



**REPORT ON THE IMPLEMENTATION OF ARTICLE 66.2
OF THE TRIPS AGREEMENT**

NEW ZEALAND

Addendum

The following communication, dated 26 October 2016, from the delegation of New Zealand, is being circulated pursuant to paragraph 1 of the Decision on Implementation of Article 66.2 of the TRIPS Agreement (IP/C/28).

1. This submission provides an updated report on New Zealand's activities in pursuit of commitments under Article 66.2 of the TRIPS Agreement concerning technology transfer to least developed countries (LDCs) for the period July 2015 - June 2016 and actions planned.

2. Article 66.2 of the TRIPS Agreement provides that "developed country Members shall provide incentives to enterprises and institutions in their territories for the purpose of promoting and encouraging technology transfer to least developed country Members in order to enable them to create a sound and viable technological base".

3. Technology transfer is interpreted in this report broadly to include training, education and "know-how", along with any capital component. We see four key modes of technology transfer:

- (a) physical objects or equipment;
- (b) skills and human aspects of technology management and learning;
- (c) designs and blueprints which constitute the document-embodied knowledge on information and technology; and
- (d) production arrangement linkages within which technology is operated.

4. We appreciate that LDC Members have an interest in learning more about the outcomes and operation of Members' technology transfer programmes. As an annex to this report we have included a table of specific examples of technology transfer to LDCs. The table is in response to comments by LDCs wanting the adoption of a more standardised format of reporting.

1 OVERVIEW OF INCENTIVES, TYPES OF TECHNOLOGY AND THE MODES OF TECHNOLOGY TRANSFER

5. New Zealand's efforts to encourage technology transfer to LDCs occur through a variety of channels:

- promoting a broad economic environment that is conducive to the development of New Zealand enterprises and institutions and enables them to transfer technology abroad;

- encouraging trade in goods, services and labour mobility; and
- facilitating a strong intellectual property environment; as well as through New Zealand's bilateral and regional development programmes.

Though New Zealand recognizes that the most relevant and cost-effective technologies may come from other countries (consistent with untied aid).

6. A key channel for promoting technology transfer from New Zealand to LDCs is through the New Zealand Aid Programme, managed by the Ministry of Foreign Affairs and Trade (MFAT). MFAT views technology transfer as a fundamental element in achieving its overall objective of investing money, knowledge and skills to deliver sustainable development and poverty reduction in developing countries.

7. Owing to New Zealand's history, culture and location, the primary geographical focus of the New Zealand Aid Programme is the Pacific and key partners in Asia. The LDCs with which New Zealand has bilateral or targeted regional programmes are: Solomon Islands, Vanuatu, Cambodia, Lao PDR, Myanmar and Afghanistan (all of whom are LDC WTO Members or Observers), and Ethiopia, Kiribati, Tuvalu, and Timor Leste (non-WTO Member activities are not the focus of this report).

8. The New Zealand Aid Programme has 12 investment priorities that reflect key development opportunities in our partner countries and draw on New Zealand's strengths. These include two flagship priorities – renewable energy and agriculture – where New Zealand can offer specialist expertise. The other priorities including key productive sectors (fisheries and tourism), enabling infrastructure (ICT connectivity and transport), human development (health and education), along with economic governance, trade and labour mobility, law and justice and humanitarian response.

9. The New Zealand Aid Programme's bilateral and regional programmes provide technology transfer through training, skill development, and technology infrastructure. This report offers a series of illustrative examples of bilateral and regional development activities that result in a transfer of technology to LDCs. The information provided is based on the reporting criteria agreed by the TRIPS Council in February 2003.

10. Any relevant activities of multilateral agencies that New Zealand provides core funding to are not reflected in this report. All figures quoted are in New Zealand dollars.

2 ODA ACTIVITIES PROVIDING TECHNOLOGY TRANSFER TO LDCS

2.1 EXAMPLES OF BILATERAL PROGRAMMES WITH LDCs

11. As the New Zealand Aid Programme evolves over time, different elements of technology transfer will feature. The following are some current examples from bilateral programmes with a number of LDC WTO Member Countries.

2.1.1 Solomon Islands

12. Examples of initiatives supported recently by the New Zealand Aid Programme are:

- The installation of the 1 megawatt Honiara Solar Farm that was opened on 10 May 2016. The farm will contribute the first electricity to the Honiara grid from renewable sources, generate 4% of the total electricity supply to Honiara and save Solomon Power more than 450,000 litres of diesel fuel annually. New Zealand partnered with the United Arab Emirates on this project and contributed the cost for 40% of the Farm's generation capacity.
- The New Zealand Aid Programme is supporting Caritas Aotearoa New Zealand through the contestable Partnerships Fund to deliver a pilot project to install, test and adapt a new hybrid wind-solar system to provide power for isolated communities and facilities. While individual components of this system already exist, the pilot will integrate them into a hybrid system and develop the communications and supervisory software needed

to address major social and technical issues that have led other similar initiatives to fail due to insufficient support and maintenance. The total value of the innovation is NZ\$100,000 (MFAT funding: NZ\$90,000; Caritas funding: NZ\$10,000). Caritas is partnering with New Zealand organization Powerhouse Wind Limited to deliver the pilot. Implementation is likely to commence in late 2016 or early 2017 at the Bishop Koete Rural Training Centre on Ngela Island.

2.1.2 Vanuatu

13. New Zealand, the Government of Vanuatu and the World Bank are working on the Vanuatu Rural Electrification Project (VREP Phase I) to deliver affordable renewable energy to people in rural areas. New Zealand has committed NZ\$6m over six years (2014-2020) through the Pacific Regional Infrastructure Facility. VREP will subsidize low-maintenance solar photovoltaic 'plug and play' systems for approximately 17,500 households, in addition to 230 health posts and 2,000 not-for-profit community halls in rural areas. The project was mobilized during 2014/15 with technical advice supplied to establish an Environmental Code of Practice (ECOP) for the disposal of the waste batteries, in 2015/16 two vendors/retailers were registered to supply subsidised products to two provinces and a solar electricity product catalogue was released to showcase six products of varying quality and price range.

14. In 2015/16, New Zealand provided over NZ\$5m towards basic education support, which includes the provision of infrastructure and textbooks, teacher training, integrated curriculum development, information management systems, school leadership and management activities. This is part of a NZ\$14m programme over four years, in partnership with the Australian Department of Foreign Affairs and Trade, known as the Vanuatu Education Support Programme, or VESP. VESP has a number of goals, including improving the quality of school facilities to accommodate the increasing number of students, and improving overall literacy and numeracy rates over the medium term.

15. New Zealand continues to work with UNICEF providing over \$5m over four years (2013-2017) towards water and sanitation projects that gain public health benefits for communities across four Provinces reaching over 11,700 people, and contributing to the Government goal of 91% population access by 2018. UNICEF and New Zealand have placed a high level technical adviser in the Department of Geology, Mines and Water to strengthen the Government of Vanuatu's approach to the sector. The Activity is supporting water source mapping across Vanuatu through embedding a mobile data collection platform within the Department of Water that utilizes smart phones to record and map water source information, government water officers have mapped over 4,000 water points across the country and are on track to map 100% of water sources by mid 2017.

2.1.3 Afghanistan

16. New Zealand is building capacity in Afghanistan for ongoing operation of a New Zealand funded renewable energy system gifted to the Afghan Government in mid-2016. The Renewable Energy Programme (REP) is supporting economic development in the Bamyan province through the electrification of Bamyan town. The REP Capability Building and Technical Support Programme (CBP) is providing support to Afghanistan's energy utility company with the aim of ensuring long-term operation of the 1MW system (four modular PV systems) and distribution network for 2,490 connections. The project aims to increase commercial activity; improve functioning of provincial and district governments; and improve quality of life through better access to lighting, modern communication and computer technology.

2.1.4 Myanmar

17. New Zealand is investing in a five-year \$6.1m project to improve Myanmar's dairy industry. The Myanmar Dairy Excellence Project aims to improve the quantity and quality of milk produced in three regions by introducing new types of forage and pasture management, animal and farm management techniques, and protocols for the safe and hygienic collection, transportation and processing of milk and milk products. The project has included visits by farmers and Ministry of Agriculture, Livestock and Irrigation officials to New Zealand to study farming and cheese-making practices.

2.2 EXAMPLES FROM REGIONAL PROGRAMMES

18. New Zealand provides LDCs with transfers of technology and assistance to encourage investment through various regional assistance programmes. In some cases it is difficult to separate expenditure specifically provided to LDC Members, although it is clear that LDC Members within these regions benefit from these programmes.

2.2.1 Pacific Economic and Trade-related Activities

19. Sound economic management and appropriate policies (e.g. ICT regulation) are critical to encourage technology transfer, trade and investment. The New Zealand Aid Programme provides funding to various regional organizations that provide economic advice, capacity building, or support the development of trade or investment:

- The Pacific Islands Financial Technical Assistance Centre (PFTAC) supports Pacific Island Countries to improve economic management through the provision of technical advice and practical support in public financial management, banking regulation, tax administration, macroeconomic management and National Accounts, and in coordinating donor efforts in these areas. New Zealand has committed \$12m for the current five-year cycle of PFTAC through to June 2020.
- The Pacific Islands Trade and Invest (PITI) office in Auckland aims to enhance trade, investment and tourism opportunities for Pacific Island businesses. New Zealand contributes NZ\$900,000 per year to the operation of PITI.

20. The New Zealand Aid Programme supports the development and utilization of quality trade statistics in the Pacific through funding PC Trade. PC Trade is a computer-based software system designed by Statistics New Zealand that provides Pacific Island Countries, including several LDCs with a customized, fit for purpose system for collecting trade data and producing trade reports. The system supports a variety of functions including processing customs declarations and manifests, managing levies, tariffs and excise duties, applying selected higher level World Customs Organization codes, and retaining a record of transactions at the border. From this data, simple reports can be generated that are then used to evaluate economic progress and inform decision making. In-country training and a help desk support service are also provided as part of this programme.

2.2.2 Pacific Environmental Activities

21. The New Zealand Ministry of Foreign Affairs and Trade provides financial support to the Secretariat of the Pacific Regional Environment Programme (SPREP) (NZ\$4.6m over three years 2016-2018). SPREP in turn provides technical advice, programme support and capacity building assistance to Pacific island countries and territories in the areas of biodiversity and ecosystem management, climate change, ocean acidification, waste management and pollution control, and environmental monitoring and governance, and accordingly promotes the transfer of knowledge into the region.

2.2.3 Recognized Seasonal Employer (RSE) Scheme

22. In April 2007 the Recognized Seasonal Employer (RSE) scheme came into effect, enabling employers in the horticulture and viticulture industries to recruit seasonal workers from offshore, with a preference for the Pacific. The purpose of the scheme is to provide New Zealand employers with a reliable source of seasonal labour and to provide Pacific workers with income and employment opportunities. While RSE workers are in New Zealand they also have the opportunity to up-skill and undertake a variety of training courses.

23. Since 2007, more than 64,000 RSE seasonal labourers have worked in New Zealand's horticulture and viticulture industries. Of that, over 29,000 RSE visas have been issued to workers from LDCs in the Pacific (Kiribati, Solomon Islands, Tuvalu and Vanuatu).

24. The New Zealand Aid Programme provides significant financial support to facilitate the scheme, including:

- A NZ\$4.5m programme, which commenced in February 2012, training RSE workers in literacy, numeracy, computer literacy and financial literacy. The programme was up-scaled and will now provide training to a total of 5,900 workers over four and a half years (2012–2017).
- A Ministry of Business, Innovation and Employment assistance programme (NZ\$6m) to build capacity of Pacific governments to ensure the smooth running of the RSE scheme.

2.2.4 AANZFTA Economic Cooperation Support Programme

25. The Agreement Establishing the ASEAN-Australia-New Zealand Free Trade Area (AANZFTA) mandates a programme of technical assistance activities known as the AANZFTA Economic Cooperation Support Programme (AECSP). The AECSP is jointly funded by Australia and New Zealand. Between 2010 and 2015, it had an overall budget of AUD\$20 to \$25 million. New Zealand contributes AUD\$1 for every AUD\$7 contributed by Australia.

26. Projects funded by the AECSP are available to all ten ASEAN member states, including three LDCs: Cambodia, Lao PDR and Myanmar. The aim of the AECSP is to facilitate AANZFTA implementation; progress built-in agenda negotiations; achieve deeper economic integration among the parties; and increase business utilisation of AANZFTA.

27. During the period July 2015–July 2016, numerous AECSP projects promoted technology transfer, particularly the transfer of skills and human aspects of technology management and learning. Some examples of projects involving Cambodia, Lao PDR and Myanmar include:

- a workshop aimed at developing the capacity of government agencies to collect and process data to quantify the utilization of the AANZFTA tariff preferences in trade among the parties;
- training programmes on the transposition of AANZFTA Tariff Reduction Schedules and Rules of Origin Product Specific Rules from 2012 version of the Harmonized System to HS 2017;
- OECD Investment Policy Reviews for Cambodia and Lao PDR (ongoing);
- enhancing the participation of small and medium-sized enterprises (SMEs) in AANZFTA;
- ongoing "Capacity Building on Statistics of International Trade in Services" project which aims to build institutional capacity in data collection and reporting; and
- Phase 2 of the "Accession to the Madrid Protocol Project" contributed to the accession of Cambodia and Lao PDR to the Madrid Protocol in 2015 and supported Myanmar in developing its trademark law.

3 EXAMPLES FROM GLOBAL PROGRAMMES

3.1 Partnerships for International Development Fund

28. The New Zealand Partnerships for International Development contestable fund was established in 2012 to harness the expertise and innovation of New Zealand charitable, other not-for-profit, private sector and state sector organizations in the delivery of aid activities in developing countries, with a particular focus on sustainable economic development. Up to NZ\$30m worth of commitments are made each year towards partnerships between New Zealand organizations and local in-country partners delivering development activities. Two examples of activities selected for design and implementation under these funds that include key modes of technology transfer are:

- developing a Pacific Risk Tool for Resilience with Vanuatu and Samoa to enable the gathering, analysis and application of existing and future disaster risk information in order to reduce the impact of future hazard events and to protect socioeconomic development; and

- providing training on the System of Rice Intensification (SRI) technique for increasing rice production to farmers in Timor-Leste, in order to satisfy household food requirements and increase household incomes by producing surplus amounts for sale to the government and local markets.

3.2 New Zealand Scholarships

29. The New Zealand Aid Programme provides scholarships to citizens of targeted developing and least developed countries to undertake vocational training or tertiary level study in New Zealand or in the Pacific region. During 2015/16 approximately 1710 students from developing and least developed countries were studying in New Zealand on New Zealand Aid Programme funded scholarships, with funding totalling NZ\$62.7m. A total of approximately NZ\$16.7m was allocated for scholarships for students from WTO Member LDCs in 2015/16. An additional NZ\$7m was allocated for scholarships for students from non-WTO member LDCs (Ethiopia, Kiribati, Timor Leste, and Tuvalu).

30. The scholarships enhance the skills, training and knowledge of the recipients so that they can assist in the social and economic development of their home countries. Scholarships are offered only for training and qualifications in subjects and skills which are relevant to the identified human resource development needs and priorities of each country.

4 OTHER NEW ZEALAND PROGRAMMES WITH A TECHNOLOGY TRANSFER COMPONENT

4.1 Intellectual Property

31. The Intellectual Property Office of New Zealand (IPONZ) provides ongoing technical assistance, on request, to help developing and least developed countries on issues relating to the registration of intellectual property rights, including plant variety rights (see Article 67 Report).

32. At a regional level, IPONZ participates in practical training and information exchange opportunities. In November 2015, for example, an IPONZ representative presented at an ASEAN sub-regional training programme on trademarks held in the Philippines.

33. In May 2015, the New Zealand Plant Variety Rights Office (PVRO) provided a DUS expert and guest lecturer at the Korea Overseas Investment and Cooperation Agency, Plant Variety Protection and DUS Training Course in Seoul, South Korea. The course participants came from eleven countries in East Asia, Africa and South and Central America.

34. IPONZ hosts study visits from other member countries and this year shared its experience and insight on Madrid Protocol accession to help two other intellectual property offices with their operational preparations. IPONZ hosted the Malaysian Intellectual Property Office in August 2015, as well as the Directorate General of Intellectual Property of Indonesia in November 2015.

ANNEX 1¹

The following chart presents some examples of activities undertaken by the New Zealand Aid Programme. It is not an exhaustive list of activities but rather serves to provide examples of the institutions and enterprises that transfer physical capital and goods, know-how, information, and data to LDCs. This chart has been developed to show certain criteria as requested by LDCs at the October 2011 Workshop on Article 66.2.

1. NZAID BITLATERAL PROGRAMMES: Solomon Islands

| Title of project/programme | Solomon Islands Photovoltaic Power Generation |
|--|---|
| Policy objective/purpose | To provide a 1 megawatt grid-connected solar farm in Honiara |
| Partner Government agencies and others eligible for technology transfer | Solomon Power |
| Enterprises or other institutions providing technology transfer | United Arab Emirates |
| Targeted LDC Members | Solomon Islands |
| Types of incentives measures for technology transfer | Infrastructure |
| Field or sector of technology transfer activities | Renewable energy |
| Type of technology transferred | Energy infrastructure |
| Expected output related to technology transfer | Supply of renewable energy into the Honiara grid |
| Outcomes/ impact | Savings from reduced diesel costs; additional generation capacity to support demand growth; substitution of some diesel-generated power |
| Budget or funds allocated (NZD\$) | NZ\$3.5m |
| Duration | 2015/16 |
| Status | Recently completed |
| Contact point for information | New Zealand Ministry of Foreign Affairs and Trade (MFAT) |

¹ In English only.

| Title of project/programme | Wind-solar renewable energy in Solomon Islands |
|--|--|
| Policy objective/purpose | To develop a complete wind-solar hybrid energy system that is suitable for isolated communities and facilities |
| Partner Government agencies and others eligible for technology transfer | Solomon Islands Association of Rural and Vocational Training Centres |
| Enterprises or other institutions providing technology transfer | Caritas; Powerhouse Wind; Adakun Development Trust |
| Targeted LDC Members | Solomon Islands |
| Types of incentives measures for technology transfer | Infrastructure; training |
| Field or sector of technology transfer activities | Renewable energy |
| Type of technology transferred | Energy infrastructure |
| Expected output related to technology transfer | Installation of one turbine at one regional training centre benefiting 170 students and staff |
| Outcomes/ impact | Cost savings for regional training centres; potential income for regional training centres from marketing their new skills; scale-up opportunities |
| Budget or funds allocated (NZD\$) | NZ\$90k (for pilot) |
| Duration | 2016/17 |
| Status | Ongoing |
| Contact point for information | New Zealand Ministry of Foreign Affairs and Trade (MFAT) |

2. NZAID BILATERAL PROGRAMMES: VANUATU

| Title of project/programme | Vanuatu Rural Electrification Project (VREP Phase I) |
|--|---|
| Policy objective/purpose | To deliver affordable renewable energy to people in rural areas. |
| Partner Government agencies and others eligible for technology transfer | Department of Energy, Ministry of Climate Change Meteorology and Energy. |
| Enterprises or other institutions providing technology transfer | Pacific Regional Infrastructure Facility, World Bank |
| Targeted LDC Members | Vanuatu |
| Types of incentives measures for technology transfer | Subsidies, technical assistance |
| Field or sector of technology transfer activities | Renewable energy |
| Type of technology transferred | Low maintenance solar photovoltaic 'plug and play' systems, technical assistance to prepare Environmental Code of Practice and operations manuals |
| Expected output related to technology transfer | New solar 'plug and play' systems for 17,500 households, 230 health posts and 2,000 not-for profit community halls in rural areas. |
| Outcomes/ impact | Increased access to affordable renewable energy in rural areas. |
| Budget or funds allocated (NZD\$) | NZ\$6m |
| Duration | 2014-2020 |
| Status | Project ongoing |
| Contact point for information | New Zealand Ministry of Foreign Affairs and Trade (MFAT) |

| Title of project/programme | Vanuatu Water and Sanitation |
|--|--|
| Policy objective/purpose | To improve the water and sanitation infrastructure in Vanuatu |
| Partner Government agencies and others eligible for technology transfer | Department of Geology, Mines and Water |
| Enterprises or other institutions providing technology transfer | UNICEF |
| Targeted LDC Members | Vanuatu |
| Types of incentives measures for technology transfer | Technical assistance and capability building |
| Field or sector of technology transfer activities | Water and Sanitation, Information Management |
| Type of technology transferred | Mobile data collection platform for water source mapping |
| Expected output related to technology transfer | Information management systems established to support prioritization and development of water and sanitation. |
| Outcomes/ impact | Vanuatu's water and sanitation strengthened through more effective information management systems and technical assistance |
| Budget or funds allocated (NZD\$) | NZ\$5m |
| Duration | 2013-2017 |
| Status | Project ongoing |
| Contact point for information | New Zealand Ministry of Foreign Affairs and Trade (MFAT) |

3. NZAID BILATERAL PROGRAMMES: Afghanistan

| Title of project/programme | Afghanistan Renewable Energy Programme Capability Building and Technical Support Programme |
|--|---|
| Policy objective/purpose | To promote opportunities for economic development in Bamyan province through the long-term electrification of Bamyan Town. |
| Partner Government agencies and others eligible for technology transfer | Afghan government (district and provincial), businesses, people living and working in Bamyan town. |
| Enterprises or other institutions providing technology transfer | New Zealand companies |
| Targeted LDC Members | Afghanistan |
| Types of incentives measures for technology transfer | Infrastructure; capability building through technical assistance. |
| Field or sector of technology transfer activities | Energy |
| Type of technology transferred | Infrastructure; Capability building through technical assistance. |
| Expected output related to technology transfer | Ongoing operation of the New Zealand constructed 1MW system (4 modular PV systems) and distribution network through capability building of the local energy utility company responsible for operating, maintaining and managing the system. |
| Outcomes/ impact | Increased commercial activity for businesses. Improved functioning of provincial and district government. Improved quality of home life, including the benefits of lighting, modern communication and computer technology. |
| Budget or funds allocated (NZD\$) | NZ\$24.7m for REP and a further NZ\$0.95m for REP CBP |
| Duration | 2011-2017 |
| Status | Project ongoing |
| Contact point for information | New Zealand Ministry of Foreign Affairs and Trade (MFAT) |

4. NZAID REGIONAL PROGRAMMES: Pacific

| Title of project/programme | Pacific Financial Technical Assistance Centre (PFTAC) |
|--|---|
| Policy objective/purpose | Improved economic management leading to sustainable economic growth across the Pacific Islands |
| Partner Government agencies and others eligible for technology transfer | Government departments including Treasury, Revenue and Customs |
| Enterprises or other institutions providing technology transfer | PFTAC |
| Targeted LDC Members | Pacific Regional (including Timor-Leste) |
| Types of incentives measures for technology transfer | Capacity building through technical assistance and training. |
| Field or sector of technology transfer activities | Public Financial Management Revenue policy and administration Economic statistics Financial sector supervision Macroeconomic management |
| Type of technology transferred | The provision of technical advice and practical support in public financial management, banking regulation, tax administration, macroeconomic management and National Accounts, and in coordinating donor efforts in these areas. |
| Expected output related to technology transfer | Technical advice and capacity building delivered through advisory missions./On-demand remote advice (email, phone) Manuals and guidance notes on key issues. Regional and sub-regional training courses and seminars. |
| Outcomes/ impact | Improved economic management in the Pacific region through the provision of technical advice and capacity building to Pacific Island countries, in key areas of public sector financial management. |
| Budget or funds allocated (NZD\$) | NZ\$12m |
| Duration | 2015/16–2019/20 |
| Status | Project ongoing |
| Contact point for information | http://www.pftac.org/ |

| Title of project/programme | PC Trade Programme |
|--|---|
| Policy objective/purpose | Supporting production of trade statistics by PICs |
| Partner Government agencies and others eligible for technology transfer | Pacific Customs Departments and Pacific National Statistics Offices |
| Enterprises or other institutions providing technology transfer | Statistics New Zealand |
| Targeted LDC Members | Tuvalu, Kiribati |
| Types of incentives measures for technology transfer | Capability building through technical assistance |
| Field or sector of technology transfer activities | Production and utilization of trade statistics |
| Type of technology transferred | Trade statistics database, The provision of technical assistance and capability building |
| Expected output related to technology transfer | Design and installation of New Zealand-designed customs database and software replacement Technical assistance and training for helpdesk services |
| Outcomes/ impact | Improved quality and timeliness of trade statistics in Pacific will support better planning, decision-making, and evidence-based policy making. It will also provide a stronger evidence base to track effective aid and development results. |
| Budget or funds allocated (NZD\$) | NZ\$140k p.a. |
| Duration | 2004-2017 |
| Status | Project ongoing |
| Contact point for information | International and Business Performance Statistics, Statistics New Zealand |

| Title of project/programme | Recognized Seasonal Employer Scheme Strengthening Pacific Partnerships |
|---|--|
| Policy objective/purpose | Pacific states economic development improved by labour mobility initiatives and in-country horticulture enterprises |
| Partner Government agencies and others eligible for technology transfer | Government Departments, community leaders and Pacific groups |
| Enterprises or other institutions providing technology transfer | New Zealand Ministry of Business, Innovation and Employment |
| Targeted LDC Members | Solomon Islands, Vanuatu, Kiribati, Tuvalu |
| Types of incentives measures for technology transfer | Capacity building through technical assistance and training. |
| Field or sector of technology transfer activities | Information management; processes; communication and marketing; horticulture |
| Type of technology transferred | The provision of training and technical advice in information management, processes, knowledge, communication and marketing. In-country horticulture training planned. |
| Expected output related to technology transfer | Training, workshops and secondments to New Zealand for Government representatives, community leaders and groups. The focus will be on information management, processes, knowledge, communication and marketing. |
| Outcomes/ impact | Improvement in the management and coordination of labour mobility initiatives and improved horticulture skills and practices. |
| Budget or funds allocated (NZD\$) | NZ\$6m in total for Pacific Island countries |
| Duration | 2011-2017 |
| Status | Project ongoing |
| Contact point for information | For more information, see Annex 2 |

ANNEX 2¹

1.2 Strengthening Pacific Partnerships (SPP)

1.3 Overview

13. The goal of the Strengthening Pacific Partnerships (SPP) programme is to *increase economic benefits (incomes, skills and remittances) for Pacific Island Countries from labour mobility and improved capacity of Pacific Island Countries to administer labour mobility activities*. The Activity provided technical assistance to participating Pacific states under five focus areas:

- (a) SPP technical assistance for the Recognized Seasonal Employer (RSE) scheme – provide technical assistance to participating Pacific states;
- (b) SPP technical assistance for wider labour export capability and skills development with input from other stakeholders;
- (c) improved regional cooperation around Pacific labour mobility by coordinating existing labour export and labour mobility activities at the regional level, share knowledge, address issues and reduce duplication relating to labour mobility;
- (d) measure the economic benefits of RSE in the Pacific (specifically in relation to remittances) by linking available data provided by the RSE tax code with information on which channels RSE workers are using to remit funds, and how they are spending their money;
- (e) facilitate opportunities for labour mobility in the New Zealand Fisheries and Canterbury trades industries

14. The long-term outcome as listed in the Results Framework of the SPP Programme is Pacific States' economic development assisted by labour mobility initiatives and in-country horticulture enterprises. This is to be achieved through:

- (a) sustained participation by Pacific States in RSE;
- (b) new business opportunities created from in-country horticulture skills and/or income from labour mobility initiatives; and
- (c) Pacific States' increased capacity to manage labour mobility (in addition to RSE).

15. The SPP Programme supported the expansion of New Zealand's *labour mobility sectors*, resulting from PACER Plus negotiations, into fisheries and construction. The aim of the new sectors was increased opportunities for overseas labour mobility for Pacific Island Countries (PICs). The 2015 extension into fisheries and construction had four key outputs:

- (a) the initiative matches PIC workers with employers;
- (b) preparation support for workers and PIC agencies;
- (c) support with settlement of workers, and
- (d) improve trades skills

The Activity currently supports RSE workers from Fiji, Tonga, Samoa, Vanuatu, Nauru, Kiribati, Tuvalu, Papua New Guinea and Solomon Islands.

¹ In English only.

1.4 Evaluation of SPP

16. The New Zealand Aid Programme has just completed an evaluation of the SPP Programme in anticipation of redesigning it for Phase Two, another five-year implementation.

17. The evaluation of the SPP programme (2016) found that the programme had succeeded in strengthening country Labour Sending Unit capacity through the development and implementation of their tailored country-based action plans. The Ministry of Business, Innovation and Employment has built up strong relationships with their Pacific counterparts, which has contributed to the success of the programme. However, the programme could be improved through a united results framework across all labour mobility sectors, possible expansion into reintegration support and a fit-for-purpose approach for each PIC.

18. The Activity will support regional priorities to increase labour mobility in the Pacific, especially to facilitate the economic growth of PICs through increased capacity, as outlined in the New Zealand Aid Programme Strategic Plan 2015-19.

19. For Phase Two, we would like to build on the success of Phase One, but also aim to:

- revise the scope and objectives (including looking at new sectors);
- ensure necessary Pacific regional coverage;
- improve the monitoring and evaluation framework;
- design an adaptive country-specific approach to support; and
- expand the pilot programmes

1.5 Quick Facts:

- The SPP Programme is implemented by the Ministry of Business Innovation and Employment (MBIE)
 - New Zealand Aid Programme has been funding the SPP programme for five years (NZ\$6million over five years)
 - The main role of the team at MBIE is to support Pacific Island states gain access to New Zealand labour mobility schemes by strengthening their capacity.
 - The Recognized Seasonal Employer (RSE) Scheme has been running since 2007 to support horticulture and viticulture growers lift productivity for a global market. A new visa setting was designed for the RSE scheme.
 - In support of New Zealand's commitment to PACER Plus and Pacific Labour Mobility, two new Labour Mobility schemes are being piloted in Construction and Fisheries using existing visa settings.
 - The pilots will be reviewed in 2017 to assess how they will be expanded. Currently they only involve Fiji, Tonga and Samoa.
 - The SPP Programme has been evaluated and will be redesigned, and the improved programme will be implemented from July 2017.
-