

Govt keen to mitigate MSME challenges

BY LORRAINE WOHI

SMALL medium enterprise development in the country is still a struggle given that most businesses still operate in the informal sector.

Evidence from available data sources reveals that the MSME sector in PNG consists of both formal and informal businesses. More than 85 per cent of businesses operate in the informal sector.

Currently, according to Small Medium Enterprise Corporation (SEMC), the government aims to see around 500,000 SMEs (comprising companies, the business group, and the businesses) being incorporated with Investment Promotion Authority.

SMEC director for policy coordination, monitoring and evaluation, Tony Darlie said Internal Revenue Commission gives them the closest proxy of the SMEs that are in actual operation and from that study, they have got 54,000 active business, including SMEs, in the country.

Mr Darlie said comparing the 54,000 with the 500,000 that the government wants to develop for the country, that translates to less than 10 per cent.

"The country really needs to do

something," he said.

"In PNG, our focus has been on the extractive sector since Independence. The government just realised that given the development trend.

"Right now the informal sector is a very big sector in the country where the majority of the citizens are engaging.

"According to credible research done by the United Nations, they estimated around K12 million is floating within the informal economic sector.

"We want to migrate those in the informal sector into the formal sector so that they can be able to transfer the K12 million from the informal economy to the mainstream and integrated into the financial system so that we can be able to have enough liquidity and cash flow, ensuring business flows."

Mr Darlie said the lack of business knowledge, skills and attitude with lacking entrepreneurship mindset to indulge in the MSME sector by Papua New Guineans are enormous challenges.

To mitigate these challenges, SMEC is implementing the entrepreneurship training and capacity building for potential, aspiring and existing MSMEs.

Newcrest takes part in Australia Day Twilight Fair Expo

NEWCREST Mining, Australia's largest gold producer, was among several companies that participated in the 2023 Australia Day Twilight Fair Expo in Port Moresby last month.

More than 400 guests and exhibitors gathered to celebrate and showcase the strong, modern and vibrant relationship between Australia and Papua New Guinea.

Newcrest, as one of the largest Australian corporate investors in PNG, was also proud to have supported the event as a sponsor.

"This was our (Newcrest's) first time to participate in the Australia Day Twilight Fair Expo, and we

were thrilled to showcase some of our contributions to PNG, especially in the sustainability space," Tim Bryson, strategic engagement manager, said.

"We also had the opportunity to tell partners, potential investors and other organisations about how unique, diverse, and inclusive Newcrest is in PNG and globally."

The company shared basic information about Lihir and Wafi Golpu projects, the Newcrest Sustainability Fund and Lihir's Young Talent Program.

It also shared facts on its partnership with the Port Moresby Nature Park to save endangered tree

kangaroos and with stakeholders in New Ireland to train health workers.

Newcrest country (PNG) manager, Stanley Komunt thanked the Australian High Commission for organising the expo, highlighting that it was a great start to another year of meaningful partnerships.

"We appreciate everyone who visited the Newcrest stall and interacted with our team," he said.

"And we look forward to working closely with existing and new partners within government, private sector and civil society this year, to build a stronger and sustainable future for PNG," Mr Komunt said.

IPA: Business data migration is top priority

THE Investment Promotion Authority wants to assure the business community that the data migration and upgrading of the new online registry system is their top priority.

IPA managing director Clarence Hoot said that is their priority and they are working to ensure that all data is fully migrated to the new system as soon as possible.

"We seek your patience and understanding at this time as we work through the processes.

"We will be going nationwide to run sessions with stakeholders and train them on how to use the system and attend to specific queries in relation to their business activities," Mr Hoot said.

"For now we advise that it is business as usual and the system is available if you wish to register or maintain your business records."



He said IPA also has this year to complete their three-year Strategic Plan of 2021-2023.

"A review undertaken mid last year indicated that 85 per cent of the key priority outcomes had been achieved," he said.

"This year we will also focus on one

of our key projects in partnership with the United Nations Industrial Development Organisation (UNIDO) in which we have profiled various investment opportunities in the country and uploaded them in the UNIDO database for marketing to potential investors."

Nasfund partners with MiBank for Eda Supa



FROM LEFT: MiBank CEO Tony Westaway and Nasfund Acting CEO Rajeev Sharma signing the MOA.

– PICTURE SUPPLIED BY NASFUND.

THE National Superannuation Fund (Nasfund) and MiBank have signed an agreement to allow more Papua New Guineans in the informal sector to save for retirement with Nasfund.

The initial two-year agreement will enable the development of a member onboarding software, which will be used by MiBank agents and Nasfund officers to register citizens through the fund's Eda Supa product.

Nasfund acting chief executive officer, Rajeev Sharma said this is exciting for the fund as it leverages off MiBank's proven technology and track record

and to enable quality service delivery to Nasfund's Eda Supa members.

"This initiative is part of the strategic direction by the Board of Nasfund on the key focus area of member benefits and offerings," Mr Sharma said.

"Technology is at the heart of the digital age, and our organisation recognises the importance of partnering with a leading-edge technology savvy bank like MiBank to drive innovation, enhance our products and services, and ultimately deliver greater value to our members.

"The fund is confident

that through this software, member biodata and monetary transactions will be captured accurately, to ensure timely update of member details and superannuation accounts.

"This solution will improve our service delivery to our Eda Supa members and enable our Eda Supa members to consistently increase their contributions as they see their balances increase each time they make a deposit to Nasfund using this new platform.

"The fund is excited at the impact this development will have on our members, especially in the informal

sector who will use our Eda Supa product."

MiBank chief executive officer, Tony Westaway said: "Mi-Bank is the leading banker of rural Papua New Guineans and those in the informal sector. With over 16 branches and 280 agents nationwide, we work with account holders in agriculture, forestry, mining and petroleum project sites, as well as with SMEs in the informal sector in towns and cities around the country.

"With the help of our digital platform, we have opened up to 467,000 accounts for customers nationwide."

Exchange Rates

SELLING RATES FOR 16TH FEBRUARY, 2023

Country	CCY	Rates
Australian Dollar	AUD	0.3971
US Dollar	USD	0.2765
European Euro	EUR	0.2512
Canadian Dollar	CAD	0.3658
Fiji Dollar	FJD	0.6128
Hong Kong Dollar	HKD	2.0886
Japanese Yen	JPY	36.6000
New Zealand Dollar	NZD	0.4376
Philippine Peso	PHP	14.8700
Singapore Dollar	SGD	0.3649
Solomon Islands Dollar	SBD	2.2032
Swiss Franc	CHF	0.2479
Thai Baht	THB	9.1400
British Pound	GBP	0.2215

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