Oceania Customs Organisation Secretariat

MSG Secretariat
Secrétariat du GFLM
Melanesian Spearhead Group I Le Groupe fer de Lance Mélanésien

PACIFIC ISLANDS
FORUM SECRETARIAT

Pacific Community
Communauté du Pacifique

Technical Workshop on International Merchandise Trade Statistics
Focusing on goods traded under preferential trade agreements
26 February to 2 March 2018 at PIFS, Suva, Fiji

OUTCOMES DOCUMENT

1. The Pacific Community (SPC), in partnership with the Pacific Islands Forum Secretariat (PIFS), the Oceania Customs Organisation (OCO), and the Melanesian Spearhead Group Secretariat (MSG), conducted a technical workshop on International Merchandise Trade Statistics (IMTS) focusing on goods traded under the Preferential Trade Agreements (PTA), from 26 February to 2 March 2018 at the PIFS' Main Conference Centre in Suva. Agenda is attached as Appendix 1.

2. Trade officials, private sector organisations, trade compilers, customs officials, development partners and resource persons attended the workshop. Senior representatives of MSG, PIFS, OCO and SPC delivered statements during the opening session. A list of participants is attached as Appendix 2.

Background

3. In 2012, SPC held a Workshop in Noumea which was attended by the Pacific Island Countries and Territories (PICTs) and partners. At that workshop, a set of Tables on IMTS was endorsed for completion by all PICTs. One of the Table's relates to "Trade by Trade Agreements". This Table has sub-components e.g. Trade under MSG. Until August 2016, none of the MSG countries completed this table. In August 2016 MSG Secretariat had a staff attached to SPC to work with SPC's Pacific Regional Information System Management (PRISM) staff to be able to compile data on goods traded under the MSG Agreement. Only trade statisticians from the National Statistics Offices of Fiji and PNG responded, but their data had a lot of gaps. Questions sent to them were not answered.

The need for a workshop

4. The reason for holding this workshop was twofold:

    a. the first was to deepen the knowledge of the Pacific Islands statisticians on PTAs applicable in the region and the practice through which the goods are traded under these preferences;

    b. the second was to identify goods traded under the PTAs for the compilation of detailed, reliable and timely official statistics.

5. Statistics on goods traded under the PTAs are needed by the Pacific Island Governments for the effective monitoring of the implementation of the PTAs, and for meaningful policy formulation leading to positive adjustments to enhance trade.

Objective of the workshop

6. The objective of the workshop was to bring together experts with different skills e.g. experts on PTAs, border agencies, statisticians, private sector, businesses, IT, macroeconomists and users,

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to be able to address issues and share practical approaches to improving access to, and the quality of statistics on goods traded under the PTAs.

Expected outcomes from the workshop

7. The expected outcomes from the workshop are for the:

    a. Pacific Island Statisticians' knowledge and skills enhanced/deepened on PTAs applicable in the region and the practice through which the goods are traded under these preferences.

    b. Customs Administrations to be clear on the data needs of Statisticians.

    c. Tables on re-exports and **all** PTAs to be completed by June 2018.

    d. Convey SPC's views on its decision to compile the Pacific Commodity Trade Database (PAC Comtrade).

    e. Networking established to allow countries to share information and assist each other.

Outcomes and recommendations

Knowledge gained on Preferential Trade Agreements

8. The presentations focused on a range of PTAs that are currently in force or have been signed in the region and these included:

    a. World Trade Organisation (WTO) Agreements:

        i.   General Agreement on Tariffs and Trade (GATT)

        ii. General Agreement on Trade in Services (GATS)

        iii. Trade Related Aspects of Intellectual Property Rights (TRIPS)

    b. European Union Papua New Guinea-Fiji Interim Economic Partnership Agreement (iEPA).

    c. South Pacific Regional Trade & Economic Cooperation Agreement (SPARTECA), which is a non-reciprocal trade agreement where the textiles, clothing and footwear industry is the major beneficiary.

    d. Pacific Agreement on Closer Economic Relations Plus (PACER Plus), which is a Free Trade Agreement (FTA) covering goods, services, investment and labor mobility.

    e. The Pacific Island Countries Trade Agreement (PICTA) and its associated Protocols on Trade in Services and Temporary Movement of Natural Persons.

    f. The Melanesian Spearhead Group Trade Agreement (MSGTA2), members of which are Fiji, Papua New Guinea, Solomon Islands and Vanuatu promotes and strengthens intra-member trade in goods and the signed, yet to be ratified Melanesian Free Trade Agreement (MFTA) covers trade in services, labour mobility and cross-border investments, with a view to foster economic growth and sustainable development.

    g. Micronesian Trade and Economic Community (MTEC), which is a sub-regional trade and economic cooperation and integration agreements for three North Pacific Nations: the Federated States of Micronesia, the Republic of the Marshall Islands and Palau.

    h. Other Bilateral Trade Agreements, which are agreements between two countries.

9. The presentations focused on each agreement highlighting:

    a. the qualification criteria and the levels of preferences available to the private sector.

b.   how the preferential trade transactions can be included in the relevant statistical reports, and the role of various agencies such as the Trade Department, the Customs Department, Customs Brokers, Importers/Exporters, etc.

10. Knowledge on PTAs were further strengthened with the participation of the Private Sector Organisations, both through presentation to the participants and the Panel Discussion. Highlights included:

a.   The need for the establishment of a Regional Database on PTAs and for it to have simplified information publicly available on them as this then would lead to more awareness raising (Private Sector/Customs) focusing in particular on the Rules of Origin.

b.   Balancing the interest of the various stakeholders involved in the process, noting the ultimate goal of PTAs is to contribute to economic growth and sustainable development of the nation.

c.   Setting clear pathways into the future on approaches for enhancing effectiveness of regional trade agreements.

d.   Priority challenges facing the Private Sector:

i.   Trade Logistics including Infrastructure

ii.   Trade Financing and Border Security Concerns

e.   Need to ensure consistency in trade and investment data held by Statistics, Central Banks, Trade and Investment Promotion Agencies, Diplomatic Missions etc.

f.   Integrity of Statistics and Governance – lack of statistics available on commodity trade data was **the** major issue

g.   Future prospects for consolidating Pacific free trade agreements

11. Engaging in PTAs leads to greater integration into the global economy via trade liberalization. This allows easier access of exporters to overseas markets. While exporters benefit from lower or removal of tariffs, tariffs on imports impact Government revenue. Therefore, to be able to understand the PTAs in entirety, a session was devoted to Options to Replace Expected Revenue Loss from Trade Taxes in Pacific Forum Island Countries. This session allowed participants to not only look at the benefits of engaging in PTAs, but it also dwelled on the flipside of PTAs and ways to address its negative impact.

Identifying Goods Traded Under the Preferential Trade Agreements

12. The presentations focused on the:

a.   the responsibility of OCO to implement the tariff liberalization commitments and application of Rules of Origin under the PTAs.

b.   role of Customs Administrations in the implementation of PTAs.

c.   the importance of tariff classification and the regional work on the formulation of the PACHS17, a multipurpose goods nomenclature that forms the basis for Customs Tariffs and IMTS and which:

i.   enhances transparency in the classification process for goods in the region

ii.   establishes uniformity of application in the classification of goods

iii. simplifies the tariff nomenclature system to facilitate trade in the region

iv.   has been correlated to the United Nations (UN) Standard International Trade Classification (SITC) to ensure correct classification of tradable goods to be used in Macroeconomics.

13. Presentations from participating customs officials highlighted national processes in claiming preferential rates under the PTAs, the process of providing statistics to their National Statistics Offices (NSO) and the various challenges regarding the compilation of trade statistics.

14. An important part in the compilation of IMTS is the information technology system used by Customs, since Customs is the preferred and recommended source for the compilation of IMTS. Presentations by the:

    a. *United Nations Conference on Trade and Development* (*UNCTAD*) on Automated System for Customs Data (*ASYCUDA*) World informed of the system's capability in producing data on goods traded under the different PTAs.

    b. Statistics New Zealand provided an update on the status of PC Trade use for members: a review of the PC Trade is currently underway by OCO to assess its operability at the national level.

Supplementary session on Fish and its relevance to SDG 14

15. A session was devoted to [*The Blue Pacific*](#) as a new narrative for collective political action in the Pacific that calls for working together as one Blue Ocean Continent. In doing so, *The Blue Pacific* aims to harness the shared ocean identity, geography and resources to drive positive change in the Pacific's socio-cultural, political and economic development, and these are wrapped around the underlying need for statistical data.

Hands on experience

16. The Group Work by participants on interpreting the provisions of the PTAs to determine how different products may be given different preferential treatment depending on the type of accompanying documents presented at the border was assuring that the sessions on PTAs were well understood by the participants.

17. The assignment given to participants on Fish statistics showed that data needed were available, but the important aspect of the compilation is the use of a standard recommended methodology for the data to be compared regionally and internationally.

18. Compilation of data on goods traded under MSG showed that the data were generally available. It was the lack of understanding of the PTAs, outdated HS codes and the identification or the absence of procedure codes that were hindering the compilation of statistics.

Way forward

19. **Recommendation 1**

    Table 4 on re-exports and Table 11 and its sub-components on al PTAs to be completed by 30 June 2018.

20. **Recommendation 2**

    For countries that have not adopted HS 2017 to use the PACHS17.

    a. OCO is currently using the PACHS17 for update to HS 2017 of members that have yet to implement HS 2017.

21. **Recommendation 3**

    Customs Administrations to:

    a. Assign procedure codes to transactions to enable identification of goods traded.

    b. Document what the variables in a SAD/Warrant mean for statisticians to understand the transactions better.

    c. Strengthen its analytical capacities for effective use of data.

    d. Provide ongoing training of customs brokers and agents to ensure the correct application and submission of key information on HS Codes, Statistical Value, Country of Origin etc.

e. For the users of ASYCUDA world, to work closely with the UNCTAD ASYCUDA Support Mechanism for Pacific (ASMP) Office to ensure that trade data are captured correctly and to provide NSOs complete and accurate electronic data to ensure credible IMTS to be compiled.

22. **Recommendation 4**

Statistics for Development Division (SDD) of SPC to seek collaboration with willing partners to develop the PAC Comtrade database which is supported by the Forum Economic Ministers (Para 49 and 50 of PIFS 2014 Forum Economic Ministers Meeting (FEMM) Action Plan).

23. **Recommendation 5**

Collaboration, similar to the one at the workshop needs to continue for work relating to IMTS: "the best results can be obtained through different knowledge and skills working together".

a. There is established processes at national level in the provision of data from Customs to Statistics Departments. Collaborations between the two agencies need to be strengthened to ensure timely provision of data.

24. **Recommendation 6**

Statisticians to continue to:

a. provide training on recommended methodology

b. build capacity to be able to sustain and strengthen compilation of IMTS

25. **Recommendation 7**

Customs Administrations and NSOs need to strengthen their working relationship –

a. Regular meetings between the two where users can be invited

b. Understand statistical requirements

c. Point of contact needs to be established between the two

26. **Recommendation 8**

Users should continue to make their data demands known for NSOs to be able to assess the demand for external trade statistics so that within the limited resources available to them, they are better placed to plan and produce IMTS.

27. **Recommendation 9**

SDD of SPC to create an information page on Fish, including fish trade PTA data, in consultation with PIFS and have member countries populate it on a regular basis.

28. **Recommendation 10**

Further capacity building training on PTAs, including Rules of Origin (ROO) and HS Codes for Customs Administrators, NSO and the private sector.

29. **Recommendation 11**

SPC to discuss with OCO the possibility of developing a Harmonised Regional Procedure Code for the Region.

Appendix 1

Detailed Agenda

Monday 26 February

Time	Agenda item	Who	Chair
8.30 - 9.00	Registration of participants	PIFS: Ms Salanieta QOMATE	SPC_Nilima
9.00 – 9.10	Prayer	OCO: Ms Laisiana Tugaga	
9.10 – 9.30	Opening statements	MSG: Ambassador A Yauvoli PIFS: Mrs Cristelle Pratt OCO: Mr Seve Paeniu SPC : Ms Audrey Aumua	
9.30 – 9.40	**Confirmation of Agenda** S0P0 'Workshop outline'	SPC: Ms Nilima Lal	
SESSION 1:	**PURPOSE OF THE WORKSHOP AND EXPECTED OUTCOMES**		
9.40 – 10.00	S1P1 'Purpose of the workshop and Expected outcomes'	SPC: Ms Nilima Lal	
10.00 – 10.30	Tea Break - **Group photo to be taken before Tea**		
10.30 – 11.30	**Participants: Introduction and expectation from the workshop**	All	
SESSION 2:	**PREFERENTIAL TRADE AGREEMENTS**		PIFS_Veniana
11.30 – 12.30	S2P1 'Qualification Criteria and Levels of Preferences in WTO Agreements' *Via teleconference from Geneva* S2P2 'Preferences under PICTA and IEPA Trade in Goods' S2P3 'Policy Tools and Qualification Criteria under PACER Plus' *S2P4* 'Preferences under SPARTECA and MTEC' Private Sector Guest speaker S2P5 'Policy Tools and Qualification Criteria under PACER Plus'	Permanent Rep to the WTO_ Mrs Mere Falemaka PIFS_Mr Frederick Kamusiime PIFS_Mr Frederick Kamusiime PIFS_Ms. Sapai M Timakata Mr Mark Halabe PIFS_Ms Veniana Qalo	
12.30 – 1.30 pm	Lunch Break		
1.30 – 2.30	Preferential Trade Agreements cont… S2P6 'MSG Trade Agreements'	MSG_Mr Henry Sanday	
2.30 – 3.30	Preferential Trade Agreements Group Work ▪ PICTA & iEPA ▪ SPARTECA ▪ PACER Plus ▪ MSGTA & MSGTA3	Supervised by, from PIFS_ Mr Frederick Kausiime Ms Sapai Moana Timakata Ms Veniana Qalo Mr Henry Sanday	
3.30 – 4.00	Tea Break		
4.00 – 5.00	Wrap up session on Preferential Trade Agreements	SPC_Ms Nilima Lal	SPC_Nilima

Tuesday 27 February

Time	Agenda item	Who	Chair
9.00 – 9.10	Day 1 Reflection	SPC: Ms Nilima Lal	SPC_Nilima
9.10 – 10.00	Preferential Trade Agreements cont… S2P7 'ABS presentation' *Via video conference* S2P8 'DFAT presentation' *Via video conference*	ABS_Ms Courtney Brown DFAT_ Mr Don SPEDDING	
10.00 – 10.30	Tea Break		
10.30 – 11.30	Private Sector perspectives on Preferential Trade Agreements S2P9 'Private Sector_PTA'	PIFS_Mr Frederick Kausiime	PIFS_Mrs Glynis Miller and PIPSO_ Mr Howard Politi
11.30 – 12.30	Has the Private Sector been using the Preferential Trade Agreements? *Panel discussion*	1. Asaleo Care (Fiji) Limited_Mr Joseph Rodan Jnr 2. Freight Services Fiji Ltd_Mr Joe Taoi 3. Ashabhai & Co Ltd_Mr Kalpesh Kumar and Mr Harshal Shah 4. Fiji_ Ms. Shinal Prasad (Trade) 5. Tuvalu_Ms Grace Alapati (Statistics) **6. Mr Frederick Tanga (Customs)**	
12.30 – 1.30 pm	Lunch Break		
SESSION 3:	**IDENTIFYING GOODS TRADED UNDER THE PREFERENTIAL TRADE AGREEMENTS**		
1.30 pm – 3.30	S3P0 'Blue Pacific and Fisheries' S3P1 'Identifying Goods Traded under PTA'	Mr Shiu Raj Ms Laisiana Tugaga	OCO_Laisian
3.30 – 4.00	Tea Break		
4.00 – 5.00	Trade Statistics and Customs IT Systems cont… S3P2 'Fiji Customs' S3P3 'Cook Islands Customs' S3P4 'Kiribati Statistics' S3P5 'Tonga Customs' S3P6 'Vanuatu Customs' S3P7 'ASYCUDA'	Ms Mereia Waqa Mr Dennis HEATHER Mr Tekaie ITITAAKE Mr Usaia M Lolomanaia Mr Frederick Tanga Mr Jayvee Santos	

Wednesday 28 February

Time	Agenda item	Who	Chair
9.00 – 9.10	**Day 2 Reflection**	SPC: Ms Nilima Lal	SPC_Nilima
9.10 – 10.00	Trade Statistics and Customs IT Systems cont… S3P8_PCTrade	Mr Nicholas Cox	OCO_Laisiana
10.00 – 10.30	Tea Break		
10.30 – 11.30	Trade Statistics and Customs IT Systems cont.. Trading across borders – (Ranking of economies – Doing business – World Bank) Discussion Wrap up of Session	MSG_Henry Sanday Laisiana Tugaga	
SESSION 4:	**WHAT DO THE NUMBERS SAY?**		
11.30 – 12.30	S4P1 'What do the numbers say'? S4P2 'PACER Plus: Options to Replace Expected Revenue Loss from Trade Taxes in Pacific Forum Island Countries" S4P3 'Links Between Tariffs, Statistics and Trade'	SPC: Ms Nilima Lal PFTAC: Ms Iris Claus PIFS: Ms Veniana Qalo	SPC_Nilima
12.30 – 1.30 pm	Lunch Break		
SESSION 5:	**COMPILATION OF DATA ON GOODS TRADED UNDER MSG**		
1.30 pm – 3.30	Compilation of data on goods traded under MSG		
	Split-up in 4 Groups for Hands-on compilation work		
	Group PNG	Led by PIFS_ Ms Veniana Qalo	
	Group Solomon	Led by OCO_Laisiana Tugaga	
	Group Fiji	Led by SPC_Ms Nilima Lal	
	Group Vanuatu	Led by MSG_Henry Sanday	
3.30 – 4.00	Tea Break		
4.00 – 5.00	Compilation of data on goods traded under MSG cont..		

Thursday 1 March

Time	Agenda item	Who	Chair
9.00 – 9.10	**Day 3 Reflection**	SPC: Ms Nilima Lal	SPC_Nilima
9.10 – 5.00 pm	Blue Pacific and Fisheries Discussion of compilations on Fish production, imports and exports compiled by: 1. Fiji 2. Kiribati 3. PNG 4. Solomon Islands 5. Tonga 6. Samoa 7. Vanuatu	Mr Pritesh Goundar Mr Tekaie Ititaake Mr Henao Kari Mr Henry Risoni Mrs Ana Kama Mrs Toeseanuupotopoto Tautalagia Mrs Ana Tavoa	

Time	Agenda item	Who	Chair
	Presentation on the same topic by UNCTAD	Mr Jayvee Santos	
	Discussion on Goals and Targets	PIFS_ Mr Stephen Fevrier	
	Discussion on SDG 14	PIFS_Mr Shiu Raj	
10.00 – 10.30	Tea Break		
	Compilation of data on goods traded under MSG cont..		
12.30 – 1.30 pm	Lunch Break		
3.30 – 4.00	Tea Break		

Friday 2 March

Time	Agenda item	Who	Chair
9.00 – 10.00	**Day 4 Reflection**	SPC: Nilima Lal	SPC_Nilima
9.10 – 10.00	Presentation of results and discussion of issues encountered and how they can be solved	Group Leaders	
	Group 1	Mr Henao Kari	
	Group 2	Mr Henry Risoni	
	Group 3	Ms Radhika Kumar	
	Group 4	Ms Ana Tavoa	
10.00 – 10.30	Tea Break		
SESSION 6:	**WAY FORWARD AND CLOSING**		
10.30 – 11.15	Way forward S6P1 'The way Forward' S6P2 'Way Forward PIFS'	SPC_Nilima Lal PIFS_Veniana Qalo OCO_Laisiana Tugaga MSG_Henry Sanday	SPC_NIlima
12.30 – 1.30 pm	Lunch Break - **Evaluation form to be handed in straight after lunch**		
11.30 – 12.15	Closing remarks, followed by… Award of certificates	MSG: Ambassador A Yauvoli PIFS_Mr Shiu Raj	SPC_Nilima
12.15 – 12.40	Feedback, reflections and comments on whether Workshop expectations were met	All	
12.40 – 12.45	Wrap-up of the Workshop	Statistics NZ_Mr Nicholas Cox	
12.45 pm	Lunch		

Appendix 2

LIST OF ATTENDEES

Country	Participant	Organisation
LIST OF PARTICIPANTS		
Cook Islands	Mr Tuaine Junior UNUIA	Cook Islands Statistics Office
	Mr Dennis HEATHER	Cook Islands Customs and Immigration
Fiji Islands	Miss Radhika KUMAR	Fiji Bureau of Statistics
	Ms Veenita DEVI	
	Mr Pritesh Vishal GOUNDER	
	Ms Shinal Cynthia Prasad	Ministry of Industry Trade and Tourism
	Ms Mereia WAQA	Fiji Revenue and Customs Service
Kiribati	Ms Niibo IARURU	Kiribati National Statistics Office
	Mrs Bwereia IENIMANGO	Ministry of Commerce, Industry and Cooperatives
	Mr Tekaie ITITAAKE	Kiribati Customs
Nauru	Mrs Trixi THOMA	Nauru Bureau of Statistics
Papua New Guinea	Mr Henao KARI	National Statistics Office
	Mr Sition SUVULO	
	Mrs Rachael VELE	
Samoa	Mrs Toeseanuupotopoto TAUTALAGIA	Samoa Bureau of Statistics
Solomon Islands	Mr Henry RISONI	Solomon Islands National Statistics Office
Tonga	Mrs Ana Malia KAMA	Tonga Statistics Department
	Mr Isaac Mburu NDUNGU	Ministry of Commerce, Consumer, Trade, Innovation & Labour
	Ms 'Eva 'i Mahinafekite LIAVA'A	
	Mr Felemi IKA	
	Mr Usaia LOLOMANAIA	Ministry of Revenue and Customs
Tuvalu	Ms Grace ALAPATI	Central Statistics Division
Vanuatu	Mrs Anna TAVOA	Vanuatu Statistics Office
	Mr Frederick TANGA	Vanuatu Customs and Inland Revenue Department
RESOURCE PERSONS		
	Mr Joseph RODAN Jnr.	Asaleo Care (Fiji) Limited
	Mr Joe TAOI	Freight Services Fiji Ltd
	Mr Kalpesh KUMAR	Ashabhai & Co Ltd
	Mr Harshal SHAH	
	Mr Mark HALABE	Mark One Apparel Limited
	Mr Seve PAENIU	Oceania Customs Organization
	Ms Laisiana TUGAGA	

	Mr Jayvee SANTOS	United Nations Conference on Trade and Development
	Ms Iris CLAUS	Pacific Financial Technical Assistance Centre
	Ambassador Amena YAUVOLI	Melanesian Spearhead Group Secretariat
	Mr Henry SANDAY	
	Mr Nicholas COX	Statistics New Zealand
	Ms Venina NIUMATAIWALU	Pacific Islands Private Sector Organisation
	Mr Howard POLITINI	
	Ms Courtney BROWN	Australian Bureau of Statistics
	Mr Don SPEDDING	Department of Foreign Affairs and Trade
	Ms Cristelle PRATT	Pacific Islands Forum Secretariat
	Mr Shiu RAJ	
	Ms Veniana QALO	
	Mrs Mere FALEMAKA	
	Mr Stephen Fevrier	
	Ms Salanieta QOMATE	
	Mr Fredrick Kamusiime	
	Ms Sapai Moana Timakata	
	Mrs Glynis MILLER	
	Ms Patricia Sachs CORNISH	Secretariat of the Pacific Community
	Ms Nilima LAL	

OBSERVERS

	Mr Joe PAKOA	Vanuatu High Commission
	Ms Theresa MORRISSEY	World Bank
	Mr Neil SUGGET	
	Ms Alina ANTOCI	
	Ms Jillatieno JUMA	Pacific Islands Forum Secretariat
	Mr Romulo NAYACALEVU	Melanesian Spearhead Group Secretariat

SUPPORT STAFF

	Mr Keni VUKI	Pacific Islands Forum Secretariat