



# Charting the Uncertain Economic and Trade Waters of Aotearoa

*a perspective from across te Moana Nui o Kiva*



The People's Bank

# The Peoples Bank

*To Tatou Orama: Te tango turu moni tiaki ei monomono tuatau, no te iti tangata Kuki Airani*

*Vision: Nurturing financial well-being of our Cook Islands people, contributing to a legacy of prosperity and sustainability in harmony with our culture and environment*



- The peoples bank
- Every citizen, every island
- SOE. Retail Banking & Development & Community  
No central bank
- Keeping it honest – ensuring continuity
  - Our role as a competitor but also resilience towards a retreat from the Pacific of other banks.





# Cook Islands Economy

Self governing, in free association with NZ

15 Islands. Land 240sq.km. = SIDS EEZ 1.8Million sq.km = BOSS

Population ~15K.

| Diaspora NZ ~58K (2006)

## GDP Per Capita

NZ USD50K/NZD75K | Cook Island ~USD25K/NZD35K

NZ is 28<sup>th</sup> in the world | Cook Islands around 60<sup>th</sup> (similar to the Maldives and Costa Rica).

## **Trade | Tourism**

170, 000 visitors pa.

GDP \$600 Million pa.

60-65% of GDP is derived directly from tourism

Two thirds of tourists come from New Zealand



# Charting the Uncertain Economic and Trade Waters of CI's & Pacific

## Payments Context

Expectation from visitors to pay by card, phone, app

Two thirds of Card interchange paid to NZ banks

Merchant Surcharges (\$12M pa) paid by local business

National  
ICT Policy

Ecommerce  
work-plan

Retail Payments  
Act

Domestic  
Interchange

Correspondent  
Banking



# Climate Change



BCI ACCREDITED to GCF at B.40

National Direct Access Entity

Project Management and On-lending and or blending (for loans)

Size: Micro, ESS risk: Medium Category B / Intermediation 2

First in Polynesia (National DAE for on-lending)

Threat to the Pacific region is rising in the severity and regularity of natural disasters  
The annual reconstruction cost of these events is rising  
The demand for funding far exceeds the availability of funding.



# Greening the Pacific Financial System



Something that we share commonly as Pacific people is the importance of connection.



To define a long term strategy for the provision of banking services for the economy that would on a sustained basis:

- lower the cost of banking for locally based businesses & residents
- improve the accessibility to banking
- provide the banking services necessary to support the major growth sectors of the Cook Islands' / Pacific economy

# TUAKANA - TEINA

Taokotaianga

**Partnerships ----- Collaboration**

Meitaki Ma'ata

