

The E-Guardian

Quarterly e-newsletter of the Reserve Bank of Fiji's Financial Systems Development & Compliance Group (FSDC)



ISSUE 3 of 2011

Editor's Note

Welcome to our 3rd issue of the FSDC E-Guardian, 2011.

In July and August we had a 4 weeks Capital Markets Programme that was organised to promote investor awareness of our capital markets. The programme included radio infomercials, community seminars and in-house RBF seminars and competitions.

In August, we organised the RBF Microfinance Village at the Hibiscus Festival in Suva and hosted microfinance entrepreneurs and institutions, commercial banks, unit trusts and other stakeholders in the Village. The Village added a different focus to the annual festival. The RBF Village was awarded a prize for the most entertaining booth by the Vodafone Hibiscus Committee.

In September, Future Forest Fiji launched an Initial Public Offering (IPO) and expects to raise at least \$1m from the IPO. The company also plans to list on the SPSE before the year ends.

We also spent a large part of the quarter preparing our work plan calendar for 2012.

We thank all our partners and stakeholders for joining us in our efforts in making the last quarter a successful one and we look forward to your continued support for the remainder of 2011.

Vereimi Levula
Acting Chief Manager FSDC



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LAUNCH OF "VULI" THE VONU

"**VULI**" the Vonu, the financial literacy mascot, was officially launched by the Governor of the Reserve Bank, Mr. Barry Whiteside, on 19 August 2011.

In his address, Governor Whiteside commented that *"financial literacy is a life skill that was needed by everyone... if everyone had access to some form of financial education, they were more likely to make better financial choices."*

Vuli is a green back sea turtle who will be used by the National Financial Inclusion Taskforce (NFIT) in its efforts to raise public awareness about financial literacy and related issues in Fiji.

According to the Chairman of the National Financial Literacy Working Group, Mr. Narasimhan Krishnan, *"Vuli was chosen as a mascot because we want to provide a fun and light hearted approach to a very serious matter."*

We would like everyone to be more aware of financial literacy and we hope that Vuli will bring home that message to all. Turtles can live over 100 years –so we would like financial literacy to survive long enough for generations in Fiji to benefit."

Vuli made his first public appearance in August at the opening of the Hibiscus Festival in Suva. He was also present at the week-long Hibiscus Microfinance Exposition promoting financial literacy to children and adults.

NFIT was established in 2010 to guide and monitor the development of greater financial inclusion in Fiji. The overall objective of NFIT is to reach 150,000 new clients in Fiji through the provision of relevant financial products and services. NFIT has three working groups: microfinance, financial literacy and the statistics working group.

What's happening in our Capital Markets?

- **Future Forest Fiji launched IPO. Offer closed 4 November, 2011**
- **Fijian Holdings Unit Trust (FHUT) and Unit Trust of Fiji (UTOF) launched unit top-ups via Vodafone's M-Paisa service**
- **Capital Markets Policy on Preparation of Managed Investment Schemes (MIS) Prospectus became effective on 1 July, 2011**
- **Capital Markets Policy on Trustee Requirements for MIS approved for implementation from 1 January, 2012**
- **Capital Markets Policy on Asset Investment Management for MIS approved for implementation from 1 January, 2012**
- **License renewals for 2012 in progress. Please send in renewal application before end of November, 2011.**



South Pacific Business Development (SPBD) booth at the Village

The RBF Hibiscus Microfinance Exposition initiative featured a second time at the 2011 Vodafone Hibiscus Festival from 19 – 27 August, 2011.

Stakeholders present at the Expo included commercial banks, insurance companies, microfinance institutions and capital markets intermediaries. This year about twenty microfinance operators also took part in the Expo, with some coming from as far as Waiqanake and Lokia.

The theme for the week long expo was '**Promoting Financial Inclusion through Microfinance**'. To promote the theme, microfinance operators were encouraged to use the Expo as a sales and networking opportunity with other operators and with the institutions that could assist in their growth and development.

The Village opened from 10:00am to 8:00pm daily from Monday to Saturday of the Hibiscus week.



Financial service providers also had an

opportunity to display and create awareness about their products and services to the public. In the process the institutions also recorded some sales, opened new customer accounts, interacted with prospective customers, distributed financial literacy flyers and brochures and provided financial literacy presentations for selected target groups.



Overall, the expo created successes for the microfinance operators and provided an opportunity for the public to meet and speak to financial service providers under one roof.

The Reserve Bank thanks all stakeholders for the effort and time invested in making the expo a successful marketing tool for the microfinance operators and the promotion of financial literacy.

The RBF looks forward to continued partnership and collaboration in our efforts to promote financial inclusion and literacy in 2012.



Scented Beesness – Burotukula

Entrepreneur: Maopa Kacanavesikula

Product: Bee Wax candles.

How did you start? Utilising the savings facility made available by NCSMED.

What are your future plans?

I want to have a bigger venture. Jacks and MHCC have approached me to supply candles.

Quote for budding micro-entrepreneurs?

'If you're serious about starting a business – hard work pays off.'



Financially Free – Sereki Designs

Entrepreneur: Sereki Designs

Product: Printed material and shirts.

Do you have any milestone achievements?

We secured a large order to supply CWM hospital with unique and colourful materials for uniforms.

What are your future plans?

Expanding product line and client base, particularly in the Tourism industry, business houses and NGOs.

Quote for budding micro-entrepreneurs –

"Talent available locally is untapped and if made known or given the right opportunity, we can do a lot of things locally."

UPCOMING EVENTS

Financial Competency Survey

A national survey on the financial competencies of low income households is being undertaken from 1 – 25 November, 2011 in Fiji.

Securities Licensing Exam 21 November

This is an 8 week self-study course that will assist candidates in their preparation for the securities licensing examination.

Corporate Governance & Director's duties seminar 22 November

The seminar will cover the legal, ethical and professional responsibilities of board and directors under the Crimes Decree and other relevant laws in Fiji as well as corporate governance issues relevant to Board Directors in Fiji. It is targeted at directors of listed companies, licensed intermediaries and private sector SME's. The seminar is funded by the RBF.

ADB/APEC FRTI Securities Regulators Regional Seminar on Market Supervision 5-9 December

The Asia-Pacific regional seminar will be held at the Tanoa International Hotel in Nadi. It is hosted by the RBF and will include participants from securities regulatory bodies in Asia and the Pacific.

*Please contact the
FSDC Group if you
are interested in any
of the upcoming
events listed above.*

LAUNCH OF FINANCIAL INCLUSION VIDEO

The achievements of the National Financial Inclusion Taskforce (NFIT) since its inception in early 2010 has been captured in a video documentary titled "Financial Inclusion in Fiji: An Evolving Story". It was produced jointly by the RBF and the UN Pacific Financial Inclusion Programme. The video was launched on 8 September, 2011 at the RBF by Mr. David Morrison, Executive Secretary of the UN Capital Development Fund and Governor Barry Whiteside.

Fiji has come a long way in terms of financial inclusion for all with services such as microfinance, mobile money, micro insurance, international inward remittances through mobile phones and financial literacy driving financial inclusion to the greater parts of Fiji.

As mentioned by Governor Whiteside, "financial inclusion is not about giving handouts to anyone, it's about getting the people to help themselves."



Guests at the launch of the video

UNIT TRUST OF FIJI LAUNCHES INCOME FUND FOR CHILDREN

The Unit Trust of Fiji (UTOF) has launched a new personalised investment 'Income Fund', as a second fund to the Income and Growth fund it currently offers.

The Income Fund, which was approved by Cabinet earlier this year, is an open ended fund and its specific objective is to provide competitive 'tax free' dividend income to investors.

The Income Fund offers 2 investment plans in it: a *Children's Investment Plan* and an *Income Plus Plan*. Both plans are suitable for investors who want to earn a competitive dividend return while preserving their initial capital over a medium to long term period.

The minimum investment required for the Children Investment Plan is 20 units at a fixed price of \$1.00. It is limited to children under the age of 18 years.

The Income Plus Plan is open to everyone and the minimum entry requirement is 50 units at \$1.00.

For more information on these and other plans offered by UTOF please contact their office at Level 2 FNPF Plaza, Ellery Street, Suva or ask for a Prospectus today.

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Status of Complaints as at 30 September 2011

	QTR. 1			QTR. 2		QTR. 3	
	Received	Closed	Investigation	Received	Closed	Received	Closed
Banking & CIs	15	11	4	8	8	12	12
Insurance	8	3	5	6	6	6	6
Capital Markets	1	0	1	0	0	2	2
Superannuation	0	0	0	0	0	1	1
NBFIs	0	0	0	1	1	1	1
Foreign Ex.	0	0	0	0	0	1	1
Others	1	1	0	0	0	0	0
TOTAL	25	15	10	15	15	23	23