



MELANESIAN FREE TRADE AGREEMENT

**TRADE AGREEMENT AMONG THE MELANESIAN SPEARHEAD GROUP (MSG)
COUNTRIES**

2016

MELANESIAN FREE TRADE AGREEMENT

PREAMBLE

The Government of the Republic of Fiji, the Government of the Independent State of Papua New Guinea, the Government of the Solomon Islands and the Government of the Republic of Vanuatu (hereafter referred to individually as "Party" and collectively as "Parties");

Conscious of the overriding need to foster, accelerate and encourage the economic and social development of their States in order to improve the living standards of their peoples;

Convinced that the promotion of harmonious economic development of their States calls for effective economic cooperation largely through a determined and concerted policy of greater self-reliance;

Recalling the Agreed Principles of Co-operation Among Independent States of Melanesia signed by the Parties in Port Vila on 14 March 1988, wherein the Parties undertake *inter alia* to promote economic co-operation between their States;

Mindful of the close historical, political, economic, geographic and cultural links that binds them, reflected in the Agreement Establishing the Melanesian Spearhead Group signed on 23 March 2007;

Desiring to expand trade and economic relations between their countries on the basis of the principles of sovereignty, equality, mutual benefit and most favoured nation treatment for the purpose of enhancing their respective economic development, taking into account environmental sustainability in compliance with the Parties' domestic laws, regulations and relevant international laws.

Determined to foster closer economic and other relationships among their States and to contribute to the progress and development of their countries as well as the Pacific Islands region;

Reaffirming their commitments made under the Revised Trade Agreement among the Melanesian Spearhead Group Countries signed in 2005;

Believing a sound framework for the implementation of their commitments and for the broadening and deepening of trade and economic relations over time is necessary;

Convinced that deeper economic integration within the Melanesian Spearhead Group, beyond the Free Trade Area, need to be pursued to enhance economic development and uplift the livelihoods of people in Melanesia;

Have agreed as follows:

Chapter 1 Initial Provisions

Article 1.1 Interpretation

1. In this Agreement, unless the context otherwise require:

Agreement means the **Melanesian Free Trade Agreement** including the Annexes and Schedules thereto;

Agreement on Customs Valuation means the Agreement on Implementation of Article VII of the General Agreement on Tariffs and Trade 1994 in Annex 1A to the WTO Agreement;

Committee on Trade in Goods means the Committee on Trade in Goods established in terms of Article 2.13;

Committee on Trade in Services means the Committee on Trade in Services established in terms of Article 6.81;

Council means the Trade Ministerial Council established in terms of Article 12.1 of this Agreement;

Customs duties include any duty or charges of any kind imposed in connection with the importation of a good, and any surtaxes or surcharges imposed in connection with such importation, but do not include:

- (i) charges equivalent to an internal tax imposed consistently with Article III:2 of the GATT 1994, including excise duties and goods and services tax;
- (ii) any anti-dumping or countervailing duty applied consistently with the provisions of Article VI of GATT 1994, the Agreement on Implementation of Article VI of the General Agreement on Tariffs and Trade 1994, as may be amended and the Agreement on Subsidies and Countervailing Measures in Annex 1A to the WTO Agreement, as may be amended; and
- (iii) fees or other charges that are limited in amount to the approximate cost of services rendered;

Days mean calendar days, including weekends and holidays;

Director General means the Director General of the Secretariat of the Melanesian Spearhead Group;

GATS means the General Agreement on Trade in Services in Annex 1B to the WTO Agreement;

GATT 1994 means the General Agreement on Tariffs and Trade 1994 in Annex 1A to the WTO Agreement;

HS Code means the Harmonized Commodity Description and Coding System established by the International Convention on the Harmonized Description and Coding System signed at Brussels on 14

June 1983, as amended;

IMF Articles of Agreement means the Articles of Agreement of the International Monetary Fund;

MFTA means the Melanesian Free Trade Area, established in terms of Article 1.2.1 of this Agreement;

MSG means the Melanesian Spearhead Group established under Article 2 of the Agreement establishing the Melanesian Spearhead Group.

Originating good means a good that qualifies as originating under Annex 1 (Rules of Origin);

Secretariat means the Secretariat of the Melanesian Spearhead Group;

STOM means the Senior Trade Officials Meeting established in terms of Article 12.2 of this Agreement

WTO means the World Trade Organization; and

WTO Agreement means the Marrakesh Agreement Establishing the World Trade Organization, done on 15 April 1994.

2. In this Agreement, unless the context otherwise requires, words importing the singular include the plural and vice versa.

Article 1.2 Melanesian Free Trade Area

1. The Parties hereby establish, consistent with Article XXIV of the GATT 1994, the Melanesian Free Trade Area (herein referred to as "the MFTA").
2. Each Party shall ensure the conformity of its laws, regulations and administrative procedures with its obligations as provided in the Agreement.
3. Each Party shall take such reasonable measures as may be available to it to ensure observance of the provisions of this Agreement by the regional and local governments and authorities within its territories.

Article 1.3 Observer Status

1. Permanent observer status is accorded to the Front de Liberation National de Kanak Socialist (FLNKS) until such time as New Caledonia becomes a Party to this Agreement.
2. The Parties may, at their discretion, accord observer status to this Agreement to any State, Territory or Self-Governing Entity that is not a Party to this Agreement.

Article 1.4 Objectives

The objectives of this Agreement are to:

- (a) progressively liberalise and facilitate trade in goods among the Parties through, *inter alia*, progressive elimination of tariff and non-tariff barriers in substantially all trade in goods among the Parties;
- (b) ensure as far as possible that trade between the Parties takes place under conditions of fair competition and treatment;
- (c) establish a co-operative framework for the progressive strengthening, diversifying and enhancing trade, investment and economic links among the Parties; and
- (d) establish a framework for broadening and deepening of economic integration among the parties and the negotiation of further commitments on, *inter alia*, trade in services, labour mobility, cross-border investment, public procurement, intellectual property rights, competition policy, environmental sustainability and for the harmonious resolution of trade disputes.

Article 1.5 **Relationship to Other Agreements**

1. Each Party reaffirms its rights and obligations under the WTO Agreement and other agreements which the Parties are party to.
2. Nothing in this Agreement shall be construed to derogate from any right or obligation of a Party under the WTO Agreement and other agreements which the Parties are party to.
3. In the event of any inconsistency between this Agreement and any other agreement to which two or more Parties are party, such Parties shall immediately consult with a view to finding a mutually satisfactory solution.
4. Nothing in this Agreement shall prevent any Party from entering into any agreement with any other State, Territory or Self-Governing Entity relating to trade in goods, trade in services, cross-border investment, labour mobility, public procurement, environment, other trade-related matters and other areas of economic co-operation.

Chapter 2 Trade in Goods

Article 2.1 Scope

Except as otherwise provided, this Chapter shall apply to trade in all goods between the Parties.

Article 2.2 Most Favoured Nation Treatment

1. Parties shall accord immediately and unconditionally to each other Party any more favourable treatment given to a third party, including under trade arrangements with a third party entered after the entry into force of this Agreement.
2. Where a Party concludes negotiation of an arrangement relating to matters covered by this Chapter, it shall forthwith notify the other Parties of the terms of the arrangement and shall enter into consultations in relation to its obligations under Paragraph 1.

Article 2.3 Quantitative Restrictions

No Party shall adopt or maintain any prohibition or quantitative restrictions on the importation of any good of any other Party or on the exportation of any good destined for the territory of any other Party, except in accordance with its WTO rights and obligations or this Agreement. To this end, Article XI of GATT 1994 forms part of this Agreement, *mutatis mutandis*.

Article 2.4 National Treatment

Each Party shall accord national treatment to goods of other Parties in accordance with Article III of GATT 1994. To this end, Article III of GATT 1994 forms part of this Agreement, *mutatis mutandis*.

Article 2.5 Elimination of Tariffs

1. Except as otherwise provided in this Agreement, each Party shall eliminate customs duties on all originating goods of the other Parties.
2. For purposes of paragraph 1, each Party shall undertake a phased reduction and eventual elimination of customs duties, in accordance with its commitments as contained in the tariff liberalisation schedule in Annex 2.1 to this Chapter.
3. Nothing in this Chapter shall require the reduction or elimination of customs duties on originating goods falling within the chapters of the Harmonised Commodity Description and Coding System listed in Annex 2.2 to this Chapter.

4. For greater certainty, in accordance with its obligations under Article 2.2 no Party shall provide more favourable treatment to a third party in relation to the products referred to in paragraph 3.

Article 2.6
Originating goods and eligibility for preferential tariff treatment

1. For the purpose of this Chapter, originating goods are the goods defined as such under the rules set out in Annex 2.3 to this Chapter.
2. Subject to paragraph 2 of Article 2.5, originating goods shall be eligible for preferential tariff treatment when imported into the territory of a Party.
3. The Parties shall review the rules set out in the Annex on Rules of Origin periodically and may modify any of the rules by a decision of the Parties on the recommendation of the Committee on Trade in Goods.

Article 2.7
Safeguards

Multilateral Safeguards

1. Each Party retains its rights and obligations under Article XIX of GATT 1994, the WTO Safeguards Agreement and Article 5 of the WTO Agreement on Agriculture. This Agreement does not confer any additional rights or obligations on the Parties with regard to global safeguard measures.
2. A Party considering the imposition of a multilateral safeguard measure on an originating good of another Party or Parties shall initiate consultations with that Party or Parties as far in advance of taking such measure as practicable.
3. Considering the overall development objectives of this Agreement and the small sizes of the economies of the Parties, any Party applying any multilateral safeguard measures shall exclude imports from the other Parties from any such measure taken pursuant to Article XIX of the GATT 1994 and the WTO Agreement on Safeguards, if such imports are non-injurious.

Regional Safeguards

4. For the purposes of this Article:

Domestic industry means:

- (a) the producers of a given product, or like or directly competitive products, operating within the territory of a Party, or
- (b) those whose collective output of relevant products constitutes a major proportion of the total domestic production of those products;

Serious injury means a significant overall impairment in the position of a domestic industry;

Threat of serious injury means serious injury that is clearly imminent.

5. Where a Party has conducted an investigation under this Article and has determined that a product is being imported into its territory from another Party in such quantities, absolute or relative to domestic production, and under such conditions as to cause or threaten to cause serious injury to the domestic industry which produces like or directly competitive products, the first Party may apply a safeguard measure to that product.
6. No Party shall apply a safeguard measure unless its investigation under this Article demonstrates, on the basis of objective evidence, the existence of the causal link between imports of the product concerned and serious injury or threat of serious injury. When factors other than imports are causing injury to the domestic industry at the same time, the safeguard measure may only be taken proportionate to the injury caused by the imports.
7. Consistent with the objectives of this Agreement, the Parties shall endeavour to avoid taking safeguard measures unless all other reasonable courses of action have been exhausted. No Party shall take safeguard measures unless it has fully complied with the requirements set out in this Article.

Notification

8. A Party shall immediately notify the other Parties upon:
 - (a) initiating an investigation in relation to the taking of safeguard measures;
 - (b) making a finding that safeguard measures is justified;
 - (c) deciding to take provisional safeguard measures; and
 - (d) deciding to take or extend safeguard measures.
8. A notification under Paragraph 5 shall include, as appropriate, the proposed measures, the proposed date of introduction, expected duration, timetable for progressive liberalisation of the action, and all other relevant information. The Parties may request any additional information they consider necessary.
9. A Party proposing to take or extend safeguard measures shall provide adequate opportunity for prior consultations with other Parties, with a view to reviewing the information provided under Paragraph 6, exchanging views on the safeguard measures, and reaching a mutually satisfactory resolution of the situation. An adequate opportunity for consultations shall be deemed to have been provided if the Party proposing to take or extend safeguard measures notifies, and provides to the information specified in Paragraph 6, the other Parties not less than 60 days prior to taking or extending such measures. Where prior consultations cannot be held in cases of provisional safeguard measures, the Party shall enter into consultations immediately after taking provisional safeguard measures.

Investigation

10. A Party wishing to take safeguard measures pursuant to this Article shall first conduct a public investigation to determine whether such action is justified under this Agreement. The investigation shall include reasonable public notice to all interested persons, and an inquiry where importers, exporters and other interested persons can present evidence and make submissions, respond to the presentations of other persons, and submit their views as to whether the proposed safeguard action would be in the public interest.
11. In its investigation to determine whether safeguard measures are justified, the Party shall evaluate all relevant factors of an objective and quantifiable nature having a bearing on the situation of that industry.
12. The Party shall promptly publish a detailed report setting out its findings, the evidence on which its findings are based, and reasoned conclusions reached on all pertinent issues of fact and law.

Provisional Measures

13. In critical circumstances where delay would cause the adverse effects that justify safeguard measures under this Article, a Party may take provisional safeguard measures pursuant to a preliminary determination that there is clear evidence that safeguard measures are justified. The duration of such measures shall not exceed 200 days, during which period the procedures set out in this Article shall be met. The duration of such measures shall be counted as a part of the initial period of the safeguard measures and any extensions referred to in this Article.
14. Any provisional safeguard measures shall take the form of tariff increases. If the investigation required by this Article does not determine that increased imports have caused or threaten to cause serious injury to a domestic industry provisional safeguard measures shall be promptly rescinded and any increased tariffs paid shall be promptly refunded or, where agreed to by the importer, credited.

Extent and Duration of Measures

15. A Party may apply a safeguard measure to a product by imposing or increasing tariffs for the minimum period and to the minimum extent necessary to prevent the serious injury caused by imports. In so doing, Parties shall take safeguard measures that minimises restriction or distortion of trade and that is, as far as possible, consistent with the objectives of this Agreement.
16. The initial period of application of a safeguard measure shall not exceed four years. The total period of application of a safeguard measure, including any extensions, shall not exceed eight years.

Extension of Measures

- 17.(1) A Party may extend safeguard measures, provided that it has conducted a further investigation and determined, in accordance with the procedures set out in this Article, including the limitations on the period of application of safeguard measures set out in paragraph 16, which the safeguard measures continue to be justified under this Article.

- (2) Safeguard measures may not be extended unless there is evidence that they continue to be necessary to prevent or remedy serious injury and the domestic industry is continuing to adjust to the situation.

Phasing Out of Measures

18. Where the expected duration of safeguard measures is over one year, the Party taking the measures shall progressively liberalise the measures at regular intervals during the period of application. If the duration of the action exceeds three years, the Party taking such action shall review the situation not later than the mid-term of the measures and, if appropriate, withdraw it or increase the pace of liberalisation. Action extended under Paragraph 13 shall not be more restrictive than it was at the end of the initial period, and shall continue to be liberalised.

Restrictions

19. No safeguard measures shall be applied to the import of a product before the greater of:

- (a) two years; or
- (b) the total period of time, including any extension, during which the safeguard measures were applied

has elapsed since the safeguard measures were in effect in relation to the same or like products.

20. Notwithstanding the provisions of paragraph 6, safeguard measures with duration of 180 days or less may be applied again to the import of a product if:

- (a) at least one year has elapsed since the date of introduction of the safeguard measures on the import of that product; and
- (b) safeguard measures have not been applied on the same product more than twice in the five year period immediately preceding the introduction of the measure.

21. No Party shall apply safeguard measures to the import of a product until two years have elapsed following the completion or termination of measures taken to protect the domestic industry of that Party producing like or directly competitive goods under Article 2.8.

Article 2.8 Development of Industry

1. Where a Party has determined that a product is being imported into its territory from another Party in such quantities and under such conditions as to materially retard the establishment of a domestic industry in like or directly competitive products in the first Party, the first Party may raise tariffs where permitted by paragraph 2. Before raising tariffs, that Party shall notify the other Parties of its intention to do so.
2. No Party shall raise tariffs under this Article unless it can demonstrate, on the basis of objective evidence, the existence of the causal link between imports of the good concerned and the material retardation of

the establishment of the domestic industry. Tariffs shall not be raised further than necessary to prevent the material retardation caused by the imports.

3. Subject to Paragraph 4, the initial period of action taken under this Article shall not exceed five years, or ten years in the case of measures taken by Least Developed Countries. This period shall not be extended unless the domestic industry has been established and there is evidence that the action continues to be necessary in order for it to adjust to competition. The total period of action taken under this Article shall not exceed ten years, or fifteen years in the case of measures taken by Least Developed Countries.
4. Where the expected duration of action taken under this Article is over one year, the Party taking the action shall review the necessity of such action every two years and promptly notify all Parties of the results of this review.
5. No tariffs shall be raised under this Article before the developing domestic industry has commenced production
6. The Parties shall periodically review the operation of this Article with a view to ensuring the Article does not become an unjustifiable restriction on trade between the Parties or inconsistent with the rights and obligations of the Parties under other trade agreements.
7. For greater certainty, in accordance with its obligations under Article 2.2 no Party shall raise tariffs on products under this Article where the result would be to provide more favourable treatment to products from third party.

Article 2.9 Modification of Commitments

1. In exceptional circumstances, the Council may agree to suspend the commitment of a Party to reduce and eliminate tariffs on a product under Article 2.5. The suspension of commitments shall not be used in a manner inconsistent with the obligations of the Parties under the WTO Agreement.
2. The Secretariat shall immediately publish any decision to suspend the obligations of a Party taken pursuant to Article 2.9.

Article 2.10 Dumped and Subsidised Imports

1. Each Party retains its rights and obligations under Article VI of GATT 1994, the WTO Agreement on Implementation of Article VI of GATT 1994 and the WTO Agreement on Subsidies and Countervailing Measures.
2. The provisions of this Section shall not be subject to the provisions of Annex on Rules of Origin.

Article 2.11
General and Security Exceptions

1. For the purposes of this Chapter, Article XX of GATT 1994 forms part of this Agreement, *mutatis mutandis*.
2. For the purposes of this Agreement, the Parties understand that measures referred to in Article XX(f) of GATT 1994 include measures necessary to protect national treasures or specific sites of historical or archaeological value, or measures necessary to support creative arts of national value.
3. The term "Creative arts" include the performing arts - including theatre, dance and music - visual arts and craft, literature, film and video, language arts, creative on-line content, indigenous traditional practice and contemporary cultural expression, and digital interactive media and hybrid art work, including those that use new technologies to transcend discrete art form divisions. The term encompasses those activities involved in the presentation, execution and interpretation of the arts, and the study and technical development of these art forms and activities.
4. For the purposes of this Chapter, Article XXI of the GATT forms part of this Agreement, *mutatis mutandis*.

Article 2.12
Measures to Safeguard the Balance of Payments

1. Where a Party is in serious balance of payments and external financial difficulties or under threat thereof, it may in accordance with GATT 1994 and the Understanding on the Balance-of-Payments Provisions of the General Agreement on Tariffs and Trade 1994 in Annex 1A to the WTO Agreement, adopt restrictive import measures.
2. Any restrictions adopted or maintained by a Party under paragraph 1, or any changes therein, shall be notified promptly to the other Parties.

Article 2.13
Committee on Trade in Goods

2. The Parties hereby establish a Committee on Trade in Goods consisting of representatives of the Parties.
3. The Committee on Trade in Goods may meet at the request of any Party or the Senior Trade Officials Meeting to consider any matter arising under this Chapter, Chapter 3 (Customs Procedures and Trade Facilitation), Chapter 4 (Sanitary and Phytosanitary Measures) or Chapter 5 (Standards, Technical Regulations and Conformity Assessment Procedures).
4. The Committee on Trade in Goods shall be the forum for all negotiations relating to trade in goods under the MFTA. Its functions shall include:
 - (a) Reviewing implementation of, and measures taken pursuant to, Chapters referred to in paragraph 2;

- (b) Considering reports from Sub-Committees and or working groups;
 - (c) Reviewing and recommending changes to the Annex on Rules of Origin to the Parties;
 - (d) Identifying and recommending measures to promote and facilitate improved market access;
 - (e) Reporting to the Senior Trade Officials' Meeting.
5. The Committee on Trade in Goods may establish subsidiary working groups to attend to specific issues on trade in goods under this Agreement.
 6. The meetings of the Committee on Trade in Goods may be in person or by any other means as mutually determined by the Parties.

Article 2.14
Contact Points and Consultations

1. Each Party shall designate a contact point to facilitate communication among the Parties on any matter relating to this Chapter.
2. Where a Party considers that any proposed or actual measure of another Party or Parties may materially affect trade in goods between the Parties, that Party may, through the contact point, request detailed information relating to that measure and, if necessary, request consultations with a view to resolving any concerns about the measure. The other Party or Parties shall respond promptly to such requests for information and consultations.

ANNEX 2.1

TARIFF LIBERALISATION SCHEDULES (Article 2.5.2)

(1) Fiji's Schedule

Fiji has eliminated customs duty on all tariff lines on MSG originating goods

(2) Papua New Guinea's Schedule

Papua New Guinea has eliminated customs duty on all tariff lines on MSG originating goods with the exception of tariff lines and goods listed in the schedule below.

HS 2012 Tariff Item	Description of goods	Duty Rates		
		Year 2016	Year 2017	Year 2018
1604.15.00	Mackerel	6%	Free	Free
1701	Cane or beet sugar and chemically pure sucrose, in solid form.	30%	Free	Free
2501.00.10	Salt package in containers/bags less than 25kg	6%	Free	Free

(3) Solomon Islands' Schedule

Solomon Islands has eliminated customs duty on all tariff lines on MSG originating goods with the exception of tariff lines and goods listed in the schedule below.

HS2002 Tariff item	HS2012 Tariff item	Description of goods	Duty rates	
			Year 2016	Year 2017
0207.1100	0207.1100	Of fowls of the species <i>Gallus domesticus</i> : Meat not cut in pieces, fresh or chilled	6%	0%
0207.1200	0207.1200	Of fowls of the species <i>Gallus domesticus</i> : Meat not cut in pieces, frozen	6%	0%
0207.1300	0207.1300	Of fowls of the species <i>Gallus domesticus</i> : Cuts and offal, fresh or chilled	6%	0%
0207.1400	0207.1400	Of fowls of the species <i>Gallus domesticus</i> : Cuts and offal, frozen	6%	0%

0407.0090	0407.2100	Birds' eggs, in shell, fresh, preserved or cooked, other fresh eggs: of fowls of the species <i>Gallus domesticus</i>	6%	0%
	0407.2900	Birds' eggs, in shell, fresh, preserved or cooked, other fresh eggs: other	6%	0%
	0407.9000	Birds' eggs, in shell, fresh, preserved or cooked, other fresh eggs: other	6%	0%
1507.1000	1507.1000	Soya-bean crude oil, whether or not degummed	6%	0%
1507.9000	1507.9000	Other soya bean oil and its fractions, whether or not refined but not chemically modified	6%	0%
1508.1000	1508.1000	Ground-nut crude oil	6%	0%
1508.9000	1508.9000	Other ground-nut oil and its fractions, whether or not refined but not chemically modified	6%	0%
1509.0000	1509.1000	Virgin Olive oil and its fractions, whether or not refined, but not chemically modified.	6%	0%
	1509.9000	Other Olive oil and its fractions, whether or not refined, but not chemically modified.	6%	0%
1510.0000	1510.0000	Other oils and their fractions, obtained solely from olives whether or not refined, but not chemically modified, including blends of these oils or fractions with oils or fractions of heading 1509.00.00	6%	0%
1511.1000	1511.1000	Palm crude oil	6%	0%
1511.9000	1511.9000	Other palm oil and its fractions, whether or not refined but not chemically modified	6%	0%
1512.1100	1512.1100	Sunflower-seed or safflower crude oil,	6%	0%
1512.1900	1512.1900	Other sunflower-seed or safflower oil and its fractions, whether or not refined but not chemically modified.	6%	0%
1512.2100	1512.2100	Cotton-seed crude oil, whether or not gossypol has been removed.	6%	0%
1512.2900	1512.2900	Other cotton-seed oil and its fractions, whether or not refined but not chemically modified.	6%	0%
1514.1100	1514.1100	Low curie acid rape or colza crude oil.	6%	
1514.1900	1514.1900	Other low uric acid rape or colza oils and fractions thereof, whether or not refined, but not chemically modified	6%	0%
1514.9100	1514.9100	Other rape, colza or mustard crude of	6%	
1514.9900	1514.9900	Other rape, colza or mustard oil and fractions thereof, whether or not refined, but not chemically modified.	6%	0%
2201.0000	2201.1000	Mineral waters and aerated waters.	6%	0%
	2201.9000	Other Waters	6%	0%
2804.0000	2804.1000	Hydrogen gas	6%	0%
	2804.2100	Rare; Argon gas	6%	0%
	2804.2900	Rare; Other gases	6%	0%
	2804.3000	Nitrogen	6%	0%
	2804.4000	Oxygen	6%	0%
	2804.5000	Boron; tellurium	6%	0%
	2804.6100	Silicon: containing by weight not less than 99.9% of silicon	6%	0%
	2804.6900	Other Silicon	6%	0%
	2804.7000	Phosphorus	6%	0%
	2804.8000	Arsenic	6%	0%
	2804.9000	Selenium	6%	0%

2849.0000	2849.1000	Carbides, whether or not chemically defined of calcium	6%	0%
	2849.2000	Carbides, whether or not chemically defined of silicon.	6%	0%
	2849.9000	Other carbides, whether or not chemically defined.	6%	0%
3401.1100	3401.1100	Soap and organic surface-active acts and preparations, in the form of bars, cakes, moulded pieces or shapes, and paper, wadding, felt and nonwovens, impregnated, coated or covered with soap or detergent, for toilet use (including medicated products)	6%	0%
6103.0000	6103.1000	Men's or boys' suits (other than swimwear) knitted or crocheted.	6%	0%
	6103.2200	Men's or boys' Ensembles of cotton (other than swimwear) knitted or crocheted	6%	0%
	6103.2300	Men's or boys' Ensembles of synthetic fibres (other than swimwear) knitted or crocheted	6%	0%
	6103.2900	Men's or boys' Ensembles of other textile materials (other than swimwear) knitted or crocheted	6%	0%
	6103.3100	Jackets and blazers of wool or fine animal hair (other than swimwear) knitted or crocheted	6%	0%
	6103.3200	Jackets and blazers of cotton (other than swimwear) knitted or crocheted	6%	0%
	6103.3300	Jackets and blazers of synthetic fibres (other than swimwear) knitted or crocheted	6%	0%
	6103.3900	Jackets and blazers of other textile materials (other than swimwear) knitted or crocheted	6%	0%
	6103.4100	Trousers, bib and brace overalls, breeches and shorts of wool or fine animal hair (other than swimwear) knitted or crocheted	6%	0%
	6103.4200	Trousers, bib and brace overalls, breeches and shorts of cotton (other than swimwear) knitted or crocheted	6%	0%
	6103.4300	Trousers, bib and brace overalls, breeches and shorts of synthetic fibres (other than swimwear) knitted or crocheted	6%	0%
	6103.4900	Trousers, bib and brace overalls, breeches and shorts of other textile materials (other than swimwear) knitted or crocheted	6%	0%
6104.0000	6104.1300	Women's or girls' suits of synthetic fibres (other than swimwear) knitted or crocheted	6%	0%
	6104.1900	Women's or girls' suits of other textile materials (other than swimwear) knitted or crocheted	6%	0%
	6104.2200	Women's or girls' Ensembles of cotton (other than swimwear) knitted or crocheted	6%	0%
	6104.2300	Women's or girls' ensembles of synthetic fibres (other than swimwear) knitted or crocheted	6%	0%
	6104.2900	Women's or girls' Ensembles of other textile materials (other than swimwear) knitted or crocheted	6%	0%
	6104.3100	Women's or girls' Jackets and blazers of wool or fine animal hair (other than swimwear) knitted or crocheted	6%	0%
	6104.3200	Women's or girls' Jackets and blazers of cotton (other than swimwear) knitted or crocheted	6%	0%

	6104.3300	Women's or girls' Jackets and blazers of synthetic fibres (other than swimwear) knitted or crocheted	6%	0%
	6104.3900	Women's or girls' Jackets and blazers of other textile materials (other than swimwear) knitted or crocheted	6%	0%
	6104.4100	Women's or girls' dresses of wool or fine animal hair (other than swimwear) knitted or crocheted	6%	0%
	6104.4200	Women's or girls' dresses of cotton (other than swimwear) knitted or crocheted	6%	0%
	6104.4300	Women's or girls' dresses of of synthetic fibres (other than swimwear) knitted or crocheted	6%	0%
	6104.4400	Women's or girls' dresses of artificial fibres (other than swimwear) knitted or crocheted	6%	0%
	6104.4900	Women's or girls' dresses of other textile materials (other than swimwear) knitted or crocheted	6%	0%
	6104.5100	Women's or girls' skirts and divided skirts of wool or fine animal hair (other than swimwear) knitted or crocheted	6%	0%
	6104.5200	Women's or girls' skirts and divided skirts of cotton (other than swimwear) knitted or crocheted	6%	0%
	6104.5300	Women's or girls' skirts and divided skirts of synthetic fibres (other than swimwear) knitted or crocheted	6%	0%
	6104.5900	Women's or girls' skirts and divided skirts of other textile materials (other than swimwear) knitted or crocheted	6%	0%
	6104.6100	Women's or girls' trousers, bib and brace overalls, breeches and shorts of wool or fine animal hair (other than swimwear) knitted or crocheted	6%	0%
	6104.6200	Women's or girls' trousers, bib and brace overalls, breeches and shorts of cotton (other than swimwear) knitted or crocheted	6%	0%
	6104.6300	Women's or girls' trousers, bib and brace overalls, breeches and shorts of synthetic fibres (other than swimwear) knitted or crocheted	6%	0%
	6104.6900	Women's or girls' trousers, bib and brace overalls, breeches and shorts of other textile materials (other than swimwear) knitted or crocheted	6%	0%
6109.9090	6109.9090	Other T-shirts, singlets and other vests, knitted or crocheted, of other textile materials	6%	0%
7611.0010	7611.0000	Aluminium reservoirs, tanks, vats and similar containers, for any material (other than compressed or liquefied gas), of a capacity exceeding 300 l, whether or not lined or heat-insulated, but not fitted with mechanical or thermal equipment.	6%	0%
	9404.2100	Mattresses of cellular rubber or plastics, whether or not covered	6%	0%
9404.2000	9404.2900	Mattresses of other materials	6%	0%

(4) Vanuatu's Schedule

Vanuatu has eliminated customs duty on all tariff lines on MSG originating goods.

ANNEX 2.2

SCHEDULE OF EXCEPTED PRODUCTS (Article 2.5.3)

1. Chapter 22 (Beverages, Spirits and Vinegar), with the exception of goods falling under the following Headings:
 - (a) 2201 (Waters, including natural or artificial mineral waters and aerated waters, not containing added sugar or other sweetening matter nor flavoured; ice and snow),
 - (b) 2202 (Waters, including mineral waters and aerated waters, containing added sugar or other sweetening matter or flavoured, and other non-alcoholic beverages, not including fruit or vegetable juices of heading 20.09), and
 - (c) 2209 (Vinegar and substitutes for vinegar obtained from acetic acid);
2. Chapter 24 (Tobacco and Manufactured Tobacco Substitutes).

ANNEX 2.3

MSG RULES OF ORIGIN (Article 2.6)

Article 1 Originating Goods

For the purpose of Chapter 2 (Trade in Goods), this Annex contains provisions for determining whether or not goods are originating goods of a Party.

Article 2 Definitions

For the purposes of this Annex:

Aquaculture means the cultivation, propagation or farming of aquatic organisms including fish, molluscs, crustaceans, other aquatic invertebrates and aquatic plants, from seed stock such as eggs, fry, fingerlings, spawn, spat, seed including rearing and larvae, by intervention in the rearing or growth processes to enhance production such as regular stocking, feeding, or protection from predators;

Customs administration means the department or agency of a Party tasked with the legal responsibility to administer its Customs laws;

CIF Value means the value of the good imported and includes the cost of freight and insurance up to the port or place of entry into the country of importation. The valuation shall be made in accordance with Article VII of GATT 1994 and the Agreement on Customs Valuation;

Days means calendar days including weekends and holidays;

FOB value means the free-on-board value of the good, inclusive of the cost of transport to the port or site of final shipment abroad. The valuation shall be made in accordance with Article VII of GATT 1994 and the Agreement on Customs Valuation;

Generally accepted accounting principles means the recognized consensus or substantial authoritative support in a Party, with respect to the recording of revenues, expenses, costs, assets and liabilities; the disclosure of information; and the preparation of financial statements. These standards may encompass broad guidelines of general application as well as detailed standards, practices and procedures;

Good means any merchandise, product, article or material;

Indirect material means a good used in the production, testing, or inspection of a good but not physically incorporated into the good, or a good used in the maintenance of buildings or the operation of equipment associated with the production of a good, including:

- (i) fuel and energy;

- (ii) tools, dies and moulds;
- (iii) spare parts and materials used in the maintenance of equipment and buildings;
- (iv) lubricants, greases, compounding materials and other materials used in production or used to operate equipment and buildings;
- (v) gloves, glasses, footwear, clothing, safety equipment and supplies; equipment, devices and supplies used for testing or inspecting goods;
- (vi) catalysts and solvents; and
- (vii) any other goods that are not incorporated into the good but whose use in the production of the good can reasonably be demonstrated to be a part of that production;

Material means any matter or substance used or consumed in the production of goods or physically incorporated into a good or subjected to a process in the production of another good;

Non-originating good or **non-originating material** means a good or material that does not qualify as originating under this Annex;

Originating good or **originating material** means a good or material that qualifies as originating under this Annex;

Packing materials and containers for transportation means goods used to protect a good during its transportation, different from those containers or materials used for its retail sale;

Producer means a person who grows, mines, raises, harvests, fishes, traps, hunts, farms, captures, gathers, collects, breeds, extracts, manufactures, processes or assembles a good;

Production means methods of obtaining goods including growing, mining, harvesting, farming, raising, breeding, extracting, gathering, collecting, capturing, fishing, trapping, hunting, manufacturing, producing, processing or assembling a good;

Territory of a Party means the land, territorial sea and exclusive economic zone of that Party, and the seabed and subsoil over which it exercises sovereign rights or jurisdiction with respect to natural resources in accordance with international law.¹

¹For the avoidance of doubt, nothing contained in the above definition shall be construed as conferring recognition or acceptance by one Party of the outstanding maritime and territorial claims made by any other Party, nor shall be taken as pre-judging the determination of such claims.

Article 3

Originating goods

1. For the purposes of this Annex, goods imported by a Party will be deemed originating goods if the goods are:
 - (a) wholly obtained or produced in the territory of a Party as defined in Article 5 (Goods Wholly Obtained or Produced);
 - (b) produced in the territory of a Party provided such goods met the requirements of Article 6 (Goods Not Wholly Obtained or Produced);
 - (c) produced in the territory of a Party exclusively from originating materials from one or more of the Parties; or
 - (d) otherwise qualifies as an originating good under this Annex;and meets all other applicable requirements of this Annex.
2. A good that complies with the origin requirements of Paragraph 1 will retain its eligibility for preferential tariff treatment if exported to a Party and subsequently re-exported to another Party.

Article 4

Application

The Parties will use the rules for the determination of the origin of goods set out in this Annex as the basis for the determination of originating goods under arrangements providing for preferential tariff treatment for goods exported from one Party and imported into another Party after entry into force of this Agreement.

Article 5

Goods wholly obtained or produced

For the purposes of Article 3.1 (Originating Goods), the following goods shall be considered as wholly obtained or produced:

- (a) plants and plant goods, including fruit, flowers, vegetables, trees, seaweed, fungi and live plants, grown, harvested, picked, or gathered in the territory of a Party;
- (b) live animals born and raised or born and reared in the territory of a Party;
- (c) goods obtained from live animals in the territory a Party;
- (d) goods obtained from hunting, trapping, fishing, farming, aquaculture, gathering, or capturing in the territory of a Party;
- (e) minerals and other naturally occurring substances extracted or taken from the soil, waters, seabed or beneath the seabed in the territory of a Party;

- (f) goods of sea-fishing and other marine goods taken from the high seas, in accordance with international law, by any vessel registered or recorded with a Party and entitled to fly the flag of that Party;
- (g) goods produced on board any factory ship registered or recorded with a Party and entitled to fly the flag of that Party from the goods referred to in Subparagraph (f);
- (h) goods taken by a Party, or a person of a Party, from the seabed or beneath the seabed beyond the Exclusive Economic Zone and adjacent Continental Shelf of that Party and beyond areas over which third parties exercise jurisdiction under exploitation rights granted in accordance with international law;
- (i) goods which are:
 - (i) waste and scrap derived from production in the territory of a Party provided that such goods are fit only for the recovery of raw materials; or
 - (ii) used goods collected in the territory of a Party provided that such goods are fit only for the recovery of raw materials; and
- (j) goods produced or obtained in the territory of a Party solely from products referred to in Subparagraphs (a) to (i) or from their derivatives.

Article 6
Goods not wholly obtained or produced

1. For the purposes of Article 3.1 (Originating Goods) goods, not being goods wholly obtained or produced as defined in Article 5, that have undergone processing, manufacture or transformation in a Party and exported from the Party and imported into another Party shall only be treated as originating goods, if the non-originating materials in them have been sufficiently worked or processed to attain any one of the following:
 - (a) a change in tariff classification at the 6-digit level of the Harmonized System; or
 - (b) a regional value content (RVC) of not less than 30 per cent of the FOB Value, calculated using the formulae as described in Article 7 (Calculation of Regional Value Content), and the final process of production is performed within the territory of a Party.
2. A Party shall permit the producer or exporter of the good to decide whether to use either paragraph 1(a), or (b) when determining if the good is originating.

Article 7
Calculation of Regional Value Content (RVC)

1. For the purposes of Article 6 (Goods Not Wholly Obtained or Produced), the formula for calculating the regional value content will be:

$$RVC = \frac{V - VNM}{V} \times 100$$

where:

“RVC” is the regional value content, expressed as a percentage;

“V” is the FOB value of the good, as provided in Paragraph 2; and

“VNM” is the value of non-originating materials, including materials of undetermined origin, as provided in Paragraph 3 and Article 8 (Value of Non-Originating Materials).

2. The value of a good referred to in Paragraph 1 shall be the FOB value of the goods.
3. The value of non-originating materials or materials of undetermined origin referred to in Paragraph 1 shall be:
 - (a) the CIF value at the time of importation of the materials; or
 - (b) the earliest ascertainable price paid or payable for the non-originating materials, including materials of undetermined origin, in the territory of the Party where the working or processing takes place.
4. The value of goods under this Annex shall be determined in accordance with Article VII of GATT 1994 and the Agreement on Customs Valuation.

Article 8 **Value of non-originating materials**

1. Each Party shall provide that, for non-originating material or material of undetermined origin included under Article 7.3 (Calculation of Regional Value Content), the following expenses shall be deducted from the value of the material:
 - (a) the costs of freight, insurance, packing, and all other costs incurred in transporting the material within or between the Parties territories to the location of the producer;
 - (b) duties, taxes, and customs brokerage fees on the material paid in the territories of one or more of the Parties, other than duties and taxes that are waived, refunded, refundable, or otherwise recoverable, including credit against duty or tax paid or payable;
 - (c) the cost of waste and spoilage resulting from the use of the material in the production of the good, less the value of renewable scrap or by-product;
 - (d) the cost of processing incurred in the territory of one or more of the Parties in the production of the non-originating material; and

- (e) the cost of originating materials used or consumed in the production of the non-originating material in the territory of one or more of the Parties.
2. For the purposes of this Annex, all costs shall be recorded and maintained in accordance with the generally accepted accounting principles applicable in the territory of the Party in which the good is produced or manufactured.

Article 9 **Cumulative rules of origin**

1. A good is originating where the good is produced in the territory of one or more of the Parties by one or more producers provided the good satisfies the requirements in Article 3.1 (Originating Goods) and all other applicable requirements in this Annex.
2. For the purposes of Article 3.1 (Originating Goods), originating goods or materials of any of the Parties used in the production of a good in the territory of another Party shall be considered to originate in the territory of the latter Party.
3. For the purposes of Article 3.1 (Originating Goods), production that occurs in the territory of one or more of the Parties by one or more producers may count as qualifying content in the origin determination of a good regardless of whether that production was sufficient to confer originating status to the materials themselves.

Article 10 **Minimal operations and processes**

Where a claim for origin is based on a regional value content, the operations or processes listed below, undertaken by themselves or in combination with each other for the purposes listed below will be considered to be minimal and will not confer origin:

- (a) operations necessary for ensuring preservation of goods in good condition for the purposes of transport or storage;
- (b) facilitating shipment or transportation;
- (c) quality control inspection;
- (d) simple processes, consisting of sifting, classifying, washing, cutting, slitting, bending, coiling, mixing and uncoiling and other similar operations;
- (e) affixing of marks, labels or other like distinguishing signs on products or their packaging;
- (h) mere dilution with water or another substance that does not materially alter the characteristics of the goods; and
- (i) disassembly.

Article 11
De minimis

1. Goods that do not satisfy a change in tariff classification requirement pursuant to Article 6 (Goods Not Wholly Obtained or Produced) will nonetheless be originating goods if:
 - (a) for goods other than those classified in Chapters 50 to 63 of the HS Code, the value of all non-originating materials used in the production of the goods that did not undergo the required change in tariff classification do not exceed 15 per cent of the FOB value of the goods;
 - (b) for goods classified in Chapters 50 to 63 of the HS Code, the weight of all non-originating materials used in its production that did not undergo the required change in tariff classification does not exceed 15 per cent of the total weight of the good, or the value of all non-originating materials used in the production of the good that did not undergo the required change in tariff classification does not exceed 15 per cent of the FOB value of the good.
2. The goods under Paragraph 1 must meet all other applicable requirements of this Annex.

Article 12
Accessories, spare parts, tools or instructional and information materials

1. For the purposes of determining the origin of a good, accessories, spare parts, tools and instructional or other information materials presented with the good shall be considered part of that good and will be disregarded in determining whether all the non-originating materials used in the production of the originating good have undergone the applicable change in tariff provided that:
 - (a) the accessories, spare parts, tools and instructional or other information materials presented with the good are not invoiced separately from the originating good; and
 - (b) the quantities and value of the accessories, spare parts, tools and instructional or other information materials presented with the good are customary for that good.
2. Notwithstanding Paragraph 1, if the goods are subject to a regional value content requirement, the value of the accessories, spare parts, tools and instructional or other information materials presented with the good will be taken into account as originating or non-originating materials, as the case may be, in calculating the regional value content of the good.
3. Paragraphs 1 and 2 do not apply where accessories, spare parts, tools and instructional or other information materials presented with the goods have been added solely for the purpose of artificially raising the regional value content of that good.

Article 13
Identical and interchangeable materials

For the purpose of establishing if goods are originating, when the manufacture of those goods utilises originating and non-originating materials that are identical or interchangeable, the determination of whether the identical and interchangeable materials are originating materials will be made either by physical segregation of each of the materials or by the use of generally accepted accounting principles of stock control applicable, or inventory management practice, in the exporting Party.

Article 14
Treatment of packing materials and containers

1. Packing materials and containers for transportation and shipment of a good will not be taken into account in determining the origin of any good.
2. Packing materials and containers in which goods are packaged for retail sale, where classified with the goods, will not be taken into account in determining whether all of the non-originating materials used in the production of the good have met the applicable change in tariff classification requirements for the good.
3. If a good is subject to a regional value content requirement, the value of the packing materials and containers in which the good is packaged for retail sale will be taken into account as originating or non-originating materials, as the case may be, in calculating the regional value content of the good.

Article 15
Indirect materials

An indirect material shall be treated as an originating material without regard to where it is produced and its value will be the cost registered in the accounting records of the producer of the good.

Article 16
Recording of costs

For the purposes of this Annex, all costs will be recorded and maintained in accordance with the generally accepted accounting principles applicable in the Party in which the goods are produced.

Article 17
Direct consignment

1. Goods shall be directly transported among the Parties in order for them to retain their originating status under Article 3 (Originating Goods), and eligibility for preferential tariff treatment.
2. Notwithstanding the provisions of paragraph 1, goods will retain their originating status under Article 3 (Originating Goods), and eligibility for preferential tariff treatment, where the goods have been transported through a non-Party provided that:
 - (a) the goods have not entered the commerce of a non-Party; or

- (b) the transit entry is for geographical, economic or logistical reasons; or
- (c) the goods have been shown in or utilized at an exhibition in a non-Party; and
- (d) the goods have not undergone subsequent production or any other operation in the territory of a non-Party other than unloading, reloading, storing, any other operation necessary to preserve the goods in good condition, repacking, relabeling, or any other operation necessary to transport the goods to the territory of the importing Party, and
- (e) the goods have remained under Customs control or surveillance while within the territory of the non-Party

Article 18
Goods in storage

1. In accordance with Article 19 (Treatment of Goods for which Preference is Claimed), the Customs administration of the importing Party will grant preferential tariff treatment for originating goods of the exporting Party that, on the date this Agreement comes into effect are:
 - (a) in the process of being transported from the exporting Party; or
 - (b) has not been released from Customs control; or
 - (c) is in storage in a warehouse regulated by the Customs administration of the importing Party.
2. In order to make a claim for preferential tariff treatment under Paragraph 1, the importer will need to:
 - (a) be satisfied the good meets all applicable requirements of this Annex; and
 - (b) submit a Declaration or Certificate of Origin in accordance with this Annex to the Customs administration of the importing Party.

Article 19
Treatment of goods for which preference is claimed

1. In respect of a good imported from any other Party for which an importer claims preferential tariff treatment, each Party shall notify the other Parties whether it accepts:
 - (a) a declaration as to origin on the export invoice or a certificate of origin; or
 - (b) a certificate of origin:
2. Where a Party accepts either a declaration as to origin on the export invoice or a certificate of origin, an exporter or producer may elect to use either the former or the latter.

Article 20
Declaration of origin

1. A claim that goods are eligible for preferential tariff treatment shall be supported by
 - (a) a “Declaration of MSG Origin” made by the exporter or producer of the goods on the export invoice or other export document issued for the goods, in the form set out in the Second Schedule of this Annex, or
 - (b) a declaration of MSG origin contained on an “MSG Certificate of Origin” in the form set out in the Third Schedule of this Annex.
2. The Parties, over a period of five years from the date this Agreement enters into force, shall phase out the use of the MSG Certificate of Origin and adopt the sole use of the “Declaration of MSG Origin” on the export invoice or other export document issued for the goods.

Article 21
Denial of preferential tariff treatment

1. The Customs administration of the importing Party shall deny a claim for preferential tariff treatment if:
 - (a) the goods do not qualify as originating goods under this Annex; or
 - (b) the importer, exporter or producer fails to comply with any of the relevant requirements of this Annex.
2. In the event preferential tariff treatment is denied the Customs administration of importing Party will provide in writing to the exporter, the importer or producer, as the case may be, full reasons for that denial.

Article 22
Simplified trade procedures for cross-border travellers

1. Parties recognize the need for trade liberalisation under the Melanesian Free Trade Area to benefit the generality of the people of the MSG, including the small-scale and informal cross-border travellers.
2. In recognition of the barriers and challenges faced by the small scale travellers in complying with the eligibility for preferential tariff treatment requirements under this Annex, Parties shall develop and adopt simplified trade procedures for small scale and individual travellers to accord preferential tariff treatment on originating goods they import from the territory of one Party into another.

3. The simplified trade procedures may include a common list of agreed qualifying products, a simplified MSG Certificate of Origin, customs or other documentation for the purpose and may have value or quantity thresholds as may be agreed by the Parties.

Article 23
Costs incurred in origin verification

1. The costs of complying with any request for verification under Rules 4 and 5 of the First Schedule (Verification of Origin and Verification Visits), shall ordinarily be borne by the requesting Party or the Party that visits an exporter or producer, as the case may be, in the territory of the other Party.
2. Where extraordinary costs arise, these will be resolved by mutual agreement between Parties.

Article 24
Review and appeal

1. The importing Party will grant the right of review or appeal in matters relating to the eligibility for preferential tariff treatment to producers, exporters or importers of goods traded or to be traded between the Parties, in accordance with its domestic laws, regulations and administrative practices.
2. Where no right of review or appeal exists in a Party in matters relating to the eligibility for preferential tariff treatment to producers, exporters or importers of goods traded or to be traded between the Parties, that Party shall endeavour to establish such rights of appeal.

Article 25
Cooperation

1. The Parties recognise that their objectives in relation to their sustainable development, in particular through an increase in exports, are more likely to be met if the private sector in the Parties is educated on the potential benefits arising from the implementation of the rules of origin in this Annex.
2. In recognition of potential challenges that the Parties may face in the implementation of the rules of origin in this Annex, the Parties shall establish, subject to availability of resources, or seek the necessary support for the establishment of, programmes to achieve the following:
 - (a) the education of the private sector in the Parties to enhance its understanding of the business opportunities that may be created by the rules of origin in this Annex and to enable compliance with the requirements of this Annex; and
 - (b) the building of capacity and development of legislation and procedures for the implementation of the commitments of the Parties on rules of origin under this Agreement.

Article 26
Meetings on rules of origin

1. The Committee on Trade in Goods will meet as required to review the operation and implementation

of this Annex (including the Appendices thereto). Each Party shall endeavour to ensure that representatives from the relevant government agencies attend sessions where the implementation of this Annex is reviewed.

2. The Committee on Trade in Goods may recommend to the STOM the adoption, amendment or revocation of rules in the First Schedule (Origin Certification and Verification Schedule).
3. All decisions relating to the rules of origin shall be made by mutual agreement of the Parties.
4. The Parties may establish working groups to consider specified issues within the scope of this Annex (including the Schedules thereto) composed of representatives of any Parties that wish to take part in each working group. Each working group may meet as mutually determined by the Parties represented in the working group and will report back the outcome of any discussions to the Parties.

Article 27 Consultations

A Party may notify any other Party of its wish to enter into consultations in relation to any matter arising from the implementation of this Annex. The Party so requested will enter into consultations in good faith and as soon as possible, with a view to seeking a mutually satisfactory resolution. The consulting Parties will promptly notify all other Parties of any outcomes of their consultations.

Article 28 Review and amendment

1. The Parties undertake to conduct a general review of the operation of this Annex no later than three years after it enters into effect, and thereafter at regular intervals.
2. This Annex may be amended at any time by the decision of the Council on the recommendation of the STOM.
3. Notwithstanding paragraph 2, the Schedules to this Annex constitute an integral part of the Annex and may be amended at any time by the decision of the STOM on the recommendation of the Committee on Trade in Goods.

FIRST SCHEDULE

ORIGIN CERTIFICATION AND VERIFICATION PROCEDURES

Rule 1

Support for claim for preferential treatment

A claim that goods are eligible for MSG preferential tariff treatment shall be supported by a declaration as to the origin of the good from the exporter or producer on the export invoice (Rule 2) or a certificate of origin issued by the Customs administration of the exporting Party (Rule 3).

Rule 2

Declaration of origin on the export invoice

1. The declaration of origin under Rule 1 shall be made on the export invoice, which together constitute the Declaration of Origin, shall be completed in English, be clearly legible and not obscure other information.
2. The declaration shall comprise a statement relevant to the applicable origin criterion for the goods concerned as given in the Second Schedule to this Annex:
3. Slight discrepancies as between the wording and detail stated on the Declaration of Origin submitted to the Customs administration of the importing Party in clearance of goods that have no material effect shall not, of themselves, cause any claim for preferential tariff treatment to be denied.
4. The Declaration of Origin under paragraph 1 may be made in respect of one or more goods.
5. The Declaration of Origin under paragraph 1 shall remain valid for a period of one year from the date on which the respective documents were issued.
6. A pro-forma invoice shall not be acceptable for the purposes of claiming tariff preference.
7. If the exporter is not the producer of the goods referred to on the Declaration of Origin under paragraph 1, that exporter may complete and sign the declaration on the basis of:
 - (a) the exporter's knowledge of whether the good qualifies as an originating good; or
 - (b) a producer's written declaration that the good qualifies as an originating good.
8. If the Declaration of Origin is more than one page, then subsequent pages shall be numbered in sequence. For example: a three-page Declaration of Origin invoice shall be numbered as 1 of 3, 2 of 3 and 3 of 3.
9. The requirements outlined in paragraphs 1 to 8 may be revised or modified by agreement of the Parties in the Senior Trade Officials' Meeting.
10. In the absence of sufficient evidence to prove the status of the originating good as may be required under this Annex, the Customs administration of the importing Party may require payment of Most Favoured Nation ("MFN") duties or the deposit of a security equivalent to the amount of duties that would be payable if preferential tariff treatment did not apply.

Rule 3
Certificates of origin

1. The Customs administration of each Party shall provide the names, addresses, specimen signatures of the officials authorised to authenticate MSG Certificates of Origin under this Schedule, and specimens of their impressions of official seals or date stamps to the other Parties, through the Secretariat.
2. For the purposes of paragraph 1, the Customs administrations shall submit, electronically to the Secretariat, the above information and specimens for the Secretariat's dissemination to the other Parties. Any subsequent changes shall be promptly notified through the Secretariat.
3. Any MSG Certificate of Origin that has not been authenticated by an official authorised and notified in terms of paragraphs 1 and 2, may not be honoured by the Customs administration of the importing Party.
4. For the purpose of determining originating status, the Customs administrations shall have the right to call for supporting documentary evidence and or other relevant information to carry out any check considered appropriate in accordance with respective domestic laws, regulations and administrative practices.
5. The manufacturer, producer, or exporter of the good or its authorized representative shall apply in writing or by electronic means to the Customs administration of the exporting Party, in accordance with the exporting Party's domestic laws, regulations and the Customs administration's procedures, requesting a pre-exportation examination of the origin of the good to be exported.
6. The result of the pre-exportation examination in paragraph 5, subject to review periodically or whenever appropriate, will be accepted as the supporting evidence in issuing a MSG Certificate of Origin for the good to be exported thereafter.
7. Pre-exportation examination need not apply to a good for which, by its nature, origin can be easily determined.
8. The manufacturer, producer, or exporter of the good or its authorized representative must apply for the MSG Certificate of Origin by providing appropriate supporting documents and other relevant information, proving that the good to be exported qualifies as originating.
9. The Customs administration shall, to the best of its competence and ability, carry out proper examination, in accordance with the domestic laws and regulations of the exporting Party or the procedures of the Customs administration, upon each application for the MSG Certificate of Origin to ensure that:
 - (i) the application and the Certificate of Origin are duly completed and signed by the authorized signatory;
 - (ii) the good is an originating good in accordance with Article 3 (Originating Goods) of the Annex;

- (iii) other statements in the MSG Certificate of Origin correspond to appropriate supporting documents and other relevant information; and
- 10. The format of the Certificate of Origin is as shown in the Third Schedule to this Annex (Specimen MSG Certificate of Origin).
- 11. The MSG Certificate of Origin will comprise one original and two copies.
- 12. The Certificate of Origin will:
 - (i) be in hardcopy;
 - (ii) bear a unique reference number separately given by each place or office of issuance;
 - (iii) be in the English language; and
 - (iv) bear an authorized signature and official seal of the issuing Customs administration. The signature and official stamp may be applied electronically.
- 13. The original Certificate of Origin will be forwarded by the exporter to the importer for submission to the Customs administration of the importing Party. Copies will be retained by the issuing Customs administration and the exporter.
- 14. Multiple goods declared on the same Certificate of Origin will be allowed, provided that each good is originating in its own right.
- 15. To implement Article 3 (Originating Goods) of this Annex, the Certificate of Origin issued by the Customs administration will specify the relevant origin conferring criteria.
- 16. Neither erasures nor superimpositions will be allowed on the Certificate of Origin. Any alteration will be made by striking out the erroneous material and making any addition required. Such alterations will be approved by a person authorized to sign the Certificate of Origin and certified by the appropriate Customs administration. Unused spaces shall be crossed out to prevent any subsequent unauthorised additions.
- 17. The Certificate of Origin will be issued as near as possible to, but no later than three working days after, the date of exportation.
- 18. Where a Certificate of Origin has not been issued as provided for in Paragraph 1 due to involuntary errors or omissions or other valid causes, the Certificate of Origin may be issued retroactively, but no longer than 12 months from the date of exportation, bearing the words "ISSUED RETROACTIVELY".
- 19. In the event of theft, loss or destruction of a Certificate of Origin, the manufacturer, producer, exporter or its authorized representative may apply to the issuing Customs administration for a certified true copy of the original Certificate of Origin. The copy shall be made on the basis of the

export documents in their possession and bear the words "CERTIFIED TRUE COPY". This copy will bear the date of issuance of the original Certificate of Origin. The certified true copy of a Certificate of Origin shall be issued no longer than 12 months from the date of issuance of the original Certificate of Origin.

20. For the purpose of claiming preferential tariff treatment, the importer will submit to the Customs administration at the time of import declaration the Certificate of Origin and other documents as required, in accordance with the procedures of the Customs administration or domestic laws and regulations of the importing Party.
21. Notwithstanding paragraph 1, a Party may elect not to require the submission of the Certificate of Origin.
22. The following time limits for the presentation of the Certificate of Origin will be observed:
 - (i) the MSG Certificate of Origin shall be valid for a period of 12 months from the date of issue and must be submitted to the Customs administration of the importing Party within that period;
 - (ii) where the Certificate of Origin is submitted to the Customs administration of the importing Party after the expiration of the time limit for its submission, such Certificate of Origin shall still be accepted, subject to the importing Party's domestic laws, regulations or administrative practices, when failure to observe the time limit results from *force majeure* or other valid causes beyond the control of the importer and/or exporter; and
 - (iii) the Customs administration of the importing Party may accept such Certificate of Origin, provided that the goods have been imported before the expiration of the time limit of that Certificate of Origin.
23. Where the origin of the good is not in doubt, the discovery of minor transcription errors or discrepancies in documentation shall not *ipso facto* invalidate the Certificate of Origin, if it does in fact correspond to the goods submitted.
24. For multiple goods declared under the same Certificate of Origin, a problem encountered with one of the goods listed will not affect or delay the granting of preferential tariff treatment and customs clearance of the remaining goods listed in the Certificate of Origin.
25. Each Party will require that the Customs administration, manufacturer, producer, exporter, importer, and their authorized representatives maintain for a period of not less than three years after the date of exportation or importation, as the case may be, all records relating to that exportation or importation which are necessary to demonstrate that the good for which a claim for preferential tariff treatment was made qualifies for preferential tariff treatment. Such records may be in electronic form.
26. Information relating to the validity of the Certificate of Origin will be furnished upon request of the importing Party by an official authorized to sign the Certificate of Origin and certified by the Customs administration.
27. Any information communicated between the Parties concerned will be treated as confidential and will

be used for the validation of Certificates of Origin purposes only.

28. When the destination of any goods exported to a specified Party is changed after their export from the exporting Party, but before clearance by the importing Party, the exporter, manufacturer, producer or its authorized representative shall apply in writing to the issuing Customs administration for a new Certificate of Origin for the goods changing destination. The application will include the original Certificate of Origin relating to the goods.
29. The Customs administration of the importing Party may accept Certificates of Origin in cases where the sales invoice is issued either by a company located in a third country or by an exporter for the account of that company, provided that the goods meet the requirements of this Annex. The words "SUBJECT OF THIRD-PARTY INVOICE(*name of company using the invoice*)" shall appear on the Certificate of Origin.

Rule 4

Circumstances when certificate of origin is not required

In accordance with its domestic laws and regulations, the importing Party may not require a Certificate of Origin under Rule 3 (Certificates of Origin) for claiming preferential tariff treatment for:

- (a) commercial and non-commercial importations whose FOB Value per single consignment does not exceed USD 500 or the equivalent amount in the importing Party's currency, or such other amount specified in each Party's domestic laws and regulations; or
- (b) any good for which a Party has waived the requirement for a Certification of Origin.

Rule 5

Verification of origin

1. The Customs administration of the importing Party may verify the eligibility of a good for preferential tariff treatment in accordance with its domestic laws, regulations or administrative practices.
2. If the Customs administration of the importing Party has reasonable doubts as to the authenticity or accuracy of the information included in the Certificate of Origin or other documentary evidence, it may:
 - (i) institute retroactive checking measures to establish the validity of the declaration of origin made by the exporter, producer or manufacturer on the Certificate of Origin,
 - (ii) request such information as is necessary and relevant from the relevant importer of a good for which preferential tariff treatment was claimed; and
 - (iii) issue written requests to the Customs administration of the exporting Party for information from the exporter or producer.

3. A request for information in accordance with Paragraph 2(iii) shall not preclude the use of the verification visit provided for in Rule 5.
4. A request by the importing Party to the exporting Party to verify the origin of the good under either Rule 4 or Rule 5 may only be made if the value of the customs duty is sufficiently material to the importing Party relative to the costs of the request to the importing Party and the exporting Party to warrant the request.
5. The recipient of a request for information under Paragraph 2 shall provide the information requested within a period of 90 days from the date the written request is made.
6. The Customs administration of the importing Party shall provide written advice as to whether the goods are eligible for preferential tariff treatment to all the relevant parties within 60 days from receipt of information necessary to make a decision.
7. In the case of goods claimed to be originating under Article 6(1)(c) of this Annex (Regional Value Content rule), evidence that the goods have undergone more than minimal operations and processing as defined in Article 10 of this Annex will be sufficient evidence to prove the goods are originating goods.

Rule 6
Verification visits

1. If the Customs administration of the importing Party wishes to undertake a verification visit, it shall issue a written request to the Customs administration of the exporting Party at least 30 days in advance of the proposed verification visit.
2. The written request referred to in paragraph 1 shall at a minimum include:
 - (i) the identity of the Customs administration issuing the request;
 - (ii) the name of the exporter or the producer of the exporting Party whose good is subject to the verification visit;
 - (iii) the date the written request is made;
 - (iv) the proposed date and place of the visit;
 - (v) the objective and scope of the proposed visit, including specific reference to the good subject to the verification; and
 - (vi) the names and titles of the officials of the Customs administration or other relevant authorities of the importing Party who will participate in the visit.
3. The Customs administration of the exporting Party will notify the exporter or producer of the intended verification visit by the Customs administration or other relevant authorities of the importing Party and request the exporter or producer to:

- (i) permit the Customs administration or other relevant authorities of the importing Party to visit their premises or factory; and
 - (ii) provide information relating to the origin of the good.
- 4. The Customs administration of the exporting Party will advise the exporter or producer that, should they fail to respond by a specified date, preferential tariff treatment may be denied.
- 5. The Customs administration of the exporting Party will advise the Customs administration of the importing Party within 30 days of the date of the written request from the Customs administration of the importing Party whether the exporter or producer has agreed to the request for a verification visit.
- 6. The Customs administration of the importing Party will not visit the premises or factory of any exporter or producer in the territory of the exporting Party without written prior consent from the exporter or producer.
- 7. The Customs administration of the importing Party will complete any action to verify eligibility for preferential tariff treatment and make a decision within 150 days of the date of the request to the Customs administration under Paragraph 1. The Customs Authority of the importing Party will provide written advice as to whether goods are eligible for preferential tariff treatment to the relevant parties within ten days of the decision being made.
- 8. Parties shall maintain the confidentiality of information classified as confidential collected in the process of verification and shall protect that information from disclosure that could prejudice the competitive position of the person who provided the information. The information classified as confidential may only be disclosed to those authorities responsible for the administration and enforcement of origin determination.

Rule 7

Treatment of goods for which preference is claimed

- 1. The Customs administration of the importing Party shall grant preferential treatment to goods of the other Party only in those instances that an importer:
 - (a) provides to the Customs administration, a certificate or declaration of origin under Rule 1; and
 - (b) if required under the provisions of this Schedule, provides additional documentary or other evidence, as appropriate, to substantiate the claim for preferential tariff treatment in subparagraph (a).
- 2. Notwithstanding Paragraph 1, the importing Party may suspend the application of preferential tariff treatment to goods that are the subject of origin verification action under Rule 4 (Verification of Origin) for the duration of that action, or any part thereof.
- 3. Pending the completion of the origin verification, the importing Party may release the goods to the importer subject to any administrative measures deemed necessary, provided that they are not

subject to import prohibition or restriction and there is no suspicion of fraud.

4. In the event that a determination is made by the Customs administration of the importing Party that the good qualifies as an originating good of the exporting Party, any suspended preferential tariff treatment will be reinstated.
5. Parties shall exercise due restraint in taking the extraordinary measure under paragraph 2 of suspending the application of preferential tariff treatment to goods imported from another Party during the period that origin verification is contemplated or underway.
6. Each Party shall provide that, where a good would have qualified as an originating good when it was imported into the territory of that Party but was not accorded preferential tariff treatment, the importer may, in accordance with the domestic laws and regulations of the importing Party, apply for a refund of any Customs duties paid on presentation of the declaration of origin on the export invoice (Rule 2) or the MSG Certificate of Origin under Rule 3.

Rule 8 **Records**

Each Party shall require that exporters, producers, and importers in their respective territories maintain, for a period of not less than five years after the date of exportation or importation, as the case may be, all records relating to that exportation or importation which are necessary as evidence that a good for which a claim for tariff preference was made qualified for such preferential tariff treatment.

Rule 9 **Actions against fraudulent acts**

1. When it is suspected that fraudulent acts in connection with the declaration of MSG origin or the claim for preferential tariff treatment have been committed, the government authorities of the Parties concerned shall co-operate in the investigation and any other action to be taken.
2. Any action taken pursuant to paragraph 1 shall be in accordance with the concerned Parties' respective domestic laws and regulations.

SECOND SCHEDULE(Article 20. 1(a))

Declaration of MSG Origin on Export Invoice by Exporter or Supplier of Goods

The minimum data to be included in the Declaration of Origin on the export invoice or other export document by the exporter or supplier of goods are:

1. For goods wholly obtained:

"I [state name and designation], being the [exporter/producer/exporter and producer] hereby declare that the stipulated goods on this invoice [item numbers...] originate in [] and comply with Article 3.1(a) of the Annex on MSG Rules of Origin to the Agreement Establishing the Melanesian Free Trade Area."

2. For originating goods complying with Change in Tariff Subheading (CTSH) Rule:

"I [state name and designation], being the [exporter/producer/exporter and producer] hereby declare that the stipulated goods on this invoice [item numbers] originate in [insert country name] and comply with the CTSH rule of Article 6.1(a) of the Annex on MSG Rules of Origin to the Melanesian Free Trade Agreement"

3. For originating goods complying with Regional Value Content (RVC) Rule:

"I [state name and designation], being the [exporter/producer/exporter and producer] hereby declare that the stipulated goods on this invoice [item numbers] originate in [insert country name] and comply with the RVC of Article 6.1(b) of the Annex on MSG Rules of Origin to the Melanesian Free Trade Agreement"

4. For originating goods complying with Cumulation Rule:

"I [state name and designation], being the [exporter/producer/exporter and producer] hereby declare that the stipulated goods on this invoice [item numbers...] originate in [insert country name] and comply with the Cumulation rule of Article 3.1(c) of the Annex on MSG Rules of Origin to the Melanesian Free Trade Area . The goods were a result of cumulation with the following MSG countries [list relevant MSG countries.....]"

THIRD SCHEDULE (Article 20. 1(b))

Specimen MSG Certificate of Origin

1. <u>Exporters name and address</u>		MELANESIAN FREE TRADE AGREEMENT CERTIFICATE OF ORIGIN Ref. No: Country of Issue:	
2. <u>Consignee's name and address</u>			
3. <u>Means of Transport</u>		4. <u>Country of Origin</u>	5. Country of Destination
6. <u>Marks & Numbers</u>		7. <u>No. & kind of packages</u>	8. Weight/Quantity
10. <u>Description of Goods</u>		9. Invoice No. & Date	
		11. <u>HS Code:</u>	12. <u>Origin Criterion*</u>
13. Declaration by the Exporter I, the undersigned, hereby declare that the above details and statements are correct that all goods are produced in 		14. Certification It is hereby certified, on the basis of control carried out, that the declaration by the exporter is correct. Authorized Customs Officer's Signature	
		Official Stamp	

INSTRUCTIONS FOR COMPLETING THE CERTIFICATE OF ORIGIN FORM

- (i) The forms may be completed by any process provided that the entities are legible and indelible.
- (ii) Erasures and super-impositions are not allowed on the certificate
- (iii) Any alterations should be made by striking out the erroneous entry and making any additions required
- (iv) Any unused spaces should be crossed out to prevent any subsequent addition
- (v) The following letters should be used when completing section 12 (Origin Criterion) of this certificate:
 - "P" for goods satisfying the wholly produced criterion [Article 5 of Annex on MSG Rules of Origin]
 - "T" for goods satisfying the change in tariff subheading [Article 6(1)(a) of Annex on MSG Rules of Origin]
 - "V" for goods satisfying the regional value content (RVC) criterion [Article 6(1)(b) of Annex on MSG Rules of Origin]
 - "C" for goods satisfying the Cumulation criterion [Article 9 of Annex on MSG Rules of Origin].
 - "D" for goods satisfying the De Minimis criterion (Article 11 of Annex on MSG Rules of Origin)

Chapter 3 Customs Procedures and Trade Facilitation

Article 3.1 Objectives

The objectives of this Chapter are, taking into account the priorities and the capacity constraints of each Party, to:

- a. ensure predictability, consistency and transparency in the application of customs laws and regulations of the Parties;
- b. promote efficient, economical administration of customs procedures, and the expeditious clearance of goods;
- c. simplify and harmonise customs procedures;
- d. facilitate trade between the Parties and the security of such trade; and
- e. promote co-operation among the Customs administrations of the Parties.

Article 3.2 Scope

This Chapter will apply to customs procedures applied to goods traded between the Parties.

Article 3.3 Definitions

For the purposes of this Chapter:

- (a) **Customs law** means such laws and regulations administered and enforced by the Customs administration of each Party concerning the importation, exportation, and transit/transshipment of goods, as they relate to customs duties, charges, and other taxes, or to prohibitions, restrictions, and other similar controls with respect to the movement of controlled items across the boundary of the customs Territory of each Party;
- (b) **Customs procedures** means the treatment applied by the Customs administration of a Party to goods, which are subject to that Party's customs law.

Article 3.4 Customs Procedures

1. Each Party will ensure that its customs procedures and practices are predictable, consistent and transparent and facilitate trade, including through the expeditious clearance of goods.
2. Each Party will endeavour, where appropriate and to the extent permitted by its custom law, to have its customs procedures follow international standards and recommended practices, in particular those of

the World Customs Organization.

3. The Customs administration of each Party will review its customs procedures with a view to their simplification and the facilitation of trade.

Article 3.5 Customs Co-operation

1. To the extent permitted by its domestic law, the Customs administration of each Party may, as deemed appropriate, assist the Customs administration of each other Party, in relation to:
 - (a) the implementation and operation of this Chapter;
 - (b) developing and implementing customs best practice and risk management techniques;
 - (c) providing, where possible, prior notice of changes to laws, regulations, and relevant procedures and guidelines that would affect the operation of this Chapter or any trade agreement between the Parties;
 - (d) simplification and harmonisation customs procedures;
 - (e) advancing technical skills and the acquisition and use of technology;
 - (f) the application of the Harmonized Commodity Description and Coding System (Harmonized System);
 - (g) the application of the disciplines on valuation for customs purposes;
 - (h) the movement of goods among the Parties; and
 - (i) customs enforcement, including inter alia investigation and prevention of prima facie customs offences.
2. Subject to available resources, the Customs administrations of the Parties may, as deemed appropriate, explore and undertake co-operation projects, including:
 - (a) capacity building programmes to enhance the capability of customs personnel of Parties; and
 - (b) technical assistance programmes to facilitate the activities of Parties in relation to customs matters.
3. The Parties agree to consult with a view to the negotiation of agreements for closer cooperation on customs enforcement, including inter alia the provision of mutual assistance in relation to the investigation and prevention of contravention of, and enforcement of, customs law.

Article 3.6
Use of Automated Systems

1. The Customs administration of each Party, where appropriate, will endeavour to have its own system that supports electronic customs transactions.
2. In implementing initiatives under Paragraph 1, the Customs administration of each Party will take into account the relevant standards and best practices recommended by the World Customs Organization, taking into consideration the available infrastructure and capabilities of each Party.

Article 3.7
Customs Valuation

1. Each Party will apply the provisions of Article VII of the GATT 1994 and the Agreement on Customs Valuation, including the provisions providing special and differential treatment for developing countries any decisions under that Agreement providing special and differential treatment for one or more developing country, in determining the value for customs purposes of goods traded between the Parties.
2. The Parties will work together to establish mechanism to be enable the Parties to more effectively implement the Agreement on Customs Valuation, including to consider:
 - (a) establishing databases, including a regional database, for the purposes of assessing declared values;
 - (b) agreeing to exchange information in relation to the valuation of specific goods; and
 - (c) establishing a regional mechanism to provide assistance upon request to undertake post-clearance audits.

Article 3.8
Classification of goods

For the classification and coding of goods for purposes of customs, trade, statistical, control and any other trade-related declaration, each Party shall adopt and apply the provisions of the International Convention on the Harmonized Commodity Description and Coding System of the World Customs Organization, as revised from time to time.

Article 3.9
Measures to facilitate trade

1. Each Party shall adopt, legislate and implement all necessary measures, in accordance with international best practices and the WTO Agreement on Trade Facilitation, to facilitate trade.
2. The measures referred to in paragraph 1 shall include:

- a) publishing and making available all information on applied duties and taxes, fees, customs valuation, goods classification and other import, export and transit rules, procedures and documentation requirements;
- b) establishing enquiry points for answering enquiries related to importation and exportation of goods, including providing any required forms and documents;
- c) ensuring that consultations with the public are made before any proposed new trade-related rules enter into force, and, reasonable time is given between the date of publication of any such new trade-related rules and date of their entry into force;
- d) establishing a system of advance rulings under which traders can apply to customs, or other relevant authorities, for binding rulings on tariff classification, customs valuation, origin determination and any other import or export procedure as appropriate and necessary, to be issued on their goods before their importation or exportation;
- e) providing traders, in respect of determinations on customs and other trade-related matters, with the right to:
 - (i) administrative appeals and reviews of decisions made, independent of the employee or office that issued the decision; and
 - (ii) judicial reviews of, and, appeals against decisions made against them by authorities;
- f) limiting the amount of fees and charges for customs or any other import or export document processing to the approximate cost of the services rendered on or in connection with the specific import or export operation in question;
- g) the requirement to impose penalties for customs offences only on the person(s) responsible for the breach and such penalties being commensurate with the degree and severity of the breach, taking into account any voluntary disclosure as a potential mitigating factor;
- h) allowing traders to lodge, in advance, their import documentation for processing before the goods physically arrive at the ports of entry in order to expedite their release upon arrival;
- i) establishing procedures allowing the option of electronic payments for duties, taxes, fees and charges collected by customs incurred upon importation and exportation;
- j) maintaining procedures to allow for the release of goods prior to final determination of duties if there are unavoidable delays in making that determination, if all other regulatory requirements have been met;
- k) maintaining a risk management system that concentrates customs and other control on high risk consignments through the enhanced use of risk management techniques while expediting the release of low-risk consignments through the use of appropriate selectivity criteria;

- l) maintaining a system of post-clearance audit that uses appropriate selectivity criteria to check for compliance with customs and other related laws and regulations after release of the goods for importation or exportation;
- m) periodically measuring, using appropriate tools, the average time it takes for goods to be cleared through the border and publish such average times for the information of the public;
- n) establishing systems to identify compliant operators and provide additional and special trade facilitation measures for those who meet the specified criteria;
- o) establishing appropriate special facilities and systems to expeditiously release expedited air cargo;
- p) establishing special facilities and systems to expeditiously clear and release perishable cargo upon its importation or exportation so as to prevent avoidable loss or deterioration of the goods;
- q) establishing mechanisms to ensure authorities and agencies responsible for border controls and procedures relating to goods cooperate with one another and coordinate their activities including conducting joint inspections and other controls;
- r) permitting domestic transit of goods within its territory under customs control from a customs office of entry to another customs office where the goods would be released or cleared;
- s) regularly reviewing import and export formalities and documentation requirements to ensure rapid release and clearance of goods and reduction of compliance costs to traders and other operators;
- t) accepting paper or electronic copies of supporting documents required for import, export or transit formalities and removing any requirement for the original or copy of export declarations submitted to the customs authorities of the exporting member;
- u) use of international standards on import and export procedures, formalities and documentation;
- v) the establishment of a single window system through which traders submit documentation or data requirements for importation, exportation or transit of goods through a single entry point to the participating authorities or agencies;
- w) removing any requirement for:
 - i. the mandatory use of customs brokers, while providing for a transparent system of registration and or licencing of customs brokers that specifies the requirements; and
 - ii. the pre-shipment inspection of goods for tariff classification and customs valuation;
- x) the establishment by each Party of a National Trade Facilitation Committee, or similar national institution responsible for facilitating the effective implementation of the provisions of this Chapter and other relevant Chapters of this Agreement at the national level; and

- y) the establishment and maintenance of regional advisory working group on trade facilitation to facilitate regional coordination, implementation of the provisions of this Chapter and other relevant Chapters of this Agreement. The advisory working group shall report to the Committee on Trade in Goods.

Article 3.10 Confidentiality

1. Nothing in this Chapter will require any Party to provide or allow access to confidential information, the disclosure of which would impede law enforcement, or otherwise be contrary to the public interest, including the protection of personal privacy or the financial affairs and accounts of individual customers of financial institution, or which would prejudice legitimate commercial interests of particular enterprises, public or private.
2. Where a Party provides information to another Party in accordance with this Chapter and designates the information as confidential, the Party receiving the information will maintain the confidentiality of the information, use it only for the purposes specified by the Party providing the information, and not disclose it without the specific written permission of the Party providing the information.

Article 3.11

Special treatment for least developed countries and capacity building

1. The extent and timing of implementing the provisions of this Chapter by a Party that is a Least Developed Country shall be related to the implementation capacities of such a Party and consistent with their individual development, financial and trade needs or their administrative and institutional capabilities.
2. Parties recognise the importance of trade capacity building in facilitating the implementation of this Chapter and shall, among other priorities, give initial priority to capacity building in areas related to the Chapter.
3. The Parties shall endeavour to coordinate the programming, mobilisation and provision of assistance and support for capacity building needed to help implement the provisions of this Chapter.

Article 3.14 Monitoring and Review

1. The Parties shall establish procedures for the monitoring and regular review of the implementation, operation and performance of this Chapter. Each review shall include an examination of the measures each Party has taken and is planning to take to modernise and continually improve customs and other trade procedures and how such measures have facilitated or are likely to facilitate trade.
2. The function of the monitoring will be the regular collection and analysis of information to assist timely decision-making, ensure accountability, and provide a basis for evaluation and learning.

3. The Parties may agree for a third party with expertise in customs matters to prepare analytical reports to assist the Parties.

Chapter 4 Sanitary and Phytosanitary Measures

Article 4.1 Objectives

The objectives of this Chapter are to:

- (a) facilitate trade among the Parties while protecting human, animal or plant life or health in the Territory of each Party;
- (b) provide greater transparency in and understanding of the application of each Party's regulations and procedures relating to sanitary and phytosanitary measures;
- (c) strengthen co-operation among the competent authorities of the Parties which are responsible for matters covered by this Chapter; and
- (d) enhance practical implementation of the principles and disciplines contained within the SPS Agreement.

Article 4.2 Scope

This Chapter shall apply to all sanitary and phytosanitary measures of a Party that may, directly or indirectly, affect trade among the Parties.

Article 4.3 Definitions

For the purposes of this Chapter:

Animals means any mammal (other than a human), bird, insect, amphibian, reptile, fish, mollusc, sedimentary species or other member of the animal kingdom, whether live or dead, and includes the egg, embryo, ova or semen and any other organic animal tissue from which another animal could be reproduced and the hide, skin, hair, feathers, shell, horns, hoof, viscera or any other part or portion of the body of an animal.

Biosecurity means the control by legal and administrative means of pests and diseases affecting animals, plants and their products, in order to avoid adverse effects from such pests and diseases on the economy, natural ecosystems and health of a MSG member country.

Competent authorities mean those authorities within each Party recognised by the national government as responsible for developing and administering the various sanitary and phytosanitary measures within that Party.

Disease means any unhealthy condition in an animal or plant which is known or suspected to be caused by an organism, and includes a disease transmissible from animals to humans and a disease capable of harming the environment.

International standards, guidelines and recommendations shall have the same meaning as set out in paragraph 3 of Annex A to the SPS Agreement.

Invasive alien species refers to any alien species whose introduction and spread threatens ecosystems or species with economic or social harm.

Organism means a biotic entity capable of reproduction or replication in its natural occurrence state other than a human.

Pest means any species, strain, variety, subspecies or biotype of a plant, animal, microbe or pathogenic agent, or any organism which causes economic, social or environmental injury, disease or is detrimental to or capable of harming or adversely affecting animals or animal products, plants or plant products, human beings, biological diversity or the environment;

Plants means any living plants and parts thereof, including cuttings, roots, seeds, spores, germ plasm material and tissue culture.

Regulated article means any plant and plant product, or animal or animal product, storage, place, packaging, conveyance, container, earth aggregates including soil, sand and gravel, water and any other organism, object or material capable of harbouring and spreading pests and diseases, deemed to require sanitary or phytosanitary measures, particularly where international transportation is involved.

Sanitary or phytosanitary measure shall have the same meaning as set out in paragraph 1 of Annex A to the SPS Agreement.

SPS Agreement means the Agreement on the Application of Sanitary and Phytosanitary Measures in Annex 1A to the WTO Agreement.

Article 4.4 General Provisions

1. Each Party affirms its rights and obligations with respect to each other Party under the SPS Agreement.
2. Each Party commits to apply the principles of the SPS Agreement in the development, application or recognition of any sanitary or phytosanitary measure with the intent to facilitate trade among the Parties while protecting human, animal or plant life or health in the territory of each Party.

Article 4.5

Equivalence

1. The Parties shall strengthen co-operation on equivalence in accordance with the SPS Agreement and relevant international standards, guidelines and recommendations, in order to facilitate trade among the Parties.
2. To facilitate trade, the competent authorities of the relevant Parties may develop equivalence arrangements and make equivalence decisions, in particular in accordance with Article 4 of the SPS Agreement and with the guidance provided by the relevant international standard setting bodies and by the WTO Committee on Sanitary and Phytosanitary Measures established pursuant to Article 12 of the SPS Agreement.
3. A Party shall, upon request, enter into negotiations with the aim of achieving bilateral recognition arrangements of the equivalence of specified sanitary or phytosanitary measures.

Article 4.6 Competent Authorities and Contact Points

1. Each Party shall provide each other Party with a description of its competent authorities and their division of responsibilities.
2. Each Party shall provide each other Party with a contact point to facilitate distribution of requests or notifications made in accordance with this Chapter.
3. Each Party shall ensure the information provided under paragraphs 1 and 2 is kept up to date.

Article 4.7 Notification

1. Each Party acknowledges the value of exchanging information on its sanitary or phytosanitary measures.
2. Each Party shall provide timely and appropriate information directly to the contact points of the relevant Parties where a:
 - (a) change in animal or plant health status may affect existing trade;
 - (b) significant sanitary or phytosanitary non-compliance associated with an export consignment is identified by the importing Party; and
 - (c) provisional sanitary or phytosanitary measure against or affecting the exports of another Party is considered necessary to protect human, animal or plant life or health within the importing Party.
3. The exporting Party shall provide information to the importing Party if the exporting Party identifies that an export consignment which may be associated with a significant SPS risk has been exported.

Article 4.8 Cooperation

1. In accordance with the laws and regulations of each Party, the Parties shall cooperate further on biosecurity and sanitary and phytosanitary matters of mutual interest for the purpose of:
 - (a) preventing the introduction, establishment and spread of pests and diseases of plants, animals and natural ecosystems;
 - (b) promoting and improving food safety;
 - (c) protecting the production and resources of plant and animal, as well as their effect on the health of human beings;
 - (d) promoting and expanding mutually beneficial trade and economic relations in the field of agriculture, forestry, aquaculture and fisheries; or
 - (e) promoting the development of the economy through the facilitation of trade, simplified systems and procedures for entry and exit of goods under trade and exchange of scientific technology and friendly consultations.

2. The Parties shall cooperate on all activities relating to biosecurity and sanitary and phytosanitary, including on the following:
 - a) border control procedures: Movement of any regulated articles between the jurisdictions of the Parties shall be in accordance with national and international biosecurity standards, regulations and legislation;
 - b) border control management systems: Parties shall endeavour to systematically develop, harmonize and efficiently inter-face respective systems for managing border entry and exit control of traded goods, including with respect to the information technology, tracking, traceability, data recording, reporting and certification systems of respective biosecurity agencies, and their interactions with those of respective customs services, port management authorities and the private sector (importers, exporters, customs brokers/agents, shippers, freight-forwarders, stevedores, transport logistics, etc.);
 - c) inspection and treatment of Regulated Articles: Parties are entitled to conduct Biosecurity inspection and treatments on regulated articles and, whenever necessary, shall inform relevant

parties of the result of the inspection and any decision made thereof with respect to interceptions and disposition;

- d) biosecurity standards and procedures: Parties shall endeavor to systematically develop and harmonize standards and procedures including recognizing equivalence for control and management of internal biosecurity, food safety and the environment in accordance with respective national legislation and regulations;
 - e) harmonised legislation: The Parties shall cooperate on the development and implementation of regionally harmonized biosecurity legislation;
 - f) exchange of information: Parties shall share information and experiences on plant and animal health, biosecurity, food safety and environmental protection, and any such regulations newly promulgated or enacted. Parties will also notify each other in regards to any pest and disease incursions, occurrences, outbreaks, control strategies and plans;
 - g) technical expertise: For the purpose of strengthening scientific research, knowledge, understanding and work experience on biosecurity, parties agree to exchange expertise through meetings, seminars, workshops and work attachments, to be hosted in turn by each party. In the event of outbreaks of pests and diseases of serious concern to the MSG region, Parties agree to collaborate where necessary, including through exchange of technical and field operations personnel; and
 - h) collaboration with other regional and international partners: Parties agree to develop and strengthen cooperation with regional and international partners on Biosecurity assistance.
3. In relation to Paragraph 2, each Party shall endeavour to co-ordinate with regional or multilateral work programmes with the objective of avoiding unnecessary duplication and to maximise the benefits from the application of resources.
 4. Each Party agrees to further explore how it can strengthen cooperation on the provision of technical assistance.
 5. Any two Parties may, by mutual agreement, cooperate on adaptation to regional conditions in accordance with the SPS Agreement and relevant international standards, guidelines and recommendations, in order to facilitate trade between the Parties.

Article 4.9 Consultations

Where a Party considers that a sanitary or phytosanitary measure affecting trade between it and another Party warrants further discussion, it may, through the contact points, request a detailed explanation of the sanitary or phytosanitary measure and if necessary, request to hold consultations in an attempt to resolve

any concerns on specific issues arising from the application of the sanitary or phytosanitary measure. The other Party shall respond promptly to any requests for such explanations, and if so requested, shall enter into consultations, within 30 days from the date of the request. The Parties to the consultations shall make every effort to reach a mutually satisfactory resolution through consultations within 60 days from the date of the request, or a timeline mutually agreed upon by the consulting Parties. Should the consultations fail to achieve resolution, the matter shall be forwarded to the Senior Trade Officials Meeting.

Article 4.10
Meetings on Sanitary and Phytosanitary Matters

1. The Parties may convene meetings of working groups on Sanitary and Phytosanitary Measures, consisting of representatives from the relevant government agencies of each Party.
2. Meetings referred to in paragraph 1 shall occur as and when mutually determined by the relevant Parties and all decisions and/or records made shall be by mutual agreement of the relevant Parties. Meetings may occur in person, by teleconference, by video conference, or through any other means as mutually determined by the Parties.
3. Any meeting or working group convened in terms of paragraph 1 shall report to the Committee on Trade in Goods established in terms of Article 2.13 of this Agreement.
4. The Committee on Trade in Goods shall review the progress made by the Parties in implementing their commitments under this Chapter and may set up subsidiary working groups, as agreed between or among the relevant Parties, to consider specified issues relating to this Chapter.
5. Competent authorities of any two Parties may meet to make decisions bilaterally on implementing the commitments under this Chapter. Each Party shall provide to the Committee on Trade in Goods updates on the status of their work.

Chapter 5

Standards, Technical Regulations and Conformity Assessment Procedures

Article 5.1 Objectives

The objectives of this Chapter are to facilitate trade in goods among the Parties by:

- (a) ensuring that standards, technical regulations, and conformity assessment procedures do not create unnecessary obstacles to trade;
- (b) promoting mutual understanding of each Party's standards, technical regulations, and conformity assessment procedures;
- (c) strengthening information exchange and cooperation among the Parties in relation to the preparation, adoption and application of standards, technical regulations and conformity assessment procedures;
- (d) strengthening cooperation among the Parties in the work of international bodies related to standardization and conformity assessments; and
- (e) providing a framework to implement supporting mechanisms to realise these objectives.

Article 5.2 Scope

1. This Chapter applies to all standards, technical regulations and conformity assessment procedures of the Parties that may affect trade in goods between the Parties except:
 - (a) purchasing specifications prepared by governmental bodies for the production or consumption requirements of such bodies; and
 - (b) sanitary or phytosanitary measures as defined in Chapter 4 (Sanitary and Phytosanitary Measures).
2. Nothing in this Chapter shall limit the right of a Party to prepare, adopt and apply standards, technical regulations and conformity assessment procedures not more trade-restrictive than necessary to fulfil a legitimate objective. Such legitimate objectives are, inter alia, national security requirements; the prevention of deceptive practices; protection of human health or safety; animal or plant life or health; or the environment.

Article 5.3 Definitions

For the purposes of this Chapter, the definitions set out in Annex 1 to the Agreement on Technical Barriers to Trade (TBT Agreement) in Annex 1A to the WTO Agreement shall apply.

Article 5.4
Affirmation of the TBT Agreement

1. Each Party affirms its rights and obligations with respect to each other Party under the WTO TBT Agreement.
2. Each Party shall take such reasonable measures as may be available to it to ensure compliance, in the implementation of this Chapter, by local government and non-governmental bodies within its territory which are responsible for the preparation, adoption and application of standards, technical regulations and conformity assessment procedures.

Article 5.5
Standards

1. With respect to the preparation, adoption and application of standards, each Party shall encourage its standardising body or bodies to accept and comply with Annex 3 to the WTO TBT Agreement.
2. Each Party shall encourage the standardising body or bodies in its territory to cooperate with the standardising body or bodies of other Parties. Such cooperation shall include, but is not limited to:
 - (a) exchange of information on standards;
 - (b) exchange of information relating to standard setting procedures; and
 - (c) cooperation in the work of international standardising bodies in areas of mutual interest.

Article 5.6
Technical Regulations

1. Where relevant international standards exist or their completion is imminent, each Party shall use them, or relevant parts of them, as a basis for their technical regulations except when such international standards or relevant parts would be an ineffective or inappropriate means for the fulfilment of the legitimate objectives pursued, for instance because of fundamental climatic or geographical factors or fundamental technological problems.
2. Each Party shall give positive consideration to accepting as equivalent, technical regulations of another Party, even if these regulations differ from its own, provided it is satisfied that these regulations adequately fulfil the objectives of its own regulations.
3. Where a Party does not accept a technical regulation of another Party as equivalent to its own it shall, upon request of the other Party, explain the reasons for its decision.

Article 5.7
Conformity Assessment Procedures

1. Each Party shall give positive consideration to accepting the results of conformity assessment

procedures of other Parties, even where those procedures differ from its own, provided it is satisfied that those procedures offer an assurance of conformity with applicable technical regulations or standards equivalent to its own procedures.

2. Each Party shall seek to enhance the acceptance of the results of conformity assessment procedures conducted in the territories of other Parties with a view to increasing efficiency, avoiding duplication and ensuring cost effectiveness of the conformity assessments. In this regard, each Party may choose, depending on the situation of the Party and the specific sectors involved, a broad range of approaches. These may include but are not limited to:
 - (a) recognition by a Party of the results of conformity assessments performed in the territory of another Party;
 - (b) recognition of cooperative arrangements between accreditation bodies in the territories of the Parties;
 - (c) mutual recognition of conformity assessment procedures conducted by bodies located in the territory of each Party;
 - (d) accreditation of conformity assessment bodies in the territory of another Party;
 - (e) use of existing regional and international multilateral recognition agreements and arrangements;
 - (f) designating conformity assessment bodies located in the territory of another Party to perform conformity assessment; and
 - (g) suppliers' declaration of conformity.
3. Each Party shall exchange information with other Parties on its experience in the development and application of the approaches in Paragraph 2(a) to (g) and other appropriate approaches with a view to facilitating the acceptance of the results of conformity assessment procedures.
4. A Party shall, upon request of another Party, explain its reasons for not accepting the results of any conformity assessment procedure performed in the territory of that other Party.

Article 5.8 Cooperation

1. The Parties shall intensify their joint efforts in the field of standards, technical regulations and conformity assessment procedures with a view to facilitating access to each other's markets.
2. Each Party shall, upon request of another Party, give positive consideration to proposals to supplement existing cooperation on standards, technical regulations and conformity assessment procedures. Such cooperation, which shall be on mutually determined terms and conditions, may include but is not limited to:
 - (a) advice or technical assistance relating to the development and application of standards, technical

- regulations and conformity assessment procedures;
- (b) cooperation between conformity assessment bodies, both governmental and non-governmental, in the territories of each of the Parties such as:
 - (i) use of accreditation to qualify conformity assessment bodies; and
 - (ii) enhancing infrastructure in calibration, testing, inspection, certification and accreditation to meet relevant international standards, recommendations and guidelines;
 - (c) cooperation in areas of mutual interest in the work of relevant regional and international bodies relating to the development and application of standards and conformity assessment procedures such as enhancing participation in the existing frameworks for mutual recognition developed by relevant regional and international bodies;
 - (d) enhancing cooperation in the development and improvement of technical regulations and conformity assessment procedures such as:
 - (i) cooperation in the development and promotion of good regulatory practice;
 - (ii) transparency, including ways to promote improved access to information on standards, technical regulations and conformity assessment procedures; and
 - (ii) management of risks relating to health, safety, the environment and deceptive practices; and
 - (e) cooperation on the development and utilisation of shared facilities relation to standards and conformity assessment.
3. Upon request of another Party, a Party shall give positive consideration to a sector-specific proposal that the requesting Party makes for further cooperation under this Chapter.

Article 5.9 Consultations

1. Each Party shall give prompt and positive consideration to any request from another Party for consultations on issues relating to the implementation of this Chapter.
2. Where a matter covered under this Chapter cannot be clarified or resolved as a result of consultations, the Parties concerned shall establish an *ad hoc* working group with a view to identifying a workable and practical solution to facilitate trade. The *ad hoc* working group shall comprise representatives of the Parties concerned.
3. Where a Party declines a request from another Party to establish an *ad hoc* working group, it shall, upon request of the other Party, explain the reasons for its decision.

Article 5.10
Agreements or Arrangements

1. Parties shall seek to identify trade-facilitating initiatives regarding standards, technical regulations and conformity assessment procedures that are appropriate for particular issues or sectors.
2. Such trade-facilitating initiatives may include agreements or arrangements on regulatory issues, such as alignment of standards, convergence or equivalence of technical regulations conformity assessment procedures and compliance issues.
3. Parties to an existing agreement or arrangement shall give consideration to extending such an agreement or arrangement to another Party upon request of that Party. Such consideration may be subject to appropriate confidence building processes to ensure equivalency of relevant standards, technical regulations and/or conformity assessment procedures.
4. Where a Party declines a request of another Party to consider extending the application of an existing agreement or arrangement it shall, upon request of that Party, explain the reasons for its decision.

Article 5.11
Transparency

1. Each Party affirms its commitment to ensuring that information regarding proposed new or amended standards, technical regulations and conformity assessment procedures is made available in accordance with the relevant requirements of the WTO TBT Agreement.
2. Each Party shall ensure that the information relating to standards, technical regulations and conformity assessment procedures is published. Such information should be made available in printed form and, where possible, in electronic form.

Article 5.12
Contact Points

1. Each Party shall designate a contact point or contact points who shall, for that Party, have responsibility for coordinating the implementation of this Chapter.
2. Each Party shall provide each of the other Parties with the name of the designated contact point or contact points and the contact details of the relevant official in that organisation, including telephone, facsimile, email and any other relevant details.
3. Each Party shall notify each of the other Parties promptly of any change of their contact points or any amendments to the details of the relevant officials.
4. Each Party shall ensure that its contact point or contact points facilitate the exchange of information between the Parties on standards, technical regulations and conformity assessment procedures, in response to all reasonable requests for such information from a Party.

Article 5.13
Meetings on Standards, Technical Regulations and Conformity Assessment Procedures

1. The Parties may convene meetings or working groups on Standards, Technical Regulations and Conformity Assessment Procedures, consisting of representatives of the Parties, to promote and monitor the implementation and administration of this Chapter.
2. Any meeting or working group referred to in paragraph 1 shall:
 - (a) convene as mutually determined by the Parties, with meetings being conducted in person, or by any other means as mutually determined by the Parties;
 - (b) determine its terms of reference in accordance with this Chapter;
 - (c) determine its work programme in response to priorities as identified by the Parties; and
 - (d) report to the Committee on Trade in Goods established in terms of Article 2.13 of this Agreement
3. The Committee on Trade in Goods shall review the progress made by the Parties in implementing their commitments under this Chapter and may set up subsidiary working groups, as agreed between or among the relevant Parties, to consider specified issues relating to this Chapter.

Chapter 6

TRADE IN SERVICES

PART I: INTRODUCTION

Article 6.1 Objectives

1. The Parties, reaffirming their commitments under the WTO Agreement and with a view to promoting their sustainable development, and the reduction of poverty, seek to establish the necessary arrangements for the progressive and reciprocal liberalisation of trade in services and investment and for cooperation on e-commerce.
2. The objectives of this Chapter are to:
 - (a) provide a framework for the progressive liberalisation of trade in services and investment between the Parties, in particular in sectors of special importance to their development, giving effect to the principle of special and differential treatment;
 - (b) ensure that liberalisation of trade in services and investment is consistent with the Parties important national policy objectives and their capacity to regulate;
 - (c) provide a framework for increasing e-commerce within the Parties;
 - (d) further economic integration within the Melanesian Spearhead Group with a view to the eventual creation of a single regional market among the member countries in accordance with their respective social and economic objectives; and
 - (e) contribute to the integration of the economies of the Melanesian Spearhead Group into the international economy.

Article 6.2 Definitions

In this Chapter, unless the contrary intention appears:

Commercial presence means any type of business or professional establishment, including one operating through:

- (a) the constitution, acquisition or maintenance of a juridical person; or
- (b) the creation or maintenance of a branch or a representative office;

within the territory of a Party for the purpose of supplying a service.

Direct taxes comprise all taxes on total income, on total capital or on elements of income or of capital, including taxes on gains from the alienation of property, taxes on estates, inheritances and gifts, and taxes on the total amounts of wages or salaries paid by enterprises, as well as taxes on capital appreciation.

Director General means the Director General of the Secretariat of the Melanesian Spearhead Group.

Juridical person means any legal entity constituted or otherwise organised under applicable law, whether for profit or otherwise, and whether privately-owned or government-owned, including any corporation, trust, partnership, joint venture, sole proprietorship or association.

Juridical person of a Party means a juridical person which is either:

- (a) constituted or otherwise organised under the law of that other Party, and is engaged in substantive business operations, and having its registered office, its central administration, or its principal place of business, in the territory of that Party or any other Party; or
- (b) in the case of the supply of a service through commercial presence, owned or controlled by or affiliated with:
 - (i) natural persons of that Party; or
 - (ii) juridical persons of that other Party as defined in subparagraph (a).
- (c) A juridical person is:
 - (i) owned by persons of a Party if more than 50 per cent of the equity interest in it is beneficially owned by persons of that Party;
 - (ii) controlled by persons of a Party if such persons have the power to name a majority of its directors or otherwise to legally direct its actions;
 - (iii) affiliated with another person when it controls, or is controlled by, that other person; or when it and the other person are both controlled by the same person.
- (d) Notwithstanding paragraph (c), shipping companies established outside the Parties and controlled by nationals of a Party shall also be beneficiaries of the provisions of this Chapter, if their vessels are registered in accordance with their respective legislation in that Party and carry the flag of a Party;

Least Developed Country means any Party that is for the time being designated as a Least Developed Country by the United Nations.

Like service means a service that has characteristics closely resembling those of the service under consideration.

Like service supplier means a natural or juridical person or other entity that supplies a like service.

Measure means any measure by a Party, including a law, regulation, rule, procedure, decision, administrative action, or practice.

Measures of a Party means measures taken by:

- (a) central, regional or local governments and authorities; and
- (b) non-governmental bodies in the exercise of powers delegated by central, regional or local governments and authorities.

Measures of a Party affecting trade in services include measures in respect of:

- (a) the purchase, payment or use of a service;
- (b) the access to and use of, in connection with the supply of a service, services which are required by the Party to be offered to the public generally; and
- (c) the presence, including commercial presence, of persons of a Party for the supply of a service in the territory of another Party.

Natural person means a person who is not a juridical person.

Natural person of another Party means a natural person who under the law of that other Party:

- (a) is a national of that other Party; or
- (b) has the right of permanent residence in that other Party in the case of a Party which accords substantially the same treatment to its permanent residents as it does to its nationals, provided that no Party is obligated to accord to such permanent residents treatment more favourable than would be accorded by that other Party to such permanent residents.

Person means either a natural person or a juridical person.

Public entity means:

- (a) a government, a central bank or a monetary authority of a Party, or an entity owned or controlled by a Party, that is principally engaged in carrying out governmental functions or activities for governmental purposes, not including an entity principally engaged in supplying financial services on commercial terms; or
- (b) a private entity which performs functions normally performed by a central bank or monetary authority, when exercising those functions.

Sector of a service means:

- (a) with reference to a specific commitment, one or more, or all subsectors of that service, as specified in a Party's Schedule;

(b) otherwise, the whole of that service sector, including all of its subsectors.

Service means any service in any sector except services supplied in the exercise of government authority.

Service consumer means any person that receives or uses a service.

Service of another Party means a service which is supplied.

- (a) from or in the territory of that other Party; or
- (b) in the case of maritime transport, by a vessel registered under the laws of that other Party, or by a person of that other Party which supplies the service through the operation of a vessel and/or its use in whole or in part; or
- (c) in the case of the supply of a service through commercial presence or through the presence of natural persons, by a service supplier of that other Party.

Services supplied in the exercise of government authority include:

- (a) activities conducted by a central bank or monetary authority or by any other public entity in pursuit of monetary or exchange rate policies;
- (b) activities forming part of a system of social security or public retirement plans or the public provision of health, education or water services;
- (c) activities conducted by a public entity for the account or with the guarantee or using the financial resources of the government;
- (d) services that are not supplied on a commercial basis nor in competition with one or more service supplier.

Service supplier means any natural or juridical person that seeks to supply or supplies a service.²

Service supplier of a Party means a natural or juridical person of a Party that seeks to supply or supplies a service.

Supply of a service includes the production, distribution, marketing, sale and delivery of a service.

Trade in services means the supply of a service:

- (a) from the territory of a Party into the territory of another Party (mode 1);
- (b) in the territory of a Party to a service consumer from another Party (mode 2).

² Where the service is not supplied directly by a juridical person but through other forms of commercial presence such as a branch or a representative office, the service supplier (i.e. the juridical person) shall, nonetheless, through such presence be accorded the treatment provided for service suppliers under this Chapter. Such treatment shall be extended to the presence through which the service is supplied and need not be extended to any other parts of the supplier located outside the territory where the service is supplied.

- (c) by a service supplier of a Party, through commercial presence in the territory of another Party (mode 3); or
- (d) by a service supplier of a Party, through the presence of natural persons in the territory of another Party (mode 4).

Article 6.3 Scope and Coverage

1. In fulfilling its obligations and commitments under this Chapter, each Party shall take such reasonable measures as may be available to it to ensure their observance by regional and local governments and authorities and non-governmental bodies within its territory.
2. Nothing in this Chapter shall be construed to require the privatisation of public undertakings or to impose any obligation with respect to government procurement.
3. Consistent with the provisions of this Chapter the Parties retain the right to regulate and to introduce new regulations to meet legitimate policy objectives.
4. This Chapter shall not apply to measures relating to natural persons seeking access to the employment market of the Parties, nor shall it apply to measures regarding citizenship, residence or employment on a permanent basis.
5. Nothing in this Chapter shall prevent the Parties from applying measures to regulate the entry of natural persons into, or their temporary stay in, their territory, including those measures necessary to protect the integrity of, and to ensure the orderly movement of natural persons across their borders, provided that such measures are not applied in such a manner as to nullify or impair the benefits accruing to any Party under the terms of a specific commitment.

Article 6.4 Evolving Relationship

1. In pursuance of the objectives of this Chapter, the Parties shall enter into further negotiations on trade in services and investment no later than five years from the date of entry into force of this Agreement with the aim of enhancing the overall commitments undertaken under this Chapter.
2. Where a Party considers that it is desirable to extend the matters covered by this Chapter, or to extend the territorial scope of this Chapter, or otherwise to develop or deepen the relationship established by this Chapter, it may notify the other Parties of its wish to enter into consultations with a view to negotiating the terms and conditions of the extension.
3. The Parties undertake to periodically review the status of the relationship established by this Chapter, in accordance with Article 6.81 (Review).

PART 2: CROSS-BORDER SUPPLY OF SERVICES

Article 6.5 Coverage

This Part applies to measures by the Parties affecting the cross-border supply of all services with the exception of:

- (a) services supplied in the exercise of government authority;
- (b) national maritime cabotage;³ and
- (c) national and international air transport services, whether scheduled or non-scheduled, and services directly related to the exercise of traffic rights, other than:
 - (i) aircraft repair and maintenance services during which an aircraft is withdrawn from service;
 - (ii) the selling and marketing of air transport services;
 - (iii) Computer Reservation System (CRS) services; and
- (iv) other ancillary services that facilitate the operation of air carriers, such as ground handling services, rental services of aircraft with crew, and airport management services.

Article 6.6 Definitions

For the purpose of this Chapter:

Cross-border supply of services is defined as the supply of a service:

- (i) from the territory of a Party into the territory of the other Party (Mode 1);
- (ii) in the territory of a Party to the service consumer of the other Party (Mode 2).

Article 6.7 Market access

- 1 With respect to market access through the cross-border supply of services, the Parties shall accord services and service suppliers of the other Parties treatment not less favourable than that provided for in respect of cross-border supply of services in the specific commitments contained in Annex 6.1 (Schedules of Specific Commitments).
- 2 In sectors where market access commitments are undertaken, the measures which the Parties shall not maintain or adopt either on the basis of a regional subdivision or on the basis of their

³ National maritime cabotage covers transport services within a Party for the carriage of passengers or goods originating and terminating in the territory of that Party.

entire territory, unless otherwise specified in respect of the cross-border supply of services in Annex 6.1 (Schedules of Specific Commitments), are defined as:

- (a) limitations on the number of services suppliers whether in the form of numerical quotas, monopolies, exclusive service suppliers or the requirements of an economic needs test;
 - (b) limitations on the total value of service transactions or assets in the form of numerical quotas or the requirement of an economic needs test;
 - (c) limitations on the total number of service operations or on the total quantity of service output expressed in the terms of designated numerical units in the form of quotas or the requirement of an economic needs test.
- 3 If a Party undertakes a market access commitment in relation to the cross-border supply of a service and if the cross-border movement of capital is an essential part of the service itself, that Party commits to allow such movement of capital.

Article 6.8 National treatment

- 1 In the sectors where market access commitments are inscribed in respect of the cross-border supply of services in Annex 6.1 (Schedules of Specific Commitments), and subject to any conditions and qualifications set out therein, the Parties shall grant to services and service suppliers of the other Parties, in respect of all measures affecting the cross-border supply of services, treatment no less favourable than that they accord to their own like services and services suppliers.
- 2 The Parties may meet the requirement of paragraph 1 by according to services and service suppliers of the other Party, either formally identical treatment or formally different treatment to that they accord to their own like services and service suppliers.
- 3 Formally identical or formally different treatment shall be considered to be less favourable if it modifies the conditions of competition in favour of services or service suppliers of the Party compared to like services or service suppliers of any other Party.
- 4 Specific commitments assumed under this Article shall not be construed to require any Party to compensate for inherent competitive disadvantages which result from the foreign character of the relevant services or services suppliers.

Article 6.9 Additional Commitments

The Parties may negotiate commitments with respect to measures affecting cross-border supply of services not subject to scheduling under Articles 6.7 (Market Access) or 6.8 (National Treatment), including those regarding qualifications, standards, licensing matters, or the entry and temporary residence of natural persons. Such commitments shall be entered in a Party's schedule of commitments in Annex 6.1 (Schedules of Specific Commitments).

Article 6.10 Specific Commitments

The sectors liberalised by the Parties pursuant to this Part of Chapter 6 and, by means of reservations, the market access and national treatment limitations applicable to cross-border supply of services and services suppliers of the other Parties in those sectors are set out in lists of commitments included in Annex 6.1 (Schedules of Specific Commitments) and shall form an integral part of this Agreement. With respect to sectors where such commitments are undertaken, each schedule shall specify:

- (a) terms, limits and conditions on market access;
- (b) conditions and qualifications on national treatment;
- (c) undertakings related to additional commitments;
- (d) where appropriate, the time-frame for implementation of such commitments; and
- (e) the date of entry into force of such commitments.

Article 6.11 Most-Favoured-Nation Treatment

- 1 With respect to any measure affecting cross-border supply of services covered by this Part, each Party shall accord to services and services suppliers of any other Party a treatment no less favourable than the most favourable treatment applicable to like services and services suppliers of any third country with whom it concludes after the signature of this Agreement, an economic integration agreement.
- 2 The obligations set out in Paragraph 1 shall not apply to treatment granted:
 - (a) under measures providing for recognition of qualifications, licences or prudential measures in accordance with Article VII of the GATS or its Annex on Financial Services;
 - (b) under any international agreement or arrangement relating wholly or mainly to taxation; or
 - (c) under measures benefiting from the coverage of a Most Favoured Nation exemption listed in accordance with Article II.2 of the GATS.
- 3 Where a Party concludes negotiation of an arrangement relating to the cross-border supply of services, it shall forthwith notify the other Parties of the terms of the arrangement and be ready to enter into consultations in relation to its obligations under Paragraph 1.

PART 3: COMMERCIAL PRESENCE

Article 6.12 Coverage

- 1 This Part applies to measures by the Parties affecting commercial presence in all economic activities with the exception of:
 - (a) mining, manufacturing and processing of nuclear materials;
 - (b) production of or trade in arms, munitions and war material;
 - (c) national maritime cabotage; and
 - (d) national and international air transport services, whether scheduled or non-scheduled, and services directly related to the exercise of traffic rights, other than:
 - (i) aircraft repair and maintenance services during which an aircraft is withdrawn from service;
 - (ii) the selling and marketing of air transport services;
 - (iii) Computer Reservation System (CRS) services; and
 - (iv) other ancillary services that facilitate the operation of air carriers, such as ground handling services, rental services of aircraft with crew, and airport management services;
- 2 For the purposes of this Part, any measures relating to expropriation and investor-to-State dispute settlement such as those covered in bilateral investment treaties are not deemed to affect commercial presence.

Article 6.13 Definitions

For purposes of this Part:

Branch of a juridical person means a place of business not having legal personality which has the appearance of permanency, such as the extension of a parent body, has a management and is materially equipped to negotiate business with third parties so that such third parties, although knowing that there will if necessary be a legal link with the parent body, the head office of which is abroad, do not have to deal directly with such parent body but may transact business at the place of business constituting the extension.

Commercial presence means any type of business or professional establishment through:

- (i) the constitution, acquisition or maintenance of a juridical person;⁴ or
- (ii) the creation or maintenance of a branch or representative office;

within the territory of a Party for the purpose of performing an economic activity.

Economic activity does not include activities carried out in the exercise of governmental authority, i.e. activities carried out neither on a commercial basis nor in competition with one or more economic operators.

Investor means any natural or juridical person that performs an economic activity, for financial gain, through setting up a commercial presence.

Investor of a Party means a natural or juridical person of a Party that performs an economic activity through setting up a commercial presence.

Subsidiary of a juridical person means a juridical person which is effectively controlled by another juridical person.⁵

Article 6.14 Market Access

- 1 With respect to market access through commercial presence, the Parties shall accord to commercial presences and investors of the other Parties a treatment no less favourable than that provided for in respect of commercial presence (Mode 3) in the specific commitments contained in Annex 6.1 (Schedules of Specific Commitments).
- 2 In sectors where market access commitments are undertaken, the measures which the Parties shall not maintain or adopt either on the basis of a regional subdivision or on the basis of their entire territory, unless otherwise specified in Annex 6.1 (Schedules of Specific Commitments), are defined as:
 - (a) limitations on the number of commercial presence whether in the form of numerical quotas, monopolies, exclusive rights or other commercial presence requirements such as economic needs tests;
 - (b) limitations on the total value of transactions or assets in the form of numerical quotas or

⁴ The terms 'constitution' and 'acquisition' of a juridical person shall be understood as including capital participation in a juridical person with a view to establishing or maintaining lasting economic links. When the juridical person has the status of a company limited by shares, there is a lasting economic link where the block of shares held enables the shareholder, either pursuant to the provisions of national laws relating to companies limited by shares or otherwise, to participate effectively in the management of the company or in its control. Long-term loans of a participating nature are loans for a period of more than five years which are made for the purpose of establishing or maintaining lasting economic links; the main examples being loans granted by a company to its subsidiaries or to companies in which it has a share and loans linked with a profit-sharing arrangement.

⁵ A juridical person is controlled by another juridical person if the latter has the power to name a majority of its directors or otherwise to legally direct its actions.

the requirement of an economic needs test;

- (c) limitations on the total number of operations or on the total quantity of output expressed in terms of designated numerical units in the form of quotas or the requirement of an economic needs test;
- (d) limitations on the participation of foreign capital in terms of maximum percentage limit on foreign shareholding or the total value of individual or aggregate foreign investment; and
- (e) measures which restrict or require specific types of commercial presence (subsidiary, branch, representative office) or joint ventures through which an investor of the other Party may perform an economic activity.

Article 6.15 National Treatment

- 1 In the sectors where market access commitments in respect of commercial presence are inscribed in Annex 6.1 (Schedules of Specific Commitments), and subject to any conditions and qualifications set out therein, the Parties shall grant to commercial presence and investors of the other Parties, in respect of all measures affecting commercial presence, treatment no less favourable than that they accord to their own like commercial presence and investors.
- 2 The Parties may meet the requirement of Paragraph 1 by according to commercial presence and investors of the other Parties, either formally identical treatment or formally different treatment to that they accord to their own like commercial presence and investors.
- 3 Formally identical or formally different treatment shall be considered to be less favourable if it modifies the conditions of competition in favour of commercial presence and investors of the Party compared to like commercial presence and investors of any other Party.
- 4 Specific commitments assumed under this Article shall not be construed to require any Party to compensate for inherent competitive disadvantages which result from the foreign character of the relevant commercial presence and investors.

Article 6.16 Additional Commitments

The Parties may negotiate commitments with respect to measures affecting commercial presence and investors not subject to scheduling under Article 6.14 (Market Access) and Article 6.15 (National Treatment), including those regarding qualifications, standards, licensing matters, or the entry and temporary residence of natural persons. Such commitments shall be entered in a Party's schedule of commitments in Annex 6.1 (Schedules of Specific Commitments).

Article 6.17
Specific Commitments

The sectors liberalised by the Parties pursuant to this Part and, by means of reservations, the market access and national treatment limitations applicable to commercial presence and investors of the other Party in those sectors are set out in lists of commitments included in Annex 6.1 and shall form an integral part of this Agreement. With respect to sectors where such commitments are undertaken, each schedule shall specify:

- (a) terms, limits and conditions on market access;
- (b) conditions and qualifications on national treatment;
- (c) undertakings related to additional commitments;
- (d) where appropriate, the time-frame for implementation of such commitments; and
- (e) the date of entry into force of such commitments.

Article 6.18
Most-Favoured-Nation Treatment

- 1 With respect to any measure affecting commercial presence covered by this Part, each Party shall accord to commercial presences and investors of any other Party treatment no less favourable than the most favourable treatment applicable to like commercial presences and investors of any third country with whom it concludes after the signature of this Agreement, an economic integration agreement.
2. The obligations set out in Paragraph 1 shall not apply to treatment granted:
 - (a) under measures providing for recognition of qualifications, licences or prudential measures in accordance with Article VII of the GATS or its Annex on Financial Services;
 - (b) under any international agreement or arrangement relating wholly or mainly to taxation; or
 - (c) under measures benefiting from the coverage of a Most Favoured Nation exemption listed in accordance with Article II.2 of the GATS.
- 3 Where a Party concludes negotiation of an arrangement relating to the commercial presence of investors, it shall forthwith notify the other Parties of the terms of the arrangement and be ready to enter into consultations in relation to its obligations under Paragraph 1.

Article 6.19
Other Agreements

Nothing in this Part shall be taken to limit the rights of investors of the Parties to benefit from any more

favourable treatment provided for in any future international agreement relating to investment protection to which a Party is party.

Article 6.20 Behaviour of Investors

The Parties shall cooperate and take, within their own respective territories, such measures as may be necessary, inter alia, through domestic legislation, to ensure that investors :

- (a) are forbidden from, and held liable for, offering, promising or giving any undue pecuniary or other advantage, whether directly or through intermediaries, to any public official or member of his or her family or business associates or other person in close proximity to the official, for that person or for a third party, in order that the official or third party act or refrain from acting in relation to the performance of official duties, or in order to achieve any favour in relation to a proposed investment or any licences, permits, contracts or other rights in relation to an investment;
- (b) act in accordance with core labour standards as required by the International Labour Organization (ILO) Declaration on Fundamental Principles and Rights at Work, 1998;
- (c) do not manage or operate their investments in a manner that circumvents international environmental or labour obligations arising from agreements to which all of the Parties are parties; and
- (d) establish and maintain, where appropriate, local community liaison processes, especially in projects involving extensive natural resource-based activities, in so far that they do not nullify or impair the benefits accruing to the other Party under the terms of a specific commitment.

Article 6.21 Maintenance of Standards

The Parties shall ensure that domestic environmental law, labour or occupational health and safety legislation and standards, core labour standards or laws aimed at protecting and promoting cultural diversity are not lowered or relaxed for the purposes of encouraging foreign direct investment.

Article 6.22 Review

With a view to the progressive liberalisation of investments, the Parties shall review the legal framework for investment regulation, the investment environment, and the flow of investment between them no later than three years after the entry into force of this Agreement and at regular intervals thereafter.

PART 4: MOVEMENT OF BUSINESS PERSONS

Article 6.23 Objectives

The objectives of this Part are to:

- (a) provide for rights and obligations additional to those set out in Part 2 (Cross-border Supply of Services) and Part 3 (Commercial Presence) of this Chapter in relation to the movement of natural persons between the Parties for business purposes;
- (b) facilitate the movement of natural persons engaged in the conduct of trade and investment between the Parties;
- (c) establish streamlined and transparent procedures for applications for immigration formalities for the temporary entry of natural persons to whom this Part applies; and
- (d) protect the integrity of the Parties' borders.

Article 6.24 Scope

- 1 This Part shall apply, as set out in each Party's schedule of specific commitments in respect of the movement of business persons (Mode 4) in Annex 6.1 (Schedules of Specific Commitments), to measures affecting the temporary entry of natural persons of a Party into the territory of another Party. Such persons may include:
 - (a) business visitors;
 - (b) installers and servicers;
 - (c) executives of a business headquartered in a Party establishing a branch or subsidiary, or other commercial presence of that business in another Party;
 - (d) intra-corporate transferees; or
 - (e) contractual service suppliers.
- 2 This Part shall not apply to measures affecting natural persons seeking access to the employment market of another Party, nor shall it apply to measures regarding citizenship, residence or employment on a permanent basis.

Article 6.25 Definitions

For the purposes of this Chapter:

Granting Party means a Party who receives an application for temporary entry from a natural person of another Party who is covered by Article 6.23 (Scope);

Immigration formality means a visa, permit, pass or other document or electronic authority granting a natural person of one Party the right to enter, reside or work or establish commercial presence in the territory of the granting Party;

Natural person of a Party means a natural person of a Party as defined in Article 6.2 (Definitions);

Temporary entry means entry by a natural person covered by this Chapter, without the intent to establish permanent residence.

Article 6.26 Grant of Temporary Entry

- 1 Each Party shall, in accordance with that Party's schedule of specific commitments in respect of the movement of business persons in Annex 6.1 (Schedules of Specific Commitments), grant temporary entry or extension of temporary stay in accordance with this Part to natural persons of another Party provided those natural persons:
 - (a) follow prescribed application procedures for the immigration formality sought; and
 - (b) meet all relevant eligibility requirements for entry to the granting Party.
- 2 Any fees imposed in respect of the processing of an immigration formality shall be reasonable and in accordance with the Party's domestic law.
- 3 A Party may deny temporary entry or extension of temporary stay to natural persons of another Party that do not comply with Subparagraphs 1(a) and (b).

Article 6.27 Schedules of Commitments for the Entry and Temporary Stay of Business Persons

Each Party shall set out in Annex 6.1 (Schedules of Specific Commitments) a schedule containing its commitments for the temporary entry and stay in its territory of natural persons of another Party covered by Article 6.24 (Scope). These schedules shall specify the conditions and limitations governing those commitments, including the length of stay, for each category of natural persons included in each Party's schedule of commitments.

Article 6.28 Processing of Applications

- 1 Where an application for an immigration formality is required by a Party, that Party shall process promptly complete applications for immigration formalities or extensions thereof received from natural persons of another Party covered by Article 6.24 (Scope).

2. Each Party shall, upon request and within a reasonable period after receiving a complete application for an immigration formality from a natural person of another Party covered by Article 6.24 (Scope), notify the applicant of:
 - (a) the receipt of the application;
 - (b) the status of the application; and
 - (c) the decision concerning the application including, if approved, the period of stay and other conditions.

Article 6.29 Immigration Measures

- 1 Nothing in this Part, shall prevent a Party from applying measures to regulate the entry of natural persons of another Party into, or their temporary stay in, its territory, including those measures necessary to protect the integrity of, and to ensure the orderly movement of natural persons across, its borders, provided that such measures are not applied in such a manner as to nullify or impair the benefits accruing to another Party under this Part or to unduly impair or delay trade in goods or services or the conduct of investment activities under this Agreement.
- 2 The sole fact of requiring persons to meet eligibility requirements prior to entry to a Party shall not be regarded as nullifying or impairing benefits accruing to another Party under this Part, or of unduly impairing or delaying trade in goods or services or the conduct of investment activities under this Agreement.

Article 6.30 Transparency

Each Party shall:

- (a) publish or otherwise make publicly available explanatory material on all relevant immigration formalities which pertain to or affect the operation of this Part;
- (b) no later than six months after the date of entry into force of this Agreement publish, such as on its immigration website, or otherwise make publicly available in its own territory and to persons in the territory of the other Parties, the requirements for temporary entry under this Part, including explanatory material and relevant forms and documents that will enable natural persons of other Parties to become acquainted with those requirements; and
- (c) upon modifying or amending any immigration measure that affects the temporary entry of natural persons, ensure that the information published or otherwise made available pursuant to Subparagraph (b) is updated as soon as possible within 90 days.

Article 6.31
Application of Chapter 13 (Consultations and Dispute Settlement)

- 1 The Parties shall endeavour to settle any differences arising out of the implementation of this Chapter through consultations.
- 2 A Party shall not have recourse to Chapter 13 (Consultations and Dispute Settlement) regarding a refusal to grant temporary entry under this Chapter unless:
 - (a) the matter involves a pattern of practice on the part of the granting Party; and
 - (b) the natural persons affected have exhausted all available domestic remedies regarding the particular matters.

PART 5: FINANCIAL SERVICES

Article 6.32
Scope and Definition

- 1 This Part applies to measures of a Party relating to the cross-border supply of financial services and the commercial presence of financial service suppliers of another Party pursuant to Parts 2 and 3 of this Chapter.
- 2 For the purposes of this Chapter:

Financial service means any service of a financial nature offered by a financial service supplier of a Party. Financial services include the following activities:

 - (a) *Insurance and insurance-related services*
 - (i) Direct insurance (including co-insurance):
 - (A) life
 - (B) non-life
 - (ii) Reinsurance and retrocession;
 - (iii) Insurance intermediation, such as brokerage and agency;
 - (iv) Services auxiliary to insurance, such as consultancy, actuarial, risk assessment and claim settlement services.
 - (b) *Banking and other financial services (excluding insurance)*
 - (i) Acceptance of deposits and other repayable funds from the public;

- (ii) Lending of all types, including consumer credit, mortgage credit, factoring and financing of commercial transaction;
- (iii) Financial leasing;
- (iv) All payment and money transmission services, including credit, charge and debit cards, travellers cheques and bankers drafts;
- (v) Guarantees and commitments;
- (vi) Trading for own account or for account of customers, whether on an exchange, in an over-the-counter market or otherwise, the following:
 - (A) money market instruments (including cheques, bills, certificates of deposits);
 - (B) foreign exchange; derivative products including, but not limited to, futures and options;
 - (C) exchange rate and interest rate instruments, including products such as swaps and forward rate agreements;
 - (D) transferable securities;
 - (E) other negotiable instruments and financial assets, including bullion.
- (vii) Participation in issues of all kinds of securities, including underwriting and placement as agent (whether publicly or privately) and provision of services related to such issues;
- (viii) Money broking;
- (ix) Asset management, such as cash or portfolio management, all forms of collective investment management, pension fund management, custodial, depository and trust services;
- (x) Settlement and clearing services for financial assets, including securities, derivative products, and other negotiable instruments;
- (xii) Provision and transfer of financial information, and financial data processing and related software by suppliers of other financial services;
- (xiii) Advisory, intermediation and other auxiliary financial services on all the activities listed in subparagraphs (v) through (xv), including credit reference and analysis, investment and portfolio research and advice, advice on acquisitions and on corporate restructuring and strategy.

Financial service supplier means any natural or juridical person of a Party wishing to supply or supplying financial services but the term financial service supplier does not include a public entity.

Public entity means a public entity as defined in Article 6.2 (Definitions) of this Chapter.

New financial service means a service of a financial nature, including services related to existing and new products or the manner in which a product is delivered, that is not supplied by any financial service supplier in the territory of a Party but which is supplied in the territory of another Party.

Article 6.33 Prudential Measures

- 1 Notwithstanding any other provisions of this Chapter, a Party shall not be prevented from taking measures for prudential reasons, including for the protection of investors, depositors, policy holders or persons to whom a fiduciary duty is owed by a financial service supplier, or to ensure the integrity and stability of the financial system. Where such measures do not conform to the provisions of this Chapter, they shall not be used as a means of avoiding the Party's commitments or obligations under this Chapter.
- 2 For greater certainty, Paragraph 1 permits a Party to impose measures to monitor or regulate capital movements for prudential reasons in the absence of the situations identified in Article 6.68 (Restrictions to Safeguard the Balance of Payments).
- 3 Nothing in this Chapter shall be construed to require a Party to disclose information relating to the affairs and accounts of individual customers or any confidential or proprietary information in the possession of public entities.

Article 6.34 Recognition

- 1 A Party may recognise prudential measures of any other country in determining how the Party's measures relating to financial services shall be applied. Such recognition, which may be achieved through harmonisation or otherwise, may be based upon an agreement or arrangement with the country concerned or may be accorded autonomously.
- 2 A Party that is a party to such an agreement or arrangement referred to in Paragraph 1, whether future or existing, shall afford adequate opportunity for other interested Parties to negotiate their accession to such agreements or arrangements, or to negotiate comparable ones with it, under circumstances in which there would be equivalent regulation, oversight, implementation of such regulation, and, if appropriate, procedures concerning the sharing of information between the parties to the agreement or arrangement. Where Party accords recognition autonomously, it shall afford adequate opportunity for any other Party to demonstrate that such circumstances exist.

- 3 Where a Party is contemplating according recognition to prudential measures of any other country, Article 6.76 (Mutual Recognition) shall not apply.

Article 6.35 New Financial Services

Each Party shall permit a financial service supplier of another Party to provide any new financial service of a type similar to those services that that Party permits its own financial service suppliers to provide under their domestic law in like circumstances. The Parties may determine the juridical form through which the service may be provided and may require authorisation for the provision of the service. Where such authorisation is required, a decision shall be made within a reasonable time and the authorisation may only be refused for prudential reasons, including uncertainty about risks arising from the provision of the service.

Article 6.36 Data Processing

- 1 The Parties shall permit a financial service supplier of the other Party to transfer information in electronic or other form, into and out of their territory, for data processing where such processing is required in the ordinary course of business of such financial service supplier.
- 2 The Parties shall adopt adequate safeguards to the protection of privacy and fundamental rights, and freedom of individuals, in particular with regard to the transfer of personal data.

Article 6.37 Dispute Settlement

Panels for disputes on prudential issues and other financial matters shall have the necessary expertise relevant to the specific financial service under dispute.

Article 6.38 Specific Exceptions

- 1 Nothing in this Chapter shall be construed to prevent the Parties, including their public entities, from exclusively conducting or providing in their territory activities or services forming part of a public retirement plan or statutory system of social security, except when those activities may be carried out, as provided by the domestic regulation of the Party concerned, by financial service suppliers in competition with public entities or private institutions.
- 2 Nothing in this Chapter applies to activities conducted by a central bank or monetary authority or by any other public entity in pursuit of monetary or exchange rate policies and prudential stability.

- 3 Nothing in this Chapter shall be construed to prevent the Parties, including their public entities, from exclusively conducting or providing in their territory activities or services for the account or with the guarantee or using the financial resources of the Party, or their public entities.

PART 6: TELECOMMUNICATIONS

Article 6.39 Objectives

The objective of this Part is to elaborate upon the provisions of this Chapter with respect to measures affecting access to and use of public telecommunications transport networks and services in response to the specificities of the telecommunications services sector and, in particular, its dual role as a distinct sector of economic activity and as the underlying transport means for other economic activities.

Article 6.40 Scope

- (a) This Part shall apply to all measures of a Party that affect access to and use of public telecommunications transport networks and services liberalised pursuant to Parts 2 (Cross-border Supply of Services), 3 (Commercial Presence) and 4 (Movement of Business Persons) of this Chapter, except to the extent that any provisions of this Part is stated not to apply to such measures in the Schedule of a Party.⁶
- (b) This Part shall not apply to measures affecting the cable or broadcast distribution of radio or television programming.
- (c) Nothing in this Part shall be construed:
- (i) to require a Party to authorise a service supplier of any other Party to establish, construct, acquire, lease, operate, or supply telecommunications transport networks or services, other than as provided for in its Schedules in Annex 6.1 or
 - (ii) to require a Party (or to require a Party to oblige service suppliers under its jurisdiction) to establish, construct, acquire, lease, operate or supply telecommunications transport networks or services not offered to the public generally.

Article 6.41 Definitions

⁶ This paragraph is understood to mean that each Party shall ensure that the obligations of this Part are applied with respect to suppliers of public telecommunications transport networks and services by whatever measures are necessary.

For the purposes of this Part:

Contribution link means a link for the transmission of sound or television broadcasting signals to a programme production centre;

Cost-oriented means based on cost and may involve different cost methodologies for different facilities or services;

Enterprise means any entity constituted or organised under applicable law, whether or not for profit, whether privately owned or government owned, including any corporation, trust, partnership, sole proprietorship, joint venture or other association'

Enterprise of a Party means an enterprise constituted or organised under the law of a Party, or a branch located in the territory of a Party, and which engages in substantive business operations there'

Essential telecommunications facilities means facilities of a public telecommunications transport network and service that:

- (i) are exclusively or predominantly provided by a single or limited number of suppliers; and
- (ii) cannot feasibly be economically or technically substituted in order to provide a service.

Interconnection means linking with suppliers providing public telecommunications transport networks or services in order to allow the users of one supplier to communicate with users of another supplier and to access service provided by another supplier;

Intra-corporate communications means telecommunications through which a company communicates within the company or with or among its subsidiaries, branches and, subject to a Party's domestic laws and regulations, affiliates. For these purposes, "subsidiaries", "branches" and, where applicable, "affiliates" are as defined by each Party. "Intra-corporate communications" excludes commercial or non-commercial services that are supplied to companies that are not related subsidiaries, branches or affiliates or that are offered to customers or potential customers;

Leased circuits means telecommunications facilities between two or more designated points that are set aside for the dedicated use of or availability to a particular customer or other users of the customer's choosing;

Major supplier in the telecommunications sector is a supplier which has the ability to materially affect the terms of participation (having regard to price and supply) in the relevant market for telecommunications services as a result of control over essential facilities or the use of its position in the market;

Network termination point means the physical point at which a user is provided with access to a public communications network;

Public telecommunications transport network means the public telecommunications

infrastructure which permits telecommunications between and among defined network termination points;

Public telecommunications transport service means any telecommunications transport service required, explicitly or in effect, by a Party to be offered to the public generally involving the real-time transmission of customer-supplied information between two or more points without any end-to-end change in the form or content of the customer's information. Such services may include, inter alia, telegraph, telephone, telex, and data transmission;

Regulatory authority in the telecommunications sector means the body or bodies charged with the regulation of the telecommunications services falling within the scope of this Part;

Service supplier means a person of a Party that seeks to supply or supplies a service, including a supplier of telecommunications networks or services;

Telecommunications services means all services consisting of the transmission and reception of signals by any electromagnetic means and does not cover economic activity consisting of the provision of content which requires telecommunications for its transport;

Universal service means the set of services of specified quality that must be made available to all users in the territory of a Party regardless of their geographical location and at affordable prices;

User is an enterprise or natural person using or requesting a publicly available telecommunications service.

Article 6.42

Access to and Use of Public Telecommunications Transport Networks and Services

- 1 Each Party shall ensure that any enterprises of any other Party are accorded access to and use of public telecommunications transport networks and services liberalised pursuant to Parts 2 (Cross-border Supply of Services) and 3 (Commercial Presence) of this Chapter on reasonable and non-discriminatory terms and conditions (including technical standards and specifications) and of a quality no less favourable than accorded to other enterprises. This obligation shall be applied, inter alia, to Paragraphs 2 through 6.7.
- 2 Each Party shall ensure that enterprises of any other Party have access to and use of any public telecommunications transport network or service offered within or across the border of that Party, including private leased circuits, and to this end shall ensure, subject to Paragraphs 5 and 6, that such enterprises are permitted to:
 - (i) purchase or lease and attach terminal or other equipment which interfaces with the public telecommunications transport network and which are necessary to supply services;
 - (ii) connect private leased or owned circuits with public telecommunications transport

⁷ The term **non-discriminatory** means terms and conditions no less favourable than those accorded to any other enterprise using like public telecommunications transport networks or services under like circumstances.

networks and services of that Party or with circuits leased or owned by another enterprise;

(iii) use operating protocols of the enterprise's choice in the supply of any service, other than as necessary to ensure the availability of telecommunications transport networks and services to the public generally; and

(iv) perform switching, signaling and processing functions.

3 Each Party shall ensure that enterprises of any other Party may use public telecommunications transport networks and services for the movement of information within and across borders, including for intra-corporate communications of such enterprises, and for access to information contained in databases or otherwise stored in machine-readable form in the territory of any Party.

4 Further to Article 6.70 (General Exceptions), and notwithstanding paragraph 3, a Party shall take appropriate measures to protect:

(a) the security and confidentiality of telecommunications services; or

(b) the privacy of users of public telecommunications transport services;

subject to the requirement that such measures are not applied in a manner which would constitute a means of arbitrary or unjustifiable discrimination or a disguised restriction on trade in services.

5 Each Party shall ensure that no condition is imposed on access to and use of public telecommunications transport networks and services other than as necessary to:

(a) safeguard the public service responsibilities of suppliers of public telecommunications transport networks and services, in particular their ability to make their networks or services available to the public generally;

(b) protect the technical integrity of public telecommunications transport networks or services; or

(c) ensure that enterprises of any other Party do not supply services unless permitted pursuant to commitments in the Party's Schedule in Annex 6.1.

6 Provided that they satisfy the criteria set out in Paragraph 5, conditions for access to and use of public telecommunications transport networks and services may include:

(a) restrictions on resale or shared use of such services;

(b) a requirement to use specified technical interfaces, including interface protocols, for inter-connection with such networks and services;

(c) requirements, where necessary, for the inter-operability of such services;

(d) type approval of terminal or other equipment which interfaces with the network and technical requirements relating to the attachment of such equipment to such networks;

- (e) restrictions on inter-connection of private leased or owned circuits with such networks or services or with circuits leased or owned by another enterprise; or
 - (f) notification, registration and licensing.
- 7 Notwithstanding the preceding Paragraphs of this Article, a Least Developed Country Party may, consistent with its level of development, place reasonable conditions on access to and use of public telecommunications transport networks and services necessary to strengthen its domestic telecommunications infrastructure and service capacity and to increase its participation in international trade in telecommunications services. Such conditions shall be specified in the Party's Schedule in Annex 6.1.

Article 6.43
Authorisation to provide telecommunications services

- 1 The Parties shall endeavour to minimise the circumstances where prior authorisation is required to provide telecommunications service.
- 2 Where an authorisation is required:
- (a) all criteria for authorisation and the normal period of time required to reach a decision concerning an application for authorization shall be made publicly known;
 - (b) the reasons for a denial of authorisation shall be made known in writing to the applicant upon request;
 - (c) the applicant denied authorisation shall be able to appeal the decision; and
 - (d) any fees payable in relation to an application for authorisation shall be reasonable in light of the administrative costs incurred in the processing of applications and the management, monitoring and enforcement of authorizations to provide telecommunications services.

Article 6.44
Competitive Safeguards

Each Party shall maintain or establish, subject to any binding capacity constraints, appropriate measures to prevent telecommunications service providers, acting alone or together, from engaging in anticompetitive practices, including:

- (a) anti-competitive cross-subsidisation;
- (b) using information obtained from competitors with anticompetitive results; and
- (c) not making available to other service suppliers on a timely basis technical information about essential facilities and commercially relevant information which are necessary for them to provide service.

Article 6.45
Access to Essential Facilities

- 1 Each Party shall ensure that a major supplier in its territory makes available its essential facilities, which may include, inter alia, network elements, operational support systems or support structures, to suppliers of telecommunications services of another Party on reasonable and non-discriminatory terms and conditions and cost-oriented rates.
- 2 Each Party may determine, in accordance with its laws and regulations, those essential facilities required to be made available in its territory.

Article 6.46
Interconnection

- 1 Any supplier authorised to provide telecommunications services shall have the right to negotiate interconnection with other providers of publicly available telecommunications networks and services. Interconnection should in principle be agreed on the basis of commercial negotiation between the companies concerned.
- 2 Each Party shall ensure that suppliers of public telecommunications transport services that acquire information from another undertaking during the process of negotiating interconnection arrangements use that information solely for the purpose for which it was supplied and respect at all times the confidentiality of information transmitted or stored.
- 3 Each Party shall ensure that any major supplier in its territory provides interconnection at any technically feasible point in the network. Such interconnection shall be provided:
 - (a) under non-discriminatory terms, conditions (including technical standards and specifications) and rates and of a quality no less favourable than that provided for its own like services or for like services of non-affiliated service suppliers or for its subsidiaries or other affiliates;
 - (b) in a timely fashion, on terms, conditions (including technical standards and specifications) and rates (1) that are transparent, reasonable, having regard to economic feasibility, and sufficiently unbundled so that the supplier need not pay for network components or facilities that it does not require for the service to be provided; and
 - (c) upon request, at points in addition to the network termination points offered to the majority of users, subject to charges that reflect the cost of construction of necessary additional facilities.
- 4 The procedures applicable for interconnection to a major supplier shall be made publicly available.
- 5 Each Party shall ensure that the procedures applicable for interconnection to a major supplier shall make publicly available.

- 6 A service supplier requesting interconnection with a major supplier shall have recourse, either at any time or after a reasonable period of time which has been made publicly known, to an independent domestic body, which may be a regulatory body as referred to in Article 6.48 (Regulatory Authority), to resolve disputes regarding appropriate terms, conditions and rates for interconnection.

Article 6.47
Universal Service

- 1 Each Party has the right to define the kind and scope of universal service arrangements they wish to maintain.
- 2 Each Party shall ensure that any measure on universal service that it adopts or maintains is administered in a transparent, objective, non-discriminatory and competitively neutral manner, and any universal service obligation imposed by it is not more burdensome than necessary to ensure the provision of the kind of universal service that Party has defined.
- 3 The designation of telecommunications service suppliers as providers of universal service shall be made through a transparent and non-discriminatory mechanism.

Article 6.48
Scarce Resources

- 1 Any procedures for the allocation and use of scarce resources, including frequencies, numbers and rights of way, shall be carried out in an objective, timely, transparent and non-discriminatory manner.
- 2 Subject to its specific commitments under Part 2 (Cross-border Supply of Services) and Part 3 (Commercial Presence) of this Chapter, each Party retains the right to establish and apply its spectrum and frequency management policies that may limit the number of suppliers of public telecommunications transport services. Each Party also retains the right to allocate frequency bands taking into account present and future needs.
- 3 The current state of allocated frequency bands shall be made publicly available, but detailed identification of frequencies allocated for specific government uses need not be disclosed.

Article 6.49
Regulatory Authority

- 1 The regulatory authorities for telecommunications of the Parties shall be legally distinct and functionally independent of any supplier of telecommunications services.
- 2 Each Party shall ensure that its regulatory authorities are adequately empowered to regulate telecommunications services, including the power to:

- (a) require telecommunications networks or services submit any information the regulator considers necessary for the administration of its responsibilities; and
 - (b) enforce their decision relating to the obligations set out in Article 6.44 (Access to Essential Facilities) and 6.45 (Interconnection) through appropriate sanctions. Such sanctions may include financial penalties, corrective orders or the suspension or revocation of licences.
- 3 Each Party shall ensure the decisions and procedures of the regulatory authorities shall be impartial with respect to all market participants and are administered in a transparent and timely manner.
- 4 A supplier affected by a decision of a regulatory authority shall have a right of appeal against the decision.

Article 6.50 Resolution of Telecommunications Disputes

Each Party shall ensure:

- (a) enterprises have timely resource to its regulatory authority to resolve disputes with suppliers of public telecommunications transport networks or services regarding matters covered by Article 6.41 (Access to and Use of Public Telecommunications Transport Networks or Services), 6.43 (Competitive Safeguards), 6.44 (Access to Essential Facilities) and 6.45 (Interconnection) and that, under domestic law, fall within the jurisdiction of the regulatory authority;
- (b) suppliers of telecommunications networks or services requesting access to essential facilities or interconnection with a major supplier in the Party's territory, have recourse to a regulatory authority to resolve disputes regarding appropriate terms, conditions and rates for interconnection or access with such a major supplier within a reasonable and public specified period.

Article 6.51 Transparency

In the application of Article 6.76 (Transparency) of this Chapter, each Party shall make publicly available:

- (a) the responsibilities of a regulatory authority in an easily accessible and clear form, in particular where those responsibilities are given to more than one body;
- (b) its measures relating to public telecommunications transport network or services, including:
 - (i) regulations of its regulatory authority, together with the basis for such regulations;
 - (ii) measures relating to tariffs and other terms and conditions of service;

- (iii) measures relating to specifications of technical interfaces;
 - (iv) measures relating to conditions for attaching terminal or other equipment to the public telecommunications transport network;
 - (v) measures relating to notification, permit, registration, or licensing requirements, if any; and
- (c) information on bodies responsible for preparing, amending and adopting standards-related measures.

PART 7: ELECTRONIC COMMERCE AND COMPUTER SERVICES

Article 6.52 Objectives

The Parties recognise the economic growth and opportunity that electronic commerce provides, the importance of avoiding barriers to its use and development. To that end the objectives of this Part are to:

- (a) promote electronic commerce among the Parties;
- (b) enhance cooperation among the Parties regarding development of electronic commerce; and
- (c) promote the use of electronic commerce between the Parties and other countries.

Article 6.53 Definitions

For the purposes of this Chapter:

Digital certificates are electronic documents or files that are issued or otherwise linked to a participant in an electronic communication or transaction for the purpose of establishing the participant's identity;

Digital products means computer programs, text, video, images, sound recordings, and other products that are digitally encoded and produced for commercial sale or distribution.

Electronic authentication means the process of testing an electronic statement or claim, in order to establish a level of confidence in the statement's or claim's reliability;

Electronic signature has for each Party the meaning set out in its domestic laws and regulations;

Electronic version of a document means a document in electronic format prescribed by a Party, including a document sent by facsimile transmission;

Trade administration documents means forms issued or controlled by a Party which must be

completed by or for an importer or exporter in relation to the import or export of goods;

UNCITRAL refers to the United Nations Commission on International Trade Law.

Article 6.54
Transparency

- 1 Each Party shall publish as promptly as possible or, where that is not practicable, otherwise make publicly available all relevant measures of general application pertaining to or affecting the operation of this Part.
2. Each Party shall respond as promptly as possible to relevant requests by another Party for specific information on any of its measures of general application pertaining to or affecting the operation of this Part.

Article 6.55
Domestic Regulatory Frameworks

Each Party shall maintain, or adopt as soon as practicable, domestic laws and regulations governing electronic transactions taking into account the UNCITRAL Model Law on Electronic Commerce 1996 and the circumstances prevailing in each Party.

Article 6.56
Electronic Authentication and Digital Certificates

- 1 Each Party shall maintain, or adopt as soon as practicable, measures based on international norms for electronic authentication that:
 - (a) permit participants in electronic transactions to determine the appropriate authentication technologies and implementation models for their electronic transactions;
 - (b) do not limit the recognition of authentication technologies and implementation models; and
 - (c) permit participants in electronic transactions to have the opportunity to prove that their electronic transactions comply with the Party's domestic laws and regulations.
- 2 The Parties shall, where possible, endeavour to work towards the mutual recognition of digital certificates and electronic signatures that are issued or recognised by governments based on internationally accepted standards.
- 3 The Parties shall encourage the interoperability of digital certificates used by business.

Article 6.57
Online Consumer Protection

- 1 The Parties recognise the importance of maintaining and adopting transparent and effective measures to protect consumers from fraudulent and deceptive commercial practices when they engage in electronic commerce.
- 2 Each Party shall endeavour to provide legal protection for consumers using electronic commerce that is equivalent to that provided for consumers of other forms of commerce under its relevant laws, regulations and policies.
- 3 The Parties recognise the importance of cooperation between their respective national consumer protection agencies on activities related to cross-border electronic commerce in order to enhance consumer welfare.
- 4 Each Party's national consumer protection enforcement agencies shall endeavor to cooperate with those of the other Party, in appropriate cases of mutual concern, in the enforcement of laws against fraudulent and deceptive commercial practices in electronic commerce.

Article 6.58
Online Data Protection

- 1 Subject to Paragraph 2, each Party shall, in a manner it considers appropriate, protect the personal data of the users of electronic commerce.
- 2 A Party shall not be obliged to apply Paragraph 1 before the date on which that Party enacts domestic laws or regulations to protect the personal data of electronic commerce users.
- 3 In the development of data protection standards, each Party shall consider the international standards and criteria of relevant international organisations.

Article 6.59
Paperless Trading

- 1 Each Party shall, where possible, work towards the implementation of initiatives which provide for the use of paperless trading.
- 2 The Parties shall cooperate in international fora to enhance acceptance of electronic versions of trade administration documents.
- 3 In working towards the implementation of initiatives which provide for the use of paperless trading, each Party shall take into account the methods agreed by international organisations including the World Customs Organization.
- 4 Each Party shall endeavour to make electronic versions of its trade administration documents

publicly available.

Article 6.60
Electronic supply of digital products

The Parties agree that deliveries of digital products by electronic means shall be considered as the provision of services, within the meaning of Part 2 (Cross-border Supply) of this Chapter, which cannot be subject to customs duties.

Article 6.61
Cross-Border Information Flows

Recognising the importance of the free flow of information in facilitating trade, and acknowledging the legitimate public policy concerns, the Parties shall endeavour to refrain from imposing or maintaining unnecessary barriers to electronic information flows across borders.

Article 6.62
Cooperation on Electronic Commerce

- 1 Recognising the global nature of electronic commerce, the Parties shall encourage cooperation in research and training activities that would enhance the development of electronic commerce. These cooperative research and training activities may include, but are not limited to:
- (a) promotion of the use of electronic versions of trade administration documents used by any other Party or Parties;
 - (b) assisting small and medium enterprises to overcome obstacles encountered in the use of electronic commerce;
 - (c) sharing information and experiences and identifying best practices in relation to domestic legal and policy frameworks in the sphere of electronic commerce, including those related to data protection, privacy, consumer confidence, cyber-security, unsolicited electronic mail, electronic signatures, intellectual property rights, and electronic government;
 - (d) encouraging cooperative activities to promote electronic commerce including those that would improve the effectiveness and efficiency of electronic commerce;
 - (e) exploring ways in which a developed Party or Parties could provide assistance to the developing Parties in implementing an electronic commerce legal framework;
 - (f) encouraging cooperation between the relevant authorities to facilitate prompt investigation and resolution of fraudulent incidents relating to electronic commerce transactions;
 - (g) encouraging development by the private sector of methods of self-regulation, including

codes of conduct, model contracts, guidelines, and enforcement mechanisms, that foster electronic commerce; and

- (h) actively participating in regional and multilateral fora to promote development of electronic commerce.
- 2 The Parties shall endeavour to undertake forms of co-operation that build on and do not duplicate existing co-operation initiatives pursued in international fora.

Article 6.63 Computer Services

- 1 To the extent that trade in computer services is liberalised in accordance with Part 2 (Cross-border Supply of Services), Part 3 (Commercial Presence) and Part 4 (Movement of Business Persons) of this Chapter, the Parties subscribe to the understanding defined in Paragraphs 2, 3 and 4.
- 2 CPC 84, the United Nations code used for describing computer and related services, covers the basic functions used to provide all computer and related services: computer programs defined as the sets of instructions required to make computers work and communicate (including their development and implementation), data processing and storage, and related services, such as consultancy and training services for staff of clients. Technological developments have led to the increased offering of these services as a bundle or package of related services that can include some or all of these basic functions. For example, services such as web or domain hosting, data mining services and grid computing each consist of a combination of basic computer services functions.
- 3 Computer and related services, regardless of whether they are delivered via a network, including the Internet, include all services that provide:
 - (a) consulting, strategy, analysis, planning, specification, design, development, installation, implementation, integration, testing, debugging, updating, support, technical assistance, or management of or for computers or computer systems; or
 - (b) computer programs defined as the sets of instructions required to make computers work and communicate (in and of themselves), plus consulting, strategy, analysis, planning, specification, design, development, installation, implementation, integration, testing, debugging, updating, adaptation, maintenance, support, technical assistance, management or use of or for computer programs; or
 - (c) data processing, data storage, data hosting or database services; or

- (d) maintenance and repair services for office machinery and equipment, including computers;
or
 - (e) training services for staff of clients, related to computer programs, computers or computer systems, and not elsewhere classified.
- 4 Computer and related services enable the provision of other services (for example banking) by both electronic and other means. However, there is an important distinction between the enabling service (for example web-hosting or application hosting) and the content or core service that is being delivered electronically (for example banking). In such cases, the content or core service is not covered by CPC 84.

PART 8: COOPERATION

Article 6.64 General Provisions

The Parties acknowledge the growing importance of new areas related to trade in facilitating progressive regional integration in the Pacific and the integration of the economies of the Parties into the international economy. The Parties therefore agree to strengthen their cooperation in these areas in accordance with the provisions of Part 8 of this Chapter.

Article 6.65 Measures to Facilitate Trade

- 1 The Parties shall endeavour to implement measures which will facilitate trade in services among the Parties and, where appropriate, shall encourage government bodies and other organisations and institutions to work towards the implementation of such measures.
- 2 The Parties shall examine the scope for taking action to facilitate trade in services among the Parties by harmonising their laws, regulations and administrative practices.
- 3 Where possible, initiatives to facilitate trade in services among the Parties shall be coordinated with wider regional and international initiatives.
- 4 Where a Party believes harmonisation of measures, or their implementation, will facilitate trade in services or reduce or eliminate distortions of trade in services, it may notify any other Party of its wish to enter into consultations. The Party so requested shall enter into consultations in good faith, and as soon as possible, with a view to seeking a mutually satisfactory solution.

PART 9: TRANSFERS, SAFEGUARDS and EXCEPTIONS

Article 6.66 Current Payments

Subject to Article 6.32 (Prudential Measures) and Article 6.68 (Restrictions to Safeguard Balance of Payments), a Party shall not apply restrictions on international transfers and payments for current transactions between residents of the Parties connected with its specific commitments made pursuant to this Chapter and allow such transfers and payments to be made in freely convertible currency. However, unusually large transfers and payments may be required to be staggered over a period of time, sufficient to protect the stability of the balance of payments and of foreign reserves.

Article 6.67 Capital Movements

Subject to Articles 6.32 (Prudential Measure) and 6.68 (Restrictions to Safeguard Balance of Payments), the Parties shall not impose restrictions on the free movement of capital relating to direct investments made in accordance with the laws of the host country and connected with its specific commitments made pursuant to this Chapter, and the liquidation and repatriation of such capital and of any profit stemming therefrom. However, unusually large transfers and payments may be required to be staggered over a period of time, sufficient to protect the stability of the balance of payments and of foreign reserves.

Article 6.68 Emergency Safeguard Measures

- 1 In response to problematic market conditions in particular service sectors, the correction of structural problems within the market, or the threat of the disappearance of service sectors, a Party may adopt or maintain restrictions on cross-border trade in services or commercial presence on which it has undertaken specific commitments under this Chapter, including on payments or transfers for transactions and exchange transactions related to such commitments.
- 2 The restrictions referred to in paragraph 1:
 - (a) shall not discriminate among Parties;
 - (b) shall avoid unnecessary damage to the commercial, economic and financial interests of any other Parties;
 - (c) shall not exceed those necessary to deal with the circumstances described above; and

- (d) shall be temporary and, where practical, be phased out progressively as the situation improves.
- 3 The other Parties shall be informed forthwith of the adoption of any safeguard measure and, as soon as possible, of a time schedule for its removal.
- 4 The Parties shall review periodically, and at least every five years, the operation of this Article with a view to considering its possible modification or elimination.

Article 6.69
Restrictions to Safeguard the Balance of Payments

- 1 In the event of serious balance of payments or external financial difficulties or threat thereof, or where necessary to maintain a level of financial resources adequate for the implementation of its program of economic development, a Party may adopt or maintain restrictions on cross-border trade in services and commercial presences on which it has undertaken commitments, including on payments or transfers for transactions related to such commitments.
- 2 The restrictions referred in paragraph 1:
 - (a) shall not discriminate among Parties;
 - (b) shall be consistent with the Party's obligations, if any, under the International Monetary Fund Articles of Agreement ;
 - (c) shall avoid unnecessary damage to the commercial, economic and financial interests of any other Parties;
 - (d) shall not exceed those necessary to deal with the circumstances described above;
 - (e) shall be temporary and, where practical, be phased out progressively as the situation improves; and
 - (f) shall not be adopted or maintained for the purpose of protecting a particular service sector or economic activity.
- 3 Restrictions adopted or maintained under Paragraph 1 or any changes therein shall be notified promptly to the Parties, and the Party imposing the restriction shall, upon request, explain to any other Party its reasons for doing so.
- 4 The Parties shall review periodically, and at least every five years, the operation of this Article with a view to considering its possible modification or elimination.

Article 6.70
General and Security Exceptions

- 1 Subject to the requirement that such measures are not applied in a manner which would constitute a means of arbitrary or unjustifiable discrimination between the Parties where like conditions prevail, or a disguised restriction on trade in services, nothing in this Chapter shall prevent the adoption or enforcement by any Party of measures:
 - (a) necessary to protect public morals or to maintain public order;
 - (b) necessary to protect human, animal or plant life or health;
 - (c) necessary to secure compliance with laws or regulations which are not inconsistent with the provisions of this Agreement, including those relating to:
 - (i) the prevention of deceptive and fraudulent practices or to deal with the effects of a default on services contracts;
 - (ii) the protection of the privacy of individuals in relation to the processing and dissemination of personal data and the protection of confidentiality of individual records and accounts; and
 - (iii) health and safety;
 - (d) inconsistent with Articles 6.8 (National Treatment) and 6.15 (National Treatment), provided that the difference in treatment is aimed at ensuring the equitable or effective imposition or collection of direct taxes in respect of services or service suppliers of other Parties;
 - (e) inconsistent with Articles 6.11 (Most Favoured Nation Treatment) and 6.18 (Most Favoured Nation Treatment), provided that the difference in treatment is the result of an agreement on the avoidance of double taxation or provisions on the avoidance of double taxation in any other international agreement or arrangement by which the Party is bound.
- 2 The public order exception in Paragraph 1(a) may be invoked only where a genuine and sufficiently serious threat is posed to one of the fundamental interests of society.
- 3 For the purposes of Paragraph 1(d), measures that are aimed at ensuring the equitable or effective imposition or collection of direct taxes include measures taken by a Party under its taxation system which either:
 - (a) apply to non-resident service suppliers in recognition of the fact that the tax obligation of non-residents is determined with respect to taxable items sourced or located in the Party's territory;
 - (b) apply to non-residents in order to ensure the imposition or collection of taxes in the Party's

- territory; (c) apply to non-residents or residents in order to prevent the avoidance or evasion of taxes, including compliance measures; (d) apply to consumers of services supplied in or from the territory of another Party in order to ensure the imposition or collection of taxes on such consumers derived from sources in the Party's territory; (e) distinguish service suppliers subject to tax on worldwide taxable items from other service suppliers, in recognition of the difference in the nature of the tax base between them; or
- (f) determine, allocate or apportion income, profit, gain, loss, deduction or credit of resident persons or branches, or between related persons or branches of the same person, in order to safeguard the Party's tax base.
- 4 Tax terms or concepts in Subparagraphs 1(d) and (e) and in Paragraph 3 are determined according to tax definitions and concepts, or equivalent or similar definitions and concepts, under the domestic law of the Party taking the measure.
- 5 Nothing in this Protocol shall be construed to:
- (a) require any Party to furnish any information, the disclosure of which it considers contrary to its essential security interests; or
- (b) prevent any Party from taking any action which it considers necessary for the protection of its essential security interests:
- (i) relating to the supply of services as carried out directly or indirectly for the purpose of provisioning a military establishment;
- (ii) relating to fissionable and fusionable materials or the materials from which they are derived;
- (iii) taken in time of war or other emergency in international relations; or
- (c) prevent any Party from taking any action in pursuance of its obligations under the United Nations Charter for the maintenance of international peace and security.
- 6 The Parties shall be informed to the fullest extent possible of measures taken under Paragraphs 5(b) and (c) and of their termination.

Article 6.71

Right to Regulate

- 1 This Chapter shall not be construed as in any way requiring the privatisation of public undertakings nor prevent any of the Parties from supplying public services, including law enforcement, correctional services, pension or unemployment insurance or social security services, income security or insurance, social security or insurance, social welfare, public education, public training, health and child protection.

- 2 The Parties recognise the right of all Parties to regulate, and to introduce new regulations, on the supply of services within their territories in order to meet national policy objectives. This Protocol shall not be construed as in any way preventing any of the Parties from regulating public and private services in order to meet national policy objectives, provided that such regulation is not applied in a manner as to nullify or impair the benefits accruing to any Party under the terms of a specific commitment.

Article 6.72 Government Procurement

Nothing in this Chapter shall apply to the procurement of services by the central, regional or local governments or state enterprises of any Party.

Article 6.73 Subsidies

- 1 Subject to paragraph 2, nothing in this Chapter shall apply to subsidies provided by any Party that affect the supply of cross-border services or commerce presence of another Party.
- 2 The Parties agree to consult where one Party considers that subsidies provided by any other Party affecting trade in services nullify or impair any benefits it expected to receive under this Protocol with a view to reaching a mutually satisfactory solution.
- 3 The Parties shall review the operation of this Article, following the conclusion of the negotiations on the trade distorting effect of subsidies on trade in services under the WTO GATS, with a view to considering the possible modification or elimination of this Article.

Article 6.74 Regulatory Reform

- 1 The Parties recognise that the establishment of appropriate regulatory regimes for services sectors and areas of economic activity is a prerequisite for their successful liberalisation.
- 2 Where in the view of a Party it does not have an appropriate regulatory regime in place for any service sector and/or the capacity to effectively implement and enforce that regime at the time this Agreement comes into force, that Party may delay giving effect to any specific commitment it has made in relation to any such sector under this Chapter until such time as an adequate regulatory regime and capacity to implement and enforce that regime is developed, but in no case for more than 24 months from the date of the entry into force of this Agreement.
- 3 Any Party that delays giving effect to any specific commitment under paragraph 2 shall take all reasonable steps given its economic, social and environmental characteristics and development strategy to establish and implement an appropriate regulatory regime.
- 4 Restrictions adopted or maintained under paragraph 2 or any changes to such restrictions shall be

notified promptly to the Parties.

- 5 The Parties agree to cooperate to establish and strengthen appropriate regulatory regimes for service sectors, including, where appropriate, regional initiatives.

Article 6.75 Denial of Benefits

A Party may deny the benefits of this Chapter:

- (a) to the cross-border supply of a service, if it establishes that the service is supplied from or in the territory of a non-Party;
- (b) in the case of the supply of a maritime transport service, if it establishes that the service is supplied:
 - (i) by a vessel registered under the laws of a non-Party, and
 - (ii) by a person which operates and/or uses the vessel in whole or in part but which is of a non-Party;
- (c) to a service supplier or commercial presence that is a juridical person, if it establishes that the service supplier is not a service supplier or commercial presence of another Party.

PART 10: GENERAL PROVISIONS

Article 6.76 Mutual Recognition

- 1 Nothing in this Chapter shall prevent the Parties from requiring that natural persons must possess the necessary qualifications and/or professional experience specified in the territory where the service is supplied or the commercial presence is located for the sector of activity concerned.
- 2 For the purposes of the fulfilment, in whole or in part, of its standards or criteria for the authorisation, licensing or certification of service suppliers and commercial presences, and subject to the requirements of Paragraph 3, a Party may recognise the education or experience obtained, requirements met, or licenses or certifications granted in a particular country. Such recognition, which may be achieved through harmonisation or otherwise, may be based upon an agreement or arrangement with the country concerned or may be accorded autonomously.
- 3 The Parties shall encourage the relevant professional bodies in their respective territories to jointly develop and provide recommendations on mutual recognition to the Parties, for the purpose of the

fulfilment, in whole or in part, by service suppliers and commercial presences of the criteria applied by the Parties for the authorisation, licensing, operation and certification of service suppliers and commercial presences and, in particular, in the professional services sector.

- 4 In particular, the Parties shall encourage the relevant professional bodies in their respective territories to start negotiations no later than three years after entry into force of this Agreement in order to jointly develop and provide such recommendations on mutual recognition, among others, in the following disciplines: accounting, architecture, engineering and tourism.
- 5 On receipt of a recommendation referred to in the preceding paragraph, the Committee on Trade in Services and Investment shall, within a reasonable time, review the recommendation with a view to determining whether it is consistent with this Agreement.
- 6 When, in conformity with the procedure set out in paragraph 3, a recommendation referred to in the same paragraph has been found to be consistent with this Agreement and there is a sufficient level of correspondence between the relevant regulations of the Parties, the Parties shall, with a view to implementing that recommendation, negotiate, through their competent authorities, an agreement on mutual recognition of requirements, qualifications, licences and other regulations.
- 7 Wherever appropriate, recognition should be based on multilaterally agreed criteria. In appropriate cases, the Parties shall work in cooperation with relevant intergovernmental and non-governmental organisations towards the establishment and adoption of common international standards and criteria for recognition and common international standards for the practice of relevant service trades and professions.
- 8 Any such agreement shall be in conformity with the relevant provisions of the WTO Agreement and, in particular, Article VII of the GATS.
- 9 The Committee on Trade in Services and Investment shall review progress made in mutual recognition every two years.

Article 6.77 Transparency

- 1 Each Party shall publish promptly, or otherwise publicly disseminate, and, except in emergency situations, at the latest by the time of their entry into force, all measures, including judicial decisions and administrative rulings, of general application which pertain to or affect the operation of this Chapter. International agreements pertaining to or affecting trade in services and investment to which a Party is a signatory shall also be published.
- 2 Where publication as referred to in paragraph 1 is not practicable, such information shall be made otherwise publicly available.
- 3 Each Party shall endeavour to provide as much opportunity as possible for interested parties and persons to comment on proposed measures that may affect trade or employment.
- 4 Each Party shall promptly and at least annually inform the Parties of the introduction of any new, or

any changes to existing, laws, regulations or administrative guidelines which significantly affect cross-border trade in services or commercial presence covered by its specific commitments under this Chapter.

- 5 Each Party shall respond promptly to all requests by any other Party for specific information on any of its measures of general application or international agreements within the meaning of paragraph 1.
- 6 Nothing in this Chapter shall require any Party to provide confidential information, the disclosure of which would impede law enforcement, or otherwise be contrary to the public interest, or which would prejudice legitimate commercial interests of particular enterprises, public or private.

Article 6.78 Contact Points and Consultations

- 1 Each Party shall designate a contact point to facilitate communication among the Parties on any matter relating to this Chapter.
- 2 Where a Party consider that any proposed or actual measure of another Party or Parties may materially affect trade in goods between the Parties, that Party may, through the contact point, request detailed information relating to that measure and, if necessary, request consultations with a view to resolving any concerns about the measure. The other Party or Parties shall respond promptly to such requests for information and consultations.

Article 6.79 Procedures

- 1 Where authorisation is required for the supply of a service or commercial presence on which a specific commitments has been made, the competent authorities of the Parties shall, within a reasonable period of time after the submission of an application considered complete under domestic laws and regulations, inform the applicant of the decision concerning the application. At the request of the applicant, the competent authorities of the Parties shall provide, without undue delay, information concerning the status of the application.
- 2 The Parties shall maintain or institute judicial, arbitral or administrative tribunals or procedures which provide, at the request of an affected service supplier and investor, for a prompt review of, and where justified, appropriate remedies for administrative decisions affecting cross-border supply of services, commercial presence or the temporary presence of natural persons for a business purpose. The Parties shall ensure that the procedure provide or an objective and impartial review.

Article 6.80 Notification of Parties

- 1 Where this Chapter requires a Party to notify or inform the other Parties it shall be sufficient for that Party to notify or inform the MSG Secretariat. The Secretariat shall immediately disseminate the

notice to all other Parties. Notifications which are made directly to other Parties shall also be made to the Secretariat.

Article 6.81
Committee on Trade in Services and Investment

- 1 The Parties hereby establish a Committee on Trade in Services and Investment (hereafter referred to as the "Committee"), consisting of representatives of the Parties.
2. The Committee may meet at the request of any Party or the STOM to consider any matter arising under this Chapter.
3. The Committee shall be the forum for all negotiations relating to trade in services, investment, labour mobility and public procurement under the MFTA. Its functions shall include:
 - (a) reviewing implementation of, and measures taken pursuant to this Chapter;
 - (b) considering reports from working groups;
 - (c) reviewing and recommending changes to the Annexes to the Parties;
 - (d) identifying and recommending measures to promote and facilitate improved market access;
and
 - (e) reporting to the STOM.
- 3 The Committee may establish subsidiary working groups for consideration of some issues under this Chapter
- 4 The meetings of the Committee may be in person or by any other means as mutually determined by the Parties.

Article 6.82
Review

- 1 The Parties shall meet as appropriate to review relevant aspects of the implementation and operation of this Chapter.
- 2 The Parties undertake to conduct a general review of the operation of this Chapter no later than five years after this Agreement enters into force, and every five years thereafter. Under the general review, the Parties shall:
 - (a) monitor progress made in implementing this Chapter;

- (b) assess whether the Chapter is operating effectively;
 - (c) evaluate the need for additional measures or modifications to increase its effectiveness;
 - (d) consider the progress in liberalisation and the desirability of further negotiations to broaden or deepen regional economic integration; and
 - (e) consider any other matter relating to the content of or implementation of this Chapter or economic integration in the Pacific region.
- 3 At the time of the first general review of this Chapter undertaken pursuant to Paragraph 2, or at any time after the first general review, a Party that is a Least Developed Country shall have the option to withdraw or modify any of its commitments entered under this Chapter where compliance with such commitment has given rise to an unexpected difficulty or level of difficulty without substantially reducing its overall level of commitment under this Chapter.
- 4 Prior to taking action under paragraph 3, the Party shall notify the other Parties who shall have the right to consult. A Party that exercises this option after the first general review shall, upon request by a Party whose benefits are affected by such withdrawal or modification, offer compensatory adjustments to that Party in the form of commitments on additional sectors or subsectors or modes of supply that are equivalent to the commitments that have been withdrawn or modified. If it fails to do so, or if the affected Party refuses to accept such compensatory adjustments, the affected Party may suspend the application of concessions or the performance of any other obligations under this Agreement with respect to the Party that withdrew or modified commitments.
5. The level of the suspension of concessions or performance of other obligations by the affected Party shall be equivalent to the level of nullification or impairment of benefits under this Protocol caused by the withdrawal or modification of commitments.

ANNEX 6.1: INDIVIDUAL COUNTRY SCHEDULES OF SPECIFIC SERVICES COMMITMENTS (ARTICLES 6.10, 6.16, 6.17 & 6.27)

SCHEDULE OF FIJI

1. Unless otherwise stated, all CPC references correspond to the United Nations Provisional Central Product Classification.
2. Measures inconsistent with both Article 6.8 (National Treatment) and Article 6.7 (Market Access) shall be inscribed in the column relating to Market Access. In this case the inscription will be considered to provide a condition or qualification to Article 6.8 (National Treatment) as well.
3. For clarity an entry of 'None' means no limitations except as listed elsewhere in the schedule, including in either or all of Part I, the Additional Commitments column, Limitations on Market Access column or Limitations on National Treatment column.

Modes of Supply: (1) Cross-border supply (2) Consumption abroad (3) Commercial presence

Sector or Sub-sector ⁸	Limitations on Market Access	Limitations on National Treatment	Additional Commitments
1. HORIZONTAL COMMITMENTS			
<p>ALL SECTORS INCLUDED IN THIS SCHEDULE</p>	<p>3) Any activity involving foreign investment in the cultural heritage of the Republic of Fiji shall have at least 500000 FJD in owner's contribution or paid-up capital in the form of cash from the operational date, to be fully brought into Fiji within the implementation period.⁹</p> <p>3) A foreign investor engaging in real estate development must have at least 5 million FJD in owner's contribution or paid up capital for companies in the form of cash from the operational date, to be fully brought within Fiji within the implementation period.</p>	<p>3) Natural persons that are not citizens of Fiji and enterprises that are not wholly-owned by citizens of Fiji are prohibited from owning or acquiring land or any interest in land, except freehold land that is designated for commercial purposes.</p> <p>3) Foreign investors are required to obtain a foreign investment registration certificate for the establishment or acquisition of an enterprise or the acquisition of shares of an enterprise in Fiji. Foreign investment projects that have a minimum financial threshold below 2.5 million FJD are given a 12-month implementation period from the date of issuance of the certificate, whereas projects having minimum investment financial threshold above 2.5 million FJD are given an implementation period of 18 months.</p>	

⁸ References to the CPC in the sectoral column refer to the Provisional Central Product Classification, United Nations, 1991.

⁹ All monetary thresholds mentioned in this schedule can be adjusted by the government of Fiji to take account of inflation.

Modes of Supply: (1) Cross-border supply (2) Consumption abroad (3) Commercial presence

Sector or Sub-sector ⁸	Limitations on Market Access	Limitations on National Treatment	Additional Commitments
II. Sector-Specific Commitments			
1. BUSINESS SERVICES			
A. Professional Services			
a) Legal Services (CPC 861)	1) None 2) None 3) Only through sole proprietorship or partnership.	1) None 2) None 3) None	
b) Accounting, auditing and bookkeeping services (CPC 862)	1) The supply of chartered accountancy services – whether accountancy, auditing, bookkeeping or taxation services – to the public of Fiji shall only be done through sole proprietorships or partnerships established in Fiji.	1) None	
c) Taxation services (CPC 863)	2) None	2) None	
	3) The supply of chartered accountancy services – whether accountancy, auditing, bookkeeping or taxation services – to the public of Fiji shall only be done through sole proprietorships or partnerships.	3) One member of the board of directors of the enterprise providing accountancy services has to be resident in Fiji.	
	1) None	1) None	
	2) None	2) None	
d) Architectural services (CPC	3) None	2) None	

Modes of Supply: (1) Cross-border supply (2) Consumption abroad (3) Commercial presence

Sector or Sub-sector ⁸	Limitations on Market Access	Limitations on National Treatment	Additional Commitments
B. Computer and Related Services (CPC 84)	1) None 2) None 3) Enterprises supplying exclusively repair and maintenance services of personal computers and related equipment are required to be 100% owned by Fiji citizens.	1) None 2) None 3) None	
C. Research and Development Services a) R&D services on natural sciences (CPC 851) b) R&D services on social sciences and humanities (CPC 852) c) Interdisciplinary R&D services (CPC 853)	1) None 2) None 3) None	1) None 2) None 3) None	
D. Real Estate Services a) Involving own or leased property (CPC 821) b) On a fee or contract basis (CPC 822)	1) Unbound 2) None 3) Foreign investors wishing to supply services through a commercial presence shall have at least 1 million FJD in owner's contribution or paid-up capital in the form of cash from the operational date, to be fully brought within Fiji within the implementation period. For renting or leasing homes/villas/apartments/bures to tourists only, the minimum requirement shall be FJD	1) Unbound 2) None 3) None	

Modes of Supply: (1) Cross-border supply (2) Consumption abroad (3) Commercial presence

Sector or Sub-sector ⁸	Limitations on Market Access	Limitations on National Treatment	Additional Commitments
	250000 in owner's contribution or paid-up capital in the form of cash from the operational date, to be fully brought within Fiji within the implementation period. ²		
<p>E. Rental/Leasing Services without Operators</p> <p>a) Relating to ships (CPC 83103)</p> <p>b) Relating to aircraft (CPC 83104)</p> <p>c) Relating to other transport equipment (CPC 83101+83102)</p> <p>d) Relating to other machinery and equipment (CPC 83106-83109)</p> <p>e) Other (CPC 832)</p>	<p>1) None</p> <p>2) None</p> <p>3) None</p>	<p>1) None</p> <p>2) None</p> <p>3) None</p>	

Modes of Supply: (1) Cross-border supply (2) Consumption abroad (3) Commercial presence

Sector or Sub-sector ⁸	Limitations on Market Access	Limitations on National Treatment	Additional Commitments
<p>F. Other Business Services</p> <p>a) Advertising services (CPC 871)</p> <p>b) Market research and public opinion polling services (CPC 864)</p> <p>c) Management consulting services (CPC 865)</p> <p>d) Services related to management consulting (CPC 866)</p> <p>e) Technical testing and analysis services (CPC 8676)</p> <p>f) Services incidental to agriculture, hunting and forestry (CPC 881)</p> <p>g) Services incidental to fishing (CPC 882**) – Limited to specialized consultancy services. Does not include fishing.</p> <p>h) Services incidental to mining (CPC 883)</p> <p>i) Services incidental to manufacturing (CPC 884)</p> <p>j) Services incidental to energy distribution (CPC 887**) – Limited to consultancy services.</p> <p>k) Placement and supply services and personnel (CPC 872)</p> <p>l) Investigation and security (CPC 873)</p> <p>m) Related scientific and technical consulting services (CPC 8675)</p> <p>o) Building-cleaning services (CPC 874)</p> <p>p) Photographic services (CPC 875)</p> <p>q) Packaging services (CPC 876)</p> <p>r) Printing, publishing (CPC 88442)</p> <p>s) Convention services (CPC 87909*)</p> <p>t) Other (CPC 8790)</p>	<p>1) None</p> <p>2) None</p> <p>3) None</p>	<p>1) None</p> <p>2) None</p> <p>3) None</p>	

Modes of Supply: (1) Cross-border supply (2) Consumption abroad (3) Commercial presence

Sector or Sub-sector ⁸	Limitations on Market Access	Limitations on National Treatment	Additional Commitments
<p>2. COMMUNICATION SERVICES</p> <p>B. Courier Services (CPC 7512)</p>	<p>1) None</p> <p>2) None</p> <p>3) None</p>	<p>1) None</p> <p>2) None</p> <p>3) None</p>	
<p>C. Telecommunication services</p> <p>Basic Services</p> <p>(a) Voice telephone services</p> <p>(b) Packet-switched data transmission services</p> <p>(c) Circuit-switched data transmission services</p> <p>(d) Telex services</p> <p>(e) Telegraph services</p> <p>(f) Facsimile services</p> <p>(g) Private leased circuit services</p> <p>(o) Other</p>	<p>1) None</p> <p>2) None</p> <p>3) None</p>	<p>1) None</p> <p>2) None</p> <p>3) None</p>	<p>Fiji undertakes to comply with the regulatory principles contained in the Reference Paper attached hereto.</p>

Modes of Supply: (1) Cross-border supply (2) Consumption abroad (3) Commercial presence

Sector or Sub-sector ⁸	Limitations on Market Access	Limitations on National Treatment	Additional Commitments
Value-added services (h) Electronic mail (i) Voice mail (j) On-line information and data base retrieval (k) Electronic data interchange (EDI) (l) Enhanced/value-added facsimile services, including store and forward, store and retrieve (m) Code and protocol conversion (n) On-line information and/or data processing (o) Other	1) None 2) None 3) None	1) None 2) None 3) None	
2.D. Audio-visual Services a. Motion picture and videotape production and distribution services (CPC 9611)	1) None 2) None 3) None	1) None 2) None 3) To be eligible for obtaining investment incentives, the minimum foreign investment is 250000 FJD for motion picture productions and 50000 FJD for advertising or commercial productions.	
3. CONSTRUCTION AND RELATED ENGINEERING SERVICES A. General construction work for buildings (CPC 512)	1) None	1) None	

Modes of Supply: (1) Cross-border supply (2) Consumption abroad (3) Commercial presence

Sector or Sub-sector ⁸	Limitations on Market Access	Limitations on National Treatment	Additional Commitments
<p>B. General construction work for civil engineering (CPC 513)</p> <p>C. Installation and assembly work (CPC 514+516)</p> <p>D. Building completion and finishing work (CPC 517)</p> <p>E. Other (CPC 511+515+518)</p>	<p>2) None</p> <p>3) Foreign investors wishing to supply services through a commercial presence shall have at least 1 million FJD in owner's contribution or paid-up capital in the form of cash from the operational date, to be fully brought within Fiji within the implementation period.²</p> <p>Enterprises that are not wholly-owned by Fijian citizens cannot supply plumbing services and electrical services, except as part of a broader construction project.</p> <p>A foreign investor engaging in earthmoving business must have at least must have at least 1 million FJD in owner's contribution or paid up capital for companies in the form of cash from the operational date, to be fully brought within Fiji within the implementation period.</p>	<p>2) None</p> <p>3) None</p>	
<p>4. DISTRIBUTION SERVICES (excluding distribution services in relation to alcohol, tobacco, kava, sugar, and handicrafts)</p> <p>A. Commission agents' services, excluding petroleum oil (CPC 621**, 61111**, 6113**, 6121**)</p>	<p>1) None</p> <p>2) None</p> <p>3) None</p>	<p>1) None</p> <p>2) None</p> <p>3) None</p>	

Modes of Supply: (1) Cross-border supply (2) Consumption abroad (3) Commercial presence

Sector or Sub-sector ⁸	Limitations on Market Access	Limitations on National Treatment	Additional Commitments
B. Wholesale trade services, excluding petroleum oil (CPC 622**, 61111**, 6113**, 6121**)	1) None 2) None 3) None	1) None 2) None 3) None	
C. Retailing services (CPC 631**, 632**, 61112, 6113**, 6121**) <ul style="list-style-type: none"> - Excluding retailing services via stalls and markets, and bakeries¹⁰. 	1) None 2) None 3) None	1) None 2) None 3) None	
D. Franchising (CPC 8929)	1) None 2) None 3) None	1) None 2) None 3) None	

¹⁰ Bakeries that are operated within the vicinity of a hotel/resort and/or operated by foreign-owned hotels/resorts are not excluded.

Modes of Supply: (1) Cross-border supply (2) Consumption abroad (3) Commercial presence

Sector or Sub-sector ⁸	Limitations on Market Access	Limitations on National Treatment	Additional Commitments
<p>5. EDUCATIONAL SERVICES (limited to services provided by privately-owned institutions)</p> <p>A. Primary education services (CPC 921**)</p> <p>B. Secondary education services (CPC 922**)</p>	<p>1) Unbound</p> <p>2) None</p> <p>3) None</p>	<p>1) Unbound</p> <p>2) None</p> <p>3) None</p>	
<p>C. Higher education services in private institutions (CPC 923**)</p> <p>D. Adult education (CPC 924)</p> <p>E. Other education services (CPC 929)</p>	<p>1) Unbound</p> <p>2) None</p> <p>3) None</p>	<p>1) Unbound</p> <p>2) None</p> <p>3) None</p>	
<p>6. ENVIRONMENTAL SERVICES</p> <p>Consultancy related to the provision of the following environmental services:</p> <p>A. Sewage Services (CPC 9401**)</p> <p>B. Refuse disposal services (CPC 9402**)</p> <p>C. Sanitation and similar services (CPC 9403**)</p>	<p>1) None</p> <p>2) None</p> <p>3) None</p>	<p>1) None</p> <p>2) None</p> <p>3) None</p>	

Modes of Supply: (1) Cross-border supply (2) Consumption abroad (3) Commercial presence

Sector or Sub-sector ⁸	Limitations on Market Access	Limitations on National Treatment	Additional Commitments
D. Other environmental services (CPC 9404-9409)	1) None 2) None 3) None	1) None 2) None 3) None	

Modes of Supply: (1) Cross-border supply (2) Consumption abroad (3) Commercial presence

Sector or Sub-sector ⁸	Limitations on Market Access	Limitations on National Treatment	Additional Commitments
<p>7. FINANCIAL SERVICES</p> <p>Unbound for: - activities conducted by a central bank or monetary authority or by any other public entity in pursuit of monetary or exchange rate policies; - activities forming part of a statutory system of social security or public retirement plans; - and other activities conducted by a public entity for the account or with the guarantee or using the financial resources of the government.</p> <p>A. Insurance and insurance-related services</p> <p>(i) Direct insurance (including co-insurance):</p> <p>(A) life</p> <p>(B) non-life</p>	<p>1) None</p> <p>2) Subject to approval by the authorities, on the basis, inter alia, of the non-availability of insurance services within Fiji. Authorities can require that the service be supplied through an agent or broker located in Fiji.</p> <p>3) None</p>	<p>1) None</p> <p>2) None</p> <p>3) None</p>	
<p>(ii) Reinsurance and retrocession</p>	<p>1) None</p> <p>2) None</p> <p>3) None</p>	<p>1) None</p> <p>2) None</p> <p>3) None</p>	

Modes of Supply: (1) Cross-border supply (2) Consumption abroad (3) Commercial presence

Sector or Sub-sector ⁸	Limitations on Market Access	Limitations on National Treatment	Additional Commitments
(iii) Insurance intermediation, such as brokerage and agency	1) Unbound 2) Unbound 3)None	1) Unbound 2) Unbound 3) None	
(iv) Services auxiliary to insurance, such as consultancy, actuarial, risk assessment and claim settlement services	1) None 2) None 3) None	1) None 2) None 3) None	
<p>B. Banking and other financial services (excluding insurance)</p> <p>(a) Acceptance of deposits and other repayable funds from the public;</p> <p>(b) Lending of all types, including consumer credit, mortgage credit, factoring and financing of commercial transaction;</p> <p>(c) Financial leasing;</p> <p>(d) All payment and money transmission services, including credit, charge and debit cards, travellers cheques and bankers drafts;</p> <p>(e) Guarantees and commitments;</p>	1) Unbound 2) Unbound 3) None	1) Unbound 2) Unbound 3) None	

Modes of Supply: (1) Cross-border supply (2) Consumption abroad (3) Commercial presence

Sector or Sub-sector ⁸	Limitations on Market Access	Limitations on National Treatment	Additional Commitments
<p>(f) Trading for own account or for account of customers, whether on an exchange, in an over-the-counter market or otherwise, the following:</p> <ul style="list-style-type: none"> (i) money market instruments (including cheques, bills, certificates of deposits) ; (ii) foreign exchange; (iii) derivative products including, but not limited to, futures and options; (iv) exchange rate and interest rate instruments, including products such as swaps, forward rate agreements; (v) transferable securities; (vi) other negotiable instruments and financial assets, including bullion. <p>(g) Participation in issues of all kinds of securities, including underwriting and placement as agent (whether publicly or privately) and provision of services related to such issues;</p> <p>(h) Money broking;</p> <p>(i) Asset management, such as cash or portfolio management, all forms of collective investment management, pension fund management, custodial, depository and trust services;</p> <p>(j) Settlement and clearing services for financial assets, including securities, derivative products, and other negotiable instruments;</p>			

Modes of Supply: (1) Cross-border supply (2) Consumption abroad (3) Commercial presence

Sector or Sub-sector ⁸	Limitations on Market Access	Limitations on National Treatment	Additional Commitments
<p>(k) Provision and transfer of financial information, and financial data processing and related software by suppliers of other financial services;</p> <p>(l) Advisory, intermediation and other auxiliary financial services on all the activities listed in subparagraphs (v) through (xv) , including credit reference and analysis, investment and portfolio research and advice, advice on acquisitions and on corporate restructuring and strategy.</p>	<p>1) None</p> <p>2) None</p> <p>3) None</p>	<p>1) None</p> <p>2) None</p> <p>3) None</p>	
<p>8. HEALTH RELATED AND SOCIAL SERVICES -limited to services provided by privately-owned institutions);</p> <p>A. Hospital Services (CPC 9311**)</p> <p>B. Other Human Health Services (CPC 9319**)</p> <p>C. Social Services (CPC 933**) - Excluding day care services.</p>	<p>1) None</p> <p>2) None</p> <p>3) None</p>	<p>1) None</p> <p>2) None</p> <p>3) None</p>	

Modes of Supply: (1) Cross-border supply (2) Consumption abroad (3) Commercial presence

Sector or Sub-sector ⁸	Limitations on Market Access	Limitations on National Treatment	Additional Commitments
<p>9. TOURISM AND TRAVEL RELATED SERVICES</p> <p>A. Hotels and restaurant (incl. catering) (CPC 641-643**)</p> <p>- Excluding: milk bars and cafeteria business; kava business; Internet café; bakeries¹¹; home stay lodging services; night clubs⁴; liquor bars⁴; and backpacker operations.</p>	<p>1) None</p> <p>2) None</p> <p>3) None</p>	<p>1) None</p> <p>2) None</p> <p>3) None</p>	

¹¹ Except when operated within the vicinity of a hotel/resort and/or operated by foreign-owned hotels/resorts.

Modes of Supply: (1) Cross-border supply (2) Consumption abroad (3) Commercial presence

Sector or Sub-sector ⁸	Limitations on Market Access	Limitations on National Treatment	Additional Commitments
<p>10. RECREATIONAL, CULTURAL AND SPORTING SERVICES</p> <p>A. Entertainment Services (CPC 9619**)</p> <p>- Excluding amusement and gaming centers.</p> <p>C. Libraries, archives, museums, and other cultural services (CPC 963)</p> <p>D. Sporting and other recreational services (CPC 964**)</p> <p>- Excluding gambling and betting.</p>	<p>1) None</p> <p>2) None</p> <p>3) None</p>	<p>1) None</p> <p>2) None</p> <p>3) None</p>	

Modes of Supply: (1) Cross-border supply (2) Consumption abroad (3) Commercial presence

Sector or Sub-sector ⁸	Limitations on Market Access	Limitations on National Treatment	Additional Commitments
<p>11. TRANSPORT SERVICES</p> <p>a)</p> <p>A. Maritime Transport Services</p> <p>International Transport (freight and passengers) (CPC 7211 and 7212), excluding cabotage transport (as defined in annex)</p>	<p>1) Local agent in Fiji required</p> <p>2) None</p> <p>3) (a) Establishment of registered company for the purpose of operating a fleet under the national flag of the State of establishment: unbound</p> <p>(b) Other forms of commercial presence for the supply of international maritime transport services (as defined below - 2): none</p>	<p>1) None</p> <p>2) None</p> <p>3) (a) Unbound</p> <p>(b) None</p>	<p>The following services at the port are made available to international maritime transport suppliers on reasonable and non-discriminatory terms and conditions</p> <ol style="list-style-type: none"> 1. Pilotage 2. Towing and tug assistance 3. Provisioning, fuelling and watering 4. Garbage collecting and ballast waste disposal 5. Port Captain's services 6. Navigation aids 7. Shore-based operational services essential to ship operations including communications, water and electrical supplies 8. Emergency repair facilities 9. Anchorage, berth and berthing services
<p>Inter-Island maritime passenger service, exclusively for transport to tourist resorts, and excluding services offered to the general public.</p>	<p>1) Unbound</p> <p>2) Unbound</p> <p>3) None</p>	<p>1) Unbound</p> <p>2) Unbound</p> <p>3) None</p>	

Modes of Supply: (1) Cross-border supply (2) Consumption abroad (3) Commercial presence

Sector or Sub-sector ⁸	Limitations on Market Access	Limitations on National Treatment	Additional Commitments
d) Maintenance and repair of vessels (CPC 8868**)	1) None 2) None 3) None	1) None 2) None 3) None	

Modes of Supply: (1) Cross-border supply (2) Consumption abroad (3) Commercial presence

Sector or Sub-sector ⁸	Limitations on Market Access	Limitations on National Treatment	Additional Commitments
MARITIME AUXILIARY SERVICES			
Customs Clearance Services (as defined in Annex)	1) None	1) None	
Container Station and Depot Services (as defined in Annex)	2) None	2) None	
Maritime Freight Forwarding Services (as defined in Annex)	3) None	3) None	
Storage and Warehousing Services			
Maritime Agency Services (as defined in Annex)	1) Suppliers of maritime transport services are required to go through a local agent established in Fiji.	1) None	
	2) None	2) None	
	3) None	3) None	

Modes of Supply: (1) Cross-border supply (2) Consumption abroad (3) Commercial presence

Sector or Sub-sector ⁸	Limitations on Market Access	Limitations on National Treatment	Additional Commitments
H. Services Auxiliary to All Modes of Transport			
a) Cargo-handling services, except maritime and air cargo handling (CPC 741**)	1) None 2) None	1) None 2) None	
b) Storage and warehouse services, except maritime storage and warehousing services (CPC 742**)	3) None	3) None	
c) Freight transport agency services, except maritime freight agency services (CPC 748**)			
d) Other (CPC 749)			

Supplementary Notes to Fiji's Schedule: Definitions in relation to maritime transport

1. Without prejudice to the scope of activities which may be considered as “cabotage” under the relevant national legislation, this schedule does not include “maritime cabotage services”, which are assumed to cover transportation of passengers or goods between a port located in the Fiji and another port located in the Fiji, traffic originating and terminating in the same port located in the Fiji provided that this traffic remains within the Fiji’s territorial waters, and traffic between a port located in the Fiji and installations or structures situated in the EEZ or relating to the continental shelf of Fiji.

2. “Other forms of commercial presence for the supply of international maritime transport services” means the ability for international maritime transport service suppliers of other Parties to undertake locally all activities which are necessary for the supply to their customers of a partially or fully integrated transport service, within which the maritime transport constitutes a substantial element. (This commitment shall however not be construed as limiting in any manner the commitments undertaken under the cross-border mode of delivery).

These activities include, but are not limited to:

- (a) marketing and sales of maritime transport and related services through direct contact with customers, from quotation to invoicing, these services being those operated or offered by the service supplier itself or by service suppliers with which the service seller has established standing business arrangements;
 - (b) the acquisition, on their own account or on behalf of their customers (and the resale to their customers) of any transport and related services, including inland transport services by any mode, particularly inland waterways, road and rail, necessary for the supply of the integrated services;
 - (c) the preparation of documentation concerning transport documents, customs documents, or other documents related to the origin and character of the goods transported;
 - (d) the provision of business information by any means, including computerised information systems and electronic data interchange (subject to the provisions of the annex on telecommunications);
 - (e) the setting up of any business arrangements (including participation in the stock of a company) and the appointment of personnel recruited locally (or, in the case of foreign personnel, subject to the horizontal commitment on movement of personnel) with any locally established shipping agency;
 - (f) acting on behalf of the companies, organising the call of the ship or taking over cargoes when required.
3. "Maritime cargo handling services" means activities exercised by stevedore companies, including terminal operators, but not including the direct activities of dockers, when this workforce is organised independently of the stevedoring or terminal operator companies. The activities covered include the organisation and supervision of:
- the loading/discharging of cargo to/from a ship;
 - the lashing/unlashing of cargo;
 - the reception/delivery and safekeeping of cargoes before shipment or after discharge.
4. "Customs clearance services" (alternatively "customs house brokers' services") means activities consisting in carrying out on behalf of another party customs formalities concerning import, export or through transport of cargoes, whether this service is the main activity of the service provider or a usual complement of its main activity.
5. "Container station and depot services" means activities consisting in storing containers, whether in port areas or inland, with a view to their stuffing/stripping, repairing and making them available for shipments.

6. “Maritime agency services” means activities consisting in representing, within a given geographic area, as an agent the business interests of one or more shipping lines or shipping companies, for the following purposes:
- marketing and sales of maritime transport and related services, from quotation to invoicing, and issuance of bills of lading on behalf of the companies, acquisition and resale of the necessary related services, preparation of documentation, and provision of business information;
 - acting on behalf of the companies organising the call of the ship or taking over cargoes when required.
7. “Freight forwarding services” means the activity consisting of organising and monitoring shipment operations on behalf of shippers, through the acquisition of transport and related services, preparation of documentation and provision of business information. Freight forwarding services do not include postal services or courier services.

Fiji’s Schedule of Commitments on Movement of Natural Persons

1. Fiji’s commitments under Article 5 (Market Access) and Article 6 (National Treatment) of Chapter X (Trade in Services) and under Chapter Z (Movement of Natural Persons) apply only in relation to the categories of persons set out below. In accordance with Article 5 (Market Access), Article 6 (National Treatment), and Article 8 (Specific Commitments) of Chapter X (Trade in Services), Fiji specifies below any terms, conditions, limitations or qualifications.

Category of natural person	Sector or subsector	Conditions and Limitations (including duration of stay)
I. Horizontal Commitments		
All categories of natural persons included in this schedule	All sectors	<ul style="list-style-type: none"> - Natural persons that are not citizens of Fiji are prohibited from owning or acquiring land or any interest in land, except freehold land that is designated for commercial purposes. - Foreign employees are required to provide training to a national of Fiji.
II. Category-specific commitments		
<u>Business visitors</u> Business visitor means a natural person of a another Party who is: (a) a service seller being a natural person who is a sales	All sectors	<ul style="list-style-type: none"> - With respect to (b), period of stay of up to 4 months, with possibility of extension, up to maximum total period of 6 months. - With respect to (a) and (c), period of stay of up to 14 days, with possibility of extension, up to a maximum of 3 months.

<p>representative of a service supplier of that Party and is seeking temporary entry into Fiji for the purpose of negotiating the sale of services for that service supplier, where such representative will not be engaged in making direct sales to the general public or in supplying services directly;</p> <p>(b) an investor of another Party, as defined in Chapter 8 (Cross-border Investment), or a duly authorized representative of an investor of another Party, seeking temporary entry into the territory of Fiji to establish, expand, monitor, or dispose of an investment of that investor; or</p> <p>(c) a goods seller, being a natural person who is seeking temporary entry into the territory of the other Party to negotiate for the sale of goods where such negotiations do not involve direct sales to the general public.</p>		
<p><u>Intra-Corporate Transferees</u></p> <p>Intra-corporate transferee means an employee of an enterprise of another Party that has established in Fiji through a branch, subsidiary or affiliate, who is transferred to fill a position in the branch, subsidiary or affiliate of the enterprise in Fiji, who has been in the prior employment of the enterprise of the other Party for a period of not less than one year immediately preceding the date of application for admission, and who corresponds to the following categories:</p> <p>Executives:</p> <p>Definition: Executive means a natural person within an organization who primarily directs the management of the organization, exercises wide latitude in decision making, and receives only general supervision or direction from higher level executives, the board of directors or stockholders of the business. An executive would not directly perform tasks related to the actual provision of the service nor the operation of an investment;</p> <p>Managers:</p> <p>Definition: Manager means a natural person within an organization who primarily directs the organization or a department or subdivision of the organization, supervises and controls the work of other supervisory, professional or managerial employees, has the authority to hire and fire or take other personnel actions (such as promotion or leave authorization), and</p>	<p>All sectors listed in Fiji's schedule under Annex [...] (Schedule of Specific Commitments on Trade in Services) and Annex [...] (Schedule of Specific Commitments on Investment)</p>	<ul style="list-style-type: none"> - Period of stay up to a maximum of three years, with possibility of renewal for another 3 years. - For legal services (CPC 861): prior residency of 3 months in Fiji is required before practicing. - For accountancy, auditing, and bookkeeping services (CPC 862) and taxation services (CPC 863): a natural person offering chartered accountancy services – whether accountancy, auditing, bookkeeping, or taxation services – to the public in Fiji must hold a current Certificate of Public Practice, for which residency is a requirement. - For architectural services (CPC 8671) and urban planning and landscape architectural services (CPC 8672): requirement to work for one year with a locally registered architect in Fiji before being registered.

<p>exercises discretionary authority over day-to-day operations;</p> <p>Specialists:</p> <p>Definition: Specialist means a natural person within an organization who possesses knowledge at an advanced level of technical expertise, and who possesses proprietary knowledge of the organization's service, research equipment, techniques or management.</p>		
<p><u>Contractual service supplier</u></p> <p>A contractual service supplier means a natural person of another Party who: (a) is an employee of a service supplier or an enterprise of another Party, whether a company, partnership or firm, who enters the territory of Fiji in order to perform a service pursuant to a contract(s) between his or her employer and an enterprise in the territory of Fiji; (b) is sponsored by the enterprise in Fiji; (c) is employed by a company, partnership or firm of the Party, which has no commercial presence in the territory of Fiji; (d) receives his or her remuneration from that employer; and (e) has a qualification resulting from three or more years of formal post-secondary school education and appropriate experience.</p>	<p>All sectors listed in Fiji's schedule under Annex (...) (Schedule of Specific Commitments on Trade in Services), except:</p> <ul style="list-style-type: none"> - 11. A. <i>International maritime transport in vessels operating under the Fijian flag.</i> - 9.D. <i>Sporting and other recreational services</i> 	<ul style="list-style-type: none"> - Period of stay up to 6 months. Additional period of stay, up to a maximum period 3 years, is conditional on the non-availability of citizens of Fiji. - For legal services (CPC 861): prior residency of 3 months in Fiji is required before practicing. - For accountancy, auditing, and bookkeeping services (CPC 862) and taxation services (CPC 863): a natural person offering chartered accountancy services – whether accountancy, auditing, bookkeeping, or taxation services – to the public in Fiji must hold a current Certificate of Public Practice, for which residency is a requirement. - For architectural services (CPC 8671) and urban planning and landscape architectural services (CPC 8672): requirement to work for one year with a locally registered architect in Fiji before being registered.
<p><u>Independent Service Supplier</u></p> <p>Independent service supplier means a self-employed natural person who is a service supplier of another Party entering the territory of Fiji pursuant to a service contract with an enterprise in Fiji, that does not receive remuneration in Fiji, that is sponsored by the enterprise in Fiji, and that has a qualification resulting from</p>	<p>All sectors listed in Fiji's schedule under Annex [...] (Schedule of Specific Commitments on Trade in Services), except:</p> <ul style="list-style-type: none"> - 11. A. <i>International maritime transport in vessels operating under the Fijian</i> 	<ul style="list-style-type: none"> - Period of stay up to 6 months. Additional period of stay, up to a maximum period 3 years, is conditional on the non-availability of citizens of Fiji. - For legal services (CPC 861): prior residency of 3 months in Fiji is required before practicing. - For accountancy, auditing, and bookkeeping services (CPC 862) and taxation services

<p>three or more years of formal post-secondary school education and appropriate experience.</p>	<p><i>flag.</i></p> <ul style="list-style-type: none"> - 9.D. Sporting and other recreational services 	<p>(CPC 863): a natural person offering chartered accountancy services – whether accountancy, auditing, bookkeeping, or taxation services – to the public in Fiji must hold a current Certificate of Public Practice, for which residency is a requirement.</p> <ul style="list-style-type: none"> - For architectural services (CPC 8671) and urban planning and landscape architectural services (CPC 8672): requirement to work for one year with a locally registered architect in Fiji before being registered.
<p><u>Installers or Servicers</u></p> <p>Installer or servicer means a natural person of another Party who is an installer or servicer of machinery and/or equipment, where such installation and/or servicing by the supplying company is a condition of purchase of the said machinery or equipment. An installer or servicer cannot perform services which are not related to the service activity which is the subject of the contract. Sponsorship by an enterprise in Fiji is required.</p>	<p>All Sectors</p>	<ul style="list-style-type: none"> - Period of stay up to 6 months. Additional period of stay, up to a maximum period 3 years, is conditional on the non-availability of citizens of Fiji.
<p><u>Management trainee on professional development</u></p> <p>Natural persons of another Party with a university degree or a technical qualification demonstrating knowledge of an equivalent level, who are transferring for career development purposes or to obtain training in business techniques or methods.</p> <p>This commitment applies to an employee of an enterprise of another Party that has established in Fiji through a branch, subsidiary or affiliate, who is transferred to the branch, subsidiary or affiliate of the enterprise in Fiji.</p> <p>This commitment also applies to natural persons transferring from a branch, subsidiary or affiliate that supplies services in another Party, to its parent juridical person established in Fiji.</p> <p>The recipient service supplier in Fiji may be required to submit a training programme covering the duration of the stay for prior approval, demonstrating that the purpose of the stay is for training and career development purposes.</p>	<p>All sectors</p>	<ul style="list-style-type: none"> - Conditional on the non-availability of nationals of Fiji. - Period of stay up to a maximum of 3 years, with possibility of renewal for another 3 years.
<p><u>Skilled or semi-skilled workers:</u></p> <p>Skilled or semi-skilled worker means a natural person of another Party who enters the territory of Fiji in order to work temporarily</p>	<p>All sectors</p>	<ul style="list-style-type: none"> - Conditional on the non-availability of nationals of Fiji. - Period of stay up to a maximum of 3 years, with possibility of renewal for another 3 years.

<p>under an employment contract with an enterprise in Fiji, and who has a qualification resulting from three or more years of formal post-secondary school education and appropriate experience for that employment</p>		<ul style="list-style-type: none"> - For legal services (CPC 861): prior residency of 3 months in Fiji is required before practicing. - For accountancy, auditing, and bookkeeping services (CPC 862) and taxation services (CPC 863): a natural person offering chartered accountancy services – whether accountancy, auditing, bookkeeping, or taxation services – to the public in Fiji must hold a current Certificate of Public Practice, for which residency is a requirement. - For architectural services (CPC 8671) and urban planning and landscape architectural services (CPC 8672): requirement to work for one year with a locally registered architect in Fiji before being registered.
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PAPUA NEW GUINEA'S SCHEDULE OF SPECIFIC COMMITMENTS

Explanatory notes:

- a. This Schedule lists conditions and limitations that PNG will apply as measures inconsistent with obligations of national treatment (NT) and market access (MA). These limitations include: the duration of stay, labour market assessments, quotas, nationality requirements for investment thresholds, or discriminatory training requirements.
- b. 'Horizontal' limitations apply only to the sectors listed in this schedule and to some extent Non-conforming measures in Article 8.13 and Annex 8.1. Horizontal limitations apply in addition to the sector-specific commitments. These commitments also apply when an entry of 'none' has been inscribed in the sector-specific section.
- c. An entry of 'none' in the schedule means PNG is guaranteeing that no measure inconsistent with MA or NT is maintained. An entry of 'unbound' means that no commitment is undertaken (i.e., all types of restrictions could be imposed at any time later).
- d. For clarity purposes, the threshold of K10,000,000.00 will not apply to existing businesses however if they are operating reserved activities as scheduled in Annex 8.1 of this Agreement they will be required to review their business activities.
- e. PNG has a large population, landmass, size of the economy and abundance of resources that come with increased opportunities and challenges which defines its Small and Medium Enterprises (SME) sector and addressed by its SME Policy.

Modes of supply: 1) Cross-border supply 2) Consumption abroad 3) Commercial presence 4) Movement of Business Persons

Sector or subsector	Limitations on market access	Limitations on national treatment	Additional commitments
1. HORIZONTAL COMMITMENTS			
ALLSECTORSINCLUDED INTHISCHEDULE	3) Normal government approval and registration is required for all foreign investors by the Investment Promotion Authority.	3) Foreign employees are required to provide on-the-job training to local employees. 3) Natural persons that are not citizens of PNG and enterprises that are not wholly-owned by citizens of PNG may only lease land from	

	<p>3) 3 A foreign investor shall be allowed to have a joint venture of 49% foreign ownership and 51% PNG ownership with initial investment value of more than PGK10, 000,000.00 and less than PGK20, 000,000.00 in medium scale enterprises/industries.</p> <p>3) Foreign investor with more than PGK20, 000,000.00 is open to invest in any large scale enterprises/industries. Specific investment requirements will apply according to sectoral policies.</p> <p>4) Unbound, except for measures affecting the entry and temporary stay of natural persons in the following categories:</p> <p>(a) Intra-Corporate Transferees -</p> <p>(b) Executives, managers and specialists with specialized technical skills necessary for the provision of service.</p> <p>For both (a) and (b) above, entry is limited to 3 years initially with any extension subject to approval requirements of the Department of Labour and Industrial Relations requirements.</p> <p>(c) Foreign service suppliers, including, contractual service suppliers, independent services, installers or maintenance services suppliers will stay up to a maximum of 60 days within a calendar year subject to renewal.</p>	<p>government or land-holding groups through the Department of Lands and Physical Planning.</p> <p>3) Companies incorporated outside Papua New Guinea must register the name of the company with the Investment Promotion Authority in Papua New Guinea.</p> <p>(4) Unbound, except as specified under Market Access Column</p>	
<p>II. SECTOR-SPECIFIC COMMITMENTS</p>			

<p>1. BUSINESS SERVICES</p> <p>A. <u>Professional services</u></p> <p>(a) Legal Services (CPC 861)</p> <p>(b) Accounting, auditing and bookkeeping services (CPC 862)</p> <p>(c) Taxation Services (CPC 863;- tax advisor services)</p> <p>(d) Architectural Services (CPC 8671)</p> <p>(e) Engineering Services (CPC 8672)</p> <p>(f) Integrated Engineering Services (CPC 8673)</p> <p>(g) Urban Planning and landscape architectural services (CPC 8674)</p> <p>(h) Medical and Dental Services (CPC 9312)</p>	<p>1) None 2) None 3) None, except as specified under horizontal section</p> <p>1) None 2) None 3) None, except as specified under horizontal section</p> <p>1) None 2) None 3) None, except the conditions set out in the horizontal section</p> <p>1) None 2) None 3) None</p> <p>1) None 2) None 3) None</p> <p>1) None 2) None 3) None</p> <p>1) None 2) None 3) None</p> <p>1) None 2) None 3) None</p>	<p>1) None 2) None 3) None, except as specified under Market Access Column</p> <p>1) None 2) None 3) None</p> <p>1) None 2) None 3) None, except the conditions set out in the horizontal section</p> <p>1) None 2) None 3) None</p> <p>1) None 2) None 3) None</p> <p>1) None 2) None 3) None</p>	
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<p>(i) Veterinary Services (CPC 932)</p> <p>(j) Midwives, nurses, physiotherapists and paramedical personnel (CPC 93191)</p>	<p>1) None 2) None 3) None</p> <p>1) None 2) None 3) None</p> <p>1) None 2) None 3) None</p>	<p>1) None 2) None 3) None</p> <p>1) None 2) None 3) None</p> <p>1) None 2) None 3) None</p>	
<p><u>B. Computer and related services</u></p> <p>(a) Consultancy services related to installation of computer hardware (CPC 841)</p> <p>(b) Software implementation services (CPC 842)</p> <p>(c) Data processing services (CPC 843)</p> <p>(d) Data base services (CPC 844)</p> <p>(e) Other (CPC 845 + 849)</p>	<p>1) None 2) None 3) None, except as specified under horizontal commitments</p> <p>1) None 2) None 3) None, except as specified under horizontal commitments</p> <p>1) None 2) None 3) None, except as specified under horizontal commitments</p> <p>1) None 2) None 3) None, except as specified under horizontal commitments</p> <p>1) None 2) None 3) None, except as specified under horizontal commitments</p> <p>1) None</p>	<p>1) None 2) None 3) None, except as specified under horizontal commitments</p> <p>1) None 2) None 3) None, except as specified under horizontal commitments</p> <p>1) None 2) None 3) None, except as specified under horizontal commitments</p> <p>1) None 2) None 3) None, except as specified under horizontal commitments</p> <p>1) None</p>	

	<ul style="list-style-type: none"> 2) None 3) None, except as specified under horizontal commitments 	<ul style="list-style-type: none"> 2) None 3) None, except as specified under horizontal commitments 	
<p><u>C. Research and Development Services</u></p> <p>(a) R&D Services on natural sciences (CPC 851)</p> <p>(b) R&D Services on social sciences and humanities (CPC 852)</p> <p>(c) Interdisciplinary R&D Services (CPC 853)</p>	<ul style="list-style-type: none"> 1) None 2) None 3) None <ul style="list-style-type: none"> 1) None 2) None 3) None <ul style="list-style-type: none"> 1) None 2) None 3) None 	<ul style="list-style-type: none"> 1) None 2) None 3) None <ul style="list-style-type: none"> 1) None 2) None 3) None <ul style="list-style-type: none"> 1) None 2) None 3) None 	
<p><u>D. Real Estate Services</u></p> <p>a) Involving own or leased property (CPC821**)</p> <p>b) On a fee or contract basis (CPC 822**)</p> <p>-Excluding real estate services relating to land</p>	<ul style="list-style-type: none"> 1) None 2) None 3) None, except as specified under horizontal commitments <ul style="list-style-type: none"> 1) None 2) None 3) None, except as specified under horizontal commitments 	<ul style="list-style-type: none"> 1) None 2) None 3) None, except as specified under horizontal commitments <ul style="list-style-type: none"> 1) None 2) None 3) None, except as specified under horizontal commitments 	

<p><u>E. Rental/Leasing Services without Operators</u></p> <p>a) Relating to ships (CPC 83103)</p> <p>b) Relating to aircraft (CPC 83104)</p> <p>c) Relating to other transport equipment (CPC 83101+83102)</p> <p>d) Relating to other machinery and equipment (CPC 83106-83109)</p> <p>e) Other (CPC 832)</p>	<p>1) None 2) None 3) None, except as specified under horizontal commitments</p> <p>1) None 2) None 3) None, except as specified under horizontal commitments</p> <p>1) None 2) None 3) None, except as specified under horizontal commitments</p> <p>1) None 2) None 3) None, except as specified under horizontal commitments</p> <p>1) None 2) None 3) None</p>	<p>1) None 2) None 3) None, except as specified under horizontal commitments</p> <p>1) None 2) None 3) None, except as specified under horizontal commitments</p> <p>1) None 2) None 3) None, except as specified under horizontal commitments</p> <p>1) None 2) None 3) None</p>	
<p><u>F. Other Business Services</u></p> <p>a) Advertising services (CPC 871)</p> <p>b) Market Research and public opinion polling services (CPC 864)</p> <p>c) Management consulting services (CPC 865)</p> <p>d) Services related to management consulting</p>	<p>1) None 2) None 3) None, except as specified under horizontal commitments</p> <p>1) None 2) None 3) None</p> <p>1) None 2) None 3) None</p> <p>1) None</p>	<p>1) None 2) None 3) None, except as specified under horizontal commitments</p> <p>1) None 2) None 3) None</p> <p>1) None 2) None 3) None</p> <p>1) None</p>	

(CPC 866)	2) None	2) None	
e) Technical testing and analysis services (CPC 8676)	3) None	3) None	
	1) None	1) None	
	2) None	2) None	
f) Services incidental to agriculture, hunting and forestry (CPC 881)	3) None	3) None	
	1) None	1) None	
g) services incidental to fishing (CPC 882)	2) None	2) None	
	3) None	3) None	
	1) None	1) None	
h) Services incidental to mining (CPC 883)	2) None	2) None	
	3) None, except as specified under horizontal commitments	3) None, except as specified under horizontal commitments	
	1) None	1) None	
i) Services incidental to manufacturing (CPC 884)	2) None	2) None	
	3) None, except as specified under horizontal commitments	3) None, except as specified under horizontal commitments	
	1) None	1) None	
k) Placement and supply services and personnel (CPC 872)	2) None	2) None	
	3) None, except as specified under horizontal commitments	3) None, except as specified under horizontal commitments	
	1) None	1) None	
l) Investigation and security (CPC 873)	2) None	2) None	
	3) None	3) None	
	1) None	1) None	
m) Related scientific and technical consulting services (CPC 8675)	2) None	2) None	
	3) None	3) None	
	1) None	1) None	
n) Maintenance and repair of equipment (not including maritime vessels, aircraft or other transport equipment)	2) None	2) None	
	3) None	3) None	

(CPC 633+8861-8866**), except repair of footwear.		1) None 2) None 3) None	
o) Building-cleaning services (CPC 874)	1) None 2) None 3) None	1) None 2) None 3) None	
p) Photographic services (CPC 875)	1) None 2) None 3) None	1) None 2) None 3) None	
q) Packaging services (CPC 876)	1) None 2) None 3) None	1) None 2) None 3) None	
s) Convention services (CPC 87909*)		1) None 2) None 3) None	
t) Other (CPC 8790)	1) None 2) None 3) None		
2. COMMUNICATION SERVICES			
B. <u>Courier Services</u> in respect of documents and parcels excluding letters and postcards (CPC 7512)	1) None 2) None 3) None, except as specified under horizontal commitments	1) None 2) None 3) None, except as specified under horizontal commitments	

<u>C. Telecommunication Services</u>			Papua New Guinea subscribes to the regulatory principles annexed to this schedule.
(a) Voice telephone services (CPC 7521)	1) None 2) None 3) None	1) None 2) None 3) None	
(b) Packet-switched data Transmission services (CPC 7523**)	1) None 2) None 3) None	1) None 2) None 3) None	
(c) Circuit-switched data transmission services (CPC 7523**)	1) None 2) None 3) None	1) None 2) None 3) None	
(d) Telex services (CPC 7523**)	1) None 2) None 3) None	1) None 2) None 3) None	
(e) Telegraph services (CPC 7522)	1) None 2) None 3) None	1) None 2) None 3) None	
(f) Facsimile services (CPC 7521**+ CPC 7529**)	1) None 2) None 3) None	1) None 2) None 3) None	
(g) Private leased circuit services (CPC 7522**+ CPC 7523)	1) None 2) None 3) None, except as specified under horizontal commitments	1) None 2) None 3) None, except as specified under horizontal commitments	
h) Electronic mail	1) None 2) None 3) None, except as specified under horizontal commitments	1) None 2) None 3) None, except as specified under horizontal commitments	
		1) None 2) None	

(i) Voice mail	1) None 2) None 3) None	3) None	
(j) On-line information and data base retrieval	1) None 2) None 3) None, except as specified under horizontal commitments	1) None 2) None 3) None, except as specified under horizontal commitments	
(k) Electronic data interchange (EDI)	1) None 2) None 3) None	1) None 2) None 3) None	
(l) Enhanced/value-added facsimile services, including store and forward, store and retrieve	1) None 2) None 3) None	1) None 2) None 3) None	
(m) Code and protocol conversion	1) None 2) None 3) None, except as specified under horizontal commitments	1) None 2) None 3) None, except as specified under horizontal commitments	
(n) On-line information and/or data Processing			
(o) Others			

<p>3. CONSTRUCTION AND RELATED ENGINEERING SERVICES</p> <p>A. <u>General Construction Work for Buildings (CPC 512)</u></p> <p>B. <u>General Construction Work for Civil Engineering (CPC 513)</u></p> <p>C. <u>Installation and assembly work (CPC 514+516)</u></p> <p>D. <u>Building completion and finishing work (CPC 517)</u></p> <p>E. <u>Other (CPC 511+515+518)</u></p>	<p>1) None 2) None 3) None, except as specified under horizontal commitments</p> <p>1) None 2) None 3) None, except as specified under horizontal commitments</p> <p>1) None 2) None 3) None, except as specified under horizontal commitments</p> <p>1) None 2) None 3) None, except as specified under horizontal commitments</p> <p>1) None 2) None 3) None, except as specified under horizontal commitments</p> <p>1) None 2) None 3) None</p>	<p>1) None 2) None 3) None, except as specified under horizontal commitments</p> <p>1) None 2) None 3) None, except as specified under horizontal commitments</p> <p>1) None 2) None 3) None</p> <p>1) None 2) None 3) None, except as specified under horizontal commitments</p> <p>1) None 2) None 3) None</p>	
<p>4. DISTRIBUTION SERVICES</p> <p>a) Commission agents' services exclusion petroleum oil (CPC 621, 6111, 6113, 6121)</p> <p>b) Wholesale trade</p>	<p>1) None 2) None 3) None, except the conditions set out in the horizontal section</p> <p>1) None 2) None</p>	<p>1) None 2) None 3) None, except the conditions set out in the horizontal section</p> <p>1) None 2) None</p>	

services (CPC 61)	3) None, except the conditions set out in the horizontal section	3) None, except the conditions set out in the horizontal section	
c) Retail trade services (CPC 62)	1) None 2) None 3) None, except the conditions set out in the horizontal section	1) None 2) None 3) None, except the conditions set out in the horizontal section	
d) Lodging; food and beverage serving services (CPC 63)	1) None 2) None 3) None, except the conditions set out in the horizontal section	1) None 2) None 3) None, except the conditions set out in the horizontal section	
e) Land transport services (CPC 64)	1) None 2) None 3) None, except the conditions set out in the horizontal section	1) None 2) None 3) None, except the conditions set out in the horizontal section	
f) Water transport services (CPC 65)	1) None 2) None 3) None, except the conditions set out in the horizontal section	1) None 2) None 3) None, except the conditions set out in the horizontal section	
g) Air transport services (CPC 66)	1) None 2) None 3) None, except the conditions set out in the horizontal section	1) None 2) None 3) None, except the conditions set out in the horizontal section	
h) Supporting and	1) None 2) None	1) None 2) None	

<p>auxiliary transport services - cargo handling, storage, etc., (CPC 67)</p> <p>i) Postal and courier services (CPC 68)</p> <p>j) Electricity distribution services; gas and water distribution services through mains (CPC 69)</p> <p>k) Franchising (CPC 69)</p>	<p>3) None, except the conditions set out in the horizontal section</p> <p>1) None 2) None 3) None, except the conditions set out in the horizontal section</p>	<p>3) None, except the conditions set out in the horizontal section</p> <p>1) None 2) None 3) None, except the conditions set out in the horizontal section</p>	
<p>5. EDUCATIONAL SERVICES (limited to services provided by privately-owned institutions)</p> <p>A. <u>Primary education services</u> (CPC 921**)</p> <p>B. <u>Secondary education services</u> (CPC 922**)</p> <p>C. <u>Higher education services in private institutions</u> (CPC 923**)</p>	<p>1) None 2) None 3) None, except as specified under horizontal commitments</p> <p>1) None 2) None 3) None, except as specified under horizontal commitments</p> <p>1) None 2) None 3) None, except as specified under horizontal</p>	<p>1) None 2) None 3) None, except as specified under horizontal commitments</p> <p>1) None 2) None 3) None, except as specified under horizontal commitments</p> <p>1) None 2) None 3) None, except as specified under horizontal</p>	

<p>D. <u>Adult education</u> (CPC 924)</p> <p>E. <u>Other education services</u> (CPC 929)</p>	<p>commitments</p> <p>1) None 2) None 3) None, except as specified under horizontal commitments</p> <p>1) None 2) None 3) None, except as specified under horizontal commitments</p>	<p>commitments</p> <p>1) None 2) None 3) None, except as specified under horizontal commitments</p> <p>1) None 2) None 3) None, except as specified under horizontal commitments</p>	
<p>6. ENVIRONMENTAL SERVICES</p> <p>Consultancy related to the provision of the following environmental services:</p> <p>A. Sewage Services (CPC 9401**)</p> <p>B. Refuse disposal services (CPC 9402**)</p> <p>C. Sanitation and similar services (CPC 9403**)</p>	<p>1) None 2) None 3) None, except as specified under horizontal commitments</p> <p>1) None 2) None 3) None, except as specified under horizontal commitments</p> <p>1) None 2) None 3) None, except as specified under horizontal commitments</p> <p>1) None 2) None 3) None, except as specified under horizontal commitments</p>	<p>1) None 2) None 3) None, except as specified under horizontal commitments</p> <p>1) None 2) None 3) None, except as specified under horizontal commitments</p> <p>1) None 2) None 3) None, except as specified under horizontal commitments</p> <p>1) None 2) None 3) None, except as specified under horizontal commitments</p>	

D. Other environmental services (CPC 9404-9409)			
7. FINANCIAL SERVICES			
To supply services through a commercial presence, incorporation is required.			

<u>A. Insurance and insurance-related services</u>			
(i) Direct insurance (including co-insurance) :			
(A) life	1) Unbound 2) None 3) None	1) Unbound 2) None 3) None	
(B) non-life, except third party vehicle insurance	1) Unbound 2) None 3) None	1) Unbound 2) None 3) None	
(iii) Insurance intermediation, such as brokerage and agency;	1) Unbound 2) None 3) None	1) Unbound 2) None 3) None	
(iv) Services auxiliary to insurance, such as consultancy, actuarial, risk assessment and claim settlement services.	1) Unbound 2) None 3) None 1) Unbound 2) None 3) None	1) Unbound 2) None 3) None 1) Unbound 2) None 3) None	
(v) Reinsurance and retrocession;	1) None 2) None 3) None	1) None 2) None 3) None	

<p><u>B. Banking and Other Financial Services (excl. insurance)</u></p> <p>(i) Acceptance of deposits and other repayable funds from the public (CPC 81115 - 81119)</p> <p>(ii) Lending of all types, including inter alia, consumer credit, mortgage credit, factoring and financing of commercial transaction(CPC 8113)</p> <p>(iii) Financial leasing(CPC 8112)</p>	<p>1) None 2) None 3) None</p> <p>1) None 2) None 3) None</p> <p>1) None 2) None 3) None</p>	<p>1) None 2) None 3) None</p> <p>1) None 2) None 3) None</p> <p>1) None 2) None 3) None</p>	
<p>(iv) Guarantees and commitments (CPC 81199)</p> <p>(v) Trading for own account or for account of customers, whether on an exchange, in an over-the-counter market or otherwise, the following:</p> <p>- money market instruments (cheques,</p>	<p>1) None 2) None 3) None</p> <p>1) None 2) None 3) None</p>	<p>1) None 2) None 3) None</p> <p>1) None 2) None 3) None</p>	

bills, certificate of deposits, etc.) (CPC 81339) - foreign exchange (CPC 81333) - Derivative products, incl. but not limited to futures and options (CPC 81339) - exchange rate and interest rate instruments, incl. products such as swaps, forward rate agreements, etc. (CPC81339) - transferable securities (CPC 81321)	1) None 2) None 3) None 1) None 2) None 3) None 1) None 2) None 3) None 1) None 2) None 3) None 1) None 2) None 3) None	1) None 2) None 3) None 1) None 2) None 3) None 1) None 2) None 3) None 1) None 2) None 3) None 1) None 2) None 3) None	
g) All payment and money transmission services, including credit, charge and debit cards, travellers cheques and bankers drafts h) Participation in issues of all kinds of securities, including underwriting and placement as agent	1) Unbound 2) Unbound 3) None 1) Unbound 2) Unbound 3) None	1) Unbound 2) Unbound 3) None 1) Unbound 2) Unbound 3) None	

(whether publicly or privately) and provision of services related to such issues			
i) Money broking	1) Unbound 2) Unbound 3) None	1) Unbound 2) Unbound 3) None	
j) Asset management, such as cash or portfolio management, all forms of collective investment management, pension fund management, custodial, depository and trust services	1) Unbound 2) Unbound 3) None	1) Unbound 2) Unbound 3) None	
k) Settlement and clearing services for financial assets, including securities, derivative products, and other negotiable instruments	1) Unbound 2) Unbound 3) None	1) Unbound 2) Unbound 3) None	
l) Provision and transfer of financial information, and financial data processing and related software by suppliers of other financial services	1) Unbound 2) Unbound 3) None	1) Unbound 2) Unbound 3) None	
m) Advisory, intermediation and other auxiliary financial services on all the activities listed in the subparagraphs under 7.B. (Banking and other financial services, including	1) Unbound 2) Unbound 3) None	1) Unbound 2) Unbound 3) None	
	1) Unbound 2) Unbound	1) Unbound 2) Unbound	

credit reference and analysis, investment and portfolio research and advice, advice on acquisitions and on corporate restructuring and strategy.	3) None	3) None	
<p>8. HEALTH RELATED AND SOCIAL SERVICES</p> <p>(limited to services provided by privately owned institutions)</p> <p>A. Hospital Services (CPC 9311**)</p> <p>B. Other Human Health Services (CPC 9319**)</p> <p>C. Social Services (CPC 933**)</p>	<p>1) None 2) None 3) None</p> <p>1) None 2) None 3) None</p> <p>1) None 2) None 3) None, except as specified under horizontal commitments</p>	<p>1) None 2) None 3) None</p> <p>1) None 2) None 3) None</p> <p>1) None 2) None 3) None, except as specified under horizontal commitments</p>	
9. TOURISM AND TRAVEL RELATED SERVICES			

<p>A. <u>Hotel and Restaurants</u> (including catering) (CPC 641-643)</p> <p>a) Hotels</p> <p>b) Restaurants</p> <p>B. <u>Travel agencies and tour operators services</u> (CPC 7471)</p> <p>C. <u>Tourist guides services</u> (CPC 7472)</p>	<p>1) None 2) None 3) None, except as specified under horizontal commitments</p> <p>1) None 2) None 3) None, except as specified under horizontal commitments</p> <p>1) None 2) None 3) None, except as specified under horizontal commitments</p> <p>1) None 2) None 3) None, except as specified under horizontal commitments</p>	<p>1) None 2) None 3) None, except as specified under horizontal commitments</p> <p>1) None 2) None 3) None, except as specified under horizontal commitments</p> <p>1) None 2) None 3) None, except as specified under horizontal commitments</p> <p>1) None 2) None 3) None, except as specified under horizontal commitments</p>	
<p>10. RECREATIONAL, CULTURAL AND SPORTING SERVICES</p>			
<p>A. <u>Entertainment Services</u> (CPC 9619)</p> <p>B. <u>News agency services</u> (CPC 962)</p>	<p>1) None 2) None 3) None, except as specified under horizontal commitments</p> <p>1) None 2) None 3) None, except as specified under horizontal</p>	<p>1) None 2) None 3) None, except as specified under horizontal commitments</p> <p>1) None 2) None 3) None, except as specified under horizontal</p>	

<p><u>C. Libraries, archives, museums, and other cultural services</u> (CPC 963)</p> <p><u>D. Sporting and other Recreational services</u> (CPC 964**)</p> <p>- Excluding gambling and betting</p>	<p>commitments</p> <p>1) None 2) None 3) None, except as specified under horizontal commitments</p> <p>1) None 2) None 3) None</p>	<p>commitments</p> <p>1) None 2) None 3) None, except as specified under horizontal commitments</p> <p>1) None 2) None 3) None</p>	
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11. TRANSPORT SERVICES

<p>A. <u>Maritime Transport Services</u></p> <p>(a) Passenger and freight transportation (CPC 7211 and 7212)</p>	<p>1) None 2) None 3) None, except as specified under horizontal commitments</p>	<p>1) None 2) None 3) None, except as specified under horizontal commitments</p>	<p>The following services at the port are made available to international maritime transport suppliers on reasonable and non-discriminatory terms and conditions</p> <ol style="list-style-type: none"> 1. Pilotage 2. Towing and the tug assistance 3. Provisioning, fuelling and watering 4. Garbage collecting and ballast waste disposal 5. Port Captain's services 6. Navigation aids 7. Shore-based operational services essential to ship operations including communications, water and electrical supplies 8. Emergency repair facilities 9. Anchorage, berth and berthing services
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d) Maintenance and repair of vessels (CPC 8868**)	1) None 2) None 3) None	1) None 2) None 3) None	
B. <u>Maritime Auxiliary Services</u> a) Customs Clearance Services (as defined in Annex) b) Container Station and Depot Services (as defined in Annex) c) Maritime Agency Services (as defined in Annex) d) Maritime Freight Forwarding Services (as defined in Annex)	1) None 2) None 3) None 1) None 2) None 3) None 1) None 2) None 3) None 1) None 2) None 3) None 1) None 2) None 3) None	1) None 2) None 3) None 1) None 2) None 3) None 1) None 2) None 3) None 1) None 2) None 3) None 1) None 2) None 3) None	

e) Storage and Warehousing Services			
C. <u>Air Transport Services</u>			
a) Aircraft repair and maintenance services	1) None 2) None 3) None, except as specified under horizontal commitments	1) None 2) None 3) None, except as specified under horizontal commitments	
b) Selling and marketing of air transport services	1) None 2) None 3) None, except as specified under horizontal commitments	1) None 2) None 3) None, except as specified under horizontal commitments	
c) Computer reservation system services	1) None 2) None 3) None	1) None 2) None 3) None	
d) Ground handling services	1) None 2) None 3) None	1) None 2) None 3) None	
e) Specialty air services	1) Unbound 2) None 3) None	1) Unbound 2) None 3) None	
H. <u>Services Auxiliary to All Modes of Transport</u>			
a) Cargo-handling services,	1) None	1) None	

<p>except maritime and air cargo handling (CPC 741**)</p>	<p>2) None 3) None, except as specified under horizontal commitments</p>	<p>2) None 3) None, except as specified under horizontal commitments</p>	
<p>b) Storage and warehouse services, except maritime storage and warehousing services (CPC 742**)</p>	<p>1) None 2) None 3) None</p>	<p>1) None 2) None 3) None</p>	
<p>c) Freight transport agency services, except maritime freight agency services (CPC 748**)</p>	<p>1) None 2) None 3) None</p>	<p>1) None 2) None 3) None</p>	
<p>d) Other (CPC 749)</p>	<p>1) None 2) None 3) None</p>	<p>1) None 2) None 3) None</p>	

SOLOMON ISLANDS' SCHEDULE OF SPECIFIC COMMITMENTS

Modes of Supply: (1) Cross-border supply (2) Consumption abroad (3) Commercial presence

Sector or Sub-sector ¹²	Limitations on Market Access	Limitations on National Treatment	Additional Commitments
1. HORIZONTAL COMMITMENTS			
ALL SECTORS INCLUDED IN THIS SCHEDULE		<p>(3) Foreign investors are required to obtain a certificate of registration.</p> <p>(3) Natural persons that are not citizens of the Solomon Islands and enterprises that are not wholly-owned by citizens of the Solomon Islands are prohibited from owning or acquiring land or any interest in land. Land may be leased from government and land-holding groups.</p>	

¹² References to the CPC in the sectoral column refer to the Provisional Central Product Classification, United Nations, 1991.

Modes of Supply: (1) Cross-border supply (2) Consumption abroad (3) Commercial presence

Sector or Sub-sector ¹²	Limitations on Market Access	Limitations on National Treatment	Additional Commitments
II. Sector-Specific Commitments			
1. BUSINESS SERVICES			
A. Professional Services			
a) Legal services (CPC 861)	1) None 2) None 3) Commercial presence must take the form of a sole proprietorship or partnership.	1) None 2) None 3) None	
b) Accounting, auditing and bookkeeping services (CPC 862)	1) None 2) None 3) None	1) None 2) None 3) None	
c) Taxation services (CPC 86301, 8602, 8603)	1) None 2) None 3) None	1) None 2) None 3) None	
d) Architectural services (CPC 8671)	(1) None (2) None (3) Joint venture with local partner required	(1) None (2) None (3) None	
e) Engineering services (CPC 8672)	(1) None (2) None (3) None	(1) None (2) None (3) None	

Modes of Supply: (1) Cross-border supply (2) Consumption abroad (3) Commercial presence

Sector or Sub-sector ¹²	Limitations on Market Access	Limitations on National Treatment	Additional Commitments
h) Medical and dental services (CPC 9312) i) Veterinary services (CPC 932) j) Midwives, nurses, physiotherapists and paramedical personnel (CPC 93191)	1) None 2) None 3) None	1) None 2) None 3) None	
B. Computer and Related Services (CPC 84)	1) None 2) None 3) None	1) None 2) None 3) None	
C. Research and Development Services a) R&D services on natural sciences (CPC 851) b) R&D services on social sciences and humanities (CPC 852) c) Interdisciplinary R&D services (CPC 853)	1) None 2) None 3) None	1) None 2) None 3) None	
F. Other Business Services e) Technical testing and analysis services (CPC 8676) m) Related scientific and technical consulting services (CPC 8675)	1) None 2) None 3) None	1) None 2) None 3) None	
2. COMMUNICATION SERVICES B. Courier Services (CPC 7512)	1) None 2) None 3) None	1) None 2) None 3) None	

Modes of Supply: (1) Cross-border supply (2) Consumption abroad (3) Commercial presence

Sector or Sub-sector ¹²	Limitations on Market Access	Limitations on National Treatment	Additional Commitments
<p>C. Telecommunication services</p> <p>Basic Services</p> <p>(a) Voice telephone services</p> <p>(b) Packet-switched data transmission services</p> <p>(c) Circuit-switched data transmission services</p> <p>(d) Telex services</p> <p>(e) Telegraph services</p> <p>(f) Facsimile services</p> <p>(g) Private leased circuit services</p>	<p>(1) None</p> <p>(2) None</p> <p>(3) None</p>	<p>(1) None</p> <p>(2) None</p> <p>(3) None</p>	<p>The Solomon Islands undertakes to adopt the regulatory principles contained in the Reference Paper attached hereto.</p>
<p>Value-added services</p> <p>(h) Electronic mail</p> <p>(i) Voice mail</p> <p>(j) On-line information and data base retrieval</p> <p>(k) Electronic data interchange (EDI)</p> <p>(l) Enhanced/value-added facsimile services, including store and forward, store and retrieve</p> <p>(m) Code and protocol conversion</p> <p>(n) On-line information and/or data processing</p>	<p>(1) None</p> <p>(2) None</p> <p>(3) None</p>	<p>(1) None</p> <p>(2) None</p> <p>(3) None</p>	
<p>3. CONSTRUCTION AND RELATED</p>			

Modes of Supply: (1) Cross-border supply (2) Consumption abroad (3) Commercial presence

Sector or Sub-sector ¹²	Limitations on Market Access	Limitations on National Treatment	Additional Commitments
<p>ENGINEERING SERVICES</p> <p>A. General construction work for buildings (CPC 512)</p> <p>B. General construction work for civil engineering (CPC 513)</p> <p>C. Installation and assembly work (CPC 514+516)</p> <p>D. Building completion and finishing work (CPC 517)</p>	<p>(1) Unbound*</p> <p>(2) None</p> <p>(3) None</p>	<p>(1) Unbound*</p> <p>(2) None</p> <p>(3) None</p>	
<p>4. DISTRIBUTION SERVICES</p> <p>Commitments in this sector exclude: - distribution services relating to alcohol, tobacco, handicrafts and cultural art crafts, and gold.</p> <p>A. Commission agents' services (CPC 621, 61111**, 6113**, 6121**)</p> <p>B. Wholesale trade services (CPC 622, 61111**, 6113**, 6121**)</p> <p>D. Franchising (CPC 8929)</p>	<p>1) None</p> <p>2) None</p> <p>3) None</p>	<p>1) None</p> <p>2) None</p> <p>3) None</p>	

Modes of Supply: (1) Cross-border supply (2) Consumption abroad (3) Commercial presence

Sector or Sub-sector ¹²	Limitations on Market Access	Limitations on National Treatment	Additional Commitments
<p>5. EDUCATIONAL SERVICES (limited to services provided by privately-owned institutions)</p> <p>A. Primary education services (CPC 921**)</p> <p>B. Secondary education services (CPC 922**)</p> <p>C. Higher education services in private institutions (CPC 923**)</p> <p>D. Adult education (CPC 924)</p>	<p>1) None 2) None 3) None</p>	<p>1) None 2) None 3) None</p>	
<p>6. ENVIRONMENTAL SERVICES</p> <p>Consultancy related to the provision of the following environmental services:</p> <p>A. Sewage Services (CPC 9401**)</p> <p>B. Refuse disposal services (CPC 9402**)</p> <p>C. Sanitation and similar services (CPC 9403**)</p>	<p>1) None 2) None 3) None</p>	<p>1) None 2) None 3) None</p>	
<p>7. FINANCIAL SERVICES</p> <p>A. <u>All insurance and insurance related services</u> (CPC 812)</p> <p>B. <u>Banking and other financial services (excl. insurance)</u> (CPC 811-</p>	<p>1) None 2) None 3) None</p> <p>1) None 2) None</p>	<p>1) None 2) None 3) None</p> <p>1) None 2) None</p>	

Modes of Supply: (1) Cross-border supply (2) Consumption abroad (3) Commercial presence

Sector or Sub-sector ¹²	Limitations on Market Access	Limitations on National Treatment	Additional Commitments
813)	3) None	3) None	
<p>8. HEALTH RELATED AND SOCIAL SERVICES (limited to services provided by privately-owned institutions)</p> <p>A. Hospital Services (CPC 9311**)</p> <p>B. Other Human Health Services (CPC 9319**)</p>	<p>1) None</p> <p>2) None</p> <p>3) None</p>	<p>1) None</p> <p>2) None</p> <p>3) None</p>	
<p>9. TOURISM AND TRAVEL RELATED SERVICES</p> <p>A. Hotels and Restaurants (including catering) (CPC 641, 642**, 643**) - Except restaurants, cafes and other eating and drinking establishments of less than 25m².</p>	<p>(1) Unbound*</p> <p>(2) None</p> <p>(3) None</p>	<p>(1) Unbound*</p> <p>(2) None</p> <p>(3) None</p>	
<p>11. TRANSPORT SERVICES</p> <p>A. Maritime Transport Services</p> <p>International Transport (freight and passengers) (CPC 7211 and 7212), excluding cabotage transport (as defined below)</p>	<p>1) Local agent or registration in Solomon Islands required.</p> <p>2) None</p> <p>3) (a) Establishment of registered company for the purpose of operating a fleet under the national flag of the State of establishment: unbound</p>	<p>1) None</p> <p>2) None</p> <p>3) (a) Unbound</p> <p>(b) None</p>	<p>The following services at the port are made available to international maritime transport suppliers on reasonable and non-discriminatory terms and conditions</p> <ol style="list-style-type: none"> 1. Pilotage 2. Towing and the tug assistance 3. Provisioning, fuelling and watering 4. Garbage collecting and ballast waste disposal 5. Port Captain's services

Modes of Supply: (1) Cross-border supply (2) Consumption abroad (3) Commercial presence

Sector or Sub-sector ¹²	Limitations on Market Access	Limitations on National Treatment	Additional Commitments
	(b) Other forms of commercial presence for the supply of international maritime transport services (as defined below - 2): None		6. Navigation aids 7. Shore-based operational services essential to ship operations including communications, water and electrical supplies 8. Emergency repair facilities 9. Anchorage, berth and berthing services
d) Maintenance and repair of vessels (CPC 8868**)	1) Unbound* 2) None 3) None	1) Unbound* 2) None 3) None	

Modes of Supply: (1) Cross-border supply (2) Consumption abroad (3) Commercial presence

Sector or Sub-sector ¹²	Limitations on Market Access	Limitations on National Treatment	Additional Commitments
MARITIME AUXILIARY SERVICES			
Container Station and Depot Services (as defined in Annex)	1) None	1) None	
Maritime Freight Forwarding Services (as defined in Annex)	2) None	2) None	
Storage and Warehousing Services	3) None	3) None	
Maritime Agency Services (as defined in Annex)	1) Suppliers of maritime transport services are required to go through a local agent established in Solomon Islands. 2) None 3) None	1) None 2) None 3) None	

Modes of Supply: (1) Cross-border supply (2) Consumption abroad (3) Commercial presence

Sector or Sub-sector ¹²	Limitations on Market Access	Limitations on National Treatment	Additional Commitments
<p>C. Air Transport Services¹³</p> <ul style="list-style-type: none"> - Aircraft repair and maintenance services; - Selling and marketing of air transport services; - Computer reservation system services; - Ground handling services. - Specialty air services. 	<p>1) None</p> <p>2) None</p> <p>3) None</p>	<p>1) None</p> <p>2) None</p> <p>3) None</p>	

*Unbound due to lack of technical feasibility.

Supplementary Notes: Definitions in relation to maritime transport

1. Without prejudice to the scope of activities which may be considered as “cabotage” under the relevant national legislation, this schedule does not include “maritime cabotage services”, which are assumed to cover transportation of passengers or goods between a port located in the Solomon Islands and another port located in the Solomon Islands, traffic originating and terminating in the same port located in the Solomon Islands provided that this traffic remains within the Solomon Islands’ territorial waters, and traffic between a port located in the Solomon Islands and installations or structures situated in the EEZ or relating to the continental shelf of the Solomon Islands.

2. “Other forms of commercial presence for the supply of international maritime transport services” means the ability for international maritime transport service suppliers of other Parties to undertake locally all activities which are necessary for the supply to their customers of a partially or fully integrated transport service, within

¹³ As defined in Article 1 of Chapter 6 (Trade in Services).

which the maritime transport constitutes a substantial element. (This commitment shall however not be construed as limiting in any manner the commitments undertaken under the cross-border mode of delivery).

These activities include, but are not limited to:

- (a) marketing and sales of maritime transport and related services through direct contact with customers, from quotation to invoicing, these services being those operated or offered by the service supplier itself or by service suppliers with which the service seller has established standing business arrangements;
- (b) the acquisition, on their own account or on behalf of their customers (and the resale to their customers) of any transport and related services, including inward transport services by any mode, particularly inland waterways, road and rail, necessary for the supply of the integrated services;
- (c) the preparation of documentation concerning transport documents, customs documents, or other documents related to the origin and character of the goods transported;
- (d) the provision of business information by any means, including computerised information systems and electronic data interchange (subject to the provisions of the annex on telecommunications);
- (e) the setting up of any business arrangements (including participation in the stock of a company) and the appointment of personnel recruited locally (or, in the case of foreign personnel, subject to the horizontal commitment on movement of personnel) with any locally established shipping agency;
- (f) acting on behalf of the companies, organising the call of the ship or taking over cargoes when required.

3. "Maritime cargo handling services" means activities exercised by stevedore companies, including terminal operators, but not including the direct activities of dockers, when this workforce is organised independently of the stevedoring or terminal operator companies. The activities covered include the organisation and supervision of:

- the loading/discharging of cargo to/from a ship;
- the lashing/unlashing of cargo;
- the reception/delivery and safekeeping of cargoes before shipment or after discharge.

4. "Customs clearance services" (alternatively "customs house brokers' services") means activities consisting in carrying out on behalf of another party customs formalities concerning import, export or through transport of cargoes, whether this service is the main activity of the service provider or a usual complement of its main activity.

5. “Container station and depot services” means activities consisting in storing containers, whether in port areas or inland, with a view to their stuffing/stripping, repairing and making them available for shipments.

6. “Maritime agency services” means activities consisting in representing, within a given geographic area, as an agent the business interests of one or more shipping lines or shipping companies, for the following purposes:

- marketing and sales of maritime transport and related services, from quotation to invoicing, and issuance of bills of lading on behalf of the companies, acquisition and resale of the necessary related services, preparation of documentation, and provision of business information;
- acting on behalf of the companies organising the call of the ship or taking over cargoes when required.

7. “Freight forwarding services” means the activity consisting of organising and monitoring shipment operations on behalf of shippers, through the acquisition of transport and related services, preparation of documentation and provision of business information. Freight forwarding services do not include postal services or courier services.

Schedules of Commitments on the Movement of Natural Persons for Solomon Islands

1. Solomon Islands’ commitments under Article 5 (Market Access) and Article 6 (National Treatment) of Chapter 6 (Trade in Services) and under Chapter [7] (Movement of Natural Persons) apply only in relation to the categories of persons set out below. In accordance with Article 5 (Market Access), Article 6 (National Treatment), and Article 8 (Specific Commitments) of Chapter 6 (Trade in Services), Solomon Islands specifies below any terms, conditions, limitations or qualifications.

Category of natural person	Sector or subsector	Conditions and Limitations (including duration of stay)
I. Horizontal Commitments		
All categories of natural persons included in this schedule	All sectors	<ul style="list-style-type: none"> - Foreign employees are required to provide on-the-job training to local employees. - Natural persons that are not citizens of the Solomon Islands are prohibited from owning or acquiring land or any interest in land. Land may be leased from government and land-holding groups.

II. Category-specific commitments		
<p><u>Business visitors</u></p> <p>Business visitor means a natural person of another Party who is:</p> <p>(a) a service seller being a natural person who is a sales representative of a service supplier of that Party and is seeking temporary entry into Solomon Islands for the purpose of negotiating the sale of services for that service supplier, where such representative will not be engaged in making direct sales to the general public or in supplying services directly;</p> <p>(b) an investor of another Party, as defined in Chapter [8] (Investment), or a duly authorized representative of an investor of another Party, seeking temporary entry into the territory of Solomon Islands to establish, expand, monitor, or dispose of an investment of that investor; or</p> <p>(c) a goods seller, being a natural person of another Party who is seeking temporary entry into the Solomon Islands to negotiate for the sale of goods where such negotiations do not involve direct sales to the general public.</p>	All sectors	<ul style="list-style-type: none"> - Period of stay of a maximum of 3 months.
<p><u>Intra-Corporate Transferees</u></p> <p>Intra-corporate transferee means an employee of an enterprise of another Party that has established in the Solomon Islands through a branch, subsidiary or affiliate, who is transferred to fill a position in the branch, subsidiary or affiliate of the enterprise in the Solomon Islands, and who corresponds to the following categories:</p> <p>Executives:</p> <p>Definition: Executive means a natural person within an organization who primarily directs the management of the organization, exercises wide latitude in decision making, and receives only general supervision or direction from higher level executives, the board of directors or stockholders of the business. An executive would not directly perform tasks related</p>	All sectors listed in the Solomon Islands' schedule under Annex [6.1] (Schedule of Specific Commitments on Trade in Services) and Annex [8.1] (Schedule of Specific Commitments on Investment)	<ul style="list-style-type: none"> - Period of stay up to a maximum of 2 years. - Approval is conditional on non-availability of natural persons from the Solomon Islands.

<p>to the actual provision of the service nor the operation of an investment;</p> <p>Managers:</p> <p>Definition: Manager means a natural person within an organization who primarily directs the organization or a department or subdivision of the organization, supervises and controls the work of other supervisory, professional or managerial employees, has the authority to hire and fire or take other personnel actions (such as promotion or leave authorization), and exercises discretionary authority over day-to-day operations;</p> <p>Specialists:</p> <p>Definition: Specialist means a natural person within an organization who possesses knowledge at an advanced level of technical expertise, and who possesses proprietary knowledge of the organization's service, research equipment, techniques or management.</p>		
<p><u>Contractual service supplier</u></p> <p>A contractual service supplier means a natural person of a Party who: (a) is an employee of a service supplier or an enterprise of a Party, whether a company, partnership or firm, who enters the territory of Solomon Islands temporarily in order to perform a service pursuant to a contract(s) between his or her employer and an enterprise in the territory of Solomon Islands; (b) is sponsored by the enterprise in Solomon Islands; (c) is employed by a company, partnership or firm of the Party, which has no commercial presence in the territory of Solomon Islands ; (d) receives his or her remuneration from that employer; (e) has qualifications resulting from three or more years of formal post-secondary school education and appropriate experience to provide the service;</p>	<p>All sectors listed in the Solomon Islands' schedule under Annex [6.1] (Schedule of Specific Commitments on Trade in Services)</p>	<p>- Period of stay of a maximum of 3 months.</p>

<p><u>Independent Service Supplier</u></p> <p>Independent service supplier means a self-employed natural person that is a service supplier of another Party entering the territory of another Party pursuant to a service contract with an enterprise in the territory of Solomon Islands, that does not receive remuneration in Solomon Islands, and that has a qualification resulting from three or more years of formal post-secondary school education and appropriate experience to provide the service.</p>	<p>All sectors listed in Solomon Islands' schedule under Annex 6.1 (Schedule of Specific Commitments on Trade in Services)</p>	<ul style="list-style-type: none"> - Period of stay of a maximum of 3 months.
<p><u>Installers or Servicers</u></p> <p>Installer or servicer means a natural person who is an installer or servicer of machinery and/or equipment, where such installation and/or servicing by the supplying company is a condition of purchase of the said machinery or equipment. An installer or servicer cannot perform services which are not related to the service activity which is the subject of the contract.</p>	<p>All Sectors</p>	<ul style="list-style-type: none"> - Period of stay of a maximum of 3 months.
<p><u>Skilled and semi-skilled workers:</u></p> <p>Skilled or semi-skilled worker means a natural person of a Party who enters the territory of Solomon Islands in order to work temporarily under an employment contract with an enterprise of the Solomon Islands, and who has a qualification resulting from three or more years of formal post-secondary school education and appropriate experience.</p>	<p>All sectors</p>	<ul style="list-style-type: none"> - Period of stay up to a maximum of 2 years. - Approval is conditional on non-availability of natural persons from the Solomon Islands.

VANUATU'S SCHEDULE OF SPECIFIC COMMITMENTS

Modes of Supply: (1) Cross-border Supply (2) Consumption abroad (3) Commercial Presence (4) Movement of Business Persons

Sector	Limitations of Market Access	Limitations on National Treatment	Additional commitments
I.HORIZONTAL COMMITMENTS			
All sectors included in this schedule	<p>(3) Government approval is required for all foreign investors under Foreign Investment Act No. 15 of 1998 and its Amendments in effect as of the date of accession.¹ The decision is made on objective published criteria.</p> <p>(4) Unbound except for measures affecting the entry and temporary stay of natural persons with managerial and technical skills which are in short supply in Vanuatu or fall within the following categories:</p> <ul style="list-style-type: none"> i. business managers ii. intracorporate transferees (Managers, executives and specialists, who are employees of firms that provide services within Vanuatu through a branch, subsidiary or affiliate established in 	<p>(3) Subject to limitation on purchase of real estate.</p> <p>The Vanuatu Constitution prohibits freehold ownership of land. Indigenous Ni-Vanuatu alone can own land under customary law provisions. Indigenous citizens and expatriates can hold land in leasehold.</p>	

- Vanuatu);
- iii. Professionals under employment contract.
 - iv. Vanuatu provides entry in accordance with the terms established under the Labour (Work Permits) Act and its Amendments in effect as of the date of accession for

¹ The Government of Vanuatu currently requires foreigners to invest a minimum of US\$40,000 (VT 5 million) in order to establish a business in Vanuatu. Vanuatu reserves the right to raise this minimum in line with general cost increases.

Vanuatu's Schedule of Specific Commitments

Modes of Supply: (1) Cross-border Supply (2) Consumption abroad (3) Commercial Presence (4) Movement of Business Persons

Sector	Limitations of Market Access	Limitations on National Treatment	Additional commitments
	<i>bona fide</i> business visitors and service sellers ² . These terms will not be made more restrictive, except in accordance with the provisions of the General Agreement on Trade in Services (GATS).		

² Service sellers are defined for the purpose of this offer as natural persons who are seeking temporary entry for the purpose of negotiating for the sale of services for that service supplier, where those representatives will not be engaged in making direct sales to the general public.

Vanuatu's Schedule of Specific Commitments

Modes of Supply: (1) Cross-border Supply (2) Consumption abroad (3) Commercial Presence (4) Movement of Business Persons

Sector	Limitations of Market Access	Limitations on National Treatment	Additional commitments
II. SECTOR SPECIFIC COMMITMENTS			
1. BUSINESS SERVICES			
A. Professional Services			
(a) Legal services, home and host country law, including international law (CPC 861)	(1) Supply must be through a domestic law firm (2) None (3) Commercial presence must take the form of sole proprietorship or partnership. (4) Unbound, except as indicated in the horizontal section	(1) None (2) None (3) None (4) Unbound, except as indicated in the horizontal section	
(b) Accounting, auditing and bookkeeping services (CPC 862)	(1) None (2) None (3) None (4) Unbound, except as indicated in the horizontal section	(1) None (2) None (3) None (4) Unbound, except as indicated in the horizontal section	
(c) Taxation Services (CPC 863)	(1) None (2) None (3) None	(1) None (2) None (3) None	
(d) Architectural services (CPC 8671)	(1) None (2) None (3) None (4) Unbound, except as indicated in the horizontal section	(1) None (2) None (3) None (4) Unbound, except as indicated in the horizontal section	
(e) Engineering services (CPC 8672)	(1) None (2) None (3) None (4) Unbound, except as indicated in the horizontal section	(1) None (2) None (3) None (4) Unbound, except as indicated in the horizontal section	
(g) Urban planning and landscape architecture services (CPC 8674)	(1) None (2) None (3) None	(1) None (2) None (3) None	
(i) Veterinary services (CPC 932)	(1) None (2) None	(1) None (2) None	

	(3) None (4) Unbound, except as indicated in the horizontal section	(3) None (4) Unbound, except as indicated in the horizontal section	
(j) Midwives, nurses, physiotherapists and paramedical personnel (CPC 93191)	(1) None (2) None (3) None	(1) None (2) None (3) None	
B. Computer and Related Services (CPC 84)	(1) None (2) None (3) None (4) Unbound, except as indicated in the horizontal section	(1) None (2) None (3) None (4) Unbound, except as indicated in the horizontal section	
C. Research and Development Services (a) R & D services on natural science (CPC 852) (b) R & D services on social sciences and Humanities (CPC 852) (c) Interdisciplinary R & D services (CPC 853)	(1) None (2) None (3) None Research may be subject to approval from the Government of Vanuatu	(1) None (1) None (2) None	
E. Rental/ Leasing Services without Operators a) Relating to ships (CPC 83103) b) Relating to aircraft (CPC 83104) c) Relating to other transport equipment (CPC 83101+83102) d) Relating to other machinery and equipment (CPC 83106-83109) e) Other (CPC 832)	(1) None (2) None (3) None	(1) None (2) None (3) None	

Vanuatu's Schedule of Specific Commitments

Modes of Supply: (1) Cross-border Supply (2) Consumption abroad (3) Commercial Presence (4) Movement of Business Persons

Sector	Limitations of Market Access	Limitations on National Treatment	Additional commitments
F. Other Business Services			
(c) Management consulting services (CPC 865)	(1) None (2) None (3) None (4) Unbound, except as indicated in the horizontal section	(1) None (2) None (3) None (4) Unbound, except as indicated in the horizontal section	
(f) Services incidental to agriculture, hunting and forestry (CPC 88110, 88120)	(1) None (2) None (3) None (4) Unbound, except as indicated in the horizontal section	(1) None (2) None (3) None (4) Unbound, except as indicated in the horizontal section	
2. COMMUNICATION SERVICES			
Commitments are taken consistent with "Notes for Scheduling Basic Telecom Services Commitments" (S/GBT/W/2/Rev.1) and "Market Access Limitations on Spectrum Availability" (S/GBT/W/3).			
B. Courier Services	(1) None (2) None (3) None (4) Unbound, except as indicated in the horizontal section	(1) None (2) None (3) None (4) Unbound, except as indicated in the horizontal section	
C. Telecommunication Services	(1), (2), (3) None, from 1 January 2012 (4) Unbound, except as indicated in the horizontal section	(1), (2), (3) None, from 1 January 2012 (4) Unbound, except as indicated in the horizontal section	Vanuatu undertakes the obligations contained in the attached Reference Paper at the end of the monopoly period.
(a) Voice telephone services (b) Packet-switched data transmission services (c) Circuit-switched data transmission services (d) Telex services (e) Telegraph services (f) Facsimile services (g) Private leased circuit services	(1) None (2) None (3) Unbound until 31 December 2011 as provided by a monopoly by Telecom Vanuatu Limited. Starting no later than 1 January 2012: None (4) Unbound, except as indicated in the horizontal section	(1) None (2) None (3) After 1 January 2012: None (4) Unbound, except as indicated in the horizontal section	Vanuatu undertakes the obligations contained in the attached Reference Paper at the end of the monopoly period.

Vanuatu's Schedule of Specific Commitments

Modes of Supply: (1) Cross-border Supply (2) Consumption abroad (3) Commercial Presence (4) Movement of Business Persons

Sector	Limitations of Market Access	Limitations on National Treatment	Additional commitments
(h) Electronic mail (i) Voice mail (j) On-line information and data base retrieval (k) Electronic data interchange (l) Enhanced/value-added facsimile services (including store and forward, store and retrieve) (m) Code and protocol conversion (n) On-line information and/or data processing (including transaction processing)	(1) Services provided only over circuits leased from Telecom Vanuatu Limited. Starting no later than 1 January 2012: None (2) None (3) Services provided only over circuits leased from Telecom Vanuatu Limited. Starting no later than 1 January 2012: None (4) Unbound except as indicated in the horizontal section	(1) After 1 January 2012: None (2) None (3) After 1 January 2012: None (4) Unbound except as indicated in the horizontal section	
(o) Other Mobile services Analogue/Digital cellular services PCS (Personal Communications Services) Paging services Mobile data services	(1) Services provided only over circuits leased from Telecom Vanuatu Limited. Starting no later than 1 January 2012: None (2) None (3) Services provided only over circuits leased from Telecom Vanuatu Limited. Starting no later than 1 January 2012: None (4) Unbound except as indicated in the horizontal section.	(1) After 1 January 2012: None (2) None (3) After 1 January 2012: None. (4) Unbound except as indicated in the horizontal section.	
D. Audiovisual			
(a) Motion picture and videotape production and distribution services (CPC 9611)	(1) None (2) None (3) None (4) Unbound, except as indicated in horizontal section	(1), (2), (3) None, except unbound for support programmes established and funded by the Government of Vanuatu to preserve or promote the cultural identity of Vanuatu (4) Unbound, except as indicated in horizontal section	
3. CONSTRUCTION AND RELATED ENGINEERING SERVICES			
A. General construction work for buildings (CPC 512)	(1) Unbound ^d (2) None (3) None (4) Unbound, except as indicated in the horizontal section	(1) None (2) None (3) None (4) Unbound, except as indicated in the horizontal section	

□ Unbound due to lack of technical feasibility.

5

Vanuatu's Schedule of Specific Commitments

Modes of Supply: (1) Cross-border Supply (2) Consumption abroad (3) Commercial Presence (4) Movement of Business Persons

Sector	Limitations of Market Access	Limitations on National Treatment	Additional commitments
B. General construction for civil engineering (CPC 513)	(1) Unbound* (2) None (3) None (4) Unbound, except as indicated in the horizontal section	(1) None (2) None (3) None (4) Unbound, except as indicated in the horizontal section	
4. DISTRIBUTION SERVICES			
A. Commission agents' services (CPC 621)	(1) None (2) None (3) None, except for licensing requirements (4) Unbound, except as indicated in the horizontal section	(1) None (2) None (3) Non-citizens and non-resident foreign investors must pay an additional annual fee of VT 91,800 and must have received an approval certificate from the Vanuatu Investment Promotion Authority. (4) Unbound, except as indicated in the horizontal section	In accordance with the Foreign Investment Act of 1998, approval certificates are issued by the Vanuatu Investment Promotion Authority in a transparent and automatic manner
B. Wholesale trade services (CPC 622)	(1) None (2) None (3) Unbound (4) Unbound, except as indicated in the horizontal section	(1) None (2) None (3) Non-citizens and non-resident foreign investors must pay an additional annual fee of VT 91,800 and must have received an approval certificate from the Vanuatu Investment Promotion Authority (4) Unbound, except as indicated in the horizontal section	In accordance with the Foreign Investment Act of 1998, approval certificates are issued by the Vanuatu Investment Promotion Authority in a transparent and automatic manner
C. Retailing services (CPC 631, 632, 6111, 6113, 6121)	(1) None (2) None (3) Unbound (4) Unbound, except as indicated in	(1) None (2) None (3) Non-citizens and non-resident foreign investors must pay an additional annual fee of VT 91,800 and must have received an approval certificate from the Vanuatu Investment Promotion Authority (4) Unbound, except as indicated in	In accordance with the Foreign Investment Act of 1998, approval certificates are issued by the Vanuatu Investment Promotion Authority in a transparent and automatic manner.



Vanuatu's Schedule of Specific Commitments

Modes of Supply: (1) Cross-border Supply (2) Consumption abroad (3) Commercial Presence (4) Movement of Business Persons

Sector	Limitations of Market Access	Limitations on National Treatment	Additional commitments
D · Franchising services (CPC 8929)	(1) None (2) None (3) None (4) Unbound, except as indicated in the horizontal section	(1) None (2) None (3) None (4) Unbound, except as indicated in the horizontal section	
5 · EDUCATIONAL SERVICES (CPC 921-929)			
	(1) None (2) None (3) None except services funded from state resources, and subject to approval by the Government of Vanuatu to ensure adequate standards of qualification of individuals and of organisations (4) Unbound, except as indicated in the horizontal section	(1) None (2) None (3) None except services funded from state resources (4) Unbound, except as indicated in the horizontal section	
6 · ENVIRONMENTAL SERVICES			
A. Sewage services (CPC 9401) B. Refuse disposal services (CPC 9402) C. Sanitation and similar services (CPC 9403) D. Other environmental services (CPC 9404-9409)	(1) None (2) None (3) None, except that provision of the service at the Central or local level may be subject to public monopoly or exclusive rights granted to private operators, through for instance concession contracts (4) Unbound, except as indicated in the horizontal section	(1) None (2) None (3) None, except that provision of the service at the Central or local level may be subject to public monopoly or exclusive rights granted to private operators, through for instance concession contracts (4) Unbound, except as indicated in the horizontal section	
7 · FINANCIAL SERVICES			

A. All insurance and related services (CPC 812)	(1) None (2) None (3) None (4) Unbound, except as indicated in horizontal section	(1) None (2) None (3) None (4) Unbound, except as indicated in horizontal section	
B. Banking and other related services (CPC 811-813)	(1) None (2) None (3) Banks must comply with provisions of relevant banking legislation (4) Unbound, except as indicated in horizontal section	(1) None (2) None (3) None (4) Unbound, except as indicated in horizontal section	

Vanuatu's Schedule of Specific Commitments

Modes of Supply: (1) Cross-border Supply (2) Consumption abroad (3) Commercial Presence (4) Movement of Business Persons

Sector	Limitations of Market Access	Limitations on National Treatment	Additional commitments
8. HEALTH RELATED AND SOCIAL SERVICES			
A. Hospital services (CPC 9311)	(1) None (2) None (3) None, except services funded from state resources	(1) None (2) None (3) None, except services funded from state resources	
B. Other Human health services (CPC 9319)	(4) Unbound, except as indicated in the horizontal section	(4) Unbound, except as indicated in the horizontal section	
C. Social services (CPC 933)	(1) None (2) None (3) None (4) Unbound, except as indicated in horizontal section	(1) None (2) None (3) None (4) Unbound, except as indicated in horizontal section	
9. TOURISM AND TRAVEL RELATED SERVICES			
A. Hotels and restaurants (CPC 641)	(1) None (2) None (3) None, except guest houses if the number of beds is less than 50 or less than ten rooms or annual turnover is less than VT 20 million; bungalows if the annual turnover is less than VT 30 million; hotels and motels if the total value of the investment is less than VT 10 million or the annual turnover is less than VT 20 million; and kava bars. (4) Unbound, except as indicated in the horizontal section	(1) None (2) None (3) None (4) Unbound, except as indicated in the horizontal section	
B. Travel agencies (excluding tour operating services)	(1) None (2) None (3) None (4) Unbound, except as indicated in horizontal section	(1) None (2) None (3) None (4) Unbound, except as indicated in horizontal section	
10. RECREATIONAL, CULTURAL AND SPORTING SERVICES			

(a) Entertainment services (CPC 9619)	(1) None	(1) None	
(b) News agency services (CPC 962)	(2) None	(2) None	
(c) Sporting and other recreational Services (CPC 964)	(3) None	(3) None	
Excluding betting and gambling			
11. TRANSPORT SERVICES			
C. Air Transport Services			
(d) Maintenance and repair of aircraft	(1) None (2) None (3) None (4) Unbound, except as indicated in horizontal section	(1) None (2) None (3) None (4) Unbound, except as indicated in horizontal section	

Vanuatu's Schedule of Specific Commitments

Modes of Supply: (1) Cross-border Supply (2) Consumption abroad (3) Commercial Presence (4) Movement of Business Persons

Sector	Limitations of Market Access	Limitations on National Treatment	Additional commitments
(e) Selling and marketing of air transport services.	(1) None (2) None (3) None (4) Unbound, except as indicated in horizontal section	(1) None (2) None (3) None (4) Unbound, except as indicated in horizontal section	

Chapter 7

LABOUR MOBILITY

Article 7.1 Definitions

For the purposes of this Chapter:

Competent Authority means the authority of a Party listed in Annex 7.2 (Authorities of Party Competent to Receive and Determine Applications for Employment);

Employment opportunities include opportunities for unpaid or voluntary employment and the terms employee, employment and employer have corresponding meanings;

National of a Party means a natural person who under the law of that Party:

- (a) is a national of that Party; or
- (b) has the right of permanent residence in that Party in the case of a Party that accords substantially the same treatment to its permanent residents as it does to its nationals.

Receiving country means a Party to which a national of another Party has applied for, or been granted, an opportunity for employment in its territory pursuant to this Chapter;

Sending country means the Party from which a national of that Party has applied for, or been granted, an opportunity for employment in the territory of another Party pursuant to this Chapter;

Spouse means a person recognised under the law of the receiving country to be in a marriage relationship or the equivalent to another person.

Article 7.2 Principles

This Chapter is based on the principles of good faith, equal opportunity, non-discrimination, descent work, mutual understanding and reciprocity. These principles are fundamental to life of this Chapter and the Parties shall act in accordance with these principles in the implementation and during the operation of this Chapter.

Article 7.3 Objectives

- 1 In light of the experience of the signatories of the Memorandum of Understanding on the establishment of a Skills Mobility Scheme, signed by the representatives of the Melanesian Spearhead Group Countries, the Parties have determined to provide a more secure legal basis for arrangements developed to facilitate the temporary movement of nationals of the Parties between the territories of the Parties for the purpose of taking up employment opportunities.
- 2 The objective of this Chapter is to facilitate the temporary movement of nationals of the Parties between the territories of the Parties for the purposes of taking up employment opportunities without comprising national laws and policies on health and safety, minimum working conditions and border security. More specifically this Chapter shall:
 - (a) establish a programme to provide access for nationals of the Parties to employment opportunities in selected occupations in the territories of the other Parties in areas where there are shortages of qualified employees;
 - (b) establish procedures and administrative mechanisms to facilitate the temporary movement and employment of nationals of the Parties in the territories of other Parties; and
 - (c) provide for recognition of skills gained and qualifications awarded in the Parties, and for the licensing and certification of nationals of the Parties to work or practice in specified occupations in territories of other Parties.
- 3 Notwithstanding paragraph 1, nothing in this Chapter shall prevent a Party from applying measures to regulate the entry of natural persons into, or their stay in, its territory, including those measures necessary to protect the integrity of, and to ensure the orderly movement of natural persons across, its borders, provided that such measures are not applied in such a manner as to nullify or impair the benefits accruing to any Party under the terms of a specific commitment.¹⁴

Article 7.4 Relationship to Other Agreements

This Chapter does not affect the rights and obligations of any of the Parties under any other Chapter of this Agreement or any other international agreement.

¹⁴ The sole fact of requiring a visa for natural persons of certain Parties and not for those of others shall not be regarded as nullifying or impairing benefits under a specific commitment.

Article 7.5
Most-Favoured-Nation Treatment

- 1 Each Party shall extend to nationals of the other Parties treatment no less favourable than treatment extended to nationals of third countries under any labour mobility arrangement or scheme.
- 2 The provisions of Paragraph 1 shall not apply to existing bilateral arrangement between Parties to this Agreement.

Article 7.6
Access to Employment Opportunities

- 1 The Schedules contained in Annex 7.1 (Schedules of Employment Opportunities) to this Agreement list details of opportunities for employment and the practice of occupations in each Party to which MSG nationals from the other Parties shall have access.
- 2 For each occupation or group of occupations listed in Annex 7.1 (Schedules of Employment Opportunities) the following details shall be provided:
 - (d) the numerical limit, if any, on nationals from other Parties that may enter each Party each year pursuant to this Chapter;
 - (e) the minimum educational qualifications, experience and other credentials necessary for a national of a Party to be employed or practice an occupation in each Party;
 - (f) the maximum period, if any, that a national of a Party may have a right to access opportunities for employment and practicing an occupation pursuant to this Chapter; and
 - (g) any additional commitments in relation to the access of nationals from a Party to employment in the occupation, including commitments on the recognition of educational and training institutions, licensing and accreditation procedures, and the rights of spouses and dependent children.
- 3 Each Party shall authorise the temporary entry of, and issue supporting documentation to, nationals of the Parties who:
 - (a) are a national of a Party at the time of making an application for entry to the Party pursuant to this Chapter;
 - (b) are in good health and are of good character;

- (c) satisfy any criteria set out in Annex 7.1 (Schedules of Employment Opportunities) for employment or practising of an occupation set out in the schedule of the authorising Party and, where there are numerical restrictions, were selected for participation in the scheme in accordance with the provisions of Article 7.8 (Allocation of Quota);
 - (d) have been issued with a certificate from the Party of which they are a national attesting to the matters referred to in Subparagraphs (a) to (c); and
 - (e) except where this requirement has been expressly waived in the schedule of a Party, has an offer of employment in an occupation in accordance with the schedule of the receiving Party.
- 4 No Party may require advance approval procedures, evidence of labour certification, work permits, or other procedures of similar effect, as a condition for authorising temporary entry of nationals of a Party under this Chapter, other than the requirements set out in this Chapter.
- 5 Notwithstanding Paragraph 4, a Party may require that nationals of a Party requesting temporary entry in accordance with this Chapter obtain a visa or equivalent document prior to travelling.
6. Each Party shall, no later than 3 months after the date this Agreement enters into force, prepare, publish, including on a public website, and make available to nationals of the Parties a consolidated document that explains the requirements for temporary entry in accordance with this Chapter.

Article 7.7

Allocation of Quota among Nationals of the Parties

- 1 The Parties, after consultation with other interested persons and organisations, may establish an arrangement for the selection of nationals from the Parties for opportunities for employment and the practice of occupations made available pursuant to this Chapter. For each occupation or group of occupations, the process for the selection of individuals entitled to participate may be established at a national and/or a regional level.
- 2 Each Party that establishes and implements procedures and criteria for the allocation of opportunities for employment and the practice of occupations to its nationals shall ensure such procedures and criteria are administered in a transparent, reasonable and impartial manner. The criteria may include age, marital status, language proficiency, qualifications, and relative skill shortages in the Parties.
3. The Parties agree that the objectives of this Chapter would be furthered by specifying the number of nationals of the Parties provided with opportunities to seek employment under this Chapter for all occupations or groups of occupations rather than individual occupations.

Article 7.8
Procedures for Temporary Entry

- 1 Each Party shall establish and implement legal and administrative procedures to facilitate the temporary entry of persons who comply with the requirements of this Chapter.
- 2 Whenever a Party refuses to issue an immigration document authorising entry or employment or the practice of an occupation that Party shall inform the person affected, in writing, of the reasons for the refusal, within 14 days of receiving the application for temporary entry.
- 3 Each Party shall waive all fees required for processing applications for temporary entry. Each Party may require additional criteria, which must be published, further restricting the access of its nationals to the scheme.

Article 7.9
Qualifications, Certification and Licensing

Licensing of Nationals of the Parties

- 1 Each Party shall encourage the relevant bodies in its territory to develop procedures for, and which facilitate, the temporary licensing of nationals of the other Parties that wish to seek opportunities for employment or the practice an occupation in its territory.
- 2 Each Party shall work to ensure that its competent authorities, within a reasonable time, but which in no case shall exceed 20 days, after the submission of an application for a licence or certification by a national of a Party seeking to obtain employment or practice an occupation in the territory of another Party:
 - (a) where the application is complete, make a determination on the application and inform the applicant of that determination; or
 - (b) where the application is not complete, inform the applicant without undue delay of the status of the application and the additional information that is required under the Party's law.
- 3 The Competent Authorities for each Party are listed in Annex 7.2 (Authorities of Party Competent to Receive and Determine Applications for Employment). Parties shall notify each other, through the Secretariat, in writing, of any changes relating to their competent authority and the contact details thereof. The list of Competent Authorities in Annex 7.2 shall be updated to remain current.

Development of Common Standards

- 4 The Parties shall encourage the relevant bodies in their respective territories to jointly develop common standards for the licensing, or the recognition of licenses, of employees and persons practicing occupations and to provide the Parties with appropriate recommendations.
- 5 On receipt of a recommendation referred to in Paragraph 4, the Parties shall review the recommendation to determine whether it is consistent with the terms of this Chapter. Based on the review, each Party shall encourage its respective competent authorities to implement the recommendation, where appropriate, within a mutually agreed time.
- 6 The Parties may examine proposals for development of harmonised or joint standards and procedures for the licensing, or the recognition of licences, of employees and practitioners in particular occupations with a view to making a decision on the adoption of such common standards or recognition of licences.

Mutual Recognition

- 7 For the purposes of the fulfilment, in whole or in part, of its standards or criteria for the authorisation, licensing or certification of employees, and subject to the requirements of Paragraph 9, a Party may recognise the education or experience obtained, requirements met, or licenses or certifications granted in a particular Party. Such recognition, which may be achieved through harmonisation or otherwise, may be based upon an agreement or arrangement with the country concerned or may be accorded autonomously.
- 8 Arrangements adopted in accordance with Paragraph 7 shall, where appropriate, take the standard form of an arrangement for mutual recognition as shall be agreed upon by the Parties and reviewed by them as and when considered necessary.
- 9 Any Party that is a party to an agreement or arrangement of the type referred to in Paragraph 7, whether existing or future, shall afford adequate opportunity for other interested Parties to negotiate their accession to such an agreement or arrangement or to negotiate comparable ones with it. Where Party accords recognition autonomously, it shall afford adequate opportunity for any other Party to demonstrate that education, experience, licenses, or certifications obtained or requirements met in that the Party's territory should be recognised.
- 10 Each Party shall:
 - (a) within 30 days from the date on which this Agreement enters into force, inform the other Parties of its existing recognition measures and state whether such measures are based on agreements or arrangements of the type referred to in Paragraph 7;
 - (b) promptly inform the Parties as far in advance as possible of the opening of negotiations on an agreement or arrangement of the type referred to in Paragraph 7 in order to provide

adequate opportunity to any other Party to indicate their interest in participating in the negotiations before they enter a substantive phase; and

- (c) promptly inform the Parties when it adopts new recognition measures or significantly modifies existing ones and state whether the measures are based on an agreement or arrangement of the type referred to in Paragraph 7.

Article 7.10 Capacity Building and Training

- 1 The Parties agree that assisting people from the Parties obtain the qualifications, credentials and experience necessary to enable them to obtain employment or practice an occupation abroad, is essential to the achievement of objectives of this Chapter. Furthermore, assistance from development partners is required to build the capacity of institutions in the Parties to offer the training necessary and the access of nationals of the Parties to training programmes.
- 2 The Parties agree to cooperate to achieve the objective set out in Paragraph 1, including in bilateral and regional discussions and negotiations with donors.

Article 7.11 Employment Recruitment, Administration and Supervision

- 1 The Parties shall cooperate to establish appropriate administrative arrangements and procedures necessary for the implementation and operation of the scheme for access to opportunities for employment and the practice of occupations created pursuant to this Chapter.

Recruiting Agencies

- 2 The Parties shall license recruiting agencies permitted to operate within their territories to assist nationals from the Parties to take advantage of the employment opportunities made available under this Chapter. Only licensed recruiting agencies shall have the right to assist in placing nationals of the Parties pursue opportunities provided in this Chapter. Nothing in this Paragraph shall prevent potential employees and employers from directly liaising in relation to opportunities provided in this Chapter.
- 3 The recruiting agencies may be assigned the following responsibilities:
 - (a) liaising between potential employers and industry representatives in the receiving countries and potential employees;
 - (b) identifying potential employers in the receiving countries;
 - (c) identifying nationals of Parties that may be suitable for employment opportunities in the other Parties available under this Chapter and assisting with the completion of applications;

- (d) arranging for the travel to and from the receiving country, the initial reception on arrival in the receiving country, and accommodation in receiving country for nationals from the Parties; and
 - (e) providing pre-departure briefings and information for nationals of the Parties recruited under the scheme; and
 - (f) providing regular reports to the national licensing authorities of the Parties.
- 4 A licensed recruiting agency shall be remunerated in manner agreed between the national of a Party, the employers and the recruiting agency in accordance with any government regulations and guidelines of the sending country.

Application Procedures

- 5 Upon receiving an application from a national of a Party in relation to opportunities available pursuant to Article 7.6 (Access to Employment Opportunities), the government of the national concerned shall review the application for compliance with the conditions set out in Article 7.6 (Access to Employment Opportunities) and Article 7.8 (Allocation of Quota among Nationals of the Parties) of this Chapter.
- (a) Where the application is in order the government shall notify the national of a Party, or his or her appointed agent.
 - (b) Where the application is incomplete or does not meet the relevant conditions, the government shall inform the applicant, or his or her appointed agent, of the reasons the application is incomplete or does not meet the relevant criteria.
- 6 The government of the national of a Party shall ensure that the applications are processed diligently, impartially and with cost to the applicant.
- 7 Upon receiving an application and supporting documentation, including a copy of the signed contract of employment or engagement, the competent authority of the receiving country shall assess the application received in accordance with the criteria set out in Article 7.6 (Access to Employment Opportunities) and in accordance with the requirements of Article 7.7 (Procedures for Temporary Entry).
- 8 Where the application is approved, the receiving country shall:
- (a) communicate the outcome of the application to the national of a Party concerned, or his or her authorised agent, and the government of the sending country; and
 - (b) issue the necessary visa and work permit.

- 9 Where an application is declined for an immigration document authorising activity or employment that Party shall inform the national affected, in writing, of the reasons for the refused, which shall be communicated to the national of a Party concerned, or his or her authorised agent, the potential employer and the government of the sending country. The applicant may appeal against the decision in accordance with the laws and regulations of the receiving country.
- 10 Each Party shall no later than 30 days after the entry into force of this Agreement prepare and publish, including on an official website of the government, details of application procedures applicable to this Chapter.

Contract and Terms of Employment

- 11 Nationals of a Party who enter another Party pursuant to this Chapter shall be treated no less favourably in terms of legal protection and rights as nationals of the receiving country would receive in similar employment. It shall be the duty of the receiving country to ensure that nationals taking up employment opportunities under this Chapter are provided such treatment.
- 12 Where the employment opportunity is for unpaid or voluntary employment, nationals of a Party who enter another Party pursuant to this Chapter shall be treated no less favourably in terms of legal protection and rights as nationals of the receiving country would receive in similar employment except in relation to wages and remuneration.
- 13 The Parties shall cooperate to establish a standard form of contract for temporary employment for each Party undertaken pursuant to this Chapter, which may be updated from time to time. The contract must be signed by the employee and the employer.
- 14 All contracts referred to in Paragraph 13 shall follow the template for the standard contract set out in Annex 7.3 (Standard Employment Contract Template for MSG Labour Mobility) and contain provisions dealing with the following matters:
 - (a) wages and conditions of employment;
 - (b) minimum and maximum hours of work;
 - (c) travel and reception arrangements;
 - (d) the duration and nature of any housing, food or transportation to be provided;
 - (e) provision for automatic deductions from employees' wages;
 - (f) obligations of the employer to the employee;
 - (g) obligations of the employee to the employer;

- (h) costs and arrangements for repatriation, including at the completion of the period of employment, at the completion of any trial period, for medical or personal reasons, and for misconduct;
- (i) treatment of the body in case of death;
- (j) insurance and medical treatment;
- (k) taxation;
- (l) social security payments and superannuation benefits;
- (m) access and use of personal information about the employee held by the receiving Party;
- (n) law governing the contract of employment; and
- (o) procedures for the settlement of grievances and disputes.

15 The contract shall be in the English language.

Supervision in Receiving Countries

- 16 Each Party shall appoint an agent to act on its behalf in each receiving country where its nationals have found employment under this scheme and be responsible for the remuneration of the agent. The same agent may represent more than one Party. The agent shall have the following responsibilities:
- (a) liaise between the authorities of the sending and receiving countries on matters related to this Chapter;
 - (b) act as a point of contact and assistance for nationals in the receiving country;
 - (c) assist receiving country authorities ensure that the terms and conditions of the employment contract and entry are being complied with;
 - (d) report evidence and complaints of a breach of laws and regulations on health and safety and labour standards affecting nationals from the sending countries to the authorities of the receiving country; and
 - (e) ensure that travel arrangements are in place and be responsible for any cost of repatriation where the employee does not have the funds.
- 17 The authorities of the receiving country where a national from a Party is employed shall be responsible to ensure that the terms and conditions of the employment contract and entry, and national legislation for the protection of nationals of the Parties are being applied.

Article 7.12
Remittances

The Parties shall allow the nationals of another Party to freely transfer or remit funds earned from employment in the territory of the Parties to another Party subject to compliance with the laws and regulations of each Party relating to the regulation of money laundering, taxation, or judicial orders, or other reasonable regulatory purposes.

Article 7.13
Employment of Spouses

The Parties shall, on application, grant to a spouse intending to accompany or accompanying a national of a Party granted the right to temporary entry to take up an employment opportunity under this Chapter, subject to the fulfilment of the conditions in subparagraph 2(b) and paragraph 3 of Article 7.6 (Access to Employment Opportunities), the right to temporary entry to take up an employment opportunity in accordance with the provisions of this Chapter.

Article 7.14
Public Sector Recruitment

- 1 Nothing in this Chapter creates an obligation for any Party to provide access to employment opportunities in the public sector for nationals from another Party. Access to employment opportunities in the public sector for nationals from another Party is governed by the laws and regulations of the receiving country.
- 2 For the purposes of this Article, public sector means the government departments and agencies that are defined by national law to be part of the public sector.

Article 7.15
Protection and Treatment of Workers

- 1 The Parties shall ensure all people taking up opportunities under this Chapter receive a minimum standard of treatment and will work to established agreed common standards based on the work of the International Labour Organisation and the International Migration Organisation.
- 2 The Parties shall ensure that the human rights and fundamental freedoms, as reflected in the International Covenant on Civil and Political Rights, all people taking up opportunities under this Chapter are protected.
- 3 The sending country of a national of a Party who has left any other Party shall allow that person to return at any time and to re-enter its territory without any formality.

- 4 Each Party shall comply with the Migration for Employment Convention of 1949, including Optional Annex 1; the Migrant Workers (Supplementary Provisions) Convention of 1975; and the International Convention on the Protection of the Rights of All Migrant Workers and Their Families.

Article 7.16
Discipline of Professionals

- 1 The Parties shall promote cooperation among their professional and occupational licensing and registration bodies for the purpose of establishing common standards for, or joint, codes of ethical conduct, including disciplinary procedures, applicable to the professions and occupations covered by this Chapter.
- 2 The Parties shall encourage their professional and occupational licensing and registration bodies to enter agreements providing for the mutual recognition of decisions taken under codes of ethical conduct, including disciplinary procedures, applicable to the professions and occupations covered by this Chapter.

Article 7.17
Cooperation

To achieve the objective of this Chapter, the Parties agree to enhance cooperation in the following areas:

- (a) improving qualification standards and conformance amongst themselves in the area of
- (b) skilled and semi-skilled labour;
- (c) harmonising their occupation health and safety requirements, hazard risk management and other work related safety and risk management programmes and standards that are deemed necessary at the industrial level;
- (d) exploring and undertaking joint training programmes including funding opportunities to help their national to become work-ready and flexible to undertake employment opportunities within the parties;
- (e) provision of training and sharing of information amongst immigration, labour and national competent authorities;
- (f) undertaking necessary improvements to their domestic laws and regulations to provide
- (g) for the smooth and progressive implementation of this Chapter in each Parties;
- (h) assisting each other in facilitating training and work attachment for their nationals;
- (i) reducing the cost to employees of making remittances; and
- (j) mobilising of resources from development partners for the implementation and operation

of this Chapter.

Article 7.18
Confidential Information

The Parties shall not disclose or distribute any confidential information, documents or data received in the course of the implementation of this Chapter to any third party except as authorised in writing by the Party from where the information, documents or data originated.

Article 7.19
Dispute Avoidance and Resolution

- 1 The Parties shall endeavour to resolve any misunderstanding or disputes in relation to the interpretation or implementation of this Chapter through dialogue and consultation, in accordance with the principles of Melanesian customs, to reach a mutually satisfactory resolution.
- 2 Where a Party considers that any measure or proposed measure of another Party may, or may be likely to, materially affect its rights under this Chapter, that Party may request detailed information relating to that measure and, if necessary, request consultations with a view to resolving any concerns about the measure. Requests for information or consultations shall be promptly responded to.
- 3 If any misunderstanding or dispute cannot be resolved through consultation, the relevant Parties may agree to have the matter referred to mediation in accordance with agreed terms of reference.

Article 7.20
Review

All aspects of the implementation and operation of the arrangement for access to employment opportunities created by this Chapter, including the employment opportunities set out in Annex 7.1 (Schedules of Employment Opportunities), shall be reviewed jointly by Parties no later than three years after this Agreement enters into force and every three years thereafter. To assist in the preparation of the review the relevant Parties may request the MSG Secretariat to prepare a report on the operation of the access arrangement.

Article 7.21
Future Development

- 1 The Parties shall explore ways to further their economic integration through expansion of employment opportunities for nationals of the Parties under this Chapter.

- 2 Within 3 years from the date this Agreement enters into force, the Parties shall examine the practicality and desirability of establishing mechanisms to:
 - (a) permit the transferability of social security benefits for natural persons that enter the employment market or provide services in the territory of a Party; and
 - (b) extend the regional labour mobility scheme established by this Chapter to non-Parties.

Article 7.22 **Amendments of Annexes**

- 1 The annexes to this Chapter are an integral part of this Agreement.
- 2 The annexes to this Chapter may be amended from time to time by agreement of the Parties.
- 3 In special circumstances, a Party may request amendment of its schedule of commitments set out in Annex 7.1 (Schedules of Employment Opportunities):
 - (a) Where the level of unemployment in the labour market of a Party has sharply increased;
 - (b) The labour market for qualified workers in an occupation listed in the Party's schedule of commitments in Annex 7.1 (Schedules of Employment Opportunities) is characterised by a significant over-supply; and
 - (c) That Party submits cogent evidence of the circumstances set in subparagraphs 3(a) and (b) to the other Parties.
4. A Party making a request for an amendment under Article paragraph 3 shall offer to enter into consultations with other Parties in relation to the request, including the necessity and scope of the request. The Party making the request may withdraw the request or reduce the level of change requested at any time.
5. A request for an amendment under paragraph 3 shall be deemed agreed to 60 days after the request was made.

Article 7.23 **Role of the Committee on Trade in Services and Investment**

1. The Committee on Trade in Services and Investment established in terms of Article 6.81 of this Agreement (hereafter referred to as the "Committee"), shall meet at least once a year to consider:
 - (a) the implementation and administration of this Chapter;
 - (b) proposed modifications or additions to the Annexes to this Chapter; and

- (c) development of further measures to facilitate the temporary entry of nationals from the Parties to the employment markets of the other Parties.
- 2. The Committee may establish subsidiary working groups, reporting to the Committee, for consideration of some issues under this Chapter.
- 3. The Committee on shall report to the STOM on matters of this Chapter.
- 4. The meetings held in in terms of this Article, may be in person or by any other means as mutually determined by the Parties.

ANNEX 7.1 SCHEDULES OF EMPLOYMENT OPPORTUNITIES (ARTICLE 7.6.1)

FIJI				
OCCUPATIONS	JOB CODES (ISCO-08)	MINIMUM QUALIFICATIONS	DURATION	ADDITIONAL COMMITMENT
Nursing Professionals	2221	(a) Diploma or Degree in Nursing and at least 5 years post registration experience.	3 years and can be further extended for 3 years	(a) Admission will be justified by the Fiji Nursing Council.
General Medical Practitioner	2211	(a) Successful completion of a base degree MBBS or equivalent from a recognised University or Institution and at least 4 years post registration experience.	3 years and can be further extended for 3 years	(a) Admission will be justified by the Fiji Medical and Dental Council
Surveyor	2165	(a) Must be a registered surveyor with a relevant degree from a recognised institution and at least 6 years relevant experience in this particular field.	3 years and can be further extended for 3 years	(a) Registration to be done through the Department of Lands.
Urban and Regional Planner	2164	(a) A degree in town or urban planning or equivalent from a recognised institution and at least 6 years	3 years and can be further extended for 3 years	(a) Be a registered member of a professional town or urban planning institute.
Professional Engineers: ii. Civil ii. Mechanical iii. Electrical iv. Electronic	2142 2144 2151 2152	(a) (i) – (iv) A recognised degree in Civil, Mechanical, Electrical, Electronic, and at least 5 – 8 years relevant work experience.	3 years and can be further extended for 3 years	(i) – (iv) Corporate membership of a recognised Institution
Ship Repairers i. Boat builder and repairer ii. Shipwright	399111 (PNG) 399112 (PNG)	(a) (i) and (ii) A minimum of 6 years relevant experience in this particular field.	Minimum of 1 & maximum of 3 years and can be further extended for 3 years	(a) To be assessed and certified by the competent authority. Ability to train locals in this area.
Seafarers i. Ship Deck crews and related workers ii. Ship's deck officers and pilots	8350 3152	(a) (i) and (ii) A minimum of 3 years' experience in this particular field.	Minimum of 1 & maximum of 3 years and can be further extended for 3 years	(a) The Maritime Safety Authority of Fiji will verify the qualification.

PAPUA NEW GUINEA				
OCCUPATIONS	JOB	MINIMUM QUALIFICATIONS	DURATION	ADDITIONAL

	CODES (ISCO-08)			COMMITMENT
Production & Specialized Services Managers	13	Possess a Minimum Degree in any of the required fields (e.g. Agriculture; Forestry; Fisheries; Mining)	Minimum of 1 year & maximum of 3 years, can be extended upon request by employer	<i>For all the Occupations listed in PNG's schedule of offers, please consult the Department of Labour & Industrial Relations Work Permit. Guideline can be found on the following website: www.workpermit.gov.pg</i>
Production Manager in Agriculture, Forestry & Fisheries	131	Possess a Minimum Degree in any of the required fields (e.g. Agriculture; Forestry; Fisheries; Mining)	Minimum of 1 year & maximum of 3 years, can be extended upon request by employer	
Agriculture and Forestry Production Managers	1311	Management or similar Degree with minimum of 3 years' experience in managerial skills	Minimum of 1 year & maximum of 3 years, can be extended upon request by employer	
Aquaculture and Fisheries Production Manager	1312	Management or similar Degree with minimum of 3 years' experience in managerial skills	Minimum of 1 year & maximum of 3 years, can be extended upon request by employer	
Mining Managers	1322	Management or similar Degree with minimum of 3 years' experience in managerial skills	Minimum of 1 year & maximum of 3 years, can be extended upon request by employer	
Construction Managers	1323	Management or similar Degree with minimum of 3 years' experience in managerial skills	Minimum of 1 year & maximum of 3 years, can be extended upon request by	
Hospitality Managers	14	A Degree in the fields of Tourism & Hospitality/Business management or similar Degree with more than 3 years managerial experience or diploma in same with more than 5 years' experience	Minimum of 1 year & maximum of 3 years, can be extended upon request by employer	
Hotel and Restaurant Managers	141	A Degree in the fields of Tourism & Hospitality/Business management or similar Degree with more than 3 years managerial experience or diploma in same with more than 5 years' experience	Minimum of 1 year & maximum of 3 years, can be extended upon request by employer	
Hotel managers	1411	A Degree in the fields of Tourism &	Minimum of 1 year & maximum of 3	

		Hospitality/Business management or similar Degree with more than 3 years managerial experience or diploma in same with more than 5 years' experience	years, can be extended upon request by employer	
Restaurant Managers	1412	A Degree in the fields of Tourism & Hospitality/Business management or similar Degree with more than 3 years managerial experience or diploma in same with more than 5 years' experience	Minimum of 1 year & maximum of 3 years, can be extended upon request by employer	
Frontline Managers	143	A Degree in the fields of Tourism & Hospitality/Business management or similar Degree with more than 3 years managerial experience or diploma in same with more than 5 years' experience	Minimum of 1 year & maximum of 3 years, can be extended upon request by employer	
Tour Managers	143	A Degree in the fields of Tourism & Hospitality/Business management or similar Degree with more than 3 years managerial experience or diploma in same with more than 5 years' experience	Minimum of 1 year & maximum of 3 years, can be extended upon request by employer	
Dive Managers	143	A Degree in the fields of Tourism & Hospitality/Business management or similar Degree with more than 3 years managerial experience or diploma in same with more than 5 years' experience	Minimum of 1 year & maximum of 3 years, can be extended upon request by employer	
Health Professionals:	221			
Specialist Medical Practitioners 2212	2212	Possesses a degree MBBS and minimum of 5 years' work experience	Minimum of 1 year & maximum of 3 years, can be extended upon request by employer	
Nursing Professionals	2221	Diploma in Nursing from certified/recognized Nursing college with 3 years' work experience	Minimum of 1 year & maximum of 3 years, can be extended upon request by employer	
Teaching Professionals:	23			
Elementary teachers	2342	Certificate in Elementary Education	3 years maximum with the prospect	

		plus 3 years teaching experience	of renewing for another 3 years	
Primary teachers:	2341			
Maths		Diploma in Primary Education requiring 3 years fulltime study, Certificate in primary teaching and one year upgrade to Diploma, a Degree in Education Administration of the equivalent of part time 3 years teaching experience	3 years maximum with the prospect of renewing for another 3 years	
Science		Diploma in Primary Education requiring 3 years fulltime study, Certificate in primary teaching and one year upgrade to Diploma, a Degree in Education Administration of the equivalent of part time 3 years teaching experience	3 years maximum with the prospect of renewing for another 3 years	
English		Diploma in Primary Education requiring 3 years fulltime study, Certificate in primary teaching and one year upgrade to Diploma, a Degree in Education Administration of the equivalent of part time 3 years teaching experience	3 years maximum with the prospect of renewing for another 3 years	
Social Science		Diploma in Primary Education requiring 3 years fulltime study, Certificate in primary teaching and one year upgrade to Diploma, a Degree in Education Administration of the equivalent of part time 3 years teaching experience	3 years maximum with the prospect of renewing for another 3 years	
Secondary teachers:	2330			
Maths		Bachelor's Degree in Education requiring 4 years full time study or a Bachelor's degree in any field and a post graduate diploma in education plus 3 years teaching experience	3 years maximum with the prospect of renewing for another 3 years	
English		Bachelor's Degree in Education requiring 4	3 years maximum with the prospect	

		years full time study or a Bachelor's degree in any field and a post graduate diploma in education plus 3 years teaching experience	of renewing for another 3 years	
Physics		Bachelor's Degree in Education requiring 4 years full time study or a Bachelor's degree in any field and a post graduate diploma in education plus 3 years teaching experience	3 years maximum with the prospect of renewing for another 3 years	
Biology		Bachelor's Degree in Education requiring 4 years full time study or a Bachelor's degree in any field and a post graduate diploma in education plus 3 years teaching experience	3 years maximum with the prospect of renewing for another 3 years	
Chemistry		Bachelor's Degree in Education requiring 4 years full time study or a Bachelor's degree in any field and a post graduate diploma in education plus 3 years	3 years maximum with the prospect of renewing for another 3 years	
History		Bachelor's Degree in Education requiring 4 years full time study or a Bachelor's degree in any field and a post graduate diploma in education plus 3 years teaching experience	3 years maximum with the prospect of renewing for another 3 years	
Geography		Bachelor's Degree in Education requiring 4 years full time study or a Bachelor's degree in any field and a post graduate diploma in education plus 3 years teaching experience	3 years maximum with the prospect of renewing for another 3 years	
Vocational Education Teaching /TVET	2320	Diploma of Vocational Education and Training or a Diploma in Tourism/Hospitality and a vocational teaching certificate plus 3 years industry experience	3 years maximum with the prospect of renewing for another 3 years	
Tourism		Tourism Diploma of Vocational Education and Training or a Diploma in Tourism/Hospitality and a vocational teaching certificate plus 3 years industry experience	3 years maximum with the prospect of renewing for another 3 years	

Hospitality		Diploma of Vocational Education and Training or a Diploma in Tourism/Hospitality and a vocational teaching certificate plus 3 years industry experience	3 years maximum with the prospect of renewing for another 3 years	
Assorted Trades Specialist Teachers	2359	Diploma of Vocational Education and Training or a Diploma in Tourism/Hospitality and a vocational teaching certificate plus 3 years industry experience	3 years maximum with the prospect of renewing for another 3 years	
Science and Engineering Professionals:	21			
Marine Biologists-Specialist in Ocean Floor Mining		Master's Degree in Marine Biology and a specialist in Ocean Floor/Seabed Mining	Minimum of 1 year & maximum of 3 years with the prospect of renewing	
Environmental Scientists	213, 2131, 2133	Minimum Degree in Environmental Science with 5 years work experience	Minimum of 1 year & maximum of 3 years with the prospect of renewing	
Construction and Engineering Services	1323	Degree in Building & Construction with 5 years work experience	Minimum of 1 year & maximum of 3 years with the prospect of renewing	
Building and Related Trade Workers:				
Concrete workers and masons	7114	Completion of 4 year apprentice training and certification by the NATTB for all mentioned Trades	Minimum of 1 year & maximum of 3 years with the prospect of renewing	
Carpenters and Joiners	7115	Completion of 4 year apprentice training and certification by the NATTB for all mentioned Trades	Minimum of 1 year & maximum of 3 years with the prospect of renewing	
Roofers	7121	Completion of 4 year apprentice training and certification by the NATTB for all mentioned Trades	Minimum of 1 year & maximum of 3 years with the prospect of renewing	
Floor layers and floor and wall tilers	7122	Completion of 4 year apprentice training and certification by the NATTB for all mentioned Trades	Minimum of 1 year & maximum of 3 years with the prospect of renewing	
Plasterers	7123	Completion of 4 year apprentice training and certification by the NATTB for all	Minimum of 1 year & maximum of 3 years with the prospect of	

		mentioned Trades	renewing	
Glaziers	7125	Completion of 4 year apprentice training and certification by the NATTB for all mentioned Trades	Minimum of 1 year & maximum of 3 years with the prospect of renewing	
Plumbers	7126	Completion of 4 year apprentice training and certification by the NATTB for all mentioned Trades	Minimum of 1 year & maximum of 3 years with the prospect of renewing	
Air conditioning and refrigeration workers	7127	Completion of 4 year apprentice training and certification by the NATTB for all mentioned Trades	Minimum of 1 year & maximum of 3 years with the prospect of renewing	
Painters and decorators	7131	Completion of 4 year apprentice training and certification by the NATTB for all mentioned Trades	Minimum of 1 year & maximum of 3 years with the prospect of renewing	
Electricians	2151	Completion of 4 year apprentice training and certification by the NATTB for all mentioned Trades	Minimum of 1 year & maximum of 3 years with the prospect of renewing	
Professional Engineers	214	Completion of 4 year apprentice training and certification by the NATTB for all mentioned Trades	Minimum of 1 year & maximum of 3 years with the prospect of renewing	
Electrical Mechanics and Fitters	7412	Completion of 4 year apprentice training and certification by the NATTB for all mentioned Trades	Minimum of 1 year & maximum of 3 years with the prospect of renewing	

SOLOMON ISLANDS				
OCCUPATIONS	JOB CODES (ISCO-08)	MINIMUM QUALIFICATIONS	DURATION	ADDITIONAL COMMITMENT

Engineering:				
<ul style="list-style-type: none"> civil engineers mechanical engineers 	2142 2152	Graduate qualification with at least 5 years of Experience	3 years contract and can be renewed further	Certified references from competent authorities
Financial Professional & Services:	241			
<ul style="list-style-type: none"> Accountants Financial investment advisors 	2411	Graduate qualification with at least 5 years of Experience	3 years contract and can be renewed further	Certified references from competent authorities
Architects & Services:				
Architectural Supervisors	2161	Graduate qualification with at least 5 years of Experience	3 years contract and can be renewed further	Certified references from competent authorities
Information & Technology:				
<ul style="list-style-type: none"> IT Technicians Web & multimedia 	351 2513	Diploma minimum with 5 years of experience	3 years contract and can be renewed further	Certified references from competent authorities
Aviations:				
Pilots	3153	Licensed with flying hours	3 years contract and can be renewed further	Certified references from competent authorities
Aircraft Engineers	7232	Graduate qualification with at least 5 years of Experience	3 years contract and can be renewed further	Certified references from competent authorities
Mining:				
<ul style="list-style-type: none"> Mining Managers Mining Supervisors 	1322 3121	Graduate qualification with at least 5 years of Experience	3 years contract and can be renewed further	Certified references from competent authorities
Tourism & Hospitality:				
<ul style="list-style-type: none"> Hotel Managers 	1411	Graduate qualification with at least 5 years of Experience	3 years contract and can be renewed further	Certified references from competent authorities
<ul style="list-style-type: none"> Vocational Education Teaching /TVET 	2320	Diploma of Vocational Education and Graduate Qualification in Tourism and Hospitality, or Graduate Qualification in Information Communication Technology	3 years contract and can be renewed further	Certified references from competent authorities

VANUATU				
OCCUPATIONS	JOB CODES (ISCO-08)	MINIMUM QUALIFICATIONS	DURATION	ADDITIONAL COMMITMENT
<i>Health Professionals:</i>	22			
<ul style="list-style-type: none"> Nursing Professionals Midwifery professionals 	2221 2222 2250	<ul style="list-style-type: none"> Bachelor's degree or diplomas in Health profession 3 years' work 	3 years plus renewable for a further 3 years	Nursing qualifications in Vanuatu is that after a diploma course of at

<ul style="list-style-type: none"> Veterinarians 		<ul style="list-style-type: none"> experience in the same field Must be registered 		<p>least 3 years, after qualification, nurses are required to have practiced under supervision for a further 2 years before they become registered nurses and can therefore practice</p>
<i>Health Associate Professionals:</i>	32			
<ul style="list-style-type: none"> Medical and pathology laboratory technicians Midwifery associate professionals 	3212 3222	<ul style="list-style-type: none"> Bachelor's degree or diplomas in Health profession 3 years' work experience in the same field Must be registered 	3 years plus renewable for a further 3 years	<p>Nursing qualifications in Vanuatu is that after a diploma course of at least 3 years, after qualification, nurses are required to have practiced under supervision for a further 2 years before they become registered nurses and can therefore practice</p>
<i>Teaching Professionals:</i>	23			
<ul style="list-style-type: none"> Secondary education teachers (Science) Secondary Education teachers (other) 	2330.10 2330.90	<ul style="list-style-type: none"> Bachelor's degree or diploma in the field of education 3 years' work experience in the same field; 	3 years plus renewable for a further 3 years	
<i>Early Childhood teachers</i>	2342	<ul style="list-style-type: none"> Diplomas in similar field or related professional 3 years' work experience in the same field; 	3 years plus renewable for a further 3 years	
<i>Business and Administration Professionals:</i>				
Financial and Investment advisors	2412	<ul style="list-style-type: none"> Bachelor degree or diplomas in Commerce, Banking and Financial Management 3 years' work experience in the same field; 	3 years plus renewable for a further 3 years	
Financial Analyst	2413	<ul style="list-style-type: none"> Bachelor degree or diplomas in Financial Management or related profession 3 years' work experience in the same field; 	3 years plus renewable for a further 3 years	
Finance Professionals (Banking Professionals)	241	<ul style="list-style-type: none"> Bachelor degree or diplomas in Financial 	3 years plus renewable for a	

		Management or related profession <ul style="list-style-type: none"> • 3 years' work experience in the same field 	further 3 years	
<i>Legal, social and cultural Professionals:</i>	26			
<ul style="list-style-type: none"> • Visual artists • Creative and performing artists not elsewhere specified 	2651 2659	<ul style="list-style-type: none"> • Diplomas in similar field or related profession • 3 years' work experience in the same field • Same for other occupations listed under here 	<ul style="list-style-type: none"> • 3 years plus renewable for a further • Same for other Occupations listed under here 	
<i>Legal, social, cultural and associate professionals:</i>	34			
<ul style="list-style-type: none"> • Social work associate Professionals • Religious associate professional • Athletes and sports players • Sport coaches instructors and officials 	3412 3413 3421 3422	<ul style="list-style-type: none"> • Diplomas in similar field or related profession • 3 years' work experience in the same field • Same for other occupations listed under here 	<ul style="list-style-type: none"> • 3 years plus renewable for a further • Same for other Occupations listed under here 	Recognize and safeguard all national laws protecting Vanuatu IPR
<i>Science and Engineering Associate professionals:</i>	31			
<ul style="list-style-type: none"> • Chemical and physical science technicians • Civil engineering Technicians • Electronic engineering technicians • Mining and metallurgical technicians • Incinerator and water treatment plant operators 	3112 3114 3116 3117 3132	<ul style="list-style-type: none"> • Bachelor degree or diplomas in Science and engineering field professional • 3 years' work experience in the same field • Same for other occupations listed under here 	<ul style="list-style-type: none"> • 3 years plus renewable for a further • Same for other Occupations listed under here 	

ANNEX 7.2 AUTHORITIES OF PARTY COMPETENT TO RECEIVE AND DETERMINE APPLICATIONS FOR EMPLOYMENT (ARTICLE 7.9.3)

COUNTRY	NAME OF COMPETENT AUTHORITY
Fiji	Ministry of Employment, Productivity and Industrial Relations
Papua New Guinea	Department of Labour and Industrial Relations
Solomon Islands	Department of Labour
Vanuatu	Ministry of Foreign Affairs, International Cooperation and External Trade

ANNEX 7.3 STANDARD EMPLOYMENT CONTRACT TEMPLATE FOR LABOUR MOBILITY (ARTICLE 7.11.14)

Employment contracts agreed under the framework of the Melanesian Free Trade Agreement's Chapter 7 (Labour Mobility) shall include the following provisions:

(a) Name and Address of the Employer

The contract shall state the name and address of the Employer.

(b) Name and Address of the Employee

The contract shall state the name and address of the Employee.

(c) Place of Work

The contract shall specify the location(s) where the work under the contract will be performed by the Employee.

(d) Type of Work

The contract shall specify the type of work to be carried out by the Employee and the reporting responsibilities.

(e) Duration of Contract

The contract shall specify the duration of the contract

(f) Days and Hours of Work

The contract shall specify the normal working days and hours for the Employee.

(g) Payment

The contract shall specify the annual salary, weekly or hourly wage, including overtime rates, and any other payments that will be made to the Employee.

(h) Maternity Leave

The contract shall include provisions setting out the entitlement for maternity leave which shall be no less favourable than applicable under the laws and regulations of the Receiving Country.

(i) Rest Day

The contract shall include provisions setting out the entitlement for rest days which shall be no less favourable than applicable under the laws and regulations of the Receiving Country.

(j) National Day

The contract shall include provision entitling the Employee to the national day in the Sending Country.]

(k) Insurance

The contract shall include a provision setting out the obligations of both the Employer and Employee in relation to health and medical insurance for the Employee.

(l) Holidays and Other Leave

The contract shall set out the entitlements of the Employee to annual leave, annual holidays, sick leave and bereavement leave.

(m) Treatment of Body in the Case of Death

The contract shall include a provision set out the treatment, including repatriation, of the body of an Employee that dies during the course of his or her employment or otherwise during the course of the contract.

(n) Entitlements

The contract shall also specify any other entitlements of the Employee, such as superannuation, housing protective clothing and equipment.

(o) Termination of Contract

The contract shall contain provisions setting out when and how the contract may be terminated by the Employer or Employee and the responsibilities of each in the event the contract is terminated.

(p) Travel

The contract shall specify who is responsible for meeting cost of travel of the Employee at the commencement and expiry of the period of employment.

(q) Disciplinary and Grievance Procedure

The contract shall specify the procedures for the settling of grievances and for disciplinary action between the Employer and Employee.

(r) Signature

The contract shall be signed and dated by the Employer and the Employee.

CHAPTER 8

CROSS-BORDER INVESTMENT

Article 8.1 Definitions

For the purpose of this Chapter:

Committee means the Committee on Trade in Services and, Investment;

Covered investment means with respect to a Party, an investment in its territory which is owned or controlled by an investor of another Party, in existence as of the date of entry into force of this Agreement or established or acquired thereafter, and which, where applicable, has been admitted by the host Party, subject to its relevant laws, regulation and policies;

Cultural industries means persons engaged in any of the following activities:

- (a) the publication, distribution or sale of books, magazines, periodicals or newspapers in print or machine readable form but not including the sole activity of printing or typesetting any of the foregoing;
- (b) the production, distribution, sale or exhibition of film or video recordings;
- (c) the production, distribution, sale or exhibition of audio or video music recordings;
- (d) the publication, distribution, sale or exhibition of music in print or machine readable form;
or
- (e) radio communications in which the transmissions are intended for direct reception by the general public, and all radio, television or cable broadcasting undertakings and all satellite programming and broadcast network services.

Enterprise means any entity constituted or organised under applicable law, for profit, whether privately owned or government owned, including any corporation, trust, partnership, sole proprietorship or joint venture;

Enterprise of a Party means an enterprise constituted or organised under the law of a Party, or a branch located in the territory of a Party, and which engages in substantive business operations there;

Intellectual property rights means copyright and related rights, trademark rights, rights in geographical indications, rights in industrial designs, patent rights, rights in layout designs of integrated circuits, rights in relation to protection of undisclosed information, and plant breeders' rights;

Investment means:

- (a) an enterprise;
- (b) an equity security of an enterprise;
- (c) a debt security of an enterprise:
 - (i) where the enterprise is an affiliate of the investor, or
 - (ii) where the original maturity of the debt security is at least three years,but does not include a debt security, regardless of original maturity, of a state enterprise;
- (d) a loan to an enterprise:
 - (i) where the enterprise is an affiliate of the investor, or
 - (ii) where the original maturity of the loan is at least three years,but does not include a loan, regardless of original maturity, to a state enterprise, and for greater certainty, a loan to, or debt security issued by, a Party or a state enterprise thereof is not an investment;
- (e) an interest in an enterprise that entitles the owner to share in income or profits of the enterprise;
- (f) an interest in an enterprise that entitles the owner to share in the assets of that enterprise on dissolution, other than a debt security or a loan excluded from subparagraphs (c) or (d);
- (g) real estate, intellectual property or other property, tangible or intangible, acquired in the expectation or used for the purpose of economic benefit or other business purposes; and
- (h) interests arising from the commitment of capital or other resources in the territory of a Party to economic activity in such territory, such as under
 - (i) contracts involving the presence of an investor's property in the territory of the Party, including turnkey or construction contracts, or concessions, or
 - (ii) contracts where remuneration depends substantially on the production, revenues or profits of an enterprise;

provided that an investment must have the characteristics of an investment, including such characteristics as the commitment of capital or other resources, the expectation of gain or profit, and the assumption of risk, but investment does not mean:

- (i) claims to money that arise solely from:
 - (i) commercial contracts for the sale of goods or services by a national or enterprise in the territory of a Party to an enterprise in the territory of the other Party, or

- (ii) the extension of credit in connection with a commercial transaction, such as trade financing, other than a loan covered by subparagraph (iv); and
 - (iii) any other claims to money that do not involve the kinds of interests set out in subparagraphs (a) through (h);
- (j) investments in the nature of portfolio investment.

Investor of a Party means:

- (i) an enterprise constituted or organized under the law of a Party that has its seat and carries on substantial business activities in that Party; and
- (ii) a natural person who is a citizen of a Party, provided that a natural person who is a dual citizen of both Parties shall be deemed to be exclusively a citizen of the Party of his or her dominant and effective citizenship;

that has made an investment in the territory of another Party.

Measure includes any law, regulation, procedure, requirement or practice taken by central, regional, local governments or non-governmental bodies in the exercise of powers delegated by central, regional or local governments or authorities, which directly relates to and affects an investment in the territory of the host state

Natural person means a person who is not a juridical person.

Natural person of another Party means a natural person who under the law of that other Party:

- (a) is a national of that other Party; or
- (b) has the right of permanent residence in that other Party in the case of a Party which accords substantially the same treatment to its permanent residents as it does to its nationals, provided that no Party is obligated to accord to such permanent residents treatment more favourable than would be accorded by that other Party to such permanent residents.

Person means either a natural person or a juridical person.

State enterprise of a Party means an enterprise that is owned or controlled through ownership interests by a Party.

Territory means, in respect of a Party:

- (a) their land territory, air space, internal waters and territorial sea;
- (b) those areas, including the exclusive economic zone and the seabed and subsoil, over which the country may exercise, in accordance with international law, sovereign rights or jurisdiction for the purpose of exploration and exploitation of the natural resources; and
- (c) artificial islands, installations and structures in the exclusive economic zone or on the

continental shelf over which the country has jurisdiction as a coastal state.

Article 8.2

Objectives

- 1 The objective of this Agreement is to promote foreign investment, in accordance with legitimate regulation by the host state including the protection of internationally and domestically recognised human rights, labour rights and the rights of indigenous peoples and the environment, that supports sustainable development by seeking to encourage, create and maintain equitable and favourable conditions for investors of one Party and their investments in the territory of the other Party.
- 2 The provisions of this Agreement shall be interpreted in a mutually supportive manner.

Article 8.3

Scope and Denial of Benefits

- 1 This Chapter applies to measures of a Party adopted after this Agreement comes into force relating to investors of the other Parties and covered investments, whether the investment is made before or after this Agreement comes into force, provided that the investment has been made in accordance with the laws and regulations of the Party.
- 2 A Party may deny the benefits of this Chapter to an investor of another Party where the covered investment is being made by an enterprise that is owned or controlled by person of a non-Party or the denying Party and the enterprise has no substantive business operations in the territory of another Party.
- 3 A Party shall give notice to the other Party of its intention to deny benefits to an investor of the other Party under paragraph 2 and shall state, in such a notice, the criteria applied for such denial.

Article 8.4

Relation to Other Chapters

- 1 This Chapter does not apply to measures adopted or maintained by a Party to the extent that they are covered under Chapter 6.
- 2 Notwithstanding paragraph 1, Article 8.7 (Minimum Standards of Treatment), Article 8.8 (Limitations on Expropriation and Compensation), Article 8.9 (Compensation for Losses Owing to Armed Conflict or Civil Strife) and Article 8.10 (Free Transfer of Funds) shall apply, *mutatis*

mutandis, to any measures affecting the cross-border supply of services or commercial presence in the territory of another Party pursuant to Chapter 6, but only to the extent that any such measures relate to a covered investment and an obligation under this Chapter.

Article 8.5 National Treatment

- 1 Every Party shall accord to investors of another Party and their investments treatment no less favourable than that it accords, in like circumstances, to its own investors and their investments with respect to the management, conduct, operation, and sale or other disposition of investments in its territory.
- 2 The treatment accorded by a Party under paragraph 1 means, with respect to a sub-national government, treatment no less favourable than the treatment that the sub-national government accords, in like circumstances, to investors and to investments of investors of the Party of which it forms a part who are:
 - (a) natural persons who are not residents in the territory administered by the sub-national government; or
 - (b) enterprises that are not incorporated or organised under the law of the sub-national government.
- 3 For greater certainty
 - (a) a determination of whether an investment or an investor are in like circumstances for the purposes of this article shall be made based on an assessment of all of the circumstances related to the investor or the investment, including:
 - (i) the effect of the investment on the community, the human rights of individuals and rights of indigenous peoples, the environment, including effects that relate to the cumulative impact of all investments within a jurisdiction;
 - (ii) business sector in which the investor operates;
 - (iii) the goal of the alleged discriminatory measure; and
 - (iv) regulations that apply to investments or investors;
 - (b) a measure of a Party that treats investors of the other Party or their investments less favourably than its own investors or their investments is not inconsistent with this Article if it is adopted and applied by the Party in pursuit of a legitimate public purpose that is not based on the foreign nationality of investors, including the protection of health, safety, the environment, and internationally and domestically recognised human rights, labour rights or rights of indigenous peoples, or the elimination of bribery and corruption, and it bears a reasonable connection to the purpose.

- 4 In respect of intellectual property rights, a Party may derogate from the obligations set out in this Article provided this is not inconsistent with the WTO TRIPS Agreement and other international agreements on intellectual property to which it may be party.
- 5 This Article shall not apply to measures that a Party adopts or maintains with respect to sectors, subsectors or activities set out in its schedule to Annex 8.1 of this Agreement.

Article 8.6

Most Favoured Nation Treatment

- 1 Each Party shall accord to investors of each other Party and their investments treatment no less favourable than that it accords, in like circumstances, to investors of any other state or to their investments with respect to the management, conduct, operation and sale or other disposition of investments in its territory.
- 2 For greater certainty:
 - (a) a determination of whether an investment or an investor are in like circumstances for the purposes of this article shall be made based on an assessment of all of the circumstances related to the investor or the investment, including:
 - (i) the effect of the investment on the community, on the human rights or individuals and the rights of indigenous peoples, the environment, including effects relating to the cumulative impact of all investments within a jurisdiction;
 - (ii) the business sector in which the investor operates;
 - (iii) the goal of the alleged discriminatory measure; and
 - (iv) the regulation that applies to the investment or investor;
 - (b) a measure of a Party that treats investors of another Party or their investments less favourably than investors of another state or their investments is not inconsistent with this Article if it is applied by the Party in pursuit of a legitimate public purpose that is not based on the nationality of investors, including the protection of health, safety and the environment, internationally and domestically recognised human rights, labour rights or the rights of indigenous peoples, or the elimination of bribery and corruption, and it bears a reasonable relationship to the purpose.
- 3 This Article shall not apply to:
 - (a) treatment by a Party under any bilateral or multilateral international agreement in force or signed by the Party prior to the date of entry into force of this Agreement;
 - (b) treatment by a Party pursuant to any future bilateral or multilateral agreement:
 - (i) establishing, strengthening or expanding a free trade area, customs union, common market, labour market integration commitment or similar international agreement;

- (ii) promoting investment; or
- (iii) relating wholly or mainly to taxation;
- (iv) relating to access to fisheries resources; or
- (iv) providing dispute settlement procedures.

4 This Article shall not apply to measures that a Party adopts or maintains with respect to sectors, subsectors or activities set out in its schedule to Annex 8.1 of this Agreement.

Article 8.7 **Minimum Standard of Treatment**

- 1 Each Party shall accord to investments of investors of another Party treatment in accordance with the customary international law minimum standard of treatment of foreign nationals, including fair and equitable treatment and full protection and security.
- 2 Fair and equitable treatment means treatment that is not manifestly arbitrary, unreasonable or discriminatory or a gross denial of justice or due process.
- 3 The concepts of 'fair and equitable treatment' and 'full protection and security' in paragraph 1 do not require treatment in addition to or beyond that which is required by the customary international law minimum standard of treatment of aliens.
- 4 A determination that there has been a breach of another provision of this Chapter, or of a separate international agreement, does not establish that there has been a breach of this Article.
- 5 For greater certainty, the Parties recognise that they may have different forms of administrative, legislative and judicial systems, that parties at different levels of development may not achieve the same standards at the same time and that the standard set in this Article must be interpreted taking this context into account.
- 6 This Article shall not be interpreted to preclude the Parties from adopting regulatory or other measures that pursue legitimate policy objectives, including measures adopted to comply with other international obligations, so long as the manner in which such measures are implemented is consistent with this Article.
- 7 The Parties shall endeavour to establish an appropriate mechanism under its laws to provide redress or compensation for an investor as a result of a breach of paragraph 1. The amount of any compensation shall be equitable, taking into account the relevant circumstances of the case.

Article 8.8 **Limitations on Expropriation and Compensation**

- 1 No Party may expropriate or nationalise an investment of an investor of another Party, either directly or indirectly through measures equivalent to expropriation or nationalisation (all of which are referred to in this Article as an 'expropriation'), except:

- (a) for a public purpose;
 - (b) in a non-discriminatory manner;
 - (c) on payment of prompt, adequate, and effective compensation in accordance with paragraph 2; and
 - (d) in accordance with due process of law.
- 2 The compensation referred to in sub-paragraph 1(c) shall be paid without unjustified delay and be effectively realisable and freely transferable. Such compensation shall be in a freely convertible currency and include interest from the date of the expropriation, defined as the date upon which the measure constituting the expropriation becomes effective in relation to the investor, until the date of payment at a reasonable commercial rate for the currency in which payment is made.
- 3 The compensation referred to in Subparagraph1(c) shall be equivalent to the fair market value of the expropriated investment immediately before the expropriation took place and not reflect any change in value occurring because the intended expropriation had become known earlier. Valuation criteria may include asset value, including declared tax value of tangible property and other criteria, as appropriate, to determine fair market value provided that compensation:
- (a) shall be limited to direct losses of the investor;
 - (b) shall not include loss of future profits or be calculated on the basis of the discounted value of future cash flows;
 - (c) shall be adjusted to reflect any aggravating conduct by the investor, including conduct that required the state to take the action that constitutes an expropriation, or a failure by the investor to take reasonable steps to mitigate its damages; and
 - (d) shall not include punitive or moral damages.
- 4 An investor of a Party affected by an expropriation shall have a right, under the law of the Party making the expropriation, to prompt review, by a judicial or other independent authority of that Party, of the decision to expropriate and of the valuation of its investment in accordance with the principles set out in this article.
- 5 This Article does not apply to the issuance of compulsory licences granted in relation to intellectual property rights, or to the revocation, limitation, or creation of intellectual property rights, to the extent that such issuance, revocation, limitation, or creation is consistent with applicable international agreements on intellectual property rights binding on the relevant Parties.
- 6 An action or a series of actions by a Party cannot constitute an expropriation unless it interferes with a tangible or intangible property right or property interest in an investment.
- 7 Proof that an action or series of actions by a Party has an adverse effect on the economic value of an investment of an investor of the other Party or interferes with the investment-backed

expectations of the investor, standing alone, does not establish that an expropriation has occurred. The determination of whether an action or series of actions constitutes an indirect expropriation requires a case-by-case, fact-based enquiry considering factors such as the character and purpose of the government action. Non-discriminatory measures by a party that are designed and applied to achieve legitimate public objectives, such as the economic security of residents, public health, safety, the protection or promotion of internationally and domestically recognised human rights, labour rights, the rights of indigenous peoples, social justice and the protection of the environment, do not constitute indirect expropriations.

- 8 An investor of a Party affected by a direct expropriation may seek, under the law of the host state making the expropriation, a review, by a judicial or other independent authority of the host country, of the decision to expropriate and of the valuation of its investment in accordance with the principles set out in this Article.

Article 8.9

Compensation for Losses Owing to Armed Conflict or Civil Strife

- 1 Each Party shall accord to investors of the other Parties and to their investments treatment in accordance with Articles 8.5 (National Treatment) and 8.6 (Most Favoured Nation) with respect to measures it adopts or maintains relating to losses suffered by investments in its territory owing to armed conflict or civil strife.
- 2 For greater certainty, Article 8.6 (Most Favoured Nation) and Article 8.5 (National Treatment) shall not apply to measures adopted or maintained by a state in response to a natural disaster or national emergency.
- 3 Paragraph 1 shall not apply to investors of other Parties or to their investments where such investors or investments are complicit in the perpetration of egregious violations of human rights, including war crimes, crimes against humanity, genocide, torture, extra-judicial killing, forced disappearance and forcible displacement, in the Party in connection with armed conflict or civil strife referred to in paragraph 1.

Article 8.10

Free Transfer of Funds

- 1 Each Party shall permit the following transfers relating to an investment of an investor of the other Party to be made freely and without delay out of its territory:
 - (a) contributions to capital;
 - (b) profits, dividends, interest, capital gains, royalty payments, management fees, technical assistance and other fees, returns in kind and other amounts derived from the investment;
 - (c) proceeds from the sale of all or any part of the investment or from the partial or complete liquidation of the investment;
 - (d) payments made under a contract entered into by the investor, or the investment, including

- payments made pursuant to a loan agreement;
- (e) remuneration to employees of the investor; and
 - (f) payments made pursuant to Article 8.8(Limitations on Expropriation and Compensation) and Article 8.9 (Compensation for Losses Owing to Armed Conflict or Civil Strife).
- 2 Each Party shall permit transfers relating to an investment of an investor of another Party to be made in the currency in which the capital was originally invested, or in any other convertible currency agreed to by the investor and the Party concerned. Unless otherwise agreed to by the investor and the Party concerned, transfers shall be made at the market rate of exchange applicable on the date of transfer. If there is no such market rate or agreement, the rate shall be the rate of exchange applicable on the date of transfer pursuant to the exchange regulations in force in the Party.
- 3 Notwithstanding paragraphs 1 and 2, a Party may prevent a transfer through the equitable, non-discriminatory and good faith application of its laws relating to:
- (a) bankruptcy, insolvency or the protection of the rights of creditors;
 - (b) issuing, trading or dealing in securities;
 - (c) criminal or penal offences and the payment of fines or penalties;
 - (d) reports of transfers of currency or other monetary instruments;
 - (e) ensuring the satisfaction of judgments in judicial or administrative proceedings;
 - (f) social security, public retirement and compulsory savings programs; or
 - (g) payments of remuneration and severance to employees.
- 4 No Party may require its investors to transfer, or penalise its investors that fail to transfer, the income, earnings, profits or other amounts derived from or attributable to investments in the territory of another Party.
- 5 Paragraph 4 shall not be construed to prevent a Party from imposing any measure through the equitable, non-discriminatory and good faith application of its laws relating to the matters set out in Subparagraphs 3(a) to (g).
- 6 Notwithstanding the provisions of paragraphs 1, 2 and 4, and without limiting the applicability of paragraphs 3 and 5, a Party may prevent or limit transfers by a financial institution to, or for the benefit of, an affiliate of or person related to such institution, through the equitable, non-discriminatory and good faith application of measures relating to maintenance of the safety, soundness, integrity or financial responsibility of financial institutions.
- 7 Notwithstanding paragraph 1, in case of serious balance of payments difficulties or the threat of such difficulties, each Party may temporarily restrict transfers, provided that the Party's measures

shall be consistent with the Article VIII of the Amended Articles of Agreement of the International Monetary Fund, in good faith and on a non-discriminatory basis.

Article 8.11

Performance and Related Requirements

- 1 A Party may require that a majority, or less than a majority, of the board of directors, or any committee thereof of an enterprise that is a covered investment in respect of that Party, be of a particular nationality or resident in the territory of the Party, provided that the requirement does not materially impair the ability of an investor to exercise control over its investment.
- 2 Nothing in Article 8.5(National Treatment) or Article 8.6(Most-Favoured-Nation Treatment) shall be construed to prevent a Party from adopting or maintaining a measure that prescribes special formalities in connection with covered investments, including a requirement that covered investments be legally constituted under the laws or regulations of the Party or information reporting requirements, provided that such formalities do not substantially impair the protections afforded by a Party to investors for any other Party and covered investments pursuant to this Chapter.

Article 8.12

Transparency

- 1 Each Party shall, to the extent possible, ensure that its laws, regulations, procedures, administrative rulings of general application and any international agreement to which it is a party respecting any matter covered by this Chapter are published or otherwise made available in such a manner as to enable interested persons and the other Parties to become acquainted with them.
- 2 To the extent practicable, each Party shall:
 - (a) publish in advance any law or regulation respecting any matter covered by this Agreement that it proposes to adopt; and
 - (b) provide interested persons and the other Party with a reasonable opportunity to comment on such proposed measures.
- 3 Upon request by a Party, information shall be exchanged on the measures of the other Party that may have a material impact on investments subject to this Chapter.
- 4 A Party may request in writing consultations with the other Party regarding any actual or proposed measure or any other matter that it considers might materially affect the operation of this Chapter. The other Party shall engage in consultations within 30 days of such request.
- 5 Nothing in this Chapter shall require a Party to furnish or allow access to any confidential information, including information concerning particular investors or investments, the disclosure

of which would impede law enforcement, or otherwise be contrary to the public interest, or which would prejudice legitimate commercial interests of particular legal persons, public or private.

Article 8.13

Reservations for Non-Conforming Measures

- 1 With respect to each Party, its Schedule in Annex 8.1 sets out the specific sectors, subsectors or activities for which it may maintain existing, or adopt new or more restrictive measures that do not conform with its obligations imposed under Article 8.5 (National Treatment) and Article 8.6 (Most Favoured Nation Treatment).
- 2 Article 8.5 (National Treatment) or Article 8.6 (Most-Favoured-Nation Treatment) shall not apply to treatment accorded by a Party with respect to sectors set out in its schedule to Annex 8.1.
- 3 In respect of intellectual property rights, a Party may derogate from Article 8.5 (National Treatment) or Article 8.6 (Most-Favoured-Nation Treatment) in a manner that is consistent with applicable international agreements on intellectual property rights.
- 4 The provisions of Article 8.5 (National Treatment) or Article 8.6 (Most-Favoured-Nation Treatment) of this Chapter shall not apply to:
 - (a) procurement by a Party or state enterprise;
 - (b) subsidies or grants provided by a Party or a state enterprise, including government-supported loans, guarantees and insurance.
- 5 For greater certainty, Article 8.5 (National Treatment) of this Chapter shall not apply to the granting by a Party to a financial institution of an exclusive right to provide activities or services forming part of a public retirement plan or statutory system of social security.

Article 8.14

Exceptions

1. Subject to the requirement that such measures are not applied in a manner that would constitute arbitrary or unjustifiable discrimination between investments or between investors or a disguised restriction on investment, nothing in this Chapter shall be construed to prevent a Party from adopting or enforcing measures that are designed and applied:
 - (a) to protect human, animal or plant life or health;
 - (b) to protect internationally and domestically recognised human rights, labour rights, or the rights of indigenous peoples;
 - (c) to ensure compliance with laws and regulations that are not inconsistent with the provisions of this Chapter;
 - (d) to protect the environment, including but not limited to the conservation of living or non-living exhaustible natural resources.

2. Nothing in this Chapter shall be construed to prevent a Party from adopting or maintaining measures for prudential reasons, such as:
 - (a) the protection of investors, depositors, financial market participants, policy-holders, policy-claimants or persons to whom a fiduciary duty is owed by a financial institution;
 - (b) the maintenance of the safety, soundness, integrity or financial responsibility of financial institutions; and
 - (c) ensuring the integrity and stability of a Party's financial system.
3. Nothing in this Chapter shall apply to non-discriminatory measures of general application taken by any public entity in pursuit of monetary and related credit policies or exchange rate policies. This section shall not affect a Party's obligations under Article 8.10 (Free Transfer of Funds).
4. Nothing in this Chapter shall be construed:
 - (a) to require any Party to furnish or allow access to any information the disclosure of which it determines to be contrary to its essential security interests;
 - (b) to prevent any Party from taking any actions that it considers necessary for the protection of its essential security interests;
 - (i) relating to the traffic in arms, ammunition and implements of war and to such traffic and transactions in other goods, materials, services and technology undertaken directly or indirectly for the purpose of supplying a military or other security establishment;
 - (ii) taken in time of war or other emergency in international relations; or
 - (iii) relating to the implementation of national policies or international agreements respecting the non-proliferation of nuclear weapons or other nuclear explosive devices;
 - (c) to prevent any Party from taking action in pursuance of its obligations under the United Nations Charter for the maintenance of international peace and security; or
 - (d) to prevent any Party from taking any measure necessary for the maintenance of public order.
5. Nothing in this Chapter shall be construed to require a Party to furnish or allow access to information the disclosure of which would impede law enforcement or would be contrary to the Party's law protecting government confidences, personal privacy or the confidentiality of the financial affairs and accounts of individual customers of financial institutions.
6. Nothing in this Chapter shall be construed to prevent a Party from taking bona fide, non-discriminatory measures to comply with international obligations under other treaties.
7. Subject to paragraph 8, the provisions of this Chapter shall not apply to investments in cultural

industries or to matters relating to taxation.

- 8 Nothing in this Article applies to Article 8.8(Limitations on Expropriation and Compensation) of this Chapter, except that where an investor claims that a taxation measure involves an expropriation.
- 9 Nothing in this Chapter applies to services supplied in the exercise of governmental authority. For the purposes of this Chapter services supplied in the exercise of government authority means the same as in Article 6.2 (Definitions).

Article 8.15

Sustainable development and corporate social responsibility

- 1 The Parties recognise that it is inappropriate to encourage investment by investors of another Party and of non-Parties by relaxing their health, safety, bio-security or environmental measures, or by lowering their labour standards. To this effect, Parties should not waive or otherwise derogate from such measures and standards in order to attract investment from other Parties or non-Parties.
- 2 The Parties acknowledge that investors of a Party and their investments are subject to the laws, regulations and standards of the host state Party, including those for the protection of human rights, labour rights and the environment, provided that the laws, regulations and standards of the host state Party are not inconsistent with the provisions set out under this Chapter.
- 3 The Parties reaffirm the importance of each Party encouraging enterprises operating within its territory or subject to its jurisdiction to voluntarily incorporate into their internal policies those internationally recognised standards, guidelines and principles of corporate social responsibility that have been endorsed or are supported by that Party.

Article 8.16

State-State Dispute Resolution

- 1 A Party may request consultations with another Party on the interpretation or application of this Chapter. The other Party shall give sympathetic consideration to the request. Any dispute between the Parties concerning the interpretation or application of this Chapter shall, whenever possible, be settled amicably through consultations.
- 2 If a dispute cannot be settled through consultations within 180 days of the submission of the request under paragraph 1, the matter may be considered under the consultation and dispute settlement provisions of Chapter 13.
- 3 The consultation and dispute settlement provisions of Chapter 13 shall not apply to a matter arising under Article 8.15 (Sustainable Development), Article 8.17 (Investment Promotion) and Article 8.18 (Technical Assistance).

Article 8.17
Investment Promotion

- 1 In accordance with the principle of common but differentiated responsibilities, a Party with the capacity to do so should assist the other Party in the promotion and facilitation of foreign investment into the other Party, in particular by its own investors. Such assistance shall be consistent with the development goals and priorities of the other Party.
- 2 Such assistance may include but is not limited to:
 - (a) provision of information to investors from the Parties on the Parties' measures to promote investment in their countries and information on the Parties' investment regimes;
 - (b) programmes based on commercial principles that provide insurance to a Party's investors in connection with risks related to their activities in the other Parties;
 - (c) direct financial assistance and fiscal incentives to a Party's investors in support of their investment in another Party or of feasibility studies prior to an investment in another Party being established;
 - (d) establishing links between a Party's research and training centres, specialised agencies and business organisations and those in other Parties; and
 - (e) periodic trade missions, support for joint business councils and other co-operative efforts to promote sustainable development in the Parties.
- 3 The amount, type and duration of the assistance provided under paragraph 1 will be determined by the Parties. At least once per year, the Committee shall review the implementation and operation of this Article and report on its findings to the Parties.

Article 8.18
Technical Assistance

- 1 The Parties recognise the need for technical assistance in the Parties, particularly the Least-Developed Country Parties to implement their obligations under this Chapter in a manner that is supportive of their sustainable development and to enhance investment in their economies and the benefits of such investment. Technical assistance may be required to:
 - (a) develop a technical assistance plan designed to support the implementation of this Chapter and the compliance by Parties with their obligations under this Chapter;
 - (b) develop transparent and effective regimes for the facilitation, admission and regulation of foreign investment in the Parties;
 - (c) build human, legal and institutional capacity in the Parties so as to facilitate its ability to comply with the commitments set out in this Agreement;
 - (d) provide support aimed at promoting private sector and enterprise development, in

particular small economic operators, and enhancing the international competitiveness of the Parties' firms and diversification of their economies;

- (e) enhance the technological and research capabilities of the Parties so as to facilitate development of, and compliance with, internationally recognized technical, and labour and environmental standards;
- (f) support for the development of infrastructure in the Parties necessary for the conduct of economic development;
- (g) build capacity with respect to the Parties' agencies responsible for and programs on investment promotion and facilitation;
- (h) provide technical or financial support for environmental, social and human rights impact assessments of potential investments in the Parties;
- (i) encourage technology transfer and exchange of expertise on entrepreneurship, management research and management centres, quality and production standards to the Parties;
- (j) support the development of policies and procedures in the Parties designed to avoid disputes and manage conflicts with investors; and
- (k) build capacity in the Parties' states to engage in alternative dispute resolution procedures in connection with investor-state disputes.

2 In relation to matters covered by this Chapter, the Committee shall:

- (a) identify each Party's needs for technical assistance as host states;
- (b) identify opportunities and develop proposals for securing technical assistance from development partners that are consistent with the policies of the host state;
- (c) identify opportunities and develop proposals for the home states to co-operate with the host states in the delivery of technical assistance, consistent with the capacity of the home state and the needs and priorities of the host state; and
- (d) annually report on the mobilisation and utilisation of technical assistance in relation to the matters covered by this Chapter.

3 The Parties shall establish a technical assistance fund to provide support for institutional development and capacity building in a Party and the achievement of the technical assistance plan. The amount of funds to be allocated to the technical assistance fund shall be determined annually by the Committee.

4 On request by the another Party, a Party shall, in a timely manner, provide to the other Party such information as is requested and available for the purposes of assisting that Party to meet its obligations and perform its duties under this Chapter. Parties shall protect confidential business information in fulfilling the obligations in this Article.

- 5 For greater certainty, the obligation of a Party under paragraph 4 includes an obligation to provide information regarding the standards that would apply in that Party to investors in that Party in circumstances similar to those of an investment proposed by an investor of that Party in the other Party, including but not limited to standards employed in that Party's sustainability assessment process.

Article 8.19
Competent Authorities and Contact Points

- 1 Each Party shall provide all other Parties with a description of its competent authorities in relation to matters covered by this Chapter and the responsibilities of each body.
- 2 Each Party shall provide all other Parties with a Contact Point to facilitate distribution of requests and notifications made in accordance with this Chapter.
- 3 Each Party shall ensure the information provided under paragraphs 1 and 2 is kept up to date.

Article 8.20
Role of Committee on Trade in Services and Investment

- 1 The Committee on Trade in Services established in terms of Article 6.81 of this Agreement, hereafter referred to as "Committee", shall:
 - (a) supervise the implementation of this Chapter;
 - (b) resolve disputes that may arise regarding its interpretation or application;
 - (c) determine the amount, type and duration of assistance to be provided by the Parties under Article 8.18 (Technical Assistance);
 - (d) consider any other matter that may affect the operation of this Agreement; and
- (e) report to STOM.
- 2 The Committee may take such other action in the exercise of its functions as the Parties may agree.
3. The Committee may establish subsidiary working groups, reporting to the Committee, for consideration of some issues under this Chapter.
4. The meetings of the Committee under this Chapter may be in person or by any other means as mutually determined by the Parties.

Article 8.21
Termination of Obligations in Chapter

- 1 This Chapter shall remain in force for a term of five (5) years from the date this Agreement enters into force.
- 2 After the expiry of that term, this Chapter will remain in force in respect of all Parties unless a Party notifies the other Parties in writing of its intention to terminate its obligations under this Chapter. The termination of the obligations under this Chapter shall become effective 180 days after notice of termination has been received by the other Parties.
- 3 In respect of investments made prior to the date when the termination of the obligations under this Chapter becomes effective, the provisions of the Chapter, shall remain in force for a period of ten years from the date of termination.

ANNEX 8.1 SCHEDULE OF NON-CONFORMING MEASURES (Article 8.13)

Explanatory Notes:

1. This schedule sets out, pursuant to Article 8.13 (Non-Conforming Measures), the specific sectors, subsectors or activities for which Parties may maintain existing, or adopt new or more restrictive measures that do not conform with obligations imposed under Article 8.5 (National Treatment) and Article 8.6 (Most Favoured Nation Treatment).

2. Definition of column headings used in the schedule:

(a) Sector and subsector (Column 1)

This refers to the investment sector or area for which the entry is made.

(b) Obligations Concerned (Column 2):

The column lists the obligations of the Agreement that are concerned, which are:

- i. National Treatment (NT) (Article 8.5), and or
- ii. Most Favoured Nation Treatment (MFN) (Article 8.6)

(c) Description (Column 3)

This describes the measure or restriction in respect of which the stated “obligations concerned” shall not apply to the Party for the stated “Sector”.

(d) Law or Statute (Column 4)

This identifies the relevant law or statute providing for the adoption or maintenance of the measures or restrictions covered under “Description”

Fiji

Fiji's Schedule of measures on senior management and board of directors

(1) Sector and subsector	(2) Obligations concerned	(3) Description	(4) Law or Statute
All sectors	NT	Fiji reserves the right to adopt or maintain any measure in: i) sectors in which no sector-specific commitments have been undertaken in its Schedule of Commitments on Investment (National Treatment); ii) reserved areas, as listed in the horizontal section of the Schedule of Commitments on Investment (National Treatment).	
All sectors	NT	Fiji reserves the right to adopt or maintain any measure where it wholly owns or has effective control over an enterprise, as well as in relation to the transfer or disposal of government-owned entities or assets.	
All sectors	NT	Fiji reserves the right to adopt or maintain any measure with respect to boards of directors.	

Fiji's Schedule of Commitments on Investment

1. Fiji specifies below any conditions or qualifications to Article 8.5 (National Treatment) in accordance with Article 8.13 (Reservations for Non-Conforming Measures) of Chapter 8 (Cross-Border Investment).
2. All ISIC references correspond to the International Standard Industrial Classification of all Economic Activities as set out by the Statistical Office of the United Nations (ISIC Rev.3.1).
3. For clarity, the inscription "none" indicates that, for the listed sector or sub-sector, no limitations to the obligations of national treatment are maintained. The inscription 'unbound' means that no commitments are taken with respect to particular subsector or area. Limitations listed in the horizontal section condition all sector-specific commitments.
4. Commitments on national treatment in this schedule shall not be construed to prevent a Party from imposing a requirement, in connection with an investment in its territory of an investor of another Party, to locate production, establish an enterprise, train or employ workers, construct or expand particular facilities, or carry out research and development, in its territory, provided this is also applied, in like circumstances, to investments of its own investors.

Sector or Sub-Sector	Limitations
I. HORIZONTAL COMMITMENTS	
All sectors included in this schedule	<ul style="list-style-type: none"> - Natural persons that are not citizens of Fiji and enterprises that are not wholly-owned by citizens of Fiji are prohibited from owning or acquiring land or any interest in land, except freehold land that is designated for commercial purposes. - Unbound for measures in relation to the lease or transfer of freehold land or state land that is designated for residential purposes within town and city boundaries. - Foreign investors are required to obtain a foreign investment registration certificate for the establishment or acquisition of an enterprise or the acquisition of shares of an enterprise in Fiji. Foreign investment projects that have a minimum financial threshold below 2.5 million FJD are given a 12-month implementation period from the date of issuance of the certificate, whereas projects having minimum investment financial threshold above 2.5 million FJD are given an implementation period of 18 months. - The following activities are reserved for Fiji citizens and enterprises wholly-owned by Fiji citizens: <ul style="list-style-type: none"> - tailor shops - bakery business¹⁵ - A foreign investor engaging in real estate development must have at least \$5 million in owner's contribution or paid up capital for companies in the form of cash from the operation date, to be fully brought within Fiji within the implementation period. - Unbound ...
II. SECTOR-SPECIFIC COMMITMENTS	
AGRICULTURE, HUNTING AND FORESTRY (excluding related and incidental services) (ISIC rev. 3.1: 01 and 02**), excluding: - forestry and logging in relation to mahogany; - plant nursery and care; - production of kava.	<ul style="list-style-type: none"> - With respect to forestry, foreign investors are required to undertake value adding and shall have 500,000 FJD in owner's contribution or paid up capital for companies in the form of cash from the operational date, to be fully brought into Fiji within the implementation period.¹⁶
FISHING (excluding related and incidental services):	<ul style="list-style-type: none"> - None

¹⁵ For greater certainty, nothing in section II of this schedule (sector-specific commitments) can be taken to lessen or modify the limitations listed in this section.

¹⁶ Projects having a minimum financial threshold below 2.5 million FJD are given 12 months implementation period whereas projects having minimum investment financial threshold above 2.5 million FJD are given an implementation period of 18 months. All monetary thresholds mentioned in this schedule can be adjusted by the government of Fiji to take account of inflation.

- Limited to Aquaculture (ISIC rev. 3.1: 0502)	
MINING AND QUARRYING (excluding related and incidental services) (ISIC rev. 3.1: 10-14)	- None
MANUFACTURING (excluding related and incidental services) (ISIC rev. 3.1.: 15 through 37**), excluding sugar milling	- With respect to cigarette production, foreign investors shall have at least 500,000 FJD in owner's contribution or paid up capital for companies in the form of cash from the operational date, to be fully brought into Fiji within the implementation period.

Additional illustrative list of non-conforming measures for Fiji

(1) Sector and Subsector	(2) Obligations Concerned	(3) Description	(4) Law or Statute
Various see Column (3)	NT	<p>The following activities are prescribed for Fiji Citizens only.</p> <ul style="list-style-type: none"> • A Milk Bar or Cafeteria Business; • A Taxi Business; • A Kava Business; • Retail Sale Via Stalls and Markets; • A Handicraft Business; • Tailor Shops; • Repair of Personal and Household Goods; • A Plumbing Business; • An Electrical Business; • Plant Nursery and Care; • A Day-care Centre; • An Internet Cafe and Amusement and Gaming Centers; • Home-stay Lodging Services; • A Bakery Business, other than those operated within the vicinity of a hotel/resort and/or operated by foreign owned hotels/resorts; • Backpacker Operations; • A Nightclub, other than those operated within the vicinity of a hotel/resort and/or operated by foreign owned hotels/resorts; and • A Liquor Bar, other than those operated within the vicinity of a hotel/resort and/or operated by foreign owned hotels/resorts. 	Foreign Investments Regulations 2009; and Foreign Investment (Amendment) Decree 2013
MSMEs	NT	Micro and Small Business Grant	
NES	NT	National Export Strategy	
Government Grant to iTaukei Landowners	NT	Government Grant to iTaukei Landowners	

Schedule of Non-Conforming Measures for Papua New Guinea

PNG specifies, in the schedule below, conditions or qualifications to Article 8.5 (National Treatment) in accordance with Article 8.13 (Reservations for Non-Conforming Measures) of Chapter 8 (Cross-Border Investment).

Explanatory Notes:

- a. This Schedule of non-conforming measures applies to Mode 3 foreign investment under the Trade in Services Schedule of Commitments in Chapter 6 and Annex 6.1 and PNG reserves the right to adopt or maintain restrictions under this Schedule relating to its reserved activities as non-conforming measures.
- b. For greater certainty, activities that are listed with 100% ownership are reserved for PNG citizens and enterprises that are wholly-owned by citizens of PNG. Except where ownership is stated as 49% foreign owned and 51% PNG owned and where an investor has more than PGK20,000,000.00, the investor is welcomed to invest in any sector and will not be affected by these measures.
- c. These measures apply to new investment; however existing businesses that are operating reserved activities with low technical requirements and high trade or skill competency in PNG will have to review their business operations to meet these requirements in consultation with relevant authority. For further clarity, the K10,000,000.00 investment threshold (under Chapter 6 Trade in Services and Annex 6.1 on PNG's Horizontal Commitments) will not apply to existing investments.

Schedule of Business Activities Reserved for PNG Nationals		Ownership (100% PNG or 49%:51% Partnership)
<u>Statute/Law/Policy: PNG Small & Medium Enterprise Policy 2016</u>		
Agriculture and Livestock:		
1	Growing of tree crops (Coffee, cocoa, Copra, Vanilla, Tea, Oil Palm etc.).	100% PNG
2	Processing and development of tree crops for export.	100% PNG
3	Roadside buying of cash crops	100% PNG
4	Export of Cash Crops.	100% PNG
5	Wholesale and retail sale of commodity coffee and copra, except by growers and processors	100% PNG
6	Cultivation & Growing of crops & other market produce.	100% PNG
7	Horticulture: <ol style="list-style-type: none"> a) Traditional Herbal Medication b) Plant Nursery and farming c) Florist/Flower arrangement. d) Mushroom Farming and retailing 	100% PNG
8	Farming of animals.(cattle, pigs, rabbit)	100% PNG
9	Dried or preserved nut, vegetables, fruits and or other crops.	100% PNG

10	Poultry Farming	100% PNG
11	Growing of crops combined with farming of animals(mixed farming)	100% PNG
12	Farming of Fruits and nuts.	100% PNG
13	Coffee pulping using manual pulping machine with the beans saleable at buying points or at coffee depots.	100% PNG
14	Hunting, trapping and game propagation including related services activities.	100% PNG
15	Downstream processing of cash crops	49:51
Building & Construction:		
16	16. Architectural firms.	49:51
17	Building and Maintenance of buildings and dwellings.	100% PNG
18	Electrical contracting	100% PNG
19	Erection of fences	100% PNG
20	Plumbing maintenance, drainage and repair	100% PNG
21	Painting	100% PNG
22	Institutional and housing maintenance	100% PNG
23	Welding	100% PNG
24	Bricklaying	100% PNG
25	Tiling	100% PNG
26	Carpentry	100% PNG
27	Air Conditioning and Refrigeration	100% PNG
28	Joinery	100% PNG
29	Metal Fabrication	100% PNG
30	Drilling operations for quarrying of stone, sand and clay.	100% PNG
31	Pre-Fabricated Buildings.	49:51
32	Furniture Making.	49:51
Clothing & Apparel & Textile and related activities:		
33	Second Hand Clothing retailing.	100% PNG
34	Sewing.	100% PNG
35	Curtain Making.	100% PNG
36	Colouring or dyeing of fabric with patterns or designs.	100% PNG
37	Tailoring.	100% PNG
38	Screen Printing.	100% PNG
39	Fashion Accessories	49:51
Culture and related Activities:		
40	Indigenous culture & art (any form of displaying with the original art form or establishing outlets for commercial purpose).	100% PNG
41	Wholesale and retail sale of handicrafts and artefacts.	100% PNG
42	Commercial Reproduction of artefacts and or Indigenous Art symbols and emblems onto clothing or saleable items.	100% PNG
43	Manufacture of handicrafts.	100% PNG
Entertainment and Music:		
44	Night Clubs and Social Clubs if standalone.	100% PNG
45	Discotheques if standalone.	100% PNG
46	Deejay Businesses	100% PNG
47	Standalone Licensed Liquor Outlets.	100% PNG
48	Motion picture distribution and projection	100% PNG
Fishing & Related activities:		
49	Fishing on a commercial basis in coastal and inland waters. "Coastal" means within three miles off the shoreline.	100% PNG
50	Taking of marine or fresh water crustaceans and molluscs. Hunting of aquatic animals such as turtles, sea squirts and other tunicates, sea urchins or other echinoderms and other aquatic	100% PNG

	invertebrates.	
51	Small scale fishing.	100% PNG
52	Fish farms	100% PNG
53	Gathering of marine materials such as natural pearls, sponges, coral and algae.	100% PNG
Forestry, Logging and Related Activities:		
54	Gathering of wild growing forest materials including balata and other rubber-like gums; cork; lac, resins and balsams; rattan; vegetable hair and eel grass; acorns	100% PNG
55	Wokabout (mobile) sawmills:	100% PNG
56	Sawmilling	100% PNG
57	Timber yard and Timber retailing.	100% PNG
58	Timber logging to downstream processing.	49:51
Food & Catering and Related Activities:		
59	Fast-food/Kai Bars.	100% PNG
60	Mobile food delivery service.	100% PNG
61	Catering.	100% PNG
62	Bakeries that have no manufacturing attached business options like flour.	100% PNG
63	Restaurants.	49:51
Hospitality & Tourism:		
64	Eco Tourism Resorts	100% PNG
65	Backpacker accommodations.	100% PNG
66	Guest Houses/Motels/Inn.	100% PNG
67	Tour and Tour guide services.	100% PNG
68	Tourism services.	49:51
Household:		
69	Distribution of Cooking gas.	100% PNG
70	Water cartage.	100% PNG
71	Waste collection & disposal	100% PNG
Information Technology and Related Activities:		
72	IT Service Businesses.	100% PNG
73	Computer technology Repair and maintenance.	100% PNG
74	Internet Cafes.	100% PNG
75	Website Development and Hosting.	100% PNG
76	Laptop and Virus repairs.	100% PNG
77	IT network cabling	100% PNG
78	Retailing of IT consumables.	100% PNG
Legal Services: Lawyers Act & Regulations:		
79	Law Firms	49:51
Mining:		
80	Alluvial Mining.	100% PNG
81	Shot Hole Drilling (Up to 30 metres).	100% PNG
82	Shot Fires.	100% PNG
83	Buying of Gold on a small scale basis.(uptoK500,000	100% PNG
Recycling:		
84	Recycling of motor vehicle wrecks, used steel drums, bottles, scrap metals, aluminium, plastics and cardboards.	
Retailing and Wholesaling:		
85	Street Pasiu Stalls.	100% PNG
86	Trade Stores.	100% PNG
87	Mini Supermarkets.	100% PNG
88	Retail sale through stalls, tucker shops and markets	100% PNG
89	Retail sale carried out from a motor vehicle or motorcycle.	100% PNG
90	Retail sale via stalls and markets.	100% PNG

91	Specialised retail sale of newspapers and magazines if not part of a chain or supermarket.	100% PNG
92	Wholesale and retail sale of second hand clothing, footwear, furniture, & other home chattels	100% PNG
93	Repair of footwear when not done in combination with manufacture or wholesale or retail of these goods	100% PNG
94	Wholesale and retail sale of commodity coffee and copra	100% PNG
95	Wholesale and retail sale of wild growing forest materials: balata and other rubber like gums; cork; lac; resins and balsams; rattan; vegetable hair and eel grass; acorns and horse chestnuts; mosses, lichens and cut evergreen trees used for festive occasions; saps; bark; herbs; wild fruits; flowers and plants; leaves; needles; reeds; roots or other wild growing materials except for rattan.	100% PNG
96	Repair of electrical household goods when not done in combination with manufacture or wholesale or retail sale of these goods.	100% PNG
97	Repair of watch, clock and jewellery when not done in combination with manufacture or wholesale or retail sale of these goods	100% PNG
Security Services:		
98	Provision of security guards, dogs and premises security.	100% PNG
99	Security and Security infrastructure and utilities e.g. Electronic security systems and monitoring; fire alarm systems,	100% PNG
100	GPS tracking etc.	100% PNG
Training and Educational Institutions:		
101	Basic Secretarial trainings.	100% PNG
102	Early child development institutions and preschools.	100% PNG
103	Primary School and Secondary Institutions(49/51)	49:51
Health and Social Work:		
104	Childcare centres and activities/Kindergartens	100% PNG
Transportation(Sea,LandandAir)andRelatedActivities:RelatedActivities:		
105	Customs clearance and forwarding services except when integrated with international freight forwarding activities.	100% PNG
106	Transport of freight and passengers by land when not predominantly done as delivery of own goods or transport of own staff or, in the case of school buses, or students	100% PNG
107	Coastal and inland water transportation (of passengers or good in boats.)	100% PNG
108	Airport terminal building maintenance	100% PNG
109	Airport general aviation apron Maintenance	100% PNG
110	Airport terminal kiosks leases	100% PNG
111	Airport business concession leases.	100% PNG
112	Airport access road design and documentation.	100% PNG
113	Airport retaining wall design	100% PNG
114	Airport Water Supply System	100% PNG
115	Aerodrome concession lease	100% PNG
116	Air services licenses	100% PNG
117	Navigation aids site clearance.	100% PNG
118	Hire Car services	100% PNG
119	Fleet Management Services.	100% PNG
120	Vehicle service and Maintenance as a stand alone	100% PNG
121	Taxi services.	100% PNG
122	PMV Services.	100% PNG
123	Coach Services.	100% PNG
124	Tyre Repair Services	100% PNG
125	Heavy Equipment Hiring.	100% PNG
Wild Life:		
126	Hunting or collecting all non-protected fauna including insects, shells, animal teeth, tusks, feathers, declared sedentary organisms and similar products and living and death fauna	100% PNG
127	Wholesale and retail sale of crocodile or any native animal skins including exports	100% PNG
Renting of Machinery and Equipment without Operators and of Personal and household goods :		

128	Renting without operator of all kinds of land transport equipment, e.g. Buses, coaches, cars, trucks, trailers, and semitrailers, motorcycles, caravan and campers.	100% PNG
129	Renting of venting ,amusement machines ,and entertainment gadgets	100% PNG
130	Renting of television receivers, video recorders, videotapes, DVDs and records	100% PNG
Other Businesses:		
131	Land surveying and valuation	100% PNG
132	Acceptance and movement of letter class mail except courier service	100% PNG
133	Installation and servicing of telephones, telex, Data, Facsimile, Cellular mobile, HF, Trunk mobile, coastal radio.	100% PNG
134	Installing and letting of Post Office boxes or mail delivery or mail units	100% PNG
135	Sign Writing	100% PNG
136	Labour recruitment and provision of personnel except for recruitment and provision of foreign personnel	100% PNG
137	Cleaning of building of all types, including offices, shops, institutions, and other business and professional premises and residential buildings.	100% PNG
138	Service on a fee or contract basis related to work permit or visa application in Papua New Guinea.	100% PNG
139	Secretarial services	100% PNG
140	Agents and franchises	100% PNG
141	Fuel Service stations	100% PNG
142	Custom Clearance	100% PNG
143	Recycling of motor vehicle wrecks, used still drums, bottles, scrap metals, aluminum, plastic and cardboards.	100% PNG
144	Establishment of services and sales relating to consultancy work on retrieving information on insects, arts, culture, tourism, history and marine life in PNG.	100% PNG
145	Media and Communication companies	100% PNG
146	16. Event management and coordination	100% PNG
147	17. Marketing Services and Consultancies in that regard	100% PNG
148	18. Gaming machine Operators	100% PNG
149	19. Travel Agencies	100% PNG
150	20. Telecommunication, Installation and Maintenance	100% PNG
Weaving:		
151	The activity includes, but is not limited to, rings, armbands, primary form of sea shells, tusks and beads for sale at home, street markets or retail outlets on a fee, weaving of cane products, textiles, baskets, nets, dishes, ropes, and bags that are saleable at home , streets markets, or retail outlets on a fee.	100% PNG
Bilum Making:		
152	Making of string bags (bilums) from traditional bush ropes and cotton staking traditional and contemporary designs that are saleable at home, street markets or retail outlet on a fee.	100% PNG
Knitting:		
153	The activity includes knitting of textiles, wearing apparels, cloth, garments, designs, fabrics and decorations that are saleable at home, street market or retail outlet on a fee.	100% PNG
Art and Craft:		
154	All sorts of handcrafts and artistic designs that are saleable at home, street markets or retail outlet on a fee	100% PNG
Carving:		
155	Wood carving and sculpture on a fee (contract) or assorted carvings that are saleable at home, street markets or retail outlets on a fee	100% PNG
Pottery Making:		
156	All sorts of pottery products including clay pots, cups mugs, dishes, plates, sculpture and other art forms that are saleable at home, street markets or retail outlets on a fee.	100% PNG
Painting:		
157	All sorts of painting in any shape, type and form including portrait paintings, sand paintings, oil paintings saleable at home, street markets or retail outlets on a fee.	100% PNG
Jewellery Making:		

158	Making of simple jewellery products including necklaces, earrings, rings etc...	100% PNG
Hunting of Crocodile and Processing of Skin:		
159	Hunting and processing of crocodile skins for sale at established market outlets	100% PNG

Schedule of Non-conforming Measures for Solomon Islands

This schedule set out is conditional to any review and amendment undertaken on the specified Law or Statute in reference.

(5) Sector and subsector	(6) Obligations concerned	(7) Description	(8) Law or Statute
Horticulture	NT	Solomon Islands reserves the right to adopt or maintain any measure relating to the: <ul style="list-style-type: none"> I. Cultivating of plant crops exclusively for sale on the domestic market. II. Gathering of wild forest products for sale exclusively for domestic market. 	Foreign Investment (Amendment & Validation) ACT 2009, Sect 9 (1)(2), Foreign Investment Regulations 2006, Reg. 15 , Schedule 2: Reserved List.
Timber Processing	NT	Solomon Islands reserves the right to adopt or maintain any measure relating to timber milling operations producing not more than 2,500m ³ sawn timber per year.	Foreign Investment (Amendment & Validation) ACT 2009, Sect 9 (1)(2), Foreign Investment Regulations 2006, Reg. 15 , Schedule 2: Reserved List
Retail Trading	NT	Solomon Islands reserves the right to adopt or maintain any measure relating to retail trading of household goods and services on premises with an area of less than 200m ² .	Foreign Investment (Amendment & Validation) ACT 2009, Sect 9 (1)(2), Foreign Investment Regulations 2006, Reg. 15 , Schedule 2: Reserved List
Handicraft and Artifact Production	NT	Solomon Islands reserves the right to adopt or maintain any measure relating to producing handicrafts and cultural artifacts.	Foreign Investment (Amendment & Validation) ACT 2009, Sect 9 (1)(2), Foreign Investment Regulations 2006, Reg. 15 , Schedule 2: Reserved List
Livestock Farming	NT	Solomon Islands reserves the right to adopt or maintain any measure relating to farming of livestock for sale exclusively for domestic market.	Foreign Investment (Amendment & Validation) ACT 2009, Sect 9 (1)(2), Foreign Investment Regulations 2006, Reg. 15 , Schedule 2: Reserved List
Services	NT	Solomon Islands reserves the right to adopt or maintain any measure relating to: <ul style="list-style-type: none"> I. Laundry services not part of hotels. II. operating buses, taxis and hire car services. III. Domestic help services. IV. Static guarding services for offices and domestic dwellings within an employment of less than 20 employees. V. Office and lawn cleaning services not associated with hotels. 	Foreign Investment (Amendment & Validation) ACT 2009, Sect 9 (1)(2), Foreign Investment Regulations 2006, Reg. 15 , Schedule 2: Reserved List
Restaurants	NT	Solomon Islands reserves the right to adopt or maintain any measure relating to Restaurants, cafes and other eating and drinking business other than specialty Business and operating within an area of less than 25m ² .	Foreign Investment (Amendment & Validation) ACT 2009, Sect 9 (1)(2), Foreign Investment Regulations 2006, Reg. 15 , Schedule 2: Reserved List 15)
Market and Roadside stalls	NT	Solomon Islands reserves the right to adopt or maintain any measure relating to Market vending and roadside	

		stalls.	Foreign Investment (Amendment & Validation) ACT 2009, Sect 9 (1)(2), Foreign Investment Regulations 2006, Reg. 15 , Schedule 2: Reserved List
Customs	NT	Solomon Islands reserves the right to adopt or maintain any measure relating to Customs clearing agent.	Foreign Investment (Amendment & Validation) ACT 2009, Sect 9 (1)(2), Foreign Investment Regulations 2006, Reg. 15 , Schedule 2: Reserved List

Schedule of Non-conforming Measures for Vanuatu

(9) Sector and subsector	(10) Obligations concerned	(11) Description	(12) Law or Statute
Tourism	NT	<p>Vanuatu reserves the right to adopt or maintain any measure according rights or preferences to socially or economically disadvantaged minorities as follows:</p> <ul style="list-style-type: none"> I. Local tour agent if the annual turnover is less than 20 Million Vatu; II. Local tour operator if the investment is less than 50 Million Vatu; III. Commercial cultural feasts (Melanesian, Polynesian etc.); IV. Guest houses if the number of beds is less than 50 or less than 10 rooms or annual turnover is less than 20 Million Vatu; and V. Bungalows if the annual turnover is less than 30 Million Vatu. 	Ni-Vanuatu Reserved Business Investments, Schedule 1 Part 2 of the Vanuatu Foreign Investment Promotion Authority (VFIPA) Act [CAP 248]
Trading	NT	<p>Vanuatu reserves the right to adopt or maintain any measure according rights or preferences to socially or economically disadvantaged minorities as follows:</p> <ul style="list-style-type: none"> I. Second hand clothing shops; and II. Export of kava in root, chips and stick form. 	Ni-Vanuatu Reserved Business Investments, Schedule 1 Part 2 of the Vanuatu Foreign Investment Promotion Authority (VFIPA) Act [CAP 248]
Services	NT	<p>Vanuatu reserves the right to adopt or maintain any measure according rights or preferences to socially or economically disadvantaged minorities as follows:</p> <ul style="list-style-type: none"> I. Kava bars; II. Open air vendors; III. Mobile shops; IV. Door-to-door sales; V. Road transport operators – public taxi and bus services; VI. Private security services including security guards VII. Category F of Business License Act No 19 of 1998 of less than 5 Million Vatu turnover per annum; and VIII. Retail shops including general merchandise trading shops where the annual turnover is less than 30 Million Vatu, excluding specialty shops. IX. Guest House X. Island bungalows XI. Home Stay XII. Bus Transport and Transfer – Tourism accredited XIII. Taxi Transport and Transfer – Tourism accredited XIV. Tour Guide XV. Traditional and Cultural Activity 	Ni-Vanuatu Reserved Business Investments, Schedule 1 Part 2 of the Vanuatu Foreign Investment Promotion Authority (VFIPA) Act [CAP 248]
Transportation	NT	Vanuatu reserves the right to adopt or maintain	Ni-Vanuatu Reserved Business

		any measure according rights or preferences to socially or economically disadvantaged minorities in terms of Coastal shipping of less than 80 tonnes, excluding vessels used for tourism purposes	Investments, Schedule 1 Part 2 of the Vanuatu Foreign Investment Promotion Authority (VFIPA) Act [CAP 248]
Construction	NT	Vanuatu reserves the right to adopt or maintain any measure according rights or preferences to socially or economically disadvantaged minorities as follows: I. Electricians and electro-technicians meeting prescribed standards; and II. Residential building and construction meeting prescribed standards	Ni-Vanuatu Reserved Business Investments, Schedule 1 Part 2 of the Vanuatu Foreign Investment Promotion Authority (VFIPA) Act [CAP 248]
Fisheries	NT	Vanuatu reserves the right to adopt or maintain any measure according rights or preferences to socially or economically disadvantaged minorities in terms of fishing within archipelagic waters within the meaning of the Maritime Zones Act [CAP 138] of the first 6 nautical miles of the territorial sea within the meaning of that Act.	Reserved Investments, Schedule 1 Part 2 of the Vanuatu Foreign Investment Promotion Authority (VFIPA) Act [CAP 248]

Chapter 9

PUBLIC PROCUREMENT

Article 9.1

Principles governing government procurement

- 1 The Parties are committed to the objective of liberalising government procurement within the Area as soon as possible.
- 2 In order to achieve this objective, the Parties agree:
 - (a) to identify existing measures and practices which prohibit or restrict the achievement of the objective set out in Paragraph 1;
 - (b) to adopt transparent measures and practices in respect of contract valuations, technical specifications, qualification and performance requirements, tendering procedures, and invitation, selection and challenge processes;
 - (c) that each Party shall, as soon as possible, take appropriate measures needed to minimise and remove the measures and practices identified in Paragraph 2(a);
 - (d) within two years of the entry into force of this Agreement, to commence negotiation of rules on public procurement to be incorporated into this Agreement; and
 - (e) to periodically review progress made in liberalising government procurement and shall endeavour to resolve any problems arising in respect of the implementation of this Article.

Chapter 10

OTHER TRADE-RELATED MATTERS

Article 10.1

Intellectual property rights

1. Parties shall adopt policies and implement measures for the protection of intellectual property rights in accordance with the WTO Agreement on Trade-related Aspects of Intellectual Property Rights.
2. The scope of intellectual property protection shall include, but not limited to, copyright, trademarks, logos, trade secrets, patents, traditional knowledge and cultural expressions.
3. The protection of intellectual property rights shall include granting and ensuring adequate and effective protection of intellectual property rights, and provide for measures for the enforcement of such rights against infringement thereof, counterfeiting and piracy, in accordance with the provisions of this Article, international best practices and other relevant international agreements.

Article 10.2

Competition policy

1. The Parties shall adopt and implement, in line with international best practices, measures that prohibit unfair practices while promoting competition.
2.
 1. Nothing in this Article may be taken as requiring the replacement of national competition policies of a Party.
 - 2.
 3. The Parties commit themselves to introducing or maintaining measures against anti-competitive practices and to cooperating in this field in order to realise the full benefits from trade liberalisation.

Article 10.3

Trade development cooperation

3. In recognition of the different levels and stages of development among the MSG countries and the compelling need to cooperate in fostering and stimulating the economic development of each MSG country through trade and investment, Parties shall:
 - (a) to the extent resources permit, provide technical, financial and other assistance to the least developed Parties under this Agreement in order to foster their trade and investment development;
 - (b) seek and mobilise technical and financial assistance from international development partners to enhance the industrial and trade development capacities of the least developed MSG countries;

- (c) collectively work together to pursue technical and financial support under the relevant enabling decisions, declarations and agreements of the World Trade Organization, for assisting the small vulnerable economies, the developing and least developed countries;
- (d) consider the specific development needs of the least developed MSG countries and the common needs of MSG countries in any trade negotiations between the MSG and a developed country or group of developed countries; and
- (e) develop and execute joint training and other capacity building programmes for officials, private sector and other relevant stakeholders, as necessary for the implementation of this Agreement.

Article 10.4

Coordination among Parties

Parties recognise the importance of coordinating their efforts towards the economic development of the MSG countries and undertake to:

- (a) cooperate and strengthen coordination and harmonisation in trade, investment and industrial development policies among the MSG countries;
- (b) monitor trade and investment relations among MSG countries and identify opportunities for expanding trade and investment, and identify relevant issues affecting trade for discussion;
- (c) collectively work together to address the challenges experienced by small vulnerable economies of the MSG when linking into global value chains in trade in goods and services;
- (d) collectively work together to exploit the opportunities presented to the developing and least developed countries of the MSG when linking into global value chains in trade in goods and services;
- (e) endeavour to maintain common objectives and positions in international negotiations;
- (f) cooperate in areas of research and statistics necessary for monitoring the performance and operation of the MSG Free Trade Area;
- (g) cooperate in the exchange of information on trade, investment and other related areas; and
- (h) render support and assistance to the least developed MSG countries in pursuit of the objectives of paragraphs (a) to (c) above.

Article 10.5

Beneficial trade and investment agreements

In their efforts to foster trade development cooperation within the MSG region, Parties shall:

- (a) endeavour to conclude mutually beneficial trade- and investment enhancing agreements among the MSG countries, such as memoranda of understanding, mutual assistance agreements, and cooperation agreements in areas of common interest;
- (b) pursue only international partnerships and trade agreements that serve the best economic development interests of the MSG countries;
- (c) identify and remove impediments to trade and investment among MSG countries; and
- (d) promote increased contact between the private sectors in MSG countries to facilitate the expansion of trade and investment.

Article 10.6

Infrastructure Development

1. In order to ensure effective distribution of goods and services, Parties shall strengthen infrastructure related to trade especially in the areas of transport and storage facilities.
2. In recognition of the importance of air and marine transport in promoting and facilitating regional and international trade and in consolidating regional markets within the MFTA , Parties shall cooperate in the development of ports and harbours, and air transport and civil aviation programmes.

Article 10.7

Research and Statistics

1. Parties shall cooperate in the areas of research and statistics necessary for monitoring the performance and operation of the Melanesian Free Trade Area.
2. Cooperation for purposes of this Article shall include the following areas:
 - (a) Policy research and trade development;
 - (b) Joint capacity building including joint training;
 - (c) Harmonisation of statistical systems and data management; and
 - (d) Exchange of information.
3. Parties shall facilitate the establishment of national and regional databases and trade information networks for the MFTA.

Article 10.8

Private Sector Participation

1. In this Article the term “**private sector**” refers to privately owned businesses, public or state-owned enterprises, profit and not-for-profit enterprises and includes micro, small, medium and large businesses.
2. Parties shall formulate and implement trade development and investment policies in close co-operation with the private sector.
3. In collaboration with the private sector, Parties shall encourage and facilitate the establishment of small and medium scale enterprises and promote their participation in trade.
4. Parties shall promote the participation of their private sector in international, regional and national trade fairs, investment roadshows, exhibitions, trade missions and similar events.
5. Parties shall provide trade and other necessary capacity building assistance to the private sector to the extent necessary to foster trade and investment growth in the MFTA.
6. Parties shall facilitate and support the formation, functioning and strengthening of private sector business associations at the sectoral, national and regional levels in order to facilitate the achievement of the objectives of this Article.

Article 10.9

Deeper economic integration for the MSG

2. Parties acknowledge the need and importance of achieving deeper regional economic integration for the MSG.
3. In fulfilment of the aspirations of paragraph 1, Parties shall take steps to develop a road map for advancing the MSG beyond the MFTA in order to attain better livelihoods and prosperity for all the people of the MSG region.

Chapter 11

ENVIRONMENT AND SUSTAINABLE DEVELOPMENT

Article 11.1

Conformity with environmental laws

In pursuit of the objectives of this Agreement, and, acknowledging integration of trade investment and environment as means of sustainable economic development, each Party shall:

- (a) ensure that any trade and investment in the territory of a Party shall be environmentally sustainable and in compliance with the national environmental laws of the Party, in line with international best practice, and, to the extent possible, of other Parties;
- (b) work, both individually and in cooperation with other Parties, to prevent potential trade and environmental conflicts;
- (c) promote effective enforcement of environmental law to ensure compliance; and make responsible decisions and take appropriate measures to reduce any negative impact of trade and investment on the environment.

Article 11.2

Non-derogation

No Party may encourage trade or investment by weakening or reducing the levels of protection afforded in its environmental laws. Accordingly, no Party may waive or otherwise derogate from its environmental laws in a manner that weakens or reduces the protections afforded in those laws to encourage trade or investment.

Article 11.3

Corporate best environmental and social practice

Recognising the substantial benefits brought by international trade and investment, the Parties shall encourage voluntary best practices of corporate social responsibility by enterprises within their territories or jurisdictions, to strengthen coherence between economic and environment objectives.

Article 11.4

Rights and obligations under environmental agreements

Nothing in this Agreement shall be construed:

- (a) to affect the existing rights and obligations of the Parties under international or regional; environmental agreements, including conservation agreements, to which such Parties are party
- (b) to prevent a Party from adopting, maintaining, or enforcing any measure it considers; and appropriate to ensure that investment activity in its territory is undertaken in a manner sensitive to environmental concerns.

Chapter 12

INSTITUTIONAL PROVISIONS

Article 12.1

Trade Ministerial Council

2. The Parties hereby establish the Trade Ministerial Council (hereafter referred to as “Council”) which shall meet at the level of Ministers responsible for trade.
3. The Council shall be the highest decision and policy-making body for the MFTA. The functions of the Trade Ministerial Council shall be to:
 - (a) review the implementation and operation of this Agreement;
 - (b) make decisions on the adoption of amendments to this Agreement, including Annexes thereof;
 - (c) supervise and co-ordinate the work of all subsidiary bodies established pursuant to this Agreement;
 - (d) adopt, where appropriate, decisions and recommendations of subsidiary bodies established pursuant to this Agreement;
 - (e) consider any other matter that may affect the operation of this Agreement or that is entrusted to the Council by the Parties; and
 - (f) carry out any other functions as the Parties may agree.
3. In fulfilling its functions, the Council may establish additional subsidiary bodies, including ad hoc bodies, and assign them with tasks on specific matters, or delegate its responsibilities to any subsidiary body established pursuant to this Agreement including the Senior Trade Officials Meeting established in terms of Article 12.2, the Committee on Trade in Goods established in terms of Article 2.13 of this Agreement and the Committee on Trade in Services and Investment established in terms of Article 6.81 of this Agreement.
4. The Council shall establish its rules and procedures at its first meeting.
5. Unless the Parties agree otherwise, the Council shall convene its first meeting within one year after this Agreement enters into force. Subsequent meetings shall be convened at such frequency as the Parties may mutually determine, and as necessary to discharge its functions under this Agreement.

Article 12.2

Establishment of Senior Trade Officials Meeting

1. The Parties hereby establish the Senior Trade Officials’ Meeting (hereafter referred to as the “STOM”).
2. The functions of the STOM shall be to:
 - (a) review the implementation and operation of this Agreement;

- (b) consider and recommend to the Council any amendment to this Agreement;
 - (c) make recommendations to the Council on amending an annex to this Agreement;
 - (d) supervise and co-ordinate the work of subsidiary bodies established pursuant to this Agreement;
 - (e) adopt, where appropriate, decisions and recommendations of subsidiary bodies established pursuant to this Agreement, including the Committee on Trade in Goods and the Committee on Trade in Services;
 - (f) consider any other matter that may affect the operation of this Agreement or that is entrusted to the STOM by the Council; and
 - (g) carry out any other functions as the Council may assign to the STOM.
3. Except as otherwise provided under this Agreement, and subject to a direction of the Council, the STOM and all subsidiary bodies shall be guided by the decisions, procedures and customary practices followed by the Parties to the Agreement Establishing the Melanesian Spearhead Group, as revised or amended, and the bodies established in the framework.

Article 12.3
Establishment of Subcommittees

1. The Parties may establish subcommittees or working groups responsible for considering and making recommendations on specific matters covered by this Agreement.
2. The subcommittees or working groups established in terms of paragraph 1 shall be supervised by and report to the Committee on Trade in Goods, Committee on Trade in Services and Investment, or to the STOM, as relevant and appropriate.

Article 12.4
Role of MSG Secretariat

1. The Secretariat of the Melanesian Spearhead Group established under Article 15 of the Agreement Establishing the Melanesian Spearhead Group shall be the Secretariat for Parties to this Agreement.
2. Subject to the direction of the Parties, the functions of the Secretariat in respect of this Agreement shall be to provide support to the Council and the STOM in supervising, coordinating and reviewing the implementation and operation of this Agreement and providing assistance in all related areas, including:
 - (a) the preparation and transmission of documentation required under this Agreement, including the transmission of communications between the Parties to this Agreement;
 - (b) the provision of administrative support for meetings convened to review this Agreement or conduct negotiations, consultations or dispute resolution under this Agreement;

3. Subject to the direction of the Parties, the functions of the Secretariat in respect of this Agreement shall include to:
 - (a) arrange and provide technical support to the Parties in the implementation of this Agreement;
 - (b) monitor and regularly report to the Council on the progress in the implementation of this Agreement;
 - (c) promote awareness of and publicise this Agreement; and
 - (d) undertaking studies relevant to the implementation of this Agreement as may be necessary.

Chapter 13

Consultations and Dispute Settlement

Article 13.1 Objectives

The objective of this Chapter is to provide an effective, efficient and transparent process for consultations and settlement of disputes arising under this Agreement.

Article 13.2 Definitions

For the purposes of this Chapter, the following definitions shall apply unless the context otherwise requires:

- (a) **Consultations** mean the initial formal process by which Parties to a dispute engage each other to clarify and settle any matter between or among them in a mutual manner;
- (b) **Conciliation** is the process by which a neutral Party, with no direct interest in a dispute, brings the Parties to a dispute together to explore ways of reaching a compromise;
- (c) **Good offices** are various ways by which a Party, with no direct interest in a dispute assists in establishing contact or beginning negotiations between Parties to a dispute to settle the dispute, without itself taking part in the actual negotiations;
- (d) **Mediation** means the direct part played by a neutral Party, with no direct interest in a dispute, in facilitating negotiations between Parties to a dispute through the proposal of a solution to settle the dispute;
- (e) **Panel** means a panel established under Article 13.7; **Party or Parties to the dispute** means the requesting Party or Parties and the responding Party or Parties;
- (f) **Requesting Party** means any Party or Parties that request consultations under Article 13.5 (Consultations); and
- (g) **Responding Party** means any Party to which the request for consultations is made under Article 13.5 (Consultations).

Article 13.3 Scope and Application

1. Except as otherwise provided in this Agreement, this Chapter shall apply to the settlement of disputes arising under this Agreement.

2. This Chapter shall apply subject to such special and additional provisions on dispute settlement contained in other Chapters of this Agreement.

Article 13.4 Cooperation

The Parties shall:

- (a) at all times endeavour to agree on the interpretation and application of this Agreement;
- (b) make every attempt through cooperation to arrive at a mutually satisfactory resolution of any matter that may affect the operation of this Agreement; and (c) make use of the rules and procedures of this Chapter to resolve disputes in a speedy, cost-effective and equitable manner.

Article 13.5 Consultations

1. A Party may request in writing consultations with any other Party regarding any measure that it considers might affect its rights and obligations under the provisions of this Agreement.
2. The requesting Party shall notify the other Party and the Council of the request, through the Secretariat. Any request for consultations shall give the reasons for the request, including identification of the measures at issue and an indication of the legal basis of the complaint.
3. The responding Party shall accord sympathetic consideration to and afford adequate opportunity for consultations regarding any representations made by another Party.
4. The responding Party shall, unless otherwise mutually agreed, reply to the request within 10 days after the date of its receipt and shall enter into consultations in good faith within a period of not more than 30 days after the date of receipt of the request, with a view to reaching a mutually satisfactory solution. If the responding Party does not respond within 10 days after the date of receipt of the request, or does not enter into consultations within a period of not more than 30 days, or a period otherwise mutually agreed, after the date of receipt of the request, then the requesting Party may proceed directly to request the establishment of a panel in accordance with Article 13.7.
5. Whenever a Party other than a Party to the dispute considers that it has a substantial trade interest in consultations being held pursuant to a request made under paragraph 1, such Party may notify the requesting Party and the Secretariat, within 10 days after the date of circulation of the request for consultations, of its desire to be joined in the consultations. Such Party shall be joined in the

consultations, provided that the responding Party agrees that the claim of substantial interest is well-founded. In that event, the requesting Party shall also inform the Council, through the Secretariat. If its request to be joined in the consultations is not accepted, the applicant Party shall be free to request consultations under this Article.

6. The Parties involved in consultations shall make every attempt to arrive at a mutually satisfactory resolution of any matter and, to this end, they shall-

(a) provide sufficient information to enable a full examination of how the actual or proposed measure or other matter may affect the operation of this Agreement;

(b) treat any confidential or proprietary information exchanged in the course of consultations on the same basis as the Party providing the information; and

(c) seek to avoid any resolution that adversely affects the interests of any other Party under this Agreement.

7. Where the consulting Parties fail to resolve a matter pursuant to this Article within 60 days after the date of receipt of the request for consultations; or such other period as they may agree, any such consulting Party may request in writing for the establishment of a panel. The Party so requesting shall notify the other Party to the dispute and, through the Secretariat, notify the Council of the request.

8. Notwithstanding the provisions of paragraph 7, in cases of urgency, including those which concern perishable goods, Parties shall enter into consultations within a period of no more than 10 days after the date of receipt of the request. If the consultations have failed to settle the dispute within a period of 20 days after the date of receipt of the request, the requesting Party may request the establishment of a panel.

Article 13.6

Good Offices, Conciliation and Mediation

1. Good offices, conciliation and mediation are procedures that are undertaken voluntarily if the Parties to the dispute so agree.

2. Procedures for good offices, conciliation or mediation may be requested at any time by a Party to a dispute and may be terminated at any time. The proceedings shall be confidential and shall not be used in any panel established for that dispute under Article 13.7.

3. The Chairperson of the Council, or any other Member of the Council designated by the Chairperson who is not a national of a Party in dispute, may offer good offices, conciliation or mediation with a view to assisting the Parties to a dispute.

Article 13.7
Establishment of Panel

1. The Secretariat shall establish a panel within 20 working days from the date of receipt of a request made pursuant to paragraphs 1 and 2 of Article 13.5.
2. The request for the establishment of a panel shall be made in writing to the Secretariat and shall indicate whether consultations were held, indicate the specific measures at issue and provide a brief summary of the legal basis of the complaint in the light of the relevant provisions of this Agreement sufficient to present the problem clearly.

Article 13.8
Roster of Panelists

The Secretariat shall maintain an indicative roster of panelists nominated by Parties on the basis of their relevant expertise and qualifications as stipulated in Article 13.9. The roster, as well as any modifications thereto, shall be made known by the Secretariat to the Parties.

Article 13.9
Qualification of Panelists

All panelists shall:

- (a) have expertise or experience in international trade or international law, other matters covered by this Agreement or the resolution of disputes arising under international, regional or bilateral trade agreements, and shall be chosen strictly on the basis of objectivity, reliability and sound judgment;
- (b) be governmental and/or non-governmental individuals;
- (c) serve in their individual capacities and not as government representatives, nor as representatives of any organization. Parties shall therefore not give panelists instructions nor seek to influence them as individuals with regard to matters before a panel; and
- (d) comply with a code of conduct and rules of procedures to be established by the Council.

Article 13.10
Panel Selection

1. A panel shall be composed of three panelists.
2. The following procedures shall apply in the selection of panelists:
 - (a) The Parties in dispute shall endeavour to agree on the chair of the panel within 15 working days of the delivery of the request for the establishment of a panel;
 - (b) Within 10 working days of selection of the chair, each Party in dispute shall select one panelist who is not a citizen of such Party; and

(c) Where there are more than two Parties to the dispute, the Party complained against shall select one panelist who is not a citizen of such Party. The complaining Parties shall jointly select one panelist who is not a citizen of such Parties. This shall take place within 10 days of the selection of the chair.

3. When a Party or States, in the selection of panelists pursuant to paragraph 2 fails to agree on the chair of the panel or to select a panelist in the prescribed time, such chair or panelist shall be selected by lot by the Director General of the MSG from a list of six panelists who are not citizens of the Parties in the dispute. The Director General shall select the chair or panelist, as the case may be, within 5 days after the expiry of the prescribed time referred to in paragraph 2.

4. When a Party in the dispute is of the opinion that a panelist does not comply with the requirements set out in Article 13.9, such Party shall consult the other Party or Parties in dispute and, if they agree, the panelist shall be removed and another panelist shall be selected in accordance with this Article.

5. Panelists shall, to the greatest extent possible, be selected from the roster contemplated in Article 13.8.

Article 13.11 **Terms of Reference of the Panel**

Unless the Parties to the dispute otherwise agree within 20 days from the date of establishment of the panel, the terms of reference for the panel shall be:

(a) To examine, in the light of the relevant provisions of this Agreement, the matter referred to the Secretariat and to make findings, determinations and recommendations.

(b) To determine whether the matter under dispute has nullified or impaired benefits of the disputing Party according to the provisions of this Agreement.

(c) To make findings, as and when appropriate, on the degree of adverse trade effects on any Party of any measure found not to conform with the provisions of this Agreement or to have caused nullification or impairment of the complaining Party.

(d) To recommend that the Party complained against brings a measure into conformity with this Agreement where such a measure is found to be inconsistent with this Agreement.

Article 13.12 **Panel Procedures**

1. Unless the disputing Party otherwise agree, the panel shall conduct its proceedings in accordance with the following rules of procedure:

(a) the disputing Party shall have a right to at least one hearing before the panel as well as the opportunity to provide initial and rebuttal written submissions;

(b) the panel's hearings, deliberations and initial report, and all written submissions to and communications with the panel shall be confidential; and

(c) the disputing Party may be represented during the panel procedures by legal representatives or other experts.

2. The Parties to the dispute may at any stage of the panel proceedings, but before the panel presents its final report pursuant to Article 13.17, agree to terminate the proceedings of the panel in the event that a mutually satisfactory solution to the dispute has been found. In such a case the Parties to the dispute shall, through the Secretariat, jointly notify the other Parties that the dispute has been resolved.

Article 13.13 Procedures for Multiple Complaints

1. Where more than one Party requests the establishment of a panel related to the same matter, a single panel may be established to examine these complaints taking into account the rights of all Party concerned. A single panel should be established to examine such complaints whenever feasible.

2. The single panel shall organize its examination and present its findings to the Council in such a manner that the rights which the disputing Party would have enjoyed, had separate panels examined the complaints, are in no way impaired. If one of the disputing Party so requests, the panel shall submit separate reports on the dispute concerned. Notwithstanding the provisions of Article 13.12 (b), the written submissions by each of the complaining Party shall be made available to the other complaining Party, and each complaining Party shall have the right to be present when any one of the other complaining Party presents its views to the panel.

3. If more than one panel is established to examine the complaints related to the same matter, to the greatest extent possible, the same persons shall serve as panelists on each of the separate panels and the timetable for the panel process in such disputes shall be harmonised.

Article 13.14 Third Party Participation

A Party that is not a Party in dispute, having a substantial trade interest in a matter before a panel and which has notified its interest in writing to the Council, through the Secretariat pursuant to paragraph 5 of Article 13.5, shall have an opportunity to attend all hearings, to make written and oral submissions to the panel and to receive the written submissions of the Parties in dispute.

Article 13.15 Role of Experts

On request of a Party to the dispute, or on its own initiative, the panel may seek information and technical advice from any person or body that it deems appropriate.

Article 13.16
Initial Report

1. Unless the Parties to the dispute otherwise agree, the panel shall base its initial report on the submissions of the participating Parties and on any information before it pursuant to Article 13.12 (b)
2. Unless the Parties to the dispute otherwise agree, the panel shall, within 90 days after the last panelist is selected or 45 days in the case of urgency, including those concerning perishable goods, present to the Parties to the dispute an initial report containing:
 - (a) findings of fact;
 - (b) its determination as to whether the measure at issue is or would be inconsistent with the obligations of this Agreement or cause nullification or impairment, or any other determination requested in the terms of reference; and
 - (c) its recommendations for resolution of the dispute.
3. The Parties to the dispute may submit written comments to the panel on its initial report within 15 days of presentation of the initial report. In such an event, and after considering such written comments, the panel, on its own initiative or on the request of any Party to the dispute, may:
 - (a) request the views of any participating Party;
 - (b) reconsider its initial report; and
 - (c) make any further examination that it considers appropriate.

Article 13.17
Final Report

1. A panel shall present to the Parties to the dispute a final report within 30 days of presentation of the initial report, unless the disputing Party otherwise agree.
2. No panel shall, either in its initial report or its final report, disclose which panelists are associated with majority or minority opinions.
3. A panel shall transmit to the Council, through the Secretariat, its final report.
4. Unless the Council decides by consensus not to adopt the report, the final report of the panel shall be adopted by the Council within 15 days after it is transmitted to the Council and shall promptly be made public thereafter by the Secretariat.

Article 13.18
Panel Recommendations

Where a panel concludes that a measure is not consistent with this Agreement, it shall recommend that the Party complained against bring the measure into conformity with this Agreement. In addition, the panel may suggest ways in which the Party complained against may implement the recommendations.

Article 13.19
Implementation of Panel Recommendations

The Party complained against shall inform the Secretariat of its intentions in respect of implementation of the recommendations of the panel. If it is impracticable to comply immediately with the recommendations, the Party complained against shall have a reasonable period of time in which to do so. The reasonable period of time shall be the period of time proposed by the Party complained against or a period mutually agreed by the Parties to the dispute. In any case, the period shall not exceed 3 months from the date of adoption of the panel report.

Article 13.20
Compensation and Suspension of Concessions

1. Compensation and the suspension of concessions or other obligations are temporary measures available in the event that the recommendations of the panel, as adopted, are not implemented within a reasonable period of time determined in accordance with Article 13.19. Full implementation of the panel recommendations to bring a measure into conformity with this Agreement shall always be preferred.
2. If the Party complained against fails to bring the measure found to be inconsistent with this Agreement into conformity within the reasonable period of time determined in accordance with Article 13.19, it shall enter into negotiations with the complaining Party with a view to developing a mutually satisfactory solution. If no satisfactory solution has been agreed within 20 working days after the expiry of the reasonable period of time determined in accordance with Article 13.19, the complaining Party may request authorization from the Council, through the Secretariat, to suspend concessions or other obligations of equivalent effect to the level of the nullification or impairment.
3. Unless the Council decides otherwise, by consensus, within 20 days from the date of receipt of the request for authorization to suspend concessions or obligations, such authorization shall be granted.
4. In considering what benefits to suspend, a complaining Party shall first seek to suspend benefits in the same sector or sectors as that affected by the measure or other matter that the panel has found to be inconsistent with the obligations of this Agreement. A complaining Party that considers

it is not practicable or effective to suspend benefits in the same sector or sectors may suspend benefits in other sectors.

5. If the Party complained against objects to the level of suspension proposed, the matter shall as far as possible be referred for arbitration to the original panel. Should the original panel or a panelist not be available, the Director General of the MSG shall appoint a replacement panel or panelist as the case may be. The original panel or panelist, as the case may be, shall be appointed within 10 days from the date of receipt of the request for arbitration. The arbitration shall be completed within 30 days after the date of appointment of the original panel or panelist, as the case may be. Concessions or other obligations under this Agreement may not be suspended during the course of arbitration.

6. The panel or panelist acting pursuant to paragraph 5 shall determine whether the level of the proposed suspension is equivalent to the level of impairment as a result of a measure not complying with this Agreement.

7. The Parties to the dispute shall accept the decision on the issue submitted to the panel or panelist as final.

8. The Council shall be informed, through the Secretariat, of the decision of the panel or panelist and shall within 20 days after the date of receipt of the decision of the panel or panelist, unless it decides by consensus otherwise, grant authorization to suspend concessions or other obligations where the request is consistent with the decision of the panel or panelist.

Article 13.21 Expenses

1. The Council shall determine the amounts of remuneration and expenses that will be paid to panelists and experts appointed in terms of this Chapter.

2. The remuneration of panelists, including the chair, and experts, their travel and lodging expenses and all other general expenses of panels shall be borne in equal parts by the Parties to the dispute or in a proportion as determined by a panel.

3. Each panelist or expert shall keep a record and render a final account of his or her time and expenses and the panel shall keep a record and render an account of all general expenses. The Secretariat shall control such accounts and make all payments against the accounts of the disputing Party.

Article 13.22 Special and Differential Treatment Involving Least Developed Countries

1. At all stages of the determination of the causes of a dispute and of dispute settlement procedures involving Parties to the dispute that are LDCs, particular sympathetic consideration shall be given to the special situation of a LDC. In this regard, Parties shall exercise due restraint in raising matters under these procedures involving a LDC Party. If nullification or impairment is found to result from a

measure taken by a LDC Party, a complaining Party shall exercise due restraint regarding matters covered under Article 13.20 or other obligations pursuant to these procedures.

Article 13.23
Contact Points

1. Each Party shall designate a contact point for this Chapter and shall notify the other Parties of the details of this contact point within 30 days of the entry into force of this Agreement. Each Party shall notify the other Parties of any change to its contact point.
2. Any request, written submission or other document relating to any proceedings pursuant to this Chapter shall be delivered to the relevant Party or Parties through their designated contact points that shall provide confirmation of receipt of such documents in writing.

Article 13.24
Language

1. All proceedings pursuant to this Chapter shall be conducted in the English language.
2. Any document submitted for use in any proceedings pursuant to this Chapter shall be in the English language. If any original document is not in the English language, a Party submitting it for use in the proceedings shall provide an English language translation of that document.

Article 13.25
Further Rules and Procedures

The Council may, where necessary, adopt further rules and procedures to facilitate the implementation of this Chapter.

Chapter 14

Final Provisions

Article 14.1

1. This Agreement shall be open for signature by the Republic of Fiji, the Independent State of Papua New Guinea, the Republic of Solomon Islands and the Republic of Vanuatu until **31 August 2016** at the headquarters of the Secretariat for the MSG, Port Vila, and Republic of Vanuatu.
2. This Agreement is subject to ratification by the Parties.
3. The Secretariat for the MSG shall be the depositary for this Agreement and shall transmit certified true copies thereof to all Parties.
4. No reservations may be made in respect of any provision of this Agreement, except to the extent provided for in this Agreement.

Article 14.2 Accession

1. The Parties may agree to any State, Territory or Self-Governing Entity not listed in Article 14.1.1 acceding to this Agreement.
2. The agreed terms of accession shall be set out in a protocol of accession. The instruments of accession shall be deposited with the Director General of the MSG Secretariat.
3. No State, Territory or Self-Governing Entity will be permitted to accede to this Agreement without implementing a system that supports electronic customs transactions.

Article 14.3 Entry into Force

1. This Agreement shall enter into force 30 days after two Parties have lodged their instruments of ratification with the depositary, an indication of the completion of internal legal requirements necessary for entry into force of this Agreement. For greater certainty, the term "internal legal requirements" may include obtaining governmental approval or parliamentary approval in accordance with domestic law.
2. For each State, Territory of Self-Governing Entity or Party ratifying or acceding to this Agreement after the deposit of the second instrument of ratification or accession, this Agreement shall enter into force 30 days after the deposit of its instrument of ratification or accession.
3. Pending entry into force of the Agreement, the Parties shall provisionally apply the Agreement, in full or in part. This may be effected by provisional application pursuant to the laws of a Party or by ratification of the Agreement. Provisional application shall be officially notified to the depositary. The

Agreement shall be applied provisionally 10 days after the receipt of notification of provisional application from the Party.

4. Notwithstanding Paragraph 3, a Party may unilaterally take steps to apply the agreement, before provisional application, to the extent feasible.

Article 14.4 Transitional Arrangements

1. The Trade Agreement Among the Melanesian Spearhead Group Countries entered into by the Republic of Fiji, the Independent State of Papua New Guinea, Solomon Islands and the Republic of Vanuatu in 1993, and revised in 2005, shall terminate 30 days after this Agreement comes into force between all of the States listed in Article 14.1.1.
2. Except as otherwise provided under this Agreement, the Parties and the Secretariat shall be guided by the decisions, procedures and customary practices followed by the Parties to the revised MSGTA of 2005.

Article 14.5 Amendment

1. This Agreement may be progressively amended by agreement in writing by the Parties at the level of the Leaders and such amendments shall come into force after each Party has notified the Depositary in writing of the completion of its internal requirements necessary for entry into force of this Agreement. For greater certainty, the term "internal requirements" may include obtaining governmental approval or parliamentary approval in accordance with domestic law.
2. Notwithstanding paragraph 1, the annexes to this Agreement, including the specific commitments of individual Parties, may be amended by a decision of the Parties made by the Council.

Article 14.6 Withdrawal and Termination

1. Any Party may withdraw from this Agreement by giving 6 months advance notice in writing to the other Parties, through the Director General of the Secretariat.
2. This Agreement shall terminate where:
 - (a) only one Party remains after the withdrawal of the other Parties, or
 - (b) the Parties agree to its termination.

Article 14.7 Annexes, Appendices and Footnotes

The Annexes, schedules and footnotes to this Agreement shall constitute an integral part of this Agreement.

Article 14.8
Review

The Parties shall undertake a general review of this Agreement with a view to furthering its objectives one year after its entry into force, and every 5 years thereafter, unless otherwise agreed to by the Parties.

Article 14.9
Amended or Successor International Agreements

If any international agreement, or a provision therein, referred to in this Agreement (or incorporated into this Agreement) is amended, the Parties shall consult on whether it is necessary to amend this Agreement, unless this Agreement provides otherwise.

Article 14.10
Disclosure of Information

Unless otherwise provided in this Agreement, nothing in this Agreement shall require any Party to provide confidential information, the disclosure of which would impede law enforcement, or otherwise be contrary to the public interest, or which would prejudice legitimate commercial interests of particular enterprises, public or private.

Article 14.11
Confidentiality

Unless otherwise provided in this Agreement, where a Party provides information to another Party in accordance with this Agreement and designates the information as confidential, the other Party shall maintain the confidentiality of the information. Such information shall be used only for the purposes specified, and shall not be otherwise disclosed without the specific permission of the Party providing the information, except to the extent that the Party receiving the information is required under its domestic law to provide the information to judicial proceedings.

IN WITNESS WHEREOF the undersigned, duly authorised by the respective Parties to the Melanesian Free Trade Agreement, have signed this Agreement thisday of 2016.

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FOR THE GOVERNMENT OF THE REPUBLIC OF FIJI

.....

FOR THE GOVERNMENT OF THE INDEPENDENT STATE OF PAPUA NEW GUINEA

.....

FOR THE GOVERNMENT OF SOLOMON ISLANDS

.....

FOR THE GOVERNMENT OF THE REPUBLIC OF VANUATU