SESSION 2: ISSUES FOR INCLUSIVE DEVELOPMENT IN THE PACIFIC

REGIONAL TRADE AGREEMENTS: WAY FORWARD FOR OPEN REGIONALISM IN THE PACIFIC

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Celebrating the Pacific, Shaping its Future
REGIONALISM IN THE PACIFIC

• PACIFIC PLAN TO FRAMEWORK FOR PACIFIC REGIONALISM
• MERITS OF REGIONALISM – ARE WE ALL PRODUCING THE SAME PRODUCTS?
• FPR PRIORITIES – CLIMATE CHANGE/RESILIENCE, FISHERIES, WEST PAPUA, CERVICAL CANCER, ICT, BUSINESS HARMONIZATION & MOBILITY, DISABILITY…
• THE BLUE PACIFIC NARRATIVE
• LINKAGES WITH TRADE AGREEMENTS
TRADE AGREEMENTS (~) IN THE REGION

BILATERAL AGREEMENTS – GOODS, SERVICES, LABOUR

MSGTA
MTEC
PICTA/PICTA-TISPO
SPARTECA/SPARTECA-TCF
PACER PLUS
WTO
INTERIM EPA / EPA
GSP/GSP+
OPEN REGIONALISM
(COMPATIBILITY BETWEEN AGREEMENTS)

• RECOGNITION THAT DEEPER LEVELS OF INTEGRATION IS DESIRED AMONGST SUB-GROUPS
• MEMBERS WANTING TO KEEP OPTIONS OPEN - MFN
• CERTAIN ASPECTS HARMONIZED OVER TIME – MSG (+/- LIST), PICTA ROO, ETC.

ISSUES:
- UNDER-UTILISATION OF SOME AGREEMENTS: 8/14 FOR PICTA
- PRIVATE SECTOR OVERWHELMED?
- ADMINISTRATIVE COSTS TO MANAGE DIFFERENT REGIMES
- POLICY SPACE – PACIFIC-ASIA ENGAGEMENT
REGIONALISM TESTS - ILLUSTRATIONS

• MARKET TEST – CANNED FISH, RICE
• REGIONALISM (SUB) TEST – PHARMACEUTICAL
• SOVEREIGNTY TEST – PETROLEUM (BULK PROCUREMENT)
• POLITICAL OVERSIGHT TEST – SUGAR, TOMATOES
• BENEFIT TEST – AIR SERVICES (PRIDE?)
• RISK & SUSTAINABILITY TEST – PINEAPPLES
• DUPLICATION TEST – SEAFOOD
CONCLUSIONS

- FROM TRADE LIBERALIZATION TO ECONOMIC COOPERATION/DEVELOPMENT
  - GOODS TO SERVICES & INVESTMENT
  - TARIFFS TO NTMS/SPS/TBT ETC

- TRADE AND INVESTMENT CREATION/FACILITATION/PROMOTION

- IMPROVED MOBILITY OF CAPITAL, LABOUR & TECHNOLOGY

- INVESTMENTS IN TRADE INFRASTRUCTURE - PAFTS, CONNECTIVITY (ICT, TRANSPORT, …)

- AFT TO BUILD EFFICIENCIES - ADDRESS SCALE/CRITICAL MASS ISSUES