

GENERAL OBSERVATIONS ON DRAFT COMMUNIQUE



- 1. Heavy focus on needs of Developed Economies & not much on Developing Economies (customer focus vs producer focus) - Needs to be more INCLUSIVE?**
- 2. Needs better integration with PPFS 2017 & PPFS 2018 agenda - focus is on challenges & opportunities for primary producers in DEs.**
- 3. Innovation needs some input from outside of current systems - Best practice is not limited to current players & systems:
*Emerging developments in ICT missing e.g. Block Chain?***
- 4. Mentality of the APEC FLW team from Taipei is one of “*WEALTH CREATION*” rather than poverty alleviation - Commend team highly for this positive & inspiring approach!**



TAIPEI HLPD ON FOOD LOSS & FOOD WASTE



Inclusivity, Innovation & ICT for Reduction of Food Loss and Food Waste in Developing economies of APEC

Dr Vele P. Ila'ava
Secretary, Dept of Agriculture and Livestock &
2018 PPFS Chair
Taipei
14-15 June, 2018



OUTLINE



- 1. Brief overview of the coffee industry in Papua New Guinea (PNG)**
- 2. Highlight key characteristics of PNG coffee farmers**
- 3. Outline lessons learnt**
- 4. Share options moving forward**



Why Coffee in Papua New Guinea (PNG)?



1. Agriculture contributes over 25% to 30% GDP over last 20 years
2. Export Revenue/Yr – K2 billion over last 10 years
 - 2,881/146,250 km² of land area (2%) – EXPORT
3. Coffee contributes 30% of total Agriculture Export Revenue
4. Over 85% of coffee production is by village farmers
5. Coffee supports about 3.3 million of our 7.2 million people
6. PNG 2 hrs ahead of Taipei time
7. Takes between 7-13 hours air travel from PNG

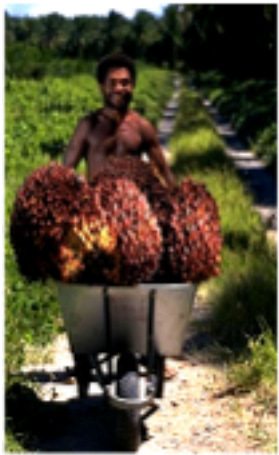


Agriculture Commodities in PNG



Commodities

1. Oil Palm
2. Coffee
3. Cocoa
4. Coconut
5. Rubber
6. Fresh Food Produce (FPDA)
7. Livestock (LDC)
8. Spice
9. Grains? (Rice, Corn, Sorghum)





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).

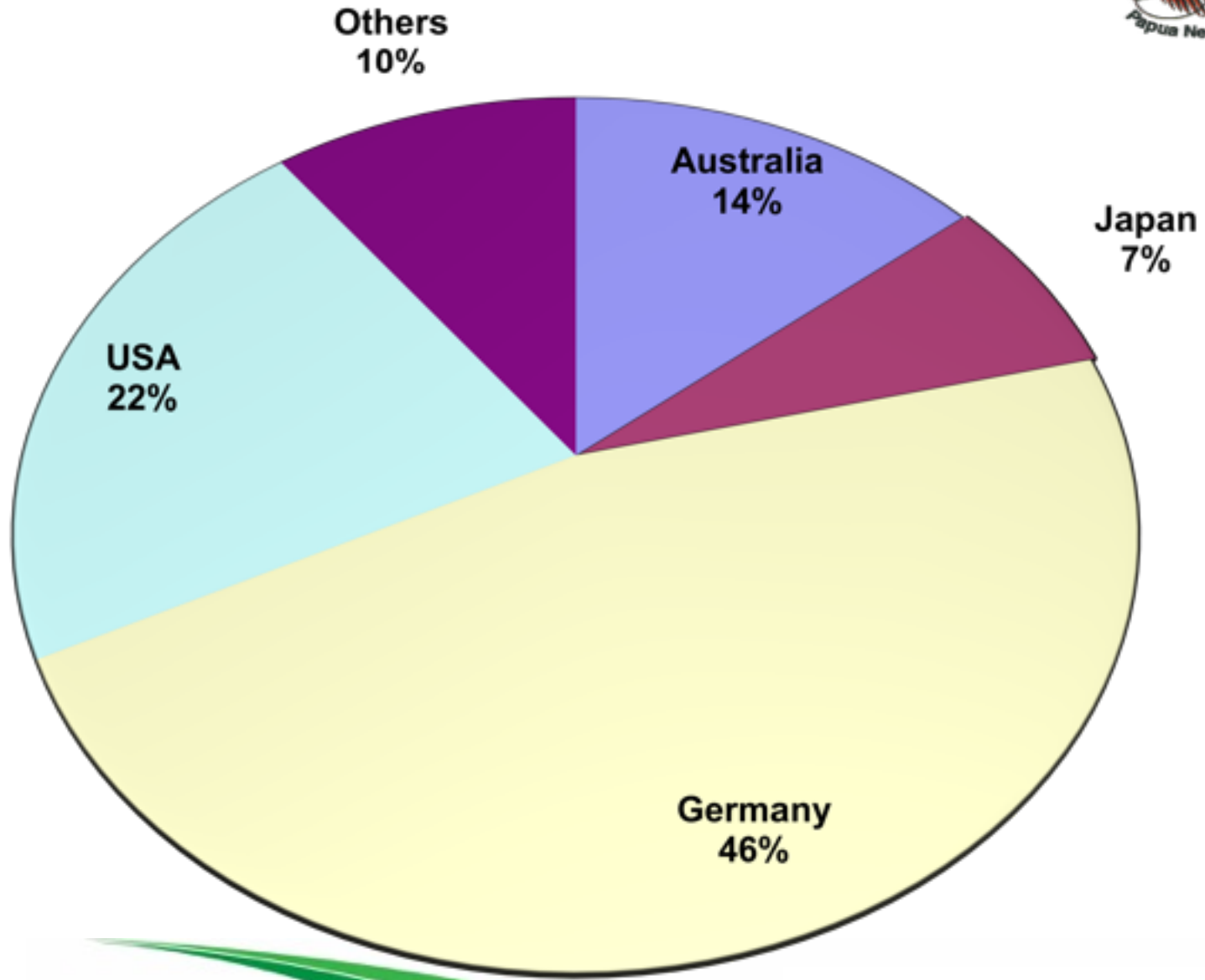
PNG APEC PPFS 2018 PRIORITIES



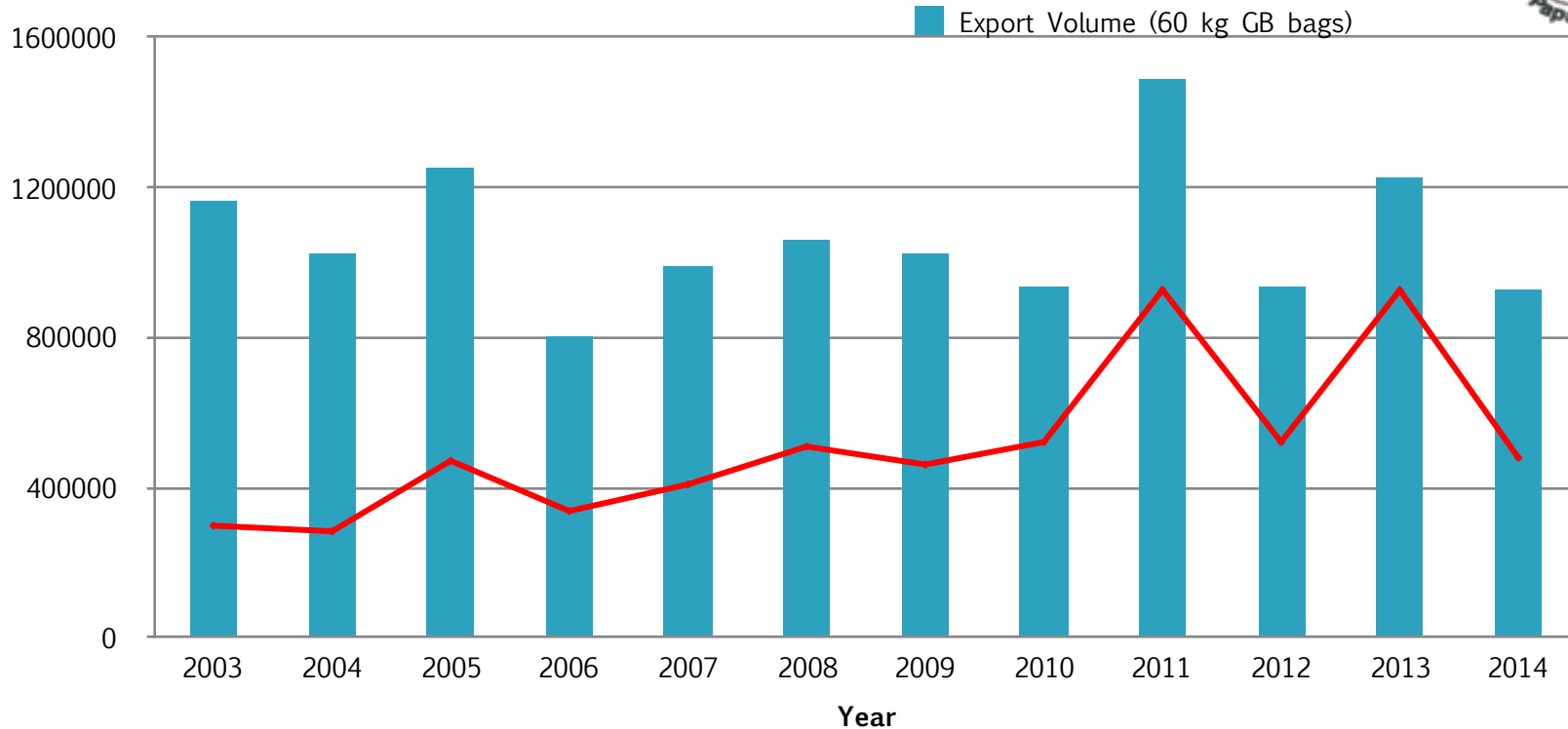
PRIORITIES	EXPECTED OUTCOMES
	1. Balanced growth
1: Improving connectivity, deepening regional integration	2. Inclusive growth
2: Promoting sustainable and inclusive growth	3. Sustainable growth
3: Strengthening inclusive growth through structural reform	4. Innovative growth
	5. Secured growth



Where is PNG Coffee in the world?



Why shift from subsistence farmers to business farmers?



1. Coffee production by village farmers is less than 50% below crop potential yield capacity
2. Coffee production by village farmers has not increased over the last 15 to 20 years
3. Village coffee farmers have poor agriculture & post harvest practices leading to poor quality & high losses



Why shift from subsistence farmers to business farmers?



Food Supply Chain starts at the farm!!!

Why shift from subsistence farmers to business farmers?



**Farming Families in Rural Areas
85% of Total Production in
PRESTINE ENVIRONMENTS**



Farm Livestock & Fresh Food



Hungary (EU) Floods

- 1. Why subsistence farming? - FARMERS INSURANCE POLICY!!!**
- 2. To shift from subsistence to business - FARMERS NEED GUARANTEE & INCENTIVES AGAINST RISKS!!!**

Why shift from subsistence farmers to business farmers?

LESSONS LEARNT!!!



1. Policy Reforms
2. Legislative Reforms
3. Organizational Reforms
4. Budgets - Never Enough!



MANDATORY REGULATION
Government is Responsible



RESULT

NOT EFFECTIVE – FAILED!!!

1. Resource limitations
2. Institutional capacity issues
3. Poor implementation

CHANGE OUR PEOPLES MINDSET & ATTITUDES!



**INTERNATIONAL TRADE IS AN
EFFECTIVE TOOL TO SHIFT
MINDSET/PRACTICE FROM
SUBSISTENCE FARMERS TO
BUSINESS FARMERS**



COCOA OF EXCELLENCE AWARDS, Paris - 2011

Also won excellence awards in:

- * **Coffee**
- * **Tea**
- * **Cardamon**



Why shift from subsistence farmers to business farmers?

NEW THINKING: PIE IS BIG ENOUGH FOR ALL OF US!!!



1. Est. coffee consumption value in 2014 was US\$206.5 billion
2. Farmers received less than 10% of the coffee consumption value

Dr. Pavan Sukhdev (UN Green Economic Advisor)

**1/3 to 1/2 of Corporate Revenues come from NATURE
(INVISIBLE ECONOMY - US\$2.25 trillion/yr).**



Why shift from subsistence farmers to business farmers?

WHAT DO OUR VILLAGE FARMERS REALLY WANT?



1. **INCREASED INCOME** for themselves & their families;
2. **INCREASED OPPORTUNITIES** for employment & business; &
3. **EASY ACCESS TO QUALITY BASIC SERVICES** like health, education, clean water, shelter & infrastructure

From subsistence farmers to business farmers - HOW?

NEW STRATEGY: CONNECT FARMERS TO MARKETS!!!



Why?

- 1.Focus on our Strength - Quality**
- 2.Increase income for families**
- 3.More opportunities for employment and business**

CONCLUSIONS



- 1. Commercialisation of subsistence farming is major challenge in the Food Supply Chain for many Developing Economies (DEs).**
- 2. Strengthening connectivity of primary producers to markets will lead to innovative, effective & sustainable solutions for food waste and food loss in DEs.**
- 3. In DEs, innovation must be totally inclusive & ready to partner stakeholders outside of the current systems.**
- 4. There are numerous INNOVATIVE business and investment opportunities in the food loss and food waste space in DEs.**



Why shift from subsistence farmers to business farmers?

FOOD SUPPLY CHAIN STARTS AT THE FARM!!!



WITHOUT FARMERS THERE IS NO COFFEE INDUSTRY!!!

If you want 1 year of prosperity, grow grain;

If you want 10 years of prosperity, grow trees;

If you want 100 years of prosperity, **GROW PEOPLE.**

Chinese Proverb

Thank you all for your attention!!!

