



**Asia-Pacific
Economic Cooperation**

2021/SOM3/CTI/002
Agenda Item: IV b

Pacific Agreement on Closer Economic Relations

Purpose: Information
Submitted by: Australia



**Third Committee on Trade and Investment
Meeting
24-26 August 2021**

An aerial photograph of ocean waves in shades of deep blue and teal. A trail of bright, golden-yellow particles, resembling a spray or a digital data stream, moves from the top right towards the center of the frame, partially overlapping the text.

PACER PLUS

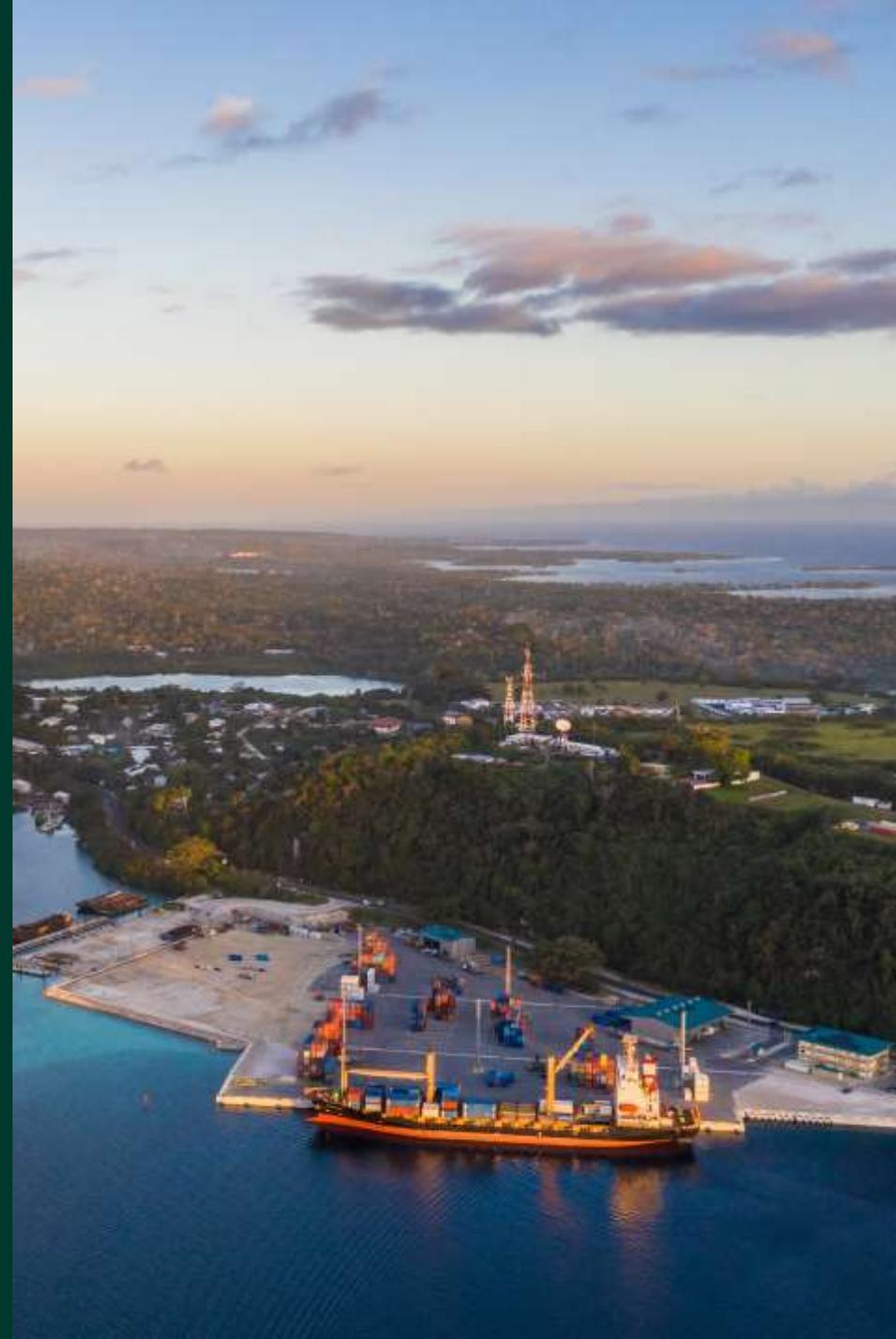
Lachlan Parsons, Acting Assistant Director

Office of the Pacific Department of Foreign Affairs and Trade

What is PACER+

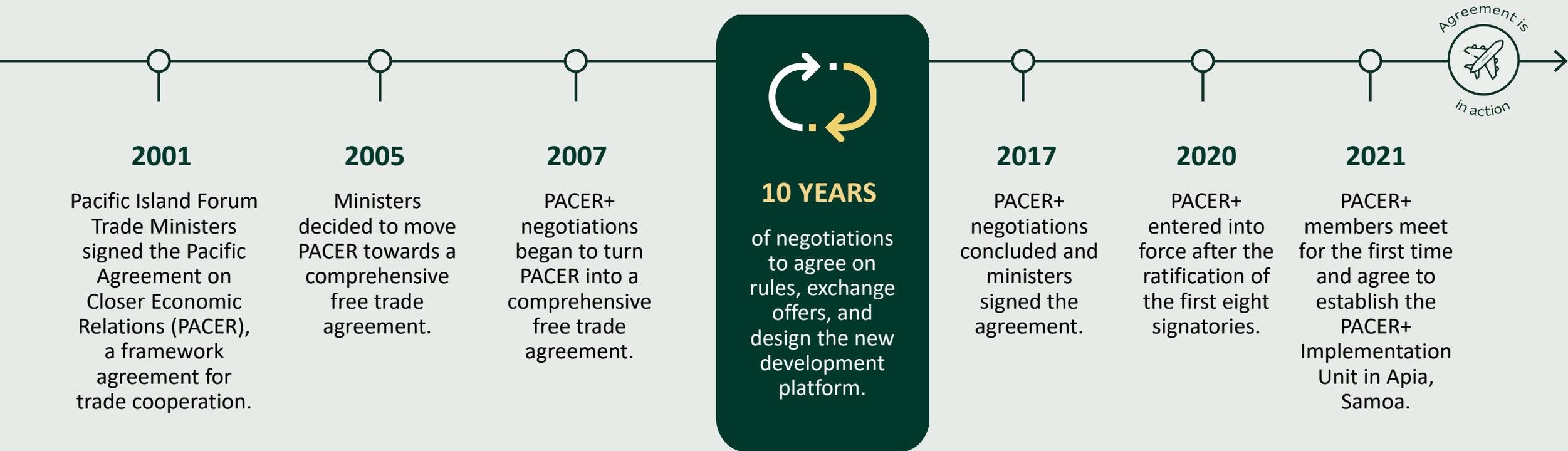
- + As a **free trade agreement** (or FTA), members have committed to liberalise trade, remove tariffs, open their markets to services and investment, and harmonise standards to facilitate trade.
- + As a platform for **development cooperation**, PACER+ members develop programs and activities to implement the agreement and unlock its benefits.

Together, supporting **economic growth** in the Pacific



History of PACER+

PACER+ was over twenty years in the making, including a decade of negotiations.



Who is in PACER+

Members PACER+ has eight full members (known as ‘Parties’):

Australia

Kiribati

Niue

Solomon Islands

Cook Islands

New Zealand

Samoa

Tonga

Signatories Three economies have signed PACER+ but have not ratified, meaning their governments are yet to pass the laws and make arrangements to implement the agreement:

Nauru

Tuvalu

Vanuatu

Others The agreement is open to other economies— especially from the Pacific – and provides for an ‘expedited accession’ for Pacific island economies:

Fiji

Palau

Federated States of

Marshall Islands

Papua New Guinea

Micronesia

What does PACER+ do?



Free trade agreement with commitments to open markets and harmonise rules.



Regular meetings of committees and expert working groups.



Development cooperation for trade-related activities to unlock the agreements benefits.

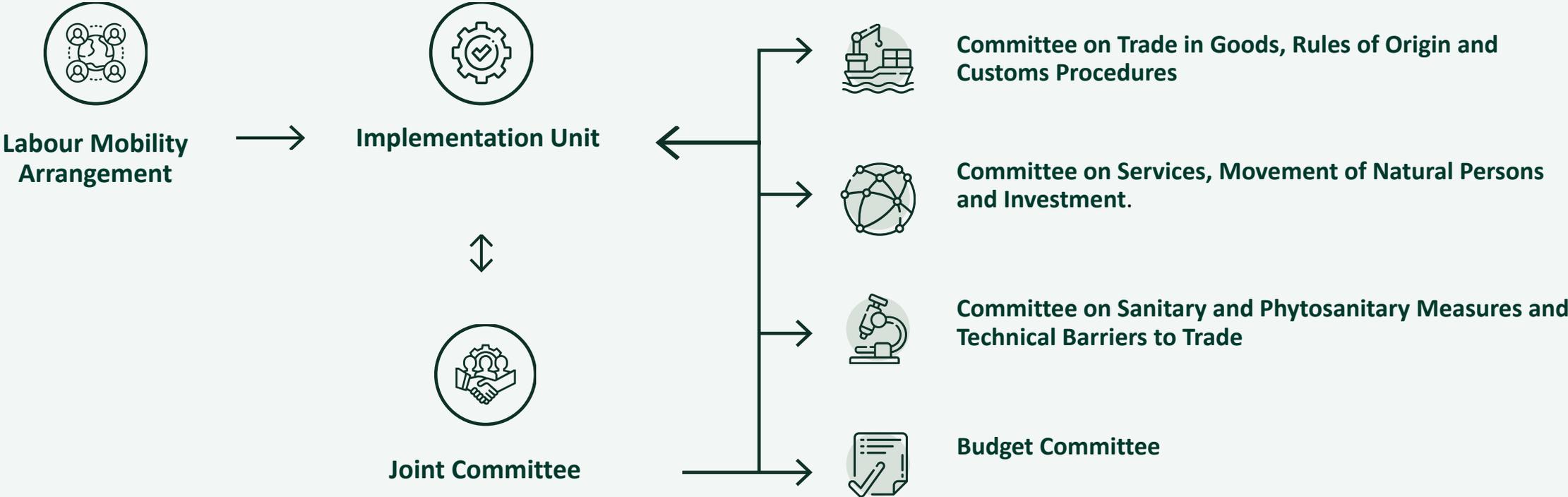


Implementation Unit to oversee the agreement's implementation, meetings and activities.



How does PACER+ work?

Experts meet regularly to make sure the agreement works for everyone and guide development activities.



PACER+ Implementation Unit

- + **Centre of excellence** for pacific trade and investment
- + **Group of experts** in trade facilitation, services, investment, labour mobility and economic development
- + **Work Program** of activities to unlock economic potential
- + **Donor coordination** with commitments from Australia and New Zealand but open to other donors and contributions

How non-members can engage with PACER+

With a focus on *donor coordination* and *economic integration*, interested non-members can:

- + **Funding** to the Implementation Unit for trade-related technical assistance
- + **Partnership** through a funding arrangement and observer status
- + **Membership** through accession or association to the agreement

Key messages

- + **Demand-driven**, Pacific-owned and collectively prioritised
- + **Economic Integration**, creating tangible mutual interests, regional interdependence
- + **Strong implementation focus**, not just policy dialogue





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