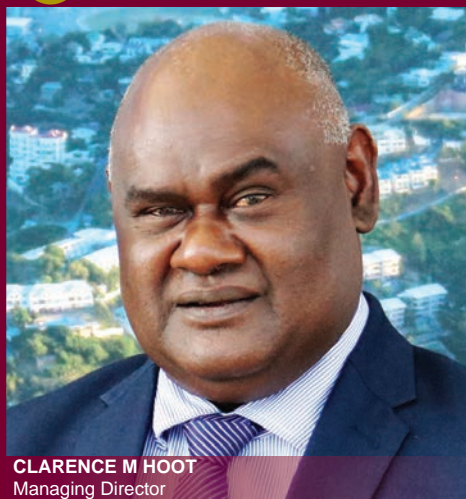


MD's Independence message



CLARENCE M HOOT
 Managing Director

2020 a year to shift focus

Whatever your story may be, one thing is for sure. We all have a common goal and that is to get through these tough times. Survival has been our common goal. We have to survive in all fronts. As a country, an economy, an organization, a family and most importantly as an individual. And for us to survive, we have to adapt to the circumstances around us and change our normal ways of doing things.

Fellow country men and women, Papua New Guinea commemorates its 45 years of independence this month, at a time when the economy is in a slowdown and economic experts are forecasting more challenges ahead if we don't manage our current situation well with utmost care.

While the immediate future may look gloomy with some uncertainty ahead, I would like to encourage everyone to take a step back, reflect and use this time to reassess how we as individual citizens of this country have contributed to the development of this country. I urge each and everyone of us to focus on ourselves first and ask ourselves how our individual roles contribute to the development of our country. Let's look at the challenges the

country is faced with and think long and hard about how our individual knowledge and skills are effectively applied at our homes and work place to minimize the negative impacts these challenges pose in order to bring about change for the better.

If we are not doing enough then now is the time to change our way of thinking and get out there and be part of the change that the Government is talking about.

We can bring about change only if we decide to change ourselves first.

With that, I hope you all had a happy Independence celebrations and enjoyed the festivities with your families and loved ones.

Remember to practice safe social distancing and clean hygiene.

God bless PNG!

Clarence M. Hoot
 Managing Director

The year 2020 may not have been what we expected when we welcomed the new year in January.

As the country was already experiencing a slowdown in economic activity, the COVID-19 global pandemic brought with it unprecedented challenges and pressures which caused our economy to plunge.

All of these challenges impacted right down into the homes of all the people. Whatever rippling effects this has caused is a story each of us will tell depending on our experiences and reactions at this time.

Tips & Traps

Joint Venture Partnerships in PNG

If you are a foreign investor or a local PNG company, who is looking for a joint venture (JV) partnership here are some basic guidelines to assist find a JV partner:

Part of the IPA promotional role involves match-making for all types of JV partnerships. Any business person wishing to find a JV partner should supply the following information in writing to IPA or their local IPA agent/Provincial Commerce Division.

1. Establish the credibility of the entity which is seeking to enter into a JV.
2. Provide details of the proposed business activities
3. Provide details of the entity's resources
4. Provide basic details of the type of JV partner sought
5. Provide previous JV experience, if any

The IPA is the first port of call for any business wishing to do business in PNG. The IPA can liaise with the private sector including peak bodies and other key Government departments and statutory agencies which specifically provide license/permits and deal with the business communities in the districts and provinces.

Further information on Joint Ventures can be obtained by contacting:

The Director
 Investor Servicing & Promotion Division
 Investment Promotion Authority
 P.O.BOX 5053, BOROKO 111 NCD,
 PAPUA NEW GUINEA
 Tel: (675) 321 7311 or 308 4444 Fax: (675) 320 2237
 Email: biepd@ipa.gov.pg or daroap@ipa.gov.pg

IN THE NEWS

KIK setting standards for Coconut Products

The Kokonas Industri Koporesen (KIK) continues to support local coconut farmers through increased high value coconut product (HVCP) training programs and technical advice in PNG's Southern Region to venture into commercial production.

The training programs which initially started in 2017 targeted mainly students, teachers and village farmers in Central Province.

Continue on to next page.....



Senior Coconut Development Officer for Southern Region, James Maora said the main aim of the HVCP training was to equip farmers with skills so that they could produce more than just copra. This would in turn assist them to sustain their livelihoods. Traditionally coconut farmers only knew about copra as a commercial product from coconut.

"However, there is more to it than just copra," said Mr. Maora. "Coconut can be used to make various fashion products including coconut oil, soap, shampoo, body oil, lotions and creams."

"There are also other fashion accessories made from coconut shell such as bracelets, bucklers, ear rings and necklaces of different types," he said.

"Also charcoal, coconut sugar, shoes, and coconut cooking oil can be made from coconut. These are some of the untouched business prospects which we are providing technical advice and training for so our farmers can tap into it," he said.

Maora said the training also involved teaching on inter-cropping methods and coconut replanting programmes for new farmers.

"The inter-cropping methods will ensure that farmers retain their daily food crops apart from growing coconut for commercial purposes only," he said.

Maora said KIK also supported farmers in terms of laboratory testing, packaging and securing markets for the finished products.

"When we see a farmer produce a certain coconut product, we then ensure that it is safe for human consumption because health is our top priority. We also visit, assess, and conduct laboratory testing on site".

"If the product is of high quality, then we register it under Small to Medium Enterprises (SME) and assist in branding, labelling, packaging, accreditation and market accessibility for the product," he said.

Coconut development officer Steven Pasu said KIK so far had conducted training programmes in the districts of Abau (Cloudy Bay) and Rigo (Kwikila) in the Central Province, Southern Region.

"The upcoming training programmes will be held in Kerema-Gulf, lanu High School, Abau district, and Mt Diamond Secondary School-Hiri district. We encourage local coconut growers to attend, as this is important".

"We also would like to call on interested farmers to come forward if they require training, packaging or product testing," Pasu said.

KIK have currently registered 18 SMEs which are producers of HVCP. According to KIK, these coconut SMEs had been promoting and selling their products at various conventions and trade shows within PNG and overseas.

A few have gained market confidence after improving their product quality, labelling and packaging through the support from KIK and the Australian government under the Phama

plus programme.

About four SME partners have certified their products with the Hazard Analysis Critical Control Point (HACCP) and these include; Weni and Mendal producing Areka brand products based in East Sepik, Tropic Fonds producing Niugini Organics brands based in Rabaul, Virgin Coconut Oil, also based in Rabaul and Aroma Coconut Products producing Aromatic brands located in the Central Province.

To purchase or place an order, check out the KIK product-based provinces in East New Britain, East Sepik, West Sepik, Madang, New Ireland and Port Moresby. For more information visit the KIK website and social media page.

You can contact KIK on:

telephone: 321 1133

email: infor@kik.com.pg

website: www.kik.com.pg and;

Face book page: [@kikpng](https://www.facebook.com/kikpng)

Source: Kokonas Industri Koporesen



Some coconut products on displayed during the coconut festival last year September 2019

IN THE NEWS

REMITTANCES INTO DEVELOPING COUNTRIES INCREASED



Picture source: (Marvin Recinos/AFP via Getty Images)

Despite predictions of a significant fall as a result of Covid-19, remittances into some developing countries, notably the Latin American countries have actually increased following the outbreak of the coronavirus pandemic. This is according to the Oxford Business Group's August Report.

The results are in stark contrast to predictions made earlier in the year. In April the World Bank forecast that remittances to low- and middle-income countries would fall by 19.2% in 2020, the sharpest decline in history.

This was largely based on fears that the economic downturn and health situation would

leave many migrants without work or, in some cases, force them to return to their home countries.

Mixed global picture

Although remittances into some Latin American countries have been strong, the global trend is uneven.

Bangladesh and Pakistan received record-high inflows for the 2019/20 financial year – which ended in June and included the peak pandemic months of March and April – with



the former's July total of \$2.6bn being a single-month record.

In contrast, however, countries such as the Philippines, Tajikistan and Brazil have experienced double-digit falls in remittance flows since the outbreak of the virus.

One explanation for the positive figures in some Latin American countries is that a large proportion of migrant workers are based in the US.

According to Pew Research, Mexico is the largest recipient of US remittances, with Guatemala, El Salvador, Dominican Republic and Honduras also inside the top 10.

Although the unemployment rate for foreign-born Latin Americans in the US, at 13.5%, was slightly higher than the national average of 11.2% in June, some sectors with strong

demand have a significant proportion of immigrant workers, including construction, agriculture, grocery retail and delivery services.

Adding to this, documented workers have been eligible to receive benefits from the US government's federal unemployment programmes, allowing workers to continue to send money home.

Another significant factor is the shift in the value of currencies. For example, the Mexican peso has lost around 19% against the dollar since late February, meaning that any transfers sent home in the past few months have had an inflated value in Mexico.

Importance of remittances

The flow of remittances will be a crucial factor for many emerging markets moving forward as they continue their recovery from Covid-19 and the associated economic lockdown.

For many, inflows sent from citizens abroad account for a significant proportion of GDP, as seen in Tonga (37.6%), Haiti (37.1%), Kyrgyzstan (29.2%), Honduras (22%), El Salvador (21%), Guatemala (13.1%) and the Philippines (9.9%).

Meanwhile, given the World Bank's predictions that foreign direct investment into emerging markets is expected to fall by 35% this year, the importance of remittances in 2020 is likely to be greater still.

With economic growth also expected to take a significant hit in emerging markets this year, the continued flow of remittances will be a crucial factor in ensuring that many families can continue to pay for essential items.

Source: Oxford Business Group



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. In doing so, they can increase their competitiveness in a variety of ways. Intellectual Property Rights are a business tangible assets and they matter when it comes to assessing the value or net worth of a business.

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:

The Intellectual Property Office of Papua New Guinea

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

Fax: (675) 321 5155

Email: registrar.ipopng@ipa.gov.pg Website: www.ipopng.gov.pg



OTML Chairman Sir Moi Avei KBE



Ok Tedi declares Interim Dividend & Extends Mine Life

Ok Tedi Mining Limited (OTML) Chairman Sir Moi Avei KBE today announced that the Company has declared an interim dividend of PGK150 million.

In making the announcement Sir Moi noted that the dividend was a direct result of the strong performance of the Company during the first seven months of the year where an after tax (and unaudited) profit of US\$140 million was generated.

He said, "this has enabled the Board to declare a dividend to the State who owns 67% of Ok Tedi and the three landowner entities which represent our communities and collectively own 33% of Company".

Sir Moi noted that "we understand during these difficult times that our shareholders are reliant upon returns from Ok Tedi and are pleased that we can continue to provide our support. It is fortunate we are in a position where we can responsibly balance the pay-

ment of a dividend with retaining enough reserves to ensure Ok Tedi navigates its way through the current suspension of operations".

He added that "the Board is appreciative of the efforts of Management and the workforce to place the Company in this position". He however said that the second half of the year will be particularly challenging noting that while operations, which were temporarily suspended on 5 August 2020 and planned to resume on 14 September, will not be at full production levels for several months.

OTML Managing Director and Chief Executive Officer Mr Musje Werror indicated that this initial shortfall in production was due to the quarantine protocols put in place as part of the resumption plan.

"The required quarantine periods have the effect of reducing the available work time. While this will cause short to medium term labour

shortages, this will be addressed through recruitment of additional personnel," Mr Werror said.

"The resumption controls being put in place were consistent with our commitment to the safety and wellbeing of our workforce and our communities and that the Company is well prepared to resume safe operations next week". Sir Moi also announced that the OTML Board had approved an updated strategic business plan that includes an extension of mine life from 2026 to 2029. He said, "this extension of mine life is the culmination of a number of years detailed strategic planning work and will see the company generate an additional PGK 10 billion of revenue to the benefit of all stakeholders".

He concluded by saying that the Company will continue to invest in near mine exploration to further extend mine life beyond 2029.

Source : Media Release (09 September 2020)

PUBLIC NOTICE

REVOCATION OF LATE PENALTY FEE WAIVER FOR ANNUAL RETURNS

The Office of the Registrar of Companies informs all company directors and stakeholders that the earlier issued notice by which annual returns late penalty fee relief was granted until 30 June 2020, in response to the **COVID-19 State of Emergency** (SOE) is hereby **revoked**.

However, companies may continue to be **relieved** from requirements under *Sections 101 (1)* and *179 (1)* of the *Companies Act 1997* respectively until 31 December 2020, hence the following:

- No application for extension of time is required despite *Sec 101(3)* even if the holding of Annual Meeting is extended beyond prescribed six months.
- No application for extension of time is required despite *Sec 179(2)* even if the time for preparation of audited financial statements is extended beyond the prescribed five months.

Please note that this notice will be valid until further advice.

Do call the following numbers or email for more information:

Team Leader Companies:

308 4443/belindak@ipa.gov.pg

Team Leader Non Companies:

308 449/kilai@ipa.gov.pg

Team Leader Customer Services:

308 4494/allisons@ipa.gov.pg or ipaonline@ipa.gov.pg

HARRIET KOKIVA (Ms)
Acting Registrar of Companies

LET'S HEAR IT!



Oshin Organics Ltd launches new e-commerce website

One of Papua New Guinea's leading micro small to medium enterprise in the coconut business has recently launched its e-commerce website (<http://www.oshinorganics.com>). Oshin Organics Limited formerly known as 'MaxtoneHaus' since its initial beginnings in 2015 had improved a lot in their product branding and marketing.

Oshin Organics Limited is one of the exporting MSMEs that the Investment Promotion Authority (IPA) has worked with over the years through its export promotion programs.

Ernestine Kong the owner of Oshin Organics Limited said it was IPA who introduced the Kokonas Industry Koporesen (KIK) to then MaxtoneHaus now re-branded as Oshin Organics Limited.

"It was with IPA's vision on trade investments that Oshin Organics Limited grew. In MaxtoneHaus's first year of operation, IPA invited me to take our products to New Zealand. This was invaluable to our export growth. This also helped shape Oshin Organics Limited in terms of packaging and labeling and finding channels of distribution. With IPA, I went to New Zealand twice as MaxtoneHaus and then Oshin Organics. The difference is phenomenal. Attending these trade shows led to the initiation of Oshin Organics Limited's website. Thank you IPA for your support of SMEs like Oshin Organics Limited," said Kong

The launch of Oshin Organics Limited's e-commerce website is evidence of their sheer determination in elevating coconut businesses in PNG to international standards. Customers can now view and purchase Oshin Organics Limited's products online using either Visa card, Mastercard, American Express or PayPal. Their coconut products available online range from Health and Beauty products to pet soaps.

Oshin Organics Limited supports mainly local farmers by buying pure organic raw coconuts from farmers in the pristine islands of Papua New Guinea. The coconut products are hand crafted with care and distributed to their valued customers locally as well as globally.

In a statement released by KIK, Ms Kong said some of the factors that influenced the busi-

ness to venture into the platform were to promote brand awareness, showcase and educate Papua New Guineans to use coconuts as a health and beauty product.

With this e-commerce website, customers around the globe are now previewing products using the online catalogue and purchasing the products with ease. Oshin Organics Limited currently supplies to customers from Australia, New Zealand, USA, Philippines, South America, and Dublin.

In the released statement, Ms. Kongsaid the website had made communication easier with her customers, for instance the live reviews section where customers can express their feedbacks after using the coconut products.

The relationship between customers and the business had improved significantly despite being geographically scattered around the globe. Some of the customer reviews were, "Lavender Oil moisturizer is best for massage, it can calm and moisturize my skin for a whole day". "Insect repellent and Lemongrass Oil moisturizer has helped me to heal my rashes and scratches from bed bugs, I tried ointment from the pharmacy and it didn't work". "Hair Tonic helps me with my dry and itchy scalp - my scalp is getting healthier now".

Ms. Kong is very thankful to the PNG government, IPA, KIK and other stakeholders for their ongoing support to the local MSME sector. Ms. Kongsuggests that the PNG Government, responsible departments and stakeholders should assist and help reduce the costs associated with exporting overseas. She said, "I have a reliable supply chain, but the challenge is with poor infrastructure and rising freight costs. Therefore, I would be grateful if the PNG government can procure PNG companies that will deliver for PNG, in terms of improving roads, wharves, electricity and subsidize freight costs".

Based on her business experience Ms. Kong proposes three important areas for consideration by the industry stakeholders. First is to reduce the costs associated with exporting. Second is to do with the availability of supply stock manufactured by local MSMEs. She said local MSMEs must constantly produce and

supply products to meet the demand overseas. Finally, Organic Certification of coconut products to world class standards must be obtained. Ms. Kong believes that MSMEs in PNG will generate more income and create employment if the Government and responsible agencies provide a business environment that is conducive for MSMEs.

In the released statement, MsKong said, "I would like to encourage PNG MSMEs to sell their products online because we are living in the digital era where more and more people are connected to the internet using mobile phones and computers. And attend free courses, seminars and workshops facilitated by Government agencies, Departments and Trade Missions".

She further stressed, "For any MSMEs to go into online marketing there are certain things any enterprise should consider, "Find out if your website goes internationally or just locally? Is your logistic cost on volume or weight? If your business is engaging with a third party, is it free or do they charge for their services?"

The Government through the KIK has been supporting coconut MSMEs since 2014. From an initial total of four (4) MSMEs to the current eighteen (18) coconut industry MSMEs which are owned and operated by cooperatives, families or individuals, eighty percent (80%) are managed by women.

Oshin Organics Limited is one of those out of the 18 MSMEs and it has taken one more step in product promotion and market access by developing its e-commerce platform. KIK continues to support MSMEs in improving product quality and accreditation, labeling and packaging, market access and entrepreneurial skills, purposely for local coconut products to meet international market requirements.

Visit Oshin Organics Limited's website and purchase High Valued Coconut Products for health, beauty and your overall wellbeing. Support our local MSME and support PNG made coconut products.

SOURCE: KIK Press Release

An existing business opportunity owned by an investor since 1998 and the owner is now looking at selling this great prospect to any interested developer. The status of this venture is an investment ready project.

Sector:
Fisheries
Location:
Samarai Island, Alotau, Milne Bay Province
Project Size/Investment Value:
K5million

Project Description:
Coral Sea Mari-Culture (PNG) Limited (CSMC) is an existing business on the Samarai Island, principally owned by an investor from Australia since 1998. Due to ill health and age, the principal investor is no longer fit to run the operations of the business. Fisheries license with the National Fisheries Authority (NFA) is current.

The investor is offering the complete business, including properties, commercial and residential (staff accommodation) to the new investor. Basically a takeover including all shares in CSMC, with no encumbrances.

The List of Assets includes equipments to farm 52,000 pearl shells using bottom fence system. Currently, 15,000 shells are ready for harvest. The commercial properties/sheds on the waterfront, including the wharfs leased from PNG Ports. This lease is current, the sheds include a hatch-

Pearl Farming in Samarai Island

ery, which has produced shells since 2003 and another used for seeding, processing spat and x-raying (to determine whether pearls are ready to be harvested or not).

The gold lip pearl oyster produces the yellow/gold pearl (with white as well) and these shells can produce 2 pearls over a four year period. This means the first pearl can be harvested and the same shell re-seeded to produce larger pearls in the same oyster over given time. The shell can be x-rayed at any time to determine whether it's ready to be harvested or not. Small pearls of 9mm or 10mm approximately 12 months and larger pearls of 11mm or 13 mm in 24 months. Necessary dive gear is available with PADI trained divers plus farm workers ready and willing to resume at any given time.

The facility can be utilized for other marine species and research and is an attraction for tourists visiting the Island & nearby Doini Island Resort.

Better arrangements can be put in place with local people of nearby Islands of Logea, Ebuma, Sariba, Sidea, Basilakietc to be involved in the industry.

Contact	Details
Charles Safitua	Ph: (675) 7210 2100 or Email: chardigm@gmail.com
IPA PNG	investment@ipa.gov.pg

How do I register a Business Name?

Answer:

When registering a Business Name, the appropriate form to fill out is the Application to Register a Business or Form BN-1.

The key information that will be required from you are;

- Name of the Business. Always include a second option in case the name has already been registered.
- The precise location of the business- This refers to the physical area where the business will be conducted. You are to provide the section, allotment and street name of the place that the business will be operating at. If you're in the rural setting, state in the section the name of your electorate, district and province.
- Provide the concise description or nature of the business. State in this section the business activity type that you will be conducting. Eg: Bakery, Consultancy Services or catering etc.
- Place of residence and postal address of the owner of the Business Name or the agent authorized must be provided. This is for the purposes of accepting official correspondences from the Office of the Registrar of Companies. If the business plans to have branches in other provinces then accordingly include the address under section 2 (b).
- Name of the owner of the Business Name.
- You will pay a Registration fee of K200 at the counter or K150 if you do it online.
- Remember that a Business Name expires every year so it is the responsibility of the owner to lodge a renewal form every year as per the renewal month date that will be outline in the extract.
- Fill out a Statement of Renewal of a Business Name or BN3 each year to renew the name. Failing to do that can result in the Name being removed from the register.

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

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Konedobu, Port Moresby

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Level 1, Nambawan Supa Building,
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Morobe Province

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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
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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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