Good morning and welcome back!

## Today’s agenda

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<th>29 September 2016</th>
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<td><strong>AM</strong></td>
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<tr>
<td><strong>08:30 Session 5:</strong> Business case framework review</td>
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<td><strong>09:00 Session 6:</strong> Products and delivery channels</td>
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<td><strong>10:30</strong> Tea/Coffee break</td>
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<td><strong>11:00 Session 7:</strong> Operations, risk management, and profitability drivers</td>
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<td><strong>Lunch</strong></td>
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<td><strong>13.00 – 14.00 LUNCH</strong></td>
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<td><strong>PM</strong></td>
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<td><strong>14:00 Session 8:</strong> Group presentations on case study Overview of UNHCR’s Credit Guarantee Facility</td>
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<td><strong>15:15</strong> Tea/Coffee break</td>
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<td><strong>15:45 Session 8:</strong> Wrap-up, Evaluation, and Q &amp; A Panel</td>
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<td><strong>17:00 Closure</strong></td>
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Session 5: Business Case Framework
- A Quick Review
Wake up exercise

1. Pick 5 slips per group from the box
2. Put the slips in sequence on the wall

Time: 10 minutes
# Review: The preparatory process

## 1. Conduct a scoping study
- Compile market data
- Explore competition
- Contact the regulator
- Review institutional capacity

## 2. Generate the strategy
- Identify a ‘champion’
- Get Board approval

## 3. Make contact
- Conduct market research

## 4. Segment potential clients
- Identify who can be best served
- Match products to client needs

## 5. Adjust eligibility and appraisal criteria
- Review manuals and forms
- Train staff in revised procedures

## 6. Conduct a pilot test
- Design the pilot protocol
- Define success indicators
- Document results and lessons learned
Feedback on the FSP Guidelines

- In EU, a payment account is a RIGHT for legal refugees even if they don’t have permanent address
- Elaborate on how to work with new arrivals/‘transit’ refugees
- Consider broadening to other non-nat. populations (climate refugees, economic migrants)
- Clarify that business case framework includes all products and services (also NFS)
Feedback on Section 2

- Step 1: Add more on enablers in market levers
- Step 2: Warn against negative publicity by unconvinced diaspora/migrant community groups
- Step 3: Add political/patronage systems research, research on MF sectors in countries of origin, and look for savings groups/ROSCAs
- Step 4: Advise to segment also for NFS by capacity, and by background and preference, including for Shariya-compliant FS
- Step 6: Recommend pilot testing of ‘high risk issues’
Additional feedback or comments?

- So far, did we capture your feedback?
- What has been overlooked?
- What else is of importance?
- What is your experience?
Scoping/feasibility phase

Market research, planning, pilot phase

Refugee population (potential market)

Competition

Legality, policies and regulations

Rationale, Capacity and Infrastructure

Time horizon for profitability

Opportunity costs

Refugee client segment

Cost and Revenue Drivers: 1. Scoping and Marketing
2. Product Mix and Design
3. Delivery Channels & Operations
4. Risk Management

Profitability drivers

Institutional levers

Segment-specific levers

Market-level levers
Today: Cost and Revenue drivers

- Products and delivery channels
- Operations
- Risk management
- Profitability and funding
- Pulling it all together with a case study