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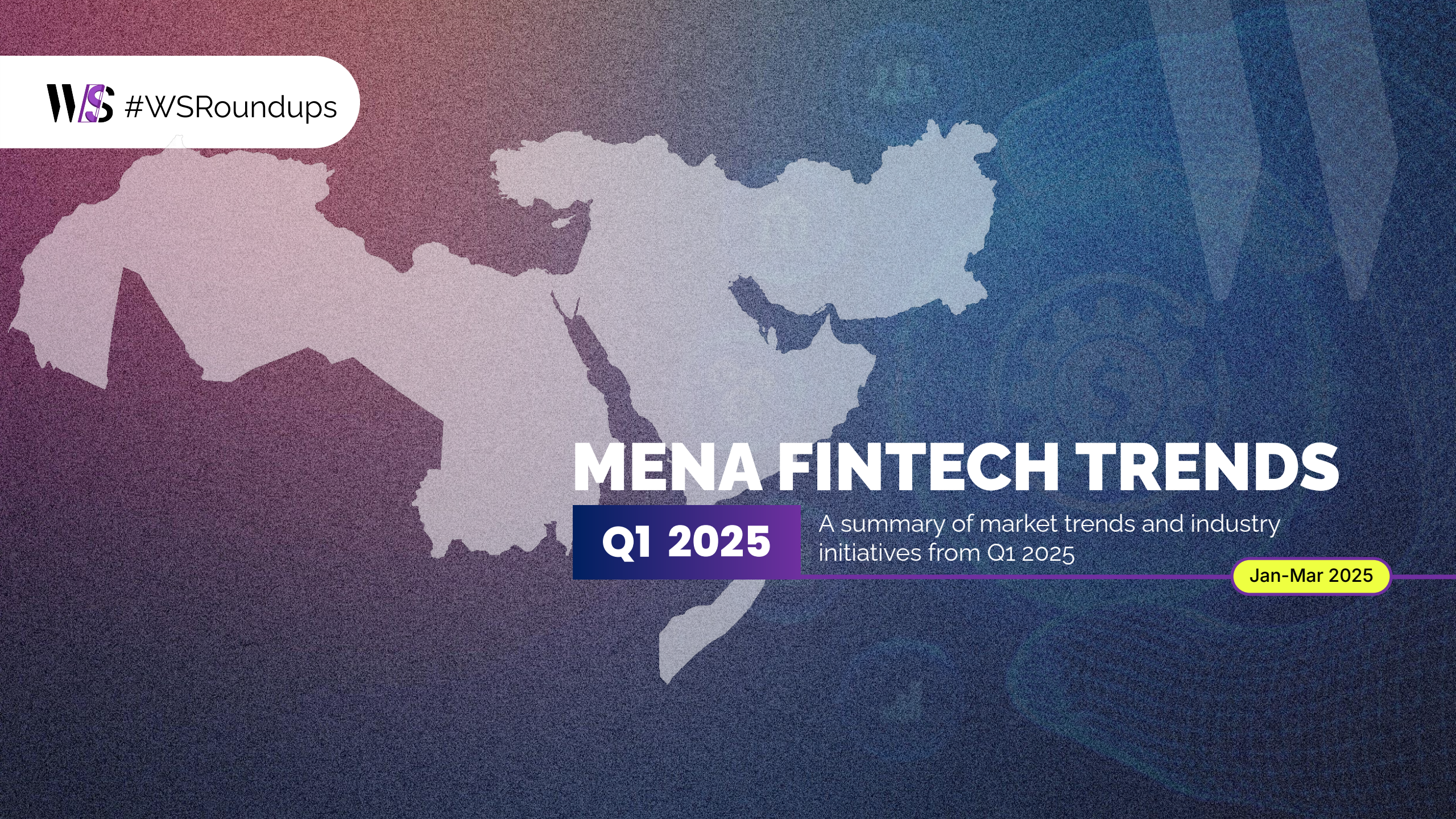

MENA FINTECH TRENDS

Q1 2025

A summary of market trends and industry initiatives from Q1 2025

Jan-Mar 2025

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Executive Summary

Licensing activities gain momentum

- Regulators across the MENA region are actively issuing licences to fintechs spanning payments, e-KYC, digital banking, and prepaid cards. These approvals are expanding access to credit, payments, and identity services while modernising the region's financial infrastructure.
- The UAE and Saudi Arabia, in particular, are leading this licensing wave, enabling fintechs to scale with confidence and deepen regional footprints through compliance-led growth strategies.

Crypto, tokenisation, and digital assets mature

- MENA's digital asset landscape is evolving rapidly, with regulators setting clear guardrails and financial institutions embedding crypto services across payments, custody, and trading.
- Tokenisation efforts are gaining institutional momentum, with pilots across real estate, bonds, and wealth products signalling long-term infrastructure play.

Fintechs tackle SME gaps

- Fintechs in the region are targeting SME pain points—such as working capital access, payments, and expense management—by embedding finance directly into business workflows.
- From point-of-sale lending to digital cards and invoice automation, tailored financial solutions are now reaching underserved small businesses.

Embedding BNPL in retail and banking journeys

- BNPL is transitioning from a standalone product to an embedded feature across retail platforms, mobile wallets, and banking apps.
- Funding rounds and regional expansion by leading BNPL startups reflect strong investor confidence in the model.

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Embedding cards into MENA's digital payment ecosystem

Key takeaways: Across the MENA region, digital payment infrastructure is rapidly evolving through partnerships that integrate everyday financial behaviour with formal banking systems. From expanding mobile wallet adoption to transforming remittance and savings flows, financial players are embedding card-linked experiences that enhance user convenience.

Tap-to-add card

- **Visa** launched tap-to-add cards in Egypt to boost digital wallet use.
- The new function enables users to top up their digital wallets simply by tapping their physical cards on compatible devices. This reduces friction in wallet usage and encourages consumers to adopt contactless digital payments more frequently.

Co-branded prepaid card

- **Mastercard**, **Money Fellows**, and **Banque Misr** introduced a co-branded prepaid card for the Egyptian market.
- The card links digital ROSCA-based savings to a physical payment method, giving users greater control and convenience. It brings Egypt's informal savings behavior into the regulated financial system via prepaid rails.

Apple Pay

- **Visa** introduced Apple Pay to its customers in Egypt. Egyptian users can now link their Visa cards to Apple Pay and use iPhones for in-store and online transactions.
- This improves digital wallet access and pushes Egypt closer to full mobile payments adoption.

Remittance

- **stc pay Bahrain** chosen **Mastercard Move** to offer secure and efficient remittances to Alipay, China's digital open platform under Ant Group.
- The initiative will benefit consumers and businesses by providing them with a reliable remittance service, thereby enabling secure financial transactions between both countries.

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BNPL deepening its roots in MENA retail and banking

Key takeaways: BNPL is evolving into an embedded, infrastructure-level capability in the MENA region, with strategic partnerships integrating flexible payment options directly into banking apps, retail ecosystems, and payment platforms. The shift marks BNPL's transition from a standalone product to a seamless feature within everyday consumer experiences.

Card-linked installments

- **Visa** partnered with **Affirm** and **Liv** to launch flexible payment solutions in the UAE.
- The feature allows customers to split payments into installments directly through their card-linked apps, integrating BNPL within core banking interfaces. This brings installment payments to the point of everyday digital banking, shifting BNPL from a merchant tool to a consumer-native feature.

Split payments

- **Mastercard** and **Tamara** introduced split payments within the UAE market.
- This move embeds BNPL capabilities into mainstream payment infrastructure, streamlining the checkout experience for consumers with flexible options. It positions BNPL as a frictionless payment extension rather than a separate financing product.

BNPL for shoppers

- **Fawry** teamed up with **Contact** to expand BNPL offerings in Egypt.
- The partnership enabled a wider retail network to offer installment-based payments to shoppers, expanding BNPL's reach beyond e-commerce. This helps normalise BNPL across offline and omnichannel retail segments in emerging markets.

BNPL at checkout

- **Checkout.com** partnered with **Tabby** to deepen BNPL access across Saudi Arabia and the UAE.
- This partnership integrates Tabby's popular BNPL solutions directly into Checkout.com's platform, allowing merchants to offer consumers seamless, flexible payment methods at checkout.

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Empowering SMEs with smarter payment and spending tools

SME payments

Key takeaways: MENA-based fintech collaborations are driving innovation in SME payments and expense management, with a growing emphasis on tailored solutions. These partnerships are equipping small businesses with smarter card issuance, seamless cross-border payment tools, and enhanced digital expense platforms—bridging the gap between retail-grade products and enterprise-level efficiency.

Card issuing

paymentology Mamo

- **Paymentology** joined forces with **Mamo** to enhance card issuance for SMEs in the UAE. The tie-up focuses on giving small businesses smarter spending tools and more control over transactions.
- This improves access to tailored expense management — closing the gap between consumer-grade tools and enterprise features.

SME payments

PayPal ignyte

- **PayPal** partnered with **Ignyte** to build out the UAE's SME and startup infrastructure.
- By working together, PayPal and Ignyte aim to allow startups and SMEs within the latter's ecosystem to receive and make payments across worldwide markets.

Expense management

Emirates NBD VISA

- **Visa** teamed with Dubai-based bank **Emirates NBD** to launch a commercial payment solution.
- Emirates NBD will offer Visa's Commercial Pay Mobile module for its small business clients, enabling them to manage expenses, allowing employees to make payments using Visa virtual cards on their mobile devices through digital wallets.

Cloud infrastructure

XPAY HUAWEI HUAWEI CLOUD

- **XPay** joined forces with **Huawei Cloud** to scale digital payments for Egyptian businesses.
- The partnership supports secure cloud-based infrastructure to help merchants accept and process payments more efficiently. It enables XPay to expand its fintech service delivery while reducing costs for local SMEs and digital-first businesses.

UAE advancing virtual asset licensing drive

Crypto licensing

Key takeaways: Regulatory momentum is accelerating in the UAE's virtual asset space, with multiple crypto firms receiving in-principle or full approvals to operate in key financial hubs. The approvals reflect Dubai's growing commitment to establishing a robust, regulated framework for virtual assets, enabling licensed players to offer a wide range of crypto services and fostering institutional and retail investor confidence.

In-principal approval

ripple DFSA Dubai Financial Services Authority

- **Ripple** secured a licence from the **Dubai Financial Services Authority (DFSA)** to offer crypto payment services in the DIFC.
- The licence allows Ripple to operate regulated crypto payments in one of the UAE's most important financial zones.

In-principal approval

bitpanda VARA سلطة تنظيم الأصول الافتراضية VIRTUAL ASSETS REGULATORY AUTHORITY

- **Bitpanda** received in-principle approval from the UAE's **Virtual Assets Regulatory Authority (VARA).**
- The Austria-based exchange can now begin the process of launching fully regulated operations in the UAE.

In-principal approval

HASHKEY EXCHANGE VARA سلطة تنظيم الأصول الافتراضية VIRTUAL ASSETS REGULATORY AUTHORITY

- **HashKey MENA** received in principle approval from **Dubai's Virtual Assets Regulatory Authority (VARA)** to offer crypto broker services to retail and institutional investors.
- Upon final approval, the VASP licence will authorise HashKey MENA FZE to offer Virtual Asset Exchange Services and Virtual Asset Broker-Dealer Services to retail investors, qualified investors, and institutional investors.

Virtual asset service provider

BitOasis VARA سلطة تنظيم الأصول الافتراضية VIRTUAL ASSETS REGULATORY AUTHORITY

- **BitOasis,** a crypto trading firm located in Dubai received its full Virtual Asset Service Provider (VASP) licence from Dubai's **Virtual Assets Regulatory Authority (VARA)**.
- BitOasis will use the licence to fully offer crypto trading services, including purchasing, selling and trading of cryptocurrencies.

Further reading that might interest you

The State of Embedded and Digital Finance Roundup (Jan 2025)

View Report

LATAM Fintech Trends (Q1 2025) Roundup

View Report

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