



## EDITORIAL

*The new OACPS-EU Partnership Agreement is due to be signed in Samoa on November 15, inst. This is a historic achievement. Never before has an OACPS Pacific state given its name to an agreement between the two longstanding partners. In many other respects, the Samoa Agreement signals a series of significant policy shifts in the formalised relationship between the OACPS and EU.*

*First, the new construct heralds a radical change by dispensing with the traditional donor-client relationship and instead instituting “an equality of partnership.” Second, in contrast to previous Lomé/Cotonou arrangements, no financial protocol will be appended to the new partnership agreement. This marked policy change is marked by the near OACPS-exclusive European Development Fund being retired and substituted by the all-embracing Neighbourhood, Development and International Cooperation Instrument (NDICI). Third, Samoa constitutes a recalibration of the partnership with an overarching element binding all parties (accent on governance and shared valued wile enumerating objectives and principles) coupled with three appended Regional Protocols that chime with the region’s respective developmental priorities.*

*Once the Samoa Agreement has been signed, the first imperative will be to operationalise the new partnership agreement. That primarily entails establishing the host of institutional bodies, at both all-OACPS and regional levels. Beyond that, specific interventions need to be prioritised and articulated in the context of the Framework and Regional Protocols. The lengthy gap between initialling and signing of the Samoa Agreement compels both the OACPS and EU to develop bold, innovative and impactful policies and measures.*

*To underscore the tangible nature of OACPS-EU development cooperation in the Pacific region, the OACPS is planning to mount an engagement with Pacific stakeholders. The activity, scheduled to be held in the first quarter of 2024, will bring together the raft of OACPS private sector development implementing partners to engage with private sector partners in the Pacific. The aim of this high-level engagement is to spur greater understanding by the Pacific private sector of possible support interventions, while providing to implementing agencies enhanced insights into the Pacific-specific private sector development needs.*

## OACPS Private Sector Development in the Samoa Agreement and in the updated OACPS PSD Strategy

### The Samoa Partnership Agreement and Private Sector Development

The Samoa Partnership Agreement (SPA) is replete with myriad of references to the goal of advancing private sector development. Pursuit of this aim begins with the Agreement’s preamble recognising “the importance of structural economic transformation in achieving inclusive and sustainable economic growth and development.” The new partnership also enumerates the mobilisation of investment, support to trade and fostering of private-sector development” as one main objective. In order to give tangible expression to this aim, a specific article is reserved for private sector development in the Framework Agreement (Article 45). This legal provision recognises the importance of private sector development to economic transformation and job creation; promotion of an enabling legal and institutional frameworks aimed at integration into sustainable value chains. As is the case throughout the Samoa Agreement, the need to support female and youth entrepreneurship is also given strong resonance. Yet another element captured by Article 45 is the call to promote public-private sector dialogue along with advancing the propagation of best practices to foster entrepreneurship and transfer of skills and technology.



The Samoa Partnership Agreement also explicitly recognises the private sector as legitimate development actors. In that regard, fostering more inclusive and multi-stakeholder policy processes is cited as an important policy objective. As a complement to this objective, capacity building to empower the private sector (and other key stakeholders) to discharge their consultative role is also amplified in the new OACPS-EU Partnership Agreement. One concrete manifestation of this stated call is for private sector bodies to benefit from participate in EU-funded trade-related technical assistance projects.

### Private Sector Development in the Regional Protocols of the SPA

The overarching provisions in the General Part (Framework) are complemented by texts on private sector development in the appended Regional Protocols. Most notably, these regional partnerships all recognise the inherent vulnerabilities of SIDS and call for country and region-specific interventions. They also enumerate strategic priorities in sustainable and inclusive economic development, through the promotion of private sector development, strengthening of innovation; enhancement of regulatory compliance, pursuit of productivity and trade competitiveness; advancement of value addition; and promotion of climate-resilient farming. In addition, the Samoa Agreement not only facilitates support for the implementation of the WTO Trade Facilitation Agreement (TFA) but also summons both the EU and OACPS Members to replicate the TFA’s innovative approach to special and differential treatment in new trade agreements.



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## Alignment with Multilateral Agreements

Deeper alignment with recent multilateral agreements constitutes yet another novelty introduced by the Regional Protocols. More specifically, the post-Cotonou construct builds on the provisions of the Paris Agreement on Climate Change and supports its implementation by OACPS Members. For example, all Regional Protocol calls for the development of regional and national adaptation and mitigation strategies towards low-carbon and climate-resilient development. It is rather instructive and yet unsurprisingly that the Pacific Regional Protocol cites Environmental Sustainability and Climate Action as the very first area of strategic intervention. Similarly, leveraging the blue economy represents yet another prioritised area in the Pacific Regional Protocol.

## The updated OACPS PSD Strategy

The recent revision of the OACPS Private Sector Development Strategy forms yet another important policy framework for the Group's countries and regions. The new OACPS strategy is framed by the recognition that the emerging global environment demands the use of innovative approaches to OACPS private sector development. In addition, the challenging global policy framework underscores OACPS countries' vulnerability to external shocks. Nevertheless, OACPS countries are also exposed to an exciting batch of economic

opportunities. The OACPS private sector development strategy deploys a two-tiered approach with four pillars being systematically advanced supported by eight sector-specific strategies. These sectors - creative industries; professional services; digital trade; green transition; agricultural value chains; sustainable tourism; and blue economy - were enumerated on the basis of their potential to advance OACPS sustainable development. The OACPS strategy is predicated on empowering the private sector to leverage economic opportunities and discharge its advocacy roles on trade and investment policy.

## A Pacific-specific PSD Strategy



H.E. Mr. Georges Rebelo Pinto CHIKOTI, Secretary-General of the OACPS, visiting the Solomon Islands-based farmers' organization, Kastom-Gaden.

Implementation of the OACPS Private Sector Development Strategy is being facilitated by Business ACP support for the drafting of a Pacific private sector development strategy. While the overarching Organisation's strategy will inform the Pacific strategy, region-specific realities will be captured in the emergent document. This policy intervention is taking place at a time when the Pacific is revamping leadership of its leading private sector body - PIPSO.

At the time of writing, the OACPS Secretary-General is visiting the Pacific in advance of the signing of the Samoa Agreement. During this tour, H.E. Mr. Georges Rebelo Pinto CHIKOTI will consult a host of leading Pacific actors, including prominent economic operators, on private sector development opportunities embedded in the new OACPS-EU partnership agreement.

The Pacific Regional Protocol is based on five areas of cooperation, reflective of the Blue Pacific's development challenges and opportunities:

- Environmental sustainability and climate change;
- Inclusive and sustainable economic development
- Oceans, seas and fisheries
- Security, human rights, democracy and governance
- Human and social development

The EU's development assistance earmarked for the Pacific for the years 2021-2027 amounts to around EUR 750 million (including the PICs, PNG, Timor-Leste and OCTs) and is aligned with the [Pacific Islands Forum's \(PIF\) 2050 Strategy of the Blue Pacific Continent](#).





# Supporting the Development of the Private Sector in the Pacific: update on the implementation of Intra-ACP programmes

Over the past years, the Pacific region has benefitted from several intra-ACP programmes, in the following areas:

- Human and social development, including health, education, science and culture;
- Climate change, resilience building and the environment;
- Private Sector Development (PSD).

**Several intra-ACP programmes, funded under the 11th European Development Fund (EDF), are currently being implemented to support private sector development in the region.**



A market study carried out by COLEAD in 2022<sup>1</sup> in the Pacific region showed that although production is growing generally, and particularly for ginger, the region is increasingly dependent on imports, mainly due to the growth of the tourism sector and urban populations' increased demand for imported processed foods. Regional trade is mainly in mixed juices; fresh, frozen and processed potatoes; and frozen vegetable mixes. Fiji is the destination for 95% of intra-regional exports, acting as a trade hub. However, the Covid-19 pandemic has complicated inter-island transport. Internationally, the bulk of exports are to Australia and New Zealand, mainly ethnic roots and tubers, cassava and ethnic vegetables. However, according to the same study, there are opportunities for some fresh vegetables, especially roots and tubers, in regional markets and in the tourism sector. For international markets, products and spices such as ginger, vanilla, turmeric, kava, virgin coconut oil and noni

have potential for development, particularly in organic forms, to improve their access to niche markets.

In the difficult context stemming from COVID-19, and due the ongoing changes in the global agri-food model, COLEAD's support in the region focused on capacity building of all actors of the agriculture value chain. From February to May 2022, 10 experts from Fiji and Papua New Guinea took part in training-of-trainers on communication methods, supported through the Fit For Market SPS (FFM SPS) programme. The experts in both countries then followed the second phase of this training – to master digital tools, and to be able to facilitate remote training sessions.

Apart from experts, technical staff of horticultural companies (quality managers, packhouse managers and internal auditors) took part in digital training on Food Safety and Quality Management Systems. A four-week training series covered topics such as regulatory requirements and standards, packhouse organisation, self-assessment principles, risk analysis and hazard identification, and traceability systems. Finally, management and sales staff of Pacific SMEs and exporters' associations participated in virtual training on commercial negotiation. Businesses learned how to prepare a commercial negotiation; develop a negotiation strategy; master communication during a negotiation, including in an international context; bring buyers to an agreement within a contractual framework; and establish lasting business relationships.

## Empowering Pacific Farmers' Organisations

A large proportion of the Pacific population lives in rural communities and grows their own food. Therefore, the sustainability of farms is crucial and in this context, farmers organisations play an important role in helping farmers access to market and improve livelihoods.



In the region, PIFON (Pacific Island Farmer Organisation Network) is an umbrella organisation for national Farmers' Organisations (FOs). The Regional Organisation creates linkages between national farmer organisations and improve the flow of relevant information resources to facilitate the participation of rural households in income earning agriculture. With a membership of more than 85,000 farmers, PIFON benefits from the programme entitled "Farmers' Organizations for Africa, the Caribbean and the Pacific", in short, "FO4ACP". This capacity development programme aims to increase the incomes and improve the livelihoods, food and nutrition security and safety of organised smallholders and family farmers by strengthening regional, national and local FOs. FO4ACP supports FOs to enable them to provide economic services to members for the integration into relevant value chains, so that they can improve their access to markets and finance. Through capacity building, FO4ACP also strengthens the institutional development of the organisations and their ability to influence policy dialogue. With the support of FO4ACP, PIFON's members participate in various activities.

In Fiji for instance, FO4ACP supported the participation of Pacific Farmers Organization (PFO) in the "Pacific Week of Agriculture". A booth focused on the theme "Navigating the Digital Agriculture Landscape" while a series of digital tools were showcased. PFO also hosted a side event with donor partners discussing 'Grassroots Partnerships to strengthen Pacific Food Security and Climate Change Adap-

<sup>1</sup> <https://eservices.coleacp.org/en/e-bibliotheque/market-study-of-fruit-and-vegetables-from-acp-pacific-countries>



tation.' A "Pacific Agriculture Knowledge Management Fair" was also held in March 2023 with the purpose of sharing and publicising useful current information produced by many agents of change in the region. It showcased some of the most prominent content from across the region including farmer training guides and publications, video productions, and social media submissions. In May, the "Pacific Beekeeping Congress" was organized by PIFON's member, Fiji Beekeepers Association (FBA). The event brought together more than 160 participants from 15 Pacific Island countries.

Pacific Farmers' Organisations met again from 21 to 25 August 2023, during the week of "Grassroots Partnerships for Pacific Solutions", which was convened in Rarotonga, Cook Islands. The event was organised by Pacific Farmer Organisations and local partners Te Tango Enuā and Kōrero o te Ōraū in the framework of the FO4ACP Programme. It attracted over 180 farmers, government officials, researchers and development partners from 15 Pacific Island Countries with a focus on strengthening partnerships with grassroots organisations to address the key challenges of climate adaptation and food security. The inter-related events spread over 5 days and included: "Grassroots Partnership Symposium", "Stars of Oceania Awards Ceremony", "Global Breadfruit Summit", "Pacific Agriculture Solutions Summit", "Farmer to Farmer Learning Exchange" and a "PFO Learning & Planning Meeting & Annual General Meeting".

### Promoting a policy and regulatory framework conducive to the emergence of a competitive local and regional private sector.

The **ACP Business-Friendly** programme supports countries to implement business-friendly, inclusive and responsible national policies and strengthening capabilities related to production, processing,

promotion, marketing and value chains. The programme follows a tiered approach with engagements focusing on macro-, meso- and micro-level interventions implemented by the World Bank (WB), the United Nations Industrial Development Organization (UNIDO) and the International Trade Centre (ITC), respectively.



The World Bank (WB) is responsible for the "Macro-level" intervention, that is mostly interaction with government entities to improve competitiveness within the national jurisdictions of the various economies in which the WB works. The two main objectives are: i) to improve the competitiveness of countries through investment climate reforms; ii) to facilitate the economies and the firms within those countries to join global value chains and to benefit from participation in global value chains through economic upgrading.

The WB works with SME Development Corporation in Papua New Guinea focusing on Investment Policy and Promotion. The World Bank has supported the implementation of a market linkage programme between domestic SME suppliers and large investors. This support includes a diagnostic phase with an in-depth supply-demand gap assessment on key market failures affecting these linkages. Based on the assessment findings, the programme developed a sectoral case study to test potential interventions and assess the potential for a larger-scale supplier development programme leading to specific policy recommendations.

The Regional Engagement Window implemented by WB aims at fostering inter- and intra-regional knowledge exchange around Investment Climate reforms and policy outcomes within ACP countries. It represents a channel to promote learning opportunities and disseminate knowledge and experiences acquired through the Country Engagement and Rapid Response Windows to the broader group of ACP countries. In the Pacific region, the project aims to facilitate greater investment and competition by strengthening the legal, institutional, and professional foundations for investment. The components of this undertaking include (i) reforming investment laws and regulations, (ii) strengthening investment promotion institutions, and (iii) training and facilitating peer-to-peer exchange among counterparts.

ACP Business-Friendly supported for instance the Ministry of Commerce, Industry, and Labour (MCIL) in Samoa to finalize an Investment Promotion Policy which was a Prior Action for the Samoa First Recovery and Resilience Development Policy Operation. The policy will guide the design and delivery of a range of active investment promotion services (including marketing, information, assistance and advocacy services).

On May 2023, the World Bank team launched a capacity strengthening programme to support Pacific Island Countries in developing their investment promotion and investor services knowledge and skills. The programme is designed to provide training on investment promotion international best practices, while tailoring these techniques to the economic and institutional context of the Pacific. The program covered the following topics: (1) foreign direct investment fundamentals and latest trends; (2) the investment lifecycle, investment policy fundamentals, and the three pillars of effective investment promotion; (3) establishing and developing the investor offer for a specific location; (4) services at the investment attraction





phase; (5) information and assistance services at the entry and establishment phase; (6) investor services at the retention and expansion phase; and (7) addressing multiple institutional mandates such as those associated with trade promotion.

As the region recovers from the COVID-19 pandemic, international investment – and promotion of it – in Pacific countries is a vital part of driving that recovery; often yielding huge dividends. According to the World Bank, US\$1 spent on investment promotion yields US\$189 in direct foreign investment inflows. With that in mind, during the summer 2023 the WB brought together a group of investment promotion officials from 11 different Pacific countries with the aim of finding new, innovative ways to promote the Pacific as an attractive destination; not only for tourists, but for investors too. Participants met with a



range of experts in Fiji and from across the region, as well as visiting a number of existing investors based in Fiji, such as Intimate Apparel. Participants agreed to work together to help improve each country's business environment and facilitate further investment.

At the Meso-level implementation, UNIDO's main counterparts in Papua New Guinea (PNG), include the Investment Promotion Agency (IPA PNG), the Department of Commerce, Trade and Industry, other IPIs in the public and private sector including the Kokonas Industri Koporesen (KIK), the Small and Medium Enterprise Development Corporation (SMEC) and

the PNG-EU Business Council amongst others. The main objective is to promote technical support and capacity building to national institutions to improve their mandated roles to promote inward investment in the country and to provide support to domestic economic operators and SMEs. Investment mobilization remains crucial for the successful strategic development of the economy's targeted sectors, namely, agriculture and livestock, forestry, mining, tourism, fisheries, manufacturing, transport and telecommunications, finance, and business trade. UNIDO has been working closely with the **Small and Medium Sized Corporation (SMEC)** in the profiling of an initial group of 13 SMEs formulating investment opportunities in line with enterprises' investment requirements and promoting the same via the **Invest-in-ACP Platform**. In the second phase of the project, UNIDO is continuing with technical and advisory support to SMEC in a comprehensive SME Mapping and Investment Opportunity Profiling exercise. In the first half of 2023, SMEC visited 6 provinces in the Momase and Highlands regions, where they engaged with and physically visited 70 SMEs producing and selling local organic products. Within the framework of the ACP Business-Friendly programme implementation in PNG, UNIDO will continue to work with SMEC in fulfilling its plan to undertake SME Mapping among 1,000 SMEs from all 4 regions and 22 Provinces in the country. The trainings focused on UNIDO's Investment Opportunity Profiling Methodology and the use of DIPS for data collection and investment project opportunities. UNIDO also provided support to the European Union delegation and IPA PNG in the preparation and promotion of the third EU-PNG Business, Trade & Investment Conference, held in Port Moresby on October 2022.

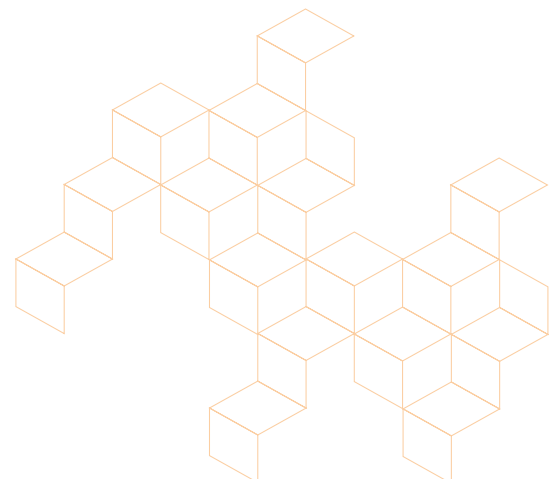
The Micro-level intervention of ACP Business-Friendly aims at supporting agriculture value chains –companies, farmers,

processors- and help them understand the market requirements, opportunities and constraints for penetrating local, regional and global markets. At the same time, the objective is to try to upgrade their supply, their production and processing capabilities to be able to penetrate into these markets.

ITC and the Pacific Community held a joint mission in Papua New Guinea, Vanuatu, and Fiji in May 2023. A wide range of stakeholders were consulted from the region's coconut and kava sectors, in PNG and Vanuatu respectively. Meetings with farmers, processors and institutions confirmed sector priorities and actions planned under the programme. With a focus on coconuts in PNG and kava in Vanuatu, ACP Business-Friendly also targets MSMEs from other countries in the region, which will benefit from the regional activities.



In collaboration with the Basque Culinary Centre (BCC), a virtual meeting was organised in June for the kava processors in the Pacific Region. The main objective of the meeting was to apprise all participants about the ongoing work, in partnership with the BCC, aimed at formulating new recipes and developing innovative products for various sectors such as cocoa, coffee and coconuts. This approach holds the potential to be tailored for the kava sector.





## Creating a more sustainable and inclusive business environment and investment climate

Improving business environment and supporting women economic empowerment are also among the main priorities of the Joint OACPS-EU Private Sector Development Platform.



The **Investment Climate Reform (ICR) Facility** works with public and private organisations in African, Caribbean and Pacific (ACP) countries to improve the investment climate so that the private sector can thrive, create decent jobs and contribute to sustainable economic transformation. It also provides expertise to national and subregional DFIs to become stronger institutions and to identify, prepare and implement projects and investments with high development impact.

The ICR Facility has already completed a series of activities in the region. Thus, it has provided support to the Development Bank of Samoa which was established in 1974 to provide affordable credit financing services in support of sustainable economic and social development. This financial institution benefited from capacity building on credit risk management, customer relations and financing SMEs. Roundtables were organized with other banks from the Pacific in order to share knowledge and promote collaboration. Further, two loans appraisal templates were developed for small and middle-sized enterprises. According to DBS, staff now

apply the techniques learnt in the customer relations training, including taking the time to speak to clients. “The support received from ICR has assisted in the development of the CRM template that aligns with our CRM policy. Our Board has approved the template which has been used since the 1st July 2022. We now expect a timely turn-around to appraise loans as we prepare the automation of our CRM processes. This has been a great support and encouragement to our lending team and we look forward to seeing positive impact to our lending operation and recovery of non-performing loans (NPLs)”, said Susana Lau, CEO of DBS.

*“The technical assistance received by the Development Bank of Samoa has been helpful. It enables to ease our assessment: we no longer do a manual assessment for loan appraisals. The new template has saved us enough time for other work commitment”,* declared Aiufi Kelekolio, Loans Administration Manager at DBS



• [Click here to watch the video on ICR facility's Support for development Finance Institutions.](#)

The Federated States of Micronesia Development Bank is being supported to strengthen its internal-facing gender operations and client-facing gender-lens investing activities, to ultimately better promote gender equitable development in its mandate to provide all banking functions to stimulate growth and accelerate private sector development

In 2021, ICR also provided assistance to the Kiribati Chamber of Commerce & Industry (KCCI) with capacity building for climate finance. Several sources of climate finance could be tapped by the country –

including international funds and private equity funds. The technical assistance aimed at helping KCCI to learn how to identify the most relevant ones and to learn more about how to access them. The intervention resulted in the development of a roadmap for climate finance opportunities for KCCI and its 80 members.

The ICR Facility is currently supporting the Tuvalu Government's Department of Business, Industries & Investments, Ministry of Finance to conduct a gender based diagnostic analysis of Tuvalu's investment climate, drawing on both desk-based research and stakeholder consultations. This will result in a report with validated findings and recommendations. The validated findings and recommendations will be used to draft a gender sensitive Investment Strategy in support of local businesses (including tourism, fisheries, agriculture, art, crafts etc.).

In Tonga, the programme is supporting the Ministry of Agriculture, Food and Forestry to develop the Kava National Strategic Plan with a focus on exports and sustainability, employment creation and income generation for women and youth in Tonga. The technical assistance includes: i) an assessment of the opportunities and challenges for the Kava sector, locally and internationally; and preparation of a strategic analysis using a public-private dialogue approach; ii) a gender and youth gap analysis of the Kava value chain; iii) Preparation of the Kava National Strategic Plan and Execution Action Plan.

In the coming months, the ICR Facility will support the Papua New Guinea - Europe Business Council with two activities. First, the development of a growth strategy with the objective to attract more members, especially Papuan and women businesses. Second, the identification of the main challenges faced by PNG and European businesses, including on improving the regulatory frameworks governing import-export and foreign investment, to develop recommendations that can be conveyed in public-private dialogue settings.





The ICR Facility has developed an online self-paced MOOC course to foster awareness and provide tools to advance Women Economic Empowerment (WEE) through BER in OACPS countries. Participants from the Pacific will learn to apply a gender-sensitive and gender-transformative lens when they work on their own reforms, taking into account gender differences and promoting reforms that tackle barriers women face in the business environment. 10 experts from private and public organisations from the Pacific are also going to be trained on gender sensitive Business Environment Reform (BER) to support WEE. After the training, the experts will be able to deliver courses on the same topics.

[Read the ICR Facility Annual Report 2023 HERE](#)

## Strengthening artisanal and small-scale mining and unlocking the potential of informal



Gravel extraction works near Vorovoro village in Dawasamu, Tailevu. Picture: JOVESA NAISUA/FT FILE economy for inclusive growth

The second phase of the **ACP-EU Development Minerals Programme** helps Artisanal and Small-Scale Mining Enterprises (ASMEs) engaged in Development Minerals value chains to improve livelihoods, generate higher employment and incomes. In particular, the programme aims to increase economic opportunities for women participating in ASMEs throughout the Development Minerals value chains.

Development Minerals play an oversized role in Fiji's domestic development, espe-

cially in the areas of infrastructure, housing construction, road building, agriculture and disaster reconstruction, as well as supporting a large number of Fijian small and medium-sized domestic enterprises. The programme supported an independent analysis of river gravel and sand extraction operations, which covered their environmental impacts, as well as measures to address informal and illegal operations.

The analysis provided insights into current gaps of regulations and monitoring practices and provided recommendations, informing the revision of the Guideline on River Gravel and Sand Extraction.



Gravel extraction being carried out in the Navua River. Picture: SUPPLIED

The programme issued two grants for a total of EUR 20 000 to two artisanal groups of salt makers and clay pottery makers with a total of 598 beneficiaries (ASMEs and NGO Fiji Arts Council). In addition, the programme provided small grants to Fiji Arts Council targeted at traditional salt makers and clay potters, who are mostly artisanal craftswomen in five traditional village settings. Overall, 68% (31 out of 45 licensed crafts people) of the targeted group members for these small grants are women. Development Minerals partnered with the University of Queensland's Sustainable Minerals Institute, UNESCO, the Secretariat of the Pacific Community, the Fiji Ministry of Lands and Mineral Resources, and Fiji National University to initiate the "Stone for Development Work-Integrated Learning Programme".

The **ACP-EU Informal Economy programme** attempts to address challenges affecting the transformation and formal-

ization of the informal enterprises through increasing access to financial services, enabling favorable policies and regulations, and enhancing the financial, digital and literacy capacity and business skills.

In Solomon Islands, three output areas are targeted:

- **Integrated policy framework for formalization of informal enterprises developed and promoted.**

A sensitization workshop that elaborated on suitable incentives, support schemes and identified critical factors that would determine success or failure of such schemes was organized. A draft National Action Plan and road map for Formalization was produced in partnership with ILO. The draft action plan is under review by key stakeholders including the government of Solomon Islands.

- **New financial services developed and promoted and capitalization opportunities for financial intermediaries expanded.**



Three Institutions namely the Solomon Telekom Company Limited (Our Telekom), the Development Bank of Solomon Islands (DBSI) and the Solomon Islands National Provident Fund (SINPF) were identified as partners that will be supported with technical assistance to improve product development to service the micro and small enterprises particularly informal enterprises. Our Telekom and the Solomon Islands Postal Corporation (SIPC) were selected as partners to develop digital financial pro-





ducts and will benefit from the challenge fund to support agent banking and promotion of savings respectively. The project plans to promote blended finance offering.

- Capacities of informal sector intermediaries, aggregators and government strengthened, and use of digital technology promoted.

Training of financial service providers was conducted, based on which ILO plans to design tailor-made programme for the Solomon Islands. The project also plans to support incubators and accelerator's that are promoting digital innovative services that target informal sector.

- Sectoral Collective action platforms established and operational.

Cocoa sub sector was identified and will be supported to demonstrate the use of the eco-system development approach in supporting the informal sector. A scoping study was made, and a report presented for validation to the cocoa working group. The project identified areas of support including access to financial services, support the transition of the cocoa working group, need for quality assurance, value addition of cocoa including increasing domestic consumption and youth engagement.

## Increasing access to affordable and inclusive financing



In 2022, the UN Capital Development Fund (UNCDF) through its Pacific Digital Economy Programme (PDEP) and Digital Finance for Resilience Programme (DFS4Res) initiatives, conducted a Digital and Financial Literacy Baseline Survey in seven Pacific Island Countries: Fiji, Papua New Guinea, Samoa, Solomon Islands, Timor-Leste, Tonga, and Vanuatu to assess the current state of digital and financial literacy within each country. The research explores experiences with traditional and digital financial services to-date, in addition to assessing basic competencies in the areas of digitization and finance. Fiji was the first of the Pacific countries where the survey was rolled out.

On 26th July 2023, a dissemination workshop was held on the theme 'Assessing Digital and Financial Literacy in Fiji: A Survey on Knowledge, Skills and Access'. The objective was to share key findings of the survey and engage various stakeholders in exploring ways to use the results to enable informed policy actions and interventions with the goal to strengthen digital and financial literacy in Fiji.

