



**SPEECH BY:**

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**At the**

**UNCDF 50<sup>th</sup> Anniversary**

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Ladies and Gentlemen, it is my pleasure to address you all at this momentous occasion marking UNCDF's 50<sup>th</sup> Anniversary.

The Bank of Papua New Guinea has had a close relationship with UNCDF through the Pacific Financial Inclusion Programme (PFIP) since its inception in 2008.

I would like to share with you some of PFIP's highlights over the past 9 years.

On a regional level, PFIP has been instrumental in supporting the role of the Central Banks in driving the Financial Inclusion agenda, and actively contributes to the Pacific Islands Regional Initiative, a knowledge-sharing platform for the Central Banks in the Pacific region.

By the end of September 2016, PFIP had reached an impressive cumulative total of over 1.1 million clients across the Pacific, already surpassing the programme's 2019 goal of 1 million clients. These clients are now connected with financial service providers through a

variety of financial services including bank accounts, mobile money, micro insurance, microfinance and more. Closer to home for us, in Papua New Guinea alone, PFIP partnerships have led to over 400,000 clients receiving some form of financial service.

In Papua New Guinea, PFIP has been supporting the Bank of PNG and the Centre for Excellence in Financial Inclusion through support for development and implementation of the country's National Financial Inclusion Strategic Plans, the second of which (spanning from 2016-2020), you may be aware, was launched recently in December 2016. This new plan has the ambitious target of reaching 2 million more unbanked low-income Papua New Guineans, 50% of whom are women, by 2020.

BIMA is one example showing the tremendous need and potential for financial service in Papua New Guinea. A recent entrant into the insurance market, BIMA provides convenient, affordable life and hospitalization insurance cover via a mobile platform to nearly 400,000 often low-income, financially underserved Papua New Guineans, the majority are receiving the economic safety net of insurance cover for the first time. PFIP's investment grant helped BIMA expand outreach in the Highlands region, reducing delivery costs and improving customer service through and expanded agent network.

PFIP is currently working with the with Department of Education, Provincial Government and Bank of PNG to develop a pilot for Financial Education integration into technical and vocational college curriculums. PFIP is testing a new model with Kamaliki Technical Vocational College and Goroka Technical College in the Highlands, working specifically with technical and vocational training institutions to produce labor market-ready graduates who are better equipped to deal with financial decision-making.

PFIP is also partnering with MiBank on a 'pay-as-you-go' solar energy kit loan pilot. This product has huge potential in Papua New Guinea, as you may be aware that 82% of our population are still 'off-grid'. Besides enabling them to access electricity in a convenient,

cost effective-way, the project has the potential to introduce 100,000 unbanked Papua New Guineans into the formal financial sector, boost financial literacy and give them opportunities to access additional financial products.

In summary, it seems that UNCDF, through PFIP has been very busy! We would like to acknowledge the EU in particular for supporting the second phase of PFIP's work in Papua New Guinea through the RED 2 Programme, without which, many of the above-mentioned achievements would not have been possible. We would like to thank PFIP, UNCDF and UNDP and for their support in advancing financial inclusion in Papua New Guinea and more broadly in the Pacific. And finally, we wish to congratulate UNCDF of reaching the milestone of its 50<sup>th</sup> birthday.