



Project location:
Port Moresby, Papua New Guinea

Project start date:
1 January 2009

Funding source:
AusAID 50%, Puritau 50%

Total grant funds approved:
A\$170,000

Updated December 2012

Paradise Spices – Downstream Vanilla Processing In Papua New Guinea

ABOUT PARADISE SPICES (PURITAU LTD)

Paradise Spices (Puritau Ltd) is a family run company that has been part of the agriculture sector in Papua New Guinea since 1987. Paradise Spices is now managed by the eldest son of the original owner, Mr Puritau.

Paradise Spices contracts farmers to help supplement the output from its own farm. Its staff members travel around the country, giving free technical advice and working with various government agencies and interest groups to strengthen vanilla and other spice supply chains.

THE PROJECT AND HOW IT WORKED

With ECF support Paradise Spices established a solvent extraction facility to produce pure vanilla extract, vanilla oleoresin and other spices at the company site in Port Moresby. It provided

- A more reliable and consistent market for vanilla and other spices for over 2,000 men and women in several provinces.
- Access to markets for growers in remote areas through Paradise Spices extension officers' buying trips.
- Opportunities for casual work during pollinating, harvesting, grading and the curing process.
- Positive impact on the livelihoods of 500 households through associated improvements in the quality and quantity of their vanilla production.

THE RESULTS

- The vanilla factory has been established and trial runs of vanilla production have been completed.
- Paradise Spices has created 9 full-time jobs and employed a number of part time extension workers. It is supporting vanilla growers to improve yields.

- 300 vanilla growers in Morobe province are supplying vanilla beans to Paradise Spices.
- Growers have sold approximately 2.1 tonnes of vanilla beans worth K33,000 (A\$15,200) to develop vanilla extracts and oleoresins. Vanilla growers on average make K660 (A\$300) from selling vanilla to Paradise
- Farmers indicate that vanilla provides good business but as the price has fallen (from the high in 2003 when there was a global vanilla shortfall) so has their interest. However, in very hot weather they like to work in the vanilla plantation as it allows them to work in the shade.
- Paradise Spices has diversified their operations and established a successful purified water business which will expand sales significantly and support the commercial viability. To date, sales are around K100,000 (A\$46,000) per year which is a significant contribution to business growth but has limited benefits to the poor.
- The establishment of this factory, and the commercial and organised approach to vanilla growing and supply, is helping restore confidence in the vanilla industry.

HOW ECF FUNDS WERE USED

ECF funding is supporting the purchase of equipment for vanilla processing, which meets export quality requirements. Funding directly supports training programs in growing, grading and selecting beans in new areas.

Paradise Spices is providing funds to employ additional staff and to provide training, technical support and extension services to farmers.