

Financial Inclusion of Refugees

Brief introduction on state of practice

Micol Pistelli, Financial Inclusion Officer, UNHCR

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**EUROPEAN
MICROFINANCE WEEK 2018**

68.5 MILLION FORCIBLY DISPLACED WORLDWIDE

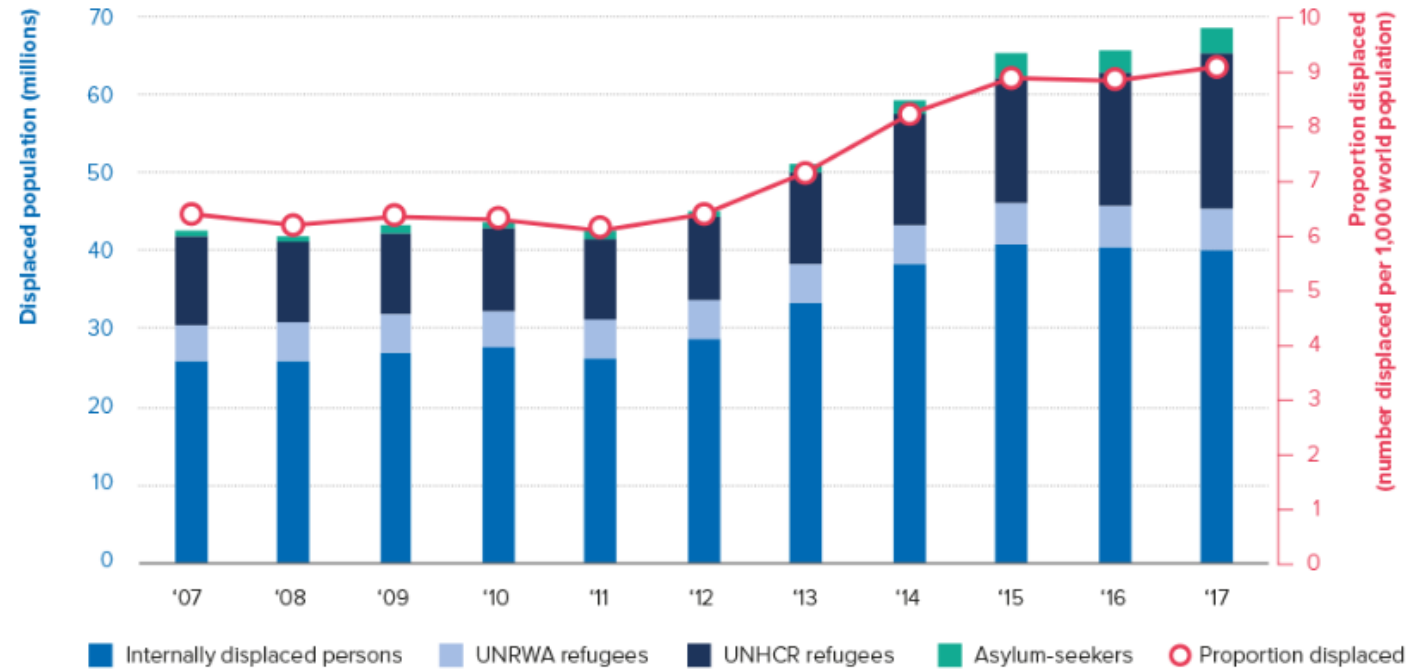
as a result of persecution, conflict, or generalized violence

- 25.4 million refugees
 - 19.9 million refugees under UNHCR's mandate
 - 5.4 million Palestine refugees under UNRWA's mandate
- 40.0 million internally displaced people*
- 3.1 million asylum-seekers

44,400

NEW DISPLACEMENTS
EVERY DAY

Trend of global displacement and proportion displaced | 2007-2017

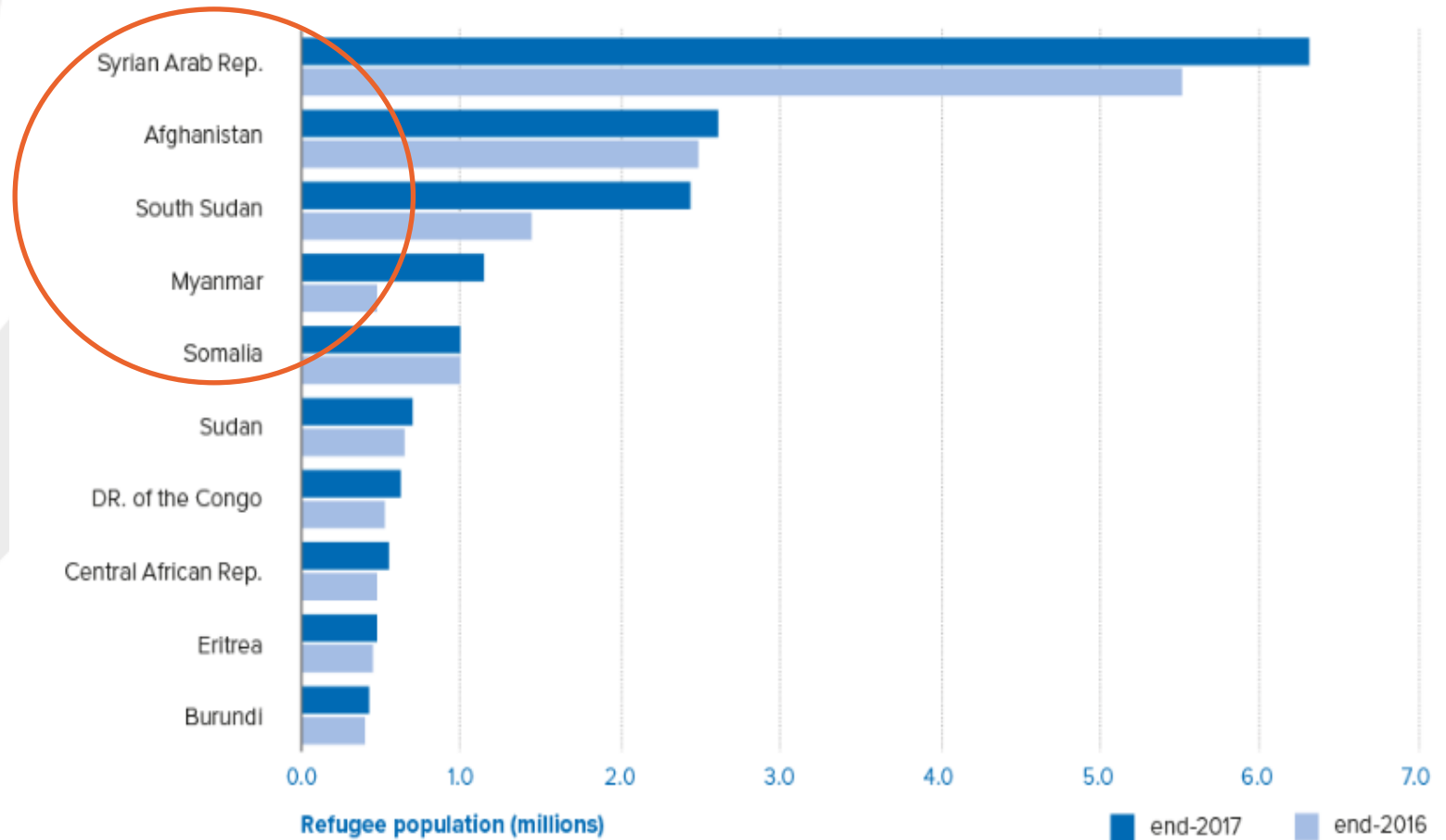


Data as of end of 2017

68% OF
REFUGEES
COME FROM
5 COUNTRIES

2018: Venezuela Crisis –
3mIn among refugees
and migrants

Major source countries of refugees

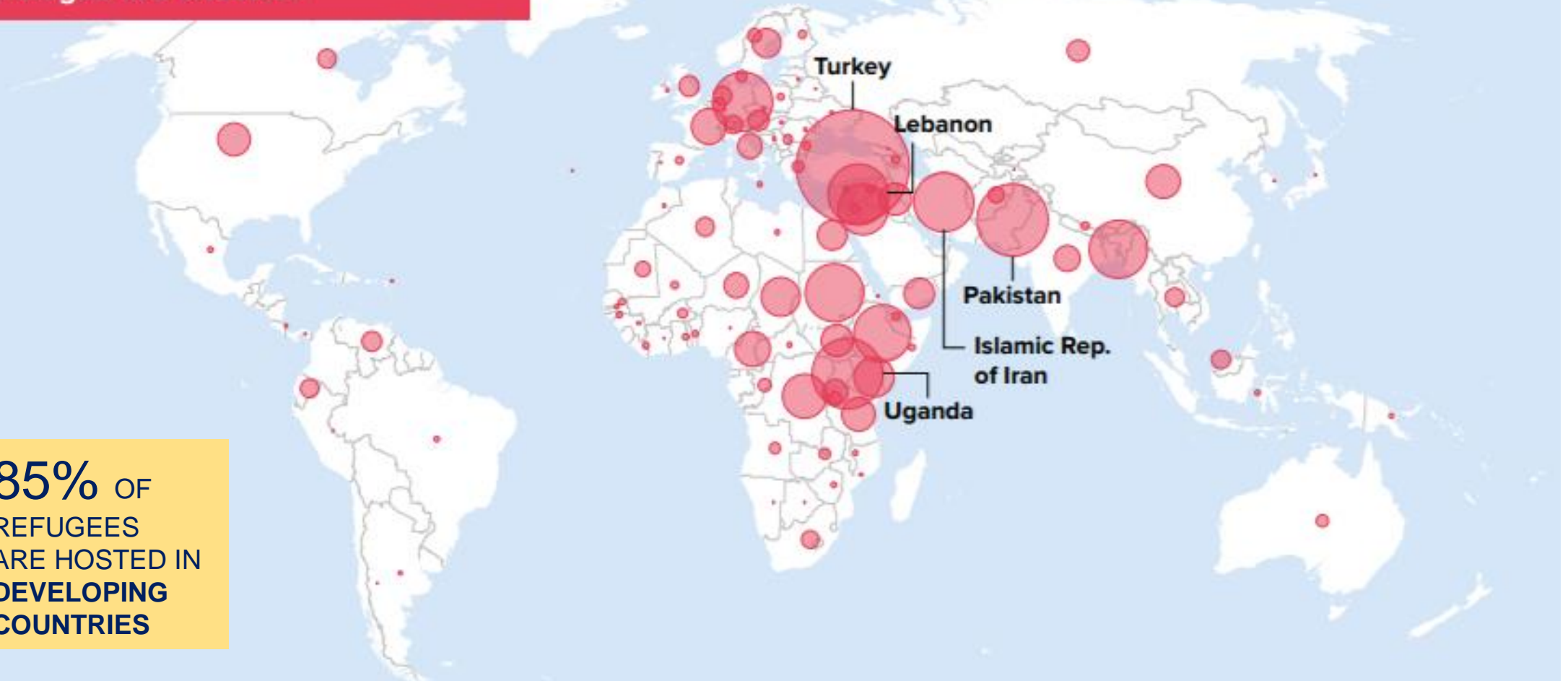




EUROPEAN
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Refugees, including persons
in a refugee-like situation

85% OF
REFUGEES
ARE HOSTED IN
DEVELOPING
COUNTRIES



“We commit to a more equitable sharing of the burden and responsibility for hosting and supporting the world’s refugees.”

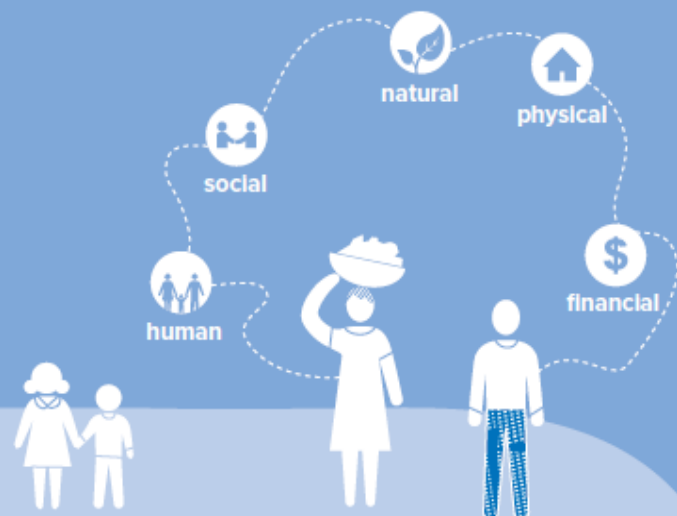
United Nations General Assembly, New York Declaration for Refugees and Migrants, 19 September 2016



4 KEY OBJECTIVES:

1. Ease the pressures on host countries;
- 2. Enhance refugee self-reliance;**
3. Expand access to third-country solutions;
4. Support conditions in countries of origin for return in safety and dignity.

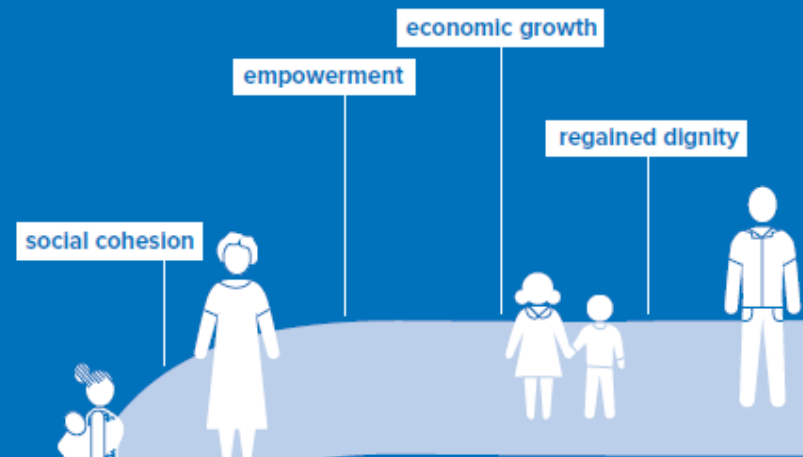
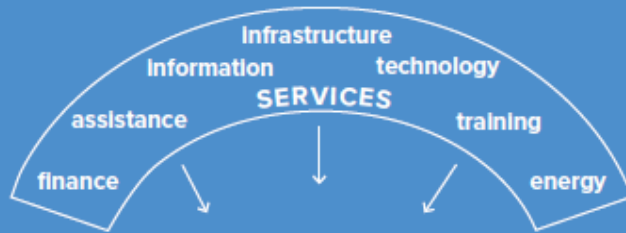
Improving livelihoods of forcibly displaced persons and host communities through economic & financial inclusion



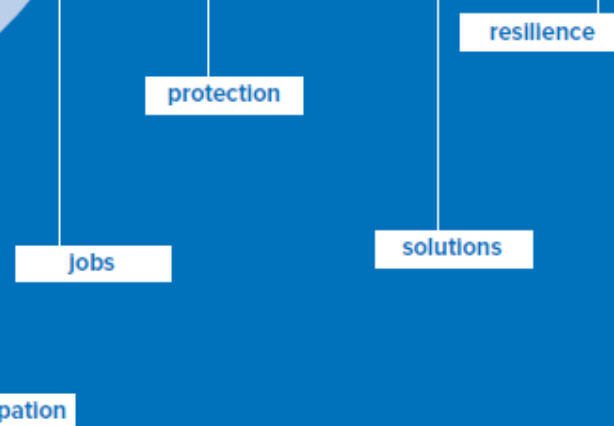
CAPITAL



INTERVENTIONS



OUTCOMES



Economic Inclusion and Enabling environment



UNHCR

- Advocacy and awareness-raising
- Logistical support
- Socio-economic data-sharing
- Financial services needs' assessments

Partners

- Funding
- Technical expertise
- Technology
- Scalability
- Sustainability

-
- DFIs and UN agencies
 - FSPs
 - Lenders
 - Researchers
 - Technology providers

EMERGING GOOD PRACTICES

1. Direct engagement with refugees is key for raising awareness and overcoming misconceptions



Photo: Argentina – refugees focus groups with banks and MFIs

2. Refugee loan repayment rates are just as high as those of non-refugees

- **KIVA**, 11 MFIs – repayment rate 96.6%
- **Al Majmoua** in Lebanon – 8,000+ clients, PAR30 0.43%
- **MFW** in Jordan – 4,000+ clients, PAR30 0.38%

Photo: Tunisia – Enda Tamweel running interviews with refugees entrepreneurs

3. Key Partnerships are expanding access to financial and non financial services for refugees in MENA and Africa



Photo: Rwanda – a FSP doing a financial needs assessment of a refugee from DRC in Gihembe camp

What role for the financial sector to expand access to finance for refugees?

DFIs and investors:

- CAPITAL and other forms of financial incentives for FSPs
Done in
A COORDINATED WAY between initiatives
To add COMPLEMENTARITY and not duplicate

FSPs:

- Learning from existing GOOD PRACTICES
- TARGET, SEGMENT, PILOT, MONITOR
- Look for existing FUNDING OPPORTUNITIES available
- Request logistic and data SUPPORT BY UNHCR

Donors:

- TECHNICAL ASSISTANCE FUNDS



Thank you

Micol Pistelli – Pistelli@unhcr.org