



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](mailto: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](mailto: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](mailto:Jodie.Stewart@pacifictradeinvest.com)

Mere FALEMAKA

**Ambassador**

**PIF Permanent Delegation to the United Nations,  
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## **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**

During this period, PIF Geneva with the support from PIFS facilitated the participation of the PIFS Deputy Secretary General, Dr [Filimon Manoni](#), at the UNCTAD High Level Panel Discussion on [Ocean Economy](#) on 9 June.

A publication by the [Enhanced Integrated Framework](#) acknowledged the leading role of the Secretariat on [Trade Mainstreaming](#), one of the priorities under the [Pacific Aid-for-Trade Strategy](#).

## **3. WTO NEGOTIATIONS**

During this period the focus was on the preparations for MC12 scheduled for 29 November-3 December and for the WTO Ministerial Trade Negotiations Committee (TNC) Meeting on 15 July to advance the fisheries subsidies negotiations, a high priority for MC12. In May, the Chair of the General Council (GC) released his report on MC12 consultations outlining potential elements and format for MC12 outcomes as put forward by Members. Amongst the priorities are: a WTO response to COVID 19 pandemic; areas under negotiations such as fisheries subsidies and agriculture; institutional issues such as the restoration of the Appellate Body and the WTO reform; and General Council matters such as the Work Program on Small Economies, Work Program on E-commerce and LDC issues. Consultations on this report were continuing and Members needed to focus on a few priorities. In June, the GC Chair appointed Ambassador David Walker (New Zealand) as Facilitator for COVID-19 response to help co-ordinate efforts in various WTO bodies towards this outcome.

On [Fisheries Subsidies](#) during this period, intensive work was undertaken to prepare a clean Text of the Agreement for the WTO Ministerial TNC Meeting on 15 July. The Negotiating Group on Rules (NGR) Chair presented two new negotiating Texts. The first Draft Chair's Text (TN/RL/W/276) presented on 11 May was followed by five weeks of structured thematic discussions. These focused on the three pillars of the prohibitions (Illegal, Unreported and Unregulated (IUU) fishing, Overfished stocks and on Overcapacity and Overfishing), special and differential treatment (SDT), Transparency, Institutional Issues, Dispute Settlement and Final provisions. Following the structured discussions, the Chair presented revised Draft Text (TN/RL/W/276 Rev.1) on 30 June as the basis for discussions at the WTO Ministerial TNC on 15 July. The latest Draft Texts provided some progress on IUU fishing and the permanent exemption for artisanal fishing however, major differences on some of the fundamental issues remain such as the hybrid and sustainability approach to overcapacity and overfishing, the imbalance between the hybrid approach and SDT, exclusion for small scale fishing, due process for IUU fishing determination, disciplines for fishing outside national jurisdictions, and whether to include non-specific fuel subsidies, amongst others.

On [Agriculture](#), discussions continued through the work of the seven Facilitators to deepen discussions 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. In June, a compilation of the Facilitators' work was circulated to Members. The Chair also released her report based on the work of the Facilitators. Domestic Support remained a priority for many Members who wanted reductions in agriculture subsidies which distort agricultural trade. Export restrictions and PSH were considered by some members as important in ensuring food security and responding to the COVID-19 pandemic, as well as to climate change and natural disasters. The Cairns Group proposal for a framework on agriculture provided a way forward for MC12 to prepare for substantive results at MC13. The G33 continued to prioritize SSM to cushion against price volatilities and import surges. Much more work would be needed to agree on deliverables for MC12.

On Development ([S&DT](#)) issues, two meetings were held for Members to discuss three proposals relating to flexibilities sought under GATT Article XVIII A and XVIII C on modification of schedules (tariffs) for industrialization and on Article XVIII B on modification of schedules (tariffs) for balance of payment reasons. The G90 stressed that these proposals would operationalize the current provisions to support industrialization strategies and to cushion against balance of payment difficulties faced by developing countries. Members, mostly developed, have continued to query the basis of these proposals and suggested that SDT should only be provided if these are targeted and needs-based.

On TRIPS, a significant momentum was seen as the US announced in May its support for the TRIPS waiver proposal tabled by India and South Africa, the EU had put forward its own waiver proposal and Members agreed to move to text-based discussions. The TRIPS waiver would temporarily suspend intellectual property obligations to allow transfer of know-how and technology that would allow developing countries that have the capacity to scale-up production of COVID-19 vaccines and medical supplies. Many developing countries continued to lag in vaccination efforts as new waves of transmission unfolded and new variants emerged. Other proposals were also under discussions such as the Trade and Health by the Ottawa Group which focused on trade measures such as easing export restrictions, lowering tariffs and improving trade facilitation. Discussions would continue with a view to delivering an outcome at MC12.

The Joint Statement Initiatives (JSIs) continued to gain momentum. On [Domestic Regulation on Services](#) proponents continued to work on implementation through amendments in their GATS schedules. MSMEs discussions were also focusing on implementation. The JSIs on [E-commerce](#) and [Investment Facilitation](#) for development have continued to advance with some elements of the Draft Texts being stabilized. These JSIs are expected to deliver some milestones at MC12. The legality of JSI outcomes were also under discussions in the General Council.

On WTO reforms, there was no change to the restoration of the WTO's Appellate Body process, as the differences in positions 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, PIF Geneva issued three technical Circulars on Fisheries Subsidies and reports of the TNC and General Council as well as various email briefs. In addition, the Office coordinated 14 Pacific Group statements that were delivered in various WTO meetings. PIF Geneva, with the assistance of PIFS, also organized a briefing for Trade and Fisheries Officials on fisheries subsidies on the 20 May and a Special Pacific ACP Trade Ministers Meeting on 22 June to prepare for the WTO Ministerial TNC Meeting on 15 July. It also coordinated a Pacific Group statement delivered at the OACPS Trade Ministers Meeting on 24 June, which was also in preparation for the 15 July Meeting.

#### **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 extensive consultations on the [Pacific Regional E-commerce Strategy and Roadmap](#) and the [Nauru](#)

[E-commerce Assessment](#), including with Members, private sector, donor partners, regional and international development agencies. A first draft of the Pacific Regional E-commerce Strategy and Roadmap was released to Members on the 21 June. On the same day, the draft Nauru E-commerce Assessment was validated by a national workshop.

PIF Geneva successfully concluded the procurement process for the consultancy team tasked to support the Pacific Group on WTO negotiations. The team previously engaged under the Trade Advocacy Fund ([TAF2](#)) was selected as the preferred candidate. Under output 3 (technical advice), support was provided for a consultation between Pacific Heads of Delegation and the Negotiating Group on Rules (NGR) Chair in May. In June, the team presented a set of proposed positions to Pacific Trade Ministers, which were endorsed to guide future negotiations. Talking points and legal advice were provided on numerous aspects of the draft Fisheries Subsidies Agreement. The team also assisted Heads of Delegation in preparing for an additional meeting with the NGR Chair in June.

#### *4.1.2 Completed/Secured*

None

#### *4.1.3 Ongoing*

Project formulation accelerated in the areas on trade facilitation and connectivity, two of the priorities the [Pacific Aid-for-Trade Strategy](#). On the former, the Geneva Office and the World Bank finalised the concept note for the development of a Regional Trade facilitation Strategy. On the latter, the Geneva Office and the United Nations Conference on Trade and Development (UNCTAD) finalised Terms of Reference for a feasibility study on the establishment of a Pacific Port Management Program. The Pacific Community joined forces with the Secretariat and UNCTAD to support the feasibility study and any follow-up action.

#### **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](mailto:Jodie.Stewart@pacifictradeinvest.com).