MAKERS
of Baghdad

Mapping Iraq’s FinTech Landscape

Progress and the Road Ahead

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Executive Summary

Iraq's financial and fintech landscape has expanded rapidly over the past two years, driven by regulatory reforms, growing demand for digital payments, and the Central Bank of Iraq's (CBI) continued leadership in modernizing the sector. This report maps the structure and service capabilities of banks, electronic payment companies, mobile wallet providers, and specialized financial institutions across all governorates, using publicly available data and institutional sources.

The Iraqi financial sector comprises **45 commercial banks** and **34 Islamic banks**. It is important to note that these numbers include active banks as well as those under liquidation, judicial oversight, or those that have declared bankruptcy. After filtering out inactive or closed institutions, the report focuses on the operational banks that actively provide financial services nationwide. Government-owned banks lead in digital integration, offering a broad range of services, while private and foreign banks demonstrate uneven coverage, particularly outside major urban centers.

Fintech firms now play a central role in payment services. **Thirteen electronic payment companies** form the largest group of non-bank providers, offering prepaid cards, POS services, and mobile apps with coverage that extends across most provinces. **Four mobile wallet companies** operate nationwide, delivering the most uniform digital footprint in Iraq and reaching governorates with limited physical banking presence. Their near-universal coverage highlights the importance of digital access in underserved areas.

Specialized financial institutions remain limited. Iraq has **only two SME financing companies, one loan guarantee company**, and **one deposit insurance entity**, each with narrow physical or operational reach. Their scale falls well below national demand, leaving SMEs with restricted access to finance and exposing the broader market to structural gaps in risk-sharing and credit support. The mapping also shows uneven digital adoption. While prepaid cards, POS terminals, and mobile Apps continue to grow, many banks and fintech platforms lack fully functional or updated digital channels. Low digital literacy, outdated websites, and incomplete service information challenge both consumers and policymakers. Regulatory steps such as the 2024 Electronic Payment Services Regulation and the introduction of digital bank licensing set a strong foundation, but enforcement and standardization remain essential.

This report provides a clear view of Iraq's evolving fintech ecosystem, highlighting recent progress and the gaps that persist in SME financing, geographic service reach, and platform reliability. Its goal is to give regulators, financial institutions, and development partners practical insight to strengthen digital services, expand financial inclusion, and support Iraq's shift toward a more modern and resilient fintech-driven economy.

List of Abbreviations

Abbreviation	Description
ATM	Automated Teller Machine
CBI	Central Bank of Iraq
FIB	First Islamic Bank
HQ	Headquarters
MENA	Middle East and North Africa
POS	Point of Sale
REB	Real Estate Bank
SME	Small and Medium-sized Enterprise
UNDP	United Nations Development Programme
US	United States
USAID	United States Agency for International Development
E-Payment	Electronic Payment

Scope ofwork

This report provides a comprehensive mapping and analysis of Iraq's financial and fintech ecosystem, evaluating the structure, capabilities, and performance of key institutions within the country's financial ecosystem. The analysis covers commercial banks, Islamic banks, electronic payment companies, mobile wallet providers, and supporting financial institutions, with a focus on the Central Bank of Iraq (CBI) as the main regulatory authority. It assesses their digital service offerings, including e-payment cards, ATM networks, POS deployment, and mobile banking platforms, and maps their operational presence across Iraq. The report also reviews regulatory reforms, government initiatives, and private-sector collaborations shaping the digital finance landscape.

In addition to the analytical objectives, this work acknowledges the practical challenges encountered during data collection. Many institutions lack updated or functional websites, and several available platforms provide incomplete, inconsistent, or technically unreliable information. These limitations required cross-checking multiple sources, manually verifying details, and relying on alternative datasets to ensure accuracy.

By integrating verified quantitative data, sectoral reports, and policy documents despite these constraints, the scope of work delivers a comprehensive overview of Iraq's evolving fintech environment.

Methodological Approach

In this study, a comprehensive approach was adopted to analyze the fintech landscape in Iraq, incorporating a variety of data sources to provide a well-rounded view of the sector's growth and challenges. The methodologies used were carefully selected to ensure that the information presented is accurate, up-to-date, and reflective of the current state of the fintech industry in Iraq. This approach included both quantitative and qualitative data, drawing on a range of reliable sources to offer a detailed and insightful analysis. The following resources were used in this study:

- **Reports from the Central Bank of Iraq:** Key statistics and insights were drawn from official publications and data releases by the Central Bank of Iraq, including information on bank accounts, payment cards, and electronic payment volumes.
- **Public Data from Banks and Fintech Companies:** Information on the listed financial entities was gathered from the data they publish on their websites and social media pages. This included details on service offerings, digital channels, branch networks, and product availability.
- **News Sources:** Relevant news articles and reports were reviewed to gather context and understand the broader impact of fintech developments on the Iraqi economy.
- **Regulations and Policies:** The study included an examination of relevant regulations and government policies that affect the fintech sector, such as Cabinet Resolution No. (23044) of 2023, which mandates the expansion of electronic payment terminals.

Objectives of The Study

This study aims to provide a comprehensive overview of Iraq's fintech landscape, highlighting the role of fintech in supporting and transforming the financial sector. Key objectives include assessing the current fintech environment, examining the role of fintech in promoting financial inclusion, and providing strategic insights for stakeholders.

- **Assess the Current Fintech Landscape:** Analyze key players, technologies, and market trends in Iraq's fintech sector.
- **Evaluate Financial Inclusion:** Examine how digital tools, particularly mobile wallets and prepaid cards, expand financial access in underserved and rural areas.
- **Provide Strategic Insights:** Offer recommendations for stakeholders on navigating the evolving fintech landscape.
- **Analyze Challenges and Barriers:** Highlight regulatory, technical, and infrastructural gaps that limit digital adoption, including data transparency issues.
- **Identify Opportunities for Growth:** Pinpoint areas where fintech can drive innovation, such as SME financing, digital banking, and Islamic fintech products.
- **Evaluate the Impact on Traditional Financial Systems:** Examine how fintech is transforming traditional banking and financial services.

Background of Fintech **Transformation in The Iraqi Banking System**

Over the past two years, Iraq has accelerated its shift toward a digital financial system. This momentum has been driven by coordinated efforts from the government, the Central Bank of Iraq (CBI), and private fintech companies, each playing a distinct role in modernizing the country's financial infrastructure.

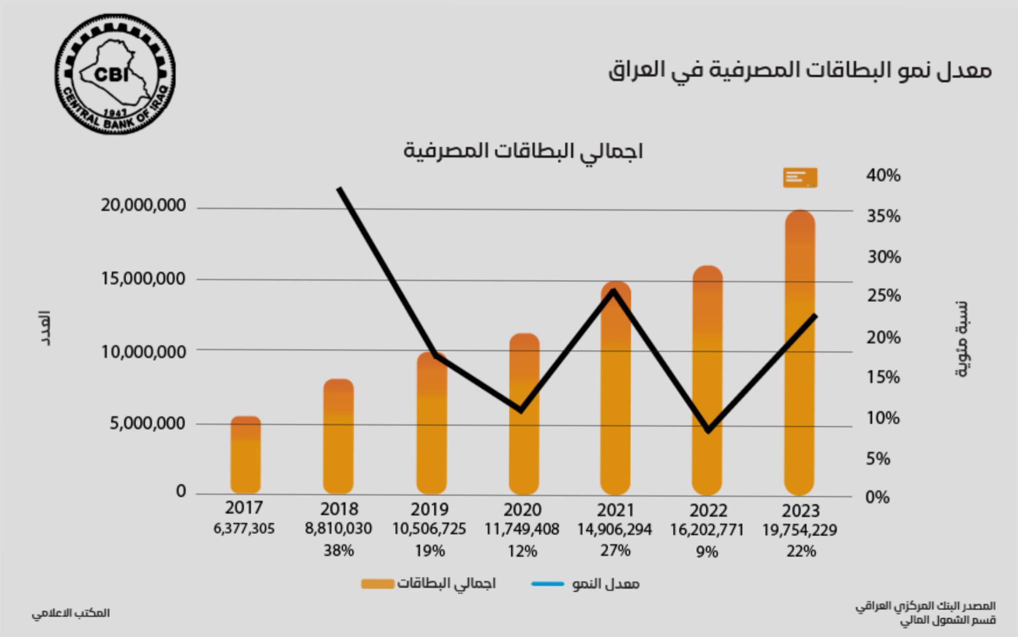
Government leadership has been central to this transformation. Prime Minister Mohammed Shia Al Sudani's directives pushed Iraq toward a more digital and transparent economy by mandating wider deployment of POS devices, expanding electronic salary payments, and reducing reliance on cash. As Al Sudani noted, digital payments increased from 2.6 trillion IQD in January 2023 to **7.6 trillion IQD**, reflecting a significant rise in user adoption [1].

These measures signal a national commitment to building a more efficient, accountable, and technology-enabled financial ecosystem.

Banking sector reforms have advanced in parallel. The CBI issued the **Electronic Payment Services Regulation No. 2 (2024)**, strengthening licensing standards, consumer protections, and interoperability requirements for payment service providers[2]. The CBI also continued guiding the expansion of digital banking services and encouraging banks to upgrade their digital channels, supporting a broader transition to modern payment infrastructure.

Private-sector fintech companies have expanded rapidly, contributing to the modernization of Iraq's financial ecosystem. The growth of electronic payment services, POS networks, and mobile wallets has helped formalize the market, reduce cash dependency, and expand access to financial tools for individuals and businesses. With SMEs representing **88 percent** of Iraq's private sector, the expansion of digital financial services creates a pathway for greater financial inclusion and economic growth.

Growth of Electronic Payment Cards in Iraq



Growth Rate of Electronic Payment Cards in Iraq, CBI 2023

The Central Bank of Iraq's latest available data shows steady growth in electronic payment cards, reaching **19.7 million cards by 2023** with a **22 percent annual growth rate**[3]. This upward trend reflects strong reforms, wider POS deployment, and greater availability of prepaid and debit cards across banks and electronic payment companies. While updated figures for 2024 and 2025 have not yet been released, the broader policy and market environment point toward continued expansion. Government mandates, stronger CBI regulations, and rapid growth in digital payment services all suggest that card issuance will keep rising. The sharp increase in digital payment volumes to **7.6 trillion IQD** further demonstrates shifting user behavior and the accelerating move toward cashless transactions.

Together, these efforts mark a significant step forward in Iraq's fintech transformation.

The combined influence of government mandates, regulatory modernization, and private-sector innovation is reshaping the financial landscape and creating the foundation for a more inclusive, digital-first economy.

Financial Services Offered by **Fintech Providers in Iraq**

To assess the digital services offered by banks and fintech companies in Iraq, it is essential to identify the specific services available and evaluate their presence across the country. This approach allows for a comprehensive understanding of the accessibility and impact of these services within the financial sector. This breakdown highlights the scope and scale of digital adoption across core service areas, reflecting both progress and gaps in the country's financial infrastructure.

Service Category	Description	Typical Providers
Prepaid Cards	Widely used digital payment tool, often for salaries and e-commerce. Supports unbanked users.	Electronic payment companies, banks
Debit Cards	Linked to customer accounts and used for ATM withdrawals and point-of-sale transactions. Their penetration is growing steadily.	Banks
Credit Cards	Used by a small customer segment due to eligibility and limited merchant acceptance.	Banks
ATM Machines	Cash withdrawals and balance inquiries; limited integration with wallets and fintech apps.	Banks
POS Devices	Card payment terminals deployed across retail and service sectors.	Banks, electronic payment companies
Online Banking and Mobile Applications	Digital access to transfers, bill payments, and account management.	Banks, fintech firms

Mapping Key Areas:
Banking and Fintech Companies

Iraq's financial sector is composed of a diverse mix of institutions actively contributing to the country's digital finance transformation. The Central Bank of Iraq (CBI) oversees a growing ecosystem of commercial banks, Islamic banks, fintech companies, and electronic payment service providers, each playing a distinct role in expanding access to financial services. These entities collectively support the development of digital infrastructure, promote financial inclusion, and drive innovation in electronic payments, mobile banking, and point-of-sale technologies. Their combined efforts are reshaping Iraq's financial landscape and accelerating the shift toward a more connected, cashless economy.

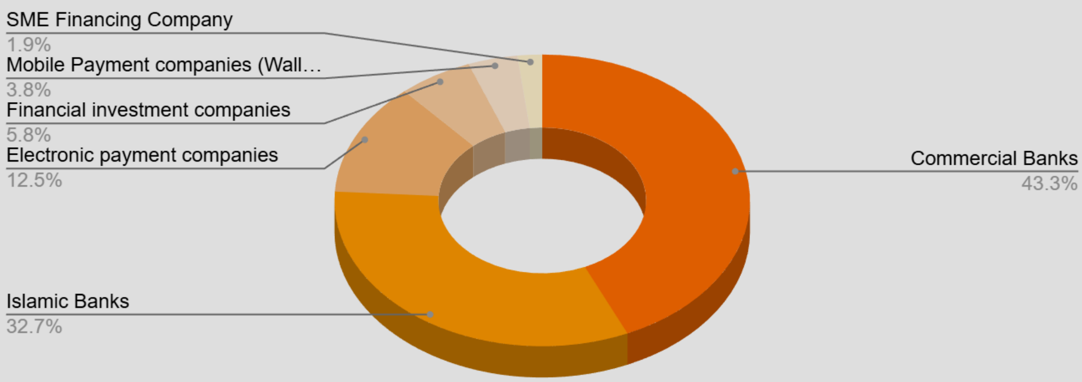
Institutional Breakdown

According to sectoral data:

Type	Number
Commercial Banks	45
Islamic Banks	34
Electronic payment companies	13
Financial investment companies	6
Mobile Payment companies (Wallets)	4
SME Financing Company	2
Loan guarantee companies	1
Deposit insurance companies	1

These entities formed the backbone of Iraq's financial infrastructure, with commercial banks leading in service provision across all categories. Iraq's financial sector is heavily bank-centric, with **79 banks in total** accounting for nearly **three-quarters** of all institutions, underscoring the dominance of traditional banking in financial intermediation. **Islamic banks** alone represent over **30 percent** of the system, reflecting strong demand for Sharia-compliant financial services and positioning Iraq to attract regional investment.

Among non-bank players, **electronic payment companies** make up the largest and most active group, driving digital transformation and supporting financial inclusion in line with national reforms. On the other end of the spectrum, deposit insurance represents the smallest presence, underscoring how uneven the non-bank landscape remains. This imbalance highlights a clear gap in services for SMEs, where investment firms, loan guarantee entities, and SME financing providers offer far less support than the market needs.



The following table shows the distribution of banks, electronic payment companies, and mobile wallets across Iraq, highlighting financial hubs and areas where digital services fill gaps. These numbers are based solely on the information publicly available on the official websites.

Governorate	Commercial Bank Branches	Islamic Bank Branches	Electronic Payment Company Branches	Mobile Payment (Wallets) Agents
Baghdad	41	34	12	4
Erbil	27	14	9	4
Al Basrah	20	13	7	4
Babil	16	5	7	4
Sulaymaniyah	14	9	9	4
Al-Qadisiyyah	8	5	7	4
Anbar	10	6	7	4
Thi-Qar	12	3	7	4
Diyala	8	3	7	4
Duhok	9	6	7	4
Halabja	0	0	4	4
Kerbala	17	12	7	4
Kirkuk	10	6	7	4
Maysan	11	4	7	4
Al Muthanna	9	5	7	4
Al Najaf	17	15	7	4
Nineveh	17	8	7	4
Salah Al-Din	10	4	6	4
Wasit	12	4	7	4

The data shows that **Baghdad** remains the center of financial activity in Iraq, supported by its role as the main economic and regulatory hub. **Erbil** and **Basrah** follow as the strongest secondary markets: Erbil benefits from stability and foreign investment, while Basrah's banking strength reflects its oil economy and commercial activity.

A notable pattern is the uniform presence of **mobile wallet providers** across all governorates, showing that wallets rely on nationwide agent networks rather than branches and remain the most accessible digital service even in areas with weak banking coverage.

Electronic payment companies, however, cluster in high-activity regions such as Baghdad, Erbil, Sulaymaniyah, and Basrah, highlighting a direct link between commercial intensity and fintech presence. Several governorates, including Al Qadisiyyah, Diyala, and Thi Qar, have limited banking and fintech activity, making them strong candidates for digital-first expansion.

Islamic banks follow a distribution similar to commercial banks, with a core presence in Baghdad, Erbil, Basrah, Kerbala, and Najaf because of high demand for sharia-compliant services. **Halabja stands out for having no banks at all** yet still hosting wallet and e-payment providers, showing how some areas rely almost entirely on digital channels for financial access. Overall, the Kurdistan Region forms a distinct fintech corridor, with Erbil and Sulaymaniyah emerging as some of the most digitally ready environments in Iraq.

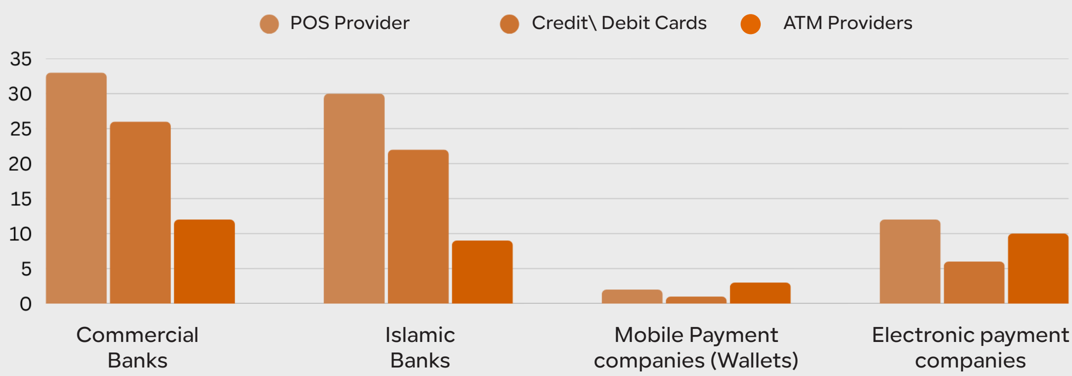
Specialized financial institutions remain scarce. SME financing companies, investment firms, deposit insurance, and loan guarantee providers operate with limited reach. ICF and First Finance maintain only a few branches and rely on digital channels to extend services to additional provinces, but their footprint is still too small to meet market demand. This gap represents a strong opportunity for investment and policy support. By expanding through digital models, agent networks, and targeted incentives, these institutions could significantly improve SME access to finance and support broader economic growth across Iraq.

Service Provision Analysis

A comparative analysis of service capabilities reveals the following:

Type of Entity	Credit/Debit Cards	ATM Providers	POS Provider
Commercial Banks	33	26	16
Islamic Banks	30	24	11
Mobile Payment companies (Wallets)	2	2	2
Electronic payment companies	13	8	10

The data shows that commercial and Islamic banks dominate Iraq's payment ecosystem in terms of institutional count and the range of services they offer. However, the number of institutions does not reflect the full picture. Several fintech providers, particularly electronic payment and mobile wallet companies such as **Qi Card** and **Zain Cash**, have a far wider customer base and stronger nationwide reach than many banks. Their digital-first operating models allow them to provide services across all provinces through online applications, remote onboarding, agent networks, and doorstep delivery. While loan guarantee firms, SME financing companies, investment entities, and deposit insurance providers show no activity in retail payment categories due to their specialized mandates, fintech firms continue to expand their user base and service footprint. Overall, the landscape is still bank-led, but fintech players are increasingly shaping access and convenience, revealing significant potential for broader digital inclusion as Iraq modernizes its financial system.



According to the Central Bank of Iraq, the financial sector has been divided into the following categories:

1. Central Bank of Iraq:

The Central Bank of Iraq (CBI) plays a crucial role as the primary regulator of the financial sector. It sets monetary policy to maintain price stability, issues banking licenses, and supervises financial institutions to ensure a sound and efficient financial system. Additionally, the CBI implements reforms aimed at strengthening the banking sector and promoting financial stability across Iraq.

2. Banks:

Banks in Iraq are financial institutions that provide a wide range of services, including accepting deposits, offering loans, and providing various digital financial products. The banking sector is divided into two main types: commercial banks and Islamic banks. Each of these types is further categorized into three groups: government-owned, privately owned, and foreign banks. In this study, the presence of foreign banks is highlighted to showcase their role and influence within Iraq's banking sector.

2.1 Commercial Banks:

- Government-Owned Banks:

Iraq has seven government-owned commercial banks, with the oldest being the Agricultural Cooperative Bank, established in 1935. All are headquartered in Baghdad, except Nishtiman Bank, which is based in Erbil, with **Al-Rafidain Bank** having the largest network, totaling **153 branches** across **15 provinces** in addition to **7 international branches**. These banks offer a full range of digital services, such as e-payment cards, online banking, ATMs, and POS devices, with Al Rafidain, Al Rasheed, and the Real Estate Bank (REB) partnering with electronic payment companies to enhance their offerings. No information is available regarding Nishtiman Bank's branch network or the banking services it provides.

Name	Founded Date	HQ	Provinces Served	E-Payment Cards	ATM	POS	Apps
Rafidain Bank	1941	Baghdad	15	Available	Available	Available	Available
Rasheed Bank	1988	Baghdad	15	Available	Available	Available	Available
Agricultural Cooperative Bank	1935	Baghdad	15	Available	Available	Available	Available
Trade Bank of Iraq	2004	Baghdad	14	Available	Available	Available	Available
Industrial Bank	1941	Baghdad	6	Available	Available	Available	Available
Real Estate Bank	1948	Baghdad	15	Available	Available	Available	Available
Nishtiman Bank	2023	Erbil	1	Available	Not Available	Not Available	Not Available

- Privately Owned Banks:

There are 24 privately owned commercial banks in Iraq, with the oldest being the Bank of Baghdad, established in 1992. Twenty-two of these banks are headquartered in Baghdad, while two are based in Erbil. **Warka Bank for Investment and Finance** is the largest, with **130 branches** across Iraq. Iraqi Commercial Islamic Bank has shifted its license from commercial to Islamic, making it excluded from the account. 11 out of 24 banks are banned from trading in the US dollar currency. 21 out of 24 privately owned commercial banks in Iraq issue e-payment cards, with 16 out of 24 banks providing ATMs, 4 offering POS devices for businesses, and 9 offering online banking applications to their customers. One of the banks has declared bankruptcy and is now under judicial custody, another is undergoing liquidation, and a third offers no services and has had its operations suspended by the Securities Commission. bringing the number of currently active private commercial banks down to 21 instead of 24.

Name	Founded Date	HQ	Provinces Served	E-Payment Cards	ATM	POS	Apps
Warka Bank for Investment and Finance	2000	Baghdad	1	Available	Available	Available	Not Available
Middle East Iraqi Investment Bank	1993	Baghdad	8	Available	Available	Not Available	Available
Iraqi Investment Bank	1993	Baghdad	9	Available	Available	Not Available	Not Available
Sumer Bank	1999	Baghdad	4	Available	Available	Not Available	Not Available
United Investment Bank	1994	Baghdad	1	Available	Not Available	Not Available	Not Available
National Bank of Iraq	1995	Baghdad	12	Available	Available	Not Available	Available
Trans Iraq Bank	2006	Baghdad	2	Available	Not Available	Not Available	Not Available
Credit Bank of Iraq	1998	Baghdad	3	Available	Available	Not Available	Available
Hammurabi Bank	2020	Baghdad	3	Available	Not Available	Not Available	Not Available
Bank of Economy for Investment and Finance	1999	Baghdad	11	Available	Not Available	Not Available	Not Available
Union Bank of Iraq	2004	Baghdad	10	Available	Available	Not Available	Not Available
Erbil Bank	2010	Erbil	4	Available	Available	Not Available	Not Available
Ashur Bank	2005	Baghdad	8	Available	Available	Not Available	Not Available
International Development Bank	2011	Baghdad	18	Available	Available	Available	Available
Mansour Investment Bank	2006	Baghdad	7	Available	Available	Not Available	Not Available
Al Huda Bank	2008	Baghdad	3	Unknown	Not Available	Not Available	Not Available
Gulf Commercial Bank	2000	Baghdad	15	Available	Available	Available	Available
Mosul Bank for Development and Investment	2001	Baghdad	7	Available	Available	Not Available	Available
Regional Commercial Bank for Investment and Finance	2007	Erbil	5	Available	Available	Available	Available
Bank Of Baghdad	1992	Baghdad	18	Available	Available	Not Available	Available
Arab Bank of Iraq	2024	Baghdad	1	Available	Available	Not Available	Available

- Foreign Banks:

Iraq hosts 14 foreign commercial banks. Most of these banks have their headquarters in Baghdad, with only two operating in Erbil. Among them, 6 offer e-payment cards, 5 provide ATM machines, only two offer POS devices for businesses, and 6 foreign banks offer online banking applications to their customers. Additionally, 2 out of the 14 banks are banned from trading in US dollars, 4 banks are currently undergoing liquidation, and 2 are under custodianship, bringing the number of active foreign commercial banks down to 8 instead of 14.

Name	Founded Date	HQ	Provinces Served	E-Payment Cards	ATM	POS	Apps
Bank of Jordan	2022	Baghdad	3	Available	Available	Not Available	Available
Byblos bank	2006	Baghdad	4	Available	Available	Available	Available
Meab Bank	2014	Baghdad	1	Available	Not Available	Not Available	Not Avail-able
Standard Chartered	2013	Baghdad	2	Not Available	Not Available	Not Available	Available
Ziraat bank	2006	Baghdad	2	Not Available	Not Available	Not Available	Available
Bank of Beirut and the Arab	2009	Erbil	3	Available	Available	Not Available	Available
Is Bank	2011	Baghdad	2	Available	Not Available	Available	Available
Union Bank	2024	Baghdad	1	Available	Available	Not Available	

2.2 Islamic Banks:

- Government-Owned:

Iraq has one government-owned Islamic bank, Al Nahrain Islamic Bank, established in 2015. Al Nahrain Islamic Bank offers a full suite of digital services, including credit cards, ATMs, POS devices, and online banking applications.

Name	Founded Date	HQ	Provinces Served	E-Payment Cards	ATM	POS	Apps
Nahrain Islamic Bank	2015	Baghdad	1	Available	Available	Available	Available

- Privately Owned:

Iraq has 31 privately owned Islamic banks, with the oldest being the Iraqi Islamic Bank, established in 1993. Most of these banks are headquartered in Baghdad, with only two based in Erbil. **Al Taif Islamic Bank** is the largest, with **26 branches** across **17 provinces**. Out of 31 banks, 27 offer e-payment cards, 20 provide ATMs, 8 offer POS devices for businesses, and 15 have online banking applications available to their customers. Additionally, 19 out of the 31 banks are banned from trading in US dollars. One bank has declared bankruptcy and is under judicial custody, another is under both liquidation and custodianship, a third is undergoing liquidation, and a fourth is under custodianship, bringing the total number of active banks down from 31 to 27. No information is available regarding the Misk Islamic Bank.

Name	Founded Date	HQ	Provinces Served	E-Payment Cards	ATM	POS	Apps
Elaf Islamic Bank	2001	Baghdad	10	Available	Available	Available	Available
Islamic Bank of South	2016	Baghdad	5	Available	Available	Not Available	Available
FIB	2020	Baghdad	4	Available	Available	Available	Available
Iraqi Islamic Bank for Investment and Development	1993	Baghdad	14	Available	Available	Not Available	Available
Cihan Bank for Investment and Islamic Finance	2008	Erbil	8	Available	Available	Not Available	Available
Asia Al Iraq Islamic Bank	2018	Baghdad	3	Available	Available	Available	Not Available
National Islamic Bank	2008	Baghdad	15	Available	Available	Not Available	Not Available
Iraqi International Islamic Bank	2016	Baghdad	4	Available	Not Available	Available	Not Available
Al Ansari Islamic Bank	2017	Baghdad	1	Available	Not Available	Not Available	Available
Al Thiqa International Islamic Bank	2017	Baghdad	13	Available	Available	Not Available	Available
Al Taif Islamic Bank	2018	Baghdad	18	Available	Available	Available	Available
Al Rajih Islamic Bank	2017	Baghdad	2	Available	Available	Not Available	Available
Mashreq Islamic Bank	2018	Baghdad	5	Available	Available	Available	Available
Arabia Islamic Bank	2016	Baghdad	3	Available	Available	Not Available	Available
Al Ataa Islamic Bank	2006	Baghdad	3	Available	Not Available	Not Available	Not Available
Al Qabid Islamic Bank	2017	Baghdad	1	Available	Not Available	Not Available	Not Available
Al-Nasik Islamic Bank	2020	Baghdad	2	Available	Not Available	Not Available	Not Available
Al Sanam Islamic Bank	2023	Baghdad	1	Available	Not Available	Not Available	Not Available
Al Qurtas Islamic Bank	2016	Baghdad	2	Available	Available	Not Available	Available
Kurdistan International Islamic Bank	2005	Erbil	4	Available	Available	Not Available	Not Available
Noor Iraq Islamic Bank for Investment and Finance	2016	Baghdad	1	Available	Available	Available	Available
Amin Iraq Islamic Bank	2018	Baghdad	5	Available	Available	Not Available	Not Available

Name	Founded Date	HQ	Provinces Served	E-Payment Cards	ATM	POS	Apps
Almal Islamic Bank	2018	Baghdad	3	Available	Available	Available	Not Available
Commercial Bank of Iraq	1992	Baghdad	3	Available	Available	Not Available	Available
Islamic Advisor Bank for Investment and Finance	2018	Baghdad	6	Available	Not Available	Not Available	Available
World Islamic Bank for Investment and Finance	2016	Baghdad	1	Available	Available	Not Available	Not Available
Misk Islamic Bank	2023	Baghdad	1	Unknown	Unknown	Unknown	Unknown

- **Foreign Banks:**

  Iraq has two foreign Islamic banks. The oldest is Abu Dhabi Islamic Bank, which established its branch in 2010. Abu Dhabi Islamic Bank is headquartered in Baghdad, while Al Baraka Turkish Islamic Bank operates in Erbil. Both banks offer e-payment cards, ATMs, and online banking applications to their customers in Iraq. However, only Al Baraka Turkish Bank provides POS devices.

Name	Founded Date	HQ	Provinces Served	E-Payment Cards	ATM	POS	Apps
Al Baraka Turkish Islamic Bank	2011	Erbil	2	Available	Available	Available	Available
Abu Dhabi Islamic Bank	2010	Baghdad	3	Available	Available	Not Available	Available

3. Fintech Companies

Fintech companies in Iraq are specialized entities that leverage technology to provide innovative financial services, playing a crucial role in modernizing the financial sector. These companies are categorized as government-owned, privately owned, or partially government-owned, reflecting a diverse ownership structure that balances public and private interests. The key types of fintech companies in Iraq include electronic payment companies, mobile payment companies (wallets), deposit insurance companies, finance investment companies, loan guarantee companies, and SME financing companies, each contributing uniquely to the country's financial ecosystem.

3.1 Electronic Payment Companies:

The sector includes 13 privately owned companies and one partially government entity, Qi Card, offering services including prepaid cards, mobile apps, and POS devices.

Name	Founded Date	HQ	Provinces Served	E-Payment Cards	ATM	POS	Apps
Blue Pay	2020	Baghdad	18	Available	Not Available	Available	Available
NEO	2018	Baghdad	18	Available	Not Available	Available	Available
Switch	2016	Baghdad	18	Available	Available	Available	Available
National Gateway Company	2018	Baghdad	1	Unknown	Unknown	Unknown	Unknown
Al-Tabadul Company	2021	Baghdad	1	Available	Not Available	Available	Available
Areeba Company	2019	Baghdad	3	Available	Available	Available	Available
CSC Electronic Payment Company	Unknown	Unknown	Unknown	Unknown	Unknown	Unknown	Unknown
Amwal Electronic Banking Company	2018	Baghdad	18	Available	Available	Available	Available

Name	Founded Date	HQ	Provinces Served	E-Payment Cards	ATM	POS	Apps
Al Saqi Company	2019	Baghdad	1	Available	Not Available	Available	Available
Yanah Banking & Electronic Services Company	2018	Erbil	2	Available	Available	Available	Available
Al Qassa Company	Unknown	Najaf	19	Available	Not Available	Available	Available
Arab Electronic Payment Company	2016	Baghdad	19	Available	Available	Available	Available
Qi Card (International Smart Card Company)	2007	Baghdad	19	Available	Available	Available	Available

3.2 Mobile Payment Companies (e-Wallet):

There are four privately owned mobile payment companies in Iraq, with Asia Pay and Zain Cash, both established in 2015, being the oldest. These companies are based in different regions: Zain Cash in Baghdad, NassWallet and FastPay in Erbil, and Asia Pay in Sulaimaniya. All four companies provide financial services through their mobile applications, while only NassWallet and Zain Cash offer prepaid cards and POS services.

Name	Founded Date	HQ	E-Payment Cards	ATM	POS	Apps
Asia Pay	2015	Sulaymaniyah	Not Available	Not Available	Not Available	Available
Nass Wallet	2019	Erbil	Available	Available	Available	Available
Zain Cash	2015	Baghdad	Available	Available	Available	Available
FastPay	2017	Erbil	Not Available	Not Available	Not Available	Available

3.3 Other Financial Service Providers:

Currently, Iraq's deposit insurance, finance investment, loan guarantee, and SME financing sectors remain largely outside the digital transformation wave. The Iraqi Company for Deposit Insurance, established in 2016, is still the sole entity in its field and has not yet introduced digital services. Six privately owned finance investment companies and the single loan guarantee company also operate with limited online functionalities and have not engaged meaningfully in fintech. By contrast, one of the two SME financing companies, **First Finance Company**, recently announced the launch of a **digital platform** designed to streamline loan applications and improve access for small and medium enterprises, thereby enhancing accessibility and efficiency.

The limited number of loan guarantee institutions, only one nationwide, reflects structural challenges in Iraq's financial ecosystem, including weak risk-sharing mechanisms, low investor confidence, and limited regulatory incentives. Expanding this sector is critical: more loan guarantee companies would reduce credit risk for banks, encourage lending to SMEs, and stimulate entrepreneurship. To achieve this, policymakers could introduce targeted incentives such as public-private partnerships and regulatory reforms that lower entry barriers for new guarantee firms. Strengthening this segment would not only diversify Iraq's financial sector but also enhance accessibility, financial inclusion, job creation, and resilience against systemic shocks.

Key Findings

The review of available service data reveals several important findings about the current financial landscape:

- **Banks remain the backbone of Iraq's financial infrastructure,** offering the broadest range of services, debit and credit cards, ATMs, POS terminals, and mobile applications. However, coverage remains uneven, with most branch networks concentrated in Baghdad and limited expansion into southern and rural provinces.
- **Electronic payment companies and mobile wallets have achieved broader national reach** than many banks. Companies such as **Qi Card** and **Zain Cash** provide services across nearly all governorates and possess a customer base that often exceeds that of individual banks, driven by their digital-first delivery channels, large user programs (e.g., salary disbursement), and simplified onboarding such as online applications and door-to-door card delivery.
- **Digital financial services, particularly prepaid cards, POS devices, and mobile applications, continue to expand**, showing strong uptake even where physical banking infrastructure is limited. Many fintech providers operate without branch networks, yet their apps, agent networks, and POS deployments ensure nationwide penetration.
- **Significant service disparities persist.** ATM networks, branch coverage, and platform reliability remain heavily concentrated in Baghdad, Erbil, and Basrah, with smaller provinces lacking consistent or functional digital service channels.
- **Specialized financial institutions (SME financing, loan guarantees, deposit insurance, investment companies)** remain limited in number and scope. Only one loan guarantee company and two SME finance companies serve the entire country, creating a "missing middle" that restricts SME credit access.
- **Data transparency and platform reliability remain major barriers.** Many institutions, especially non-banks, lack updated websites, complete service information, and functioning digital platforms, complicating user access and policy planning.
- **Despite growing digital adoption, financial inclusion remains uneven**, particularly in rural areas, where low financial literacy and limited trust in digital systems slow adoption.

Opportunities and Challenges

The analysis of Iraq's fintech sector reveals both significant opportunities and considerable challenges. The sector is expanding rapidly, driven by rising demand for digital financial services and government efforts to modernize the financial landscape. However, the growth is uneven: government-owned banks are leading in digital integration, privately owned banks show varied progress, and foreign banks have limited digital presence.

Aspect	Current Gaps	Opportunities for Growth
Geographic Coverage	Services, especially ATMs, POS devices, and bank branches, are heavily concentrated in Baghdad, Erbil, and Basrah. Rural and southern provinces remain underserved.	Expanding mobile wallets, agent networks, and POS deployment to underserved governorates to accelerate nationwide financial inclusion.
Digital Adoption	Many banks and non-bank institutions still lack functional apps, updated websites, or reliable online channels. Some fintech platforms offer limited services.	Strengthening digital infrastructure, supporting fully functional mobile platforms, and creating standardized service requirements.
Fintech-Bank Gap	Traditional banks provide fuller service portfolios, but many fintech providers surpass banks in reach. Service integration remains weak.	Encouraging interoperable digital systems, partnerships between banks and fintech firms, and unified digital identification processes.
SME & Credit Access	Only two SME finance companies and one loan guarantee company operate nationally, limiting access to credit for most SMEs.	Expand guarantee mechanisms, incentivize new SME finance firms, and support digital loan application platforms like those recently launched.
Regulatory Enforcement	Although new regulations exist, enforcement and public awareness are uneven. Data transparency is inconsistent.	Strengthen compliance monitoring, improve data reporting standards, and expand awareness of consumer protection rules.
Financial Literacy	Low awareness of digital services limits adoption, particularly outside urban centers.	Launch national digital literacy programs via government–private partnerships, telecom channels, and community agents.
Trust & Platform Reliability	Consumers report limited trust in digital payments due to inconsistent platforms. performance and weak communication from providers.	Improve UI/UX quality, service reliability, and customer support systems to build confidence.
Economic & Security Constraints	Regional instability and infrastructure gaps hinder fintech expansion in certain governorates.	Invest in resilient infrastructure, expand remote/on-app banking solutions, and introduce agent-based service models.
Specialized Financial Services	Deposit insurance, investment services, and loan guarantees remain minimally digitalized and limited in scale nationwide.	Digitize claims, investment tools, and guarantees; incentivize private investment into underdeveloped segments.

Conclusion

Iraq's financial sector is undergoing a significant digital shift, led by rapid expansion in electronic payments, prepaid cards, and mobile wallets. Regulatory reforms, such as updated electronic payment regulations and digital bank licensing, have strengthened the foundations for a modern, more transparent financial system. However, the country's digital transformation remains uneven. Traditional banking services are still heavily centralized in Baghdad, while mobile wallets have become the primary channel for reaching underserved governorates.

Despite progress in payments, other critical financial services, such as SME financing, loan guarantees, investment services, and deposit insurance, remain limited in scale and geographic reach. This "missing middle" restricts access to credit for SMEs and hampers broader economic development. Additionally, low digital literacy, inconsistent platform reliability, and limited public trust continue to slow the adoption of digital tools.

Iraq now faces a pivotal moment. With strong regulatory momentum and expanding digital infrastructure, the opportunity exists to build a more inclusive and resilient financial ecosystem. Achieving this will require improving data transparency, expanding the presence of specialized financial institutions, and investing in consumer education. If these gaps are addressed, Iraq can translate its current progress into sustainable, nationwide financial inclusion and support long-term economic growth.

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Contact Us

Phone: +964 772 225 7067
Email : sara.luay@makersiq.org