

ANNUAL REPORT

2021-2022



PACER Plus
IMPLEMENTATION UNIT

Annual Report 2021 – 2022



PACER Plus
IMPLEMENTATION UNIT

Apia, Samoa
30 November 2022

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Acronyms & Abbreviations

Acronym/Abbreviation	Definition
ALM	Arrangement on Labour Mobility
ASYCUDA	Automated System for Customs Data
BC	Budget Committee
COVID-19	Coronavirus Disease
CSP	Contracted Services Provider
DFAT	Australia's Department of Foreign Affairs and Trade
GEDSI	Gender, Diversity, and Social Inclusion
ILO	International Labour Organization
IOM	International Organization for Migration
JC	Joint Committee
LMWG	Labour Mobility Working Group
MELA	Monitoring, Evaluation, Learning and Adaptation
MBIE	New Zealand Ministry of Business, Innovation, and Employment
PICs	Pacific Island Countries
PLF	Pacific Labour Facility
PLMAM	Pacific Labour Mobility Annual Meeting
PACER Plus	Pacific Agreement on Closer Economic Relations Plus
PPIU	PACER Plus Implementation Unit
RNA	Rapid Needs Assessment
SDG	Sustainable Development Goals
UNCTAD	United Nations Conference on Trade and Development
Work Programme	Development Economic Cooperation Work Programme

Message from PPIU Head



The PACER Plus Implementation Unit (PPIU) was established against the backdrop of the COVID 19 pandemic with devastating impact causing disruptions to national economies and regional trade.

The focus of this reporting period was on the establishment of the PPIU, (including its governance, financial and corporate services systems utilising DT Global) and early activities for implementation identified through the Rapid Needs Assessment (RNA).

The implementation of activities during this period was shaped by the COVID-19 pandemic, natural disasters and other factors that have limited Parties capacity to engage. Consistent with early wins identified for immediate implementation by PACER Plus Ministers, the PPIU has concentrated on building awareness and relationships with PACER Plus Parties and external stakeholders. Implementation plans for each of the Parties were developed to assist with tracking the progress of activities as part of the Monitoring and Evaluation (M&E).

One of our focus for this financial year was establishing partnerships with key regional and international organisations working on similar activities under the Development and Economic Cooperation Work Programme (hereinafter known as the Work Programme). We acknowledge the significant work already underway by these organisations (such as Pacific Island Forum Secretariat, Asian Development Bank, United Nations Conference on Trade and Development, World Bank) and others whom we are also collaborating with to support our Parties. Through these collaborations the PPIU is working to avoid duplication of effort, with special consideration to the absorptive capacity of Parties and limited resources.

The economic challenges posed by COVID-19 across the Pacific will require the concerted efforts of regional bodies and governments to address both the short-term and long-term recovery needs of our Parties.

The first year of implementation has provided us with good foundation to best support immediate economic recovery of Parties in subsequent years. In the coming year our focus will be on exports and broader trade facilitation in the agricultural sector, recovery of the tourism industry, improving cooperation under Labour Mobility and implementing activities that focus on enabling Parties to meet requirements of importing countries, implementing systems that make trade easier, and promoting export products while establishing business connections across the PACER Plus network.

I believe PACER Plus provides us with an opportunity to reset the way we do things in the region. To deliver tangible benefits that will improve living standards and protect our environment. However, this will require some courageous decisions to be made and a change in mindset if we are to be successful.

I would like to end by acknowledging the support provided to us first by the Samoan Government that have enabled the establishment, set up and mobilisation of the staff to Apia. The support of the Parties during this past year have been tremendous and I look forward to continuing this momentum into the next financial year.



Roy Lagolago

Head of PACER Plus Implementation Unit

Understanding PACER Plus

The Pacific Agreement on Closer Economic Relations (PACER) Plus is a landmark trade and development Agreement that was signed in 2017 by the following countries: Australia, Cook Islands, Kiribati, Nauru, New Zealand, Niue, Samoa, Solomon Islands, Tonga, Tuvalu, and Vanuatu. PACER Plus entered into force on 13 December 2020 with now nine Parties: Australia, Cook Islands, Kiribati, New Zealand, Niue, Samoa, Solomon Islands, Tonga and Tuvalu.

The agreement came into force at the peak of the COVID-19 pandemic and against the backdrop of a changing global economic and trading landscape where Parties have been unable to take advantage of market access opportunities offered under PACER Plus. The pandemic had caused disruptions to global value chains and affected the lives of many people in the Pacific.

Amid all these challenges and disruptions facing our region, the Agreement provides an important opportunity for a reset in doing business in the Pacific, especially in the recovery from Covid-19. A closer look at the PACER Plus shows that it will play a critical role in strengthening the capacity of Parties to take advantage of the trade opportunities presented, especially in a changing global environment. The Agreement will create new opportunities for sustainable investment and growth for the longer term. It also provides a platform and forum intra-regionally, for Parties to dialogue and discuss development pathways. For Parties to gain the benefits, the Agreement contains several special and differential treatment provisions and other flexibilities favouring Parties which are more flexible than other trade deals. PACER Plus is specifically tailored to the Pacific and uses global best practices in what we know about sustainable development in small island states and economic growth.

The Agreement is strongly aligned with the SDGs. It is the first trade and investment agreement in the Pacific to adhere to UNCTAD endorsed best practice in design for sustainable development. When compared to other trade and investment agreements in the region, PACER Plus is the only agreement to deliberately align both with the SDGs and UNCTAD best practice.

We know that the key to economic recovery and to stimulate growth post the COVID-19 pandemic will require Parties to support their private sector. Trade is a private sector function, enabled and regulated by the public sector. The Agreement offers Parties significant opportunity to upgrade their business environment as well as provide several innovative investments provisions, that has sustainable economic development at its core. In creating a closer, more uniform trade and investment environment, the Agreement allows Parties that have ratified to share resources, including skills and specialisations, labour, and private sector capital to invest in meeting their SDG targets. It also allows Parties to take a clear step towards participation in the global market by inviting investment and establishing a stronger business environment for the future. The PPIU will play an important role in supporting Parties to take this step.



About us

Our beginning

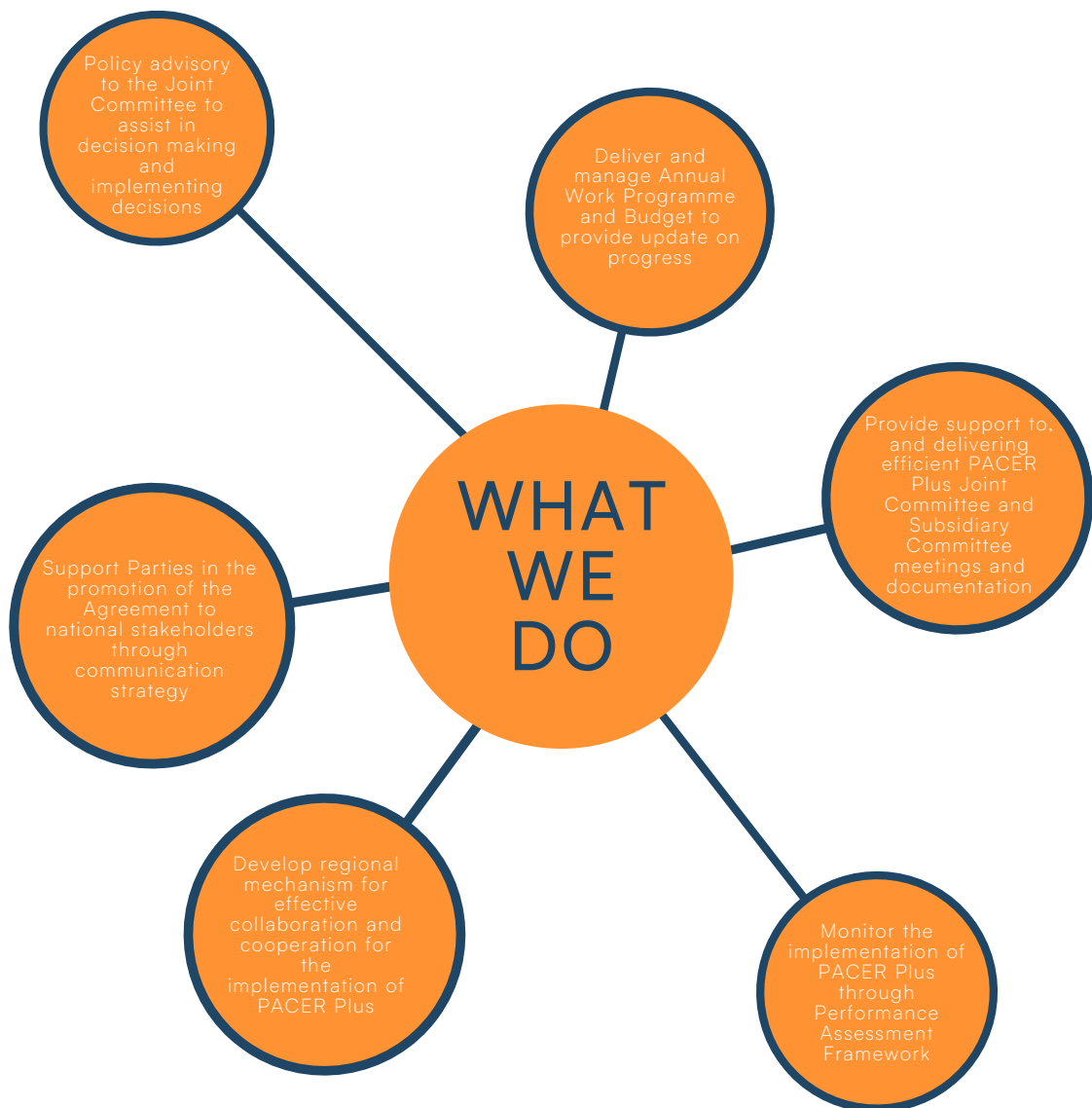
When the Agreement came into force on 13 December 2020, a number of significant activities were completed to establish the foundations, and these included:

- Samoa was selected as the host country for the PPIU and the order to establish the PPIU as a legal entity was executed by the Samoan Head of State.
- The Constitution for the PPIU was agreed to by all Parties.
- The governance structures (Joint Committee, Budget Committee, and Subsidiary Bodies) for the Agreement were established.
- A RNA was undertaken to identify priorities for Parties to inform the Work Programme and Annual Plans.
- A Contracted Services Provider (CSP), DT Global Australia was procured and mobilised on 1 April 2020 to support establishment of systems, processes and policies development for the PPIU.
- The first PACER Plus Ministers Meeting since entry into force was held on 30 June 2021.

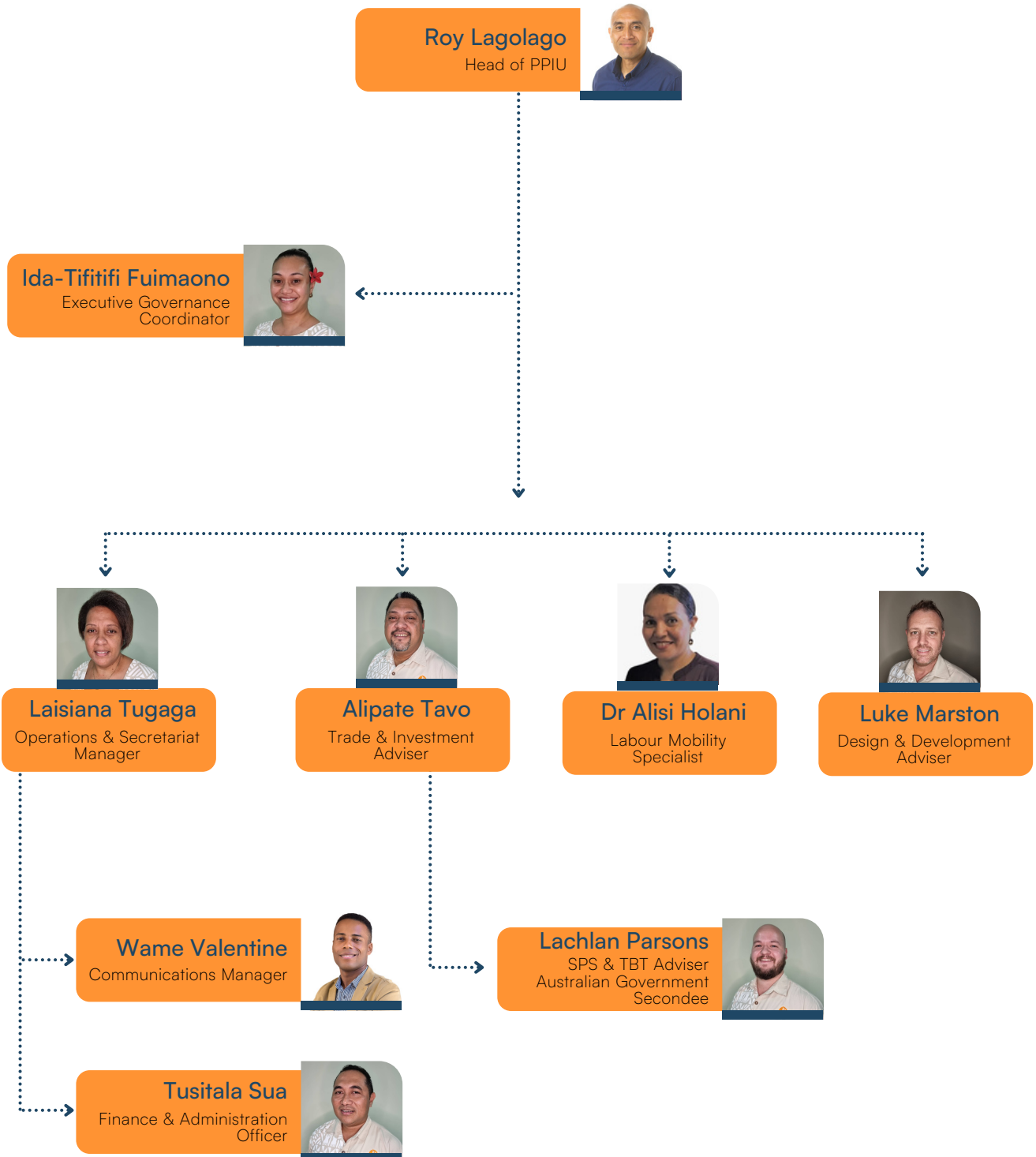
Who we are and what we do

PPIU was formally established on 21 July 2021. The Host Agreement was signed with the Government of Samoa on 9 September 2021. The PPIU Constitution provides the essential characteristics and governance of the organisation.

The main objective of the PPIU is to assist Parties to implement the Agreement and related arrangements by managing the delivery and implementation of the Work Programme. The Work Programme will provide assistance to Pacific PACER Plus Parties to strengthen their capacity to benefit from regional and international trade and contribute to achieving economic growth and sustainable development.

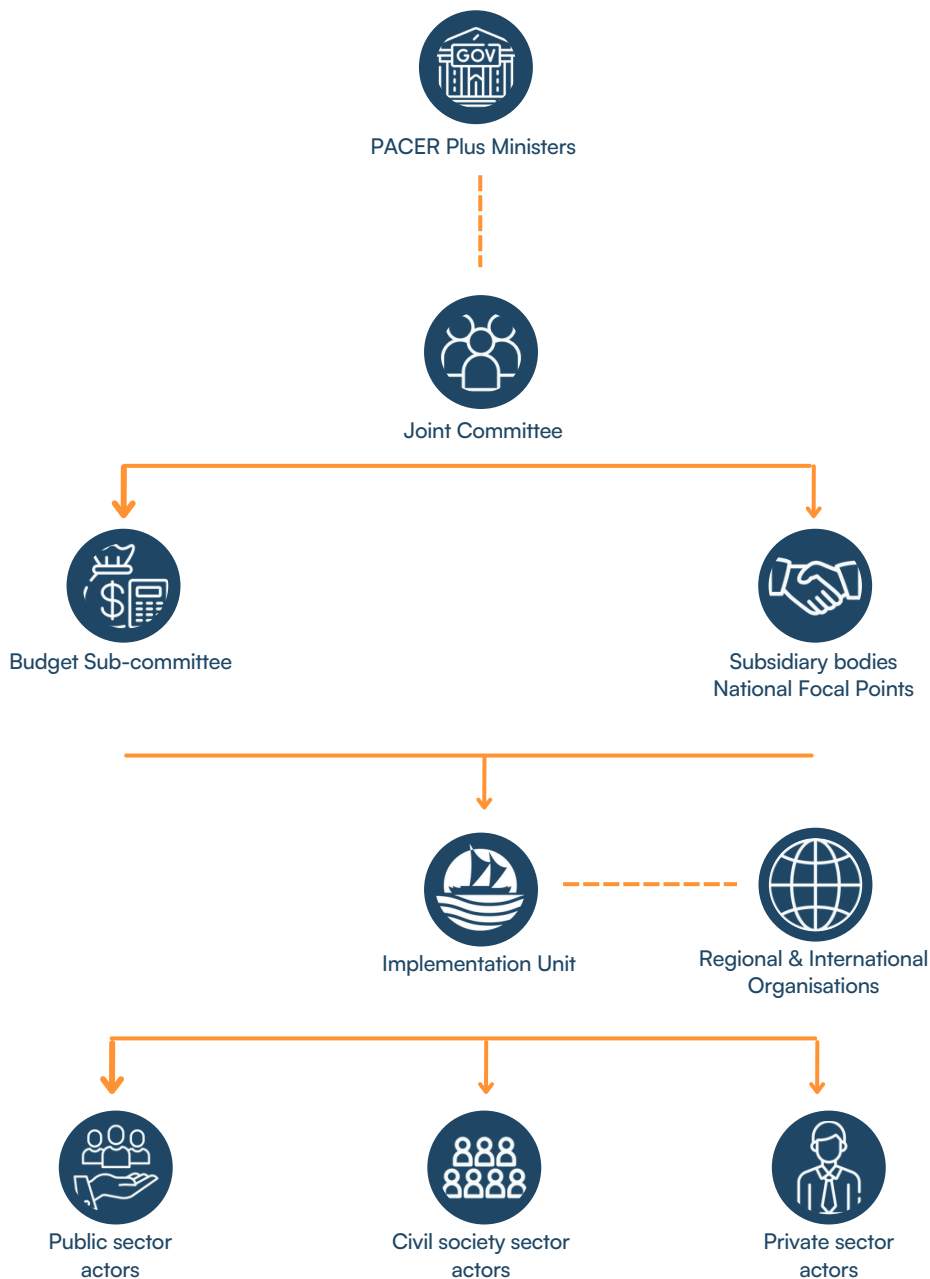


Our team



Our Governance Structure

Critical to the implementation and effectiveness of the PPIU is our governance. Chapter 12 of the Agreement establishes a Joint Committee (JC) consisting of representatives of the Parties, and also establishes the functions of the JC. The JC reports to PACER Plus Ministers and the PPIU reports directly to the JC. Chapters 12 and 12A of the Agreement provides for the establishment of three technical Subcommittees to guide the implementation of activities that are fit for purpose and suit the needs of Parties. The Implementing Arrangement establishes the Budget Committee (BC) to support the work of the JC and PPIU. A Labour Mobility Working Group (LMWG) has also been established to support the implementation of the Arrangement on Labour Mobility.



Introducing our new strategy 2025

Our Strategic Plan covers a four-year period 2021-2025 and aligned with the activities under the Work Programme. The development of the new plan has greatly benefited from the existing substantial work undertaken by Parties and contained in our foundation documents. These foundation documents describe what the Parties expectations are of the PPIU and support that will be required in the coming years.

Our strategic plan is our aspiration that outlines the PPIU's strategy in line with the values and principles enshrined in the Agreement and continue our commitment to ensure sustainable and tangible benefits for all Parties.

We will apply a Gender Equality, Disability and Social Inclusion (GEDSI) lens on all our implementation activities to ensure that no one is left behind. The creation of our Monitoring, Evaluation, Learning and Adaption (MELA) framework will be utilised to gauge our progress as a collective.



Roy Lagolago (left), Head of the PACER Plus Implementation Unit, hands over 180 harvest bins to Hon. Maiava Fuimaono Tita Asafo, Samoa's Associate Minister of Agriculture and Fisheries on Monday 25, July 2022.

Vision

Increase and deliver sustainable and inclusive investment, trade, and economic growth initiatives through PACER Plus to improve the lives and wellbeing of our people.

Mission

Implement the PACER Plus Development and Economic Cooperation Work Programme for the sustainable and tangible benefit of the Parties.



Values

To achieve our Vision and Mission, our work will embody and prioritise:

Resilience

Respond to the changing social, economic, and political environments, seizing opportunities and managing risk.

Integrity

Act ethically and transparently in our decisions and implementation of activities.

Community

Build lasting relationships among our Parties and stakeholders, based on our community's links, shared values, interests, and diversity.

Equity

Address Parties needs in a fair and impartial way recognising their unique differences.



Snapshot of Our Year

Timeline of Activities

July 2021

- PPIU formally established
- PPIU Constitution signed
- Appointment of PPIU Head

August 2021

- First meeting of the Committee on Services, Movement of Natural Persons and Investment
- Second Labour Mobility Working Group Meeting

September 2021

- Samoa signs PPIU Host Agreement
- Second Budget Committee Meeting
- Third Joint Committee Meeting
- Third Labour Mobility Working Group Meeting



Samoa signed the PPIU Host Agreement in September 2021. PPIU Head Roy Lagolago paid Hon. Fiame Naomi Mata'afa, the Prime Minister of Samoa, a courtesy visit in February 2022.

October 2021

- Joint Funding Arrangement with Australia and New Zealand signed
- PPIU Annual Plan FY 21-22 approved
- Fourth Labour Mobility Working Group Meeting

November 2021

- Sensitization Workshop on PACER Plus in Samoa
- Sensitization Workshop on PACER Plus in Tonga

December 2021

- ASYCUDA private and public sector awareness training in Tuvalu
- ASYCUDA private and public sector awareness training in Kiribati
- Pacific Labour Mobility Annual Meeting



PPIU's first activity, Sensitization Workshop on PACER Plus, was held in Samoa on November 2021.

Timeline of Activities

January 2022

- PPIU operations in Apia, Samoa
- Fifth Labour Mobility Working Group Meeting
- Tuvalu ratifies PACER Plus

February 2022

- ASYCUDA private and public sector awareness training in Cook Islands
- ASYCUDA private and public sector awareness in Niue
- Third Budget Committee Meeting
- PPIU global webinar on 'leveraging partnerships for enhanced trade facilitation and regional integration in the Pacific' as part of UNCTAD's Global Forum for National Trade Facilitation Committee 2022

March 2022

- Second Committee on Trade in Goods, Rules of Origin, and Customs Procedures



Tuvalu ratified the PACER Plus Agreement in January 2022, becoming the ninth country to do so. PPIU Head, Roy Lagolago, joined in the signing virtually and flanked by Tuvalu's Prime Minister, Hon. Kausea Natano (left) and Tuvalu's Deputy Prime Minister and Minister for Fisheries and Trade, the late Hon. Minute Taupo.

April 2022

- Second Committee Meeting of Sanitary and Phytosanitary Measures and Technical Barriers to Trade

May 2022

- PPIU and SPTO sign MoU to strengthen capacity building in the tourism industry
- Second Committee Meeting on Services, Movement of Natural Persons and Investment Chapters
- Sixth Labour Mobility Working Group Meeting
- Fourth Budget Committee Meeting

June 2022

- Customs Automation Workshop in Kiribati
- Rules of Origin Training in Kiribati
- Rules of Origin Training in Solomon Islands
- PACER Plus Awareness in Tuvalu
- Tourism Training in Tonga
- Webinar on the PACER Plus Arrangement on Labour Mobility (video [here](#))



The Rapid Needs Assessment identified the impact of COVID-19 on the tourism sector, and how the PPIU may be able to help with skills development. PPIU supported on-the-job aspect of the Samoa Culinary Skills Training in June 2022.

Our Work Programme Status by Component



Completed



Ongoing

Component 1 Rules of Origin

- ✓ Consultative Meeting of PACER Plus Rules of Origin Trainers.
- ✓ Rules of Origin Training for Kiribati & Solomon Islands.
- ↻ Transposition of PACER Plus Tariff Schedules from Harmonized commodity description and coding system (HS) 2012 to HS 2017.
- ↻ Technical assistance on adoption of HS 2022.

Component 2 Customs

- ✓ Workshop on Customs Automation for Cook Islands, Kiribati, Niue, Tonga and Tuvalu.
- ✓ PACER Plus Awareness Workshop for Samoa & Tuvalu.
- ↻ Capacity Building for update of National Trade Information Portals.

Component 3 Sanitary & Phytosanitary Measures

- ✓ Sea Container Hygiene Awareness Materials.
- ✓ Export product mapping. Consultancy to identify export products.
- ↻ Private/Public sector training on SPS (guidelines, SPS chapters PACER PLUS, technical regulation,) and PACER Plus TBT requirements (preparation and application of technical regulations, standards, publication, and notification).

Component 4 Technical Barriers to Trade

- ✓ HACCP Label checking for kava and other agricultural products.
- ↻ WTO Compliance.
- ↻ Infrastructure support for product testing, certification, accreditation to meet NZ and Australia standards.
- ↻ Development of relevant legislation and regulations consistent with TBT requirements (labelling laws, quality infrastructure framework, regional accreditation facility).

Component 5 Trade in Services

- ✓ MoU signed with South Pacific Tourism Organization.
- ✓ Focus area on E-commerce development initiatives through the PPIU approved.
- ✓ Focus areas for IU strengthening national qualifications frameworks and systems activities.
- ↻ Establishment of Working Groups: Trade in Services and Movement of Natural Persons Sub-Working Group and Investment Sub-Working Group.

Component 6 Investment

- ↻ Technical assistance to develop model Investment Legislative framework that countries can adopt.

Labour Mobility

- ✓ PLMAM 2021 was virtually conducted from Apia, Samoa on 7-10 December 2021.
- ✓ Country consultations on activity proposals for FY2022-2023 Annual Plan, April 2022.
- ✓ Webinar on the PACER Plus Arrangement on Labour Mobility, 3 June 2022.
- ✓ Establish working relationships with key regional and international labour mobility stakeholders (PIFS, Pacific Labour Facility, NZ Ministry of Business, Innovation and Employment, World Bank, ADB, ILO and IOM), May 2022.

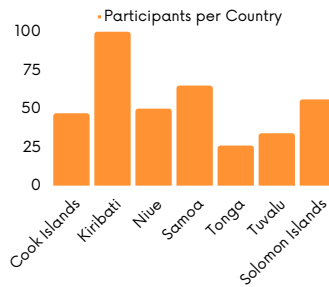
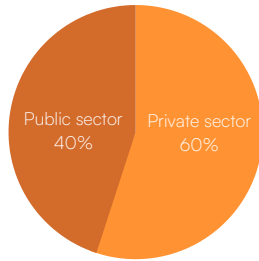
Organisational

- ✓ Host Country Agreement with the Government of Samoa signed.
- ✓ Joint Funding Agreement with Australia and New Zealand signed.
- ✓ Establishment of PPIU Office in Apia.
- ✓ Recruitment and Onboarding of Long-Term Advisors completed.
- ✓ Strategic Plan approved.
- ✓ Development and Economic Cooperation Work Programme approved.
- ✓ PPIU branding and logo finalised.
- ✓ PPIU website launched.
- ✓ Learning Management System developed and launched.

Our Performance Dashboard

These graphs provides an overall summary of PPIU's activities reach, engagement, and expenditure in PACER Plus countries for FY21-22.

COMMUNITY



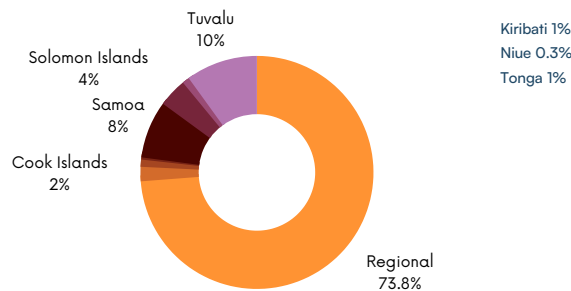
FEMALE 52%
MALE 48%

We implement our gender, diversity, and social inclusion policy for more sustainable outcomes and more effective impacts.

FINANCIALS

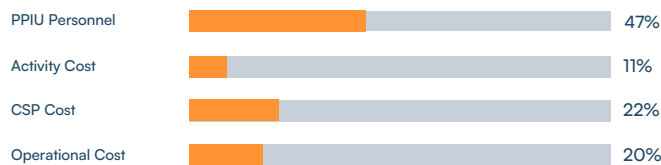
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PPIU FY21-22 Actual Expenditure To Date by Country in AUD as at 30 June 2022



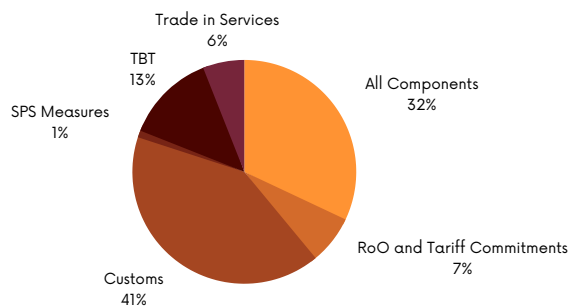
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PPIU FY21-22 Actual Expenditure as Percentage of Budget as at 30 June 2022



3

PPIU FY21-22 Actual Expenditure To Date by Component in AUD as at 30 June 2022



Our Priorities 2021–2022

In its first year, the PPIU was mandated to lay the foundations for the full implementation of PACER Plus across member States, building on the assistance provided under the Readiness Package and other development partnerships. There were a number of early win activities that were prioritised to support the growth of trade through:

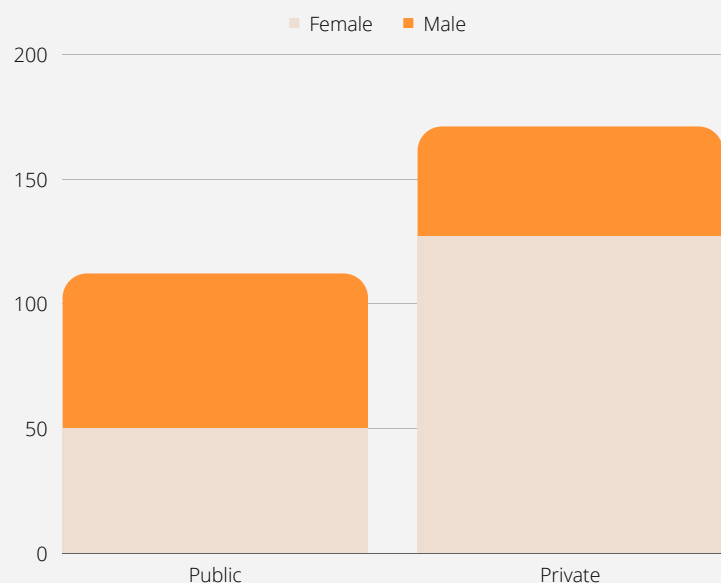
- 1.the provision of digitised customs processes and information to business communities, including SMEs, and
- 2.the provision of technical training on the Agreement to Parties’ private sector and industry and public service organisations.

Streamlining customs procedures through automation

Through the PACER Plus Readiness Package, UNCTAD was engaged to deliver customs automated system ASYCUDA World to six countries — Cook Islands, Kiribati, Nauru, Niue, Tonga and Tuvalu. Currently being implemented in 90 countries worldwide, ASYCUDA (the Automated System for Customs Data developed by the UNCTAD) will be a key tool for PACER Plus members in meeting their trade in goods obligations. The use of ASYCUDA will reduce manual and cumbersome customs processes, increasing the efficiency of customs cargo clearance, minimise the risk of fraud, and maximise revenue collection. This will ensure the smooth functioning of cross-border trade, including essential products.

PPIU in partnership with UNCTAD and national customs administrations conducted five (5) national workshops on customs automation in Cook Islands, Kiribati, Niue, Tonga, and Tuvalu. The Workshops were conducted as hybrid events where national participants convened in person and the PPIU and UNCTAD facilitated the session via Zoom. The PPIU also supported the launch of the ASYCUDA World system in Kiribati and Tuvalu in December 2021. Total of 250 participants were trained under this activity.

Workshop Participants to ASYCUDA Awareness by Sector and Gender FY 2021-2022



Enhancing trade through information sharing and awareness

The availability of customs information for business is critical for supporting trade and increasing the ease of doing business. Under the Readiness Package, UNCTAD had delivered a project to nine PICs — Cook Islands, Kiribati, Nauru, Niue, Samoa, Solomon Islands, Tonga, Tuvalu and Vanuatu. The key output of the Project was the national trade portals that offer practical guidance to make the life of importers, exporters, entrepreneurs, and foreign investors easier and provided an easy-to-follow step-by-step approach to trade procedures and answer relevant questions.

PPIU in partnership with UNCTAD is implementing an activity to undertake training for public sector officials on how to update, maintain and fully utilise the benefits of the trade portals. This activity is expected to support businesses' increased access to essential customs information for trade in goods and will also improve the ease of doing business.

Given the limitation of the COVID 19 pandemic, the PPIU facilitated Workshops in Tuvalu and Samoa focused on promoting awareness and the use of PACER Plus within the public sector and to provide information to the Government on opportunities to increase outreach of PACER Plus in particular to the services sector. Rules of Origin workshop was conducted by national trainers in Kiribati and Solomon Islands.

Regional Integration and Labour Mobility under PACER Plus

Labour mobility presents one of the few viable opportunities for sustainable development in most Pacific Island Countries (PICs). The prospects of development for these island countries are highly constrained by the inherent disadvantages of their smallness, isolation, vulnerability to natural disasters and, in some cases, rapid population growth. For these small economies, there is wide consensus, based on both theoretical and empirical foundations, that trade integration is essential for sustainable development, yet the gains from international trade lie in the exploitation of differences in factor endowment ratio and preferences. The largest difference that PICs can exploit is in labour mobility, particularly of low-skilled workers as this is the factor endowment that they have in relative abundance and the endowment that developed countries are increasingly lacking due mostly to their ageing demographics. Exploiting these differences could potentially generate the largest returns from international trade for the region.

It was on this basis that the PACER Plus Arrangement on Labour Mobility (ALM) was developed and signed by the current 11 signatory countries, namely Australia, Cook Islands, Kiribati, Nauru, New Zealand, Niue, Samoa, Solomon Islands, Tonga, Tuvalu and Vanuatu. Following the October 2019 Pacific Labour Mobility Annual Meeting (PLMAM) and the February 2020 PACER Plus Senior Trade Officials Meeting, signatories agreed to establish a Labour Mobility Secretariat to support delivery of the ALM, and to be hosted within the PPIU, under the supervision of the Labour Mobility Working Group (LMWG).

In April 2022, the PPIU sought to design a Labour Mobility Work Programme to guide the delivery of its Labour Mobility Secretariat function and the implementation of the ALM. It was important for the Work Programme to complement, add value to and not duplicate existing labour mobility support programmes, such as the Australian Pacific Labour Facility (PLF) and New Zealand support provided through the Ministry of Business, Innovation, and Employment (MBIE) and Vakameasina. The PPIU Labour Mobility Work Programme is therefore designed to reflect the exhaustive framework required by the ALM yet dedicated to the creation of an enabling regional labour mobility environment through the provision of targeted strategic policy support. This strategic policy support is premised on four key areas: i) advancing effective regional labour mobility cooperation; ii) improving labour mobility governance in sending countries; iii) increasing labour mobility opportunities for Pacific workers (men and women); and iv) enhancing the positive development benefits of labour mobility in the region.

PPIU is considered best placed to provide this strategic policy support as it is an independent medium that has the best interest of both sending and receiving countries in the region. This role also establishes the PPIU as a critical player in the regional labour mobility space and requires it to effectively collaborate with stakeholders such as Pacific Islands Forum Secretariat (PIFS), Pacific Labour Facility (PLF), MBIE, World Bank, International Labour Organisation (ILO), and International Organisation for Migration (IOM). Such collaborations are crucial to ensuring a coordinated approach to harnessing labour mobility for the development of Pacific labour sending countries.

Building Essential Partnership

Effective stakeholder engagement is critical to the success of the activities implemented by the PPIU. During the reporting period, partnerships were developed with key international and regional agencies, as well as national contact points to understand who is doing what and at bilateral and/or regional level relating to specific activities in the approved 2021/2022 Annual Workplan.

Head of PPIU established the monthly meetings with PACER Plus Senior Officials to seek their views on implementation of the Annual Plan activities.



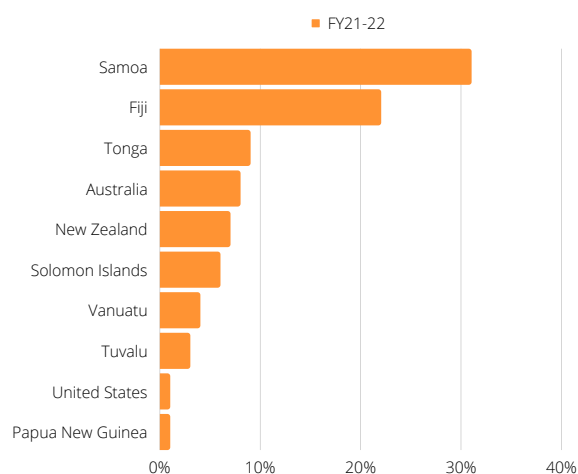
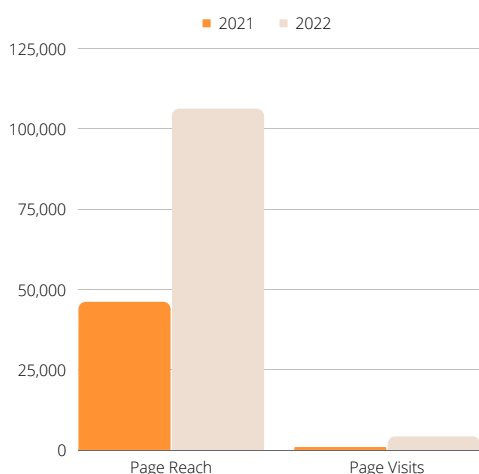
PPIU held an open talanoa session with private and public stakeholders while in Niue to discuss concerns, answer questions and share the opportunities and benefits of being a PACER Plus country.

Communication Advocacy

A number of achievements were obtained in communication and advocacy for the PPIU. The major highlights are as follows:

- Developed and implemented PPIU's Brand Identity and Guidelines which includes new logo, colour schemes, fonts, and style guide. The Unit engaged Pacific designers as well as feedback from signatories on the logo design ensuring that the approach was collaborative. (Story [here](#).)
- Development and launch of PPIU website.
- Developed informational resources such as PACER Plus component fact sheets, videos on the Agreement and its benefits to Pacific SMEs, and document templates.
- Social media campaigns promoting PACER Plus components and activities have been successful across Facebook, Twitter, and LinkedIn.
- The IU launched its YouTube channel on 29 March 2022.
- Launch of the PPIU monthly e-newsletter.

Facebook Data



PPIU's Facebook page reached 46,109 people from 1 July - 31 December 2021. However, a total of 106,244 people were reached via PPIU's Facebook page alone from 1 January - 30 June 2022, an increase of 130% compared to the previous six months. Facebook page reach refers to the number of people who saw PPIU's Facebook page content. These numbers are organic and not boosts. This does not include PPIU's reach data via Twitter, LinkedIn, and YouTube.

Arguably the most used social media platform in the Pacific, Facebook remains a top choice for news and information for thousands of Pacific people. Of the total 152,353 people reached in the FY21-22, Samoa leads with the most PPIU Facebook users (31%), followed by Fiji (22%), Tonga (9%), Australia (8%), New Zealand (7%), Solomon Islands (6%), Vanuatu (4%), Tuvalu (3%), United States (1%), and Papua New Guinea (1%). Of the 10 countries mentioned above, three are not PACER Plus parties: Fiji, Papua New Guinea, and the United States.

PPIU Contracted Services Provider (CSP), DT Global, was engaged by PACER Plus Parties after a selection process was undertaken by an Evaluation Committee.

DT Global was instrumental in administering the recruitment, contracting, and mobilisation of Long-Term Advisers in a six-month inception phase, provided ready-to-go administrative systems, operational procedures, and policies needed for the PPIU to deliver an early Development Assistance Work Program. CSP supported the Head of the PPIU to build and implement a portfolio of early Work Program activities at the direction of the Joint Committee.

The CSP has been engaged for an initial two-year term. The initial contract of engagement was with the Australian Department of Foreign Affairs and Trade (DFAT) and the CSP which was novated to the PPIU from 1 July 2022 for a period of 12 months to 30 June 2023. Key achievements for the reporting period were:

- Recruitment and contracting of the Head of PPIU and Long-Term Advisers;
- Development of PPIU Operations Manual;
- Provision of accounting, financial management and reporting;
- Support for work programming and budget planning for FY 21-22 Annual Plan;
- Support for publicity and communications;
- Administration of human resource including timesheets, leave and payroll services;
- Support in the procurement of office supplies and establishment of the PPIU Office;
- Technical advisory on ratification and other legal services, and
- Support for work programming and budget planning for FY 22-23 Annual Plan.

Gender Equality, Disability and Social Inclusion

Promoting Gender Equality, Disability and Social Inclusion (GEDSI) is and will be a key focus of the PPIU. PPIU Constitution mandates that GEDSI is appropriately considered in all our activities, and that specific opportunities to support the economic empowerment of women, people with disabilities and other marginalised groups, be identified and supported.

In the first year of operation the PPIU had worked on developing the GEDSI Strategy and Action Plan for the IU. The GEDSI Strategy adopts a twin-track approach, whereby the IU will mainstream GEDSI across all areas of its operations, including governance (Track 1), and will identify and support GEDSI specific activities as part of the DEC Work Programme (Track 2).

GEDSI focused lens was applied to all activities to ensure the activities are inclusive, do not contribute to or exacerbate existing inequalities and to identify and exploit opportunities to economically empower marginalised people. As a first step, GEDSI disaggregated data was collected for all the workshops & activities in the FY21-22.

Gender, Diversity, and Social Inclusion

OUTCOME

GEDSI responsiveness built into all Design, Implementation and MELA, increasing collection of disaggregated data

Objective 1

GEDSI responsiveness built into all PPIU design, governance, operation and implementation, and MELA activities, increasing the collection and analysis of disaggregated data

- Mainstream GEDSI in all PPIU Governance and operational activities including governance committees, human resources and recruitment, procurement, include and GEDSI sensitive activity design and implementation, collection of disaggregated data, MELA and reporting, communication and advocacy, training and capacity building

Objective 2

Women, people with disabilities, and other marginalised groups are supported to share in the economic opportunities of PACER Plus

- Conduct bespoke GEDSI focused activities that support the equal sharing in benefits associated with PACER Plus by all people in the economy, including women, people with disabilities, people living in remote locations and other marginalised groups. These activities will be informed by an ex-ante analysis of the PACER Plus agreement on member countries, with a particular focus on those sectors where vulnerable are concentrated or are most likely to be impacted. GEDSI activities may include bespoke GEDSI related research, value chain analysis, training and capacity building, and e-commerce
- Comprehensive landscaping and stakeholder analysis of all relevant GEDSI activities in PICs to inform the development of strategic partnerships with national, regional and international GEDSI focused organisations

Monitoring, Evaluation and Learning Adaptation

As per the Work Programme, the PPIU will undertake the following functions including:

- Develop and maintain a Monitoring and Evaluation (M&E) Framework for the Joint Committees approval, and
- Assist participants to monitor, report and evaluate progress of the Agreement’s Implementation against the objectives and the M&E Framework.

The Monitoring and Evaluation Framework is a key deliverable within the broader Monitoring, Evaluation, Learning and Adaption (MELA) system. Development of the Framework commenced with detailed country consultations taking place, review of foundational documents, and drafting of key papers including an updated theory of change and program logic. The PPIU engaged a consultancy to support this baseline work, however further consultation with country partners, planning and assessment is required to design and implement a comprehensive MELA system. It will need to meet the specific needs of each Participant, as well the regional Agreement level requirements that can be monitored over the long term.

The Framework document will be delivered in the following year, along with a refined system that captures the complex implementing environment within which the PPIU works. It will also integrate the labour mobility functions support that the PPIU is tasked with. Ongoing consultation will support developing a coherent, practical list of outputs, that sees the PPIU meeting its mandated governance objectives, as well monitoring progress towards its development objectives

DEC Workplan

The PACER Plus Development and Economic Cooperation Work Programme and the Arrangement on Labour Mobility are effectively and efficiently implemented to deliver sustainable and inclusive benefits to Participants.



PACER Plus Participants increase predictability, transparency, stability and value of trade and investment transactions in the Pacific



Public and private sector market actors in PACER Plus Participants benefit from targeted and responsive trade-related technical assistance and related support



PACER Plus Participants benefit from targeted and responsive labour mobility strategic policy support

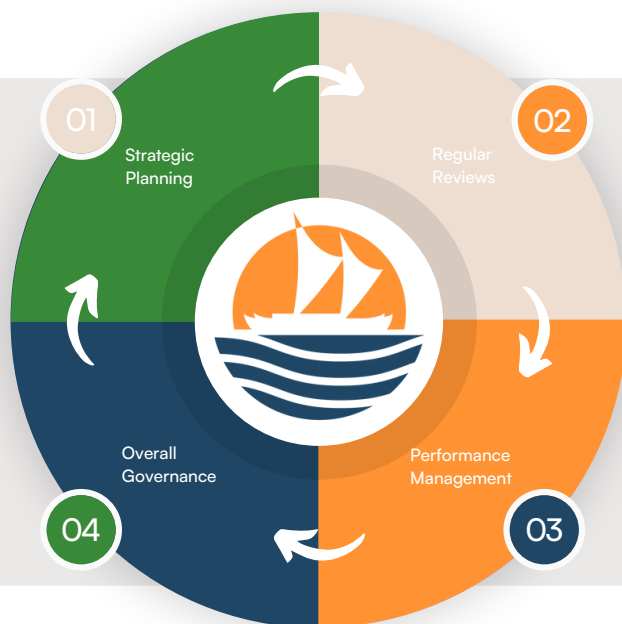
Risk Management

Effective risk management is key to achieving PPIU’s objectives with regard to efficacy and efficiency of our operations and the PPIU risk processes include strategic planning, regular reviews, performance management and overall governance to ensure sound financial management and efficient and safe delivery of PPIU Work Programme activities.

PPIU maintains Risk Assessment and Risk Register which align to the requirements of ISO 31000:2008 Risk Management Guidelines and is updated every six months. Our main risk categories include operating environment, environment and social safeguards, political, resources, management and planning, partner capacity and relations, and fiduciary and fraud.

The Budget Committee provides oversight on the risk management process, approving the risk appetite and evaluating the key risks on a six-monthly basis, or more frequently in the event of unexpected changes to the risk environment.

PPIU Risk Management Process



FY21–22 Annual Plan Outputs

Component	Intermediate Outcome	Activity FY 21-22	Output
Component 1 – Rules of Origin and other Aspects of Implementation of Tariff Commitments	Efficient and transparent administration of ROO requirements and procedures, and implementation of tariff commitments	Tariff Transposition	Parties indicated that they are prioritising Automation and this activity will be carried forward to FY 22-23.
		ROO/PSR and Certification	Facilitated two Rules of origin Workshop in Kiribati and Solomon Islands.
		Revenue Options Workshop	Discussions had begun with regional organizations to convene the dialogue in the FY22-23.
Component 2 – Customs	Customs administrations are enhanced through effective cooperation amongst Participants	Trade Portal Development	Discussions commences with UNCTAD on this activity. Activity deferred to FY22-23.
		Capacity Building and Sensitization of PACER Plus	Facilitated two sensitization Workshop in Samoa and Tuvalu.
		Customs Automation	The PPIU in partnership with UNCTAD and national customs administrations conducted four national workshops in Cook Islands, Kiribati, Niue Tonga, and Tuvalu. The Workshops were conducted as a hybrid event where national participants convened in person and the PPIU and UNCTAD facilitated the session via Zoom. Total of 250 participants were trained under this activity.

Component	Intermediate Outcome	Activity FY 21-22	Output
Component 3: Sanitary and Phytosanitary Measures (SPS)	Increased trade in goods amongst Participants is facilitated while protecting human, plant and animal health	Capacity Building - SPS & TBT Measures	The key focus on the SPS activities were consultations with Trade and Biosecurity Officials of the PACER Plus Parties to confirm the SPS activities prioritized in the Annual Plan for implementation in the FY 2021/22. Another key element during this period has been working with other implementing partners to ensure activities are aligned and will not duplicate what is currently being undertaken.
		Sea Container Hygiene	Developed sea container hygiene system awareness materials in collaboration with MPI, DAWE, PPPO and PHAMA Plus
		Export Crops Promotion	Initial consultations were undertaken. Activity ongoing in FY 22-23
		Product Mapping Data Update	Completed - market access mapping of agricultural commodities available for export to Australia and New Zealand from FICs
Component 4: Technical Regulations, Standards and Conformity Assessment Procedures (TBT)	Technical regulations, standards and conformity assessment procedures support and not create unnecessary obstacles to trade amongst Participants	WTO Compliance	Activity was undertaken and completed by Trade Worthy.
		Testing Equipment: Training and Certification	Activity ongoing in FY 22-23
		Technical regulations and standards. Legislation Support	Funding of HACCP Australia to continue with checking of labels for commercial importation of kava and other commodities exported from the FIC member countries. This activity was initially funded under PHAMA Plus program for kava labels only.

Component	Intermediate Outcome	Activity FY 21-22	Output
		Customs Legislation for implementation of PACER Plus procedures	Activity deferred to FY 22-23
Component 5: Trade in Services (including Labour Mobility)	Participants are enabled to reduce barriers, and grow their services trade	Tourism and Covid-19	MoU Established with SPTO to establish working relationship and identify opportunities for collaboration. Consultation, identification, planning and development of tourism recovery activities associated with border reopening in Samoa and Tonga.
		Capacity Building - PACER Plus Trade in Services Chapter	Consultations have continued with leading agencies in the development of National E-Commerce Strategies. This sector is characterised by multiple country level partners all working towards implementation of the PIFS Regional Ecommerce Strategy and Roadmap. Main activity deferred to FY 22-23.
		Support to Pacific Labour Mobility Annual Meeting	The Pacific Labour Mobility Annual Meeting (PLMAM) was held 7-10 December, hosted by the Government of Samoa. This meeting was supported (co-facilitated) by PPIU, coordinating integration of both in-person activities with hosts Samoa, as well as the virtual convening specialist in Brightstar (ConfereNZ), based in New Zealand. This was a significant achievement in the establishment of PACER Plus Labour Mobility Secretariat and was a strong demonstration of the opportunities and challenges presented by the hybrid (virtual/in-person) meeting approach.

Component	Intermediate Outcome	Activity FY 21-22	Output
		Labour Mobility Strategy	<p>Consultations were held with SPC Education Quality Assessment Programme, a key stakeholder working in the mutual recognition of qualifications and quality assessment, as well as New Zealand Qualifications Authority (NZQA). PPIU participated in the PACER Plus Qualifications Recognition for the purposes of Labour Mobility Project and Employment Workshop, a virtual event aimed at sensitizing goals, objectives, and planning approach.</p> <p>Activity deferred to FY 22-23.</p>
		Sectoral Support & Skills development (construction, telecommunications, ICT, transport, financial)	<p>Ongoing consultations with regional partners have continued. Emerging themes include improved access to training and development in Aged Care sectors. Further consultations are needed with country partners to identify priority services industries that align with national strategic plans. Service sector support should be aligned to country level Schedule of Commitments in PACER Plus Agreement.</p> <p>Activity deferred to FY 22-23.</p>
		Skills Development (trade, aged care, business, financial literacy, agriculture) and Reintegration Program - Labour Mobility.	<p>Activity implementation deferred to FY 22-23.</p>
		Data Collection in Trade in Services and including Labour Mobility	<p>Activity implementation deferred to FY 22-23.</p>

Component	Intermediate Outcome	Activity FY 21-22	Output
Component 6- Investment	PACER Plus contributes to the creation of a stable and predictable investment environment to attract and promote investment between Participants	Investment Legislative Framework (Note this activity will be parked pending further discussion.)	Activity deferred to FY 22-23
		Investment Guideline	Activity deferred to FY 22-23
		Private Public Enterprises (Note this activity will be parked pending further discussion.)	Activity deferred to FY 22-23
All Components	Cross - Cutting Activities	Public Outreach for PACER Plus promotion	Ongoing work and include development of communication materials on PACER Plus, website upgrade and update, development of learning management system
		National E-Commerce Strategy Development	Extensive consultation has been undertaken. Proposed Focus Areas for PPIU E-Commerce activities was presented to the SMNPI. Activity Deferred to FY 22-23
		GEDSI Baseline and analysis of entry points	Gender Equality, Disability and Social Inclusion (GEDSI) Advisor who joined the team on a part-time/STA basis in February 2022. Development of IU GEDSI Strategy and Action Plan completed.
		Ratification support	Support was provided to Tuvalu with ratification of PACER Plus. Tuvalu successfully ratified the Agreement in January 2022.



PACER Plus
IMPLEMENTATION UNIT