
2019-2020 AGM PRESIDENT REPORT

ANNUAL REPORT BY THE PRESIDENT

(Full speech by Nuni for the website)

Introduction

I'd like to once again echo my thanks for the commitment each of your organizations have made to BCPNG in these challenging times. Your attendance today is proof on the belief that the Business Council is relevant in collectively taking its important role as the voice of the Private Sector to not only government but the people of PNG and our friends from other countries.

Sections of The Report

Let me start my Report on the areas I will be discussing today. They will consist of the following:

- 2019 Government 2 Business Engagement
- 2020 COVID19 Business Engagement
- Preparation 2022-2027 B2G Framework.

GOVERNMENT 2 BUSINESS ENGAGEMENT

Over two-thirds of the engagement with government was COVID19 related in the 2019-2020 period and therefore I will commit a separate update. However on the other related areas, we followed our 5 Year Corporate Plan that focused on:

- Provision of infrastructure and basic services;
- Government and regulation;
- Broadening the industry base;
- Productivity and employment.

As highlighted by my predecessors, these thematic areas were derived from our landmark publication: *Development Priorities for 2017-2022 Report*, which has become the premier engagement framework for government and business in the policy and law reform space.

Perhaps the most crucial part of this framework, are the 9 dedicated Working Groups pursuing to implement these thematic areas. They include the areas of:

- Affordable internet Chaired by Sundar Ramamuthy;
- Reliable power supply Chaired by Rupert Bray;
- Business 4 SDGs Chaired by David Toua;

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- Ease Of Doing Business Chaired by myself;
- Fiscal Chaired by Alison Judd
- Creative and Cultural Industry: Ruth Choulai;
- Innovation: Pete Williams;
- Agriculture: Mathew Kanua
- Productivity and Employment: Trevor Birney.

My Report will expand on each of their activities during this period.

Affordable Internet – after several studies and engagements with various Ministers and senior officials in the ICT space, there is encouraging signs that the government is keen to work with BCPNG on a suitable wholesale market. This engagement explores various State Owned Enterprises and their legal and policy arrangements to be reformed so as to promote a business and operational model that is focused on maintaining the operations of the infrastructure and not achieving dividend benchmarks. Perhaps what is of importance for members to note is the reforms championed by Minister Maisu and Secretary Matainaho is driving this change and we are confident our partnership will result in a robust wholesale market driven to facilitate growth and not stagnate it.

Reliable Power Supply – businesses are actively engaging in the various support activities of the government’s PEP programme. Whereby our focus is to advise government on which parts of the market must be invested so that growth may occur. A key benchmark we’ve regularly mentioned is that generally, between 35- 50% operational expenditure for most businesses are in alternative power supply. This cost item is exceedingly high and is handicapping investment. Our efforts are of interest to PNG Power Limited and PEP partners as they do see the value in addressing business sentiments.

Business 4 SDGs – this initiative remains a top priority for us and the United Nations Development Programme. Whereby businesses support each other and government in the delivery of the SDGs. Unfortunately the focus of the pandemic is impacting this programme and we are confident to restart these engagements this year.

Ease Of Doing Business – in an increasingly digital world, our market has active deployment of technologies that are bringing customers from all over the world to conduct business virtually. This has the potential to leap frog back logs, corruption and delays we all cannot afford. Much of my focus has been to explore and link IPA, IRC and other market regulators with the market. The coordinated approach of the eGov policies of Department ICT is integral and we are confident several of our initiatives may be operational before 2022.

Fiscal – critical part of our work is to ensure economic policy is founded on the realities of the market. Over the years we’ve deployed various engagements to gather this information. However in 2022, we embarked on a robust quarterly survey that has gained notoriety in government circles and is rapidly becoming the premier market conditions survey. I am proud to report in this AGM, it was this work that led to the government opening the market last year and paying close attention to our numbers. We are improving the sampling so that sector and region can be articulated further so as to provide all of us where the attention needs to be placed.

Creative and Cultural Industry – a key advancement in the growth of the creative and cultural industry is the protection of their economic rights and this is why the focus has been to encourage government in the establishment of the Copyright and Cultural Rights Commission in the Department Justice and Attorney General. Theft, infringement and abuse is rampant and this is an area we have been actively engaging on behalf of our SMEs. We are confident this reform agenda will materialise soon.

Innovation – Deloitte Digital has partnered with us in evolving this sector. A key area that is gaining significant interest are the digital commerce and supporting the e gov space. Several initiatives are to commence this year and no doubt bring this emerging sector much needed focus and attention.

Agriculture – Market Development Facility has partnered with us in focusing on how agri businesses may grow in the market. A key area we are keen to explore is the improvement of supply chain financing where payments can be made directly to all the participants of the supply chain. Using a mixture of tech and other payment solutions, these developments will certainly assist the folks that matter most, the farmers.

Productivity and Employment – a key part of the growth in any market is the abundance of skills. Throughout this period, we have worked closely with Department High Education Research Science Technology (DHERST) in providing a robust narrative in the skills demand space to influence the supply of training they offer. This contribution is an important piece and we are set to provide a comprehensive report on skills demand later this year.

I'd like to end this briefing on our work programmes by thanking also the partners that have worked diligently to bring about these important activities:

- Australian High Commission and its implementing partners Abt Associates, Cardno and the Market Development Facility
- Price Waterhouse Coopers
- Deloitte PNG and Deloitte Digital.

And finally to the Chairs of these working groups, thank you for your passion. This is a nonpaid gig and your commitment is a testimony of working towards bringing positive change to the country.

2020 COVID19 BUSINESS ENGAGEMENT

When the country prepared for the lock down last year March, Ministers and senior officials engaged the Business Council to lead coordinating private sector engagement with government. In those earlier months, policies were erratic, understandably so, as the pandemic was an issue never faced by the government nor the market. We were able to divide our engagement to be economic and non-economic related.

As mentioned previously, the market conditions surveys were pivotal in opening the markets with the condition that COVID19 protocols are to apply. This successful policy change has resulted businesses and government, in particular, National Control Center (NCC), to collaborate and partner with us in developing rules now under the Niuplea Pasin. We continue to enjoy this relationship as the focus now move into supporting the deployment of vaccinations in the market and right across the country. Therefore the non economic dialogue with the government, NCC specifically, has been successful.

Unfortunately has not been the same on the economic engagement. While our numbers spoke of a compelling story on the need to urgently address large parts of the market that were in need of support, these did not materialise into tangible outcomes. As mentioned by our Executive Director last week, the 2020 March stimulus package was negligible and only 1% of the market benefited. There has been renewed interest to engage and we are confident of a favourable outcome.

Finally let me thank David Toua, Richard Kassman and Materua Tamarua for their tireless efforts in leading the business view at the NCC. Also I do want to congratulate Materua Tamarua who has been elevated as the Business Lead at the National Controller's Office in assisting all business issues.

PREPARATION 2022-2027 B2G FRAMEWORK

The pandemic will be a multiyear challenge and therefore our outlook needs to be cognizant of this reality. Therefore the next B2G cycle, 2022-2027, must focus on Rescue Recovery and Rebuild the market in these pandemic times. To build a collective position on these 3 themes, we are now in active consultations with you our members through surveys as well as our national business peak partner, PNG Chamber Commerce Industry members' right across the country and other business associations to articulate this important narrative so that it is fact based.

I am confident that at the 2022 Back To Business Breakfast with the Prime Minister, I may present to him the next 5 Year G2B Framework where all businesses have actively contributed on what must happen to rescue recover and rebuild our market.

CONCLUDING REMARKS

At times you may not be kept abreast of the work of the Council and rightly question the value of membership. I hope my Report has given you a view of the great work the team does and we are rectifying those information back spots with improved investments in our communications that no doubt will provide regular updates.

Let me conclude by thanking you all for your support and continued involvement in building the Business Council to be the voice of the private sector.

LAUNCHING OF WEBSITE: BUSINESS COUNCIL PNG WEBSITE

Members thank you again for taking time to witness this important occasion: the launching of our new website. This is the 3rd version and has several new features that will assist you in actively engaging with the activities of the Business Council.

More Content: as highlighted in my Report, there is so much work we are undertaking and many times, these activities are not regularly provided to members. Our creative team have placed strong emphasis on quality content and this is what you will experience. Our programmes, projects and other activities in the 9 Working Groups are all available. The website also hosts our bi monthly Newsletter: The Memo that is fast becoming the source of government – business engagements.

Internet Payment Gateway: I'm also delighted to inform you we are the 1st business association to deploy an Internet Payment Gateway system so that all our events, subscriptions and related activities can now be paid online. This is a milestone we are all proud of as it reflects our desire to actively participate in the digital economy.

Social Media Links: in a world that is increasingly becoming interactive, our website also pushes our content to Facebook and LinkedIn. We are exploring further platforms such as Instagram, Tweeter to further push our content.

More Features To Come: we know that real time information is critical to business decisions and to assist members, we will be launching a WhatsApp Business Council Group shortly. Where the latest information on markets, government policy, political developments and other PNG content is push to members.

There will also be a library we are building that will contain all our Reports and publications. This will be exclusively for Members.

Again many thanks for your support and we do hope these new improvements keep you informed on all the Business Council PNG activities.

With those few remarks, I now launch the Business Council PNG website.

CONTENT FOR SOCIALS: KEY POINTS FROM NUNI'S SPEECH

Government 2 Business Engagement

Affordable Internet

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