

## **Launching the Pilot Phase of Eamar Microfinance as the First Digital Microfinance Platform in Yemen**

**Aden, Yemen**

**April 28, 2021**

Eamar Microfinance, a High-Tech company specialized in Value Chain, SMEs and Housing Finance, is the first institution in Yemen providing digital microfinance with High-Tech solutions.

Over the past decade, Five-Year Plans and the subsequent economic programs in Yemen did not achieve its intended objectives. The banking system and the microfinance industry were inefficient and lacked the capacity to play their expected role in the process of economic development in Yemen. After 2015, the conflict has made doing business in this country is extremely difficult worsen in the country making. Among different indicators on the MSMEs, Yemen ranks 187 in the Global Doing Business, it ranks 178 out of 189 countries and territories in the HDI and its overall economic freedom could not be resumed in the 2020 Index because of the continuing lack of reliable economic statistics for the country. More than 90% of Yemenis do not have bank. Despite all that, local experts envision a key role for the MSMEs in the future's economic recovery considering that there are 1.88 million MSMEs in the Yemeni market are in need for finance and. MSMEs accounts for 97.4% of the total business projects in Yemen . According to the IFC, only 20% of the Banks' loans are given to the MSMEs in Yemen and consequently their capacity shall be improved in case access to finance is facilitated.

Yemen officially established Microfinance in 1997, and currently there are 10 Microfinance Institutions MFIs, (two banks, three foundations, three programs and two microfinance units managed by local banks). The MFIs reported outstanding portfolio in the record amount of 27 billion Yemeni Rials (45 million USDs) and 88,968 active clients as of July 2020 . The MFIs are targeting some of the rural areas however the demand is still huge and requires innovative approaches to provide cost-effective services adapted to their clients' needs. Furthermore, Microfinance in Yemen is still weak compared to some regional Microfinance Institutions let alone regional countries i.e Enda, a Tunisian MFI, which reported 380,000 active clients compared to 87,791 active clients in Yemen for the year 2019.

### **Eamar Microfinance is the First Institution Provides Digital Microfinance Services in Yemen:**

In partnership with a high level of banking and financial sector team of experts, on April 28, 2021, Eamar launched its pilot phase for the provision of digital microfinance via its digital platform wherein clients can access to financial and no-financial services anywhere, any time.



إعمار للتمويل الأصغر  
Eamar Microfinance

Eamar Microfinance aims to help clients and communities by providing blended financial and non-financial digital services. Eamar missioning itself to be a lead in promoting financial inclusion through providing High-Tech, sustainable and innovative financial and non-financial services to develop local value chains in the MSMEs and housing in rural and urban areas; digitally through service and commodities providers and branches in an effective and efficient manner. So it is going to provide sustainable digital financial and non-financial products, offering comprehensive interventions to develop local value chain products in SMEs and housing and it is going to establish institutional and digital infrastructure to be fully outreaching rural and urban areas effectively and efficiently.

Among a variety of services, Eamar provides finance services for all local value chains, non-financial services including advisories, training, deliver, marketing for all related economic value chains, assure easiness to access to e-money and transfers for customers, and providing housing services.

Guided by its theory of business to establish everlasting and strong partnership[s], Eamar is building partnerships with communities, financial and banking sector actors, commercial and industrial sector, and FinTech and IT service providers and IT service providers

For more information please visit Eamar website [info@eamaronline.com](http://info@eamaronline.com) or email [info@eamaronline.com](mailto:info@eamaronline.com)