

6th Government-to-Business Consultative Forum (G2BCF)

Meeting Minutes

Date and Time: *Thursday 29th of May 2025; 8:30 – 9:30am*

Venue: *Hilton Hotel, Port Moresby*

EXECUTIVE SUMMARY

The 6th Government-to-Business Consultative Forum (G2BCF5) was held on Thursday, June 29th 2025, at the Hilton Hotel, from 830am-930am. The main meeting outcomes were to provide updates for the Agenda Items in descending order 5, 4 and 3 for the three (3) Task Forces – *Business Protection Task Force*, *MTDP IV Task Force* and *Economy Task Force* – and receive further insights on the progress of the challenges and issues being faced in the Economic Sector, National Security Sector and amongst PNG's business associations. The meeting was concluded with the signing of an MOU between the BCPNG and Department of PMNEC.

ATTENDEES

GOVERNMENT (PUBLIC SECTOR)

1. **Mr. Ivan Pomaleu OBE**, Acting Chief Secretary, *Dept of Prime Minister & NEC* (Co-Chair)
2. **Ms. Jacinta Warakai-Manua**, Secretary, *DITI*
3. **Dr Francis Hualupmomi**, (Advisor to National Security from the *Dept of PMNEC*)
4. **Mr. Parkop Kurua**, Advisor, *PM Office*
5. **Mr. John Uware**, Deputy Secretary, *Treasury*
6. **Prof. David Kavanamur**, Managing Director, *Kumul Consolidated Holdings*
7. **Mr. Sidney Waingut**, Strategy, *Kumul Consolidated Holdings*
8. **Ms. Freda Talao Komolong**, Executive Officer, *Office of Chief Secretary PMNEC*
9. **Ms. Freda Tabari**, Acting Chief Investment Officer, *Kumul Consolidated Holdings*

BUSINESS (PRIVATE SECTOR)

1. **Mrs. Susil Nelson-Kongoi**, President, *BCPNG* (Co-Chair)
2. **Mrs. Carmella Gabina**, Executive Director, *BCPNG*
3. **Mr. Moses David**, Senior Economist, *Kina Bank*
4. **Mr. Michael Uiari**, CEO, *NiuPower*
5. **Mrs. Edea Bouraga**, Past President, *PNG Institute of Engineers*

APOLOGIES:

GOVERNMENT (PUBLIC SECTOR)

1. **Mr. Clarence Hoot**, (Managing Director-Investment Promotion Authority)

BUSINESS (PRIVATE SECTOR)

1. **Kenneth Imako** *Vice President International-Business Council Papua New Guinea*
2. **Julienne Leka-Maliaki**, *BCPNG*
3. **Mr. Wilson Thompson**, Chairman, *Farmers & Settlers Association*
4. **Mrs. Florence Willie**, Executive Director, *PNG Employers Federation*
5. **Mr. Chey Scovell**, CEO, *Manufacturers Council PNG*

1. WELCOME BY CO-CHAIRS

i. Co-chair, Susil Nelson Kongoi

- The meeting was called to order by President, Business Council of PNG (Co-Chair) Susil Nelson Kongoi at 830am.
- President Susil opened the 6th Consultative Forum by warmly welcoming all guests and participants. She also invited Secretary Warakai-Manua to join as co-Chair while awaiting the arrival of acting Chief Secretary Pomaleu.
- She acknowledged the progress made since the last meeting in November 2024, particularly the efforts of the Secretariat and the active engagement of the Technical Working Groups. These groups have been working on Technical Position Papers to support informed discussions. She concluded by expressing appreciation for the continued commitment of members and looked forward to a productive meeting.
- Co-Chair, Susil Nelson Kongoi introduced the meeting's agenda items:
 - Agenda item 1: Welcome by the Co-Chairs*
 - Agenda item 2: Matters Arising from the Previous Meeting*
 - Agenda item 3: Government Update*
 - Agenda item 4: Business Protection Taskforce Update*
 - Agenda item 5: Business Association Update*
 - Agenda item 6: Signing of the MOU between BCPNG and Dept of PMNEC*
 - Agenda item 7: Any Other Business*
 - Agenda item 8: Next Steps*

ii. Ms Warakai-Manua, Secretary, DITI

- Thanked Co-Chair and President for her opening remarks, welcome and acknowledged her leadership through the PNG Business Council.
- Agreed with Co-Chair Nelson-Kongoi on the progress the Consultative Forum has made; noting that in the past two years the Consultative Forum had challenges in defining its role and establishing an effective framework on how best both Government and the Private Sector can work together to cultivate an environment conducive for business
- Stated that the Consultative Forum provides an opportunity for updates from business and government on issues affecting us with the aim of finding effective and equitable pathways and solutions going forward
- Acknowledged partners from the Private Sector as well as Heads of Government Departments and agencies present
- Proposed for meeting attendees to introduce themselves

2. MATTERS ARISING

This agenda item was deferred as Mr. Clarence Hoot from IPA was unavailable to provide his update. The meeting agreed to move the matter to the next Government-to-Business Consultative Forum (G2BCF) meeting.

3. Agenda Item 3: GOVERNMENT UPDATE

i. Ms. Warakai-Manua, Secretary, DITI

- Noted that Key economic indicators give a positive trajectory in terms of an increase in economic growth, government revenue and availability of foreign exchange noting that FX is still constrained however work continues to improve this situation.
- Main drivers of this included the reopening of Pogeru, increased government spending and strong commodity prices.
- That there however remained risks knowing that the PNG economy remained susceptible and prone to global economic shocks in volatile global commodity markets, and continuing geopolitical tensions in the immediate region.
- Requested Mr John Uware to brief meeting on key government activities (refer to presentation)

ii. Mr. John Uware (Deputy Secretary, Dept. of Treasury)

- Mr Uware provided the current economic overview. He informed the meeting that:

- ✓ Non-resource sector grew at 4.5% in 2024
 - ✓ Resource sector grew at 1.7%
 - ✓ Overall economy grew at 3.8% in 2024
 - ✓ Economy is expected to strengthen to 4.7% growth in 2025
 - ✓ Economy is now worth over K120 billion, with government target of 200 billion by 2030
 - ✓ Inflation declined to 2.3% in 2023-2024, but underlying rate jumped to 4.6%
 - ✓ Government is committed to fiscal consolidation with deficit narrowing to 3.4%
- He further advised the meeting that the new Dividend Policy for state holding companies has now being implemented; that Government priorities currently covered: infrastructure, health, education, and, law and order
 - IMF program successfully completed three reviews, with fourth review pending board approval on June 13

4. Agenda Item 4: TASK FORCE UPDATE

i. Business Protection Task Force Update

- Co-Chair Nelson-Kongoi gave an update on the Business Protection Report on behalf of the Business Protection Task Force Co-chair Mr Kenneth Imako. She informed the meeting that the BCPNG had produced a Business Protection Report to inform G2B platforms and stakeholders that:
 - ✓ Security remained an integral part of doing business in PNG; and a key relationship was that between the private security professionals and their counterparts in the RPNGC and other government agencies.
 - ✓ the protection of businesses, their physical assets, digital systems and personnel relied on this cooperation.
 - ✓ Security issues for businesses in PNG continue to escalate with Increase in survival crimes Rise in cyber threats; and, Limited law enforcement coverage nationwide; and, that
 - ✓ The Report called for urgent, coordinated strategy through strong public-private partnerships.
- The Priority actions identified in the report included:
 - ✓ Expanding the enforcement coverage and resources for police and security services.
 - ✓ Strengthening the capacity of the National Cyber Security Centre.

- ✓ Implementing targeted programs to reduce youth unemployment and survival crimes (job creation, SME grants, workforce export opportunities). And,
 - ✓ Protecting critical infrastructure (ICT, ports, airports, supply chain highways) under a national security framework.
- Co-Chair Nelson Kongoi further informed the meeting that Task Force meeting for 2025 were yet to be convened. She provided update on key matters for CF's attention, including the proposed establishment of the Copyright and Cultural Rights Commission to safeguard local IP and creative industries.
 - That the Task Force will work with Co-Chair Dr. Hualopmomi to progress priorities in 2025 to ensure that its Main goal of securing the business environment, boosting market confidence, and protecting communities is maintained and progressed because Internal security remains a key focus area moving forward.

No comments on this from the meeting

ii. MTDP IV TASK FORCE UPDATE

Co-Chair Leka-Maliaki sent her apologies. She will provide updates at a later date.

iii. ECONOMY TASK FORCE UPDATE

- **Moses David, Co-chair Economy Task Force**
 - ✓ Noted the Prime Minister's link between GDP growth targets and potential tax breaks.
 - ✓ Reported improvements in the forex market — import orders clearing faster, waiting times reduced from months to weeks.
 - ✓ Acknowledged ongoing capital account flow restrictions, but positive movement in trade and current account transactions.
 - ✓ Welcomed the Monetary Policy Committee's clear forward guidance on kina depreciation, helpful for business planning.
 - ✓ Raised business concerns about how forex receipts from upcoming projects will be managed under new agreements.
 - ✓ Commended Central Bank Act reforms and noted the Phase 2 Independent Review Report is out with more financial sector reform recommendations, which the Task Force is watching closely.

No comments on this from the meeting

iv. Chief Secretary's Update on Senior Officials Meeting

- Reflected on valuable updates from a recent meeting involving stakeholders with different interests.
- The meeting identified key opportunities and important issues affecting Australia-PNG relations including priority issues such as visa arrangements, exchanges, innovation, and labour mobility.
- Emphasized the importance of ensuring these discussions lead to tangible policy changes, highlighting that communities and businesses will increasingly demand standardized labour training, qualification recognition, and better cross-border opportunities.
- Suggested these issues be incubated through Australia-PNG dialogue platforms and escalated to ministers to guide policy direction, and encouraged continuous conversations and collaboration to address business and people-centered priorities on both sides.

5. Agenda Item 5: BUSINESS ASSOCIATION UPDATE

i. Engineering Association Update

Mrs Edea Bouraga, Institute of Engineers

- Informed the meeting that the Institute was happy about Connect Energy audit gaining traction
- However, raised concerns about the need for the Board of NISIT (National Institute of Standards and Industrial Technology) to be appointed as a matter of urgency; that none had been appointed for the last 3 years;
- As such, the standard process was currently non-functional, as no technical meetings had been held; that the lack of a Board in NISIT meant that all international standards for engineering work have not been sighted by a Board; that only seismic standards have been updated recently
- She suggested that consideration be given for NISIT to be placed under an appropriate government Department/ministry to ensure efficiency. That a lack of a Board was not protecting businesses

ii. Independent Power Producers Update
Presentation by Mr Michael Uiari, CEO, NiuPower

- That the IP3 (Independent Power Producers association) represented 70% of power generation
- Critical issue: 1.2 billion kina debt owed to power producers by PNG Power
- May need to curtail supply or initiate debt recovery action
- Positive developments: CEO appointed to PNG Power (4 weeks in role), Chairman position resolved, National Energy Authority approved 10% tariff increase (5% implemented in March)
- Problems: National Energy Authority lacks chair and deputy chair appointments, New tariff regulation needs approval, Privatization agenda unclear

Response by Prof. David Kavanamur, Managing Director, KCH

- Professor Kavanamur outlined structural issues in power sector: That,
 - ✓ IPPs continued to generate the bulk of power but at high cost
 - ✓ PNG Power has become single power buyer but sells below cost
 - ✓ No tariff adjustment since 2013 (20% foregone increase)
 - ✓ About 30% is non-revenue power (customers not paying)
- He added further on progress of the Privatization roadmap: that,
 - ✓ Solvency test completed
 - ✓ Legal interpretation sought
- Task force implementing PNG Power corporate plan
- Restructuring along four grids: Ramu grid, Port Moresby grid, Gazelle grid, and micro grids
- Solutions being negotiated for various grids

6. Agenda Item 6: SIGNING OF THE MOU BETWEEN BCPNG & PMNEC

i. Mr. Ivan Pomelau, Chief Secretary, Department of Prime Minister & NEC

- MoU signing between Department of PMNEC and Business Council
- Significant progress made since 2021 in establishing effective engagement framework
- commended Business Council for resilience in maintaining dialogue
- MoU formalizes direct entry to cabinet for business issues
- Government recognizes significant role of businesses in employment, taxes, and economic growth

7. ANY OTHER BUSINESS

Nil

8. NEXT STEPS

i. Mr. Ivan Pomelau, Chief Secretary

- Check on NISIT board appointments which have been stalled for several years
- Confirm appointments to the National Energy Authority board

ii. Mr. John Uware, Deputy Secretary Treasury

- Consider submissions for Budget 2026 about extending tax credit scheme to electricity sector, PNG Power and Independent Power Producers

iii. Prof. David Kavanamur, Managing Director KCH

- Consider submissions for Budget 2026 about extending tax credit scheme to electricity sector, PNG Power and Independent Power Producers

Meeting Ended: 10:15am