THE PACIFIC ISLANDS REGIONAL INITIATIVE (PIRI)

OUR GOAL: TO ENABLE ALL LOW INCOME PACIFIC ISLANDERS TO HAVE ACCESS TO FORMAL AND INFORMAL FINANCIAL SERVICES.

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THE PACIFIC ISLANDS REGIONAL INITIATIVE (PIRI) WAS CREATED IN 2014 AT THE GLOBAL POLICY FORUM. THE INITIATIVE WAS OFFICIALLY LAUNCHED IN DILI, TIMOR LESTE IN 2015.


PIRI members recognized that continuity was required to better address the unique constraints to increasing financial inclusion in the Pacific. Establishing this regional initiative now provides a long-term opportunity for member institutions to share a common vision, while working toward ensuring financial services are widely accessed throughout a region with one of the highest unbanked rates globally due to factors that include geographically dispersed islands with low density populations, and challenges related to physical and banking infrastructure.

**OUR VISION**
Financial Services are accessible by all Pacific Islanders.

**OUR MISSION**
To create conditions that lead to the financial empowerment of Pacific Islanders in the short to medium term.

**OBJECTIVE 1**
Remove policy barriers to improve access

**OBJECTIVE 2**
Utilize technology for financial service provision and access

**OBJECTIVE 3**
Empower and protect through financial literacy and education

**OBJECTIVE 4**
Collaborate with stakeholders to advance financial inclusion in the region

**OBJECTIVE 5**
Utilize data for smart policymaking and monitoring
AFI has created a unique model of south-south engagement and peer learning that is highly valued by policymakers from the Pacific Islands region. These policymakers see engagement in AFI as essential to increasing access to financial services for the unbanked. They also see the AFI Network as an ideal platform to engage with key stakeholders, including the Pacific Financial Inclusion Programme, as well as with the private sector.

To date, 21 policy reforms to advance financial inclusion have been developed by member institutions in the Pacific Islands as a result of their participation in AFI. Since its inception in 2009, a total of 13 meetings have taken place under the leadership of the group’s co-chairs. Following the launch, the initiative has undertaken 2 high level forum and 4 meetings under the Experts Group for Financial Inclusion Policy (EGFIP). AFI’s members from the Pacific Islands are among the most dedicated and active champions of financial inclusion policymaking.

**MAYA DECLARATION COMMITMENTS**

Membership in AFI has strengthened the commitment of the Pacific’s policymakers to develop and implement financial inclusion regulatory reforms. An important illustration of this has been the endorsement by AFI members of the Maya Declaration—the first global and measurable set of commitments by policymakers from developing and emerging countries to unlock the economic and social potential of 2 billion unbanked people through greater financial inclusion.

These commitments are a public promise made by AFI members to their national constituencies and to the AFI network to expand access to financial services at the national level in specific and measurable ways.

There are 58 institutional commitments to the Maya Declaration, to date. Of these, seven commitments have come from seven of the Pacific Islands member countries.
BACKGROUND

As per UNDP estimates (2008), 80% of the low income Pacific Islanders do not have access to formal and informal financial services. This coupled with low levels of financial literacy has restricted many people’s ability to realise their full economic potential, thereby having a negative impact on the overall socio-economic development of the region.

An expansive and fragmented geography, low population densities, poor infrastructure, political instability and vulnerability to natural calamities make delivery of sustainable financial services in the region a challenging task. The first real policy impetus to develop financial services for the excluded came from the Forum Economic Ministers Meeting (FEMM) in 2006 that gave recommendation to member countries to prioritize financial inclusion and include it as a national policy agenda. This was followed by the Coombs Declaration in 2008 where PICs represented by finance ministers, central bank governors and donor partners recognized the importance of financial capabilities of low income households in promoting equitable and sustainable growth. Subsequently, the Money Pacific Working Group was formed and four regional goals were endorsed by the FEMM in 2009 to promote equitable and sustainable growth for an inclusive finance landscape in the region. These regional goals, to be achieved by 2020, include:

1. All children to receive financial education through core curricula;
2. All adults to have access to financial education;
3. Simple and transparent consumer protection to be put in place; and
4. Twice as many Pacific Islanders to have access to basic financial services

Against this backdrop, in 2009 Central Bank Governors from the PICs agreed to commit to have financial inclusion as an integral agenda part of the Central Banks goals for a sustainable and equitable economic growth in the Pacific.

PIWG TO PIWI

This effort of advancing financial inclusion in the region would have been futile had it not been for the collaborative and partnership model adopted in each of the member countries. Development partners not only assist in the formulation of the policies but assist in implementation and evaluation phases as well.

PRIVATE & PUBLIC ENTITIES

CIVIL SOCIETY GROUPS

GOVERNMENT

NGOs

TECHNICAL AND DONOR GROUPS

MFIs

COLLABORATIVE AND PARTNERSHIP MODEL

WORKING WITH DEVELOPMENT PARTNERS

To learn more, download this AFI special report:

Transforming the Pacific Islands Working Group to the Pacific Islands Regional Initiative (PIRI)

www.afi-global.org/library/publications/

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