

CHAPTER 10

DEVELOPMENT AND ECONOMIC COOPERATION

Article 1: Definitions

For the purposes of this Chapter:

development assistance coordination agency means the agency of a Party with primary responsibility for the coordination and management of Official Development Assistance within that Party;

implementing Party or **implementing Parties** means, for each component of the Work Programme, the Party or Parties primarily responsible for the implementation of that component;

participating Party or **participating Parties** means, for each component of the Work Programme, the Party or Parties participating in that component; and

Work Programme means the programme of development and economic cooperation activities mutually prioritised and determined by the Parties taking into account the needs identified by the developing country Parties, under the relevant components.

Article 2: Scope and Objectives

1. The Parties reaffirm the importance of ongoing development and economic cooperation between them, including existing bilateral and regional cooperation through the Australian and New Zealand Aid Programmes that support the Forum Island Countries' increased participation in international trade, including the expansion and diversification of their exports.

2. The Parties agree to improve and complement their existing development and economic cooperative partnerships in trade and investment related areas, taking into account the needs that are identified by the developing country Parties; and mutually prioritised and determined by the participating Parties. In elaborating areas of partnership, the Parties shall take account of the different levels of development and capacities of the Parties.

3. The Parties take due note of the provisions in various Chapters of this Agreement that encourage and facilitate cooperation and consultation. The Parties agree to adopt targeted measures to address the capacity constraints of the developing country Parties through cooperation and consultation as determined in the various Chapters.

4. The development and economic cooperation objectives under this Chapter will be achieved through the Work Programme and broader trade and investment related assistance as set out in the *Implementing Arrangement for Development and Economic Cooperation under Pacific Agreement on Closer Economic Relations Plus*, in particular, paragraph 6 thereof.

Article 3: Resources for the Work Programme

1. The Parties shall contribute appropriately to the implementation of the Work Programme. In that regard, the financial resources to be provided by the developed country Parties are set out in the *Implementing Arrangement for Development and Economic Cooperation under Pacific Agreement on Closer Economic Relations Plus*.
2. In determining the appropriate level of contribution to the Work Programme, the Parties shall take into account:
 - (a) the different levels of development and capacities of the Parties;
 - (b) any in-kind contributions that Parties are able to make to Work Programme components;
 - (c) any contributions that non-Parties are able to make to Work Programme components, directly or indirectly; and
 - (d) that the appropriate level of contribution enhances the relevance and sustainability of cooperation, strengthens partnerships between Parties and builds Parties' shared commitment to the effective implementation and oversight of Work Programme components.

Article 4: Development and Economic Cooperation Work Programme

1. Each Work Programme component shall:
 - (a) be trade- or investment-related and support the implementation of this Agreement,
 - (b) be specified in the Work Programme;
 - (c) involve a minimum of two Forum Island Countries, and Australia or New Zealand;
 - (d) address the needs of the developing country Parties as mutually prioritised and determined by the participating Parties; and
 - (e) wherever possible, avoid duplication in relation to, and build on and complement, existing economic cooperation activities and delivery mechanisms.
2. The description of each Work Programme component shall specify the details necessary to provide clarity to the Parties regarding the scope and purpose of such component.

Article 5: Focal Points for Implementation

1. Each Party shall designate a focal point for all matters relating to the implementation of the Work Programme and shall keep all Parties updated on its focal point's details.
2. The focal points shall be responsible for overseeing and reporting on the implementation of the Work Programme in accordance with Article 6 and Article 7 and for responding to enquiries from any Party regarding the Work Programme.
3. The focal point of a Party shall coordinate the Work Programme with the development assistance coordination agency of that Party.

Article 6: Implementation and Evaluation of Work Programme Components

1. Prior to the commencement of each Work Programme component, the implementing Party or Parties, in consultation with the relevant participating Parties, shall develop an implementation plan for that Work Programme component and provide that plan to each Party.
2. The implementing Party or Parties for a Work Programme component shall use existing mechanisms for the implementation of that component, unless otherwise agreed by those Parties.
3. Until the completion of a Work Programme component, the implementing Party or Parties shall regularly monitor and evaluate the relevant component and provide periodic reports to each Party including a final component completion report.

Article 7: Review and Modification of Work Programme

1. At the direction of the Joint Committee, the Work Programme shall be reviewed within three years of the commencement of its implementation, and thereafter at regular intervals to assess its overall effectiveness in terms of assisting the developing country Parties to implement their PACER Plus obligations.
2. The Joint Committee shall, where appropriate, modify, renew or terminate the Work Programme, taking into account outcomes of reviews and the needs of the developing country Parties as mutually prioritised and determined by Participating Parties and available resources.

Article 8: Non-Application of Chapter 14 (Consultations and Dispute Settlement)

Chapter 14 (Consultations and Dispute Settlement) shall not apply to any matter arising under this Chapter.