

Pacific Islands Political Studies Association
‘Political Change in Oceania: Local, National and Regional Challenges’

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Title: Regional integration of New Caledonia or regional recognition of the French presence in Oceania?

France has an original position in the Pacific Region. Unlike the European Union and some other major donor countries¹ in the region, France defines itself as a resident in the Pacific Region, because of its French overseas territories. The French involvement in New Caledonia, French Polynesia and Wallis and Futuna has created a higher standard of living among these Pacific Islands. This standard of living is real, but most likely artificial. The European Union recently noted, “*It seems that France considers it to be a priority to maintain its presence in the Pacific Region as it ensures a permanent seat on the United Nations Security Council and access to strategic marine resources such as fish and mineral ores.*”

As Nathalie Mrgudovic highlights, “*for a long time, French overseas territories in the South Pacific were restricted to the relationship France had developed in the region. Gradually, the French territories have been able to perform a more specific role. With the implementation of new Statute Laws, New Caledonia and French Polynesia have strong self-governance and, to a certain extent, some power as regards foreign policy. By supporting their regional integration, the French State has encouraged them to become political players in the region*”³.

Therefore, we have moved from regionalism including the French territories in the Pacific Community⁴ (SPC) to indigenous and political regionalism in the Pacific Forum⁵ (PIF), which didn’t include them, at least at the beginning. New Caledonia became an observer in the PIF as early as 1999, following the Noumea Agreement. This may have meant the Forum, with the active support of the Melanesian Spearhead Group (MSG), was approving the new path to independence. French Polynesia, ruled by the independence leader Oscar Temaru at the time, was admitted in 2004, even though no self-determining referendum was planned. Both territories became associate members in 2006. Moreover, Wallis and Futuna became an observer in the PIF in 2006 even though its Statute Law shows strong dependence on France... The Kanak independence leader Roch Wamytan protested against the Polynesian admittance, blaming France for “*cheque-book diplomacy*”, with the aim to turn French Polynesia into “*a messenger of France*”⁶.

Today, this ambiguous situation continues. In the words of Denise Fisher, “*Everybody in the region is waiting for the referendum in New Caledonia, as frequently promised as postponed, and which has so often failed in the past. Moreover, in French Polynesia, France now has to accept the role of the United Nations. The French State missed out on an opportunity to show its good faith, when the Polynesian people, led by Oscar Temaru, and supported by three small island states, asked for the re-admission of French Polynesia onto the UN list of non-self-governing territories on 17th May 2013*”⁷.

Unfortunately it is feared that France has no real intention of decolonizing the French territories. France has never succeeded in decolonization at any time or anywhere... That’s why all possible efforts must be made to overcome the mistrust and ensure the final referendum. To go to the polls, you have to have faith in a fair definition of the electorate. Without this fair and true definition, there will be no approval of the result of the vote. The electorate in the final referendum combines all those who will have the right to express their vote deciding on independence⁸, Kanaks and non-

Kanaks. According to International Law, a country, which is engaged in a decolonisation process, has to discourage immigration from the former colonizing territory. The Kanaks are still extremely concerned about renewed French settlement in New Caledonia. In 1988 the political compromise sealed up into the Matignon Agreement and confirmed with the Noumea Agreement in 1998, was tough. Those taking up residence after 1988 will not be able to vote in the future constitutional referendum unless, by the year 2014, they prove they have been residents continuously for 20 years. Thus, the last voters would have had to have moved to New Caledonia before the end of 1994. All the Kanak people, who have or have had customary civil status, have to be enrolled on the electoral roll. However, the Organic Statute Law, recently modified in 2015, requires them first to enrol in person on the general electorate, composed of all the French nationals living in New Caledonia and including the Caledonian citizens as well. As a result, only 65 467 Kanaks are enrolled, out of a total of 90 949 adults with customary civil status⁹. At the same time there are 80 080 non-Kanaks enrolled. 25 282 Kanaks who have never been enrolled are missing. Without the enrolment of all the Kanaks on the electoral roll the referendum tends to lose its meaning.

This is why it is not clear that New Caledonia's new autonomy will come with a distance from French policy and will favour a true decolonization process. Diplomatic competence is shared in New Caledonia, but, within the collegial local government, it favours a sort of contradictory policy.

1. Diplomacy is shared in New Caledonia

- a. With the French State
- b. With the FLNKS

2. A diplomacy of opposites

- a. The dual policy
- b. The strong preference for *status quo*

1. Diplomacy is shared in New Caledonia

Firstly, foreign policy is shared with the French State, and, secondly, with the Kanak and Socialist National Liberation Front (FLNKS), which is an independent player.

A. Diplomacy is shared with the French State

Pursuant to the Noumea Agreement, diplomacy is “*a shared competence*”¹⁰. The idea of shared competence is unclear¹¹: it might come out as a cosignatory. On the opposite, foreign policy ranks among the sovereign functions, which belong to the French State until New Caledonia's potential attainment of full sovereignty.

However, the Organic Statute Law recognizes an independent right of initiative to the local government, both in the field of the competences of the country and of the competences of the French State. The local government must always comply with France's international obligations.

In the field of the competences of the French State¹², the French Republic could entrust the President of local government with bargaining power and authorize him to negotiate and sign agreements. When the French State itself conducts the negotiations the President of local government could be included in the delegation. There is only one unique example of this, a cooperation agreement between New Caledonia and the government of Vanuatu, signed in 1993 in Port Vila. Although no cooperation agreements have yet been signed, scheduled bilateral discussions with Australia and New Zealand and the local government reflect the same spirit.

In its own field of competences¹³, today New Caledonia is able to negotiate agreements with foreign countries or regional organisations. This is recognition of an independent right of initiative as regards foreign policy. Congress authorizes the President of the government to negotiate an agreement. The French Republic is informed of the negotiation and, by special request, is included. At the end of the talks, and subject to full compliance with France's international commitments, the French Republic confers the power to sign the agreement on the President of the New Caledonian government. To date, this possibility has never been used. However, it could be useful, for example, to sign a tax cooperation agreement between Australia and New Caledonia to avoid tax fraud and avoidance, and curb corruption.

This procedure comes under the control of the French State. According to the French Constitution, international agreements must always be ratified by the President of France or the French Parliament¹⁴. This ensures the French State maintains jurisdiction and control over them.

Although the New Caledonian government is ruled by collegial policy and elected by the Congress under a system of proportional representation, foreign policy falls within the President of the government's power. Until now, the President of New Caledonia has always been a non-independence leader. By law, the President represents New Caledonia in international organizations.

Furthermore, according to Article 30 of the Organic Statute Law, the President of the government, and if necessary, the presidents of the three provinces, participate in the French delegation, in European Union talks "*regarding relationships with New Caledonia*". This precautionary wording enables New Caledonia to associate with all kinds of negotiations with the EU which are relevant to it. The economic competence of the provinces justifies their involvement in the talks.

B. Diplomacy is shared with the FLNKS

The Melanesian Spearhead Group (MSG) is an international organization, composed of the four Melanesian states of Fiji, Papua New Guinea, Solomon Islands and Vanuatu and the FLNKS of New Caledonia. It was founded in 1986 in order to support the independence movement in New Caledonia¹⁵. For this reason New Caledonia is represented by a liberation movement and not by its government.

Melanesia is often referred to as an "*arc of instability*"¹⁶. New Caledonia, Bougainville, West Papua, but also Fiji or Papua New Guinea, are among the examples of complex stories and instability. In the words of Douglas Bronwen, "*it can be said that there are states in Melanesia, but no nations, nor nation-states, and very few citizens as equal members of the same national regime*"¹⁷.

However, the ambition of the MSG was to establish cooperation and stability in Melanesia: the six Principles of Cooperation¹⁸ signed in March 1988 were a humble beginning: tradition, friendship, Melanesian networking, respect for each other's sovereignty, cooperation and peace. "*Not really a Constitution, nor a Charter, these principles didn't enforce international cooperation*"¹⁹, as summed up by Nathalie Mrgudovic.

The MSG has encountered two major ambiguities from the beginning:

- Founded to express Melanesian solidarity, it gathers members, which are all members of PIF and SPC. So, how could it exist as a complementary organisation, not a competitor? It

shouldn't be seen as a threat, but as a positive reinforcement of regional integration. However, in fact, the MSG, deals with questions at a sub-regional level, for example climate change, economic cooperation or security, which have already been discussed at the PIF or CPS.²⁰

- Can Melanesian political solidarity prevail over *Realpolitik*? The MSG granted observer status to the United Liberation Movement for West Papua (ULMWP) in 2015 but granted associate membership status to Indonesia in the same year which seems to contradict MSG support of the FLNKS in New Caledonia. The political situation within the MSG is deteriorating while Vanuatu and Solomon Islands disagree with Fiji both for full MSG Membership for West Papua and the nomination for the position of the Director General of the Melanesian Spearhead Group.

There has been a change in attitude towards New Caledonia. From the beginning, the MSG supported the Liberation Front. Envisaging integration of New Caledonia into the MSG alongside the FLNKS shows how much MSG has changed perspective. It stresses the crucial role played by the most important Member States, Fiji and Papua-New Guinea.

The FLNKS continues to actively support the Melanesian Liberation movements, even if it cuts it off from some of its diplomatic partners. Assuming the Chair of the MSG in 2013, the FLNKS announced West Papua as a priority for the organization. It also strongly supports a Melanesian Free Trade Agreement.

These shared competences lead to an unlikely synthesis: a diplomacy of opposites.

2. A diplomacy of opposites

Nathalie Mrgudovic, questioning the true interest in regional integration of the French territories, noted: “*New Caledonia and French Polynesia are distinctive countries with different political forces. The pro-independence movements embody the ambition to open their countries to the region, while looking for international support. However, the political parties have switched roles in New Caledonia and French Polynesia. In French Polynesia, Gaston Flosse, an “autonomist” leader, took the initiative of opening the country to the region, which was continued by his successor, the pro-independence leader, Oscar Temaru. In New Caledonia on the contrary, there are the pro-independence leaders, who have encouraged the non-independence parties to cooperate with the Melanesian region*”²¹. This shows that regional integration is served from both sides of the political spectrum. However, there is no strong synthesis. It often looks like as a dual policy.

a. The dual policy

Should the local government give priority to the relationship with the European Union or should it favour regional integration with Melanesian countries, Australia and New Zealand?

In the government's general policy statement, proclaimed before Congress on 13 April 2015, Philippe Germain, the current non-independence President, presented a catalogue of proposals, which stacked on top of each other: “*becoming a full Member of the PIF, strengthening our place in the MSG*”, but also “*making the voice of non-independence people heard at United Nations level, increasing the relationship with the European Union*”, or even “*spreading the word of France with the two other French territories in the Pacific region*”. Both sides of diplomatic policy working at the same time.

Increasing the relationship with the European Union

The aims of being part of the European Union and that of regional integration aren't totally irreconcilable, because of the European Union's policy. This policy combines three complementary instruments:

The first instrument is the Cotonou Agreement, which is a treaty between the European Union and the African, Caribbean and Pacific Group of States (the ACP countries), which came into force in 2003 and was subsequently revised in 2005 and 2010²². It is designed to last for a period of 20 years, until 2020. A political pillar has become a mainstay of the treaty: in the case of a serious and persistent breach of the principles of democracy, respect of human rights or rule of law, the European Union can immediately suspend its cooperation. A second pillar is a commercial one: the ACP countries have to conclude trade agreements with the European Union, but today, on the basis of reciprocity, and regional cooperation.

The second European instrument is the "Overseas Association Decision" (OAD)²³. The Overseas Countries and Territories (OCT) are dependent territories that have a special relationship with one of the member states of the EU, and are only associated with the EU, like the three French territories. The basic principle is that all products originating in the OCTs shall be allowed into the EU free of customs duties and without quantitative restrictions to trading. However, reciprocity is not necessary: pursuant to Article 45 of the OAD, "*the authorities of the OCTs may retain or introduce, in respect of imports of products originating in the European Union, such customs duties or quantitative restrictions as they consider necessary in view of their respective development needs*".

The OCTs "*can only grant treatment no less favourable than the most favourable treatment applicable to any major trading economy to the European Union*". In addition to the fields of sustainable development and environmental issues that are funded by the EU, the OAD provides an interesting trade regime, based on accumulation of origin: this regime allows materials originating in the EU or ACP countries to be considered as materials originating in an OCT, when incorporated into a product obtained there. The possibility of an OCT slightly transforming a product originating in an ACP country and exporting it to the EU, is the main benefit. It is a win-win partnership²² for better regional integration.

The third European instrument is the renewed EU-Pacific Development Partnership²³. This is a joint communication to the European Parliament, the Council, the European Economic and Social Committee and the Committee of the Regions, which explains the policy of the EU, as a global player with Pacific countries. The EU's partnerships in the Pacific involve 15 independent Island Countries²⁴, 4 Overseas Countries and Territories (OCT)²⁵, the Pacific Islands Forum (PIF) as well as Australia and New Zealand, key members of the Forum and like-minded partners. This Joint Communication focuses on the development aspects of EU relations with the region and proposes a set of actions for more effective Pacific-EU cooperation with a logic of partnership. This builds on both the Cotonou Agreement and experience gained in the implementation of the EU Strategy for the Pacific.

Thus, in accordance with the policy set out by the European Union, the non-independence parties, in principle, are taking part in building this area of regional cooperation. The French State officially supports this policy. This is illustrated by the efforts of the French Pacific Fund to promote regional cooperation²⁶.

Increasing regional integration

On one hand, the FLNKS is building a lot on Melanesian solidarity; this is its own political touch. On the other hand, the MSG favours an increasing relationship with French Pacific territories, especially New Caledonia. As Nathalie Mrgudovic highlights, “*the political stability of New Caledonia, its commitment to the region, true or simply potential, and its privileged relations with the EU, are substantive arguments for the four Melanesian states, in particular for the proposed free-trade agreement the MSG wants to achieve*”²⁷. She also noted, that during its fifteenth summit in 2003, the MSG asked the FLNKS to convince New Caledonia to sign the Free Trade Agreement. New Caledonia has become attractive to the Melanesian states. Moreover, in 2013 New Caledonia, not just the FLNKS, hosted the nineteenth Summit of MSG, which marks the increasing importance of the role the MSG would like the country to play. In the end, after all of this, the Caledonian Union, one of the most important parties of FLNKS, disagreed with this integration of the country as an associate member of the MSG in May 2016.

New Caledonian behaviour sometimes seems to be a trick. What is bred in the bone will come out in the flesh! An MSG ministerial visit should have been organized to New Caledonia in July 2012 to assess progress of the fulfilment of the Noumea Agreement. As soon as Frank Bainimarama was announced to lead the mission, the non-independence leaders led by Philippe Gomès opposed the arrival of a “*Melanesian dictator*” on Caledonian soil²⁸. This « stunt », justified by domestic policy, aimed to oppose French democratic values and those of the Melanesian region ... Based on “*non-intervention in matters that are essentially within the domestic jurisdiction of any State*”, the MSG postponed the mission “*to another more appropriate date*”. New Caledonia let it be known that the visit, without Bainimarama, “*would always be welcome*”²⁹. The same thing could have occurred again in June 2013 for the opening of the nineteenth Summit of MSG in Noumea by Bainimarama. However, this time, the French government gave the Commodore an entry permit, because he had announced general elections in Fiji for September 2014.

The aim of New Caledonia to join the MSG is a first step. Becoming a full member of the PIF is also an objective. This was proclaimed by Philippe Gomès, the former non-independence President, on 31 August 2009 as part of the government’s general policy statement. The French State shared this view. During the visit of the French Prime Minister, Manuel Valls, to New Caledonia, New Zealand and Australia in April 2016, accompanied by the President of the local government, France reasserted its wish to see the country as a full member of the PIF. France hoped and called for the support of its Pacific neighbours³⁰. France’s partners would have to overcome the suspicion of letting France indirectly become a member of PIF through New Caledonia.

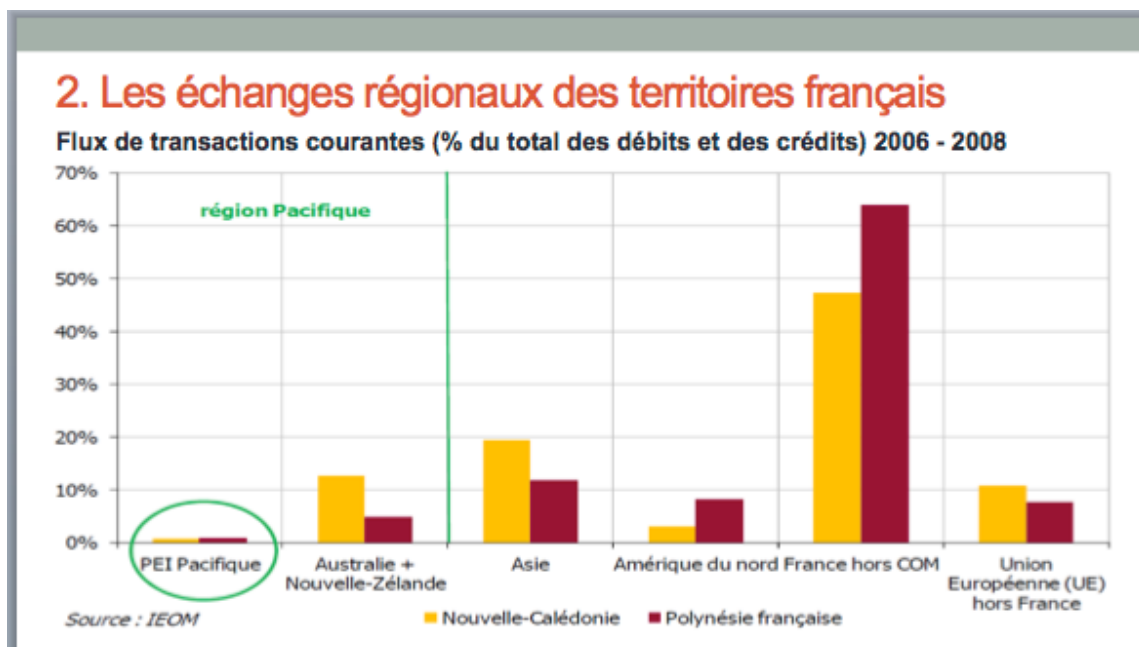
In Latin countries, words are action! That’s why the willingness for regional integration hasn’t been accompanied by concrete action. In practice, the *status quo* is clearly preferred.

b. The strong preference for *status quo*

There are many regional cooperation agreements in the Pacific to promote trade in goods and services: The Pacific Agreement on Closer Economic Relations (PACER) is an umbrella agreement between members of the PIF (the Forum Island countries plus Australia and New Zealand), which provides a framework for the future development of trade cooperation. It was first signed at Nauru on 18 August 2001 and entered into force on 3 October 2002. It’s a first step to the Pacific Island Countries Trade Agreement (PICTA), which aims to establish a free-trade area between 14 of the Pacific Islands Forum countries. As of 2013, it had been signed by 12 states³¹. There is a third agreement, the *South Pacific Regional Trade and Economic Cooperation Agreement (SPARTECA)*, which is a non-reciprocal trade agreement in which Australia and New Zealand offer duty-free and unrestricted access for specified products originating from the developing island member countries of the PIF. The French territories have been left out of all of these.

The European Union and France are by far the most important economic partners of New Caledonia (58%) and French Polynesia (72%) for trade flows. Although the French territories have nearly the same GDP per capita as their much bigger Australian and Kiwi neighbours, trade flows are marginal. Australia accounts for 10% of the current account of balance of payments with New Caledonia, while New Zealand accounts for only 2%. Nevertheless, Australia is New Caledonia's second service provider because of the nickel industry and tourism³³. Polynesian exports in the region are nothing (0.14% of GDP) and very weak for New Caledonia (2% of GDP). Imports into French Polynesia from Oceania are weak (3% of GDP) as in New Caledonia (5.4% of GDP). To sum up, trade with Oceania is nearly non-existent. Exports are very weak because New Caledonia only exports nickel ore (with low added-value) to Australia and almost nothing to New Zealand and other Island countries.

*Graph from the PhD thesis of Jeremy Ellero³²,
presented on 25 March 2016 at the University of New Caledonia*



Being part of France is a first explanation, but not the only one. French Polynesia and New Caledonia have introduced high tariff and non-tariff barriers as regards their neighbour states and these make them artificial and closed economies. As a result, more than the half of taxes in both countries is customs duties and indirect taxation. In New Caledonia, the average rate of customs duty is 19% with big disparities. According to the Competition Authority, “29% of the purchase prices of general consumer goods are customs duties”³⁴. External pressure has constantly influenced the local government, mainly coming from Australia during bilateral talks. Australia increasingly asks for a decrease in customs tariffs. New Caledonia avoids responding.

Juridically, customs protection is not in compliance with the principles of multilateralism of the World Trade Organisation³⁵ (WTO); however, it makes it possible for small countries to develop an industrial base, even though their internal market size wouldn't allow them to compete internationally. Nevertheless, a country cannot only be made up of consumers consuming imported

goods without producing anything. Facing the PICTA and especially the PACER, French territories risk being doubly hit by Oceania countries with low labour cost and Australia and New Zealand with high added value³⁶.

In contrast to the trade liberalisation issue (do we need to produce locally or import from the outside?), which faces both opposition and support, regional integration of the country doesn't have any support from local economic players. The import and distribution sector, which is directly linked to French retailers, is certainly the first reason. It would have few products to import from the region. On the other hand, local industry would have almost nothing to sell, because of a weak competitive position in comparison with Australia and New Zealand as a result of economies of scale associated with higher production volumes³⁷. This is why public opinion truly prefers *status quo*.

Nevertheless, the New Caledonian government may not be totally against change. To replace custom duties by a “*General Consumption Tax*”³⁸, based on added value like Goods and Services Tax (GST), is a first sign of this. The reform will have a dry run from the beginning of 2017 and would enter into force in July 2018. Thus, the country is trying to remove customs duties, which have given New Caledonian industry a competitive advantage regarding imports and to create a more neutral tax. The transition phase must be accompanied by at least two actions: the first would make local industry more competitive, and the second would maintain protection of local industry. This is why the government proposed a new tax, the “*Cyclical Import Tax for the Protection of Local Manufacturing*” payable on taxable imports competing with local producers. The government also proposed a reduced GST rate for local manufacturing. These two actions would strongly limit the impact of the reform on local manufacturing, and also limit the inevitable exposure to regional trade. That's the ongoing debate in Congress today.

The ambiguity of the Caledonian regional policy has come a long way. The economist Jean Freyss, who studied the Caledonian economy by special request of Jean-Marie Tjibaou, the Kanak leader assassinated in 1989, wrote twenty years ago: “*Opposition to regional integration reflects a social choice of New Caledonia and other French territories. We have a paradoxical situation in which we have rich, but assisted, economies*”³⁹. The current findings of young researchers, such as Vivien Hipeau, revisit yesterday's assertions: “*The sociological building of a new people, the Caledonian people, through Caledonian citizenship (...), has been given priority over the sociological reality of an existing Kanak population, which seems more in favour of independence. The true but unconfessed intention of Caledonian citizenship is hidden here, that is to say having Kanak people believe in honest preparation for independence while simultaneously hoping to escape it*”⁴⁰.

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¹ More than 90% of public aid given to Small Island Developing States (SIDS) in the Pacific Region comes from six main donors, which are Australia, France, Japan, New Zealand, USA and the EU, in *Stratégie de développement de l'Union européenne dans le Pacifique*, Parlement européen, direction générale des politiques externes de l'Union, rapport - juin 2014 PE 534.976, p. 28.

³ Nathalie Mrgudovic, *Les territoires français d'Océanie Une intégration régionale croissante*, Mondes Océaniens, mars 2010 - *Etudes en l'honneur de Paul de Deckker* Jean-Yves Faberon et Armand Hage, dir. p. 199.

⁴ New Caledonia is a full member of two technical international organizations, the Pacific Community (SPC) and the Secretariat of the Pacific Regional Environment Programme (SPREP).

⁵ The Pacific Island Forum, founded in 1971 as the South Pacific Forum until 1999, includes 16 independent or associated States: Australia, Cook Islands, Fiji, Kiribati, Marshall Islands, Micronesia, Nauru, New Zealand, Niue, Palau, Papua New Guinea, Solomon Islands, Samoa, Tonga, Tuvalu, Vanuatu. French Polynesia has become an associate member, like New Caledonia. Wallis and Futuna is an observer. In 1994, the PIF was granted observer status with the United Nations General Assembly. The formation of the forum was accompanied by a colourful international debate. The relationship with France was strained and got into a heated argument, because the PIF was created in opposition to French nuclear experiments in the Pacific region. The Forum holds an annual meeting of heads of government, in order to establish consensus in a very mixed Pacific community. It is coordinated by a permanent secretariat based in Suva, Fiji.

⁶ Nathalie Mrgudovic, above-mentioned, p. 205.

⁷ Denise Fisher, Rhétoriques et réalités : les collectivités françaises et leurs voisins du Pacifique Sud, *Le Journal de la Société des Océanistes*, n° 140 janvier - juin 2015, p. 46. The United Nations General Assembly resolution dates back to 17 May 2013 (A/Rés/67/265, Nations unies, 2013).

⁸ Article 218 of the 19 March 1999 Statute Organic Law: “Those allowed to vote in the referendum are voters registered on the electoral roll at the date of the referendum and who fulfil one of the following conditions:

- a) Having been able to vote in the referendum of 8 November 1998;
 - b) Not being registered on the electoral roll for the referendum of 8 November 1998, but fulfilling the permanent residence condition required to vote in that referendum;
 - c) Not having been able to be registered on the electoral roll for the referendum of 8 November 1998 because of not fulfilling the permanent residence requirement, and proving that the absence was due to family, occupational or medical reasons;
 - d) Having had customary civil status or, born in New Caledonia, having had the centre of their material and moral interests there;
 - e) Having one parent born in New Caledonia and having the centre of their material and moral interests there;
 - f) Being able to prove 20 years of continuous permanent residence in New Caledonia at the date of the referendum and no later than 31 December 2014;
 - g) Born before 1 January 1989 with permanent residence in New Caledonia from 1988 to 1998;
 - h) Born after 1 January 1989 and having reached the age of majority at the date of the referendum and having had one parent fulfilling the conditions to participate in the referendum of 8 November 1998.
- Periods spent outside New Caledonia to perform national service, for study or training or for family, occupational or medical reasons, by persons with prior permanent residence, are not deemed to interrupt the period taken into consideration to assess the permanent residence requirement”.

⁹ Source : ISEE, note d’information n° CS 14-3080 de la DIRAG (Direction de la Réglementation et des Affaires Générales) en date du 25 mars 2015. Kanak population with customary status is 134.022 in 2016.

¹⁰ Noumea Agreement, point 3.2.

¹¹ Mathias Chauchat, Les institutions en Nouvelle-Calédonie, CDP Nouvelle-Calédonie - SCEREN, août 2011, p. 244 et suivantes.

¹² 19 March 1999 Statute Organic Law, Article 28.

¹³ 19 March 1999 Statute Organic Law, Article 29.

¹⁴ French Constitution, Articles 52 and 53.

¹⁵ The Melanesian Spearhead Group is an intergovernmental organization, composed of the four Melanesian States of Fiji, Papua New Guinea, Solomon Islands and Vanuatu, and the Kanak and Socialist National Liberation front of New Caledonia. Papua New Guinea, Solomon Islands and Vanuatu are founding members. Initially conceived to support the independence movement in New Caledonia, the MSG has evolved to deal with questions such as free trade agreement (through preferential agreements between Member States) and cultural issues like the Melanesian Arts Festival. On 23 March 2007, members signed the *Agreement Establishing the Melanesian Spearhead Group*, formalizing the group under international law, after years of operating on an *ad-hoc* basis. The headquarters are in Port Vila, Vanuatu.

¹⁶ Robert Ayson, The ‘arc of instability’ and Australia’s strategic policy, in *Australian Journal of International Affairs*

2007, 61, 2, pp. 215-231.

¹⁷ Douglas Bronwen, Les « Etats » faibles et les affirmations nationalistes locales, des paradigmes mélanésien en émergence ? *Ethnologies comparées* n° 6, 2003, Océanie, début de siècle, p. 17.

¹⁸ Principles of Cooperation: “Under the Agreed Principles of Co-operation, MSG countries commit themselves to the principles of respect of each other's sovereignty and to cooperate in promoting the following common interests: (a) Melanesian heritage with its unique cultures, traditions, customs and values; (b) Friendly relations with each other and other international organizations like the South Pacific Forum (now the Pacific Islands Forum) and the United Nations; (c) Need for "networking" and free interaction amongst Melanesian States; (d) Respect for each other's sovereignty; (e) Promotion of economic and technical cooperation; and (f) Maintain peace and harmony in the region”.

¹⁹ Nathalie Mrgudovic, Le groupe du Fer de Lance Mélanésien face à ses défis, *Le Journal de la Société des Océanistes*, n° 140 janvier juin 2015, p. 61.

²⁰ Nathalie Mrgudovic, Le groupe du Fer de Lance Mélanésien face à ses défis, above-mentioned, p. 60.

²¹ Nathalie Mrgudovic, Les territoires français d'Océanie Une intégration régionale croissante, Mondes Océaniques, mars 2010 - *Etudes en l'honneur de Paul de Deckker* Jean-Yves Faberon et Armand Hage, dir. p. 199, p. 216.

²² The ACP-EU Partnership Agreement, signed in Cotonou on 23 June 2000, was concluded for a 20-year period from 2000 to 2020. It is the most comprehensive partnership agreement between developing countries and the EU. Since 2000, it has been the framework for EU's relations with 79 countries from Africa, the Caribbean and the Pacific (ACP). In 2010, ACP-EU cooperation was adapted to new challenges such as climate change, food security, regional integration, State fragility, and aid effectiveness.

²³ Council Decision 2013/755/EU of 25 November 2013 on the association of the overseas countries and territories with the European Union (‘Overseas Association Decision’).

²² Rémy Louis Budoc, Quelle association UE PTOM à l'horizon 2014/2020 ? Le cas du Pacifique Sud, *Le Journal de la Société des Océanistes*, n° 140 janvier juin 2015, p. 21 et suivantes. This win-win partnership is elaborated on in Articles 8 to 10 of Council Decision 2013/755/EU of 25 November 2013.

²³ Joint communication to the European Parliament, the Council, the European economic and social committee and the Committee of the regions, 21 March 2012, JOIN (2012) 6 final.

²⁴ Cook Islands (no vote in the UN), Federated States of Micronesia, Fiji, Kiribati, Marshall Islands, Nauru, Niue (no vote in the UN), Palau, Papua New Guinea, Samoa, Solomon Islands, Timor Leste, Tonga, Tuvalu and Vanuatu, which are ACP countries as well.

²⁵ French Polynesia, New Caledonia, Wallis and Futuna and Pitcairn.

²⁶ The Pacific Economic, Social and Cultural Fund is one of France's main aid instruments in the Pacific Region. Funded by the French Ministry of Foreign Affairs, it contributes to the regional integration of New Caledonia, French Polynesia and Wallis and Futuna to the region. The Fund amounts to €1 380 000 (XPF 165 million). It subsidises around forty projects annually, the average funded amount is €30 000.

²⁷ Nathalie Mrgudovic, Le groupe du Fer de Lance Mélanésien face à ses défis, above-mentioned, p. 66.

²⁸ Flash d'Océanie, 21/06/2012.

²⁹ *Idem*.

³⁰ Quotidien Libération (France), 1^{er} mai 2016, Valls en Nouvelle-Zélande avant une visite impromptue en Australie post contrats de sous-marins.

³¹ Not including Palau and Marshall Islands.

³³ *Ibid.* p. 68.

³² Gaël Lagadec (sous la direction de), Jérémy Ellero, Etienne Farvaque, *Quelle insertion économique régionale pour les territoires français du Pacifique ?* Presses universitaires de Nouvelle-Calédonie, collection LARJE 2016, p. 66.

³⁴ Autorité de la concurrence, *Rapport relatif aux mécanismes d'importation et de distribution des produits de grande consommation en Nouvelle-Calédonie*, du 21 septembre 2012, cité in Gaël Lagadec (sous la direction de), Jérémy Ellero, Etienne Farvaque, précité, p. 17.

³⁵ In the New Caledonian regional environment, Australia, New Zealand, Fiji, Papua New Guinea, and more recently Vanuatu, are WTO members.

³⁶ Gaël Lagadec (sous la direction de), Jérémy Ellero, Etienne Farvaque, above-mentioned, p. 74.

³⁷ *Ibid.* p. 76.

³⁸ The General Consumption Tax replaces the General Import Tax (in French, *taxe générale à l'importation*), Basic Tax on Imports (in French, *taxe de base à l'importation*), Port Toll Rate (in French, *taxe de péage*), Solidarity Levy on Services (in French, *taxe de solidarité sur les services*), Air Cargo Tax (in French, *taxe sur le fret aérien*) and additional provincial taxes (in French, *centimes additionnels*). This change would cost XPF 53 billion which must be recuperated with the General Consumption Tax.

All supplies of goods and services are subject to the new tax, except for the cases explicitly provided for: basic necessities including poultry, milk, rice, oils, sugar, etc., health care, education, training and social services like childcare centres, retirement homes, real estate, not-for-profit-organizations and, at least sub-contractors hauling the ore for mining companies. The base rate is 11%. Local products are taxed at 3%, but also fertiliser, drugs, oil products, gas and electricity, books, diapers, sanitary pads, etc. Some services are taxed at 3% including movie theatre, spectacles, sport, renovating home or communal services. Other products are taxed at 22% including alcohols, tobacco, sweet beverages, candies, pastry, pet food, cars except hybrid or electric cars, boats and spare parts, perfumes, electronic devices, guns, etc.

³⁹ Jean Freyss, *Economie assistée et changement social en Nouvelle-Calédonie*, PUF, collection Tiers Monde/IEDES, 1995, p. 228.

⁴⁰ Vivien Hipeau, *Les ambiguïtés de la citoyenneté calédonienne dans la République française*, RFDA 2014 p.1103.