



**MED MSMEs**

Policies for inclusive growth

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Support to an Enabling Business Environment for  
MSMEs Development & Financial Inclusion



**EGYPT**

**FinTech in Gender Lens Action Plan**

**Enabling a gender-responsive ecosystem  
toward inclusion**

**Regional meeting**

**Rome – June 20 & 21, 2023**

**<<<Egypt>>>**

**The National Council for Women**

**May Mahmoud**

**Head of Women Business Development  
Center**



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# National Financial Inclusion Strategy

High Level Commitment from the President for Financial Inclusion in AFI's 9<sup>th</sup> Forum held in Sharm Elsheikh in 2017

CBE and NCW signed an MoU – A global pioneer initiative on **financial inclusion** for women

CBE's Financial Inclusion strategy 2022-2025

*“Ta7weesha” digitized mobile application*

A journey to **digitalize** the existing classic VSLA model

(**1.2M** Women Beneficiaries &

Prepaid Cards/ **60K** Saving Groups & Group

Bank Accounts / **3K** Facilitators & Smart Phones)



## Ta7wisha

Ta7wisha is the face of financial inclusion and distribution channel for digital financial services to the rural women of Egypt



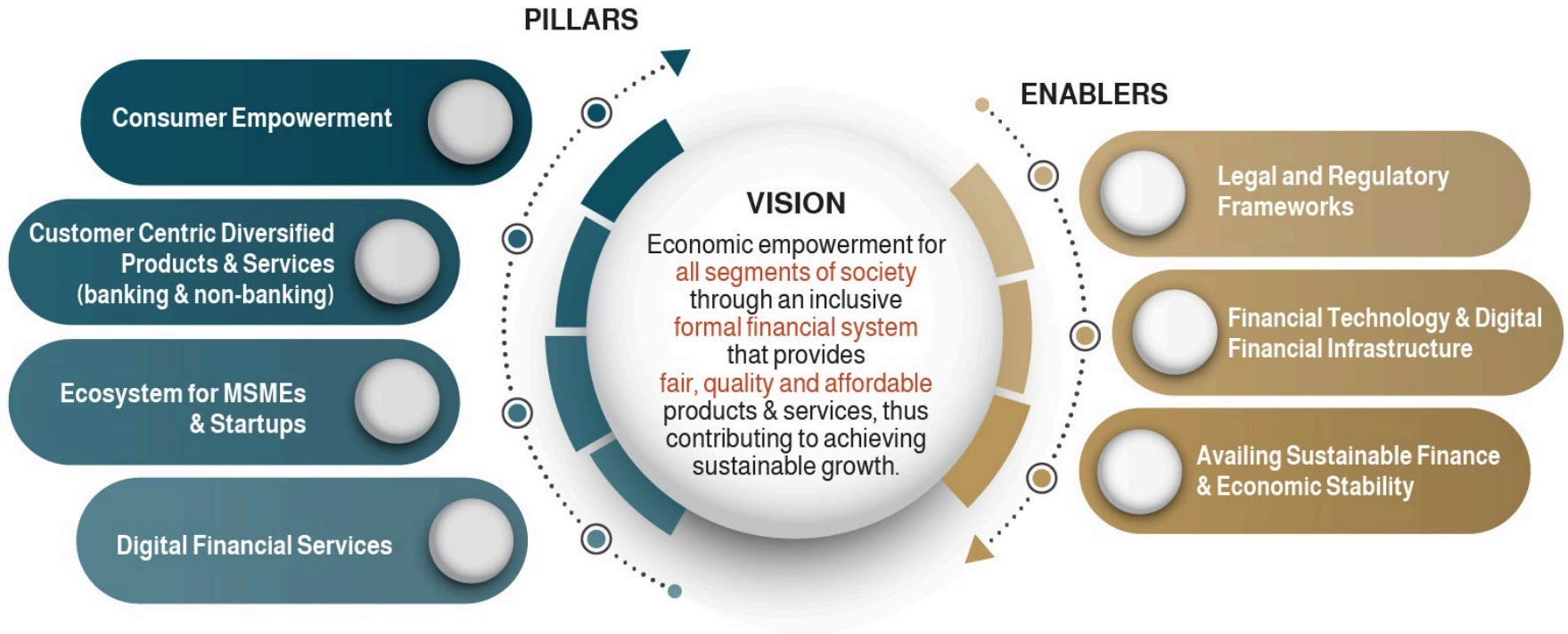
# National Financial Inclusion Strategy

## Financial Inclusion Strategic Objectives

1. Consumer protection & trust
2. Financial literacy & inclusion (Bank employees & Policy makers)
3. Entrepreneurship and startups through non-financial services
4. Access to financial services & integration into the formal sector.
5. Digital financial services and stimulating savings.
6. Enabling the FinTech and Digital Financial Infrastructure.
7. Financial services (banking/non-banking) for all segments of society.
8. Achieve sustainable growth in the financial sector.



# National Financial Inclusion Strategy



# How is FinTech Integrated into National Financial Inclusion Strategies?

CBE launched its FinTech and innovation integrated strategy in March 2019

The growth of Egypt's FinTech ecosystem hinges on the **enablement** of five critical components; demand, funding, regulation, talent and governance.

The Strategy was developed over three stages:

- Ecosystem Assessment,
- FinTech Vision & Strategy Development
- Implementation Roadmap Design

In 2022, Egypt's President Abdel-Fattah El-Sisi ratified the Law # 5/2022 on regulating and developing the use of financial technology in non-bank financial activities.

Under the new Fintech law, the FRA became the sole body responsible for licensing and regulating fintech companies in Egypt.



# How is FinTech Integrated into National Financial Inclusion Strategies?

## Egypt's FinTech Strategy and Implementation Roadmap:

- FinTech Vision for Egypt
- 32 strategic initiatives
- EGP1b innovation fund
- FinTech and Innovation Department
- A FinTech and Innovation Committee
- CBE Regulatory Sandbox
- FinTech Hub



# Main Barriers & Potential Need for Regional Collaboration

- Based on the ecosystem assessment, FinTech can play a critical role in solving population-wide and SME challenges.
- Egypt has one of the highest unbanked populations standing at 67%. FinTech will focus initially on solutions such as payments, micro lending.
- Lack of a clear FinTech **licensing framework** and overall unclear **guidelines** on an applicable and uniform regulator saving and remittance.
- Knowledge **transfer** to practical successful models.
- Fintech startups **pioneer** models to be replicated.
- Ecosystem & ongoing **market assessment**.



# Recent Initiatives Supporting FinTech Startups

## FinTech & Innovation Hub

- A **unified** FinTech platform for **innovation** to become a **globally** recognized Hub in the Arab world and Africa home to next-generation financial services, talent, and innovative development.
- A **one-stop shop** to enrich the experience of all stakeholders affiliated with FinTech innovation, bring the public and private sectors together, and **transform** traditional financial services.

## The Regulatory Sandbox

- Offers a **live testing environment** for FinTech innovators who are developing new business models that are currently hindered by stringent authorization requirements and regulatory uncertainty.
- Pave the way for **faster** and **easier** access to new financial **solutions** & embed **compliance** within the FinTech ecosystem at an **early** stage.

## FinTech and FinTech-enabled focused fund (March 2022)

- Target capital of \$150 million.

## Zareef FinTech Podcast

- To raise the **awareness** about FinTech in Egypt, through interviewing key experts in this field to **transfer their experience** on-ground expertise.



# Going Forward: Enabling an Inclusive FinTech Industry

## "FINTEKRS" initiative

It **encourages** startups to develop and **implement** their **innovative** financial solutions across all governorates towards the facilitation of banking services and increasing **access** to financial products.

(<https://fintech-egypt.com/Fintekrs/>)

## The Women Techsters Initiative Fellowship

Powered by **Accelerate'ha** initiative by FinTech Egypt and organized by **Tech4Dev**

- An opportunity to begin a career in technology
- Join an elite class of female technology ecosystem change makers
- Solving problems using technology
- Build a technology startup or tech-enabled business

The **Women Techsters Fellowship** is a FREE 12-month intensive technology skills learning program across eight learning tracks:

1. Software Development
2. Mobile Development
3. Blockchain
4. Product Design
5. Data Science and AI
6. Product Management
7. Cybersecurity
8. 3D animation & Mixed reality (AR & VR)

**"Ta7weesha"** digitized mobile application for VSLAs



# Going Forward: Enabling an Inclusive FinTech Industry

## The Drivers for Egyptian FinTech Ecosystem



Egypt represents

**26%**

of the MENA population<sup>1</sup>



**67%**

Egypt's population remains unbanked<sup>2</sup>



**44%**

mobile internet users as a percentage of total population<sup>3</sup>



**93%**

mobile subscriptions as a percentage of total population<sup>3</sup>



**27%**

financial literacy<sup>4</sup>



**1.5B+**

EGP tech funds available from domestic VCs<sup>5</sup>



**3.1M**

students enrolled in universities<sup>6</sup>



**18+**

accelerators and incubators focused on Tech and FinTech start-ups<sup>5</sup>

The fintech industry is expected to witness significant growth over the upcoming years due to the government's extensive efforts, the Central Bank of Egypt and the private sector.



