



# **CENTRE FOR EXCELLENCE IN FINANCIAL INCLUSION**

## **MARKET FOR VILLAGE FARMERS PROJECT**

### **Sub – Component 2.2 Financial Inclusion**

### **1<sup>st</sup> Quarter 2022 Progressive update**

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This is the 4<sup>th</sup> Quarter progressive update report that has been put together for the purpose of updating IFAD/MVF PMU. The report reports on the implementation of CEFI's sub-Component 2.2. – Financial Inclusion under *Component 2 Supportive Value Chain Investments*. The report will report on CEFI's activities for the period **January to April 2022**.

## **VILLAGE FARMERS LIVELIHOOD IMPROVEMENT TRAINING**

For this area CEFI has contracted CARE International PNG to be responsible for the following;

- i. Development of the Training Material
- ii. Conduct of ToT Trainings for the CEFI selected Training Partners
- iii. Provide Mentoring and Coaching Support

CEFI has also contracted training partners in WHP, Jiwaka and Simbu Provinces to be responsible for rolling out the retail training to the selected farming households in these provinces. These training partners are as follows;

- i. Peoples' Action for Rural Development (PARD) – Western Highlands Province
- ii. Cliffy Contractors – Jiwaka Province
- iii. Ambumangre Microcredit Scheme – Simbu Province

## VFLIT TRAINING DATA

### *Western Highlands Province*

<b>Peoples Action for Rural Development (PAR)</b>						
<b>Households</b>	<b>Men</b>	<b>Women</b>	<b>Total Male</b>	<b>Total Female</b>	<b>Total Household</b>	<b>Total</b>
275	304	332	304	332	275	636

### *Jiwaka Province*

<b>CLIFFY Contractors Limited (CCL)</b>						
<b>Households</b>	<b>Men</b>	<b>Women</b>	<b>Total Male</b>	<b>Total Female</b>	<b>Total household</b>	<b>Total</b>
955	1019	1060	1019	1060	955	2079

### *Simbu Province*

<b>Ambumangre Micro Credit Scheme ( AMCS)</b>						
<b>Households</b>	<b>Men</b>	<b>Women</b>	<b>Total Male</b>	<b>Total Female</b>	<b>Total Household</b>	<b>Total</b>
1,139	1089	1055	1089	1055	1,139	2144

### **Cumulative Total**

<b>CUMULATIVE TOTAL</b>			
<b>Total Households</b>	<b>Total Male</b>	<b>Total Female</b>	<b>Total People Trained</b>
2369	2412	2447	4859

## **VFLIT RETAIL TRAINING**

- i. VFLI Retail Training was put on hold by MVF PMU beginning of 2022
- ii. CEFI did not conduct any VFLI Retail Training from the 1<sup>st</sup> Quarter 2022.
- iii. CEFI printed VFLI Retail Training Certificates for training conducted late last year for Jiwaka and Simbu and distributed to their respective training sites
- iv. CEFI has constant dialogue with Lead Farmers whose contact Farmers are yet to be trained, notifying them of the Training on hold due to circumstances beyond CEFIs control.

## **BANK ACCOUNT OPENING WORKSHOP**

- i. Workshop on Bank Account Opening for farming households trained under Village Farmers Livelihood Improvement. The workshops were conducted in various locations:
  - Friday 01<sup>st</sup> April, 2022 at Mount William Tourist Hotel, Kundiawa, Simbu Province
  - Monday 04<sup>th</sup> April, 2022 at Kiminiga Hotel, Mount Hagen, Western Highlands Province

- Tuesday 05<sup>th</sup> April, 2022 at Kiminiga Hotel, Mount Hagen, Western Highlands Province
- ii. The three days workshop was organized by CEFI for the purpose of getting the PMU/MVF, FPDA, Lead Partners, Lead Farmers, Training Partners, MVF Provincial Coordinators and Financial Institutions to understand their roles and responsibilities on the account opening.
- iii. Bank Account Opening Workshop have the following objectives:
- Each stakeholders to understand their roles and responsibilities in implementing Bank Account Opening for Farming Households
  - To provide opportunities for stakeholders to share their experiences and understand their roles in Bank Account Opening.

### ATTENDENCE INFORMATION

No	Name	Organization	Province
1	Ismael Gul	AMCS	Simbu
2	Francisca Moiwo	AMCS	Simbu
3	Garce Mol	SSY District Council of Women ( SFML)	Simbu
4	Theresa Sundu	Agrotech	Simbu
5	Martin Koima	Agrotech	Simbu
6	John Onguglo	Simbu Farmers' Cooperative (Agrotech)	Simbu
7	Joe Dura	Agrotech	Simbu
8	Eric Gore	SFML	Simbu
9	Dulex Mawe	SFML	Simbu
10	Andrew Waike	SFML	Simbu
11	David Kaupa	MVF PC	Simbu
12	Toppy Sundu	Agrotech	Simbu
13	Sebastian Mugup	CEFI	Simbu
14	Garima Tongia	CEFI	Simbu
15	Brandon Piel	NDB, PMBL	Jiwaka
16	Patrus Teka	Paks Supplies	Jiwaka
17	Samuel Petrus	Paks Supplies	Jiwaka
18	Angela Pinge	JOFFCS	Jiwaka
19	Angela Mong	CLIFFY	Jiwaka
20	Agnes Merep	JOFFCS	Jiwaka
21	Brendon Paul	MVF	Jiwaka
22	Jessy Kamb	MVF	Jiwaka
23	Michaeline Kupo	MVF	Jiwaka
24	Pingin Tee	Paks Supplies	Jiwaka
25	Samuel Tee	Paks Supplies	Jiwaka
26	Paul Roi	Paks Supplies	Jiwaka
27	Steven Bob	Paks Supplies	Jiwaka
28	Alos Kawage	CLIFFY	Jiwaka
29	Peter Kiap	CLIFFY	Jiwaka
30	Sebastian Mugup	CEFI	Jiwaka
31	Gabby Apingi	FPDA MVF PC	Jiwaka
32	John Beiye	Organic Farm Fresh	Western Highlands

33	John Pup	Organic Farm Fresh	Western Highlands
34	James Paragua	Junior JP Investment	Western Highlands
35	Nomai Paragua	Junior JP Investment	Western Highlands
36	Jeremiah Essena	Junior JP Investment	Western Highlands
37	Ted Vere	MiBank	Western Highlands
38	Kingston Nikints	MiBank	Western Highlands
39	Brandon Piel	NDB PMBL	Western Highlands
40	Paul Maina	CEFI	Western Highlands
41	Robsion Kale	Kales Fruits & Vegetables	Western Highlands
42	Martin Tungi	Kales Fruits & Vegetables	Western Highlands
43	Enga Pius	Kales Fruits & Vegetables	Western Highlands
44	James Leo	Junior JP Investment	Western Highlands
45	Kumina Sigisigi	MVF FPDA	Western Highlands

## **ROLES AND RESPONSIBILITIES ON BANK ACCOUNT OPENING FOR FARMING HOUSHOLDS**

Stakeholders workshop conducted in Simbu, Jiwaka and Western Highlands brought together major team players under the MVF Project to understand their roles and responsibility on Bank Account Opening for Farming Households.

CEFI being the host of the Workshop clearly spelt out the roles and responsibilities each player has to play under the account opening exercise.

Agreed roles and responsibilities for each stakeholder in Bank Account Opening;

- i. **Lead Partner(s)** – Simbu, Jiwaka and Western Highlands based Lead Partners have been strongly urged to communicate with its Lead Farmers, the importance of opening bank account for farmers who don't have bank accounts. Pass on the account opening requirements as required by the banks to the contact Farmers to get themselves ready for the account opening. Account opening is one of the requirements of the Project for farmers who do not have a personal Bank Account.
- ii. **Lead Farmers-** To communicate with its Lead Partner, FPDA MVF M&E team driving the message and awareness of bank account opening across to its surveyed farmers.
- iii. **FPDA MVF M&E-** to communicate with the Lead Partner, Lead Farmers and contact Farmers by way of arranging a central venue, gathering all Farmers together waiting for the arrival of banks on the set date. In addition, drive the message of account opening to the Farmers during their respective duty travel.
- iv. **CEFI-** to communicate with the PFIs and Lead Farmers. Lead Farmers to be informed of the account opening date, PFIs to be informed of the dates and locations and a brought to the site. However now the sole responsibility of CEFI is to engage and bring PFIs to the site for account opening.

- v. **Banks-** to provide account opening data on a weekly basis. Banks want to open more accounts at each location to compensate for the time and resources used.
  - All team players have agreed to execute their respective roles and responsibilities, maintain a strong dialogue amongst themselves to drive the account opening exercise a success by way of bridging the unbanked population to the banked population to excess products and services provided by various Financial Institutions.
  - Respective players to execute their roles in order to achieve a favorable outcome for this exercise, not leaving a Household covered under the Household survey participating under the Village Farmers Livelihood Improvement Training (VFLIT) behind.
  - Surveyed Farmers covered under the MVF Project, who do not have a bank account with any Financial Institutions are the primary target of this exercise. Non Farmers are also encouraged to open bank accounts while the Banks are on site for this exercise.

### **ACCOUNT OPENING EXERCISE**

- Preferred Financial Institutions were also invited through official invitation letter, emails, phone calls and visit in person notifying them of their participation in account opening exercise for the Farmers who have participated in the VFLI Retail Training. The following responded favourably promising their participation; Bank South Pacific (BSP), Mibank and People's Microbank Limited.
- The first roll out of account opening took place at Anglimp in Jiwaka Province for two consecutive days from 10<sup>th</sup> - 11<sup>th</sup> March, 2022 for Lead Farmers with their contact Farmers contracted to Paks Supplies, one of the Jiwaka based Lead Partner.
- CEFI Field Officer contacting Lead Farmers through phone calls, visiting Lead Farmers at their communities notifying them of the Banks coming into the community. Farmers who have participated in the VFLI Retail Training to get themselves ready by way of having sufficient cash to meet the Banks account opening fee requirements.
- Mibank was the first to jump on board facilitating the account opening exercise, followed by People's Microbank Limited. BSP did not turn up due to Farmers failing to meet its new account opening requirements as per its KYC.

### **COMMUNICATION WITH LEAD FARMERS/CONTACT FARMERS**

- Before accompanying PFIs to the respective location for account opening, Lead Farmers are notified at least a week in advance for the message to be relayed down to the contact Farmers.
- However as reflected in some sites, the turn out was poor with Farmers complaining of not being notified by the Lead Farmer(s).

### **POOR TURNOUT OF FARMERS IN SOME LOCATION**

- Due to communication break down between Lead Farmer and Contact Farmers, resulting in poor turnout despite the Lead Farmer being informed in advance.

- Some Farmers were not present on site due to attending to their own personal problems, while others failed to meet the minimum account opening requirement fees.
- CEFI has changed its approach by visiting Lead Farmers in person in the village, driving the account opening message. Lead Farmers are also tasked to engage Ward Councillors and Church Pastors to drive the same message.

#### **PARTICIPATION OF AFC LOCAL CONSULTANT**

- AFC Local Consultant Mr. Ghandi Katao was accompanying us to respective account opening sites conducting Focus Group Discussions with contact farmers as part of market research to develop the proposed new agriculture lending product.
- CEFI supported him with transport to conduct this research with contact farmers at the account opening sites. Farmer feedbacks to his questions were helpful. He also assisted us in making awareness on the importance of opening a bank account.
- Farmers are now aware that the project is now working on developing a specific lending product for Agriculture/Fresh Produce Farmers and hope that the banks accept this proposal and develop an Agriculture lending product and have a pilot soon.

#### **PARTICIPATION OF FPDA MVF PC & M&E OFFICERS**

- Before any activities CEFI undertook relating to all MVF Project, FPDA MVF PC with its M&E officers in the respective provinces are informed by way of email correspondence and phone calls.
- FPDA MVF PC and M&E officers from the two respective provinces failed to show up for the commencement of account opening exercise.
- As the exercise progress on, they are showing up making their presence known amongst the Farmers and respective PFIs.

#### **PARTICIPATION OF LEAD PARTNER(S)**

- Some Lead Partner(s) are taking the lead by way of organising with its contact farmers organising for the account opening, being physically present on site educating their farmers on the importance of opening a bank account and having access to financial services.

#### **PARTICIPATION OF MIBANK AND PEOPLES MICROBANK LIMITED – ACCOUNT OPENING EXERCISE**

- Top Management of the respective PFIs at branch level are very cooperative driving this exercise by way of providing its own logistics and other necessities with their tireless officers.
- Obtaining new accounts open data has been an issue, however trend will change by CEFI Field Officer capturing data on site rather than depending the PFIs. PFIs to provide a consolidated data by the end of the week.

## ACCOUNT OPENING TALLY SHEET

### *MiBank*

Date	Location	Province	Male	Female	Total
10/03-11/03/22	Anglimp	Jiwaka	34	51	85
15/03/22	Kelta	Western Highlands	7	11	18
16/03/22	Baisu	Western Highlands	15	18	23
17/03/22	Nebilyer	Western Highlands	4	11	25
22/03/22	Tega	Western Highlands	1	16	17
23/03/22	Aviamp	Jiwaka	6	12	18
24/03/22	Keram	Jiwaka	7	19	26
29/03/22	Bagl	Western Highlands	5	17	22
30/03/22	Kelua #2	Western Highlands	12	12	24
31/03/22	Murip	Western Highlands	7	12	19
05/04/22	Rumur	Jiwaka	3	23	26
06/04/22	Papen	Jiwaka	9	27	36
07/04/22	Kideng	Jiwaka	16	35	51
08/04/22	Minj	Jiwaka	11	27	38
<b>Total</b>			<b>137</b>	<b>291</b>	<b>428</b>

### *People's Microbank Limited*

Date	Location	Province	Male	Female	Total
17/03/22	Nebilyer	Western Highlands	12	17	29
22/03/22	Tega	Western Highlands	10	14	24
24/03/22	Keram	Jiwaka	5	8	13
29/03/22	Bagl	Western Highlands	4	4	8
30/03/22	Kelua # 2	Western Highlands	4	2	6
31/03/22	Murip	Western Highlands	5	3	8
05/04/22	Rumur	Jiwaka	17	7	24
06/04/22	Papen	Jiwaka	22	12	34
07/04/22	Kindeng	Jiwaka	26	27	53
08/04/22	Minj	Jiwaka	52	21	71
<b>Total:</b>			<b>157</b>	<b>115</b>	<b>272</b>

## GRAND TOTAL

Bank	Male	Female	Total
MiBank Limited	137	291	428
Peoples Micro Bank Limited ( PMBL)	157	115	272
<b>Grand Total:</b>	<b>294</b>	<b>406</b>	<b>700</b>

## CHALLENGES AND RECOMMENDATIONS

No#	Challenges	Recommendations
1	MVF IFDA not happy with	CEFI to conduct 5 days refresher TOT for the three training



	VFLI retail training conducted	partners before retail training resume
2	MVF PMU yet to provide feedback on draft VFLI training manual	CEFI to do follow up with MVF PMU as soon as possible
3	Lead Farmers still waiting for the commencement of VFLI Retail Training	FPDA MVF Team to signal green light for the resumption of VFLI Retail Training since there will be disturbance during election and counting period
4	Less number of Farmers turning out for Account Opening	Lead Partner(s) and Lead Farmers to be proactive in driving the message across. CEFI Field Officer to visit the Training site driving the same message
5	Majority of Trained Farmers missing out on Account Opening	CEFI/FPDA MVF to draft a standard letter to PFIs listing the names of Farmers to present themselves at the Bank
6	PFIs not happy with less number of accounts opened at some sites	To organise for a central venue depending on the distance of travel. Lead Partner(s) to take lead in providing logistics support should need be.
7	Lead Partner(s), Lead Farmer(s) and FPDA MVF to take ownership of the account opening exercise	Lead Partner(s), Lead Farmer(s) and FPDA MVF M&E to drive the message of account opening to Farmers, spell them the account opening requirement since account opening is one of the requirements of the MVF Project.
8	Time taken by PFIs to travel to account opening site.	Lead Partner(s), Lead Farmer(s) CEFI to advise the Farmers of the arrival time of PFIs.
9	PFIs officers on site cannot provide all new account opening data.	CEFI Field Officer to capture names of new account opened on site. PFIs to provide account details by the following week

## PLANS

- i. Communicate with Financial Institutions on Account Opening and data collection
- ii. Bank Account Opening for Simbu Farming Household begins on 02<sup>nd</sup> May, 2022
- iii. Bank Account Opening for Western Highlands & Jiwaka resume on 02<sup>nd</sup> May, 2022
- iv. Refresher TOT for VFLIT Training
  - 09<sup>th</sup> – 13<sup>th</sup> May 2022, AMCS, Kundiawa, Simbu Province
  - 16<sup>th</sup> – 20<sup>th</sup> May 2022, CLIFFY, Minj, Jiwaka Province
  - 23<sup>rd</sup> – 27<sup>th</sup> May 2022, PARD, Mount Hagen, Western Highlands Province
- v. Simbu VFLI Retail Training resume on 16<sup>th</sup> May, 2022
- vi. Jiwaka VFLI Retail Training resume on 23<sup>rd</sup> May, 2022
- vii. Western Highlands VFLI Retail Training resume on 30<sup>th</sup> May, 2022
- viii. Final reviewing of VFLI Training Manual by CEFI, MVF, FPDA CARE International on 09<sup>th</sup> – 13<sup>th</sup> May, 2022
- ix. Engaging graphic designers to design the cover page of VFLI Training Manual 16<sup>th</sup> – 20<sup>th</sup> May 2022
- x. Engaging a printing firm to print VFLI Training Manual 23<sup>rd</sup> – 27<sup>th</sup> May 2022
- xi. Launching of VFLI Training Manual on the 31<sup>st</sup> May, 2022

