



VANUATU

eTrade Readiness Assessment



UNITED NATIONS
UNCTAD

Population:
0.28 million (2016)

GDP:
\$838 million (2016, USD)

Internet users 82,800



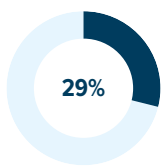
E-commerce legislation

- Electronic transactions: ✓
- Consumer protection: ✗
- Privacy & data protection: ✗
- Cybercrime: ✗

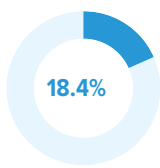
Rank, ITU' information & communication technology development index:

141/176

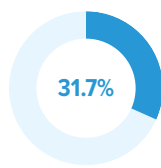
% FIRMS IDENTIFYING ACCESS TO FINANCE AS A MAJOR CONSTRAINT



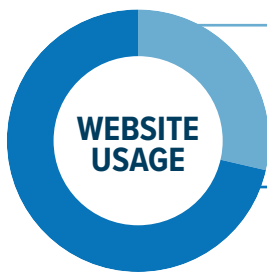
VANUATU



WORLD AVERAGE



LDCS



28.57% OF VENDORS AND MERCHANTS USE THE WEBSITE + PAYMENT OPTIONS FOR DOMESTIC AND CROSS-BORDER SALES

71.43% OF VENDORS AND MERCHANTS USE THE WEBSITE TO PURELY ADVERTISE / PROMOTE PRODUCTS AND SERVICES



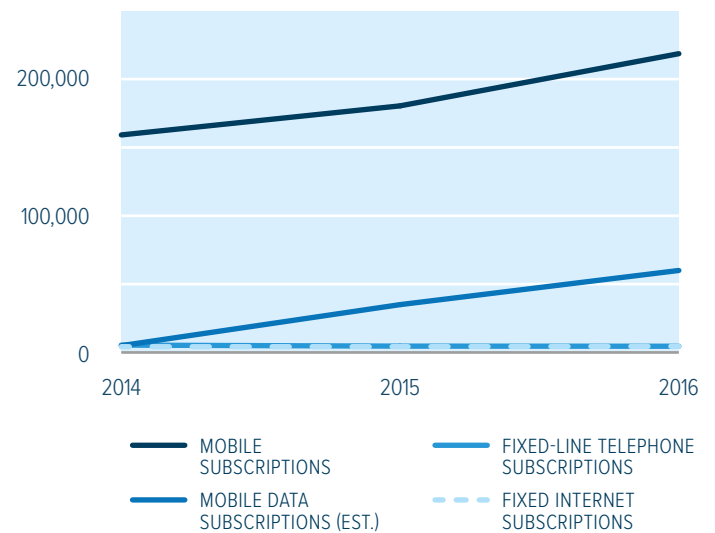
DEVELOPMENT & ADOPTION OF MOBILE- AND E-PAYMENTS DELAYED BY: SMALL MARKET SIZE, LOW FINANCIAL INCLUSION, LACK OF TRUST IN MOBILE SOLUTIONS

HIGH INTEREST RATES & DEMANDS FOR SUBSTANTIAL COLLATERALS ACT AS BARRIERS TO FINANCING

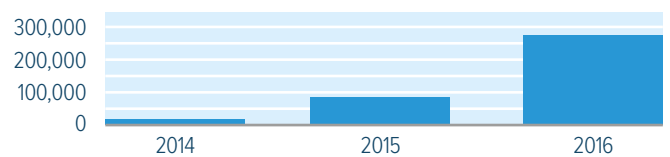


KEY ICT INDICATORS FOR VANUATU

PHONE & DATA SUBSCRIPTIONS



TOTAL MOBILE DATA DOWNLOADS ('000s MB)



SOURCE: Telecommunications and Radiocommunications Regulator (TRR) of Vanuatu, <https://www.trr.vu/en/>



DELIVERIES AND TRANSPORT ARE COSTLIER THAN IN OTHER ECONOMIES IN THE REGION DUE TO:

ABSENCE OF A PHYSICAL ADDRESSING SYSTEM & CHALLENGING GEOGRAPHY



Enhanced Integrated Framework

Trade for LDC development

The Government has shown a strong interest in adopting economic and social policies that can facilitate the development of the Internet economy, of which e-commerce is one segment. Unlocking its potential will also reduce distance to markets, reduce “sealedness” and enable Vanuatu to leapfrog certain barriers associated with physical trade.

- UNCTAD Republic of Vanuatu Rapid eTrade Readiness Assessment

EXISTING E-COMMERCE PRODUCTS IN VANUATU



COFFEE



COCONUT PRODUCTS

OIL, SOAP, LIP BALM



SANDALWOOD, ESSENTIAL OILS



PRIORITIES



Shift from assessment to action by developing a national e-commerce strategy



Implement key Trade Facilitation Agreement and paperless cross-border trade measures



Speed-up approval of national payment system law and adoption of national payment system



Ensure online payments can be made in foreign currency into Vanuatu-held accounts (continue cooperation with the Financial Action Task Force on Money Laundering & the Asia/Pacific Group on Money Laundering)



Create a structured public-private dialogue on the digital economy



Provide a robust e-commerce ecosystem in line with regional and international best practices



Improve tertiary education curriculum to include soft skills (e.g. content management, web and app development, e-commerce skills)



Financial institutions should continue to be responsive to the needs of businesses as they move towards digitalization



Accelerate government private sector partnerships for skills development in micro, small and medium enterprises