



PACER Plus

Joint Committee

PACER Plus Fourth Joint Committee Meeting

**Wednesday, 22 June 2022, 1.00-4.50PM WST
(Held virtually via Zoom)**

OUTCOMES DOCUMENT

Introduction

1. The fourth meeting of the Joint Committee took place virtually on 22 June 2022 (GMT+13) and was attended by Australia, Cook Islands, Kiribati, New Zealand, Niue, Samoa, Solomon Islands, Tonga, and Tuvalu. Vanuatu attended the meeting as an Observer State. Nauru conveyed apologies.
2. The meeting was chaired by Ms Teera Eriuta, Deputy Secretary of the Ministry of Commerce, Industry and Cooperatives of the Republic of Kiribati.

Opening Formalities and Procedures

3. The Chair called the meeting to order and invited the representative of Tuvalu to open the meeting with a prayer.
4. In her opening remarks, the Chair acknowledged with appreciation Solomon Island's acceptance to be Vice-Chair. The Chair welcome and congratulated Tuvalu on becoming the ninth Party to the PACER Plus Agreement following their ratification in January.
5. The Outcomes Summary of the Third Joint Committee meeting held in September 2021, which was reviewed and adopted by Parties intersessionally was formally adopted in the meeting.
6. The agenda was adopted as amended with Samoa's proposal to raise a matter under Any Other Business.

Agenda Item 1: Report of the Budget Committee and Subsidiary Bodies

1(a) Report of the Committee on Trade in Goods, Rules of Origin and Customs (CTG) Procedures to the Joint Committee

7. Cook Islands as Chair of the Committee on Trade in Goods, Rules of Origin and Customs Procedures for 2022, presented the Committee's report to the Joint Committee.
8. Vanuatu raised an issue regarding HS 2017 transposition and the meeting noted that since most Parties have not implemented HS2022, the CTG has prioritised completion of PACER Plus Tariff

Schedules to HS2017 and that technical support for transposition to HS2022 would be undertaken in the FY2022-2023.

Decision:

9. The Joint Committee:
- i. **Noted** the progress of implementation of Chapters 2, 3 and 4 of the Agreement (update provided in Annex I).
 - ii. **Encouraged** Parties to provide their HS2017 Schedules to the Implementation Unit and complete the transposition work to be submitted to the Joint Committee at its next meeting.

1(b) Report of the Committee on Sanitary and Phytosanitary Measures and Technical Barriers to Trade (SPS.TBT) to the Joint Committee

10. Solomon Islands as Chair of the Committee on SPS.TBT, presented the Committee's report to the Joint Committee referencing paper PPJC.04/D.2.

11. Australia acknowledged the traditional custodians of the lands of which their delegates are speaking from. Australia acknowledged the progress of activities across all Sub-committees of PACER Plus, and the discussions at the last SPS.TBT Committee meeting had provided a valuable opportunity to progress implementation of the SPS and TBT chapters.

12. Samoa sought clarification on the progress of the recognition by Australia of Samoa's Sea Container Hygiene System following discussions held with PHAMA Plus and the IU. The meeting noted that discussion between PHAMA Plus, the IU and relevant agencies were ongoing and is being followed up with the Australian Department of Agriculture, Water, and the Environment.

Decision:

13. The Joint Committee:
- i. **Noted** the progress by Parties on the implementation of Chapters 5 and 6 of the Agreement.
 - ii. **Noted** the update on the implementation of SPS and TBT activities under the Annual Plan 2021-2022 as provided by Parties during the SPS.TBT.02 meeting and in the Progress Report on FY2021-2022.
 - iii. **Agreed** to declassify the following SPS.TBT.02 Committee meeting papers for public release: SPS.TBT.02/D.1, SPS.TBT.02/D.2; SPS.TBT.02/D.3; SPS.TBT.02/D.4; SPS.TBT.02/D.5

1(c) Report of the Committee on Trade in Services, Movement of Natural Persons, and Investment (SMNPI) to the Joint Committee

14. Australia as Chair of the Committee on Trade in Services, Movement of Natural Persons, and Investment presented the Committee's report to the Joint Committee referencing paper PPJC.04/D.3.

15. The meeting noted a concern raised by Samoa on the delay of the circulation of the Committee paper which did not allow for ample time to Parties for informed decision-making and substantial

discussions in the meeting. The concern was acknowledged by the IU and would work to improve this for future meetings.

16. Regarding e-commerce, the meeting advised the IU to ensure complementarity and avoid duplication with national level activities. Furthermore, the work on strengthening national qualifications frameworks was endorsed.

17. The meeting supported the proposal to establish the two sub-working groups for the Committee noting these forums will facilitate more focused discussions on these broad areas.

Decision:

18. The Joint Committee:

- i. **Endorsed** the areas of focus for E-commerce activities to be carried out by the IU under the DEC Work Programme.
- ii. **Endorsed** the three priority areas of action for the IU to progress work to strengthen national qualifications frameworks.
- iii. **Approved** the Terms of Reference for the two Sub-Working Groups formed under the Committee as follows:
 - i. **Trade in Services and Movement of Natural Persons Sub-Working Group**
 - ii. **Investment Sub-Working Group**

1(d) Report of the Labour Mobility Working Group (PPLMWG) to the Joint Committee

19. Tonga as Chair of the Labour Mobility Working Group presented the Group's report to the Joint Committee.

Decision:

20. The Joint Committee:

- i. **Approved** the IU Labour Mobility Work Programme endorsed by the LMWG.
- ii. **Approved** the decisions made by the LMWG in relation to the PACER Plus Implementation Unit's role and function as the Labour Mobility Secretariat to the Arrangement on Labour Mobility (ALM) and **agreed** that the:
 - a) niche role of the IU is to contribute to the creation of an enabling regional labour mobility environment through the provision of targeted strategic policy support.
 - b) IU Labour Mobility Work Programme is an exhaustive framework for the implementation of the PACER Plus Arrangement on Labour Mobility and is to be included as a component of the IU Work Programme.
 - c) annual activities of the Labour Mobility Secretariat will be subject to PLMAM outcomes and individual signatory country priorities and are to be provided in an Annual Labour Mobility Work Plan for the endorsement of the LMWG prior to the beginning of every financial year.
 - d) Labour Mobility Specialist will lead the implementation of the Annual Labour Mobility Work Plan, under the supervision of the Head of the IU and the LMWG.
 - e) Labour Mobility Specialist will submit 6-monthly and annual progress reports on LMS activities to the LMWG.

- iii. **Noted** the endorsed Labour Mobility activity proposals which are included in the proposed Annual Budget and Plan FY2022-2023.
- iv. **Noted** the update on PLMAM arrangements as agreed by the LMWG.
- v. **Noted** the rotational schedule for the chairing of LMWG meetings as approved by the LMWG.

1 (e) Report of the Budget Committee (PPBC) to the Joint Committee

21. Australia as Chair of the Budget Committee presented the report of the Budget Committee to the Joint Committee.
22. The meeting noted, through the observation by New Zealand, the need to properly sequence meetings to ensure the Budget Committee has all Committee activity proposals before they meet, and that Parties should be active in providing information to the Implementation Unit in a timely manner.
23. The meeting agreed to the deferral of interventions and decisions by Parties for recommendations 2, 3, 4, 5 and 6 of the paper until they are formally presented in Agenda Items 3, 4 and 5 of the meeting.

Decision:

24. The Joint Committee:
- i. **Noted** the six-monthly report submitted to the Budget Committee and Joint Committee covering the period July to December 2021.
 - ii. **Agreed** to consider the sequencing and timing of Committee meetings to ensure ample time is available for the preparation of meeting papers, consideration and discussion of agenda items and subsequent decision by the subsidiary bodies, Budget Committee and Joint Committee.

Agenda Item 2: Membership and Donor Coordination

2 (a) Ratification Update

25. The Chair presented the paper PPJC.04/D.6 providing updates from new Parties on their ratification experience and non-Party Signatories on their ratification progress. Tuvalu in providing their brief on their ratification experience acknowledged the support of the IU, New Zealand, Australia, and other Member countries.
26. The meeting congratulated and welcomed Tuvalu as the newest Party to the Agreement and conveyed condolences to the Government of Tuvalu for the passing of the late Honourable Minute Taupo, the Deputy Prime Minister and Minister for Fisheries and Trade of Tuvalu.
27. The meeting also noted the progress update from Vanuatu with the Bill to ratify the Agreement passed in Parliament in May and awaiting national domestic processes to be completed before deposit of the Instrument of Ratification with Tonga. Vanuatu acknowledged the support of Australia, New Zealand, and the IU during the ratification process.
28. The meeting acknowledged the progress by Vanuatu and looks forward to the completion of the ratification process, so they can participate and fully benefit from the Agreement.

Decision:

29. The Joint Committee:
- i. **Noted** the ratification updates provided by Tuvalu and Vanuatu.
 - ii. **Instructed** the IU to engage with Nauru to submit a written ratification update to the Joint Committee intersessionally.
 - iii. **Agreed** to declassify the meeting paper and Annexes for public release.

2 (b) Strategic Partnerships

30. The Head of the IU presented paper PPJC.04/D.7 on Strategic Partnerships. The Head of the IU recalled that PACER Plus Ministers at their last meeting in June 2021 endorsed a Strategic Partnership model which welcomed partners 'who share a commitment to foster a stable and predictable environment for trade and investment' in the Blue Pacific. A strategic partnership would enable additional funding to support Parties and enable development partners active in the region to participate and support PACER Plus as the regional forum for trade and economic work.

31. The meeting in its discussions provided the following views on the proposal:
- a. The concept to engage partners who have genuine interest in the region and support PACER Plus objectives is a guiding principle for the engagement. The value of the Agreement is that it is Pacific led. The Strategic Partnership model was an attempt at creating a mechanism that can attract additional funding.
 - b. Any strategic partnership entered should not deviate from the objectives of the Agreement.
 - c. Australia endorsed the comments provided by the IU and noted from their discussions with potential partners that people who are in the trade negotiation space are not necessarily convinced of the commercial prospects for their countries to get involved. Therefore, would encourage engaging partners who have an interest in the region. Australia supports Pacific Voices to be directly involved in the engagement of partners.
 - d. Samoa noted the discussions and reminded the JC to be mindful of existing regional mechanisms in place such as PIFS which plays a regional coordination role. The importance of clear principles of engagement, as well as taking stock of potential impacts on what potential partners are already involved with in the region.
 - e. Focus of the engagement should be as partners for delivering the PACER Plus outcomes rather than from a context of attracting new funding.

32. The meeting discussed and agreed that the IU would further develop the paper in discussion with members to reflect consensus on the objective, principles, and the process for engaging strategic partners with a view to finding an outcome for the upcoming Ministers Meeting at the end of July.

Decision:

33. The Joint Committee **agreed** to continue discussing the Strategic Partnerships paper intersessionally, with a view to meeting the objective of PACER Plus Ministers and to report back to the latter at its next meeting.

Agenda Items 3: Progress Report on Implementation of Annual Plan & Budget FY2021-2022

3(a) Progress Report on Implementation of Annual Plan and Budget for FY2021-2022

34. The Head of the IU presented the progress report on the implementation of the FY2021-2022 Annual Plan.

35. New Zealand welcomed the comprehensive report presented by the IU. New Zealand reaffirmed the importance of a comprehensive MELA framework to monitor the success of the implementation of the Agreement and the DEC Work Programme.

Decision:

36. The Joint Committee:

- i. **Noted** the Progress Report on Implementation of Annual Plan FY21-22.
- ii. **Agreed** to declassify the meeting paper for public release.

3 (b) PACER Plus Implementation Unit Strategic Plan 2025

37. The Head of the IU presented paper PPJC.04/D.9 providing an overview on the development of the IU Strategic Plan.

Decision:

38. The Joint Committee

- i. **Endorsed** the PACER Plus Implementation Unit (PPIU) Strategic Plan 2025 as provided in Annex I.
- ii. **Agreed** to declassify the meeting paper and Annex I for public release.

3(c) Development and Economic Cooperation Work Programme (DEC Work Programme)

39. The Head of the IU presented paper PPJC.04/D.10 providing an overview of the DEC Work Programme.

Decision:

40. The Joint Committee

- i. **Endorsed** the DEC Work Programme as presented in Annex I to the paper.
- ii. **Agreed** to declassify the meeting paper and Annexes for public release.

Agenda Item 4: Proposed Annual Budget and Plan FY2022-2023

41. The Head of the IU presented the Annual Plan and Budget for FY2022-2023.

42. The Meeting commended the work of the IU in developing the Annual Plan and approved the recommendations and annexes. The meeting encouraged the IU to utilise the Members online Portal to access meeting papers and repository for subsequent meetings.

Decision:

43. The Joint Committee:
- i. **Approved** the FY2022-2023 Annual Plan and Budget of AUD \$5,519,002.
 - ii. **Noted** the Annexes to the Annual Plan as follows:
 1. FY22-23 Activity Proposals
 2. FY22-23 Summary Sheet – National Proposals
 3. Communications Plan for FY22-23
 4. Risk Assessment and Risk Register updated as at 24 March 2022
 5. PPIU Asset Register as at 31 May 2022

Agenda Item 5: Labour Mobility Resourcing

44. The IU presented the Labour Mobility resourcing proposal recommended by the Labour Mobility Working Group and endorsed by the Budget Committee, referencing paper PPJC.04/D.12.

45. The meeting supported recommendations put forward and were encouraged by Australia and New Zealand's commitment to continue dialogue with the IU on funding in the latter years of the DEC Work Programme period. The meeting also noted that the outcome of activities in the next two years would need to provide the case for additional funding to implement labour mobility activities in later years.

Decision:

46. The Joint Committee:
- i. **Approved** that the PPIU Labour Mobility Work Programme be funded from the PACER Plus Development and Economic Cooperation (DEC) Work Programme in 2022-2023 and 2023-2024, with an undertaking for Australia and New Zealand to consider additional funds for 2024-2025 and 2025-2026.
 - ii. **Noted** that Australia and New Zealand will continue to provide additional funding, as per agreed amounts, for the Pacific Labour Mobility Annual Meeting.

Agenda Item 6: PACER Plus Minister's Meeting

47. The Chair presented paper PPJC.04/D.13 on preparations for the next PACER Plus Ministers meeting scheduled for 28 July 2022.

48. The meeting discussed and agreed to the following:
- a. Meeting be kept succinct to an hour and a half to allow for effective talanoa.
 - b. Minimise Agenda Items which would include regional support for economic recovery, strategic partnership, and labour mobility.
 - c. IU to draft the agenda to be circulate to Parties.
 - d. A draft Communique will be prepared by the IU and circulated to Parties who had agreed to be part of the Drafting committee – New Zealand, Australia, Kiribati, Samoa, and Solomon Islands confirmed their interest to be part of the committee.

Decision:

49. The Joint Committee:

- i. **Discussed** proposed topics for inclusion in the Ministers Meeting Agenda and agreed to approve a draft agenda by 30 June 2022.
- ii. **Confirmed** Parties who will be part of the Drafting Committee for the meeting intersessionally. New Zealand, Australia, Kiribati, and Samoa have confirmed their interest in being part of the Drafting Committee.
- iii. **Agreed** to submit the name of the Minister attending the PACER Plus Ministers Meeting on 28 July 2022¹ to the IU intersessionally.

Agenda Item 7: Next Joint Committee Meeting

50. The meeting supported the proposal to convene another meeting in 2022 to be held virtually.

51. New Zealand recommended that the next meeting be able to facilitate more of a strategic level talanoa and discussion between Members and limit focus on procedural matters.

Decision:

52. The Joint Committee:

- i. **Agreed** to convene another meeting in the second quarter of the FY22-23.
- ii. **Agreed** to propose topics for inclusion in the next Joint Committee Meeting Agenda and approve intersessionally a draft agenda by 1 September 2022.
- iii. **Agreed** to declassify the meeting paper for public release.

Any Other Business

53. Samoa registered its concerns on participation of non-Parties in PACER Plus meetings in particular the inclusion of the Contracted Services Provider, DT Global, in Fourth Budget Committee meeting. The views were shared and supported by Solomon Islands and Niue.

54. The meeting discussed and noted that due processes as per terms of references for committees must be adhered to regarding participation of third parties and observers to the meetings, that is, prior approval by the Committee must be sought. The IU was also advised to ensure that this process is adhered to.

Conclusion

55. The Chair acknowledged and thanked Members and Observers for their participation and contribution to the meeting. The representative of Tuvalu closed the meeting with a prayer.

¹ Parties have since agreed to hold the Ministers Meeting on 27 July 2022 WST.