



Solomon Islands Government commits to digitization of 80% of payments by 2020

2 May, 2017

Honiara, Solomon Islands – The Solomon Islands Government has today announced its commitment to become a member of the Better Than Cash Alliance (BTCA) and use electronic payment channels for both payments and receipts in a way that improves lives and expands responsible digital financial services.

The commitment follows the Government's recent announcement that it will transition away from making cash and cheque payments to service providers in favour of direct bank transfers.

This is also in line with its priorities set out in the Solomon Islands National Financial Inclusion Strategy, to increase digital payments to 80% by the year 2020.

The Better than Cash Alliance is a United Nations Capital Development Fund (UNCDF) programme that partners with governments, international development organizations and companies to support the transition from cash to digital payments and to achieve the shared goals of empowering people and strengthening emerging economies.

The endorsement of the alliance was initiated by the Pacific Financial Inclusion Programme (PFIP), which was launched by the UNCDF in 2008, together with the United Nations Development Programme (UNDP) and other funders.

The Minister of Finance and Treasury, the Honourable Snyder Rini said, "The Solomon Islands is committed to building an inclusive financial sector and recognizes the opportunities that digital innovation can provide in order for the Government to drive greater efficiency, reach and provide quality services to the public."

"Digitizing payments flows is a growing national priority recognized by the National Financial Inclusion Taskforce under the Solomon Islands National Financial Inclusion Strategy 2016-2020 and linked to our national commitments under the Maya Declaration. We commit to developing and implementing a series of actions to digitize both Government to Person (G2P) and Person to Government (P2G) payment flows."

PFIP Manager Mark Flaming said, "Digital payments advance financial inclusion while giving governments, companies and individuals a more efficient, transparent and safer means of receiving and disbursing payments. PFIP will continue to provide

support to the transition towards greater use of secure, sound digital payments in Solomon Islands.”

In becoming a member, Solomon Islands endorses the guiding principles of the BTCA:

- I. broad recognition of the benefits of replacing the use of physical cash with electronic payments;
- II. sharing of approaches and lessons learned in replacing the use of physical cash with electronic payment systems; and
- III. increased use of electronic payments systems in programmes and operations to promote financial inclusion, increased transparency and efficiency.

The Solomon Islands is the third Pacific Island Country to join the BTCA and commits to working with partners in improving the reach and use of digital financial services, particularly in the rural and maritime areas and to increasing the percentage of adults using digital payments.

About PFIP

PFIP is a Pacific-wide programme that has helped 1.5 million low-income Pacific islanders gain access to financial services and financial education. It achieves these results by funding innovation with financial services and delivery channels, supporting policy and regulatory initiatives, and empowering consumers.

PFIP operates from the UNDP Pacific Office in Suva, Fiji and has offices in Papua New Guinea, Samoa and Solomon Islands. It is jointly administered by the UN Capital Development Fund (UNCDF) and the United Nations Development Programme (UNDP) and receives funding from the Australian Government, the European Union and the New Zealand Government.

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