

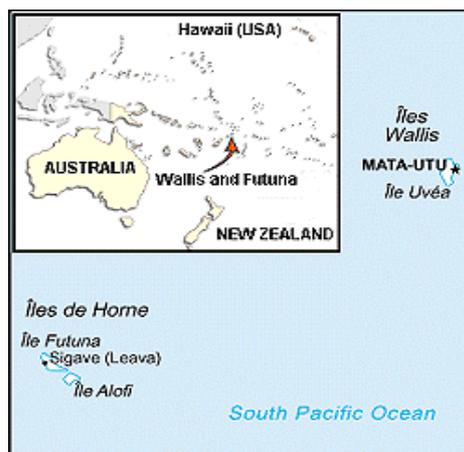
- . 253.000 inhabitants (more or less the population of Samoa),
- . a GDP/capita (31.800 NZD) closer to New Zealand's (38.000 NZD) than Samoa's (3.200 NZD),
- a significant market for New Zealand : in 2004, NZ exports amounted to 170 million NZD, French Polynesia was its second greatest market in the region, its 28th in the world.

- New Caledonia



- . 233.000 inhabitants,
- . GDP/capita : 28.400 NZD,
- . NZ exports in 2004 : 120 million NZD, 3rd greatest market in the Pacific, 35th in the world.

- Wallis et Futuna



- . 15.000 inhabitants

b) recent trends

- increasing autonomy :

. French Polynesia has a new statute that was defined in 2004. Wide responsibilities, own flag and anthem,

. New Caledonia under the Nouméa agreements. Referendum on independence scheduled before the end of the Congress which will be elected in 2014

- better integration into the region

. New Caledonia observer in the Pacific Islands Forum since 1999,

. French Polynesia since 2005

- France, like other EU member States, gives ODA through the European Union (France's share in the current European

Development Fund -EDF- is nearly 1/4, amounting to approximately 25 million NZD/year). But it also maintains a

significant level of bilateral ODA (around 30 million NZD/year). The total amount of French ODA to the Pacific (excluding the French Territories, of course) is around 55 million NZD/year.

2) The EU in the Pacific



a) the current situation

- all independent countries in the region (including Cook and Niue) are now part of the Cotonou Agreement which links ACP countries and the EU,

- for the current EDF (IXth EDF), the amount of ODA to the Pacific amounts to approximately 520 million NZD for bilateral aid and 75 million NZD for regional cooperation (initially 50 million but this was recently increased due to good results). Since 1975, the EU ODA to the Pacific has totalled around 8 billion NZD.

- this makes EU the highest contributor in the region :

. bilateral aid around 115 million NZD/year (New Zealand 88 million),

. regional cooperation 15 million NZD/year (New Zealand 11 million NZD).

Australia is also a significant contributor, mainly to Papua New Guinea.

b) new trends

- the negotiation of EPA (economic partnership agreements), due to replace the Cotonou Agreement, mainly because of the trade provisions. The Cotonou Agreement was based on non-reciprocal trade benefits given by the EU to the ACP countries, the WTO rules no longer allow this type of arrangement. Negotiations began in September 2004 and are expected to be completed by December 2007, but progress is very slow.

- the Commission is currently working on a paper to be submitted to the member-States, defining the European policy guidelines in the region for the years ahead. The EU Director-General for Development was in Australia and New Zealand quite recently for an exchange of views on this subject. New Zealand is keen to make its views known before the draft is released and high-ranking officials from MFAT and NZAID travelled to Brussels, London and Paris recently to express their views,

- the EU has recently agreed on the amount of the next EDF (more than 40 billion NZD on 5 years) and the allocations for Africa, the Caribbean and the Pacific, as well as the division between bilateral and regional aid, should be discussed in the next UE-ACP meeting in Port-Moresby, at the beginning of June,

- on a more general basis, the EU is committed to reach the 0.7% target (percentage of ODA compared to GDP) by 2015, with the intermediate target of 0.56% in 2010. Priority will be given to Africa.

II) Prospects

1) political

a) New Zealand, France and the EU should continue to insist on stability in the region

- this will be one of the main aspects of discussions during the Summit of Pacific leaders which will take place in Paris in June 2006,

- the Cotonou Agreement insists on Human Rights and good governance and this will remain at the heart of the EU's priorities,

- regional cooperation is a key to stability and will remain a key aspect, in line with the "Pacific Plan" which has been adopted by the Pacific leaders,

- stability is to be seen in its broader meaning, including dealing with natural disasters (the FRANZ agreements already provide for coordination between France, Australia and New Zealand in such cases), managing longer-term threats such as global warming, helping the countries of the region to achieve sustainable development (Australia, New Zealand and France have very recently signed an agreement to step up fight against illegal fishing, which deprives the countries of the region of significant revenues and may deplete stock-levels of fish).

b) the French Territories will be increasingly a part of the region

- their role within the Pacific Islands Forum will be enhanced : during the last FIP Summit in Port Moresby it was decided to create a new category of associate Forum members. New Caledonia has already applied and French Polynesia should follow, while Wallis et Futuna will apply for an observer status,

- the financial means towards this end are significant. The EU is devoting nearly 250 million NZD to these French Territories over 5 years, a large share of this amount being devoted to regional cooperation. In 2003, President Chirac decided to double the "Pacific Fund", designed to support regional projects in which our Territories are involved, to 6 million NZD/year,

- New Caledonian authorities are currently examining the possible consequences of associating the Territory with PICTA and under which conditions

2) The economic factor

a) there are serious challenges ahead

- trade liberalization does not necessarily benefit the weakest economies. In February 2001, the EU took the initiative "everything but weapons" in favour of least developed countries, 6 of which are in the Pacific. Under this initiative, all their exports enter the EU without tariffs or quotas. The general lowering of trade barriers will diminish the comparative advantages derived from this initiative for its beneficiaries,

- the Common Agricultural Policy reform affects a number of ACP countries. Fiji is concerned by the lowering of the domestic EU price of sugar : the total loss of revenue for ACP countries (not all in the Pacific) is estimated at 800 million NZD/year

b) a new and complex trade pattern is forming

- there are several different trade negotiations : WTO (PNG, Fiji and the Solomon Islands are members; Vanuatu, Samoa and Tonga have applied for membership), PICTA/PACER with Australia/New Zealand, Economic Partnership Agreements with the EU,

- these negotiations are interrelated : art.5 of PACER says that advantages given to other economic partners should be extended to Australia and New Zealand, which impacts on the discussions with the EU,

- there is a common view that coordination is necessary to avoid problems.

3) new cooperations will develop

- new sectors :

. environment : French initiative on coral reefs (CRISP), waste management, possibility for the EU to focus cooperation on "blue-green" (oceanic resources and environment),

. research : the "Symposium on French Research in the Pacific Region", held in Nouméa in 2004, have demonstrated the interest in developing scientific cooperation in the region. A follow-up meeting will be held in 2006.

- new methods :

. Ministers Baroin and Peters have signed an agreement whereby French aid to Niue for a project on its administration will be administered by NZAID,

. the EU will probably place greater emphasis on regional implementation of national projects in the next EFD.

- towards a new model of cooperation?

. in the Pacific, the distinction between independent and non-independent entities is not always clear-cut, between the autonomy enjoyed by some Territories and the free association of some of the States. The recent example of Tokelau

shows that it is not a one-way street,

. regional integration means less individual sovereignty for member-States. This reality faced by the Pacific States is already

well known and accepted in the EU,

. the type of link between the Pacific and Europe is fast changing. It used to be made up of clichés, "Kannibals and

Vahines" being the two poles of an ambivalent approach by the Europeans. Today, our approach is symbolized by the

Musée du Quai Branly, a museum to be inaugurated in Paris in June, which will be devoted to non-European civilizations.

We value the cultural diversity and distinct originality of Pacific cultures.

Conclusion :

- the international community has other priorities than the Pacific,
- in a globalized world, we have to stay committed to the region,
- New Zealand, France and the EU's cooperation will increase.