

RESERVE BANK OF FIJI



Welcome to the Reserve Bank of Fiji's Public Awareness column. This article continues the series of articles on financial inclusion.

RBF'S COMMITMENT TO GENDER AND WOMEN'S FINANCIAL INCLUSION

Women play an important role in financial inclusion. At the recent 2016 Alliance for Financial Inclusion (AFI) Global Policy Forum (GPF) held in Nadi, one of the key discussion topics was gender. Despite the progress made in advancing financial inclusion globally, women remain disproportionately excluded from the formal financial system. According to the 2014 Global Findex, more than one billion women are still excluded from the financial system, and in terms of those that do have access, there is a 9% gender gap in account ownership across developing economies.

This gender gap has remained unchanged since 2011. However during the GPF, the AFI members made a global commitment known as the Denarau Action Plan to close the financial inclusion gender gap, noting that the goals of financial access, usage and quality should be pursued in parallel and in a responsible and sustainable manner.

The Action Plan promotes the development and implementation of smart policies and regulations by members to create an enabling environment that accelerate women's financial inclusion. It emphasises the importance of measuring and evaluating our progress and fosters strong partnership and collaboration with financial service providers to drive private sector leadership.

The Financial Services National Demand Side Survey Report (DSS) of 2014 highlighted that around 60 percent of Fijians had a formal bank account. Whilst this is a commendable achievement, an area of concern is the significant gender disparity in account ownership (68 percent of males and 52 percent of females). The 16 percent gender gap in Fiji is notably higher than other middle income and developing countries.

Fiji's National Development Plans sets out a 20 year vision of "*A better Fiji for All*" that aims for greater prosperity for all citizens by promoting equitable and inclusive economic growth, greater job opportunities and increased participation in economic activities.

RBF recently released the National Financial Inclusion Strategic Plan (2016-2020) which sets out a roadmap and target areas aimed to increase financial inclusion in Fiji. A key target is to empower women through financial inclusion. The objectives integrate strategies to improving access and enhancing usage and quality to improve the livelihoods of all Fijians with the aim to increase access to formal financial services from 64 percent to 85 percent (by 130,000) of the adult population, of which 50% are women (65,000) by the year 2020.

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One of the prerequisites for evidence based policy making is data measurement. In this regard, the Financial Inclusion Strategic Plan sets out a systematic approach to enhance data measurement and analysis by collecting disaggregated data on gender, age and ethnicity by the year 2020.

The RBF plays a critical role in championing its commitment to close the financial inclusion gender gap by proactively building awareness through advocacy and collaboration with national stakeholders in the implementation of financial inclusion related programs. To achieve these commitments the RBF have a number of strategies outlined in the National Financial Inclusion Strategic Plan to work from.

The RBF will work closely with Government and the private sector in exploring and supporting opportunities offered by digital financial services (DFS) in bringing the unbanked women into the financial system.. The newly formed Digital Financial Services Sub-Working Group (DFSSWG) under the National Financial Inclusion Taskforce (NFIT) is mandated to take a lead action in this area going forward.

The DFS platform has tremendous potential but is largely untapped in Fiji. Despite the availability of the mobile wallet since 2010, adoption has been low with less than 10 percent of users. The challenge over the next few years is to develop a sustainable, efficient and easy to use digital ecosystem that enables a wider reach to unbanked groups such as women in remote areas where there is mobile network coverage. This will be more convenient and affordable in taking the financial access points closer to the door step of rural women. This will save time and money and thus women can be reached directly on their personal mobile devices.

The RBF will also work with the Financial Literacy Group and the newly formed National SME Taskforce in raising awareness and improving financial literacy and SME business community training of women.

The RBF is committed to work with all the stakeholders on the important role collecting sex-disaggregated data in tracking our efforts to achieve women's financial inclusion, and supporting evidence-based policymaking. This will be a target that the Statistic Working Group (SWG) of NFIT is working on in its efforts to achieve more comprehensive reporting.

Over the long term as we strengthen and build the financial inclusion database, we anticipate that there will be greater understanding of the specific needs for financial products and services that work for women. In sharing this information, it will enable the market to do their assessment and design more appropriate, affordable and accessible products that benefit women.

In conclusion, the RBF continues to commit to gender and women's financial inclusion through;

- Empowerment of women through improved access, usage and quality of financial services and products.

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- Increase membership, affiliation and partnerships of women groups with Government, Non-Government Organisation (NGOs) and civil society organisations.
- Link income-generating activities including Micro, Small and Medium Enterprises (MSMEs) and targeted programs for women in the various economic sectors including equal employment opportunities at all levels in the private and public sectors.
- Empower women groups through training on financial competency. Training can link to leadership, awareness of human rights issues, health and quality of life through partnership, networking and coordination with women and increased collaboration and partnership with NGOs.
- Inculcate a culture of savings for women.
- Leverage technology and digital financial services especially for women to enable them to maximise their economic participation.
- Develop innovative and tailor-made services and products to fully harness economic opportunities for women.
- Encourage innovation and relaxation of financial rules and procedures for instance, AML/KYC to address barriers faced by women.

The need to reach out and engage women in the formal financial system in Fiji is vital and this cannot be done alone by the Reserve Bank. Stakeholder engagement is critical to ensure partnerships and ownership is strengthened and contributing especially in providing disaggregated data. Through the National Financial Inclusion Taskforce Working Groups, work continues to ensure collection of quality disaggregated data and the reporting on programs and initiatives relating to women.

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