NATIONAL SECURITY SEMINAR

NATIONAL RESEARCH INSTITUTE
NATIONAL CAPITAL DISTRICT

Presented By

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Friday 14th April 2023
Is PNG Producing Enough Food for Consumption?
OUTLINE

1. Introduction
2. Food & Horticulture Industry
3. Components of Food Security
4. FPDA Programs & Strategies
5. Government Policy & Investments
6. Partnerships & Collaborations
7. Future Plans/Road Map
8. Conclusion
1. INTRODUCTION

- Global food security is challenged by factors such as conflicts, natural disasters & economic shocks
  - The War between Russia and Ukraine and The Looming Global Food Crisis
  - potential to hinder global supply lines on food and fertilizer
  - create the worst global food crisis since World War II.

- PNG Food security is also affected by global challenges, as well as local issues like limited resourcing, poor infrastructural developments & agroecological limitations

- Appropriate Government Policies, backed by adequate resourcing will provide a will for sustainable development of agrifood systems for PNG. This must be supported by multi-sectoral & public/private partnership approach to tackling food in-security in PNG.
The total food consumption by 10 million people of PNG is 7.7 million tonnes per year (total demand); 3.85 million tonnes of fruits & vegetables. Food consumption per person per day of 2.11 kg (FAO data)

Total food consumed = imports + local production + other (food aid, food banks)

Rural population depend on subsistence farming

Urban population of PNG depends on local fresh produce & imports
Total Import Vs Local Production

1. Imports
   - Total food import bill in 2020 K2.8 billion (52% absorbed by Resource Sector)
   - Fresh produce import bill for 2020 was K37 million (<0.1% of the total food import bill), compared to K40.5 million in 2015
   - Fresh produce import bill for 2021 was K52.4 million (COVID-19 & internal lock down).
   - We anticipate the value of fresh produce import bill to drop below K40 million mark in 2022 and beyond

2. Local production
   - Total food production (meat, plant food, other)?
   - Fresh produce – 11,840 tonnes landed in PoM market (CPL, NKW, & others), about 0.1% of 240,880 tonnes demand
Fresh Produce Demand in Urban PNG in 2023

- Total urban population of 1,338,796 x 1 kg fresh produce/day x 365 days = 488,660 tonnes per year
- Port Moresby demand of 240,880 tonnes/annum, half of total demand for PNG urban centres
- National Survey needed to establish Production volume
- Establish cool chain transport to urban markets
### Price comparisons – rice Vs local starches *(Market survey, 2021)*

<table>
<thead>
<tr>
<th>Produce</th>
<th>Price (K/kg)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Rice <em>(imported)</em></td>
<td>5.00</td>
</tr>
<tr>
<td>Sweet potato</td>
<td>2.30</td>
</tr>
<tr>
<td>English potato</td>
<td>5.70</td>
</tr>
</tbody>
</table>
RICE TREND (1 KG Packet)

Price / kg of select staple and vegetable crops in select markets

- Banz-Rice
- Goroka-Rice
- Kokopo-Rice
- Kundiawa-Rice
- Lae-Rice
- Mt. Hagen-Rice
- Port Moresby-Rice

Unit price (Kina/Kg)

- Jul 2021
- Oct 2021
- Jan 2022
- Apr 2022
- Jul 2022
- Oct 2022
- Jan 2023
3. FOOD AND HORTICULTURE INDUSTRY – IMPLICATIONS FOR PNG, CONT’D

SWEET POTATO/KAUKAU

Price / kg of select staple and vegetable crops in select markets

- Banz-Sweet Potato
- Goroka-Sweet Potato
- Kokopo-Sweet Potato
- Kundiawa-Sweet Potato
- Lae-Sweet Potato
- Mt. Hagen-Sweet Potato
- Port Moresby-Sweet Potato

Unit price (Kina/Kg)

POTATO

Price / kg of select staple and vegetable crops in select markets

- Banz-Potato
- Goroka-Potato
- Kokopo-Potato
- Kundiawa-Potato
- Lae-Potato
- Mt. Hagen-Potato
- Port Moresby-Potato

Unit price (Kina/Kg)

BULB ONION

Price / kg of select staple and vegetable crops in select markets

- Banz-Onion Bulb
- Goroka-Onion Bulb
- Kokopo-Onion Bulb
- Kundiawa-Onion Bulb
- Lae-Onion Bulb
- Mt. Hagen-Onion Bulb
- Port Moresby-Onion Bulb

Unit price (Kina/Kg)

3. FOOD AND HORTICULTURE INDUSTRY – IMPLICATIONS FOR PNG, CONT’D

CARROT

Price / kg of select staple and vegetable crops in select markets

- Banz-Carrot
- Goroka-Carrot
- Kokopo-Carrot
- Kundiawa-Carrot
- Lae-Carrot
- Mt. Hagen-Carrot
- Port Moresby-Carrot

Unit price (Kina/Kg)
3. FOOD AND HORTICULTURE INDUSTRY – IMPLICATIONS FOR PNG, CONT’D

COOKING BANANA

Price / kg of select staple and vegetable crops in select markets

- Banz-Banana-Cooking
- Goroka-Banana-Cooking
- Kokopo-Banana-Cooking
- Kundiawa-Banana-Cooking
- Lae-Banana-Cooking
- Mt. Hagen-Banana-Cooking
- Port Moresby-Banana-Cooking

Unit price (Kina/Kg)

- 5
- 4
- 3
- 2
- 1

3. FOOD AND HORTICULTURE INDUSTRY – IMPLICATIONS FOR PNG, CONT’D

ENGLISH CABBAGE

Price / kg of select staple and vegetable crops in select markets

- Banz-Cabbage-English
- Goroka-Cabbage-English
- Kokopo-Cabbage-English
- Kundiawa-Cabbage-English
- Lae-Cabbage-English
- Mt. Hagen-Cabbage
- Port Moresby-Cabbage

Unit price (Kina/Kg)
0 2 4 6 8 10 12
3. FOOD AND HORTICULTURE INDUSTRY – IMPLICATIONS FOR PNG, CONT’D

CARROT

Price / kg of select staple and vegetable crops in select markets

- Banz-Carrot
- Goroka-Carrot
- Kokopo-Carrot
- Kundiawa-Carrot
- Lae-Carrot
- Mt. Hagen-Carrot
- Port Moresby-Carrot

Unit price (Kina/Kg)

4. COMPONENTS OF FOOD SECURITY

- **Availability** – having sufficient quantities of safe & nutritious food available
  1. Total food demand per year for 10M people is 7.7M tonnes (2.11 kg per person consumption/day for Oceania region)
  2. Total food consumed = local production + imports + other (food aid & food banks)
  3. How much is local production (meat, processed, fresh produce, etc.)?
  4. Fresh produce – supply is high in rural areas but low in big towns like Lae & Port Moresby

- **Accessibility** – having adequate income or other means of affording
  1. GDP per capita of about US$3000 per year – not enough
  2. Rural households own land & produce their own food

- **Consumption/Utilization** – having adequate dietary intake and the ability to absorb and use nutrients in the body. Food utilization is a function of health status, food safety & nutritional quality, portable water supply, sanitation practices and knowledge/education.

- **Stability** – Conflicts/law & Order problems, Hunger, limited resourcing, natural disasters, pests & diseases & poor infrastructural developments contribute to instability in food security
5. STRATEGIES & PROGRAMS


- Key thematic areas were designed to address food security for PNG, through development of food systems

  - **Strategic Objective:** improve food and nutrition security, quality of life, income and business opportunities for farmers
    - i. Improved productivity and cost efficiencies along fresh produce value chains
    - ii. Increasing production of key crops or crops of commercial significance
    - iii. Developing vibrant value chains for crops of commercial significance
    - iv. Horticulture Information Hub
    - v. Creating an Enabling Environment
    - vi. Institutional capacity enhanced
6. GOVERNMENT INVESTMENT in FOOD SECTOR

- Annual budgetary support
- MVF project
- SME
- Price Support/Agriculture Intervention
- Freight Subsidy
- Others
7. PARTNERHSIPS & COLLABORATIONS

- Multi-sectoral and Public/Private partnership approach required to improve food security

- Existing partners/collaborators:
  1. GoPNG departments – DAL, National Planning & Treasury
  2. Provincial & District Governments – Hela PG, SH PG, EH PG, ENB PG, Kundiawa/Gembogl DDA, Gumini DDA, Ungai Bena DDA, Middle Ramu DDA, Pomio DDA, Maprik DDA, Goilala DDA and Nakanai DDA
  3. International Development Partners – IFAD, DFAT, ACIAR
  4. Higher Educations & Research Institutions – NARI, NRI, PNG University of Technology, University of Goroka, UNRE
  5. Corporate Companies – SANTOS, BAT & OTDF
8. ROAD MAP FOR NATIONAL FOOD SECURITY

• Proposed 5 Strategic Actions
  1. Develop & coordinate fresh food cool-chain
  2. Increase agricultural production and crop yields
  3. Develop Agro-processing (value – addition)
  4. Food Security Policy adopted and implemented
  5. Horticulture Industry Policy
9. CONCLUSION

i. Is PNG Producing enough food for consumption?

ii. We are not producing enough food

iii. Fresh food development Programs are aimed at reducing Imports

iv. Challenges remain in food availability, accessibility, utilisation and stability

v. Government investment in food sector must be given prominence to reduce the import bill
Thank you