

Financial System For The Underserved  
Experience from Papua New Guinea

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**Papua New Guinea (PNG)**, is a Pacific island nation with rugged terrain and remote islands. The population of about 7.9 million are remotely dispersed. There are over 850 disparate tribes and languages.



# Challenges for the underserved



## Sylvia James

is from Jiwaka Province now working at Kimbe in West New Britain Province. She works in palm oil plantations and earns Kina 300 a fortnight. She runs a small KaiKai shop managed by her wontok and earns another Kina 500 monthly. She opened a bank account to receive her fortnight pay

Her mother is at Jiwaka and her daughter is doing university at Port Moresby. It is regular need for her to send money

She learned importance of savings to meet emergencies and for school fees in financial literacy training. But don't know how to do that

She had plans to expand her KaiKai shop for which she need access to credit. Credit is denied for lack of identity and credit history.

She had taken loan from a local credit provider. She is still repaying the loan and wonder when it will be fully paid off.

# The Challenge

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Two thirds of the population remains underserved to any form of formal financial services due to multiple barriers such as difficult geographies, lack of physical and social infrastructure, limited technologies and lack of financial competency.

# To reach out the underserved



## Retail Payment System

Enable interoperability in retail financial services thereby improve affordable access to innovative financial services

## YuTru

Provides a secure and fully electronic method to establish financial and economical identity to enable greater trust in our financial transactions

## Consumer Protection

Framework to ensure fair and equitable treatment to financial consumer and access to external complaint redress

## Comprehensive Credit Reporting

To strengthen reliable, competitive, responsible lending and thereby improve quality of credit and inclusive lending

## Regulatory Sandbox

Sets up a framework that will allow financial innovators to conduct live experiments in controlled environment

## SME Accelerator

To provide access to finance for SMEs addressing demand and supply side needs including credit guarantee

# Extent of Impact of Fintech

| Key Results in 2018                         | End 2018  | End 2017  |
|---|-----------|-----------|
| Total deposit accounts                      | 3,203,882 | 3,066,133 |
| Number of access points                     | 16,509    | 15,391    |
| Number of branches                          | 216       | 211       |
| Number of ATMs                              | 463       | 463       |
| Number of EFTPOS Merchants                  | 15,379    | 14,308    |
| Number of Agents                            | 475       | 409       |
| Number of mobile financial service accounts | 600,881   | 509,033   |



Thankyou