WTO Thematic Session on TBT
Regional Strategy on Quality Infrastructure

Pacific Quality Infrastructure Development

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Three components:
   a) Customs Strengthening – Oceania Customs Organisation (OCO)
   b) Biosecurity – Secretariat of the Pacific Community (SPC)
   c) Standards and Conformance – Pacific Islands Forum Sec. (PIFS)


Co-ordinated by PIFS – reporting to Forum Trade Officials and Ministers
RTFP - S&C component:

- Five studies were conducted on:
  - Legal Framework
  - Metrology
  - Standards
  - Accreditation
  - Conformity Assessment

- Outcomes/Recommendations:
  - low level of development of S&C amongst PICs – non-existent in many
  - only two PICs (Fiji, Papua New Guinea) have QI systems and institutions
  - recommendations for regional approaches to solve capacity gaps, including by leveraging regional institutions, and the services/intuitions of the most advanced Forum Members
Context of 2005 Study on S&C:

- RTFP (S&C) was established to prepare PICs for regional and global trade integration:
  - 2001 PICTA – FTA amongst 14 PICs
  - 2001 PACER – envisaged FTA with Australia and New Zealand
  - 2002 – preparations to launch negotiations on Economic Partnership Agreement (EPA) with the European Union (to conclude in 2007)
  - Also 2001 – launch of WTO Doha Round – to further liberalise global trade
  - 2002 – EU kava ban affected 4 PICs (USD200m loss) – no kava standard

- Recognition of:
  - future competitive global trading environment for PIC exports
  - Standards & conformance important for market access
Why S&C work did not progress

- Lack of awareness of the benefits of QI system
  - Only Fiji and Papua New Guinea had QI institutions and systems in place
- High cost of investing in complex QI infrastructure
- Limited expertise in QI system
- Use Fiji and PNG as reference centres but transport limited & costly
- No regional institution to drive this work
  - USP with network of campuses for testing – but need investment
- Nature of PIC trade predominantly raw/semi-processed
- Level of trade – low for many PICs, trade integration new
Situation in 2019?
Trade environment significantly changed

• PICs trade evolving - Non-reciprocal to reciprocal (iEPA, PACER Plus)
  • PICs products will face increasing competition in domestic market
  • PICs exports will face increased competition in other markets
• PICs exports diversifying – move to value-added, processed goods
  • as level of processing increase, QI becomes more important
• Consumers becoming more demanding on quality and standards – technical, social, and environmental/sustainability standards,
• Non-compliance and lack of standards
  • Affecting trade - fish standards, kava standards
  • Limited Expansion of export opportunities – eg virgin coconut oil to Body Shop

But QI development in PICs has hardly changed to facilitate exports
Where to from here?
International Competitiveness = Price + Quality

• What priorities should we focus on?
  • Promoting a culture of Quality through QI systems – govt, private sector, consumers

• How can we do this? No one size fits all approach
  • Incremental
  • Selective based on nature of trade of each PICs
  • Establishing pathways for those that lack the physical infrastructure

• What actions can be done:
  • National
  • Regional co-operation, assistance
  • International assistance and co-operation

• How to start
  • Establish a network of focal points and Pacific institutions responsible for QI
Way Forward on QI?
Pacific Regional QI Workshop – September 2019

• Objectives
  • Build awareness/capacity for FICs on QI
  • Stock-take of QI systems in PICs – update of 2005 QI studies
  • Sharing experiences – Pacific, Caribbean (ARSO, JNAA), African (ARSO)
  • Promote partnerships on QI – 27 partner institutions participated, including national, regional, Asia-Pacific, and intl. QI institutions and development partners

• Outcomes:
  • Regional Quality Statement - PIC commitment to develop QI systems
  • Establish a network of national focal points for QI
  • Develop a Regional Quality Policy and Concept Note to outline Pacific QI Strategy

• Next Steps
  • Forum Trade Ministers in February 2020 to endorse Regional Quality Policy & Concept Note
  • Engage with partners and donors on implementation