

ppportunity

Issue #11 November, 2023

Business News, Reviews and Updates from the IPA

MD's INBOX



CLARENCE M HOOT
Managing Director

Dear Readers,
Welcome to the 11th edition of the IPA **Opportunity Newsletter** for 2023. I hope you have been enjoying our newsletters so far.

The month of November was hectic especially with the roll-out of the provincial awareness program and the re-registration exercise for companies which ended on the 30th of November, 2023.

The IPA rolled out its final awareness programs in Enga Province and the Autonomous Region of Bougainville. Read full details of this in this issue.

On the re-registration exercise, as of the 1st of December 2023, the Online Registry System automatically changed the status of non-compliant companies to "Removed". At this time, all the companies that failed to reregister have now been removed from the registry. A company with the status showing as "Removed" can be reinstated.

Companies that have outstanding annual returns were to pay, a one-off fee of K500 regardless of the number of years of outstanding Annual Returns. The IPA gave a grace period effective from the 1st of December 2022 to the 30th of November 2023 for companies to come forward and re-register free of charge.

Moving away from the online registry system, let me at this juncture inform that Trade and Foreign Ministers from the 21 APEC member economies have renewed their commitment to bring benefits for the people in the Asia-Pacific region through inclusive economic and trade policies. This was done during a meeting for APEC Ministers which was held this month in San Francisco in the United States of America. Details on this story in this issue.

In relation to ensuring that IPA adequately delivers its services to the Provincial and District levels, the Authority has signed a total of nine (9) MOUs with a number of provinces. The signing of these MOUs paves way for the setting up of help desks in these provinces.

West New Britain Province (WNBP) is one province among the nine that have signed an MOU with IPA and has established a IPA Help Desk within its Provincial Government's Commerce Division. The Provincial Government however has taken a step further by depositing K100,000.00 in the Investment Promotion Authority account for WNBP businesses to access when they seek to register a business with IPA through the IPA Help Desk in WNBP.

Let me on that note, take this opportunity to thank the West New Britain Provincial Government under the leadership of the good Governor, Honourable Sasindran Muthuvel for recognising the need to empower the growth of small businesses in West New Britain Province. Other provinces can follow this example in terms of boosting the growth of SMEs in their provinces. Read more on this story in this edition.

Still on boosting the growth of SMEs, the Intellectual Property Office of PNG (IPO-PNG) has just launched its new e-filing system. This online portal will bring convenience in the registration of IP rights. Read more on this story in this issue.

Thank you and happy reading.

Clarence M Hoot
Managing Director

Tips & Traps

What happens after the re-registration exercise

At this stage, the status of all companies showing as "not yet reregistered" will change to "removed". These are non-compliant companies.

Dashboards for online users who have non-compliant companies will now show the requirement to apply for restoration or reinstatement of the company and non-compliant companies will receive an email notification from the system advising them of the removal status of their company.

What to do if your company has been removed from the IPA Registry.

- Companies can apply for reinstatement within 2 years from 1st December 2023.
- **How to apply for re-instatement;**
- Administrative reinstatement of Companies
- Companies to file form called R6 to apply for restoration or reinstatement.
- Pay K50 for Form R6.
- Pay reinstatement fee of K2500.
- File all outstanding Annual Returns with applicable prescribed and penalty fees.
- If all is in order, the company will be reinstated.

IMPORTANT NOTE: Removal from the Registry does not mean a company loses its legal status forever. Any company that is removed due to failure to re-register has the opportunity to apply for reinstatement under the established process under the Companies Act.

Awareness programs conducted in November



Arawa, AROB awareness: The 2-day program saw a huge turnout with reps from the business community and SMEs in Arawa and the southern Bougainville region. It was good to see SMEs that own stalls at the Arawa market participating as well. Companies were assisted to re-register on the spot, create online user accounts and renew their Business Names during the program. A total of 215 participants attended the event at the Sharpe Memorial Center.



Buka, AROB awareness: The 1 day awareness session involved mostly women representatives from wards and SMEs in North Bougainville. The team assisted in renewing Business Names and re-registering companies on site. A total of 75 people attended the event at the Kuri Village Resort.



Wabag awareness: The awareness program was organised in consultation with the Wabag Administration Center. A total of 80 participants attended the event. Key issues that continue to be raised in the provinces include;

- Lack of government services slowing business growth.
- IPA to increase compliance and inspection in provinces and districts.
- IPA to increase its presence and beef up services in the provinces.

The Intellectual Property Office of Papua New Guinea introduces IPOPNG e-Filing for Trademarks, Patents and Industrial Designs Applications

The Intellectual Property Office of Papua New Guinea (IPO PNG), a business unit within the Investment Promotion Authority is pleased to introduce to the public and our regular clients the "IPOPNG e-Filing system" for Trademarks, Patents and Industrial Designs.

The IPOPNG e-Filing system is a single online portal for local IP Agents and IP right holders to electronically file new trade mark, patent, industrial design applications with supporting documents with the PNG Intellectual Property Office. The system also offers support for post-filing requests.

The system will help IPOPNG deliver better services to our stakeholders through the

online services and reduce or eradicate any file processing backlog. It offers applicants complete end-to-end electronic filing experience from applications drafting up to instant update of its processing status.

IPOPNG e-filing provides online filing services for local agents whereby new patent, industrial design and trademark applications are drafted and submitted with required supporting documents. Post-filing requests are also supported including renewal, annuity payments, change of owner, change of representatives, amended claims, description, etc.

According to the Registrar of IPOPNG, Amelia Na'aru, the office has progressed consistently in improving its registration system since 2007 with a complete transformation of its registration process through a manual system to full automation of filings this year.

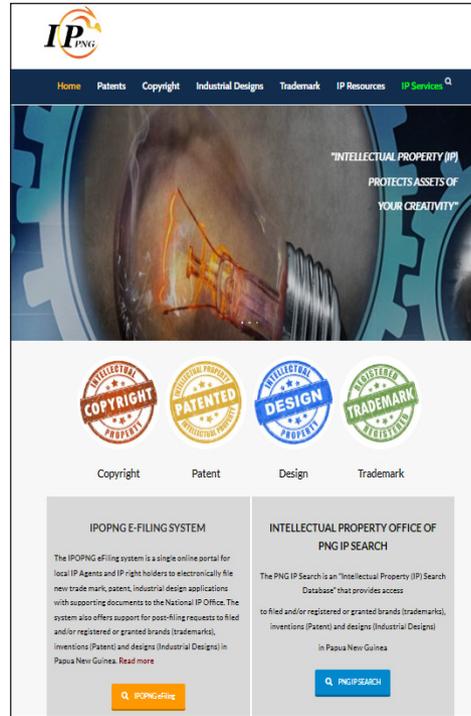
"In 2020, the office stopped accepting manual/paper lodgments and started accepting electronic lodgments via email (IPOLodgements@ipa.gov.pg). The Office has now gone a step further by introducing the new web based "IPOPNG e-Filing system," said Ms Na'aru.



She said with the new e-filing system, local IP agents can now view, filter and manage e-filing requests in portfolios and workbench. Through this e-Filing system, local agents will also be able to receive on-line Office correspondences in response to e-Filing requests”.

Local IP Agents, IP right holders and business entities who intend to apply for an IP registration are advised to use the IPOPNG e-Filing system to lodge trademark, patent and industrial designs application and supporting documents.

“The IPOPNG e-Filing system will accept new applications with post filing documents having high volume of filings. Other post filing documents having low volume of filings continue to be lodged offline via IPOlodgements email (IPOLodgements@ipa.gov.pg)”.



“All local IP Agents, IP right holders and business are now advised to open an IPOPNG e-Filing User Account by 15th December 2023 to start using the e-Filing system going into 2024. They must complete a Registration and Authorization Form to establish an IPOPNG e-Filing User account and this form can be downloaded on the IPOPNG website <http://www.ipopng.gov.pg>.

The System is available through the IP Services menu of the IPOPNG website on <http://www.ipopng.gov.pg> or directly through <https://online.ipopng.gov.pg/eFiling>

The IPOPNG stands ready to assist the public and our clients for a smooth transition in using the eFiling platform.

For further queries send an email to registrar on ipopng@ipa.gov.pg

IPA IMPRESSED WITH WEST NEW BRITAIN PROVINCIAL ADMINISTRATION SUPPORT TO ITS SMEs IN ITS PROVINCE

The Investment Promotion Authority through its Managing Director Mr. Clarence Hoot has commended the West New Britain Provincial Administration through its Governor Hon. Sasindran Muthuvel for commencing the roll out of its SME registration program through its partnership with the IPA.

Earlier this year Governor Muthuvel presented a cheque of K100, 000 to the IPA to subsidize the registration costs for SMEs in his districts and province. Through the IPA help desk within the WNBPA the funds are coordinated and businesses formalised.

The funds have been used to create a prepaid account within the IPA’s system. In the event that SMEs in WNB wish to register a business, they can go to their

IPA help desk and submit their proposals which the Administration will screen using their own criterion. When they lodge the registration application, the fees will be deducted from the funds deposited by their Governor.

As of October, the WNBPA has utilised the funds to assist SMEs from the districts of Talasea and Nakanai with K30, 000 and K40, 000 respectively.

In congratulating the Governor of West New Britain, Mr. Hoot said such an arrangement was the first of its kind for IPA and thanked Governor Muthuvel for recognising the importance of empowering the growth of businesses in his province.

The IPA is keeping close contact with Commerce Officers at the WNBPA to en-

sure that systems issues are attended to and people are registering their businesses taking advantage of the investment by Governor Muthuvel.



IPA Managing Director Mr Clarence Hoot (Centre) with West New Britain Governor, Hon. Sasindran Muthuvel and his Provincial Administration posing with the dummy cheque during the presentation.

Companies’ re-registration grace period lapsed

By now companies would have realized that the re-registration grace period has lapsed on the 30th of November.

Those that had no outstanding annual returns had to do that free of charge while those that defaulted were expected to pay a one off K500 despite the number of years their returns were outstanding. Normally they would be expected to

pay a penalty of K1000 per year plus the K250 lodgment fee, which means they would have paid K1, 250 multiplied by the number of years their annual returns were not filed.

Those that did not re-register by 30th November will now have to pay the penalties mentioned above, plus the reinstatement fee of K2, 500 and the K50

filing fee for the appropriate statutory form called R6.

Read more about the steps in the “Tips and Traps” section of this newsletter.

The IPA gave companies one full year to do their re-registrations.

APEC Ministers committed to bring tangible benefits for people in the Asia-Pacific region

Trade and Foreign Ministers from the 21 member economies renewed their commitment to bring benefits for the people in the Asia-Pacific region through inclusive economy and trade policies.

This was done during the 2023 APEC Ministerial meeting held in San Francisco in the United States of America this month.

Against the backdrop of pressing economic challenges, ministers convened to discuss new measures that will encourage a sustainable future and ensure an equitable and inclusive future for all.

The United States Secretary of State Antony J. Blinken set the stage for the APEC

Ministerial Meeting and in his opening remarks, he recalled for his counterparts that while governments have made real progress toward a more prosperous future, the region's policymakers continue to face many economic challenges.

"Each of us recognizes that inequality within and between our countries hinders the growth of our entire region and that more inclusive economies are also stronger economy," Secretary Blinken said.

"Again and again throughout this year, from Honolulu to Palm Springs, from Detroit to Seattle and now in San Francisco, we've heard that our citizens, the people we rep-

resent, are hungry to help build that more resilient, more sustainable and more connected future," Secretary Blinken added.

"They are ready to work, to invest, to innovate, to drive the growth that will further strengthen our shared region and our responsibility, our job is to help them do just that," Secretary Blinken said.

Ministers are also looking at policy levers that will help reform trade and investment to be more sustainable and inclusive, embracing women and those with untapped economic potential.

■ Source: Ministerial Statement from APEC Official Website

LEGAL UP-DATE

The Associations Incorporation Act 2023 ("the Act") was enacted by Parliament on 11 January 2023 and certified on 29 May 2023. The Act replaces the now repealed Associations Incorporation Act 1966 ("the old Act") and will be implemented in due course.

The Investment Promotion Authority (IPA), under the Registrar of Companies Office is responsible for the administration of key PNG business laws including the Act, hence is responsible for implementing the Act.

As part of the implementation program, the IPA hosted a number of stakeholder awareness sessions to present an overview of the Act, in particular important changes to the way incorporated associations are formed and operated under the Act.

The next step is for IPA to compile the report summarising the consultations on Regulations. Once that is completed, we will submit together with draft Regulations to State Solicitors to vet and if all is in order, State Sol will issue a Certificate of Necessity (CON) (this is the start of the usual government vetting/approval process). We then progress to legislative drafters to draft Regulations and issue Certificate of Compliance (COC).

It is fair to say that all commentators recognized serious deficiencies in the existing Associations Act 1966, and the vast majority of comments were very supportive of bringing more formality, structure, governance and transparency to associations through the new legislation.



Intellectual Property Office of PNG's new e-filing system

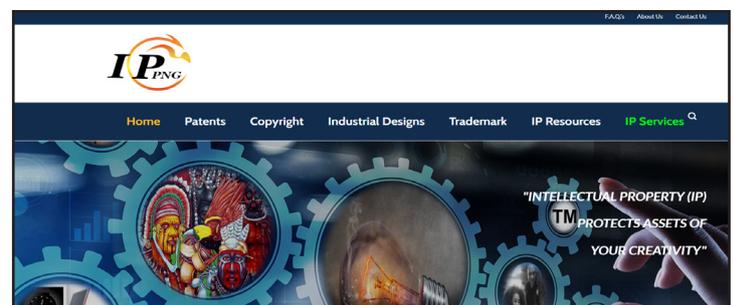
If you have a business entity that has a trade mark, a patent and a industrial design you can protect your IP rights by registering with the Intellectual Property Office of Papua New Guinea.

The good news is that the Intellectual Property Office of PNG now has a new e-Filing system" for Trade-marks, Patents and Industrial Designs.

The new eFiling system is a single online portal for local IP Agents and IP right holders to electronically file new trade mark, patent, industrial design applications with supporting documents to the National IP Office. To access IPOPNG e-Filing System please go to the web address-www.ipopng.gov.pg/ipopng-e-filing-system

And to register as IPOPNG e-Filing System User, download the User/Agent Registration Form.

For further queries send email to registrar.ipopng@ipa.gov.pg.



Remote Cocoa Farmers Uplift their Livelihood by Establishing Businesses with Premium Markets

EU-STREIT PNG Programme strengthens cocoa farmers' MSMEs across the Sepik region of Papua New Guinea and supports their connection with domestic and international niche markets for premium prices



Sperian Kapia, Director of MUPA Cocoa Cooperative Ltd. © FAO-STREIT

Cocoa farmers from a remote community living along the mighty Sepik River are now connected to the leading cocoa industry players in the country and overseas and receive a premium price for their quality cocoa products.

With support from the EU-STREIT PNG Programme and PNG Investment Promotion Authority (IPA), MUPA Cocoa Cooperative Society, comprised of 240 farmers from two villages in Yuat LLG of Angoram District in East Sepik Province, established a business link with Queen Emma Chocolate Company and sent the first shipment of quality beans to this leading PNG chocolate-making company, achieving a considerably higher market price.

According to the Director of MUPA Cocoa Cooperative Ltd, Sperian Kapia, the company is paying a higher rate for their dried beans at PGK 630 per bag, which is about PGK 70 to 100 more than the average price (PGK 530 to 570 per bag) offered by intermediary buyers.

With this price, the first shipment of

MUPA, consisting of 40 bags of quality dried beans, fetches an additional PGK 4,000 into the cooperative's bank account.

This premium price paid for dried beans and extra income generated at the cooperative level, allows MUPA and affiliated fermentaries to pay a higher rate for wet beans, extending the benefits to farmers at the grassroots level, who produce and supply wet beans to fermentaries.

"The usual price for wet beans used to be lower, around PGK 1.4 per KG, but thanks to the direct connection formed with the premium buyer, we are now able to pay the farmers at a higher price, PGK 1.7 per KG of wet beans, which is 21 percent above the normal rate," said Sperian.

"This helps the parents in my community to pay for their kids' school fees, buy utensils for their houses, and better food to improve family's diets."

"With this support and market arrangement that gives us more

money, we can also continue to support our farmers in terms of social development; we have school and want to support it in terms of infrastructure and educational material, also our health care."

Market linkage establishment is vital for remote farming communities as it opens up access to niche markets, allowing them to sell products at competitive prices, and gain valuable insights into market trends. As a result, they can enhance their productivity, improve product quality, and ultimately uplift their livelihoods.

With this perspective, the EU-STREIT PNG Programme works on improving the access of local agricultural enterprises to domestic and overseas markets. It includes, among others, organising exposure visits to national and international agri-food trade shows, where the Sepik-based agripreneurs can learn, interact, identify potential buyers, and forge new business opportunities.

Sperian was one of the Sepik cocoa model farmers who, with the support of the EU-STREIT PNG Programme, participated in the International Food Service & Hospitality Exhibition in Singapore in August 2022 – where he initiated the market linkage with Queen Emma Chocolate Company, that was participating at the same Exhibition. "It was there that Queen Emma Chocolate's representatives showed interest in our cocoa and invited me to visit their factory in Port Moresby. We reached to an agreement to supply the company with our unique cocoa dried beans," said Sperian.

"Later, with the help of the EU-STREIT PNG Programme, IPA, and Queen Emma, we were connected to a new potential buyer from New Zealand, the Pacific Cocoa 380.



The EU-STREIT PNG Programme assisted us in freighting 20 KG of our cocoa dried beans to New Zealand which has tasted our cocoa, and interested in the quality. Thereafter, the Manager of the company travelled all the way from New Zealand to our village on the eastern bank of Mighty Sepik River,” explained Sperian. “During the visit, the company agreed to buy 15 to 20 tons of cocoa dried beans at a real fair price from MUPA.”

“This was an exciting moment for our community that depends on cocoa income to sustain and improve their well-being.”

“Our farmers are in a very remote place. You drive by vehicle from Wewak to the Sepik River waterfront for more than 4 hours and take over a 2-hour boat ride up to the Yuat Tributary, where our hamlets are located. To have this connection is something different and promising to our farmers,” added Sperian.



Sperian Kapia, Director of MUPA Cocoa Cooperative Ltd. © FAO-STREIT

The EU-STREIT PNG Programme, led by the Food and Agriculture Organization of the United Nations (FAO), is the largest grant-funded Programme of the European Union in Papua New Guinea and aims to help improve the lives of the farmers from East and West Sepik provinces, by focusing on increasing sustainable and inclusive economic development of rural areas through improved economic returns and agri-business development environment in cocoa, vanilla and fisheries

OPPORTUNITY KNOCKS

SWEETS SMALLHOLDER CATTLE FARMER'S PROJECT

This sustainable cattle project is a high-impact Nucleus Enterprise Model project for smallholder cattle farmers in the Highlands Region and the project is located in Avi, Anglimp, Southwaghi District of Jiwaka Province in Papua New Guinea (PNG).

The project aims to support the nucleus enterprise model to improve cattle/beef production intended for improving livestock development, particularly in this case, by a chain of existing eight (8) smallholder cattle farmers in the Highlands Region of PNG.

This sustainable project will link all the smallholder cattle farmers in the Highlands Region to access capital, market, and technical support. The project has attracted more than 8 registered smallholder cattle farmers who have produced an aggregate number of more than 700 cattle heads under the nucleus model.

The project would specifically address (a) improving cattle productivity and breeding program for the exist-

ing smallholder cattle farmers (b) increasing the skills of smallholder cattle farmers in animal husbandry and management (c) improving stockyard facilities with proper tools and equipment and grazing management (d) promote linkages for the community for technical support from district agriculture livestock officers in the region through a coordinating point and (e) provide facilities for marketing of their produce. This project has been appraised several times by both the Department of Agriculture and Livestock and the Department of National Planning and various key stakeholders of the industry support it. When the project becomes well established, it will provide quality meat for the local market, create employment, and improve the livelihood of the local community. The project is seeking potential investors for partnership and also seeking to improve its market access both domestically and internationally.

Project Strengths

Currently, PNG produces around 1,400 to 2,000 tons of meat annually and nearly all the cattle meat is consumed domestically. However to meet the local demand, the country imports around 14,000 tons of meat annually for K30 million (US\$8.5million) of which around 70% of imported beef is used by two commercial canneries to produce corned beef, luncheon meat, and meatloaf products. In all, the livestock sub-sector contributes about 15% of the total domestic food production and about 12% of the gross domestic product.

The current target, as established under the PNG Development Strategic Plan 2010-2030, is to increase domestic production to four million metric tons by 2030. Current production is 400,000 tons which are only 10% of the meat target set by the PNG Development Strategic Plan (PNGDSP). When the project becomes well established, it will contrib-

ute to closing the 90% gap of supply shortage experienced in the domestic market. Sweet smallholder cattle farm currently uses its customary land as well as portions 606, 605, 604, 603, 602, 598, 596, and 577 of Milinch Hagen for its grazing and cattle breeding program. The cattle farm is also in the process of acquiring part of the land portions 599 and 600.

The office of the Agriculture and Livestock continuously recognizes and supports this cattle breeding and fattening project and provides technical support from time to time. Eight smallholder cattle farms have been integrated and more cattle farmers have shown interest in this project and are expected to join. The project also has access to local labor, vital infrastructures, and the domestic market.

Projected Annual Sales - 490.0K EUR

Products or services resulting from project - Cattle; live, pure-bred breeding animals

Total Investment (Funding Gap) - 3.9M EUR (3.7M EUR)

IPA NOTICE BOARD

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Those that had no outstanding annual returns had to do that free of charge while those that defaulted were expected to pay a one off K500 despite the number of years their returns were outstanding. Normally they would be expected to pay a penalty of K1000 per year plus the K250 lodgment fee, which means they would have paid K1, 250 multiplied by the number of years their annual returns were not filed.

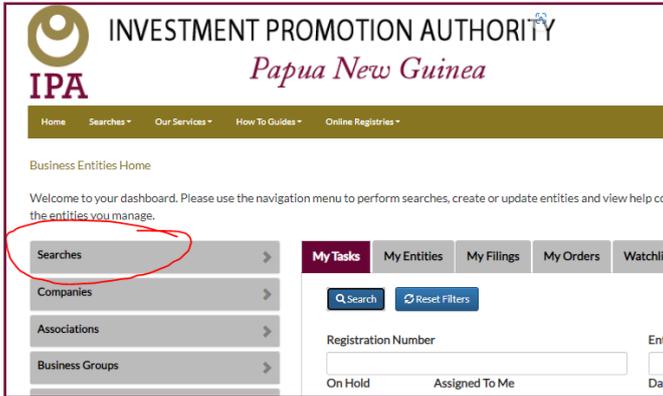
Those that did not re-register by 30th November will now have to pay the penalties mentioned above, plus the reinstatement fee of K2, 500 and the K50 filing fee for the appropriate statutory form called R6.

Read more about the steps in the "Tips and Traps" section of this newsletter. The IPA gave companies one full year to do their re-registrations.

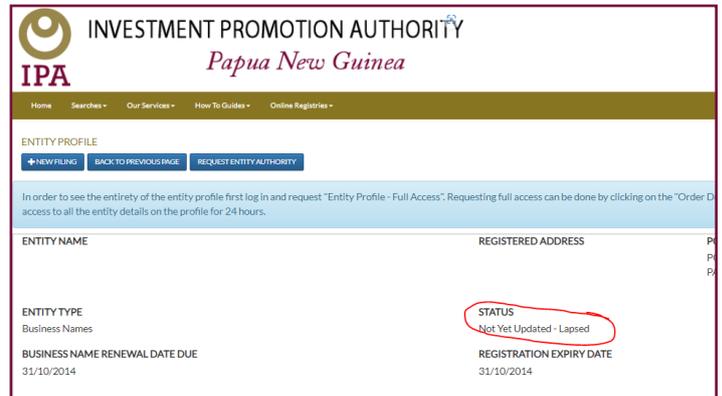
What happens if my business name is not updated and has lapsed?

If your business name has its status as lapsed, you are now required to lodge a J-53 form which is located online. Below are steps to take.

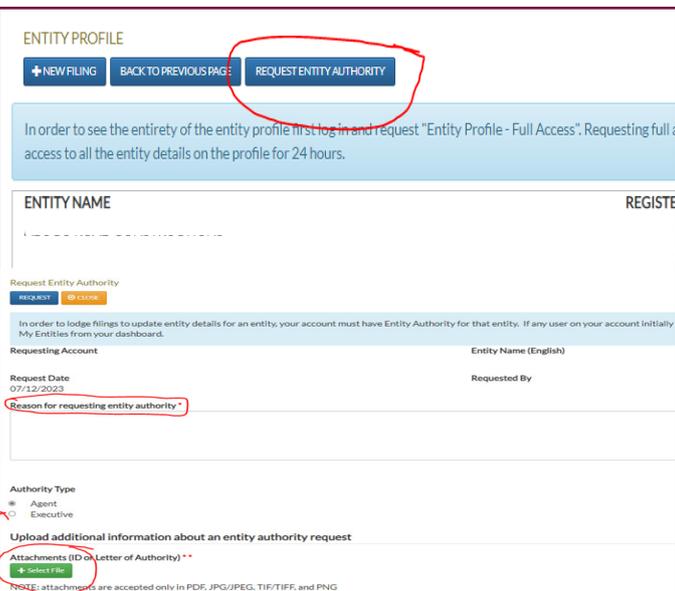
1. First you have to sign into your online account and click on Searches to search for your entity.



2. Once you type your entity name click on search and you will arrive at your entity's profile as shown below

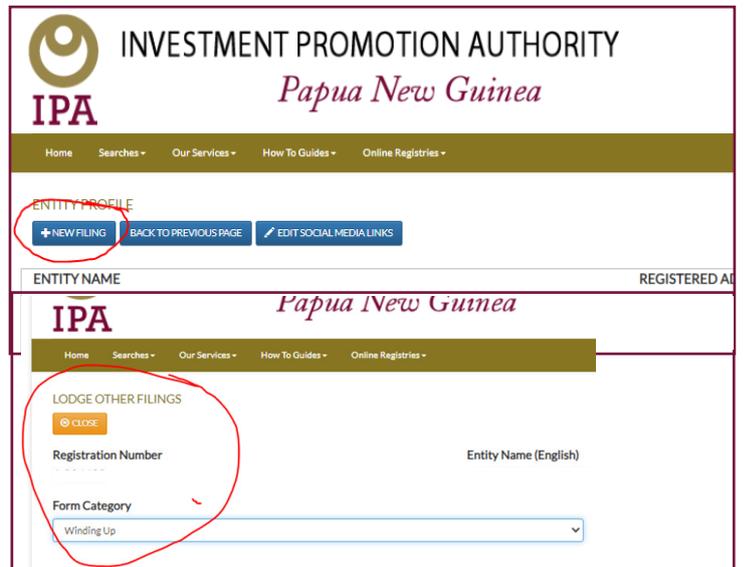


3. You will now request for authority to enable you to lodge the J-53 form. Click on where it says Request Entity Authority and upload a Government issued ID and state the reason for requesting authority. IF you are the owner, the authority type you must select is **EXECUTIVE**



4. Once authority is approved, you will now be able to lodge the J-53 form.

5. Click on your dashboard, search your entity, click on it and go to Lodge Other filings and select Winding up.



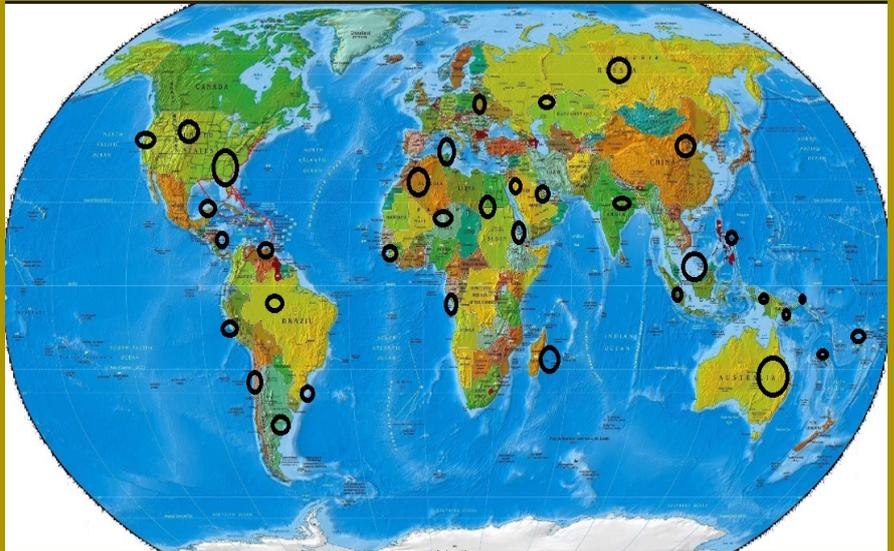
6. After you select Winding Up, you can now click to select the J-53 form- Application for revocation of business name cancellation. Complete the form and click on checkout to go to the payment options to make your payment.



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?

beverlyp@ipa.gov.pg

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



We have covered the globe and we're expanding.

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