

“Financial Inclusiveness Report”, report prepared for UN ESCWA, Jan 2026

“[Financial Inclusiveness Report](#)”, prepared with contributions from Nasser Saidi & Aathira Prasad, is available on UN ESCWA (United Nations Economic and Social Commission for Western Asia)’s [website](#).

The Financial Inclusiveness Index 2025 provides an integrated, data-driven assessment of financial inclusion across 139 countries by measuring three linked pillars: access, usage and barriers, through both traditional and digital channels. Built on transparent selection and treatment rules, the Financial Inclusiveness Index enables consistent cross-country benchmarking and highlights where financial ecosystems are succeeding in expanding infrastructure but failing to translate this into meaningful participation.

Within the Arab region, progress in access and digital infrastructure is increasingly visible, while usage continues to lag. This is the case even in high-income countries, suggesting that constraints are related to adoption incentives, literacy, trust and regulatory/cybersecurity readiness. Comparison with 2023 shows infrastructure gains alongside a deterioration in ease of access, and a rise in traditional barriers driven by growing distrust in some contexts. The report translates these findings into actionable priorities, emphasizing payment digitization, simplified onboarding, targeted capability-building, and enabling frameworks for financial technology and mobile money to accelerate inclusive and resilient financial participation.

A central finding for this report is the underperformance of

the Arab region in financial inclusion. Average account ownership is about 49 per cent, far below the global average of 79 per cent. The gender gap is among the widest in the world, at around 15 percentage points for account ownership and similarly large across several usage indicators. Despite high mobile phone penetration, adoption of digital payments and mobile money remains limited. The most frequently cited obstacle by unbanked adults is “insufficient funds” (71.9 per cent), alongside high costs, documentation requirements, limited trust and uneven digital readiness. While barriers declined in many regions between 2023 and 2025, the Arab region saw a moderate increase.

Within the Arab region, the analysis in this report focuses on 16 ESCWA member States, ranging from high-income Gulf Cooperation Council (GCC) economies to conflict-affected middle-income countries, but no low-income economies. GCC countries perform strongly, with Bahrain leading the Arab region and ranking 31st globally, followed by the United Arab Emirates and Kuwait. Middle-income countries show gradual progress but remain constrained by cost and capability gaps, while conflict-affected countries face systemic obstacles across all pillars.

“Digital remittances will unlock financial inclusion in the Middle East”, Oped in The

National, 21 Jan 2026

The article titled “Digital remittances will unlock financial inclusion in the Middle East” appeared in the print edition of The National on 21st January 2026 and is posted below.

Digital remittances will unlock financial inclusion in the Middle East

Nasser Saidi

Financial inclusion remains a challenge for Arab countries in the Middle East. Only 50 per cent of adults in the region have a financial account, the lowest global score in financial account ownership, the World Bank says.

There are also wide gaps between the Gulf and the rest of the region, while women are disproportionately less likely than men to have accounts.

The gender gap in account ownership is most severe in the region, at 15 percentage points, more than double the average of other upper-middle-income countries.

Financial exclusion forces people into the informal cash economy, limiting their ability to save, invest and protect themselves from economic shocks. By contrast, globally, 78.7 per cent of people aged over 15 have an account with a bank, financial institution, or mobile money provider, up from 50.6 per cent in 2011.

Of the 1.3 billion adults that remained unbanked globally in 2024, the majority are located in the Arab region, Asia and Africa.

But digital technology is transforming the financial

landscape. The *Global Findex Digital Connectivity Tracker* finds that 84 per cent of adults in developing economies own a mobile phone (in the Middle East and North Africa, it is a higher 89.3 per cent). Mobile phones and internet connectivity allow more people to access and use digital financial services. Mobile money accounts are gaining popularity as an alternative means of accessing financial services, with 2.1 billion registered mobile money accounts globally in 2024, according to the GSMA.

The Middle East is a global hub for migration, characterised by a unique demographic flow.

The Gulf Co-operation Council-South Asia (India, Pakistan, Bangladesh and Nepal) labour flow corridor is the single largest labour migration corridor into the Mena region.

Beyond South Asia, many migrants come from labour exporting Arab states such as Egypt, Jordan, Lebanon and Syria.

Remittance outflows from the Gulf clocked in at \$131.5 billion in 2024, with \$77 billion from Saudi Arabia and the UAE alone. For recipient countries such as Egypt, Jordan, Lebanon, India and Pakistan, these flows are not merely supplementary income; they are vital economic stabilisers that often outstrip foreign direct investment and official development assistance.

In Lebanon, remittances have become a critical lifeline amid economic collapse, representing 27.5 per cent of gross domestic product and more than 80 per cent of total external resource flows in 2023.

Money to send money

The traditional channels for remittances are costly and slow. High fees erode the value: when a migrant worker pays 7 per cent or more to send money home, it acts like a tax on development, with the reliance on cash agents an additional

source of uncertainty and security risks.

The digital space offers a transformative opportunity. Digital remittances are not just about cost, efficiency and convenience; they are a gateway to broader financial inclusion.

The Mena region is already embracing this: in 2024, only 9.1 per cent of respondents to the Global Findex survey used a bank account for sending or receiving domestic remittances, compared to 26.3 per cent by all means including money transfers.

Empirical evidence finds a positive correlation between remittances and formal deposits/ credits, and using accounts for such transfers leads to remitters sending on average 30 per cent more than via informal channels.

By bypassing physical networks and leveraging mobile technology, the cost of sending money can drop to below the UN Sustainable Development Goals target of 3 per cent.

Digital transfers are near-instantaneous and secure, while also reducing the risks associated with carrying cash. Importantly, using digital channels creates a financial footprint.

For a migrant worker or displaced person who has never had a bank account, a digital remittance history can be the first step towards accessing credit, insurance and savings products. The success stories of M-Pesa in Kenya and Jazz Cash in Pakistan highlight mobile money services that have revolutionised financial inclusion by leveraging high mobile phone penetration – sporadic internet access is not a limiting factor in such cases. Both digital platforms have since expanded beyond simple transfers to offer loans, savings, insurance and merchant payments.

These models can be easily introduced in the Mena region,

especially given the migration and expatriate labour patterns.

Users in Morocco are embracing digital payments, with various international money transfer operators present in the country (eg, Wise, Remitly, Xoom etc), and government and the central bank are working to streamline regulations for such operators.

In Jordan, “Digi#ances” (a CBJ-GIZ implemented project) aims to increase the use of digital financial services, including cross-border remittances via e-wallets, among unbanked Jordanians and refugees, with a specific focus on women.

Cross-border interoperability between payment systems is important, with the Arab Regional Payment System (Buna) aiming to streamline clearing and settlement across Arab currencies.

Blockchain technology holds the promise of offering transparent and immutable ledgers for cross-border transactions.

The use of central bank digital currency (CBDCs) also offers a transformational solution for financial inclusion. A retail CBDC can be stored in a digital wallet on a basic mobile phone (even without access to the internet), allowing unbanked populations in rural areas to receive funds directly and safely.

Superapps are imminent, with remittances just one feature within a broader set of lifestyle and financial services, embedding financial inclusion into users’ daily digital experience.

Nasser Saidi is the president of Nasser Saidi and Associates. He was formerly Lebanon’s economy minister and a vice-governor of the Central Bank of Lebanon.

“Digitalization, Growth, and Diversification in the Gulf”, AGSIW webinar, 11 Mar 2025

Dr. Nasser Saidi participated in the presentation and discussion hosted by the Arab Gulf States Institute in Washington (AGSIW) ahead of the publication of an IMF report on Digitalisation in the GCC – held as a webinar on March 11th, 2025.

The Gulf Cooperation Council member countries have actively embraced digital transformation, making notable progress in the extensive development of digital infrastructure, the maturity of government digitalization, and a dynamic ecosystem for financial technology activities.

In a forthcoming paper, the International Monetary Fund highlights the positive relationship between progress in digitalization and more favorable macroeconomic and financial outcomes, including economic growth, government effectiveness, financial inclusion, and private sector resilience to shock.

New analysis by the Mohammed bin Rashid School of Government (along with Nasser Saidi & Associates and Developing Trade Consultants) also emphasizes the important and growing role of digitalization in supporting growth and economic diversification.

Within the context of these two papers, what additional efforts can be made toward improving digital skills, industry, and innovation? What are the challenges raised by the broad adoption of digital technologies and artificial intelligence, especially relating to cybersecurity and the potential effect

on the labor market? Could comprehensive strategies help further accelerate the GCC countries' already impressive progress on digitalization and support their broader economic transformation agendas?

Watch the discussion below: