



**INDEPENDENT CONSUMER &
COMPETITION COMMISSION**

Papua New Guinea's
Consumer &
Competition
Watchdog

DETERMINATION & REASONS

on

Clearance Application

by

EARTHKEEPER SANCTUARIES FONDEN

in respect of the

Proposed Acquisition of 100 percent shares in

CORAL ISLANDS LIMITED

Commissioners:

Mr. Roy Daggy – Commissioner and Chief Executive Officer

Mr. Jack Timi – Associate Commissioner (Resident)

Mr. Marcus Bezzi – Associate Commissioner (Non-Resident)

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About the ICCC

The Independent Consumer and Competition Commission (**"ICCC"**) is the statutory body established and empowered under the *Independent Consumer and Competition Commission Act 2002 ("ICCC Act")*. It is Papua New Guinea's consumer protection and competition authority. Its main functions are to promote competition; regulate prices of certain declared goods and services; set service standards of regulated entities; and protect consumers' interests.

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Contents

1.	INTRODUCTION.....	3
2.	BACKGROUND.....	4
2.1	The Parties	4
2.1.1	Applicant – Earthkeeper Sanctuaries Fonden (“The Foundation”).....	4
2.1.2	The Target – The Coral Islands Limited (“CIL”)	5
2.2	The Proposed Acquisition.....	6
3.	VIEWS FROM INDUSTRY PARTICIPANTS AND OTHERS	6
3.1	National Trade Office	7
3.2	Climate Change and Development Authority	8
3.3	Milne Bay Endemic Tours.....	9
3.4	Papua New Guinea Stock Exchange.....	9
3.5	Others.....	10
4.	ICCC'S EVALUATION	10
4.1	Competition Assessment	10
4.1.1	Definition of Relevant Market	10
4.1.2	Substantial Lessening of Competition Considerations.....	12
5.	DETERMINATION.....	12

1. INTRODUCTION

1. This Determination relates to the Clearance Application (“**Application**”) submitted by Earthkeeper Sanctuaries Fonden (the “**Foundation**” or “**Applicant**”) to the Independent Consumer and Competition Commission (“**ICCC**”) for the proposed acquisition of 100 percent (100%) shares in the Coral Islands Limited (“**CIL**”) (the “**Proposed Acquisition**”).
2. According to the application, the Proposed Acquisition involves the acquisition of 100% shares in CIL, including its nine subsidiaries by the Foundation from Ian Rodrick Gowrie-Smith, who is the sole shareholder.
3. The ICCC received the Application on 21st November, 2025 from Ashurst PNG on behalf of the Foundation. The ICCC registered the Application on 03rd December, 2025 and commenced the Clearance process thereafter.
4. Clearance is a statutory process established under section 81 of the *Independent Consumer and Competition Commission Act, 2002* (“**ICCC Act**”). Section 81 of the ICCC Act requires that a proposed merger or acquisition that meets either of the mandatory notification thresholds must be notified to the ICCC by the acquirer for a Clearance. The ICCC then assesses the likely competition effects, if any, of the proposed transaction in the relevant market(s).
5. If the ICCC is satisfied that the proposed transaction would not have, or would not be likely to have, the effect of substantially lessening competition in a market, it must give a Clearance for the transaction to proceed. Conversely, the ICCC must decline to give clearance if it is NOT satisfied that the proposed transaction would not, or would not be likely to, have the effect of substantially lessening competition in a market.
6. The ICCC may, at its own discretion, direct a person giving notice under Section 81 to give notice under Section 82(1) where it reasonably believes the proposed acquisition (which was subject of a Clearance application) needs to go through the Authorization process. The ICCC would give a Direction Letter to the Clearance applicant stating its reasons as to why the proposed transaction should go through the Authorization process.
7. The Proposed Acquisition meets the transaction value threshold; hence the Foundation submitted the Application for the ICCC’s assessment.
8. If the ICCC gives Clearance, it protects the transaction from being legally challenged for potential breach of the ICCC Act after it is consummated.
9. Clearance is an adjudication process; hence, the onus is on the applicant to satisfy the ICCC that the proposed acquisition would not, or would not be likely to, have the effect of substantially lessening competition in any market(s) in PNG.

10. It is also important to note that Clearance only applies to *proposed transactions*. If a proposed transaction which was subject of a Clearance application was consummated without the knowledge of the ICCC (or during the time the ICCC was reviewing it), a Clearance given by the ICCC would be considered invalid. The ICCC, therefore, could challenge the transaction if it believes that the acquisition has, or is likely to have, the effect of substantially lessening competition in a market.
11. The ICCC is required by the ICCC Act to give a decision on a Clearance Application within twenty (20) days¹ after the date of registration. However, if the ICCC requests further information from the applicant (or as agreed between the ICCC and the Applicant), the ‘clock’ for the 20-day countdown is paused on the date such request was made; and restarted after the day the requested information is provided by the applicant (or on the date as agreed between the ICCC and the Applicant).
12. The ICCC assesses Clearance applications in a public and transparent manner. As such the ICCC announced the receipt of the Application and invited relevant stakeholders and the public to provide their views and comments on the potential competition impacts the Proposed Acquisition may have in any markets in PNG. All relevant comments and submissions received from stakeholders and the public are summarized and discussed under the relevant section of this Determination.
13. The public consultation process also enables the ICCC to test publicly the Applicant’s claims regarding the actual and potential competition impacts the proposed acquisition would have, or would likely to have, in a relevant market in PNG.
14. For stakeholders who wish to access documents related to this Application and Determination, public copies are placed on the ICCC’s Public Register on its website; www.iccc.gov.pg. Hard copies are also available at the ICCC's Port Moresby Office.

2. BACKGROUND

2.1 The Parties

2.1.1 Applicant – Earthkeeper Sanctuaries Fonden (“The Foundation”)

15. The Applicant is a private non-profit entity, newly incorporated in Denmark. It was established for the primary purpose of undertaking nature restoration and

¹ The counting of the 20 days includes public holidays and weekends.

conservation of biodiversity. The Applicant was founded by Mrs. Sofie Kirk Kristiansen to secure her philanthropic efforts to have a positive impact on nature beyond her own lifetime. The Applicant has no shareholders or parent company and governed by a set of bylaws and an independent Board of Directors.

16. The founder, Mrs. Sofie Kirk Kristiansen, also owns and operates the Danish company, Earthkeeper Holding ApS, which conducts nature restoration activities in other jurisdictions. Earthkeeper Holding ApS operates several sanctuary projects including; Klelund (nature restoration conservation in Denmark), Earthkeeper Ecuador (nature conservation in Ecuador), and Strathconon Estates (nature restoration in Scotland). Strathconon Estates was *formerly* a hunting estate in Scotland but, later converted to a nature restoration project.
17. Neither the Applicant nor the companies affiliated with Mrs. Sofie Kirk Kristiansen conduct business in PNG. The Applicant is only active in the current *proposed acquisition* of CIL; hence would enter PNG through this Proposed Acquisition.

2.1.2 The Target – The Coral Islands Limited (“CIL”)

18. CIL (IPA Registration No. 1-60046) is a foreign company operating in PNG, with business activities including: real estate, renting and business services; and hotels & restaurants. The Target has nine subsidiary companies where eight of them are dormant landholding entities. Only one subsidiary, Panassa Limited, is active. The Target and Panassa Limited operate an eco-tourism business involving accommodation and visits by small tourist ships on a remote island group in Milne Bay Province. The Target also undertakes extensive sea turtle conservation activity. The eight dormant subsidiaries are:
 - Golden Reef Development Ltd;
 - Itamarina Ltd;
 - Moniara Ltd;
 - Panibari Ltd;
 - Tubinaguam Ltd;
 - Tupit Ltd;
 - Panarakuum Ltd; and
 - Ilai Ltd.
19. These subsidiaries hold certificate of titles for various portions of land within the remote island group in Milne Bay Province where the Target currently operates its businesses from.
20. The Target company is 100% owned by Mr. Ian Roderick Gowrie-Smith, a United Kingdom National. Mr. Smith has agreed to sell all of his shares in the

Target company, including the nine subsidiaries to the Applicant. After the acquisition, the Target company and its subsidiaries will be owned and operated by the Applicant.

2.2 The Proposed Acquisition

21. According to the Clearance Application, the Foundation and the shareholder of CIL have entered into a Share Purchase Agreement where the former proposes to acquire 100% of the shares in CIL from the individual shareholder. The individual shareholder will sell his entire shareholding in the Target Company in order to exit the company.
22. The Proposed Transaction includes non-profit purposes of environment conservation and restoration of biodiversity. While there is no additional commercial arrangement for this Proposed Transaction, the existing business activities of the Target will continue to be operated by the Applicant after the acquisition.
23. The Applicant intends to raise capital for financial and operational continuity through interests of its own capital as well as through donations in order to undertake nature restoration projects, with a strong focus on active reinstatement and management.
24. The Proposed Acquisition is subject to the following conditions:
 - a. The Investment Promotion Authority issuing certification under Section 32 of the *Investment Promotion Act*, 1992 to the company as a foreign enterprise permitted to carry on business in Papua New Guinea; and
 - b. The ICCC giving clearance or otherwise issuing approval for the transaction, which is the purpose of the application that this determination relates to.
25. The parties agree that these conditions are for the sole benefit of the Purchaser and may be waived only by the Purchaser in writing.
26. The application is made because the purchase price exceeds the K50 million threshold stipulated under Section 81(1)(a) of the ICCC Act, triggering the requirement for a formal clearance application to be lodged with the ICCC prior to the completion of the transaction.

3. VIEWS FROM STAKEHOLDERS

27. The ICCC invited relevant stakeholders and the public to provide their views on the likely competition effects the Proposed Acquisition may have on any markets in PNG. Below is the summary of comments and submissions from interested

stakeholders. The full submissions can be accessed on the ICCC's website: www.iccc.gov.pg.

3.1 National Trade Office

28. The National Trade Office (“**NTO**”) in its submission extensively discussed several key aspects surrounding the Proposed Acquisition. The observations in relation to competition are as follows:

a. Implications for Tourism Trade and Export Services

29. CIL's operations contribute to Papua New Guinea's service-export profile through eco-tourism activities and international visitor flows. NTO requests that the ICCC assess whether the acquisition will maintain or improve PNG's competitiveness in eco-tourism by:

- sustaining current levels of visitor's access to Milne Bay island group;
- ensuring continuity of operations for inbound tourists and small cruise ships; and
- preventing potential disruptions that might affect tourism-export revenues and local economic activity.

30. A decline in tourism activity could negatively impact both provincial and national economic outcomes.

b. Market Structure and Competition in Eco-Tourism Services

31. While the competition impacts fall within ICCC's core mandate, NTO notes that CIL's nine subsidiaries collectively hold multiple land titles within the remote island group. NTO therefore request that ICCC carefully assess whether the acquisition could contribute to increased market concentration or restrict potential entry of other eco-tourism operators in the future. A competitive eco-tourism sector supports innovation, quality improvement, and PNG's attractiveness to international markets.

c. Potential Risks and Benefits to Trade-Related Sectors

32. NTO notes that the acquisition presents both opportunities and risks that may influence trade-related sectors. NTO requests that ICCC consider whether the non-profit nature of the Applicant may:

Potential Risks:

- reduce the commercial scale of tourism operations;
- limit access for visitors and small tourist vessels; and
- shift the business model toward conservation-only use, potentially reducing tourism-export income.

Potential Benefits:

- strengthen PNG’s positioning as a premier eco-tourism and conservation destination;
- attract higher-value international visitors;
- create partnerships for sustainable development and biodiversity management; and
- improve PNG’s natural capital credentials in global markets.

d. Clarifications of Investment and Operational Plans

33. NTO seeks further clarity on the Foundation’s medium to long-term plans regarding:
- Continuation or expansion of eco-tourism operations;
 - Investment in infrastructure or conservation programs;
 - Partnership arrangements with traditional landowners and local communities; and
 - Ongoing commitments to sea-turtle and biodiversity conservation.
34. Such details are essential for determining whether the acquisition will generate tangible economic and social benefits while supporting PNG’s trade competitiveness.

3.2 Climate Change and Development Authority

35. The climate Change and Development Authority (“CCDA”) submitted that it has reviewed the proposal within the context of its statutory mandate under the *Climate Change (Management Act 2015 (as amended))*, as well as other relevant legislations and national policies. CCDA notes that the proposed acquisition relates to corporate ownership and control arrangements and does not, in itself, constitute an activity requiring direct approval, permitting, or regulation by the CCDA at this stage.
36. CCDA further notes that any future projects, investments, or activities undertaken by the new owners of CIL, or its parent entity that may have environmental, climate change, or conservation implications will be subject to

compliance with the applicable PNG laws and regulatory processes, including but not limited to:

- Registration and approval requirements under the Climate Change (Management) Act 2015 (as amended);
- Compliance with national climate change legislations including regulations, policies, strategies, and safeguards; and
- Any relevant environmental permitting processes administered by other competent authorities including CEPA.

37. In conclusion, based on the currently available information, CCDA has no objection to the proposed acquisition by the Foundation of 100% of the shares in CIL, subject to compliance with all applicable laws and regulatory requirements of Papua New Guinea.

3.3 Milne Bay Endemic Tours

38. Milne Bay Endemic Tours (“**MBE Tours**”) submitted that it operates a village guest house network and participate in conservation endemic tours in bird watching and other land and marine species research within the D’Entrecasteaux Group of islands, mostly on Ferguson and Normanby Islands at Esa-ala district in Milne Bay Province. MBE Tours further explained that it does not have business dealing within the area of islands where the Proposed Acquisition is happening and therefore it has no position to participate in the consultative process.

39. In terms of competition, MBE Tours has no objection to the Proposed Acquisition. It also does not have competitive advantage or disadvantage in the land boundaries of CIL’s operations that the Foundation tends to offer its investment proposal through the Proposed Acquisition.

3.4 Papua New Guinea Stock Exchange

40. Papua New Guinea Stock Exchange (“**PNGX**”) submitted that whilst it does not have significant comments on the Proposed Acquisition, it does not wish to see any reduction in competition which may affect service levels.

3.5 Others

41. BSP Financial Group Limited (“BSP”) and ENEOS Xplora Inc have submitted that they do not express a position regarding the potential anti-competitive implications of the Proposed Acquisition.

4. ICCC'S EVALUATION

4.1 Competition Assessment

4.1.1 Definition of Relevant Market

42. Before assessing the likely competition effects of a proposed transaction, it is necessary to first define the relevant market(s), as it sets the boundaries (or limits) within which competition between the parties involved is considered to exist or likely to exist. It is within these boundaries that the potential competition effects of a proposed acquisition (or merger) could be sufficiently assessed and determined.
43. In trying to identify the relevant market(s), the ICCC takes into consideration the area(s) of overlap in the business activities and or where there are vertical relationships between the concerned parties of a proposed acquisition. If an area of overlap and or supply relationship has been identified, then there is a need for one to discuss the possible market(s), including substitution possibilities, and eventually identifying the relevant market(s) the proposed acquisition is likely to affect in terms of lessening of competition. The ICCC then proceeds to undertake competition effects assessment of the proposed acquisition (or merger); and decides on the application.
44. The ICCC Act defines market under section 45(2) as follows:
“A reference in this Part to the term “market” is a reference to a market in the whole of Papua New Guinea for goods and services as well as other goods and services that, as a matter of fact and commercial common sense, are substitutable for them, including imports.”

4.1.1.1 Applicant’s definition of the Relevant Market

45. The Applicant has not defined a relevant market in relation to the business activities of the parties involved in the acquisition. The Applicant submitted that there is no overlap in the business activities of the parties involved in the acquisition as the Target Company operates in the eco-tourism sector whilst the Applicant is newly incorporated for the primary purpose of undertaking non-profit environmental restoration and conservation of biodiversity.

46. The Applicant further stated that it does not undertake any other activities in PNG; nor does it undertake any tourism business outside PNG. There is no existing vertical or horizontal business relationship between itself and the Target Company.
47. According to the Applicant, the market share of the Target Company in the eco-tourism business is insignificant, with several other operators of this kind in Milne Bay Province. The Applicant estimates that the market share of the Target within PNG would be less than one percent of the much larger market for hotel and tourists' services; and this will not change as a result of the Proposed Acquisition. The Applicant, therefore, considers that the Proposed Acquisition will not affect or change any market for the supply of goods and services.

4.1.1.2 ICCC's definition of the Relevant Market

48. As stated earlier, to identify the relevant market, the ICCC considers all the business activities of the Foundation and CIL in PNG and elsewhere. The ICCC must also consider whether there exist any vertical supply relationships, among the parties. These considerations guide the ICCC in identifying any area(s) of overlap in business activities and /or supply relationships that would form the basis of defining relevant market(s) for the purposes of assessing the likely competition effects of the Proposed Acquisition.
49. According to the Application and available information, the ICCC notes that the Foundation is a newly incorporated non-profit foreign entity established to acquire CIL for the primary purpose of undertaking environmental restoration and conservation of biodiversity. While the founder also owns and operates a few charitable entities that conducts nature restoration activities in other jurisdictions, it does not undertake any activities in PNG.
50. On the other hand, CIL and its subsidiaries operate an eco-tourism business involving accommodation and visits by small tourist ships on a remote island group in Milne Bay Province. The Target also undertakes extensive sea turtle conservation activity. CIL only operates in PNG, and has no presence in other jurisdictions.
51. Considering the services provided, the ICCC notes and concurs with the Applicant that there is no overlap in the business activities of the Foundation and CIL in any markets in PNG, nor are there any existing vertical business arrangements. The ICCC notes that the Applicant's entry into PNG would be through this Proposed Acquisition.
52. Given that no business overlaps or vertical relationships have been identified, and that the transaction involves only a change in ownership of CIL, the ICCC considers it unnecessary to define or assess relevant markets for the purposes of evaluating any potential lessening of competition.

4.1.2 Substantial Lessening of Competition Considerations


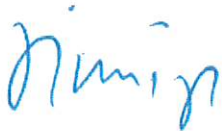

53. With the above conclusion not to define a relevant market, it is pointless to undertake a detailed likely adverse competition effects assessment for this Proposed Acquisition under Section 69.
54. The ICCC, however, considers that the Proposed Acquisition:
- would only result in a change of ownership of CIL and its subsidiaries. The current structure of the eco-tourism sector in PNG, the level of competition, and the market share of the target company, including its current position in any market, would remain unchanged post-acquisition;
 - would not enhance the Applicant's market position in PNG, as the Applicant does not currently operate in PNG. Rather, the Proposed Acquisition represents the Applicant's entry into the PNG market through the acquisition of CIL and its subsidiaries. The services currently provided by CIL would continue to be operated and supplied by the Applicant; and
 - does not result in any material changes to the competitive landscape in PNG especially in the markets that CIL currently operates in. There will be a continuation of the current status quo.
55. The Foundation is a newly incorporated entity and currently has no business operations in Papua New Guinea or any other jurisdiction. Accordingly, it does not exert any influence in any markets in Papua New Guinea. The Proposed Acquisition would therefore not impede, lessen, or otherwise affect competition in Papua New Guinea.
56. In addition, the ICCC notes that CIL's market share in Papua New Guinea is insignificant, estimated to be less than 1%, within a substantially larger market for hotel and tourist services that includes several larger operators. On this basis, the Proposed Acquisition will not lead to market concentration and will not eliminate a vigorous competitor.
57. Finally, the ICCC notes that the acquisition may, in fact, have a pro-competitive effect in the existing eco-tourism sector, as the environmental conservation and restoration projects are likely to attract additional tourists.

5. DETERMINATION

58. In view of all the above discussions and considerations based on available information, the ICCC is satisfied that the Proposed Acquisition would not have,

or would not be likely to have, the effect of substantially lessening competition in any market(s) in PNG.

- 59. The ICCC hereby gives this Clearance pursuant to section 81(3)(a) of the ICCC Act for the Foundation to proceed with the Proposed Acquisition.
- 60. Pursuant to section 81(6) of the ICCC Act, this Clearance expires after twelve (12) months after the date of release. The transaction should be completed within this period.

		
MR. ROY DAGGY <i>Commissioner and Chief Executive Officer</i>	MR. JACK TIMI <i>Associate Commissioner (Resident)</i>	MR. MARCUS BEZZI <i>Associate Commissioner (Non-Resident)</i>

Dated: 05th January 2026