



PACER Plus

Committee on Services, Movement of
Natural Persons and Investment

Third Meeting of the Committee on Trade in Services, Movement of Natural Persons and Investment (SMNPI.03)

Friday, 24 March 2023, 1:00-2:10PM (Samoan Local Time)

CHAIR: Ms Repeta Puna, Chief Executive Officer, Cook Islands Business Trade Investment Board

OUTCOMES SUMMARY

1. The third meeting of the PACER Plus Committee on Trade in Services, Movement of Natural Persons and Investment (SMNPI.03) was held virtually on Friday, 24 March 2023 (Samoan Local Time) and was attended by the following Parties: Australia, Cook Islands, Kiribati, New Zealand, Niue, Samoa, Solomon Islands, Tonga, Tuvalu, Vanuatu. Observer State, Nauru, conveyed apologies.
2. The Chair called the meeting to order and welcome Committee Members. The meeting was opened with a prayer by Mr Alipate Tavo, Trade and Investment Adviser of the PACER Plus Implementation Unit (PPIU).
3. The meeting agenda was adopted as presented. The meeting further noted that the PPIU would produce a summary of meeting discussions to be circulated to the Committee for adoption. A group photo was then facilitate by the PPIU.

Agenda Item 1: Update on the implementation of activities for FY2022-2023

4. The representative of the PPIU presented the paper providing an update on the implementation progress of the current financial year (FY22-23) activities and expenditure to date. It was noted that some activities are on hold given Party's capacity or Short-Term Adviser unavailability.
5. The Parties provided further updates on activity implementation as follows:
6. Cook Islands
 - The economic planning division is managing the work on e-commerce support. A summary of policy recommendations from the consultant is currently being circulated to local stakeholders for comments. Once feedback is received, a report will be prepared by the consultant and submitted to government.

7. Kiribati

- On Activity 047, the E-commerce policy was finalised which was tabled at the National Trade Advisory Committee the week prior to the meeting. It will then be presented to Cabinet the week after the Committee meeting. Kiribati is looking forward to collaborating with the PPIU to implement the priority areas under the Policy for the FY24-25. They are also looking at engaging other development partners to assist with implementation of the Policy in the next financial year.
- Kiribati is happy to hear that Activity 049 will be rolled over to the next financial year. Kiribati through the Ministry of Education and Institute of Technology have engaged key national stakeholders under the Mutual Recognition of Qualifications activity. From the last update provided by the New Zealand Qualifications Authority (NZQA), the detailed business case has been delivered for a further five years from the end of July 2022. Kiribati sought an update from New Zealand MFAT on this. New Zealand advised that they will reach out to colleagues working on this and revert to Kiribati.
- The review of the Kiribati Investment Act commenced on 7 March 2023 and is currently ongoing work managed by the PACER Plus National Coordinator for Kiribati. The National Coordinator will continue working with the PPIU in finalising amendments to the legislation.
- Kiribati advised that ASYCUDA World was launched in July 2022 and is keen to discuss how to integrate UPU into the ASYCUDA World system.

8. Niue

- Niue noted the ongoing work currently underway nationally under activity 049, driven by the Department of Education and the Public Service Commission. Niue is pleased that it will continue in the next financial year.
- Niue looks forward to the review and update of the Niue Investment Act.
- Niue has added on ASYPAX as part of ASYCUDA implementation.

9. Samoa

- Samoa appreciated the support from the PPIU on the launch of their E-commerce roadmap which is now in implementation stage.
- Samoa is currently reviewing their Foreign Investment Act which is ongoing work funded by the Asian Development Bank and the World Bank. They have reached out to PPIU for other support to this work.
- Samoa is working on its Investment Promotion Policy which will be tabled to Cabinet at the end of March 2023.
- Samoa will be participating in the Investment Workshop hosted by the PPIU in Sydney.

10. Solomon Islands

- Activity 053 was completed in October 2022.
- Two investment officials will be attending the Investment workshop hosted by the PPIU in Sydney.
- Solomon Islands asked whether they could be included in Activity 050 as there is interest from their Ministry of Tourism. PPIU advised that the Educational Quality and Assessment Programme (EQAP) and New Zealand qualifications Authority (NZQA) are leading this work in the region. PPIU is working with them and waiting for them to make decisions on resourcing. PPIU can bring EQAP and PACER Parties together to work towards the common goal of referencing individual national qualifications

frameworks against the regional qualification framework. This activity will roll over to the next financial year which will provide the opportunity for other Parties to join.

- Solomon Islands E-Commerce Strategy has been endorsed by their Cabinet and will be launched later in the year.

11. Tonga

- Trade in Services workshop was undertaken in Tonga which helped PACER Plus national focal point to identify national priorities and develop activities for the FY23-24 financial year.
- Public officials training needed to understand trade in services schedules of other Parties to leverage opportunities to convey to the private sector.

12. Tuvalu

- Ongoing national consultations are underway under Activity 047.
- Activity 049 has been rolled over to the next financial year.

13. Vanuatu

- Vanuatu needs a coordinated approach towards Investment reforms. There is an Investment Act that caters to investment guarantees however they need support for guided approach for what has been outlined in the Act. They want to review the Act as it seems there are some clauses that create more barriers to the investment environment. The biggest piece of work Vanuatu will be engaging in for investment is a review of the reserve/restricted list of activities for investment later in the year.
- Vanuatu will be attending the Investment workshop hosted by the PPIU in Sydney.

14. Australia

- Australia would like to offer assistance to help Parties with domestic regulations and provide a trade in services training for trade in services leads and national coordinators to help build a community/practice of trade in services to help implement activities under the DEC Work Programme.
- With regard to activity 048, Australia sought clarification on discussions with the Universal Postal Union (UPU) and the delay on the interface with ASYCUDA World for Parties as it has been implemented successfully in Vanuatu. Can look to see how this can be supported for other Parties.
- DFAT has set up a Trade Panel of experts to developing a MELA Framework. Part of this work has included development of the agenda for the investment workshop.

Action Items/Resolutions:

15. The Committee on Trade in Services, Movement of Natural Persons and Investment:

1. **Noted the update on activity implementation under the current FY2022-2023 Annual Plan.**
2. **Noted the updates on ongoing and remaining national activities under the current FY22-23 Annual Plan, provided during the meeting.**
3. **Recommend that this meeting paper be declassified for public release.**

Agenda Item 2: FY23-24 Annual Plan Activity Proposals

16. The representative of the PPIU presented the meeting paper providing a summary of the FY23-24 activity proposals to be considered by the Committee. The PPIU advised that 30 proposals were received by the submission date, with Samoa and Vanuatu yet to submit their proposals.
17. Australia noted delays to submissions of activity proposals from Parties and offered to provide support to Parties with development of proposals. Australia clarified that this process will be streamlined, and the process will be mobilised through the PPIU with funding from Australia. This funding will be in addition to the DEC Work Programme allocation from Australia.
18. Cook Islands through the Business Trade and Investment Board (BTIB) promote investment opportunities hence the proposal submitted to develop its film policy.
19. Kiribati acknowledged the work of the PACER Plus National Coordinator for Kiribati for assisting with the coordination of all activity proposals submitted. Kiribati believes it is essential to facilitate commercial presence under Mode 3 which will promote foreign investment in the country. Kiribati is working on a new bill on quality education and training as part of a national activity with EQAP.
20. Niue sought clarity on how the two-party criteria applies to the assessment of proposals. Niue noted how the Pacific Islands Forum Secretariat (PIFS) are leading the E-commerce strategy work in the region and thus need to ensure no duplication. The PPIU advised that it will support the E-commerce toolkits as a regional activity and should be implemented by the private sector for full benefit.
21. Samoa advised that they have submitted activity proposals and are currently with the PACER Plus National Focal Point, the Ministry of Foreign Affairs and Trade, for review and submission to the PPIU.
22. Solomon Islands acknowledged the work of the PACER Plus National Coordinator who has been coordinating national process in development of the activity proposals.
23. Tonga took note of the offer by Australia to assist in development of activity proposals. Tonga would like to explore other sectors in the next year but current focus in on E-commerce work.
24. Vanuatu confirmed they will submit their activity proposals via email.
25. In response to Niue's query, the PPIU confirmed that the criteria of two Parties plus Australia and New Zealand still applies. The first review is done by the Committee and once endorsed it is submitted to the Budget Committee to approve the expenditure for the activity and then onward to the Joint Committee for final approval under the Annual Plan. A Party would need to formally object to the proposal for the activity to be disapproved/removed from the Annual Plan.
26. All Parties conveyed their support to the recommendations in the paper.

Action Items/Resolutions:

27. The Committee on Trade in Services, Movement of Natural Persons and Investment:

1. **Approved the activity proposals presented under Components 5 and 6 for implementation under the FY23-24 Annual Plan.**
2. **Approved the proposed timeline for implementation of activities under the FY23-24 period, in consultation with the PPIU.**
3. **Agreed to submit the approved activity proposals to the Joint Committee under the draft FY23-24 Annual Plan.**
4. **Agreed to declassify this meeting paper for public release once the Joint Committee approves the FY2023-2024 Annual Plan.**

Agenda Item 3: Any Other Matters

28. The Chair confirmed that all recommendations agreed to by the Committee during the meeting will be included in the outcomes summary to be prepared and circulated by the PPIU.
29. The Chair further advised that the agreed recommendations will be compiled together with other subsidiary body approved activities for submission to the Budget Committee to consider at its next meeting on 4 April 2023.
30. The meeting was closed with a prayer by Ms Ida-Tifitifi Fuimaono of the PPIU.