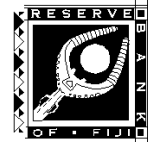




RESERVE BANK OF FIJI



Welcome to the Reserve Bank of Fiji's Public Awareness column. Over the next few weeks we will cover a series of articles on financial inclusion in a lead up to the Reserve Bank of Fiji co-hosting the annual Alliance for Financial Inclusion Global Policy Forum in September. This is the second article in the series.

Reserve Bank of Fiji Wins Financial Inclusion Maya Award

Many people living in rural areas and the poor in developing countries like Fiji will generally have limited access to financial services, if any at all. For more than a decade this has been an international policy concern, as highlighted during the United Nations September 2005 World Summit. Heads of State and Government recognised the need for building inclusive financial sectors to contribute to economic development and poverty alleviation.

Six years on, the members of the Alliance for Financial Inclusion (AFI), a global network of central banks, supervisors and other financial regulatory authorities (of which Fiji is a member) announced a framework of public commitments to bring more of the world's poor into the formal financial system. These commitments, more commonly known as the *Maya Declaration*, were launched at the 3rd AFI Global Policy Forum, in Cancun, on the Riviera Maya, Mexico. They were the first set of global measurable commitments by policy makers from developing and emerging countries to improve the economic and social potential of the poor through greater financial inclusion. Fiji was amongst the first 17 countries in 2011 that made commitments to the Maya Declaration to improve access, usage and quality of financial products and services to the then 2.5 billion people in the world that were financially excluded.

The Governor of the Reserve Bank of Fiji, Barry Whiteside, announced Fiji's commitments which focused on four policy areas: the regulatory environment and mobile financial services, consumer education and protection, data and measurement, and national strategy. These were articulated as follows:

- *To ensure that an enabling and effective Regulatory environment is created, amongst others, to promote payments systems, mobile money financial services and microfinance to support greater financial inclusion.* Work is on-going under this commitment. Mobile Money financial services have also been provided the necessary regulatory oversight by the Reserve Bank of Fiji.
- *To integrate Financial Education into the Fiji School Curriculum and to reach the adult population through Financial Literacy programs so as to increase financial competency.* This commitment has been attained through integration of financial education into the school curriculum in 2013 from year one to year twelve. More than 80,000 adults had received financial literacy training by the end of 2015.
- *To pursue Fiji's overarching national goal of reaching 150,000 unbanked citizens within the country.* The Reserve Bank of Fiji worked closely with partners to develop and provide innovative financial inclusion products and a suitable regulatory framework to support the investment and outreach of new services by key stakeholders. Recognising the integral role it plays in mitigating risks for the poor, the Reserve Bank of Fiji also raised awareness on micro-insurance as another channel through which to reach the unbanked. The RBF also worked on its collaborative "one team, many



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partners” approach to help reach the national goal which was actually achieved in early 2014.

- *To collect a set of core indicators by 2013.* A comprehensive data upgrade on financial inclusion through a financial competency survey was conducted in 2012 to measure the current level of financial competency in Fiji, and to collect data to align with the core sets in order to produce comparable indicators in the AFI network by 2013. Fiji has since been one of the first countries to release its full set of indicators under access, usage and quality.

Reserve Bank of Fiji Governor, Mr Barry Whiteside said that *"the Maya Declaration made us accountable which motivated us to work harder to ensure we met our national target. Together with this, coming under the greater network of AFI has also enabled us to learn from peers not only regionally but globally as well. It is only through a collaborative and cooperative partnership nationally and internationally, we were able to achieve our target."*



To support its members in meeting their Maya Declaration commitments in the months and years ahead, AFI has created a range of specific services, from peer review and peer advice to building new partnerships and providing advocacy support. It also regularly monitors and publicly reports on the progress of member country commitments. However, for financial inclusion to reap tangible economic benefits there must be the complementary expertise of a broad cross-section of partners.

In 2013, the Reserve Bank of Fiji was awarded the inaugural Maya Declaration Award at the 5th Alliance for Financial Inclusion Global Policy Forum held in Kuala Lumpur, Malaysia. It was an extremely proud moment for Fiji as the award recognised the efforts made, not only by the Reserve Bank of Fiji, but also by the National Financial Inclusion Taskforce, its working groups and all other stakeholders in progressing financial inclusion in Fiji. The award is given annually to an “Institution that has set clear and measurable targets, put in concerted efforts to measure progress, and regularly reports on progress since the time of commitment.” A measurable commitment by the Reserve Bank of Fiji, under the National Financial Inclusion Taskforce was to provide access to financial services for 150,000 unbanked people by 2014. This was achieved in early 2014.