



Youth Financial Inclusion in the Arab World

Inclusion Financière des Jeunes dans le Monde Arabe

Technical Workshop, March 12-13, 2013
Sofitel, Rabat, Morocco

1. Motivation

For more than a generation, the Middle East/North Africa (MENA) region has had the highest youth unemployment rates in the world, reflecting decades of youth economic and financial exclusion. A World Bank analysis of the Global Findex Database (Demirgüç-Kunt and Klapper, 2012) found that only 13% of young people (aged 15-24) in MENA region had accounts at a formal financial institution, as compared to a world average of 37% and 17% in the next closest region, Sub-Saharan Africa.

After decades of social, economic, and political marginalization, young people have been at the forefront of the social unrest taking place across the region over the past two years. The Arab Spring was sparked by the actions of a frustrated young Tunisian street vendor, a micro-entrepreneur. Governments have responded by searching for innovative policy interventions to support youth economic and financial inclusion. More than ever before, youth economic empowerment and financial inclusion are seen and understood to be keys to political stability and economic prosperity.

During the CGAP Annual Meeting in Amman in May 2012, a group of microfinance institutions and international organizations expressed an interest in exploring policy and program alternatives for improving access to financial services among MENA youth. In response, CGAP and Silatech are jointly organizing a policy workshop to (1) share the results of recent research on youth financial access, (2) explore opportunities for innovative programs that could increase financial services available to youth, and (3) discuss policy alternatives that could improve youth financial inclusion in the region.

2. Workshop Objectives

- Increase awareness among development actors of the state of youth access to financial services in the MENA region.
- Facilitate an exchange of knowledge and experiences among participants, including best practices, lessons learned, innovative ideas, and opportunities for partnership engagement.
- Identify potential areas for future collaboration among stakeholder, follow-up activities, policy engagement, and policy reform. Synergies and coordination.
- Explore the establishment of platforms (working groups, etc.) to follow up on the outcomes of the workshop, develop actionable agendas, and inform program design and public policy.

3. Participants and Organization

The workshop will involve 60 participants from microfinance institutions, donor community, international organizations, civil society, public servants, think tanks, and other stakeholders. Most of the sessions will be run as panel discussions. The second day will include a breakout session which will give participants an opportunity to discuss issues raised during the event and propose post-event follow-up activities.

Day 1

08:30 – 09:00	Registration
09:00 – 09:15	Welcome & Opening Remarks
09:15 – 10:00	Opening Address by Loic Chiquier , Director, Finance and Private Sector Department, Middle East & North Africa, World Bank (US)
10:00 – 11:30	Session 1

State of the Practice: Youth and Financial Services in MENA

Session Description: The session will present the state of youth financial inclusion and the role of financial services within the broader development agenda of economic empowerment. Panelists will share data on both demand and supply of financial services in the MENA region. They will also discuss possible reasons for the low rates of financial inclusion/take up in the region.

Moderator: **Mayada El-Zoghbi**, CGAP (France)

Panelists	Topics
Tim Nourse , Making Cents (US)	Findings from the publication “ 2012 State of the Field in Youth Economic Opportunities ” and annual Youth Summit. Discuss the role of financial services within this broader goal of economic opportunities.
Atisha Kumar , World Bank (US)	Demand side: Present Findex latest findings on MENA and youth access to financial services, hopefully including 2012 data.
Nader Kabbani , Silatech (Qatar)	Supply side: Present evidence on supply side of financial services in MENA from preliminary findings of the 2013 CGAP/Silatech MENA MFI survey.

11:30 – 12:00 Coffee Break

12:00 – 14:00 **Session 2**

Experience of Youth Financial Services Programming in MENA

Session Description: The session will present examples of youth financial services programming from financial services practitioners operating in the region. The session will explore the rationale for financial institutions to take on a youth specific focus; how they have achieved this and the challenges and opportunities that they have encountered in the process. The session will also touch on the constraints they face and their opinions on what would create a more conducive enabling environment for youth financial inclusion.

Moderator: Mohammed Ali Zaki, Silatech (Egypt)

Panelists	Topics
Mohammed Al Lai, Al Amal Bank (Yemen)	Al Amal Bank’s strategic decision to become a Youth-Friendly Financial Institution through the development of a range of youth-targeted lending and deposit services and the impact this has had on the MFI and the community.
Motaz Al Tabaa, Alexandria Business Association (Egypt)	Presentation of the Alexandria Business Association’s experience in the development of a youth strategy and its efforts to develop a holistic service offering (financial and non-financial) for youth.
Essma Ben Hamida, Enda Inter-Arabe (Tunisia)	Presentation of Enda’s Bedaya Youth Start-up Project and the unique set of challenges and opportunities they have experienced in the process, and highlighting what is still needed to sustain and grow this project.
Redouane Najmeddine, Al Barid Bank (Morocco)	Presentation of Al Barid Bank’s Youth Savings Product, their motivation for targeting the youth segment, and the organization process that it has gone through in the design, conceptualization and deployment of a national level product.

14:00 – 15:00 Lunch

15:30 – 17:00 **Session 3**

Innovation and Youth Financial Inclusion

Session Description: Recognizing the scale of the youth financial inclusion challenge in the MENA region and the limitations of pure bricks and mortar service delivery models, this session will look at the confluence between innovation, financial access and youth through a number of solutions which hold the promise of significant impact by making use of leapfrog innovations and technology.



Moderator: Dr. Nader Kabbani, Silatech (Qatar)

Panelists	Topics
Kathy Guis, Kiva (US)	Discussion of Kiva's web micro-lending model, its focused expansion in the MENA region which is prioritizing lending to youth, and the challenges and constraints they face in achieving scaled impact.
Mourad Zamiti, Tunisiana (Tunisia)	Introduction of Tunisiana's MobiFullus service in Tunisia and plans for its integration into MFI loan operations and roll-out as a transaction support solution for youth savings.
Mohamed Touhami El Ouazzani, Visa Inc. (Morocco)	Discussion of Visa's financial inclusion strategy for the MENA region focusing on youth financial education and innovative payment solutions that expand financial access including the use of pre-paid cards for microfinance loan disbursement and repayments.
Hassan Awad, Kaah Express (Somalia)	Overview of efforts by the Somali money transfer industry to integrate microfinance services into their existing business models. The solution offers the potential for profound development impact given the scale and reach of the Somali remittance business.

Day 2

09:00 – 10:30

Session 4

Donor Support on Youth and Financial Services

Session Description: This session will present donor strategies related to support for youth and financial services. Donor representatives will discuss their priorities, the rationale for these priorities, and evidence and results from programs to date. Donors will also highlight where they see weaknesses and where they believe additional attention is warranted.

Moderator: Philip Davies, 3ie (UK)

Panelists	Topics to try to cover in responses
Alina Romanowski, USAID (US)	Launch of USAID Youth Strategy; what it means for Youth Financial Inclusion.
Laura Munoz, UNCDF (Senegal)	Present YouthStart Program including its objectives, funding commitments and emerging lessons. Highlight lessons from SSA countries similar to the MENA region.
Nadine Chehade, CGAP (Lebanon)	Results of research scan on RCTs and donor evaluations. Highlight the impact of donors programs and best practices in terms of youth and financial inclusion.

10:30 – 11:00

Coffee Break

11:00 – 12:30 **Session 5**

Creating an Enabling Environment for Youth Financial Inclusion

Session Description: The session will discuss the current barriers to creating an enabling environment for increased youth financial inclusion in the MENA region and will seek to identify interventions that hold the most promise for systemic change.

Moderator: Johannes Majewski, GIZ (Egypt)

Panelists	Topics
Mayada El-Zoghbi, CGAP (France)	Discussion of good practices in MENA in the creation of a conducive policy environment for financial inclusion.
Younes Jaouhari, Ministry of Youth and Sports (Morocco)	Present the National Integrated Strategy for youth and the national program of self-employment in Morocco, and discuss ways of developing entrepreneurship and social enterprises.
Abdelkarim Farah, Jaida (Morocco)	Discussion of opportunities to improve the enabling environment for youth financial inclusion in Morocco.
Ghada Sharif, Egyptian Banking Institute (Egypt)	Highlight of the role EBI is playing in Egypt to promote a culture of Youth Financial Inclusion amongst the financial sector, and what is required to strengthen this and apply it in other countries.
Ahmed Azouga, Attawfiq Microfinance (Morocco)	Perspective of a financial service provider in Morocco with key financial inclusion activities in the market which include a dedicated focus on youth.

12:30 – 13:30 Lunch

14:00 – 16:00 **Session 6**

Next Steps

Session Description: This session will draw together threads from the previous day and a half of panel discussions and present all participants with an opportunity to provide input into proceedings. Based on their interests, participants will self-select into one of the breakout groups to discuss some of the key findings and explore opportunities for additional research, discussion or joint collaboration beyond this workshop.

Overall Moderator: Tanaya Kilara, CGAP (US)

16:00 – 16:15 **Final thoughts and wrap up**

