



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. 2

Q4 2015

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Dear Readers,

We are approaching the end of 2015 and look back on a successful financial inclusion year with many highlights in the region. Microfinance laws have been passed in Jordan and Egypt. These laws are essential as they set the foundation for further consolidation and growth of the microfinance industry in both countries. The central banks in Yemen and Jordan have developed regulatory frameworks for mobile financial services that have the potential to bring broad segments of their societies into the

formal financial system. Even more, Palestine and Jordan have started to develop national financial inclusion strategies which will pave the way for greater access for and usage of financial services.

These developments were also reflected at the regional high-policy conference on Financial Inclusion and Employment that has recently taken place at the Dead Sea in the Hashemite Kingdom of Jordan from November 10-11. This conference was organised by the Central Bank of Jordan, the Arab Monetary Fund and GIZ on behalf of BMZ and convened more than 120 policymakers and other leaders from the Arab region and beyond to deepen the dialogue on improving the financial and occupational perspectives of enterprises and households. Most notably, the Central Bank of Jordan announced the development of a national strategy for financial inclusion and, together with the Arab Monetary Fund, we hope that further countries will follow the examples of Jordan and Palestine.

We are excited to see more achievements in 2016! Our newsletter will keep you posted about new trends and developments in financial inclusion in the Arab world.

Yours faithfully
Hayder Al-Bagdadi

Microfinance in the MENA Region (MFMR) Programme News

Financial Inclusion

Conference on Financial Inclusion and Employment in the MENA Region



HIGHLIGHTS

SUBSCRIBE to this Newsletter at www.giz.de/newsletter (Thematic Newsletter)

Upcoming conferences and trainings

1 January – 1 April 2016

Professional Certificate in Microfinance

London, United Kingdom

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2 – 3 March 2016

SPTF Social Investor Working Group: Responsible Investment in the Financial Sector (hosted by Deutsche Bank)

New York City, United States of America (USA)

[More...](#)

14 – 18 March 2016

Financial Analysis for Microfinance Practitioners

Nairobi, Kenya

[More...](#)

15 – 17 March 2016

18th Microcredit Summit

Abu Dhabi, United Arab Emirates (U.A.E.)

[More...](#)

17 – 18 March 2016

12th Annual Global Microfinance Forum

Berlin, Germany

[More...](#)

21 – 24 March 2016

2nd Annual Microfinance Egypt

Cairo, Egypt

[More...](#)

28 March – 2 April 2016

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



- A Dead Sea-held conference marks a milestone in the joint MFMR project with the Jordanian counterparts. The Central Bank of Jordan launched their national strategy on financial inclusion.

[Read more...](#)

- Watch the [conference video](#)
- Further information:
 - [Conference website](#)
 - [Press Release](#)
 - [Bloomberg news report](#)
 - [Zawya news report](#)
 - [Jordan Times news report](#)

A National Committee for Financial Inclusion



A national committee under the supervision of the Governor of the Central Bank of Jordan was announced by the Prime Minister of Jordan, aiming to prepare and apply a national strategy of financial inclusion.

[Read more...](#)

A National Strategy for Financial Inclusion

Adli Kandah, the director general of the Association of Banks in Jordan, acknowledges the importance of financial inclusion drawing a direct link to poverty and unemployment, praising the decision of the Central Bank of Jordan (CBJ) to launch a national strategy.

[Read more...](#)

Arab Monetary Fund and GIZ Sign a Memorandum of Understanding

The Arab Monetary Fund (AMF) and GIZ use the occasion of a high-level conference to reinforce their close partnership and sign a MoU affirming a strengthening of their cooperation and the development of activities and joint programmes related to financial inclusion, as well as the designing of a capacity building programme.

[Read more...](#)

Microfinance

Regional Microfinance Prospects at the Sanabel Conference

Call for Applications - Harvard Business School in Boston, United States of America (USA)

[More...](#)

18 July – 5 August 2015

Boulder Microfinance Training (MFT) Programme

Turin, Italy

[More...](#)

25 – 29 July 2016

Financial Analysis for Microfinance Practitioners

Training in Arabic - Amman, Jordan

[More...](#)

Publications

2015 Global Policy Forum (GPF) Report

Alliance for Financial Inclusion (AFI)

[Read more...](#)

Digital Financial Solutions to Advance Women's Economic Participation

Global Partnership for Financial Inclusion (GPFII)

[Read more...](#)

Issues in Regulation and Supervision of Microtakaful (Islamic Microinsurance)

International Association of Insurance Supervisors (IAIS), Islamic Financial Services Board (IFSB)

[Read more...](#)

Financial Literacy Around the World

Leora Klapper, Annamaria Lusardi & Peter van Oudheusden

[Read more...](#)

The Landscape of Microinsurance Africa 2015 – Preliminary Briefing Note

Microinsurance Network, Munich Re Foundation

[Read more...](#)

Within Reach: How Banks in Emerging Economies Can Grow Profitably by Being More Inclusive

Accenture, Care

[Read more...](#)

2015 CGAP PHOTO CONTEST: WINNERS AND FINALISTS

CGAP's 10th annual photo contest

[Read more...](#)



- From October 20-21 the Sanabel network invited Microfinance stakeholders to Sharm el-Sheikh to reflect on developments and move forward discussions under the theme “Progress towards Financial Inclusion: Global Trends and Regional Initiatives”. Furthermore the GIZ Sanabel Gender Award was granted to Al Amal Bank Microfinance from Yemen and Dakahlia Businessmen Association for Community Development (DBACD) from Egypt. [Read more...](#)

Navigating a Financial Sector through Political Conflict

The regulation of a fast growing financial sector in an aspiring country in the tumult of the Middle East context is already challenging by its nature, but when it comes to the Palestinian case barriers and obstacles appear even bigger and the entire picture is blurred. The article highlights the special conditions and different requirements and tools of the MFI sector in Palestine. [Read more...](#)

Dr. Jihad Al-Wazir Terminates His Work as the Governor of the PMA

The MFMR programme expresses its gratitude to Dr. Jihad Al-Wazir as the former Governor of the PMA, known for his ambitious support and promotion of financial inclusion and welcomes his successor Mr. Azzam Abdul Karim Shawwa. [Read more...](#)
[Read full announcement](#)

Improving Access, Quality and Usage of Remittances for Refugees and Jordanians



Promoting greater financial inclusion to Syrian refugees in Jordan, PHB Development, CGAP, and GIZ in Jordan, developed a joint plan to improve access to remittances and other financial services through digital solutions. The coordinated efforts aim to benefit both Syrian refugees in hosting communities and urban areas and financially

underserved Jordanians. Building on this, a new project financed by the BMZ will start in early 2016. [Read more...](#)

The Development and Employment Fund (DEF) Develops a Business Plan 2016-20

A 2016-20 Business Plan was successfully endorsed by the Board of Directors on 13 September. The DEF aims to achieve a better performance and effective positioning through enhancing financial outreach to those lacking access to

National Financial Inclusion Strategies: Current State of Practice

Alliance for Financial Inclusion (AFI) [Read more...](#)

Snapshot: Financial Inclusion in Tunisia - Low-Income Households and Micro-Enterprises

World Bank [Read more...](#)

The ABCs of Financial Education: Experimental Evidence on Attitudes, Behavior, and Cognitive Biases

World Bank [Read more...](#)

Arab Credit Reporting Guide

IFC, The Arab Monetary Fund (AMF) [Read more...](#)

New Funder Guidelines: Market Systems Approach to Financial Inclusion

CGAP [Read more...](#)

Financial Inclusion: Can It Meet Multiple Macroeconomic Goals?

IMF [Read more...](#)

MICROFINANCE MARKET OUTLOOK 2016. Developments, Forecasts, Trends

responsAbility [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. 1) [More...](#)

financial services.

[Read more...](#)

Central Bank of Jordan's Outlook on Supervising Microfinance



Acknowledging that a stable microfinance is key to foster financial inclusion, the CBJ is expanding its regulatory umbrella to supervise microfinance. The new Credit Bureau and Microfinance Supervision team came together with GIZ advisors to elaborate on the way forward.

[Read more...](#)

The Development and Employment Fund Gets Trained on Risk Management

DEF staff trained in risk management to strengthen the fund's performance as a lender to the low-income population in rural and wholesale funder for MFIs.

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[Back to the top](#)

top

Regional News

Financial Inclusion

Jordan Launched Its First Credit Bureau

Jordan has launched its new credit information bureau, which is licensed and overseen by the Central Bank of Jordan (CBJ), will provide creditors with information on the track records of borrowers and thereby helps to expand access to finance particularly for businesses.

[Read more...](#)

Digital Financial Services

EMP Launches Cash by Code Cardless Transactions Service

Emerging Markets Payments has announced the launch of the Cash by Code cardless transaction. Its latest payment solution extends the reach of financial services using pre-existing financial infrastructure.

[Read more...](#)

Increased Usage of Banking Cards in Morocco

As of September 30th, 2015, 10.7 million cards were in circulation in the country which means an increase of 7.4 per cent from January to September compared to the previous year, which is a success given the low use of cards in the past and the preference for cash.

[Read more...](#)

Financial Inclusion in Tunisia: Opportunities and Challenges

Financial inclusion is becoming a priority in Tunisia, after a national strategy was published in 2011. The Ministry of Finance aims at modernizing the entire financial sector by 2020. Tunisia is facing many opportunities, but progress requires public and private entities to work jointly together.

[CGAP report](#)

[World Bank report](#)

[Full paper about Financial Inclusion in Tunisia](#)

Islamic Finance

Islamic Finance's Growth to Slow in 2016, Says S&P

The new report from Standard and Poor's (S&P) reveals that a weaker growth in the Islamic finance sector due to lower oil prices for 2016. The head of S&P expects some increasing headwinds after Islamic finance reached its critical mass.

[Read more...](#)

Tunisia to Launch €450 Million Sukuk

The Tunisian Finance Minister Slim Ghaker announced the issue of an Islamic bond worth a billion dinars. It marks a milestone to the adoption of Islamic Finance in Tunisia.

[Read more...](#)

IFSB and IAIS Release a Joint Paper on Microtakaful Regulation and Supervision

The Islamic Financial Services Board (IFSB) and International Association of Insurance Supervisors (IAIS) announced the issuing of a joint paper on issues in regulation and supervision of microtakaful (Islamic Microinsurance). It identifies current practices and models, reviews the regulatory framework and provides guidance to the regulatory and supervisory authorities.

[Zawya](#)

[Middle East Insurance Review](#)

Microinsurance

11th Microinsurance Conference: Driving growth and sustainability

In November the 11th Microinsurance Conference took place in Morocco, bringing more than 350 participants from 55 countries together. Mobile network operators (MNOs), financial education and client awareness of microinsurances were the key themes throughout the sessions.

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High Economic Growth Rates in Egypt Benefit Insurance Market

Egypt is the second largest insurance market in the MENA region. It not only faces a low insurance penetration, but also faces economic stability and economic growth which makes it perceived as a promising insurance market.

[Read more...](#)

SME Finance

Central Bank of Egypt Issues Unified Definition for MSMEs

In an effort to promote the Egyptian micro, small and medium-sized enterprise (MSME) sector, the Central Bank of Egypt (CBE) has issued a new definition for MSMEs aiming to foster data quality and promote bank lending to this client segment.

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[Back to the top](#)

International News

Digital Financial Services

Technology as a Remedy for Low-Income Consumers

Innovative solutions coming from technology are used for offering financial services to the poor, but using these, it has to be taken into consideration what

the actual needs of low-income customers are and with these special needs also special requirements towards the technological demand side appear.

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[top](#)

The Challenges and Barriers of Doing Digital Financial Services Right

Risk management appears to be a minor issue for Digital Financial Services (DFS), facing different problems than those of the traditional financial services. A detailed survey was conducted by CGAP to identify the struggles and risks of those innovative providers.

[Read more...](#)

Players involved in DFS face different challenges and fears compared to the non-digital finance sector. Providers, policymakers, researchers, etc. can consider a few key ideas to offer clients DFS in a win-win situation.

[Read more...](#)

Nigeria Uses Its Economic Growth by Facilitating Digital Payments

The Nigerian policymakers use the emerging economy to foster several policy initiatives under the headline of "Cashless Nigeria" to boost the financial inclusion of the more than one third of the Nigerians lacking total access to financial services.

[Read more...](#)

Financial Inclusion

CGAP Turns 20 Years in 2015!

In 1995 the Consultative Group to Assist the Poor (CGAP) was founded, aiming to achieve financial inclusion by offering practical research and active engagement with financial service providers, hence in 2015 they have their 20th anniversary giving them the chance to reflect on their achievements and to elaborate the current status of financial inclusion on a global level.

[Read more...](#)

The Road to Financial Inclusion: Solid Progress, Big Challenges [Read more...](#)

From Microfinance to Financial Inclusion: Reflections on 20 Years [Read more...](#)

The Five Most Dramatic Changes in 20 Years of Financial Inclusion [Read more...](#)

A Banker's Revolution



- Whereas financial regulators and central banks are generally cautious with change, in some of the world's poorest countries they have made remarkable moves to advance financial inclusion using innovative approaches, while increasing financial system stability, to achieve more inclusive, sustainable economic growth.

[Read more...](#)

Inclusion for Sustainable Development

In Luxembourg, more than 400 opinion-leaders, practitioners, investors, academics and support providers of the microfinance industry met discussing in an annual meeting the issue of financial inclusion for sustainable development.

[Read more...](#)

[Press release](#)

Country-Led Initiatives as a Turning Point?

Dr. Alfred Hannig, Executive Director of the Alliance for Financial Inclusion (AFI), reflects what changed since the declaration of the MDGs and its global goal to reduce poverty, highlighting the Maya Declaration as a successful milestone in the on-going attempt to include the poorest. The recently announced United Nations Sustainable Development Goals (SDGs) and in particular the supporting Addis Ababa Action Agenda (AAAA) prove the growing acknowledgement of country-led initiatives in contrast to former top-down approaches of the MDGs.

[Read more...](#)

A Guide to Financial Inclusion in Fragile States

How can more opportunities be created for people to save and borrow in volatile economies? Barriers to financial inclusion and how to tackle them properly.

[Read more...](#)

New Guidelines for Market Approaches to Financial Inclusion

Bringing up the argument that funders need to think of their role not as providers of missing services in the market but rather as facilitators, CGAP provided a precise study naming concrete guidelines targeting mainly policymakers as well as providers.

Do We Need a Financial Inclusion Paradigm Shift? [Read more...](#)

Nine Pieces of Guidance for Funders of Financial Inclusion [Read more...](#)

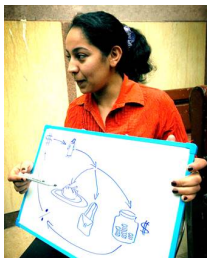
Geospatial Data Benefits Financial Inclusion

How can geospatial data be used to increase financial inclusion to developing countries? Tackling technologies and thinking in creative ways can be the turning point in including more of the poor into the financial system.

[Read more...](#)

Gender Finance

All Inequality Is Not Created Equal: Microfinance and Gender



A conversation with Tyler Wry, a professor of management at Wharton, reveals the critical topic of gender finance and the connection between patriarchy and lending practises of MFIs.

[Read more...](#)

Women's Empowerment via Gender Financial Inclusion?

To which extent can the report "[Women, Business and the Law 2016: Getting to Equal](#)" recently published by the World Bank be taken as a guideline for financially excluded women? Find here a summary of the findings as well as the importance of digital financial services for women.

[Read more...](#)

New Data on Women's Financial Inclusion

How many women worldwide lack access to finance? The study by the Global

Banking Alliance for Women (GBA), the Inter-American Development Bank (IDB) and Data2X attempts to identify this black box.

[Read more...](#)

[Draft report](#)

Islamic Finance

Pakistan is Upbeat on Islamic Banking

Pakistan launched the first globally Islamic branchless banking. The cooperation of the Kuwaiti Meezan Bank and Ufone, a subsidiary of Pakistan Telecommunications Corporation (PCTL) jointly created a Branchless Islamic Banking (BIB) model offering financial services according to the Islamic banking law to 77% of the underserved Pakistani.

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[Back to the top](#)

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

Internet: 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

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In charge of this newsletter:

[Hayder Al-Bagdadi](#)

Editor(s):

[Jenny Misterek](#)

[Mehrechane Nayel](#)

[Atilla Yucel](#)

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