



## Financial Inclusion MENA Newsletter

News on financial inclusion in the MENA region

GIZ programme "Promotion of the Microfinance Sector in the MENA Region (MFMR)"

Issue No. 3

Q1 2016

If this email is not shown correctly, click [here](#).



Dear Readers,

Financial inclusion is globally on the rise. The total number of the unbanked worldwide has been reduced from 2.5 to 2 billion between 2011 and 2014, according to World Bank's Findex surveys, mainly due to new technologies. In the Arab world, financial inclusion has also become a priority for many financial sector players.

Palestine, Jordan, Morocco and Sudan are embarking on a national financial inclusion strategy. They have brought forward policy changes or financial sector reforms, that are geared towards greater financial inclusion of individuals and enterprises. For example, a new law in Egypt allows financial institutions to accept moveable assets as collateral, while the Palestinian authorities have established an electronic registry for moveable assets. Both will most likely widen SME's access to finance substantially and serve as good practices for others.

Beyond that, new financial services are on the rise that will expand financial inclusion. In Jordan, two mobile money services have gone live. In Egypt, regulators, insurers, MFIs and development partners now jointly promote microinsurance. The Egyptian Financial Supervisory Authority (EFSA) invites insurance regulators for a training in April to strengthen policy frameworks for microinsurance. In May, key insurance sector players including EFSA, the Egyptian Insurance Federation, the Microfinance Union, GIZ, Munich Re, and the Microinsurance Network will convene to exchange and learn from good practices in developing insurance sectors.

2016 will be an important year for financial inclusion of women and women-led enterprises around the globe. Particularly in the Arab region, the relatively high gender gap is increasingly drawing attention. To this end, the Central Bank of Jordan (CBJ), alongside the Arab Monetary Fund (AMF) and GIZ as well as the Alliance for Financial Inclusion (AFI), CGAP and New Faces, New Voices will hold a high-level policy event in Jordan in November this year to deliberate on policy solutions that help to advance access to finance for women in the Arab world. Stay with us for more updates of this event.

Yours faithfully

Hayder Al-Bagdadi

### HIGHLIGHTS

**SUBSCRIBE** to this Newsletter at [www.giz.de/newsletter](http://www.giz.de/newsletter) (Project Newsletter)

### Upcoming conferences and trainings

28 March – 2 April 2016

**2016 Harvard Business School-Accion Program on Strategic Leadership in Inclusive Finance**

Harvard Business School, United States of America

[More...](#)

25 – 30 April 2016

**Widening Microfinance & Financial Inclusion for The Missing Middle: Small and Medium Sized Enterprises**

London, United Kingdom

[More...](#)

25 – 29 July 2016

**Financial Analysis for Microfinance Practitioners**

Amman, Jordan (Training in Arabic)

[More...](#)

18 July – 5 August 2016

**Boulder Microfinance Training (MFT) Programme**

Milano, Italy

[More...](#)

### Publications

Basel Committee on Banking Supervision

Consultative Document



Guidance on the application of the Core principles for effective banking supervision to the regulation and supervision of institutions relevant to

# Microfinance in the MENA Region (MFMR) Programme News

Financial Inclusion

## Partnering Institutions Gather to Celebrate a Year of Achievements



Following an eventful first year of actively promoting financial inclusion in Jordan as part of a partnership with the European Union, the MFMR programme invited all partners to zoom out from the usual working environment and look back to the past, successful 12 months and focus on the missions for 2016.

[Read more...](#)

## The Development and Employment Fund participates in the AGFUND 18th Microcredit Summit

The Development and Employment Fund, represented by its General Manager Mr. Abdullah Freij, took the opportunity of the 18th Microcredit Summit: “Frontiers Innovations in Financial Inclusion” as a chance to exchange with peers from the region and beyond, follow up on latest trends and create synergies and links between the different actors in the financial inclusion ecosystems.

[Read more...](#)

## King honors excellence of MoPIC, CBJ and DEF

On the occasion of the 2015 King Abdullah II Awards for Excellence in public and private sectors, several MFMR programme partners have been announced as winners by his Majesty King Abdullah.

[Read more...](#)

## Facilitating Implementation - Keystones of a National Strategy for Financial Literacy

How can the development of a strategy be designed in a way that empowers practical implementation? The principles are straightforward and most people know them. However, one may forget about them as one gets busy and caught up in other details around the strategy.

[Read about the principles...](#)

## Behind the Palestinian’s Success to Financial Inclusion

Former PMA Governor Dr. Jihad Al Wazir on the driving factors behind the success of Palestine's efforts to give more people access to banking.

[Read more...](#)

Basel Committee for Banking Supervision on the Regulation and Supervision of Institutions Relevant for Financial Inclusion Bank for International Settlements (BIS)

[Read more...](#)



Anatolian Banking  
Keys to Success in Serving Craftsmen, Micro, and Small Enterprises

Keys to Success in Serving Craftsmen, Micro, And Small Enterprises International Finance Corporation (IFC)

[Read more...](#)



The Legal and Regulatory Framework for Microfinance in Iraq

The World Bank

[Read more...](#)

## New 3-year Project on Remittances and Other Digital Financial Services Reaches out to Syrian Refugees and Unbanked Jordanians



Among other goals, the project focuses on customising digital financial services to the needs of Syrian Refugees and Unbanked Jordanians in cooperation with private operators. Furthermore it informs and trains the target groups on using digital financial services responsibly.

[Read more...](#)

## Stakeholders in Jordan develop KPIs for the Microfinance Sector Action Plan



How to indicate the progress in achieving the set goals? In preparation of the next Microfinance Steering Committee's meeting, a workshop on January 21st facilitated by the Ministry of Planning engaged in drafting a monitoring framework for the Microfinance Sector Action Plan. Decision-makers from all involved institutions came together to develop the Key Performance Indicators for 2016.

[Read more...](#)

## The Development and Employment Fund of Jordan (DEF): From Planning to Implementation

The DEF operates as a centrepiece between the macro and the micro level. Obtaining an important position in the national process of financial inclusion, the fund has now started its restructuring and launched three main missions as part of their efforts to implement the recently developed business plan.

[Read more...](#)

## Regional News

### Digital Financial Services

#### Mobile Wallets go Live in Jordan



The high degree of financial inclusion combined with a widespread mobile penetration in Jordan leaves a fertile ground for digital financial services in Jordan. Since the beginning of 2016, two services provided by commercial telecommunications companies are now interactively operating on the national switch "JoMoPay".

[Read more...](#)

[Zain Cash...](#)

[Umniah's Mahfazati...](#)

### Financial Inclusion

#### Towards a More Enabling Legal Framework for Microfinance in



## Digital Financial Solutions Advance Women's Economic Participation

Global Partnership for Financial Inclusion

[Read more...](#)



## The Landscape of Microinsurance Africa 2015 – Preliminary Briefing Note

Microinsurance Network, Munich Re Foundation

[Read more...](#)



## Mobile Money Services: Design and Development for Financial

## Iraq

The regional crises largely destroyed the hope of the Iraqi unbanked to benefit from positive impacts of financial inclusion. A new report advocates to create a stronger cooperation and knowledge exchange in the sector to bring microfinance in Iraq back on track.

[Read more...](#)

## 20 Years of Financial Inclusion in the Arab World



It is a common perception that the level of financial inclusion in the Arab world is not as developed as in other regions of the world. Yet, this has not always been the case.

[Read more...](#)

## Financial Literacy

### Addressing the Root Causes of Public Grievances in the MENA Region

Over 100 women and youth participated in a three-day workshop on financial literacy in Tunisia, Morocco and Egypt. Studies conducted before and after the training claim that first effects are already visible and try to put financial education in the centre of attention.

[Read more...](#)

## Gender Finance

### Financial Inclusion Empowering Women in Jordan – a Success Story

When Heba Ghaith, a sport loving woman from Jordan could not find an appropriate place to work out she had the idea of opening a gym only for women. But who would provide the funds for the idea?

[Read more...](#)

## What Excludes Women from Formal Finance in the Arab States?

Whereas financial inclusion enjoys growing attention in Arab countries, gender finance is often neglected. Why?

[Read more...](#)

## Islamic Finance

### Calling for Innovation in Islamic Finance



Pakistani Wasil foundation, winner of the 2013 Islamic Microfinance Challenge, is successfully providing smallholders with an innovative financing option, which is well adapted to farmers' needs compared to the existing services.

[Read more...](#)

## MSME Finance

### Turkish Şekerbank Targets the Lower end of the Spectrum in its MSME Banking

To reduce administrative costs and avoid risk, most banks focus on larger firms within the category of MSMEs. Şekerbank is among the leading commercial banks in the region, who have chosen to emphasize Microbusinesses and Craftsmen.

[Read more...](#)

## Development for Financial Inclusion

Harvard Business School

[Read more...](#)

## Video

**Video: Conference on Financial Inclusion and Employment in the Arab Region**

[more...](#)

## Previous Issues

**Browse previous issues of the Financial Inclusion**

(Financial Inclusion MENA Newsletter No. 2)

[More...](#)

## Initiative Launched to Assist Jordanian Entrepreneurs

The Jordan based MFI Tamweelcom and the Youth Business International have launched the Youth Business Jordan initiative to support young entrepreneurs. Project financing up to 20.000 Jordanian Dinar is given to young people with an innovative idea.

[Read more...](#)

---

## International News

### Digital Financial Services

#### The new Peruvian Mobile Wallet “Modelo Peru” Proves: Digital Finance can be Designed for Interoperability

In the Latin American country, national financial institutions, telecommunications networks, and the government are jointly working on a new era of electronic payment. And the good news are – it works.

[Read more...](#)

[top](#)

#### The Key Attributes of Digital Credit: Instant, Automated and Remote

Different services of microfinance have been around for 40 years. Albeit their close relationship, products of digital finance show some differences which can be cornerstones of their positive impact in the future.

[Read more...](#)

#### Seven Customer Risks That Need Attention Now

Digital Finance is growing globally and slowly becoming institutionalised in financial inclusion agendas. However, new opportunities often come with risks. In the case of Digital Finance, customer protection is put to the proof and request and is to be thoroughly monitored in the coming year. Inadequate privacy and protection of customers’ personal data is only one point on a list of possible hazards.

[Read more...](#)

### Financial Inclusion

#### Productivity and Financial Inclusion: A Response to the Economic Slowdown



Insufficient growth in productivity has been identified as a key factor in the relative backwardness of the economy of Latin America and the Caribbean compared with other regions of the world. Financial Inclusion, giving people the opportunity to run a formal business is one of the cornerstones and among the most promising solution to this problem.

[Read more...](#)

#### CGAP Survey Announces International Funding for Financial Inclusion in 2014 Remains Stable

Despite the vast global challenges, including climate change and mass migration, the international attention towards financial inclusion is unbroken. The \$31 Billion granted, with a public sector share of 71%, show that creating an expanded access to financial services is perceived as key for crucial topics

such as employment, stability and gender equality. The MENA region was the only one to see an increase in international funding in 2014.

[Read more...](#)

#### Gender Finance

### Women-Owned SMEs – the \$300 Billion Chance

IFC estimations say: Over 70% of the 10 million SMEs owned by women worldwide are unbanked, which results in a burden for the development for the businesses. On the other hand it can also be seen as a missed investment opportunity. Furthermore, the survey emphasises the good repayment rates of women, despite their more restrictive and more expensive credit conditions compared to men.

[Read more...](#)

### Zambia Establishes Taskforce on Women's Financial Inclusion

In Africa more than 70% of women are financially excluded and there is a persistent gap between men and women when it comes to financial access. Different Zambian organisations have teamed up to develop hands-on policy recommendations to tackle this gender inequality.

[Read more...](#)

### Five Ways Digital Payments can Bring Women into the Economy

Wiping out gender discrimination is not easy. The financial sector is no exception in this regard. With the emerging of digital services on the financial markets in recent years, new possibilities are now present to circumvent cash based services. This shift gives the chance to bridge the prevalent gender gap, which has been existing in the cash based sector.

[Read more...](#)

#### MSME Finance

### Insights into the Financial Lives of Smallholder Families



A new CGAP report released looks at the demand this of MSME Finance and documents the financial lives of smallholders in Tanzania, Mozambique and Pakistan. With around 500 million smallholder households worldwide, this sector accounts for an important share of the unbanked poor.

[Read more...](#)

## Registration information

Deutsche Gesellschaft für  
Internationale Zusammenarbeit (GIZ) GmbH

#### Registered offices

Bonn and Eschborn, Germany

Friedrich-Ebert-Allee 36 + 40

53113 Bonn, Germany

Phone: +49 228 44 60-0

Fax: +49 228 44 60-17 66

Dag-Hammarskjöld-Weg 1-5

65760 Eschborn, Germany

Phone: +49 61 96 79-0

Fax: +49 61 96 79-11 15

Email: [info@giz.de](mailto:info@giz.de)

Internet: [www.giz.de](http://www.giz.de)

**Registered at**

Local court (Amtsgericht) Bonn, Germany: HRB 18384

Local court (Amtsgericht) Frankfurt am Main, Germany: HRB 12394

VAT no. DE 113891176

Tax no. 040 250 56973

**Chairman of the Supervisory Board**

Dr Friedrich Kitschelt, State Secretary

**Management Board**

Tanja Gönner (Chair)

Dr Christoph Beier (Vice-Chair)

Dr Hans-Joachim Preuß

Cornelia Richter

If you no longer wish to receive this newsletter, please click [here](#).

**In charge of this newsletter:**

[Hayder Al-Bagdadi](#)

**Editor(s):**

[Robin Schimmelpfennig](#)

[Mehrechane Nayel](#)

[Atilla Yuceel](#)

**Photo credits:**

Article "Partnering Institutions Gather to Celebrate a Year of Achievements ": © GIZ/Adnan Abu Alhag

Article "New 3-year Project on Remittances and Other Digital Financial Services Reaches out to Syrian Refugees and Unbanked Jordanians": © GIZ/Atilla Yuceel

Article "Stakeholders in Jordan develop KPIs for the Microfinance Sector Action Plan ": © GIZ/Adnan Abu Alhag

Article "Mobile Wallets go Live in Jordan ": © Central Bank of Jordan & National Payment Council Jordan

Article "20 Years of Financial Inclusion in the Arab World ": © GIZ/Atilla Yuceel

Article "Calling for Innovation in Islamic Finance ": © CGAP/Ayesha Vellani

Article "Productivity and Financial Inclusion: A Response to the Economic Slowdown ": © GIZ/Atilla Yuceel

Article "Insights into the Financial Lives of Smallholder Families ": © CGAP/Ayesha Vellani

**The programme is carried out with funding by the European Union and by the German Federal Ministry for Economic Cooperation and Development (BMZ).**

[Unsubscribe](#) | [Disclaimer](#) | [Contact](#) | [Recommend this newsletter](#) | [www.giz.de](http://www.giz.de)