



ICCC brief

OUR COMPETITION WATCHDOG. SHAPING OUR MARKET ECONOMY AND PROTECTING OUR CONSUMERS

The Quarterly Newsletter of the Independent Consumer and Competition Commission

ICCC and EHP signs deal— P3



New partnership with New Ireland— P6

Consumer awareness vital— P11



An ICCC officer inserting a trade measurement sticker on a weigh digital scale at the PNG LNG site, Central Province. ICCC carry out inspections on weighing and measuring instruments to verify scales have no excess errors, reading.

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GnC Energy Co. cleared

THE GnC Energy Co., Ltd (GnC) has been cleared to acquire the entire issued share capital in POSCO International Power (PNGLAE) Limited from POSCO International Corporation Limited.

The Independent Consumer and Competition Commission (ICCC) gave clearance for the proposed acquisition

on the basis that if it proceeds, it would not have, or would not be likely to have the effect of substantially lessening competition in any market (s) in Papua New Guinea.

ICCC Commissioner and Chief Executive Officer Mr. Paulus Ain said the ICCC considered that the proposed acquisition would only result in the

replacement of ownership in POSCO PNG.

"The proposed acquisition is not a consolidation between existing competitors in the market and result in GnC inheriting POSCO PNG's current market share in the market," Mr. Ain said.

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FROM THE COMMISSIONER'S DESK

Welcome back!

As we embark on this next three months of this quarter, we are overwhelmed to see most of our work progressing well and its business as usual for us.

Apart from our usual reviews, investigations and mergers and acquisition applications, we have completed the second leg of our price inspection exercise in the Highlands region and parts of Momase and New Guinea Islands.

It was yet an exciting news for us as we finally sign partnerships with Eastern Highlands and New Irelands provincial administrations to extend our work into respective provinces.

A very long time it took us to get this Memorandum of Understanding under-



Mr. Paulus Ain

way but we have progressed through it.

With this, we can say that we have representatives on the ground in all provinces where we cannot be there.

We signed this MoUs to engage two Business Development Officers in respective provinces to become ICC agents to attend to consumer issues.

As PNG's regulator, we continue to ensure consumers' interests are pursued by shaping the market economy and protecting their rights.

Most times, our work stories go untold where we don't acknowledge our hard-working staff for putting the long hours

into getting those mergers and acquisitions applications across the line or reviewing the PNG Ports regulatory contract amongst others. They have done a lot in their respective divisions and I would like to take this time to acknowledge them for their efforts throughout this quarter. Despite some challenges, you have worked hard for the good of the people of this nation.

We encourage you to take some time to read more about some of our stories for this quarter and we hope you find them interesting and insightful. If you have any comments or queries, please contact our Media & Publications Desk on 312 4600 or email: infor@iccc.gov.pg or ncholohei@iccc.gov.pg



Partnerships forged... The Independent Consumer and Competition Commission (ICCC) has recently signed Memorandum of Understanding (MoU) with the Eastern Highlands and New Ireland province recently. ICCC Commissioner and Chief Executive Officer, Mr. Paulus Ain said this signing will now add to the MoUs signed with 12 other provinces. He said it is another milestone to celebrate as it open doors for effective ICC's extension work in the provinces.

Left: ICC Commissioner Mr. Paulus Ain (third from left) and Eastern Highlands Provincial Administrator Mr. Allen Los after signing the MoU as witnessed by ICC and EHP officers.

Right: Mr. Ain, seated (second left) with New Ireland Provincial Administration, Mr. Richard Andia during the MoU signing between ICC and NIPA. ICC Media

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EHP administration welcomes ICCC

THE Eastern Highlands Provincial Administration has welcomed the Independent Consumer and Competition Commission (ICCC) to engage ICCC agents in the province.

Eastern Highlands Provincial Administrator Mr. Allen Los made this welcome during the signing of a Memorandum of Understanding between the provincial government and the ICCC in June 2024.

Mr. Los said EHP is a big province and there is a need for ICCC's presence on the ground.

"We would like to invite you back to the province and we need to extend our services right into the rural areas where people are being deprived of unfair competition and the prices are too high for them," Mr. Los said.

"They should be fairly treated in terms of goods and services."

He assured the ICCC that the provincial administration office will support its (ICCC) work in the province like other external partners they have.

ICCC Commissioner and Chief Exec-



Eastern Highlands Provincial Administrator Mr. Allen Los highlighting the importance of having ICCC in the province. ICCC Media

utive Officer, Mr. Paulus Ain said extending ICCC work into other centers has been challenging with limited resources.

"This is a huge responsibility with limited resources but with your commitment to partner and support this work, we will work together to serve the people of Eastern Highlands province," Mr. Ain said.

"It is equally important to let the people know that the prices of goods and services that continues to affect the peo-

ple of this country is not as a result of ICCC's failure to be out there, the ICCC has covered the districts, towns and provinces.

"The issue we have at the moment is inflation issue and that is outside of ICCC's responsibility. We are managing the price as a result of inflicted inflation and once that is addressed collectively, this pricing issue can be addressed adequately," Mr. Ain added.



Policing is everyone's business... We recently presented some office consumables to Badili Police Station in Moresby South. In an act of kindness, we purchased and presented printer cartridges and A4 paper to assist with their work. Legal Officer, Samson Hirowa, on behalf of the ICCC said this gesture was part of ICCC's supporting the work of Police. "Policing is everybody's business, we reported a complaint and at that time we realized that the office had a shortage of office consumables where I requested the management's assistance in purchasing these items," Hirowa said. Acting Badili Police Station Commander, Sergeant Mackrol Polo acknowledged the items adding that such aids like this makes their work effective. **ICCC's Legal Officer, Mr. Samson Hirowa, second left presenting the office consumables to Acting Badili Police Station Commander, Sergeant Mackrol Polo in the presence of other police officers.** ICCC Media



Some members of the Mergers & Adjudication team from the Competitive Markets & Fair Trade Division who screen and process all applications that come in before a decision is made.



Commissioner Ain presenting during the 39th Australia PNG Business Forum and Trade Expo in Gold Coast, Australia

ICCC's mergers and acquisition role clarified

PAPUA New Guinea's competition regulator, the Independent Consumer and Competition Commission (ICCC) clarifies the merger and acquisition rules in the country.

Before a packed conference room during the 39th Australia PNG Business Forum and Trade Expo in Gold Coast, Australia, Commissioner and Chief Executive Officer, Mr. Paulus Ain reiterates the need for companies to notify

the ICCC of any pre-merger activity if the transactions are likely to cross the thresholds.

"The legislative amendment done in 2018 requires businesses to notify ICCC for clearance if one of these two thresholds are met: 1) The transaction value of the acquisition exceeds K50 million; 2) the proposed acquisition is likely to increase the market share of the acquiring

business by 50% or more," Mr. Ain said.

"The 2018 amendment gave teeth to the pre-merger notification process and made it mandatory if either one of the two thresholds were crossed.

"Failure to notify the ICCC of a notifiable acquisition results in a default penalty of K750,000 fine," he added.



Morobe covered... 129 shops in two weeks under the usual rainy weather, our Morobe Team covered Morobe. Team Leader and ICCC Momase Regional Manager, Ms. Pamela Ipambonj said during the inspection, 55 shops were found to be non-compliant. As is, the shops were issued with Infringement Notices (INs) on the spot and were instructed to appeal their case should they feel their price increase was genuine and ICCC Pricing team will deliberate on it. The ICCC understands that shop owners need to recover their costs but urged shop owners not to take advantage of their shop location or others to impose unnecessary price increase.

ICCC Commissioner and CEO, Mr. Paulus Ain said those increases must not be too excessive, meaning above 10%. **Team Morobe**

GnC cleared to acquire all shares in POSCO PNG

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"Hence, this current market structure and the level of competition would remain the same post-acquisition. Market concentration and barriers to entry and expansion levels would not be enhanced in any way."

"With regard to right of first refusal ("ROFR"), some local players in the industry raised concerns that they should be given first preference to make their offer to acquire. Whilst this is considered an appropriate concern, the ICCC understands that there is no strict legal requirement with respect to how ROFR can be exercised. If there are any, the concerned person(s) can pursue their concern through that avenue."

Furthermore, the ICCC understands

that POSCO PNG had approached relevant State corporations prior to entering into the sale agreement with GnC, however, there was no interest from them.

"In terms of the concerns relating to the Proposed Acquisition negatively impacting the State's effort in dealing with electricity matters and the potential flow on impact on the consumers in the Lae/Ramu Grid, the ICCC notes that the ICCC Act limits it to only make decisions on competition grounds under the Clearance process," Mr. Ain said.

"The ICCC to use its discretionary power to direct GnC to apply for authorization, the ICCC considers that whilst this is discretionary, it should be applied where the ICCC considers that the transaction in question was likely

to raise some competition concerns. Even under the Authorization process, the ICCC is required not to oppose a transaction that does not raise substantial lessening of competition concerns.

"Whilst the above comments from the stakeholders are important, the process of Clearance require the ICCC to only consider whether or not the Proposed Acquisition would substantially lessen competition in any markets.

Therefore, comments that were not competition related were not taken into consideration.

"Therefore, the ICCC proceeded to give clearance on the Proposed Acquisition as it would not substantially lessen competition in any markets in PNG," Mr. Ain said.



ICCC's Consumer Protection Division Executive Manager, Mrs. Jacqueline Atua-Waffi and Investigation Officer, Mr. Seri Tau-Vali explaining some of the processes and procedures of reporting complaints during a PNG Customs Core Skills Training. *ICCC Media*

Product safety, standards at border vital: ICCC Officer

As part of our consumer awareness drive, we welcomed an opportunity to facilitate the work of ICCC through a presentation to a new batch of PNG Customs Officers.

Representing the Independent Consumer and Competition Commission, Investigation Officer, Mr. Seri Tau-Vali said it is important to create such network with sister-agencies like PNG Customs to serve the best interest of the consumers.

He said with Customs mandate in Border protection, they can monitor products entering PNG borders.

Basing off his presentation on consumer protection, he highlighted the need to understand Product ban, Product Recalls, Product Standards and Packaging Compliance.

He further clarified that if a particular product is banned or recalled, ICCC will share the information with Customs officers to ensure the prod-

uct does not get onto the shop shelves.

Meanwhile, PNG Customs Human Resources and Training officer acknowledged ICCC's participation in the training saying it was good for the new officers to know where and who to go to.

They anticipate signing a Memorandum of Understanding with the ICCC for future and strengthened collaborations.

ICCC, New Ireland partner to engage ICCC agents

IT is a cliché but indeed true that in a small yet significant event, the New Ireland Provincial administration has forged partnership with the Independent Consumer and Competition Commission (ICCC).

Followed by a true New Ireland way of strengthening a relationship, the ICCC Commissioner and Chief Executive Officer, Mr. Paulus Ain signed a Memorandum of Understanding (MoU) with the Acting New Ireland Provincial Administrator, Mr. Richard Andia.

This was not a mere signing but bringing and placing ICCC in the province to address consumer issues and concerns.

ICCC Commissioner and Chief Executive Officer, Mr. Paulus Ain who officiated the signing said what came with the partnership was the certification and endorsement of two Business Development Officers in the province to carry out some functions of ICC as ICC agents.

"ICCC has a number of roles that it plays amongst other responsibilities but with limited resources, we are not able to be in all the provinces and the best way possible was to have agents



on the ground," Mr. Ain said. In a welcoming gesture, the Acting New Ireland Provincial Administrator, Mr. Richard Andia echoed Commissioner Ain's comments saying its been a dream come true for them to sign the MoU with ICCC.

"This MoU gives us the pathway on how we can work towards protecting our consumer rights," Mr. Andia said.

"Being a maritime province, we are cut off from the other centers and

freight cost alone is quite expensive. But this signing would give us the avenue to work together to protect our consumers and promote the business and investment in the province."

This MoU marks the fourth and final partnerships between the ICC and provinces within the New Guinea Island region.

ICCC has existing contract with the Autonomous Region of Bougainville, West New Britain and Manus.



Top: ICC's Commissioner and CEO, Mr. Paulus Ain with Acting New Ireland Provincial Administrator, Mr. Richard Andia with the signed MoU document in the presence of the two newly appointed New Ireland ICC agents, Mr. John Tio Guria and Ms. Florence Pingga during the signing in Kavieng, New Ireland Province. **Bottom left:** Mr. Andia presenting a New Ireland traditional 'Mis' necklace to Mr. Ain as sign of strengthening their partnerships. **Right:** Mr. Ain and Mr. Andia exchanging the MoU documents to sign on their respective parts. **ICCC Media**



Pictures of the new ICCC agents taken through a shop and fuel inspection after their two-day training in Kavieng, New Ireland Province. After theory and practical training, they were certified to perform their duties as ICCC agents. *ICCC Media*

New agents told to work without fear or favor

THE two agents from New Ireland province have been encouraged to carry out their ICCC agent duties without fear or favor, acting New Ireland Provincial Administrator, Mr. Richard Andia told the two newly appointed ICCC agents.

"You must do your job correctly, you know the regulations and what ICCC expects from you and when you approach businesses, do it in the right manner, and you must under-

stand that they also have rights," he said.

"You must understand the ICCC's mechanism, processes and procedures to address them. Do not abuse your position to intimidate any business houses. I will terminate your contract if I find out about any misconduct."

ICCC Commissioner and Chief Executive Officer, Mr. Paulus Ain welcomed the agents on board and reiterated saying with this job, there is serious

potential for compromises. "If you are genuine for your own people, serve with your heart and if you start to compromise, you are passing on a disease to your family, while it's not a threat, it's something for you to think about," he added.

"We welcome you on board and we are looking forward to seeing you wearing our vests and IDs, standing in shops and doing the work of ICCC."



ICCC ensures weights, measures routine checks

THE ICCC Trade Measurement Inspectors, under the Trade Measurement Act and the Weight Measurement Regulation (the laws), are obliged to certify weighing and measuring instruments in the country.

The laws empower them to carry out inspections and verify that weighing and measuring instruments (scales) have the correct weight reading to cater for respective industry's needs.

Like every year, the inspectors are

currently doing their annual routine checks at some of the major companies in the aviation, petroleum, agriculture and other industries.

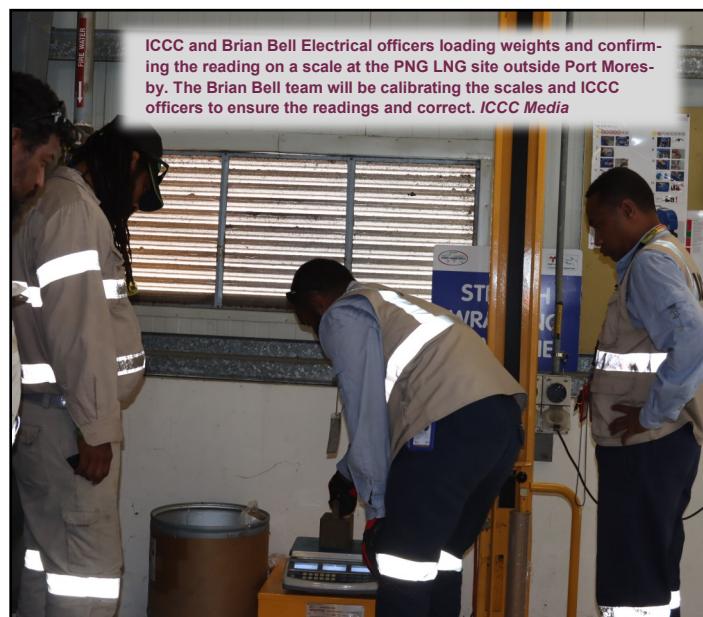
"For all, the routine check is mandatory for safety, and the scales are verified and certified for their respective weighing and measuring purposes," the inspectors said.

At the weighing and measuring sites, the inspectors test the weights and measures on various scales to verify the scale reading, ensuring there are no

excessive errors or discrepancies in grams compared to the previously certified standard weights and measures.

Should any discrepancies be found, certified technicians then calibrate the scale reading to maintain correct weights. The ICCC has applauded its clients for being compliant and always proactive in ensuring their scales are verified and calibrated consistently.

Pictured are recent routine-checks carried out at various companies in the petroleum and aviation industries.





Team Upper and Lower Highlands inspecting shops from Eastern Highlands to Southern Highlands and Enga provinces and completing more than 100 shops in two weeks.
ICCC Media and supplied pictures

Price inspection exercise covers Highlands area

FROM Kainantu in Eastern Highlands to Tari town in Hela, our staff inspected more than 100 shops in two weeks.

Deployed into two teams, the lower highlands team covered Eastern Highlands and Chimbu while the upper highlands team covered Jiwaka, Western Highlands, Hela, Southern Highlands and Enga.

It was no easy task to check every shop shelf on all brands sizes of tinned

fish, Ox & Palm, rice, sugar, flour, cooking oil, frozen chicken and meat products, soap (laundry & bath) and baby formula, but our officers successfully carried out the exercise within 14 days.

This Price Inspection exercise under the Price Measure No.4 as covered in many of our previous publications, was aimed at ensuring traders or shop owners do not over charge consumers

on the prices of these basic goods.

ICCC Commissioner and Chief Executive Officer, Mr. Paulus Ain acknowledged that some business houses were compliant during this inspection unlike in the past.

"Shops are now starting to ensure they are compliant with the Price Measure as they show evidence of communication trail with our ICCC pricing team," Mr. Ain said.

Guria excited to perform duty as ICCC agent

"I AM privileged to get this power by the ICCC, I've been receiving a lot of complaints in town of price increase and its only fitting to be given that representation as an agent."

John Tio Guria is one of the two newly appointed ICCC agents in New Ireland Province who was certified to perform some functions of the ICCC.

Guria, from East New Britain Province, has been working in New Ireland for over 14 years and is currently the provincial commerce division advisor.



New Ireland Provincial Commerce Division Advisor and ICCC Agent Mr. John Tio Guria

He said the last training for business development officers (BDOs) was done in the 1990s and it's been a long time.

"The wholesalers and retailers know that this function is missing in the province and now that it's being revived, people will start complying. Business houses have already been made aware of this after our visit to the shops during our training. And I am happy to perform this function of the ICCC in the province," he said.

Commissioner makes appearance...

Independent Consumer and Competition Commission Commissioner and Chief Executive Officer, Mr. Paulus Ain, second left, joins our Lower Highlands team in the price inspection exercise in Goroka, Eastern Highlands. During the inspections, Mr. Ain takes at least a day or two to visit his officers in respective provinces for radio awareness with National Broadcasting Corporation (NBC) provincial radios. His radio sessions include, NBC West New Britain, NBC Eastern Highlands, NBC Western Highlands and NBC Morobe. After his sessions, tries to squeeze in a quick walk in the shops with the teams mainly to show presence and boost their work moral.



Commissioner Ain, second left, with Lower Highlands team in Goroka, EHP. Bottom left: Mr. Ain at an NBC Radio station for a radio show. Bottom right: Team Morobe joins Mr. Ain in a media conference in Lae, Morobe province. *ICCC Media*



Consumer awareness in rural areas crucial

AFTER a two-hour drive into the misty mountains of Lufa district, Eastern Highlands Province, our officers were welcomed by curious locals who followed them everywhere in this only shop in the government station.

Walking in and out of shops to check prices can be tiring but it's rewarding when you get positive feedbacks from consumers while on the job.

They wanted to know what was going on and for some, they recognized the uniforms. One could actually see them spelling out 'ICCC' at the corner of their mouths.

"(Mipela hamamas tru lo yupela kam lukim dispela stoa, em wanpela stoa tasol na prais bilong ol kaikai iantap tru). We are glad you came to check this shop because it's the only shop in the station and is really expensive," one of the locals said.

"Planti taim, mipela painim hat tasol mipela save go lo stoa lo baim kaikai. Most times, we don't have a choice but to go and buy our food there. Mipela laikim olsem yupela imas toktok lo papa blo stoa lo daunim prais bilong ol kaikai. We want you to talk to shop owner so



Lower Highlands team doing awareness with locals in Lufa District, Eastern Highlands Province. *ICCC Media*

he could lower the prices," they said.

They had a lot of questions but also gave time to our officers to clarify some doubts.

ICCC officers clarified that this price inspection exercise is only to check prices of certain basic items and not everything.

"Wok bilong mipela long sekim prais bilong ol kaikai wer umi save kaikai long olgeta dei, kain olsem rais, ttipis, tinmit, flawa, suga na oil. This exercise is to check prices of rice, tinned fish, tinned meat, flour, sugar and oil amongst others," the officers explained.



Team WNB... The officers in Team WNB who inspected a total of 40 shops in Kimbe and Bialla. They noted, the retail prices for sugar, flour, cooking oil and laundry soap (especially waswas soap) has decreased compared to last year's prices. Team Leader Isidore Mission said from observation, it was understood that some traders were changing their prices overnight after being informed by other traders about the price inspection exercise in the province. **The ICC Officers in Kimbe, West New Britain Province for a two-week long price inspection.** *ICCC Media*



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The *ICCC Brief* is the quarterly newsletter of the Independent Consumer and Competition Commission (ICCC).

All information in this newsletter has been verified before publication. We welcome your feedback and suggestions for *ICCC Brief*.

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