



Centre for Excellence
in Financial

September 2018
Issue 5



CEFI Nius

Governor Bakani receives Advocacy Champion Award

Since 2013, the Alliance for Financial Inclusion (AFI) has been honouring those whose participation and contribution to the AFI network sets them apart.

This tradition continued at the 2018 AFI Awards ceremony in Sochi, Russia where member institutions and individuals who have excelled in enhancing financial inclusion over the past year globally and in their respective countries.



This year the CEFI Chairman and Governor of the Bank of Papua New Guinea Mr Loi Bakani was one of the recipients of these awards.

Governor Bakani received the Advocacy Champion Award. This award recognizes members who have represented AFI on various global platforms and raised the AFI flag as a global advocate for financial inclusion.

As a policy leadership alliance, AFI aims to elevate the voices of its members to set the global financial inclusion agenda and draw attention to the policy implementation challenges that require global support and Governor Bakani has represented Papua New Guinea and AFI on various global platforms to address financial inclusion.

Read more: <https://www.afi-global.org/afi-awards>



Pic: Recipients of the AFI Awards. Source: AFI Website



INSIDE THIS ISSUE

- ⇒ Working Groups High-light.....2
- ⇒ Financial Inclusion for Namatani.....2
- ⇒ Trainer gains fulfilment.....3
- ⇒ Financial Inclusion to Mining communities.....3
- ⇒ PNG joins 8 member countries4
- ⇒ Young man graduates with life skills and FL.....4
- ⇒ UPNG Business Students visit CEFI.....4
- ⇒ Young woman brings FI to her community.....5
- ⇒ Study recommends reforms to micro pension.....5
- ⇒ Links and Resources.....6

GREETINGS!

- Welcome to our September issue of **CEFI Nius**
- To publish your stories send us an email: info@thecfi.org



WORKING GROUPS HIGHLIGHT

WORKING GROUP ON SME FINANCE

Members of the Working Group on SME Finance are:

Steven Maken(Chairman—SME Corporation)
 Stephen Poha (MiBank)
 Danny Koka (PML)
 Boas Irima (BPNG)
 Peterson Lais, (IBBM)
 Desmond Yaninen (NDB)
 Andrew Runawery (PNG SME Business Magazine)
 Evelyn Kua (UPNG)
 David Mo (UPNG)
 Dr Suresh Babu Nagarajan (UPNG)
 Willie Reia (DCI)

This working group will serve as a coordinating body to promote and advocate for **SME financing**. It will work with regulated financial institutions to identify and facilitate actions to increase loan portfolio to SMEs. It will also have specific focus to work with government and development partners to assist institutionalize risk-sharing and guarantee scheme facilities as a platform for increasing loan financing to

SMEs by financial institutions.

Progress Update: Working group facilitated dialogue with Department of Commerce and Industry to progress the work to carry out a feasibility study on Credit Guarantee Scheme for SMEs in PNG. The objective of the study is to facilitate access to sustainable credits for SMEs.

“The SME working group will work with regulated financial institutions to identify and facilitate actions to increase loan portfolio to SMEs.”

KINA BANK ANNOUNCE ONLINE ONBOARDING

Customers can now instantly apply for a bank account with Kina Bank’s new fast, secure online activation process. The revolutionary new service means customers can open an account in minutes from the comfort of their own computer via Kina Bank’s website:
www.kina.com.pg.

Read more: <http://www.kina.com.pg/kina-bank-announces-online-onboarding/>

We plan to become the leading digital bank in PNG.

Our revolutionary new service means customers can open an account in minutes from the comfort of their own computer via Kina Bank’s website

FINANCIAL INCLUSION FOR NAMATANAI DISTRICT

Having access to financial services is one priority area for Namatanai District in New Ireland Province.

Local member of parliament Walter Schnaubelt says this is one area he wants to address when he approached MiBank to enquire on the possibility of setting up their services in the district.

A feasibility study is currently being conducted by the Centre for Excellence in Financial Inclusion (CEFI) at the request of the local MP, Walter Schnaubelt who There are currently four Bank South Pacific (BSP) rural banking Agents in Namatanai, Konos Lahir and Simberi and Niu Ailans Savings & Loans Society Namatanai.

Apart from EFTPOS services in shops in the district, Namatanai town does not have an ATM to serve the population, showing a big need to establish a banking service in the district.

CEFI Special Project Manager, Augustine Birie who is heading the study says, “A full branch will be an ideal option but that depends entirely on the results of this feasibility study.”

As part of the study, a two day financial inclusion and financial literacy training was conducted to 19 participants who will play a major role in data collection as they have been tasked to carry out necessary surveys that will be submitted to CEFI for analysis as part of the first phase of the feasibility study.





TRAINER GAINS FULFILMENT

Providing business development skills (BDS) training in Papua New Guinea is very challenging but is a fulfilling task according to Ms. Theresia Mapa, CEFI's Microfinance Expansion Project (MEP) certified BDS trainer from Anglimp, Jiwaka Province.

Ms Mapa has conducted eight BDS trainings and says confidence, understanding of your audience and content is very important to conducting a successful training.

"I must have confidence to deliver the training, many of my participants have questions about the content of the training and I try my best to simplify it for them and to train them at a level that they can understand."

With 16 years' experience as a teacher she says she uses her experience to help her conduct the trainings.

"When I do my trainings I conduct them in groups, I train some as a family unit at home and others as a group in church or in the community. I use charts and examples that they can relate to and for those that are literate I ask them to take notes."

She said fulfilment comes from knowing that the training have changed people's financial behaviours. Many of her participants now understand how they are spending their money and what they can do and tools to use to help build their businesses. However, The-

resia adds, "there is a need for trainers like her to understand and be trained in the work and processes that financial institutions."

She said whilst training her participants, especially women ask questions regarding bank processes and services and how they can access these services.

"When participants ask me questions about how they can get a loan from the bank or how much they can deposit or open accounts, I always refer them to the Banks but when they go to the banks they do not get the help they need."

It is important that trainers know these information so we can help our people in the village she said. The call now is for financial institutions to provide readily available information and services to the people.

BDS trainings are conducted by our local partners and an impact assessment is carried out to assess what our trainers have done and what their participants have achieved from the training.



Bringing financial inclusion and access to mining communities

A Memorandum of Understanding (MOU) was signed on Monday 25th June 2018 between Mineral Resources Authority (MRA) and BPNG/CEFI establishing collaboration with the mining sector to facilitate partnerships that include the roll-out of financial inclusion activities in communities affected by mining projects that receive direct royalties and compensation.

Key financial inclusion program activities will include and not limited to financial literacy training linked to opening bank accounts, mobile banking training and facilitate for mobile banking services, set up agency banking training and establishment of agency banking outlets in remote mining communities and business development skills training.

The signing of MOU between the MRA & BPNG/CEFI is an initiative that supports the implementation of the 2nd National Financial Inclusion Strategy to enable financial access/literacy for those in mining communities to partake in wealth creation and economic development.



Pic: Assistant Governor Ellison Pidik and Mineral Resource Authority Acting Manager Nathan Mosusu signing the MOU

PNG Joins 8 Member Countries of the Better than Cash Alliance in Peer Exchange hosted by Government of Rwanda

PNG was part of representatives from eight member countries of the Better than Cash Alliance, namely Sierra Leone, Malawi, Paraguay, India, Ghana, Côte d'Ivoire, Papua New Guinea, and Nepal that participated in this peer exchange.

In advancing financial inclusion and driving digitization of payments PNG's Helen Molean from Government of PNG's Department of Finance was part of this peer exchange.

The government, of Rwanda which joined the Better Than Cash Alliance four years ago, has actively promoted payments via digital channels and has embraced the private sector as a key partner in increasing adoption of electronic payments. These efforts are helping Rwanda seize the many benefits of digitization: increased efficiency, transparency, and revenue, thereby cutting down on leakages and cost of collection.

To share successes, strategies, and learnings from this journey, the government of Rwanda, hosted a Better Than Cash Alliance Peer Exchange.

<https://www.betterthancash.org/news/blogs-stories/lessons-from-rwanda-harnessing-public-private-partnerships-to-drive-person-to-government-payment-digitization>



YOUNG MAN GRADUATES WITH FINANCIAL LITERACY AND LIFE SKILLS TRAINING

Meet Nathan Miria, a young man from the Central Province who was the only male in a group of 32 women participants to receive his certificates in Sewing and financial literacy recently. Surrounded by women his age and older, did not stop Nathan from learning something new.

He said he was approached by his sister Anne-Marie Lilih, President and founder of Gerehu Waikele Womens' sewing group to attend a sewing workshop that was held at the Seventh Day Adventist church at Rainbow in the Nation's capital.

"When my sister told me to attend the training, I was embarrassed of what my friends would think of me and that I would be the only male in the training but then I said to myself that I would learn a new skill so I attended the training", he said

We learnt how to sew and we also learnt about financial literacy, how to save



money, budget and make right choices and decisions involving money, he added.

Nathan says he now knows how to manage his money and adds he already has requests from women from his street to sew their meri blouses.

The financial literacy training was conducted by the Laymans' Professional Limited, one of CEFI's Community partners of financial literacy training who have been tasked to carry out financial literacy training in Port Moresby.

BUSINESS STUDENTS VISIT CEFI

Third year Business Students from the University of Papua New Guinea recently visited the CEFI office to find out more on the work that we do in the country.

The students were given a tour of the office with presentations from CEFI Acting Director Mereseini Tuvuniwai who gave the students a glimpse of financial inclusion initiatives undertaken throughout the country and the implementation of the national financial inclusion strategy.

We also had our Gender Specialist Robyn Crawford speak to the students on gender in financial inclusion and the Gender Equity and Social Inclusion policy.



YOUNG WOMAN BRINGS FINANCIAL INCLUSION TO WOMEN IN HER COMMUNITY.

In 2014, the National Capital District Commission introduced the betelnut ban in Port Moresby. This caused a lot of critics and anger among many in Port Moresby who made a living from selling betelnut, many of them women.

These women were mothers who had children to take care, women whose daily sustenance depended on selling betelnut.

Seeing the frustration from these women and the need to help Anne Marie Lilih, a third year student at the University of Papua New Guinea back then decided to create a women's group. The Gerehu Wikele Women's Sewing Group.

"I brought together 40 women that month who staged a peaceful protest against the Buai Ban by signing up to learn how to sew. The idea was to teach them how to sew and to save and invest in a



more sustainable business that was safe and hygienic." she said.

While teaching women to sew was the basis of the creation of the group, Anne—Marie says financial literacy is also a very important component in all their trainings.

"The sewing is to get women together and then introduce them to financial literacy. As a banking graduate, I understand how important it is to bank the unbanked and to bring financial literacy to the community and my group is my way of doing this."

Women appreciate their sewing training more when this is accompanied with financial literacy training because they realise that financial education helps with empower people in our community financially and lift them out of poverty, she added.

According to surveys conducted by Anne-Marie and her team, many of the participants sign up to learn how to make and sell clothes. The main idea is to start up a business that will help them and their families and they leave the training satisfied that they have the skills to make something they can sell and save money because they feel empowered by the life skills and the financial literacy training.

93 women have so far graduated with certificates in sewing and financial literacy and Anne-Marie says she plans to continue to carry out these trainings in NCD and the Central Province.

STUDY RECOMMENDS REFORMS TO IMPROVE VOLUNTARY MICRO-PENSION COVERAGE IN PAPUA NEW GUINEA

With less than 15 percent of the nation saving for old age, the majority of Papua New Guineans face a grim prospect of living below the average income when they are too old to work.

A recent study examining the feasibility of expanding voluntary pension in PNG revealed that without an urgent and effective response to pension exclusion, lack of regular income & social protection among PNG's future elderly could emerge as the dominant cause of increased poverty rate in the country.

Through a partnership with the National Superannuation Fund Ltd or NASFUND, the United Nation's Pacific Financial Inclusion Programme (PFIP) commissioned as part of the study, an evaluation of Eda Supa (NASFUND's voluntary superannuation product for non-salaried workers).

Read more: <http://www.pfip.org/newsroom/press-releases/2018-2/study-recommends-reforms-improve-voluntary-micro-pension-coverage-papua-new-guinea/>



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- * Keynote address from Governor Loi Bakani <https://www.bankpng.gov.pg/news-events/keynote-address-by-loi-m-bakani-cmg->
- * NFIS Current state of practice <https://www.afi-global.org/publications/2798/National-Financial-Inclusion-Strategies-Current-State-of->
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