



2024 PAPUA NEW GUINEA INVESTMENT CONFERENCE

ENHANCING FINANCIAL INCLUSION AND DIGITAL TRANSFORMAGTION IN PNG'S FINANCIAL SERVICES SECTOR

By

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1. A Decade of Financial Inclusion Journey - Milestones

- 1st Financial Inclusion Strategy (2014/2015)
- Financial exposition with all financial institutions
- Introduction of Financial Literacy initiatives
- Licensing of the first women micro bank

2013

2014

2016

2017

2018 - 2019

2020 - 2021

2022

2023

- Gender Policy for Microfinance Finance Institutions

- Renewed Maya declaration commitment (2020)
- Partnership with Education department (2021)

- 3rd Financial Inclusion Strategy (2023 -2027)
- Establishment of Green Finance Centre

- BPNG Maya Commitment
- CEFI's establishment

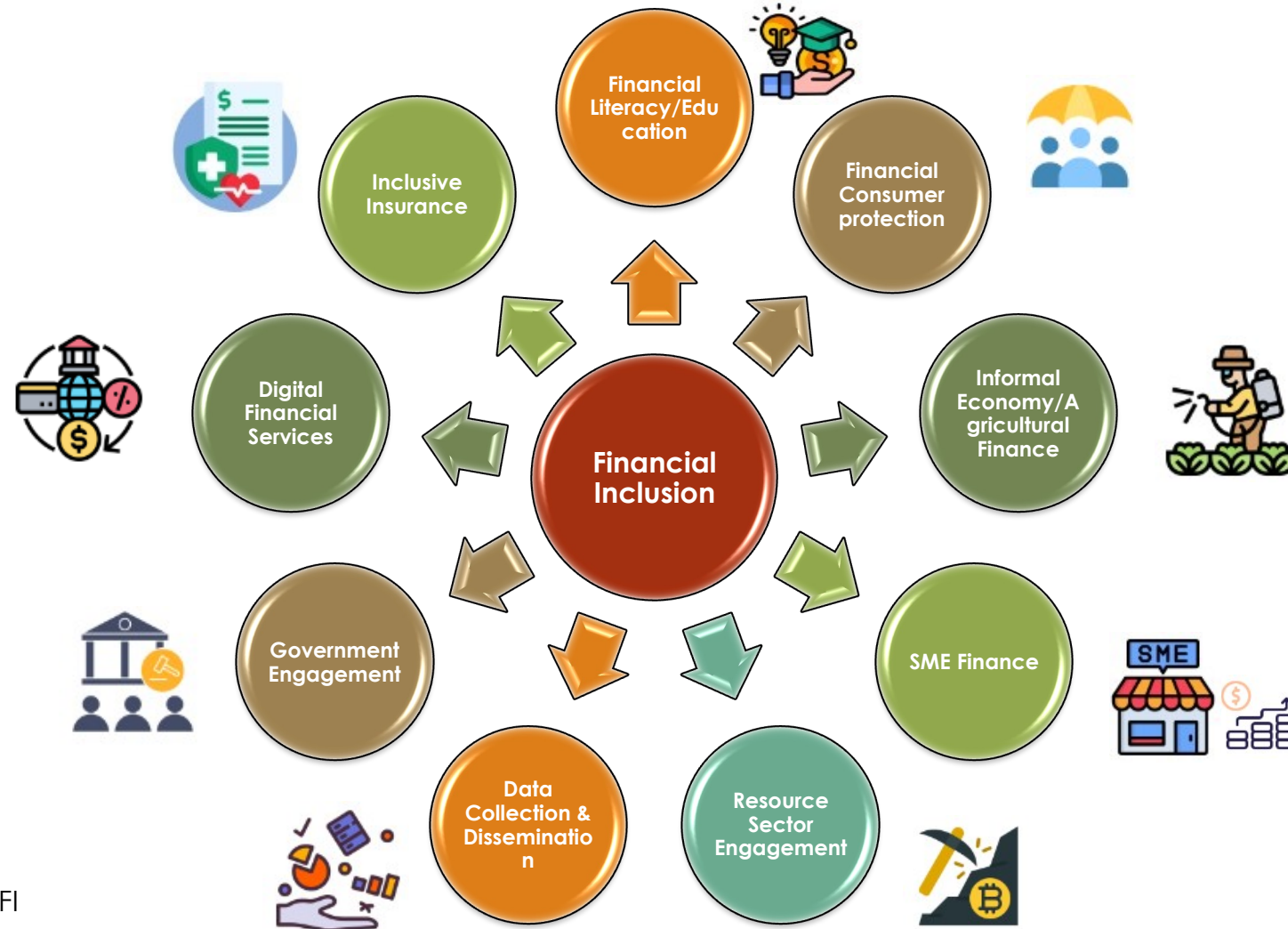
- 2nd Financial Inclusion Strategy (2016-2020)

- Expansion of Agri lending -Market for Village Farmers Project (2018)
- Launching of Government's Financial Inclusion Policy (2019)

- Launching of bank digital ID project
- Credit Guarantee Corporation's establishment
- Launching of Green Finance Policy














2. Financial Inclusion Key Priorities





3. Main Financial Inclusion Data – Progress Update

Access Dimension		As of June 2024	Financial Literacy Dimension	
Usage Dimension			Male	Female
 Bank branch	220	 People trained	133,965	121,873
 ATM	482	 Trainers trained	1,055	674
 EFTPOS	15,218			
 Bank Agent	637			
 Mobile wallet Agent	1,707			
 Deposit Account	4,218,383		65%	35%
 Credit Account	364,585		66%	34%
 Mobile banking Account	1,378,071		59%	41%
 Mobile wallet Account	100,087			



4. Digital Financial Transformation

Digital Financial Infrastructure



- 1. **Mobile network penetration (2-4G)**
- 2. **Internet connectivity**
 - ❖ Kumul Submarine cable
 - ❖ Coral sea cable network system



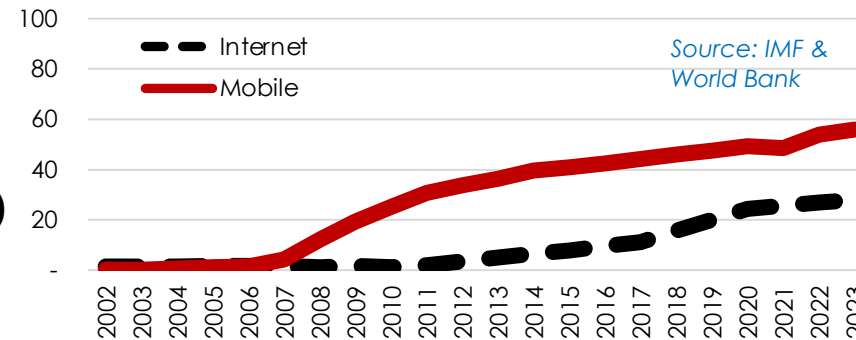
- 1. **National Payments System**
 - i. Kina Automated Transfer System (KATS)
 - ii. Retail Electronic Payments System (REPS)
 - iii. National SWITCH

Digital Financial Services & Products

Digital banking & financial service providers



Mobile cellular subscription and internet users (% of population)



Mobile money





5. Ongoing Financial Inclusion Initiatives and Way Forward

1. ONGOING DIGITAL FINANCIAL INCLUSION INITIATIVES

- ④ **Digital Know Your Customer (e-KYC)**
- ④ **E-Government Portal.**
- ④ **Financial literacy/Education** – Developing a curriculum for grades 1 -12. CEFI App, FLAP
- ④ **BPNG & ICC** – Developing a legislation for financial consumer protection
- ④ **BPNG, GoPNG, CDB & FSPs**– Developing a comprehensive credit reporting system.
- ④ **BPNG Regulatory Sandbox**
 - BPNG working on expanding the scope of the Sandbox.
 - Encouraging partnerships between innovators & licensed financial institutions.

2. WAY FORWARD

- ④ **4th Financial Inclusion Strategy** – Consultative discussion ongoing.
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- ❖ Harnessing digital technology to drive financial inclusion initiatives
 - ❖ Greening the economy through green finance policy initiatives
 - ❖ Govt's Climate Change Initiative under the IMF Resilience & Sustainability Facility to support green finance policy and activities.

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Thank you