



AUSTRALIAN HIGH COMMISSION HONIARA

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Australia provides \$15 million to support income opportunities for the poor

Australia will provide a further \$15 million to innovative private sector projects in Solomon Islands to promote poverty reduction and economic growth.

The four new grants will support a fish export operation in Malaita, a biofuel production facility in Western province, a biofuel production facility in Honiara, and an eco-lodge in Marovo Lagoon

Grants will be provided under the third round of the AusAID-funded, \$140 million Enterprise Challenge Fund (ECF) pilot program.

The Enterprise Challenge Fund provides matched grants from \$680,000 - \$10.2 million on a competitive basis to private sector projects which benefit the poor, are commercially sustainable and can be shown to encourage economic growth in key sectors. Eligible grantees must commit at least fifty per cent of their own funds to project costs.

The Enterprise Challenge Fund operates in nine countries namely Cambodia, Laos, East Timor, the Philippines, PNG, Indonesia, Fiji, Solomon Islands and Vanuatu.

Solomon Island businesses proved the most competitive in the Funds third bidding round, with four out of a total of 12 grants going to Solomon Islands.

“Businesses in Solomon Islands are to be congratulated on their strong performance in the Enterprise Challenge Funds’ third bidding round. Support for these businesses will encourage growth in key sectors of benefit to the poor. This support would not have been possible without Enterprise Challenge Fund support”, said Australia’s High Commissioner to the Solomon Islands, Mr Frank Ingruber.

The Burrows biodiesel operation has been awarded \$8,027,370 to establish a biodiesel production facility in Honiara. The project is expected to benefit around 450 farming families responsible for the supply of copra. The ultra low sulfur diesel produced will replace costly imported diesel and provide a number of environmental benefits.

The Pelena company will use \$1,358,120 to establish an oil extraction and biofuel production facility using unused coconuts. “An oil extraction facility will be established to produce around 80,000 litres of bio-fuel each year. Over 160 customary landowners in the Western province are expected to benefit from the sale of coconuts from under-utilised plantations through Australia’s support for this project” Mr Ingruber said.

A locally owned company Didao Development Corporation has been awarded \$4,643,200 to establish a fish processing and export operation which is expected to benefit 1,200 fisher men and women in the islands of Lau Lagoon, who will be provided with a reliable income. “This project will serve as a valuable and environmentally beneficial model for the seafood sector in the Solomon Islands”, said Mr Ingruber.

The Wilderness Lodge, a locally owned eco-lodge will also receive \$751,106 to expand its tourism facilities in Marovo Lagoon. The project is expected to substantially increase employment opportunities for locals.

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