AID-FOR-TRADE STOCKTAking EVENT 2021

SESSION 13
LEVERAGING PACIFIC REGIONALISM TO SUPPORT ECONOMIC RECOVERY AND RESILIENCE

24 MARCH 2021
8:00-9:30AM CENTRAL EUROPEAN TIME

AFTER-EVENT REPORT

Contents
1. CONTACT INFORMATION .................................................................................................................... 1
2. SESSION NUMBER ............................................................................................................................... 1
3. TITLE OF SESSION ................................................................................................................................ 1
4. TOTAL NUMBER OF ATTENDEES: ........................................................................................................ 1
5. BREAKDOWN OF ATTENDEES BY GEOGRAPHICAL LOCATION ............................................................ 2
6. BREAKDOWN OF ATTENDEES BY GENDER .......................................................................................... 2
7. MODERATOR ....................................................................................................................................... 2
8. PANELLISTS .......................................................................................................................................... 2
9. SHORT SUMMARY ............................................................................................................................... 2
10. LONG SUMMARY ............................................................................................................................... 2
11. HYPERLINK TO VIDEO RECORDING OF SESSION: .............................................................................. 5

1. CONTACT INFORMATION
Andrea Giacomelli
Aid-for-Trade and Trade Policy Advisor
Permanent Delegation of the Pacific Islands Forum to the United Nations, World Trade Organization, and Other International Organizations in Geneva
andrea.giacomelli@pifs-geneva.ch

2. SESSION NUMBER
13

3. TITLE OF SESSION
Leveraging Pacific Regionalism to Support Economic Recovery and Resilience

4. TOTAL NUMBER OF ATTENDEES:
Registered participants: 291
5. BREAKDOWN OF ATTENDEES BY GEOGRAPHICAL LOCATION

Breakdown for actual participants:

Australia (24), Austria (24), Fiji (18), Switzerland (17), Japan (9), Samoa (7), United States (7), Papua New Guinea (6), United Kingdom (5), New Zealand (4), Solomon Islands (4), China (3), Philippines (3), Vanuatu (3), France (2), Indonesia (2), Poland (2), South Africa (2), Taiwan (2), Bangladesh (1), Belgium (1), Canada (1), El Salvador (1), Estonia (1), Germany (1), Mauritania (1), New Caledonia (1), Tonga (1), Turkey (1)

6. BREAKDOWN OF ATTENDEES BY GENDER

n/a

7. MODERATOR

Mr Zarak Khan, Director of Programs and Initiatives, Pacific Islands Forum Secretariat

8. PANELLISTS

• Ms Jenna Diallo, Deputy Director, Office of Economic Development and Governance, USAID Philippines
• Mr Bill Costello, Assistant Secretary, Labour Mobility and Economic Growth Branch, Office of the Pacific, Australian Department of Foreign Affairs and Trade
• Mr Noriaki Abe, Director for International Trade, Ministry of Foreign Affairs of Japan
• Ms Erja Askola, Deputy Head of Delegation, Permanent Delegation of the EU to the Pacific
• Mr Desmond Tupangaia, Unit Manager – People Trade and Culture, Pacific Regional Division, New Zealand Ministry of Foreign Affairs and Trade
• Mr Stanley Trief, Manager, Vanuatu Electronic Single Window Project
• Ms Mary Elizabeth Ramosaea, Team Lead, KBC-Elevate Ltd, Solomon Islands

9. SHORT SUMMARY

The meeting discussed the importance of regional Aid-for-Trade for the Pacific region in the light priorities established by the Pacific Aid-for-Trade Strategy 2020-2025 and by the need support COVID-19 resilience and post-COVID-19 recovery. Insights about current and planned regional Aid-for-Trade initiatives were provided by donor partners including USA, Australia, Japan, EU, and New Zealand. Vanuatu and Solomon Island showcased regional Aid-for-Trade best-practices, including the Vanuatu Electronic Single Window project and Trade Finance Vehicle. Collective progress on regional Aid-for-Trade support to the Pacific Region will be further discussed at the Global Review in 2022

10. LONG SUMMARY

In his opening remarks Mr Zarak Khan discussed the importance of trade for the development of the Pacific region. He further highlighted the priority areas for regional trade action which are enshrined in the Pacific Aid-for-Trade Strategy (PAFTS) 2020-2025, including services, e-commerce, comprehensive connectivity and deepening forum market, with the latter including quality infrastructure, trade facilitation, access to trade finance, and trade agreements. He elaborated on some regional initiatives coordinated by the PIFS to implement the PAFTS 2020-2025, namely the Pacific Quality Infrastructure Initiative, the Pacific E-commerce Initiative, the implementation of the
Strengthening Pacific Intra-Regional and International Trade (SPIRIT) project, and the modernisation of the Pacific Island Countries Trade Agreement (PICTA). He concluded by illustrating the impact of COVID-19 on the Pacific region and how regional Aid-for-Trade can help recovery and resilience.

Ms Jenna Diallo provided insights about the United States’ Indo-Pacific Strategy, and how USAID supports this development approach. Ms Diallo stressed the importance to develop initiatives that create solid partnerships with the private sector and boost digitisation. In these areas, USAID support is guided by its Private Sector Engagement Policy and its Digital Development Strategy. Global programs are already in place which support digital empowerment, including the Global E-Trade Alliance launched in 2019. The approach promoted by the Global E-Trade Alliance provides useful lessons which can inform the forthcoming Pacific regional projects supported by USAID.

Mr Bill Costello stressed that trade is part of the Australian Government’s Pacific Step-Up initiative, due to its potential to promote sustainable growth. Regional activities are a key component of Australia’s development work, noting the importance of regional integration to mitigate Pacific structural challenges such as isolation, fragmentation, vulnerability, limited productive capacity, high trade and transport costs, and inability to meet standards. Australia regional programs cover areas such as investment facilitation, private sector development, standards, labour mobility, skills development, and infrastructure. These programs are aligned with the Pacific Aid for Trade Strategy which is a valuable regional guide, and a framework for collaboration and coordination. In this context, Australia is a proud sponsor of the Pacific Quality Infrastructure and E-commerce Initiatives coordinated by the PIFS. The impact of Australian development programs was further enhanced by the entry into force of PACER Plus, the main regional trade and development agreement. Mr Costello noted the great economic costs imposed on Pacific Island Countries by COVID 19. Australia response to COVID has included new policy frameworks, emergency assistance worth AUD 304.7 million, as well as pivoting existing assistance to support recovery and resilience. Australia is providing a record AUD 1.44 billion in development assistance to the Pacific in 2020-21 to support recovery efforts.

Mr Noriaki Abe discussed the Japanese approach to supporting trade development in the developing country members of the Pacific Island Forum. After highlighting the major trade patterns characterising Pacific Island Countries, Mr Abe went on highlighting the key features of Japanese development cooperation, with its progressive shift towards quality, people, and multilateralism. Japanese support to the development of high-quality Pacific infrastructure was then showcased, including through examples from selected beneficiaries. In the area of multilateral assistance, Mr Abe discussed that many capacity building activities funded by Japan and undertaken through the World Customs Organisation. In the area of governance, Mr Abe concluded by noting the key trade-related outcomes of Pacific Islands Leaders Meetings (PALM), the main forum between the government of Japan and leaders in the Pacific Islands region.

Ms Erja Askola focussed her intervention on the implications that the new European Union (EU) - Africa-Caribbean-Pacific Partnership (EU-ACP) Agreement, including on Aid-for-Trade programs. She provided an historical overview on the EU-ACP partnership, and stressed its long-term nature, and the mutual commitment to further nurture this relationship through the Post-Cotonou Agreement concluded in 2020. She noted that the new agreement defines future areas of cooperation which will be funded under the geographical envelope of the new Neighbourhood, Development and International Cooperation Instrument (NDICI) covering the period 2021-2027. Under the new framework for cooperation, Aid for Trade and Trade Agreements (including EPAs and GSP) will remain crucial to support resilient development and sustainable growth.
Mr Desmond Tupangaia spoke about the New Zealand’s approach on Aid for Trade in the Pacific. He noted that this has changed significantly since 2018, when New Zealand started the Pacific Reset, a strategic framework for cooperation based on mutual understanding, friendship, impact, and sustainability. As a result, the relationship with Pacific Island Countries has moved from a donor-recipient approach to a true partnership approach. In the regional trade space, Mr Tupangaia noted that New Zealand works in a number of ways, including through PACER Plus, regional labour mobility schemes, as well as support to the Pacific Trade and Invest Network. With regard to COVID-19 assistance, Mr Tupangaia noted that after a first phase focussing on the protection of Pacific Islands, the focus is now shifting towards vaccinations and other tools to reopen borders, which will promote trade development.

Mr Stanley Trief discussed the Vanuatu Electronic Single Window project, its results, the main lessons learned, and its potential for regional uptake. He provided a brief history of the project, which started with the upgrade to the Vanuatu’s customs automated system to ASYCUDA World, and was further developed through the full automation of Biosecurity border procedures. Mr Trief noted that as a result of these developments, clearance time went from days to as little as 10 minutes, and that significant environmental benefits were also obtained along the way. He also stressed the need to further expand the scope of the project by interfacing, automating, and streamlining processes of other agencies. He noted that the Vanuatu model has the potential to be replicated to other Pacific Island Countries, and that this replication would promote further trade integration and represent a practical bottom-up approach to regionalism. Mr. Trief highlighted the need for additional resources from development partners for the further expansion of the Vanuatu Single Window.

Mary Elizabeth Ramosaea presented the case of Kaleko Steifree, a Pacific producer of reusable pads for women and girl. She highlighted how innovative regional approaches to trade finance, such as the Trade Finance Vehicle, had been crucial to address production constraints, through the bulk purchase of raw material, and its distribution to small Pacific businesses through contractual modalities tailored on their productive reality. She highlighted how this innovative regional trade finance approach has resulted the triple-win outcome of more jobs, addressing school absenteeism, and promoting good health practices in the Pacific.

A Questions and Answers session followed the main presentations by panellists. During this session a number of issues were briefly addressed, including but not limited to:

- The PACER Plus agreement and its potential for further expansion in and beyond the Pacific
- The forthcoming regional USAID programs on digital connectivity and economic growth
- Japanese regional cooperation with the ASEAN Secretariat, and implications for the Pacific
- The impact of regional labour mobility schemes on Pacific brain-drain and brain-gain
- Private sector support under PACER plus
- The interfacing of the Vanuatu Single Window system with the postal system to support E-commerce

In his closing remarks, Mr Zarak Khan noted how the regional approaches highlighted at the meeting take different forms, ranging from voluntary coordination to the more binding forms of regional integration enshrined in regional trade agreements. He stressed that there is a clear case for bringing these approaches under the umbrella of overarching regional initiatives, and that this is the very reason why the Pacific Islands Forum Secretariat is investing much of its energies in promoting and coordinating regional initiatives in the priority areas of the Pacific Aid-for-Trade Strategy. He thanked the event’s panellists, the WTO Secretariat, and the Government of Australia, which co-organised the
event. He proposed to meet again on the occasion of the Global Review in 2022 to further take stock on the collective progress on regional Aid-for-Trade support to the Pacific Region

11. HYPERLINK TO VIDEO RECORDING OF SESSION

https://youtu.be/dy_ZYf2dril