

Pacific Outlook Bulletin

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"We are the last generation that will be remembered to guarantee humanity's survival. We have one shot at getting it right. Let us not fail our people and the future of humanity"

~ Hon. Samuel Manetoali, Solomon Islands

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AN UPDATE ON PACER-PLUS – WHERE DO WE GO FROM HERE?

In the previous issue of <u>Pacific Outlook</u>, Alison Healey provided us with an overview of the comprehensive free trade agreement, **PACER-Plus**. Since then there have been significant developments so we felt it pertinent to provide an update.

At the end of May, <u>the full text of PACER-Plus</u> was finally made public. According to Maureen Penjueli, Coordinator of the Pacific Network on Globalisation (PANG), "This is in no way a 'development agreement' as it has been spun by the region's two biggest neighbours and...[the] people and their elected representatives have a right to know why."

In early June, <u>Vanuatu announced</u> that it would not be signing the agreement as the Council of Ministers required "more time to assess the benefits of PACER-Plus to Vanuatu and what the country will lose if it signs the Agreement." Vanuatu was the third country to withdraw from the negotiations. In August 2016, Papua New Guinea (PNG) <u>declared</u> that it "would disengage with regional negotiations, stressing that based on assessments PACER-Plus would be a disadvantage for its economy." PNG's <u>Trade Minister Richard Maru said</u>, "We are not signing PACER-Plus in its current form because the move to remove tariff and duty will kill our manufacturing sector."

In September 2016, the Fijian Government expressed concerns over two critical issues within the Agreement - *infant industry protection* and the *most-favoured-nation* clause. These concerns were largely ignored by Australia and New Zealand, and Fiji was left out of the final negotiations conducted in Brisbane in April this year.

Fiji's Minister for Industry, Trade and Tourism, <u>Faiyaz Koya argued</u>, "…we cannot allow PACER-Plus or any trade agreement for that matter, to limit our development aspirations by taking away the flexibility to support our new and emerging industries and constraining our ability to strengthen South-South trade relations."

"PNG and Fiji's rejection shows that the agreement is heavily skewed towards the interests of Australia and New Zealand - despite early rhetoric that the agreement was about development needs", <u>declared Dr Patricia Ranald</u>, Convener of the Australian Fair Trade in Investment Network (AFTINET).

Despite significant concerns from non-government organisations and Pacific Island community members, the signing of the agreement went ahead on 14 June in Nukualofa, Tonga. Surprisingly, three nations – The Federated States of Micronesia, The Marshall Islands, and Palau – did not turn up for the signing as expected.



The Federated States of Micronesia and Palau <u>claim they could not attend due to logistical</u> <u>difficulties</u>, while the Marshall Islands decided to continue their internal discussions before signing the agreement.

There were 10 signatories in total, including Australia, New Zealand, Cook Islands, Kiribati, Nauru, Niue, Solomon Islands, Tonga, Samoa and Tuvalu. PACER-Plus will enter into force after eight signatories have ratified the agreement. Without PNG, Fiji and Vanuatu, there is a significant power imbalance between the large nations of Australia and New Zealand and the Pacific Island nations. Four of the eight countries that have signed have a population of under 25,000 people.

How will this impact the region?

Adam Wolfenden, Trade Justice Campaigner for PANG, <u>told Solomon Business Magazine</u> that PACER-Plus has the potential to "undermine the ability of the Solomon Islands government to ensure that it can regulate to ensure that their human, environmental, cultural and development rights are protected."

Sally McManus, Secretary of the Australian Council of Trade Unions (ACTU), <u>has expressed her</u> <u>deep concern</u>. "The refusal of Vanuatu, Fiji and Papua New Guinea to attend the signing of the PACER-Plus trade deal shows that this agreement will disadvantage Pacific island economies and leave them exposed to exploitation."

"The kind of power imbalance between local workers and multi-national corporations which Australian unions are trying to rectify in Australia," explains McManus, "is exactly what this agreement would thrust onto our neighbours and we cannot stand by and watch that happen."

New Zealand Prime Minister Bill English has made it clear that if PNG, Fiji and Vanuatu decide to sign the agreement down the track, <u>they can undertake accession talks with current parties to do so</u>. But campaigners such as AFTINET's Dr Ranald urge caution – "We are concerned that the agreement could threaten livelihoods, local industries and jobs. The deal also reduces the right for governments to regulate in the public interest and this could impact on efforts to mitigate the impacts of climate change on vulnerable islands."



For more information, <u>A People's Guide to PACER-Plus: Understanding what it is and what it means for the people of the Pacific Islands</u>, by PANG is an excellent resource.

Source: Trade Guide Shines Light on Bad Deal, PANG, 28 April 2017 | PACER-Plus Agreement fails Pacific economies, Australian Council of Trade Unions, 14 June 2017 | Vanuatu Will Not Sign PACER Plus, Jonas Cullwick, Vanuatu Daily Post, 9 June 2017 | Can the MSG bloc walk out on the PACER-Plus trade deal?, Joey Tau, Asia Pacific Report, 13 Junes | Fiji and PNG opt out as PACER Plus trade deal reached, SBS News, 20 April |Samoa signs PACER-PLUS, Talamua Online News, June 2017 | Koya: Fiji stands by decision, Monika Singh, The Fiji Times, 16 June 2017 | PACER-Plus Trade Deal – Big Risks, Questionable Gains, Robert Iroga, Solomon Business Magazine, 5 June 2017 | PACER Plus Countries Prepare for Trade Deal Ratification, International Centre for Trade and Sustainable Development, 22 June 2017 | Press Release: Pacific trade deal weakened by Fiji, PNG, Vanuatu withdrawal, AFTINET, 13 June 2017 | Image via Talamua Online News | Edited by Kendall Benton-Collins.

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PAGA HILL COMMUNITY FORCIBLY EVICTED IN THE LEAD-UP TO APEC 2018

The 2018 <u>Asia-Pacific Economic</u> <u>Cooperation</u> (APEC) leaders' summit is due to take place in Port Moresby, Papua New Guinea, in November. The PNGbased APEC 2018 Coordination Authority produced a map of APEC precincts, which revealed that the APEC leaders meeting will be held at Paga Hill.

Paga Hill has long been the site of a shanty town and home to thousands of impoverished families. <u>After World War</u> <u>Two</u>, there was a large influx of settlers who "became known as 'bunker people' for their use of abandoned wartime fortifications to create makeshift homes."



According to non-profit organisation Aid Watch, "There are concerns that serious human rights abuses, and allegations of transnational corruption, have occurred in the <u>brutal eviction and social</u> <u>cleansing</u> of around 3,000 people from the Paga Hill Settlement, as well as National Housing Corporation communities in the area that have resided there for several decades."

Heath Aston, a journalist for the Sydney Morning Herald, <u>reports</u> that many of the former residents of Paga Hill have been simply abandoned, with a large proportion now sleeping rough. <u>New research</u> <u>conducted by Aid Watch and Jubilee Australia</u> claims that around 2,000 of the 3,000 Paga Hill community members who were forcibly evicted due to Australian-backed development in the lead up to the APEC 2018, were given little to no relocation package and no compensation. The research <u>further investigates</u> the situation of many of the residents today of which an estimated 500 are living homeless on the streets of Port Moresby.

Disturbingly, <u>Australia is spending about \$100 million</u> to support the Port Moresby APEC summit, with a particular focus on security through the ongoing presence of the Australian Federal Police in PNG. "The Australian government should make a commitment not to support any event held on land



associated with human rights violations until people have been resettled," says <u>human rights lawyer</u> <u>Brynn O'Brien</u>.

Sources: Australia's Public Money Should Not Enrich Land Grabbers in Papua New Guinea, Aid Watch | Port Moresby settlers evicted to make way for Australian-backed development 'abandoned', Heath Aston, Sydney Morning Herald, 11 June 2017 | The 'battle of Paga Hill' – controversial PNG doco finally on NZ screens, Pacific Media Watch, 29 May 2017 | New research by Aid Watch & Jubilee Australia, Change.org, 11 June 2017 | Australian-born PNG politician loses court battle to suppress documentary about shanty town demolition in Port Moresby, Heath Aston, Sydney Morning Herald, 14 July 2016 | The Dame, the filmmaker, the property developer and PNG's most sought-after piece of land, Heath Aston, Sydney Morning Herald, 4 April 2016 | Image: <u>Business Advantage PNG</u> | Edited by Kendall Benton-Collins.

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PART 2 - Can Solar Power Give the Pacific a Brighter Future?

In the <u>last issue of *Pacific Outlook*</u>, we examined the island of Ta'u in American Samoa, which has switched from diesel to 100% solar power. This time we will explore the increasing role that clean energy is playing in Fiji.

Currently, <u>400 remote rural households</u> across Fiji's sugarcane belt are being connected to solar energy by the Micro Projects Programme (MPP) – a five-year project which will run until June 2018. The EUR 4.3 million project is funded by the European Union (EU) and implemented by the Pacific Community (SPC). In February 2016, Category 5 Tropical Cyclone Winston inflicted extensive damage on many Fijian islands. The cane belt communities, the target beneficiaries of the <u>MPP</u> <u>project</u> were severely affected, however, the installation of their new green electricity should be completed this month. <u>According to SPC</u>, "Each of the 400 households in Sigatoka, Nadi, Lautoka, Ba, Tavua and Rakiraki will have lighting and power points installed. For some, this is the first reliable electricity supply they have had."

SPC Deputy Director-General, Dr Audrey Aumua, said energy poverty, including access to electricity, is one of the most important obstacles to the social and economic development of the rural, remote and resource-poor communities.

"Access to clean and renewable energy will enhance their quality of life by improving conditions for income generation and diversification beyond sugarcane farming. Importantly, this has [a] broader positive impact on public health, education, environmental protection and conservation," <u>Dr Aumua</u> <u>explained</u>.

Sources: <u>Solar Power brings new opportunities for sugarcane families</u>, Makereta Lomaloma, The Pacific Community, 23 March 2017 | <u>The Micro Projects Programme</u>, SPC |Edited by Kendall Benton-Collins.

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Pacific Outlook is produced by the Grail Global Justice Overcoming Poverty Network (Australia). Published in Sydney with 6 issues per year. Contributions to Pacific Outlook and responses to its content are welcomed via the Editor.

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Design: Thanks to Marian Kelly for her donation of time and talent.