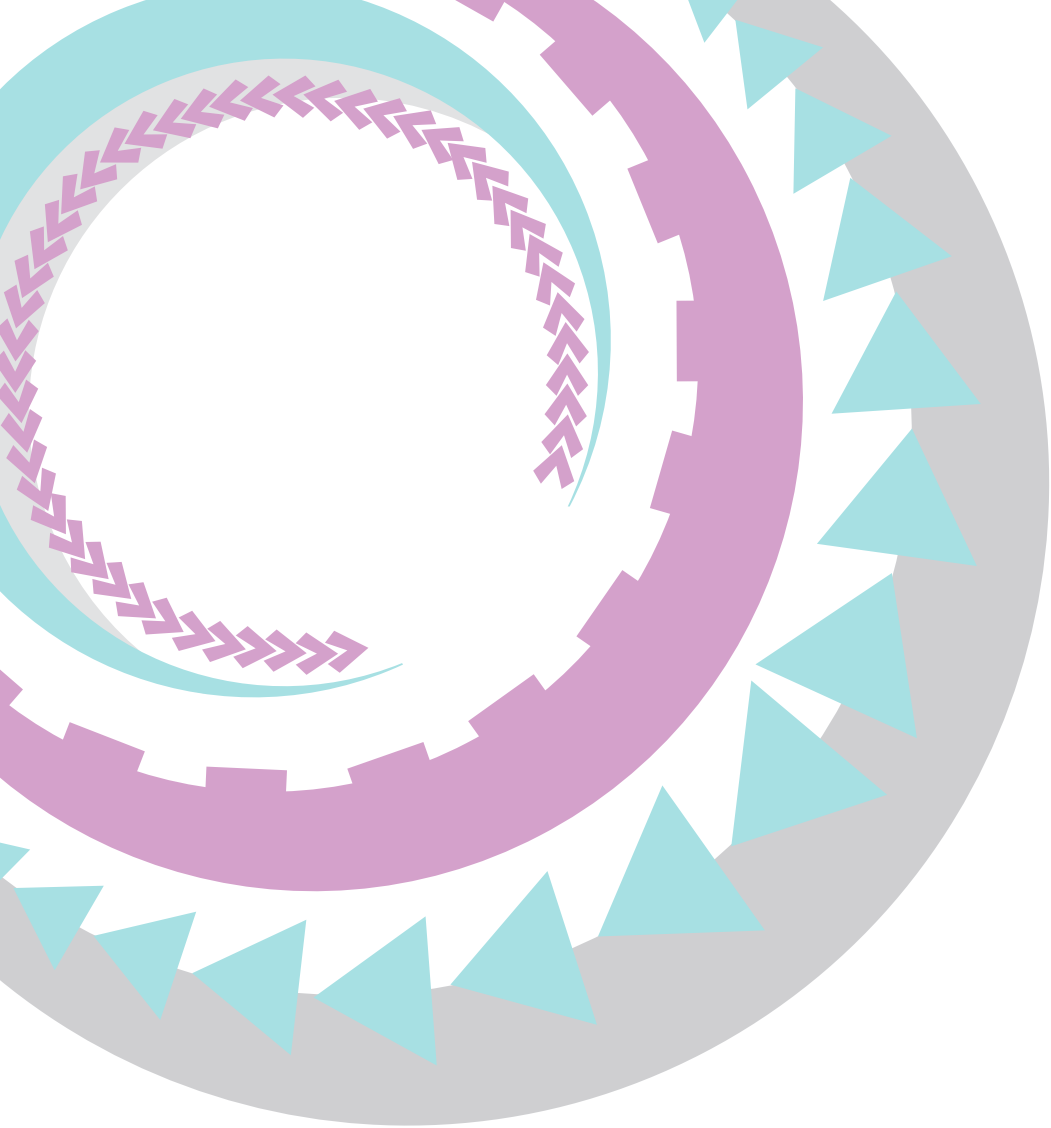


NATIONAL FINANCIAL  
INCLUSION STRATEGY  
FOR SAMOA  
2017-2020



NATIONAL FINANCIAL  
INCLUSION STRATEGY  
FOR SAMOA  
2017-2020



# FOREWORD

---

Financial inclusion is a key support of the 'Improved Quality of Life for all' vision of the strategic development of Samoa and the Central Bank of Samoa's vision of 'Leading Samoa to economic prosperity'. Financial Inclusion in its simplest form is the ability to access appropriate financial services in the formal financial system. But it is not just about a bank branch or correspondent on the corner. It is about clients using sustainable, responsible financial products that add value to their daily lives. In other words, the right product, at the right place, at the right price.

The role of Financial Inclusion has become more magnified as a means to improve livelihoods and as a means to strengthen financial resilience especially of the disadvantaged. It provides the opportunity to save for the future, to invest and generate income and to insure against adverse events. But, the goal of achieving financial inclusion that delivers real and positive impacts is a shared responsibility. The barriers to financial inclusion can only be successfully resolved when different stakeholders, each with different spans of authority and oversight, work together in a coordinated and cohesive manner. It will need to involve the cumulative efforts of Government, regulators, market agents, the financial industry and consumers. This provides the motivation for the National Financial Inclusion Strategy for Samoa - it will provide focus and momentum, improve coordination, encourage collaboration and help to generate active support from a fuller range of stakeholders.

The successful implementation of the national financial inclusion strategy is not only in the interests of the consumers of financial services. The Government also stands to benefit from a population that is financially capable and therefore more productive; financial institutions benefit from increased uptake of financial services and the economy as a whole will benefit from a deeper and broader financial system. In developing the financial inclusion strategy, it was guided by the G20 Principles for Innovative Financial Inclusion which were derived from the experiences and lessons learned from policymakers worldwide, especially those from developing countries. But while the Strategy for Financial Inclusion for Samoa takes account of international best practices, it is, however, firmly founded on the needs, culture and other circumstances specific to Samoa.

I am very encouraged by the commitment that all of the stakeholders have shown towards strengthening financial inclusion and by the willingness of so many to play a role in the development and implementation of the first financial inclusion strategy for Samoa. The work towards developing the strategy has been greatly supported throughout by the Pacific Financial Inclusion Programme (a programme jointly managed by the UNCDF and UNDP) and the Alliance for Financial Inclusion. I am very grateful to all those who have contributed to date, for their interest and their input. I look forward to their continued contributions, and I urge any other stakeholders who have not yet participated to join us in the efforts to realise the positive impacts of financial inclusion for the prosperity of our Samoan people.



**Maiava Atalina Ainuu-Enari**


Governor

Central Bank of Samoa

Chairperson – National Financial Inclusion Taskforce

## List of Acronyms and Abbreviations used

---



ADB	Asian Development Bank
AFI	Alliance for Financial Inclusion
AML	Anti-Money Laundering
ATS	Automated Transfer System
CBOs	Community-Based Organisations
CBS	Central Bank of Samoa
CFT	Countering the Financing of Terrorist Activities
DFS	Digital Financial Services
DSS	Demand-side Survey
EFPTOS	Electronic Funds Transfer at Point of Sale
FSD	Financial System Development
FSPs	Financial Services Providers
G2P	Government to People
KYC	Know Your Customers
MCIL	Ministry of Commerce, Industry and Labour
MFS	Mobile Financial Services
MM	Mobile Money
MNO	Mobile Network Operator
MWCSD	Ministry of Women, Community and Social Development
NFIS	National Financial Inclusion Strategy
NFIT	National Financial Inclusion Taskforce
PFIP	Pacific Financial Inclusion Programme
SDGs	Sustainable Development Goals
SDS	Strategy for the Development of Samoa
SMEs	Small and Medium Enterprises
SNPF	Samoa National Provident Fund
UTOS	Unit Trust of Samoa
WST	Western Samoan Tala

# Table of Contents

---

1. Introduction	1
2. 2020 MoneyPACIFIC Goals and Maya Declaration	3
3. Current status of financial inclusion in Samoa	4
3.1 Financial inclusion strands in Samoa	4
3.2 Drivers of Financial Inclusion in Samoa	5
3.3 Women's financial inclusion in Samoa	5
3.4 Financial Competency	6
3.5 Other Barriers to Financial Inclusion in Samoa	7
4. Key Principles	8
5. Strategy	9
5.1 Strategic Priorities	10
5.2 Strategic Objectives and Key Result Areas	11
6. Implementation Model	14
7. Results Measurement Matrix	15
8. National Financial Inclusion Taskforce (institutional) members	18

## List of Figures

Figure 1: Financial inclusion strands (% of adult population)	4
Figure 2: Levels of Financial Competence by Competency Area	6
Figure 3: Inclusive Financial System Growth Pathway	9
Figure 4: Proposed Stakeholder Engagement Model	14

# 1. Introduction

---

The National Financial Inclusion Strategy 2017-2020 (NFIS) sets out the overarching approach to drive financial inclusion in Samoa in the medium term. It is the outcome of a series of consultations with both the private and public sector culminating in the National Financial Inclusion Strategy workshop held in Apia in November 2015. The Central Bank of Samoa (CBS) hosted the workshop with the support of the Pacific Financial Inclusion Programme (PFIP), and attendees included senior representatives from the private sector, financial service providers, development partners, mobile network operators, civil society and the Government.

Since 2010 CBS has been mandated to promote financial inclusion and financial literacy in Samoa, and this was reinforced in the CBS Act 2015. With the support of the Pacific Islands Regional Initiative (PIRI) of the Alliance for Financial Inclusion (AFI) and PFIP, CBS works to improve many facets of the financial system so that it is inclusive.

The Samoa National Financial Inclusion strategy is guided by the vision for an inclusive financial system: *“A sound financial system that best serves all members of society in their pursuit of economic prosperity through a state in which all people, who can use them, have effective access and satisfactory usage of a full suite of financial services from a range of service providers”*.

- Customer centric products
- Convenient service delivery
- Sustainable business practices
- Responsible market conduct



The vision for an inclusive financial system is extensive to embrace a multitude of players and a wide range of possibilities to achieve the desired outcomes of:

- Increased convenience and access to financial services
- Increased take up of financial services by people, especially those underserved
- Increased responsible usage of financial services
- High satisfaction with financial services and providers

The resulting strategy focuses on 'next mile financial services<sup>1</sup>' in Samoa and aims to achieve the following five overall goals:

- Have an additional **40,000 adults with improved access** to formal financial services, of which at least 50 percent will be women, and at least 50 percent will be from rural areas<sup>2</sup>;
- Have an additional **20,000 people, who were previously excluded from the formal financial system**, gain access to a formal savings account;
- Increase the **usage of financial products** and services, while ensuring **at least 10% activity rate<sup>3</sup> for digital financial services**;
- Improve the **quality** of financial services by promoting a **wide variety of suitable and affordable financial services for ALL**; and
- Provide **financial education to ALL children** including differently-abled children and **promote financial literacy among adults**.

---

1 This pertains to extending the financial services outside of the urban area of Apia city, where majority of the financial infrastructure is concentrated.

2 For the purpose of NFIS, rural areas include areas outside the Apia Urban Area, i.e. North West Upolu, Rest of Upolu, Savai'i, and other inhabited islands.

3 Defined as at least one transaction in 90 days.



## 2. 2020 MoneyPACIFIC Goals and Maya Declaration

---

Samoa is linked to regional and global initiatives to drive financial inclusion. In 2009, the Pacific Island Forum Economic Ministers adopted four goals to provide a direction to improve the financial competencies of and financial inclusion among Pacific Islanders. To date, these goals remain the building blocks for much of the work done by CBS in promoting an inclusive financial system.

Following the adoption of the 2020 MoneyPACIFIC Goals, CBS has also made a commitment to the Maya Declaration, a global commitment by policymakers from developing and emerging countries to unlock the economic and social potential of the poor through greater financial inclusion. Signatories to the Maya Declaration agree to make measurable commitments in key areas proven to increase financial inclusion.

CBS commitments to the Maya Declaration reflect the pursuit of those desired outcomes from an inclusive financial system. This National Financial Inclusion Strategy 2017-2020 sets out the guiding principles and suggest areas of interventions to continue fulfilling these commitments.

### 2020 MoneyPACIFIC Goals

---

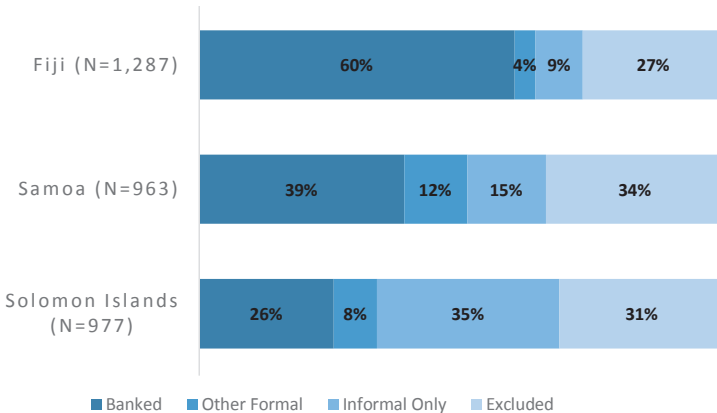
- All school children to receive financial education through core curricula.
- All adults to have access to financial education.
- Simple and transparent consumer protection to be in place.
- To halve the number of households without access to basic financial services.

# 3. Current status of financial inclusion in Samoa

Several diagnostic exercises have been undertaken to map the landscape for demand and supply of retail financial services in Samoa. These include the *Financial Competency of Low-Income Households in Samoa* (2013), the *Financial Services Demand Side Survey* (2015), and the *Financial Services Sector Assessment* (2016). The findings of these exercises are briefly summarised below.

## 3.1 Financial inclusion strands in Samoa

39% of Samoan adults currently have a bank account, while 12% have access to other formal services such as credit unions, microfinance, insurance, or finance companies. The remaining 49% are not included in the formal financial sector, at all. The proportion of financially included adults in Samoa is comparable to that of other lower-middle-income countries aggregated in the World Bank Global Financial Inclusion Index (Global Findex, 41.8%).<sup>4,5</sup> However, financial inclusion levels, in the region, vary widely with Samoa having the largest number of adults being entirely excluded from both formal and informal financial services (Figure 1).



**Figure 1: Financial inclusion strands (% of adult population)**

4 World Bank. Global Financial Inclusion Indicators: Regional Dashboard (Income Group Comparisons). 2014.  
 5 Lower-middle income countries are defined as those in which gross national income per capita was between USD \$1,026-4,035 in 2011 as defined by the World Bank Atlas Method. Samoa’s GNI was USD \$3,970 in 2013. See also: Asli Demirguc-Kunt and Leora Klapper, “Measuring Financial Inclusion: Explaining Variation in Use of Financial Services across and within Countries.” Brookings Papers on Economic Activity, Spring 2013.

The percentages translate to an estimated 58,700 adults in 2015, who either use informal services (18,000) or remain 'completely excluded' (40,700). Compared to the levels in Fiji, the level of overall financial inclusion is lower in Samoa, highlighting the poor distribution of financial services across the four strands.

### 3.2 Drivers of Financial Inclusion in Samoa

- Income level is a key driver of financial inclusion in Samoa. About 2/3rd adults in the bottom 40 percentile of income bracket do not access formal financial services compared to 1/3rd in the top 40 percentile, implying that larger proportion of poor remains excluded.
- Adults earning casual or agricultural income are much more likely to be excluded or rely on informal sources of finance (60%) compared to adults with formal income sources (10%). This highlights the need to develop and expand suitable financial solutions to this segment.
- Adults living in rural areas tend to be less financially included than their urban counterparts. A higher number of adults living in rural areas<sup>6</sup> (53%) are excluded from formal financial services compared to urban (34%). A much higher portion of rural adults (17%) uses informal avenues to access financial services compared to 4% urban.
- An estimated 55% Youths (15-35 years old) are either excluded entirely or rely on informal sources for financial services. The extent of exclusion is much greater (65%) among the Younger population (15 to 25 years old). The figures corroborate with the high youth unemployment rate<sup>7</sup> of 16%.

### 3.3 Women's financial inclusion in Samoa

Gender is a predictor of financial competence. The *Financial Competency of Low-Income Households in Samoa* report found that overall, women appear to be more competent managers of household finances in low-income households in Samoa. This is in line with the global set of anecdotal evidence.

A growing body of global research identifies key opportunities for gender inclusive financial system, such as positive attitudes and openness to mobile phone banking, and high levels financial literacy among other things. In Samoa, for example, a statistically significantly higher proportion of women (48%) receive remittances than men (39%); however, a large part of remittances flow through unregulated traditional and expensive money transfer routes resulting in income lost in higher charges and time spent in accessing the remittances.

<sup>6</sup> For the purpose of NFIS, rural areas include areas outside the Apia Urban Area, i.e. North West Upolu, Rest of Upolu and Savai'i.

<sup>7</sup> Asian Development Bank estimates, using international 15 to 24 years of age definition for youth.

The *Financial Services Demand Side Survey* Report highlights that 47% of adult women are excluded from the formal financial sector. In contrast to the global trend on gender and financial inclusion, a slightly higher proportion of Samoan women (40%) have bank accounts than men (38%). However, statistically significantly more women (17%) use informal financial services avenues than men (12%), highlighting the gender disparity in the access and use of formal financial services.

### 3.4 Financial Competency

According to the 2013 *Financial Competency of Low-Income Households in Samoa* survey,<sup>8</sup> the overall level of adult financial competence is low to low-moderate (Figure 2 below). This level of competence may be due to several factors: access to financial services, knowledge of how to use financial services and manage money, or attitude to money and financial services generally. If low-income households in Samoa can increase their level of financial competence, then the household’s ability to increase the wellbeing of its members through better management of household cash flows, will also increase.

Competency Score	Competency Area
High	None of the Competency Areas were scored as High
Moderate – High	Competence with managing essential expenditure
Low-Moderate	Competence with managing regular and one-off expenditure
	Competence with setting household goals and plans
	Competence with managing household income
	Competence with managing savings
	Competence with non-cash transactions
	Competence with managing long-term savings
Low	Competence with keeping household records
	Competence with household budgeting
	Competence with managing borrowing
	Competence with identifying and recording household expenditure
	Competence with managing requests for financial assistance
	Competence with managing cost of money

**Figure 2: Levels of Financial Competence by Competency Area**

<sup>8</sup> PFI and CBS, 2013, *Samoa Financial Competency Survey Report*

The study also revealed that, though low-income households are monetised, they have a limited understanding of financial terms and conditions. Most low-income households are unable to undertake money management tasks and financial services activities they consider necessary. They are better able to manage short-term financial activities than long-term financial planning, including planning for life cycle events, such as education, marriage, and funerals. The lack of financial knowledge, skills and lack of access to safe and affordable financial services are among the key reasons.

### 3.5 Other Barriers to Financial Inclusion in Samoa

Various studies have identified a variety of barriers to financial inclusion in Samoa. These include both the demand-side barriers such as low financial literacy and supply-side barriers such as availability of suitable products and channels. Listed below are a few key barriers:

- Overall high transaction cost: minimum balance requirements, combined with high costs of travel and time associated with travel in rural areas are likely to impede adults with low and irregular income streams to transact with the formal financial sector.
- Cultural and social barriers include a preference for cash, lack of planning and budgeting for life cycle events, and account sharing by household members.
- From the supply-side<sup>9</sup>, barriers include the lack of market segmentation and product diversification, the high cost of service delivery, a limited number of access points with a high concentration in urban areas, limited set of partnerships, and lack of coordinated efforts at the national level.

---

<sup>9</sup> For a detailed supply-side analysis, refer to the Financial Services Sector Assessment 2016 report available at [www.cbs.gov.ws](http://www.cbs.gov.ws) and [www.pfip.org](http://www.pfip.org)

## 4. Key Principles

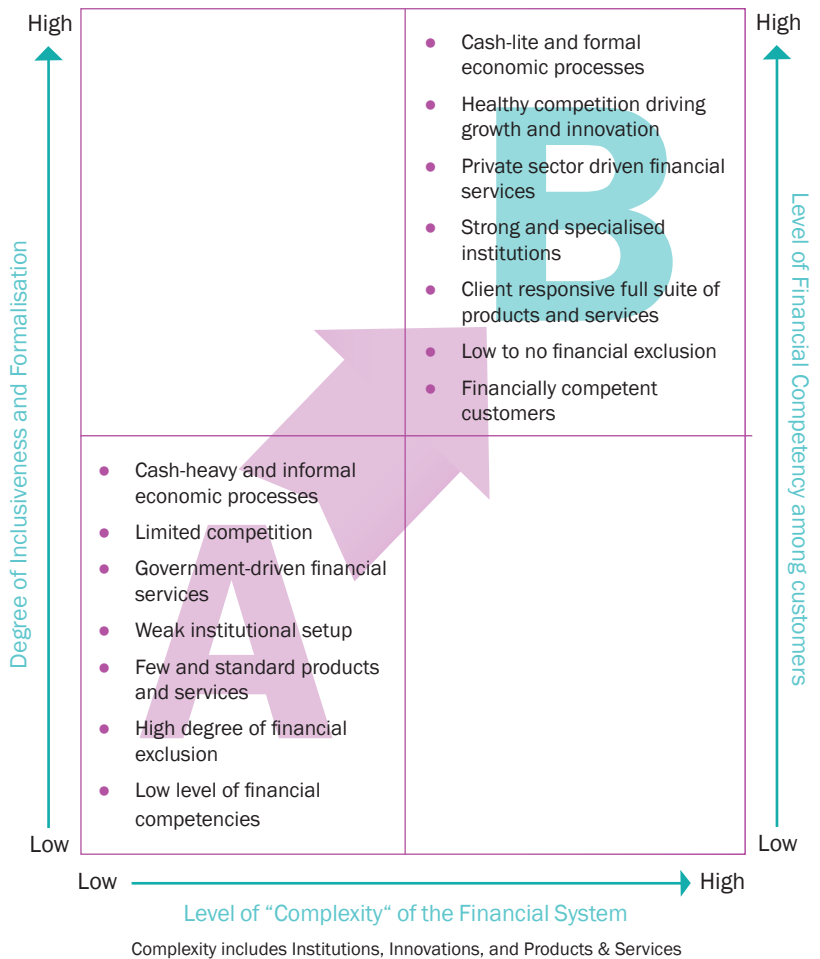
---

The following principles, adopted from the G20 Principles for Innovative Financial Inclusion, aim to help create an enabling policy and regulatory environment for innovative financial inclusion. The enabling environment can critically increase the speed at which the financial services access gap will close for populations previously excluded from the formal financial system. These principles for innovative financial inclusion are derived from the experiences and lessons learned from policymakers worldwide, especially those from developing countries. In the planning, implementation and results measurement of the National Strategy for Financial Inclusion, CBS and key stakeholders will take into consideration the G20 Principles for Innovative Financial Inclusion. These are:

- 1. Leadership:** Cultivate a broad-based government commitment to financial inclusion to help alleviate poverty
- 2. Diversity:** Implement policy approaches that promote competition and provide market-based incentives for delivery of sustainable financial access and usage of a broad range of affordable services (savings, credit, payments and transfers, insurance), as well as a diversity of service providers
- 3. Innovation:** Promote technological and institutional innovation as a means to expand financial system access and usage, including addressing infrastructure weaknesses
- 4. Protection:** Encourage a comprehensive approach to consumer protection that recognises the roles of government, providers, and consumers
- 5. Empowerment:** Develop financial literacy and financial capability
- 6. Cooperation:** Create an institutional environment with clear lines of accountability and coordination within government, and also encourage partnerships and direct consultation across government, business, and other stakeholders
- 7. Knowledge:** Utilise improved data to make evidence-based policy, measure progress, and consider an incremental “test and learn” approach by both regulators and service providers
- 8. Proportionality:** Build a policy and regulatory framework that is proportionate to the risks involved in such innovative products and services, and is based on an understanding of the gaps and barriers in existing regulation
- 9. Frameworks:** consider the following in the regulatory framework, reflecting international standards, national circumstances and support for a competitive landscape: an appropriate, flexible, risk-based AML/CFT regime; conditions for the use of agents as a customer interface; a clear regulatory regime for electronically stored value and market-based incentives to achieve the long-term goal of broad interoperability and interconnection.

# 5. Strategy

The overall strategy is guided by Government of Samoa’s commitment to promote inclusive growth. Central Bank of Samoa’s commitment to the Maya Declaration and 2020 MoneyPACIFIC goals provide the overarching direction while recently conducted demand-side and supply-side studies highlight the priorities requiring special consideration. The National Financial Inclusion Strategy takes into account the current status of financial inclusion in Samoa and attempts to address the key barriers by proposing a growth pathway that is both sustainable and desired (see the figure 3 below). The suggested pathway moves from point A (current status) to point B (desired status) over a period of four years (2017-2020). It is envisaged that such a pathway would be market-driven with a regulatory oversight by CBS.



**Figure 3: Inclusive Financial System Growth Pathway**

## 5.1 Strategic Priorities

The envisioned growth pathway will be guided by three strategic priorities: access, usage and partnership and collaboration.

### Access

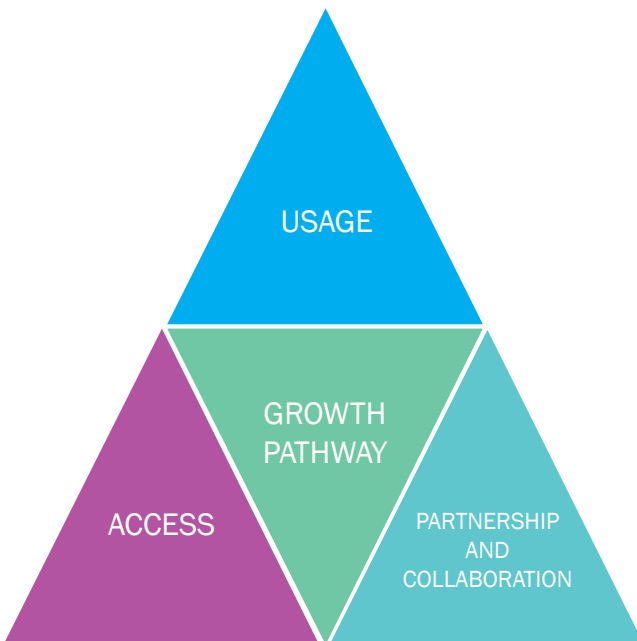
The availability of a wide range of financial products and services must be accessible to serve all different market segments especially for the low-income segments. Failure to achieve this can result in the low-income segments of society turning to informal options, making them vulnerable to financial distress, debt, and poverty.

### Usage

While access may be easily achieved, customers' lack of use of the products and services cannot amount to add value to their economic lives. Therefore, financial service products and services must be appropriately designed and priced right to be relevant and actually enhance customer experience. This will entail deploying innovative solutions and delivery approaches, e.g. using mobile financial services.

### Partnership and collaboration

In light of the importance and the multi-dimensional nature of financial inclusion, strong partnership and collaboration is required amongst many players from the private and public sectors to ensure a cohesive approach to realise financial inclusion.





## 5.2 Strategic Objectives and Key Result Areas

Stakeholders, at the NFIS Workshop in November 2015, endorsed six strategic priorities to achieve the desired level of inclusive financial system and proposed a range of key results areas as follows:

### **Strategic Objective 1: Improve and deepen the access to financial services**

#### **Key result areas:**

- 1.1. Improved access to formal financial services to ALL
- 1.2. A full suite of financial products and services that suit the needs of wider population
- 1.3. The expansion of financial services to underserved segments, especially rural and low-income segments, through appropriate products and delivery channels

### **Strategic Objective 2: Promote economic empowerment and participation of underserved segments, especially women and youth, for inclusive growth**

#### **Key result areas:**

- 2.1. Available products and services designed to meet the needs of women and youth
- 2.2. Available financing solutions for micro and small enterprises, including value chains in the agriculture, fisheries and tourism sectors
- 2.3. Provided training to build entrepreneurial and financial management skills, especially of young entrepreneurs
- 2.4. An enabling policy and regulatory environment for Micro and SME Finance

### **Strategic Objective 3: Promote digital financial services and institutional innovations**

#### **Key result areas:**

- 3.1. Implemented payment system reforms, including necessary legislation and guidelines enabling service providers to expand digital financial services using alternative delivery channels
- 3.2. Developed cost-effective, convenient and safe Payments solutions for domestic and international payments
- 3.3. Expanded adoption and usage of digital financial services, including mobile financial services
- 3.4. Promoted institutional innovations, such as branchless banking and mobile money to increase the access points, especially in rural areas
- 3.5. Linked mobile money wallet(s) to bank accounts

#### **Strategic Objective 4: Improve resilience and reduce financial vulnerability to economic shocks, especially of low-income households**

##### **Key result areas:**

- 4.1. Developed an institutional and regulatory framework for Inclusive Insurance
- 4.2. Promoted the development and subsequent implementation of inclusive insurance products and channels, with special attention to reduce financial vulnerability of low-income households

#### **Strategic Objective 5: Improve financial competencies and ensure consumer protection**

##### **Key result areas:**

- 5.1. Provided financial education through core curriculum in school to all children, including to the differently-abled
- 5.2. Integrated financial literacy into the product design and service delivery by financial service providers, and increased awareness about digital financial services
- 5.3. Developed financial literacy and numeracy material, both print and multimedia, suitable for 'financially illiterate' audience, preferably in vernacular (local language)
- 5.4. Developed joint programmes with NGOs, CBOs, FSPs and government agencies to enhance financial competencies among adults across the country, especially in rural areas
- 5.5. Developed a regulatory framework for consumer protection

#### **Strategic Objective 6: Develop effective partnerships and ensure sector-level coordination for an inclusive financial system**

##### **Key result areas:**

- 6.1. Created a national institutional mechanism to coordinate the efforts for building an inclusive financial eco-system, and to provide oversight to the implementation of the NFIS
- 6.2. Developed effective public and private sector partnerships to offer a more comprehensive delivery by linking employment and income generation programmes of various ministries with financial services providers
- 6.3. Promoted cooperation among financial service providers to offer joint products and increase the use of common delivery platforms that can lower the cost of service and improve the profitability and sustainability of the delivery platform
- 6.4. Integrated and mainstreamed key elements of the National Financial Inclusion strategy into Government planning & link targets to development goals in the real economy (SDGs)

## 6. Implementation Model

---

A National Financial Inclusion Taskforce<sup>10</sup> (NFIT) will provide strategic direction and coordinate the implementation of the National Financial Inclusion Strategy 2017-2020. The NFIT<sup>11</sup> will be comprised of representatives of key stakeholders and will be chaired by the Governor of CBS.

NFIT will engage with other stakeholders on a time to time basis to identify project opportunities and facilitate discussions for the implementation of various objectives and key results areas mentioned under the NFIS.

It is envisaged that as the implementation gears up, the NFIT may create special groups for thematic or subject expertise, referred as Working Groups. For example, a special group for financial services and another group for financial competency.

It is expected that the need to create special working groups will develop organically along with the level of market efforts by service providers and the consequent role of the NFIT. Figure 4 depicts a proposed engagement model.

The Financial System Development (FSD) department of the Central Bank of Samoa will act as the Secretariat for the NFIS. FSD will provide the necessary information, engage with the NFIT members for agreed activities, and provide the necessary coordination and technical support to the Working Groups and the Task Force.

The Secretariat, FSD, manages Financial Inclusion related data in Samoa. It includes periodically gathering, analysing and reporting on the performance as well as providing necessary information to stakeholders, both national and international.

---

<sup>10</sup> The creation of the NFIT and its terms of reference were endorsed by Cabinet at its meeting 29 June 2016: FK16(24)

<sup>11</sup> The terms of reference for the NFIT is set out in a separate document.

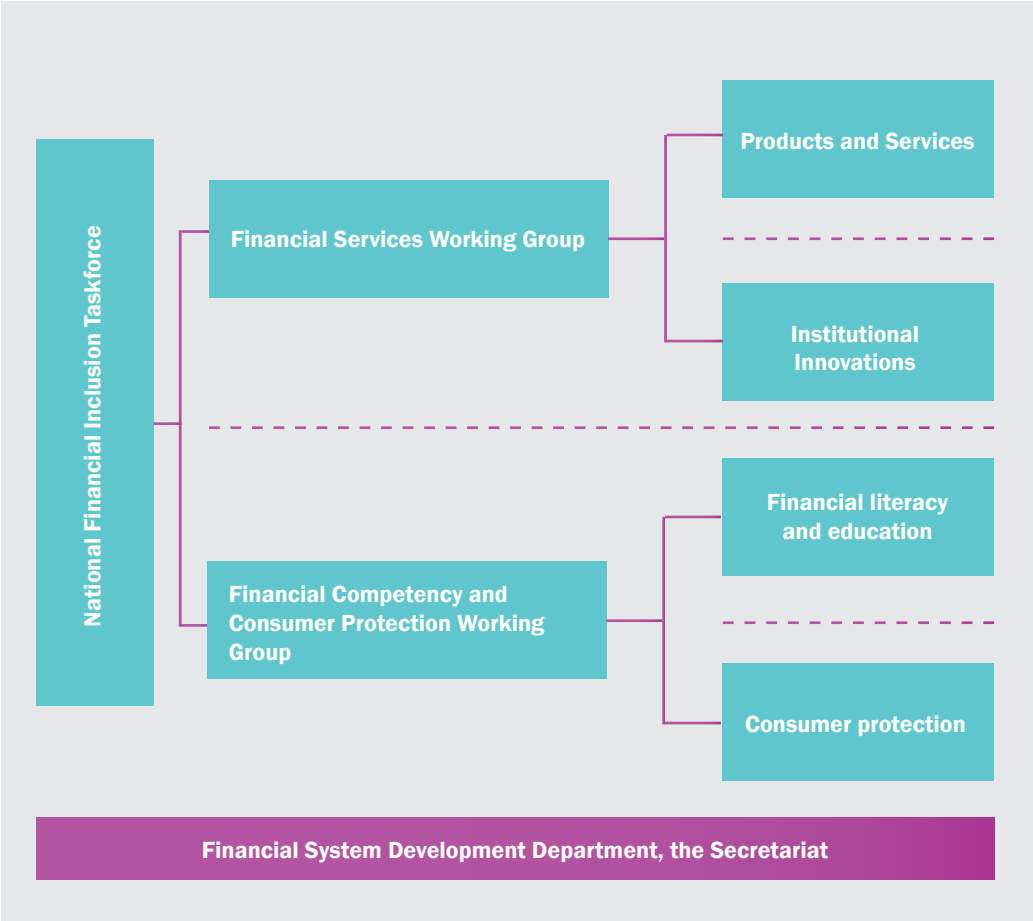


Figure 4: Proposed Stakeholder Engagement Model

## 7. Results Measurement Matrix

### General instructions

- The targets mentioned here respond to the 2017-2020 timeframe and are to be achieved, cumulatively, by 2020, unless specifically mentioned.
- Currently, neither the Central Bank of Samoa or individual FSPs administer a unique definition for a number of key measurement indicators, including SMEs, dormant or inactive customers, and DFS activity rate. The NFIT will work together with individual FSPs and the FSD Department at CBS to develop 'workable' definitions for these indicators to be used for the purpose of the NFIS performance measurement reporting.
- Definitions for key terms are mentioned at the end of this section.

### Access - Accounts

INDICATOR DEFINITION	MALE	FEMALE	TOTAL
Total number of savings accounts			
Total number of savings account holders (unique customers)			
Total number of loan accounts - individual borrowers, including Micro-entrepreneurs			
Total number of loan accounts - SMEs			
Total number of personal borrowers (unique customers)			
Total number of insurance policies (life)			
Total number of insurance policyholders (life)			
Total number of insurance policies (non-life)			
Total number of insurance policyholders (non-life)			
Total number of registered users of internet banking services			
Total number of customers using agency/merchants access points			
Total number of registered mobile phone banking customers			
Total number of registered mobile money customers			

## Access - Channels

INDICATOR DEFINITION	Urban	Rural			TOTAL
		NWU	RoU	Savai'i	
Total number of branches					
Total number of ATMs					
Total number of EFTPOS access points					
Total number of cash-in and cash-out Agent/merchant outlets					

## Usage - Accounts and Channels

INDICATOR DEFINITION	MALE	FEMALE	TOTAL
Average savings balance per account			
Average savings balance per unique customer			
Percentage of dormant or inactive savings accounts			
Number of deposit and withdrawal transactions at Branches			
Number of deposit and withdrawal transactions at ATMs			
Number of deposit and withdrawal transactions at agent/merchant points			
Number of mobile airtime top-up transactions			
Number of Person-2-Person transfer transactions			
Number of bill payment (merchant payments, utilities, and others) transactions			
Digital Financial Services (DFS) activity rate (60-day and 90-day active <sup>12</sup> )			
Agent activity rate (30-day and 90-day active)			

## Financial Literacy Indicators

INDICATOR DEFINITION	MALE	FEMALE	TOTAL
Average savings balance per account			
Average savings balance per unique customer			
Percentage of dormant or inactive savings accounts			

<sup>12</sup> Number of unique customer doing at least one transaction in the last -30/-60/-90- days using a DFS channel

## Definitions

- Unique customer refers to a person holding one or more financial services accounts with a financial service provider. One person with multiple accounts should be counted as one unique customer.
- Average savings balance is the MAB per account and per unique customer
- DFS activity rate is a ratio of active users/accounts over registered users/account. A DFS user or account is active when at least one transaction has been done in the last three months. DFS account includes both the EFTPOS-based accounts and the mobile money accounts.
- Agent activity rate is a ratio of active agents over registered agents. An agent is active when at least one transaction has been done in the last one month.
- SME<sup>13</sup> loan refers to a loan provided to an enterprise or an individual for the purpose of setting up or growing business activities for defined small and medium enterprises. Typically, it includes working capital loan, business start-up capital, credit line or credit overdraft facility or any other product.
- Savings account include all format of accounts held by customers for savings and transactions.
- Non-life insurance products include all products that do not provide life insurance coverage.
- Urban refers to the Apia Urban Area as defined by the Samoa Bureau of Statistics.
- Rural refer to all areas outside of the Apia Urban Area. These are categorised as North West Upolu, Rest of Upolu and Savai'i by the Samoa Bureau of Statistics.
- An account becomes dormant or inactive account when there has not been at least one transaction in the last three months (90-day basis).

---

13 SME - A workable definition for small and medium enterprises will be drafted after consulting with FSPs. The definition will be used for the purpose of monitoring the progress of NFIS. It should not be taken as a definition endorsed or required by the Regulator.

# 8. National Financial Inclusion Taskforce (institutional) members

---



Pacific Financial  
Inclusion Programme





