



**Pacific**  
E-commerce  
Initiative

# Monitoring and Evaluation 2<sup>nd</sup> Report for the Pacific Regional E-commerce Strategy and Roadmap

March 2024



PACIFIC ISLANDS FORUM

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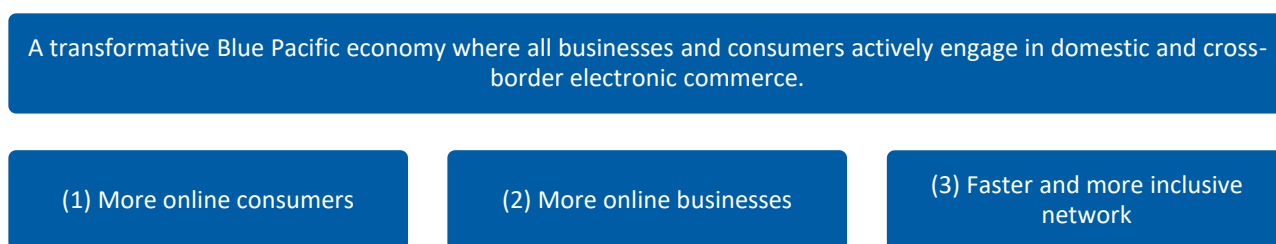
## MONITORING AND EVALUATION REPORT

### 1. Background

The [Pacific Regional E-commerce Strategy and Roadmap](#) (henceforth 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.

Figure 1: Vision and Overarching Outcomes



Seven intermediate or Thematic Outcomes are conducive to the three Overarching Outcomes:

- KPA 1, E-commerce Readiness and Strategy Formulation.
- KPA 2, ICT infrastructure and Services.
- KPA 3, Trade Logistics and Trade Facilitation.
- KPA 4, Legal and Regulatory Framework.
- KPA 5, Electronic Payment Solutions.
- KPA 6, E-commerce Skill Development.
- KPA 7, Access to Finance for E-commerce.

These Thematic Outcomes are referred as **Key Policy Areas**, or **KPAs**, in the Strategy.

Direct impacts on the KPAs are captured through **18 Strategic Outputs (SOs)**, which are delivered through **54 Measures**. Numerous Programs are in place which contribute to implement the recommended Measures of the Strategy. Each program comprises one or more projects. These strategic levels, as well as their practical implementation, are shown in the illustration below.

Figure 2: Strategic Levels



The Strategy seeks to implement regional actions across the 16 Forum Island Countries (FICs).<sup>1</sup> Donor

<sup>1</sup> Cook Islands, Federate States of Micronesia, Fiji, French Polynesia, Kiribati, Republic of Marshall Islands, Nauru, New Caledonia, Niue, Palau, Papua New Guinea, Samoa, Solomon Islands, Tonga, Tuvalu, Vanuatu.

partners financially support programs and projects contributing to the Strategy's implementation, while implementing agencies work with beneficiary countries to carry out the necessary activities.<sup>2</sup>

Drawing from the information base available in the [Projects](#) and [Progress](#) Sections of the [Pacific E-commerce Portal](#), this report tracks progress made towards the Strategy's targets for the period up to March 2024.

The report introduces the methodology for the M&E system and then presents an overview of the Strategy's implementation by strategic level (KPAs, SOs and Measures).

## 2. Methodology

Following an instruction of the Pacific E-commerce Committee, the Pacific Islands Forum Secretariat (PIFS) E-commerce Unit upgraded the M&E system that tracks the implementation of the Strategy. Whereas the initial system could only determine whether or not a project was implementing a Measure, the upgraded version can now ascertain whether a project has commenced its implementation and, if so, to what extent it has progressed. Additionally, it now includes the project's specific contribution towards a Measure's implementation.

The M&E system, embedded in the Projects Section of the Pacific E-commerce Portal, tracks the implementation of the Strategy. It gathers information from each project page entered by the agencies implementing the Strategy. Key information reported for each project include alignment with the Strategy's Key Policy Area (KPA), Strategic Objective (SO), and Measure, its geographical focus, implementing agencies, contributing donors, budget, and implementation progress.

The Strategy comprises 54 measures, each with at least one indicator, baseline and a target, as outlined in its Implementation Roadmap. Annex 1 provides the updated list of indicators, baselines and targets following a recent review.

Measures are categorised as Top Down (TD) or Bottom Up (BU) based on their indicators. TD Measures rely on macro-level statistics, such as Measure 2.2.1, which tracks the percentage of the population with access to 4G connection. For example, while many programs and projects increase 4G internet penetration across the Pacific, the M&E system draws data from the International Telecommunication Union (ITU) on 'Population covered by at least a 4G mobile network (%)' to assess progress.<sup>3</sup>

BU Measures, like Measure 1.1.1, rely on aggregated information from project pages on the Pacific E-commerce Portal. For instance, each project developing a national e-commerce strategy is assigned a weight based on its contribution to the Measure's target. The M&E system calculates the degree of implementation using a weighted average of these projects.<sup>4</sup>

Out of the 96 projects on the Pacific E-commerce Portal, 33 have been assigned a weight of zero as they are not directly implementing the indicators of the Measures they are aligned to. However, these projects still play a significant role in advancing e-commerce development in the region. While these projects proudly feature on the Pacific E-commerce Portal, and are attributed to their respective donors and implementing agencies, they are not influencing the degree of Strategy implementation.

The degree of implementation for an SO is the average of the Measures underneath it, while the degree of implementation for a KPA is the average of the Measures underneath it. The Overall Strategy's degree of

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<sup>2</sup> For a limited number of projects captured by the M&E system funding and implementation comes from national governments.

<sup>3</sup> The PIFS E-commerce Unit creates dummy programs and projects in order for the system to capture data on these Measures. An example is the 'Expanding supply of connectivity across the Pacific' program and the '4G internet penetration in Pacific Island Countries' project, which provides the most updated data from ITU on 4G internet penetration in the Pacific.

<sup>4</sup> The formulas for TD and BU can be found in Annex 2.

implementation is the average of all Measures.

For example, the degree of implementation of:

- SO 1.1 is the sum of the degrees of implementation of all the Measures underneath it, divided by their number, which is four.
- KPA 1 is the sum of the degrees of implementation of all the Measures underneath it, divided by their number, which is eight.
- Overall Strategy is the sum of the degrees of implementation of all the Measures underneath it, divided by their number, which is 54.

## 2.1 Underreporting

As the majority of Measures are categorised as BU (37 out of 54), the M&E system heavily relies on agencies creating and updating their own project pages. Underreporting results in donor partners and/or implementing agencies not being accounted for their contribution towards the implementation of the Strategy. Despite the best efforts of the Pacific E-commerce Unit, some implementing agencies are still **failing to create their own project pages**. Moreover:

- **74 out of 96** existing projects do not report the budget committed for implementation. This means that the system can observe and report on donors' contribution to implementation only for 23% of projects.
- **66 out of 96** existing projects do not report the donor(s) that support their implementation. This means that the system can observe and report on donors' support to implementation only for 31% of projects.

## 3. M&E Findings

### 3.1 General Overview

Since endorsement in August 2021, FICs and their partners mobilised their teams and resources towards implementation of the Strategy. The M&E system of the Pacific E-commerce Portal reports that 29 donor partners are supporting 43 programs. These programs currently comprise 96 projects, which are carried out by 47 implementing agencies. While all these 96 projects are aligned with the Strategy and its Measures, only 63 of them **directly** implement a Measure.<sup>5</sup>

The 96 projects collectively contribute to the implementation of **23.04%** of the Strategy's Measures. Donor partners have so far committed **USD 96,234,061** of resources towards the implementation of the Strategy.<sup>6</sup>

In 2022, the M&E system lacked the capability to track project progress and its contribution to the implementation of a Measure. It could only indicate whether a Measure was being actioned through one or more active projects. Therefore, the [M&E report for 2022](#) could not calculate the degree of implementation of the Strategy. It could only indicate that 43% of the Strategy's Measures were being actioned. Today this figure has increased to **61%**, thus providing evidence of increased impetus in implementation.

Figure 3 below illustrates the distribution of total donor resources. Australia emerges as the primary

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<sup>5</sup> Donor partners and implementing agencies supporting these 63 projects are referred to in the main body of the report. The list of donor partners and implementing agencies supporting the full set of 96 projects are reported in Annex 3 with their KPA focus. There, all development partners are listed, independently of whether they implement or support the implementation of a project that does not directly implement a Measure.

<sup>6</sup> This refers to the committed amount, indicating that if a project has not commenced, the allocated budget remains unspent. Consequently, it does not reflect the total budget expended thus far for implementation.

contributor, allocating 40% of total resources to projects aligned with KPAs 1, 2, 4, and 6. Following closely, the United States of America and Japan contribute 33% and 27%, supporting projects under KPA 2. The Republic of Korea allocates 0.27% of total resources to projects falling under KPA 7. The European Union contributes with a 0.26% on total resources allocated towards implementation of projects under KPAs 1, 4, 6 and 7. Finally, the PACER Plus Implementation Unit (PPIU) contributes with a 0.17% on total resources allocated towards implementation of projects under KPA 1.

Figure 3: Donor Partners' Contribution to Implementation

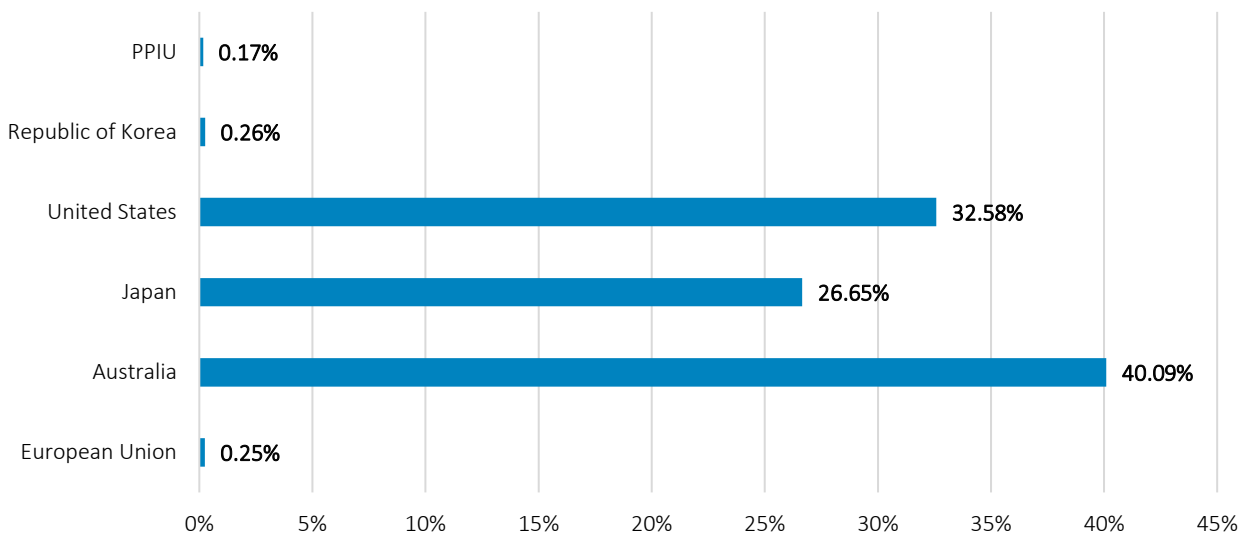


Figure 4 below offers a better understanding of distribution of resources across each KPA. The allocation of resources for implementing the Strategy is influenced by the fact that projects under KPA 2, 'ICT Infrastructure and Services', are notably more costly compared to those under other KPAs. The difference is substantial, with projects under KPA 2 amounting to millions of USD, while those under other KPAs are in the thousands of USD. In this case, results are skewed by the [East Micronesia Submarine Cable Project](#), supported by Australia, Japan and United States of America. The project aims to extend an existing submarine cable to Micronesia and Kiribati, providing access to high-speed, high-quality telecommunications to over 100,000 people.

Figure 4: Donor Partners' Contribution to Implementation by KPA

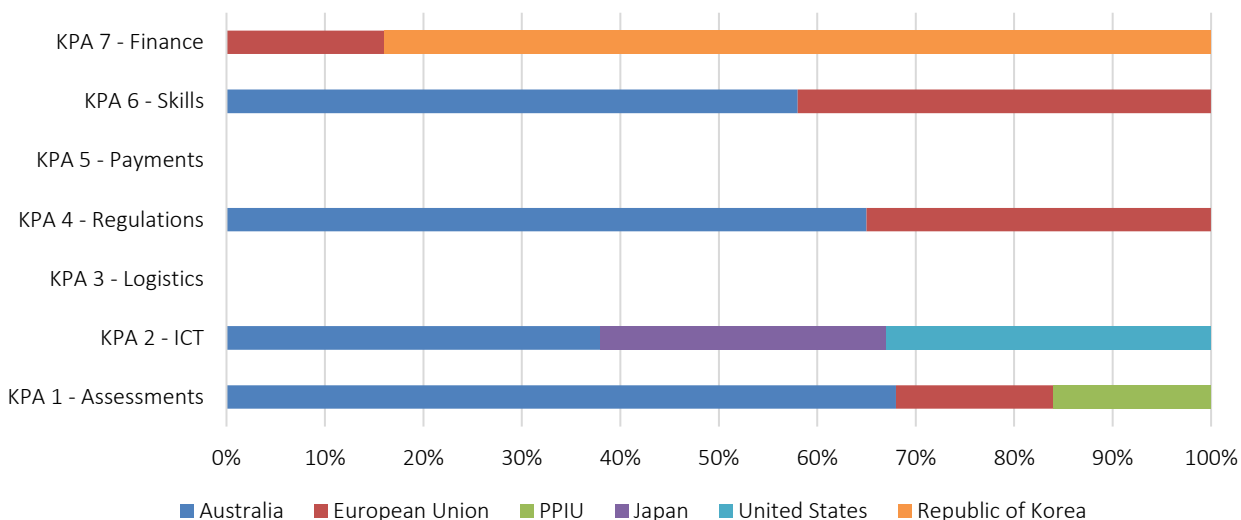
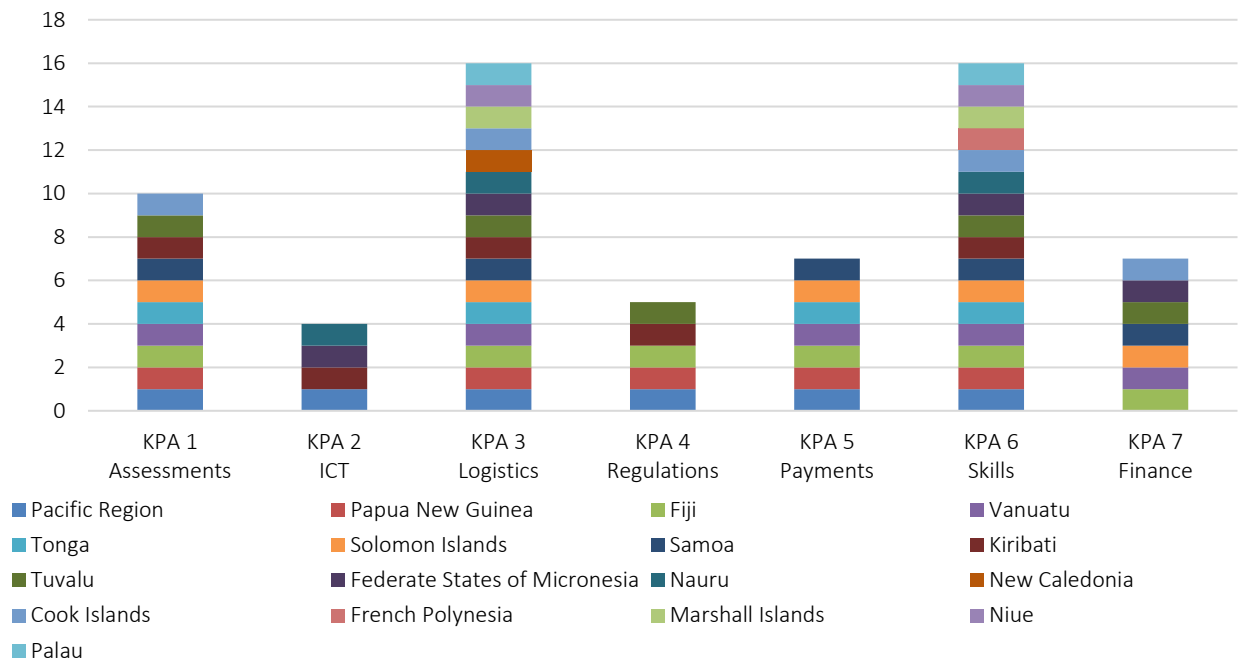


Figure 5 below identifies, by KPA, the FICs that have benefitted from the implementation of at least one project supporting the Strategy. Almost all FICs have benefitted from projects under KPAs 3 (everyone but French Polynesia) and 6 (everyone but Solomon Islands and New Caledonia), while very few have benefitted from projects under KPA 2 (four) and 3 (five).

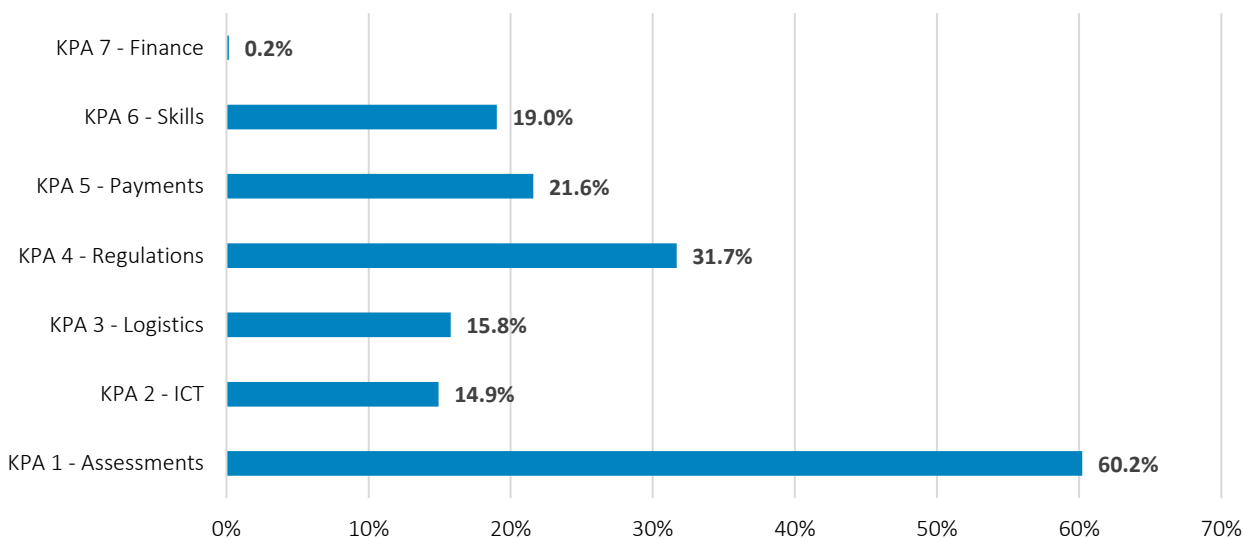
Figure 5: Geographical Focus of Implementation



### 3.2 Progress by Key Policy Area

In order to see how the 23.04% implementation of the Strategy is split into its strategic dimensions, we need to look at each KPA. Figure 6 below shows the degree of implementation by KPA.

Figure 6: Degree of Implementation by KPA



The KPA with the highest degree of implementation is **KPA 1**, standing at 60%. FICs' efforts in developing National E-commerce Strategies and Committees, along with initiatives by development partners to establish regional knowledge products such as the Pacific Digital Economy report and online platforms like the Pacific E-commerce Portal and the Pacific E-commerce Database, have been instrumental in driving progress.

Development partners contributing to the implementation this KPA are:

- **Implementing agencies:** National Governments,<sup>7</sup> Pacific Community, PIFS, TradeWorthy, and United Nations Conference on Trade and Development (UNCTAD).
- **Donor partners:** Australia, European Union, and PPIU.

Following is **KPA 4**, with a 32% implementation rate. Projects aimed at equipping Pacific policymakers with e-commerce negotiation skills and at developing laws and regulations, such as the United Nations Commission on International Trade Law (UNCITRAL) model laws on electronic transactions, have contributed significantly to this result.

Development partners contributing to the implementation of this KPA are:

- **Implementing agencies:** National Governments,<sup>8</sup> PIFS, UNCITRAL, World Economic Forum.
- **Donor partners:** Australia, and European Union.

Ranking third is **KPA 5**, with a 22% implementation rate. This progress is attributed to the efforts of FICs in developing and implementing National Financial Inclusion Strategies, alongside the establishment of regulatory sandboxes. These initiatives have fostered an environment conducive to e-payments, leading to a surge in Pacific regional fintech providers.

Development partners contributing to the implementation of this KPA are:

- **Implementing agencies:** National Central Banks,<sup>9</sup> Fintech Pacific, International Finance Corporation, Mastercard, PTI Australia, United Nations Capital Development Fund (UNCDF), and Vodafone.
- **Donor partners:** N/a.

**KPA 6** presents a degree of implementation of 19%. This progress almost entirely stems from training aimed at enhancing digital and e-commerce skills to Pacific businesses and women entrepreneurs. This KPA suffers from underreporting as numerous projects hosted on the Pacific E-commerce Portal lack essential information regarding their implementation progress and contribution to the designated Measures.

Development partners contributing to the implementation of this KPA are:

- **Implementing agencies:** Ka Hao House of Indigenous e-Commerce, PIFS, PTI Australia, PTI New Zealand and UNCTAD.
- **Donor partners:** Australia, and European Union.

**KPA 3** follows closely with a slightly lower implementation rate of 16%. Progress in this dimension is attributed to the adoption of interoperable customs systems by FICs, facilitating smoother cross-border trade, coupled with support from implementing agencies to access framework agreements to facilitate cross-border paperless trade. This is carried out through technical and advisory assistance programmes focusing on translation of treaty text and related materials, provide local/national experts to accelerate processes, developing custom notes/briefs on benefits and implications, and assisting in organising consultations.

Development partners contributing to the implementation of this KPA are:

- **Implementing agencies:** Oceania Customs Organisation, UNCDF, UNCTAD and the United Nations

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<sup>7</sup> Kiribati Trade Promotion Division, Solomon Islands Ministry of Commerce, Industry, Labour & Immigration, Tonga Ministry of Trade and Economic Development, Tuvalu Department of Trade, and Vanuatu Aid-for-Trade Management Unit.

<sup>8</sup> Fiji Government, Kiribati Government, PNG Government, and Tuvalu Government.

<sup>9</sup> Bank of Papua New Guinea, Central Bank of Samoa, Central Bank of Solomon Islands, National Reserve Bank of Tonga, Reserve Bank of Fiji, and Reserve Bank of Vanuatu.





Economic and Social Commission for Asia and the Pacific (UNESCAP).

- **Donor partners:** N/a.

**KPA 2** presents a degree of implementation of 15%. Progress is led by the efforts of FICs and development partners at expanding national connectivity through investment in ICT infrastructure.

Development partners contributing to the implementation of this KPA are:

- **Implementing agencies:** Japan International Cooperation System.
- **Donor partners:** Australia, Japan and United States of America.

Bringing up the rear is **KPA 7**, with a meagre 0.2% implementation rate. Heavy underreporting obscures the commendable efforts of Development Partners in providing opportunities for Pacific businesses to access capital for e-commerce ventures.

Development partners contributing to the implementation of this KPA are:

- **Implementing agencies:** Pacific Tourism Organisation, and PIFS.
- **Donor partners:** European Union, and Republic of Korea.

Whilst the M&E results suffer from underreporting, it is possible to draw some tentative conclusions. Development Partners' efforts should prioritise work in areas such as Access to Capital for E-commerce, ICT Infrastructure and Services, Trade Logistics and Facilitation, and E-commerce Skill Development.

Without reliable access to internet and a base of service providers ensuring affordable prices, Pacific people will not be able to engage in e-commerce, neither as consumers nor businesses. In 2022, just six FICs had an internet penetration above 50% and only two of them above 80%. This is compounded by a very high cost of internet, which reached a peak of 16.46% of a person's income in Papua New Guinea in 2023 for a data-only mobile-broadband basket of 2GB.<sup>10</sup> Development Partners working in this area can bring about significant change. Improving internet access through a mix of satellites and submarine cables both across and within FICs will allow also remote parts of the population to engage in the digital economy. Similarly, fostering competition in ICT service markets leads to reduced prices and enhanced product quality, enabling broader internet usage for trade and other purposes.

The region needs more activity in areas of Access to Capital for E-commerce and E-commerce Skill Development. Development Partners are making some progress at providing grants for e-commerce as well as training, tailored coaching and mentoring schemes to ensure that business have both the capital and the skills to put it to good use. However, there is need to develop regional credit guarantees and leverage blended-finance tools to ensure that entrepreneurs are linked to potential investors. Engaging in discussions with banks and other financial institutions is essential. Similarly, solely enhancing business and incubator capacities overlooks the key factor to ensure that a population is equipped with the necessary skills to engage in the digital economy- education. To increase e-commerce uptake and mitigate the risk of growing inequalities, digital skills need to be improved for all. This necessitates introducing courses on digital and financial literacy across all levels of education, and providing training in remote areas as needed.

Once an integrated system of ICT infrastructure and services is established, e-commerce businesses have the capital to invest in innovative ideas and both businesses and consumers have the necessary skills to engage in digital trade, Trade Logistics and Trade Facilitation is the crucial interface between online consumers and vendors. The region has made significant progress in adopting automation of border procedures developed

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<sup>10</sup> Data from ITU ([here](#)) and also available on the Pacific E-commerce Portal ([here](#)).



by UNCTAD and known as the Automated System for Customs Data or ASYCUDA. It is now deployed and utilised in 12 FICs.<sup>11</sup> However, the regulatory environment for trade facilitation is still uneven among FICs. Some World Trade Organisation (WTO) members have made noticeable progress towards implementation of the Trade Facilitation Agreement. Despite promotion and technical assistance from implementing agencies such as the Commonwealth Secretariat and UNESCAP, only Tuvalu accessed the Framework Agreement on Facilitation of Cross-border Paperless Trade in Asia and the Pacific so far.<sup>12</sup>

Trade logistics is also not faring well, with access to online marketplaces and fulfilment centres interfacing vendors and buyers neither easy nor affordable. Efforts are lacking in improving logistics and distribution systems as well as support to Pacific postal operators to increase small parcel delivery and reduce reliance on more expensive couriers.

### 3.3 Progress by Strategic Output

Table 4 in Annex 4 provides a comprehensive overview of the implementation progress, detailing all 18 SOs and 54 Measures along with their corresponding degree of implementation. Among the 18 SOs, only three exhibit a degree of implementation surpassing 50%, while the remaining 15 have implementation rates below 31%. Consistent with earlier observations, the three SOs with higher implementation rates are linked to projects addressing 'E-commerce Readiness and Strategy Formulation' and 'Legal and Regulatory Framework', indicating significant activity under KPAs 1 and 4.

Conversely, five out of the 18 SOs show no degree of implementation, all of which are associated with KPAs 2, 3, 6, and 7. This lack of implementation can be attributed to challenges faced by the PIFS E-commerce Unit in capturing progress under these KPAs, coupled with underreporting from Development Partners. Anecdotal evidence corroborates this hypothesis as awareness campaigns, workshops, and news sources suggest active engagement in the Pacific region within the domains covered by these KPAs.

### 3.4 Progress by Measures

Table 4 shows that four out of 54 Measures have been completely implemented. They are:

1. **Measure 1.1.4:** Create an alliance of regional organizations, industry leaders and development partners (PacifEcom Alliance) to galvanize support, innovation and Public Private Partnerships for E-commerce development.

*Action to complete it:* A Statement of Intent for the Pacific E-commerce Alliance was approved by the members of the Pacific E-commerce Committee in July 2023. The Alliance was established in Q4 2023 with three implementing agencies joining it as founding partners.

*Budget:* USD 68,000.

*Beneficiaries:* Pacific region.

*Implementing agency(ies):* PIFS.

*Donor(s):* Australia.

2. **Measure 1.3.2:** Launch a Pacific E-commerce Portal providing information on how to operate an E-commerce business, pre-requisites on access to payment gateways, E-commerce supporting programs, initiatives and development partners funded projects.

*Action to complete it:* A Pacific E-commerce Portal was launched in Q3 2022 to be the most

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<sup>11</sup> Cook Islands, Fiji, Kiribati, Nauru, New Caledonia, Niue, Papua New Guinea, Samoa, Solomon Islands, Tonga, Tuvalu, and Vanuatu.

<sup>12</sup> The process of accession is ongoing in Papua New Guinea.

comprehensive information repository on e-commerce development in the Pacific.

*Budget:* USD 41,000.

*Beneficiaries:* Pacific region.

*Implementing agency:* PIFS.

*Donor(s):* Australia.

3. **Measure 4.2.1:** Develop FIC negotiators' skills on E-commerce laws and regulations to support negotiation and implementation of future digital trade agreements and E-commerce provisions in FTAs.

*Action to complete it:* Regional courses on E-commerce rules for policymakers and online and in person training workshop on Legal Frameworks for the Digital Economy were conducted in 2022, 2023 and Q1 2024. An example is the [PIFS E-commerce Rules course for Policymakers](#).

*Budget:* USD 68,992.

*Beneficiaries:* Pacific region.

*Implementing agency:* PIFS.

*Donor(s):* Australia and European Union.

4. **Measure 6.1.2:** Partner with existing co-working spaces and innovation hubs to develop a regional program of short courses supporting the business community with skill development and with mentoring for the digital economy.

*Action to complete it:* Regional programs of short courses were developed in partnership with local innovation hubs and co-working spaces throughout 2022 and 2023. An example is the [Empowering Indigenous Private Sector through e-Commerce](#) program from PTI New Zealand.

*Budget:* USD 63,000.

*Beneficiaries:* Pacific region.

*Implementing agencies:* Ka Hao House of Indigenous e-Commerce, PIFS, PTI Australia and PTI New Zealand.

*Donor(s):* Australia and European Union.

Encouraging progress in implementation is evident across seven additional Measures, each having a rate exceeding 50%. These Measures, spanning 'Trade Logistics and Facilitation' and 'Electronic Payments', alongside 'E-commerce Readiness and Strategy Formulation', inject a sense of optimism into their respective KPAs. However, a notable 27 out of 54 Measures show no degree of implementation, primarily clustered under KPAs 6 and 7.

A 0% implementation rate indicates that either there are no projects directly addressing the indicators of these Measures on the Pacific E-commerce Portal, or the projects aligned with these Measures do not directly implement their indicators, hence they are not accounted for by the system.

## ANNEX 1

Table 1 below lists all 54 Measures of the Strategy. The blue highlighted cells identify changes from the original indicators and targets.

Table 1: Updated list of Strategy's Measures (M), Indicators and Targets

M	Indicator	Baseline	Target
1.1.1	Number of FICs with validated E-commerce strategies	0	16
1.1.2	Pacific E-commerce Committee (Y/N)	N	Y
1.1.2	Number of National E-commerce Committees	0	16
1.1.3	Number of national E-commerce associations or national chapters of a regional E-commerce association	2	16
1.1.4	PacificEcom Alliance (Y/N)	N	Y
1.2.1	Number of E-commerce related statistics	0	60
1.2.2	Number of Pacific Digital Economy Reports	0	2
1.3.1	Pacific TLD (Y/N)	N	Y
1.3.1	Number of businesses adopting Pacific sTDL	0	100
1.3.2	Regional E-commerce portal (Y/N)	N	Y
2.1.1	Number of FICs without access to high-speed broadband internet (KIR, NRU, TUV) who get connected through submarine cable or satellite solutions	0	3
2.2.1	Number of FICs with a share of population with access to 4G connection above 50 percent	4	10
2.2.2	Number of FICs with UAF or comparable mechanism in place	TBC	16
2.2.3	Number of FICs with initiatives developed to improve last-mile digital 'meso' infrastructure and 'micro' infrastructure	0	16
2.2.4	Baseline study (Y/N)	N	Y
2.3.1	Number of FICs with a domain registered per person above 0.023	3	16
2.3.2	Number of FICs with a cost of mobile broadband basket as a percentage of Gross National Income (GNI) below 2.7, which was the average percentage among SIDS in 2020	2	14 <sup>13</sup>
3.1.1	Number of FIC which have implemented at least 50% of the measures contained in the Framework of Standards	TBC	10
3.1.2	Number of FICs having adopted ASYCUDA	6	16
3.1.3	Number of FICs having ratified the CBPT agreement	2	16
3.1.4	FICs having successfully connected Customs and Posts system for clearance of small parcel	1	8
3.1.5	Number of FICs with deminimis	1	16
3.2.1	Number of businesses receiving support for E-commerce transport costs	0	100
3.2.2	Number of Pacific businesses receiving support to access fulfilment centres	0	100
3.3.1	Number of post operators having completed implementation of ORE, DRE and PRE	0	24
3.3.2	Number of countries having implemented physical addressing in line with UPU standard S42 or alternative geocode systems	0	16
3.4.1	Number of MSMEs supported to onboard onto global B2B and B2C marketplaces	0	100
3.4.2	Number of regional marketplaces offering products from at least 2 FICs	0	2

<sup>13</sup> This target has been chosen since ITU's data cover only 14 FICs and not 16.

4.1.1	Number of FICs having adopted laws on Electronic Commerce transactions modelled on UNCITRAL MLEC	1	16
4.1.2	Average number of areas for which FICs have developed E-commerce legislation – out of the four areas included in the UNCTAD Cyberlaw Tracker database	1	3
4.1.3	Number of international standards that support E-commerce adopted by FICs	0	5 in 7 FICs
4.2.1	Number of FIC negotiators trained on E-commerce	0	50
4.2.2	E-commerce Agreement in the Pacific (Y/N)	N	Y
5.1.1	Number of new fintech digital payment solutions developed by nonbank payment service providers and applied on a regional scale	0	5
5.1.2	Number of countries adopting rules aligned with the Regional Regulatory Sandbox Guidelines	2	6
5.1.3	Status of regional mechanism to ensure compliance of non-bank digital payment solution providers with Financial Action Task Force (FATF) recommendations	0	1
5.1.4	Average fees per remittance transaction	10%	6.25%
5.1.5	Average number of e-wallet solutions available at country level in the Pacific out of 9 most popular global e-wallet	0	1
5.1.6	Number of countries with updated financial inclusion strategy	6	16
5.2.1	Number of countries that developed a national payment system infrastructure (digital payment platforms) to improve interoperability between banks and MNOs in the Pacific	0	16
5.2.2	Debit card and credit card average fees per transaction	3.75%	1.5%
6.1.1	Number of FICs with regional incubator / accelerator supporting e-commerce / digital development	3	16
6.1.2	Number of FIC businesses trained by regional programs of E-commerce short courses	0	100
6.1.3	Number of certified trainees form the distance learning programme	0	30
6.1.4	Number of FICs benefitting from a program run in partnership with leading tech multinationals and promoting the use of digital technologies for business (app development, content, payment integration, etc.)	2	16
6.1.5	Number of FICs benefitting from dedicated programmes addressing challenges of women in ICT	1	16
6.2.1	Number of FICs where curriculum includes specific objectives or a subject on basic computer skills (or computing)	0	16
6.2.1	Number of FICs where curriculum includes recommendations for ICT-assisted instruction to form part of subject delivery	0	16
6.2.1	Status of standardized regional curricula on E-commerce at PSET level	0	1
6.2.2	Status of comprehensive training programme for government officials and politicians in relevant ministries - trade, industry, ICT, finance	0	300
6.2.3	Number of FICs with score above 22 at the next edition of the ITU Global Cybersecurity Index <sup>14</sup>	3	11 <sup>15</sup>
7.1.1	Number of MSMEs benefiting from the grant & loan scheme for E-commerce (or online transition) purposes	0	500
7.1.2	Number of MSMEs benefiting from the credit guarantee schemes for E-commerce (or online transition) purposes	0	100

<sup>14</sup> The latest edition of the ITU Global Cybersecurity Index came out in 2020 and can be accessed [here](#). The next edition is expected in 2024 or 2025.

<sup>15</sup> the ITU Global Cybersecurity Index 2020 reported data only on 11 Forum Island Countries.

7.1.3	Number of investors benefiting from funding mechanisms using blended finance	0	10
7.1.4	Number of events organized	0	2
7.2.1	Amount of seed funding (USD) generated through crowdfunding of E-commerce projects	0	1,000,000
7.2.2	Amount of venture capital (USD) generated through pitching events	0	2,500,000
7.2.3	Value of capital (USD) allocated towards the grants	0	1,000,000

## ANNEX 2

**Bottom down (BU):** data is captured from the Project Section.

Degree of implementation of Measure  $x$ :

$$\sum_{i=1}^n \theta_i * W_i$$

Which opens as follows:

$$[(\theta_1 * W_1) + (\theta_2 * W_2) + (\theta_3 * W_3) + (\theta_n * W_n)] * 100$$

Where:

- $x$ : measure number  $x$  (it could be 1.1.1, 1.1.2, etc)
- $\theta_i$ : implementation rate of project  $i$  that implements Measure  $x$
- $W_i$ : implementation weight of project  $i$  that implements Measure  $x$  (we need to impute this manually for each project - backend functionality)

**Top down (TD):** data is captured by macro level statistics.

Degree of implementation of Measure  $x$ :

$$\frac{\alpha_x}{T_x} * 100$$

Where:

- $\alpha_x$ : current value of indicator for Measure  $x$
- $T_x$ : target of indicator for Measure  $x$

## ANNEX 3

Table 2: Donor Partners Focus by KPA<sup>16,17</sup>

Donor partners	KPA
Australia	1, 2, 3, 4, 5, 6, 7
Canada	3
China	3
European Union	1, 2, 3, 4, 7
Fiji	3
France	3
Japan	2, 3
New Zealand	1, 3, 6
Norway	3
Papua New Guinea	3
Republic of Korea	3, 4, 7
Samoa	3
The Commonwealth Secretariat	2
United Kingdom	3, 4
United States of America	2, 3
Vanuatu	3

<sup>16</sup> Forum Island Countries are listed in the table as donors if they have allocated some of their own resources to support the implementation of one or more projects aligned with the Strategy within their own territorial boundaries.

<sup>17</sup> The following donors are not Forum Dialogue Partners or Observers but have supported the implementation of one or more projects aligned with the Strategy. As such, they are recognized here with their area of focus: Austria (KPA 3), Czech Republic (KPA 3), Denmark (KPA 3), Enhanced Integrated Framework (KPA 3), European Investment Fund (KPA 2), Finland (KPA 3), Germany (KPA 2 and 3), Hong Kong SAR China (KPA 4), Ireland (KPA 3), PACER Plus Implementation Unit (KPA 1), Qatar Development Bank (KPA 2), Taiwan/Republic of China (KPA 3), UN Development Account (KPA 1 and 3).



Table 3: Implementing Agencies Focus by KPA

Implementing agencies	KPA
ADB	3
Belau Submarine Cable Corporation	2
Commonwealth Secretariat	1, 3, 4
Commonwealth Small States Office in Geneva	1
Cyberfood Fiji	3
ECA	1, 3
ECE	3
ESCWA	3
eTrade Alliance	3, 5, 6
Fintech Pacific	5
GATF	3
IFC	5
Island Tech Solomon	3
IT GALAX	5
ITC	2, 3, 5, 6
JICS	2
Ka Hao House of Indigenous e-Commerce	6
Mastercard	5
mHITS	5
National Central Bank <sup>18</sup>	5
National Government <sup>19</sup>	1
National Provident Fund	5
OCO	3
Our Telekom	5
PIFS	1, 4, 6, 7
PTI Australia	5, 6
PTI New Zealand	6
SPC	1, 6
SPTO	7
TFAF	3
TradeWorthy	1
UNCDF	1, 2, 3, 4, 5, 6, 7
UNCITRAL	1, 4
UNCTAD	1, 3, 5, 6
UNDP	6
UNECLAC	1, 3
UNESCAP	1, 3
UNSD	1
UPU	3
Vodafone	5
WBG	3
WCO	3
WEF	4

<sup>18</sup> Bank of Papua New Guinea, Central Bank of Samoa, Central Bank of Solomon Islands, National Reserve Bank of Tonga, Reserve Bank of Fiji, and Reserve Bank of Vanuatu.

<sup>19</sup> Fiji Government, Kiribati Government, PNG Government, and Tuvalu Government.

WTO	1
YABX	7
Ygap	5, 6

## ANNEX 4

Table 4: List of SOs and Measures with their degree of implementations

SO/M	Descriptions	Degree of Implementation
<b>1.1</b>	<b>National E-commerce strategies are developed and implemented in FICs, which are built on domestic consensus and inspired by the Regional E-commerce Strategy and Roadmap</b>	<b>55.86%</b>
1.1.1	Develop national E-commerce strategies in all FICs built on the model of the regional E-commerce Strategy and Roadmap	45.31%
1.1.2	Establish a Pacific E-commerce Committee and national E-commerce committees modelled on the regional body to strengthen cooperation between government institutions, regulatory bodies and leading private sector partners	65.63%
1.1.3	Establish digital economy or E-commerce business associations in all FICs and at regional level to foster collaboration between companies, offer services, and advocate private sector interests on E-commerce	12.50%
1.1.4	Create an alliance of regional organizations, industry leaders and development partners (PacifEcom Alliance) to galvanize support, innovation and Public Private Partnerships for E-commerce development	100%
<b>1.2</b>	<b>Statistics on E-commerce are available to inform national and regional policymaking of FICs and the formulation of donor-funded programmes</b>	<b>79.17%</b>
1.2.1	Establish a regional collection, production, compilation and dissemination mechanism for E-commerce statistics	83.33%
1.2.2	Produce Digital Economy Reports for the Pacific	75.00%
<b>1.3</b>	<b>E-commerce potential and opportunities in the Pacific are visible and recognized internationally</b>	<b>50.00%</b>
1.3.1	Establish a .pacific (DotPacific) sponsored top-level domain (sTLD) 12 for businesses, organizations and individuals from the region	0%
1.3.2	Launch a Pacific E-commerce Portal providing information on how to operate an E-commerce business, pre-requisites on access to payment gateways, E-commerce supporting programs, initiatives and development partners funded projects	100%
<b>2.1</b>	<b>International connectivity is expanded and strengthened across the Pacific</b>	<b>0%</b>
2.1.1	Expand the submarine cable infrastructure and its affordability in the Pacific to ensure all FICs are connected to main international cables and broadband bandwidth is acquired with the best value for money approach	0%
<b>2.2</b>	<b>Supply of general and last-mile domestic connectivity is expanded across the Pacific</b>	<b>16.67%</b>
2.2.1	Expand the 4G network and wi-fi connectivity as well as access to devices in rural communities through supply-side and demand-side incentives	50.00%
2.2.2	Set up or strengthen Universal Access policies and programmes, including but not limited to Universal Access Funds (UAF)	0%
2.2.3	Develop and scale market-led initiatives for last-mile digital 'meso' infrastructure and 'micro' infrastructure, as well as availability of devices	0%
2.2.4	Conduct a regional study to understand the requirements and implications for deploying 5G in the region. Identify use-cases for 5G technology for business, government and essential services, and undertake comparative assessment vis-à-vis efforts to scale up 4G	0%
<b>2.3</b>	<b>Demand for connectivity is stimulated across the Pacific</b>	<b>27.23%</b>
2.3.1	Promote development of online local content by the private sector	18.75%

2.3.2	Increase affordability and promote demand-side measures such as subsidized internet packages, supportive regulatory environment and support partnerships with cable operators suitable to reduce the price of download/upload per unit of data, thus promoting extensive uptake of E-commerce practices	35.71%
<b>3.1</b>	<b>Trade procedures relevant to cross-border E-commerce are digitized and harmonized across FICs</b>	<b>24.69%</b>
3.1.1	Accelerate the harmonized implementation of the WCO Framework of Standards for Cross-Border E-Commerce	0%
3.1.2	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	89.06%
3.1.3	Accede to Framework Agreement on Facilitation of Cross-border Paperless Trade in Asia and the Pacific	9.38%
3.1.4	Deploy Customs Declaration System (CDS) at FICs' post offices, and interface with customs systems	12.50%
3.1.5	Establish a regional <i>deminimis</i> value threshold that countries can consider across the region	12.50%
<b>3.2</b>	<b>Logistics systems relevant to E-commerce are strengthened and their cost to business reduced</b>	<b>0%</b>
3.2.1	Develop regional freight assistance packages (cost-share basis) to lower the costs of cross-border E-commerce	0%
3.2.2	Incentivize the development of fulfilment centres for Pacific products in main export markets by private sector operators	0%
<b>3.3</b>	<b>Postal readiness for E-commerce has increased</b>	<b>0%</b>
3.3.1	Modernize postal operational processes by using Universal Postal Union (UPU) standardized programs	0%
3.3.2	Adopt home addressing systems incorporating UPU standards or alternative geocode systems to facilitate last-mile delivery	0%
<b>3.4</b>	<b>Accessibility of E-commerce platforms has increased</b>	<b>25.00%</b>
3.4.1	Develop regional freight assistance packages (cost-share basis) to lower the costs of cross-border E-commerce	0%
3.4.2	Support the expansion of leading national marketplaces towards the creation of a private sector-led Regional E-commerce Marketplace (REM)	50%
<b>4.1</b>	<b>E-commerce-related laws are made or amended based on UNCITRAL model laws as best international standard, plus other best international practices</b>	<b>19.44%</b>
4.1.1	Adopt UNCITRAL model laws on electronic transactions	25.00%
4.1.2	Adopt other relevant laws and regulations increasing confidence for consumers and businesses and predictability of E-commerce	33.33%
4.1.3	Increase the adoption and use of international standards that support E-commerce, as well as technology and network neutrality and interoperability	0%
<b>4.2</b>	<b>International agreements on E-commerce benefitting FICs are negotiated and concluded</b>	<b>50.00%</b>
4.2.1	Develop FIC negotiators' skills on E-commerce laws and regulations to support negotiation and implementation of future digital trade agreements and E-commerce provisions in FTAs	100%
4.2.2	Negotiate a regional agreement on E-commerce to promote transparency, and predictability of domestic and cross-border E-commerce	0%
<b>5.1</b>	<b>Non-bank digital payment solutions for E-commerce are deployed across the Pacific</b>	<b>27.75%</b>
5.1.1	Promote the establishment of new fintech providers focusing on serving the whole region	60.00%

5.1.2	Implement harmonised regulatory sandboxes or similar mechanisms for fintech development using recently approached AFI guidelines for regulatory sandboxes for fintech	50.00%
5.1.3	Implement regional mechanisms for mitigating the risk of criminal misuse of fintech by using adequate technologies to strengthen compliance with Anti-Money Laundering and Combating the Financing of Terrorism (AML/CFT) measures.	0%
5.1.4	Promote the use of fintech-based solutions for transferring remittances	19.00%
5.1.5	Operationalize partnerships with leading payment solutions providers for the creation of Pacific digital wallets with simple functionalities	0%
5.1.6	Launch a region-wide advocacy campaign on the advantages of digital payment solutions, and their implications for E-commerce adoption and digital financial inclusion (banking the unbanked)	37.50%
<b>5.2</b>	<b>Business-friendly digital payment solutions spearheaded by commercial banks and Mobile Network Operators are integrated in E-commerce ecosystem</b>	<b>3.13%</b>
5.2.1	Improve interoperability between payment service providers at national level (e.g. between banks, between MNOs or between banks and MNOs) through payment system infrastructure and legal reforms	6.25%
5.2.2	Partner with the major international banks in the Pacific to improve the quality of digital financial services available to businesses and consumers (internet banking, payment gateways, etc.)	0%
<b>6.1</b>	<b>The regional innovation/start-up ecosystem for E-commerce business ventures is strengthened</b>	<b>31.25%</b>
6.1.1	Strengthen the regional network incubators, digital business clusters and accelerators and connect this network to the other elements of the regional innovation ecosystem	0%
6.1.2	Partner with existing co-working spaces and innovation hubs to develop a regional program of short courses supporting the business community with skill development and with mentoring for the digital economy	100%
6.1.3	Develop a regional distance learning programme for E-commerce business service providers for E-commerce in partnership with leading international organizations, through the PacifEcom Alliance	0%
6.1.4	Develop a regional training and acceleration program for select companies from across the digital economy spectrum in collaboration with leading tech multinationals	0%
6.1.5	Provide digital and business skills training to all women entrepreneurs	25%
<b>6.2</b>	<b>Digital skills are enhanced for all</b>	<b>9.09%</b>
6.2.1	Enhance the digital inclusive skills of students at all levels, including at primary and secondary schools, Post School Education and Training (PSET) level, and at community level. Develop standardized training curricula on E-commerce at PSET level	0%
6.2.2	Develop regional awareness raising programme focusing on technology knowledge for lawmakers and policy makers	0%
6.2.3	Accelerate business and consumers readiness to pre-empt or mitigate cybersecurity and cyber-safety risks	27.27%
<b>7.1</b>	<b>Availability of risk sharing facilities and blended finance solutions has increased for E-commerce players (marketplace, vendors, merchants)</b>	<b>0.30%</b>
7.1.1	Develop a regional grant & loan scheme for tech start-ups and E-commerce MSMEs	1.20%
7.1.2	Develop regional credit guarantee scheme for tech start-ups and E-commerce MSMEs	0%

7.1.3	Leverage blended-finance tools from development banks, UN agencies (such as the United Nations Development Programme UNDP and the United Nations Capital Development Funds UNCDF) and other investors to de-risk E-commerce investments by the private sector	0%
7.1.4	Develop ecosystem enabling activities (events, exchanges, etc.) to promote new financing opportunities and partnerships between various stakeholders of the digital economy	0%
<b>7.2</b>	<b>Alternative sources of finance for E-commerce ventures have been mainstreamed in access to finance solutions and are promoted regionally</b>	<b>0%</b>
7.2.1	Support to the development of alternate financing options like crowdfunding and pre-sales mechanisms for start-ups to gain access to capital from the contributions of many small investors	0%
7.2.2	Organize an annual pitching event of most promising Pacific E-commerce ventures with leading venture capital funds from Asia and the Pacific	0%
7.2.3	Organize annual E-commerce innovation challenge grant	0%