

Agreement with bank to help local business

PEOPLE in Gumine, Chimbu, will now have access to financial assistance to carry out business activities thanks to a scheme initiated by their district leaders to partner with Nationwide Microbank Ltd to roll-out a scheme.

Local MP Nick Kuman signed a memorandum of understanding with the financial institution yesterday to have the "ward empowerment strategy" rolled out with initial K1.6 million released to open accounts for 45 wards' in the district.

Nationwide Microbank managing director Tony Westaway said under the model, funds would be made available for the wards under District Services Improvement Programme.

"The funds for economic activities will ideally cover areas such as trade stores or small scale vegetable or livestock farming," Westaway said.

"These activities I understand have been pre-identified through the usual was profile exercise undertaken by the Gumine district management team."

He said the bank had opened accounts for the 45 wards with signatories comprised of elected

ward councillors and appointed ward committees comprised of community representatives from business, church and women representatives.

"Funding made available will be allocated and deposited into individual ward accounts and drawn as and when the projects have been formally signed off by the Gumine administrator and are deemed ready for funding," Westaway said.

He added that the bank would assist the district management team in monitoring progress of various ward projects and would provide reports on conduct of the bank accounts.

"Gumine joint district planning & budget priorities committee decided that in order to promote and grow the economic policy in the country we thought that the best way for our people in Gumine is to grow economy at the micro level so they participate meaningfully," Kuman said.

"In doing so, we will allow the people with whatever they can grow and look for a market outside of Gumine.

"We are grateful with the bank as a partner in this particular programme."



Kuman (left) and Nationwide Microbank Ltd MD Tony Westaway at Parliament yesterday signing the agreement.

Financial literacy training to be carried out

FINANCIAL literacy will be main requirement for people in Gumine district, Chimbu, to access financial assistance from the district to engage in their respective businesses, local MP Nick Kuman says.

Kuman said that during signing of memorandum of understanding between the district and Nationwide Microbank in Port Moresby yesterday to roll out "ward empowerment strategy".

He said the people had to have knowledge on how to run their respective businesses so they don't fail along the way.

"The prerequisites of people participating in this scheme are that firstly they have to go through a formal training programme so they can participate. That is a formal training programme that will be conducted by our small business development people," Kuman said.

He asked the bank to help in training the locals from his district on financial literacy.

"If your training people can also conduct training for the people to look at the economic side of it ... book keeping and so on," he said.

"I don't want them to go broke. We want to make sure that every farmer must have an account with the bank ... every single one of them so we know exactly where the money is going to come and go."

Nationwide Microbank managing director Tony Westaway said the bank would provide financial literacy and education training to all the ward committee members.

"The training that we provide covers broad things like mobile banking, it covers writing business plans, it covers goal based savings so it's quite a large spectrum," he said.

Call for more support for rural SMEs

EMPOWERMENT of small and medium enterprises (SMEs) should start at the district level, a business development officer (BDO) says.

Gumine district BDO Dixon Daii said the people should be provided with financial capacity, which he said would enable people to venture more into business related activities.

"You talk about SME, how will the people participate in SME when they don't have the financial capacity?" he said.

"Policies are made at the national

level and it goes down to the district level."

Daii said that during signing of memorandum of understanding between the district and Nationwide Microbank to have a scheme rolled out which would help people in the district to have access to financial assistance when wanting to engage in business related activities.

"So now we are trying to make the financial capacity and money closer and accessible by the people," he said.

"They (people) will come up

with the projects and the district management team will approve for them to start implementing as per their need base.

"Most of the business activities that the people in the districts are engaged in are mostly agricultural activities.

"Seventy-five per cent of it is the agriculture base ... growing little crops to sustain themselves and sell the extras because they cannot do it at the big level.

"But with capital injection I guess they will expand to accommodate the market demand and

stuff like that, plus little mini projects like poultry, piggery - as there is an everlasting demand for pigs up there in the Highlands."

District administrator Christopher Kiayal said: "This scheme (ward empowerment strategy) will really benefit the people who are the bulk of the population that we are trying to capture in the district.

"At least we try to keep everybody busy ... they will have the opportunity now to decide on what business activity they would want to engage in."