

# Financial Inclusion in the Philippines

Dashboard

As of First Quarter 2017

## Access

### Banks and Automated Teller Machines (ATMs)\*

	2016 Q1	2017 Q1		Growth
Banks (head office, branches, and other offices)	10,800	11,229	↑	4.0%
Universal & Commercial Banks	6,045	6,237	↑	3.2%
Thrift Banks	2,130	2,211	↑	3.8%
Rural & Cooperative Banks	2,625	2,781	↑	5.9%
ATMs	17,857	19,202	↑	7.5%
On-site ATMs	10,065	10,784	↑	7.1%
Off-site ATMs	7,792	8,418	↑	8.0%

\*Nationwide count only (i.e., excludes offices/ATMs of Philippine banks abroad)

### Micro-banking offices (MBOs)

	2016 Q1	2017 Q1		Growth
Number of operating MBOs	575	711	↑	23.7%
Number of cities and municipalities with MBOs	363	432	↑	19.0%
Number of cities and municipalities without regular banking offices but with MBOs	67	84	↑	25.4%

### Other Financial Service Access Points

		2016 Q1	2017 Q1		Growth
Savings, credit & other services	NSSLAs	199	198	↓	-0.5%
	Credit Cooperatives*	3,202	3,331	↑	4.0%
	Microfinance NGOs <sup>[1]**</sup>	2,065	2,603	↑	26.1%
Credit & other services	Pawnshops	16,169	16,740	↑	3.5%
	Without corollary business	9,486	9,657	↑	1.8%
	With corollary business	6,683	7,083	↑	6.0%
	Other NBFIs <sup>[2]</sup>	172	206	↑	19.8%
Payment & money transfer services	FX Dealers/Money Changers (FXDs/MCs)	1,915	1,948	↑	1.7%
	Remittance Agents (RAs) <sup>[3]</sup>	4,650	5,103	↑	9.7%
	FXDs/MCs/RAs	4,468	4,375	↓	-2.1%
	E-Money Agents <sup>[4]**</sup>	23,781	26,028	↑	9.4%
	Point-of-sale (POS) terminals**	152,203	181,748	↑	19.4%

\*2014 vs. 2015; \*\*2015 vs. 2016

### Insurance Providers

	Insurers	Microinsurance Providers
Mutual Benefit Associations	32	21
Life Insurance Companies	31	10
Non-Life Insurance Companies	69	16
Total	132	47

Source: Insurance Commission (2015)

### Overall Access Situation

	2015		2016	
	Number of cities and municipalities	% to Total	Number of cities and municipalities	% to Total
1. With banking presence	1,043	63.8%	1,052	↑ 64.4%
2. Without banking presence <sup>[5]</sup>	591	36.2%	582	↓ 35.6%
2.1 Without banking presence but with other access points	398	24.4%	420	↑ 25.7%
2.2 Without any access point	193	11.8%	162	↓ 9.9%
With at least one access point (1 + 2.1)	1,441	88.2%	1,472	↑ 90.1%

[1] Based only from a sample of MF NGOs that responded to the BSP data request.

[2] Other NBFIs include lending investors and financing companies (that are affiliated with BSP-supervised banks), credit card companies, investment companies, securities dealers/brokers, government NBFIs and credit granting entities (excluding MF NGOs) which are supervised by the BSP.

[3] Excluding GXI/Globe and Smart

[4] Total number of registered e-money agents, of which 20,636 are considered active in 2016. This count includes agents that are pawnshops, RAs, MCs/FXD and cooperatives.

[5] In the Core Set of Financial Inclusion Indicators developed by the Alliance for Financial Inclusion (AFI), access points are defined as regulated entities where both cash-in and cash-out transactions can be performed. Following this definition, "other access points" include NSSLAs, credit cooperatives, pawnshops, FXDs/MCs/RAs, other NBFIs, and e-money agents; and exclude MF NGOs (not prudentially regulated) and ATMs (no data on the number of ATMs that can perform both cash-in and cash-out).

## Usage

### Deposits and Loans in the Banking System

	2016 Q1	2017 Q1	Growth
Number of deposit accounts (in millions)	51.9	55.1	↑ 6.2%
Number of depositors (in millions)	40.9	43.1	↑ 5.5%
Amount of deposits (in trillion pesos)	9.4	10.6	↑ 13.0%
Amount of loans (in trillion pesos)	5.9	7.0	↑ 19.2%

### Electronic Money

	2015	2016	Growth
<b>Number of Transactions (in millions)</b>			
Inflow	60	67	↑ 11.9%
Outflow	267	299	↑ 11.9%
<b>Amount of Transactions (in billion pesos)</b>			
Inflow	456	478	↑ 4.7%
Outflow	460	478	↑ 4.0%
<b>Number of E-Money Accounts (in millions)</b>			
Registered e-money accounts (Gcash, Smart Money)	9.4	11.4	↑ 21.4%
Active e-money accounts (among registered)	6.4	7.0	↑ 8.9%
<b>Cards (in millions)</b>			
Prepaid cards (linked to e-money)*	26.0	26.1	↑ 0.6%
ATM debit cards**	40.9	50.8	↑ 24.1%
Credit cards**	8.43	8.44	↑ 0.1%

\*E-money accounts (excluding GCash and Smart Money) issued by other E-Money Issuers

\*\*2014 vs. 2015

### Microfinance in the Banking System

		2016 Q1	2017 Q1	Growth
Microfinance	Banks	167	167	→ 0.0%
	Borrowers	1,447,540	1,685,954	↑ 16.5%
	Amount (in million pesos)	10,746.5	13,226.1	↑ 23.1%
Microenterprise Loans	Banks	155	155	→ 0.0%
	Borrowers	1,250,847	1,406,718	↑ 12.5%
	Amount (in million pesos)	9,243.2	11,225.8	↑ 21.4%
Microfinance Plus	Banks	29	32	↑ 10.3%
	Borrowers	6,003	29,679	↑ 394.4%
	Amount (in million pesos)	329.1	624.6	↑ 89.8%
Micro-Agri Loans	Banks	29	25	↓ -13.8%
	Borrowers	32,811	38,793	↑ 18.2%
	Amount (in million pesos)	251.3	294.7	↑ 17.3%
Housing Microfinance Loans	Banks	17	17	→ 0.0%
	Borrowers	84,847	138,447	↑ 63.2%
	Amount (in million pesos)	694.5	889.0	↑ 28.0%
Micro-deposit	Banks	70	76	↑ 8.6%
	Accounts (in millions)	2.7	3.4	↑ 24.7%
	Amount (in million pesos)	5,783.4	7,669.7	↑ 32.6%
Microinsurance	Banks	34	34	→ 0.0%
	Clients* <sup>[6]</sup> (in millions)		2.2	

\*2016

### Microfinance Outside the Banking System

	2013	2015	Growth
<b>Cooperatives<sup>[7]</sup></b>			
Number of member-depositors (in millions)	6.5	6.4	↓ -1.5%
Deposit liabilities (in billion pesos)	66.7	73.7	↑ 10.5%
Outstanding loans (in billion pesos)	152.7	162.4	↑ 6.4%
<b>Microfinance NGOs<sup>[8]</sup></b>			
Number of clients (in millions)	2.9	3.9	↑ 35.7%
Outstanding loans (in billion pesos)	16.4	20.6	↑ 25.9%

### Insurance

	2014	2015	Change
Insurance Penetration	1.56%	1.75%	↑ 0.19

Number of Policyowners (in millions)	Insurers	Microinsurance Providers	% Share of Microinsurance
Mutual Benefit Associations	17.0	16.1	94.1%
Life Insurance Companies	24.9	5.5	22.2%
Non-Life Insurance Companies	13.9	7.1	50.9%
Total	55.9	28.7	51.3%

Amount of Premiums (in million pesos)	Insurers	Microinsurance Providers	% Share of Microinsurance
Mutual Benefit Associations	6,877	2,461	35.8%
Life Insurance Companies	188,818	1,712	0.9%
Non-Life Insurance Companies	36,565	358	1.0%
Total	232,260	4,531	2.0%

Source: Insurance Commission (2015)

[6] Estimated number of rural bank clients with microinsurance coverage (Source: RBAP, 2016)

[7] Sourced from the Cooperative Development Authority (CDA). In 2013, there were 23,187 coops in the registry but only 10,675 coops are reporting, of which 7,247 coops are offering financial services. In 2015, CDA reported that 83% of cooperatives are engaged in financial inclusion-related services.

[8] Based only from a sample of MF NGOs that responded to the BSP data request.

## Other financial inclusion data

### Alliance for Financial Inclusion Core Set/ Philippine Development Plan Indicator (preliminary)

	2016 Q1	2017 Q1	Growth
Total number of access points	65,119	72,015	↑ 10.6%
Number of access points per 10,000 adults	9.1	9.8	↑ 8.3%

### Indicators from Demand-side Surveys

#### FORMAL ACCOUNT/SAVINGS

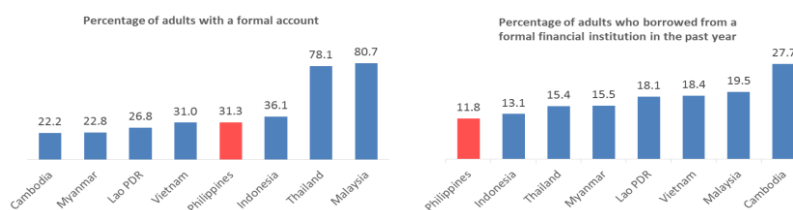
World Bank Findex <small>(Respondents: Adults - individuals aged 15+)</small>	2011	2014	Change
Account	26.6%	31.3%	↑ 4.7
Account, male	19.0%	24.4%	↑ 5.4
Account, female	33.7%	37.9%	↑ 4.1
Account, young adults (15-24)	18.3%	19.0%	↑ 0.7
Account, older adults (25+)	29.7%	35.9%	↑ 6.2
Account, income, poorest 40%	10.7%	17.8%	↑ 7.1
Account, income, richest 60%	37.1%	40.6%	↑ 3.4
Account, primary education or less	12.3%	18.1%	↑ 5.8
Account, secondary education or more	33.1%	36.8%	↑ 3.8
Account, rural	19.5%	27.5%	↑ 8.0

\*Formal account includes account at a formal financial institution as well as mobile money wallet

BSP Financial Inclusion Survey <small>(Respondents: Adults - individuals aged 15+)</small>	2015
Percentage of adults with savings	43.2%
Percentage of adults with savings in a bank <i>(base: adults with savings)</i>	32.7%
Percentage of adults who keep their savings at home <i>(base: adults with savings)</i>	68.3%

BSP Consumer Finance Survey <small>(Respondents: Households)</small>	2009	2014	Change
Percentage of households with deposit account	21.5%	14.0%	↓ -7.5

BSP Consumer Expectations Survey <small>(Respondents: Households)</small>	2016 Q1	2017 Q1	Change
Percentage of households with savings	32.7%	34.9%	↑ 2.2
Percentage of OFW households who allot a portion of remittances to savings	43.4%	36.9%	↓ -6.5



Source: World Bank Global Findex (2014)

#### CREDIT

World Bank Findex <small>(Respondents: Adults - individuals aged 15+)</small>	2011	2014	Change
Percentage of adults who borrowed from a formal financial institution in the past year	10.5%	11.8%	↑ 1.3

BSP Financial Inclusion Survey <small>(Respondents: Adults - individuals aged 15+)</small>	2015
Percentage of adults with outstanding loans	47.1%
Percentage of adults who borrowed from a bank <i>(base: adults with outstanding loans)</i>	4.4%
Percentage of adults who borrow from informal sources <i>(base: adults with outstanding loans)</i>	72.3%

#### OTHER FINANCIAL SERVICES

World Bank Findex <small>(Respondents: Adults - individuals aged 15+)</small>	2011	2014	Change
Percentage of adults with debit card	13.2%	20.5%	↑ 7.3
Percentage of adults with a mobile account	na	4.2%	
Percentage of adults using a debit card to make payments	na	11.9%	
Percentage of adults using a credit card to make payments	na	2.2%	
Percentage of adults using the Internet to pay bills or make purchases	na	3.5%	

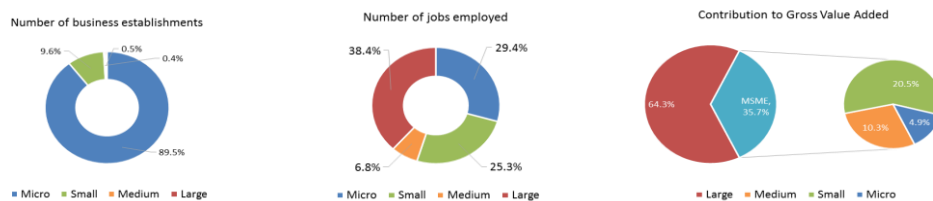
BSP Consumer Expectations Survey <small>(Respondents: Households)</small>	2016 Q1	2017 Q1	Change
Percentage of OFW households who allot a portion of remittances to debt payments	46.5%	31.3%	↓ -15.2
Percentage of OFW households who allot a portion of remittances to investment	6.5%	6.2%	↓ -0.3

### Indicators on the Quality Dimension of Financial Inclusion

<i>Financial literacy</i> . Fin-Q Score <small>(CFI, 2012)</small>	53%
<i>Satisfaction</i> . Percentage of adults who are satisfied in their financial transactions with a bank <small>(NBSFI, 2015)</small>	88%
<i>Convenience</i> . Average time spent before being served in a bank <small>(NBSFI, 2015)</small>	33 mins
<i>Fair treatment</i> . Percentage of adults who experienced a conflict with a financial service provider in the past 3 years <small>(World Bank Financial Capability Survey, 2015)</small>	17%
<i>Choice</i> . Percentage of cities and municipalities with access to savings, credit, payment/remittance, and other financial services <small>(2016)</small>	63%

## Sectoral data

### Micro, Small and Medium Enterprises (MSMEs)



Source: Philippine Statistics Authority and Department of Trade and Industry (2015)

### MSME Compliance

	2016 Q1	2017 Q1	Growth/ Change
Total compliance for MSEs (in billion pesos)	192.2	195.1	↑ 1.5%
Total compliance for MEs (in billion pesos)	267.3	299.7	↑ 12.1%
Percentage of compliance for MSEs (required: 8%)	3.9%	3.3%	↓ -0.5
Percentage of compliance for MEs (required: 2%)	5.4%	5.1%	↓ -0.3
Number of MSME Borrowers	1,619,935	1,427,088	↓ -11.9%
Number of BMBE Borrowers	3,209	1,981	↓ -38.3%

### Enterprise Access to Finance

	2009	2015
Percentage of enterprises with a checking or savings account	97.8%	↓ 93.2%
Small	97.2%	↓ 90.9%
Medium	98.5%	↓ 96.2%
Large	98.3%	↓ 98.0%
Percentage of enterprises with bank loans/line of credit	33.2%	↓ 29.9%
Small	21.1%	↑ 22.6%
Medium	39.9%	↓ 38.9%
Large	61.4%	↓ 48.1%

Source: World Bank Enterprise Survey (among small, medium, and large enterprises)

### Percentage of Enterprises Identifying Access to Finance as Major Constraint

	2009	2015
Percentage of Enterprises Identifying Access to Finance as Major Constraint	13.0%	↓ 10.7%
Small	15.0%	↓ 9.3%
Medium	17.0%	↓ 14.4%
Large	7.0%	↓ 5.4%

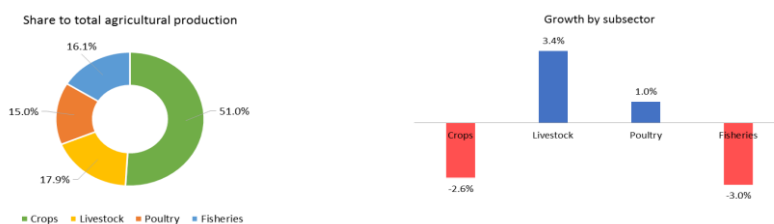
Source: World Bank Enterprise Survey (among small, medium, and large enterprises)

### Proportion of Investments Financed by Source

	2009	2015
Internal finance	75.9%	↑ 81.2%
Bank finance	12.2%	↓ 10.1%
Trade/Supplier credit	6.5%	↓ 2.6%
Equity/Sale of stock	3.7%	↑ 5.5%

Source: World Bank Enterprise Survey (among small, medium, and large enterprises)

### Agricultural Sector



Source: Philippine Statistics Authority (Fourth Quarter 2016)

### Agri-Agra Compliance

	2016 Q1	2017 Q1	Growth/ Change
Total compliance for AGRA (in billion pesos)	29.3	36.9	↑ 25.8%
Total compliance for AGRI (in billion pesos)	402.0	465.6	↑ 15.8%
Percentage of compliance for AGRA (required: 10%)	0.99%	1.02%	↑ 0.0
Percentage of compliance for AGRI (required: 15%)	13.5%	12.8%	↓ -0.7

## Other relevant data

### Geography

Land area (in km <sup>2</sup> )	300,000
Regions	18
Provinces	81
Cities	145
Municipalities	1,489

Source: Philippine Statistics Authority

### Population

	2010	2015
Population, in millions	92.3	101.0
Adult population (aged 15 +), in millions	62.9	70.3
Number of households, in millions	20.2	23.0

Source: Philippine Statistics Authority Census of Population and Housing

### Economy

GDP Y-o-Y growth <sup>(1st Quarter 2016 vs. 1st Quarter 2017)</sup>	6.4%
GDP full year growth <sup>(2016)</sup>	6.8%
Inflation rate <sup>(June 2017)</sup>	2.8%
Unemployment rate <sup>(Apr 2017)</sup>	5.7%

Source: Philippine Statistics Authority

### Income and Poverty

Average annual family income, in PhP <sup>(Oct 2016)</sup>	267,000
Minimum wage, non-agri NCR, in PhP <sup>(Dec 2016)</sup>	454 - 491
Poverty incidence of population <sup>(2015)</sup>	21.6%
Poverty threshold, average monthly estimate, in PhP <sup>(2015)</sup>	9,064

Source: Philippine Statistics Authority

### Overseas Filipinos

	2015	2016
Amount of cash remittances, in billion USD	25.6	26.9
Number of Overseas Filipinos, in millions* <sup>(2013)</sup>	10.2	

<sup>P/</sup> Preliminary

\*Source: Commission on Filipino Overseas

### Mobile Market

	2014	2015
Connections, in millions	116.6	121.8
Number of unique mobile subscribers, in millions	49.0	51.0
Unique subscriber penetration rate	49%	50%
SIM penetration <sup>(2015)</sup> <sup>r/</sup>	120%	
Mobile broadband penetration <sup>(2015)</sup> <sup>r/</sup>	45%	
Smartphone penetration <sup>(2016)</sup>	59%	

Source: Groupe Speciale Mobile (GSM) Association/ GSMA

### Internet

	2015	2016
Percentage of individuals using the internet <sup>r/</sup>	53.7%	55.5%
	2014	2015
Fixed broadband price, in USD	22.5	22.0
Mobile broadband price, prepaid handset-based (500 MB), in USD	6.7	4.4
Mobile broadband price, postpaid computer-based (1 GB), in USD	22.5	19.7

Source: International Telecommunication Union (ITU)

<sup>r/</sup> Revised

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