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CEFI NIUS

CEFI enters into partnership with FI's for agriculture lending under MVF

About Us



CEFI was established under the Association Inc. Act and officially launched on the 24th April 2013. CEFI is endorsed by PNG's National Executive Council (NEC) as the Industry apex organization for coordinating, advocating and monitoring all financial inclusion activities in PNG.

CEFI's vision, mission and values focus on financial inclusion and literacy, poverty elimination and the promotion of vibrant financial institutional operation in Papua New Guinea.

This newsletter is produced by the CEFI Communications and Stakeholder Mobilisation Team to update and report on developments CEFI is implementing through Financial Inclusion in Papua New Guinea.

If you have any comments or feedback, please send them to Leslie Omaro, lomaro@thecEFI.org or call 322 5300.

Visit our website - www.thecEFI.org

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US Government and CEFI sign partnership agreement



The Lukautim Graun Program (LGP) -- funded by the United States Agency for International Development (USAID) and implemented by Cardno International Development -- and the Centre for Excellence in Financial Inclusion (CEFI) signed a partnership agreement in December to roll out financial literacy trainings in six provinces in Papua New Guinea.

Approximately 86% of PNG's population lives in rural and remote areas on land owned by traditional landowners. Pressures from such industries as forest extraction as well as population growth threaten the PNG's natural resources and biodiversity. With limited options local communities are tempted to convert their resources to meet short-term needs. This risks the ability of current and future generations to meet their needs and potentially opportunities for increased conflict larger demands for governments to care for those whose resources have been lost. USAID's Lukautim Graun Program is a five-year project that works with PNG governments and non-governmental organizations to empower traditional landowners to directly manage

and conserve the natural resources on which their livelihoods, wellbeing, and social stability depend.

CEFI promotes financial inclusion and literacy, poverty elimination and the promotion of vibrant financial sector across Papua New Guinea, including for those in rural and remote areas. CEFI advances accessible quality financial services, innovative delivery channels and financial education to those who are often completely left out of the formal economy. CEFI also works to ensure financial education is introduced into public and private school curriculums and promote standardization and certification processes for the delivery of financial literacy training in PNG.

CEFI's mission aligns with USAID's LGP-based efforts to expand entrepreneurship and creative enterprises, increase access to financial services, and develop new micro- and small-scale businesses in PNG, particularly for people who live in rural and remote areas. CEFI and USAID's LGP program will particularly emphasize women's economic empowerment.

"Unless women and girls are empowered to fully participate in the economy, PNG will not be able to meet its development targets," Maurice Knight, Chief of Party for USAID's Lukautim Graun Program, said. "And for women, and men, to be fully enabled in the economy, PNG's biodiversity and natural resources must be wisely managed so that current generations can meet their needs while not threatening the ability of future generations to meet their needs. The linkages are obvious."

Mr. Saliya Ranasinghe, Executive Director for CEFI stated that "Financial inclusion is identified as an important priority in the implementation of CEFI's third financial inclusion strategy which women and youth are important under the digital financial services and financial literacy and financial education."

Through the USAID Lukautim Graun Program, CEFI and Cardno will begin implementing joint training programs in the first quarter of 2022 in Eastern Highlands, Jiwaka, Madang, Milne Bay, Morobe and Simbu provinces.

Financial Institutions support farming communities



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

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 were 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 said, "This is an important milestone for agriculture sector where financial institutions are committed to support and assist. 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, said, "CEFI stands ready to work with the MVF project and the financial institutions to promote financial inclusion services with fresh produce farming communi-

ties 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 said "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

MoU aims to strengthen cooperation between CEFI and NRI



A Memorandum of Understanding (MoU) was signed between the Centre for Excellence in Financial Inclusion (CEFI) Executive Director Saliya Ranasinghe, and the PNG National Research Institute (NRI) Acting Director Dr. Osborne Sanida with the aim to consolidate and strengthen cooperation between the institutions.

The agreement reflects the mutual value both institution hold in terms of extension and strengthening of research exchange for the general benefit of Papua New Guinea.

The partnership signals new research grounds into the country's economic and social development, with special focus on the role of education in devel-

opment, and the impact of economic and social change on education.

Other research activities under the signed partnership will include exchange of research staff, joint research partnerships and co-hosting of seminars and workshops to disseminate research findings through networks of both organizations.

CEFI Executive Director Mr Saliya Ranasinghe stated the partnership is in compliance with CEFI's mandate on financial inclusion and literacy, poverty elimination and promotion of vibrant financial institutional operations in PNG.

"The main areas of this agreement between CEFI and NRI will be on re-

searching the impact of Financial Inclusion Activities, Digital Financial Services, Financial Literacy and Financial

Education, Micro Insurance, SME and Agriculture Lending." Mr Ranasinghe addressed at the signing event.

"Synergies like the one between the CEFI and the PNGNRI contribute to the more effective research ecosystem that enriches both the education and economic sectors." Mr Ranasinghe said.

NRI Acting Director Dr. Osborne Sanida was equally elated about the partnership said, "NRI as a policy think-tank in PNG looks forward to working closely with CEFI to provide practical solutions to financial inclusion constraints, and contribute evidence-based solutions to improve financial inclusivity for all Papua New Guineans."

"Close cooperation is needed between our institutions and the academic community in order to develop the necessary methodologies and to create the appropriate tools to enable CEFI to carry out their work effectively." Dr. Sanida remarked.

This MOU will be renewed every five years between the institutions.



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DEFINE aims to contribute to Sustainable Development Goals



In September, CEFI, the Centre for Excellence in Financial Inclusion, signed a Memorandum of Understanding with PNGX Markets, the PNG Digital ICT Cluster and Emerging Venture Management (Unkapt), together the proponents of the DEFINE Initiative, to provide for a framework of cooperation and communication.

The objective of the DEFINE Initiative is to contribute to the development of financial markets, products, and services for Sustainable Development Goals (SDG) -aligned enterprises in Papua New Guinea and the Pacific Island countries, with the

ultimate goals of diversifying their sources of capital and enhancing access to finance. This includes the establishment of specialist SME funding facilities for debt, debt-like, and equity-like investments in SDG-aligned private enterprises which demonstrate governance, performance, return and impact potential with a special focus on Women-led enterprises, clean energy initiatives, agri-businesses, and businesses in the ICT sector.

“We are very pleased to be working with and supporting the DEFINE Initiative” said CEFI Director Mr Saliya Ranasinghe. “The objectives of the DEFINE Initiative are very well aligned with those of CEFI and

together we hope to deliver greater financial inclusion, financial literacy and business capability to the SME sector.”

“A key objective of the DEFINE Initiative is to strengthen the capacity of domestic financial institutions to encourage and expand access to banking and financial services for all, in particular women and the vulnerable, and their integration into value chains and markets” said PNGX Chairman Mr David Lawrence.

Plans to expand financial inclusion services to rural areas

The Centre for Excellence in Financial Inclusion (CEFI) plans to expand financial inclusion services throughout the rural areas of Papua New Guinea through the government engagement initiative, riding on the existing provincial government and local level government (District) networks.

CEFI and the Rigo District formed a partnership through their District Development Authority (DDA) to make the plan a reality.

Recently, a total of 18 participants including one female, received certificates in Training of Trainers which will enable them to be equipped with the subject knowledge and appropriate adult learning principles to deliver retail trainings back in their Rural Local Level Government (RLLG) areas.

The week long training (from December 6 -10) taught participants the skills



on how to customize and plan a training session, how to use adult learning principles and experiential learning cycle to deliver and facilitate an adult group-based competency training and Savings and Budgeting.

The Savings and Budgeting session was a subject matter, which the train-

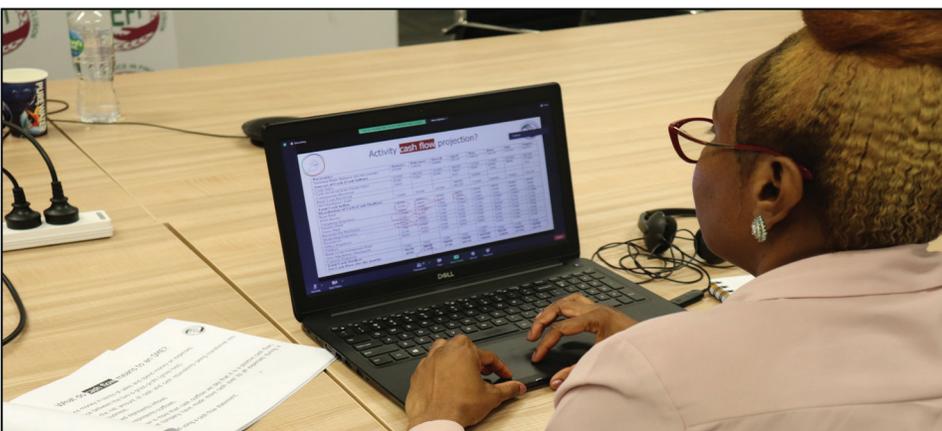
ees master the art of financial literacy training, specialized in delivering Savings and Budgeting as the core subjects.

The five days training was delivered by CEFI for members of the Youth Empowerment Foundation (YEF) and RLLG representatives from Rigo Coast, Rigo Central and Rigo Inland.

The Rigo DDA and Rigo Open Member Hon. Leka Gure sponsored the training, while CEFI worked in collaboration with Youth Empowerment President Mr Robert Yori and Mr Jonathan Muap (First Secretary, Member for Rigo) to deliver the training.

CEFI will continue to provide coaching and mentoring support as an ongoing activity to the 18 trainers as they take lead in delivering direct retail financial literacy training to the people of Rigo, in the Central Province.

Women entrepreneurs engage in online training initiated by Asian Development Bank and Women Entrepreneurs Finance Initiative



In September forty-nine women entrepreneurs participated in an online training program initiated by the Asian Development Bank (ADB) and Women Entrepreneurs Finance Initiative (We-Fi) and implemented by CEFI.

The 'Training and Mentoring Program for Women-Led Businesses' was a three-part training program which aimed at coaching at least 170 urban based women small and medium-sized entrepreneurs (WMSEs) with strong growth potential.

The two-day training was run by the IBS University Team, led by Eldo G Zacharia, Senior Lecturer and StEP Coordinator, Jobin M Scaria, Head – School of IT, Minoor Manmadhan, Manager-Centre of Excellence.

Due to the Covid-19 pandemic, the trainings were delivered 100% online with participants accessing the training from their homes or business offices.

The training topics were based on Digital Financial Literacy, Business Planning and Debt Management and E-commerce.

The objective of the online training is to address the constraints WSMEs face to access finance and to operate in the Covid-19 environment.

Pictorial Highlights

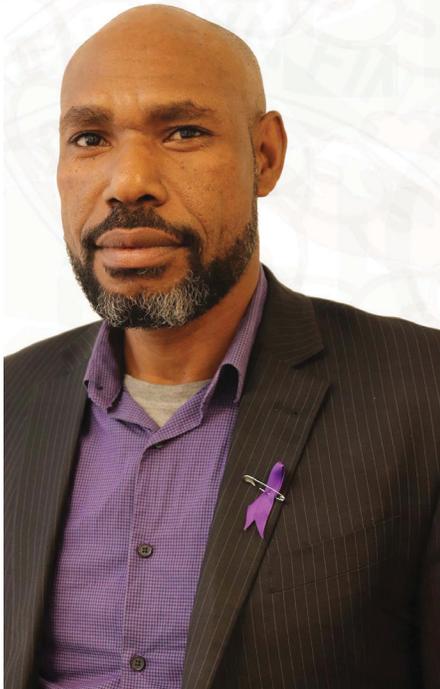




Meet Our Team

Warden Gegera

Training Officer



What are three words that describe you best:
Ambitious, Optimistic, Meek.

What do you enjoy about your work:

My job gives me the opportunity to meet and train people of different experiences especially in terms of financial inclusivity. It is quiet satisfying to see participants get an idea of the concept that is being taught and be able to apply it in their personal lives and reap positive results.

What does your work involve:

My job involves working with established partner organizations, provincial governments and organised community groups in rolling out Financial Literacy Trainings. One of my role is to ensure that women and young people are exponentially included and involved in Financial Literacy Training. CEFL is serious in capacitating women's financial knowledge and skills using different levels of training channels, digital or in-house.

Why is your role important to Financial Inclusion: As a trainer I educate and try to inspire participants to relook into their own financial behaviours and make changes. A positive financial behavioral change through training and awareness will transform an individual, family, community and the country.

Where do you see your work after a few years time: Taking ownership of financial inclusion agenda, been innovative in identifying and trailing new cost effective financial literacy channels, educating students in schools on financial literacy and establishing good working relationships and partnerships with key stakeholders.



Article Credit: Steven Ereman – MiBank

Handabas Souls Limited is officially a MiBank Agent. The agent is located in Ambunti Station, Ambunti Drekikir District, East Sepik Province.

According to Project manager – STREIT Project at Mibank, Steven Ereman, the agent will service the surrounding Local Level Government communities in Ambunti and Tunap Hunsteine

Mr Ereman explained that the agent will help MiBank customers open new accounts, make deposits, withdraw funds, transfer funds, and top up their airtime.

Mr Ereman added that this will also reduce the risk and expense of traveling to Maprik and Wewak.

“There is no need for residents of Ambunti and Tunap Hunsteine to travel the long distance (to Maprik & Wewak) to access banking services,” he added.

Managing Director of Handabas Souls Limited Edward Wiruk said he is pleased to have partnered with MiBank to bring important banking services to the rural areas.

Passion to help mothers in SME



'I saw there was potential in these artefacts and started buying in bulk from the women and reselling the items with financial support from my husband'



A former ward councillor's passion to help mothers go into SME in her urban local level government area kick started her artefacts and handicrafts business.

It all began from a simple beautification program in 2018 when 53-year-old Ruthy Watlen realized the huge potential New Ireland artefacts could have on the local and international market.

"Sometimes we went into capacity building, we taught mothers how to sew or teach them how to do necklaces or earrings to help themselves. When I was doing that work, I saw that New Ireland artefacts had the potential to be sold on the open market."

Mrs Watlen explained that there was plenty of local artefacts coming into Kavieng town and that gave her an idea to start her artefacts business.

"I saw there was potential in these ar-

tefacts and started buying the artefacts in bulk from the women and reselling the items with financial support from my husband. We decided to form a committee called Kavieng Craft Market and it was located at the main market, many women came and sold their items in the market and women from the outer island also came with many products to sell in town, they often spend up to two weeks at a time to sell their products at the market."

Eventually her business grew and she opened two branches in Port Moresby and Lihir and started gaining recognition which led to Mrs Watlen registering her company, Walten Foundation, with the aim of also preserving and sustaining New Ireland artefacts.

"I spend between K20, 000.00 to K30, 000.00 a week and even K50, 000.00 a month just to buy local products and then I market those products. My customers are usually tourists that come in or when there are important meetings in the province, people from Port Moresby or other provinces come to buy my products and I earn a lot just from the sales."



"The most sought after and high in demand are the local jewelry made from local (New Ireland) shell money mis and Tsoi basket made from pandanus," she explained.

Mrs Watlen, from a mix parentage of Madang and Morobe, and married to New Ireland also owns and runs a small guest house called Spill-Over.

"It's called Spill-Over because my guest house is in the middle of two other established guest houses in town and when (these guest houses) fully booked, they refer to their guest to me thus the name Spill-Over," she said with a happy smile when explaining her guests house name.

Mrs Watlen was among few women who turned up during the two-day exposition organized by Bank of PNG to sell their products such as artefacts, natural oils and perfume to meri-blouses.

However, Mrs Watlen was disappointed that not much awareness was done on the exposition leading to many mothers missing the opportunity to come and visit stalls set up by Finan-

cial Institutions and talk with the respective micro-banks and commercial banks regarding their banking products.

“There must be more awareness (on the exposition) done by the Bank of PNG, do not depend only on the radio, give out flyers and information sheets so people living along the highway and on islands in New Ireland can attend the expo.”

“I’m also disappointed that other established training conducted by CEFI because

“But I am happy that the which is really good of us table mama’s about other different micro-banks espe-

“I am calling on tutions) to relax table-mama’s can products (such as

Mrs Watlen outlined group (SME owners in rent and foreigners taking

“I am calling on the government, so we can conduct our business, if the one of the ways,” concluded Mrs Watlen.

business owners like myself missed out on the the information did not reach us.”



expo is held (here in Kavieng) because this provided some the opportunity to find out banking products from cially.”

them (Financial Insti- their guidelines so the have access to their loans).”

some issues faced by her New Ireland), market space, up local business in town.

buy a piece of land, subsidies rent and government wants to take back PNG this is

Financial Inclusion Reports

- Beyond Wage Digitization: Financial Capability and Economic Empowerment of Cambodian Women Migrant Workers

<https://www.findevgateway.org/paper/2021/12/beyond-wage-digitization-financial-capability-and-economic-empowerment-cambodian>

- Innovations and Emerging Trends In Agriculture Insurance for Smallholder Farmers – An Update

<https://www.findevgateway.org/paper/2021/12/innovations-and-emerging-trends-agricultural-insurance-smallholder-farmers-update>

- Savings and Retail Banking in Africa Research Series: A Case Study on Digital Platforms Serving the Agriculture Sector

<https://www.findevgateway.org/paper/2021/11/savings-and-retail-banking-africa-research-series-case-study-digital-platforms>

- Better Practice Guidance on Women’s Digital Financial Capability

<https://www.findevgateway.org/paper/2021/12/better-practice-guidance-womens-digital-financial-capability>

- Within Reach: How Digital Wages That Work for Women Can Support Bangladesh’s Economic Future

<https://www.findevgateway.org/paper/2021/10/within-reach-how-digital-wages-work-women-can-support-bangladeshs-economic-future>