



## The Pacific Financial Inclusion Programme Legacies

# Delivering financial literacy through educational institutions

The UN Capital Development Fund's (UNCDF) flagship Pacific Financial Inclusion Programme designed and supported projects to increase access to and usage of financial services for Pacific Islanders. All interventions were designed in such a way that all stakeholders involved were part of the solution.

UNCDF incentivised the development of

- enabling policies and regulations,
- invested in financial literacy and
- boosted the design of innovative financial products that meet the needs of Pacific users.

UNCDF and its partners took bold risks to test solutions successfully deployed elsewhere in the world in the comparatively smaller and dispersed Pacific markets. Risks that paid off, and, incrementally, more and more people can use products that allow them to settle their bills, transfers money, insure themselves and save for retirement.

Without properly understanding the added benefit of financial tools and services and how to adequately use them, simply providing people with financial services, leads to minimal uptake and usage. Therefore, alongside marketing campaigns, the Pacific Financial Inclusion Programme also invested in financial literacy through educational institutions.

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In 2010, the Pacific Financial Inclusion Programme, together with the Australian Pacific Training Coalition (APTC), successfully developed materials, trained teachers and launched a pilot project in technical vocational education and training (TVET) centers in Fiji. The project adopted a design-test-refine approach with ongoing support from the Programme until its successful completion in 2017, when it was handed over to the Ministry of Education. Fortuitously, the handover coincided with a major curriculum review, allowing the ministry to cost-effectively integrate all materials into the national curriculum. This was to become the benchmark of success for financial education in the Pacific.

## Profile projects: Financial education at technical and vocational education and training centers

Building on the success of the national financial education (FinEd) curriculum in Fiji, scoping missions were subsequently carried out in Samoa, Papua New Guinea and Solomon Islands. Despite high interest levels, the cost of integrating FinEd into the existing national curriculum proved a significant obstacle. Papua New Guinea (2016) and Solomon Islands (2017) both decided to pilot FinEd courses, but in TVET mode rather than in primary and secondary schools. TVET courses are independently managed and have flexible, teacher-led curriculums which make it easier to pilot courses.

The Solomon Islands pilot project was launched in partnership with the Anglican Church of Melanesia (ACOM) which manages a number of TVET courses in different provinces. Three TVETs in different provinces were selected to teach the new course. Materials developed drew heavily on the local context, while also trialing student-centered teaching methods that would encourage student participation.

The successful completion of the pilot phase led to a scale-up project, extending FinEd to the remaining three ACOM TVETs.

The pilot project in Papua New Guinea was jointly managed by the Programme and the Kamaliki Technical Vocational Training Institute which is managed by the Eastern Highlands Provincial Government. It is the largest technical vocational training institution in the Highlands Provinces, with over 1,000 students enrolling annually. As in Solomon Islands, the course materials were developed to reflect local realities and encourage student participation. The pilot was successfully concluded in 2018 and handed over to Kamaliki's management and [was to be further scaled](#).

## Building on the lessons learned

As expected, these pilots also tested the determination and commitment of project partners. Teachers were mostly unfamiliar with the concepts being taught in the course and required extensive training on an ongoing basis. By locally developing relevant materials and encouraging dynamic, student-centred teaching methods, the project implementers were able to encourage a high degree of student participation.

And while TVETs provided an ideal testing ground for FinEd courses, they may be less viable in the long run. Financial and logistical constraints mean that teachers rarely have access to printed resources and that they will be unable to access the materials and training required for the course without external support. To ensure the long-term success of FinEd in the Pacific, further engagements with ministries of education, who have the financial and logistical structures required to sustain these types pilots, are necessary.

- The financial literacy materials developed by the Pacific Financial Inclusion Programme were shared with [Catalpa International](#) for the development of their financial education application which digitizes these learning materials.

- The changes underway in the financial landscape also create new challenges and risks for consumers and their understanding of this landscape, products and services. With the development of **digital** financial services, consumers also need to be digitally literate in a financial context. Limited digital skills can result in a range of negative outcomes, including but not limited to a lack of trust, increased self-exclusion of certain groups, and increased vulnerability to a range of digital crimes, including data theft, scams and fraud.

In light of this, UNCDF is collecting quantitative evidence of the skills and experiences of Pacific Islanders through a baseline survey. Findings from the baseline survey will allow the Pacific Digital Economy Programme to examine the level of these two literacies (financial and digital), and identify areas of focus for related development partners to contribute to strengthened financial and digital behaviour in the region. [The Pacific Digital Economy Programme](#) aims to spur the development of inclusive digital economies in the region.

- Investments into digital and financial literacy also need to be integrated into the testing and scaling of new products and services by the private sector. Adjusting products in order to ensure that potential customers know how to use products, can also boost uptake as is showcased in several projects such as the [Mobile Village Agents in Fiji](#), as well as in [Kiribati by ANZ](#).
- By targeting specific groups and segments, tailored financial literacy trainings are given to for example seasonal workers of market vendors.

## Further reading

The Challenge of Teaching Pacific Islanders to Save

<https://www.uncdf.org/article/6215/the-challenge-of-teaching-pacific-islanders-to-save>

Schooling the Next Generation: Lessons Learned in Financial Education in Solomon Islands

<http://www.pfip.org/wp-content/uploads/2020/05/PFIP-Lessons-Learnt-in-FinEd-in-Solomon-Islands-WEB.pdf>

