



PIFS GVA/18-2021

To : Forum Island Countries (FICs)
Date : 04 August 2021
From : Mere FALEMAKA, PIF Permanent Delegation to the United Nations,
World Trade Organization, and Other International Organizations in Geneva
Subject: PIF-Geneva Update 2/2021 and 3/2021

Please find attached, for your records, an update on the activities undertaken by the Pacific Islands Forum – Geneva Office (PIF-Geneva) in March-April 2021 and May-June 2021.

2. For further clarifications or follow-up on Trade Negotiations, please contact me on mere.falemaka@pifs-geneva.ch
3. For further clarifications or follow-up on Aid-for-Trade, please contact Dr Andrea Giacomelli (Mr), Trade Policy and Aid-for-Trade Adviser on andrea.giacomelli@pifs-geneva.ch
4. For further clarifications or follow-up on PTI Europe, please contact Ms Jodie Stewart, PTI Trade Commissioner to Europe on Jodie.Stewart@pacifictradeinvest.com

Mere FALEMAKA

Ambassador

**PIF Permanent Delegation to the United Nations,
World Trade Organization, and Other International Organizations in Geneva**

PIF GENEVA OFFICE
UPDATE 2/2021 (MARCH-APRIL 2021)

1. BACKGROUND

The Pacific Islands Forum Geneva Office ([PIF Geneva](#)) comprises two sections: Trade Negotiations and Aid-for-Trade (AfT). The Trade Negotiations section provides policy and technical advice on multilateral trade issues 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, individually and collectively, to make a better use of AfT opportunities provided by Geneva and Europe-based organisations.

Some non-trade work commenced in 2019 and is currently limited to support advocacy on selected regional priorities.

In addition, PIF Geneva hosts the Europe desk of Pacific Trade Invest (PTI Europe). The desk focuses on the development and promotion of Pacific Island exports across international markets in Europe and the United Kingdom.

2. REPRESENTATION

The session jointly organised by the PIF Geneva Office and the Australian Department of Foreign Affairs and Trade (DFAT) was one of the most successful of the WTO's [Aid-for-Trade Stocktaking Event 2021](#). Comprehensive information on this session is available at a dedicated [webpage](#). Ambassador Falemaka participated in the session on [Trade Facilitation](#) organised by the World Bank and the Trade Facilitation Agreement Facility to share the experience on the Pacific Humanitarian Pathway (PHP), a regional co-ordination mechanism which facilitated the orderly and timely distribution of COVID-19 medical supplies and equipment in the Pacific countries. The regional approach pursued by the PHP provided a useful lesson for participants.

3. WTO NEGOTIATIONS

This period saw the commencement of the new WTO Director General Dr Ngozi Okonjo-Iweala on 1st March and Members' decision that the Twelfth WTO Ministerial Conference (MC12) would be held in Geneva from 29 November to 3 December 2021. At the General Council on 1st March Dr Ngozi challenged Members that WTO could not continue with business as usual as much of WTO's work was being pursued elsewhere and the world was leaving the WTO behind. She urged Members to focus in this Ministerial year on building a WTO that is relevant for Members and that urgent attention should focus on delivering outstanding negotiations, the situation of LDCs and SVEs, the restoration of the dispute settlement system and new issues such as trade and climate change and an appropriate response to COVID-19. The General Council's Chair, Ambassador Dacio Castillo (Honduras) also initiated consultations with Members on the preparations for MC12.

The [Fisheries Subsidies](#) negotiations continued during the two clusters of March and April on the basis of the Chair's Draft Consolidated Text (RD/126 Rev.2) dated 18 December 2020. The March cluster focused on geographical exclusion based on 12 nautical miles for Small Scale Artisanal Fishing (SSAF), overcapacity and overfishing prohibition, Special and Differential Treatment (SD&T) and transparency. The April cluster was organized in three small group discussions and focused on SSAF, due process for Illegal Unreported and Unregulated (IUU) fishing prohibition and the hybrid approach in the overcapacity and overfishing prohibition, as well as a consultation on overfished stocks. Members continued to have significant differences on how to exclude SSAF; how to balance due process requirement for coastal states and subsidizing members that are distant water fishing nations; the approach to prohibition for overcapacity and overfishing based on a sustainability approach; how SD&T should be designed; and whether overfished stocks should be a standalone discipline.

On [Agriculture](#), discussions continued through the work of the seven Facilitators to deepen understanding and identify elements for MC12 in domestic support, market access, Public Stock Holding for food security (PSH), Special Safeguard Mechanism (SSM), export restrictions, export competition and transparency. Domestic support remains a priority for many Members who aim to

see reductions in trade-distorting subsidies in agriculture. Discussions on export restrictions continued especially on food products in the wake of COVID 19 pandemic which could threaten food security of many import-dependent Members including the Pacific. Huge divergences remain on PSH and SSM.

On Development ([S&DT](#)) issues, Members had three meetings on the G90 proposals which focused on the TRIMS Agreement's local content requirement, TRIPS Article 66.2 on technology transfer, customs valuation minimum values and the 180-day time period to comment on Technical Barriers to Trade (TBT). While some Members sympathized with the situation of the G90s some could not accept SD&T unless these were targeted and need-based. The G90 has continued to stress the importance of these proposals to enable them to increase their trade and better integrate them into the multilateral trading system. The Chair would continue discussions in May on the other proposals.

On TRIPS, the TRIPS Council continued to discuss the proposal by India and South Africa for a waiver from TRIPS obligations to scale-up production of COVID 19 vaccines and medical supplies. This would ensure that all Members including developing countries have access to vaccines at affordable prices. Other Members did not consider intellectual property rights as constituting barriers to vaccine production and supplies and have called on proponents to provide evidence. They believed that vaccine supplies could be addressed through other trade measures as easing export restrictions, lowering tariffs, and improving trade facilitation. Discussions would continue as interest in the proposal was growing.

The Joint Statement Initiatives (JSIs) continued to gain momentum. On [Domestic Regulation on Services](#) proponents are continuing to work on implementation through incorporating their new commitments in their GATS schedules. The package of declarations and recommendations for MSMEs which was adopted in December 2020 was also focusing on implementation. The JSIs on [E-commerce](#) and [Investment Facilitation](#) for development have continued to advance with elements of the Draft Texts being stabilized. These JSIs are expected to deliver some milestones at MC12.

On WTO reforms, there was no change to the restoration of the WTO's Appellate Body process, as the differences in position remained. Members continued to call for restoration of the Appellate Body. The alternative Multi-Party Interim Arbitration (MPIA) Arrangement would be used by the signatory Members to resolve their appeals.

During this period, the PIF Geneva Office issued six technical Circulars on Fisheries Subsidies, TRIPS waiver, Development, MSMEs and the General Council Report. In addition, the Office coordinated nine Pacific Group statements that were delivered in various WTO meetings.

4. AID-FOR-TRADE

4.1 Projects

4.1.1 Implemented

The [Pacific E-commerce Initiative](#) progressed towards the delivery of its key milestones. This period saw the publication of the national E-commerce Assessments for [Fiji](#), [Federated States of Micronesia](#), [Niue](#), [Papua New Guinea](#), as well as the [Regional E-commerce Assessment](#).

Building upon this extensive diagnostic work, consultations commenced on developing of the [Pacific Regional E-commerce Strategy and Roadmap](#), as well as the [Nauru E-commerce Assessment](#), including through online surveys and Focus Group Discussions.

PIF Geneva continued assisting Tonga for its [WTO Trade Policy Review](#), whose final meeting took place on the 14-16 April 2021. WTO Members [commended](#) Tonga's efforts to improve its trade competitiveness whilst complying with WTO disciplines.

UPDATE 2/2021 (MARCH-APRIL 2021)

The cooperation framework between the PIF Geneva Office and the United Nations Conference on Trade and Development facilitated attendance of 38 Pacific participants to the International Merchandise Trade Statistics course run by the [Train for Trade](#) program.

PIF Geneva coordinated assistance by the consultants supporting the Pacific Group through the Trade Advocacy Fund ([TAF2](#)). Under output 3 (technical advice), support was provided for the fisheries subsidies cluster in March, including draft Pacific statements on exemptions based on geographic areas, overcapacity and overfishing, and a summary statement to heads of delegation. Support was provided for bilateral meetings with the EU and New Zealand. The Team Leader arranged a briefing with the WTO Secretariat on various aspects of recent work on trade and the environment. Talking points were also provided for a session of the Trade and Environmental Sustainability Structured Discussions, and for the Committee on Trade and Environment in March. TAF financial support the Pacific Group expired in March 2021.

4.1.2 Completed/Secured

None

4.1.3 Ongoing

Dialogue with DFAT commenced on a possible support package to replace TAF assistance to the WTO [Pacific Group](#) on trade negotiations. To avoid gaps in technical assistance, PIFS issued a [tender](#) inviting bids from suitably qualified consultancy teams to cover the next months of negotiations.

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

(1) [Standards Trade and Development Facility](#) (2) [Global Alliance for Trade Facilitation](#) (3) [Trade Facilitation Agreement Facility](#)

5. PTI EUROPE

Ms Jodie Stuart commenced her activities from Sydney, Australia. She is expected to move to Geneva in the third quarter of 2020. She can be reached on Jodie.Stewart@pacifictradeinvest.com.