

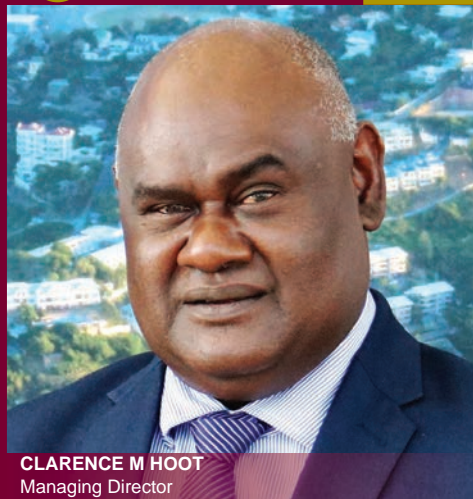


# Opportunity

Issue 7 - July 2019

Business News, reviews and overviews from the IPA

## MD's INBOX



**CLARENCE M HOOT**  
Managing Director

Dear Readers, welcome to the seventh (7th) issue of the *Opportunity* newsletter.

We are into the third (3rd) quarter of this year and so far, we have again experienced a very hectic but smooth flow of operations in all business units of the Authority.

Firstly, the Authority has started the second and final consultations for the review of the Association Act of 1966 which will be conducted from the 25th of July, right through to August, 2019.

The review of the Act will address issues that have been identified as problematic for local associations and to bring the Act into compliance with international Anti-Money Laundering (AML) mandates which is aimed at bringing a higher level of transparency and accountability to this entity type.

## IN THE NEWS

### Final Consultation on Proposed Changes to the Associations Incorporation Act of 1966

The second and final round of consultations on the proposed changes to the Associations Incorporation Act of 1966 commenced on the 25th of July, 2019 in Port Moresby and continued in Goroka, Kokopo and Lae till 9th of August, 2019.

In 2018, IPA conducted consultations in Port Moresby, Goroka, Lae and Kokopo, and obtained feedback from stakeholders on the following:

- Processes to incorporate and/or form an association;
- Sub-types of associations and other organizational issues;
- Types of groups that should be eligible to become associations;
- Proper grounds for an objection to the formation of the association;
- Financial transparency;
- Rights and responsibilities of committee members;
- Registration of foreign associations;
- Accountability and good corporate governance practices; and
- General administration and management of associations.

Teams from IPA conducted consultations in Port Moresby, Goroka, Lae and Kokopo, and obtained feedbacks from stakeholders that will be contained in the review report.

Work is also continuing on the review of the Investment Promotion Act of 1992. This piece of legislation and its regulations ensures of the IPA operations and its other related functions such as regulating the activities of foreign enterprises.

Meanwhile, in other work programs that IPA is carrying out, preparations are underway for the hosting of the 2019 Inaugural Regulator's Summit which is scheduled to be held in September 2019.

The summit is aimed at providing a forum for all the government regulatory agencies and stakeholders to come together and to discuss an array of topics ranging from regulatory requirements, compliance and the impediments that affect the ease of doing business environment in the country.

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

Thank you and happy reading!!!

**Clarence M. Hoot**  
Managing Director

## Tips & Traps

### Registering a Business Name

Clients have been enquiring about the possibilities of merging two Business Names together.

**This is not allowed by law.** A Business Name allows you to carry out one particular type of business activity. The intention to merge two Business Names means that two different types of business activities will be carried out under one Business Name.

Section 3 (Clause 2) of the Business Name Act states that "A separate certificate of Business Name registration must be obtained for each Business Name used.

On the other hand, a person or persons may conduct business under more than one business name, provided that the use of multiple

business names is not calculated to seriously mislead the public about the business it conducts.

In particular, the business name is merely a trading name of a sole proprietor, a partnership or an incorporated body or firm.

It is therefore advisable that you register a separate Business Name for a separate business activity.



The resulting Consultation Report indicated overwhelming support on the need for a revised legislation. Accordingly, IPA has developed and proposed a revised legislation that takes into account the stakeholders' feedback. The proposed revised legislation will ultimately amend the Associations Incorporation Act with a fresher and updated set of rules.

The public version of the **Consultation Report, the Proposed Legislation to repeal and replace the Associations Incorporations Act 1966, and Explanatory Memo** are available at [www.ipa.gov.pg](http://www.ipa.gov.pg)

The Investment Promotion Authority also appreciates written feedback on the proposed revised legislation. Written submissions are

Continue on to next page.....



due by 5pm Monday, 2nd September 2019. Please send your written comments/feedback to [AssociationReform@ipa.gov.pg](mailto:AssociationReform@ipa.gov.pg)

The Associations Act has not been changed

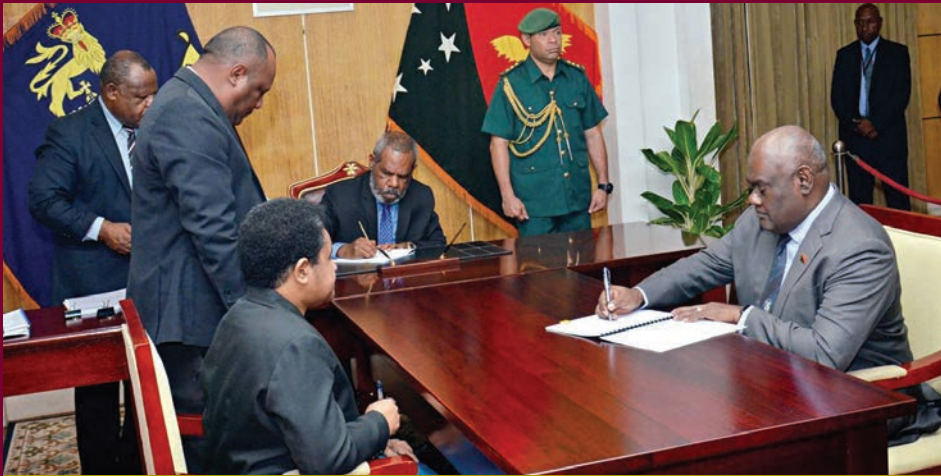
since its passage in 1966 so the IPA considered some proposed changes as follows:

i) Address issues that have been identified as problematic for local associations; and

ii) Bring the Act into compliance with international anti-money laundering (AML) mandates aimed at bringing a higher level of transparency and accountability to this entity type.

## IN THE NEWS

# Hoot signs contract as IPA MD



Investment Promotion Authority's Managing Director, Mr Clarence Mala Hoot signs his four-year contract at the Government House in Konedobu on the 24th of July, 2019.

The Managing Director for the Investment Promotion Authority, Clarence Mala Hoot has signed his four (4) year employment contract after he was confirmed to the position in September last year.

Mr Hoot officially signed his contract on the 24th of July, 2019 at the Government House together with several other departmental and agency heads.

His contract signing was witnessed by his immediate family and work colleagues.

Mr Hoot hails from Sakin Village, Lemankoa-Haku Constituency, Buka District in the Autonomous Region of Bougainville.

He has over 27 years of experience as a public servant with more than 19 years at the IPA.

He holds a Masters in Business Administration, specialized in International Business from the University of Southern Queensland, Australia and a Bachelor Degree in Economics -Business Studies at the University of Papua New Guinea from 1989 to 1993.

His career began in the Public Service in 1991 when he joined the then Department of Trade and Industry as a Research Officer. He worked his way up to be the Department's Acting Director for the Trade Division from 1998 to 2000.

He then left the Department of Trade and Industry after working for 8 years to join the Investment Promotion Authority (IPA) in April 2000.

Prior to his appointment as MD, he held the

position of Director Investor Servicing and Promotion Division where he was responsible for the implementation of investment and export facilitation and promotional activities.

He occupied the position until his appointment as the Acting Managing Director in 2016 and later confirmed to the post in September 2018.

In the Asia Pacific Economic Cooperation (APEC) space, Mr Hoot was the first Papua New Guinean to be appointment as a Co-Convenor to lead discussions in the APEC Investment Expert Group (IEG). The IEG comprises of government investment officials and international stakeholder organization representatives from the 21 APEC member economies.

Under APEC, he is also an active member of the Regional Investment Analysis Group with APEC Study Centre at Royal Melbourne Institute of Technology, Australia where he contributes to discussions on the use of analytical data for investment policies.



Managing Director (center), Acting Director for Investor Servicing and Promotion Division, Mr Daroa Peter and Director Corporate Service, Ms Anna Marikawa pose for a photo shoot after the signing.

## Cocoa Show Of Excellence ends on high note



Some cocoa seeds on display during the show in Lae, Morobe Province.

The 2nd PNG Cocoa of Excellence Show ended on a high note on the 27th of July, 2019 in Lae, Morobe Province.

The three -day show was attended by all the cocoa producing provinces including East New Britain, East Sepik, Oro, and New Ireland amongst others.

The inaugural show was held in Kokopo, East New Britain Province two (2) years ago.

The show was titled as "Kumul Bilong Morobe PNG Cocoa of Excellence Show" and was sponsored by the Wafi-Golpu Joint Venture and supported by the Cocoa Board of PNG and the Morobe Provincial Government.

The theme of the show was "Improving Cocoa Quality through Stronger Partnership".



According to the Cocoa Board of Papua New Guinea, the show was to promote cocoa best practices and enhance PNG cocoa's value at the domestic and in the international scene.

The Investment Promotion Authority (IPA) was amongst other agencies that participated

in the show through the set up of a stall for information dissemination.

Small cocoa farmers who attended the show and visited the IPA stall expressed their interests in registering their small businesses and highlighted the need for more awareness to

be carried out in provinces on the importance of registering a business and its benefits. Below is a table of award winners on the cocoa sampling and tasting competition which was a highlight of the event.

Award	Winner	LLG	District	Province	Prize/Sponsor
Gold	Chefang Yaling	Wampar	Huon Gulf	Morobe	Solar Combination Drier worth K25,000 from Wafi Golpu Mine
Silver	Anton Higwai		Madang	Madang	Tools worth K6,000.00 from Agmark Pacific
Bronze	Nganalaka Cooperative	Toma/Vunadidir	Gazelle	East New Britain	Tools worth K4,000.00 from Agmark Pacific.
Best Male Farmer	Jeffrey Banaga	Kopure Oro Bay	Ijivitari	Oro	Tools and materials worth K2,500.00 from Waiyu Limited
Best Female Partner	Nanuo Kaukesa	Salamaua	Huon Gulf	Morobe	Tools and materials worth K2,500.00
Best Youth Farmer	Chefang Yaling	Wampar	Huon Gulf	Morobe	K5,000.00 from Pomio District
Best Cooperative	Egwalau Cocoa Foundation	Maramatan	Alotau	Milne Bay	K2,500.00 worth of materials and goods from Outspan Limited

Simbu Province will be the host for the next Cocoa Show of Excellence.



IPA Booth display at the Cocoa Show of Excellence in Lae, Morobe Province.



Women Cocoa farmers from Atchang Womens Cooperative Society displaying samples of their cocoa seedlings.



Cocoa harvest from Karamui in the Chimbu Province being displayed during the show. Their cocoa is grown at the altitude of 1,400 metres above sea level.



## Why do I need to register my Trade Mark?

It is important to protect a trade mark by obtaining a registration from the Intellectual Property Office of PNG (IPOPNG) within IPA. The main purpose of the Act is to provide the owner of a trade mark, the legal title to having exclusive use of its trade mark for the goods and services for which it is registered, and to protect against unauthorized use of the trade mark.

The Register is divided into two parts which are called Part A and Part B respectively. If a trade mark is distinctive, it will qualify for registration in Part A of the Register. A trade mark which is non-distinctive, but is capable of becoming distinctive over time, will qualify for registration in Part B of the Register. The registration requirements can be found in Sections 15, 16 and 17(2) of the Trade Marks Act (Ch. 385). An applicant must specify the goods to which a trademark is applied, or to be applied in the future. An application must be limited to the goods in one class only. The applicant must also specify the classification, to which category of the goods and services fall under, for example clothing and footwear are categorized under class 25.

In order to ensure a correct classification, the applicant must clearly describe the goods or services to which the trade mark is being actually applied, and should also avoid the use of the expression "and all other goods or services in this class".

ExxonMobil



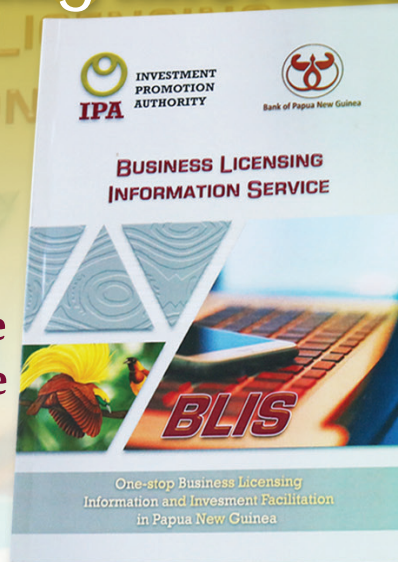
PNG LNG



**Investment  
Promotion  
Authority**

# Business Licensing Information Service (BLIS) ON SALE

The Investment Promotion Authority wishes to advise its clients and public on the sale of the Business License Information Service (BLIS) booklet.



The **BLIS** contains a One-Stop-Shop Business Licensing Information comprising various legislative requirements of doing business in Papua New Guinea and the necessary processes or guidelines to obtain the licenses from statutory license issuing agencies.

The **BLIS** contains the following information:

- CONTACT DETAILS OF OFFICERS (S), DIVISION & AGENCIES WHICH ADMINISTERS EACH LICENSE.
- LICENSE APPLICATION FORM WHERE POSSIBLE.
- APPLICABLE LEGISLATIONS AND PROVISIONS.
- DETAILS OF LICENSE, FEES, DETAILS OF RENEWALS AND TRANSFER.
- TYPE OF BUSINESS THE LICENSE MAY APPLY.
- PLUS OTHER NECESSARY INFORMATION REQUIRED TO ACCOMPANYING THE APPLICATION FOR BUSINESS LICENSE.

**BLIS** booklet provides one-stop shop business licensing information and helps you to understand various legislative requirements for compliance purposes.

For more information regarding a purchase of a **BLIS** booklet, please contact: Jeffrey Hete, Business Information Officer on +675 321 7311/3900/534 or Michael George, Manager Research & Information on +675 321 4509 or email them on [jhete@ipa.gov.pg](mailto:jhete@ipa.gov.pg) or [mgeorge@ipa.gov.pg](mailto:mgeorge@ipa.gov.pg) respectively.

The booklet is on sale for **K200** only and a copy can be purchased at the Investment Promotion Authority office, 1st floor, **IPA Haus**, Munidubu Street (Corner of Lawes Road & Champion Parade) Konedobu, Port Moresby.

KELLY INAE



**H**elping Hand Honey Producers is a nationally owned Honey Business that produces Mountain Honey.

Several years ago Kelly Inae came up with the idea of "Mountain Honey", a honey making business to help farmers in rural areas by training them to be beekeepers. Yet, despite his best intentions, he soon realized it wasn't possible to do it all for free. Now, thanks to NGO, Oxfam's support, Mountain Honey is a sustainable business that can help even more people make a living.

Kelly calls the bees the "angels of agriculture". He explains that they are "essential for farming. They do an excellent job of pollinating plants," which boosts overall crop production. The price for honey is also much higher than any other commodities."

#### The Mountain Honey Philosophy

"Mountain Honey's philosophy is based around providing beekeeping training to both the wife and husband in each family. "We call it a family unit project," Kelly says. Mountain Honey is produced in Goroka, Eastern Highlands Province of Papua New Guinea. It has its small production facility at Gonah in the outskirts of Goroka Town located at a fresh natural habitat conservation environment. ([www.gonaha.com](http://www.gonaha.com)).

**Mountain Honey** is a sustainable business that source honey from its 3 hector farm and get honey supplies from other honey farmers and process it for domestic markets.

Mountain is the product name produced by Helping Hand Honey Producers. 'Helping Hand Honey Producers' is the second largest honey producer in Papua New Guinea that produces Mountain Honey and it is second to Highlands Honey (products of Niugini Fruit Company).

The business (Helping Hand Honey Producers) registered with the Investment Promotion Authority in 2013 and funded its operation by its sole owner Mr. Kelly Inae.

Mr. Inae is an experienced honey bee farmer, producer and honey keeping trainer who started honey business in 2002 and has been in the honey industry for more than 17 years. Mountain Honey

has a vision for growth and to be a sustainable industry and has taken pro active approach by conducting honey keeping trainings across the highlands provinces as well as other regions.

With the visions and dreams of sustainable industry growth, Mr Inae as the only honey farming trainer had conducted trainings in the highlands provinces which he has helped trained more 2500 people in rural areas to become honey bee keeper. He has been training the farmers since 2002 and continues to support the famers.

He is currently conducting trainings both at Mountain Honey's Training Facility and in various provinces.

Helping Hand Honey Producers buys honey from the farmers who have been trained by Mr. Inae and produce Mountain Honey at its mini honey processing plant. His products are packaged or bottled in-house in his own bottling and packaging facility.

Mountain Honey is seen as a sustainable business and the products are sold domestically in supermarkets in Papua New Guinea. The products are also packed in different volumes and grams and sold to individuals and businesses around the country. Some of his products are also transported from Goroka via road transport to customers in other highlands provinces as well as Madang and Lae.

For outside centers, products are airlifted out from Goroka Airport and Ukarumpa Air Strip in Aiyura to other coastal centers and Port Moresby. The product is 100% pure organic without the inclusion of artificial additives and its demand is growing rapidly among Papua New Guineans.

The business has a plan to increase production and export to overseas markets. With the plans to expand its markets, the business faces

challenges and needs support in terms of upgrading its production facility and employ technical expertise and technology to improve and increase productions.

The business also needs export market access information and support to export overseas. The challenges currently faced by the company needs to be addressed through funding support from donors and partners as Honey Business is seen to be a sustainable business that can help rural people to be economically independent.

#### BUSINESS ADDRESS AND CONTACT:

**Mountain Honey**  
P O Box 1617, Goroka 441  
Eastern Highlands Province  
Papua New Guinea

Phone: (675) 71258799  
Email: [helpinghandhoney@gmail.com](mailto:helpinghandhoney@gmail.com) or  
[gorokanaturalhabitat@gmail.com](mailto:gorokanaturalhabitat@gmail.com)  
Face Book: Mountain Honey



The proponent, Keromiro Holdings Limited ideally seeks a loan, equity participation or grant from a potential investor who is interested to participate in the development of a multi-level agricultural farming project.

**Location:**

**Kerema Town, Gulf Province**

**Project size/Investment value:**

**PGK2.2million**

The project proponent, Keromiro Holdings Limited would like to venture into large-scale commercial food crop farming including cocoa and vanilla. He registered his business in 2016 with IPA and currently has 8 full time employees and a number of casual employees assisting in the operations.

Initially the business started with cultivation of vanilla and cocoa, however there is potential for other agricultural crops with a focus on intensive cultivation, production, packaging and export to international markets.

## Keromiro Multi-level Farming

The business has established an international connection with a buyer based in the UK. The possible project site is on a customary land with clear title under an Incorporated Land Group (ILG) with 30 years remaining on the lease.

The proponent has all the relevant documents including an Eaglewood license, other relevant licenses and certificates from state agencies and a business plan. A team of professional technical and business consultants have been assisting in the current operations.

Contact	Details
Mr. Chris Hiva Edwin	(+675) 7076 6249 (+657) 7547 7669 <a href="mailto:chrishivaedwin@gmail.com">chrishivaedwin@gmail.com</a>
IPA PNG	<a href="mailto:investment@ipa.gov.pg">investment@ipa.gov.pg</a>

**Question:**

Do I need to attach my financial statements to the Annual Returns when filing?

**Answer:** No and Yes. Refer below why:

No. If your company is an “**exempt company**”.

Yes. If your company is a “**reporting company**”.

Furthermore, the difference between the two can be explained as given below;

An **exempt company** – is a company which does not have:  
-assets exceeding K5million; or  
-more than 25 shareholders; or  
-more than 100 employees ; and  
-a company that complies with at least one or two of the above (not all three) of the above.

A **reporting company** – a company other than an exempt company.

**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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