

# 2024 Papua New Guinea Investment Week

6th - 11th December | ICC Sydney, Australia

1

## Session B5 Investment Stream: Enhancing Investment and Trade

Cockle Bay Room 1 & 2 Level 3



By

**MR DAVID GANAI**

Secretary

Department of Commerce & Industry





# Outline of the Presentation

1. Role of the Ministry & Department of Commerce & Industry
2. Prevailing Situation
3. National Goals and Directives
4. Policy Interventions
5. Resource Sector Alignment & Reporting Structure
6. Conclusion



# Roles of the Ministry & Department of Commerce & Industry

- ▶ Fosters a conducive environment for businesses including SMEs) within Papua New Guinea.
- ▶ Coordinates and monitors the development and growth of these businesses, and facilitate the efficient trading of goods and services within the country.
- ▶ Promotes and facilitate investment in business and industrial development.
- ▶ Ministry comprises Commercial Statutory Authorities: IPA, SMEC, NISIT, and ICDC



# Prevailing Situation

4

- ✓ Despite of potential growth opportunities and benefits generated from major economic projects, PNG economy faced issues among others;
  - Lack of local participation in resources sectors. Missed opportunities and loss of benefits in past resources projects.
  - Lack of investments into downstream processing and manufacturing activities thus PNG remains a net exporter of raw materials.
- ✓ Government Directives on National Content and Downstream Processing
- ✓ Hence, the Department is formulating appropriate policies to enhancing and facilitating investments into the priority sectors of our economy including the resource sectors.



# Prevailing Situation... *continue*

✓ In recent times, some of these policies include: **National Gold Bullion<sup>5</sup> Policy**, **PNG National Content Policy** or **Resource Sectors 2023**, **PNG Manufacturing Policy 2024**. **National Investment Policy** and **National Quality Policy** (*currently under development*).

✓ These policies are developed in alignment with **Development Goals and Directives Principles of the National Constitution** which are cascaded into the **PNG Vision 2050**, **PNG Development Strategy 2030** and **Medium Term Development Plan IV**.

✓ Policies promote inclusive private sector growth, greater participation and partnership in guiding investments into sustainable development.

✓ These policies are game changer in the way that we conduct government business to promote, facilitate and encourage investments into priority sectors of our economy.



# OUR POLICIES ALIGN WITH NATIONAL GOALS & DIRECTIVE PRINCIPLES



## 1. INTEGRAL HUMAN DEVELOPMENT

### **SKILLS DEVELOPMENT**

Papua New Guineans to be educated and trained with appropriate knowledge and skills to participate in nation building and economic sustenance



## 2. EQUALITY & PARTICIPATION

<b>PROCUREMENT</b>	<ul style="list-style-type: none"><li>• From local suppliers of supply goods and services</li><li>• From local producers (onshore downstream processing &amp; manufacturing)</li></ul>
<b>EMPLOYMENT CREATION</b>	<ul style="list-style-type: none"><li>• Equal distribution of income and benefits of development</li></ul>
<b>EQUITY PARTICIPATION</b>	<ul style="list-style-type: none"><li>• Participate in equity ownership in major resource projects</li></ul>
<b>ENTREPRENEURS &amp; LOCAL SUPPLIERS</b>	<ul style="list-style-type: none"><li>• SME Policy</li><li>• Development and growth of SMEs</li><li>• Building capacity of local suppliers</li></ul>



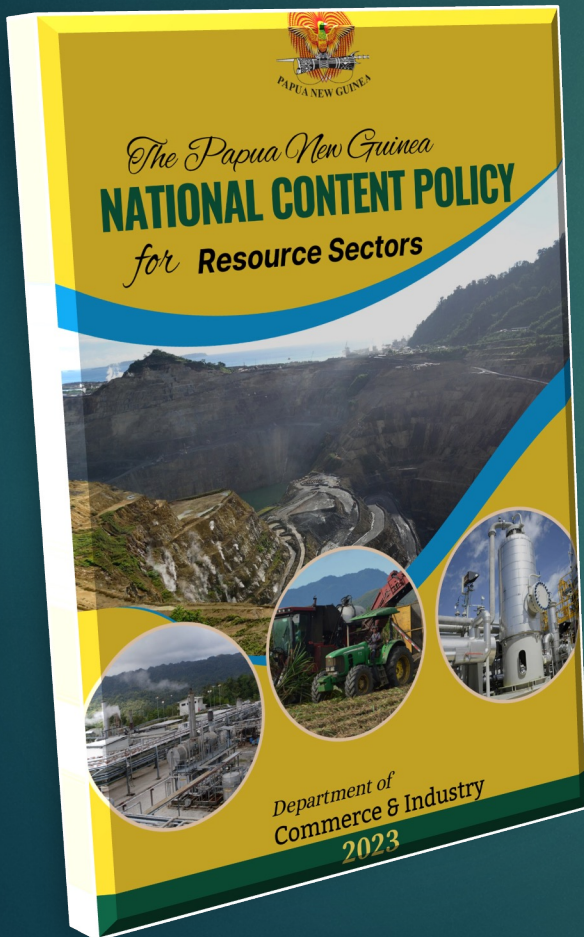
## 3. NATIONAL RESOURCES & ENVIRONMENT

### SUSTAINABLE DEVELOPMENT

- Resources use now to satisfy needs of this generation must not compromise the needs of the future generations
- Benefits of development be spread over generations
- Investment into development must manifest in tangibles benefits
- Development must improve the economic wellbeing of the citizens
- Conservation & preservation of natural resources



## PNG NATIONAL CONTENT POLICY FOR RESOURCE SECTORS 2023



- Overarching Policy to provide policy directions on investments in upstream and downstream resource project
- Provide policy bridge between resource investments and domestic private sector and economic growth
- Provide strategic policy directions to guide all Actors on National Content
- Provide coordination, reporting, monitoring and evaluation mechanism
- Promote collaboration and partnership
- Maximize and retain values or indirect benefits created along the project value chains with nationals including landowners



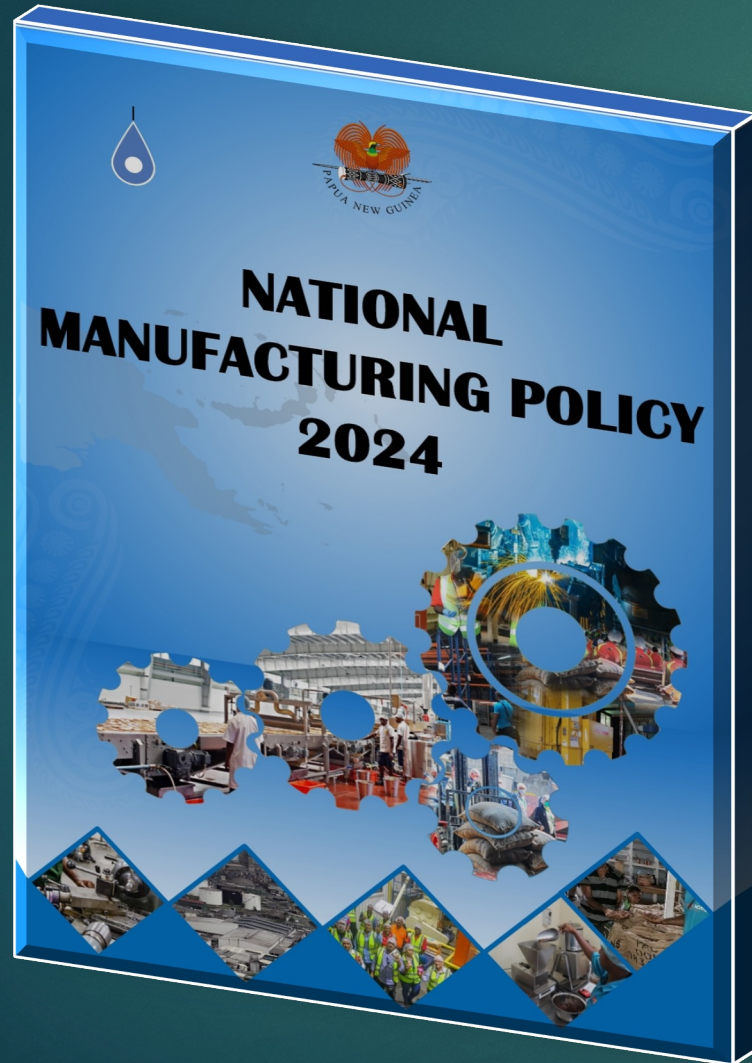
**PNG National  
Content Key Policy  
Focus  
Areas**





# NATIONAL MANUFACTURING POLICY 2024

12



- Overarching Policy to guide production and trading of manufactured goods
- Domestic Market Obligation
- Downstream processing of natural resources
- Addressing investment constraints through SEZ
- Creating Enabling Environment for investment
- Investment Incentives for new and existing industries
- Projection to increase GDP contribution from 2% to 10% by 2030



# GOLD BULLION POLICY 2023

13



- Establish PNG as a market destination for dore gold
- Production of Gold Bullions
  - ✓ Gold mines in PNG and abroad
  - ✓ Imported dore gold
- Create a gold bullion value chain
- To be developed via SEZ concept
- To legislate Manufacturing Policy to regulate the production and trading of gold bullion



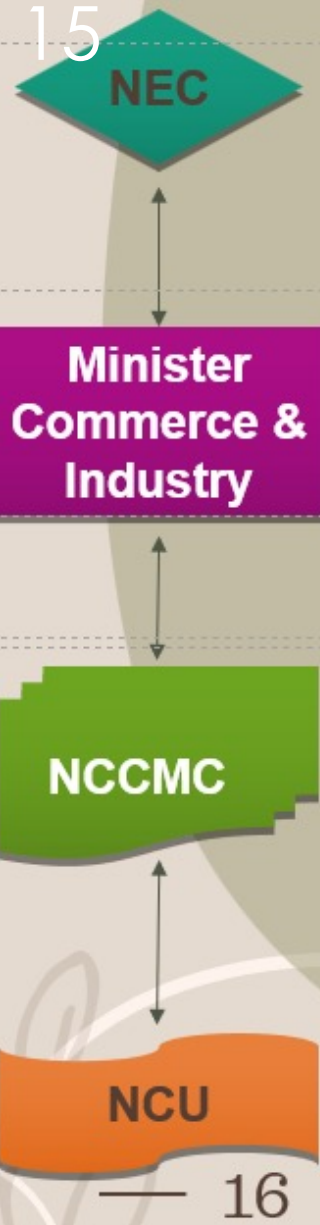
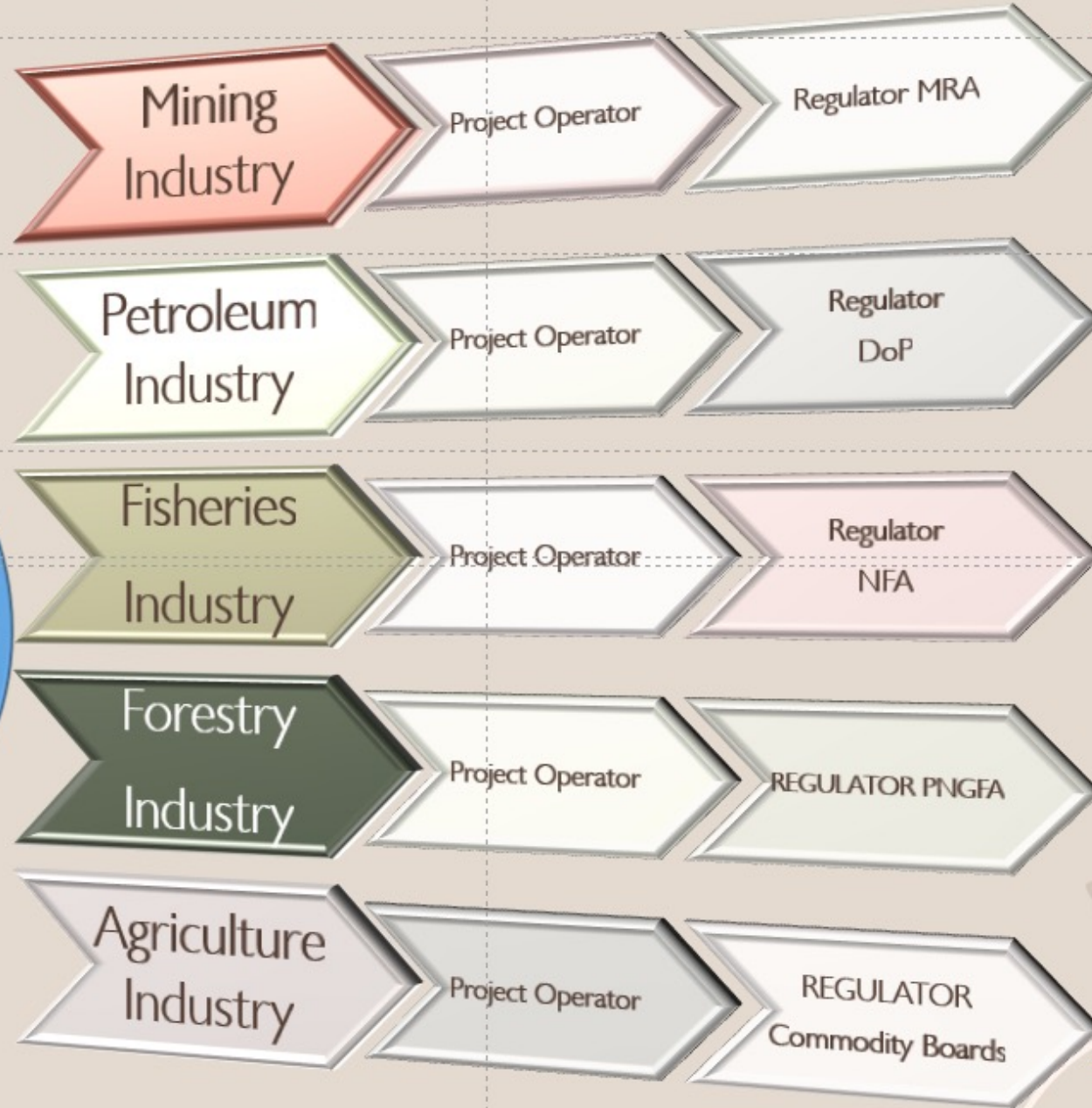
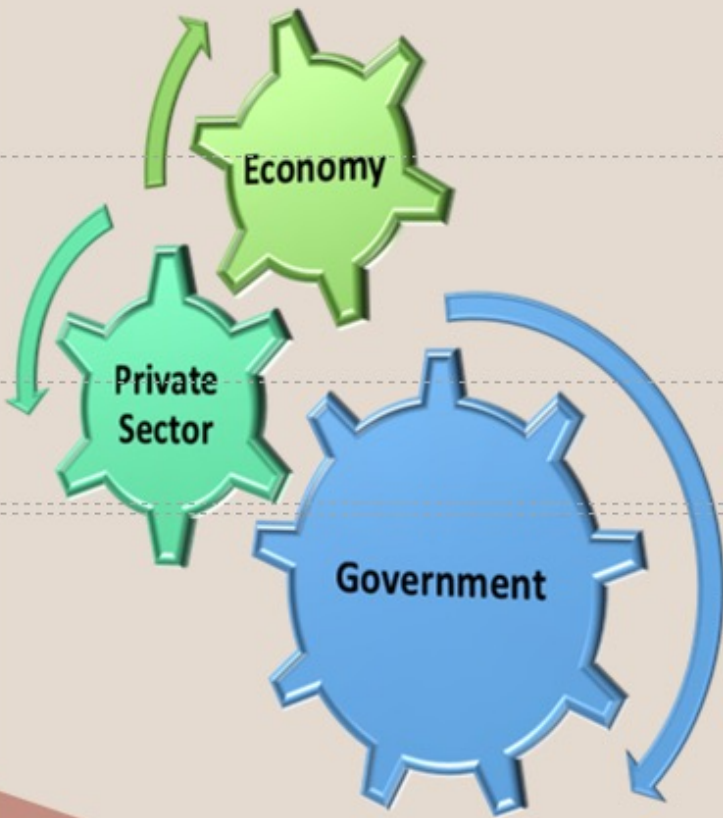
# SMALL MEDIUM ENTERPRISE POLICY 2016

14

- ▶ SME Policy aims to support growth of domestic economy and market demands by encouraging local SMEs through the following interventions:
  - ✓ Access to finance
  - ✓ Access to Market
  - ✓ Training & Capacity building
- ▶ The PNG Government supports SME Sector to involve its citizens to actively participate in the economic growth and sustenance activities. Thus, create employment and income earning opportunities and improve quality of life for its people.
- ▶ SME sector is becoming an important local support for major investments in the resource sectors but also for other major commercial and industrial development.



# Resource Sectors Alignment & Reporting Structure





# CONCLUSION

16

- ✓ Our Policies are homegrown and encourage investments with greater national participation.
- ✓ Policies are developed not just for the government purposes but also to guide investors into priority or need areas identified by the government.
- ✓ Our Policies provide critical framework for collaboration, partnership towards achieving sustainable and inclusive growth in PNG's economy.
- ✓ Policies align with the PNG Government's Development Aspirations.
- ✓ Investors are invited to partner with the Government.





**Contact Details:**  
**Department of Commerce & Industry**  
**P. O. Box 375**  
**WAIGANI**  
**National Capital District**  
**Papua New Guinea**

**Telephone: +675 32 6099**  
**Email: [enquiries@dci.gov.pg](mailto:enquiries@dci.gov.pg)**  
**Web: [www.dci.gov.pg](http://www.dci.gov.pg)**



**THANK YOU**

