



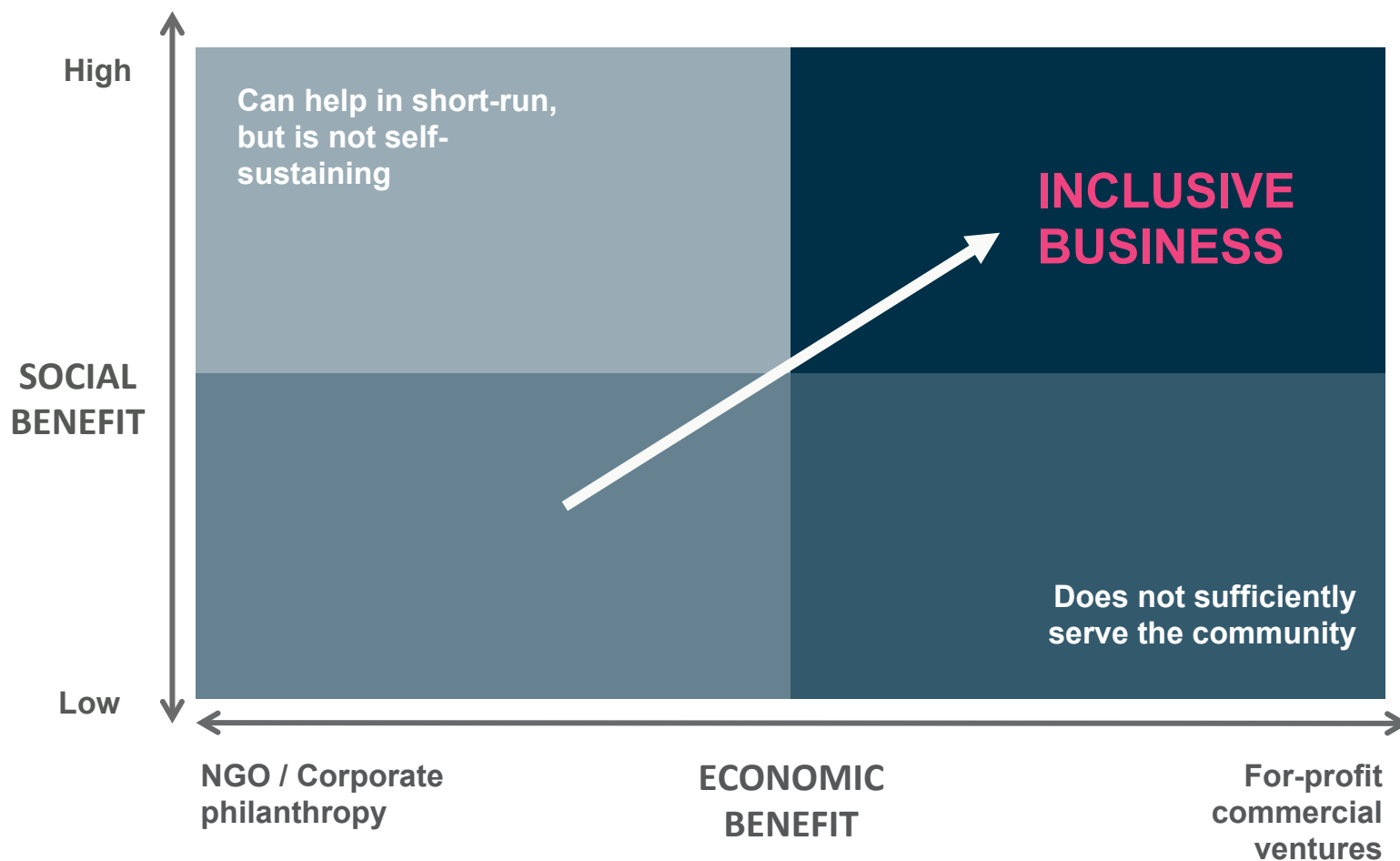
# Opportunities for Sustainable Investment in Agribusiness

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# WHAT IS AN INCLUSIVE BUSINESS?

Inclusive business is about achieving business objectives while realising development outcomes that empower the poor.





# WHAT DOES THAT MEAN TO YOU AS AN INVESTOR?

With 80% of PNG population working in agribusiness it's the perfect sector for investment.

Inclusive Agribusiness investment is broad:

- Offtake
- Extractive Sector
- Multilaterals
- Investors & increasingly social investors



# NEXUS BETWEEN MINING & AGRICULTURE

Most of the major  
extractives in PNG are  
our clients.

Market partners who can  
invest into and trade  
agricultural products that  
can be grown in  
Western, Hela, Morobe  
& East Sepik Province







## CMCA AGRO INDUSTRIES

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**Objective:** Empower 10,000+ farmers to double their income over five years through greater productivity on their farms, and better access to market, training, support services and regular rubber collection.

- Large agricultural conglomerate producing, processing and trading agarwood, rubber and rice. Also looking at fisheries, and other high value crops.
- Re-energised the community and belief that agriculture can build sustainable economic livelihood.
- Trukai are co-investing into a rice supply chain and Olam have invested in the development of the rubber supply chain.
- LINC enabled community to be engaged and involved in a profitable company that is sustainable.



# HILANS PIK

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**Objective:** to create employment and economic activity through the establishment of a vibrant commercial piggery industry, that will provide superior incomes to a network of smallholder farmers.

Working in partnership with Oil Search in the farmer development and developing an inclusive business focused on commercial pork production in the PNG Highlands.

AIA potential partner in pork processor in Hela Province.

Tested outgrower shed design and feed formulation and are now ready to develop the commercial supply chain.





1

**PNG imported PA 8k 20ft containers of starch: wheat, grain, malt**

**Heineken strategy: 20% locally sourced.**

2

3

**Reviewed all possible starch ingredients. Cassava beer met taste requirements + was readily available**

**Identified the best growing region - transport, soils, climate.**

4



5

**Undertook a baseline to establish current farmer incomes (\$300pa)**

**Mapped the supply chain (farm inputs, transport, losses, processing equipment, working capital). Including a target farmer income**

7

**Not enough demand from SPB. Find other partners who need starch - both food & feed grade.**

**Pilot production including quality trials**

8



## ND THE PARTNER – CLEAR OPPORTUNITY

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2018 APEC – Mining Program will include a focus on developing a dual corridor for investment between sectors.

Connect agribusiness investors to PNG extractives client network to explore co-investment opportunities to create market linkages that

- Double smallholder farmer income; and
- Provide a commercially sustainable market opportunity for your organisation.



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***It is the absence of broad-based business activity, not its presence, that condemns much of humanity to suffering. Indeed, what is utopian is the notion that poverty can be overcome without the active engagement of business.***

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Kofi Annan, Former UN Secretary-General



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