



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

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Press Release for the 15th NFIT Meeting

NFIT: More new bank accounts opened

Honiara, 18.03.15 – Branchless and mobile phone banking is working in the Solomon Islands, and is penetrating deeper into our rural areas. Although direct access by customers remains the biggest challenge in most outlying provinces, the good news is that we also have a new entrant in the local commercial banking sector, providing additional financial access points and offering more competitive products to all customers.

These were among the key developments highlighted in the Q4 2014 Financial Inclusion Report that was presented during the 15th National Financial Inclusion Taskforce (NFIT) meeting held on Tuesday.

The report highlighted data obtained from the financial inclusion numerical goal tracking statistics which tracked new accounts being opened by commercial banks since 2011. Key amongst these records is the initial objective of NFIT in making sure a good portion of women is included.

According to commercial banks statistics around 140, 071 new accounts were opened by end of 2014, with more than 56% recorded in that year alone. But with only three of the four banks reporting on gender; 34, 519 accounts were reportedly held by women, an indication that despite records showing under-reported data, women in Solomon Islands are actually taking the opportunity to gain and have access to basic financial services and products.

NFIT Chairman and Central bank Governor Mr. Denton Rarawa cautioned during the meeting that whilst records show a favourable outcome for NFIT, attention must be taken to ensure that inclusiveness is fully attained.

“Though we may congratulate ourselves on numerical target achieved, we must ensure customers are able to use these products and can improve their lives. This calls for more action”, Mr. Rarawa highlighted.

The report confirms that the newly revised target set out by NFIT in getting an additional 160,000 Solomon Islanders to access basic financial services and products by 2017, is achievable. With proper coordination by all stakeholders, within a two year period 8 out of every 10 adults in the country should have regulated bank accounts. NFIT wants to make sure that from these numbers, 50% of this total must be women and 50% must be from rural areas.

“It must be noted that these positive projections depend entirely on government support”, said Ms. Caroline Kanoko, Manager for the National Financial Inclusion Unit (NFIU) at CBSI.

“There is an imminent need to integrate the financial inclusion agenda into National Plans and bring about better awareness among key Government Ministries to assimilate into their strategies for development and better coordination” Ms. Kanoko added.

The Central Bank of Solomon Islands (CBSI) which hosts the NFIU office, the secretariat arm of NFIT, has been working closely with other stakeholders in particular with the Pacific Financial Inclusion Program (PFIP) since 2011. Their collaboration so far has seen a projected 88 percent achievement rating towards the revised target of 160,000 new accounts by 2017. Survey findings from the Financial Inclusion Demand Side Survey (FI DSS), which is currently underway nation-wide is expected to showcase gaps on financial inclusion, that will assist CBSI, PFIP and their stakeholder partners to assess the effectiveness of their current financial inclusion policies and strategies.

“The Financial Inclusion medium term (2011 – 2015) strategy will end in 2015”, Ms. Kanoko explained

“Thus this year the taskforce (NFIT) and all stakeholders will have to work towards reviewing or putting in place a new strategy”.

Ms Kanoko stated that the outcome of the FI DSS will be beneficial to this review and will form the basis of the review going forward.

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