Financial inclusion in Iraq With applied study On Kurdistan Region Dr. Mujeeb Hassan Mohammed Department of banking &Finance

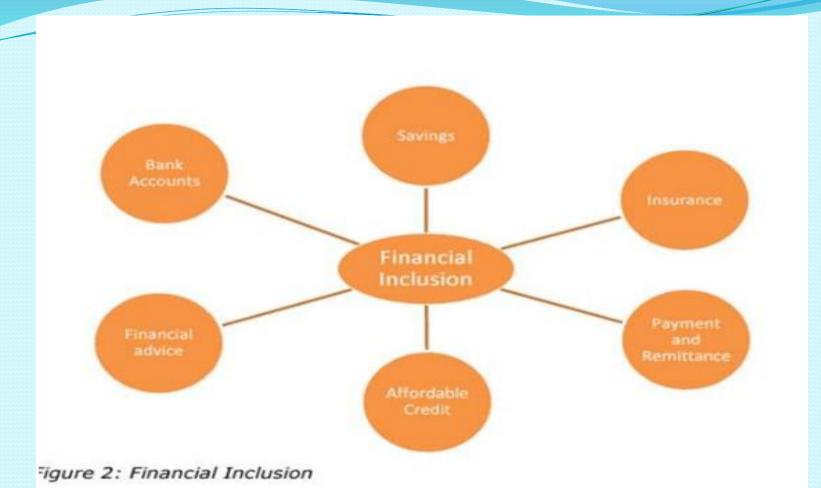
# Definition

Financial inclusion is where individuals and businesses have access to useful and affordable financial products and services that meet their needs that are delivered in a responsible and sustainable way

**Financial inclusion** is defined as the availability and equality of opportunities to access **financial** services

# What are the objectives of financial inclusion.

Financial inclusion intends to help people secure financial services and products at economical prices such as deposits, fund transfer services, loans, insurance, payment services, etc. It aims to establish proper financial institutions to satsfiy needs of the poor peoples.



# Why financial Inclusion?

- Economic Objective
- ·Mobilisation of Savings
- Larger Market for the financial system
- Social Objectives
- Sustainable Livelihood
- Political Objectives



Chetna yadav

# Financial Inclusion – Who are these People?

- ➤ Underprivileged section in rural and urban areas like, Farmers, small vendors, etc.
- ➤ Agricultural and Industrial Labourers
- ➤ People engaged in un-organised sectors
- ➤ Unemployed
- ➤ Women
- ➤ Children
- ➤Old people



# WHO ARE THE UNBANKED?

The Global Findex shows gaps in financial inclusion across demographics, with women, the poor, youth, and rural residents at the greatest disadvantage.

#### GENDER:

Have an account at a formal financial institution, worldwide:





47%

### AGE

#### WORLDWIDE

THOSE AGED 15-24 ARE

33%

#### LESS LIKELY

to have an account, and

40%

#### LESS LIKELY

to have saved formally

(compared to those aged 25-64).

## **EDUCATION**





TERTIARY

PRIMARY OR LESS

In developing economies, adults with a tertiary education are more than twice as likely to have a formal account as those with a primary education or less.

### INCOME





RICHEST 20% → POOREST 20%

In developing economies, the richest 20 percent of adults in a country are more than three times as likely to save in a formal financial institution as the poorest 20 percent of adults.

## RESIDENCE

Have a formal account. in low-income economies:

LIRBAN RESIDENTS 35%

RURAL RESIDENTS

22%



Graphic: The World Bank / Global Findex project

## WHAT limits access to financial services?

- Psychological and cultural barriers
- Low income
- Legal identity-.
- Geographical remoteness
- · Various terms and conditions
- Nil or low savings
- Lack of awareness/Financial illiteracy
- Unemployment/Under Employment
- Use of inappropriate products



Large section of population financially excluded!