



Centre for Excellence
in Financial Inclusion

June 2018



CEFI Nius APEC Edition



APEC Senior Finance Officials Meeting: an opportunity to raise awareness on PNG's Financial Inclusion Strategy

The APEC Senior Finance Officials gathered in Madang from the 5–8 June to discuss ways to advance financial inclusion, accelerate infrastructure development and financing, foster international tax cooperation and transparency, and improve approaches to disaster risk financing and insurance within the APEC region.

The four-days meeting , included a Seminar on Financial Inclusion in APEC Economies, where delegates shared economy experiences and leading practices on how financial literacy and innovation can advance financial inclusion.

For Papua New Guinea, the seminar was an opportunity to raise awareness about its National Financial Inclusion Strategy 2016-2020 while learning how other economies within the APEC region develop and implement their financial literacy strategies, encourage the update of digital financial services and foster financial innovation to support financial inclusion.

Following the seminar, Papua New Guinea's Treasury chaired a Senior Finance Officials' Meeting. At the meeting, officials considered a range of initiatives to advance cooperation on financial inclusion, infrastructure development and financing, internal tax cooperation and transparency, and disaster risk financing and insurance as well as discussing the regional and global economic and financial outlook and what it means for APEC economies.

Outcomes from the financial inclusion seminar and Senior Finance Officials' Meeting will inform preparations for the APEC Finance Ministers' Meeting which will be held in Port Moresby in mid October of 2018.



Participants of the Seminar on Financial Inclusion in APEC Economies held in Madang, PNG.



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GREETINGS!

- As 2018 is PNG's APEC year as Chair of APEC, this is a special bulletin edition of **CEFI Nius** covering the seminar on financial inclusion held for APEC economies and the Senior Finance Officials meeting which was coordinated by BNG, CEFI with the Department of Treasury.
- To publish your stories send us an email: info@thecEFI.org

APEC DELEGATES EXPERIENCE DIGITAL FINANCIAL SERVICES AT MIBANK'S MADANG BRANCH



To finish off the Financial Inclusion Seminar, delegates were given a tour of the Mibank Branch in Madang and a demonstration on digital account opening and digital financial transactions.

Chief Executive Officer of MiBank, Tony Westaway says MiBank is not only providing banking services to its customers in the towns but more importantly for those in rural communities.

MiBank has over 1800 users in Madang Province alone. MiBank also uses its app for banking services and amongst other services also provides financial education training to their customers.

“The Senior Finance officials began their morning session with global and regional economic and financial outlook followed by a session on advancing financial inclusion with PNG presenting on its proposed APEC wide target on financial inclusion.”

APEC SENIOR FINANCE OFFICIALS MEET



The APEC Senior Finance Officials' Meeting (SFOM) commenced after the two day Seminar on Financial Inclusion in APEC economies in Madang from the 7–8 June with topics of discussions under the policy priority areas on promoting inclusive growth through structural reform.

A lot of discussions during SFOM focused on advancing, Infrastructure development financing, inclusive growth and tax incorporation risks.

The morning session began with Global

and regional economic and financial outlook followed by a session on advancing financial inclusion with PNG presenting on its proposed APEC wide target on financial inclusion.

Read more:

<https://www.apec2018png.org/media/press-releases/apec-senior-finance-officials-meeting-commences>





FINANCIAL EDUCATION, A KEY TO FINANCIAL INCLUSION IN RURAL AREAS

The Seminar on Financial Inclusion in the APEC economies was held in Madang from the 5–6 June focusing on financial education and inclusion in rural areas.

Assistant Governor for the Bank of Papua New Guinea (BPNG), Ellison Pidik in his opening remarks of the seminar described Financial Education and Financial Inclusion important in educating rural base population and younger generation on the importance of finance that can improve living standards.

“Financial education when we teach and people become more aware, knowledgeable about the importance of savings, access to financial services like insurance or banking or basically doing transaction, it helps bring convenience to individuals and families to improve living standards.

“When you save more, you have more options, use your savings to invest and do worthy things that benefits yourself and your families.

“Financial education is key to spearheading Financial Inclusion into rural areas for people who have not being served,” said Mr Pidik.

He said BPNG would like education institutions to factor in financial literacy through their curriculum to help younger generation to know the importance of savings and be aware of money schemes that can destroy their livelihood.

Mr Pidik said that advancing Financial Inclusion is a policy priority for the APEC Finance Ministers’ Process (FMP) in 2018, recognizing its importance towards the broader APEC policy agenda of inclusive growth and development.

“FMP in 2018 will continue the focus on this important topic with an emphasis on the role of financial literacy and innovation and a focus on policy development, implementation and assessment.

“ This includes promoting practical tools and leading practices that support the expansion of access to, and productive use of financial services as reflected in the seminar’s theme, “Financial Capability, Education and Technology.”

Source APEC 2018 PNG: <https://www.apec2018png.org/media/press-releases/financial-education-a-key-to-financial-inclusion-in-rural-areas>



PNG HOSTS SUCCESSFUL FINANCIAL INCLUSION SEMINAR

Papua New Guinea hosted a successful seminar on Financial Inclusion in APEC covering financial inclusion capability, education and technology.

The delegates shared experiences and best practices in enhancing Financial Inclusion in their economies, through the use of technology and educational reforms.

The seminar was a success, with delegates from a range of APEC economies involved in presentations, and discussions, and sharing experience on key issues in driving the financial inclusion agenda in the APEC region.

The seminar included presentations from ten APEC economies, with Australia, Canada, Chinese Taipei, Japan, Malaysia, Mexico, Papua New Guinea, Philippines, Thailand, Vietnam and all contributing to valuable discussions.

International organizations directly involved in the Financial Inclusion agenda, including the United Nations Capital Development Fund (UNCDF), Foundation for Development Cooperation (FDC), and Asian Development Bank (ADB) also made presentations on projects undertaken in APEC economies as well s in smaller non-APEC member economies in the pacific region.

The APEC Business Advisory Council (ABAC) presented a business perspective on maximizing the use of digital financial services by creating an enabling data ecosystem for inclusive digital financial services.

BPNG and CEFI coordinated and led the organization of the Financial Inclusion Seminar and have been coordinating with the Department of Treasury since early this year for preparations of this meeting.

MADANG WOMEN AND ENTREPRENEURS

Meet Rachel Kumbre, a mother of two hailing from the East Sepik Province, who has lived almost all her life in Madang. She is one of many mothers you will find at the Haus Kaving right outside the Madang Resort Hotel.

A widow who lost a child she is now trying to make ends meet for her son who is in Grade 12 and her grandchild. She has been making and buying jewellery to sell since she was 15 years old and learnt most of the trade from her mother.

She says the challenge for her and many of the women that live in the Haus Kaving is selling their products daily as they depend highly on what they earn from their sales.

“Time ol turist kam long Madang na kam stap long resort mi save mekim gut moni mak lo K700 na K800, na taim ol turist no kam me sa nogat moni” (*When tourists come to Madang and stay at the resort, I make money between K700 and K800 and when they do not come, I do not have money*), Rachel said.

Ms Kumbre says most of her earnings are to help pay for her son’s school fees, water and power bills and food for her family. She however says she does not have a bank account and

cannot save as what she earns is so small.

CEFI used the opportunity to share to Rachel and other women the importance of saving and budgeting and explained the various financial services available to them and institutions around Madang that are available to them in assisting them open a bank account and get financial literacy training.



HELEN ENCOURAGES WOMEN TO SAVE

One of the many challenges that women in Madang who sell arts and crafts face is the fear of utilizing services and products provided by financial institutions.

Helen Paul is a bilum weaver from the Simbu Province who resides in Madang. Helen attended a financial education training program conducted by the National Development Bank on savings and budgeting and says it is important to save a little of what you earn. Knowing this important fact she says she encourages women in her circle to save.

“I encourage the women in my group to save money and open bank accounts and some of them do. I have also encouraged them to get loans from the bank to help them start off their small businesses but they are scared that they will not meet the requirements of the bank and not be able to repay their loan,” she said.

She adds she earns less than K200 in a day or week and that is what most of the women selling arts and crafts earn and this adds to the fear that if they do take a loan the little money they earn will not be able to repay their loan and feed their family.

She further stated that women in Madang really need financial education training and awareness on products and services that financial institutions have specifically for small business owners and women.

