A proposed Strategy for Enhancing Financial Inclusion in Egypt

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اللفيور

الشمول المالى أصبح قضية هامة وجذب اهتماه الباحثين وصناع السياسة والاقتصاديين ، لأن الشمول المالى أنه دور في تخليق الوظائف ، تقليل معدلات الفقر ، وترقية النمو الاقتصادي هذا البحث يهدف إلى صياغة استراتيجية وطنية للشمول المالى في مصر ، وصياغة استراتيجية مقترحة للشمول المالى في مصر (٢٠٢١-٢٠١) لكي تتحقق رؤية طويلة الأجل الشمول المالى إن ركائز الشمول المالى التي تستند عليها الاسترايجية المقترحة هم : التعليم المالى ، حماية العميل ، الخدمات المالية الالكترونية ، وقاعدة بيانات قوية وشاملة .

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Abstract

Financial inclusion has become an important issue and has caught the attention of research scholars, policy makers and economists because financial inclusion creates job opportunities, diminishes poverty rates and promoting economic growth. This research aims to formulate a national financial inclusion strategy for Egypt. The result of this research is implementation of the proposed NFIS will take three years (2020-2022) to achieve long term vision of financial inclusion and key drivers of financial inclusion that exist in the proposed strategy namely: financial literacy, financial consumer protection, digital financial services and robust data and research framework.

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ungets". (World Bank Greep, 2012). It is constuded that the national financial inclusion strategy (NTVS) is a

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Introduction-

Financial inclusion is "the process that ensures the ease of access, availability, and usage of formal financial system for all members of an economy" (Sarma, 2008).

Financial inclusion is a fundamental pillar as it increasing employment opportunities, decreasing poverty rates, reducing income inequality, raising financial stability and promoting economic growth (Central Bank of Jordan, 2017). Therefore, financial inclusion is a part of development agenda for developing countries because it achieves national goals In Egypt, only 33% of adults have an account (% age 15+),in OECD countries: in Sweden 100% of adults have an account (% age 15+),in Norway 100% of adults have an account (% age 15+), in Luxembourg 99% of adults have an account (% age 15+) and in Poland 87% of adults have an account (% age 15+) (World Bank, 2017). Therefore, Egypt suffers from low level of financial inclusion. Egypt should formulate a NFIS in order to achieve a desired level of financial inclusion.

A National Financial Inclusion Strategy (NFIS) is "a roadmap of actions, agreed and defined at the national or sub-national level, that stakeholders follow to achieve financial inclusion objectives. Successful strategies coordinate efforts with the main stakeholders, define responsibilities among them, and state a clear planning of resources by, for example, prioritizing targets". (World Bank Group, 2012).

It is concluded that the national financial inclusion strategy (NFIS) is a national document of coordination and multi-sectorial cooperation, aiming at increasing access to and usage of financial services within marginalized and vulnerable groups.

Research problem:

The problem of the research summarizes in the following question:

HowNational Financial Inclusion Strategy can be designed and implemented?

Objectives of the Research:

The main objective of this work is to formulate an Egyptian national strategy for achieving a targeted level of financial inclusion.

This require setting the following objectives:

- 1- Setting a time horizon for reaching the targeted level,
- 2- Defining the stakeholders of FI, and
- 3- Setting the pillars of success in implementing the proposed NFIS.

Research Hypothesis:

Applying a National Financial Inclusion Strategy will have a positive effect on achieving a desired level of financial inclusion

Research Methodology:

This research will base on the following approaches:-

- Inductive approach is used through qualitative part to determine financial inclusion factors to attain financial inclusion target.
- Descriptive method is used to describe conceptual framework of financial inclusion.
- Deductive approach is used through quantitative part in forecasting financial inclusion target

Importance of the Research:

The importance of this research stems from Financial inclusion is a part of development agenda for countries as It should be noted that financial inclusion has become an essential pillar due to its role in improving the standard of living, empowering women, in the promotion of equal opportunities, poverty reduction and securing the well-being, hence achieving sustainable economic growth and reducing unemployment and poverty rates (kandah, 2015). So, it is necessary for a country to design its financial inclusion action plan in order to increase financial inclusion and achieve financial inclusion objectivesSo, this research aims to provide central bank, policymakers and other stakeholders with a proposed national strategy for promoting a desiredlevel of financial inclusion.

Literature reviews:

Narev, 20161-Financial inclusion action plan in Australia (2016-2017)

This study aims to formulate financial inclusion action plan (FIAP) with the objective of increasing access to affordable and suitable financial products and services

the findings of the study areFIAP includes some initiatives such as providing fee-free accounts, accessible branches, and cultural awareness training for people that lives in remote areas and poor people. it also illustrates actions of financial literacy strategy that increase financial inclusion.

2- Bank of Uganda, 2013

Strategy Paper on Financial Inclusion (2012-2015)

This study aims to set out the Strategy for Financial Inclusion to achieve financial inclusion in Uganda.

The results of the study showThe activities outlined in this strategy paper are based on three Pillars namely: Financial Consumer Protection, Financial Literacy, and Financial Innovations (includes: Mobile Money and Agent Banking).

3-Andrew, 2015

National strategy of financial inclusion in Philippine

The study aims toset out the National Strategy for Financial Inclusion (NSFI). The National Strategy aims to optimize collective efforts to achieve financial inclusion in the Philippines. It will increase awareness and understanding of financial inclusion and permit coordination among several stakeholders.

The results of the study illustrate that Four enablers in the National strategy that are necessary for promoting financial inclusion are policy and regulation, financial education and consumer protection, advocacy programs, and data and measurement.

4-Central Bank of Samoa, 2017

National Strategy for Financial Inclusion for Samoa (2017-2020)

The study aims at Formulating the National Financial Inclusion Strategy to increase financial inclusion in Samoa

The results of the study showthat Pillars that increase financial inclusion in this strategy are a) promoting digital financial services with an appropriate legal and regulatory framework, b) promoting financial consumer protection, c) improving financial literacy

This research is organized in four sections:

Section 1. Financial Inclusion Concept

Section 2. Financial Inclusion Importance

Section 3. The Proposed National Financial Inclusion Strategy

Section 4. The Results of the Research and Recommendations

Section 1. Financial Inclusion Concept

Financial inclusion "is the process of ensuring access to financial services and timely adequate credit where needed by vulnerable groups such as weaker sections and low- income groups at an affordable cost" (Rangarajan, 2008).

Financial inclusion means "the provision of affordable financial services,

viz., access to payments and remittance facilities, savings, loans and insurance services by the formal financial system to those who tend to be excluded"(Thorat, 2007).

Financial inclusion refers to "universal access to a wide range of financial services at a reasonable cost. These include not only banking products but also other financial services such as insurance and equity products" (Raghuram, 2009).

Section 2.Importance of Financial Inclusion

The importance of financial inclusion stems from the importance of access to finance for various categories of the society such as, women, young people, SMEs and low-income people.

Financial inclusion is essential for women to access credit and to make transactions, but it is also important to save money and build assets in a safe place, this, in turn, contributes to take them out of poverty. Access to Saving raise women's business earnings. Thus, women use their own savings to invest in their business (Aldana and Boyd, 2015). Access to saving for women leads to welfare (Karlan et al. 2016). Women benefit from access to creditWhen women produce their personal income, they invest in their families and communities. Greater investments in income generating activities lead to raise incomes and welfare improvements for the households (Holloway, 2017).

Concerning young people, financial access is a major contributing factor for helping them to make their own economic decisions and escape from poverty. Providing financial services for young people such as a secure place to save or a properly structured loan for investment in an enterprise or education can encourage entrepreneurship and asset building, and emphasize sustainable livelihoods (United Nations, 2013).

Financial access is vital for small and medium-size enterprises (SMEs) growth. It permits entrepreneurs to enhance efficiency, expand to new markets, and supply a lot of jobs (International Finance Corporation, 2011). Savings considered as retained earnings as a primary source of financing, credit is used for Finance for working capital and investment. Payments consider efficient, safe and low-cost transactions and insurance decrease risks of business activity (Global Partnership for Financial Inclusion, 2013).

Access to finance is important for low-income people as it enables them rise savings, create investment and benefit from credit. This, in turn, FI economic activities and employment opportunities for low- income people

will be increased. This affect on the economy as it leads to raise disposable income for low-income group that lead to greater savings and robust deposit base for banks and other financial institutions. (Reserve Bank of India, 2011).

Section 3. The Proposed National Financial Inclusion Strategy in Egypt(2019-2021)

This proposed NFIS achieves the vision of financial inclusion in 2030: (Achieving a universal access to and usage of a broad range of quality and affordable financial services to all layers of the society in order to promote economic growth, reduce poverty and achieve income equality in Egypt).

Table 1: The proposed Strategy for Improving Financial Literacy

Pillar	Sub-Objective	Action or Activity	Responsible Institution
Financial literacy	1.1. Developing financial literacy for students	1.1.1.Incorporating financial literacy programs for school students through workshops and presentations\	1.1.1Ministry of Education, Central Bank, Egyptian Banking Institute and Commercial Banks
	aduce their persones. See Greater investigation and welfare in	1.1.2.Incorporating financial literacy into the national school curriculum of basic and senior secondary schools	1.1.2.Ministry of Education, Central Bank and Egyptian Banking Institute
is a major or arributa minito decisions und usoa coung people, uch as a in investmental du cater in alta usser buildin arrotts, 2013.		1.1.3. Incorporating financial literacy programs for university students through workshops and presentations	1.1.3.Ministry of Higher Education and Scientific Research, Central Bank and Egyptian Banking Institute and Commercial Banks
reprises paration to of (5	I medino-size or ibance efficiency stional Losque Qua as a princip son r	1.1.4.Incorporation of financial literacy into foundation courses for university students	
Bant P c decre , 2013); t cnabl	1.2. Supporting financial literacy for employees that work in governmental sector	literacy of employees in formal employment through	Agencies, Central Bank Egyptian Banking Institute and
тисопії	1.3.Developing	1.3.1. Expanding financia	1 1.3.1 Ministry of Media

financial literacy for women	through radio station media channel and a popular television shows	Banking Institute and Commercial Banks
A 10 10 10 10 10 10 10 10 10 10 10 10 10	1.3.2. Expanding financi literacy for wome through preparin awareness workshops an sessions to promote wome entrepreneurship	Institute and Commercial Banks
1.4.Strengthening financial literacy for rural community	in rural areas through community radio shows community parliaments. Youth Clubs and Associations and t.v. programs	Central Bank, Egyptian Banking Institute and Commercial Banks
1.5.Strengthening financial literacy for public	1.5.1.Expanding financial literacy for public through websites ,publications. radio stations and popular television shows	Central Bank and Commercial
	1.6.1. Developing and Promoting further non-financial services to microfinance customers to improve their capacity through workshops and programs in cooperation with sector	1.6.1.Central Bank, Egyptian Banking Institute, Social Fund of Development and Microfinance Finance Institutions
rolling out financial literacy programs for business entrepreneurs	o finance in cooperation with miversities, and NGOs	1.7.1.Small and Medium Enterprises unit, Egyptian Banking Institute Governmental Banks (National Bank of Development), Social Fund of development and Credit Guarantee Company, Ministry of Higher Education and Scientific Research and NGOs

Table 2: Timeframe for Implementation

Objective 1: Improving Financial Literacy

Objective 1. Improvi	ng Financial Lite	cracy	1766										
23210		ngo Lonen Lamei	202	20			20	21			20	22	
Sub-Objective	Action or Activity	Q ¹ 1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4
1.1. Developing financial literacy for students	1.1.1.lncorporating financial literacy programs for school students through workshops and presentations				了。 大學 大學 大學 大學 大學 大學 大學 大學 大學 大學	laty.		esement.					
	1.1.2.Incorporating financial literacy into the national school curriculum of basic and senior secondary schools	HSH K	ETALL ETALL	101	1878) 3818)								
	1.1.3 incorporating financial literacy programs for university students through workshops and presentations	1 0.5 22 20 21 2 2 2 2 2 2 2 2 2 2 2 2 2 2 2 2 2 2				2015 160 160 1600	3.8 d isofi illind com		264111				
	1.1.4.incorporation of financial literacy into foundation coursesfor university students	SCHOOL STOCK ADDITION ADDITION ADDITION	314 108 101 101 101	560 (SIV) (A)(S	pion soft sort								
1.2. Supporting financial literacy for employees that work in governmental sector	1.2.1 Strengthening financial literacy of employees in formal employment through courses, presentations and peer educators					A TOTAL OF THE PARTY OF THE PAR	iltis						

¹⁾ Q means quartiles and each quartile equal three months

1.3.Developing financial literacy for women	1.3.1. Expanding financial literacy for women through radio stations, media channel and an popular television shows				ator Singe Selfa Selfa Selfa Selfa		6 0 m 1 6 m 1 7 m 1	areju are agrafa grafa	2735 118 129 3701	
	1.3.2. Expanding financial literacy for women through preparing awareness		1 22	51.00 51.59 10.01 1.001	1					
	workshops and sessions to promote women empowerment		180	UATO						
1.4.Strengthening financial literacy for rural community	1.4.1. Delivering financial literacy to people who live in rural areas through community radio shows, community parliaments, Youth Clubs and Associations and t.v programs								142	
1.5. Strengthening financial literacy for public	1.5.1. Expanding financial literacy for public through websites, publications, radio stations and popular television shows									
1.6.Strengthening financial capacity building for microfinance sector	1.6.1. Developing and Promoting further non-financial services to microfinance customers to improve their capacity through workshops and									
metale andaration plaint	programs in cooperation with sector						V			

rolling out financial literacy programs for businessentrepreneurs	1.7.1.Preparing and implementing programs and trainings forconstructing financial capabilities for			EI LI LI LII LIII				
	youth business entrepreneurs to formulate business plans and facilitate access to finance in cooperation with universities, and NGOs		90 - 90 - 10 - 10	brusc Briston Sow Briga	lei on de la constant			

Table 3: The proposed Strategy for Expanding Digital Financial Services

Objective 2: Expanding Digital Financial Services

Pillar	Sub-Objective	Action or Activity	Responsible Institution
Digital Financial Services	3.1.Digitizing government Payments and guarantee G2P transformation commitment	3.1.1. Endorsing the usage of P2G transactions for all payments as an accepted channel	3.1.1. Ministry of Finance, Central Bank, Commercial Banks and Ministry of Information and Communication Technology and Governmental Institutions
	3.1.2. Mandating all governmental institutions to adopt electronic channels to make payments electronically for all government transactions	3.1.2. Ministry of Finance, Central Bank, Commercial Banks and Governmental Institutions	
		3.2.1.Improving the legal and regulatory framework for agents	3.2.1 Central Bank
	system	3.2.2.Improving the technical infrastructure for electronic Know Your Customer ² (E-KYC) process to digitize processes for agents	Banks

⁴⁾ Know your customer is a term used for customer identification process. It includes information about customers such as their financial status, nature of customer's business, purpose for opening the account, source of funds and reasonableness of operations in the account in relation to the customer's business.

Sover 5.5.1 Control Hank, C. Benja, end C. Mil'AS Specialists)	3.2.3. Develop and implement fully automatic network system for agents	3.2.3. Central Bank, Commercia Banks and Ministry of Information and Communication
and Japan Cognitive I Bures, I	solvdo disidated 55.5	Technology
Tocinestagy and central Backs, consider States, consider the Consideration and Consideration of the Constant States and Central	3.2.4.Establishing a geographical information system (GIS) ³ for the public that distributes agents and associated data.	3.2.4. Central Bank, Commercial Banks and Ministry of Information and Communication Technolog
3.3.reorganize fees (efficient for clients & reasonable for agents)	3.3.1.Creating legal & regulatory environment with clear fees structure to guarantee level playing in the market	3.3.1. Central Bank and Commercial Banks
3.4.allow digital cross boarder remittances for refugees and Egyptians households with tiny or no access to financial	3.4.1. Ensure the reliability of the technical infrastructure that are essential for cross-border remittances, and accomplish test to guarantee security and safety of the financial service.	3.4.1. Central Bank, National Payment Council, Banks and Ministry of Information and Communication Technology and CAMPAS(Statistical specialists)
services	3.4.2. Assess contractual arrangements for selected corridors and get required approvals.	3.4.2. Central Bank
	3.4.3. Create dialogue and discussion between the local and foreign payment services providers through a platform to guarantee mutual knowledge and adherence to regulations	3.4.3.Central Bank, Banks and National Payment Council

³⁾ A Geographic Information System: Is a system of computer applications that can be used to display, manipulate and analyze varied information in one place. Each data set that a GIS can support is divided in to two basic parts: graphical (spatial) information { is data that are shown graphically on the computer screen that is called a feature} and tabular (attribute) information { is text based or numerical information that describe each of the features}.

Panda Cor mesic chy al luft manion co	3.5.Enhancing and integrity payment system	safety of	3.5.1. Accomplish regular S testing ⁴ assessment	Stress	SS 3.5.1. Central Bank, Commercial Banks and CAMPAS (Statistical specialists)					
			3.5.2. Establish obvious efficient mechanism	and for	Information and	Banks, Ministry of Communication				
Bank, Cos mercial stry of Information on	3.8.4 Central Barder and Mic and Communicat Technolog		compliant Handling 3.5.3. Develop an autor alternative dispute resoluti	matic on	Technology and C 2.5.3. Commercia Information an Technology and C	l Banks, Ministry of d Communication				
Tujaverp red) but the	23.1 Count B lends		3.3.1/Counting legal & reg extraorment stall release free structure to guarantee processor in the counter		a particular of the second sec					
Basilis a pland but a block , Ir but a block of the plant of the tal pecceller	1.4.1 Central Payrasen Cour Messing of Octominaceansa CAASI A SCSook	518 3	XAI. Emero de religiolique technica infrasmacioni fi essentiti ilor estar hoster musti sec eschophili asci	101 23 89970	de Asker verbiere beseich nerbiere schippes aus Egs beite beite wich					
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d	3.4.2. Central Bu	trara beru			entres :					
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			e valviaci lachen estatung esentiacin et estatustas							

Table 4: Timeframe for Implementation Objective 2: Expanding Digital Financial Services

⁶⁾Stress test is designed to determine risks, level of capital adequacy and liquidity adequacy of banks. Through this test strategic business decisions are informed

Timef ame for Implementation Objective 2: Expanding Digital Financial Services 2020 2021 2022 Q4 Q1 Q2 Q3 Q4 Q3 Q4 Q1 Q2 Q3 Q1 Q2 Sub-Objective Action or Activity 4.1.1. Endorsing the usage of P2G Digitizing government transactions for all payments as an payments and guarantee accepted channel. G2P transformation . 4.1.2 Mandating all commitment governmental institutions to adopt electronic channels to make payments electronically for all government transactions 4.2.1Improving 4.2 presenting reliable and Stifficient the legal regulatory agent network framework manag ment agents system 4.2.2.Improving technical infrastructure for electronic Know Your Customer (E-KYC) process to digitize processes agents 4.2.3. Developing

and implementing fully automatic

fully auton network system for agents

	4.2.4. Establishing a geographical information system (GIS) for the	21						iba iba				60:	
2012	public that allocates agents and associated data.	05	0 .				and or div						
4.3.Reorganize fees (efficient for clients & reasonable for agents)	4.3.1.Creating legal & regulatory environment with clear fees structure to guarantee level playing in the market		ANO.	od jag tin	yd yd gare ioi ioi ia eann	indi indi andi andi andi andi andi andi	The state of the s		Saug Saug and	VON ESSA TORS	(A) and		
4.4.Allow digital cross boarder remittances for refugees and Egyptians households with tiny or no access to financial services	4.4.1. Ensure the reliability of the technical infrastructure that are essential for cross-border remittances, and accomplish test to guarantee security and safety of the financial service.			ino in a second	a of	1209 1001 200 210 210 210 210 210 210	ATLE awag santa cant				O TIME	03-	
	4.4.2. Assess contractual arrangements for selected corridors and get required approvals.			noi noi			9/8 188 188 198 198 198 198 198 198 198 19	No.	190			8	
	4.4.3. Create dialogue and discussion between the local and foreign payment services providers through a platform to guarantee mutual												
	knowledge and adherence to regulations			luin luin	57.		O.A.						
4.5.Enhancing safety and integrity o payment system			ing in in									ď	

1.101	4.5.2. Establish obvious and efficient mechanism for compliant handling					
Miscelp(P) Line	4.5.3. Develop an automatic alternative dispute resolution	Elvo q deta o				

Table 5: The proposed Strategy for Improving Financial Consumer Protection Objective 3: Improving Financial Consumer Protection

Pillar	Sub-Objective	Action or Activity	Responsible Institution
Financial Consumer Protection	5.1.increase coordination between all relevant stakeholders for financial consumer protection	5.1.1. Mapping all stakeholders that are relevant for financial consumer protection	5.1.1. Central Bank
	5.2.Determine extent and feasibility for establishing a holistic financial consumer protection framework	5.2.1.Conducting a market study to assess the non-bank financial institutions (NBFIs) to be supervised by CBE	5.2.1.Central Bank, Financial Consumer Protection Department and Banks
	1.2 Suis-Ro gentage II strength to me	5.2.2.Determining the impact of increased legal and regulatory conditions for financial consumer protection on products pricing by banks and non-bank financial institutions	5.2.2.Central Bank, Financial Consumer Protection Department, Banks and NBFIs
	Id not beal sig benesiti see regional by see supposed by self-see supposed by see supp	5.2.3. Issuing appropriate regulations (directives and instructions) that improve customer trust in banks and non-bank financial institutions and motivate demand	5.2.3.Central Bank
	5.3. Setting up holistic legal and regulatory framework for financial consumer protection	5.3.1. Issuing instructions and directives for treating clients of banks and microfinance institutions fairly	5.3.1. Central Bank (Financial Consumer Protection Department)

		internal procedures for handling	5.3.2. Central Bank (Financial Consumer Protection Department)
		5.3.3. Issuing instructions for the provision of credit and payment cards based on international good practices	5.3.3. Central Bank (Financial Consumer Protection Department)
		5.3.4. Revisiting and applying revised instructions for treating fairly with disabled clients	5.3.4. Central Bank(Financial Consumer Protection Department)
		5.3.5. Establishing supervisory group within the financial consumer protection department to be responsible about on-site and off-site activities on non-banking institutions.	5.3.5. Central Bank
	5.4. Improve information and communication on financial consumer protection with relevant stakeholders	5.4.1.Developing and implementing a communication strategy including relevant contributors (banks and NBFIs) and target segments (clients), channels and tools	5.4.1 Central Bank(Financial Consumer Protection Department) banks and NBFIs
nesal Selico Dopas Selica Janual	5.5.lmprove transparency and responsible finance by banks and microfinance institutions	5.5.1. Disclosure about the details and prices of financial services and products on the websites of banks and microfinance institutions	5.5.1. Central Bank(Financial Consumer Protection Department), banks and MFIs
i endo and NBFs and NBFs	5.6.Guarantee compliance with financial consumer protection provisions (FCP) for transparency, fair treatment, responsible finance, data privacy and consumer redress	supervision of financial institutions (banks and non banking financial institutions) that are regulated by CBE involving examination	Bank(Financial Consumer Protection Department)
Contin	Consumer recurses	5.6.2. Conducting on-site	6 5.6.2. Central

⁵⁷⁾ Off-site conduction is a process that provides supervisors with accurate information about financial institutions in order to analyze their performance

emranó 3	USE (Groven) la styrone	(banks and non banking financial institutions) that are regulated by CBE	1
	5.7.Improve consumer redress by establishing complaint handling	complaints and establishing	Financial Consume
	mechanisms and systematic dispute	non banking financial institutions in accordance with directives and instructions	
Section 2 Section (Income)		5.7.2.Automating the system for registering and handling complaints in banks, non banking financial institutions, and CBE	5.7.2 Central Bank(Financia Consumer Protection Department) and Ministry of Information and Communication Technology
ari ga	an Cinjective 3: Improve	5.7.3. Establishing a financial ombudsman ⁷ , as an independent intermediary system for dispute resolution outside of courts	5.7.3, Central Bank
	Protection	5.6.4.Rolling out comprehensive training programs for banks and	5.6.4. Central Bank
05	1885	non banking financial institutions staff for handling customer complaints effectively	
9 49	60 50 10 50 6613	and efficiently	
	poor people and rural areas)	5.8.1. Increasing awareness and knowledge about the responsibilities and rights in the usage	5.8.1. Central Bank, Egyptian Banking Institute and Ministry of Media
	in the framework of financial consumer protection	of financial products and services and the risk of over-indebtedness	
		through media and campaigns for priority segments	noitoetenų saudavys
		5.8.2. Building a division within a consumer protection	5.8.2.Central Bank
		department with the objective of increasing awareness of	tates and villalities and a second of s
		financial consumers.	Quadratic standarding

⁸⁾On-site conduction is a process that examines the business of financial institutions and its compliance with legislation and supervisory requirements

Financial Ombudsman is a service can deal with complaints of consumers about financial services

	5.8.3 Disclosure of financial products and services features (prices and interest calculations in plain language) by banks and NBFls to enhance financial literacy	5.8.3.Commercial Banks and NBFIs
	5.8.4.Improving disclosure of financial consumers' rights and responsibilities and consumer redress options on the CBE porta	5.8.4 Central Bank(Financial Consumer Protection Department)

Table 6: Timeframe for Implementation Objective 3: Improving Financial Consumer Protection

Timeframe for Implem Objective 3:Improving		sum	er P	roteo	etion								
Objective 3.mproving	g Financial Col	2020			2021	l			2022				
Sub-Objective	Action or Activity	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4
6.1.Increase coordination between all relevant stakeholders for financial consumer protection	6.1.1. Mapping all stakeholders that are relevant for financial consumer protection												
6.2.Determine extent and feasibility for establishing a holistic financial consumer protection framework	6.2.1.Conducting a market study to assess the non-bank financial institutions (NBFIs) to be supervised by CBE	1						l line					

	6.2.2.Determining the impact of increased legal and regulatory conditions for financial consumer protection on products pricing by banks and non-bank financial institutions	i see	mise rychr rych rych rych rych rych rych ryc	n.6.0 maga yadi baru ngaq yadi yani sang Lori tury			j	die - 1	
	6.2.3. Issuing appropriate regulations (directives and instructions) that improve customer trust in banks and non-bank financial institutions and motivate demand	(1) (1) (1) (1) (1) (1) (1) (1) (1) (1)	SER SER SER SER SER SER SER SER SER SER	Seed Seed Seed Seed On the On					
6.3. Setting up holistic legal and regulatory framework for financial consumer protection	6.3.1. Issuing instructions and directives for treating clients of banks and microfinance institutions fairly	TANAL TANAL TANAL TANAL TANAL TANAL TANAL	aniv godi Gui gga gga tasii tasii		(2) (2) (2) (3) (3) (3) (3) (3) (3) (3) (3) (3) (3	rola nes nasa	W 6	got area aemi area iones	1 0 0 0 0 0 0 0 0 0 0 0 0 0 0 0 0 0 0 0
	6.3.2.Issuing instructions about internal procedures for handling complaints of customer in banks and financial service providers (FSPs)	16 3 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1	Jos Jose Jose Jose Jose Jose Jose Jose J	ii ii	nt s	Print Print Print Print	error fram Vel sone	goda (2011) Panja Jano	a w

	5.3.3. Issuing nstructions for the provision of credit and		一大大学の大学	in or	nci s m sen	Co oth Sol Has Soc						
	payment cards based on international good practices			1	sis aug mio	aca aca long-						
	6.3.4. Revisiting and applying revised instructions for					Sol Sol Sol Sol						
7.	treating fairly with disabled clients	10		28] - 3 s	rago sidal							
	6.3.5.Establishing supervisory group within the financial consumer			(80) (40) (41)	999, 809, 800,	sile sile sile						
	protection department to be responsible about on-site			l-aar 2 mab		66 60 60 60						
	and off-site activities on non- banking institutions.		Vicinity of the second	12 (2.12) 12 (2.12)	129	1.3	132	gi mi	984	12	0	
5.4. Improve information and communication on financial consumer protection with relevant stakeholders	6.4.1.Developing and implementing a communication strategy including relevant contributors (banks and NBFIs) and target segments (clients), channels and tools		in Eng	5918				g na	OSQ	100		
6.5.Improve transparency and responsible finance by banks and microfinance institutions	about the details											

6.6.Guarantee compliance with financial consumer protection provisions (FCP) for transparency, fair treatment, responsible finance, data privacy and consumer redress	off-site supervision of financial institutions (banks and non	rel reli reli sus		tidi baa di di di di di di di di di di di di di								
	6.6.2. Conducting on-site supervision of financial institutions		ana sh	stan Tiga Vital	of 20 1 29 15 1							
	(banks and non banking financial institutions) that are regulated by CBE	gas baz kiel	3 24	The state of the s	0 0 0 0 0 0 0 0 0 0 0 0 0 0 0 0 0 0 0 0	di		203	d stoo Vaa			
	6.7.1. Assessing mechanisms for complaints and establishing	has	e a	en in	16 16 16	000 1 / 3 500	ne fi m fo m fo			(8) (8) (8)		
	specific units for handling complaints in banks and	-33V		esty ests	au 約 加							
	non banking financial institutions in accordance with directives and instructions	elle angi	3 1948 194	dgac i	TA GEN							
	6.7.2. Automating the system for registering and handling	3 2	tielle.									
made ergumenco lo sensi-	complaints in banks, non banking financial institutions, and CBE	2278		ibe		0.18						

	6.7.3. Establishing a financial ombudsman ⁸ , as an independent intermediary system for dispute resolution outside of courts	ing in aon fair hade by	egio esti bos soci (ve coloit	olic Viol loss lusi) skin skin loss loss loss loss loss loss loss los		outre sur elt ye ideze ige so y évi			
	6.7.4.Rolling out comprehensive training programs for banks and non banking financial institutions staff for handling customer complaints effectively and efficiently	yba yd no L gain	oute and sup- sup- sup- sup- sup- sup- sup- sup-	all and all all all all all all all all all al	62 10 11 12 13 14 18				
6.8. Strengthening the financial literacy of priority segments (women, youth, poorpeople and rural areas) in the framework of financial consumer protection	6.8.1 Increasing awareness and knowledge about the responsibilities and rights in the	Section of the sectio	Ens	600 (000 (000 (000 (000 (000 (000 (000			user erleg south		
	6.8.2. Building a division within a consumer protection		3	ndis	51				

¹⁰⁾ Financial Ombudsman is a service can deal with complaints of consumers about financial services

evel Bank (Burne Justen Unit) and Den ency for Public Medium Jumpures (CAPMAS)	department with the objective of increasing awareness of financial consumers	10 ·	awî b bo	26 C	Ed S geel lend				*				
ntral bant Intral Bant (Finess Intrac Unit) Strat Bank and Cen- ency for Public Mobilizat I Stationes (CAPMAS)	6.8.3 Disclosure of financial products and services features (prices and interest calculations in plain language) by banks and NBFIs to enhance financial literacy levels among	or toll or tol	interior (Contraction of the Contraction of the Con	Deta of Sh Property areas areas areas areas		76 06 84	otto di ge sint.	esin tegh tegh sloq b	eid n on n one aldi gras Gras care	ieb am ion onli cov qen			
20 20 10 20 02 02	target segments 6.8.4.Improving disclosure of financial consumers' rights and responsibilities and consumer redress options on the CBE porta	al dis	(8 6) (8 6) (82) (8)	(d)		ice g.B on on Di	inas auto auto riba		5 10 10 10 10 10 10 10 10 10 10 10 10 10	2016 2013 2013 2013	O gust svik	and and	

Table 7: The proposed Strategy for Creating Robust Data and Research Framework Objective 5: Creating Robust Data and Research Framework

Pillar	Sub-Objective	Action or Activity	Responsible Institution
Data and Research	7.1 Constructing a comprehensive and precise database for financial inclusion.	7.1.1.Designing a data portal that gathers data from financial Services providers(FSPs)	Central Bank (Financial Inclusion Unit) and Central Agency for Public Mobilization and Statistics (CAPMAS),
		7.1.2.Developing partnerships & signing memorandum of understanding MOU's with stakeholders to guarantee access to data	Central Bank (Financial Inclusion Unit)

	7.1.3.Classifying geographical and disaggregated data in the database	Central Bank (Financial Inclusion Unit) and Central Agency for Public Mobilization and Statistics (CAPMAS)
7.2. Usage collected data in evaluating the	d 7.2.1.Determining procedures for interior and exterior reporting	Central Bank
impact and presenting reliable data for drafting policies an constructed concis	d assessments	Central Bank (Financial Inclusion Unit)
reports.	7.2.3.Incorporating indicators and Questions of financial inclusion in the department of statistics financial survey	Central Bank and Central Agency for Public Mobilization and Statistics (CAPMAS)

Table 8: Timeframe for Implementation

Objective 5: Creating Robust Data and Research Framework

Timeframe for Imple	mentation				9	(8)	giagi događ						
Objective 5:Creating	Robust Data and	Res	earc	h Fr	ame	work	Sango San						
		2020)			202	1			202	2		
Sub-Objective	Action or Activity	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4
3.1 Constructing a comprehensive and precise database for financial inclusion.	8.1.1.Designing a data portal that gathers data from financial Services providers(FSPs)		13) (5) y (80) (80) (81)	720. (116 0.4. (185 (185)	1112 () 13 () 13 (198 971 18	900 02]4 7.23 200 bus	be (1) (1) (1) (1) (1) (1) (1) (1) (1) (1)	oyi du o long	sids une co	r isl	4	
	8.1.2.Developing partnerships & signing memorandum of understanding MOU's with stakeholders to guarantee access to data	g 1000 M		áveC 3 kráti shio	P. 1,2 Short				220	JV		=	

Pantine, gine and Transang menangan	8.1.3.Classifying geographical and disaggregated data in the database			ad bes		arca arca arid					93k 3 3	
8.2. Usage collected data in evaluating the impact and presenting	8.2.1.Determining procedures for interior and exterior reporting	ans en ann Dis ann ent			DOS Hes High		13 l 133 j			bas tes 1 fa	8	
reliable data for drafting policies and constructed concise reports.	8.2.2. Determining the budgeting and capability building to carry on impact assessments		Sile Sile Sul	12				Classical States	igiti igiti j. ji	Date Date Date		
radional la colonal la	8.2.3.Incorporating indicators and Questions of financial inclusion in the department of statistics financial survey		the (no along							000		

The Study Results:

The main results of the study are summarized in the following points:-

- -This study developed the proposed national financial inclusion strategy that aims to achieve the following objectives improving financial literacy, improving digital financial services, improving financial consumer protection and creating data and research framework in order to increase financial inclusion level in Egypt. Each objective will be achieved by sub-objectives and specific actions with coordination with various stakeholders through three years.
- Increasing financial literacy and awareness level for students through (2020 and 2021) by Ministry of Education, Ministry of Higher Education and Scientific Research Central Bank, Egyptian Banking Institute and Commercial Banks. Supportingfinancial literacy for employees that work in governmental sector in 2020 that is undertaken by Government, State Agencies, Central Bank, Egyptian Banking Institute and Commercial Banks. Developing financial literacy for women by Ministry of Media, Central Bank, Egyptian Banking Institute, and Commercial Banks that will happen in 2020. Strengthening financial literacy for public by Ministry of Media, Central Bank and Commercial Banks from 2020 to 2022 (Q1 and Q2).

- -Expanding digital financial services will rely on Ministry of Finance, Central Bank, Commercial Banks and Ministry of Information and Communication Technology and Governmental Institutions to Digitizing government payments and guarantee G2P transformation commitment through Q3 and Q4 in 2022. Also, presenting reliable and Sufficient agent network management system by Central Bank, Commercial Banks and Ministry of Information and Communication Technology through 2021 (four quartiles). In addition to, allow digital cross boarder remittances for refugees and Egyptians households with tiny or no access to financial services these will be achieved through contribution of Central Bank, National Payment Council, Banks and Ministry of Information and Communication Technology and CAMPAS(Statistical specialists) in Q1 and Q2 in 2022.
- -Promoting financial consumer protection (FCP) require several actions: increase coordination between all relevant stakeholders for financial consumer protection in Q1(2020), Determine extent and feasibility for establishing a holistic financial consumer protection Framework in Q1, Q2 and Q3 in 2022 Setting up holistic legal and regulatory framework for financial consumer protection in Q3 in 2020 these actions will be implemented by central bank and Financial Consumer Protection Department.
- Creating robust data and research framework require Constructing a comprehensive and precise database for financial inclusion in Q1, Q2, Q3 in 2020. Usage collected data evaluating the impact and presenting reliable data for drafting policies and constructed concise reports in Q4 in2020, Q1 and Q2 in 2021. Which will engage negotiations between central bank (Financial Inclusion Unit) and Central Agency for Public Mobilization and Statistics (CAPMAS).

Recommendations

It's recommended that the proposed strategy for financial inclusion (section 3) may be used to increase financial inclusion level in a coordinated, effective and timely manner.

This proposed strategy for financial inclusion helps central bank of Egypt and other stakeholders in order to achieve a desired level of financial inclusion in Egypt. Hence, achieving financial inclusion objectives.

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