

RESERVE BANK OF FIJI



FIJI'S FINANCIAL INCLUSION JOURNEY

BULA! *Traditionally, in Fiji and the Pacific, stories are told in dances and accompanying song lyrics that have been passed down through generations. Today, we follow tradition and I invite you to join me as I take you on Fiji's financial inclusion journey. (Soundscape start)*

This story begins in 2008 at a meeting of Pacific Finance Ministers in Coombs, Australia. Fiji joined other Pacific Island countries in ratifying the Coombs Declaration, committing to have financial inclusion as an integral part of our respective central banks' goals for sustainable and equitable economic growth in the region.

The event was a watershed for the Reserve Bank of Fiji as it marked our initial decision to play the lead role in driving Fiji's financial inclusion agenda.

A special Department was established within the Bank to focus on financial inclusion.

A second key event occurred in 2009, with the Bank utilising its "convening power" and hosting a national financial inclusion workshop of all potential stakeholders to discuss and map out a joint vision and some major strategic goals.

(Vaka music starts, narration continues) Because of these events our sails were set and our voyage together had begun!

VAKA the Journey Begins performance

Our ultimate vision, from day one, was to develop an inclusive financial system that would give all Fijians the necessary knowledge and support through access to financial services. We saw this as the "hand-up" that would enable our people to contribute to the economy and help lift themselves out of poverty! Our Pacific Finance Ministers had this vision and we at the Reserve Bank of Fiji salute and ceremonially raise our bilo to toast all of our stakeholders for their commitment!

Kava performance

From the outset, it was clear that the achievement of Fiji's financial inclusion goals required the buy-in of all stakeholders, and was not just the Reserve Bank's job alone. Since then, the Bank has formed effective partnerships with key local and international players.

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(Screen projection of partner logos:

- *Alliance for Financial Inclusion*
- *Fiji National Financial Inclusion Taskforce and its four Working Groups*
- *Pacific Islands Regional Initiative – formerly the Pacific Islands Working Group Pacific Financial Inclusion Program).*

Through these partnerships, the Bank has shared knowledge and worked with a common vision while also working closely with public and private sector entities.

Fiji joined AFI in 2009 (Screen projection of AFI Logo)

As a member of the AFI family, we participate globally in four of the AFI working groups.

(Screen projection: 1) Financial Inclusion Strategy Peer Learning 2) Global Standards and Proportionality 3) SME Finance 4) Financial Inclusion Data).

Our membership and participation in AFI has been a huge boost to our financial inclusion efforts.

The Fiji National Financial Inclusion Taskforce was established in February 2010 and has been the key driver of, and a major reason for, the success of financial inclusion in Fiji. The Taskforce has four working groups -

(Screen projection of the four Working Groups:

- *Financial literacy*
- *Inclusive products and services*
- *Statistics*
- *Inclusive insurance*

and is chaired by the Governor. Its membership comprises representatives from government, the private sector, civil society, NGO's, development partners and donor agencies.

The *Pacific Islands Regional Initiative (Screen projection of PIRI logo)* is the successor body to AFI's Pacific Island Working Group, which was initially established in 2009 to enable collaboration, address common issues amongst Pacific Island countries and also give our small member countries an opportunity to voice

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their issues at an international level. Through its partnership with other PIRI members

(Screen projection: Pacific map with flags to mark the 7 countries; then each country to be enlarged one at a time in transition),

Fiji has been able to share its experiences by hosting a number of knowledge exchanges and facilitating PIRI discussions on successful financial inclusion initiatives as well as the challenges.

The Pacific Financial Inclusion Program (Screen projection of PFIP logo) is an important partner, not only for Fiji but for all PIRI members. Funded by the UN Capital Development Fund, the Australian Department of Foreign Affairs and Trade, NZAid and the EU, PFIP provides technical assistance and funds projects to reach the many who are financially excluded in the Pacific. **(Go music)**

Wan Vois performance.

In October 2009, Fiji along with other regional countries endorsed the **2020 Money Pacific Regional Goals** *(Screen projection of title and transition to the 4 points below)* and made a commitment to lead the action on building financial competency in our respective countries.

(Screen projection of 4 points)

- *All school children must receive financial education through core curricula;*
- *All adults must have access to financial education;*
- *We must implement simple and transparent consumer protection*
- *Halve the number of households without access to basic financial services.*

The goals to be achieved by each country through the combined actions of both the public and private sectors were - financial education for school children and for adults, consumer protection and access to basic financial services.

In November 2009, Fiji developed its first **Financial Inclusion Medium Term Strategic Plan for 2010-2014** *(Screen projection of MTSP)* through collaboration with stakeholders at the first National Microfinance workshop. A key goal from this workshop was to reach 150,000 unbanked Fijians by 2014 through a nationally coordinated effort.

Short song burst from RENT – 150,000 minutes/LOVE



In 2011, Fiji was amongst the first 17 countries that made commitments under the Maya Declaration, to provide access to financial products and services - at a time when 2.5 billion people in the world were financially excluded – at a time when we all needed to do our bit to reduce this number!

Short dance burst with choir - MAYA is HOT HOT HOT (Narrator interaction)

At the Maya meeting, Fiji made commitments to (*Screen projection of the following 4 points*) improve regulation, encourage financial education, reach the unbanked and strengthens data collection.

(Screen projection)

- *To create an enabling and effective Regulatory environment*
- *To integrate Financial Education into the Fiji Schools Curriculum and to reach the adult population through Financial Literacy programs*
- *To pursue our national goal of reaching 150,000 unbanked*
- *To collect a set of core indicators by 2013*

Short dance Burst with choir - Maya is Hot Hot! (Narrator interaction)

As Fiji progressed towards achieving its 2011 Maya Declaration goals, a decision was made to renew the country's commitments and set new medium term targets from 2016-2020.

(Screen projection of following points)

- *(Increasing access to formal financial services particularly for women, our youth and the disabled.*
- *Establishing a policy framework for SME Development.*
- *Increasing mobile money usage.*
- *Increasing Government's digital payments.*
- *Integrating entrepreneurial training into tertiary education.*
- *Working with partners on developing and promoting sustainable business models to support communities' response to climate change and data measurement.*
- *Fully reporting on the SME Base Set Indicators.*
- *Collecting disaggregated data on gender, age and ethnicity.)*

These new commitments cover increased access to financial services, SME development, mobile money usage, G2P digital payments, tertiary education, climate change and data.



***Maya is Hot Hot Hot performance.**

Two key areas of our new Strategic Plan are **SME Development** and **Women**.

To support SME development in Fiji, the Bank is working closely with stakeholders to develop legislation and establish a Central Coordinating Agency that will oversee SME development in the country, alongside a Master Plan that will guide the nation's vision, goals, targets and actions for SME success.

To support our women, Fiji recognises the need to eradicate gender inequality and address the gender gap through policies targeted at enabling women to have greater access and use of financial services and products. We all know that increasing women's financial inclusion can bring about significant benefits to the economy and society. (***Start music for KOW**)

In 2014, the Bank conducted its first Demand Side Survey which revealed that Fiji has not achieved gender parity in access to financial services. Results indicated that a higher proportion of men hold bank accounts compared to women. Addressing this significant difference between genders through understanding the financial needs and barriers of access for women and developing suitable gender responsive programs is a challenge for Fijian policymakers.

Keep On Walking! Performance.

Fiji has achieved a number of its financial inclusion goals including: (*Screen projection of collage of following points; each point to enlarge forward as narrated*) the formation of our National Taskforce; providing financial education for our Year 1 to 12 students; developing banking and supervisory regulation for SMEs and mobile money; extending financial services through agent banks and MNOs; completing a national diagnostic survey and a set of financial inclusion indicators; mapping financial access points and mobile network coverage; reaching 207,000 underserved in the population; and hosting microfinance expositions and our very own annual national microfinance awards.

(Screen projection)

- *The establishment of an effective national coordinating body for financial inclusion - the National Taskforce.*
- *The integration of financial education into the school curriculum of all students from Year one to Year 12.*



- *New banking development and supervision policies to support financial inclusion and mobile money.*
- *The extension of financial services through agent banking and Mobile Network Operators.*
- *Completion of important national diagnostic surveys critical to our strategic planning;*
- *Producing a harmonised set of financial inclusion indicators;*
- *Mapping of all financial access points and mobile network coverage across Fiji;*
- *Reaching 207,000 underserved people – well above the initial 150,000 targeted;*
- *Hosting 20 Microfinance Expositions around Fiji;*
- *Establishing the Annual National Microfinance Awards to celebrate and encourage our small entrepreneurs.*

Necessary support provided by the Bank has enabled the achievement of our key financial inclusion objectives.

Specifically, the Bank issued four supervisory guidelines to improve access to finance, and formulated policies for consumer protection and support for national development. In addition, Mobile Network Operators were granted conditional approvals along with easier KYC rules for opening accounts in the rural areas.

To promote financial literacy the Bank launched the “*Green Ribbon campaign for the promotion of financial literacy*” complete with a financial literacy mascot; a huge green turtle called **Vuli the Vonu**. **(Screen projection of Vuli the Vonu and its meaning)* The name “Vuli” was chosen as it is the Fijian word for “education” or “learning” while “Vonu”, the Fijian word for “turtle” signifies two things - *Longevity* in that financial education is a lifelong process and *Certainty* in that once learned, it will stay and become a way of life.

Vuli performance.

Our financial institutions championed financial literacy programs, targeted mainly at the adult population, and involved market vendors, wheelbarrow boys, prisoners - through a yellow ribbon campaign, and villagers. Many Fijians had the opportunity to open bank accounts for the first time.

Screen projection during narration: of photograph of villager opening a new bank account or market vendor with the yellow ribbon campaign

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The Bank also introduced a “*be Money Wi\$e*” programme where students competed in oratory, poetry, singing, painting and drama contests that focussed on savings and how best to grow their money.

Screen projection during narration: poster on Financial Education in Fiji-pictures of kids and their quotes

Fiji’s *Financial Education* (FinEd) program targeted children in both primary and secondary schools. Students from year 1 to year 12 across Fiji now learn basic money management skills as this has been incorporated into the mainstream educational curriculum. This is financial literacy for our next generation!

Screen projection during narration: poster on Financial Education in Fiji School-Duri

Digital Laser performance.

Welcome to the Digital World!

Digital financial services took a new direction as innovation became a key pillar of Fiji’s financial inclusion agenda. Commercial banks expanded their electronic banking services while our mobile network operators launched a number of mobile money products such as Digi money, MPaisa, G2P transfers and social welfare cards.

Screen projection: collage of DFS products which are enlarged as narrated

Our microfinance expositions have raised public awareness for financial inclusion through the interaction between financial inclusion service providers, micro entrepreneurs and the public, allowing government agencies and financial institutions to take their products and services to the people.

(Screen projection: picture of microfinance expo).

In 2013, we introduced our first Annual Microfinance Awards which has grown and attracted a lot of interest and in 2015 a new Youth category was included.

Moreover, Fiji proudly received ***(Screen projection of the Maya Award ceremony)*** the inaugural Maya Declaration Award in September 2013 at the 5th AFI Global Policy Forum held in Kuala Lumpur, Malaysia, in recognition of our efforts to set clear and measurable financial inclusion targets, measure progress, and regularly report on progress since the time of our initial commitments. We proudly share the award with all our fellow National Taskforce and Working Group members.



People of the Sea performance.

In this financial inclusion journey, we realise that achieving our goals is only possible through (*Screen projection: points to flash out*): a consultative and inclusive decision making process with our stakeholders, leveraging new technology, close partnership with the local and national authorities and development partners, and raising financial literacy across the population.

Screen projection

- *Involving stakeholders in the decision making process and by including them as members of the National Taskforce and the Working Groups. (We have bankers work alongside other bankers and insurers working alongside other insurers and there is little thought of competition).*
- *Consulting widely using the experience and knowledge of experts and practitioners.*
- *Opening up to new technologies including in the digital financial services area.*
- *Partnering with regulatory bodies and central banks for guidance on policy design.*
- *Working with development partners and collaborating with the public and private sectors.*
- *Raising financial literacy levels and awareness across all our population.*

***Narrator orates as music starts.**

This year we are extremely proud to celebrate the launch of Fiji's new 5 year Strategic Plan and upcoming commitments to the Maya Declaration!

Malaga performance.

Ladies and Gentlemen, colleagues and friends, hosting the 2016 AFI Global Policy Forum has given our country the opportunity to celebrate our successes, share knowledge and experiences and learn lessons from all of you! It is an opportunity for us to set new goals as we embark on a new chapter of our financial inclusion journey.

A new vision is set before us - a vision aimed at

(Screen projection: "Improving Livelihoods of Fijians through Inclusive Financial Services")

We thank you all for coming to Fiji and being a part of our continuing JOURNEY!

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**THANK YOU
SHUKRIA
FĀIĀK SE'EA
VINAKA VAKA LEVU!!!**

Big finale with entire cast evolving from meke!

9 September 2016