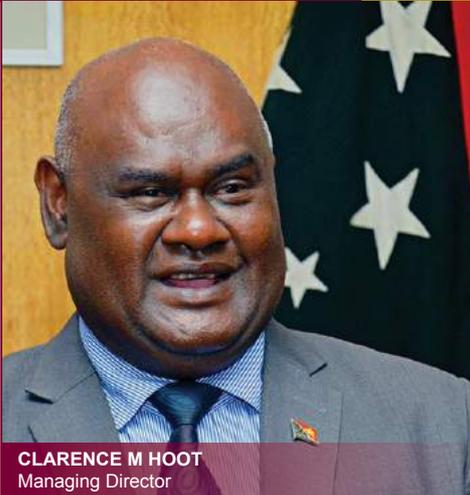




Opportunity

Issue #7- July 2021

MD's INBOX



CLARENCE M HOOT
Managing Director

Dear Readers and welcome to seventh edition of the IPA's Opportunity newsletter.

Firstly, the Investment Promotion Authority (IPA) will continue to take on challenges to ensure that it continues to execute its role to promote and facilitate investment.

COVID-19 has disrupted many of our work programs this year BUT we are still adamant in making sure that majority of our work programs are achieved or executed.

We are still strictly operating under the new

normal where it is mandatory for clients to wear face masks before entering the IPA building and must practice social distancing.

To avoid the risk of contracting COVID-19 from a crowded area, clients are again encouraged to utilize our ONLINE Registry System to do registrations and lodgments. Benefits of using the ONLINE Registry system includes the registration cost being cheaper and you are able to have authority over your entity.

Among some of our work programs that we are rolling out include the aftercare and awareness programs to provinces around the country. We had a team return from Kavieng in New Ireland Province. The team did awareness on the services that IPA provides in Kavieng town and also in Namatanai District.

We are also anticipating the commencement of the signing of MOUs with provinces for the extension of our services to the provincial and District level. The scheduled MOU signings with a number of provinces were affected because of the COVID-19 pandemic early this year.

A team from our Investor Servicing and Promotion Division is now scheduled to travel to West New Britain Province to launch the Help Desk there at the end of September.

The Help Desk launch will signify IPA's efforts to develop a strategic partnership aimed towards

meaningfully delivering services to the people of West New Britain Province.

Another significant event that IPA will be playing a role in to promote foreign direct investment into the country is our involvement in the preparations towards PNG's participation in the World Expo2020 in Dubai which starts in October this year and continues till March 2022.

A team from IPA will travel to Dubai with members of government agencies led by the Department of Foreign Affairs & International Trade.

IPA is also progressing the ongoing work to have the Investment Promotion Amendment Bill tabled in Parliament. The amendment bill has been approved by NEC and its going through final verifications before being tabled in Parliament.

We also feature in this edition steps on how to register an Association online. All in all, happy reading and I look forward to your usual cooperation going forward.

Thank you.

Clarence M. Hoot
Managing Director

Tips & Traps

Steps on how to renew your Business Name ONLINE after expiry.

If you register your business name offline or at any of our counters either at our head office in Port Moresby or at any of our regional offices around the country here's how you can go online and renew it. Note that you will ONLY renew ONLINE if you register an ONLINE account.

1. After registering an online account, Log into your ONLINE account.
2. Click on Online Services and go to where it says search business name
3. Type your business name and click on search to display details about your business

4. Click on where it says "*to maintain this business name you must request*"
5. You will then select where it says I am an Owner of this business name and click on submit
6. Once you click on submit, you will be requested to upload your ID and then submit. Your request for authority will then be reviewed by our internal staff and authority will be granted accordingly. Once authority is granted, you can now renew your business name ONLINE.
7. A business name **MUST BE RE-NEWED** after one year or annually. If you

fail to renew on time, the fee accumulates. For example if you register in 2019 and you fail to renew in 2020 and this year, you will pay for both years in order for your business name to be updated.

IP rights holders urged to record with PNG Customs for border enforcement.

The Papua New Guinea Customs Service (PNGCS), as mandated to facilitate legitimate trade and protect local industries, is reaching out to rights holders of intellectual property (IP) to record their IP with Customs for monitoring and enforcement at the borders.

Customs IP enforcement role is being undertaken by the Intellectual Property Rights and Industry Standards Section, which comes under the Enforcement Division of the PNG Customs.

The establishment of the IPR section is in line with PNG Customs' commitment to the World Trade Organisation (WTO) TRIPS agreement to put in place effective IPR border measures. TRIPS stands for *Trade Related Aspects of Intellectual Property Rights*.

Papua New Guinea is a member to a number of international treaties and conventions such as the WTO, World Customs Organization (WCO), APEC, and the World Intellectual Property Office or WIPO. As a result, PNG through its border enforcement agency, PNG Customs has put in place basic but effective IPR enforcement mechanisms to facilitate legitimate trade, protect communities and local industries with a dedicated desk set up for this purpose.

The IPR section is responsible for monitoring and enforcement of IPR through the **Recordation** and **Intervention** process pursuant to the **Customs Prohibited Imports Regulation**. In a nutshell, the IPR border enforcement has a two-pronged approach which includes (i) *Recordation* whereby the Right Holder records at no cost for two-year border enforcement period and (ii) *Intervention* (suspension of Customs Clearance upon detection of suspicious products at the border).

Legitimate business that know of suspected infringers bringing in **counterfeit**, **pirated** or **sub-standard** goods into the country that infringe on Trademarks, Copyright & Neighbouring rights or being protection-defeating devices may contact the IPR section to utilize this system.

It is important to note that the Intellectual Property Office of PNG (IPOPNG), a division of the Investment Promotion Authority administers the IPR laws whilst Customs enforces it at the borders.

An entity or individual must first protect its Intellectual Property by registering with the IPOPNG. A valid IPR certificate allows you to enforce your rights at the borders by registering with PNG Customs through the **Recordation** and **Intervention** process.

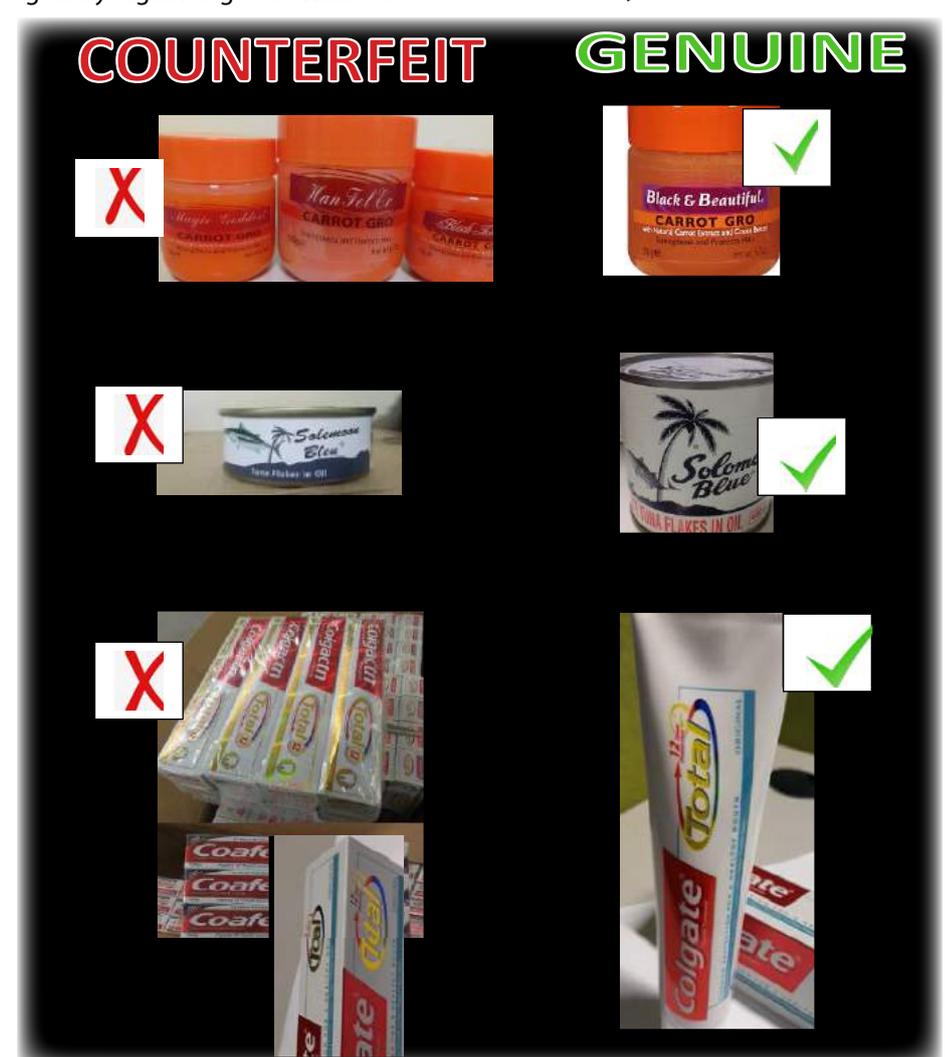
The process as briefly mentioned only covers goods suspected of infringing intellectual property rights of a valid right holder. All other goods cleared as not infringing IPR's are to be released back to the owner on the condition that all the necessary Customs requirements have been met.

Given IP rights are private rights, right holders representing genuine businesses are encouraged to enforce those rights by registering with Customs.

To elaborate, once an entity successfully registers its intellectual property rights with IPOPNG, it becomes the right holder. It therefore can enforce its rights over the good(s) at the borders by seeking recordation with PNG Customs.

In a follow up article we will give a detailed outline of the IPR enforcement process and also provide some practical insights into what we have been doing.

For more information or enquiries on IPR border enforcement with PNG Customs please do send an email toipris@customs.gov.pg and we would be more than happy to assist you.



Above are examples of some infringing IPR goods PNG Customs has come across at the borders in recent times. Brand owners can come forward and record with Customs to allow us to keep watch of any suspicious consignments.- Source: Press Release by PNG Customs.



IPA's Finance Manager, Ms Nellie Ure (Centre) presenting the uniforms to the Manageress of the Scorpions Volleyball Club, Marryanne Paru (Left).

The Investment Promotion Authority (IPA) will continue to uphold its community social responsibilities by assisting communities within the vicinity of Konedobu with good initiatives including the involvement of youths in sporting

activities.

IPA's Managing Director, Clarence Hoot said this when approving the sponsorship of uniforms by IPA for a volleyball sports club—"Scorpions" who are taking part in a Volleyball competition at the DCA comp-

ound in Konedobu, Port Moresby.

Scorpions Volleyball Club received 20 sports T-Shirts worth over K900.00 which were printed with numbers and the IPA logo. The uniforms were presented to the Scorpions Volleyball Club by IPA's Finance Manager, Ms Nellie Ure.

Scorpions Volley Ball Club Manageress, Marryanne Paru when receiving the uniforms, thanked IPA on behalf of her club for the support and highlighted that IPA's continued support to not only Scorpions Volleyball club BUT other initiatives will go a long way.

The Volleyball competition is funded by the Member for Moresby South Electorate, Justine Tkatchenko with the aim of keeping communities especially youths away from trouble and promoting good health.

Meanwhile Mr Hoot said this is not the first time that IPA is supporting a sports club but has done that over the years.

"We've supported many sporting clubs especially those within the vicinity of Konedobu" and we will continue to do so.

Boosting PNG's global cocoa exports

The Cocoa Board of Papua New Guinea is working to improve quality and boost trade volumes of cocoa through a partnership with the Pacific Horticultural and Agricultural Market Access Plus Program (PHAMA Plus).

PHAMA Plus will work with the Cocoa Board of PNG to improve quality and reduction of smoke taint through combination dryers; variety flavour profiling; buyer linkage and trade facilitation.

Cocoa Board PNG Executive Manager – Industry Corporate Services, Mr. Anthony Vigil said during the partnership signing that strengthening PNG's international standing in the global cocoa market will help bring value to the whole supply chain in PNG.

"Cocoa is an important commodity in rural areas of PNG. The industry employs approximately 31% of the labour force in rural communities and is a significant contributor to rural livelihoods, providing direct economic benefit to over 150,000 households in PNG," he said.

"Through this partnership, PNG's cocoa industry will continue to provide a growing and stable means of job security and revenue for PNG and cocoa farming households."

This Australia and New Zealand supported collaboration aims to connect producers to specialty markets which includes supporting the industry through access to an online flavour profiling system, evaluation and logistics support.

Cocoa quality testing equipment will be supplied to select cocoa growing groups enabling growers to monitor their cocoa quality during the fermentation and drying process.

"We're pleased to continue supporting the PNG cocoa industry by improving quality and production volumes, as well as identifying opportunities to access new specialty markets," PHAMA Plus National Facilitator Lavinia ToVue said.

The partnership also focuses on enhancing the economic development of PNG women, youth and people living with disabilities involved in cocoa.

"A Family Farms Team (FFT) training program will be provided to growers through this partnership. This program recognises the role women and youth play in the cocoa sector and encourages farming families to look at the family unit as an important resource to be informed, included and empowered," Ms Tovue added.

PHAMA Plus has collaborated with the PNG Cocoa Board since 2015, providing training in innovative farming practices



From left – Cocoa Board of PNG Manager Economics and Statistics Section Claire Parik, and Anthony Vigil, Executive Manager Industry Corporate Services after remotely signing a partnership with the PHAMA Plus Program. - Source: PHAMA

***For more information, please contact PHAMA Plus National Facilitator PNG Ms Lavinia ToVue on l.tovue@phamaplus.com.au**

that maximise profit ability and income and maintain a sustainable value chain to improve international competitiveness for PNG sourced cocoa.

PHAMA's support has resulted in two cocoa producers exporting cocoa to international specialty markets in Hawaii, United Kingdom, Australia and New Zealand.

Cocoa export revenue is ranked third after oil palm and coffee and contributes approximately PGK291 million per year (AUD106 million) to the PNG economy.

“Price increase will affect small business and consumers”: Farmers and Settlers Association

The increasing non-tax fees and charges by various Government Departments has caused the Farmers and Settlers Association to cry foul saying it is adversely affecting businesses.

Farmers and Settlers Association has now called on the Ministry and Department of Finance & Rural Development to take the lead, in reviewing legal and policy implications as most or all government departments and agencies have increased the non-tax fees and charges.

The chain reaction to this will see various businesses pass the cost to the people of PNG.

Wilson Thompson, President of Farmers and Settlers Association that represents rural business, growers and farmers and agriculture plantations, buyers, processors, importers and exporters and farm supply companies said that apart from sudden increases, PNG is faced with COVID19 issues and struggling economy, which the critical sector that provides food and income for vast majority of the population in the agriculture, food processing, exporting and rural businesses.

“Our concerns are that most government departments and agencies have imposed new or increased the existing fees and charges to the consumers – be they farmers and growers, businesses, SME operators, vehicle owners or operators or just people buying stuff. We noted that some increases are even 500 percent increase to take effect immediately. This we note is attributed to poor review over the years and applying any increases on phased stages over the last 20-30 years”.

“We know that the Government Departments and Agencies will not review their own decisions, but our concern is the collective impact on the producers and the Micro and SME Business and the consumers. We all use the wharves and airports and vehicles and this is passed to the consumers. We import flour, rice and sugar and fertilizers so all agriculture prices goes up. We all use electricity generated mostly by diesel stations and so the increase in fuel increases electricity costs. Our rural business use diesel so all goods

will have increase in prices”.

“The increases in wharfage fees and fuel prices will reduce the price that the grower or farmers gets for his coffee, cocoa, coconut, rubber, tea whilst the people will pay higher prices for sugar, rice, flour and the fresh food and vegetables that relies on fertilisers and fuel”.

We are concerned that these issues were not thought out well and the impact will be felt by vast majority of our people in the agriculture sector, fresh produce and Micro and SME dealing with PMV, vehicle hire and selling of fuel and lubricants”

Our submission to Government dated 21 May 2021 still stands for a whole of government decision and in the meantime, we request the Independent Consumer and Competition Commission (ICCC) to deliberate independently on the issues -

- 1. Ministry of Environment & Conservation and Climate Change – Water Permit and Discharge Fees and Fossil Fuel and Fertiliser’s Surcharge**
- 2. Department of Labour & Employment -Warehouse and Factory Registration Fees, Industrial Liquids and Safety Fees and Trade Fees**
- 3. Department of Transport – Vehicle Licensing and Registration Fees**
- 4. Department of Agriculture & Live stock and its Agencies – Research, Extension Levy and Tonnage Levy**

“First, these fees and charges need to be consistent with law being the **Public Finance Management Act** and through consultation and public policy process. Secondly, ICCC is responsible for the regulated sector that must be dealt with separately without advice or instructions from any Minister or Departments or Agencies. Our concerns falls under ICCC scope as follows.

The Farmers and Settlers Association called on ICCC to have interest as per its (Consumer role) in how the government departments and agencies are complying with the laws prescribed for collection of

certain fees and charges and ensuring that services are provided accordingly. As per the *Public Finance Management Act (2016 Amended)*, the authority to amend fees and charges rests with the Minister for Finance after consultations, the ICCC must ensure that that the Secretary and Minister for Finance have granted their approval for the imposition of fees and charges that are paid by the consumers.

The Government needs the monies but it should be careful at where it is collecting its revenue as it is also affecting the 85 percent of the people who rely on agriculture for sustenance and 100 percent of the people who eat imported or locally produced food, use transport to access health and education services. But we believe that ICCC is the independent entity that can review the critical areas that we have raised and surely, if nothing is done, most price increases will take effect this month and is serious”

For example, is the charging of Tonnage Levy by Cocoa Board consistent or allowed by the existing *Cocoa Act* and if that increase from K40 to K100 fee is approved by the Minister as per the *Public Finance Management Act*?

Is the charging of fossil fuel surcharges by Office of Climate Change not going to increase the price of Petroleum and Electricity as per the Regulated Services?

Is the charging of Water Permit and Discharge Fees not going to increase the price of Water and Sewerage and effluents discharge?

Source: PR-Farmers and Settlers Association



PNGX Announces Appointment of General Manager

Papua New Guinea's National Stock Exchange is pleased to announce the appointment of Ms Elizabeth Wamsa as General Manager.

Ms Wamsa joined PNGX in November 2015 as a Graduate Analyst and has most recently held the role of Compliance Manager. Ms Wamsa holds qualifications in Business Management from Royal Melbourne Institute of Technology.

"PNGX is very pleased to have Ms Wamsa leading the development of PNGX as a key part of the country's financial infrastructure. Ms Wamsa joins a selected group of female leaders of emerging market exchanges around the world and is one of the new generation young women leaders of Papua New Guinea" said PNGX Chairman, Mr David Lawrence.

PNGX will be recruiting additional staff in the operations and market supervision role.

About PNGX Markets Limited

PNGX Markets is the National Stock Exchange of Papua New Guinea. PNGX is responsible for providing an orderly and fair market in relation to securities which are traded through its facilities and for acting in the public interest having regard to the need for protection of investors. PNGX is regulated and licensed by the Papua New Guinea Securities Commission. PNGX is the National Numbering Agency for Papua New Guinea.

Niugini Organics exports coconut products to Japan



Tropic Fronds Oils Limited trading as 'Niugini Organics' is achieving new heights with its recent export of products into the Japanese market.

This follows the company's participation in a trade exposition organised by the Japan External Trade Organisation (JETRO), a Japanese Government-related organisation promoting trade and investment.

A Japanese Distributor was appointed, following meetings at the Foodex tradeshow and sales of coconut oil and soap since have been very pleasing. An exciting development for the 100% PNG owned company who were also recently awarded *Processed Export Product of the Year* at the 2021 SME Awards.

Established in 1994 by couple Dennis and Debra Hill, Tropic Frond Oils Limited is based in the small township of Kerevat, in the East New Britain Province. The company have been manufacturing coconut oil products for the local PNG market for over 27 years, and in 2008 they exported their first shipments of certified organic coconut oil to Australia under the brand name *Niugini Organics*.

Since then, Niugini Organics has been exporting products to Australia, New Zealand, UK, Ireland, Korea, Hong Kong, and now most recently, Japan. Products are also supplied through Amazon in 10 countries including several European countries and USA.

The Niugini Organics [Virgin Coconut Oil](#) is processed in a small, modern plant and is single origin, raw, unrefined, unbleached, undeodorized and certified organic. The [soaps](#) are also produced using the same premium quality coconut oil, with the addition of pure essential oils. No artificial fragrances or colours are used. Dennis and Debra have spent over 20 years developing their unique process that produces a coconut oil of the highest possible quality. Sadly, Dennis passed away in February this year, leaving the operations of the company with his wife, and while he will be deeply missed, Niugini Organics remains committed to upholding his vision of establishing PNG as an exporting leader of high-quality organic coconut oil and soaps.

With 1,150 square metres under factory floor, modern soap and coconut oil production lines and a well-equipped lab, Niugini Organics is a major employer in the Keravat township. Niugini Organics is also the primary source of income for many local villagers, who will harvest their organic coconuts from their own land and sell their produce to the Niugini Organic factory.

Pauline Cleaver is the International Marketing Manager for Niugini Organics and offered the following advice to SMEs:

- Perseverance is essential – it can take several years to succeed with a potential customer. If you get a rejection from a customer it just means "not at the moment". Try again in 6 months.
- Invest in your website – it needs to clearly show what your products are and where they are from.





LET'S HEAR IT!

Niugini Organics exports coconut products to Japan...from page 5

- Utilize the social media platforms and develop professional looking packaging for your products.
- Attend trade shows such as the one organised by Foodex, (JETRO), as they offer product exposure and an opportunity to establish new partnerships/relationships prospective customers.
- Develop a dedicated marketing team within your business or outsource this aspect and concentrate on the manufacturing.
- There will always be a problem to solve. Accept it as a challenge.

Covid-19 storm' and produce great quality export products for decades to come.



The challenge that Niugini Organics currently has is being able to produce sufficient virgin coconut oil to meet the demand from our loyal customers. Landowners are supplying slightly fewer coconuts compared with pre-covid times which is temporarily putting some strain on production." However, the company is confident that they will be able to 'ride the



HOW important is it to protect an Industrial Design?

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.





MEETING RESOLUTIONS NO longer needed for company record updating

We advise our valued Clients and the general public that the Office of the Registrar of Companies **no longer** requires the practice of attaching meeting resolutions and minutes when filing forms to update or maintain records of directors and shareholders.

Directors **must continue** to ensure that minutes of all company meetings and resolutions of shareholders and directors are kept at the **registered office** of the company. The registered office should be consistent with IPA records and must be an easily accessible address including a street name.

Accordingly, **do not** attach the company's shareholders or directors' meeting minutes and resolutions to Forms 10, 11, 13 and/or 16.

We further advise that if you are a lodgment party or presenter or person filing a Forms 10, 11, 13 and/or 15 and 16 on behalf of a company, you are required to fill or complete an **Indemnity Declaration**. A copy of your government issued identification card must also be presented (For example, drivers license, passport, National Identification Card etc) when filing these forms.

We urge presenters of these forms to understand and adhered to this notice to avoid any inconvenience.

Please do not hesitate to contact the Registrar on **Email**:

registrar.companies@ipa.gov.pg. or on **Phone**: (675) 308 4444, (675) 321 7311, (675) 308 4438 or (675) 308 4454. **Fax**: (675) 321 3049 should you have any queries.

Thank you

Registrar of Companies

How do I register an Association online?

To register your Association online you will need an IPA Online Registry System (ORS) account. Click on "Register Account" under the "Do It Online" menu to register an account.

Each step of the registration process is outlined here:

Steps to Register an Association

1. Submit a notice of intention attached with the constitution(upload).
2. Publish your approval of your notice of intention in either the two daily papers (The National or The Post Courier). A month after the date of publication submit your application for Incorporation of an Association;
3. If there are no objections to your intention to register an Association, your application will be reviewed for approval. But if there is(are) objections the Registrar will notify the applicant/notifier advising him/her of the Objector reasons for objecting. The Objector will also receive confirmation that the Registrar has approved the objection.

Address

You must provide both an address for communication and postal address when registering Association.

Notifier

The Notifier is the person submitting the Notice of Intention of the Association and whose details must be provided.

Declaration

An authorised person or the Notifier of the Association must certify that all information provided or uploaded is true and correct.

Review

Review your application details before proceeding to the final step.

Payment

You must pay the application fee to complete your application. Payment currently can be made using a Credit/Debit Card.

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:nlurang@ipa.gov.pg)

nlurang@ipa.gov.pg

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

IPA BRANCHES:

Port Moresby, Head Office

Level 1, IPA HAUS, Munidubu Street
(Corner of Lawes Rd and Champion Pde)
Konedobu, Port Moresby

Phone: (675) 308 4400 / (675) 321 7311

Facsimile: (675) 320 2237

Email: ipa@ipa.gov.pg

Lae Regional Office

Level 1, Nambawan Supa Building,
P.O. Box 1074, Lae,
Morobe Province

Phone: (675) 479 2001 / 479 2606

Fax: (675) 479 2001

Email: ipalae@ipa.gov.pg

Mt. Hagen Regional Office

Level 1, Gapina Building,
P.O. Box 1834, Mt. Hagen,
Western Highlands Province,

Phone: (675) 542 0399

Fax: (675) 542 0599

Email: ipahagen@ipa.gov.pg

Kokopo Regional Office

Ground Floor, Marau Haus,
P.O. Box 870, Kokopo,
East New Britain Province,

Phone: (675) 982 9460

Fax: (675) 479 2001

Email: iparabaul@ipa.gov.pg

Buka Regional Office

Commerce Office, Haku Street
P.O. Box 782, Buka
AROB,

Phone: (675) 973 9344 / 973 9189

Fax: (675) 973 9344

Email: ipa_buka@ipa.gov.pg



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