



CENTRAL BANK of SOLOMON ISLANDS
P.O. BOX 634, Honiara, Solomon Islands

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Regional Regulatory Sandbox Consultations with Stakeholders

Honiara, Solomon Islands - The Central Bank of Solomon Islands (CBSI) and the Alliance for Financial Inclusion (AFI) has successfully cohosted a 1-day consultation on the 8th November, on the Regional Regulatory Sandbox Guidelines with various stakeholders, representing the public and private sectors, development partners and civil society.

The Regional Regulatory Sandbox Guidelines is a regional initiative undertaken by the Leaders of the Pacific Islands Regional Initiative (PIRI) comprising seven Pacific Islands Central Banks including Central Bank of Solomon Islands. The Regional Regulatory Sandbox Guidelines is the first-ever that allows these seven Central Banks to collaborate to encourage potential solution providers and innovators to experiment and test their prototype innovative financial services in a live environment, but with clear guidelines and criteria which enables proportionate regulation and supervision by the Central Bank. AFI has assisted Pacific Central Banks in framing the Regional Regulatory Sandbox with extensive consultations with respective member countries.

The Regulatory Sandbox provides a 'framework through which controlled testing of new financial products and services can be conducted under close supervision of the Central Bank'. This framework provides recognition of the importance of innovative technological solutions to scale financial inclusion, enhance response to emerging risks, the need to encourage innovation and to build an internationally-reputable financial system that supports growth and development.

The Primary Objective of the PIRI Regional Sandbox is to 'encourage, enable and attract new innovations, entrants, products and services to PIRI member countries. Some of the key benefits are; encourage market-led innovations, reduce and contain risk, improve time-to-market

deployment, enhance mutual understanding, assess business case, attract investment/partnerships, ensure compliance by new entrants and identify and address barriers to development.

Applicants that can participate in the Regulatory Sandbox are incumbents and other firms such as tech firms and non-regulated entities who have a new, innovative solution to the financial sector and require live-testing under the Regional Regulatory Sandbox Guideline.

The Central Bank has been supporting digital initiatives and responsible innovative financial services to spur financial deepening and development, which is aligned to the Digital Finance Channels Objective under the Solomon Islands National Financial Inclusion Strategy 2, 2016-2020.

About the Alliance for Financial Inclusion (AFI)

AFI is a network of 100 financial sector policymakers & regulators from 89 emerging and developing countries working together to advance financial inclusion. AFI's goal is to support members to develop and implement successful financial inclusion policies that address country specific challenges. AFI is a non-political, non-profit organization, owned, governed and sustained by members through Annual Membership Fee.

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