

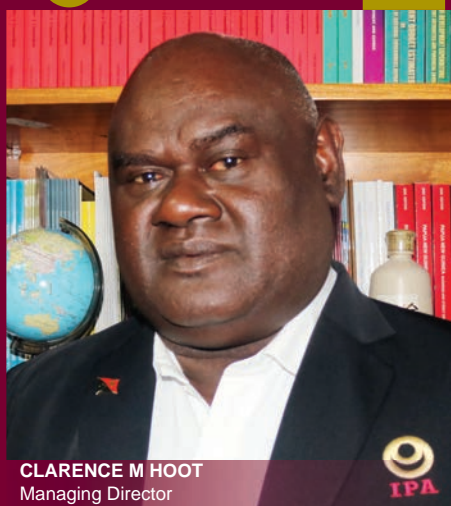


# ppportunity

Issue 4 - April 2019

Business News, reviews and overviews from the IPA

## MD's INBOX



**CLARENCE M HOOT**  
Managing Director

Dear Readers and welcome to our fourth (4th) issue of the *Opportunity* newsletter.

We are in the second quarter of this year and so far, we have seen a very hectic but smooth flow of operations in all business units of the Authority.

As usual this month has been another very busy month for the Authority. Firstly, the Authority in collaboration with other relevant stakeholder agencies is currently conducting a Database Survey and Spot

Inspection exercise in the nation's capital which ends on the 31st of May 2019.

The Database Survey and Spot Inspection is to collect business data and to ensure that all businesses both local and foreign comply with our laws. The exercise will cover all businesses operating throughout the nation's capital.

IPA through its Intellectual Property Office also joined the rest of the world in commemorating the World Intellectual Property Day on the 26th of April, 2019 with this year's theme: "Reach for Gold: IP and Sports".

Work is also continuing on the review of the National Investment Policy.

The Authority has completed consultations as part of the review of the Investment Promotion Act 1992.

This piece of legislation has not been reviewed since its passage in 1992.

On that note, enjoy this issue and we look forward to receiving your feedback as always.

Thank you and happy reading!!!

**Clarence M. Hoot**  
Managing Director

## IN THE NEWS

### IPA DATABASE SURVEY & SPOT INSPECTION EXERCISE UNDERWAY IN NCD



Acting Director for Investor Servicing and Promotion Division, Mr Daroa Peter addressing the media on the importance of the Spot Inspection Survey during the Media Conference at the IPA Haus, Konedobu.

A database survey and spot inspection exercise is currently underway in the National Capital District with the aim of collecting data on businesses operating in the city and to ensure they are complying with relevant government laws.

The Investment Promotion Authority (IPA) in collaboration with other relevant stakeholder agencies are conducting this exercise which began on the 24th of April and will end on the 31st of May 2019.

The stakeholder agencies involved in this exercise include the Police, National Capital District Commission (NCDC), Internal Revenue Commission (IRC), PNG Power Limited, PNG Independent Consumer and Competition Commission (ICCC) among others. The IPA has also invited the SME Corporation to join in the exercise so that they can utilize this platform to collect data on existing MSMEs in Port Moresby.

Managing Director for IPA, Mr Clarence Hoot said that the government, through the relevant agencies have to ensure that all businesses both local and foreign comply with our laws. The database survey and spot inspection exercise will cover all businesses operating throughout the nation's capital.

IPA's Acting Director of Investor Servicing and Promotion Division, Mr Daroa Peter said funding availability will permit the extension of the exercise to other major centers.

The primary objective of this exercise is to obtain economic data and information from businesses in NCD and to ensure they comply with the various legislations administered by the IPA as well as other relevant government

## Tips & Traps

### How do I get an extract or an Incorporation Certificate of any Business Entity?

Business Entity types or types of Business Registries include "Company", "Business Name", "Business Group", "Association" and "Foreign Enterprise."

You can obtain extracts or certificates of business entities, free of charge from our website following below steps.

1. Click **Do It Online**
2. Click Search "**Entity Type Name**"
3. In the Entity Search window, type the **entity name** or **entity registration number**
4. Click "**Search**" button
5. List of entities with similar will appear
6. Double click on **Entity Name of your interest**
7. Click "**Request extract or certificate**" button
8. Click appropriate Type and Delivery method
9. Click "**Submit**" Button to access

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regulatory agencies.

A database survey questionnaire will be issued during this inspection exercise containing the relevant questions in relation to compliance issues.

During this exercise company or business owners, shareholders and directors are required to meet and cooperate with the survey and spot inspection team and make available the following information:

1. Fully completed database survey questionnaire with the Company Common Seal affixed. Companies and Agents who have received the survey forms are advised to complete and return the completed forms to their clients. The IPA team will collect the completed forms when they do the physical inspection;
2. Certificate of Incorporation as

issued by IPA's Registrar of Companies

3. Foreign companies will be required to present the certificate to carry on business in the country as issued by the IPA
4. Presentation of any other licenses and permits issued by other regulatory agencies as required by the Government of PNG.

For more information on this exercise, please contact:

Mr. Daroa Peter – Acting Director Investor Servicing & Promotion Division or Mr. Michael George – Manager Research & Information Unit on; telephone 308 4400 or 308 4509, fax: 321 2819 or email: [daroap@ipa.gov.pg](mailto:daroap@ipa.gov.pg) and [mgeorge@ipa.gov.pg](mailto:mgeorge@ipa.gov.pg) respectively.

**Below:** Photos of the Spot Inspection Survey operations led by team leader, Mr Michael George.



## IN THE NEWS

## IPA CONDUCTS ANNUAL AWARENESS FOR OIL SEARCH LANDOWNER COMPANIES



The IPA awareness team was in Moro during the Easter weekend to conduct awareness for landowner companies. This is an ongoing annual program which was rejuvenated in 2015.

The team comprised of the Team Leader Companies Unit Ms. Belinda Karl and Senior Public Relations Officer Mrs. Beverly Piawu. The key message delivered by the team was

on compliance and how landowner companies can diversify their operations and invest in other sectors aside from oil and gas. A trip to the processing facility gave the team an appreciation on the investment volume and impacts Oil Search had done in the area and country as a whole.

Plans are underway for IPA to discuss with Oil Search on a proposal to include partner-

ship in other areas of activity including awareness in the villages around the project areas.

Other project developers in the country are also encouraged to establish similar arrangements with the IPA on conducting awareness in other project areas.



Director Registrar Intellectual Property Officer, Ms. Amelia Na'aru opening the event with her speech on IP and Sport.

The Investment Promotion Authority (IPA) through its Intellectual Property (IP) Office of Papua New Guinea joined the rest of the world on the 26th of April 2019 in commemorating the World International Intellectual Property Day which is celebrated worldwide annually.

As part of celebrations to mark the day, the IP Office of Papua New Guinea hosted an Intellectual Property & Sports mini expo at the Sir John Guise indoor stadium.

This year's theme is **Reach for Gold** and attempts to take a closer look inside the **world of sports**. It explores how innovation, creativity and the IP rights that encourage and protect them support the development of sport and its enjoyment around the world.

According to WIPO, sports have become a multi-billion dollar global industry – one that generates investment in facilities (from sports stadia to broadcasting networks), em-

loys millions of people around the world, and entertains many more.

It further revealed that business relationships built on IP rights help to secure the economic value of sports. This, in turn, stimulates growth of the industry by enabling sporting organizations to finance the events we savor, and by providing the means to promote sports development at the grassroots.

This year's commemoration looks at celebrating the power of sports to engage and inspire, to innovate and unite us all in pushing the boundaries of human achievement.

The celebrations also looked at:

- How sports businesses use patents and designs to foster the development of new sports technologies, materials, training, and equipment to help improve athletic performance and engage fans

worldwide.

- How trademarks and branding maximize commercial revenue from sponsorship, merchandising and licensing agreements. These revenues offset the cost of organizing world class events, such as the Olympic Games and World Cup series, and ensure that the value and integrity of these spectacular events are safeguarded.

- How sports personalities are able to generate earnings from sponsorship deals with brand owners and by leveraging their own brands as athletes.

- How broadcasting rights underpin the relationship between sport and television and other media that bring fans ever closer to sporting action.

The Media including sports reporters, commentators were invited to participate, as they play a huge role in Sports in regards to broadcasting and reporting of sporting events in the country.

Several sporting icons, teams and prominent officials in the sporting fraternity as well as school children attended the celebrations.

Registrar of the Intellectual Property Office of Papua New Guinea, Ms Amelia Na'aru expressed satisfaction on the overall outcome of the day.

She thanked the speakers, the school children and those who turned up during the celebrations for their attendance.

"My message is to ensure that individuals and businesses know their IP rights and realize the importance of protecting their IP Rights," said Ms Na'aru.

She urged businesses and individuals to seek information on how to register their IP Rights.



Registrar of the Intellectual Property Office (IPO), Ms Amelia Na'aru second from right with IPO staff.



Students from schools who attended the World IP Day celebrations taking part in an activity conducted by PNG Sports Foundation



Student from St. Joseph's receives a Moni-Plus gift bag during the Educational Quiz Session.



Sports Journalist, Paul Taumik Jnr and Registrar -Intellectual Property Office, Ms. Amelia Na'aru addressing the Media during a Press Conference.



Students from Kilakila Secondary, St. Joseph's, Gordons International, Gerehu Primary and Pom Grammar Schools posing with IPO staff during a photo shoot at the WIP Day at the Sir John Guise Indoor complex.

## Why IP rights?

The main purpose of IP rights is to encourage more innovation and creativity by making sure that inventors and creators get a fair reward for their work and can earn a living from it and to protect the goodwill that is vested in brands.

Different rights protect different types of IP, such as inventions (patents), brands (trademarks), designs (industrial design rights or design patents), and creative works, such as sports programs and other sports-related creative outputs, and certain sports broadcasts (copyright and related rights).

IP rights allow rights holders to stop other people from copying or using their IP without their permission. This means that rights holders are able to charge a price for using IP. The prospect of an economic reward encourages people and businesses to invest in developing innovations, creations and branded products that we can all benefit from.

## Patents and inventions

Technology has always had a role to play in the sports landscape, but the advent of digital technologies has fueled technological development like never before. Innovative technologies – typically protected by patents (or as trade secrets) – are taking sports to new heights. These technologies are transforming the sports experience from the training camp to the sports stadium to our living room, and are opening the way for new sports – think e-sport and drone racing – to emerge. Today sports tech is experiencing huge growth.



Smart sports equipment embedded with sensors and other sophisticated information and communication technologies are now widespread.

These smart technologies allow athletes (at elite and amateur levels) and their trainers to track and evaluate performance and identify areas for improvement.

## Designs

Where there are technological developments using new materials, design and aesthetics are not far behind. The influence of design in the world of sports is far-reaching. In the highly competitive sports marketplace, design contributes to the distinct identity of sports competitions, teams and their sports gear.

Design makes a product, and a sports event, more attractive and appealing to consumers and plays a critical role in adding commercial value and making the product or the event more attractive and marketable. We are all prepared to pay a little extra for a design that makes a statement about

our lifestyle and approach to life. Businesses can protect the investment they make in coming up with new, attractive designs, by obtaining industrial design rights or design patents.

Design plays a key role in ensuring that products stand out in the market and are immediately recognizable. Puma's stylish new self-lacing shoes featuring Fit Intelligence (Fi) technology effectively combine design and smart technology and enable athletes adjust the fit of the shoe while on the move.



## Trademarks and branding

Staging a sports event is a costly undertaking. Strategic use of trademarks – an IP right that enables businesses to build up their reputation and stand apart from competitors in the marketplace – can generate significant revenue streams to cover the costs of organizing these events.

A trademark is a sign that is capable of distinguishing the goods or services of one entity from those of another. Trademarks are powerful and indispensable marketing tools. In the world of sports, their strategic use opens up significant commercial opportunities to generate income. Sports fans have a deep emotional connection with the teams, leagues and competitions they follow. Sports clubs like Manchester United, for example, leverage their brand and the loyalty of their fans to increase the club's revenue and profitability through sponsorship deals and new digital media and content opportunities. From 2015 to 2017, the club enjoyed a 4.6 percent compound annual growth rate in its sponsorship revenues.



Sports sponsorship deals are underpinned by trademark rights and can be extremely lucrative. Recognizing

its global appeal and power as a marketing platform, companies in many sectors are turning to sports to build awareness of their products among consumers, drive sales and stand out in a crowded and highly competitive market.

## Copyright and broadcasting

Sports organizations depend on broadcasters to transmit coverage of their events and engage fans worldwide, and indeed, to attract sponsors. Copyright and related rights, especially those relating to broadcasting organizations, underpin the relationship between sport, television and other media.

While sports events as such, do not generally qualify for copyright protection, media companies pay huge sums of money for the exclusive right to broadcast top sports events live. Such events attract millions of fans eager to savor the excitement that flows as a sports contest unfolds.



The sale of broadcasting and media rights, the value of which has skyrocketed in recent years, is now the

largest source of revenue for most sports organizations. The funds they generate off-set the cost of financing major sports events, refurbishing stadiums and also contribute to the grass-roots development of sports.

IP and sports: What WIPO is doing WIPO supports these endeavors, and at the request of its member states, advises governments and policymakers on how to integrate IP and sports-related objectives into national development plans. And, through a range of activities, WIPO works with its partners to raise awareness about the relevance of IP to sports ecosystem within a country. Seminars and training programs focus on developing the human and institutional skills and knowledge to support the business of sports in member states to spur innovation, support business growth and social and economic development. Supporting the development of an enabling regulatory environment for IP is an important part of these activities. This includes building respect of IP rights and advising on ways to tackle abuses or infringement of IP rights. Such violations undermine the ability of organizers of sports events to attract sponsors and diminish the benefits of hosting major sports events.

These capacity-building activities are tailored to the specific social and cultural context of each country. They involve many stakeholders: government and other public bodies, enforcement officials and members of the judiciary, legal practitioners, sports agents, athletes, clubs, sports federations, event organizers, donors, sponsors, sporting goods manufacturers and television and media companies.

The global sports ecosystem is made up of a complex web of players and commercial relationships underpinned by IP rights. The strategic use of these rights has, to a large extent, enabled the rapid growth of the global sports industry, and will continue to play a central role in the future evolution of sports in a rapidly evolving and evermore technology-driven landscape. A focus on IP and sports also offers significant opportunities to foster the social, economic and cultural development of all nations.

# Why is IPA proposing Changes to the Investment Promotion Act and what are those proposed changes?

In the previous issue we spoke about how the changes will affect MSMEs. Today, we'd like to explain what's in these changes for foreign investors. As is the case, the IPA in reviewing the Investment Promotion Act intends to ensure that it does not create an unfair investment environment for foreign investment in the process of trying to protect the citizen owned businesses.

## Is PNG still open for foreign investment?

Yes! The PNG Government recognises the important contribution that foreign investment makes in the human and economic development of PNG. The proposed changes are designed to make it easier for responsible foreign investment while addressing some shortcomings in the system that were being exploited by a small number of foreign investors.

The Investment Promotion Authority remains the first point of contact for foreign investors seeking information on investment opportunities, and to facilitate foreign investment certification. Please see [www.ipa.gov.pg](http://www.ipa.gov.pg) for more information.

## Why is the Government changing the rules? What are the main changes?

The Government is making common sense changes to foreign investment settings in PNG in order to better protect MSMEs from competition in business activities that tend to be smaller-scale, onshore, and where PNG citizens have already demonstrated capability. These changes will not affect the majority of foreign investors in PNG.

The Government is amending the *Investment Promotion Act 1992* to institute most of the system improvements. A small number of changes will be enacted through changes of existing administrative practices, such as entry permits. Key changes are:

1. **Minimum investments for business/investor resident visas** – non-citizen owners of foreign investments will be required to show a minimum investment in PNG in order to obtain their residence visas. This class of visa also applies to overseas-headquartered foreign investments recruiting senior management staff for their PNG based operations.
2. **Reserved activities for PNG citizens** – the IPA will continue to reserve activities for citizens under the Reserved Activities List and regularly review the list
3. **Promotion of local-foreign partnerships** – a new 'Restricted Activities List' will be introduced to encourage PNG citizen participation in larger, more complex, and/or more capital-intensive businesses. Activities will be identified where foreign investment is allowed under certain conditions, which can include minimum local ownership and minimum investment levels.
4. **Grandfathering existing businesses** – in cases where existing foreign investors are engaged in activities which later become reserved or restricted, they will receive limited grandfathering from the changes
5. **Improved compliance and enforcement** – government agencies will upgrade their compliance and enforcement capacity and activities.

## When will the new rules come into force?

The Government has not set a date yet for when the new rules will come into force. The commencement date for changes will be advertised in advance to give businesses time to adjust.

## How will new foreign investment be treated?

The Government is keen to ensure that responsible foreign investment in line with PNG's development priorities is made quick and simple. The proposed changes creates a new process for foreign certification that will be make the majority of applications quicker, and provide clearer rules about when applications will be accepted or rejected.

### Key changes are:

1. **Day-to-day foreign certification approvals will be undertaken by a Registrar of Foreign Investment** – IPA will appoint a Registrar to oversee registration activities
2. **The majority of applications will be granted by the Registrar unless there are disqualifying criteria** – these criteria are:
  - a. the applicant proposes to carry on an activity that is reserved for citizens
  - b. in the opinion of the Registrar, the application is incorrect or misleading or does not otherwise comply with the Act or Regulations
  - c. the applicant fails certain character requirements
  - d. the Registrar has reasonable grounds for believing the application is not genuine.
3. **Appeals provisions improved** – appeals from decisions of the Registrar can be made to the Board and afterwards to the Minister.

## Are existing businesses grandfathered under the changes?

Yes, existing businesses operating in activities that may become reserved or restricted in the future are grandfathered and may continue to operate as they can currently.

New basic controls on what activities may be included in the Reserved Activities List and Restricted Activities List will be included in the proposed changes. Further, a transparent review process will be instituted to enable business to be aware of, and participate in, any changes to the lists.

### **What happens if I want to sell my business if it's grandfathered?**

Any change to the ownership, shareholding or beneficial ownership or control of an enterprise carrying on business in **reserved activities** will lead to it losing its grandfathered status and the relevant activity revert to being reserved for citizens. It is proposed that any change to the ownership, shareholding or beneficial ownership or control of an enterprise carrying on business in **restricted activities** will not lead to the loss of its grandfathered status.

### **Will there be a minimum investment threshold for new investors?**

The Government will introduce a minimum investment threshold for new investors and key staff seeking business/investor residence visas. This will be a new requirement by the Immigration and Citizenship Authority and will work in conjunction with changes to the Investment Promotion Act. Resident investors will need to show a minimum investment. The minimum investment will be set after careful consideration of amounts used in other countries to ensure that the threshold is competitive.

Minimum investment thresholds may also be introduced in the Regulations for specified restricted activities.

### **Will there be changes to work permit requirements?**

No, existing work permit requirements are unchanged.

### **What is the Restricted Activities List? What activities will be included?**

The proposed changes introduce activities which are open to foreign investment, under defined conditions. These conditions will be standardised against the relevant activity and included in the Regulation.

### **How are reserved and restricted activities identified?**

Under the proposed changes, the Reserved Activities List and Restricted Activities List must be reviewed by the IPA Board at least every 3 years.

This review process is required to be public, and seek the views of government, the business community, and the public. The IPA Board's recommendations are published publicly and provided to the Minister for decision. If the Minister decides to reject a recommendation, he or she must publicly publish the reasons for the rejection.

The proposed changes places some basic controls on activities that cannot be reserved or restricted. An activity cannot be reserved or restricted:

- unless at least one Papua New Guinean citizen is involved in carrying out the activity, whether by himself or herself is;
  - o a member of a joint venture, or
  - o a partner in a partnership, or
  - o a trustee, or
  - o an agent or employee, and carries out the business in PNG
- if fewer than 10 businesses operators conduct the activity in PNG
- is carried out on as a business, or part of a business, that produces or supplies goods and services which are used regularly by, or are otherwise important to the operation of, other business in PNG.

### **Are there changes to reporting requirements?**

Yes. Under the new rules, holders of foreign investment certificates must file annual status reports containing prescribed information. Failure to file an annual status report can lead to suspension or cancellation of a foreign investment certificate.

### **What about other restrictions on foreign investment?**

The Government is aware that there are other restrictions on foreign investment at sectoral levels. A broader reform process is underway to identify these restrictions and make them more transparent for prospective foreign investors.

## **Regulators Summit dates postponed**

**The IPA would like to advice the general public, SMEs and stakeholders and bussiness houses that the Regulators Summit has been postponed indefinitely.**

**We will confirm a date soon.**

# Tual Beauty products SME

Christine Atua



**A** Port Moresby based SME, “Tual Health and Beauty Products” who specializes in producing beauty products like Face and Body Scrub made uniquely from coconut oil is stepping up with its marketing strategy to promote its product.

Owner of Tual Health and Beauty Products, Christine Atua from Karkar Island in Madang Province approached the Investment Promotion Authority (IPA) to assist promote her beauty products.

This includes getting the labeling and barcodes on her products. Tual Health and Beauty Products was registered with IPA in October last year and has since been out promoting the effectiveness of its products.

Ms Atua who attained a bachelor’s degree in business management initiated this SME after realizing the potential coconut has.

The word ‘Tual’ means Island in the Waskia(Karkar) Language.

After Christine obtained a Bachelors Degree in Business Management in 2009 from the University of Papua New Guinea she took up a voluntary role with the Pacific Education School which is a health school based in her village on Karkar Island. This was when she developed an interest in community development role.

She was later offered a job by the World Vision as a Water Sanitation Officer on Karkar island, a project funded by the Europe Union which was based on Karkar Island in 2010. The project duration was one year and Christine was blessed to have had the experience in working with the rural communities and witnessed the vast challenges and struggles of the people.

The issue that stood out was how people struggled to find a market for their vast cash crop which is coconut.

Christine says the island is rich but given limited opportunity the people cannot generate sufficient money to improve their livelihoods. Despite the fact that the island has produced some of the nation’s highly educated elites, it’s evident through her work experience on the island that very little is given back to the communities which posed a personal challenge.

She further stressed that her dream to make a contribution in terms of economic development through the full utilization of its natural resources came about after seeing the struggles and the challenges that her people on the island face”.

“This got me to where I am currently at though creating a product that was locally handmade and has proven to be the best so far in the market for almost 3 years. Two years as a trial year”

Christine later created the “Tual Face and Body Scrub” in 2016 which she described as personally ground breaking.

“This ideal beauty products have proven to take care of skin care problems both man and woman face which include, dry flaky skin, pimples, black heads, uneven skin tone, cracked feet, excessive sweating issues, dandruff on bold head, bumps from aftershave especially for men, rough skin, dull skin complexion and many others. The oil products also did wonders for hair growth, dandruff and removal of white hair as reported by users consecutively.

“My island experience of bathing in coconut milk mixed with other traditional plants had very positive benefit on my personal skin care and beauty regime. I thought of how this can be shared to the rest of the world. Surely the skin care problems or defects is universal and not only confined to a certain group”.

“Women especially, deal with the beauty dilemma daily. Beauty is the very essence of a woman, she wants to know that she is beautiful, she seeks improvement each day. So if beauty is important it must also be prioritized and valued and the island through its organic product can offer such a solution, that would be an achievement and a consistent source of economic activity since we have the supply of resources to maintain the market”.

Ms Atua further stressed that she holds a formal employment status but aspire to be an entrepreneur due to the vast benefits it is

likely to bring to her society in terms of job creation and increased economic activity. She concluded by saying that the creation of Tual health and beauty business is also a small initiative and avenue where some out of many plans she has for her people can eventuate in the near future.

“I would also like to thank IPA for giving me this opportunity to feature this and those who have mentored me, Mr. Atua the Director and founder of Pacific Health Education School in Madang, Mrs Tina Mark Kakini from Miline Bay who is the owner of Pearl Clothing and founder of the K20 multiplication program and Jacklyn Jack Wilson who is the founder of Career Link PNG”, said Ms Atua.



## Lower Sepik Integrated Forestry/Agriculture (Cocoa) Project

A resource company is seeking partnership with an interested investor to develop a 50,000 hectares of fertile land for an integrated agro-forestry project.

### The Project Proponent:

Lower Sepik Resource Development Company is located at Marienberg, Angoram, East Sepik Province.

### Project Size/Investment Value:

US\$500,000

### Project Description:

Lower Sepik Resource Development Company (the project proponent) is made up of eight villages along the lower Sepik River in East Sepik Province, Papua New Guinea.

All eight villages have agreed to utilize their 50,000 plus hectares of land for an

integrated forestry and agriculture development project.

The project proponents prefer the establishment of a cocoa plantation accompanied by logging and downstream processing of harvested timbers to supply both the domestic and export markets.

The subject land is fertile and suitable for agriculture and well situated with easy access to the public amenities including electricity, water, access road, etc.

### Contacts:

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## EXPENSIVE WHEN YOU DON'T LODGE ANNUAL RETURNS ON TIME

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

Here is an illustration of the above statement.

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

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

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

The total payable for reinstatement would therefore be K13, 400. 00. This excludes the costs of publishing the reinstatement notice in the media, which is a requirement of the reinstatement process.

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

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

[beverlyp@ipa.gov.pg](mailto:beverlyp@ipa.gov.pg)

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

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