



CENTRAL BANK of SOLOMON ISLANDS

P.O. BOX 634, Honiara, Solomon Islands

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Solomon Islands embrace new regional financial inclusion approach

Solomon Islands has become one of the leading Pacific nations to embrace a new long term initiative promoted by the Alliance for Financial Inclusion (AFI) that focuses on enhancing conditions for financial empowerment within the region.

Governor of the Central Bank of Solomon Islands (CBSI) and Chairman to the National Financial Inclusion Taskforce (NFIT), Mr. Denton Rarawa was in Dili, Timor Leste last week from the 6 – 8 May, 2015, attending a high-level AFI regional meeting which formed this new establishment going forward in terms of the regional approach to increasing financial inclusion efforts in the Pacific.

Initially called the Pacific Islands Working Group (PIWG), the transformation reflecting this new approach was the renaming of PIWG to the Pacific Islands Regional Initiative (PIRI). Governor's and senior officials from seven other Pacific country's central banks who attended the meeting endorsed this new approach that will provide a long-term opportunity for member institutions to share a common vision, while working toward ensuring financial services are widely accessed.

The PIRI is a member of the Alliance for Financial Inclusion (AFI), a global organization with over 120 member organizations from 95 developing countries, working towards advancing financial inclusion by bringing together leaders from Central banks, donor and development partners to develop relevant policy, conduct research and collaborate in product and service improvements aimed at reaching the poor and those at the bottom of the pyramid. The AFI PIRI is supported by the United Nations Pacific Financial Inclusion Program (PFIP) a key development partner.

In 2009, leaders from six Central banks from Fiji, Papua New Guinea, Samoa, Solomon Islands, Timor-Leste and Vanuatu- all members of the Alliance for Financial Inclusion, decided to form the Pacific Islands Working Group (PIWG). PIWG is a working group within AFI that is aimed at addressing specific and unique financial inclusion needs of the Pacific Islands through a shared agenda of peer learning and developing common initiatives. The

group was later expanded to include the National Reserve Bank of Tonga with CBSI as the current chair of the PIWG.

In a recent meeting held at Trinidad & Tobago in September 2014 alongside the AFI Global Policy forum, the PIWG decided to graduate from a regional working group into a regional initiative that is more long term. The Central Bank of Timor-Leste (Banco Central de Timor Leste) offered to host the first meeting of this new regional initiative and accordingly Governors along with senior officers from the Central Banks of the seven countries then finally met at Dili, Timor Leste to launch the initiative last week.

Prime Minister of the Democratic Republic of Timor-Leste H.E. Rui Maria de Araujo, was the guest of honor at the event and he launched the Pacific Islands Regional Initiative (PIRI) on Thursday 7th May. Governor Denton Rarawa of CBSI, also Chairperson of the PIRI delivered the welcome address and opening remarks during the event, which was also attended by the Alliance for Financial Inclusion Deputy Executive Director, Mr. Norbert Mumba and other AFI officials, the Governors of the Central Banks of Samoa, Tonga, Timor Leste, the deputy Governor of Vanuatu, the Assistant Governor from PNG and the Chief Manager from Reserve Bank of Fiji, development partners and private sector representatives.

The launch event was followed by two days of intense deliberations and presentations on several topics of importance surrounding financial inclusion in the region and ways and means to move forward. Some of the key topics that were discussed during the two days included- Status and Progress of financial inclusion in the Pacific, Innovation of financial services, Next steps for E-money, cross border payments and remittances challenges, How can small island nations benefit from agency banking, Inclusive Insurance and SME financing.

As an important outcome of the inaugural PIRI meeting, the Governors of the Central Banks met together to develop a Joint Vision for the PIRI platform. This document now named as the "Dili Consensus" articulates the commitment and support of key stakeholders in the region including private sector, AFI and development partners along with the Central Banks. This joint vision serves as a roadmap for pushing the frontiers of financial services forward to ensure their wider accessibility and use by all Pacific islanders.

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For more information, please contact:

Central Bank of Solomon Islands | P.O. BOX 634 | Honiara | Ph: (677) 21791 | Email: info@cbsi.com.sb | Website: www.cbsi.com.sb