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TO THE GOVERNOR



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Governor's Briefing – The PIRI Journey

Friday 9th September, 10am

1. The PIRI Financial Inclusion Data Project

One of the main important area since the regional working group came together is financial inclusion data and measurement. Though the Central Banks in the region embraced the importance of financial inclusion and its immense potential economic benefits to our people and the economy, there was no baseline data to begin the financial inclusion work. Through peer learning, collaboration and the support of our developing partners, the members agreed to tackle this area through a regional project given the limited time and resources. Thus, the PIRI Financial Inclusion Data Measurement Project was initiated.

The objective of the data project was to establish a data management framework to assess and track progress on financial inclusion. The project was managed by the Central Bank of Samoa on behalf of PIRI and was financed by AFI and the Pacific Financial Inclusion Programme (PFIP) whom worked bilaterally with each PIRI member. The project had two phases. The first phase was the development of the PIRI indicator's template and the DSS questionnaire template, which was completed in 2013. And conducting the demand side surveys was the final phase. The completed DSS reports were published and shared with AFI, PFIP and other developing partners.

The results of the DSS together with the supply side data (such as the Financial Services Sector Assessment) and financial competency surveys are the basis for the formulation of the national financial inclusion strategies. These surveys also informs the financial service providers

2. How important is the role of development partners in sustaining successful regional cooperation?

Firstly, I would like to take this opportunity to give thanks to AFI and PFIP for funding and supporting this successful project.

Because of the similar challenges of the small island states in the pacific, it makes regional cooperation a model approach to address our financial inclusion issues. While we can discuss and work on the

technical parts, development partners have an important role in successfully sustaining that regional cooperation. Collectively working on similar priorities (in this case financial inclusion data) makes an attractive case for development partners in sourcing funding/ technical expertise support. However, donors/financiers are demanding more tangible results (evidence of actual impact to people's lives). Thus, further collaboration and assistance are needed in this area of financial inclusion data.

3. How important is the leverage that being a part of PIRI gave us in this exercise?

May I also use this opportunity to thank the PIRI members for entrusting the CBS with the important role of leading the project on their behalf, and also for their cooperation and support in all the facets of the project as it rolled out.

The PIRI project established a measurement framework (derived from internationally accepted measurement indicators) that reflects the priorities of the Pacific (and thus you are able to draw comparisons and analysis at a regional level). Perhaps this is a first of its kind and so there was a lot of interest in the project for 1 – as it was rightly pointed out the Pacific region is often missed out in international studies or in many cases we are put together with Asia which you can imagine does not highlight enough the situation of the Pacific, and 2 – because the project covers a collection of countries – something that is not common or easily achieved – and so being a part of PIRI and the Data project was very important in CBS's aim to collect the information/data necessary for our national financial inclusion agenda, at the same time contribute to highlight the 'Pacific' situation (at least in financial inclusion)

More Information about the PIRI Data Measurement Project

- *AFI and PFIP are the co-funders of the project. AFI funded the consultants of the project, Bankable Frontier Associates (BFA) consultants which provided consultancy services and prepared the DSS reports for the 5 PIRI countries (Fiji, Sol Is, Samoa, Tonga, Vanuatu). PFIP funded the technical aspects of the project for all 5 countries. The technical such as tablets, transportation, training and conducting the survey etc.*
- *Only 5 out of 7 PIRI countries have implemented the Demand Side Surveys. With PNG backing out because they are survey exhausted and there was no time to conduct the DSS within the time period given (2015-2016). Unfortunately for Timor Leste, PFIP do not have jurisdiction to offer funding support as it is outside the Pacific region.*
- *The DSS phase was divided into two sub-phases; first sub-phase was conducting DSS for Fiji, Solomon Is and Samoa in 2015. Second sub-phase was conducting the DSS for Tonga and Vanuatu in 2016.*
- *All 5 DSS were completed. Vanuatu being the last with their final DSS report published last Wednesday.*

- *BFA Consultants publication of Vanuatu's DSS report along with two Blog posts regarding key outcomes from all 5 DSS completes the contract of the project. The contract was with CBS on behalf of the PIRI. The last BFA invoice are yet to be received for payment to be made.*