

Business

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Saudi CB grants Zain fintech subsidiary 'Tamam' first consumer micro-financing license in region

RIYADH/KUWAIT: Zain Group, a leading mobile telecom innovator in seven markets across the Middle East and North Africa announces that Tamam Financing Company (Tamam), the financial technology (fintech) subsidiary of its operation in Saudi Arabia has been officially licensed by the Saudi Central Bank (SAMA) to provide micro-financing services to consumers across the Kingdom.

This makes Tamam the first entity in the Kingdom and the region to be licensed by a regulator to offer consumer micro-loans via a fully digital customer experience, through a mobile app.

The licensing follows the completion of an eighteen-months testing period within SAMA's Regulatory Sandbox. The rigorous process saw the app and the service vetted for functionality, security, and compatibility with customer user profiles in Saudi Arabia, in line with the Sandbox's guidelines. The platform displayed high product viability and strong demand throughout testing and obtained PCI-DSS accreditation which protects the security of the digital infrastructure and data.

Established in 2019, Tamam aims to increase financial inclusion in the Kingdom in line with the Financial Sector Development Plan, which forms part of Saudi Arabia's Vision 2030. The platform provides individuals requiring financing the opportunity to immediately avail a Sharia-compliant consumer micro-finance. The end-to-end Sharia approved process takes less than 5 minutes from downloading the app to receiving the financing amount based on the user credit profile.

Commenting on the licensing of Tamam, Bader Al-Kharafi, Zain Vice-Chairman and Group CEO, Zain KSA Vice-Chairman and Tamam Chairman said, "We are extremely proud of the teams at Zain Group, Zain KSA and Tamam in the successful delivery of this innovative Sharia-compliant service that provides consumer micro-finance in less than five minutes through a mobile app. Innovation is key to our ongoing developments and investing in viable digital services such as the fintech sector is a strate-



Bader Al-Kharafi

gy we have launched a few years ago with Zain Cash and continue to implement across our markets as a critical component to our sustained evolution and success."

Al-Kharafi continued, "Zain KSA's evolution to becoming a digital lifestyle provider requires us to take bold moves in new digital areas, and we are

pleased at how the Saudi Central Bank and the Kingdom's wider community are extremely receptive to such developments. We believe the thorough testing achieved during the eighteen months of trials has made our platform the most robust of its kind, and we look forward to increasing the number of consumers benefiting from micro-financing services."

- **Bader Al-Kharafi:** Tamam is a Sharia-compliant platform offering consumer micro-finance in less than 5 minutes via a seamless digital customer experience through a mobile app
- Innovation is key, and investing in viable digital services such as the fintech sector is critical to Zain's sustained evolution and success



Fintech services remain largely under-penetrated in the Middle East, so the establishment of the first consumer micro-financing platform in Saudi Arabia represents a fantastic opportunity for growth.

Sultan Al-Deghathier, Zain KSA CEO and Tamam Vice-Chairman & MD, commented, "The license granted to us by the Saudi Central Bank is a quantum leap for Tamam and strengthens its position as a leading provider of financial technology solutions locally as well as regionally. Innovation and investment in digital services, such as fintech, is at the heart of Zain KSA's vision to be the leading provider of digital services in the Kingdom. The company's ambition requires us taking advantage of new areas of digital growth, playing our key contributory role in the Kingdom's 2030 Vision."

Al-Deghathier thanked, "His Excellency Dr Ahmad bin Abdulkareem Al-Kholifey, Governor of the Saudi Central Bank, and the relevant divisions of the establishment, for their proactive efforts to promote innovation in the fintech sector in the Kingdom. I also thank and recognize the efforts of the fintech team at Zain Group, which assisted in realizing this opportunity and scaling it to its current level."

Zain Group's activities in fintech commenced with the award-winning Zain Cash mobile money platform that has facilitated the disbursement of monetary support through eye scans to vulnerable individuals by the UNHCR, and it continues to expand, impacting people's lives for the better in Iraq and Jordan. Tamam mobile app is available on Google Play Store and Apple App Store or visit <https://tamam.life/>

New Year, New rules: UK begins post-Brexit future

LONDON: Britain on Friday began a new year and life outside the European Union's single market, with the first trucks crossing the Channel by ferry and rail largely reporting few difficulties despite new customs rules. Brexit, an all-consuming issue in Britain since it voted in 2016 to quit the bloc, became reality an hour before midnight after nearly five decades of integration with Europe.

Prime Minister Boris Johnson was bullishly optimistic, writing in the Daily Telegraph that Brexit presented "opportunities unknown to modern memory", even as the country battles a new wave of coronavirus infections. Johnson also tweeted his ambitions for a "Global Britain", as the country took over the presidency of the G7 nations on Friday and prepares to host the COP 26 climate summit in November.

"I look forward to welcoming our friends and allies as we beat COVID and build back better from the pandemic," he wrote. In practical terms, free movement of over 500 million people between Britain and the 27 EU states ended with the New Year.

More rigorous customs checks returned for the first time in decades, despite the hard-fought brokering of a deal with the EU allowing for tariff- and



Cars travel through a contraflow system on the westbound A55 in Anglesey in north Wales on January 02, 2021. The carriageway is closed to traffic to create queuing areas for vehicles travelling into Holyhead port and on to Dublin in Ireland. —AFP

quota-free trade.

Passengers stepping off the Eurostar train from London at the Gare du Nord found new customs checks awaiting them. Ferry group Stena Line said six freight loads bound for EU-member Ireland were turned away at the port of Holyhead in Wales for not having the correct paperwork. But the approach to Dover in southeast England, where ferries to and from northern France dock, was quiet.

'Our destiny'

"Everything was normal," said Romanian Alexandru Mareci, who was among the first truck drivers to enter Britain after the rule changes. "Of course, how many people do you know who work

on the first day of the New Year? We don't know how it will be in the future."

Scores of heavy goods vehicles also passed through the Channel Tunnel connecting Britain and France by rail "without any problem" early Friday, its operator said. However, the British government, which is implementing a phased introduction of checks, expects next week to be the true test, once the quiet holiday period is over. New Year's Day newspapers reflected the historic but still deeply divisive change, which will have repercussions for generations to come. The front-page photograph on the pro-Brexit Daily Express showed the White Cliffs of Dover—an enduring symbol of Britishness—with "Freedom" written on a Union flag. —AFP

OPEC+ meeting to decide production levels

LONDON: Members of the OPEC group of oil producers and their partners will meet via videoconference today to decide on production levels for February, hoping to turn the corner on a difficult year. The OPEC+ ministerial meeting comes after oil consumption tanked in 2020 due to the COVID-19 pandemic and a price war between Saudi Arabia and Russia.

Despite a pickup in prices towards the end of last year, the market levels for black gold remain uncertain. After their last summit, from November 30-December 3, the OPEC+ members agreed to increase production by half a million barrels per day in January. Also at that meeting the 13 members of the OPEC cartel, led by Saudi Arabia, and their six allies, led by Russia, agreed to meet at the beginning of each month in order to decide on any adjustments to production volumes for the following month.

Russia and Saudi Arabia are respectively the second and third biggest oil producers in the world after the United States. The decision illustrates OPEC's desire to maintain a strong influence on the oil market and the gravity of the situation for crude producers last year.

'Remaining demand uncertainty'

Before the pandemic, OPEC members were content with two summits per year at the organization's headquarters in Vienna. "Finally, we saw a strong demonstration of OPEC+ will and capability to manage the market,

laying the groundwork for Brent's recovery to over \$50 per barrel despite remaining demand uncertainty in the market," JBC Energy analysts said in a statement.

The two contracts of reference, North Sea Brent Crude and West Texas Intermediate (WTI) crude both ended the week around the \$50 per barrel level, far lower than the prices seen at the start of 2020 but well up on the lows seen last year. In March, Moscow and Riyadh embarked on a brief but intense oil price war which led prices to plummet.

On April 20, West Texas Intermediate (WTI) crude collapsed to minus \$40.32 per barrel-meaning producers paid buyers to take the oil off their hands. The climate between the two oil giants has eased since then, with the Russian and Saudi energy ministers meeting in mid-December in a display of unity.

It remains difficult, however, to predict the evolution in demand as governments begin rolling out vaccination programs against the coronavirus. Last month OPEC predicted a slight rebound in the market while noting continued uncertainties, particularly in the transport sector.

Despite the heft of the OPEC+ countries, countries outside the system have a major impact on the oil market; principally the United States which is still producing 11 million barrels of crude per day.

Even within its ranks, OPEC will have to pay attention to developments in the three members which have been granted exemptions from quotas—Libya, Iran and Venezuela. Libya's production had been almost wiped out by civil conflict but has spiked since October after the signing of a ceasefire deal. —AFP

Bitcoin passes \$30,000 for the first time

PARIS: Bitcoin, the leading virtual currency, saw its price pass \$30,000 on Saturday for the first time in just its latest record high. The first decentralized cryptocurrency surpassed \$30,823.30 at 1313 GMT, according to data compiled by the Bloomberg news agency, having broken \$20,000 on December 16. Analyst Timo Emden noted that "the appetite for risk", which is reflected in buying of bitcoin, "remains unshakable".

"More historic highs could follow," the Germany-based analyst added. Just 12 years old, bitcoin has seen a meteoric rise since March, when it stood at \$5,000, spurred by online payments giant PayPal saying it would enable account holders to use cryptocurrency. After PayPal's announcement in October, analysts at investment banking giant JPMorgan Chase



compared the cryptocurrency to gold.

"Bitcoin could compete more intensely with gold as an 'alternative' currency over the coming years given that millennials will become over time a more important component of investors' universe," they said. A number of central banks have meanwhile responded to the rise of cryptocurrencies and the dwindling global use of cash by announcing plans for bank-backed digital units.

Several central banks including those of China and Sweden—but also the US Federal Reserve—are also testing digital applications in response to Facebook's recent moves to produce its own digital unit, Libra. Unregulated by any central bank, bitcoin emerged as an attractive option for investors with an appetite for the exotic—although criminals have also picked up on its under-the-radar appeal. —AFP

