Papua New Guinea

ARRANGEMENT OF SECTIONS.

PART VIII. – MISCELLANEOUS.

PART IX. FINAL PROVISIONS.

SCHEDULE 1. – FEES AND CHARGES.

SCHEDULE 2. – TOURISM SERVICES THAT REQUIRE A LICENCE.

SCHEDULE 3. – ACCREDITATION OF TOURISM SERVICES.

A Proposal

For a Bill Entitled

the

Papua New Guinea Tourism Authority Act 2026

Being an Act to –

(a) establish the Papua New Guinea Tourism Authority; and

(b) provide a legal framework for the effective administration and regulation of the tourism sector; and

(c) provide a legal framework for tourism development and tourism promotion; and

(d) provide a legal framework to facilitate coordination of the tourism sector at the subnational level; and

(e) repeal the *Tourism Promotion Authority Act* 1993,

and for related purposes.

MADE by the National Parliament to come into operation by notice in the National Gazette, by the Head of State, acting with, and in accordance with the advice of the Minister.

PART I. – PRELIMINARY.

1. CONSTITUTIONAL COMPLIANCE.

(1) This Act, to the extent that it regulates or restricts the exercise of a right or freedom referred to in Subdivision III.3.C (*qualified rights*) of the *Constitution*, namely –

(a) the liberty of the person conferred by Section 42; and

(b) the freedom from arbitrary search and entry conferred by Section 44; and

(c) the right to freedom of expression conferred by Section 46; and

(d) the right to freedom of assembly and association conferred by Section 47; and

(e) the right to freedom of employment conferred by Section 48; and

(f) the right to privacy conferred by Section 49; and

(g) the right to freedom of movement conferred by Section 52; and

(h) the protection from unjust deprivation of property conferred by Section 53,

of the *Constitution*, is a law that is made pursuant to Section 38 of the *Constitution*, taking into account the National Goals and Directive Principles and the Basic Social Obligations, for the purpose of giving effect to the public interest in public order and public welfare.

(2) For the purposes of Section 41 of the *Organic Law on Provincial Governments and Local Level Governments* 1995, it is declared that this law relates to a matter of national interest.

2. INTERPRETATION.

In this Act, unless the contrary intention appears –

"**accreditation**" means the process of accrediting a tourism service or a tourism product under this Act;

"**Authority**" means the Papua New Guinea Tourism Authority established under Section 6;

"**Authorized Officer**" means a person authorized under Section 88;

"**Board**" means the Board of the Papua New Guinea Tourism Authority established under Section 9;

"**certificate of accreditation**" means a certificate issued for a tourism service or tourism product under this Act;

"**Chairman**" means the Chairman of the Board appointed under Section 13;

"**Chief Executive Officer**" means the Chief Executive Officer of the Authority appointed under Section 25;

"**Deputy Chairman**" means the Deputy Chairman of the Board appointed under Section 13;

"**Deputy Chief Executive Officer**" means a deputy appointed under Section 28;

"**Iconic Tourism Product**" means a tourism product declared under Section 76;

"**licence**" means a license issued under Part V of this Act;

"**Minister**" means the Minister who has political responsibility over this Act as determined in accordance with Section 148 of the *Constitution*;

"**National Tourism Database**" means the database established and maintained under Section 51;

"**National Tourism Register**" means the register established and maintained by the Authority under Section 50;

"**special purpose vehicle**" means an entity referred to under Section 78, incorporated for the purpose of carrying out, managing, or supporting specific statutory functions, programs, projects, or investments of the Authority, and which is not established to operate primarily as a revenue generating entity, except insofar as such revenue or return is generated or incidental to the statutory functions of the Authority;

"**sustainable tourism**" refers to tourism that takes whole account of its current and future economic, social and environmental impacts, addressing the needs of tourists, the tourism sector, the environment and host communities;

"**tourism**" means the social, cultural and economic phenomenon of the movement of persons to places outside of their usual place of residence for personal, business or professional purposes.

"**tourism development**" includes any intervention by the government or any other entity or person to develop the tourism sector or aspects of it, by providing financial or infrastructure support, technical assistance or capacity building, or other support, including support to develop tourism products, tourism hubs and tourism spokes;

"**Tourism Industry Association**" means the Papua New Guinea Tourism Industry Association Incorporated, incorporated under the *Associations Incorporation Act* 2023;

"**tourism hub**" means a designated geographical area or location declared under Section 71 as a tourism destination hub that serves as a primary centre for tourism;

"**tourism levy**" means a levy imposed under this Act on an end user of a tourism service or a tourism product for the purpose of promoting sustainable tourism and tourism product development;

"**tourism product**" means a tourism product regulated under this Act;

"**tourism promotion**" includes any legitimate marketing or coordinated activities aimed at informing, persuading, and attracting tourists to travel to and within Papua New Guinea;

"**tourism sector**" means the cluster of production units in different industries that provide consumption of goods, products, and services that are demanded by tourists;

"**tourism service**" means a tourism service regulated under this Act;

"**tourism spoke**" means a tourism destination, feature, attraction, or location supported by a tourism hub;

"**tourism standard**" means a set of guidelines, protocols, and benchmarks designed to regulate and improve the quality, safety, and sustainability in the tourism sector;

"**Tourism Steering Committee**" means the Tourism Steering Committee established under Section 34;

"**tourist**" means any person who travels outside of their usual place of residence and consumes tourism services and/or tourism products; and

"**the Act**" includes the Regulations made under it.

3. ACT BINDS THE STATE.

This Act binds the Independent State of Papua New Guinea.

4. APPLICATION OF OTHER ACTS.

(1) The provisions of this Act apply to Tourism Zones declared under the *Special Economic Zones Authority Act* 2019.

(2) For the purposes of the *Independent Consumer and Competition Commission Act* 2000, the tourism sector is declared as a regulated industry.

5. GUIDING PRINCIPLES.

This Act shall be administered and implemented taking into account the following guiding principles:

(a) promotion of sustainable development practices in the tourism sector, including the preservation of Christian morals, cultural values, and environmentally-sound practices; and

(b) stimulating economic growth, with the view of improving the economic status and well-being of all persons along the tourism supply chain, especially local communities and vulnerable groups; and

(c) strengthening good governance in the tourism sector; and

(d) encouraging inclusivity with the view of collaborative and consultative engagement with stakeholders in the tourism sector; and

(e) implementing international standards and best practices.

PART II. – ADMINISTRATION.

Division 1. – Papua New Guinea Tourism Authority.

6. ESTABLISHMENT OF THE AUTHORITY.

(1) The Papua New Guinea Tourism Authority is hereby established.

(2) The Authority –

(a) is a body corporate with perpetual succession; and
(b) has a common seal; and

(c) may acquire, hold, and dispose of real and personal property; and
(d) may sue and be sued in its corporate name.

(3) All courts, judges, and persons acting in a judicial capacity shall take judicial notice of the seal of the Authority affixed to a document and shall presume that it was duly affixed.

7. FUNCTIONS OF THE AUTHORITY.

(1) The Authority shall have the primary responsibility for the regulation, development, and promotion of the tourism industry.

(2) Without limiting the generality of Subsection (1), the functions of the Authority shall be to –

(a) develop, implement, coordinate, monitor, review, and evaluate policies, programmes, and plans for the tourism sector; and

(b) carry out tourism development and tourism promotion; and

(c) administer the registration, licensing, and accreditation framework for tourism services in the country in accordance with this Act; and

(d) administer the accreditation framework for tourism products in the country in accordance with this Act; and

(e) develop and implement tourism standards; and

(f) maintain a National Tourism Register and the National Tourism Database; and

(g) impose and collect fees, charges and levies; and

(h) take compliance and enforcement action under this Act or any other law; and

(i) undertake any study or research for the tourism sector; and

(j) develop a national tourism crisis strategy or emergency plan; and

(k) facilitate the implementation of international obligations and standards for tourism; and

(l) establish offices domestically or internationally to achieve the objectives of this Act; and

(m) conduct tourism awareness and training; and

(n) perform any other functions necessary for the effective implementation of this Act.

8. POWERS OF THE AUTHORITY.

The Authority has, in addition to other powers conferred on it by this Act and any other law, the power to do all things necessary or convenient to be done for or in connection with the performance of its functions.

Division 2. – The Board.

9. ESTABLISHMENT OF THE BOARD.

(1) The Board of the Papua New Guinea Tourism Authority is hereby established.

(2) The Board shall consist of –

(a) the following *ex officio* members:

(i) the Departmental Head of the Department responsible for planning matters, or his nominee; and
(ii) the Departmental Head of the Department responsible for Provincial and Local-Level Government Affairs, or his nominee; and
(iii) the Chief Migration Officer of the Immigration and Citizenship Authority, or his nominee; and
(iv) the Chief Executive Officer, or his nominee; and
(v) the Managing Director of the Investment Promotion Authority, or his nominee; and
(vi) the President of the Tourism Industry Association, or his nominee; and

(b) the following non *ex-officio* members:

(i) a representative from the Papua New Guinea Business Council; and
(ii) a representative from the airline industry; and
(iii) an independent tourism expert.

(3) The members of the Board referred to under Subsection (b)(i) – (iii) shall be –

(a) appointed in accordance with the *Regulatory Statutory Authorities (Appointment to Certain Offices) Act* 2004; and
(b) appointed for a term not exceeding four years; and
(c) remunerated in accordance with the *Boards (Fees and Allowances) Act* 1955; and
(d) eligible for re-appointment for an additional term.

10. MINIMUM QUALIFICATIONS FOR NON-EX-OFFICIO MEMBERS.

A person nominated as a non *ex officio* member shall-

(a) be ordinarily resident in the country; and
(b) possess the relevant educational qualifications and have at least 15 years of knowledge of and experience in the tourism sector or a related field;
(c) be a person of integrity; and

(d) be of sound physical and mental health as determined by a registered medical practitioner; and
(e) have good standing and reputation in the community; and
(f) shall not be disqualified under Section 15.

11. FUNCTIONS OF THE BOARD.

(1) The Board shall;

(a) provide strategic and policy oversight on the performance of the functions of the Authority; and
(b) provide such reports in relation to the function of the Authority as requested by the Minister.

(2) In performing strategic and policy oversight under Subsection (1), the Board shall give effect to any policy direction of the Minister or the National Executive Council, which shall be consistent with this Act and its objectives.

12. POWERS OF THE BOARD.

The Board has, in addition to other powers conferred on it by this Act and any other law, the power to do all things necessary or convenient to be done for or in connection with the performance of its functions.

13. CHAIRMAN AND DEPUTY CHAIRMAN.

(1) The Board shall elect one of its members to be the Chairman, and another member to be the Deputy Chairman.

(2) The Chairman and Deputy Chairman shall serve a term not exceeding two years, and be eligible for re-election.

(3) The Chairman and Deputy Chairman shall remain as Chairman and Deputy Chairman, respectively, until the expiration of the period of their respective terms or until each of whom ceases to be a member of the Board, whichever first occurs.

(4) Subject to Section 98, the Chief Executive Officer shall not be the Chairman or the Deputy Chairman.

14. ALTERNATES.

(1) Where an *ex officio* member of the Board is unable to attend a meeting, he may appoint an alternate member to attend that meeting of the Board.

(2) An alternate appointed under Subsection (1) shall be subject to the same terms and conditions as the member for whom a person is the alternate, and may exercise all of the member's powers and responsibilities, and this Act applies accordingly.

(3) An alternate may, unless the Board otherwise directs, attend meetings of the Board but may not, except where he is attending in the absence of the member of the Board for

whom he is the alternate, take part in a debate, vote on any matter, or be counted toward a quorum.

15. DISQUALIFICATION FROM OFFICE.

A person shall not be appointed or remain as a member of the Board, other than an *ex-officio* member, if the person –

(a) is a member or candidate for election as a member of the National Parliament, a member of a Provincial Assembly, or a Local-level Government; or

(b) is an undischarged or insolvent person declared by a Court of competent jurisdiction; or

(c) is of unsound mind based on a current medical opinion from a qualified medical practitioner; or

(d) has been sentenced to imprisonment for more than three months for a criminal offence; or

(e) is or has been bankrupt, or has applied to take the benefit under any law from a bankrupt or insolvent debtor, or has compounded with his creditors or made assignment of his remuneration for their benefit; or

(f) has been found guilty of misconduct in office under the *Organic Law on Duties and Responsibilities of Leadership*.

16. LEAVE OF ABSENCE.

Leave of absence may –

(a) in the case of the Chairman and Deputy Chairman, be granted by the Minister on such terms and conditions as the Minister determines; and

(b) in the case of other members, be granted by the Chairman on such terms and conditions as the Chairman determines.

17. VACATION.

(1) There shall be a vacancy on the Board where a member of the Board, other than an *ex-officio* member:

(a) dies; or
(b) resigns in accordance with Section 18; or
(c) reaches the age of 70; or
(d) is not re-appointed by the end of his term in office; or
(e) is removed in accordance with Section 19.

(2) The performance of a function or the exercise of a power of the Board is not invalidated by reason only of a vacancy in the membership of the Board.

18. RESIGNATION.

(1) A member of the Board, other than an *ex-officio* member, may resign by giving to the Minister, three-months' notice in writing of his intention to do so.

(2) The period of three months specified in Subsection (1) is deemed to commence on the fourteenth day after the receipt by the Minister of the notice, except where the Minister, by notice in writing to the member, fixes an earlier date for the commencement of that period.

(3) A member of the Board may withdraw his resignation at any time before the period of three months referred to in Subsection (1) commences.

19. REMOVAL.

(1) If a member of the Board, other than an *ex officio* member –

(a) is permanently incapable of performing his duties; or
(b) is absent, except with the written consent of the Minister or the Chairman, as the case may be, from three meetings of the Board; or
(c) is ineligible under Section 10 to be a member of the Board; or
(d) fails to comply with disclosure of interest requirements under Section 21,

his appointment shall be revoked by the Head of State, acting with and in accordance with, the advice of the National Executive Council, in accordance with this Section.

(2) Where a member of the board (other than an *ex*-officio member) is alleged to have satisfied any grounds referred to in Subsection (1), the Minister shall, by written notice, inform the member that he intends to revoke the member's appointment and specify the ground or grounds for the member's removal.

(3) Within 14 days after receiving a notice under Subsection (2), the member may reply in writing to the Minister, who shall consider the reply and, where appropriate, recommend to the National Executive Council to advise the Head of State to revoke the appointment.

(4) Where the member of the Board referred to in Subsection (2) fails to reply in accordance with Subsection (3), the Minister may proceed to recommend to the National Executive Council to advise the Head of State to revoke the appointment.

20. MEETINGS OF THE BOARD.

(1) The Board shall meet as often as the business of the Board requires, and at such a time and place as the Board determines, or as the Chairman, or in his absence, the Deputy Chairman directs, but in any event shall meet not less than once in every quarter.

(2) Where he receives a written request to do so by the Minister or by no less than four members, the Chairman, or in his absence the Deputy Chairman, shall convene a Special Meeting of the Board within 14 days, provided that at least three working days' notice has been given to every member of the Board.

(3) At a meeting of the Board –

(a) five members, of which at least three shall be *ex officio* members, shall constitute a quorum; and
(b) the Chairman, or in his absence, the Deputy Chairman, shall preside, and if both the Chairman and Deputy Chairman are absent, the members present may elect, from among them, a chair to preside over that meeting; and
(c) subject to Paragraph *(e)*, each member of the Board has one vote; and
(d) matters arising shall be decided by a majority of the votes of the members present and voting; and
(e) the person presiding has a deliberative, and in the event of an equality of votes on any matter, also a casting vote.

(4) The Board shall cause minutes of each of its meetings to be recorded and kept.

(5) The procedures of the Board are as determined by the Board.

21. DISCLOSURE OF INTEREST.

(1) A member of the Board who has a direct or indirect interest in a matter being considered or about to be considered by the Board shall, as soon as possible after the relevant facts have come to his knowledge, disclose the nature of his interest at a meeting of the Board.

(2) A disclosure made under Subsection (1) shall be recorded in the minutes of the meeting.

(3) A member of the Board to whom Subsection (1) applies –

(a) shall not be present or participate, in any deliberation or decision of the Board in relation to the matter during the meeting at which the disclosure is made or at any other meeting of the Board where the matter in question is discussed; and

(b) shall be disregarded for the purpose of constituting quorum for any such deliberation or decision.

(4) Where a member of the Board to whom Subsection (1) applies, has not made a disclosure in accordance with this Section, his vote shall be null and void retrospectively from the time the matter of interest is considered and determined by the Board.

22. BOARD SECRETARY.

(1) The Board shall have a Secretary who –

(a) shall be an officer of the Authority appointed under Section 29; and
(b) is a registered and practicing lawyer under the *Lawyers Act* 1986.

(2) The function of the Board Secretary is to provide legal and secretariat support to the Board.

23. COMMITTEES.

(1) The Board may, from time to time, establish one or more Committees to advise the Board on such matters as the Board considers necessary.

(2) In establishing a committee under Subsection (1), the Board may –

(a) appoint such persons as it considers necessary to be members of the committee, provided that at least one such person is a member of the Board; and
(b) specify the purpose, functions, and procedures of the committee.

(3) The Board shall pay to a member of a committee, other than a member of the Board, such fees and allowances as the Board determines appropriate.

24. ANNUAL REPORTS.

(1) The Board shall, no later than 31st March, every year, furnish to the Minister a report on the affairs, operations and expenditure of the Authority for the preceding year.

(2) As soon as practicable after he has received a report referred to in Subsection (1), the Minister shall present the report to the National Executive Council and shall also forward the report to the Speaker for presentation to the National Parliament.

Division 3. – Chief Executive Officer.

25. CHIEF EXECUTIVE OFFICER.

(1) There shall be a Chief Executive Officer of the Authority whose manner of appointment, suspension, and dismissal shall be in accordance with the *Regulatory Statutory Authorities (Appointments to Certain Offices) Act* 2004.

(2) The Chief Executive Officer shall be –

(a) the head of the staff of the Authority; and
(b) employed under a contract of employment and on terms and conditions determined by the Board, subject to the *Salaries and Remuneration Commission Act* 1988; and
(c) appointed for a term not exceeding four years; and
(d) eligible for re-appointment.

26. FUNCTIONS AND POWERS OF THE CHIEF EXECUTIVE OFFICER.

(1) The functions of the Chief Executive Officer are to –

(a) manage the day-to-day administration and operations of the Authority; and
(b) facilitate the implementation of policy directions from the Board; and
(c) report to the Board on any matter concerning the Authority; and
(d) perform the functions of the Authority, unless the Act requires that a function is to be performed by the Board; and
(e) coordinate meetings of the Tourism Steering Committee; and

(f) perform the functions as required of him under this Act and his contract of employment; and

(g) perform such other functions as the Board may determine, from time to time.

(2) The Chief Executive Officer has, in addition to other powers conferred on him by this Act and any other law, the power to do all things necessary or convenient to be done for or in connection with the performance of his functions.

27. DELEGATION.

The Chief Executive Officer may, in writing, delegate any or all of his functions and powers under this Act, except the power of delegation itself, to a Deputy Chief Executive Officer or an officer of the Authority.

Division 4. – Staff of the Authority.

28. DEPUTY CHIEF EXECUTIVE OFFICER.

(1) The Board shall, acting on the recommendation of the Chief Executive Officer, appoint, no less than two Deputy Chief Executive Officers necessary for the purpose of carrying out the functions of the Authority and to give effect to this Act.

(2) A Deputy Chief Executive Officer shall be engaged under a contract of employment on such terms and conditions as are determined by the Board, subject to the *Salaries and Conditions Monitoring Committee Act* 1988.

29. STAFF.

(1) The Chief Executive Officer may, in accordance with the procedures approved by the Board, employ such persons as he considers necessary to be officers of the Authority, for the purpose of carrying out the functions of the Authority and for giving effect to this Act.

(2) Officers engaged under Subsection (1) shall be employed under a contract of employment on such terms and conditions as determined by the Board, subject to the *Salaries and Conditions Monitoring Committee Act* 1988.

(3) The Chief Executive Officer, Deputy Chief Executive Officers, and the officers appointed under Subsection (1) shall constitute the staff of the Authority.

30. TEMPORARY AND CASUAL STAFF.

The Chief Executive Officer may, in accordance with procedures approved by the Board, employ such casual or temporary officers as he considers necessary for the purpose of carrying out the functions of the Authority and giving effect to this Act.

31. PUBLIC SERVICE RIGHTS.

(1) Where a person appointed as Chief Executive Officer was, immediately before the appointment, an officer of the Public Service within the meaning of the *Public Services*

(Management) Act 1995, the person's service as that officer shall, for all purposes, be counted as service as the Chief Executive Officer of the Authority.

(2) Where a person appointed as a Deputy Chief Executive Officer, or officer of the Authority was, immediately before the appointment, an officer of the Public Service within the meaning of the *Public Services (Management) Act* 1995, the person's service as that officer shall, for all purposes, be counted as service as an officer of the Authority.

32. CONSULTANTS.

(1) Subject to the *National Procurement Act* 2018 and the *Public Finances (Management) Act* 1995, the Chief Executive Officer may, with the approval of the Board, where necessary engage a suitably qualified technical expert as a consultant for the purpose of carrying out the functions of the Authority and for giving effect to this Act.

(2) A consultant engaged under Subsection (1) shall be employed under a consultancy agreement on such terms and conditions as determined by the Board, on the advice of the Chief Executive Officer.

33. ADMINISTRATIVE ORDERS.

The Board may, from time to time, make Administrative Orders as to any matter required or permitted by this Act to be made, or that are necessary or desirable to be made, for carrying out or giving effect to this Act including for the good governance of the Authority, the management control and conduct of the staff of the Authority, and the better management and control of the finances and assets of the Authority.

Division 5. – National Consultation Framework.

34. TOURISM STEERING COMMITTEE.

(1) The Tourism Steering Committee is hereby established.

(2) The Tourism Steering Committee shall consist of members who shall be of no less than Deputy-level or equivalent, representing the following:

(a) key economic sector departments and agencies; and
(b) key social sector departments and agencies; and
(c) relevant regulatory bodies and authorities; and
(d) relevant industry representative bodies; and
(e) any other relevant stakeholders as the Authority considers necessary.

(3) The Tourism Steering Committee, subject to and in accordance with this Act, shall provide a forum for the members to –

(a) have regular stakeholder engagement, open dialogue, and information and knowledge exchange; and
(b) plan and coordinate the implementation of sectoral policies; and
(c) formulate policy advice for the Board; and
(d) align sectoral activities relating to tourism; and

(e) address any other issues affecting the tourism sector.

(4) The Tourism Steering Committee shall:

(a) be chaired by the Chief Executive Officer; and
(b) meet at least once a year.

(5) The Authority shall provide secretariat support to the Tourism Steering Committee.

(6) The Chair of the Tourism Steering Committee shall provide reports of its meetings to the Board.

35. INSTITUTIONAL ARRANGEMENTS AND INTERNATIONAL COOPERATION.

The Authority may enter into agreements or any other arrangement with a public body, a private entity, a foreign government, an international organization, or other relevant entity for the effective implementation of its functions under this Act.

PART III. – FINANCES.

36. FINANCES OF THE AUTHORITY.

(1) The finances of the Authority shall consist of —

(a) all monies appropriated by the National Parliament to the Authority, for the purposes of carrying out or giving effect to this Act; and
(b) all fees and fines paid or payable to the Authority under this Act or any other law; and
(c) all monies received by the Authority by way of grants, donations, contributions, and subscriptions; and
(d) all monies received by the Authority from investments or borrowings; and
(e) all monies earned or arising from any property, mortgages, charges or debentures acquired by or vested in the Authority.

(2) The following Acts apply to and in relation to the finances of the Authority –

(a) *Public Finances (Management) Act* 1995*;* and
(b) *National Procurement Act* 2018; and
(c) *Non-Tax Revenue (Administration) Act* 2022.

37. SUSTAINABLE TOURISM FUND.

(1) The Sustainable Tourism Fund is hereby established.

(2) The Sustainable Tourism Fund shall consist of monies collected from tourism levies, and any other funds specified for the purposes of the Sustainable Tourism Fund.

(3) The Board is the trustee of the Sustainable Tourism Fund.

(4) The purpose of the Sustainable Tourism Fund is to promote sustainable tourism and tourism product development, by giving the Authority the financial ability to implement programmes relating to –

(a) soft infrastructure development, facilities, and amenities; and
(b) training and capacity building; and
(c) accommodation; and
(d) tourism attractions; and
(e) tourism activities; and
(f) any other product development programme as approved by the Board.

(5) A person is not entitled to any interest in the Sustainable Tourism Fund or to receive any payment or benefit from the Sustainable Tourism Fund, by reason only that a tourism product is located on communal or private property.

(6) The rates at which the Sustainable Tourism Fund is applied for the purposes specified under Subsection (4), is as determined by the Authority, from time to time.

(7) Payment out of the Sustainable Tourism Fund must be in accordance with a trust instrument approved by the Departmental Head for the department responsible for financial matters.

38. COLLECTION OF TOURISM LEVIES.

(1) A tourism levy may be imposed on an end user of a tourism product or tourism service, and to be applied for the purpose of promoting sustainable tourism and tourism product development.

(2) The levy shall be charged and collected as a component of the fee charged by a holder of a valid license or a certificate of accreditation for access to a tourism product or use of a tourism service, for any category and at a rate determined under a regulatory contract under the *Independent Consumer and Competition Commission Act* 2000.

(3) A holder of a valid license or certificate of accreditation who charges a fee for tourism service or tourism product to which this Section applies shall –

(a) collect the levy at the point the fee is charged; and
(b) remit the levy collected to the Authority.

(4) A levy collected and not remitted in accordance with Subsection (3):

(a) forms part of the conditions of the license or accreditation; and
(b) is a debt due and payable to the Authority and may be recovered by the Authority in a court of competent jurisdiction.

(5) All levies remitted under this Section shall be paid into the Sustainable Tourism Fund established under Section 37.

(6) The Authority shall disburse levies from the Sustainable Tourism Fund to the Provincial Governments and Local-level Governments in whose areas the tourism services and

tourism products are located, in accordance with Section 37 and any formula prescribed in a Regulation and the trust instrument for the Sustainable Tourism Fund.

(7) A Regulation may prescribe the procedures for the collection, remittance, accounting, auditing, and disbursement of a levy under this Section.

39. EXPENDITURE.

The finances of the Authority may be expended for the following reasons: -

(a) payment or discharge of expenses, obligations, and liabilities of the Authority; and
(b) remuneration of the staff of the Authority, including temporary and casual staff; and
(c) payment of any allowances to the members of the Board, and committees of the Board; and
(d) payment of fees and costs for professional services rendered to the Authority; and
(e) payment of any charges on any amount which may be allocated to the Authority from loan funds; and
(f) repaying any moneys borrowed under this Act and any interest payable; and
(g) the disbursement of grants, loans or other financial assistance under this Act; and
(h) making investments authorized by this Act and other relevant laws; and
(i) such other purposes as are consistent with the functions of the Authority after consultation with and approval by the Board.

40. FEES AND CHARGES.

(1) The Authority may impose fees and charges prescribed in Schedule 1 of this Act.

(2) The fees and charges under Subsection (1) may be collected in such a manner as the Chief Executive Officer may determine from time to time.

41. BANK ACCOUNTS.

The Authority shall open and maintain such bank accounts as are necessary for the exercise and performance of its functions, and shall pay into them all monies referred to in Section 36.

42. INVESTMENT AND BORROWING.

(1) Monies of the Authority that are not immediately required may be invested or deposited with a bank or financial institution in accordance with the *Public Finances (Management) Act* 1995.

(2) The Authority may borrow money in accordance with the *Public Finances (Management) Act* 1995.

(3) Subject to Subsection (2), the Authority shall not borrow money –

(a) if and to the extent that, immediately after the money is borrowed, the total principal amount outstanding of all monies borrowed by the Authority exceeds 10 percent of the total assets of the Authority; and

(b) from a person other than an Authorized Institution as defined under the *Banks and Financial Institutions Act* 2000; and

(c) unless approved by the Board; and

(d) where a land purposed for a function of the Authority is intended to be mortgaged or charged against a borrowing, that borrowing must not in aggregate result in more than 10 percent of the land purposed for that function of the Authority being imposed with a charge, mortgage, lien, or other encumbrance.

43. ANNUAL BUDGETARY APPROPRIATIONS.

The Authority, in relation to a submission for an annual appropriation shall, before or by the date prescribed as a due date, submit—

(a) in respect of the operational funding, to the departmental head of the department responsible for treasury matters, an operational budget; and

(b) in respect of the development funding, to the departmental head of the department responsible for planning matters, a development budget,

in respect of the year (or years) immediately succeeding the year in which the submission is made.

44. ACCOUNTS, RECORDS, ETC…,

The Authority shall, in accordance with the generally acceptable accounting standards and practices and Financial Instructions, issued by the departmental head of the department responsible for financial matters, keep proper accounts of its transactions and affairs, and shall do all things to ensure that all expenditure of its funds are authorized in accordance with law, and that adequate control is maintained over its assets, or assets in its custody and over the incurring of liabilities.

45. AUDITS.

For the avoidance of doubt, Part III of the *Audit Act* 1989 applies to and in relation to the books, records and accounts of the Authority.

46. REPORT AND FINANCIAL STATEMENTS.

The Authority shall, before 31 March each year, prepare and furnish to —

(a) the Minister; and
(b) any governmental body as the Authority considers relevant,

a report on the operations and finances of the Authority for the year ended 31 December, in respect of the preceding year.

PART IV. – SUB-NATIONAL COORDINATION.

47. APPLICATION OF SUB-NATIONAL LAWS.

(1) Prior to the commencement of this Act, any provincial law or local-level law made under the *Organic Law on Provincial Governments and Local-level Governments* 1995, shall continue to apply, and in the event of any inconsistencies between these laws and this Act, this Act shall prevail.

(2) A Provincial Government or Local-level Government shall consult the Authority before enacting a law on tourism matters.

48. PROVINCIAL GOVERNMENT RESPONSIBILITIES.

(1) The Authority may, in accordance with a Regulation, delegate one or more of the following functions and powers to a Provincial Government, including but not limited to:

(a) licensing of tourism services; or
(b) accreditation of tourism services and tourism products; or
(c) implementation of tourism standards; or
(d) certain tourism development activities in accordance with an agreement; or
(e) compliance and enforcement; or
(f) any other matter deemed necessary by the Authority.

(2) A Provincial Government shall:

(a) manage a provincial register for tourism services and tourism products that is compatible with the National Tourism Register; and
(b) maintain a provincial tourism database that is compatible with the National Tourism Database; and
(c) provide annual reports to the Authority on its functions and powers delegated under this Section; and
(d) provide any other information and data to the Authority necessary for the management of tourism.

(3) A delegation under Subsection (1) shall only take place after consultation between a Provincial Government and the Authority and shall consider:

(a) the capacity of the province to carry out the responsibility; and
(b) the provincial budgetary support; and
(c) any other matter the Authority deems necessary.

(4) The Authority may enter into an agreement or arrangement with –

(a) the department responsible for provincial governments and local level governments affairs; and
(b) a Provincial Government,

on all matters prescribed under this Section.

49. LOCAL-LEVEL GOVERNMENT RESPONSIBILITIES.

The Authority may, through a Provincial Government, enter into an arrangement with a Local-Level Government on the following matters:

(a) local tourism facilities; and
(b) local tourism services and tourism products; and
(c) any other matter the Authority deems necessary.

PART V. – REGULATORY CONTROL.

Division 1. National Tourism Register and National Tourism Database.

50. NATIONAL TOURISM REGISTER.

(1) The Authority shall establish and maintain a register to be known as the National Tourism Register.

(2) The Authority shall enter into the National Tourism Register, information –

(a) on registered tourism services; and
(b) on licenses granted for tourism services; and
(c) on tourism products; and
(d) on accredited tourism services; and
(e) on accredited tourism products; and
(f) provided by Provincial Governments and Local Level Governments under Section 48 and Section 49; and
(g) pertaining to any other matters under this Part.

51. NATIONAL TOURISM DATABASE.

(1) The Authority shall maintain a database to be known as the National Tourism Database.

(2) The National Tourism Database may contain:

(a) information extracted from the National Tourism Register; and
(b) the statistical data on the aggregate and disaggregated contribution by the tourism sector, to –
   (i) the Gross Domestic Product; and
   (ii) formal employment; and
   (iii) the tax or public revenue collection; and
   (iv) the foreign exchange earnings or savings; and
(c) to the extent possible, the foregoing data by tourism services, tourism products, or any other broad grouping or classification pertinent to the tourism sector in Papua New Guinea; and
(d) any other information or data that the Authority considers necessary.

(3) The data from the National Tourism Database may only be used in relation to any –

(a) provision of information or reporting to a governmental body; or
(b) evidenced-based policy and planning; or
(c) assessment on the performance of the tourism sector; or
(d) official reporting on international obligations; or
(e) other use, which the Authority may consider as necessary.

(4) The Authority may establish institutional arrangements and mechanisms with a governmental body, which may include a digital integration system, as the Authority considers necessary, by which the Authority may source any relevant data for the purpose of the National Tourism Database.

Division 2. – Categories of Tourism Services.

52. CATEGORIES OF TOURISM SERVICES.

(1) The Authority shall establish and maintain a system for the categorization of tourism services.

(2) The categorization of tourism services under this Division shall include the following:

(a) travel organization and booking; and
(b) transportation; and
(c) accommodation; and
(d) food and beverage; and
(e) handicrafts; and
(f) tourism assets; and
(g) leisure, excursion, and tours; and
(h) support services.

(3) A regulation shall, amongst other things, prescribe for sub-categories of tourism services.

Division 3.- Registration of Tourism Services.

53. REGISTRATION OF TOURISM SERVICES.

(1) A person who intends to operate a tourism service shall make an application to the Authority to be registered under a category or sub-category of tourism services under Section 52.

(2) An application for registration shall:

(a) be made in the prescribed form; and
(b) be accompanied by the prescribed fee; and
(c) provide a clear and detailed description of the tourism service intended to be delivered;
(d) include all relevant information as prescribed under this Act or in a Regulation; and
(e) provide any additional information as required by the Authority.

(3) An application may be made electronically in a manner approved by the Authority.

Division 4. – Licensing of Tourism Services.

54. TOURISM SERVICE LICENSE.

(1) A person who registers under Section 53 who intends to operate a tourism service within a category under Schedule 2 shall apply for a license under this Section.

(2) An application for a tourism service license shall:

(a) be made to the Authority in the prescribed form; and
(b) be accompanied by the prescribed fee; and
(c) provide a clear and detailed description of the tourism service intended to be delivered; and
(d) include all relevant information and documentation prescribed under Section 53; and
(e) include all relevant information and documentation required under this Act; and
(f) provide any additional information as required by the Authority from time to time.

(3) An application may be made electronically in a manner approved by the Authority.

55. GENERAL REQUIREMENTS FOR A TOURISM SERVICE LICENSE.

An applicant for a license under this Division shall –

(a) be a registered business incorporated in Papua New Guinea; and
(b) hold a local bank account with a financial institution, under which revenue generated from business in Papua New Guinea is held; and
(c) provide evidence of the appropriate insurance coverage, as applicable; and
(d) any other requirements as prescribed under this Act, or as required from time to time by the Authority.

56. SPECIFIC REQUIREMENTS FOR CATEGORIES OF TOURISM SERVICES.

In addition to the general requirements prescribed under Section 55, an applicant shall also satisfy requirements for a specific category of tourism service, as prescribed in a Regulation.

57. GRANT OF TOURISM SERVICE LICENSE.

(1) Where an application is received by the Authority under Section 54, the Authority shall consider the application and make a determination as to whether the applicant satisfies:

(a) the general requirements and specific requirements under this Division; and
(b) any other requirements as determined by the Authority.

(2) Where the Authority has determined that the application has satisfied the requirements under Subsection (1), the Authority shall issue a license.

(3) A license issued under Subsection (2) shall:

(a) be in a form approved by the Board; and
(b) contain the necessary details of the applicant; and
(c) state the category of tourism service; and
(d) impose general conditions of the license; and
(e) specify an approved validity period, which shall not exceed five years; and
(f) any other information as determined by the Authority.

(4) The Authority shall enter the particulars of the license in the National Tourism Register.

58. REFUSAL OF TOURISM SERVICE LICENCE.

(1) The Authority shall refuse to issue or renew, as the case may be, a license, where the Authority determines that:

(a) the applicant has submitted an application that is incomplete, incorrect, falsified, or inconsistent with this Act; or
(b) a ground of cancellation exists under Section 60; or
(c) the applicant has breached any of the terms or conditions of a license.

(2) Where a license has been refused under Subsection (1), the Authority shall notify the applicant of the refusal and the grounds for the refusal and afford the applicant an opportunity, within a prescribed time frame, to rectify the circumstances giving rise to the ground for refusal.

(3) Where an applicant has not taken the appropriate action to rectify the circumstances giving rise to the grounds for refusal within a time specified in a notice by the Authority under Subsection (2), the Authority may uphold the refusal.

(4) A refusal under Subsection (1) shall not prevent the applicant from making a fresh application under Section 54.

59. RENEWAL OF TOURISM SERVICE LICENCE.

(1) A licensee that has a valid license shall, not less than 30 days before the expiration of the license, apply to the Authority for renewal.

(2) An application under Subsection (1) shall be made in accordance with Section 54.

(3) Where a licensee satisfies the requirements under this Section, the Authority shall renew a license.

60. CANCELLATION OF TOURISM SERVICE LICENCE.

(1) Where the Authority is satisfied that –

(a) the validity period of the license has lapsed, and an application is not being considered by the Authority; or

(b) the license was granted as a result of a false, misleading or misrepresented information; or
(c) there has been a breach of any terms or conditions of the license; or
(d) the licensee has committed an offence under this Act or any other law; or
(e) the licensee has been declared bankrupt, insolvent, placed into liquidation, or has had a receiver and/or manager appointed; or
(f) the licensee granted the license, is a partnership, joint venture, or revokable trust and the partnership, joint venture, or revokable trust is dissolved,

the Authority may, by written notice, cancel the license.

(2) A cancellation under Subsection (1) shall not prevent a person from making an application under Section 54.

Division 5. – Accreditation of Tourism Services.

61. APPLICATION FOR ACCREDITATION.

(1) A person who intends to operate a tourism service within a category under Schedule 3 may apply for accreditation under this Section.

(2) An application for accreditation shall:

(a) be made in the prescribed form; and
(b) be accompanied by the prescribed fee; and
(c) provide a clear and detailed description of the tourism service intended to be delivered; and
(d) include all relevant information and documentation prescribed under Section 62; and
(e) include all relevant information and documentation required under this Act;
(f) provide any additional information as required by the Authority.

(3) An application may be made electronically in a manner approved by the Authority.

62. GENERAL REQUIREMENTS FOR ACCREDITATION.

An applicant for accreditation under this Division shall –

(a) be registered under this Part; and
(b) be a registered business incorporated in Papua New Guinea; and
(c) hold a local bank account with a financial institution, under which revenue generated from business in Papua New Guinea is held; and
(d) provide evidence of the appropriate insurance coverage, as applicable; and
(e) any other requirements as prescribed under this Act, or as required from time to time by the Authority.

63. SPECIFIC REQUIREMENTS FOR ACCREDITATION.

In addition to the general requirements prescribed under Section 62, an applicant shall also satisfy requirements for a specific category of tourism service as prescribed in a Regulation.

64. GRANT OF ACCREDITATION.

(1) Where an application is received by the Authority under Section 61, the Authority shall consider the application and make a determination as to whether the applicant satisfies:

(a) the general requirements and specific requirements under this Division; and
(b) complies with the applicable tourism standards; and
(c) any other requirements as determined by the Authority.

(2) Where the Authority has determined that the application has satisfied the requirements under Subsection (1), the Authority shall issue a certificate of accreditation.

(3) A certificate of accreditation issued under Subsection (2) shall:

(a) contain the necessary details of the applicant; and
(b) state the category of tourism service; and
(c) impose general conditions of accreditation; and
(d) grant an accreditation rating, as applicable; and
(e) specify an approved validity period, which shall not exceed three years; and
(f) any other information as determined by the Authority.

(4) The Authority shall enter the particulars of the certificate of accreditation in the National Tourism Register.

65. REFUSAL OF ACCREDITATION.

(1) The Authority shall refuse to issue or renew, as the case may be, a certificate of accreditation, where the Authority determines that:

(a) the applicant has submitted an application that is incomplete, incorrect, falsified, or inconsistent with this Act; or
(b) a ground of cancellation exists under Section 67; or
(c) the applicant has breached any of the terms or conditions of a certificate of accreditation.

(2) Where a certificate of accreditation has been refused under Subsection (1), the Authority shall notify the applicant of the refusal and the grounds for the refusal, and afford the applicant an opportunity to rectify the circumstances giving rise to the grounds for refusal.

(3) Where an applicant has not taken the appropriate action to rectify the circumstances giving rise to the grounds for refusal within a time specified by the Authority in notice under Subsection (2), the Authority may uphold the refusal.

(4) A refusal under Subsection (1) shall not prevent the applicant from making a fresh application under Section 61.

66. RENEWAL OF ACCREDITATION.

(1) A person that has a valid certificate of accreditation shall, not less than 30 days before the expiration of the certificate of accreditation, apply to the Authority for renewal.

(2) An application under Subsection (1) shall be made in accordance with Section 61.

(3) Where a person satisfies the requirements under this Section, the Authority shall renew a certificate of accreditation.

67. CANCELLATION OF ACCREDITATION.

(1) Where the Authority is satisfied that –

(a) the validity period of the certificate of accreditation has lapsed, and an application is not being considered by the Authority; or
(b) the certificate of accreditation was granted as a result of a false, misleading or misrepresented information; or
(c) there has been a breach of any terms or conditions of the certificate of accreditation; or
(d) the holder of a certificate of accreditation has committed an offence under this Act or any other Act; or
(e) the holder of a certificate of accreditation has been declared bankrupt, insolvent, placed into liquidation, or has had a receiver and/or manager appointed; or
(f) the holder of a certificate of accreditation is a partnership, joint venture, or revokable trust and the partnership, joint venture, or revokable trust is dissolved,

the Authority may, by notice in writing, cancel the certificate of accreditation.

(2) A cancellation under Subsection (1) shall not prevent a person from making an application under Section 61.

68. ACCREDITATION RATING.

(1) The Authority shall establish and administer an accreditation rating system for tourism services.

(2) A Regulation shall provide for the criteria and procedures for the administration of the accreditation rating system.

Division 6. – Foreign Entities.

69. APPLICATION BY FOREIGN ENTITIES.

A foreign entity that seeks to operate a tourism service in Papua New Guinea shall comply with the requirements under this Part.

PART VI. – DEVELOPMENT AND PROMOTION.

Division 1. – Tourism Sector Development and Promotion.

70. TOURISM SECTOR SUPPORT.

(1) The Authority shall design, develop, and implement programmes for tourism development and tourism promotion.

(2) The programmes referred to in Subsection (1), may provide for –

(a) destination management; and
(b) support for tourism services
(c) support for tourism product development and promotion; and
(d) any other areas necessary to achieve the functions of the Authority.

(3) A Regulation shall prescribe specific requirements and procedures for the development and implementation of programmes under Subsection (2).

71. TOURISM HUBS AND TOURISM SPOKES.

(1) The Authority shall conduct a destination audit in accordance with the Regulation and may recommend to the Board to endorse a Tourism Hub or Tourism Spoke.

(2) The Minister, upon the recommendation of the Board, may declare a location or area in Papua New Guinea to be a Tourism Hub or a Tourism Spoke.

(3) A declaration under Subsection (1) shall be published in the National Gazette.

(4) The Authority shall work in collaboration with relevant stakeholders in the development and promotion of a Tourism Hub or Tourism Spoke declared under this Section.

(5) A Regulation shall provide for the development of a Tourism Hub or Tourism Spoke.

Division 2. – Tourism Products Development.

72. CATEGORIES OF TOURISM PRODUCTS.

(1) The Authority shall establish and maintain a system for the categorization of tourism products.

(2) The categorization of tourism products shall include the following:

(a) cultural tourism products; or
(b) natural tourism products; or
(c) historical tourism products; or
(d) man-made tourism products; or
(e) any other category of tourism products as determined by the Board.

73. DEVELOPMENT OF TOURISM PRODUCTS.

(1) The Authority may identify a tourism product, and where ownership of the product has been confirmed, may make an assessment:

(a) on whether the tourism product meets the accreditation standards; or
(b) where the tourism product does not meet the accreditation standards, and may require product development.

(2) Where the product does not meet the accreditation standard, the Authority may engage with the owner of the tourism product to initiate the product development process.

(3) Where the owner of the tourism product agrees to undergo the product development process, the Authority may enter into an agreement with the owner of the tourism product.

(4) An agreement referred to in Subsection (3) shall include the following:

(a) the proposed design and workplan for the development of the tourism product; and
(b) the project budget and financial responsibilities of the Parties; and
(c) the project implementation arrangements, including the timelines for implementation; and
(d) monitoring and evaluation requirements; and
(e) reporting requirements for project implementation and expenditure; and
(f) any other matters necessary for the effective implementation of the project.

(5) The Authority shall consult and enter into the necessary cooperative arrangements with the relevant provincial government, national government entities, private sector entity, or other entities, for the development of the tourism product.

74. ACCREDITATION OF TOURISM PRODUCTS.

(1) An owner of a tourism product shall make an application in the prescribed form to the Authority for the accreditation of a tourism product.

(2) The Authority shall require the applicant to pay an application fee not exceeding the amount set out in Schedule 1.

(3) The Authority may adopt or develop tourism standards for categories of tourism products.

(4) The Authority may appoint an independent auditor to conduct an assessment of the tourism product against the relevant tourism standards.

(5) The independent auditor shall conduct an assessment against the following criteria:

(a) sustainable management; and
(b) socio-economic sustainability; and

(c) cultural sustainability; and
(d) environmental sustainability.

(6) Where a tourism product conforms to the criteria, the independent auditor shall make a recommendation to the Authority to issue a certificate of accreditation for the tourism product, and the Authority shall issue a certificate of accreditation for a validity period not exceeding three years.

(7) Where the tourism product does not conform to the criteria, a written notice shall be issued to the owner of the tourism product, to inform of the non-conformance and outline the corrective action that shall be taken.

(8) The owner of the tourism product may request for re-assessment after all corrective actions have been taken, and where the tourism product conforms to the criteria, a certificate of accreditation may be issued in accordance with Subsection (4).

(9) A Regulation may prescribe for the matters:

(a) the criteria for accreditation; or
(b) the development of a scheme of quality assurance; or
(c) other pertinent matters related to this Section.

Division 3. – Tourism Products Promotion.

75. PROMOTION OF TOURISM PRODUCTS.

(1) A tourism product that has been accredited under Section 74 will undergo a market readiness assessment, and be assessed against market readiness criteria.

(2) The Authority shall make an assessment to determine whether the tourism product is:

(a) visitor ready; or
(b) market ready; or
(c) export ready.

(3) Based on a readiness assessment under this Section, the Authority may provide the appropriate support to promote the tourism product.

(4) A regulation shall prescribe for all pertinent matters on the promotion and marketing of tourism products.

Division 4. – Iconic Tourism Products.

76. ICONIC TOURISM PRODUCT.

(1) The Head of State, acting on advice, may declare an iconic tourism product.

(2) Subject to Subsection (3), a declaration under Subsection (1) shall only be made upon a submission by the Minister, informing the National Executive Council, that the tourism product –

(a) is of national significance; and
(b) is of global significance, and has been recognized by an international organization.

(3) The Minister shall only make a submission to the National Executive Council under Subsection (2), based on a recommendation by the Board having conducted its assessment based on the criteria and process for determining an iconic tourism product.

(4) A Regulation shall make further provision for the criteria and process for determining an iconic tourism product.

Division 5. – Investment in the Tourism Industry.

77. INVESTMENT PLANS.

(1) The Board shall, by 31 December of the following year after the coming into operation of this Act, prepare and submit to the National Executive Council for its approval, an investment plan for the next three-year period.

(2) The Board shall, by 31 December of the year of the expiry of the investment plan, submit to the National Executive Council for its approval, an investment plan for the next three-year period.

(3) An investment plan referred to under this Section shall:

(a) contain a full list of:

(i) infrastructure investment; and
(ii) investment into tourism sector development; and
(iii) incentives into tourism sector development in accordance with law; and
(iv) other investment pertinent to the implementation of functions of the Authority,

intended to be carried out by the Authority, a special purpose vehicle, or any other body authorized by the Board through any institutional or commercial arrangement; and

(b) provide a full financial plan for each proposed investment.

(4) Investment by the Authority under this Division is subject to Part VIII of the *Public Finances (Management) Act* 1995.

78. INCORPORATION OF SPECIAL PURPOSE VEHICLES.

(1) The Board may approve the incorporation of a special purpose vehicle under the *Companies Act* 1997, for the effective implementation of the functions of the Authority.

(2) The *Companies Act* 1997 applies to and in relation to a special purpose vehicle, however, in the case of a conflict between a provision of this Act and a provision of the *Companies Act* 1997, the *Companies Act* 1997 shall prevail.

79. STATUS OF SPECIAL PURPOSE VEHICLES.

A special purpose vehicle established under Section 78 –

(a) is not an agent or instrumentality of the State; and
(b) cannot represent the State in any matter or dealing, except by express agreement with the Authority; and
(c) is not exempt from any rate, tax, duty or other impost imposed by or under any law as applicable to every company; and
(d) cannot render the State liable for any debt, liability or obligation,

unless a law expressly provides otherwise.

80. RESTRICTIONS ON CHANGE OF OWNERSHIP AND CONTROL.

(1) A special purpose vehicle shall not be merged, restructured, consolidated with, or taken over by a body corporate, including a company.

(2) A person must not acquire a direct or indirect interest in the special purpose vehicle by any value or percentage of its voting share.

(3) The special purpose vehicle shall not, without the approval of the Board, enter into any contract, agreement, or arrangement for the transfer of any business, asset, or property.

81. TRUSTEE SHAREHOLDER.

The Board, acting as trustee on behalf of the Independent State of Papua New Guinea, shall be the sole shareholder of a special purpose vehicle.

82. DIRECTORS AND CONSTITUTION OF A SPECIAL PURPOSE VEHICLE.

(1) The Board shall appoint the directors of a special purpose vehicle, and approve their terms and conditions.

(2) The Constitution of a special purpose vehicle shall provide, amongst other things:

(a) that there shall be no more than five directors of the special purpose vehicle; and
(b) the requirements on the restrictions on the change of ownership under Section 80; and
(c) the shareholding requirements under Section 81; and
(d) that the Board shall approve the activities of the special purpose vehicle, and participation in projects and programs of which:

(i) is necessary or convenient for giving effect to the purpose of this Act; and
(ii) is economically and financially viable.

(e) that any surplus –

(i) from the consolidated earning of the special purpose vehicle in any financial year declared (after any retained earnings) as dividend; or

(ii) from any proceeds from the disposal or sale of assets (after the discharge of any debt, liability and obligation) and the winding-up of the business and affairs of the special purpose vehicle,

shall form part of the finances of the Authority; and

(f) the processes of recruitment, and terms and conditions for the employment of a Managing Director and the staff of the special purpose vehicle.

83. INVESTMENT PARTNERSHIPS.

The Authority may enter into a contract, an agreement, or any other arrangement with a public body, a private sector entity, an international organization, or other entity for the effective implementation of its functions under this Act.

PART VII. – COMPLIANCE AND ENFORCEMENT.

Division 1.- Compliance and Enforcement.

84. DUTY TO RETAIN RECORDS AND ACCOUNTS.

For the purpose of this Act, the Authority may require a person to prepare and keep such records or accounts in accordance with this Act.

85. REQUEST FOR INFORMATION.

(1) The Authority may request any person to provide information in their possession or control that may be relevant to the implementation or enforcement of this Act.

(2) Where, in the opinion of the Authority –

(a) any information, book or record in the possession or custody or under the control of a person, is relevant to the exercise of the functions of the Authority under this Act; and

(b) it is necessary that the information, books or records be made available for inspection by the Authority,

the Authority may issue to the person a written notice to that effect specifying the relevant information, book or records to be furnished or produced.

(3) The person on whom a notice is served under Subsection (1), shall furnish or produce the required information, book or record to the Authority, and copies of or extracts from the information, books or records may be made and retained by the Authority.

(4) The requirements under this Section shall prevail over any law (except a Constitutional Law), contract or Agreement under which any information, book or record is to be kept confidential.

(5) The Authority shall take all reasonable steps to protect from unauthorised use or disclosure of any information, book or record furnished or produced under this Section.

86. INSPECTION.

Subject to the *Search Act* 1977, the Chief Executive Officer may authorize, in writing, for an Authorized Officer to –

(a) enter and search a premises or facility; and
(b) inspect an activity, good, document, book, record or any other thing; and
(c) take or produce evidence or sample of an activity, good, document, book, record or any other thing,

for the purpose of carrying out the functions of the Authority.

87. NOTICES AND DIRECTIONS.

The Authority may issue verbal directions or a written notice to any person to take action or refrain from taking action, in order to ensure compliance with this Act.

88. AUTHORIZED OFFICERS.

The Chief Executive Officer may appoint, in writing, any person to be an Authorized Officer for the purposes of carrying out compliance or enforcement functions and powers under this Act.

Division 2.- Offences and Penalties.

89. OFFENCES.

(1) A person who,

(a) operates a tourism service without a licence; or
(b) has obtained a license or certificate of accreditation by means of fraud or false representation; or
(c) fails to comply with a condition of a license or certificate of accreditation; or
(d) provides information, or a book or record that is false or misleading; or
(e) without reasonable excuse, refuses or fails, to furnish or produce information, a book or a record or any other item requested by the Authority under this Act; or
(f) fails to comply with a direction or notice under Section 87; or
(g) obstructs an Authorized Officer during the course of an inspection or other enforcement action taken under this Act,

is guilty of an offence and is liable to an administrative fine not exceeding K10,000.00, or cancellation of their license or certification, or both.

(2) Where a person has committed an offence under Subsection (1), and:

(a) has committed the offence on more than one occasion; or
(b) the commission of the offence has resulted or is likely to result in serious injury or death; or
(c) has resulted in material monetary loss to the Authority; or
(d) has resulted or may result in the loss of reputation or may taint the image of the tourism sector in Papua New Guinea,

commits a criminal offence and is liable to a fine not exceeding K100,000.00, or a term of imprisonment not exceeding 10 years, or both.

90. INVESTIGATION AND PROSECUTION OF OFFENCES.

(1) The Authority may, in consultation with the Royal Papua New Guinea Constabulary or other relevant authorities, investigate or take other investigative action authorized under this law or any other law, with respect to an offence committed under this Act.

(2) The Authority may, with the consent of the Public Prosecutor, prosecute or provide counsel to prosecute any person charged with an offence under this Act.

91. MISCONDUCT.

(1) The members of the Board, the Chief Executive Officer, an Authorized Officer, or a staff of the Authority who –

(a) is dishonest; or
(b) intentionally and without reasonable justification causes a delay; or
(c) accepts a bribe or reward,

in the discharge of functions and powers under this Act, is guilty of an offense.

Penalty: a fine not exceeding K10,000.00 or imprisonment for a term not exceeding 5 years, or both.

(2) The imposition of a penalty under Subsection (1) does not prevent disciplinary action from being instituted against the person who commits an offense.

Division 3. – Tourism Policing.

92. COOPERATIVE ARRANGEMENTS WITH POLICE.

(1) The Authority may, where appropriate, enter into agreements or other cooperative arrangements with the Royal Papua New Guinea Constabulary, for the purpose of effective policing within the tourism sector.

(2) An agreement or cooperative arrangement referred to in Subsection (1) may provide for-

(a) the appointment of reservists, special constables, or the creation of a unit of the police force in accordance with the *Police Act* 1998, for the purpose of tourism policing; or
(b) the provision of educational programmes, trainings and awareness on tourism to members of the police force; or
(c) the joint development and delivery of awareness programmes to local communities, tourists, and the tourism industry relating to tourist protection and risk management; or
(d) the joint development and implementation of policies, plans and protocols for tourism safety and security and risk management; or
(e) joint or shared funding arrangements for tourism policing initiatives; or
(f) such other matters as is necessary to ensure the effective policing within the tourism sector.

(3) A Regulation may provide for any matter necessary or convenient to be prescribed for giving effect to this Section.

PART VIII. - MISCELLANEOUS.

93. SERVICE OF DOCUMENTS.

Any notice, summons, writ or other process required to be served on the Authority, may be served at the office of the Authority or, in the case of a notice, by being sent by post or mailed electronically.

94. AUTHENTICATION OF DOCUMENTS.

Any document requiring authentication by the Authority is sufficiently authenticated with the common seal of the Authority affixed in accordance with this Act.

95. REGULATIONS.

The Head of State, acting on advice, may make Regulations not inconsistent with this Act, prescribing all matters that by this Act are required or permitted to be prescribed for carrying out or giving effect to this Act.

96. GUIDELINES, STANDARDS, CODES, STANDARD OPERATING PROCEDURES, ETC.

The Authority may develop operational guidelines, policies, standards, protocols, or other documents for the effective performance of its functions consistent with this Act.

PART IX. – FINAL PROVISIONS.

97. SAVINGS.

(1) All contracts, agreements, arrangements, conveyances, deeds, leases, licenses and other instruments executed by the Tourism Promotion Authority, are on the coming into operation of this Act, binding on and enforceable against the Authority as if executed by the Authority.

(2) Nothing in this Act affects the validity of any act or decision done or made by the Tourism Promotion Authority, or the Board, or the Chief Executive Officer of the Tourism Promotion Authority, before the coming into operation of this Act, and every such act and decision shall be taken to be valid and effectual and to have continuing effect despite anything in this Act.

(3) Where an Act or a law, other than this Act, or any other document or instrument, wherever made or executed, contains a reference, express or implied —

(a) to the Tourism Promotion Authority, that reference, on the coming into operation of this Act, except where the context otherwise requires, shall be read and construed as a reference to the Authority; and

(b) to the Board or the Chief Executive Officer of the Tourism Promotion Authority, that reference, on the coming into operation of this Act, except where the context otherwise requires, shall be read and construed as a reference to the Board or the Chief Executive Officer of the Authority.

98. TRANSITIONAL.

(1) A person who immediately before the coming into operation of this Act, held office as the Chief Executive Officer, staff, casual or temporary officers, of the Tourism Promotion Authority is deemed to be the Chief Executive Officer, staff, casual or temporary officer of the Authority in the same or equivalent position or category and on the same terms and condition of employment as were applicable to him before that coming into operation of this Act.

(2) The Chief Executive Officer shall preside over the first meeting of the Board upon the coming into operation of this Act, at which the Board shall recommend a Chairman and a Deputy Chairman to be elected in accordance with Section 13.

99. TRANSFER OF ASSETS, ETC.

All assets, property, rights, obligations and liabilities of Tourism Promotion Authority, upon coming into operation of this Act, shall be —

(a) transferred to the Authority; and
(b) exempt from any stamp duty, fee, tax, charge or other duty payable under any Act, notwithstanding the contrary in any Acts or law.

100. ACTIONS, ETC., NOT TO ABATE.

Where, immediately before the coming into operation of this Act, any action, arbitration or proceeding pending or existing, against or in favour of the Tourism Promotion Authority may be presented, continued and enforced by or against the Authority.

101. REPEAL.

The *Tourism Promotion Authority Act* 1993 is hereby repealed.

SCHEDULE 1. – FEES AND CHARGES.

	TYPE	AMOUNT (K)
Section 53	Application Fee – Tourism Service Registration	A fee not exceeding K1,000.00.
Section 54	Application Fee – Tourism Service License	A fee not exceeding K10,000.00.
Section 61	Application Fee – Tourism Service Accreditation	A fee not exceeding K10,000.00.
Section 74	Application Fee – Tourism Product Accreditation	A fee not exceeding K10,000.00
Section 74	Re-assessment Fee – Tourism Product Accreditation	A fee not exceeding K5,000.00
Section 74	Renewal Fee – Tourism Product Accreditation	A fee not exceeding K10,000.00

SCHEDULE 2. – TOURISM SERVICES THAT REQUIRE A LICENSE.

TOURISM SERVICE CATEGORY	SUB-CATEGORY
Travel Organization and Booking Services	--
Accommodation Services	• Hotel and Resorts • Apartments • Lodges • Guesthouse
Leisure, Excursion, and Tours Services	--

SCHEDULE 3. – ACCREDITATION OF TOURISM SERVICES.

CATEGORY
Travel Organisation and Booking Services
Transportation Services
Accommodation Services
Food and Beverage Services
Handicraft Services
Leisure, Excursion and Tour Services
Support Services