



BANK OF PAPUA NEW GUINEA

BPNG Regulatory Sandbox Application Form & Instructions

Version 5.1

June 2019

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Section 1: Instructions

1. Applicants should read the following instructions before filling out the application form using the template in section 2.
2. Applicants should submit their application in one of the following ways:
 - By email: to XX with 'Sandbox application and [name of Applicant]' in the subject line
 - By post to: XX
3. Applicants are advised to retain a copy of their submission for their records.
4. The completeness and clarity of the information provided in the application will determine the time taken for BPNG to review your sandbox application.
5. Forms should be completed using computerised text to ensure legibility.
6. Applicants are also expected to read and familiarise themselves with relevant BPNG regulations before submitting their application, including:
 - Banks and Financial Institutions Act 2000 and Prudential Standard BPS253: Customer Due Diligence Standards (Issued under Section 27 of The Banks and Financial Institutions Act 2000)
 - Anti-Money Laundering and Counter Terrorist Financing Act 2015
 - National Payments System Act 2013 (No. 10 of 2013, certified on 19 September 2013)
 - Criminal Code (Money Laundering and Terrorist Financing) (Amendment) Act 2015 – certified in 2016
 - All regulations are available online at <http://www.parliament.gov.pg/bills-and-legislation> and can be downloaded by searching in the respective year.

Supporting Documents Checklist:

- Completed section 2 of this document
- Additional information where Applicants feel it may be relevant or helpful for BPNG to review
- Passport/ID copy of each key individual
- Your business model – as part of your response to '**Local Deployment Capability & Intent**'

Section 2: Application form template

ApplicantParticulars	
Applicant Organisation Name:	
Address:	
Telephone:	
Country of Incorporation:	
Authorised Contact Name:	
Designation:	
Email:	
Telephone:	
Signature:	
Date:	

Proposed Solution / Concept to be Tested	
<p>Name and brief description of the proposed solution / concept to be tested in the Sandbox.</p>	
<p>Describe how the solution / concept will play a role in accelerating financial inclusion, or at the minimum bring a potential social and/or economic benefit for PNG that could pave the way for inclusion</p>	
Describe how the Proposed Solution / Concept Addresses BPNG's Sandbox Principles	
<p>Adequate Research:</p> <p>What research have you undertaken / resources invested in the development of your solution / concept to date?</p> <p>Specifically, what research have you undertaken to verify that your solution /concept has potential for commercialisation?</p>	

<p>Customer Benefit:</p> <p>What are the key customer benefits that the solution/ concept delivers, directly and/or indirectly?</p> <p>Describe clearly and provide quantifiable estimates (e.g., “will save xx% in transaction costs”).</p> <p>All solutions entering the sandbox are expected to have performance metrics.</p>	
<p>Local Deployment Capability & Intent:</p> <p>You are expected to deploy the tested solution/ concept in the local market within 6-9 months of successfully graduating the sandbox.</p> <p>Please confirm and provide details.</p> <p>Applicants are expected to submit a brief description of their business model (by separate attachment) including the technical architecture and specific technology, including any innovative ways in which the technology will be applied.</p> <p>You may also give details of any considerations for an iterative approach to deployment appropriate for the PNG context, if applicable; or, please describe the steps you have taken to assess the suitability of solution / concept for the PNG context.</p>	

<p>Exit Strategy:</p> <p>Do you have a clear and detailed exit strategy (including plans for scale-up and deployment)?</p> <p>You may combine your response under “testing plans” (below) if more appropriate</p> <p>Applicants should not intend to stay in the Sandbox for longer than 6-9 months.</p> <p>Extensions can be granted but will be done so on the basis of identified and demonstrated progress, and with clear extenuating circumstances requiring extension.</p>	
<p>Innovation:</p> <p>In what way is the solution / concept truly innovative or significantly different from existing offerings, as evidenced by market research showing that there are few or no comparable offerings in the local market?</p> <p>Applicants may consider including a comparison of the key features of the Applicant’s technology or operating methodology against competitors, if appropriate / relevant.</p> <p>Again, measurable performance indicators for clear assessment are encouraged.</p>	

<p>Regulations & Legislation:</p> <p>What are the regulations and legislation relating to your solution / concept as of today?</p> <p>Do you require BPNG to relax any specific legal and regulatory requirements, as currently prescribed, for duration of the Sandbox?</p> <p>If so, please state which ones and give a brief explanation why you require the relaxation or exemption.</p> <p>Please also state whether there are any licencing agreement(s) already in place to facilitate the deployment of the innovation into the market.</p>	
<p>Reporting Requirements:</p> <p>Describe your proposed reporting regime during the testing phase.</p> <p>A clear reporting schedule and timeline is required over the course of the Sandbox participation.</p> <p>Clearly indicate the key performance indicator metrics that you will report on.</p> <p>These may be altered before approval by BPNG.</p> <p>You may combine your response under “testing plans” (below) if more appropriate.</p>	

<p>Risk Management:</p> <p>Please state any key risks that you are aware of at this stage and your mitigation plans for each identified risk, including what processes and controls you will put in place to ensure testing parameters are not breached (e.g. number of customers, transaction limits)?</p>	
<p>Sandbox Need:</p> <p>State why your proposed solution / concept has a genuine need for testing in a Sandbox process.</p> <p>State why your solution is not compliant with existing regulations (if the potential solution /concept) already complies with existing regulations, it does not need to enter the Sandbox.</p>	
<p>Testing Plans:</p> <p>These should include the proposed timeline and key milestones, measures for testing success, testing parameters (such as, customer/thresholds, where applicable) and customer segments and should include reporting and monitoring arrangements, along with performance metrics.</p> <p>Applicants may submit as a separate attachment.</p>	
<p>Testing Readiness:</p> <p>When will you be ready to begin testing?</p>	

Applicant credentials

Your organisation and its core businesses.	
Financial standing of the Applicant, including any funding raised from investors.	
Relevant technical and business domain knowledge and experience of the Applicant.	

Section 3: Declaration

1. I declare that, to the best of my knowledge and belief, having made due enquiry, the information given in this form and documents attached, is complete and correct. I understand that my Applicant may be rejected if it is shown to be deceptive, misleading or dishonest.
2. I declare that to the best of my knowledge and belief, having made due enquiry, the individuals are fit and proper to perform the functions to which this application relates.
3. I confirm that I have the authority to make this notification, to declare as specified above and sign this form for, or on behalf of, the Applicant.

Signature of the authorised representative of Applicant

Date _____

Printed/typed name of the above signed individual above:

[Insert text here]

Position or title:

[Insert text here]