

PRODUCT UP-SCALING SUPPORT – FACTSHEET

Product Up-scaling	2016-08: Expanding outreach of group lending and non-financial services to Syrian women refugees
Country / Region	Jordan
Partner Financial Institution	Microfund for Women (MFW)
Grantee	Microfund for Women with support from 1 international + 1 local consultant
Overall Budget	CHF 161'110 (22% self-contribution)
SCBF Contribution	CHF 125'550 (78% SCBF funding share)
Date of Approval	9.8.2016
Duration	10.2016 until 05.2018, extended until 10.2018
Context	<p>Jordan's population has grown to around 9,5 million in 1,97 million households by the end of 2015, of whom 6,6 million are Jordanians (about half of Palestinian descent) and 2,9 million (31%) are non-Jordanian residents. Of these, 1,3 million are Syrians. Syrian refugees have been in Jordan for five years and they are likely to remain for longer, as they are beginning to engage in a variety of economic activities.</p> <p>Syrian refugee women are often caregivers and face vulnerabilities related to limited income earning opportunities, lack of (control of) assets and physical harassment or violence. In addition, however, the high influx of refugees to Jordan has put the Jordanian infrastructure and the usual hospitable national population under such stress, so that refugees now face significant hostility, lack of integration and even less opportunities to generate income for their families. Access by Syrian refugees to client-oriented financial services and financial literacy training are essential to increase their ability to improve their livelihoods, while contributing to social cohesion in local communities.</p> <p>MFW is the largest of the eight registered microfinance institutions, with over 126'000 active borrowers – 95% are women - and a gross loan portfolio of USD 36,29 million. It has 55 branches covering all Jordanian governorates. MFW also provides mandatory credit life insurance and has enrolled over 105'000 clients for its health insurance products to date. It also offers non-financial services, such as capacity building and training for entrepreneurs, market linkages, women health, and supporting women in their rights.</p>
Current Status of the MFI	<p>In line with its social mission, MFW seeks to provide financial services to this population for social reasons - to help this vulnerable population improve its livelihood - and business reasons - this large population could represent an important new market for MFW. MFW has begun a pilot offering Syrian refugees women jointly with Jordanian women group loans since April 2014.</p> <p>SCBF supports MFW in expanding its pilot group lending, adding non-financial services, hiring Syrian loan officers, and developing a specific financial monitoring protocol to track refugee clients.</p>
Objective and Main Activities	<p>MFW aims at developing a successful business model for up-scaling its services to Syrian women refugees across its entire branch network by 2018. MFW aims to reach at least 6'000 Syrian women refugees by the end of 2018. This would lead to a significant contribution to the integration of refugees in Jordan and would have set a demonstration effect for other financial institutions to serve Syrian refugees as well.</p> <p>The main activities of this product up-scaling support will encompass:</p> <ol style="list-style-type: none"> 1) A feasibility study covering client demand for group loans and non-financial services, client segmentation, market opportunities, etc. so as to design the strategy for a larger pilot test in seven branches in 2017. 2) Preparations for the larger pilot launch with the developing all product policies, procedures and formats, adaptation of the MIS and internal control systems, training materials as well as staff training. 3) Steering of the pilot with regular reviews and developing a viable business model for services Syrian refugees across the branch network.