

INDIRECT TAXES

EXPORTING GOODS FROM PAPUA NEW GUINEA

An exporter intending to export goods from PNG must, in addition to the necessary requirements under Customs, satisfy either legal or licensing requirements of other departments in PNG, example, Department of Fisheries, Forest, Environment and Conservation, Quarantine etc. Permits for the export of various goods or commodities are obtainable from this department depending on the type of commodity intended to be exported. It is more convenient for us and the exporter to be in possession of the necessary permits to avoid delays or inconvenience.

Where the commodity being export attracts a rate of export duty appropriate duty will be paid to Customs before such a commodity is exported

Export Commodities

Common export commodities that attract export duty are,

- Raw logs
- Marine products
- Crocodile skins

Other local products such as coffee, cocoa, are also exported but those do not attract any export duty.

Export Restrictions or Prohibitions

Whilst Customs gives the final approval for export of goods from any place in PNG, there are also certain restrictions and prohibitions applicable to the export of certain goods or commodities. These restrictions and or prohibitions are administered by various Departments of Government. ***These must be observed very strictly as some breaches do carry very heavy penalties including imprisonment.*** If in doubt, contact us or the individual departments concerned.

Two examples are given below.

- i. A restriction the minimum size of crocodile skins for export purposes is administered by the Office of Environment and Conservation.
- ii. This restriction is enforced by Customs and is in relation to export of raw logs. Certain species of logs that are considered to be conifers are totally banned from being exported in a log form. Only when such species are locally processed into standard timber sizes then it can be exported.