



# ppportunity

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Business news, reviews and overviews from the IPA

## MD's IN BOX



Ivan Pomaleu

*As we move forward into 2014, let's take a quick look back at 2013, which was certainly a challenging but productive year for the IPA.*

Last year our country rated 113th out of 189 countries on the World Bank's Ease of Doing Business Index. Papua New Guinea obviously has plenty of room for improvement in this important indicator if we want to attract much-needed investment and take our place as a mature competitive economy in the global marketplace.

In 2013 we started to see signs of an essential transformation in the way business activities are conducted in PNG. The IPA has taken a leadership position in moving this transformation along, implementing a number of changes to make the organisation more efficient and attuned to the needs of our clients.

IPA's roles in the transformation are as the first point of business contact in PNG, as the promoter of a growing private sector in PNG and as the facilitator of business development through a sensible regulatory framework.

Our major initiative in 2013, enabling IPA services to be accessed online, is definitely a cornerstone of the transformation. When we started this project the IPA just wanted to ensure that our registration processes were simplified. Our aim was make it easier for our clients to lodge new registrations as well as file statutory documents.

But as the document lodgement project developed, we recognised how much more valuable it could be to our clients and to the economy as a whole. The initial project became a fundamental part of a three-pronged strategy to address promotional strategic positioning, legislative reviews and systems development. In this way it is able to address our key objective, to improve the ease of having a business in Papua New Guinea.

The Government has been at the forefront of developing our registry system and I wish to acknowledge their support in this project.

Not only do we expect the Online Registry Services system to make it easier for businesses to manage their regulatory obligations, we also anticipate some significant cost savings for them. For example, the cost of a business search will drop substantially with the introduction of free, automated online searches. We estimate the total annual savings on this aspect of the IPA's services will be well over K3.6 million for the business community. From the IPA's perspective, the staff who had been engaged on the time-consuming activity of performing business searches can now be released to do more valuable work.

Another important milestone in 2013 was the signing of Memorandums of Understanding between the IPA and the Internal Revenue Commission and the IPA and PNG Customs. (See **News** in this issue of *Opportunity*.) Inter-agency cooperation and information sharing will be a very important component in continuing the transformation towards easier business.

We look forward to bringing you news throughout 2014 of our progress in this important work.

**Ivan Pomaleu, Managing Director**

## IN THE NEWS

### IPA, Customs and IRC sign information sharing agreement

*The Investment Promotion Authority, the Internal Revenue Commission and PNG Customs Service have signed a Memorandum of Understanding to consider sharing relevant client information.*

The MoU is the first step towards enabling the three agencies to offer a one stop shop arrangement that would streamline and simplify transactions between the regulators and the PNG business community.

Mr Pomaleu commented he hoped other regulators would support the idea of a combined facility and join in. ■



*Ms Betty Palaso, Internal Revenue Commissioner, Mr Ivan Pomaleu, Managing Director of IPA and Mr Ray Paul, PNG Customs Service Commissioner sign a Memorandum of Understanding to share client information.*

More News stories next page

## Qt QUESTION TIME

Do you have a general question about the regulatory side of running a business or the various roles of IPA? If so, email your question to [opportunityeditor@ipa.gov.pg](mailto:opportunityeditor@ipa.gov.pg)

We'll publish a selection of questions and our answers in each issue of *Opportunity*. If your question is chosen for publication you will go into a draw for the chance to win a gift.



Minister for Trade, Commerce and Industry, the Hon. Richard Maru officially launched the IPA's new Online Registry System.



The new system will streamline processing of company registrations, annual return lodgements and other transactions between the IPA and the business community.

## Minister Maru... "Online the way of the future for PNG."

*The National Government is keen to make it easier to conduct business in Papua New Guinea, actively encouraging the business community to graduate to e-business and the government regulatory agencies to move to providing their services online.*

Commenting at the official launch of the IPA's Online Registry System, Minister for Trade, Commerce and Industry, the Hon. Richard Maru said the new system shows the government's confidence that the people can adapt to changing technology, processes and systems.

"We are confident the new service will greatly enhance the investment landscape and make it conducive for our investing community to

comply with legislative requirements," said Minister Maru.

"As Minister responsible for the IPA I am extremely proud we have achieved the government's first step towards providing its services online," he said.

Minister Maru also said he hoped the banking sector would support extra growth in the use of technology in the business registry and took the opportunity to encourage other regulatory agencies to move to online services.

"We are part of the global economy and the landscape will begin to demand it more and more," he said. "I am more than certain that with the IPA going online, clients will start demanding it from tax, customs, migration, public utilities, managing bills and other service providers," he added. ■

## Delegation Czechs out PNG business opportunities

*A business delegation from the Czech Republic visited recently to investigate investment and trade opportunities in Papua New Guinea.*

Led by Mr Robert Lawrence Wong, Honorary Consul of the Republic of Czechoslovakia based in PNG, the delegation also included Mr Michael Jirkovsky and Ms Marie Kahounova from Xenia, a private company engaged to promote Czech business opportunities. Their discussions with

the IPA covered the investment opportunities and markets available between PNG and the Czech Republic and the cost effectiveness of manufacturing there.

The delegation introduced a range of Czech manufactured products relevant to a range of industries in PNG. These products included clothing, textiles and fabrics, agriculture sector equipment and machinery, electronics, metal production, medical and lab devices and construction and engineering products. ■

## Workshop shines light on APEC activities

*Representatives from the public sector and private enterprise recently attended a two-day PNG APEC Capacity Building Workshop in Port Moresby.*

According to Ivan Pomaleu, Managing Director of IPA, who is also the senior APEC official in PNG, the Workshop was staged to create awareness of the APEC group, its role in the region and achievements.

Workshop participants, who also included PNG APEC secretariat Director-General Lahui Ako and US Ambassador to PNG Walter North, heard presentations from a team of experts, led by Victoria Waite, Chief of Party and Senior Advisor for the US-funded APEC Technical and Training Facility (TATF).

Christopher Hawkins (Communications specialist), David Hendrickson (current Media Manager at APEC secretariat), Adam Hunt (Project Development specialist for APEC secretariat) and Carlus Kuriyama (Senior Analyst) also addressed the group.

The Workshop was jointly organised by the IPA and the APEC secretariat within the Department of Prime Minister and NEC and was funded by the APEC secretariat and US Aid.



APEC representatives recently presented a workshop at the IPA offices.

## About APEC

APEC (Asia-Pacific Economic Cooperation) is the premier Asia-Pacific economic forum. Its role is to promote trade, investment and sustainable economic growth to create prosperity in the region. ■

## LET'S HEAR IT!

Do you have a story you would like to share about your business in PNG? Email your story (maximum 300 words) and a good quality photo to [opportunityeditor@ipa.gov.pg](mailto:opportunityeditor@ipa.gov.pg)

## OPPORTUNITY KNOCKS

### Beef production or cropping potential

A 6,000 hectare parcel of land in the Saussi LLG area of Yangoru Saussia District, East Sepik Province is waiting for an astute investor to take advantage of its development potential.

Katnimer Investment Company, representing the landowners, was formed with the intention of entering into a joint venture with the State or private sector to redevelop the entire livestock beef production.

The original plan for the site was a livestock development project, aiming to increase beef production and become a major breeding and distribution centre for the province.

The project was taken over by the Livestock Development Corporation in 1980. There has been no activity on the development of the project since then.

Currently the project site has limited infrastructure, comprising dirt roads but a good year

round water resource available for stock and arable crops.

Livestock Development is seeking an injection of funds of around K8.7 million, to cover a 20 year breeding and distribution plan.

However, usage of the project site is not restricted to the original proposal. Katnimer Investment Company invites potential investment partners to discuss alternative opportunities for the land

**For more information, contact:**

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## LEGAL UPDATE

The proposed bills to amend sections of the Companies Act 1997 and Business Names Act 1963 will complement the IPA's new online lodgment service, according to the Minister for Trade, Commerce and Industry Hon. Richard Maru.

"These amendments are to bring the laws to an up to date stage and on par with best practice within the region and the world," Mr Maru said, speaking at the launch of the Online Registry System.

The proposed bills aim to:

- provide increased protection and benefits for shareholders
- clarify the duties imposed on directors
- streamline and make more transparent the process of issuing shares
- protect creditors
- simplify annual return lodgment
- clarify the powers of the registrar. ■

## Tips & Traps

Direct deposits for payments to the IPA have been made simpler with the introduction of a new IPA payment slip.

The new deposit slip has been designed so payments are made correctly and receipts are issued properly. From now on clients should use these deposit slips, not the ordinary deposit slip provided by the client's bank.

### White, pink and yellow – the colours of easier payment and receipts

As the picture shows, the new deposit slips have three pages:

- Original (white) form – for the bank
- Pink receipt – copy for IPA
- Yellow receipt – copy for the client

**Note: The IPA will only accept the pink receipt of the IPA deposit form.**

*With the new IPA deposit slip clients will be able to keep track of payments.*



## Investment Promotion Authority. Here we are...

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