

RESERVE BANK OF FIJI

PRESS RELEASE



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RESERVE BANK OF FIJI ACKNOWLEDGES THE ROLE OF FINTECH IN ENABLING INNOVATIVE FINANCING

The Governor of the Reserve Bank of Fiji, Mr Barry Whiteside, today announced its intention to promote, encourage, and facilitate the testing of innovative solutions that utilise technology to deliver financial products and services. One of the key elements of having an internationally reputable financial system is the provision of an enabling regulatory environment which is conducive to innovation. Thus, with the growing financial technology (FinTech) landscape, a proactive and progressive regulatory and policy stance is being pursued by the Bank.

FinTech is transforming the way individuals and businesses interact with the financial system. Emerging markets have placed significant emphasis in promoting FinTech due to its potential in bringing about greater financial inclusion, access to capital, facilitating ease of doing business and increase competition and choices in the market.

Governor Whiteside stated that the Reserve Bank will be issuing guidelines for a “regulatory sandbox” to enable financial institutions and other entities to experiment on FinTech based solutions. A regulatory sandbox is a safe place in which applicants can test or pilot innovative financial products, services, and business models during a specific time period without immediately fulfilling all the regulatory requirements. The sandbox would include necessary safeguards to contain the consequences if there is a failure within the approved parameters.

While some regulatory requirements would be relaxed on a case-by-case basis as part of the sandbox, proposed safeguards in relation to confidentiality and fair treatment of customer information, system and data integrity, and prevention of money laundering and countering the financing of terrorism will be strictly adhered to.

Governor Whiteside further added that at the most basic level; the sandbox will provide a platform to enable existing financial institutions along with interested parties to individually lodge an application or collaborate to explore new products and services for Fiji’s financial sector. It is expected that this will allow for the introduction of new players, products and services in the financial sector landscape; increase the efficiency and competitiveness in the market; and create more options for the consumers.

Governor Whiteside wishes to encourage financial institutions and FinTech companies to come up with innovative solutions and contact the Reserve Bank of Fiji if they are exploring a tangible new product or service for the Fijian market with genuine potential to improve the provision of financial services.

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