



Funding Source:
 Australian Agency for International Development (AusAID) – 47.5%, Fresh Change/Volcanic Earth 52.5%

Program:
 Enterprise Challenge Fund for the Pacific and South East Asia

Project Name:
 Skin Care Manufacturing, Processing and Export

Project Location:
 Port Vila, Efate Island Vanuatu

Project Start Date:
 1 January 2009

Project End Date:
 31 December 2011

Total Grant Funds Approved:
 A\$190,000

Fresh Change/Volcanic Earth

ABOUT THE COMPANY

Volcanic Earth is a retailer and exporter of natural organic skin care products and traditional Melanesian skin treatments. Their products are made from locally-produced Tamanu Oil, Virgin Coconut Oil, Volcanic Ash and Volcanic Pumice. The company sources inputs from various areas of Vanuatu and operates a small processing and storage facility in the capital, Port Vila.

The company is headed up by two dynamic women who are both strong advocates of all natural, organically grown products. They are great supporters of the belief that we are all connected to the earth's energy. Their motto is, "the stronger the connection, the stronger and healthier we become".

ABOUT THE PROJECT

Volcanic Earth faced supply and packaging constraints to fulfilling their objective of supplying bulk product orders to "niche" wholesale and retail outlets in Australia, New Zealand and the USA. The company sought ECF assistance to establish a new production and export handling facility in Port Vila and to provide sufficient working capital to increase purchases from local suppliers.

The project therefore involves the expansion of its processing plant to produce bulk supplies of skin care products for export markets in the wholesale and retail sectors and virgin coconut oil, as well as a program of working more closely with village suppliers to increase supply and to provide technical support for first stage processing by these suppliers.

PRO-POOR BENEFITS OF THE PROJECT

While this is a relatively small project, the anticipated benefits are considerable:

- 900 women in the relatively under developed Malekula island will be provided with reliable livelihood opportunities from the supply of local nuts
- numerous local suppliers will have a reliable market from the project's virgin oil facility being established in Port Vila
- women in a number of villages will be provided with technical assistance to undertake initial processing of inputs - this value adding will increase their incomes and open opportunities for related micro business opportunities
- additional employment opportunities with Volcanic Earth for 40-65 persons in the areas of manufacturing, packaging, processing, administration and management

In addition to utilising local inputs for processed exports, this project addresses an important shortcoming in the supply chain for exports of high quality consumer products – limited access to the required materials and design services.

This project will also be a good model in terms of proper quality assurance, quality packaging and marketing to expand local products into overseas markets.

THE ROLE OF ECF FUNDING SUPPORT

The much needed cash injection from ECF will enable Volcanic Earth to establish a larger scale production facility and expand exports in a very competitive international market. Because of the company's size and its pioneering efforts, commercial funding was not available in Vanuatu. By sharing the risk, the ECF will allow Volcanic Earth to expand and provide tangible livelihood opportunities to village suppliers in more remote areas.

www.volcanicearth.com.au

For more information please visit our website
www.enterprisechallengefund.org



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