

PACER+PLUS

OUTCOMES: TRADE IN GOODS

The PACER Plus market access commitments and treaty provisions on goods will increase opportunities and provide greater certainty for producers and exporters.

For Australian exporters, PACER Plus will provide more predictable and secure conditions for trade. It will also mean that, over time, there will be more liberal market access in many sectors such as meat, dairy, grains, oilseeds, fats and oils, sugar, processed food and beverages, animal feed, plastics, chemicals, metals and metal products, specialised machinery and equipment, car parts, electrical and electronic goods and mineral fuels.

Australia and New Zealand have committed to bind (guarantee) their tariffs on Pacific island country products at zero, providing certainty for Pacific exporters. Pacific island countries' tariff commitments will extend or reinforce predictable, secure and, over time, more liberal market access to the region.

Pacific island countries will also benefit from flexible rules of origin (ROO) and product specific rules (PSR) that will allow Pacific island country producers to source inputs from a range of external and domestic suppliers and still qualify for duty-free entry to Australia and New Zealand. PACER Plus also simplifies procedures for verifying the origins of goods, reducing costs and delays. These reforms will boost opportunities domestically and within the region.

Under PACER Plus, Australia and New Zealand will assist Pacific island countries to upgrade their sanitary and phytosanitary (SPS) capabilities. The upgrades will allow them to convert access opportunities in Australian and New Zealand markets into trade gains.

The standards and conformance provisions in PACER Plus, in conjunction with targeted capacity building, will provide a basis for goods from Pacific island countries to meet international standards and make the most of opportunities in regional and global markets. Modernised customs procedures under PACER Plus will further help facilitate trade by reducing border costs.












Tariff elimination for Australian exports

Pacific island countries have committed to liberalise tariffs. See the [Schedule of tariff commitments](#) by each PACER Plus member.

As a development agreement, Pacific island countries' tariff commitments under PACER Plus take into account their unique economic situations as small island developing economies and reliance on tariff revenues. It also recognises individual capacities including Least Developed Country (LDC) status and World Trade Organisation membership.

Coverage of Australian export value (% of Australia's domestic exports) and implementation period

Country	Liberalisation coverage of Australian domestic exports	Implementation period from date the Agreement came into effect
 Cook Islands	92.0%	3 years
 Kiribati	90.4%	As Kiribati eliminated its ordinary customs duties in 2014, its PACER Plus tariff commitments (bindings at zero) are in place from the commencement of the Agreement.
 Nauru	92.9%	35 years
 Niue	97.3%	25 years
 Samoa	85.8%	25 years
 Solomon Islands	85.1%	Tariff reduction commencing after graduation from LDC status or 10 years, whichever is later and tariff elimination over up to 25 or more years
 Tonga	98.6%	25 years
 Tuvalu	94.5%	Tariff reduction commencing after graduation from LDC status or 10 years, whichever is later and tariff elimination over up to 25 or more years
 Vanuatu	85.0%	Tariff reduction commencing after graduation from LDC status or 10 years, whichever is later and tariff elimination over up to 25 or more years

Australian exporters can expect early reductions or secured duty-free access from the date the Agreement came into effect for key products including:

- + In the Cook Islands: wine, computer parts, engine parts, toiletries and measuring equipment
- + In Niue: electronic goods, iron and steel products, measuring equipment, machine parts, fishing equipment, telecommunications products, professional instruments, breathing apparatus and fruit juices
- + In Samoa: dairy products, medicaments, packing materials, gold coin, electrical and electronic goods, offal, professional instruments, machine parts and measuring equipment
- + In Tonga: sheep meat, poultry meat, agricultural chemicals, computer parts, medicaments, insecticides, telecommunications equipment, electronic goods, engine parts, car parts, beef, sugar confectionery and wine.



Most-favoured Nation (MFN) tariff treatment

PACER Plus requires members to extend, immediately and unconditionally, no less favourable treatment to other members, than provided to non-parties. MFN tariff treatment provides a guarantee of non-discrimination where an FTA partner excludes some goods from liberalisation, or has yet to complete its scheduled liberalisation, and negotiates an FTA with a third country with liberalisation commitments or faster liberalisation in relation to those goods.

In practice, the PACER Plus MFN provision will mean that any improvements on goods outcomes will flow to Australian businesses should the Pacific island countries negotiate an FTA with a developed or significant trading country from outside the region.



Flexibility

PACER Plus provides flexibilities to Pacific island country members when they undertake scheduled tariff reductions. These flexibilities recognise Pacific island countries' limited resource base, geographical isolation and vulnerability to natural disasters.

- + Pacific island countries can renegotiate their tariff commitments through provisions for compensated modification or withdrawal of tariff concessions if they experience difficulties in implementing them before or after final implementation of scheduled tariff reductions
- + Pacific island countries can apply a transitional safeguard if a sudden influx of imports causes or threatens serious injury when tariffs are reduced
- + Pacific island countries can pause their tariff reductions – or even raise tariffs temporarily – for the purpose of industry development if certain criteria are met.



Transparency

Transparency provisions on trade in goods and the broader Agreement should provide clearer information to businesses trading in the Pacific. The Trade in Goods Chapter requires each member to:

- + publish all laws, regulations, judicial decisions and administrative rulings that affect trade, all international trade agreements, and any new impost, restriction or prohibition on imports
- + administer all such measures in a uniform, impartial and reasonable manner
- + exchange information with other members on all rates of duty, all fees and charges, and new or modified import licensing procedures
- + exchange and publish up-to-date information on these matters, and
- + establish contact points to transmit and receive requests and notifications from members, as well as facilitate requests for information and for technical discussions on measures affecting trade.