



# ANNUAL REPORT

## 2022



PACIFIC ISLANDS  
FORUM SECRETARIAT



Ministry of Foreign Affairs of  
the People's Republic of China



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# SECRETARY GENERAL'S LETTER

## It gives me great pleasure to present to you the Pacific Trade Invest China Annual Report for 2022.

China has been a long-standing and important Forum Dialogue and development partner to our Blue Pacific region. Together with our other international partners, we remain committed to strengthening our partnership to progress our Forum Leaders' regional priorities.

As our Pacific borders re-open, we are adapting to life with COVID-19. Our spirit of resilience as Pacific people allows us to forge ahead and explore business opportunities, strengthen trade links and relationships, and embrace the market opportunities available to our private sector businesses across our Blue Pacific.

We continue to see China as an increasingly important economic partner for Pacific Islands businesses, to enhance greater engagement in economic innovation and growth in digital economies. We want to create diverse, creative and innovative business opportunities that promote sustainable development and job opportunities for our people.

Our 2050 Strategy for the Blue Pacific Continent (2050 Strategy) has now been endorsed by our Pacific Forum Leaders and will chart our course for the next three decades. We invite China, and all our international partners, to work with us to advance our ambition for a sustainable and inclusive future for all our people.

Our Pacific Trade Invest China office has withstood the challenges of China's resurgence of COVID-19, including lockdowns and border closures for much of 2022. Despite these difficult circumstances, our team has worked hard to continue serving our Pacific businesses and achieving tangible outcomes.

I take this opportunity to acknowledge and thank the Government of the People's Republic of China (PRC) for its ongoing funding contribution under the annual China-Pacific Islands Forum Cooperation Fund. As a result, Pacific Trade Invest China has been able to provide services to grow the presence of Pacific businesses in China. The Chinese market remains critical to the Pacific region in supporting many of our economic development aspirations under the 2050 Strategy and we look forward to the ongoing funding support from the Government of PRC to achieve these ambitions.



**Henry Puna**  
Secretary General  
Pacific Islands Forum Secretariat



# GREETINGS FROM TRADE COMMISSIONER MONA MATO

2022 was yet another challenging year. The rebound of COVID-19 continued to spread across China's tier one cities forcing commercial areas into lockdown and affecting our trade show calendar of events with postponements and cancellations. The Chaoyang district of Beijing also went into lockdown meaning our PTI China staff members had to work remotely from home for much of the second quarter of the year. Travel restrictions within mainland China remained throughout most of 2022 making it impossible to deliver events in key cities as planned.

This was a time for us to enhance our approach to working digitally while still delivering some of our activities under challenging circumstances as COVID-19 continued to spread across China. We took the opportunity to strengthen our online stakeholder engagement activities with leading consortiums, think tanks and private Chinese enterprises while maintaining contact with our importers, buyers and clients to determine areas of recovery support in the wake of the pandemic.

As Beijing progressively reopened for business, we seized the chance to deliver some of our postponed trade events under strict regulations. This was an opportunity for us to gauge market trends and volatility, and to determine if there was renewed consumer interest in Pacific products as China's business community reopened.

As a result of our refocus, replanning and reprioritisation efforts, we are proud to report that in 2022 we delivered a total of 206 services to all 16 Pacific Island countries, targeting 126 Pacific businesses. This equated to an export value of A\$2 million and an investment value of just over A\$2.5 million – a huge effort by our team during trying times.

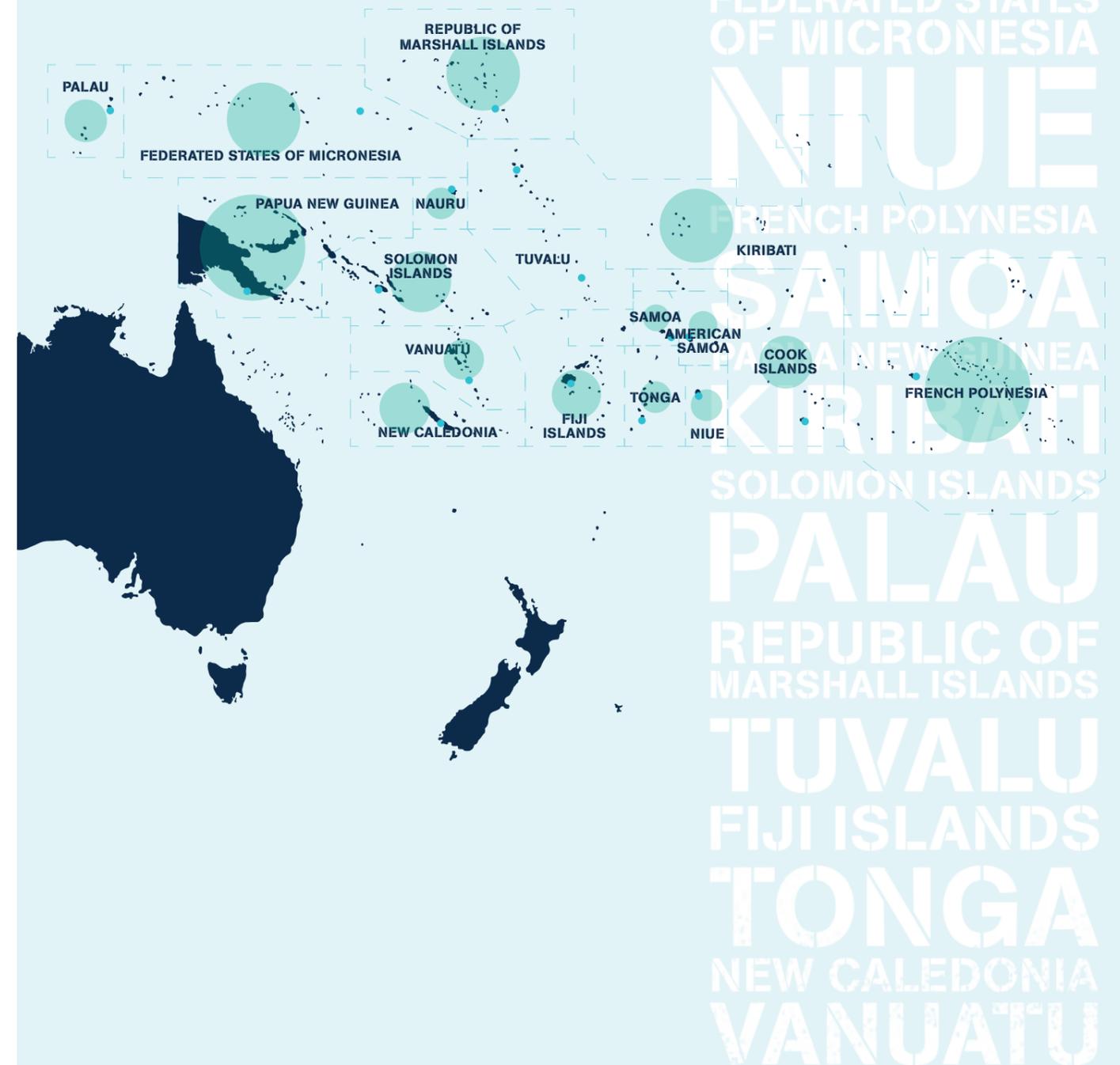
I would like to extend our gratitude and appreciation to the government of the People's Republic of China for the ongoing support to PTI China over the years. We look forward to growing this relationship in the years ahead.



**Mona Mato**  
Trade Commissioner  
Pacific Trade Invest China



# PACIFIC ISLANDS AT A GLANCE



# WHO WE ARE

Pacific Trade Invest China is the Pacific Region’s lead trade and investment promotional agency in the People’s Republic of China (PRC). We are mandated by the Pacific Islands Forum leaders to facilitate and promote trade and investment opportunities between the Pacific Island countries and territories and the People’s Republic of China.

We are part of the Pacific Trade Invest Network with offices in China, Australia, New Zealand, Europe and Japan. The network contributes to the sustainable economic development of Pacific Island countries and supports the Pacific Islands Forum Secretariat’s Strategic Outcome – Increasing Economic Prosperity. Our funding comes through the support of the People’s Republic of China.

Partnering with the Pacific Islands Forum Secretariat gives Pacific Trade Invest China, and its global network, a considerable advantage. We have direct access through the Secretariat’s communication platforms to regional policies and frameworks, technical agencies and government officials. Pacific Trade Invest China is unique in that we serve all 16 members of the Forum Island Countries and Territories.

## OUR VISION

“Improving the livelihoods of pacific people by enabling decent work and economic growth in the Blue Pacific.”

## OUR ROLE

While Pacific Trade Invest China is set up as a diplomatic office, it operates like a trade and investment promotional organisation (TIPO). In global terms, the primary role of TIPOs is to help small and medium-sized enterprises succeed in international business through the delivery of integrated programmes. These programmes provide education to our exporters on trade and market intelligence. We also create connections to international markets, promote inclusive trade, and strengthen investment support. TIPOs work directly with the private sector to fulfil their role as buyers and investors.

As a small organisation, we have the advantage of rapidly shaping our approach based on the insights and perspectives of our beneficiaries and partners. This flexibility enables us to adapt to the changing needs of our clients in a dynamic, fast-paced international business environment.

Pacific Trade Invest China’s work is focused on creating commercial opportunities for export-ready and China-ready businesses across the Blue Pacific. Our job is to promote trade and investment opportunities between businesses in China and the Pacific Island Countries and Territories. Recognising the complex nature of the Chinese market, we develop and deliver a specialised and focused work programme that ensures exporters are China-ready. Our programme equips our exporters with the knowledge to understand business culture, language, and the right approach to a vastly different consumer base. At Pacific Trade Invest China, we believe it is essential to be confident and certain of the readiness of our clients for China.



# OUR PEOPLE

## OUR CLIENTS

We work with Pacific businesses to facilitate export and investment deals.

- Our export clients are businesses in the Pacific looking to grow their presence in the Chinese market.
- Our investment clients are businesses in the Pacific seeking investment from China.

## OUR CUSTOMERS

We build connections between Chinese businesses and the Pacific to engage in export and investment deals.

- Our import customers are businesses in China looking to bring Pacific products into the Chinese market.
- Our investment customers are Chinese businesses in the Pacific who value the development and see the potential of Pacific businesses. They are motivated to invest and develop a series of business plans in the Pacific.

COOK ISLANDS  
**NAURU**  
 FEDERATED STATES OF MICRONESIA  
**NIUE**  
 FRENCH POLYNESIA  
**SAMOA**  
 PAPUA NEW GUINEA  
**KIRIBATI**  
 SOLOMON ISLANDS  
**PALAU**  
 REPUBLIC OF MARSHALL ISLANDS  
**TUVALU**  
 FIJI ISLANDS  
**TONGA**  
 NEW CALEDONIA  
**VANUATU**



## OUR PEOPLE AND PARTNERS

We collaborate with China's Ministry of Foreign Affairs (MOFA) and Ministry of Commerce (MOFCOM), provincial and municipal governments, the Pacific Islands Ambassadors Group in Beijing, Pacific Islands Diplomatic Missions, and the Pacific Islands Forum Secretariat. The contribution from our people and partners adds considerable value to our exporters in all 16 Blue Pacific Forum Island Countries and Territories. Our collaboration enables our buyers and investors in China to fulfil their trade and investment goals and objectives.

As the only not-for-profit government-funded trade and investment promotional agency in China, we play a unique facilitation role and work directly with the private sector to develop and promote Pacific Island exports and investment opportunities.

With an established network of contacts, a comprehensive database system, and a well-resourced global network of market intelligence, we can effectively deliver our tailored and customised service offerings. Our access to regional policies and frameworks, and technical assistance programmes from the Council for Regional Organisations in the Pacific, has proven to be a great advantage in the development of our services.

We add further value to our stakeholder community by having a Beijing-based team who are fluent in spoken and written Chinese. Our team have cultural expertise and a sound understanding of the complexities of the Chinese market. These skills qualify us to collaborate with and communicate the needs of our Pacific Island clients and Chinese customers with private sector organisations, national economic development agencies, and government officials.

# KEY FOCUS AREAS

Our key focus areas reflect our overarching strategy and vision to drive trade deals and investments in the Pacific. We focus on creating commercial opportunities for Pacific businesses that are China ready by facilitating trade and investment opportunities between China and Pacific Island countries.

## Trade Promotion

We cultivate sustainable connections and relationships between Pacific exporters and buyers in China to achieve successful export leads and outcomes.

## Investment Facilitation

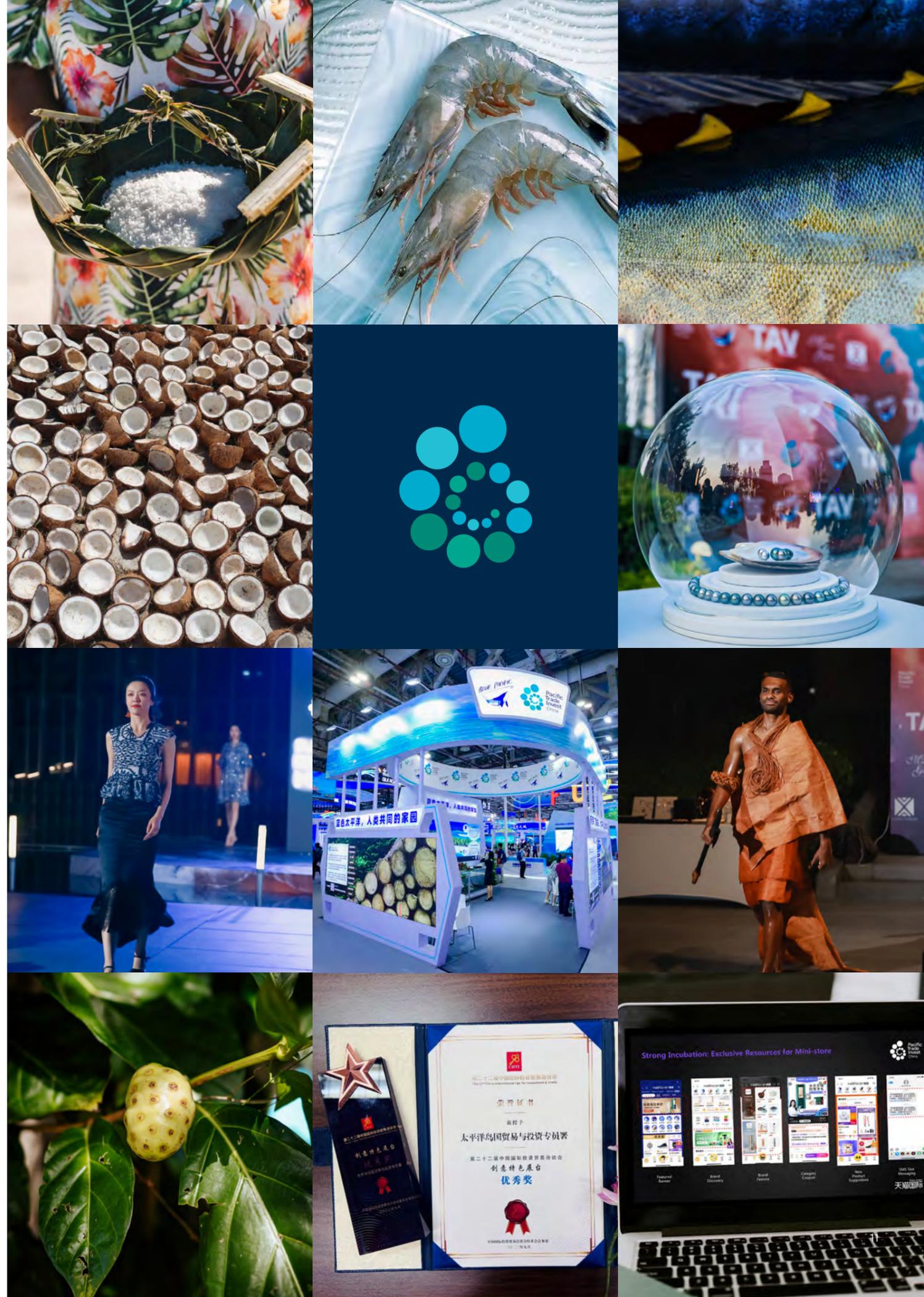
Our aim is to foster continued economic growth and prosperity by drawing in investment capital and facilitating investment deals. We use marketing and communication strategies to engage our customers, government partners and stakeholders.

## Marketing & Communications

We create awareness about our purpose, progress, and the opportunity to collaborate with us by providing all stakeholders with relevant information and market insights. It is our privilege to share the testimonials of our clients achieving excellence and success in exporting. All PTI China media releases and articles published are listed in appendices.

## Stakeholder Engagement

Our dedicated team works enthusiastically with all Pacific Trade Invest network partners, the Government of China, Pacific Islands Forum, and China-based stakeholders. We strengthen strategic partnerships and develop new relationships with key partners to maximise the trade and investment results we have set out to achieve. All stakeholder engagement activities by PTI China are listed in the appendices.



# CELEBRATING OUR ACHIEVEMENTS TRADE



We are pleased to report that this year Pacific Trade Invest China provided services to 142 Pacific businesses and delivered 226 services across the 16 Pacific countries. We also hit our 2022 annual export target, with 16 export deals from 6 countries turning over a little more than AUD 1.8 million. This demonstrates the confidence our clients have in us to deliver on the promise of growing their business presence in China and accomplishing our trade goals.

## Trade Exhibitions

PTI China has participated at key trade and investment promotional events where we connected buyer networks in China with exporters from Fiji, Solomon Islands, Cook Islands, Samoa, Tonga and Papua New Guinea. Their products ranged from fashion apparel, black pearl and pearl jewellery, skincare and creative homeware to noni juice and tea, alcoholic beverages, coconut oil and shell, and artesian water. Our involvement at these events helped generate multiple export leads, with export deals achieved from noni, beer, vanilla and skincare products.

## Market Access & Import Protocol

PTI China facilitated the connection between China's quarantine services (GACC) and relevant government ministries in FICs to help build exporters' capacity to meet market access requirements to China and support the implementation of access programmes into China. PTI China assisted with compliance checks, health-certification processes and translation of documentations and site inspections. PTI China's facilitation service to PNG's fisheries sector has enabled additional PNG fisheries entities and export companies to gain market access into China.

PTI China also engaged with Fiji's Ministry of Fisheries to support the nine Fijian seafood exporters who have obtained licences to trade sea cucumber by connecting them with Chinese importers and providing relevant market-access recommendations. These connections have generated export leads, with one Fiji seafood exporter achieving an export deal with a Chinese seafood buyer.



# CELEBRATING OUR ACHIEVEMENTS INVESTMENT

## COVID-19 Economic Response Investment Support Package

PTI China achieved an investment deal with a Chinese investor in the agriculture sector. The investment outcome promotes the production and trading of local economic crops and creates new employment opportunities in Fiji. This support was made possible through our COVID-19 Economic Response Investment Support Package.

Through our support with in-country business consultation services, PTI China achieved another investment deal into Fiji with a Chinese construction company. This investment, also through our COVID-19 support package, will promote business growth in the construction industry and create employment opportunities in Fiji.

## Investment Promotion

PTI China used WeChat to promote investment opportunities in three Fiji tourist resort properties and received market leads on a potential future site visit.

The PTI China-led investment promotions event in collaboration with the Solomon Islands Embassy featured the country's reform of investment regulations and policies. The side event attracted a range of investors from key industries in China, including green energy, digital economy, and agriculture. The promotional event gave PTI China and the Embassy the chance to engage directly with investors to better understand the appetite of Chinese investment into the Solomon Islands.

## Capacity Development

PTI China also provided business consultation services to facilitate investments into Fiji by a Chinese public relations and graphic design company. This will open up business opportunities for the company's growing capacity in graphic design and marketing facilitation.

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Thank you and we are happy to note the great progress going forward. Keep in touch and talk soon.

Clarence Hoot  
Managing Director  
Investment Promotion Authority PNG



第二十二届中国国际投资贸易洽谈会  
The 22<sup>nd</sup> China International Fair for Investment & Trade



# COOK ISLANDS

The Cook Islands export industry is small and the country has focused on exploring niche and high-end market opportunities in China. PTI China feature Cook Islands' fashion on our WeChat channel and staged a marketing fashion event showcasing high-end resort wear by a leading Cook Islands designer, as well as Cook Islands black pearl jewellery. The target audience was fashion outlets, retailers, online fashion influencers and wholesalers in China and the event generated export leads for both brands.

PTI China also engaged with the Cook Islands Chamber of Commerce to facilitate expressions of interest from SMEs to help qualify their export brands and products, and provide profiles for assessment by Alibaba. And at GACC's request, we advised the Cook Islands Government about new Chinese regulations around the registration and administration of overseas food manufacturers.



The interest for TAV in the Chinese market is exciting. Thank you for all your work to promote Pacific Fashion and jewellery in the Asian market.

*Elena Tavioni  
Designer/Owner of TAV Pacific*

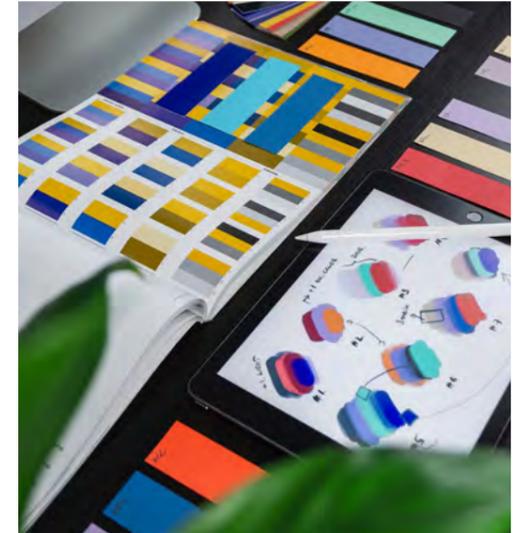


# FIJI

Fiji was one of the leading Pacific exporters to China in 2022 that achieved export outcomes. PTI China helped promote Fiji to the Chinese market in multiple ways. We generated interest in Fijian skincare, beer, wine and coffee through our WeChat channel. Despite COVID-19 restrictions, we helped Fijian companies get samples of their noni juice, beer, wine and water exhibited at Chinese trade shows, including the 2022 China International Import Expo in Shanghai.

We also educated potential Chinese investors about Fiji's key sectors and priority investment areas, including tourism. During the course of 2022, we worked with numerous Chinese companies to facilitate investment of more than A\$2.3 million into Fiji, providing business growth and local employment opportunities in industries such as PR, graphic design and construction.

PTI China collaborated with Investment Fiji to promote and showcase Fijian brands and worked with the Fisheries Department of Fiji to provide seafood exporters with market-access information and connections to Chinese importers.



# 2.3m AUD

Investment achieved

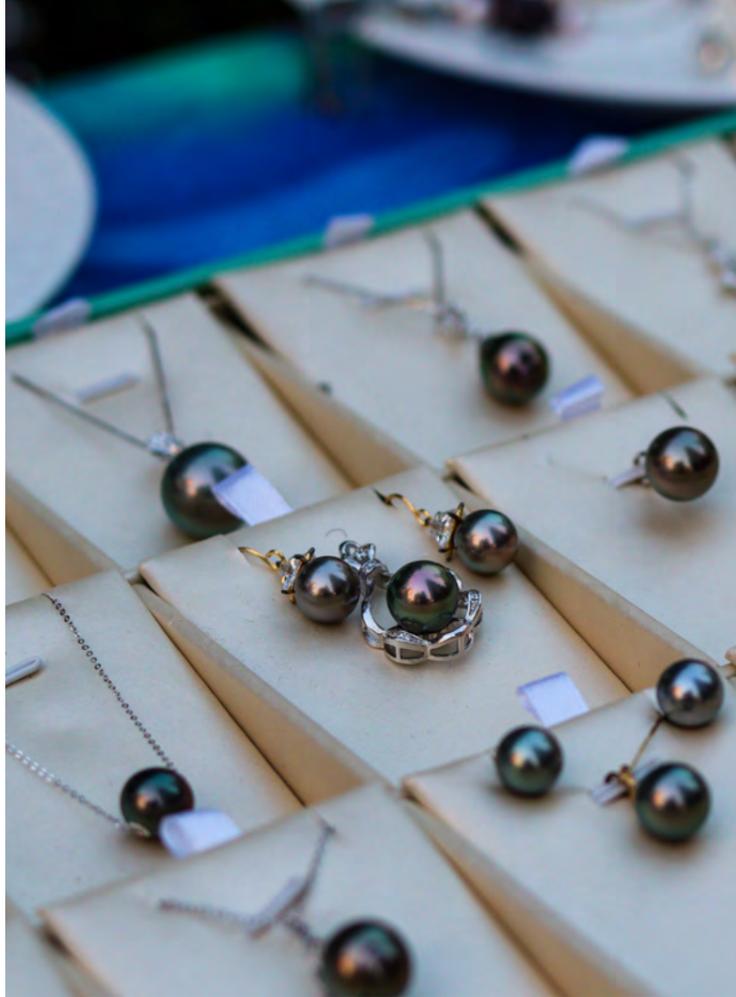


Thanks again to all for your support, we are very happy to have our brand protection in China, Hong Kong and Singapore and look forward to a successful next year for our export to these regions.

*Debra Sadranu  
Managing Director of Essence Group Fiji*

# FRENCH POLYNESIA

French Polynesia is known for its high-value export products like vanilla, black pearls and coconut products. PTI China's market approach to exports from French Polynesia is to target high-end and niche markets. In 2022, PTI China featured a range of Tahitian export products from skincare, candles and beverages on our WeChat channel. We also introduced a Tahitian skincare exporter to Alibaba's Mini Store programme for assessment for listing on Alibaba, China's largest e-commerce platform.



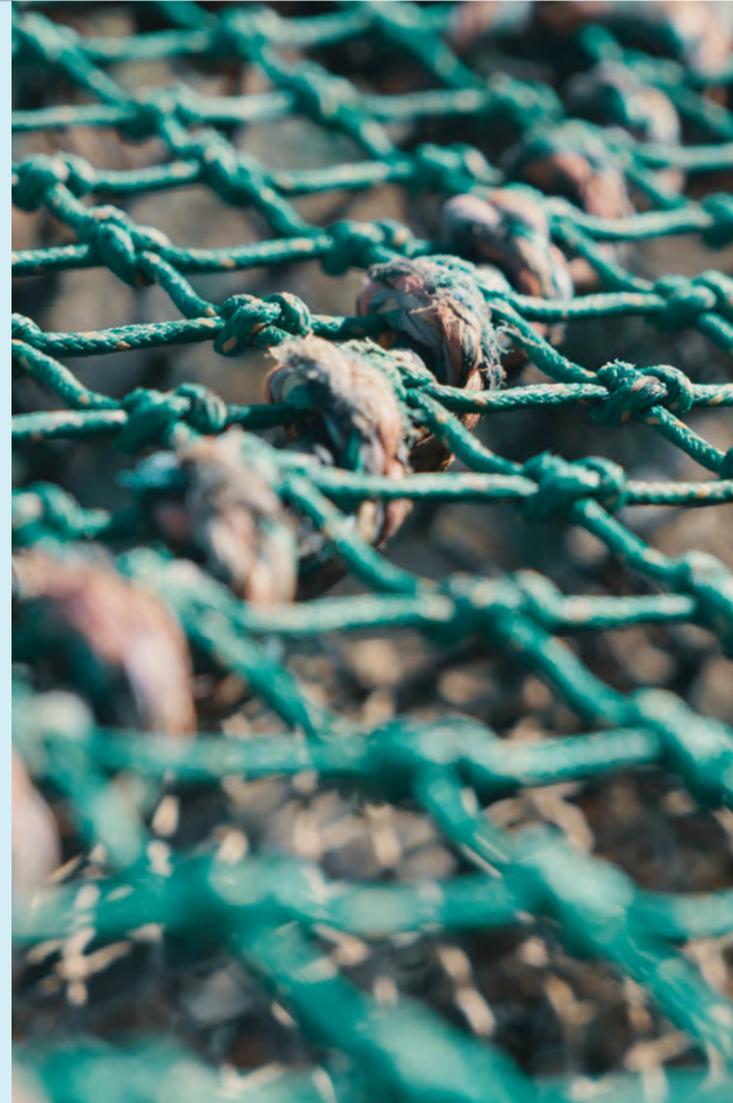
# MARSHALL ISLANDS

At the request of GACC, we provided the Marshall Islands government with China's new regulations on registration and administration for overseas manufacturers of imported food.



# KIRIBATI

PTI China's work with Kiribati in 2022 involved strengthening trade connections with China particularly in market opportunities for fisheries. We also provided an update on market access and import standards for fisheries into China.



# NEW CALEDONIA

While New Caledonia's main export to China is nickel, accounting for over 80% of all its exports, PTI China's approach to promoting New Caledonia exports was to explore high-end market opportunities for low-volume products. PTI China helped promote New Caledonian prawns to potential Chinese importers in a feature story on our WeChat channel.

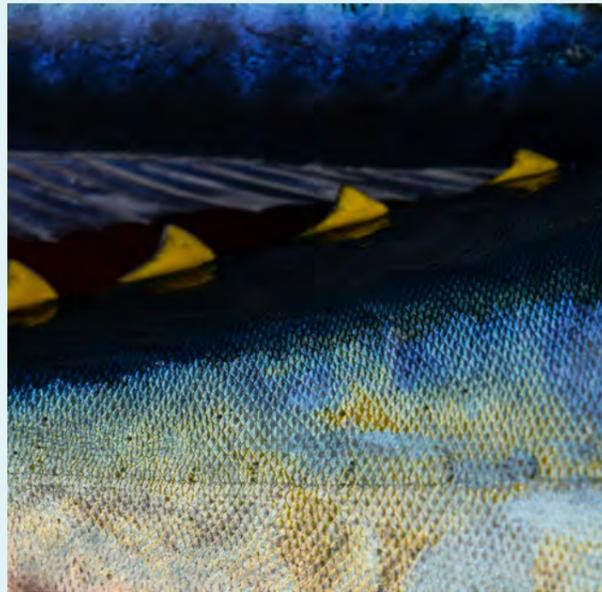
# PAPUA NEW GUINEA

In 2022, PTI China provided ongoing support to PNG's National Fisheries Authority with the implementation of its market access programme into China.

This work included facilitation of communication, translation services and following up on mandatory documents to meet import standards and regulations for PNG fisheries to China.

A total of 17 PNG fisheries and aquatic entities and exporters have now been granted market access to export to China.

Other highlights include the introduction of a PNG seafood exporter to a Chinese importer, and our work with Papua New Guinea SMEs to facilitate expressions of interest to help qualify export brands and products, and provide profiles for assessment by Alibaba.



“

**It will be good to have you and the office of the PITI during the occasion as well as the office has been part of the process. PNG is also keen on signing the protocol for live exports as well.**

*Carson Koviro  
Industry Development Officer  
Papua New Guinea's National Fisheries Authority*



# SAMOA

In 2022, the focus was on promoting Samoan noni juice in China. PTI China helped a noni company get its products exhibited at the China International Import Expo in Shanghai, and provided in-market support to facilitate shipment of noni juice to China during the country's COVID-19 import restrictions.

Our Trade Commissioner met virtually with the newly elected President of the Samoa Association of Manufacturers & Exporters Association (SAME) to discuss export opportunities to China with a view to a market visit in 2023 to meet potential buyers and importers.

# SOLOMON ISLANDS

The Solomon Islands was a feature country in PTI China's 2022 Investment Promotional Programme. In collaboration with the Solomon Islands Embassy in Beijing, PTI China facilitated the presence of the Pacific's Showcase at the China International Fair for Investments and Trade (CIFIT2022) to promote Pacific Islands products and generate commercial export and investment leads.

Our Trade Commissioner and the Solomon Islands Ambassador led a business mission to the Xiamen City to promote trade and investment opportunities in the Pacific Islands off the back of CIFIT2022, making business connections with Chinese investors.

PTI China promoted the Solomon Islands through feature stories on three leading Pacific media channels and articles in China's national newspaper China Daily, as well as a TV interview with the Trade Commissioner and Solomon Islands Ambassador on China Central Television (CCTV). We also held online training on China's import standards and market-access processes for fisheries products with the Embassy of the Solomon Islands.



“  
I am delighted to join our Trade Commissioner Mona Mato in delivering this event to promote trade and investment opportunities in the Solomon Islands – the Gem of the Pacific.

*H.E. John M. Fugui  
Solomon Islands Ambassador to China*

# TONGA

During COVID-19 import restrictions, PTI China provided ongoing support and facilitation to get samples of export products from Tonga into mainland China markets. We also engaged with the Tonga IPA to help qualify export products to be assessed by Alibaba for listing.

In response to the Pacific Islands Forum Secretariat Secretary General's appeal to assist Tonga following the eruption and tsunami there, we launched the 'Blue Pacific – Tonga Appeal' in China, a charity sale that raised FJ\$3,500.



# VANUATU

PTI China promoted investment opportunities in agricultural farming, fisheries, and tourism in Vanuatu with a potential Chinese investment company. We engaged with the Vanuatu Investment Promotion Agency to identify key export products and brands for assessment by Alibaba for listing. PTI China also introduced Alibaba Mini Store to a Vanuatu gourmet export product to assess its suitability for listing on Mini Store.



# SUPPORTING PNG FISHERIES TO GAIN MARKET ACCESS IN CHINA

PTI China continued to help the Papua New Guinea National Fisheries Authority (PNG NFA) to implement its market-access programme into China.

This work includes facilitating translations and information exchanges between PNG NFA, the General Administration of Customs of China (GACC) and the Embassy of PNG on the new COVID import policy and technical guidelines around cold-chain food production and operations.

Despite China’s considerable demand for fisheries products, its complex regulatory landscape and strict market-access regulations present significant obstacles for Pacific exporters. The compliance requirements for importing seafood products are an ongoing challenge and PTI China continues to help exporters ensure their seafood products comply with Chinese import regulations, including labelling, packaging, quality control and food safety standards.

With most of these procedures now online, PTI China has given fisheries entities comprehensive guidelines and training in the China Customs online system. We offer a training programme for Pacific embassies on market access for fisheries, which the Solomon Islands Embassy attended virtually in March 2022.

In October 2022, a further 17 export businesses were granted market access into China as a result of our assistance in submitting certifications to meet China’s import regulations for edible aquatic animal exports from PNG. We also helped connect the 17 enterprises and introduced them to potential market opportunities.

Due to border restrictions, in a first for the industry, we worked with the PNG National Fisheries Authority to facilitate virtual inspections of two PNG fisheries export facilities to assess whether the operations and processes met Chinese import standards and protocols.



**PNG is also keen on signing the protocol for live exports as well.**

*Carson Koviro  
Industry Development Officer  
Papua New Guinea’s National Fisheries Authority*

# PACIFIC SHOWCASE AT CHINA INTERNATIONAL FAIR FOR TRADE AND INVESTMENTS (CIFIT)

In September, PTI China successfully delivered a Pacific Islands showcase at the China International Fair for Investment and Trade in Xiamen.

CIFIT is an ideal platform for us to promote trade and investment opportunities in the Pacific, and we used our pavilion to highlight a range of products, including Papua New Guinean coffee, Fijian skincare, beverages, noni products and coconut oil, Solomon Islands canned tuna and soaps, Tahitian sea salt, Vanuatu wines, and handicrafts and carvings from the Solomon Islands, Papua New Guinea, and Vanuatu.

Our feature nation in 2022 was the Solomon Islands and PTI China worked with its embassy in Beijing to co-host a promotional seminar on the trade and investment opportunities available in the Solomon Islands.

The PTI China pavilion drew around 10,000 visitors during the four-day trade show and won CIFIT’s award for Most Creative Pavilion 2022.

Our participation at these market shows and expos reflects our willingness to grow business relationships and foster partnerships with Chinese businesses.



**Thank you for the work in highlighting the Pacific and, indeed, the Solomon Islands in China and the global market. It is important for us to participate in such high-profile international trade shows to tell the world of the uniqueness of our Blue Pacific region and the richness of resources we offer.**

*H.E. John M. Fugui  
Solomon Islands Ambassador to China*

MARKET INITIATIVES

# PACIFIC NICHE MARKETING SHOW 2022

The PTI China Pacific Fashion Night was one of our first events to draw on niche market opportunities in China. Two leading Pacific fashion brands and a high-end jewellery brand showcased their collections to potential Chinese buyers and fashion media in an event in Beijing's central business district.

Chinese models took to the runway giving Chinese fashion outlets and media a glimpse of the potential of Pacific fashion and accessories. We received much positive feedback, and several leads were generated from the event.



“  
Thank you so much  
for tonight's program.  
Excellent job from PT&I

*Solomon Islands Embassy in China*



# DIGITAL ECONOMY INITIATIVES

E-commerce has changed the landscape for export businesses in the Pacific. A shift to online sales lets SMEs compete in a large market with lower costs and greater convenience. It's also proving to be a powerful tool to leverage the uniqueness of the Pacific Islands and promote our Blue Pacific brand to China and the rest of Asia.

China is rapidly becoming a leader in digital innovation, with online channels eclipsing bricks and mortar retail. And as more Chinese consumers seek premium products, this creates opportunities for Pacific Island exporters to target the high-end market. Upskilling our Pacific exporters to adapt to this change has been an important focus for PTI China and we are working to help Pacific businesses learn more about online trading and processes.

## Preparing Exporters To Become China Ready

In 2022, we helped fund the Vanuatu Farmers Online Market project. The platform redirected consumers to buy online from local growers and producers, supporting the local economy during the pandemic. It also let businesses explore online opportunities by focusing first on the domestic market. Having a greater understanding of the digital ecosystem helps Pacific businesses prepare to become both export ready and China ready.

## International Online Charity Sales

We have continued to explore opportunities to gain experience working with mainstream online platforms in China. These include the annual International Online Charity Sales hosted by the Ministry of Foreign Affairs in China where we showcased products from the Pacific (including Fiji mineral water and Samoan noni tea) through live promotions on Taobao and Alibaba. This was a valuable way to understand the market, trends and consumer wants, as well as regulations, policies and some cross-border online barriers to trade. It also provided a vehicle to showcase our Blue Pacific brand, and to communicate the cultural diversity and values of our people and the unspoiled nature of our region – resulting in deepened connections between Chinese consumers and the Pacific.

## Alibaba's Mini Store Cross-Border Trading Opportunities

Under the theme 'Digitalisation 2022' PTI China has been exploring opportunities for Pacific businesses on China's largest e-commerce platforms. In a bid to find new avenues of online trade marketing for Pacific Islands SMEs, our export team held several meetings with Alibaba and the General Administration of Market Quality Supervision to discuss strategic approaches to support marketing, create awareness, and list Pacific products online.

We introduced several Blue Pacific businesses to Alibaba's Tmall Global Mini Store. This cross-border trading platform lets SMEs enjoy direct access to Alibaba's ecosystem resources and tap into the US\$900 million purchasing power of the Chinese domestic market. We sent expressions of interest (EOIs) to investment promotional agencies and national chambers of commerce in Fiji, Samoa, Vanuatu, Cook Islands, Papua New Guinea and Tonga, seeking export-ready business with a strategy for China. Having assessed these EOIs, Alibaba confirmed that there was potential to list FMCG products, such as beverages, coconut products, coffee and skincare, on the Tmall Global Mini Store. PTI China is pleased to help our qualified Pacific enterprises list their products on China's largest online shopping platform.

# POST-PANDEMIC DIVERSIFICATION

Two key challenges for Pacific businesses in 2022 have been the rising cost of products and raw materials, and poor cashflow. To mitigate these issues, PTI China has been exploring new avenues of trade for Pacific businesses in the Chinese market. We have encouraged those looking to maximise their brand value and competitiveness in China to investigate product diversification – particularly as part of their post-pandemic recovery. A significant proportion of SMEs have chosen to diversify their products and services, while others are seeking our help with their diversification strategies.

For example, working with an agricultural client from Samoa, we explored ways to diversify Pacific product offerings to meet Chinese market demands. We introduced the Samoan company to a Chinese processing business virtually so they could discuss potential business opportunities. The Chinese company had experience in resource recycling and an interest in coconut biproducts. It is now investigating opportunities in the Pacific Islands, where an abundance of high-quality coconut shells can be used to manufacture activated carbon.

Connecting Pacific businesses to Chinese importers, buyers and businesses is one of our key service offerings. This particular connection provides a huge opportunity for two businesses to achieve their goals through a diversification strategy, with an emphasis on sustainability, post-pandemic recovery, and increased employment opportunities in the Pacific Islands. Both businesses are confident that this cooperation will meet market demands and build resource capacity and productivity, with a view to a possible joint venture partnership.



## Using Social Media To Augment Marketing Initiatives

Pacific Trade Invest China (PTI) has been working on a Mini Program on WeChat that will serve to connect Pacific exporters with potential Chinese buyers.

Part of our effort to leverage China's booming digital economy involves finding the most suitable platforms to list Pacific products and capitalise on trading opportunities. We have been studying China's major digital e-commerce platforms including Baidu, Alibaba and Tencent, and have established our presence on some of them. PTI China's WeChat channel has provided an effective way to showcase Pacific brands, products and cultures, while also promoting our organisation's own brand and profile.

# APPENDICES

## Media Releases

### Pacific Focus 2022

- Produced and published article entitled “Ecommerce is breaking barriers and leading innovation in China” on globalisation and digitalisation.
- Produced an opinion piece entitled “Learning from China’s ecommerce evolution” on the China’s digitalisation experience that the Pacific can reference to.
- Produced an article entitled “Alibaba’s Mini Store: A Cross-Border Trading Opportunity for Pacific Enterprises” on cross-border trade, digitalisation and how PTI China supports SMEs during the COVID-19 period.
- Produced the article “Supporting Pacific SMEs in Business Diversification and Exploring New Markets”. This covered how PTI China supports Samoa’s agricultural SMEs to develop new business by facilitating the connection with a Chinese buyer of coconut shells as raw material to manufacture activated carbon.

### China Daily

- Produced an article featuring the Trade Commissioner’s and the Solomon Islands Ambassador’s editorial piece on business opportunities between China, the Pacific and the Solomon Islands.

### Pacific publications

- Published an article in Solomon Star on PTI China’s work in attracting Chinese investments and trade opportunities to the Solomon Islands at CIFT 2022.
- Published two articles in Fiji Times and PacNews on the Trade Commissioner’s editorial piece on PTI China’s strategy to help Pacific businesses through COVID.



### Industry magazines

- Delivered an article to Bazaar magazine, an international high-end business and lifestyle publication, featuring the Pacific Fashion Night.

### Video production

- Produced three short videos on PTI China’s highlights at CIFT 2022 featuring the Trade Commissioner and Solomon Islands Ambassador’s engagement at the fair.

### WeChat Channel

- Produced a feature on Fijian brand Punjas ahead of the Hotelex show 2022 in Shanghai.
- Off the back of Beijing’s hosting of the Winter Olympics, featured key products from the Pacific, including coconut oil brands and skincare products.
- Promoted investment opportunities in Fiji featuring three tourism accommodation properties.
- Featured news articles displaying Fiji skincare brands, beer, coffee and wine.
- Promoted the Pacific Fashion Marketing Show featuring two Pacific fashion designers.
- Promoted the Bilum culture of PNG.
- Promoted two Solomon Islands skincare brands.
- Featured a Fijian spice brand on WeChat.
- Promoted the Fijian sea cucumber industry, its sustainable harvest and trading policy, and nine sea cucumber exporters gaining trading licences with the international market.
- Promoted a Tahitian beverage brand, skincare products, Tahitian candles and sea salt products.
- Promoted the Blue Prawns of New Caledonia.
- Promoted Commissioner Mato’s editorial piece on PTI China’s strategy to help Pacific businesses through COVID.
- Feature article produced on PTI China’s creative award-winning stand at the China International Fair for Investment and Trade.



# APPENDICES

## Stakeholder Engagement

- Center for China and Globalization (CCG) – PTI China engaged in strategic collaboration on green energy initiatives in the form of joint studies, joint seminars, and pilot projects on solar energy.
- China Overseas Development Association – the PTI China team explored opportunities to co-host investment activities at the Association’s future investment forums.
- Embassy of Tonga – the TC met with the Ambassador of Tonga to discuss fundraiser opportunities for the Tongan tsunami and offered PTI China’s support.
- Embassy of Samoa – welcomed and hosted the new Ambassador of Samoa to China. During this visit to the PTI China office, discussions focused on areas to strengthen collaboration around Samoan trade opportunities in China.
- China’s Ministry of Foreign Affairs – at the invitation of the government of China, the TC attended the opening and closing ceremonies of the Beijing Winter Olympics 2022. The TC also attended the opening of the China-Pacific Island Countries Climate Action Cooperation Centre. The TC attended quarterly meetings with Deputy Director General of China’s Foreign Affairs to provide updates on PTI China activities and outcomes to date, and to present the 2021 Audit Report. The TC facilitated a first meeting between the DDG of China’s Foreign Affairs, the Chinese Embassy in Suva and the Director of Programs & Initiatives, Zarak Khan, to discuss funding arrangements and regional initiatives. The TC attended the online China-Pacific Climate Change Centre launch in the Shandong Province organised by the Ministry of Foreign Affairs.
- Pacific Islands Ambassadors Group (PIAG) – the TC attended the PIAG quarterly meetings to discuss areas of collaboration and updates on the quarter’s trade and investment activities. The TC attended the Pacific Islands Ambassadors and China’s Ministry of Foreign Affairs on China’s position in relation to the China-Solomon Islands security agreement.
- Online meeting with President of Samoa Association of Manufacturers Association to discuss export opportunities.
- Embassy of Kiribati – hosted and welcomed the new Ambassador of Kiribati to China, provided administrative support for the opening of the Kiribati Embassy in Beijing, and attended the National Day of Kiribati hosted by the Ambassador and the embassy.
- China-Pacific Scholarships Program – provided ongoing support to Pacific Island students under the China-Pacific Scholarships program by facilitating academic extensions, and logistical and travel arrangements.



# AUDITOR'S REPORT

## To Pacific Trade Invest China



### Opinion

We have audited the accompanying financial statements of Pacific Trade Invest China (hereafter referred to as "the Trade Commission"), which comprise the statement of financial position as at December 31, 2022, the statement of expenses for the reporting year then ended, and notes to the financial statements.

In our opinion, the accompanying financial statements present fairly, in all material respects, the financial position of the Trade Commission as at December 31, 2022, and its operating results and its cash flows for the year ended in accordance with Accounting Standards for Business Enterprises.

### Basis for Opinion

We conducted our audit in accordance with China Standards on Auditing ("CSAs"). Our responsibilities under those standards are further described in the auditor's responsibilities for the audit of the financial statements section of our report. We are independent of the Trade Commission in accordance with the Code of Ethics for Professional Accountants of the Chinese Institute of Certified Public Accountants ("CICPA Code"), and we have fulfilled our other ethical responsibilities in accordance with the CICPA Code. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

### Other Matters

This audit report is intended solely for the annual reporting to the Pacific Islands Forum Secretariat (PIFS) by the Trade Commission and should not be used for any other purpose.

### Responsibilities of the Management and Those Charged with Governance for the Financial Statements

Management is responsible for the preparation and fair presentation of the financial statements in accordance with the requirements of Accounting Standards for Business Enterprises, and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is responsible for assessing the Trade Commission's ability to continue as a going concern, disclosing, if applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Trade Commission or to cease operations, or has no realistic alternative but to do so.

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

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

As part of an audit in accordance with CSAs, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

1. Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
2. Obtain and understand of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Trade Commission's internal control.
3. Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
4. Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Trade Commission's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Trade Commission to cease to continue as a going concern.
5. Evaluate the overall presentation (including the disclosures), structure and content of the financial statements, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

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

BDO China Shu Lun Pan CPAs LLP

Date: March 13, 2023

Footnote: This audit report is an English translation of the official PTI China audit report. The official audit report is available on request.

# 2022 FINANCIALS

## Pacific Trade Invest China Statement of Financial Position

As at December 31, 2022

(All the amounts are denominated in CNY unless otherwise stated.)

ASSETS	NOTE	AS AT DECEMBER 31, 2022	AS AT DECEMBER 31, 2021
<i>Current assets:</i>			
Cash and cash equivalents	5.1	3,387,384.22	2,054,594.3
Financial assets held for trading			
Derivative financial assets			
Notes receivable			
Accounts receivable			
Receivables financing			
Advances to suppliers	5.2	—	135,000.00
Other receivables	5.3	63,077.78	59,762.85
Inventories			
Contract assets			
Assets held for sale			
Non-current assets maturing within one year			
Other current assets			
<b>Total current assets</b>		<b>3,450,462.00</b>	<b>2,249,357.21</b>
<i>Non-current assets:</i>			
Creditor's right investments			
Available-for-sale financial assets			
Other creditor's right investments			
Held-to-maturity investments			
Long-term receivables			
Long-term equity investments			
Other investments in equity instrument			
Other non-current financial assets			
Investment properties			
Fixed assets	5.4	105,482.36	204,658.64
Construction in progress			
Right-of-use assets	5.5	—	256,737.99
Intangible assets			
Development costs			
Goodwill			
Long-term deferred expenses			
Deferred tax assets			
Other non-current assets			
<b>Total non-current assets</b>		<b>105,482.36</b>	<b>461,396.63</b>
<b>Total assets</b>		<b>3,555,944.36</b>	<b>2,710,753.84</b>

## Pacific Trade Invest China Statement of Financial Position (Continued)

As at December 31, 2022

(All the amounts are denominated in CNY unless otherwise stated.)

LIABILITIES AND OWNERS' EQUITY	NOTE	AS AT DECEMBER 31, 2022	AS AT DECEMBER 31, 2021
<i>Current liabilities:</i>			
Short-term borrowings			
Financial liabilities held for trading			
Derivative financial liabilities			
Notes payable			
Accounts payable			
Advances from customers			
Contract liabilities			
Employee benefits payable			
Taxes and surcharges payable			
Other payables	5.6	82,788.33	75,675.23
Liabilities held for sale			
Non-current liabilities maturing within one year	5.7	—	256,692.90
Other current liabilities			
<b>Total current liabilities</b>		<b>82,788.33</b>	<b>332,368.13</b>
<i>Non-current liabilities:</i>			
Long-term borrowings			
Bonds payable			
Lease liabilities			
Long-term payables			
Long-term employee benefits payable			
Provisions			
Deferred income			
Deferred tax liabilities			
Other non-current liabilities			
<b>Total non-current liabilities</b>			
<b>Total liabilities</b>		<b>82,788.33</b>	<b>332,368.13</b>
<i>Owners' equity:</i>			
Paid-in capital (or share capital)			
Other equity instruments			
Capital reserves			
Other comprehensive income			
Special reserves			
Surplus reserves			
Retained profits			
Other owners' equity		314,776.36	314,776.36
Balance of appropriation		3,158,379.67	2,063,609.35
<b>Total owners' equity</b>		<b>3,473,156.03</b>	<b>2,378,385.71</b>
<b>Total liabilities and owners' equity</b>		<b>3,555,944.36</b>	<b>2,710,753.84</b>

## Pacific Trade Invest China Statement of Expenses

As at December 31, 2022

(All the amounts are denominated in CNY unless otherwise stated.)

ITEMS	NOTES	2022	2021
<b>Revenue</b>			
Appropriation received from headquarter		4,229,335.00	4,235,728.93
Interest income		2,450.41	1,616.64
Tax return revenue		50,196.17	49,484.23
Other income		0.21	505.00
<b>Total revenue</b>		<b>4,281,981.79</b>	<b>4,287,334.80</b>
<b>Expenses</b>			
<b>Financial expenses</b>		<b>-347,590.36</b>	<b>92,432.64</b>
Foreign exchange gain		-359,360.78	78,647.53
Bank expenses		11,770.42	13,785.11
<b>General and administrative expenses</b>		<b>2,852,496.29</b>	<b>2,757,660.66</b>
Salaries		2,139,201.47	1,464,147.79
Depreciation cost		388,247.66	368,082.23
Third parties service fees		147,994.41	80,139.10
Motor vehicle expenses		47,165.51	29,405.81
Telecommunication fees		41,594.95	39,823.51
Office supply and service		27,779.47	25,803.23
Warehouse rental fee		18,000.00	36,000.00
Office Maintenance cost		17,743.16	7,888.56
Labor cost		16,800.00	329,800.00
Utilities		4,752.65	5,371.77
Express & postage		1,899.23	3,850.12
Transportation		1,317.78	4,159.59
PTI network governance		—	314,389.12
PR & marketing expenses		—	32,009.21
Training fee		—	15,940.00
Others		—	850.62
<b>Work program expenses</b>		<b>682,305.54</b>	<b>582,848.69</b>
Investment promotion		131,431.62	116,881.68
Trade promotion		322,767.60	207,491.37
Special projects		110,652.04	89,179.58
Marketing & Communications		117,454.28	—
Tourism promotion		—	169,296.06
<b>Impairment of assets</b>		<b>—</b>	<b>—</b>
<b>Total expenses</b>		<b>3,187,211.47</b>	<b>3,432,941.99</b>
<b>3. Balance of appropriation</b>		<b>1,094,770.32</b>	<b>854,392.81</b>



**COOK ISLANDS**

**NAURU**

**FEDERATED STATES  
OF MICRONESIA**

**NIUE**

**FRENCH POLYNESIA**

**SAMOA**

**PAPUA NEW GUINEA**

**KIRIBATI**

**SOLOMON ISLANDS**

**PALAU**

**REPUBLIC OF  
MARSHALL ISLANDS**

**TUVALU**

**FIJI ISLANDS**

**TONGA**

**NEW CALEDONIA**

**VANUATU**



**Pacific Trade Invest**  
**CHINA**