



Unlocking Public and Private
Finance for the Poor

DFS for Agriculture @ Pacific

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UNCDF was founded by the United Nations (UN) General Assembly in 1966

- UNCDF is the UN's **development finance arm**, primarily for the *47 Least Developed Countries (LDCs)*.
- From the beginning, UNCDF was given a **capital investment mandate**.
- UNCDF has the ability to work directly with both the **public and the private sectors**.
- UNCDF business model bundles and combines:

- Technical Assistance*
- Capital Investments*
- Market research*
- Advocacy*



UNCDF has a unique hybrid model at the crossroads between a development agency and a development finance institution

Financial Inclusion



Local Development Finance



Investment Platform



UNCDF in Pacific



Pacific Financial
Inclusion Programme



Better policies, regulations and coordinated actions	
<i>PICs with Financial Inclusion strategies</i>	5
<i>Digital G2P/P2G projects</i>	1
<i>Policy related TA/research delivered</i>	11
<i>Knowledge products, policy and regulation</i>	21
Deepening financial access	
<i>Mobile money (5), Branchless banking (6), Insurance (5), Microfinance (3), Savings Clubs (1), Remittances (4), Pension (3)</i>	27
<i>Number of test projects</i>	14
<i>Projects with segmentation for women</i>	11
<i>Knowledge products, financial innovation</i>	5
Informed and competent consumers	
<i>Number of PICs with FinEd curriculum</i>	3
<i>Consumer protection mechanisms test</i>	1

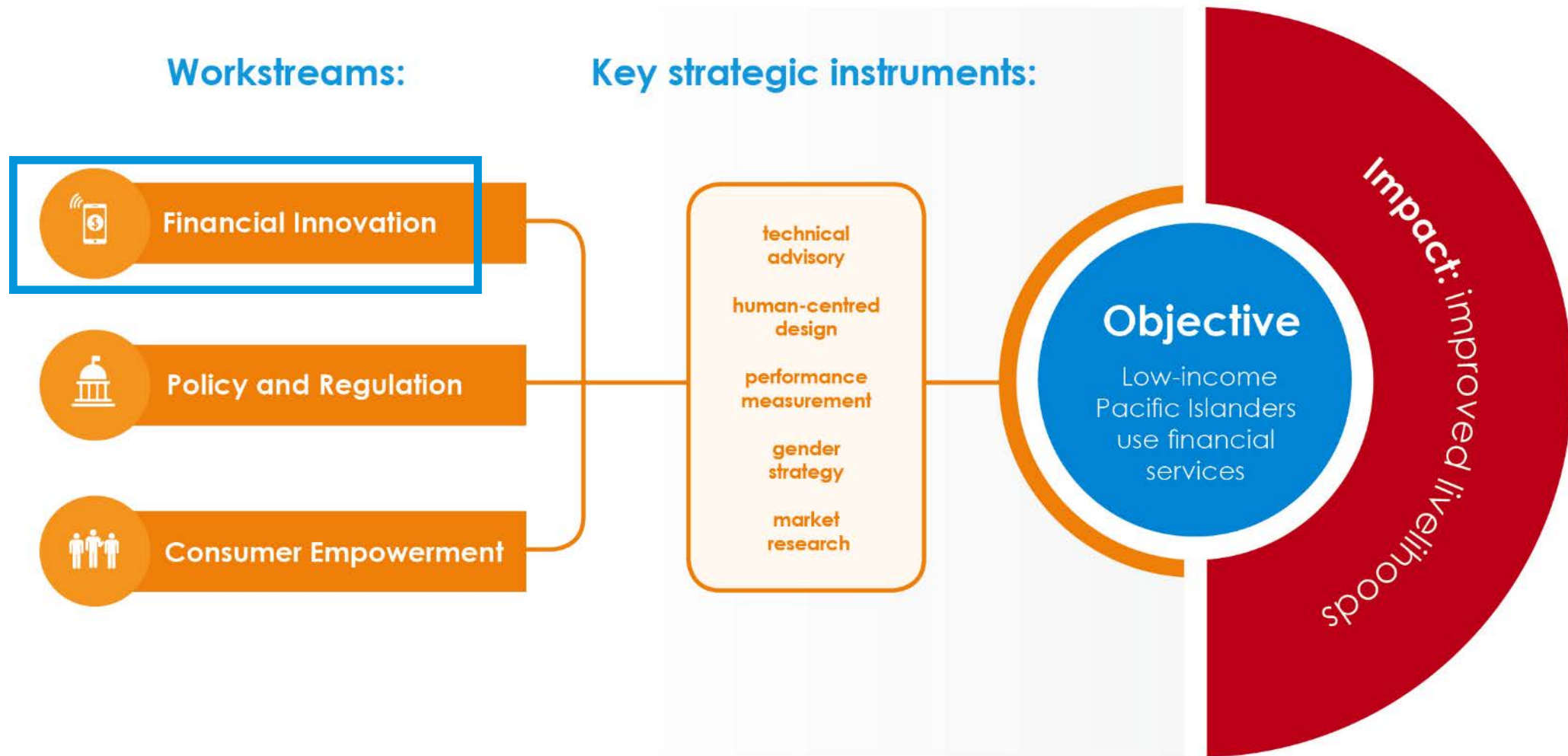
2million+ people financially included (of which over 40% from PNG)

Women financial inclusion - ~45%

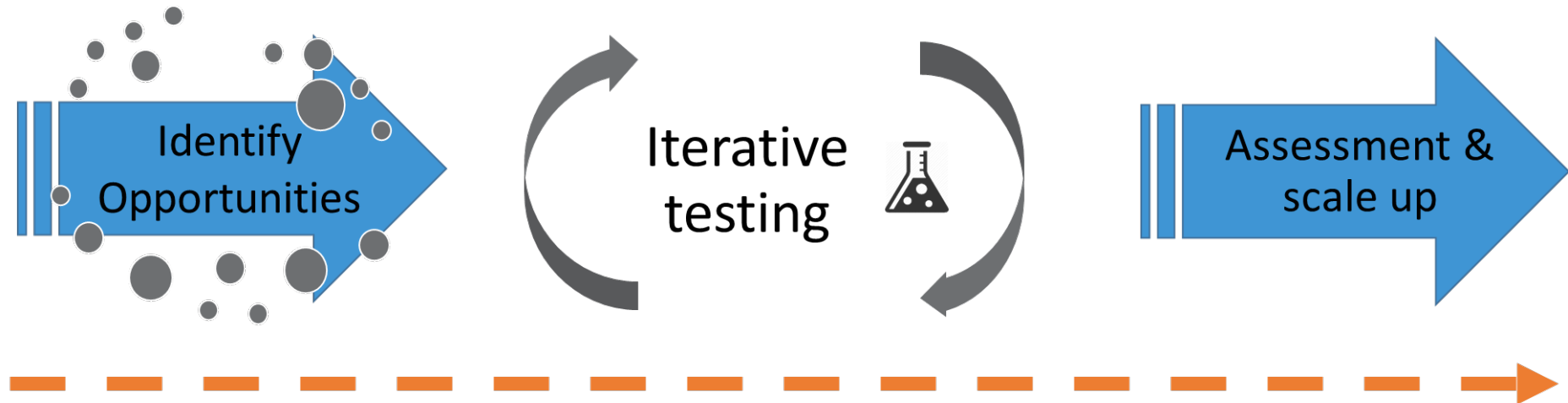
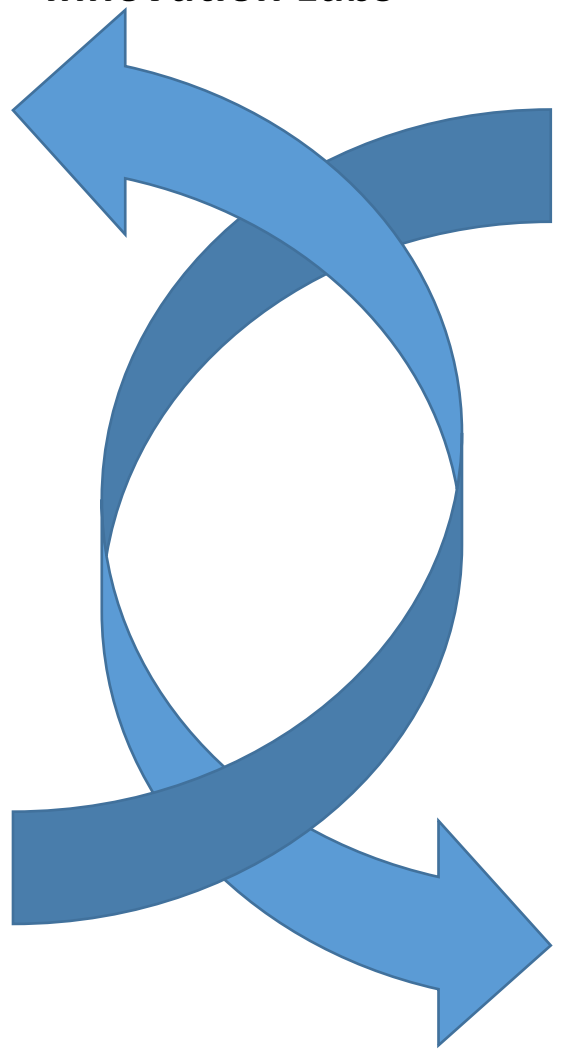
40+ financial innovation projects in the region

Covering all Financial Services: Savings/ Credit/ Remittance/ Insurance and Pensions

A joint UNCDF-UNDP programme designed to support financial inclusion in the Pacific



Innovation from within the institution
– **Innovation Labs**



Evidence-based assessment

Problem identification

Concept development

Rapid prototyping



Innovation from outside world to Pacific
– **Fintech Challenge**

PARTNERS



vodafone



National Bank

Vanuatu's Own Bank



DFS In Agri @ PFIP



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Papua New Guinea:
MiBank - AANIL

Fiji:
Bundled Micro-insurance

Solomon Islands:
**ANZ / Coconut Value
Chain**



PROJECT:

Expansion of ANZ's goMoney™ network into rural areas of the Solomon Islands, with a focus on agricultural value chains.

Key stats:

Country: Solomon Islands

Partner: ANZ

Date: Sept 2016 – June 2017

Grant: USD \$175,000

Target: 24,000 new or newly activated customers

Current reach: 15,014 (as of 31st June 2017)



Milestones:

- First digital transactions for coconut value chain in Malaita – September 2017
- Additional features and solution such as school fee included (1500+ parents benefitting as of now)



PROJECT:

The bundled insurance has a combined cover limit of FJ \$10,000 per insured person for a cost, or premium of FJD \$52 per year (\$1 a week).
COVERS: Life and Funeral, Accident and Fire.

Key stats:

Country: Fiji

Partner: FijiCare

Date: July 2017 – June 2020

Grant: USD 77,890; another top-ups

Target: 24,000

Current reach: 135,000 (as of June 2020)

Milestones:

- Regional Expansion – VanCare and also going to Kribati (~PNG)
- Government making it mandatory for low-income Fijians
- Paid Fijian Dollars 10mn plus in claims to over 5000 beneficiaries
- Prime Minister on 21 June 2020. The current number of downloads stands at almost 50,000



PROJECT:

Agri focused Agent Network – Innovation Lab in PNG highlands for the development and testing of different agent network models to find right mix of ingredients for a financially viable and commercially scalable agent network .

Key stats:

Country: Papua New Guinea

Partner: Mibank (Nationwide MicroBank)

Date: April 2019 – June 2020

Grant: USD \$313,115 (Plus additional TA)

Target: 5,000 new customers (80% farmers); 20 new agents

Reach: 4,500+ New a/cs (>70% women)/ 18 new agents
(as of 29 June 2020)

Highlights:

- Three ANM models tested
- QR codes applied and merchant development work done
- Expansion planned in other parts of the country

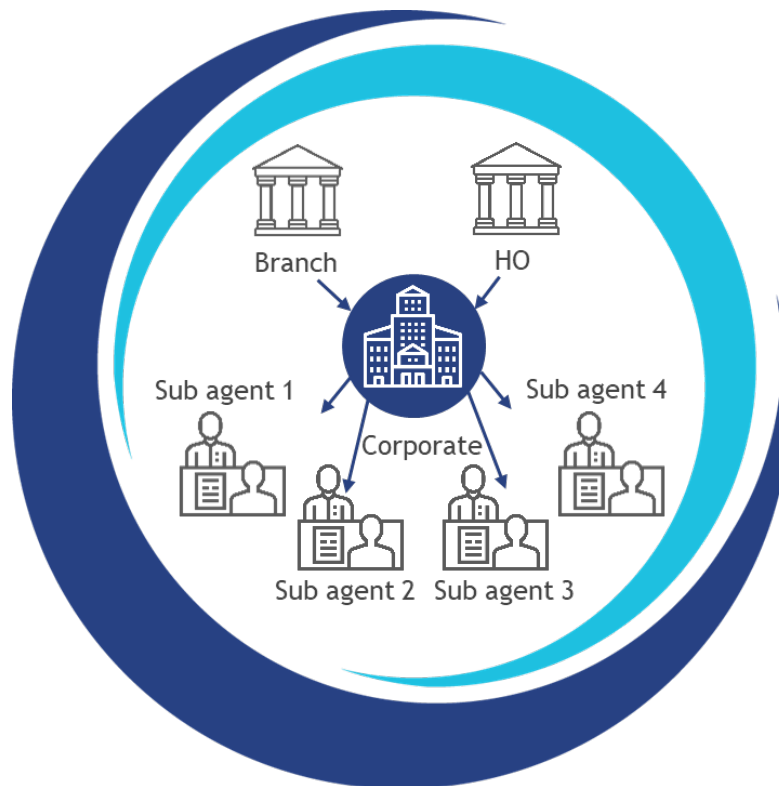


Bank managed Agent Model (BAM)



Agents under model 1 to be located within 5-8 km of branch location.

Corporate agent to be monitored by HO and the sub agents to be monitored by Corporate. There is no criteria on the distance



Corporate managed Agent Model (CAM)

Distributor managed Agent Model (DAM)



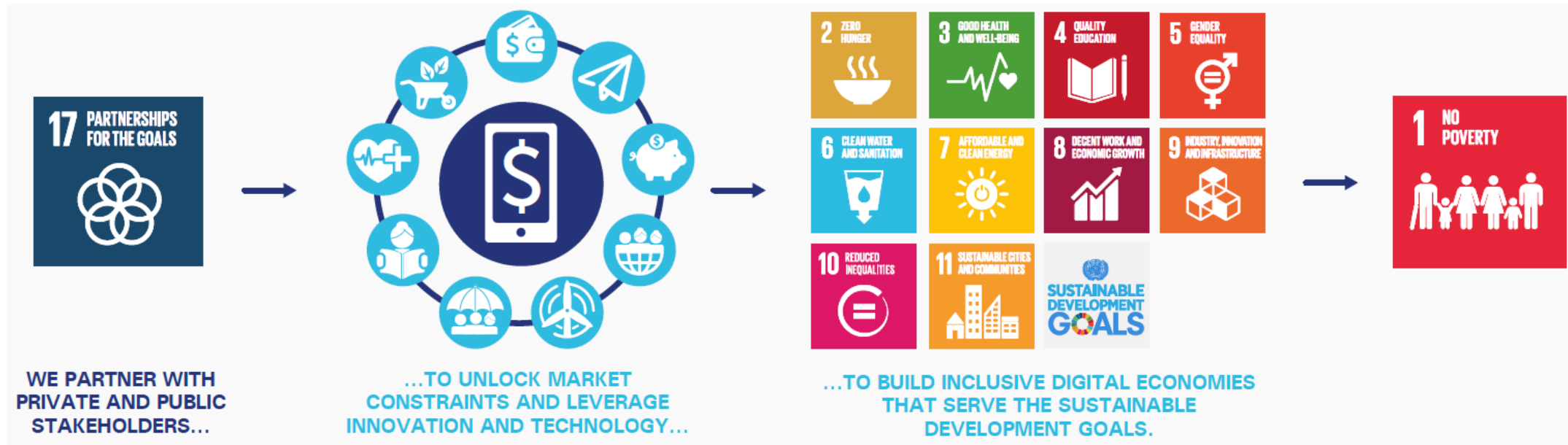
Distributor agent to be monitored by branch and the reseller to be monitored by distributor and branch. There is no criteria on the distance



NEXT: PROMOTING DIGITAL ECONOMIES IN THE PACIFIC

Our Vision is to promote **inclusive digital economies**

Our Goal is to enable Pacific Islanders to use innovative digital services in their daily lives that empower them and contribute to achieving the Sustainable Development Goals.



HOW DO WE ACCELERATE A NASCENT MARKET?

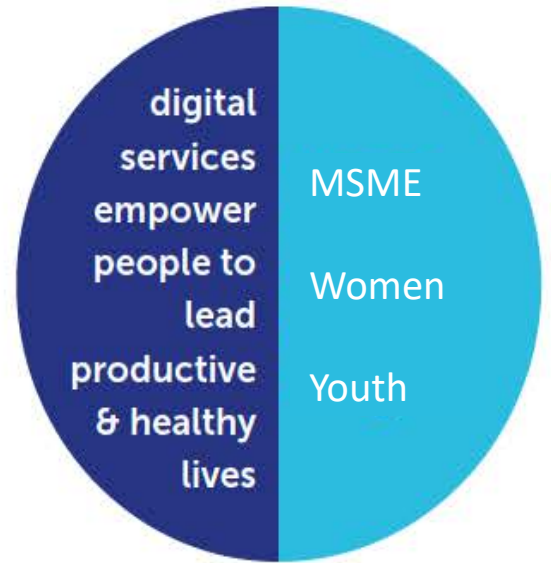
WORKSTREAMS

-  EMPOWERED CUSTOMERS
-  INCLUSIVE INNOVATION
-  OPEN DIGITAL PAYMENT ECOSYSTEM
-  ENABLING POLICY AND REGULATION

KEY STRATEGIC INSTRUMENTS

- Customer centricity
- Data & research
- Stakeholder engagement
- Expert technical advice & training
- De-risking financial instruments

IMPACT



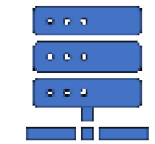
Digital payments
(wallets, mobile-banking)



Digital services
(e-commerce, platforms)



Digital skills
(ICT & STEM focused)



Digital Infrastructure
(e-governance, connectivity)

Sectors & Segments / Guiding Principles



Financial Health

DFS + +



Improved value Offering

Drive usage



Tech & Data Driven

Informed Choices



Leverage Partnerships

Eco-system/ Market Development Approach



Agriculture and trade



Micro, small and medium enterprises (MSMEs)



Digital finance and remittances



E-commerce



Entrepreneurship and innovations



E-governance

THANK YOU

We count on your support and partnership to
“Leave no-one Behind in the Digital Era”



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