

Papua New Guinea's Bogor Goals Progress Report (as at 13 August 2012)*

Highlights of Achievements and Areas for Improvement

- A tariff reduction program started in 2011. However, some MFN tariffs are still high, acting as trade barriers for some sectors.
- Full liberalization in the Information and Communications Technology sector (ICT). Existing monopolies in this sector were removed.
- Efforts to implement measures to tackle regulatory impediments to do business in PNG.
- Almost all domestic standards are aligned with international or regional standards.
- Customs implemented a risk management policy in 2011.
- In terms of competition policy, reviews are being conducted in several sectors.
- Alternate Dispute Resolution Courts were established in 2010.
- The lack of notifications to WTO is undermining the transparency of PNG's trade policy.

Summary of Updates

Tariffs

A tariff reduction program started in 2011. This program establishes that tariff rates will be reduced by 5 percent for all tariff lines not zero rated in three phases up to 2018.

Some MFN tariff rates are still high, creating barriers for food processing and some manufactures.

Non-Tariff Measures

No import or export quotas are applied. Papua New Guinea (PNG) maintain relatively few NTMs.

Services

The information and communications technology (ICT) sector is fully liberalized with the removal of monopolies. The openness process was completed in late 2010. The National ICT Policy 2009 allows for open competition and the implementation of a new technology-neutral licensing regime; the liberalization of the international gateway; the introduction of a new regulatory regime for wholesale access and interconnection; and the deregulation of retail telecommunications tariffs; among others.

Investment

PNG is implementing measures to address regulatory impediments to doing business. Reforms on performance requirements have taken place in areas related to competition. Also, the foreign exchange control has been reformed.

PNG is in the process to implement the Online Lodgment Project to streamline queues related to company registrations and foreign certification lodgments.

* This brief report was prepared with information from Papua New Guinea's submission of 2012 APEC Individual Action Plan (IAP) template and the minutes of the meeting of Papua New Guinea's WTO Trade Policy Review from November 2010.

PNG has effective three Bilateral Investment Treaties and nine agreements concerning the avoidance of double taxation.

Standards & Conformance

Almost all PNG standards are adopted from the International Standardization Organization, International Electrotechnical Commission, Codex, American Society for Testing and Materials, Australian and New Zealand standards. PNG has issued 785 standards.

PNG is a full member of the Asia-Pacific Laboratory Accreditation Cooperation (APLAC), the Asia-Pacific Legal Metrology Forum (APLMP), the Asia-Pacific Metrology Program (APMP) and the Pacific Areas Standards Congress (PASC). PNG is a signatory to the APLAC Mutual Recognition Arrangement. PNG also participates in part 1 of the APEC Electric and Electronic Equipment Mutual Recognition Arrangement.

Customs Procedures

PNG launched the Risk Management Policy in 2011. The overall process at PNG Customs Services was reviewed and a uniform process is being implemented.

Intellectual Property Rights

PNG is preparing IP legislation on several matters that are expected to be finalized this year. A Copyright Working Group was established in October 2011 to help establish an enforcement taskforce to deliberate on policy issues.

PNG is considering acceding to the Madrid Protocol for the international recognition of trademarks. In this regard, PNG amended the Trademark Act to prepare for this accession. In addition, PNG is also including in its strategy plan to accede to the Berne Convention.

Competition Policy

The Independent Consumer & Competition Commission (ICCC) is pursuing cases of abuse of market dominance, price-fixing and other anti-competitive conducts. Awareness programs on the importance of roles and responsibilities of the ICCC are being conducted.

The ICCC is undergoing reviews in some sectors such as air transport, coastal shipping, general insurance and water and sewerage, among others. In addition, regulatory contract reviews regarding electricity, Motor Vehicle Insurance Ltd. and postal services are ongoing.

Government Procurement

PNG is developing a Standard Bidding Document to improve procurement activities with all stakeholders and parties concerned. The National Procurement Assessment is reducing incidences of running parallel procurement systems in the public sector. Also, the Public Finance Management Act is being reviewed to make the procurement system more efficient. This includes plans to eliminate preferences to domestic bidders.

Dispute Mediation

PNG introduced the Alternate Dispute Resolution Courts in 2010. This system mainly deals disputes between two domestic partners. PNG is working in a project to develop an arbitration system.

Transparency

Some concerns have been raised with regards to the lack of notifications to WTO, which undermines the transparency of PNG's trade policy.

RTA/FTAs

PNG has reported one agreement on trade in goods, as well as the negotiation of another agreement of this kind. In addition, PNG reported a new Interim Economic Partnership Agreement with the European Union, which was ratified by the PNG Parliament in May 2011.

Health Related and Social Services

Multinational Corporations such as Ok Tedi Mining Ltd. and Lihir Gold Mine Ltd. have been allowed to set up their own health care establishments upon meeting government requirements. PNG does not discriminate against health care providers.

APEC Food System

Food security is included in medium and long-term plans. PNG overall goal is to ensure that all people at all times have physical, social and economic access to sufficient, safe and nutritious food to meet their dietary needs and food preference for an active and healthy life. Food availability is achieved by local food production and imports.

Agricultural production has increased in recent years. Also, PNG has become self-sufficient in the production of pork and chicken. Nevertheless, main constraints persist, such as poor management and infrastructure, difficult geography, high cost of fuel, low private sector investment and lack of farming knowledge, among others. Natural disasters and climate change are also affecting food supply in PNG.