

VIPA Study Tour to PNG IPA - November 2019

A proposal for the VIPA Board to undertake a study tour is NOT new. In its meeting # 8 of 16 August, 2019, the Board resolved for a study tour to be undertaken during the month of September 2019 and requested the management through the Acting CEO to facilitate the necessary logistics.

The site for study tour was confirmed when VIPA delegation (comprising of VIPA management, VIPA Board and Ministry representatives) attended the PNG International Investment Conference held in Sydney, September 2019. Acting CEO met with Mr Clarence Hoot, Managing Director for PNG IPA and discussed the proposal and was later finalized following further follow up discussions.

Exposure and learning of PNG's business environment are necessary pre-requisites as VIPA prepares to implement its new investment bill. Lessons learnt and recommendations from the tour will be useful for the new VIPA Board members.

The purpose of the study tour is to learn from the experience of PNG, particularly from an investment promotion and facilitation perspective – its strategic direction and choices regards inward foreign direct investments (FDIs) into the country and explore opportunities worth considering for further actions. There are good reasons for choosing PNG as the site for the study tour.



VIPA Team with PNG IPA Team at the IPA Haos, PNG.

1. PNG IPA is operating a one-stop-shop service – Vanuatu Government's recent one-stop-shop policy initiative continues to fall short of expectation. With VIPA as the key driver for this policy, the visit to PNG IPA is timely and very necessary.

2. Foreign investment legislations similar – Both countries (PNG and Vanuatu) have similar foreign investment legislations. While both countries encourage inward FDIs, a few investment activities are reserved for the locals. This study tour provides an opportunity for the team to learn about how PNG Government through its IPA is currently managing its list of reserved activities and future plans.



VIPA Team with PNG IPA in discussion.

3. PNG's extractive industries – Vanuatu is an importing country with Australia and Asia as its key import destinations. PNG is currently exporting oil and gas to international markets. The tour provides an opportunity to discuss expansion possibilities to Vanuatu by these extractive industries. This isn't just a trip to Port Moresby and a site seeing of PNG's popular sites but more specifically aims to accomplish the following:

- Revive the MOU between VIPA and PNG IPA, VIPA Team & PNG IPA staff
- Establish business leads, particularly in areas where the VIPA Board considers there is comparative advantage for Vanuatu
- Allow VIPA management to learn from PNG IPA how it is carrying out investment promotion and regulation
- Learn and gain knowledge on how PNG economic zones are developed and managed.



Overall the study tour has been a rewarding experience for the Vanuatu team. It is an opportunity that allowed us to learn and experience more than is possible while in Vanuatu. The industrial visits to the PNG LNG and PUMA refinery have been impressive and an eye-opening to the team. By combining meetings with Government institutions and visitations to industrial sites, the role of PNG IPA in investment facilitation and policy advocacy within the Government's overall framework of business climate is well appreciated by the Vanuatu team.

agencies. For example the private sector has always been consulted on new or revised national legislations.

The PNG IPA did a fantastic job in coordinating and facilitating the meetings and visitations. A total of ten (10) tour sites have been made of which 70% are Government and Private Institutions and 30% are industrial projects. The format of all meetings and visitations was tailored to allow for greater interactions between participants.



Clearly there was greater coordination and collaboration between Government and private sector
