



## IRAQ NATIONAL MICROFINANCE SUMMIT Erbil, November 13-16, 2006

### Session 6

#### Concurrent Sessions: “Regional Initiatives”

Facilitated discussions leading to outline of issues and suggestions.

#### Group C: Central and Central-South

Participants in the working group represented the MFIs operating in the southern governorates and donor organizations interested in further development of microfinance services in the region.

More than 50% of the credit portfolio of USAID Grantees is concentrated in the central and central southern provinces: Baghdad, Karbala, Hilla, Thi-Qar, Najaf, Quadissiyah. Three IZDIHAR grantees are operating in the region. The total value of their loan portfolio in the governorates has reached about 10,000 loans totaling more than \$10,000,000.

1. Central governorates have been facing:
  - Poverty
  - Unemployment
  - Economic failure
  - Shattered infrastructure
  - Illiteracy
2. How microfinance can help economic growth in central and south central Iraq:
  - Support entrepreneurs in strengthening their businesses and stabilizing their incomes.
  - Provide long term access to credit.
  - Contribute to economic growth in central and south central Iraq.
  - Create job opportunities.
  - Encourage and promote women-owned businesses.
3. Challenges in achieving microfinance goals:
  - Security situation in Iraq
  - Understanding of microfinance program and interest strategy according to Islamic religious beliefs
  - Bank systems are untrustworthy which could ease and facilitate the microfinance program.
  - Communications and transportation are banned in some places due to the security situation.

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