

REMARKS BY GOVERNOR DENTON RARAWA AT THE LAUNCH OF THE JOINT ANZ/PFIP COCONUT VALUE CHAIN PARTNERSHIP

Salutations:

ANZ CEO, Geoff Buchanan

PFIP Manager, Mark Flaming

Deputy Australian High Commissioner, Jasmine Cernovs

PFIP Financial Inclusion Specialist, Krishnan Narasimhan

Bob Pollard, Kokonut Pacific

Julie Haro, Premier Group of Companies

Other stakeholders

Distinguished Guests

Ladies and gentlemen

Good morning everyone,

First of all, let me thank PFIP/ANZ for the invitation to be with you this morning. Also let me congratulate ANZ and PFIP for entering into this partnership targeting the agriculture value chain.

Let me also acknowledge and thank DFAT for allocating funds to finance this important initiative.

This event is another important milestone in our financial inclusion journey in the country. The collaboration between PFIP & ANZ bank and supported by DFAT fits very well with the objectives of our current national financial inclusion strategy (NFIS2).

Meeting NFIS2 Targets

Ladies and gentlemen, the first objective of our second national financial inclusion strategy (NFIS2) is to, and I quote, “Amplify the reach and quality of digital finance channels” end of quote. This means that we need to expand the use of digital finance channels to benefit as many people as possible, especially the unbanked and underbanked segments of our country.

I believe the PFIP/ANZ partnership we are launching this morning targeting the coconut value chain will go a long way to achieving this objective. This partnership will allow the unbanked rural population in Solomon Islands to access formal financial services such as savings, credit and payment services through ANZ’s goMoney mobile banking platform.

Support to the Agriculture Value Chain

The partnership we are launching this is indeed a momentous and exciting development in our financial inclusion journey.

I understand this is a first of its kind in Solomon Islands and maybe in the Pacific. This partnership will link the use of digital financial services to the agriculture value chain, starting off with the coconut sector.

The Central Bank is pleased to support this innovative approach to digital banking penetration in the country. Leveraging the coconut value chain offers a lot of promise for expanding banking and financial services to remote and unbanked segments of our rural communities.

Coconut is a small holder crop produced by many rural farmers. So this partnership amounts to opening up of the informal sector, using modern technology in the form of digital financial services. This will connect many rural coconut farmers in the informal sector to formal financial services which would be a very positive development indeed.

I know this will result in the increase in the number of cash merchants and go Money clients and hopefully lead to scalability of digital financial services in the country and more access points closer to our rural population.

I understand the target of this initiative is to attract 24,000 new customers from 60 communities in the country in the next two years.

Another potential positive impact of this partnership is that it could lead to increased production of coconut oil, and hence increased export receipts and rural incomes.

If this is successful, it could also be applied to other agriculture value chains involving rural people, like cocoa farmers, poultry and piggery farmers, and also other sectors, like fisheries and forestry.

So this is ground breaking and an innovative development.

So coconut farmers, millers, traders and others involved in the coconut value chain around the country, I encourage you to be part of this exciting initiative because it could transform your livelihoods forever. It is important that you join this scheme to enable the scaling up of digital financial services in the country so that we achieve one of the key results areas (KRA) of NFIS2.

NFIT Perspective

As Chair of the National Financial Inclusion Taskforce (NFIT), I am very passionate about expanding and deepening financial inclusion in our country. Therefore, any initiative by our financial services providers to deepen financial inclusion in the country, like this one, has my full support. The Central Bank will also continue to support this kind of initiative.

On this note, I would therefore like to encourage other financial services providers to emulate what ANZ is doing to promote financial inclusion initiatives and programs in the country.

This also calls for support from all of us stakeholders including Government to recognize and support such initiatives. In doing so, we will not only expand financial inclusion to rural communities, but will also help ease access to financial services and improve rural peoples' livelihoods.

Conclusion

To conclude ladies and gentlemen, let me again congratulate ANZ and PFIP for this partnership initiative in expanding the goMoney mobile banking services to our many coconut farmers in the country.

And to our rural farmers, please participate in this initiative that will be implemented through Kokonut Pacific because it could change your life forever.

Thank you all.

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