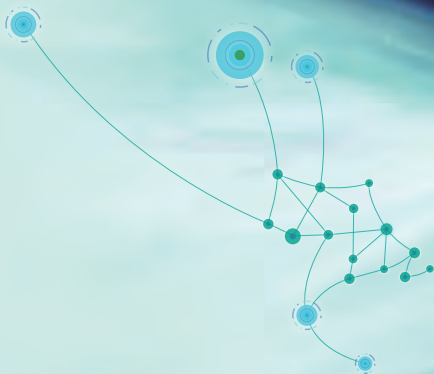


# 2016

## ANNUAL REPORT

Supporting sustainable economic  
development in the Pacific Islands



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PACIFIC ISLANDS  
FORUM SECRETARIAT



## FOREWORD FROM SECRETARY GENERAL

The people of the Pacific Islands are custodians of an abundant ocean, with important resources that we must sustain for future generations. The Pacific Islands are rich in diversity, with island cultures and naturally unique and beautiful visitor destinations.

We welcome international partners in our economic development, to help grow businesses that will create jobs and opportunities for our island communities. The Pacific Trade Invest offices lead our efforts to build mutually beneficial business links between the businesses of the Pacific Island Countries and our major economic partners.

The Pacific Islands Forum recognises the value of working together and our work, determined by the Forum Leaders and Ministers, includes complementing national efforts, overcoming constraints and building partnerships for sustainable, inclusive development within the Pacific Islands and for the Pacific region as a whole.

In Australia, China, Europe (Switzerland), Japan and New Zealand, we have teams working passionately and tirelessly to connect Pacific Island businesses with economic opportunities, to export to international markets, to drive inward investments for business growth, to promote tourism development and build economic cooperation.

I wish to thank the Pacific Trade Invest teams for their efforts and the important work being undertaken for our people. We gratefully acknowledge the funding support for the Pacific Trade Invest offices from the Governments of Australia, China, Japan, New Zealand and from the European Union.

Dame Meg Taylor

Secretary General

Pacific Islands Forum Secretariat



Pacific Trade Invest  
Australia

## **PTI AUSTRALIA**

Founded in 1979, the Pacific Trade Invest office in Sydney promotes Pacific Islands economic development by facilitating trade and attracting investment into the region. PTI Australia is supported by the Australian Department of Foreign Affairs and Trade.





## CALEB JARVIS

---

Australia Trade & Investment  
Commissioner

In 2016 PTI Australia focused on initiatives to bridge the widening gap between Pacific Island businesses and the Australian market. We assisted 412 Pacific Island businesses, facilitating over A\$18.76m in exports and A\$8.39m in investments.

There continues to be a lack of private sector data from the Pacific Islands. In 2016 we conducted the second Pacific island Export Survey to provide quantitative data and insights to assist governments and organisations to make informed decisions and assist with stimulating export growth.

We also contributed to a great advancement in Pacific labour mobility, facilitating the first company to take part in the Pacific

Microstates - Northern Australia Pilot Program resulting in 28 i-Kiribati taking positions at One&Only Hayman Island Resort.

PTI Australia remains committed to empowering Pacific women in business, assisting 110 women-led businesses with 58 deals worth over A\$2.93m.

None of these outcomes could have been achieved without the support of the Department of Foreign Affairs and Trade and the staff of PTI Australia. I'd like to thank the staff of PTI Australia for the work they do each day in the pursuit of a shared goal - to create jobs in the Pacific.

## PTI AUSTRALIA'S KEY PARTNERS

Australian Government (DFAT)  
Australian Trade Commission  
Australian Volunteer Associations  
Business chambers and councils  
Carnival Cruises  
Donor Organisations  
Fish 2.0  
Investment Promotion Agencies (IPAs)  
Market Development Facility (MDF)  
National Governments of the 14 PICs  
National Private Sector Organisations  
National Tourism Organisations (NTOs)  
Pacific Diplomatic Missions to Australia  
Pacific Islands Forum Secretariat (PIFS)  
Pacific Islands Private Sector Organisation (PIPSO)  
Pacific Rise  
Pacific Women in Business  
Pacific Horticultural & Agricultural Market Access Program (PHAMA)  
REAL Pacific Impact  
Scope Global  
Secretariat of the Pacific Community (SPC)  
Service Providers  
South Pacific Tourism Organisation (SPTO)  
The Difference Incubator (TDI)

# PTI AUSTRALIA'S KEY PROJECTS

## Trade

- Showcased 11 Pacific Islands exporters at Fine Food Australia
- Conducted the 2016 Pacific Islands Exporter Survey
- Showcased four Pacific businesses at the 2016 Australian Beauty Expo
- Facilitated the first company to take part in the Pacific Microstates – Northern Australian Worker Pilot Program, resulting in 28 i-Kiribati taking positions at the One&Only Hayman Island Resort
- Supported packaging and labelling for Pacific Islands exporters
- Managed two Tonga grower missions to Australia
- Facilitated over A\$18.76m in export sales

## Investment

- Led a Business Process Outsourcing mission to Fiji involving a delegation of five Australian businesses to Fiji
- Took two infrastructure missions to Fiji and Papua New Guinea in collaboration with the Australian Trade Commission
- Partnered with Fish 2.0 in a sustainable seafood business competition and a three-day workshop held in Fiji attended by 30 fishing entrepreneurs from 10 Pacific Island Countries
- Partnered with Australian Business Volunteers to deliver two YES Programs in the Solomon Islands and Papua New Guinea
- Facilitated two Impact Investment missions to Samoa and Vanuatu resulting in new foreign direct investment into both countries
- Facilitated A\$8.39m in investments



## Creative industries

- Delivered Maketi Ples, a two-week commercial exhibition in Sydney, showcasing 21 Pacific artists/artisans from eight Pacific Island Countries with sales of A\$35,000
- Sponsored Pacific Runway, providing an international platform for Pacific fashion and jewellery designers
- Facilitated a Tongan coconut fibre artist to be the first Pacific Island artist in the prestigious CRAFT ACT artist-in-residence program
- Supported five Fijian designers to showcase their collection at the Australian Mercedes Benz Fashion Week
- Facilitated the inclusion of Goroka Bilum Weavers and Florence Jaukai in "String" exhibition by Artisan Gallery, Brisbane
- Facilitated and supported Florence Jaukai at the Pacific Artists Association Conference XII in New Zealand, resulting in the sale of FJK BilumWear Collection 2016 to Te Papa and Auckland Museum
- Supported the export partnership between Among Equals and Goroka Bilum Weavers, with approximately 400 bilum bags exported to Australian market
- Supported the partnership between Boylan Headwear and Malo Island and Delosa Handicrafts weaving communities, resulting in successful soft market entry and product testing in Australia and Japan
- Introduced creative industry products from PNG to the retail outlet at the Gallery of Modern Art, Brisbane



## Tourism

- Delivered four digital tourism workshops in Tonga, Samoa, Vanuatu and the Cook Islands, attended by over 100 tourism businesses
- Supported the development of 33 websites, many with online booking capability
- Supported Treasures of the South Pacific and Hidden Treasures
- Partnered with Scope Global to provide a tourist-focused impact investment grant to Malampa Handicraft Centre, Vanuatu, to develop promotional material
- The Tourism program generated over A\$6m across 12 Pacific island Countries



# CASE STUDY 1

## Collaborating for success

Samoa Coconut Cluster Limited is the company behind the Samoa Heritage brand of raw organic virgin coconut oil (VCO). Founded in 2013, The Coconut Cluster formed a cooperative group of farmers and established a high volume production and manufacturing facility with the goal to encourage the development of organic VCO exports from Samoa.

PTI Australia began work with Edwin Tamasese and the Samoa Coconut Cluster in 2016 providing essential export development support to the cluster. Developing product packaging and labels and accessing jars for the Samoa Coconut Cluster's first international shipment of VCO to New Zealand.

"We want Samoa Coconut Cluster to be a model for social businesses not only in Samoa but across the Pacific. Our belief is that money is only worthwhile if it is in circulation in the community providing education, healthcare, access to nutrition and improved infrastructure. We want this company to demonstrate that ensuring equitable wealth distribution is a key part of the way forward to better communities and the progress of humanity," said Edwin Tamasese, Project Manager, Samoa Coconut Cluster.

In April 2016 PTI Australia facilitated a relationship with Samoa Coconut Cluster Limited and TDI. TDI are business model specialists with expertise in building organisational capacity. Since July 2015, TDI have also been working with the Australian Government's Department of Foreign Affairs and Trade (DFAT) to explore how to identify and grow investable social enterprises in the Pacific through the Pacific Investment Readiness Program. From PTI Australia's introduction, TDI started working with Edwin and the Samoa Coconut Cluster board in June 2016 to develop financial modelling, refine their business model and help them develop a social impact measurement framework.

Recognising the strong investment potential of the business, TDI also presented Samoa Coconut Cluster to Benefit Capital (who have established the Genesis Impact Fund to facilitate impact investment deals in the Pacific region), with the proviso that TDI would develop impact measurements for the potential investment. In August 2016, Benefit Capital approved an investment in the Samoa Coconut Cluster. Over time, this investment will help to deliver better returns to farmers within the cooperative.





## CASE STUDY 2

### Labour mobility for i-Kiribati

Job opportunities in small island states such as Kiribati can be scarce. In 2015, the Australian Government released a White Paper on Developing Northern Australia, with a vision to unlock the potential and opportunity of the North. From this White Paper, the Pacific Microstates – Northern Australia Worker Pilot Program was established to help address an issue faced by Northern Australian businesses in building a sustainable workforce. The Pilot Program enables citizens from Kiribati, Tuvalu, and Nauru to access multi-year visas to work in Northern Australia.

PTI Australia Trade and Investment Commissioner Caleb Jarvis saw an opportunity for the skills of i-Kiribati to be used to help overcome an ongoing challenge faced by One&Only Hayman Island Resort of retaining skilled staff. PTI Australia facilitated a recruitment mission to Kiribati where, from 80 interviews, 28 i-Kiribati were offered positions, becoming the recruits to use the Pilot Program.

The i-Kiribati took up their positions in late 2016 and the feedback has been overwhelmingly positive from both One&Only Hayman Island Resort, who have been impressed with the i-Kiribati work ethic, and from the employees.

One i-Kiribati worker said that her new role enables her to improve the lives of 15 family members (in Kiribati). Her wages are assisting with school fees, accommodation, food and clothing.

# FINANCIAL STATEMENTS

## Independent auditor's report to the Secretary General, Pacific Islands Forum Secretariat

We have audited the accompanying financial report, being a special purpose financial report, of Pacific Islands Trade & Investment Commission, which comprises the statement of financial position as at 31 December 2016, and the statement of profit or loss and other comprehensive income, statement of changes in equity and statement of cash flows for the year then ended, notes comprising a summary of significant accounting policies and the Commissioner's and Secretary General's Statement.

## Management's Responsibility for the Financial Report

The Commission's management is responsible for the preparation and fair presentation of the financial report. The Forum Secretariat and the Government of Australia have determined that the basis of preparation described in Note 1(a) is appropriate to meet the requirements of the needs of the Secretary General. The Commission's management is also responsible for such internal control as it determines is necessary to enable the preparation and fair presentation of a financial report that is free from material misstatement, whether due to fraud or error.

## Auditor's Responsibility

Our responsibility is to express an opinion on the preparation and presentation of the financial report based on our audit. We have conducted our audit in accordance with Australian Auditing Standards. Those standards require that we comply with relevant ethical requirements relating to audit engagements and plan and perform the audit to obtain reasonable assurance whether the financial report is free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial report. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial report, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial report, in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by the Commission, as well as evaluating the overall presentation of the financial report.

These procedures have been undertaken to form an opinion whether, in all material respects, the financial report is presented fairly in accordance with the basis of accounting described in Note 1(a) to the financial report. These policies do not require the application of all Accounting Standards and other mandatory professional reporting requirements in Australia.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

## Opinion

In our opinion, the financial report presents fairly, in all material respects, the financial position of Pacific Islands Trade & Investment Commission as at 31 December 2016 and of its financial performance for the year then ended in accordance with the accounting policies described in Note 1(a) to the financial statements.

## Basis of Accounting and Restriction on Distribution

Without modifying our opinion, we draw attention to Note 1(a) to the financial statements, which describes the basis of accounting. The financial report has been prepared for distribution to the Secretary General for the purpose of fulfilling the requirements of the financial regulations of the Commission. As a result, the financial report may not be suitable to any other person other than for which it was prepared.

A D Danielli Audit Pty  
July 26, 2017

# Statement of Financial Position

## As at 31 December 2016

Currency: AUD\$

<b>Current Assets</b>	<b>2016</b>	<b>2015</b>
Cash and Cash Equivalents	228,485	683,905
Other Financial Assets	500,000	40,022
Trade & Other Receivables	25,395	3,880
Prepayments	3,710	3,961
<b>Total Current Assets</b>	<b>757,590</b>	<b>731,768</b>
<b>Non-Current Assets</b>		
Property, Plant & Equipment	101,168	46,359
Other Assets	72,231	16,863
<b>Total Non-Current Assets</b>	<b>173,399</b>	<b>63,222</b>
<b>Total Assets</b>	<b>930,989</b>	<b>794,990</b>
<b>Current Liabilities</b>		
Trade & Other Payables	248	49,572
Provisions	63,836	37,963
Deferred Income	-	-
<b>Total Current Liabilities</b>	<b>64,084</b>	<b>87,535</b>
<b>Non-Current Liabilities</b>		
Provisions	142,610	42,701
<b>Total Non-Current Liabilities</b>	<b>142,610</b>	<b>42,701</b>
<b>Total Liabilities</b>	<b>206,694</b>	<b>130,236</b>
<b>Net Assets</b>	<b>724,295</b>	<b>664,754</b>
<b>Opening Accumulated Surplus</b>		
Opening Accumulated Surplus	664,754	233,982
<b>Current Accumulated Surplus</b>		
Current Accumulated Surplus	59,541	430,772
<b>Total Accumulated Funds</b>	<b>724,295</b>	<b>664,754</b>



# STATEMENT OF INCOME AND EXPENDITURE

Currency: AUD\$

	Approved 2016 Budget	Over/(Under) Expenditure	2016 Actual	2015 Actual
<b>Operating Revenue</b>				
Government Grants & Funding	2,500,000		2,500,000	1,452,000
Interest	10,000	(967)	9,033	13,941
Other	5,000	(1,054)	3,946	-
<b>Total Operating Revenue</b>	<b>2,515,000</b>	<b>(2,021)</b>	<b>2,512,979</b>	<b>1,465,941</b>
<b>Personnel Emoluments</b>				
Personnel Emoluments	1,100,000	15,164	1,115,164	496,003
<b>Subtotal</b>	<b>1,100,000</b>	<b>15,164</b>	<b>1,115,164</b>	<b>496,003</b>
<b>Administration</b>				
Computer	110,000	(2,732)	107,268	16,634
Consulting	2,000	(17)	1,983	5,000
Depreciation		19,614	19,614	9,335
Incidentals & Legal	64,100	1,086	65,186	17,627,00
Insurances	6,400	582	6,982	6,444
Workshop and Conference	7,000	(1,242)	5,758	10,658
Office Maintenance	5,000	(311)	4,689	3,042
Office Supplies	19,500	416	19,916	12,426
Postage and Freight	7,000	(468)	6,532	5,880
Printing and Stationery	10,000	2,500	12,500	7,278
Rent	195,000	(36,410)	158,590	167,377
Telephone, Internet & Fax	36,000	3,578	39,578	14,944
Utilities	6,000	64	6,064	4,701
Miscellaneous	28,000	59,608	87,608	8,359
<b>Subtotal</b>	<b>496,000</b>	<b>46,268</b>	<b>542,268</b>	<b>289,705</b>
<b>Auditing &amp; Financial Charges</b>				
Audit & Accounting	38,000	(3,192)	34,808	20,697
Bank Charges	4,000	247	4,247	2,869
<b>Subtotal</b>	<b>42,000</b>	<b>(2,945)</b>	<b>39,055</b>	<b>23,566</b>
<b>Work Programme</b>				
<b>Core Grant Expenditure</b>				
Exporter Services	220,000	1,464	221,464	47,576
Creative Arts/Publications	90,000	(3,914)	86,086	23,646
<b>Sydney</b>				
Investment Promotion & Seminars	110,000	(8,475)	101,525	44,735
Tourism Promotion Development	70,000	(12,500)	57,500	6,000
Knowledge & Information Management	50,000	(3,774)	46,226	-
Trends & Development	1,000	(101)	899	-
Vehicle Running and capital purchases	40,000	1,239	41,239	16,536
Duty Travel	201,000	1,012	202,012	87,402
<b>Subtotal</b>	<b>782,000</b>	<b>(25,049)</b>	<b>756,951</b>	<b>225,895</b>
<b>Total Operating Expenditure</b>	<b>2,420,000</b>	<b>33,438</b>	<b>2,453,438</b>	<b>1,035,169</b>
<b>Operating Profit</b>	<b>95,000</b>		<b>59,541</b>	<b>430,772</b>



Pacific Trade Invest  
China

## **PTI China**

The Pacific Trade & Investment Commission in Beijing promotes Pacific Islands economic development through building economic links for Pacific businesses to the world's second largest economy, China, and is supported by Chinese Government funding provided to the Pacific Islands Forum Secretariat.

## DAVID MORRIS

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China Trade & Investment  
Commissioner



In 2016 we transformed PTI China with a new staff structure, robust accountabilities and more ambitious trade, investment, tourism and outreach programs to support Pacific Islands businesses.

We started to see good results and expect more in the future. We developed strong government and industry partnerships, with a focus on South China, which is the hub for much of the active business outreach to the Pacific Islands.

In PNG, we achieved strong outcomes with a number of companies we have been assisting making investments and committing to work with local communities for sustainable development. We actively advised Pacific exporters and promoted

Pacific products in the Chinese market. We pro-actively focused our tourism promotion in the growing Dive segment and generated widespread Chinese coverage of Vanuatu, Fiji and Samoa tourism destinations.

One of our challenges in the highly competitive Chinese market is a lack of awareness of the Pacific Islands, so we unashamedly focused in 2016 on building a higher profile for the Pacific in Chinese and international media, social media, events and newsletters for our industry network. We also conducted outreach in Pacific media to strengthen understanding of today's China and its potential as an economic partner for our region.

## PTI CHINA'S KEY PARTNERS

Austcham China

China Council for the Promotion of International Trade

Chinese Government Ministries

Guangdong Enterprise Association

Guangdong Provincial Government

Investment Promotion Agencies (IPAs)

National Governments of the Pacific

National Tourism Organisations (NTOs)

Pacific Diplomatic Missions to China

Pacific Horticultural and Agricultural Market Access Program (PHAMA)

Pacific Islands Forum Secretariat (PIFS)

Pacific Islands Private Sector Organisation (PIPSO)

Research Centre for Oceania Studies, Sun Yat Sen University

Service providers

Shenzhen Municipal Government

South Pacific Tourism Organisation (SPTO)

United Nations Economic & Social Commission for Asia & the Pacific (UNESCAP)

# PTI CHINA'S KEY PROJECTS

Projects to strengthen partnerships, connect businesses, raise awareness and engagement

- Began the year with a stakeholder event widely attended by Chinese Government, Pacific diplomatic representatives and business partners
- Sponsored a table at the Fiji Cyclone Winston Recovery fundraiser, at the Chinese Government State Guesthouse
- Represented the Pacific Islands Forum at key Chinese Government events such as the Opening of the National People's Congress
- New Trade Commissioner made introductory visits to the Pacific Islands Forum Secretariat, economic development agencies and other partners in Fiji, Papua New Guinea and Vanuatu
- Maintained daily social media outreach to promote China–Pacific Islands awareness and understanding and frequent media, including interviews with major Chinese and Pacific media, regular Pacific Periscope stories, opinion editorials in key newspapers and a quarterly newsletter for business networks
- Trade Commissioner gave speeches on the Pacific Islands and China, engaging with key opinion leaders and decision makers, at the Australia–China Association for Friendship & Exchange, Centre for Oceania Studies at Sun Yat Sen University, Chinese Communist Youth League, China Youth Model United Nations, Club de Madrid Guangzhou International Forum of Former World Leaders, Global Diving Tourism & Investment Seminar, Guangdong Exhibition Centre opening, Sun Yat Sen University, UN Economic and Social Commission for Asia and the Pacific (UNESCAP), and the University of Sydney
- Facilitated a number of visits from China to PIFS, including Vice Minister for Agriculture
- Trade Commissioner was appointed a member of the UNESCAP Sustainable Business Network and participated in the high level Belt and Road Summit in Hong Kong



## Trade

- Showcased Naturally Fiji and Island Rose Dream (Tonga) at major international cosmetics expo, Cosmoprof Hong Kong, generating interest from international buyers
- Trade helpdesk resolved almost 100% of enquiries received from Pacific businesses investigating the China market
- Compiled and distributed a Pacific guide to China Trade Fairs & Expos
- Compiled and distributed China–Pacific Islands Trade Statistics, receiving widespread publicity
- Provided research on coconut products in China and advice on Tongan seaweed to Pacific Horticultural and Agricultural Market Access (PHAMA)
- Provided advice to PNG authorities on quarantine access to China for seafood
- Matched a Fiji supplier with an importer for giant clams
- Participated in the major Fuzhou International Fisheries Expo and the associated Global Fisheries Roundtable with government and business leaders
- Facilitated a Chinese timber importer to visit Solomon Islands to source hardwood
- Facilitated an FSM company to exhibit at Western China Expo, Chengdu
- Assisted \$100,000 worth of noni exports to China by Fiji Herbex

## Investment

- Took a major South China investment mission to PNG resulting in signature of a PNG Ports–Shenzhen partnership, establishment of a Guangdong Exhibition Centre in Port Moresby and a number of other investment projects planned
- Vivafounder, a South China company we have been working with since our 2015 South China Mission and on subsequent visits to PNG, announced a \$4 billion planned series of investments with partners in West Sepik
- Second investment mission to PNG engaged with major South Chinese investors at a PNG–Guangdong Enterprises Association Roundtable including Huawei, Guangdong Foreign Construction Co, Vivafounder, Ramu Nickel and China Harbour Engineering, in support of sustainable investment practices
- Accompanied a South China investment mission to Fiji and Tonga
- Investment mission to Vanuatu identified a number of prospective projects of interest to Chinese investors
- Facilitated investment in FSM by CITIC Pacific Trading, which has five fishing boats and is exporting fish and other products across the region, employing 15 local staff

## Tourism

- Facilitated a Chinese industry delegation to South Pacific Tourism Exchange, to learn more about Pacific Islands destinations and make industry contacts
- Partnered with South Pacific Tourism Organisation and National Tourism Organisations to showcase the Pacific Islands at major Chinese travel expos in Beijing, Guangzhou, Shanghai and Shenzhen and a roadshow to meet Chinese partners
- Launched a new Pacific Islands tourism promotion account on WeChat, China's leading social media platform
- Designed and delivered Dive Tourism Workshops in Beijing, Shanghai and Guangzhou to key industry influencers and exhibited at a major Dive Tourism expo in Hong Kong, with key diving clubs actively promoting the Pacific Islands as a result
- Took a leading Chinese travel blogger, two journalists and a virtual reality (VR) film crew to Vanuatu, Fiji and Samoa, generating widespread coverage, and launched the VR film at China's premier tourism expo, International Travel Mart, Shanghai



## Creative Industries

- Widespread publicity and interest generated by PNG artworks exhibited at the Shenzhen International Cultural Industries Fair
- Supported a Shanghai fashion show by a graduate of the China-PIFS Scholarship Program

## Education and Training

- Successful representations resulted in doubling of China-PIFS Scholarship Program places to 20 per year, urgently recruited 10 extra students and provided critical, in-country support to students
- Partnered with Ministry of Agriculture to better target and design the China-Pacific Islands Agriculture and Fisheries Training Program, including business site visits
- Trade Commissioner gave speech to Agriculture and Fisheries Training Program

## CASE STUDY

### South China and PNG



For generations traders from South China have travelled in the Pacific and some raised families and established businesses in the Pacific Islands. Now there is a new trend, since the opening up and rapid development of China in recent decades. China's large companies are going global, looking for partners in trade and investment. In late 2015, PTI China brought a Pacific Islands trade mission to South China for business matchmaking and followed up in 2016 with two visits to Papua New Guinea (PNG), taking a Shenzhen Government and business delegation and hosting a South China business roundtable in PNG.

At a signing ceremony, PNG Ports and Shenzhen Port, the third largest container port in the world, agreed to cooperate in future development opportunities. Shenzhen Energy established a representative office in PNG with plans to bid for renewable power projects. Later in the year, South China firm Vivafounder completed surveys for a \$4 billion, 200,000 hectare forestry, agriculture, processing and manufacturing project to support sustainable development in north western PNG, working in close consultation with local communities. Guangdong company Artepharm is providing new anti-malaria medicines for an ambitious Chinese-Australian aid program to eliminate malaria in PNG.

Some Chinese companies, such as Guangdong Foreign Construction (GDFC) Company and China Harbour Engineering, had been drawn to PNG initially to work on aid-funded infrastructure projects and have since successfully bid to undertake commercially funded projects. GDFC recently completed new student accommodation at the University of Goroka, ten years ahead of schedule, and China Harbour Engineering has built important new roads in the capital. Next GDFC plans to build the new Enga Province hospital.

Other South China companies have been active in the region for some time, such as Communications giant Huawei, which has its regional HQ located in Port Moresby, servicing its broadband and other projects across the Pacific Islands region. Huawei has recently been engaged to develop the PNG Government's broadband network, electronic identity card and submarine cable network and has projects in Vanuatu, French Polynesia and Samoa. Of Huawei's 100 PNG staff, half are local and half from China.

In the next few years, Guangdong Rising Assets Management Company (owner of Panaust) expects to develop the giant Frieda River mine, one of the largest undeveloped deposits of copper and gold in the world.



# FINANCIAL STATEMENTS

## To Pacific Islands Trade & Invest,

We have audited the accompanying financial statements of Pacific Trade Invest (hereafter referred to as “the Trade Commissioner”), which comprise the statement of financial position as at December 31, 2016, the statement of expenses for the year then ended, and notes to the financial statements.

## Management’s Responsibility for the Financial Statements

Preparation and fair presentation of financial statements is management’s responsibility. This responsibility includes: 1) preparation and fair presentation of financial statements in accordance with the basis presented in Note 2 to the financial statements and 2) design, implementation and maintenance of such internal control as management determines is necessary to ensure that financial statements are free from material misstatement, whether due to fraud or error.

## Auditor’s Responsibility

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with Chinese Certified Public Accountants Auditing Standards. Those standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor’s judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the Company’s preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity’s internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

## Opinion

In our opinion, the financial statements present fairly, in all material respects, the financial position of the Trade Commissioner as at December 31, 2016, and its expenses for the year then ended in accordance with the basis presented in Note 2 to the financial statements.

## Other Matters

This audit report is intended solely for the annual reporting to Pacific Island Forum Secretariat by the Trade Commissioner and should not be used for any other purpose.

BDO China Shu Lun Pan Certified Public Accountants LLP  
June 30, 2017

# Statement of Financial Position

## As at December 31, 2016

(Amount is denominated in CNY unless otherwise stated)

	As at December 31, 2016	As at December 31, 2015
<b>Current assets:</b>		
Cash and cash equivalents	4,225,007.10	3,149,402.61
Accounts receivable	—	62,000.00
Advances to suppliers	75,278.00	36,278.00
<b>Total current assets</b>	<b>4,300,285.10</b>	<b>3,247,680.61</b>
<b>Non-current assets</b>		
Fixed assets	86,483.61	75,949.66
<b>Total non-current assets</b>	<b>86,483.61</b>	<b>75,949.66</b>
<b>Total assets</b>	<b>4,386,768.71</b>	<b>3,323,630.27</b>
<b>Current liabilities:</b>		
Employee benefits payable	—	—
Other payables	29,681.13	670,373.29
<b>Total current liabilities</b>	<b>29,681.13</b>	<b>670,373.29</b>
<b>Total liabilities</b>	<b>29,681.13</b>	<b>670,373.29</b>
<b>Owners' equity</b>		
Other owners' equity	112,656.07	90,727.66
Balance of appropriation	4,244,431.51	2,562,529.32
<b>Total owners' equity</b>	<b>4,357,087.58</b>	<b>2,653,256.98</b>
<b>Total liabilities and owners' equity</b>	<b>4,386,768.71</b>	<b>3,323,630.27</b>

# Statement of Expenses

## For the year ended December 31, 2016

(Amount is denominated in CNY unless otherwise stated)

	2016	2015
<b>Total revenue</b>		
Appropriation received from headquarter	4,210,018.07	4,115,202.01
Interest income	2,822.86	1,653.58
Tax return revenue	10,942.88	403.53
Other income	0.02	—
<b>Total revenue</b>	<b>4,223,783.83</b>	<b>4,117,259.12</b>
<b>Total expenses</b>		
Financial expenses	-313,717.36	-4,261.06
Foreign exchange gain	-319,392.29	-21,178.14
Bank expenses	5,674.93	16,917.08
<b>General and administrative expenses</b>	<b>1,675,158.00</b>	<b>1,210,825.04</b>
Salaries	1,037,642.52	784,966.94
Rental fee	252,000.00	240,000.00
Third parties service fees	68,437.74	—
Depreciation cost	67,298.06	—
Telecommunication fees	57,570.20	70,040.49
Office expenses	37,799.77	10,764.60
Motor vehicle expenses	32,282.93	19,579.46
Market research expenses	28,302.00	9,493.00
PR & marketing expenses	26,913.75	19,664.63
Labor cost	23,404.00	—
Travel, workshops & conferences	18,249.02	12,454.30
Utilities	4,212.26	3,753.20
Express & Postage	2,666.00	8,279.00
Others	18,379.75	31,829.42
<b>Work program expenses</b>	<b>1,013,595.97</b>	<b>435,850.64</b>
Investment promotion	295,492.49	115,506.03
Tourism promotion	184,579.90	69,148.34
Trade promotion	129,487.55	27,825.67
Special promotion	404,036.03	223,370.60
<b>Impairment of assets</b>	<b>44,500.00</b>	<b>—</b>
Rent deposit	44,500.00	—
<b>Total expenses</b>	<b>2,419,536.61</b>	<b>1,642,414.62</b>
<b>Balance of appropriation</b>	<b>1,804,247.22</b>	<b>2,474,844.50</b>



Pacific Trade Invest  
Europe

## **PTI Europe**

The Pacific Trade Invest office in Geneva comprises just one trade promotion adviser who actively promotes Pacific Islands trade links to the large European market.



## ROBYN EKSTROM

Europe Trade Promotion Adviser

In 2016, PTI Europe focused on leveraging the PTI brand and our commercial networks in Europe to provide trade promotion opportunities and deliver outcomes for Pacific Island enterprises, resulting in export growth of \$499,000.

A highlight was showcasing five Pacific Islands exporters and products of a further seven businesses at SIAL Paris. This is a biannual trade exhibition held in alternation with ANUGA, Germany. Collectively these events constitute the largest global food and beverage trade exhibition platform, with each event attracting on average 6,500 exhibitors and 150,000 trade professionals from all over the world.

We are particularly proud of supporting Pacific Islands contemporary artists in expanding their presence in the European indigenous fine arts market with “The

Sacred Mountain, Illuminated: ÖMIE Barkcloth Art of Papua New Guinea” exhibition in Brussels at the Aboriginal Signature — Estrangin Fine Art Gallery. More than one third of the artworks sold during the opening exhibition with the remainder exhibited on consignment until mid-2017.

PTI Europe would like to acknowledge the critical support afforded by the entire PTI network in enabling the services we provide to support growth of Pacific Island business linkages and trade in Europe.

Most of the PTI Europe operations and activities undertaken in 2016 to promote and grow Pacific Island exports and business have been funded and supported by the European Union under the EDF10 through the Pacific Integration Technical Assistance Programme (PITAP).

## PTI EUROPE'S KEY PARTNERS

European Union(EU)

International Trade Centre (ITC)

Enhanced Integrated Framework (EIF)

Standards and Trade Development Facility (STDF)

Pacificical c.v. (PNA global marketing company)

Pacific Islands Forum Secretariat (PIFS)

South Pacific Tourism Organisation (SPTO)

UN World Tourism Organisation

World Intellectual Property Organisation (WIPO)

Australian Permanent Mission to the World Trade Organization

Ministry of Fisheries and Marine Resources Solomon Islands

# PTI EUROPE'S KEY PROJECTS

## Trade

- Provided market assistance to three Pacific exporters of vanilla, Heilala, Niue Vanilla and Foods Pacific, and two exporters of virgin coconut oil, Tavulomo and Amruqa
- Assisted International Trade Centre (ITC), a subsidiary of the World Trade Organization, to visit the Pacific Islands
- Worked with Pacifical, the marketing company of the eight members of the Parties to the Nauru Agreement fisheries exporters, to represent and promote their certified tuna in international markets and to investigate European market opportunities
- Researched issues related to re-opening kava exports to Europe
- Provided Pacific perspectives to industry at the Sustainable Food Summit, Amsterdam
- Showcased five Pacific Islands exporters and products of a further seven businesses at one of the world's largest food and beverage trade shows, SIAL Paris
- Provided market advice to Pacific exporters on the United Kingdom market for cosmetics and the European market for seafood, cacao/cocoa, virgin coconut oil, palm kernel and palm oil
- Supported ongoing promotion of a wide range of products from Foods Pacific, which are establishing markets across Europe and in the Middle East
- Introduced Tripacific Marine of Fiji to a European buyer
- Introduced AP Exporters of Samoa to a European buyer for virgin coconut oil
- Advised Vanuatu industry on essential oil development
- Provided support to Pacific Islands Governments in developing proposals for European technical assistance programs

## Creative industries

- Supported exhibition and sales of Papua New Guinea art, Belgium





## CASE STUDY

### SIAL Paris 2016

The European market has good opportunities for Pacific Islands exporters of food and beverages and also hosts major international trade shows that can connect Pacific Islands exporters with global buyers and distributors.

PTI Europe hosted a booth at the huge Salon International de l'Alimentation (SIAL), Paris, in 2016 for the second time. This is a two-yearly food exhibition, held in alternation with the Allgemeine Nahrungs- und Genussmittel-Ausstellung (ANUGA), in Germany. Featuring over 6500 exhibitors and attracting over 150,000 verified trade visitors from global markets, these events constitute the world's largest commercial food and beverage trade show platform.

Participating Pacific Islands businesses were Foods Pacific and Aqua Pacific/Frezeco Beverages of Fiji, Niugini Organics; Banz Kofi Fektori of Papua New Guinea; and Tanna Coffee of Vanuatu. PTI further profiled products from Amruqa, Tavulomo, Niue International Vanilla, Heilala Vanilla, Pacific Seaweeds and Vanuatu Bottling. Exhibitor feedback indicated that 316 genuine business leads were obtained, 21 sales negotiations were in progress and one initial sale had been completed to a value of € 8400.00.





Pacific Trade Invest  
New Zealand

## **PTI New Zealand**

The Pacific Trade Invest office in Auckland promotes trade and investment in the Pacific Islands facilitating trade into New Zealand and investment into the Pacific Islands. PTI NZ is funded by the New Zealand Ministry of Foreign Affairs and Trade.



## MICHAEL GREENSLADE

New Zealand Trade &  
Investment Commissioner

I am delighted to announce that PTI New Zealand for the second year in a row delivered our key performance indicators in full and on time in 2016.

PTI New Zealand focuses on three key pillars of performance and our business units are Trade Facilitation, Investment Facilitation and Marketing Research and Communications. Our key projects and outcomes in trade and investment are outlined below. In marketing and communications, we produced 27 issues of Pacific Periscope newsletter, four quarterly issues of Trade Winds and eight sector-based case studies.

During the year we also worked in conjunction with the New Zealand Ministry of Foreign Affairs and Trade to revisit our Strategic Plan by focusing on Best Practice

Benchmarking for Trade Promotion Organisations like ourselves.

This is very much linked to our E-Commerce Strategy for 2017 and the roll out of the True Pacific Portal as an extension of the Path to Market Program.

The Path to Market Program is our prime focus and the International Trade Centre has called it "close to World Best Practice", seeking permission to replicate.

This year the Path to Market Program was delivered to over 300 companies in ten countries with firm plans for increased engagement in 2017 involving Pan Pacific Trade and the E-Commerce platforms.

2016 also saw a key focus on the Food & Beverage sectors with PTI NZ engagement in two Auckland based Food Shows

American Chamber of Commerce  
Auckland Council  
Auckland University  
Economic Business Advisory Council to ESCAP  
Economic and Social Commission for Asia and the Pacific (ESCAP)  
European Union Delegation to New Zealand, Pacific Division  
French New Zealand Chamber of Commerce  
Ice House Incubator  
Ministry of Foreign Affairs and Trade (MFAT)  
Ministry of Pacific Peoples  
New Zealand Chambers of Commerce: Auckland, Hamilton, Tauranga, Wellington, Christchurch, Otago  
New Zealand Diplomatic Missions in the Pacific  
New Zealand Fiji Business Council  
New Zealand Pacific Business Council  
New Zealand Papua New Guinea Business Council  
New Zealand Tonga Business Council  
New Zealand Trade and Enterprise  
Otago University, Food & Nutrition Faculty  
Pacific Business Trust  
Pacific Chairs Group  
Pacific Cooperation Foundation  
Pacific Diplomatic Missions to New Zealand  
Pacific Horticultural and Agricultural Market Access Program (PHAMA)  
Pacific Island Countries Chambers of Commerce  
Pacific Island Government Ministers in Trade and Investment  
Pacific Islands Forum Secretariat (PIFS)  
Pacific Islands Private Sector Organisation (PIPSO)  
Pacific Islands Women in Business Network  
Samoa Trade and Investment Commission  
Secretariat of South Pacific Community (SPC)  
South Pacific Tourism Organisation (SPTO)  
University of Canterbury, Pacific Program  
Victoria University, Pasifika Faculty  
Volunteer Service Abroad

**PTI**  
**NEW ZEALAND'S**  
**KEY PARTNERS**



## PTI NEW ZEALAND'S KEY PROJECTS

### Trade

- Delivered Path to Market workshops involving over 300 businesses in ten Pacific Island Countries: Federated States of Micronesia, Fiji, Marshall Islands, New Caledonia, Palau, Papua New Guinea, Samoa, Solomon Islands, Tonga and Vanuatu
- Brought 18 businesses selected from Path to Market workshops on a trade mission to New Zealand for Pasifika Festival, from four Pacific Island Countries: Fiji, Papua New Guinea, Samoa and Tonga
- Partnered with New Zealand food and beverage distributor The Produce Company to promote a range of products from 12 Pacific Island companies at Fine Food New Zealand
- Showcased eight Pacific Island companies at Auckland Fine Food Show, resulting in a deal secured between Niue Vanilla and the Trade Aid retail stores
- Partnered with New Zealand Importers Tropical Timber Group (NZITG), New Zealand Timber Importers Association (NZTIA), Solomon Islands Timber Producers and Exporters Association (SITPEA), Pacific Horticultural and Agricultural Market Access Market Program (PHAMA), New Zealand retailers and the Government of Solomon Islands to facilitate discussions on the development of a third-party legal verification system
- As part of its Deal by Technology Program, worked closely with Nishi Trading, GS1 New Zealand and the Ministry of Commerce, Consumer, Trade, Innovation and Labour (MCCTIL) of the Government of Tonga to implement a complete traceability program with its export pack house. The initiative helped Nishi Trading Co Limited increase its export sales, generate more interest from overseas buyers, paved the way for new market access to China for fresh produce from Tonga and established a platform for the company to expand into value added products

- Supported the development of a buy-local campaign in the Federated States of Micronesia called Buy FSM, to encourage the purchase of locally-made products and promote import substitution, developed in partnership with the Department of Resources and Development
- Hosted interns from Solomon Islands and Bougainville, Papua New Guinea, in partnership with the Pacific Cooperation Foundation (PCF) and New Zealand Ministry of Foreign Affairs and Trade
- Participated in the New Caledonia Pacific Business Forum
- Facilitated 25 verified trade deals worth NZ\$4.97m and over 80 individual transactions
- 138 Capability Assessments
- 17 Programs delivered in Pacific Island Countries
- 42 Trade Missions/ Exhibitions in Pacific Island Countries
- 157 Active client companies
- 101 Written testimonials of support

## Investment

- A NZ Pacific Engineering Company invested NZ\$2.68m in several projects including pump station, piping and sewer manholes in Palau and property development in Fiji, as well as property acquisition. The investment in Palau was a result of PTI NZ mentoring, introductions and referrals. The company has participated actively in a number of Fiji business missions
- A NZ air-conditioning and electrical company bought a Fiji company for a total of NZ\$1.5 million, aiming to make Fiji a hub for the new joint venture to spread business in the Pacific Islands. The investment was a result of PTI NZ mentoring, introductions and referrals. The company participated in a PTI NZ-led Fiji business mission
- Launched "Pacific Hub" portal to promote trade and inward investment in the Pacific Islands, featuring more than 70 investment projects across industries including agriculture, tourism, property investment, mining, forestry and fisheries
- Assisted a New Zealand family trust company to identify an investment opportunity, resulting in a NZ\$1m investment in a Cook Islands resort
- Supported an inward investment mission from New Caledonia
- Facilitated verified investment worth NZ\$5.2m
- Five external investment missions
- 60 defined Investment Ready Opportunities
- Ten external Investment Ready Workshops
- 30 active and Qualified international investors
- 20 written testimonials of support



## CASE STUDY 1

### Creating a Pacific path to the NZ market

PTI NZ delivered the Path to Market program in the Federated States of Micronesia, Fiji, the Solomon Islands, New Caledonia, the Marshall Islands, Palau, Papua New Guinea, Samoa, Tonga and Vanuatu in 2016.

Workshops were held in Palau, Pohnpei, Majuro, Suva, Nadi, Port Moresby, Lae, Noumea, Port Vila, Honiara, Apia and Nukualofa.

In these twelve workshops, some 300 companies undertook capability and export readiness programs.

Path to Market is based upon building a strong relationship with the national Pacific Island economic development partner; for example in Fiji, the Fiji Export Council.

The local partner assists us with capability assessments for the next stages of the program, which involves attending and participating in a trade mission to New Zealand.

Selection of companies to attend the trade mission is based upon joint contributions to the costs and reflects a modern three-legged stool with all parties contributing, i.e. the company, the Pacific economic development organisation and PTI NZ.

The New Zealand program involves a number of stages:

1. Pre-trade show briefing/ advice/ support
2. Attendance at Pasifika, a 2-day Pacific event in Auckland
3. A Post-Pasifika gap analysis workshop
4. A business-to-business speed-dating exercise
5. Customised field trips to potential markets
6. Understanding of e-platform readiness
7. Engagement with Iwi and Pan Pacific partners
8. Post-mission Follow up by PTI staff.

From the 2016 workshops some 25 export-ready companies were selected to attend Pasifika 2017. This involved 42 individual staff members and physical attendance from most of the Pacific economic development organisations.

# CASE STUDY 2

## Pacific Hub

In 2016, PTI NZ built and introduced “Pacific Hub” as an interactive way of dealing with international investors.

PTI NZ believed that the traditional investment methods were either not working or becoming too expensive in this e-commerce age.

“Pacific Hub” is a tempter-style landing page. We list initial details on a qualified investment project and Pacific Hub comes up in an investor’s Google search for opportunities using key words.

We worked with our economic development partners in each Pacific Island Country to get up-to-date investment-ready projects.


We listed 70 individual projects on the Pacific Hub with the following results:

- The projects attracted attention from 45 investment partners/clients
- These 45 investment partners/clients made enquiries leading to 58 referrals to projects
- These 58 referrals involved 29 unique projects.

The estimated deal flow from these 29 projects was \$NZD70.5 million. However, due diligence narrowed that down to six live deals worth \$NZ8 million which PTI NZ is pursuing in 2017.

Pacific Hub is a digital approach to investment and initial results from 2016 have been very pleasing. We are hoping to have some deals achieved in 2017.





## Pacific Trade & Invest newsletter

Supply deal  
opens NZ  
market for  
Mira Millers



## CASE STUDY 3

### Pacific Periscope

As part of our Strategic Review we thought it was time PTI NZ reinforced the value of the Pacific Periscope electronic newsletter, which is published every fortnight.

Subject to the Christmas Edition, we publish 26–27 editions of Pacific Periscope each year.

We monitor our opening rate against best practice and Pacific Periscope achieves an opening rate of 18.5% against best practice ranging from 17–27%, so there is room for improvement. Our average click rate is however 3.5% firmly ahead of best practice with the range being 1.6–2.9%.

Each issue we have 750 unique openings and a total opening rate of 1450. This includes readers opening more than once. Our most popular stories in order of source country are New Zealand, Fiji, Niue, China and Samoa.

Over the course of 2016 Pacific Periscope received 18,964 views in total. From that we can determine which market our readers come from: New Zealand 35%, Australia 19%, Fiji 17%, USA 6%, PNG 2% and 104 other countries 21%.

In terms of where our stories are generated, 70% come from our Pacific Periscope team in Auckland and the balance from the PTI network with Australia providing 16% and China 9%.

Pacific Periscope is important in terms of our communications strategy in that it is the hub of our range of social media platforms and other internal and external media outlets, agencies and publications.

On our LinkedIn site, 66% of the stories are originated from Pacific Periscope. On LinkedIn, we have 3200 average monthly impressions. On Facebook, we generate 25 new posts each month with 13 of these posts originating from Pacific Periscope. Facebook has 27, 176 Pacific Periscope-based fans. Our presence on YouTube and other outlets are mainly from original stories generated on Pacific Periscope.



# FINANCIAL STATEMENTS

## INDEPENDENT AUDITOR'S REPORT

To the Pacific Island Forum Secretariat of Pacific Islands Trade and Invest

### Opinion

We have audited the special purpose financial statements of Pacific Islands Trade and Invest (Entity), which comprise the balance sheet as at 31 December 2016, and the statement of profit or loss, statement of changes in equity for the year then ended, and notes to the special purpose financial statements, including a summary of significant accounting policies.

In our opinion, the accompanying special purpose financial statements of Pacific Islands Trade & Invest on pages 6 to 13, present fairly in all material respects the financial position of the Entity as at 31 December 2016 and its financial performance for the year then ended, in accordance with the requirements of both the Pacific Islands Forum Secretariat and the Ministry of Foreign Affairs & Trade.

### Basis for Opinion

We conducted our audit in accordance with International Standards on Auditing (New Zealand) (ISAs (NZ)). Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are independent of the Entity in accordance with Professional and Ethical Standard 1 (Revised) Code of Ethics for Assurance Practitioners issued by the New Zealand Auditing and Assurance Standards Board, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Other than in our capacity as auditor we have no relationship with, or interests in, the Entity.

### Emphasis of Matter – Basis of Accounting and Restriction on Distribution and Use

We draw attention to the basis of preparation paragraph in the special purpose financial statements, which describes the basis of accounting. The special purpose financial statements are prepared with a framework to satisfy both the Pacific Islands Forum Secretariat and the Ministry of Foreign Affairs & Trade. As a result, the special purpose financial statements may not be suitable for another purpose. Our report is intended solely for the those mentioned and should not be distributed to or used by parties other than those mentioned. Our opinion is not modified in respect of this matter.

### Trade Commissioner's Responsibility for the Special Purpose Financial Statements

The Trade Commissioner is responsible for the preparation of the special purpose financial statements in accordance with the requirements of both the Pacific Islands Forum Secretariat and the Ministry of Foreign Affairs & Trade and for such internal control as the Trade Commissioner determines is necessary to enable the preparation of special purpose financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the special purpose financial statements, the Trade Commissioner is responsible for assessing the Entity's ability to continue as a going concern, disclosing, as applicable, matters relating to going concern and using the going concern basis of accounting unless the Trade Commissioner either

intends to liquidate the Entity or to cease operations, or have no realistic alternative but to do so.

### Auditor's Responsibilities for the Audit of the Special Purpose Financial Statements

Our objectives are to obtain reasonable assurance about whether the special purpose financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (NZ) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these special purpose financial statements.

As part of an audit in accordance with ISAs (NZ), we exercise professional judgment and maintain professional scepticism throughout the audit. We also:

Identify and assess the risks of material misstatement of the special purpose financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

- Obtain an understanding of internal control relevant to audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Entity's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Trade Commissioner.
- Conclude on the appropriateness of the use of the going concern basis of accounting by the Trade Commissioner, and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Entity's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the special purpose financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Entity to cease to continue as a going concern.

We communicate with the Trade Commissioner regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

JSA Audit Limited  
Parnell, Auckland

# Special Purpose Statement of Profit or Loss

Pacific Islands Trade & Invest (Auckland New Zealand)

For the year ended 31 December 2016

	NOTES	2016	2015
<b>Gross Profit</b>			
<b>Other Income</b>			
Dividends Received		345	345
Government Grants & Funding		875,420	890,000
Interest Income		21,767	21,486
Other Grants (Micronesia Workshop)		–	36,280
Other Grants (Best Practice)		50,000	–
Reimbursement/Refund Received		19,818	10,739
Reparation Payments		1,680	–
Depreciation Recovered		5,380	–
<b>Total Other Income</b>		<b>974,410</b>	<b>958,850</b>
<b>Expenses</b>			
Accountancy Fees		20,082	30,951
Advertising		1,875	4,830
Advisory Board		6,050	–
Audit Fees		6,100	3,990
Bank Fees		814	384
Cleaning		3,182	3,682
Computer Expenses		1,833	5,621
Consultancy		10,363	21,598
Design Development		960	409
Entertainment		5,634	1,965
Privacy Complaint	3	15,000	–
Fraud Related Costs		–	41,111
General Expenses		12,661	5,770
Insurance		6,394	4,159
Interest Expense		996	72
Legal expenses		2,153	5,487
Light, Power & Heating		2,896	2,977
Motor Vehicle Expenses		2,166	9,032
Office Consumables		1,874	2,135
Office Renovation & Relocation Expenses		–	5,706
Operating Lease Payments – Photocopier		5,423	4,663
Postage & Freight		1,310	1,647
Printing & Stationery		14,648	18,964
Rent		88,746	86,454
Repairs and Maintenance		–	816
Security		69	870
Staff Training & Education		282	–
Subscriptions		9,770	5,346
Telephone & Internet		32,798	16,159
<b>Travel and Accommodation</b>			
Travel, Workshops & Conferences – International		193,968	181,387
Travel, Workshops & Conferences – National		106,136	52,943
<b>Total Travel and Accommodation</b>		<b>300,104</b>	<b>234,330</b>
Salaries & Wages		366,363	341,424
<b>Total Expenses</b>		<b>920,546</b>	<b>860,753</b>
<b>Net Profit (Loss) Before Depreciation</b>		<b>53,863</b>	<b>98,097</b>
<b>Depreciation</b>			
Depreciation		25,798	22,539
Total Depreciation		25,798	22,539
<b>Net Profit (Loss)</b>		<b>28,065</b>	<b>75,558</b>

# Special Purpose Balance Sheet

Pacific Islands Trade & Invest (Auckland New Zealand)  
As at 31 December 2016

	NOTES	31 DEC 2016	31 DEC 2015
<b>Assets</b>			
<b>Current Assets</b>			
Cash and Bank			
Operational Account		121,112	38,335
Saver Account		22,531	479,084
Petty Cash		6	77
<b>Total Cash and Bank</b>		<b>143,649</b>	<b>517,497</b>
<b>Trade and Other Receivables</b>			
Accounts Receivable		–	1,532
Bond–PIFS		5,000	7,363
less Provision for Doubtful Debts		(5,000)	–
<b>Total Trade and Other Receivables</b>		<b>–</b>	<b>8,894</b>
Term Deposits		408,350	–
Accrued Interest		1,190	82
Funds Held in de Lacey Trust Account		12,612	–
Funds Held in Lay Dodd Trust Account		–	23,819
Payments in Advance		9,792	3,983
Reimbursements Owning		–	409
GST Receivable		7,588	6,599
<b>Total Current Assets</b>		<b>583,182</b>	<b>561,282</b>
<b>Non-Current Assets</b>			
Property, Plant and Equipment	4	85,129	74,716
<b>Total Non-Current Assets</b>		<b>85,129</b>	<b>74,716</b>
<b>Total Assets</b>		<b>668,311</b>	<b>635,998</b>
<b>Liabilities</b>			
<b>Current Liabilities</b>			
<b>Trade and Other Payables</b>			
Accounts Payable		13,823	19,263
Accruals		6,900	13,197
<b>Total Trade and Other Payables</b>		<b>20,723</b>	<b>32,460</b>
Credit Cards	5	10,481	5,577
<b>Provisions</b>			
Provision for Holiday Pay		39,823	33,512
Provision for Advisory Board		4,769	–
<b>Total Provisions</b>		<b>44,592</b>	<b>33,512</b>
<b>Total Current Liabilities</b>		<b>75,796</b>	<b>71,548</b>
<b>Total Liabilities</b>		<b>75,796</b>	<b>71,548</b>
<b>Net Assets</b>		<b>592,515</b>	<b>564,450</b>
<b>Equity</b>			
Retained Earnings		592,515	564,450
<b>Total Equity</b>		<b>592,515</b>	<b>564,450</b>



## **Pacific Islands Centre (PIC) Japan**

The Pacific Islands Centre in Tokyo promotes Pacific Islands economic development through building economic links for Pacific businesses to Japan and is supported by the Japanese Ministry of Foreign Affairs.

## RYUZO (ROY) SAITO

Pacific Islands Centre Director



2016 was the beginning of a new era for PIC Japan. As the Centre's new Director, I began in April and in December we celebrated our 20th anniversary building economic cooperation between Japan and the Pacific Islands.

Our anniversary celebration was attended by over 200 people, including President Remengesau of Palau and many Japanese and Pacific Islands political and business dignitaries. The success of the event greatly inspired us to make further efforts into the next decade.

We resumed publishing PIC News on our English language website to provide information to Pacific Islands businesses with whom we are building relationships to facilitate trade, investment and tourism

between Japan and the region.

We managed a successful Business Mission to the Samoa–Japan Trade and Investment Seminar in Apia and promoted tourism at Japan's Marine Diving Fair with destination seminars for Fiji, Vanuatu, and the Solomon Islands.

In 2016 we welcomed two exchange students from the Federated States of Micronesia to undertake three-month internships with the Centre and one Fiji student on a one-month placement.

Our experienced team plans to step up our activities in 2017 in cooperation with the Pacific Islands Forum Secretariat and the PTI network.

## PIC JAPAN'S KEY PARTNERS

Air Niugini

Air New Zealand Tokyo office

Cook Islands Tourism Corporation

Iwaki City Government

Japan Association of Travel Agents (JATA)

Japan External Trade Organisation (JETRO)

Japan International Cooperation Agency (JICA)

Japan Pacific Islands Association (JAPIA)

Meiji University

Oita Prefecture

Palau Visitors Authority (PVA) Japan office

Ritsumeikan Asia Pacific University

Samoa Association of Manufacturers and Exporters (SAME)

Sasakawa Peace Foundation (SPF)



## PIC JAPAN'S KEY PROJECTS

Projects to strengthen partnerships, connect businesses, raise awareness and engagement

- 20th Anniversary Celebration attended by government, business leaders
- First Pacific Islands Business Seminar, Tokyo
- Business Mission of 11 companies to the Samoa–Japan Trade and Investment Seminar in Apia
- Second Pacific Islands Business Seminar, Sendai
- Regular cooperation with JICA on trade and industrial promotion projects under Japan's aid program
- Deputy Director's series of lectures on the Pacific Islands at Meiji University
- Visited Chuuk, Federated States of Micronesia, to meet the State Government and discuss cooperation on trade and investment
- Held Marshall Islands–Japan Business Seminar, Majuro
- Visited Fiji to meet Government and businesses to discuss cooperation on trade, investment and tourism
- Visited the Governor of Oita Prefecture with Pacific Island Ambassadors to discuss trade collaboration as well as sports events such as World Cup Rugby 2019
- Participated in the Pacific Island Ambassadors' Conference on Climate Change at Ritsumeikan Asia Pacific University
- Held a business seminar for ten Cook Islands businesses and government representatives



## Trade

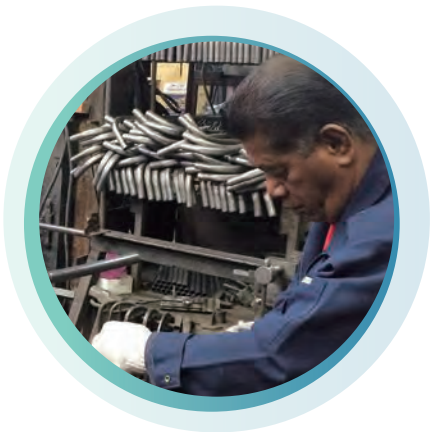
- Showcased three Pacific Islands cosmetics, health and beauty businesses and products from five Pacific Island Countries at Cosme Tokyo
- Advised a Tongan food and beverage trader on establishing an office in Japan to grow trade, in expectation of increased opportunities from Rugby World Cup 2019 and the Tokyo Olympics in 2020
- Worked with Cook Islands Tamanu oil cosmetics producer to develop exports to Japan
- Supported a Japanese therapy salon to import Cook Islands Tamanu nut oil for women's skin care
- Samoa Trade Promotion Seminar attracted twenty business and government representatives to sample Samoan products and to explore trade opportunities

## Investment

- Published Japanese language FSM Investment Guidebook
- Rearcart manufacturing plant constructed in Marshall Islands
- Supported Setouchi Holdings, a major shipbuilder, to open a representative office in Port Moresby

## Tourism

- Industry Destination Seminars on Fiji, Vanuatu and the Solomon Islands at the Marine Diving Fair
- Cooperated with Solomon Islands Tourism to study potential for more Asian tourism promotion
- Updated the Japanese language Samoan tourist guidebook
- Worked with the Cook Islands Tourism Authority to promote products in the Japanese market
- Cook Islands lecture promoting tourism at PIC Japan's Pacific Islanders Club



## CASE STUDY

### Japanese "Rearcart" technology for Marshall Islands

The Rearcart was used in the Marshall Islands' urban areas before World War II to efficiently transport coconuts. In 2016, the Pacific Islands Centre brought two Marshall Islanders to Japan for training in manufacturing skills to produce two wheel pullcarts, including bending, welding and assembly of iron pipes.

By re-introducing the technology to remote islands, islanders will be able to carry four to five times as many coconuts at a time as before and subsequently increase earnings. Coconuts brought to the harbor of each island will be brought to the capital, Majuro, and then processed into oils and soaps by the state-owned coconut processing company, Tobolar.

It is expected that the export of rearcart to neighboring countries such as FSM, Kiribati and Tuvalu will follow, after domestic Marshall Islands demand is fulfilled. The development of capabilities in rearcart technology creates the potential for local manufacturing of furniture and metallic materials. A manufacturing plant is under construction in the Marshall Islands, to be completed in 2017.

# FINANCIAL STATEMENTS

We have verified the accompanying balance sheets of The South Pacific Economic Exchange Support Centre (the “Centre” ) as of March 31, 2017 and the statements of changes in fund balances for the year then ended. These financial statements are the responsibility of the Centre’s management. Our responsibility is to report the conclusion relating to the compliance with accounting policies described in Article 9 of the Financial Rules of the Centre.

We conducted our verifications in accordance with auditing standards generally accepted in Japan and the Auditing and Assurance Practice Committee Statement No. 20 “Research Report on the Assurance Engagement provided by CPAs and others” (published by the JICPA on July 1, 2009). A verification includes examining, on a test basis, assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall presentation of the balance sheets and the statements of changes in fund balances. We believe that our verifications provide a reasonable basis for reporting our conclusion.

In our opinion, the financial statements referred to above are presented in all material respects, in conformity with accounting policies described in Article 9 of the Financial Rules of the Centre.

Neither we nor any of our executive members have any interest in the Centre which should be disclosed in compliance with the Certified Public Accountants Act.

RSM Seiwa

June 27, 2017

# The South Pacific Economic Exchange Support Centre Balance Sheets

(Units in yen)

	March 31, 2017	March 31, 2016
<b>Assets</b>		
<hr/>		
Cash & Deposit		
<hr/>		
On hand	–	84,596
<hr/>		
Bank Deposit		
<hr/>		
Mitsui–Sumitomo Bank	15,208,130	10,120,801
<hr/>		
Accounts receivable	–	1,687,200
<hr/>		
Prepayment	785,829	785,829
<hr/>		
<b>Total assets</b>	<b>15,993,959</b>	<b>12,678,426</b>
<hr/>		
<b>Payables and Surplus</b>		
<hr/>		
Accounts payable	761,125	279,475
<hr/>		
Accrued expenses	496,322	–
<hr/>		
Deposits received	613,251	470,228
<hr/>		
Suspense receipt	275,836	–
<hr/>		
Reserve for retirement allowances	6,518,068	4,599,518
<hr/>		
Asset Retirement Obligations*1	10,800,000	–
<hr/>		
<b>Surplus</b>		
<hr/>		
Unappropriated surplus	(3,470,643)	7,329,205
<hr/>		
<b>Total Payables and Surplus</b>	<b>15,993,959</b>	<b>12,678,426</b>
<hr/>		

# The South Pacific Economic Exchange Support Centre Statements of Changes in Fund Balances

(Units in yen)

	Year ended March 31, 2017 from April 1, 2016	Year ended March 31, 2016 from April 1, 2015
<b>Proceeds</b>		
Contributions for Operating Expenditures		
Japanese Government	37,962,000	37,962,000
Pacific Islands Forum	4,218,000	4,218,000
Contributions for Programmed Expenditures (Japanese Government)	10,478,000	10,478,000
Interest income	66	5,636
Other Revenue	2	-
<b>Subtotal</b>	<b>52,658,068</b>	<b>52,663,636</b>
<b>Operating Expenditures</b>		
Personnel expenditures	28,049,223	27,524,265
Office administrative expenses		
Office supplies	96,938	132,839
Office rental	9,429,948	9,429,948
Office equipment rental	499,771	487,754
Audit fee	875,344	871,876
Travel and Transportation	1,856,515	2,497,684
Communication	275,072	267,971
Meetings (Entertainment)	258,998	121,220
Miscellaneous items	838,191	846,443
<b>Subtotal</b>	<b>42,180,000</b>	<b>42,180,000</b>
<b>Programmed expenditures</b>		
Publications	1,216,382	748,752
Website	872,554	800,292
Exhibitions and Seminars	6,196,725	4,877,199
Projects for Developing Exportable Products to Japan	2,192,255	2,522,090
Pacific Islands Festa 2016*2	-	4,529,667
<b>Subtotal</b>	<b>10,477,916</b>	<b>13,478,000</b>
<b>Income for Pacific Islands Festa *2</b>		
Contributions from Pacific Islands Development Cooperation Fund	-	9,349,000
<b>Expenditures for Pacific Islands Festa *2</b>		
Exhibition	-	9,349,000
<b>Capital Cost</b>		
Asset retirement obligations Costs *1	10,800,000	-
Unappropriated surplus at beginning of year	7,329,205	10,323,569
Unappropriated surplus at end of year	(3,470,643)	7,329,205
<b>Adjustments for uncollected items</b>		
Accounts receivable	-	(1,687,200)
Prepayment	(785,829)	(785,829)
<b>Subtotal</b>	<b>(785,829)</b>	<b>(2,473,029)</b>
<b>Adjustments for unpaid items</b>		
Accounts payable	761,125	279,475
Accrued expenses	496,322	-
Deposits received	613,251	470,228
Suspense receipt	275,836	-
Reserve for retirement allowances	6,518,068	4,599,518
Asset Retirement Obligations *1	10,800,000	-
<b>Subtotal</b>	<b>19,464,602</b>	<b>5,349,221</b>
<b>Cash surplus</b>	<b>15,208,130</b>	<b>10,205,397</b>



## COUNTRY PROFILES

# COOK ISLANDS

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**CAPITAL** Avarua

**AREA** 240 km<sup>2</sup>

**POPULATION** 20,833

**GDP GROWTH** 5.5% (Asian Development Bank)

**INDUSTRIES** Tourism, Fishing, Agriculture, Offshore financial services



## PTI services in 2016

- Helped secure investment by a New Zealand trust company into Muri Beach Villas
- Promoted Cook Islands investment-ready projects on Pacific Hub
- Website development and other digital marketing tools for the tourism sector
- Supported Cook Islands business, Manihiki Black Pearl, to participate in Fish 2.0, a global competition connecting seafood businesses with investors and opportunities to improve business models
- Hosted pearl wholesaler, Ora Moana, on a marketing mission to Australia
- Promoted fashion label, Inangaro, and Moana Gems Pearl accessories at Pacific Runway Fashion Show, Sydney
- Worked with Cook Islands Tamanu oil cosmetics producer to develop exports to Japan
- Cook Islands-Japan business seminar for ten Cook Islands businesses and government representatives
- Worked with the Cook Islands Tourism Authority to promote products in the Japanese market
- A Japanese therapy salon began to import Cook Islands Tamanu nut oil for women's skin care
- Cook Islands lecture promoting tourism at PIC Japan's Pacific Islanders Club

# FEDERATED STATES OF MICRONESIA

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CAPITAL	Palikir
AREA	702 km <sup>2</sup>
POPULATION	104,460
GDP GROWTH	3% (Asian Development Bank)
INDUSTRIES	Agriculture, fisheries



## PTI services in 2016

- Delivered Pohnpei Path to Market workshop for 25 businesses
- Partnered with the Government of the Federated States of Micronesia to develop and promote a local "Buy FSM" campaign in association with the FSM Trade Show, to support and train 26 local producers
- Worked closely with the President's Office on development of internships for New Zealand
- Promoted FSM investment-ready projects on Pacific Hub
- Assisted a crowd-funding campaign that sold a Kosrae resort amid international publicity
- Yap lava lava weaver Johanna Malimai exhibited at Maketi Ples, Australia
- PIC Japan visited Chuuk to meet the State Government and discuss cooperation on trade and investment
- Honorary Consul participated in the Second Pacific Islands Business Seminar, Sendai
- Two interns from FSM had three-month exchanges with PIC Japan and one intern from FSM worked with PTI China
- Published Japanese language FSM Investment Guidebook
- Facilitated an FSM company to exhibit at Western China Expo, Chengdu
- Facilitated investment in FSM by CITIC Pacific Trading, which has five fishing boats and is exporting fish and other products across the region, employing 15 local staff



# FIJI

**CAPITAL** Suva

**AREA** 18,376 km<sup>2</sup>

**POPULATION** 892,145

**GDP GROWTH** 2% (Asian Development Bank)

**INDUSTRIES** Tourism, fisheries, agriculture, forestry, clothing and textiles

## PTI services in 2016

- Delivered Suva and Nadi Path to Market workshops
- Promoted rural Fiji companies Green Gold Kava, Essence of Fiji, Island Express, Allied Print Design and Soqoiwasa at Pasifika, Auckland
- Together with the Produce Company, exhibited Green Gold Kava, Tavulomo Coconut Processing, Taki Mai, Coco Terra and FRIEND Fiji at the Auckland Fine Food Show
- Worked with the Agricultural Marketing Authority to develop a supply agreement with Supa Save Supermarkets, New Zealand, for frozen taro, frozen cassava, kava powder and coffee beans as part of a week-long trade mission
- Co-led a trade mission to the Fiji Business Council Conference, Pacific Harbour
- Co-led trade mission to Suva and Nadi
- Promoted Fiji investment-ready projects on Pacific Hub
- Supported Ben's Trading to survive after Cyclone Winston with new equipment to sustain and grow cassava and taro exports
- Showcased five Fijian fashion designers at Mercedes Benz Fashion Week Australia
- Ten Fiji aquaculture and fisheries businesses participated in Fish 2.0, a global competition PTI brought to Fiji, connecting seafood businesses with investors and opportunities to improve business models
- Supported business growth of Kaiming Agro Processing, now exporting ginger to Australia and distributed through two major supermarket retailers
- Brought Australian Business Process Outsourcing investor mission, with several participants planning to establish operations in Fiji
- Showcased Fine Arts company, Shellcraft, at Maketi Ples exhibition, Australia
- Supported FRIEND Fiji to market products at Fine Food Australia
- Provided market assistance for exporter of virgin coconut oil to Europe, Tavulomo



- Supported Foods Pacific to export to markets across Europe and the Middle East
- Introduced Tripacific Marine to a European buyer
- Showcased Aqua Pacific/Frezeco Beverages at one of the world's largest food and beverage trade shows, SIAL Paris
- Promoted renewable energy opportunities in Fiji at the First Pacific Islands Business Seminar, Tokyo
- Promoted Fiji water exports and hosted the Honorary Consul General at the Second Pacific Islands Business Seminar, Sendai, Japan
- Promoted Fijian coconut oil at Cosme Tokyo
- Fiji Destination Seminar held at Japan's Marine Diving Fair
- Fiji's Ambassador to Japan gave a speech at PIC Japan's 20th Anniversary reception
- PIC Japan visited to meet businesses and explore trade opportunities
- New PTI China Trade and Investment Commissioner visited and met key agencies and business groups to explore cooperation
- Fijian intern spent an exchange with PIC Japan
- Raised funds for Cyclone Winston recovery at the Taste of Fiji in New Zealand and a fundraising dinner at the Chinese Government State Guest House
- Facilitated a number of Chinese Government visits to the Pacific Islands Forum Secretariat, including the Vice Minister for Agriculture
- Showcased Naturally Fiji products at major international cosmetics expo, Cosmoprof Hong Kong, generating interest from international buyers
- Matched a Fiji supplier with a Chinese importer for giant clams
- Accompanied a South China investment mission to Fiji
- Took a leading Chinese travel blogger, two journalists and a virtual reality (VR) film crew to Fiji, generating widespread coverage, and launched the VR film at China's premier tourism expo, International Travel Mart, Shanghai
- Supported a Shanghai fashion show by a Fijian graduate of the China-PIFS Scholarship Program





## KIRIBATI

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<b>CAPITAL</b>	Tarawa
<b>AREA</b>	811 km <sup>2</sup>
<b>POPULATION</b>	11,423
<b>GDP GROWTH</b>	1.8% (Asian Development Bank)
<b>INDUSTRIES</b>	Copra, Seaweed, Fisheries

### PTI services in 2016

- Supported recruitment of 28 i-Kiribati to work in Australia under its Pacific Microstates – Northern Australia Worker Pilot Program
- Provided digital marketing and other assistance to eco-tourism operator, Kircraft Central Pacific, Tabuki Resort, Kiribati Surf Association and Kiribati Surfing Exploration Initiative
- Assisted two fishing and seafood companies to attend Fish 2.0 in Fiji
- Participated in New Zealand trade mission to Kiribati
- Honorary Consul participated in the Second Pacific Islands Business Seminar, Sendai, Japan

# MARSHALL ISLANDS

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<b>CAPITAL</b>	Majuro
<b>AREA</b>	181 km <sup>2</sup>
<b>POPULATION</b>	52,993
<b>GDP GROWTH</b>	1.5% (Asian Development Bank)
<b>INDUSTRIES</b>	Coconuts, Breadfruit, Fisheries, Handicrafts



## PTI services in 2016

- Delivered a Majuro Path to Market workshop for 20 businesses
- Engaged Cawthorne Institute to analyse pandanus juice
- Mokaan Iaar Fishing attended PTI's Fish 2.0 workshop in Fiji, to learn about marketing and pitching to investors
- Provided marketing advice to Elefa Handicraft Shop
- Provided marketing and design support to the Ministry of Research and Development and the new Micronesian Trade and Economic Community (MTEC)
- Held RMI-Japan Business Seminar, Majuro
- Resources and Development Minister Alfred visited Tokyo for discussions on cooperation with Japan in fisheries, coconut oil and other resources
- RMI's two trainees learned how to make a "rearcart" and the rearcart manufacturing plant will be completed in 2017

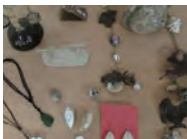
# NAURU

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<b>CAPITAL</b>	Yaren
<b>AREA</b>	21 km <sup>2</sup>
<b>POPULATION</b>	10,222
<b>GDP GROWTH</b>	7.2% (Asian Development Bank)
<b>INDUSTRIES</b>	Phosphate, Offshore Financial Services, Coconuts, Fisheries

## PTI services in 2016

- Supported a Nauru participant in PTI's Fish 2.0 Workshop in Fiji to learn about sustainable business development
- Supported New Zealand company Tradestaff's engagement in Nauru employment initiatives
- Promoted Nauru investment-ready projects on Pacific Hub
- Nauru's participant in the Japan Foundation's Japanese training course visited PIC Japan to study business opportunities with Japan
- PIC Japan Deputy Director gave a lecture on Nauru at Meiji University



# NIUE

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**CAPITAL** Alofi

**AREA** 260 km<sup>2</sup>

**POPULATION** 1,610

**INDUSTRIES** Fertiliser, Equipment, Vegetable Oils and Fats

## PTI services in 2016

- Showcased Niue Vanilla at the Auckland Food Show and facilitated the distribution of Niue Vanilla to Trade Aid's 31 stores across New Zealand
- Funded Niue Honey on exploratory trade mission to USA and UK
- Negotiated opening of exports of fresh herbs to New Zealand
- Partnered with University of Canterbury in an Eat Healthy Program around indigenous cooking methods and import substitution
- Promoted Niue investment-ready projects on Pacific Hub
- Website development for Laus Getaway and Nic's Bungalows, resulting in tourism business growth
- Supported a Niue participant in PTI's Fish 2.0 Workshop in Fiji to learn about marketing and pitching to investors
- Fine Artist, Susannah Sionetuato exhibited her work at Maketi Ples, Australia
- Provided market assistance for exporter of vanilla to Europe, Niue Vanilla
- Showcased Bue't Niue at Cosme Tokyo



# PALAU

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**CAPITAL** Ngerulmud

**AREA** 465 km<sup>2</sup>

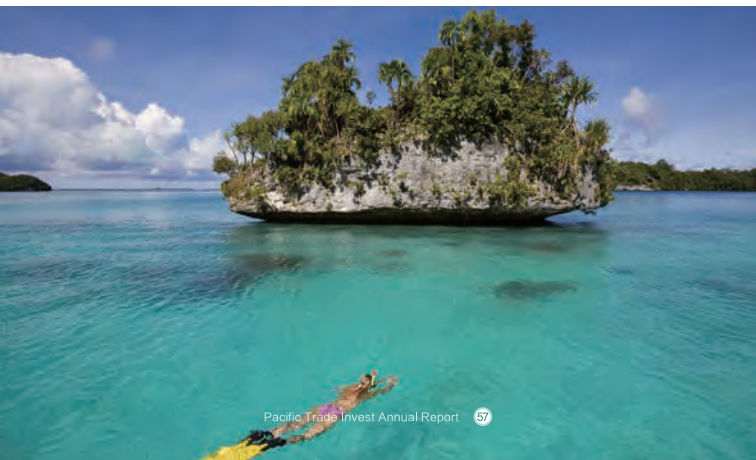
**POPULATION** 21,291

**GDP GROWTH** 2.2% (Asian Development Bank)

**INDUSTRIES** Tourism, Agriculture, Fisheries

## PTI services in 2016

- Delivered a Path to Market workshop
- Organised a Palau Fishing Industry trade visit to New Zealand
- PTI New Zealand visited Palau and inspected opportunities in the fishing industry
- Promoted Palau investment-ready projects on Pacific Hub
- President Remengesau attended PIC Japan's 20th Anniversary celebration
- Website development for Koror based tourism operators, Island Paradise Resort Club, Island Paradise Tours and Shaka Tours



# PAPUA NEW GUINEA

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<b>CAPITAL</b>	Port Moresby
<b>AREA</b>	462,840 km <sup>2</sup>
<b>POPULATION</b>	7,619,321
<b>GDP GROWTH</b>	2% (Asian Development Bank)
<b>INDUSTRIES</b>	Mining, Energy, Agriculture, Fisheries, Forestry

## PTI services in 2016

- Delivered Port Moresby Path to Market workshops for 30 companies
- Promoted PNG products at Pasifika Festival, Auckland, for Banz Kofi, Buna Trekkers, PNG Highlands Adventures and Top Choice Investment
- Showcased Banz Kofi at the Auckland Food Show
- Co-lead a New Zealand trade mission to PNG
- Participated in the Port Moresby Chamber of Commerce Business Forum, Brisbane
- Promoted PNG investment-ready projects on Pacific Hub
- Worked with the Investment Promotion Authority to develop potential Public Private Partnerships
- Brought a 21 member Infrastructure Business Mission, in partnership with Austrade
- Showcased seven PNG creative arts exhibitors at Maketi Fies, Australia
- Developed websites for Milne Bay resort, Driftwood, and Kokoda tour company, Buna Treks and Tours
- Supported two Australian volunteers to deliver the Your Enterprise Scheme (YES) program, intensive and skills-based small business training and mentoring for 15 women-led enterprises in Bougainville







- Provided market assistance for exporter of virgin coconut oil to Europe, Amruqa
- Showcased Niugini Organics and Banz Coffee at one of the world's largest food and beverage trade shows, SIAL Paris
- Supported major shipbuilder, Japan's Setouchi Holdings, to open a representative office in Port Moresby
- PTI NZ hosted a summer intern from Bougainville
- New PTI China Trade and Investment Commissioner visited and met key agencies and business groups to explore cooperation
- Provided advice to PNG authorities on quarantine access to China for seafood
- Brought a major South China investment mission to PNG resulting in signature of a PNG Ports–Shenzhen partnership, establishment of a Guangdong Exhibition Centre in Port Moresby and a number of other investment projects planned
- Vivafounder, a South China company we have been working with since our 2015 South China Mission and on subsequent visits to PNG, announced a \$4 billion planned series of investments with partners in West Sepik
- Second investment mission to PNG engaged with major South Chinese investors at a PNG–Guangdong Enterprises Association Roundtable including Huawei, Guangdong Foreign Construction Co, Vivafounder, Ramu Nickel and China Harbour Engineering, in support of sustainable investment practices
- Widespread publicity and interest generated by PNG artworks exhibited at the Shenzhen International Cultural Industries Fair

# SAMOA

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<b>CAPITAL</b>	Apia
<b>AREA</b>	2,842 km <sup>2</sup>
<b>POPULATION</b>	193,228
<b>GDP GROWTH</b>	6.6% (Asian Development Bank)
<b>INDUSTRIES</b>	Agriculture, Forestry, Fisheries, Food Processing, Tourism

## PTI services in 2016

- Delivered Apia Path to Market workshop for 25 businesses
- Promoted Samoan products at Pasifika Festival, Auckland, including Samoa Mamanu Designers, Loana Gift Store and Head to Toes
- Showcased Samoa Breweries and Pacific Oil at the Auckland Food Show
- Introduced Wilex and K-Bone Enterprises to New Zealand buyers
- Digital Tourism Workshop in Apia attended by 20 businesses and ongoing website development support





- Showcased Nora's Plantation products at Fine Food Australia
- Featured two Samoan artists from Manamea Art Studio, La'lova'i Peseta and Nikki Mariner, at Maketi Ples, Australia
- Supported an Australian volunteer to develop a Samoa tourism app
- Partnered with Australian Business Volunteers to deliver a Your Enterprise Scheme (YES) skills and mentoring program in Samoa for 20 businesses, mostly led by women
- Provided marketing, packaging and other export development, investment and business growth support to Samoa Coconut Cluster for its virgin coconut oil products.
- Introduced AP Exporters to a European buyer for virgin coconut oil and advised on market opportunities for cacao
- Updated the Japanese language Samoan tourist guidebook
- Managed a successful business mission to the Samoa–Japan Trade and Investment Seminar, Apia
- Samoa Trade Promotion Seminar in Tokyo attracted twenty business and government representatives to sample Samoan products and to explore trade opportunities
- Showcased Mailelani at Cosme Tokyo
- Promoted Samoan noni juice at Cosme Tokyo
- Raised funds for rebuilding the Samoa Flea Market in partnership with New Zealand Samoa Trade and Investment Commission, Samoa Business Network and the Pacific Cooperation Foundation
- Co-lead a New Zealand Samoa Trade and Investment Commission trade mission to Apia
- Promoted Samoa investment-ready projects on Pacific Hub
- Promoted Cocosina and Nora's Plantation at Auckland Fine Food
- Brought a leading Chinese travel blogger and a virtual reality (VR) film crew to Samoa, generating widespread coverage, and launched the VR film at China's premier tourism expo, International Travel Mart, Shanghai

# SOLOMON ISLANDS

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<b>CAPITAL</b>	Honiara
<b>AREA</b>	28,400 km <sup>2</sup>
<b>POPULATION</b>	642,000
<b>GDP GROWTH</b>	3.2% (Asian Development Bank)
<b>INDUSTRIES</b>	Agriculture, Fisheries, Forestry, Mining, Manufacturing

## PTI services in 2016

- Delivered Honiara Path to Market workshop for 20 businesses
- Showcased C—Corp at the Auckland Fine Food Show
- Promoted Solomon Islands investment—ready projects on Pacific Hub
- Worked with the Solomon Islands timber industry, New Zealand Tropical Timber Group and Pacific Horticultural and Agricultural Market Access Program (PHAMA) in the development of third party legal verification for timber exports
- A Solomon Islands intern with PTI NZ developed regional market profiles exporters to New Zealand
- Partnered with Australian Business Volunteers to deliver a Your Enterprise Scheme (YES) skills and mentoring program in the Solomon Islands for 18 tourism businesses, half of which were led by women
- Showcased the work of Ralph Geoffrey Ako, from Bareho Carvers and Paper Project, at Maketi Ples, Australia
- Connected cocoa producer, C—Corp, with an Australian distributor for its chocolate and cacao products and showcased C—Corp at Fine Foods Australia
- Promoted Solomons honey at Cosme Tokyo
- Solomon Islands Tourism Destination Seminar held at Japan’s Marine Diving Fair
- Solomon Islands Tourism visited PIC Japan to study potential for more Asian tourism promotion
- A presentation on Solomon Islands hotel business was made to the First Pacific Islands Business Seminar, Tokyo
- Facilitated a Chinese timber importer to visit Solomon Islands to source hardwood



# TONGA

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**CAPITAL** Nuku'alofa

**AREA** 748 km<sup>2</sup>

**POPULATION** 106,170

**GDP GROWTH** 3.1% (Asian Development Bank)

**INDUSTRIES** Agriculture, Fisheries, Forestry, Tourism



## PTI services in 2016

- Delivered Nuku'alofa Path to Market workshop
- Promoted Tongan products at Pasifika Festival, Auckland, including Cocker Enterprises, Pacific International, Tonga National Youth Congress, Kenani Estate and Tonga Pearl Association
- Supported the squash, pumpkin, root crops, watermelon and coconut industries to export to New Zealand
- Promoted Tonga investment-ready projects on Pacific Hub
- Helped Nishi Trading Co to expand exports by working with GS1 New Zealand and the Tongan Government on a complete traceability program
- Connected exporter, Tonga National Youth Congress, with a Samoan distribution company for virgin coconut sales in New Zealand
- Brought an Trade Mission of taro and cassava exporters to Australia
- Showcased four Tongan artists at Maketi Ples, Australia
- Developed websites for five tourism operators
- Provided marketing, design and packaging assistance to four Tongan businesses
- A Tongan food and beverage trader consulted PIC Japan on establishing an office in Japan to grow trade, in expectation of increased opportunities from Rugby World Cup 2019 and the Tokyo Olympics in 2020
- Promoted Tongan noni juice at Cosme Tokyo
- Showcased Island Rose Dream products at major international cosmetics expo, Cosmoprof Hong Kong, generating interest from international buyers
- Provided advice on potential for Tongan seaweed exports to China to Pacific Horticultural and Agricultural Market Access (PHAMA)
- Brought a South China investment mission to Tonga

# TUVALU

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**CAPITAL** Funafuti

**AREA** 26 km<sup>2</sup>

**POPULATION** 9,916

**GDP GROWTH** 3% (Asian Development Bank)

**INDUSTRIES** Fisheries, Seafaring

## PTI services in 2016

- Developed a website for Filamona Hotel
- Supported online tourism promotion of Tuvalu through the Hidden Treasures of the South Pacific
- Co-lead a New Zealand trade mission to Tuvalu
- Advised noni and toddy juice industries
- Deputy Director of PIC Japan gave a lecture on Tuvalu at Meiji University, Tokyo



# VANUATU

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**CAPITAL** Port Vila

**AREA** 12,189 km<sup>2</sup>

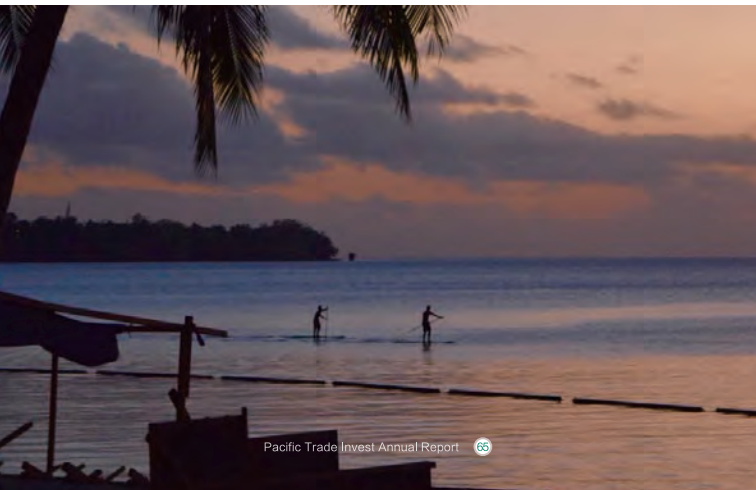
**POPULATION** 264,652

**GDP GROWTH** 3.8% (Asian Development Bank)

**INDUSTRIES** Agriculture, Fisheries, Tourism, Offshore Financial Services

## PTI services in 2016

- Delivered Port Vila Path to Market workshop
- Showcased Tanna Farms and Lapita Cafe at Auckland Fine Food Show
- Facilitated establishment of a Chinese trust company in Vanuatu
- Vanuatu Trade Commissioner to Australia was seconded to the PTI team for 2016, resulting in more than 100 introductions and outcomes strengthening Vanuatu–Australia business





- Showcased four Vanuatu businesses at Fine Food Australia
- Promoted Volcanic Earth products at Australian Beauty Expo and at Cosme Tokyo
- Market tested a new hybrid coffee plant developed by Aore Coffee
- Developed a partnership with POETCOM to support organic certification for Vanuatu exporters
- Provided marketing, design and other services to Vanuatu Direct and Lapita Cafe
- Developed [www.vanuatuproducts.com](http://www.vanuatuproducts.com) – an online platform for potential buyers looking for information about Vanuatu products
- Ran a Digital Tourism Workshop and developed websites for five tourism operators
- Provided an Impact Grant to Malampa Handicraft Centre
- Showcased Tanna Coffee at one of the world's largest food and beverage trade shows, SIAL Paris
- Vanuatu Tourism Destination Seminar held at Japan's Marine Diving Fair
- Promoted Vanuatu Tamanu oil at Cosme Tokyo and presented on Tamanu oil at the First Pacific Islands Business Seminar, Tokyo
- New PTI China Trade and Investment Commissioner visited and met key agencies, business groups and investment projects to explore cooperation
- Took a leading Chinese travel blogger and a virtual reality (VR) film crew to Vanuatu, generating widespread coverage, and launched the VR film at China's premier tourism expo, International Travel Mart, Shanghai
- Promoted Vanuatu investment-ready projects on Pacific Hub



# OUR SERVICES



Each of our offices provides country-specific services to support Pacific Islands sustainable economic development, including some or all of the following:

## EXPORT FACILITATION

- Advice on international markets and doing business internationally
- Connect Pacific businesses to overseas buyers
- Facilitate negotiations and referrals for legal and other services
- Assist with marketing, promotions, exhibitions and events
- Packaging, branding and other practical support
- Advice and introductions for efficient logistics
- In-market briefing and support during market visits
- Tailored research, business planning and advice for market growth

## INVESTMENT FACILITATION

- Advice on international investors
- Connect Pacific projects with investors
- Promote investment projects online
- Marketing support, including branding
- Business documentation assistance
- Advice and referrals for finance and other support
- Facilitate access to government agencies, influencers and key decision makers
- Tailored research and advice for business growth
- Market information for international investors

## TOURISM PROMOTION

- Advice on international source markets for tourism
- Connect Pacific destinations with travel industry
- Marketing, exhibitions and other promotion in target markets
- Online marketing, branding and other support
- Tailored research and advice for business growth
- Workshops, specialised training and capacity-building

## CREATIVE INDUSTRIES FACILITATION

- Advice on international art markets
- Connect creative industries with buyers and exhibitors
- Facilitate commissioned work, niche product development
- Marketing, exhibitions and other promotion in target markets
- Tailored market research and advice

## EDUCATION & TRAINING FACILITATION

- Facilitate international scholarship programs for Pacific students
- Facilitate tailored training programs for Pacific businesses
- Support and advise Pacific students on international programs
- Marketing and other promotion of education and training opportunities
- Support alumni networks, internships and business development



**PACIFIC ISLANDS  
FORUM SECRETARIAT**

**[www.forumsec.org](http://www.forumsec.org)**

Founded in 1971, the Pacific Islands Forum is the regional organisation of the Heads of Government of all independent and self-governing nations of Oceania.



**Pacific  
Trade  
Invest**

**[www.pacifictradeinvest.com](http://www.pacifictradeinvest.com)**

The Pacific Trade Invest offices support sustainable economic development in the Pacific Islands, with country-specific programs that include promotion of trade, investment, tourism, creative industries, education and training. .



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