



The role of financial services in crises contexts

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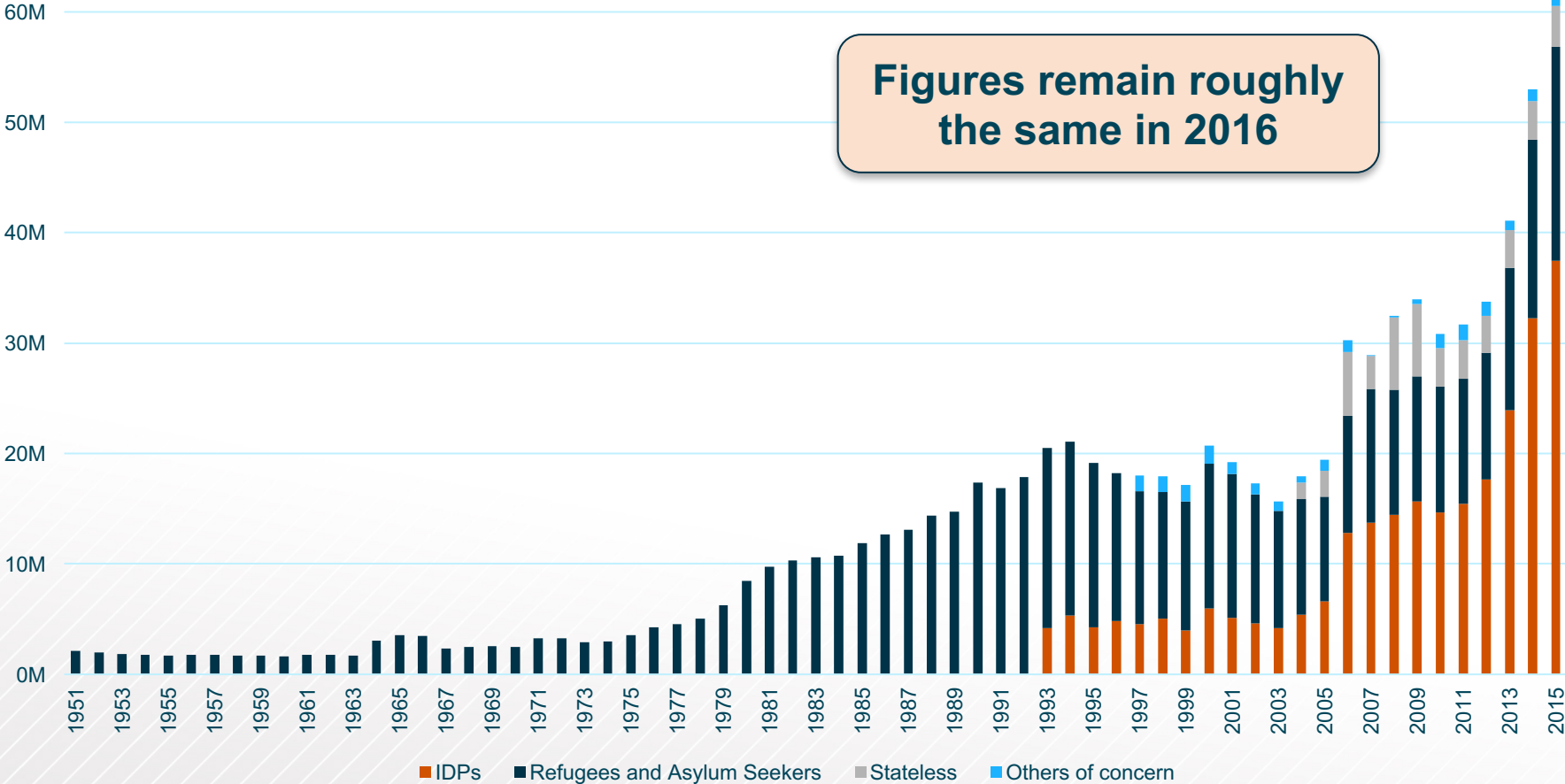
Webinar, 20 June 2017



Context & Figures

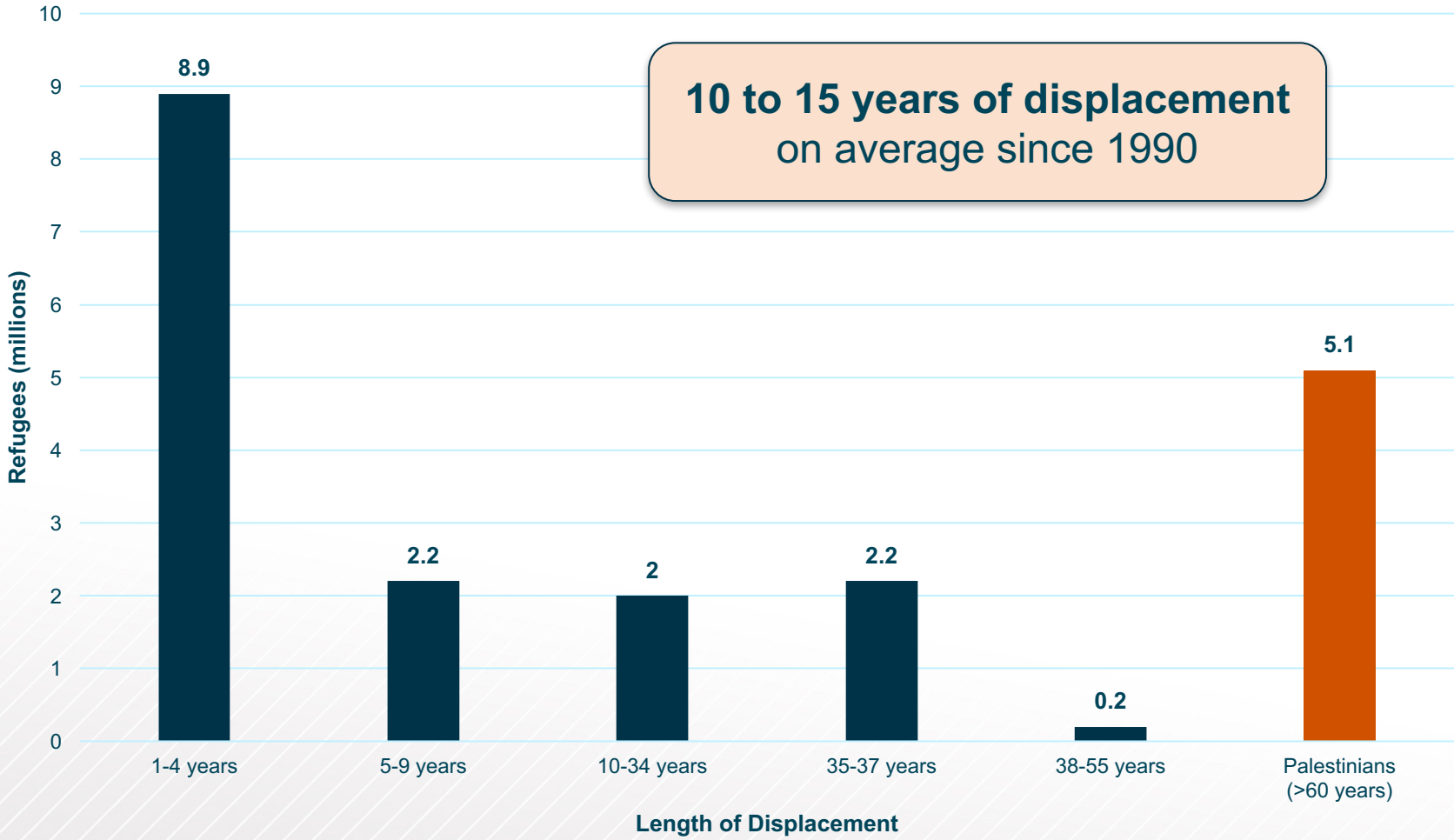
Displacement is on the rise

Conflict-Related Displacement Figures: 1951-2015



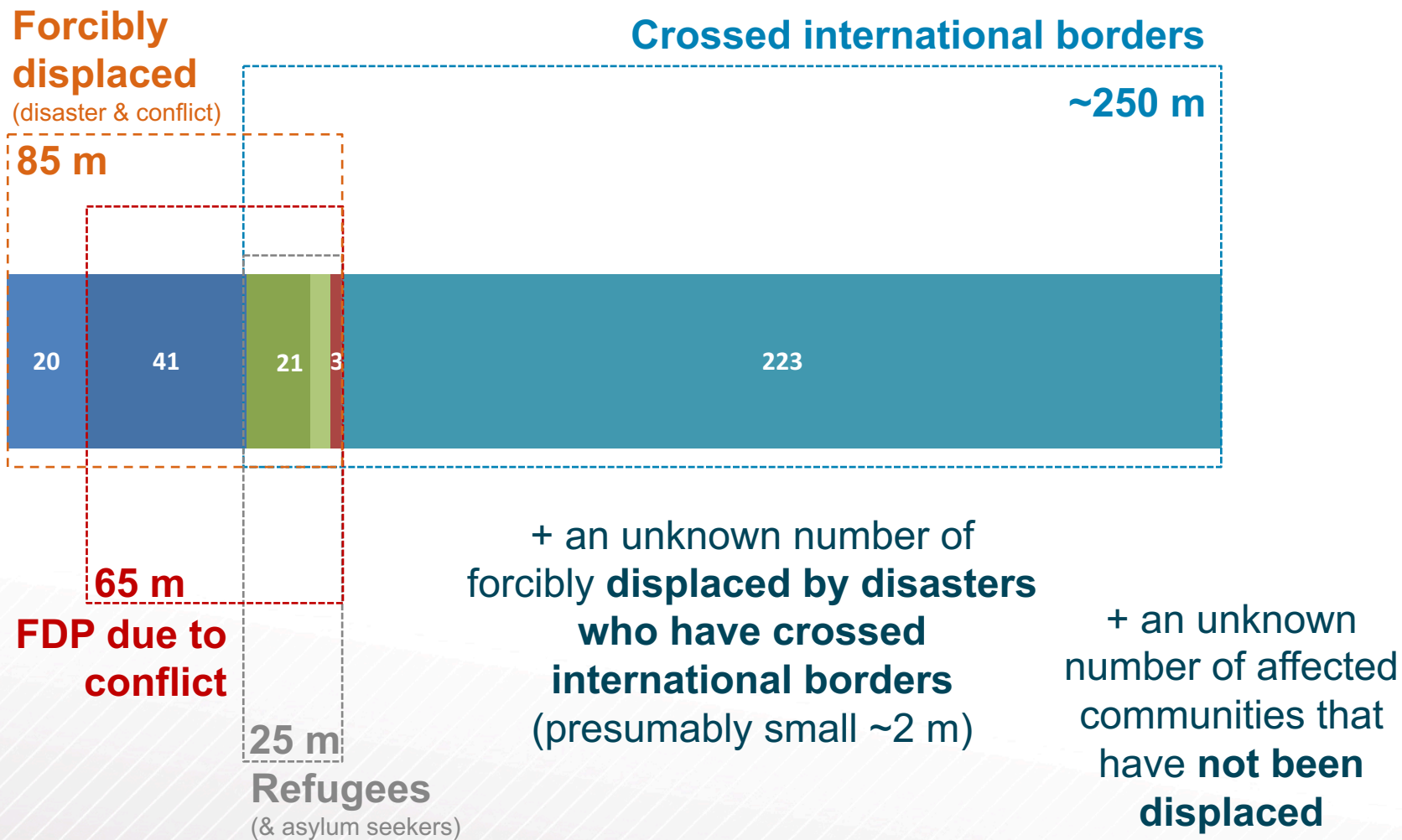
Figures remain roughly the same in 2016

Length of displacement also is



Some definitions

Ballpark figures, data remains a challenge

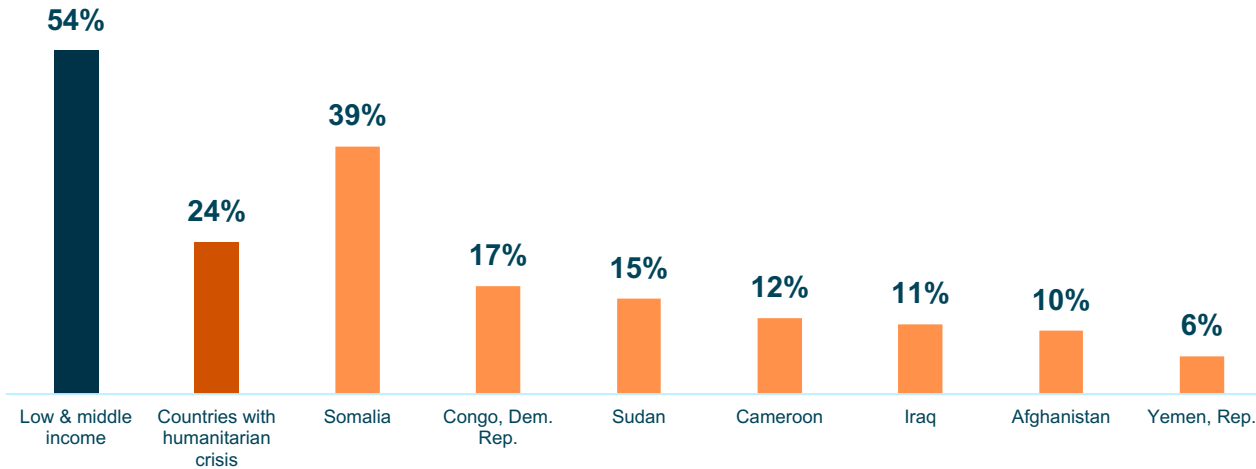




Demand & Needs

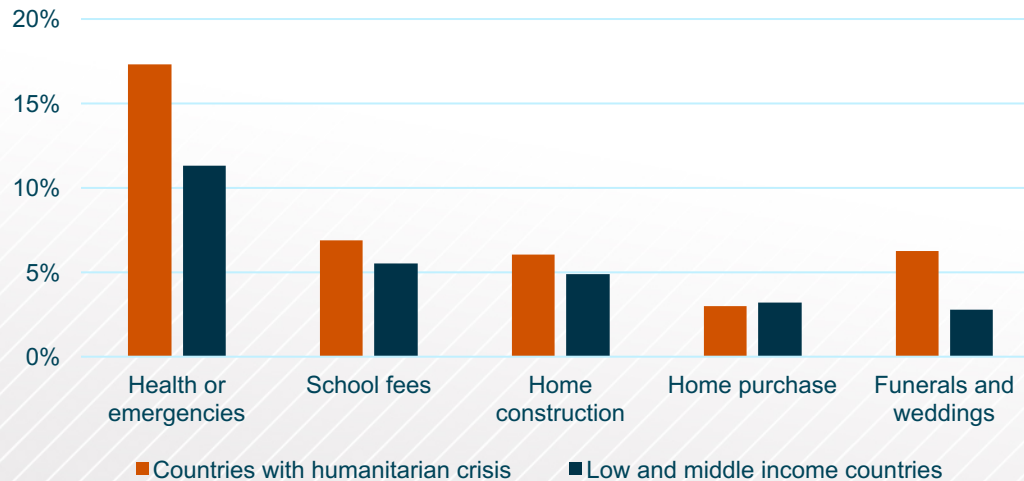
Financial access in crisis-affected countries: low access, high demand

Account penetration in selected countries with humanitarian crisis



Access is low

Reasons for loans reported by borrowers

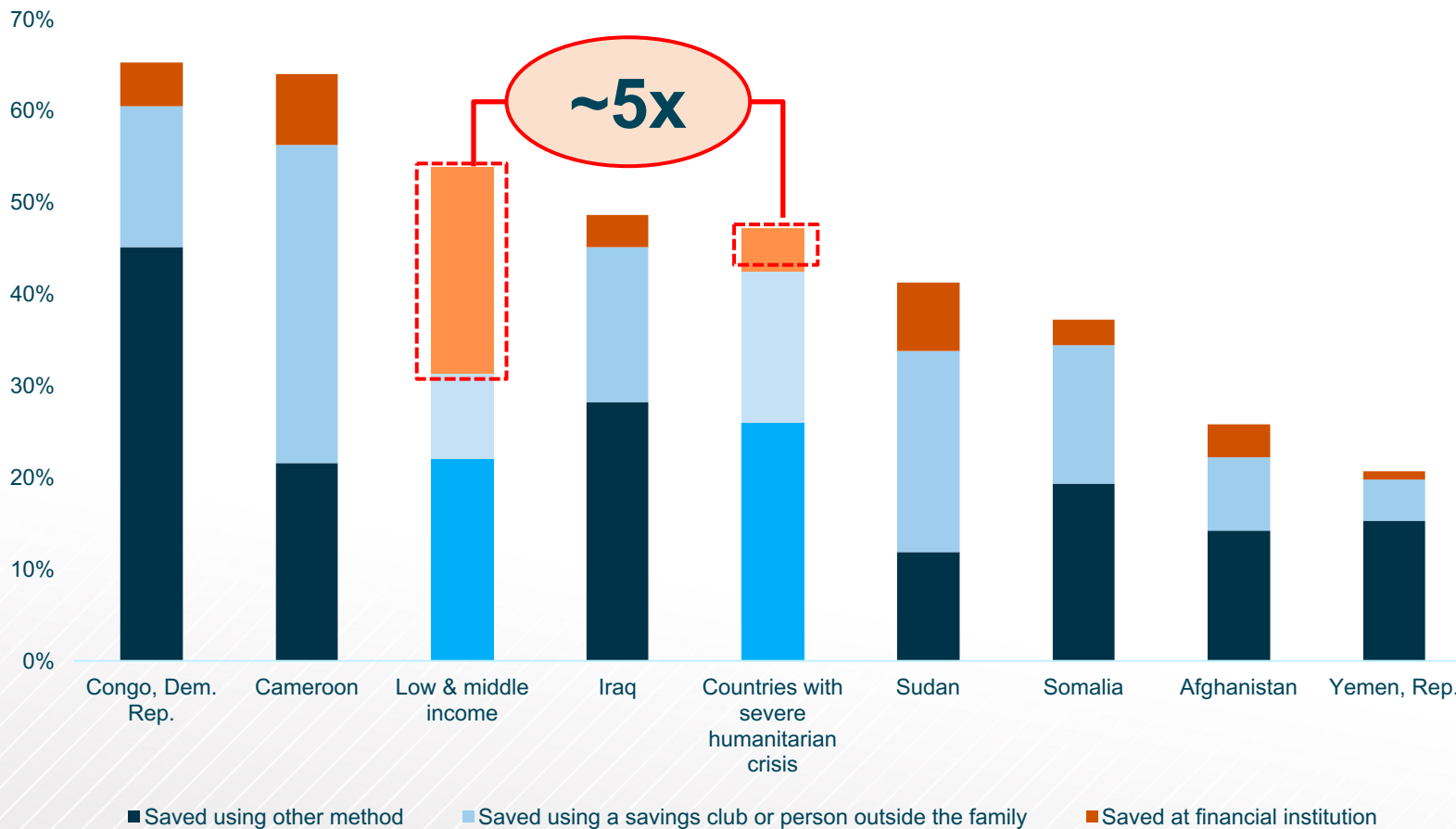


Yet demand is high

Informal services are the most in use

In part due to under-developed financial sectors, but not only

Formal and informal savings (% of adults)



What are the demand and needs for financial services?

Segmentation and research is needed on a case-by-case basis

Displacement period	On the move	Upon arrival	During displacement	Assimilation in host community	Return to original home	Resettlement
Remittances	Dark Blue	Dark Blue	Dark Blue	Light Blue	Light Blue	Light Blue
Store of value	Dark Blue	Dark Blue	Dark Blue	Light Blue	Light Blue	Light Blue
Short-term credit for consumption	Grey	Dark Blue	Dark Blue	Light Blue	Light Blue	Light Blue
Payment services	Grey	Dark Blue	Dark Blue	Light Blue	Light Blue	Light Blue
Domestic P2P transfers	Grey	Grey	Dark Blue	Light Blue	Light Blue	Light Blue
Insurance (assets and livelihoods)	Grey	Grey	Dark Blue	Light Blue	Light Blue	Light Blue
Long-term credit for investment	Grey	Grey	Grey	Light Blue	Light Blue	Light Blue
Housing credit to rebuild	Grey	Grey	Grey	Grey	Light Blue	Light Blue



Evidence

Financial services do play a role in mitigating crises

1

Remittances help cope with shocks
& stimulate economic activity at community level

2

Savings increase resilience
(formal & informal)

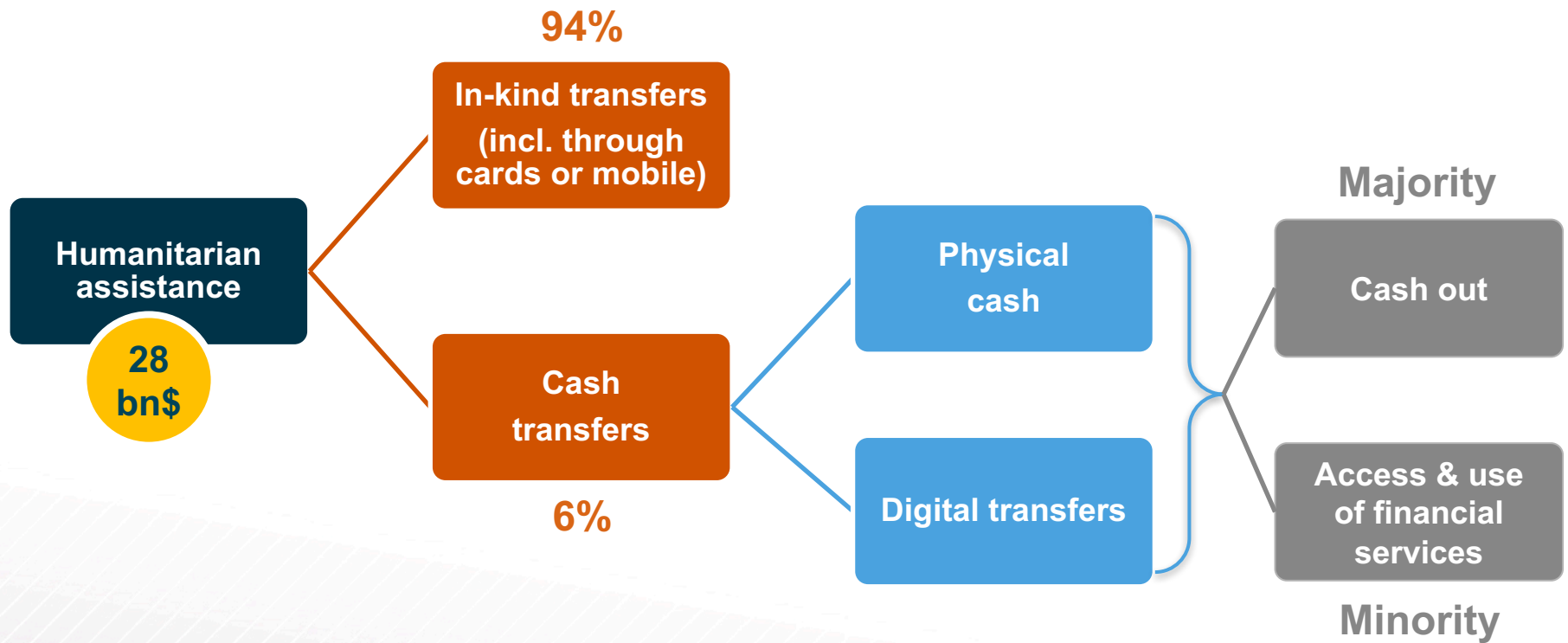
3

Insurance reduces vulnerability
(especially disaster insurance e.g. index-based)

Credit needs to be further researched

The move to cash transfers is a huge opportunity

Much more experimentation is needed to link CT to financial inclusion





Barriers & Recos

Recommendations for supporting crises through FS

1

Invest in robust, resilient & reliance payment systems (access points, liquidity, connectivity)

2

Allow digital FS & mobile wallets (incl. crisis-adapted regulation)

3

Incentivize private sector & humanitarian organizations to roll-out sustainable FS

4

Develop innovative **financing mechanisms**

5

Research demand, products with high potential, role of FS in livelihoods



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