



ppportunity

ISSUE 6 - 2015

Business news, reviews and overviews from the IPA

MD's IN BOX



Ivan Pomaleu, OBE

Dear readers,

Welcome to another issue of *Opportunity*.

We are happy to note another successful outcome of the 31st Australia PNG Business Forum and Trade Expo staged in Lae, Morobe Province which we feature as our lead story in Issue 6.

The forum brought on vital discussion and received an overwhelming response in

participation from both Australian and PNG businesses.

In this issue, we also feature an important workshop the IPA partnered with the Pacific Island Private Sector Organisation (PIPSO) held subsequently in Port Moresby and Lae in a bid to getting PNG's businesses export-ready.

Also read about the very first export of Fresh Produce to Fiji plus CPL Group expands into opening a duty free shop to offer a range of world class products.

In our regular features IPA signs pact with the Games Organizing Committee for the usage of the Games Logo on our promotional products under Pacific Games update. Plus other exciting stories under our regular features.

Happy Reading All!

IN THE NEWS

31st AUSTRALIA PNG BUSINESS FORUM & TRADE EXPO A SUCCESS

It was a busy three-day for PNG and Australian companies who participated in the 31st Australia Papua New Guinea Business Forum and Trade Expo at the Lae International Hotel in Lae last month.

The forum was conducted concurrently with the expo component.

Themed as "Bridging the Gap: Meeting Expectations", the forum was attended by 423 participants and saw 26 different companies and government agencies from both countries displaying their products and services at the exhibition booths.

The Australia-Papua New Guinea Business Forum is the major annual bilateral business conference that brings together political and business leaders from Australia and (PNG) to discuss business, trade and economic issues.

The expo component of the event, as usual, was sponsored by IPA and Austrade.

The trade exhibition was officially opened by the Minister for Commerce, Trade and Industry, Honorable Richard Maru on the eve of the forum alongside his Australian Counterpart Honorable Andrew Robb.

In opening the forum, Prime Minister Honorable Peter O'Neill and Australian Trade and Investment Minister Honorable Andrew Robb both spoke on the economic transformation the region was undergoing and how critical it was for businesses to have government support in order for businesses to benefit from the opportunities posed by the government.

Tips & Traps

The difference between an overseas company and a PNG – incorporated company.

A foreign or an overseas incorporated company is a company that is incorporated overseas but registered in PNG as an overseas company.

Once the overseas company is registered in PNG, the PNG law applies to its operations in the country as well as compliance requirements under the laws adminis-

tered by the Registrar of Companies apart from the laws applicable in its country of incorporation with respect to compliance requirements in that country.

A PNG incorporated company has PNG as its place of incorporation and is solely subject to the laws of PNG.

This can be a company incorporated by either foreigners or citizens.

The overseas company, after registration with the Registrar of Companies will also be required to be certified as a foreign enterprise by the IPA in accordance with the Investment Promotion Act 1992.

This also applies to companies incorporated in PNG but owned or managed and controlled by foreigners.

Tips & Traps, continue on pg 2..

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PUBLIC NOTICE

Deferral of New Fees

My office would like to advise our valued clients that there are two important issues which caused the non implementation of the new fees as previously announced.

Firstly, the new fees are part of a set of approved regulations which must be cleared by the First Legislative Council before gazettal by the Governor General. Secondly, the new forms need to undergo testing in a user's testing environment before they are used. Technical challenges with our external service provider overseas did not allow our generic forms to be tested, as we await the gazettal of the regulations. Until such time those two issues are adequately addressed to our complete satisfaction, the new fees as previously announced will not be implemented.

Accordingly there has been a further deferral on the new fees until further notice. The current fees will continue to apply until such time the issues described above are fully resolved. This public notice supersedes all past notices, and specific advices provided at our Port Moresby, Lae, Mt. Hagen, Kokopo or Buka Offices, on this subject matter.

We sincerely apologize for the inconveniences caused to our valued clients, and appreciate your full understanding at this time.

Thank you

IVAN POMALEU, OBE
Managing Director

LEGAL UPDATE

What the changes to Companies Act mean.

Increased Protection for Shareholders.

Shareholders will find it easier to vote on resolutions in lieu of physically appearing at meetings through the use of email voting. Shareholders will be more eligible to receive discounts for company goods and services. Prior Papua New Guinea law greatly limited the number of companies that could offer shareholder discounts. In many other jurisdictions, including New Zealand, all companies may give discounts to shareholders so long as the company can pass a solvency test. The amendment adopts this

more permissive approach.

If an auditor of a company resigns, the company must notify all shareholders of the resignation.

The Investment Promotion Authority sometimes encountered situations where the shareholders requested a special meeting under Section 102, but the Board refused to call the meeting. The amendment both imposes liability upon any director that refuses to call a meeting, and empowers shareholders to seek assistance from a court.

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They also acknowledged that investment in skills and infrastructure was the key in facilitating inclusive participation.

The forum also captured discussions on partnerships with business, government, civil society and development partners being critical in bridging the gap of accessing health and education services.

Presentations from the PNG side indicated that innovation was reshaping the business landscape and this was indicative of new investments in agriculture, information communication technology and large industrial products. These were providing a new economy for many Papua New Guineans to participate in the exciting opportunities for businesses from both countries.

The 32nd Australia Papua New Guinea Business Forum will held on May 15-17 2016 in Cairns, Australia.



Issued by the APEC Policy Partnership on Women and the Economy

APEC's initiatives to advance the economic integration of women across the Asia-Pacific have helped empower women and strengthened their contribution to the economy.

Setting the tone, the APEC Policy Partnership on Women and the Economy held a two-day meeting in Port Moresby, Papua New Guinea

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Women's Economic Empowerment Flourishes in APEC



Australian Trade and Investment Minister Hon. Andrew Robb with PNG Trade and Investment Minister Hon. Richard Maru, cutting the ribbon to open the Forum.

More news stories next page

last month.

Emmeline Verzosa, the Executive Director of the Philippine Commission on Women, said the group will draft new plans and projects that empower more women to be part of supply chains and provide women with access to technology, health services, finance and marketing.

Delegates would finalize a strategic plan which will chart efforts of the 21 APEC member economies to promote women's economic empowerment. It will also discuss the implementation of the APEC Women and the Economy Dashboard which contains indicators to measure women's advancement.

"For growth to have a transformative effect on an economy and people, it needs to be inclusive, meaning all citizens – women and men, young and old, indigenous, migrant workers, persons with disabilities, and of diverse groups - contribute to as well the benefit from growth," said Verzosa who chaired the meeting.

"Inclusive growth translates to creating jobs, integrating the population into the economic and social mainstream, and reducing poverty," she explained. "No one should be

left behind."

A senior representative participating in the meeting offered an example for how integrating gender policies and programs contribute toward inclusive growth.

"Providing access to financial services and microfinance in Papua New Guinea has significantly grown and has extended rapidly toward remote areas," said Richard Yakam, Papua New Guinea's Assistant Secretary for the Department of Commerce and Industry.

"The deployment of the 'Mi-Cash' program, bank accounts that can be accessed by mobile phones in Papua New Guinea, allow people to save money and pay bills," Yakam continued. "These accounts have become popular among women."

With attention on inclusive growth, discussions on gender criteria for APEC projects and how these can be used to measure progress will continue through Monday.

"APEC shall expand the region's growth story to include a vision of economic prosperity and interconnectedness felt at all levels, beginning at the grassroots," concluded Verzosa.

IN THE NEWS

CPL to open new duty free shop at airport

Papua New Guinea's retail giant, City Pharmacy Limited will be opening a duty free shop at the Jackson's international Airport in Port Moresby which to offer a range of world class products.

In partnership with Fiji's Motibhai Group of companies who have been running duty free shops in Fiji for more than 40 years, they recently won the bidding to operate a duty-free shop within the departure and arrival areas of the Jackson's International Airport.

The duty free store will operate under the trading name of 'Prouds' which was anticipated to open this month.

The planned new store will have a 332 square meter area in Departure Lounge and 90 square meters in Arrival area, both located in the National Airport Corporation's new international airport.

Prouds anticipates featuring a long list of impressive high-fashion brands including Chanel, Christian Dior, Rolex, Omega, Swarovski, Pandora, Tag Heuer, Gucci, Lancome, Estee Lauder and YSL to name a few. Other exciting brands include Ferrero Rocher, Toblerone, Lindt and an extensive range of international liquor brands.

CPL Group Chairman Mahesh Patel said: "This new business venture proves yet again CPL's commitment to the PNG market and our mission to serve and inspire our various customers – by bringing them the very best of retail."

CPL Group is PNG's biggest multi-format retailer operating seven formats under different business segments – pharmacies, supermarkets, hardware stores, coffee shops, multiplex cinemas, pizza chain, convenience stores and a do-it-yourself (DIY) concept shop.

As of year 2014, CPL has a combined retail operations of 56 stores nationwide and employs 2,600 staffs of which 95% are Papua New Guineans.

LET'S HEAR IT!



Picture showing an Architectural impression of the Amalu Haus, Port Moresby; designed by Tulait Consulting Architects

Architectural & engineering activities has been an economic sector previously dominated by non-Papua New Guinea companies. At the hype of the construction boom, local Papua New Guineans started venturing into the sector adding more flavor, creativity and options to what has become a competition in architectural designs.

Tulait Consulting Architects is a remarkable architectural company which boasts a professional team of drafts people, project managers and designers who have a combined experienced of over 35 years in architectural profession.

Incorporated in 2012, the company has undertaken several major projects including the new Lorengau market, new National Development Bank retail branch in Kavieng, Teachers Savings and Loans Society branches in Kavieng and Wewak and other designing, documentation and project management work around the country.

Other highlights of the company include the construction of PNG Port's stevedore mess and residential apartments in Port Moresby, Marane Police Barracks and Masul Highway Patrol Base in Simbu, Non-scalpel vasectomy clinic in Goroka and the Vunapope Mid Wifery School.

Having their mission statement as "We make it Happen" and the vision as "To design the Future," the company aspires to deliver customers' maximum value from their investment and also ensures that the people have support and access to the best opportunities available.

Their work is testimonial in the quality and the number of projects the company has delivered over the years.

Apart from specializing in full scale architectural design and documentation, Tulait pro-

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vides construction project management and can also assist clients in preparing feasibility studies required for investment decisions, including identifying relevant information for project developments, preparation of schemes and developing budget estimates.

Tulait recently launched their new branding giving a fresh face to the growing business. Their new logo represents creativity, strength and integrity and is symbolized by an architectural form, the sun and a plant leaf.

For more information, or if you're interested in utilizing their services, please contact them on email: admin@tulait.com.pg or projects@tulait.com.pg. You can also visit their website on www.tulait.com.pg.

Do you have a story you would like to share about your business in PNG? Email your story (maximum 300 words) and a good quality photo to; opportunityeditor@ipa.gov.pg

IN THE NEWS

Fresh PNG Vegies off to Fiji

Papua New Guinea's locally grown fresh produce from the Israeli backed Innovative Agriculture Industry Farm at 9-mile outside Port Moresby saw its first inaugural export to Fiji recently.

Since inception in 2013, the multi million kina high tech farm has been consistently supplying to local clients within Port Moresby only.

According to Chief Financial Officer Lior Crystal, the intention of the farm is not to compete with local growers but more so with

the influx of imports that are bracing many shop shelves in the country.

At the backdrop of IAI's first successful export of 100kilograms of vegetables, the IPA has been a key player alongside partners such as the Department of the Trade, Commerce & Industry, National Agriculture Quarantine Inspection Authority (NAQIA) and Customs.

IPA assisted IAI undergo the different export processes from packaging to clearance at the Fiji end.

IAI is one of the companies that, the IPA has assisted in terms of export capacitating apart from the - first women coffee exporter Marey Yogiwo's Bauka Blue Coffee's inaugural export to the United States earlier this year.



Lior Crystal showing off the fresh produce at the 9-mile farm. Right: Samples of the export product. Below: One of the green house farm at 9 mile.



IN THE NEWS

PNG artists join World Intellectual Property Day celebrations



Insert: Patti Potts Doi entertain the crowd with their songs.

'Respect Music, Be Smart, Buy Originals' drove home this year's World Intellectual Property Day celebrations theme 'Get up, Stand up for Music'.

The Intellectual Property Office of PNG (IPOPNG) a division under the IPA took to the public a mini music concert to create awareness on IP rights and protection.

World IP Day is a day marked by the World Intellectual Property Organization (WIPO) to promote the role of IP in encouraging innovation and creativity.

A leading PNG musician Patti Doi, dynamic Gospel band P2UIF, and young aspiring band The Alternatives belted out some numbers and not only entertained the anticipating crowd but also engaged them in their various experiences based on the theme.

IPOPNG registrar Amelia Na'aru said: "In line with this theme, IPOPNG has added a sub theme to drive a common message for our local musicians today, "Respect Music! Be Smart, Buy Originals", - a message that reminds us all to value and recognize the efforts, hard work and inspiration of those thousands of creative people in PNG and even around the world – singers and songwriters; musicians and publishers; producers, arrangers, engineers and many others, who bring music to us.

Every year on 26th April, WIPO designs a theme to mark and celebrate World IP Day.

Visit www.wipo.int to know more about World IP Day and be familiar with the theme each year.

Renewal of Trade License-2015

Holders of License to Trade issued by the National Capital District Commission (NCDC) have been reminded that their current license would expire this month June 30, 2015.

And they are required to make necessary arrangements with the Licensing Division of the Regulatory Services Department for renewal before the expiry date.

City Manager Leslie Alu in a public notice

said: "Payments of license fees are subject to settlements of land tax and garbage rates hence you are to consult your landlords or if you are a landlord, settle any areas to prevent unnecessary inconveniences.

"For those business operators trading without license to trade and those that have not renewed their licenses over a period of time are also required to make an effort to apply."

Penalty fees would be charged without further warning.

Further information can be sought from the Licensing Office on telephone: 3253573/3240619/3240683 or 3240724 call in at 1st Floor Lagatoi Building, Waigani opposite Lamana Hotel to see the customer service officers at the front desk.

Benefit Sharing worries in Wau-Bulolo

The National Research Institute – the Government's think-tank on development issues has highlighted in a report looking into the benefit sharing arrangements of large scale mining activities in Wau-Bulolo of Morobe Province that structural weaknesses was a contributing factor to why landowning communities were not seeing benefits of these projects.

The 105-page Report titled "A Review and Assessment of the Benefit-Sharing Arrangements for Large-Scale Mining Activities in Wau-Bulolo, Papua New Guinea" is the result of a study the NRI undertook in 2014 which was commissioned by the Bulolo Joint District Planning & Budget Priorities Committee (JDP&BPC) and received the same year in October.

NRI Director Dr Thomas Webster said: "Due to the important issues which have wider implications on other resource developments, particularly relating to benefits sharing agreements, the Bulolo JDP&BPC gave permission for public dissemination of the report.

Dr Webster was pleased to note the report would be launched as the first issue of a new NRI publication called 'Development Perspectives'.

In addition, a Spotlight article was also published to highlight the broader policy implications arising from the Bulolo Study and similar previous studies by the Institute.

Deputy Opposition Leader and Member for Bulolo Sam Basil was present to witness the launch of the two reports.

The report launch was well attended by representatives of government departments and agencies, development partners, academia, media organizations, mining companies, landowners and the wider public.



Insert: Bulolo MP Hon. Sam Basil.

PACIFIC GAMES UPDATE



IPA seals agreement with GOC for usage of Games Logo on merchandise

To add more leverage towards its ongoing efforts in assisting with the Pacific Games campaign, the IPA took another step further for the usage of the Games Logo on its promotional merchandise.

This followed the signing of a Memorandum of Agreement between the IPA and the Games Organizing Committee.

The MOA was signed between IPA Managing Director Ivan Pomaleu and Ken Siminji who is the Executive Manager for Marketing and Communications of GOC and witnessed by IPA Corporate Services Director Anna Marikawa.

A number of these packed promo items including tote bags, biros, flashdrives, key tags to name a few were given away at the recently held Australia-PNG Business Forum in Lae, Morobe Province.

The IPA is an active non-financial partner with participation under the Pacific Games Organising Committee's PR sub committee.

Under this partnership the IPA's participation includes the circulation of games messages using our existing network and mediums such as the newsletter, website and a very brief segment under its recently updated Corporate DVD.



Insert: Some of the IPA's promotional Merchandise.

OPPORTUNITY KNOCKS

PNG Power seeks Hydro Power and Energy project

PNG Power Limited is embarking on the investigation of potential hydro power development projects within Lae to meet the growing demand for electricity around the country, especially for the mining sites around Lae area and the Ramu Grid for the medium and long term.

The Mongi-Bulum Hydropower project is located 100km northeast of Lae near Finchafen and its location is extracted from the Shawinigan Report (1980), a Canadian consulting company.

This project requires two diversion schemes to divert the water into a single tunnel and

transfer it to the power station of which three tunnels would be built.

The first and second tunnels are to transfer water from Bongi and Bulum Rivers respectively into the third tunnel as the main tunnel after combining both river flows.

The work to be undertaken by the consultant would involve an assessment of hydropower projects in the rivers; selection of the preferred project; and to carry out a pre-feasibility study of the selected hydro project.

The main objective of the pre-feasibility study would establish the engineering, hydraulics and power plant design concept and the technical parameters of the project as well as an order of costs that PPL could use in soliciting funds.

For further information contact Mr Francis Uratun, Manager Infrastructure Planning, Strategy & Marketing Directorate, PPL, Tel: (675) 324 3548; Fax: (675) 325 0072 or email furatun@pngpower.com,.pg



Picture showing the Yonki hydropower facility in Morobe Province

QUESTION TIME

Question: How can I get a copy of an extract or certificate?

Answer: The IPA counters no longer issue copies of extracts and certificates. To get an extract for Company/Business online simply visit our website www.ipa.gov.pg. Click on the 'Do it online' tab and a Pop down menu should give you options on what you intend to do.

The IPA Online Services should generate an email depending on your request for an extract or certificate, given that you provide a reliable working email address.

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: opportunityeditor@ipa.gov.pg

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

If your question is chosen for publication you will go into a draw for the chance to win a gift.

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