



Opportunity

Issue 1 - 2017

Business News, reviews and overviews from the IPA

MD's INBOX



CLARENCE M HOOT
Acting Managing Director

Dear readers,

Let me warmly welcome you to this issue of *Opportunity*.

It has been a busy first half of the year here at the IPA with a number of key programs we've rolled out and others we are currently undertaking.

We have an interesting line up in this issue with our lead story on the call made to Companies to submit outstanding annual returns or face deregistration.

On the promotions front we have been busy with investment mission both domestic and

overseas and continue to receive queries on opportunities.

Most recently we had the staging of the 33rd Australia PNG Business Council Forum and Trade Expo at The Stanley Hotel and Suite in Port Moresby.

The forum is the major annual bilateral business conference that brings together political and business leaders from Australia and PNG to discuss business, trade and economic issues.

The IPOPNG office had the successful staging of the World Intellectual Property Regional Training for Trademarks Examiners of Pacific Islands countries and the consultations.

We also saw the signing of MOU's with two provincial administrations, the Madang and Morobe province respectively. This is for the provision of IPA services via a help desk set up at the provincial Commerce division.

Please read on our other stories and our regular features to keep yourself informed on the updates on business and investment issues in the country.

Clarence M. Hoot
Acting Managing Director

IN THE NEWS

Companies obliged to file Annual Returns

Companies are obliged to file Annual Returns every year, according to the IPA.

Starting in May this year, the IPA undertook an awareness campaign exercise to encourage companies with outstanding Annual Returns to file them.

Given the tough economic times, IPA gave an incentive to companies by way of waiving penalty fees which lapsed on July 20th, close to a month's extension from the initial June 30th deadline.

IPA Acting Managing Director Mr Clarence Hoot stated this exercise was carried out in preparation for the deregistration exercise planned for end of the year.

Mr Hoot said by the end of 2017, companies that do not submit their Annual Returns will be removed from the registry automatically by the system.

This is one of the features of the Online Registry System which has not gone live yet and is called the Automated Compliance Program (ACP).

The ACP allows the system to monitor companies compliance issues and automatically notifies them whenever they are due to file their Annual Returns with the Office of the Registrar of Companies.

In the event that companies do not comply after the notifications have been released, the system will automatically de-register these companies. Pursuant to Section 366 of the Companies Act, a company can be removed from the register of registered companies if its annual return is at least six months late.

Tips & Traps

Why it is important to reserve a Company Name

A name must be reserved before a company can be registered under that name. Use Form 6 to reserve a name.

The reservation of name process is essentially an "approval process". The Registrar of Companies will not approve a name which:

1. Would contravene any law
2. Is identical or similar to the name of another company, or a reserved name;
3. Is undesirable, misleading, deceptive or offensive
4. The Minister has directed the Registrar not to accept.

The Registrar will not register a Company, nor register a change of name unless the name has been reserved beforehand, or an application for reservation of the name is also attached.

Note:

The Registrar can direct a Company to change its registered name if the name is one which should not have been registered in the first place.

The word "Limited" must appear at the end of the company name. The word "Proprietary" and the abbreviations "Pty" and "NL" have been dispensed with.



More news stories next page.....

IPA signs MOUs with Madang and Morobe Province

The IPA is keen on taking its services to the provinces as part of its efforts in ensuring a conducive business environment for all investors.

The IPA has since signed Memorandum of Understanding (MOU) with the Madang and Morobe provincial administrations respectively this year.

Acting managing director Mr Clarence Hoot said the MOU would allow the provincial administrations to perform certain functions and activities of the IPA.

The MOU allows for the IPA functions to be performed at the provincial and district levels in terms of business registration processes, Intellectual Property Rights registrations, profiling of investment opportunities and the monitoring and regulation of foreign enterprises.

“The IPA has always been embarking on ensuring that the business environment in provinces is conducive for all investors to enjoy,” Mr. Hoot said. “Such MOUs are relevant as the functions of the IPA are

streamlined and allow the appropriate Authorities on the ground to take responsibility in ensuring that proper business procedures are observed,” he added.

Mr. Hoot said such arrangements were encouraged in other provinces and hoped to see more provincial governments coming on board the program.

Another important function covered under the MOU involves the partnership in conducting spot inspections and provincial surveys on foreign enterprise and local businesses operating in provinces.



IPA signing event with Madang administration



IPA Acting MD Clarence Hoot (Left) and Madang Provincial Administrator, Daniel Alo

MOU to improve registry services and business environment

A Memorandum of Understanding (MOU) between the IPA and the Asian Development Bank (ADB) signed recently will pave the way for improved registry services.

The agreed technical assistance package under this MOU was signed by IPA acting managing director Mr Clarence Hoot and the Regional Director of ADB's Pacific Liaison and Coordination office, Ms Emma Fan.

Under the MOU, assistance will be provided to improve the IPA's registry services, enhancing reliability and accessibility. This work will help support the IPA's central role in enabling businesses to enter the formal economy, as well as promoting transparency of business information. Assistance will be provided through the Pacific Private Sector Development Initiative (PSDI).

“This is excellent news for both IPA and the PNG public,” said Mr Hoot. “IPA is committed to delivering region-

leading services to the PNG business community. The technical assistance provided by PSDI will help us get ahead of the game and improve our value to PNG businesses.”

The MOU also covers technical assistance to review a number of laws administered by IPA, with a focus on including SMEs in PNG's economic growth.

“SMEs are the backbone of the economy, especially in rural areas,” said Ms Fan. “We need to make sure that the law is better targeted to make it easier for businesses start up, but also encourage them to enter the formal economy. This work is an important step towards this vision.”

Work will shortly commence on the registries upgrades, as well as the policy reviews.

PSDI assistance is made possible with funding support from the ADB, the Government of Australia, and the Government of New Zealand.



▲ Top: ADB's Emma Fan looks on as IPA's Acting MD Hoot signs document.



WORLD INTELLECTUAL PROPERTY DAY CELEBRATES INNOVATION

Staff of the Intellectual Property Office of PNG (IPOPNG) took to the public, awareness at the Vision City mega mall to commemorate World Intellectual Property Day.

World IP Day is annually celebrated worldwide on 26th April by countries that are members of the World Intellectual Property Organization including PNG.

The aim is to raise awareness on how Patents (inventions), Copyrights (literary and artistic works), Trademarks (brands, company/business logos and names) and industrial designs (designs of articles) impact on daily life.

IPOPNG administers the laws on trademarks, patents and industrial designs and plays a coordinating role in consultation with other enforcement agencies like Customs, Judiciary, and Attorney General in the administration and enforcement of the IP laws.

The IPOPNG is housed within the Investment Promotion Authority as one of the divisions.

According to Senior Intellectual Property Registration Officer Lorna Baida this year's theme "Innovation – Improving Lives" was in celebration of innovation and how it had improved our lives.

She said: "Innovation lies at the heart of our social and economic wellbeing. It makes a significant contribution to economic growth and creates opportunities for new and better jobs.

She added: "We often do not take enough time to think about the many ways in which innovation improves the quality of our lives. One only has to compare the way we live today with the way we lived 100 years ago in order to appreciate how the quality of our material lives has transformed over the past century, thanks to new technologies such as artificial intelligence, 3D printing, robotics, mobile money transfer and micro financing services, renewable energy solutions, etc.

This year, we also take the opportunity to think about how we can make innovation really work for the benefit of our society.

Innovation is turning problems to progress where our lives are made healthier, safer and more comfortable through new medicines, improved crop varieties, communication, and many more.

IPOPNG is a division of the Investment Promotion Authority.





Office of the Registrar of Companies

PUBLIC NOTICE - NEW FEES

The Office of the Registrar of Companies hereby wishes to advise all its valued clients and the general public that there has been an overall change in the lodgement fees for forms required by its office.

Please take note that the Investment Promotion Authority has started enforcing these new fees as of the 4th JANUARY 2016. The following table contains the new fees which effectively supersedes any previous publications as well as any previous formal correspondences issued on this matter:

COMPANIES FEES					
FORMS/ DESCRIPTIONS	NEW FEES		FORMS/ DESCRIPTIONS	NEW FEES	
	ONLINE	OFFLINE (Over the counter)		ONLINE	OFFLINE (Over the counter)
Form 1 Registration of a new Local Company	400	500	Form 57 Objection to a Company Reinstatement Application	50	100
Form 6 Company Name Reservation	50	100	Form 46 Application to register an Overseas Company	450	950
Form 7 Application for change of Company Name	50	100	Form 46A Application to Reservation of Overseas Co Name	50	100
Form 9 Adoption/ Alteration of Local Company Constitution	100	150	Form 48 Notice of change of Overseas Company Name	50	100
Application for Extension to Hold Annual Meeting	100	150	Form 49 Notice of Change of Overseas Co Constitution	50	100
Form 22 Local Exempt Company Annual Return	250	300	Form 50 Notice of Change of Directors of Overseas Co	150	200
Form 22 Local Reporting Company Annual Return	300	500	Form 51 Notice of Change of Principal Place of Business	150	200
Form 54 Application to change Balance Date	50	100	Form 53 Notice of Cessation of Business by Overseas Co	50	100
Form 33 Application for Amalgamation	1,000	1,500	Form 52 Annual Return of an Overseas Company	750	1,000
Application to the Registrar to Exercise Powers	1,000	1,000	For inspection/Production/Certification - Sec 398(3)	50	50
Form 55 Application for Reinstatement of a Removed Co	2,500	3,000	For Certified copy of Extract	100	100
Form 56 Notice of Intention to Reinstatement a Removed Co	50	100			

Other Fees for Companies		
FORMS/ DESCRIPTIONS	NEW FEES ONLINE	OFFLINE (Over the counter)
Fees for ALL other forms/ business services that are currently charged at K25 are increased.	50	100
For a submission of any document for which a fee is not otherwise prescribed.	100	100
For an act done by the Registrar under the Act or the Regulation for which a fee is not elsewhere prescribed.	100	100
For an application for exemption by an overseas company from onshore reporting	400	500
For an application for change of currency under the ASBD2	200	300
For an application or request for which a fee is not elsewhere prescribed.	100	100

LATE LODGEMENT FEES FOR COMPANIES		
LATE FEES for all company forms/business services will be applied in the following manner:		
FORMS/ DESCRIPTIONS	NEW LATE FEES ONLINE	OFFLINE (Over the counter)
For any other documents if submitted later than one month after the expiration of the prescribed time	200	200
For an annual return of a local company submitted later than one month after the expiration of the prescribed time	1,000	1,000
For an annual return of an overseas company if submitted later than one month after the expiration of the prescribed time	1,000	1,000

BUSINESS NAMES FEES		
FORMS/ DESCRIPTIONS	NEW FEES ONLINE	OFFLINE (Over the counter)
Form 1 Application for Registration of a Business Name	150	200
Form 3 Amendments to Business Names Details	25	50
Form 4 Renewal of a Business Name	150	200
Form 5 Notice of Cancellation	50	100

Note:

According to the *Business Name Act 2014*, Section 9(1), Business Names renewals will be done every year commencing in 2016 onwards. However, Business Names currently registered in 2015 will continue to operate until after the third year, then annual renewal will begin.

Authorized by

ALEX TONGAYU, LLB, MPA
Registrar of Companies

APEC-G20 Align Trade and Growth Priorities

Issued by the APEC Secretariat

Viet Nam Prime Minister Nguyen Xuan Phuc, representing APEC during the Group of 20 leaders' summit in Hamburg, delivered a strong message of support for international cooperation to address trade and growth challenges in the unsettled global environment.

Invited by German Chancellor Angela Merkel to join the summit in Viet Nam's capacity as APEC chair for 2017, Prime Minister Phuc underscored the alignment of APEC and the G20's policy priorities and vowed to take new and impactful actions to advance them leading up to the APEC Economic Leaders' Meeting in Da Nang in November.

"Creating a new and more powerful momentum for growth from innovation is essential to maintain dynamic development," declared Prime Minister Phuc, in his remarks to G20 leaders.

Prime Minister Phuc noted that APEC economies and G20 countries are both working to realize deeper, next generation economic integration and trade. This includes efforts to promote regional connectivity, limit protectionism and strengthen the global trading system while ensuring that greater benefits reach all corners of society.

Recognizing concerns about the unintended consequences of globalization, Prime Minister Phuc explained that APEC economies are actively pursuing measures to foster more inclusive and sustainable trade and growth while helping those displaced by competitive and technological change.

"The fourth industrial revolution and global network connections have boosted labor productivity and created new industries and jobs, and also posed many challenges," said Prime Minister Phuc. "We believe that the G20 and APEC can coordinate and share ideas and good practices for a multidimensional approach, in all global, regional and domestic aspects, on this matter."

This includes APEC initiatives to open up channels that can enable small businesses to modernize and participate in trade and global markets.

"Governments need to provide a favorable institutional and financial environment for small and medium enterprises, especially to encourage innovative startups, application of digital business models and participation in global value chains," Prime Minister Phuc said.

APEC is taking parallel steps to enhance employment prospects across workforces as demand for new skills evolves as well as improve labor protections to mitigate the effects of market competition, automation and sectoral change. This includes helping those hurt by job losses and empowering people to take advantage of new opportunities as economies look to the future.

Members are also having intensive discussions on inclusive economic, social and financial development, and are working closely in promoting sustainable growth and tackling the impacts of climate change.

Nearly half the G20 are also APEC member economies. Viet Nam joined the G20 members to draft the declaration endorsed at the conclusion of the G20 leaders' summit.

Trade and sectoral officials from all 21 APEC economies, which together account for half of global trade and 60 per cent of world GDP, will convene in Ho Chi Minh City from 18-30 August to press ahead with implementation of the region's policy priorities.

It will be followed by key sectoral ministerial meetings in Viet Nam, Korea and Papua New Guinea to build on this progress and culminate with the 2017 APEC Economic Leaders' Week hosted by Viet Nam Prime Minister Phuc from 6-11 November in Da Nang to provide directives on moving forward.

LEGAL UPDATE

What do the Changes to the Companies Act mean?

The changes also provide for increased protection of creditors.

This means;

-Better protection during the liquidation of a company, with court assistance provided to access company documents and request an audit.

-Directors who purposefully mismanaged accounting records will be held personally liable so that creditors can be repaid if needed.

LET'S HEAR IT!

Ni-Van Tailoring offers beginner's sewing classes.

While some businesses start out as a hobby, Ni-Van Tailoring was established as a result of a community project.

Owner, Heather Vanua registered Ni-Van Tailoring in 2016 with IPA, after seeing a huge interest from women in formal employment who wanted to learn sewing.

Vanua decided to conduct the 'Beginners sewing classes for Professional women as part of her community project. This counted towards completing her Master's studies in Science in Administration with emphasis on Management - an online study under Adventist International Institute of Advance Studies in the Philippines.

Vanua's love for sewing and her teaching profession gave her the perfect combination to kick start what she thought was the ideal community project to teach sewing. She decided to conduct the beginners sewing classes for professional women for four hours on Sundays.

The first Beginners Sewing classes started in 2015 February in Port Moresby and attracted over 100 women which comprised professional women, unemployed mothers and young girls. The project proved a success as more and more women continued to enquire to take up Vanua's course. Following this she decided to register her project as a business with the IPA.

Besides sewing classes, Ni-Van also rents sewing machines and over lockers to novices who want to try their sewing skills at their own place and time. In addition, they have recently opened a fashion designing incubator for upcoming fashion designers or anyone with a personal design that require the service of a tailor or seamstress.

Vanua desires to extend the sewing project to rural communities one day. She hopes to partner with any organization interested to assist in making this vital skill available to the womenfolk both young and old in rural areas.

For more information about Ni-Van Tailoring's services, you can email nivantailoring@gmail.com or call 76242118 or visit them at Laurabada Avenue, Angau Drive, Boroko, Lot 42, Section 122.



Silomco – a potential oil palm development project in East and West Sepik provinces seeks partner

Local company, Silomco Limited seeks a Joint Venture partnership to develop a potential oil palm project.

The project is located in Wewak, East Sepik Province to Telefomin (Headwagi area) in the West Sepik Province and the project proponent is seeking an investment value of K2 million (USD\$620 million) for this project which holds potential in growth.

The total amount of land proposed for cultivation and associated infrastructures is 450,000 hectares while a further 150,000 can be made available for other agricultural, livestock and forestry developments.

The Silomco Project recognizes food security as an important goal to strive for and this

project aims to address this issue amongst others. The business plan involves a core asset of 50,000 hectares as the central plantation while 350,000 hectares will be sub-divided into Smallholder Blocks of 7 hectares each (50,000 blocks). The remaining 50,000 hectares will be reserved for all other associated and complementary infrastructures such as a road network, an airstrip, a township with associated amenities and buffer zones including conservational areas and parks. It is expected to have up to 40 Milling Plants, several refineries and a bio-fuel processing plant.

The project proposes to construct a main highway of up to 120 kilometers connecting Aitape where a sea-port (wharf) will be built to take delivery of incoming goods and shipment of finished products to markets. The project proponents are seeking for potential developers with the technical capabilities and financial capacity to discuss options under a Joint Venture arrangement in developing this project.

For further information please contact the following via email sunset4216@gmail.com, or Mr Kamis Yalakun (Acting Manager – Investment Promotion Unit, IPA, Tel: 308 4531 and email kyalakun@ipa.gov.pg.

Annual Return query

Question:

Hi IPA Team, with regards to your editorial on company obligations to lodge annual returns to the Office of the Registrar of Companies, does this also apply to sole entrepreneurs?

Answer:

There is no provision under the Business Names Act to provide an annual return hence a sole proprietor registered as a Business Name is not required to file an annual return with the Registrar.

Your only obligation to the IPA after registration would be renewing your Business Name Registration annually as opposed to the three (3) year renewal done previously.

A Company upon incorporation whether it has one (1) director/shareholder or more, and whether big or small, trading or not trading is subject to the requirements of the Companies Act and is obligated to file an Annual return and pay the applicable fees including penalty fees.

Applicants are responsible for making sure they know the different types of business entities (Companies, Business Names, Associations and Business Groups), their requirements and determine which one is suitable for them before they register. If unsure they should ask the Registrar.

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:ipa@ipa.gov.pg)



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

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