

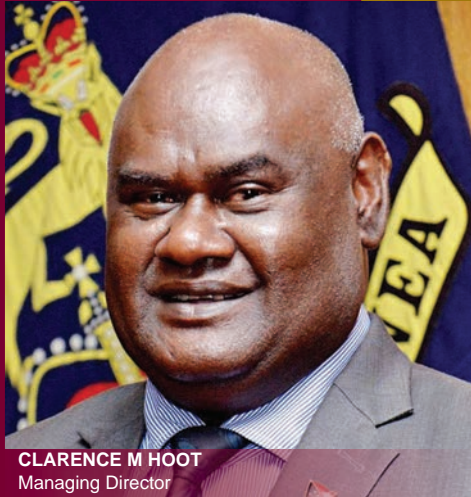


Opportunity

Issue #11- November 2020

Business News, reviews and overviews from the IPA

MD's INBOX



CLARENCE M HOOT
Managing Director

Hello Readers and welcome to the eleventh (11th) edition of the IPA's monthly 'Opportunity Newsletter'.

Amidst a very challenging year 2020, the IPA has strived to achieve a number of milestone

outcomes despite operating under trying circumstances in the new normal.

One of these milestones is the signing of a Memorandum of Understanding (MOU) with the Oro Provincial Government to extend its services to Oro Province making the Oro Province the eighth province to sign an MOU with the IPA.

IPA is also actively involved in the review of the current SME Policy working closely with the Small and Medium Development Corporation (SME Corp), other relevant stakeholders and Government Departments.

With the IPA's mandate to regulate the Reserved Businesses or Cottage Business Activities List (CBAL) for Papua New Guineans, IPA made presentations on its mandate as per the Investment Promotion Act and Regulations and further informed of its plans on revising the Investment Promotion Act to accommodate revision of the CBAL/RAL to achieve Government's policy objective of protecting PNG owned SMEs and encourage business partnerships between citizens and non-citizens while at the same time attract Foreign Direct

Investments (FDI) in light of the already low levels of FDI worldwide.

Work is also progressing on further developing our online business registry to make it easier and more user friendly for businesses to register and conduct business in the country.

In encouraging clients to use the online registry system, we have introduced a kiosk to cater for walk-in clients who want to utilize the kiosk to do online registration and enquiries. Our staff will assist clients through the kiosk. A formal announcement on this service will be made soon.

I once again encourage you all to uphold good health practices as we continue into the last month of the year. Again, if you have any positive stories about your business, you can contact our Public Relations Unit as we will only be too happy to feature your story in our monthly newsletter.

Thank you and happy reading!!

Clarence M. Hoot
Managing Director

Tips & Traps

Entities registered at IPA

Before coming to the IPA to register an entity, it is important to understand the suitable business or entity type that suits your business idea.

Given that company is a common entity type, people have the tendency to register a company to perform any business activity. Although it is still alright, it is important to understand the other entity types available that people can utilize when trying to go into business.

There are four (4) entity types that are registered at the IPA. They are;

- 1- Business Names
- 2- Company
- 3- Business Group
- 4- Association

A **Business Name** allows the business to carry out only one type of business activity and the name must be related to the business activity. For example, if a person registers a hire car business then the name is specifically for the hire car business. That person can't use the same Name to run a trade store. They will need to register a separate Business Name to operate a trade store. By law Business Names expire after a year but can be renewed. It costs

K200 to register a Business Name manually or K150 if you do it online.

A **Company** on the other hand can undertake more than one type of business activity. A company is required to have a director or directors and a shareholder or shareholders as a primary prerequisite. A director is responsible for the day to day operations of the company and the shareholder is the owner of the company. Every year, a company is required by law to lodge annual returns or runs the risk of being deregistered. It costs K600 to register a company or K450 if you do it online. The IPA Annual Return is different from the Annual Tax Returns with the Internal Revenue Commission.

A **Business Group** is usually rural based and can consist of many members from the same family, clan or tribe. This entity type is only allowed for Papua New Guineans. A Business Group is required by law to lodge a statement of assets and liability every year or runs the risk of being deregistered. The registration fee is K100.

An **Association** is a non profit organisation and must NOT carry out business. It is registered for the purpose of achieving a common goal as agreed by the members in the association's constitution. However, the association can register a Business Name or company which will make money to fund the operations of the Association.

Please contact your Accountant, Lawyer or the IPA for advice on the suitable entity type if you are unsure when considering going into business.

IN THE NEWS

IPA and Oro Province sign MoU



IPA's Managing Director, Mr Clarence Hoot signs MoU with Provincial Administrator for Oro Province, Mr Trevor Magei.

The Investment Promotion Authority (IPA) and the Oro Provincial Administration signed a Memorandum of Understanding (MOU) on 12th November, 2020. The MOU is intended to facilitate exchange of information on business names, companies, business groups and associations registrations and for investment opportunities between the two

Continue on to next page.....



agencies of government.

The signing ceremony by the IPA Managing Director, Mr Clarence Hoot and Oro Provincial Administrator, Mr Trevor Magei was witnessed by the Governor for Oro Province, Honorable Gary Juffa and officers from the Oro Provincial Administration, IPA officers and the media.

During the signing of the MOU, IPA Managing Director, Mr Hoot expressed delight in partnering with the Oro Provincial Government pledging the IPA's support in terms of implementing the signed MOU.

He thanked the Oro Governor and the Provincial Administrator for recognizing the importance of having this MOU signed and for taking the time to fly into Port Moresby to execute the signing of the MOU.

He said the MOU is part of the IPA program on networking with the Provinces and Oro Province will be the eight province to sign the MOU with IPA.

The other Provinces which have already signed similar MOUs with IPA include Milne Bay, New Ireland, East Sepik, Madang, Mo-

robe, East and West New Britain Provinces.

"The signing of this MOU will pave way for the establishment of an IPA Help Desk at the Oro Provincial Administration's Commerce Office to serve people at the Provincial level in terms of business registration and doing business and also promoting investment opportunities in Oro province".

Mr Hoot said the initiative is a way forward for the IPA in trying to extend its services out to the Provincial level which is aimed to reduce the cost of doing business for our people among other things.

"People won't have to travel all the way to Port Moresby just to do lodgments BUT can now visit their Provincial Commerce Office to get advice on how to do lodgments including doing online lodgments," said Mr Hoot.

"There has been notable cases of doing business and business opportunities in various sectors of the provinces and their districts, and the IPA has recognised that it is necessary to collaborate with Provincial Commerce offices to address facilitating genuine invest-

ments and getting businesses to comply with PNG laws", he said.

"We hope this MOU will strengthen IPA's presence in Oro Province. Training will also be provided for Commerce officers to run the IPA Help Desk and IPA will also provide support in terms of computers and printers to assist the Provincial Administration Commerce Office to deliver to the clients," said Mr Hoot.

Governor for Oro Province, Garry Juffa thanked the IPA for this initiative and pledged his Government's support to ensure that the services provided by IPA will go a long way in helping MSMEs to grow and businesses to thrive in Oro.

"IPA needs more support from the Government to ensure that they fulfil their mandated roles and responsibilities to the fullest. More recognition needs to be given to IPA because IPA contributes a lot to the country's economy in terms of doing business and investments in PNG," said Mr Juffa.

IN THE NEWS

Economic growth records historic contraction, better outlook in 2021

Economic growth in the APEC region declined by 3.7 percent in the first six months of 2020 and is expected to contract by 2.5 percent for the whole year, or equal to an output loss of USD 1.8 trillion. This will be the first time that the region's economy will contract in three decades, according to a report issued by the APEC Policy Support Unit on 16 November 2020.

"APEC was formed more than 30 years ago and has seen economic recessions, financial crises, commodity price volatility, pandemics and terrorist attacks. Yet, in terms of economic losses, this has been a year like no other," explained Dr Denis Hew, Director of the APEC Policy Support Unit.

Unemployment rates among APEC economies have surged due to the economic fallout from COVID-19, averaging 4.8 percent as of September 2020, with more than 74 million people looking for work, while consumption, trade and investments have reversed to contractions that are bigger than expected.

Household consumption shrunk by 7.1 percent during the first half of the year from an average growth rate of 3 percent in the first half of 2019. Investments also contracted by 11.2 percent, following modest growth of 1.1 percent during the same period last year.

Growth in the volume of merchandise exports fell by 6.2 percent and imports recorded a sharp decline of 7.2 percent in the first half of 2020, down from tepid growth in the first half of 2019.

"Trade performance in the APEC region was adversely affected by the combined impact of the temporary closure of borders, disruptions in global supply chains, and persistent trade and technology tensions" Dr Hew added.

Positive contribution to growth comes from government spending with an increase of 2.8 percent in the first half of 2020, reflecting fiscal measures implemented by economies to provide support to various sectors, in particular to bolster the health system, and to provide targeted liquidity support to households and businesses, including small businesses.

Dr Hew highlighted that there are already signs of recovery around the APEC region, especially coming from economies that were able to curb the spread of the virus early on and have reopened their economies, as well as improved manufacturing activities. These green shoots bring growth projections of 5.2 percent in 2021, reflecting an economic rebound for the region.

The recent *APEC Regional Trends Analysis* emphasized the need for APEC economies to continue deploying fiscal and monetary support measures so that health systems remain

able to cope with continued, and for some economies, resurging or rising cases of infection. The report also recommends member economies to introduce, implement and enforce structural reforms to support recovery in the medium to long term.

"Regional cooperation should take a central role in economic recovery," said Dr Rebecca Sta Maria, APEC Secretariat's Executive Director. "APEC's new post-2020 vision could serve as a guide for member economies to build a more resilient and inclusive region."

Leaders and ministers from APEC's 21 member economies will convene virtually this week, led by Malaysia as the host of APEC 2020, to address the challenges of the pandemic in the region and to pave the road to recovery and build back better.

Issued by the APEC Policy Support Unit, Singapore, 16 November 2020



Picture source: www.apec.org

NISIT challenged to be innovative

The National Institute of Standards and Industrial Technology (NISIT) is a sister agency of the Investment Promotion Authority under the Ministry of Commerce and Industry and has been called to be innovative in finding ways to ensure information about their mandated functions and services flows out to the public and businesses.

Managing Director of the Investment Promotion Authority (IPA), Clarence Hoot made this call when officiating during the recent launching of NISIT's new website at the APEC Haus in Port Moresby.

The website is a work in progress and contains all information about NISIT and its relevance to businesses and standards.

Mr Hoot congratulated NISIT and highlighted the importance of businesses having access

to information that will contribute to the improvement of their standards.

"This is a milestone achievement and requires a 110 percent effort to ensure the website serves its purpose. We at IPA value linking with our clientele thus put emphasis to our website development," said Mr Hoot.

He said the development of NISIT's website will obviously require support from all divisions within NISIT. He added that the awareness on the NISIT website's existence must also be communicated to the public to ensure they access it.

The core functions of NISIT per the NISIT Act 1993 includes the safeguarding of Papua New Guinea against the dumping and supply of unsafe, unhealthy and inferior or sub-standard products and to assure Papua New

Guinea of quality products and services.

NISIT was also established to co-ordinate the National Standardization system for Papua New Guinea and to provide education, training and industrial extension and consultative services to assist industries in meeting standards to improve production, processes, techniques and procurement; and to promote public and industrial welfare, health and safety amongst others.

NISIT also exists to assist Papua New Guinean industries overcome technical barriers on its products and services to international trade and also to assist Papua New Guinea industries produce quality products and services that are more competitive in the world market and thereby increase Papua New Guinea's shares in those markets.

IPA participates at the inaugural Sogeri Pineapple Festival

The Investment Promotion Authority (IPA) was part of the corporate organizations that put up booths at the inaugural Sogeri Pineapple Festival to educate the community on the promotion and regulatory roles and functions of the IPA. This is part of the IPA's Community Outreach program where we connect with our local communities right

down to the rural areas.

The pineapple festival was held from Saturday 21-Sunday 22 November 2020 and it is an initiative of the Destination Sogeri Tourism Association in partnership with the Central Provincial Government.

During the event, the IPA met with players in the pineapple industry and appreciated the

level of business activities taking place within the industry.

Most local pineapple farmers in the hinterlands of Sogeri grow and sell their pineapples to local manufacturing company Vitis Industries for the production of their pineapple flavor "Sparkling", which was a favorite during the pineapple festival.

IPA takes part during the pineapple festival





**KNOW
ABOUT IP**

Why is it important for SMEs or businesses to protect their Intellectual Property Rights?

SMEs or businesses must dedicate time and resources to protecting their intellectual property assets.

By doing that, they can increase their competitiveness in a variety of ways.

Intellectual property protection helps in:

- Preventing competitors from copying or closely imitating a company's products or services.
- Avoiding wasteful investments in research and development and marketing;
- Creating a corporate identity through a trademark and branding strategy;
- Negotiating licensing, franchising or other IP-based contractual agreements;
- Increasing the market value of the company;
- Acquiring venture capital and enhancing access to finance;
- Obtaining access to new Markets.

In addition, enterprises which search systematically for conflicting IP rights of others prior to seeking IP protection are able to avoid unnecessary litigation, thereby saving time and resources.

For more Information on Intellectual Property:

Contact:

Tel: (675) 321 7311/308 4432/321 3900

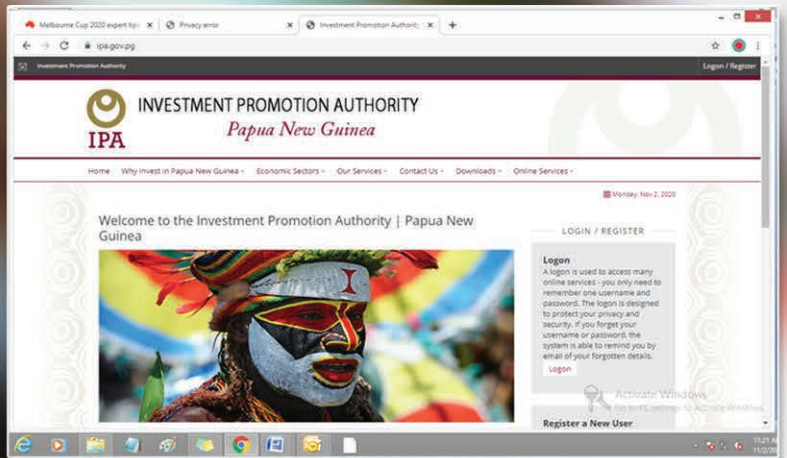
Fax: (675) 321 5155

Email: registrar.ipopng@ipa.gov.pg

Website: www.ipopng.gov.pg

IPA NEW WEBSITE REBRANDING NOTICE

The Investment Promotion Authority has rebranded its website in a bid to improve the look and make it easier for users to navigate.



To understand the economic profile of PNG, please click these sections shown.



To use the Online Registry system or (ORS) please click on the "Online Services" as shown in the illustration below to either **search an entity** or to **request an extract or certificate copy**.



If you're a registered user, login where it says **LOGON** to access your dashboard. Or if you want to register a new online user account, click where it says **Register a New User**. Click activate if you have forgotten your password and have been issued a new one.



Investment Promotion Authority, your business, your investment, our advice.
 (show on screen - Call us on 308 4400/ 321 7311 or email ipa@ipa.gov.pg / ispd@ipa.gov.pg / online@ipa.gov.pg)

IPA supports White Flag Campaign

A group of male officers from the Investment Promotion Authority (IPA) joined the inaugural National Men and Boys Campaign against violence in Families and Communities titled the White Flag Campaign organised by the Department of Community Development and Religion on the 16th of November 2020 in Port Moresby, NCD at the Sir John Guise Stadium.

The White Flag Campaign is a male action to change movement where men take the lead against any form of violence within their families.

The White Flag Campaign was a joint program between the State and Churches and supported by the Private Sector and other Development Partners, to promote the fundamentals of PEACE, LOVE and RESPECT to end violence within Families and Communities.

IPA Managing Director, Mr Clarence Hoot commented that the IPA as an organization is against all forms of gender based violence and joining this event displays our commitment to not condone violence in our society.

IPA's Human Resource Manager, Martha Kanat, was the only female officer among the male IPA officers who took part in the White Flag Campaign march.



SME, SUAVE SAIM SOLES appreciates IPA for its assistance



Bernadette Cherake, *Suave Saim Soles owner/Manager*

An SME that trades online via facebook "Suave Saim Soles" has expressed gratitude to the Investment Promotion Authority (IPA) for giving it the opportunity to improve its services and operation.

It currently has a facebook page that focuses on selling footwear, especially boots for women.

The IPA facilitated a Facebook Master Class of which 'Suave Saim Soles' participated in and this according to the owner of 'Suave Saim Soles', Bernadette Saim CHERAKE has improved the marketing aspect of her business.

Suave Saim Soles was incorporated in 2017 and has been specialised in selling footwear online.

Ms Cherake said the Facebook Master Class helped 'Suave Saim Soles' review its content on its Facebook business page and resulted in the introduction of some changes.

"Through the Facebook Master class, the business has also gone on to utilising other tools available on Facebook to engage with the Page followers and potential customers. The business is also more appreciative of the customer journey now and utilising tools illustrated in the MasterClass to generate sales," said Ms Cherake.

"I have definitely learnt a lot of new things from the Facebook Master Class and this has helped me to change my approach to how I do business on Facebook. The most relevant issue pointed out during the training that I noted was the "engagement killing mistakes" and how to manage them. Tips offered for managing a Facebook page and advertisements were also relevant," She said.

"IPA's assistance is crucial to SMEs like mine. Its assistance symbolises the Government's support to its citizens engaged in Small to Medium Enterprises in the country.

She described IPA's assistance as one way of giving effect to the Government's policies, goals and vision for the people of Papua New Guinea.

"Ultimately, the more strengthened SMEs are, the people and the country win".

"One would wonder where I got my inspiration from to start my business. My inspiration stemmed from my own love for women's boots and my frustration at the lack of options for this footwear type in the market. Following a trial sale in 2016 and short surveys etc, I realised there were women with the same preference in PNG. That's how Suave Saim Soles came into operation in 2017.

Asked as to what bigger plans 'Suave Saim Soles' have in future, this is what Ms Cherake had to say; "I like the convenience offered by automated systems so having a website and app for the business would be the ultimate.

However, more practical plans would include continuing the improvement of access for customers, such as hosting Pop-Ups or acquiring a physical face. These options will satisfy customers who prefer the "walk in" experience. Building brand awareness through other digital platforms is a recurring agenda too".

Currently the customer audience for 'Suave Saim Soles' is nationwide since 2017. Customers are mainly women who work in a variety of fields and appreciate the different option in footwear that Saim Soles offers. They are also referred customers, repeat customers and women who enjoy online shopping using Facebook.

Ms Cherake lives in Port Moresby BUT is from the East Sepik Province. She is a lawyer by profession but had to resign from her professional job to focus on running Suave Saim Soles. She is also a pioneer graduate of the 2019 PNG Cohort of the Academy for Women Entrepreneurs (AWE).

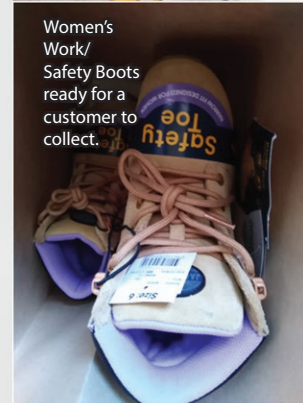
AWE is a White House led initiative of the US Department of State and facilitated by the US Embassy here in PNG.



· BOOTS BLO YU ·



A happy customer in Eastern Highlands Province, Goroka sent us this picture in 2017 after receiving her box of boots.



Women's Work/ Safety Boots ready for a customer to collect.



A happy customer in Lae, Morobe Province sent us this picture after receiving her boots.



A happy customer with their boots bought at our shop on her way to China back in 2018.



We mainly use Post PNG EMS to send boots to our customers in the provinces around PNG.

**AVAILABLE FOR LEASE
KADA GUNAN HARBOR CITY**

**East New Britain Development
Corporation Limited**

**7 STOREY COMMERCIAL BUILDING AND 4
STOREY CAR PARK BUILDING – KADA GUNAN,
HARBOUR CITY**



**FACT SHEET FOR 7 STOREY COMMERCIAL
BUILDING AT KADA GUNAN – HARBOUR
CITY.**

The Buildings have been completed and are now leasing. For enquiries, please contact our Property Manager, via contact listed below.

SURPPORT SERVICES

- Standby power and water
- Security Surveillance – CCTV

- Lifts – 2 X Commercial Building, 1 X Car Park Building
 - 24 hour security service
 - 251 car parking space
- TFEATURES OF THE BUILDINGS:**
- A Grade Premium Floor Space
 - 2000sqm2 Retail Floor Area
 - 6000sqm2 Commercial Floor Space
 - High Exposure
 - Prominent Location Secure Precinct
 - Secured Multi Storey Car Park
 - Direct Access from car park to office via link bridge
 - Flexible tenancy options
 - Double glazing provides:
 - a) street noise free tenancy
 - b) reduces heat load
 - c) more efficient air condition
 - Extensive Sun shading provides:
 - a) reduce heat load
 - b) more efficient air condition
 - c) reduces internal blind requirements
 - High efficiency Air Conditioning reduces electricity cost
 - Led Lighting reduces electricity costs
 - Secured seismic activity movement
 - Fire resistance wall panels
 - Back up service for lifts, air condition, electricity and plumbing.

Contact	Details
Helen Pokapin Property Manager – Port Moresby	Tel: 72874982/ 3250170 or Email: hpokapin@online.net.pg
IPA PNG	investment@ipa.gov.pg

**Q UESTION
T I M E**

**WHEN DO I FILE MY ANNUAL
RETURN?**

Answer:

The filing or lodgment of annual returns by Companies is a requirement by law under the Companies (Amendment) Act of 2014.

An annual return **MUST** be submitted to the Registrar annually and during the month allocated to the company. The **FILING MONTH** is also the month in which the company was incorporated.

For example, if you register your company in the month of October, then your filing month will be within the month of October.

The filing fee for an annual return filed offline or over the counter is K300 for exempted companies and K500 for reporting companies.

A company will pay K250 for online lodgment for exempted companies and K300 for reporting companies. Companies will be charged a late fee of K1000 if the annual return is lodged later than the prescribed period.

A blank annual return (Form 22) may be downloaded from the website (www.ipa.gov.pg). Fill the form and make your lodgment with the relevant fee either online or over the counter at any IPA office.

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,

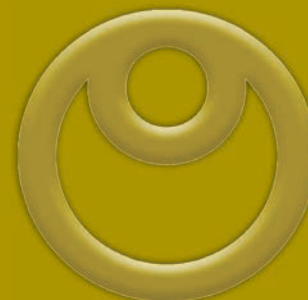
Phone: (675) 973 9344 / 973 9189

Fax: (675) 973 9344

Email: ipa_buka@ipa.gov.pg



www.ipopng.gov.pg



IPA

www.ipa.gov.pg

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.