



PACIFIC INTEGRATION TECHNICAL ASSISTANCE PROJECT
2013 ANNUAL REPORT



**PACIFIC ISLANDS
FORUM SECRETARIAT**



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CONTENTS



List of abbreviations	iv
Introduction	1
About SPEITT	1
About PITAP	2
Project Management	5
2013 Selected Highlights per Key Result Area	7
Key Result Area 1	7
Activity 1a	7
Activity 2	11
Activity 3	13
Key Result Area 2	17
Activity 4	17
Key Result Area 3	20
Activity 5	20
Activity 6	23
Key Result Area 4	23
Activity 7a	30
Activity 7b	36
Financials	40
Expenditure Analysis	40-41
Annex	42
Part 2 - Reporting Template - Reporting against 2013 Work Plan	43



LIST OF ABBREVIATIONS

AF Action Fiche	PP Pacific Plan
AfT Aid for Trade	PRNGOs Pacific Regional Non Government Organisations
AWP Annual Work Plan	PACPs Pacific members of the African, Caribbean and Pacific Group of States
CSO Civil Society Organisation	PACPTMM PACP Trade Ministers' Meeting
CA Contribution Agreement	PACPTOM PACP Trade Officials' Meeting
CROP Council of Regional Organisations of the Pacific	PICs Pacific Island countries
DEG Director Economic Governance	PICTA Pacific Island Countries Trade Agreement
EDF European Development Fund	Pacific Islands Private Sector Organisation
EGP Economic Governance Programme	PITAP Pacific Integration Technical Assistance Project
EPA Economic Partnership Agreement	PRTCBP Pacific Regional Tourism Capacity Building Project
EU European Union	PT&I Pacific Trade and Invest
FSM Federated States of Micronesia	PNG Papua New Guinea
Forum Secretariat Pacific Islands Forum Secretariat	PE Programme Estimate
FA Financing Agreement	PSC Project Steering Committee
FEMM Forum Economic Ministers Meeting	RA Research Assistant
FICs Forum Island countries	RTSM Regional Technical Support Mechanism
FRSC Forum Regional Security Council	RMI Republic of Marshall Islands
GC Grant Contract	ROM Results Oriented Monitoring
IF Identification Fiche	SPC Secretariat of the Pacific Community
IACT Increasing Agricultural Commodity Trade	SPEITT Strengthening Pacific Economic Integration Through Trade
JTWG-LICB Joint Technical Working Group — Legal Institutional and Capacity Building	TA Technical Assistance
KRAs Key Result Areas	TCF Technical Cooperation Facility
LDCs Least Developed Countries	TVET Technical Vocational Educational Training
LOGRAME Logical Framework	TMNP Temporary Movement of Natural Persons
MAO Market Access Offer	TFCC Trade Facilitation in Customs Cooperation
MTC Micronesian Trade Committee	TIS Trade in Services
MOU Memorandum of Understanding	TPA Trade Policy Adviser
NGO Non Governmental Organisation	TPF Trade Policy Framework
NSA Non State Actor	TPO Trade Policy Officer
NSALO NSA Liaison Officer	UNFCCC COP United Nations Framework Convention on Climate Change Conference of Parties
OCO Oceania Customs Organisation Secretariat	WACC Working Arm on Climate Change
PACER Pacific Agreement on Closer Economic Relations	WTO World Trade Organization
PCFAF Pacific Climate Financing Assessment Framework	





INTRODUCTION

About SPEITT

The purpose of SPEITT is to improve economic integration through strengthened national systems and institutional frameworks to develop trade capacity, increase private sector competitiveness and increase international market access for Pacific Island products and services. It has four components, which are implemented by technical agencies that have the relevant expertise as follows:

- (i.) Increasing Agricultural Commodity Trade (IACT) implemented by the Secretariat of the Pacific Community (SPC);
- (ii.) Pacific Integration Technical Assistance Project (PITAP) implemented by Forum Secretariat;
- (iii.) Pacific Regional Tourism Capacity Building Project (PRTCBP) implemented by the South Pacific Tourism Organisation (SPTO); and
- (iv.) Trade Facilitation in Customs Cooperation (TFCC) implemented by the Oceania Customs Organisation Secretariat (OCO).

SPEITT commenced implementation in April 2011, after the signature of the Financing Agreement (FA) in March 2011. In August 2013 an Addendum to the SPEITT FA was signed and in turn an Addendum to the Contribution Agreement (CA) for PITAP was signed in December 2013 for additional funding from the 10th EDF bringing the new total PITAP budget to €13,900,000. The Addendum to the FA also allowed for the implementation period to be extended from a 4 year to 6 year timeframe.





About PITAP

The main goal of PITAP is to improve economic integration through strengthened national systems and institutional frameworks to develop trade capacity of PACPS.

PITAP aims to achieve this goal by:

- 1) building technical capacity;
- 2) increasing private sector engagement in trade policy processes; and
- 3) increasing exports Pacific islands products and services and investment in the region.

There are four Key Result Areas (KRAs) under PITAP, which are:

- (i.) KRA1: Negotiation and implementation of specific regional and multilateral trade agreements;
- (ii.) KRA2: Improved trade policy frameworks developed (TPFs) and submitted to PACPS for endorsement;
- (iii.) KRA3: Improved ability of the private sector to engage in the process of trade policy development and to access export opportunities from implemented trade agreements; and
- (iv.) KRA4: Improved coordination between the Forum Secretariat, national and regional stakeholders and development partners to increase Aid for Trade (AfT) and improve institutional capacity.

Partnership and engagement between Forum Secretariat, OCTA and MSG Secretariat

Given the cross-cutting nature of trade agreements and negotiations, the Forum Secretariat, the Office of the Chief Trade Adviser (OCTA) and the Melanesian Spearhead Group (MSG) Secretariat have established joint initiatives under PITAP to support Members engagement in the various trade related initiatives. These activities are being implemented in a coordinated manner to avoid duplication, and builds on the strengths of each agency. This partnership complements efforts in building and strengthening PACPS' capacity in trade policy matters and implementation of trade agreements in the region. Therefore of the additional €5,900,000 received in the Addendum to the CA, €1,750,000 was allocated each for OCTA and MSG Secretariat with the balance allocated to the implementing agency Forum Secretariat. Disbursement of the funds to OCTA and MSG is through a Grant facilitated through an Exchange of Letters (EOL) constituting an agreement and detailed terms of reference outlining actions between Forum Secretariat and OCTA and Forum Secretariat and MSG. By the end of 2013 detailed drafts were prepared in readiness for signature and implementation early 2014.





Delivering on the Key result areas for PITAP

The four KRAs for PITAP are delivered through specific activities aimed at achieving results shown in the PITAP logframe.

A revised logframe for SPEITT was part of the Addendum to the SPEITT FA and a the PITAP logframe was revised to reflect the changes and to incorporate the additional actions of OCTA and MSG.

The following denotes the four KRAs with related activities including the additional complementary activities (i.e. activity 1b and 1c) to reflect the support to MSG and OCTA. While both OCTA and MSG will contribute to all KRAs, the main contribution will be towards achieving KRA 1 and these activities are due to commence early 2014.

KEY RESULT AREA 1	
Negotiation and implementation of specific regional and multilateral trade agreements.	
Activity 1a	Promote regional trade integration by finalising and fully implementing Pacific Island Countries Trade Agreement (PICTA); support regional services integration through labour mobility; PICTA Trade in Services (TIS) Protocol is implemented and labour mobility arrangement is concluded.
Activity 1b	Promote regional trade integration by contributing to the strengthening the MSG Trade Agreement (MSGTA) Tier 3.
Activity 1c	Promote regional trade integration by contributing to the finalisation and implementation of the Pacific Agreement on Closer Economic Relations (PACER) Plus.
Activity 2	Promote global trade between PACPS and EU by assisting them to negotiate and implement EPA.
Activity 3	Promote global trade integration by increasing PACPS participation in the World Trade Organisation (WTO) and providing support to PACPS through the activities of the Forum Secretariat's Geneva Office.

KEY RESULT AREA 2	
Improved TPFs developed and submitted to PACPS for endorsement.	
Activity 4	Assist PACPS to formulate comprehensive trade policy frameworks and mainstream trade into national development strategies.





KEY RESULT AREA 3

Improved ability of the private sector to engage in the process of trade policy development and to access export opportunities from implemented trade agreements.

Activity 5	Build capacity of the private sector to participate in the development of national trade policy frameworks and trade negotiations. This is achieved through direct support to the Pacific Islands Private Sector Organisation (PIPSO).
Activity 6	Build the capacity of PACPS niche product exporters to increase trade regionally and with key markets in Australia, China, Europe and New Zealand through trade development and promotion.

KEY RESULT AREA 4

Improved coordination and engagement between Forum Secretariat, national and regional stakeholders and development partners to increase AfT and improve institutional capacity.

Activity 7a	Improve coordination and engagement to increase AfT and effectively implement EDF projects and related activities.
Activity 7b	Strengthening of the Forum Secretariat's institutional capacity and engagement with Non-State Actors and Climate Change Financing (CCF).





Project Management

PITAP is implemented by the Economic Governance Programme (EGP) of the Forum Secretariat. The Director of EGP is the overall Project Manager, while implementation of the key activities for the project are conducted by various team members and in some cases implementing partners. This is clearly indicated in the Budgeted Annual Work Plans and in the Reporting Template in the column “responsible party”, shown in Part 2 of this Report. Day to day administration, coordination and monitoring of the project is undertaken by the AfT Team with financial transactions and expenditure reporting carried out by the Project Accountant.

The AfT Team also coordinates the implementation of the overall SPEITT Programme. This includes monitoring and oversight of two project components implemented through Grant Contracts (GC). These are the TFCC Project implemented by OCO and the PRTCBP implemented by SPTO. The third project component is implemented by SPC through a CA between the EU and SPC. Part of Forum Secretariats project management of SPEITT is to facilitate a SPEITT Project Steering Committee (PSC) meeting annually with dedicated sessions for each of the components of the programme. The first PSC meeting was held on 6 November 2012 in Suva and the second meeting was held on the 24 June 2013. The AfT Team also coordinated the mid-term review of the SPEITT project which commenced on the 16 September 2013 and a draft report was circulated for comment by all project components by end of November 2013.

The AfT team also provides necessary support to the Regional Authorising Officer (RAO) in the implementation of the EDF Pacific Regional Indicative Programmes. During 2013 further support was provided by the Technical Assistant (TA) to RAO on a Framework Contract (160 days spread over a 24 month timeframe) funded out of the Technical Corporation Facility (TCF) from August 2012. The TA to RAO was present in Fiji to provide assistance during 2013 February and March 2013 for a total of 35 working days.





Project Team

There are 14 project team members employed by PITAP of which 10 are based at the Forum Secretariat Headquarters in Suva Fiji. There was only one addition to the team during 2013 and this was the Programme Monitoring Officer whom commenced work on 27 September.

The project team for PITAP is as follows:

- 1) Trade Policy Adviser (AfT)
- 2) Trade Policy Officer (AfT)
- 3) Trade Policy Adviser (ACP/EU)
- 4) Trade Policy Officer (ACP/EU)
- 5) Trade Policy Officer (Small Island States -[SIS])
- 6) Research Assistant (ACP/EU)
- 7) Project Accountant
- 8) Climate Change Liaison Officer
- 9) Non State Actors Liaison Officer.
- 10) Programme Monitoring Officer

The remaining four members are based in the Pacific Islands Trade and Invest (PT&I) offices in Auckland, Beijing and Geneva and the Office of the Delegation of the Pacific Islands Forum to the WTO. These are as follows:

- 11) Deputy Representative and Export Promotions Manager (PT & I Beijing)
- 12) Trade Promotions Officer (PT & I Geneva)
- 13) Export Promotions Officer (PT & I Auckland)
- 14) Trade Policy Officer (WTO-Geneva), Delegation of the Pacific Islands Forum to the WTO.





Selected Highlights for 2013 per key result area

Activity 1a

KRA 1	Negotiation and implementation of specific regional and multilateral trade agreements
Activity 1a	Promote regional trade integration by finalising and fully implementing PICTA; support regional services integration through labour mobility; PICTA Trade in Services (TIS) Protocol is implemented and labour mobility arrangement is concluded
Objectively Verifiable Indicators	At least six countries ratify TIS Protocol appended to PICTA and at least two have successfully undertaken national regulatory and services policy reforms by 2014 At least eight countries effectively trading under PICTA by 2014

Samoa and Nauru first to ratify PICTA Trade in Services Protocol

Samoa and Nauru became the first Pacific Island country (PIC) to ratify the PICTA TIS Protocol on 17 April and 20 August 2013 respectively.

By the end of 2013, 10 FICs had signed the protocol, namely Cook Islands, Federated States of Micronesia (FSM), Kiribati, Nauru, Republic of Marshall Islands (RMI), Samoa, Solomon Islands, Tonga, Tuvalu and Vanuatu.

With funding support from PITAP, the Forum Secretariat held bilateral discussions in 2013 with PICs that had not signed PICTA Trade in Services to identify specific areas where support could be provided to assist and encourage signature of the agreement.

Similar efforts were made by the Secretariat's PICTA Team to assist and encourage PICs to deposit their instruments of ratification with the secretariat.

The PICTA TIS Protocol is in line with the desire and vision of Pacific leaders for a more closely integrated region, with enhanced economic growth and increased employment opportunities for Pacific peoples.

It aims to create a favorable climate for intra-regional trade in services in three sectors: tourism, transport and business services as prioritised by PICs and promote efficiency and economic growth. The agreement does so by allowing PICs to make binding commitments to reduce various trade barriers. For many, the idea of services being traded across borders might seem strange. Unlike trade in goods, the exchange of a service between provider and consumer is naturally thought of as taking place across a short distance.

However, as technology has advanced, education, finance, technology and health services have entered the global marketplace. The PICTA Trade in Services allows each PIC to decide which sectors and subsectors they want to commit to. This allows countries to decide what degree of openness to trade they wish to maintain in a particular service area. Countries vary both in the number and choice of sectors or subsectors they have committed and in the degree of openness to trade they have agreed to maintain in committed sectors.





The final PICTA TIS Protocol was prepared ahead of the 2012 PACP Trade Officials' and Ministers' Meetings in Fiji. At their August 2012 meeting, Forum leaders welcomed the signing of the PICTA TIS Protocol as a significant achievement for PICs in important key sectors including tourism, transport and business services.

Leaders further noted that the PICTA TIS benefits are expected to be equally beneficial for Smaller Island States.

A demand-driven comprehensive work programme will be implemented by the Forum Secretariat's PICTA Team in 2014 to support members in their signatory, ratification and regulatory reform process.

Fiji finds trade success under PICTA

In just over a decade, exports from Fiji to other PICs have grown in leaps and bounds. In 2000, PICs accounted for less than 1% of Fiji's total trade. Compare that to 22% or FJ\$530m in 2013, with more trade and growth expected in years to come.

This extraordinary growth has been attributed to a number of factors, including PICTA, an intra-regional trade agreement that aims to establish a free-trade area between the 14 PICs.

Having signed and ratified the agreement earlier, in March 2008 six countries: Cook Islands, Fiji, Niue, Samoa, Solomon Islands and Vanuatu announced that domestic arrangements had been made enabling them to trade under the agreement. (It is important to note that the PICTA discussed here covers only trade in goods [TIG]).

Fiji commenced trading under PICTA shortly after the necessary preparatory work and reforms were completed. Given Fiji's relatively well-established manufacturing sector and export capacity as well as the enabling environment for commerce, PICTA trade grew quickly.

The Fiji government has made concerted efforts to enhance trade under the PICTA TIG agreement to enable better market access for Fijian goods in Pacific countries and further increase its share in intra-regional trade.





Trade in Goods

At the end of 2013, PICTA TIG had been signed by 12 countries: Cook Islands, Fiji, Kiribati, FSM, Nauru, Niue, Papua New Guinea (PNG), Samoa, Solomon Islands, Tonga, Tuvalu, and Vanuatu. All of the signing countries have also ratified the treaty, with Palau and RMI yet to sign. After entry into force, countries commit to removing tariffs on most goods by 2021.

The Forum Secretariat will continue to work with all PICTA parties to enhance their participation in intra-regional trade and boost their exports. A comprehensive work programme is being developed for 2014, which is expected to include a robust assessment of the implementation of the PICTA, identify existing challenges and innovative initiatives for unlocking untapped business potential as well as a roadmap for PICs' future integration. National level consultations are expected to continue and a robust mechanism is anticipated to be developed to assist members monitor the implementation of their commitments under PICTA.

The Pacific Islands Trade and Invest (PT&I) Offices will feature prominently in the renewed efforts to bolster intra-regional trade in 2014 and beyond, by encouraging and promoting the production and export of value-added niche products.

PICTA Trade in Services: Towards a closely integrated region

PICTA TIS Protocol is in line with the desire and vision of Pacific leaders for a more closely integrated region, with enhanced economic growth and increased employment opportunities for the people of PICs.

In March 2008, trade ministers from PICs launched the negotiations of the PICTA TIS arrangement. The general aim of these types of agreements are to regulate measures affecting intra-regional trade in services – including health services such as health insurance, hospital services, telemedicine and acquisition of medical treatment abroad.

The PICTA TIS specifically regulates measures affecting intra-regional trade in three sectors of priority to the region, notably tourism, transportation and business services. The removal of regulatory barriers to other additional services sectors may be pursued in future negotiations.

Tourism and Travel

For PICs, the removal of regulatory barriers to its tourism and travel related sector would mean further growth in the tourism sector. Tourism induces positive impacts such as income generation, telecommunications and infrastructure development.

Tourism also has an integral impact on employment, especially the hotel and catering industry. The removal of regulatory barriers to the tourism sector will attract more intra-regional tourism development projects amongst PICs. It would generate new job opportunities for many Pacific Islanders (including women and youth) and improve their standard of living.





Transport

The planned opening of transport routes (maritime and shipping) to previously inaccessible areas is anticipated to enable rural participation in the formal economy.

The positive social impacts of creating new international routes, hubs, ports and invariably new commercial centers, could provide long-term employment prospects, while also opening the traffic of both passenger and freight transportation to rural areas in PICs. The maritime transport sector in Kiribati, for example, is of great importance due to the geographical layout and scattered nature of the islands.

It is quite difficult to service all islands frequently, especially between Tarawa and the Line and Phoenix groups of islands. Despite the difficulties, the government and the private sector provide maritime services to these islands ensuring minimum freight and passenger services. Maintaining the minimum maritime services in Kiribati is an ongoing challenge, and an issue that could potentially be addressed through PICTA TIS.

Business Services

The business services sector is a significant source of employment in the Pacific.

Further removal of regulatory barriers in the sector would mean greater movement of professional workers across PICs for better paying jobs. Many private and public sector corporations have improved their performance from utilising the services of professionals like accountants, financial, legal and management consultants. They have also contributed to improved accountability, sound financial management and good corporate governance. These desirable impacts can be furthered through the PICTA Trade in Services and reduce the negative perceptions of the region regarding transparency, accountability and governance.

Testimonial

“Nauru was supported by the Forum Secretariat in its engagement in regional trade including the negotiations on the PICTA TIS Protocol, which Nauru signed and ratified at the Forum Secretariat Headquarters in Suva on 20 August 2013. This is in line with Nauru’s desire to attract investors and service providers to contribute to Nauru’s economic development, and in support of deeper regional integration as declared in the Pacific Island Forum Leaders’ vision for the region.”

Michael Aroi
Acting Secretary for Foreign Affairs & Trade
Department of Foreign Affairs & Trade
Republic of Nauru





Selected Highlights for 2013 per key result area

Activity 2

KRA 1	Negotiation and implementation of specific regional and multilateral trade agreements
Activity 2	Promote global trade between PACPS and EU by assisting PACPS to negotiate and fully implement EPA
Objectively Verifiable Indicators	14 PACPs effectively participate in negotiations PACP leaders' decision

PACPS make progress on EPA negotiations with EU

Despite a challenging 2013, PACPs made significant progress in their long-running negotiations with the EU on the EPA. A key outcome for the year was the political agreement between the two parties on a clear roadmap for concluding the negotiations on the comprehensive EPA by June 2014. With funding support from PITAP, approximately 22 meetings were facilitated or coordinated by the Forum Secretariat in 2013 to progress and conclude the EPA negotiations by the end of the year as directed by PACP Leaders. These meetings were significant in assisting PACPS to clarify their national positions and formulate a regional position on the various issues in the EPA. While there had been movement in some areas of the negotiations, fisheries issues remained the most difficult issue to agree on which led to an impasse in the negotiations in July. However, for the first time since 2007, PACP trade and fisheries ministers were able to meet with the EU Trade Commissioner in December 2013 to resolve this impasse. The agreement on a clear roadmap has given both parties renewed political impetus to conclude negotiations in 2014.

Towards a comprehensive EPA

The main aim of EPA is to promote sustainable development and poverty reduction by helping the integration of PACPS into the world trading system and supporting their regional integration initiatives. This will be achieved through enhancing production, supply and trading capacity, creating a conducive environment to attract investment and strengthening trade and investment policies.

While Fiji and PNG signed the interim EPA in 2009, which was later ratified by PNG in 2011, all 14 PACPS have continued to negotiate a comprehensive EPA as single region. The Forum Secretariat has been tasked by PACP Leaders to coordinate the PACP - EU EPA negotiations. With funding support from PITAP, the Forum Secretariat provides PACPs with technical advice and assistance on all aspects of the negotiations.

The secretariat also works closely with other relevant regional and sub-regional agencies to ensure a coordinated approach on various aspects of the negotiations.

Technical support to members includes providing advice to members on negotiating positions, assisting members in formulating their market access offers, facilitating national consultations on the EPA negotiations and commissioning specific consultancies on key issues in the EPA.





Rules of Origin workshop helps strengthen PACP negotiating positions

Through the assistance of PITAP, the Forum Secretariat provided technical advice and support at a workshop organised by the Fiji Ministry of Industry and Trade in February 2013 to increase the understanding of Fiji's private sector on the EU's complex rules of origin and its practical implications for exporters. Goods exported from Fiji (and other PACPS) must meet stringent rules of origin requirements in order to benefit from duty free and quota free market access into the EU.

The workshop was useful in building awareness amongst the Fijian private sector on the implementation of the rules of origin contained in the interim EPA and the work being undertaken by the PACP region to secure improved rules of origin in the comprehensive EPA. The format of the workshop was highly interactive and participants worked with technical officials to develop solutions for specific issues faced by Fijian exporters.

As a direct result of the workshop, the PACP region was able to provide real examples of the implications of the EU rules of origins to EU negotiators and this has led to the EU favorably considering PACP proposals on rules of origin.

There are future plans to hold similar workshops in other PACPS in preparation for the conclusion of negotiations on the comprehensive EPA.

Testimonial

As Small Island Developing States, PACPS appreciate the assistance provided by the Forum Secretariat under PITAP. The project helps address a critical gap in terms of technical capacity and resources at the national level to effectively participate in the EPA negotiations with the EU. PITAP has ensured that our officials are able to build their technical capacity in trade negotiations and trade policy formulation, which would not have otherwise been possible.

Solomon Islands, along with other PACPS, have benefitted from PITAP through the formulation and revision of our draft market access offers in the context of the comprehensive EPA negotiations. These offers were commended by the European Commission for their high quality.

PITAP assistance also enabled PACPS to formulate AfT matrices, which highlight the trade-related obligations from the EPA as well as other intra-regional trade agreements. As a result, PACPS now have a better understanding of their trade-related obligations and the structural adjustment costs that will be needed to implement the various agreements.

We've asked the EU to provide additional resources to address these needs at the national and regional levels under the 11th European Development Fund and look forward to further assistance to enable us to move forward with the implementation of the EPA once negotiations conclude this year.

Mr Robert Sisilo,
Solomon Islands Special Trade Envoy
Chair of the Pacific ACP (PACP) Technical Working Group





Selected Highlights for 2013 per key result area

Activity 3

KRA 1	Negotiation and implementation of specific regional and multilateral trade agreements
Activity 3	Promote global trade integration by increasing PACPS participation in the WTO and providing support to PACPS through the activities of the Forum Secretariat's Geneva Office.
Objectively Verifiable Indicators	At least six PACPS are WTO member countries by 2014. Number of PIC missions to Geneva utilise the services and facilities of the office.

Permanent Delegation of the Pacific Islands Forum Secretariat to WTO, Geneva

With funding supporting from PITAP, the Office of the Delegation of the Forum Secretariat to the WTO in Geneva, Switzerland implemented a number of activities in 2013 to facilitate PACPS's multilateral integration into the global economy.

Key activities for 2013 included:

- A regional workshop on Trade Facilitation Needs Assessment for individual Pacific Island WTO Members.
- Facilitation of the effective participation of Pacific Trade Ministers at the 4th Global Aid for Trade Review.
- Technical Support to Pacific Trade Ministers in the preparations for, and during, the 9th WTO Ministerial Conference (MC9) in Bali, Indonesia in December 2013.
- Hosting a number of Pacific government officials for six- and 10-month internship programmes that were fully funded by the WTO Secretariat.

PITAP funds the position of Trade Policy Officer (WTO-Geneva), which is a key position that reports to the Permanent Representative to WTO in Geneva. It is held by Mr Alex Kerangpuna. The new Permanent Representative of the Forum Secretariat to the WTO Ms Mere Falemaka joined the team towards the end of the year.

The Geneva Office worked closely with the Solomon Islands Permanent Mission, Commonwealth Small States Office, ACP Geneva Group and other international organisations in Geneva in 2013.





Pacific Islands WTO Membership Status

With Samoa and Vanuatu concluding their accession to WTO in 2012, PITAP achieved the aim of six PACP WTO member countries well before the 2014 deadline.

WTO and Forum Secretariat hold regional workshop on Trade Facilitation Needs Assessment

The WTO Secretariat and the Forum Secretariat co-hosted a workshop on Trade Facilitation Needs Assessment (TFNA) for Pacific Island WTO members in Suva from 15-19 April 2013. The aim of the workshop was for participants to better understand the Trade Facilitation Agreement under negotiations and to assess their technical and capacity building needs for the implementation of their obligations.

Five Pacific Island WTO members: Fiji, PNG, Samoa, Tonga and Vanuatu completed their national needs assessment at the workshop while Solomon Islands conducted its own TFNA workshop in Honiara.

The workshop enhanced members' knowledge and skills in identifying measures or provisions in the Trade Facilitation Agreement which:

- (i) they are able to implement upon entry into force of the agreement;
- (ii) require time or policy space to implement; or
- (iii) require technical, financial and capacity building assistance from donors to implement.

Six representatives from each country comprising officials from trade, customs, quarantine, the attorney general's office and the private sector attended.

Regional representatives from OCO, OCTA, SPC and University of South Pacific also participated. Private sector representatives attending the workshop expressed appreciation to the Forum Secretariat and WTO for facilitating their participation in the workshop, which enabled them to share the practical challenges they face when conducting business across borders. They were able to provide input on how domestic policies, laws and regulations could help overcome the challenges. A WTO Secretariat official, two trade facilitation experts from Europe and representatives from OCTA and Forum Secretariat Geneva Office participated as team coordinators to conduct the TFNA for each country.

The WTO representative Mr Peter Pedersen said the individual country TFNAs would guide members when implementing the Trade Facilitation Agreement in the future.

"The Trade Facilitation Needs Assessment is a living document which domestic authorities should continue to improve and update in light of new developments," he said.





Forum Secretariat provides technical support for 9th WTO Ministerial Conference in Bali

One of the highlights of 2013 for the Forum Secretariat Geneva Office was providing technical support to the Pacific Island WTO members in the preparations towards and during the 9th WTO Ministerial Conference (MC9) in Bali in December 2013.

In October 2013, prior to the ACP-EU Joint Trade Ministers Meetings in Brussels, a ministerial briefing was convened for Pacific ministers, ambassadors and officials on the progress of the Bali Package negotiations and the proposed Pacific positions.

A second ministerial briefing for Pacific Islands WTO trade ministers and officials was held on 2 December in preparation for MC9, which was held from 3-7 December. The Forum Secretariat's Permanent Representative to WTO Ms Mere Falemaka and Trade Policy Officer Mr Alex Kerangpuna organised and provided the briefings.

The meeting agreed to a Pacific Joint Statement that was delivered by the Hon. Clay Forau, Solomon Islands Minister for Foreign Affairs and External Trade, and Chair of the Pacific Islands WTO Ministerial Group. The statement, which outlined the Pacific's position on the Bali Package, includes a number of measures for enhancing Least Developed Countries' (LDC) trade and the post-Bali Doha Development Agenda (DDA) negotiations.

The MC9 successfully endorsed the Bali Package that constituted agreement on trade facilitation, decisions on agriculture and monitoring mechanisms as well as several decisions on an LDC Package.

The LDC Package includes preferential rules of origin, operationalisation of the waiver concerning preferential treatment to services and service suppliers of LDCs, and duty-free and quota-free market access for LDCs that would greatly benefit Pacific LDCs.

The WTO ministers also made a decision on the development of a post Bali work programme that focuses on the implementation of the Bali Package and the development of an additional work programme on the remaining DDA issues by the end of 2014.

Pacific Island WTO members are urged to constructively engage in the ACP WTO Group, LDC Group, Small and Vulnerable Economies Group and other groups to develop proposals on what should be included in the post Bali work programme.

In 2014 the Forum Secretariat Geneva Office will be working within the WTO process and with development partners to prepare Pacific members for the implementation of the Trade Facilitation Agreement including notification requirements and facilitating assistance for implementation of their commitments.





Internship builds capacity of Pacific Island trade officials

A significant role of the Forum Secretariat's Geneva Office is building the capacity of its members in multilateral trade through the provision of internships.

In 2013, four Pacific Island trade officials completed their internships on WTO in Geneva.

Mr Tony Ute of Papua New Guinea and Mr Jimmy Rantes of Vanuatu completed six-month internships while Ratu Vio Namosi Veretawatini of Fiji and Ms Theresa Penn of Samoa completed 10-month internships.

The first three interns were hosted by the Forum Secretariat Geneva Office, which provided technical guidance and supervision on their work, while the fourth intern Ms Penn was hosted by the WTO Secretariat.

These internships allow Pacific officials the opportunity to enhance their knowledge and understanding of WTO issues and processes (including negotiations), which in turn assists countries to better address the WTO issues of particular interest to them.

They also provide a good grounding on the technical aspects of WTO and build work experience which includes participation at WTO meetings at various levels and with various groupings, writing briefs and analysing impacts of WTO rules on PICs.

The interns are also exposed to meetings with other trade-related international agencies such as the International Trade Centre and the United Nations Conference on Trade and Development.

"With the knowledge and experienced gained, the interns are sure to be a great asset in assisting their governments deal with WTO issues," said Ms Mere Falemaka, Permanent Representative of the Pacific Islands Forum to the WTO.

She added: "These internships provide a valuable capacity building opportunity for our members, four of whom do not have resident missions in Geneva."





Selected Highlights for 2013 per key result area

Activity 4

KRA 2	Improved TPFs developed and submitted to PACPS for endorsement
Activity 4	Assist PACPs to formulate TPFs and mainstream trade into national development strategies
Objectively Verifiable Indicators	At least six PACPs have formulated comprehensive TPFs

FICs make solid progress on national trade policy frameworks

In 2013, the Forum Secretariat helped four PICs to progress work on their TPFs. Nauru's cabinet endorsed its TPF in June 2013 while significant progress was made on the formulation of TPFs for Fiji and Niue. Both countries are expected to have their TPFs endorsed by their respective cabinets in 2014.

Extensive consultations (which included visits to the islands of New Georgia and Gizo) were also undertaken with various stakeholders in the Solomon Islands and their TPF is expected to be finalised this year.

The Forum Secretariat through PITAP and the Hub and Spokes Programme (which is jointly funded by the EU and the Commonwealth Secretariat) has been assisting a number of PICs to formulate and implement their TPFs.

TPFs are formulated after extensive consultations with various stakeholders in the government and private sector as well as other non-state actors.

The writing of TPFs involves visiting key industries and service sectors to diagnose the problems affecting the production of goods and services and proposing practical solutions on how to address those challenges.

Before a TPF is endorsed by cabinet, it is validated by a national consultative committee comprising key stakeholders. The most important section of a TPF is the results-based implementation matrix that assists countries to implement the TPF.





“The trade policy frameworks are used to mainstream trade into national development plans and to mobilise Aid for Trade to assist countries to address their production and supply-side constraints,” said Mr Gainmore Zanamwe, Regional Trade Adviser at the Forum Secretariat. “The frameworks will also assist the private sector to produce value added goods and services that can be traded competitively in regional and global markets.”

He added: “The trade policy frameworks seek to reduce the cost of doing business and create an environment that is conducive for trade and investment. The ultimate objective is to promote inclusive and sustainable economic growth and development and raise the living standards of PICs.”

Over 2011 and 2012, the Forum Secretariat assisted FSM, RMI and Vanuatu with the formulation of their TPFs, which have been endorsed by their respective cabinets and are in various stages of implementation.

In 2014, the Secretariat will assist Solomon Islands and Tuvalu to complete their frameworks and begin work with Cook Islands, Kiribati, Palau and Tonga on their TPFs.



National consultations on the Fiji Trade Policy Framework were attended by a large cross-section of stakeholders from Fiji’s industry and trade sectors.





Testimonial

The Forum Secretariat has provided assistance to Fiji to develop a national TPF which will serve as the blue print for Fiji to continue on its path to developing a more competitive and dynamic economy.

The TPF focuses on how to 'connect all the dots', remove impediments and enhance Fiji's production and supply capacity. It has an implementation matrix summarising the financial and technical needs which will guide government and development partners on Fiji's aid for trade needs.

The overall goal of the TPF is to achieve inclusive and sustainable economic growth and contribute to better living standards for all Fijians by enhancing the capacity of the private sector to produce value-added goods and services.

The assistance provided by the Forum Secretariat through PITAP and the Hub and Spokes Programme has been instrumental in undertaking the project to formulate Fiji's first TPF. Through this assistance, two national workshops were convened in 2013 where all relevant stakeholders were invited to discuss the draft report.

The Fijian government has allocated \$160,000 in 2014 to implement the trade policy framework and the Ministry of Industry and Trade is in the process of recruiting two officials to oversee the finalisation of the framework and its implementation. This demonstrates our commitment to enhancing Fiji's competitiveness in international trade and maximising the development benefits for all Fijians.

Mr Shaheen Ali
Permanent Secretary for Industry and Trade
Ministry of Industry and Trade
Fiji





Selected Highlights for 2013 per key result area

Activity 5

KRA 3	Improved ability of the private sector to engage in the process of trade policy development and to access export opportunities from implemented trade agreements
Activity 5	Build the capacity of the private sector to participate in the development of national TPFs and trade negotiations. This is achieved through direct support to PIPSO
Objectively Verifiable Indicators	One training per year for in-country national private sector organisations on trade agreements and trade negotiations

Pacific Islands Private Sector Organisation (PIPSO)

Through funding support from PITAP, PIPSO is helping to boost the capacity of the Pacific’s private sector to participate in the consultative process with national governments on the development of national TPFs and trade negotiations. In addition, PIPSO is providing business development support to Pacific private sector enterprises to improve their export capacity.

Training builds private sector capacity in Rules of Origin

Close to 100 private sector representatives benefited from a Rules of Origin (ROO) training conducted by PIPSO, in conjunction with OCO, in Solomon Islands, Tonga and Vanuatu in late 2013.

The workshops covered different rules of origin methodologies in the various trade agreements currently before the region (such as the intra-regional PICTA and the Pacific Agreement on Closer Economic Relations [Pacer Plus] with Australia and New Zealand) and how these impact on trade.

ROO are used to determine the country of origin of a product for the purposes of clarifying its eligibility for preferential access, which may exist under a free trade agreement.

For example, a Fijian garment manufacturer exporting to PICs under PICTA is required to meet the 40% threshold of regional value content (including labour) under ROOrigin criteria in order to qualify for PICTA concessions.

As a result of the training, which has led to an improved understanding of the ROO and its impact on businesses, private sector participants from the three PICs have shown a heightened interest in participating in national trade consultations and negotiations.

Arising from the workshop, PIPSO and OCO have developed guidelines on ROO for the private sector.





The training also improved their knowledge of customs procedures and was a good networking opportunity with customs officials.

Funding for the training was provided under two SPEITT project components.

The first was through PITAP, through funding, provided to PIPSO for trade related private sector development.

The second was through the TFCC project component implemented by OCO which works to assisting Pacific nations implement international best customs practices. Further training on ROO for other PICs are planned for 2014.



Participants at the workshop in Solomon Is





Boosting the trade capacity of Pacific businesses

Before many Pacific businesses (and in particular small to medium enterprises) can begin exporting to neighbouring island countries and the rest of the world, they must improve on a number of critical business areas such as financial planning and management, marketing and quality standards. Which is why, with combined funding support from PITAP and other donors, PIPSO conducted training in these areas for a total of 87 companies in Fiji, Samoa, Solomon Islands and Tonga in conjunction with national trade, investment and business development agencies in 2013. PIPSO also carried out gap analyses for four companies in Tonga, which helped identify weak areas such as quality standards and hygiene that needed improvement. According to one company, the changes implemented as a result of this activity has helped restore customer confidence and led to increased sales.



National participants at the ROO in Vanuatu

PIPISO represents Pacific private sector at key trade meetings

With funding support from PITAP, PIPISO represented the region's private sector at the PACP Trade Ministers' Meeting in Fiji in May 2013. PIPISO's participation enabled it to grasp the key issues discussed at the meeting and relay these back to its private sector members in the 14 PICs. PIPISO was also able to get a clearer understanding of the negotiations on the Interim Economic Partnership Agreement with the European Union, which it reported to members.

These crucial updates, along with other ongoing trade capacity building initiatives (such as business training on rules of origin for export products) that are being implemented by PIPISO (with funding support from PITAP and other donors) is helping the Pacific Islands private sector to 1) become better informed on trade issues and 2) better engage with trade officials in their respective countries. "The Pacific's private sector is increasingly able to examine the issues and positions taken by their respective country trade officials and how these impact on business," said Ms. Mereia Volavola, PIPISO's Chief Executive Officer.





Selected Highlights for 2013 per key result area

Activity 6

KRA 3	Improved ability of the private sector to engage in the process of trade policy development and to access export opportunities from implemented trade agreements
Activity 6	Build the capacity of PACPS niche product exporters to increase trade regionally and with key markets in Australia, China, Europe and New Zealand through trade development and promotion
Objectively Verifiable Indicators	At least six exporters facilitated by PT&I gain export access under implemented trade agreements. At least four PACP nationals receive long-term training and capacity development to promote Pacific trade and investment in foreign markets.

Pacific Islands Trade & Invest (PT&I)

Through PITAP funding, PT&I Offices in Auckland, Beijing and Geneva are assisting Pacific Island exporters make inroads into the Chinese, European and New Zealand markets.

PITAP provides funding for PT&I's Trade Promotions Representative in Geneva along with support for activities implemented by the office. PITAP also funds the position of the Deputy Representative in Beijing and the position of Export Promotions Officer in Auckland. These positions are funded in partnership with the respective governments of China and New Zealand, which provide overall funding support for the Beijing and Auckland Offices.

In addition to trade promotion activities, PT&I's Geneva Office also works to identify and facilitate opportunities for further European-funded trade and development projects and programmes in the Pacific.

PT&I Geneva

Thanks to PITAP funding, this is the first time the Pacific has had professional and commercially focused trade promotion representation in the European market; and the first time the region has someone in a position to react to and grasp the myriad opportunities presented by EU based multilateral and government agencies.





Fijian food manufacturer enters EU market

Through support from PITAP to the PT&I Geneva Office during 2013 Foods Pacific Ltd, a Fijian manufacturer of food products is set to enter the United Kingdom market in 2014 with a total of 14 products from the Suva-based company's Taste of India range of ready to eat meals and simmer sauces will be formally launched in 60 Bestway Cash & Carry wholesale outlets.

The network serves over 100,000 independent retailers throughout the United Kingdom. With the popularity of Indian cuisine in United Kingdom, the value of Foods Pacific exports of these product lines are reasonably expected to exceed €1m within 12 months of the launch.

Entry into the Polish market is already underway, with Foods Pacific's first shipment in late 2013 to De Care, a well-established Polish importer and distributor of high quality ethnic foods. De Care imports and distributes to over 1200 retail and food service outlets and has a customer portfolio which includes major hypermarkets and supermarkets such as Carrefour, Macro, Real and Tesco.

Not all retailers or distributors are equipped or willing to undertake direct import from suppliers outside the EU, which makes importers such as De Care critical for Pacific Island exporters to expand into other EU markets.

With support from PT&I, Mr Hoshedar Poonawalla, Foods Pacific Limited's Business Development Manager attended Anuga, the world's premier food and beverage trade fair in Cologne, Germany in 2013. The business contacts obtained during this visit combined with continued support from PT&I have led to interest from retail and distribution networks in Germany, Netherlands and Switzerland, which will be further pursued in 2014.

Said Mr Poonawalla: "Attending Anuga trade fair was beneficial for Foods Pacific from both the seller and buyer perspective. As a seller I got leads for distributors in six EU on countries and had concrete meetings with Bestway UK and De Care Poland. Samples are on their way to Netherlands and Switzerland. As a buyer and manufacturer I got leads for importing of better raw materials at lower prices, this will help to make our Fiji made products more cost effective in the global market."

Pacific creative industries to benefit from German art exposure

Twenty-six Pacific Island artists and artisans had their work featured alongside historical pieces at the world-renowned Rautenstrauch-Joest-Museum in Cologne, Germany. The exhibition, titled "Made in Oceania: Tapa – Art and Social Landscapes", featured an embedded virtual exhibition of works by contemporary artists and artisans from Cook Islands, Fiji, RMI, Niue, Papua New Guinea, Samoa, Solomon Islands, Tonga and Vanuatu. Made from the bark of the paper mulberry tree, tapa is synonymous with Pacific art and culture.

PT&I's Geneva Office, which is funded by PITAP, developed the virtual exhibition in conjunction with PT&I Sydney's Creative Industries Manager, after being informed by the curators that they had had great difficulty accessing living artists and artisans.





Unfortunately, the curatorial process was near completion and capitalising on this rare opportunity to reach this audience required some creativity. PT&I was able to put together the virtual exhibition, which featured a variety of works thematically linked to tapa. The works featured alongside a number of unique masterpieces from the museum's own collection and others on loan from major institutions such as the Museum of New Zealand Te Papa Tongarewa in Wellington and the Australian Museum in Sydney.

The exhibition, which opened in October 2013 and due to close March 2014, brought together tapa and artworks from Fiji, Futuna, Niue, Papua New Guinea, Samoa, Solomon Islands, Tonga and Vanuatu, with the oldest pieces dating back to the 18th century. Many of these were shown in Europe for the first time.

"The coup here was positioning our contemporary artists and artisans within the highly sophisticated and competitive European art market," said PT&I's Trade Promotions Representative in Geneva, Ms Robyn Ekstrom. "Getting their names into the spotlight and enhancing the understanding, appreciation and value of our creative industries will in turn enhance their profiles and future commercial opportunities," she added.

The exposure and interest generated by this activity should provide an excellent platform and enhanced interest in mounting future commercial exhibitions. PT&I Geneva Office is working to facilitate closer interaction between artists and curators to ensure that the cultural narrative and context of Pacific Art is conveyed as this has proven to be absolutely critical to commercial success.

Making the case for PICs in Europe

The Pacific's limited profile in Europe means it misses out on a number of beneficial aid programmes that help businesses and exporters in developing countries to access the 28 unique markets that make up the EU.

However, with funding support from PITAP, PT&I's Geneva Office is well positioned to raise awareness of the needs of PICs and their viability as recipients.

The aim is to get PICs on the approved potential beneficiary lists of European trade and export development agencies, which requires consistent visibility for PICs as well as the development of relationships and networks.

Occasionally, opportunities do arise and when they do, the PIT&I Geneva Office works closely with European agencies to ensure that Pacific Island countries derive maximum benefit from these aid projects and programmes.





Empowering women in trade

One such opportunity is an upcoming International Trade Center (ITC) led project that aims to empower Pacific women in trade. Funded by Australia, the two-year AU\$3m project is earmarked for implementation in Papua New Guinea, Samoa and Vanuatu in late 2014.

In Papua New Guinea, the project will assist in developing the country's traditional string bags for export through a "bilum industry pilot project". In Vanuatu, it will assist smallholder women horticulture producers to supply fresh fruit and vegetables to the local tourism industry whilst also helping develop value-added products such as local jams, chutneys and nagee nuts for the cruise industry and cultural cuisine for the tourism market.

In Samoa, the project will work to streamline government procurement processes to make it easier for local business to take access that channel.

PT&I Geneva Office has assisted ITC throughout the project development process, providing (among other things) on-going research, technical and practical advice. This has enhanced knowledge transfer, increased appreciation and understanding of the needs of PICs and enabled a partnership to develop between ITC (the global technical services leader in trade) and Pacific based organisations. PT&I network will be working as the regional implementation partner on the project.

PT&I Auckland

PITAP's funding of the position of the Export Promotions Officer in Auckland contributed to a number of Pacific Island exporters gaining entry into the New Zealand market.

Through concerted efforts by PT&I Auckland, export sales up to NZ\$134,000

were recorded for a range of agricultural and fisheries products as well as for garments from Cook Islands, Fiji, Niue, Samoa, Solomon Islands and Tonga.

Notable achievements included:

Shipment of fresh taro from Samoa. PT&I Auckland was instrumental in reintroducing Samoan taro to the NZ market since the taro leaf blight devastated the industry in the early 1990s;

Assisted Cook Islands resume exports of papaya to NZ following a quarantine ban in 2012; and

NZ trade missions to Fiji and a Tongan seafood mission to NZ led to investment initiatives of considerable levels resulting in follow up business to business meetings between clients and facilitated by PT&I Auckland.

Showcasing Pacific Island products at exhibitions and fairs throughout NZ is a core function of the PT&I network which is a useful method of testing the appetite of NZ consumers looking for niche products. PT&I support of the Tuvalu National Trade Show provided export development assistance of coconuts to New Zealand while three Pacific exporters who were supported to attend the Pacific Showcase 2013 in New Zealand achieved export sales.





PT&I Beijing

Raising the profile of Pacific Island Countries and products in China

PT&I's Beijing Office conducted a variety of activities aimed at raising the profile of the Pacific Islands and its export products in China in 2013. PITAP's funding of the position of the Deputy Representative and Export Promotions Manager for the PT&I's Beijing Office contributed to delivering these activities. While the fast growing Chinese economy offers a myriad of opportunities for Pacific Island exporters, a general lack of awareness of the region means that much work is required on visibility before trade and investment opportunities can be exploited.

Tourism can be particularly useful in this regard. In addition to being an export, it can help Chinese consumers gain a first-hand understanding of the Pacific Islands region while also creating a demand for Pacific products. Tourists from China have the world's strongest purchasing power, so in addition to creating demand for Pacific products they also have the potential to be the biggest advocates and word of mouth promoters when they return home.

With 70,000 Chinese tourists visiting the region in 2012, the marketing reach for both trade and tourism is immense if the potential of this audience can be harnessed. With this in mind, PT&I, in collaboration with the South Pacific Tourism Organisation, organised a South Pacific Roadshow covering three cities Beijing, Kunming and Shanghai. Insights gained from this exercise, which was attended by 80 Chinese outbound travel agents, will be used in the development of an online Chinese language South Pacific Specialist programme in 2014. The roadshow was also a useful capacity building exercise for participants from Samoa and Vanuatu in attendance as it enhanced their understanding of the expectations of the Chinese tourist.

Creating opportunities for Pacific products through direct marketing campaigns

PT&I participated in a total of nine trade shows and fairs with samples of Pacific Island products in 2013 to raise awareness of the Pacific Island brand, which is key in China. "The Pacific Islands region is still very much a mystery to China. They do not appear up large on a world map and in a market of over one billion people," said Ms Louisa Sifakula, PT&I Deputy Representative in Beijing.

With the earlier mentioned trade and tourism approach being a long-term strategy, more direct marketing campaigns (such as participation in trade shows and fairs) are implemented in-market to increase awareness of the Pacific Islands in China and to promote the range of trade and investment opportunities that are available.

These activities also provide useful capacity building opportunities for exporters from the Pacific Islands to help them better understand the Chinese consumer and the expectations of importers. "Participation at trade shows give exporters insights into trends currently experienced in the Chinese market as well as a feel for competing products," said Ms Sifakula. "Trade shows are a very cost effective method for undertaking market assessment of such a huge market."





Having presence at relevant trade shows is also important to build brand awareness within key industries. For example, PT&I promoted a number of products from Fiji, Samoa and Vanuatu at the China Agricultural Trade Fair, which led to interest from a company in Hainan to source noni from Samoa.

In addition, PT&I organised sales calls to Chinese businesses with samples of coffee, jewellery, noni juice and vanilla among other products in 2013. As a result, of these activities, a number of Chinese buyers expressed interest in giant clam, noni juice and timber.

Provision of product samples and follow up calls to potential importers are ongoing and are crucial to ensuring the Pacific Islands as a supply source for distinct niche products should future opportunities cross the desks of purchasing managers.

Finally, to promote the Pacific's creative industries, PT&I worked with a Chinese partner to develop Pasifika! Shanghai, a pilot event featuring three performance groups that reached approximately 10,000 people directly and garnered considerable media coverage. Plans are to develop Pasifika! Shanghai into a bigger event featuring Pacific arts and crafts in 2014.

Through its Beijing Office, PT&I is able to access opportunities for promotion that Pacific Island businesses would not be able to access as individual companies. Last year, the PITAP funded Deputy Representative introduced 55 new Pacific Island clients to the PT&I Beijing Office while accounting for 39.8% or 140 of the total of 352 enquiries received from the Pacific Islands in total.

Market insights help Samoan company with product and export development

Janet's, a Samoan lifestyle brand with a well-established domestic market and e-commerce website firmly in place (janetssamoa.com), was keen to explore export opportunities abroad. Having experienced consistent sales from visiting Chinese tourists, the company decided to explore the potential for their products on mainland China.

A range of product samples which were provided to PT&I for market testing were showcased at a number of trade and travel shows across China with temporary retail shelf space in a jewellery store in Tianjin, one of five national central cities. The PT&I gathered market intelligence from a range of sources including information on consumer preferences and price points which were then provided to the exporter, which helped to facilitate product development.

Products of interest to the Chinese consumer were refined based on the feedback with immediate impact based on increased sales experienced in their domestic market. "The new designs became one of the most popular designs and styles and now account for about a third of the sales of that product category," said Mr Chris Sablan, Manager of Janet's Samoa. "It is popular for us in both the domestic market and the overseas market via online sales." An export strategy for China will be developed by the exporter utilising the market intelligence gathered.





Presence at Chinese trade show pays off for noni juice exporter

The importance of face time and presence in the Chinese market cannot be stressed enough for those serious about penetrating the Chinese market. For one noni juice exporter from Samoa, the investment in attending the China Agricultural Trade Fair in Wuhan was an opportunity to increase his understanding about the Chinese market and proved rewarding. Having secured a one to one meeting with a potential buyer at the trade show, a month later, the importer initiated negotiation discussions.

Kiribati explores potential of its fisheries products in China

With support by the Forum Secretariat and PT&I a representative from the Kiribati Chamber of Commerce exhibited two products, aquarium clams and tuna jerky, at the Pacific Islands Exhibition in Guangzhou City, China in November 2013. The objective was to gauge the market potential of I-Kiribati aquaculture products. Kiribati currently exports both products to international markets.

Discussions with several aquarium fish and clam wholesalers helped identify great potential for aquarium clams as well as coral and pet fish in the Chinese market. PT&I Beijing Office also coordinated several meetings with potential importers for tuna jerky, which has been identified as having great market potential in China. Several serious importers emerged, however there is a need to refine the product and packaging before further market development work can be carried out. PT&I will continue to work with the producer Teikabuti Fishing Co Ltd on this in 2014.

"This visit to China provided an incredible opportunity to understand the profile of doing business with China, which is the only way to begin to understand the country and people within business in China," said the Kiribati representative Michael Savins. "Without the Pacific Island Trade and Investment Office in China, it would be extremely difficult for Pacific Island business to endeavour on a path of business in China."





Selected Highlights for 2013 per key result area

Activity 7A

KRA 4	Improved coordination and engagement to increase AfT between Forum Secretariat, national and regional stakeholders and development partners to increase AfT and improve institutional capacity
Activity 7A	Improve coordination and engagement to increase AfT and effectively implement EDF projects and related activities
Objectively Verifiable Indicators	Improved regional coordination mechanisms and on performance reporting of AfT A revised Pacific AfT Strategy is implemented and contributes towards an increase in funding for regional AfT programmes against the 2010 baseline

Pacific makes solid progress on Aid for Trade initiatives in 2013

The Forum Secretariat, as directed by PACP trade ministers, has been working on a number of initiatives to strategically address the AfT needs of PACPS.

These initiatives included the review of the 2009 AfT Strategy, the development of a Consolidated AfT Matrix, project proposals and finally the development of a Pacific Regional Trade Development Facility.

With support from PITAP, the Forum Secretariat made significant progress on these initiatives in 2013.

AfT is about assisting PACPS to meet their trade potential, tap into new exports and markets as well as addressing the capacity constraints facing the region.

AfT should assist PACPS to improve their trade-related infrastructure, increase their supply-side capacity, undertake appropriate trade and regulatory reforms and adopt the necessary adjustment measures to be able to effectively address their distinct economic challenges and benefit from international trade opportunities.

For PACPSs, trade-related challenges may include modernising customs systems, meeting rules of origin requirements, addressing sanitary and phytosanitary issues, improving trade related infrastructure such as port facilities and resolving technical barriers to trade.





New Pacific Aid for Trade Strategy developed

The Pacific region has been involved in a review process of the Pacific AfT Strategy.

The current Pacific AfT Strategy was formulated in 2009 and has been a valuable tool in the mobilisation of AfT resources for PACPS.

It also served as a guiding document for the prioritisation of needs against resources and for the implementation of regional AfT programmes.

As part of the review process, the Forum Secretariat held comprehensive consultations with a wide range of AfT stakeholders at both national and regional levels to develop the revised Pacific AfT Strategy, which covers the period 2014 - 2017.

This feedback derived from consultations has been important in ensuring the relevance and effectiveness of the strategy in addressing the trade related needs of PACPS.

It is envisaged that the new strategy will be reviewed at regular intervals to take into account the changing AfT needs of PACPS.

A final draft of the new Pacific AfT Strategy will be presented for endorsement at a meeting of trade ministers in 2014.

The goal of the strategy is to facilitate trade expansion in PACPS and thereby contribute to their economic prosperity and sustainable development.

Pacific Island economies face inherent supply-side constraints that are preventing them from fully harnessing the opportunities offered by trade liberalisation.

The Pacific's unique challenges of geographical remoteness, small size, and limited natural and human resources are not making it easy to integrate into the global trading system.

The strategy aims to tackle these constraints through a number of measures, which include:

- i) Improving trade-related infrastructure. This assistance will help PACPS build the physical means (such as transport and storage, communications and energy) to produce and move goods and export them.
- ii) Increasing productive capacity for trade, including trade development. For example, supporting the private sector to exploit their comparative advantages and diversify their exports. It is targeted at helping enterprises to trade and at creating a favourable business environment.
- iii) Promoting trade-related adjustment. For example, helping PACPS with the costs associated with trade liberalisation such as tariff reductions, preference erosion or declining terms of trade.
- iv) Improving trade policy and regulatory environments conducive to achieving sustainable economic growth. This helps build local capacities to develop national trade policies, participate in trade negotiations and implement trade agreements.





Consolidated AfT Matrix identifies Pacific's trade needs

A key part of the strategy is the Consolidated AfT Matrix, which will be used as a tool to mobilise additional AfT resources and implement the AfT needs and priorities as identified by PACPs.

This was developed by the Forum Secretariat through a series of national and regional consultations in 2013.

National consultations were held with representatives from government ministries, the private sector and non-governmental organisations in order to develop individual AfT matrices for each of the 14 PACPS.

In addition, consultations were held at the regional level with key technical agencies and development partners.

The objective of this extensive exercise was to identify the gaps in AfT in PACPS, assist countries to improve coordination, and mobilise additional resources to address trade and development needs.

During the consultations, countries were asked to identify specific national projects and priorities that they believed would enable them to fulfill the obligations as outlined in the various articles of trade agreements.

These project proposals could then be used as a basis to secure additional AfT resources from various donors on a bilateral or regional basis.

With numerous projects identified during the consultation process, it was agreed during a regional AfT workshop in May to consolidate projects with common priority areas into five regional projects for which proposals could be further developed.

These regional AfT priorities are as follows: i) Sanitary and Phytosanitary and Technical Barriers to Trade Issues; ii) Customs and Trade Facilitation; iii) Services Sector Development; iv) Private Sector Development; and v) Trade Policy Frameworks.

In addition to the regional projects, it was also agreed to further develop national projects as identified by each country.

A draft version of the Consolidated AfT Matrix was submitted to the EC for its consideration during EPA negotiations in July 2013.

The EC acknowledged the work carried out by the region, however, it also emphasised that its funding mechanism could not be dictated by the matrix, rather, it would need to follow its existing programming procedures.

In 2014, the Forum Secretariat will work closely with PACPS Trade Officials in developing and fine tuning the project proposals and gap analyses for the five regional projects and various national commitments.





This work will need to be driven by trade officials and the relevant government departments at national level.

The Forum Secretariat's AfT Team will be available to work closely with trade officials to take this to fruition through various resource mobilisation opportunities, including the 11th EDF programming process.

Eight countries sign MOU on trade and development facility

In May 2013, Vanuatu became the first country to sign a memorandum of understanding (MOU) to establish a Pacific Regional Trade and development Facility and by the end of December 2013, a further seven countries had signed the MOU, namely Fiji, Kiribati, Nauru, Samoa, Solomon Islands, Tonga and Tuvalu.

Once operational, the proposed facility is expected to provide regional trade-related assistance such as identifying AfT funding from a number of international donors for national and regional projects to PACPS in a timely and efficient manner.

Under the current EPA negotiations between the EU and PACPS, the EU has agreed to reference the facility in EPA documents as the main channel for distributing its AfT funds to the region.

The facility would also work to enhance PACPS' ability to actively participate in the international trading system.

Once 10 PACPs have signed, the interim facility will be established at the Forum Secretariat before being developed into a standalone facility, which both Tonga and Vanuatu have offered to host.



The Honorable Pinto Katia, Minister for Commerce, Industry and Trade on behalf of the Government of Kiribati signs the MoU to establish the Pacific Regional Trade and Development Facility with Tuiloma Neroni Slade, PIFS Secretary General and Regional Authorising Officer.





4th Aid for Trade Global Review

The WTO 4th Global Review of Aid for Trade included a session specifically focused on the Pacific region for the very first time in July 2013.

The session was held in two parts: (i) conference and (ii) mini trade show, with the 6 Pacific Island WTO members providing samples of their main exports for display. The mini trade show was held at the WTO Headquarters during the session.

Some of the products displayed included soap from Fiji, coffee from Papua New Guinea, jam from Samoa, canned fish from Solomon Islands, noni juice from Tonga and chillies from Vanuatu.

An export promotion representative from Fiji also participated at the mini-trade show.

The Deputy Prime Minister of Samoa Hon. Fonotoe Pierre Lauofo and the Trade Minister of Papua New Guinea Hon. Richard Maru were guest speakers at the Pacific session.

Both ministers shared the challenges faced by their countries and the rest of the Pacific, especially the small business people, in accessing 'Aid for Trade' and the insignificant level of their participation in global value chains.

In addition, the Australian and New Zealand ambassadors shared perspectives on how their respective governments are working closely with PICs on the provision of Aid for Trade in addressing some of the concerns raised by the two ministers.



From right to left: Deputy Prime Minister Hon. Fonotoe Pierre Lauofo of Samoa, Hon. Richard Maru Trade Minister of Papua New Guinea, former Director General of WTO Mr. Pascal Lamy and New Zealand Ambassador, Her Excellency Mrs. Amanda Ellis at the WTO





Ministers in the front, and PIC officials with invited guests at the conference





Selected Highlights for 2013 per key result area

Activity 7B

KRA 4	Improved coordination and engagement to increase AfT between Forum Secretariat, national and regional stakeholders and development partners to increase AfT and improve institutional capacity
Activity 7B	Strengthening of Forum Secretariat's institutional capacity and engagement with Non-State Actors and Climate Change Financing
Objectively Verifiable Indicators	Increased degree of satisfaction of all stakeholders in the regional coordination mechanisms and on performance reporting Establishment and implementation of an intra NSA Working Group to strategise and support the mainstreaming efforts

Strengthening coordination of development approaches to climate change for better outcomes

PITAP has supported the position of the Climate Change Coordination Officer (CCCO) at the Forum Secretariat since 2012 to strengthen coordination between the secretariat, national and regional stakeholders and development partners, in particular on climate change financing in the region.

The role was created in response to requests from Forum leaders to coordinate climate change financing, in collaboration with CROP agencies and development partners, in particular exploring potential modalities and how those options operate in practice at the national level, to assist PACPS effectively access and manage international climate change resources.

This position was also crucial to progress aspects of the Joint Pacific-EU Initiative on Climate Change launched by the European Commission and the Forum Secretariat in December 2010.

The Forum Secretariat was represented at a number of key regional and international climate change meetings relating to coordination matters during 2013.

In addition, the CCCO has actively participated and supported presentations with Development Partners on Climate Change (DPCC) which meets every two months in Suva as well as the Council of Regional Organisations of the Pacific (CROP) Officials Working Arm on Climate Change, which supports the CROP Executive Sub-Committee on Climate Change.

In July 2013, the CCCO was appointed Co-Coordinator for the Resources Working Group of the Pacific Climate Change Roundtable for two years.

During the year, he played a key role as the Forum Secretariat representative to the project steering committees of two EU funded Global Climate Change Alliance projects, the first of which is implemented by SPC in nine Pacific smaller island states. The second project assists 15 PACPs and is implemented by the University of the South Pacific.





In addition, the CCO has been instrumental in coordinating inputs from CROP agencies and PACPS, in consultation with the EU, to support the development of the identification and action fiche for the EU's new €35.5m regional Adapting to Climate Adaptation and Sustainable Energy Programme.

With additional support from EU Technical Cooperation Facility Programme Estimate 1, the CCCO was able to support PACPS on climate finance matters at the 19th Conference of Parties to the United Nations Framework Convention on Climate Change (COP 19) in Warsaw in November 2013 and the Preparatory Workshop for Pacific Ministers and Senior Officials convened by the Secretariat of the Pacific Regional Environment Programme in October 2013 in Apia, Samoa.

This support to FICs enabled delegates to make positive interventions and actively participate in EU side events on climate finance at COP 19. The Forum Secretariat will continue to work in collaboration with CROP and development partners in 2014 to support countries to effectively access and manage international climate finance.

With financial support from the Australian government, the Secretariat's climate change team, in partnership with United Nations Development Programme, completed a national case study on Nauru and developed the Pacific Climate Change Finance Assessment Framework in May 2013.

This led to the convening of a Pacific Climate Change Finance Workshop in late May 2013, back-to-back with the United States Agency for International Development ADAPT Asia Pacific Second Annual Meeting in early June 2013.

In December 2013, the Forum Secretariat's work on Climate Change Finance was captured as a case study in the Commonwealth Governance Handbook 2013/14.

The CCCO built a strong network of climate change experts and practitioners in 2013 and will continue to strengthen the coordination of development approaches to climate change in 2014.

The contributions from PITAP for the CCCO to the Forum Secretariat's Climate Change Team in progressing its mandate on climate change finance has helped to strengthen collaboration and coordination with other CROP agencies, member countries and development partners.





Making strides with NSA engagement

With funding support from PITAP, the Forum Secretariat made great strides in engaging Non State Actors (NSAs) such as national and regional civil society, private sector and think tank type organisations in 2013.

Examples of regional NSA organisations include the Pacific Islands Private Sector Organisation, Pacific Conference of Churches and Pacific Island Association of NGOs to name a few.

Key achievements in this area include the setting up of an internal NSA Working Group at the Forum Secretariat that is focused on coordinating, consolidating and mainstreaming NSA engagements across the secretariat.

It is made up of staff members who work with non state actors on a regular basis across the organisation's work programmes. Since its establishment, the group is meeting regularly to discuss strategies and develop policies to support an enabling environment for NSAs to participate in policy dialogue.

In addition, the Secretariat worked closely with the EU during the year to finalise a dedicated €4m NSA programme, which will start in 2014 and focus on building the capacity and supporting the ability of NSAs to participate effectively in regional policy formulation and processes.

The overall objective of the five-year programme is to promote good governance in the Pacific and ensure that NSA perspectives are reflected in effective regional policy development processes and dialogues.

The programme will work to develop non state actor capacities and improve their awareness of policy issues to drive constructive engagement. A grant facility will be available to NSAs to support their work.

As the premier political organisation in the region, the Forum Secretariat has the capacity to bridge the interactions between its member states and NSAs by supporting capacity development, providing technical assistance and engaging with development partners.

In the area of trade for example, the Secretariat's NSA Liaison Officer has been supporting the NSA dialogue process attached to the Pacific Agreement on Closer Economic Relations (PACER Plus) trade framework.

This ensures that NSAs are kept up to date with progress and the challenges faced by member governments in these negotiations. It also ensures that NSAs contribute to the policy discussions embodied within PACER Plus.

The position of the NSA Liaison Officer is funded by PITAP.





Forging a successful partnership with NSAs

In 2011, Pacific Islands Forum leaders reaffirmed their commitments to meaningful engagement with civil society and private sector. Leaders tasked the Secretariat to ensure that the perspectives of NSAs continue to be reflected in policy formulation and conveyed to them.

High-level commitments at the international level also support the need to maximise the contributions of civil society and private sector to sustainable development, growth and poverty reduction.

These commitments recognise NSAs as independent development actors in their own right. The private sector is the key driver for economic growth, advancing innovation and mobilising domestic resources that are needed to alleviate poverty in small Pacific Island economies.

NSAs have a role to play not only in policy dialogue and formulation but also in supporting the delivery and implementation on the ground.

The secretariat by virtue of its proximity to Forum Island Leaders and the regional mandate derived from Forum Leaders' Meetings is well placed to support the establishment of enabling environments for policy dialogue and interaction with NSAs.



Regional civil society representatives at Pacific Island countries partners meeting





FINANCIALS

Expenditure Analysis

A summary of the 2013 Budget and expenditure report is also provided in this section of the report with a detailed analysis shown in the Audit Report attached as Annex 1. Below is the table which provides the expenditure analysis according to each activity budget. The total budget for the 2013 Work Plan was €3,866,305. A pre-financing amount of €2,814,433 was paid by EU Delegation in June 2013.

The total audited expenses for 2013 was €2,647,274 which represents 68% of the overall Work Plan Budget of 2013.

Budget vs Expenditure Analysis 2013					
	2013	2013		2013	
	Budget	Total expenditure	Expenditure with other funds	(Over)/under expenditure	Utilisation percentage
Budget line	€	€	€	€	%
Short and Medium Term Technical Assistance	744,475	374,786		369,689	50%
Long-Term Technical Assistance	1,091,124	1,081,076		10,048	99%
Travel and Meetings	1,600,506	989,645		610,861	62%
Equipment, Training & Operations	114,354	35,536		78,818	31%
Visibility	62,910	276		62,634	0%
Total Direct Costs	3,613,369	2,481,319	-	1,132,050	69%
Indirect costs (7%)	252,936	165,955		86,981	66%
Total Operational Costs	3,866,305	2,647,274	-	1,219,031	
Contingencies					
Total Project Cost	3,866,305	2,647,274	-	1,219,031	68%





Budget vs Expenditure Analysis 2011 - 2013								
	Accumulated Budget		Expenditure		Total	Expenditure	(Over)/under	Utilisation
		2011	2012	2013	Expenditure	with other funds	expenditure	percentage
Budget line	€	€	€	€	€		€	€
Short and Medium Term Technical Assistance	1,185,163	157,114	191,245	374,786	723,145		462,018	61%
Long-term Technical Assistance	2,291,747	180,158	893,196	1,081,076	2,154,430		137,317	94%
Travel and Meetings	3,661,952	917,827	754,403	989,645	2,661,876		1,000,076	73%
Equipment, Training & Operations	334,407	75,369	56,308	35,536	167,213		167,194	50%
Visibility	86,739	502	2,397	276	3,176		83,563	4%
Total Direct Costs	7,560,008	1,330,970	1,897,550	2,481,319	5,709,839	-	1,850,169	76%
Indirect costs (7%)	528,500	93,167	130,580	165,955	389,702		138,799	74%
Total Operational Costs	8,088,508	1,424,137	2,028,130	2,647,274	6,099,541	-	1,988,967	75%
Contingencies					-		-	0%
Total Project Cost	8,088,508	1,424,137	2,028,130	2,647,274	6,099,541	-	1,988,967	75%





ANNEX

Part 2

Reporting Template - Reporting against 2013 Work Plan



KEY RESULT 1: Negotiation and implementation of specific regional and multilateral trade agreements.
ACTIVITY 1a: Promote regional trade integration by finalising and fully implementing Pacific Island Countries Trade Agreement (PICTA); support regional services integration through labour mobility; PICTA Trade in Services (TIS) Protocol is implemented and labour mobility arrangement is concluded.

Objectively Verifiable Indicators (OVI)	Progress Against OVI
At least 5 countries trade in both goods and services under PICTA by 2014.	<p>12 Pacific Africa and Caribbean Pacific States (PACPS) have signed PICTA Trade in Goods (TIG).</p> <p>7 countries are already trading under PICTA TIG. Cook Islands, Fiji, Niue, Samoa, Solomon Islands, Tuvalu and Vanuatu.</p> <p>10 PACPs have signed PICTA TIS Protocol: Cook Islands, FSM, RMI, Samoa, Tonga, Tuvalu and Vanuatu signed on 28 August 2012, Kiribati on 29 August 2012, Solomon Islands on 21 November 2012 and Nauru on 20 August 2013.</p> <p>2 countries have ratified the PICTA TIS Protocol: Samoa on 17 April 2013 and Nauru on 20 Aug 2013.</p> <p>4 more countries must ratify before the agreement comes into force under Art 35(1).</p>

Expected Outputs	Planned Activities	Responsible	Progress to date	
Conclude negotiations on PICTA Temporary Movement of Natural Persons (TMNP)	1.1	Convene meeting of regional officials to conclude negotiations on PICTA TMNP and develop agreed text.	Trade Policy Adviser (PICTA) (TPA - PICTA), Trade Policy Officer (PICTA) (TPO- PICTA)	Regional labour mobility workshop was held in October 2013 to progress discussions on PICTA TMNP and other arrangements.
	1.1.1	Development and legal scrubbing of agreed text.		Draft PICTA TMNP text has been developed in consultation with PACPS.
	1.1.2	Submit scrubbed legal text for initialing by PACP Trade Ministers.		Text yet to be fully adopted at PICTA TMNP negotiations at Officials level.
Increase engagement of members in PICTA TIG and PICTA TIS Protocol	1.2	Respond to requests from PACP Members to support engagement (implementation) of PACPS in PICTA TIG and PICTA TIS Protocol.	Trade Policy Adviser (PICTA) (TPA - PICTA), Trade Policy Officer (PICTA) (TPO- PICTA)	Pacific Islands Forum Secretariat (PIFS) Trade unit responds to PACPs on PICTA TIG and PICTA TIS Protocol on a needs basis. Technical support facilitated Samoa and Nauru ratifying the PICTA TIS Protocol in 2013.
	1.3	Oversee implementation of decisions of Forum Trade Ministers Meeting (FTMM), PACP Trade Ministers Meeting (PACPTMM) and Forum Leaders Meeting pertaining to PICTA.		Decisions of FTMM, PACPTMM and Forum Leaders were conveyed to PACP members and stakeholders with regard to PICTA implementation.
	1.4	Development of PICTA implementation matrix and inclusion in the Consolidated Aid for Trade (Aft) Matrix and national/ regional project proposals.		PICTA implementation matrix was incorporated into the Consolidated Aft Matrix in 2013.
	1.4.1	Undertake national consultations inclusion of PICTA needs into the Consolidated Aft Matrix		In-country consultations including the coverage of PICTA and PICTA TIS were incorporated into the consolidated Aft Matrix.
	1.4.2	Presentation of draft Consolidated Aft Matrix to the PACP Trade Officials' & Ministers' Meeting		The draft Consolidated Aft Matrix was presented and discussed during the PACP meetings throughout the year.
	1.4.3	Finalise the Pacific Consolidated Aft Matrix and national/regional project proposal		
Ratification by remaining countries for PICTA TIG	1.5	Provide policy support to countries to enable them to ratify PICTA TIG: This can be facilitated through correspondence (emails, circulars, meeting papers, press releases) and in-country support present at national workshops (n.b. seven countries to ratify)	Trade Policy Adviser (PICTA) (TPA - PICTA), Trade Policy Officer (PICTA) (TPO- PICTA)	Assistance was provided to PACPs engagement on PICTA implementation via technical and policy support including trade policy frameworks, policy briefs, assistance with drafting policy papers, support to national workshops, etc.
Ratification of PICTA TIS Protocol by countries	1.6	Provide policy and support to FICs to enable them to ratify PICTA TIS Protocol. This can be facilitated through correspondence (emails, circulars, meeting papers, press releases) and in-country support present at national workshops.		Policy support was provided to countries on their ratification of PICTA TIS Protocol via policy briefs, technical reports, meeting papers and online support.



KEY RESULT 1: Negotiation and implementation of specific regional & multilateral trade agreements.

ACTIVITY 2: Promote global trade by finalising and implementing the Economic Partnership Agreement (EPA).

Objectively Verifiable Indicators (OVI)		Progress Against OVIs		
1) At least 5 countries announce readiness to trade under the EPA by 2014		Despite the best efforts of PACPS to conclude negotiations by 2013, this was not possible mainly due to disagreement on fisheries issues. PACP States and the EU Trade Commissioner met informally in December 2013 and both sides agreed on a joint road map to conclude negotiations by 2014.		
Expected Outputs	Planned activities	Responsible party	Progress to date	
A competent team with the capacity to efficiently support the delivery of the activities for this key result area	2.1	Trade Policy Adviser (ACP-EU) (TPA -ACP-EU)	TPA -ACP-EU	Technical trainings attended in 2013 to build skill level: Market Analysis Tools Training, International Trade Centre, Suva, Fiji.
	2.2	Trade Policy Officer (ACP-EU) (TPO-ACP-EU)	TPO -ACP-EU	As above.
	2.3	Research Assistant (ACP-EU) -RA-ACP-EU	RA -ACP-EU	As above. Also attended an advanced course on Regional Trade Agreements, WTO Secretariat, Geneva, Switzerland.
	2.4	Operational expenses	TPO-ACP-EU	
Conclude negotiations on the comprehensive EPA	2.5	Completion of the Consolidated Aft Matrix and national/regional project proposals.	TPA -ACP-EU, TPO-ACP-EU, RA -ACP-EU, Regional Trade Policy Adviser (Hubs & Spokes, Com-Sec) - (RTPA)	The development of a Consolidated Aft and national/regional project proposals was designed to firstly identify the Aft needs of PACPS and then assist PACPS in seeking funds from development partners to address their trade-related challenges and supply side constraints. Detailed matrices outlining the PACP obligations arising from the EPA, PICTA, PICTA TIS Protocol, Melanesian Trade Agreement (MSG) Trade Agreement and Micronesian Trade Committee (MTC) Trade Arrangement were formulated. The intention of this activity was to assist PACPS in the development of national project proposals in accordance with their national needs and priorities. The proposals could then be used by the respective PACPS to approach development partners for funding assistance. Based on the national projects that were submitted 5 projects were identified as having common application for all PACPS. As such, regional project proposals were formulated in this regard. Specifically, these addressed the following areas: i) sanitary and Phytosanitary (SPS) and technical barriers to trade(TBT) issues; ii) customs and trade facilitation; iii) services sector development; iv) private sector development; and v) trade policy frameworks. It is envisaged that these proposals be developed into identification fiches for consideration in the context of programming for the 11th European Union Development Fund (EDF). The five regional projects were identified at the Regional Workshop on Aid for Trade that was convened in Nadi, Fiji on 21-24 May 2013. The project was closed in December 2014 (six months after the initial agreed completion date). This was the result of delays in receiving feedback from various stakeholders that was critical to the completion of the project. However, despite these challenges, the project was completed to the satisfaction of PIFS and PACPS. Further refining of the matrices and other project outputs will be carried out by PIFS.
	2.5.1	Undertake national consultations		National consultations were undertaken from February to April 2013 in all 14 PACPS. Government representatives, the private sector as well as Non State Actors (NSAs) and Civil Society Organisations (CSOs) were present at these discussions on trade related issues of importance to the participants. Stakeholder consultations were organised by the trade ministries in respective PACPS in accordance with guidelines supplied by PIFS.
	2.5.2	Presentation of draft Consolidated Aft Matrix to the PACP Trade Officials' and Ministers' Meetings (PACPTOM/ PACPTMM).		The draft matrices were presented in a clear and succinct manner at the PACPTOM and PACPTMM that was convened in Nadi, Fiji in May 2013. The consultants provided the meeting with an overview of their activities to date (February - May 2013) highlighting the key challenges and progress made on the development of the matrices and its related documents. A Regional Workshop on Aft was also facilitated in the margins of the PACPTOM and PACPTMM, which provided PACPS with training on EDF guidelines and preparation of project proposals in accordance with EDF and other donor requirements.
	2.5.3	Finalise the Consolidated Aft Matrix and national/regional project proposals.		The national matrices were finalised by PACPS at the Regional Workshop on Aft in May and were again revised in June prior to the submission of the draft matrices to the EC for its consideration.



Expected Outputs	Planned activities	Responsible party	Progress to date
	2.6 Organise, coordinate, manage and provide support services in the convening of EPA-related meetings.	TPA -ACP-EU, TPO-ACP-EU, RA -ACP-EU, Regional Trade Policy Adviser (Hubs & Spokes, Com-Sec) - (RTPA)	<p>A total of 20 EPA related meetings were convened by the Forum Secretariat in 2013 and an additional two meetings were organised by the ACP Secretariat that required PIFS' technical support. PIFS has also endeavored, where possible, to seek supplementary funding from other sources, such as Trade Advocacy Fund (TAF), to complement PITAP resources in order to meet the demands of the negotiations. Some of the support services provided related to the provision of meeting papers and briefs to PACPS; formulation of speeches, talking points and press releases and the provision of technical advice and support as required during the respective meetings and/or negotiating sessions.</p> <p>From the series of meetings held in 2013, it is notable that for the first time since 2007, a Joint PACP-EU Ministerial Meeting was convened in Honiara, Solomon Islands in December 2013. The elevation of the negotiations to the senior officials and ministerial level has resulted in a number of positive developments with agreement on a roadmap to conclude the EPA negotiations in 2014.</p> <p>The PACPS are highly appreciative of the technical assistance and support provided by PIFS. Many countries in the PACP region do not have the required resources and technical expertise to participate effectively in trade negotiations and formulate trade policy. However, with the assistance of the Secretariat and PITAP, high quality and sound technical advice was provided to PACPS to assist them in their decision-making. The assistance from PITAP has also ensured that PACPS were able to attend the negotiating sessions in Brussels and PACPTOM and PACPTMM in the region during the year.</p>
	2.6.1 PACP – EC Technical Working Group (TWG) on Fisheries Meeting in Nadi, Fiji		The meeting was convened on 1 – 4 March 2013 and was preceded by a PACP Officials Preparatory Meeting on 27 – 28 February 2013. The meetings were well organised and attended by fisheries and trade officials of the core group of the regional negotiating machinery: FSM, Fiji, PNG, Solomon Islands and Tonga. The meeting was useful in narrowing the divergence of views between the EC and the PACPS on key contentious and outstanding issues in the EPA negotiations. The outcomes of these meetings better enabled preparations for the June 2013 meetings held in Brussels, Belgium. The meeting also saw the first public screening of the short documentary filmed by PIFS highlighting the development and economic benefits from extending global sourcing rules of origin for fresh, chilled and frozen fisheries products in the comprehensive EPA.
	2.6.2 Regional Trade Negotiations Workshop in Nadi, Fiji		This meeting was successfully convened on 20 May 2013 in Nadi, Fiji and was supported by the funding secured from the TAF in the United Kingdom. A full listing of meetings is provided in Annex 2.
	2.6.3 PACPTOM/PACPTMM in Nadi, Fiji		The meeting was successfully convened on 13 – 17 May 2013 in Nadi, Fiji. Eight PACP trade ministers attended the ministerial meeting.
	2.6.4 PACP-EC Joint TWG Meeting in Brussels, Belgium		A PACP-EU Joint TWG was successfully convened in Brussels, Belgium on 1 – 5 July 2013. This was preceded by a TWG on fisheries that was convened on 24 – 27 June and a PACP Officials Preparatory Meeting on 28 June.



Expected Outputs	Planned activities	Responsible party	Progress to date	
	2.6.5	PACP-EC Senior Officials' Meeting in Brussels, Belgium	TPA -ACP-EU, TPO-ACP-EU, RA -ACP-EU, Regional Trade Policy Adviser (Hubs & Spokes, Com-Sec) - (RTPA)	<p>A PACP-EU Senior Officials' Meeting was convened in Brussels, Belgium on 14 – 15 October. Despite the EC officials suspending the negotiations on the 14th, the joint meeting was reconvened on the 15th to discuss the fisheries issues in the EPA negotiations. The meeting was challenging as fisheries conservation and management remained a key contentious issue for both sides.</p> <p>The EPA negotiations have now been elevated to the Senior Officials and Ministerial level. A special Joint PACP-EU Ministerial Meeting was convened in December 2013 in addition to the above series of meetings. The special ministerial meeting was attended by the EC Trade Commissioner Mr Karel De Gucht and PACP Trade and Fisheries Ministers. The meeting was successful with both parties agreeing to a roadmap to conclude negotiations in 2014. A meeting at Senior Officials level has also been agreed to be convened in March 2014 in Brussels. The EC Trade Commissioner has also given an undertaking to try and address the PACP region's concerns in relation to the remaining contentious issues in the EPA negotiations.</p>
	2.6.6	Cleaning of legal text in Brussels, Belgium		This has been deferred to after an agreement is reached by the parties on the comprehensive EPA.
	2.6.7	Initialing of EPA		Deferred as above
	2.6.8	Providing ongoing technical assistance to PACPS through the commissioning of technical studies and reports, etc relating to resolving the contentious issues and finalising the EPA negotiations (i.e. finalising market access offers, fisheries rules of origin issues, EPA implementation matrix, etc).		A number of EPA-related studies/reports were commissioned in 2013. Further to this, studies commissioned in 2012 greatly assisted in the formulation of negotiating positions in the technical meetings convened in 2013. As such, a list of studies/reports commissioned by PIFS in both 2012 and 2013 is provided in Annex 3.
Preparatory Work for implementation of the Comprehensive EPA	2.7	Contingent on the conclusion of the EPA negotiations, convene a Regional Preparatory Workshop on EPA Implementation involving parliamentarians, NSAs, media, private sector, trade officials and trade ministers from all 14 PACPS. The workshop will assist in providing an update to the stakeholders on the EPA legal text that will be agreed with the goal of addressing any key issues arising and achieving consensus from stakeholders on the EPA prior to signature.	TPA -ACP-EU, TPO-ACP-EU, RA -ACP-EU, Regional Trade Policy Adviser (Hubs & Spokes, Com-Sec) - (RTPA)	Deferred to 2014
	2.7.1	In-country visits to all 14 PACPS to hold EPA Awareness Workshops. This will involve consultations with state and non-state actors, including the private sector in each of the countries. The project will be a follow up to the Regional Preparatory Workshop on EPA Implementation and will involve the Secretariat EPA team travelling to each of the countries and consulting a wider cross section of stakeholders. The objective will be to build understanding of the EPA amongst stakeholders to promote a high rate of utilisation of the EPA during implementation in order to ensure the development benefits from the EPA are realised.		Deferred to 2014
	2.7.2	Contingent on the conclusion of the EPA negotiations, begin preparatory work to effectively implement the comprehensive EPA through preparation of EPA rules of origin guidebooks, brochures, banners, pamphlets and updating of website with EPA-related information etc		Deferred to 2014



KEY RESULT 1: Negotiation & implementation of specific regional & multilateral trade agreements.
ACTIVITY 3: Promote global trade integration by increasing PACP country participation in the World Trade Organisation (WTO)

Objectively Verifiable Indicators (OVI)	Progress Against OVI
<p>i) At least 6 PACPS are WTO member countries by 2014.</p>	<p>There are currently 6 PACP WTO members. Samoa and Vanuatu were the final 2 PACP WTO members to join in 2012. PIFS-Geneva Office briefed the two new members on WTO and trade related issues and on what is required of them in the accession process. This is noting the fact that the two Members have no permanent mission in Geneva. For instance, PIFS-Geneva Office made interventions on behalf of Vanuatu in an LDC WTO Group Meeting before its accession day when some members questioned Vanuatu's re-application of accession to the WTO. Such queries during Vanuatu's formal presentation could have jeopardised the chances of its final request to the whole WTO Membership to accept its accession protocol. PIFS -Geneva Office also assisted Vanuatu in drafting a statement for its Trade Minister to deliver at the General Council Meeting when Vanuatu formally presented its final membership protocol to the WTO members.</p> <ol style="list-style-type: none"> 1. Fiji - 14 January 1996 2. Papua New Guinea - 9 June 1996 3. Solomon Islands - 26 July 1996 4. Tonga - 27 July 2007 5. Samoa - 10 April 2012 6. Vanuatu - 24 August 2012
<p>ii) All PACPS participate in at least 1 WTO workshop or training activity each year.</p>	<p>Number of PACPS to do this in 2013.</p> <ul style="list-style-type: none"> • PIFS-Geneva Office has direct input in negotiating placement for regional interns at the WTO Secretariat. The internship programme is fully funded by the WTO Secretariat, and officials benefiting from the programme are hosted at the PIFS-Geneva Office. <p>PIFS-Geneva Office hosted the following Officials: 2013: Mr. Tony Ute from Papua New Guinea and Mr. Jimmy Rantes from Vanuatu 2012: Ms. Radika Kumar from Fiji and Mr. Justin Lima from Samoa</p> <p>WTO-PIFS Workshop on Trade Facilitation (TF) Needs Assessment for 5 countries. Solomon Islands had its own TF Needs Assessment Workshop. 4 to 6 representatives from each of the Pacific Islands WTO Member countries (Fiji, Papua New Guinea, Samoa, Tonga and Vanuatu) attended. The countries used this training to develop their own Trade Facilitation Needs Assessment documents. A follow-up workshop is planned for 2014.</p> <p>The countries will use the TF Needs Assessment Document as a guide when negotiating technical, financial and capacity building assistance with developed countries and development partners such as ADB, EU, IMF and World Bank in future. The types of assistance provided will help them implement their obligations in the new Trade Facilitation Agreement.</p>

Expected Outputs	Planned Activities	Responsible	Progress to date
<p>Competent staff with the capacity and resources to efficiently support the delivery of the activities for this key result area</p>	3.1	Trade Policy Officer (WTO) Geneva (TPO-WTO)	<p>Officer recruited and in post in 2013. In 2014, the Officer expanded his role to assist the Permanent Representative (PR) to identify possible development partners who could provide training to the PACP WTO members on the new TF Agreement, and the regular WTO sectoral initiatives, like SPS, TBT and dispute settlement.</p>
	3.2	Support towards the operational costs of the Office of the Permanent Representative (PR) of the Pacific Islands Forum Secretariat in Geneva.	<p>Supported PR in attendance at WTO meetings, providing briefs to Pacific WTO members and supervision of Pacific interns. This is an ongoing activity. TPO provided technical assistance to Member's queries throughout the year.</p>



Expected Outputs	Planned activities		Responsible party	Progress to date
Establish a Pacific Islands WTO Group to represent PIC WTO members on issues of common interest to members in the WTO	3.3	Support to the Office of the Permanent Representative of the Pacific Islands Forum Secretariat in Geneva.	TPO-WTO	Technical briefings were held with PACPS Officials on this proposition in the margins of Geneva Week. Officials endorsed the concept paper that was later furnished to Ministers at FTMM. Establishment of Pacific WTO Group endorsed at FTMM in July 2013.
	3.3.1	Get endorsement at the Forum Trade Ministers or ACP Trade Ministers level to endorse the creation of this group.		
	3.3.2	Set up working procedures for group and convene first meeting and thereafter regular meetings and feedback to Forum Trade Ministers Meetings.		First meeting of Pacific WTO Ministers convened on 2 December 2013 before Bali MC9. Working procedures yet to be developed.
PACP WTO members are supported to enable them to implement WTO obligations and commitments	3.4	Support to the office of the Permanent Representative of the Pacific Islands Forum Secretariat in Geneva, provide support for PACP countries to effectively engage with the WTO through placements, participation in events and attendance at key meetings.	TPO-WTO	For 9 months in 2013, TPO took lead role on WTO representation in meetings and negotiations in the absence of PR who was being recruited. Hosted 2 different meetings for Pacific Officials at the PIFS-Geneva Office to update them on the Bali negotiations. Provided protocol support to trade ministers attending Aft Meeting in 2013.
	3.4.1	Regular meetings.		Attended key meetings due to staff constraints.
	3.4.2	Negotiations meetings.		As above.
	3.4.3	ACP Group meetings.		Attended most ACP-Geneva Group Meetings. This is where PIFS-Geneva Office effectively represents the PACP members' interests on issues that the ACP Group Coordinator later brings to the attention of the overall WTO membership.
	3.4.4	Small and vulnerable economies meetings.		Attended some meetings.
	3.4.5	LDCs meetings.		Restricted to LDCs.
	3.4.6	Workshops/Seminars.		Co-organised trade facilitation workshop in April.
	3.4.7	Prepare and disseminate briefs, circulars and reports to PACPs on the outcomes of each meeting and workshop.		Prepared and disseminated briefs, circulars and reports to PACPs on the outcomes of key meetings and workshop. This is where the Pacific WTO Members measure the level of support that is provided to them by the TPO through the receipt of emails, reports and circulars on what TPO is doing. The TPO sends emails to them at least 5 times per week. Therefore a lot of information is shared on a weekly basis with all Pacific WTO members on WTO and trade-related issues.
	3.4.8	Update PIFS-Geneva Office website on news and major developments in the WTO.		Press releases were uploaded on to PIFS website.
	3.4.9	Conduct Regional Short Trade Policy Course in Suva in conjunction with the WTO and University of the South Pacific. Participation of Trade Policy Officer (WTO) Geneva Based.		Deferred to 2014. Discussion has begun with the WTO Secretariat, which advised of a renewed Memorandum of Understanding (MOU) with UN ESCAP. There is the possibility of having the latter provide the training to PACP members.
3.5	Increase public awareness of WTO's role and support it can provide to PACP members.	PIFS-WTO MOU on Technical Co-operation signed in Apia in July 2013.		
3.5.1	Prepare a one-page leaflet in several languages (English, Bislama, Fijian, Solomon Pijin, Tok Pisin) explaining the functions of the WTO and how it can support PACP governments and citizens.	No publication was prepared due to staff constraints and absence of a PR.		



Expected Outputs	Planned activities		Responsible party	Progress to date
PACP WTO Members are supported to enable them to actively and effectively participate in the ninth (9th) Ministerial Conference	3.6	Develop Pacific focused technical papers on the potential 'early harvest' areas in the Doha Development Agenda (DDA) negotiations to prepare Members for the upcoming 9th Ministerial Conference in Bali, Indonesia.	TPO-WTO	Assisted in preparation of technical briefs and organisation of two ministerial briefings in October and December to consider Pacific positions on the Bali Package for MC9.
	3.6.1	Provide updates on the DDA ongoing negotiations.		Briefs regularly sent to members throughout the year on key DDA issues, in particular the Bali Package under negotiation.
	3.6.2	Create a Pacific Trade Facilitation Team (Non-Residents), comprising of senior trade and customs officials to monitor and participate in the trade facilitation negotiations.		Not established yet. The TF Agreement was endorsed and became an agreement. A proposal will be put forward in 2014 for a regional trade facilitation committee that will guide each Pacific WTO member in establishing its own national trade facilitation committee.
	3.6.3	Conduct Regional Trade Facilitation Workshop (six days) in Suva in conjunction with the WTO and Oceania Customs Organisation.		PIFS-WTO Trade Facilitation Workshop conducted in Suva in April 2013.
	3.6.4	Provide members technical papers on specific DDA issues and non- DDA issues.		Technical papers regularly provided to members on DDA and MC9 issues.
	3.6.5	Provide technical assistance and support to PACP members to advance Pacific interests and negotiations at the 9th Ministerial Conference, Bali.		Assisted in the preparation and presentation of technical briefs at the Pacific Ministers' Meeting at MC9.
PACP WTO Members are given assistance on WTO and trade related issues within the context of ACP grouping.	3.7	Provide technical briefings on WTO issues for the PACP Senior Trade Officials and Trade Ministers.	TPO-WTO	
	3.7.1	Work with ACP Geneva Office to provide technical brief on DDA negotiations to the PACP Member countries.		Participated in key ACP meetings to promote Pacific positions for MC9.
	3.7.2	Support PACP ministers and officials participating in ACP Ministerial Conference in Brussels.		Participated in ACP meetings in Brussels and briefed officials and ministers on DDA issues.
PIFS-Geneva Office, counterpart missions and international organisations collaborate to advance shared interests	3.8	PIFS Geneva Office works in close consultation with international organisations and foreign missions in Geneva to develop technical papers on DDA issues for the PACP members.	TPO-WTO	
	3.8.1	Provide technical assistance and support to PICs that have permanent missions in Geneva. n.b currently only Solomon Islands has a permanent mission in Geneva. Provide technical assistance and support to the Solomon Islands Permanent Mission on issues relating to fisheries as focal point for the LDC WTO Group.		Provided technical support to and consulted with Solomon Islands mission when requested on DDA issues. This can be further strengthened in 2014 by agreeing to a complementary strategy on DDA negotiations given staff constraints.
Pacific engagement on Aid for Trade issues is enhanced and challenges highlighted at the 4th Pacific Global Review for Aft	3.9	PIFS Geneva WTO Team, in conjunction with PIFS Aid for Trade Team and the Institute of International Trade, prepares and facilitates a side event at the 4th Global Review of Aft to highlight Aft issues and challenges faced by PAPCS.	TPO -WTO, TPA-Aid for Trade (Aft), TPO-Aft -Geneva.	Assisted in organising the mini trade fair during the 4th Aft Global Review in Geneva in July 2013 to promote Pacific products. Each PACP WTO member sent samples of their most popular exportable products for display at the WTO Secretariat.



KEY RESULT 2: Improved trade policy frameworks (TPFs) developed and submitted to PACPS for endorsement. ACTIVITY 4: Assist PACPS to formulate comprehensive trade policy frameworks (TPFs) and mainstream trade into national development strategies.				
Objectively Verifiable Indicators (OVI)			Progress Against OVI	
i) At least 6 PACPS have formulated comprehensive TPFs.			<ul style="list-style-type: none"> 4 PACPS now have comprehensive TPFs: FSM (2011); RMI, Vanuatu (2012); and Nauru (2013). Niue is in the final stages of preparations and endorsement. 	
Expected Outputs	Planned Activities		Responsible	Progress to date
A competent team with the capacity to efficiently support the delivery of the activities for this key result area	4.1	Trade Policy Officer (TPFs-SIS),	TPO –TPFs-SIS,	The contract of the TPO-SIS will end in 2014.
	4.2	Section Team Leader Trade Policy	Trade Policy Expert (TPE)	Damien Kyloh was recruited as a trade policy expert in trade negotiations and trade policy in October 2013.
	4.3	Operational expenses for TPFs Team.	TPO –TPFs-SIS	Funding available but not sufficient.
	4.4	Tuvalu: engage consultant, 3 national consultations to be conducted, approval of TPF by technical team and presentation of the final TPF to government.	TPO-TPFs-SIS; RTPA, TPE	First national consultative trade meeting undertaken in February 2013, with draft Tuvalu TPF Report produced and feedback provided by the Government of Tuvalu in December 2013.
	4.5	Solomon Islands: engage a consultant, approval of trade policy by technical committee and endorsement of the TPF by cabinet.	TPO-ACP-EU, RTPA, TPE	One national trade consultative meeting undertaken with two visits pending.
	4.6	Fiji, Phase 2: National consultations, approval of trade policy by technical committee and endorsement of TPF.	RTA&TPO-ACP-EU,	Three national trade consultative meetings conducted with one consultative meeting left. Final draft TPF Report provided. Allocation provided in the 2014 National Budget for the implementation of the TPF in 2014.
	4.7	Nauru: Endorsement by cabinet of TPF, printing of TPF booklets.	TPO-TPFs-SIS	Nauru TPF endorsed by cabinet in June 2013 and ready for design and printing.
	4.8	Palau: Development of Phase 2 of Palau TPF and implementation of TPF.	TPA- ACP-EU	Development of Palau TPF budgeted for in 2014.
	4.9	Niue: Endorsement by cabinet and implementation of TPF.	RTPA, TPO-TPFs-SIS,	Niue TPF presented to NTFC and Premier. The TPF will be finalised and submitted to government for approval. First batch of trial Niue TPF booklets printed.
Support provided for implementation of TPFs.	4	Provide technical assistance and support to the development of the Consolidated AfT Matrix and national/regional project proposals in line with TPF needs.	RTPA, TPO-TPFs-SIS, TPO-ACP-EU, TPA-ACP-EU	Consolidated AfT Matrix project was completed in December 2013. PIFS will carry out further work to refine the project proposals and matrices in early 2014.



KEY RESULT 3: Improved ability of the private sector to engage in the process of trade policy development and to access export opportunities from implemented trade agreements
ACTIVITY 5: Build capacity of the private sector to participate in the development of national trade policy frameworks and trade negotiations. This is achieved through direct support to the Pacific Islands Private Sector Organisation (PIPSO).

Objectively Verifiable Indicators (OVI)		Progress Against OVI	
Annual private sector trade policy development fora are run by PIPSO, private sector attendance at trade policy development fora increases by 25% by 2014.		PIPSO organised a regional training on trade agreements and their impact on trade for private sector representatives from 14 PACPS in July 2013.	
Expected Outputs	Planned Activities	Responsible	Progress to date
A competent team with the capacity and resources to efficiently support the delivery of the activities for this key result area.	5.1 Support provided to Pacific Islands PIPSO to undertake core programming activities: i.e. operational costs	Trade Development Officer – (TDO).	PITAP's support of PIPSO's core costs include the payment of rent and funding of a display cabinet of Pacific products. The payment of rent has allowed PIPSO to assist in private sector development, undertake private and public sector dialogue and provide assistance to businesses where needed. The cabinet display has been completed and now displays products from various Pacific businesses. Various stakeholders, development agencies and other businesses are able to view the products firsthand. This includes products where sales increased from labeling and packaging modifications.
Private sector officials trained in trade negotiations.	5.2 Train private sector officials to be able to negotiate private sector needs in trade negotiations.		In July 2013, PIPSO organised regional training on trade agreements and how these impact on trade for private sector representatives from 14 PACPS. Participation at PACPTOMM allowed PIPSO to understand the key issues impacting PACP Trade and the current issues being addressed by officials and ministers. PIPSO has carried out assessments on how these issues affect the private sector and what they can do to address these issues. PIPSO also informed members on the areas that it would look at to increase their participation and contribution at this meeting. PITAP supported PIPSO's participation at Rules of Origin (ROO) training in Solomon Is, Tonga and Vanuatu. The training helped the private sector to understand the rules of origin methodologies in the various trade agreements and their impact on trade from their respective countries. The training was very well attended and received by the private sector. It helped to increase their understanding and has encouraged them to attend trade consultations. In this way, the private sector is able to provide meaningful feedback to trade officials on key areas for trade negotiations. Further training is planned for 2014. Arising from the consultations and training, a guideline has been developed on ROO for the private sector. This was done in conjunction with Oceania Customs Organisation (OCO) and the Office of the Chief Trade Adviser (OCTA).
Technical advice and support provided for OCTA and MSG meetings	5.3 PIPSO provide technical advice on private sector needs and relevant issues at MSG and OCTA meetings		PIPSO participated at the MSG Trade Officials' Meeting September 2012 and put forth pressing issues relating to the private sector in MSG countries. Some of these issues relating to the business enabling environment were escalated by PIPSO to the 2013 Forum Economic Ministers' Meeting. Further, during PIPSO's country visits to the various MSG countries in 2013, issues affecting the private sector were addressed with the relevant Ministries. This includes preparing detailed submissions on the issues to address with proposed solutions. PIPSO also supported a number of trade events organised by MSG. At the ROO training, a number of issues were raised by the private sector especially with regards to Pacific Agreement on Closer Economic Relations (PACER) Plus and this has been conveyed to OCTA.



Key Result 3: Improved ability of the private sector to engage in the process of trade policy development and to access export opportunities from implemented trade agreements.
Activity 6: Build the capacity of exporters operating under new trade frameworks and develop greater capacity to promote trade and investment in PACPS.

Objectively Verifiable Indicators (OVI)		Progress Against OVI		
i) At least 6 exporters facilitated by the Pacific Islands Trade and Invest (PT&I) gain export access under implemented trade agreements		PT&I have achieved this OVI as detailed below where a number of exporters have been assisted by the various PT&I Offices to gain export access under various trade agreements.		
ii) At least 4 PACPS nationals receive long-term training and capacity development to promote Pacific trade and investment in foreign markets				
Expected Outputs	Planned Activities		Responsible	Progress to date
A competent team with the capacity and resources to efficiently support the delivery of the activities for this key result area	6.1	Deputy Representative (Beijing)	Deputy Representative (Beijing)	<p>South Pacific Road Show to China: In collaboration with SPTO, organised promotional road show in Beijing and Shanghai targeting Chinese outbound travel agents. The seminar and sales calls provided useful insights from the OTA regarding their needs with this information subsequently feeding in to the development of the online Chinese language South Pacific Specialist programme. As an interim measure PT&I has set up a Chinese language website promoting tourism to Chinese tourists.</p> <p>Trade & Travel Shows: Promoted the island destinations and range of Pacific Island products at the following shows: CMT China, Nanjing COTM, Beijing World Travel Fair, Shanghai Luxury Properties Showcase, Beijing BITE, Beijing China International Travel Mart, Kunming SIAL China, Shanghai Western China International Fair, Chengdu China Fisheries & Seafood Expo, Dalian China Agricultural Trade Fair, Wuhan</p> <p>Sales Calls to Chinese businesses Organised product samples from Pacific Island businesses to potential Chinese buyers. (vanilla, coffee, jewellery, noni juice)</p> <p>Pasifika! Shanghai Worked together with Chinese partner to develop a platform for the promotion of Pacific Island Creative Industries in Shanghai. Tatau – a Samoan dance group with performers from both Samoa and New Zealand participated, along with Pacific Island students studying in Shanghai from Fiji, Tonga and Samoa. Exposure for PT&I was in the vicinity of 9000 – 10,000 as per report provided by show organizer and does not include exposure gained through a feature in English newspaper Global Times, and on International Channel Shanghai television. Three groups in total participated in the Show.</p> <p>China Agricultural Trade Fair Promoted products from Fiji, Samoa and Vanuatu at this event. Connected Noni from Samoa with a company from Hainan who expressed strong interest in sourcing from Samoa.</p> <p>New Opportunities Interest from Chinese buyers in giant clam, noni juice and timber were identified.</p>



Expected Outputs	Planned activities	Responsible party	Progress to date
<p>A competent team with the capacity and resources to efficiently support the delivery of the activities for this key result area</p>	<p>6.2 Trade Promotions Representative (Geneva)</p>	<p>Trade Promotions Representative (Geneva)</p>	<p>Product Launch – UK Foods Pacific Ltd / Bestways UK PT&I assisted Fiji-based Foods Pacific Ltd. with the development of their marketing and POS materials in preparation for the launch of 14 SKUs from the “Taste of India” range of ready to eat meals and simmer sauces through the 60 Bestway Wholesale Cash & Carry outlets which serve over 100,000 independent retailers throughout the United Kingdom. Conservative estimate of sales expected to exceed €1m within 12 months of the launch.</p> <p>EU Importer / Distributor Foods Pacific Ltd/ De Care Poleca Foods Pacific sent the first shipment to De Care, a Polish importer and distributor of high quality ethnic foods in late Dec 2013. This company imports and distributes to over 1200 retail and food service outlets and has a customer portfolio which includes major hypermarkets and supermarkets such as Carrefour, Real, Tesco and Macro. We will leverage this into expansion into other EU markets in 2014. Currently working on retail and distribution networks in Germany, Switzerland and the Netherlands.</p> <p>Marine & Environmental Institute of Pohnpei (MERIP) in conjunction with IACT – Organised and provided ground support / market briefings, etc for exhibition at NOPE 2013 – outcomes 23 introductions to contacts. Sponge export to UK – volume unconfirmed.</p> <p>Confirmed Pending: Pacific Provender (new community based business) / Vosen & Co – organic essential oils from Erromango, Vanuatu</p>
	<p>6.3 Export Promotions Officer (Auckland): The funding of this position contributes to enabling this position/person to:</p> <ol style="list-style-type: none"> 1) Work with specific Pacific Island exporters to gain new entry of exports such as fresh produce, processed coffee, virgin coconut oil, creative and cultural art, to existing and new markets. 2) Organise trade and investment missions to seek new opportunities for interested importers and foreign investors. 3) Promote Pacific Island Countries niche products at relevant industry specific fairs and exhibitions. <p>N.B. PITAP funds this position and other Donors fund the activities.</p>	<p>Export Promotions Officer (Auckland)</p>	<p>A total of NZ\$134k worth of exports were achieved in 2013.</p> <p>Honey – Niue PT&I assisted Niue with the development of honey exports to New Zealand. Export sales of NZ\$30k achieved.</p> <p>Cocoa Exports – Solomon Islands Export facilitation services provided by PT&I to an exporter of cocoa from the Solomon Islands. Export sales of NZ\$21k achieved</p> <p>Fashion Garments – Cook Islands PT&I provided assistance with public relations to a Cook Islands garment manufacturer. Export sales of NZ\$16k achieved.</p> <p>Fresh/Chilled Fish – Tonga PT&I introduced a seafood exporter from Tonga to a New Zealand buyer. Export sales of NZ\$2.5k achieved for the first trial shipment. A second order has been placed.</p> <p>Chillies – Cook Islands A trial shipment of chillies from the Cook Islands to New Zealand was successfully completed in March. PT&I is continuing to assist with this export development. NZ\$4.5k</p> <p>Fresh Taro – Samoa Successful return of Samoan taro to NZ market after leaf blight. PT&I assisted with marketing and promotions to three cities in NZ. Export sales achieved of NZ\$60k achieved.</p> <p>Live Mud Crabs – Fiji The Trade Commission is facilitating market access discussions between the Ministry of Primary Industries (NZ), a NZ seafood importer and an exporter from Fiji\</p>



Expected Outputs	Planned activities	Responsible party	Progress to date
		Export Promotions Officer (Auckland)	<p>Coffee – PNG PT&I successfully matched an exporter of coffee from Papua New Guinea to a New Zealand buyer. Exports to commence in 2014.</p> <p>Pawpaws – Cook Islands PT&I assisted sourced NZ buyers of CI pawpaws . First consignment planned for 1st quarter 2014</p> <p>Trade and Investment</p> <p>NZ Importers Mission – Fiji Successfully lead a team of five NZ importers to Fiji. PT&I facilitated order of seafood by NZ importer with Fiji exporter. Negotiations in place with other exporters</p> <p>Tonga Seafood Mission – NZ PT&I facilitated Tonga Trade Mission to NZ. One seafood exporter from Tonga introduced to NZ buyer. First trial shipment received with a second order placed</p> <p>Tonga Government Trade Visit – NZ PT&I facilitated the trade fact-finding mission by Tongan officials led by Ministry of Labour, Commerce & Tourism (Tonga) with ground logistics and appointments.</p> <p>Fairs and Exhibitions</p> <p>Tuvalu National Trade Show 2013 PT&I supported the Tuvalu Trade Show and the export development of its coconuts to the NZ market.</p> <p>Pacific Showcase 2013 - NZ PT&I assisted with logistics arrangements for three Pacific exporters presence at Showcase. Export outcomes achieved.</p> <p>Pasifika Festival 2013 - NZ PT&I assisted the ground logistics and application process to enable the presence of a Tongan exporter to exhibit at the Festival. PT&I gauged potential of exporters at Festival</p>
	6.4	Operational expenses	Trade Promotions Representative (Geneva)
	6.5	Promote Pacific Island countries' niche products at relevant industry specific Fairs, exhibitions and promotion events. Plan to have at least attendance at events as follows: Argibiorama 2013, Lausanne Switzerland; Natural & Organic Products Europe, London; VitaFoods, Geneva; Bio Marche, Zofingen, Switzerland; Tendence, Frankfurt, Germany; SIAL Paris, Paris Nord Villepinte, France; Commonwealth Fair, London; UN Bazaar, Geneva	<p>Trade Promotions Representative (Geneva)</p> <p>The world-renowned Rautenstrauch-Joest-Museum's new special exhibition "Made in Oceania: Tapa - Art and Social Landscapes" features an embedded virtual exhibition of works by 26 contemporary Pacific Island artisans and fine artists.</p> <p>Exhibition runs from October 2013 runs until March 2014. The exposure and interest generated by this activity should provide an excellent platform for commercial exhibitions scheduled for 2014 and which will be supported by the TPR.</p> <p>Attended 28 events, trade related meetings and trade fairs including: Geneva Weeks, Caffe Culture, Agribiorama, Natural & Organic Products Europe, VitaFoods, BioFach and supported Foods Pacific's attendance at Anuga. These activities generated 1679 introductions and contacts for subsequent assessment and verification as to potential business matching / services provision etc re PIC enterprises and agencies.</p>
	6.5.1	Enter contacts and details obtained from Fairs; exhibitions and promotional events into the CRM for further qualification.	Trade Promotions Representative
Increased ability of Pacific Island countries niche product exporters to trade with key markets in Australia, Europe, China and New Zealand through trade development and promotion.	6.6	Support for production of Annual report on case studies for visibility	Trade Promotions Representatives



Key Result 4: Improve coordination and engagement between PIFS, regional stakeholders & development partners to increase Aid for Trade (AfT) and better reporting on performance towards meeting the Cairns compact and Pacific Plan targets through strengthening of PIFS institutional capacity.

Activity 7a: Provide support for regional coordinating mechanisms, particularly the Pacific Aid for Trade Strategy and the Cairns Compact.

Objectively Verifiable Indicators (OVI)		Progress Against OVI		
i) Increased degree of satisfaction of all stakeholders in the regional coordination mechanisms and on performance reporting				
ii) Pacific Aid for Trade Strategy is implemented and an increase of 40% in funding for regional Aid for Trade programmes against the 2010 baseline				
iii) CROP agencies are well coordinated and work is harmonised.				
Expected Outputs	Planned Activities		Responsible	Progress to date
A competent team with the capacity to efficiently support the delivery of the activities for this key result area	7.1	Trade Policy Officer (TPO-AfT)	TPO -AfT	Jerry Huekwahin continued in the position TPO (AfT) throughout 2013 and successfully delivered on the activities required of him as per his JD and for this key result area.
	7.2	Trade Policy Adviser (TPA-AfT)	TPA-AfT	Claire Thoms continued in the position of TPA -AfT throughout 2013 and successfully delivered on the activities required of her as per her JD and for this key result area.
	7.3	Project Accountant.	Project Accountant	Rama Va'a continued in the position of Project Accountant throughout 2013 and successfully delivered on the activities required of him as per his JD and for this key result area.
		Programme Monitoring Officer (PMO)	PMO	George Singut was recruited as the Programme Monitoring Officer and commenced work 27 September 2013. He will assist the Aid for Trade Team in providing technical assistance and support to the Secretary General of the Pacific Islands Forum Secretariat (PIFS) in the role of Regional Authorising Officer (RAO) to ensure the efficient programming, coordination, identification and effective implementation of EU funded programmes/projects.
		Project management operational expenses	TPA-AfT	
10th EDF funds and funded programmes/ projects have been efficiently programmed, implemented, monitored and reporting is in compliance with EU procedures	7.40	10th EDF Regional Integration (REI) Programme Management.	TPA -AfT, TPO-AfT, PMO	Successfully programmed 100% of the 10th EDF funds: Action Fiche and Annual Action Plans for the €4 million Strengthening Non-State Actors Engagement Programme, €35.5 million Adaptation to Climate Change and Sustainable Energy (ACSE) Programme, and €2 million Support Programme to RAO of was approved. SPEITT Programme also received a top up of €5.9 million through an addendum, while DevFish II and SciCOFish each received €582,000 and €518,000 respectively as top up through addenda. The AfT Team also facilitated the drafting of the Addendum 1 to the Deep Sea Minerals Financing Agreement, which was approved at the end of 2013.
	7.4.1	Programme un-programmed 10th EDF funds: Coordinate the programming of remaining 10th EDF funds into programmes by progressing Identification Fiche (IF) through to Action Fiche (AF) and then into signed agreements.		
	7.4.2	Provide monitoring oversight of SPEITT programme components i.e. IACT; TFCC & PRTCBP: through coordination with implementing partners/agencies ensure project management milestones are met, timely reporting and project monitoring in compliance with the relevant signed agreements.		The AfT team provided continuous monitoring and oversight of the SPEITT programme components. This has been, on average, a weekly interaction in the form of email correspondence, phone calls and in person meetings with all project component team members as well as with the team at the EU Delegation for the Pacific.
	7.4.3	SPEITT Project Steering Committee Meeting		The AfT Team facilitated the SPEITT Project Steering Committee Meeting, which was held on 24 June 2013. Project managers and key staff from all project components including key stakeholders attended the meeting. The summary of discussions was distributed to all participants.



Expected Outputs	Planned activities	Responsible party	Progress to date	
	7.4.4	Coordinate Mid Term review of SPEITT.	TPA –Aft, TPO-Aft, PMO	Coordinated the mid term review of SPEITT programme through the finalisation of a TOR for the Review Team and the selection of the team. The Aft Team also coordinated the introductory meeting between the Review Team and the project components and follow up meetings. Comments on the draft report were also coordinated by the Aft Team and distributed to the project components for their input. The MTR has been finalised and concluded.
	7.4.5	Implement Communications and Visibility Strategy for SPEITT project components: produce DVD; website update & signage.		The Aft Team uploaded all 9th and 10th EDF programme/ project documents onto the website: forumsec.org and webpage http://www.forumsec.org/pages.cfm/strategic-partnerships-coordination/european-development-fund/
	7.4.6	Provide project management and oversight of the PITAP programme.		The Aft team provided continuous management and oversight of the PITAP programme.
		Complete 2012 narrative and financial Annual report: includes Independent Audit.	Project Accountant	Successfully completed the 2012 narrative and financial annual report including the independent audit which was carried out by PWC. These reports were endorsed by EU and the next tranche of funds dispersed for the PITAP 2013 annual work plan and budget.
		Implement recommendations from ROM.	TPA –Aft, TPO-Aft, PMO	The recommendations from the ROM report were taken into account and a revised logframe for SPEITT and PITAP was presented to the SPEITT Programme Steering Committee Meeting. However, it was suggested by the EU to wait until the MTR had been completed to submit a revised logframe.
	7.50	Support to Regional Authorising Officer: Provide TA & support to RAO to ensure efficient monitoring, programming, identification and effective implementation of EDF.		The Aft Team successfully provided TA and support to RAO. Among other things, the Aft Team successfully programmed 100% of 10th EDF funds as noted above. Also see 7.5.1 and 7.5.2 below
	7.5.1	In close consultation with Technical Assistance to RAO coordinate the consultation process for programming of 11th EDF funds.		<p>Provided technical assistance to RAO's participation in the:</p> <ul style="list-style-type: none"> • 11th EDF National Programming Consultation Seminar for the Pacific Region: Participation at this meeting was by the Secretary General / RAO, Director Economic Governance Programme and TPO (Aft). The meeting was held in Apia, Samoa, 4-5 April 2013; • Presentation Seminar on 11th EDF Regional Programming Orientation, held 17-19 September 2013 in Brussels, Belgium. RAO was represented by the Deputy Secretary General / Deputy RAO and Director, Economic Governance Programme. • Pacific Conference on the Future Perspectives for the ACP Group beyond 2020 held in Apia, Samoa from 17 – 19 October 2013.
	7.5.2	Provide monitoring oversight on remaining 9th and 10th EDF programmes (i.e. four 9th EDF & eight 10th EDF projects. Through liaison with implementing partners/agencies provide monitoring oversight to ensure that programmes are implemented in compliance with EU procedures. This includes actively participating in Project Steering Committee Meetings; monitoring progress reports and financials.	TPA –Aft, TPO-Aft, PMO	<p>The Aft Team continued with providing monitoring and oversight for the remaining 9th and 10th EDF projects. Some of the major activities in 2013 included the following:</p> <ol style="list-style-type: none"> a) Management of the 10th EDF Technical Cooperation Facility Programme Estimate 1, including preparation of Programme Estimate 2 and implementation of its activities. b) Coordination of ROM Mission for the TCF held in September 2013. c) Aft Officer represented RAO's Office and attended SciCOFish Steering Committee Meeting in Noumea, New Caledonia, 3-8 March 2013. d) Aft Officer attended the Deep Sea Minerals Project Steering Committee Meeting, 4-8 October 2013, Rarotonga, Cook Islands. e) The Aft Team prepared the narrative and financial reports for the closure of Programme Estimate 1. f) The Aft Team facilitated preparation and arrangement of 10th EDF training held from 5-15 November 2013 in Nadi, Fiji. Coordinated request by Stephen Moore Auditors in Brussels by providing all the supporting documents required for the tracer error study undertaken for the 9th EDF TCF Project. <p>Developed three TOR and Service Contracts under the TCF PE 2 for economic, environment and gender profiles as preparation for 11th EDF Regional Programme.</p>



Expected Outputs	Planned activities		Responsible party	Progress to date
Technical advice & support provided to Members on Aid for Trade policy & implementation issues	7.60	Deliver TA & support to Members on Aid for Trade policy & implementation issues.	TPA -Aft, TPO-Aft, PMO	This has been delivered through the provision of analysis and reporting for Officials and Ministers and key stakeholders in the form of briefing papers and presentations throughout the year.
	7.6.1	Co-ordinate the process of finalising the Aid for Trade Strategy: includes contribution towards the consolidated Aid for Trade matrix		The Pacific Aft Strategy was developed and circulated extensively throughout the year through substantive and detailed consultations with a wide range of relevant Aft stakeholders at national and regional level in the Pacific. Stakeholders consulted have included development partners, technical agencies, the private sector, non-state actors and government officials. Feedback from initial consultations with stakeholders included the need to clearly define Aft in the Pacific context; bring the strategy within the framework of existing coordination modalities; and to present more clearly and succinctly the goal and objectives. Further suggestions were to disaggregate policy from implementation details, hence this strategy is a policy document and implementation of projects will be in a separate framework, which is the Consolidated Aft Matrix. The final draft Pacific Aft Strategy is now ready for endorsement during a 2014 Trade Ministers' Meeting.
	7.6.2	Organise the Pacific Aid for Trade Roundtable meeting		While it was scheduled in the work plan there was no need for a standalone Aft Roundtable meeting in 2013. However, the Aft Team ensured that Aft was still visible with updates on the progress of Aft at a number of relevant meetings during the year, including a session on the progress of Aft in the Pacific region at the PIC Development Partners Meeting that was held 25-26 June in Suva, Fiji.
	7.6.3	Coordinate delivery of Aft outcomes from members i.e. PACPL, PACPTMM, PACPTOM, Forum Leaders meeting etc.		For 2013, the key delivery of outcomes from the PACP Leaders, PACP Trade Ministers and PACP Trade Officials Meetings was the development of the Consolidated Aft Matrix; progress of the refresh and renew process of the Pacific Aft Strategy and the MOU to establish the Pacific Regional Trade Development Facility.
Members supported to access Aid for Trade resources	7.70	Support to Members to access Aid for Trade resources: to identify and mobilise Aft resources at national and regional levels.	TPA-Aft, TPO-Aft	The development of the Consolidated Aft Matrix has helped countries identify their Aft needs and the matrix can now be used as a tool to mobilise resources. These tools are in the form of national Aft matrices, national project proposals/action fiche as well as regional project proposals, project logframes and gap analysis.
	7.7.1	Coordinate and progress the establishment of the PRTRDF -signing of MOU		The MOU to establish the facility was finalised in May 2013 with Vanuatu being the first country to sign. During the year, seven other countries signed the MOU with a further two signatures needed for the MOU to enter into force



Expected Outputs	Planned activities		Responsible party	Progress to date
	7.80	Consolidated Aid for Trade Matrix	TPA-AfT	The development of the Consolidated AfT Matrix was a major task undertaken by the EGP Trade Team hence this is shown as an output under a number of PITAP activity areas in this report including the PITAP Team, Activity 2; EPA team, Activity 4; Trade Policy Frameworks Team, Activity 7; and AfT team. In developing the matrices a needs assessment was carried out for all countries to identify what needs to be done and how much this would cost for them to implement trade agreements that they were negotiating and are party to.
	7.8.1	Work closely with members to identify resource mobilisation opportunities for national projects.		A key part of the Pacific AfT Strategy is the consolidated AfT Matrix, which will be used as a tool to mobilise additional AfT resources and to implement the AfT needs and priorities as identified by PACPs.
	7.8.2	Training and capacity building: Organise training initiatives for Members to build their capacity in understanding AfT issues as well as effectively mobilise and manage AfT resources. N.B this training cuts across the first two work areas of this work plan.	TPA-AfT, RA-ACP-EU, RTPA, TPO-ACP-EU, TPA-ACP-EU	<p>A regional workshop on AfT was organised for PACP Trade Officials and key technical stakeholders. This was held from 21-24 May 2013 in Nadi. This workshop provided training on developing project proposals and interaction with development partners. The following key aspects were covered: training on project concepts and terminology; overarching, sector-related and donor-related issues; the project cycle management approach and the logframe methodology; needs and priorities assessment; project budgeting and financial essentials; project design/support process (steps and tools); EU/EDF rules, procedures and templates; and other leading donor perspectives and approaches.</p> <p>A key part of this workshop was to review the consolidated AfT matrices and prioritise key regional projects. It was agreed during this workshop that the regional projects were to focus on two distinct components that would i) develop trade-related capacity of the PACPs at the national level; and ii) provide technical assistance in identified areas at regional and sub-regional levels. Noting that there are numerous regional projects, the participants agreed that the five key priority regional projects for which proposals could be developed are as follows: i) Sanitary and Phytosanitary and Technical Barriers to Trade issues; ii) Customs and Trade facilitation; iii) Services Sector Development; iv) Private Sector Development; and v) Trade Policy Frameworks.</p>
	7.8.3	Coordinate and develop proposals to secure funds under 11th EDF for Aid for Trade projects i.e. SPEITT successor.		Refer to 7.8.1.
Pacific engagement on Aid for Trade issues is enhanced and challenges highlighted at the 4th Pacific Global Review for AfT	7.9	Participation by Secretary General; AfT Adviser; AfT Officer; WTO Officer; at the 4th Global Review for AfT.	TPA-AfT, TPO-AfT - Geneva	<p>Provided TA to RAO's participation in the 4th Global Review on AfT held 8-10 July 2013 in Geneva. Participation at this meeting was by the Director, Economic Governance Programme, the AfT Officer based in Geneva at the PIFS-Geneva Office. The Forum Secretariat actively participated in this event thus providing good visibility for the AfT in the Pacific. This was in the form of a panelist in Session 14 on Aid for Trade, Value Chains and the Pacific where the panelists were invited to speak on some of the AfT responses to the challenges that PICs face in boosting their supply-side capacity and connecting to and moving up global value chains. The Director, EGP spoke on the process to renew and refresh the Pacific Aid for Trade Strategy, and the relevance of this process to the aspirations of PICs to connect to GVCs.</p> <p>In addition to this the AfT Team (which includes the AfT Officer based in the PIFS-Geneva Office) was able to secure a side event for the Pacific. This was in the form of a breakfast meeting that was aptly named "Pacific Breakfast". This was valuable in raising the profile of the Pacific as a mini trade fair on Pacific Island products was showcased during the breakfast. An important output from this meeting also included an invite to the SG/RAO to provide an article for the International Trade Forum magazine. This article appeared in the 03/2013 issue on Aid for Trade, a copy of which is attached for your reference.</p>



Activity 7b: Forum Support: Provide support to two key areas of regional engagement:				
i) Issues relating to climate change adaptation, mitigation and financing, within the context of the Joint European Union - Pacific Initiative on Climate Change; and				
ii) Increasing Forum engagement and liaison with Non-State Actors (NSAs).				
Objectively Verifiable Indicators (OVI)			Progress Against OVI	
i) Establishment and implementation of an intra NSA Working Group to strategies and support the mainstreaming efforts			<ul style="list-style-type: none"> The NSA Working Group has been established and operational. There have been four meetings so far and the main theme has been the improved coordination of engagements of NSAs across the programmes at the Secretariat. The group has also been discussing strategies around establishing enabling environments (space and time) for policy dialogue and engagement. 	
ii) Coordinated approaches to development assistance and climate change from various development partners engaged in the region in particular the EU on climate change programmes and initiatives are effectively facilitated and improved			<ul style="list-style-type: none"> Action fiche revised and finalised in consultation with the EU Office in Fiji in mid 2013, and submitted to the EU Quality Support Group. This programme will be implemented by GIZ. Actively participated in a number of DPCC meetings in 2013 which is a meeting for development partners on climate change in the region. Development of the Pacific Climate Change Finance Assessment Framework (PCCFAF) completed and published in May 2013. This was made available with funding from the Australian Government and collaboration with UNDP and CROP. Provided support to PICs during the Pacific Pre-COP 19 Preparatory Workshop in Apia in Oct 2013, and during the UNFCCC COP 19 in Warsaw in November 2013 especially under climate finance negotiations. Also participated in EU side events on their climate change assistance during the COP 19 conference. 	
Expected Outputs	Planned Activities		Responsible	Progress to date
A competent team with the capacity and resources to efficiently support the delivery of the activities for this key result area	7.90	Non-State Actors Liaison Officer (NSA-LO)	NSA-LO	The position has been in operation for two years and has been supporting initiatives at the Secretariat and NSA levels to facilitate engagements on regional policy issues. Relationship management is also a key aspect of the role.
	7.10	Climate Change Coordination Officer (CC-CO)	CC-CO	The CCCO has been in this role for two years now with support under the Joint EU - Pacific Initiative on Climate Change. The CCCO has represented the Forum Secretariat and Forum Member Countries' interests in a number of regional and international climate change meetings and trainings. The CCCO has also participated in a number of initiatives that are supported by the EU including the Global Climate Change Alliance.
	7.11	Forum support operational costs	Project Accountant	
Strengthened engagement between the Forum and Non-State Actors sector	7.12	Approval of Action Fiche of Euro 4 million.	NSA-LO, NSA Working Group	The notification that a positive decision was taken on the action fiche was received from Brussels in December 2013. The Secretariat was advised also that recruitment for the programme positions could commence.
	7.2.1	Submit EDF 10 NSA Policy Engagement Programme Action Fiche to EU Delegation and onto Brussels	NSA-LO, TPO-Aft, TP-Aft	The EDF 10 Strengthening NSA Engagement programme action fiche was submitted via the EU Delegation in Suva. The NSA LO worked with the technical assistant (consultant) to the RAO, PIFS Aft and EU Delegation to complete the submission.
	7.2.2	Subject to SMM approval establish an intra Non State Actor Working Group	NSA-LO	The NSA Working Group has been established and operational. There have been four meetings so far and the main theme has been the improved coordination of engagements of NSAs across the programmes at the Secretariat. The group has also been discussing strategies around establishing enabling environments (space and time) for policy dialogue and engagement.
	7.2.3	Subject to approval from Brussels design implement modalities NSA Policy Engagement Programme		At present the focus is on completing the contribution agreement phase. Discussions have taken place at the working group level as well as with key staff at the Secretariat to support the process toward implementation. Recruitment is under way for the positions to implement the programme.
	7.12.4	Implement the NSA PEP		This is scheduled to take place in the first quarter 2014.
	7.12.5	Manage and develop PIFS-NSA relationships		Progress continues in this area of work. The incoming EDF 10 programme should help the relationships with regional NSAs (who have been the major advocates for the establishment of the NSA LO position and realisation of EDF 10 programming commitments). An ongoing challenge for the Secretariat is a model of support for national level NSAs (there is quite a bit of demand for support from national NSAs)



Expected Outputs	Planned activities		Responsible party	Progress to date
Coordinated approaches to development assistance and climate change financing from various development partners engaged in the region, in particular the EU on climate change programmes and initiatives effectively facilitated.	7.11	Support provided to progress the new EU project on climate change adaptation, renewable energy and TVET project (€35.5m)	CC-CO	Action fiche revised and finalised in consultation with the EU Office in Fiji in mid 2013, and submitted to the EU Quality Support Group. This programme will be implemented by GIZ.
	7.11.1	Effectively provide support to the management on matters related to the EU-Pacific Joint Initiative on Climate Change 2012-2014		Forum Secretariat Management was appropriately briefed as necessary during the course of finalising the revised Action Fiche.
	7.11.2	High quality and timely briefs and circulars on the implementation of the EU-Pacific Joint Initiative on Climate Change progressed.		High quality briefs and memos produced in 2013 on initiatives supported by the EU including attendance at relevant climate change meetings and funding support agreed by PIFS management to support the participation of a delegate from Tuvalu, Solomon Islands and Nauru at the UNFCCC COP 19 in Warsaw in November 2013. This support was drawn from the EU Technical Cooperation Facility Programme Estimate (TCF PE) 1 & 2.
	7.11.3	Presentations to Development Partners on Climate Change (DPCC) Meetings on progress and outcomes of PIFS initiatives on climate change financing.		Actively participated in a number of DPCC meetings in 2013, which is a meeting for development partners on climate change in the region.
	7.11.4	Supporting Forum member countries in UNFCCC COP related negotiations and preparatory engagements with the EU.		Provided support to FICs during the Pacific Pre-COP 19 Preparatory Workshop in Apia in Oct 2013, and during the UNFCCC COP 19 in Warsaw in November 2013 especially during the climate finance negotiations. Also participated in EU side events on their climate change assistance during the COP 19 conference. Participation of PIFS staff was supported under the EU TCF PE 2.
	7.12	Provide secretariat support to the WACC meetings.		CC-CO
7.12.1	Coordinate with other CROP Agencies in a timely and professional manner and support collaborative approaches to CROP activities in climate change	Regular liaison and coordination undertaken on key climate change matters over 2013 through emails, circulars and teleconferences.		
7.12.2	Service the CROP Executive Sub-Committee on CC Meetings	Supported at least two CROP CEOs Meetings in 2013 where climate change was a key agenda.		
7.13	Support provided to finalise the Nauru CC Financing Case Study and the Pacific Climate Financing Assessment Framework (PCFAF).	Nauru Case Study on climate change finance and final report published in May 2013. Development of the Pacific Climate Change Finance Assessment Framework (PCCFAF) completed and published in May 2013. This was made available with funding from the Australian Government and collaboration with UNDP and CROP.		
7.14	Undertake at least one other climate change financing national case study by end of 2013.	PIFS received official request from RMI government in mid 2013, and due to a number of factors this assessment will now take place over Feb - April 2014.		
7.15	Support organisation of CC Financing Training & Workshop planned for late May 2013 in Nadi.	CC Finance Workshop was convened in late May 2013 in Nadi which brought together three senior government officials from 13 FICs representing the ministries for finance, CC and development planning.		
PIFS interests and mandate on climate change financing are effectively represented at relevant Regional and International Climate Change Meetings.	7.16	Effective participation in the Pacific CC Roundtable and DRM Workshop scheduled for 1-12 July 2012 in Nadi.	CC-CO	Supported SPREP and CROP to convene the Roundtable in Nadi in July 2013. The CCCO was appointed as the Coordinator of the Resources Working Group, one of four working groups under the PCCR for the next two years.
	7.17	Active participation and supporting Forum member countries in UNFCCC COP preparatory meetings and COP 19 in November 2013		Provided support to PICs in collaboration with CROP during the Pacific Pre-COP 19 Preparatory Workshop in Apia in Oct 2013, and during the UNFCCC COP 19 in Warsaw in November 2013 especially under climate finance negotiations. Also participated in EU side events on their CC assistance during the COP 19 conference. Participation of PIFS staff was supported under the EU TCF PE 2.