

## **THE ROLE OF FINANCIAL INCLUSION IN THE INCREASING OF ECONOMIC PARTICIPATION OF IRAQI WOMEN FOR THE PERIOD (2011-2021)**

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### **Abstract**

This research dealt with the basics of financial inclusion in terms of concept, importance and objectives, as well as the financial empowerment of women, indicating the relationship between financial inclusion and women, and the descriptive and analytical method of data was relied upon as a methodology for research, which includes reviewing and analyzing information and data in the financial and banking literature, and reviewing responsive local trends. The research reached a set of conclusions, the most important of which is that Iraqi women, until the present time, still suffer from low sources of financing and the financial climate necessary to start establishing their economic projects. It is a major justification for the weak balanced economic participation and thus faltering in achieving the goals of sustainable development. The research also reached a set of recommendations, the most important of which is securing the basic source of funding for Iraqi women and the appropriate economic environment for them by controlling partial national plans and programs for the targeted financial inclusion policy for marginalized women and supporting them to establish it. Economic projects would provide opportunities to increase local production, in a balanced, consistent and supportive manner for the sustainable development goals in Iraq.  
Keywords: financial inclusion, empowering women financially and economically.

### **introduction**

The results of studies and research of the global financial crisis after (2008) revealed the existence of a financial and structural imbalance in the global financial and banking system, which was reflected in the liquidity rates of the banking sector and made those systems unable to meet their obligations, which prompted many international financial organizations and institutions to re- Considering the work of these systems and addressing their deficiencies, as these results showed that there is a large group within the societies that is financially excluded, and to include these excluded groups to work within the official systems, it required the adoption of policies and strategies that work to advance the reality of these systems in a way that makes them able to absorb and Withstanding shocks, these reforms fell under the concept

of "financial inclusion", which provides an opportunity to obtain financial and banking services through formal systems, whether individuals or institutions, at reasonable prices, and avoids them resorting to informal systems that threaten not to achieve financial and economic stability. The implementation of the policy of financial inclusion for women varies in levels of results from one country to another, according to the nature of its financial infrastructure, the degree of its financial and banking progress and development, as well as according to the societal variation of different countries, as well as the extent of the gender gap, and despite the keenness of the Central Bank of Iraq after a year ( 2017) to increase the levels of financial inclusion supporting women, but it continued below the level of ambition, and for this reason, the subject of the study was chosen to enhance women's economic ability through the national plans and programs adopted by the Central Bank for financial inclusion aimed at aiding Iraqi women and trying to address weaknesses according to medium and long-term visions. To adopt it with the aim of reviewing the partial plans of the financial inclusion policy that fulfills women's financial and economic requirements in order to stimulate economic participation.

**First: The importance of research**

The importance of the research lies in reviewing the role of women's financial inclusion policy in promoting economic participation and joint and socially balanced economic growth in Iraq. There is a strong correlation between women's access to financial products and services on the one hand, and economic growth on the other; Increasing the involvement of women in the economy by providing them with the necessary financing would achieve gains in the gross domestic product.

**Second: The research problem**

The research problem lies in the weak effectiveness of the impact of national plans and programs that respond to the application of financial inclusion in support of Iraqi women, which is reflected in the atrophy of economic participation on its part

**Third: The research hypothesis**

Securing the basic source of funding for Iraqi women and working to create an appropriate economic climate for them by controlling partial national plans and programs for the targeted financial inclusion policy for marginalized women and supporting them to establish economic projects would provide opportunities to increase local production, in a balanced and supportive manner for the path of sustainable development goals.

**Fourth: Research objectives**

The research aims to reach the following outputs:

- A- Disclosure of the concept of women's financial inclusion and the multiple effects resulting from the adoption of supportive policies for women in Iraqi society.
- B- Diagnosing the challenges and gender gaps in Iraq on more than one level, and the challenges that impede achieving maximum financial inclusion for Iraqi women.
- C- Access to paths that contribute to adjusting the policy of financial inclusion and the correction towards social equality.

### **Fifth: Research methodology**

In view of the official data available and approved in the research, the deductive approach was adopted in its descriptive and analytical style.

### **Research structure**

For the purpose of reaching the objectives of the research, this study was divided into four sections. The first topic dealt with (concepts of financial inclusion for women.... developmental implications), where it reviewed the concepts of financial inclusion supporting women and the indications of development through it. The second topic included (gender gaps in Iraq 2012 -2021) in which he reviewed the reality of discriminatory gaps in Iraq. The third topic was under the title (The National Response to the Women’s Empowerment Program in the Levant Countries), as it shows the extent of the national response to the policy of financial inclusion of women. As for the fourth topic (the proposed path to control the financial inclusion of women that enhances the participatory role in the economy Al-Iraqi), in which the study attempted to contribute to the development of proposed reform measures to advance the economic situation of women.

### **The first topic: the concepts of financial inclusion for women.... developmental evidence**

#### **First: the concept of financial inclusion... general definitions**

Specialists have different designations for the term financial inclusion in the specialized financial literature, some of them called it financial inclusion, comprehensive financing, financial inclusion, or financial access, but these designations all revolve around the same purpose in terms of working to develop banking financial institutions and increase the effectiveness of monetary policy and diversify Its tools, with the aim of intensifying the efforts of workers to attract those with limited incomes and link them to the financial system, which may support their financial decisions over time (Iman Mustafa Fouad, 17, 2018), so many definitions of financial inclusion appeared, as shown in Table (1):

**Table (1) Definitions of financial inclusion**

<b>NO</b>	<b>source</b>	<b>Definition</b>
<b>1</b>	Organization (OCED, 2016) Organization for Economic Co-operation and Development and the International Network for Financial Education.	This organization defines financial inclusion as the process through which access to a group of official financial products and services that are subject to supervision is enhanced at a reasonable time and in an adequate manner, and the scope of use of the services by various groups of society is expanded through the application of innovative approaches include programs Awareness and financial education aimed at promoting financial well-being and social economic inclusion

2	(AFI, 2017) Global Alliance for Inclusion financial.	This coalition works to successfully integrate women financial inclusion policies within each stage of design and implementation of the national financial inclusion strategy through its working group on the financial inclusion strategy. A specific sub-working group was formed emanating from the working group on financial inclusion data to develop and develop tools and build capacities and encourage best practices in the collection and use of data by gender
3	(G20) <sup>1*</sup>	Financial inclusion is defined as enhancing the access and use of all segments of society for financial services and products in line with their needs so that they are provided fairly and at reasonable costs.

The table is prepared by the researcher, relying on the Arab Monetary Fund, Requirements for Adopting a Comprehensive National Strategy to Promote Financial Inclusion in the Arab Countries, Regional Working Group to Promote Financial Inclusion in the Arab Countries, Working Paper, 2021, pp. 20-22

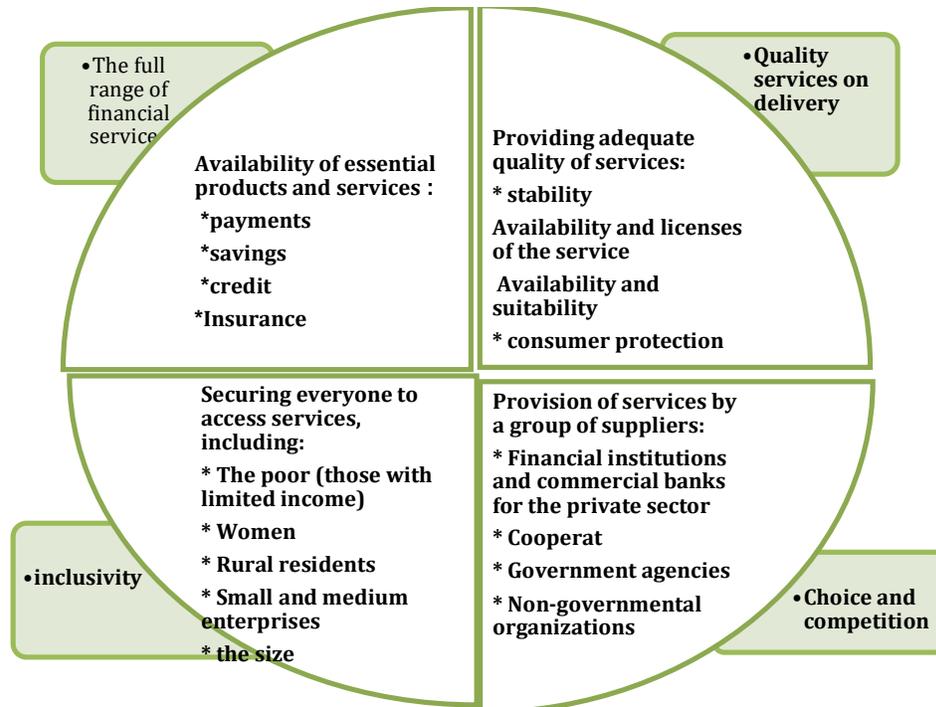
**Through the previous presentation of the definitions of (financial inclusion) in general, the following procedural definition can be reached:**

**Financial inclusion of women:** It is the process of enabling the different groups of society, by focusing on the female element among them, and institutions to access financial services and products (bank accounts, local and international remittances, mortgages, short-term loans, salaries, etc.) and use them with quality. It is high, easy, safe and at a low cost, which in turn is reflected in their standard of living, the financial system, the promotion of women's economic participation, the gross domestic product, and thus the economic growth of the state.

From this definition, we can conclude that financial inclusion does not only mean access to financial services, but rather ensuring the possibility of using these services with high quality. Therefore, the components and requirements of financial inclusion can be clarified in the scheme. (1) the following

**Chart (1) Components and requirements of financial inclusion**

<sup>1\*</sup> The Group of Twenty: It is the first institution dealing with issues (Financial Inclusion) established in 2009 based on the idea of exchanging global knowledge and is the main key to expanding and improving the policies of (FI). It includes more than ninety (90) developing countries represented by (119) countries and has invested Network The Inclusion (Alliance for Financial) that the G20 initiative on promoting financial inclusion was put on the agenda in November 2008 and officially launched at the Pittsburgh meeting in September 2009, and accordingly we find that its roots preceded the crisis and by the middle of the decade, financial liberalization policies were put in place that he undertook By many developing countries and emerging market countries an end to "financial repression."



The plan was prepared by the researcher based on:

- Conte, Asli Demirgoch, and others, Global Financial Inclusion Index Database 2017: Measuring the Level of Financial Inclusion and the Financial Technology Revolution, Public View Booklet, Washington: World Bank Group, 2017, p. 79.

## Second: Women's financial inclusion... importance and goals

The general meaning of the concept of financial inclusion for women is reflected in the access of financial services and economic resources to women in a way that does not differ from the access of these services to their peers in the category of men. :

- Women represent half of the human resources of any society, which is an important productive factor for achieving sustainable development in the various economic sectors, and since increasing women's participation in economic activities will lead to raising economic growth rates, it contributes to increasing available job opportunities in society as a whole.
- The participation of women in development and their financial and economic empowerment is one of the indicators against which the progress and advancement of nations is measured, and one of the important indicators in ranking countries in various human development.
- The process of women's financial independence contributes to the promotion of growth and sustainable development in countries, not only through establishing or participating in businesses, but also through improving the management of personal and family financial resources.

## The importance of financial inclusion for women

Achieving equality between men and women at various levels leads to more positive results economically, financially, socially and humanely, and we will list them in some detail successively as follows:

### 1 - The importance of women's financial inclusion at the economic level

**A- The relationship between women and economic growth:** At the level of economic determinants, the hypothesis of the curve that takes the shape of the letter U, which was developed by Pampel & Tanaka and Claudia Goldin, is one of the most important hypotheses that indicate the link between women's participation in the labor market and levels of Sustainable development compared to the level of income (Pampel F. C, 1986,64), as some studies confirmed the achievement of this relationship known as the U curve at the level of a sample that includes a large number of countries, which reached (162) countries during the period (1990-2012), and summarized that Women's participation in the labor market decreases with the high levels of economic growth (an inverse relationship), and this continues until a certain level of economic growth is reached, when the economy becomes more based on the services sector, which represents a specific threshold of income, at which time women's participation in the labor market rises again. It should be noted that this relationship was proven in a large sample of diverse countries in terms of income levels, but this relationship was not proven when the sample was divided into four subgroups according to income levels. For example, the specific relationship in the U curve did not appear in countries low income, On the contrary, the curve reversed and a positive relationship emerged between the economic growth and women's participation in the labor market in these countries (Lechman E and Kaur H, 2015, 12).

B- In light of the foregoing, it can be said that although this hypothesis explains trends in women's participation in the labor market based on cross-sectional data models, it is still not strong and is not considered a stable trend at the level of all countries. The labor market and economic growth paths are proven to be true in low-income countries.

C- Financial inclusion within the framework of the formal economy: The integration of women within the framework of the formal economy is an effective matter for the economy of any country, as the adoption of an effective institutional framework that supports the financial inclusion of women and eliminates all forms of discrimination is a strong and positive indicator of the viewpoint of countries of the world and international organizations, which enhances confidence In economics (Regional Office for Arab States, 2015, 8).

**D- Adjusting and strengthening the bonds of financial cooperation:** At the level of global markets, it increases the chances of the state to enter into partnerships and sign agreements with major international organizations and bodies to obtain financial and technical assistance and support in various fields and vital issues, which improves the economic, social and political conditions in general (Alliance for Financial Inclusion, 2018, 9).

## **2- The importance of women's financial inclusion at the level of banks and financial institutions**

This importance is evident on two levels:

### **A- At the level of banks:**

- **Women are among the most and best customers in banks**, as there is a large percentage of the category of women who save and borrow with wisdom, prudence, and great care from banks; This diagnosis is due to psychological reasons, which made it, according to international reports and classifications, to be classified among the most loyal and loyal individuals to banks and the workers inside.
- Female clients have a diagnostic role in front of banks. Another thing that made women represent a great opportunity in front of banks is that (80%) of purchasing and consumption decisions within the family belong to women, in addition to the fact that the stereotypical financial behavior of women made them

the focus of attention of banks, as well as Her role in the great influence on the members of their families and on the workers with them or those under their command in the event that the woman is the owner of a specific project, where they support and encourage others to deal with banks and launch and open bank accounts (Audited Financial Statements Report, 2017, 20)

Therefore, covering and including women financially and enhancing their access to financial services and financing has become a very important matter, as expectations indicate that it is possible to add about (28) trillion dollars, equivalent to (26%) of the gross domestic product at the global level until the year (2025).

#### **B- At the level of financial institutions:**

Improving the levels of women's financial inclusion receives great attention at the global and local levels, especially by many international financial institutions, as women's financial inclusion is one of the most important sustainable development goals approved by the United Nations General Assembly in (2015) (Central Bank of Jordan, 2016, 22)

Accordingly, women's access to finance increases the possibility of obtaining an increase in productive assets and their products, and this increases the strength of the association of financial institutions with economic growth. There is a strong correlation between women's access to financial products and services and economic growth, as increasing the involvement of women in the economy would To achieve gains in the gross domestic product, when women are empowered, this brings great benefits at the level of the economy (13, 2016, Clotteau. N, Measho)

### **3 - The importance of women's financial inclusion at the social level**

From a social point of view, the financial inclusion of women works on the following:

**A- Empowering them humanly**, and improving women's living conditions and lifting them from a oppressed psychological situation and lack of feeling of security as a result of their lack of sense of economic independence, which reflects positively on their psychological and physical health, through subsidies and social care and an improvement in the quality of their lives and the lives of those around them (The Common Wealth, 2015,12 ).

**B - Enhancing the status of women in the family and society reduces the phenomenon of violence against women**, as women represent half of society, and therefore covering their needs and requirements financially with easy and simple tools in order to reach their goals is reflected in the increase in the welfare of society as a whole.

#### **Goals of financial inclusion for women**

The international community joins forces to achieve the goal of financial inclusion, specifically marginalized groups of women, to enhance economic participation, due to its close connection with financial stability and stimulating economic growth for all economies, as well as its contribution to achieving (seven) goals of sustainable development. It would build the financial capabilities of the target groups, most notably women, through the following:

**1- Increasing the economic opportunities available to women**, by making markets a place for women's success and enabling them to compete strongly in the markets, and the ability to determine strategic options, decisions and resources (Zahra Muhammad Al-Wasiti, 2013, 50,)

**2- Enhancing the participatory role of women**, as a strategic actor in sustainable development, based on the fact that participation is one of the approaches to sustainable development and the other aspect of empowerment, and a space for women's participation in the economic and social fields.

**3- Banks adopting a database that is classified according to gender**, because without data, banks cannot realize what they are doing

Represented by women is of importance in economic activity, and the experiences of some countries, such as Jordan, (Hardo Center, 2018, 7), in using data disaggregated by gender, showed that women represent an excellent segment of clients and that they save large sums of money for their children and family. (Marwan bin Qidah, 2016, 94,)

**4- Providing decent working conditions for women**, as it is necessary to create job opportunities that help them find profitable and productive work in conditions characterized by freedom, safety and human dignity, and it is necessary to transform workplaces into safe places free from any risks, and laws must be improved and implemented in practice.

**5- Increasing the percentage of women's participation in decision-making positions and drawing up economic policies**, which has a significant impact on empowering women at the community level, as the effectiveness of their participation gives them the opportunity to influence the decisions taken in their favour.

(Hanan Atta Shamlawy, 11, 2019)

Based on the foregoing, financial inclusion has become an increasingly important component of international, regional and national development policies aimed at alleviating all forms of poverty everywhere and providing everyone with access to a number of basic services, including financial services, and promoting inclusive and sustainable growth, full employment and decent work opportunities for all. The need to encourage and formalize the growth of small and medium enterprises through access to financial services, and this is recognition by all member countries of the United Nations of the role of financial inclusion.

### **The second topic: Discriminatory gender gaps in Iraq (2012-2021)**

The phenomenon of the gender gap between males and females is one of the dangerous phenomena, and its seriousness is embodied in all directions and levels. It has negative effects on women as part of society and an important element in the development process. Inequality between the sexes is one of the main obstacles to development. The important justifications that explain the regression of any development progress, which lie with the makers of development policies in Iraq and the implementing agencies and agencies.

#### **First: - The financial inclusion gap**

It is known that the level of financial inclusion in Iraq is low, as society prefers cash dealing rather than dealing through banking institutions, and this is partly due to the low confidence in the banking sector left by decades of financial instability, and given the lack of data on the numbers of bank account holders disaggregated by gender; It is possible to monitor the gender gap in terms of funding by calculating the cumulative loans granted to men and comparing them with the cumulative loans granted to women during the past (10) years, as (10965) loans were granted to men and (545) loans to women in all Iraqi governorates. (Ministry of Labor and Social Affairs, 2022)

The financial inclusion gap represented by the financing gap led to a larger gap in the field of female entrepreneurs and their ownership of medium, small and micro projects, as the data shows us a very low presence of female entrepreneurs in Iraq compared to the world, as Iraqi women own only 6.8% of companies, compared to 22.9% in the Middle East. North Africa and 34.7% globally. We also find that 2.3% of companies have women in the position of top manager compared to 4.9% in the Middle East and

North Africa region and 18.6% globally, which indicates the restrictions imposed on women in assuming senior management positions and economic decision-making ( Ahmed Nuri Hassan, 13, 2018 )

Where the indicators of the Central Bank of Iraq for the use of financial services issued by the Ministry of Planning showed a clear decline in the number of beneficiaries of cumulative loans by women in commercial banks or financial institutions, as in Table (2), Iraqi women face greater difficulties than men in financing by 51 percent. And that the lack of women’s entry into the field of work related to the establishment of small projects or self-activities is due to the financing problem, at a rate of 40%, as determined by the survey on the social and health conditions of women in Iraq for the year 2021, as well as the customs and traditions that prevent women from being included financially and economically. (Haneen Muhammad Badr Ajour, 2019, 36)

**Table (2) Number of beneficiaries of cumulative loans by governorates and gender 2012-2021**

provinces	males	males %	females	female%	total
Anbar	59	96.72	2	3.27	61
Babylon	786	94.01	50	5.98	836
Basra	259	98.01	5	1.89	264
Baghdad	1685	87.39	243	12.60	1928
Diyala	616	97.93	13	2.06	629
Diwaniyah	1500	99.46	8	0.53	1508
Dhi Qar	1177	97.97	27	2.24	1204
Salahaddin	398	90.86	40	9.13	438
Karbala	515	98.09	10	1.90	525
Kirkuk	404	95.96	17	4.03	421
almuthanaa	1487	97.97	34	2.23	1521
Maysan	647	93.76	43	6.23	690
Najaf	592	97.52	15	2.47	607
Nineveh	4	100	0	0	4
Wasit	838	95.65	38	4.34	874
the total	10965	97%	545	3%	11510

Source: Ministry of Labor and Social Affairs, Department of Labor and Vocational Training, Data of the Credit Department.

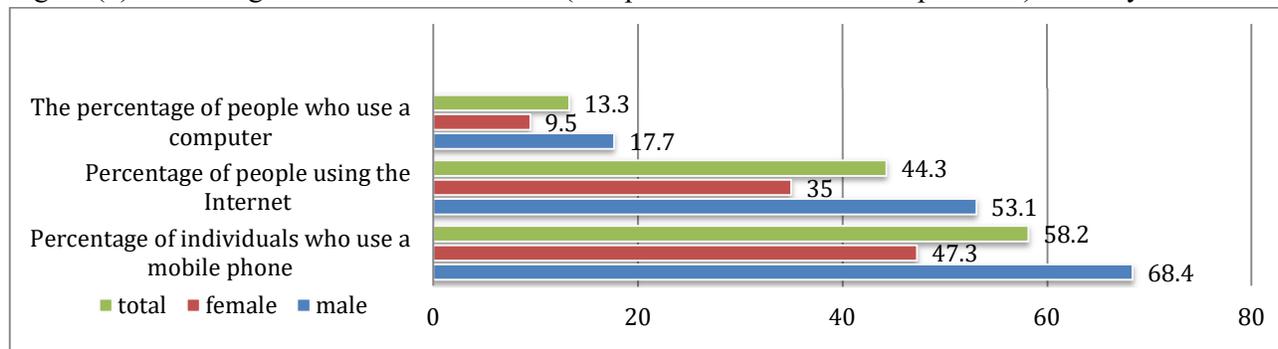
We note from table (2) that the Baghdad governorate ranks first in the number of beneficiaries of loans, as the total number of beneficiaries reached 1928, and the percentage of males was 87.39%, while the percentage of females was 12.60%, followed by Al-Muthanna governorate, as the total number of beneficiaries from loans reached 1521, and we note The percentage of males was 97.76%, while the percentage of females was 2.23%, while the lowest percentage in the number of beneficiaries of loans was the governorate of Nineveh, as the total number of beneficiaries of loans was 4 only, and it was the share of males, while the females amounted to 0%, and the reason for this is attributed to the conditions that befell the governorate Nineveh as a result of the terrorist occupation and the displacement and displacement of most of its population to the neighboring provinces, and thus we note the superiority of the numbers of males obtaining loans compared to females in most of the provinces.

In order to bridge the gender gap in the field of financial inclusion in Iraq, it may require overcoming other challenges represented by gender gaps at various levels (digital gap, educational gap, and labor market gap) that development policy makers could take as a justification for not achieving financial equality and weak economic participation of women. in Iraq .

### Second: The digital divide

Iraq suffers from a weakness in the use of technology, and the gap still persists, whether in terms of use or the difference between the sexes, as women and girls have less access to information and communication technology compared to men and boys, and they have not fully benefited from these modern technologies, knowing that information and communication technology is the tool The main role in bridging the digital divide in a way that helps disadvantaged women increase their participation in the development process, socially and culturally. However, when looking at the reality of women and information technology in Iraq, we note that women constitute the largest percentage of neglected groups in terms of digital and educational illiteracy, access to information, health or financial services, or social and economic empowerment. (Ministry of Planning and Development Cooperation, 2009, 33) and Figure (11) shows the gap in the use of the Internet, mobile phones and computers between males and females for the year 2021.

Figure (1): Percentage of individuals who use (computer - internet - mobile phone %) for the year 2021



The figure was prepared by the researcher based on:

1- Ministry of Planning - Central Statistical Organization, Women and Men Report 2021, Department of Human Development Statistics.

2-UNESCO, Labor Market Assessment and Analysis of Iraq's Skills, Information and Communication, United Nations Educational, Scientific and Cultural Organization, United Nations Compound Office, Baghdad, Iraq, 2019, p. 56.

Figure (1) shows the size of the gap between females and males at the level of mobile phone use, as the rate of use by females amounted to 47.3% of the total users amounting to 58.2%, compared to the rate of use by males amounted to 68.4%. As for the level of Internet use, it has The percentage of females reached 35.0% of the total users of the Internet, amounting to 44.3%, compared to the percentage of males, which amounted to 53.1%. The percentage of females is the lowest at the level of using digital technology compared to males, and the level of the gap varies between them according to the type of use (mobile - computer - Internet). This is an indicator indicating a low percentage of utilization of digital services by women.

**The third topic: the national response to the women's empowerment program in the Levant countries**

### First: The National Plan for the Empowerment of Iraqi Women in Response to the Women's Empowerment Program in the Mashreq (2021-2022)

A team from the World Bank was dispatched to Iraq to provide support to the Iraqi government and the Kurdistan Regional Government of Iraq regarding the economic participation of Iraqi women and the financial inclusion of women as identified in the Action Plan for the Economic Empowerment of Iraqi Women 2021-2022.

The mission discussed the progress made in the program on two axes (the economic empowerment of Iraqi women and the financial inclusion of Iraqi women) within the framework of the pillars specified in the Iraqi Women's Economic Empowerment Action Plan 2021-2022 (Richard Abdel Nour, 2022, 6)

#### The first axis: the pillars of empowering Iraqi women

The World Bank delegation to Iraq presented some paragraphs with the Iraqi side for the purpose of supporting the economic empowerment of Iraqi women, which were embodied through several meetings and eventually reached the preparation of a national plan for the empowerment of Iraqi women (2022):

#### 1- The paragraph of developing women's skills:

The support mission team provided many directives, instructions and proposals on the possibilities of skill development for Iraqi women, focusing on rural women and reviewing indicators of women's empowerment in the agricultural sector. Tools and methods for measuring women's empowerment and gender equality were discussed with representatives of the Iraqi government, and the Iraqi response was to implement what came The supporting mission on the Women's Empowerment Program in the Mashreq through the topic of developing skills is embodied in the following Table (3) and Figure (2):

**Table (3) The National Action Plan for (Developing Women's Skills)**

Pillars of the Mashreq program	master plan activities	Description of activities	desired outputs or outcomes	activity type
Innovation results	Developing a vocational training curriculum that creates economic opportunities for women and small businesses	Designing a capacity building program to train specialists in the field of agriculture or industry to provide trainers in government agencies and non-governmental organizations with the necessary skills with targeting liberated areas	The content of a training program designed to build capabilities and skills, aimed at developing capabilities of trainers in the liberated areas.	Expand the activity
Data knowledge	Determine the Targeted women activities	A study on the nature of women's activities and ways to develop them within the agricultural or industrial side	A study on the nature of women's activities in areas of the governorate of Diwaniyah and Saladin, including either the agricultural or industrial side	new
Innovation results	Training program for women and implementation	Capacity building for women with small or medium projects and providing them with	Training courses to build skills in managing small and medium	new

	of a pilot program	supportive equipment to continue or start agricultural industrial income-generating businesses in the governorate of Diwaniyah in the south and Salah al-Din in the center (including Erbil if additional financing is available)	enterprises in the governorates of Diwaniyah and Salah al-Din (3 courses graduating 15 women each governorate studying and analyzing their response to the courses as an experimental step)
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The table was prepared by the researcher, based on the General Secretariat of the Iraqi Council of Ministers, Women’s Empowerment Department, personal interviews, 2022.

As for the main partners (at the level of leadership and implementers), they were assigned according to what is shown in the structure embodied in the following figure (2), to implement the plan shown in Table (3):

Figure (2) The executive bodies of the national action plan for the issue of skills development

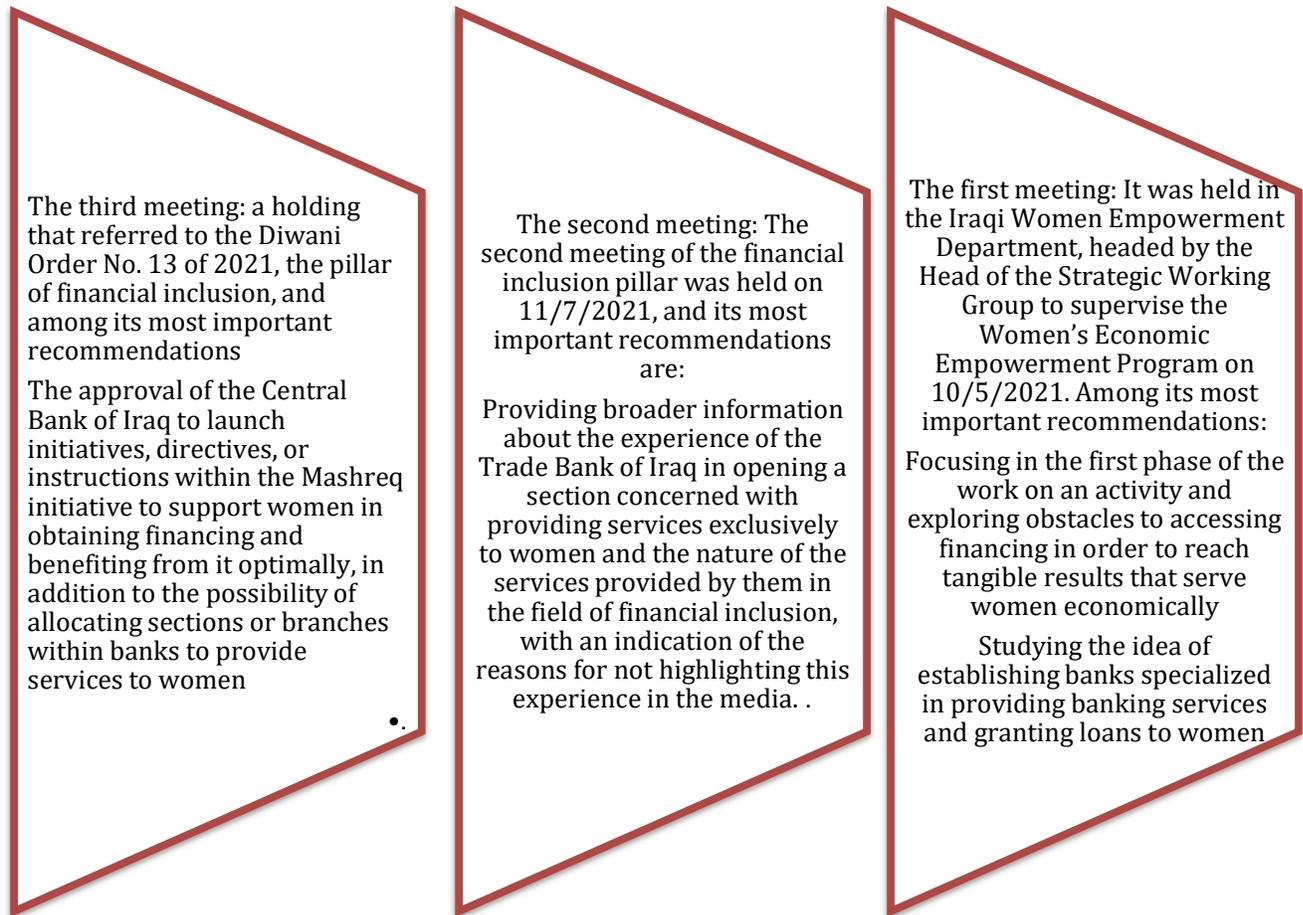


The table was prepared by the researcher, based on the General Secretariat of the Iraqi Council of Ministers, Women’s Empowerment Department, personal interviews, 2022.

**Second: the axis of financial inclusion of Iraqi women**

This axis included three meetings that were concerned with the issue of financial inclusion and the extent of comprehensive financial coverage achieved for Iraqi women. It resulted in important recommendations from all levels. Some of them were taken into account when preparing the National Plan for the year (2022). We will show the most prominent outputs of the three meetings as shown in Figure (3) below (Central Bank of Iraq, 2022):

**Figure (3) the most important outputs of the meetings held related to the axis of financial inclusion of Iraqi women**



The table was prepared by the researcher, based on the General Secretariat of the Iraqi Council of Ministers, Women's Empowerment Department, personal interviews, 2022.

One of the most prominent actions that came in response to the three meetings held at the beginning of the year (2022) is that the (General Secretariat of the Council of Ministers) instructed the preparation of a national plan responsive to the program for the empowerment of women in the Levant, and the national plan was prepared and the distribution of tasks was carried out according to what is shown in the table (4) and the following figure (4): (Technical note of the mission 2022,5,)

**Table (4) Subject of the National Action Plan / Financial Inclusion of Women**

Pillars of Mashreq plan	master activities	Description of activities	Outputs –desired result	Activity type
Data knowledge	Exploring barriers to women's access to finance	Searching for the factors that hinder women from obtaining necessary financing for them whether they are (institutional)	Logical conclusions about the obstacles to accessing finance, by targeting a segment of women and banks	continuous

		factors, social factors, administrative factors)		
Innovation for results	Training women on how to financing	Trainings on raising financial knowledge, targeting female entrepreneurs, and building capacities to respond to crises	Six capacity-building sessions targeting women entrepreneurs and business owners, including crisis response mechanisms	new
Innovation for results	Preparing training programs and technical support to attract a larger number of women improve women's financial inclusion	Providing technical support to design financial products and services for women without conditions, conducting discussions on developing agency financial strategy, developing promotional materials to improve women's financial inclusion, and promoting success stories	A round table with representatives of banks to present the results of the study, a direct training program for representatives of banks and financial institutions to market banking products to women and how to provide services to customers focusing on women	new

**The table was prepared by the researcher, based on the General Secretariat of the Iraqi Council of Ministers, Women's Empowerment Department, personal interviews, 2022.**

As for the main partners (at the level of leadership and implementers), they were assigned according to what is shown in the structure embodied in the following figure (4), to implement the plan shown in Table (4):

**Figure (4) Executive bodies of the national action plan on the issue of financial inclusion for women**



- Partners:
- The National Investment Authority affiliated to the General Secretariat of the Council of Ministers
- The Ministry of Planning and the Central Statistical Organization associated with it
- The Ministry of Labour and Social Affairs
- Iraqi Banks Association
- Civil society
- Academics, international experts
- private sector
- Local administrations in all governorates

**The table was prepared by the researcher, based on the General Secretariat of the Iraqi Council of Ministers, Women's Empowerment Department, personal interviews, 2022.**

It is clear from Figure (4) related to the meetings held on the financial inclusion of Iraqi women, and Table (4) that the plan does not include the idea of establishing banks specialized in financial services provided to women, or at least conducting pilot programs to work with this idea, although this idea was discussed in the first meeting mentioned in the second Figure (3), but in general, the serious desire to advance the mechanisms of financial and economic empowerment of Iraqi women is embodied in the contents of this plan, which was prepared in its last form in the last quarter of 2022, and it is expected that the implementation of its contents will start at the beginning of the year (2023)

**The fourth topic: - The proposed path to control the financial inclusion of women, which enhances the participatory role in the Iraqi economy**

There is a series of some measures that can be represented by financial, planning and follow-up reforms that can work to expand the scope of financial inclusion for women in Iraq. Here are some of these measures that can work to enhance and control financial inclusion that guarantees equal inclusion of men and women that leads to economic participation in all sectors of the Iraqi economy.

### **1- Establishing existing banks to serve women**

The psychological composition of Iraqi women and the prevailing customs limit their freedom in dealing with bank employees, especially since most of them are men. Therefore, we see that most banks lack the presence of the female component (depositors - borrowers - entrepreneurs), especially in the provinces outside the capital, which hinders The financial movement, or it may work to stop it relatively on the one hand, and on the other hand, it works to deprive a large group of women in society from accessing financial services.

The establishment of a single bank in each of the governorates of Iraq, managed by a female cadre and working to provide its services directly and specifically to women, works to overcome many obstacles to the financial movement in its general form.

The establishment of this type of bank appeared in Iraq in 2009 in the Najaf Governorate, and it is a step that is considered the first in Iraq.

Whereas, on October 2009, the Private Bank of Babel opened a branch for it in Najaf Governorate, with the approval and support of the Central Bank of Iraq, as a specialized bank to serve the women of the governorate and meet the needs of Businesswomen in the city by practicing all banking activities such as investing, depositing and lending, in addition to opening savings accounts for clients who wish in the national currency, the dinar and the foreign currency, the dollar. The bank was opened with a dedicated capital of (50) billion Iraqi dinars, equivalent to (43.4) million US dollars. Among the most prominent advantages that resulted from opening this type of bank were the following:

- 1- Since the first day of the bank's opening, it has witnessed an unexpected turnout of women, to record the opening of (60) accounts for a Najafian woman.
- 2- Allowing the opening of accounts for girls under the age of (18) years, which allowed many mothers to open accounts for their children.
- 3- The ease of the language of understanding between the bank's female employees and the reviews, which made it possible to provide financial information in its best and fastest form
- 4- Smooth dealings between female employees and their subordinates within the bank, which allowed the female bosses at the bank to freely direct the female employees regarding work in a better and less restrictive way than if the female boss directs the men to work, due to the relatively masculine nature that prevails in our society (Pratha News Agency, 2020) .

After conducting field research on this type of bank, it was found that it was closed for undisclosed reasons. Therefore, and through the results of this type of bank, which show the extent of the positive effects that it can provide towards the goal of financial inclusion for women, the establishment of one bank for each governorate without Doubt will contribute to providing a greater number of women with the necessary financing for them, which leads to stimulating economic participation.

## **2- Adopting the approach of specialized loans for women**

One of the most common reasons for not achieving the goals set for the national authorities when granting soft loans is the confusion of decisions among the beneficiaries of the loans in the post-grant stage. loan; Therefore, the adoption of an approach based on the division of loans in terms of specialization with the periodic follow-up of women benefiting from the loan, would work on the possibility of classifying and evaluating these loans, which contributes directly to achieving the goals for which loans are granted, especially in the aim of stimulating the economic participation of women.

It is worth noting that there is a move by the Central Bank that takes the same steps as the proposed goal and in the form of an initiative that is currently under study under the name of (being productive) with a financial ceiling of (1) trillion dinars. The year 2023, which is a step that will inevitably carry many good outputs, and it is expected that initiatives will be followed by other sectors. (Central Bank of Iraq, 2022)

## **3- Amending the controls of household field surveys**

Since there is a decrease in the effectiveness of programs and plans targeted for marginalized women to achieve their goals represented in the possibility of reaching women most in need of financial resources, there is a need for double planning measures that work to increase the effectiveness of plans and programs prepared by those who set development goals in Iraq, especially since there are teams and detachments that conduct surveys Almost continuously, as it is possible to add paragraphs to the controls of these

surveys when visiting the same household in general and households headed by women in particular, as follows:

- 1- Interviewing all family members and tabulating males and females separately.
- 2- Evaluating the seriousness of the trends towards economic projects for women who head their families and who wish to carry out economic activities
- 3- Knowing and correcting the economic sector that suits the targeted woman.
- 4- Evaluating the financial needs of the project in question.

The aforementioned points are written down in a separate questionnaire paper and presented to the competent committees in this regard, which leads to a more accurate and realistic database, and thus it will be possible to monitor activities and initiatives that target women's financial inclusion, enhance economic participation, and indicate the extents of response

## **Conclusions and recommendations**

### **First : Conclusions**

- 1- Through the research hypothesis, we conclude that Iraqi women, until the present time, suffer from low sources of financing and the financial climate necessary to start establishing their economic projects. It is a major justification for the weak balanced economic participation and thus the faltering in achieving the goals of sustainable development, which translates the proof of the research hypothesis.
- 2- The sharp decline in loans granted to women compared to men in Iraq at the level of cumulative loans from (2012) to (2021), as the cumulative loans granted to men reached (96.08%), while loans granted to women amounted to (3.92%) in all governorates Iraq.
- 3- In terms of the digital divide between the two sexes in Iraq, the total percentage of users (computers, mobile phones, and the Internet) amounted to (40%), and the percentage of men using these services is (46.4%), while the percentage of women is (30%). This is an indication of a low percentage of women benefiting from financial resources and advice provided through digital technology.
- 4- In Iraq, there are clear and serious efforts in support of the financial inclusion policy aimed at removing marginalized women and putting them in a better position. This is evident from many local plans and programs that came in the form of a response to global policies related to the subject of the research; But it was limited to being partial plans and procedures in the short term, and therefore, in terms of the general concept of the (plan), no plan can be adopted in the long term.

### **Second: Recommendations**

Based on the conclusions reached, we recommend the following:

- 1- In order to be able to accurately measure progress on levels of women's financial inclusion; It is necessary to expedite the launch of a "national strategy" concerned with financial inclusion that supports women's financial needs, through which it is possible to monitor the effects and obstacles in order to identify strengths and weaknesses in the long term for related issues, and not to be satisfied with partial local plans and programs.
- 2- In order to ensure that financial inclusion is one of the levers of women's economic activity in Iraq; At least one bank must be established in each of the governorates of Iraq, managed by a female cadre and working to provide its services directly and specifically to the category of women, which

contributes to overcoming many obstacles to the financial movement in its general form, and the inclusion of women in financial requirements in particular, and thus raising The low percentage of loans granted to women is clear and more accurate.

3- Developing national strategies for digital financial inclusion that will be implemented through stages, taking into account the specificities of each country and its financial capabilities, its basic needs and the size of the gender gaps, by focusing on the objectives and adequate mechanisms for each country, identifying the actors relied upon to implement these strategies, and then evaluating the paths of progress made in this field. Digital financial inclusion.

4- The government should adopt plans and initiatives that contribute to the development of banking institutions by setting a banking policy that simplifies the process of granting specialized loans to women and encouraging the establishment of projects that guarantee the borrower's guarantee, and that the government bear a percentage of the interest rate imposed on loans or grant privileges and exemptions that enable it to reduce the impact of the interest rate.

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