



Investment Promotion Authority

IPA



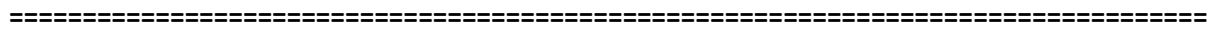
2019

ANNUAL REPORT

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**Investment Promotion Authority
of Papua New Guinea**

Annual Report 2019



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Organisational Tenets

Our Vision

To be efficient, effective and innovative government agency providing world class quality customer services to all our investors.

Our Mission

Our mission is to promote, diversify, support and grow business investments in Papua New Guinea and, for Papua New Guinea globally through an enabling and competitive regulatory environment based on proven organizational systems and processes, and sustained through smart technologies and appropriately structured and resourced high performance IPA.

Our Values

The IPA subscribes to the following:

- a. Service Oriented
- b. Team work
- c. Transparency
- d. Honesty
- e. Respect
- f. Ethical Standards
- g. Professionalism
- h. Social Inclusion
- i. Diversity



MINISTER'S FOREWORD

1.0



I am pleased to present this foreword on the performance of the Investment Promotion Authority (IPA) for the Year 2019. The IPA is a Statutory Authority under the Ministry of Commerce and Industry, established by the Investment Promotion Act 1992 and is mandated to facilitate and promote investments into and within Papua New Guinea. This mandate is vital and sits at the forefront of the IPA focus and must continue to be enshrined and re-emphasized.

Throughout the year, I have observed that engagement with the management and staff of the IPA is important and as a result, the expectations of the government are to be achieved through its medium and long term development plans. The Government during the year focused on economic development through the Small Medium Enterprise support and development that was led by my ministry.

The Government priority for the economy is on agriculture, especially to revamp run down coffee, cocoa and copra plantations, cattle and sheep, promote, facilitate development of more SMEs and MSMEs as the key catalyst for economic growth. This will be achieved through the development of cooperative models. The Government has already committed 200 million to revamp this sector.

I remain steadfast that large Foreign Direct Investment is a feeding ground for Small Medium Enterprise and Micro Small Medium Enterprises by way of partnership or through spin-off businesses.

This balance must come from our reserve listing currently under review.

The Authority also administers the Intellectual Property Office (IPO) that has potential to grow the economy. Our SMEs' designs and creativities can be protected. Lately, in the recent past our SMEs have been challenged by the overflow of imported counterfeit products and therefore trademarks, copy rights and patents must be protected from infringings. I am pleased with the continuous awareness the IPO is undertaking as this is very essential for the sector and must be continued. In the regulatory and legislative front, I commend work done on development of the Intellectual Property Strategy, and the amendment of the Intellectual Property Act. I am happy to see further improvement in the online registry system, with the servers relocated to the clouds which guarantees information security and protection. An area that needs further attention is the continued improvements and reforms in the Ease of Doing Business. This will require further harnessing of policies to leverage an investment environment conducive for potential investors.

I support the work being done on reviewing Papua New Guinea National Investment Policy, Investment Promotion Act and the accompanying regulations together with the Associations Act that will bring some level of investor confidence.

I would like to thank my colleague and former Minister for Trade, Commerce and Industry, Hon. Wera Mori for his leadership in the ministry. I also extend my appreciation to the Investment Promotion Authority Board, the Management and the staff for an outstanding and successful 2019. I Look forward to continuing the good work in 2020 and beyond.

**HONORABLE WILLIAM DUMA, LLB, LLM, MP
MINISTER FOR COMMERCE AND INDUSTRY**

CHAIRMAN'S MESSAGE

2.0



On behalf of the Board, Management and Staff, I am pleased to provide a short message on the 2019 IPA Annual Report.

The Board has been pleased with the performance of the IPA in 2019. Some of the ongoing key initiatives in motion include amendments to the Investment Promotion Act the Associations Incorporation Act, the Intellectual Property Strategy and the online registry system.

The Board has been keenly aware of the government's priority intentions to address and develop the small to medium enterprises as a direct intervention on employment creation, social stability and development of communities. The Board supports this intention and will continue to explore and develop interventions aimed at addressing issues within our control to ensure that the development bottlenecks for the SME sector are clearly resolved. We are pleased to also report that the IPA financial audits are certified and up to date. 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 and Risks Committee wanted to ensure that any accounting and governance issues are clearly addressed and managed efficiently. The board is extremely pleased with the support by Asian Development Bank and the United Nation Industrial Development Organization who have also signed MOU for another three years. Given the current financial constraints faced by our economy, these institutions have greatly supported in financial and technical advices and policy support that results in progress and milestone achievement of the authority.

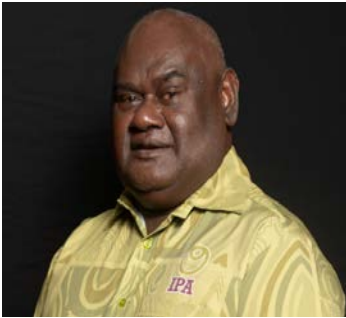
In ensuring staff welfare in workplaces, the Board continues to assist staff under the housing policy which many staff have benefited to date as well as medical and life insurance. The staffs are also benefiting from other policies including Medical Insurance, Land and Sea policy.

I would like to thank the Honorable Minister for Commerce and Industry, my fellow board members for their proactiveness and strategic focus on the operational aspects of the IPA, the management and staff for another successful year.

LEON BUSKENS
Chairman

MANAGING DIRECTOR'S REPORT

3.0



I am pleased to present the 2019 annual report on behalf of the Management of IPA. Firstly, let me congratulate Hon. William Duma, MP, for his appointment as the new Minister for Commerce and Industry in which the Investment Promotion Authority falls under. I also record my appreciation to the Board of the Investment Promotion Authority for the continued support and strategic directions to the Management and Staff in 2019. This support has allowed the Management to pursue some key programs throughout 2019.

The year 2019 is a special year for IPA to work in line with policy outcome from the 2018 APEC dialogue. Some of these initiatives are encompassed in the mid-term review of the IPA Strategic Plan 2018 – 2020.

As an APEC domestication program, the IPA convened the regulators summit involving all regulatory agencies and identified nine pillars that can be improved to leverage the Investment environment for PNG. These are national commitments which meant that important resources prioritization needed to occur for this sector to compete against other economies. IPA continues to work with Immigration, Labor, IRC, Customs and other regulatory agencies for compliance and

monitoring purposes.. This year, we carried out spot inspection in the National Capital District that has led to identifying illegal products and activities happening in NCD and other regions in the country. Through this exercise, many illegal investors and businesses were closed.

Like other government agencies, our appropriation was reviewed and reduced . Under the circumstances, we gave first priority to key programs to be effective and running. We continued to ensure that registry and certification services remain active and services were provided. Continues improvement in the online system is inundated. MOUs were signed with ADB and UNIDO as well as provincial administration and other organization to support with necessary resource and advices.

The Board of the Authority are concern on staff welfare and has develop policies as, IPA national staff home ownership policy, the medical insurance policy, road and sea policy which IPA staff are benefiting. This year has also been a good year from the overall point of view. Work has been rather hectic with visits and enquiries facilitated.

I would like to thank my staff and management team for their support and loyalty over the last twelve months in making our work very successful.

I now commend rest of IPA 2019 Annual Report to stake holder and our clientele.

Clarence Hoot
MANAGING DIRECTOR

OVERALL GOAL

This overall goal falls in line with the Sustainable Development Goals;

- Decent Work
- Inclusive and Sustainable Economic Growth
- Industry and Innovation

FOCUS AREA – our focus area is in line with Government’s Medium Term Development Plans;

- Transparent and effectiveness
- Decent employment creation - FDIs and SMEs
- Increase Innovative and Industrial Activities and promote downstream processing
- Strengthen investment confidence and bilateral and multilateral ties.

ENABLERS

- Partnering with interagency and sub-national levels
- People and Organisation working together
- Core service offering

OUR ROLES

The Authority will continue to promote and facilitate investment within and into the country and regulate businesses. We support and enable SMEs to grow into maturity and encourage outward Investment. We protect local creativity, Innovation and encourage online registration.

5.0 Strategic Business Divisions

A. EXECUTIVE SERVICES

The Executive Services Unit (ESU) provides oversight and the overall leadership role over Administration, Policy and Advisory for the Investment Promotion Authority. Within the framework of the Strategic Plan 2018-2020, the ESU has five Key Performance Indicators to report in the 2019 Annual Report.

1. National Investment Policy

Papua New Guinea needs a new National Investment Policy (NIP). A national investment policy and related legislations are critical guides for supporting a more progressive investment environment.

The new NIP and its associated legal framework are important for several reasons. They express the country's openness to private investment and its expectations from, and treatment of investors. They also establish the conditions under which foreign investment will occur, and any special arrangements for dealing with investors. Essentially, they address the following key questions: *who can invest in PNG, where, how, and under what conditions*. They provide a comprehensive coverage of a country's investment climate, as well as signal how welcoming government is to business investment.

The National Investment Policy first draft has been developed by an internal IPA team. The current draft requires further work and improvement in terms of outlining clear objectives and rationale on what the new NIP intends to achieve taking into account government development aspirations. Following from 2018, the Investment Policy Review Technical Working Committee was established with clear Terms of Reference. The Committee comprise officials from the Department of Commerce and Industry, Department of Treasury, Department of Justice and Attorney General, Department of National Planning and Monitoring and the SME Corporation.

2. Review of Investment Promotion Act

The *Investment Promotion Act 1992* (IP Act) is Papua New Guinea's (PNG) national investment law and is administered by the Investment Promotion Authority (IPA). The review of Investment Promotion Act is in the process of being presented to the National Parliament through the National Executive Council.

Following the previous government's tabling of the FIRA Bill in Parliament sitting 2018, IPA undertook the review and consultation with the private and public sector. A draft Investment Promotion Amendment Act 2019 according to drafting instructions was submitted to State Solicitor for certification of Necessity. A Certificate of Necessity was received from the Office of the State Solicitor dated 29th August 2019.

A Policy Submission was then drafted purposely to revoke NEC Policy Decision number 85/2017 and 364/2018 granting approvals for the drafting and tabling in the National Parliament the FIRA Bill 2018 and Investment Promotion (Amendment) Act 2018 and other legislative reforms.

The Policy submission was endorsed by the Minister, with the attachment of the Certification of Necessity, The Drafting Instruction for Investment Promotion (Amendment) Act 2019 and was submitted to the office of NEC on the 24th September, 2019.

3. Small Medium Enterprise Support

The Investment Promotion Authority administers the *Investment Promotion Act 1992* (IP Act) and the related laws and regulations namely the Companies, Business Names, Associations, Business Groups, Trademarks, Patents and Industrial Designs, Copyright & Neighboring Rights which in essence supports the Small Medium Enterprise

IPA continues to support and encourage SME businesses to grow in other regional centers through establishment of help desks provided for in the MOUs with the Provincial Administrations.

4. Ease of Doing Business

IPA continues to support and encourage work with other agencies to address the ease of doing business parameters in order to provide an environment conducive for doing business.

5. Strategic Plan 2018-2020 implementation and monitoring

The IPA Strategic plan is currently in its third year where programs and projects are monitored and completion report has been provided. In the mid-term review in October 2019 it recorded over 80% of Key Performance Indicators have shown achievement with few to be completed in 2020.

B. CORPORATE SERVICE DIVISION

The Corporate Services Division (CSD) of the IPA is a key division of the Investment Promotion Authority that is responsible for budgeting and financial management; human resource development and management and administration support services and; information and communication technology services. It also manages a staff welfare scheme that provides a range of lending services for staff personal financial needs and; a staff home ownership scheme to assist staff to own their first home.

1. Restructure

The IPA organizational restructure is delayed pending confirmation of legislative amendments. The existing structure has an approved ceiling of 148 which consists of 130 permanent positions and 18 casual positions.

Staff and payroll statistics - 2019	
Approved Staff Ceiling	130 (Permanent) <u>18 (Casual)</u> 148
Staff on Strength	114
Permanent Staff	108
Unattached Staff	1
Casual staff	5
Total on Payroll	114
Vacancy	22 (Permanent) <u>12 (Casual)</u> 34

2. Human Resource Management & Development

- **Recruitment**

The IPA continues to recruit to vacancies and build staff capacity.

- **Training**

The annual staff training budget was increased from K225 000 to provide more opportunities to staff to undertake training and continuous education activities. The main thrust of the IPA training plan continues to be skills enhancements and, qualification upgrade to bridge the gap between work experience and minimum qualification requirement for each position in the IPA organizational structure. Notable individual training programs will progress into 2020 are included in the table below.

Employee	Designation	Highest Qualification on Commencement	Qualification (Study in Progress in 2019)
Mr. Kenneth Mowi	Enforcement Officer	Higher School Certificate	Diploma in Prosecution/University of PNG
Miss Michelle Marikawa	Legal Secretary	Diploma in Office Administration	Diploma in Prosecution/University of PNG
Mrs. Balin Simon	Senior IT Officer/Database	Bachelor of Education/IT	Diploma in IT/Data Base
Mr. Ebes Ereman	Finance Officer	Diploma in Accounting	Bachelor in Public Accounting

Ongoing activities were recorded for staff motivation and empowerment purposes;

- Staff of the Year Award for divisions and the organizational Staff of the Year award

Selected staff also undertook specialized donor funded trainings and workshops in the following areas;

- Legal Framework on Foreign Direct Investment – JICA funded
- Seminar on Anti-Money Laundering – Bank of PNG

Management skills enhancement training was facilitated in-house for middle managers and senior officers which was successfully delivered by the PNG Human Resource Institute.

3. Staff Home Ownership Scheme

The scheme continues to benefit the staff of the Authority. Three approvals for IPA assistance were given in 2019 and hopefully the three will move into their new homes in 2020. To date 15 employees have benefited from the scheme.

4. Staff Land and Sea Transport Policy

The implementation of the policy was rolled out in 2019. This policy is aimed at ensuring employees are able to reach their villages for recreation leave and recuperation.

5. Provide Administrative Support Service

The division continues to make sure that IPA in Port Moresby and in the Regional centers have adequate office space for the staff and clients and for physical files storage. This activity also supports in providing office supplies, transportation and other daily operational requirements including office access control.

6. Insurance Policies

IPA continues to insure its assets against possible losses, with the inclusion of the staff medical insurance policy in 2019 and to be implemented in 2020.

7. Prudent Management of Finance

The IPA prides itself in ensuring its annual financial statements are audited by the Auditor General. The 2019 audited financial statements forms part of this annual report.

8. Accounting Package Upgrade

As part of the preparatory work to migrate the IPA financial information from Peachtree to Attache', all staff of the Finance Unit received Attache' Accounts training delivered by Frambry Software Services in 2019. Work to progress into 2020 to review the short of accounts and supplier listings.

9. Budgetary Support

The IPA's budget is mainly funded by the fees collected at the registry. This year the national government under their fiscal policy allocated no budgetary support to the IPA however, it allowed IPA to keep the fees collected from the registry and plough that back into providing IPA services. This arrangement is working well for the IPA with less disruptions to its service provisioning to the business continuity.

10. Information Technology

Continually upgrade, improve and maintain Information Technology Systems to meet the changing Institutional and business requirements of the IPA.

- **Online Registration System (ORS)**

The procurement of the ORS in 2013 has completely changed the way business registration services were delivered in the past. The turnaround time on registration and issuance of certificates is quicker and convenient for the business community both domestic and international businesses. Six years into implementing the ORS the IPA as well as the business community embraced the technology and foresee that the IPA can build on this technology and further improve its services in the business registration and compliance space.

- **Intellectual Property Automation System (IPAS) Upgrade**

In September 2017, a new server was installed in VMware environment to relocate current IPOPNG/IPAS server and to install WIPO Publish Intellectual Property (IP) search database for the IPOPNG's IPAS system. Now IPAS internal data are available on <https://online.ipopng.gov.pg/ipsearch> for external users to conduct IPOPNG related IP searches.

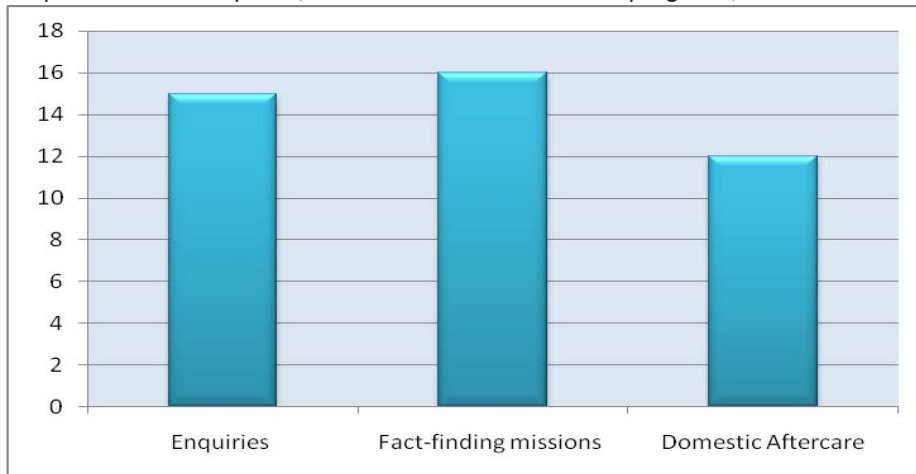
C. INVESTOR SERVICING AND PROMOTION DIVISION

- **Investment Promotion, Facilitation and Aftercare Services.**

Investment Promotion and Facilitation

The graph below shows that in 2019, a total of 14 international enquiries were facilitated whereas 15 fact-finding investment visits were undertaken. Apart from international enquiries and visits, there were 12 aftercare support services provided to domestic businesses and investors.

Graph 1: Investor enquiries, visits and domestic aftercare programs, 2019

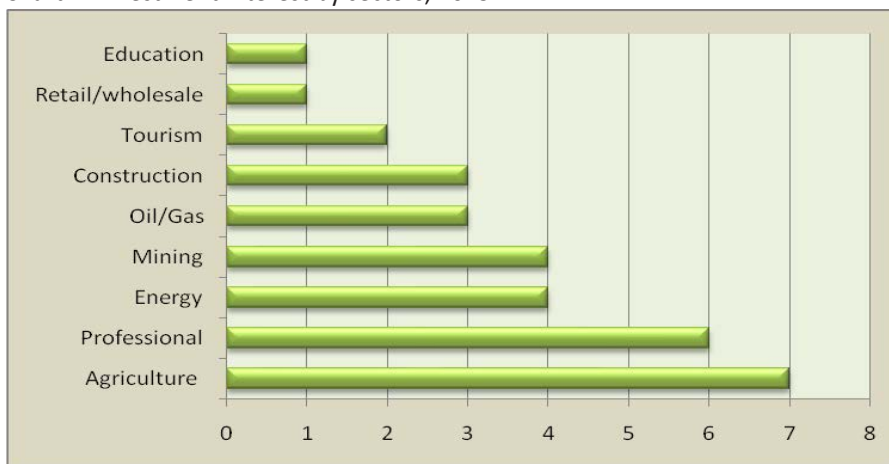


Source: Investment Promotion Unit, 2019

Investment enquiries/interest by sectors

The pie chart below indicates agriculture, professional and consultancy, energy, mining, oil and gas as sectors of high interest for investment enquiries and fact-finding visits.

Chart 1: Investment interest by sectors, 2019

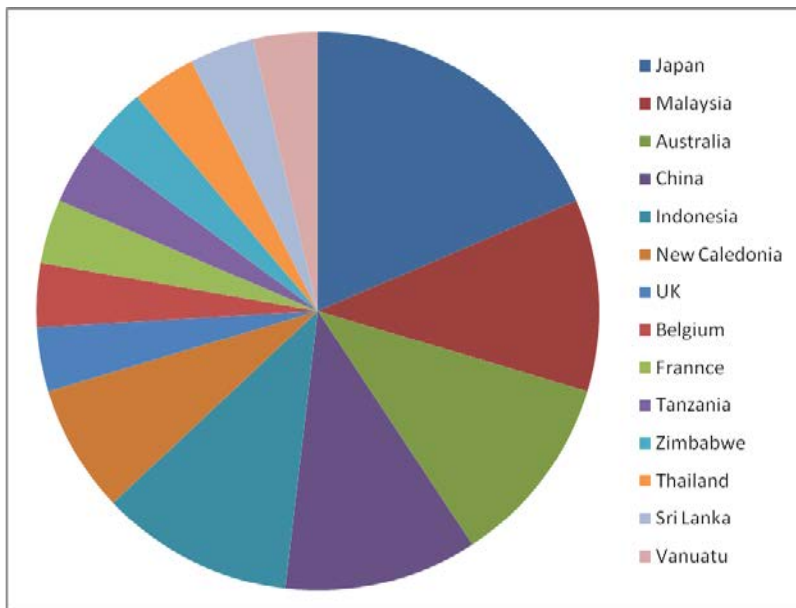


Source: Investment Promotion Unit, 2019

Investment fact-finding visits by countries

The pie chart below gives an overview on source of investment interests for the year. Traditional investment partners like Japan, Malaysia, Australia and China maintained the greater percentage of interests seeking investment opportunities in PNG.

Chart 2: investment interest by countries, 2019



Source: Investment Promotion Unit, 2019

Aftercare Program

The Aftercare programs we undertook were mainly facilitated for walk-in domestic clients on day-to-day basis while international clients were well assisted through email and telephone conversation.

Project Profiling

Project Profiling Exercise is an ongoing work program to collate and compile project profiles and promote them through our various communication channels and international network partners.

- **Effective Economic Policy Advocacy**

Policy Advocacy and Networking Partnerships

As part of post-APEC 2018 domestication process, the IPA delivered the inaugural Business Regulators Summit 2019. Other key events sponsored and supported by IPA include the 2019 PNG Investment Week, Speakers Investment Summit and UN-ESCAP Asia Pacific Business Forum



Deputy Prime Minister, Hon. Davis Steven and IPA Managing Director, Mr. Clarence Hoot with heads of regulatory agencies and private sector stakeholders at the 2019 Business Regulators' Summit.

We continued to support and participate in government interagency meetings and contribute to policy discussions, support APEC process and other bilateral, regional and multilateral trade and investment programs and events.

International Engagements, Seminars and Conferences

We continued to participate in international engagement with bilateral and regional partners in terms of training and capacity building programs.

- 08th - 28th June 2019 Seminar on Trade & Sustainable Development of Chambers of Commerce & Industry of Belt & Road countries in China (Beijing, Ningbo, Taizhou, Dezhou). The seminar event was organized and facilitated by Academy for International Business Officials and China Council for the Promotion of International Trade Training Centre.
- 18th - 19th June 2019 APEC IEG Workshop on Investment Policy Reform, Kuala Lumpur, Malaysia. The event brought together government representatives private sector representatives from the APEC region to foster peer-to-peer learning by sharing reform experiences in the core thematic areas of investment policy reforms.
- 25th July - August 08th 2019 Seminar on the Investment Attraction for Officials from Developing Countries sponsored by the Ministry of Commerce of the People's Republic of China. The seminar was held in Qingdao and Linyi city of Shandong Province and Shanghai Province respectively offering training and development on international trade and investment.



IPA officers with other officials from Developing Countries in Shanghai for the Seminar on Investment Attraction for Developing Countries

- **Effective Public Relations and Marketing**

1. **CONFERENCES AND EVENTS, 2019**

The following events were facilitated and participated in;

- PNG Investment Week – Stanley Hotel, Port Moresby
- Regulators Summit – Hilton Hotel, Port Moresby
- Lukim PNG Nau Tourism Expo – Madang
- Lae Cocoa Show of Excellence, Lae
- Start Up PNG expo – APEC Haus, Port Moresby
- SME Seminar - Stanley Hotel, Port Moresby

2. **E-newsletter**

The newsletter continued to be an important information tool for the IPA. The subscription list continued to increase and the newsletter continued to gain popularity. Twelve (12) editions were delivered in 2019.

3. **IPA Awareness Program**

The IPA awareness involved outreach programs to provinces and mining areas. The 2019 programs mostly targeted SMEs in provinces and districts and landowner companies.

Under the Awareness Program, the IPA had a partnership with the Womens Business Resource Center in Port Moresby. The partnership involved a monthly presentation by different divisions of the IPA at the Resource Center. The program was greatly appreciated by the Center and women entrepreneurs in NCD.

5. Website

The IPA website continuously updated and provided investor and business related information.

6. Invest in PNG Magazine

The biannual *Invest in PNG* Magazine was produced and the magazine was well received by the readers.

7. Invest PNG Video

The video was produced in collaboration with the Tourism Promotion Authority.

8. IPA Post Courier fortnightly column

The fortnightly Post Courier column contained information about the IPA roles and its services. A total of 21 editions were produced in 2019.

9. IPA Promotional Merchandises

The promotional merchandises consisted of fitness watches, selfie sticks and polo shirts.

10. Public Relations/Branding and Corporate Social Responsibilities

In 2019 the IPA registered two teams in the Port Moresby Corporate Volleyball Competition. The IPA also participated in the Public Servants Sports Program.

The IPA also supported Port Moresby General Hospital Blood Bank for staff to donate blood.

Apart from the above, the IPA attended major corporate events in 2019.

11. Training for Reporters and stakeholders

A training was conducted for media reporters and representatives from key stakeholders on the roles, systems and procedures of the IPA and the other Offices that are housed within the IPA. The training was aimed at educating reporters on IPA processes so they can understand better and report accurately. There has been an improved reporting in terms of accuracy and coverage of IPA events since the training.

Activities under Marketing and Export Promotion are summarized below;

Objective 1: Trade Facilitation and Exhibitions

Activities	Outcomes
<p>FOODEx Japan 2019 and 2020 Facilitated successful participation of Tropic Frond Oils Limited, t/a Niugini Organics to FOODEx Japan 2019 event and the successful application for Madang Cocoa Company for the 2020 event.</p>	<p><i>Tropic Frond Oils Limited, t/a Niugini Organics advised of its successful participation and interaction with potential buyers at the exhibition and that a shipment was made as an outcome of a business deal.</i></p>

<p>Pacific Path to Market PNG Trade Mission to NZ (5 – 8 April, 2019) A PNG Trade team comprising of four companies and six individuals attended the Pacific Path to Market Program in Auckland, New Zealand.</p>	<p><i>All who participated were new to the NZ market and appreciated every aspect of how their products would sell. Unfortunately the exhibition day was only 1 day and not sufficient for all to promote and sell and this was noted well by the organizers.</i></p>
<p>Investment Week Exhibitions Organized and facilitated 20 exhibitors incl. IPA for the duration of the Investment Week</p>	<p><i>Majority of the exhibitors organized by IPA to participate where from outside of Port Moresby thus appreciated the opportunity and most sold their products and made business networks with visitors both locally and internationally.</i></p>
<p>Korea Import Goods Fair (27-29 June 2019) 2 x PNG companies successfully attended under partnership between the Ministry of Foreign Affairs Korea, Korea Importers Association (KOIMA) and the Pacific Islands Secretariat.</p>	<p><i>Inaugural participation for any Pacific Island company under the Pacific Pavilion and IPA presented during the Inaugural Pacific Seminar. Better preparation and advance notice recommended by Pacific companies to organizers due to late notice to participate.</i></p>
<p>World Expo 2020; Dubai Representing IPA attending the Interagency meetings for this exposition making recommendations and introductions for DFAIT to liaise and involve respective PNG commodity boards to attend this event. DFAIT is the lead coordinating agency for PNG.</p>	<p><i>IPA was tasked to organize an Investment Roadshow during this event.</i></p>
<p>The Bougainville Chocolate Festival (7-8 Aug 2019) Represented IPA and did awareness and met potential exporters during this annual chocolate festival</p>	<p><i>Recommendations made for an additional day to be included in this for IPA team to meet to profile individual exporters and business proponents</i></p>

Objective 2: Business Development Assistance Program

- *Production of the Manufacturers & Exporters Directory 2019 – 2020*
- *Production of the Guide on Import and Export Procedure and Export Development Assistance Booklet*

Objective 3: Networking and Partnerships

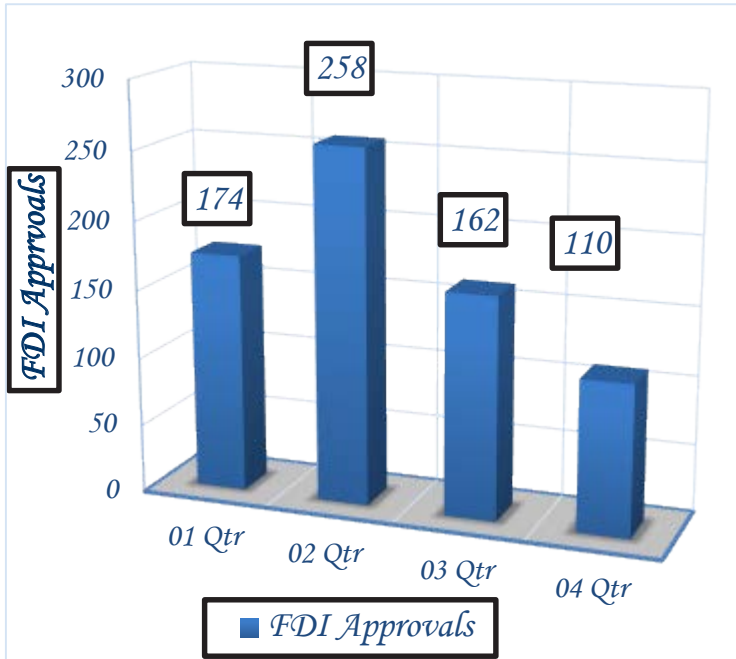
- Harnessing partnership with Japan External Trade Office (JETRO) in Sydney for facilitation of PNG businesses to respective trade exhibitions in Japan
- Ongoing partnership with Pacific Islands Trade and Invest
- Ongoing partnership with domestic Government Agencies and Commodity Boards to further promote PNG exporters and the export sector

Activities under Research and Information are summarized below;

Business Certification Statistics and Trends 2019

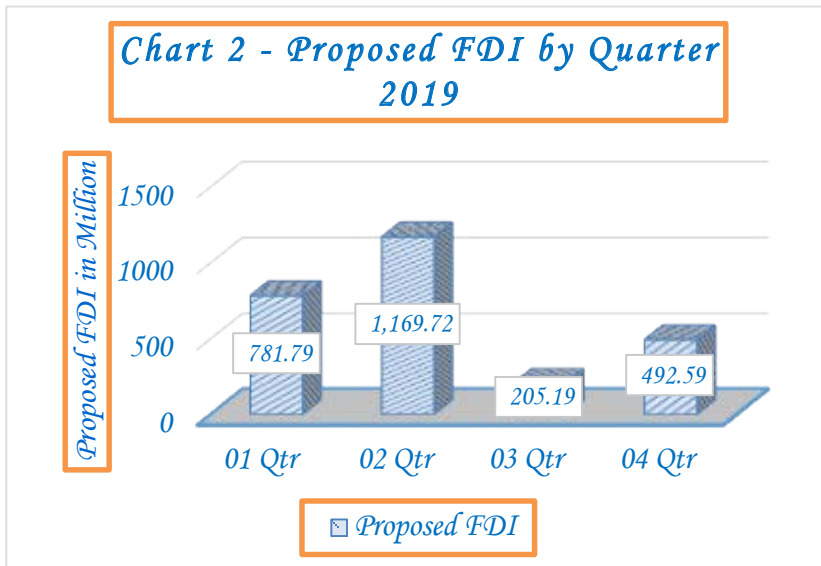
The 2019 reporting for the foreign business certification statistics and trends entails a glance on the key highlights of the year.

Chart 1 - FDI Approvals by Quarter 2019



According to the foreign business statistics maintained by the IPA, it should be noted that the second quarter recorded the highest with 258 approvals followed by the first quarter with 174 and then by the third quarter with 162 and fourth quarter with 110 approvals.

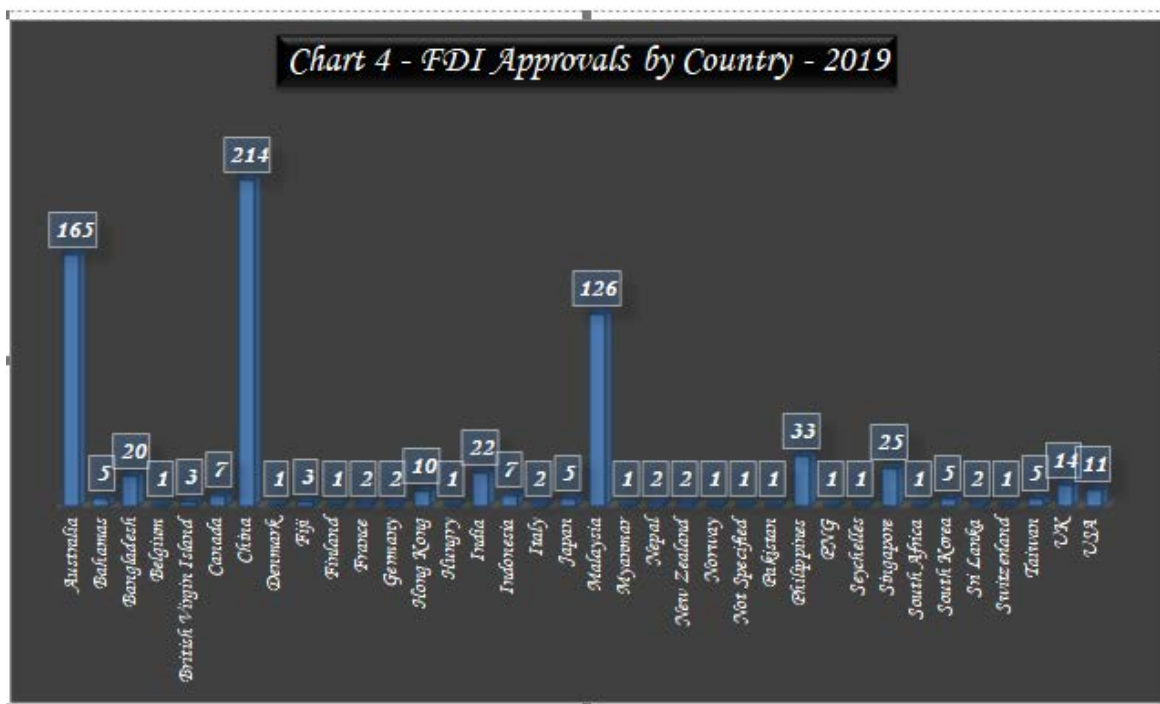
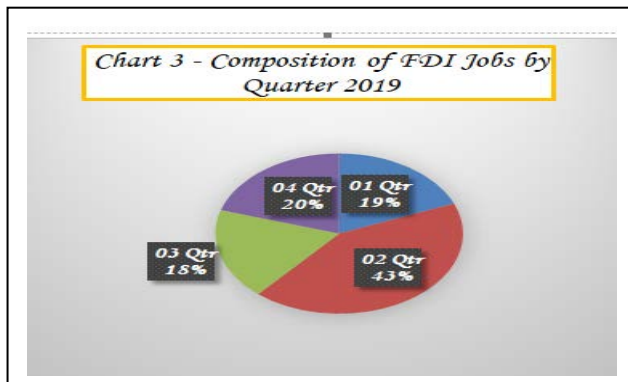
Chart 2 - Proposed FDI by Quarter 2019



In terms of the proposed jobs by quarter, it should be noted that the second quarter maintained the highest record for the year with 43 percent of the total jobs followed by the fourth quarter which accounted for 20 percent of the proposed jobs and followed by the first quarter with 19 percent while third quarter followed thereafter with the remaining 18 percent.

Table 1 – Proposed Jobs by Quarters in 2019

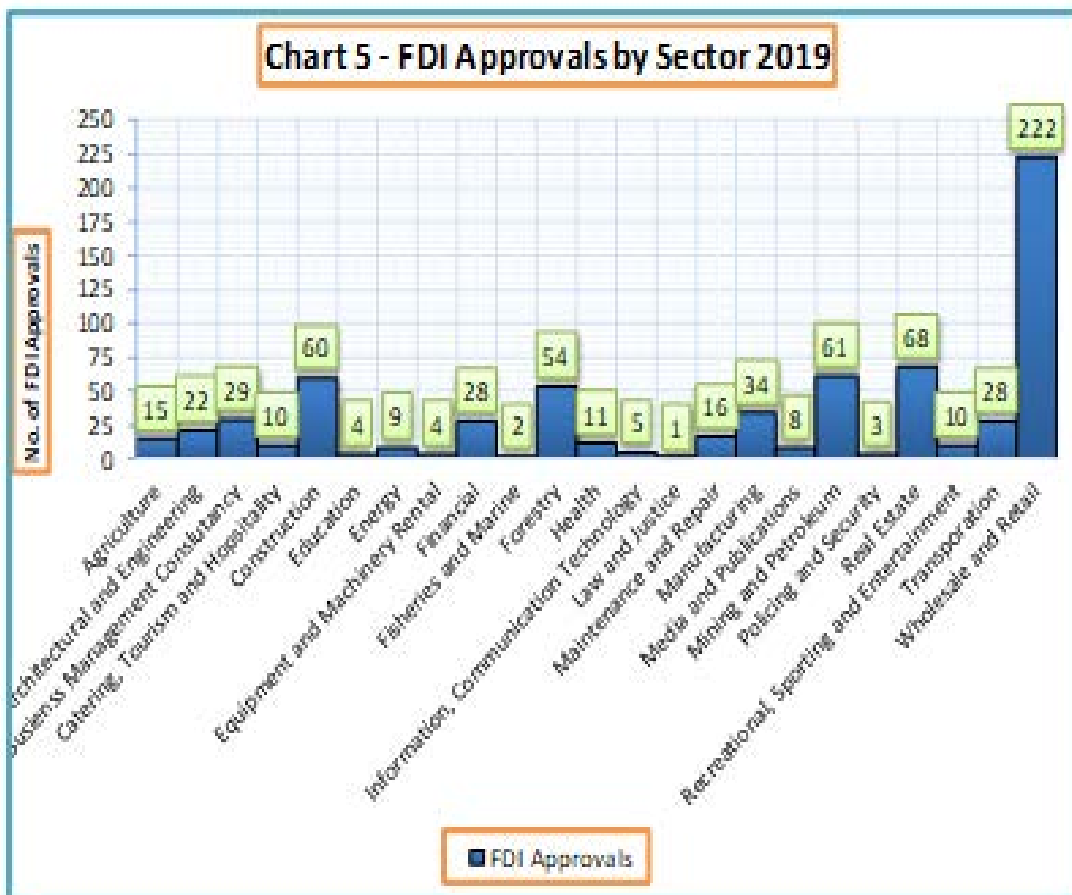
Quarter	National	Foreign	Total
01	2,010	245	2,255
02	4,552	526	5,078
03	1,967	231	2,198
04	1,989	431	2,420



In terms of the FDI approvals by country, it should be noted that China recorded the highest approvals followed by Australia and Malaysia.

Looking at the proposed FDIs as according to the records by country of origin, it should be noted that that Australia maintained the highest level of proposed FDI followed by China and then Singapore followed by Malaysia and Indonesia.

In terms of the associated number of proposed jobs, Australia recorded the highest followed by China and Singapore.



In terms of the FDI approvals by sector as according to the records, the wholesale and retail sale recorded the highest followed by the real estate sector, the mining and petroleum sector and the construction sector.

For the proposed FDI values by sector, the real estate sector recorded the highest followed by the construction sector the financial sector and the wholesale and retail sector. The remaining sector recorded a proposed FDI values of between and equal to K192.40 million and K0.40 million respectively.

In terms of the proposed jobs, the wholesale and retail sector recorded the highest total jobs followed by the agriculture sector, the forestry sector, tourism and hospitality sectors.

With respect to FDI approvals by province NCD recorded the highest, “Yet to Identity” refers to FDI approvals that does not indicate a operating location at the application stage so condition is given to applicant to apply for variation within 6 months is imposed on such companies.

In terms of the proposed FDI by Province, NCD recorded the highest.

The associated proposed job creation by province as according to the records, like the proposed FDIs saw NCD with the highest. Refer to Chart 7 for additional details.

Chart 6 - Proposed FDI Approvals by Province

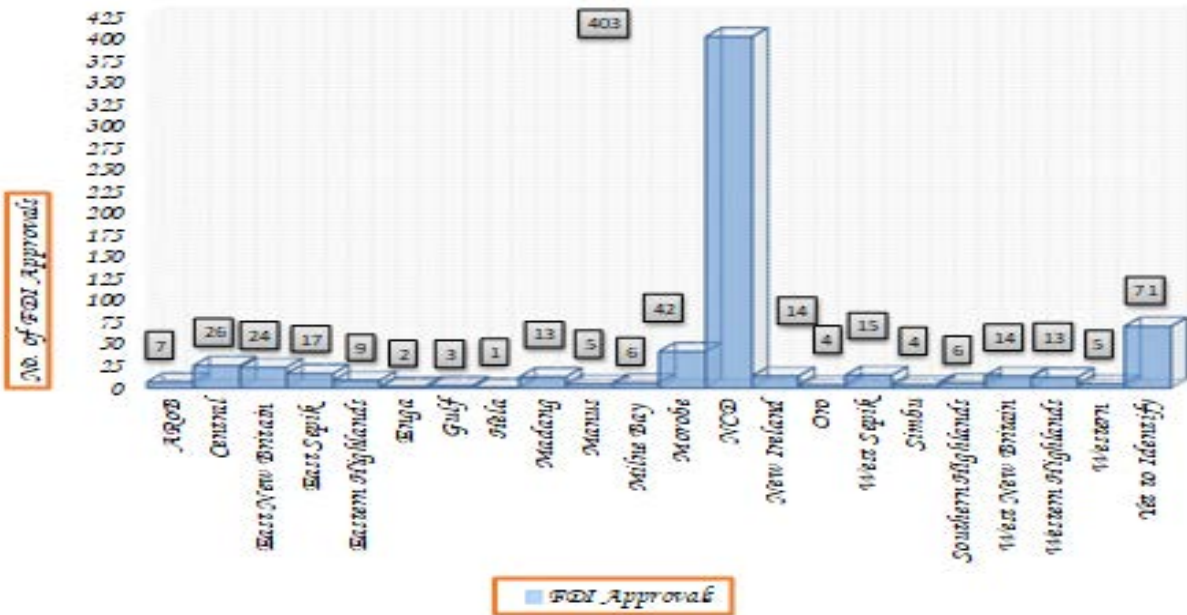
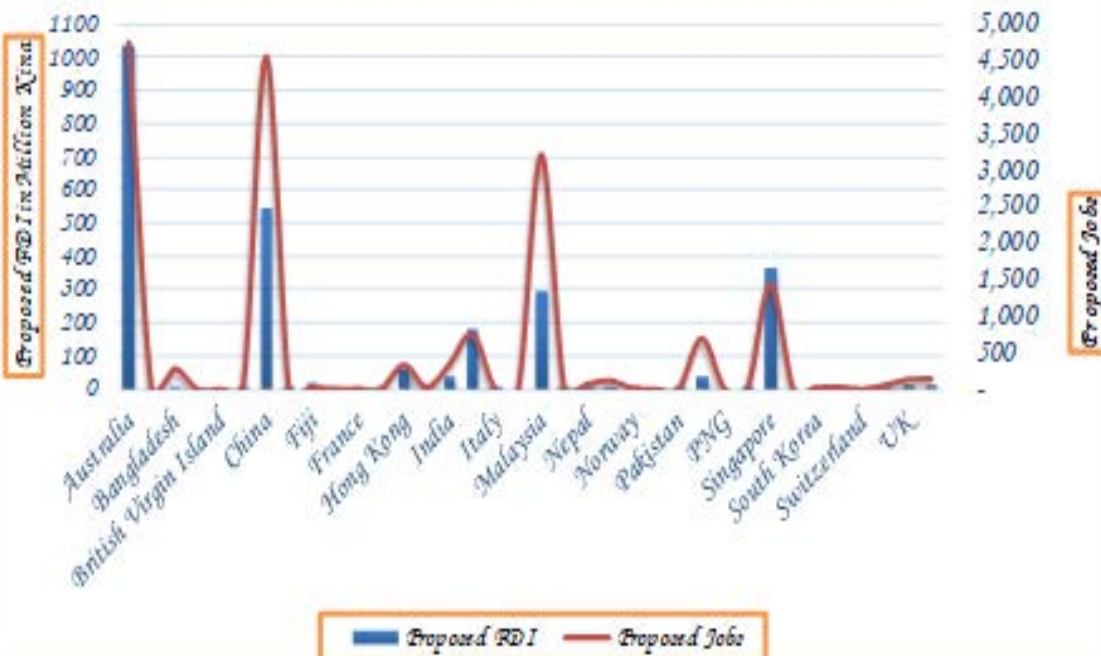
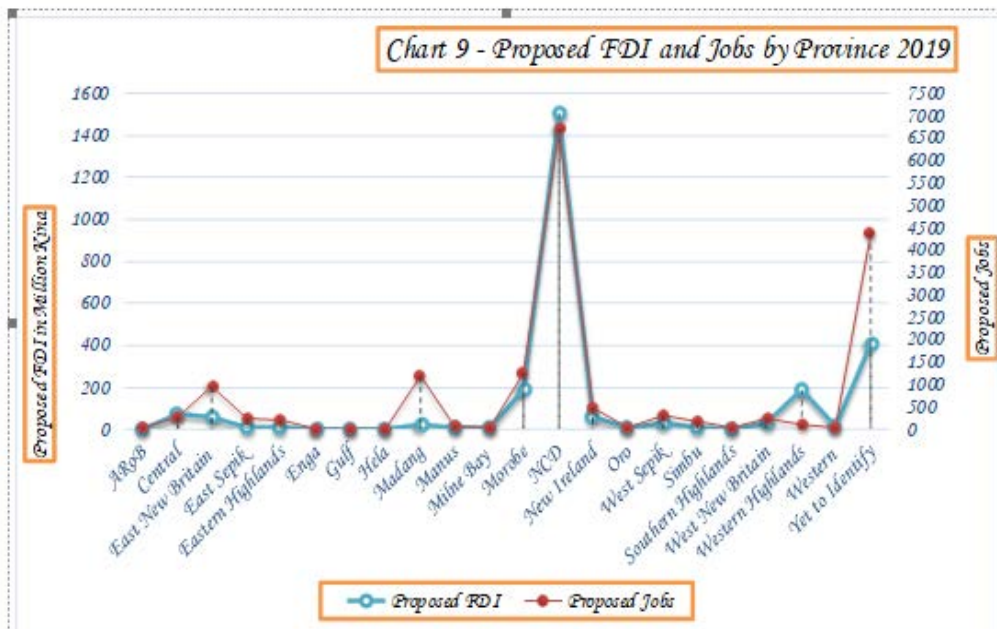
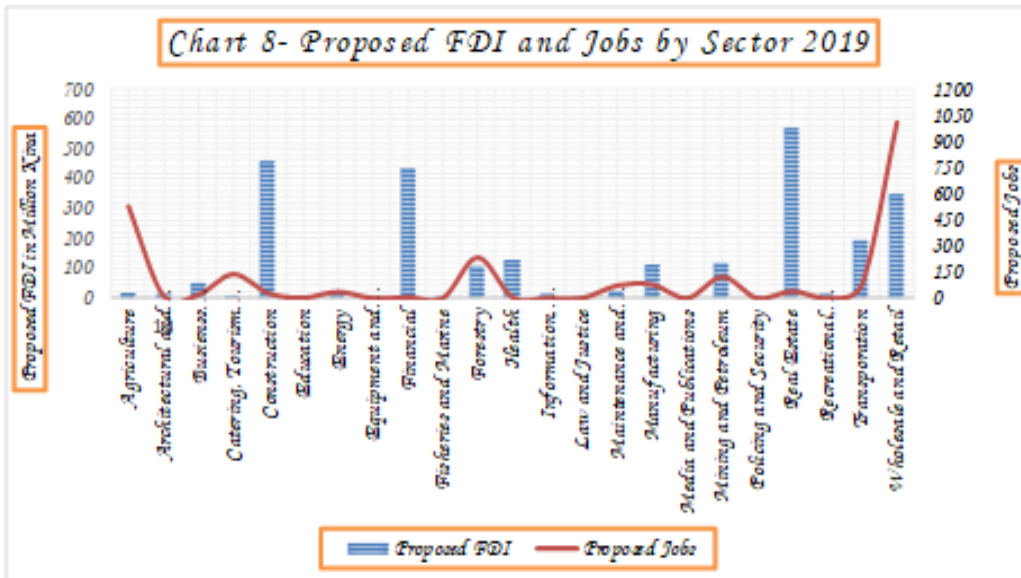


Chart 7 - Proposed FDI and Jobs by Country - 2019





Provincial Database Survey & Spot Inspection

Two provincial surveys and spot inspection exercises were executed in 2019 – one in National Capital District (NCD) and the other in Milne Bay. The NCD exercise was carried out from 24th April to 7th June 2019 and was successfully completed.

The database survey and spot inspection in Milne Bay was carried out from 4th to 7th November 2019.



NCD Survey & Spot Inspection Team 2019.



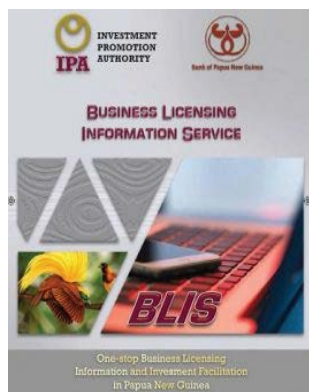
Members of Alotau Spot Inspection Team destroying the confiscated goods.

Provincial Memorandum of Understanding (MOUs)

The MoU facilitates IPA Help-desk at the provincial level. Two Help-desks were launched/established in 2019 – one with New Ireland Provincial Administration on Friday, the 4th of October 2019; whilst the one Milne Bay was launched/established on Friday, the 8th of November 2019 in Alotau. The Help-Desk launching follows the signing of the MoUs between the respective provincial governments and the IPA.

Business Licensing & Information Services (BLIS)

The BLIS booklet was published and 250 copies printed. The BLIS booklet outlines information about business licensing requirements and fees from respective licensing and permits issuing agencies.



D. INTELLECTUAL PROPERTY OFFICE

The Intellectual Property Office is responsible for the administration of intellectual property laws and the registration of intellectual property rights.

This is a summary of the Intellectual property office program outcomes;

(i) Finalization of the National Intellectual Property Strategy

The work program on the National Intellectual Property Strategy is a key work program that began in 2017 with the assistance from WIPO and European Union and this work was completed in the same year. The strategy is a road map in guiding the office to developing an appropriate intellectual property framework for the country.

The office has made submissions for NEC approval and is awaiting endorsement.

(ii) National Intellectual Property Bill

The National Intellectual Property Bill is proposed to be an Act or piece of legislation that would establish and give legal effect to the Intellectual Property Office of Papua New Guinea and more importantly defining the powers and functions of the Office and to consolidate and give effect to the existing pieces of intellectual property legislations including the Trade Marks Act, Patents and Industrial Designs Act and Copyright and Neighbouring Rights Act.

A draft Bill has been developed and further review will be undertaken after the National Intellectual Property is endorsed.

(iii) Amendments to the various Intellectual property laws including Trade Marks Act and Copyright and Neighboring Rights Act

This program relates to the various amendments to all intellectual property laws and in particular, to the Trade Marks Act Chapter 385 and the Copyrights and Neighbouring Rights Act 2000.

The Office is finalizing work on these amendments and will be making submissions to the National Executive Council to obtain an endorsement for drafting. It is anticipated that the legislations will be ready by the end of 2020.

(iv) The Improvement to current Systems and Processes or Procedures in relation to IT Systems and Databases, Resources materials etc

This program relates to the improvement of systems and/or business processes in relation to the core business of the IPO in managing and administering the Registries of trademarks, patents and industrial designs. This program is on-going and focuses on the general improvements to the current systems (Database) and processes/procedures (business process), digitization exercise, completion of office manuals, upgrading of websites and other platforms for awareness, records management and even introduction of new laws (regulations) to improve the business process.

At present the IPO is focusing on projects that specifically relate to improving systems and processes which include the Digitization of all physical files and upgrades to our systems and databases.

The Digitization project has progressed well with almost 70% of the physical files all digitized and captured electronically. The upgrade to systems and processes continue as an ongoing exercise and more so focus has been around improvements in preparation for accession to Madrid Protocol for international registration of trademarks.

The IPO also recently launched its PNG IP Search Platform at the Regulators Summit on 20th September 2019... It is an online facility that provides access to trademarks (brands), patents and industrial designs (designs) data, on filed and/or registered brands, patents and designs. This platform provides the opportunity for any users to search trademark, patent and industrial designs database to obtain filing and/or registration/grant information for various trademarks, patents and industrial designs. It also provides right holders or applicants the opportunity to track and monitor the progress of their applications and know their statuses in real time. The facility also displays analytical data depicting filing trends by various sectors and by top filers in terms of countries.

(v) Plan for Revenue Generation

This work program was intended to provide the opportunity for the IPO to consider strategies to improve its approaches in generating revenue for the office. On average the IPO earns an average of K700,000 to K800,000 a year and these income is generated from its fees charged on lodgments and various matters relating to trademark, patents and design registration and maintenance.

Thus the IPO is constantly exploring opportunities to improve its revenue trends. In fact, the office is currently embarking on the projects of making amendments to the current laws with the opportunity of also improving the regulations of those laws. This will see an amendment to the fee schedules in some of these legislations with a variation to filing or lodgment and registration fees as well. Furthermore, the accession to the international treaties particularly the Madrid Protocol will also see additional fees collected under the Madrid System. This will also contribute to the revenue on filing and registration of international applications.

(vi) Training and Development of Staff

In 2019, a total of 9 staff underwent training... Other staff participated in workshops, meetings, seminars, awareness drive as a capacity building exercise and improvements to operational matters.

(vii) Develop and execute IP awareness programs and strategies for innovation and creativity

This program relates to strategies on carrying out awareness programs to enabling sectors, stakeholders and general public in becoming intellectual property conscious and utilizing intellectual property as a tool for innovation and creativity.

This year the Office undertook and/participated in several awareness programs including the usual World Intellectual Property Day celebrations. This was done on 26th April 2019 and comprised of a Sports Day expo or exhibit day involving school students and businesses houses. The theme for the celebrations was IP and Sports: Reach for Gold.

Five schools participated in the event and these were (1) St Joseph's International School, (2) Gordons International School, (3) Carr Memorial Adventist School, (4) Gerehu Primary School and (5) Kilakila Secondary School with an audience of 70 target audiences comprising of teachers and students. Business houses associated with sports and sporting equipment also participated at the event which included (1) PNG Sports Foundation, (2) PNG Olympics High Performance Centre, (3) Paradise Foods (AFL Development Program), (4) Moni Plus (Sponsors of Grassroot Sports) and (5) Vitis (Sponsors of Central Dabaris). IPO issued certificates of appreciation to schools and also donated prizes for quiz and other entertainment involving the students.

(viii) Explore the possibilities of engaging in new international cooperation agreements that would contribute to improving the IP regime

The Office continued its participation at regional meetings including the Asia Pacific Economic Cooperation (APEC) Summit. The Office participated at the Intellectual Property Rights Experts Group (IPEG) Meetings in Puerto Varras, Chile in August, 2019.

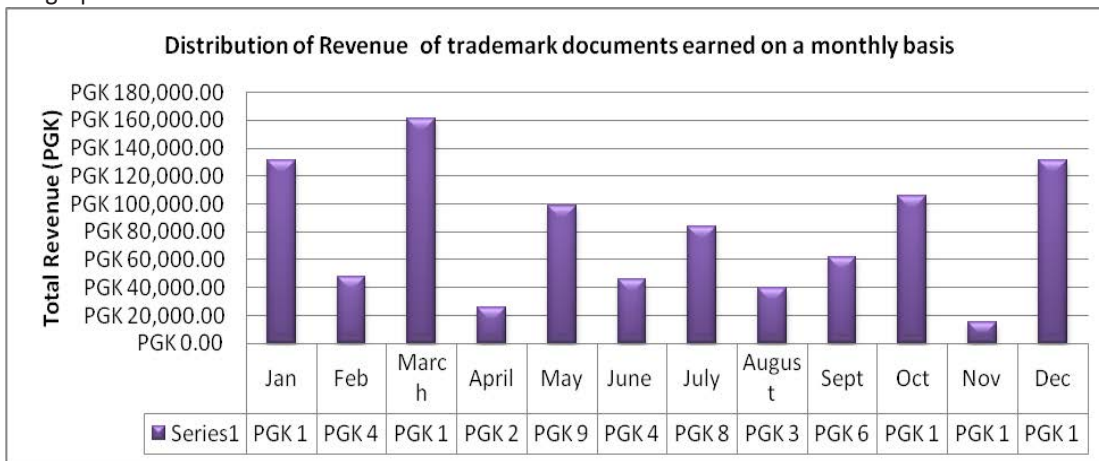
The Office currently has an existing bilateral cooperation with the Intellectual Property Office of Australia in the area of patent examination. The IP Australia assists IPOPNG in doing substantive examination for patent applications as the IPOPNG currently does not have the technical capacity to conduct substantive examinations for patent applications. However, the IPOPNG grants patent protection in accordance with Papua New Guinea’s national law on patents.

Registry Performance – Annual Volume and Revenue for trademarks, patents and designs

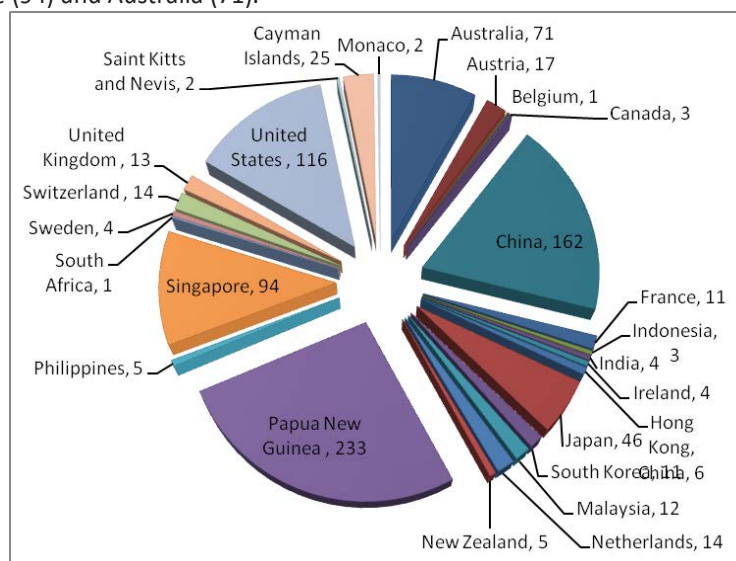
The Office continued to perform its registry functions particularly in managing applications for registration and grant of trademarks, patents and industrial designs. In 2019, the Office recorded a revenue of approximately K1,246,248 which was generated from mainly trademarks, patents and designs applications and related documents.

(i) Trade Marks

Trademark applications and related documents recorded a total annual revenue of K949,148 in 2019 which was notably an increase from 2018 which was K799,621. The highest revenue earners for trademarks was trademark applications for registration which fetched a total revenue of K244,215, trademark registration certificates which was K338,900 and trademark renewals which was K310,920. The distribution of revenue per month is displayed in the graph below.



In terms of applicant origins or countries that filed most of the applications, as shown in the pie chart below, Papua New Guinea recorded the largest volume of applications with 233 applications filed this year which is a notable milestone and an encouraging achievement for PNG. The second highest filers were China (164), the United States (116), Singapore (94) and Australia (71).

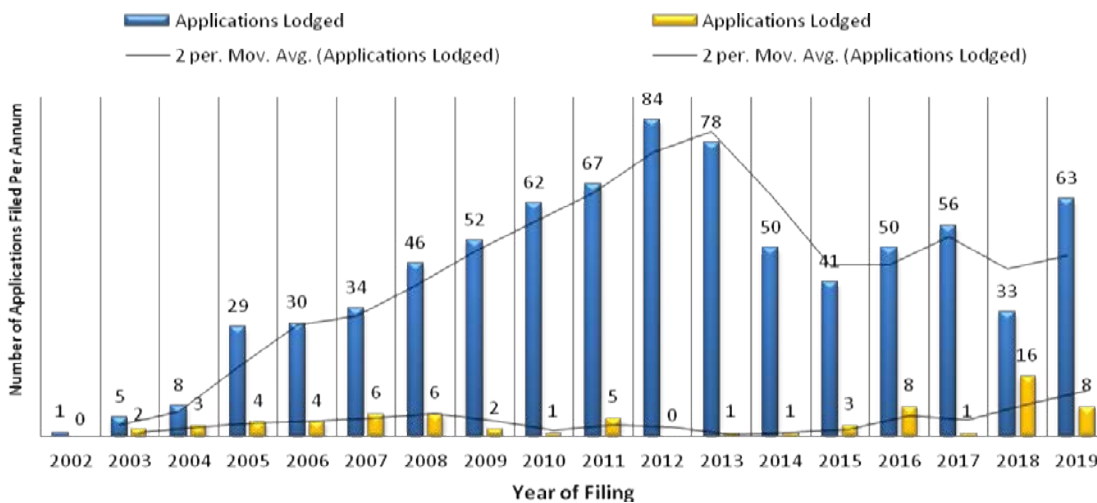
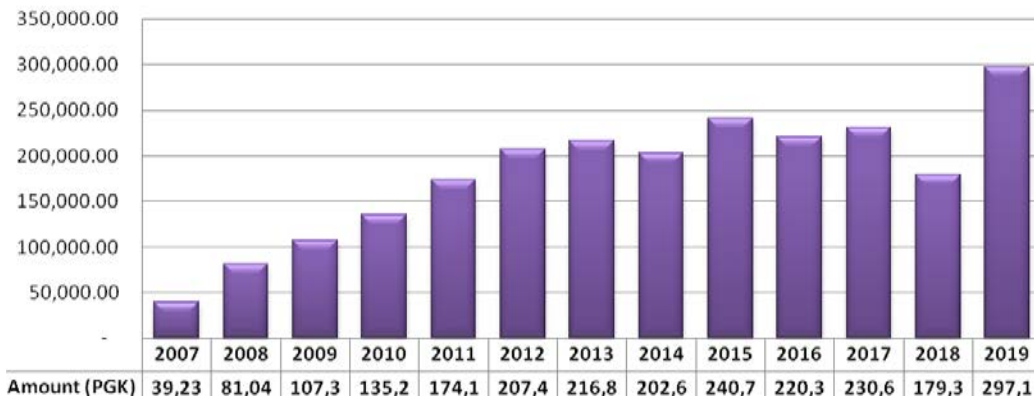


(ii) Patents and Industrial Designs

Since PNG’s membership to the PCT, there has been a linear growth in interest by foreigners to seek patent protection in Papua New Guinea. This is partly translated in the revenue collected by the unit every year for the office.

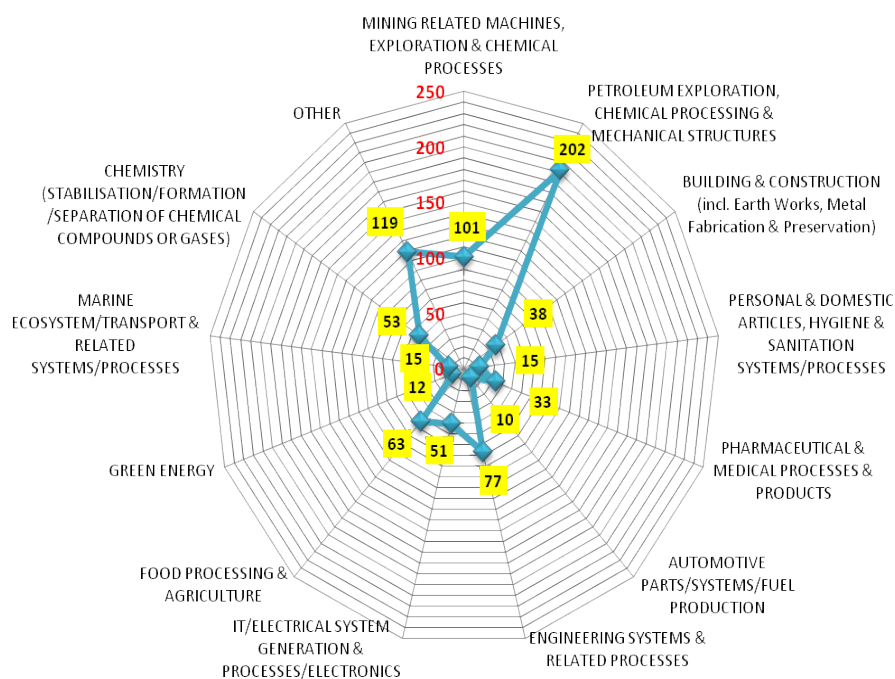
In 2019, the Patent and Industrial Designs Unit raised a total amount of K297, 140.00 which was an increase of K117, 830.00 from the previous year. This was considered to be the result of making an improvement to the receipting system during the year. Furthermore the highest volume of revenue was from the Annuities or Renewals and the lodgements of new patent applications.

Total Revenue Raised Annually Through Patent & Design Lodgements



The chart below shows the number of applications filed in the various types of technology fields in which the inventions relate to. In those statistics there is a clear indication for the mining and petroleum sector including increase in importation of technologies for capital intensive industries in the country. Engineering systems and related processes is also high because majority of these filings are related to the mining and petroleum sector particularly for its construction and processing needs which are tasks carried out by contracting companies and internally as well. Furthermore, the percentage representation for each industry demonstrates clarity in terms of investment interest in Papua New Guinea.

Areas of Technology Filed by Applicants for Patent Registration in Papua New Guinea



E. BUSINESS REGISTRATION AND FOREIGN CERTIFICATION

The Business Registration & Certification Division (BRCD) being the largest division within the Authority houses three main units namely Registrar of Companies Office, Foreign Certification and Legal & Compliance. Each unit is distinct and has unique roles and responsibilities, each having the potential to grow into separate division in which the foregoing will reflect such scenario. The Registrar of Companies Office consists of: (i) Business Registries for Companies and non companies, (ii) Personal Properties Securities and (iii) Accounting Standard Board Secretariat

This is a summary of the Business Registration & Certification Division program outcomes;

1. REGISTRAR OF COMPANIES OFFICE

Structurally, the Registrar of Companies (ROC) office has two main sections, the front office handling the lodgments of documents and the back office where processing takes place. The ROCs office is a registry and as mandated under various laws, its core functions revolve round ensuring that business entities are registered and regulated through due processes and that records of the registered entities are reliable and easily accessible. Below are main achievements during the year which are in line with the Strategic Plan 2018 – 2020. We have also included the Anti-Money Laundering and Counter Terrorist Financing (AML/CTF) related activities.

a. The Online Registry Services (ORS)

- i. Since moving its internal database server to cloud in 2018, the ORS has operated on full capacity and no downtime this year.
- ii. There has been a significant increase in online filing. The table below indicates an almost breakeven on paper filing compared to online filing.

Table # 2 Programmatic Vs User Interface Filings

Paper	Online	Grand Total
30,084	30,088	60,172

iii. **New Registrations**

Registration of new entities under various legislations remains one of the main activities undertaken on a daily basis at the operations level. Below are the statistics showing an overall decline in the number of the new registrations across the four registries. The cause behind this trend is unknown but it can be indicative in general that the overall recession within the economy might be reflected in some way.

Table # 4 New Business Entities

	BUSINESS NAMES	BUSINESS GROUPS	COMPANIES	ASSOCIATIONS
JAN	1,559	24	305	45
FEB	1,598	23	455	32
MAR	1,817	31	374	34
APR	1,458	38	307	57
MAY	1,591	44	337	58
JUN	1,340	32	303	52
JUL	1,488	31	319	57
AUG	1,355	19	292	63
SEP	1,324	33	308	38
OCT	1,534	94	360	71
NOV	1,238	66	297	46
DEC	996	24	212	43
TOTALS	17,298	459	3,869	596
COMPARATIVE INFORMATION				
2018 FIGURES	19,268	974	8,743	1,025
CHANGE	-10.2%	-52.9%	-55.8%	-41.8%

b. Compliance Requirements & Annual Returns

Annual return submission is a mandatory requirement under the Companies Act that indicates whether a company is operating or not. Company directors can be personally held liable for failing to file an annual return for at least 6 months from whence it became due. A deregistration proceedings can also commence simultaneously. This year there was an increase in lodgment of annual returns which is largely due to the deregistration exercise undertaken by the ROCs office recording a high of 957 annual returns in the month of December.

Here is the snapshot of the whole year annual return lodgment.

Table # 3 Annual Return Filing

ANNUAL RETURN FILING										
	ARs without FS Filed Offline	ARs without FS Filed Offline	AR with FS Filed Offline	AR with FS Filed Online	Overseas Company AR Filed Offline	Overseas Company AR Filed Online	Total Monthly Lodged AR	Online Filing	Offline Filing	% Online Filing
JAN	161	1	20	22	1	7	212	30	182	14%
FEB	333	4	16	24	49	21	447	49	398	11%
MAR	374	16	24	49	2	21	486	86	400	18%
APR	536	8	27	24	4	11	610	43	567	7%
MAY	522	31	44	27	7	24	655	82	573	13%
JUN	448	32	36	33	4	23	576	88	488	15%
JUL	557	31	44	129	7	24	792	184	608	23%
AUG	444	9	14	44	0	18	529	71	458	13%
SEP	393	24	39	57	5	19	537	100	437	19%
OCT	342	24	39	57	5	19	486	100	386	21%
NOV	668	49	66	67	2	30	882	146	736	17%
DEC	957	90	75	65	4	27	1,218	182	1,036	15%
TOTALS	5,735	319	444	598	90	244	7,430	1,161	6,269	16%

Figure # 4: Monthly AR Lodgment

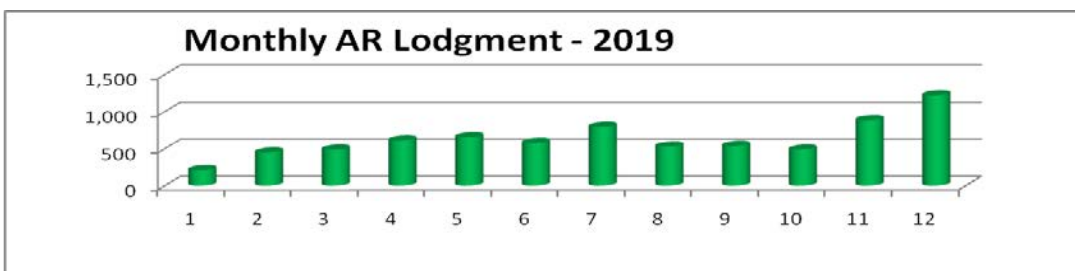
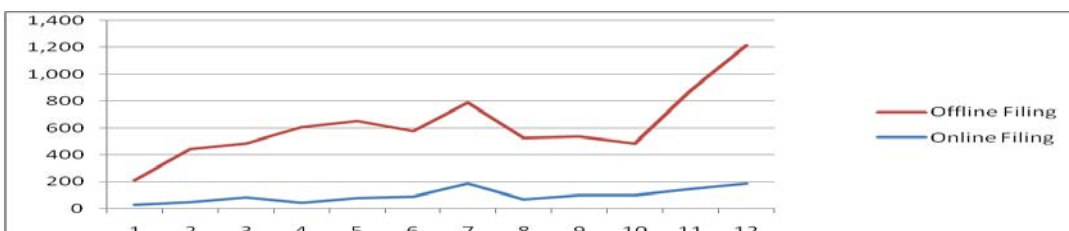


Figure # 5 Pictorial view of Paper Lodgment versus Online Lodgment of ARs

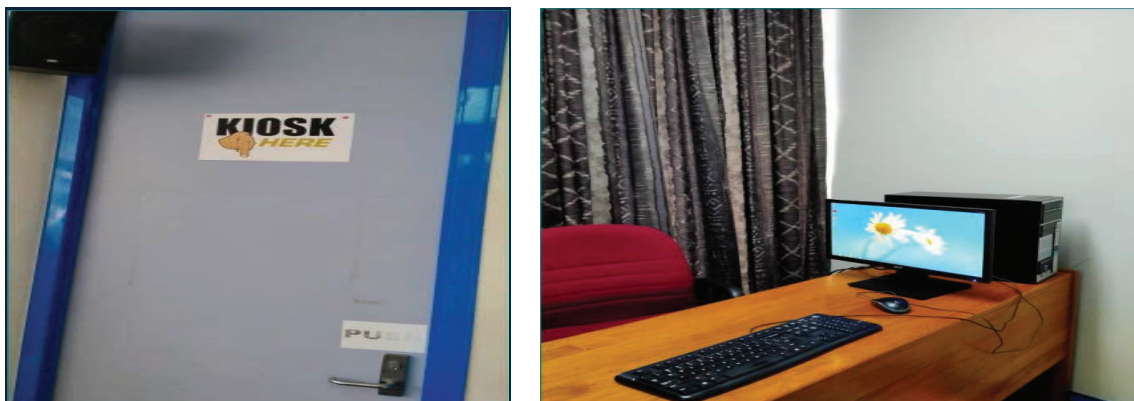


c. Kiosks

.The Kiosk service is meant for clients who are either not confident to use the online services or are not aware of the Online registry services and clients who want a faster service. This year, the kiosk commenced operation. Walk-in clients can now conduct entity searches, register their user account, apply for a new business entity and make a filing themselves; with the added benefit of personal assistance by

the registry officers wherever needed. The kiosk is also used to conduct one on one training and awareness of the online registry services for clients seeking basic training.

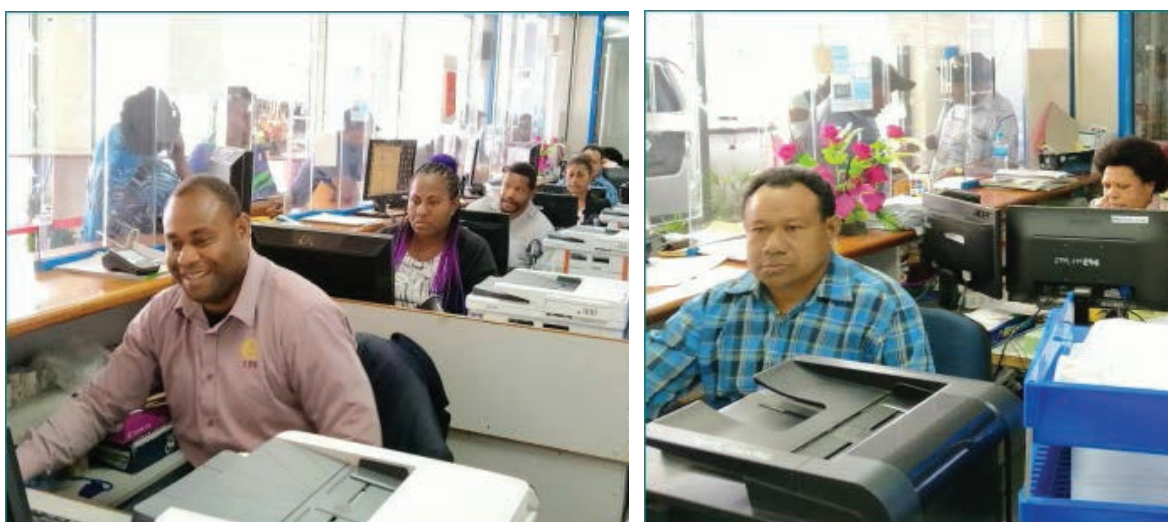
Figure # 1 Kiosk



d. Front Counter Services

Whilst it is one of the division's on-going activities to pursue a paperless registry under the Online Registry Services, it is also a priority to continue to provide a fully operated front counter service, 5 days a week, to give top customer service even for the walk in clients making paper filing.

Figure # 2 Front Counter staff



e. De-registration Exercise

.IPA rolled out a manual de-registration exercise. As a result 5,000 companies were put on notice to comply or otherwise face de-registration. Below is the screenshot of the notice published in November 2019 in the process. Under this objective, the de-registration exercise served as a wakeup call for companies particularly those that were operating but not complying with lodgments of annual returns.

f. Physical hard Copy Records

Since going online in November 2013, IPA does not maintain hard copy files of registered entities . Therefore it is not possible to search hard copies of these documents. However, the office still maintains hard copy of records of all four registries that existed before the Online registry. These records are easily accessible and can be made available upon request at a fee.

g. Education and Awareness

The office continued to conduct ad-hock training and awareness throughout the year upon request and through partnering with the other agencies. IPA's fortnightly column in the Post Courier also created awareness including certain statutory requirements, the online registry services and the Associations Act review drive.

h. Legislative Reviews & the Association Act Review

Reviews of the Companies Act, Business Names Act, Business Groups Act have commenced **Associations Act review** concluded the final stakeholder consultations and submitted to State Solicitor for a Certificate of Necessity.

Figure # 7 An IPA officer, Ms Gretel Ungaia in the middle of a stakeholder consultation presentation at Lae International Hotel



In accordance with work program, the TWC ensured that the following regarding the review process were achieved as key outcomes:

i. Anti Money Laundering/ Counter Terrorist Financing

IPA office recognizes the need to cater for changing circumstances. A body known as the Financial Action Task Force (FATF) issued 40 International Standards to combat Money Laundering and Terrorist Financing across the world which is now adopted by most jurisdictions into their legal framework for implementation in a timely manner. Noncompliance by any economy would lead to severe sanctions under this set of requirements. Accordingly, ROCs office took this added responsibility as a core member of the National Coordinating Committee (NCC) and the Technical Working Group (TWG). To this end, we report that ROCs office manpower and efforts were committed to this area of work noting its importance and the pressing demands for appropriate actions by relevant agencies including IPA.

The 40 international standards, demand for certain actions to be taken particularly by the ROCs office is inevitably imposed on the office which in turn required relevant amendments in the legal framework plus improvements in the implementation and monitoring space. For instance, beneficial ownership concept is one of the current hot agenda in the global arena, PNG and IPA for that matter needed to comply with being the appropriate public record holder. The purpose of this is to inform that the involvement by IPA particularly ROCs office is expected to intensify into the future. We expect that our way of doing things will obviously change in the very near future given the needs arising from the AML/CTF requirements.

i. Assessment Br Economic Cooperation & Development (OECD)

Following a mock assessment in 2018, the Global Forum Assessment team commenced an assessment proper in mid 2019. The reason for inclusion of this is that the assessment itself took away manpower in terms of attending to this event for which ROCs office a core party. This assessment is a possible mechanism through which any weaknesses in the legal framework and implementation are independently assessed and pointed out for possible improvements. The outcome should then become a useful guide for the ROCs office for future improvements in various aspects.

PERSONAL PROPERTIES SECURITIES REGISTRY [PPSR]

PPSR is a standalone registry system dedicated to registering personal properties as collateral. A security interest is an interest in personal property that secures a debt as an obligation. The clear rule is that the first creditor to file as priority in a collateral. It is the responsibility of the secured parties to file a notice of the security interest on the PPSR and not the PPS Registrar. Statistics in respect of the PPSR activities are hereunder provided for records:

Table #6 PNG PPSR Statistics

Papua New Guinea Personal Properties Securities Registry					
Financial Activity Report					
Period:	From: 1/1/2019			To:12/31/2019	
New Accounts:	69	Suspended Accounts:	0	Closed Accounts:	0
Totals					
Opening Balance:			PGK 31,199		
Certified Search			(PGK -545)		
Credit Card			PGK 42,390		
Notice Of Execution Creditor			(PGK -100)		
Notice of Execution Credi-tor - Amendment			(PGK -10)		
Notice of Execution Creditor - Termination			PGK 0		
Notice of Pre-Existing Security Interest - Amendment			(PGK -140)		
Notice of Pre-Existing Security Interest - Continuation			(PGK -20)		
Notice of Pre-Existing Security Interest - Termination			PGK 0		
Notice Of Security Interest			(PGK -67,460)		
Notice of Security Interest - Amendment			(PGK -1,480)		
Notice of Security Interest - Termination			PGK 0		
Payment Receipt			PGK 28,850		
Closing Balance:			PGK 32,684		

2. BUSINESS CERTIFICATION UNIT

The Authority is responsible for vetting all foreign companies intending to undertake business activities 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 main reason for vetting investments is to ensure that the country attracts only genuine and credible investments into the country. Secondly to monitor the Cottage Business Activities List (CBAL) so that foreign businesses are not engaged in these activities.

The Authority 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).

Foreign Enterprise Certification Applications

Comparison of Foreign Enterprise Certification Applications for the years 2018 and 2019

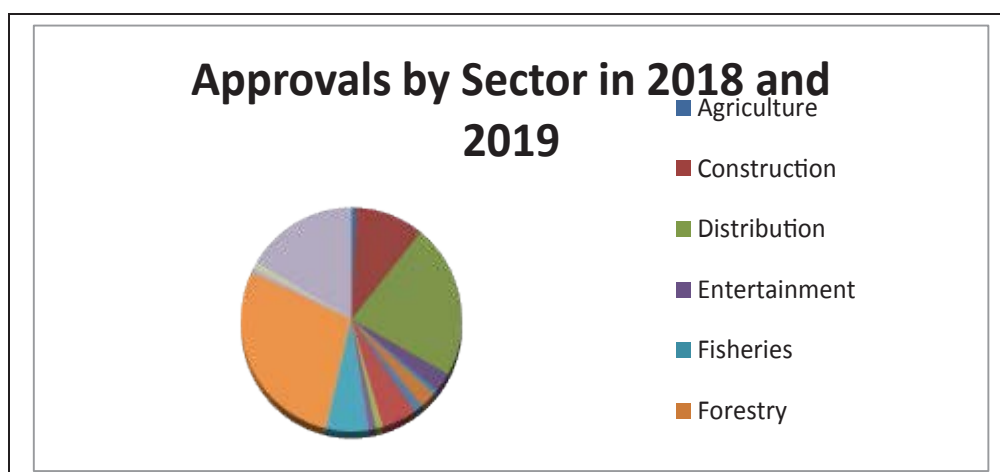
A total of 1,083 applications compared to 1,412 in 2018 by companies proposed to carry on business in various business sectors. In 2019 Wholesale and Retail sectors still maintained the top of the table with 178 and 203 applications respectively and followed by Professional and other services with 128 applications. The table and graph below provides a comparison for the various sectors and the number of applications made in the year 2018 and 2019 respectively.

Certification Applications by Sector

Table # 7: A comparison of Application by Sector in 2018 and 2019

Sector	2018	2019
Agriculture	12	14
Construction	140	98
Distribution	316	178
Entertainment	39	35
Fisheries	9	10
Forestry	34	22
Information Technology	17	13
Manufacturing	74	84
Mining	14	23
Oil and Gas	15	8
Others	232	221
Professional Other Services	87	128
Retail	400	203
Telecommunication	5	6
Tourism	5	7
Transport	13	33
TOTAL	1,412	1,083

Figure # 8 Approvals By Sector in 2018 and 2019



Foreign

Enterprise Certification Approvals

Out of the total of 1,083 applications that were received in the year 2019, 828 applications were approved and formal certificates issued to the applicants. The applications include certification, recertification, and variation applications. This is shown in Table 1 below.

Table #8 A comparison of Certification Approvals by Sector in 2018 and 2019

Sector	2018	2019
Agriculture	9	9
Construction	114	83
Distribution	163	154
Entertainment	36	30
Fisheries	6	7
Forestry	32	17
Information Technology	11	8
Manufacturing	60	74
Mining	17	10
Oil and Gas	7	4
Others	200	160
Professional Other Services	73	89
Retail	171	163
Telecommunication	7	2
Tourism	6	0
Transport	11	18
TOTAL	760	828

Figure # 9 : Comparison of Certification Approvals by Sector in 2018 and 2019

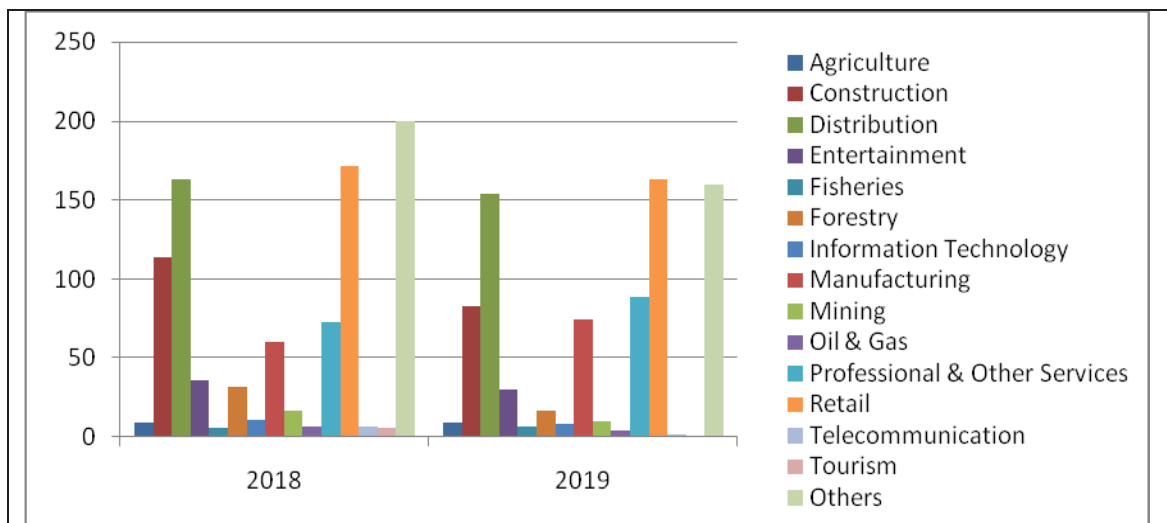
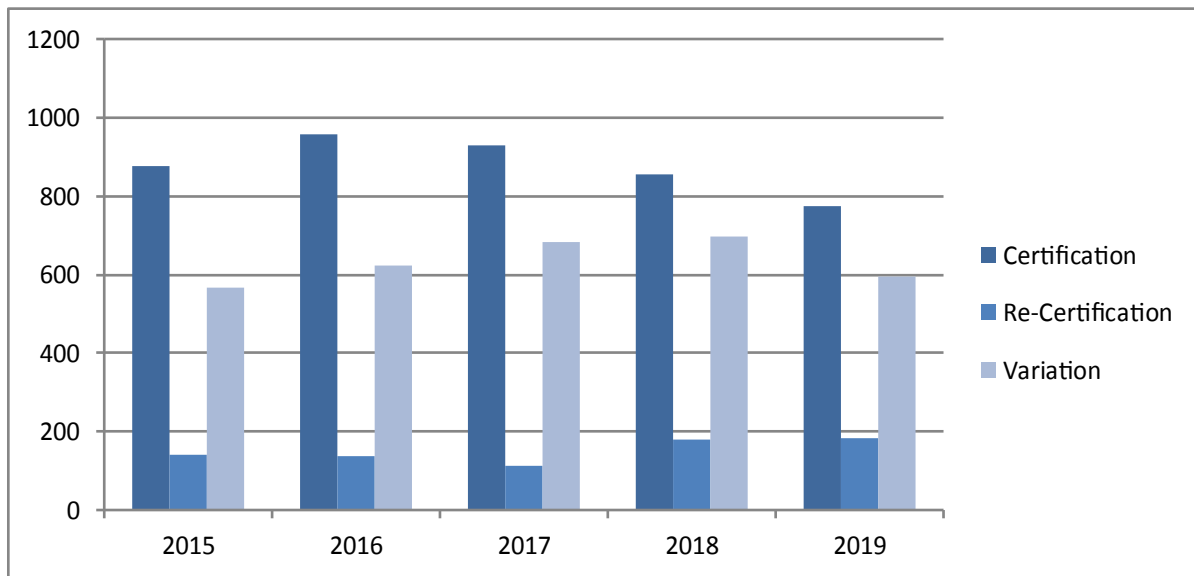


Table #9 Comparison of Application Approval Types

Type of Application/Variable	2015	2016	2017	2018	2019	Total
Certification Applications	877	959	930	855	774	5337
Re-Certification Applications	140	137	111	180	184	859
Variation Applications	568	623	682	697	595	3746

Figure # 10 : Comparison of Approvals Types

Application Approval Types between 2015 and 2019



Key:

- *Certification Application – new application*
- *Re-Certification Application – change of ownership or beneficial ownership*
- *Variation Application – expansion of business operations or diversification of business activities*

3. LEGAL & COMPLIANCE UNIT [LCU]

LCU is headed by the Deputy Registrar of Companies Legal and Compliance and is responsible for providing legal and enforcement services to the ROC and for the Authority.

Performance of the Unit is summarized as follows:

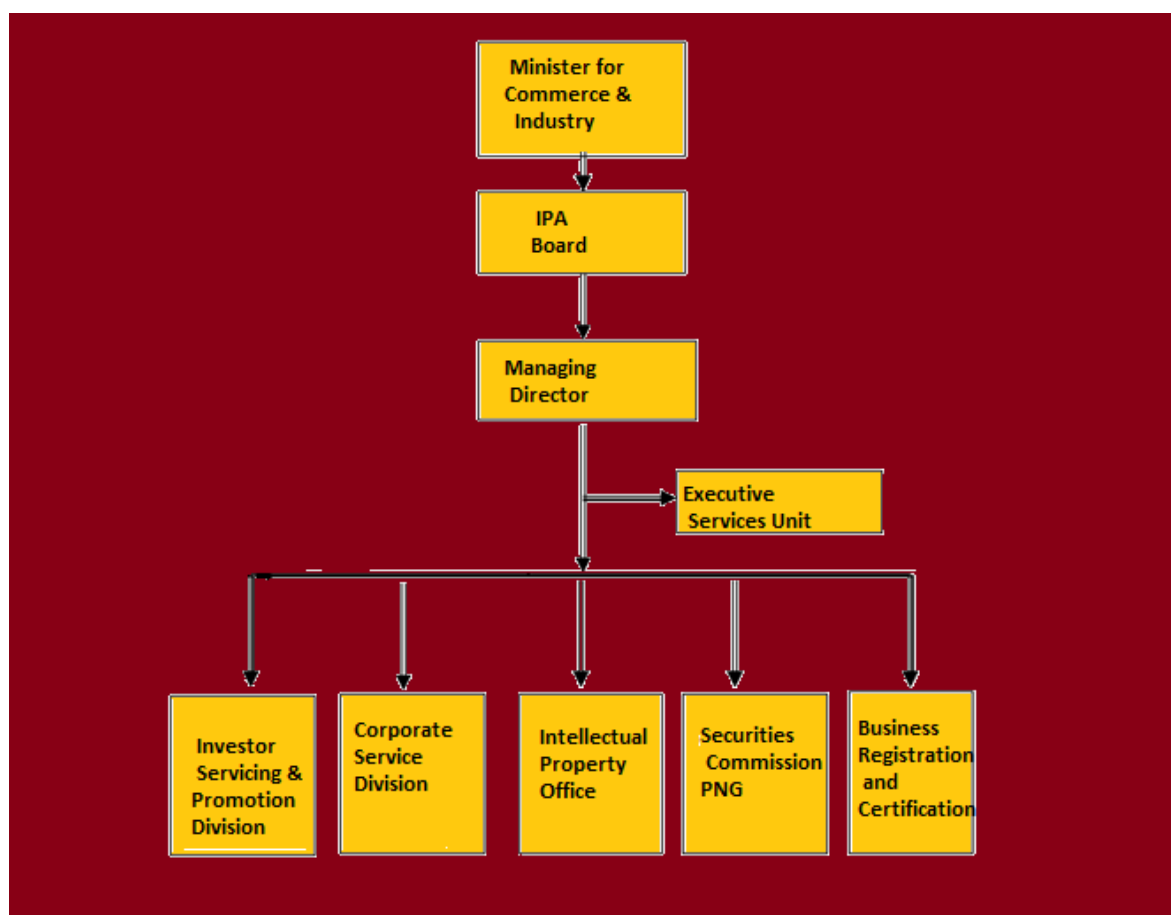
Table #9 LCU Summary Report

	Category	# of Files
1	Conveyance: In this category, defunct companies’ properties are dealt with wherein the ROC exercises his powers under section 372 and 373 of the Companies Act 1997 to dispose of properties.	7
2	Litigation: This involves, defending court proceedings filed against IPA and IPA filing cases against others in the District, National and Supreme Courts. All cases defended by IPA; <ul style="list-style-type: none"> ▪ Supreme Court matters are mostly cases wherein orders granted at the National Court have been disputed; ▪ National Court matters represent mainly illegal changes to IPA records; ▪ 50% of the cases-IPA is a nominal party wherein named only as registry by companies & association instituting legal proceedings; 	20
3	Investigations – This is the area where notices are issued to secure compliance and in the event of willful defiance and subject to collecting sufficient information, initiate prosecution proceedings.	21

	<ul style="list-style-type: none"> ▪ These investigation matters represent mainly default in applying for foreign certification, illegal issuance of IPA certificate, companies operating illegally or not intended business activities; ▪ Main enforcement activities include inspections, issuance of default notices and issuance of letter to respective companies to respond; ▪ Most matters are referrals from Foreign Certification Division 	
4	Administrative Files – Made up of work given (internal) from other business units for legal clearance; Interpretation of Legislations; Provision of legal opinion/advice on legislations, agreements, contracts and Assisting IPA with Proposed amendments to relevant Acts affecting Registrar’s duties etc.	9
5	General Files - Mostly queries from defunct companies that require IPA assistance to access bank accounts; reinstatement queries of defunct companies and Section 400 Notices;	8
	Miscellaneous Files - This is mainly work carried out by Enforcement- Search Warrants; National & Supreme Court Filings, searches and service of court documents and Inspections;	No stats at this time.

8.00 CORPORATE GOVERNANCE

2019 IPA ORGANISATIONAL STRUCTURE





Phone: (+675) 3012200 Fax: (+675) 325 2872 Email: ago.png@ago.gov.pg Website: www.ago.gov.pg

The Managing Director
Investment Promotion Authority
PO Box 5053
BOROKO
National Capital District



Date: 12 November, 2020

Our Reference: 30-71-4

Action Officer: .P.Aipe

Designation: a/DOA

Your Reference:

Dear Sir,

**AUDIT REPORT ON
INVESTMENT PROMOTION AUTHORITY
FOR THE YEAR ENDED 31 DECEMBER 2019**

I enclose a copy of the Auditor-General's report together with a copy of the certified financial statements for the year ended 31 December, 2019.

In accordance with *Section 63(1)* of the *Public Finances (Management) (Amendment) Act, 2016* please ensure that your organization furnishes to the Minister a report of your operations during the year ended 31 December 2019, together with the financial statements in respect of that year and the Auditor General's report thereon for tabling in Parliament as required under *Section 63(4)* of the *Public Finances (Management) (Amendment) Act, 2016*. A copy of such report when furnished to the Minister, should also be forwarded to this Office.

Kindly take note that *Section 63(5)* of the aforementioned Act also requires that when a report or financial statement of a Public Body is reproduced for publication or for other purposes, the report of the Auditor General shall be included in the reproduction.

Yours faithfully,

SINGER PRATHABAN
Assistant Auditor-General
(Statutory Bodies Audit Division)
FOR: ACTING AUDITOR-GENERAL

Level 6
TISA Investment Haus
Kumul Avenue, NCD

PO Box 423
WAIGANI, NCD
Papua New Guinea



**AUDITOR-GENERAL'S OFFICE
PAPUA NEW GUINEA**

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Our Reference: 30-71-4

The Honourable William Duma, MP
Minister for Commerce and Industry
Office of the Minister
PO Parliament Haus
WAIGANI, NCD

**INDEPENDENT AUDIT REPORT ON
INVESTMENT PROMOTION AUTHORITY
FOR THE YEAR ENDED 31 DECEMBER 2019**

OPINION

In accordance with *Section 8(4) of the Audit Act 1989 (as amended)*, I have audited the financial statements of **Investment Promotion Authority** which comprise the Statement of Financial Position as at **31 December, 2019**, and the Statement of Comprehensive Income, Statement of Changes in Equity and Cash Flow Statement for the year then ended and a summary of significant accounting policies and other explanatory information.

In my opinion, the accompanying financial statements are;

- i) based on proper accounts and records;
- ii) in agreement with those accounts and records and show fairly the state of affairs of the Authority as at 31 December 2019 and the results of its financial operations for the year then ended.

BASIS FOR OPINION

I conducted my audit in accordance with *International Standards on Auditing* and the *Audit Act, 1989 (as amended)*. My responsibilities under those standards are further described in the Auditor-General's responsibilities for the audit of the financial statements section of my report. I am independent of the Authority in accordance with the ethical requirements that are relevant to my audit of the financial statements in Papua New Guinea, and I have fulfilled my other ethical responsibilities in accordance with these requirements. I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my opinion.

Level 6,
TISA Investment Haus
Kumul Avenue, NCD

Auditing **IMPACT**

PO Box 423
WAIGANI, NCD
Papua New Guinea

Responsibilities of Management and those charged with Governance for the Financial Statements

Management of the Authority is responsible for the preparation and fair presentation of the financial statements in accordance with *International Financial Reporting Standards*, Section 63(2) of the *Public Finances (Management) (Amendment) Act, 2016* and other statutory requirements and for such internal control as management determines is necessary to enable the preparation of the financial statements that are free from material misstatements, whether due to fraud or error.

Those charged with governance are responsible for overseeing the Authority's financial reporting process.

Auditor-General's Responsibilities for the Audit of the Financial Statements

My objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatements, whether due to fraud or error, and to issue an auditor's report that includes my opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with International Standards on Auditing will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with *International Standards on Auditing*, I exercise professional judgement and maintain professional scepticism throughout the audit. I also;

- Identify and assess the risks of material misstatements of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for my opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit 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 Authority's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Authority's ability to continue as a going concern.

If I conclude that a material uncertainty exists, I am required to draw attention in my audit report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify my opinion. My conclusions are based on the audit evidence obtained up to the date of my report. However, future events or conditions may cause the Authority to cease to continue as a going concern.

- Evaluate the overall presentation and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

I communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that I identify during my audit.



GORDON KEGA MBA, CPA
Acting Auditor-General

12 November, 2020



INVESTMENT PROMOTION AUTHORITY

FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31ST DECEMBER 2019

INVESTMENT PROMOTION AUTHORITY

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Cash Flow Statement	4
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Notes to and Forming Part of the Financial Statements	6 - 11

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 2019

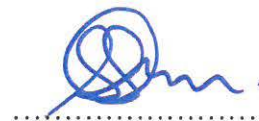
Except as disclosed, we are of the opinion that:-

- 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 2019.



LEON BUSKENS
Chairman

Date... 16/03/2020



CLARENCE M HOOT
Managing Director

Date... 16/03/20

**INVESTMENT PROMOTION AUTHORITY
STATEMENT OF FINANCIAL PERFORMANCE
FOR THE YEAR ENDED 31ST DECEMBER 2019**

	Notes	2019 K	2018 K
INCOME			
Grant Income	2(a)	1,190,100	1,719,358
Others	2(b)	16,091,473	15,478,928
Total Operating Revenues		17,281,573	17,198,286
OPERATING EXPENSES			
Personal Emoluments		7,705,243	7,489,578
Travel and subsistence		209,084	228,419
Utilities		324,514	446,447
Office materials and supplies		298,129	314,412
Vehicle expenses		218,063	211,173
Administration consultancy		84,755	388,618
Property rental		3,806,143	4,054,962
Routine maintenance		64,490	19,414
Other Operational expenses		2,390,625	1,852,699
Board Expenses		184,870	122,067
Subscriptions and affiliations		85,322	210,510
Special projects		2,007,262	2,402,334
Grants/transfers - Public Authority		120,090	78,166
Total Expenditure		17,498,589	17,818,800
Net Profit/(Loss) before abnormal items		-217,016	-620,514
Less: Extraordinary Items	8	0	0
Net Profit/(Loss) After Extraordinary Items		-217,016	-620,514
Retained Earnings at the beginning of year		12,196,801	12,502,925
Adjustments recognised in the Statements	11	-478,971	314,390
Retained Earnings as at the end of the year		11,500,814	12,196,801



**INVESTMENT PROMOTION AUTHORITY
STATEMENT OF FINANCIAL PERFORMANCE
FOR THE YEAR ENDED 31ST DECEMBER 2019**

	Notes	2019 K	2018 K
INCOME			
Grant Income	2(a)	1,190,100	1,719,358
Others	2(b)	16,091,473	15,478,928
Total Operating Revenues		17,281,573	17,198,286
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Retained Earnings as at the end of the year		11,500,814	12,196,801



**INVESTMENT PROMOTION AUTHORITY
STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 31ST DECEMBER 2019**

	Notes	2019 K	2018 K
Cash flows from operating activities			
Cash receipts from customers		18,247,042	18,808,428
Cash paid to suppliers and employees		(17,314,255)	(18,300,492)
Cash generated from operations		932,787	507,936
Interest Received from investments in FTD		190,638	189,069
Net cash (used in)/from operating activities		1,123,425	697,005
Cash flows from investing activities			
Purchase of property, plant & equipment	3	(107,851)	(716,103)
Purchase of Intangible Assets			
Proceeds from sale of property, plant & equipment		85,550	
Proceeds from sale of intangible assets			
Interest received			
Net cash (used in)/ from investing activities		(22,301)	(716,103)
Cash flows from financing activities			
Purchase of property, plant & equipment		0	0
Purchase of Intangible Assets		0	0
Proceeds from sale of property, plant & equipment		0	0
Proceeds from sale of intangible assets		0	0
Interest received		0	0
Net cash (used in)/from financing activities		0	0
Net increase/(decrease) in cash and cash equivalents		1,101,124	(19,098)
Cash and cash equivalents at beginning of period		14,844,930	14,864,028
Cash and cash equivalents at end of period		15,946,054	14,844,930



INVESTMENT PROMOTION AUTHORITY
STATEMENT OF CHANGES IN EQUITY
FOR THE YEAR ENDED 31ST DECEMBER 2019

	Notes	Govt Grants & Reserves	Retained earnings	Total
		K	K	K
Balance at 1 January 2018		3,890,330	12,502,926	16,393,256
Adjustment recognised in the statement			314,390	314,390
Net profit/(loss) for the period			(620,514)	(620,514)
Balance at 31 December 2018		3,890,330	12,196,802	16,087,132
Adjustments recognised in the statements	11		-478,971	-478,971
Net profit/(loss) for the period			-217,016	-217,016
Balance at 31 December 2019		3,890,330	11,500,815	15,391,145



Notes to and Forming part of the Accounts
INVESTMENT PROMOTION AUTHORITY
FOR THE YEAR ENDED 31ST DECEMBER 2019

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% - 20%
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.

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Notes to and Forming part of the Accounts
INVESTMENT PROMOTION AUTHORITY
FOR THE YEAR ENDED 31ST DECEMBER 2019

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>2019</u>	<u>2018</u>
Total income consists of:-		
Government Grant	1,190,100	1,719,358
Other income	16,091,473	15,478,928
Total income	<u>17,281,573</u>	<u>17,198,286</u>

2(a) Government grant consists of:-

Ordinary grant	790,100	1,719,358
PIP and others	400,000	0
Total grant	<u>1,190,100</u>	<u>1,719,358</u>

2(b) Other income consists of:-

Certification fees	1,759,400	1,751,000
Company fees	12,968,038	12,473,396
Commission - Deregistered Co Receipts	0	0
Sale of promotional materials/Publications	28,650	14,500
SCPNG Fees	750	1,000
Interest on FTDs	190,638	187,585
Intellectual Property Fees	1,043,043	996,359
PPSR Fees	8,000	21,000
Miscellaneous	92,954	34,088

Total	<u>16,091,473</u>	<u>15,478,928</u>
--------------	--------------------------	--------------------------

The Authority receives annual grants from the National Government to help finance the annual work programs of the Securities Commission of PNG. During the year, a total of K790,100.00 recurrent grant was received from the Government and PIP grant of K400,000 was received. Internal revenues generated amounted to K16,091,473.00.



Notes to and Forming part of the Accounts
INVESTMENT PROMOTION AUTHORITY
FOR THE YEAR ENDED 31ST DECEMBER 2019

3. Property, Plant & Equipment

	Motor Vehicle K	Computers K	Fixtures & fittings K	Office equipment K	Total K
at cost/revaluation:					
At 31 December 2018					
Gross carrying values - 1 January 2018	784,840	4,656,274	2,397,511	1,494,844	9,333,469
Add: Acquisitions during the year	668,554	32,704	4,299	10,546	716,103
Less: Disposals during the year	0	0	0	0	0
Add/(Less) Adjustments during the year	0	0	0	0	0
Gross carrying values - 31 December 2018	1,453,394	4,688,978	2,401,810	1,505,390	10,049,572
Less: Accumulated Depreciation	(665,245)	(1,660,011)	(1,397,412)	(793,783)	(4,516,451)
Net carrying values as at 31 December 2018	788,149	3,028,967	1,004,398	711,607	5,533,121
At 31 December 2019					
Gross carrying values - 1 January 2019	1,453,394	4,688,978	2,401,810	1,505,390	10,049,572
Add: Acquisitions during the year	9,884	72,038	1,893	24,036	107,851
Less: Disposals during the year	(260,350)	0	0	0	(260,349.70)
Add/(Less) Adjustments during the year	0	0	0	0	0
Gross carrying values - 31 December 2019	1,202,928	4,761,016	2,403,703	1,529,426	9,897,073
Less: Accumulated Depreciation	(628,950)	(1,917,782)	(1,572,241)	(1,141,696)	(5,260,669)
Net carrying values as at 31 December 2019	573,978	2,843,234	831,463	387,730	4,636,404

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

Cost/valuations - 1 January 2019	1,453,394	4,688,978	2,401,810	1,505,390	10,049,572
Accumm Depn - 1 January 2019	(665,245)	(1,660,011)	(1,397,412)	(793,783)	(4,516,451)
Net carrying values - 1 January 2019	788,149	3,028,967	1,004,398	711,607	5,533,121
Additions during the year	9,884	72,038	1,893	24,036	107,851
Disposals during the year	0	0	0	0	0
Adjustments during the year	0	0	0	18	18
Depreciation charge	(224,055)	(257,772)	(174,829)	(347,931)	(1,004,586)
Net carrying values as at 31 December 2019	573,977.83	2,843,233	831,463	387,730	4,636,404

During the year the Authority made total purchases of K107,851. Hence, the Authority fixed assets to the net value of K4,636,404 as at 31 December 2019 (31 December 2018 was K5,533,121).

4. Creditors & Accruals

	2019 K	2018 K
	2,607,535	2,328,000
Opening Balance (Trade Creditors)	368,465	
Additions	5,779,568	
Less Payments Made	(5,408,445)	
Closing Balance	739,588	368,465
Accruals	26,697	26,697
Opening Balance (Other Creditors)	1,932,838	
Additions	6,399,199	
Less Payments Made	(6,490,787)	
Closing Balance	1,841,250	1,932,838



Notes to and Forming part of the Accounts**INVESTMENT PROMOTION AUTHORITY
FOR THE YEAR ENDED 31ST DECEMBER 2019****5. Provisions (Current)**

	2019 K	2018 K
Employee Entitlements (Note 5) (b)	812,338	610,521
Audit Fees (a)	38,500	38,500
Contract Gratuities	530,467	401,494
Total	1,381,305	1,050,515
(a) Audit Fees		
Opening balance	38,500	38,500
Provision created	38,500	38,500
Less: Payments made against the provision	(38,500)	(38,500)
Closing balance	38,500	38,500
(b) Employee Entitlements		
Opening balance	610,521	461,689
Increase/(Decrease) in Provision	201,817	321,140
Less: Payments made against the provision	0	(172,308)
Closing balance	812,338	610,521

6. Provisions (Non-current)

Employee entitlements	2,056,238	1,774,424
Employee entitlements (Current and Non-current)		
Opening Balance	1,774,424	1,421,916
Increase/(decrease) in provisions	281,814	388,380
Less payment made	0	-35,872
	2,056,238	1,774,424
Current (Note 5)	812,338	610,521
Non-current	2,056,238	1,774,424
Contract Gratuities	530,467	
Closing balance	3,399,043	2,384,945

As at 31 December 2019, the Authority had a balance of K3,399,043 for provisions relating to staff benefits.

As at 31 December 2019, the Authority has a balance of K38,500.00 for provisions relating to annual audit fees.

Staff entitlements are accrued at current wage rates (refer note 1(f)) while the audit fee expenses are based on annual audit fees charged by the auditors. The 2019 audit fees are charged to profit and loss account at K3, 208 per month or K38, 500 per annum at current rates.



Notes to and Forming part of the Accounts

**INVESTMENT PROMOTION AUTHORITY
FOR THE YEAR ENDED 31ST DECEMBER 2019**

	<u>2019</u>	<u>2018</u>
	K	K
7. 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>15,946,054</u>	<u>14,844,930</u>
Petty Cash Balances	1,300	1,300
Bank balances	7,423,966	6,545,509
Security Deposit	27,994	25,000
Short term deposits (refer note no. 10)	<u>8,492,794</u>	<u>8,273,121</u>
	<u>15,946,054</u>	<u>14,844,930</u>
The bank account balances for the Authority at the end of the year are as follows;		
	<u>7,423,966</u>	<u>6,545,509</u>
Operating Account (Westpac Bank)	763,412	1,696,027
Registrar of Companies Trust Account (Westpac Bank)	861,539	1,137,439
EFF (ANZ Bank)	1,526,002	204,814
IPA - Buka (BSP)	2,496,549	1,718,581
Government Grant Transfer Account (BPNG)	435,092	141,461
IPA National Staff Home Ownership Scheme (BSP)	<u>1,341,373</u>	<u>1,647,186</u>
	<u>7,423,966</u>	<u>6,545,509</u>
8. Extraordinary Items		
No income or expense generated or incurred outside of the Authority's normal operations.	0	0
	<u>0</u>	<u>0</u>
9. Disposal of Fixed Assets		
Gain on Disposal of Fixed Assets	<u>85,500</u>	<u>0</u>
Three motor vehicles were disposed during the year.		
10. Fixed Term Deposits		
	<u>8,492,794</u>	<u>8,273,121</u>
Kina Bank	5,982,256	5,806,548
Westpac PNG Ltd	752,522	748,711
BSP	<u>1,758,017</u>	<u>1,717,862</u>
	<u>8,492,794</u>	<u>8,273,121</u>

The Authority made no additional deposits in short term investments for the financial year ending 31st December 2019.



Notes to and Forming part of the Accounts

**INVESTMENT PROMOTION AUTHORITY
FOR THE YEAR ENDED 31ST DECEMBER 2019**

	<u>2019</u> K	<u>2018</u> K
11. Adjustments recognised in the statements		
Prior Year Adjustments	<u>478,971</u>	<u>-314,390</u>
Write back unrepresented cheques to the main bank account	-143,402	-307,347
Prior Year Commitments	<u>622,372</u>	<u>-7,042</u>
	<u>478,971</u>	<u>-314,389</u>
12. Retained Earnings		
	<u>11,500,815</u>	<u>12,196,802</u>
Balance at the beginning of the year	12,196,802	12,502,926
Add/(Less) adjustments recognised in the statements (refer note no.10)	-478,971	314,390
Add/(Less): Profit/(Loss) for the year	<u>-217,016</u>	<u>(620,514)</u>
	<u>11,500,815</u>	<u>12,196,802</u>

13. 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

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



6.1 IPA BOARD

The IPA board is established under section 8 of the IP Act 1992. The board is comprised of public and private sector representatives whose role has the oversight over the policy and the strategic guidance of the Authority. It is made up of department of Commerce and Industry, Treasury, PNG Chamber of Commerce and Industry, Ministerial appointees, Rural Infrastructure Council, Chamber of Mines and Petroleum, Liklik business manmeri and the Managing Director of IPA. The board is headed by the chairman.

The Roles and Responsibilities of the Board

The board manages and directs the affairs of the Authority through provision of the policy and strategic guidance.

Board Meetings

The Investment Promotion Authority concluded the year with 4 quarterly meetings.

Disclosure of interest

All Board members are allowed to disclose interest either direct or indirect as per IP Act 1992.

Board Audit and Risk Committee

The committee successfully held all Audit and Risk committee meetings that lead to clean financial records for the year ending. The Audit is done by Auditor General.

Senior Management Meetings

The Monthly Senior Management Committee meetings were held during the year.



**MR. LEON BUSKENS (BScA)
BOARD CHAIRMAN**

Leon Buskens is serving his third term as Chairman of the Investment Promotion Authority Board and serves as a Ministerial Appointee. He was initially appointed in 2012. He has over twenty years of Business experience within the private sector and the Government. He is currently employed by Oil Search Ltd and serves on number of Boards including a Not for Profit Board. Prior to joining Oil Search, he was the Managing Director of POSF which was rebranded to Nambawan Super during his term, and also served for less than a year as founding Managing Director for National Petroleum Company PNG (NPCP Ltd).

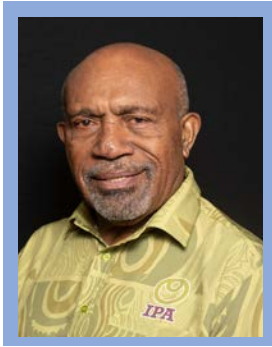
He has a Bachelor of Accounting Business Degree from the University of Technology in Lae, and a Post Graduate Degree from the Royal Melbourne Institute of Technology. He is a member of the PNG Institute of Directors and the Australian Institute of Company Directors.



**MR. PHILIP FRANKLIN (MBE,FAICD)
DEPUTY CHAIRMAN**

Philip Franklin is currently the Deputy Chairman and serving his third term on the Investment Promotion Authority Board. He has worked in PNG on a continuous basis for more than 40 years in general manager and CEO roles across a broad industry base including forestry, agribusiness, food manufacturing, road transport, property project development, and mining infrastructure projects. He represents PNG Chamber of Commerce and Industry in particular exception understanding and knowledge of the Lae Business environment and Morobe Province. He plays an important and instrumental role in promoting the SME sector and ensuring PNG businesses of all sizes are linked with international investors through his Presidency of the Australian PNG Business.

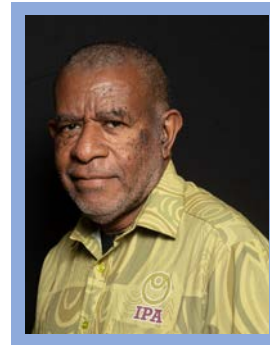
He has a Bachelor of Science from the Australian National University and including number of other trainings, and a Diploma with Credit, Company Directors Course UNE. He is a member of the PNG Institute of Directors and a Fellow Australian Institute of Company Directors (FAICD).



MR. GRAHAM AINUI MBE, DPS(UPNG)

Mr. Graham Ainui is serving his third year as an alternate member to the IPA Board. He represents the Rural Industry Council. He has served and worked in PNG Government and the private sector for over 40 years with wealth of experience in the Police Force as Instructor , Assistant Commissioner, Deputy Commissioner Administrator, PNG Ambassador, Government Liaison and Executive Director to the Rural Industries Council. Currently, serves on Employers Federation of PNG, Viva No.5, Frist Investment Finance, Business Coalition for Women and the Security Industry Authority.

He has a Diploma in Police Studies from the University of Papua New Guinea and number of trainings including PNG Constabulary Officers Course from Bomana Police College and Australian Police College. He has been awarded an Order of Logo, Queens Police Medal , PNG Community Services Medal and Order of St Johns for services to St.Johns Ambulance of PNG.



MR. JOHN UWARE

Mr. John A Uware is the Acting Deputy Secretary, Corporate Service Division with the department of Treasury. He is serving his second Term as the Alternate Member (Ex-Officio Secretary for Treasury) on the IPA Board. He has worked the Treasury for over 27 years and brings with him wide experience. He roles includes fostering relationships with other government agencies, World Bank, ADB, JICA and Central Bank of Papua New Guinea on issuance of government securities to domestic investors; and examining options for future management of LNG, mineral and petroleum revenues in the establishment of SWF going forward. He is currently a Board member of the PNG Air Services Ltd representing the Treasury Department since December 2011.

He has a Bachelor of Commerce (Accounting Major) from the Univeristy of Technology with numerous other short trainings and acheviements over the years.



MR. GABRIEL PAITA

Mr. Gabriel Paita is the Acting First Assistant Secretary of Commerce Division within the Department of Commerce and Industry. He is serving his third year as the Alternate Member (Ex-Officio to the Secretary for Commerce and Industry) on the IPA Board. He has held various position in the Department of Commerce and Industry including Highlands Regional Cooperative Coordinator and Assistant Registrar of Cooperative Society.

Mr. Paita is also a member of the Mining State Negotiation Team where he leads the negotiation on PNG SMEs participation in the Mining sector. He has a Bachelor of Degree in Arts from the University of Papua New Guinea.



MR. CLARENCE. MALA HOOT

Mr. Clarence. Mala Hoot is the Managing Director of the Investment Promotion Authority and serve as a IPA Board member. He has joined the Authority in

2000 and worked for over 28 years in the public services including over 8 years with the department of Commerce and Industry and brings with him wide experience in the commerce sector. Mr Hoot also represents on number of State agencies boards including the Petroleum Advisory Board, NISIT amongst others. He has a Degree of Economics in Business Studies from Univeristy of Papua New Guinea, Diploma in Economic Policy (NRI), MBA (International Business), University of South Queensland, Australia and including numerous other trainings and achievements over the years.



MR. RONALD G. MARU BOARD SECRETARY

Ronald Maru is serving his fifth year as Board Secretary of the Investment Promotion Authority. He was appointed in 2014. He formerly worked with the Department of Agriculture and Livestock and Department of Commerce and Industry for over 21 years of agriculture, commerce and industry policy, experience with the Government. Mr Maru also represents on the Petroleum Advisory Board representing the Investment Promotion Authority Managing Director. He has a Degree of Economics in Business Studies from University of Papua New Guinea, MSc



Mr. Clarence M. Hoot
Managing Director

Mr. Clarence Hoot is currently the Managing Director of the Investment Promotion Authority. Mr. Hoot has clocked over 28 years as a Public Servant. He joined the IPA in April 2000 from an eight year stint at the Department of Commerce and Industry. There he worked in the core areas of trade and investment policies, investment project analysis, industrial projects evaluation and implementation of bilateral, regional and international arrangements. At the IPA he led a team responsible for investment promotion, research and information, marketing and exports and the public relations which is the investment promotion face of the IPA. Most recently Mr Hoot was the Co-Convenor of the Investment Expert Group under the Committee on Trade and Investment within the APEC fora since his election 2013 and completes his three year term at the end of the 2016 APEC Year. He

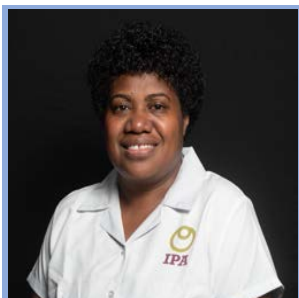
holds a MBA (International Business) from the University of South Queensland and a Bachelors Degree of Economics in Business Studies (UPNG) and a Diploma in Economic Policy Analysis from National Research Institute.



Ms Anna Marikawa
Director - Corporate Services Division

Ms Anna Marikawa is currently the Director for Corporate Service Division. She has joined the IPA in July 1998 after eight and a half years with the National Planning Office and the Department of Finance and Planning. She has experience in planning and budgeting for the Social Sector and the Administrative Sector agencies, up to the position of Senior Implementation and Monitoring Officer. She has been Director of Corporate Services Division since May 2013. The position of Director/Corporate Services provides oversight for key support services to the IPA including budgeting and finance, information technology,

human resources management and administrative support services. Her previous position includes Human Resources Manager, Senior Research Officer, and Special Projects Officer with the IPA. Ms. Marikawa holds a Master of Business (Professional Accounting) from Victoria University Melbourne, a BA (Social Work) from UPNG, a Diploma in Economic Policy Analysis from the National Research Institute and a Diploma in Government (Management) from the Caberra Institute of Technology.



Ms Amelia Na'aru
Registrar - Intellectual Property Office

Ms Amelia Na'aru is the Registrar of Intellectual Property Office. Ms Na'aru has been with the Investment Promotion Authority for almost 19 years. She joined the IPA in 2000 and served in different capacities as Enforcement Lawyer within the Securities Commission of PNG, and then was seconded to the Intellectual Property Office briefly. In 2005 she was appointed as the Senior Trademark Examiner dealing with the examination of trademarks. In 2009 she was appointed to the position of Deputy Registrar and subsequently appointed in 2010 as Registrar of the Intellectual Property Office. She is responsible for leading the

team in administering the different legislation in intellectual property rights protection and management, including developing policy and legislation reflecting the global and regional developments in the field of IPR. She is a Provisionally Accredited Mediator and a certified lawyer with a Bachelors Degree from UPNG and holds a Masters in Public Administration from the Divine Word University, Madang.



Mr. Daroa Pater
Director Investor Servicing & Promotion Division

Mr. Daroa Peter is currently the Director Investor Servicing & Promotion Division for the Investment Promotion Authority. Mr. Peter commenced work with the Authority since May 2000 and has been with IPA for over 19 years in various different key positions including, Special Projects Officer-Board & Corporate Affairs, Acting Executive Officer to the Office of the Managing Director, Investment Project Analyst and Manager-Investment Promotion since 2012. The Director ISPD performs a vital role in monitoring and directing the Division that plays a pivotal role in the promotion, facilitation and after care servicing of investors within Papua New Guinea as outlined under the Division's work program. He graduated with double Bachelor

degrees in Economics and Arts respectively from the University of Papua New Guinea in 1999.



Ms Harriet Kokiva
Acting Register of Companies

Ms. Harriet Kokiva is currently the Acting Registrar of Companies. She heads IPA's biggest division and oversees the daily operation of the Companies Office including the Legal & Enforcement Unit, the Foreign Certification Unit, Accounting Standard Board Secretariat, the Online Registration System and the Personal Property Securities registry.

Ms Kokiva joined the IPA on the 13th January 1993 and has been with the Authority for over 27 years serving in various roles and capacities. She holds a Bachelors Degree in Business Economics from the University of Papua New Guinea. She also holds a Diploma in Government Management from the Canberra Institute of Technology.

EXECUTIVE MANAGEMENT TEAM - 2019

Full Name	Representation	Period of tenure in 2019
Mr. Clarence M. Hoot	Managing Director	Annual
Mr. Daroa Peter	Director Investor Servicing & Promotion Division	Annual
Ms Harriet Kokiva	Acting Registrar of Companies Business Registrations & Certification Division	Annual
Mr. Christopher T Hnanguie	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

IPA BOARD MEMBERS 2019

Member's Name	Representation	Designation	Alternate Member	Period of tenure 2019
Mr. Leon Buskens	Ministerial Appointee	Chairman		Annual
Mr. Phil Franklin, MBE	PNG Chamber of Commerce & Industry	Deputy Chairman	Mr. Phil Franklin Lae Chamber of Commerce & Industry PO Box 265 LAE 411 – Morobe Province Contact: Ph: 472 2340 Fax: 472 6038 Email:	Annual
Mr. Graham Ainui	Rural Industries Council	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. Dairy Vele Secretary	Department of Treasury	Member (Ex-officio)	John A. Uware Acting Deputy Secretary Corporate Service Division Department of Treasury P O Box 542 WAIGANI 131, NCD Ph: 3133507 Email: John_Uware@treasury.gov.pg	Annual
Mr. Andrew Liliura Secretary	Department of Commerce & Industry	Member (Ex-officio)	Mr. Gabriel Paita Acting First Assistant Secretary Commerce Division Department of Commerce & Industry PO Box 375 , WAIGANI 121 NCD Email:	Annual
Vacant	Liklik Bisnis manmeri Rep.	Member		Annual
Vacant	PNG Chamber of Mines and Petroleum		P O Box 851 Port Moresby, 121 NCD Ph: 321 1284	Annual

			Email:	
Mr. Clarence M. Hoot	Managing Director	Member	Investment Promotion Authority P.O.Box 5053 Boroko, 121 NCD Ph: 3084401 Fax: 3212819 Email:choot@ipa.gov.pg	Annual

IPA BOARD MEETING HELD - 2019

Member's Name	Number of Meetings Attended (Quarterly)	No. of Special Board Meetings Attended
Leon Buskens	4	
Philip Franklin	4	3
Graham Ainui	4	3
Gabriel Paita	4	3
John Uware	4	3
Clarence M. Hoot – Managing Director	4	3

