

South Pacific Central Banks Governors' Forum

“COVID19 and the PICS: Opportunities and Challenges for Central Banking”

11 November 2020, 9am to 1pm (AEST)

MoU remarks by Mr. Loi M. Bakani, CMG, Governor, Bank of Papua New Guinea

Salutation

Fellow Governors of the South Pacific Centre for Central Banking Grouping, Deputy Governors and Senior Management of the Central Banks of Fiji, PNG, Solomon Islands, Vanuatu and Timor Leste.

Colleagues from the Reserve Bank of Australia, Reserve Bank of New Zealand, and our partners from the World Bank Group, Asian Development Bank, International Monetary Fund (IMF), Australia-Pacific Business Council, and lastly but not the least, our esteemed hosts from Griffith University.

Professor Carolyn Evans, Vice Chancellor and President of Griffith University, thank you for your warm opening remarks and for hosting this event.

Welcome

Fellow Governors, we are remotely but virtually connected this morning to conclude this small but significant ceremony to formalise the regional Memorandum of Understanding (MoU) on the collaborative research program between our respective central banks and Griffith University. And who would have known since our last meeting in Port Vila, Vanuatu just over a year ago that we will be meeting like this in 2020 – virtually, having to do almost everything online (electronically), undertaking our jobs and living our lives in a ‘new normal’ environment as a result of the COVID-19 pandemic. We, in the Pacific region, have experienced shocks of various kinds with devastating impact on our economies and lives.

Most if not all, are not of our own doing. And the COVID-19 pandemic is like a sledge hammer dropped on our sinking islands already suffering from the impact of the climate change, which we now have to deal and live with.

Given these challenges, there is a real need for greater co-operation and collaboration amongst the Central Banks in the region to share and learn from each other's experiences, research and find solutions to ensure resilience of our small open economies.

Fellow Governors and colleagues, we have come a long way together since the signing of bilateral MOUs, which started back in 2016. Our efforts have evolved since then as we learnt and addressed issues through appropriate policy responses. This now demands a regional approach and collaboration which brings us to today's event.

A Regional MoU

It has been the desire of the Central Banks in the South Pacific region to build capacity and enhance our policy formulation supported by evidenced-based, scientific empirical research. This aspiration is now being realised by way of joint research work and training between our Central Banks and Griffith University.

Our bi-lateral MoUs have enabled our staff and Griffith University to produce joint working papers over the past few years. These research papers are, for the first time, being published in international, refereed journals and presented at regional research conferences.

At last year's regional conference in Port Vila, we agreed to expand our capacity building program further. An MoU for a regional PhD program to be co-funded with Griffith University was signed. This will involve our staff to do independent research. The regional MoU will replace and improve on the current bi-lateral capacity building MoUs. And here we are today, signing it into effect.

Joint research with Griffith is not only important in developing our staff capacities and skill sets, but also facilitating "regional" collaboration. Like all collaboration, it is a two-way street where our staff can learn from those at Griffith University, who can also learn from us, as we

do from other member central banks. Skills transfer and knowledge development can only come about when we work together as equal partners towards achieving our common goals. Only then can our regional MoU deliver on the aspirations and convictions we share.

On behalf of my fellow Governors, I would like to thank Griffith University and the South Pacific Centre for Central Banking for their ongoing commitment and assistance towards this endeavour.

Thank you.