



## Pacific Financial Inclusion Programme



National Micro Finance Workshop  
***“Medium Term Strategy for Financial Inclusion in Fiji”***

Hosted by the Reserve Bank of Fiji (RBF)  
in collaboration with the  
Pacific Financial Inclusion Programme (PFIP)

4 – 5 November, 2009  
Novotel, Lami

**Final Workshop Communiqué**

## 1. Introduction

The National Microfinance Workshop titled “*Medium Term Strategy for Financial Inclusion in Fiji*” was held at the Novotel, Lami on 4 – 5 November 2009. The workshop was hosted by the Reserve Bank of Fiji (RBF) in collaboration with the Pacific Financial Inclusion Programme (PFIP). The RBF Governor, Mr Sada Reddy officially opened the Workshop, which was chaired by an RBF Board member, Mr Robin Yarrow.

The objectives of the two days workshop were to:

- gather stakeholders’ views and identify key challenges faced in providing or receiving appropriate financial services;
- develop a common vision for greater financial inclusion in Fiji;
- ensure a coordinated and collaborative approach in the development of greater financial inclusion in Fiji;
- establish greater involvement of financial institutions, particularly Banks, in the extension of microfinance services; and,
- develop a medium term national strategy for developing microfinance and greater financial inclusion in Fiji.

The workshop adopted the methodology of theoretical analysis, case studies, practical exercises and discussion groups, which allowed participation and exchange.

Workshop participants include representatives of commercial banks, microfinance institutions (MFIs) and credit unions, government, non-government organizations, international development partners and other related services providers. A summarized Workshop Agenda and final Participants list are provided as Annex to this document.

The RBF Governor, in his opening address highlighted (amongst others) the following key issues:

- the importance of devising and delivering financially inclusive services to the greater Fiji population;
- the need for local commercial banks to play a more influential and active role in extending microfinance and greater financial inclusion services to suit the needs of our people, particularly those considered as the underserved or unbanked; and
- the need for a well coordinated and unified approach in delivering these services.

## 2. Observations

Financial inclusion requires the delivery of accessible, affordable and cost effective financial services (including insurance providers) to the currently un-served or the underserved enterprises and households. The Workshop, after having discussions on the different approaches and country experiences, made the following key observations - Participants:

- **Noted** that the global evolution of microfinance has allowed for greater innovation which enables accessibility and delivery of a wide variety of financial services by a range of

institutions to everyone, including not only savings and credit, but also insurance, international remittances and money transfers;

- **Noted** that the provision of financial services to poor people and lower income earners has already been made available by MFIs and other financial services providers (FSPs) in Fiji, but that they have mostly been done so at a financial loss and have limited outreach. The issue of accessibility and affordability of such services must also take into account the sustainability of such efforts so that they can be considered microfinance programs as opposed to social welfare.
- **Noted** that new technologies and electronic banking products, particularly linked to telecommunications, offer an opportunity to expand services in a more cost effective manner.
- **Noted** that the high literacy rate coupled with a relatively well developed financial systems and communications infrastructure in Fiji provides a foundation for delivering effective financial inclusion program(s);
- **Noted** the lack of national baseline data and information to map the outreach and coverage of existing financial services provisions necessary to develop benchmarks and targets for financial inclusion;
- **Noted** the willingness and commitment of Commercial Banks and other financial service providers (FSPs) in delivering microfinance and financial literacy services, if provided with the necessary enabling policies, regulatory environment, and positive incentives;
- **Noted** the role of different stakeholders including commercial banks, other FSPs, donors and government in the development and provision of microfinance services and the need for them to form partnerships;
- **Noted** the current and future efforts by all of these stakeholders to help lower income households build a more financial secure future. While there are a lot of exciting initiatives in developmental stages, there is little coordination in the field supporting the creation of integrated systems of products.

The participants put together common vision statements and detailed situation analysis that will form the basis for developing medium term strategies and specific plan of actions for financial inclusion in Fiji. These statements and analysis will be properly documented and distributed for stakeholders' comments within the next few weeks.

### 3. Recommendations

The workshop arrived at a common vision of ***“Reaching at least 150,000 unbanked citizens through a coordinated national effort by the year 2014.”*** This figure was based on general consensus by participants considering factors such as the quantum of wage and salary earners, the total workforce, average household size and Fiji’s poverty rate. In view of this common

vision and other observations highlighted above, the Workshop recommended the strategies for the medium term to focus on the following key areas:

➤ **National baseline data**

- The Workshop **agreed** that we need to know as accurately as possible how many households and individuals have access to financial services and what type of services they use and currently demand.
- The Workshop **agreed** that current branch network of financial services providers, the post office and telecommunications networks must be mapped in order to measure how well we are reaching the greater Fiji region. Telecommunications providers **agreed** to coordinate with other stakeholders to complete this mapping exercise.
- The Workshop **agreed** that there is a need to develop a baseline to measure the current financial competency of Fiji's households in order to measure the impact of greater financial inclusion on the financial well-being of its citizens. PFIP has **agreed** to develop this baseline in collaboration with other stakeholders.
- The Workshop **agreed** that the database be made available by the end of 2010.

➤ **Financial Inclusion Taskforce**

- The Workshop **agreed** that a '*National Financial Inclusion Taskforce*' be established to drive and monitor financial inclusion strategies for the medium term.
- The Workshop **agreed** that the Taskforce, comprising of a spectrum of stakeholders including private sector, civil society and donors, to be chaired by the Reserve Bank of Fiji for the first year. The Workshop also **agreed** that the membership structure and chairmanship be reviewed after one year.
- The Workshop **agreed** that the establishment of the Taskforce be based on an output driven agenda developed by participants. The guiding principles and composition of the Taskforce will be developed by the RBF.

➤ **Commercial Bank's Involvement**

- The Workshop **noted** that greater financial inclusion must be driven by the private sector, including commercial banks; other financial services providers, credit unions, and insurance companies. It was **noted** that to become more active, they will require the appropriate regulatory support from the government and technical support from development agencies.
- The Workshop, therefore **noted** that the successful implementation of any financially inclusive strategy requires coordination and active involvement of multiple stakeholders including the financial services regulator, government, and the civil society.

## ➤ **Financial Competency**

- The workshop **agreed** that to promote greater consumer awareness as well as increase the financial competency of households, financial literacy programs should be introduced in Fiji's education curriculum. The program should take a tiered approach focusing on primary, secondary and tertiary education levels.

A detailed and focused plan of actions on the above areas will be thoroughly discussed and developed by the proposed *National Financial Inclusion Taskforce*. The establishment of the Taskforce is expected to be finalized by December, 2009.

## **4. Acknowledgement**

The Workshop **expressed** appreciation to the workshop Chairman, resource persons and facilitators, the Pacific Financial Inclusion Programme and the Reserve Bank of Fiji for facilitating this fruitful meeting.

**End**

*November 2009*  
*Suva.*

## Annex 1: Summarized Workshop Agenda

<b>DAY 1 PROGRAM</b>		
<b>Wednesday 4th November, 2009</b>		
8:30	8.45	<b>Registration</b>
8.45	9:00	<b>Opening Prayer &amp; National Anthem</b>
9:00	9:10	<b>Welcome - Chair: Mr. Robin Yarrow</b>
9:10	9:30	<b>Opening Remarks - Mr. Sada Reddy, Governor, Reserve Bank of Fiji</b>
9:30	10:05	<b>Presentation: Evolution and Definition of Microfinance Jeff Liew - PFIP</b>
10.05	10.15	<b>Group Photo Session</b>
10:15	10:30	Morning Tea
10:30	11:00	<b>Working Group Session: Profiling Microfinance Clients</b> Facilitator: Ms. Premila Kumar
11:00	11.45	<b>Presentation: Financial Systems Approach and Understanding the Market</b> Mr. Tillman Bruett & Mr. Filimone Waqabaca
11.45	12:05	<b>Presentation: Commercial Banks in Microfinance – Lesson from Abroad</b> Mr. Michael McCaffrey
12.05	13.00	<b>Panel Discussion – Stakeholders:</b> <b>Topic: Current and Future efforts to reach low income households.</b> Facilitator: Mr. Joape Kuinikoro
13.00	14.00	Lunch
14.00	15.30	<b>Panel Discussion – Stakeholders (cont'd):</b> Facilitator: Mr. Joape Kuinikoro
15:30	16:00	Afternoon Tea
16.00	17:00	<b>Presentation: Role of Donor Agencies in Promoting Financial Inclusion in Fiji - Facilitator: Mr. Tillman Bruett</b>
17:00	17:30	<b>Summation of Day 1 - Mr. Radrodro Tabualevu</b>
<b>17:30</b>	<b>19:30</b>	<b>Cocktail – Novotel Hotel (Poolside)</b>

<b>DAY 2 PROGRAM</b>		
<b>Thursday 5<sup>th</sup> November, 2009</b>		
8:45	9:00	<b>Review of Day 1</b> Chair:Mr. Robin Yarrow
9:00	9:30	<b>Presentation: Financial Competency Building in Fiji</b> Mr. Jeff Liew
9:30	10:30	<b>Working Group Session: Narrowing the Focus: SWOT Analysis</b> Facilitator: Mr. Michael McCaffrey
10:15	10:45	Morning Tea
10:45	12:00	<b>Presentation: Microfinance in Fiji 2014</b> Presenter: Mr. Tillman Bruett
12:00	13:00	<b>Working Group Session: Action Agenda</b> Facilitators: Mr. Tillman Bruett & Mr. Filimone Waqabaca
13:00	14:00	Lunch
14:00	14:45	<b>Working Group Session: Action Agenda (cont'd)</b> Facilitators: Mr. Tillman Bruett & Mr. Filimone Waqabaca
14:45	15:30	<b>Presentations by Working Groups- Action Items -</b> Facilitators: Mr. Tillman Bruett & Mr. Filimone Waqabaca
15:30	15:45	Afternoon Tea
15:45	16:15	<b>Way Forward - Mr. Filimone Waqabaca,</b>
16:15	16:30	<b>Wrap up Session - Mr. Tillman Bruett</b>
16.30	16.40	<b>Closing Remarks by Chair Mr. Robin Yarrow</b>

## **Annex 2: Final Participants List**

<b>CHIEF GUEST</b>	
Sada Reddy	Governor – Reserve Bank of Fiji
<b>WORKSHOP CHAIRMAN</b>	
Robin Yarrow	Reserve Bank of Fiji (Board Member)
<b>RESOURCE PERSONS &amp; FACILITATORS</b>	
Filimone Waqabaca	Reserve Bank of Fiji
Jeff Liew	Pacific Financial Inclusion Programme
Joape Kuinikoro	Post Fiji Ltd
Mike McCaffrey	Pacific Financial Inclusion Programme
Premila Kumar	Consumer Council of Fiji
Tabualevu Radrodro	Transtel
Tillman Bruett	Pacific Financial Inclusion Programme
<b>WORKSHOP PARTICIPANTS</b>	
Anare Vadei	Fiji Savings & Credit Union League
Abdul Hafiz	International Labor Organization
Anne Nacola	Pacific Financial Inclusion Programme
Archie Yang	Trade Mission of the Republic of China (Taiwan)
Are Wakowako	IHRDP Programme
Arveen Anand	Finance Pacific Corporation Ltd
Baro Saumaki	Australia & New Zealand Banking Corporation Limited
Barry Whiteside	Reserve Bank of Fiji
Caroline Waqabaca	Reserve Bank of Fiji
Christina Rokoua	Reserve Bank of Fiji
Dinesh Shankar	Flex Fiji
Dorinda Work	Microfinance Unit
Eleni Levin-Tevi	European Union
Emaline Narayan	Microfinance Unit West
ESSR Ramachander	Bank of Baroda
Finau Soqo	Australia & New Zealand Banking Corporation Limited
Fusi Vave	NCSMED
Greg Watson	Bank South Pacific, Fiji
Hari Narayana	Bank of Baroda
Hsun Hui, Tseng	Taiwan ICDF
Inia Naiyaga	Reserve Bank of Fiji
Ioane Naiveli	Reserve Bank of Fiji (Board Member)
James Baledrokadroka	Reserve Bank of Fiji
James Sweeting	AusAID
Jitendra Singh	Reserve Bank of Fiji
Jeremy Cleaver	Asian Development Bank
Joeli Vakaloloma	Westpac Banking Corporation
John Harper	Colonial National Bank
Jone Vatukela	Microfinance Unit
Jyoti Maharaj	Westpac Banking Corporation
Kelera Elder	Microfinance Pasifika Network
Krishna Mani	Pacific Counseling & Social Services
Krishnan Narasimhan	Life Insurance Corporation of India
Lavenia Baro	FCOSS Microfinance Unit
Lorine Tevi	Fiji Council of Social Services
Lorraine Seeto	Reserve Bank of Fiji
Luse Kinivuwai	Foundation For Development Corporation

Malcolm Bossley	AusAID
Manoa Seruvakula	Fiji Savings & Credit Union League
Matt Davies	PFTAC/IMF
Ma'ake Komailevuka	Reserve Bank of Fiji
Mereseini Bower	UNDP Fiji Multi Country Office
Mereseini Senikau	Pacific Financial Inclusion Programme
Nafitalai Cakacaka	Fiji Development Bank
Nemani Buresova	Fiji Council of Social Services
Nisar Ahmed Ali	Pacific Technologies Ltd
Norman Wilson	Australia & New Zealand Banking Corporation Limited
Peter Mills	Westpac Banking Corporation
Peter Warnett	Westpac Banking Corporation
Pradip Kumar Das	Bank of Baroda
Raj Sharma	Home Finance Corporation Limited
Rajnesh Prasad	Vodafone Fiji Ltd
Ramesh Chand	Co-operative Microfinance – North
Razim Buksh	Fiji Intelligence Unit
Rejieli Marama Sami	Microfinance Unit West
Rohit Kumar Sharma	Colonial National Bank
Rosemarie Apostol	South Pacific Business Development Foundation
Sachida Sharma	NCSMED
Savaira Manoa	Reserve Bank of Fiji
Samuela Moce	Ministry of Industry & Trade
Sakiusa Banivalu	Ministry of Industry & Trade
Sakiusa Tubuna	Ministry of National Planning
Sandhya Narayan	FRIEND
Sevanaia Bilivalu	Department of Coop/Small Businesses
Shailesh Kumar Parakh	Bank of Baroda
Simione Naiduki	Fiji Public Service Credit Union
Stephen Breen	Flex Pacific / Flex Fiji
Tuipulotu Vugakoto	Fijian Teachers Association Credit Union
Tupou Halofaki	Colonial National Bank
Uday R Singh	Reserve Bank of Fiji
Ulai Taoi	Fiji Indigenous Business Council
Vereimi Levula	Reserve Bank of Fiji
Vishalini Krishna	Finance Pacific Corporation Ltd
Wati Seeto	Reserve Bank of Fiji
<b>WORKSHOP SECRETARIAT</b>	
Alisimere Duwai	Reserve Bank of Fiji
Duri Buadromo	Reserve Bank of Fiji
Eta Kevetibau	Reserve Bank of Fiji
Kelera Kalokalo	Reserve Bank of Fiji
Mervin Singh	Reserve Bank of Fiji
Munish Datt	Reserve Bank of Fiji
Moate Ulu	Reserve Bank of Fiji
Navitalai Tuivuniwai	Reserve Bank of Fiji
Neumi Usumaki	Reserve Bank of Fiji
Pranesh Sharma	Reserve Bank of Fiji
Raymond Prasad	Reserve Bank of Fiji
Salvin Kumar	Reserve Bank of Fiji