



PIFS GVA/27-2021

To : Forum Island Countries (FICs)
Date : 08 December 2021
From : Mere FALEMAKA, PIF Permanent Delegation to the United Nations,
World Trade Organization, and Other International Organizations in Geneva
Subject: PIF-Geneva Update 5/2021

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

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**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

On the 1 September Her Excellency Mere Falemaka participated as a panellist at the Enhanced Integrated Framework (EIF)'s [side event](#) of the Asia-Pacific Regional Review of the Fifth UN Conference for the Least Developed Countries (UNLDC-V) to present on the Pacific Quality Infrastructure Initiative for Pacific LDCs.

Progress with the Pacific E-commerce Initiative coordinated by the Geneva Office was showcased on the [28-29 October](#) by Mr Zarak Khan, PIFS Director of Programs and Initiatives, at the [Indo-Pacific Business Forum](#), which was took place virtually.

Ms Jodie Stewart, PTI Europe Trade Commissioner, was guest speaker and panellist at the [EU-PNG Business, Trade and Investment Conference](#) in October which had over 200 participants.

3. WTO NEGOTIATIONS

The preparations for the 12th Ministerial Conference (MC12) scheduled from 30 November to 3 December intensified on potential outcomes, and the drafting of the Ministerial Declaration, the main outcome document, also commenced. The three priorities for MC12 are Fisheries Subsidies, Agriculture, and the World Trade Organization (WTO) response to COVID-19. Other issues being pushed include WTO Reform, Development, and the extension of the E-commerce Work Program and Moratorium on customs duties. Proponents of the Joint Statement Initiatives (JSIs) such as E-commerce, Investment Facilitation for Development, Services Domestic Regulation and Micro Small and Medium Enterprises (MSMEs) also intensified their work to deliver outcomes at MC12. The new initiative on Trade and Environment including plastic pollution and fossil fuel subsidies also saw heightened discussions.

On the draft outcome document Members agreed in early October to a two-part structure, with part I providing the context of MC12 and key political messages and part II setting out the list of decisions or outcomes adopted. Drafting of part I commenced and regular consultations continued. By the end of October ten paragraphs were drafted and consultations continued to try to finalise the document.

On COVID-19 response, the Facilitator, Ambassador David Walker of New Zealand, continued consultations with Members on six elements, namely: transparency and notification; export restrictions; trade facilitation regulatory coherence and tariffs; role of trade in services; collaboration with other international organisations, and a framework for future preparedness. The Facilitator aimed to circulate a Draft Ministerial Statement and Decision by early November. The WTO response to COVID 19 is a political declaration and will not affect the rights and obligations of Members. The Trade-Related Aspects of Intellectual Property Rights (TRIPS) waiver under discussion in the TRIPS Council is not part of the discussions on this initiative. Many developing Members have continued to insist that COVID 19 response must include a solution to the TRIPS waiver.

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On [Fisheries Subsidies](#), the negotiations in September focussed on addressing the imbalances in the revised Draft Text that was released on 30 June. These imbalances related mainly to the due process in the Illegal, Unreported and Unregulated (IUU) pillar; the rules on overcapacity and overfishing that would allow big subsidisers to continue subsidising against the limited Special and Differential Treatment (SDT) for developing countries; as well as transparency and non-specific fuel subsidies. The line-by-line textual negotiations planned for October was deferred as Members engaged in bilateral consultations to try to bridge gaps on these contentious issues.

On [Agriculture](#), consultations continued in September and October on the eight elements in the Chair's Draft Text of 29 July. These elements are domestic support, market access, export competition, export restrictions, public stockholding, special safeguard mechanism, cotton, and transparency. Domestic Support remained a priority for many Members to reduce trade distortions, but huge divergences exist on how to proceed with reform. Public stockholding (PSH) was considered by some members as important for food security and as a response to COVID-19. Some also supported export restrictions, including the exemption for the World Food Program (WFP) purchases for humanitarian reasons, as important outcomes.

On Development issues ([SDT](#)), engagement during the five open-ended meetings on the ten G90's proposals was very low, especially by developed Members. The G90 introduced a new submission in September to provide further rationale for their proposals which would facilitate their diversification, industrialization, and integration into the global economy. Work would resume in November to find a way forward for MC12.

On [TRIPS](#), discussions continued on the waiver proposal by India, South Africa and co-sponsors, as well as the EU's proposal. Text based discussions could not proceed as members had huge disagreement on whether the TRIPS waiver is the most effective solution to ramping up production and distribution of vaccines and related medical supplies to combat COVID 19. 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 COVID-19 vaccines and medical supplies. Vaccine inequity continued with vaccination rates in many developing countries at very low levels as new waves of transmission and new variants emerged.

The Joint Statement Initiatives (JSIs) continued to gain momentum. On [Domestic Regulation on Services](#), the reference paper is completed as proponents continued to work on implementation through modifications to their GATS schedules. 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, most Members support the reform to improve the functioning of the WTO. This included the restoration of the WTO's Appellate Body, enhanced transparency, improving the work of the regular bodies, and possibly the application of special and differential treatment (SDT) to developing countries. These remain controversial elements.

During this period, PIF Geneva issued four technical Circulars to Members on Fisheries Subsidies and Agriculture; reports of the Trade Negotiations Committee (TNC) and General Council; as well as email briefs on various issues. The Office coordinated 4 Pacific Group statements that were delivered in various WTO meetings. PIF Geneva also organized two briefings for Pacific Trade and Fisheries Officials on 29 September and 8 October; as well as a Regional Preparatory Workshop for MC12 for Pacific Officials, jointly with the WTO Secretariat and the Commonwealth Small States Office.

4. AID-FOR-TRADE

4.1 Projects

4.1.1 Implemented

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The [Pacific E-commerce Initiative](#) progressed towards the delivery of its key milestones. This period saw the publication of the [Pacific Regional E-commerce Strategy and Roadmap](#). Procurement commenced immediately thereafter to implement some of the priority measures recommended by the Strategy, including:

- The development of a [Pacific E-commerce Portal](#)
- Support to the development of the [National E-commerce Strategy for Samoa](#)
- A regional training course on E-commerce for Pacific negotiators

Work on these projects is expected to commence in the last quarter of 2021 – more information is available [here](#) and [here](#).

Following Forum Trade Ministers' approval to develop a Pacific Regional Trade Facilitation Strategy, preparations commenced for a regional inception workshop to take place in November 2021. An online trade facilitation [survey](#) was circulated to members to inform deliberations of the workshop.

PIF Geneva continued to manage the consultancy team supporting the Pacific Group on WTO negotiations. On fisheries subsidies, support focused on rapid analysis of proposals put forward by other delegations, developing new textual proposals to respond to the evolving landscape, and drafting talking points. The team also supported bilateral meetings with the EU, Australia and the Seychelles, and a more in-depth process between the EU and ACP to develop a package of new proposals. The team supported a standalone fisheries briefing for regional officials in late September, and a second session in mid-October as part of a workshop preparing for MC12 delivered by the Commonwealth and WTO Secretariats. In addition, briefs were provided on the Investment Facilitation for Development JSI, and the on the E-Commerce JSI.

4.1.2 Completed/Secured

During this period the Office leveraged USD 110,000 from the Australian Department of Foreign Affairs and Trade. This will support the development of the National E-commerce Strategy for Samoa and the regional training on E-commerce for Pacific negotiators.

4.1.3 Ongoing

Dialogue with United States Agency for International Development ([USAID](#)) commenced to leverage resources from the [E-Trade Alliance](#) in support of a regional dialogue targeting needs of the private sector.

Work with the Pacific Digital Economy Program ([PDEP](#)) also progressed to formulate deliverables for the staff who will be tasked to coordinate implementation of the Pacific Regional E-commerce Strategy and Roadmap.

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 Stewart commenced her role as PTI Trade Commissioner Europe and moved to Geneva at the end of October.

The months covering this report were worked remotely from Australia. Initial work focused on informing relevant stakeholders and establishing productive relationships. Over 30 meetings were conducted with Pacific Island businesses exporting or wishing to export to Europe. Accordingly, plans were developed for Pacific Island businesses in consultation within country Chambers of Commerce

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and Pacific Investment Promotion Authorities (IPAs). These plans are reflective of agreed European market expectations.

Focus was directed on businesses that are already exporting to Europe to ascertain where assistance can be deployed to widen their markets. In particular, discussions were undertaken with French Polynesian companies to understand product ranges, current export arrangements to France, and capability and appetite for expanding to other parts of Europe; as well as with Europe-based distributors for those Pacific Island businesses who have established exports to Europe.

With regard to Pacific exporters, priority was given to ensure that suitable collateral (mostly marketing) is available or created to answer the requirements of European buyers. With regard to buyers, considerable effort was expended in researching and collating information on range review schedules for target European food retailers as well as identifying first tier procurement leads for food companies and manufacturers.

Whilst these two months have been predominantly based around Pacific Island business interaction, this is the necessary foundation preparation required to ensure business development activities and execution are focused in areas of greatest requirement, opportunity, and agreement.