

PRODUCT UP-SCALING SUPPORT – FACTSHEET

Product Up-scaling Support	2020-03: Refugee and Foreign-Born Resident Financing in Jordan
Country / Region	Jordan
Partner Financial Institution	FINCA Jordan
Grantee	FINCA Jordan (endorsed by Credit Suisse)
Overall Budget	CHF 165'694 (29% self-contribution)
SCBF Contribution	CHF 117,780 (71% SCBF funding share)
Date of Approval	16.3.2020
Duration	9.2020 – 8.2022
Context	<p>The government of Jordan has recognised financial inclusion as an important pillar in sustainable development. The three-year Jordan Financial Inclusion Strategy focuses on underserved communities including, among others, non-nationals and refugees.</p> <p>Jordan remains the second largest refugee host country per capita globally with roughly 750,000 refugees of 57 different nationalities according to a UNHCR report. The Government of Jordan estimates a population of 1.26 million Syrians in the country, of whom 660,000 are registered by UNHCR as refugees. One out of every 14 people in Jordan is a refugee.</p> <p>Refugees in Jordan, specifically Syrians, are developing livelihoods using a combination of humanitarian assistance, employment, and entrepreneurship. Access to finance can help not just refugee households grow businesses, supporting them to become less dependent on aid and better able to contribute to their economy, but also help the community that hosts them.</p> <p>The project builds on work currently being done by FINCA in other markets and also builds upon the experiences of a few pioneering Jordanian MFIs who have served refugees since 2016. FINCA Jordan is looking to understand how the refugee market has evolved over the last few years, and based on that understanding, will develop a business case and offer digital and branch-based products and services for the refugee, foreign-born resident (FBR), and host community, with a focus on the Syrian segment. The aim is not just to bring the refugee community into the formal financial ecosystem, but to open up a new market segment and growth opportunity for FINCA Jordan and other MFIs in Jordan and beyond.</p>
Current Status of the MFI	<p>Established in 2007, FINCA Jordan is a member the FINCA Impact Finance network, which provides responsible, commercial, and digital financial services to low income microentrepreneurs around the world. FINCA is at forefront of pro-poor microfinance ensuring that customers are not just provided with accounts but also with education to help them navigate the financial and digital ecosystems in which they operate. FINCA Jordan has the highest outreach to women in the FINCA network. FINCA's loans in Jordan also have the highest impact in terms of net job creation. FINCA Jordan offers small group and individual loans as well as local currency and agricultural loans, with the option to follow Islamic lending practices. The majority of clients are women (92%) who utilize a group lending methodology. FINCA Jordan has 35,000 clients with a portfolio of \$22.9 M. A small, but focused operation targeting low-income women, FINCA holds 7% of the market share for borrowers and 9% for GLP in Jordan.</p>
Objectives and Main Activities	<p>FINCA Jordan seeks to develop a market analysis, business case, product plan, pilot, and go-to-market strategy to provide digital and branch-based financing for refugees, foreign born residents and host communities in Jordan. Upon project completion FINCA Jordan is expected to see the roll out of financial products and services to up to 3,000 refugee and host community clients, 57% of whom will be women.</p>