

Elizabeth Genia: Speech - official opening of Mama Bank

Speech by Ms Elizabeth Genia, Governor of the Bank of Papua New Guinea, at the Official Opening of Mama Bank, Kerema Branch, 7 May 2024.

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Prime Minister Hon James Marape
Vice Minister Mining and Member for Kerema Hon Thomas Opa
Members of the Provincial Assembly and Ward Members
Officials and People of Kerema and Gulf

Good afternoon – *Meapot lareva, or Meuri lareva*

I was *not only* delighted to receive Vice Minister Opa's invitation to take part in the official opening of the Women's Micro Bank branch, here in Kerema Town, *but was also excited to come to Kerema Town & Gulf Province for the first time.*

My mother was part Orokolo and part Abau and today I stand before you also as a proud Orokolo and a Gulf woman. My grandfather's name was Maimai Mahero from Pokavavu or Hopaiku village in Orokolo.

The fact of the matter is that I grew up in my grandfather's rubber block in Cape Rodney. Today, I am grateful to Governor for Gulf Hon. Chris Haiveta and my cousin brother Tony Ila a former member of parliament and a Pangu Party stalwart who have made sure we maintained our Orokolo and Gulf links and heritage.

As Governor of the Bank of Papua New Guinea, I **see reports** about developments and achievements in the financial sector. But being able to **see and experience personally** just how those developments and achievements are making a real difference to our nation makes those reports come alive. So thank you for giving me that opportunity.

Today's official opening of its fifth branch celebrates another achievement in a long line of achievements we have seen from Women's Micro Bank.

I am sure your highly esteemed founder, the late Janet Sape, would have been extremely proud of the organisation affectionately-known as Mama Bank – now one of the top 50 companies for women in APEC countries, and well-regarded as a financial services innovator.

Ten years ago, almost to the day, Women's Micro Bank received its micro banking business licence from BPNG, the fourth micro bank to be licensed, and the first women-focused micro bank in PNG and the Pacific region.

Since then, Mama Bank has become a key driver of financial inclusion. Financial inclusion was originally a BPNG-led initiative, and is now a national strategic priority.

Women's Micro Bank's services successfully address several financial inclusion objectives:

- providing deposit-taking and lending opportunities to people who would otherwise be unbanked
- promoting financial literacy and business development skills by supporting training
- encouraging people in the informal sector, such as market vendors, to graduate into the formal economy, through access to banking services, financial assistance and capacity building
- supporting the MSME and SME sectors
- helping grow the agriculture sector value chain, particularly for coffee, vanilla, cocoa and copra businesses.

From BPNG's point of view, each of these activities makes a significant contribution to achieving the broader objective of building sustainable economic growth.

I also acknowledge Women's Micro Bank's willingness to collaborate with other organisations, including Government agencies, and national and international development partners, to achieve meaningful and valuable results.

These practices reflect a clear recognition by the leadership of Mama Bank that operating a successful enterprise in our modern world requires partnering, cooperation and effective communication. As the regulator of the PNG financial system, the Bank of Papua New Guinea welcomes this attitude in participants in the financial services sector.

I mentioned Mama Bank's reputation as an innovator. This is of particular interest to me. As some of you may know, in my previous role as Assistant Governor, one of my key responsibilities was to create a favourable environment in which financial technology, fintech, could be developed to help bring basic financial services to all PNG citizens.

One of the successful initiatives BPNG has implemented is the Regulatory Sandbox. This is a system where products are put through rigorous testing to make sure they will work in the real world and will comply with the applicable rules and regulations, without the cost and risks associated with launching a new product to the marketplace.

The sandbox's first graduate, a digital ID product that provides certainty of identification without the need for mains power or internet access, has now been adopted by Mama Bank and implemented as an ID card, in partnership with the fintech developer Digizen.

The Digital ID innovation is not the first time Mama Bank has led the way with fintech to reach customers.

I note that Women's Micro Bank introduced biometrics back in 2018 to enable its customer enrolment process, the first of its kind in PNG.

With this strong tradition of bringing simple and effective financial services to the unbanked, it is obvious that Women's Micro Bank recognises the challenges that financial institutions in our country face, when it comes to providing relevant products and services to citizens, particularly those in rural or remote regions. And has made the commitment to introduce fintech innovations to address those challenges.

Opening the Kerema branch is another way Women's Micro Bank has made a commitment to encouraging people to access financial services. I understand that the Kerema branch will enable the people of the district, particularly the women, to take advantage of services such as the SME credit guarantee scheme, financial literacy training, as well as basic services, including deposit-taking and loans.

The branch will provide a practical and desirable alternative to the risks of holding cash, informal money lending and money scams, all of which stop people from building a comfortable standard of living.

Today's official opening gives members of the community the opportunity to take significant steps forward towards building their financial security and financial independence.

Thank you again for inviting me to be part of this important milestone, which also marks Women's Micro Bank's 10 years of official operation as a licensed micro bank.

On behalf of the Board of PNG Board, management and staff of the Bank of Papua New Guinea, my congratulations to Women's Micro Bank/Mama Bank on the official opening of your fifth branch, here in this very special location of Kerema Town.