



PACER Plus

Joint Committee

SEVENTH MEETING OF THE PACER PLUS JOINT COMMITTEE

16-17 MAY 2024 (GMT-13)

TAUMEASINA ISLAND RESORT

APIA, SAMOA

OUTCOMES SUMMARY

1. The Seventh Meeting of the PACER Plus Joint Committee (PPJC.07) was convened on 16 to 17 May 2024 at the Taumeasina Island Resort in Apia, Samoa. The meeting was attended by officials from Australia, Cook Islands, Kiribati, New Zealand, Niue, Samoa, Solomon Islands, Tonga, Tuvalu, and Vanuatu.

Agenda 1: Opening Session

2. The meeting proceedings were led by the Chairperson, Mrs Peseta Noumea Simi, Chief Executive Officer of the Ministry of Foreign Affairs and Trade of Samoa. The Chair welcomed delegations to Samoa and invited Niue to open the meeting with a prayer. The Chair noted that this was the second in person meeting and that this meeting would focus on the Development and Economic Cooperation Work Programme (DEC Work Programme) and to consider reports on the implementation of the chapters of the Agreement and the Arrangement on Labour Mobility (ALM). The Chair looked forward to the stock take on implementation to ascertain if promises made to constituents have been successful. The Chair further noted that the meeting would seek to adopt the Annual Plan and budget for financial year 2024-2025 and to discuss the DEC Work Programme post-2025. The Chair urged the meeting to take a deep dive into determining whether the PACER Plus has delivered its anticipated outcomes including facilitation of trade and movement of workers within the region.
3. In his opening remarks, Mr Roy Lagolago, the Head of the PACER Plus Implementation Unit (PPIU), thanked the Government of Samoa for hosting the meeting. He alluded to the achievements of the past three years despite the challenges faced particularly due to the onset of COVID-19 and reflected that the financial year 2023/24 was the first full year of implementation. He encouraged the meeting to engage in effective talanoa during the meeting.

Adoption of Agenda

4. The PACER Plus Joint Committee delegates adopted the agenda as presented, attached as Annex 2.

Agenda 2: Report on the implementation of the Development and Economic Cooperation Work Programme

2.1 Report on Trade in Goods

5. The meeting was provided an overview of the implementation of the PACER Plus Chapters related to Trade in Goods (Customs Procedures, Rules of Origin, Sanitary and Phytosanitary (SPS), Technical Barriers to Trade (TBT)).
6. The Joint Committee:
 1. **Noted** and **discussed** the update on the implementation of Trade in Goods obligations and the DEC Work Programme.
 2. **Acknowledged** high compliance levels under Trade in Goods chapter, and significant developments made by Parties on the implementation of Trade in Goods through customs activities particularly national efforts to complete transposition to HS2022.
 3. **Recognised** the capacity challenges faced by Forum Island Country (FIC) Parties to fully implement SPS and TBT requirements under the Agreement.
 4. **Noted** the importance of prioritizing implementation of national level activities.
 5. **Noted** that the delay in implementing the MELA Framework is causing hindrances to fully assess the impact of the Agreement on Parties, and the challenges in collecting data across trade sectors highlights the limitations this places on demonstrating effectiveness of PACER Plus initiatives.
 6. **Noted** the need to consider the importance of quantifying the number of exporters under the Agreement.
 7. **Noted** an intervention by one member country regarding statistics and an offer of assistance. Specifically, that they have a statistics support area, and this is available to offer assistance.
 8. **Recognized** the need to further develop the trade portal mechanism to facilitate Trade in Goods implementation of transparency obligations.
 9. **Noted** the diversity in implementation of obligations across the region and the need for closer cooperation amongst Parties to address the challenges they face.

2.2 Trade in Services & Investment

7. The meeting was provided an overview of the implementation of the Trade in Services, Movement of Natural Persons (MNP) and Investment chapters of the Agreement.
8. **The Joint Committee:**
 1. **Noted** and **discussed** the update on the implementation of Trade in Services, MNP and Investment obligations and the DEC Work Programme.
 2. **Noted** the request by some Parties to ensure that consultations are carried out when developing initiatives under the DEC Work Programme, and that these consultations are used to inform regional initiatives.
 3. **Noted** the need to finalise the draft SMNPI regional initiatives so that implementation can commence.
 4. **Noted** that the delay in implementing a MELA Framework is causing hindrances to assessment of the impact of the Agreement on Parties, and the challenges in collecting data across trade sectors highlights the limitations this places on demonstrating effectiveness of PACER Plus initiatives.
 5. **Recognized** the importance of the mutual recognition of qualifications regional project and the overlap of the former in Trade in Services and Labour Mobility.
 6. **Tasked** the PPIU to ensure robust, transparent, and inclusive consultations are carried out with Parties when developing national and regional activities and initiatives under the DEC Work Programme in accordance with key principles outlined in the operations manual.
 7. **Noted** the need to prioritise activities at national and regional level.

2.3 Labour Mobility

9. The meeting was provided with an update on the implementation of the Arrangement on Labour Mobility.
10. **The Joint Committee:**
 1. **Noted** the discussions on the PACER Plus Labour Mobility Component.
 2. **Noted** that there are synergies between Trade in Services and Movement of Natural Persons and Labour Mobility, but they should be clearly delineated and kept separate.
 3. **Supported** the strategic priorities for 2024-2025 as provided in the paper.
 4. **Noted** the important role of the PACER Plus Labour Mobility Secretariat.
 5. **Acknowledged** the progress of intra-Pacific work and the pilot projects.
 6. **Noted** the importance of redrafting the ALM as recommended by the ALM Review report and that all Parties be consulted on the drafting process.

Agenda 3: Report of the 8th Budget Committee meeting

11. The meeting was provided a summary of the key decisions from the Eight Budget Committee meeting held in March 2024.

12. The Joint Committee:

1. **Noted** the report of the eighth meeting of the Budget Committee.
2. **Recommended** a comprehensive review of the governance process and organizational structure to be undertaken which will include an activity development model and a clear consultation process for development of activities.
3. **Noted** that the PPIU Operations Manual and associated policies required further work before they could be considered for approval.
4. **Recommended** a review of the DEC Work Programme resourcing model and whether it remained fit for purpose.
5. **Noted** that Focal Points of those Parties without National Coordinators be equally informed on all National Activity progress and processes.
6. **Considered** recommendations from the Budget Committee, and **approved** as follows, the:
 - o *Detailed Completion Report on the transition of the PPIU from the CSP, DT Global (This will be considered under Agenda 6.3 of this meeting).*
 - o *Draft Audit Report and Financial Statements (to be submitted out of session).*
 - o *Updated Operations Manual (to be updated and submitted out of session).*
 - o *Policy for the Evaluation of the Performance of the Head of the PPIU (This will be considered under Agenda 6.2 of the meeting).*
 - o *Draft Annual Plan for FY2024-2025, under Agenda 6.1.*

Agenda 4: General Review of PACER Plus and Review of the Arrangement on Labour Mobility

4.2 Report on the General Review of the PACER Plus¹

13. The General Review team from Sense Partners, John Ballingal and Tracey Epps presented the meeting with key findings and recommendations from the General Review report.

14. The Joint Committee:

1. **Directed** the PPIU to prepare a response Report to specific recommendations in the report and circulate to the Joint Committee out of session before the General Review is finalized.
2. **Agreed** that Parties submit comments on the General Review to the PPIU before 14 June 2024.
3. **Directed** the PPIU to work with the General Review team to finalise the report and circulate out of session to the Joint Committee for approval.

4.1 Report on the Review of the Arrangement on Labour Mobility (ALM)

15. The meeting was provided a summary of the final report of the Review of the ALM which was endorsed by the Labour Mobility Working Group in February 2024.

16. With respect to next steps, the meeting was advised that the PPIU will be organizing a workshop to discuss the amendments of the ALM in the second half of 2024.

17. The Joint Committee:

1. **Requested** that all member countries be consulted on the review and redrafting.
2. **Requested clarity** on the mandate for further resourcing from the Budget Committee and loss of talent from home countries.
3. **Adopted** the final Review Report of the Arrangement on Labour Mobility provided in Annex 1 of the meeting paper.

Agenda 5: Talanoa Session — Implementing Arrangement and Development and Economic Cooperation Work Programme + PACER Plus Implementation Unit Post-2025 — What's next for PACER Plus?

18. This session was facilitated as a talanoa and moderated by the Head of the PPIU. The Parties provided feedback on the guiding questions posed in the paper.

19. The Joint Committee:

¹ It should be noted that the Joint Committee considered Agenda 4.2 on the Report of the General Review of PACER Plus before Agenda 4.1 on the Report on the Review of the A.

1. **Directed** the PPIU to collate feedback and disseminate to Parties for final comments out of session if required.
2. **Noted** general support for an extension of the DEC Work Programme beyond 2025 and the PPIU, contingent on the review and funding.
3. **Noted** that continuation of funding was contingent on member countries moving forward together to resolve issues.

Agenda 6: Corporate and Administrative Matters

6.1 Draft Annual Plan & Budget FY 2024-2025

20. The Annual Plan FY2024-2025 outlines the activities and financial resourcing forecast for financial year July 2024 to December 2025. The fiscal year is extended from June 2025 to December 2025 due to the scheduled end date of the current Implementing Arrangement of the DEC Work Programme cycle and PPIU term. The Annual Plan builds on activities from previous financial years including carry-over activities requested by Parties to be implemented in the next financial year.

21. The Joint Committee:

1. **Noted** the proposed Annual Plan and Budget for FY2024-2025.
2. **Noted** the draft SMNPI Regional initiatives² and highlighted concerns regarding the consultation process and identification of priorities for inclusion.
3. **Endorsed** the draft Annual Plan and Budget for FY 2024-2025.
4. **Directed** the PPIU to work with Parties through the SMNPI sub-committee promptly, inclusively, and transparently to finalise FY2024-2025 activities and budget for Activity 148 and 162, out of session.
5. **Directed** the PPIU to submit the specific activities and budget for Activity 148 and Activity 162 to the next Budget Committee Meeting, to be held out of the scheduled meeting cycle, for approval.
6. **Directed** the PPIU to submit the Budget Committee decision on the activities and budget for Activities 148 and 162 to the Joint Committee as soon as possible out of session, for approval.

6.2 Procedure for the Performance Evaluation for Head of the PACER Plus Implementation Unit (PPIU)

² (1) Pacific Business Flow Enhancement Initiative (PBFEl), (2) Regional MNP Initiative, (3) Regional Tourism Development Action Plan, (4) Regional Investment Policy and Promotion, (5) Pacific Regional Creative Industries.

22. The meeting considered the process undertaken for the renewal of contract for the incumbent Head of the PPIU and were presented the draft policy for the evaluation of the Performance of the Head of the PPIU for the Joint Committee's approval.

23. The Joint Committee:

1. **Discussed** the process undertaken for renewal of contract for the incumbent Head of the PPIU.
2. **Approved** the renewal of the Head of the PACER Plus Implementation Unit's contract to 12 December 2025 as per Budget Committee's approval on 27 March 2024.
3. **Approved** the Policy for the Evaluation of the Performance of the Head of the PACER Plus Implementation Unit inclusive of the comments received from the Joint Committee.

6.3 Completion Report of the Transition from the Contract Service Provider, DT Global

24. The meeting considered the Completion Report regarding the transition from the Contract Service Provider, DT Global, which was completed as of 1 January 2024.

25. The Joint Committee:

1. **Considered and approved** the Contract Services Provider Completion Report.
2. **Directed** the PPIU to undertake an independent corporate review of processes and functions within the PPIU.
3. **Directed** the PPIU submit a report on the outcomes of the independent corporate review to the Budget Committee.

Agenda 7: Procedures for Accession to PACER Plus

26. The meeting considered the proposed Guideline on ratification, approval and accession of PACER Plus provided in Annex 1 to the meeting paper PPJC.07/D.11.

27. The Joint Committee:

1. **Approved** the Guideline on ratification, approval and accession of PACER Plus with additional comments provided by Parties.

Agenda 8: Report on Partnership and Performance

28. The meeting was provided with an update on the progress of the Partnerships and Performance component of PACER Plus which underpins the trade and development objectives of PACER Plus. This component is cross-cutting in nature and considers some of the more complex interactions between the trade in goods, services, investment and labour mobility elements that are enabled through PACER Plus and Arrangement on Labour Mobility. It also considers the performance of the PPIU in facilitating aspects of this Partnership, presenting outputs and outcomes associated with the management of the secretariat, as well as implementing the Development and Economic Cooperation Work Programme.

29. The Joint Committee:

1. **Noted** the discussions on the PPIU Partnership and Performance Outcomes
2. **Noted** the learning questions.
3. **Requested** the PPIU to report back on their capacity level for pursuing the learning agenda.

Agenda 9: Calendar Events

30. Solomon Islands is the next chair for the PACER Plus Joint Committee for 2025, as per the Joint Committee chair rotational arrangement. The meeting noted Solomon Islands' acceptance to Chair the Joint Committee in 2025 and host the next in-person meeting of the Joint Committee in Honiara at a date to be determined.

31. The meeting noted that Samoa is the current Chair of the Joint Committee and the 2024 PACER Plus Ministerial Meeting. Samoa advised they will not be able to host the Ministerial Meeting prior to the CHOGM in October 2024.

32. The meeting noted the proposal by Australia to convene the 2024 PACER Plus Ministerial Meeting in the margins of PLMAM 2024 in Brisbane. The proposal was supported by Parties, and it was further noted that Australia will now undertake due diligence to confirm hosting of the meeting as proposed, and report back to the PPIU. Parties were encouraged to confirm the availability of their Ministers to determine possible dates.

33. The Joint Committee:

1. **Noted** that Solomon Islands will be the Chair of the Joint Committee in 2025 and host the next in-person Joint Committee Meeting in Honiara.
2. **Agreed** that Australia will collaborate with the PPIU on the proposed PACER Plus Ministerial Meeting and report back to the Joint Committee.

Agenda 10: Other Business

34. The Chair opened the floor to delegations wishing to raise any matters outside of the formal agenda.

35. The Joint Committee:

1. **Agreed** to include in the agenda for future Joint Committee meetings, an opportunity for Parties to share best practices and lessons learnt from DEC Work Programme activity implementation.
2. **Noted** the announcement by New Zealand of the MFN obligation trigger arising from its FTAs with the EU and the UK. In these FTAs, New Zealand has expanded its thresholds for overseas investment. A circular on the matter has been circulated to Parties for any comments or feedback.

Agenda II: Review and Endorsement of Outcomes Summary of the 7th Joint Committee Meeting

36. The drafting committee reviewed the Outcomes Summary for the two days and presented the draft to the Joint Committee for adoption.
37. The Joint Committee considered the decisions of the meeting and adopted the Outcomes Summary of the meeting.

Closing Session

38. The Chair thanked all delegations for their work throughout the two days and the Secretariat for their support to the meeting. A representative from the PPIU closed the meeting with a prayer.

Annex 2: Meeting Agenda

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Seventh Meeting of the PACER Plus Joint Committee*(Second In-Person meeting of the Joint Committee)***Thursday, 16 May — Friday, 17 May 2024 (GMT+13)****Taumeasina Island Resort, Apia, Samoa****Meeting Agenda**

Thursday, 16 May 2023	
09:00 - 09:30AM	Agenda 1: Opening Session
	<ol style="list-style-type: none"> 1. Introductory Remarks by Chair 2. Opening Devotion/Prayer 3. Remarks by the Head of the PACER Plus Implementation Unit, Mr Roy Lagolago 4. Adoption of the Agenda 5. Drafting Committee assigned
	Agenda 2: Report on the Implementation of the Development and Economic Cooperation Work Programme
09:30 — 09:40AM	Introductory Video on the status of implementation of the Development and Economic Cooperation Work Programme (DEC Work Programme)
09:40 — 10.10AM	<p>2.1 Report on Trade in Goods</p> <p>To consider success factors and constraints to achievement of strategic objectives and implementation of the Chapters</p> <p>Document: PPJC.07/D.01 (<i>Discussion Paper</i>)</p>
10:10 — 10:40AM	<p>2.2 Report on Trade in Services & Investment</p> <p>To consider success factors and constraints to achievement of strategic objectives and implementation of the Chapters</p> <p>Document: PPJC.07/D.02 (<i>Discussion Paper</i>)</p>

10.40 — 11.00AM	Morning Tea
11:00 — 11.30AM	<p>2.3 Report on Labour Mobility</p> <p>To consider success factors and constraints to achievement of strategic objectives and implementation of the Arrangement on Labour Mobility</p> <p>Document: PPJC.07/D.03 (<i>Discussion Paper</i>)</p>
	Agenda 3: Report of the 8th Budget Committee Meeting
11:30 — 11:40AM	<p>The JC will consider a report of outcomes and decisions taken by the Budget Committee at its last meeting held virtually on 27 March 2024.</p> <p>Document: PPJC.07/D.04 (<i>For approval</i>)</p>
	Agenda 4: General Review of PACER Plus & Review of the Arrangement on Labour Mobility
11.40 — 12:30PM	<p>The reports of the General Review of the PACER Plus, as required under Chapter 12 of the Agreement, and the review of the Arrangement on Labour Mobility (ALM) will be presented to the Joint Committee for consideration and approval.</p> <p>4.1 Report on the Review of Arrangement on Labour Mobility.</p> <p>Document: PPJC.07/D.05 (<i>For approval</i>)</p> <p>4.2 Report on the General Review of PACER Plus</p> <p>Document: PPJC.07/D.06 (<i>For approval</i>)</p>
12.30 — 2:00PM	LUNCH
	Agenda 5: Talanoa Session - Implementing Arrangement and Development and Economic Cooperation Work Programme + PACER Plus Implementation Unit Post-2025 - <i>Whats next for PACER Plus?</i>
2.00 — 4:00PM	<p>Based on the Review Reports and Members assessment of performance after three years, the talanoa will provide for a candid and focused discussion by the Joint Committee on the status quo, the opportunities and future for PACER Plus.</p>

	<p>Members to review the Implementing Arrangement and accompanying DEC Work Programme and make a decision on renewal for a further five years.</p> <p>Members to make a decision on extending the PACER Plus Implementation Unit entity after dissolution date of 12 December 2025.</p> <ul style="list-style-type: none"> • Members to review the Implementing Arrangement and accompanying DEC Work Programme and make a decision on renewal for a further five years. • Members to make a decision on extending the PACER Plus Implementation Unit entity after dissolution date of 12 December 2025. <p>Document: PPJC.07/D.07 (<i>For Discussion</i>)</p>
03:00 - 03:15PM	Afternoon Tea
04:00PM	Day 1 Sessions end
Friday, 17 May 2024	
	Agenda 6: Corporate and Administrative Matters
9:00 - 10:30AM	<p>6.1 Draft Annual Plan & Budget FY 2024-2025</p> <p>The Parties will consider and approve the draft Annual Plan & Budget for financial year 2024-2025 and plan of implementation for Parties.</p> <p>Document: PPJC.07/D.08 (<i>For Approval</i>)</p>
10:30 – 10:45AM	Morning Tea
10:45 - 11:15AM	<p>6.2 Procedure for Performance Evaluation for Head of PPIU</p> <p>The Secretariat will present the proposed procedure to evaluate performance of the Head of the PPIU for the Joint Committee’s consideration and approval.</p> <p>Document: PPJC.07/D.09 (<i>For approval</i>)</p>
11:15 - 11:45AM	<p>6.3 Completion Report of the Transition from the Contract Service Provider, DT Global</p>

	<p>The Secretariat will present the Completion Report regarding the PPIU's transition from DT Global for Corporate and Administrative services during establishment of the Unit.</p> <p>Document: PPJC.07/D.10 (<i>For approval</i>)</p>
	Agenda 7: Procedures for Accession to PACER Plus
11:45 - 12:00PM	<p>The Secretariat will present the proposed accession process for future Parties to PACER Plus, for the approval of the Joint Committee.</p> <p>Document: PPJC.07/D.11 (<i>For Approval</i>)</p>
	Agenda 8: Partnership and Performance
12:00 - 12:30PM	<p>The Secretariat will provide a report on Partnership and Performance.</p> <p>Document: PPJC.07/D.12 (<i>Discussion Paper</i>)</p>
12.30 — 1:30PM	LUNCH
	Agenda 9: Calendar Events
1:30-1:45PM	<p>The Secretariat to confirm date and venue of the 2024 Ministerial meeting</p> <p>The Secretariat to confirm date and venue of the next JC in-person meeting</p>
	Agenda 10: Other Matters
01.45 - 02:30PM	Parties can raise any substantive matters not covered under the formal agenda.
	Break-out Session for the Drafting Committee
03:10 - 03:20PM	Afternoon Tea
	Agenda 11: Review and endorsement of Outcomes Summary of the 7th Joint Committee Meeting
03:20 - 04:00PM	<p>The Secretariat will present the draft Outcomes Summary on screen for Members to adopt.</p> <p>Document: Outcomes Summary Draft (<i>For Approval</i>)</p>

04:00 - 04:30PM

Closing Session — End of final day