

Pacific Regional Snapshot

A decade of progress in Financial Inclusion

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Financial Innovation & Digital Channels



- DFS deployments covering a range of products/services piloted, some scaled up- mobile money, mobile/branchless banking, micro-credit microinsurance, remittances, value chain linkages, micro-pensions etc.
- Introduction, adoption and acceptance of digital & alternate channels
- Increasing awareness by Governments to digitize payments- G2P and P2G solutions- three countries are signatories to BTCA



Financial Inclusion Policy & Regulations



- 5 PICs have National Financial Inclusion Strategies. Active National Financial Inclusion Task Force and Working Groups drive the agenda. Three PICs are into Stage 2 of NFIS (2016-2020)
- Several financial sector related legislations under review or enacted- examples Credit Union Act, Secured Transactions, Financial Institutions Act, Insurance Act, NPF Acts, Central Bank Acts, Payment Systems
- Regulatory sandbox and other progressive, market friendly approach by regional regulators to foster innovation



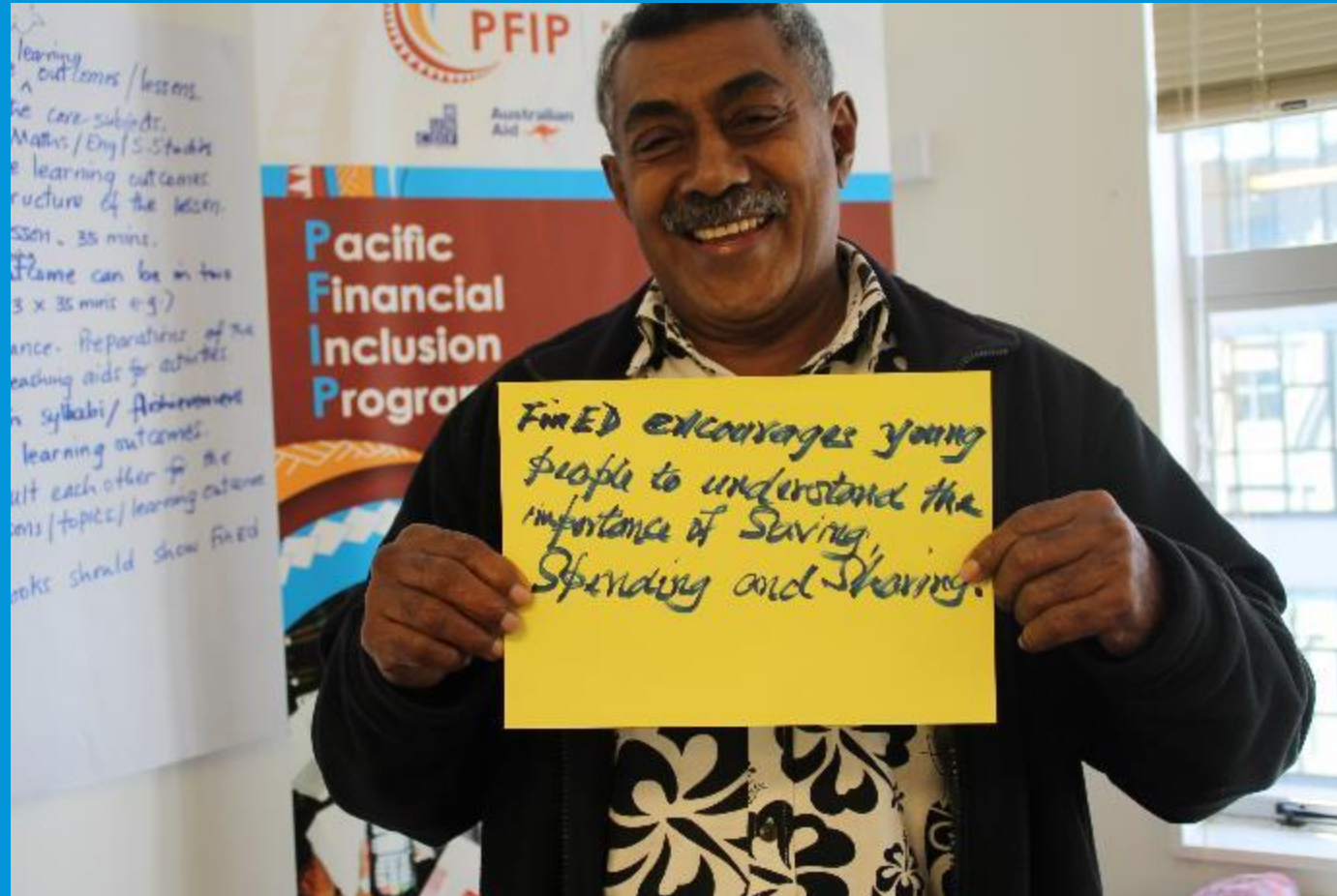
Challenges and Opportunities



- Dial has moved positively, several interesting partnerships forged by public & partner sectors, supported strongly by development partners.
- Challenges remain: Uptake levels are high, but usage still low- business case & customer value proposition unfulfilled. Supply side data still not robust
- Product/service design improvements (HCD), channel optimization through Innovation Labs, a new approach to drive usage



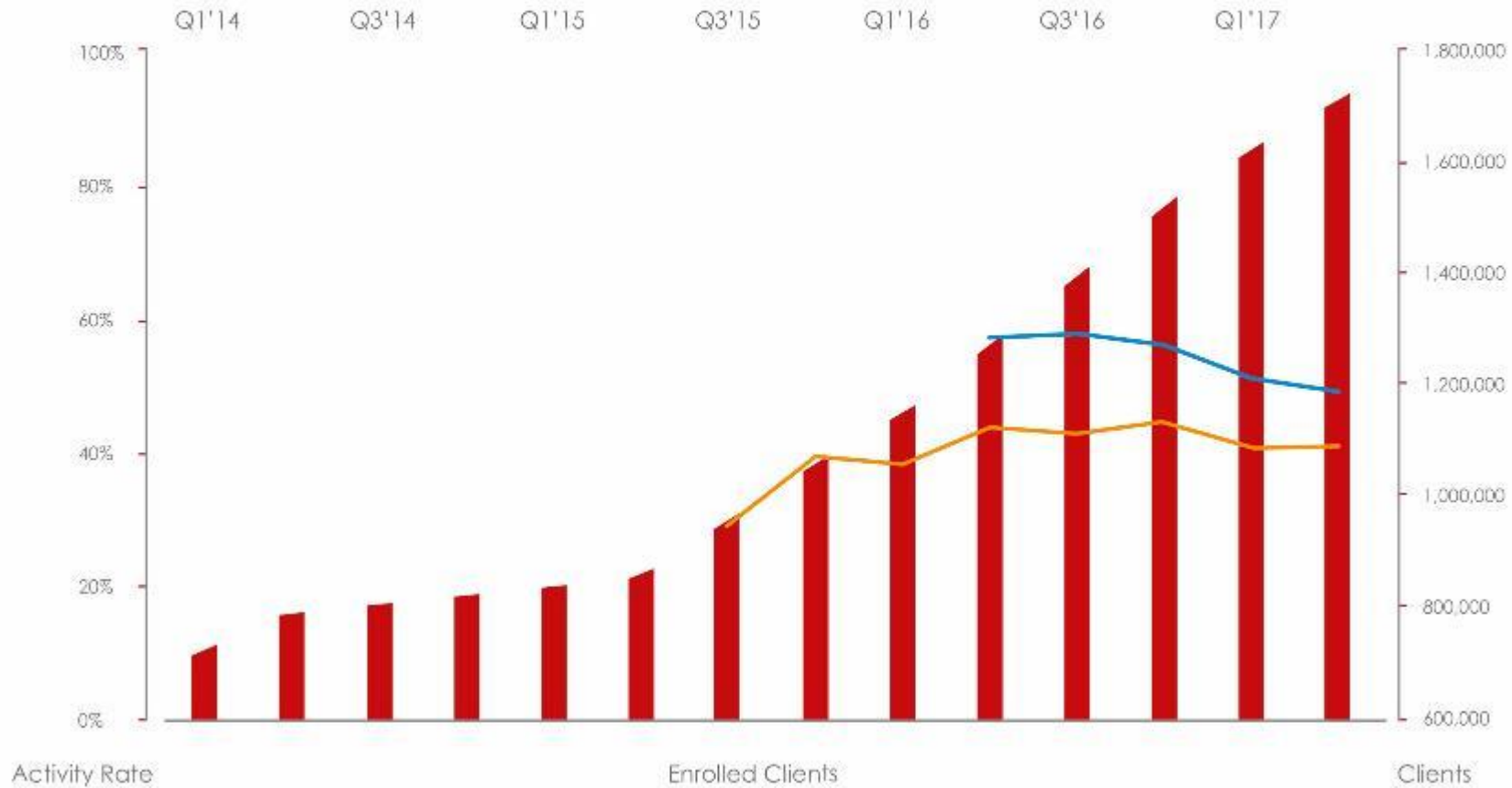
Consumer Empowerment



- Increasing awareness and literacy built around product/services/channels are vital to empower consumers and their usage
- Regional Central Banks working on Financial Services Consumer protection guidelines (AFI/PIRI)
- Cash/Agency banking guidelines in some PICs



Cumulative Enrolments and activity rates



— 90 day active — 30 day active

Financial Innovation: PFIP current partners

Fiji



PNG



SOI



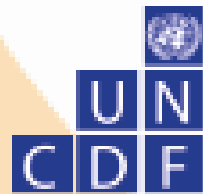
Regional





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