



SDP



Growing Prosperity
Cultivating Communities

**Supporting
Livelihoods
through
South Fly Agri**

29th July 2025

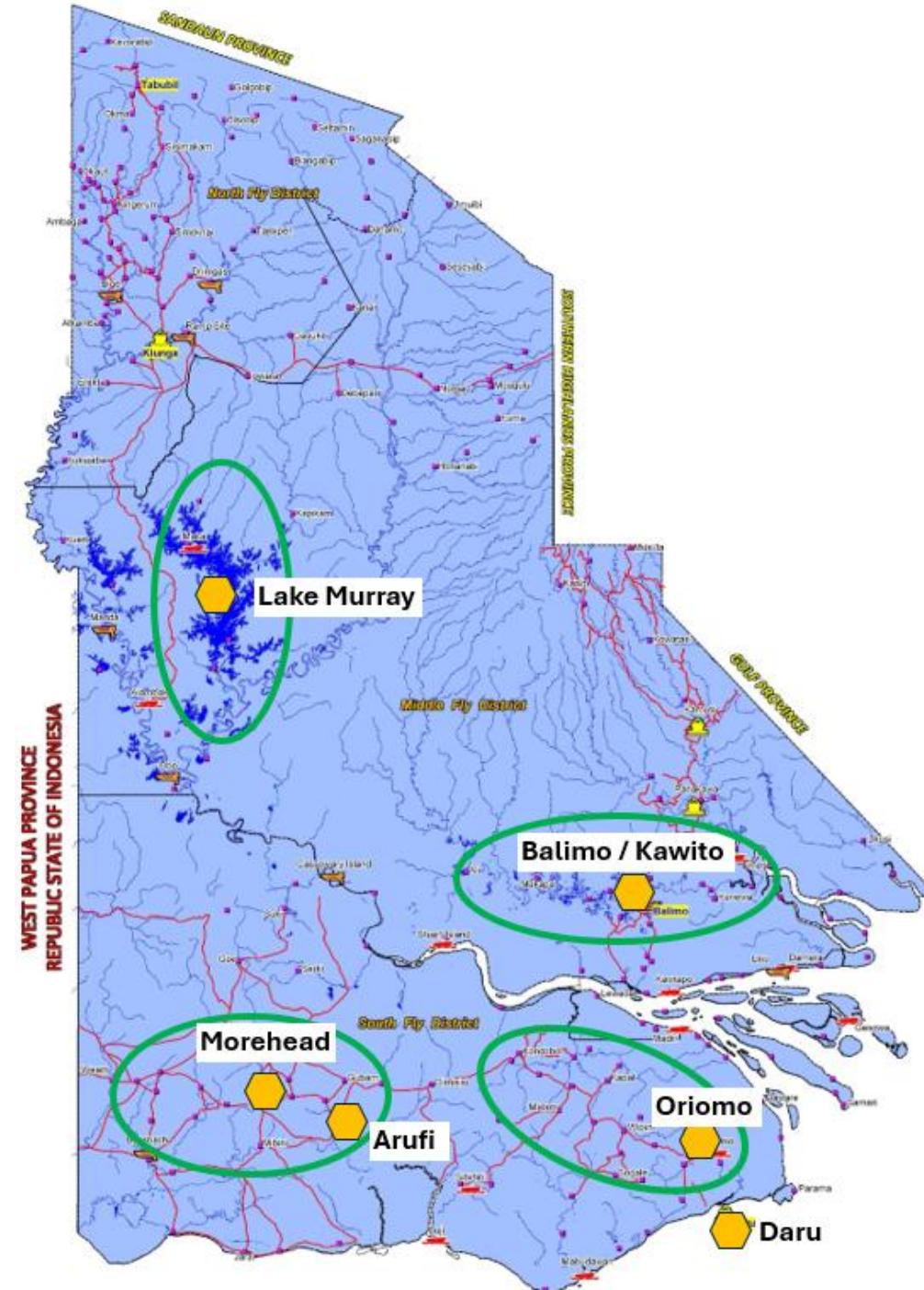
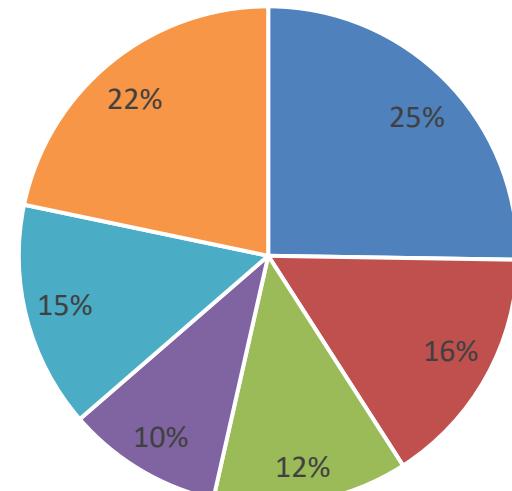
A Brief Introduction to SFA:

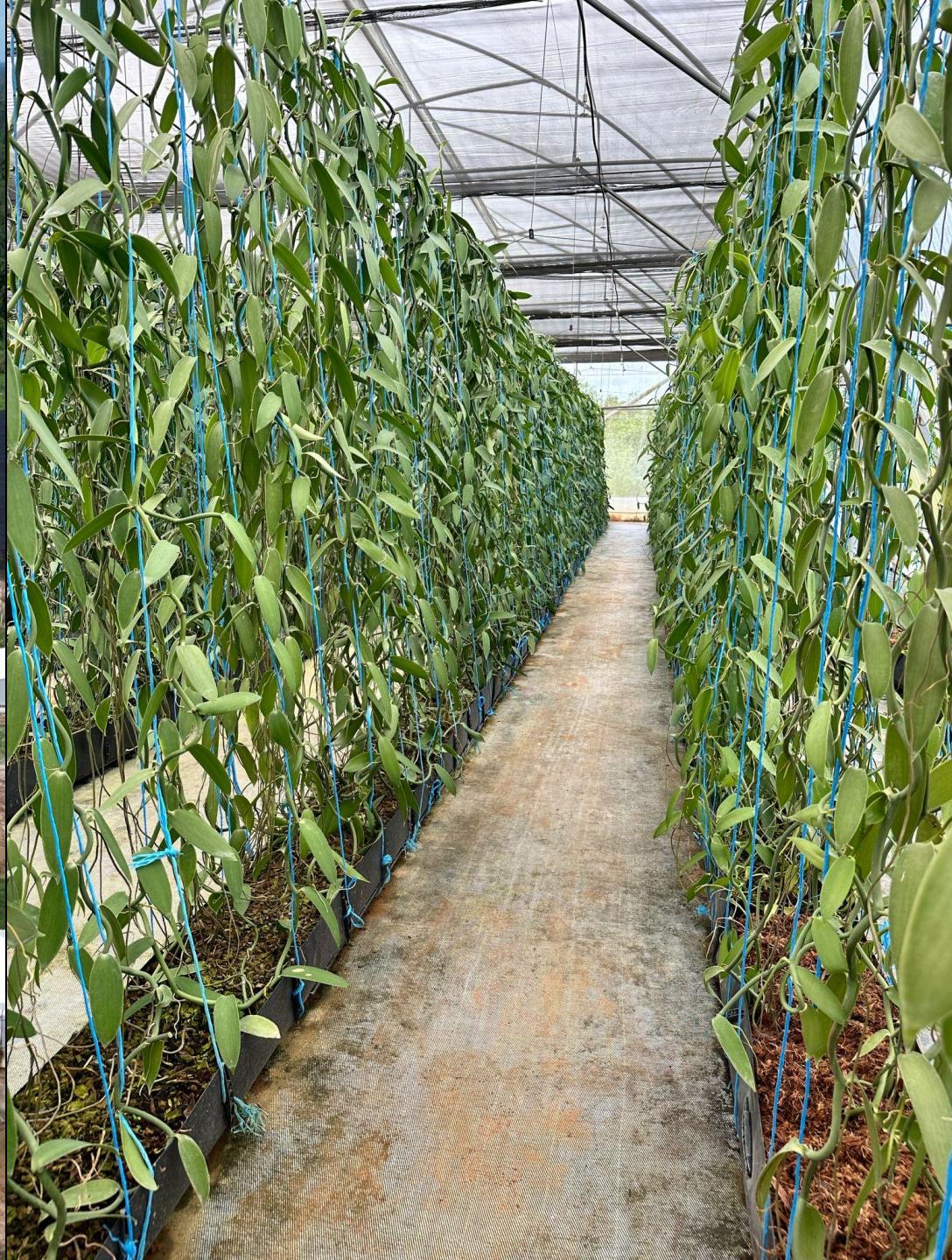
- Established in 2019.
- Independent company – shareholders PNGSDP (80%) & IAI (20%).
- Driving agriculture & aquaculture development under PNGSDP's 'Livelihood' Pillar.
- Mission Statement: 'Drive sustainable agricultural development that empowers farmers, enhances food security, and fosters inclusive economic growth. By combining innovation, partnerships, and responsible practices, we are committed to growing prosperity and cultivating thriving communities across Western Province.'
- Hub & spoke model:
 - 6 Hubs – Daru, Balimo / Kawito, Lake Murray, Oriomo, Morehead & Arufi
 - Spoke – agricultural extension services activities across surrounding communities and villages (outgrowers)
- Directly employing 198 people.



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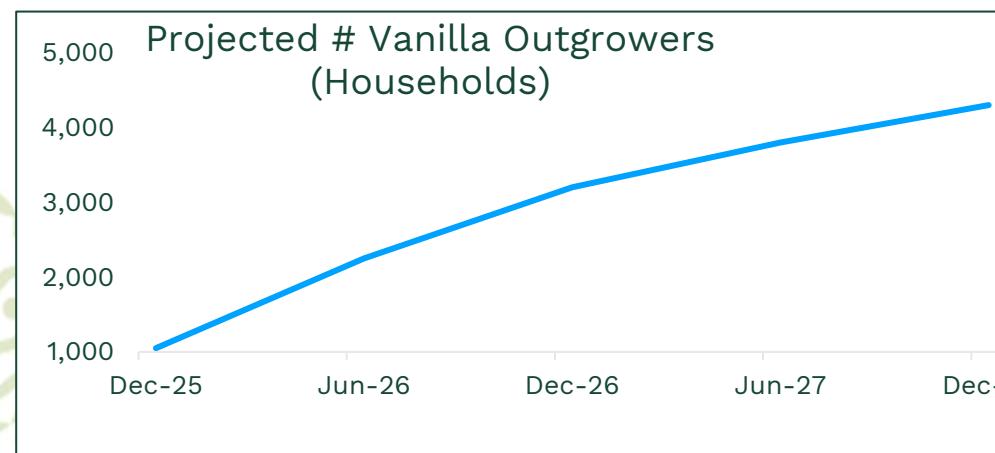
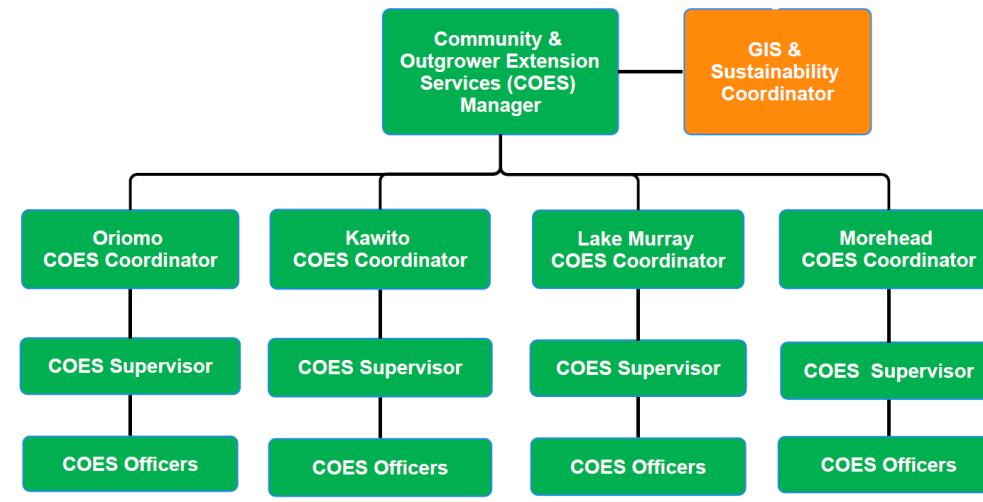
- Daru
- Lake Murray
- Balimo
- Oriomo Vanilla
- Morehead
- Comm. & OG Extension Services





Current Agricultural Extension Services Activities:

- Community & Outgrower Extension Services (COES) Team consisting of 43 full-time employees.
- Current extension activities primarily focus on developing robust and established vanilla outgrowers and providing a market for existing rubber farmers.



Vanilla

- A structured vanilla outgrower program implemented
- The model (best management practice) vanilla farm being introduced to interested households with minimum 100 vines
- Currently, 1010 vanilla plots have been selected and prepared (shade trees planted) and an additional 253 plots have been planted.
- By the end of 2027, the target is to achieve a total of 4300 household vanilla blocks, all with a minimum of 100 vines planted.
- SFA will ensure traceability, with premium prices obtained being passed on to the producing outgrower.

Rubber

- There is an estimated 10,000 rubber farmers across the Province.
- PNGSDP, through SFA continues to support rubber farmers with cup lump rubber being purchased.
- Just over 420,000 kg's of rubber was purchased in 2024.

On the Horizon: Potential for further expansion of other Agriculture Outgrower Programs

- In addition to vanilla as SFA's core product across the 6 hubs, we have also invested in Cocoa & Black Pepper.
- Implementation of these as potential outgrower extension programs and community enhancement projects is being explored to ensure:
 - Feasibility
 - Sustainability &
 - connectivity to the market.

Cocoa

- SFA has been working closely with the Cocoa Board with cocoa now planted in Oriomo.
- Further assessments and studies are in progress to determine the opportunities, suitability and risks associated to introducing cocoa as an outgrower program.

Black Pepper

- SFA currently has approximately 10,000 vines of black pepper planted within the last year.
- Early signs are positive and it appears to be well suited to Western Province conditions and climate.
- Further market research needed to ensure market connectivity before this can be introduced as an outgrower program.

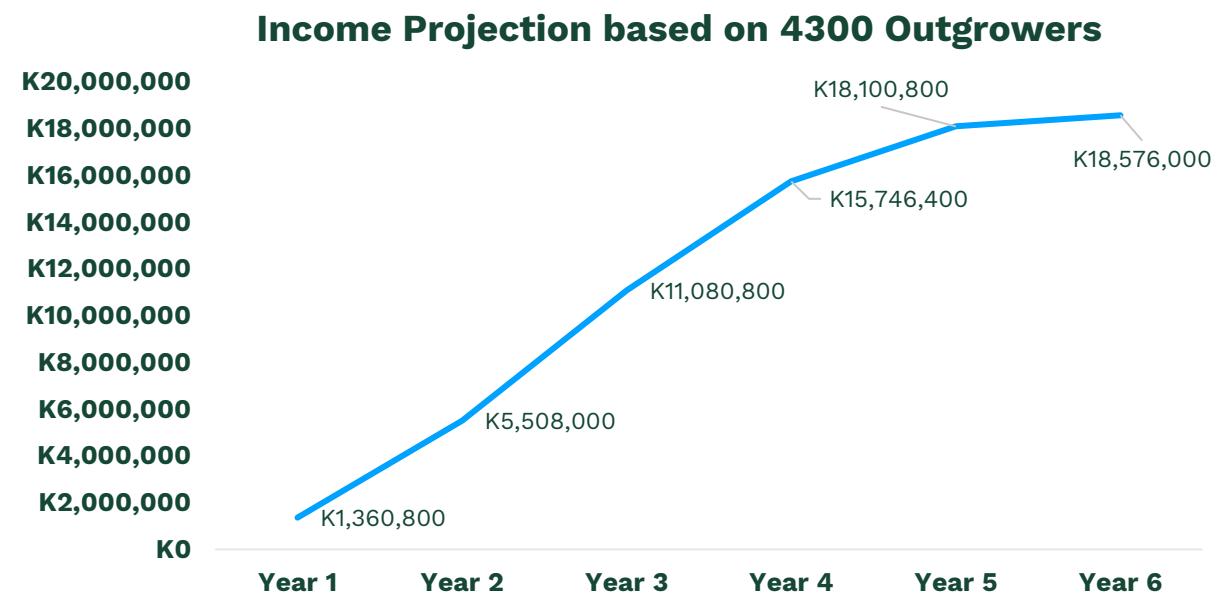


Measuring the Impact

- How can we ensure that our extension programs are having an impact and improving the livelihoods of the people of Western Province?
- Identify the Objectives and Establish Baseline Data:
 - Increased Income
 - Improved Food Security
 - Enhanced Skills & Employment
 - Asset accumulation
- All registered outgrowers complete a registration form with data obtained relating to various key indicators. This will allow us to establish the baseline and over the coming years enable us to measure the impact of out extension programs against the above-mentioned indicators.

Vanilla Outgrower Program – Economic Impact Modelling

- The economic impact modelling is based on a total of 4300 outgrowers all with 100 vines of vanilla, and assumptions made relating to yield and grade of vanilla harvested.
- At year 1 of production, this program is projected to put just under K1.4 million into the pockets of the outgrowers.
- This increases year on year until it peaks at Year 6 with approximately K18.5 million.





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ESSO !!

