

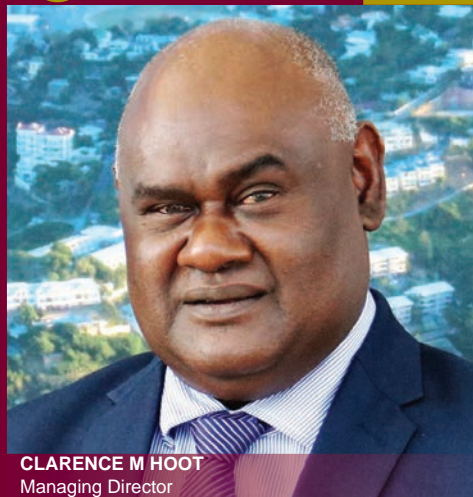


ppportunity

Issue #1 - January 2020

Business News, reviews and overviews from the IPA

MD's INBOX



CLARENCE M HOOT
Managing Director

Belated Happy New Year and welcome to what is already looking like another hectic but exciting year ahead.

2019 was generally a good year for us at the IPA in terms of the accomplishment of our work programs. The notable ones include; the smooth transition and first year of conducting our business registry using the cloud system, being the first government agency to trans-

late and domesticate the 2018 APEC discussions and a submission to NEC on the review of the Investment Promotion Act.

As we look into the line up of work programs for 2020, we anticipate challenges along the way, although we are optimistic that we will still deliver our mandated duties to our clientele. Of course, all these are always possible with the ongoing cooperation and support of a good board coupled with committed network partners.

We will be working closely again with our development partners, fellow regulatory and sectoral agencies and the business community to ensure our systems are in check with the demands out there.

I hope that we can continue to interact with each other through this medium ensuring there is constant communication between our Office and clients.

At this juncture let me wish you all prosperity in your endeavours and hope that 2020 will bring with it good tidings in all fronts.

Clarence M. Hoot
Managing Director

IN THE NEWS

DEFAULT COMPANIES REMOVED FROM REGISTER



Acting Registrar of Companies, Ms Harriet Kokiva updates the media on the de-registration exercise during the media conference held at the IPA HAUS in Port Moresby.

On 7 November 2019, the Investment Promotion Authority (IPA) through the Office of the Registrar of Companies (ROC) issued a Notice of Intention to Remove 5,000 defaulting companies in accordance with Sec 368(1) of Companies Act 1997 (as Amended).

These companies had failed to file their annual returns since 2000.

The defaulting companies were given one (1) month from that date of the Notice to comply by lodging their outstanding annual returns. A failure to comply with the notice will cause the Registrar of Companies to remove them from the register of registered companies.

However, after the one month, the dead line was extended to 16 January, 2020. The extension was published in the National Newspaper on 12 December, 2019. The deadline expired last week and therefore IPA will not accept anymore annual returns.

Companies who have defaulted or failed to comply with the notice have now been removed from the Register as of 17 January, 2020.

The notice of removal was planned for publication on Tuesday 28 January, 2020 in the National Newspaper and the National Gazette.

The extension of the deadline was granted by the Acting Registrar after been approached

Tips & Traps

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; $K1, 000 \times 8 + K300 \times 8 = K10, 400$.

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.

The application fee for the reinstatement of removed default companies is K3,000.00 offline and K2, 500.00 online.

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



Continue on to next page.....



by numerous companies which were listed in the notice of intention to de-register on 7 November 2019. Many of these companies showed their genuineness to comply which was important.

“It was encouraging to see a good number of companies responding to the publication of the notice of intention to deregister,” said Harriet Kokiva, Acting Registrar of Companies. “These were companies who had not shown any activity of compliance. So we are generally pleased with the results,” she said.

About 5.5% have complied and their names have been removed from the default list.

“We also gave considerations to companies who had approached us in time and gave their assurance to comply,” Ms. Kokiva said. “Their names have also been removed from the list. However, they will be removed in the second batch if they fail to meet their commitment to comply.”

“A total of 4724 companies have been removed from the default list. There was a total of 202 overseas companies and only 10 companies have complied”.

The Office of the Registrar of Companies would also like to appeal to companies to come forward with appropriate documents if their companies had complied but for some reason were listed in the published notice. In conveying the Office’s regrets for such circumstances, Ms. Kokiva explained that the notice was only an intention and not a final list for removal.

This is the first batch of 5000 non-compliant companies. The notice of intention to de-register the second Batch of 5000 non-compliant companies is expected to be published towards the end of March 2020.

The IPA hopes that the first batch notices should be enough warning to other non compliant companies to file their outstanding annual returns to avoid being included in the next batch for removal.



IPA Managing Director Mr. Clarence Hoot (right) and Acting Registrar of Companies Ms. Harriet Kokiva updating the media on the deregistration exercise. Far left is Director of Investor Services and Promotion Division Mr. Daroa Peter.

IN THE NEWS

IPA participates in a Joint Agency Spot Inspection Operation

The Investment Promotion Authority (IPA) was invited to participate in a joint Agency Spot Inspection operation as a stakeholder partner to clamp down on illegal movement of foreigners or non PNG citizens within the country.

The Joint Agency Spot Check Operation (JASCO) was aimed at monitoring and conducting spot checks on foreign enterprises and individuals conducting business in NCD and the country as a whole.

The operation began on the 18th and ended on the 27th of November, 2019.

It was led by PNG Immigration and Citizenship Authority (PNGICA) and supported by other agencies including Department of Labour & Industrial Relations, PNG Customs Services, Censorship Board of PNG, National Fisheries Authority, Investment Promotion Authority and the Royal Papua New Guinea Constabulary.

The operation was a result of concerns raised on the increased illegal movement of foreigners in certain areas of the city including their business activities.



The IPA Foreign Certification Unit Manager, Mr. Cedrick Patrick and officers from other agencies during the Joint Agency Spot Check Operation (JASCO) exercise that took place in Port Moresby in November last year, 2019.

This operation covered all zones of the NCD but was aimed at specific targeted companies in these zones.

It was noted during the operation that there was an increase in the number of nationals leasing their shops and properties to foreigners.

The operation had also uncovered that there was a new trend where nationals were employing foreigners.

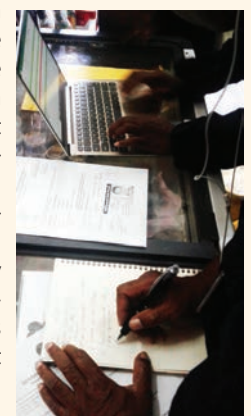
It is alleged that these nationals maybe getting commission for bringing in these foreigners and deploying them to existing companies to be employed. This is yet to be ascertained by appropriate authorities.

With regards to issuance of Trading Licenses, the National Capital District Commission (NCDC) needs to tighten up on the conditions for issuing licenses to foreigners or foreign owned companies to only conduct business

within the city parameters. NCDC should also restrict leasing of trade stores to foreigners by PNG nationals.

A frequent compliance operation such as JASCO will greatly assist in curbing or minimizing illegal business operations.

A total of eleven (11) foreigners were detained at the Bomana Immigration Detention Centre at the time of the operation. Out of the 11 three have been released and deported back to their country of origin by the PNGICA for breaches of their work permit and visa conditions.



JASCO team checking records online

WHAT IS A PATENT AND HOW CAN I PROTECT A PATENT?

A patent is an exclusive right granted for an invention, which is a product or a process that provides a new way of doing something, or offers a new technical solution to a problem.

A patent provides protection for the patent owner from exploitation by third parties. The protection is granted for a limited period of 20 years.

What kind of protection does a patent offer?

Patent protection means that the invention cannot be commercially made, used, distributed or sold without the patent owner's consent. These patent rights are usually enforced in a court, which in most systems, holds the authority to stop patent infringement. Conversely, a court can also declare a patent invalid upon a successful challenge by a third party.

For example:

If I invent a new machine to make donut, I can apply for a patent protection to protect my invention. Nobody else apart from me can re-invent that same machine. Nor can they use, distribute or sell without my consent.

To enquire for more information on Patent protection, please visit our PNG IPO Office ,1st floor, at the IPA Haus, Konedobu, Munidubu Street, Corner of Lawes Road & Champion Parade or you can contact the Registrar of IPO on the contact details below:

Telephone: (675) 321 7311/308 4432/321 3900 | Fax: (675) 321 5155
E-mail: registrar.ipopng@ipa.gov.pg | Web-site: www.ipopng.gov.pg



INNOVATE FOR A GREEN FUTURE

WORLD INTELLECTUAL PROPERTY DAY 2020

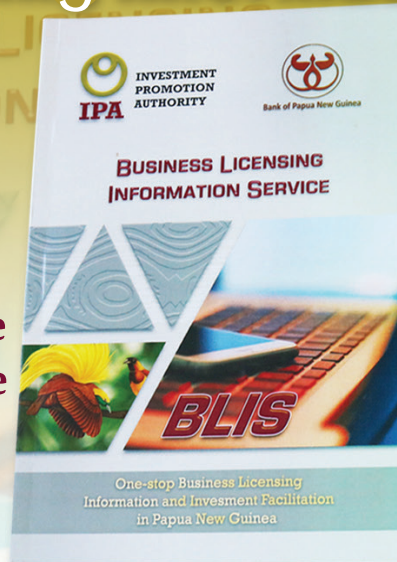




**Investment
Promotion
Authority**

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.

SPICE COMPANY SEEKS MARKET OPPORTUNITIES



Reginah Koi- Owner Hagen Spices

Ma Nga Spices is a locally owned business which started in March 2017 in Mt Hagen, Western Highlands Province and was incorporated on 14th May, 2018.

The company is now seeking export opportunities overseas.

Owner, Mrs Regina Koi from Mt Hagen said she was inspired to start this business after reading so much information on spices and their health benefits.

She said she had a medical background and she saw the importance of spices and what they can do to help the human body when used regularly.

"I use a lot of spices in my cooking and enjoy eating spicy food. The outcome of using spices has contributed to improving my health status and I would like other people to benefit from the same," said Mrs Koi.

She said, currently her target markets are hotels, restaurants, supermarkets and ordinary people.

Ma Nga Spices produces ten (10) variety of spices including turmeric, ginger, curry leaves, chiles, mint, garlic, lemon, lemon grass and mixed spices.

Mrs Regina said her company grows most of the raw materials in their gardens and also buy from local markets.

She said all her products are processed by hand or sun-dried.

The benefits from spices are immense.

- **Organic.**
The raw materials Ma Nga Spices use are organic. They are grown in the gardens without any additives in the soil. Similarly no additive is added when the products are processed.
- **Medicinal Properties.**
All spices have medicinal properties that are beneficial to the health of human beings. They help treat illness, prolong life and regenerate body cells.
- **Culinary uses.**
Most spices flavour food that is enjoyed by millions of people throughout the world. Spices add flavour to food and give out inviting smells and tastes.
- **Preserve food.**
Some spices are used to preserve food
- **Generate income.**

Spices can generate income that can sustain livelihood of local people.

Mrs Regina said Ma Nga Spices started selling its products on a small scale, starting off with street sales, to friends and by word of mouth.

"My next goal is to go to export level given the capacity," said Mrs Koi.



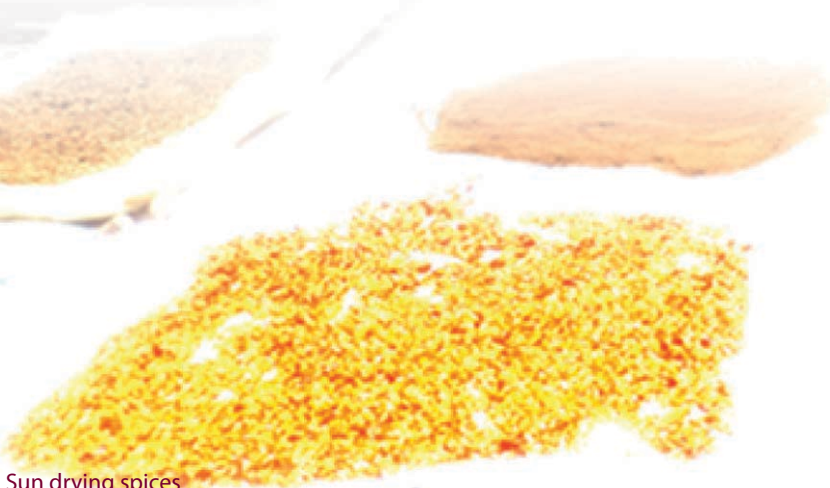
Highlander Hotel Exhibition



Displaying raw spices



Processed Spices in bottles



Sun drying spices



The proponents of the above Company are looking for a potential investor to lease out their land solely for commercial agricultural projects.

Sector:
Agriculture
Location:
Utsiap, Markham District, Lae, Morobe Province
Project Size/Investment Value:
US \$ 2.5 million
Project Description:

The project is an agro-based project preferably intended by the proponent to be established as a Commercial Agriculture Project.

The project site is located in the Utsiap area of Markham District, Lae, Morobe Province with more than 29, 000 hectares of arable land available to be developed. The land is mostly savannah grass land and is conducive for multi cropping/farming like; Agriculture (food crop, Vanilla & Spice, Fruits & Nuts Farming etc.), Coffee, Cocoa, Rubber farming, and Beef & Sheep farming. The land is readily available to be leased out for a 49 year lease period to any potential investors.

The land is owned by customary landowners who have registered a Incorporated Land

Group under the name Warawara Incorporated Land Group as a platform to partake in development opportunities.

Infrastructure developments such as electricity, road access, health centre, and water are available but yet to be connected to the project site. Local labor is also readily available for project implementation.

Necessary information and documents such as business plan, company profile as well as the Terms of Reference (ToR) for a possible Expression of Interests (EoI), IPA and IRC certificate's, ILG Certificates and environmental & feasibility study reports concerning the project are available upon request.

Contact	Details
Timothy Amos or Shannelle Ila'ava	Ph: (675) 75325900 (+675) 78126891 (+675) 75918129 or Email: tiasunltd@gmail.com
IPA PNG	investment@ipa.gov.pg



Pictures showing the land that is available to be leased out to potential developers.

Annual Returns

Question:
When do I file an annual return?

Answer:
Under the revised Companies Act, the Registrar can issue a filing month or the filing month can be on the anniversary date of incorporation of a company. For example if a company was incorporated on 19 June 2016, the filing month for the company is June. Therefore, every year, the company must file its annual return in June.

A company can file an annual return online at www.ipa.gov.pg DO IT ONLINE or file a paper form known as Form 22 at the front counters located in:

Port Moresby
Ground Floor, IPA Haus, Munidubu Street (Corner of Lawes Road and Champion Parade), Konedobu;

Lae
Nambawan Super Building, Level 1, Lae, Morobe Province

Mt Hagen
Gapina Building, Level 1, Mt. Hagen

Buka
Commerce Office Building, Haku Street, Section 9, Allotment 4, Buka

Rabaul
Marau Haus, Ground Floor, Room 3, Kokopo.

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.

IPA BRANCHES:

Port Moresby, Head Office
Level 1, IPA HAUS, Munidubu Street (Corner of Lawes Rd and Champion Pde) Konedobu, Port Moresby

Phone: (675) 308 4400 / (675) 321 7311
Facsimile: (675) 320 2237
Email: ipa@ipa.gov.pg

Lae Regional Office
Level 1, Nambawan Supa Building, P. O. Box 1074, Lae, Morobe Province

Phone: (675) 479 2001 / 479 2606
Fax: (675) 479 2001
Email: ipalae@ipa.gov.pg

Mt. Hagen Regional Office
Level 1, Gapina Building, P. O. Box 1834, Mt. Hagen, Western Highlands Province,

Phone: (675) 542 0399
Fax: (675) 542 0599
Email: ipahagen@ipa.gov.pg

Kokopo Regional Office
Ground Floor, Marau Haus, P. O. Box 870, Kokopo, East New Britain Province,

Phone: (675) 982 9460
Fax: (675) 479 2001
Email: iparabaul@ipa.gov.pg

Buka Regional Office
Commerce Office, Haku Street P. O. Box 782, Buka AROB,

Phone: (675) 973 9344 / 973 9189
Fax: (675) 973 9344
Email: ipa_buka@ipa.gov.pg



www.ipa.gov.pg



www.ipopng.gov.pg



www.facebook.com/InvestmentPromotionAuthority

Disclaimer > Opportunity is intended to provide information of a general nature only. The content of this newsletter is not intended to be advice or recommendation. It is not appropriate for the purposes of carrying out a transaction or making an investment decision. > The IPA takes reasonable steps to ensure the information provided in the newsletter is accurate and up-to-date at the time of issue, as well as to obtain reliable content from third parties. However, the IPA does not guarantee the accuracy or completeness of the information or endorse the views or opinions given by any third party provider, nor takes responsibility for any errors made in the process of providing this newsletter.