



MEDIA RELEASE: Financial Institutions Supporting Farming Communities in Papua New Guinea

Friday 19th November 2021

The Centre for Excellence in Financial Inclusion (CEFI) and the Market for Village Farmers (MVF) today (Thursday 18th November) signed a Memorandum of Understanding (MoU) with seven (7) Partner Financial Institutions (PFI).

The MoU will see the PFI's partner with MVF in implementing the project in six targeted provinces, Western Highlands, Jiwaka, Simbu, Eastern Highlands, Morobe and East New Britain.

CEFI will facilitate the work of the seven PFIs through the establishment of the MoUs and provide technical assistance to the PFIs, with the support from an expert consultant to design and develop innovative financial products and services that meet the commercial and business financial needs of MVF target rural communities.

CEFI and each of the PFI's will develop a business development plan, including a three-year training plan, to build internal organization capacities and ensure that they provide affordable and diversified financial services to MVF target households and value chain players.

PFI's that signed the MoU, Bank South Pacific, Mi Bank, Women's Micro Bank, People's Micro Bank, Kada Poroman Micro Finance, Nasfund Contributors Savings and Loan Society and East New Britain Savings and Loan Society.

CEFI Executive Director, Saliya Ranasinghe says, "Today is an important milestone for agriculture sector where financial institutions are committing to support and assistance. Farmers should not see the banks as a lending institution but an

institution that provide range of financial services that are important. Banks are important partners in progress.”

George Awap, Manager Financial System Development, on behalf of Bank of PNG Governor and CEFI Board Chairman Loi Bakani, says, “CEFI stands ready to work with the MVF project and the financial institutions to promote financial inclusion services with fresh produce farming communities in the six provinces.”

“I want to thank the financial institutions for volunteering to take part in this innovative approach and the stakeholders for bringing the project to the business phase in Papua New Guinea,” said MVF Project Manager Robert Lutulele.

FPDA (Fresh Produce Development Authority) General Manager Mark Worinu added, “This is a milestone achievement for the project and the important reason of the project is partnership because if you want run the supply chain you must have a strong support from the financial institutions.”

Department of Agriculture and Livestock (DAL) Acting Secretary, Stephen Mombi says “I am very happy to see the financial institutions coming onboard to support the project. The project will build partnership and identify key partners that will connect famers with the urban markets. I commend the seven financial institutions for taking the bold step to coming forward to provide financial services to this sector.”

“We got a commitment not just to Papua New Guinea but to the agriculture sector. We will find a way to assist the agriculture sector. BSP is very happy to be part of this project and we are committed to making sure we can deliver it and continue the support to Papua New Guinea,” said BSP General Manager Retail Banking Daniel Faunt.

CEFI is implementing subcomponent 2.2 of the MVF project which is focused on providing livelihood and financial literacy training and provision of innovative financial products and services to improve the lives of farming households in the six selected provinces in the Highlands region, Morobe and East New Britain provinces.

The MVF project is valued at \$USD38 million and is executed by the Government of Papua New Guinea through the Department of Agriculture and Livestock and

implemented by FPDA, with funding from International Fund for Agriculture Development (IFAD).

For further information contact the CEFI Communications and Stakeholder Mobilization Team, email lomaro@thecefi.org or call +675 3225300.