

Growing vanilla markets



green vanilla pods, mainly from the Menyamya area in Morobe Province, into desiccated, fermented and dried products to international standards. This will greatly increase the demand for processed vanilla products from PNG.

Mainland's General Manager, Graham Pollock, said, "As part of this project we will offer technical support services to vanilla bean growers and provide them with advice on crop management, disease control and overall management of their supply operation. This will help to raise the product quality levels which have undermined the PNG vanilla industry."

Among other benefits from this project, and like Paradise Spices, Mainland anticipates there will be a reliable market for a large number of rural suppliers and a significant increase in earning potential for producers as a result of the overall higher average bean quality, reduced waste and the purchase of lower quality beans for processing that previously could not be sold.

"This is a great outcome for these businesses but more importantly it's good news for agriculture and economic growth in PNG," said AusAID's Minister-Counsellor in PNG, Bill Costello.

"The funding awarded to these two companies doesn't just mean growth for the businesses involved—it also means increased opportunities for their suppliers.

"Providing access to employment and markets and encouraging the growth of small businesses is vital in order to achieve a meaningful and sustainable reduction in poverty.

"Through the ECF, the Australian Government is helping the private sector to play its part in alleviating poverty across our region."

About the program

The Enterprise Challenge Fund is a \$20.5 million Australian Government program administered by AusAID that is designed to strengthen the private sector, encourage economic growth and reduce

poverty in the region. Open to all firms, it is competitive and promotes private sector investment in initiatives that extend services or provide employment and other benefits to poor communities.

Grants of between \$100,000 and \$1.5 million are available to businesses that are prepared to at least match the government grant. The preference is for commercially sustainable projects that directly benefit the poor through improved incomes, access to vital goods and services or new jobs.

The ECF operates in nine countries, including Cambodia, Laos, East Timor, the Philippines and PNG and in selected provinces in Indonesia, Fiji, the Solomon Islands and Vanuatu.

Grants predominantly support the agribusiness, tourism and retail financial services sectors.

There were nine successful grant recipients in this round of regional funding, including the two PNG winners. The others are based in Vanuatu, Cambodia, Fiji, Laos and the Solomon Islands. They include a premium grade cocoa export venture, a project expanding shipping and infrastructure facilities and a tourism venture.

"Everybody knows there is no path out of poverty without economic growth," Parliamentary Secretary for International Development Assistance Bob McMullan said when he announced the grants in April. "The Enterprise Challenge Fund is an attempt to make this growth work for the poorest people in our neighbourhood."

PHOTO: Micky Puritau, Paradise Spices Managing Director and Jane Jason, Mainland Holdings Vanilla Extension Officer—ECF funding means that the businesses can grow along with the income of the small farmers supplying them.

Photo: AusAID