Advancing Financial Inclusion for Refugees & Forcibly Displaced People

Insights from the European Microfinance Award 2024

By Sam Mendelson

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EUROPEAN
MICROFINANCE
PLATFORM
ADVANCING FINANCIAL INCLUSION

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INTRODUCTION

"No one puts their children in a boat unless the water is safer than the land."

Warsan Shire

Like so many other places, the UK (where I live), has had its civic discourse increasingly polluted by dark, fearful alarms about illegal immigration, cultural dilution, burdens on public services and the other watchwords of a nativism which has echoes of the 1930s. Within this worldview, the 'illegal' immigrant is a parasite, jumping the queue to benefit from an over-generous state. Moreover, this view is not only on the march in Europe or elsewhere in the high-income world; as the movement of populations grows, so too does anti-immigrant sentiment.

Of course, this is really not at all new. But wealth gaps are widening, social media amplifies people's worst fears and untruths, and the number of people forcibly displaced is the highest it has ever been.

There but for the grace of God go I, goes the proverb; or put more simply, 'thank God that's not me'. The reality is that most of us can't really imagine what forced displacement is *like*. However, intellectual understanding — and compassion — should be possible even without direct experience. And so, for those of us who care about financial inclusion, we *should* be able to understand the importance of serving displaced people — restoring their ability to plan, protect themselves, make decisions, invest, save and send.

Displacement is a complex and varied state. Very much a function of the human condition itself, it takes many forms. It can be driven by escape from ethnic cleansing, or natural disaster, or economic catastrophe. More and more, it is caused by climate change, as extreme weather events increase in frequency and severity, and the poorest pay the gravest price. Moreover, outside of those fleeing an acute natural disaster but with prospects of return, most displacement is not fleeting but *de facto* permanent. So the displaced person and their family must somehow rebuild, accept help, contribute and try to assimilate where possible.

But beyond meeting people's basic needs through the initial shock of displacement, solutions cannot just be about charity or relief; they must be sustainable and long-term, strategic, and consider not just the needs of the displaced, but the communities within which they are settling. Much of the xenophobic and populist revolt both in the West and in the Global South today can be linked to a failure of policy-makers to do so.

'Advancing financial inclusion for refugees and forcibly displaced people' is a topic of staggering complexity, and running an Award on the topic has been a rewarding challenge for everyone involved. At the start of the process, back in December 2023, we began as we always do — mapping out the important stakeholders and asking for their time to walk us through the relationship between financial (and non-financial) services, humanitarian support, a wide array of displacement drivers and contexts and population segments, and the vast number of actors involved in serving these segments under the most difficult of conditions.

What emerged from these sessions — and supplemented by invaluable input from consultants joining our team —

was application forms, supporting materials, guidance sessions and a series of evaluation committees — on which more later. But the first step was defining what was important, what the evaluation teams would need to hear about from applicants: the Award's *scope*. And so, the EMA2024 launched in March 2024 with a remit to *highlight organisations active in financial inclusion that help forcibly displaced people build resilience, restore livelihoods, and live with dignity in their host communities*.

This is my tenth EMA, and I know I speak for my colleagues too when I say this year has been a sobering, fascinating and worthwhile experience. From the initial 49 organisations from 26 countries that applied, all the way to the ten that are profiled in this paper, we have learned a lot — and seen innovation and grit and courage and resolve everywhere.

As for this publication, it's the latest in a series that goes back in one form or another to the beginnings of the European Microfinance Award in 2006. The idea has been to condense what we have learned about this topic into a format that is accessible for those who don't work directly within it, while extracting, via the specific cases of the ten Award semi-finalists, insights on an evolving best practice that can be leveraged by others.

This paper is split into **three main sections**. The first part is a sort of primer on the topic: what is displacement and what are some of its drivers, how does it relate to financial exclusion, and what are FDPs' needs depending on their stage of displacement?

The second part (the main section) pivots from challenges to solutions, combining some theoretical insights with practical case examples from the ten EMA semi-finalists, and is itself split into three sections:

1. **Designing and delivering services for FDPs.** This includes both financial products designed specifically for FDPs, as well as those adapted to a displacement context, and the complementary non-financial services that FDPs need;

2. **Adapting operations and strategy.** This includes human resources, other operational innovations or investments, and embedding a focus on FDPs in the institutional strategy; and

3. **Changing the context.** This includes outreach to, and sensitisation of, host communities, and lobbying or advocacy to create a more conducive policy environment for serving FDPs.

The paper then presents some **'lessons learned'** (in the words of the applicant organisations themselves) and concludes with **'Factors for success: Eight insights on advancing the financial inclusion of FDPs'** — what we the e-MFP Award team see as some of the factors that underpin excellence or innovation in this most important field.

Thanks to all who have made this Award possible: the Luxembourg Ministry of Foreign and European Affairs, Defence, Development Cooperation and Foreign Trade, Inclusive Finance Network (InFiNe), the European Investment Bank, the various consultants and experts who generously gave their time over the course of 2024, and my colleagues at e-MFP (especially Daniel Rozas) for their help in getting this publication together. And finally, to the 49 organisations who applied to the EMA2024: thank you for making this year's Award such a successful one.

Sam Mendelson
e-MFP
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WHAT IS FORCED DISPLACEMENT?

"Give me your tired, your poor,
Your huddled masses yearning to breathe free..."

Emma Lazarus

Displacement and migration is the story of our species. People have always come and gone, driven by changing fortunes or climate, searching for food, and sometimes escaping violence. There have always been people with *wanderlust*, but most of the time, people want to stay safely where they are from, with those they know. **The history of migration is for the most part really the history of forced displacement**.

Many people are familiar with the inscription on the Statue of Liberty, taken from Emma Lazarus' poem *The New Colossus.* Most, however, probably know just that short excerpt above, and not what follows:

The wretched refuse of your teeming shore.
Send these, the homeless, tempest-tost to me,
I lift my lamp beside the golden door!

Because within this stanza lies the core of the challenge — and tragedy — of displacement. The 'masses' may have been yearning to 'breathe free' in the New World, but only some could make a free choice to do so. For so many, they were in fact 'wretched refuse', homeless and 'tempest-tost'. They were — as are today's tens of millions of displaced people — forced into desperate measures, afraid and needing not just a welcoming message, but the scaffolding and materials to rebuild their shattered lives.

So displacement is — and has always been — a part of the basic cycle of life. And so, since the purpose of finance is to help people navigate that cycle of life, it should also play an important role in addressing the enormous shocks and challenges of displacement.

But let's back up a moment. What does forced displacement actually mean? According to the United Nations High Commissioner for Refugees (UNHCR)[1] forced

1 Global Trends report 2023 | UNHCR

displacement occurs when individuals flee as a result of "persecution, conflict, violence, human rights violations or events seriously disturbing public order." These individuals include both refugees and internally displaced people (the formal legal definition includes more specific categories, such as asylum seekers). Figure 1 is a simplified version of UNHCR's descriptions of different categories of FDP.

Other interpretations are broader: For instance, the Global Partnership for Financial Inclusion also includes natural disasters and climate change as drivers of forced displacement[3]. Indeed, climate change — both the increase in severity and frequency of extreme weather events and the gradual deterioration of arable land as a result of erosion, reduced biodiversity and other consequences of climate change — is increasingly a driver of displacement. Moreover, climate change is inherently *regressive*; poorer countries and poorer people bear the biggest climate impact burdens: developing countries which have contributed the least to emissions typically suffer the greatest climate disruptions, with the poorest the most vulnerable to displacement.

Whatever the driver, displacement is growing — fast. Over 117 million people worldwide estimated to be forcibly displaced at the end of 2023[4]. And while people fleeing to wealthy countries like the U.S. or EU countries receive much of the international media coverage, most FDPs are either internally displaced (58%) or seek refuge in neighbouring countries (70% of cross-border FDPs). As a result, three out of four FDPs are located in low- and middle-income countries; most displacement is both internal (*within* low-income states) and in the global South, and not the trans-Mediterranean crossings that dominate the headlines in Europe.

With growing global uncertainty and proliferation of the various causes of displacement, these figures are likely to increase further. Moreover, displacement has become more protracted and complex in nature, often involving multiple movements both internal and external to the country of origin, with displacement camps or cities as the most common destinations. Such forced displacement impedes the achievement of the UN's Sustainable Development Goals (SDGs) and other international commitments to respect human rights and offer protection, assistance and development to vulnerable populations.

FIGURE 1: SIMPLIFIED CATEGORIES OF FORCIBLE DISPLACEMENT

Type of FDPs	Definition
Refugees	All people who had to flee their country due to a well-founded fear of persecution because of his/her race, religion, nationality, membership in a particular social group, or political opinion.[2]
Internally Displaced People (IDPs)	People who have been forced to flee or to leave their places of habitual residence, in particular as a result of or in order to avoid the effects of armed conflict, situations of generalised violence, violations of human rights, and who have not crossed a border.

2 This definition dates to the 1951 Refugee Convention and is narrowly drawn by modern standards. Generally, refugees today can be fleeing from more than just 'fear of persecution', and a more expansive definition might be like that of IDPs, but for those that have crossed international borders.

3 https://www.gpfi.org/sites/gpfi/files/documents/gpfi_2017_policy_paper_inclusion_forcibly_displaced.pdf

4 Global Trends report 2023 | UNHCR

THE EVOLVING FINANCIAL NEEDS OF FDPs - AND THE BARRIERS THEY FACE

FDPs face unique needs, which straddle all levels of the Maslowian hierarchy. Newly displaced people will have first order needs of food, shelter, security and clothing, and only once they are settled will higher-order needs — employment, education, language support, more permanent housing — be relevant. The same is true of their financial inclusion, and meeting the financial needs of FDPs (specific cases of which we will see later in this paper) can involve adaptation of existing — or the creation of new — financial *and* non-financial products and services.

But those financial needs (and the products and services best suited to meet them) will depend a lot on the FDPs' 'phase of displacement'; according to the UNHCR-SPTF report "Serving Refugee Populations – The Next Financial Inclusion Frontier: Guidelines for Financial Service Providers,", FDPs' needs typically vary according to four main phases of displacement, as shown in Figure 2.

Each phase entails different financial needs and financial services. These don't always require providers to offer a separate suite of financial products and services aimed specifically at FDPs, but they *do* require them to understand that FDPs are highly diverse, with hugely different group needs depending on their origin, language and phase of displacement. And beyond those, the needs of FDPs differ greatly based on *their individual context*: women refugees, for example, have particular needs

FIGURE 2: THE GENERAL AND FINANCIAL NEEDS OF FDPs — BY PHASE OF DISPLACEMENT[5]

Phase	Phase 1: arrival	Phase 2: initial displacement	Phase 3: stable/ protracted displacement	Phase 4: permanence
General needs	Immediate basic needs, e.g. food, clean water, shelter, clothing	Access to housing, access to education, basic language learning, finding employment, starting a business	Stabilisation of income, market linkages, job placements, training and skills development	Continuation of livelihood development; cultural and community integration
Financial needs	Remittances, cash for food, housing, medical services and to repay debt incurred during displacement	Savings, remittances, credit for consumption, health insurance	Savings, credit for business and consumption, housing loans, cross-border payment accounts, remittances, health insurance	Savings, remittances, business credit, asset finance, housing loans, pensions, health and life insurance

5 Adapted from UNHCR-SPTF Serving Refugee Populations: The Next Financial Inclusion Frontier

Introducing the European Microfinance Award 2024

The European Microfinance Award 2024 on "Advancing Financial Inclusion for Refugees & Forcibly Displaced People" was launched on March 14th. It seeks to highlight organisations *active in financial inclusion that help forcibly displaced people build resilience, restore livelihoods, and live with dignity in their host communities.*

To be eligible, organisations had to be active in the financial inclusion sector, fully operational for at least two years, and based and operating in a Least Developed Country, Low Income Country, Lower Middle Income Country or Upper Middle Income Country, as defined by the Development Assistance Committee for ODA Recipients[6].

49 organisations from **26 countries** applied to Round 1 – 28 MFIs (among them NFBIs & NGOs), 9 banks, 6 non-FSP NGOs, 2 fintechs, 2 social enterprises, and one community-based and one refugee-led organisation. 30 of these were selected to proceed to Round 2, with more documentary requirements as well as a financial performance assessment. 18 of these were chosen by committee to proceed to a Selection Committee of experts (see page 56). Those experts chose ten semi-finalists, and among them three finalists, to be evaluated by a High Jury during European Microfinance Week in November 2024.

Institution	Country	Category
Al Majmoua	Lebanon	**Finalist**
Palestine for Credit and Development (FATEN)	Occ. Palestinian Territories	**Finalist**
Rural Finance Initiative Ltd.	Uganda	**Finalist**
Financiera Confianza	Peru	**Semi-finalist**
Inkomoko Business Development Ltd.	Rwanda	**Semi-finalist**
Microfund For Women	Jordan	**Semi-finalist**
Opportunity Bank Uganda Ltd.	Uganda	**Semi-finalist**
UGAFODE Microfinance Limited (MDI)	Uganda	**Semi-finalist**
UNRWA Microfinance Department	Occ. Palestinian Territories	**Semi-finalist**
VisionFund Uganda Ltd.	Uganda	**Semi-finalist**

6 https://www.oecd.org/dac/financing-sustainable-development/development-finance-standards/DAC-List-of-ODA-Recipients-for-reporting-2022-23-flows.pdf

that relate to issues of gender-based violence and sociocultural norms that may limit their financial independence. Those from a different tribal or linguistic region will have other particular needs.

However, despite FDPs' group and individual differences, the barriers they face when interacting with financial providers and the financial system more broadly can be conceptualised as falling into four main categories:

1. **Familiarity barriers** that come with not knowing the local language or practices, or the different services available;
2. **'Newcomer' barriers** that come with being a recent arrival, such as the lack of a financial track record, viable loan collateral or other financial resources;
3. **Legal barriers**, such as the absence of legal status, lack of appropriate identification to meet Know Your Customer (KYC) requirements, or restrictions on movement (such as being in a refugee camp); and
4. **Cultural and political barriers** that come from host communities viewing arrivals with suspicion or bias.

How the EMA2024 semi-finalists and finalists address these barriers will be the main theme of the following section.

THREE MAIN APPROACHES FOR ADVANCING FINANCIAL INCLUSION FOR REFUGEES & FDPs

Earlier in this paper, we saw the complexity of displacement in its causes and its consequences, and the barriers that displaced people face. The heterogeneity of the contexts and challenges of displacement means it is natural that the applicants to an Award on this topic would present responses that are equally diverse. While that diversity applies to the entirety of the 49 initial applicants to this Award, it is also true for the **ten semi-finalists presented in this paper**. They represent a rich

What challenges do providers face in trying to serve FDPs?

A lack of understanding of the background context and needs of FDPs poses significant challenges. FSPs unfamiliar with FDPs, their work and enterprise history, and individual skills often prefer to take a conservative risk approach, making little effort to understand these new clients and adapt to their specific situations. FDPs are often perceived as higher risk clients. This is sometimes based on beliefs and misconceptions, such as *'flight risk'* — the perception that clients may leave without paying debts. Indeed, FDPs are often viewed as more 'mobile' than they are in reality. A result of this is that FDPs are frequently subjected to onerous terms and conditions, compelled to accept sub-optimal services, or even excluded entirely from formal financial markets.

When FSPs do seek to create or adapt their financial products to FDPs, providers are often limited by **simplistic assumptions and misconceptions**, particularly regarding the homogeneity of this diverse group. Such flawed perceptions significantly impede the effectiveness of otherwise well-intentioned initiatives. Moreover, given that refugees and other FDPs often reside in remote or hard-to-reach areas, even within urban environments, the local availability of financial products and services is not guaranteed.

Cultural and political opposition further exacerbates the difficulties faced by refugees seeking financial inclusion. Cultural biases and stereotypes may lead to misconceptions about the financial behaviours and capabilities of FDPs. Political resistance, in the form of restrictive policies or discriminatory practices, can contribute to their marginalisation from formal financial systems. The prevailing narrative of FDPs as a societal burden can drive **stigmatisation and hostility** from host communities, political actors, and even FSP management and staff.

From a systemic perspective, FDPs face significant disadvantages due to **exclusionary policies, regulations, risk assessments, and strategies**. Intentional or unintentional barriers such as Know Your Customer (KYC) requirements can exclude FDPs – even those with rightful claims to asylum – whether due to lack of clarity or misinformed application of the rules.

Finally, **legislation and practices** intended to protect financial consumers, especially concerning data privacy, are often absent or inadequate, exposing already vulnerable FDPs to greater risks, including by pushing them towards informal and even predatory financial services.

range of responses, and while they cannot ever be put into a single category, they all had to address substantial challenges in order to provide services to FDP clients.

The box on page 12 describes some of these types of challenges. How do the ten semi-finalists in this paper address them? We see **three broad themes** to categorise their initiatives, and the next section of this paper will be structured as such. They include:

1. **Designing and delivering services for FDPs**, which includes both financial products designed specifically for FDPs, as well as those adapted to a displacement context, and the complementary non-financial services that FDPs need;
2. **Adapting operations and strategy**, which includes human resources, other operational innovations or investments, and embedding a focus on FDPs in the institutional strategy; and
3. **Changing the context**, which includes outreach to, and sensitisation of, host communities, and lobbying or advocacy to create a more conducive policy environment for serving FDPs.

1

DESIGNING AND DELIVERING SERVICES FOR FDPs

"Recognising the need is the primary condition for design."

Charles Eames

What sorts of products and services do FDPs need? Earlier, we saw how financial needs depend on the FDPs' phase of displacement — but that's not all. What is the nature and cause of their displacement? What cultural norms affect their financial inclusion? What are their levels of financial literacy? Are they in camps or in mixed urban environments? Do they speak the same language? How conducive is the regulatory or legal environment in the host country or region? And how welcoming is the host community?

These are just some of the factors, but they point to choices that need to be made in the design and delivery of products and services — and of course the research and segmentation that is a precursor to this design. In some cases the needs of FDPs will be like those of non-FDP clients, while at other times they'll be completely different. The result is that some circumstances call for the **expansion or adaptation of existing products and services**, while others require **developing those specific to FDPs**.

This goes beyond just the terms or features of a financial product (interest rates, terms, insurance premiums or transfer fees) but as later parts of this paper will show can also involve adaptation of internal systems, broadening of KYC/AML requirements, amendment of credit history or other loan documentation requirements, staff sensitisation and training, hiring of staff from FDP communities, and many others. Some process adaptations may be

small and product-related; others are more substantial and require an institutional commitment (i.e. internal leadership) to implement them. Examples of many of these adaptations will be seen in the next three sections.

This section will show how selected EMA2024 semi-finalists design and deliver both financial *and* non-financial products and services to a highly heterogeneous client base. We'll see examples of products either focused on specific FDP populations' needs, or lightly adapted, or not at all, as well as specific cases of non-financial support, which is of outsized importance when serving FDPs — from counselling to legal advice, financial literacy, language support and business training.

Adapting existing (or designing new) financial products & services

Palestine for Credit and Development (FATEN) is a non-profit MFI operating across the Occupied Palestinian Territories (OPT), a region with a long history of protracted displacement, and punctuated by periodic conflicts and humanitarian crises. FATEN supports FDPs with a range of financial and non-financial services through a branch network, largely targeting MSMEs and with a particular focus on women and youths, both in refugee camps and in the broader community.

FDPs in Gaza will face several critical needs to rebuild their livelihoods. They require emergency financial support to cover basic survival needs, such as food, clean water, and shelter. Healthcare and mental health support are crucial, given the overwhelmed medical system and the trauma experienced by the population. There is also a pressing need for safe housing and the restoration of education to prevent long-term developmental setbacks. Access to credit and job creation are vital for rebuilding livelihoods, along with legal assistance to ensure FDPs can access necessary services and rights.

FATEN serves its FDP clients with a wide range of financial products that are designed to specifically meet FDP's needs. These products include:

- **Startup Loans** (for entrepreneurs who wish to start their production projects, with a focus on youth and entrepreneurial women);
- **Microloans** (for owners of small and micro enterprises who wish to develop their projects in various economic sectors, with a primary focus on projects involving family participation;
- **Agriculture loans** (for owners of small and micro agricultural projects who wish to develop their agricultural projects, and which primarily rely on family participation (spouses or children) in managing and supervising the project);

- **Housing improvement loans** (for families who wish to complete the construction, finishing, or improvement of their residence); and
- **Green loans** (for owners of projects related to clean energy).

There is also FATEN's '**ambitious' product**. This is for Palestinian women who are divorced, widowed, with special needs, or unmarried and over 35, who financially supports herself and independently manages her affairs and those of her family without relying on the presence of a husband, brother, father, or son. FATEN's loans are typically only 12% per annum. However, refugees and women benefit from special privileges including: a reduced interest rate of 8%; lower and more flexible collateral requirements ('No Collateral, No Guarantor', providing unsecured loans at a marginally higher price, freeing women from needing a male guarantor); flexible repayment schedules (women can choose up to two payment-free months per year during loan application to accommodate seasonal income fluctuations or personal needs); pregnancy and maternity support (allowing a grace period of up to two months during the loan tenor for pregnancy, maternity care, or elder family care); and extended repayment periods of up to six years.

Palestine for Credit and Development (FATEN)

Palestine for Credit and Development (FATEN), an EMA2024 finalist, is a non-profit microfinance institution founded in 1999 with the objective of providing diversified, sustainable and high-quality financial services for micro and small enterprises and low-income individuals especially women. FATEN serves over 26,000 clients (among them almost 8,000 FDPs) via 34 branches across the Occupied Palestinian Territories (OPT), including in refugee camps and marginalised areas, like Gaza. FATEN aims to support the most affected populations through financial inclusion, providing essential services to help them rebuild their lives amidst ongoing instability.

FATEN operates in a context marked by a long history of forced displacement including the 1948 and 1967 wars, and ongoing conflicts including the current war between Israel and Hamas since October 2023. These displacements have significantly impacted the demographic and socio-economic landscape in the Palestinian Territories, especially in Gaza. The most recent conflict has displaced over 1.8 million civilians, exacerbating the humanitarian crisis with widespread destruction of human lives and infrastructure and high unemployment.

FATEN's initiative for FDPs includes a comprehensive range of financial and non-financial services delivered through a branch network in conflict-affected areas. Financial support includes emergency loans with near-zero interest rates, flexible terms, extended grace periods and streamlined loan processes. Specific loan products include start-up loans for youth and women entrepreneurs, microloans for small enterprises, agriculture loans for small agricultural projects, green loans for clean energy and housing improvement loans.

While FATEN provides tailored products for its FDP clients, **Al Majmoua** in Lebanon (page 37) takes a diametrically opposite approach. Al Majmoua's firm position is that such an approach is counter-productive, and that – in a context like Lebanon at least – it is **better to offer products that are the same for FDPs and non-FDPs alike.**

Al Majmoua serves Syrian FDPs throughout the country, Palestinian FDPs (who have typically been longer in Lebanon, originally in camps that evolved into urban neighbourhoods) as well as native Lebanese. The MFI places an important focus on supporting social cohesion between the Syrians and the host community. In 2014 microloans were launched for Syrian FDPs, first with group lending to mixed Lebanese and Syrian women's groups, and soon after expanding to individual lending to both male and female Syrian refugees. Al Majmoua did not develop specific financial products for the refugees but only made **slight adaptations to the existing products**. While it took care to differentiate certain elements of how it approached FDP clients, and taking careful consideration of host community needs and the creation of buy-in among staff, the service to Syrian FDPs continued in the institutional tradition of serving FDPs and promoting access to the most vulnerable segments of the resident population – independent of their provenance. By 2019, Al Majmoua had more than 18,000 refugees in its portfolio, accessing group nanoloans of USD 50-200, between 6 and 9 months at 2% per month; individual nanoloans of USD 100-500, between 6 and 12 months at 2% per month, and individual microloans of USD 550-800 for Syrian refugees (up to USD 1,500 for Lebanese and Palestinians), between 6 and 15 months, also at 2% per month.

Al Majmoua cites as its 'central understanding' that, in the context of culturally very similar populations, the product needs and preferences are not defined through nationality or provenance **but rather by socio-economic segmentation**.

In Jordan, **Microfund for Women's (MFW)** approach shares elements with both FATEN and Al Majmoua. MFW is one of the main MFIs in the country, with a mission to provide financial and non-financial services to underserved entrepreneurs, with a focus on women. Jordan is one of the countries with the highest refugee population per capita in the world: around 1.2 million individuals, mostly from Syria, at least 656,000 of them registered with UNHCR. Initially confined in camps, an increasing number of FDPs are now in the main cities in search of economic opportunities. While the regulatory framework has geared towards recognizing the economic potential of FDPs, they still face many difficulties in accessing housing, health, and education. Access to financial services is also hindered by the lack of required ID documentation, inadequate regulation, limited information and biases against refugees, among others.

Initially, Syrian refugees could access MFW's group loan product 'Tadamon', which encourages Jordanian and Syrian women to form groups and collectively guarantee each other to secure loans for initiating home-based businesses. Observing the high repayment performance among Syrian beneficiaries, MFW extended this product to groups composed solely of Syrian members.

MFW has structured its offerings around three key pillars: 'Fund Yourself' (which offers financial services for business startup, expansion, life improvement, green energy, maternity and education); 'Protect Yourself, and Your Family' (which includes micro-insurance, telehealth services, and medical awareness sessions); and 'Develop Yourself and Your Family' (which offers training programs, scholarships, awareness sessions, and market linkages).

Client-led design and development is a key feature of MFW's approach: refugee communities participated in the loan product development through feedback sessions and pilot testing, ensuring the final product was tailored to their specific needs and within their capacities to pay back on time. E-wallet services allow 90% of disbursements and 30% of repayments to be made digitally, and telehealth services are offered to FDPs via *Al-tibbi*, a mobile application providing health consultations with doctors. And capacity building for clients is provided at MFW's 'Learning Academy' — comprising customised training focused on financial literacy, business model development and gender role dynamics.

Microfund for Women

صنـــدوق الــمــرأة
للتمويل الأصغر
MICROFUND FOR WOMEN

Microfund for Women (MFW) was established in 1996 as an NGO to take over this program, and three years later it became the current non-for-profit limited company, after Save the Children had in 1994 established a pilot lending program in Jordan to serve Palestinian refugees. With 30% market share, MFW is now one of the main MFIs in the country, with 63 branches across the country, serving 136,000 clients, of which almost 9,000 are FDPs. Its mission is to provide financial and non-financial services to underserved entrepreneurs, with a focus on women: currently around 95% of its clients and 74% of its staff are women.

MFW was the first MFI in Jordan to offer services to FDPs from Syria. In 2016 MFW started targeting self-settled urban Syrian refugees in a gradual approach to service provision: first, offering them to participate as members of mixed-nationalities (Syrian and Jordan) group loans, then only Syrian group loans, and finally Syrians were offered individual loans. Currently a wider range of financial and non-financial services are being offered to Syrian FDPs, including those in the Za'atari refugee camp.

MFW has structured its offerings around three key pillars: 'Fund Yourself' (which offers financial services for business startup, expansion, life improvement, green energy, maternity and education); 'Protect Yourself, and Your Family' (which includes micro-insurance, telehealth services, and medical awareness sessions); and 'Develop Yourself and Your Family' (which offers training programs, scholarships, awareness sessions, and market linkages).

Financial inclusion and forcibly displaced women[7]

48% of individuals living in forced displacement across borders are women and girls. Yet their specific experiences and challenges in accessing financial services are not well understood.

Women and girls face unique barriers. Forcibly displaced women face intersecting barriers related to their displacement status and gender that drive financial exclusion, including restricted access to livelihoods, legal status, safety risks, and discriminatory social norms related to gender roles and expectations, which impede women's economic participation and financial independence. These norms often shift and become more regressive in displacement. Lack of legal status and identity documents pose major barriers to opening bank accounts and accessing other financial services due to standard KYC/CDD requirements. Safety concerns and risks of gender-based and sexual violence (especially in conflict contexts) restrict mobility to access financial access points like bank branches. There is scope for digital solutions to bridge this gap, but that requires addressing any underlying digital gender divide. Moreover, unpaid care work responsibilities coupled with limited livelihood options force many displaced women into precarious informal work, restricting opportunities to build credit histories or qualify for financial products. Lower access to education impacts financial literacy and numeracy, critical to using formal financial services and digital financial platforms.

To address these barriers, financial inclusion actors need to:

- Ensure simplified and tiered KYC and customer due diligence requirements and allow alternative IDs for lower-risk financial products;
- Address the mobile/digital gender divide through targeted initiatives to build trust and capability to use technology among displaced women;
- Design tailored financial products aligned with displaced women's income patterns, care duties, and decision-making dynamics; and
- Expand financial literacy programs and trust-building measures including recruiting more women agents and ensuring gender mainstreaming strategies are in place within any organisation.

Uganda is the host country for no less than four of the ten Award semi-finalists (and ten of the 49 total applicants). It is a country of outsized importance when it comes to financial inclusion of FDPs and refugees – for many reasons (see *Why Uganda matters* on page 20).

VisionFund Uganda (VFU) is an MFI that focuses on serving South Sudanese refugees, particularly mothers with several children, and does so notably through the delivery of the **Finance Accelerating Savings Group Transformation (FAST)**, a product developed with VisionFund International and Grameen Credit Agricole Foundation.

Due to instability in South Sudan, Uganda has seen a massive influx of refugees in recent years, with over one million arriving in 2016/2017. In 2018, VFU assessed the financial needs of Savings Groups in West Nile, highlighting the demand for services among FDPs and their communities.

7 The text in this box draws significantly on the work by AFI, including The-Financial-Inclusion-of-Forcibly-Displaced-Women.pdf

VisionFund Uganda

VisionFund Uganda (VFU) Ltd is a microfinance institution established in 1996, and which focuses on empowering families and communities in Uganda by providing financial solutions that create income, jobs, and brighter futures for children. Serving almost 40,000 mostly rural clients, including over 1,100 refugees from South Sudan, VFU operates through 24 branches across Uganda.

VFU focuses on serving South Sudanese refugees, particularly mothers of several children, and their host communities in the West Nile Region. Key needs include a lack of financial resources, limited access to credit, employment barriers, and difficulties in accessing information. Depending on their displacement phase, FDPs may require emergency assistance, sustainable livelihood opportunities, education, skills training, and psychosocial support.

VFU's offerings include various loans, such as agriculture, business, and renewable energy loans, with a strong emphasis on rural communities and women's economic empowerment. Financial education and tailored insurance products are integral to VFU's mission. VFU's Finance Accelerating Savings Group Transformation (FAST) product, developed with VisionFund International and Grameen Credit Agricole Foundation, is VFU's primary tool for serving FDPs. It provides collateral-free credit directly to Savings Groups rather than individual loans, with loans based on the group's prior year's savings, up to USD 1,500.

FAST provides collateral-free credit directly to Savings Groups rather than individual loans, with loans based on the group's prior year's savings, up to USD1,500. The digital, cashless, and paperless system reduces risks and travel time, while locally hired field officers from FDP communities offer financial education and build trust. This single credit to the cashbox of the group (typically 80% women), agreed by all members, is managed by the group's internal operations.

Loans are made to groups that have been together for two years, based on their total savings in the prior year. New capital supports business development and incentivises groups to save more money to qualify for a larger loan next year, creating a virtuous cycle of financial growth and opportunity. At the end of a group's 12-month lending cycle, all loans are repaid, records brought up to date, and the savings plus interest "shared out" to the group members. Even during COVID-19, when VisionFund lent to savings groups, it saw a 40-60% increase in the group's shared-out capital.

FAST is supported by locally hired field officers from the FDPs' own community, improving the ability to provide appropriate financial education and building trust in the product to enable members to borrow wisely for business activities.

Through this work in Uganda, VisionFund International (VFI) has learned that lending to savings groups is effective in accelerating savings within the groups, leading to improved economic empowerment for their members and has scaled up the learnings from this work amongst FDPs in Uganda. By the end of 2023, VFI was providing the same FAST product to over 8,200 savings groups in Africa with loans to over 160,000 savings groups members.

Other semi-finalists are also innovating in how they have designed and delivered financial products to FDP clients — some adapting existing products to one degree or another; others designing new ones based on research in FDP communities.

Opportunity Bank Uganda Ltd (OBUL) (page 29) practises what it describes as 'human centred design'. Within this process, conducted in Nakivale settlement in 2019, researchers were recruited from local communities to collect data on a fortnightly basis from

Why Uganda matters

In the 18-year history of the European Microfinance Award, 2024 is the first time where one country can truly be called dominant. Of the 49 applications received this year, 10 are from Uganda, as are four of the 10 semi-finalists featured in this paper. Why?

The answer lies in both history and the country's unusually welcoming attitude towards refugees. The very first group of refugees in Uganda, at least within the context of the term's contemporary definition, was a group of 7,000 Polish refugees who escaped their country's double occupation by Nazi Germany and the USSR in the early 1940s. Their stay lasted only a few years, but it set a precedent. Over the coming decades Uganda would host refugees from wars in Rwanda, Sudan, Congo, Burundi, and Somalia, as well as large numbers of internally displaced persons (IDPs) fleeing the violence perpetrated by a homegrown militia, the Lord's Resistance Army.

The result of these movements has been highly diverse. Many FDPs sought temporary refuge before eventually returning to their homes or leaving elsewhere. Many others have settled for the long-term or even permanently. Today, Uganda hosts 1.5 million refugees, or over 3% of its total population, scattered between designated camps and urban and rural areas.

Uganda has a remarkably welcoming legal structure for refugees, which allows them to work and operate their own businesses, access government health care and primary education, and even receive parcels of cultivable land if available. Uganda has also been a major beneficiary of international support for refugees as well; it is among UNHCR's top budget recipients. As a result, there is a degree of infrastructure – and even competition – serving refugees that few other countries have.

As one might expect, Uganda's inclusive finance sector has played an important role. Many Ugandan providers have been working with refugees for some time now, providing not only financial services but also a suite of non-financial programs, often in close partnership with the NGOs and international organisations serving refugees. They have also worked with regulators to allow refugee IDs to meet KYC requirements and for reporting to the credit bureau. And refugees were formally included as a priority group in the country's 2023 National Financial Inclusion Strategy. At the same time, the Ugandan government policy requiring that at least 30% of services should benefit the host communities has been an important element in maintaining local support for refugees.

And while many Ugandan FSPs remain cautious about serving refugees (particularly when it comes to credit) others have made this a serious priority, including those featured in this paper. These not only serve FDPs within host communities, but also incorporate refugees throughout their operations, including as staff.

The country's microfinance association, AMFIU, has likewise made serving refugees a priority, with an array of training and sensitisation programs targeting FDPs, their surrounding host communities and FSP staff alike. Many of these are multi-party programs, bringing together impact funds, international aid organisations, local NGOs, and FSPs to address the needs of FDPs. With no signs of conflict in the region abating, there will be no shortage of FDPs continuing to flee to Uganda – and the country will continue to share its experience in providing financial services to FDPs.

100 FDPs via financial diaries. This provided information about FDPs' financial literacy awareness, their spending and savings habits, plus any information about their livelihoods and employment. Five different refugee segments were identified according to their level of dependence on humanitarian aid: A) independence, B) livelihood, C) resilience, D) subsistence and E) dependence.

OBUL then took the decision to focus initially on the first three segments (A-C). OBUL began by serving camps (starting with Nakivale), but then expanded to refugees living in urban areas. From this has emerged a tailored product portfolio, including ledger-free savings accounts; VSLA services; remittances; financial literacy training; and business training. To better serve its FDP client base, OBUL opened a branch in Nakivale refugee settlement in 2021, and it is also working in the Rwamwanja settlement and in Kampala with urban refugee communities.

Also in Uganda, **UGAFODE** (page 41) offers its **Smart Women Loan Product** in both settlements and urban areas, oriented to the needs of women refugees to transform their lives economically and socially, and with preferential terms.

The **Microfinance Department** of the **United Nations Relief and Works Agency for Palestine Refugees in the Near East (UNRWA MD)** operates as a non-profit financial institution across the West Bank, Gaza, Jordan, and Syria, offering specific products for OPT refugees in Syria and Gaza such as the Start-Your-Business Loan (SYBL), Palestine Refugee Business Loan Product (REFB) and Palestine Refugee Consumer Loan (REFC), focused on women and youth.

UNRWA was established in 1949 by a UN resolution to provide essential services such as education, healthcare, camp development, relief, social, and financial services to OPT refugees displaced by the 1948 war. Today, 5.9 million OPT refugees, including 1.5 million internally displaced, live in 58 camps across the West Bank, Gaza, Jordan, Syria, and Lebanon. Refugees face severe challenges, including destroyed homes, damaged businesses, and reduced incomes, with many experiencing multiple displacements, especially in Syria

and Gaza. The 2011 Syrian crisis internally displaced nearly half the refugee population, with 71.3% of UNRWA's microfinance clients forced to flee. Businesses and homes were severely affected, with 61% of businesses damaged, 44.2% closed, and with 55.7% of homes damaged and 14% completely destroyed. Income dropped for 82.5% of clients, leading 87.4% to reduce food expenses and 56.3% to cut health costs. In Gaza, the escalating conflict has displaced over 1.8 million Palestinians, disrupting services for 5,055 active microfinance clients and threatening the program's future outreach.

Palestinian refugees face significant challenges in rebuilding their lives during prolonged crises and become heavily reliant on relief efforts. Immediate needs include mental health support to address post-trauma recovery, followed by securing housing and safety. Re-establishing livelihoods from after displacement requires financial resources for businesses, housing, and basic necessities.

To meet some of these needs, UNRWA MD offers various start-up funds, business development loans and personal loans, with repayment terms designed for affordability, capped at 35% of clients' monthly income. They include:

- **Microenterprise Credit**: This targets regional microenterprises lacking access to formal credit. Loan sizes are USD 300-8,500 with maturities of 4 to 30 months, aiding in the establishment and maintenance of short-term working capital reserves.
- **Microenterprise Credit Plus**: This is designed for mature microenterprises seeking capital

expansion and employment growth. Borrowers with demonstrated repayment ability can extend MEC loans with repayment horizons up to 24 months.

- **Women's Household Credit**: This empowers women micro-entrepreneurs to build business and household assets. Loan sizes are USD200-3,000, with repayment periods of 4 to 24 months, supporting enterprise sustainability and household expenditures.
- **Personal Loan Product**: This assists low-income households without bank credit access, including loans of up to three times the client's monthly salary, or help to cover education, healthcare, or social outlays like weddings and funerals.
- **Housing Loan Product**: This facilitates housing improvement or acquisition for families lacking mortgage access. Loan sizes are USD3,000-15,000, with maturities of 18 to 36 months.
- **BST Loan Product**: This provides working capital loans from USD4 to USD160 to street peddlers in Syria. Repayment periods of 4 to 24 months address frequent displacements due to the civil war.
- **Start-Your-Business Loan Product**: This offers start-up loans of USD12-240 for micro-entrepreneurs in Syria, aged over 30, fostering income-generating activities with repayment periods of 6 to 30 months.
- **Palestine Refugee Business Loan Product**: Similar to previous, but specifically for Palestinian refugees in Syria, with loans of USD12-600, encouraging entrepreneurship with repayment periods of 4 to 30 months.
- **Palestine Refugee Consumer Loan Product**: Provides personal loans from USD12-240 for Palestinian refugee families in Syria, ensuring household asset accumulation or covering essential expenses, with monthly payments not exceeding 35% of income[8].

8 These are all conversions from Syrian pounds, which has high exchange rate volatility, and long-term devaluation - so these figures should be considered as indicative only.

UNRWA Microfinance Department

The UNRWA Microfinance Department (UNRWA MD), established in 1990, operates as a non-profit financial institution across the Occupied Palestinian Territories (West Bank and Gaza), Jordan, and Syria. Its mission is to enhance the quality of life for Palestinian refugees and marginalised groups by providing sustainable microfinance services to 40,000 clients (half of them FDPs), creating jobs, and empowering women and youth. Leveraging UNRWA's infrastructure and mandate, the Microfinance Department offers income-generating and asset-building opportunities.

The UNRWA MD provides a range of financial and non-financial services to support FDPs in the region. Key products include Microenterprise Credit for small businesses, Women's household credit, personal loans, housing loans, and specific products for refugees in Syria and Gaza, such as the Start-Your-Business Loan (SYBL), Palestine Refugee Business Loan Product (REFB) and Palestine Refugee Consumer Loan (REFC).

UNRWA MD also provides business training to enhance job skills and economic opportunities. The Small & Medium Enterprise Business Training (SMET) program provides training to small business owners, micro-entrepreneurs, job seekers, and employees in various sectors. Key training areas include business management, bookkeeping, marketing, strategic planning, and job-related skills such as English business communication, financial analysis, project management, and proposal writing.

Complementing financial access with non-financial products & services

We saw earlier that, while non-financial services can play an important role in the provision of inclusive finance to any group, FDPs are in *particular* need of complementary non-financial support, beyond just access to loans, savings, insurance or remittances. They may carry trauma, not speak the language of the host country or region, lack social networks for support, face legal or regulatory barriers to work or access to finance…the list is long.

The non-financial support from which they can benefit can take many forms, but may include:

- **Financial literacy training:** the provision of financial literacy training can increase the value of access to financial services.
- **Host community outreach**: FSPs can play an important role in sensitisation, communication, and dissemination of good practices to combat prejudice.
- **Information support to FDP clients**: this can assist decision-making, either in respect of specific financial services (e.g. availability, accessibility, price) or employment opportunities, housing availability or legal rights.
- **Language and other soft skill development**: beyond financial literacy, FDPs often lack the requisite soft skills, including local language competency, to engage with other system actors and decipher meaning from written or other communication.
- **Mental health or psychosocial support**: FDPs may need this support due to stress and trauma from their place of origin or the process of displacement itself.
- **Mentorship**: for example, to support refugee women in navigating the new economic and social systems in the host country, as well as potentially contribute towards social cohesion and broader integration.
- **Other training programs** with innovative learning tools, for example to develop financial skills particularly for farmers, youth, women, and MSMEs.
- **Paralegal services:** addressing the many legal barriers confronting FDPs in accessing affordable financial products and services.

Many of these services are beyond the capacity of financial institutions alone, and require them to partner with NGOs, international organisations, government, TA providers or others (see ‘*It takes a village*’ on page 42). Working with such partners, several of the other EMA semi-finalists put non-financial services at the centre of their service offering to FDP clients.

For example, alongside the financial products outlined on page 15, **FATEN** also runs so-called ‘community cohesion’ programs. FATEN’s Education Fund provides university scholarships for needy refugee students who are borrowers’ children, while the Saving Fund raises awareness about the benefits of savings and assists financially excluded FDPs to open bank accounts. The Health Insurance Fund promotes health awareness and protection, and the Training Fund offers capacity building in management, marketing, and tech use. The Cohesion Fund covers loans in case of calamities, protecting borrowers under precarious conditions, and the Corporate Social Responsibility Fund supports health, education, and social programs — transport for cancer patients, contributions to health centres, aid for children with special needs.

Al Majmoua (page 37) provides training to FDP clients in financial literacy training (on savings, debt management and household budgeting); business coaching using Lebanese business mentors; business management training (business planning, basic accounting and bookkeeping, sales and marketing); and entrepreneurship training via the "Creating Hope" curriculum developed in 2018 with the support of technical assistance from SANAD. These non-financial services are delivered through classroom training, individual coaching programs at participants' own premises as well as via Al Majmoua's mobile app. A focus is placed on the economic empowerment of women and youth. Networking events for customers and social cohesion activities are another important part of Al Majmoua's non-financial services for customer and non-customers, nationals, and forcibly displaced people alike.

OBUL (page 29) has piloted business development skills training using its Street Business School. This provides refugees with the skills to establish an income-generating activity and boost their self-reliance. This saw an initial 65 refugees graduating from the three-month training, with 34 subsequently developing new income-generating activities and 28 improving their existing businesses. OBUL has enrolled a second cohort of 90 business skills participants and intends to ultimately expand this program to reach 10,000 FDPs this way.

In Jordan, **MFW** (page 17) has initiated numerous community engagements including social media campaigns aimed at promoting financial literacy among refugees; free training programs through MFW's Learning Academy for refugee entrepreneurs, focusing on entrepreneurship, financial literacy, and gender equality; hosting free health awareness days at branches, addressing access to healthcare services, mental health support, and cancer awareness; and involving women refugee entrepreneurs in projects that support sales, marketing, and quality enhancements of home-based businesses and handmade products.

UNRWA MD's Small & Medium Enterprise Business Training (SMET) provides small business and microenterprise owners and job seekers with expertise through customised training to foster economic empowerment and employment. The training subjects are diverse, focusing on enabling small and micro business owners to better manage their business sustainability. The program also delivers training modules with subjects targeting job seekers, fresh graduates, and employees in governmental, NGOs and international agencies to develop their competencies in different areas of expertise. A good example is the "Start your own business" module targeting micro-entrepreneurs to equip potential SME owners with necessary skills to effectively establish their business successfully. There are a range of other specialised training targeting micro and SME owners on bookkeeping, marketing, effective communication skills, and strategic planning.

These are not the only organisations here investing in non-financial support to FDPs. **UGAFODE** has an extensive financial literacy initiative. **Financiera Confianza** offers employability and business training through the "Academia Confianza" program. And finally, **Inkomoko** provides critical advisory services, training, mentorship and linkages to the FDP entrepreneurs it exclusively serves.

2

ADAPTING OPERATIONS AND STRATEGY

"It is not failure to readjust my sails to fit the waters I find myself in."

Mackenzie Lee

Earlier, we saw some of the roles that FSPs can play in addressing the barriers FDPs face and introduced some ways that can be done beyond the provision of financial or non-financial products or services. What can a financial inclusion organisation do *internally* to better serve FDPs? How can it change its operations and strategy to meet this challenge?

Operations and strategy are two sides of the same coin – they both demonstrate commitment and vision on part of the organisation's management, governance structure and staff. And human resource management is critically important when serving people who may be traumatised, struggling with a new language, lacking the cultural knowledge or social connections to support their transition, and in some cases trying to make a new life within a host community that is sceptical or even hostile.

This section will address that in three parts: recruiting and training staff (including in some cases from the FDP community itself); implementing other operational changes; and embedding an FDP-focused strategy within the organisation.

The human resource

Field staff are the foundation upon which FSPs' interaction with clients is built. So when reaching out to clients who are by definition outsiders, having staff who are able to communicate in the clients' language, who understand and respect their culture and traditions, and most crucially, who can gain those clients' trust – this is fundamental to any FDP initiative. This can comprise training and sensitising staff or hiring FDPs themselves.

The Rural Finance Initiative (RUFI) is a refugee-led organisation that was originally established in South Sudan in 2008, but which, after being forced to close several branches there, followed its displaced client base to Uganda, where it opened its first branch in 2017.

As the box on page 20 explains, Uganda hosts one of the largest refugee populations in Africa, and more than half of them come from South Sudan. A common history, ethnic ties, and a progressive humanitarian policy make Uganda a refugee-friendly place, yet resources and opportunities are scarce. Access to capital or to land to cultivate is difficult, so some resort to cultivate their own lands in South Sudan and bring the harvest home in the settlement, in a permanent cross-border movement.

Uniquely among the EMA2024 semi-finalists, over **80% of RUFI's staff are refugees themselves** — a deliberate choice from the start given that RUFI's strategy was focused on serving refugees and was done to overcome some communication challenges and demonstrate empathy with the client base. And some were actually former staff in South Sudan who had themselves become refugees.

To protect FDPs from harm and exploitation, RUFI developed the Clients Safeguarding Policies and revised the Staff Code of Conduct that clearly stipulated how staff were to engage with the FDPs who came to seek for RUFI's services. Women refugees in particular are vulnerable, susceptible to exploitation by those offering easy access to finance (for more, see box on page 18). RUFI has also put in place complaint handling procedures and suggestion boxes, neither of which was successful and so RUFI's management responded by changing the process — providing phone contacts for Head Office and also arranging for senior management and board members to have regular meetings with FDPs, something which has been well received among clients.

Other organisations have a similar approach to staffing. **FATEN** (page 16) actively includes FDPs in its operations, employing them as field officers, agents, and non-financial service providers. This not only provides employment opportunities but also ensures that its services are informed by the lived experiences of FDPs. By involving FDPs in service delivery, FATEN enhances its cultural sensitivity and effectiveness in meeting their needs.

Al Majmoua (page 37) has heavily invested in its human capital, ensuring that the staff are properly selected, trained and informed about the institution's strategic directions and are invested in its mission. The staff firmly adheres to the code of conduct and ethics which specifies inclusiveness as one of Al Majmoua's core values — defined as treating all clients and employees equally, irrespective of their gender, nationality, ethnic group, religion and political affiliation.

The Rural Finance Initiative (RUFI)

The Rural Finance Initiative (RUFI), an EMA2024 finalist, is a refugee-led organisation established in South Sudan in 2008. In 2016, conflict forced many South Sudanese to flee to neighbouring Uganda, including many of its clients. RUFI had then to close three of its four branches and, facing collapse, the institution decided to follow their clients to the Ugandan refugee settlements. In 2017 RUFI opened the first branch in Uganda. Currently the institution has 6 branches in five settlements in Uganda, reaching 8,656 clients from 16 settlements, including FDPs from South Sudan, Congo DRC and members of the host community. RUFI is the only MFI in East Africa providing cross-border financial services to FDPs in Uganda, and it is also re-opening operations in South Sudan with the perspective of a potential return of some FDP after 2024.

RUFI operates within the refugee settlements, offering several lending products to FDPs (starting with their former clients in South Sudan) and the host population. The products they offer include: group loans (with 3 to 5 members); Village Savings and Loans Association (VSLA) loans, Individual collateralised loans, green energy loans; collateralised agricultural loans (to individuals or farmer cooperatives/groups), a business incubator called REMEDY; and a program to support groups of new refugees by offering business training and financing under the LOG (Loan, Own-capital, Grant) model.

RUFI also engages in advocacy through a 'local leadership' approach, working with local governments and communities, for instance to secure arable land for cultivation by refugees, and creating agreements for resource sharing between host community and refugee groups.

Al Majmoua staff undergoes multiple training courses to ensure they are equipped to effectively serve FDPs. These cover topics such as cultural sensitivity, understanding the unique challenges faced by FDPs (including gender-based violence referrals), and how to effectively communicate with customers who may be dealing with trauma or stress. Therefore, Al Majmoua's staff is trained to communicate and engage with all clients, including FDPs, in a manner that is responsive to their particular needs and that complies with the client protection principles. Al Majmoua not only relies on the direct engagement of the staff through classroom trainings and individual coaching programs at the customer's own premises but has developed other channels of delivery such as brochures and digital content available on Al Majmoua's mobile application 'MajMobile', as well as social media platforms. These resources provide information about Al Majmoua's services and are accessible to everyone, especially FDPs.

MFW (page 17) recognises the importance of leading by example and presenting a welcoming environment for FDPs, including addressing any biases or prejudices within its staff. MFW has adapted policies and trained staff extensively on the unique challenges faced by refugees, essential for building trust and serving the refugee community effectively. MFW was the first MFI in Jordan to offer services to Syrian refugees, but, informed by a pilot project with Iraqis, MFW chose not to launch a 'refugee product' from the start, but conducted brainstorming sessions with branches to engage and sensitise staff, and encourage front line staff to also appraise Syrian refugee clients. Despite some success, MFW reports that several challenges persist, including a lack of trust among field staff in dealing with refugees, stemming from concerns about repayment reliability and difficulties in verifying identity and residence.

Change from the inside out: adapting operations to better serve FDPs

Adapting, implementing or just improving internal processes can take various forms, including expanding the branch network to strategically important locations; cross border services; investment in new MIS or other data collection and management products; ensuring access to relevant databases; putting in place new policies and processes; and ensuring marketing and communications are well matched to the target population.

Opportunity Bank Uganda Limited (OBUL) offers a wide range of financial services to its more than 400,000 clients, as well as comprehensive financial literacy and business skills training, including to FDPs. And while Uganda boasts a supportive policy environment, in practice administrative, regulatory, legal and physical barriers hinder FDPs' ability to build sustainable livelihoods. OBUL's tailored product portfolio was introduced in the previous section, but includes ledger-free savings accounts; VSLA services; remittances; financial literacy training; and business training.

Uganda's large and dynamic refugee population is explained in the box *Why Uganda Matters* on page 20. And while current legislation grants in principle the conditions for refugees to integrate into their host communities, in practice administrative, regulatory, legal and physical barriers hinder FDPs' ability to build sustainable livelihoods, with women and youth disproportionately affected. Many refugees live in settlements, such as Nakivale (180,000) and Rwamwanja (93,000) in the Southwest, but also in the capital Kampala and other urban areas.

Improved access to Uganda's Office of the Prime Minister and UNHCR databases for KYC verification has significantly reduced the time to process account opening and loan disbursals. This provides another safeguarding check for both the bank and FDP clients, ensuring OBUL is serving FDPs effectively and enabling OBUL to be aware of any potential clients that are on lists for repatriation or resettlement.

OBUL's operational commitment to serving FDPs is clear from the development, prototyping and integration of **financial products and services that uniquely serve FDPs into OBUL's core banking systems**. OBUL has recruited Financial Inclusion Officers (FIOs) from the local communities (both refugees and hosts) to deliver financial inclusion training to prospective clients. The training is based on a UNCDF curriculum and tailored to OBUL products, so that the FIOs can provide a direct link to OBUL products and services. Each training lasts six weeks and topics covered include: understanding financial literacy, savings, personal financial management, financial services, and income generating activities. OBUL's financial literacy training is highly regarded in the community and by stakeholders, largely due to its ability to link those that have undergone training directly to the bank.

Opportunity Bank Uganda Limited (OBUL)

Opportunity Bank Uganda Limited (OBUL) began as a microcredit program founded in 1995 by Food for the Hungry International. OBUL's mission is to offer innovative technology-led financial solutions and training to ordinary individuals and MSMEs. It offers a wide range of financial services to its more than 450,000 clients: loans (micro, SME, agriculture, education, micro housing, among others), deposit accounts, microinsurance, money transfers, and digital banking services. In addition, it provides financial literacy and business skills trainings to its clients, including FDP.

In a human-centred design process conducted by OBUL in Nakivale settlement in 2019 five different refugee segments were identified according to their level of dependence on humanitarian aid: independence, livelihood, resilience, subsistence and dependence. OBUL then took the decision to focus initially on the first three segments and developed a specific product portfolio including: ledger free savings accounts; Village Savings and Loans Associations (VSLA) services: Group and VSLA loans; remittances services; financial literacy training; and business training.

OBUL opened a branch in Nakivale in 2021, and it is also working in the Rwamwanja settlement and in Kampala with urban refugee communities. OBUL is strengthening its digital banking services through agent network agreements to better reach FDP and plans include scaling operations to reach 3 new settlements. OBUL's FDP activities in the settlements are designed to include 30% of the host population as mandated.

RUFI (page 27) has also adapted operations to better serve FDPs. Although the refugee initiative was initially something RUFI describes as "a desperate intervention with the objective of recovering loans lent in South Sudan", it has now evolved and is built into RUFI's business strategy and mission – to be the champion of cross-border financial service provision for FDPs. Although RUFI was FDP-focused from its inception, the organisation nevertheless had to make significant adaptations to operate in Uganda, particularly with respect to requirements from the Office of the Prime Minister which oversees displacement and refugee policy in Uganda. RUFI's MIS lacked 'Refugees' as a borrower category, meaning client disaggregation was inadequate for monitoring. When RUFI began providing financial services to refugees, they only had an Attestation Card to identify them, which was not recognised as a viable ID. However, lacking alternatives, RUFI had to amend its KYC procedures to accept this ID and ensure service provision. RUFI also had to make other internal policy changes, mostly around protecting clients from abuse, given their special vulnerability as refugees.

FATEN (page 16) has also made significant operational changes. These include: upgrading the MIS to track and analyse data specific to FDP clients, ensuring that FATEN can monitor their progress and tailor its services; implementing flexible KYC processes to accommodate FDPs lacking traditional identification documents; expanding the branch network to include locations in refugee camps and remote areas — and leveraging mobile banking solutions to reach FDPs who face mobility restrictions; and establishing a dedicated committee within the governance structure to oversee the FDP initiative and ensure it aligns with FATEN's mission and strategic objectives — and ensuring all employees have access to this committee.

And **VisionFund Uganda** (page 19) has also incorporated various changes into its "normal business process", including the use of picture-based, learning friendly material for financial literacy training; CBS upgraded to track FDP clients for better data disaggregation, research, targeting and planning; and digital monitoring via the use of PowerBi data to decrease transport costs and increasing the number of improved loan decisions leading to lower defaults.

Embedding an FDP-focused strategy

Peru, where **Financiera Confianza** is based, currently hosts the second biggest Venezuelan FDP population in the world: over 1.5 million people in 2023, up from 1.2 million in 2021 and only 7,000 in 2016. Despite the government's issuance of Temporary Residence Permits, more than 60% of the FDP population has no regular status in the country, thus limiting their access to basic services, including financial services. In 2020, only 14% of Venezuelan FDPs in Peru had access to the financial system.

Financiera Confianza has responded to this with a program called 'Confianza sin Fronteras', implemented in cooperation with the International Finance Corporation (IFC) and which focuses on addressing the needs of Venezuelan migrants and FDPs in Peru.

The exponential growth in Venezuelan migrants in Peru has meant Confianza, like others, has had to not only amend operations but in fact re-think its strategy about serving displaced people. Confianza has updated its MIS to track FDP-specific indicators, including FDPs in operations, and has processes in place to adjust strategies based on these data; and invested in awareness-raising and sensitisation training for staff, with a focus on elimination unconscious biases with respect to FDPs.

But when it comes to embedding FDPs in its strategy, Confianza has gone further still. It has established a **specialised committee** to oversee the implementation and progress of the FDP initiative. This ensures that staff, management and governance structures are aligned and that the initiative itself remains maximally coherent with Confianza's overall strategic objectives and receives the necessary support at all levels.

Financiera Confianza

Financiera Confianza is a Peruvian financial institution established in 1994 and owned by the BBVA Microfinance Foundation. It provides financial and non-financial services to vulnerable microentrepreneurs in Peru, including individual and group loans, savings accounts, insurance and rural specific products. It currently has more than 700,000 clients, 2,770 staff members, a digital banking platform and more than 2,000 attention points in the country.

Peru currently hosts the second biggest Venezuelan FDP population in the world: 1.49 million people in 2022. Despite the government's issuance of Temporary Residence Permits, more than 60% of the FDP population has no regular status in the country, thus limiting their access to basic services, including financial services. In 2020, only 14% of Venezuelan FDPs in Peru had access to the financial system.

In 2018, Financiera Confianza launched the "Confianza sin Fronteras" ("trust without borders") program. The program has 3 main elements: 1) strengthening the value proposition (assessing the demand of the target population and adjusting services); 2) adapting processes & technologies according to the regulatory body's guidelines, particularly in terms of ID documentation for savings accounts and using mobile banking); and 3) implementation of a Microfinance Training School to hire migrants as inclusive business advisors. This program has resulted in an FDP-targeted product and service portfolio, that includes credit for MSMEs and for education (vocational training and title validation); savings products; insurance products (including voluntary oncological insurance); training and support to become bank agents; and employability and business training through the "Academia Confianza".

OBUL (page 29) has also taken steps to embed an FDP-focused strategy — the Refugee Finance Program — in its business. Because of the perception that lending to FDPs is high risk, OBUL considered it imperative that senior management bought into the programme. FDPs are now a key focus in OBUL's Three-Year Strategy 2024-26. The strategy focuses on expanding services to further refugee settlements (Kyaka II, Kyangwali and Bidi Bidi, alongside Nakivale, Rwamwanja and Urban) that collectively constitute 54% of the total FDPs in Uganda, with an average growth target of 15% of loans and deposits being provided to FDPs.

With a distinct model from the other organisations profiled here, **Inkomoko's** whole story is one of strategic targeting of FDP entrepreneurs. A US-based NGO focused on providing business advisory and funding to entrepreneurs in East Africa, Inkomoko has been learning since 2012 how to operate in increasingly more complex markets, to help displacement-affected communities transition away from humanitarian aid and towards private sector, market-based solutions. Inkomoko has a strategic plan called *Vision 2030*, which includes accelerating Inkomoko's growth in FDP communities, with a goal to reach 186,000 MSME businesses in refugee/IDP communities by 2030.

Inkomoko takes a highly **data-oriented approach** to identifying prospects, working with regulatory restrictions in place, and managing credit risk with its lending partners. Data is collected on tablets through

Inkomoko Business Development Ltd.

Inkomoko is a US-founded NGO focused on providing business advisory and funding to entrepreneurs in East Africa. Since its foundation in 2012, it has supported more than 59,000 entrepreneurs in Rwanda, Kenya, Ethiopia and (since 2023) South Sudan. Around half of its over 15,000 clients are forcibly displaced persons, as are 13% of its staff. In Rwanda, the institution's operations base, Inkomoko is a partner involved in the country's Refugee Response Plan.

Inkomoko's countries of operation host more than 7 million FDPs, many internally displaced, due to conflict and climate change, among others. Both Rwanda and South Sudan have progressive policies regarding refugees, allowing them to work and move freely. In South Sudan, more than 25% of the population is internally displaced, while there are also refugees, both in camps and in urban areas. Kenya and Ethiopia have more restrictive policies towards refugees. In all cases, access to finance is very limited due to FDPs' ID documentation, collateral requirements and other barriers. Inkomoko is the only company that offers loans to refugees in Ethiopia in partnership with local financial institutions.

In 2016, after observing the limited willingness of FSPs to lend to refugees, Inkomoko started its lending operations in Rwanda in addition to its business advisory services. Nowadays, the institution provides business advisory, direct financing, market linkages and advocacy services to FDP entrepreneurs, focused on three pillars: training and consulting to entrepreneurs focused on financial management, sales and operations; lending through a below-market rate investment fund; and offering market linkages services to entrepreneurs, including connections with anchor firms, resource pooling or training on product certification.

KoboToolbox software and securely stored and processed in Inkomoko's CRM system on password-protected servers (complying with Rwanda's data collection and processing standards). Unique identifiers are generated for each client to enable tracking of the client from recruitment to exit. Client data is compiled and analysed on a variety of demographic and impact metrics using R, STATA, SPSS, and other analysis software. Inkomoko uses PowerBI to generate dashboards to monitor and track its program delivery and impact. Evidence of the strategic importance of this program is that with each client entrepreneur, Inkomoko undertakes a baseline data collection, real time assessment of progress, and an endline data collection to help it monitor the project.

The recruitment of businesses to support has changed. Initially, prospective clients were identified through refugees talking to their refugee community leaders and then the leaders reaching out to Inkomoko's personnel, but today, there is a systematic process that starts with a prospects' recruitment all the way to loan recovery.

3

CHANGING THE CONTEXT

"Dripping water hollows out stone, not through force but through persistence."

Ovid

In the previous section, we saw examples of how organisations can change their *internal* situation to serve FDPs — from recruiting FDP staff and training on how to work with FDPs, to investment in MIS, different market approaches, digital platforms or new branches.

These are all necessary, but organisations can go further — trying to affect the *external* context to make it more conducive to serving FDPs. In this section, we'll see how different organisations are looking to change circumstances outside the organisation itself, working with the host community via outreach or sensitisation, or lobbying or advocacy efforts to encourage policy-makers to put in place changes that help financial inclusion organisations to better serve FDPs.

How can we create a conducive context to serve FDPs?

The financial inclusion of FDPs is not limited to financial providers themselves. An entire array of infrastructure and support providers play a key role. The Roadmap[9] to the Sustainable and Responsible Financial Inclusion of Forcibly Displaced Persons emphasises the importance of **resilient financial infrastructure**, including bank branches, ATMs, agent networks, and mobile connectivity. It highlights the need of physical infrastructure for swift and traceable digital transfers, especially in remote areas or refugee camps.

The availability and training of agents with proper point-of-sale devices, along with continuous mobile and electronic connectivity, are crucial for the relevance of **digital payments**. Interoperable and secure payment infrastructure supports account portability — which is of particular importance to FDPs. Unfortunately, such infrastructure and services are too often absent in most forced displacement contexts, and financial providers seeking to serve FDPs are often left to manage on their own.

Moreover, FDPs need **access to support services** that are often provided by humanitarian aid or development actors, but which are contingent on funding and the political context. The complexity of these challenges often go far beyond the expertise of financial service providers that need to rely on **partnerships** (with civil society actors, government, funders, etc.) to meet these needs.

Peer-to-peer learning platforms facilitate the exchange of best practices in financial inclusion of FDPs, including raising awareness about the business potential of FDPs as clients — and how to best reach and serve them.

Policy and regulatory reforms can reduce barriers to the financial inclusion of FDPs. Simplifying Know Your Customer (KYC) norms can streamline processes, ensuring that FDPs can readily engage with formal financial institutions without burdensome and unsuitable documentary requirements.

Finally, **research and rigorous data collection** is important in driving the financial inclusion of FDPs, including by making the case for the economic viability and social benefits of including FDPs in the formal financial system. This research should not only address existing knowledge gaps but also serve as a foundation for informed decision-making.

9 https://www.rescue.org/sites/default/files/document/2128/roadmapfinancialinclusion200716online.pdf

Working with the host community

FATEN (page 16) exemplifies engagement with host communities, and does so via various channels. They include: **public awareness campaigns and community dialogues** that allow FDPs and host community members to share experiences, struggles, and contributions to society, to combat stereotypes and build understanding; **community integration programs** such as joint community gardens and cultural events that bring FDPs and host community members together; **empathy-building initiatives** that include storytelling and art exhibits, showcasing FDPs' lives and talents, humanising their experiences and highlighting their resilience and contributions; and **educational programs** where FATEN works with schools and universities to deliver programs on forced displacement, human rights, and social justice, nurturing 'a more compassionate and informed future generation'.

In Uganda, **RUFI** (page 27) has approached this challenge by appointing so-called '**local leaders**', usually at the Local Council and the district leadership level. RUFI updates such leaders on the types of services RUFI provides and which clients it is targeting. It was from such relationships that RUFI was able to secure 100 acres of arable farmland for use by the refugees for cultivation in the Morobi Refugee Settlement. The local leadership approach has yielded two activities in which FDPs share resources with host communities – collecting firewood and water. In the absence of this approach, there is often resistance among host communities when FDPs — almost always women — go to collect firewood or water from boreholes within the host communities.

OBUL (page 29) has established partnerships with **local districts and government** to reach out to host communities. OBUL has partnered with four Ugandan districts in offering both financial and non-financial services, including financial literacy training, in the host communities where many FDPs live. Moreover, most of the staff at Nakivale Branch, located in the country's largest and oldest refugee camp, are recruited from these local communities. All FDP program activities are designed to also benefit host communities, with mandatory requirements of at least 30% of clients in these settlement areas being those from host communities.

Finally, **VFU** (page 19) works with various partners, including NGOs (World Vision, DanChurch Aid and Mercy Corps among others) to conduct training sessions aimed at educating stakeholders about the plight of FDPs and advocating for their inclusion and support. VFU conducts **community outreach activities** to foster understanding and solidarity within the host community, through forums like radio talk shows and community events to promote awareness.

Al Majmoua is Lebanon's largest MFI, operating in a country that has seen civil war, economic catastrophe and political dysfunction, even before the port explosion in 2020 and the worsening conflict between Hezbollah and Israel in 2023-24.

Lebanon has a long history as a host country for FDPs, with significant populations of Palestinians (displaced in 1948 and 1967) and Syrians (displaced since 2011). The Syrian conflict led to an influx of 1.3 million refugees between 2011 and 2013, contributing to societal challenges and tensions within host communities.

After adopting an open-border policy toward Syrian refugees, Lebanon tightened its border policy in 2015, as the refugee crisis intensified. Refugees who arrived after 2015 cannot obtain legal residency, restricting their access to basic services and civil documentation and increasing the risk of forced return. Furthermore, Syrians are officially allowed to work in only three sectors — agriculture, construction and cleaning services. Palestinian refugees mainly reside in camps that have evolved into urban neighbourhoods, while Syrians and other smaller groups like Iraqis are spread throughout the country, a double-edged sword which has both facilitated their integration but also driven xenophobia and resistance.

Since 2019, Lebanon's economic crisis has further strained the situation, with inflation outpacing humanitarian assistance. And since 2022, there has been markedly negative governmental rhetoric about Syrian refugees and strong pushback against integration. Calls for Syrians' repatriation grew through 2023 and communal tensions have been on the rise along with an uptick in local authority measures restricting access. 'Scarcity' thinking portrays refugees as unfairly taking jobs from nationals, diverting important development funds, receiving disproportionate amounts of public funds, overwhelming public services, or exhausting scarce natural resources.

As we saw in the first part of this section, Al Majmoua offers financial and non-financial services alike to all its customer segments, independent of nationality and status. This inclusive approach was built on the findings from customer surveys and impact studies as well as staff experience in the field, all of which showed Al Majmoua that the differences between segments were less linked to nationality but to the socio-economic background of the clients — whether FDPs or members of host communities. And throughout the years, it has proven successful in promoting **financial inclusion, sustainable development and most importantly social cohesion.**

Up until 2013, Al Majmoua developed targeted non-financial services on education and business entrepreneurship to specific FDP segments, such as Iraqi women or Palestinian youth refugees. But from 2013 onwards, all non-financial services activities have **involved both FDPs and host communities**, even

Al Majmoua

AL MAJMOUA
المجموعة

Al Majmoua, Lebanon's largest MFI and an EMA2024 finalist, was established in 1997 and served 100,000 customers across 36 branches before the 2019 crisis. Despite Lebanon's severe economic collapse, which significantly diminished its asset and client base (to 21,000 in 2024), Al Majmoua has continued its operations, maintaining its focus on FDPs.

Initially, both Palestinian and Syrian refugees required protection, shelter, and food, often relying on humanitarian aid. As their displacement lengthened, they sought financial services like savings, remittances, and business support. In more stable phases, Syrian refugees needed microcredit, home improvement loans, and health insurance, while Palestinian refugees, in a more permanent state, required services similar to the local population.

Al Majmoua supports FDPs through both financial and non-financial services. It offers various financial products, including group and individual nano loans, as well as individual microloans. Non-financial services include financial literacy training, entrepreneurship and business management training, delivered through classrooms, individual coaching and a mobile app, with an emphasis on economic empowerment of women and youth. Additionally, the institution provides seed funding and cash-for-work and also participates in the Referral Information Management System platform, to refer FDPs for services such as basic assistance, healthcare, education, shelter, legal aid, and support for gender-based violence.

when these activities were part of programmes funded by international partners such as UNHCR, UNICEF, GIZ or AFD.

Beyond this, Al Majmoua sees its role as a leader on host community engagement and places a strong focus on sensitisation of its host community, including the organisation's staff, to the challenges faced by FDPs. But Al Majmoua does this in a way that seeks to consider the needs and perceptions of the host community and brings both groups together in accessing services that promote exchange of life and professional experiences, for example having Lebanese women entrepreneurs taking roles as mentors of Syrian women. This is done in several ways, beyond just education initiatives to combat xenophobia among host community members.

Beyond host community sensitisation, Al Majmoua is one of the leading FSPs working with refugees and has shared its experience both at national and international levels, being strongly involved in different networks, including the Lebanon Microfinance Association, SANABEL, Women's World Banking, and the Social Performance Task Force, and contributing to training on the topic in diverse locations, with one of Al Majmoua's staff becoming a certified trainer at ILO's International Training Centre.

The organisation is also strongly involved in **advocacy**, particularly at the national level where they have joined forces with other Lebanese institutions to counter the increasingly negative narrative on the refugees in the country aggravated by the successive crises lived through in recent years. Al Majmoua is a member of the livelihoods core group of the Lebanon Crisis Response Plan since 2018, as well as a member of the food security and the social stability working group and Lebanon Humanitarian & Development NGOs Forum (LHDF), of which Al Majmoua is a founding and Steering Committee Member. Al Majmoua is also a member of the Lebanon Policy and Research Network on Displacement where it shares evidence-based information to make the business case for serving refugees.

The role of financial regulators in sustainably advancing financial inclusion for FDPs

Alliance for Financial Inclusion

At the country level, financial regulatory institutions such as central banks have a critical role to play in advancing financial inclusion for FDPs in a sustainable way. This means ensuring that enhancing FDPs' access to, and meaningful usage of quality, affordable formal financial services would ultimately enhance FDPs' financial health, empower them to live a dignified life, and enable their contribution to the host economy.

Typically taking on the responsibility of the lead implementing agency of a country's national financial inclusion policy agenda, central banks are well-positioned to lead a holistic, whole-of-government approach to addressing the barriers that inhibit the sustainable and responsible financial inclusion of FDPs. Over the years, Alliance for Financial Inclusion (AFI) and its members[10] have identified that financial policymakers and regulators play an important part in sustainably advancing financial inclusion of FDPs.

Central banks can trigger and sustain the multi-stakeholder collaboration that is necessary[11] for the development and implementation of policies and regulations that will sustainably advance the financial inclusion FDPs. They can convene multi-stakeholders that have never coordinated before – to interact with each other and better understand their respective roles and mandates, to openly exchange knowledge on the barriers to FDP financial

10 https://www.afi-global.org/members/

11 https://www.afi-global.org/wp-content/uploads/2022/09/Towards-Inclusive-Financial-Services-Financial-Capability-and-Financial-Health-for-All-A-Policy-Framework-for-the-Financial-Inclusion-of-Forcibly-Displaced-Persons.pdf inclusion, to jointly identify opportunities and brainstorm solutions, to establish a common goal for FDP financial inclusion, and to agree on a plan of action or roadmap that they can implement together. AFI members have used national multi-stakeholder workshops to gather their countries' line ministries responsible for FDPs, financial intelligence units, financial service providers, and humanitarian and development partners to set common goals and develop national roadmaps for FDP financial inclusion.

There is still a jarring lack of financial inclusion data on FDPs globally, which prevents the development of evidence-based policies and regulations. Without an accurate baseline and understanding of the state of FDP financial inclusion in a given country, it would be impossible to identify a common goal for different stakeholders to work collaboratively towards. Further, FDPs are a heterogeneous group from a wide range of countries and communities. Several AFI members have recently led the collection of sex- and age-disaggregated data on FDPs through demand-side and supply-side financial inclusion surveys. This is a good starting point to ensure that FDPs are no longer an 'invisible economy' and that their unique financial inclusion needs are properly understood. There can also be more appreciation for the financial inclusion barriers faced by forcibly displaced women[12] and youth.

Such data will allow financial policymakers and regulators to integrate FDPs into mainstream national financial inclusion policies and regulations. This way, FDPs will not be considered in an ad-hoc or piecemeal manner since key implementers would have the mandate to take actions to advance FDP financial inclusion together with the country's other target groups. For instance, with good data, FDPs can be comprehensively addressed in national financial inclusion strategies (NFIS)[13]. NFIS are an effective policy tool to drive formal financial inclusion and are a way for a country to pursue financial stability, financial integrity, and consumer protection policy objectives in tandem with financial inclusion. FDPs should also be integrated into national payment and fintech strategies, national strategies for financial literacy or education, consumer protection regulatory frameworks, and importantly, national policies and regulations for anti-money laundering/countering terrorism financing/countering proliferation financing of weapons of mass destruction (AML/CFT/CPF)[14] which would ameliorate the stubborn KYC and CDD issues that FDPs face.

In a world that is increasingly confronted by climate-induced displacement, central banks have a responsibility to lead proactive, preparatory efforts by ensuring that FDPs are considered in national inclusive green finance frameworks. The causes and consequences of climate-induced displacement are complicated and multidimensional. The UN Environment Program (UNEP) calls climate change the ultimate "threat multiplier" as it aggravates existing fragile situations and often exacerbates social tensions, disorder and violence, which can further drive forced displacement. The high potential for cross-border displacement in this regard also raises an urgent need for multilateral cooperation and shared solutions. Financial policymakers and regulators in the AFI network have initiated collaboration with relevant government offices and line ministries to begin addressing climate-induced internally displaced persons, towards building the resilience of FDPs and FDP-led MSMEs while contributing to climate change mitigation.

Many AFI members in countries facing forced displacement have taken concrete steps to ensure that FDPs are not forgotten or left invisible by exclusionary national policies and regulations for financial inclusion. Encouragingly, this has resulted in better digital financial services and consumer protection for FDPs, regular inclusion of FDPs in national financial inclusion surveys, and a deeper understanding and empathy for FDPs by different stakeholders.

12 https://www.afi-global.org/wp-content/uploads/2022/11/The-Financial-Inclusion-of-Forcibly-Displaced-Women.pdf [for more, see box on page 18]

13 https://www.afi-global.org/sites/default/files/publications/2020-12/AFI_GN41_AW_digital.pdf

14 https://www.afi-global.org/wp-content/uploads/2022/07/Leveraging-Digital-ID-and-e-KYC-for-the-Financial-Inclusion-of-Forcibly-Displaced-Persons-FDPs-Risks-and-Opportunities.pdf

Advocating for policy change

Financial inclusion organisations typically face various barriers to serving FDPs, among which are legal or regulatory frameworks in the host country that increase time, cost and complexity of serving FDPs, without always a firm rationale. Common examples are stringent consumer identification rules (like those outlined in the box on pages 38-39), such as those associated with Know-your-Customer (KYC), Anti-Money-Laundering (AML) and Combating Terrorism (CT) legislation, that either inherently exclude FDPs or have failed to adapt through alternative compliance procedures. FSPs, with their unique practical insight into the real-world implications of these rules, can play a crucial role in lobbying, advocating or otherwise working constructively with policy-makers to address these issues to create a more efficient environment, without compromising on the intention of the underlying rules.

Uganda has among the most conducive frameworks for serving FDPs (see page 20), but even there, a lack of appropriate KYC documents can hinder refugees' access to financial institutions. Some of the refugees **OBUL** serves lack the required refugee identifications, or those that have them cannot easily be verified as per requirement from the Bank of Uganda. OBUL works closely with other development partners such as UNHCR, to advocate to the Ugandan government entities, including the Office of the Prime Minister (OPM) for appropriate KYC for refugees. There are signs of progress; the Ugandan government has now created QR code-enabled Refugee IDs that can be easily verified. OBUL also lobbied the regulatory body to accept the Refugee ID card for credit reference checks, which was approved and implemented in 2023.

Among the EMA2024 semi-finalists however, **UGAFODE** is the most active when it comes to changing the external context through advocacy. UGAFODE is a microfinance deposit-taking institution established in 1994. Its mission is to transform the

UGAFODE Microfinance Limited

UGAFODE is a microfinance deposit-taking institution established in 1994. Its mission is to transform the lives of low-income and marginalised people who are economically active, among whom are refugees. The institution provides savings, loans, money transfer services and financial literacy training. It serves over 90,000 clients (over 3,000 of them FDPs) through 21 branches of which one of them (as well as two sales centres) is specifically dedicated to financial inclusion for refugees and host communities.

In 2017, UGAFODE began advocating for regulatory changes with the Bank of Uganda to allow refugees access to financial services. In 2020, despite the COVID-19 pandemic, UGAFODE opened the first branch in Nakivale Settlement, Isingiro district and has set up other access points in refugees' communities. Its work with FDPs is informed by several feasibility studies UGAFODE conducted together with its partners. In these studies, refugees living in the settlements expressed frustration over long, costly trips to banks in nearby towns and the absence of financial services within the settlements. Ongoing studies have informed product reviews, particularly focusing on consumer behaviour among refugees and host communities, especially women. Key needs identified include low income levels, reduced financial support, limited access to finance (due to lack of collateral and religious constraints), and a lack of business skills, particularly among women.

lives of low-income and marginalised people who are economically active, many of whom are refugees**.** Uganda's Open Door Policy allows refugees to move freely, work, and do business with host communities. However in 2017 UGAFODE took a decision to advocate for regulatory changes with the Bank of Uganda for refugees to access financial services. Previously, there was no legal framework under which refugees could access financial services in Uganda.

Via a formalised MoU with the OPM, UGAFODE successfully sought approval from the Bank of Uganda to **include refugee identification documents as acceptable personal identification documents for KYC purposes** to access financial services at all regulated financial institutions in Uganda. The outcome of this was revision of key policies such as the Human Resources policy (to allow the employment of refugees in Ugandan FSPs), as well as adjustment of other policies to allow savings, account opening and lending to refugees. This has helped other financial providers to leverage UGAFODE's initiative to expand their services to refugees in Uganda. Like OBUL, UGAFODE lobbied

'It takes a village': The role of partnerships

Partnerships are indispensable in any area of financial inclusion that goes beyond the core provision of financial services. But this is especially true when considering the complex psychosocial, language, literacy, access and other needs of displaced people, which typically exist in a context of instability, stress and even risk.

Many financial providers offer **non-financial services** as part of their operations, but the needs of FDP clients often exceed the ability of FSPs to provide the necessary services. Here, **international organisations**, whether international bodies like the UN or international NGOs, play a critical role. **FATEN** collaborates with organisations like the International Red Cross (IRC) and the Red Crescent Movement to ensure that FDPs receive comprehensive support including emergency relief, healthcare, and education. **Al Majmoua** works with IRC, MercyCorps, and others to provide financial literacy, employment and entrepreneurship trainings for female and youth refugees. **UNRWA MD** works with German entities GIZ and the Sparkassen Foundation to develop and deliver business and literacy training materials. Meanwhile **Inkomoko**, an NGO that provides entrepreneurship training and other services to FDPs, takes the other role of these partnerships, relying on local FSPs, such as Equity Bank in Kenya and others, to disburse loans to its clients.

Providers may also partner with **governmental or other public sector bodies** to streamline their interactions with FDP clients. **UGAFODE** has worked closely with the Office of the Prime Minister (OPM) in Uganda to improve the refugee documents needed to meet KYC requirements, while **OBUL** also has implemented an agreement with OPM and UNHCR to access to key FDP databases for KYC and appraisal purposes.

Technology providers play a huge role, particularly in serving populations that are mobile, transient or lack easy access to branches. **MFW** offers services to FDP clients via Al-Tibbi (a telehealth consultation service accessed through a mobile app), and digital providers Uwallet and Orange Money to offer clients convenient, secure, and efficient digital wallet services, facilitating easier transactions and improving financial inclusion for both FDP and non-FDP clients alike.

Universities and other research providers can also play a role. **FATEN** works closely with Birzeit University to gather and analyse data on program impact and develop evidence-based interventions. **Al Majmoua** relies on SANAD to conduct qualitative and quantitative market studies, pilot the Economic Digital ID "Hawiyati" and develop the entrepreneurship curriculum "Creating Hope". MercyCorps supports **UGAFODE** in both conducting impact surveys and product design to scale outreach to refugees in both settlements and urban areas. **RUFI** leverages partnerships with international organisations such as CordAid, the Luxembourg Government, and others to conduct market research and product innovation.

The perceived risk of lending to FDPs leads to another type of partnership – providing **financial guarantees** for FDP loans. For example, EBRD and EIB provide guarantees to **MFW** for loans that it provides to Syrian refugees in Jordan. **UGAFODE** partners with UNCDF, which provides a credit guarantee for 2.5 year loans to financially literate low income youth and women who have undergone financial literacy training.

Finally, financial providers can benefit from the network effects that accrue via **associations or other representative bodies**. **UGAFODE** works with the Association of Microfinance Institutions of Uganda to conduct financial literacy training among refugees in Kyangwali, and **UNRWA MD** has partnered with global, regional, and national microfinance networks (Tanmiyah, Sanabel and Sharakeh, among others) for exchange of industry information, increasing global awareness of UNRWA's services and adaptation of emerging client protection best practices.

the Credit Reference Bureau, now CompuScan, to accept those refugee ID numbers issued by the OPM as identification for refugees to apply for credit. Prior to that they could only consider financial card numbers for loan applications.

Finally, following the acceptance of refugee IDs as acceptable KYC documents, refugees across Uganda were then able to benefit from UGAFODE's efforts in lobbying for the scrapping of search fees for loans below UGX 1Million (USD275) (which makes up the majority of loans to refugees), reducing their cost of borrowing for most FDPs.

ORGANISATIONS' OWN 'LESSONS LEARNED'

In the EMA2024 application form, applicant organisations are asked to describe "any lessons you have learned during the course of your FDP initiative — what would you do differently, if you could?" The following is a selection of the semi-finalists' answers:

FATEN

Forced displacement scenarios require flexible program design and implementation; this means incorporating adaptable structures to respond to changing needs quickly.

Deep community engagement is crucial for success; organisations should strengthen involvement through consultations, participatory planning, and feedback mechanisms.

Financial services alone are insufficient; comprehensive and integrated support enhances impact. This means integrating education, healthcare, and psychosocial support, expanding partnerships.

Long-term sustainability requires ongoing funding and local capacity building. This needs sustainable funding models and investment in local capacities.

RUFI

FDPs are not a 'flight risk' as perceived by most FSPs, especially after they have been registered and settled in a specific settlement. They could however be a flight risk if lending is handled when they are still in camps and disillusioned about their future.

FDPs are actually better at repaying loans than members of the host communities. Our branches in Morobi and Rhino Camp Refugee Settlements, where 90% of the borrowers are refugees, never registered PAR>30 Days of more than 3% for the past 2 years.

Al Majmoua

In the context of culturally very similar populations like Palestinians and Syrians in Lebanon, the product needs and preferences are not defined through nationality or provenance but rather by socio-economic layers.

Palestinian and Syrian displaced people display the same needs for basic financial and non-financial services as do vulnerable Lebanese nationals. This has led to the understanding that segmentations should be conducted along economic lines, and that we do not need different products.

Microfund for Women

We have learned the importance of having the courage to take risks, even in uncertain situations, as these risks can provide crucial support to those who may have lost hope.

We discovered the value of taking small, incremental steps toward new actions and expansion, while consistently monitoring and evaluating results to make improvements or pause when necessary.

Opportunity Bank Uganda Ltd.

Nakivale Refugee Settlement has proven to be an effective testbed to pilot various approaches to financial inclusion Getting the basics right has meant that adaptations can be made as new learnings emerge and new products can be tested. It has also meant that the products have been assured as fit for purpose, enabling rollout to a second settlement.

UGAFODE

While not all refugees are great clients, most refugee borrowers perform at least as well as nationals when it comes to loan repayments. Refugees are bankable and economically active and given the right support and financial products and services, they can build financial resilience and achieve sustainable livelihoods.

There is a need for continuous financial literacy training since refugees are not a stable population due to repatriations, resettlement and receiving new arrivals.

All customers, including refugees, prefer to use alternative delivery channels, which are convenient, and save them from travelling to branches.

Direct marketing to refugees is much more effective if conducted by refugee community members themselves, thus the employment of refugee staff.

UNRWA Microfinance Department

There is a critical need to keep abreast of changes in clients' needs; our social performance unit regularly conducts impact assessment studies, poverty surveys, and client satisfaction surveys to ensure no mission-drift; plus an institutionalised complaint system is implemented in all branches.

It's important to go digital to 'reach the unreachable' target groups who may live in rural areas and do not have access to banking systems. We are planning to expand outreach and introduce new products including green financing, gig economy, e-commerce, solar energy loans, etc....

Inkomoko

When we started working in refugee communities, we were cautioned that debt and Islamic financing would not work in these markets. Because we were trying to do something new in refugee communities – offer professional investments with an expected return – we needed to calculate our risk. We started by investing in established businesses run by locally respected entrepreneurs. We worked closely with them to ensure business growth and successful repayment. As a result, our investments in refugee communities outperformed those in local SMEs, and we were able to prove that refugee businesses were highly capable of understanding and repaying financing.

Financiera Confianza

A key lesson has been the importance of collaboration with public and private sector entities to create an inclusive environment; as well as the need to continually sensitise and train staff on unconscious biases and the importance of inclusion.

FACTORS FOR SUCCESS: EIGHT INSIGHTS ON ADVANCING THE FINANCIAL INCLUSION OF FDPs

"The human animal differs from the lesser primates primarily in his passion for lists."

H. Allen Smith

The remit of the EMA2024 was to *highlight organisations active in financial inclusion that help forcibly displaced people build resilience, restore livelihoods, and live with dignity in their host communities*. The ten semi-finalists profiled in this paper do that, in their own distinct ways and in equally varied contexts. Some have initiatives that have adapted in the changing circumstances to be able to serve FDPs; others have built FDP initiatives with intentionality from the start.

Whatever the case, these organisations and many others from this Award process reveal a real breadth of 'best practice' (but of course, best practice is never really *best*, it can only ever be well adapted or implemented, taking into account a rich and changing context).

Over the course of the whole Award process, some distinct themes have emerged that can guide not just FSPs but all relevant stakeholders when it comes to advancing the financial inclusion of refugees and forcibly displaced people.

Here are eight of those themes, in the form of general insights or guidance:

1. First, start by making sure to **understand the displacement context**. What has brought displacement to these people: Civil war? Cross-border conflict? A natural disaster or a creeping change in climate making livelihoods impossible? And what do the drivers mean for the nature of their displacement — is it likely to be transient or *de facto* permanent? Are they far from home? Do they share a language with the host community? Investing time and resources to learn the displacement context(s) is always necessary. Not only will it lead to products and services well matched to clients' needs (and reflected in portfolio health), but the empathy that comes from understanding will affect organisational mission, staff morale, and the organisation's interaction with the host community.
2. When it comes to designing and delivering products for FDPs, financial inclusion organisations should always **think as broadly as possible**; this is an opportunity beyond just offering more loans to a new segment. Not only does this mean thinking about a whole range of flexible and client-centric credit products but different conceptions or adaptations of collateral, group and individual loan models, savings products, insurance and transfers.

Perhaps most of all, it also entails the thoughtful integration of financial and non-financial support — legal services, counselling, language or literacy, financial education, business linkages, and others. None of this can be offered for free, and most is outside the core competency of a financial provider. Sustainable, mutually beneficial partnerships are indispensable.

3. **Wherever possible, involve FDPs themselves** in the conception, design, rollout and refinement of products, and in operations. Indeed, FDPs can play a particularly important role as field staff; for the organisation this ensures that the clients' perspective is heard, while providing employment and facilitating positive interaction with the host community. FDP staff can have huge advantages in empathy, understanding, and especially trust with their community. Not every initiative can be refugee-*led*, but most, surely, can be refugee-*driven*. FSPs can play a role in facilitating this leadership, alongside local government and other stakeholders.

4. FDP initiatives are most effective when they are **embedded in the institution's overall strategy**. The essential premise of this is to ensure that the project is not simply responding to the demands of external parties or driven by a purely supply-side impetus — i.e. because funding is available *just for this.* Instead, FDP initiatives must be implemented as part of the organisation's core strategy, with buy-in from senior management and governance structures, and appropriate resources set aside to make long-term operational changes. It also requires setting realistic objectives and milestones, with appropriate reporting back to these strategy-setting bodies.

5. Moreover, when it comes to making strategic decisions, remember that FDPs are a heterogeneous group with diverse — unique — needs. So **different barriers need different solutions**. Some FDPs have vastly greater freedom of movement than others — cultural norms may affect the movement of women; ID requirements may restrict employment options; FDPs in camps may be just too far away from branches or classrooms. Digital finance technologies (like e-wallets, m-money or app-based financial education, among others) will usefully mitigate some of these problems in some cases, but technology is never a one-size-fits-all solution. Some FDPs need access and convenience and speed. Others need high-touch support. Again, involving FDPs in these decisions can help distinguish these needs.

6. Many of the organisations in this paper recognise opposition, fear, even xenophobia among members of the host community. As we saw earlier, a combination of finite public resources, growing FDP populations and the speed with which misinformation can spread provides fertile soil for anti-refugee sentiment to grow. The last section of this paper presents ways that organisations have sought to **work with host communities via outreach or sensitisation**, combatting perceptions that FDPs receive special privileges and working to

improve mutual understanding, including through shared events. This also requires ensuring that, when relevant, services offered to FDPs are also available to host communities too.

7. **Changing the external context** is another area where FSPs and other financial inclusion stakeholders can play a key role, including via lobbying or advocacy to amend laws or regulations, particularly on KYC/AML and acceptable refugee documentation. This is easier in countries with established frameworks for communication between government, central banks, FSPs and the broader ecosystem. But for those countries without those channels in place, local and global networks and associations can play an important role. As before, success here stems in great part from the quality and depth of an organisation's partnerships and joint activities, for example via national associations.

8. Finally, organisations would do well to **be bold: fortune favours the brave**. There is a consensus in some parts that serving FDPs is impossibly hard; that as a segment they are too risky to serve. Most of the success cases in this paper and the many other outstanding initiatives that this Award process has spotlighted have required some guts to get started. It's not always possible (or even preferable) to wait for external actors to take on risk or provide grant funding or TA; providers can be proactive and innovative themselves. For other stakeholders in the sector, the same exhortation applies: increasing displacement will be among the defining themes of the coming decades; seeking out and partnering with bold providers that want sustainable models will benefit all parties, not least the FDPs themselves.

THE EUROPEAN MICROFINANCE AWARD

ABOUT THE AWARD[15]

The European Microfinance Award is a prestigious annual award with €100,000 for the winner and €10,000 for the runners-up, which attracts applications from organisations active in financial services around the world that are innovating in a particular area of financial inclusion. The Award was launched in 2005 and is jointly organised by what is now called the Luxembourg Ministry of Foreign and European Affairs, Defence, Development Cooperation and Foreign Trade; e-MFP; and the Inclusive Finance Network Luxembourg, in cooperation with the European Investment Bank. It serves two parallel goals: rewarding excellence and collecting and disseminating the most relevant practices for replication by others.

15 For more on the Award process, eligibility, prize and benefits to winner and finalists, and more, see https://www.european-microfinance-award.com/wp-content/uploads/EMA-2024-Concept-Note-Award-Guidelines_EN.pdf

Previous editions addressed the following subjects:

2023, Inclusive Finance for Food Security & Nutrition

How can financial inclusion organisations safeguard access to quality and affordable food for vulnerable populations, and increase the resilience of sustainable food systems?

Winner: Yikri (Burkina Faso) for its array of group-based financial services alongside education on financial literacy, health and nutrition, and sustainable agricultural practices, including via 'field schools' to demonstrate recommended farming practices, and value chain training to connect farmers with input suppliers and buyers.

2022, Financial Inclusion that Works for Women

How can financial inclusion organisations aim to understand and meet women's challenges and aspirations in order to go beyond traditional gender outreach strategies?

Winner: Banco FIE (Bolivia), for a wide range of financial and non-financial products and services for women clients, as well as an innovative business management model for inclusive leadership, women's empowerment, violence prevention and access to equal opportunities.

2021, Inclusive Finance & Health Care

How can FSPs increase access to affordable and quality health care among low-income communities?

Winner: Fonkoze (Haiti), for *Boutik Santé*, a health screening and women entrepreneur-led education training initiative for very poor customers.

2020, Encouraging Effective and Inclusive Savings

How can FSPs design and offer savings products that respond to clients' real needs and encourage positive savings behaviour?

Winner: Muktinath Bikas Bank (Nepal), for its adapted solidarity group savings model with doorstep services, including dedicated pension and insurance savings products, alongside extensive financial education.

2019, Strengthening Resilience to Climate Change

How can FSPs provide products and services to increase the resilience of vulnerable populations (and the institutions themselves) to climate change?

Winner: APA Insurance Ltd (Kenya), for its index-based livestock and area yield insurance products for farmers.

2018, Financial Inclusion through Technology

How can FSPs leverage technology innovations to improve efficiencies and service quality and increase outreach to new, excluded populations?

Winner: Advans Côte d'Ivoire (Ivory Coast), for its digital savings and payment solutions for cocoa farmers and cooperatives, and their small digital school loans for farmers.

2017, Microfinance for Housing

Can MFIs respond to the complex housing needs of low income and vulnerable populations, helping them access better quality residential housing?

Winner: Cooperativa Tosepantomin, for its holistic housing programme serving rural communities and promoting environmental responsibility.

2016, Microfinance and Access to Education

How can MFIs increase access to education for children, or provide skills training for youth and adults to enhance their employment and self-employment opportunities?

Winner: Kashf Foundation (Pakistan), for its programme to serve low-cost private schools.

2015, Microfinance in Post-disaster, Post-conflict Areas & Fragile States

What can MFIs do in order to operate in exceptionally difficult environments and circumstances, helping increase the resilience of the affected communities?

Winner: Crédit Rural de Guinée S.A (Guinea), for its innovative response to the Ebola outbreak in Guinea.

2014, Microfinance and the Environment

Is it possible to integrate environmental governance into the DNA of MFIs and promote initiatives to improve environmental sustainability?

Winner: Kompanion (Kyrgyzstan), for its Pasture Land Management Training Initiative.

2012, Microfinance for Food Security

Which microfinance initiatives contribute to improving food production and distribution conditions in developing countries?

Winner: ASKI (The Philippines), for serving smallholder farmers and fostering effective market linkages.

2010, Value Chain Finance

What are the outstanding microfinance initiatives in productive value chain schemes?

Winner: Harbu (Ethiopia), for an initiative financing a soybean value chain.

2008, Socially Responsible Microfinance

What innovative initiatives can MFIs undertake to promote, measure and increase the social performance of their activities?

Winner: Buusaa Gonofaa (Ethiopia), for the development of its client assessment system.

2006, Innovation for Outreach

What are breakthrough initiatives within microfinance that deepen or broaden rural outreach?

Winner: The Zakoura Foundation (Morocco), for its programme on rural tourism.

EUROPEAN MICROFINANCE AWARD 2024 SELECTION PROCESS

49 APPLICATIONS FROM 26 COUNTRIES

Round 1

(short application form)

Committee composed of the e-MFP Secretariat and the Award consultants

30 APPLICATIONS FROM 17 COUNTRIES

Round 2

(more comprehensive application form)

Committee composed of the e-MFP and InFiNe.lu Secretariats and the Award consultants
Eligibility criteria: sound financial performance; meaningful and significant

18 PRESELECTED APPLICANTS FROM 10 COUNTRIES

Selection Phase

Committee composed of e-MFP and InFiNe.lu members

10 SEMI-FINALISTS

3 FINALISTS

Final Phase

High Jury

WINNER

2024 SELECTION COMMITTEE MEMBERS

ORGANISATION	Judge(s)
ADA — Appui au développement autonome	Simone Uccheddu
Agence Française de Développement (AFD)	Thomas Josselin
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e-MFP Board member	Laura Hemrika
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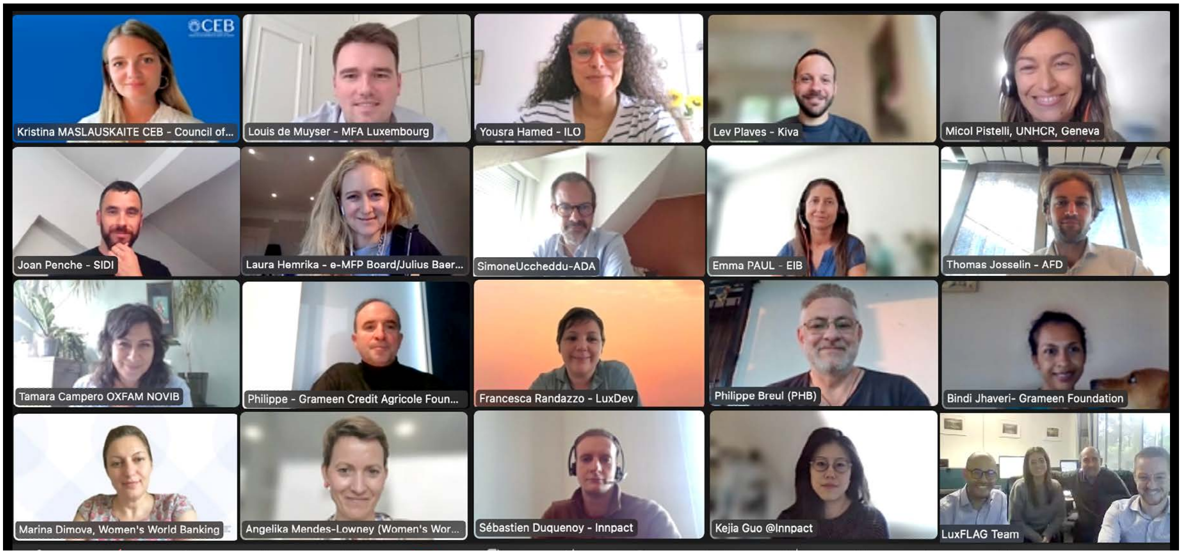
SIDI — Solidarité Internationale pour le Développement etl'Investissement	Joan Penche
The Luxembourg Finance Labelling Agency (LuxFLAG)	Ahmed Ouamara; Nairi Tarakdjian; Leonardo Valtierra; Alexandre Gaudin
UNHCR	Micol Pistelli
Women's World Banking (WWB)	Marina Dimova; Angelika Mendes-Lowney



ORGANISERS OF THE EUROPEAN MICROFINANCE AWARD

Luxembourg Ministry of Foreign and European Affairs, Defence, Development Cooperation and Foreign Trade

https://cooperation.gouvernement.lu

The inclusive finance sector has been actively supported by the Ministry of Foreign and European Affairs, Defence, Development Cooperation and Foreign Trade over the last 30 years. The Ministry works closely with civil society stakeholders and networks specialised in microfinance to fund conceptual innovation, research and the development of new tools as well as political action in national and international fora, by focusing particularly on integrating the most vulnerable into the financial inclusion sector. Long-term commitment and strategic support have led to Luxembourg being globally recognised as a centre for financial inclusion.

LUXEMBOURG
AID & DEVELOPMENT

e-MFP

www.e-mfp.eu

e-MFP is the leading network of organisations and individuals active in the financial inclusion sector in developing countries. It numbers over 120 members from all geographic regions and specialisations of the microfinance community, including consultants & support service providers, investors, FSPs, multilateral & national development agencies, NGOs and researchers.

Up to two billion people remain financially excluded. To address this, the Platform seeks to promote cooperation, dialogue and innovation among these diverse stakeholders working in developing countries. e-MFP fosters activities which increase global access to affordable, quality sustainable and inclusive financial services for the un(der)banked by driving knowledge-sharing, partnership development and innovation.

EUROPEAN
MICROFINANCE
PLATFORM
ADVANCING FINANCIAL INCLUSION

Inclusive Finance Network Luxembourg

www.InFiNe.lu

The Inclusive Finance Network Luxembourg Asbl (InFiNe.lu) brings together Luxembourg stakeholders from the public, private and civil society sectors to leverage on Luxembourg's significant expertise, to promote financial inclusion globally, as a key to empowering vulnerable populations. Capitalising on Luxembourg's leading position as financial and development centre, InFiNe.lu aims at catalysing expertise and know-how in inclusive finance and stimulating synergies and collaboration amongst its members in the sector. The network gathers 44 members and is supported by the Luxembourg Ministry of Foreign and European Affairs – Directorate for Development Cooperation and Humanitarian Affairs.

InFiNe
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