



# ppportunity

Issue 7 - July 2018

Business News, reviews and overviews from the IPA

## MD's INBOX



CLARENCE M HOOT  
Acting Managing Director

**D**ear Readers and welcome to our seventh (7th) edition of the *Opportunity* newsletter.

We are almost into the 3rd quarter of this year and so far, we have seen a smooth flow of operation in all Business Units of the Authority.

Partnerships with other relevant stakeholders have been progressing well especially in the move to address a looming issue concerning the sale of counterfeit bilum and meri blouse.

July has been another very busy month for the Authority. Firstly, the Authority through the Office of the Registrar of Companies is currently conducting consultations on the review of the Associations Incorporation Act 1966.

This piece of legislation which has not been reviewed since its passage in 1966 regulates the registration and operations of non-profit organizations. I am now calling out to

stakeholders and the general public to give feedback on the proposed changes by way of engaging with the Authority through the planned consultation exercise. The consultation dates have been published in the papers.

Find time to also download the Consultation Memoire from our website homepage and give your feedback.

Work has also started on the review of the National Investment Policy with the help of the Asian Development Bank (ADB). This exercise will eventually lead to the review of the Investment Promotion Act of 1992.

IPA also has a column that is published in the Post Courier on a fortnightly basis. The column exclusively publishes educational materials about IPA and other investment related issues. After a one month break, the column will start appearing again on the Post Courier on a fortnightly basis.

As is the case, IPA will be chairing two (2) significant events including the APEC's Investment Experts Group (IEG) Meeting and the Intellectual Property Experts' Group (IPEG) Meeting which will be held on the 11th and 12th of August, 2018, followed by two (2) more meetings by the Investment Experts Group on the 13th and 14th of August, 2018 in Port Moresby.

On that note, enjoy this issue and we look forward to receiving your feedback as always.

Thank you and happy reading!!!

**Clarence M. Hoot**  
Acting Managing Director

ment and the activities of enterprises.

The 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;

Contacts:

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Acting Manager Investment Promotion Unit  
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## IN THE NEWS

### SPEAKERS SUMMIT EXPECTED TO BE BIG

**P**reparations are well underway for the hosting of the inaugural Speakers Investment and Innovation Summit which will be held on the 2nd to the 4th of September, 2018 at the National Parliament in Port Moresby.

The Summit with the theme "*Growing a greater Papua New Guinea, infinite opportunities*" will feature speakers from across all sectors both nationally and internationally.

Proud hosts of this significant event, the National Parliament, Investment Promotion Authority and Business Council PNG are inviting

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## Tips & Traps

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

**T**he 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.

The mandated roles and responsibilities will in turn contribute to economic growth, create employment and utilize domestic resources in particular renewable resources, assist in skills acquisition, increase the volume and value of exports, develop remote areas of the country, facilitate increased ownership of investment by citizens, and promote import replacement.

The IPA also monitors the impact of invest-

you all to embark in this opportunity and look forward to engaging you with the government of the day.

The opening of the inaugural summit session will see the 19th Speaker of the 10th National Parliament and Member for Manus Open, Job Pomat deliver a paper on how growing a greater Papua New Guinea will be achieved through a robust partnership of the public and private sector and how to convert social and economic challenges become tremendous opportunities of growth.

A panel comprising of Prime Minister Peter O'Neill, Opposition Leader, Patrick Pruaitch, Chairman of IPA Board, Leon Buskens and President of the Business Council of PNG, Robert Nilkare will each speak on how policies and organizations can work together to grow a greater Papua New Guinea through that robust partnership of the public and private sector.

During the first session of the Summit which will be on the topic "**REFLECTING THE PAST, and FORGING THE FUTURE**", Deloitte PNG, the Knowledge Partner for this Summit, will highlight Year 1 Report Card on Business Council's pathway publication: 2017-2022 Development Priorities Report.

This 'Report' was compiled from the thoughts of businesses to work with the National Government leadership and Members of Parliament to build Papua New Guinea. Another distinguished panel comprising of

former Prime Ministers, 1st President of the Business Council PNG and Chairman of the PNG Investment Promotion Authority, will discuss how the findings of the Report will evolve in the term of this Parliament.

SESSION two (2) will explore how businesses, government and the national parliament's exciting opportunities in building partnerships to implementing the Sustainable Development Goals may shift the needle in improving the livelihoods of our people.

Conversations on the government's new Medium Term Development Plan, thoughts from the Opposition on the priorities for the next 5 years, discussions on how MPs can participate in the SDGs as well as the voice of businesses will be heard in this informative session.

The summit will also feature discussions on economic transformation of China. China's economic transformation remains one of the greatest achievements of human civilization, where large tracks of their citizens have moved from poverty directly into the middle class in less than 20 years. A panel comprising of Members of parliament and leaders will discuss "what lessons can be emulated in our country".

Israel will also be featured in the Summit in terms of its successes in all sectors of development. With only 21,000 square kilometers, limited natural resources and bordering hostile states, Israel has managed to find time to

be a global high tech leader, export agriculture crops, being the 3rd largest diamond exchange and produce more Nobel Prize winners than any nation.

A speaker, Mr David Yarri will speak on what has made Israel the 'Start up Nation' and what ingredients are required for PNG to kick start its 4th revolution quest. A panel comprising of MPs, Ministers and leaders will then discuss how the 4th revolution will evolve in PNG.

For registration, contact:  
Email: [admin@bcpng.org](mailto:admin@bcpng.org) or [beverlyp@ipa.gov.pg](mailto:beverlyp@ipa.gov.pg)



## IN THE NEWS

## IPA TO PRESENT ON TOP 5 PERFORMING PROVINCES IN ECONOMIC GROWTH DURING THE SPEAKER'S SUMMIT

The Investment Promotion Authority (IPA) will be presenting a paper on the Top five (5) Provinces and their sectors that are driving economic growth on Day two (2) of the Inaugural Speakers Investment and Innovation Summit which will be held on the 4th of September, 2018 in Port Moresby.

A panel of Governors from these Top five (5) Provinces will also discuss the current trends and the future prospects of their constituencies.

The panel will then be followed by discussions on increased use of technology, social media and innovation by Members of Parliament to drive the delivery of services and changes in their electorate. This session explores the rules that must be in place to build partnerships with business and other stakeholders in upgrading vital tools and relationships to grow a greater Papua New Guinea. An exclusive session on Micro Small Medium Enterprises (MSMEs) will also be held after the discussions on the use of technology to drive development.

The Asia Pacific region has undergone a tremendous transformation of 500 million of its citizen's shift from poverty to the middle class in 40 years. This has in part due to the rapid industrialization and improvements in education and health services.

Of these, only 10 million are Micro Small Medium Enterprises (MSME) where only 10% are actively trading on the internet. Leading analysts have agreed that if regional and national systems grew and migrated MSMEs to the digital economy, the transformation of the next 500 million will be achieved in less than 10 years.

Papua New Guinea MSMEs are in this exciting region of collaboration with their counterparts and no doubt unleash supply and value chain frameworks that will make our people part of the next 500 million. Bessi Graham of Benefit Capital will lead the discussions with an informative presentation of her fund's bold desire to establish a MSME fund and what are the key features that will drive support to these exciting entrepre-

neurs. A panel consisting of MPs, Ministers and thought leaders will discuss what it will take to make our people part of the 500 million middle class.

Meanwhile, an exposition will be held in conjunction with the Speakers Investment Summit at the National Parliament precinct. The Expo is sponsored by Papua New Guinea Investment Promotion.

Participants at the exposition will include the private sector who will have a unique opportunity to present their goods and services to people at this level. This opportunity is open to companies attending or not attending the Forum.

Bookings can be made to hire one or more of the display booths in the Trade Expo area which will be located in the Parliament Grounds between the Visitors carpark and the State Function Room. The Trade Expo will also be open to the general public at specific times.

## PNG delivers historical statement in Trade Ministers Meeting

Papua New Guinea successfully delivered a Trade Ministerial statement during the recent meeting for Ministers Responsible for Trade or MRT.

"PNG was able to deliver a home grown document," said a proud APEC Ambassador and SOM Chair Mr. Ivan Pomaleu. "We exerted our presence in the room among other economies showing how ready we are to participate in such discussions," he said.

Ambassador Pomaleu attributed the milestone to representatives from the various government departments and agencies whom he said he was pleased to have worked with during the course of hosting APEC 2018. "These public servants stepped up during the formulation of the statement delivered at the 24th MRT and it was great to see the level of competent people we have working within the government machinery," he added.

The Trade Ministerial Statement was delivered together with the Chair's support statement on the Multilateral Trading System (MTS), which was a reflection and assessment of the prevailing views of the APEC economies. The statement carried the following main agendas;

- Ministers welcomed the recent improvement in the global and economic outlook. They recognized the importance of international trade to stimulate economic growth, support job creation and drive prosperity and development.

- Reaffirmed commitment to achieving free and open markets in the Asia-Pacific region and the importance of international trade to job creation. "We therefore underscore the importance of ensuring the effective functioning of the rules-based, transparent, non-discriminatory, open and inclusive MTS as embodied in the World Trade Organisation (WTO).
- Recognizing the importance of the MTS, the Ministers will strive to work together to support, strengthen and improve the MTS. "At the same time we will continue to ensure the effective and timely enforcement of WTO rules. We reaffirm the importance of the WTO's trade monitoring work, which is essential to the functioning of the MTS, by achieving greater transparency in, and understanding of the trade policies and practices of Members.
- "We underscore that trade liberalization and facilitation are essential for achieving sustainable global growth and remain committed to continuing APEC's leadership to promote free and open markets. We therefore reaffirm our commitment to keep our markets open, and to fight against and to rollback protectionist and trade distorting measures, and reaffirm our Leaders' pledge to extend the standstill commitment until the end of 2020."
- Recalling the outcomes of the 11th WTO Ministerial Conference, we are committed to fulfilling the Buenos Aires Ministerial Decision on Fisheries subsidies and work programme on e-commerce. We agree to advance discussions on initiatives on E-commerce negotiations, investment facilitation, services domestic regulation, Micro Small Medium Enterprises (MSMEs) and trade and women's economic empowerment.

tation, services domestic regulation, Micro Small Medium Enterprises (MSMEs) and trade and women's economic empowerment.

- We welcome the ratification of the WTO Trade Facilitation Agreement (TFA) by all member economies, which demonstrates APEC's commitment and support for the MTS. We call for its full implementation, recognizing that it helps bring about meaningful and widespread benefits for all economies and demonstrates the WTO's ability to deliver practical and development oriented outcomes.
- We acknowledge APEC's work on the elimination of export subsidies and urge economies to comply with the decision on export subsidies on agricultural products in accordance with the Nairobi Ministerial Decision agreed at the 10th WTO Ministerial Conference.
- We recognize the contribution of the Information Technology Agreement (ITA) to promote APEC's digital economy agenda, and encourage economies to participate in the ITA expansion.

"The significance of the 24th Trade Ministers Statement is that it remains the only current global statement on trade for 2018 given the lack of success at the EU Trade Ministers and the failure of G7," Ambassador Pomaleu said. The Trade Ministers Meeting was held after the second Senior Officials Meeting or SOM2.



## Protecting Industrial Designs

In our previous issue we talked about the difference between trademarks and industrial designs and what they are.

In this issue, we'd like to talk more about why it is important to protect industrial designs.

### So why protect Industrial Designs?

By protecting an industrial design, the owner of the design is given a right against its unauthorized copying or imitation by third parties. In other words, the owner of a protected industrial design shall have the right to prevent third parties not having his consent from making, selling or importing articles bearing or embodying a design which is a copy of the protected design. Therefore,

you will see that protecting industrial design clearly benefits the owner of the industrial design.

Since industrial designs are that aspect of an article which makes it aesthetically appealing and attractive, they serve to add to the commercial value of the product and facilitate its marketing and commercialization.

To be protected under most national laws, an industrial design must appeal to the eye. Industrial design does not protect any technical features of the article which to it is applied.

Another benefit of protecting industrial designs is that the owner of an industrial design benefits through the industrial development of his or her products and the protection helps to ensure a fair return on

investment.

The consumer and the public at large benefit as well since industrial design protection is conducive to fair competition and honest trade practices, encourages creativity and thus leads to more aesthetically attractive and diversified products.

Also, industrial design protection injects creativity into the industrial and manufacturing sector, contributes to the expansion of commercial activities and enhances the export potential of national products.

#### Source :

Information materials from the Distant Learning course offered by the World Intellectual Property Organisation (WIPO) have been used to develop articles in this section.

## PUBLIC CONSULTATION ON PROPOSED CHANGES TO THE ASSOCIATIONS INCORPORATION ACT 1966

The Investment Promotion Authority (IPA) is responsible for the administration of key PNG business laws, among them the Associations Incorporations Act 1966 ("The Associations Act").

The Associations Act has remained unchanged since its passage and the IPA wishes to elicit feedback on issues proposed to be addressed in a future amendment. The proposed changes are intended to: i) address issues that have been identified as problematic for local associations; and ii) bring the Act into compliance with international anti-money laundering (AML) mandates aimed at bringing a higher level of transparency and accountability to this business entity type.

The **Consultation Memorandum** seeking stakeholder feedback is available for download at [www.ipa.gov.pg](http://www.ipa.gov.pg). The Consultation Memorandum seeks feedback on the following issues:

- process to incorporate and/or form an association;
- subtypes of associations and other organizational issues;
- types of groups that should be eligible to become associations;
- proper grounds for an objection to the formation of the association;
- financial transparency;
- rights and responsibilities of committee members;

- registration of foreign associations;
- accountability and good corporate governance practices; and
- general administration and management of associations.

### Public Consultations

The consultation team wants to hear your views on the proposed changes. All members of the public and business community are encouraged to attend and give their views. Consultations were held in Port Moresby, Lae, Kokopo and Goroka.

### Written Submissions

The Investment Promotion Authority invites feedback on the Consultation Memorandum. Written submissions are due by **Friday, 31 August 2017**.

Please provide your comments or submissions to [ggLegislativeReview@ipa.gov.pg](mailto:ggLegislativeReview@ipa.gov.pg)

## COMPANIES ANNUAL RETURNS

The Investment Promotion Authority wishes to advise directors of companies and their agents that the **De-registration Exercise** and switch on of the **Automated Compliance Program (ACP)** have been delayed until further notice.

Due to constant system failures in 2017, which was beyond the IPA's control, the Office of the Registrar of Companies has experienced setbacks relating to record maintenance and the turnaround time of some of the services. This in particular has affected the processes in filing and processing of annual returns through the **Online Registry System** which in turn has affected the targeted dates for the above exercises.

Given the above circumstances, companies have an advantage of time to file their Returns.

We encourage companies to file their outstanding annual returns online as over 90% of annual returns filed online do not require review by IPA Registry Staff. Instead the records are updated immediately and the system automatically updates the status of the company from non-compliant to compliant. Filing paper Form 22 processes are much slower and can be burdensome for the filer and for the IPA Registry Staff.

Please also note that filing annual returns online will allow the system to effectively monitor your filings in future and alert you whenever your annual return is due. This can in turn reduce the cost of annual return filing in future. For instance, you will be able to file your annual return on time without worrying about the late penalty fees.

## UP-coming Events

## IPA CALENDAR OF EVENTS

August	:	Associations Act Consultation
September	:	Speaker's Summit
October	:	Provincial Outreach
November 12th – 13th	:	Concluding Senior Officials Meeting (CSOM)
November 12th – 18th	:	Economic Leaders week
November	:	APEC Leaders Summit
December	:	PNG Mining Conference
	:	IPA Quarterly Board Meeting #4

# PHAMA RELEASES COFFEE INDUSTRY REPORT

Coffee is a major cash crop in Papua New Guinea, generating approximately K350 million in export revenue each year that provides income for more than 400,000 farming households.

This is according to a Coffee Market Study report released by Pacific Horticultural and Agricultural Market Access Program (PHAMA).

The report states that despite PNG being faced with increased competition from more efficient and productive producing nations, the industry is now seeking to redefine its market position through a series of initiatives that increase productivity and add value.

And despite the many challenges faced by Papua New Guinea's coffee sector, it is positioned to also benefit from new market op-

portunities.

“ PNG also has the potential to concurrently increase production quantities of commodity coffee that can serve the demands of newly emerging coffee consuming nations while expanding price differentiated offerings for developed market”, according to the report.

In a global market of increasing competition, the report also highlights that Papua New Guinea is in the challenging position of competing against larger, more efficient and productive origins for market share of an interchangeable low-value commodity.

The report further reveals that a clear strategy for PNG's coffee industry is needed to reorient the nation to pursue its comparative advantages.

The report also further states that conditions are right for the development of a domestic consumer café culture BUT presently there are only a few locally roasted coffee brands and cafes meeting international standards in the country's urban cities therefore the expansion of a domestic coffee industry with numerous outlets for consumers to enjoy high quality coffee will increase consumption.

"Together, policy and strategic investments aimed at improving productivity and price differentiation through quality enhancement, certification schemes, and further processing have the potential to dramatically impact the livelihoods of 400,000 farming families", the report revealed.

## LET'S HEAR IT!

# "GOROKA FINEST HONEY"

A local company based in the Ungai-Bena District of Eastern Highlands Province in PNG who specializes in importing and manufacturing basic bee keeping equipment as well as producing honey is seeking avenues to market its products internationally.

In a letter written to the Investment Promotion Authority (IPA), the company ***"PNG Bee Keeping Supplies"*** has requested that its products be promoted during the APEC related chain of events.

The company is 100% nationally owned and because it had its own bee hives and the capacity to harvest and process its own honey, it decided in 2016 to produce and pack its honey under its own brand ***“Goroka Finest Honey”***.

The aim of the Company is to develop a sustainable domestic market which will enable and concurrently effect a sustainable village based entrepreneurial honey farming within PNG which will in the long run, help with the import substitution strategy thereby contributing to the relief on the foreign currency loss for imported products.

It is also seeking opportunity for Inclusive Growth for local enterprise development in the MSME sector.

After years of giving away honey as promotion in and around Eastern Highlands Province and Morobe Province, the Company in May 2008 took a major step forward and registered itself with IPA under the Business name “PNG Bee Keeping Supplies”

In 2017, it produced 2 tonnes of honey and it is forecasted that this year, it will produce four (4) tonnes of honey with the potential for more when honey is purchased from the expanded farmers based within and around the Eastern Highlands Province.

Honey farmers are currently being paid K13 per kilogram which is much more lucrative than coffee which currently buys at K5 per kilogram.

Phillip Hogi from PNG Bee Keeping Supplies says the company has managed to produce 1 kg of sealed buckets which is going at K50 each and is now for sale in Port Moresby.

Mr Hogi said 100 and 200 gram bottles of honey are also in the process of being cleared at Customs and these will also be available for sale.

The project has already developed and expanded its network and services into all highlands provinces, Morobe, Madang, East New Britain, New Ireland, East Sepik, Oro and Gulf Provinces as well as the Autonomous Region of Bougainville.

The Company says it will continue to work in close partnership with stakeholders such as National and Provincial Department of Agriculture & Livestock, NAQIA, Women in Agriculture, Donor agencies, IPA, Strongim Pipol Strongim Nation program & Market Development Facility to ensure the success of its business.



## PNG COMPANY MARKETS ITS PRODUCT IN JAPAN

The Investment Promotion Authority (IPA) is supporting SMEs and MSMEs to promote their products internationally or in overseas markets.

The Authority supported a local PNG Company, Amruqa to promote its new range of cooking fusion products at the 43rd International Food and Beverages Exposition (FOODEX Japan) which was held in Japan early this year.

FOODEX Japan is one of the biggest food and beverages exposition in the Japanese business calendar.

This year's exposition saw the attendance of over 72,000 buyers, distributors, resellers, businessmen and women from the food service, distribution, and trading companies all over Japan and the world.

The exposition offers an excellent avenue for companies looking at exporting into the Japanese market to exhibit, promote and showcase various products to this lucrative Japanese market.

There were 3,466 exhibitors from over 83 countries who attended the exposition.

Every year, a JETRO ZONE is set up within FOODEX Japan to allow developing countries to showcase under with an opportunity to introduce to Japan potential food or beverage from their countries and assist enter the Japanese market. JETRO offers assistance for developing and least developing countries.

Amruqa was the only PNG Company that attended the exposition under the JETRO ZONE.

FOODEX JAPAN provides three (3) marketing advantages including the introduction of Investors to Japan's and Asia's market opportunities and creates opportunities for one-on-one meetings between buyers and sellers.

Amruqa appreciates the support of IPA, Pacific Island Centre (PIC) and JETRO for their efforts in promoting their products in Japan. PIC stood in for Amruqa and helped in showcasing Amruqa's products.

Having the Amruqa Brand exposed to Japan's

high end food industry enabled its products to be tested for quality, packaging, labeling & traceability and product range.

Amruqa has indicated that from the exposition there is a clear indication that there is a demand for its products and that it must work harder to expand the marketing and expose the 'Amruqa brand' to targeted markets.

It said the one-on-one meetings with a range of company representatives gave them invaluable exposure to the market and provided them with the great insight into the growing food industry.

Amruqa also realizes that it must look at expanding its marketing capacity and implement improved promotional interfaces to connect better with PNG and the world".

"Amruqa" is a qaqet name for the rosewood

tree meaning re growth or regeneration. Its central processing facility is at Vunakanau Estate in Rabaul, East New Britain Province. They offer a range of quality certified spices, essential oils and high level coconut products which are processed to international standards.

Amruqa was initially known as Pacific Spices when established in 1997 and have grown and expanded over the years.

The application for next year's expo opened in May and IPA through its Marketing and Export Promotion Unit have started sending out invites to identified companies.

Again as part of IPA's ongoing promotional roles, the IPA's Acting Managing Director, Clarence Hoot has agreed for IPA to assist with meeting the booth fee of at least one or two PNG companies that will be participating.



IPA staffs touring the Amruqa factory in Kokopo.

## CONSULTATIONS ON THE REVIEW OF THE ASSOCIATIONS ACT OF 1966 WELL UNDERWAY.



IPA Acting Managing Director, Mr Clarence Hoot addressing the participants during the Consultation workshop at the Stanley Hotel.

Consultations carried out by the Investment Promotion Authority (IPA) on the review of the Associations Act of 1966 has been progressing well with the next leg of consultations to progress to other centers in the country this month (August).

The First consultation was held at the Stanley hotel in Port Moresby on the 11th of July, 2018 which saw a good turnout of stakeholders and members of the general Public, Government and Private sectors.

These consultations are intended to elicit feedback on issues proposed to be addressed in a future amendment to the existing Papua New Guinea *Associations Incorporation Act of 1966 (Associations Act)*.

The Associations Act has remained unchanged since its passage in 1966, therefore the proposed changes are intended to address issues that have been identified as problematic for local associations, bring the Act into compliance with international anti-money laundering (AML) mandates and to bring a higher level of transparency and accountability to this business entity type.

The Acting Managing Director for the Investment Promotion Authority, Mr Clarence Hoot when officially opening the Consultation workshop stressed that reforming, developing and expanding the Associations law reform of PNG after 52 years requires a concerted effort among all parties concerned.

He said the efforts have to be championed and driven from within and must follow a clear strategy and built with a building block or a phased approach.

"We at the IPA under our mandated aim to be an effective facilitator and administrator of the country's business registry services, business laws dealing with a wide scope of Business entity types including registering Associations", said Mr Hoot.

He said it is the Authority's intention to see the economy grow by connecting the review to strengthening the country's SME Sector through compliance as well as drive the National Government's SME Agenda in accordance with the Alotau Accord II.

On this premise, the Acting Managing Director said it is also important to make sure all members of the Associations know their rights and allow transparency and accountability as key aspects of good governance.

Participants who attended the consultation



Participants who attended the consultation workshop raised a number of issues during the workshop.

workshop raised a number of issues during workshop including the proposed improvements to be made to the incorporation process by better defining what information is needed in the application to form an association.

The other issue includes, clearly defining what types of groups are eligible to become associations and creating subtypes of associations so as to be able to tailor specific rules for each subtype and to provide clarity on the proper grounds for an objection to the formation of an association.

The need in providing for a higher level of financial transparency for associations, including giving members certain rights to obtain more information about their association was also discussed.

Other issues include the registration of foreign associations, accountability and good corporate governance practices and general administration and management of association.

With regard to Anti-Money Laundering issues, this reform is being driven in part by deficiencies noted with the Associations Act as per the 2011 "Mutual Evaluation Report" (MER) prepared by the Asia/Pacific Group on Anti-Money Laundering.

In response to the MER, Papua New Guinea has been working on a "*National Anti-Money Laundering and Counter Terrorist Financing Strategic Plan 2017-2027*" (NSP) which contains a section that addresses AML issues. The NSP states that Government will conduct a review of the Associations Incorporation Act to ensure proper registration of Non-Profit Organizations (NPOs) and en-

able information with respect to NPOs to be made available to investigative authorities with a view to ensure NPOs are not misused by terrorist organizations posing as legitimate entities.

This review is also aimed at ensuring that NPOs are not used to exploit legitimate entities as conduits for money laundering, including for the purpose of escaping asset freezing measures, and not to be used to conceal or obscure the clandestine diversion of funds intended for legitimate purposes to terrorist organizations.

The next leg of consultation will be carried out in Kokopo, East New Britain Province on the 10th of August, 2018 at the Gazelle Inter-

national Hotel.

This Consultation is a joint effort between the Investment Promotion Authority and 'The Pacific Private Sector Development Initiative', an Asian Development Bank program undertaken in partnership with the governments of Australia and New Zealand.

Meanwhile, the IPA's Acting Managing Director, Mr Clarence Hoot in concluding his opening remarks, stressed that IPA is looking forward to working closely with the general public, private stakeholders as well as development partners in consolidating resources to facilitate the growth and expansion with clarity on the objective, roles and functions of the Associations sector, incorporating

good governance practices in PNG, with a clear strategy and roadmap driven by the IPA.

Mr Hoot further acknowledged the good support and cooperation IPA has had with the ADB PSDI on this work with resources support from the Australian Department of Foreign Affairs and staff of the IPA.

"It is going to be a long road with a lot of work ahead but today's session marks that commendable start of this review journey which will also take us to the other regions of the country for Stakeholder Sessions", said the Acting Managing Director.



Acting Registrar of Companies, Ms. Harriet Kokiva addressing the participants during the Consultation workshop held at the Stanley Hotel in Port Moresby.



IPA's Acting Managing Director, Mr. Clarence Hoot along with other participants during the Consultation workshop.



Participants who attended the consultation workshop.



IPA, EO to MD's Office Mr. Ronald Maru along with Acting Registrar of Companies, Legal Officer, Malis Mining and Russell Pruaitch taking notes during the workshop.



## "Forestry Project in Western Province seeks Investor"

A Forestry Project proponent from Kiunga in Western Province is seeking an investor to manage its sustainable forest management business involving logging and downstream timber processing for domestic and overseas market.

Golden Way Forestry Project's size and Investment is valued at K1.5 million.

The proposed project was initiated by the Ghei-quin Incorporated Land Group (ILG)

of Western Province. The proposed project seeks to venture into selected logging and downstream processing of timbers for domestic sales and export markets.

The project proponent (Gheiquin Incorporated Land Group) through their established landowner company (Gava Nak-hoa Khahis Gha Limited) would like for the potential investor/developer to manage and ensure that this project is undertaken sustainably and achieve a balance between managing

risks and creating income opportunities for the rural populace, increasing wellbeing and livelihood of mothers and children, poverty alleviation, participation in downstream processing of their resources and supporting the long term needs of the community.

The proposed project aims to provide high quality forest products at affordable rates to meet customer demands, ensuring sustainable operation by preserving environment, community, culture, social and future gener-

ation's wealth, through transparency, good corporate governance and ethical practice where everyone benefits.

#### Main business activities of the proposed project:

- Selecting and felling of marketable tropical rainforest for round logs and downstream processing.
- Ripping of assorted and marketable timbers in descriptions and sizes.
- Treatment and seasoning of marketable products.
- Sales and marketing targeting both domestic and overseas markets.

#### Products:

The company aims to maintain quantity and

quality of timber/wood products to meet customer demand in both the domestic and overseas markets including the following products:

- Treated timbers of all sizes and descriptions
- Plywood products
- Building kits

This project needs support in terms of operational capital, resources and technical expertise through Partnerships and JVs.

#### Contacts:

Ms. Naime Obuga (Company Secretary) on (+675) 71375888 or email on [gnkgld15@gmail.com](mailto:gnkgld15@gmail.com) or IPA PNG [investment@ipa.gov.pg](mailto:investment@ipa.gov.pg)

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## QUESTION TIME

### Removal of a Local Company from the Registry

#### Question:

I am the owner of a locally registered company but I 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, Intellectual Property rights or wish to know more on Securities? If so, email your question to:** [click](mailto:click)

[beverlyp@ipa.gov.pg](mailto:beverlyp@ipa.gov.pg)

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



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