

15 February 2018

Committee Secretary
Joint Standing Committee on Treaties
PO Box 6021
Parliament House
Canberra ACT 2600

Dear Committee Secretary

PACIFIC AGREEMENT ON CLOSER ECONOMIC RELATIONS PLUS (PACER PLUS).

The Australia Pacific Islands Business Council is pleased to make this submission to assist the Committee in its deliberations on the Pacific Agreement on Closer Economic Relations (PACER Plus).

The Council is a not-for-profit association of businesses, mostly based in Australia, with interests in trade and investment and economic growth in all Pacific islands jurisdictions except Papua New Guinea and Fiji for which there are separate bilateral Business Councils.

The Australia Pacific Islands Business Council has followed the negotiation process since its commencement in 2009 and over the period since has participated in various workshops, updates and seminars on PACER Plus led by the Office of the Chief Trade Negotiator and by the Pacific Islands Forum Secretariat and has received briefings from and held discussions with the Australian Department of Foreign Affairs and Trade.

At the outset we should place on the record acknowledgement of the efforts of all the government negotiators of this Agreement, including Australian politicians and officials, for the determination and dedication to put the Agreement in place often against sustained negativity and misinformation propagated by parties opposed to the economic progress it offers.

The attached media release by the Council at the time of the conclusion of the negotiations in April 2017 sums up the Council's positive view of the Agreement, as does the attached letter dated 3 May 2017 to the Minister for Trade, Tourism and Investment.

It is the Council's view that it is in Australia's national interest for the Pacific islands countries to as far as is possible develop their economies to become sustainable and self-supporting with reduced and where possible no external development assistance.

Given the state of most Pacific islands economies this will be a long game played out over multiple generations, and will require patience and vision on the part of the peoples of the Pacific islands countries, their governments, and the Australian government and community.

PACER Plus provides a framework like no other previously seen for the participant countries to work together towards this very long term goal.

But as was famously once said: a journey of a thousand miles starts with a single step.

Like all things, the effectiveness of this Agreement will depend on the manner in which it is implemented.



Of particular importance will be the building of capacity in Pacific islands countries in many areas to enable full benefit to be taken of the opportunity offered by the Agreement.

We note that the Australian Government has made certain commitments about provision of development assistance towards capacity building for Treaty partner countries in fulfilment of the Plus attached to the Agreement.

The Council is, as always, willing to assist the Australian Government identify some of the capacity needs of the Treaty parties.

It will be important for the Australian Government and Treaty partners to stay the course over time to ensure sufficient funding is made available through the development assistance program to meet these objectives.

It will also be important for Australia to take a whole of government approach to supporting especially agricultural exports from these countries not only through building capacity to meet Australian quarantine certification but also in the recognition and acceptance of appropriately certified goods for entry into Australia.

That is not to suggest a reduction in Australia's quarantine standards, but rather to ensure that quarantine standards are not used as a means of imposing unjustifiable non-tariff barriers as has sometimes been the case in the past.

The Australia Pacific Islands Business Council is looking to ways to create stronger linkages between business in Australia and the Treaty partners including into the more distant markets such as Polynesia.

The Council currently has strong linkages into the Melanesian Treaty partners, Solomon Islands and Vanuatu, with which it conducts annual bilateral business conferences and works with their national Chambers of Commerce and Industry.

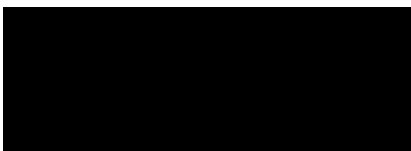
Whilst there are connections between the Council and the national Chambers of Commerce and Industry in the Polynesian Treaty partners, the critical mass of Australian business interest in Polynesia does not at this stage financially support the holding of bilateral business conferences or the mounting of business missions into Polynesia countries.

The Council is willing to explore further how to build the trade and investment relationship with the Polynesian countries, but does not itself have the financial resources to undertake speculative market development activities.

It is certainly open to collaboration with Australian Government agencies in undertaking bilateral trade and investment development activities provided they are financially viable for the Council, and has been in discussion with the Australian Trade Commission on this matter.

Senior Council business representatives are willing to meet with the committee should it wish to discuss any aspects of Australia's business relations with the Treaty partners and to expand on the Council's views on PACER Plus.

Yours sincerely



For (Gary Clifford)
President



PRESS RELEASE

FOR IMMEDIATE RELEASE

3 May 2017
Brisbane, Australia

PACER PLUS: SUCCESSFUL CONCLUSION OF NEGOTIATIONS.

The President of the Australia Pacific Islands Business Council, Mr Gary Clifford, today welcomed the announcement on 20 April 2017 by the Australian Minister for Trade, Investment and Tourism, the Honourable Steven Ciobo MP, of the successfully concluded negotiations between Australia, New Zealand and 12 Pacific Island countries in Brisbane to implement PACER Plus - the Pacific Agreement on Closer Economic Relations Plus.

"The Council has closely followed the negotiations of the PACER Plus agreement over the last decade, and has been a supporter of unlocking the opportunities which PACER Plus can offer to the economic development and growth of the participating countries", Mr Clifford said.

"I congratulate the Ministers and officials of all fourteen participating countries for their persistence and determination to negotiate a successful agreement for the benefit of their countries", he said.

Mr Clifford paid particular tribute to the indefatigable work of Dr Edwini Kessie, the Chief Trade Advisor for the Pacific Islands Countries, whose work over the last five years had been crucial to the successful outcome now achieved.

"The Australia Pacific Islands Business Council now looks forward to working with Pacific Islands business and their peak business bodies to further expand bilateral trade and business relations between Australia and their economies, and contribute to their sustainable economic growth", Mr Clifford said.

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About Australia Pacific Islands Business Council

The Australia Pacific Islands Business Council is an independent association of businesses based in Australia and throughout the Pacific Islands region.

The APIBC was established in 2000 with the aim of providing a framework within which the private sector can communicate with the Australian and Pacific Islands governments at the highest political and policy advising levels with a view to finding solutions to trade and investment issues. It also provides members with an unparalleled network to help further their business goals in the Pacific Islands region.

3 May 2017

The Hon Steven Ciobo MP
Minister for Trade, Tourism and Investment
Parliament House
CANBERRA ACT 2600

Dear Minister

Attached for your information is a statement by the President of the Australia Pacific Islands Business Council, Mr Gary Clifford, welcoming your announcement on 20 April 2017 of the successful conclusion of the PACER Plus negotiations between Australia, New Zealand and 12 Pacific Islands Forum countries.

It is disappointing that the governments of Papua New Guinea and Fiji chose to remove themselves from the successful conclusion of the negotiations, but hopefully will reconsider this at some future time.

We look forward to the final signing ceremony for the Treaty in Nuku'alofa on 16 June 2017.

As the statement by Mr Clifford notes, the conclusion of the negotiations is a tribute to Dr Edwini Kessie whose work over the last five years has been crucial to the successful outcome now achieved.

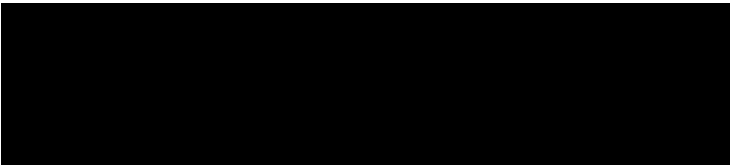
It is also a testament to the persistence of the twelve Pacific islands countries as well as that of Australian and New Zealand over a decade to bring this process to a successful conclusion.

We have not yet had an opportunity to see the complete text of the agreement which will of course determine how business can work to take advantage of the opportunities. In this regard we do feel we are at something of a disadvantage as we think it's likely that many Pacific islands governments will have shared that with our Pacific business association colleagues. We are keen to see the actual text at the earliest opportunity.

We are keen to work with our Pacific business colleagues to try to identify new opportunities for growing trade and investment and putting some runs on the board for PACER Plus.

Mr Clifford and I plan to visit Canberra next month and will seek appointments with you and with relevant officials in the Department of Foreign Affairs and Trade to take forward how we can make a positive contribution to demonstrate the opportunities created by PACER Plus.

With kindest personal regards.


(Frank Yourn)
Executive Director