate Change and Development Authority, Ministry of Agriculture, Department of National Planning, Conservation and Environment Protection Authority, Department of Land, Forest Authority, Office of the Prime Minister, Private Sector, NGOs, Smallholders organizations, Development Partners, etc.
 - Preparation of detailed policy options for future palm oil policy and Road map for the platform
 - High Level meeting conducted in April 2017 - agreements on PNG POP High Level Plan and High level Principles for future Palm Oil Policy



ALIGNMENT WITH STARS – presentation from DNPM during last high level meeting



PNG Palm Oil Policy Mission

“To establish a long term strategy and action plan for Papua New Guinea, supported by national stakeholders, to produce palm oil in a way that is respectful to the environment, expands social and economic benefits and improves PNG’s market competitiveness for its primary agricultural export”

- **To formulate and implement a multi-stakeholder National Action Plan** that addresses the root causes limiting the sustainability of palm oil in PNG;
- **To ensure a strong and coherent legal and institutional framework** for the sustainability of palm oil production in PNG;
- **To establish partnerships and coordinated investments and actions**
- **To maintain PNG as the global leader** for sustainable palm oil production.

Key Benefits

- Smallholders to be supported and strengthened in a government-private sector-community collaboration – (with increased productivity as a key outcome)
- Increased Environmental Monitoring and Management
- Improved Governance and Mediation between Palm Oil Stakeholders

Consensus Building

Government

- CCDA, DNPM, CEPA, DAL
- PNGFA, DLPP, OPIC, Trade
- National Council of Women
- Administrative Heads of Province producing oil palm
- NARI, NRI, etc.

Private Sector

- NBPOL, Hargy Oil Palms,
- PNG Forest Industry Association & New Investors
- Small Holder Growers Association from historical/new areas
- Rural Industries Council, etc.

Civil Society

- CELCOR, EEF, Institute of National Affairs, WCS
- RSPO
- University of PNG, etc.

Development Partners

- EU
- WB
- FAO
- JICA, etc.

Status

- Full time platform team under contract (Platform manager and technical specialist) + Independent facilitator to be recruited
- Budget available for first 2 years of operation
- Coordination committee to include DNPM, CCDA, CEPA, DAL, INA, Palm Oil Producer Association, Civil Society representative, UNDP
- Multi-stakeholder Working Group to draft “Statement of Intent for the Sustainable Development of the Palm Oil Sector in PNG” – first meeting on 23 March 2018 – Final document to be ready in May 2018

Palm Oil Statement of Intent

Name	Organization
Paul Barker	Chair of PNG RSPO National Interpretation Working Group – Executive Director Institute of National Affairs
Stephen Mombi	Ministry of Agriculture
To be Confirmed	Conservation and Environment Protection Authority
To be confirmed	Department of National Planning & Monitoring
Ian Orrell	Head of Sustainability – New Britain Palm Oil Limited – Deputy Chair of Rural Industry Council
Gewa Gamoga	PNG Forest Authority (PNGFA)
Linus Billy	Chief Physical Planner – Department of Land and Physical Planning
Gwen Sissiou	GM REDD+ Division/CCDA
Peter Dam	FORCERT
Mary Boni	Consultative Implementation & Monitoring Council (CIMC)
Sam Moko	UNDP Platform Manager
Lester Seri	Wild Life Society (WCS)
To be confirmed	Ministry of Trade

Working Group Objective

“To prepare a collective statement of intent that will position PNG as the global leader for sustainable palm oil production - by producing palm oil in a way that sustains and advances economic growth, is respectful to the environment and landowner rights, yields social benefits and improves PNG’s market competitiveness for its primary agricultural export”

“To prepare a collective statement of intent that will position PNG as the global leader for sustainable palm oil production - by producing palm oil in a way that sustains and advances economic growth, is respectful to the environment and landowner rights, yields social benefits and improves PNG’s market competitiveness for its primary agricultural export”

PNG Palm Oil Statement of Intent

- Aspirational statement of intent by the government making commitments for Sustainable Palm Oil sector
- 2 Working Group meetings (23rd March, 6th April 2018) to adapt the Marakesh Declaration to PNG context and harmonize PNG Constitution and development goals
- Meeting of the working group on **6 April 2018** to review and finalise draft statement of intent
- Formal process for Ministerial endorsement 6-24 April
- Signing of statement of intent by Prime Minister on 24 April during UK-PNG Trade & Investment Forum in London or Liverpool

Way Forward

- Integration of PNG POP into MTDP3?
- Setting up of Coordination Committee jointly led by Department of National Planning and Monitoring and Department of Agriculture and Livestock.
- Official launch of PNG POP in June 2018 together with statement of intent

- Development of palm oil suitability tools to support expansion in a sustainable way using remote sensing and field data (in the next 6 month)
- Multi-stakeholder dialogue in 2018 through plenary meetings, Technical Working Groups, etc.
- Agreement on a Sustainable Palm Oil National Action Plan through multistakeholder dialogue - 2019
- Implementation of the National Action Plan 2019-2022

"If you want to go fast, go alone. If you want to go far, go together"

African Proverb

3.4 Challenges in Effectively Guiding Strategic Land Use Planning

The theme of this session was presented in details below (3.4.1) followed by other supportive presentations towards effective land use planning in Protected Areas and Oil Palm Development.

3.4.1 Challenges in Effectively Guiding Strategic Land Use Planning

Introduction

- **Definition of Land Use Planning & Land Use Plan**
 - Public Policy exercise that designates /regulates use of land to ensure a community vision is achieved
 - It helps identified preferred land uses that will support community development goals
 - Its outcome means
 - Allocation, zoning, regulation of specific uses and formulation of legal and administrative instruments
- **Definition of Physical Planning & Physical Plan**
 - Design exercise that uses the land use plan as a framework to propose optimal physical infrastructure development
- **Land use in PNG context**
 - Traditional Land Use Planning
 - Town Planning 1952
 - Physical Planning 1989
 - National Land Use Planning 2018??

What is Land Use?

- **A type of land use activity on a specific land area**
 - **Natural Landscape**
 - Wildlife Habitat
 - Wetlands
 - Catchment Areas
 - Coastal Areas
 - Flood plains
 - Conservation

- **Resources Landscape**
 - Farm land
 - Forest
 - Recreational Areas
 - Extractive Resourced areas
- **Built Landscape**
 - Residential
 - Commercial
 - Institutional areas
 - Public Spaces

Purpose /Importance of Land Use Planning

- Balance development and conservation
- Provide Security of Land in terms of health, safety and wellbeing of its citizens
- Promote Equitable distribution of resources including delivery of services to its community
- Encourages transparency and accountability as consultation is a prerequisite for any form of proposed developments
- Public participation and involvement in the initial stages of development

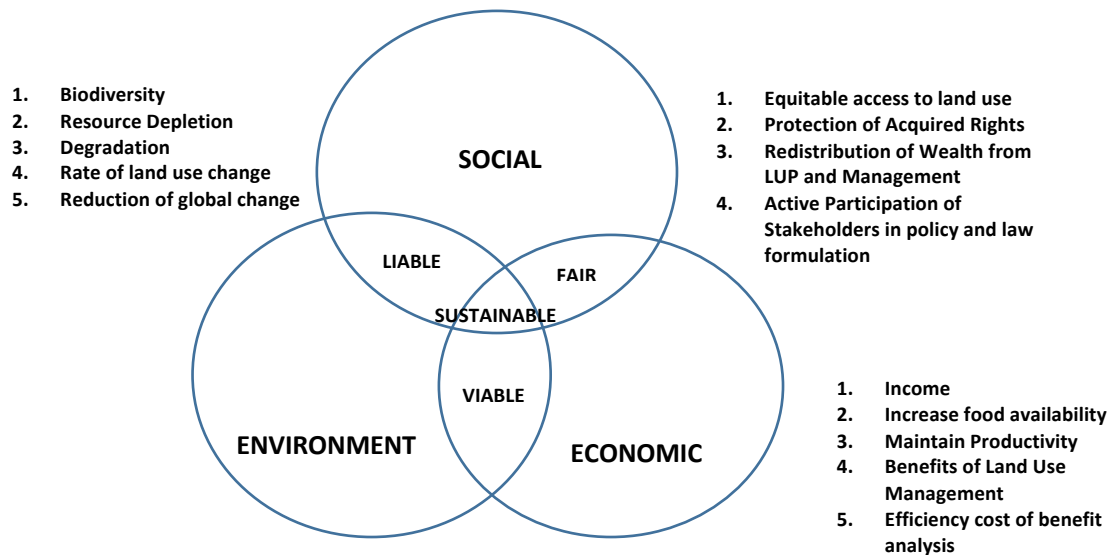
Challenges of Guiding Strategic Land Use Planning

- ***Existing Legal Framework***
 - Definition of Physical Planning
 - Physical Planning Act 1989 and Regulation 2007
 - All land in PNG is subject to this Act section 2 PP Act
 - Declaration of Physical Planning Areas Section 67 PP Act
 - Development Plans Section 47 PP Act
 - Land Act 1996 and other relevant DLPP Acts including ILG, National Registration Act, VCLR
 - Land use Sector Agencies relevant legislations
 - Sector Based
 - No Land Use Policy
- ***Institutional Arrangement***
 - Political Will
 - National Lands & Physical Planning Administrative Department & Statutory Boards NPPB and PPAT
 - Provincial and Local Level Governments “*Devolution of Powers and functions*”
 - Fragmented and uncoordinated land use planning with other land use sector agencies
- ***Capacity and Resources***
 - Weak Association of Physical Planners in PNG
 - No Physical Planners degree programs at existing Universities
 - No recognition of promotion of land use planning in terms of funding
 - Sharing of Information and data
- ***Land Tenure and Customary Landownership***
 - Expertise in dealing with investors
 - Lack of knowledge in terms of negotiation
 - Awareness on land use planning matters

Current Status of Land Use Planning in the Context of Sustainable Development

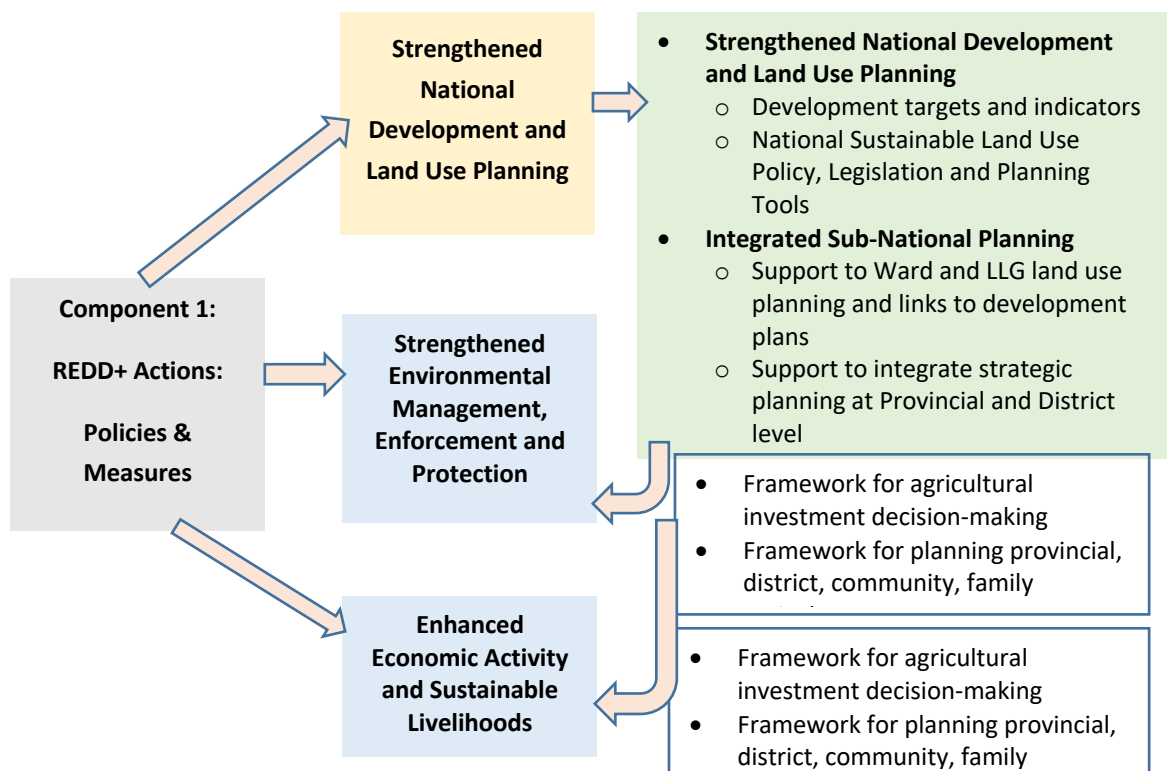
- PNG a participant in the RIO Convention 1992 and adopted the Sustainable Approach for development in land use planning
- DLPP through the Physical Planning Division initiated the formulation of National Sustainable Land Use Policy (NSLUP) to complete the National Urbanisation Policy
- It Address the three dimension –Environment, Economic and Social which centres in all land Use planning aspect

Illustrative Diagram of Sustainable Development for Land Use Planning



Alignment to NRS

- *Strengthen Land Use and Development Planning for REDD+*



- The idea is to set the action area within the context of the strategy and stress there are links across areas

- Remind people of the Component on REDD+ Actions
- Remind them of the three activity areas
- Then provide an overview of actions to be undertaken in this area
- Then show how it links to the other action areas in Component 1

Current Status of NSLUP

- Endorsed by the DLPP through the Executive Management Committee (EMC) after deliberation by the National Physical Planning Board (NPPB)
- Submitted to NEC but referred back to the DLPP for further consultation
- Involvement of UNDP REDD+ Plus program revised draft has been done.
- Successful DLPP Sector Planning Retreat in Madang recommendation done to speed up
 - NSLUP to NEC
 - Address its involvement to the Sub National Level
 - Formulation of National Land Use Information Management System
- Terms of Reference done for engagement of consultant

Way Forward

- Address the current Legislation and Policy Framework on Land Use Planning – *NSLUP is gets NEC Endorsement*
- Address Institutional Arrangements – *Administrative Structure, Coordination and stream line delivery services*
- Address Capacity and Resources with mandated Resources based public agencies- *Universities and land use sector agencies beef up*
- Carry out awareness program for the Landowners participation

3.4.2 Strengthening Protected Area Management in PNG

Why a New Policy?

- *The current protected area network is not working well*
 - There was no policy to guide its establishment or management
 - Legislation was fragmented and not clear
 - Management responsibilities are conflicting
 - Activities for National, Provincial and LLGs and NGOs are not well coordinated and lacks direction
 - Biodiversity loss is acceleration and communities are not benefiting as they should be.

Benefits of PNG's Protected Areas

- Benefits to the world from PNG's protected areas are clear
- The values and diversity of both natural and cultural systems of PNG are exceptionally high by international standards. It is a **global priority for conservation action**. The island of New Guinea contains more than 7% of the world's biodiversity in less than 1% of the land area. THAT DESERVES OUR PROTECTION
- PNG's protected area network is a critical part of the global protected area system for conservation of plant and animal communities on land and sea, and for protection of living cultures still linked to the natural world and rich in the diversity of languages and traditions in PNG.

What are the Benefits to the People of PNG?

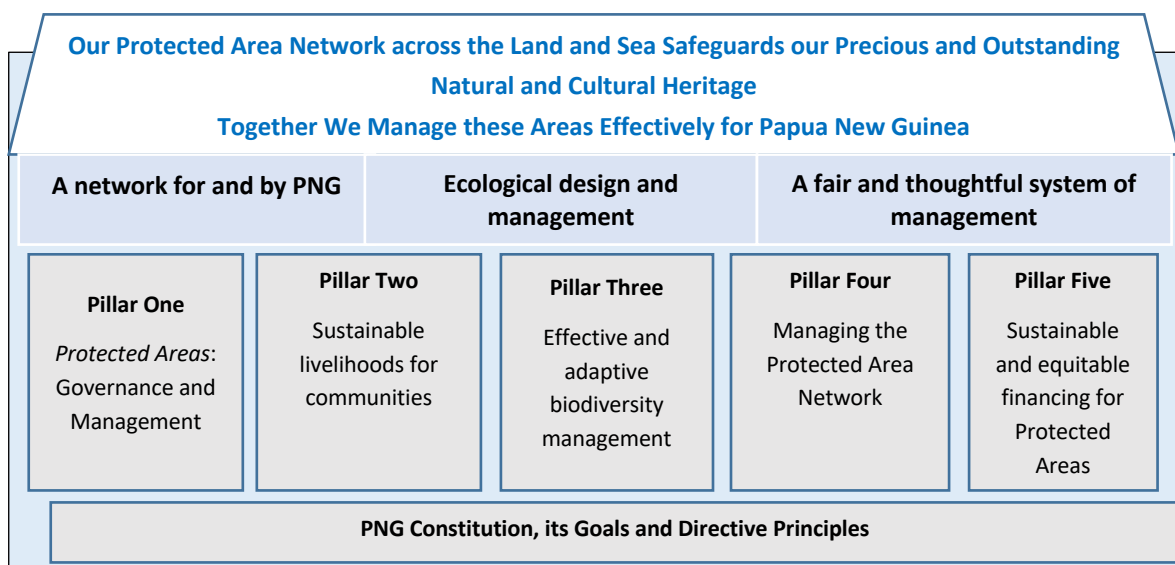
- *Protected Area can:*
 - Be the platform for sustainable livelihoods for customary landowners
 - Keep options open for future generations, by conserving plants, animals and cultural significance
 - Provide long-term security of fresh and usable water; lessen impacts of disasters such as floods, cyclones and tidal events.
 - Keep fishing sustainable, protect marine nursery grounds, keep some reef and sea areas for exclusive use by customary landowners.
 - Provide a long-term supply of food source and other resources to customary landowners.
 - Support future tourism to PNG
 - Provide employment and training to name a few.

What is the New Policy?

- The policy was developed by the government in collaboration with partners and communities to support the development and management of a National Protected Areas Network in the country.
- To guide communities, organizations and agencies involved in biodiversity conservation in PNG to harmonise their efforts in a structured and logical approach to sustain existing protected areas and development of new protected areas.
- To offer a blueprint based on international and national obligations and international best practice applied to the unique context in PNG.
- It provides the basis for collaboration and cooperation between organizations including meaningful community engagement in the protected area development, establishment and management processes.

Protected Area Vision

- *“Our protected area network across land and sea, safeguards our precious and outstanding natural and cultural heritage. Together we manage these areas effectively for all the people of Papua New Guinea”*
- Based on the PNG Vision 2050, the Policy is supported by five strong pillars, resting on a foundation of the constitution, its Goals & Directive Principles



- This is the framework of the Policy that includes 3 Guiding Principles and 5 Pillars
- **The First Pillar**
 - Protected Areas: Governance and Management (This Pillar has 6 objectives with four desired outcomes)
 - The PNG Protected Area Network is based on the IUCN Protected Area Principles and comprised of two groups of protected areas:
 - ✓ National PAs, e.g. Marine Sanctuaries; and
 - ✓ Regional PAs, e.g. Community Conservation Areas and LMMAs
 - International designations are overlays in addition to PA types, e.g. World Heritage/RAMSAR sites

Protected Area Type	IUCN Type	For
National Park	II	Primarily for protection of habitats and species – relatively large
National Heritage Site	III	Protects special sites for historical, cultural, geological features or special species – may be small or larger
Special Management Area	IV	Area where special management is needed to protect particular species of ecosystems i.e. critically endangered or endangered spp.
Marine Sanctuary	VI, II, III, IV & V	A national park in marine area
Locally Managed Marine Area	V, VI	Conserves traditional marine livelihoods
Community Conservation Area	V	Conserves traditional livelihoods – can include village and gardens

- **The Second Pillar**
 - **Sustainable Livelihoods for Communities**
 - ✓ *In recognition of the Constitution, customary practices for enhancing and protecting the environment and traditional livelihoods are strengthened through protected area establishment and management.*
 - **Objectives**
 - ✓ Ensure that local arrangements governing use of natural resources in Protected Areas are fair and sustainable and continue to support traditional livelihoods
 - ✓ Train, support and empower communities, customary landowners and Protected Area staff to sustainably manage Protected Areas
 - ✓ Develop Conservation and benefit sharing agreements with customary landowners and communities for all Protected Areas to formalise the management arrangements and benefits.
- **The Third Pillar**
 - **Effective and Adaptive Biodiversity Management**
 - ✓ *Effective and adaptive management supports the network and ensures that the values of the Protected Areas are maintained to the highest possible extent.*

- **Objectives**
 - ✓ Develop and apply policies for biodiversity management planning, monitoring and reporting, natural and cultural resource management and law enforcement of the PA.
 - ✓ Evaluate management effectiveness every three years to demonstrate the successes and challenges for each PA.
 - ✓ Effectively manage activities on PAs including compatible development, recreation, research and traditional use.
 - ✓ Ensure PA management is well resourced, efficient and effective, with capable, knowledgeable and dedicated staff.
- **The Fourth Pillar**
 - **Managing the Protected Areas Network**
 - ✓ *The PNG Protected Area Network is relevant to the PNG people, protects the diversity of life, landscapes and seascapes, and forms a well-connected, adequate and resilient system.*
 - **Objectives**
 - ✓ Establish a PNG Protected Area Network according to the guiding principles and the range of reserve types outlined in this policy.
 - ✓ Establish a relevant, comprehensive, adequate, representative and resilient PNG Protected Area Network according to the range of reserve types and network design principles established in the Policy.
 - ✓ Ensure a smooth transition from the 2014 Protected area types to the updated network, with no loss of values.
- **The Fifth Pillar**
 - **Sustainable and Equitable Financing for PAs**
 - ✓ *Sustainable and equitable financing supports the Protected Area Network and established Protected Areas.*
 - **Objectives**
 - ✓ Develop and implement a Biodiversity Trust Fund to support the Protected Areas Network and established PAs through mechanisms such as biodiversity and ecosystem services offsets, green contributions such as levies and taxes and donations and philanthropic contributions.
 - ✓ Develop small grant programs to deliver funding directly to support local communities in the establishment and management of Protected Areas.

The Foundation Stone

- PNG Constitution, its Goals and Directive Principles
 1. The PNG Government's mandate for this Policy derives directly from the fourth Goal of the National Constitution and its Directive Principles which states that:
 - ***"Papua New Guinea's natural resources and environment should be conserved and used for all and should be replenished for the benefit of ourselves and prosperity of the environment and its sacred, scenic and historical qualities for future generations"***

Protected Area Policy Implementation Plan

- How did CEPA translate the Protected Areas Policy to an implementation plan?

A 3 in 1

Approach “ONE
STOP SHOP”



1. The Implementation Framework
2. The Implementation Schedule
3. The Monitoring and Evaluation Framework

Protected Areas Policy Implementation Plan 2018-2028

- **Purpose**

1. Raise awareness on the value of Protected Areas in PNG.
2. Establish networking and strengthen collaboration among Government and various stakeholders including the local communities, NGO's, private sector and donors.
3. Contribute to establishing clear management and governance structures/guidelines for effective **protected** areas management.
4. Assist in improving co-ordination and instil a sense of direction amongst key stakeholders.
5. Enable effective collaboration with relevant partners to establish an equitable sustainable benefit sharing mechanism for local communities.
6. A one-stop-shop marketing tool for soliciting government/donor financial and technical support for PAPIP implementation.

Proposed Protected Areas Bill

- The Bill has gone through consultations alongside the PA Policy Implementation Plan since 2016
- Legal clearance from the Office of the State Solicitor completed with the issuance of the Certificate of Necessity
- Finalize NEC Submission and submit through the relevant processes via CACC and NEC
- Anticipate the PA Bill to go before Parliament anytime soon before year ends.

Challenges

- Government's (all levels) priorities for resource developments versus environment management & biodiversity conservation
 - *Political pressures*
 - *National interests (Economic corridors)*
- Compliance by governments & industries on government policies and strategies
 - *10% set-aside in FMAs;*
 - *Respect for protected areas (developments degrading PAs)*
 - *Environmental permit (conditions) all resources developments*
- *Adequate capacity for Provincial & Local Level Governments*
 - *to conduct environmental management & biodiversity conservation activities*

On top of All these Challenges

- CEPA's Capacity in implementing the Protected Areas Policy Implementation Plan, Regulating the permitted industries including commercial logging, commercial agriculture and other related land uses:
 - Lacks funding,
 - Lacks our presence in the Provinces, and
 - Lacks updated environmental data including biodiversity to plan effectively

Strengthening Conservation Actions: MOA and MOU

- Capacity support for the Province including the Provincial Environment Committee
- Assist with Provincial, District/LLG planning
- Oversight (implement) and coordination of conservation actions in pilot sites
- Support with the establishment of new PAs
- Feasibility study for ecotourism (review of fee structure for example in Garu WMA and Kimbe Bay)
- Support BSA for the Warangoi Hydro Dam
- Focused training on GIS, METT, ranger certification, environmental monitoring
- Fundraising (PSIP/DSIP/LLGSIP, private sector)

"Lukautim abus, graun na wara b'long nau na bihain taim"
"Eda uda, tano bona davara naridia hari bona nega vaira"

3.4.3 Tzen Plantation Limited and East New Britain Palm Oil Limited

General Information

The presentation by Tzen could not be opened for detail presentation here. However, the presentation was generally on Tzen operation in East New Britain Province, which covers the oil palm plantation operation, the processing plants and the support facilities including wharf and export facilities. The presentation also provided information on types of benefits including employment opportunities. The benefits which also include infrastructure development such as road, etc.

One important background information following the visit to PNGFA OPGPD at Puktas was that main plantations were on converted forest plantation lands which were returned to the customary landowner following the expiry of the lease agreement between the State (Forestry Department) and the customary landowners after 55 years. The other oil palm plantations are small-scale holders under Village Oil Palm Scheme (VOP).

3.5 Session 5: Group Discussion

In the session, the participants were divided into three (3) groups according to the four topics of discussion:

- | | |
|-----------------|--|
| Group 1: | Strengthening Commercial Agriculture Policy |
| Group 2: | Strengthening Support to Family Agriculture |
| Group 3: | Agriculture Policy/Legislation Alignment to NRS |

3.5.1 Strengthening Commercial Agriculture Policy

There is need to align or link legislative framework with all sectors and not only the concerned sector. There is also a need for commercial tax incentives for commercial agriculture investment. It was noted that integrating planning and policy development must have interaction with financial institutions (banks) to access loan for the purpose of evaluation and monitoring so that local farmers are fully supported. It was emphasized that the retreat should help in identifying possible actions and framework that will help to realize the outcomes of the identified barriers.

3.5.2 Strengthening Support to Family Agriculture

It was noted that decentralization of extension services from the national level to the provincial level has affected the funding system and hence the extension services delivery. Now that all agriculture institutions are under Department of Higher Education, Research, Science & Technology (DHERST) and longer under DAL, there may be lack of proper curriculum development leading to lack of appropriate training. There is also need to increase the number of female officers to address cultural issues in terms extension services.

There is need that all activities must be aligned to the MTDP3 to access financial support where reforms have caused disconnect in service delivery. The major problem now is that resources are going to or more focused on non-productive economy. Also there is no continuity in the implementation of policies.

3.5.3 Agriculture Policy/Legislation Alignment to NRS

It was highlighted that agriculture policy frameworks must focused on quality factors that will give the sector an edge to penetrate niche markets. Agriculture sector has evolved without policy interventions and poor completion rate. In other words, many attempts for policy developments and policy interventions but were never accomplished.

Although it was noted that there was no certification process mentioned to improve on supply chain as possible solution, it depends on what is best for the agriculture sector, noting that certification is responsive or restrictive to market. There should be more focus on what will benefit the local farmers to access direct market and make agriculture sector laws compliant to other sectors as well, which needs effective collaboration with other sector as strategized in NRS.

GROUP DISCUSSION ATTACHMENTS

GROUP ONE: Strengthening Commercial Agriculture Policy (15 Members)

Total: 50 million

Timeframe: 10 years (2019-2028)

Barrier	Possible Solution	How to Implement Solution	Responsible Agency	Cost/ Estimate
1. Lack of knowledge/poor compliance by developers with existing requirements for consultation with landowners in the utilization/ use of customary land for agricultural purposes including all available agricultural state land mobilization for commercial agriculture.	<p>1.1 Having a central point/body to co-ordinate and disseminate information on the current compliance requirements in place.</p> <p>1.2 Resource information centres.</p>	<ul style="list-style-type: none"> The central point/body to facilitate the utilization of customary land for commercial agriculture purposes so there is compliance with legal requirements in place. Due diligence and effective co-ordination by responsible agencies Lands – LIR, ILG Formation 	<p>Lands, DAL, CEPA & Forestry</p> <p>Lands – LIR, ILG Formation</p> <p>DAL – Carries out soil survey & socio-economic survey</p> <p>CEPA – EIA for issuance of environmental permit</p> <p>Forestry -</p>	K5M

		<p>DAL – Carries out soil survey & socio-economic survey</p> <p>CEPA – EIA for issuance of environmental permit</p> <p>Forestry -</p>		
2. Lack of infrastructure/accessibility to markets for agriculture produce.	Having a systemic process in place to identify and provide avenues to attain infrastructure/accessibility to markets for agriculture produce	<ul style="list-style-type: none"> • DNPM must take proactive role in liaising with core departments in identifying their needs to ensure accessibility. • DoW needs advice from DAL to build under their missing links program. 	DNPM/DoW/All line information agencies	K5M
3. Lack of adequate information system to encourage E-Agriculture.	Resourcing and improving capacity of DAL and sub-sectors	<ul style="list-style-type: none"> • Policy and Law Reform to cater for innovative funding 	DAL/Universities/Industry	K5M
4. Lack/limited availability of baseline data in each sub-sector of Agriculture to inform/assist future planning.	Developing a specialized database of all agro products which will be hosted on a DAL website	<ul style="list-style-type: none"> • Freely sharing of data between relevant agencies which will be captured on the database. • Complete the National Agriculture Survey • Utilize PPP to obtain and share data 	DAL/CEPA/All sub-sector agencies	K5M

5. Criteria/requirements for participation by local farmers in commercial farming, i.e. Cocoa is restrictive. Cost for criteria for participation is too high and there is a general lack of support from Government for small/rural farmers.	Review of existing laws and requirements to enable participation by relevant bodies	<ul style="list-style-type: none"> Use the DAL multi-stakeholder groups to push for the passage of the two DAL Bills before Parliament 	DAL	K5M
6. High costs for certification prevents participation by local farmers in niches markets and benefiting from premium prices.	Coordinate and Implement instruments in CODEX	<ul style="list-style-type: none"> Engagement of by all agric. sub sectors and relevant line agencies 	DAL/Sub-sectors/Line Agencies (DoH, NISIT)	K5M
7. Lending policy requirements are too stringent for the rural farmer to benefit from banks and other available credit facilities. Monetary policy does not provide a conducive environment for	Tax incentive and government subsidy	<ul style="list-style-type: none"> DAL to liaise with relevant entities to suggest changes to Monetary Policy to create a conducive environment for agriculture sector tax incentives and government subsidies <p>DAL to liaise with relevant entities to suggest changes to Monetary Policy to create a conducive environment for agriculture sector tax incentives and government subsidies</p>	DAL/Central Bank	K5M

implementation of sub-sector agricultural policies allowing innovative initiatives for funding to the Agriculture sector. Reform to agricultural policies and law to allow for that.	Tax incentive and government subsidy		DAL / Ministry/ Treasury Dept.	
8. Out dated policies and strategies do not cater for existing changes therefore are ineffective.	Bill to be passed through Parliament and then to amend sub-sector legislations for alignment	<ul style="list-style-type: none"> Use the DAL multi-stakeholder groups to push for the passage of the two DAL Bills before Parliament 	DAL Sub sector/ Line Agencies	K5M
9. Inadequate training of current agriculture officers with out-dated methodologies. Loss of extension system previously practiced to assist the rural farmer.	<p>Bill to be passed through Parliament to address the barrier Use the DAL multi-stakeholder groups to push for the passage of the two DAL Bills before Parliament</p> <p>Training Institutions to review their curriculum to make it more relevant to the modern and business oriented industry Bill to be passed through Parliament to address barrier</p>	<ul style="list-style-type: none"> Use the DAL multi-stakeholder groups to push for the passage of the two DAL Bills before Parliament <p>Use the DAL multi-stakeholder groups to push for the passage of the two DAL Bills before Parliament</p>	DAL/ Universities /Provincial and District Administrations	K5M
10. Lack of political will/ lack of adequate resourcing (technical & manpower) of DAL as a core department addressing livelihoods of citizens.	<p>Administrative Re-structure of DAL</p> <p>Building political will</p>	<ul style="list-style-type: none"> Bills Currently in progress (AIC. AAA) Improve Advocacy through Strategic 	<p>DAL/DPM</p> <p>DAL</p>	K5M

		partnerships/ Take advantage of Alotau Accord II, 2017		
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GROUP 2: DISCUSSIONS

❖ STRENGTHENING SUPPORT FOR FAMILY AGRICULTURE

Definition: Family agriculture is basically smallholders at the village level or blocks/settlements who are engaged in the following;

1. Cash crops (1-5 hectares)
2. Food crops
3. Livestock

Item	A. Challenges	Proposed plan of action	Specific activities	Estimated Budget (PGK) per year	Sub-sector Responsible
1	Changes to legislations/governance at Provincial/District/LLG; <ol style="list-style-type: none"> Directly affected extension services Affected funding allocation for extension Affected the delivery mechanism 	<ul style="list-style-type: none"> Province/District/LLG must resolve this issue at their level to ensure extension services reach the farmers. Relevant authorities to review the current arrangements and improve. 	<ul style="list-style-type: none"> Review and advocate on legislations Advocacy for the enactment of the AAA Bill 	500 000 for 2yrs	<ul style="list-style-type: none"> All commodity board DAL Line Agencies CIMC NRI
2	Lack of Capacity Building and Training Facilities of Extension Officers (EO): <ol style="list-style-type: none"> Training institutions at agricultural colleges or universities do not meet 	<ul style="list-style-type: none"> DHERST, DAL and relevant Depts. should review existing curriculums Promote commodity-based curriculums to be taught at 	<ul style="list-style-type: none"> Review the existing and develop new curriculum for technical college and universities Introduce commodity based curriculum and 	1,000,000 1,000,000	<ul style="list-style-type: none"> Department of Education High Education NARI All commodity Boards

	<p>the needs of farmers or industry needs.</p> <p>b. Limited number of female extension officers adversely affects extension to female farmers</p>	<p>primary, secondary and vocational levels. eg. Cocoa & coffee curriculums already developed.</p>	<p>hands on training facilities</p> <ul style="list-style-type: none"> • Increase enrolment and scholarship of females for agricultural courses. (40 females/year) • Province/District/LLG must recruit more EO including females, (decrease current ratio of 1:7000 to 1:3000 over 5 years) 	500,000	DPLL
3	<p>Limited Access and availability of Appropriate Information on:</p> <p>a. Crop management</p> <p>b. Livestock husbandry</p> <p>c. Financial literacy</p> <p>d. Marketing</p> <p>e. Climate Change issues</p>	<ul style="list-style-type: none"> • Extension Officers must be equipped with relevant information. • Climate change awareness to rural farmers 	<ul style="list-style-type: none"> • Subject based training for farmers • Establishment of resource centres (89 districts) 	<p>5 000,000 per yr</p> <p>26, 000 000 (for 5 yrs ,co -funding with District)</p>	Commodity Industries Provincial Government Research Institutions
4	<p>Market Access Issues:</p> <p>a. Deteriorated infrastructure – roads & bridges.</p> <p>b. Lack of proper market facilities</p>	<ul style="list-style-type: none"> • Provincial/District/LLG, DOW & relevant authorities for funding. • Build market facilities at District/LLG 	<ul style="list-style-type: none"> • Identify, improve and maintain infrastructure developments • Mobilizing farmers for Cooperative Marketing • Establish storage shed and cool rooms • FPDA using mobile phones to provide market information to farmers. Others should use this model. 	<p>2 000 000</p> <p>16 000 000 for 4 regions</p>	DOW/Transport Ministry Commodity Industries in the Provinces Provincial Governments DDA

5	Economic Sustainability of productivity a. Low productivity b. Poor management	<ul style="list-style-type: none"> Genetic improvement of crops Improve management Innovative agriculture technologies 	<ul style="list-style-type: none"> Capacity building of extension officers Genetic/improvement of crops and Integrated farming e.g. farming honey coffee, 	5 000 000 for 5 yrs 5 000 000 for 5 yrs	Commodity Boards DDAs Prov. Govts.
6	Lack of monitoring and reporting on the extension Services	<ul style="list-style-type: none"> 	<ul style="list-style-type: none"> 	2 000 000 for 5 yrs	<ul style="list-style-type: none">
	B. Linkage with other Service Providers				
1	Extension Models at FPDA (food crops) and PPAP (coffee, cocoa) are working very well.	<ul style="list-style-type: none"> All agencies must use the FPDA & PPAP models to assist farmers to access markets locally or overseas. 	<ul style="list-style-type: none"> Research and Improve current or existing models Advocacy of farmers and extension officers establish an extension forums Appoint and establish provincial officers 	<ul style="list-style-type: none"> 	<ul style="list-style-type: none"> Research Institutions, commodity Boards, DAL,
2	Non compliance Lack of collaborations No incentives	Alignment of Agriculture Priorities National Priorities (MTDP 3:2018-2022) and other sectors	<ul style="list-style-type: none"> All agencies and partners involved in agriculture sector must comply with DNPM protocols for funding purposes. 	<ul style="list-style-type: none"> 	<ul style="list-style-type: none"> DAL National Planning Forestry All Commodity Boards

		<ul style="list-style-type: none"> a. Sub-sectors within the Agriculture sector needs to be aligned. b. Synergy between different Departments to provide enabling environment for agriculture. 	<ul style="list-style-type: none"> • xxx impact projects per sector in the next 5 years (2018-2022) in each province • Alignment of provincial development plans to the national plans like MTPD 3 priorities 		
	TOTAL COST		•	50 000 000	•

GROUP #: 3: AGRICULTURE POLICY/LEGISLATION ALIGNMENT TO NRS

	GAPS/ ISSUES	ACTIONS FOR IMPROVEMENTS	EXPECTED OUTCOMES	ACTIVITIES	RESPONSIBLE AGENCIES	TIME-FRAME	ESTIMATE COSTS (K'm)
Commercial	1.Oil Palm Policy No policy/legislation on sustainable oil palm development	1. Revisit OPIC Effective with Policy and Legislation	1. Palm Oil Policy developed	1.To develop palm oil policy 1.1 Consultants 1.2 Regional Stakeholder Consultations 1.3 Project Administration	DAL, NBPOL, OPIC, OPRA	2 Years	2.0
	2.Land Use Planning No sustainable land use policy	1.Sustainable land use policy with clear landowner identification and involvement	1.Sustainable land use Policy developed	1.To develop sustainable land use policy 1.1 Consultants	DLPP and DAL (including	3 Years	3.0

				1.2 Regional Stakeholder Consultations 1.3 Trials x 3 Provinces (Madang, WNB, ENB)	commodity boards) Fisheries to be included		
	3. Production (Access to Market – Infrastructure and Market)	1.Downstream processing policy	1.Downstream processing Policy developed	1.To develop downstream processing policy 1.1 Consultants 1.2 Consultations with all stakeholders	DAL	2 Years	2.0
	4.Agriculture Administration Legislation	1. Legislate AAA	1.AAA Bill is passed	1.FLC drafting	DAL	1 Year	0.0
	5. AIC – Effective Legislation AIC not going through or getting passed.	Review existing commodity board legislation to have one coordination point	1.Existing commodity boards legislations reviewed	1.To review existing commodity board legislations and incorporate AIC recommendations	DAL	1 Year	0.0
	6. Administrative Structure – DDA Act	1. Review DDA Act	1.DDA Act is reviewed	1. To review the DDA Act, especially the functions between the National, District and LLG (i.e. Agriculture functions)	DPLGA	1 Year	500,000.0

	7.Value Chain Process	1.Value Chain Policy	1.Value Chain Policy to be developed	1.To review Value Chain Policy 1.1Consultants 1.2 Stakeholder Consultations	DAL, FPDA, NARI, KIK, CB	2 Year	2.0
	8.Funding Lack of funding in capacity, services and infrastructure	Policy to ensure certain % of revenue earned from the Extractive Industry goes to the Agriculture Sector	1.Funding capacity strengthened	1.To review and strengthen funding capacity of DAL	DAL	1 Year	0.0
	9.Research and Development Policy	Review existing research and development policies to incorporate climate change and sustainable development policies and strategies.	1.Research and Development Policy reviewed and developed	1.To review and develop research and development policy 1.1 Consultants 1.2 Stakeholder Consultations	DAL, NARI, NAQIA, FPDA, NWS	2 Year	2.0
	10.Ineffective extension services	Lack of funding and capacity (officers and production)	Effective and inclusive extension services	1.To review capacity of extension officers and modes of service delivery System 1.1 Stakeholder consultations 2. Use of cooperative societies and 'farmer to farmer' approach	DAL, NARI, KIK, CIC, CB	5 Year	5.0

				2.1 Follow up with DCI. 3. Establish Resource Centers (4 X Regional) or upgrade existing research facilities 4. Graduate capacity and develop curriculum i.e. veterinary			
11	Pests & Diseases Mitigation	Bio-security policy	Bio-security policy reviewed	1.To review bio-security policy	DAL, NARI, NAQIA	1 Year	0.0
Family	1.Land Use Planning 1.No sustainable land use policy	1.Sustainable land use policy with clear landowner identification and involvement	1.Sustainable land use Policy developed	1.To develop sustainable land use policy	DLPP	2 Years	2.0
	2. Production (Access to Market – Infrastructure and Market)	1.Downstream processing policy and bio-security policy	1.Downstream processing policy developed	1.To develop downstream processing	DAL	2 Years	2.0
	3.Value Chain Process	1.Value Chain Policy	1.Value Chain Policy to be developed	1.To review Value Chain Policy	DAL	2 Years	2.0
	4.Ineffective Extension Services	Lack of funding and capacity (officers and production)	Effective and inclusive extension services	1.To review capacity of extension officers and modes of	DAL	2 Years	2.0

				service delivery system 2. Use of cooperative societies and ‘farmer to farmer’ approach 3. Establish Resource Centers (4 X Regional) 4. Graduate capacity and develop curriculum i.e. veterinary			
		TOTAL					12.5