



IPA

Investment Promotion Authority

2014
ANNUAL REPORT



INVESTMENT PROMOTION AUTHORITY 2014 ANNUAL REPORT

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MINISTER'S FOREWORD



I am extremely pleased to write the foreword for the 2014 Annual Report for the Investment Promotion Authority (IPA). The IPA is an important statutory body under the Ministry of Trade, Commerce and Industry.

It is important to restate upfront, that the IPA was established to promote and facilitate investment into and within the country. This dualistic role is prescribed under its legislative mandate. It emphasizes not only a strong international role but an equally strong domestic role. The enabling legislation also covers a wide range of other legislative responsibilities such as registry services, foreign certification, securities, intellectual property, and accounting standards. I want mention only a few issues that I have personally taken an interest in under the IPA agenda for the year 2014.

When I was appointed to the Ministry in 2011 I initiated the 12 Point Stimulus Package for the Small to Medium Enterprise which our government approved and launched in November 2013. Two key initiatives in that list of 12 were the revised registry system, and the review and enactment of the new Companies Act and the Business Names Act. This year is the first full year of the operation of the Online Lodgment Registry System, which I launched in November 2013. Like all systems there is a teething phase but I am confident that the services will be improved. To compliment this effort I tabled to Parliament in February this year, the Companies Act 2014 and the Business Names Act 2014. These are two key legislations which provide the legislative basis for the online registry system. The tabling of the laws represents the conclusion of three years of review and consultations. The certification of the laws and the adoption of the Regulations have given the IPA the wherewithal to build and maintain a registry that is on par with the rest of the world. It will also capture the required revenues which will drive new initiatives for improvement for the future.

The Securities Commission of Papua New Guinea has been at a helm of a fast changing operating environment, and magnified growth in the capital markets. However, its legislative framework and institutional mechanisms have not changed since 1997. This year the IPA has been working hard to develop new laws to address these challeng-

es. These laws include the Securities Commission Bill, the Central Depository Bill, and the Capital Markets Bill, which underwent extensive consultations this year. I anticipate tabling those critical bills in the second half of 2015.

During the last twelve months I have had the privilege to lead a number of key trade and investment related initiatives within the Ministry of Trade, Commerce and Industry, which the Investment Promotion Authority ably participated in. As part of the MSG Trade Meetings, the IPA hosted the Heads of IPA Meetings, participated actively in the MSG Investment Symposium, the Economic Officials Meeting, the Trade Ministers' Meeting and the Trade and Investment Fair. We have together successfully injected much needed vibrancy in the MSG space, and only time will tell what kind of impact this vibrancy will have among the MSG countries.

One of the key priorities for the year was to commence some initial integration activities between the IRC and the IPA. This commenced with the placement of technical officers from the IRC to the IPA to work on ensuring that all newly registered entities could be immediately identified and their Tax Identification Numbers processed. It was an important piece of work which saw TIN coverage rose from 10% of newly registered entities to something in the order of 35-40% by the year end. This effort will be further strengthened in 2015 when business process analysis is conducted covering both the IPA and the IRC processes.

The IPA has challenges that it must address. It derives its operating funds from the regulatory services that it provides as part of administering the different piece of legislation under its mandate. Challenges of funding high quality programs and retention of staff and systems will one day come to a head if critical financial attention is not given to the Authority. I have challenged the IPA to look at its financing options from 2015 and beyond, and that every effort must be made to uncover new revenue heads.

Finally, I have been championing the Small to Medium Enterprise agenda. It aims to promote development of a competitive and sustainable SME sector by creating conducive environment for doing business and encourage entrepreneurialism and enterprising culture in Papua New Guinea. It will require the IPA's support to implement the changes in both policy and legislation. I anticipate also the regulatory landscape governing foreign investment in this country will consequentially change, and that the role of the IPA could actually be redefined.

I have been generally pleased with the achievements of the Investment Promotion Authority and look forward to further collaboration with the team in the year.

HONORABLE RICHARD N. MARU, OBE, BTECH, MBA, MP
Minister for Trade, Commerce and Industry

CHAIRMAN'S MESSAGE



On behalf of the Board, Management and Staff I am pleased to provide a short message on the 2014 IPA Annual Report.

The Board has been pleased with the performance of the IPA in 2014. The following key initiatives were completed during the year including the securing of the ware house, the pilot integration of the IPA and IRC registry processes, changes to the fee structure, final consultations of the new securities legislations, and the active involvement in the hosting of Melanesian Spearhead Group Meetings. The Board also approved and established the Board Audit Committee to ensure that our governance processes are active and in place.

Apart from those key accomplishments, perhaps the most important achievement for the year was the approval of the 2015-2017 Strategic Plan. The Board initiated and guided the development of the broad scope of the Strategic Plan. The Plan sets the focus and the intended key performance indicators for the next three years, and will be delivered through a set of annual work plans with clearly marked achievement targets and annual budgets for those activities.

The Board has been keenly aware of the government's priority intentions to address and develop small to medium enterprises, which is a direct intervention on employment creation, social stability and development of communities. The Board supports this intention and is looking at ways to address issues within our own control to ensure that the development bottlenecks for the SME sector are clearly

solved. In that regard, the Board has been working hard with the management to address registry constraints by resolving automation issues, and ensuring that resources are allocated to deal with those issues when they come up.

We are pleased to also report that the IPA financial audits are up to date and that the reports are unqualified. It reflects the intention of the Board to make the IPA an example of compliance, given that our regulatory role is to encourage compliance by companies and business entities. The Board in establishing the Board Audit Committee wanted to ensure that any accounting and governance issues are clearly addressed before they become big issues later.

In 2014 the Board received a set of recommendations and approved a new set of fees for the different services that the IPA provides to its clients. This action is crucial because given the Government's high priority budgetary attention to the growth enablers or health, education and infrastructure, service providers such as the IPA are being allocated budgetary support which does not quite meet the operational requirements of the Authority. Projecting forwards, the Board was concerned about the sustainability of our services within the medium term as well as the long term. The review of the revenue base gives us an important basis to sustain the Authority for the future, as well as to ensure that our deepening operational requirements, especially those brought about by technology development, can be seriously addressed through increased resources.

I would like to thank the Honorable Minister for Trade, Commerce and Industry for setting the general direction on the range of issues that he wanted to deal with this year. It is always important to the Board that the Minister's view is clear to us. I also would like to thank my fellow board members and the management team for making this a successful year. We look forward to a more fruitful working year in 2015.

LEON BUSKENS
Chairman



The Investment Promotion Authority is happy to present the 2014 Annual Report. We have been excited this year because of a number of key activities undertaken. We also brought a number of key activities to a conclusion especially those relating to the collaborative efforts with the International Finance Corporation (IFC). These include the passing of the Companies Act 2014 and the Business Names Act 2014 which headlined the conclusion of almost three years of work, consultations and drafting. The IFC provided valuable support throughout this process.

The IPA was also involved in with the Ministry of Trade, Commerce and Industry to successfully host the 2014 Melanesia Spearhead Group (MSG) meetings in the country. Specifically, the IPA hosted the Heads of the IPA Meeting in Port Moresby, and played key role in providing business contacts to the member MSG states. The success of the MSG week is captured in the Port Moresby Declaration, which sets the tone for a more vibrant MSG trade and investment landscape.

Following the launch of online lodgment facility on 24th November 2013, by the Minister for Trade, Commerce and Industry, we have moved the registry services to the future. It will only be a matter of time before the system takes on new capabilities to the improvement of basic registry, filing services and the compliance auditing. The switch on also offered renewed possibilities in cross referencing with important regulatory institutions such as the Internal Revenue Commission, therefore the integration between IRC and IPA is an important process and will form a major part of our work in 2015.

In other areas the Securities Commission consultations has been concluded in last quarter of 2014 on the three

different legislations, the Securities Commission Bill, the Capital Markets Bill and the Central Depository Bill. These bills will be tabled to Parliament by mid 2015. This is an important piece of work which is necessary to liberalise the securities market, and to also ensure that the regulatory structure and relevant institutional capacity is clearly strengthened as a direct response to prevailing administrative challenges in the securities space.

The IPA also maintains the core administrative, accounting and IT functions to support the overall conduct of business. While we seek to provide best practice options, budgetary constraint is always a limiting factor. However, the governance and financial performances are generally sound. We are also pleased to report that the financial audit is up to date and that any general audit issues raised have been raised and addressed by the management accordingly. It is a requirement that we continue to deliver services to our registry client and that as much as possible promotional support is given to our clients. These services are now being delivered both at the Port Moresby Offices as well as Mt. Hagen, Lae, Rabaul and Bougainville. Those offices perform the tasks of being the extra front counters. After the launch of the online lodgment project the offices will likely perform the tasks of kiosks to help facilitate registries using the on line lodgment capability.

I am indebted to the Office of the Minister and the Board for making it possible for me to continue my role as the Senior Official for Papua New Guinea in Asia Pacific Economic Cooperation (APEC). The co-opting arrangement put in place by the Department of Prime Minister and the National Executive Council requires continuous engagement and attention from the Senior Official. I am also indebted to the members of the senior management team for deputizing in the role of Managing Director which allows me to focus time and energy on the APEC work track as and when required.

I wish to thank the Board, Management and staff of the Authority for their support and hard work in making the year 2014 a very successful year. I also look forward to another successful year in 2015. I now commend the rest of the 2014 IPA Annual Report to our stakeholders.

Thank you.

IVAN POMALEU, OBE
Managing Director

The IPA is run by a Board which comprises of representatives from the industry bodies, peak bodies including Chamber of Commerce, other nominees and ex-officios from the key government departments of Treasury and Trade, Commerce and Industry. The composition of the Board is mandated under the Investment Promotion Act 1992 which prescribe that 70% private sector and 30% government representation. Each of the Board Member brings with them wealth of experience and broad understanding of the operations of the business environment in the national and global economy.

The IPA Board

(a) *The Role and Responsibility of the Board*

The core responsibility of the Board is to provide strategic oversight to the operations of IPA and provide guidance to management in the running of the Authority.

The Management of the Authority is responsible to the Board in ensuring that decisions made by the Board are duly implemented. It is the duty of the Management to appraise the Board on the implementation status of key strategies deployed annually to achieve the strategic goals of the Authority. The Board provides guidance to the Management and oversight of the operations of the Authority.

(b) *Meetings of the Board*

The IPA Board meets every quarter annually to deliberate on the important issues concerning the Authority. Refer to the Appendices for the number of meetings attended by members. As required under Section 15 of the IP Act 1992, a quorum of five (5) members is required for a board meeting to be conducted. All meetings convened in 2014 have been minute, signed and sealed and are kept on record for future references.

(c) *Disclosure of Interest*

Under Section 16 of the IP Act 1992, all Board Members are required to disclose any direct or indirect interest in a matter being considered prior to deliberation and the disclosure is recorded in the Minutes of the Board. A complete interest register for all the Board Members is appended for reference.

(d) *Committees of the Board*

Committees of the Board have been established in the past under Section 17 of the IP Act. In 2014 only the Audit Committee was established.

The Executive Service Unit (ESU) fosters and maintains executive leadership focus to support the Board's formulation of policy, governance, and fiduciary initiatives and to proactively engage the management team in the delivery of the mandates enshrined in law and corporate strategies and work plans. The ESU comprises the Managing Director, Executive Officer, Economic Policy Officer, Executive Secretary and the Executive Driver.

The ESU continues to provide executive leadership on the operations of the IPA. Notable roles have been in providing advisory, policy and administration of the different business units on a day to day basis. It does so by coordinating and supporting eleven (11) Senior Managements Meetings, four (4) IPA Quarterly Board Meetings, and have achieved important outcomes against various scheduled activities for it as well as the different business units.

Notable achievements Executive Services Unit coordinated and supported well to achieved and want to mentioned are the three impact projects per the Governments Agenda particularly the:- (1) Companies and Business Name Acts (Amendments), (2) the Securities Act Reforms (a)-Securities Commission Bill 2014; (b)-Capital Market Bill 2014; and (c)-Central Depositories Bill 2014) and the (3) IPA Warehouse Projects.

IPA Strategic Plan 2014 – 2017

The IPA Strategic Plan 2015-2017 document is in its final stages of being endorsed by the Board for use in 2015. Since the first Quarter of 2014 work-in-progress has led to various Management meetings and held workshops with the IPA Management on 18th July 2014 at Lamana Hotel and the IPA Board on 8th October 2014 at Grand Papua. The management's fruitful engagement with the Board during the course of developing and crafting the Strategic Plan allowed the management to appreciate the Board's position on a number of very vital matters such as efficiency gains and the whole thinking relating to SME development.

The new IPA Strategic Plan 2015 – 2017 will set a new direction for the Investment Promotion Authority. A number of key considerations form the bases that includes; the post LNG export economy, the outsourced services, new political thinking and the SME Development and the developments and recognizing the potential of online lodgment capability that the IPA now has.

APEC Engagements

The Managing Director is also the APEC Senior Official for Papua New Guinea since 2012. In that role he leads the Papua New Guinea Delegation on all APEC engagements in 2014. The PNG engagement for APEC in China has been significant and our leadership of the APEC process has resulted in a more deepening engagement experienced for the Papua New Guinea delegation in the China year in 2014.

A. INVESTOR SERVICING AND PROMOTION DIVISION (ISPD)

A.1 Investment Promotion Unit

The Investment Promotion Unit is responsible for the effective facilitation and promotion of investment into the country including aftercare and policy advocacy.

A.1.1 Profiling: Project Profiling and Investment Guidebook

The profiling exercise is a program aimed at collecting and updating investment related information/data. This is an ongoing activity.

The Authority through the Investment Unit produced and printed the Project Profile Booklet containing over twenty-five (25) projects for promotion purposes.

The Investment Unit also produced the Papua New Guinea Investment Guidebook in partnership with the Japan International Cooperation Agency (JICA) and published it in English and Japanese. The booklet provides key information and an insight for prospective investors willing to expand their investment portfolio or explore available investment opportunities in PNG and is targeted at the Japanese Market.

A.1.2 Investment Promotion and Facilitation

The Authority through the Investment Unit facilitated over hundred (100) investment queries during the year 2014. The main sectors of interest are: fisheries, real estate and housing, gas downstream, infrastructure including energy infrastructure and ICT, banking and financial services, transportation including shipping and sea transport and tourism. Over Twenty (20) inward fact-finding and outward missions were facilitated where investment in Papua New Guinea was promoted and business environment update and investment opportunities were presented. Among others it includes;

- Spanish Business Delegation in Papua New Guinea
- Korea Trade & Investment Fair in Papua New Guinea
- Taiwan Trade & Investment Mission in Papua New Guinea
- Investment Seminar in Japan
- Japan Business Breakfast in Papua New Guinea
- NZ Trade & Investment Mission in Papua New Guinea

Based on these efforts fifteen (15) companies were registered/incorporated and two (2) companies were issued foreign enterprise certificates while others are either in the process of applying or have submitted their application for foreign enterprise certification.

A.1.3 Policy Advocacy

A.1.3.1 Investment Promotion & Protection Agreements

There was no progress in the negotiation of IPPAs with Solomon Island, Republic of South Korea. The PNG-Japan IPPA Joint Committee was launched in Port Moresby on 8 December 2014, as a headline event witnessed by the Prime Ministers of Papua New Guinea and Japan.

There are other outstanding IPPAs with countries such as Malaysia, Thailand, Philippines, India, New Zealand and Fiji.

A.1.3.2 APEC and APEC Investment Expert Group

The Authority, through the Managing Director's Office and the Investor Servicing & Promotion Division continues to actively participate and contribute in the APEC process. Through attendance of APEC meetings including chairing and attending the APEC Investment Expert Group (IEG) meetings and related dialogues and workshops and involved in the implementation of meeting decisions/resolutions and follow up activities. Some of the meetings and workshops participated and/or facilitated are as follows:

- Corporate Social Responsibility workshop in Santiago, Chile from 08-09 May 2014.
- Public Private Dialogue on Infrastructure Investment through PPP (on 13 August).
- APEC Ease of Doing Business Stock take Workshop (on 15-16 August).
- US-APEC Technical Assistance to Advance Regional Integration (US-ATAARI) Workshop held in Port Moresby from 19-20 November 2014.
- The National Organizing Committee for the APEC 48th Energy Working Group meeting which was held in Port Moresby from 17-22 November 2014.

A.1.3.3 MSG

The Authority was part of the National Organising Committee for the MSG meeting which was held in Port Moresby from 18-29 November 2014.

The IPA actively participated and also provided financial and technical assistance to the MSGS and the PNG National Organising Committee. This included attending and participating in the Heads of IPA and Industry Officials Meeting, Technical Working Group on Trade in Goods and Services, Trade and Economic Officials Meeting, Workshop on Preparing for International Trade Shows, the Trade Ministers Meeting and the MSG Investment Symposium and Trade Fair.

The MSG Investment and Trade Fair concluded with the Port Moresby Declaration made on 26 November 2014 which among other things renewed commitment on the following:

- i) Concluding MSGTA3 negotiations on Goods and Services by 2015;
- ii) Concluding Double Tax Treaties and IPPAs by December 2017;

- iii) Mapping out a clear private sector development strategy by 2015;
- iv) Fostering Investment Road shows as a means to enhancing business to business linkages;
- v) Supporting the work of the Finance Ministers and Central Bank Governors and CEOs of Pension and Provident Funds on the establishment of a Development and Investment Fund and Emergency Stabilization Fund.

A.1.4 Networking Partnerships

Networking partnership with the public and private sector organisations both domestic and regionally, have been ongoing throughout the year. These also include donor funding agencies, investment promotion agencies abroad, business council, chamber of commerce, government departments and agencies, PNG Foreign Mission abroad, the Diplomatic Corp in the country.

A.1.5 Investor Aftercare

During the year, we provided investor aftercare work for some companies already investing in PNG. The aftercare service work included getting companies (particularly resource owners' companies and foreign enterprises) to register and apply for foreign certification, explore options for foreign certification compliance, attending to complaint and resolving conflicts between partners. Some of the key issues noted in our work are then raised at the government inter-agency forums, our private sector partners, and other networking partners as mentioned before for discussion and/or resolving.

For instance, the IPA coordinates the participation of the private sector at various forums (e.g. business luncheons, seminars, workshops, summits, investment missions etc.), during official visits of leaders and dignitaries to PNG and/or from PNG to others countries as part of its aftercare work.

B MARKETING & EXPORT PROMOTIONS UNIT (MEPU)

1 Business Development Programs

1.1 Exporter/Importer Enquiries

The Marketing & Export Promotion (MEP) Unit continued to handle general trade queries on a daily basis from both the domestic and international markets. In 2014, the agriculture and manufacturing sectors made up for forty percent (40%) of the queries, whilst the other sixty percent (60%) composed of other sectors such as forestry, fisheries and the service sectors. Import queries received were predominantly consumables and were referred to appropriate organizations/companies in the private sector.

Other queries included the facilitation of requests from PNG Diplomatic Missions abroad and from foreign mis-

sions in the country and from networking partners regionally and sub-regionally. Notable to this process has been the quality of enquiries that are being handled particularly in the agriculture sector with relation to down-stream processing, farm-gate to branded shelf product in the coffee and cocoa sector which has being very positive in terms of real trade and export outcomes.

1.2 5th Edition of the PNG Exporters Directory

The 2015–2016 Exporters Directory project commenced in 2013 and continued throughout 2014. Due to manpower shortage and implementation of other priority projects, the project completion was delayed although 90 percentage of the work is completed. The 2015–2016 Exporters Directory is envisaged to be completed and circulated by the end of February 2015.

2. EXPORT PROMOTION PROGRAM

2.1 Trade Pasifika 2014 (Suva, Fiji Islands)

In partnership with the Pacific Islands Private Sector Organization (PIPSO), the IPA facilitated the participation of seven (7) PNG small to medium companies to this bi-annual trade event in August 2014. Participants were fully funded by PIPSO and the following are the outcomes:

1. Markets were identified for selected products from PNG in the tourism, rubber and aquaculture and coffee sectors;
2. Information on funding opportunities to expand businesses were identified and obtained; and
3. Information on further enhancement of businesses were identified.

2.2 Cocoa Buying fact finding Mission to PNG

The IPA in conjunction with the Momase Regional Cocoa Board Office in Madang facilitated a Buyers Visit to PNG from representatives of chocolate manufacturing companies based in the United States namely Meridian Cacao Company and Dandelion Chocolate from 10-12 April 2014.

The objective of this visit was to establish relationship with local cocoa growers/cooperatives and exporters and raise awareness on the importance of quality cocoa beans for the niche or high end market.

The team established dialogue with a cooperative that sent cocoa samples to the United States to test for quality and continue working with the cooperative to achieve the desired results and increase its export volume.

2.3 Fine Food Fair (Melbourne, Australia)

PNG was represented by Vitis Industries Ltd who participated at the event from 15–18 September 2014. This proved successful for the company who identified opportunities for their product and export enhancement program.

2.4 Coffee Expo (Seoul, Korea)

The PNG Coffee Industry Corporation and IPA participated at the above event held from 10–13 April 2014, in Seoul, South Korea (ROK). The IPA coordinated PNG's participation in partnership with the PNG Embassy in Seoul, South Korea and the Coffee Industry Corporation. Out of this project, two (2) Korean Coffee Importing Companies are now looking at importing PNG coffee to ROK.

2.4 International Coffee Show 2014 (Seoul, Korea)

The IPA facilitated and assisted an exporter to attend this show from 8–10 August, 2014. Through the IPA's network the organizers provided free booths for our exporter.

3. NETWORKING PARTNERSHIPS AND LINKAGES

3.1 JICA Capacity Building Training Program for Coffee Industry in Japan

The IPA, through the MEP Unit, continued facilitating the coffee industry's participation in the 2014 "Capacity Building Training Program" by the Japanese International Cooperation Agreement (JICA). To date, IPA has facilitated the coffee industries' participation on this program for three (3) consecutive years.

3.2 Networking Partner In-country visit to PNG

The MEP Unit facilitated an in-country visit in by key networking partner – the Pacific Island Trade and Invest (PITI) based in Sydney and Auckland to meet with PNG exporters and get an appreciation of their current exports and possible entry into the Australian and New Zealand markets. The PITI team met with exporters and government regulators in the fisheries, agriculture (coffee, and cocoa) and manufacturing sector to Goroka and Madang Provinces respectively.

3.3 Inaugural Pacific Pathway to Marketing Workshop – Fiji Islands

The first Pacific Path to Market workshop was held in the Fiji Islands in April 2014 which was coordinated and delivered by the Pacific Islands Trade & Invest (PITI) network. The IPA through the MEP Unit was represented at this event to participate and at the same time understudy this program for the possibility of conducting a replica of this workshop in PNG.

3.4 Pacific Path to Market Workshop (Lae, Morobe Province)

In conjunction with the PITI network, a two (2) day workshop was held in Lae, Morobe Province from the 6-7 October 2014. The aim of the workshop is part of the PIT&I's efforts in capacity building and strengthening the export sector in the Pacific region, with focus on how to approach the market, international market requirements and brand development and positioning.

3.5 Export Pacific–EU Market Workshop (Lae, Morobe Province)

The Export Pacific-EU Market workshop was held on 8th October 2014 in Lae. This program is an initiative of the Center for the Promotion of Imports from developing countries of the Netherlands (CBI) in conjunction with the PITI-Geneva and the IPA.

This program is part of the CBI's Food Ingredients Program-Europe with the overall objective to position the food ingredients sector of South East Asia and the Pacific in the European market. For PNG, the objectives were to increase PNG's food ingredients to the EU market and to enhance export facilitation capacity within PNG trade, business and industry support organizations.

3.6 Private Sector Development - Coffee Buyer Mentor Seminar

In collaboration with PITI-Geneva, the IPA successfully nominated and facilitated the participation of a female PNG Coffee Exporter at the Coffee Buyer Mentor Group Seminar (BMG) in Seattle, Washington from 24-27 April 2014. This program included a presentation on PNG Coffee to world coffee participants and potential importers of coffee. There has been immense interest generated and a first shipment of PNG coffee exported to the US was sent early this year. Furthermore, the company was able to obtain its export license from the Coffee Industry Corporation; a first for women entrepreneurs in the coffee industry.

3.7 Private Sector Development - US Leadership Mentor workshop

In collaboration with the US Embassy in PNG, IPA successfully facilitated participation of a female entrepreneur in another private sector training program, the Changing Faces Women's Leadership Seminar held in Honolulu and Maui in Hawaii from July 14-26, 2014 under the theme "Women as Innovators and Entrepreneurs: Generating Job Creation and Strengthening Communities". This capacity building training program is an initiative of the US Embassy in PNG.

3.8 Pacific Islands Trade & Invest-New Zealand (Job Attachment Program)

In partnership with the Pacific Islands Trade & Invest Office in New Zealand (PITI-NZ), a IPA Senior Marketing Officer was seconded on a six (6) weeks training program from July-August 2014 in Auckland. This initiative by PITI-NZ was a very strategic training program with focused on research in the New Zealand Food and Beverages Market with the intention to develop PNG's food and beverages industry to enter this potential market.

3.9 Salon International de l'Alimentation (SIAL) (Paris, France)

PNG was represented at this event in November 2014 by the Coffee Industry Corporation and a manufacturing com-

pany at the Salon International de l'Alimentation (SIAL) Paris, which is a biennial food exhibition.

C. PUBLIC RELATIONS UNIT

The following is the report of the activities undertaken by the Public Relations (PR) Unit in 2014.

1. Website

1.1 Updating of website

Since the redesigning of the website to host the Online CORE system, the inputting of data in the CMS site has been ongoing. The new look IPA website went live on 15th November 2013, one week before the Online Registry System went live replacing the old Mambo system. A system has also been developed to monitor the number of people visiting the site, date and time of visit, what pages they are visiting and the place they log in from. As of December 2014, hits were at 18, 923,101.

The table graphs below depict monthly statistics on flow of traffic into the site for 2014.

No	Country	Page Visited	Page Visited
1	PNG	20 919	41663
2	Australia	1990	8270
3	Germany	507	909
4	European Country	389	402
5	New Zealand	280	1253
6	Commercial	2425	6821
7	China	267	292
8	Indonesia	141	212
9	Unknown Local	98389	176008
10	others		

Table showing visitors domains/ countries having access to the website

Visitors domains/countries				
Domains/Countries	Pages	Hits	Bandwidth	
Unknown local	98,389	176,008	1.78 GB	
Unknown ip	58,324	208,587	3.40 GB	
Unknown internal	23,579	23,579	1.07 GB	
Papua New Guinea pg	20,919	41,663	769.00 MB	
Network net	2,725	10,853	392.49 MB	
Commercial com	2,425	6,821	484.94 MB	
Australia au	1,990	8,270	299.27 MB	
Germany de	507	909	58.92 MB	
European country eu	389	402	41.91 MB	
New Zealand nz	280	1,253	41.86 MB	
China cn	267	292	10.74 MB	
Indonesia id	141	212	2.11 MB	
Unknown network	61	339	8.77 MB	
Singapore sg	50	592	19.83 MB	
Philippines ph	35	130	2.73 MB	
Fiji fj	34	246	34.12 MB	
Russian Federation ru	23	247	8.50 MB	
Japan jp	23	133	4.49 MB	
Tuvalu tv	22	101	907.81 KB	
Czech Republic cz	18	27	902.65 KB	
Cambodia kh	13	69	2.16 MB	
Italy it	8	129	6.28 MB	
Egypt eg	8	84	1.99 MB	
India in	8	130	6.46 MB	
Thailand th	8	52	879.44 KB	
Belgium be	8	126	4.38 MB	
Tonga to	7	8	58.05 KB	

2. E-newsletter

Due to the shortage of manpower, the Unit only produced two (2) newsletters in 2014.

3. Communications Strategy

The awareness activities undertaken in 2014 mostly on the new legislation pertaining the Companies Act, Business Names Act and the acceptance of the Annual returns.

Mostly awareness campaign for the Business Name Act and Company Name Act has been conducted successfully, other information on acceptance of the Annual Return and other has also been completed and is in operation. Different means or method of disseminating information were mostly through press conference, went on life at FM radios and commercials, through news paper articles, print advertisement and billboards. All medium used in communicating to the clients incur costing of K230,483.82

4. New IPA DVD

The new IPA DVD was completed in 2014. It focuses on the Ease of Doing Business in PNG and leads with sectoral updates, especially on the main economic sectors and the incentives they provide. From the updates, it leads on to the changes that the Government and the IPA are doing in terms of making it easier to do business in the country. All these scenes point audiences to the Online Registry System. The DVD is intended to be used as a promotional tool to compliment presentations in conferences and seminars overseas or to investors visiting the country. The mass production of the DVD will be done by the Papua New Guinea Embassy in Beijing, China in 2015.

5. 2015 Pacific Games PR Sub Committee

The PR Unit continued with the roll out of updates for the 2015 Pacific Games using the Authority's in-house mediums. In 2014, the notable activities that were carried out under this program included the inclusion of Tura the Games official mascot during the World Intellectual Property Day in April 2014. Other activities carried out under this program included, the circulation of the PNG Games newsletter, the distribution of Games merchandises to IPA board members and the ongoing participation in the Games PR Committee meetings.

6. Australia Papua New Guinea Business Council Forum and Trade Expo

The IPA co-sponsored the exhibition component of the 30th APNGBC Forum and Trade Expo with Austrade which was held from 18-20 May 2014. The IPA through the Investor Servicing & Promotion Division and the Managing Director's Office participated by staging a booth and officiating at the Opening of the Trade Exposition and presenting a paper on "Reforming the Delivery of Papua New Guinea Public Services."

D. RESEARCH AND INFORMATION UNIT

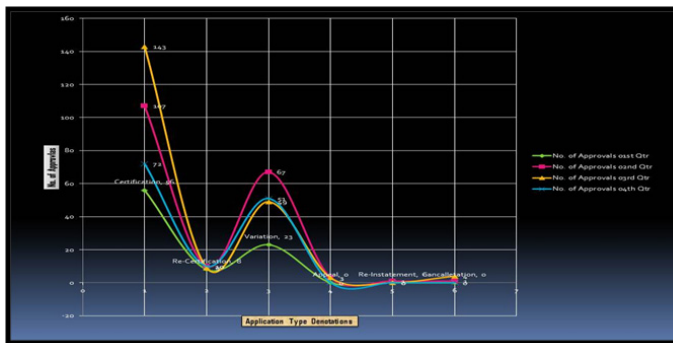
The Research and Information Unit Maintains Certification Database annually to capture prospect of Foreign Direct Investment as a subset of aggregate FDIs into PNG.

1. FOREIGN DIRECT INVESTMENT: CERTIFICATION DATABASE COMPONENT

From the database maintained by the unit ending November 2014, the following highlights subject to the approval by application type.

Application Types	No. of Approvals				Total
	01st Qtr	02nd Qtr	03rd Qtr	04th Qtr	
Certification	56	107	143	72	378
Re-Certification	8	10	9	10	37
Variation	23	67	49	51	190
Appeal	0	3	3	0	6
Re-Instatement	0	1	0	0	1
Cancellation	0	1	4	0	5

The trend for each application type is subject to the yearly quarters as presented in the following graph:



FDIs Certification as in the given graph:

- Total certification of new investors – 337 invested in various industries.
- Total variations of 190 existing investors have either, exited, expanded or extended their business venture.
- Total of 5 cancellations indicates that 5 existing investors exited the PNG FDI market from respective sectors and industries.
- Total appeal is 6, implying that 6 certified investors penalized by the Authority appealed against their penalty.

1.2 PROVINCIAL SURVEY & SPOT INSPECTION

The Lae Survey and Spot Inspection Report has been completed and received from the IPA Lae office. Despite the quality of the report there were very few companies reported for compliances purposes. In 2014, a MOU was drafted and dialogue established with the Madang Provincial Government to carry out Madang Provincial Survey in 2015.

C INTELLECTUAL PROPERTY OFFICE OF PNG (IPOPNG)

The Intellectual Property Office continue to perform its legislative functions in the registration of IP rights particularly trademarks, patents and industrial design, except for copyrights which law provides for automatic protection.

Intellectual Properties plays an important role in enhancing society and our primary function to provide an avenue for protection to the investors who seek intellectual proper-

ty (IP) protection in Papua New Guinea and which allows them enforce their rights over their IP. This office continues to play that vital role apart from other ongoing programs under its work programs.

Summary of Program outcomes

The key priority areas for 2014 are clearly spelt under the program that the office has successfully worked against.

1.0 Programs:

In summary, this year the office had listed in terms of priority programs. Also comparison and contrasts are made within its programs. Below are programs to achieve;

i) National IP Plan

The National IP Plan is yet to be completed and adopted. This program is a priority for 2015.

ii) IP law amendments

Intellectual Property Law amendments have taken a slow progress but with the recent lawyer recruited we have progressed with the Copyrights law amendments. This program will continue in 2015 and a schedule has been drafted for each of the amendments to the respective laws.

iii) TM Fee Increases

In 2014, the IPO Team reviewed its fee and undertook a process of realistically identifying the costs incurred in terms of processing application. The fees have been approved by the Board and the submission will go to the National Executive Council for approving and implementation in 2015.

iv) Awareness/World IP Day 26 April

Awareness continues to be a challenge but the office is now consistently celebrating World IP Day which falls on 26 April of each year.

v) WIPO Training of Trainers (TOT) Program on Effective Intellectual Property Asset Management for SMEs.

In November 2014, the IPOPNG in collaboration with the World Intellectual Property Organization held a national workshop on the above theme for SMEs. The Workshop was intended to create a critical mass of trainers in the country with the basic knowledge, skills and experience to provide preliminary IP assistance to students, entrepreneurs and micro or small and medium sized enterprises on effective intellectual property asset management. We need to enhance the competitiveness and sustainability of the SMEs in the domestic and international markets through IP development. About 37 participants responded to our invitation to attend the program. The program engaged three international speakers from WIPO, National University of Singapore and a private firm from Opteon.

vi) Staff Development

IPO continues to up skill staff through external training. In 2014, three staff namely Dwain Tabara, Samson Kandata and Dickson Vali undertook DL101 Course on Intellectual Property through WIPO Academy online and successfully completed the course and were awarded certificates. Mr. Henry Harre undertook a certificate in IT Information Studies through TAFE. Ms. Lorna Baida undertook a Masters in IP at the University of Turin Italy 2014 and is about to complete her studies with the submission of her thesis by end of February 2015.

A TRADEMARKS

The Trade Mark Unit received a total of 476 documents in 2014, the bulk of which are Form 4 and searches. It also recorded 57 registrations and 72 associations for the year. The total number of new trade mark applications files in the years 2013 and 2014 by different countries has increased. Most Applications received are from the Oceanic countries and the United States of America basically pertaining classes for science and edible items, cigarettes and business.

Generally, the key documents filed are registration, new applications, and renewals which also remain the key income sources for Trademarks Section. Other documents received and are attended to on a regular basis are Extracts and new trade mark applications.

B. PATENTS AND INDUSTRIAL DESIGNS

This year has proven to be both successful and challenging with slight changes in applications and income generation. Despite certain constraints and impediments the office continues to maintain its operations using its allocated resources. Manual lodgment of patent would need to be improved. Trademarks and industrial design have accelerated with improvement in the use of IPAS and growing capacity.

PATENT APPLICATION LODGEMENTS

1.1 Patent First Quarter Report (01 January 2014 – 28 November 2014)

Patent application and lodgment is a multiyear process. From 2002 to 2014, a total number of 540 patent applications were filled with the office. This year alone had a total of 44 patent applications received. Amongst the 540 patent application filed, 80 has been withdrawn, 2 has been refused 13 has lapsed due to non renewal leaving only 445 active applications on our records.

The chart below illustrates a recent progressive report, as at 28th November 2014, of the total number of applications being processed and pending further actions subject to client responses. This is a drastic increase in the number of applications for processing even though formality check and examination remains a bottle neck.

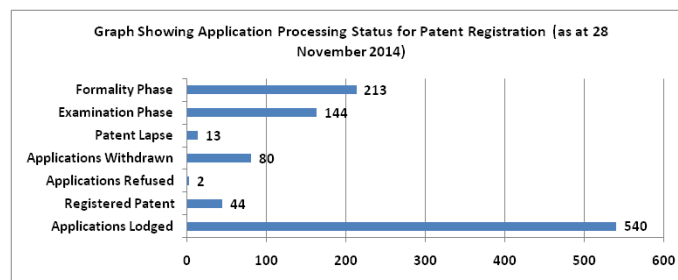
The chart below illustrates a recent progressive report, as at 28th November 2014, of the total number of applications

By 28th November 2014, applications from 2002 to 2004 have all been completely processed and thus no further processing is required other than renewal of issued patents by applicants. From 2005 to 2007 we currently have in total 11 applications undergoing examination prosecution which includes formal examination, substantive examination, acceptance recommendation and payment of registration fees. We still have bulk of the applications for examination from 2008 to 2012 pending. The applications received in 2013 and 2014 are currently allowed remaining for 18 months prior to commencement of examination phase.

See table 1 below which provides information on status of applications

	Applications Lodged	Registered Patent	Applications Refused	Applications Withdrawn	Patent Lapse	Examination Phase	Formality Phase
2002	1	0	0	1	0	0	0
2003	1	1	0	1	1	0	0
2004	1	1	0	1	1	0	0
2005	1	1	0	1	1	1	0
2006	1	1	0	1	1	1	0
2007	1	1	1	1	1	1	0
2008	1	1	0	1	0	1	1
2009	1	1	0	1	0	1	1
2010	1	1	0	1	0	1	1
2011	1	1	0	1	0	1	1
2012	1	1	0	1	0	1	1
2013	1	1	0	1	0	1	1
2014	1	1	0	1	0	1	1
TOTAL	540	540	2	80	13	144	213

Figure 2 Showing Processing Status of Applications Currently in Office



LODGEMENT HISTORY – Past to Present

There has been a steady increase in patent application since 2002, but this increase rate drop from 2012 to record a low 44 in 2014.

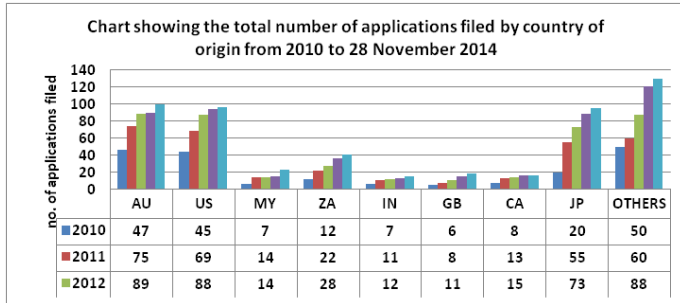
Most of these applications received have been processed pending responses while others have been withdrawn or lapsed due to non-renewal of applications and others have been refused grant of patent in Papua New Guinea.

Ninety percent of these applications filed from 2002 to 2014 are from international applicants most of whom are major companies in the mining and petroleum industries who reside and conduct business in the US, Australia and Japan.

From the below chart, a notable trend can be identified where there is a continuous increase in filings from the said developed countries. This is believed to be the result of increase in investment into Papua New Guinea from these 3 major industrial economies.

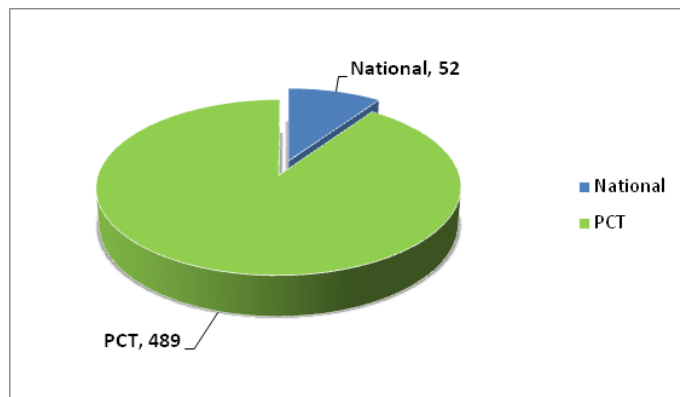
Since 2010 there has been a steady increase in filing from Australia, US and Japan followed by other countries those can be seen on the graph. It has increase due to exploration of oil, gas, gold copper and other mineral resources. The pattern still continues in 2014.

Column Graph 1: Showing the total number of applications filed by applicant's country of residence



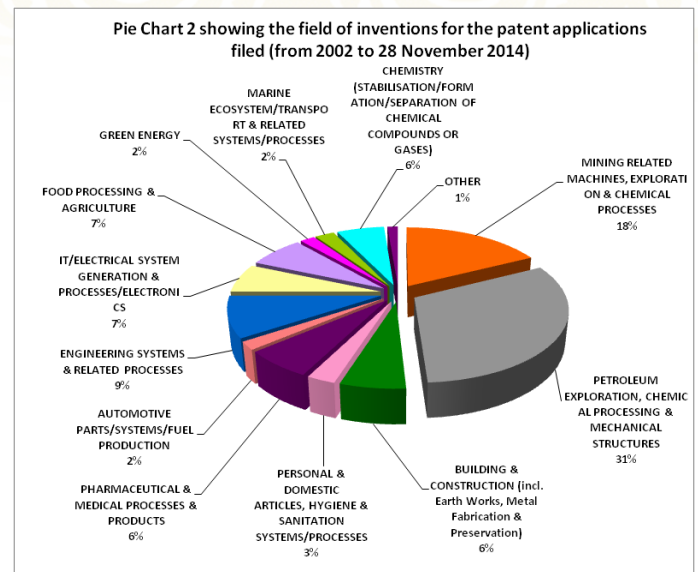
In addition to the business origin of applicants, since IPO-PNG acceded on behalf of PNG to the Patent Cooperation Treaty agreement in 2004, the number of PCT applications from the world over as illustrated in column graph 1 have fully utilized the treaty to file applications with the office. Most of these applications filed were mainly due to the increase in business investment within the country. A typical example being the ongoing LNG project and the continuous increase in explorations by investors for both mining and petroleum resources in PNG.

Pie Chart 1: Showing the total number of application types filed with IPO-PNG for since 2002



The surge in applications lodged is related to the LNG project. This application trend commenced in 2010 where more than 50% of applications lodged annually was related to the LNG project. Another 30% was related to Mining and 20% related to other fields of technology. Since 2002, the office has seen a trend in the filing of applications where most applications filed are related to the processes involved in extracting mineral ores and the liquefying of natural gas. This is further demonstrated in the below pie chart.

Pie Chart 2: Shows the available field of inventions where patent applications have been filed in, with IPO-PNG



INDUSTRIAL DESIGNS APPLICATION LODGEMENT

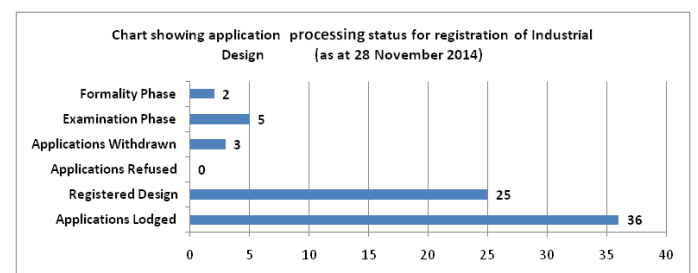
Industrial Design application lodgments in 2014 still remain low with only 1 application filed thus far. Unlike patents, industrial design file applications have no particular trend, however, majority of the applications are related to the exterior design and style of bottles and packaging containers such as that for cigarettes.

Linear graph 2: Showing the total number of industrial design applications filed by year



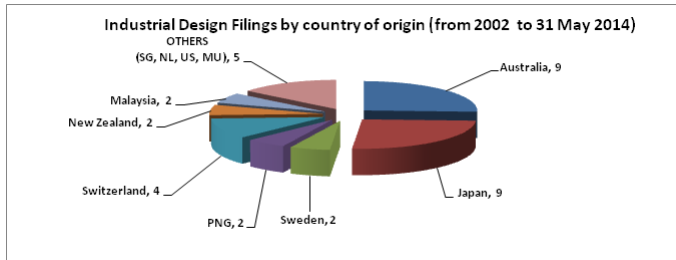
For Industrial Design applications, from all applications received since 2003, most have been granted while less than 5 are in examination phase and 2 in formality phase. Unlike patent, a notable fact can be identified that processing almost 80 of applications that have been filed have proceeded to grant while others are pending communication with applicants for examination purpose of processing.

Bar Chart 2 Showing processing status of applications currently in office



Industrial Design applications filing by country of origin of the applicants illustrates that most of the applicants reside and conduct business in Japan and Australia. Considering that the office has not received any new application for industrial design.

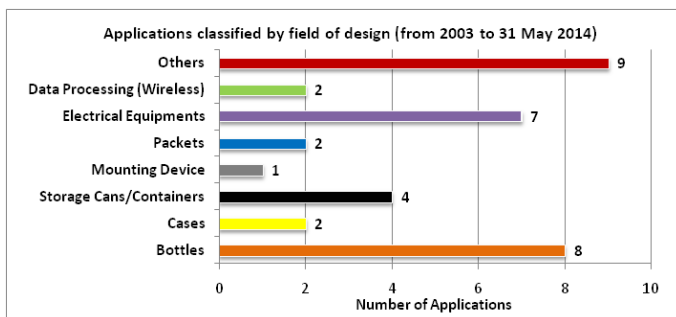
Pie Chart 3 Showing the total number of industrial design applications filed by applicant's country of origin.



If an application is filed by a foreigner, the application is considered as a national file and not international. This is because IPOPNG has not acceded to the Hague Agreement which governs the international filing of industrial design applications as in the case for PCT for patent applications.

Based on the existing file records of patent applications, most of the industrial design applications filed, as mentioned earlier, relate to the aesthetic appearance of bottles. While others range from electrical equipments to storage cans or containers as shown in the bar graph below:

Bar Chart 3: Showing the total number of industrial design applications filed by field of design.



D BUSINESS REGISTRATION AND CERTIFICATION DIVISION (BRCD)

OFFICES AND FUNCTIONS IN THE DIVISION

The *Business Registrations & Certification Division* is the biggest of the five divisions within the Investment Promotion Authority. Within the division, there are three different offices which are established by different legislations. The Division also houses the Legal & Compliance Unit and the Foreign Certificate Secretariat under the *Investment Promotion Act 1992*. Except for the legal & compliance unit which provides legal services to all of IPA, each office performs very distinct regulatory functions. They are;

1. The **Office of the Registrar of Companies** established under the *Companies Act 1997* and which administers the powers and functions under the *Business Names Act and the Associations Incorporations Act*,
2. The **Office of Registrar of Incorporated Business Groups** established under the *Business Groups Incorporation Act*,
3. The secretariat of the **Accounting Standards Board** established under the *Companies Act 1997*,
4. The **Legal & Enforcement Unit** of the Investment Promotion Authority, and
5. **The Foreign Certifications Unit** which provides the secretariat to the Senior Certificate Management Committee and the IPA board.

DIVISIONAL MANAGEMENT AND STRUCTURE

The management of the Division is headed by the Director who is also the Registrar of Companies and assisted by two Deputy Registrar of Companies, the Executive Officer, Accounting Standard Board, and Manager Certification. Under the Authority's present structure, the Director of the Division holds the statutory appointed positions of Registrar of Companies and Registrar of Incorporated Business Groups, as well as the Chairman of the Accounting Standards Board.

FUNCTIONAL INDEPENDENCE OF STATUTORY OFFICES WITHIN IPA

The Investment Promotion Authority houses a number of statutory offices which have independence in the performance of their mandated statutory powers and functions. Accordingly, whilst mandated with the powers and functions under the Investment Promotion Act of 1992, the Authority also provided the administrative umbrella and management for the other statutory offices and functions. But in providing that umbrella, the Authority has also provided and maintained the environment for the various statutory offices and functions to maintain their independence on the functional decisions and actions. These arrangements and environment has worked out well largely due to the understanding and support from the Management and Board of the Authority.

WORK PROGRAMS AND ACTIVITIES

The divisional work programs in 2014 and previous years incorporated the number of different statutory functions carried within the division. Most of those programs and activities have been recurrent over the years except for new inclusions on the review of the *Companies Act 1997* & *Business Names Act 1972*, and the implementation of the online registry services.

Apart from normal operations, the work on the Review of the Companies Act 1997 and Business Names Act 1963 took precedence over other work programs. The implementation of the Online Register Service (ORS) and addressing with residual issues arising from the implementation of the ORS also took significant amount of time and resources of the Division.

KEY ELEMENTS OF THE 2014 WORK PROGRAM

Apart from recurrent work program, the Division has undertaken the following new projects in consultation with the board and management of the IPA.

i) The Companies Act & Business Names Act Review

The Authority embarked on the review of a number of legislations it administers, with the assistance of the IFC. The Review of the above Bills was completed and Parliament passed the Companies (Amendment) Act 2014 and Business Names 2014 on the 5th February 2014.

The Companies Regulation 2014 and Business Names Regulation 2014 have been approved by the National Executive Council in December 2014 and now currently before the First Legislative Council (FLC) for a Certificate of Compliance. It is expected that the new Regulations and the new fees will be implemented in April 2015.

ii) Online Facilities for Lodgment and Searches

The online lodgment project was completed in November 2013 and formally launched on the 29 November 2013. The 2014 financial year was the full year of operation under the new web base registry. Searches and printing of Extract and Certificates have been made available to the public free of charge.

Figure 2: Showing the number of visitors on the new Registry by the public in 2014.

Month	Unique visitors	Number of visits	Pages	Hits	Bandwidth
Jan 2014	5,673	16,760	572,184	1,340,024	30.59 GB
Feb 2014	5,410	17,673	580,664	1,500,074	37.74 GB
Mar 2014	5,905	19,740	682,603	1,717,751	34.64 GB
Apr 2014	5,487	19,330	488,185	1,457,181	21.22 GB
May 2014	5,868	21,990	628,801	1,748,749	26.38 GB
Jun 2014	5,612	20,039	601,083	1,569,041	26.32 GB
Jul 2014	6,935	22,156	651,814	1,688,522	24.74 GB
Aug 2014	5,478	20,311	615,633	1,631,222	29.65 GB
Sep 2014	5,698	20,776	648,925	1,725,105	33.56 GB
Oct 2014	5,859	24,038	856,783	2,123,478	43.86 GB
Nov 2014	4,819	20,277	815,460	1,940,035	37.09 GB
Dec 2014	1,641	4,781	210,326	481,919	8.57 GB
Total	64,385	227,871	7,352,461	18,923,101	354.35 GB

Data available indicates that many people still prefers the front counters to conduct their business. Only 3% of clients who conducted business with the Company Registry used the internet to conduct business, while 97% still prefers the physical counter services.

iii) New Registrations of business entities in 2014

The 2014 financial year has been full year under the new web base online registry. More emphasis has been placed on educating the general public in the use of the new web base system. However, the uptake by Papua New Guin-

eans to utilize the new system has been slow. As indicated elsewhere above, only 3 of clients used the web base online registry service which equates to 7% of all lodgment received within the same period.

During the same period, there was an average of 21.5% increase in all new business registration from 2013 financial year. The table below provides the details.

Table 1: Showing the comparative analysis of registration data before the 29 November 2013 and after 29 November 2013 and ending 31st December 2014.

Registry	Before go life	After Go Live	Difference	Percentage (%)
Companies	40243	45561	5318	7.70%
Business Names	65623	90909	25286	28%
Associations	5547	5988	441	7%
Business Groups	3564	3939	375	10%
Total	114977	146397	31420	21.5% average

iv. Companies Deregistration

No deregistration exercise of companies was conducted this year because of the Registrar's policy shift in 2012. Only few deregistration took place upon request by Companies through their Board and Shareholders' resolutions.

v. Work queues

The work queues have been managed to remain at a manageable level. Due to continue increases in lodgments, the challenge was to process the documents within a reasonable time to keep the queue lower and at the same time to satisfy client interest.

From a total queue of 9500 in January 2014, the queue was reduced to less than 2000 and has been managed at less than 2000 since then. To manage the queue, a total of 12 casuals were engaged to assist in processing the queue. While it is difficult to maintain queue at zero level, it has been managed to be kept at the lowest as possible.

vi. Scanning backlogs

As a result of continued increase in lodgment and processing, the scanning queue also increased significantly. The three scanners are fully utilized with two permanent staff and one casual officer dealing with scanning. The scanning queues are at manageable levels now.

OPERATIONAL CHALLENGES

There have been some set-backs and challenges that affected the implementation of work programs and activities. The following are challenges and issues that continue to be faced by the Registrar of Companies in the performance of his powers and functions.

i. The Registrar of Companies' powers and functions over assets of defunct companies

The Office of Registrar of Companies has not been able to fully perform its statutory powers and functions on the assets of defunct companies on reasons of capacity constraints. The office has dealt with only few cases and on ad hoc basis. There is a need for a policy framework to be put in place to complement the processes that are provided under Sections 372 & 373 of the Companies Act 1997.

ii. Register related disputes

(a) Disputes in resource landowner companies

Disputes in the board and management of companies owned by landowners from the resource sectors have been a major challenge for the Registrar. The Registrar sees that these issues will not go away overnight. A policy discussion paper is being prepared and will be circulated discussions in the 2015, with a view to formulate a specific legislation that will deal with resource owner issues.

(b) Other register related disputes

There has been an increase in the disputes of ownership of companies, and the composition of board and management between foreigners and Papua New Guinean business people. This dispute relates to break down on partnership ventures between Papua New Guineans and foreigners. This issue also raised significant legal issues and flaws within current legal framework. Many other matters with similar issues were referred to the National Court.

LEGAL & COMPLIANCE UNIT

The Legal Unit provides the legal services to the Registrar of Companies and all of the Investment Promotion Authority. The Unit is headed by a Deputy Registrar of Companies, who is a lawyer by profession. This report is an update on the functions of the Unit. The report basically covers the following key issues.

1. Status of Litigation matters;
2. Status of Investigation matters;
3. Status of matters relating to disputes within entities.

1.0 Status of Litigation matters

There has been an increase in the cases that the Unit attends to. The increase of cases is primarily for defense matters and as of this report; there are more than 45 cases. It must be noted at the outset that the majority of the defense matters relate to the functions of the Registrar of Companies as the record keeper. Most if not all of the matters accordingly deal with disputes of changes to records of company shareholders and directors. The Unit has realised this and is now working on a draft policy on how best to deal with such matters under the Companies Act requirements.

While it is the desire of the LCU to do more prosecution work, lack of man-power and budgetary constraints has always been a challenge.

2.0 Status of Investigations of Matters

Total matters under investigation now stands at 36. The details are as follows:

1. Breaches of the Investment Promotion Act – 24 (referred to LCU from BIFD)
2. Breaches of the Companies Act (illegal changes to records) - 12

3.0 Disputes within Companies

The disputes within companies, especially resource owner companies are a matter that concerns our office frequently. For the sake of the security of the records we keep and also to help investment within the country we have been actively involved to resolve some of these disputes. Currently, the Unit is dealing with over 10 cases involving disputed records.

It is intended that a working relationship would be developed with the Alternative Dispute Resolution Centre here in Port Moresby to assist the Unit in dealing with this matters. Initial discussions have already taken place with officers from the Centre and we hope to establish a way forward soon.

ACCOUNTING STANDARDS BOARD

1. INTRODUCTION

The Accounting Standards Board of Papua New Guinea (ASBPNG) was established in 2001 pursuant to Section 204 of the PNG Companies Act 1997. It is the responsible government institute mandated with the tasks of setting, adopting, revoking and amending of financial reporting standards (FRSs) within PNG. It also ensures to certain degree that relevant mechanisms are placed in the settings within the Companies Office so to assure subsequent compliance with those standards by reporting companies.

2. ASB STATUTORY OBLIGATION

The ASBPNG's statutory obligation included setting and amending of financial reporting standards as adopted by the International Accounting Standard Board (IASB). Its main function is to make considerations for adoption and/or revocation of IASs and IFRSs as accounting standards in the PNG. These statutory obligations including adoption and revocation of the international accounting standards.

3. EXEMPTIONS

Since 1 June 2012, 56 applications for exemptions from overseas companies have been received. Ten (10) applications were rejected and rested were issued with exemptions. To date 245 overseas companies issued with exemptions. The secretariat is expected to upload the exempted companies list on the ASB website upon conclusion of updating work. Exempted companies have also been granted ASBD 2 approvals as bonuses in addition to the allowed exemptions. All approved overseas companies that have been exempted are required as a condition under this exemption to provide supplementary notes indicating in PNG Kina value of total assets, total liabilities, net assets and profit or loss.

4. REPORTING CURRENCY APPROVALS

Companies with particular regards to locally incorporated subsidiaries of overseas companies are continuing to obtain approvals for reporting purposes under the ASBD2 wherein foreign currencies become their measurement and presentation currencies. To date 169 companies were granted approvals and hence report in currencies other than PNG Kina under the ASBD2. In this class of companies as well, the requirement is that they provide summary of total assets, total liabilities, net assets and profit or loss translated in Kina. We also anticipate to post the ASBD2 approved list on the ASB website as soon as updating work has been concluded.

5. ASB MEETINGS

The half yearly standard setting meetings have not been held all through the year or various reasons. As indicted in the background information the main precluding factor has been the absence of board members and therefore not being able collect a quorum at any one time for a physical meeting. The official meeting notices which were readily in order for issue were not sent out as expected by end of September. The Office of the ASB envisages issuing meeting notices by early next year (2015). A framework of agendas items for members are in place and we anticipated to be circulate within the membership network.

6. BOARD MEMBERSHIP

The current composition of the board membership requires a review. The current membership of the board are as follows:

	Member Name	Status	
1)	Mr. Alex Tongayu	Current	Chairman/Registrar of Companies (ex-officious member)
2)	Mr. Philip Nauga	Current	Deputy Chairman & Deputy Auditor General (ex-officious)
3)	Mr. Daniel Biti	Resigned	- Certified Practicing Accountants of PNG rep
4)	Dr. Ken Ngangan	Current	- Accountants Registration Board of PNG rep
5)	Mr. Stephen Beach	Current	- CPAPNG Accounting Standards Committee rep - PWC
6)	Mr. David Wardley	Resigned	- Independent member (rep for preparers/auditor) – KPMG in Port Moresby
7)	Mr. Paul Barber	Current	- Independent member (rep for preparers/auditor) – Deloitte Touche Tohmatsu in Port Moresby

7. NEW STANDARDS

Papua New Guinea has not adopted a new Accounting Standard since 2001. The International Accounting Standard Board has issued many new standards as a result of the 2008 Asian Financial Crisis. There is a need to reconvene the board and start adopting new accounting standards (AS) and financial reporting standards (FRS).

8. ISSUED DIRECTIVES

So far there have been only four (4) issued directives since 2001. In 2014 some work has been exerted around incorporating the all four pronouncements into one document apart from having them as separate documents so to aid easy reading and understanding.

9. INFORMATION ON WEBSITE

A reviewed of the information captured on the online database is out of date with particular regards to membership, list of exempted companies and list of companies approved to report in currencies other than Kina. It is noted that some people including scholars have raised concerns that the ASB online information does not provide much information that were needed for their various purposes. Assistance is being sought from the IT to allow the Office of the ASB to update these sets of information as and when there are changes that need updating.

10. NETWORKING & PARTNERSHIP

ASB acknowledges the need to establish and maintain a working relationship with other similar organization for numerous benefits. This professional and regulatory bodies in the country and the globe that deal with related issues including continued professional education and of course other reporting requirements which have some influence on the standard setting processes particularly in the premature levels before the pronouncements by the ASB-PNG.

11. STAFF CAPACITY

There are two fulltime staff as Executive Officer to the Board and his assistance. They manage the day to day affairs of the Accounting Standard Board Secretariat. They are also review audited financial report submitted by public companies are part its Annual Returns. There is a need to recruit one more extra staff.

BUSINESS CERTIFICATION

The Business Certification Unit is responsible for facilitating investments in Papua New Guinea in line with Section 28 of the Investment Promotion Act, 1992. This provision requires all foreign owned enterprises intending to carry on business in Papua New Guinea to be certified by this Authority before they proceed to conduct business in the country.

The Unit continued to perform the core function of administering the Certification process which involves appraising of applications by foreign enterprises to ensure that genuine investments are certified by the Investment Promotion Authority (IPA).

For most of the year personnel in the Unit consisted of three permanent Officers with two (2) casual staff recruited at various times during the second and third quarters of the year to provide assistance particularly due to the backlog of paper lodgments from the previous years.

In the last quarter of 2014, the Certification Unit ceased to accept paper lodgments at the front counter and encouraged clients to utilize the online registry system to lodge applications for foreign enterprises. At the period the Unit has been encouraging clients to submit their compliance reports (six monthly Terms and Conditions of Certification reports) using the online registry system.

One (1) Certification Management Committee meeting was convened in the year with fourteen (14) Circulars and three (3) Special Circulars. While there only one (1) meeting convened however the quantities of matters for consideration per the agendas were large. Circulars and Special Circulars outnumbered actual meetings convened were required due to a high level of urgent matters that required approval to be expedited.

Table 1: Certification Applications and Related Variables for the year 2014

Type of Application/Variable	1 st Qtr	2 nd Qtr	3 rd Qtr	4 th Qtr	Total
Number of Meetings	0	1	0	0	1
Circulars	3	6	2	2	13
Special Circulars	0	0	3	1	4
Certification Applications	56	22	147	43	268
Re-Certification Applications	56	22	9	5	92
Variation Applications	25	20	51	30	126
Diversification	13	11	18	7	49
Expansion	20	12	36	22	90
Others	0	1	8	3	12
Cancellations	0	0	4	0	4
Re-Instatement Applications	0	0	0	0	0
Appeals	0	1	0	0	1
Exemption	0	0	0	0	0
Certificate Amendment	0	0	0	0	0

Table 2 depicts Certification Application and Related Variables from 2011 to 2014

Type of Application/Variable	2011	2012	2013	2014
Number of Meetings	23	20	9	1
Special Circulars	8	5	10	13
Certification Applications	224	300	269	4
Re-Certification Applications	55	40	23	268
Variation Applications	102	131	99	92
Diversification	39	40	24	126
Expansion	69	59	40	49
Others	6	5	20	90
Cancellations	32	23	603	12
Re-Instatement Applications	8	1	1	4
Appeals	16	12	6	0
Exemption	2	1	-	1
Certificate Amendment	N/R	6	7	0

Key:

- Re-Certification – Certified enterprises that formally advise of a change in the shareholding structure that is 10% or more in any given (12) month period or 25% since Certification.
- Diversification – Certified enterprises that formally request to diversify their business activities.
- Expansion – Certified enterprises that formally request to expand their operating locations.
- Others – Certified enterprises that formally request for an extension of time in which to conduct business or for a change of company name.
- Re-Instatement – Foreign enterprises that apply for Certification after the IPA Certificate was cancelled.

Please note that it is possible for Re-Certification applications to include requests for Diversification, Expansion and Others.

Front Counter

a) Number of Applications

Total of 486 new applications were received in 2014 which is higher than the previous year by 133 applications. Comparison of the other application types across the years from 2013 to 2014 indicates an increase in the lodgments received particularly for Re-Certification applications and a decrease in the Certification and Variation applications.

This is shown in Table 3 below.

Table 3: Quarterly Comparison of Front Counter Lodgments for 2014

Type of Application	1 st Qtr	2 nd Qtr	3 rd Qtr	4 th Qtr	Total
Certification	56	22	147	43	268
Re-Certification	56	22	9	5	92
Variations	25	20	51	30	126
TOTAL	137	64	207	78	486

Table 4: Yearly Comparison of Front Counter Lodgments from 2011 to 2014

Type of Application	2011	2012	2013	2014	Total
Certification	398	343	353	268	1362
Re-Certification	93	50	24	92	259
Variation	222	281	222	126	851
TOTAL	713	674	599	486	2472

E. SECURITIES COMMISSION of PAPUA NEW GUINEA (SCPNG)

PART 1 BACK GROUND

Background

The Securities Commission of Papua New Guinea was established in 1998 by the Securities Act 1997. Since its establishment in 1998, the Commission has been housed within the Business Registration & Regulation Division within the Investment Promotion Authority. In 2008, the Department of Personal Management approved a mini-structure to establish the Commission as a division of its own within the Investment Promotion Authority.

Location

The Securities Commission is located on the Level 2, IPA Haus, Munidubu Street (Corner of Lawes Road & Champion Parade), Konedobu, National Capital District.

Organizational structure

The current organizational structure provides a staff ceiling of nine (9). However, at the moment the Commission has five fulltime staff, excluding the acting Chairman, who is also the Registrar of Companies, the Registrar of Personal Properties Securities (PPS) and Chairman Accounting Standard Board of Papua New Guinea.

Funding

In 2009, the National Government appropriated through the IPA budget a sum of K500, 000.00. Since then the Commission has been appropriated the above funding through the IPA budget. There is not independent budget of the Commission. The above funding is applied to remunerate the staff, as well as operations of the Office.

PART 2 OPERATIONS

2.1. Market Supervision

There has been less market supervision role played by the Commission over the Port Moresby Stock Exchange, the stock brokers and other market intermediaries. There was no new Initial Public Offerings (IPO) last year.

2.2. Unit Trust

The Securities Commission issued two trustee licenses in 2014 to Mineral Resources Development Company Limited (MRDC) and Mining & Petroleum Industry Investment Fund Limited. Melanesian Trustee Services Limited is the third company issued with a Trustee license.

2.3. Restructuring of Airlines of Papua New Guinea

The Commission approved the restructuring of Airlines of Papua New Guinea. Airlines of Papua New Guinea are currently owned by Mineral Resources Development Company Limited (MRDC) and National Superannuation Fund (NASFUND), with over 80% interest.

2.4. Full Takeover bid of New Britain Palm Oil Limited by Sime Darby

In June 2014 Sime Darby Plantations Beherd issued a full takeover notice to the New Britain Palm Oil Limited with a Premium price of over 75 percent. The Independent of the Company accepted the offer. The Securities Commission of Papua New Guinea and the European Union Mergers & Acquisition Commission approve the offer. It is expected the offer should be completed by mid March 2015.

2.6. New Securities Bills

The Commission drafted three new Bills to replace the current Securities Act 1997. Wide stakeholder consultations were conducted between June and September 2014. Draft Bills were issued with Certificate of Necessity by the State Solicitor. It is expected that the bills will be passed by Parliament in May 2015.

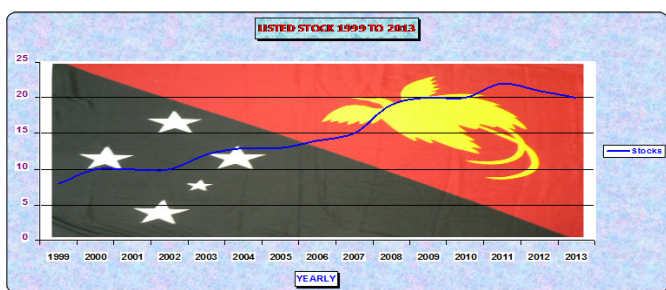
PART 3 MARKET PERFORMANCES

3.1. Background

Over the past fifteen (15) years, the market has grown slowly in terms of market size compared to 1998. The number of companies has increased by 150% from just eight (8) in 1998 to as high as 19 companies in 2011. Currently there are 19 companies listed on the Port Moresby Stock Exchange with 21 Securities. Six (6) are primary listed while thirteen companies are dual or cross listed across major exchanges in Australia, UK, United States and Canada.

Market has been illiquid for a long time. Less than 20% of all listed companies appear to see some movements in their liquidity. The rest of the stocks listed have not been adding any value on the market.

Figure 1.0: Shows the trend of the number of companies from 1999 to date on the Port Moresby Stock Exchange (POMSoX).



3.2. Market Participants

Within our capital market, we have one exchange and that is Port Moresby Stock Exchange (POMSoX) and two licensed participating organizations or stock brokers namely;

- Kina Securities Limited*
- BSP Capital Limited*

Also we have one share registry in our capital market namely "PNG Registries Ltd" in which most of the off market trades (OTC) are conducted.

3.3. Market Report

3.3.1. Market Capitalization

The size of our Capital Market has increased exponentially over the years. Currently the market capitalization (market size) is rally at K68.36 billion compared to K34 billion in 1999. At the end of 2010, it was hovering high at K109.40 but has dived by 38% within two year to K68.5 billion. The down pressures still endure as we can see. This may be caused by two (2) major buy back exercises that are currently being undertaken by Bank South Pacific Ltd and Credit Corporation Ltd which is still continuing in 2014. In 2012 Kina Petroleum Limited offered two classes of securities to the market. The other major factors that caused the market capitalization to fall dramatically is the

continuous fall in the share price of major stocks like Newcrest Mining Limited, New Britain Palm Oil Limited, Oil Search and others.

Hence, in the Unit Trust Funds, the Market Capitalization of the three Unit trust funds stand at around K500 million as a result.

3.3.2. Market Performance

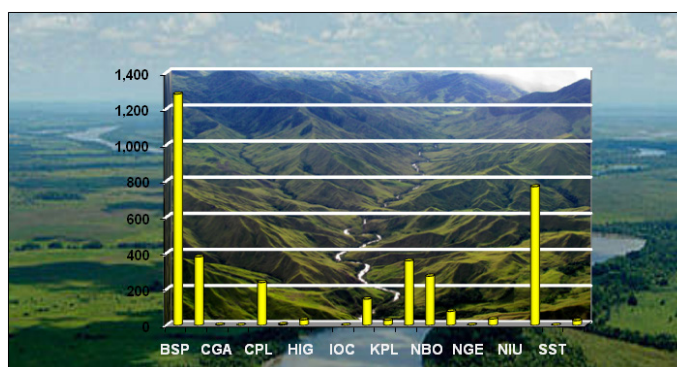
(a) Trading.

As indicated in Figure 3 below, whilst the market performance has increased compared to 1999. The downward pressure in the buying and selling of stocks commence in 2008. This may be caused by the 2008 global financial crisis and the subsequent Greek Financial Crisis in 2009. The downward pressure still continues as it was spurred in 2008 which has further dived in 2012 as notice on the graph below.

One of the major factors in the above performance is the exposure of the securities listed on the local exchange (POMSoX) are dual or cross listed on others exchange out of our jurisdictions like the London Stock Exchange (LSX), Australian Stock Exchange (ASX), New York Stock Exchange (NYSE) and others. Given the above exposure and position of holders of stocks, people are not willing to sell their stocks in fear of unforeseeable risks.

The Commission is optimistic that the performance of the market has already picked up and will keep on increasing as the global financial markets picks up.

Figure 3. Total Trades of Stocks (buy and sell) in 2014

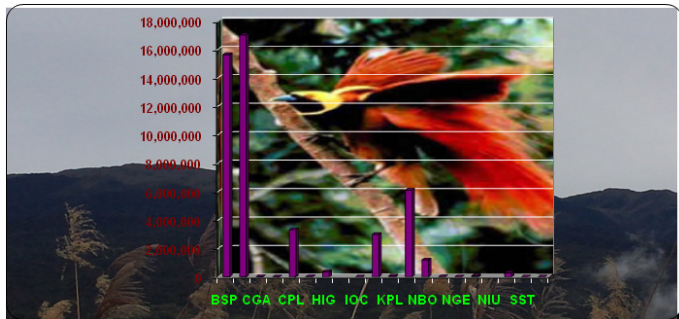


(b) Volume of the Trades

Figure 4 below shows the number of shares or volume of shares traded on the Port Moresby Stock Exchange in 2014 financial year. As it can be seen above in Figure 3, there has been fluctuation in the trading on the Port Moresby Stock Exchange over the years and has remained the same to date. The numbers of trading were high in 2008 but less number of stocks was traded as compared to 2002. The number of shares trades from 2005 to 2011 fluctuates around that range of 100 million shares to 200 million shares. From first six months of 2012, the number shares trades with the six months period has dropped by half compared to 2011. Cumulatively, the 2012 volume is

less compared to 2011 and it is in the fall trail. This may be attributed to the slowly recovery of the global market and strong upward surge of the Kina against other currencies.

Figure 4. Showing the Volume of trading in 2014

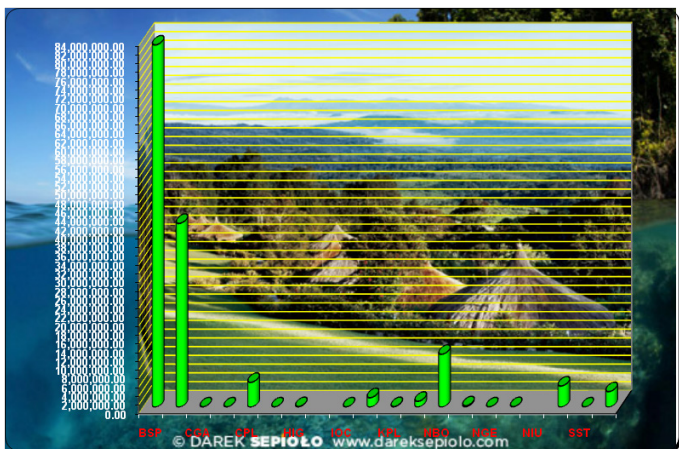


(c) Turnover.

Figure 5 below shows the annual turnover of the trading at the Port Moresby Stock

Exchange from 1999 – 2013. The turnover is in millions of Kina yearly. The value of the trading over the years follow the same trend as the number of trades as you see from both graphs (4 & 5). The number of trades increase, the volume and the value of the trades will also increase.

Figure 5: Shows the annual turnover on the Port Moresby Stock Exchange in 2014



(d) Summary of the Market Performance

The table below provides the summary of all the above information on the performance of the Securities & Capital Market in Papua New Guinea in 2014

SUMMARY OF 2014 MARKET PERFORMANCES								
STOCKS	TRADING			MARKET SIZE			WEIGHTINGS (%)	
	TRADES	VOLUME	TURNOVER	SHARES	PRICE	CAPITALISATION	SHARES	TURNOVER
BSP	1,281	15,610,063	82,708,708.53	475,102,760	#REF!	#REF!	3.29%	#REF!
CGP	379	16,990,365	41,930,421.55	313,818,068	2.50	784,545,170.00	5.41%	5.34%
CGA	2	18,181	5,999.73	223,000,000	0.35	78,050,000.00	0.01%	0.01%
CPV	0	0	0.00	149,575,650	0.10	14,957,565.00	0.00%	0.00%
CPL	237	3,319,251	5,611,814.61	123,359,532	1.96	241,784,682.72	2.69%	2.32%
CGR	6	16,310	3,425.10	630,072,342	0.21	132,315,191.82	0.00%	0.00%
HIG	30	353,472	70,022.63	689,712,148	0.20	137,942,429.60	0.05%	0.05%
IOC	0	0	0.00	879,645,446	0.16	140,743,271.36	0.00%	0.00%
IOC	0	0	0.00	28,609,361	90.00	2,574,842,490.00	0.00%	0.00%
KAM	145	2,979,096	2,094,601.00	45,653,330	1.10	50,218,663.00	6.53%	4.17%
KPL	28	73,949	65,995.87	75,778,575	0.95	71,989,646.25	0.10%	0.09%
KMAC	357	6,094,374	1,279,151.99	1,002,399,863	0.16	160,383,978.00	0.61%	0.80%
#REF!	#REF!	0	#REF!	700,640,751	0.01	7,006,407.51	0.00%	#REF!
NBO	272	1,195,442	12,025,867.78	145,000,000	15.00	2,175,000,000.00	0.83%	0.55%
NOM	0	10,696	251,159.00	765,000,000	30.00	22,950,000,000.00	0.00%	0.00%
NSE	1	3,333	3,334.00	846,941,193	0.21	177,857,650.53	0.00%	0.00%
NBP	35	71,237	59,726.56	45,890,700	0.82	37,630,374.00	0.16%	0.16%
NIU	0	0	0.00	435,114,690	0.02	8,702,293.80	0.00%	0.00%
ONH	768	294,108	4,771,884.45	1,324,330,514	17.53	23,215,513,910.42	0.02%	0.02%
SST	0	0	0.00	31,008,237	5.00	155,041,185.00	0.00%	0.00%
BSPHA	26	128	3,481,400.00	3,021	28,000.00	84,588,000.00	4.24%	4.12%
#REF!	#REF!	0	82,708,708.53	149,241,819	0.40	59,696,727.60	0.00%	138.55%
TOTAL	#REF!	47,031,005	#VALUE!	9,079,888,000.00		#REF!	23.92%	#REF!
TOTAL SHARES FOR ACTIVE STOCKS				8,379,257,249				

In Summary, the final outlook of the market focus looks to be very robust. From records and trading pattern, most of the stocks are owned by major companies and wealthy Papua New Guineans. Only few individual and households own shares.

Many Papua New Guineans are not much aware of the stock market industry and its mechanism, to reach them is a huge task ahead for the market players.

F. CORPORATE SERVICES DIVISION (CSD)

Overview

The Corporate Services Division (CSD) is a key business unit of Investment Promotion Authority that is responsible for financial management, human resource and administration and information technology. It also manages a staff welfare scheme that involves a range of lending services for staff personal financial needs.

Corporate Objective

Its primary objective is to actively support the Authority with above basic provisions. As part of this support, CSD delivers an annual training agenda, budget and accounting service, all IT support and full administration assistance to the Authority.

Key Divisional Leadership

Director: Anna Marikawa
 Manager IT: Shyama Matatier
 Acting Manager Finance: Nellie Ure
 Manager HRA: Vacant

As a support division, Corporate Services undertook principle carriage of the following programs which benefited both the staff and investment promotion as a whole.

1. Online Registry Project

The establishment and completion of the online project cost K4 Million and was launched in November 2013. All registry services are now web based, company registration and foreign company certification and forms can now be obtained and lodged online. In 2014, the IT Unit did a lot of work in consultation with the software vendor on teething issues associated with the new system.

2. Annual Training Program

The authority budgeted K100,000 for training and continued education activities. The main thrust of the training plan continues to be skills enhancements, qualification upgrade ranging from master degree to certificates courses both on short and longer term basis. Notable individual staff's training achievements since 2009 are:

- Masters Degree in Public Administration, Divine Word University
- Masters in Intellectual Property, Turin University, Italy
- Diploma in Management, Divine Word University
- Diploma in Management, TAFE, Ela Beach.
- Diploma in Economic Policy Analysis

Ongoing activities were recorded for the following skills upgrading training

- Microsoft Excel – Advanced Training
- Microsoft Excel - Beginners
- Executive PA Skills for Secretaries
- Statistical Analysis Using MS Excel
- VMWare IT Training

1. Personnel and Payroll

IPA continues to depend on reliable and motivated staff across 7 business units ranging from Executive Services to the driving and ancillary support.

Staff and payroll statistics - 2014	
Approved Staff Ceiling	130
Staff on Strength	122
Permanent Staff	106
Unattached Staff	2
Casual staff	14
Total on Payroll	122
Vacancy	24

Staff and payroll statistics for 2014 are shown in the table below

Staff movements	
Recruitment	7
Resignation	5
Retirement	0
Termination	1
Death in service	0

2. Audit

We are pleased to note that IPA's audit of financial record is up to date. Audit qualifications raised in the 2013 audit are being addressed and corrective measures being taken. We are delighted that preparations for the audit for the financial year 31 December 2014 are underway.

3. Budget/ Financial Performance

The Authority continues to rely heavily on its internal revenue to fund its operations. The key revenue earners from the foreign certification and company registration have not reached the expected turnover due to slow integration from old registration to new online registry system.

The only business unit that performed above expectations was the intellectual property takings. Whilst the Authority's operational costs have increased mostly as a result of improved employment terms and conditions as well as a result of increased rental costs the Authority's ability to generate the matching revenues were non-existent due to the non-approval of the new fees. As a result the financial statements will show a large deficit which will be carried forward into 2015.

Human Resources and Administration

The Human Resource and Administration Unit covers both the human resource and administration functions which includes staff recruitment, staff placement, administration of employment terms and conditions, payroll processing and staff training. It also deals with administration support such as provisioning of office space, purchase and supply of office consumables and equipment, and administration of the Authority's vehicles and insurance policies.

Planned Activities

1.0 Internal Capacity Building

This work program involves staff training and recruitment.

Training

Training was facilitated for seven employees to undertake short courses for skills enhancement and one for long term course towards a masters level qualification.

Resignation

There were four employees of IPA resigned during the calendar year.

Only one space was occupied while others are still under progress of interviewing and advertising.

Recruitment

Interviews were conducted for eight vacancies for which five were concluded and recruited and others under progress.

Disciplinary

The unit dealt with four disciplinary cases for which one employee was terminated and three had appeals considered in their favour and warning notices issued to them.

2.0 Administer Employment Contracts & Agreements

The unit worked hard to renew all expired employment contracts and new contracts given to new employees.

3.0 IPA Warehouse Relocation

The unit worked hard in 2014 to secure a new warehouse for file storage. We successfully secured a new space near the IPA main office at Konedobu and hard files are transferred and stored.

Information Technology Unit Report

The core function of the Information Technology Section (ITS) is to support and maintain Information Communication Technology (ICT) infrastructure used by the Authority.

These support service include back up of all IPA system, support for Online Registry System (ORS) and Intellectual Property Automation System (IPAS), overseeing data, voice network, maintaining internal security system, repair and upgrading of hardware and software.

The Authority also maintains two websites namely <http://www.ipa.gov.pg> and <http://www.ipopng.gov.pg> an offsite disaster recovery site, which come under the responsibility of ITS.

1. Staff

Staff strength was maintained at 3 since October 2012 with one vacant position.

Staff List

Shyama Matatier	- Manager -IT
Bernadette Ikupu	- SITO-Network
Balin Namuri	- SITO-Database

2. Routine Maintenance

a) Online Registry System(ORS)

ITS staff and the other ORS users are now familiarized with the system. Compared to old CORE system, unplanned system downtime for ORS system was much higher this year due to teething problems of new system.

Major issues were reported to the application developer and 50% of queries reported were solved with new software releases. Highlight for the year was to allow annual return lodgment online which needed few enhancements. Various support agreements with different Software for the ORS totaled to K306,209 in the absence of a hardware support agreement.

b) Mail exchange server was upgraded in March.

c) 42 new computers, 74 Monitors, 65 UPSs, 7 scanners were purchased, prepared and distributed to Divisional staff. Most of these items were utilized for ORS related activities. 3 printers were purchased during the year and 7 new scanners were purchased and distributed to IPO-PNG, HR and Finance units and 2 were received by regional offices.

d) New database system called Business License Information System (BLIS) was developed to keep Licenses information.

e) Helpdesk queries were attended from various divisions, with issues in relation to ORS, Intellectual Property Automated System, System and Network administration and Hardware, Telephone and security systems.

4 .Staff Training

SITO-Database attended 2 weeks training on "Use of Information Technology in Industrial Property Administration" in Tokyo, Japan from October 27 to November 7, 2014.

Manager -IT attended VMware vSphere V5.5: Install, Configure, Manage Training at Daltron Training Centre from 24-28 November 2014.



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The Honourable Richard Maru, MP
 Minister for Trade, Commerce and Industry
 Office of the Minister
 Moale Haus – Level 1
 PO Box 375
 WAIGANI, NCD



**AUDITOR'S REPORT ON
 INVESTMENT PROMOTION AUTHORITY
 FOR THE YEAR ENDED 31 DECEMBER 2014**

In accordance with *Section 8(4) of the Audit Act, 1989 (as amended)*, I have audited the accompanying financial statements of **Investment Promotion Authority** for the financial year ended **31 December, 2014** as set out on pages **2 to 11**, which comprise the balance sheet as at 31 December, 2014, the income statement, statement of changes in equity and cash flow statement for the year then ended and a summary of significant accounting policies and other explanatory notes.

Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of the financial statements in accordance with the *International Financial Reporting Standard* and *Section 63(4) of the Public Finances (Management) Act, 1995* and other statutory requirements. This responsibility includes designing, implementing and maintaining internal controls relevant to the preparation and presentation of the financial statements that are free from material misstatements, whether due to fraud or error, selecting and applying appropriate accounting policies, and making accounting estimates that are reasonable in the circumstances.

Responsibility of the Auditor-General

My responsibility is to express an opinion on these financial statements based on my audit. I conducted my audit in accordance with the *Audit Act* and *International Standards on Auditing*. Those standards require that I comply with ethical requirements and plan and perform the audit to obtain reasonable assurance whether the financial statements are free from material misstatement. An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.

In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my audit opinion.

AUDIT OPINION

I report that in my opinion:

- (a) the financial statements of the Investment Promotion Authority are based on proper accounts and records; and
- (b) the financial statements are in agreement with those accounts and records, and show fairly the state of affairs of the Authority as at 31 December, 2014, and the results of its financial operations for the year then ended.



PHILIP NAUGA
Auditor-General

15 May, 2015

DECLARATION BY MANAGEMENT

In our opinion, the Balance Sheet and Statement of Income and Expenditure together with the Notes to the Financial Statements for the Investment Promotion Authority have been drawn up so as to show fairly, the financial position and performance for the year ended 31st December 2014.

Except as disclosed, we are of the opinion that:-

- a) the results of the Authority's operations for the year have not been materially affected by items, transactions or events of an abnormal nature;
- b) no material circumstances have arisen which would render any amounts shown in the statements misleading;
- c) the current assets of the Authority are expected to be realised in the ordinary course of business at least the value at which they are included in the statements;
- d) Fixed Assets to the value shown in the statements were in existence as at 31st December 2014.

LEON BUSKENS,
Chairman

Date.....06/05/15.....

IVAN POMALEU, OBE
Managing Director

Date.....06/05/15.....

**INVESTMENT PROMOTION AUTHORITY
STATEMENT OF INCOME AND EXPENDITURE
FOR THE YEAR ENDED 31ST DECEMBER 2014**

	Notes	2014 K	2013 K
INCOME			
Grant Income	2(a)	3,351,500	2,851,500
Others	2(b)	7,024,273	7,872,897
Total Operating Revenues		10,375,773	10,724,397
OPERATING EXPENSES			
Personal Emoluments		4,949,970	4,651,885
Travel and subsistence		154,233	182,832
Utilities		321,123	397,588
Office materials and supplies		308,476	339,484
Vehicle expenses		187,637	151,742
Administration consultancy		5,348	53,150
Property rental		3,318,831	3,050,048
Routine maintenance		43,985	43,527
Other Operational expenses		1,297,577	1,151,205
Board Expenses		100,165	108,571
Subscriptions and affiliations		159,472	92,590
Special projects		863,418	341,011
SCPNG Establishment		0	290,382
Grants/transfers - Public Authority		6,361	338,328
Total Expenditure		11,716,597	11,192,341
Net Profit/(Loss) before abnormal items		(1,340,824)	(467,944)
Less: Abnormal Items	7	0	(767)
Net Profit/(Loss) After Abnormal Items		(1,340,824)	(468,711)
Retained Earnings at the beginning of year		3,044,978	3,424,845
Adjustments recognised in the Statements	10	89,355	88,843
Retained Earnings as at the end of the year		1,793,509	3,044,978



**INVESTMENT PROMOTION AUTHORITY
CASH FLOW STATEMENT
FOR THE YEAR ENDED 31ST DECEMBER 2014**

Notes	2014 K	2013 K
Cash flows from operating activities		
Cash receipts from customers	18,840,645	17,344,248
Cash paid to suppliers and employees	(17,808,527)	(20,210,448)
Cash generated from operations	1,032,118	(2,866,200)
Interest Received from investments in FTD	0	0
Net cash (used in)/from operating activities	1,032,118	-2,866,200
Cash flows from investing activities		
Proceeds from sale of assets	(1,248,245)	0
Purchase of property, plant & equipment	(617,849)	(3,230,070)
Payment of rental bond	(40,000)	0
Net cash (used in)/ from investing activities	(1,906,094)	(3,230,070)
Cash flows from financing activities		
Proceeds	0	0
Purchase of property, plant & equipment	617,849	3,230,070
Net cash (used in)/from financing activities	617,849	3,230,070
Net increase/(decrease) in cash and cash equivalents	(256,127)	(2,866,200)
Cash and cash equivalents at beginning of period	3,352,174	6,218,374
Cash and cash equivalents at end of period	3,096,047	3,352,174



**INVESTMENT PROMOTION AUTHORITY
STATEMENT OF CHANGES IN EQUITY
FOR THE YEAR ENDED 31ST DECEMBER 2014**

	Notes	Govt Grants & Reserves	Retained earnings	Total
		K	K	K
Balance at 1 January 2013		3,890,330	3,424,846	7,315,176
Adjustment recognised in the statement			88,843	88,843
Net profit/(loss) for the period			(468,711)	(468,711)
Balance at 31 December 2013		3,890,330	3,044,978	6,935,308
Adjustments recognised in the statements	10		89,355	89,355
Net profit/(loss) for the period			-1,340,824	-1,340,824
Balance at 31 December 2014		3,890,330	1,793,509	5,683,839



Notes to and Forming part of the Accounts

**INVESTMENT PROMOTION AUTHORITY
For the Year ended 31 December 2014**

1. PRINCIPAL ACCOUNTING POLICIES

The principal accounting policies applied in the preparation of these financial statements are set out below.

(a) Statement of Compliance

The financial statements of Investment Promotion Authority have been prepared in compliance with the International Accounting Reporting Standards and other generally accepted accounting practices in Papua New Guinea.

(b) Basis of Preparation

The financial statements have been prepared on the basis of historical cost and except where stated do not take in to account current valuations of non-current assets.

(c) Depreciation of Property, Plant and Equipment.

Property, Plant and Equipment are depreciated over their estimated useful lives using the straight line method at the following rates;

Motor vehicles	20%
Computers	10%
Fixtures & fittings	5 - 10%
Office equipment	5 - 10%

All property, plant and equipment are stated at historical cost less depreciation. Historical cost includes expenditure that is directly attributable to the acquisition of the asset. Subsequent costs are included in the asset's carrying amount, or recognised as a separate asset as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Authority. All other repairs and maintenance costs are expensed.

Profits and losses on disposal of property, plant and equipment are taken into account in determining the results for the year.

(d) Foreign currency conversions.

All foreign currency transactions during the year are recorded in the books using the rate of exchange prevailing at the date of transaction. At balance sheet date amounts receivable or payable in foreign currency are translated at the exchange rate prevailing at that date. All exchange gains and losses are brought to account in determining the results for the year.

(e) Inventories

Unused stationery supplies comprises the inventory for the Authority. They are valued at the lower of cost and net realisable value. Cost is determined on the weighted average basis.

(f) Employee entitlements

The amounts expected to be paid to employees for their pro-rata entitlements to long service leave, annual leave and other benefits are accrued at current wages rate. A provision is made for estimated liability for annual leave, long service leave and other benefits as a result of services rendered by employees up to the balance sheet date.



Notes to and Forming part of the Accounts**INVESTMENT PROMOTION AUTHORITY
For the Year ended 31 December 2014****PRINCIPAL ACCOUNTING POLICIES (CONTINUED)****(g) Government grants**

Government grants are recognised in Profit and Loss Statement over the periods necessary to match them with the related costs which the grants are intended to compensate. At balance sheet date, any unused grants are recognised in the balance sheet as liability to the extent that unused grants are repayable.

(h) Provisions

Provisions are recognised when the Authority has a legal or constructive obligation as a result of a past event, and it is probable that an outflow of economic benefits will be required to settle the obligations.

(i) Cash flows

For the purposes of the statement of cash flows, cash includes cash on hand and at bank and interest bearing investments readily convertible into cash, net of bank overdraft.

2. Income

	<u>2014</u>	<u>2013</u>
Total income consists of:-		
Government Grant	3,351,500	2,851,500
Other income	<u>7,024,273</u>	<u>7,872,897</u>
Total income	<u>10,375,773</u>	<u>10,724,397</u>
2(a) Government grant consists of:-		
Ordinary grant	3,351,500	2,851,500
PIP and others	<u>0</u>	<u>0</u>
Total grant	<u>3,351,500</u>	<u>2,851,500</u>
2(b) Other income consists of:-		
Certification fees	1,106,051	1,089,459
Company fees	4,787,840	5,711,709
Sale of promotional materials	68,500	12,000
Interest on Long Term Bonds	0	0
Interest on FTDs	22,094	0
Intellectual Property Fees	871,217	931,681
Gain on sale of motor vehicle	0	0
Miscellaneous	168,572	128,049
Total	<u>7,024,273</u>	<u>7,872,898</u>

The Authority receives annual grants from the National Government to help finance the annual work programs that it is mandated to implement. During the year, a total of K3,351,500.00 recurrent grant was received from the Government. Internal revenues generated amounted to K7,022,004



Notes to and Forming part of the Accounts
INVESTMENT PROMOTION AUTHORITY
For the Year ended 31 December 2014

3. Property, Plant & Equipment

at cost/revaluation:	Motor Vehicle	Computers	Fixtures & fittings	Office equipment	Total
	K	K	K	K	K
At 31 December 2013					
Gross carrying values - 1 January 2013	687,150	694,115	2,032,982	1,118,995	4,533,242
Add: Acquisitions during the year	0	57,989	16,123	69,986	144,098
Less: Disposals during the year	0	(5,983)	0	(767)	(6,750)
Add/(Less) Adjustments during the year	0	2,173	0	(32)	2,141
Gross carrying values - 31 December 2013	687,150	748,294	2,049,105	1,188,182	4,672,731
Less: Accumulated Depreciation	(270,458)	(390,613)	(577,776)	(319,257)	(1,558,104)
Net carrying values as at 31 December 2013	416,692	357,681	1,471,329	868,925	3,114,627
At 31 December 2014					
Gross carrying values - 1 January 2014	687,150	746,122	2,049,105	1,188,182	4,670,559
Add: Acquisitions during the year	0	3,889,069	95,937	44,247	4,029,253
Less: Disposals during the year	(47,748)	0	0	(16,401)	(64,149)
Add/(Less) Adjustments during the year	0	0	0	0	0
Gross carrying values - 31 December 2014	639,402	4,635,191	2,145,042	1,216,028	8,635,663
Less: Accumulated Depreciation	(384,014)	(657,529)	(737,613)	(388,984)	(2,168,140)
Net carrying values as at 31 December 2014	255,388	3,977,662	1,407,429	827,044	6,467,523

Reconciliation of carrying amounts at the beginning and end of the year is as follows:

Cost/valuations - 1 January 2014	687,150	746,122	2,049,105	1,188,182	4,670,559
Accumm Depn - 1 January 2014	(270,458)	(388,439)	(577,776)	(319,257)	(1,555,930)
Net carrying values - 1 January 2014	416,692	357,683	1,471,329	868,925	3,114,629
Additions during the year	0	3,889,069	95,937	44,247	4,029,253
Disposals during the year	(27,853)	0	0	(10,698)	(38,551)
Adjustments during the year	0	(524)	0	0	(524)
Depreciation charge	(133,451)	(268,566)	(159,838)	(75,430)	(637,285)
Net carrying values as at 31 December 2014	255,388	3,977,662	1,407,428	827,044	6,467,522

During the year the Authority made a total purchase of K618,049.00 .Work in Progress (Online Registry System) was completed during the year and the Registry added to Computers at a total cost of K3,742,290.00. Work in Progress (Lae Office fitouts) had been completed and the cost of K80,378 added to Fixture & Fittings. The Authority carried a total net assets value of K6,467,521 as at 31 December 2014 (31 December 2013 was K3,114,104).

	2014	2013
Work-in Progress		
Catalyst Online Business Registry System	0	3,541,298
Furniture & Fittings	0	0
TOTAL	0	3,541,298

	2014	2013
	K	K
4. Provisions (Current)		
Employee Entitlements (Note 5) (b)	368,165	453,340
Audit Fees (a)	115,500	76,980
Contract Gratuities	277,464	0
Total	761,129	530,320
(a) Audit Fees		
Opening balance	76,980	38,484
Provision created	38,520	38,496
Less: Payments made against the provision	0	0
Closing balance	115,500	76,980
(b) Employee Entitlements		
Opening balance	453,340	
Increase/(Decrease) in Provision	172,183	
Less: Payments made against the provision	(257,358)	
Closing balance	368,165	



Notes to and Forming part of the Accounts**INVESTMENT PROMOTION AUTHORITY
For the Year ended 31 December 2014**

	<u>2014</u>	<u>2013</u>
	K	K
5. Provisions (Non-current)		
Employee entitlements	<u>1,065,189</u>	<u>1,100,791</u>
Employee entitlements (Current and Non-current)		
Opening Balance	1,100,791	1,195,072
Increase/(decrease) in provisions	175,477	436,039
Less payment made	<u>(211,079)</u>	<u>0</u>
	<u>1,065,189</u>	<u>1,631,111</u>
Current (Note 4)	368,165	530,320
Non-current	<u>1,065,189</u>	<u>1,100,791</u>
Closing balance	<u>1,433,354</u>	<u>1,631,111</u>

As at 31 December 2014, the Authority had a balance of K1, 433,354.00 for provisions relating to staff leave benefits.

As at 31 December 2014, the Authority has a balance of K115, 500.00 for provisions relating to annual audit fees.

As at 31 December 2014, the Authority has a balance of K277,464.00 for provisions relating Gratuities.

The leave benefit entitlements are accrued at current wage rates (refer note 1(f)). The audit fee expenses are based on annual audit fees charged by the auditors. The 2014 audit fees are charged to profit and loss account at K3, 208 per month or K38, 500 per annum at current rates.

6. Cash and cash equivalents

Cash and cash equivalents include cash on hand and balances with banks. Cash and cash equivalents in the cash flow statement comprise the following balance sheet amounts:-

	<u>3,096,047</u>	<u>3,352,174</u>
Petty Cash Balances	1,300	3,050
Bank balances	2,449,881	1,478,107
Security Deposit	25,000	25,000
Short term deposits (refer note no. 9)	<u>619,866</u>	<u>1,846,017</u>
	<u>3,096,047</u>	<u>3,352,174</u>

The bank account balances for the Authority at the end of the year are as follows;

	<u>2,449,881</u>	<u>1,478,107</u>
Westpac Bank Operating Account	742,369	-300,888
Registrar of Companies Trust Account - Westpac Bank	907,150	552,608
ANZ EFFTPOS	332,528	386,876
BSP - Buka Account	167,056	63,425
BPNG Account	<u>300,779</u>	<u>776,086</u>
	<u>2,449,881</u>	<u>1,478,107</u>

The Authority withdrew K1,248,245 from its short term deposits held in the Westpac Bank Ltd. The balance short term investments is now K619,866 and is IPA monies.



Notes to and Forming part of the Accounts

**INVESTMENT PROMOTION AUTHORITY
For the Year ended 31 December 2014**

	<u>2014</u>	<u>2013</u>
	K	K
7. Abnormal Items		
Loss on disposal of fixed assets	0	767
Bad Debt	<u>0</u>	<u>0</u>
	<u>0</u>	<u>767</u>
8. Disposal of Fixed Assets		
Gain on Disposal of Fixed Assets	<u>0</u>	<u>1,650</u>
9. Fixed Term Deposits		
	<u>619,866</u>	<u>1,846,017</u>
Westpac PNG Ltd	<u>619,866</u>	<u>1,846,017</u>
	<u>619,866</u>	<u>1,846,017</u>
The Authority had withdrew K1,248,245 to complete the Online Registry System. The short term investment balance now stands at K619,866		
10. Adjustments recognised in the statements		
Prior Year Adjustments	<u>89,355</u>	<u>88,843</u>
Write back unrepresented cheques to the main bank account	156,789	0
Other year-end adjustments	-67,434	0
Loss on Disposal of Assets	0	767
Bad Debt	<u>0</u>	<u>0</u>
	<u>89,355</u>	<u>767</u>

Write back of stale/unpresented checks include Outgoings charges for 2013.
Other year end adjustments include unreconciled difference between Deregistration Receipts and ROC Trust Acct balances.



Notes to and Forming part of the Accounts

**INVESTMENT PROMOTION AUTHORITY
For the Year ended 31 December 2014**

	<u>2014</u>	<u>2013</u>
	K	K
11. Retained Earnings		
	<u>1,793,509</u>	<u>3,044,978</u>
Balance at the beginning of the year	3,044,978	3,424,846
Add/(Less) adjustments recognised in the statements (refer note no.10)	89,355	88,843
Add/(Less): Profit/(Loss) for the year	<u>(1,340,824)</u>	<u>(468,711)</u>
	<u>1,793,509</u>	<u>3,044,978</u>

12. Contingencies and Other Commitments

(i) Contingent Assets and Liabilities

No contingent liability is expected to become enforceable from the date of this report that would require the Authority to meet its obligations when they fall due.

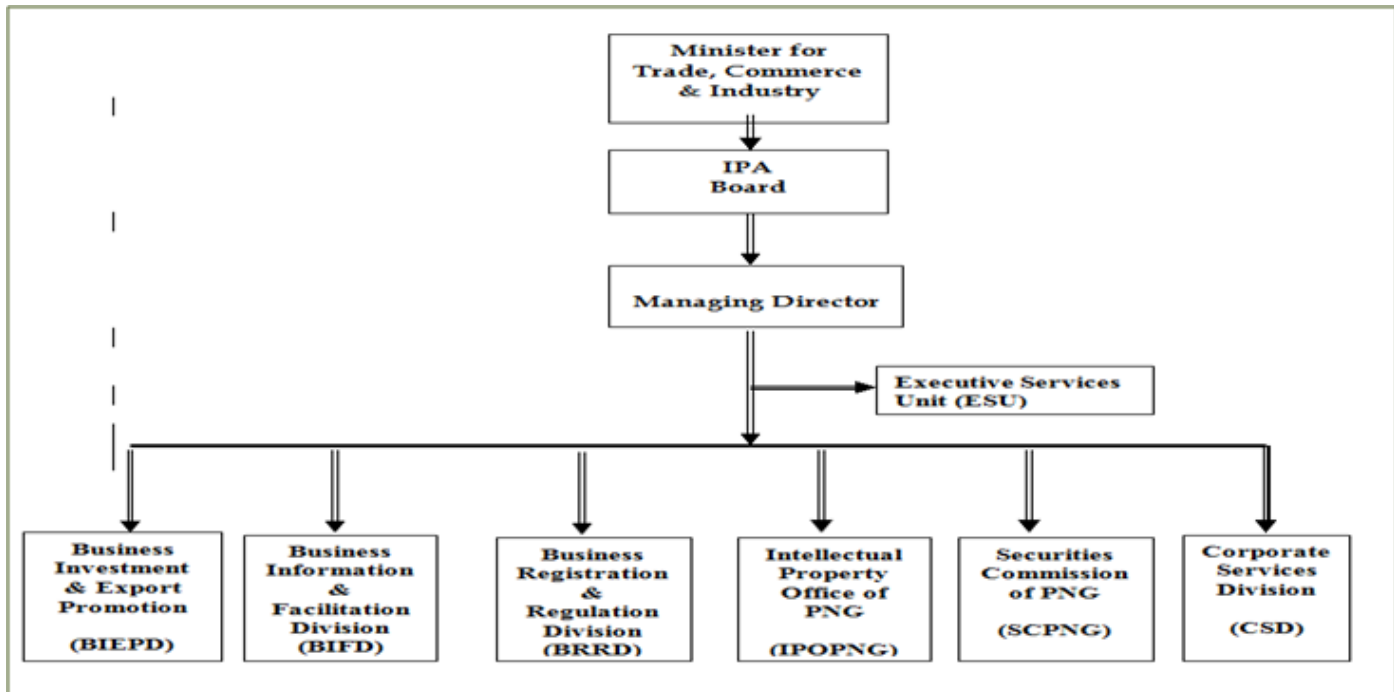
(ii) Other commitments

The Authority appears to have had some bills owing to Mirupasi Lawyers for services provided in 2003. The management is reviewing these on the basis of powers of referral and commitment of funds and the quality of services rendered. The provision has been taken up in the accounts to reflect amounts owing. This will include bills owing to Elemei Lawyers.

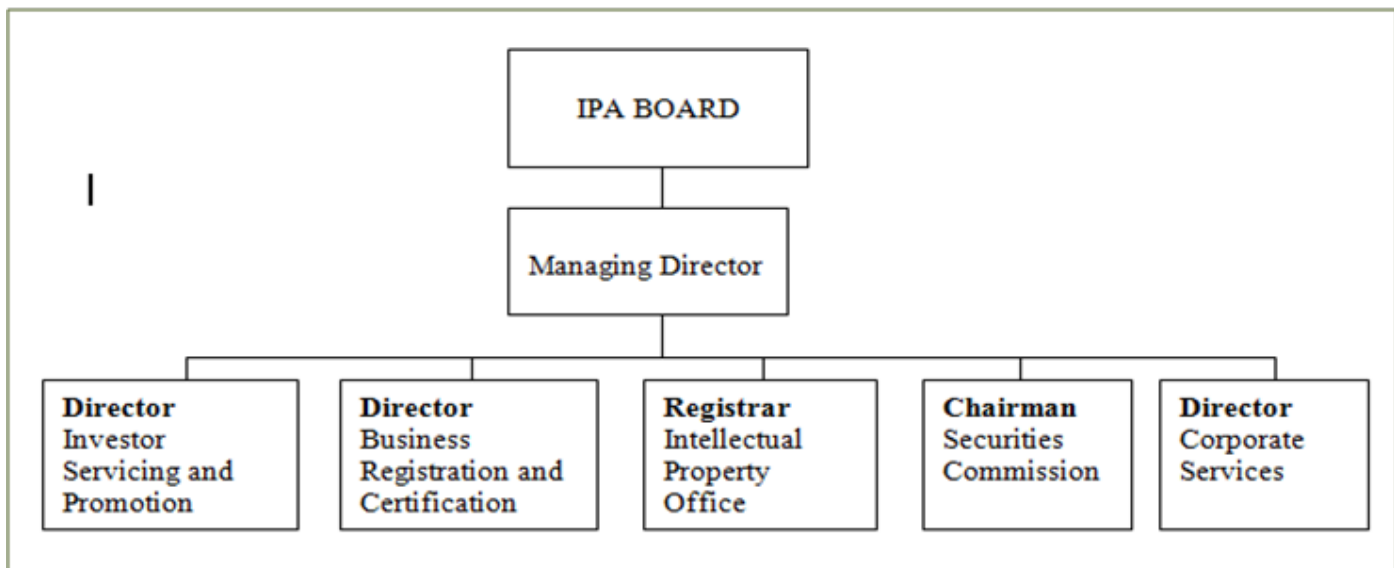


APPENDICES

2014 IPA ORGANISATIONAL STRUCTURE



2014 IPA MANAGEMENT STRUCTURE



BOARD MEMBERS AND ALTERNATE MEMBERS - 2014

	Representation	Designation	Alternate Member	Period of tenure 2014
Mr. Leon Buskens c/- Kopkop Colledge PO Box 5079 BOROKO 111 - NCD Ph: 326 1822 Fax: 326 3950 Email:leonbuskens@gmail.com	Ministerial Appointee	Chairman		Annual
Mr. Phil Franklin, MBE Lae Chamber of Commerce & Industry (Rep) C/- PO Box 148 PORT MORESBY 121 - NCD Contact: Louisa Bill Ph: 7286 5781 Email:	PNG Chamber of Commerce & Industry	Deputy Chairman	Mr. Alan McLay President (Lae) Lae Chamber of Commerce & Industry PO Box 265 LAE 411 – Morobe Province Contact: Ph: 472 2340 Fax: 472 6038 Email:	Annual
Professor Albert Mellam - VC c/- UPNG PO Box 320 UNIVERSITY - NCD Contact: Faleloa Ph: 326 77142/7685 0911/72280006 Fax: Email: al.mellamc@upng.ac.pg	Ministerial Appointee			Annual
Mr. David Conn President (POM) Port Moresby Chamber of Commerce & Industry (Rep) PO Box 1764 PORT MORESBY 121 – N.C.D Contact: Dia Ph: 321 3077/7200 2055 Fax: 321 4203 Email: daveconn1@pomcci.org.pg	POM Chamber of Commerce & Industry	Member	Mr. Ken Dunn c/- First Investment Finance Ltd PO Box 326 PORT MORESBY 121 – NCD Contact: Ph: 321 7900/703 13679 Fax: 321 7907 Email: kdunn@moniplus.com	Annual
Mr. Allan Bird c/- RIC PO Box 1530 BOROKO 111 – N.C.D Contact: Louisa Bill Ph: 321 5773 Fax: 321 7223 Email: birdar12@gmail.com	RIC	Member	Mr. Graham Ainui c/- RIC PO Box 1530 BOROKO 111 – NCD Contact: Ph: 321 5773 Fax: 321 7223 Email: grahamainui@online.net.pg	Annual
Mr. Anthony Yauieb Deputy Secretary Economic & Financial Policy Department of Treasury PO Box 542 WAIGANI 131 - NCD Contact: Waira Sam Ph: 312 8815/ 323 5600 Fax: 312 8804 Email: anthony.yauieb@treasury.gov.pg waira.sam@treasury.gov.pg	Dept. of Treasury	Member (Ex-officio)		Annual

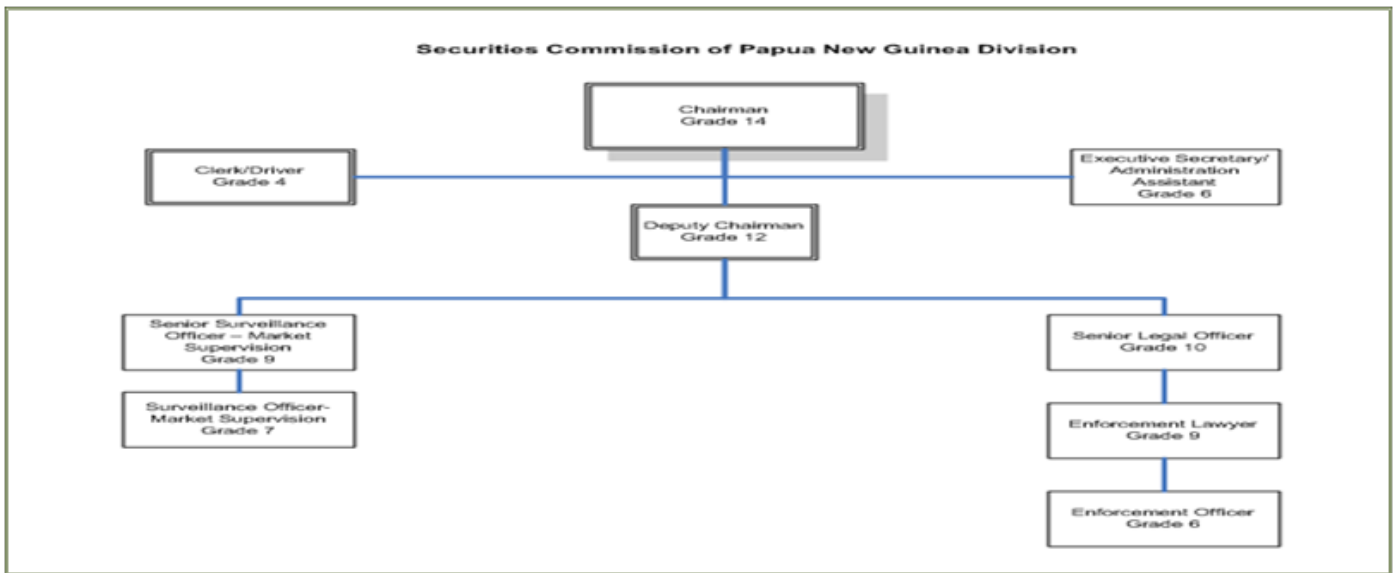
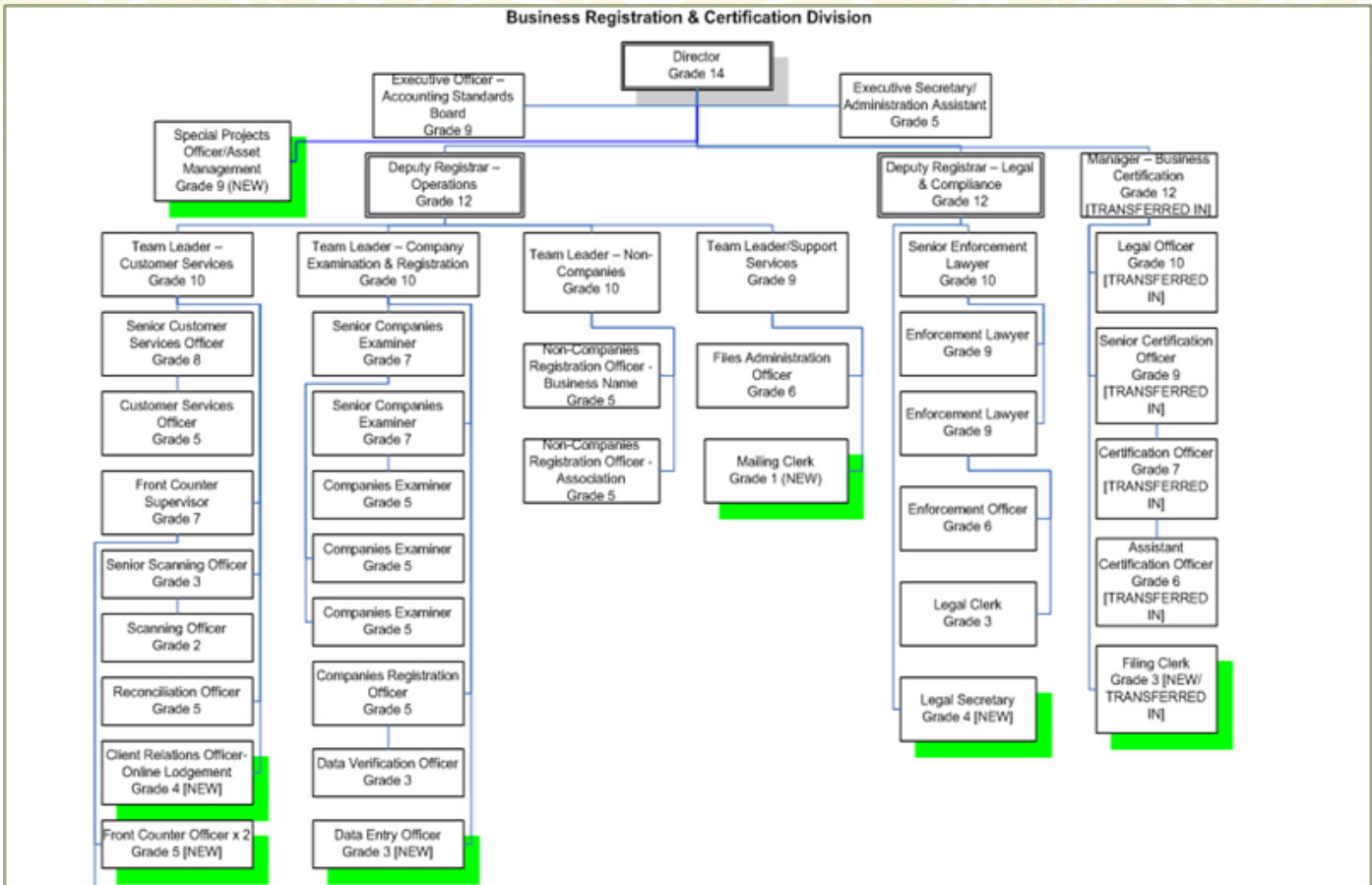
Mrs. Veitu Diro c/- Culinary Delight Services PO Box 6400 BOROKO 111 – NCD Contact: Kila Ph: 323 2319/717 20945 Fax: 323 6443 Email: valinamald@gmail.com	Liklik Bisnismanmeri Rep.	Member		Annual
Mr. Ivan Pomaleu c/IPA P O Box 5053 BOROKO – NCD Contact: Anie Ph: 308 4444/308 4425 Fax:3212819mail: ani@ipa.gov.pg	Managing Director Investment Promotion Authority	Member (Ex- officio)		Annual

IPA BOARD MEETING HELD - 2014

Member's Name	Number of Meetings Attended (Quarterly)	No. of Special Board Meetings Attended
Philip Franklin	4	Organisational Res - 1
David Conn Ken Dunn (Alternate)	4	Organisational Res - 1
Professor Albert Mellam	4	Organisational Res - 1
Veitu Diro	4	Organisational Res - 1
John Andrias		Organisational Res - 1
Mr. Anthony Yauieb	4	Organisational Res - 1
Ivan Pomaleu - MD	4	IPA

EXECUTIVE MANAGEMENT TEAM - 2014

Full Name	Status	
Mr. Ivan Pomaleu	Managing Director & CEO	Annual
Mr. Clarence Hoot	Director Investor Servicing & Promotion Division	Annual
Mr. Alex Tongayu	Director/Registrar of Companies Business Registrations & Certification Division	Annual
Mr. Alex Tongayu	Acting Chairman Securities Commission of PNG (SCPNG)	Annual
Ms. Amelia Na'aru	Registrar Intellectual Property Office of PNG (IPOPNG)	Annual
Ms. Anna Marikawa	Director Corporate Services Division	Annual
Mr. Ronald Maru	Executive Officer to Managing Director Executive Services Unit	Annual



MARKET CAPITALISATION AS AT 31ST DECEMBER 2014

No	CoY	NO. ODINARY SHARES	%	LAST PRICE	CAPITALISATION	PERCENT
1	COY	149,575,650	1.65%	0.10	14,957,565.00	0.02%
2	CUE	630,072,342	6.94%	0.21	132,315,191.82	0.19%
3	IOC	28,609,361	0.32%	90.00	2,574,842,490.00	3.76%
4	IDC	879,645,446	9.69%	0.16	140,743,271.36	0.21%
5	MGO	1,002,399,863	11.04%	0.38	380,911,947.94	0.56%
6	NCM	765,000,000	8.42%	50.00	38,250,000,000.00	55.83%
7	NIU	435,114,690	4.79%	0.02	8,702,293.80	0.01%
8	NGE	846,941,193	9.33%	0.21	177,857,650.53	0.26%
9	MSC	700,640,751	7.72%	0.01	7,006,407.51	0.01%
10	BSP	475,102,760	5.23%	8.10	3,848,332,356.00	5.62%
11	CGA	223,000,000	2.46%	0.36	80,280,000.00	0.12%
12	CCP	313,818,068	3.46%	2.15	674,708,846.20	0.98%
13	CPL	123,359,532	1.36%	1.70	209,711,204.40	0.31%
14	HIG	689,712,148	7.59%	0.38	262,090,616.24	0.38%
15	KAM	45,653,330	0.50%	0.90	41,087,997.00	0.06%
16	KPL	75,778,575	0.83%	0.80	60,622,860.00	0.09%
17	NGP	45,890,700	0.51%	0.85	39,007,095.00	0.06%
18	NBO	145,000,000	1.60%	17.00	2,465,000,000.00	3.60%
19	OSH	1,324,330,514	14.58%	14.01	18,553,870,501.14	27.08%
20	SST	31,008,237	0.34%	5.00	155,041,185.00	0.23%
21	MHZHA	1,250,000	0.01%	229.00	286,250,000.00	0.42%
22	MSTG	149,241,819	1.64%	0.40	59,696,727.60	0.09%
23	BSPHA	3,021	0.00%	28,000.00	84,588,000.00	0.12%
TOTAL		9,081,148,000	100%		68,507,624,206.54	100%





IPA

2014 ANNUAL REPORT