

# IMPROVING THE LIVELIHOODS OF FIJIANS THROUGH INCLUSIVE FINANCIAL SERVICES



## FINANCIAL INCLUSION REPORT 2016



RESERVE BANK  
OF FIJI



# About the National Financial Inclusion Taskforce

The National Financial Inclusion Taskforce (NFIT) was established in February 2010 following recommendations from the 2009 National Microfinance Workshop, co-hosted by the Reserve Bank of Fiji (RBF) and the Pacific Financial Inclusion Programme (PFIP). The NFIT is mandated to drive and monitor financial inclusion strategies in Fiji through a coordinated national effort. There are four Working Groups under the ambit of NFIT: Financial Literacy; Inclusive Services and Products; Inclusive Insurance; and Statistics. The RBF provides leadership and secretariat support to the NFIT and the Working Groups. The members are representatives from the public and private sectors, civil society groups, donor agencies, NGOs and other development partners.

**OUR VISION:** Improving the livelihoods of Fijians through inclusive financial services.

**OUR OBJECTIVES:**

- To enable all Fijians to have access to a range of affordable and appropriate financial services and products;
- To support financial inclusion deepening through increased usage and quality of financial services and products;
- To ensure all Fijians have sufficient financial competencies to better utilise the financial services available and foster improved consumer protection; and
- To grow financial inclusion amongst Fijians through a multi-stakeholder and collaborative approach.

NFIT's vision and goals complement Government's policies and programs aimed at reducing poverty and support broad based economic and social development in Fiji, particularly amongst the marginalised and rural segments of the community.

The work of NFIT is guided by a Terms of Reference. Despite its voluntary membership to the NFIT and working groups, there has been a genuine commitment to work together which has contributed tremendously to the success of financial inclusion in Fiji.

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# List of Acronyms

ADB	Asian Development Bank
AFI	Alliance for Financial Inclusion
ANZ	Australia and New Zealand Banking Group Limited
BSP	Bank South Pacific
DSS	Demand Side Survey
FCOSS	Fiji Council of Social Services
FinED	Financial Education
GPF	Global Policy Forum
IIWG	Inclusive Insurance Working Group
ISPWG	Inclusive Services and Products Working Group
MFI	Microfinance Institution(s)
MNOs	Mobile Network Operators
MSMEs	Micro Small and Medium Enterprises
NGOs	Non Governmental Organisations
NMA	National Microfinance Awards
NFISP	National Financial Inclusion Strategic Plan
NFIT	National Financial Inclusion Taskforce
PFIP	Pacific Financial Inclusion Programme
PIRI	Pacific Islands Regional Initiative
PIWG	Pacific Islands Working Group
RBF	Reserve Bank of Fiji
RIA	Regulatory Impact Assessment
SME	Small Medium Enterprises
SPBD	South Pacific Business Development
SWG	Statistics Working Group

## Foreword



Fiji, like many other developing countries, has fully embraced financial inclusion and the catalytic effect it has in creating employment, reducing poverty and contributing to sustainable economic growth. An inclusive financial system enables all members of society, particularly the marginalised to access and use affordable and appropriate financial services to improve their livelihood.

2016 has been a remarkable and a momentous year for the NFIT. We launched the 2nd National Financial Inclusion Strategic Plan (NFISP) (2016-2020) and hosted the Alliance for Financial Inclusion (AFI) Global Policy Forum (GPF) in September. This Forum brought more than 540 delegates from 82 countries including policy makers, regulators and development partners to Fiji and provided an excellent platform to showcase our own financial inclusion journey.

The 2016 AFI GPF also provided an opportunity for our stakeholders to participate and learn from other countries' experiences in developing an inclusive financial system. A major highlight was the Broadway-style performance of Fiji's Financial Inclusion Journey by the internationally recognised Oceania Dance Theatre and Pasifika Voices who thrilled the audience with an entertaining cultural experience of songs and dances. We have learned that we must be creative and innovative in delivering our message of financial inclusion to different target groups.

A resounding message from Fiji's financial inclusion story has been the spirit of collaboration amongst stakeholders. Significant achievements along with national and international recognition of our journey have been due to the unflagging efforts of our key stakeholders. Our goal is to ensure that all Fijians, irrespective of their social and economic background, are empowered to use the financial services and products that are available to them.

Whilst we recognise and celebrate our success stories, we acknowledge the challenges in advancing financial inclusion. We aspire to achieve greater usage as we move forward in this journey. Gender and green finance are new areas to be given greater priority in the next five years whilst digital finance has the potential to bring more Fijians into the formal financial system. The key however, lies in building a strong foundation of trust amongst consumers and ensuring that there is stability and integrity within our financial system.

I take this opportunity as Governor of the RBF and Chairman of NFIT to extend my deepest gratitude to all the past and current members of the NFIT and the Working Groups for their immense contribution over the years.

Vinaka vakalevu

A handwritten signature in black ink, appearing to read 'Barry Whiteside', written over a dotted line.

**Barry Whiteside** | Governor and Chairman, National Financial Inclusion Taskforce

# Introduction

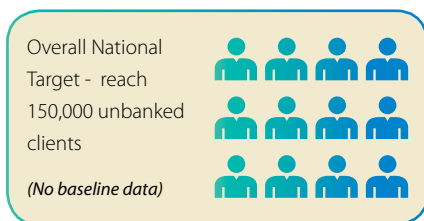
Financial inclusion has become a key topic of discussion in many conferences and events around the world. The concern of bridging the gap between the rich and the poor continues to be a challenge for policy makers. Financial inclusion has been seen as a means to bridge this gap. A country cannot have sustainable and equitable economic growth when the vast majority of its population are financially excluded from access to basic financial services and products.

Now a global phenomenon, financial inclusion has impacted the lives of many of the underserved people around the world and lifted their living standards. Fiji is no different in its effort to bridge this gap through financial inclusion.

With its vision of leading Fiji to economic success, the RBF took the lead role in driving financial inclusion. The end of 2016 marked seven years of Fiji's progress in financial inclusion through a nationally coordinated approach. As we embark on the second NFISP, it is timely to reflect on the achievements and progress of the NFIT since its inception. The work of the NFIT evolves around its five year strategic plan in building inclusive financial services for all Fijians. The first financial inclusion strategy from 2010-2014 set the scene for the establishment of a Fijian financial inclusion model based on collaboration and cooperation at a national level. The second NFISP covers 2016-2020 building on the focus areas of the previous plan and attempts to deepen the impact of financial inclusion.

## NFIT Phase 1

2010-2014



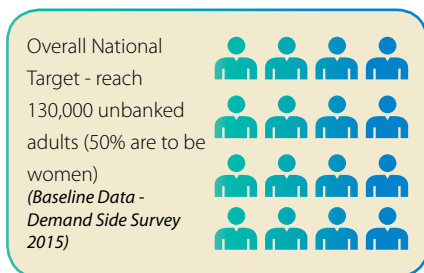
 **Vision:** Improving access to a broad range of basic financial services to all Fijians.

**Key Strategy:** Support and deliver a broad range of financial services and products on a sustainable basis.



## NFIT Phase 2

2016-2020



 **Vision:** Improving livelihoods of all Fijians through inclusive financial services

**Key Strategy:** More access; deepen usage; improve delivery of quality financial services and products; improve financial competencies; and multi-stakeholder approach.

# NFIT Since Inception

In August 2008, policy makers which included Ministers for Finance, Central Bank Governors and donor agencies from the Pacific met in Coombs, Sydney, Australia. These leaders recognised the importance of financial capabilities of low income households in promoting equitable and sustainable growth. Hence in 2009, Central Bank Governors from the Pacific Island countries agreed to commit to have financial inclusion as an integral part of the central banks' goals for sustainable and equitable economic growth in the region.

A national workshop on microfinance was convened in November 2009 that resulted in the adoption of a medium-term financial inclusion strategy for the period 2010-2014 which included:

- the need for an enabling and conducive regulatory environment;
- the enhancement of financial education and financial literacy amongst our people;
- the promotion of microfinance to encourage entrepreneurship; and
- the accessibility and reliability of data collection.

***The need for buy-in by all stakeholders from all segments of society was acknowledged as an equally important commitment from the Workshop.*** As such the NFIT was established and chaired by the Governor of the RBF. Under the NFIT were three Working Groups namely, Microfinance, Financial Literacy and Statistics. A fourth working group on Inclusive Insurance was established in 2015. This collaborative model engages government, commercial banks, financial institutions, other private sector players, NGOs and development partners. Since 2010, the NFIT met 26 times while the four Working Groups met 110 times. This depicts the enthusiasm and the level of commitment of members to drive and deliver the results of financial inclusion.

***NFIT's target for the first five years focused on reaching 150,000 unbanked adults by 2014.*** This was achieved through a nationally coordinated effort supported by a variety of financial service providers offering a broad range of accessible, affordable and appropriate financial services. At the time, there was an absence of national baseline data and information to gauge the outreach of existing financial services to develop targets for financial inclusion.

***Paramount to our journey was the successful stakeholders' collaboration and partnership*** which has brought together traditional competitors or rivals working alongside each other in support of the common goal of improving the living standards of all Fijians through greater financial inclusion. Stakeholders' commitment and dedication have been demonstrated by the numerous initiatives implemented at institutional and national level. With the local financial inclusion initiatives gaining momentum, other regional and international partnerships were also instituted in particular the Pacific Islands Regional Initiative (PIRI) and AFI.

***Financial literacy is a key focus area.*** Whilst efforts have focused on improving access to financial services and products, these have been complemented by financial literacy programs aimed to build financial competencies and assist consumers to make informed financial decisions. In 2010, the RBF launched the ***Green Ribbon campaign for the promotion of financial literacy*** in Fiji and to signal its importance, a financial literacy mascot was launched in 2011. This came in the form of a green turtle called, "***Vuli the Vonu***". The mascot was named appropriately, as "Vuli" in the iTaukei language means, education or learning whilst the turtle "Vonu" 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.



Financial institutions championed the financial literacy programs, most of which targeted the adult population. This presented many Fijians with the opportunity to open bank accounts for the first time. Such programs were conducted to market vendors, wheelbarrow boys, prisoners through the Yellow Ribbon Campaign and villagers who were issued with attendance certificates by the commercial banks.

**Financial education (FinED) consolidated financial literacy within and beyond the classroom.** To promote and support financial literacy amongst the next generation of adults, the FinED program was integrated at primary and secondary schools. The project was launched by the Minister for Education in 2011 and was piloted in 28 schools; 14 primary and 14 secondary schools in 2012. The FinED program was then fully rolled out to all schools in Fiji in 2013. All students from year 1-12 now learn basic money management skills, as this has been incorporated into the mainstream educational curriculum in Fiji. The curriculum has been specially developed to facilitate behavioural change through educational games and activities in the classroom environment. The ultimate aim is to create a generation of young women and men with the financial knowledge and skills to be able to make informed decisions and contribute to community and national growth.

**New business models have emerged.** Digital financial services took a new direction as innovation became a key pillar of Fiji's financial inclusion agenda. One such example is the launch of mobile financial services in Fiji in 2010, a first in the Pacific. This initiative took financial inclusion to new heights with the introduction of M-Paisa and Digi Money, mobile wallet services which facilitate bill payments, person to person transfers, inward remittances, loan repayments, insurance payments, online shopping and other payments and recently, direct transfer from a bank account to M-Paisa wallet. A new dimension to financial inclusion has been added, in that people in urban areas are able to send money to their relatives in the rural villages and remote islands using their mobile phones.



2015 National Microfinance Award night



The Mobile Network Operators (MNOs) also opened up channels for international remittances from Australia and New Zealand. In 2011, Vodafone launched its cross border international remittances and Digicel Mobile Money in partnership with KlickEx launched its web-based mobile wallet money transfer to facilitate cross border remittances.

With mobile network covering almost 80 percent of the Fijian population, branchless banking has become an important part of the outreach to rural and maritime areas. The use of Automated Teller Machines and Electronic Funds Transfer at Point Of Sale machines with retail merchants in the remote areas has made financial services accessible to the many people who were previously unreachable.

In 2011, a commercial bank in a joint venture with Government issued bank cards for the payment of social welfare benefits to 23,000 social welfare recipients, enhancing the effective and efficient distribution of social welfare benefits through the formal financial system.

***Taking financial inclusion to the underserved is key to achieving financial inclusion.*** To raise public awareness on financial inclusion, 20 microfinance expositions were held around Fiji since 2010. These expositions were held in some of the main towns in Viti Levu and Vanua Levu and the maritime islands of Taveuni, Gau, Koro, Levuka and Kadavu. The expositions have also featured prominently at the annual Hibiscus Festival held in the capital Suva.

The expos allowed for interaction between financial service providers, microentrepreneurs and the public where the providers and government took their services and products to the people. The promotion and development of microentrepreneurs was always central to these microfinance expositions and provided them with an opportunity to sell their products. It also enabled financial literacy to be conducted, banks to open accounts and other financial services and products were accessed by the underserved people in these rural and remote areas.

***Recognising microentrepreneurs was also important.*** NFIT also recognised that specific financial inclusion strategies could be further promoted with the recognition of those individuals who are making outstanding progress in their micro businesses. This sector is important for Fiji because of its potential to contribute positively to the economy in alleviating poverty, creating employment and also empowering women.

In 2013, NFIT hosted the first National Microfinance Awards (NMA) at Denarau as part of the Pacific Regional Microfinance Week. The Awards were commended by the regional participants as the highlight of the week-long event and the fruit of financial inclusion efforts.

The success of the NMA resulted in a commitment and support from stakeholders to host the NMA as an annual event. In 2015, a new Award category was added to honour and recognise the efforts of young entrepreneurs taking the total number of categories to four:

1. Best Microfinance Entrepreneur – Individual
2. Best Microfinance Entrepreneur – Partnership
3. Best Microfinance Young Entrepreneur
4. Best Microfinance Service Provider – Institution

Whilst prominence was given to the winners, we also recognised the first, second and third runners up for each of the categories. In 2015, a total of 10 merit prizes were awarded to applicants who made significant progress and demonstrated a level of sustainability in their micro businesses.

## **Note 1: National Microfinance Awards Winners since Inception**

### **Category 1: Best Microfinance Entrepreneur – Individual**

**2013: Asenaca Qalilawa:** She started a florist business and later ventured into tailoring, baking and kava business.

**2014: Miriama Tawalovo:** A determined business woman that started her business by selling fruit juice from a bucket and now operates a handicraft business, mini-supermarket in her village, money lending business and piggery farming.

**2015: Meena Gounder:** Meena started her business with 200 (chicken) birds in 2010 and then increased to 500 birds. She supplies the local shops, as well as the Labasa Municipal market. She also employs a Social Welfare recipient living close by.

### **Category 2: Best Microfinance Entrepreneur – Partnership**

**2013: Muana Centre:** These were 5 enthusiastic ladies that carry out various businesses like hair salon, food packs, billiard, kava, market vendor, flowers and the delicacy of the province - fresh water mussels, 'kai'. Their unity and solidarity is often exemplified in their successful businesses.

**2014:** Applications received did not meet the criteria.

**2015: Raj Kissun and Rangeeta Devi:** The couple started off selling home-made sweets, snacks and ice-blocks. With a savings of \$300 they purchased stock to start their canteen in 2007. Since then, they have ventured into men and ladies hairdressing.

### **Category 3: Best Youth Entrepreneurs (this Award was introduced in 2015)**

**2015: Ledua Ravatu:** Graphic artist who designs and prints sulus, t-shirts, banners, bed spreads and pillow cases. Due to funding constraints he could not pursue medical studies and started his own business at the age of 21. He took a loan to assist in the business. He has an electronic system of invoicing and keeps transactions in the form of ledger.

### **Category 4: Best Microfinance Service Provider**

**2013: South Pacific Business Development Microfinance (Fiji) Ltd:** SPBD was launched in November 2010 to make available the benefits of microfinance to low-income and disadvantaged women in Fiji. It is the largest MFI in Fiji.

**2014: Fiji Council of Social Services:** FCOSS vision is to strive for a Fiji that is free from disadvantage and inequality where all people are valued, respected and quality of life improved.

**2015: South Pacific Business Development Microfinance (Fiji) Ltd:** Expanded its services beyond credit and savings. Loan repayments and distribution can be done through a mobile wallet and its services are linked to a funeral policy product (optional to clients).

***The RBF created an enabling regulatory environment to allow for innovation in financial inclusion.*** In 2010, the Central Bank issued three supervisory guidelines: the establishment of microfinance units by all commercial banks in Fiji; the establishment of a complaints management framework for all licensed financial institutions; and the establishment of Local Advisory Boards to guide commercial banks on the financial inclusion agenda amongst others.

2010 also saw the RBF issue conditional licenses of approval to MNOs who were entering the financial inclusion space for the first time in Fiji. In addition, the Fiji Financial Intelligence Unit issued Customer Identification and Verification Guideline to commercial banks on how they can simplify the customer identification and verification requirements of the Financial Transaction Reports Act and Regulation. The identification and verification measures are on a risk based approach, allowing simpler means of identification from a local priest or village elder to meet mandated Know Your Customer provisions, particularly for low risk clients.

An Agent Banking Guideline was issued in 2013 enabling financial institutions to take their services to the remote rural and maritime areas in Fiji. These included withdrawals, deposits, transfers, collect account opening forms and loan forms, bill payments, loan disbursements and repayments.

***Capacity building has been a key to developing our skills and resource base to meet the challenges of financial inclusion.*** Participants from within the secretariat, members of the NFIT Working Groups and stakeholders have benefited from training programs, seminars, workshops and conferences. These included trainings on insurance, consumer protection, Micro Small and Medium Enterprises, financial inclusion data, Boulder microfinance programs, mobile money, digital financial services, the AFI working group meetings and conferences in particular the annual AFI GPF.

## Setting the Scene

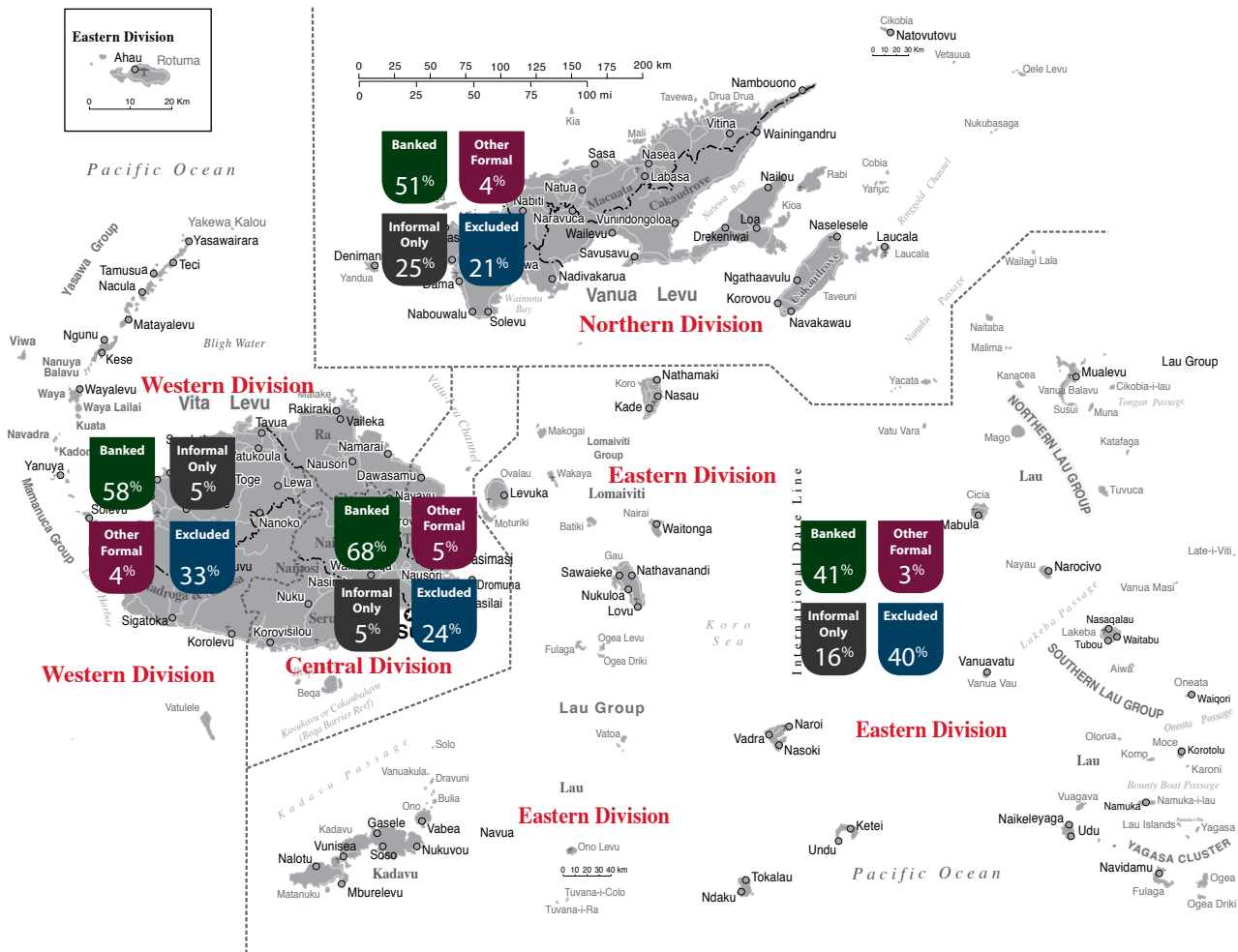
Fiji's financial inclusion journey opened up new challenges and opportunities with a greater appreciation and understanding of the economic and social challenges that impact the financially underserved.

In 2015, NFIT and its development partners completed a Demand Side Survey (DSS) that provided the foundation to better position and set more focused goals for financial inclusion in Fiji. Some key findings of the DSS include:

- A third of the adult population remains underserved and needs to be reached;
- Women, youth, iTaukei and members of the disabled community need to be the target of the outreach;
- Entrepreneurial skills need to be attained by this target group in order to participate and contribute to the economy;
- There is potential for people to improve savings habits and for credit to grow from more formal sources;
- Remittances and channels of remittances have a lot of potential given that this is the second highest income earner;
- Digital financial services also have a lot of potential and concerted effort is needed in the provision of education, access and usage; and
- There is potential for the provision of inclusive insurance.

The demand side data and the successful achievement of targets in the initial Medium Term Financial Inclusion Strategy in 2014 provided a sound foundation for building the second NFISP. The preparation of the NFISP also involved significant reflection and consultation with relevant financial inclusion stakeholders, the NFIT and its four Working Groups.

**Map 1: Fiji's Financial Inclusion Strands by Division**



## NFIT's Priorities for the Next Five Years

The NFISP 2016–2020 was launched in July 2016. It sets the roadmap for the next five years to achieve a vision of improving the livelihoods of all Fijians through inclusive financial services. This NFISP promotes further outreach through access and more so, financial deepening through usage and quality of financial services and products.

The NFIT Working Groups have devised action plans based on their core objectives aligned to the key targets in the NFISP. Some highlights of directions include the following:

- Empowerment of women, youth and those living with disabilities. This empowers the target group through improved access, usage and quality of financial services and products to enable their full participation in the financial sector and make positive contributions to the economy through income generating activities;
- Develop and strengthen financial infrastructure. To incorporate well-designed financial infrastructure that balances opportunities and innovations in financial markets leading to improved access, usage and quality of financial services. This includes financial institution strengthening and policy reforms;
- Create an enabling ecosystem that enhances the use of digital financial services. The use of digital financial services to broaden the reach of financial inclusion through innovative delivery channels and increased usage is a key driver that will result in efficiency, low transaction costs for retail payments and allow for interoperability between financial service providers;
- Ensure the provision of an appropriate, accessible and affordable range of financial services and products;
- Improve and expand responsible and relevant financial literacy initiatives. This should lead to increased financial competencies and usage of financial services;
- Strengthen the current private and public sector collaboration and partnership. This recognises that one institution cannot do it alone and that the Fijian model for financial inclusion of collaboration and cooperation should continue to be harnessed; and
- Bridge the data gap. Efforts to advance financial inclusion in Fiji must be grounded on rigorous data collection for evidence-based policy decisions and effective product and services development. Such data will also enable credible measurement of progress in our financial inclusion efforts.

# Fiji's Commitments

## Maya Declaration

The Maya Declaration was launched in 2011 at the AFI GPF in Riviera Maya, Mexico and was the first set of global measurable commitments by policy makers from developing and emerging countries to unlock the economic and social potential of the poor through greater financial inclusion. Fiji was amongst the first 17 countries that made commitments to the Maya Declaration to provide access to the 2.5 billion people in the world, who are financially excluded.

Fiji committed to:

- Provide an enabling and effective regulatory environment and to promote efficient payment systems, mobile money financial services and microfinance to support greater financial inclusion;
- Champion financial education by integrating FinED into the Fiji School Curriculum;
- Reach at least 150,000 unbanked adults by 2014; and
- Collect a core set of financial inclusion indicators by 2013.

In a milestone achievement, the RBF in 2013 was awarded the inaugural Maya Declaration Award at the 5th AFI GPF held in Kuala Lumpur, Malaysia. This Award is a direct reflection of all the efforts of the NFIT, Working Groups and the stakeholders that have contributed to financial inclusion in Fiji.

In 2016, the NFIT made 10 new commitments to the Maya Declaration. This was announced at the 2016 AFI GPF in Nadi. The new commitments are as follows:

Policy Areas	Concrete Targets
Overall National Goals	<ul style="list-style-type: none"> <li>• Increase access to formal financial services from 64 percent to 85 percent (by 130,000) of the adult population, of which 50 percent are women by the year 2020.</li> <li>• Increase the percentage of youth accounts with formal financial institutions from 51 percent to 80 percent (25,000) by the year 2020.</li> <li>• Establish a policy framework for SME development.</li> <li>• Grow SME contribution to GDP by 5 percent by the year 2020.</li> </ul>
Digital Financial Services	<ul style="list-style-type: none"> <li>• Increase the percentage of adults using mobile money from 2 percent to 15 percent (79,000) by the year 2020.</li> <li>• Increase Government digital payments from 75 percent to 90 percent by the year 2020.</li> </ul>
Financial Education	<ul style="list-style-type: none"> <li>• Integrate entrepreneurial training into tertiary education by the year 2020.</li> </ul>
Green Finance	<ul style="list-style-type: none"> <li>• Work with partners on developing and promoting sustainable business models to support communities' response to climate change.</li> </ul>
Data Measurement	<ul style="list-style-type: none"> <li>• Formulate and report on the SME Base Set Indicators by the year 2020.</li> <li>• Enhance data measurement and analysis by collecting disaggregated data on gender, age, and ethnicity by the year 2020.</li> </ul>

## **Sasana Accord**

The Sasana Accord outlines concrete actions to further strengthen effectiveness, primarily through setting quantifiable national goals, as well as measuring and reporting progress based on the core set of indicators identified by AFI's Financial Inclusion Data Working Group. This Accord was adopted at Kuala Lumpur, Malaysia at the 2013 AFI GPF. To strengthen its measurement framework and track progress made to the Maya Declaration, the RBF adopted the Sasana Accord. This resulted in the adoption of AFI and PIRI set of core financial inclusion indicators and the completion of DSS for evidence based policy making.

## **Maputo Accord**

Maputo Accord is AFI Network's commitment to SME finance as a key pillar of financial inclusion. The Maputo Accord was launched in 2015 at the AFI GPF in Maputo, Mozambique and is a commitment under the Maya Declaration. This recognises the value of SMEs and their role in driving employment, economic development and innovation. Fiji has placed high priority to this sector and has incorporated this in the new financial inclusion strategy. A new enabling SME Development law is to be drafted to establish a central coordination agency, under the relevant Government Ministry, to lead the review and establish an oversight structure for SME development in the country. A SME Masterplan that provides a national vision for mainstreaming SME development and growth will be formulated, to include a development framework, vision, goals, targets and action plans.

## **Denarau Action Plan**

The Denarau Action Plan focuses on increasing the number of women in having access to quality and affordable financial services and products and attempts to narrow the financial inclusion gender gap. The Denarau Action Plan was launched in 2016 at the AFI GPF in Denarau, Nadi as a new policy focus area for financial inclusion.

It is recognised worldwide that gender inequality is a barrier to sustainable development. Addressing the gender gap through specific policies targeted at empowering women to have improved access and usage can bring about significant benefits to society. The DSS conducted in 2014, clearly showed that Fiji has not achieved gender parity in access to financial services. The results indicated that a higher proportion of men have bank accounts (68%) as compared to women (52%). The 16 percentage point difference between men and women is significant. According to the 2014 Global Findex data, 58 percent of women have a bank account compared to men at 65 percent. Understanding the financial needs and barriers to access for women, could be an area of concern for policymakers thus the need to develop and incorporate suitable gender responsive programs to address this issue. As for Fiji, our commitment to the Denarau Action Plan is encapsulated in the targets of the NFISP (2016-2020) where we commit to increasing the percentage of women with accounts at a formal financial institution from 52 percent to 72 percent by 2020.



# Supporting Institutions

We acknowledge the contribution from the institutions that have provided both technical and funding support towards Fiji's Financial Inclusion Journey.

The **Pacific Financial Inclusion Programme** is a Pacific wide programme that has been working to help low income households gain access to financial services and financial education. It is jointly administered by the United Nations Capital Development Fund and the United Nations Development Programme and receives funding from the Australian Government, the European Union and the New Zealand Government. PFIP has worked very closely with the RBF, the NFIT and other stakeholders in Fiji in progressing financial inclusion and in building capacity.

**Alliance for Financial Inclusion** – The AFI Global network, led by its members and partners from central banks, ministry of finance and other financial regulatory institutions from developing countries is one of the biggest global networks that empower policymakers to increase access to quality financial services for the poor. The RBF has been a member of AFI since 2009. The Bank regularly engages with policy makers and regulators from around the world and has benefitted from this knowledge sharing and peer learning platform. The AFI Global network engages with its members in capacity building and in the development of evidence-based financial inclusion policies. The Network is instrumental in supporting members to raise awareness and advocate financial inclusion around the world. In co-hosting the annual AFI GPF in Denarau, Nadi in September 2016, the RBF successfully lifted the profile of financial inclusion in Fiji and in the Pacific amongst the local population and throughout the world. Since joining AFI, the RBF has benefitted immensely from the AFI network, its partnerships and its multifaceted information sharing platform.

**Pacific Islands Working Group/PIRI** – This was formed in 2009, as part of the AFI working group structure. In 2014, Pacific Islands Working Group was elevated to a regional initiative now called the **Pacific Islands Regional Initiative** was established to strengthen the collaboration amongst members in addressing common issues and to be able to voice their issues at international level. Fiji has taken a lead role in sharing its experience by hosting a number of knowledge exchange and information sharing sessions with other member countries and leading discussions at PIRI forums on a number of initiatives undertaken in Fiji. Similarly, Fiji has benefitted from the knowledge exchange obtained from its peers in the region.

**Asian Development Bank** – The ADB has over the years worked closely with Fiji in providing technical assistance and capacity building to promote social and economic development. On the SME front, the ADB has helped Fiji draft its Secured Transactions legislation.

We also acknowledge the continuous support and contribution of our private and public sector partners.

# The Year in Review

## Regulatory Impact Assessment

In February 2016, the RBF commissioned Bankable Frontier Associates with funding from PFIP to conduct an independent regulatory impact assessment (RIA) on selected policies issued by the RBF since 2009.

The RIA was commissioned to:

- Assess the impact of four policy measures against the objectives of the first national financial inclusion strategy (2010–2014);
- Contribute to the monitoring and evaluation framework for the draft NFISP (2016–2020) to ensure more efficient and periodic evaluation on achievements of the set strategic goals; and
- Serve as a pedagogical tool for future use by the RBF in conducting similar RIAs for a periodic structured appraisal of policy impacts.

Four selected policies/interventions reviewed were:

- Fiji Intelligence Unit Guideline 4 – Customer Identification & Verification;
- Letters of approval to MNOs to provide mobile money services;
- Banking Supervision Policy No.14 – Minimum Requirements for Commercial Banks on Internal Microfinance Divisions and Units; and
- Banking Supervision Policy Statement No.18 – Agent Banking Guidelines.

The overall findings highlighted a weak measurement framework within each of the policy designs and interventions. The report underlined some impact indicators to be used to clearly outline its measurement framework, which were included in the second NFISP (2016-2020).

Policy Guidelines 14 and 18 are to be reviewed in 2017, and the review will include a concrete measurement framework to track the impact of each policy.

With reference to mobile money and branchless banking, it has much potential to reach those in the rural and maritime areas that are financially excluded. It can reduce costs, travelling distance and time spent in long queues waiting to be served, however the uptake is very low. The RBF will continue to encourage new mobile money services and products into the market.

The RIA was a timely exercise in reviewing regulations adopted to determine how effective and efficient they have been, before embarking on the new NFISP.

## Workshops

A National Financial Inclusion Stakeholder Engagement Workshop was co-hosted by the RBF, AFI and PFIP in April 2016. The Workshop aimed to:

- Engage Government as a key stakeholder and to raise awareness on financial inclusion so as to obtain commitment to financial inclusion in Fiji;

- Discuss ways to improve collaboration in the implementation and monitoring of the NFISP (2016-2020); and
- Identify synergies and ways to work smarter together.

Government representatives that participated in the Workshop confirmed their interest and support for the NFISP. Participants agreed to work together in contributing to the strategies and action plan over the next five years (2016-2020).

The key areas agreed to by the participants at the workshop are to:

- Align the financial inclusion strategic goals to their respective Ministries work plan and the linkages to the Government National Development Plan;
- Formalise actions that will be undertaken by the respective Ministries/statutory bodies; and
- Formalise the information exchange and submission of data to the RBF for monitoring purposes.

Key Ministries and Departments are now represented on the NFIT and the Working Groups since the Workshop.

Also in April, **PFIP, PIRI and AFI co-hosted a regional Inclusive Insurance Workshop**. The aim of the Workshop was to bring participants from PIRI to gain a better understanding of the concept and recent developments in the inclusive insurance market. The main objective however, was to discuss and formulate a generic country strategic development plan for inclusive insurance.

The Workshop provided an overview of the penetration levels of insurance in the Pacific, in particular for Fiji, Samoa and Solomon Islands where DSS have been completed. The concept and application of inclusive insurance guidelines were discussed along with challenges faced by the regulators. Issues such as developing model regulations for the inclusive insurance market, case studies, product development & design, latest innovations in inclusive insurance products, distribution, consumer protection and education were also covered. International examples were presented as well as Fiji's experience and approach to adopting a regulatory framework for inclusive insurance. The Workshop enabled participants to share views and experience in their inclusive insurance journey thus far.

The RBF, in partnership with the PFIP, members of the Insurance Council and the Inclusive Insurance Working Group organised a one day **Insurance Awareness Media Workshop** to raise awareness and better understanding of insurance. The Workshop shared some basic insurance concepts and moving real life testimonies with media representatives in order to attain a better understanding and to improve reporting in the media.

## AFI Global Policy Forum



*Hon. Prime Minister, Rear Admiral (Retired) Josaia Voreqe Bainimarama during the Official Opening at the 2016 AFI GPF*

The annual AFI GPF is the largest and most important financial inclusion forum for policymakers around the world.

In 2016, the RBF co-hosted the eighth AFI GPF. The first to be held since AFI became a fully independent international organisation and also the first in the Pacific. The Event was shared with the PIRI members and showcased financial inclusion initiatives in the region and its rich culture.

The 2016 AFI GPF marked the largest event ever hosted by the AFI, registering around 540 senior financial inclusion policymakers and regulators, along with leaders from international organisations and the private sector from 82 countries.

The Event opened with a traditional Fijian welcome ceremony presided by the Prime Minister, Rear Admiral (Retired) Hon. Josaia Voreqe Bainimarama who welcomed the participants and commended their efforts towards closing the gap of the two billion people who are financially excluded in the world.

This year's theme, ***"Building the Pillars of Sustainable Inclusion"***, brought out lively discussions around the eight key pillars of sustainable financial inclusion: gender, green finance, SME finance, de-risking and re-risking, financial inclusion data, technology and innovation, consumer empowerment and partnerships.

The AFI Data Portal was launched at the GPF. This is a repository of financial inclusion information sourced directly from policymakers and regulators and provides AFI's partners access to an extensive financial inclusion database for the first time. The AFI Data Portal is a unique and integrated global database on financial inclusion policies, regulations and outcomes built by policymakers for their own benefit.

During the Forum, 16 member countries including the RBF made new and revised commitments to the Maya Declaration.

Gender and women's financial inclusion took centre stage at the Event, culminating in the adoption of the Denarau Action Plan.

## Fiji Wins Global Inclusion Awards



*Front row from the right, Ambassador Deo Saran receives Global Inclusion Award.*

Fiji and Mongolia were the joint winners for the Asia & Pacific region Award at the 2016 Global Inclusion Awards ceremony held on 28 November in Stockholm, Sweden. The Award recognises Fiji's efforts in promoting financial literacy amongst youth and children. Former Board Director of the RBF and the current Ambassador Extraordinary & Plenipotentiary to Belgium, Mr Deo Saran, accepted the award on behalf of Fiji.

The Global Inclusion Awards is an initiative of the Child & Youth Finance International to recognise and honour government, financial service providers, civil society organisations, institutions, initiatives, and individuals for advancing economic empowerment of young people at a national, regional and international level. Child & Youth Finance International has partnered with 14,000 organisations in 132 countries around the globe, reaching almost 36 million children and youth, advocating the need for financial literacy and economic empowerment of our future generation.

The NFIT under the leadership of the RBF was nominated for developing and implementing Fiji's National Financial Literacy Strategy 2013–2015. One of the key achievements was the full roll-out of the FinED program to all schools in Fiji in 2013. In addition, setting specific targets to increase youth (those aged 15-35) accounts with formal financial institutions from 51 percent to 80 percent and the integration of entrepreneurial training at tertiary level by 2020 were also key factors in Fiji being recognised for this award.

## Working Group Updates

### Financial Literacy Working Group

The Financial Literacy Working Group collaborates with its stakeholders under the three broad themes: (1) improving financial competencies through education in the school curriculum; (2) building adult financial competency through better coordination and increase public and private sector support; and (3) enhancing financial education awareness and consumer empowerment.

During the year, a series of Knowledge Products were developed on the FinED program to raise awareness of this world class program. These included 11 success stories that were published in the newspapers and uploaded on the RBF, NFIT and PFIP websites, posters, banners and infographics depicting the outputs of the FinED program in Fiji. Fiji currently leads the global best practice in financial education in schools, with FinED Fiji nurturing behaviour change within the school curriculum.

Reports from the schools show that although financial education may start in the classroom, it can benefit the whole family. Students are taking the learning back to their homes and communities and in some instances, it is starting to spark a change in the way families manage their finances. For instance, by growing vegetables to sell, Yash Singh, a Year 6 Gram Sangathan student in Tailevu,

has inspired his mother to also start raising ducks to sell as well. Similarly, through her thriving little business selling homemade chocolate balls, Year 11 Adi Cakobau student Veronica Tawake has inspired her mother to better manage the family finances.

The development of the school financial literacy programs ideally should go hand in hand with the adult financial literacy education programs so that learning in schools is supported and complemented at home. There are a number of adult financial literacy education initiatives in Fiji that have been developed through public and private partnerships. The NFIT website, [www.nfitfiji.com](http://www.nfitfiji.com) developed in collaboration with VISA, is one example and is proving to be a useful resource for financial literacy and financial inclusion in Fiji.

In 2016, around 7,174 adults received financial literacy training of which 62 percent were females. About 44 percent of the training were in rural areas. Compared to 2015, the numbers are much lower (2015: 14,925 adults received training, 50% were females). The devastating effects of Tropical Cyclone Winston in February 2016 resulted in the lower outreach as stakeholders' and communities' efforts focused on rebuilding.

Training is usually facilitated free of charge by financial service providers in partnership with the public sector, development partners and NGOs. In 2016, 146 seasonal workers received financial literacy training prior to their departure for Australia or New Zealand organised by the Ministry of Employment, Productivity and Industrial Relations. There was an additional 660 women market vendors who received training through the United Nations Markets for Change project.



*Lusua Naimila, after the Financial Literacy training held at Waiqanake Village*

## **Note 2: Westpac Night Market**

Westpac started its first Microfinance Market in February 2010 with 29 micro entrepreneurs. Seven years later, these have grown to more than 100 micro entrepreneurs and is showing no signs of slowing down. This initiative provides a platform for micro entrepreneurs to showcase and sell their products and is also an opportunity to network and share experiences with other entrepreneurs. The majority of these micro entrepreneurs are women. Empowering women is one of Westpac's sustainability goals to help them achieve their career and financial goals.

In 2013, Westpac began hosting the market on a bi-monthly basis by introducing the first Westpac Microfinance Night Market in Fiji, following the successful day markets held at Garden City and Downtown Boulevard in Suva. The markets have evolved over the years with micro entrepreneurs currently paying greater attention to quality, presentation, packaging and pricing. Westpac value adds by conducting Business Basic workshops aimed at improving financial literacy and understanding how their business operates. Many micro entrepreneurs have undergone the Financial First Steps workshop that highlights the importance of budgeting and savings.



*A micro entrepreneur during the Westpac's night market*



## **Inclusive Services and Products Working Group (ISPWG)**

The Microfinance Working Group was renamed during the year to ISPWG reflecting its expanded focus from more than just microfinance. A Digital Financial Services sub-group was formed to focus on Digital Finance and contribute to an enabling ecosystem for digital financial services.

Five broad objectives of the ISPWG are to: (1) ensure the provision of sustainable, relevant, affordable and accessible financial services and products; (2) strengthen the existing financial infrastructure; (3) create an enabling regulatory environment; (4) create a digital financial ecosystem; and (5) increase and strengthen public and private partnership.

During the year the ISPWG worked with stakeholders in the following areas:

- a). Provision of sustainable, relevant, affordable and accessible financial services and products
  - Launched the International Trade Centre funded by Financial Management Counsellors Association of Fiji to provide business advisory services to agribusiness and MSMEs to foster sustainability, competitiveness and profitability.
- b). Create an enabling regulatory environment
  - The Working Group continues to pursue the issue of simplifying the business licensing process and creating an enabling environment for MSMEs; and
  - Conducting awareness and empowerment seminars with students of Australian Pacific Technical College to support them in starting their own businesses.
- c). Create a digital financial ecosystem
  - A sub-working group was formed to support the development of Digital Financial Services; and
  - The use of prepaid cards by Government to deliver Cyclone Housing Assistance through the Vodafone mobile network using 25,000 E-Ticketing cards. \$88 million dollars was distributed in Phase 1 over four weeks with two staff executing the payments.
- d). Increase and strengthen public and private partnership
  - Active participation of the Working Group members in Government organised Roadshows and Expositions. Participating at relevant events and expositions as it provides a good platform to engage with the community and people on the ground.

## Inclusive Insurance Working Group (IIWG)

The IIWG was established in 2015 with two core objectives to: (1) facilitate and offer relevant insurance products that are sustainable, affordable and responsive to the needs of the poor and low income groups; and (2) create a balance between regulations, enhancing access to insurance services and empowering and protecting policyholders.

In 2015, the IIWG worked on the design of an insurance bundled product where a number of insurers agreed to come together and issue various insurance cover under one policy in a simple Policy document and at a very affordable premium for individuals that cannot afford a mainstream insurance policy. This is work in progress and will continue in 2017.

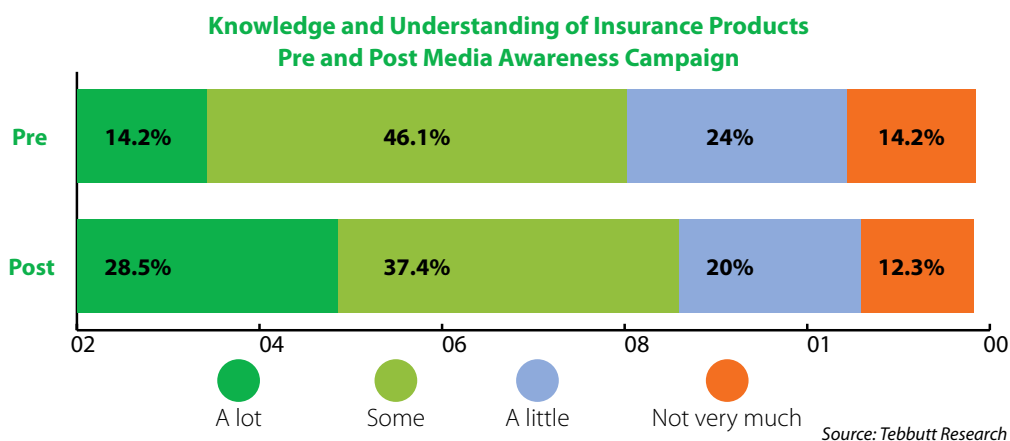
A new low cost Life and Health Insurance Product was introduced to the market in the second half of the year. BIMA, a licensed insurance agent entered the market in partnership with Dominion Insurance and Digicel. BIMA is the agent and receives commission while Digicel receives transaction fees. Dominion Insurance receives the premiums and makes claims payout.

Raising awareness on insurance given the very low insurance uptake in Fiji was also on the agenda of the IIWG during the year. The 2015 DSS highlighted only 12 percent of all adult Fijians have some form of insurance. For the first time, a joint media campaign led by the RBF in partnership with the PFIP and insurance underwriters was rolled out from 5 October to 11 November 2016. The campaign used social media, print, television and radio to:

- Raise awareness and understanding of the concept of insurance;
- Explain the use of insurance within a risk mitigation strategy; and
- Explain the main types of risk that can be dealt with by insurance.

An Insurance Facebook page generated a lot of positive feedback. The media campaign featured a number of stories, documentaries and testimonies from consumers and the industry. There were valuable insights from the insurance underwriters, the regulator and development partners.

Tebbutt Research was commissioned to conduct an independent study to measure the impact of the campaign. The study noted television as the dominant source of recall whereas social media is skewed to those below 30 years of age. A significant 81 percent noted that the awareness campaign made them think positively about insurance while some (30%) are more likely to buy insurance. Though life insurance dominated the impact of awareness, there was improved knowledge on other types of insurance following the campaign.



Knowledge and understanding of insurance products improved significantly following the awareness campaign. The proportion of people who claimed to know and understand a lot about insurance doubled from 14 percent to 29 percent after the campaign.

## Statistics Working Group (SWG)

The two core objectives of the SWG are to regularly monitor: (1) the outreach and coverage of existing financial services; and (2) the impact of financial inclusion efforts through the coordination and comprehensive data collection and sharing.

Technical expertise in the area of geospatial mapping has been a notable challenge for the Working Group. However, with technical assistance from the South Pacific Commission Geoscience Division and Fiji Bureau of Statistics, the Fiji Financial Services Access Points map was published online for the first time in July 2016. The map provides a snap shot of the financial access points in Fiji and is accessible and interactive online on both the RBF and the NFIT websites. A notable feature of these maps is that the 'invisible' market becomes visible and enables policy makers, financial service providers and investors to identify gaps and opportunities for development. Over time, the map can be used to measure and track the progress of the Financial Inclusion Strategic Action Plan.

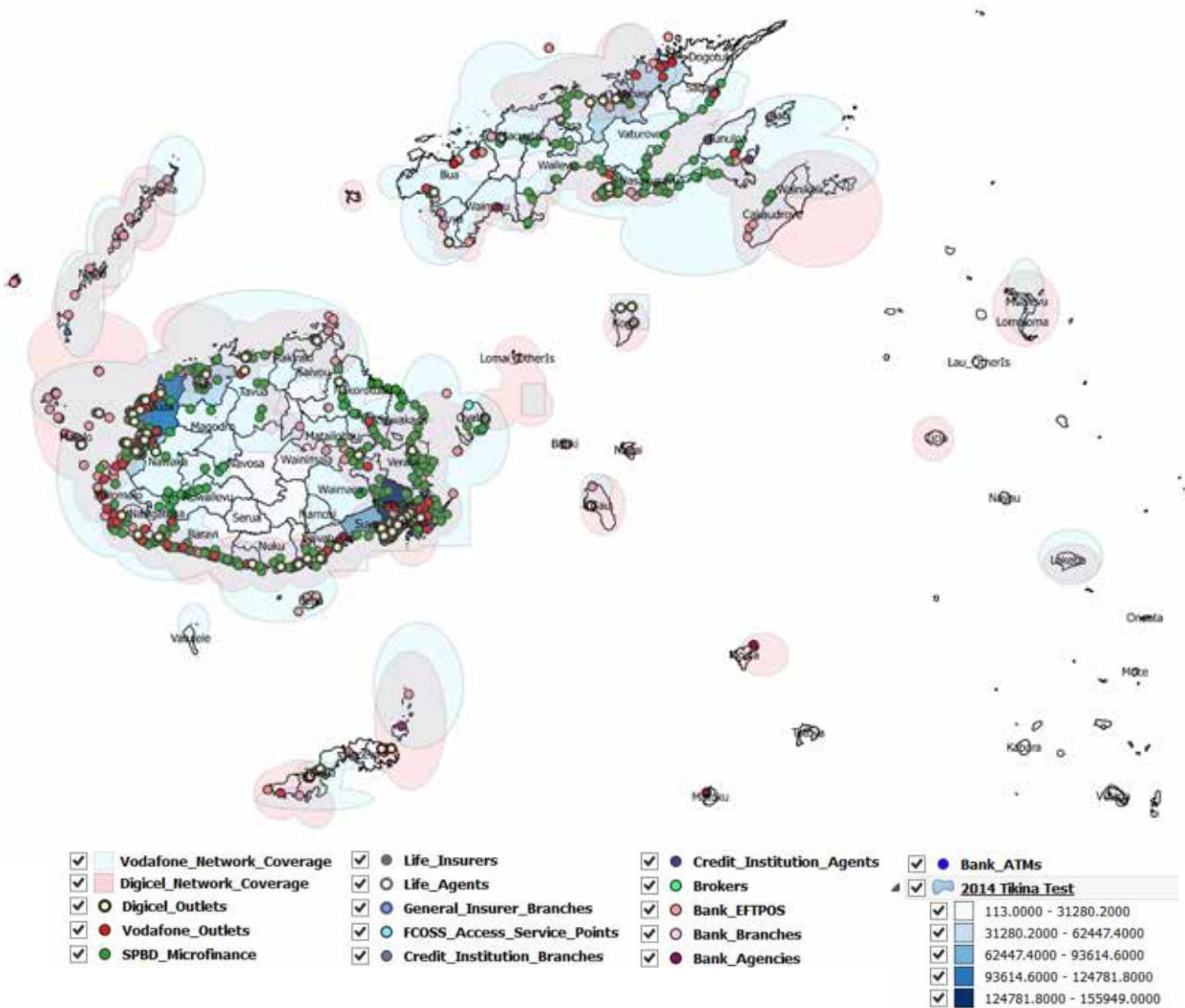
For Fiji, overall measurement and data collection progress has been made in closing the financial inclusion data gap. Following the completion of the DSS, Fiji was able to improve its reporting of financial inclusion indicators, particularly, for usage and to some extent, quality. In 2016, a pilot form was issued to all commercial banks to provide preliminary report on disaggregated data. Feedback from the commercial banks has been positive in terms of future reporting. The financial inclusion indicators can be viewed on the RBF, NFIT websites and AFI data portal.



*Maritime Financial Inclusion Exposition*

# Mapping Financial Services Access Points

Map 2: Financial Access Points, Network Coverage and Population Overlay



Map 2 portrays the distribution of 6,102 points of customer access to financial services by the commercial banks, licensed credit institutions, life insurers, microfinance institutions, mobile money agents and mobile network coverage by the two operators. The distribution of financial access points are mainly around urban centres. The interior of the two main islands and the maritime areas are notably lacking financial access points and mobile network coverage.

Some parts of Naitasiri, Namosi and Serua provinces lack mobile coverage and financial access points. According to the 2007 population data, approximately 92,772 or 12 percent of the total population live within these boundaries.

## Fiji Financial Inclusion Indicators

Indicators on women, youth and divisional level could not be reported as work is underway to capture information at the disaggregated level.

<b>Financial Inclusion Dimension</b>	<b>Core Performance Indicators</b>	<b>Baseline Data</b>	<b>Mid-Term Target 2018</b>	<b>Target 2020</b>	<b>2016</b>
Access to formal Financial Products and Service.	Number of cash-in cash-out financial access points per 10,000 adults	21	25	30	21.42
	Percentage of rural administrative units with at least one access point	88%		90%	88%
	Percentage of account(s) at a formal financial institution	64%	75%	85%	80.89%
Usage of Services and Products	Percentage of adults that have an active mobile money account (used in the last 90 days)	2.16%	8%	15%	2.56%
	Percentage of adults with a FNPF membership account	65%	70%	75%	65.75%

As at 30 December 2016, around 19 percent of the overall target of reaching 130,000 underserved clients has been achieved. This is a conservative figure after a discount factor has been applied. More data on Fiji: Key Financial Inclusion Indicators is available in the RBF's Quarterly Review.

# Looking Ahead

The NFIT and its Working Groups will continue to:

- Coordinate and monitor the implementation plans for their own strategic areas;
- Strengthen multi-stakeholder participation including work with development partners like AFI, PIRI, PFIP, VISA and MasterCard;
- Look out for developments of financial technological innovation in the area of financial inclusion and the supportive development of a regulatory sandbox environment; and
- Continue capacity building for industry players.

The RBF as the Secretariat of the NFIT will track the overall performance indicators and targets and report to the NFIT on an annual basis to ensure that efforts are in line with the agreed targets in the NFISP.

Data gaps are still a major challenge and work will continue to strengthen the financial inclusion and base set indicators to fully report on data disaggregation for gender, age and location at individual and MSME level.



*Financial Inclusion Village at the Hibiscus Festival*



# NFIT and Working Groups Representatives

## National Financial Inclusion Taskforce Members

**Barry Whiteside** is the Governor of the Reserve Bank of Fiji and the Chairman of the National Financial Inclusion Taskforce

**Ariff Ali** is the Deputy Governor of the Reserve Bank of Fiji

**Dijendra Singh** is a businessman from Ba who owns Vatia Beach Resort, a family-run property

**Kevin McCarthy** is the Country Manager of Bank South Pacific

**Meleti Bainimarama** is the Permanent Secretary for Rural and Maritime Development and National Disaster Management

**Yogesh Karan** is the Permanent Secretary for the Office of the Prime Minister

**Naipote Katonitabua** is the Permanent Secretary for iTaukei Affairs

**Litia Mawi** is Fiji's Roving Ambassador/High Commissioner to Pacific Island Countries

**Mark Flaming** is the Manager of the Pacific Financial Inclusion Programme

**Epeli Waqavonovono** is the Government Statistician and also the Chairman of the Statistics Working Group

**Lolesh K Sharma** is the Chief Executive Officer of Sun Insurance and the Chairman of the Inclusive Insurance Working Group

**Eseta Nadakuitavuki** is the Senior Manager Microfinance and Women's Market of Westpac Banking Corporation and is the Chairperson of the Financial Literacy Working Group

**Nafitalai Cakacaka** is the General Manager Business Risk Services of the Fiji Development Bank and is the Chairman of the Inclusive Products & Services Working Group

**Vereimi Levula** is the Chief Manager for the Financial System Development Group of the Reserve Bank of Fiji

*The NFIT acknowledges the contribution of past members of NFIT; the former Governor Sada Reddy, Robin Yarrow, Tillman Bruett, Lorine Tevi, Dorinda Work, Reuben Summerlin, Filimone Waqabaca, Sashi Kiran, Krishnan Narasimhan, Greg Watson, Tevita Nagataleka, Luse Kinivuwai, Elrico Munoz and Jeff Liew, for their valuable contributions to financial inclusion in Fiji and the Pacific. Their dedicated service to NFIT and all its Working Groups are sincerely appreciated.*



## Financial Literacy Working Group

Westpac Banking Corporation (Chairperson)

BSP Life and Health

ANZ Banking Group

Bank South Pacific

Bank of Baroda

HFC Bank

BRED Bank Fiji

Fiji National Provident Fund

Pacific Financial Inclusion Programme

Consumer Council of Fiji

Ministry of Education

Ministry of Women, Children and Poverty Alleviation

Department of Strategic Planning & National Development

Ministry of Youth & Sports

Ministry of iTaukei Affairs

iTaukei Land Trust Board

## Inclusive Services and Products Working Group

Fiji Development Bank (Chairperson)

Westpac Banking Corporation

ANZ Banking Group

Vodafone Fiji

Telecom Fiji

South Pacific Business Development

National Centre for Small and Micro Enterprise Development

Office of the Prime Minister

Ministry of Industry Trade and Tourism

Ministry of iTaukei Affairs

Ministry of Rural and Maritime Development

Ministry of Women, Children and Poverty Alleviation

Pacific Financial Inclusion Programme

Handy Finance Ltd

International Trade Centre

Life Insurance Corporation of India

## Inclusive Insurance Working Group

SUN Insurance (Chairperson)

Pacific Financial Inclusion Programme

BSP Life and Health

FijiCare Insurance Ltd

New India Assurance Ltd

Life Insurance Corporation of India

Dominion Insurance Company Ltd

Tower Insurance Company Ltd

Fiji Revenue and Customs Authority

Ministry of Economy

National Disaster Management Office

## Statistics Working Group

Fiji Bureau of Statistics (Chairperson)

Pacific Financial Inclusion Programme

University of the South Pacific

Market Development Facility

Westpac Banking Corporation

HFC Bank

BRED Bank Fiji

## KEY MILESTONES TO FINANCIAL INCLUSION

<b>Milestones 2009</b>	
<b>April</b>	<ul style="list-style-type: none"> <li>RBF announced the planned set-up of Microfinance Units within the Commercial Banks RBF Press Release (No. 16/2009 and 17/2009).</li> </ul>
	<ul style="list-style-type: none"> <li>RBF established the Financial System Development Group tasked amongst other things to develop financial inclusion RBF Press Release (No. 18/2009).</li> </ul>
<b>July</b>	<ul style="list-style-type: none"> <li>RBF Governor's opening address at Pacific Microfinance Week announces the support for financial inclusion.</li> </ul>
<b>August</b>	<ul style="list-style-type: none"> <li>The Financial Intelligence Unit within the RBF issued Guideline 4 – Customer Identification &amp; Verification.</li> </ul>
<b>September</b>	<ul style="list-style-type: none"> <li>RBF participated in the first AFI GPF in Nairobi, Kenya.</li> </ul>
<b>November</b>	<ul style="list-style-type: none"> <li>RBF in partnership with PFIP organised a National Workshop to map-out a "Medium Term Strategy for Financial Inclusion in Fiji".</li> </ul>
<b>December</b>	<ul style="list-style-type: none"> <li>RBF announced three new policy guidelines to support financial inclusion RBF Press Release (No. 49/2009).</li> </ul>
<b>Milestones 2010</b>	
<b>January</b>	<p>RBF Issued:</p> <ol style="list-style-type: none"> <li>1.) Minimum Guidelines on the Establishment of a Local Advisory Board (Banking Supervision Policy Statement No. 12).</li> <li>2.) Policy Guideline on Complaints Management (Banking Supervision Policy Statement No. 13).</li> <li>3.) Minimum Requirements for Commercial Banks on Internal Microfinance Divisions and Units (Banking Supervision Policy Statement No. 14).</li> </ol>
<b>February</b>	<ul style="list-style-type: none"> <li>RBF participated in 1st AFI PIWG meeting hosted by Reserve Bank of Vanuatu.</li> <li>Establishment of the NFIT and three Working Groups: Financial Literacy; Microfinance; and Statistics. The overall target of the NFIT was to reach 150,000 unbanked clients by 2014.</li> <li>1st NFIT Meeting.</li> </ul>
<b>May</b>	<ul style="list-style-type: none"> <li>ADB assessment study "Microfinance and Microinsurance Opportunities and Challenges in Fiji" released.</li> </ul>
<b>June</b>	<ul style="list-style-type: none"> <li>RBF launched e-Money Fiji Project to support the development of digital finance in Fiji. RBF Press Release (No. 22/2010)</li> <li>Vodafone Fiji Ltd launched M-Paisa</li> <li>Announced its support to integrate financial education into the school curriculum from primary to secondary school levels. RBF Press Release (No. 24/2010)</li> <li>Ba Microfinance Exposition.</li> </ul>
<b>July</b>	<ul style="list-style-type: none"> <li>Digicel Fiji launched Digi-money.</li> </ul>
<b>August</b>	<ul style="list-style-type: none"> <li>Launched Green Ribbon Campaign to promote financial literacy. RBF Press Release (No. 28/2010).</li> <li>RBF hosted the first Microfinance Village at the Vodafone Hibiscus Festival in Suva.</li> <li>Financial Inclusion Village – Vodafone Hibiscus Festival in Suva.</li> </ul>
<b>September</b>	<ul style="list-style-type: none"> <li>Labasa Microfinance Exposition.</li> </ul>

## KEY MILESTONES TO FINANCIAL INCLUSION

Milestones 2011	
January	<ul style="list-style-type: none"> <li>Westpac Banking Corporation in collaboration with Ministry of Women and Social Welfare launched G2P social welfare payments to a savings-linked bank account.</li> </ul>
February	<ul style="list-style-type: none"> <li>Ministry of Education launched Fiji Financial Education Curriculum Development Project (FinED).</li> </ul>
March	<ul style="list-style-type: none"> <li>Review of Financial Inclusion Medium Term Strategy RBF Press Release (No. 4/2011).</li> <li>1st Maritime Financial Inclusion Exposition covering Savusavu, Taveuni, Koro, Levuka and Gau. RBF Press Release (No. 5/2011).</li> </ul>
April	<ul style="list-style-type: none"> <li>Life Insurance Corporation of India launched Microinsurance Product in Fiji.</li> </ul>
August	<ul style="list-style-type: none"> <li>Launch of "Vuli the Vonu" Fiji's Financial Literacy Mascot.</li> <li>"Financial Inclusion in Fiji – An Evolving Story" a video documentary: <a href="https://www.youtube.com/watch?v=2d3aAefj9ws">https://www.youtube.com/watch?v=2d3aAefj9ws</a>.</li> <li>Microfinance Village – Vodafone Hibiscus Festival in Suva.</li> </ul>
September	<ul style="list-style-type: none"> <li>RBF/NFIT made commitments to Maya Declaration at the 3rd GPF in Cancun, Mexico.</li> <li>Central Bank of Solomon Islands Knowledge Exchange visit to RBF to learn about FinED and NFIT.</li> <li>Launched mobile inward remittance facility by Vodafone M-Paisa from Australia and New Zealand.</li> </ul>
October	<ul style="list-style-type: none"> <li>Digicel mobile money with KlickEx launched web to mobile wallet money transfer cross boarder remittance from NZ and Australia.</li> </ul>
November	<ul style="list-style-type: none"> <li>Conducted a National Survey to assess financial competency of low income households. RBF Press Release (No. 30/2011).</li> </ul>
Milestones 2012	
May	<ul style="list-style-type: none"> <li>Korovou Microfinance Exposition.</li> </ul>
July	<ul style="list-style-type: none"> <li>Fiji shared experience of financial inclusion initiatives at the 3rd Pacific Microfinance Week, Port Vila, Vanuatu.</li> </ul>
August	<ul style="list-style-type: none"> <li>VISA in partnership with NFIT sponsored Financial Literacy Awareness Radio Campaign.</li> <li>Knowledge Exchange visit by Bank of PNG to RBF to learn about financial inclusion expositions.</li> <li>Financial Inclusion Village – Vodafone Hibiscus Festival in Suva.</li> </ul>
September	<ul style="list-style-type: none"> <li>National Financial Competency Development Workshop to discuss the findings from the Financial Competency survey. RBF Press Release (No. 27/2012).</li> </ul>
October	<ul style="list-style-type: none"> <li>Sigatoka Microfinance Exposition.</li> </ul>

## KEY MILESTONES TO FINANCIAL INCLUSION

<b>Milestones 2013</b>	
<b>January</b>	<ul style="list-style-type: none"> <li>RBF issued Agent Banking Guideline (Banking Supervision Policy Statement No. 18) with the aim of improving financial access in remote and rural areas. RBF Press Release (No. 38/2012).</li> </ul>
<b>May</b>	<ul style="list-style-type: none"> <li>Agent Banking Knowledge Exchange visit to Mexico and Brazil.</li> </ul>
<b>July</b>	<ul style="list-style-type: none"> <li>2nd Maritime Exposition in Kadavu (Kavala, Vunisea and Daviqele).</li> </ul>
<b>August</b>	<ul style="list-style-type: none"> <li>Financial Inclusion Village – Vodafone Hibiscus Festival in Suva.</li> </ul>
<b>September</b>	<ul style="list-style-type: none"> <li>RBF attended 5th AFI GPF in Malaysia. Fiji is awarded the inaugural Maya Declaration Award by AFI. RBF Press Release (No. 27/2013).</li> </ul>
<b>October</b>	<ul style="list-style-type: none"> <li>Inaugural NMA held during the Pacific Microfinance Week in Nadi. RBF Press Release (No. 31/2013).</li> </ul>
<b>November</b>	<ul style="list-style-type: none"> <li>Cabinet endorses Fiji's first National Financial Literacy Strategy.</li> </ul>
<b>Milestones 2014</b>	
<b>February</b>	<ul style="list-style-type: none"> <li>NFIT achieved its overall national goal of reaching 150,000 unbanked clients by 2014.</li> </ul>
<b>March</b>	<ul style="list-style-type: none"> <li>RBF co-hosted the 12th PIWG and 4th Financial Inclusion Peer Learning Group meetings. RBF Press Release (No. 05/2014).</li> <li>RBF and Vuli the Vonu launched Student Diary at Yat Sen Secondary School.</li> </ul>
<b>July</b>	<ul style="list-style-type: none"> <li>NFIT launched first Poverty Scorecard in the South Pacific. RBF Press Release (No. 20/2014).</li> <li>Mobile Money Providers signed Trust Deed that gives added assurance to customers. RBF Press Release (No. 21/2014).</li> </ul>
<b>August</b>	<ul style="list-style-type: none"> <li>Financial Inclusion Village – Vodafone Hibiscus Festival in Suva.</li> <li>Financial Inclusion Village was set up at the Uluda Ground, Rakiraki with the theme of "Green Growth, Sustainable Livelihoods."</li> </ul>
<b>October</b>	<ul style="list-style-type: none"> <li>Commenced DSS for Fiji.</li> </ul>
<b>November</b>	<ul style="list-style-type: none"> <li>2nd NMA. RBF Press Release (No. 30/2014).</li> </ul>
<b>December</b>	<ul style="list-style-type: none"> <li>Completed DSS for Fiji.</li> <li>National Reserve Bank of Tonga visit to the RBF to learn about Fiji's financial inclusion experience.</li> </ul>

## KEY MILESTONES TO FINANCIAL INCLUSION

<b>Milestones 2015</b>	
<b>March</b>	<ul style="list-style-type: none"> <li>Established Inclusive Insurance Working Group under the ambit of NFIT.</li> </ul>
<b>July</b>	<ul style="list-style-type: none"> <li>RBF and VISA launched the NFIT website RBF Press Release (No. 21/2015).</li> <li>Nasinu Financial Inclusion Exposition.</li> </ul>
<b>August</b>	<ul style="list-style-type: none"> <li>Financial Inclusion Village – Vodafone Hibiscus Festival in Suva.</li> </ul>
<b>September</b>	<ul style="list-style-type: none"> <li>Launched Fiji's Financial Services DSS Report. RBF Press Release (No. 29/2015).</li> </ul>
<b>November</b>	<ul style="list-style-type: none"> <li>National Financial Inclusion Strategy Consultation Workshop. RBF Press Release (No. 33/2015).</li> <li>3rd NMA.</li> </ul>
<b>Milestones 2016</b>	
<b>February</b>	<ul style="list-style-type: none"> <li>Published Fiji Financial Inclusion indicators - (<a href="http://www.nfitfiji.com/statistics/fijis-financialinclusion-indicators-2/">http://www.nfitfiji.com/statistics/fijis-financialinclusion-indicators-2/</a>).</li> </ul>
<b>March</b>	<ul style="list-style-type: none"> <li>Regulatory Impact Assessment on RBF Financial Inclusion policies.</li> </ul>
<b>April</b>	<ul style="list-style-type: none"> <li>National Financial Inclusion Strategy Government Stakeholder Engagement Workshop.</li> </ul>
<b>May</b>	<ul style="list-style-type: none"> <li>RBF, MITT and PIRI members attended first SME Finance and Development Knowledge Exchange visit to Malaysia.</li> </ul>
<b>June</b>	<ul style="list-style-type: none"> <li>RBF geospatial map was uploaded on the RBF and NFIT websites for the first time - (<a href="http://www.rbf.gov.fj/Left-Menu/Financial-Inclusion">http://www.rbf.gov.fj/Left-Menu/Financial-Inclusion</a> and <a href="http://www.nfitfiji.com/statistics/fiji-financial-services-access-points/">http://www.nfitfiji.com/statistics/fiji-financial-services-access-points/</a>).</li> </ul>
<b>July</b>	<ul style="list-style-type: none"> <li>Launched the NFISP (2016-2020).</li> <li>Renamed Microfinance Working Group to Inclusive Services and Products Working Group.</li> </ul>
<b>September</b>	<ul style="list-style-type: none"> <li>Fiji hosted AFI GPF.</li> <li>Made 11 new commitments to the Maya Declaration.</li> <li>Endorsed the Denarau Action Plan.</li> <li>RBF, MITT and PIRI members attended second SME Finance and Development Knowledge Exchange visit to Thailand.</li> </ul>
<b>November</b>	<ul style="list-style-type: none"> <li>Fiji won Global Inclusion Awards RBF Press Release (No. 31/2016).</li> </ul>

# AFI 2016





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OF FIJI**



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