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The Role of Financial Technology in Promoting Digital Finances in Algeria (2016-2024)

Abstract. The financial technologies are changing the approach to service delivery in the banking sector. These technologies reduce costs, increase speed, security, and transparency, and enable safer financial services. They also pave the way for financial inclusion by expanding and generalizing financial services, making them accessible to a larger segment of society, particularly those who do not use the traditional financial and banking system. This study aimed to clarify the extent of financial technology's contribution to achieving digital financial inclusion in Algeria through electronic payment methods during the period from 2016 to the first quarter of 2024. To address and analyze the problem, researchers adopted a descriptive-analytical approach to cover various aspects of the topic and to tackle the issue by dividing this study into three main sections: Concepts of financial technology; Concepts of digital financial inclusion; Strategies for enhancing digital financial inclusion in Algeria through financial technologies in the field of electronic payments. The results of the study showed that there is an effective contribution of financial technology indicators in the field of retail electronic payments in Algeria in enhancing levels of digital financial inclusion, reflected in the improvement of: online payment activities, the number of active bank ATMs, payment activity and the number of operating electronic payment terminals (EPT), mobile phone payment transactions, mobile money transfers, and the number of circulating cards, including the "Gold" card and interbank cards (CIB). Along with this, current challenges for further developing digital financial inclusion include: the slow pace of adopting modern technologies in the field of electronic payments; a lack of trust in new payment methods among some users; the absence of insurance for banks in the event of fraud through electronic payments.

Keywords: financial technology, digital financial inclusion, electronic payments, online banking, Algeria.

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Роль фінансових технологій у просуванні цифрових фінансів в Алжирі (2016-2024)

Анотація. Фінансові технології змінюють підхід до надання послуг у банківському секторі. Ці технології зменшують витрати, підвищують швидкість та прозорість, а також забезпечують безпечніші фінансові послуги. Вони також прокладають шлях до фінансової інклюзії, розширюючи та узагальнюючи фінансові послуги, роблячи їх доступними для більшої частини суспільства, особливо для тих, хто не використовує традиційну банківську систему. Це дослідження має на меті з'ясувати ступінь внеску фінансових технологій у досягнення цифрової фінансової інклюзії в Алжирі за допомогою електронних платіжних методів у період з 2016 року до першого кварталу 2024 року. Для вирішення та аналізу проблеми дослідники застосували описово-аналітичний підхід, щоб охопити різні аспекти теми та вирішення проблеми, розділивши це дослідження на три основні розділи: Концепції фінансових технологій; Концепції цифрової фінансової інклюзії; Стратегії посилення цифрової фінансової інклюзії в Алжирі за допомогою фінансових технологій у сфері електронних платежів. Результати дослідження показали, що існує ефективний внесок показників фінансових технологій у сфері роздрібних електронних платежів в Алжирі в підвищення рівня цифрової фінансової інклюзії, що відображено в покращенні: операцій з онлайн-платежами, кількості активних банкоматів, платіжної діяльності та кількості працюючих електронних платіжних терміналів (ЕРТ), платіжних операцій мобільного банкінгу, мобільних грошових переказів, а також кількості обігових карток, у тому числі картки «Gold» та міжбанківських карток (МБК). Разом з цим, поточні виклики для подальшого розвитку цифрової фінансової інклюзії включають: повільні темпи впровадження сучасних технологій у сфері електронних платежів; відсутність довіри до нових методів оплати серед деяких користувачів; відсутність страхування банків на випадок шахрайства через електронні платежі.

Ключові слова: фінансові технології, цифрова фінансова інклюзія, електронні платежі, онлайн-банкінг, Алжир.

1. INTRODUCTION

The rapid development in digital financial technology since the end of the 20th century has brought about numerous social, economic, and cultural transformations. This development is considered one of the main pillars of the future of the financial and banking sector due to its growing role in transforming the structure of traditional financial services through electronic applications and smart solutions offered by financial technologies and electronic payment methods. These technologies reduce costs, increase speed, security, and transparency, and enable safer financial services. They also pave the way for financial inclusion by expanding and generalizing financial services, making them accessible to a larger segment of society, particularly those who do not use the traditional financial and banking system.

As a result, many countries, including Algeria, have rushed to adopt financial technology, including electronic payment methods, and implement financial inclusion strategies to reduce poverty and inequality among different segments of society and achieve economic growth.

Based on the above, the following question arises: to what extent does financial technology contribute to achieving digital financial inclusion in Algeria through electronic payment methods?

This study aims to illuminate the concepts of financial inclusion and digital financial technology, particularly electronic payment technologies, with a focus on the contribution of digital financial technologies to achieving financial inclusion in Algeria. The study's hypothesis is that financial technology contributes to achieving financial inclusion in Algeria by producing easy-to-use and low-cost digital financial products. The importance of this study arises from the position that digital financial technologies, and specifically electronic payment methods, occupy at both local and international levels in cultural, social, and economic spheres, as well as their role in achieving financial inclusion.

To address and analyze the problem, we adopted a descriptive-analytical approach to cover various aspects of the topic and to tackle the issue by dividing this study into three main sections:

– Concepts of Financial Technology;
– Concepts of Digital Financial Inclusion;
– Strategies for Enhancing Digital Financial Inclusion in Algeria through Financial Technologies in the Field of Electronic Payments from 2016 to the First Quarter of 2024.

2. LITERATURE REVIEW

Many studies have tested the relationship between financial technology and digital financial inclusion, including:

The study by Belagh (2022) aimed to examine the impact of using digital financial technology on financial inclusion in twenty Arab countries from 2016 to 2020, using panel data models. This study concluded that using the Internet in financial transactions and using ATMs have a significant positive effect on financial inclusion in Arab countries. In contrast, the use of credit cards does not have a significant effect on financial inclusion in these countries.

The study by Meloudi and Fougha (2022) aimed to test the impact of digital services on financial inclusion in six Arab countries from 2011 to 2019. It used time series and panel data cointegration and estimated the model using fully corrected least squares. Researchers found that digital financial services, represented by online services, mobile services, and credit cards, contribute to increasing the level of financial inclusion in Arab countries.

The study by Abu Al-Iz (2021) aimed to examine the application of digital technology, represented by ATMs, credit cards, electronic debts, and mobile money, on financial inclusion in 15 African countries from 2014 to 2018, using panel data models. The results indicated that using ATMs and mobile money affects financial inclusion. In contrast, the use of electronic debts and credit cards does not have a significant impact on financial inclusion.

The study by Zouaghi et al. (2023) aimed to identify the most important factors influencing customers' intentions and behaviours to accept digital financial services in Algeria to achieve inclusion. Researchers distributed a questionnaire to 400 clients from banks approved by the Bank of Algeria and used structural equation modelling through the AMOS and SPSS programs. The study found that trust, financial cost, favourable conditions, and attitudes are the most significant factors affecting individuals' behavioural intentions to adopt (or continue using) digital financial services.

The study by Saber (2023) aimed to highlight financial technology's role and importance in enhancing financial inclusion in several Arab countries. The study concluded that the level of financial inclusion falls short of the desired size to strengthen the financial economy of these countries due to low per capita income, inadequate financial education levels, and the inefficiency of the financial system in facilitating access to financial services.

3. CONCEPTS OF FINANCIAL TECHNOLOGY

3.1 Definition of Financial Technology

Financial technology refers to financial innovations that can produce new business models, applications, processes, or products that clearly impact financial markets, institutions, and financial services (Riham Ahmed, 2020).

3.2 Importance and Fields of Financial Technology

Financial technology currently holds significant importance in some countries in the Middle East and North Africa due to the benefits it provides to these nations, including (Mazouzi & Al-Moumen, 2023):

– Enhancing financial inclusion, inclusive growth, and diversifying economic activities through innovations that help provide financial services to those who do not engage with the banking system.

– Facilitating access to alternative funding sources for small and medium-sized enterprises.

– Achieving financial stability by using technology to ensure compliance with regulatory rules and manage risks.

– Facilitating foreign trade and remittances for overseas workers by providing efficient and cost-effective mechanisms for cross-border payments.

3.3 Key Factors Contributing to the Shift to Financial Technology

The spread of financial technology can be attributed to the tremendous advancement in technological industries that can be utilized in the financial sector. The factors contributing to the shift to financial technology can be summarized as follows (Saber, 2023):

– The telecommunications and information revolution led to significant changes in the nature of the financial sector's operations.

– The rapid pace of smartphone and internet usage and the vast availability of data and information.

– E-commerce has come to exhibit various characteristics that distinguish it from traditional commerce.

– The increasing presence of many non-banking financial institutions, such as insurance companies and financing companies, competing with banks, resulting in many institutions offering various financial services closely related to banking operations.

– The growing acceptance among customers of technology-enabled financial services due to the positive impact of modern banking processes.

3.4 Electronic Payment Channels

A bank's success depends on selecting distribution channels to provide its banking services appropriately to meet customer needs. The most important channels are represented by Boukhari (2020).

Automatic Teller Machine (ATM)

ATMs are automated banking machines that use a specially designed card to withdraw and deposit funds from bank customers' accounts. They can be deployed in various locations, either wall-mounted or standalone, and are connected to the bank's computer network. Customers

use a plastic or smart card to access services such as cash withdrawals, cash deposits, and account inquiries.

Electronic Point of Sale (EPOS)

EPOS machines are deployed at various types of commercial and service institutions. Customers can use plastic or smart cards to make payments by electronically debiting their accounts by swiping the card through these machines, which are connected to the bank account. Services provided by EPOS include check guarantee, payment, and direct credit through electronic transfer from the buyer's account to the merchant's account.

Home and Office Banking

Modern communication technologies have enabled banks to provide innovative and contemporary services to their clients, including online home banking. This refers to a personal account connected to the bank account from home, work, or any location. Clients can complete the required banking transactions using a password, a secret number, or both.

Phone Banking

Known as the customer service centre, this is an advanced method for delivering banking services to clients 24 hours a day, year-round, without interruptions. Clients can use a personal identification number (PIN) to withdraw funds from their accounts, transfer money to pay bills and invoices, as well as obtain loans and open lines of credit. This is a modern banking service that banks have started to utilize and offer to their customers.

Television Banks

This technology connects satellites between the home television and the banking system. Consequently, users can access their bank accounts or the internet by entering a personal identification number (PIN) for the required transactions.

Mobile Banking

The world is rapidly moving toward the increasing use of mobile phones, necessitating the development of their use for various purposes. Accessing the internet via mobile phones to inquire about account balances has become possible.

4. CONCEPTS OF DIGITAL FINANCIAL INCLUSION

4.1 Definition of Financial Inclusion

Several definitions of *financial inclusion* are issued by various specialized entities (Berni et al., 2019).

According to the G20 and the Alliance for Financial Inclusion (AFI), financial inclusion is defined as "the access of all segments of society, including the less affluent, to financial services and products that meet their needs, provided in a fair, transparent manner and at reasonable costs."

The Organization for Economic Co-operation and Development (OECD) and its International Network on Financial Education (INFE) describe financial inclusion as "the process through which access to a wide range of formally regulated financial services and products is enhanced at reasonable prices and in a timely manner. It aims to expand the usage of these services and products by different segments of society through innovative approaches, including financial awareness and education,

with the goal of promoting financial well-being and social and economic inclusion."

The Council of Governors of Central Banks and Monetary Institutions of Arab Countries define financial inclusion as the availability and use of all financial services by various segments of society, including institutions and individuals, through official channels. This encompasses savings accounts, payment and transfer services, insurance, financing and credit, and the innovation of more suitable financial services at competitive prices. The concept of financial inclusion also includes the protection of the rights of financial service users, encouraging them to manage their funds and savings properly to avoid reliance on unofficial channels and means that are not subject to regulatory oversight, which often charge high prices.

4.2 Principles of Digital Financial Inclusion

In 2020, under the presidency of Saudi Arabia, the G20 issued high-level guiding principles regarding digital financial inclusion policies for youth, women, and small and medium-sized enterprises (SMEs). The eight principles are divided into four main groups as follows (Talha & Al-Faran, 2020):

– Ensure Flexible and Responsible Financial and Digital Infrastructure

Principle One: Support the development of secure and responsible digital infrastructure that is widely accessible, along with an environmentally interoperable payment system, and ensure the competitiveness of financial institutions.

Principle Two: Encourage the availability of digital financial products that meet needs and are reasonably priced while ensuring that these services comply with international requirements for anti-money laundering and counter-terrorism financing, customer due diligence procedures, and digital identity systems.

– Promoting Responsible and Inclusive Policy Making

Principle Three: Improve the availability of data accuracy regarding access to and usage of digital financial products and services.

Principle Four: Support the adoption of policies and initiatives aimed at increasing levels of digital financial inclusion in national strategies.

– Promoting Inclusive Growth through an Enabling Regulatory Framework for Digital Financial Services

Principle Five: Support regulatory and legal reforms that reduce inequalities in access to digital financial services, which result in social and economic disparities.

Principle Six: Consider developing regulations that support digital innovation in both the public and private sectors.

– Promoting Digital and Financial Literacy, Building Capacities, Supporting Users, and Protecting Data against Potential Risks

Principle Seven: Enhance financial, business, and digital literacy and build capacities through interventions to support digital financial inclusion by leveraging the spread of technologies.

Principle Eight: Support financial customer protection measures, including data protection, to meet the needs of youth, women, and small and medium-sized enterprises.

4.3 Multiple Development Benefits That Can Be Achieved from Digital Financial Inclusion

An increasing body of research reveals that numerous development benefits can be achieved from financial inclusion, mainly through digital financial services, including mobile financial services, payment cards, and other fintech applications. As noted by Demirguç-Kunt et al. (2017):

– Mobile financial services, which allow users to save and transfer money through their mobile phones, can help enhance income-earning potential and thereby reduce poverty.

– Digital financial services can also assist people in managing financial risks by facilitating the collection of funds from friends and distant relatives during difficult times.

– Digital financial services can reduce the cost and duration of receiving payments, as well as the time spent waiting to receive those payments.

– Financial services can help people accumulate savings and increase spending on necessities.

– For governments, shifting from cash to digital payments can reduce corruption and improve efficiency.

5. STRATEGY TO ENHANCE DIGITAL FINANCIAL INCLUSION IN ALGERIA THROUGH FINANCIAL TECHNOLOGIES IN ELECTRONIC PAYMENT FROM 2016 TO THE FIRST QUARTER OF 2024

5.1 Stimulating Frameworks for Financial Technologies in Electronic Payments to Enhance Digital Financial Inclusion in Algeria

Algeria has recently adopted strategies for digital financial inclusion and electronic payments based on comprehensive visions aimed at making financial services available electronically, providing government services through a digital payment system, and encouraging the role of fintech companies. This has required the enactment of supportive laws, primarily focusing on electronic payment regulations. Concurrently, supervisory authorities have sought to issue the necessary regulatory frameworks to achieve these goals as follows (Arab Monetary Fund, 2020):

5.1.1 National Plans and Strategies to Stimulate Electronic Payments

The objectives of the digital strategy include developing electronic payment methods to reduce cash payments and generalizing electronic payment points. In the future, the aim is to decrease cash withdrawal operations and increase electronic payment transactions instead, as well as expand financial inclusion through the facilities established by the central bank to open banking and postal accounts for individuals.

5.1.2 Legal Frameworks Supporting Fintech Solutions in Retail Electronic Payments

The legal framework supporting fintech solutions in retail electronic payments includes the "Finance Law of 2020," which stipulates that merchants must provide electronic payment tools and make them available to consumers by December 31, 2020, at the latest. Additionally, an automated (electronic) cash system includes procedures regulating participants' activities in the electronic cash sector.

Additionally, Article (27) of the E-Commerce Law issued in 2018 indicates that the value of commercial transactions can be paid exclusively through dedicated payment platforms provided by banks accredited by the Bank of Algeria and Algeria Post. These platforms are connected to various electronic payment terminals via telecommunications networks. The law also mandates that every economic operator and retail merchant must provide electronic payment methods. Moreover, Article 29 stipulates that electronic payment platforms are subject to oversight by the Bank of Algeria to ensure their compliance with environmental operational requirements, data confidentiality, data integrity, and the security of information exchange following the provisions.

5.1.3 Government policies aimed at encouraging retail electronic payments

A number of incentives are offered, such as eliminating fees and costs associated with customers' use of credit cards and reducing the service charges imposed on merchants to 10 Algerian dinars for every purchase worth up to 5,000 Algerian dinars paid electronically. Banks and post offices are also encouraged to provide electronic payment cards to customers at no cost through simple online applications without restrictions. Furthermore, the Algerian authorities have been actively promoting electronic payments, especially after expanding their accessibility to all citizens. The authorities have also encouraged banks to increase the number of accounts and link the use of payment cards to the existence of customer accounts with banks. Additionally, a company has been established with the participation of all banks operating in Algeria to facilitate electronic payment transactions, whether online or through electronic payment terminals.

5.1.4 Elements of the Supervisory Framework Set by the Regulatory Authority

The supervisory framework set by the regulatory authority includes several key components, such as the Exchange and Currency Law, the Automated (Electronic) Currency Charter, and the banking standards for the automated operation of electronic payment methods by the Bank of Algeria. Additionally, it encompasses a range of regulatory and procedural texts issued by the Automated Currency Control Authority, along with Bank of Algeria Circular No. 04/05 of 2004. The General Directorate of Networks and Payment Systems is responsible for supervising the actors within the electronic payment

system, with the authority conducting subsequent oversight of activities related to electronic payments.

5.1.5 Measures and Incentives Aimed at Encouraging the Activity of Fintech Companies in Retail Payment Solutions

Incentives such as tax breaks are granted to promote investments supporting e-commerce activities. Additionally, efforts are being made to provide a supportive environment for these companies' operations through tech incubators. Among the incentives enacted by the Algerian authorities is reducing value-added tax (VAT) on electronic payments to 9%, compared to the standard 19% applied to other transactions.

5.1.6 Current Challenges Facing Fintech Companies in the Electronic Payment Sector for Retail

The current challenges include:

- The slow pace of adopting modern technologies in the field of electronic payments.
- A lack of trust in new payment methods among some users.

- The absence of insurance for banks in the event of fraud through electronic payments. Additionally, there is the challenge of developing automated payment systems.

5.2 The Role of Electronic Payment Systems in Increasing Levels of Digital Financial Inclusion in Algeria from 2016 to the First Quarter of 2024

There are several indicators to measure the success of fintech companies in the retail electronic payment sector in supporting levels of digital financial inclusion in Algeria.

5.2.1 Online Payment Activity

In 2023, the value of online payments in Algeria significantly increased, exceeding 32.19 billion DZD. This growth is attributed to the diversification of services and activities that allow this type of payment, as well as a considerable increase in the number of online merchants. Currently, 510 merchants are enrolled in the electronic payment system. The number of transactions also rose to 41,743,842 since the launch of online payment, as illustrated in the following figure.

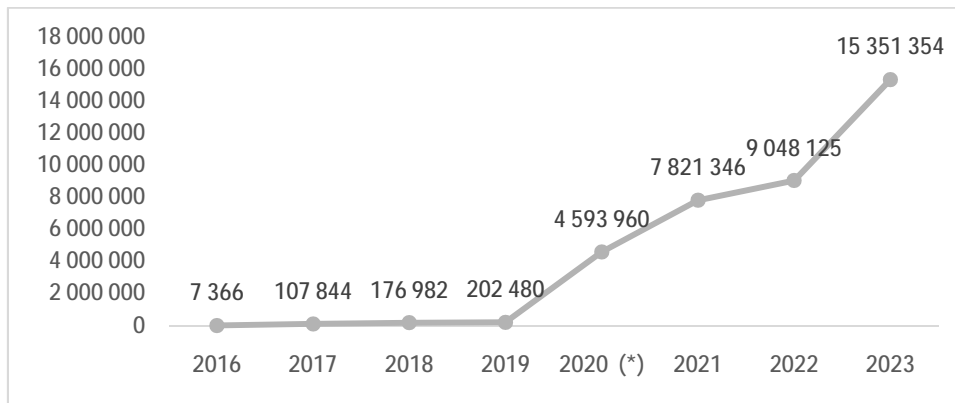


Figure 1. Evolution of the Total Number of Online Payment Transactions from 2016 to 2023

Source: Prepared by the authors based on statistics from the GIE Monétique website.

Figure 1 shows that the number of online payment transactions increased slowly from 2016 to 2019, rising from 7,366 transactions in 2016 to 202,480 transactions in 2019. The number of transactions via the Internet surged to 15,351,354 in 2023. This increase is attributed to the integration of Algeria Post into the electronic payment system and the establishment of transaction exchanges between bank cards and the golden card, which became effective on January 5, 2020. Consequently, the published statistics after that include electronic payment activities via both the bank card and

the golden card. The activities that experienced the highest growth in online payments in 2023 were telecom activities, accounting for 54.72%, followed by administrative services at 26.62%.

On the other hand, activities with weaker growth included services at 6.88%, sports and entertainment at 4.61%, billing activities at 4.17%, and the transportation sector at 2.42%. Lastly, goods sales and insurance accounted for 0.33% and 0.24%, respectively. The following figure illustrates this.

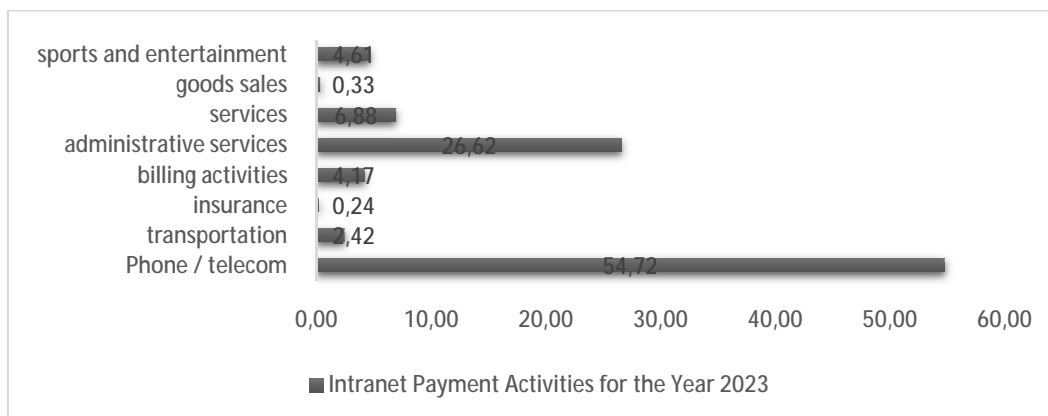


Figure 2. Intranet Payment Activities for the Year 2023

Source: Prepared by the authors based on statistics from the GIE Monétique website.

5.2.2 ATM Withdrawal Activity

Banking ATMs are among the most commonly used means by customers and banks. Statistics indicate a continuous increase in their usage in Algeria; the following figure illustrates this.

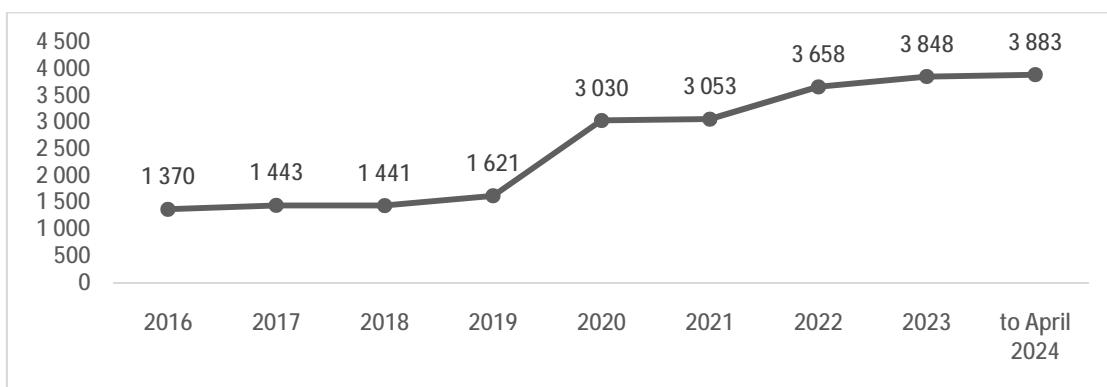


Figure 3. Development of the Number of Operating Banking ATM Machines from 2016 to April 2024

Source: Prepared by the authors based on statistics from the GIE Monétique website.

Figure 3 shows a continuous increase in the number of operating banking ATM machines from 2016 to April 2024, rising from 1,370 machines in 2016 to 3,883 in April 2024, representing a growth rate of 35.28%.

5.2.3 Electronic Payment Terminal (EPT) Activity

The electronic payment device is an electronic payment method that allows users to make payments

using classic and gold bank cards (CIB) 24 hours a day, 7 days a week. It also provides greater protection against fraud and theft. Statistics indicate a continuous increase in the number of transactions made through electronic payment devices in Algeria, and the following figure illustrates this.

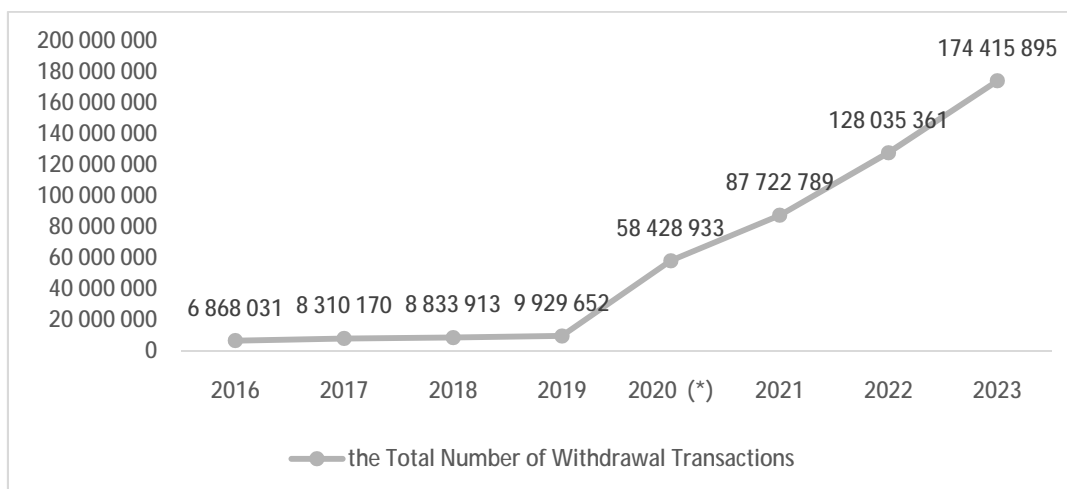


Figure 4. **Development of the Total Number of Withdrawal Transactions via the Electronic Payment Terminal (EPT)**

Source: Prepared by the authors based on statistics from the GIE Monétique website.

Figure 4 shows an increase in the number of withdrawal transactions from 6,868,031 transactions in 2016, amounting to approximately 98.82 billion DZD, to 174,415,895 transactions by the end of 2023, amounting to about 32.62 billion DZD. This is attributed to the

increase in the number of operating EPTs, which rose elevenfold, from 5,049 terminals in 2016 to 57,428 terminals in April 2024, as illustrated in the following figure.

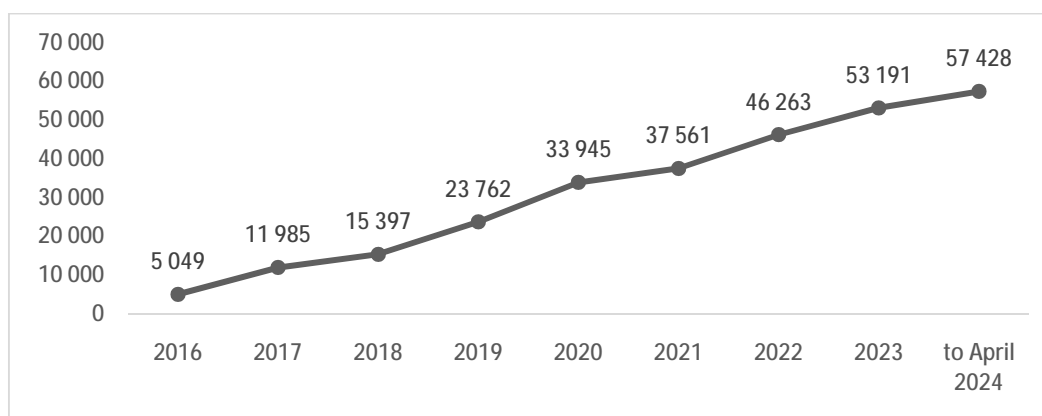


Figure 5. **Development of the Number of Operating Electronic Payment Terminals (EPTs) from 2016 to April 2024**

Source: Prepared by the authors based on statistics from the GIE Monétique website.

5.2.4 Mobile Payment Activity:

According to data published by the GIE Monétique, the total amount of mobile payment transactions exceeded 27.8 billion DZD in 2023, compared to approximately 14.7 billion DZD in 2022. This increase is attributed to a rise in the number of mobile payment transactions from 2,165,941 in 2022 to 39,283,478 in 2023. Additionally, data indicate that the total amount of mobile payments exceeded 9.3 billion DZD during the first three months of 2024, compared to about 5.5 billion DZD during the first quarter of 2023. The number of mobile payment transactions reached over 12.5 million in the first quarter of 2024, compared to approximately 7.6 million transactions during the same period in 2023, reflecting an increase of 71%.

As for money transfers via mobile phones (customers of the same financial institution), the total amount exceeded 24.1 billion DZD in 2023, compared to approximately 10.3 billion DZD in 2022. This increase is attributed to a rise in the number of transfer transactions from 813,291 in 2022 to 17,841,108 transactions in 2023. Additionally, during the first three months of 2024, there were over 7.2 million transactions, with a total value exceeding 106 billion DZD, reflecting increases of 140% and 187%, respectively, compared to the same period in 2023.

Recently, interconnectivity for mobile payments has been launched between customers of different banks and financial institutions after previously being implemented only among customers of the same bank or financial institution.

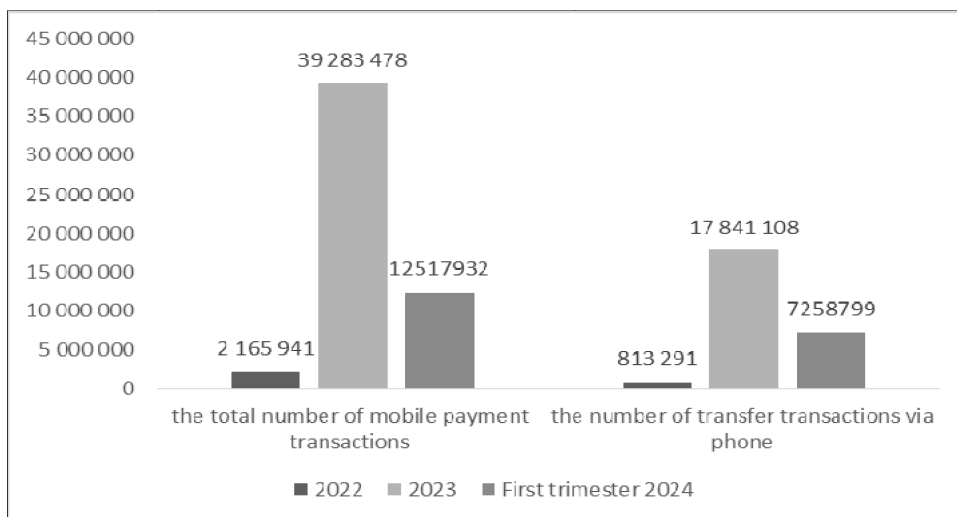


Figure 6. Mobile Payment Activities for the Year 2023

Source: Prepared by the authors based on statistics from the GIE Monétique website.

5.2.5 Circulating Cards

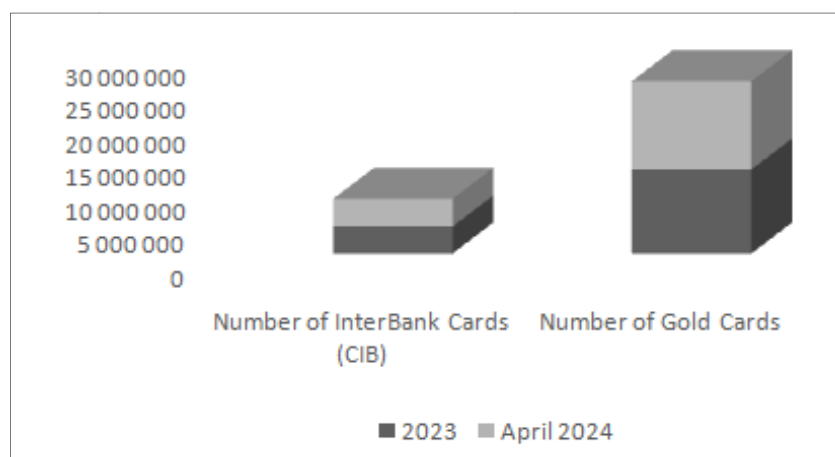


Figure 7. Number of Circulating Gold and CIB Cards

Source: Prepared by the authors based on statistics from the GIE Monétique website.

Based on the figures from the Economic Interest Group "GIE Monétique," which include electronic payment activities through interbank cards (CIB) and Algerian Post's "gold" cards, we observe that the total number of cards reached 17,244,426 by April 2024. This increase is attributed to a rise in the total number of holders of the "gold" card, reaching 13,140,100 in April 2024, compared to 12,487,304 at the end of 2023. Additionally, the total number of holders of interbank cards (CIB) increased to 4,104,326 in April 2024, up from 4,022,203 at the end of 2023.

6. CONCLUSION

Financial technology is considered one of the most important pillars of the digital financial economy because it provides financial services to many community segments at a lower cost and achieves digital financial inclusion. This study examined the extent to which financial technology contributes to achieving financial inclusion in

Algeria through electronic payment methods. The descriptive analytical approach was employed, addressing concepts related to financial technology, electronic payment techniques, and the role of electronic payment systems in increasing levels of financial inclusion in Algeria from 2016 to the first quarter of 2024.

The study reached the following conclusions:

First: Algeria's efforts to address the fundamental enabling factors for managing digital financial services and digital payments in order to establish financial inclusion through:

- Expanding financial inclusion through the facilities established by the central bank for opening banking and postal accounts for individuals.

- The legal framework supporting financial technology solutions in retail electronic payments includes the "Finance Law of 2020" and Article 27 of the Electronic Commerce Law issued in 2018.

– Abolishing fees and costs associated with customers' use of credit cards, reducing the service fees imposed on merchants, and encouraging banks and postal offices to provide electronic payment cards to customers at no cost through simple online requests without restrictions.

– Granting tax incentives for investments aimed at supporting e-commerce activities.

– Establishing a regulatory framework as stipulated in the Foreign Exchange and Currency Law, the Electronic Payment (Automated) Charter, and the banking standards for the automated operation of electronic payment methods by the Bank of Algeria, in addition to a set of regulatory and procedural texts from the Authority for Regulating Electronic Payment.

Second: A significant improvement in financial technology indicators in the field of retail electronic payments in Algeria supports levels of digital financial inclusion, which is represented by:

– Increased online payment activities to 15.35 million online transactions in 2023.

– An increase in the number of operational ATMs to 3,883 in April 2024.

– An increase in electronic payment terminal (EPT) transactions to 174.41 million at the end of 2023.

– An increase in the number of operational electronic payment terminals (EPT) to 57,428 in April 2024.

– An increase in mobile payment transactions to over 12.5 million transactions during the first quarter of 2024, compared to approximately 7.6 million transactions during the same period in 2023.

– An increase in money transfer transactions via mobile phones (customers of the same financial institution) during the first three months of 2024 to over 7.2 million transactions, representing a 140% increase compared to the same period in 2023.

– An increase in the number of circulating cards, with the total number of "gold" cardholders rising to over 13.1 million cards in April 2024 and an increase in the total number of bank cardholders (CIB) to 4.1 million cards in April 2024.

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