



# Reorienting Economic Growth in the Pacific Plan

Presentation at the Pacific Civil Society Forum in Nadi,  
October 2006

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# **Economic Growth initiatives**

## **Trade Liberalisation:**

- 1.1 Goods trade under PICTA and PACER
- 1.2 Services under PICTA and EPA
- 1.3 Trade facilitation
- 1.4 Comprehensive framework for economic integration

## **Regional Economic Infrastructure**

- 1.6 Bulk purchasing of petrol and pharmaceuticals
- 2.1 Regional transport (shipping, aviation)
- 2.2 Digital strategy (IT, communications)
- 3.1 Regional Private Sector Organisation

## **Key Economic Sectors**

- 1.5 Fisheries
- 1.7 Tourism marketing

# Reorienting Economic Growth

- Liberalisation focus, but with no evidence
- What kind of growth? For whom? What policies will promote pro-poor growth?
- The trickle down effect.
- A ‘deficit mentality’.
- The use of indicators and implementation to lock in the current Plan.
- A new Plan is needed for people-centred economics that meets people’s needs and aspirations.

## Progress on EPA negotiations

- The Pacific has submitted a draft of a trade agreement with the European Union
- The EU is insisting on a reciprocal free trade deal between very unequal partners
- The proposed deadline is December 2007
- Pressure will come from the EU to ‘divide and rule’ as they are already doing in fisheries

*“There is not likely to be a boost in trade with any country....We have to get tough, insist on the development aspects”*

-Hon. Kaliopate Tavola,

*Minister of Trade for Fiji and Chair of Pacific Regional Negotiations Team*

## **Key Issues in EPA negotiations**

**There has been no comprehensive research or assessment on the likely impacts on:**

- The loss of government revenues
- Loss of local businesses and jobs
- Restrictions on the rights of government to regulate in the public interest
- Potential dangers from legal rights for foreign companies including over essential services
- Loss of control over natural resources, including land
- Impacts on agriculture, fisheries and food security
- Implications for gender rights, disadvantaged people, cultural diversity and traditional knowledge

# Annual Report on Pacific Plan

## **The first Annual Report on implementation recommends:**

- Energy security and bulk purchase of petroleum and medicines
- Regional integration that more directly addresses the objectives of the Pacific Plan
- Coordinate trade and economics with other priorities (labour mobility, public health, social/cultural benefits),
  - but linked to services liberalisation
- Regional trade dispute mechanism
- Continue ICT taskforce
- Regional action on transport

## Role of Civil Society

- There have been few opportunities for civil society to make a meaningful input
- The issues are complex and capacity building is needed for both civil society and Pacific governments
- The civil society Pacific trade conference in June released a communique calling for:
  - Impact studies
  - Public consultation
  - Transparency and information sharing
  - Non-negotiable issues
  - Regional and international solidarity

This was supported by 60 civil society participants from 12 Pacific countries

## **Economic Growth: Recommendations**

- The 2006 Pacific Civil Society Forum should endorse the Nadi Trade Conference Communique and call for a halt to EPA negotiations
- Commit to national level advocacy (and a campaign?)
- Support well-regulated schemes for labour mobility aimed at less skilled workers, separate from trade negotiations
- Ensure there is more focus on renewable energy and access to affordable medicines
- Call on donor countries and multilateral agencies to take on their responsibilities to support the Pacific
- Undertake a fundamental review of the Pacific Plan, and start work on a Pacific Peoples Plan