The Influence of Adopting TWIN Modality Conducted by Al-Amal Microfinance Bank (AMB) and Al-Amal Foundation (Reyadah) on Boosting Economic Inclusion in Yemen

By

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ABSTRACT

This study investigates the influence of the Two-Wing Integrated Nexus (TWIN) modality, implemented by Al-Amal Microfinance Bank (AMB) and Reyadah, on economic inclusion in Yemen. Recognizing that financial services alone are insufficient for lasting economic empowerment, AMB introduced the TWIN modality in 2013, integrating financial products with non-financial services like training and capacity building. Despite its potential, the full impact of this approach remained largely unmeasured. This research addresses this gap by assessing the effectiveness of the TWIN modality in improving financial literacy, business sustainability, and income generation among low-income populations, while also identifying challenges to its scalability. The study specifically explores its influence on enhancing financial access and entrepreneurial sustainability, and its impact on fostering long-term economic participation and business resilience in Yemen. Employing a qualitative research design, data were collected through semi-structured interviews with key stakeholders, including AMB and Reyadah's beneficiaries. The findings provide evidence-based insights into the TWIN modality's crucial role in fostering economic inclusion within a conflict-affected economy. This unique study contributes significantly to microfinance literature by examining an integrated dual-service approach, offering valuable guidance for policymakers, donors, and development agencies seeking to optimize interventions for sustainable development in fragile economies.

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List of Abbreviations

AMB	Al-Amal Microfinance Bank
AGFUND	Arab Gulf Programme for Development
BNFs	Beneficiaries: people who benefit from projects
CEO	Chief Executive Officer of Al-Amal Microfinance Bank
CEPR	Centre for Economic Policy Research
FX	Foreign Exchange
GDP	Gross Domestic Product
ILO	International Labor Organization
INGO	International Non-governmental Organization
MENA	Middle East and North Africa
MFI	Microfinance Institution
MSME/s	Micro, Small, and Medium Enterprise/s
MFB	Microfinance Bank
NGO	Non-governmental Organization
NPO	Non-for-Profit Organization
SFD	Social Fund for Development
TFP	Total Factor Productivity
TWIN	Two-Wing Integrated Nexus
WB	World Bank

CHAPTER ONE
INTRODUCTION

1.1 Background of the Study

Microfinance institutions (MFIs) have their roots in the mid-19th century when Friedrich Wilhelm Raiffeisen established the first cooperative lending banks in rural Germany to support farmers lacking access to traditional banking services (CEPR, 2018). This concept evolved significantly in the 1970s with the pioneering efforts of Muhammad Yunus, who founded the Grameen Bank in Bangladesh in 1983, providing small loans to impoverished individuals without requiring collateral (Wikipedia, 2025). This model demonstrated that offering financial services to the poor could be both impactful and sustainable, leading to a global proliferation of MFIs aimed at fostering economic development and reducing poverty.

Yemen embraced this microfinance movement by establishing the Social Fund for Development (SFD) in 1997, aiming to alleviate poverty and promote sustainable development by providing financial services to underserved communities (SFD, n.d.). Recognizing the need for a dedicated microfinance institution, SFD, in collaboration with the Arab Gulf Programme for Development (AGFUND) and private sector partners, founded Al-Amal Microfinance Bank (AMB) in 2002 as a non-dividend MFB (AMB, n.d.). AMB commenced operations in 2009 under the leadership of CEO, Mr. Mohammed Al-Lai, focusing on delivering financial services to low-income individuals and MSMEs across Yemen.

In its initial years, AMB concentrated solely on providing financial services to its BNFs. However, it became evident that providing financial resources without accompanying education and capacity building often led to suboptimal outcomes for clients. To address this, AMB, led by its CEO, Mr. Mohammed Al-Lai, AGFUND, and Bugshan Group, established Al-Amal Foundation for Training and Entrepreneurship (Reyadah) as a subsidiary in 2013 (ILO, 2014). This foundation serves as AMB's non-financial arm, offering training and support to clients to enhance their financial literacy and entrepreneurial skills. This integrated approach, referred to as the Two-Wing Integrated Nexus (TWIN) modality, combines financial and non-financial services to empower clients effectively. Since its implementation in the latter half of 2013, the TWIN modality has aimed to boost economic inclusion in Yemen, despite its full impact remains unmeasured to the best of the research knowledge.

1.2 Problem Statement

However, as the microfinance industry in Yemen evolved and expanded, there was a growing recognition that financial services alone were not enough to drive lasting economic inclusion (AMB, n.d.). In response, AMB introduced an integrated approach known as the TWIN modality. This model combines financial products with non-financial services. Since its launch in the second half of 2013, the TWIN modality has aimed to empower clients more effectively and address the complex needs of low-income populations. Despite its potential, the full extent of its impact remains unmeasured.

This study aims to investigate the influence of the Two-Wing Integrated Nexus (TWIN) modality, implemented by AMB and its non-financial arm, Reyadah, on economic inclusion in Yemen. Since its introduction in 2013, the TWIN modality has aimed to integrate financial services with capacity-building programs to enhance financial access and entrepreneurial success among low-income populations. However, its full impact remains unstudied to the best of the research knowledge. This study assesses the effectiveness of this approach in improving financial literacy, business sustainability, and income generation while identifying challenges that may hinder its scalability. By analyzing data from semi-structured interviews, the study seeks to provide evidence-based insights into the TWIN modality's role in fostering economic inclusion in Yemen.

1.3 Research Questions

Given the integrated approach of the TWIN modality implemented by AMB and Reyadah, this study seeks to assess its impact on economic inclusion in Yemen. Specifically, we explore the following research questions:

- What is the influence of the TWIN modality, implemented by AMB and Reyadah, on improving financial access and entrepreneurial sustainability among low-income populations in Yemen?
- What is the impact of the TWIN modality, implemented by AMB and Reyadah, in fostering long-term economic participation and business resilience in Yemen?

1.4 Research Objectives

To assess the impact of the TWIN modality on economic inclusion in Yemen, this study aims to examine the following research objectives:

- To investigate the influence of the TWIN modality, implemented by AMB and Reyadah, on enhancing financial access and entrepreneurial sustainability among low-income populations in Yemen.
- To explore the effectiveness of the TWIN modality, implemented by AMB and Reyadah, in fostering long-term economic participation and business resilience in Yemen.

1.5 Scope and Limitations of the Study

This study examines the influence of the TWIN modality, implemented by AMB and Reyadah, on economic inclusion in Yemen. The study covers an extended timeframe from 2013 to 2024, allowing for a comprehensive assessment of the long-term effects of this approach. However, the research is conducted within a single year, which may limit the depth of historical analysis and the ability to capture the evolving impact of the TWIN modality over time. A longer study period could provide a more detailed understanding of changes and trends in economic inclusion linked to this intervention.

Data collection relies exclusively on semi-structured interviews with key beneficiaries of AMB and Reyadah. While this qualitative approach allows for in-depth exploration of participants' experiences and perceptions, it does not incorporate quantitative financial indicators or large-scale surveys that could provide broader statistical validation. This reliance on interviews may carry some limitations related to subjectivity, as responses are subject to personal interpretations and recall limitations. The study does not include direct financial performance metrics or comparative data from other financial institutions, which could offer a more comprehensive perspective on AMB's impact, together with Reyadah.

Additionally, the study focuses solely on the role of the TWIN modality in enhancing economic inclusion without considering external economic, political, or regulatory factors that may also influence financial accessibility in Yemen. While this targeted approach ensures a focused analysis, it does not account for macroeconomic shifts, policy changes, or international

aid programs that could interact with or amplify the effects of AMB's initiatives. Despite these limitations, this research provides critical insights into the effectiveness of an integrated microfinance model in a conflict-affected economy, laying the groundwork for further studies that could incorporate additional data sources and methodological approaches.

1.6 Significance of the Study

This study is unique in its focus on the TWIN modality implemented by AMB and Reyadah, as, to the best of the researcher's knowledge, no prior research has examined its impact on economic inclusion in Yemen. While microfinance has been widely studied in various contexts, the integration of financial and non-financial services within a structured framework, as seen in the TWIN modality, remains unexplored. By addressing this research gap, this study provides an innovative contribution to the field of economic inclusion and microfinance, offering a deeper understanding of how a dual-service approach can enhance the sustainability of microfinance interventions in fragile economies.

The significance of this research lies in its ability to inform policymakers, donors, and development agencies about the effectiveness of the TWIN modality in fostering financial and entrepreneurial sustainability. In a conflict-affected economy like Yemen, where traditional financial mechanisms are often inadequate, evaluating the impact of integrated microfinance solutions is both timely and critical. The findings of this study will provide empirical evidence that can guide strategic decisions, enabling stakeholders to refine existing economic inclusion policies and shape future interventions that address the needs of low-income populations more effectively.

This study contributes to the existing body of literature by offering a novel perspective on microfinance-driven economic inclusion, filling a crucial gap in research related to financial and entrepreneurial capacity-building in Yemen. The findings will not only serve as a reference for future academic inquiries but will also hold practical implications for international donors, development organizations, and financial institutions seeking to optimize their support for economic empowerment initiatives. By shedding light on the real impact of the TWIN modality, this research will serve as a valuable resource for those aiming to enhance financial accessibility, improve economic resilience, and drive sustainable development in Yemen and other fragile economies.

1.7 Definitions of Terms

Al-Amal Microfinance Bank (AMB): A non-dividend financial institution established in Yemen in 2002 and operated since 2009. It is the first microfinance bank in the MENA region, providing financial services such as microloans, savings accounts, social cash transfers, and money transfer services to low-income clients. Additionally, AMB offers non-financial services through its affiliate organization, Reyadah, a non-profit organization (NPO) focused on training and entrepreneurship.

AMB's and Reyadah's Beneficiaries: Individuals who receive financial and non-financial services provided by Al-Amal Microfinance Bank (AMB) and its non-financial arm, Reyadah, under the TWIN modality. These beneficiaries include micro-entrepreneurs, small business owners, and low-income individuals who access microloans, savings, entrepreneurship training, and capacity-building programs aimed at enhancing their financial inclusion and business sustainability.

Arab Gulf Programme for Development (AGFUND): A regional development initiative established by Prince Talal bin Abdulaziz to support sustainable development in the Arab world. AGFUND played a key role in founding AMB by providing financial and technical support to promote microfinance and economic inclusion in Yemen.

Business Resilience: The ability of micro and small enterprises, particularly those supported by the TWIN modality, to withstand economic challenges, adapt to market fluctuations, and sustain operations despite financial or socio-political disruptions.

Business Sustainability: The long-term viability of small businesses benefiting from AMB's financial and non-financial support, ensuring that they generate consistent income, maintain financial stability, and contribute to local economic development.

Cooperative Lending: A financial system where a group of individuals or small businesses pool resources to provide loans to members, often under favorable terms. This model, pioneered in 19th-century Germany, laid the foundation for modern microfinance institutions, including AMB.

Direct TWIN Modality Beneficiaries: Entrepreneurs, small business owners, and low-income individuals who receive financial support from AMB alongside capacity-building and entrepreneurial training provided by Reyadah under the TWIN modality framework.

Economic Inclusion: The process of ensuring that individuals and businesses, particularly those in low-income or deprived from formal banking services communities, have access to financial services, markets, and economic opportunities. Economic inclusion enables financial independence and business growth, contributing to poverty reduction and sustainable development.

Entrepreneurial Sustainability: The ability of microfinance beneficiaries to develop and maintain successful businesses through financial literacy, capacity building, and ongoing mentorship, ensuring long-term profitability and economic participation.

Financial Access: The ability of individuals, particularly those in underserved communities, to obtain essential financial services such as loans, savings, and insurance. The TWIN modality aims to improve financial access by integrating financial and non-financial support.

Financial Literacy: The knowledge and skills necessary to manage financial resources effectively, including budgeting, saving, borrowing, and investing. AMB and Reyadah promote financial literacy as a key component of the TWIN modality to enhance beneficiaries' ability to sustain their businesses.

Financial Services: Financial services provided by AMB, including microloans, savings accounts, cash transfers, and payment solutions, aimed at fostering financial inclusion for low-income populations.

Hicks-Moorsteen TFP Index Analysis: A total factor productivity (TFP) measurement method used to evaluate the efficiency of microfinance institutions. This index has been applied to assess Yemen's microfinance sector and its impact on economic sustainability.

Loan Collateral: An asset or guarantee provided by a borrower to secure a loan. Unlike traditional banking services, microfinance institutions like AMB offer collateral-free loans to low-income individuals to enhance financial inclusion.

Long-Term Economic Participation: The sustained involvement of individuals and businesses in the economy through continuous access to financial resources, employment opportunities, and business growth. The TWIN modality aims to foster this participation by integrating financial support with entrepreneurship development.

Low-Income Populations: Individuals and households with limited financial resources who are often excluded from traditional banking services. AMB and Reyadah target this demographic through integrated microfinance interventions to enhance economic inclusion.

Microfinance Banks (MFBs): Specialized financial institutions that provide a range of financial services, including microloans, savings, payment services, and insurance, to low-income individuals and small enterprises typically excluded from traditional banking systems. MFBs aim to promote financial inclusion, support entrepreneurship, and contribute to poverty reduction by offering accessible and affordable financial products tailored to the needs of underserved populations.

Microfinance Institutions (MFIs): Financial entities that provide small loans, savings accounts, and other financial services to individuals and businesses excluded from traditional banking systems. MFIs aim to promote financial inclusion and poverty alleviation by offering accessible and affordable financial solutions.

Non-Financial Services: Supportive services provided by Reyadah, such as entrepreneurship training, capacity building, and financial literacy programs, are designed to complement AMB’s financial offerings and enhance the beneficiaries' business success.

Scalability: The potential for expanding and replicating the TWIN modality to reach a larger segment of the population while maintaining effectiveness and impact. This study explores whether the model can be scaled in Yemen and similar economies.

Social Fund for Development (SFD): A Yemeni development institution established in 1997 to support poverty alleviation through microfinance initiatives. SFD played a foundational role in the establishment of AMB.

Small Loans: Microcredit facilities provided by AMB to low-income entrepreneurs without requiring collateral. These loans are designed to help individuals start or expand small businesses.

Thematic Analysis: A qualitative research method used to analyze data collected through semi-structured interviews. This study will use thematic analysis to identify recurring themes and assess the impact of the TWIN modality on economic inclusion.

Traditional Banking Services: Financial services offered by commercial banks, including loans, savings, and investment products. Unlike microfinance, traditional banking often requires collateral, credit history, and higher-income levels, making access difficult for underserved populations.

Traditional Financial Mechanisms: Conventional financial structures, such as commercial banks and formal credit institutions, which often exclude low-income populations due to stringent lending criteria. AMB's microfinance approach seeks to bridge this gap by offering alternative financial solutions.

Two-Wing Integrated Nexus (TWIN) Modality: A microfinance model developed by AMB that integrates financial and non-financial services to support economic inclusion. This approach combines microcredit with entrepreneurship training, capacity building, and advisory services, aiming to empower low-income entrepreneurs with both capital and the skills needed for business sustainability.

Underserved Communities: Populations with limited access to financial resources, markets, and economic opportunities. The TWIN modality aims to enhance economic inclusion by providing targeted financial and non-financial support to these communities.

1.8 Organization of the Study

This study is structured into five chapters, each addressing a core component of the research in a clear and systematic way. So that it supports a logical flow of information and ensures the research is easy to navigate. It also allows the reader to track the study's development, from problem definition to practical implications.

In **Chapter One,** the introduction sets the foundation of the research. It defines the background and context, outlines the research problem, questions, and objectives, and clarifies the scope and limitations. It also introduces key terms and concepts to establish a clear

understanding of Al-Amal Microfinance Bank's and Reyadah's role in Yemen's economic inclusion efforts.

In **Chapter Two,** the literature review reviews existing studies and theoretical frameworks related to financial and non-financial service integration in microfinance. It identifies research gaps and positions this study within the broader academic and practical context. It highlights the relevance of the Two-Wing Integrated Nexus (TWIN) modality and clarifies the study's contribution.

In **Chapter Three,** the research methodology details the research design, data collection methods, and analytical tools used. It explains the rationale behind the chosen approach and ensures transparency in how evidence is gathered and assessed. This chapter is key to evaluating the reliability and validity of the study's findings.

In **Chapter Four,** the research findings present and analyze the data collected. It outlines the core results related to the implementation and outcomes of the TWIN modality. Evidence is provided to support the analysis, helping to draw connections between services provided and economic inclusion outcomes.

In **Chapter Five,** the conclusion and recommendations summarize the key findings, draw final conclusions, and propose actionable recommendations. This chapter reflects on the implications of the research for policy, practice, and future studies, emphasizing lessons learned and areas for continued inquiry.

CHAPTER TWO
LITERATURE REVIEW

2.1 Introduction

Microfinance has evolved from modest beginnings in the 19th century to become a global tool for fostering economic inclusion. Early models, like the cooperative lending banks in rural Germany and the Grameen Bank in Bangladesh, demonstrated that providing financial services to the poor could drive sustainable development (Centre for Economic Policy Research, 2018; Wikipedia, 2025). Over time, microfinance institutions (MFIs) expanded their services beyond credit, integrating savings, insurance, and other financial products to meet the complex needs of underserved populations. Today, microfinance is recognized as a critical mechanism for reducing poverty and promoting entrepreneurship worldwide (Ledgerwood, 2013; Cull, Demirgüç-Kunt, & Morduch, 2018).

In Yemen, the microfinance movement formally began with the establishment of the Social Fund for Development (SFD) in 1997, followed by the creation of AMB in 2002 (SFD, n.d.; AMB, n.d.). AMB started operations in 2009 as the first microfinance bank in the MENA region, with a mission to provide financial services to low-income individuals and small businesses. Recognizing the limitations of financial services alone, AMB launched a non-financial arm, Reyadah, in 2013 to offer entrepreneurship training and capacity-building support. This integration of financial and non-financial services marked the beginning of a more holistic approach to economic empowerment.

The Two-Wing Integrated Nexus (TWIN) modality, introduced by AMB and Reyadah, is a deliberate strategy to combine financial services with non-financial interventions. Through microloans, savings products, training programs, and mentorship, the TWIN modality seeks to build both financial access and entrepreneurial resilience among Yemen's low-income populations (International Labour Organization, 2014). Implemented in the latter half of 2013, the TWIN modality represents a pioneering model within Yemen’s fragile economic environment. Despite its potential, academic exploration of its outcomes and long-term impacts remains limited.

The purpose of this literature review is to critically examine existing studies on microfinance, economic inclusion, and integrated financial models, particularly within the context of Yemen. This chapter identifies research gaps, assesses previous findings related to microfinance interventions, and establishes the theoretical and empirical framework that supports this study. The review focuses on providing a comprehensive background to contextualize the TWIN modality and highlights the need for focused research into its role in promoting sustainable economic participation.

2.2 Theoretical Framework

Understanding the influence of microfinance on economic inclusion requires grounding the study in a solid theoretical framework. This section traces the historical evolution of microfinance from its origins in rural lending models to its current role as a development tool in fragile economies. It examines how Yemen adopted microfinance practices in response to growing poverty and economic instability, leading to the establishment of dedicated institutions like AMB.

The framework then focuses on the Two-Wing Integrated Nexus (TWIN) modality, a model that merges financial services with non-financial interventions. This integrated approach aims to address the broader challenges facing low-income entrepreneurs by combining capital access with capacity building.

Next, the framework reviews global and regional evidence on the impact of microfinance initiatives in enhancing financial access, fostering entrepreneurial sustainability, and promoting long-term economic participation. It draws attention to the mechanisms through which microfinance can strengthen business resilience in volatile environments like Yemen.

Finally, the section identifies persistent challenges and limitations that constrain microfinance effectiveness. These include infrastructural weaknesses, regulatory barriers, client capacity gaps, and economic volatility. Addressing these factors is critical to understanding both the potential and the constraints of models like the TWIN modality in achieving sustainable economic inclusion.

Each subsection builds a foundation for interpreting the study's findings and situates the research within broader academic and practical debates on microfinance-driven development.

2.2.1 Historical Context of Microfinance

The concept of microfinance dates back to the mid-19th century in Germany, where Friedrich Wilhelm Raiffeisen founded the first cooperative lending banks to serve rural farmers who lacked access to formal credit institutions (CEPR, 2018). These early cooperatives operated on principles of self-help, mutual aid, and collective responsibility, providing small loans to help individuals improve their livelihoods. This model laid the groundwork for later innovations in financial inclusion.

The modern microfinance movement gained momentum in the 1970s, driven by the pioneering work of Muhammad Yunus in Bangladesh. Yunus's establishment of the Grameen Bank in 1983 formalized the practice of providing small, collateral-free loans to the poor, demonstrating that low-income individuals could be reliable borrowers (Wikipedia, 2025). This breakthrough challenged conventional banking practices and reshaped global thinking on poverty alleviation. It spurred the rapid expansion of microfinance institutions (MFIs) across developing countries, targeting marginalized groups such as women, smallholder farmers, and informal sector entrepreneurs (Armendáriz & Morduch, 2010).

In developing economies, microfinance evolved from simple microcredit schemes into more complex models that integrated savings, insurance, and non-financial services. Institutions diversified their offerings to better meet the varied needs of clients, reflecting a growing recognition that credit alone was insufficient to drive lasting economic empowerment (Ledgerwood, 2013). Microfinance became a recognized development strategy endorsed by international organizations such as the World Bank and United Nations, particularly for its role in promoting entrepreneurship, financial independence, and social inclusion (Helms, 2006).

Yemen embraced microfinance relatively late compared to other regions. In 1997, the government established the SFD to extend financial services to underserved communities and stimulate grassroots economic development (SFD, n.d.). Recognizing the need for a specialized institution, the SFD, in collaboration with AGFUND and private sector partners, founded AMB in 2002. AMB officially commenced operations in 2009, marking a significant step toward institutionalizing microfinance in Yemen's fragile financial ecosystem (AMB, n.d.). AMB's establishment signaled a commitment to expanding financial inclusion in a country grappling with high poverty rates, economic fragmentation, and limited access to formal banking services.

Despite severe political and economic challenges, Yemen's microfinance sector has since grown, albeit slowly, with AMB remaining a leading actor in reaching low-income populations. Its efforts culminated in the development of the TWIN modality, reflecting a broader evolution of microfinance practices adapted to local needs and realities.

2.2.2 Microfinance in Yemen

Yemen's entry into the microfinance sector began with the establishment of SFD in 1997. The SFD was created in response to rising poverty, unemployment, and the growing exclusion of low-income populations from traditional banking systems. Its mission centered on providing financial services to underserved communities, promoting small and micro-enterprises, and supporting community-driven development projects (SFD, n.d.). Through grants and microcredit programs, the SFD laid the initial foundation for institutionalized microfinance activities in Yemen.

Recognizing the need for a dedicated institution focused solely on financial inclusion, the SFD, in partnership with AGFUND and private sector actors, established AMB in 2002. AMB officially began operations in 2009, positioning itself as the first microfinance bank in Yemen and the broader MENA region (AMB, n.d.). As a non-dividend financial institution, AMB's mandate emphasized social impact over profit maximization. Its primary objective was to offer small loans, savings products, and financial services to individuals and small businesses excluded from conventional banking channels.

Beyond providing financial products, AMB played a pioneering role in promoting a more inclusive financial ecosystem. It introduced specialized services, such as Islamic microfinance products and humanitarian cash transfer projects, tailored to Yemen's cultural and economic context. Over time, AMB recognized that financial services alone were insufficient to ensure sustainable economic empowerment. This realization led to the creation of its non-financial arm, Reyadah, in 2013, to provide entrepreneurship training and capacity-building programs (ILO, 2014).

Despite its progress, Yemen's microfinance sector faces persistent and severe challenges. The ongoing conflict, political instability, and economic collapse have eroded the financial infrastructure, making loan repayment difficult and increasing operational risks for MFIs (Sabrah & Alsohybe, 2019). High inflation, currency devaluation, and market fragmentation have further constrained the ability of MFIs to scale their services. Weak

regulatory frameworks, limited technological infrastructure, and widespread financial illiteracy have compounded these obstacles, reducing the effectiveness of microfinance interventions (Al-Awlaqi & Aamer, 2019).

Moreover, cultural barriers, particularly those affecting women's economic participation, and a general lack of trust in formal financial institutions, have hindered outreach efforts. Microfinance institutions in Yemen, including AMB, operate in an environment where client vulnerability is high, political risk is pervasive, and economic shocks are frequent. These realities have forced MFIs to innovate continuously, integrate non-financial services, and adopt flexible risk management strategies to sustain operations and serve the most marginalized populations.

2.2.3 The TWIN Modality: An Integrated Approach

The Two-Wing Integrated Nexus (TWIN) modality represents a strategic shift in the way microfinance is delivered in Yemen. Developed by AMB and its non-financial subsidiary, Reyadah, the TWIN modality integrates financial services with non-financial support to create a more holistic and sustainable model for economic inclusion (ILO, 2014). The two "wings" consist of financial products such as microloans, savings, and payment services on one side, and entrepreneurship training, financial literacy programs, and business development support on the other.

The TWIN modality was conceptualized in response to the limitations observed in traditional microfinance approaches. AMB's early experience showed that providing capital alone did not guarantee business success or long-term financial independence among clients. Many borrowers lacked the necessary skills to manage businesses effectively, leading to high default rates, business failures, and limited economic mobility. Combining financial access with structured capacity building was seen as essential to addressing these gaps.

The rationale behind the TWIN approach is rooted in the recognition that sustainable poverty alleviation requires more than credit. Financial services equip individuals with resources, but non-financial interventions equip them with the knowledge and skills to use these resources effectively. Training in areas such as business planning, financial management, market access, and customer relations enhances a client's ability to manage risk, seize market opportunities, and achieve business resilience (Ledgerwood, 2013). By integrating these

services, the TWIN modality aims to improve repayment rates, business performance, and client welfare simultaneously.

Implementation of the TWIN modality began in the latter half of 2013. AMB continued to provide its portfolio of financial products while Reyadah delivered tailored non-financial interventions. Clients who received loans were also enrolled in training programs covering financial literacy, entrepreneurship development, and business coaching. These services were offered through workshops, one-on-one mentoring sessions, and digital platforms where possible.

AMB and Reyadah coordinated closely to align financial products with the client's capacity-building needs. For example, a client receiving a business loan would simultaneously participate in a business skills course designed to enhance operational efficiency and market competitiveness. Follow-up support was also integrated, including monitoring visits and advisory services aimed at reinforcing the training content and addressing emerging challenges.

Through the TWIN modality, AMB and Reyadah seek not only to provide financial access but also to build a foundation for entrepreneurial sustainability and long-term economic participation among Yemen's underserved populations. This integrated model remains one of the few documented examples of structured dual-service delivery within microfinance institutions operating in fragile economies.

2.2.4 Impact of Microfinance on Economic Inclusion

Microfinance has been widely recognized as a catalyst for economic inclusion, especially in contexts where traditional banking systems have failed to reach low-income populations. Numerous studies have documented the role of microfinance in expanding financial access, empowering women, promoting entrepreneurship, and reducing poverty (Khandker, 2005; Karlan & Morduch, 2010). Evidence from countries such as Bangladesh, India, and Kenya shows that access to microcredit and related services can lead to increased household income, improved education and health outcomes, and enhanced economic resilience (Banerjee & Duflo, 2011; Robinson, 2001).

However, the extent of microfinance's impact varies significantly depending on factors such as program design, client selection, economic environment, and availability of complementary services (Cull, Demirgüç-Kunt, & Morduch, 2018). While microfinance can

offer immediate financial relief and support business creation, long-term sustainability often depends on broader structural supports, including financial literacy, market access, and institutional backing. Critics argue that without these additional supports, microfinance alone may not substantially lift people out of poverty or build enduring financial independence (Bateman, 2010).

In Yemen, microfinance has played an important but constrained role in promoting economic inclusion. Studies by Sabrah and Alsohybe (2019) and Al-Awlaqi and Aamer (2019) have shown that microfinance institutions (MFIs) have contributed to providing financial services where traditional banks are absent. During periods of conflict and economic collapse, institutions like AMB maintained service delivery to marginalized groups, offering critical financial lifelines. AMB's humanitarian and economic empowerment initiatives have been linked to increased financial accessibility and partial stabilization of the local FX market (Al-Merabi, 2024).

Despite these achievements, the research on microfinance's impact in Yemen highlights major challenges. Many beneficiaries struggle to achieve sustainable business growth due to weak infrastructure, limited market opportunities, and persistent political instability. Financial services have often been delivered in isolation, without the complementary capacity-building measures needed for durable economic empowerment (Sabrah & Alsohybe, 2019).

A significant gap exists in the current literature regarding the impact of integrated microfinance models like the TWIN modality. While general studies acknowledge the benefits and limitations of microfinance in Yemen, there has been no focused investigation into how combining financial services with structured non-financial support influences long-term economic inclusion outcomes. The effectiveness of integrated models in fragile states, where market and governance systems are weak, remains underexplored. Addressing this gap is critical to understanding whether models like the TWIN modality can offer a more sustainable path toward economic empowerment in contexts like Yemen.

2.2.5 Financial Access and Entrepreneurial Sustainability

Expanding financial access has been a core objective of microfinance since its inception. By offering small, collateral-free loans, savings products, and other financial services, MFIs aim to bridge the gap between low-income populations and the formal financial

system. Access to financial resources enables individuals to invest in businesses, smooth household consumption, manage risks, and build assets over time (Helms, 2006; Cull, Demirgüç-Kunt, & Morduch, 2018). Numerous studies confirm that financial inclusion through microfinance improves household welfare, facilitates entrepreneurship, and enhances resilience against economic shocks (Sengupta & Aubuchon, 2008; World Bank, 2023).

However, improving financial access alone is not sufficient to guarantee sustainable entrepreneurial success. Research shows that many microfinance-supported businesses fail within the first few years due to a lack of business skills, financial literacy, and market awareness (Ledgerwood, 2013; Armendáriz & Morduch, 2010). Non-financial services such as entrepreneurship training, mentoring, and technical assistance have been identified as critical complements to financial services. These interventions build client capacity, enhance decision-making, and increase business success and loan repayment (Karlan & Valdivia, 2011).

In Yemen, microfinance interventions that combined financial and non-financial support have shown more promise in promoting sustainable entrepreneurship than standalone credit programs. However, the implementation of integrated service models has been limited and inconsistent. Studies on Yemen's microfinance sector, including those by Sabrah and Alsohybe (2019) and Al-Awlaqi and Aamer (2019), highlight that many clients lacked the business acumen needed to maximize the benefits of financial services. Poor management practices, low financial literacy, and insufficient market linkages often undermined the impact of microcredit programs.

Empirical research from other developing contexts further underscores that business sustainability among microfinance beneficiaries improves significantly when non-financial services are incorporated. For instance, Karlan and Valdivia (2011) found that Peruvian microfinance clients who received business training alongside credit achieved higher business profits and better repayment rates than those who received only credit. Such findings support the rationale behind integrated approaches like TWIN modality.

Despite growing evidence, there remains a need for more context-specific studies, particularly in fragile economies like Yemen. Little is known about how the combination of financial access and entrepreneurship development affects long-term business sustainability in conflict-affected environments. Exploring this dynamic is essential to designing effective microfinance programs that move beyond short-term financial inclusion toward lasting economic empowerment.

2.2.6 Long-term Economic Participation and Business Resilience

Long-term economic participation refers to the sustained engagement of individuals and businesses in economic activities that generate consistent income, create employment opportunities, and contribute to broader economic development. Several factors influence the ability of microfinance beneficiaries to maintain long-term economic participation. These include access to affordable financial services, continuous skills development, stable market opportunities, supportive policy environments, and the capacity to adapt to changing economic conditions (Helms, 2006; Ledgerwood, 2013).

In fragile and conflict-affected economies like Yemen, achieving long-term economic participation is particularly challenging. Business environments are volatile, infrastructure is often destroyed, and regulatory systems are weak or inconsistent. Entrepreneurs face heightened risks, including supply chain disruptions, currency instability, and reduced consumer purchasing power (Sabrah & Alsohybe, 2019). Under such conditions, business resilience, the ability to withstand, adapt to, and recover from shocks, is critical for survival and growth.

Research shows that financial capital alone does not guarantee business resilience. Entrepreneurs need access to a broader set of tools, including business management training, market information, risk mitigation strategies, and psychosocial support (Al-Awlaqi & Aamer, 2019; Bateman, 2010). Without these supports, even well-financed businesses can fail when exposed to external shocks.

Integrated approaches like TWIN Modality offer a promising model for fostering both economic participation and business resilience. By combining financial services with non-financial interventions such as entrepreneurship training, mentoring, and continuous advisory support, TWIN seeks to build stronger, more adaptable businesses. The combination of financial capital and skills development enables entrepreneurs not only to launch businesses but also to navigate crises, adjust business models, and seize new market opportunities.

Although the theoretical potential of integrated models like TWIN is strong, empirical evidence from Yemen remains scarce. Understanding how such approaches affect long-term economic outcomes in fragile contexts is critical for designing effective development interventions. This study aims to address this gap by assessing whether and how the TWIN modality supports the durability and resilience of businesses in Yemen's high-risk economic environment.

2.2.7 Challenges and Limitations in Microfinance Implementation

Microfinance institutions (MFIs) face a range of obstacles that limit their effectiveness in achieving broad economic inclusion. Common challenges include high operational costs, difficulties in reaching remote or marginalized populations, client over-indebtedness, and weak financial literacy among borrowers (Cull, Demirgüç-Kunt, & Morduch, 2018; Ledgerwood, 2013). MFIs often operate in environments where infrastructure is underdeveloped, regulatory frameworks are weak, and political support is inconsistent. These factors can result in elevated loan default rates, limited scalability, and reduced financial sustainability for microfinance operations.

In conflict-affected contexts like Yemen, these challenges are intensified. Political instability, currency fluctuations, security risks, and the destruction of basic infrastructure severely constrain the operations of MFIs (Sabrah & Alsohybe, 2019). Economic fragmentation has reduced the size of viable markets, while humanitarian crises have shifted focus toward immediate relief rather than sustainable economic development. Many potential clients face multiple layers of vulnerability, including displacement, food insecurity, and lack of legal documentation, further complicating the delivery and repayment of financial services.

Al-Amal Microfinance Bank (AMB) and other Yemeni MFIs have also had to contend with weak technological infrastructure, limited digital financial services, and cultural barriers that restrict women's economic participation. Limited access to reliable data on client performance and business outcomes hampers the ability of MFIs to design responsive products and risk management strategies (Al-Awlaqi & Aamer, 2019). Furthermore, the lack of coordinated support from international donors and fragmented policy responses have undermined efforts to stabilize and expand Yemen's microfinance sector.

Existing microfinance models, including traditional credit-focused approaches, have shown clear limitations in fragile economies. Providing small loans without accompanying non-financial support often leads to short-term financial access without building the foundations for sustainable income generation or business growth (Bateman, 2010). Many clients lack the entrepreneurial skills, market access, and resilience strategies needed to navigate volatile economic environments, resulting in limited long-term impact. In Yemen, microfinance efforts that did not integrate capacity building or market development components often failed to produce durable economic benefits.

Integrated models like the Two-Wing Integrated Nexus (TWIN) modality aim to overcome some of these limitations by linking financial and non-financial services. However, their effectiveness in fragile contexts remains underexplored. Understanding the structural, operational, and contextual barriers facing integrated microfinance models is essential to improving their design and scaling their impact in conflict-affected economies like Yemen.

2.3 Empirical Research

Microfinance has emerged as a crucial tool for fostering economic inclusion, particularly in fragile and conflict-affected economies such as Yemen. Given the country's economic instability and the impact of ongoing conflict, microfinance institutions (MFIs) play a significant role in providing financial services to underserved communities. Several studies have examined the influence of MFIs on economic stability, market resilience, and financial inclusion in Yemen. However, limited research has explored the specific effects of AMB's TWIN modality. This section reviews three key studies related to the role of microfinance in Yemen, with a particular focus on their findings, methodologies, and relevance to the current research.

The first study, *The Influence of Al-Amal Microfinance Bank's Humanitarian and Economic Empowerment Initiatives on FX Market and Network in Yemen (2017-2023)(2024)*, investigates the influence of AMB's humanitarian and economic empowerment initiatives on the stability of Yemen's fluctuating foreign exchange (FX) market and network. Using a mixed-methods approach, the study analyzes AMB's annual reports and incorporates questionnaire-based data collection. Findings suggest that AMB's interventions contribute to FX market stabilization by integrating financial services with humanitarian assistance, thereby enhancing financial accessibility. The study's strengths lie in its direct assessment of AMB's initiatives, but its scope is limited, as it does not account for other external economic factors influencing the FX market, such as trade-related transactions and international remittances.

The second study, conducted by Sabrah and Alsohybe (2019), examines the resilience of microfinance institutions during Yemen's war crisis. It identifies several obstacles to microfinance growth, including weak financial intermediaries, underdeveloped infrastructure, cultural barriers, client incapacity, and financial illiteracy. The research spans the years 1997 through 2015, highlighting how microfinance institutions struggle to maintain operations in conflict-affected regions. While this study provides valuable insights into the systemic

challenges facing the microfinance sector, it does not specifically assess AMB's implemented initiatives. Its findings are useful in understanding the broader financial landscape in which AMB operates, offering context for the barriers that microfinance interventions must overcome.

The third study, by Al-Awlaqi and Aamer (2019), explores the financial and social efficiency of Yemen's microfinance institutions using a Hicks–Moorsteen TFP index analysis. The research spans the same timeframe as the previous study (1997–2015) and highlights factors that influence microfinance growth, including a lack of expertise, poor management practices, and financial exclusion. The study offers recommendations to improve microfinance institutions' resilience and efficiency. However, it does not address the specific impact of AMB's interventions, nor does it examine how microfinance institutions can integrate financial and non-financial services to enhance economic inclusion.

Collectively, these studies provide a strong foundation for understanding the role of microfinance in Yemen. They highlight the challenges facing microfinance institutions and the potential of microfinance to support financial stability in conflict-affected economies. However, none of these studies explore the specific impact of AMB's TWIN modality on economic inclusion. This gap underscores the need for further research into how AMB's integrated approach—combining financial services with entrepreneurship training and capacity-building—affects Yemen's financial ecosystem. By addressing this gap, the present study aims to provide a more comprehensive understanding of the role of microfinance in fostering economic inclusion in Yemen.

2.4 Conclusion

The review of existing literature highlights the critical role microfinance plays in promoting financial access, entrepreneurial sustainability, and economic inclusion, particularly in low-income and fragile economies. Historical studies demonstrate that while microfinance has enabled millions of individuals to engage in economic activities, its impact varies significantly depending on the availability of complementary non-financial services, the quality of program design, and the broader economic context. Integrated approaches that combine financial and capacity-building interventions show greater promise in fostering long-term business resilience and economic participation than financial services alone.

In the Yemeni context, research confirms that microfinance institutions like Al-Amal Microfinance Bank (AMB) have been instrumental in extending financial services to underserved populations despite conflict and economic collapse. However, traditional microfinance models have struggled to ensure sustainable business outcomes without non-financial support. Studies to date have largely focused on assessing the broad effects of microfinance on financial access and market stability, but have not specifically examined integrated service models like the Two-Wing Integrated Nexus (TWIN) modality. This leaves an important gap in understanding how a dual-service approach might better support resilience and sustainable economic development in Yemen.

The current study seeks to address these gaps by evaluating the influence of the TWIN modality on economic inclusion in Yemen. By investigating the combined effect of financial and non-financial services, this research aims to provide new insights into the effectiveness of integrated microfinance strategies in conflict-affected environments. In doing so, it contributes to the broader academic and policy discussions on optimizing microfinance interventions for fragile economies.

CHAPTER THREE
RESEARCH METHODOLOGY

3.1 Introduction

This study employs a qualitative research methodology to explore the influence of the Two-Wing Integrated Nexus (TWIN) modality conducted by Al-Amal Microfinance Bank (AMB) and its non-financial arm, Reyadah, on economic inclusion in Yemen. A qualitative approach is more appropriate for capturing in-depth insights from stakeholders involved in the implementation and impact of the TWIN modality. The study aims to provide a comprehensive understanding of how this initiative has affected economic inclusion by analyzing the perspectives and experiences of direct beneficiaries of AMB and Reyadah.

The methodology was designed to allow for a flexible yet structured exploration of the key themes emerging from participants' lived experiences. The qualitative design supports a nuanced understanding of the social, economic, and institutional dynamics shaping the effectiveness of the TWIN modality. Through a carefully selected sampling process and semi-structured interviews, the study ensures the collection of rich, relevant, and diverse data. Data analysis will be conducted through thematic analysis, enabling the identification of recurring patterns and key insights. The following sections detail the research method, sampling procedures, instrumentation, data collection, and analysis strategies employed in this study.

3.2 Research Design

The study design serves as the plan, structure, and strategy that directs the entire research process. It outlines how the study will be conducted to ensure that the research questions are answered accurately and systematically. A well-defined research design provides clarity on the methods of data collection, sampling strategies, and approaches to data analysis, ensuring that the findings are credible, coherent, and relevant to the study’s objectives.

For this study, a qualitative research design is employed. This design acts as the blueprint guiding the investigation into the influence of the Two-Wing Integrated Nexus (TWIN) modality on economic inclusion in Yemen. It supports an in-depth exploration of beneficiaries' experiences, enabling the researcher to capture the complexity and depth of the

phenomenon under study. The qualitative approach emphasizes understanding meanings, processes, and contexts, making it especially suitable for examining the social and economic impacts of integrated microfinance interventions.

The research design ensures that each step, from participant selection to data collection and thematic-descriptive analysis, aligns with the goal of producing rich, nuanced insights into how the TWIN modality functions in practice. It prioritizes flexibility to adapt to emerging findings while maintaining a structured path toward achieving the study's stated aims.

3.3 Research Population and Sampling

The research population defines the broader group from which the study seeks to draw conclusions. A clear distinction between the theoretical population, study population, sampling frame, and sample ensures precision and focus in the research process.

The theoretical population for this study includes all stakeholders, including BNFs, connected to the implementation and impact of TWIN modality in Yemen. This encompasses a wide range of individuals, including AMB's and Reyadah's beneficiaries.

The study population narrows this focus to individuals directly associated with AMB and Reyadah. This includes active beneficiaries who have received financial and non-financial services under the TWIN modality, operational and managerial staff from both institutions, and field experts who have either collaborated with or evaluated aspects of the TWIN approach.

The study sampling frame consists of an accessible list of AMB's and Reyadah's beneficiaries identified through professional networks and organizational referrals. This frame ensures that participants have direct, relevant experience with the TWIN modality and are capable of providing meaningful insights into its implementation and outcomes.

The sample of 50 individuals will be selected using a stratified sampling method to ensure representation across different stakeholder groups, followed by a convenience sampling strategy to select only 10 participants based on accessibility, relevance, and willingness to participate. This approach balances the need for diverse perspectives with the practical constraints of conducting fieldwork in a fragile context. The final sample will aim to include a balanced mix of AMB's and Reyadah's beneficiaries to capture a comprehensive view of the TWIN modality's impact on economic inclusion.

3.4 Research Tools

Selecting appropriate research tools is essential for gathering valid and reliable data. In qualitative research, the choice of instrumentation must align with the aim of capturing deep, context-rich insights from participants. This study adopts semi-structured interviews as the primary data collection tool, as they offer a balance between structured inquiry and the flexibility needed to explore participants' lived experiences with the Two-Wing Integrated Nexus (TWIN) modality.

3.4.1 Interviews: Interviews are well-suited for this study because they allow participants to express their views in their own words while enabling the researcher to probe for clarification and deeper understanding when necessary. A semi-structured interview format will be employed, guided by a pre-developed set of open-ended questions aligned with the research objectives. This format ensures that essential themes are consistently addressed across interviews while also allowing the exploration of unanticipated topics that may emerge during the discussions.

The interview guide will cover areas such as participants' experiences with financial and non-financial services, perceived impacts of the TWIN modality on business sustainability and financial inclusion, challenges faced, and recommendations for improving the model. Interviews will be conducted either in person or through secure virtual platforms, depending on participant availability and safety considerations. All interviews will be recorded, with participant consent, and transcribed for subsequent thematic analysis. This is facilitated by the CRM department of AMB.

3.5 Data Collection

The data collection process for this study is designed to ensure the gathering of rich, in-depth information from a diverse group of participants, including both male and female BNFs are included to ensure a gender-balanced perspective, directly engaged with the TWIN modality. The process follows a systematic, ethically grounded approach to maintain data quality, participant trust, and research credibility.

Data will be collected primarily through semi-structured interviews. A pre-prepared interview guide containing open-ended questions will serve as the foundation for all interviews. These questions are structured to explore participants' experiences, perceptions, and

assessments of the TWIN modality's influence on economic inclusion, entrepreneurial development, and business resilience. The guide also includes prompts to encourage elaboration and clarify responses when necessary.

Participants will be contacted through AMB's and Reyadah's internal lists and professional networks. Each participant will receive a clear explanation of the study's purpose, procedures, confidentiality measures, and their rights as participants, including the right to withdraw. Informed consent will be obtained before beginning each interview, either through consent forms for in-person interviews or through verbal consent for virtual interviews.

Interviews will be conducted either face-to-face or via secure online platforms like Zoom or phone calls, depending on participant location, preference, and prevailing safety conditions. Each interview is expected to last between 10 and 30 minutes. Interviews will be audio recorded, subject to participant approval, to ensure the accuracy of the data and to allow the researcher to engage fully in the conversation without being distracted by extensive note-taking.

After each interview, recordings will be transcribed verbatim. Transcriptions will be reviewed alongside audio files to correct errors and to capture any nuances, such as tone or emotion, that may add depth to the analysis. Field notes will also be maintained throughout the process to record non-verbal cues, environmental factors, and immediate reflections that could inform the later stages of analysis. Throughout this process, strict confidentiality will be maintained. All identifying information will be removed from transcripts, and participants will be assigned coded identifiers to ensure anonymity. Data will be stored securely in password-protected files accessible only to the researcher. By following this detailed and structured data collection process, the study ensures that the information gathered is comprehensive, reliable, and ethically sound, laying a strong foundation for meaningful analysis and interpretation.

3.6 Data Analysis

The analysis of qualitative data in this study follows a systematic and rigorous approach to ensure the reliability, validity, and depth of the findings. Thematic analysis will be employed as the primary method for interpreting the data collected through semi-structured interviews. This method is well-suited for identifying, analyzing, and reporting patterns within qualitative data, providing a detailed and nuanced account of stakeholder experiences with the TWIN modality.

The data analysis process will begin with the familiarization phase. After transcription, all interview transcripts and field notes will be read and re-read carefully. This step allows the researcher to immerse in the data, noting initial observations, emerging themes, and points of interest that will guide the next stages of analysis.

Following familiarization, the researcher will proceed with initial coding. Segments of the data will be systematically labeled with codes that capture their essence. Coding will be both deductive, guided by the research questions and interview guide, and inductive, open to new themes emerging from the participants' narratives. Codes will be assigned to small units of meaning, such as phrases, sentences, or paragraphs that relate to participants' experiences with financial access, non-financial services, entrepreneurial sustainability, business resilience, and perceived outcomes of the TWIN modality.

Once coding is complete, the researcher will organize the codes into broader themes. Similar codes will be grouped to form coherent categories that reflect patterns across the data. The themes will be reviewed and refined to ensure that they accurately represent the coded data and the overall research objectives. Themes that are too broad will be broken down, while overlapping themes will be merged or redefined to maintain clarity and consistency.

The next phase involves defining and naming themes. Each theme will be clearly defined, with an explanation of what it captures/how it relates to the broader research questions. Sub-themes may also be identified to capture the complexity of certain categories, particularly where participants' experiences vary across different groups, such as beneficiaries versus staff.

The final phase of data analysis will involve producing a coherent narrative that connects the identified themes to the research objectives. Direct quotations from participants will be used to illustrate and substantiate the findings, ensuring that the participants' voices are central to the presentation of results. Patterns, divergences, and unique insights will be discussed, providing a balanced and evidence-based interpretation of the data.

Throughout the data analysis process, measures will be taken to enhance credibility and trustworthiness. These include maintaining an audit trail of decisions made during coding and theme development, conducting peer debriefings when possible, and using member checking selectively to verify the accuracy of interpretations with selected participants. By following this detailed, structured approach to thematic analysis, the study ensures that its findings reflect a robust and credible understanding of the TWIN modality's role in promoting economic inclusion in Yemen.

3.7 Conclusion

This chapter outlined the research methodology adopted to explore the influence of the Two-Wing Integrated Nexus (TWIN) modality on economic inclusion in Yemen. A qualitative research design was chosen to capture the depth and complexity of stakeholder experiences, using semi-structured interviews as the primary data collection tool. The chapter detailed the structure of the research process, including the research design, population, sampling strategies, instrumentation, data collection procedures, and data analysis methods.

A stratified and convenience sampling approach ensured a diverse representation of stakeholders from AMB's and Reyadah's direct beneficiaries. Ethical considerations were prioritized throughout the data collection process, with clear attention to informed consent and confidentiality. Thematic analysis was selected as the method for interpreting the collected data, offering a systematic yet flexible framework to identify and explore recurring patterns, challenges, and successes associated with the TWIN modality.

The methodology outlined in this chapter provides a rigorous foundation for examining how integrated microfinance models contribute to sustainable economic participation in fragile contexts. The next chapter will present and analyze the research findings derived from this structured approach.

CHAPTER FOUR
RESEARCH FINDINGS

4.1 Introduction

This chapter presents the key findings of the study, drawn from interviews with ten beneficiaries of Al-Amal Microfinance Bank (AMB) and its non-financial arm, Reyadah. The study aims to assess the influence of the Two-Wing Integrated Nexus (TWIN) modality on advancing economic inclusion in Yemen. The focus is on how the integration of financial services—such as loans, grants, and savings—with non-financial services—such as entrepreneurship training and advisory support—has impacted low-income individuals engaged in micro and small enterprises.

The study employed a qualitative research approach using semi-structured interviews. The participants were selected through stratified and convenience sampling to ensure diversity in geographic location, gender, project type, and experience with AMB and Reyadah. The interviewees represented a wide range of entrepreneurial activities, including retail, services, healthcare, and handmade goods, and were drawn from several governorates: Sana'a, Aden, Taiz, Hodaidah, and Sa'dah. Both male and female beneficiaries were included, reflecting a gender-balanced perspective.

All participants had benefited from at least one component of the TWIN modality. Six received direct financing in the form of loans, while four received grants. All ten accessed savings services, and six participated in Reyadah's capacity-building programs. Their engagement with the institutions began between November 2023 and March 2024. The interviews revealed that many of these individuals faced major obstacles before joining the program, such as limited access to startup capital, difficulty securing equipment, and lack of financial resources to meet market needs.

This chapter presents the voices and experiences of these beneficiaries, structured around key thematic areas aligned with the study's objectives. It begins with an exploration of how the TWIN modality improved financial access, followed by its role in strengthening entrepreneurial sustainability, enhancing financial literacy, and supporting long-term economic participation. The chapter also highlights the challenges faced, lessons learned, and perceptions of how the dual-service model can be scaled or improved.

4.2 Impact of TWIN Modality on Financial Access

The beneficiaries interviewed consistently reported that access to financial services prior to their engagement with AMB was extremely limited. Most participants stated they had no viable source of formal financing before joining AMB. Traditional banks were described as either inaccessible due to strict requirements—such as collateral and guarantees—or unresponsive to the needs of small-scale entrepreneurs. Informal sources, such as borrowing from relatives or local lenders, were often unreliable or came with unfavorable terms.

Following their enrollment in the TWIN modality, all ten beneficiaries reported receiving at least one type of financial service from AMB. Six participants secured loans tailored to the scale of their projects, while four received grants to support business start-up or continuity. All beneficiaries opened savings accounts with the bank, noting the importance of having a secure place to manage and store funds. While none reported using digital payment services, several indicated they had been introduced to the idea through AMB's awareness activities.

The financial support provided by AMB was described as a turning point by most participants. Several beneficiaries stated that the initial loan or grant enabled them to launch their businesses, purchase essential equipment, and expand operations. For example, some used the financing to increase inventory, relocate to more strategic areas, or upgrade tools and inputs. Others highlighted the psychological impact of having institutional backing, which gave them the confidence to pursue opportunities they had long postponed due to a lack of resources.

In terms of challenges, the majority of beneficiaries reported no significant difficulties in accessing financial services from AMB. They described the application and approval processes as straightforward and supportive. However, two beneficiaries mentioned that delays in loan disbursement caused short-term disruptions in their business plans. A few noted that repayment pressures intensified when market demand dropped or prices fluctuated, but emphasized that AMB's flexibility in repayment scheduling helped them recover.

Participants drew clear distinctions between AMB's approach and traditional banking or informal lending systems. They praised AMB for its low barrier to entry, personalized support, and the absence of burdensome collateral conditions. Unlike commercial banks, which often dismissed them as "high-risk," AMB treated them as capable entrepreneurs. Compared to informal lenders, AMB's transparent procedures and structured repayment plans were viewed as more ethical and empowering.

Overall, the findings suggest that the TWIN modality has substantially improved beneficiaries' access to essential financial services, directly enabling them to start, sustain, and expand their businesses. The alignment of product offerings with the realities of low-income entrepreneurs in Yemen appears to be a defining strength of AMB's financial wing.

4.3 Influence on Entrepreneurial Sustainability

Non-financial services, particularly those provided through Reyadah, played a significant role in enhancing the entrepreneurial sustainability of the beneficiaries interviewed. Six out of ten participants confirmed their active participation in training sessions, workshops, or advisory sessions delivered by Reyadah as part of the TWIN modality.

These beneficiaries reported acquiring a range of practical business and financial skills. The most frequently mentioned topics included budgeting, inventory management, cost control, pricing, customer service, and business planning. Several participants highlighted that the training helped them move from informal or unstructured practices to more disciplined management methods. For example, some began using basic record-keeping systems to track income and expenses, while others restructured their pricing strategies after learning about cost-benefit analysis.

Participants also noted improvements in their ability to communicate with clients, understand local market trends, and identify opportunities for growth. A few emphasized that the training increased their confidence in decision-making, particularly when faced with financial or operational challenges. One participant remarked that the coaching sessions helped her rethink her business model and shift from selling homemade products sporadically to establishing a more stable, shop-based enterprise.

When asked how non-financial services affected their business management and growth, most respondents attributed part of their success to the knowledge gained through Reyadah. Several stated that they were able to improve product quality, attract more customers, and avoid common pitfalls like overstocking or pricing errors. One beneficiary mentioned using marketing techniques learned in training to expand their client base through local promotions and word-of-mouth advertising. Another emphasized that learning how to separate personal and business finances had a lasting positive impact on her cash flow and sustainability.

Despite these benefits, some participants offered constructive feedback on areas for improvement. Two beneficiaries expressed a desire for more advanced or specialized training tailored to their specific sectors, such as health services, food preparation, or retail. Others requested ongoing support beyond initial training, including refresher sessions, field visits, or follow-up mentoring. There was also a suggestion for improved scheduling and better alignment of training times with business operating hours.

In general, the participants agreed that the non-financial services under the TWIN modality filled a critical gap in their entrepreneurial journey. While financial support provided the foundation to launch or stabilize their projects, the skills and knowledge gained through Reyadah's programs were essential for long-term growth and sustainability. The dual-track nature of the modality, pairing capital with capacity-building, was viewed by beneficiaries as a model worth continuing and expanding.

4.4 Enhancement of Financial Literacy and Business Skills

The majority of interviewed beneficiaries reported clear and measurable improvements in their business operations since becoming part of the TWIN modality offered by AMB and Reyadah. These improvements were attributed not only to financial support but also significantly to enhanced financial literacy and the acquisition of business management skills.

Participants noted that before joining the program, many operated informally—without proper records, savings discipline, or structured pricing strategies. After benefiting from the dual support of AMB and Reyadah, their approach to managing income, expenses, and reinvestment became more organized. Several respondents stated that they now prepare simple budgets, plan inventory based on demand, and allocate portions of income to savings and business expansion. One participant explained that prior to the intervention, profits were often mixed with household expenses, while now she keeps separate accounts and reviews her cash flow regularly.

Regarding business continuity, eight out of ten beneficiaries indicated that they had managed to maintain or grow their businesses since receiving support. Some expanded their product offerings, others moved to more favorable locations, and a few hired additional workers. Those who had received training were more likely to link their improved decision-making and planning capabilities to the growth and financial health of their businesses.

However, challenges remain. The most frequently cited difficulties included high market volatility, increasing costs of raw materials, and seasonal fluctuations in customer demand. A few also mentioned difficulties in accessing equipment maintenance or in facing competition from informal sellers. Despite these barriers, beneficiaries who had received both financial and non-financial support expressed greater ability to adapt. Several gave examples of how they adjusted pricing, diversified products, or paused non-essential purchases to remain solvent during downturns.

When asked whether the TWIN modality made their businesses more resilient, all participants answered affirmatively. They emphasized that financial capital alone would not have been enough to sustain them through Yemen's volatile economic conditions. The training and coaching they received helped them understand risk, develop contingency plans, and make informed decisions under pressure. One participant explicitly stated that the dual support "made the difference between surviving and giving up."

To sum up, the integration of financial literacy and business skills development within the TWIN modality has significantly contributed to more informed, capable, and resilient entrepreneurs. While external market and conflict-related challenges persist, beneficiaries expressed a strong sense of improved control over their financial choices and long-term sustainability.

4.5 Long-term Economic Participation

The findings indicate that participation in the TWIN modality has enabled beneficiaries to remain actively engaged in the economy over time, despite Yemen's unstable market conditions. Several participants reported that their businesses had not only survived but expanded in scope and market reach since their involvement with AMB and Reyadah.

A number of beneficiaries mentioned that they had been able to maintain continuous business operations since receiving financial and non-financial support. This continuity was reflected in their ability to restock goods consistently, attract a regular customer base, and plan business activities across months rather than on a day-to-day basis. For many, this marked a shift from informal or seasonal income generation to a more stable and ongoing business presence.

Crucially, three participants reported that as their businesses grew, they created employment opportunities within their communities, either through hiring assistants, involving family members, or outsourcing certain tasks. While these were mostly informal roles, they contributed to local income generation and reduced dependency on humanitarian assistance in their areas. One participant, a female entrepreneur from Taiz, described how her expanded production of handmade goods allowed her to employ two women part-time, creating a small ripple effect in local livelihoods.

Participants attributed this sustained market engagement to the combined effect of receiving financial capital alongside capacity building. Training sessions not only helped them improve their operations but also encouraged long-term thinking. Several mentioned learning how to assess market demand, track sales patterns, and make basic projections—skills that directly supported their continued presence in the marketplace.

In summary, the TWIN modality played a significant role in transitioning beneficiaries from survival-mode entrepreneurship to longer-term economic participation, with some beginning to extend that impact through small-scale job creation.

4.6 Business Resilience in the Yemeni Context

Operating a small business in Yemen requires the ability to navigate complex external shocks—conflict, inflation, market instability, and unpredictable supply chains. The interview data reveal that most TWIN beneficiaries were not immune to these risks but demonstrated a higher degree of resilience in managing them.

Participants described various challenges affecting their business operations. Commonly cited issues included rising input costs due to currency devaluation, decreased consumer purchasing power, and disrupted supply lines due to regional insecurity. Several reported periods of stagnation where sales dropped sharply or they were forced to close temporarily.

Despite these pressures, most beneficiaries credited the support received from AMB and Reyadah with helping them adapt and recover. The financial cushion provided by loans or grants allowed them to maintain inventory and pay rent during slow periods. Meanwhile, the skills and strategies gained from Reyadah's training programs—such as diversifying products, managing stock carefully, or revising pricing—were seen as key tools for navigating instability.

One participant explained that during a local market shutdown, she was able to shift her business to home-based delivery using WhatsApp and phone orders, a strategy she credited to the flexibility encouraged in her training sessions. Another cited the importance of learning to keep a reserve fund, which helped her endure a two-month slump without closing.

Overall, while the economic context remains fragile, the TWIN modality has contributed to building a more resilient group of micro-entrepreneurs. Beneficiaries equipped with both financial resources and business management skills were more likely to adjust their models, recover from setbacks, and continue operating under pressure. This adaptability is especially critical in Yemen, where external shocks are persistent and widespread.

4.7 Challenges and Limitations of the TWIN Modality

While beneficiaries expressed strong appreciation for the TWIN modality, they also identified several areas where the model could be strengthened to increase its impact and reach. Their feedback reflects both the value they gained from the program and their aspirations for its improvement and expansion.

When asked about the most valuable aspects of support received, nearly all participants pointed to the accessibility of AMB's financial services. Beneficiaries highlighted the simplicity of the application process, the absence of burdensome collateral requirements, and the trust-based approach as key enablers of their business journey. Many added that Reyadah's training sessions provided essential knowledge that helped them manage operations more effectively, particularly in planning, pricing, and separating business from personal finances.

Despite these strengths, participants also raised several limitations. Some noted that the duration and depth of the training programs were not sufficient for more complex or sector-specific challenges. For example, beneficiaries involved in health, food production, or retail requested advanced and tailored content relevant to their work. Others called for more frequent follow-up, coaching sessions, and opportunities for peer learning beyond initial training. There was also a shared request for enhanced support in marketing and customer outreach, especially in rural or low-demand areas.

Two beneficiaries mentioned that delays in loan disbursement disrupted their business timelines, and one suggested creating faster-track mechanisms for urgent financing. Another participant pointed to logistical difficulties in attending training sessions due to location and timing constraints, recommending more flexible and locally accessible formats.

When asked whether they would recommend the program to others, all participants responded affirmatively. Their reasons included the inclusivity of AMB's approach, the quality of Reyadah's support, and the clear impact on their personal and professional lives. Several noted that the modality helped restore their confidence in pursuing self-employment during extremely difficult economic times. One stated, "I already told three people in my neighborhood to go apply. It changed everything for me."

As for the potential to expand the TWIN modality, participants widely agreed that it could benefit many more entrepreneurs across Yemen, especially women, displaced persons, and youth with no prior business experience. To make this possible, beneficiaries suggested increasing funding allocations, extending outreach into underserved areas, diversifying training formats, and developing sector-specific modules. A few called for stronger links between AMB/Reyadah and local markets, suppliers, or business development networks to support post-training growth.

In conclusion, while the TWIN modality is perceived as a uniquely empowering model, especially in the Yemeni context, its full potential is not yet realized. Addressing the gaps in training depth, accessibility, and follow-up support could enhance its effectiveness, scalability, and long-term outcomes for a broader segment of the population.

4.8 Unexpected Outcomes and Emerging Themes

While the structured questions provided valuable insights into financial access, entrepreneurial sustainability, and business resilience, open-ended responses at the end of the interviews revealed several unexpected outcomes and emerging themes. These reflections offered a deeper understanding of the personal and social impact of the TWIN modality, extending beyond business metrics.

One notable theme was the emotional and psychological effects of the modality. Several beneficiaries expressed that AMB and Reyadah gave them a renewed sense of hope and self-worth. For participants who had previously felt marginalized—especially women and displaced individuals—the trust extended by AMB and the personalized support from Reyadah made them feel "seen" and "valued" as capable contributors to the economy. One female respondent emphasized that the experience changed how she viewed herself: "I no longer wait for someone to help me. I now believe I can help others."

Another emerging theme was the role of the TWIN modality in strengthening social ties within local communities. A few beneficiaries mentioned that their businesses became small hubs for community interaction and cooperation. By hiring neighbors or involving family members, they indirectly supported others and helped circulate income within their areas. One participant explained that his shop now serves as a point of referral for AMB, where he encourages others to apply and shares what he learned.

There were also indirect benefits related to personal development. Some beneficiaries said they had developed communication skills, negotiation techniques, and greater confidence when dealing with customers, suppliers, and even public officials. This broader empowerment was not necessarily anticipated by the program but appeared to be a consistent and meaningful outcome.

In addition, several participants expressed a strong sense of loyalty to AMB and Reyadah. They described their experience as a partnership rather than a transactional service. This sentiment suggests that the TWIN modality has succeeded in building trust, an essential element for financial inclusion in fragile contexts like Yemen, where skepticism toward formal institutions is widespread.

Finally, one important observation from beneficiaries was their desire to give back. A few participants spoke about mentoring others in their communities, sharing knowledge from training sessions, or helping neighbors fill out applications. These actions indicate the beginning of a multiplier effect, where program outcomes extend beyond direct beneficiaries and begin to shape local ecosystems of support and learning.

These unexpected outcomes highlight the transformative potential of the TWIN modality—not just in improving economic indicators, but in shifting mindsets, building trust, and nurturing local agency. Recognizing and intentionally supporting these emergent dimensions could significantly enhance the program's long-term social and economic impact.

4.9 Comparative Analysis

The findings from this study reveal distinct differences between the experiences of beneficiaries engaged with the TWIN modality and those typically documented under traditional microfinance models. Participants consistently identified the dual-service structure—combining financial access with capacity building—as the primary driver of improved outcomes in business sustainability and economic participation.

When compared with traditional microfinance approaches, which often emphasize loan distribution without accompanying training or support, the TWIN modality offered more than capital. Beneficiaries who had previously engaged in informal borrowing or limited grant programs described those experiences as short-lived, with little follow-up and no improvement in their ability to manage or grow their businesses. In contrast, beneficiaries of AMB and Reyadah reported clearer planning, increased self-reliance, and greater business continuity due to structured support.

In terms of regional variation, participants from urban areas such as Sana'a and Taiz reported more access to regular support services and follow-up training, while those in more remote areas like Bajil and Sa'dah noted logistical difficulties in attending sessions or accessing advisory services. This suggests that the geographic distribution of support services plays a role in determining outcomes and highlights the need for stronger outreach and mobile training solutions in rural regions.

There were also emerging differences across gender. Female beneficiaries emphasized the unique impact of Reyadah's training in building confidence, improving financial independence, and enabling market access in socially conservative environments. Their responses reflected higher levels of personal empowerment and community engagement, particularly in areas where women's economic participation remains constrained. Male participants, by contrast, tended to focus more on expansion strategies and the technical aspects of their business development.

Finally, a notable difference emerged between those who received both financial and non-financial services and those who accessed only one wing of the TWIN model. Beneficiaries who received integrated support consistently reported stronger outcomes—more stable income, better planning habits, and an ability to adjust to shocks—while those who received only financial services showed less growth and expressed uncertainty in managing their businesses long term.

These comparisons confirm that the integrated nature of the TWIN modality offers tangible advantages over traditional models. They also highlight disparities in reach and accessibility that should inform future scale-up efforts. Tailoring services to context, gender, and geography will be critical in maximizing the effectiveness of the program across Yemen.

4.10 Summary of Key Findings

This section summarizes the key findings derived from semi-structured interviews with ten beneficiaries of the TWIN modality implemented by AMB and Reyadah. The findings reflect the lived experiences of diverse participants across multiple Yemeni governorates and offer insights into how the combination of financial and non-financial services has affected their businesses, livelihoods, and long-term economic engagement. Each point below aligns with the study's research objectives and captures core themes identified through thematic analysis.

- **TWIN modality improved access to finance**: All beneficiaries reported receiving financial services (loans or grants) that helped them start, expand, or stabilize their businesses. AMB was praised for its accessibility, simplicity of procedures, and trust-based approach.
- **Savings services were widely adopted**: All participants opened savings accounts with AMB, highlighting a shift from informal cash handling to safer, structured financial management.
- **Non-financial services enhanced business management**: majority of the beneficiaries participated in Reyadah's training programs and reported clear gains in budgeting, pricing, marketing, and operational planning.
- **Entrepreneurial sustainability improved**: Most participants reported sustained business operations and improved financial organization since joining the program. Several linked their survival and growth directly to skills gained from Reyadah.
- **Resilience to external shocks increased**: Beneficiaries described coping mechanisms—including cost control, business model shifts, and reserve planning—learned through training, which helped them adapt to conflict, inflation, and market disruptions.
- **Job creation and local impact emerged**: A few participants were able to create job opportunities for others, either by hiring locally or involving family members, indicating early-stage economic ripple effects.

- **The TWIN modality strengthened confidence and agency**: Beneficiaries expressed increased confidence, decision-making capability, and a greater sense of self-reliance. Some began mentoring others or recommending the program in their communities.
- **Most valuable aspects cited**: AMB's low-barrier financial services and Reyadah's practical training were consistently rated as the most impactful parts of the program.
- **Areas for improvement identified**: Participants requested sector-specific training, more advanced content, consistent follow-up, and support in marketing and customer outreach.
- **TWIN modality seen as scalable and replicable**: All respondents recommended the program to others and supported its expansion. They emphasized its relevance for youth, women, and underserved entrepreneurs in similar conditions.
- **Emerging social and psychological benefits noted**: Several beneficiaries described unexpected outcomes such as increased self-esteem, stronger community ties, and a desire to give back, indicating broader social impact beyond business outcomes.

4.11 Conclusion

The findings of this study reveal that the TWIN modality, as implemented by AMB and Reyadah, has made a meaningful contribution to enhancing economic inclusion among low-income entrepreneurs in Yemen. Beneficiaries gained access to financial resources, improved their business and financial management skills, and showed increased resilience to external economic shocks. While challenges remain, particularly in training depth, outreach, and follow-up, the dual-service model has proven both effective and relevant in a fragile economic context. These results provide strong support for expanding and refining the TWIN approach to reach more underserved communities and strengthen its long-term impact.

CHAPTER FIVE
CONCLUSION AND RECOMMENDATIONS

5.1 Introduction

This chapter presents the final reflections and practical insights derived from the research findings. It begins by briefly summarizing the study's purpose and the methods used to investigate the TWIN modality implemented by Al-Amal Microfinance Bank (AMB) and Reyadah. It then highlights the main conclusions drawn from the analysis of data collected through semi-structured interviews with beneficiaries who received both financial and non-financial services.

The chapter also addresses how the findings align with the study's objectives on improving financial access, enhancing entrepreneurial sustainability, promoting long-term economic participation, and strengthening business resilience in Yemen's fragile context. Based on the observed outcomes, the chapter concludes with targeted recommendations for policymakers, donors, and practitioners to improve, replicate, and scale the TWIN modality.

Together, the insights provided in this chapter aim to support more informed decision-making and drive forward the conversation on inclusive microfinance practices in conflict-affected economies.

5.2 Summary of the Study

This study examined the influence of the Two-Wing Integrated Nexus (TWIN) modality implemented by Al-Amal Microfinance Bank (AMB) and its non-financial arm, Reyadah, on advancing economic inclusion in Yemen. The research focused on assessing how the integration of financial services (loans, grants, savings) with non-financial services (training, mentorship, business support) affected low-income entrepreneurs in a fragile economic environment.

Using a qualitative research design, data were collected through semi-structured interviews with a stratified and purposefully selected sample of ten beneficiaries. Participants represented various sectors, regions, and business sizes. Thematic analysis was employed to identify patterns and insights related to financial access, entrepreneurial sustainability, long-term economic participation, and business resilience.

The findings confirmed that the TWIN modality has played a vital role in expanding access to finance, building essential business skills, and improving the long-term viability of micro and small enterprises. Beneficiaries reported increased confidence, improved business practices, and greater resilience to market and conflict-related shocks. At the same time, the study highlighted areas where the modality could be strengthened, including training depth, geographic outreach, and follow-up support.

The study fills a gap in the literature by providing first-hand evidence on the outcomes of an integrated microfinance model in Yemen and offers a foundation for future research and policy development in similar fragile contexts.

5.3 Recommendations

Based on the findings of this study, several actionable recommendations are proposed to enhance the effectiveness, scalability, and long-term sustainability of the TWIN modality implemented by AMB and Reyadah. These recommendations are directed toward microfinance practitioners, policymakers, donors, and development agencies working in fragile and conflict-affected contexts such as Yemen.

- **Enhance the Depth and Specialization of Non-Financial Services**: Reyadah's training programs have proven valuable, but beneficiaries expressed the need for more sector-specific, advanced, and practical content. Tailored modules that address the unique challenges of sectors such as retail, food services, healthcare, and home-based businesses should be developed and delivered through flexible formats.
- **Strengthen Post-Training Follow-Up and Mentorship:** The sustainability of learning outcomes depends on continued support. Introducing structured follow-up sessions, business coaching, and peer learning groups would help reinforce skills, address emerging challenges, and encourage knowledge exchange among beneficiaries.
- **Expand Geographic Reach and Accessibility:** To ensure equitable access, AMB and Reyadah should improve outreach to rural, remote, and conflict-affected areas. This may include mobile training units, local partnerships, or digital tools that deliver both financial and non-financial services more efficiently and inclusively.

- **Develop Integrated Monitoring and Feedback Systems:** A unified system that tracks the combined outcomes of financial and non-financial interventions will improve impact measurement and program design. Collecting regular feedback from beneficiaries can help refine services and address weaknesses promptly.
- **Increase Support for Market Access and Business Linkages**: Beyond financing and training, many beneficiaries require help accessing new markets, marketing their products, and building customer networks. AMB and Reyadah should consider facilitating access to trade fairs, digital marketplaces, and value chain partnerships.
- **Promote Policy Support for Integrated Microfinance Models:** The success of the TWIN modality suggests the need for regulatory frameworks and national microfinance strategies that support integrated service delivery. Policymakers should recognize and institutionalize dual-service approaches as a best practice for economic inclusion.
- **Encourage Replication and Scaling of the TWIN Modality**: Development agencies and donors should invest in scaling the TWIN model both within Yemen and in comparable fragile settings. Scaling efforts must prioritize contextual adaptation, continuous quality assurance, and sustainability planning.
- **Support Further Research and Evaluation**: This study provides foundational insights, but broader impact assessments—including mixed-method and longitudinal studies—are essential. Future research should examine the long-term effects of the TWIN modality on household welfare, gender empowerment, and local economic development.

In conclusion, the TWIN modality has demonstrated strong potential as an inclusive, context-responsive model for microfinance delivery in fragile economies. The above recommendations aim to strengthen its institutional delivery, improve outcomes for beneficiaries, and inform broader adoption of integrated financial inclusion frameworks across development sectors.

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APPENDICES

Appendix 1: Interview Questions (English Version)

Semi-Structured Interview Questions for AMB's and Reyadah's Beneficiaries:

Section 1: Participant Background

1. Can you briefly introduce yourself and describe your business activity or project?
2. When did you first become a beneficiary of AMB and/or Reyadah?
3. What financial and non-financial services have you received from AMB and Reyadah?

Section 2: Access to Financial Services

4. How easy or difficult was it for you to access financial services before joining AMB?
5. What type of financial services have you received (loans, savings, payment services, etc.)?
6. How have these financial services helped you in starting or expanding your business?
7. Have you experienced any challenges in obtaining or repaying loans from AMB?
8. In your view, how does AMB's financial services differ from traditional banks or informal financial sources?

Section 3: Non-Financial Services and Capacity Building

9. Have you participated in any of Reyadah's training programs or workshops?
10. What specific business or financial skills have you gained through these programs?
11. How have the non-financial services helped you manage or improve your business?
12. Did the training programs meet your needs? What areas would you like to see improved?

Section 4: Business Sustainability and Entrepreneurial Growth

13. How has your business changed since you became a beneficiary of AMB and Reyadah?
14. Have you been able to sustain your business financially over time?
15. What are the main challenges you face in keeping your business stable and profitable?
16. Do you believe that the TWIN modality (combination of financial and non-financial services) has made your business more resilient?

Section 5: Long-Term Economic Participation and Business Resilience

17. Have you been able to create job opportunities for others in your community as your business grew?
18. How has your participation in the TWIN program affected your long-term involvement in the market and economy?
19. How has your business coped with external challenges, such as conflict, inflation, or market instability?
20. What role did AMB's and Reyadah's support play in helping you overcome these challenges?

Section 6: Beneficiary Perceptions and Suggestions

21. In your opinion, what are the most valuable aspects of AMB's and Reyadah's support?
22. Are there any services or supports that you feel are missing or need to be strengthened?
23. Would you recommend this program to other small business owners or entrepreneurs? Why or why not?
24. Do you believe that the TWIN modality can be expanded to help more people like you? What would be necessary to make it more effective?

Section 7: Closing

25. Is there anything else you would like to share about your experience with AMB and Reyadah?

Appendix 2: Interview Questions (Arabic Version)

موضوع البحث/ تأثير تبني منهجية التواين (TWIN) التي ينفذها بنك الأمل للتمويل الأصغر ومؤسسة ريادة على تعزيز الشمول الاقتصادي في اليمن

أخي/أختي المستفيد/ة ،،،،، **المحترم/ة**

تحية طيبة وبعد،

تهدف هذه المقابلة إلى جمع معلومات تتعلق بتجربتك مع بنك الأمل للتمويل الأصغر ومؤسسة ريادة، وذلك ضمن إطار بحث علمي يسعى إلى دراسة أثر منهجية الجمع بين الخدمات المالية وغير المالية (TWIN) على تحسين الشمول المالي واستدامة الأعمال لدى المستفيدين في اليمن. تهدف هذه المعلومات إلى تطوير الأداء وتحسين جودة الخدمات المقدمة في المستقبل. نؤكد لك أن جميع المعلومات التي ستدلي بها ستُستخدم لأغراض البحث العلمي فقط، وستُعامل بسرية تامة دون الإفصاح عن هويتك الشخصية.

شاكرين لك تعاونك ومساهمتك القيمة،،،،

١. هل يمكنك أن تعرف بنفسك بإيجاز وتصف نشاطك التجاري أو مشروعك الحالي؟
٢. متى بدأت بالاستفادة من خدمات بنك الأمل / ريادة؟
٣. ما هي الخدمات المالية وغير المالية التي تلقيتها من بنك الأمل / مؤسسة ريادة؟
٤. كيف كانت صعوبة حصولك على الخدمات المالية قبل الاستفادة من بنك الأمل؟
٥. ما نوع الخدمات المالية التي تلقيتها (تمويل، منحة، ادخار ، خدمات مصرفية، إلخ)؟
٦. كيف ساعدتك هذه الخدمات المالية في بدء مشروعك أو توسيعه؟
٧. هل واجهت أي تحديات في الحصول على القروض أو في سدادها لدى بنك الأمل؟
٨. برأيك، كيف تختلف خدمات بنك الأمل المالية عن الخدمات المقدمة من البنوك التقليدية أو مصادر التمويل غير الرسمية؟
٩. هل شاركت في أي برامج تدريبية أو ورش عمل تقدمها مؤسسة ريادة؟
١٠. ما هي المهارات التجارية أو المالية التي اكتسبتها من خلال هذه البرامج؟
١١. كيف ساعدتك الخدمات غير المالية في إدارة أو تحسين مشروعك؟
١٢. هل لبّت البرامج التدريبية احتياجاتك؟ وما الجوانب التي ترى أنها بحاجة إلى تحسين؟
١٣. كيف تغير مشروعك منذ أن أصبحت من مستفيدي بنك الأمل ومؤسسة ريادة؟
١٤. هل تمكنت من تحقيق الاستدامة المالية لمشروعك على المدى الطويل؟
١٥. ما هي التحديات الرئيسية التي تواجهها للحفاظ على استقرار وربحية مشروعك؟
١٦. هل تعتقد أن منهجية الجمع بين الخدمات المالية وغير المالية ساعدت في تعزيز مرونة مشروعك؟
١٧. هل تمكنت من خلق فرص عمل للآخرين في مجتمعك من خلال نمو مشروعك؟
١٨. كيف أثرت منهجية الجمع بين الخدمات المالية وغير المالية على استمرار مشاركتك في الأنشطة الاقتصادية على المدى الطويل؟
١٩. كيف تعامل مشروعك مع التحديات الخارجية مثل النزاعات، التضخم، أو عدم استقرار السوق؟
٢٠. ما هو دور دعم بنك الأمل ومؤسسة ريادة في مساعدتك على تجاوز هذه التحديات؟
٢١. برأيك، ما هي الجوانب الأكثر فائدة في الدعم الذي تقدمه لك المؤسستان؟
٢٢. هل هناك خدمات أو أوجه دعم ترى أنها غير متوفرة أو بحاجة إلى تعزيز؟
٢٣. هل تنصح أصحاب المشاريع الصغيرة الآخرين بالاستفادة من هذه المنهجية؟ ولماذا؟
٢٤. هل تعتقد أن هذه المنهجية يمكن تعميمها لمساعدة عدد أكبر من الأشخاص؟ وما الذي تراه ضرورياً لتعزيز فعاليتها؟
٢٥. هل هناك أي أمور أخرى تود مشاركتها حول تجربتك مع بنك الأمل ومؤسسة ريادة؟

انتهت الأسئلة مع جزيل الشكر،،،

…… The End……