

# **UNDP-USP Pacific Digital Democracy Initiative Project**

**ISLANDPALMS HOTEL AND RESTURANT, POMPEI, FSM**

**16-19 DEC 2024**

**WORKSHOP REPORT**



## Pacific Digital Democracy Initiative supports FSM via a human rights-based approach, in pursuing their digitalisation strategies to strengthen state-society relations.

### Executive Summary

The "Pacific Digital Democracy Initiative," a collaborative project between the United Nations Development Programme (UNDP) and The University of the South Pacific (USP), aimed to support the Federated State of Micronesia's (FSM) digitalization strategies through a human rights-based approach to enhance state-society relations. A four-day workshop at the Island Palms Hotel and Restaurant, Pompei, brought together participants from various government organizations for a Train the Trainers program. This initiative was designed to deepen understanding and commitment to FSM's digital rights and development priorities.

The workshop included eight key modules, each targeting specific aspects of digital governance:

1. **Introduction to Digital Government:** Explained the value and implementation of digital government.
2. **Human-Centred Design for Digital Services:** Emphasized the importance of user research in designing digital services.
3. **Agile and Open Ways of Working:** Explored service development cycles and their role in digital transformation.
4. **Building Trust in Digital Government:** Addressed data privacy, cyber hygiene, and security by design.
5. **Data Uses, Opportunities, and Risks:** Highlighted responsible data use for policy-making and service improvement.
6. **Managing Digital Technology Risks:** Discussed risk management in digital projects.
7. **Navigating Barriers to Digital Government:** Identified common barriers and good practices to overcome them.
8. **Leadership for Digital Governance:** Focused on digital transformation leadership and organizational change.

The workshop underscored the transformative potential of digital technologies in advancing inclusive and transparent democratic processes, emphasizing their critical role in enhancing governance efficiency, promoting inclusive decision-making, and boosting transparency. It aimed to build a resilient digital infrastructure in FSM, foster collaboration among stakeholders, and lay the groundwork for sustainable digital transformation in the Pacific region, particularly focusing on FSM. Through harnessing digital technologies, the initiative sought to empower citizens, improve governance transparency, and support participatory decision-making, ultimately fostering more inclusive, responsive, and accountable digital governance in FSM.

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Date: 03. 02. 2025

## Attendance and Participation Overview

Name	Gender	Organisation
Ankie Mendiola	Male	FSM-Ministry of Health
Midion Neth Jr.	Male	FSM-Ministry of Health
Augustus Elias	Male	FSM-Ministry of Health
Steven Joel Jr.	Male	FSM-Ministry of Health
Keana Segal	Female	Pohnpei- AG's Office
AJ Harris	Male	UNDP
Einstein Roby	Male	FSM- Depart of Justice
Rutstein Barnabas	Male	FSM- Depart of Justice
Michaela Saimon	Female	FSM- Depart of Justice
Sanjay William	Male	FSM- Depart of Justice
Kathleen Kostka	Female	Pohnpei- AG's Office
Amy Mendiola	Female	UNDP

**Workshop Facilitated by** Dr Subhash Appanna and Ms. Margret Kensen  
**Report Prepared by** Shailin Mala, Innovation & Grants Development Coordinator  
**Report Reviewed by** Professor Sushil Kumar, Project Leader, PDDI project  
**Project Officer:** Qaayenaat Ali



## Opening Session

**Chief Guest:** Attorney General - Leonito Bacalando Jr., Department of Justice.

Jr. Bacalando in his remarks said Jr. Bacalando emphasized the crucial role of digitalization for the Federated States of Micronesia (FSM) in multiple sectors, highlighting its potential to drive economic growth, enhance governance, improve education, and increase resilience to climate change. Digital infrastructure is vital in boosting FSM's participation in the global digital economy, creating opportunities for e-commerce and digital financial services that support local businesses and entrepreneurs. Reliable internet connectivity can attract remote work opportunities and foreign investments, positioning FSM for long-term economic growth.

Digitalization plays a transformative role by improving transparency, efficiency, and accessibility in government services through e-governance systems. Digital record-keeping enhances data management for critical sectors such as health, education, and social welfare, enabling more effective service delivery. Furthermore, in education, online learning and digital tools significantly improve access to quality education, particularly for students on remote islands. Digital literacy programs are also vital in preparing the workforce for future job markets, while collaboration with international institutions through digital platforms expands educational opportunities.

Overall, digitalization is an essential tool for FSM's continued development, ensuring that it remains competitive, resilient, and well-equipped for future challenges.

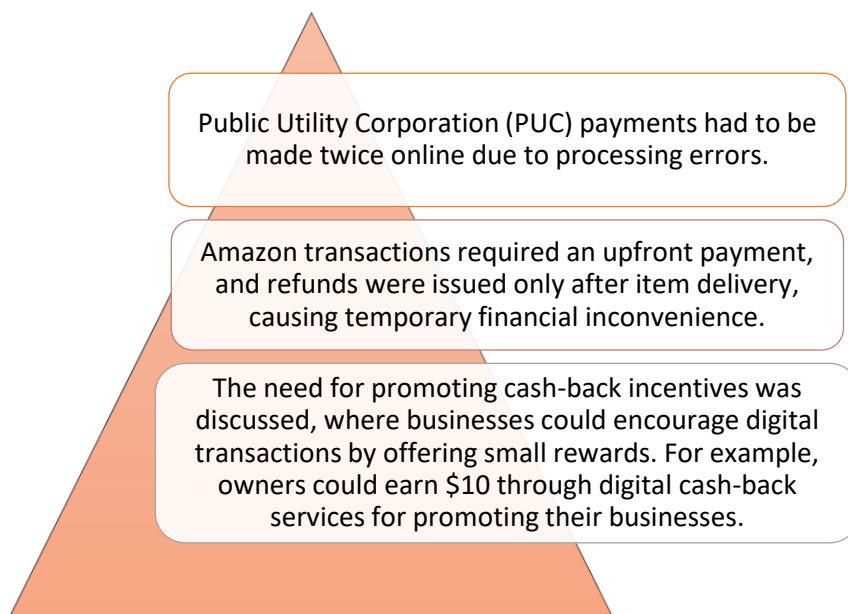


## DAY 1: Introduction to Digital Government

As governments and organizations strive to modernize their operations, digital transformation remains a crucial goal. However, various barriers—ranging from procurement challenges to resistance to change—can hinder progress. Day 1 workshop modules captures key insights from participants on the challenges and opportunities related to digital government initiatives. It discussed strategies for securing funding, fostering leadership support, and addressing procurement constraints, while also highlighting commitments for the next steps in advancing digital transformation. Through these discussions, participants brain stormed actionable recommendations to enhance efficiency, transparency, and innovation in government services.

### 1. Challenges in Procurement of Digital Services and Products

Participants shared their experiences with challenges in procuring digital services and products. A key issue highlighted was the inconvenience faced with online payments. Specifically:



### 2. Funding Digital Projects in Organizations

The workshop explored how digital projects are funded and the advantages and disadvantages of different funding models. One notable funding source is the World Bank, which supports FSM's digital project development.

#### Pros of Digital Project Funding

- Brings additional funds into the economy.
- Expands global reach through online connectivity.
- Expands global reach through online connectivity.
- Generates employment and develops a skilled labour force.

#### Cons of Digital Project Funding

- Grants must align with specific objectives and criteria, requiring an extensive evaluation process.
- Mismanagement of funds could lead to project failure.
- If funds are not utilized within the designated timeframe, they may be lost or not extended

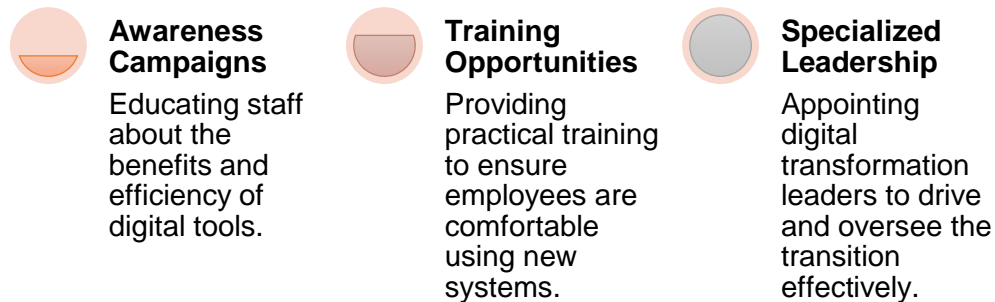
### 3. Resistance to Digital Change Among Civil Servants

Some civil servants have shown reluctance to adopting digital tools and processes. The primary reasons for this resistance include:

- Fear of the unknown, particularly among older employees.
- Comfort with traditional, familiar methods, leading to hesitation in embracing digital transformation.

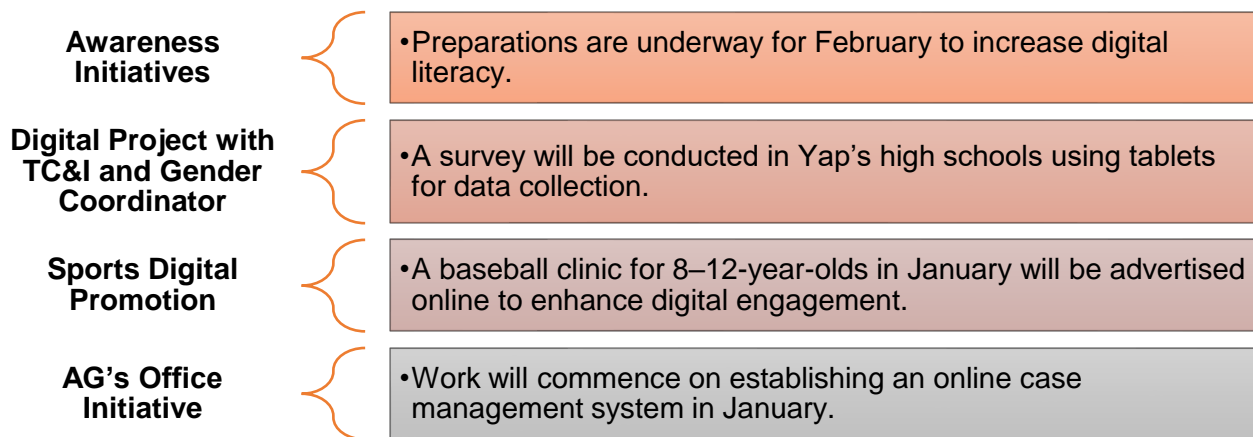
### 4. Supporting Digital Transformation in Organizations

Participants identified three key strategies to facilitate digital transformation:



### 5. Commitments for the Next Month

Participants outlined specific commitments to advance digital transformation efforts in their respective organizations:



Day 1 of the workshop emphasized the need for a balanced approach in adopting agile, open ways of working within the public sector. While the potential for innovation through transparency and collaboration is significant, it is essential to address the challenges related to data security, privacy, and public trust. Moving forward, strengthening policy frameworks, promoting digital literacy, and fostering inclusive technology adoption are key to ensuring the success of digital transformation. By taking these steps, public sector organizations in FSM can create a secure, efficient, and trustworthy digital ecosystem that delivers lasting benefits to all stakeholders involved.

## DAY 2: Agile & Open Ways of Working

In the evolving landscape of public sector digital transformation, adopting agile and open ways of working has become a critical focal point for success. This approach emphasizes transparency, collaboration, and knowledge-sharing to foster innovation and drive progress. However, as the integration of digital services grows, so too do the challenges surrounding data security, trust, and the complexities of change management. The following discussions highlighted key insights from a workshop exploring the opportunities, risks, and barriers associated with working openly in the digital public sector.

### 1. Working in the Open: What Does It Mean?

Participants highlighted key elements of working in the open, including:

Participants' Understanding of Working in Open

**Collecting Concepts:** Gathering diverse ideas to enhance innovation.

**Public Awareness:** Ensuring communities understand digital initiatives.

**Transparency:** Openly sharing processes and decisions.

**Collaboration:** Engaging multiple stakeholders for better outcomes.

**Knowledge-Sharing:** Encouraging exchange of expertise and best practices.

### 2. Risks Associated with Increased Use of Data in the Public Sector

Participants expressed concerns about data management, noting risks such as:

Data security vulnerabilities.

Inaccurate or poor-quality data affecting outcomes.

Security breaches and identity theft risks.

Potential impacts on specific domains and sectors.

Insufficient decision-making due to unreliable data.

Exposure of sensitive information.

### 3. Barriers to Trust in Digital Services

Barriers to trust in digital services are influenced by several key factors. Public skepticism and reluctance are prominent, as many individuals remain hesitant to embrace digital initiatives due to concerns over their reliability and effectiveness. Additionally, mismanagement of data can lead to credibility issues, undermining the public's confidence in digital systems. Ineffective

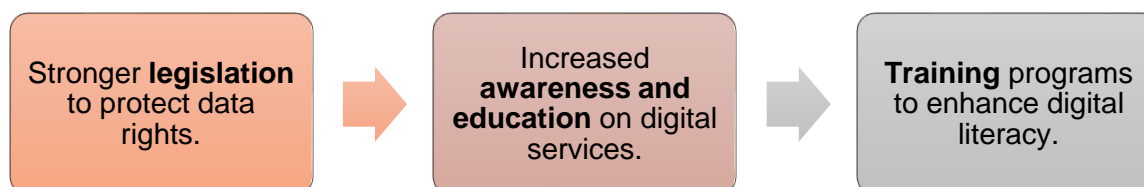
dissemination of information further exacerbates this problem, as unclear or insufficient communication regarding the benefits and safeguards of digital services leaves the public uncertain about their safety and utility. These factors collectively hinder the widespread adoption and trust in digital government services.

#### 4. Assessing Current Services, Privacy Rights & Areas of Improvement

Participants reflected on privacy rights such as access, rectification, and data portability. Observations included:

<b>Not sharing information between governments:</b>	•Ensuring strict control over data exchange.
<b>Legislation is needed:</b>	•Addressing gaps in data protection laws.
<b>Mutual Understanding:</b>	•Encouraging stakeholder alignment.
<b>Current health systems include an opt-out feature:</b>	•Example of patient privacy control.
<b>Audit Systems:</b>	•Limiting data access to assigned auditors.

Following suggestions were made to make enhancements to improve access to current services and privacy rights:



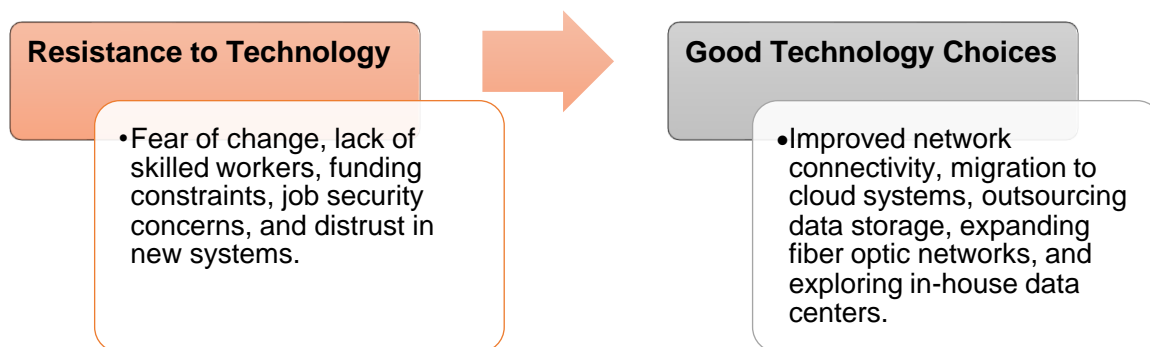
#### 5. Overcoming Barriers and Promoting Good Technology Choices in the Public Sector

Resistance to technology adoption in the public sector is driven by several factors. Fear of change is a primary concern, with many employees hesitant to adapt to new digital systems. Additionally, the shortage of skilled workers makes it difficult to implement these technologies effectively. Funding constraints also play a significant role, as limited financial resources hinder the execution of digital projects. Job security concerns add to the resistance, as employees fear automation could replace human roles. Furthermore, distrust in the reliability of new systems creates additional hesitation, as individuals remain uncertain about the functionality and long-term effectiveness of these technologies.

On the positive side, several organizations have made good technology choices to improve operations and facilitate smoother adoption of digital systems. Successful initiatives include improved network connectivity, which enables faster and more efficient services, as well as migration to cloud systems that enhance both accessibility and security. Outsourcing to program vendors for data storage solutions and expanding fiber optic networks are also helping to enhance



digital infrastructure. Additionally, some organizations are exploring in-house data centers to offer long-term cost savings and more control over data ownership. These initiatives are essential in overcoming resistance and driving technological progress within public sector organizations.



## 6. Lessons from Past Project Failures and Facilitating Digital Transformation in Government

Participants reflected on past project failures and identified several key factors that contributed to these challenges. A lack of trust in network integration, resistance to new processes such as the transition from spreadsheets to program imports in health services, and bureaucratic delays that led to inefficiencies in project approvals were all cited as significant barriers. Leadership and funding challenges also impacted the successful execution of digital initiatives, while poor accessibility of digital services to the intended audience further hindered progress. On the flip side, successful digital transformation in government hinges on key enablers. Transparency, through open governance, helps to build trust, while inclusion ensures diverse stakeholders are engaged in the process. Additionally, balancing confidentiality with accessibility is crucial in protecting sensitive information while still providing public access to digital services.

## 7. Challenges in Open Collaboration

Participants also highlighted various barriers preventing open collaboration within teams. Job security concerns, stemming from fears of being replaced by technology, were a significant factor. Additionally, a lack of authority to influence decisions, poor management, and ineffective leadership in digital initiatives were seen as obstacles to successful collaboration. Mismatched audience engagement and cultural obligations, such as traditional norms that influence digital adoption, further complicate efforts to work together effectively in the public sector. Addressing these challenges is essential for fostering a collaborative and successful digital transformation process.

## Conclusion and Recommendations

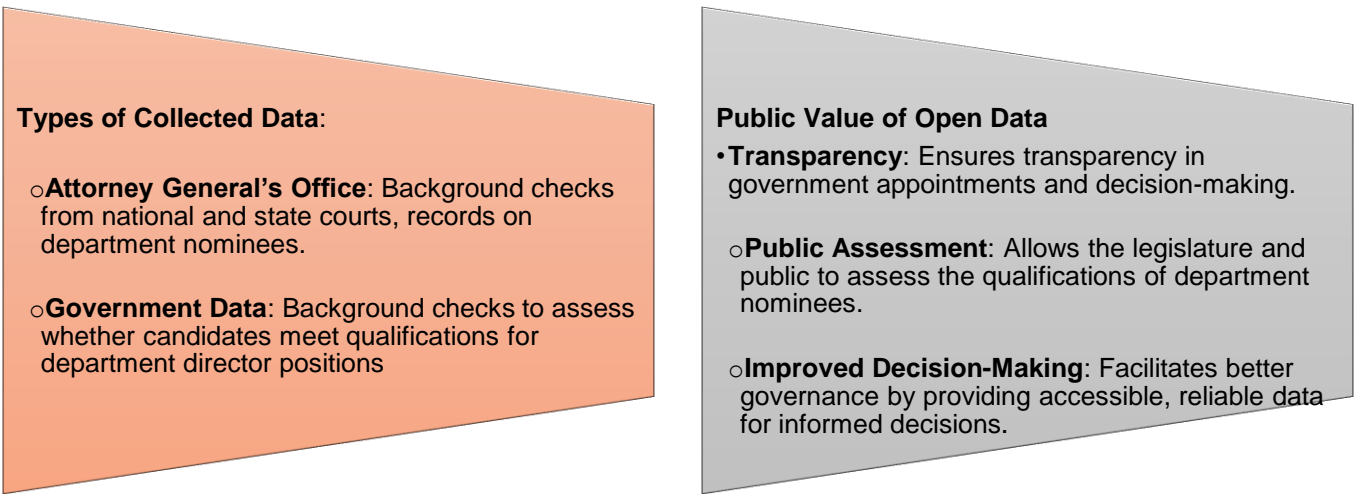
In conclusion, day 2 workshop underscored the importance of embracing agile, open ways of working while addressing the inherent challenges that come with digital transformation in the public sector. While transparency and collaboration hold great potential for innovation, attention must be given to mitigating risks related to data security, privacy, and public trust. To move forward effectively, it is crucial to enhance policy frameworks, promote digital literacy, and encourage inclusivity in the adoption of new technologies. By doing so, public sector organizations can build a secure, efficient, and trustworthy digital ecosystem that benefits all stakeholders.

# DAY3: Data Uses, Opportunities and Risks

In an increasingly digital world, data plays a pivotal role in shaping decision-making and enhancing the transparency of public services. However, challenges surrounding data collection, sharing, and interpretation can hinder the effectiveness of government operations. This session explored various aspects of data usage in the public sector, from open data release and its potential value to the complications arising from ambiguous fields and repetitive data submissions. By discussing these issues, participants sought to identify opportunities for improvement and ways to maximize the positive impact of data on public governance.

## 1. Data Collection, Open Data Release, and Public Value

Participants discussed the types of data collected by their respective departments and the potential benefits of open data sharing. Key points include:

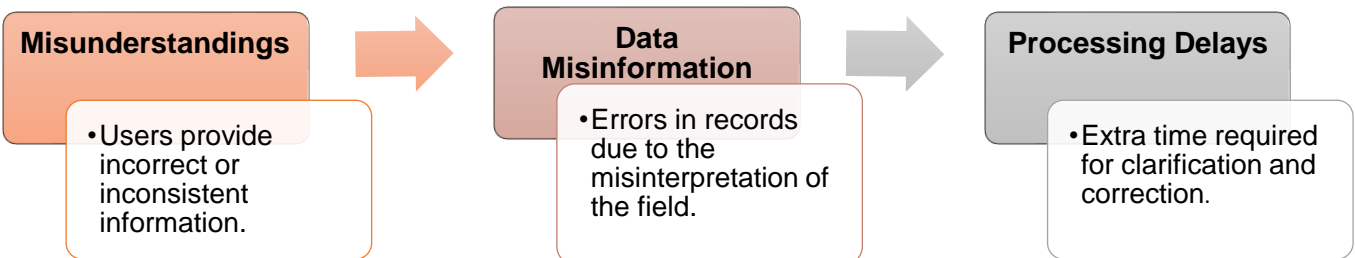


By embracing open data release, the public sector can foster transparency, build trust, and improve public engagement, ultimately leading to more effective governance.

## 2. Ambiguous Data Fields and Their Consequences

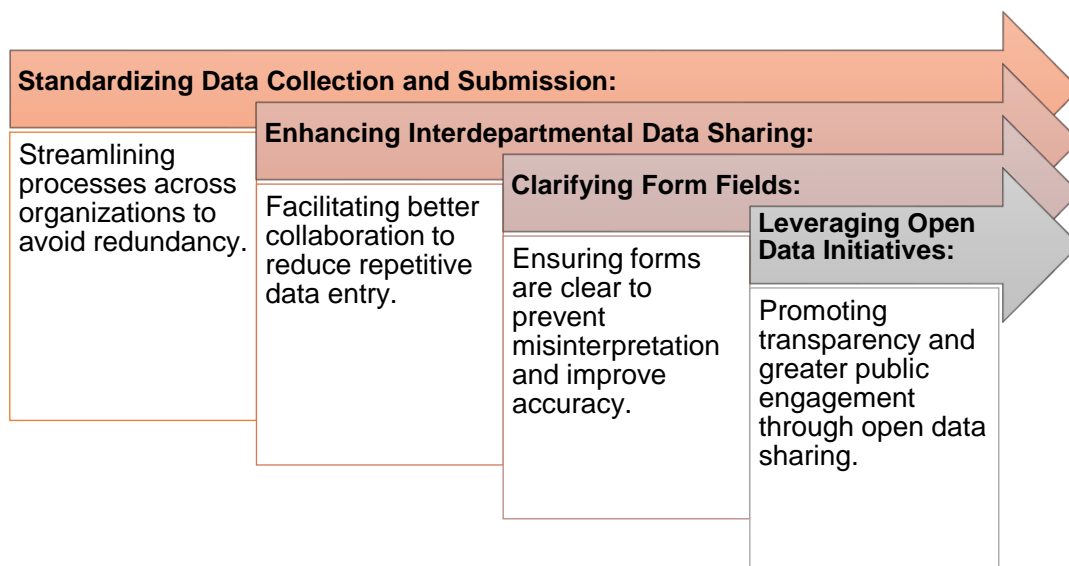
Participants analyzed a scenario where a form contained a vague field labeled "status." Some participants interpreted this as marital status, while others understood it as employment status.

The consequences of this ambiguity included:



### 3. Challenges with Repetitive Data Submission and Recommendations for Improvement

Participants highlighted several inefficiencies in data collection and sharing within organizations, particularly the redundancy in submitting the same data multiple times. This includes submitting data via various methods such as fax, scan, email, and physical documents. Different organizations have varied submission processes, which only contribute to inefficiency. For example, the Public Auditor's Office collects financial laws, regulations, internal policies, and complaints, all of which are used by multiple departments, such as the executive branch and congress, for public audit reports. To address these challenges and enhance efficiency, participants recommended the following improvements:



By implementing these strategies, organizations can reduce inefficiencies, improve accuracy, and promote better interdepartmental collaboration.

### Conclusion & Recommendations

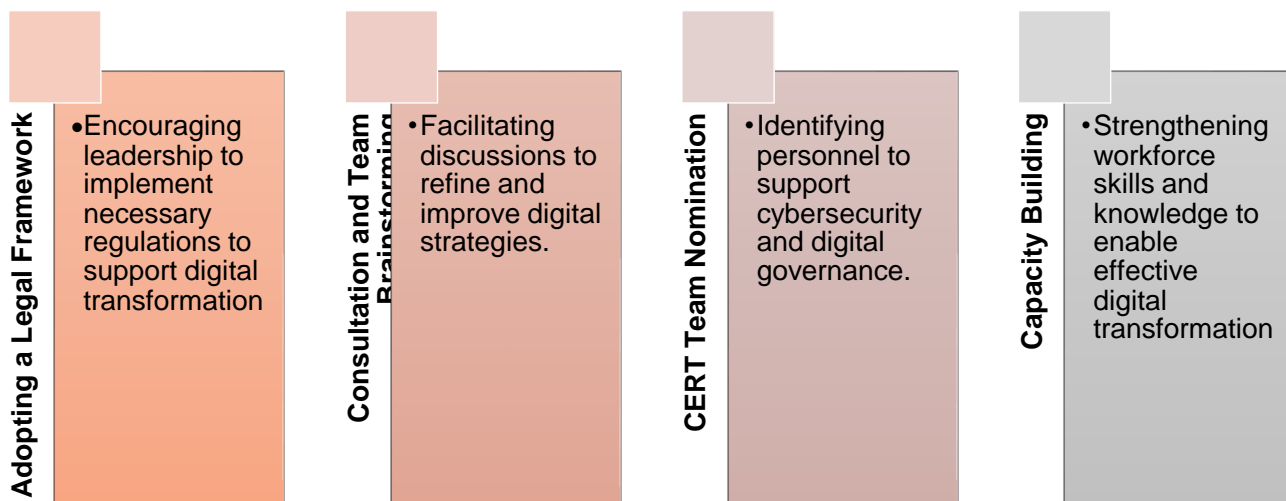
The second day workshop highlighted both the potential and the challenges of utilizing data to improve public services in FSM. While open data initiatives can foster transparency and enhance decision-making, it is clear that issues like data ambiguity, inefficiency, and redundancy need to be addressed. By standardizing data collection processes, improving interdepartmental data sharing, and ensuring clarity in forms, government organizations can enhance their digital services, promote better public engagement, and ultimately improve the delivery of services to citizens. These improvements are vital to creating a more transparent, efficient, and effective public sector in FSM.

## Day 4: Navigating Barriers to Digital Government

Digital transformation in government is a crucial step toward enhancing efficiency, transparency, and service delivery. However, the journey toward a fully digital government is fraught with challenges, including procurement issues, funding models, resistance to change, and outdated policies. The day 4 modules focused on the barriers hindering the digital transformation process and explored strategies to overcome them. Participants shared insights on the importance of securing funding, raising awareness, fostering leadership support, and addressing the resistance to digital change that exists within the public sector.

### 1. Supporting Digital Transformation and Commitments for the Next Month

To drive digital transformation within their organizations, participants identified three key actions: securing funding and tools by identifying financial resources and necessary digital tools, raising public awareness through training and education to help stakeholders understand the benefits of digital transformation, and gaining leadership support to secure resources while recognizing that technical experts may need assistance advocating for change. Additionally, participants outlined concrete steps for the next month to advance digital initiatives, including:



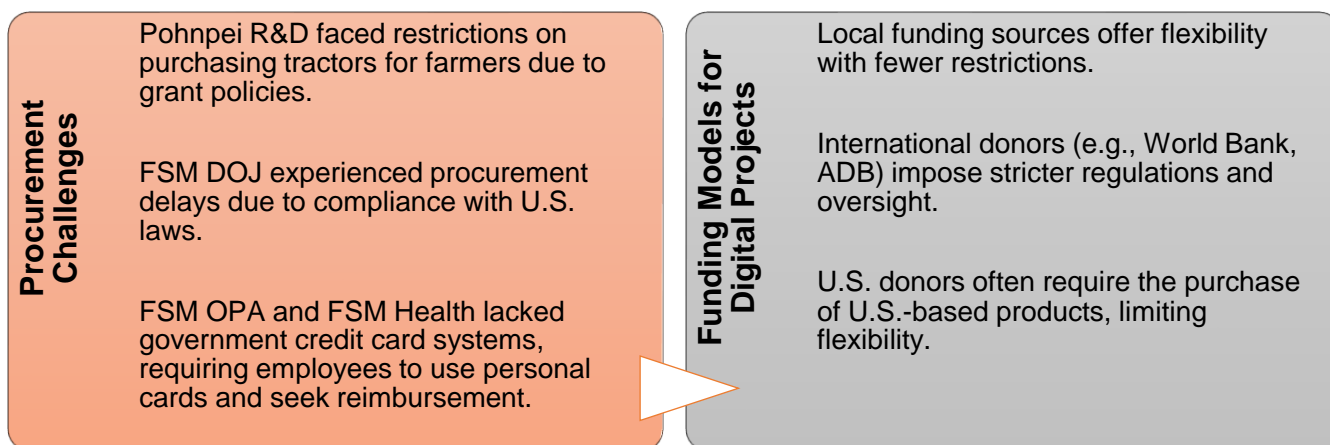
These actions and commitments are essential for fostering an environment where digital transformation can thrive and benefit all stakeholders.

### 2. Challenges in Procurement of Digital Services and Products and Funding Models for Digital Projects

Participants shared their experiences with procurement challenges, highlighting several key issues. For example, Pohnpei R&D faced restrictions on purchasing tractors for farmers due to grant policies. At the same time, the FSM Department of Justice (DOJ) experienced delays in procurement due to compliance with U.S. laws. FSM OPA and FSM Health also encountered difficulties due to the lack of government credit card systems, forcing employees to use personal cards and seek reimbursement for digital services and products.

Regarding funding models for digital projects, participants noted that projects are funded through a combination of local and external sources, each with its advantages and challenges. Local donors tend to be more flexible and less restrictive in their requirements, while international

donors, such as the World Bank and ADB, impose stricter regulations and oversight. U.S. donors often require U.S.-based products, which can limit options and flexibility in project implementation. These challenges in procurement and funding models underscore the need for more streamlined processes and more adaptable funding mechanisms to ensure the success of digital projects.



These challenges highlight the need for streamlined procurement processes and adaptable funding models to support effective digital transformation.

### 3. Resistance to Digital Change Among Civil Servants

Resistance to digital adoption within the public sector is driven by several key barriers. Many employees hesitate to shift to digital systems, resisting **change** that hampers progress. Additionally, there is a **lack of understanding** about the benefits of digital transformation, which leaves many unsure of the value these changes can bring. Restricted access to information exacerbates the issue, as employees often struggle to access the necessary digital resources to perform their tasks effectively. Moreover, **traditionalist management** or "dinosaurs" in leadership roles are reluctant to modernize systems, creating a significant obstacle to digital change. Finally, **outdated policies**, including financial management and procurement regulations, continue to hinder the ability of organizations to adopt more efficient digital approaches.



Addressing these barriers is essential for overcoming resistance and fostering a more digitally inclusive public sector.

## Conclusion and Recommendations

In the fourth-day workshop, participants emphasized that navigating the barriers to digital government requires a multifaceted approach, including strategic funding, policy reforms, and leadership engagement. While procurement challenges and resistance to change remain significant hurdles, organizations can overcome these obstacles by advocating for policy updates, promoting digital literacy, and fostering more substantial leadership support. By addressing these challenges head-on, public sector organizations can accelerate their digital transformation, creating a more efficient, transparent, and modern government system that better serves its citizens.

## Final Workshop Summary

In summary, the discussions across all sessions highlighted the critical role of digital transformation in modernizing public sector operations, enhancing transparency, and improving decision-making. The journey is challenging, but there are clear benefits to adopting open data initiatives, digital tools, and collaborative approaches. These include data security concerns, procurement inefficiencies, resistance to change, and barriers to leadership support. Organizations should strengthen policy frameworks, promote digital literacy, secure funding, and foster leadership buy-in to overcome these obstacles. By addressing these key areas, the FSM governments can create a more transparent, efficient, and citizen-centric digital ecosystem, ultimately leading to better outcomes for public services and society.

## Workshop Concluding Remarks



**Mr. Kevin Petrini, the UNDP Deputy Resident Representative** in the North Pacific, emphasized the critical importance of digitalization in the region. He highlighted that while digital platforms offer significant opportunities for empowerment and advocacy, they also present challenges, particularly concerning online safety. Mr. Petrini noted that digital tools can be misused to intimidate, harass, and silence individuals, especially women and girls, thereby infringing on their rights and well-being. He underscored the necessity of implementing robust cybersecurity measures and fostering digital resilience to protect vulnerable populations.

Mr. Petrini has been actively involved in initiatives to enhance digital infrastructure and promote inclusive digital transformation in the North Pacific. He advocates for collaborative efforts to bridge the digital divide, ensuring that technological advancements are accessible to all communities, including marginalized groups. His work includes supporting the development of e-governance platforms, digital literacy programs, and innovative solutions to bolster climate resilience through digital tools.

**THE END**