Dear Readers and welcome to our ninth (9th) edition of the Opportunity Newsletter.

This issue will be a special one for me as I will now be addressing you as the Managing Director for the Investment Promotion Authority (IPA) and not as Acting Managing Director anymore.

I would like to take this opportunity to thank the National Government under the good Leadership of the Prime Minister, Peter O’Neill for confirming me as the Managing Director for the IPA.

I also acknowledge and place on record the continued support by the Minister for Commerce and Industry, Hon. Wera Mori over the last two years for his decisive role on my appointment.

I am now looking forward to taking up my new role and I pledge my full commitment to working with the Government, the Board, Management and staff of IPA to fulfill IPA’s mission to promote, diversify, support and grow business investments in Papua New Guinea and, for Papua New Guinea globally.

I would also like to thank the Management and staff of the IPA for their support in making the last two (2) years as the Acting Managing Director a success.

Again the third quarter of 2018 is almost gone and very soon we will be summing up this year’s programs in the final quarter.

The review of the Investment Policy is still progressing and consultations for the review of the Association’s Act are nearing completion before we proceed to NEC for endorsement.

So far in the month of September alone, IPA has sponsored and participated in the successfully concluded Speakers Summit held at the Parliament House precinct and the 6th Lukim PNG Nau Tourism Exposition held in Kokopo, East New Britain Province. IPA also participated in the Buka Chocolate festival which ended on a high note.

The IPA has also taken an extra mile to reduce turnaround time beneficial to our clients within the country by setting up Help Desks at the provincial level.

We signed an MOU with the East New Britain Provincial Government for the establishment of a Help Desk in the province and successfully launched a new Help Desk in East Sepik Province.

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

Thank you and happy reading!!!

Clarence M. Hoot
Managing Director

IPA launches Help Desk in ESP

The Investment Promotion Authority has officially launched the IPA-East Sepik Help Desk with the Division of Commerce & Industry, within the East Sepik Provincial Administration.

The launching will now pave way for the implementation of the signed MoU signed between the IPA and the East Sepik Provincial Administration on the 5th of October, 2017. It’s understood the Help-Desk will now be a
first point of call for all IPA activities to the East Sepik Province.

The Help-Desk was officially launched by IPA’s Director for Corporate Services, Ms. Anna Marikawa on behalf of the Managing Director, Mr. Clarence Hoot. The official launching took place on the 19th of September 2018 between Ms. Anna Marikawa, Director Corporate Services, IPA and Mr. Philip Koni, Chairman of the East Sepik Provincial Administration’s Division of Commerce & Industry. The donated equipments will be used by ESP Division of Commerce and Industry staff to assist IPA clients in business registration process.

The IPA team also conducted training on Online Registration System (ORS) with East Sepik Provincial Administration staff and IPA clients who attended the launching. During the training, Acting Registrar of Companies, Ms. Harriet Kokiva said clients will now lodge their application using Help-Desk facility within the Commerce Division of ESP without going all the way to Port Moresby.

The East Sepik Provincial Administrator, Dr. Clement Malau attended the closing ceremony and assured the team that the administration will support the Help-Desk in terms of operational cost of maintaining internet connection to support the ORS system. While the IPA team also assured the ESP administration and Commerce Division of its continued support in terms of training facilitation.

The IPA team returned to Port Moresby on the 20th of September 2018.

The Investment Promotion Authority will continue to support the Tourism sector in its drive to promote the country as an investment destination.

Managing Director for the Investment Promotion Authority, Mr. Clarence Hoot announced this when presenting IPA’s sponsorship of K15,000.00 towards the 6th Lukim PNG Nau Tourism Expo which concluded recently in Kokopo, East New Britain Province.

The IPA’s support came with benefits of setting up a display booth during the exposition where the authority had the opportunity to promote its roles and responsibilities in promoting and facilitating investments within the country.

Mr. Hoot said Tourism is a sector that will always bring investments into the country and as per IPA’s responsibility in promoting and facilitating investments into and within the country, it will continue to partner with the Tourism Promotion Authority, Tourism Industry Association and its members to enable the growth of the sector.

Meanwhile the Chief Executive Officer of the Tourism Promotion Authority, Jerry Agus expressed the same sentiments saying that the success of the tourism industry depends on the partnership among all relevant stakeholders, the Government and Industry members working together.

The exposition which was officially opened by the Minister for Tourism and Member for Kokopo, Emil Tamur saw the participation of 36 exhibitors and 26 travel agents from overseas markets.

The 7th Lukim PNG Nau Tourism Expo will be held in Alotau, Milne Bay Province in 2019.
The use of Industrial Designs

A clothes manufacturer wants to launch, as part of his new collection, a series of plain T-shirts in three different shades of colour, i.e. white, blue and green. Can these T-shirts be protected by Industrial Design?

No. Since the T-shirts do not present any element of novelty or originality. However, if the materials used to manufacture the T-shirts were new or original, or the shape of the T-shirt was new or original, industrial design could be applied.

What is an industrial design?

An industrial design is the ornamental or aesthetic aspect of an article. The design may consist of three dimensional features, such as the shape of the surface of an article, or of two-dimensional features, such as patterns, lines or color.

Industrial designs are applied to the wide variety of products of industry and handicraft: from technical, medical instruments to watches, jewelry, and other luxury items; from house wares and electrical appliances to vehicles and architectural structures from textile design to leisure goods.

To be protected under the national laws, an industrial design must appeal to the eye. This means that an industrial design is primarily based on the exterior design, and does not protect any technical feature of the article.

Why protect industrial design?

Industrial design is what makes an article attractive and appealing; hence, they add to the commercial value of the product and increase its marketability. 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. Protecting industrial designs help economic development, by encouraging activity in the industrial and manufacturing sectors, as well in traditional arts and crafts.
They contribute to the expansion of commercial activities and the export of national products. Industrial designs can relatively be simple and inexpensive to develop and protect. They are reasonably accessible to small and medium-sized enterprises as well as to individual artists and craftsmen, in both industrialized and developing countries.

How can industrial design can be protected?

In most countries, an industrial design must be registered in order to be protected under industrial design law. As a general rule, to be registrable, the design must be “new” or “original”. Different countries have varying definitions of such terms as well as variations in the registration process itself. 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. Depending on the particular national law and the kind of design, an industrial design may also be protected as a work of art under copyright law. In some countries, industrial design and copyright protection can exist concurrently.

In other countries, they are mutually exclusive: once the owner chooses one kind of protection, he can no longer invoke the other. Under certain circumstances an industrial design may also be protectable under unfair competition law, although the conditions of protection and rights and remedies ensure can be significantly different.

How extensive is industrial design protected?

Generally, industrial design protection is limited to the country in which protection is granted. Under the Hague Agreement Concerning the International Deposit of Industrial Designs, a WIPO-administered treaty, a procedure for an international registration is offered.

An applicant can file a single international deposit either with WIPO or the national office of the country which is party to the treaty. The design application will then be used to seek protection in as many member countries of the treaty as the applicant wishes.

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**IPA CALENDAR OF EVENTS**

- **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
- **December**: IPA Quarterly Board Meeting #4

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East New Britain one of top 5 provinces preferred by investors

East New Britain is proving to be one of the top five provinces preferred by investors coming into the country to do business.

According to statistics from IPA’s 2017 certification database, the National Capital District (NCD), Morobe and East New Britain (ENB) are in the top three preferred investment provinces followed by Western Highlands and Madang Provinces who form the top five provinces that have high investment inflows. The statistics were presented by IPA Managing Director Mr. Clarence Hoot at the ENB gradulative autonomy public awareness at the Gazelle International Hotel in Kokopo.

As presented by Mr. Hoot, the value of Foreign Direct Investment into ENB over the last five years was more than K2.3 billion of which 95 per cent of this was in the manufacturing sector with a total value of more than K2.1 billion. The other sectors included wholesale/retail and construction at 2% each with K46.6 million and 1% in the real estate sector with K14.5 million. The catering and hospitality sector accounts for less than 1% with an investment value of K8.4 million.

In highlighting the statistics, Mr. Hoot told participants that there were four key factors that drive investment attraction which include efficiency seeking, market seeking, natural resource seeking and strategic asset seeking.

“Recent surveys of global trends as revealed by World Bank in 2018 shows that close to 50% of surveyed investors consider political stability and regulatory environment to be critically important for investment decisions;” he said.

“A separate report by the 2018 United Nations Conference on Trade and Development (UNCTAD) states that 87% of investors are wary of global risks arising from geopolitical uncertainties,” he added.

Mr. Hoot also stated that 70% of investors surveyed in the UNCTAD report said social instability was another key factor that gave confidence to investors and 60% saw withdrawal from or renegotiation of trade as another factor.

In the PriceWaterhouse Coopers 2017 APEC report, on average, 20% of respondents reported that experiencing barriers to foreign investment, goods, services and data over the last 12 months was another factor that impacted on investors’ choices in investing in the country.

ENB is one of the provinces that IPA has signed an MOU with and this has cemented an ongoing relationship which IPA had with both the provincial government and the private sector, through the ENB Chamber of Commerce.

A training is expected to commence soon whereby commerce officers will be expected to perform key IPA functions.

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INVESTMENT BY SECTOR IN EAST NEW BRITAIN PROVINCE

- **Mining & Petroleum**: 37%
- **Energy**: 10%
- **Construction**: 12%
- **Manufacturing**: 18%
- **Catering & Hospitality**: 23%
SPICE COMPANY SEEKS MARKET OPPORTUNITIES

Ma Nga Spices is a locally owned business which started in March 2017 in Mt Hagen, Western Highlands Province and was incorporated on 14th May, 2018.

The company is now seeking export opportunities overseas.

Owner, Mrs Regina Koi from Mt Hagen said she was inspired to start this business after reading so much information on spices and their health benefits.

She said she had a medical background and she saw the importance of spices and what they can do to help the human body when used regularly.

“I use a lot of spices in my cooking and enjoy eating spicy food. The outcome of using spices has contributed to improving my health status and I would like other people to benefit from the same,” said Mrs Koi.

She said, currently her target markets are hotels, restaurants, supermarkets and ordinary people.

Ma Nga Spices produces ten (10) variety of spices including turmeric, ginger, curry leaves, chiles, mint, garlic, lemon, lemon grass and mixed spices.

Mrs Regina said her company grows most of the raw materials in their gardens and also buy from local markets.

She said all her products are processed by hand or sun-dried.

The benefits from spices are immense.

- Organic.
  The raw materials Ma Nga Spices use are organic. They are grown in the gardens without any additives in the soil. Similarly no additive is added when the products are processed.

- Medicinal Properties.
  All spices have medicinal properties that are beneficial to the health of human beings. They help treat illness, prolong life and regenerate body cells.

- Culinary uses.
  Most spices flavour food that is enjoyed by millions of people throughout the world. Spices add flavour to food and give out inviting smells and tastes.

- Preserve food.
  Some spices are used to preserve food

- Generate income.

Spices can generate income that can sustain livelihood of local people.

Mrs Regina said Ma Nga Spices started selling its products on a small scale, starting off with street sales, to friends and by word of mouth.

“My next goal is to go to export level given the capacity,” said Mrs Koi.
IPA SUPPORTS INDUSTRIES

The IPA supports and promotes investment and downstream processing within the different industries and sectors to grow the economy. In this issue we highlight some of the promotional activities the Authority participated in to show course its endeavor in this agenda.

Top: TPA’s CEO, Jerry Agus, Minister for Tourism, Emil Tamur and IPA’s MD, Clarence Hoot posing with the K15,000.00 sponsorship cheque payment presented to the Tourism Industry Association by IPA towards the hosting of the ‘Lukim PNG Nau’ Tourism Expo held in Kokopo in September.

Bougainville chocolate festival

Top: The IPA was among the cocoa farmers and chocolate producers in Bougainville during the chocolate festival to share ideas and advice on how they can add value to their products. IPA also displayed PNG manufactured products that are at the export level to motivate farmers that there is hope to bring standards of their products to that level and IPA can help with that.

Pictured are some of the visitors to the IPA exhibition stall.

Below: IPA facilitates successful commissioning of carbonization plant by Japanese investor.

Top: Officers from the Madang Resort Hotel interact with an international tour operator during the tourism expo in Kokopo.

Japanese Investors visiting National Fisheries College Aqua-culture facilities in Kavieng, New Ireland Province for the possibility of breeding eels for export to Japan.

Below: Samples of young eels displayed in a water bag during a visit by Japanese investors to New Ireland Province to explore possibilities of breeding and exporting baby eels to Japan. The visit was facilitated by IPA.
The Securities Commission Papua New Guinea (SECOM), currently a division of the Investment Promotion Authority of PNG (IPA) is the regulator of the capital market and securities industry of PNG. SECOM aims to facilitate a high quality and competitive market infrastructure for investors to trade freely, fairly, efficiently and transparently in a risk free market.

SECOM is inviting expression of interest (EOI) from suitably qualified and experienced accounting and auditing firms to be engaged on an urgent basis to conduct an independent review of the administration of the Pacific Balance Fund (PBF) and its Trustee services which is currently under the oversight of the SECOM.

The Terms of Reference, Scope of Work, Services Required, Duration and Timeframe, Expected Outputs etc, can be obtained at the Office of the Chairman, SECOM, and/or will be disclosed to the successful bidder during interview and signing of the contract.

QUALIFICATION OF THE INDEPENDENT AUDITOR

The SECOM seeks to engage a well experienced accounting/audit firm with high level of integrity and good reputation in the industry; over 10 years experience in the accounting and auditing profession in PNG; and of sound capacity. The desired auditor is required to have:

(i) Extensive experience (preferably 10 years or more) in providing independent internal and external audit services in PNG, especially to corporate clients and or trust funds;

(ii) Adequate staff capacity to efficiently perform the independent review within the duration of the 30 calendar days;

(iii) Provide a well researched and analyzed detailed report addressing all aspects of the outlined Terms of Reference including a doable set of recommendations;

(iv) A Certified Practicing Accountant holding a CPA Certificate in PNG and working knowledge of the International Accounting and Audit Standards and International Financial Reporting Standards;

(v) Experience in providing detailed financial analysis reports to include governance structures of financial service firms

SUBMISSION OF BIDS

The duration of the independent review work is envisaged to commence on 18 October 2018 and end on 16 November 2018 for a total of 30 calendar days. Expressions of Interest addressing the terms of reference and including:

(i) Experience and qualification of the firm in line with the outlined terms of reference;

(ii) Demonstration of the Capacity to efficiently perform the work within the timeframe;

(iii) A technical and Financial proposal for the review, clearly outlining the methodology to conduct the work and synchronized with the financial cost estimates.

All bids are to be submitted in triplicate no later than Friday 12 October 2018 to:
The Executive Chairman
Securities Commission Papua New Guinea
P.O. Box 1170, Waterfront Konedobu
Level 2 IPA Haus Konedobu

For clarifications relating to the Terms of Reference and the submission of bids please contact.

Tel: 308 4454
Email: SECOMadmin@ipa.gov.pg

Authorized by:

Christopher T. Hnanguie
Executive Chairman
The proponents of a Cooperative Society, Rigo-Koiari Cooperative Society in the Central Province are looking for a Joint Venture partner or foreign investor to participate in the development of the commercial agricultural estate.

The Size of the project or the Investment value stands at 2 million US dollars.

The project is an agro-based project preferably intended by the proponent to be established as a fresh agricultural food producing basket to supply aggregate domestic market and also for exports.

It is located in the Rigo District of Central Province with more than 150,000 hectares of arable land to be cultivated. The land is conducive for multi cropping or farming like; Agriculture (food crops, Vanilla & Spice, Fruits & Nuts Farming etc.), Coffee, Cocoa, Rubber farming, Aquaculture (Freshwater Fish & Prawns farming), Eco-forestry, Beef & Sheep farming.

Almost all of these activities are in operation but in small scale. It is indeed commercially viable since it has the resources like Land, Labor and initial capital is available for project implementation.

The infrastructure developments such as Electricity, road access, health centre, and sea access are all readily available for accessibility. The land is owned by the customary landowners however they all came to a mutual agreement when incorporating this corporate society. They all agreed to lease/equally participate with any investors/developers for the mutual benefit of both parties.

Other necessary documents such as business plan, the 2011-2015 report of the cooperative society, certification of incorporation, environmental & feasibility study reports and proposals concerning the project.

Contact: Kule Iamo - Chairman, P O Box 5966, Boroko NCD Ph: (675) 6883038, Email: kiamo@works.gov.pg