

## **PACIFIC REGIONAL E-COMMERCE STRATEGY OVERVIEW**

In a post-COVID-19 Blue Pacific, E-commerce is set to become an integral part of the new normal. E-commerce can be strategically leveraged to mitigate the 'tyranny of distance' and to make the most of FIC's comparative advantages in sectors such as tourism, fisheries, kava, call centres and other business process outsourcing (BPO) services, etc.

From 2017 to 2021, eleven FICs have completed their National E-commerce Assessments which focused on seven key policy areas found in the United Nations Conference on Trade and Development (UNCTAD) E-Trade Readiness Assessment methodology. These include (1) National E-commerce Readiness and Strategy Formulation; (2) ICT Infrastructure and Services; (3) Trade Logistics and Trade Facilitation; (4) Legal and Institutional Framework; (5) Electronic Payment Solutions; (6) E-commerce Skill Development; and (7) Access to Finance for E-commerce. A Regional Assessment Report was also developed in 2020 by the Pacific Islands Forum Secretariat (PIFS).

The Pacific Regional E-commerce Strategy and Roadmap falls under the Pacific Aid for Trade Strategy 2020-2025 and identifies measures which can improve E-commerce readiness through the forms of collective action identified by the Framework for Pacific Regionalism (FPR). The Strategy is complementary to the 2050 Strategy for the Blue Pacific Continent that will be deliberated upon by Forum Leaders later in 2021. Given its comprehensive approach to digital trade, many of the strategy's measures will require interaction with and leadership by ministries and agencies whose core mandate is not necessarily focussing on trade matters, for example Finance ministries. It is aligned with the Framework for Pacific Regionalism (FPR), the Pacific Aid for Trade Strategy 2020 – 2025, and mainstreams gender equality.

The Strategy proposes a vision of a transformative Blue Pacific economy where all businesses and consumers actively engage in domestic and cross-border electronic commerce. To achieve its vision, the Strategy targets three Overarching Outcomes, namely (1) more online consumers; (2) more online businesses; who are (3) connected through a faster and more inclusive network. Seven intermediate or Thematic Outcomes are conducive to three Overarching Outcomes, one for each of the E-Trade Readiness policy areas. Direct impacts are captured through 18 Strategic Outputs, which are delivered through 54 Measures.

### **E-commerce Strategy Measures**

Some of the proposed Measures are considered 'Strategy boosters' and should therefore be treated in priority, noting that their implementation will accelerate E-commerce adoption and digital transition. These include inter-alia:

- Establish a Pacific E-commerce Committee;
- Launch an informational Pacific E-commerce Portal;
- Complete the regional ICT infrastructure through international cables and other suitable satellite technologies;
- Deploy interoperable customs systems including ASYCUDA in all FICs that have not acquired one, to increase harmonization of processes and procedures with the ability to connect to future Single Window Systems;
- Promote utilisation of international E-commerce platforms or marketplaces and support local and regional marketplaces;
- Adopt UNCITRAL model laws on electronic transactions;
- Develop FIC negotiators' skills on E-commerce;
- Promote the use of fintech-based solutions for transferring remittances;
- Provide digital and business skills training to women entrepreneurs;
- Support to the development of alternate financing options like crowdfunding and pre-sales mechanisms for start-ups.

## **Governance**

At the core of the strategy implementation lies the Pacific E-commerce Committee, which will be established under the auspices of the Pacific Islands Forum Secretariat. Members of the Committee will comprise National E-commerce Focal Points from Forum Island Countries. Representatives of the agencies implementing measures envisaged under the strategy and funding partners of those measures will attend as observers. It would report to Forum Trade Ministers through the Steering Committee of the Pacific Aid-for-Trade Strategy Working Group. The Pacific Islands Forum Secretariat will provide secretarial support to the Committee. It is recommended that sub-committees for the private sector and development partners are also established. As the regional agency duly mandated to lead on trade-related matters, the PIFS will coordinate the implementation of the Pacific Region E-commerce Strategy on behalf of the PacifEcom Alliance.