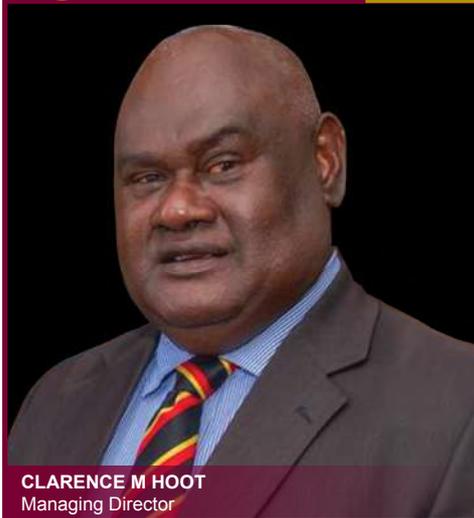


Opportunity

Issue #01- January, 2022

Business News, reviews and overviews from the IPA

MD's INBOX



CLARENCE M HOOT
Managing Director

Hello again, happy New year to you all and welcome to the 1st issue of the **Opportunity Newsletter** for January, 2022.

As I mentioned in my Christmas message in December last year, 2021 was another successful year for the Investment Promotion Authority as recognised by the IPA board.

This year obviously will bring more chall-

enges and at IPA we are keen on taking on new challenges.

COVID-19 is here to stay and we must adjust to live and work with it being around. Resource constraints will continue to hover over us and the whole government machinery therefore, we must all commit ourselves honestly with transparency and a greater sense of accountability for our actions in the execution of our responsibilities.

I urge all IPA staff to operate within the confines of our policies but also bring in some innovativeness to improve our efforts in service delivery.

I am happy to announce a number of achievements by IPA including the passing of amendments to two Legislative frameworks by parliament including the Business Group Act and the Companies Act.

Work is also in progress to have the Investment Promotion Act and the Association's Incorporation Act passed by Parliament before the next general election.

Finally, I'd like to say that the new year brings with it an opportunity for each one

of us to relook within ourselves and ask what and how we can individually or collectively improve on how we performed last year going into this year.

I look forward to another year of successful delivery of our services to our clientele.

Once again, I encourage you all to uphold good health practices. And again, if you have any positive stories about your business, you can contact our Public Relations Unit as we will be happy to feature your story in our monthly newsletter.

Thank you and happy reading!!

Clarence M Hoot
Managing Director

Tips & Traps

Important to know the entity types before your register with IPA

Before coming to the IPA to register an entity, it is important to understand the suitable business or entity type that suits your business idea.

Given that company is a common entity type, people have the tendency to register a company to perform any business activity. Although it is still alright, it is important to understand the other entity types available that people can utilize when trying to do business.

There are four (4) entity types that are registered at the IPA. They are;

- 1- **Business Names**
- 2- **Company**
- 3- **Business Group**
- 4- **Association**

A **Business Name** allows the business to carry out only one type of business activity. For example, if a person registers a hire car business then the name is specifically for the hire car business. That person can't use the same Name to run a trade store. They will need to register a separate Business Name to operate a trade store. By law Business Names expire after a year but can be renewed. It costs K200 to register a Business Name manually or K150 if you do it online.

A **Company** on the other hand can do more than one type of business activity. A company needs to have a director or directors and a shareholder or shareholders as a primary prerequisite. A director runs the day to day operations of the company and the shareholder is the owner of the company. Every year, a com-

pany is required by law to lodge annual returns or runs the risk of being deregistered. It costs K600 to register a company or K450 if you do it online.

A **Business Group** is usually rural based and can consist of many members from the same family, clan or tribe. This entity type is only allowed for Papua New Guineans. A Business Group is required by law to lodge a statement of assets and liability every year or runs the risk of being deregistered. The registration fee is K100.

An **Association** is a non for profit organisation and must NOT carry out business. It is registered for the purpose of achieving a common goal as agreed by the members in the association's constitution. However, the association can register a Business Name or company which will make money to fund the operations of the Association.

IPA: PNG's Investment trend in 2021

Papua New Guinea has recorded a total of 440 foreign direct investments or (FDIs) in the year 2021 according to records by the Investment Promotion Authority (IPA).

The IPA revealed that in the first quarter of 2021, it recorded 130 FDI's and it slowly increased to 148 in the second quarter.

In the third and fourth quarter of 2021, the figures sky rocketed to a total 440 FDI, which clearly indicates that there was improvement in the level of investments under various entities administered by IPA, despite the dilemma brought about by the COVID19 pandemic.

In 2020, the IPA recorded a total of 326 FDI approvals because of the impact of the COVID 19 pandemic.

Currently, the top 5 leading investment countries in PNG are, Australia, China, Malaysia, Hong Kong and Singapore

Australia's major investments are in Real Estate, Architectural Engineering, Construction, Business & Management Consultancy Services & Wholesale & Retail whilst China has much of its investment centered in the field of Construction, Real Estate, Transport & Wholesale & Retail

Malaysia's investment is particularly in the sectors of Forestry logging, catering and hospitality, real estate, construction, transportation and wholesale and retail.

Hong Kong's investment is predominant in the sectors of Petroleum & Energy and Machinery & Equipment, whilst Singapore's major investments are in the Energy & Mining sectors.

"The impact of the corona virus and now the delta variant strand had posed greater challenges to the globe, PNG and of

course IPA as well in 2021".

"For IPA, much of our work were disrupted in 2020 and 2021 but we managed to persevere and pulled things through, to ensure we deliver all our mandated roles and responsibilities and that is to facilitate inbound and outbound investments".

Apart from focusing on facilitating foreign direct investment in to the country, efforts were also focused on ensuring that the services that IPA provides, are extended to the majority of our people across the country.

Meanwhile, despite the impacts of COVID 19, the IPA continued to record an increase in the number of registrations for local business entities in the country.

Entity Type	2020	2021
Business Name	20308	23442
Business Group	857	629
Company	4109	4255
Foreign Enterprise	326	488

Records show that there was improvement in the local investment value.

In 2020, the IPA recorded a total of 20308 business name registrations , and in 2021, the registrations increased to 23442.

Local Company registrations also recorded a slight increase from 4,109 to 4,255, whilst the Business Group and Associations recorded a drop in its value or registrations.

PNG signs MOU with Estonian ICT company, Cybernetica.



Papua New Guinea signed a Memorandum of Understanding (MOU) with an Estonian ICT company to pave way for the development of co-operation in e-governance technology for PNG.

Secretary of the Department of Information and Communication Technology, Steven Matainaho signed the MoU with Cybernetica's head of business development, Kevin Tammearu, while touring the digitally modern Estonian Pavilion at the 2020 World Expo in Dubai.

PNG signs MOU with Estonian ICT company, Cybernetica.

The signing was also done in partnership with the ICT Cluster of Estonian Association of Information Technology and Telecommunications.

The aim of the memorandum is to develop further cooperation in e-governance technologies, starting from secure data exchange and interoperability.

Mr Matainaho when signing the MOU highlighted that the memorandum of understanding will allow the government to continue developing

safe digital projects.

Meanwhile Cybernetica's head of business development Kevin Tammearu described the signing has the first step towards supporting the development of e-governance in Papua New Guinea.

“We’ll start from the implementation of secure data exchange, to build a strong foundation upon which further digital services can be developed. In addition to the technology, Cybernetica would provide advice

and assistance to stakeholders, such as in the development of regulations necessary for effective digitalization.

Cybernetica is an ICT company with about 120 employees that researches, develops and manufactures software solutions, maritime surveillance and radio communications systems; investigates and applies the theoretical and practical security solutions.

PNG Signs Agreement To Sell Coffee To India

Papua New Guinea coffee was launched in India during the PNG Trade and Investment Summit.

Chief executive officer of AdzGuru Sujoy Maltra and GD Cafe PVT Limited signed a memorandum of understanding (MOU) to launch PNG coffee in India.

Australia-based company, AdzGuru in collaboration with Indian Economic Trade Organization and in association with Asian-African Chamber of Commerce and Industry, India Pacific Islands Trade Council and World Peace and Diplomacy Organization, presented a unique Trade and Investment Seminar on PNG.

The PNG High Commissioner to India, Paulias Kornii said Mr Maltra and the Internal Revenue Commission are assisting him along with other government bodies in the drafting process of the path breaking Double Taxation Agreement.

He said he will request his friends in India to reduce the import duty on coffee. In order to stand with the millions of farmers in PNG.

“There's no doubt about the fact that these chain of events are going to uplift the condition of the coffee farmers in PNG and I encourage Indian business owners to import more exclusive products from PNG,” he added.

Mr Kornii commended AdzGuru CEO Mr Maltra, for being instrumental in not only launching the highland grown, exquisite, PNG Gold Coffee in India, but also in making such a diplomatic talk happen, which eventually strengthens the bond between the two nations and connects the respective merchants, business community and commoners together.

AdzGuru PNG country manager Timothy Dorn Jim said AdzGuru will be doing branding, marketing and promoting.

He said he is really looking forward to playing his part to work with the coffee growers and producers on the ground to supply the best to India.



KNOW ABOUT IP

Industrial Design

INDUSTRIAL DESIGN



Protect the visual appearance of your product.

Register your industrial design.

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.

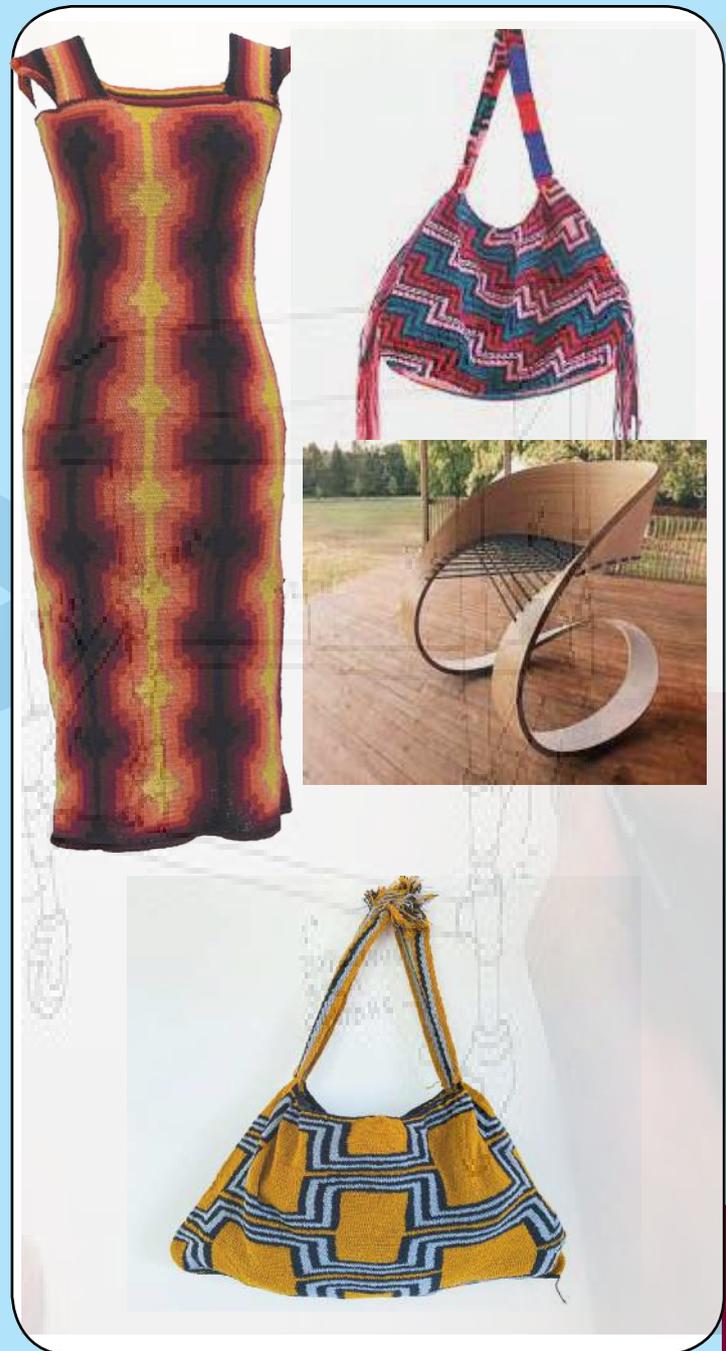
It is what makes a product attractive and appealing; hence, they add to the commercial value of the product and increase its marketability.

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.



LET'S HEAR IT!

Papua New Guinea Coffee

What makes it so special?

Is it the taste, the aroma or the packaging?

The secret is, it's all three.

As countries begin to recover from the global health pandemic, three big trends are driving the international demand for coffee. First, consumers are looking for premium, speciality coffee. Hyper-specific beans, innovative brewing methods and unique growing conditions are driving the market's attention. Second, consumers want sustainability and ethics. They want to know that they are drinking coffee from ethically and environmentally friendly producers. Finally, the world is looking for value for money.

These trends focus the world's attention on emerging coffee producers such as Papua New Guinea. Although Brazil, Indonesia and Ethiopia will remain the major exporting countries, PNG coffee producers are learning the secrets of making great specialty coffees and how to sell their coffee to a changing world.

Earlier this year, PNG coffee producers have been sharing their coffee-making stories as part of a series of webinars and online training sessions. The courses were conducted under the auspices of the [United Kingdom Trade Partnerships Programme \(UKTP\)](#) in PNG, a project implemented by the International Trade Centre (ITC) and funded by [Foreign, Commonwealth and Development Office \(FCDO\)](#).

Gathering experts from Hong Kong SAR

China, Australia and the United Kingdom, the webinars took PNG coffee producers on a journey of discovery through the entire production process from quality farming practices at one end to the branding and marketing at the other.

The PNG producers learnt how to understand the changing global market from a buyer's perspective.

They were given practical training in the logistics surrounding micro-lots including the preparation, storage and shipping the finished product by air or sea. Contractual negotiations and obligations, such a critical aspect of international trade, were also key themes during the webinars.

For the PNG participants, understanding the basic aspects of a European Coffee Contract was a great opportunity to learn the legalities of exporting and how to present their product for maximum impact.

PNG coffee continues to gain international attention with a number of samples being presented at the Caffe Culture Show in London on 2-3 September 2021. Selected coffee producers are expected to attend the World of Coffee Fair in 2022 also in London and producers will be holding an online coffee auction later this year.

So, what makes PNG coffee 'special'? The real secret lies in the highlands of PNG and the dedication of thousands of young coffee workers perfecting their craft for a world where quality, sustainability and ethical production have become much more important.

Try some today!





PUBLIC NOTICE

This notice serves as a warning to the general public and an alert especially our people living in the remote villages of the country.

It has been brought to our attention that there are certain fraudsters going around collecting fees for business registration in the pretense of being officers from the Investment Promotion Authority (IPA).

Please avoid being victimized by falling into their trap and to their demands, as the IPA will not be liable in the event your business is not registered.

The IPA has not entered into any arrangements with any individual to facilitate business registrations except through the Memorandum of Understandings executed with nine provincial administrations to date. On this premise, any such illegal activities using the IPA name and logo must be reported immediately to the IPA and the Police in the first instance.

For any verifications about business registrations, please contact the Investment Promotion Authority's Head office or any of our regional IPA office branches on the details below.

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



www.ipa.gov.pg



www.ipopng.gov.pg

Authorized for release by:

**Mr. Clarence M Hoot
Managing Director**

AIABBA MINING PROJECT

Aiabba Minerals (PNG) Ltd is a local company seeking an Equity Investment part to continue exploration and mining of minerals.

Project Proponent: Aiabba Minerals (PNG) Ltd

Sector: Minera

Location: Angoram, East Sepik Province

Projectsize/Investment Vaue:
US\$111.4m (PGK390.9m)

Description:

The project is located on the northern flanks of the heart of the New Guinea Gold Copper Belt hosting several major world class gold-copper mines and deposits. Aiabba seeks investment partners to continue exploration including drilling for JORC on the world class mineral region.

The proponent is required to raise AUD\$2.0 Million under pre-IPO to continue exploration, drilling and prepare Prospectus (include technical consultants reports) for Initial Public Listing (IPO) on the ASX with the aim to raise a minimum of A\$-10Million.

Already signed a Letter of Intent with a reputable investment company for A\$30Million Equity Facility in May 2021. The local community will have 51% interest on the Alluvial Mining; 20% interest on EL2421 and has interest also in Aiabba Minerals Limited.



Contact	Details
Moses	Aiabba Minerals (PNG) Ltd
Mondowa	P.O.BOX 1492, Mount Hagen, 281, WHP/PNG Tel: +(675) 78362164 mmondowa.aiabbaminerals@gmail.com
IPA PNG	investment@ipa.gov.pg

QUESTION TIME

How can I file an annual return?

Answer:

A company can file an annual return online at www.ipa.gov.pg DO IT ONLINE or file a paper form known as Form 22 at the front counters located in:

Port Moresby – Ground Floor, IPA Haus, Munidubu Street (Corner of Lawes Road and Champion Parade), Konedobu;

Lae – Nambawan Super Building, Level 1, Lae, Morobe Province

Mt Hagen – Gapina Building, Level 1, Mt.Hagan
Buka- Commerce Office Building, Haku Street, Section 9, Allotment 4, Buka

Rabaul – Marau Haus, Ground Floor, Room 3, Kokopo.

Filing fees for an annual return:

Online Filing fee – exempt company –K250 (offline or paper filing fee K300)

Online filing fee – reporting local company – K300 (offline or paper filing fee –K500)

Online filing fee – overseas reporting company – K750 (offline or paper filing fee –K1000)

What is the difference between a reporting company and an exempt company?

An exempted company –a company which does not have:

- assets exceeding K5million; or
- more than 25 shareholders; or
- more than 100 employees ; and
- a company that complies with at least one or two of the above (not all three) of the above.

A reporting company – a company other than an exempt company.

Do you have a general question about the regulatory side of running a business or have a query on investment promotion or Intellectual Property rights?

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



www.ipa.gov.pg



www.ipopng.gov.pg

Disclaimer > Opportunity is intended to provide information of a general nature only. The content of this newsletter is not intended to be advice or recommendation. It is not appropriate for the purposes of carrying out a transaction or making an investment decision. > The IPA takes reasonable steps to ensure the information provided in the newsletter is accurate and up-to-date at the time of issue, as well as to obtain reliable content from third parties. However, the IPA does not guarantee the accuracy or completeness of the information or endorse the views or opinions given by any third party provider, nor takes responsibility for any errors made in the process of providing this newsletter.