

Digi#ances Partnership Initiative

Developing an ecosystem for national mobile payments through pilots across Jordan.



Project name	Digi#ances: Improving Access to Remittances and other Financial Services through Digital Solutions
Commissioned by	German Federal Ministry for Economic Cooperation and Development (BMZ)
Partner	Central Bank of Jordan
Objective	Jordanians without access to bank accounts, refugees, and women make use of digital financial services for national money transfers
Co-financed by	Swiss Agency for Development and Cooperation (SDC)
Location	Jordan
Contact	Kathrin Damian kathrin.damian@giz.de Commission Manager +962 65563 382 www.giz.de/de/weltweit/38566.html

For eight years (10/2015 – 10/2023) GIZ¹ implemented Digi#ances in very close cooperation with the Central Bank of Jordan. This, in addition to fruitful partnerships with the private sector and the humanitarian organizations, brought the project to its success.

Context

In recent years, Jordan has become a regional leader in promoting financial inclusion amongst vulnerable population groups. Moreover, Jordan has embraced the potential of technology and

digital financial services (DFS) to reach those who are normally outside of the banking system.

Partnership with the private sector

Collaborating closely with the eight mobile payment service providers (PSPs) required trust and mutual understanding. Digi#ances learnt a lot about the market needs of PSPs, including the cooperation with merchants as well as their marketing strategy and outreach via agents. PSPs, on the other hand, became more and more aware of the challenges and needs of the target group of low-income Jordanians, Syrian refugees, women, and migrant workers.

But during the course of the action CBJ, GIZ and the PSPs not only learnt from each other but also with each other. In various joint studies, pilots and rounds of discussion and mutual exchange on digital financial services (DFS) knowledge and trust was built up significantly.

Committed to extending access to digital financial services to enhance social and economic development within the target group, Digi#ances and the PSPs strongly promoted the responsible use of digital financial services (DFS) in Jordan.

Digitizing humanitarian assistance

Since 2021, Digi#ances has been successfully cooperating with the World Food Program (WFP) and the United Nations High Commissioner for Refugees (UNHCR) to support the two UN organizations in the digitization of humanitarian payments using mobile wallets. Digi#ances has provided the organizations with comprehensive financial training materials and conducted



Workshop and Conference on Financial Inclusion of refugees held by WFP, UNHCR and GIZ.



Kathrin Damian
kathrin.damian@giz.de

training for their employees. All UNHCR and WFP benefit recipients are now required to complete financial training to facilitate the transition to mobile wallets.

The result of the collaboration is very promising: In the Azraq and Za'atari refugee camps, 98% of households currently receive their aid payments from UNHCR and WFP via mobile wallets, and even in the host communities where refugees have found a home, this proportion is an impressive 60%. It is also worth noting that 30% of these payments are distributed directly to women who usually are the head of the household.

The partnership with the humanitarian organization was built on common goals, trust, and frequent mutual (informal) exchange, as the following examples show:

- Monthly coordination meetings guarantee regular updates, coordination, and mutual exchange on financial inclusion of refugees. The participants also functioned as a sounding board for new ideas and solutions. In 2023 likeminded NGOs, the EU and CBJ joined the monthly meetings, indicating the importance of networking and coordination among all stakeholders.
- In a joint action with UNHCR and WFP a comprehensive study was carried out to assess what has been achieved in the financial inclusion of refugees and asylum seekers in Jordan since 2015, when the Central Bank of Jordan (CBJ) first launched its initiative to enhance national financial inclusion. The report (Nov. 2022) shows the great progress but also the existing gaps of financial inclusion of refugees. It is also an expression of the joint forces by the stakeholders towards financial inclusion for all.
- In 2022, a study on mobile wallet users in refugee camps

revealed that staff from the Syrian Refugee Affairs Directorate (SRAD oversees securing the refugee camps) had limited knowledge about these digital accounts and the accompanying service like cashing out facilities. To cope with any misunderstanding training was conducted for 222 SRAD employees who now understand why considerable amount of cash enters the camps on daily bases.

- In 2022, different board games were developed to make financial training more interactive. UNHCR uses these board games in refugee camps to introduce refugees to the topic of financial planning outside of training courses. To enhance sustainability two outdoor board games (about 20 qm²) with large figures were installed in Azraq and Za'atari camps.

Ecosystem development of mobile wallets

By mid-2023, Jordan counted 2.04 million active mobile wallets. A great progress compared to roughly 200.000 when Digi#ances started in 2015. While efforts to increase activity levels among customers and agents are still ongoing, these results indicate impressive progress towards advancing financial inclusion in Jordan.

Digi#ances is part of the BMZ special initiative 'Tackling the Root Causes of Displacement, Reintegrating Refugees', which provides short-term support to refugees and their host communities. In the long term, sustainable measures are designed to eliminate the structural causes of displacement, such as social injustice and food insecurity. This particular project promotes equality and social and economic development for refugees and low-

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Iritiria Street, Vista Complex 3, Um Uthaina
Amman 11190 Jordan
+962 6 5563382
www.giz.de/de/weltweit/38566.html

Author: Christian Thon

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Division Middle East

Addresses of
BMZ Bonn
Dahlmannstraße 4
53113 Bonn, Germany
T: +49 (0)228 99 535-0
F: +49 (0)228 99 535-3500

BMZ Berlin
Stresemannstraße 94
10963 Berlin, Germany
T: +49 (0)30 18 535-0
F: +49 (0)30 18 535-2501

poststelle@bmz.bund.de
www.bmz.de