

**Funding Source:**

Australian Agency for International Development (AusAID) - 49%  
Masurina -51%

**Program:**

Enterprise Challenge Fund for the Pacific and South East Asia

**Project Name:**

Kwato & Mwatebu Bwasa Rural Development Project

**Project Location:**

Kwato Island, Mwatebu – Bwasa village, Papua New Guinea

**Project Start Date:**

1 July 2009

**Project End Date:**

30 June 2012

**Total Grant Funds Approved:**

A\$183,166

## Masurina

### ABOUT THE COMPANY

Masurina, in Milne Bay Province, was formed in the mid 1970s when there was little involvement in business and commercial activities by locals apart from the declining co-operative movement. The aim of the company was to allow all people in the province to become shareholders and to benefit from its activities.

This objective was pursued by seeking to identify resources available and assist with the harvesting, processing and marketing of these resources. The company was successful in its aims and in the early 1990s there were over 500 individual, family and group shareholders whose shares had appreciated in value by several thousand percent.

### ABOUT THE PROJECT

With a grant of \$183,166, Masurina will develop multi-purpose Resource Centres at Kwato Island and Mwatebu in Milne Bay Province. The Resource Centres will be places that local communities can use for trade and other commercial activities. In the early stages this will include the sourcing, initial processing and sale of sustainably harvested timber from local landowners.

ECF funding will also assist Masurina to expand into boat building by using the existing skills of workers on Kwato Island and to also expand its accommodation facilities on the island.

### BENEFITS TO THE POOR

The project will directly benefit men and women who will have new and improved income sources through the sale of cut timber and through increased employment in forest harvesting. Indirect beneficiaries will include

those receiving improved access to goods and services through the Resource Centres.

Other anticipated benefits of the project include:

- New income source for village communities and landowners through the supply of sustainably harvested timber ranging from \$A1,700 to \$A12,500) per month
- Expanded visitor accommodation at Kwato will produce income and open the area up for tourists (especially diving)
- Increased micro business opportunities for up to 100 women using the centres
- Training of villagers in sustainable logging and boat building
- Improved community access to communications, information and medical services at the Resource Centres.

The project will be an effective model for this type of commercial centre in more remote areas. The integration of local communities, the environmental benefits and the potential business multiplier impacts are all elements that could be replicated elsewhere in PNG and other countries.

### THE ROLE OF ECF FUNDING SUPPORT

Commercial funding was not available for the project because the facilities are located in remote areas and therefore could not be offered as collateral. Masurina was not in a position to fund all of the project costs and without an ECF grant the project would not have proceeded.

For more information please visit our website [www.enterprisechallengefund.org](http://www.enterprisechallengefund.org)



**Australian Government**  
**AusAID**

AN AUSTRALIAN GOVERNMENT, AUSAID INITIATIVE



GROWING BUSINESS TO REDUCE POVERTY