

DOCTUNITY Issue #06- June, 2022

Business News, reviews and overviews from the IPA

MD's INBOX CLARENCE M HOOT

ear Readers, welcome to the 6th edition

of the "Opportunity" Newsletter.

Managing Director

As the country goes into election mode, IPA like any other Government institution is also working hard to ensure we achieve our key objectives of our work programs for this year.

We are now in the beginning of the 3rd

quarter of this year and the IPA is currently reviewing its Strategic Plan for the years 2021-2023. Our management team underwent a two (2) days workshop mid this month to review the current plan and see how much has been accomplished and how far we are from fully achieving the intended goals. Read more about this in our lead story.

Work is also progressing to upgrade our online registry system to make it more compatible and user friendly to our clientele.

As you will note from this issue, we have achieved 80 per cent of our key performance targets of our Strategic Plan and we are halfway through completing the life span of our current Strategic Plan 2021-2023.

In the meantime, look out for more updates on investments in PNG and do let us know if there's a certain issue in relation to our mandate that you'd like us to further elaborate on.

Happy reading!

Clarence M Hoot Managing Director



IPA achieves 80 per cent results in midterm review of Strategic Plan

The Investment Promotion Authority has achieved 80% of its key deliverables outlined in its 3-year strategic plan. With one and a half years remaining in the Corporate Strategy's life span which is from 2021 - 2023, the Organisation is yet again on the road to achieving 100 % accomplishments in its work plan.

In its Strategic Plan review workshop at Loloata resort, the management and senior officers went through their divisional key performance indicators





and ticked off on those that have been achieved to date. At the same time, the team also set deadlines for when the remaining work programs would be achieved.

The remaining programs are linked to the amendments of the Investment Promotion Act which will pave way for an Organisational restructure. The amendments are expected to be tabled once the new government is formed after the elections.

The IPA's Strategic Plan 2021- 2023 is built on 11 key issues. They include;

- National Content: Reorganizing and promoting the importance of IPA's role in building credible SMEs by latching on large FDI inflows to bring the SMEs into the global value chain.
- 1. **Growth Enablers:** PNG's development sectors are infrastructure, education, health, communication and the energy sector. The government is investing heavily in these sectors but domestic capacity to execute these investments is very limited. This capacity limitation represents important business opportunities;
- Sectoral Rebalancing: With Government refocus on the development aspirations; it is equally important to reenergize the traditional sectors of agriculture, forestry, fisheries and tourism. The Authority's promotional focus must be to identify and promote investment opportunities in these sectors through awareness to all provinces;

- 3. **SME Response:** IPA to incorporate SME support plan providing a balance between FDI considerations and small business development who can involve in accessing financial support with commercial and financial institutions;
- 4. Ease of Doing Business: The next generation regulatory issues relating to regulatory reviews of any trade and investment environment within and beyond our borders are important. A multi agency approach is crucial for any meaningful intervention to take place and for any impact to be telling and significant. Our continued engagement with development partners and APEC gives us the leverage to initiate important conversations with other stakeholders;
- 5. Information Communication Technology: The Authority's websites and online registration system hosted on cloud platform presents exciting opportunities for better delivery of services to our stakeholders. There is also the need to create synergies with existing bodies to maximize the IPA exposure;
- 6. **Multi-Agency Interface**: IPA to continue to build and maximize the strategic alliances on the compliance and audit front. The Authority could potentially lead the charge in identifying issues common to all regulators for a unified approach to be taken;
- Greater Efficiency and Customer Services: There are greater chal-

- lenges to pursue better efficiencies in our processes, taking into account the new developments in ICT. The market expects and the Authority ought to deliver on critical awareness on how to use the system as it is;
- 8. **IPA Dichotomy**: A better definition of the two parts of the legislative mandate relating to promotion and regulation is currently undergoing review;
- Revenues: Revenue raising is a monumental challenge under the current economic conditions and budgetary constraints. The future sustainability of the Authority rests in our ability in the current Strategic Plan period to identify and consolidate new revenue streams to counter the current economic uncertainties; and
- 10. Policy Advocacy: Policy advocacy work including the completion on Investment Promotion Act 1992 and National Investment Policy. The IPA is at the forefront of private sector interface, thus venturing partnerships with stakeholders and business community is crucial.



Tips & Traps

The promotional functions of the Investment Promotion Authority (IPA) can help with developing and growing your projects or businesses.

The Investment Promotion Authority Act of 1992 gives mandate to the IPA to promote and facilitate investments that will materially benefit the country and its people.

IPA's Investor Servicing and Promotion Division (ISPD), in particular the Investment Promotion (IP) Unit, profiles projects, ideas and businesses and helps in promoting them to international markets.

We encourage business owners to speak to our officers on how we can assist promote their businesses.

In all cases, we provide businesses (including SMEs) with a

Project Profile Template to complete. The project profile template is then returned to IPA for evaluation and analysis. Upon our checks to ensure that the enquiring Businesses or SMEs has all relevant documentation and licenses in place and is considered investment ready, we will then advertise on our various media modes (online, booklets, etc.) for interested investors to enquire about.

We also have resourceful networking arrangements with key contacts within the region and abroad whom we work with to promote investment ready business opportunities.

Further enquiries can also be directed to;

Kamis Yalakun (Mr)
Manager Investment Promotion Unit,
Email: kvalakun@ipa.gov.pg



IPA SIGNS MOU WITH WNBP on EFF



Signed and stamped: IPA Managing Director Mr Clarence Hoot (Right) with representatives from the West New Britain Provincial Administration displaying the signed copies of the MOU.

The Investment Promotion Authority has signed a Memorandum of Understanding (MOU) with the West New Britain Provincial Administration (WNBPA) to facilitate the use of financial grants earmarked for the registration and updating of small and medium enterprises in the province.

An Electronic Filing Facility (EFF) has been developed within the IPA's registry system whereby the WNBPA will deposit a funding of K100, 000. 00 for the purposes of registering and renewing small businesses in the West New Britain Province. The EFF will enable the local SMEs to utilise or access the forms they need to register their businesses and file the documents necessary for their entity types.

Under the arrangements, the SMEs will pay half of the IPA's prescribed fees while funds from the facility would subsidise the remaining component of the fees.

Completed forms will be filed electroni-

cally or printed out for the entities.

The entity types to be served under this arrangement include Business Names, Companies, Business Groups and Associations.

Prior to effecting the facility, the IPA will train officers at the recently launched Help Desk in Kimbe, West New Britain Province on the use of the new facility.

A criterion will be developed by the WN-BPA to screen applications from local MSMEs in the province to cater for the three (3) districts in the province. These districts are Kandrian Gloucester, Talasea and Nakanai.

Women, youths and special needs citizens interested in or already conducting business will be given priority.

The EFF MOU was signed on 15 June, 2022. The use of the EFF will be valid until funds in the facility have been depleted.

IPA perspective on ICT presented at CPA conference

The digitization of services has improved the efficiency of Investment Promotion Authority in delivering its services to its clientele over the last ten years. This improved service consequently pushed the rating of the country's ranking in the Ease of Doing Business Report.

Managing Director of the Investment Promotion Authority Mr. Clarence Hoot highlighted some of the positive outcomes of the IPA's online registry services when presenting at the recently held conference for Certified Practitioning Accountants of PNG (CPAPNG) in Buka, Autonomous Region of Bougainville.

Mr. Hoot said there were many benefits of the Online Registry System (ORS) given that it makes possible real time customization and personalisation of the service based on customers' wants, needs, wherein they maintain or manage directors & shareholders or register their business online.

Since 2018 the ORS was migrated to Cloud storage where all data have been stored and kept safe from destructions.



Mr. Hoot also highlighted the convenience of the ORS during the COVID-19 lock down where IPA counters were closed but clients could still register or maintain their businesses online.

The ORS enables a company or agentsto provide consistent customer service experience and superior service and support at the comfort of their homes or offices. Mr. Hoot was accompanied by his staff from finance unit as well as the Executive Unit. The team also took time to visit local businesses in the area including the Pemana cocoa farm just outside Buka town.



NAQIA LAUNCHES BIOSECURITY POLICY

The National Agriculture Quarantine and Inspection Authority has launched its 10-year biosecurity policy 2022-2032, the first for the authority and the country since Independence.

The policy will put an emphasis on easing trade inside the nation while also addressing the problems and difficulties the nation faces in preserving and conserving its distinctive biodiversity and allowing for the import of commodities.

The policy, according to Joel Alu, general director of NAQIA, is a springboard for NAQIA and the agricultural industry to mobilise and adopt regulations to protect agricultural products for international trade as well as to protect agricultural products from disease and pets in this country.

"From the policy, we are going to launch

the bill, we will derive the bill from this policy, we will draft the law and that law will help guide how we want to conduct trade in this country.

"NAQIA does not have the tooth to bite and this policy allows us to develop that tooth to bite," he said.

John Simon, the minister of agriculture and livestock, who was present for the policy's introduction, urged NAQIA to give the Biosecurity Act and its necessary rules more attention.

"A good policy is supported by legislation and a good set of regulations with the requirements, and financial resources," he said.

The main goals of PNG's biosecurity policy are to develop a framework for safeguarding livelihoods, the environment,

and agriculture, as well as to promote both internal and foreign trade.

Targeting imports and transit routes for the pre-border, border, and post-border stages to prevent the entry and spread of pests; defending and enhancing agricultural production and productivity in PNG; market access and export certification, which involves assisting export market opportunities for PNG agriculture products

The policy is further supported by cross-cutting blocks, which include components that apply to the complete biosecurity framework and cut across them, such as the infrastructure required to support the aforementioned pillars,

Source: Post-Courier (27 June 2022).

IPOPNG conducts Geographical Indication Awareness



The Intellectual Property Office of Papua New Guinea in partnership with the EU funded programme "Support to Rural Entrepreneurship, Investment and Trade in Papua New Guinea" (EU- STREIT PNG) recently conducted an awareness session on Geographical Indications (GI) for key government agencies representativeswith the aim of providing awareness on aim of introducing the GI concept and the proposed GI framework that is cur-

rently being developed.

The key message driven during the program was the introduction to the GI System and the use of GI as a potential tool to boost value chains of agriculture through food and handicraft industries and how this could potentially encourage and promote the production of premium products or commodities from specific value chains that are closely linked to a

specific origin or territory. The event also served as a networking session for Government stakeholders to discuss the proposed framework and further contribute to developing the GI framework in the country.

Geographical Indications is an important intellectual property tool that can be used to protect origin-linked products mainly in agriculture. It can also be



IN THE NEWS

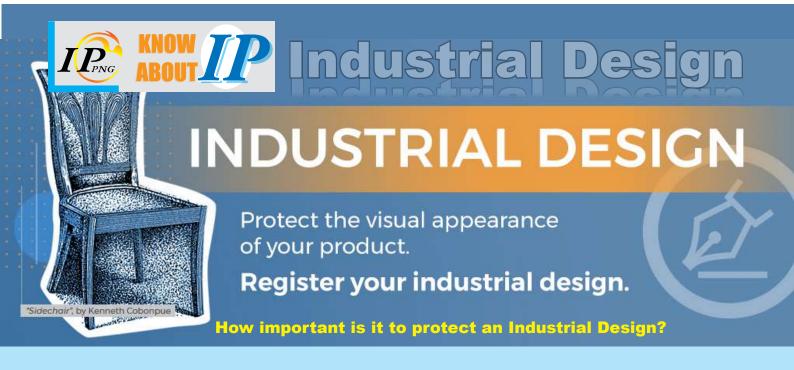
extended toartisan products (handicrafts). One of the aims of their use is to promote commerce of origin linked products and those that essentially attribute their quality, reputation or other special characteristics to a specific territory or geographical origin. These products can promote a territory or geographical location, or unique natural or human factor that are closely associated to the territory. It also encourages clear specific rules of production and quality assurance standards etc that are used to produce the final product raw

or processed.

The Intellectual Property Office of PNG is currently working on developing the legal framework for the establishment of a GI System in the country with the assistance ofEuropean Union through the EU-STREIT.

So far, the IPOPNG has held a National GI Conference in 2021. IPOPNG has also embarked on focussed information sessions with key stakeholders including the Government Sector, and soon to

engage with other key stakeholders including those at the provincial level and other strategic partners in the private sector in continuing the awareness on GI and the introduction and finalization of the GI framework. The Office will also work with EU-STREIT PNG and other key stakeholders in identifying potential pilot products for GI protection.



Industrial Design (ID) is the professional practice of designing products, devices, objects, and services used by millions of people around the world every day.

Industrial designers typically focus on the physical appearance, functionality and manufacturability of a product, though they are often involved in far more during a development cycle.

It is what makes a product attractive and appealing; hence, they add to the commercial value of the product and increase its marketability.

In PNG, many industrial designers face the difficulty of protecting their designs. Example, Papua New Guinean women who weave bilums have had their designs copied onto counterfeit products creating a big concern and raising the red flag on the importance of protecting Industrial designs in the country.

In order for a design to be protected, the design has to be registered with the PNG Office of Intellectual Property Office. As a general rule, to be registerable, the design must be "new" or "original".

Generally, "new" means that no identical or very similar design is known to have existed before. Once a design is registered, a registration certificate is issued. Following that, the term of protection is generally five years, with possibility of further periods of renewal up to, in most cases, 15 years.

When a design is protected, the owner—the person or entity—that has registered the design is assured an exclusive right against unauthorized copying or imitation of the design by the third parties. This helps to ensure a fair return on investment. An effective system of protection also benefits consumers and the public at large, by promoting fair competition and honest trade practices, encouraging creativity and promoting more aesthetically attractive product.





Kuti Sox introduces PNG designed socks

A local Papua New Guinean company has made a footing into the consumer retail industry with its production of modern socks with local PNG flavour and branding.

Kuti International Limited is a 100% Papua New Guinean owned Sock Company whose concept is based on developing a PNG sock line for local and global markets. The sock line currently has 11 designs in different sizes and ranges and the company aims to release smaller sizes for children, infants and toddlers with their underwear label.

As Lead Kuti Desmond Aisi puts it, most Papua New Guineans do not have the option of purchasing a sock they can claim is 100% PNG owned and at the same time having a connection with the sock. As such, him and the team came up with the idea of creating a PNG branded clothing line and accessories.

"Kuti Sox label aims to provide the first traditionally branded socks line to consumers and is the first authentic Papua New Guinean owned brand of socks line that represents Papua New Guinea's diverse cultures," he said.

Kuti International Limited is pursuing supplier relationships with large retailers for a direct business to business import distributor sale. This would allow forthe socks-line to reach a national distribution market segment.

They can also produce tailored made socks for companies, schools, sporting teams for branding purposes.

Whilst Kuti Sox thrives to introduce a new line of products

into the market it is also mindful of the branding and the reproduction of traditional knowledge.

"We ensure that the designs on our socks do not misrepresent, or disrespect

sacred relics, customs and cultures, "Mr. Aisi said.

The initial four Kuti socks concept include:

I. The picsabuai range which is a half open betel nut and mustard on a betel nut stained red.

II. Alotau lime pot range on a light blue background.

III. Asaro mask range on a Goroka flag yellow.

IV. Tolai basket on a light green canvas.

Product size ranges include;

I. Soti mobs Range – For infants and toddlers
II. Sumatin Range – For Kids
III. Kuti Range – Adults
IV. PilaiPilai Range – Sports socks
V. Hatwok Range – Workwear socks
VI. Wantok Range – Pacific socks
VII. Corporate Range – Customized socks







IMMIGRATION & CITIZENSIHP AUTHORITY

NOTICE TO ALL STAKEHOLDERS REGARDING RENEWAL OF WORK PERMITS

The Immigration and Citizenship Authority (the Authority) is instituting control measures to ensure compliance to PNG laws governing employment of non-citizens in the country. We will focus on managing the issuance of new work permits and ensure that any request for renewal of existing work permit is subject to strict compliance to the conditions of the contract of employmentandlawsandregulations governing employment of non-citizens in the country.

Background

In 2021, Parliament passed the amendment to the *Employment of Non-citizens Act* 2007which necessitated the transfer of the work permits function from the Department of Labor and Industrial Relations to the PNG Immigration and Citizenship Authority. TheworkpermitsystemhasbeeninoperationundertheAuthoritysinceDecember2021.

In the last six months, the Authority has identified various governance and compliance issues that require immediate action. While measures are being implemented to improve management of the work permit system within, the Authority is simultaneously reaching out to employers of non-citizen workers to ensure compliance to the conditions of their work permits.

Renewal of Work Permit Applications

In the process of screening and assessing renewal work permit applications, 1t has cometo our attention that there are some non-citizen employees who are renewing their work permits multiple times. This means they have been employed in the same position formorethan3yearsonalongtermcontract.

The constant and multiple renewals has become a concern for the Authority in terms of the training and up-skilling of nationals who are supposed to understudy and be able toperform on those positions held by the non-citizens. As per the condition set on workpermit under Section 15 of the *Employment of Non-citizens (Amendment) Act* 2021, every non-citizens must train their national counterparts.

Consequently, as of the date of this Notice, employers of non-citizen workers applying for renewal of their work permit must provide the following documents:

A letter from the employer justifying why they are applying for renewal of the particular position.

A *detail Training Report on* the company and the non-citizen. The trainingreport must identify the training provided to its national employees, the skills acquired, skills gap, the dates of trainings, the facilitators or the institute providing training and the list of nationals undergoing training. The trainingReport must be signed and dated with company stamp by the company Human Resources Managers or by the Managing Director where there is no HR department within the organization. The training report must be accompanied by the Succession Plan. Employer/non-citizen must identify the successor to the position.

1. The company or organisation's *organisational structure*. Employer must identify the number of non-citizens and nationals on the positions.

The Authority understands that within certain industries that involves technical roles, it may take a longer period to train a national to be able to be competent and to replacenon-citizen. The employer is encouraged to seek the advice of the Authority in such cases.

It is paramount that all stakeholders adhere to this changes and the new requirements that are put in place. The Authority will work closely with all parties to ensure these are implemented smoothly.

STANIS IIII

STANIS HULAHAU

Chief Migration Officer

15 June 2022



URAHIM ORGANIC HERBAL PRODUCTS

Herbal downstream processing project

The proponents of the above business entity are looking for a potential investor to partner in downstream processing and marketing of noni and coconut virgin oil herbal products

Project Proponent: URAHIM ORGANIC HERBAL PRODUCTS

Sector: Wellness and Health

Location: Maprik Urban Local Level

Government, Maprik District,

East Sepik Province

Projectsize/Investment Vaue: US \$ 20,000

Description:

The project involves small scale processing or organic products derived from Noni fruit and Coconut grown locally within the project area

The project site is located on traditional land within the fringes of Maprik Town and has access to road and electricity infrastructure.

The project currently has a mini processing equipment

for grinding of organic products into finished herbal products such as herbal paste, tea, wine, and essential herbal oils.

The project owner has submitted project funding to the tune of K50, 000 to the Maprik District Development Authority for funding assistance to assist with their capacity in downstream processing. They are also looking at obtaining proper standards testing and conformance so as to bottle and package their products.

Documentation of project is with the IPA who have conducted a site visit to the project site.

Contact	Details
Mr Aaron Waranigi	(675) 7288 2205
IPA PNG	PO Box 5053, BOROKO, 111, NCD PNG investment@ipa.gov.pg



















27 June – July 1 – SME Week (SME Magazine)

Strategic Plan review - June 28-29 (IPA)

Investment Conference - August (Business Advantage International)

Speakers summit – August (IPA, Parliament, BCPNG)

World Tourism Day - September 24 (TPA)

IPA Anniversary – September 28th & (IPA)

IPA 3rd Quarterly Board Meeting - September 29th

EU-PNG Trade and Investment Conference - October 11-12 (IPA & EUHOD)

Karamui show - November (TPA)

IPA outreach program- July - December (IPA)

FIPIC 3 (Forum for India and Pacific Islands) December (India PNG Business Forum)

Mining and Petroleum Conference, Sydney – December 3 – 6

IPA 4th Quarterly Board Meeting - December 15th

January February March April

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Removal of a Local Company from the Registry

QUESTION:

I am the owner of a locally registered company but no longer want my company to operate, therefore want to have it removed from the IPA registry. How do I go about doing that?

ANSWER:

Under the Companies Act you are required by law to complete and lodge *Form 45* 'Request to Remove Company from Register'. The form gives guidance as to who can be authorized to make the application – be it a shareholder, director or a person permitted by the constitution.

Form 45 should be accompanied by two important supporting documents, unless the Registrar agrees otherwise;- a.)

Written notice from the Commissioner General of IRC stating that the Commissioner has no objection to the company being removed from the register and b.)

A copy of the special resolution of shareholders.

Don't forget that copies of *Notice of Removal* publicized in one of the daily papers and the National Gazette respectively which normally provides a one month objection period should be attached together with the above mentioned.

It is also important to note that any outstanding annual returns must be filed before the company is removed from the register.

The fee for lodging Form 45 is K50 if done online and K100 at the counters.

Do you have a general question about the regulatory side of running a business or have a query on investment promotion or Intellectual Property rights?

If so, email your question to: click

beverlyp@ipa.gov.pg

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

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Our advice"

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