Launching Mobile Banking Services in Yemen
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We leave you with a thought
The role of the Microfinance sector in early recovery and reconstruction

Role of SMF Industry: Mitigating War Fatal Consequences in Yemen

ROSE Initiative: Restoration of Opportunities for Entrepreneurs of Affected Enterprises

The Focus of MF on Social Goals and Objectives

What is finance leasing?
YMN Members:

- Al-Awael Microfinance Company.
- Azal Islamic Microfinance.
- Hadhramout Microfinance Program.
- National Microfinance Foundation.
- Aden Microfinance Foundation.
- Tadhamon Microfinance.
- Nama’a Microfinance Foundation.
- Al-Amal Microfinance Bank.
- Alkuraaimi Islamic Microfinance Bank.
- Women Association for Sustainable.
- Al-Khair Foundation for Social Development.
- Estathmer Program, YLNG.
- Al-Rayyan Financing Program.
- CAC Bank.
- Tawasul MF Program.
- Al-Amal Foundation for Training and Entrepreneurship.
- Enjaz Capital-Microfinance Islamic Bank.
- Saba Islamic Bank.
- Unit Economic Empowerment-Islamic Bank of Yemen.
- YBRD- Islamic branches.
- Union MF Program-Abyan.

Welcome notes
Ali Abutaleb
Managing Director
YMN

With 2017, though being a new year, no change nor any development has taken place in the Yemeni arena. Instead, the political crisis and the current war in Yemen have reached their climax, especially that changes on the ground are oblique and dim. This, for sure, constitutes a very tough and constant challenge to make any future predictions. Clear milestones are lacking for any planning or for building upon any short and /or long term perceptions. Over the last two years of war launched on Yemen, the national economy has undergone extremely direly sweeping damages and harms and all service and productive sectors have suffered so much loss and deterioration at all levels. Add to that the negative consequences which rapidly impacted the local currency which lost more than 50% of its purchasing power over the past few months. Within this horrible and challenging settings, the microfinance industry in Yemen has attempted and is still making every effort to adopt to such prompt changes. This is through constantly delivering its services including stretching out to offer its financial services to Yemeni rural areas at a wider scale via producing and developing new financial products for target clients. By doing so, clients would have opportunities for education and better chances for purchasing solar systems and entering into novel partnership agreements with organizations providing relief and support services. All of that facilitated the delivery of cash assistance to people with low income and those affected by the war in most of the Yemeni Governorates. Not only that, the mobile banking services, launched at the end of 2016 definitely galvanized all of these services. Despite that competition among micro-finance and commercial banks to offer E-banking services via mobile phone systems is still at its beginnings, there are great expectations that such services would solve the extreme shortage of liquidity in Yemen and the current crisis of cash dealings, a matter which could be through the delivery of financial services to new areas and social segments, and accordingly, expanding the financial outreach in Yemen as a whole.

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Launching Mobile Banking Services in Yemen

Reportage by: Farouk Muqbil, a journalist

Yemen is currently facing an unprecedented crisis that inflicted all walks of life including the socio-economic, security and political sectors. Yet, the problems faced by the banking sector arising from such events are at the top list of challenges especially with the extreme shortage of cash liquidity. It is, therefore, hopeful that E-banking via mobile phone systems could be a perfect solution to overcome this challenge.

On E-banking via mobile phones, Mr. Osamah Al Shami, the Head of the Small and Microfinance Enterprises Unit, Social Fund for Development, stated that the Government’s new trend is to start putting the electronic cash dealings in place in order to encounter the crisis of cash liquidity. It is important to state that such trends are not new nor did they come out of the blue or were the outcome of the current cash shortage. According to Mr. Al Shami, previous governments had thought of introducing the idea of e-cash dealings and taken measures and steps in bid for using modern technology in alleviating the impact of carrying large amounts of hard cash. In this regard, Law (2006/40) was issued to govern the payment systems, financial transactions and E-banking operations. In 2010, experts were invited to Yemen to study the possibility of introducing such services. It was suggested that these services could be delivered the Post & Postal Savings Corporation. This is so because this Cooperation’s offices and branches are scattered throughout the country and it is delivering social services through distributing salaries and financial assistance. Thus, the current trend and action are no more than culminating such efforts and completing unfinished work. Needless to say, in 2011, the Central Bank of Yemen issued a regulation to control and govern electronic financial services via the use of mobile phones.

Osama Al Shami
Head of the Small and Microfinance Enterprises Unit, Social Fund for Development.

- You have stated that we (Yemen) have an E-Cash Law and its bylaws were issued some time ago. You further added that the ground is paved for delivering E-cash services. Could you possibly elaborate on this point?

Of course, the legal platform for this service has been made ready since 2006. Drawing upon the opinion of the experts invited by the Social Fund for Development to study the possibility of introducing the E-cash service at the time when SFD was involved with the Central Bank in this matter, it is safe to argue that the said Law is adequate, up-to-date and could satisfy the E-cash purposes. In fact, in 2014, the Central Bank issued directives and instructions to other banks to start delivering this service. It further provided the banks with requirements, controls, and restrictions governing the delivery of such service along with the ceilings of daily, monthly and annual e-cash operations and the volume of cyber-cash issued to paid-in capital and the volume of relevant legal reserves.

- Actually, people are scared to use this type of service as it may bring about new economic problems and may impact the value of the local currency whose purchasing power dropped by %30 in 2016 ? How do you perceive this issue?

It is not as bad as it may seem to be. The matter is very simple. Instead of carrying around cash or keeping it in your pocket, you could simply deposit it to a bank account through which you could do your dealings and transactions via your mobile phone. Thus, you would be spending money from your E-account based on the balance available and its specified ceiling as stipulated by the Law. As such, you do not need to carry around cash in order to transfer any money, pay water bills or buy any house foodstuffs or items from the market. Put differently, the problem lies in that this service would come to being at this critical time and terrible conditions. The opposite of what took place in other countries where e-cash system users could offload the cash in the cyber-wallet and get cash in an easy and simple manner. However, I do have a strong hope that we could overcome any current problems that may face the application of this service. This is so because the service is at its beginning and the volume of cyber-cash to be used in various transactions and dealings would be small. This service definitely needs some time to fully spread among the public. It is possible for banks with E-cash license to activate the service as they could easily secure the amounts needed to carry out any dealings in this regard.

- How do you motivate and encourage MFIs to use this service?

I believe that because MFI clients, branches and programs are scattered all over the country, they would be a strong means and drive in the spread of the service, especially that the amounts they transfer are small. Thus, the service would spare them a lot of time and effort. Of course, we motivate and encourage MFIs to serve as intermediaries/agents for mobile banking services through collaborating with any bank or financing agencies using this service such as the Post and Postal Savings Corporation. Not only that, they could do some sort of promotion for the service if they use it by themselves.

- What would this service offer MFIs?

This service would spare time and effort for both MFIs and their clients. In addition, MFIs would receive commissions for spreading and using the service. Instead of going back and forth to an MFI or its branches, a beneficiary could possibly and easily transfer funds/cash by using his/her mobile phone e-banking app to a third party/jointy’s account. The same holds true with regards to that a client could transfer any amount to a retailer and/or merchant’s account for any purchased items. This would definitely save time, effort and money.

- What is the most appropriate institutional system for managing this service?

I submit that the Central Bank could easily manage the service. Its staff has received enough training by international financial institutions on E-banking ser-
Mobile Banking

Nabil Al Shahili

Director of Risk Management Department, the Tadhamon International Islamic Bank

Nabil Al Shahili, Director of Risk Management Department, Tadhamon International Islamic Bank, elaborates on a project named “My Wallet.” Being the manager of “My Wallet,” he stated that the service was launched by the Bank to target people who had never dealt with banks in the past. It further aims at assisting Tadhamon Small and Microfinance Program in launching and promoting its services in places and regions where such services have no presence there. More importantly is to find a new source of revenue for the Bank. Not only does the service benefit the community, but it also attracts a large number of clients to the banking sector and provides some sort of financial outreach. It intends to augment Tadhamon Small and Microfinance Program in expanding its activities and fund provision to areas it has no presence there. Al Shahili added, “The key objective of My Wallet is to target MFI’s as they will tremendously benefit from such a service. MFI’s would expand and reach out to various areas at the lowest costs compared to the costs they have to sustain for reaching out and running their businesses. My Wallet could enable a loan officer reach the most distant areas and lend any client there without having to go and coming back physically. The client in return would make reimbursement via My Wallet through depositing his/her account and directly transfer due payment(s) to an MFI account. This would spare MFI’s the trouble of opening a branch/office and sustaining any losses and operational expenses to deliver their funding services or any other costs.

You have pointed out that My Wallet would not be an exclusive service to Tadhamon International Islamic Bank nor Tadhamon Small and Microfinance Program? Could you elaborate on that?

That is very true. Any MFI has the right to be an agent or intermediary for delivering this service. It could possibly introduce this service to its loan borrowers, allowing them to reimburse their installments on due dates, pay their bills and carry out cash-in and cash-out processes. This would increase the revenues of an MFI. While in the past it relied on revenues generated from loan services, an MFI could generate new income from My Wallet services which include funds transfer, bill payments and other advantages. By so doing, an MFI would diversify and increase revenue sources to meet its operational expenses / costs. All of which would enable it maintain further sustainability.

This service may lead to more unemployment rates as long as there will be no need to open new branches for MFI’s in remote areas?

On the contrary, My Wallet would help in creating job opportunities. Anyone, whether a store owner or an ambitious young person, could be a My Wallet agent. It is possible to do e-business via the Internet. Vendors could sell their products and items via the Internet and social communication networks and collect dues at high speed.

You have stated previously that My Wallet assists in sharing social responsibilities. How can that be?

My Wallet helps minimize the losses sustained by beneficiaries from any transfer programs and/or systems. Beneficiaries sustain losses when getting transfers from the Social Security Authority, governmental agencies and/or international organizations operating in emergency and relief contexts. By using My Wallet, cash in the form of assistance could be directly transferred to beneficiaries without the need for having

prices. Paying visits to a number of countries to gain knowledge and learn how this service works, the Bank’s staff acquired a considerable experience. Add to that the Bank possesses effective systems for this service. It further pays field visits to banks licensed to deliver this service in order to ensure the effective application of electronic fund transfer systems.

What are the procedures and transfer controls to be applied in order to make Yemenis confident in the security of this service?

The Central Bank is highly concerned with applying effective controls and regulations to govern this service and at the same time taking into account all aspects thereto—provided that such statutes are not in contravention of other laws in Yemen. The Social Fund for Development assisted the Central Bank in this matter through providing it with local expertise to review relevant legal controls and regulations. Other controls appertaining to the calling of money transfers and cash transactions are in place as such issues are viewed by service providers as problematic and may constitute certain obstacles to them. It is, however, important to stress that the Bank cares a lot about having this service function and operate under secured contexts and conditions and delivered safely and securely. This is in order for this service to have a good start and, therefore, continue. Briefly, the Bank is determined to do its best to overcome any obstacles faced by respective service providers.

Are the E-cash deposits subject to the Banking Deposit Guarantee Law or not?

Of course they are. All bank account types are governed and must abide by the stipulations of the said Law. In addition, such accounts are deposited by small amounts of money and employees usually withdraw all their monies from their accounts, a matter which means that no large amounts remain in these accounts.

What messages would you like to pass to the Ministry of Communication?

I assume that the problem is not related to the Ministry of Telecom and Information Technology as much as it is appertaining to mobile phone operating companies. Actually, licensed banks and institutions must cooperate with mobile phone operators/companies to deliver this service via mobile phones. These phone companies must provide banks and institutions with facilities in order for the latter to deliver the E-cash service, including USSD service. The USSD service is highly safe and secure when using banking text messaging. Other services to offer by mobile companies are those related to paying Internet and home phone bills just like any other service bills.

What do you want to say to the Government?

Personally, I have been using this service for the last three months. Honestly, this service has helped me a lot and made me overcome many problems. I do not carry around a lot of cash as I used to. I pay all my bills and transfer money to relatives via this service while relaxing at my house or at my office at work. This service is astounding and I do hope that the Government directs its efforts to effectively promote and underpin this service. This is what we need to activate it and make it spread at a large scale. Moreover, service providers must be given more room to compete on the delivery of such a service freely and efficiently. And I’m sure it would spread faster than expected as Yemenis are highly intelligent and capable of using this service efficiently. In a very short span of time, Yemenis have become professionally competent in using mobile technology. I do believe that our people deserve to have such services and to be more informed and knowledgeable.

continued...
Mobile Banking

intermediaries and/or a third party interferes in the process of delivering the funds to them. It is, therefore, safe to assert that transferred funds would be safe and secure from anyone attempting to rob them. Also such beneficiaries would not have to travel long distances for example to the main cities in order to collect their money transferred.

**How could I (as a user) be certain that My Wallet is safe, secure and risk-free?**

First of all, it is important to realize that My Wallet is a cyber-cash service licensed by the Central Bank of Yemen. It is governed and regulated by the Bank Deposits Law. It is, therefore, a form of bank deposits, guaranteed by an institution in the same way as any regular bank deposits are. Providing My Wallet, we, as a bank, intend to offer a high-quality and safe service. We accordingly added safety and security means and facilities to protect clients and subscribers. These include a login password to an account; a password to affect a transaction; and verification means of service user. The latter verifies that the user is the right person or account holder so that his/her funds are not stolen or robbed. A My Wallet user or subscriber would receive SMS alerts for all processes / transactions made and whether accomplished or not.

**At the time being, what is required to make this service a success?**

For sure, the success of My Wallet, Mflous, and My E-Wallet depends on joining the efforts of the Central Bank of Yemen, the Socio Fund for Development, the private and public sectors and MFIs. All of them must work on raising the awareness of the public. They must introduce, promote and facilitate E-cash services mentioned above. The Government must pay monthly salaries via E-cash services. The same holds true with respect to the private sector as this last notion is highly important in supporting the application of E-cash services. Not only that, INGO’s operating in humanitarian relief and emergency contexts must offer their financial assistance via these services. By so doing, such services would develop and spread swiftly.

Taha Iskandar

**Director of the Microfinance Department, Al Kuraimi Islamic Microfinance Bank**

Elaborating on the advantages of E-cash service, Mr. Taha Iskandar, Director of Microfinance Department, Al Kuraimi Islamic Microfinance Bank, states that his department has immensely benefited from mobile banking services through speedy delivery of funds to targeted clients or reimbursement of client monthly installments with extreme ease and without sustaining extra costs nor facing the risk of going to Al Kuraimi branches or offices or possibly losing their money. He further assumes that MFI clients and beneficiaries would take extreme advantage of this mobile banking service. They would be able to pay their monthly loan premiums without having to undergo the dangers of going to any branches to do so. Through this service, a service provider such as banks could provide clients other banking services needed, for instance, to pay their utility bills, taxes, Zakat and / or purchase goods or items in addition to many other services a service provider / bank may decide to offer its clients. Mr. Iskandar confirms, “The mobile banking service would actually become the major means facilitating dealings between banks and their clients, especially if the latter tend save time and effort in delivering and receiving money transfers, paying their bills and installments. More importantly, such a service is available 7/24 for clients to carry out their transactions without needing to neither have cash liquidity at hand nor carry cash around.”

The Service Goes in Line with Our Islamic Banking System:

According to the Director of the Microfinance Department, Al Kuraimi follows an Islamic funding approach and method for granting funds. That is, the bank buys a commodity that client needs; then, it sells it to the same client with a price to be agreed upon by both parties. The bank does not give a client any cash to buy a commodity by him/herself. In other words, through the mobile banking service, the bank would transfer the money for purchasing a commodity needed by the client from the bank’s approved merchant; this is followed instead of having the bank’s representative go to the merchant to pay the latter in cash for any items bought for the bank’s potential clients. As soon as this is done, an SMS is sent to the merchant mobile phone, stating that the required amount has been deposited to his /her account. The merchant in return would deliver the purchased commodity / item to the bank which then passes it to the client requesting the fund. This is done without having any of the involved parties carry around any cash. He further adds that, “At the time being, we are focusing on attracting suppliers to subscribe in this service. If this is accomplished, money would be transferred in a safer manner and money would be better guaranteed for all.”

Phase of Agents Expansion:

In fact, Al Kuraimi Islamic Microfinance Bank is the second bank to receive the final license from the Central Bank of Yemen to use E-Cash service as Tadhamon Internati-
Mobile Banking

Saber Kanani
Director of the E-Banking Department: Al Kuraimi Mfious Mobile Banking Service

At the Mobile Banking E-Cash Service Department of Al Kuraimi Islamic Microfinance Bank, directed by Mr. Saber Kanani, we were introduced to further details on Mfious service. We were also informed of the aspirations to be accomplished by Al Kuraimi, as a microfinance bank and member of the Yemen Microfinance Network. We found all staff members of the Department working on a program aiming at expanding the number of agents in rural areas, main cities and districts around the country. Responding to our question about the nature of their E-cash service (Mfious), Mr. Saber Kanani said, “E-Cash service via mobile phone banking forms the basic solution for the shortage of cash liquidity and establish the culture of payment on time on the part of banking clients wherever and whenever they desire. This service makes it easy for clients to pay their installments/ loan premiums, pay utility bills, and receive or send any money transfers via their mobile phones. They could do that without needing to go to a bank or any of its branches or to any MFI or any of its branches to pay bills, service costs and/or loan installments or premiums.

Service Activation:

With reference to the needs of a client/ user of this service, Mr. Kanani affirms that, “A client/user’s phone number in his/her name is used as an electronic account. This is activated by any of the bank’s branches or agents located in any area whether in the city or countryside or suburbs. After money is deposited to his/her account, a password and verification code are given to him/her and the service is activated. The service is active via his/her mobile phones. If a subscription is valid, the client can carry out any banking transactions: buying and selling items; paying financial obligations; transferring cash; etc. This can be done even at any time, on public holidays, and from anywhere in the country.

How would MF funding applicants in villages and rural areas benefit from Mfious?

Elaborating on this point, Kanani stated, “At Al Kuraimi Bank, provide Al Bilad funding service along with the “rural agricultural funding” clients in many agricultural and remote areas where financing services are not available. To do so, fellow employees of the Funding Department were required to exert a lot of effort and time and encounter many risks to reach potential applicants for our services. But now with Mfious being active and operating efficiently, we can reach clients at these areas and, accordingly, could establish the culture of saving cash via open E-bank services. This is to say, it is now better for clients to have their money saved in E-accounts better than keeping hard money. Instead of carrying cash and bearing the hardships of traveling from the countryside to the city to pay on time his/her installments or to buy any goods or items, she is now able to save his/her money in an electronic account which is activated in his/her mobile phone by some special apps. Through this e-banking service, a client could easily and timely sell and purchase items or commodities, pay his/her financial obligations and receive and send money transfers as well.

But common citizens feel more secure when they touch and see hard money. How could they be persuaded that E-cash services are safer and more beneficial?

It is important that microfinance clients as well as those of the banking sector must comprehend that carrying around cash exposes them to danger and risks such as being robbed and losing their money when they travel from one place to another. It is logically accepted that having hard cash in one’s pocket or hand is no longer safe at all. In addition to that, manually handling and managing hard cash in bank accounts takes time and effort. But via mobile banking services, you can manage your money in your E-account from wherever you are in Yemen and whenever you want. A client can even receive a transfer in hard cash from any of the bank’s agents, branches and/or the bank itself anywhere and at any time. This could be done via Mfious mobile service without sustaining any costs and hardship of travelling. The second point to be detailed is that Mfious was designed to incorporate many security and safety measures for protecting and securing subscriber clients’ rights and thus enhance their confidence in this service. Each financial operation carried out by Mfious mobile service is e-documented for both the client and the bank via forwarding successive e-alerts with details on volume and type of operation and the bill for each operation implemented by a client. This service got the final approval of the Central Bank of Yemen. Such an approval was granted based on that Mfious service enjoys the highest banking service standards similar to those in other countries. Not only that, before the final approval, the Central Bank supervised and verified the manner in which the service is operated and to what extent it satisfies client needs. In addition, any Mfious operation to be implemented demands a verification code sent to a subscriber client’s mobile phone in an SMS form and no operation is complete unless the client’s password inserted is correct.

Would be possible that an E-account be hacked?

This is one of the probabilities taken into consideration before we got the final license from the CBY. Granting the license was also based on the efficiency and security of anti-hacking and fire-wall software used by our electronic banking system. The CBY scanned and tested our protection and security software as well as our servers through its own specialized software specialists. Accordingly, the CBY granted Mfious the certificate of efficiency under the direct supervision of the Central Bank of Yemen.

What are Mfious Difficulties?

The Magazine corpus was eager to know the difficulties faced by the staff operating Mfious service which was put into service by the bank last September, especially that in December the number of its subscribers has soared to 30 thousand. Answering such inquiries, Mr. Saber Kanani, stated that the most prominent problem could be attributed to the delay in delivering text messages due to the use of the short messaging service (SMS). In fact, the Yemen Public Telecommunication Corporation rejected the notion of providing the unstructured supplementary service (USSD) which is safer, easier and faster. The other most crucial obstacle is how to make the public move from dealing with hard cash to the stage of dealing with cyber-cash in order to reduce and overcome the shortage of cash liquidity and accumulated cash. To overcome such difficulties, all stakeholders’ especially income-generating agencies must be forthcoming in terms of giving private-owned banks the opportunity and more room to offer clients a wider range of financial services. These include paying bills of fixed phones, mobile phones, Internet subscription and other utilities. It is difficult to operate or provide such services, for these services are provided by governmental agencies, corporations and banking institutions. It is also difficult to provide e-cash services, for telephone lines are issued based on ID card numbers, which are not available for all Yemenis at the meantime.

continued…
Role of SMF Industry: Mitigating War Fatal Consequences in Yemen

It comes to mind that many people inquire about the role performed by those working in the small and microfinance industry during the time of the present war; some of these questions include: Was their role
• positive and helped in reducing the war effects on the industry’s beneficiaries;
• Negative and thus caused more burdens and additional obligations to double the sufferings and miseries of this segment?

This present article intends to answer these questions via highlighting the actions, measures and activities implemented by MF workers and affiliates at the time of this current war. These measures are still in place to this very day as the war has not yet stopped.

It is known that just like other sectors, the microfinance sector in Yemen has undergone and is still experiencing extreme damages and setbacks because of the war on Yemen. The negative impacts and damages endured by this sector is of a twofold nature due to the type of groups targeted by MF industry. Despite of the awful and terrible conditions, MF workers exerted utmost efforts to constantly operate and provide financing services to target beneficiaries. To do so, several measures had to be put in place: procedures for financing MF clients especially in areas with less war damages such as rural areas and some areas in the Capital Trust of Sana’a. Such measures included the following:

- Contingency plans were developed to enable MF workers continue the delivery of funding to clients and collection of dues payments from them.
- MF products were developed in order to meet the needs of clients, especially with regards to electric power supply for personal or business use.
- Installments were scheduled for clients by concluding agreements with clients (by which their payment status at the MF system is not negatively affected) by which payments are made in accordance with the levels of their current incomes.
- Partnerships were created with local institutions and suppliers/shops to supply clients with goods and items at the lowest possible prices and with high quality.
- Partnerships were created with organizations and agencies capable of helping and boosting the economic growth in the country; and
- Support and counseling were granted to clients to assist them in overcoming the crises arising from the current war.

The bottom line is that the impact of the war on MF workers was %100 catastrophic. But they did not give in to such negative impacts; on the contrary, they did their best to realize their goals, which was only possible to do so through making MF beneficiaries achieve economic growth. This is through protecting the beneficiaries’ activities from being negatively damaged by the war. To do so, MF workers kept on delivering services to beneficiaries despite of the extreme and deadly risks and dangers surrounding the payment of funds at the time of war.

By: Ms. Burtiqlah Al Shatibi
Executive Director of Azal Microfinance Program
What is finance leasing?  
How could it be part of the  
Microfinance Sector Services?

**USAID Definition of Finance Leasing:**

Finance leasing is one of the types of financial services that could be added to the microfinance sector services. It is an asset (tools and equipment) management by the lessor over a period of time and in accordance with certain regulations.

Finance leasing is a financing service that enables a potential client have access to assets (equipment and tools) needed to run their business/project. This is by making payments for leasing assets and at the end of leasing agreement; the client may possess the asset. The MF sector could offer this service in the form of a product for youth clients. Assets could be leased for a fixed term to youth clients who must make payments of small or medium reimbursement rates. This would enable them to own the assets needed for starting their own enterprises and businesses.

In microfinance, MF foundations, banks and institutions operating in this sector could introduce the finance leasing service and raise the level of lending. This would create opportunities for the youth to start their projects by leasing the assets (equipment and tools) they need. A precondition to that is that MFI’s must provide such product or service on short or long term loans and that the youth lessee must possess the leased asset used to run his/her project or business.

More importantly, finance leasing is a means that enables the youth to start and implement their own projects, especially at times when they do not have large capitals to initiate any project. Needless to say, finance leasing dates back to 5,000 years to ancient Greeks and Romans and the Middle East, where it was used in agricultural systems and food production. At the local level, it is prime time to introduce this service in Yemen, especially at this particular time. With the constant the constant aggravation of the current crisis, there are a lot of youth trying so hard to receive loans for starting their own projects, in particular those who had trainings in a certain discipline, handicraft or any other field. By doing so, the youth would be able to work and start their own businesses by having the tools or equipment needed for doing so. It is, therefore, safe to assert that it is now the time for developing this product in order to introduce it to the youth so they would be able to obtain such facilities and, accordingly, start their own projects.

In this regard, YMN and Global Communities scrutinized and studied young people’s needs through careful analysis of information collected from either the youth themselves, financial institutions, MFI’s or the private sector. Along with working on improving and developing this product, the two entities decided that the product’s pilot phase must start as soon as possible and its first draft must be presented within the coming period of time. In fact, some MFI’s adopted and introduced the product in its new template during the final half of last year, that is, 2016.
The Focus of MF on Social Goals and Objectives

Microfinance is not a new concept as it dates back to the mid 1970's when Professor Mohamed Younis, a Bangladesh national, started the notion of Microfinance. As its innovator and godfather, Prof. Younis devoted all of his effort and time to find a suitable solution—a solution that could help the poor and needy who were deprived of their most basic financial rights by official financial institutions. He wanted to snatch them out of the manacles of extreme poverty and widespread unemployment to a better world where they could be actively engaged in starting up their own small enterprises. As such, these businesses would enable these poor groups to improve their living conditions and the level of their income, and therefore, positively participate in the building of their communities. Albeit that poverty and unemployment are defined differently by most countries, the poor in the world have something in common. They all share the same dilemma, being deprived of their basic rights of living such as food, water and clothes.

At the time, deciding to practically apply some of the economic theories in one of the poorest countries in the world, Prof. Younis never thought of how to make any profit from his humble and simple project; instead, he was committed and determined to take the initiative by planting the first seed. This seed was by offering the first interest-free loan from his own pocket to some of the poor women in his village nearby his university. By so doing, he only had one single thought: how to assist those poor women rid themselves of being exploited by greedy lenders and support them until they start their small enterprises. He believed that such small enterprises would be the source for generating simple and reasonable incomes and accordingly, a means for changing their living conditions.

Prof. Younis’ initiative constituted the corner stone upon which Microfinance was founded and then, started to spread globally. Nevertheless, with the increasing demand for MF products and services, it was inescapable for MF service providers to seek appropriate means and methods enabling them to maintain a financial sustainability and meet their business operating costs. In other words, MF service providers had no option except having borrowing beneficiaries pay some interest rate or profit margin in return for services provided. This is so that MF service providers could meet the large costs used in the process of lending the poor. Not only that, they (MF service providers) had and still have the intention to spread a culture of financial awareness among their borrowing clients. They want borrowers to develop a sense of responsibility and obligation to pay back what they borrow. Moreover, if otherwise, the borrowers would have the feeling of receiving free loans or charitable grants and, therefore, would care less to pay back the loans. With the passage of time and the increasing rate of loans given out, some MFI's started to explore other options. As stated earlier, MFI's are primarily founded to give the poor and the needy in need of loans the chance to initiate income and profit generating enterprises that could possibly cause improvement on the quality of their lives and reduce unemployment rates in their communities. Unfortunately, some MFI's started to put more emphasis on giving out consumer loans; such loans are useless as they do not benefit the poor at all nor do they have any social impact on them or on their communities in any given country. They, instead, constitute additional burdens of more debts on borrowers. It is logically argued that such borrowers often fall short in paying back such consumer loans even if they have an appropriate source of income.

At the other side of the discussion, consumer loans are often given out to a certain segment with low and middle income. These borrowers are usually employees or a group of people having other sources of income that enable them to pay back their loans. Such loans are granted by an MFI on the account of collateral, for example, a monthly salary. As such, all of that simply denotes that MFI's are depriving a large segment of the poor and the extremely needy of the opportunities to receive loans. Such chances could possibly change their lives and living conditions. It is reasonably clear that by doing so, MF has been altered from being a remedy for alleviating poverty and reducing unemployment rates among the poor into a fatal means used unmercifully to crush the poor and the needy and aggravate their miseries. It is therefore safe to assert that MFI's attitude as explained earlier intends to deprive the poor of receiving loans and being financially integrated into their communities, since MFI's give out loans to segments that are better off than the poor and the needy themselves.

Moreover, it is common to see MFI's undergoing very tough competition and race to attract the largest number of borrowers regardless of the type of loans offered or the nature of borrowers. This is in order to prove to the outside world that they (MFI's) have taken great steps in reaching out to the largest number of poor and needy. What is irrational is that such MFI's ignore that it is not possible in any case to use the number of borrowers as an index to measure the strength or weakness of any given lending institution. If, for example, we scrutinize some reports on MF, we would discover that some MFI's and banks take the lead in the market in terms of the number of their clients who had access to their loan services. But, if we examine the impact of their microfinance services on these very clients, we would definitely find that such institution accomplished only hollow victories of no value to the real world and socially no true impact on the lives of the borrowers.

Some of his Researches include:

- Islamic Microfinance Industry in Yemen
- Microfinance in Yemen: “Challenges and Opportunities”
- Impact of Interest Rates Rise on Microfinance Industry
- Role of Microfinance in Empowering Poor Women in Yemen

Dr. Ali Al Shibami, a Ph.D. researcher in microfinance in India: Department of Commerce and Management, SRTM University
Project Proposal Development for Donors

Yemen Microfinance Network (YMN) concluded a 4 day training program on “Project Proposal Development for Donors” that was organized from the 14th – 17th of November 2016 and supported by the Social Fund for Development (SFD). The training program was attended by 26 participants from several MFIs from different governorates as well as non-member MFIs organizations. The Proposal Development program was designed to enable the participants to draft and plan proposals, needs assessments tools, and methods to evaluate and monitor projects and the ways to apply for support from donors, as well as budgeting and technical reporting of projects. All of these matters were presented and delivered by Mr. Ahmed Nooraldeen, an expert trainer and training consultant. He also provided comprehensive materials on a number of topics; examples included the characteristics of a successful project, project lifecycle sustainability and influence of project stakeholders.

At the end of the training program Mr. Ali Abutaleb the MD of YMN requested from every participant to submit a proposal that could possibly be of benefit for MFI clients whose businesses have been damaged and affected by the war and how to revive their businesses. Each participant was provided by the criteria required for selecting potential MFI clients who will be granted support from the 6000$ that is part of the ROSE Initiative. Finally, the participants expressed their gratitude for being part of such an enriching training course and obtaining vital information, practical skills, and the knowledge on how to write and submit proposals to donor organizations.

Yemen Microfinance Network Welcomes New Employees

Yemen Microfinance Network (YMN) would like to welcome the newly recruited employees. A hearty welcome is due to Mr. Hizam Muazeb, joined YMN as an internal auditor and Mr. Abdullah Muhsen Alqaeef, as YMN finance officer. All YMN staff do wish both new employees a great professional growth and success in performing their work along with fruitfully contributing to the improvement and development of the Yemeni Microfinance Sector.

YMN Congrats Rafe’et Al Mameri for Being Appointed CEO

Yemen Microfinance Network would like to convey its extreme congratulations to Mr. Rafe’et Al Mameri for being appointed as the CEO of Tadhamon Small and Microfinance Bank. The Microfinance Sector wishes him extreme success in affecting unprecedented growth and development of his Bank and effectively partaking in the development of the whole Microfinance Sector through the Bank’s YMN membership.
Financial Analysis – Using SEEP Framework

The financial analysis training program – using SEEP framework was concluded after 7 days of training from the 21st to 29th of November 2016 with support from GIZ and coordination of YMN.

This training that was delivered by Mr. Ahmed Alaghbari was attended by 19 participants from different MF organizations as well as the SFD and SEDF and a large number of MF enterprises from Sana’a and other governorates.

The financial analysis training program is considered to be one of the most important training programs that aims to promote participants on the following:

- Using the SEEP Frame Tool to analyze various financial indicators.
- Identifying the components, purpose, relationships, and importance of the main financial statements.
- Studying the formats of income statements and balance sheets to easily separate the effect of donor funds.
- Adjusting costs for inflation, subsidized cost of funds, in-kind donations, offer loss provision and bad debt provisions.
- Analyzing financial statements to determine profitability and sustainability levels, and management of assets and liabilities, portfolio quality and productivity efficiency.
- Identifying critical factors for moving toward realizing profitability and financial sustainability.

The closing ceremony of the training program was attended by YMN Chairman Mr. Hameed AlAmrani, Mr. Tawfik Dabwan BOD member, Mr. Ali Abutaleb YMN Managing Director and Mr. Sami Al-Kulabi of GIZ. This training is scheduled to be provided again early 2017.

Micro-leasing

On Sunday the 12th of August Yemen Microfinance Network (YMN) organized an orientation workshop for the new developed Microleasing product (ALjarha) that was developed in the last few months in collaboration with Global Communities. The workshop discussed the results of the field study which targeted 100 graduates from technical institutes and graduates of the MENA YES program being implemented by Global Communities. The discussion further covered the results of the 3 focus groups held by YMN in included a number of microfinance enterprises and youth supporting organizations and a number of private sector representatives. This product targets the youth to allow them to obtain the necessary equipment or tools which their need as startups especially when it is difficult to obtain large sums of capital to begin with. During the workshop the consultant / Majed Saeed presented the Management Information System that has been especially built for this product as well as taking into account the feedback of the participants on the MIS and how it works given the fact that this MIS has been downloaded for trials at two MFIs, AlTadamon and Tawasoul MF. The participants of this introductory workshop stressed on the importance of applying this product in the private sector especially at this critical time. They further highlighted how its availability will enable the youth to start their business.
Microfinance and its Role in Supporting Training Outcomes

On January 2017, Yemen Microfinance Network (YMN) and Consultation & Development Center (CDC) at University of Science and Technology organized a workshop to discuss the role of Microfinance and how to integrate Microfinance services into target graduates from different training programs. The GIZ, UNDP and SEDF as well as member MFIs were among the attendants of this workshop which included the discussion of 3 papers that were presented by CDC and 2 member MFIs and the UNDP.

The first paper was presented by the CDC illustrated the different training programs and courses offered by it. The 2nd paper by MFIs, The National MF Foundation and Alkuraimi Islamic MF Bank demonstrated the list of products financed by MFIs. The National MF Foundation offers Micro-leasing product while Alkuraimi presented their Mobile Banking service that has been recently adapted. The UNDP presented their work on youth empowerment in the 3rd paper showing the steps that they have taken in creating a platform for training and mentoring for youth who have ideas for startup businesses.

On the other hand, the Managing Director of YMN, Mr. Ali Abutaleb, delivered a speech in which he stressed on the importance of linking the training outcomes with Microfinance and the aim to provide trainings for member MFIs, finding appropriate solutions in order to decrease unemployment rates and create job opportunities. Mr. Ali Abutaleb further highlighted how MFIs are expanding their products by offering new ones in bid for covering the increasing demand in rural areas.

Women Association for Sustainable Development
Honored as Best Small Enterprise Owner

Both the Council of Ministers of Labor and the Council of Ministers of Social Affairs of Gulf Cooperation Council (GCC) for Arab States decided to honor a number of outstanding microfinance associations, centers and enterprises in the Republic of Yemen as an acknowledgment for their relentless efforts exerted in serving the people of Yemen. Being one of those honorees, Women Association for Sustainable Development was awarded as the entrepreneur of the best small enterprise in the GCC States.

This honoring was made within the proceedings of the Eighth Honorary Celebration of the Best Small Enterprise which was hosted during the 33rd Session of GCC Ministers of Labor and Social Affairs, held in Riyadh in mid-November 2016.
ROSE Initiative: Restoration of Opportunities for Entrepreneurs of Affected Enterprises

2015 and 2016 have been the worst and most difficult times that all Yemenis have experienced since the outbreak of the war in March 2015. Prior to that, Yemen underwent the 2011 political crisis that stormed the whole country and still continuing to do so. Both terrible incidents do pose extreme threat and danger to the lives of all Yemenis.

Many Yemenis have lost their lives, others their homes and the majority their source of living and jobs due to either armed clashes on the ground or aerial bombardment and strikes. At the level of the MF industry, the increasingly growing crisis has impaired many entrepreneurs to continue running their enterprises or to reconstruct what was destroyed by the war and recover from damages sustained by their homes and residential areas.

At the outset of October 2015, a new idea started to emerge and develop and eventually, the "Rose Initiative" came to being. Since then, Yemen Microfinance Network (YMN) has started to contact its members and partners with the intention to introduce and promote this initiative.

Another purpose was to cooperate with them in terms of raising the level of YMN members and partners' awareness of the initiative and the relevant goals to be accomplished from launching it. Actually, the objective of Rose Initiative is to "restore opportunities" for business pioneers and small enterprise entrepreneurs; to provide them with support in order for them to restore their previous status prior to being inflicted by damages and displacement caused by the current war.

In spite of the continuity of the current crisis, we still have a strong hope and trust in the Almighty, that restoring the capacities of war-affected and displaced entrepreneurs to their previous states is possible but a mandate to be accomplished. It is worth mentioning that over the past period of time, support was provided to a number of affected clients in order to re-operate and/or do maintenance / repairing to their enterprises. More crucially, this initiative will continue to function and be augmented over the coming period of time.

Rose Initiative constitutes an opportunity for war-affected business pioneers and entrepreneurs who could restore their businesses, whether all or part of what was sustained and lost during the crisis.
As is known to everybody, the Microfinance Union Program in Abyan has been going through extreme hardships and facing tough challenges. These horrible incidents started at the breakout of 2011 Crisis and moved on to the various wars against armed groups and militants. What add to injury are the armed clashes taking place at the time being. Despite of being heavily affected and suffering extreme material loss and destruction, the Program kept on marching and is still doing so, determined to go through its difficult odyssey and to overcome all exceptional challenges. It, in fact, has shown an extraordinary and exceptional endurance and buoyancy defying all of these challenges. In 2016, for example, it was able to perform its activities with the attention to asserting its willingness to continue marching and advancing forward. These activities incorporated updating its operational manuals, developing an emergency plan, promoting its products, and offering training courses to its staff at the administrative and technical levels. It further offered training to its clients in various handicrafts such as hairdressing and other beauty services like Najah (body decoration with Henna and other dying materials); Henna planting and selling; embroidery, wool work; knitting; renting marriage halls; sewing and designing; and incense making and production. Along with granting new funds to its clients, it gave out financial assistance provided by Al Taqaf Fund to conflict-affected clients.

**Union Program’s YMN Membership Restored**

Following a temporary halt, the Microfinance Union Program restored its YMN membership in 2016. Being one of the most active programs in Abyan city, the Program is YMN founder. In the last quarter of 2003, it was established by the name of "Self-Assistance Program for Savings and Lending Services – Abyan," under the platform of Yemen’s Women Union. As a non-governmental and non-profitable program, the Program has the savings product as its major service to deliver to its clients. It targets poor women having experience in handicraft and other economic activities. Located mainly in Abyan Governorate, it started by performing services nearby areas; beginning with Zanzibar area, it then moved on to J’ar and Al Koud areas as these being close to the center of the city. Families and natives of those areas welcomed the Program’s services. In 2013, the Program, being termed as "The Microfinance Union Program," started to expand more to the extent of currently covering six areas/branches in Abyan, Hadhramout and Aden governorates. These included areas such as Zanzibar, Khenfar, Ahwar, Al Mukalla, Al Shihr, and Aden.

**National Microfinance Foundation: 2016 Performance**

- Accounting for an amount of 790 million Yemeni Riyals (YR), 5679 funds were distributed among a number of products provided by the National Microfinance Foundation. Examples of funding included the solar system product whose financing reached %53 while %17 for life-with-dignity product.
- Whereas installment reimbursement on time was %100 at the end of the first half of 2016, it dropped down to %87 in third quarter and to %50 in the fourth quarter of the same. This is for sure due to the terribly financial and economic crisis striking the whole country.
- Recovery rate of funds disbursed accounted for %66 of the total amount of funds paid out in the same year.
- The Foundation was able to outreach to areas that were not within its scope in the past. It reached out to 22 new areas with funds provided mostly to rural areas.
- In the third quarter of the year, the Foundation created new products. An example is the rent-to-own product.
Hadramout Microfinance Program won the Award for the Best Islamic Rural Finance Product, which is one of the awards given out by the Global Islamic Microfinance Forum. The award was offered during the Sixth Global Islamic Microfinance Forum held in Nairobi, Kenya's Capital in mid-November 2016. The award was handed by the Forum panelist to Mr. Abdurrahman Al-Saqaf BOD Chairman of Al Nadhah Social Association, as the Hadramout MF Program is an affiliate of the Association. It is worth noting that foundations, institutions and banks from 27 countries partook in the Forum. Yet, it was only Hadramout MF Program that represented Yemen at the Forum. More importantly, 81 foundations and Islamic banks providing services as per Islamic Sharia Principles and Ordinances competed for that specific award which was won by Hadramout MF Program.

From the date of its establishment in 1993, this is the fourth award obtained by Al Nadhah Association, represented by Hadramout Program as one of its affiliates. In 2009, it earned the First Award of the Library of Alexandria, Egypt, as an honorary prize for being the best Association delivering its services to the community, and in 2012, it received the Second Award of Al Sharjah for Voluntary Work. In 2014, it was the recipient of the third Community Creativity Award offered by the Arab Thought Foundation.

At the outset of 2016, the Supervisory Committee of Al Rayyan Microfinance Program held its periodic meeting which was attended by Mr. Abdurrahman Al-Saqaf, BOD Chairman of Al Nadhah Social Association, Mr. Abdulqader Abu Bakr Al-Saqqaf, Head of the Supervisory Committee and Association's Secretary-General, Mr. Ahmed Karamah Ma'shouq, Program’s consultant and representative of the natives of Sayoun District and Mr. Seh Abdulkarim Balashtid. The meeting was devoted to review many issues, most important included the approval of the Program’s activity final report of the first half of 2016. The Program within the said period was able to achieve an implementation rate accounting for %176 and high delivery rate in the area of women. The attendees also approved the 2015 fiscal year financial statements and final accounts submitted by Mr. Omar Abu Bakr Bahamid, the Program’s certified public accountant. Then, Mr. Abu Bakr Abdul Qadir Al Saqqaf, Al Rayyan Program director and member of YMN BOD, gave a broad account of the Program's activities.

On a different occasion, both Al Rayyan and Hadramout MF programs awarded youth clients with successful enterprises funded by both programs. This honoring ceremony was on the occasion of celebrating the World Youth Day and under the sponsorship of Mr. Essam Habrish Al Kathiri, the association’s deputy. Other attendees were a number of deputies, their assistants, the Association’s BOD members, executive office general managers and representatives of CSO’s.
Tawasel MF Program Offers In-kind Incentives to Outstanding MF Enterprises 2016

Tawasel Microfinance Program launched a unique and one of its kind initiative, aiming at reducing the impacts of the current and ongoing incidents upon the Program’s clients and their enterprises and upon the MF Sector as a whole and at enabling the program realize its development goals. As such, the Program management contacted its clients constantly, provided them with counseling, and kept on giving out funds to their enterprises, a matter which contributed heavily to their continuity and development. Not only that, in order to create a sense of competition among clients and stimulate them to develop their enterprises and fulfill their obligations, the Program management gave out in-kind incentives to owners of outstanding and successful enterprises. In 2016, for instance, the Program distributed 100 incentive prizes such as production tools; sewing machines; home-based bakery with accessories; pieces of furniture; and valuable gifts. Such an act had extreme impact in terms of stimulating and encouraging clients to continue running their businesses and helped in any state of lagging behind due to the currently terrible economic conditions Yemen is undergoing.

Tawasel Shooting for Professionalism in Management

Shooting for having a management with professionalism and implementing its staff development plan, Tawasel Program participated in several training programs and workshops facilitated by Yemen Microfinance Network and UNDP. Most importantly was the participation of the Program’s management staff in the Training Program for Professional Project Management. This training held in Amman, Jordan, was in association with the Swiss Institute for NGOs and the Hijaz for Consultation and Development.

Nama’a MF Foundation

Nama’a Microfinance Foundation performed many activities during the third and fourth quarters of 2016; most important included the following:

- Completion of the first phase of Atta’a Project and preparation for implementing the second phase of the project;
- Honoring outstanding branches and areas as well as excellent employees for their high performance;
- Holding annual meeting for the NMFF branches and areas; implementing the phase-wise performance assessment; and drafting an exit strategy for the coming period;
- Holding open meetings for its branches and areas with its management to discuss its future trends in the presence of its general manager;
- Training its staff to go in line with its training plan and satisfy the coming period needs;
- Organizing workshops geared for rebuilding its branches following the terrible incidents;
- Resuming operations of its two branches in Taiz City and performing their activities, driven by its strong belief to play a leading role in delivering its services to the community;
- Developing its 2017 operational plan; and
- Holding at its refugee branch a training course in priority planning and management, targeting 27 clients, employees and volunteers.
In the third and fourth quarters of 2016, Aden Microfinance Foundation was capable of implementing three projects geared for its clients. With an encouraging and reanimating spirit, these projects are as follows:

**First Project:**
This included the distribution of clothes as Eid Gifts to 300 boys and girls, that is, the offspring of the Foundation’s clients. Fifty food baskets—containing rice, cooking oil, flour, sugar, canned food, and tomatoes—were given out to orphans and poor families. This demonstrated to what extent Aden Foundation is committed to fulfill its social mandate towards its community in general and its clients in particular, especially within such devastating economic circumstances encountered by the community, in general, and by its clients, in particular.

**Second Project:**
Attempting to adapt to the awful conditions Yemen is experiencing, the overwhelmingly deterioration of the country’s economic activities, the overall crisis and stalemated situations in the country, the Aden Microfinance Foundation is doing its best to revive and reanimate its clients’ projects, enterprises stationed in the targeted areas in Aden, Lahij, and Al Dhala’ governorates. This is by raising the ceiling of funding offered to entrepreneurs of small enterprises in order for them to revive and stimulate such businesses.

**Third Project:**
Funded by the Foundation, this leading project is a water desalination/treatment plant constructed in Al Dhala’ Governorate.

Noteworthy, during the last two quarters of 2016 the Foundation achieved the following:

- Reducing the Murabaha rate to its lowest levels on funds paid out to clients; this is out of its conviction that it must relieve the suffering of a large segment of small enterprise entrepreneurs.
- Creating a new product named ‘Project Revival.’ Such a product is to finance clients whose enterprises were stopped operating and damaged by the war as well as giving them a hand to restore their investment activities and enterprises. It further raised the ceiling of funds, particularly, for those enterprises located in rural areas.
- Following up war-affected clients through a specialized field team and assessing the degree of effects upon its clients including enterprises and houses. In line with the above, during his visit to the Foundation, Mr. Ahmed Ba’Iyasa, Social Fund for Development’s agent, was informed of the enterprises and houses of those clients affected by the war and was taken on a field visit to such affected and damaged houses and enterprises.

On Saturday, 2017/1/28, a Cooperation Agreement for Educational Services was signed by and between the Future University and Tadhamon Microfinance Bank at the University campus. The Agreement stipulates that the University shall cooperate with the Bank to offer a number of educational and training courses and programs in various disciplines. These programs shall be in undergraduate and graduate studies as well as in the field of Open Learning. The Agreement further incorporates that such cooperation shall include the educational services offered by the International Future University Language Institute (FULI) and the Future Center for Training and Consultation, an affiliate of the University too. On the other hand, the Bank shall carry out the promotion and advertising activities pertaining to such cooperation and provide the University with students, learners and trainees. The Agreement was penned down by Dr. Abdulkhadi Hussein Al Hamdani, University representative and rector, one on hand and on the others, Mr. Rafe‘et Al Mameri, Tadhamon CEO and Mr. Khaled Al Musani, Tadhamon CEO deputy.
The role of MF sector in the times of crisis and turmoil can be illustrated by the efforts done in Lebanon, Palestine and Iraq. This role is clearly seen in the decreased number if unemployment, and creation of demand for goods and services especially for the low income and IDP affected by the war and crisis who are unable to access financial services in order to start their SMEs and Microfinance projects.

In Lebanon for instance the 2006 war had a huge impact on the economy and MF services allowed for recovery and development for many families.

Now with the IDP from Syria there is a key role that MF services plays in providing access to financial services to these Syrian refugees who moved to Lebanon due to the conflict in their country and were previously entrepreneurs and MF project owners. There is a rich experience of MF activities in Palestine where MF services was provided for the people damaged from the war on the Gaza strip and allowed many of them to resume their activities. Moreover, the situation in Iraq the MF worked on providing emergency operations with the catastrophic situation in the country and the displacement of many citizen from their homes.

Yemen can be a leading example for how the MF sector was able to work in keeping up with the current situation and the recording of damages and destruction. In addition there is the work that MF can do with the international emergency organizations and the efforts to restoring the activities of many people who have been affected by the war.

Many voices have called to define the role of MF organizations in supporting the suffering entrepreneurs who have been damaged and affected by the war especially now where several MF are engaged in early recovery activities with international organizations. Moreover, it is important to indicate that MF institutions can play a vital role in emergency response, early recovery and development and reconstruction activities.