



28 January 2020

Committee Secretary
Joint Standing Committee on Foreign Affairs, Defence and Trade
PO Box 6021
Parliament House
Canberra ACT 2600

Dear Sir/Madam

Inquiry into Australia activating greater trade and investment with Pacific island countries

I attach our submission to the Trade Sub-committee's inquiry into Australia activating greater trade and investment with Pacific island countries, which addresses the terms of reference.

Business Advantage International is a media, events and communications company that has been entirely focused since 2005 on promoting business and investment in the Pacific region, and especially in Papua New Guinea.

Over that period, we have provided business news, intelligence and information on how to invest and do business in the Pacific islands to an estimated audience of over a million people, 70% of which are based within the Oceania region, including Australia.

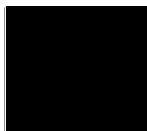
We have also hosted eight successful high-level investment promotion events on Papua New Guinea and the Pacific over that time, which have been attended by thousands of business leaders from across the region.

Our most recent conference, the 2019 Business Advantage Papua New Guinea Investment Conference, was attended by the Minister for Foreign Affairs, Senator Payne, last August.

As the only Australian business with a demonstrable track record, knowledge and expertise in this area, we have a unique perspective, hence our submission.

We remain at the committee's disposal if it would like further information from us.

Yours faithfully



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Why Business Advantage International (BAI) is making a submission

Business Advantage International (BAI) is a private media company based in Victoria, Australia. Since 2005, we have been focused on providing business and investment news and intelligence about the Pacific Islands Countries to a regional and global audience.

Over that time, we have published business and investment publications on Papua New Guinea (PNG), Fiji, Samoa, New Caledonia, Solomon Islands, Vanuatu, Tonga, and also the Pacific Islands Countries as a whole (through the annual *Business Advantage South Pacific* magazine, since discontinued).

In recent years, our focus has been primarily on Papua New Guinea, where we have published the respected annual business and investment guide to Papua New Guinea, *Business Advantage Papua New Guinea* since 2006.

Since 2011, BAI has organised and hosted eight investment conferences on PNG and the Pacific. Our most recent event, the 2019 Business Advantage Papua New Guinea Investment Conference (www.pnginvestmentconference.com), was attended by the Minister for Foreign Affairs, Senator Payne, last August. In late 2019, we co-hosted the PNG's first innovation conference, Innovation PNG (www.innovationpng.com).

Our online business portal, businessadvantagepng.com, is PNG's most visited business media. It has been visited by almost 900,000 readers since its launch in 2013. This portal, which includes an extensive information resource, *Doing Business in PNG*, is maintained by a small team of professional business journalists, who also produce a bi-weekly business e-newsletter, which is sent out to over 6000 subscribers each week, including 95% of the CEOs of PNG's largest companies.

Since 2014, we have also published PNG's most-read magazine, Air Niugini's *Paradise* inflight magazine.

All of the above activities have enabled us to build a unique understanding of the interests and needs of the business and investment community in the Pacific, and the challenges it faces.

Australia's interests in the Pacific

As the major economy in the Pacific region and the region's major aid donor, Australia has a vested interest in a Pacific region that is more economically dynamic and less dependent.



For the Pacific Islands to develop economically, they need to develop stronger business communities, better business connections, more robust businesses, and more skilled business owners and managers.

There are many factors that can lead to the development of stronger businesses in the PICs, but these include:

- Access to timely, accurate and reliable business intelligence
- Access to information about how to do business across the Pacific (eg relevant regulations and laws, business conditions, key economic sectors in each country, business travel information, useful contacts)
- Knowledge of the key features and differences between markets
- Case studies of successful businesses so they can see what business strategies work
- Data to help them benchmark their businesses
- Knowledge of business trends and developments
- Knowledge of where and how to source capital
- The opportunity to identify potential business partners and connect with them
- Opportunities for professional development

The business information drought

All of the above are in short supply in the Pacific. Where they are provided, it is intermittent and piecemeal, and presented by a mixed bag of government, NGOs and industry sources. The information that is available is often out-of-date, poorly researched and presented, incomplete or, in most cases, simply not there at all.

The lack of this basic information is not only an impediment to the development of successful businesses of all sizes in the Pacific, and trade between Pacific economies; it is also a barrier for Australian companies and investors looking to do business in and trade with the Pacific.

At the moment, business in the Pacific has an information drought. The Pacific region is crying out of a well-resourced business media to provide this information: a Bloomberg, *Australian Financial Review*, *Wall Street Journal* or *Financial Times* for the Pacific.

It can't rely on the Australian mass media to provide this, as this media is only intermittently interested in the region, and then mainly for geo-political reasons.



Why the drought exists

The reason the Pacific as a whole doesn't have such a media now is simple: with the exception of Papua New Guinea (and possibly Fiji), there is no sustainable revenue base upon which to build such a media.

1. There are not enough regional businesses with sufficient large advertising budgets make a non-subsidised trans-Pacific business media viable.
2. There are not enough businesses to pay to receive such a service if it were delivered via a paid subscription.
3. Because intra-Pacific trade is not strong and connections between markets weak, businesses that do advertise tend to be tactical in their approach and advertise in their home markets only, and not see the region as a whole as their target market.

How we can assist

As an Australian media company already well-established in the region, we are actually uniquely-placed to assist with addressing this problem.

Our online business magazine www.businessadvantagepng.com is already PNG's top-ranked business media, but with greater resources it could provide much deeper coverage of PNG (business news/features, business intelligence and trade/investment promotion), as well as expand to cover other key Pacific Island economies.

No other business or agency currently in existence anywhere in the Pacific replicates this service. Where Australian Government-funded agencies do exist in the Pacific, they do not have the resources, expertise or brief to provide such information on an ongoing basis.

It is also worth noting that about half our readers come from outside PNG, with Australia the second largest source of readers (18.5%), followed by the USA (8%), India (2%), the Philippines (1.5%) and Singapore (1.5%).

We are available to provide further information to the Trade Sub-Committee should it be of interest.

4 February 2020