

## QUARTERLY NEWSLETTER



### MESSAGE FROM THE CHIEF MANAGER

Welcome to the quarter 2 issue of the E-Guardian for 2013.

In May, the drafting process of the Capital Markets Development Master Plan was completed and approved by the RBF Board. We look forward to implementing the identified strategies and witness growth in the Capital Markets over the next eight years.

The drafting process of the Financial Inclusion indicators that will be used in analysing financial inclusion began during the quarter by the Pacific Islands Working Group (PIWG), a working group of the Alliance for Financial Inclusion (AFI). These indicators are expected to track, analyse and report on the progress towards achieving financial inclusion in Fiji.

Preparations for the "Financial Inclusion Village" is also underway. This year we are launching our Be Money Wise (BMW) program at the event. The BMW program is designed for children from pre-school to 18 years and focuses on promoting the relationship between the financial literacy principles of saving and investing.

Preparation for the RBF Kadavu Exposition that will be held at the end of July was also an output that is in progress. A team was sent to Kadavu in May for scoping purposes and assisting in the logistics of the Expo.

We thank all our stakeholders for making quarter 2 a fruitful one for the Group and look forward to your continued partnership for the remainder of 2013.

Vereimi Levula,  
Chief Manager Financial Systems Development & Compliance Group

### GROWING OUR CAPITAL MARKETS

Over the last decade, Fiji's Capital Markets has witnessed a number of developments and has assumed a contributory role within the overall financial sector. However, our Capital Markets face a number of challenges if it is to grow and fulfill its role within the domestic economy effectively. In efforts to grow Fiji's Capital Markets, RBF in close collaboration with key stakeholders are preparing to launch a 'Capital Markets Development Master Plan in Quarter 3, 2013.

The Master Plan is a strategic plan that will focus on positioning the direction for Fiji's Capital Markets, and ensuring that there is capacity to be able to adapt to a fast growing and changing environment.

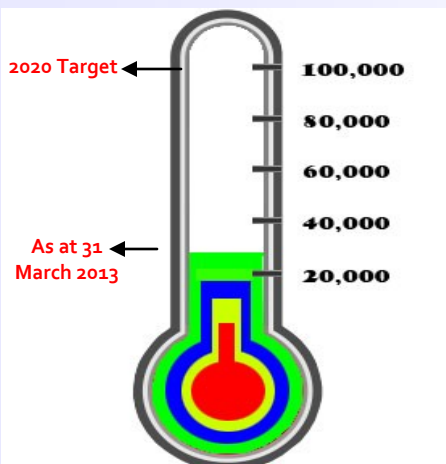
The Master Plan has been approved by the Reserve Bank Board and will be official after it has received endorsement from the Government.

### TARGETS FOR 2013-2020 MASTERPLAN

The following targets have been identified for the 2013-2020 Capital Markets Development Master Plan:

- Target- "Increasing investor participation in the capital markets to 100,000 investors (18 years & over) by 2020"; and
- Vision- "Establishing 'Fiji as the Preferred Capital Markets Centre of the South Pacific".

### INVESTORS IN CAPITAL MARKETS as at 31 March 2013



Bond Holders	130
Unit Holders	16,705
Shareholders	18,162
<b>Total Investors</b>	<b>34,997</b>

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# THE E-GUARDIAN

## RESERVE BANK OF FIJI

QUARTER TWO, 2013.

### KNOWLEDGE EXCHANGE ON AGENT BANKING

Ms Duri Buadromo, Acting Manager Financial Systems Development Unit, Ms Vilimaina Dakai, Acting Chief Manager, Financial Institutions Group and Mr James McGoon, Analyst Financial Systems Development Unit attended a Knowledge Exchange Meeting on Agent Banking in Mexico and Brazil in May, 2013.

The Reserve Bank of Fiji issued an Agent Banking Guideline to the banking industry (BSPS No 18) in January 2013. The take-up by banks on such an initiative is assessed to be low and in need of some clear direction and robust discussions on the way forward. In seeking to ensure an effective implementation of the Agent Banking Guideline, the RBF needed to fully understand similar models of agent or correspondent banking that have been implemented by other jurisdictions. Mexico and Brazil have been acknowledged internationally as leading thinkers and implementers of agent banking.

The Knowledge Exchange Program commenced with meetings and interviews with relevant officers of the Comision Nacional Bancaria Y De Valores (CNBV) at their headquarters in Mexico City and rounded off with three onsite visits to commercial banks that have established agents' networks. A similar approach was taken for the Brazil visit.



From left: Analyst - James Mcgoon, Acting Manager Financial Systems Development Unit- Duri Buadromo, Acting Chief Manager Financial Institutions Group- Vilimaina Dakai, and Marcus - Banco Central Do Brasil

### INDICATORS TO MEASURE FINANCIAL INCLUSION IN FIJI

The Pacific Islands Working Group (PIWG), a working group of the Alliance for Financial Inclusion (AFI) are adopting a 'Core Plus' set of indicators for measuring financial inclusion. These indicators are expected to track, analyse and report on the progress towards achieving financial inclusion in Fiji. It will help the RBF to undertake comparative analysis within the region as well as globally. These indicators can also help in evidence based policy making – that is, to assess the impact and effectiveness of current policies and initiatives in place to increase access and usage among Fijian households.

PIWG members agreed that this 'Core Plus' Set would start with the AFI Core Set of Indicators as its foundation, thereafter adding on relevant indicators to create a more comprehensive set of indicators that Pacific Island countries would begin measuring in 2013. The AFI Core Set of indicators is a limited set of quantitative indicators that capture the state of financial inclusion in a country. The indicators measure the most basic and important aspects of financial inclusion and are intended to help policymakers develop appropriate financial inclusion policies and monitor progress over time.

To begin identifying indicators, representatives from five PIWG Member countries formed a Data and Measurement Subgroup at the PIWG meeting in Honiara, Solomon Islands in February 2013. This Subgroup included representatives from: Central Bank of the Solomon Islands, Central Bank of Samoa, Bank Papua New Guinea, Reserve Bank of Fiji and Reserve Bank

### TRAINING OF TRAINERS

As part of the Capital Markets Master Plan 2020, the Reserve Bank of Fiji is organising a Training of Trainers program that will equip a pool of Trainers on conducting awareness on saving and investing in their own communities.

This initiative, which will run concurrently with other similar activities in the corporate and education sectors will aim to educate communities on the benefits of saving and investing and create awareness on the investment options that are available to them.

In identifying trainers, we are targeting individuals or established community groups that are or have experience in conducting workshops/seminars in their local communities. A group of individuals will be selected to attend the program. A core group of community trainers is expected to be identified.

To assist trainers, a training manual is being developed by the RBF, to be used when conducting awareness seminars/workshops.

The seminars/workshops will be piloted in the Korovou to Navua corridor, before extending it to other areas of the Country.





## RESERVE BANK OF FIJI PREPARES FOR FINANCIAL INCLUSION VILLAGE

The RBF is organising a “Financial Inclusion Village” that will be at the Hibiscus Festival at Albert Park, Suva from 17-24 August. This year the “Financial Inclusion Village” will feature microfinance entrepreneurs and financial institutions as it has in the past and in addition include Capital Market products and players such as listed companies on the South Pacific Stock Exchange and Capital Market Intermediaries to widen the reach of financial products available in Fiji.

Also during the week on Tuesday 20 August, RBF will officially launch the “Be Money Wise (BMW)” program for children, a project that is part of our Capital Markets Master Plan 2013-2020 and is intended to supplement the National Financial Education curriculum offered in schools. The BMW program is designed for children from pre-school to 18 years and focuses on promoting the relationship between the financial literacy principles of saving and investing.

As a preview of BMW activities that students can look forward to following the launch, the RBF is organising Coloring, Poster, Essay and ‘Build your own money box’ competitions for primary and secondary school students. The competition dates are 27 July – 15 August, 2013 and the finalists for each category will be announced at the BMW launch at the Hibiscus festival. Details of the competitions will be advertised in July.

### What’s going on at the BMW Program on Tuesday 20th August?

- March from Sukuna Park to Albert Park
- Launch of BMW Program
- Ministry of Health zumba session
- Soft & fun games
- Meet Vuli the Vonu
- Treasure hunt
- Amazing race
- Stage quizzes
- FNU Band entertainment
- School entertainment
- Giveaways
- Lunch for participants
- Judging of coloring, poster & essay competitions

### WHO’s going to be there?

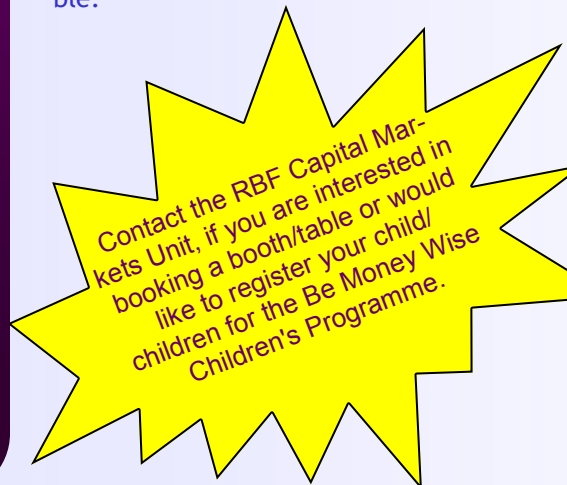
- ◆ Australia and New Zealand Banking Group Limited (ANZ)
- ◆ Bank of Baroda (BOB)
- ◆ Bank South Pacific Fiji (BSP)
- ◆ Bredbank Ltd
- ◆ Fiji Development Bank (FDB)
- ◆ Fiji Revenue & Customs Authority (FRCA)
- ◆ Fiji National Provident Fund (FNPF)
- ◆ Fijian Holdings Trust Management Limited (FHTML)
- ◆ Home Finance Co Ltd (HFC)
- ◆ i-Taukei Land Trust Board (iTLTB)
- ◆ Life Insurance Corporation of India (LICI)
- ◆ Merchant Finance & Investment Company Limited (MFL)
- ◆ National Centre for Small and Micro Enterprises Development (NCSMED)
- ◆ Pleass Beverage Ltd
- ◆ South Pacific Business Development Microfinance Limited (SPBD)
- ◆ Unit Trust of Fiji (UTOF)
- ◆ Westpac Banking Corporation (WBC)

### Are you a small business owner with unique wares for sale?

We are looking for small businesses with different products that they would like to sell at the RBF Financial Inclusion Village.

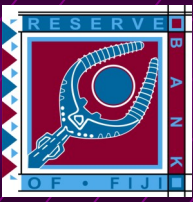
Selling unique items will ensure that customers have a wide range of products to choose from at the Village.

If you have a different or unique product that you would like to make sales from at the Hibiscus Village, contact the RBF Capital Markets Unit to book a table.



### MEET our Financial Literacy Mascot, “Vuli the Vonu” at the 2013 Hibiscus Festival!





**FSDC CONTACTS**



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**WHAT HAPPENING NEXT QUARTER ?**

**KADAVU EXPOSITION- JULY**

Three day financial Inclusion exposition that will be showcased at three different locations in Kadavu, starting at Kavala Village, then Vunisea Village and ending at Daviqele Village .

**Institutions that will be at the Expo:**

- |                                      |                                       |
|--------------------------------------|---------------------------------------|
| ANZ Banking Corporation              | Housing Authority of Fiji             |
| Bank of Baroda                       | i-Taukei Lands Trust Board            |
| Bank of South Pacific                | Life Insurance Corporation of India   |
| Digicel Fiji Ltd                     | Merchant Finance & Investment Co Ltd  |
| Fijian Holdings Trust Management Ltd | Ministry of Agriculture               |
| Fiji National Provident Fund         | Office of the Prime Minister          |
| Fiji Revenue & Customs Authority     | Pacific Financial Inclusion Programme |
| Home Finance Co Ltd                  | Unit Trust of Fiji Management Ltd     |

**HIBISCUS FINANCIAL INCLUSION VILLAGE 17-24 August**

If you are interested in participating or would like to register your child/children to participate in the Be Money Wise Children's Program, contact Wati Seeto, Manager Capital Markets Unit.

**INVESTING FOR YOUR RETIREMENT 27-28 AUGUST**

This is a 2 day workshop that will focus on planning for your retirement.

Venue: RBF Building, Tower 11  
Facilitator: Mesake Nawari, Senior Fellow, Graduate School of Business, University of the South Pacific.  
Cost: \$250 VIP (includes workshop materials, morning & afternoon teas and lunch)

**LAUNCH OF CAPITAL MARKETS DEVELOPMENT MASTER PLAN**

The Capital Markets Master Plan 2013-2020, after endorsement by the Fiji Government will be launched. Details of the launch to be confirmed.

**UNDERSTANDING FINANCIAL MARKETS AND PRODUCTS 16-17 SEPTEMBER**

This is a 2 day introductory workshop on the Financial Markets. Main topics that will be covered are foreign exchange, money markets, bonds and fixed income securities, and derivatives. Contact the Capital Markets Unit for details.

Venue: RBF Building, Tower 11  
Facilitator: Andrew Galbraith, Head of Financial Institutions- Pacific (ANZ Banking Corporation, Sydney)  
Cost: \$250 VIP (includes workshop materials, morning & afternoon teas and lunch)