



Objective 2

Enhancing Private Sector-led Development of the Canarium Industry in Papua New Guinea – Phase 2

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Project Summary

- Phase 2 of the PNG Galip project started in 2019 with 4 objectives
 1. Improve the commercial viability of business models for galip nut processing
 - 2. Foster private sector participation in the galip value chain in both the domestic and export markets**
 3. Empower women to participate in the galip value chain
 4. Enhance nut supply and quality by improving production

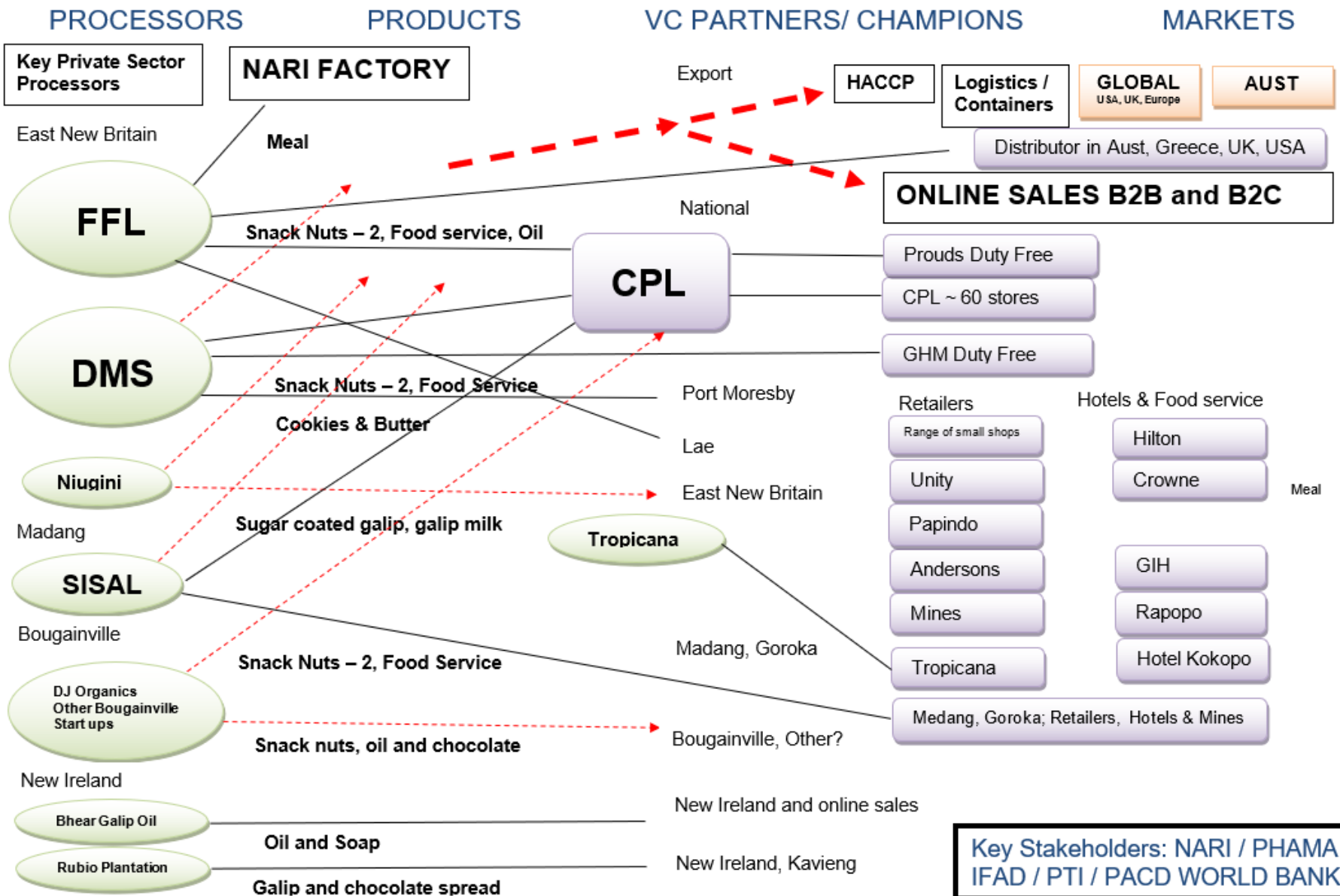
- Our team was responsible for **Objective 2**
 - 2.1 Build domestic PNG retail markets
 - 2.2 Build domestic PNG food service markets
 - 2.3 Build export capabilities
 - 2.4 Cross country visits to build capability

Broad Approach

- Value Chain Analysis (VCA) normally involves mapping the existing chain, interviewing stakeholders, assessing products and markets, identifying key constraints and opportunities and then prioritising and implementing improvement projects for wider industry benefit
- This project was different. There was no commercial industry
- Our approach was to create the ‘Galip Nut Company’ (GNC) within the research project itself
- GNC’s role was to operate like a private sector business – buy raw nuts, process them, value add, package product, distribute to modern retailers and food service
 - Research all aspects to be able to build the value chain
 - Understand and test market demand and manage the GNC business
 - Pave the way for future private sector operators to invest in their own processing activities

What did we achieve

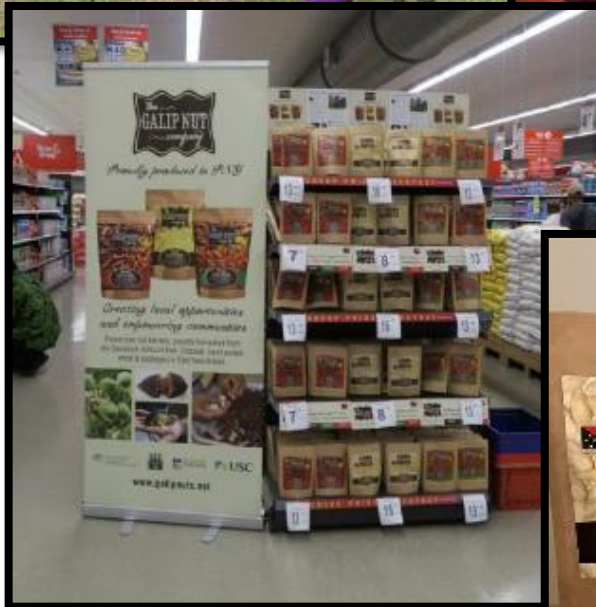
PNG Galip Industry Value Chain Map



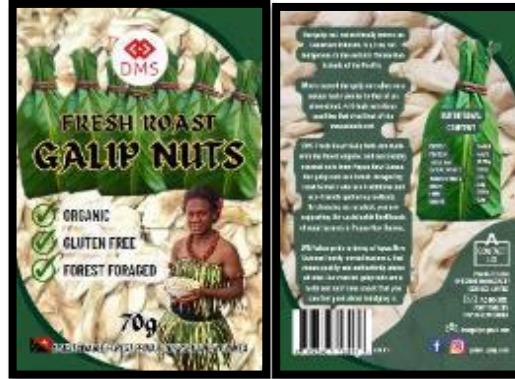
C O N S U M E R S

Key Stakeholders: NARI / PHAMA / IFAD / PTI / PACD WORLD BANK

Galip Nut Company



DMS Products



Trade shows

- Sydney Fine Foods (2023)
- 'We buy PNG' campaign in POM (2024)

FFL products



2022 Sial Paris Innovation Award

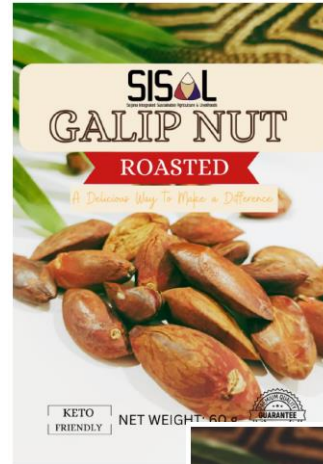


Other trade shows

- Sydney Fine Foods (2023)
- UK BBC Fine Food (2023)
- Paris Gourmet (2024)
- London Fine Foods (2023, 2024)



SISAL products



High in Calcium High in Potassium Scan me

High in Fibre High in Magnesium

Vitamin E

OUR TOP QUALITY GALIP NUTS ARE HAND PICKED FRESHLY ROASTED TO PERFECTION STRAIGHT FROM THE FARMERS HANDS, TO YOUR KITCHEN SEASONED WITH LOVE AND

MELTS IN YOUR MOUTH

A Delicious Way To Make a Difference

BY ASSOCIATION WITH

PREPARED BY: SISAL AUSTRALIA PTY LTD. 100% VEGAN & GLUTEN FREE

Best Before

Nutritional Information (Roasted)			
	per 100g	per 30g (1oz)	per 60g (2.1oz)
Energy	452kJ	136kJ	271kJ
Protein	4.5g	1.4g	2.8g
Sodium	0.0g	0.0g	0.0g
Total Fat	15.0g	4.5g	9.0g
Carbohydrate	1.0g	0.3g	0.6g
Sugars	0.0g	0.0g	0.0g
Fibre	1.0g	0.3g	0.6g
Moisture	1.0g	0.3g	0.6g



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Best Before

Nutritional Information (Peeled)			
	per 100g	per 30g (1oz)	per 60g (2.1oz)
Energy	452kJ	136kJ	271kJ
Protein	4.5g	1.4g	2.8g
Sodium	0.0g	0.0g	0.0g
Total Fat	15.0g	4.5g	9.0g
Carbohydrate	1.0g	0.3g	0.6g
Sugars	0.0g	0.0g	0.0g
Fibre	1.0g	0.3g	0.6g
Moisture	1.0g	0.3g	0.6g

New factory and Galip products launched in 2024

Other retail and food service photos



2.1 Build domestic PNG retail markets

- Established a presence of galip nut products in the PNG retail market
- Industry development has now stretched outside of East New Britain into Medang, New Ireland and Bougainville
- We have recently shut down the Galip Nut Company (GNC) and enticed private sector operators to utilise the research to set up their own processing companies
 - New market channels, products, packaging
 - Updated SOP's and processes
- Including a full range of new galip nut products (snack nuts, roasted, salted, peeled, sugar coated, chocolate coated, galip oil, galip butter, chocolate spread, milk, meal, soap and cookies) all in a variety of sizes, brands
- Promotion of the Galip Nut industry to suppliers, processors, customers and consumers
 - Website, print media, radio
- CPL has instigated a new SME purchasing team focussed solely on helping small and medium PNG-based companies sell their products through CPL

2.2 Build domestic PNG food service markets

- Established a presence of galip nut products in the PNG food service market
 - Hilton, Crowne Plaza, ENB Hotels and Resorts
 - 1Kg packs, snack nuts, galip oil, galip meal (into cookies, muffins, cakes)
- Transitioned sales from GNC to FFL and DMS

2.3 Build export capabilities

- Project team supporting the private sector
 - Contacts and advice
 - Packaging, labelling, branding, bar codes, certification, food standards, logistics, quarantine and new product development
- Developed generic promotional material
 - Brochures, Pull up banner, tasting booth, website
- Used online website enquiries to test logistics of delivery into Aust and NZ
- Developed a Galip nut ecommerce platform set up guide for PNG based processors
- Conducted a comparative analysis of costs across Australian E-commerce platforms
- The Galip nut company website has been transitioned to a broader galip industry website which is now run within the NARI website. <https://www.nari.gov.pg/galipnuts>
- Original Galip Nut Company website
 - From 2018 – 2024 the website averaged 4892 visits per year
 - The biggest interest was from Australia, USA, UK, China, Netherlands, Thailand, Japan, Canada, Germany, France, India, Russia, Indonesia and Iran
 - Over the years the average length of time spent on the website for each visit has increased substantially
- HACCP certification granted for one processor with others in various stages of implementation. Galip will soon be available in multiple export markets including Australia

2.4 Cross country visits to build capacity

- Originally planned for earlier, but delayed by Covid
- Fine Food Expo in Sydney in September 2023
- Attended by FFL, DMS, key NARI staff and project team members (facilitated with Pacific Trade Invest)
- Showcased Galip nuts and introduced FFL and DMS to prospective Aust buyers
- Also engaged with local macadamia nut processors and observed nut operations of different scales.

Changes since the mid term review

Focussed on the transition from GNC to the new private sector galip processors

- What help could the project provide them
 - Networks, technical advice; labels, packaging, barcodes, certification, promotion
- What research was still required
 - Logistics, export partners, ecommerce
- How could we plan for the end of the project
 - Shutdown the GNC
 - Development of the new industry website

What was not achieved

What was not achieved

- Industry development was slowed significantly due to Covid
 - Disrupted collection, logistics, production, retailing, food service and consumer demand
- Number of private processors have increased but challenges still exist
 - New product development
 - Packaging
 - Optimising production efficiency
 - Consistent quality and supply
 - Export takes time

What we can learn

Key Challenge

- Establishing a new value chain is more difficult than fixing an existing one
- Asking a research institution and project team to fulfil the role of a private sector processor requires dedication and a unique set of skills:
 - Customer Focussed / Relationship Management
 - Supply and Demand
 - Profitability / Cashflow
 - Transport & Logistics / Export Requirements
 - Product Development / Packaging
 - Sourcing Processing Equipment
 - Price Setting / Negotiations
 - Marketing & Promotion
 - Managing Risks
 - JIT strategies / Inventory Control

Insights and Lessons Learnt

- Bring together a dedicated research team with a wide range of relevant and complementary skills
- Focus on the market and end consumer at a very early stage
- Foster strong private sector relationships right along the value chain
- Maintain quality, consistency and production efficiency to meet customer expectations and commercial solvency
- Anticipate the issues from a private sector point of view
- Diversity as a risk management strategy – more than one product into one market, make use of waste product streams
- Contingency planning and flexibility are critical when natural disasters and infrastructure breakdowns are commonplace
- Plan for the necessary transition at the end of the project early on i.e. (transition of GNC to the private sector and website to NARI)

Recommendations to improve public private research partnerships

Cochairing an ACIAR workshop in February on this topic and presenting the Galip project as a case study

Broad recommendations

- Collect more knowledge on the various case studies and the different types of public private research partnerships
 - Country and cultural context
- Use case studies and relevant literature to develop a framework to guide public private research partnerships
- Possibly a toolkit
 - For research team leaders to use when developing new research projects
 - Something similar for private sector partners wanting to partner with research projects
 - How do we get both sides speaking the same language?
 - What are the enablers for collaboration?

Important to recognise and thank key partners

Research



Industry



Whelance Mollo / Carson Waai

Finally, we would like to recognise the dedication that Whelance Mollo and Carson Waai (NARI) put into this project and especially as leaders for Objective 2.

Unfortunately, Whelance passed away in November 2024, and Carson passed away in April 2020, but their memory and legacy in developing the galip industry will not be forgotten.



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