

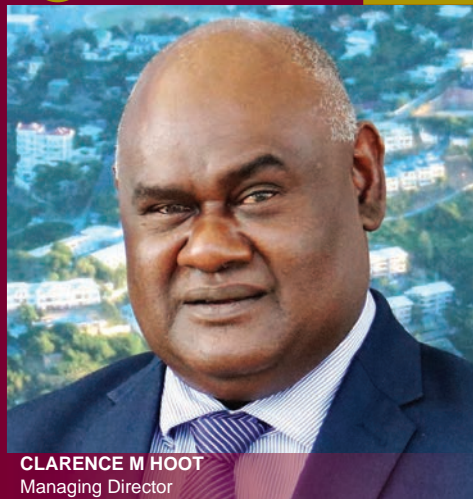


Opportunity

Issue 8 - August 2019

Business News, reviews and overviews from the IPA

MD's INBOX



CLARENCE M HOOT
Managing Director

Dear Readers, welcome to the eight (8th) 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 is prepared to host the inaugural Business Regulator's summit scheduled to take place from the 19th to the 20th of September, 2019.

The two days event will be hosted at the Hilton Hotel in Port Moresby under the theme "Efficient Regulations; Productive Economy". The main topics of discussion focus will be

on the parameters of the World Bank Doing Business Report and other important areas of business and investment regulations.

The use of these baseline indicators will be a guide to identify bottlenecks in various business regulations that impede growth of businesses and suggest ways for improvement. Responsible government agencies administering those regulations were invited to make presentations and outline areas of improvement.

The Authority has just completed the second and final consultations for the review of the Association Act of 1966 which was 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.

Work is also continuing on the review of the Investment Promotion Act of 1992 which is now on it's way to cabinet.

I sincerely hope you enjoy this issue and as always, we look forward to receiving your feedback.

Thank you and happy reading!!!

Clarence M. Hoot
Managing Director

IN THE NEWS

IPA DOING ITS BEST TO DRIVE E-COMMERCE

The Investment Promotion Authority (IPA) is doing its best to drive e-commerce through its Online Registration Service or ORS.

This was stated by the Managing Director for the Investment Promotion Authority, Clarence Hoot during a round table discussion initiated by a small SME, "Em Stret Space" in Port Moresby recently.

Mr Hoot was invited by "Em Stret Space" to speak on the topic "Strengthening linkages between SME's and their support institutions". E-Commerce refers to the Internet based industry of buying and selling products or services via electronic means.

Mr Hoot highlighted that the development of E-Commerce stimulates economic growth and investment in innovation that can also enhance competitiveness, providing that consumers have access to the internet.

He said the IPA is signing MOU's with Provincial Administrations for the establishment of Help Desks to extend the ORS services to the Provincial level.

Mr Hoot told SME owners who attended the round table discussion that with the ORS, it is confidential and any lodgment is restricted to registered clients only.

On that same note, Mr Hoot stressed that more awareness is also needed on the importance of the Personal Property Security Registry (PPSR).

He said the Personal Property Security Registry or PPSR allows SMEs to pledge their moveable assets as guarantee to obtain financial assistance to help the growth of their businesses.

The SMEs were told that they can utilize PPSR to assist them get loans from financial companies however financial companies also need to be made aware of the PPSR.

Mr Hoot said access to PPSR services can now be done online through the IPA website.

Meanwhile Woman entrepreneur and owner of Devine Management Services Limited, Dorothy Luana has raised a concern on the Cottage Business activities List or reserved business activities for Papua New Guineans.

She said currently there is a huge competition between small Papua New Guinean SMEs and big foreign owned companies who are purportedly carrying out reserved business

Tips & Traps

Forgot your password on the IPA Online Registry System (ORS)?

If for some reason you cannot remember your password for the **Online Registry System (ORS)**, then click on the **Forgot password** link in the login page. As a registered user of the IPA ORS you have an email address registered against your account. Instructions on resetting your forgotten password will be sent to this email when requested by you.

And if you use the wrong password three (3) times when attempting to login into the ORS and you are the authorized person for that account, all you have to do is call +675 3084448 or email online@ipa.gov.pg to unlock your user account.



Continue on to next page.....



activities which are supposed to be reserved for Papua New Guineans.

Ms Luana currently trades as DMS Organics where she is supplying and retailing local food, health and beauty products. These include dry herbs and spices, honey, galip nut's by-products, body scrubs, cream, skin and hair oil amongst others.

She said some of the foreign companies

are selling products that are locally made or made from traditional materials and this is affecting the growth of small SMEs in PNG who sell similar products.

She called on relevant authorities to intervene and ensure that reserved business activities for Papua New Guineans must remain reserved to give small PNG SMEs an opportunity to prosper.

IPA Managing Director, Mr Hoot in response to the concern, pointed out that despite the cottage business list being under the IPA, the Authority was not given the opportunity to give its input during the consultation leading up to the formulation of the country's SME Policy.

IN THE NEWS

Preparations underway for the 2019 Business Regulators' Summit

Preparations are well underway for the hosting of a two (2) days inaugural PNG Business Regulators Summit set for the 19th and 20th of September, 2019 in Port Moresby.

The Investment Promotion Authority (IPA) as one of the key business regulators will host this inaugural Summit.

The two day event will be held at the Hilton Hotel in Port Moresby under the theme "Efficient Regulations; Productive Economy".

The main topics of discussion will focus on the parameters of World Bank Doing Business Report and will extend to other important areas of business and investment regulations.

The use of these baseline indicators will be used as a guide to identify bottlenecks in various business regulations that impede growth of businesses and suggest ways for improvement. Responsible government agencies administering those regulations were invited to make presentations and outline areas of improvement.

The World Bank Doing Business Survey covers the following topics:

- Starting a business
- Dealing with construction permits
- Getting electricity
- Registering property
- Getting credit
- Protecting minority investors
- Paying taxes
- Trading across borders
- Enforcing contracts
- Resolving insolvency
- Labour market regulation

Meanwhile this Summit is also held as part of post-APEC domestication process aimed at enhancing the productive capacities of our domestic regulations to grow business and investments.

An outcome report is expected to be produced at the end of the summit highlighting key reform areas.

The key objectives of the Summit are;

1. Provide a platform for all the regulatory agencies to discuss arrays of regulatory requirements and impediments that affect business environment in the country;
2. Promote dialogue and awareness, establish visibility and create synergies for a harmonized regulatory system that is productive and responsive to inclusive growth and national development agenda;
3. Provide policy recommendation for Government to consider regulatory reforms in key areas of doing business environment, improve PNG's global rating on attracting investment and improving investment compliance; and
4. Create convergent and cooperative regulatory synergies amongst various regulatory agencies that is responsive to business development and progression.



INVESTMENT PROMOTION AUTHORITY
Papua New Guinea



2019 | PAPUA NEW GUINEA BUSINESS REGULATORS' SUMMIT

THEME: "Efficient Regulations; Productive Economy"

VENUE: Hilton Hotel, Port Moresby, NCD - DATE: 19th - 20th September 2019

The 2019 Bougainville Chocolate Festival was held on the 7th and 8th of August at the Independence oval at Arawa Town in the Autonomous Region of Bougainville.

The sponsored theme of the event is 'World Class Beans for World Class Chocolate and a sub theme' Creating Opportunities for our Farmers for our Future'.

The chocolate festival brought together International and local chocolatiers, local cocoa farmers, cocoa exporters, international and local stakeholders, government agencies and the public.

The focus of this event had been on promoting increased productivity and high quality cocoa beans in Bougainville by the farmers.

As part of its ongoing stakeholder support for this significant event, the Investment Promotion Authority participated as an exhibitor during the festival, showcasing its products and services.

The chocolate festival is held annually in the Autonomous Region of Bougainville and this year was its fourth consecutive year.

The event saw different categories of competition ranging from;

- Chocolate Competition
- Big Bean Competition
- Big Pod Competition

Last year's winners of the best and high quality cocoa beans travelled down to Australia to meet and showcase their winning cocoa to at least seven (7) of Australia's leading chocolate companies.

We are reliably informed that the outcomes of those visits are very positive and commercial

Chocolate Festival in Bougainville ends on high note



IPA Regional Officer for AROB, Louis Pihau addressing students at the IPA booth during the Bougainville Chocolate Festival that took place on the 7th - 8th of August, 2019.

talks are ongoing at this stage.

The Authority also assisted cocoa farmers from Bougainville export their quality cocoa to the New Zealand market three (3) years ago and these arrangements are successfully continuing.

Meanwhile, Buin in the South Bougainville electorate will be the host for next year's chocolate festival.



ROTKAS displaying their cocoa beans on at the Cocoa festival.



The Copyrights and Neighboring Rights Act 2000 was effected in 2000 and is administered by the Intellectual Property Office of Papua New Guinea. Copyrights and Neighboring Rights Act 2000 enables copyright protection in PNG.

Copyright protects literary or artistic work or creations. Works can relate to a variety of literary or artistic work or material ranging from books, music, paintings, sculpture, films, computer programs (coding scripts/language etc), databases (arrangement of data), advertisements, maps, and technical drawings.

Under the Act, Copyright protection is "automatic" and does not require any form of registration. This means that protection applies automatically from the moment the work or material is created.

The right owner should therefore be encouraged to notate or put a copyright notation his/her work/material to remind others that the work is protected under copyright.

There are two (2) Exclusive Rights under the Act and these are the economic rights and the moral rights.

Copyrights! What is it and how does one obtain protection in Papua New Guinea?

I. Economic Right

The economic rights are exclusive rights by virtue of being the owner of the copyright. The owner of the copyright has exclusive right to carry out the following works:

- (a) reproduce his work
- (b) translate his work
- (c) adapt, arrange or transform his work; and
- (d) distribute his work to the public through sale, rental or public lending of the original or copy of his work (unless it is already subject to distribution authorised by him)

An owner of a copyright work can assign or license one or more of these rights to another person or entity the authority to exercise.

II. Moral Rights.

The Law gives right to an owner of a copyright work to-

- (a) have his name or where he agrees, a pseudonym, indicated clearly on the copies of his work and in connection with any public use of this work (unless the author indicates otherwise); and
- (b) to object to any distortion, mutilation or other modification or derogatory action in relation to his work, which would prejudice his honor or reputation.

Moral rights in a work can be waived, but cannot be licensed or assigned. Moral Rights remained with the owner.

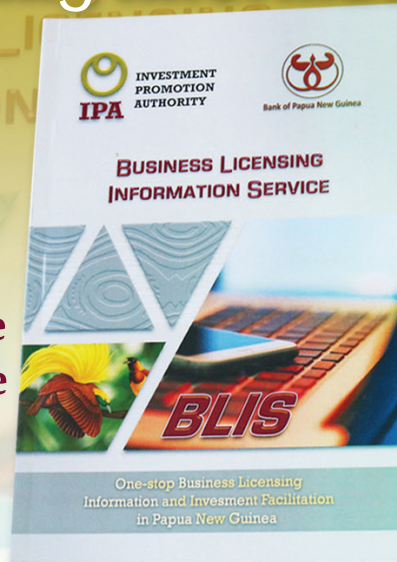
The term of protection for a copyright work shall be during the life of the author and for a period of 50 years of the date of his death.



**Investment
Promotion
Authority**

Business Licensing Information Service booklet 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** booklet 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 the relevant statutory license issuing agencies.

The **BLIS** booklet 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.

The **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 or 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.

Local SME, Authentic PNG helps local artisans promote their products.

"My local SME, 'Authentic PNG' has been contributing towards alleviating poverty and empowering rural artists and citizens of PNG by helping them realize the maximum benefit from their unique creativity, skills and talents".

Authentic PNG's owner and aspiring entrepreneur, Dana Roape revealed this when asked as to her vision.

Ms Roape, an accountant by profession started her business in 2014 and had it registered with the Investment Promotion Authority (IPA) in 2016 after she came up with the idea of promoting products made from traditional materials.

"It all started with an idea of how I can influence and impact my rural community socially, culturally and economically and yet sustain authentic traditional art skills and knowledge," said Ms Roape.

Since its establishment, Authentic PNG has also economically impacted on the rural and local (POM) artisans to have access to finances for their day-to-day living.

Ms Roape said many artisans who sell their products at the craft markets including Boroko, do not make much sales so they approach her shop for assistance.

"We do not close our doors, we help where we can as part of our giving back to the community," said Ms Roape.

Authentic PNG sells authentic locally made products including carvings, bilums, bilum products including purses, key tags, dolls, blouses, copper/silver beatings, Potteries, coffee mugs, bowls and vases.

"We also sell products made from bamboo including key tags, toy knives, art drawings, earrings and art work as well as necklaces made from sea shells and more. Other products we sell include those made from wood, twine, clay and wool," said Ms Roape.

Authentic PNG currently operates inside the Courts Plaza at Gordon in Port Moresby and apart from its good deeds in helping local artisans, it is also faced with challenges including fluctuating daily business traffic to make enough sales to sustain rentals every month.

"Apart from the challenges that we face, we also have achievements including our participation in workshops and exhibitions organized by various government agencies including Small to Medium Enterprise Corporation (SMEC), Department of Youth, Religion and Community Development and the Investment Promotion Authority. Our biggest achievement was our participation as an exhibitor during the APEC's SOMs in 2018 and at the PTI NZ Workshop in April 2019 which was organized by IPA. We are currently working on an order of supplying 50 Bilums for CGG, a drilling contractor attached to Oil Search," said Ms Roape.

"Our current target market is the corporate body for their gifts to farewell staff (especially expats) and locals for gifts or just everyday wear. Our market ratio would be, 20% for Corporate, 20% for International and 60% for local clients or customers. We also receive orders from countries including Australia, America, Canada and China.," She said.

However Ms Roape said the expensive air freighting in PNG is another factor that is affecting the daily operation of her business. We would also love to supply or export overseas however it must be in big quantities so it's profitable.

"So far in big or small ways, Authentic PNG has gone out of its way to maintain the vision it carries and that is to contribute towards alleviating poverty and empowering the rural artists and citizens of PNG.

Ms Roape said currently Authentic PNG has no establishments outside of Port Moresby however, its aim is to build a network with local artists, carvers, weavers in rural areas so relationships are established where they supply us with products to sell.

"I have a business diploma in accounting and a full-time job however I have the desire to help support rural and local artists promote their arts & crafts as most of them are illiterate and can only sustain their livelihood through their God-given talents".

"As an elite and promoter of PNG culture and tradition through such unique products, it is my community obligation to give back to help in one way or another to alleviate poverty and empower the grassroots economically.



A Business Group seeks a Joint Venture partner to develop a logging operation for downstream processing of timber resources with long-term investment in agriculture business.

Project Proponent:

Biapeku Business Group (Inc.)

Location:

Biapeku, Karamui District, Simbu Province

Project size/Investment value:

Subject to scoping/feasibility studies

Description:

The proposed Biapeku Agro-Forestry Project development will initially involve a logging operation on 1,000 hectares of land in Biapeku, Karamui District, Simbu Province. A further 15,000 hectares of tropical virgin rainforest is still to be registered for further development.

The project proponent – Biapeku Business Group (Inc.), which is made up of traditional landowners of the Biapeku area, has registered 1,000 hectares of its customary land under an Incorporated Land Group (ILG) with the Lands Department for development purposes.

Biapeku Agro-Forestry project

The Simbu Province Administration’s forestry office has conducted a forest inventory report over the subject proposed project area including other technical reports on the proposed project and have determined that there are various species of timber/wood of between 30,000 to 60, 000 cubic meters volume ready for harvesting.

The Karamui Basin is regarded as economic corridor with a very fertile land ideal for development of large scale agricultural crops such as Cocoa, Coffee, Rice and spices like Vanilla, Chilies, Cardamom etc. The land area is also viable for cattle grazing as well and has featured in a report by the Simbu Provincial Division of Agriculture and Livestock as a potential investment area.

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Question:

What is the difference between a *REPORTING* company and an *EXEMPTED* company?

Answer:

An *EXEMPT* company is a company which does not have the following below:

- Assets exceeding K5million; or
- More than 25 shareholders; or
- More than 100 employees ; and

It is also a company that complies with at least one or two of the above (not all three) of the above.

A *REPORTING* company is a company that has:

- Assets exceeding K5million; or
- More than 25 shareholders; or
- More than 100 employees

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*

beverlyp@ipa.gov.pg

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

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