

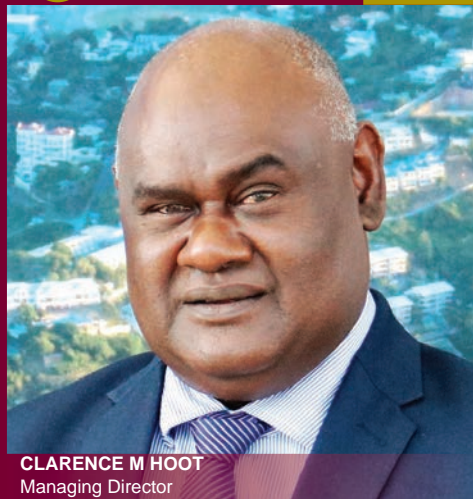


Opportunity

Issue #2 - February 2020

Business News, reviews and overviews from the IPA

MD's INBOX



CLARENCE M HOOT
Managing Director

Hello Readers and welcome to the second issue of the IPA's monthly 'Opportunity Newsletter'.

It's the second month into 2020 and so far at the Investment Promotion Authority (IPA) we are progressing well with the implementation of our work plans.

Two key priorities for the first quarter of this year are the review of the Investment Promotion Act and the Associations Incorporation Act.

Ammendments to the Investment Promotion Act will trigger further works on the reserved activities list and the Associations Incorporation Act Ammendments has to be aligned with the Anti-money laundering / Counter Terrorism Financing work which PNG has committed to implementing as a global economic player.

Whilst things are moving forward in terms

of preparation for these two (2) important Acts, IPA is also preparing to roll out other work programs that will improve its services around the country.

This includes Spot inspection exercises to be carried out in West and East New Britain provinces, Morobe and Madang Provinces and the launching of our help desks.

West New Britain Province is next in line to witness the launching of IPA's Help Desk to be established within its Provincial Commerce Office. This Help Desk will service people of West New Britain Province in terms of business registrations.

Meanwhile, the publication of the notice of intention to de-register the second Batch of 5000 non-compliant companies nationwide has also been set 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 this next batch for removal.

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.

With that, let me conclude by saying that if you have a unique business or project you'd like to promote, please share it with us and we'll include it in the appropriate sections in this newsletter.

Thank you and happy reading!!

Clarence M. Hoot
Managing Director

IN THE NEWS

PNG'S ECONOMIC UPDATE

While Papua New Guinea's economic growth rebounded in 2019, global and domestic economic uncertainties loom, affecting economic prospects.

According to a report by the World Bank titled "Facing Economic Headwinds" real GDP growth estimated to have recovered to 5.6 percent in 2019 (from -0.8 percent in 2018) driven by a rebound in the resource sector (mainly in its extractive segment, earlier affected by an earthquake) masking slower growth of the non-resource economy.

The report further revealed that the latter was due to sluggish domestic demand as confirmed by a shortfall in non-resource tax revenue and lower inflation, while formal employment improved during the first nine months of 2019.

The growth outlook for PNG remains positive, but projected GDP growth rates are lower than our previous forecasts, mainly due to delays in finalizing agreements and launching implementation of large new resource projects.

The other major factor that impacted the downgrade in the growth outlook include heightened global uncertainty due to a partial nature of the recent trade deal between the United States and China and a fresh emergence of new risks to Chinese and global growth, including a novel coronavirus.

A growing oversupply in the global liquefied natural gas (LNG) market may also influence revenues in the extractive sector, with some negative implications for the non-resource economy.

As a result, real GDP growth is projected to hover around 3 percent on average in 2020-22, with downside risks—including unexpected external shocks or potential domestic political and economic turbulence—prevailing.

The authorities have responded to the adverse economic environment through expansionary macroeconomic policy, which could complicate macro-fiscal sustainability.

The government introduced a fiscal stimulus program in 2020, aimed at supporting domestic demand by investing in physical infrastructure for better connectivity by roads, ports, and telecommunications. The government will also continue addressing budget

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

400.00.

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.

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 than paying fines for avoidable circumstances.

Continue on to next page.....



arrears accumulated by the previous administration. These policies will lead to higher budget financing needs, to be covered from domestic and external sources.

Table 01: Real GDP Growth and Its Key Components (Percentage change)

	2015	2016	2017	2018 Est.	2019 Est.	2020	2021 Projections	2022
Gross domestic product	9.5	4.1	3.5	-0.8	5.6	2.9	2.9	3.0
Resource economy	28.2	7.9	4.4	-5.4	9.2	2.5	2.7	1.8
Agriculture, forestry, and fishing	-2.6	2.7	2.4	2.9	2.5	2.5	2.5	2.5
Extractive sector (primary)	61.2	9.8	7.9	-11.9	14.9	3.2	1.9	-1.0
Extractive sector (secondary)*	-18.0	23.5	-8.7	3.8	-1.1	-4.8	12.2	23.9
Non-resource economy	-3.4	2.1	1.6	3.3	2.5	3.1	3.4	4.4

Sources: National Statistical Office; World Bank staff estimates and projections.

Note: *Extractive sector (secondary) comprises construction activity in the ongoing and new resource projects. These are World Bank estimates.

IN THE NEWS



Mr. Viwanou Gnassounou
Assistant Secretary General of the ACP Group of States.

“Public and Private sector should be partners in terms of: the role of Government is to be the facilitator to create the enabling environment, while investment and creation of jobs should come from the private sector”.

Assistant Secretary General of the African Caribbean Pacific (ACP) Group of States, Mr. Viwanou Gnassounou revealed this during a first Knowledge and Information Sharing Event for Private sector representatives from ACP member countries held last year in Nadi, Fiji.

He said when engaging the private sector, there is a need to ensure there is country ownership, technology and knowledge transfer and ensure local people are engaged in decent work.

ACP-EU Private Sector Development for the Pacific Region

The Private sector representatives including, micro-small-medium enterprises, financing institutions; and investment promotion authorities from the Pacific Region attended this Knowledge and Information Sharing Event.

The three-day event was organised by the ACP in collaboration with the European Union (EU) and the Pacific Islands Forum Secretariat (PIFS).

The three day event was aimed at providing comprehensive information on relevant intra-ACP programmes, European Investment Bank (EIB) and other European Commission-related Private Sector Development facilities and programs targeting the Africa, Caribbean and Pacific (ACP) regions.

Manager for the Investment Promotion Unit within the Investment Promotion Authority, Mr Kamis Yalakun was part of the PNG delegation who attended this event.

Mr Yalakun said the key take away from this Information and knowledge sharing event is that Government, MSMEs and Private sector players from the Pacific region need to connect with ACP-EU for more opportunities on intra-ACP EDF and other EU-funded Private Sector Development (PSD) facilities and programs to support small to medium size enterprises in the region to connect with global markets.

The networking event was also a perfect opportunity for peer-to-peer learning and ex-

perience sharing in the area of private sector development that ensured a high degree of interaction among the Pacific region private sector participants through business to business (B2B) networking in the areas of finance, trade, innovation and technology transfer.

The key highlight of the event was the discussion, especially Talanoa on the Blue Pacific Continent and the future of Pacific 2050 Strategy involving executives from Banking Institutions, Shipping, Telecommunications, Tourism and other industries discussing innovative approaches that can be utilised to achieve the Forum Leaders vision of the Blue Pacific Continent.

As envisioned by the Blue Pacific narrative, the Pacific Ocean connects us all, therefore our stewardship and accountability for the wellbeing of our ocean speaks directly to the very issues that affect the region's economic viability, its sustainable development aspirations, health, culture and the Pacific way of life.

The knowledge sharing event highlighted the concept of the Blue Pacific by providing a space for private sector participants from Forum Island Countries to learn from the experience of other ACP regions and build their capacity to positively shape the future economic development of the region.



Pictured above with the IPA's Manager for the Investor Servicing and Promotion Division, Mr Kamis Yalakun and other Private sector representatives from ACP member countries who attended a three day event on Knowledge and Information Sharing that was held in December last year in Nadi, Fiji.



APEC Advances Digitization of the APEC Business Travel Card

Officials from APEC member economies including Papua New Guinea break new ground in digitizing the APEC Business Travel Card scheme, seeking to modernize the process and make it easier for cardholders in the region to travel with the development of a mobile application.

The APEC Business Travel Card (ABTC) scheme facilitates short-term business travel within the APEC economies by streamlining the entry process at ports of entry within the region. Approved applicants are issued with a card that serves as the entry authority to fully participating economies.

“We continuously seek to improve the system and make it easier and more secure for cardholders to travel around the region,” said Kimberlee Stamatis, Convenor of the APEC Business Mobility Group who oversees the scheme.

The mobile application will include security features such as user verification, the use of

watermarks and disabling of screenshots within the mobile application to ensure authenticity of the cardholder.

“Additional security features for the mobile application further hinder fraudulent replication and misuse, and protect the personal details of APEC Business Travel Card holders,” she added.

Additionally, the mobile application will provide cardholders and airport officers real-time information on the status of the travel card. Cached information will also be accessible for a period, in the event that the holder is not able to go online while they are travelling.

“The service will be offered to new applicants from fully participating economies, and we are exploring ways to enable existing cardholders to request the mobile application when they apply for a card renewal, which is required every five years,” Stamatis explained. Further discussions are underway to ensure that the mobile application caters to the

needs of both cardholders and airport officials. The APEC Business Mobility Group will work on the pilot version of the application with the expectation to launch it in November 2020, during APEC Economic Leaders’ Week in Malaysia.

Depending on member economies’ preference for either the mobile application or physical card, the service is expected to be ready for use in early 2021.

Nineteen APEC economies are fully participating members to the ABTC scheme: Australia; Brunei Darussalam; Chile; China; Hong Kong, China; Indonesia; Japan; Korea; Malaysia; Mexico; New Zealand; Papua New Guinea; Peru; the Philippines; the Russian Federation; Singapore; Chinese Taipei; Thailand; and Viet Nam; Canada and the United States are transitional members.

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



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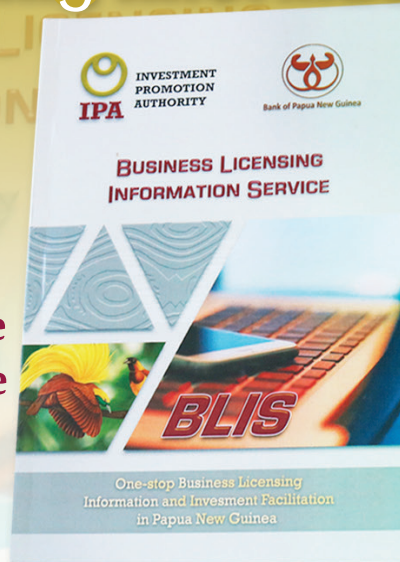




**Investment
Promotion
Authority**

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 thrives to promote healthy living through sale of herbal products

Ambuat Estate, a 100% nationally owned company is striving to be the best company specialized in producing and selling locally made herbal products in the country.

The local SME was registered with the Investment Promotion Authority on the 19th of November, 2015 and has been in operation since.

AMBUAT Estate currently has its head office located at Gerehu Stage 2 in Port Moresby.

The business was inspired and formed by a group of widows for the purpose of self-sustainability of their livelihood.

These widows have seen the importance of naturally grown herbs which inspired them to be innovative in producing health products made from herbs.

The health products have been on sale and so far, the widows have received testimonials on the effectiveness of the products. Ambuat Estate's Production Manager, Grace Kalau said the knowledge of using these naturally grown herbs have proven to be very effective and so the business has gradually increased its pro-

duction of a variety of natural herbal oils.

The herbal oil products range from Frangipani, Lemon Grass, Virgin Coconut, jasmine and lotus oil.

The oils are made from pure extracts of natural herbs infused with coconut oil and their application poses no threat or side effects.

"The multi-purpose herbal oils we produce are already on the shelves of shops in Port Moresby," said Ms Kalau.

Ambuat was among other SMEs who showcased their products during the Inaugural National Coconut Festival hosted by the Kokonas Industri Koparesen from the 26th to the 28th of September, 2019 in Port Moresby.

Ms Kalau said the Ambuat has plans to expand and export their products overseas.

AMBUAT HERBAL OILS

FRANGIPANI- is best applied on the skin to soothe dry and faded skin. It also relaxes the nerves and muscles and keeps skin soft and beautiful. Frangipani oil also helps reduce

depression with its sweet natural long lasting fragrances of the locally grown frangipani plant.

LEMON GRASS- has quick and effective results when applied externally to the body. It helps reduce fever, heals wounds, cures fungal infections on the skin and relieves pain. It also has long lasting fragrances of the natural lemon grass plant that helps to reduce depression as well.

VIRGIN COCONUT OIL- is excellent for body massages and good moisturizer for body and hair. It reduces high blood pressure and diabetes and strengthens the immune system of the body. This oil reduces fat and is exceptionally made to be consumed and applied to the body externally.

JASMINE OIL- reduces cough and fades scar marks. It also relieves depression and is perfect for skin care with long lasting fragrances.

LOTUS OIL- is perfect for anti-aging results and has skin improving texture and condition. When applied to the body, it helps to relax the muscles and nerves. It also removes scars and stretch marks and long lasting fragrances.

FOR MORE INFORMATION:

Contact our Head Office on email: ambuat01@gmail.com or contact the Production Manager on mobile number: 739 66 909



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. Hagan

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



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