

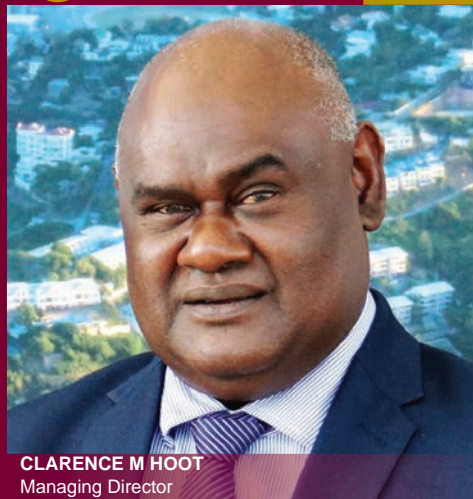


Opportunity

Issue 12 - December 2019

Business News, reviews and overviews from the IPA

MD's INBOX



CLARENCE M HOOT
Managing Director

Dear Readers, I sincerely hope you will enjoy this December issue as the final issue of the monthly Opportunity Newsletter for 2019. It has been a wonderful journey over the last eleven months.

In this issue, we highlight some of the key achievements by the IPA this year.

Despite the challenging circumstances throughout the year, the IPA has successfully delivered on its key priority programs.

I'm pleased to place on record the successful hosting of the inaugural business regulators summit in September in Port Moresby and prior to that, was the Investment week hosted in June, 2019.

The IPA successfully hosted these two important programs with the outcomes and recommendations expected to go before the National Government. We are thankful to our partners both in public and private domains as without our mutual cooperation, deliver-

ing some of these projects would have been a daunting task.

At the start of the year, the Government outlined its intentions to revise the investment regime introducing changes to investment regulatory laws. During the course of the year, the IPA took on the responsibility to consult the government and the private sector and facilitate views from the relevant stakeholders including our development partners on proposed areas of change. Towards the end of the year, the IPA successfully convinced the parties to amend the existing Investment Promotion Act instead of introducing a new Bill to establish a new regulatory agency. The bill to amend the Investment Promotion Act has been cleared by the relevant authorities and is to go before Cabinet soon before it is taken to Parliament next year.

I'm also proud to share that the IPA had recently launched two Help Desks in New Ireland and Milne Bay Provinces respectively with the aim to extend IPA services to provinces right throughout the country.

All in all, I am satisfied with the progress IPA has made together as a team to meet the targets as outlined in our Strategic plan.

Finally, I wish to extend my sincere appreciation to the Board, Management and staff of the Authority, other relevant Government agencies, private sector peak bodies and all stakeholders for their support, commitment and hard work in 2019. This was another successful year and I also look forward to another good productive year in 2020.

Merry Christmas and Happy New Year to you all.

Clarence M. Hoot
Managing Director

be K13, 400. 00. This excludes the costs of publishing the reinstatement notice in the media, which is a requirement of the reinstatement process.

It's better to spend money on things that will grow your business than paying fines for avoidable circumstances.

IN THE NEWS

INVESTMENT PROMOTION AUTHORITY OF PNG HOSTS COUNTERPARTS FROM VANUATU



IPA PNG and Vanuatu IPA delegates pose for a photo session after meeting at the IPA HAUS in Port Moresby.

The Investment Promotion Authority of Papua New Guinea played host to a team of officials from the Vanuatu Investment Promotion Authority (VIPA) in November, 2019.

The delegation was in the country on a study tour and met with relevant government agencies as well as the business community. It was their expectation that following the tour, they will be able to differentiate policies of PNG and Vanuatu with the hope to learn from PNG experiences, initiatives and developments.

The delegation was led by the Chairman of the Vanuatu IPA (VIPA) Board, Collins Gesa, members of the VIPA Board, VIPA Acting Chief Executive Officer, Raymond Vuti and senior officers of VIPA.

The interest for this mission followed their appreciation of the increased level of economic

Continue on to next page.....



Tips & Traps

EXPENSIVE WHEN YOU DON'T LODGE ANNUAL RETURNS ON TIME

It becomes an expensive exercise when you do not lodge your company's Annual Return on time and decide to do so after a while.

Here is an illustration of the above statement.

Annual Returns are lodged each year. The fee to lodge an Annual Return is K300 if you lodge it over the counters or K250 if you go online. If you miss a year of lodging your Returns, you are liable of a fine of K1, 000. This means that when you're lodging your late Returns manually, you will pay a total of K1, 000 plus the normal lodgment fee of K300, or if you go online it would be K1, 000 + K250.

For example, say your last Annual Return was lodged in 2010, and you wish to lodge them manually this year. Technically speaking, you will be lodging returns for 8 outstanding years. Therefore, your calculations will be; $K1, 000 \times 8 + K300 \times 8 = K10, 400. 00$.

Companies can get deregistered if they do not file their Annual Returns as late as 6 months. If the company in the above example is de-registered and wishes to apply for reinstatement then it will need to pay the K10, 400 plus a K3, 000 administrative fee.

The total payable for reinstatement would therefore

activities and developments taking place in PNG in the various sectors of the economy.

Vanuatu will be setting up their first ever Free Trade Zone (FTZ) known as the Santo FTZ and so are keen to gather relevant and applicable concept and ideas that they may learn from in pursuing their endeavors.

The IPA PNG was instrumental in assisting the establishment of VIPA in the late 1990s and also trained some staff in early 2000. As such the intention by VIPA to come and visit PNG was welcomed by IPA PNG.

Managing Director of the IPA Mr. Clarence Hoot in welcoming the team said that he was happy to see his Vanuatu counterpart keen on learning from PNG Experiences.

“As the bigger economy in the Melanesian Group we note the interest by Vanuatu and we are happy to work with them and share our experiences on our investment facilitation roles and our mandates,” Mr. Hoot said. “Unlike other IPAs around the globe, IPA PNG promotes investment and regulates businesses as well. And this is an experience we are sharing with our friends from Vanuatu,” he said.

One of the key outcomes of the study tour

is the discussions by the two IPA's on the renewal of a Memorandum of Understanding for continued cooperation in the training of staff, sharing of knowledge and information and the promotion of investment between the two countries.

The VIPA delegation were also impressed with the reforms undertaken by IPA PNG especially the Online Registration System, as well as the roll out of provincial MOUs to bring IPA services closer to businesses in the provinces throughout the country and the rest of the world.

The VIPA delegation met with government departments and agencies namely the Department of Lands & Physical Planning, Small-Medium Enterprise Corporation, Industrial Centre's Development Corporation, and the Investment Promotion Authority. From the private sector they met with the Port Moresby Chamber of Commerce & Industry, the Manufacturers Council of PNG, the Tourism Industry Association, and the PNG Chamber of Commerce & Industry.

The discussions with the government counterparts were basically on government programs and reforms and how institutional cooperation can be revitalized and strength-

ened for mutual benefit.

The private sector meetings provided a reality check on government programs and reforms from the end user point of view. The discussions were fruitful and enlightening for the Vanuatu delegation.



Ms. Yana, a local employee from the Ilimo Dairy Farm assists in taking the Vanuatu IPA Delegates through the farm.

The visiting delegation also had the opportunity to make site visits to some of the major investment projects taking place in the peripherals of Port Moresby. They visited the Ilimo Dairy Farm, the PNG LNG Plant site, and the Puma Energy Refinery. The site visits broadened their understanding on the practicality of investment projects and the benefits these projects are bringing into PNG such as employment creation, skills and technology transfer, and revenue generation.

The IPA PNG and the IPA Vanuatu delegation are very thankful and appreciative to the Management of Ilimo Dairy Farm, Exxon Mobil PNG Ltd, and Puma Energy PNG Ltd for allowing the visits to their sites and for sharing vital information on the operations and plans of their respective projects.

The study tour to PNG will culminate in the signing of an MOU between IPA PNG and VIPA, after all due diligence from both sides are completed. The MOU will pave way for capacity development as well as the exchange of information and expertise for added cooperation on trade and investment matters between the two agencies.



The IPA PNG and officials from the Vanuatu Investment Promotion Authority (VIPA) pose for a group photo session during their visit to the PNG LNG outside Port Moresby.

IN THE NEWS

The Investment Promotion Authority (IPA) has been praised for its efforts towards the growth of local businesses and for promoting locally produced products.

Madang Cocoa Company Limited (MCCL) in a report on Outcomes of Support from IPA, thanked the IPA for promoting and facilitating MCCL's interest to secure markets for their product in 2019.

The IPA invited Madang Cocoa Limited to attend three (3) major events during the PNG Investment week held in June this year and during those events, the company was able to meet with a number of potential buyers.

Madang Cocoa Company praise IPA

The cocoa company met with the then Minister for Agriculture and Livestock Mr. John Simon, as well as relevant organisations supporting agriculture in the country such as MDF (Market Development Facility). Key contacts were made which then led to further engagements with PHAMA PLUS.

MCCL is pleased to announce that they will be signing a partnership agreement with PHAMA PLUS in December 2019 for a 2.5 year project to commence in January 2020 for the upskilling of farmers, establishment of improved cocoa producing infrastructure, and training on downstream processing of cocoa into consumable products at the household level.

Their attendance to the UN ESCAP Asia-Pacific Business Forum also led to the company making contact with AgUnity, a company involved in developing technology to alleviate poverty.

Madang Cocoa signed an MOA with AgUnity in October 2019 to commence a pilot project in Madang among its cooperatives.

This project will see 100 farmers being issued a mobile device by AgUnity which will be used to capture personnel and farm data and for banking and other uses as well.

The AgUnity team arrived in the country on 22nd November 2019 to commence the pro-

ject.

MCCL is also grateful to IPA for facilitating its participation at the Japan FoodExpo in Tokyo in February 2020. Preparations are currently underway for MCCL to attend this expo.

IPA also connected MCCL to potential buyers in Malaysia who reached out to the PNG Em-

bassy in Kuala Lumpur and MCCL is currently in discussions with potential buyers from Malaysia.

Chairman of MCCL, Mr. Judah Waffi said the support by IPA has been overwhelming and he thanked IPA for understanding their role and for supporting and growing local businesses which are promoting locally produced

products and have the potential to grow.

Madang Cocoa Company is planning a grand launching of its operations in Madang in January 2020 to coincide with the launch of the PHAMA PLUS project.

IN THE NEWS

The Investment Promotion Authority through the Office of Intellectual Property joined students from the Port Moresby International School to celebrate one of the school's calendar events which is the technology week.

The technology week was hosted by the school from the 25th to 27th of November, 2019 with the theme: "Embracing Technology for Living".

The Intellectual Property Office of PNG (IPO-PNG) was invited to do presentations on the importance of intellectual property and its

IPO stresses the need to embrace Intellectual Property Rights

relevance to technology.

Senior Intellectual Property Officer of IPO-PNG, Mrs Lorna Baida informed the students about the relationship between technology and Trade Marks, technology and Patents, Industrial Designs and technology and Copy Rights and technology.

Mrs Baida said there are currently an estimated 106 million technology or software companies in the world and each of them would have had a BRAND or Logo to set themselves apart from each other.

In summary, Mrs Baida told the students of Port Moresby International School that Trade-mark protects the unique identity of a product or service in the market; Patent protects the technical function of a process, machine, manufactured goods or product content; Industrial Design protects the appealing feature of a product; and Copy Right protects an original work.

The week also saw the display of projects invented by Port Moresby International School students from Grades 7 to 11. These projects include coconut scrapers, coffee tables, beds, shoe racks and stools amongst others.



Applying for Patent Protection in Papua New Guinea

Patent protection can be obtained by protecting your inventions through filing of a complete application in any country of the applicant's choice.

In Papua New Guinea, you can file a National Application through the Paris Convention Route or you can file an International Application through the Patent Cooperation Treaty (PCT) Route.

Basic Application Process.

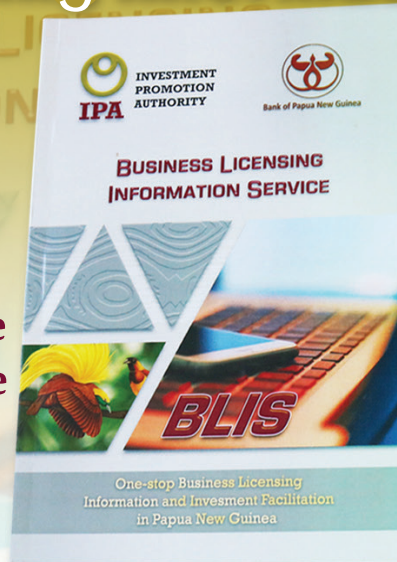
1. Fill in Form 1 (or a copy of the PCT Request Form and PCT Publication Document will suffice for International Applications).
2. Attached 3 separate sets of copies of the Description, Claims, Abstract and Drawings (if any)
3. Fill in a Power of Attorney form if represented by an agent.
4. Fill in Statement Justifying the Applicant's Right if the applicant is not the inventor.
5. Provide a single copy of supporting documents, if any.
6. Do a direct bank deposit of the lodgment fee (PGK1000.00) to Investment Promotion Authority account.
7. Attach the bank receipt or report of transaction with the Application.



**Investment
Promotion
Authority**

Business Licensing Information Service booklet ON SALE

The Investment Promotion Authority wishes to advise its clients and public on the sale of the Business License Information Service (BLIS) booklet.



The **BLIS** booklet contains a One-Stop-Shop Business Licensing Information comprising various legislative requirements of doing business in Papua New Guinea and the necessary processes or guidelines to obtain the licenses from the relevant statutory license issuing agencies.

The **BLIS** booklet contains the following information:

- CONTACT DETAILS OF OFFICERS (S), DIVISION & AGENCIES WHICH ADMINISTERS EACH LICENSE.
- LICENSE APPLICATION FORM WHERE POSSIBLE.
- APPLICABLE LEGISLATIONS AND PROVISIONS.
- DETAILS OF LICENSE, FEES, DETAILS OF RENEWALS AND TRANSFER.
- TYPE OF BUSINESS THE LICENSE MAY APPLY.
- PLUS OTHER NECESSARY INFORMATION REQUIRED TO ACCOMPANYING THE APPLICATION FOR BUSINESS LICENSE.

The **BLIS** booklet provides one-stop shop business licensing information and helps you to understand various legislative requirements for compliance purposes.

For more information regarding a purchase of a BLIS booklet, please contact:

Jeffrey Hete, Business Information Officer on +675 321 7311/3900/534 or Michael George, Manager Research & Information on +675 321 4509 or email them on jhete@ipa.gov.pg or mgeorge@ipa.gov.pg respectively.

The booklet is on sale for **K200** only and a copy can be purchased at the Investment Promotion Authority office, 1st floor, **IPA Haus**, Munidubu Street (Corner of Lawes Road & Champion Parade) Konedobu, Port Moresby.

Local PNG Tourism operator to begin operation in Canberra, Australia



Mrs. Jenny Wal Gonapa

A local tourism operator has announced its plan to expand and start its operation in Canberra, Australia in 2020 after establishing a branch in Cairns in 2017.

The local tour operator, PNG Highlands Adventures started its operation in Goroka, Eastern Highlands Province after its incorporation in 2009 with the Investment Promotion Authority.

The company has its head office in Goroka and a branch in Cairns, Australia.

PNG Highlands Adventures has been in operation for 11 years and they specialise in arranging adventure travel, Trekking, Cultural Festivals, Bird watching, Diving, Cultural Tours, PNG Village Stay and Experience and Sightseeing Tours in Papua New Guinea.

Owner and Sales and Marketing Manager of the Company, Jenny Wal Gonapa said the company focuses on marketing tourism destinations and products of Papua New Guinea within the country and overseas.

Some of the tourism destinations and events include the Kokoda Trek, Tari Wilderness, Kumul Lodge Birding, Wabag Show, Mt Hagen festival, Mt Giluwe Trek, Kalam Festival in Simbai by Charter flights, Mt Wilheam Trek, Highlands Village Stay, Waghy Valley Birding, Goroka Festival, Madang Diving & Cultural Tours, Sepik River Safari, Muschu Islands Tours and Diving to WWII Wrecks, Ambunti Crocodile Festival, Rabaul Mask Festival, Malangan Festival in Kavieng, Tufi Diving & Village Stay, Tawali Diving, Alotau Canoe and Kundu Festival and the Trobiand Island Tours.

"We are a service provider but we also assist the locals to develop tourism products that is available for tourist attractions and we market and sell them via internet marketing platforms like Facebook, our website, Trip Advisor, Google and also participate actively in Travel and expositions overseas and locally including the PNG Tourism Industry's annual LUKIM PNG NAU EXPO.

"We basically market and sell product destinations packages for international buyers including tourists and travel agents," said Mrs Gonapa.

She said tourism is everyone's business because the income derived from it is shared among hotels, hire Cars, guides, porters and product owners.

"This business is not only mine but it's everyone's business adding that the income from the business flows directly down to communities. She added that Tourism is mainly associated with our cultures and traditional that tourists want to see and experience," said Mrs Gonapa.

"The person that inspired me to start this business was my elder brother who always tells me and my husband that Tourism is a "Green Gold and a Sleeping Giant" and that there is so much potential in the tourism industry".

"Our current target markets are in countries including USA, Europe, United Kingdom, London, Germany, Japan, Australia, New Zealand and we are now moving into the biggest China Market. Currently, we are getting more tourists coming in from the United States and European countries".

Mrs Gonapa said some of the challenges that she faces when running her business is having to do more awareness on the benefits of tourism in PNG in order to market her business

and dealing with media reports on law and order problems in the country.

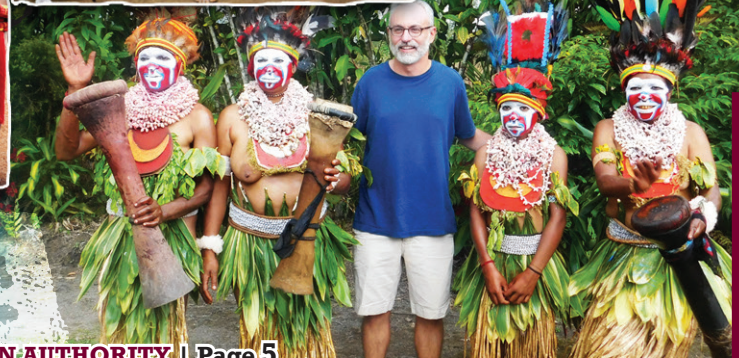
Jenny Wal Gonapa is a Business graduate who found inspiration from her family to start her business in the tourism industry. She comes from a family of six (6) and hails from Simbu Province.

"I completed my High School in Kerowagi High School in Simbu Province and went on to complete Grade 12 at Divine Word Institute in Madang. From there I was awarded an AusAid Scholarship in 1998 to complete my studies in Far North Queensland Institute of TAFE in 2001 where I attained a Diploma in Business".

"After graduating from the institute of TAFE, I went on to work with the Porgera Gold Mine for six months and later with the Foundation For Rural Development Inc as the Program Coordinator for Simbu Province".

"From all the work experiences, I then moved on to be a Woman Entrepreneur in Simbu Province. My husband however got a work promotion so we had to move to Goroka in the Eastern Highlands Province. This was where I initially started my Company".

"I started off as an inbound tour operator and later expanded. I intend to expand further by establishing more branches overseas". "From my company's years of operation, I now have agents throughout PNG that I pay to run my tour services".



The Kumunga Coffee project is currently seeking an investor/developer to either rehabilitate and revitalize the idle Kumunga Coffee Plantation or utilize the plantation land for viable agriculture projects.

Location:
Mt Hagen, Western Highlands Province
Project Size/Investment Value:
PGK1.5million

The plantation was established in 1980 and was in operation until 2000 when operations ceased due to escalating costs associated with operating the plantation. The plantation currently remains idle. The project proponent intends to enter into a land lease arrangement or acquisition by any potential investor to use the land for viable commercial investments.

KUMUNGA COFFEE PROJECT

The proponent further proposes the land to be revitalized and sub-divided for other viable investment projects that will provide spin-off business opportunities for locals in the project vicinity.

The land area is approximately 12.5 hectare and two-thirds of the portion is situated 8km from the Highlands Highway along the Mt Hagen Town to Madang Town section. Another 4.5 hectares is located at Tega, close to the vicinity of Kagamuga Airport. The subject land has a clear land title.

Contact	Details
Mr. Phil Kanamon	majphilk@gmail.com (+675) 7020 7467
IPA PNG	investment@ipa.gov.pg

Annual Returns

Question:
When do I file an annual return?

Answer:
Under the revised Companies Act, the Registrar can issue a filing month or the filing month can be on the anniversary date of incorporation of a company. For example if a company was incorporated on 19 June 2016, the filing month for the company is June. Therefore, every year, the company must file its annual return in June.

A company can file an annual return online at www.ipa.gov.pg DO IT ONLINE or file a paper form known as Form 22 at the front counters located in:

Port Moresby
Ground Floor, IPA Haus, Munidubu Street
(Corner of Lawes Road and Champion Parade), Konedobu;

Lae
Nambawan Super Building, Level 1, Lae,
Morobe Province

Mt Hagen
Gapina Building, Level 1, Mt. Hagen

Buka
Commerce Office Building, Haku Street, Section 9, Allotment 4, Buka

Rabaul
Marau Haus, Ground Floor, Room 3, Kokopo.

Do you have a general question about the regulatory side of running a business or have a query on investment promotion, Intellectual Property rights or wish to know more on Securities? If so, email your question to: click

beverlyp@ipa.gov.pg

We will publish a selection of questions and our answers in each issue of Opportunity.

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Kokopo Regional Office

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IPA

PUBLIC NOTICE

We wish to advise the general public that the Investment Promotion Authority will be closed for business during the Christmas/New Year period commencing Tuesday 24th of Decemeber, 2019 to Wednesday 1st of January, 2020.

The office will re-open for business on Thursday 2nd of January, 2020.

On behalf of the Board, Management and Staff,
we wish you all a.....



*Merry
Christmas*

and a Prosperous

2020