

FROM THE MD'S DESK



Dear Readers,
Welcome to the 5th edition of the **Invest PNG newsletter**.

The month of May was a busy month in the investment promotion side as we engaged with our stakeholders particularly the private sector on different occasions and events.

Our key program for this month was

the 39th Australia Papua New Guinea Business Council Forum and Trade Expo in which the IPA was the co-sponsor of the expo with our Australian counterpart Austrade.

Read more in our inside story.

The next key program we are looking forward to is the Regulators Summit which will be held on July 30th and 31st here in Port Moresby. We will continue to keep you posted on finer details as we go along. You can also read more about this story in this edition.

The IPA is also preparing to go out into the districts and provinces to conduct awareness on our mandated roles and programs and most importantly continue our engagement with our stakeholders in the provinces. In this program we also aim to bring our services closer to the businesses in rural areas whilst hearing their business needs for us to bring back

and advocate on improved and enabling policies for their growth. We will keep you posted on the dates and venues for the provincial awareness as we go along.

In this edition we bring you the FDI statistics as of March this year. The FDI values are proposed figures which we extract from the applications lodged by foreign companies who apply to do business or invest in PNG.

I hope you enjoy this edition of our newsletter, and as usual, we welcome your feedback and stories if you wish to share your achievements as well as challenges you're facing.

Happy reading!!

Clarence M Hoot
Managing Director,
Investment Promotion Authority

NEWS

Invest PNG newsletter

ANNOUNCEMENT OF THE 2024 REGULATORS SUMMIT

The Investment Promotion Authority of Papua New Guinea has announced that it will be hosting the second Regulators Summit on July 30th and 31st 2024 in Port Moresby.

The Summit will be co-hosted by the Department of Information, Communication and Technology. Invitation letters have been sent to key stakeholders including the Regulatory Agencies, Government Departments, Development Partners, Foreign Missions, Legal/Accounting Firms, Private Sector networks and Chambers.

The theme of the event is **"Interoperability; Connect and Co-Create"**, and international experts, development partners, including the academia have been identified to speak at the Summit to outline international best practices in achieving interoperability and system optimization.

In announcing the date of the Summit, IPA Managing Director Mr. Clarence Hoot said that speakers have been invited to speak and share experiences, identify issues and propose possible areas of reforms to improve the doing business environment whilst maintaining compliance of the country's business laws.

"We value the input from private sector and industry bodies in the event by way of giving feedback and providing critique on how business regulations are affecting the business environment in the country," Mr. Hoot said. "Outcomes and appropriate recommendations from the Summit will be presented to Government for consideration and implementation by relevant Agencies."

The Regulators Summit is one of the programs that IPA domesticates discussions in the APEC forum on the Ease of Doing Business agenda.

The venue of the event is yet to be confirmed but interests from both domestic and international participants have been received.

Interested participants can contact the following IPA officers for more information;

Mr. Kamis Yalakun – Ph: 308 4414 / Email: kyalakun@ipa.gov.pg
Ms. Dorothy Mokoko – Ph: 308 4536 / Email: dmokoko@ipa.gov.pg
Mr. Samuel Kumin – Ph: 308 4415 / Email: samuelk@ipa.gov.pg

IPA participates in Mobile Network Expansion & Financial Inclusion discussions



The Investment Promotion Authority recently participated in the Mobile Network Expansion and Financial Inclusion dialogue in Wewak, East Sepik Province.

The dialogue is part of a series of round table policy discussions facilitated by the EU STREIT PNG in which IPA has been participating as a technical committee member.

The Wewak dialogue was the second multi-stakeholder session and it was aimed at engaging with stakeholders in the provincial levels and relevant government agencies to work towards countering challenges and sharing valuable inputs to formulate and enhance an effective linkage of telecommunication services to online

banking to support our local SMEs in the Great Sepik Region

The program is coordinated and being implemented by the UN Joint Program Office of PNG under the leadership of the FAO (EU-STREIT PNG) in partnering with ILO, ITU, UNCDF and UNDP in close collaboration with the Government and local partners, focusing on supporting local agripreneurs & rural livelihoods in the East and West Sepik provinces.

The EU-STREIT program in PNG is currently utilising their data base across the Sepik region to facilitate these dialogues to enhance the issues of mobile network coverage and Financial Inclusion services for the benefit of the local SMEs and busi-

nesses in the Sepik region.

Key private sector stakeholders include the financial and commercial bank services and the telecommunication companies.

IPA as part of this technical committee, contributes inputs to ensuring that issues faced by local farmers and their businesses under the STREIT PNG program, are identified and addressed by the Government. Private sector telecommunication companies on the other hand contribute by ensuring to facilitate improvement in their systems in order for their services to impact positively on local farmers, whose businesses are reliant on having efficient network coverage and access to appropriate financial inclusion services.

Tips & Traps

Users of the IPA's Online Registry System may have noticed in their emails reminders from the system regarding their companies.

Recently we switched on several new features of the registry system which includes automated reminders to companies when their annual returns are due for filing.

The system sends out three (3) different automated messages to companies when their annual returns are almost due. The messages are sent every 2 weeks to the

due date and the third and final one is sent on the due date itself.

If the company still fails to comply by not filing its Annual Return on the due date then the system will automatically remove the company from the register. This means the company status will now be changed to "Removed", and it will have to go through the reinstatement process and pay the necessary required penalty fees to have it reinstated in order for the status to be changed to "Registered".

IPA supports exhibition at the 39th APNGBC forum



The Investment Promotion Authority of Papua New Guinea again supported the 39th Australia PNG Business Council (APNGBC) Forum and Trade Expo by co-hosting the exhibition component with Austrade.

The exhibition component of the forum was introduced in 2007 in which the IPA began co-sponsoring the event with Austrade. The IPA also sponsored the participation of local PNG SMEs in the event back then.

This year, the event was held at the

Sheraton Grand Mirage Resort in Gold Coast Australia from 13-15 May, 2024.

In opening the exhibition, IPA Managing Director Mr. Clarence Hoot told the business community, political and bureaucratic heads from both countries, that IPA was happy to support the event as it provided a platform for businesses from Australia and PNG to interact and discuss potential business opportunities in both countries. He acknowledged the business and investment challenges in PNG but encouraged companies to rise above these challenges and persevere in their endeavours.

The IPA also made a presentation through the Director of Investor Services and Promotions Division Mr. Daroa Peter. His presentation was aimed at restoring business and investment confidence and to reduce some uncertainty in the business environment. Mr. Peter also gave an update on the investment trend in PNG and what businesses should expect since the changes in certain amendments done to the laws administered by the IPA and the Companies Office.

Mr. Peter gave IPA's assurance to foreign companies doing business in PNG that their entity records were safe in cloud despite the burning of the physical records during the January 10 unrest.

IPA participates at the CLTC Ministry Week

The Hagen Branch of the Investment Promotion Authority has gone beyond its investment promotion and regulatory duties by training locals on how to use technology to do online payments.

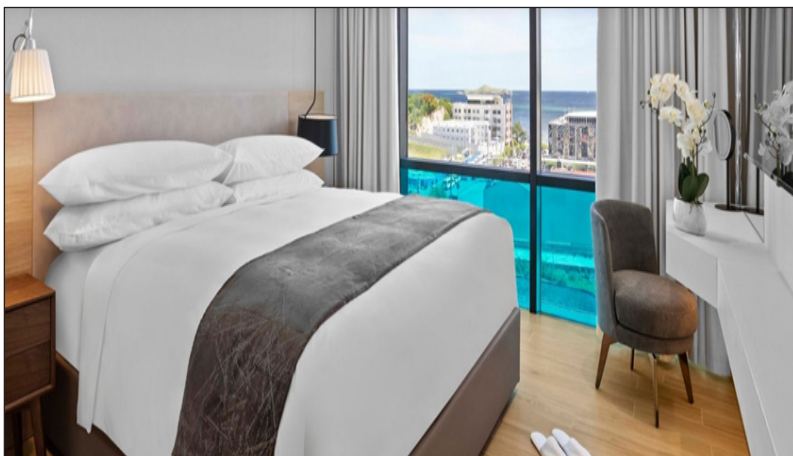
Highlands Regional Officer based in Mt. Hagen Mr. Joshua Jerry represented the IPA in a week-long ministry week at the Christian Leader's Training College (CLTC) in Banz, Western Highlands Province.

Christian Leader's Training College (CLTC) is one of the oldest institutions in the Highlands Region, established purposely to build Christian leaders. There are two major course streams in the institution. One is the Ministry Major and the other is Community Transformation. They are currently offering Masters in Theology as well.

CLTC Ministry week is an annual program developed for students to attain their desired selective course for their personal and professional development to better their society after school. This year IPA registrations was among eight other programs running over the week. Other programs included; BLOOM from SIL, Kainantu, Melanesian Cooking, Basic IT, VIP Toilet, Bee Keeping, Financial Management and First Aid.

Both students and staff were given the opportunity to choose their elective. After the week they provided a reflection of the program attended and were assessed internally for academic purposes. This year was the first IPA was invited.

World's largest hotel chain opens branch in Port Moresby



MARRIOTT INTERNATIONAL, the largest hotel in the world has made a footing into Papua New Guinea by opening its branch in Port Moresby.

This is the chain's first branch in the South Pacific and it is located at the Harbourside South at the Stanley Esplanade overlooking the Fairfax bay in the nation's capital.

Marriott International is the largest hotel chain in the world. It has 30 brands with 7,642 hotels in 131 countries and territories. It has a revenue of \$20.77 billion and a market share of 5.1% in the global hotel industry. Some of its well-known brands include Marriott, Ritz-Carlton, Sheraton, and Westin.

COCOLAND SUGAR DEVELOPMENT PROJECT STAKEHOLDERS VISIT SITE



The IPA was part of the state team that visited the Cocoland Sugar Development Project site accompanying Minister for International Trade and Investment, Hon. Richard Maru and representatives of the Yaosoeng Sugar Cane Company who is the developer of the project.

Yaosoeng Sugar Cane is a Thailand Company and was one of the investors that approached the Investment Promotion Authority (IPA) in 2017. IPA has been facilitating their business and investment interests since then.

The Cocoland Sugar Development Project is valued at more than USD400 million and involves a 40,000-hectare sugar farm, processing mill and a power plant.

Under the plan, 10,000 hectares of the land will be used by the Developer for the sugar cane farm, factory and power plant while the 30,000 hectares will be for the landowners who will become block-holders and will plant and supply sugar cane to the factory.

STATUS UPDATE ON THE ASSOCIATIONS ACT & REGULATION

The Investment Promotion Authority (IPA), under the Registrar of Companies Office is responsible for the administration of and implementation of the Associations Incorporation Act, together with other business laws.

The Associations Incorporation Act 2023 ("the Act") was enacted by Parliament on 11 January 2023 and certified on 29 May 2023. The Act replaces the now repealed Associations Incorporation Act 1966 ("the old Act"). This was the first time the Associations Incorporation Act was reviewed since 1966.

The Association Regulation 2024 is undergoing the vetting process before it is gazetted for implementation. One of the requirements before we commence the process of vetting to the State Solicitor is to compile a Consultation Report on the Reporting Threshold Amounts proposed for

Associations. These include;

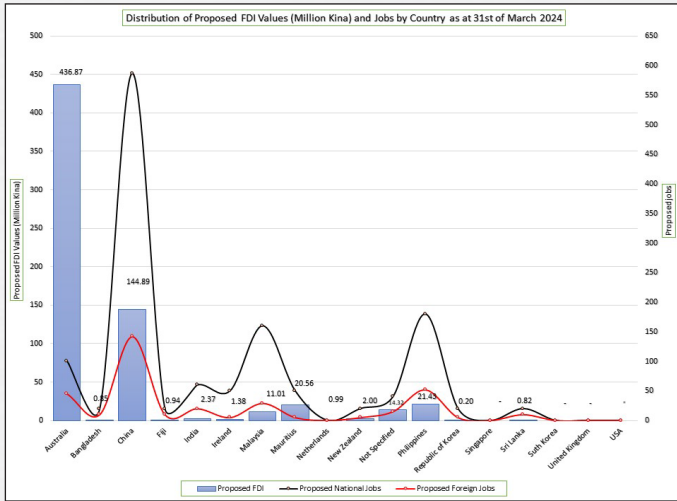
1. **Revenue and Donation Threshold Amounts**
Donations/income received by the Associations;
and
2. **Employee Threshold Amount**

Salary/Wages of persons employed by Associations/NPOs. Consultations were completed in 2023 and the review of the regulation is being undertaken with the technical assistance from the Asian Development Bank through its Private Sector Development Initiative program.

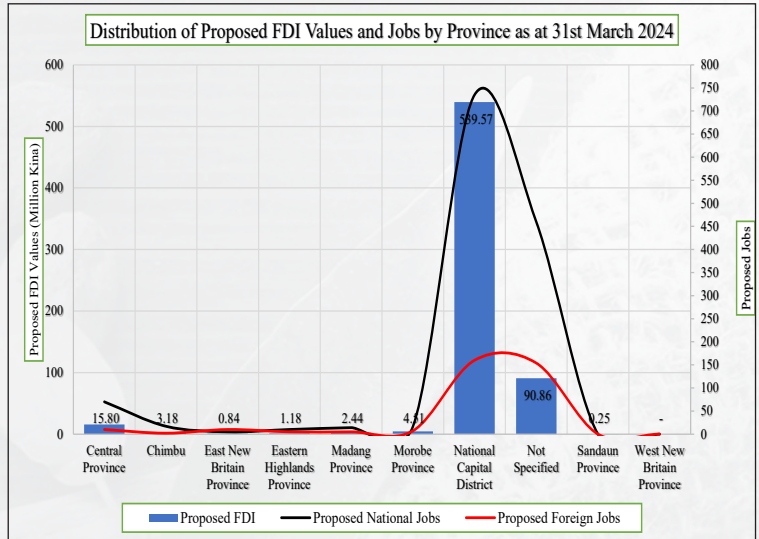
Foreign Direct Investment statistics

The graphs below indicate the proposed FDI values in the first quarter of 2024 for PNG by country, sector and province.

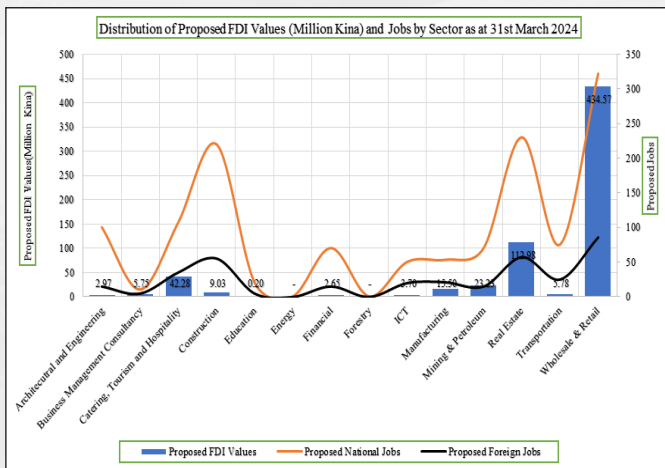
Graph 1: FDI values by country



Graph 2: FDI values by province



Graph 3: FDI values by sector



KNOW ABOUT IP

IPO PNG's new e-filing system

If you have a business entity that has a trade mark, a patent and a industrial design you can protect your IP rights by registering with the Intellectual Property Office of Papua New Guinea.

The good news is that the Intellectual Property Office of PNG now has a new e-Filing system” for Trademarks, Patents and Industrial Designs.

The new eFiling system is a single online portal for local IP Agents and IP right holders to electronically file

new trade mark, patent, industrial design applications with supporting documents to the National IP Office.

To access IPOPNG e-Filing System please go to the web address-www.ipopng.gov.pg/ipopng-e-filing-system

And to register as IPOPNG e-Filing System User, download the **User/Agent Registration Form**.

For further queries send email to: registrar.ipopng@ipa.gov.pg.

AWARI POULTRY



Awari Poultry is a local SME business specializing in Layer Poultry Farming that involves raising egg-laying poultry birds for Commercial Egg Production. Awari Poultry, owned and managed by a local woman entrepreneur, was established in 2018 and the company is based in Banz, Jiwaka Province. Since its establishment, Awari has been serving various customers within the Banz area who have a demand for both poultry birds for meat and fresh eggs that are being produced daily. The objective of this project is to expand the production capacity of this poultry business to serve the increasing level of demand from within the Jiwaka province as well as the demand from the neighboring highlands provinces.

To realize this poultry layer farming expansion project, Awari Poultry is seeking to partner with potential investors to help support the establishment of an additional production facility and the establishment of a storage or distribution/ sales outlet as well as the purchasing of new machinery and equipment. Some of the materials that will be purchased include, and are not limited to, roll wires, feeders and drinkers, sawn timber for making egg boxes, a tuffa tank for water storage, light for the poultry shed and stock feeds. This farming business also seeks business

partners for other types of collaboration to access new markets (domestic or international buyers), access production materials and components at affordable prices, and access technology and know-how expertise for the employees who will be employed under this expansion project. This project is expected to create employment for women and youths while it will also serve as a source of income for many families in the local community.

Project Strengths

The poultry industry in PNG generates over K800 million annually and more than 80% of this is produced by out-grower farmers living in villages in rural areas. In addition, the poultry industry in PNG formally employs around 3,000 people, 90% of whom are women. Awari Poultry is one of the experienced poultry operators in the Banz constituency. Awari is an established member of a chick/chick feed supplier and poultry farmers network in the province. Awari often deals directly with operators who provide various services such as the provision of guidelines and continuously updated information vital to effectively compete in the market. Furthermore, there are a very limited number of competitors and fewer resources are expected for the marketing and promotion of our products. The main competitor is the Christian Leaders' Training College in Banz, which is a renowned poultry/ egg supplier in the Highlands Region. There are few other out-grower farmers in the province but Awari already has established buyers with high demand that surpasses the supply. A limited number of competitors, high profitability, no marketing expense, and not easy entry show that the poultry farming business has a very stable business environment it will pay off well. Other project strengths include the availability of land and local labor to produce fresh eggs/meat that is affordable and accessible to various types of buyers.

Products or services resulting from project: Birds' eggs, in shell; fresh, fertilised eggs for incubation

Projected Annual Sales: 156.8K EUR

Total Investment (Funding Gap): 294.0K EUR (284.0K EUR)

Contacts:

Kilip Village, Banz LLG, P.O. Box 23, Mt. Hagen, Western Highlands Province, PNG, Other, Jiwaka, Papua New Guinea OR
Please contact the Investment Promotion Authority (PNG) on **3084501/4400** or email likavape@ipa.gov.pg

NOTICE ON REINSTATING REMOVED COMPANIES AND ANNUAL RETURNS

The Office of the Registrar of Companies wishes to remind its valued clients, stakeholders and the business community that the directors, shareholders and other interested parties, of any company that was removed from the Register of Companies on 1 December 2023, can still apply to the Office of the Registrar of Companies to reinstate their company.

Under Section 378A (2) of the Companies Act 1997 (as amended), an application for reinstatement may be filed with the Office of Registrar of Companies within 2 years from the date the company was removed from the Register, that is, 1 December 2023.

The reinstatement application must be accompanied by:

- all annual returns that had been outstanding at the time the company was deregistered;
- a filing fee of K250 for each annual return; and
- a late filing fee of K1,000 for each late annual return
- the restoration application fee of K2,500

For example, if a company last lodged its annual returns in 2019 then that may mean it has outstanding annual returns of 5 years. The following fees would be applicable: Restoration fee (K2500) + filing and late penalty fee of K1250 x 5 years = **K8750**

Be reminded that all companies must file annual returns even if they are not carrying on business. Where a company has been de-registered for failing to file its annual returns, it will not be possible to waive the filing of annual returns before a deregistered company can be reinstated to the Register.

It is an offence under Section 215(9) of the Companies Act for failing to file annual returns and can result in hefty fines being levied directly against directors, if they are convicted of offences under the legislation. Directors who fail to pay these fines can also be imprisoned.

For more information please contact the Office of the Registrar of Companies, Mr David A. Kil on the following details;

Telephone: 308 4400 / 308 4439 / 308 4494

Email: ipaonline@ipa.gov.pg

David A. Kil
Registrar of Companies

Am I required to lodge Annual Returns for my company even though I have not been making money for my company?

Yes. You are required to lodge your Annual Returns every year even though your company is not operating or making money.

When lodging your Annual Return, you are simply confirming the existing details of your company in the system and indicating accordingly whether there have been any changes in the details of shareholders/directors or number of employees, etc.

You are not required to lodge or submit your financial statements.

Only companies who come under the category of a “reporting company” are required to submit their financial statements when lodging their Annual Returns.

A reporting company has the following;

- total assets exceeding K5 million or
- more than 25 shareholders or
- more than 100 employees

Companies Office Investment Promotion Authority
Form 22 | Annual return
 Section 215(1), Companies Act 1997

Notes
 The information on this form must be either typewritten or printed legibly in BLOCK letters.

If there is insufficient space on the form to supply the information required, attach a separate sheet containing the information set out in the prescribed format.

Place barcode here

Company name Company number

1. Date of annual return
This must be a date within the month allocated by the Registrar for filing your annual return.

2. Date of the annual meeting held or deemed to be held

3. Addresses

There are no changes in addresses (tick this box if applicable and skip to item 4).
 If there are changes to any addresses, provide the current information below.

Address of registered office
 Provide the suburb, street name and number, or allotment and section number. The district and province must be stated. If at the premises of a firm or in a building the particulars must be provided. A PO box is not allowed. A village address is insufficient.

District and Province:

Address for service
 The address for service is the same as the registered office address



Regulators Summit - IPA.

July 30th - 31st 2024, Port Moresby

The aim of the second Summit is to identify synergies amongst the Government and the statutory regulatory agencies to take stock of reforms and progress being undertaken to achieve Government’s e-commerce agenda and digital transformation.

The discussions intend to focus on the following priority areas;

- Stock take on Government departments, agencies and industry regulatory bodies have progressed in adopting e-commerce and digital transformation in their operations and improved clientele service delivery;
- Promote dialogue and identify central depository point for regulatory agencies to converge and create synergies and work towards achieving optimization of business processes; and
- Provide policy recommendation for Government’s consideration and action.

Speakers will come from key government departments and regulatory agencies, private sector, peak bodies, academia and industry experts for interactive exchanges or discussions.

Key outcomes will be shared with government for its due consideration.

Please contact us should you decide to join in these discussions.

YOU SAID IT... EMU HEREVA

Caller impressed that Head of IPA was able to take her call.

"I had no phone numbers to contact the IPA and I did not know whom to contact as I live outside of PNG. I was in Port Moresby and was boarding my flight in the next hour back to Australia and I urgently needed to get some advice on my company before I leave. I saw somewhere on the internet that Mr. Clarence Hoot is the head of the Organisation so I found the landline to IPA and called and raised my query to him.

I was very impressed that he was able to take my call and explain the required processes. For someone in his level to take a random call and make time available to give simple advice was something only humble leaders do and I am impressed with Mr. Hoot for that.

Brenda Kokiai



We have covered the globe and we're expanding.

PUBLICATION

The **Invest PNG** newsletter is produced by the Public Relations Team of the IPA.

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Raphael Momong: Graphic Designer

Do you have a general question about the regulatory side of running a business or have a query on investment promotion or Intellectual Property rights?

If so, email your question to: [click](mailto:beverlyp@ipa.gov.pg)

beverlyp@ipa.gov.pg

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

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