



PIFS GVA/23-2021

To : Forum Island Countries (FICs)
Date : 25 October 2021
From : Mere FALEMAKA, PIF Permanent Delegation to the United Nations,
World Trade Organization, and Other International Organizations in Geneva
Subject: PIF-Geneva Update 4/2021

Please find attached, for your records, an update on the activities undertaken by the Pacific Islands Forum – Geneva Office (PIF-Geneva) in July-August 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**

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 Island 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 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 such as climate change, oceans, and COVID-19.

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, the Permanent Representative participated as a panellist at a [webinar held on 27 July](#) on Trade and Environment and Trade and Climate Change organised by the International Institute on Sustainable Development ([IISD](#)).

3. WTO NEGOTIATIONS

The preparations for MC12 (30 November to 03 December) continued with consultations on the form and elements of the MC12 outcomes. The priorities raised by Members were: 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. Some suggested new issues such as Trade and Environment. Key issues to agree on are the process to MC12, what issues can be delivered at MC12, and what can continue after MC12. The General Council GC aims to start work to prepare the outcomes document in September.

On COVID 19 Response, the Facilitator, Ambassador David Walker (New Zealand) continued consultations with Members on possible elements of the WTO Response. Various proposals have been tabled and thematic sessions are planned for September to discuss these. One potential area is the collaboration between WTO and other international organisations, something that the Secretariat is actively scoping out. Many developing Members have insisted that the COVID 19 response must include a solution to the Trade-Related Aspects of Intellectual Property Rights (TRIPS) waiver.

On [Fisheries Subsidies](#), following the release of the Chair's (Colombia) Revised Text of 30 June 2021, the main activity was the convening of the WTO Ministerial Trade Negotiations Committee (TNC) Meeting on 15 July. The Meeting noted that the Chair's Text provided a good basis to advance negotiations but that the imbalances in the Text should be initially addressed. These imbalances relate mainly to the due process in the Illegal, Unreported and Unregulated (IUU) pillar and the rules on overcapacity and overfishing that would allow big subsidisers to continue subsidising against the limited flexibility for developing countries that have limited fishing capacity and that contribute very little to the decline in global fish stocks. In late July, the Chair circulated a work plan comprising two phases in which Phase 1 (September) would focus on addressing the imbalance and Phase 2 (October) would involve textual line-by-line negotiations to try to conclude the agreement by end of October.

On [Agriculture](#), on 29 July the Chair (Costa Rica) presented her Draft Text on potential elements for outcomes at MC12. The Text included the eight pillars under negotiations. These are domestic support, market access, export competition, export restrictions, public stockholding, special safeguard mechanism and cotton and transparency. Domestic Support remained a priority for many Members who wanted reductions in agriculture distorting subsidies. Export restrictions, including the exemption for the World Food Program (WFP) purchases for humanitarian reasons, and public stockholding (PSH)

were considered by some members as important in ensuring food security and responding to the COVID-19 pandemic. Members would resume work on 7-8 September to react to the Chair's Draft Text.

On Development ([S&DT](#)) issues, following the five open-ended meetings on the ten G90's proposals engagement was very low and especially by developed Members. The G90 continued to believe that the flexibility sought in these proposals should be addressed to facilitate their diversification, industrialization and integration into the global economy. Work would resume in September to find a way forward.

On [TRIPS](#), discussions continued on the waiver proposal by India, South Africa and co-sponsors, as well as the EU's proposal in 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 manufacture and scale-up production of COVID-19 vaccines and medical supplies. Vaccine inequity continued and many developing countries continued to lag in vaccination efforts as new waves of transmission unfolded and new variants emerged.

The Joint Statement Initiatives (JSIs) continued to gain traction. On [Domestic Regulation on Services](#), the reference paper is completed and proponents continued to work on implementation through modifications to their GATS schedules. Micro, Small and Medium-sized Enterprises (MSMEs) work focused on implementation after a package of six recommendations was adopted early this year. The Joint Statement Initiatives (JSIs) on [E-commerce](#) and [Investment Facilitation](#) for development have seen progress on some elements of the Texts but many contentious issues remained.

On WTO reforms, the impasse in the WTO's Appellate Body remained as many Members called for its restoration. Discussions also saw new proposals on enhanced transparency, improving the functions of the regular WTO bodies and the application of special and differential treatment (SDT) to developing countries.

During this period, PIF Geneva issued four technical Circulars on Fisheries Subsidies, the JSIs and reports of the TNC and General Council as well as various email briefs to Members. The Office also coordinated 3 Pacific Group statements that were delivered in various WTO meetings including at the WTO Ministerial TNC on 15 July 2021. PIF Geneva, with the assistance of the Pacific consultancy team also prepared a paper on the Pacific position on fisheries subsidies which were endorsed by the Pacific ACP Trade Ministers Meeting on 15 July to prepare for the next phase of the negotiations. The Office also coordinated and prepared a brief for the Pacific consultations with Chair of the fisheries subsidies negotiations.

4. AID-FOR-TRADE

4.1 Projects

4.1.1 Implemented

The [Pacific E-commerce Initiative](#) progressed towards the delivery of its key milestones. In particular, this period saw final approval of the [Nauru E-commerce Assessment](#) and the [Pacific Regional E-commerce Strategy and Roadmap](#).

The Nauru Assessment benefitted from input by 35 stakeholders from public (26) and private sector (9), including through online questionnaires, focus group discussions, and bilateral consultations. About 34% of these stakeholders were female. The report was validated by a national workshop in June 2021.

The Pacific Regional E-commerce Strategy benefitted from input by 174 stakeholders from public (132) and private (42) sector, including through online questionnaires, focus group discussions, and bilateral consultations. About 51% of these stakeholders were female. The report was endorsed in principle by

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the Forum Trade Ministers Meeting in July 2021 before being validated by a [workshop](#) attended by 234 participants (48% female), and receiving final out-of-session endorsement.

After the regional E-commerce [workshop](#), participants were asked to complete an online evaluation survey. 36 responses were received. Totality of respondents agreed that the workshop had been useful to increase awareness on E-commerce, strengthen the regional partnership in support of E-commerce and that it had played a positive contribution to improve the regional enabling environment for E-commerce.

PIF Geneva continued to manage the consultancy team supporting the Pacific Group on WTO negotiations. In support of the fisheries subsidies negotiations, a summary of key positions for the Pacific Group was prepared for consideration by Pacific ACP Trade Officials and Ministers Meetings in July 2021, which were endorsed. These were further updated to reflect technical changes in the new version of the Negotiating Group on Rules (NGR) Chair's text. The team also consulted with regional agencies regarding a new proposal on transparency requirements that would have implications for Regional Fisheries Management Organisations (RFMOs). The team also supported a resumption of strategic coordination for Geneva-based delegations. This included a short strategy meeting in late July, and a full quarterly strategy meeting in late August.

4.1.2 Completed/Secured

The [Global Alliance for Trade Facilitation](#) confirmed its intention to support the establishment of ePhyto certificates in Fiji, thus bringing to fruition a partnership which was initiated by the PIF Geneva Office back in 2019.

4.1.3 Ongoing

The Forum Trade Ministers Meeting of July 2021 approved the development of a Pacific Regional Trade Facilitation Strategy, of the priorities the [Pacific Aid-for-Trade Strategy](#), to be developed by the Secretariat with technical support from the [World Bank](#). Work on the Strategy will commence in October 2021 and is expected to last about 12 months.

Work intensified on the new Memorandum of Understanding between the PIFS and the International Trade Centre ([ITC](#)), with work expected to be concluded by the first quarter of 2022.

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 will move to Geneva in November 2021. She can be reached on Jodie.Stewart@pacifictradeinvest.com.