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30 March 2017

The Hon. Steven Ciobo
Minister for Trade and Investment
Parliament House
Canberra

CC: Assistant Minister for Trade and Investment Keith Pitt

Dear Mr Ciobo

PACER-plus deal does not benefit Pacific Islands and should not proceed

The Australian Fair Trade and Investment Network (AFTINET) is a diverse network of 60 organisations including public health groups, churches, unions, aid and development organisations and environment groups. Together, our member organisations represent around two million Australians.

We are writing to urge you not to proceed with signing the PACER-plus trade deal between Australia, New Zealand and Pacific Island countries.

Papua New Guinea has [withdrawn](#) from the negotiations, citing a lack of economic benefits. Fiji is concerned about its ability to protect fledgling industries, says the deal is too [one sided](#), and has not agreed to sign the final text.

Without the two largest Pacific Island economies, PACER-plus has failed as a regional agreement and is of questionable value.

PNG and Fiji's unwillingness to participate also demonstrates that the agreement is heavily skewed towards the interests of Australia and New Zealand - despite early rhetoric that the agreement was as much about development as it was about reducing trade barriers.

The concerns of Pacific Island civil society about these issues are documented in a recent report by the Pacific Network on Globalisation: [Defending Pacific ways of life: A People's Social Impact Assessment of PACER-Plus](#).

Many of the smaller economies in the Pacific have less negotiating power than Fiji and PNG. We are concerned about the pressure tactics employed by Australia and New Zealand to push vulnerable Pacific economies into a deal which ultimately may not benefit them.

Pacific island countries already have tariff free access for their goods in Australia. The main purpose of PACER-plus is to reduce tariffs on Pacific island imports and reduce the ability of governments to regulate foreign investment in services and other sectors.

Tariff reductions could lead to significant revenue losses for smaller Pacific Islands, and it is unclear how these losses can be offset. This could impact on the ability of these governments to provide essential services to their populations.

Trade in services rules could also reduce the ability of governments to regulate to provide equitable access to essential services for vulnerable populations.

Pacific island governments should not be pressured to finalise an agreement that is not in their interests.

We would welcome the opportunity to meet with you to discuss these concerns.

Yours sincerely,

A handwritten signature in black ink that reads "P M Ranald". The signature is written in a cursive, slightly slanted style.

Dr Patricia Ranald
Convenor, Australian Fair Trade and Investment Network