7th Meeting of the EU-Pacific Interim Economic Partnership Agreement (IEPA) Trade Committee Meeting

4 October 2019, Fiji

Joint Conclusion and Communiqué

The seventh Trade Committee under the EU-Pacific Interim Economic Partnership Agreement (IEPA) took place in Suva, Fiji from 3-4 October 2019, bringing together the Fiji, Papua New Guinea (PNG), Samoa and the European Union (EU) (the parties of the Agreement). Owing to their notification of intent to accede to the IEPA, Solomon Islands and Tonga were invited to participate as observers to the Committee Meeting, which was complemented by the bilateral meetings between the EU and each Pacific state from 30 September to 2 October 2019, the Meeting of the Special Committee on Customs Cooperation and Rules of Origin (SCCCROO) on 2 October 2019 and related capacity building workshop from 30 September to 1 October 2019.

The Committee was co-chaired by Mr Shaheen Ali (Permanent Secretary for Industry, Trade and Tourism) on behalf of Fiji, Mr Frazer Murray (Assistant Secretary – Market Access and Free Trade Agreement Branch, Trade Division, Department of Commerce and Industry) on behalf of PNG, Ms Nella Tavita Levy (Assistant Chief Executive Officer, Ministry of Foreign Affairs and Trade), on behalf of Samoa and Dr Erja Askola (Head of Unit f.f., EPA-ACP, Overseas Countries and Territories, Directorate-General for the European Commission), on behalf of the EU.

The co-chairs welcomed the Solomon Islands delegation, headed by, H.E Joseph Ma’ahanua (Commissioner for Trade), and the Tongan delegation headed by Ms Pauline Langi Siasau (Deputy Chief Executive Officer, Ministry of Trade and Economic Development), as observers to the Committee Meeting.

The co-chairs recognised and welcomed Samoa as a Party of the IEPA. The Trade Committee Meeting commenced with welcome remarks from each co-chair, in which they reaffirmed their commitment to making the IEPA an agreement that will be beneficial for all the parties. The Parties acknowledge the importance of trade, especially for the Pacific. The Parties firmly believed that the agreement between the EU and Pacific should facilitate and find solutions to the challenges faced by the Region, especially amidst the global condition and uncertainties.

The Parties welcomed the revised Rules of Procedure on (1) Trade Committee and (2) Special Committees. They took note of the ongoing work on the Rules of Procedure on (1) Dispute Settlement and (2) Code of Conduct for Arbitrators and Mediators, and the list of Arbitrators.

The Parties noted the ongoing internal processes of Tonga and the Solomon Islands accession. The Committee has considered and agreed to the recommendation for amendments to the IEPA to take into account the accession of Samoa and future accessions to the IEPA. The Parties further agreed to revert through written correspondence, following the completion of domestic approval procedures on the amendments to the IEPA.

The Parties noted the EU’s ongoing work to take into account the accession of Croatia to the EU. In the area of Customs Cooperation and Rules of Origin, the Parties were given an update on the first Meeting of the EU-Pacific SCCCROO. The Special Committee exchanged information on the recent developments in the customs legislations of the Parties and on their free trade agreement negotiations. It agreed to proposing a set of technical amendments to bring Protocol II of the IEPA up to current trade trends and realities.
The Parties noted updates from Fiji in terms of updating its Market Access Commitment (MAC) and its request for technical assistance in this area. They also noted that the EU will proceed with the publication of the updated MAC of PNG in the EU’s Market Access Database; and that the EU will consider how to proceed with the update of Samoa and Solomon Islands MACs in due course.

The EU presented a detailed concept note, which aims to involve the Civil Society in Monitoring and Evaluation of the implementation of the IEPA, including the achievement of trade and sustainable development (TSD) objectives.

The Parties were briefed on the Civil Society and Private Sector event held at the University of the South Pacific on 2 October 2019. The parties discussed the links between TSD in light of the successful event on this subject, involving both state and non-state actors. In particular, Parties discussed how sustainable development is mainstreamed in their national development frameworks. Drawing from the discussions during the event, the parties exchanged ideas on ways to promote sustainable development through the IEPA. The Parties agreed to explore the possibility of adopting at the next Committee a recommendation on key principles of trade related aspects of sustainable development including on climate change. Parties also agreed to organise in the margins of the next Committees, workshops on specific themes such as biodiversity, gender and youth, corporate social responsibility, renewable energy etc.

The EU informed the Parties, that pending agreement of the EU member states, the work on the Pacific Regional Integration Programme, should be adopted in the weeks to come. A brief overview of the EUR 37 million action was provided including the foreseen support relating to IEPA implementation support. The Pacific side welcomed the announcement and requested to receive more information in writing. The importance of achieving benefits for the countries, in particular through concrete deliveries at national level was stressed. To this end, the importance of the involvement of Trade Ministries in the process was underlined.

The Parties were briefed on the first EU-PNG Business to Business (B2B) Conference, highlighting the positive participation of the Pacific states. The Parties confirmed their interest in repeating the event in subsequent years. The Pacific states recognised the good cooperation between PNG and the EU, who jointly organised the B2B. They positively valued the event and the broad representation, and highlighted the relevance and interlink between investment and trade. They expressed willingness to replicate the event at a regional level.

The Parties took note of the successful Capacity building Workshop on Rules of Origin, which brought together 35 customs and trade officials and 15 representatives of private sector (fisheries, coconut and coconut oil, garment industry) from the Pacific states. The Workshop covered originating status, origin procedures and administrative cooperation, including rules of origin for fisheries, role of customs authorities, valid proof of origins and the potential benefits of cumulation.

The Parties were updated on the Pacific Kava project for ACP Commodities funding support and expressed interest in receiving further updates as developments unfold, given the importance of the product in the Pacific. The Parties were informed of the prioritisation by the ACP to hold discussions on Kava in 2020 agenda. They also noted the ongoing work in terms of Codex standards.

The Parties welcomed the updates on how trade in agri-food products have evolved overtime between the EU and Pacific states and expressed interest in exchanging further information, in particular on value chains and diversification, with the view of exploring potentials of registration and protection of Geographical Indications for the Parties.
The Parties discussed the importance of services as a substantial contributor to their GDP in the Pacific economies. They agreed to undertake a study to identify strengths and weaknesses in order to determine the step by step approach to be taken. The Parties also noted that during this process, it would be beneficial to consider incorporating the gains that were made during the Comprehensive EPA negotiations.

The Parties reaffirmed their commitment to strengthen communication (outreach and awareness raising) on IEPA implementation, so as to induce ownership and widespread benefits to the economies.

The Meeting was held in a very cordial environment and the Parties thanked Fiji for hosting the 7th Trade Committee Meeting.