



Praivet Gavamani Konekt 2



Monday 25th November 2024

National Parliament

WAIGANI

**Making Communities
Productive**



Presentation outline



- **Key messages & outcomes from the 2024 PNG Business Regulatory Summit:**
- **Input from private sector and industry bodies on the impact of business regulations in PNG.**
- **Recommendations & way forward**



Key messages



- The 2024 PNG Business Regulators Summit was based on the theme "**Interoperability: Connect and Co-Create.**"
- Aim to bring together Government regulatory agencies and statutory bodies, the private sectors, sub-national governments, and international development partners to discuss and advance PNG digital transformation and e-commerce journey
- Explore a cohesive framework for interoperability and convergence that supports economic growth, enhances improved service delivery outcomes, and fosters innovation harnessing the opportunities made available by advancement in ICT transformation within the country.



Outcomes



- The Summit was officiated by the PNG Minister for Information, Communication and Technology
- Perspective on international best practices and case studies highlighted by World Bank and OECD
- Digitalisation reform options discussed by Professor Satish Chand, School of Business, University of NSW, Sydney
- Adopting global best practices through participating in global platforms like APEC and OECD helps strengthen PNG's digital transformation efforts and regulatory frameworks.



Outcomes cont...



- **Enhancing Regulatory Frameworks for E-commerce:**
 - Collaborate with the private sector to design and implement regulations that promote innovation, protect consumer rights, and encourage investment, thereby fostering a more competitive and secure e-commerce landscape.
 - Government encouraged as a regulator to facilitate a robust public-private partnership framework to drive more investment in the digital sector by engaging and leveraging the capacity of the private sector to improve policy development, legislative framework for infrastructure projects and digital innovation



Outcomes cont...



- **Adopting the Business Ready Framework for Holistic Assessment**
 - Utilize the Business Ready Framework to measure the effectiveness and efficiency of business reforms systematically by benchmarking against global standards, monitor progress, ensure reforms yield tangible benefits for businesses.
- **Enhancing Services Trade Competitiveness through OECD Guidelines**
 - Identify and reduce barriers that hinder service sector growth by aligning reform programs with the OECD's Services Trade Restrictiveness Index (STRI) to enhance the competitiveness of PNG's services trade, fostering greater market access, attract digital FDIs for sustainable economic development.



Outcomes cont...



- **Digital Transformation for Competitiveness**
 - Digital Government Plan 2023-2027
 - G2G products under various phases of development including GoverTech Stack, e-Procurement, e-Cabinet, Planning BI Dashboard, and Interoperability platforms;
 - G2C include Digital ID, Payment Systems, eGovernment Portal; and G2B include the Single Window Platform.
 - Digital Transformation Policy 2020
 - National Cyber Security Policy 2021
 - Digital Government Act 2022
 - Government Cloud Policy 2023
 - Draft Data Governance Policy 2024
 - Draft National Media Development Policy.



Outcomes cont..



- **ICT Reform Priorities:**

- **ICT Service Delivery and Challenges:** enhance access to online services building trust with the users through the e-Government portal.
- **Challenges of Cybersecurity:** PNG requires more investment in hardware and technical capacity to improve cybersecurity operations
- **Need for building relevant capacity** relevant technical skills sets required to build systems and programs, manage and run secure systems
- **Digital infrastructure** is critical and investment is mostly needed
- **Enhance Digital Literacy and Capacity Building** citizens and businesses are well-equipped to participate in the digital economy is critical.
- **Leverage Data Analytics for Decision Making:** e-commerce and use of big data analytics to understand consumer behaviour, optimize supply chains, and personalize marketing efforts



Outcomes cont..



- **E-Commerce Transaction:**

- **E-Commerce Transaction:** Electronic Transaction Act (2021) passed by Parliament (and certified on 23 Feb 2022)
- **E-commerce in PNG** digital marketplace expands, regulators are embracing new responsibilities: the Central Bank is focused on ensuring secure online transactions, cultivating a supportive policy environment, and the Independent Consumer and Competition Commission (ICCC) is dedicated to safeguarding consumer rights.
- **Implement a Unified Payment Gateway:** Unified Payments Interface (UPI) that works in other countries that PNG can look to learn from.
- **Bank of PNG (Regulator)** introduced a regulatory sandbox to encourage innovation in the financial sector, particularly in digital payments, allows fintech companies and start-ups to test new technologies and payment solutions in a controlled environment.



Outcomes cont..



- **Trade Facilitation and Single Window:**
 - **Trade Facilitation connectivity (at the border):** interoperability systems for trade facilitation connectivity at the border.
 - **Data Security and Privacy:** robust security protocols needed for business to move online
 - **The National Institute of Standards & Industrial Technology:** accreditation, certification, and metrology services, ensuring products, services, and processes meet required standards
 - **PNG Customs' ASYCUDA System** integrating advanced technologies and promoting interoperability, improves data exchange and coordination between agencies
 - **Advancing Tax Administration through Digital Transformation:** globally through (i) Data-Driven Strategy (forging data source partnerships through Memoranda of Understanding (MOUs) with other regulators, banks, provincial governments, and industry peak bodies). (ii) Digital Transformation Strategy to enable system automation.
 - **The National Single Window:** National Single Window portal is currently led by PNG Customs Services to bring together 26 regulatory agencies and more than 56 trade-related processes and functions for automation



Private Sector Perspective



- **Concerns raised by Private Sector**

- **Political instability:** increases business risks, uncertainties for investors to predict stability in government policy and economic conditions.
- **Law and order issues:** a significant barrier and undermines the safety and security necessary for stable business operations.
- **Economic Issues:** Forex shortages, inflation, and other economic issues pose considerable challenges, particularly for local SMEs.
- **Unreliable power, fuel and utility services** (including water): significant impact on business operations contributing to high cost of business
- **The high cost of rent and the overall expense**



Private Sector Perspective



- **Concerns raised by Private Sector**
- **Personal Property and Identity Security:** an environment that guarantees the security of personal property for business transactions and lending.
- **Support Innovation and Start-ups SMEs:**
- **Empowering MSMEs through Digital Investment Facilitation:**
- **Local SMEs/MSMEs:** fair operating environment for local MSMEs from foreign-owned businesses who are operating in businesses reserved only for locals.



Recommendations/way forward



- **Government-to-Business (G2B) Committee:** IPA & other relevant regulatory bodies on the G2B Committee. NEC Decision 04/2024 established the Committee.
- **Advance National Single Window System:** Integrate 26 government agencies by automating 56 trade-related processes.
- **Enhance Public-Private Partnerships:** stronger public-private partnerships for digital transformation initiatives, including the National Single Window System.
- **Capacity Building:** within government agencies to ensure that all regulatory bodies are equipped to manage and implement digital technologies effectively to achieve broader objectives of the Digital Government Plan.
- **NEC Policy Submission:** inform the national government on the key outcomes and policy considerations for interoperability reforms



Thank you!

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