

# The need to increase the availability of financial services: the fight against under-banking

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[/EINPresswire.com/](https://EINPresswire.com/) -- While in the West it is normal to find a bank or even a simple atm or to access home banking services, the situation is very different in the rest of the world. In fact, a large part of the world's population, especially in Africa, the Middle East and Asia, access to traditional financial services is very complex and access to the digital world is reserved for very few people.

A situation that is defined as under banking: whereby access to the most common banking services, such as deposits and withdrawals of money or transfers of funds, is practically impossible. And this phenomenon is even more pronounced among those populations where the level of financial education and use of digital systems is low.

The consequence of this situation is that, for money transfers, the population has to rely on traditional methods, which have ancient roots and are based on word of mouth and compliance with obligations. But without any institutional control.

This happens, for instance, with the Hawala, a traditional method of money transfer in African and Eastern countries. Using this system, the transferred funds physically travel between financial intermediaries until they reach the recipient.

In addition to the difficulties of a slow and uncertain system, the risk is that through these systems, anti-money laundering rules are circumvented by criminal organisations, with the consequence of financing, even significant, illegal and terrorist activities. This risk must be combated with all possible tools, therefore also by exploiting the growth potential of the financial services system.

Just as in the work of the Swiss deposit bank [iSwiss](#), which has long been moving in the direction of combating underbanking with effective and long-term solutions.





Finance must once again play a social role: promoting the spread of financial services, especially in countries where there is a shortage of them"

*Aleo Christopher*

As iSwiss CEO Christopher Aleo put it, "Finance must once again play a social role: promoting the spread of financial services, especially in countries where there is a shortage of them."

"The problem of under-banking is complex," continues Christopher Aleo, "and therefore requires elaborate solutions, which also take into account the geographical and cultural particularities of the areas in which one is

going to operate."

To overcome, for example, the difficulties of clearly identifying individuals, who often in countries in the African zone do not have personal documents, new biometric technologies can be exploited, with which a unique code can be associated. And to meet the needs of populations living in villages far away from major centres, mobile ATMs may be the solution.

Such as the iSwiss ATM Truck, a project that aims to create ATM-equipped vans that can move between small villages to allow residents to make simple deposits and withdraw money.

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