



**2013**

**ANNUAL REPORT**



Pacific Islands  
Trade & Invest

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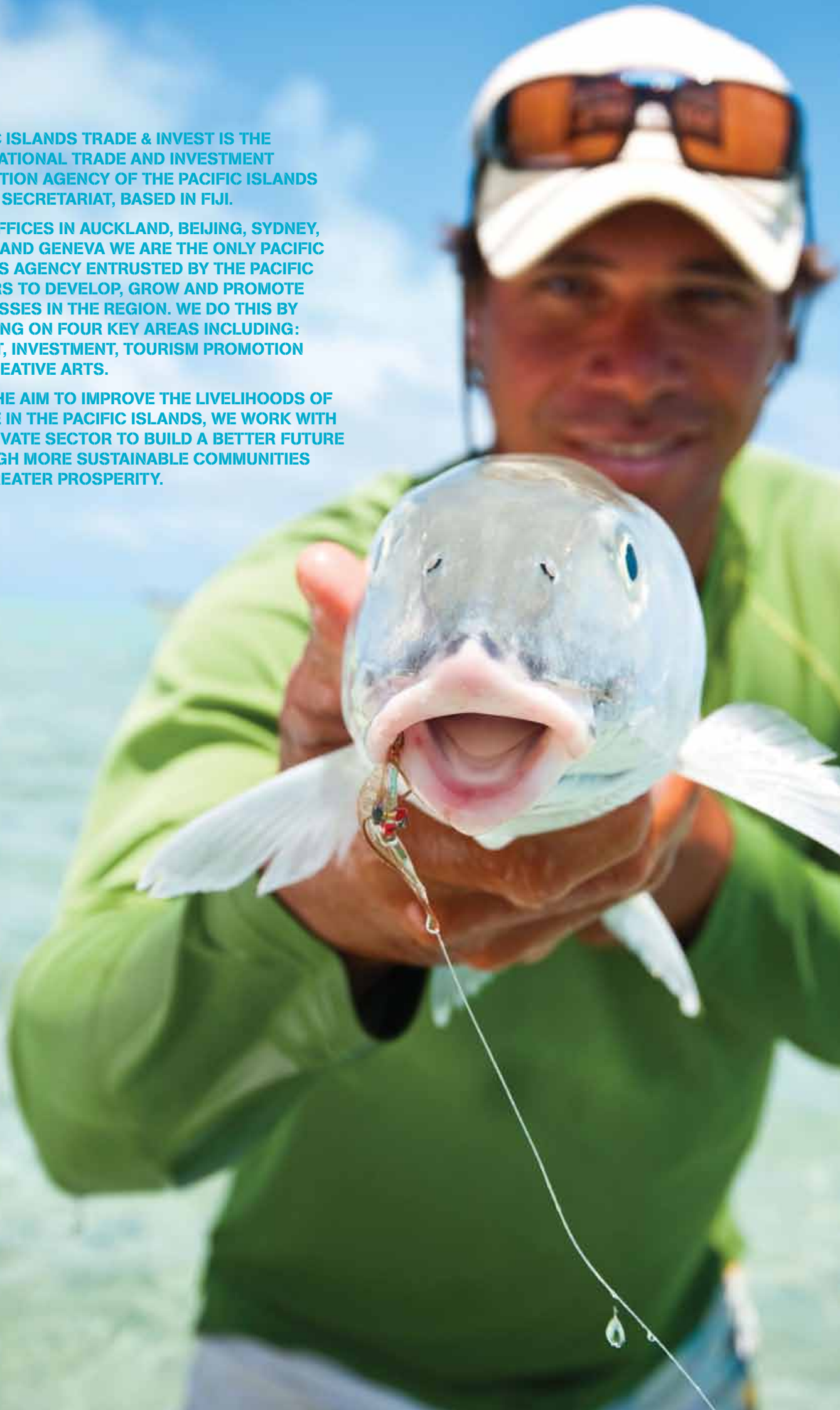
**COVER IMAGE:**  
PACIFIC ISLANDS TRADE & INVEST'S CREATIVE ARTS PROGRAMME SEEKS TO PROMOTE THE WORK OF LOCAL ARTISTS IN INTERNATIONAL MARKETS BY PLACING A COMMERCIAL VALUE ON TRADITIONAL ARTS AND CULTURAL EXPRESSIONS. AT THE LOCAL MARKETS IN RARATONGA, TRADITIONAL RITO WOVEN HATS HAVE BECOME HIGHLY SOUGHT-AFTER BY VISITORS TO THE COOK ISLANDS. THIS IMAGE WAS CAPTURED DURING A SOUTH PACIFIC TOURISM ORGANISATION-SPONSORED PHOTO SHOOT FOR COOK ISLANDS TOURISM CORPORATION.  
© PHOTO COURTESY OF DAVID KIRKLAND, KIRKLANDPHOTOS.

**OPPOSITE IMAGE:**  
WATER-BASED SPORTS, SUCH AS FISHING, CONTINUE TO BE A STRONG DRAW CARD FOR VISITORS TO THE PACIFIC ISLANDS. PHOTO SHOT IN THE COOK ISLANDS, COURTESY OF SOUTH PACIFIC TOURISM ORGANISATION.  
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**PACIFIC ISLANDS TRADE & INVEST IS THE INTERNATIONAL TRADE AND INVESTMENT PROMOTION AGENCY OF THE PACIFIC ISLANDS FORUM SECRETARIAT, BASED IN FIJI.**

**WITH OFFICES IN AUCKLAND, BEIJING, SYDNEY, TOKYO AND GENEVA WE ARE THE ONLY PACIFIC ISLANDS AGENCY ENTRUSTED BY THE PACIFIC LEADERS TO DEVELOP, GROW AND PROMOTE BUSINESSES IN THE REGION. WE DO THIS BY FOCUSING ON FOUR KEY AREAS INCLUDING: EXPORT, INVESTMENT, TOURISM PROMOTION AND CREATIVE ARTS.**

**WITH THE AIM TO IMPROVE THE LIVELIHOODS OF PEOPLE IN THE PACIFIC ISLANDS, WE WORK WITH THE PRIVATE SECTOR TO BUILD A BETTER FUTURE THROUGH MORE SUSTAINABLE COMMUNITIES AND GREATER PROSPERITY.**



# LETTER FROM THE SECRETARY GENERAL



## I AM PLEASED TO PRESENT THE PACIFIC ISLANDS TRADE & INVEST ANNUAL REPORT FOR 2013.

The Pacific Islands Forum embraces a vision for a better future and prosperity for Pacific Islands' communities through increased trade and investment. As the international trade and investment promotion agency of the Forum Secretariat, Pacific Islands Trade & Invest's network of offices play an essential role in supporting this vision.

Globalisation can bring real economic opportunities for the Pacific Island economies. Providing new markets for exports and new possibilities for trade and investment, global economic change can be a positive force for development in our region. However, the Pacific Islands need to address the challenges and pressures of integrating into the global economy. In order to help our region harness and benefit from global economic change, we need to build new economic partnerships which strengthen the region economically and equip Pacific Island countries to thrive in a changing economic world.

To this end, the Forum Secretariat's Economic Governance Programme supports the Forum Island Countries in negotiating and implementing trade agreements at a national, regional and international level. We continue to support the Members with their engagement in the Economic Partnership Agreement (EPA) with the European Union and the Pacific Agreement on Closer Economic Relations (PACER) plus bring it to a meaningful conclusion.

Our support for the Pacific Islands Countries Trade Agreement (PICTA) and advocacy on behalf of the region at the World Trade Organization (WTO) also continues to be well recognised. This work aims to secure better international opportunities for Pacific Island exporters of goods and services, but we also know that trade agreements alone do not create trade.

For this reason the Forum Secretariat is committed to increasing our support for trade development and promotion, and investment through the work of the Pacific Islands Trade & Invest network. The return on investment is evident in the year-on-year results achieved across the areas of export promotion, trade and investment facilitation, and focused promotion of tourism and creative arts to international markets in favour of the Pacific Islands.

Significant progress has been made since we began the process of strengthening and reinvigorating our Trade Offices in 2008. After consolidating our offices in Auckland, Beijing, Sydney and Tokyo in 2009, we turned our attention towards Europe in support of the Economic Partnership Agreement negotiations by establishing a trade and investment promotions desk at the Permanent Delegation of the Pacific Islands Forum to the WTO in Geneva in 2011. This move has resulted in increased collaboration between Pacific Islands Trade & Invest offices toward the creation of market expansion opportunities for exporters into markets across the globe. I am very pleased to also note the confirmation of the Pacific Islands Trade & Invest network's valuable work through the review undertaken in 2013.

On behalf of the Pacific Islands Forum Secretariat, I extend our thanks to the Trade Commissioners and Representatives and their teams for the hard work and tireless commitment to deliver real outcomes for Pacific Island businesses.

**Tuiloma Neroni Slade**  
Secretary General  
Pacific Islands Forum Secretariat

# TRADE COMMISSIONERS' FOREWORD



**PACIFIC ISLANDS TRADE & INVEST IS COMMITTED TO BUILDING A BETTER FUTURE FOR PACIFIC ISLANDS COUNTRIES BY CREATING SUSTAINABLE ECONOMIC GROWTH AND GREATER PROSPERITY.**

With a continued focus on increased collaboration between our offices in Auckland, Beijing, Geneva, Sydney and Tokyo, Pacific Islands Trade & Invest delivered a record number of services to business across the region in 2013.

Collectively our offices have exceeded previous years' results in terms of trade facilitation, investment, tourism and art sales for Pacific Islands businesses; and we are confident this trend will continue through continued co-operation between our offices and improvement to our service offerings.

In the past year our client base grew from 9,000 contacts in 2012\* to more than 10,400 in 2013\*. Building on the success of our investment database launched in 2012, we created the region's first online tourism investment database (pacifictourisminvest.com). We also contributed to the building of 260 websites for accommodation providers and extended our services to support new and emerging industries such as eco-tourism, the Cook Islands' and Fiji's film industry, and aquaponics in the Small Island States.

After upgrading the former Pacific Islands Forum Trade Office in Beijing to a full Trade Commission in 2011, in June 2013 the office was re-branded to align with the Pacific Islands Trade & Invest brand. As part of the re-brand, we also launched a refreshed website for our Beijing office, specifically focused on the needs of our Chinese clients.

An important part of our success has been our strategic partnerships with multilateral and government agencies, and private sector organisations who, like us are committed to building a better future for Pacific Islands countries.

By actively developing and strengthening our partnerships, we have been able to significantly multiply the impact of our work.

In 2013, we collaborated on significant development projects with regional and international partners including South Pacific Tourism Organisation, the Food and Agriculture Organization of the United Nations (FAO), Pacific Horticultural and Agricultural Market Access (PHAMA) and the Secretariat of the Pacific Community. We also developed new working partnerships with organisations including the International Trade Centre – Women and Trade programme, GS1, Kiva, and broadened our working relationship with the Small Business Development Center's Network in the Northern Pacific.

And of course, our work would not be possible without the invaluable support and funding of the Pacific Islands Forum Secretariat and donor governments and agencies including the Australian Department of Foreign Affairs and Trade, New Zealand Government Ministry of Foreign Affairs and Trade, the European Union, the Government of the People's Republic of China and the Government of Japan.

In July 2013, the Pacific Islands Forum Secretariat commissioned an organisational review of the Pacific Islands Trade & Invest network. Conducted by international consulting firm, Kisserup International Trade Roots, the review included in-market stakeholder consultations across the region, as well as our offices in Australia, China and New Zealand. Recommendations made as a result of the review are now under consideration for implementation in 2014.

It is with continued great pride and pleasure that we serve the people and businesses of the Pacific Islands. We strive to achieve even greater results in the years to come.

**Manuel Valdez**  
Head of Investments &  
Acting Trade Commissioner  
Pacific Islands Trade &  
Invest, Auckland

**Caleb Jarvis**  
Trade Commissioner  
Pacific Islands Trade  
& Invest, Sydney

**Sam Savou**  
Trade Commissioner  
Pacific Islands Trade  
& Invest, Beijing

**Kazuyoshi Ogawa**  
Director  
Pacific Islands Centre, Tokyo

\* Excludes CRM statistics from Tokyo and Geneva offices.

## ABOUT US

**Pacific Islands Trade & Invest provides services in export, investment, tourism promotion and creative arts with the aim of improving the livelihood of people in the Pacific Islands. We focus on the development of export-capable businesses and the international promotion and support of exporters in Pacific Island countries.**

### OUR LONG-TERM DEVELOPMENT GOALS ARE TO:

- 1. INCREASE THE DIVERSIFICATION OF EXPORTS AND INVESTMENT FOR BUSINESSES IN THE PACIFIC ISLANDS;**
- 2. INCREASE TRADE, TOURISM AND INVESTMENT OPPORTUNITIES FOR WOMEN IN THE PACIFIC ISLANDS;**
- 3. INCREASE THE DEMAND FOR CREATIVE INDUSTRIES AND INDIGENOUS KNOWLEDGE PRODUCTS FROM THE PACIFIC ISLANDS; AND**
- 4. IMPROVE THE CAPACITY FOR TOURISM PROMOTION IN PACIFIC ISLAND COUNTRIES.**

Our offices in Auckland, Beijing, Sydney, Tokyo and our desk in Geneva, work collaboratively with exporters from the Pacific Islands to promote their products and services as well as attract investment to Pacific Island businesses.

### WE DO THIS BY:

- Developing and promoting export-capable businesses;
- Connecting exporters with international buyers;
- Facilitating the marketing of niche Pacific Island tourism services and products;
- Promoting investment-ready projects from the Pacific Islands;
- Introducing potential investors to the Pacific Islands;
- Promoting the value of Pacific Island artists and artisans work;
- Providing promotional support, networks and technical expertise; and
- Facilitating shared understanding between markets.

# WHAT WE DO

## DEVELOPING EXPORT-CAPABLE BUSINESSES

Pacific Islands Trade & Invest works with businesses in both their home and export markets to build export capacity and investment potential. We help our clients achieve their business outcomes through sharing innovative business ideas and approaches, combined with our in-depth understanding of the diverse situations and challenges faced by businesses in the Pacific Islands.

We are committed to increasing the diversity of our clients through the promotion of women entrepreneurs, creative arts and indigenous and traditional knowledge to international markets.

## FACILITATING THE EXPORT PROCESS

Pacific Islands Trade & Invest understands the export potential and customer base for Pacific Islands businesses in the five markets in which we operate. Through innovative and creative approaches, we bring exporters to the market and help the market find their products.

We work with producers in-country by helping them develop their products and proposals; connecting them with buyers; assisting in meeting quarantine requirements; negotiating shipping and clearance issues; and helping with other logistical and operational needs.

## CONNECTING EXPORTERS WITH INTERNATIONAL BUYERS

With an international network and on-the-ground professional services in high priority markets, Pacific Islands Trade & Invest can fast track the growth of Pacific Islands businesses. We can provide contacts for logistics and arrange business matches through our extensive knowledge of market needs and demand. Our services include both identifying buyers for Pacific Island producers and identifying suppliers to meet new and emerging foreign market demand.

## PROVIDING PROMOTIONAL SUPPORT, NETWORKS AND TECHNICAL EXPERTISE

Pacific Islands Trade & Invest offers trade promotion services, business networking opportunities and technical expertise either directly by our staff or through the procurement of specialised skills to meet client needs. These services include support in areas such as graphic design, branding, standards and compliance, customs and quarantine requirements, and product development.

## FACILITATING THE MARKETING OF NICHE PACIFIC ISLAND TOURISM SERVICES AND PRODUCTS

Pacific Islands Trade & Invest works to promote tourism in Pacific Island countries with a particular focus on the independent traveller and adventure markets. By assisting tourism-related businesses market their product (particularly in the online / digital space) and forge strong relationships with travel industry partners, we enable Pacific Island countries to draw on their diverse cultures to build strong niche markets.

## INTRODUCING POTENTIAL INVESTORS TO THE PACIFIC ISLANDS

The in-depth knowledge gained through our experience working in the Pacific Islands, combined with our presence in five key markets, enables us to facilitate investment opportunities for our clients. With the goals of raising awareness and promoting investment opportunities in the region, Pacific Islands Trade & Invest has facilitated events such as the Samoan Investment Summit and developed programmes like the 'Pathways to Finance' to help Pacific Island businesses to grow, both through foreign investment and commercial financing.

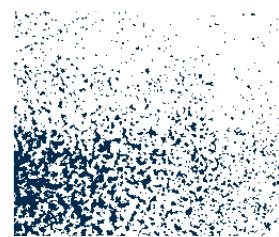
## PROMOTING THE VALUE OF PACIFIC ISLAND ART AND ARTISANS WORK

Pacific Islands Trade & Invest offers a dedicated creative arts programme that seeks to increase and promote the work of local artists in international markets.

By encouraging investment in the creative arts sector, we place a commercial value on the Pacific Island community's traditional knowledge and cultural expressions. We are also working with creators and artists in the region to create new export networks, connecting individuals with international partners and collaborators.

## FACILITATING SHARED UNDERSTANDING BETWEEN MARKETS

Our extensive experience and in-depth knowledge allows us to provide credible and constructive advice and support for exporters and investors alike. Through awareness-raising seminars, training workshops, trade missions and country promotion, Pacific Islands Trade & Invest fosters new market opportunities for Pacific Island businesses and investment opportunities for foreign investors.



# PARTNERING FOR SUCCESS

By facilitating successful partnerships between the private sector and government agencies and between exporters and investors, we are able to extend the potential of our service offering and the business outcomes for our clients.

Our partnership philosophy is based on effective communication, capacity building and a commitment to developing and strengthening relationships for sustainable economic growth throughout the Pacific Islands region.

## 2013 PARTNERSHIP HIGHLIGHTS

Our work would not be possible without the support of our key donors and strategic partners. In 2013, they included:

### KEY DONORS:

Australian Department of Foreign Affairs and Trade  
European Union  
Forum Island Countries  
Government of the People's Republic of China  
Government of Japan  
New Zealand Ministry of Foreign Affairs and Trade

### 2013 KEY PARTNERSHIPS:

#### AIR NIUGINI (TOKYO OFFICE)

As one of the key carriers for Japanese visitors to the region, Air Niugini has worked closely with our Tokyo office to promote the Pacific Islands as a tourism destination.

#### ART GALLERY OF NEW SOUTH WALES (AGNSW)

Through our Creative Arts programme, our Sydney office continues to work with the AGNSW on the coordination of events such as *Maketi Ples* and the "Plumes and Pearl Shells" exhibition, which will open in May 2014.

#### ASIAN DEVELOPMENT BANK (ADB)

We have been in consultation with the ADB in regard to the establishment of a Regional Business Investment Fund and an agricultural investment fund in Samoa.

#### AUSTRALIAN GOVERNMENT-FUNDED AND AUSTRALIAN INTERNATIONAL-MANAGED PRIME MINISTER'S PACIFIC AUSTRALIA (PMPA) AWARD

Through the Australian Government-funded and Australian International-managed Prime Minister's Pacific Australia (PMPA) Award, our Sydney office hosted two interns – one from PNG and another from Tonga. PMPA is one of the world's most prestigious 'leadership for development' scholarship programmes and are awarded to leaders, or potential leaders, from Pacific Island countries upon completion of their university studies.

#### AUSTRALIAN MUSEUM

Our Sydney office maintains an ongoing relationship with the Pacific Collection team at the Australian Museum. The partnership involves annual guided tours of the Collection by *Maketi Ples* exhibitors. Importantly, we also facilitate cultural oversight and clearance from communities and Pacific Islands Cultural officers in regards to new and exhibited objects.

#### CENTRE FOR THE PROMOTION OF IMPORTS FROM DEVELOPING COUNTRIES

Our Geneva office provided advice and assistance to the Netherlands Ministry of Foreign Affairs agency regarding the development of the Ingredients Value Chain project in Papua New Guinea and Samoa.

#### COOK ISLANDS TOURISM CORPORATION

Our Tokyo office supported Cook Islands Tourism Corporation with their participation at the 2013 JATA Travel Showcase.

#### FOOD & AGRICULTURE ORGANIZATION (FAOSAP)

Our Auckland office assisted Aquaponic Solutions with the coordination of scoping visits to Kiribati, Samoa and Tuvalu. The visits were part of a feasibility study for a proposed FAO-funded aquaponic systems project in these countries.

#### GS1 NEW ZEALAND

Our Auckland office signed an MoU (Memorandum of Understanding) with GS1 New Zealand to deliver training that addresses market requirements for improved quality standards and traceability systems in the Pacific Islands. (See case study on page 9)

#### INTERNATIONAL FINANCE CORPORATION (IFC)

Our Sydney office assisted the IFC in seeking an investor for the privatisation of a government-owned hotel in Kiribati.

#### INTERNATIONAL TRADE CENTRE (ITC)

Our offices in Sydney, Auckland and Geneva worked together to facilitate scoping missions of the ITC's Women and Trade Programme to Samoa, Vanuatu and Papua New Guinea. (See case studies on pages 30 and 31)

#### INVESTMENT PROMOTION AUTHORITY (IPA) OF PAPUA NEW GUINEA

Our Tokyo office worked closely with the PNG Embassy in Tokyo, Japan-PNG Association and IPA to organise various meetings and gatherings in conjunction with the PNG Prime Minister's visit to Japan in March 2013.

#### IWAKI CITY GOVERNMENT

Our Tokyo office assisted Iwaki City in coordinating activities for their second annual Pacific Dance Festival with six Pacific Island embassies in Tokyo. Through our assistance, a dance team from Cook Islands was invited to this event for the first time.

#### JAPAN ASSOCIATION OF TRAVEL AGENTS (JATA)

Our Tokyo office participated in JATA's Travel Showcase and organised two travel destination seminars with JATA in 2013.

#### JAPAN INTERNATIONAL COOPERATION AGENCY (JICA)

Through meetings between our Tokyo office and JICA's headquarters in Tokyo, we have cooperated in various aid, trade and industrial promotion programmes, such as the dispatch of an experienced biotechnology specialist from Japan to SROS (see below) in Samoa.

**OUR PARTNERSHIP PHILOSOPHY IS BASED ON EFFECTIVE COMMUNICATION, CAPACITY BUILDING AND A COMMITMENT TO DEVELOPING AND STRENGTHENING RELATIONSHIPS FOR SUSTAINABLE ECONOMIC GROWTH THROUGHOUT THE PACIFIC ISLANDS REGION.**



**JAPAN PACIFIC ISLANDS ASSOCIATION (JAPIA)**

Our Tokyo office sponsored and supervised a study organised by JAPIA on 'Perspectives of Economic Development in the Small Island States'. The report was submitted to the Second PALM (Pacific Alliance Leaders Meeting) Interim Ministerial Meeting in Tokyo in October 2013.

**KIRIBATI NATIONAL TOURISM ORGANISATION (KNTO), THE MARSHALL ISLANDS VISITORS AUTHORITY (MIVA) AND OUR AIRLINE OF NAURU**

Our Sydney office co-funded the Central Pacific Tourism Marketing Campaign. This campaign was designed to build awareness amongst the Australian tourism industry of new air connections linking Australia with Nauru, Kiribati and the Marshall Islands.

**KIVA**

Kiva is the world's leading non-profit crowdsourcing microfinance organisation with a mission to connect people through lending to alleviate poverty. Our Sydney office is providing ongoing support to Kiva to further its market penetration into the Pacific Islands.

**MEIJI UNIVERSITY, JAPAN**

Our Tokyo office cooperated with Meiji University to present six public seminars on the Pacific Islands at the University's Liberty Academy.

**MINISTRY OF AGRICULTURE AND BUSINESS TRADE & INVESTMENT BOARD (BTIB)**

Our Auckland office worked with the Ministry of Agriculture and BTIB in the Cook Islands to deliver export market development initiatives for produce from the Cook Islands, including a trial shipment of frozen chillies and the re-establishment of pawpaw exports to New Zealand.

**MINISTRY OF COMMERCE, LABOUR & TOURISM (MCLT), TONGA**

Our Auckland office strengthened its relationship with MCLT – the main investment promotion and trade facilitation for Tonga. This has resulted in approximately NZ\$2 million worth of export sales including fresh produce, seafood and artisan works.

**MINISTRY OF COMMERCE & TRADE, TUVALU**

Our Auckland office assisted with the promotion of Tuvalu's national trade fair, Talofa Trade Fair, in September 2013. We are also working with the Ministry on the identification of suitable markets for the export of coconuts to New Zealand.

**MIYAGI EMPLOYERS' ASSOCIATION (MEA)**

Our Tokyo office worked with four major business associations in north-eastern Japan to organise a working luncheon with local business representatives, Trade Ministers and the Pacific Islands delegation in conjunction with the Second PALM Interim Ministerial Meeting October 2013.

**NATIONAL CULTURAL COMMISSION, PAPUA NEW GUINEA**

Our Sydney office worked with PNG's lead creative organisation, the National Cultural Commission, on potential events for the Melanesian Arts Festival, which will be hosted by PNG in 2014.

**NIUE TOURISM**

Our Tokyo office has worked together with Niue Tourism to negotiate a business deal with major Japanese travel agencies and present Niue as a new destination at the JATA Travel Showcase in 2013.

**PACIFIC BUSINESS TRUST (PBT), NEW ZEALAND**

Our Auckland office is represented on the Board of the Pacific Business Trust, which provides economic development services for Pacific business and business people within New Zealand.

**PACIFIC HORTICULTURAL AND AGRICULTURAL MARKET ACCESS (PHAMA)**

Our offices in Auckland, Beijing and Sydney have worked with PHAMA across a number of projects including: examining the viability of horticultural imports from Fiji to Australia, market access opportunities for Pacific products into China, and market research and national packaging development for the export of produce from Fiji, Samoa and Tonga to New Zealand. (See case study on page 8)

**PACIFIC ISLANDS SMALL BUSINESS DEVELOPMENT CENTER (SBDC) NETWORK**

We have partnered with SBDC Palau for the past two years to deliver the 'Pathways to Finance' project in Palau. The solid working relationship has resulted in further MoUs being signed with SBDC's chapters in the Marshall Islands and FSM.

**PERMANENT MISSION OF SOLOMON ISLANDS TO THE UNITED NATIONS OFFICE AT GENEVA (UNOG), WORLD TRADE ORGANIZATION (WTO) AND OTHER INTERNATIONAL ORGANISATIONS**

Our Geneva office provided contacts and assisted engagements with Geneva based UN and WTO agencies, and the provision of ministerial briefing notes for a bilateral meeting with the International Trade Centre (ITC).

**QUEENSLAND GALLERY OF MODERN ART (QGOMA)**

Our Sydney office has an ongoing relationship with QGOMA across specific areas of mutual interest, including the facilitation of contacts for possible inclusion in future exhibitions by QGOMA, such as the Asia Pacific Triennial series.

**RAUTENSTRAUCH-JOEST MUSEUM, GERMANY**

Our Geneva office helped facilitate the work of 26 contemporary Pacific Island artists and artisans being featured in an embedded virtual exhibition along with historical pieces in 'Made in Oceania: Tapa – Art and Social Landscapes'.

**SAMOA ASSOCIATION OF MANUFACTURERS AND EXPORTERS (SAME) AND SAMOA TRADE & INVESTMENT COMMISSION INC. (SAMOA)**

In collaboration with the Samoa Trade & Investment Commission (STIC), our Auckland office provided assistance to SAME members at the 'Buy Samoa Made' Trade Show held in Auckland in November 2013. Our assistance included assistance with marketing and promotions, introductions to potential buyers and packaging suppliers in New Zealand.

**SCIENTIFIC RESEARCH ORGANISATION OF SAMOA (SROS) AND THE PACIFIC AGRIBUSINESS RESEARCH FOR DEVELOPMENT INITIATIVE (PARDI), SAMOA**

Our Auckland office partnered SROS, PARDI and members of Auckland's Samoan community on a consumer taste testing panel for six different varieties of taro (see case study on Samoa on page 31).

**SECRETARIAT OF THE PACIFIC COMMUNITY (SPC)**

Pacific Islands Trade & Invest is represented on the Board of IACT to assess the export capability of IACT enterprises. We collaborated to bring 11 exporters from the Pacific Islands to exhibit at the largest food sector industry event in the region, Fine Food Australia. (See case study on page 25)

**SOLOMON ISLANDS SMALL AND MEDIUM ENTERPRISE COUNCIL (SMEC)**

We have partnered with SMEC for the past six years to deliver the Pathways to Finance project to small, medium and micro enterprises (SMMEs) in the Solomon Islands.

**SOLOMON ISLANDS VISITORS BUREAU (SIVB)**

As part of the SPTO/ Pacific Islands Trade & Invest Tourism SME e-marketing project, our Sydney office funded the building of additional e-commerce enabled websites in Auki (Malaita province).

**SOUTH PACIFIC TOURISM ORGANISATION (SPTO)**

In 2013, an MoU was signed with SPTO for the rollout of the region's first Tourism Investment Database and Hotel Link Solutions (HLS) SME e-marketing project (see case studies on pages 14 and 23).

**TREASURES OF THE SOUTH PACIFIC**

We co-fund this annual Australia tourism roadshow of representing Pacific Island member countries including the Cook Islands, Niue, Papua New Guinea, Samoa, Tonga and Vanuatu.

**TUVALU MINISTRY OF ENVIRONMENT, FOREIGN AFFAIRS, LABOUR AND TRADE**

Our Sydney office co-funded the development of a new e-commerce enabled tourism portal for the national tourism organisation of Tuvalu (see case study on page 34). Our Auckland office also helped promote the National Trade Fair in September 2013 and is continuing to assist with the importation of Tuvaluan coconuts to New Zealand.

**VANUATU CHAMBER OF COMMERCE AND INDUSTRY (VCCI)**

We have partnered with the VCCI for the past three years to deliver the 'Pathways to Finance' project in Vanuatu.

**VANUATU TOURISM OFFICE (VTO)**

As part of our joint Tourism SME e-marketing project with SPTO, our Sydney office funded the building of additional e-commerce enabled websites in Santo and Tanna provinces.

**OTHER PARTNERSHIPS AND STAKEHOLDERS:**

Air New Zealand (Tokyo Office), Austrade, Australia Pacific Islands Business Council, Australia PNG Business Council, Australia Fiji Business Council, New Zealand Fiji Business Council, New Zealand Papua New Guinea Business Council, New Zealand Tonga Business Council, New Zealand Trade and Enterprise, Pacific Islands Heads of Mission, Sasakawa Peace Foundation (Japan), Sendai Association of Corporate Executives, Sendai Chamber of Commerce and Industry, Tohoku Economic Federation, United Airline (Tokyo Office).

**CASE STUDY: PACKAGING A KINGDOM**

Through a regional collaboration between the Pacific Horticultural and Agricultural Market Access (PHAMA), AusAID (now DFAT), the Tongan Government and Pacific Islands Trade & Invest, our Auckland and Sydney offices facilitated the development of packaging for Tonga's agricultural exports.

Tonga has expanded its tourism industry branding, 'The Kingdom of Tonga – The True South Pacific' to include the marketing of its agricultural produce overseas.

Fully-funded by AusAID, this initiative aimed to further develop the market access and pathways for Tonga's agricultural commodities towards formal markets in Australia and New Zealand, and at the same time develop domestic markets and a sense of national pride.

Agricultural exports are a major source of income for Tonga and have been the key contributor to Tonga's economy in the last decade. But with large volumes of exports going through informal channels, such as family and church networks, the opportunity to improve the export pathway and expand the export of Tonga's products into formal export markets was identified.

One of the key constraints to this opportunity was the lack of proper packaging and labelling, which limited Tonga's competitiveness in key markets such as New Zealand, Australia and the US. This issue was clearly highlighted through key strategy papers – including the National Export Strategy, the Government-endorsed Micro, Small and Medium Enterprise Strategy (MSME), and the draft Private Sector Development Strategies (PSDS) of 2012 – which all emphasised the need for Tonga to meet the basic key market requirements in the area of packaging and labelling.

"Packaging plays an important role in increasing the market access of Tonga's agricultural commodities, through protecting, preserving and presenting final products that meet the requirements of the target consumers and buyers. Packaging helps in gaining consumers' confidence in the products, cleanliness and safety not only for the consumers but for the resellers and potential buyers who are interested in Tongan products," said the Honorable Minister of Commerce, Tourism and Labour Dr. Viliami Uasike Latu.

In partnership with the Government of Tonga and PHAMA, Pacific Islands Trade & Invest produced standardised retail packaging for five frozen products including cassava, taro, giant taro, tarua and yams, and newly-designed carton boxes specifically for fresh produce exports.

After 10 months of development during 2013, the new packaging was launched in February 2014, with the full range of products due to be launched in 2014. At the launch of the new packaging, former Chief Executive Officer of Tonga’s Ministry of Commerce, Tourism and Labour, Mr. Tatafu Moeaki said, “These promotional materials will help with the Ministry’s effort into promoting products from Tonga, at both local and international markets.”

Trial shipments for the new packaging of frozen and fresh products are expected to achieve export sales worth approximately NZ\$800,000 in the first year. This is expected to grow to NZ\$2.3 million worth of exports over the next two years.

The initiative has eliminated the high cost of branding and packaging to high standard, which would be otherwise unfeasible for exporters such as Lotopoha Trading, one of the companies that will benefit from using the new packaging.

“The carton boxes will not only add value to our agricultural products for exports but we are at the same time adding value to our farmer’s livelihood and for Tonga’s economic growth and development as a whole,” said Mrs. Lupe Goulton from Lotopoha Trading.

**CASE STUDY: BOOSTING SUPPLY CHAIN STANDARDS IN THE PACIFIC ISLANDS**

In 2013, Pacific Islands Trade & Invest’s Auckland office signed a Memorandum of Understanding (MoU) with GS1 – the world’s leading neutral, not-for-profit, international organisation that develops and maintains standards for supply and demand chains across multiple sectors.

The MoU was necessary to establish an understanding of product identification and supply chain standards technology to address the growing market demand for greater improvements in traceability and quality standards to meet export market requirements.

As part of the agreement, our Auckland office worked with GS1 to deliver an export workshop in Tonga focused on export capability development in the area of barcodes for existing and potential exporters. Specifically focusing on the technical aspects of barcodes, the workshop highlighted the importance of supply chain management systems to meet export market requirements and emerging technologies such as Radio Frequency Identification (RFI).

This partnership will continue to build on the success of the Tonga workshop by delivering export capability training in Fiji and Vanuatu in 2014.

**NEW RETAIL PACKAGING UNDER ‘THE KINGDOM OF TONGA’ BRAND WILL ADD VALUE TO THE COUNTRY’S AGRICULTURAL EXPORTS.**



# EXPORT

## **PACIFIC ISLANDS TRADE & INVEST WORKS WITH EXPORT-READY BUSINESSES IN BOTH THEIR HOME AND EXPORT MARKETS TO BUILD THEIR EXPORT CAPACITY AND INVESTMENT POTENTIAL.**

In our role as an export facilitator, we are guided by the export development strategies and national development plans of the countries we represent. To this end we collaborate directly with exporters, key government agencies and national private sector organisations to help Pacific Island countries to expand and diversify their markets and products for export. This offsets the inherent challenges of the region's market size and distance from larger markets.

Through our export advisory and support services, we focus on the development of export-capable businesses and the international promotion and support of exporters to enable sustainable economic growth and increased trade for Pacific Island countries.

### **2013 EXPORT HIGHLIGHTS**

- Pacific Islands Trade & Invest facilitated the introduction of an Australian-based importer and Tongan exporter, which resulted in the establishment of a new vanilla growers association on Tonga's Vava'u island. The newly formed Queen Vanilla Growers Association is playing a pivotal role in revitalising the island's dormant vanilla industry. (See case study on page 33)
- 'The Kingdom of Tonga – The True South Pacific' – a new export packaging and labelling initiative jointly developed by Pacific Islands Trade & Invest, the Government of Tonga, PHAMA and AusAID – is developing market access and pathways for Tonga agriculture commodities (see case study on page 8).
- In partnership with Tonga's Ministry of Labour, Tourism and Commerce and GS1 New Zealand, our Auckland office has helped boost supply chain standards in the Pacific Islands through the delivery of export workshops in Tonga. Future workshops are planned for rollout in Fiji, Samoa and Vanuatu. (see case study on page 9).
- Our Auckland office assisted a Solomon Islands business export cacao to New Zealand worth approximately NZ\$20,000.
- Long-term client of Pacific Islands Trade & Invest, Foods Pacific Group, has gained market entry into Europe and the United Kingdom through the support of our Sydney and Geneva offices (see case study, page 24).
- In partnership with the International Trade Centre – Women and Trade Programme, our office in Auckland, Geneva and Sydney have worked together on project scoping missions to Papua New Guinea, Samoa and Vanuatu (see case studies on pages 30 and 31).
- Our Tokyo office supported the market expansion of Tamanu oil from the Pacific Islands into the Japanese market. We are currently facilitating introductions between Japanese companies and suppliers from Vanuatu, Fiji, Papua New Guinea and Samoa.

## **CASE STUDY: DIALING IN TO A LUCRATIVE INTERNATIONAL MARKET**

In March 2013, ProComm Services opened Tonga's first major business process outsourcing (BPO) operation in Nuku'alofa, with big plans to rival its competitors in the region.

A joint venture between Tongan-based entrepreneurs and Japanese investor, Suite Pole Co Ltd, the feasibility of a BPO operation in Tonga was made possible after the completion of a major World Bank / Asian Development Bank investment into the country's first undersea fibre optic network in early 2013.

Pacific Islands Trade & Invest has worked with ProComm Services since 2012, when Mr. Takeshi Tamura from Suite Pole Co Ltd, approached our Tokyo office for advice on an appropriate country to set up a call centre business in. Tonga was suggested as the best option due to the human resource capacity available and the guarantee that the fibre optic project would be completed by August 2013.

Our Tokyo office subsequently introduced the client to Pacific Islands Trade & Invest's Auckland office, who helped develop a business plan to secure NZ\$20,000 funding and conduct the feasibility study required for its finance application to the New Zealand Partnership Development Fund in 2012.

Currently providing call centre operations to the Tonga Communications Corporation, ProComm services is seeking to expand its client base into Australia, New Zealand and other English-speaking countries around the world. With the assistance of our Auckland and Sydney offices, ProComm signed its first service agreement with a New Zealand-based company and is currently sourcing other potential clients in Australia and New Zealand.

ProComm Services currently employs 35 call centre agents working a 24/7 shift, but has the capacity to expand to 1,000 seats at short notice. The company is also looking to extend its business offering into online services.

This success of this project suggests the potential for bringing a new model of industry development to the Pacific Islands. According to the Director of ProComm services, Tevita Kilisimasi Ha'apai, the company is tapping into an industry with a big future.

"The potential and the benefits are immense. Forecasts for the business processing outsourcing requirements for the Asia Pacific region, excluding Japan, is expected to reach \$US9.5billion by 2016. Given that is not for the whole world, just Asia Pacific, even a 0.1 per cent slice of that market could have a great impact on Tonga's economy," said Mr. Ha'apai.

**WE FOCUS ON THE DEVELOPMENT OF EXPORT-CAPABLE BUSINESSES AND THE INTERNATIONAL PROMOTION AND SUPPORT OF EXPORTERS TO ENABLE SUSTAINABLE ECONOMIC GROWTH AND INCREASED TRADE FOR PACIFIC ISLAND COUNTRIES.**

**THE PACIFIC ISLANDS IS ONE OF THE LARGEST EXPORTERS OF TUNA IN THE WORLD. PHOTO SHOT IN APIA, SAMOA. © DEV NADKARNI**

**AU\$5,281,942**  
in export sales facilitated



# INVESTMENT

## PACIFIC ISLANDS TRADE & INVEST'S INVESTMENT FUNCTION FOCUSES ON PROVIDING SUPPORT TO PACIFIC ISLANDS BUSINESSES WITH THE KEY OBJECTIVE OF DRIVING FOREIGN DIRECT INVESTMENT INTO THE REGION.

We are able to facilitate investment opportunities for our clients on the strength of our presence and extended business networks in five key markets, and the in-depth knowledge and experience we have gained by working in the Pacific Islands over the past 35 years.

By collaborating with the public and private sectors, business networks and development partners, we aim to ensure greater efficiency in promoting the region as a credible investment destination.

Our Investment Promotion Services assist Pacific Islands-based clients by:

- Developing and improving their business documentation (such as through our Pathways to Finance programme);
- Enhancing their visibility in the investment marketplace;
- Facilitating investor enquiries and supporting foreign direct investment opportunities from Australia, China, Europe, Japan and New Zealand into Pacific Islands countries and businesses;
- Working with the investment promotion agencies (and other relevant agencies) of all countries to promote investment-ready projects to foreign investors;
- Highlighting tourism investment opportunities to potential international investors through the region's first online Tourism investment Directory;
- Our online, searchable database of investment opportunities across the 14 Pacific Island countries we represent; and
- Encouraging networking amongst Pacific Island businesses and foreign investors at regional investment events.

### 2013 INVESTMENT HIGHLIGHTS

- Building on the success of our online database of investment opportunities in the Pacific Islands, in 2013 we launched [www.pacifictourisminvest.com](http://www.pacifictourisminvest.com) – a new online platform designed to encourage foreign direct investment in the region's tourism sector. (See case study on page 14) AU\$307 million in tourism investment projects are being promoted via the Tourism Investment Directory.
- We currently have Pathways to Finance programmes running in the Federated States of Micronesia, the Marshall Islands, Palau, Solomon Islands and Vanuatu (see case study on page 26).
- Through our ongoing commitment to capacity building and professional development, Pacific Islands Trade & Invest's Sydney office hosted interns from Papua New Guinea and Tonga. We also expanded the programme to offer a secondment to a trade representative from Vanuatu (see case studies on pages 30 and 35).
- Up to NZ\$12 million of potential investment has been earmarked for Fijian businesses as the result of a successful trade and investment delegation, organised through our Return to Roots programme (see case study on Fiji on page 13).
- Pacific Islands Trade & Invest facilitated an investment mission by an Australian businessman to Palau

who sponsored the trial of unmanned drones as part of the country's strategy to combat illegal fishing after declaring a marine sanctuary in its Exclusive Economic Zone (see case study on page 29).

- In partnership with EastPack Kiwifruit Company, Western Union and the Consulate of Vanuatu, our Auckland office ran a Financial Literacy and Investment Opportunity Seminar in Te Puke for Recognised Seasonal Employer (RSE) workers from Ni-Vanuatu and Tonga.

### CASE STUDY: RETURN TO ROOTS MISSION HIGHLIGHTS INVESTMENT OPPORTUNITIES IN FIJI

Fiji stands to benefit from up to NZ\$12 million of potential investment as the result of a successful trade and investment delegation coordinated by Pacific Islands Trade & Invest, in conjunction with Investment Fiji.

Hosted in 2013, the Fiji mission was part of our ongoing Return to Roots programme, which encourages successful businesspeople of Pacific Island origin living in New Zealand to invest back in their home countries.

Led by Fiji's Acting Head of Mission in New Zealand, Mrs. Mere Tora, the delegation included 12 New Zealand-based businessmen from a range of sectors including: forestry, real estate, manufacturing, education, retailing, hospitality, media and information technology.

The Fiji visit included a seminar on investment opportunities in Fiji and site visits to a range of businesses and manufacturing units in and around Suva to assess Fiji's infrastructure and human resources capacity for particular industries.

In a series of group and one-on-one meetings, delegates also met with interested local businesspeople, bankers, financial institutions and officials to discuss potential investment opportunities. Several meetings were also held with key stakeholders from the agriculture, textile and food processing sectors with a view to future investment.

The delegation expressed keen interest in Fiji's northern division, where the Fijian government is investing heavily in infrastructure and logistics and has earmarked the area for large-scale tax-free incentives for investors.

Since the visit members of the delegation have had periodic meetings with Pacific Islands Trade & Invest and are at varying stages of establishing businesses and engaging with potential partners and collaborators. As a result of the mission, New Zealand-based Fijian businessman, Mr. Jai Prakash from City Promotional and Signage, has invested NZ\$35,000 in Fiji's advertising sector.

Mr. Prakash said associating with Pacific Islands Trade & Invest gave his business integrity and commanded a high degree of respect within the business community.

### CASE STUDY: FIJI'S FILM INDUSTRY SHOOTING FOR SUCCESS

Fiji's Film Rebate Incentive continues to attract foreign investment in feature film projects from Hollywood, Bollywood and China.

Recognising the potential of the film industry to boost the local economy, the Fijian Government increased the Film Rebate Incentive from 35 per cent to 47 per cent in 2011. The Incentive, offered to foreign production companies,

**RECOGNISING THE POTENTIAL OF THE FILM INDUSTRY TO BOOST THE LOCAL ECONOMY, THE FIJIAN GOVERNMENT INCREASED THE FILM REBATE INCENTIVE FROM 35 PER CENT TO 47 PER CENT IN 2011.**

provides a 47 per cent rebate on pre-production, production and post-production costs associated with complying film and television projects shot on location in Fiji.

In 2012, Pacific Islands Trade & Invest's Beijing office acted on behalf of our long-term client, SSS International Hotel, to initiate and facilitate a FJ\$2.6 million investment on behalf of Chinese travel agency, Suzhou Youth Travel Service, to shoot a 50-part television series on location in Fiji.

Our Beijing office also worked with the Chinese production company, Beijing Xinghong Century Culture Development Co Ltd to secure on-the-ground support in Fiji.

The production, which was the first Chinese film shoot ever conducted in the South Pacific region, boosted the local economy by creating jobs and stimulating demand for ancillary services across the hotel, transport, retail and cultural sectors. The 'Love in Fiji' series also promoted Fiji as a tourism destination to an audience of more than a million Chinese viewers when it screened in 2013.

Since then, PT&I Beijing has been connecting prospective Chinese film and production companies with SSS International Hotel for prospective film productions in Fiji. Based on the success of the 'Love in Fiji' series, the production company's sister company, Shanghai Xinghong Culture Development Co, made the decision to shoot three-quarters of a full-length feature film over three months in Fiji.

The film, entitled 'Fiji 99°C Love', was shot on location in China and Fiji in 2013. Shanghai Xinghong Culture Development Co invested FJ\$25 million in the production, which included a cast and crew of 120 people.

Over the three-month production period in Fiji, the company purchased local goods and services including airfares, insurance, costumes, make-up, set designs, yachts, villages, church hire, musical instruments, audio visual equipment, hotel accommodation, transportation, meals, local extras, accounting and legal services.

On completion, 'Fiji 99°C Love', is expected to reach global audiences of more than a billion viewers. Distribution channels include 40,000 screenings across 3,020 cinemas in China, CCTV-6 prime time (China Central TV Station), DVD and small-scale art house releases, plus mobile channels and in-transit entertainment channels for airlines, trains, buses and mobile phones. The film will also screened on Chinese-language TV stations in Australia, New Zealand, Singapore, Thailand, Japan, Korea, Malaysia, France, UK, Germany, US and Canada.

Shanghai Xinghong Culture Development Co is also planning to promote the film widely in China and Fiji, including inviting Chinese media to Fiji to visit the location site and running a promotion on one of China's highest rating television programmes.

**SHANGHAI XINGHONG CULTURE DEVELOPMENT CO, INVESTED FJ\$25 MILLION IN THE PRODUCTION OF 'FIJI 99°C LOVE' WHICH WAS SHOT ON LOCATION IN CHINA AND FIJI IN 2013.**



# TOURISM PROMOTION

**OUR TOURISM PROMOTION STRATEGY HAS FOCUSED ON MARKETING NICHE ADVENTURE HOLIDAYS IN THE PACIFIC ISLANDS TO INTERNATIONAL TRAVELLERS.**

## **PACIFIC ISLANDS TRADE & INVEST WORKS TO PROMOTE TOURISM IN PACIFIC ISLAND COUNTRIES BY HELPING TOURISM BUSINESSES MARKET THEIR PRODUCTS INTERNATIONALLY AND FORGE STRONG RELATIONSHIPS WITH TRAVEL INDUSTRY PARTNERS.**

By supporting Pacific Island countries to draw on their diverse cultures to build strong niche markets, our tourism promotion strategy focuses on marketing holidays in the Pacific Islands to international travellers. Our key project in 2013 was the Tourism SME e-marketing project in partnership with the South Pacific Tourism Organisation (SPTO).

Pacific Islands Trade & Invest also created the region's first online database of tourism investment opportunities with the launch of [www.pacifictourisminvest.com](http://www.pacifictourisminvest.com) (see case study following). We also continued to focus on improving the online presence of Pacific Island countries as well as developing a specialised marketing approach to capitalise on the growing popularity of niche holidays across special interest areas. In particular, water-based sports and activities – such as fishing, surfing, sailing, whale watching and windsurfing – continue to be a strong drawcard for visitors and there is potential to further develop these activities (see case study on page 22).

We continue to work with key online travel players including TripAdvisor, Booking.com, Wotif, World Hotel Link (WHL), and other major online travel agents and specialist niche online travel sellers, to ensure that with improved visibility there is a clear and direct pathway to bookings results for Pacific Island tourism businesses.

## **2013 TOURISM HIGHLIGHTS**

- In partnership with SPTO and online accommodation booking network, WHL, Pacific Islands Trade & Invest delivered 260 e-commerce enabled websites to accommodation providers in 10 countries as part of the Tourism SME e-marketing project (see case study on page 23).
- With the launch of [www.pacifictourisminvest.com](http://www.pacifictourisminvest.com) we created a first of its kind online data resource that is designed to bring potential investors and tourism investment projects in 17 countries together (see case study following).
- Tuvalu launched its new national tourism website with the support of funding by our Sydney office. The website has already generated more than 2,400 clicks per month since launching (see case study on page 27).
- Through our Tourism programme we engaged Tropics Tourism and Marketing Services to develop the Central Pacific Marketing Campaign to promote the Small Island States of Kiribati, Marshall Islands and Nauru to the Australian travel trade (see case study on page 27).
- Our Auckland office assisted Madloop Windsurf School run its first two-week tour to the Cooks Islands (see case study on page 22).

## **ATTENDANCE AT INTERNATIONAL TOURISM EVENTS**

In collaboration with SPTO, we attended the following international tourism events to promote the Pacific Islands:

- Beijing International Tourism Expo, Beijing
- China International Travel Mart, Shanghai (the largest international tourism fair in Asia)
- CMT China 2013, Nanjing, China (see case study on page 15)
- Guangzhou Dive Show, Guangzhou
- Japan Association of Travel Agents (JATA) Trade Showcase 2013, Tokyo
- Marine Diving Fair 2013, Tokyo
- Nanjing International Travel Fair, Nanjing
- Tourism Exhibition at Ai-Chikyuhaku Memorial Park, Nagoya, Japan
- Treasures of the South Pacific Australian Roadshow
- World Travel Fair, Shanghai.

## **CASE STUDY: NEW ONLINE DATABASE PROMOTES PACIFIC TOURISM BUSINESSES TO GLOBAL INVESTORS**

A collaborative project between Pacific Islands Trade & Invest, South Pacific Tourism Organisation (SPTO) and the European Union has provided a powerful platform for promoting tourism businesses within the region to global investors.

Launched in August 2013, Pacific Tourism Invest ([pacifictourisminvest.com](http://pacifictourisminvest.com)) is the only online database of its kind in the region. Connecting potential investors with tourism investment projects in 17 countries, the objective of the project is to stimulate sustainable economic growth and employment opportunities for the region by encouraging foreign direct investment in the tourism sector.

"With the aim of facilitating tourism investment enquiries, and providing a single contact and information point, we are confident that [www.pacifictourisminvest.com](http://www.pacifictourisminvest.com) will be of great service to international investors and Pacific businesses alike," said Executive Manager of Investment and Tourism for Pacific Islands Trade & Invest Sydney, Tim Martin, at the launch of the new website.

Building on the success of Pacific Islands Trade & Invest's existing investment database, the new website highlights investment opportunities specifically within the tourism sector. Accessible in more than 50 languages, the new website features similar technology to our investment database with a searchable directory and links to Google maps, social media platforms and images.

By centralising a selection of investment opportunities in tourism and targeting interested foreign investors seeking bankable projects across the Pacific, the database also assists the work of investment promotion agencies in marketing these projects.

"This online tourism investment directory will enhance the awareness of business opportunities available in the Pacific's tourism sector, making it a valuable investment promotion tool for key stakeholders in tourism across the Pacific," said SPTO Chief Executive, Mr. Ilisoni Vuidreketi.

To date, the directory is promoting AU\$307 million in projects across the 14 Pacific Islands Forum countries.



**CASE STUDY: DESTINATION, CHINA NATIONAL RADIO – PROMOTING PACIFIC ISLANDS TOURISM**

In March 2013, our Beijing Office was invited to promote trade, investment and tourism opportunities in the Pacific Islands on China National Radio (CNR).

With more than 650 million regular listeners, CNR boasts the biggest national broadcasting audience in China. Conducted a week before CMT 2013, the interview on CNR’s ‘Gifted Success’ programme was a timely opportunity to promote the Pacific Islands’ tourism offering and our attendance at the upcoming travel fair.

A Chinese offshoot of the world’s largest public tourism and leisure exhibition, CMT China 2013 featured 289 exhibitors from 28 countries and regions. Nearly 40,000 visitors attended the three-day long exhibition held at the Nanjing International Expo Centre on 14-16 March 2013.

Pacific Islands Trade & Invest and Tourism Fiji represented the region at CMT 2013 under the banner of the ‘Pacific Village’.

The growth in tourism from China to the Pacific Islands has grown steadily in recent years and is showing signs of continued growth potential. With a direct flight from Hong Kong to Fiji, Fiji has become the Pacific hub for tourists from China and in 2011-2012 experienced a 25 per cent growth in arrivals from this high-growth market.

In promoting the Pacific Islands on CNR, Pacific Islands Trade & Invest Beijing’s Investment Officer, Mr. Eddie Yuan, said, “The beauty of the natural surroundings and the environment of the Pacific Islands make for a relaxing retreat for Chinese people. Highlighting these unique Pacific characteristics will help grow Chinese interest in the region.”

Mr. Yuan’s statement highlighted a growing focus on quality of life in China, as highlighted at the China Leadership Congress in 2013, and the attractiveness of the Pacific Islands as a clean, green holiday destination.

Within a week of the interview being aired, Pacific Islands Trade & Invest received more than 10 qualified phone enquiries and two Chinese families have subsequently moved to Fiji and invested more than FJ\$372,800 in the country.

**IN DECLARING ITS OCEAN A MARINE SANCTUARY, PALAU WILL DEVELOP ITS ALREADY STRONG ECO-TOURISM INDUSTRY AS AN ALTERNATIVE TO COMMERCIAL FISHING INCOME (SEE CASE STUDY ON PAGE 29).  
© DAVID KIRKLAND, KIRKLANDPHOTOS**



**260**  
**e-commerce enabled websites built**

# CREATIVE ARTS

## CENTRAL TO THE PACIFIC ISLANDS TRADE & INVEST'S CREATIVE ARTS PROGRAMME IS TO INCREASE AWARENESS AND PROMOTE THE WORK OF LOCAL ARTISTS IN INTERNATIONAL MARKETS.

By investing resources in the creative arts sector, we are helping to place a commercial value on the Pacific Island communities' traditional knowledge and cultural expressions. We work with creators and artists in the region to create new export networks and connect with international buyers.

Established in 2009, the programme's highly targeted approach is proving that there is a strong and growing international market for art from the Pacific Islands. Furthermore, it is demonstrating that the creative arts are able to make an ethical and sustainable contribution to the economic development of creator communities in Pacific Island countries.

This programme is part of the regional focus to enhance the cultural industry to become a key driver of economic growth.

### 2013 CREATIVE ARTS HIGHLIGHTS

In 2013 the Creative Arts programme has continued to enhance the international profile of numerous artists and creators in the Pacific Islands through the staging of special events, ongoing consultation and dialogue with international buyers, and co-operative programmes with partners such as the International Trade Centre's Women and Trade Programme. These activities have helped to create export market opportunities for the region's creative and cultural sectors.

Highlights included:

- The third annual *Maketi Ples* event held in Sydney, achieved sales of close to AU\$22,000 and featured 37 artists and artisans from the Cook Islands, Fiji, Papua New Guinea, Samoa, Solomon Islands, Tonga and the Republic of the Marshall Islands (see case study following).
- Through our Auckland Office and the support of Akateretere Arts, Honiara-based artists, Fred Oge and Brian Feni, traveled to New Zealand to showcase their artworks. As a result of the roadshow, the artists sold approximately NZ\$1,500 worth of artworks. (See case study on page 32)
- We have continued to work with Australian-based milliner, Boylan Headwear, in the ongoing development of a range of 'headwear from the Pacific' hats utilising traditional fibres. To date, two products have been created and successfully tested in the Australian market.
- Our Auckland office accessed key decision-makers to facilitate a delegation from Tonga, led by the Ministry of Labour, Commerce and Tourism (Tonga), at the Pasifika Festival. The delegation achieved craft export sales of approximately NZ\$9,000.

## CASE STUDY: RECORD SALES FOR PACIFIC ARTISTS AT MAKETI PLES 2013

The flagship event of our Creative Arts programme, *Maketi Ples*, has sold more than AU\$250,000 worth of art from the Pacific Islands to international art lovers since its inception in 2011.

Staged over three weeks at Global Gallery in Sydney, the event has grown to become the biggest commercially-focused showcase of arts and crafts from the Pacific Islands in the region.

The third annual *Maketi Ples* featured 37 artists from seven Pacific Island countries including the Cook Islands, Fiji, the Marshall Islands, Papua New Guinea, Samoa, the Solomon Islands and Tonga. With sales of approximately AU\$22,000 and more than 800 objects exhibited it was the largest event in *Maketi Ples'* short history. More than 230 art and craft lovers, including representatives from the Australian media, attended the opening of the event with opening day sales alone up 30 per cent on last year's event.

Beyond its commercial success, *Maketi Ples* presents a stable platform for the Pacific Islands' unique culture and creative sectors to engage with a much wider urban audience. This has brought both recognition and economic benefits to individual artists and their communities around the region.

"*Maketi Ples* had helped raise the standard of the art throughout the communities thanks to the international exposure it generates," said Papua New Guinean artist, Ms. Florence Jaukae (see case study on page 30).

This sentiment was reiterated by the Deputy Secretary General of the Pacific Islands Forum Secretariat, Ms. Andie Fong Toy, who in officially opening the event said, "When properly organised and developed, the cultural industries in the Pacific have great potential for economic activity. Producers will be able to benefit financially from their skills and drive growth within the Micro, Small and Medium enterprises sector."

**THE CREATIVE ARTS ARE ABLE TO MAKE AN ETHICAL AND SUSTAINABLE CONTRIBUTION TO THE ECONOMIC DEVELOPMENT OF CREATOR COMMUNITIES IN PACIFIC ISLAND COUNTRIES.**

**DETAIL OF A FINELY WOVEN BASKET EXHIBITED BY ELEFA HANDICRAFTS AT MAKETI PLES 2013.  
© RUTH CHUOLAI**



**AU\$21,963**  
worth of sales at  
*Maketi Ples*

# COMMUNICATIONS

## THROUGH OUR COMMUNICATIONS PROGRAMME, PACIFIC ISLANDS TRADE & INVEST HAS BUILT A NETWORK AMONGST OUR KEY STAKEHOLDERS, CLIENTS, BUYERS, INVESTORS AND THE MEDIA.

An important component of this function is to keep our clients informed about key opportunities, emerging trade trends, policy changes and other factors that will potentially impact their business. We do this by partnering with other trade support, development and private sector organisations to conduct research; facilitate forums, thought leadership and networking events; and share knowledge, information and best-practice experiences within our network.

In order to fulfil our mandate to promote businesses in the Pacific Islands and attract inward investment, we also seek to build our own profile amongst key audiences within the region and internationally.

As our reach and influence grows we are able to more effectively make the right connections at the right time. Our database of Pacific Island businesses, international buyers, distributors, partners, government contacts, logistical service providers, advisors, financial institutions, media representatives and other stakeholders grew to more than 10,000 contacts.

In 2013 our website traffic grew by five per cent on 2012 figures, with the number of visits increasing from 294,868 to 310,416. We also strengthened our online presence through the launch of our new tourism investment database ([pacifictourisminvest.com](http://pacifictourisminvest.com)) and the consolidation of our social media strategy. In consolidating our Facebook and YouTube pages (which were previously managed separately by our Sydney and Auckland offices), we have streamlined our digital communications and grown our audiences across social media channels. We also launched our LinkedIn page, targeting the more than 200 million users of the professional networking site around the world.

# 31

**publications available  
for download**

## 2013 COMMUNICATIONS HIGHLIGHTS

- 10,000+ contacts on our international database (up from 9,000+ in 2012)
- 310,416 visits to website (up from 294,868 visits in 2012)
- 578 companies supported
- 1,379 services delivered (31 per cent increase on 2012)
- 329 clients reported positive outcomes
- 43 issues of Periscope newsletter sent to 5,000+ contacts
- 42,000 Facebook page likes
- 63 followers on our LinkedIn page

Note: Statistics current at 30 March 2014.

## OUR MULTI-CHANNEL COMMUNICATIONS PLATFORMS AND SERVICES INCLUDE:

- **[pacifictradeinvest.com](http://pacifictradeinvest.com)**  
Traffic to our website has grown exponentially since it was launched in 2011. This year the site received more than 2.4 million hits (number of requests made to the server) and 310,416 visits (actual number of visits by users) representing an 89.95 per cent growth in site visitation since launching in 2011. Our Japanese website also recorded a growth in visitation with 290,590 site visits and 1,199,763 hits during 2013.
- **Online investment databases**  
Our website houses a searchable database of investment opportunities throughout the Pacific Islands and our new online platform ([pacifictourisminvest.com](http://pacifictourisminvest.com)) offers tourism businesses within the region, the opportunity to promote themselves to potential global investors (see case study on page 14).
- **Social media platforms**  
Through our social media platforms – including Facebook, YouTube and LinkedIn – we provide multiple contact points for access to information, updates and resources (such as photography galleries, reports, news releases, etc.).
- **Pacific Periscope**  
Distributed to more than 5,000 stakeholders, business people, institutions and Pacific media outlets, our weekly e-newsletter and blog informs readers about trade news in the region.
- **Trade Winds**  
Our quarterly e-publication provides updates on Pacific Islands Trade & Invest's activities and includes detailed case studies and reports. It has been acknowledged as a valuable news and information source for businesses – especially for information about business, investment and policy developments within the region that are to come by in the mainstream media.

**AS OUR REACH AND  
INFLUENCE GROWS  
WE ARE ABLE TO  
MORE EFFECTIVELY  
MAKE THE RIGHT  
CONNECTIONS AT THE  
RIGHT TIME.**

• **Specialist publications**

Our information resources include research reports, market intelligence reports and exporter guides across our four key focus areas – export, investment, tourism promotion and creative arts (in both print and e-publication formats).

• **Media relations**

Through engaging with media representatives in the Pacific Islands and internationally, we have helped disseminate information about trade-related issues and built awareness of business success stories in the region. Media exposure in several regional and international magazines, radio programmes and websites has also helped build our profile and awareness about the services Pacific Islands Trade & Invest delivers to support private sector development in the region (see case study on page 15).

**CASE STUDY: RE-BRANDING OUR BEIJING OFFICE AND WEBSITE**

On 19 June 2013, our Beijing office was officially re-branded to align with the Pacific Islands Trade & Invest brand launched in 2010.

The Pacific Islands Trade & Invest office in Beijing now joins our network of offices in Auckland, Sydney and Tokyo, and a desk in Geneva, under the same brand.

At the official launch of the re-branded office, Secretary General of the Pacific Islands Forum Secretariat, Mr. Tuiloma Neroni Slade, said that the re-brand will help increase the visibility of our network of offices and the work we are doing to support Pacific Island businesses.

“Our initiative to rebrand the Beijing office to align it with the full Pacific Islands Trade & Invest network of offices will assist in ensuring that the common services available throughout these offices are also available to the clients and customers of the Beijing office. It will allow the other offices to also benefit from the work that the Beijing office is doing,” Mr. Slade said.

China’s Special Envoy to the Pacific Islands Forum Dialogue, H.E. Ambassador Li Qiangmin, represented the Government of the People’s Republic of China at the launch, saying that, “The Forum Trade Office has made unremitting efforts to facilitate exchanges and cooperation in such fields as trade, investment and tourism between China and Pacific Island countries. The Office plays an important role in deepening our mutual understanding and promoting mutual benefit.”

“China and the Pacific enjoy strong economic complementarities and broad prospects for cooperation with China’s advantage in capital, technology and markets and the Pacific Island countries’ abundant resources in tourism, agriculture, fisheries and minerals.” Ambassador Li said.

As part of the re-brand, a refreshed website in Mandarin was also launched. Containing information about the trade, tourism and investment opportunities in the Pacific Islands, the website specifically focuses on the needs of our Chinese clients.



首页 服务项目 新闻 关于我们 工程项目 联系我们

**AS PART OF THE RE-BRANDING OF OUR BEIJING OFFICE, A REFRESHED WEBSITE IN MANDARIN WAS LAUNCHED.**  
© TOURISM FIJI



**太平洋岛国出口的商品**

太平洋岛国，尤其是较大的美拉尼西亚民族的国家，孕育着丰富的自然资源。由于这里的生物生长周期短，您从这里可以获取优质的产品，例如：可可，咖啡，胡椒，香蕉以及椰子油，并且还有丰富的海

**投资太平洋岛国**

太平洋岛国是为数不多的几个非经开发的地区之一，我们诚挚邀请独具慧眼的投资家们来到这里成为先驱，一探这块未经开发的处女地，这里有着丰富的自然资源优势，例如：渔业，矿业，旅游业，以及农

**来太平洋岛国旅游**

太平洋岛国，作为世界上最宁静最美丽的地方，拥有得天独厚的天然旅游资源。每当提及太平洋岛国，首先跃入人们脑海的通常都是迷人的当地传统文化、清澈的泻湖、洁白的沙滩、原始的玻璃礁、茂密的

**太平洋岛国的艺术品**

太平洋岛国有着游走于传统与当代之间的艺术品，例如：纺织品，篮筐编织品，“BILUM”编织品，手雕制品。这里的原始部落，通过这些艺术品的交流与传递，对世界讲述着自己的故事



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# COUNTRY PROFILES

BY DEVELOPING THE EXPORT CAPACITY AND INVESTMENT POTENTIAL OF PACIFIC ISLAND BUSINESSES WE CONTRIBUTE TO A SUSTAINABLE ECONOMIC FUTURE FOR THE COMMUNITIES WE WORK WITH. IT IS SUCCESS STORIES LIKE THESE THAT SHAPE THE FUTURE OF BUSINESSES AND THE PEOPLE IN THE PACIFIC REGION.

# COOK ISLANDS

**ACCOUNTING FOR MORE THAN 75 PER CENT OF THE COUNTRY'S GDP, THE COOK ISLANDS' TOURISM INDUSTRY CONTINUES TO BE THE COUNTRY'S LARGEST EARNER AND EMPLOYER AND A KEY PRIORITY FOR FURTHER DEVELOPMENT BY THE COOK ISLANDS GOVERNMENT.**

The opening of the country's principal international port, Avatiu, allowing cruise ships to berth in Rarotonga for the first time, was a significant development for the tourism sector in 2013. The Cook Islands government subsidy of Air New Zealand flights to Sydney and Los Angeles also continue to encourage visitor arrivals from Australia and the USA.

In terms of exports, black pearls continue to be the leading export, followed by copra and citrus fruits. With manufacturing activities limited to fruit processing, clothing, and handicrafts, the Cook Islands Government is also in discussion with a number of international companies over exploration rights for undersea mining tenements, potentially worth billions.

As a result of the 2012 visit Madloop led its first two-week tour to the Cook Islands in August 2013. With Pacific Islands Trade & Invest's support, the tours have doubled from six people on the first trip to 12 in the third trip. With plans to turn Aitutaki into the top windsurfing location in the Pacific Islands, Madloop is continuing to grow its presence within the Cook Islands.

Helping to boost the local windsurfing industry, Pacific Islands Trade & Invest New Zealand sponsored three windsurfing rigs through the Aitutaki Sailing Club. Madloop also donated windsurfing rigs and equipment, conducted repairs and maintenance and offered a week of free windsurfing sessions for local school children.

## **CASE STUDY: FILM RARO PREMIERS THE COOK ISLANDS AS A FILMMAKING DESTINATION**

More than 2,000 filmmakers from around the world entered the Film Raro Pacific Paradise Film Challenge, competing for the chance to travel to the Cook Islands and make short films.

With the objective to aid the social and economic development of the Cook Islands, Film Raro sought to engage with filmmakers and global audiences by linking established filmmakers with indigenous Pacific Islanders to collaborate on the production of international short films.

The two-fold aim behind the Film Raro project was to profile the Cook Islands' tourism offering to international audiences, and build the capacity of Cook Islanders aspiring to tell their own stories through the digital medium. It is an innovative approach to promoting the Cook Islands tourism offering while at the same time helping to preserve the country's traditional language, heritage and culture.

The global competition tasked professional film crews to create a short 10-15 minute film over 12 days on location in the Cook Islands. The competition attracted more than 2,000 entries from filmmakers in Australia, New Zealand, Hawaii, the United Kingdom, the USA, Tahiti and even Tunisia, resulting in six lucky filmmakers being selected to travel to the Cook Islands. As a result of the Festival, all seven short films produced were selected for inclusion in the 33rd Annual Hawaiian International Film Festival in October 2013.

As part of the event, 33 students became foundation students of the first Film Raro Filmmakers Course. The 12-week course offered students the opportunity to not only make and produce films, but to work on the Film Raro project in the capacity as cast and crew. With professional filmmakers acting as mentors, course participants learnt about scripts, readings, location, props and costumes.

Pacific Islands Trade & Invest played a crucial role in the event's success by providing funding of NZ\$10,000 for the development of the Film Raro website and its launch.

# AU\$329,275

## **FACILITATED IN TOURISM SALES**

### **2013 COUNTRY HIGHLIGHTS**

- Pacific Islands Trade & Invest is promoting AU\$3.85 million of tourism investments in the Cook Islands.
- The Cook Islands were featured in a tourism campaign directed at the Japanese travel trade as part of the JATA Tourism Showcase 2013. As part of the event, staff from Cook Islands Visitors Authority participated in a tourism promotion seminar hosted by our Tokyo office and attended by major Japanese travel agents.

### **CASE STUDY: WINDSURFING THE WAVES OF NICHE TOURISM TRENDS**

In recent years our Auckland office has capitalised on the popularity of water-based activities in the Pacific Islands by identifying niche and specialist tourism operators in New Zealand and partnering them with local operators in Pacific Islands countries with the aim of implementing new concepts to increase tourism numbers.

Pacific Islands Trade & Invest has assisted Auckland-based Madloop Windsurf School and WaterSport Centre, launching Aitutaki Windsurfing Tours from New Zealand to the Cook Islands. In 2012, we conducted an exploratory visit to the Cook Islands with Madloop's owner, Alan McIntosh. Already one of the biggest windsurfing schools in the region, the purpose of the visit was to seek potential locations and business partners to expand the business' New Zealand operations into offshore tours.



# FEDERATED STATES OF MICRONESIA

**LOCATED WITHIN THE EQUATORIAL TUNA MIGRATION PATHS, THE FEDERATED STATES OF MICRONESIA (FSM) IS STRATEGICALLY PLACED TO LEVERAGE ITS FISHERIES INDUSTRY FOR FURTHER DEVELOPMENT.**

The continuing global trend towards niche tourism markets such as water-based eco-tourism, also presents the opportunity for FSM to develop its burgeoning diving, surfing and fishing offerings. To this end, Pacific Islands Trade & Invest continues to work with South Pacific Tourism and Organisation (SPTO) in supporting tourism operators in the country and promoting Small Islands States to international markets.

### 2013 COUNTRY HIGHLIGHTS

- Through our 'Pathways to Finance' (P2F) programme, our Auckland office provided funding to support P2F training for SMMEs in Yap (see case study on Marshall Islands on page 26).
- Seven new e-commerce enabled websites were built for accommodation providers in the FSM.
- Pacific Islands Trade & Invest is promoting AU\$1.15 million of tourism investments in FSM.
- In October 2013, the first United Airlines charter flight was established from Kochi (Japan) to Pohnpei with 84 passengers. Our Tokyo office assisted in promoting the flight to the Japanese market.
- Our Geneva office assisted the Marine and Environmental Research Institute of the Pacific, based in Pohnpei FSM, launch it's 'Pure Oceania' range of sustainably and ecologically farmed all natural sea sponges at the Natural and Organic Products Europe trade fair in London.

### CASE STUDY: E-MARKETING WORKSHOPS SUPPORT LOCAL TOURISM OPERATORS

A series of workshops targeted at SME tourism accommodation providers in the Pacific Islands highlighted the growing importance of e-marketing and online trends within the tourism industry.

A joint initiative of Pacific Islands Trade & Invest and the SPTO, the project was made possible with funding by the European Community and the professional expertise of online accommodation booking network, World Hotel Link (WHL).

The workshops were held in 10 countries across the Pacific Islands including: the Federated States of Micronesia (Pohnpei), Marshall Islands, Nauru, Niue, Palau, Papua New Guinea, Samoa, Solomon Islands, Tuvalu and Vanuatu. Under the project, more than 260 e-commerce enabled websites were built.

Facilitated by the Chief Executive Officer of WHL Group, Mr. Len Cordiner, the workshops were divided into two parts. The first session illustrated recent e-marketing trends within the tourism sector followed by a practical training session on how to use e-marketing tools including instant booking widgets and custom-made websites with links to mobile phones and Facebook pages. At the end of the workshop, accommodation providers were invited to sign up for a property inspection by the consultants, which included a professional photo shoot, which enabled e-commerce enabled websites to be built.

SPTO's Chief Executive Officer, Mr. Ilisoni Vuidreketi, said the response to the SME e-marketing workshops was positive with most participants showing interest in looking at e-marketing models that will support remote properties in terms of connectivity and training. A total of 260 properties now have new e-commerce enabled websites built under the Tourism SME e-marketing project.

After seeing the high impact of the tourism SME e-marketing project in Pohnpei, we acknowledged that it would be important to revisit the country to carry out workshops and website builds in the remaining three states of FSM. As such, our Sydney office agreed to fully fund additional workshops and website builds for accommodation providers in Kosrae, Yap and Chuuk in early 2014.

**CAPITALISING ON GLOBAL TOURISM TRENDS, FSM CONTINUES TO DEVELOP ITS BURGEONING SURFING, DIVING AND FISHING OPTIONS.**



# FIJI

**DESPITE RECENT POLITICAL TURMOIL, FIJI HAS A LONG AND POSITIVE TRACK RECORD IN ATTRACTING FOREIGN INVESTMENT, PARTICULARLY THROUGH ITS LONG-STANDING COMMERCIAL AND TRADE LINKS WITH ITS LARGEST FOREIGN INVESTOR, AUSTRALIA. WITH THE ANNOUNCEMENT OF FIJI'S NEXT ELECTION IN SEPTEMBER 2014, SIGNALLING A RETURN TO DEMOCRACY, THE ECONOMIC FUTURE FOR THE COUNTRY IS LOOKING EVEN BRIGHTER.**

On the back of continued growth in construction, mining and tourism the Asian Development Bank Outlook 2013 highlighted that Fiji's near-term growth is expected to be driven by public infrastructure investments and tourism.

Already a popular tourist destination, Fiji's tourism sector has remained Fiji's principal economic driver and major source of foreign exchange in 2013. With tourism arrivals continuing to remain the strongest in the region, tourism investment in the country continues to grow.

In 2013, Fiji's tourism sector was also further strengthened by Air Pacific re-branding to Fiji Airways in June 2013; the delivery of three new long haul aircraft A330-200 and the addition of a third weekly service to Hong Kong.

Signalling PNG's investment potential and strengthening intra-regional trade, in May 2013 Fiji National Provident Fund (FNPF) officially announced the purchase of 40 per cent of the partly state-owned BeMobile PNG Ltd, a company specialising in the provision of mobile telephone services.

## 2013 COUNTRY HIGHLIGHTS

- Pacific Islands Trade & Invest is promoting AU\$166.5 million of tourism investments in Fiji.
- The success of the Film Rebate Incentive has resulted in the second Chinese production being shot on location in Fiji. Shanghai Xinghong Culture Development Co invested FJ\$25 million in the production of a full-length feature film, which included a three-month shoot with 120 cast and crew in Fiji (see case study on Investment on page 13)
- Fijian virgin coconut oil exporter, Origins Pacific, attended the Pacific Islands Trade & Invest stand at Fine Food Australia 2013. As a result of their attendance, the company generated sales of more than AU\$1,000.
- Our Tokyo office has promoted the export of Dalo and Tamanu oil from Fiji to the Japanese market.

## CASE STUDY: FIJIAN EXPORTER CASHING IN ON EUROPEAN MARKET ENTRY

With the assistance of Pacific Islands Trade & Invest, Foods Pacific Group has gained market entry into Europe and the United Kingdom (UK).

Based in Fiji, Food Pacific Group includes subsidiary companies Tripacific Marine and Pacific Feeds. Its production facility located close to the port city of Suva, is the largest canned food plant in the region, with production outputs of up to 70,000 cans per shift for regional consumption.

Currently employing over 500 office and factory staff in the region, Food Pacific also has permanent representatives based in Australia, New Zealand, North America, India and the UK with regional sales representation throughout the Asia-Pacific region.

A long-term client of Pacific Islands Trade & Invest, the Group has grown substantially from its origins in meat processing and canning, and diversified into the production of food products including ready-to-eat meals, sauces and food service products.

With the support of Pacific Islands Trade & Invest's network, the Group has capitalised on its strategic location at the crossroad of many international shipping routes and grown its international export potential. In recent years the company has made significant capital investment to expand into the mainstream markets of Asia, Pacific, North America and Northern Europe.

Pacific Islands Trade & Invest Sydney office has worked with Foods Pacific since 2009. From our initial involvement in facilitating introductions to Australian-based distributors, undertaking market research and supporting their attendance at the region's largest food service industry trade show, Fine Food Australia, Food Pacific is now working with our Geneva office on expanding into European markets.

In 2013, with the assistance of our Geneva office, the Group secured distribution for its 'Taste of India' ready-to-eat meals and sauces into the UK and European markets. In early 2014, 14 products from the range will be launched through 60 Bestway Wholesale Cash & Carry outlets and more than 100,000 independent retailers throughout the UK. With the popularity of Indian cuisine in the UK, the value of these exports are reasonably expected to exceed €1 million within 12 months of the launch.

With the ongoing support of our Geneva office, Foods Pacific is also exploring potential distribution networks in Germany, Switzerland and the Netherlands following attendance at the world's premier food and beverage trade fair, Anuga, in 2013. As a result of this event Foods Pacific recently completed its first shipment to Polish importer and distributor, De Care. A well established importer of high quality ethnic foods, De Care distributes to more than 1,200 retail and food service outlets including major supermarket chains such as Carrefour, Real, Tesco and Macro.

As many retailers and distributors are not equipped or willing to undertake direct import from suppliers outside the EU, importers such as De Care are critical to the market expansion opportunities for Pacific exports like Foods Pacific.

Business Development Manager for Foods Pacific, Mr. Hoshedar Poonawalla, said, "Pacific Trade & Invest have been instrumental in helping Foods Pacific launch and expand into highly competitive international markets like Australia, Poland and the UK."

# AU\$2.25m

GENERATED IN EXPORT SALES

# KIRIBATI

**KIRIBATI IS HOME TO THE LARGEST AND DEEPEST MARINE CONSERVATION PARK IN THE WORLD. CONSISTING OF 480,000 SQUARE KILOMETRES OF OCEAN, COVERING EIGHT UNINHABITED ATOLLS, THE PHOENIX ISLANDS PROTECTED AREA OFFERS ENORMOUS TOURISM OPPORTUNITY TO KIRIBATI.**

In 2013, the country’s tourism industry was bolstered by the addition of Our Airline’s new fortnightly flight services connecting Australia to Tarawa via Nauru (an alternative to connections via Hawaii or Fiji).

As part of an International Finance Corporate mandate, the Kiribati Government’s Public Private Partnership initiative saw the government-owned Otintaai Hotel in Tarawa sold to a private investor. Currently under refurbishment, the new owners are planning to market the hotel – and Kiribati – internationally.

Kiribati also became the first country in the Pacific Islands to roll out a 3G and 4G mobile network, providing business owners with greater mobile coverage and network service.

### 2013 COUNTRY HIGHLIGHTS

- Pacific Islands Trade & Invest is promoting AU\$636,000 of tourism investments in Kiribati.
- Our Tokyo office has continued to facilitate the export of salt from the Christmas Islands to the Japanese market and has facilitated a distribution deal with a renowned Japanese hotel.
- Kiribati was featured in Pacific Islands Trade & Investment’s Central Pacific Marketing Campaign promoting small island states to the Australian market. Director of Tourism at the Kiribati National Tourism Office, Mrs. Reeti Onorio-Rui, said, “Kiribati has enjoyed very positive exposure from the marketing campaign. Around 5,000 people visited our campaign website and there has been increased interest especially in our niche markets such as fishing, surfing, culture and battlefields.” (See case study on page 27)

### CASE STUDY: PACIFIC ISLANDS EXPORTS ON SHOW AT FINE FOOD AUSTRALIA

Attended by more than 1,000 exhibitors and 20,000 members of the retail food service and hospitality industry from more than 50 countries, Fine Food Australia is the largest event for the food and beverage industry in the region.

In partnership with the Increasing Agricultural Commodity Trade (IACT) programme of the Secretariat of the Pacific Community (SPC), Pacific Islands Trade & Invest’s Sydney office hosted 11 exporters from the Pacific Islands.

Vanilla from Niue, chilli sauce from Samoa, tuna from Kiribati, wraps, simmer sauces and virgin coconut oil from Fiji were just a few of the products displayed at the Pacific Islands-branded stand over the four days of the event.

“With buyers, distributors and importers from around the world gathered under the one roof, attendance at Fine Food Australia is one of the most cost-effective ways for Pacific Island exporters to generate new sales and develop strong business leads both within the Australian market and internationally,” said Pacific Islands Trade & Invest Sydney’s Export Services Manager, Mr. Jeremy Grennell.

General Manager of Kiribati’s Teikabuti Fishing Company Ltd, Mr. Michael Savins, agreed saying, “Fine Food Australia 2013 far exceeded my expectations in terms of quality contacts with the food service industry. I have high expectations that we can now take our products to the next level and increase our exports.” (See also case study on page 28.)

**AU\$104,192**  
FACILITATED IN TOURISM SALES

**KIRIBATI’S TOURISM INDUSTRY HAS BEEN BOLSTERED BY ADDITIONAL SERVICES BETWEEN AUSTRALIA AND TARAWA VIA NAURU BY OUR AIRLINE. PHOTO COURTESY OF OUR AIRLINE.  
©JAMIE AND NATASHA CHINERY 2014**



# MARSHALL ISLANDS

**IN SEPTEMBER 2013, PRIVATE SECTOR REPRESENTATIVES FROM AROUND THE REGION MET IN THE MARSHALL ISLANDS CAPITAL, MAJURO, FOR THE 4TH PRIVATE SECTOR DIALOGUE. THE KEY ISSUE HIGHLIGHTED WAS THE CHALLENGE OF TRANSPORT IN THE REGION, PARTICULARLY AS EXPERIENCED BY SMALL ISLAND STATES.**

Our Airline's new weekly flight service connecting Australia to Majuro via Nauru has bolstered the country's tourism offering and has gone some way in addressing the transportation linkages between small island states and the largest regional market of Australia.

Pacific Islands Trade & Invest's involvement in the Central Pacific Marketing Campaign linking the Marshall Islands, Kiribati and Nauru to Australia has leveraged these new flights.

Highlighting the potential for unlocking further export potential, copra production in the Marshall Islands hit a five-year high during the 2013 fiscal year, with 7,048.5 tons recorded by the Majuro-based Tobolar Copra Processing Authority.

## 2013 COUNTRY HIGHLIGHTS

- Pacific Islands Trade & Invest is promoting AU\$8 million of tourism investments in the Marshall Islands.
- Six new e-commerce enabled websites were built for accommodation providers in the Marshall Islands.
- The Marshall Islands were featured in a tourism campaign promoting small island states to the Australian market. General Manager of the Marshall Islands Visitors Authority, Ms. Brenda Alik-Maddison, said, "The campaign has successfully built awareness of the Marshall Islands in Australia as a potential tourism destination. We have had several requests from operators to begin promoting the Marshall Islands and this has been very encouraging. It has also helped raised the profile of tourism within the Marshall Islands." (See case study on page 27)
- Our Tokyo office assisted with the export of Amimono handicrafts to Japan through their business matching service. The office also continued to assist in the marketing activities of Amimono in Japan.
- Elefa Handicrafts was invited to exhibit at *Maketi Ples* 2013 (see case study following).

## CASE STUDY: LOAN APPROVED! PATHWAYS TO FINANCE FOR PACIFIC BUSINESSES

Since 2008 Pacific Islands Trade & Invest's Pathways to Finance (P2F) programme has supported small, medium and micro enterprises (SMMEs) with the development of professional funding submissions to banks and other lending institutions.

The programme, which began with a pilot project with the Solomon Islands Small Medium Enterprise Council (SMEC), has since continued through subsequent agreements with the Vanuatu Chamber of Commerce and Industry, and the Palau Small Business Development Centre. Additional agreements have been signed with the Vanuatu Chamber of Commerce and Industry, and the Palau Small Business Development Centre.

Building on the success of the project, in 2013 our Auckland office provided funding of NZ\$22,750 to the Federated States of Micronesia and the Marshall Islands Small Business Development Centre (SBDC). The funds will be used to target suitable, loan-ready SMMEs for P2F training and to engage the services of a trusted, local business advisor to facilitate the training. The funding will also go towards supporting SMMEs in applying for commercial loans with banks or other lenders to grow their businesses.

Funding for the additional P2F programme in both FSM and the Marshall Islands came through funding from the Government of Japan.

SBDC's Regional Manager, Mr. Casey Jeszenka said, "The SBDC network is very happy to be partnering with Pacific Islands Trade & Invest and hope to continue partnering on projects in the Micronesia region."

## CASE STUDY: ELEFA HANDICRAFTS SHOWCASED AT *MAKETI PLES* 2013

In 2012, our Geneva and Sydney offices worked alongside the Pacific Islands Forum Secretariat at the invitation of the Secretariat of the Pacific Community as facilitators and presenters at the entrepreneurial workshop in Guam for the cultural industry. As a participant in the workshop, the Owner and Manager of Elefa Handicrafts, Ms. Lucia Guarvis, was introduced to our Creative Arts programme and its keystone event, *Maketi Ples*.

The programme, which began with a pilot project with the Solomon Islands Small Medium Enterprise Council (SMEC), has since continued through subsequent agreements with the Vanuatu Chamber of Commerce and Industry, and the Palau Small Business Development Centre.

Building on the success of these projects, in 2013 our Auckland office providing funding of NZ\$22,750 to the Small Business Development Centres (SBDC) of both the Federated States of Micronesia and Marshall Islands. The funds will be used to target suitable, loan-ready SMMEs for P2F training and to engage the services of a trusted, local business advisor to facilitate the training. The funding will also go towards supporting SMMEs in applying for commercial loans with banks or other lenders to grow their businesses.

A large graphic showing 'AU\$8m' in a bold, blue, sans-serif font. The dollar sign is stylized with a vertical line through it.

**IN INVESTMENTS PROMOTED**

# NAURU

**IN 2013, NAURU JOINED KIRIBATI, SAMOA, TONGA, TUVALU AND VANUATU IN SIGNING THE MEMORANDUM OF UNDERSTANDING (MOU) TO ESTABLISH THE PROPOSED PACIFIC REGIONAL TRADE AND DEVELOPMENT FACILITY. THE FACILITY SEEKS TO PROVIDE REGIONAL TRADE-RELATED ASSISTANCE IN A TIMELY AND EFFICIENT MANNER TO BOOST THE ABILITY OF PACIFIC ISLAND COUNTRIES TO PARTICIPATE IN INTERNATIONAL TRADING SYSTEMS.**

Nauru also joined the Marshall Islands, Kiribati and Tuvalu to form the Central Pacific Shipping Commission (CPSC) – an initiative to encourage shipping companies to deliver reliable, affordable and suitable shipping to small island states in the Pacific Islands.

### 2013 COUNTRY HIGHLIGHTS

- Pacific Islands Trade & Invest is promoting AU\$100,000 of tourism investments in Nauru.
- Since 2010, our Tokyo office has been working with a Japanese trading company to assist the export of phosphate from Nauru to Japanese fertiliser companies. As a result of this relationship, Japanese imports of phosphate from Nauru has grown by 4.2 per cent since 2011.

### CASE STUDY: PUTTING SMALL ISLAND STATES ON THE MAP

Pacific Islands Trade & Invest partnered with Our Airline of Nauru, the Kiribati National Tourism Office (KNTO), the Marshall Islands Visitors Authority (MIVA) and private firm Tropics Tourism & Marketing Services, to develop a tourism campaign promoting these Central Pacific islands to the Australian market.

The campaign was launched at an event attended by media and travel industry representatives in Brisbane on 21 March 2013, followed by attendance at the Brisbane Adventure Travel Expo.

Leveraging Nauruan national carrier, Our Airline, routes from Brisbane to Tarawa in Kiribati, Majuro in the Marshall Islands and the Nauruan capital of Yaren, the three-month long campaign targeted niche markets interested in activities such as fishing, surfing, diving and eco adventure.

In launching the campaign, Executive Manager Investment and Tourism at Pacific Island Trade & Invest Sydney, Mr. Tim Martin, said, "Tourism offers great potential to generate jobs and grow the economies of the Central Pacific countries. By marketing new air access to these beautiful but small and isolated countries, we are positive that these projects will increase arrivals in both countries, while also benefiting the flag carrier of Nauru."

As part of the campaign micro websites were built for both Kiribati and the Marshall Islands, supported by a digital campaign and travel features in 'Get Lost' magazine and Travel Bulletin.

Commenting on the campaign, Our Airline CEO, Mr. Geoff Bowmaker said, "As the airline of the Central Pacific, Our Airline has been pleased to participate in this campaign. The increased awareness in the tourism offerings of the region has brought new opportunities for Our Airline to grow demand on our services to Majuro and Tarawa from Brisbane."

As a result of the campaign:

- 11,000 unique visitors and around 300,000 hits to the micro-sites over the 3-month period of the campaign;
- 400 enquiries were made at the Kiribati/Marshall Islands booth during the Brisbane Holiday and Travel Show; and
- More than 100 registrations across both campaign sites were completed requesting additional information about the destinations.

# AU\$100,000

IN INVESTMENTS PROMOTED



NAURU'S OD N AIWO HOTEL.  
© ROB SHORTLAND

# NIUE

**NIUE'S TOURISM INDUSTRY PERFORMED STRONGLY IN 2013 WITH REPORTS OF A 25 PER CENT INCREASE IN 'BONA FIDE' TOURIST ARRIVALS. NEW BUSINESSES WERE ALSO ESTABLISHED AS A RESULT OF THE NIUE GOVERNMENT'S DECISION TO UNDERWRITE THE TRIAL OF A SECOND WEEKLY AIR NEW ZEALAND FLIGHT BETWEEN NIUE AND AUCKLAND. SCHEDULED FLIGHTS ARE EXPECTED TO RESUME IN 2014 AS A RESULT OF THE TRIAL.**

## 2013 COUNTRY HIGHLIGHTS

- Pacific Islands Trade & Invest is promoting AU\$500,000 of tourism investments in Niue.
- Pacific Islands Trade & Invest played a role in promoting Niue to the producers of a TV documentary about Niue and Kai-Ika Japanese Restaurant, which was screened in Japan.

## CASE STUDY: NIUE VANILLA TASTES SUCCESS AT FINE FOOD AUSTRALIA 2013

Fine Food Australia is the largest event for the food and beverage industry in the Pacific region (see case study on page 25). With more than 958 international buyers from 48 countries in attendance, the show is the ideal forum for Pacific Island exporters to promote their products, build their respective brands and secure distribution in international markets.

The 2013 event helped expand exporter networks and connections within the region, with exhibitors gaining valuable insights into key factors such as international market requirements, branding, packaging, labelling, promotions and supply chain logistics.

One of the most successful exhibitors on the Pacific Islands stand at this year's event was Niue Vanilla International. Owners of Niue Vanilla, Stanley and Teuila Kalauni, were invited by our Sydney office to exhibit at Fine Food Australia for the third year running in 2013.

Following attendance at the show in 2012, Niue Vanilla secured distribution agreements with two Australian companies and an initial order of more than AU\$5,000. In 2013, the company focused on improving its product and packaging and as a result secured more than AU\$20,000 in orders through attending Fine Food Australia 2013.

"Our attendance at Fine Food Australia has given our business the opportunity to establish genuine contacts and more upper-end buyers and distributors that we could have done on our own," said Mr. Stanley Kalauni from Niue Vanilla.

Building on the success of their attendance at Fine Food Australia 2012 where they secured a distributor in Western Australia, through their attendance at this year's show, Niue Vanilla signed a distribution agreement with a New Zealand company.

# AU\$23,815

**WAS GENERATED IN  
VANILLA SALES**



**NIUE VANILLA WRAPPED UP MORE THAN AU\$20,000 IN ORDERS AS A RESULT OF ATTENDING FINE FOOD AUSTRALIA 2013.**

# PALAU

## **BOASTING ONE OF THE HIGHEST LIVING STANDARDS IN THE PACIFIC, PALAU IS BOLSTERING ITS ALREADY STRONG TRADE AND TOURISM LINKS WITH ASIA THROUGH INCREASED CONNECTIONS WITH INTERNATIONAL CARRIERS.**

In 2013, Palau also made an unprecedented move in strengthening its successful tourism industry with the announcement it is intending to become the first Pacific nation to ban commercial fishing in its 200-mile exclusive economic zone (EEZ).

### **2013 COUNTRY HIGHLIGHTS**

- Pacific Islands Trade & Invest is promoting AU\$63 million of tourism investments in Palau.
- Tourism sales of US\$31,000 as a result of 20 new e-commerce enabled websites built for accommodation providers in Palau.
- Our Tokyo office has assisted a Japanese investor in purchasing and refurbishing an old motel in Koror and marketing the property to the Japanese market.

### **CASE STUDY: PALAU DECLARES A MARINE SANCTUARY WITH RENEWED FOCUS ON ECO-TOURISM**

On 7 February 2014, Palau's President Tommy Remengesau Jr. declared that Palau will become a "100 per cent marine sanctuary" with a focus on developing eco-tourism as an alternative to commercial fishing income.

Making the announcement the United Nations Healthy Oceans and Seas meeting in February 2013, President Remengesau said, "The ocean is our way of life. It's our livelihood, it's our culture, it's our economy – I always say the economy is our environment and the environment is our economy. It makes every sense for our sustainability as a people, as an island nation, and as a community."

Under the plan, commercial fishing operations within the country's 200 nautical mile Exclusive Economic Zone (EEZ) will be banned and Palau's existing commercial fishing contracts with Japan, Taiwan and several private companies will be allowed to expire.

In 2009, Palau bolstered its already strong tourism industry by declaring the entire 600,900 square kilometres of its EEZ as a shark sanctuary. Shark sanctuaries have since been declared in several other countries including the Maldives, Honduras, Marshall Islands and French Polynesia reinforcing President Remengesau's message that, "A dead shark is worth several hundred dollars, but a live shark is worth \$1.9 million in tourism during its life span."

Palau is also growing in popularity as an eco- and adventure tourism destination through the promotion of the Ngaremeduu Conservation area, historical sites and watersports such as fishing, diving and snorkeling. To protect its growing tourism industry, it became an economic imperative for the country to protect its marine life.

"We're closing our waters because we will do our part of making sure that there's healthy stocks of fish in Palau that can migrate to other places, and that there are other options to grow the economy. These are important ways to make a living and at the same time preserve the pristine environment that we have been blessed with in Palau," said President Remengesau.

Pacific Islands Trade & Invest played a significant role in helping Palau respond to the challenge of enforcing a commercial fishing ban. With only one patrol boat to cover an economic zone that is roughly the size of France, Palau needed the assistance of technology partners to help enforce the ban.

In October 2013, Pacific Islands Trade & Invest partnered with Palau Chamber of Commerce to facilitate an investment mission to Palau for Australian mining magnate, Andrew Forrest, who was interested in purchasing a hotel in the country. After meeting with President Remengesau, senior government officials and business leaders, Mr. Forrest decided to fund a demonstration on how unmanned drones could help combat illegal fishing within Palau's EEZ through one of his charities, the Minderoo Foundation.

Deputy Secretary-General of the United Nations, Jan Eliasson, has paid tribute to Palau for urging the United Nations (UN) to adopt a new Sustainable Development Goal to protect the world's oceans.

### **CASE STUDY: FACILITATING EMERGENCY RELIEF FUNDS FOR VICTIMS OF TYPHOON HAIYAN**

In November 2013, super typhoon 'Haiyan' devastated the island of Kayangel in Palau's north. Our Tokyo office played a role in coordinating efforts by the Japanese community to raise funds to support victims of the disaster. Cooperating with Palau's embassy in Tokyo, we assisted with media relations and provided logistical advice for the relief fund.

As a result, more than US\$381,720 was pooled into the Relief Fund Account of the Government of Palau.

# AU \$40,000

**NEW SME LOANS GENERATED**

# PAPUA NEW GUINEA

**ALTHOUGH PAPUA NEW GUINEA'S ECONOMIC GROWTH SLOWED IN 2013 AS CONSTRUCTION ON A AU\$20 BILLION LIQUEFIED NATURAL GAS (LNG) PROJECT WOUND DOWN TOWARD COMPLETION IN MID-2014, PNG'S BOOMING RESOURCES SECTOR CONTINUES TO BOOST THE COUNTRY'S ECONOMY, LEADING TO THE DEVELOPMENT OF A GROWING MIDDLE CLASS.**

PNG's tourist arrivals grew to 175,524 representing a 3.3 per cent growth<sup>1</sup> on 2012 figures. With a focus on developing Asian markets, state-owned flag carrier Air Niugini added additional flights between PNG and the Philippines and a new direct flight to Bali. PNG also led a trade delegation to Indonesia to strengthen trade ties and initiate discussions on direct flights between Port Moresby and Jakarta.

## 2013 COUNTRY HIGHLIGHTS

- Pacific Islands Trade & Invest is promoting AU\$2.1 million of tourism investments in PNG.
- 13 new e-commerce enabled websites were built for accommodation providers in PNG.
- With the assistance of Pacific Islands Trade & Invest and the Papua New Guinea Investment Promotion Authority, PNG-based beverage manufacturer and distributor, Vitis Industries Limited, is continuing to expand its export base into Australia, Japan and China. With an established domestic market in PNG and export sales to Australia and Japan, Vitis decided to expand its operations in 2011 with the establishment a subsidiary company in Qingdao to take advantage of the growing Chinese consumer market. Vitis has subsequently exported two containers of products to China, opened up a shop in Linyi city and with their subsidiary company now established in Qingdao are looking to expand their product range in line with the demands of the Chinese market.
- A feasibility study was undertaken by the Tokyo PIC office for the export of Sago from PNG to Japan, in partnership with the PNG Investment Promotion Authority and JICA.

## CASE STUDY: COMMERCIALISING THE ART OF WEAVING

The Papua New Guinean art of weaving Bilum is earmarked for commercialisation through the collaborative efforts of Pacific Islands Trade & Invest's Creative Arts programme and the International Trade Centre (ITC).

The ITC's Women and Trade Programme (see case study on page 31) seeks to increase the economic benefit of women through trade. In a joint effort between ITC-Women and Trade and our Geneva office, a team of officers from the ITC travelled from Switzerland to PNG on a project-scoping mission in October 2013.

The objective of the mission was to consult with key stakeholders on the viability of a pilot project to transform the informal Bilum business into a commercialised industry. The art of weaving Bilum – a bag used to carry babies, food or tools and traditionally made from fibre extracted from the inner lining of tree bark, animal fur, sisal or vine – has been passed down for centuries from one generation of Papua New Guinean women to the next.

Pending funding approval through the ITC-Women and Trade programme, the pilot project is scheduled to work with groups of Bilum weavers in PNG with a specific focus on developing supply chain linkages and domestic and international markets.

For Bilum artists like Goroka-based Ms. Florence Jaukae, the support of these kinds of initiatives can be life changing. At our signature Creative Arts programme event, *Marketi Ples* 2013 (see case study on page 16), two groups of Bilum artists from PNG – the Goroka Bilum Weavers Cooperative and Ömie Artists – were showcased. As one of the featured artists, Ms. Jaukae was exposed to international art buyers and curators, successfully sold her Bilum fibre dresses under the JFK BilumWear label, secured commissioned work for the Goroka Bilum Weavers Cooperative and continues to increase the sales threshold from the previous year.

"We are very privileged to have the support of an organisation like Pacific Islands Trade & Invest and be part of an exhibition that gives us the opportunity to make an income from what we do back home," Ms. Jaukae said at the opening of *Marketi Ples* in March 2013.

## CASE STUDY: AUSTRALIA AWARDS INTERN GAINS PRACTICAL EXPORT EXPERIENCE

Pacific Islands Trade & Invest is committed to supporting the professional development of the Pacific Islands' people through our internship programme.

In 2013, our Sydney office hosted Papua New Guinean intern and Prime Minister's Pacific Australia (PMPA) Awards awardee, Miss Jessinta Wagambie. Fully-funded by AusAID, the PMPA Awards are part of the Australia Awards scholarships programme offered to leaders or potential leaders within the Pacific.

With extensive experience in the private sector, Ms. Wagambie has worked with a number of PNG's leading businesses including her current role as the Purchasing Officer for the Brian Bell Group of Companies – PNG's leading retailer, wholesaler and distributor of non-food and clothing goods.

During her Australian visit, Ms. Wagambie graduated with a Masters of Commerce (International Business) from Swinburne University of Technology before joining our Sydney office team. During her placement, she worked closely with our Export Services Manager, Mr. Jeremy Grennell, where she gained experience across a broad range of our programmes, especially our export facilitation function. She also assisted in coordinating the Pacific Islands stand at Fine Food Australia 2013 (see case studies on pages 25 and 28).

"I am thankful that I have been given this opportunity to undertake an internship with Pacific Islands Trade & Invest. This placement will enabled me to gain practical experience in facilitating exports from the Pacific Islands and negotiating trade with international clients. I am confident that I will return to Papua New Guinea equipped with the fundamental skills and experience to facilitate international market expansion that results in job creation, improved standards of living and ultimately, economic growth," Ms. Wagambie said on completion of her internship.

<sup>1</sup> South Pacific Tourism Organisation (SPTO), Annual visitor arrival figures for SPTO member countries.

# 410

CLIENTS IN  
AGRIBUSINESS  
SECTOR



## SAMOA

**TOURISM CONTINUES TO BE THE MAIN CONTRIBUTOR TO SAMOA'S ECONOMY AND IN 2013, WAS STRENGTHENED BY SIGNIFICANT PRIVATE SECTOR INVESTMENT IN THE SECTOR. TWO NEW FOUR-STAR RESORTS – AGA REEF RESORT AND THE RETURN TO PARADISE RESORT – WERE OPENED; AND SHERATON HOTELS HAS TAKEN OVER THE MANAGEMENT RIGHTS FOR BOTH AGGIE GREYS PROPERTIES IN SAMOA, WHICH WILL IMPROVE THE DISTRIBUTION AND 'BIG BRAND' RECOGNITION OF THE COUNTRY'S TOURISM SECTOR.**

PNG's Lamana Group also commenced construction on a US\$60million four-star resort on Samoa's Taumeasina Island.

### 2013 COUNTRY HIGHLIGHTS

- Pacific Islands Trade & Invest is promoting AU\$10.9 million of tourism investments in Samoa.
- 28 new e-commerce enabled websites were built for accommodation providers.
- In 2013 our Auckland office helped facilitate NZ\$75,000 in exports by matching Samoan exporters with importers in New Zealand. This included NZ\$52,000 in taro exports, approximately NZ\$15,000 worth of Koko Samoa and additional fresh produce sales worth an estimated NZ\$8,000.
- Our Auckland, Beijing and Sydney offices have worked together to deliver cost-effective packaging solutions, market information, industry contacts and buyer feedback across a range of exports including fresh produce, frozen taro and coconut oil.
- Pacific Islands Trade & Invest Auckland provided a range of export facilitation services to members of the Samoa Association of Manufacturers & Exporters (SAME) at the 2013 'Buy Samoa Made' Trade Fair held in October. Through the event we introduced three Samoan exporters to potential buyers and helped an existing exporter develop their packaging.
- Samoan exporter, XOX Pacific, attended Fine Food Australia 2013 for the second consecutive year. Their attendance resulted in more than AU\$18,000 in sales for the Hot Samoan Chilli Boys branded sauce.

### CASE STUDY: INCREASING WOMEN'S PARTICIPATION IN TRADE

Our Auckland, Sydney and Geneva offices worked in collaboration with the International Trade Centre (ITC) – Women and Trade programme on a project-scoping mission to identify a viable export sector where an increase in women's participation is achievable.

The purpose of ITC's Women and Trade programme is to increase the economic benefits that businesswomen in developing countries derive from their participation in international trade with a focus on the following objectives:

1. Increasing the demand for goods and services supplied by women entrepreneurs;
2. Building women entrepreneurs' capacity in partnership with Trade Support Institutions (TSIs);
3. Building the capacity of TSIs to better service women clients; and
4. Increase policy makers' awareness of the potential represented by women entrepreneurs and raise awareness of related barriers hampering women entrepreneurs' participation in international trade.

The project-scoping mission to Samoa in October 2013 examined the participation of women in export-oriented value chains and sought to identify a viable sector to increase the participation of women to improve their economic situation. The mission to Samoa focused on examining opportunities for increasing the engagement of women in trade through access to government procurement contracts. The study found that women were engaged in a few procurement contracts, including catering services and the supply of *elei* prints for office uniforms and conferences. The agriculture and garments sectors (*elei*) were identified as potential opportunities for export development, however further assessment is required.

### CASE STUDY: TASTE TESTING SAMOA'S REVITALISED TARO EXPORTS

Pacific Islands Trade & Invest worked in partnership with the Research Organisation of Samoa (SROS) and the Pacific Agribusiness Research for Development Initiative (PARDI), to conduct taste panels for six different varieties of taro in Auckland.

After the outbreak of taro leaf blight (TLB) in 1993 and the subsequent suspension of taro exports from Samoa, Fiji became the predominant exporter of taro to New Zealand after gaining a 95 per cent share of the market.

With a directive from the Samoan Government to re-establish its traditional dominance of the New Zealand market, the industry undertook an extensive research and development phase. With SROS as the main project partner a number of bodies were involved in the launch of the PARDI Taro Improvement Project in 2011, which has since produced a range of TLB-resistant taro varieties.

The Project resulted in the production of a range of TLB-resistant taro varieties and a significant increase in taro crop planting with an expanding cadre of participating growers. However, research highlighted that a significant supply chain constraint was the "lack of information on consumer acceptability, value adding and processing characteristics of newly available varieties".

As the main market for taro in New Zealand, tasting panels were held in Auckland to assess the purchasing habits and taste preferences of consumers. Our Auckland office provided in-market support with the identification of a suitable venue and participants to undertake the tests, port clearance, logistics and storage of the taro.

The consumer panels identified two varieties of Samoan taro as promising prospects for further development with the potential to compete with taro exports from Fiji. The results of this preliminary work require further verification and consumer testing to establish the commercial reality of the potential taro exports. We are continuing to work with Samoan taro exporters to help them establish a foothold in the market.

# 177

**SERVICES DELIVERED**

# SOLOMON ISLANDS

**THE SOLOMON ISLANDS' TOURISM SECTOR GREW BY 2.1 PER CENT IN 2013<sup>2</sup> AND RECENT INFRASTRUCTURE DEVELOPMENT AND NEW CONSTRUCTION IN HONIARA HAS ENHANCED LOCAL BUSINESS CONFIDENCE. SIGNIFICANT PORT AND AIRSTRIP UPGRADES ACROSS THE COUNTRY ARE IMPROVING THE COUNTRY'S TOURISM OFFERING. THE COMPLETION OF A NEW AIRPORT AT MUNDA, INCLUDING AN UPGRADE TO THE EXISTING RUNWAY AND FACILITIES, IS NOW CAPABLE OF HANDLING BOEING 737 AND A300 AIRCRAFT. GIZO AIRPORT WAS ALSO UPGRADED.**

The country's growing mining industry also received a boost with increased production at the Australian-owned Gold Ridge gold mine. After recommencing production in 2011, the mine is expected to reach full production capacity in 2014 with projections of 95,000 ounces per year.

The Solomon Islands Government has identified agriculture, fisheries, mining and tourism as drivers of future growth and is encouraging foreign investment projects with longer-term benefits to the local business environment. Identified projects include: improving the technical and marketing expertise of the private sector, transferring knowledge, or creating training and employment opportunities.

## 2013 COUNTRY HIGHLIGHTS

- Pacific Islands Trade & Invest is promoting AU\$2.5 million of tourism investments in the Solomon Islands.
- 52 new e-commerce enabled websites were built for accommodation providers in the Solomon Islands.
- Our 'Pathways to Finance' programme, run in partnership with the Solomon Islands SMEC, delivered training for over 60 SMME businesses in how to prepare and apply for commercial business loans.
- Our Auckland office assisted a Solomon Islands business export cocoa to New Zealand worth approximately NZ\$20,000.

## CASE STUDY: SOLOMON ISLANDS ARTISTS PROFILED IN AUCKLAND ROADSHOW

Through our Creative Arts programme, Pacific Islands Trade & Invest and the Pacific Islands Forum Secretariat focuses on promoting indigenous art to support the economic development of artisan communities in the region.

Through this programme, our Auckland office helped Honiara-based artists, Fred Oge and Brian Feni, travel from the Solomon Islands to attend the 2013 Pacific Showcase Market in Auckland.

Launched in 2011 to coincide with the 40th Pacific Islands Forum and the start of Rugby World Cup 2011, the Pacific Showcase aimed to highlight the vast wealth of products, arts and culture across the region.

In 2013, the event attracted over 4,000 visitors to Auckland's waterfront, many of whom took an interest in the art exhibition coordinated by Akateretere Arts gallery.

Fred Oge and Brian Feni represent a younger generation of visual artists from the Solomon Islands who combine their traditional knowledge with experimental and classical styles. Their work reflects their passion for their culture and concern for the region's precious ocean and marine life.

The artists sold several artworks during the Pacific Showcase with additional sales made through Akateretere Arts after the event.

<sup>2</sup>South Pacific Tourism Organisation (SPTO), Annual visitor arrival figures for SPTO member countries.

**SOLOMON ISLANDS ARTIST FRED OGE DISPLAYS HIS PAINTINGS AT THE UNIVERSITY OF AUCKLAND AS PART OF A ARTISTS ROADSHOW COORDINATED BY AKATERETERE ARTS IN MARCH 2013.**  
© DEV NADKARNI



# 52

**NEW WEBSITES BUILT FOR ACCOMMODATION PROVIDERS**

## TONGA

**IN MAY 2013, TONGA LAUNCHED A NEW TOURISM MARKETING CAMPAIGN IN NEW ZEALAND AND AUSTRALIA, PROMOTING TONGA AS 'THE TRUE SOUTH PACIFIC'. THE COUNTRY'S TOURISM SECTOR WAS ALSO STRENGTHENED BY THE LAUNCH OF A NEW NATIONAL DOMESTIC CARRIER – REAL TONGA AIRLINES – AND INCREASED CRUISE BOAT ARRIVALS FOLLOWING THE COMPLETION OF A NEW WHARF IN NUKU'ALOFA IN LATE 2012.**

The Government of Tonga appointed the International Finance Corporation (IFC) to oversee the tender of public private partnership project for the rehabilitation and operation of the International Dateline Hotel in Nuku'alofa.

Tonga's connection to the outside world also took a giant leap forward with the launch of a new multi-million high-speed internet service following the completion of a major World Bank/Asian Development Bank undersea fibre optic project commissioned by King Tupou VI.

### 2013 COUNTRY HIGHLIGHTS

- Through a regional collaboration between the Pacific Horticultural and Agricultural Market Access (PHAMA), AusAID, the Tongan Government and Pacific Islands Trade & Invest, our Sydney and Auckland offices launched a new packaging and labelling initiative for Tonga's Ministry of Tourism and Commerce. This initiative aims to further develop the market access and pathways for Tonga's agricultural commodities towards formal markets in New Zealand and Australia (see case study on Tonga on page 8)
- Pacific Islands Trade & Invest is promoting AU\$19.9 million of tourism investments in Tonga.
- Through our internship programme, our Sydney office hosted Australian Prime Minister's Pacific Australia (PMPA) Awards recipient Ms. Ana Lautaimi Soakai. In her home country, Ms. Soakai works as a Senior Economist in the Project and Aid Management Division at the Tonga Ministry of Finance and National Planning. During her three-month internship with us, Ms. Soakai worked closely with Executive Manager – Investment & Tourism, Mr. Tim Martin, on the development of the Pacific Islands' first tourism investment database (see case study on Tourism on page 14). She also helped coordinate a Tongan event at the *Maketi Ples* 2013 art exhibition and assisted an exporter from the Solomon Islands in sourcing Australian tuna prices.

### CASE STUDY: VAVA'U VANILLA GROWERS ASSOCIATION HARVESTING THE BENEFITS OF A REVITALISED INDUSTRY

A newly-formed growers association in Tonga is on the path to achieving independent certification by Fairtrade International and in the process, revitalised Vava'u Island's fledgling vanilla industry.

Pacific Islands Trade & Invest played a pivotal role in the establishment of the growers association by facilitating an introduction between the project founders Director of Queen Fine Foods Ltd, Dr. Sam Himstedt, and the owner of Taste of Tonga, Mr. Ian Jones.

Both clients of our Sydney office, Mr. Jones was invited to promote Taste of Tonga's virgin coconut oil from Vava'u on the Pacific Islands Trade & Invest stand at the Fine Food Australia trade show in September 2012. Shortly after Dr. Himstedt contacted us in an effort to source a Tongan vanilla supplier for his Brisbane-based company and was introduced to Mr. Jones in January 2013.

As specialist vanilla importers, Queen Fine Foods entered into a partnership with the people of Vava'u with the aim of rehabilitating the large number of vanilla plantations that were lying untended and not being harvested as a means to ensuring the future supply of vanilla from Tonga.

Mr. Jones was appointed as project manager and Executive Director of the Queen Vava'u project and charged with the task to unite the previously disparate growers. Within six months 265 growers, representing more than 1,100 dependent family members, joined the programme and farms that were little more than jungles were on their way to being rehabilitated.

"Of our 265 members, only 25 to 30 had productive vanilla plantations. The remainder, including my own, had been neglected and become overrun by the jungle," said QVBA Association President, Mr. Sione Lolohea.

"We see this as being a positive step forward for our business and for Tonga Vanilla. We are all very happy with our agreements and are all much better off now with Queen's involvement. In the past we only had one or two vanilla buyers in the area who did very little to help any of us in the past 10 years," Mr. Lolohea said.

According to Mr. Lolohea the new approach is clearly preferred by vanilla growers on Vava'u and has resulted in many growers re-establish their vanilla plantations.

"The growers are most appreciative of the financial support, market access and Fairtrade pricing that Queen Vanilla has provided them. Never before has any company shown such levels of confidence in the industry and then been prepared to back it up with the financial resources to make it work," said Mr. Lolohea.

The formation of the Queen Vanilla Growers Association Inc (QVGA) has been a positive step towards ensuring the long-term viability and a sustainable future for all 265 growers. Currently in the process of applying for Fairtrade Certification, the QVGA programme provides two levels of funding for its members. The first is plantation funding, and the second, a guaranteed fair market price to all members in line with Fairtrade Principles.

According to Mr. Jones, "What makes this programme special is that growers are obtaining about half of their funds during the year when they need it most. It is a far more superior and sustainable model than simply selling beans at the markets for a very short period of the year. With QVGA's innovative programme growers are some 300 per cent better off in true value compared to previous years."

# AU\$576,000

INVESTMENTS MADE

# TUVALU

## **IN FEBRUARY 2013, THE TUVALU GOVERNMENT LAUNCHED A TRADE CAPACITY BUILDING AND INSTITUTION STRENGTHENING PROJECT TO STRENGTHEN THE COUNTRY'S CAPACITY TO FORMULATE, IMPLEMENT AND ASSESS TRADE POLICIES.**

Managed by the United Nations Development Programme (UNDP) and implemented through the Ministry of Foreign Affairs, Trade, Tourism, Environment and Labour, the project aims to better prepare the country in terms of its negotiations in regional and international forums to enhance trade and help improve donor coordination. The project will run until the end of 2015 with the support of US\$1.1 million funding from the Enhanced Integrated Framework for Trade Related Activities in Least Developed Countries (EIF) – a multi donor trust fund based in WTO Geneva.

### **2013 COUNTRY HIGHLIGHTS**

- Pacific Islands Trade & Invest is promoting over AU\$1 million of tourism investments in Tuvalu.
- More than 15 tourism accommodation providers and government officials from Tuvalu attended a series of e-marketing workshops in Vanuatu facilitated by Pacific Islands Trade & Invest, SPTO and World Hotel Link (see case study on page 23). As a result of the workshops six new e-commerce enabled websites were built for accommodation providers in Tuvalu.
- Pacific Islands Trade & Invest co-funded the development of a new tourism portal (see case study below).
- Our Auckland office is helping develop coconut exports from Tuvalu.

### **CASE STUDY: TIMELESS TUVALU LAUNCHES NEW NATIONAL TOURISM WEBSITE**

With the support of Pacific Islands Trade & Invest's Tourism programme, Tuvalu launched its new national tourism website ([www.timelesstuvalu.com](http://www.timelesstuvalu.com)) in November 2013.

Leveraging work already completed under the European Development Fund supported Pacific Regional Tourism Capacity Building Programme (PRTCBP) SME e-marketing project, development of the new national tourism portal was funded by our Sydney office and the Tuvalu National Tourism Office.

Since launching, the website has had more than 2,400 visits – a significant result given that the country only received 1,300 international arrivals in 2013.

Complementing work undertaken by participating accommodation providers in the Tourism SME e-marketing support project (see case study on page 23), the new website showcases the unique products and cultures of Tuvalu and features new e-commerce platforms to facilitate online accommodation bookings. The interactive site allows visitors to organise most aspects of their travel, including obtaining quotes and making bookings, before they arrive in Tuvalu. For accommodation providers, being listed or linked to the national tourism website also provides a cost-effective means of achieving online visibility through the search engine optimisation process.

In applauding the Tuvalu National Tourism for making funding available to support this project, the Chief Executive Officer of the South Pacific Tourism Organisation (SPTO), Mr. Ilisoni Vuidreketi, said, "This is a boost for the Tuvalu government and most importantly the promotion of tourism in Tuvalu in particular its services and products since they are now more visible online than in the past and are able to be found instantly."

### **CASE STUDY: EXPORTER TAKES COMFORT IN CHINESE BUYING MISSION WITH OUR SUPPORT**

Our Beijing office supported Tuvaluan exporters, Sulani Trading Company Ltd, co-ordinate a buying trip to China to source suppliers for their line of 'Comfort Love'-branded baby wipes, sanitary pads, and baby and adult diapers.

Established in 2003, Sulani Trading recently expanded their operations to Fiji in 2011 to grow their business and counteract the high cost of freight from Tuvalu. With the objective of sourcing new markets and cheaper suppliers, the owners, Polau and Susie Kofe, approached Pacific Islands Trade & Invest for assistance in planning a buying trip to China.

"With the support of Pacific Islands Trade & Invest we were able to travel to China, establish relationships with Chinese businesses and fulfill our buying plans. This would not have been possible without the Pacific Trade & Invest's support. They were even present during our negotiations with Chinese factories and the signing of contracts," said Mrs. Kofe.



# 2,400

MONTHLY  
HITS TO NEW  
TOURISM PORTAL

**TUVALU'S NEW NATIONAL TOURISM WEBSITE ([WWW.TIMELESSTUVALU.COM](http://WWW.TIMELESSTUVALU.COM)) FEATURED PHOTOGRAPHY BY TRAVEL PHOTOGRAPHER AND WRITER, DAVID KIRKLAND.  
© DAVID KIRKLAND**

## VANUATU

**IN AUGUST 2013, VANUATU ANNOUNCED PLANS FOR A US\$350 MILLION UPGRADE OF ITS AIRPORTS AND AVIATION INFRASTRUCTURE. AS PART OF THE GOVERNMENT'S STRATEGY TO ATTRACT MORE ASIAN TOURISTS THROUGH AN IMPROVED TOURISM AND HOSPITALITY OFFERING, THE GOVERNMENT SIGNED A MEMORANDUM OF UNDERSTANDING TO TRANSFER THE BUILDING AND OPERATION OF THE COUNTRY'S AIRPORTS OVER TO SINGAPOREAN-BASED COMPANY, VANUATU TRADE DEVELOPMENT, OVER THE NEXT 50 YEARS.**

With the support of the Asian Development Bank's Private Sector Development Initiative, in 2013 Vanuatu also approved a new policy for State-Owned Enterprises (SOEs). The policy reform will place the country's SOEs on a more commercial and transparent footing and enable them to make a more positive contribution to inclusive economic growth.

With the connection of a new undersea fibre optic cable in November 2013, Vanuatu now has the fastest Internet speeds in the South Pacific, providing new opportunities and reduced communication costs for both the Government and enterprise.

### 2013 COUNTRY HIGHLIGHTS

- 43 new e-commerce enabled websites were built for accommodation providers.
- Pacific Islands Trade & Invest is promoting more than AU\$26 million of tourism investments in Vanuatu.
- Through our 'Pathways to Finance' programme we partnered with the Vanuatu Chamber of Commerce and Industry to deliver workshops on preparing and applying for business loans in Port Vila and Santo. Thirty-four SMME businesses attended the workshops, two of which were successful in accessing a business loan worth VT600,000.
- Assistance with marketing expansion of Tamanu Oil in the Japanese Market.
- Through our partnership with the International Trade Centre (ITC) – Women & Trade programme, our Geneva Office undertook a project-scoping mission to Vanuatu in October 2013 with the aim to identify viable pilot projects for value chain interventions on the island of Espiritu Santo. Pending ITC funding approval, the focus of the scheduled project will be to increase women's participation in trade through improving the ability of female smallholder producers' to supply the growing tourism and food service sectors.

### CASE STUDY: VANUATU TRADE REPRESENTATIVE SECONDED TO AUSTRALIA

Through our commitment to capacity building and the professional development of the Pacific Islands people, Vanuatu trade representative, Mr. Donald Pelam, was offered the opportunity to work in our Sydney office on secondment from the Department of Industry in Port Vila.

The decision to take on a secondee was a natural evolution of Pacific Islands Trade & Invest's internship programme, which has been running since 2011. Mr. Pelam's background as a trade representative in the Pacific Islands brought a wealth of local knowledge and experience to our organisation.

"Without diversity of thought, or the influx of new experiences, no organisation will ever thrive, which is why our ongoing internship programme is so important to us. By seconding a highly-accomplished government employee from Vanuatu we are taking this to the next level," said Trade Commissioner for Pacific Islands Trade & Invest Sydney, Mr. Caleb Jarvis.

During his three-month secondment, Mr. Pelam focused on developing his export facilitation and promotion skills. By working on projects such as Fine Food Australia 2013, he was able to enhance his marketing expertise, with the added benefit of working in one of the busiest markets in the Pacific region.

Mr. Pelam was also tasked with developing a marketing strategy for the Vanuatu Government's Department of Industry. Filling a long-existing gap, the plan will ensure that the Department's marketing division promotes the country's products and services in a highly competitive manner in key markets.

"The experience of working with Pacific Islands Trade & Invest has significantly upgraded my knowledge and skills and will be transferable back to the Vanuatu government, and the Ministry of Trade, Industry and Tourism in particular," Mr. Pelam said.

In highlighting the benefits of the programme, Mr. Jarvis said, "Our partnership with the Vanuatu Department of Industry has already brought excellent results, outstanding connections and contacts with which we can continue our mission of connecting Pacific Island sellers to international buyers. We hope to continue this secondment programme with more Pacific Island professionals in the coming years to foster even greater opportunities for both Pacific Islands Trade & Invest and the island communities we service."

# 13

**NEW BUYERS  
INTRODUCED**

# FINANCIAL STATEMENTS

<b>SYDNEY</b>	<b>37</b>	<b>IN THE INTERESTS OF OUR STAKEHOLDERS AND DEVELOPMENT PARTNERS, PACIFIC ISLANDS TRADE &amp; INVEST PROVIDES AUDITED FINANCIAL STATEMENTS FROM EACH OF OUR OFFICES. THIS ENSURES THE CREDIBILITY AND TRANSPARENCY OF OUR FINANCIAL MANAGEMENT AND ACCOUNTING SYSTEMS. INDEPENDENT AUDITS HAVE BEEN PERFORMED ON THE FINANCIAL PERFORMANCE OF EACH OFFICE, AS DISCLOSED IN THIS DOCUMENT.</b>
<b>AUCKLAND</b>	<b>40</b>	
<b>BEIJING</b>	<b>43</b>	
<b>TOKYO</b>	<b>47</b>	

## INDEPENDENT AUDITOR'S REPORT TO THE SECRETARY GENERAL, PACIFIC ISLANDS FORUM SECRETARIAT

### SCOPE

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 2013, 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, accompanying notes and the Commissioner's and Secretary General's Statement, set out on pages 3 to 12.

The Commission's management is responsible for the preparation and fair presentation of the financial report and also designing, implementing and maintaining internal control relevant to the preparation and fair presentation of the financial report that is free from material misstatement, whether due to fraud or error; selecting and applying appropriate accounting policies; making accounting estimates that are reasonable in the circumstances. The Forum Secretariat and the Government of Australia have determined that the accounting policies used and described in Note 1 (a) to the financial statements, which form part of the financial report, are appropriate to meet the requirements of the needs of the Secretary General. We have conducted an independent audit of the financial statements in order to express an opinion on them to the Secretary General of the Pacific Islands Forum Secretariat on their preparation and presentation.

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. We disclaim any assumption of responsibility for any reliance on this report, or on the financial report to which it relates to any person other than the Secretary General, or for any purpose other than that for which it was prepared.

Our audit has been conducted in accordance with Australian Auditing Standards. These Auditing 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 judgement, 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.

### AUDIT OPINION

In our opinion, the financial report of Pacific Islands Trade & Investment Commission are properly drawn up:

- (a) so as to give a true and fair view, in accordance with the accounting policies described in Note 1 (a) to the financial statements;
- (b) in accordance with applicable Accounting Standards. Other Accounting Standards have only been applied to the extent described in Note 1 (a) to the financial statements; and
- (c) in accordance with the provisions of the financial regulations, dated 31 October 1994.

### Mark Schiliro, Director

MNSA PTY LIMITED  
Chartered Accountants  
Sydney

Dated this 9<sup>th</sup> day of April 2014.

# BALANCE SHEET SYDNEY

## STATEMENT OF FINANCIAL POSITION AS AT 31 DECEMBER 2013

Currency: AUD \$		2013	2012
	<b>CURRENT ASSETS</b>		
	Cash	1,097,987	56,111
	Term deposit		
	Accounts receivable	250	250
	Prepayments	11,986	6,596
	Rental bond	-	-
	Other investments	-	-
	<b>TOTAL CURRENT ASSETS</b>	<b>1,110,223</b>	<b>62,957</b>
	<b>NON-CURRENT ASSETS</b>		
	Property plant and equipment	53,459	76,837
	Other assets	57,637	57,787
	<b>TOTAL NON-CURRENT ASSETS</b>	<b>111,096</b>	<b>134,624</b>
	<b>CURRENT LIABILITIES</b>		
	Creditors and accruals	32,901	61,340
	Provisions	71,412	66,817
	Deferred income	1,000,000	
	<b>TOTAL CURRENT LIABILITIES</b>	<b>1,104,313</b>	<b>128,157</b>
	<b>TOTAL LIABILITIES</b>	<b>1,104,313</b>	<b>128,157</b>
	<b>NET ASSETS</b>	<b>117,006</b>	<b>69,424</b>
	<b>ACCUMULATED FUNDS</b>		
	Opening retained profits/surplus	69,424	107,797
	Current retained profits/surplus	47,582	-38,373
	<b>TOTAL ACCUMULATED FUNDS</b>	<b>117,006</b>	<b>69,424</b>



# STATEMENT OF INCOME AND EXPENDITURE SYDNEY

	Approved 2013 Budget	Over/(Under) Expenditure	2013 Actual	2012 Actual
<b>OPERATING REVENUE</b>				
Governemnt Grants & Funding			1,499,975	1,486,637.
Interest			12,867	28,318
Other				
<b>TOTAL OPERATING REVENUE</b>			<b>1,512,842</b>	<b>1,514,955</b>
<b>PERSONNEL EMOLUMENTS</b>				
Personnel Emoluments	825,000	-2,625	822,375	834,711
<b>Subtotal</b>	<b>825,000</b>	<b>-2,625</b>	<b>822,375</b>	<b>834,711</b>
<b>ADMINISTRATION</b>				
Computer	16,500	-765	15,735	14,543
Consulting	5,000	1,365	6,365	77
Depreciation		23,378	23,378	28,224
Incidental & Legal	5,000	-5,000	-	3,730
Insurances	11,000	-2,334	8,666	10,746
Workshop Conference	10,000	-3,044	6,956	8,580
Office maintenance	4,500	-3,120	1,380	4,351
Office Supplies	14,000	4,443	18,443	16,385
Postage & Freight	8,500	-881	7,619	10,087
Printing & Stationery	7,500	-903	6,597	8,533
Rent	192,000	-13,856	178,144	184,163
Telephone, internet & Fax	22,000	1,427	23,427	24,500
Travel & Transport	118,500	-1,700	116,800	124,117
Utilities	6,000	40	6,040	3,933
Miscellaneous	16,500	20,574	37,074	17,564
<b>AUDITING &amp; FINANCIAL CHARGES</b>				
Audit & Accounting	13,000.00	936	13,936	11,982
Bank charges	3,000.00	1,282	4,282	2,243
<b>Subtotal</b>	<b>453,000</b>	<b>21,842</b>	<b>474,842</b>	<b>473,758</b>
<b>WORK PROGRAMME</b>				
<b>Core Grant Expenditure</b>				
Exporter Services	50,000	-26,249	23,751	37,112
Creative Arts/Publications	50,000	-3,057	46,943	42,321
<b>SYDNEY</b>				
Investment promotion & Seminars	50,000	-22,414	27,586	26,231
Tourism Promotion development	50,000	-14,079	35,921	33,365
Knowledge & information managment	37,000	-8,426	28,574	9,770
Promotion - PIFS				64,229
Japanese Funds	5,000	268	5,268	31,831
<b>Subtotal</b>	<b>242,000</b>	<b>-73,957.00</b>	<b>168,043</b>	<b>244,859</b>
<b>TOTAL OPERATING EXPENDITURE</b>	<b>1,520,000</b>	<b>-54,740</b>	<b>1,465,260</b>	<b>1,553,328</b>
<b>OPERATING PROFIT</b>			<b>47,582</b>	<b>-38,373</b>

# AUDITOR'S REPORT AUCKLAND

## INDEPENDENT AUDITOR'S REPORT

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

## REPORT ON THE FINANCIAL STATEMENTS

We have audited the financial statements of Pacific Island Trade and Invest on pages 2 to 10, which comprise the statement of financial position as at 31 December 2013, and the statement of financial performance, statement of movements in equity and statement of cash flows for the year then ended, and a summary of significant accounting policies and other explanatory information.

This report is made solely to the Pacific Islands Forum Secretariat, as a body. Our audit has been undertaken so that we might state to the Pacific Islands Forum Secretariat those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the Pacific Islands Forum Secretariat as a body for our audit work, for this report, or for the opinions we have formed.

## TRADE COMMISSIONER'S RESPONSIBILITY FOR THE FINANCIAL STATEMENTS

The Trade Commissioner is responsible for the preparation and fair presentation of these financial statements in accordance with generally accepted accounting practice in New Zealand and for such internal control as the Trade Commissioner determines is necessary to enable the preparation of financial statements that 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 International Standards on Auditing (New Zealand).

Those standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about 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 judgement, 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 the internal control relevant to the entity'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, as well as evaluating the overall presentation of the financial statements.

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

Other than in our capacity as auditor we have no relationship with or interests in Pacific Trade and Invest.

## OPINION

In our opinion the financial statements on pages 2 to 10 present fairly, in all material respects the financial position of Pacific Trade and Invest as at 31 December 2013 and its financial performance and cash flows for the year then ended in accordance with generally accepted accounting practice in New Zealand.

## JSA Audit

14 May 2014  
Parnell  
Auckland

# BALANCE SHEET AUCKLAND

Currency:  
NZ \$

<b>CURRENT ASSETS</b>	<b>2013</b>	<b>2012</b>
Cash	325,239	238,967
Online Account	77,604	75,558
Petty Cash	321	321
ANZ Term Deposit	500,000	-
Reimbursements Owing	39,651	-
Prepayments	-	5,750
Bond	7,363	2,363
Accrued Interest	7,799	1,202
<b>TOTAL CURRENT ASSETS</b>	<b>957,977</b>	<b>324,161</b>
<b>NON-CURRENT ASSETS</b>		
Property Plant & equip	109,719	144,275
Non- Current Asset	-	-
<b>TOTAL NON-CURRENT ASSETS</b>	<b>109,719</b>	<b>144,275</b>
<b>CURRENT LIABILITIES</b>		
Creditors and accruals	527,962	10,822
ANZ Credit Card	6,413	4,212
Deposits Received	-	-
Holiday Leave Accrual	26,126	27,766
Provisions	4,656	4,656
<b>TOTAL CURRENT LIABILITIES</b>	<b>565,157</b>	<b>47,456</b>
<b>TOTAL LIABILITES</b>	<b>565,157</b>	<b>47,456</b>
<b>NET ASSETS</b>	<b>502,539</b>	<b>420,980</b>
<b>ACCUMULATED FUNDS</b>		
Opening Retained Profits/Surplus	420,979	237,270
Current Retained Profits/Surplus	81,560	183,709
<b>TOTAL ACCUMULATED FUNDS</b>	<b>502,539</b>	<b>420,979</b>

# STATEMENT OF INCOME AND EXPENDITURE AUCKLAND

Currency: NZ \$	Approved 2013 Budget	Over/(Under) Expenditure	2013 Actual	2012 Actual
<b>OPERATING REVENUE</b>				
Governemnt Grants & Funding	-	-914,000	914,000	1,104,356
Interest	-	-12,263	12,263	6,353
Other Income	-	-86,636	86,636	-
Other Grants	-	-52,208	52,208	105,381
<b>Total Operating Revenue</b>	<b>-</b>	<b>-1,065,107</b>	<b>1,065,107</b>	<b>1,216,090</b>
<b>Personnel Emoluments</b>				
Personnel Emoluments	-	-321,866	321,866	296,015
<b>Subtotal</b>	<b>-</b>	<b>-321,866</b>	<b>321,866</b>	<b>296,015</b>
<b>ADMINISTRATION</b>				
Cleaning	-	-3,738	3,738	2,249
Computer	-	-15,601	15,601	21,145
Consulting	-	-580	580	-
Depreciation	-	-36,700	36,700	44,076
Equipment Rental - Photocopier	-	-5,133	5,133	5,331
General Expenses	-	-1,100	1,100	3,607
Hospitality & Entertainment	-	-6,188	6,188	7,287
Insurances	-	-	-	1,059
Legal Costs	-	-2,013	2,013	-
Loss on Disposal of Assets	-	0	-	-482
Motor Vehicle Expenses	-	-16,063	16,063	13,642
Office maintenance	-	-	-	18,270
Postage & Freight	-	-1,111	1,111	4,282
Printing & Stationery	-	-4,672	4,672	6,211
Publications	-	-206	206	-
Rent	-	-95,857	95,857	71,675
Repairs & Maintenance	-	-11,201	11,201	2,021
Research & Development	-	-	-	-
Security	-	-673	673	1,474
Staff Training & Education	-	-11,260	11,260	543
Subscriptions	-	-6,154	6,154	11,416
Sundry Expenses	-	-5,895	5,895	519
Telephone, internet & Fax	-	-23,643	23,643	23,129
Travel & Transport	-	-55,572	55,572	33,826
Utilities	-	-3,424	3,424	1,668
Miscellaneous	-	-	-	-
<b>AUDITING &amp; FINANCIAL CHARGES</b>				
Audit & Accounting	-	-27,347	27,347	26,896
Bank charges	-	-981	981	2,213
<b>Subtotal</b>	<b>-</b>	<b>-656,978</b>	<b>656,978</b>	<b>598,072</b>
<b>WORK PROGRAMME</b>				
Core Grant Expenditure	-	-	-	-
Aquaponics	-	-	-	302,602
Special Projects	-	-55,067	55,067	-
Investment promotion & Seminars	-	-88,526	88,526	18,658
Tourism Promo development	-	-16,150	16,150	48,605
Trade	-	-164,129	164,129	45,941
Communications	-	-2,697	2,697	18,503
<b>Subtotal</b>	<b>-</b>	<b>-326,569</b>	<b>326,569</b>	<b>434,309</b>
<b>TOTAL OPERATING EXPENDITURE</b>	<b>-</b>	<b>-983,547</b>	<b>983,547</b>	<b>1,032,381</b>
<b>OPERATING PROFIT</b>	<b>-</b>	<b>-81,560</b>	<b>81,560</b>	<b>183,709</b>

## INDEPENDENT AUDITOR'S REPORT

We have audited the accompanying financial statements of Pacific Islands Trade & Invest Beijing (hereinafter the "Office").

### I. The Management's Responsibility to Financial Statements Preparation

The Office's management is responsible for preparation of the financial statements according to "Accounting Standards for Business Enterprises" and "Accounting System for Business Enterprises", which includes (1) to design, implement and maintain the internal control relevant to the financial statements, so that the financial statements are free from material misstatement due to frauds or mistakes; (2) to choose and adopt suitable accounting policies; (3) to make reasonable accounting estimates.

### II. The CPAs' Responsibilities

Our responsibility is to express audit opinion about the financial statements on the base of our audit work, which we conducted in accordance with the Auditing Standards for Chinese Certified Public Accountants. The Auditing Standards for Chinese Certified Public Accountants require CPAs to abide by professional ethics, to plan and perform audit to acquire a reasonable basis for audit opinion.

Our audit work is to implement audit procedures to collect audit evidence about the amounts and disclosures of the financial statements. We choose audit procedures with our own professional judgment, including evaluating material misstatement risks caused by frauds and mistakes. When we were evaluating risks to design suitable audit procedures, we considered the Company's internal control relevant to the financial statements preparation, while we did not intend to express opinion on the validity of the Company's internal control. Our audit procedures also included assessing the accounting policies' suitability adopted by the management and reasonability of accounting estimate made by the management, and assessing the financial statements' general display.

We believe that we have acquired sufficient and appropriate audit evidence, which provide a reasonable basis for our opinion.

### III. Office Profile

The Office was established by the South Pacific Forum Secretariat (the Forum) and the People's Republic of China government in accordance with the agreement between the two parties signed in Tarawa Island on October 31, 2000 for the purpose of strengthening and developing the friendly cooperative relationships between the Forum and China. In July 2012 the Office was upgraded and re-branded from the "Pacific Islands Forum Trade Office in China" to "Pacific Islands Trade and Invest, Beijing".

### IV. Results of Audit

The accounting year of the Office coincides with the calendar year, i.e., from January 1 to December 31 of the Gregorian calendar. The Office adopts Renminbi as the standard currency for accounting. We have accepted your appointment to perform audits on the balance sheet of the Office as of December 31, 2013 and the status of related income, expenditure and balance for the year then ended.

The result of our audit is as follows:

#### 1. Income

In the current year, the total income of the Office is RMB 1,666,045.13.

- 1) Operating fund income: Received in 2013 amounting to RMB 1,636,114.29 received from headquarters.
- 2) The interest income from Cash in Bank in 2013 is RMB 2,966.74, and the tax refund income is RMB 4,964.10. Other income RMB 22,000.00 is from sale of the old Benz car.

#### 2. Expenditures

The total expenditure incurred by the Office in 2013 is RMB 1,672,451.56, which including RMB 20,152.22 of financial expenses, RMB 29,563.78 incurred as prepayments for Trade commissioner's allowance and RMB 1,622,735.56 of operating expenses incurred by the Office.

#### 1) Financial Expenses

The financial expenses incurred by the Office in the current year is RMB 20,152.22, which is composed of RMB 12,077.35 of exchange loss and RMB 8,074.87 of bank service charge

#### (2) Allowance remuneration incurred by Trade commissioner

The allowance remuneration by Trade commissioner in the current year is RMB 29,563.78, including prepayment of RMB 17,563.78 education allowance, prepayment of RMB 12,000.00 housing allowance.

#### (3) The office expenditure incurred by the Office in the current year is RMB 1,622,735.56, including:

- a. RMB 15,500.00 of fixed asset, incurred for purchasing a printer RMB 10,000.00 and a laptop RMB 5,500.00.
- b. RMB 575,000.00 of payroll, incurred for the payment of wages to Office employees.
- c. RMB 225,000.00 of office rental, mainly incurred for paying the rent of the Office.
- d. RMB 529,729.02 for work programmes expenses, RMB 185,287.59 for Investment department; RMB 107,474.96 for Tourism department; RMB 98,779.01 for Trade department; RMB 103,599.54 for Special Projects; RMB 34,587.92 for other expenses.
- e. RMB 277,506.54 remaining please check the breakdown from "Statement of Income and Expenditure" as below.

#### 3. Balance of Income and Expenditure

##### 1) Opening Balance

The opening balance is RMB 101,320.66, including RMB 51,462.01 of cash on hand, RMB 1,876,392.12 of cash in bank, RMB 55,500.00 of loans receivable (including: RMB 24,000.00 of housing deposit for Trade Commissioner, RMB 10,000.00 of education deposit for Trade Commissioner, RMB 21,500.00 of housing deposit for Deputy Trade Commissioner); RMB 1,882,033.47 of payable to South Pacific Tourism.

##### 2) Balance of Current Year

The Balance of the current year is RMB 1,666,045.13, which derived by subtracting current year expenditure RMB 1,672,451.56 from current year income – RMB 6,406.43.

# AUDITOR'S REPORT

## BEIJING CON'T

3) Ending Balance  
The ending balance is RMB 94,914.23, including RMB 21,743.71 of cash on hand, RMB 116,670.50 of cash in bank, RMB 56,500.00 of loans receivable (including: RMB 24,000.00 of housing deposit for Trade Commissioner, RMB 21,500.00 of housing deposit for Deputy Trade Commissioner, RMB 1,000.00 of deposit for DHL); RMB 100,000.00 of payable to client.  
The ending balance is RMB 94,914.23.

4. Miscellaneous  
Because we have not obtained the rules on the use of relevant funds, we are unable to determine the soundness of the procedures for expenditure approval. Save as the above, we believe this report reflects in all material respects the financial position of the Office on December 31, 2013 and the condition of its fund income and expenditures of 2013.

**Beijing Shengmincheng Certified Public Accountants  
Co Ltd**

February 26, 2014

Currency:  
RMB \$

<b>CURRENT ASSETS</b>	<b>2013</b>	<b>2012</b>
Cash	138,414	1,927,854
Term Deposit	-	-
Loans	-	-
Loans	56,500	55,500
Rental Bond	36,278	-
Other receivables	-	-
<b>TOTAL CURRENT ASSETS</b>	<b>231,192</b>	<b>1,983,354</b>
<b>NON-CURRENT ASSETS</b>		
Property Plant & equip	194,735	-
<b>Total Non- Current Asset</b>	<b>194,735</b>	<b>-</b>
<b>TOTAL ASSETS</b>	<b>425,927</b>	<b>-</b>
<b>CURRENT LIABILITIES</b>		
Creditors and accruals	100,000	1,882,033
Other Payables	-	-
<b>TOTAL CURRENT LIABILITIES</b>	<b>100,000</b>	<b>1,882,033</b>
<b>TOTAL LIABILITES</b>	<b>100,000</b>	<b>1,882,033</b>
<b>NET ASSETS</b>	<b>325,927</b>	<b>101,321</b>
<b>ACCUMULATED FUNDS</b>		
Other Owners Equity	231,013	-
Opening Retained Profits/Surplus	101,321	1,573,233
Current Retained Profits/Surplus	-6,406	-1,471,913
<b>TOTAL ACCUMULATED FUNDS</b>	<b>325,927</b>	<b>101,321</b>

# STATEMENT OF INCOME AND EXPENDITURE BEIJING

Currency: RMB \$	2013	2012
<b>OPERATING REVENUE</b>		
Governemnt Grants & Funding	1,636,114	
Interest	2,967	1,132
Other (VAT Refund)	4,964	34,785
Other Income	22,000	
<b>TOTAL OPERATING REVENUE</b>	<b>1,666,045</b>	<b>35,917</b>
<b>Personnel Emoluments</b>		
Personnel Emoluments	604,564	684,034
<b>Subtotal</b>	<b>604,564</b>	<b>684,034</b>
<b>ADMINISTRATION</b>		
Cleaning	-	-
Exhibition & Publicity	-	-
Fixed Asset Acquisition	15,500	242,005
Media & Promotions	47,760	
Office Supplies	67,779	65,739
Postage & Freight	3,109	12,641
Public Transit	43,405	-
Rent	225,000	210,000
Social Security	7,541	-
Storage Costs	-	-
Communication Expense	73,305	57,067
Travel & Transport	31,080	18,780
Utilities	3,528	2,904
<b>AUDITING &amp; FINANCIAL CHARGES</b>		
Audit & Accounting	-	-
Financial Expenses	20,152	-2,675
<b>Subtotal</b>	<b>538,159</b>	<b>606,459</b>
<b>WORK PROGRAMME</b>		
<b>Core Grant Expenditure</b>	<b>-</b>	<b>-</b>
Exporter Services	-	-
Trade Department	98,779	5,982
Investment promotion & Seminars	185,288	105,227
Tourism Promo development	107,475	29,189
Others	34,588	76,937
Special Project	103,600	-
<b>Subtotal</b>	<b>529,729</b>	<b>217,336</b>
<b>TOTAL OPERATING EXPENDITURE</b>	<b>1,672,452</b>	<b>1,507,829</b>
<b>OPERATING PROFIT</b>	<b>-6,406</b>	<b>-1,471,913</b>



## REPORT OF INDEPENDENT AUDITOR

We have verified the accompanying balance sheets of The South Pacific Economic Exchange Support Centre (the "Centre") as of March 31, 2013 and the statements of changes in fund balances for then 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 the Article 9 of the Financial rule of the Centre.

We conducted our verifications in accordance with auditing standards generally accepted in Japan and the "Research Report on the Assurance Engagement provided by CPAs and others" (JICPA issues, 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 balance sheets and the statements of changes in fund balances presentation. We believe that our verifications provide a reasonable basis for reporting our conclusion.

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

### **Seiwa Audit Corporation**

June 14, 2013

# BALANCE SHEET TOKYO

Currency:  
Yen (¥)

<b>CURRENT ASSETS</b>	<b>2013</b>	<b>2012</b>
Cash	126,313	148,219
Term Deposit	13,376,890	15,904,940
Accounts Receivable	-	-
Prepayments	764,000	6,000
Payment in Advance	-	-
Other Investments	-	-
<b>TOTAL CURRENT ASSETS</b>	<b>14,267,203</b>	<b>16,059,159</b>
<b>NON-CURRENT ASSETS</b>		
Property Plant & equip	-	-
Non- Current Asset	-	-
<b>TOTAL NON-CURRENT ASSETS</b>	<b>-</b>	<b>-</b>
<b>CURRENT LIABILITIES</b>		
Creditors and accruals	1,516,847	1,341,586
Deposits Received	479,763	508,432
Reserve for Retirement allowances	1,957,518	3,901,732
Provisions	-	-
Deferred Income	-	-
<b>TOTAL CURRENT LIABILITIES</b>	<b>3,954,128</b>	<b>5,751,750</b>
<b>TOTAL LIABILITES</b>	<b>3,954,128</b>	<b>5,751,750</b>
<b>NET ASSETS</b>	<b>10,313,075</b>	<b>10,307,409</b>
<b>ACCUMULATED FUNDS</b>		
Opening Retained Profits/Surplus	10,302,722	-
Current Retained Profits/Surplus	10,353	10,302,722
<b>TOTAL ACCUMULATED FUNDS</b>	<b>10,313,075</b>	<b>10,302,722</b>

# STATEMENT OF INCOME AND EXPENDITURE TOKYO

Currency:  
Yen (¥)

	Approved 2012 Budget	Over/(Under) Expenditure	2013 A ctual	2012 Actual
<b>OPERATING REVENUE</b>				
Government Grants & Funding			42,180,000	51,177,000
Interest			5,666	4,687
Contribution for Programmed Spending			17,837,000	
<b>TOTAL OPERATING REVENUE</b>			<b>60,022,666</b>	<b>51,181,687</b>
<b>Personnel Emoluments</b>				
Personnel Emoluments	26,475,000	794,583	27,269,583	27,277,234
<b>Subtotal</b>	<b>26,475,000</b>	<b>794,583</b>	<b>27,269,583</b>	<b>27,277,234</b>
<b>ADMINISTRATION</b>				
Books and Magazines	120,000	29,193	149,193	81,023
Equipment Rental	469,000	108,926	577,926	403,932
Meeting (Entertainment)	240,000	53,388	293,388	250,730
Office Supplies	120,000	27,585	147,585	120,094
Rent	9,768,000	-600,000	9,168,000	9,768,000
Telephone, internet & Fax	780,000	-471,594	308,406	427,204
Travel & Transport	2,040,000	432,618	2,472,618	2,268,759
Utilities	-	-	-	-
Miscellaneous	839,000	114,301	953,301	743,024
<b>AUDITING &amp; FINANCIAL CHARGES</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
Audit & Accounting	1,329,000	-489,000	840,000	840,000
<b>Subtotal</b>	<b>42,180,000</b>	<b>-</b>	<b>42,180,000</b>	<b>42,180,000</b>
<b>WORK PROGRAMME</b>				
<b>Core Grant Expenditure</b>				
Publications	923,000	-566,850	356,150	811,625
Website	1,368,000	1,251,200	2,619,200	2,515,265
Exhibition & Seminars	2,544,000	136,363	2,680,363	3,190,273
Project for Developing exportable products to Japan	1,338,000	2,152,644	3,490,644	2,479,837
Economic Exchange Programme btw Japan & FICs	11,664,000	-2,973,357	8,690,643	
<b>SubTotal</b>	<b>17,837,000</b>	<b>-</b>	<b>17,837,000</b>	<b>8,997,000</b>
Strengthening PIC's function	-	-	-	-
Pacific Islands Exhibition	-	-	-	-
Expenditure JATA World Travel Tour & Pacific Islands Festa	-	-	-	-
<b>Subtotal</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>TOTAL OPERATING EXPENDITURE</b>	<b>60,017,000</b>	<b>794,583</b>	<b>60,017,000</b>	<b>51,177,000</b>
<b>OPERATING PROFIT</b>	<b>-</b>	<b>-</b>	<b>5,666</b>	<b>4,687</b>



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