

UKTP Pacific – Papua New Guinea (PNG)

The United Kingdom Trade Partnerships (UKTP) Programme aims to increase trade from African, Caribbean and Pacific countries (ACP) to the United Kingdom (UK) and the European Union (EU) by maximizing the benefits of Economic Partnership Agreements (EPAs). In PNG, the UKTP Programme works in partnership with government agencies, private sector organisations, public sector institutions, small and medium-sized enterprises and other local stakeholders. It is funded by the Foreign, Commonwealth & Development Office (FCDO) of the United Kingdom of Great Britain and Northern Ireland and implemented by the International Trade Centre (ITC).

The UKTP Programme offers a unique platform to scale-up an agile response to the economic crisis that accompanies the Coronavirus (COVID-19) health crisis by leveraging market intelligence, working with targeted sectors and institutions and facilitating export linkages. It has two broad components: (1) Trade and Market Intelligence; and (2) Sector Support.

Selected sector

The coffee sector in PNG shows untapped potential for export growth to the UK and EU markets. Demand for specialised, quality coffee in particular is growing around the world. The PNG coffee industry, which supports around 400,000 rural households, would benefit from increased exports to UK/EU markets.

Results

The outcome of the UKTP Programme will be increased trade between PNG and the UK/EU. This will be achieved by the following outputs:

1. Increased awareness of EPA preferences and benefits;
2. A more transparent business environment for exports;
3. Improved institutional/business services to SMEs to support market access;
4. Increased supply capacity to export to the UK/EU market;
5. Activated market opportunities.

Trade and market intelligence component

Awareness of EPA benefits

The UKTP Programme will build awareness of the advantages of EPA preferences and benefits for PNG. In partnership with local institutions, ITC will conduct a training programme to improve awareness and understanding of preferential market access conditions under the EPA.

The training will include export analysis to identify attractive markets and products, guidelines on EPA rules of origin and the opportunities associated with the EPA. This way countries can prioritize exports with preferential access and develop strategies to capture untapped export potential. The training programmes will cater primarily to the needs of exporters, producers, government extension staff and trade support institutions. These 'EPA champions' will employ their market analysis skills to advise local firms, especially MSMEs.

In response to the economic turbulence following the COVID-19 crisis, exporters can use timely market information, including EPA preferences where applicable, to anticipate demand swings and to pinpoint long-term growth potential for particular goods.



Monitoring the business environment

A call for feedback will invite businesses to document their experience and challenges when trading with the EU and the UK, the potential they see for trading with the UK in future, and the support they would need to successfully do so. To keep up-to-date with evolving regulatory and procedural conditions, including temporary trade and operational obstacles following COVID-19, a monitoring mechanism will bring to light firm-level concerns to relevant policy makers. This mechanism will build the capacity of relevant Ministries to identify, monitor and address trade impediments that arise. It will raise private sector awareness regarding the prevalence of non-tariff measures and trade-related obstacles. In addition, governments will be able to use ePing, the World Trade Organization's notification system to inform and encourage a dialogue with the private sector on regulatory changes.

Sector support component

Improving institutional/business services

Trade and Investment Support Institutions (TISIs) help prepare businesses to export and connect with partners in target markets. The UKTP Programme supports TISIs to improve managerial and operational performance and to assist their client SMEs reach UK/EU markets. Support is provided through advice, training and information on areas like development of organizational strategies, refining service offerings and putting measurement frameworks in place. As an immediate response to the COVID-19 situation, the UKTP Programme will provide online training and coaching on topics such as using digital tools to enhance business efficiency.

Strengthening export capacity

Enterprises looking to export to the UK/EU face challenges in product development, quality control, marketing and branding. Faced with the COVID-19 global recession, SMEs must excel in meeting export market requirements and product quality expectations of customers in an increasingly competitive environment. Under the UKTP Programme, SMEs and their 1st Tier suppliers will benefit from direct capacity-building interventions on topics such as export market requirements, agricultural value chain finance; good husbandry, postharvest and sustainable practices.

Improved supply-chain linkages and sector coordination will be developed. The programme will provide tailored support for better export results in a time of uncertainty.

Activating market opportunities

Diversification of market channels and products will be the springboard for new market opportunities and sector development. Under normal circumstances, markets can be accessed by identifying the right distribution channels, ensuring product compliance with UK and EU standards, and developing a strong marketing strategy. As the business environment changes in yet unknown ways due to COVID-19, exporters will need flexibility to respond to bottlenecks along the value-chain and to seize new market opportunities.

The UKTP Programme will promote and develop exports to the UK and EU markets through the identification of supply gaps and compliance with key buyers' requirements. The programme will target niche markets, prioritizing good and sustainable export practices.



Institutional Partners

- Ministry of Foreign Affairs
- Ministry of Trade, Commerce and Industry (MoTCI)
- Coffee International Corporation
- Investment Promotion Authority
- Manufacturers Council of PNG.

Contribution to Sustainable Development Goals

Through increased trade and investment, the UKTP Programme supports the United Nations Sustainable Development Goals by contributing to poverty reduction SDG 1, the creation of jobs SDG 8, and integrating firms into the international value chain SDG 9. It also prioritizes gender equality and strategic partnerships as part of its outcomes SDGs 5 and 17.



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PAPUA NEW GUINEA

UK Trade Partnerships Programme



Increasing quality jobs through increased exports from Papua New Guinea to the UK/EU markets

