



CENTRAL BANK of SOLOMON ISLANDS

P.O. BOX 634, Honiara, Solomon Islands

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Prudential Guideline on Investment for Solomon Island National Provident Fund

Honiara 24.03.16 – The Central Bank of Solomon Islands (CBSI) has released another crucial policy guideline on investments with this one focusing more on the operations of the Solomon Islands National Provident Fund (SINPF).

The new “Prudential Guideline on Investment for SINPF” provides CBSI the opportunity to monitor, track and engage more closely with SINPF on its investment plans and activities over member’s funds.

The Guideline is issued under sections 8(1)(e) and 8(1)(g) of the Financial Institutions Act 1998 (FIA), and has the following general background towards its implementation:

- Setting out the Fund’s minimum standards for investments decision making processes
- Developed to strengthen the protection of members’ contribution by ensuring that assets of the Fund are invested for the long term benefits of the members through improving the level of investment performances and thus facilitate the growth of the Fund.
- To ensure that the Fund Board and Management put in place a credible investment framework

According to this new policy, CBSI plays a major role in ensuring overall compliance and that risks are analysed before any form of investments can be fully pursued.

The guideline covers the work of the Fund Board and Management in terms of having an investment framework that incorporates the investment objective and strategy, investment portfolio and performance benchmarks, requirements for proposals, valuation processes and outsourcing.

This Guideline should assist the SINPF to ensure members funds are invested and managed prudently.

The SINPF Investment Guideline is effective as of Tuesday 1st March, 2016.

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