



Enhancement of international trade and investment opportunities for EU businesses in the Pacific Islands



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Opportunities for Trade and Investment Between the EU and the Pacific

Welcome to the Pacific Islands, a region with a shared history and economic relationship with the European Union (EU) that spans over 200 years. The Pacific Islands have close ties with the EU based on shared history, values, and trade. The Pacific-EU Economic Partnership Agreement (EPA) was developed to strengthen these ties, with an interim agreement (the iEPA) signed in 2009 by the largest Pacific Island countries: Papua New Guinea, Fiji, Solomon Islands, and Samoa.

The Pacific islands offer new markets and new opportunities for trade and investment, with 14 independent states forming the Pacific Islands Forum to represent their interests on international platforms, including the World Trade Organization and the Africa-Caribbean-Pacific (ACP) group.

The Pacific's strategic location also makes it an attractive hub for transport and logistics, providing opportunities for supply chain management and global trade for the EU.

Explore business partnerships and investment opportunities in the Pacific Islands, where the EU-PACP iEPA provides a framework for deepening collaborations and expanding economic connections.

Join us in creating a successful future, leveraging the Pacific's potential for innovation, growth, and sustainability.



The Pacific Island Economies

Papua New Guinea:



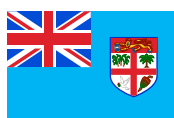
- Rich cultural heritage and natural beauty offer unique selling points for the tourism industry.
- Potential for sustainable development in extractive industries through Corporate Social Responsibility initiatives.
- Diversification of the economy and value-addition to exports can lead to higher economic growth and attract foreign investment.

Solomon Islands:



- Investment opportunities in sustainable forestry and fisheries can appeal to socially responsible investors.
- Expansion of financial services sector can enhance economic growth and increase access to formal financial services.
- Potential for eco-tourism industry development due to its rich biodiversity and natural resources.

Fiji:



- Strategic location and well-developed infrastructure make it a prime destination for logistics and supply chain management.
- Brand recognition of specialty products, such as Fiji Water, can be leveraged to expand niche exports.
- Emergence of business process outsourcing industry presents opportunities for expansion and diversification of services sector.

Samoa:



- Cultural tourism experiences can attract high-end travelers seeking unique and authentic experiences.
- Niche agricultural exports, such as organic noni juice and cocoa, can appeal to health-conscious consumers.
- Government incentives for foreign investment can stimulate growth in the tourism and manufacturing sectors.





The Interim Economic Partnership Agreement

The Interim Economic Partnership Agreement (iEPA) – a mutually beneficial trade and development agreement between the EU and the Pacific Island countries, that provides duty-free access to the EU market and improved rules of origin in key areas such as fisheries for the Pacific Island countries. The iEPA aims to improve the economic and social development of the Pacific Island countries by providing duty-free access to the EU market and improved rules of origin in key areas such as fisheries. The agreement creates new trade opportunities for Pacific Island countries offering their high-quality and fairly traded products, such as palm oil, coconut oil, and spices. It also supports their fisheries export, canned tuna, and other marine products to Europe.

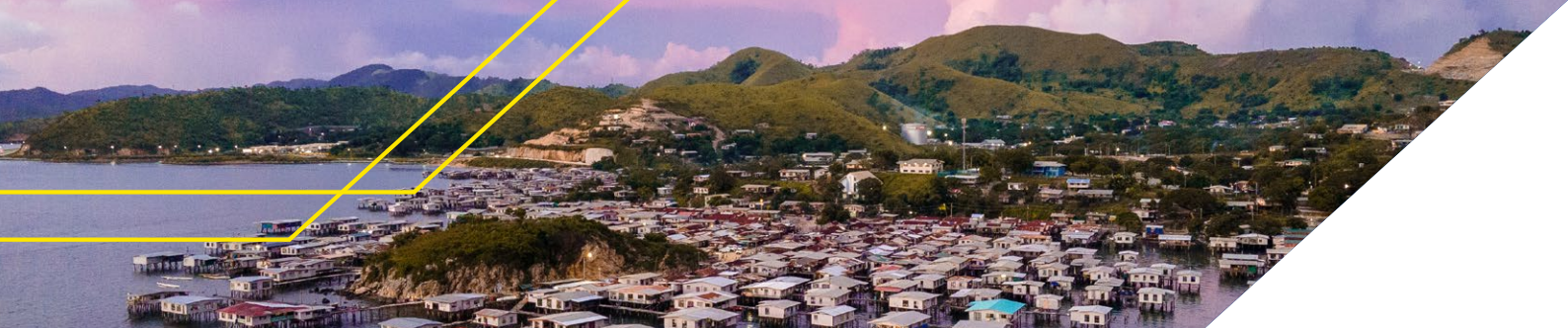
WHICH COUNTRIES HAVE ALREADY ACCEDED TO THE IEPA?

PNG and Fiji began provisionally applying the EPA in December 2009 and July 2014, respectively. Samoa acceded to the iEPA in 2018 and began provisionally applying the agreement in December 2018. Solomon Islands acceded to the EU-Pacific Interim EPA in May 2020.

WHAT AREAS OF COOPERATION ARE NOT INCLUDED IN THE IEPA?

The iEPA is an agreement that governs trade in goods only and does not include other areas of cooperation such as services.





Trading with the Pacific



Exports to the Pacific

The Pacific island countries provide attractive export opportunities for EU, especially in service industries such as tourism, education, tele-health, and software-as-a-service. The majority of goods currently exported are machinery for manufacturing, construction, and mining industries. Many exporters use Australia or New Zealand as their hub for goods, but there is significant potential for direct engagement in the provision of services, particularly education and SAS. In larger markets like PNG and Fiji, there are opportunities for technology industries in e-government, e-commerce, and services to health, education, mining, construction, finance, and hospitality industries.



Key Considerations

- Border entry standards and requirements vary across Pacific Island countries, but most are based on Australian or New Zealand standards.
- Compliance with Australian or New Zealand requirements, including sanitary and phytosanitary, labelling, and standards, will satisfy Pacific Island country import requirements.
- Some countries have restrictions and high excise taxes on goods considered health and safety risks or luxury goods, such as cars.
- Digital and e-commerce policies and formal legislation exist in some countries, and financial and education markets are regulated.
- National trade promotion agencies can provide advice on sector-specific requirements and relevant laws.



Imports from the Pacific

Diversifying your product offerings and offer unique goods to your customers, look no further than the Pacific Islands, which offers a range of highly competitive exports such as kava, noni, canned tuna, certified palm oil, cocoa, coffee and handicrafts. These products have an international reputation for being natural/organic, artisanal, and fair trade, providing a unique value proposition for your business.



Special case: business process outsourcing in Fiji

Fiji is becoming an increasingly important player in the business process outsourcing sector, with its time zone, English fluency, and tech-savvy population making it an attractive location for foreign outsourcing companies.





Investing in the Pacific

Investing in the Pacific region is an attractive opportunity for businesses seeking premium travel experiences, unique products, and specialized markets in business process outsourcing. The region holds potential for both domestic and export markets, particularly in resources, construction, and technology sectors. The Pacific region offers an enviable lifestyle, and many businesses seeking investment are social enterprises with a goal to give back to the community.

With the development of new technologies, foreign investors can bring both capital and development impact to the private sector, particularly in areas such as health, education, and utilities for rural communities. However, on-the-ground experience and presence are vital when considering investment, as Pacific Island country economies have inherent risks.

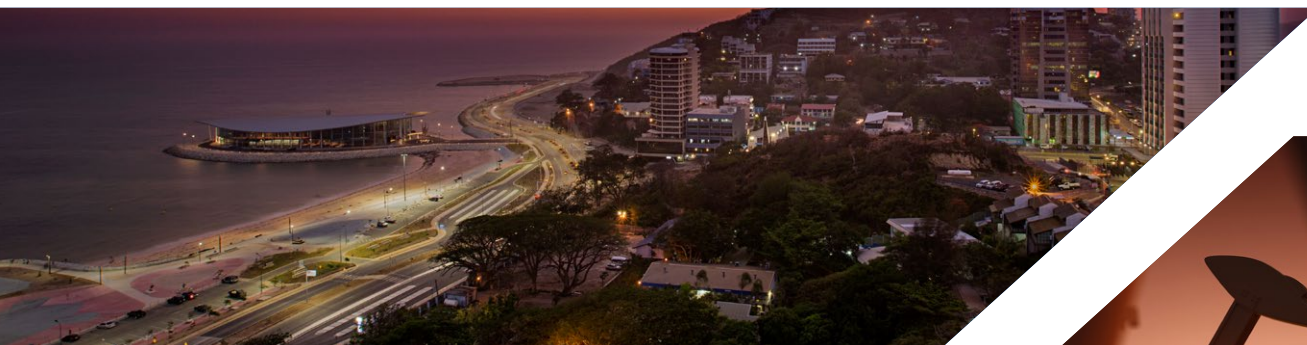
It is important to fully understand the market, the business enabling environment, and likely fail points before embarking on a significant investment. This is particularly true when the investment involves the purchase of land, which is still regarded as community property. Extra care must be taken in ensuring any land purchased has clear title and is free from claims. Working with a reputable, knowledgeable partner is essential and can far outweigh the costs.

FINDING INVESTMENT OPPORTUNITIES

For businesses seeking investment opportunities in the Pacific, Pacific Trade Invest (PTI) can be a first point of call for investors from the EU. PTI's focus is primarily on small and medium enterprises, but they also assist larger investors in navigating the region's various options. Pacific Trade Invest maintains a folio of investment-ready companies seeking partnerships, making it easier for investors to identify potential opportunities.

The folio can be accessed at pacifictradeinvest.com/en/investment-opportunities/

Larger countries in the Pacific region also have trade and investment promotion agencies that can help businesses research opportunities, assess risks, and understand the requirements for investments. A list of partners can be found in the Resources section, making it even easier for EU businesses to find the right investment opportunities in the Pacific.





FINDING PARTNERS

In the Pacific, finding the right partner for foreign businesses is important, but can be challenging. Reliable networks and local knowledge are key to verifying partnerships, and small business networks can resolve obstacles. Formal business networks can help new entrants understand the local environment and provide advisory services. Multiple partners should be considered to speed up the process of obtaining government approvals. The partnership discovery process should begin before traveling to the Pacific to enable proper planning, and reputable partners can be found through national Chambers of Commerce, Pacific-EU business councils, or regional trade networks. [Business Link Pacific](#) is a helpful resource for finding partners and connecting with local businesses.

Understanding the local markets is essential for investors and traders in the Pacific islands due to diverse economies, rules, and regulations. National trade promotion organizations such as the Investment Promotion Authority (IPA) in Papua New Guinea and Investment Fiji in Fiji help with market research, negotiating rules and legislation, and assisting investors and importers.

FINDING MORE INFORMATION ON INVESTMENT OPPORTUNITIES

Investors and traders looking to do business in the Pacific Islands must understand the distinct economies, rules, and regulations of each country. Fortunately, larger Pacific Island countries have national trade and investment promotion entities to assist with market research, information, and logistics.

Key agencies to assist investors include the Investment Promotion Authority in Papua New Guinea, Investment Fiji, InvestSolomons in the Solomon Islands, the Foreign Investment Promotion Authority in Vanuatu, and the Ministry of Commerce, Industry and Labour in Samoa. These agencies provide information on investment opportunities, trade facilitation, company registration, and ongoing support for established businesses. By working with these agencies, investors can successfully navigate the Pacific Island markets and take advantage of the many business opportunities available.





Resources Quick Guide

PACIFIC TRADE INVEST

→ pacifictradeinvest.com

The trade and investment promotion network for the Pacific.



PAPUA NEW GUINEA

→ Investment Promotion Authority

→ Tourism Promotion Authority

→ Internal Revenue Commission

→ Port Moresby Chamber of Commerce and Industry

→ Business Council of Papua New Guinea

→ PNG-Europe Business Council

→ KPMG – accounting and advisory services

→ PWC – accounting and advisory services

→ Ashurst PNG – legal and advisory services

→ Gangloff Group – business and advisory services





FIJI

- Investment Fiji
- Travel Fiji
- Outsource Fiji
- Ministry of Justice – company registration
- Fiji Chamber of Commerce and Industry
- KPMG – accounting and advisory services
- PWC – accounting and advisory services
- Ernst and Young – advisory services
- Lal Patel Bale Lawyers – legal services

SOLOMON ISLANDS

- InvestSolomons
- Tourism Solomons
- Ministry of Commerce, Industry, Labour and Immigration
- Solomon Islands Chamber of Commerce and Industry

SAMOA

- Ministry of Commerce, Labour and Industry
- Samoa Chamber of Commerce and Industry
- BDO – accounting and advisory services
- KVA Consult – business and advisory services



For more information

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epa-pacific.eu



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