

Governor's Speech on the occasion of the launch of Solomon Islands' new \$100 Banknote

At SIBC Conference Studio, Friday 10th April, 2015

PS Fanega: PS Ministry of Development Planning & Aid Coordination

Senior Government Officials

City Mayor of Honiara, Hon Alfrenc Fatai

Archbishop Adrian Smith

Diplomatic Corps

CBSI Board of Directors – past and present

De La Rue Regional Manager – Ms Brooke Banks

Bank Managers – ANZ, BSP, WBC & POB

Managers of non-bank financial institutions and SOEs

Representatives of SMEs and SIWIBA

Members of the Press

Ladies and Gentlemen;

On behalf of the Board of Directors, Management and Staff of the Central Bank of Solomon Islands, it is with great pleasure that I welcome you all to this event marking the launch of the new \$100 banknote this afternoon in Honiara. I understand that many people in the rural areas are tuning into SIBC to listen to this program. I thank you for doing so and, welcome you to this program. I also acknowledge the presence of Ms Brooke Banks, Regional Manager – Oceania Region, De La Rue Currency on this occasion. Thank you for availing your time, to come and celebrate another milestone in the history of our Banknotes and, of course, the history of CBSI.

Theme & Design of the Banknote

The theme of the \$100 banknote is rural life and copra as a major economic activity in the rural areas. As you will observe, we are not making significant changes to the major design theme of the \$100 note. The Bank decided that the major theme on the new \$100 banknote carries significant historical developments in the country's economic journey since it came under British Protectorate some one hundred twenty odd years ago¹. During those days, the

¹ C.M Woodford, the first Resident Commissioner, arrived in 1896. The Protectorate over the southern islands was declared in 1893 and administration of the Protectorate was done from Suva, Fiji.

European export economy was based on pearl-shell and turtle shell, bêche-de-mer and a small amount of copra. Hence one can imagine what the Solomon Islands colonial economy was founded on in the early days. Even at independence in 1978, copra accounted for one quarter of the new nation's export earnings. Thirty-six years on, copra still accounts for a descent amount of the country's export base.

Hence, it is only fitting that we commemorate the copra industry on our high value banknote. Additionally, we continue to value the contributions of people living in rural areas, thus maintained the secondary theme of rural livelihood on the \$100 denomination. You will agree with me this afternoon that most of us working and living in Honiara have connections with our rural communities. Some of us, in our early days, relied on the little income that our parents and grandparents obtained from selling copra and marine products to pay for our school fees and the basic necessities we needed at school. In most rural villages today, the income they got from selling copra still sustains the family and pays for school fees, church contributions and pocket money. Hence, it is not questionable that the coconut tree is referred to as the tree of life as it does not only provide income and food but parts of the tree are useful to the rural man and woman for weaving baskets, fishing, building houses, medicine, a form of alcohol beverage, jam and the list goes on.

Contributions to the economic base

At the national government level, successive governments have encouraged rural people to participate in economic development activities through the agriculture sector. Copra being one of the key export revenue earners continues to get the attention of responsible authorities in the government and the private sector. In terms of contribution to export receipts, copra ranks 5th highest amongst other products that are exported by the country. About a third of the country's population depend on copra as a source of income. In 2014, copra production totalled 19,101 metric tonnes or 3.2% as a share of total exports. This is a notable increase from 1.8% in 2013 in terms of share of total exports. The statistics speak volumes of the level of sustainability and resilient of this sector despite strong competitions from other agricultural products that fetch higher prices on the international market. On the other hand, the relatively slow growth in the industry signals the dire need to clean the plantations which perhaps are ageing, invest in more efficient methods of copra drying to achieve quality output, support local businesses who are currently going into downstream processing of copra and protect our coconut plantations from pests.

Our New \$100 banknote

Now, let me turn to the new \$100 banknote. To ensure that our new notes benefit from technical advances that have been introduced in banknote security, the Bank decided to have the optiks security feature on the new \$100 banknote. This feature, which is a super wide security thread with a transparent "window" that is highly secure and extremely difficult to replicate successfully, is the most visible security feature on the \$100 note.

With regards to the design, the note designers have added some attractive motifs to the designs on the existing \$100 banknote to give us yet another beautiful banknote that portrays the unique and diverse cultural heritage of our happy isles. In that connection, I would like to acknowledge Professor Les Tickle, Dr Adrian Allen, Ms. Barbara House and late Sister Claire O'Brian for their contributions in terms of the motifs from the book 'Images and Islands' that they co-authored which some of the designs now feature on our notes. You will find some of these designs on both the top and bottom pattern bars on the new \$100 note.

Today, looking at the beautiful note in front of me, I can confidently say that all the work that went into this project has been worth the time and effort spent.

On behalf of the Board of Directors, management and Staff of the CBSI, I would like to thank all those who have helped us to make this project successful. In particular, I would like to thank the Government for supporting our recommendation. I would like to thank the Board of CBSI for having faith in the Bank's ability to deliver this reform. I would like to thank members of the Currency Committee, chaired by Deputy Governor, Mr Gane Simbe, who have worked tirelessly to meet the Project milestones. I would also like to register my thanks to Mr. Daniel Haridi, Chief Manager Currency & Banking Operations Department, who provided the link between the Bank and De La Rue in matters relating to this project. On the same tone, I would like to thank our note supplier, De La Rue Currency, who is represented here today by its Regional Manager responsible for the Oceania region, Ms Brooke Banks and also sincere thanks to Ms. Gill Sugg – the Manager responsible for this project in the United Kingdom. Thank you so much for your professional assistance that has helped the Bank to meet its deliverables since the concept stage of the project about two years ago.

CONCLUSION

In closing, I would like to remind the good people of Solomon Islands that the Government spends a lot of money each time it replenishes its stock of currency notes and coins. Hence, people must be responsible for currency notes and coins in their possession. Again, I reiterate that people must USE the notes and not store them in containers and under mattresses.

Our currency notes and coins fuel economic activities for a vibrant Solomon Islands. Solomon Islands is indeed a vibrant nation that is forward looking but has not forgotten its cultural heritage.

Thank you all for sharing this day with us. We greatly value and appreciate your presence here.

OFFICIAL LAUNCH

With these few words, **Your Excellencies, Distinguished Guests, Ladies and Gentlemen**, I now have the honour and privilege to call upon PS Fanega – senior government representative and former PS of Finance - whose signature is also on the new \$100 banknote, to join me unveil the new \$100 banknote.

Central Bank of Solomon Islands

10/04/2015