PIFS GVA Circular 19/2018

To : Forum Island Countries (FICs)
Date : 03 August 2018
From : Mere Falemaka, PIF Permanent Delegation to the United Nations,
        World Trade Organization, and Other International Organizations in Geneva
Subject : PIF-Geneva Update 2/2018

Please find attached, for your information and records, an update on Trade
Negotiations and Aid-for-Trade activities undertaken by the Pacific Islands Forum – Geneva

2. For further clarifications or follow-up on Trade Negotiations, please contact Mr. Alex
   Kerangpuna, Trade Policy Officer, on alex.kerangpuna@pifs-geneva.ch

3. For further clarifications or follow-up on Aid-for-Trade, please contact Mr. Andrea
   Giacomelli, Trade Policy and Aid-for-Trade Adviser on andrea.giacomelli@pifs-geneva.ch

Mere Falemaka
Permanent Representative
PIF Permanent Delegation to the United Nations,
World Trade Organization, and Other International Organizations in Geneva
1. BACKGROUND

The Pacific Islands Forum Geneva Office (PIF-GVA) includes two sections: Trade Negotiations and Aid-for-Trade (AfT). The Trade Negotiations Section provides strategic policy and technical advice to Forum Islands Countries (FICs) which are members of the World Trade Organization (WTO), and coordinates their participation in multilateral negotiations. The AfT Section assists FICs to make a better use of AfT opportunities provided by Geneva and Europe-based organisations and promotes their trade-related interests and needs.

2. TRADE NEGOTIATIONS

WTO Members continue to face huge challenges on how to progress discussions on all areas of the Doha negotiations. This is in reference to the current trade war between the USA and other the influential WTO Members.

However, the WTO Members deepened discussion on the Fisheries Subsidies in line with the Eleventh Ministerial Conference (MC11) decision. Three meeting clusters were held focusing on the three areas of prohibition namely, overcapacity and overfishing in May, overfished stocks in June and IUU Fishing in July. The streamlining of the remaining chapters from document RD/29 to document W/274 was completed and the latter document will become the main negotiating text after the summer break.

Regarding other areas, the Chair of the Agriculture negotiation had been consulting Members to identify the priorities to pursue and the Chair of the Committee of Trade and Development Special Session held consultations with Members to identify a way forward to progressing discussions on Special and Differential Treatment (S&DT) including the G90 proposals. As a result, Members had a modest discussion on these two items. There was no discussion on the Non-Agriculture Market Access (NAMA) and Trade in services. These are the core element of the Doha Development Agenda.

The sponsors of the new joint initiatives (Buenos Aires plurilateral initiatives) such as the E-commerce, Micro Small and Medium Enterprise (MSMEs), Investment Facilitation, and the Services Domestic Regulation, had been advancing their discussions. The Spokespersons of these new initiatives only provided updates to the WTO Members in the General Council Meetings for transparency purposes. The new initiatives are conducted in parallel with the multilateral discussions and are open for new Members wishing to join. None of the Pacific WTO Members co-sponsored these initiatives. PIF-GVA, however, has been requested by the Pacific WTO Members to follow these issues, particularly the e-Commerce and MSMEs and provide an update to Members.

PIF-GVA and WTO had jointly organised a Regional Workshop on MC11 Outcomes and Way Forward for the Pacific WTO Member countries at the PIFS in Suva, Fiji, from 22-25 May 2018. Trade, Fisheries, Agriculture and Commerce officials attended to discuss the outcome of MC11 and develop common regional positions on the priority areas of negotiations for the Pacific. Mr Roberto Azevêdo, the WTO Director-General, and Dame Meg Taylor, PIFS Secretary-General, opened the regional workshop. PIF-GVA Officials made presentations at this workshop on Fisheries, Agriculture and Development issues highlighting the previous positions of the Pacific and potential way forward for Members. Participants spent a closed-door session to review these positions.

PIF-GVA continued to disseminate technical advice and information to the six Pacific WTO Members (Fiji, PNG, Samoa, Solomon Islands, Tonga and Vanuatu). In these two months, PIF-GVA circulated four (4) Briefs and provided a Technical Paper to one Member that had requested a technical brief on the current trade war between the USA and its major trading allies. On the fisheries streamlining exercise, PIF-GVA kept the Pacific WTO Members updated on the clusters of meetings and urged Members to continue providing comments on the fisheries subsidies. A joint Pacific Statement was delivered at the Trade Negotiations Committee Meeting in May.
3. AID-FOR-TRADE ACTIVITIES

3.1 Networking
As of 30 June 2018, 145 Aid-for-Trade connections were included in the Office’s database.

3.2 Representation
On the 7 May 2018, Ambassador Mere FALEMAKA presented her credentials to the Director General of the United Nations Office of Geneva (UNOG), to officially mark the PIF’s accreditation as a Permanent Observer to the United Nations Office and other international organizations in Geneva. On the 5 June 2018, Ambassador FALEMAKA participated as a panellist to share the Pacific perspectives at UNCTAD’s 65th Trade Development Board Session on Building Resilience to Multiple Shocks.

On the 14 June 2018, the Office represented Pacific Islands’ instances at the Enhanced Integrated Framework (EIF) Global Forum on Inclusive Trade for LDCs. Ambassador FALEMAKA participated as a panellist at the Global Forum’s Session on LDCs.

On the same day, a key milestone was achieved with the signature of a Memorandum of Understanding (MoU) between the PIFS and the EIF to strengthen support for Least Developed Country (LDC) Members of the PIF. The MoU is attached at Annex 1. The speeches given on occasion of the signing ceremony are available on the PIFS and EIF’s websites.

3.3 Projects

3.3.1 Implemented
In May and June 2018 the Office undertook preparations to commence implementation of the Trade Advocacy Fund (TAF)’s project in support of WTO trade negotiations. Adam Smith International (ASI) was chosen as the preferred Service Provider for the project. Terms of ASI’s engagement were discussed and agreed in June 2018 and the activities formally commenced.

During the same period, the Office and the Melanesian Spearhead Group (MSG) Secretariat continued working with the TradeCom Project Management Unit to finalise Terms of Reference (TOR) for the regional re-Commerce initiative. TOR were agreed and the tendering process will commence in July 2018.

3.3.2 Completed/Secured
The Office supported FICs to secure assistance worth about USD 120,000, including funding for the e-Trade Readiness Assessments in Tuvalu and Kiribati. Implementation of these projects is expected to commence in the second half of 2018. The Pacific is the region that has benefitted the most from the UNCTAD’s e-Trade Readiness initiative, with 100% of PIF LDC members now supported.

3.3.3 Ongoing
The Office continued its work to facilitate access to Aid-for-Trade opportunities for its members. This period saw the Office facilitating submissions by Niue, Tuvalu, and Tonga to TradeCom, working with ICTSD to formulate an initiative on e-Commerce legal and regulatory environment, and facilitating a submission by Vanuatu to the Global Alliance for Trade Facilitation.
### PIF GENEVA OFFICE
UPDATE 3/2018 (MAY-JUNE 2018)

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* "Stage" refers to the type of action within the project cycle that the Geneva Office is currently supporting, with: (1) Collection/Dissemination = initial engagement with partners and members to scope interest and feasibility; (2) Identification = High-level conceptualisation of possible project; (3) Formulation = detailed work on project proposals

### 3.4. Apply! Demand-driven Aid-for-Trade facilities accepting applications

(1) TradeCom II (2) Trade Advocacy Fund II (3) Standards Trade and Development Facility (4) Global Alliance for Trade Facilitation (5) Fit for Market
MEMORANDUM OF UNDERSTANDING

BETWEEN

THE WORLD TRADE ORGANIZATION

ACTING ON BEHALF OF THE EXECUTIVE SECRETARIAT FOR THE EIF

AND

THE PACIFIC ISLANDS FORUM SECRETARIAT

The World Trade Organization, as the legal person administratively hosting the Executive Secretariat for the Enhanced Integrated Framework (EIF), (hereafter the "WTO acting on behalf of the Executive Secretariat for the EIF") and the Pacific Islands Forum Secretariat (hereafter the "PIFS"), referred to individually as a "Party" and collectively as the "Parties":

- Recalling the United Nations Sustainable Development Goals, notably Goal 17.11, aiming at significantly increasing the exports of developing countries, in particular with a view to doubling the Least Developed Countries' (LDCs) share of global exports by 2020;

- Noting the evolving trade-related technical assistance and capacity-building needs of the LDCs in the Pacific to strengthen their participation in the global trading system, including during the transition period of graduation from LDC status;

- Committed to join efforts in assisting the LDCs and the recent LDC graduates in the Pacific with the technical assistance and capacity-building services they need to integrate more fully into the regional and global trading system, within the limitations of their respective resources and mandates;

Have agreed as follows:

Article I

Purpose of this Memorandum of Understanding

The purpose of this Memorandum of Understanding is for the Parties to enhance cooperation on trade-related technical assistance and capacity-building to the LDCs in the Pacific and specifically, the Pacific Islands Forum LDCs members, including recently graduated countries, with the view of supporting their economic integration into the regional and global trading system.

Article II

Areas of cooperation for trade-related technical assistance and capacity-building for the LDCs

2.1 The Parties agree to cooperate, within the limits of their respective mandates, policies and resources\(^1\), on trade-related technical assistance and capacity-building for Pacific Islands Forum LDC members, including recently graduated countries, as follows:

\(^1\) In the case of the WTO acting on behalf of the Executive Secretariat for the EIF, the "mandates, policies and resources" are exclusively those of the EIF.
• Enhance coordination of EIF activities in the Pacific, including through a possible EIF regional presence, at the PIFS.

• Strengthen capacity of the Pacific Islands Forum LDC members, including recently graduated countries, to implement inclusive trade policy and regulations, as well as Aid-for-Trade projects, through targeted capacity-building and outreach events.

• Capitalize on the Parties’ analytical research, capacity-building efforts, and sound regional projects to attract investments from various sources, including the private sector.

• Identify, design and implement regional trade-related projects aligned with the Aid for Trade priorities of Pacific Islands Forum developing country members, where the EIF could potentially support implementation for the LDCs via the programme’s productive capacity window.

2.2 The contact persons referred to in Article VII below, or their representatives, shall meet as necessary, but no less than once per year to decide on the activities to be conducted within the framework of this Memorandum of Understanding or otherwise to review its content.

Article III
Services for conducting joint trade-related technical assistance and capacity-building for the LDCs

3.1 The Parties shall make available the services of the Executive Secretariat for the EIF and the Pacific Islands Forum Secretariat for conducting trade-related technical assistance and capacity-building for the Pacific Islands Forum LDC members to the extent feasible. Staff from other international or regional organizations may also be invited to participate as experts in the delivery of trade-related technical assistance and capacity-building, as mutually agreed by the Parties. When appropriate, external resource persons will be engaged as experts in the delivery of trade-related technical assistance and capacity-building if mutually agreed by the Parties.

Article IV
Funding

4.1 Funding for the joint trade-related technical assistance and capacity-building for the Pacific Island Forum LDCs members shall be covered jointly by the Parties based on the co-funding modalities to be agreed upon on a case-by-case basis.

4.2 The approval for co-funding of the joint trade-related technical assistance shall be subject to the rules and procedures of each of the Parties.

Article V
Implementation of the joint trade-related technical assistance and capacity-building for the LDCs

5.1 The implementation of the joint trade-related technical assistance and capacity-building for the Pacific Islands Forum LDC members shall start on 15 June 2018.

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2 Known as Forum Islands Countries.

3 In the case of the WTO acting on behalf of the Executive Secretariat for the EIF, the funds concerned by the "funding" are exclusively those available to and managed by the EIF.

4 In the case of the WTO acting on behalf of the EIF Executive Secretariat, the "rules and procedures" are those applicable to the EIF.
5.2 The implementation will normally take the form of joint regional initiatives, including training events and outreach activities.

**Article VI**

*Contact persons*

6. The contact persons of each of the Parties for the purposes of this Memorandum of Understanding shall be:

For the WTO acting on behalf of the Executive Secretariat for the EIF:

Executive Director  
Enhanced Integrated Framework  
WTO  
Centre William Rappard  
Rue de Lausanne 154  
CH-1211 Geneva 21  
Switzerland

For the PIFS:

Ambassador  
Permanent Delegation of the Pacific Islands Forum to the United Nations, World Trade Organization, and Other International Organizations in Geneva  
Geneva, Switzerland

**Article VII**

*Consultations*

7.1 Each Party shall accept to enter promptly into consultations at the request of the other Party with respect to any matter arising in relation to this Memorandum of Understanding and its implementation.

7.2 Each Party\(^5\) shall, at the request of the other Party and in accordance with its policies, financial rules and regulations and other applicable norms, provide any documentary information that the other may need.

**Article VIII**

*Amendments*

8. This Memorandum of Understanding may be amended by mutual written agreement of the Parties. Unless otherwise agreed, amendments may apply only to activities, which have not yet been implemented.

**Article IX**

*Scope of this Memorandum of Understanding*

9. No provision of this Memorandum of Understanding shall be construed so as to in any way interfere with the decision-making processes of the WTO and the Pacific Islands Forum Secretariat with regard to their own respective affairs and operations. This Memorandum of Understanding

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\(^5\) In the case of the WTO acting on behalf of the Executive Secretariat for the EIF, the "policies, financial rules and regulations and other applicable norms" are those applicable to the EIF.
does not represent a commitment of funds on the part of either the WTO acting on behalf of the Executive Secretariat for the EIF or the PIFS.

**Article X**

*Entry into force and duration*

10.1 This Memorandum of Understanding shall enter into force on the date of its signature by both Parties.

10.2 This Memorandum of Understanding shall remain in force for an initial period of four years and may be extended through written agreement of the Parties. Either Party may terminate this Memorandum of Understanding by giving six months' written notice to the other Party.

10.3 In case of termination of this Memorandum of Understanding, the Parties shall cooperate during the period of notice to ensure orderly completion of all pending trade-related technical assistance.

Done in two originals in English language.

For:  
The World Trade Organization as the legal person administratively hosting the Executive Secretariat for the EIF

Mr Ratnakar Adhikari  
Executive Director  
Executive Secretariat  
Enhanced Integrated Framework

For:  
The Pacific Islands Forum

H.E. Mrs. Merewalesi Falemaka  
Ambassador  
Permanent Delegation of the Pacific Islands Forum to the United Nations, World Trade Organization, and Other International Organizations in Geneva  
Geneva, Switzerland

Ms Nthisana Philips  
Director  
Administration and General Services Division  
The World Trade Organization

Place and Date: **Geneva, 11 June 2018**  
Place and Date: **14 June 2018**