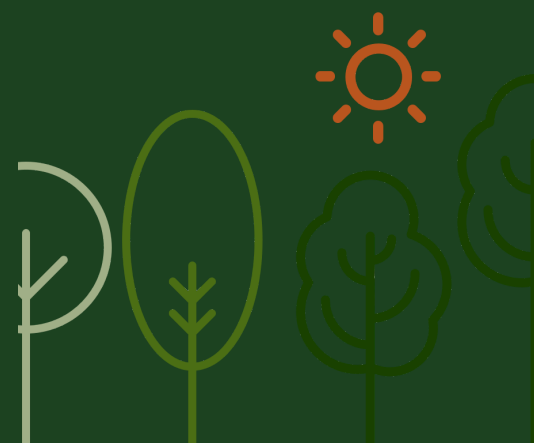


Improving the Papua New Guinea balsa value chain to enhance smallholder livelihoods



Key details

Location

Papua New Guinea

Duration

Start May 2011

End Aug 2016

Budget

AUD 1,079,149

Commissioned organisation

Australian National University

Partners

Coconut Products Ltd; Gunter Balsa; Pacific Island Projects; Papua New Guinea Forest Authority; Papua New Guinea University of Technology; PNG Balsa Ltd; South Pacific Community - FACT Project; The University of Natural Resources and Environment; University of Melbourne; University of Natural Resources and Environment; University of New South Wales

Project Leader

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Program

Forestry

Project code

FST/2009/016

smallholders in East New Britain Province (ENB) of Papua New Guinea (PNG). Balsa is a relatively low labour-input crop with competitive returns, and so adoption by smallholders has increased as the area under cocoa production has decreased. The ENB balsa industry is entirely export-oriented, producing 9% of the world's processed balsa. Balsa products have outstanding strength-for-weight qualities and an increasing market in high-technology composite materials, such as wind turbine blades and transportation applications. There are an estimated 1500 smallholder balsa growers, and an estimated workforce of 2500 - 3000 engaged in balsa harvest, transport, processing and export. These activities operate under the regulatory oversight of the PNG Forest Authority, which also plays an 'honest broker' role in transactions between companies and smallholders.

The ENB balsa industry also faces challenges, the most significant of which relate to productivity and sustainability, market access (driven by certification and legality verification), and the market issues of product development and diversification. ACIAR project researchers worked with major processors, research and training organisations, smallholder organisations, and national and district government agencies, to address each of these challenges.

The aim of the project was to enhance the value, value recovery and international competitiveness of the ENB balsa industry and, by doing so, optimise its benefits for smallholder growers.

The key research activities in this context comprised:

Overview

Balsa (*Ochroma pyramidale*) is a fast-growing plantation tree grown by both companies and

- Investigating market and product development prospects for balsa, the role of smallholders in the balsa value chain, and the role of balsa in smallholder livelihoods;
- Establishing what extension, communication and capacity building activities could best support development of the balsa industry in ENB;
- Optimising germplasm and crop management for smallholder balsa growers;
- Assessing the regulatory environment along the ENB balsa value chain.



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