



PIFS GVA/42-2022

To : Forum Island Countries (FICs)
Date : 02 August 2022
From : Mere FALEMAKA, PIF Permanent Delegation to the United Nations,
World Trade Organization, and Other International Organizations in Geneva
Subject: PIF-Geneva Update 3/2022

Please find attached, for your records, an update on the activities undertaken by the Pacific Islands Forum – Geneva Office (PIF-Geneva) in May-June 2022.

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 promotes the establishment of regional initiatives in the priority areas of the [Pacific Aft Strategy](#) and assists FICs, individually and collectively, to make better use of Aft opportunities.

Some non-trade work commenced in 2019 and is limited to support advocacy on selected regional priorities such as climate change, oceans, and COVID-19.

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

2. REPRESENTATION

Ambassador Mere Falemaka represented the Pacific as ACP Focal Point on Fisheries Subsidies and provided an update on Fisheries Subsidies at the ACP Ambassadors Retreat on 19 May. She was invited to be a Member of the United Nations Conference on Trade and Development (UNCTAD) Advisory Board on [ASYCUDA](#) and attended the Board meeting on 3 June. Dr Giacomelli reported progress with the [Pacific E-commerce Initiative](#) at the Talanoa organised by the Pacific Community (SPC) and the UNCTAD on the [role of data in today's digital economy](#). The Secretariat's proposal of a [joint session](#) with Australia at the 2022 [Global Aid for Trade Review](#) was approved by the WTO Secretariat.

3. WTO NEGOTIATIONS

Preparations for the WTO Twelfth Ministerial Conference (MC12) planned for 12-15 June intensified. MC12 was held in a business-like format as agreed by Members and was heralded as a great success given the ten (10) outcomes that were delivered. These included (i) a Fisheries Subsidies Agreement, (ii) an Outcomes Document, (iii) a Declaration on WTO Response to COVID-19, (iv) a Declaration on Emergency response to Food Insecurity, (v) a Declaration on Sanitary and Phytosanitary Agreement, (vi) a Decision on Exemption of the World Food Programme (WFP) from Export Restrictions on Food Purchases for humanitarian reasons, (vii) a Decision on TRIPS Waiver (viii) a Decision on Extension of the Work Programme on E-commerce and Moratorium, (ix) a Decision on Extension of the Small Economies Work Programme, and (x) a Decision on Extension of the TRIPS Non-Violation and situation complaints. The main disappointment was that no decision was made on the proposed future work on Agriculture.

The **Outcome Document** also committed to continuing work on Special and Differential Treatment (SDT) and LDC issues, launched work on WTO reforms and included recognition of micro, small and medium enterprises (MSMEs), women economic empowerment and trade and environment.

The [Fisheries Subsidies](#) negotiations was heightened in May during two Fish Weeks. This was able to advance work on territoriality, reflagging, peace clause for the sustainability clause (5.1.1) and inclusion of archipelagic baselines for artisanal fishing. A Draft Ministerial Text on the Fisheries Subsidies Agreement was issued on 10 June. The Text focussed on the prohibition of three harmful subsidies - to illegal, unreported and unregulated (IUU) fishing, Overfished Stocks (OFS) and to Overcapacity and Overfishing (OCOF). However, the [Fisheries Subsidies Agreement](#) (FSA) is the only legally binding instrument adopted at MC12. It is a partial outcome focussing only on two pillars – IUU fishing and OFS as well as the unregulated high seas. MC12 also agreed that negotiations continue on a comprehensive agreement including OCOF and that recommendations be made to MC13. The Agreement will terminate if a comprehensive agreement is not reached within four years from entry into force. The FSA will enter into force once two-thirds of the 164 Members have ratified.

On [Agriculture](#), priorities continued to differ amongst Members. In an attempt to build consensus, on 31 May the Chair circulated an agriculture package comprising three draft decisions on Agriculture, Food Security and export restriction exemption for WFP purchases. The draft decision on Agriculture outlined future work in seven areas (market access, domestic support, export competition, cotton, special safeguard mechanism, public stockholding and transparency). India and Brazil also tabled two separate proposals on public stockholding but some Members opposed these as they were already in the draft Agriculture decision. A revised package was tabled on 4 June which did not garner consensus. A final draft package for MC12 was circulated on 10 June as basis for MC12 decision. At MC12 the decisions on WTO response to Food Insecurity and WFP were adopted while no consensus was reached on the future work in Agriculture. Members will have to determine how to move forward on Agriculture reforms as it is a core WTO issue.

On [WTO response to COVID-19 pandemic](#), consultations restarted in May on a merged text which included a place holder on the TRIPS waiver trigger for future pandemics. Most of the trade policy elements were stabilised as the final draft declaration was submitted to MC12. On the TRIPS waiver, following discussions in the quad (EU, US, India and South Africa), a draft text was circulated jointly by the EU and US in early May. India and South Africa also tabled their draft text. Text-based discussions were then held on the basis of a draft text submitted by the WTO Director General. At MC12 Ministers adopted the Declaration on the WTO Response to COVID-19 and the Decision on the TRIPS Agreement which grants a TRIPS waiver on vaccines to combat the COVID-19 pandemic for 5 years. However, Members should decide within six months (by 17 December 2022) whether to extend the waiver to the production and supply of therapeutics and diagnostics. Work is expected to resume in the TRIPS Council on this issue.

Technical Support: During this period, PIF Geneva issued 11 technical circulars on Fisheries Subsidies, Agriculture, WTO Response to COVID-19; TRIPS waiver, reports of key meetings (Trade Negotiations Committee, General Council, and regular bodies); as well as email briefs on various issues and ACP positions. The Office co-organised with WTO and the Commonwealth Small States Office a Regional Workshop on MC12 Preparations for Pacific Trade Officials on 25-26 May. In addition, the Office organised a Pacific WTO Trade Ministers Meeting on 2 June to prepare positions for MC12 and two Pacific Ministerial Briefings in Geneva on 11 and 12 June. The Office also prepared four Pacific Group statements delivered during negotiations leading up to MC12 and four Pacific Group Statements delivered by Pacific Ministers at MC12. The PIFS Geneva Office assisted by the Pacific consultancy team also provided technical support including daily briefings to Pacific delegations that enabled them to participate actively throughout MC12. At the end of June, the Regional Co-ordinator Intern, Ms Natalia Patternot, Chief Trade Officer at the Solomon Islands Department of Trade, completed her six months WTO internship at the PIFS Mission. The internship serves as a capacity building programme for senior Pacific Trade Officials to deepen their understanding of the WTO work.

4. AID-FOR-TRADE

4.1 Projects

4.1.1 Implemented

The [Pacific E-commerce Initiative](#) achieved some substantial milestones, including:

- Conclusion of work on the [Pacific E-commerce Portal](#) and its new contents - business toolkits, E-commerce statistics, self-paced E-commerce training course, and information on programs targeting implementation of the [Pacific Regional E-commerce Strategy and Roadmap](#). The launching of the Portal will take place in August 2022
- The Samoa E-commerce Strategy was validated at [national workshop](#) and subsequently finalised, with launching expected in August 2022
- Ms Donna Tekanene Reiher from Kiribati was selected for the role of Pacific E-commerce Monitoring Evaluation and Communications Officer. She will start her tenure on 1 July 2022,

thus strengthening the Secretariat's capacity to effectively coordinate the Pacific E-commerce Initiative

Work on the [Pacific Trade Facilitation Initiative](#) also progressed, including national consultations in Solomon Islands and Tonga.

PIF Geneva continued to manage the consultancy team supporting the [Pacific Group](#) on World Trade Organization (WTO) negotiations. In May, the team prepared briefs on various aspects of the fisheries subsidies negotiations. Several iterations of texts on agriculture were analysed. The situation on trade and health, including the TRIPS waiver and the overall WTO response to the pandemic, was closely monitored. At the start of MC12 in June, the team participated in a briefing for Pacific Ministers. The team's legal expert was accredited as a member of a Pacific delegation while others participated virtually in ongoing briefings. The Team supported intense negotiations on fisheries at MC12, in which the Pacific was a key actor, and that resulted in a final text providing for continued negotiations after MC12 and a 'sunset clause' in the event that such negotiations were unsuccessful. This was the final piece of the jigsaw in the package of results from MC12. The team prepared and presented an analysis for Pacific Trade and Fisheries Officials on the revised Fisheries Subsidies Agreement.

4.1.2 Completed/Secured

The PACER Plus Implementation Unit ([PPIU](#)) put forward a budget of approximately USD 40,000 in the coming financial year (July 2022- June 2023) to facilitate the project concept development for a regional approach to boost E-commerce readiness of Pacific post operators, in partnership with the PIFS and the Universal Postal Union ([UPU](#)), and the Asian Development Bank ([ADB](#)).

4.1.3 Ongoing

The [China's Position Paper](#) on Mutual Respect and Common Development with Pacific Island Countries committed to *strengthen synergy between Belt and Road cooperation with regional cooperation initiatives such as "Pacific Aid for Trade Strategy 2020-2025", "Regional E-commerce Strategy" and "Pacific Quality Infrastructure Initiative"*.

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

Working closely with stakeholders and partners across the region, May and June saw PTI Europe assist 34 businesses. Through this continued engagement AUD 1.3m has been generated in assisted deals year to date.

Ongoing foundational work with and for business operators across Forum Island Countries continues and this period also saw participation in some events to prospect business development opportunities.

May 2022. whilst not an official exhibitor, PTI Europe attended [Vitafoods Europe](#) in Geneva. The purpose of this activity was to network with the nutraceutical experts and general industry, observe roundtable discussions to see where the trends are and assess if this would be a suitable trade show for PTI to participate in as an exhibitor. Valuable intel around compliance and claims was collected from this event and disseminated to Pacific Islands businesses that are interested in value adding in this space.

June 2022. PTI Europe, in cooperation with ITC, attended [World of Coffee](#) trade show in Milan and hosted five PNG exporters. The trip helped exporters to understand the dynamics of coffee trade in Europe, its requirements and the need to find competitive advantages. We were able to connect with

potential coffee importers and additionally with food and drinks manufacturers who use coffee as an ingredient to make other coffee-based products. PTI Europe is now assisting these exporters with follow-up meetings where commercial opportunities were identified.