Unlocking Markham Valley’s agriculture potential

WELCOME to the first monthly newsletter of Grow PNG Ltd.

We are a not-for-profit organisation and subsidiary of Grow Asia Partnership Ltd, supported by the World Economic Forum to help implement the United Nations Sustainable Development Strategy on Sustainable Agriculture. Grow PNG was launched in 2019 and is based in Lae, the gateway to the Markham valley agricultural corridor.

We aim to enable smallholder families in the Markham valley in Morobe Province to increase their income by 20% within eight years, a tall order but an entirely achievable one.

Our mandate is to build platforms of partnerships among stakeholders for the purposes of encouraging growth in agriculture participation and production in the valley.

Since June last year, the small Grow PNG team has done some work in collaboration with partners such as agribusinesses and government institutions. These achievements are captured in stories such as Land Access Working Group, stakeholder consultations, digital agriculture, soil sampling and model farmer in this newsletter.

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IVAN POMALEU, OBE
Executive Director
Grow PNG Ltd

AGRI PARTNERSHIPS

Bringing together business leaders, policy makers and farmers to collaboratively unlock growth in the agriculture sector and facilitate new opportunities for farming families in the Markham valley.

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**Land Access Working Group established**

Availability of land is the key to unlocking the vast agriculture potential of the Markham Valley in Morobe Province.

Working together with partners, Grow PNG facilitated the formation of a Land Access Working Group.

Representatives of the working group are from the agribusinesses, smallholder farmers, government agencies, financial institutions and other stakeholders that have an interest in the agriculture corridor in the valley.

The group held a meeting on February 5 and a number of issues were identified as high priority that are now being undertaken as work programs.

These include:

1. Production and publication of a PNG focused user guide for landowners and agribusinesses
2. Development of a potential new land dispute mediation service
3. Undertake a land audit to ascertain state land from customary land

**PNG Focused User Guide for Landowners and Agribusinesses**

The PNG focused user guide for landowners and agribusinesses aims to explain important issues so the agriculture stakeholders can understand, consider and apply good practices in areas such as:

- Negotiation process and framework
- Establishing and maintaining an Incorporated Land Group (ILG) and
- Providing a sample/example of a benefit sharing arrangement for landowner groups that minimise internal disputes.

The guide is intended to be a simple guideline and process that can be easily understood and followed by landowners.

It will assist them understand their rights and opportunities for developing better commercial arrangements within and outside their clans.

It will be designed to address key issues that were found in the market and how those issues are affecting land accessibility.

**Land Dispute Mediation Service**

The alternate land dispute mediation service will support ILG Dispute Settlement Authority.

The main components of this work program are:

- Understanding and determining why the current land dispute mediation service is inefficient and costly
- Develop a justification for why an alternative land dispute mediation service mechanism is necessary
- Help articulate what a new land dispute mediation service could look like and
- Map out the work that is required to develop this mechanism and how much it could cost

The work also involves sourcing funds to develop a business case for the potential new land dispute mediation service.

Investment in the investigation may contribute to reducing cases locked up in the land court system.

**Land Audit**

The land audit work program aims to determine the following:

- Types of leases on the Markham area
- Status of each lease and understanding its full implications and
- The areas of alienated land within the areas of the valley.

Working Group Formation and Facilitation is one of the four key activities for Grow PNG.

The other three are Learning Events, Regional Forums and Data Collection and Modelling.

The action-oriented working groups will collaborate around specific shared challenges and barriers to growth in the valley.

The Grow PNG team will be working with the working groups on issues from land titling to infrastructure needs and skills development.

Any organisation is welcome to become a partner of Grow PNG and its Working Groups. Partners are expected to have an interest in the country and agriculture, a commitment to supporting smallholders and rural development and an openness to partner with other organisations in a pre-competitive space.
Consultations with partners progressing

Consultations with various partners to understand the different issues surrounding access to land and the different agriculture projects happening in the Markham Valley has begun. The Grow PNG team has met with big agribusinesses, smallholders, church and government agencies, financial institutions and others that have an interest in the valley.

Grow PNG Executive Director Ivan Pomaleu (OBE) and Working Group Coordinator Ruthy Kusak are conducting the consultation with the different partners. The team has met with Trukai Industries Ltd, Outspan, some smallholder farmers, Provincial Department of Lands, ADRA, Bank South Pacific, Wafi-Golpu Joint Venture, Women In Agriculture, and relevant Morobe provincial government officers.

Chief Executive Officer of Trukai Greg Worthington-Eyre said it is crucial for a current and potential investor to know the business opportunity on the land. “This is because investment plans can be made to cater for upcoming potential investment apart from the current or new projects in progress.”

Mr Worthington-Eyre said proper land registration and register of interest would greatly help Trukai to see the potential investment opportunity as well as information about water availability and rainfall.

Provincial customary lands officer, Denver Utah has done tremendous work in land demarcation, ILGs, land mediation and other land related work. Mr Utah cautioned that landowners will “landowners must be given the correct information in the first place to avoid projects coming to an impasse later on.”

“Landowners must be given the correct information in the first place to avoid projects coming to an impasse later on. “Most of the landowners have limited understanding of business agreements or contracts.

“The contracts must be correctly explained to them, especially sections on benefits, line by line as written on paper,” Mr Utah said.

The Morobe provincial government has also identified the Markham valley as an economic zone. Major projects such as the Wawin Agriculture Park are planned for the area.

Digital agriculture in Papua New Guinea

Digital technologies have the potential to add significant value to smallholder value chain in the agriculture sector in PNG. In its recent report on PNG, GSMA identified four main areas where digital tools can address challenges facing the agricultural sector and these are:

- Weather monitoring and forecasting
- Agricultural payment digitisation
- Digital enterprise solutions and
- Agricultural extension support.

GSMA represents the interests of mobile operators worldwide. GSMA’s AgriTech programme works towards equitable and sustainable food chains that empower farmers and strengthen local economies.

Last year on August 5, the first workshop on Digital Agriculture in PNG was delivered by GSMA for Grow PNG in Lae. This was the very first learning event for Grow PNG organised for agribusinesses, policy makers and farmers that have an interest in the agriculture sector in the Markham Valley.

Participants learnt about what GSMA discovered and also shared their own ideas to maximise the value of digital tools in the PNG agriculture sector.

The theme of the workshop was Emerging Opportunities in Digital Agriculture in Papua New Guinea.

A second learning event is being organised and will be on Digital Payment. Following the first workshop, there were some discussions with stakeholders which indicated some interest in mobile payments.

The workshop aims to bring together Grow PNG partners and stakeholders in the agriculture sector in Lae and Markham in Morobe Province to learn about digital payment systems, and the enabling ecosystem that make it work.

It will also describe what an ideal ecosystem is and the steps needed to set up effective Digital Payments, drawing from some of the work CMS did for Be Mobile and Micro Bank, and also elsewhere in the region with similar challenges as Papua New Guinea and specifically the Markham area.

The workshop will be conducted by MSC GLOBAL CONSULTING PTE Ltd, a company that specialises in comprehensive strategic advice for systems, processes and tools.

MSC has vast expertise in guiding policy and facilitating partnerships to develop enabling ecosystems for digital payments systems in the region including PNG.

Grow PNG’s learning events are developed around ideas that would interest stakeholders to improve agricultural productivity with farmers but with strong support of the agribusinesses and also to build capacity among the agriculture stakeholders.
model farmer
AWA MUNDUGAN

- Established 39 cocoa cluster groups
- Reached 21 ILGs
- Works with over 1,000 farmers

The Takom farm in Garam village, ward 24 of Umi_Atzera LLG, Markham district has developed over the years into a well-established cocoa business.

The farm is owned and managed by Awa Mundugan. Mr Mundugan started as a model farmer in 2007.

He is supported by NARI, Taiwan Technical Mission and the Commerce Department. He also receives support from the district and the Morobe provincial government.

Takom Farm Business Group was incorporated on November 2009 and on April 6, 2011, Takom Cooperative Society was registered.

In 2019 the farm received two more licenses, nine years after working in the cocoa business in developing and maintaining a cocoa nursery and distributing seedlings throughout the district, Morobe Province and Mamose region.

The licenses were issued by the Cocoa Board of PNG and certified Takom farm commercial nursery and Takom farm cocoa bud wood garden.

Mr Mundugan has established 39 cocoa cluster groups and each group has 15 members.

He has reached 21 incorporated land groups (ILGs) in the district and is expanding into rice and livestock farming.

Mr Mundugan was the Men of Honor winner of Total E & P Community Entrepreneur Award (Season Four – 2017/2018).

The award recognizes local philanthropists in communities who give back to their communities in sustainable projects.

It acknowledges an individual’s investment in setting up either short term or long term job creation programs where opportunities are created for more sustainable livelihoods and skills acquisition for vulnerable groups such as women, youth and displaced people.

Soil sampling work done in Markham

Grow PNG’s Data Collection and modelling work has begun for the Markham Valley agriculture corridor.

In late 2019, Papua New Guinea University of Technology was engaged to collect 80 soil samples along the Markham region and to conduct soil chemical content analysis. The soil chemical content analysis was for nitrogen, potassium and phosphorus content as well as soil density and some hydrology indicators.

These data will be available online on the Grow PNG website once all work is complete.

Mapping of Morobe Province
Investigation into the existence of basic data for the Markham found that very little data exists and whatever data exists is outdated.

Publish dataset online
In October 2019, Enveritas was engaged to analyze satellite data in the Markham area. The information captured includes slope, elevation, settlements and settlement density and some other variables.