

Financial Inclusion in the Philippines

Dashboard

As of First Quarter 2019

Access

Banks and Automated Teller Machines (ATMs)*

	2018 Q1	2019 Q1	Growth
Banks (head office, branches, and other offices)	11,888	12,378	● 4.1%
Universal & Commercial Banks	6,479	6,611	● 2.0%
Thrift Banks	2,453	2,666	● 8.7%
Rural & Cooperative Banks	2,956	3,101	● 4.9%
ATMs	20,562	21,679	● 5.4%
On-site ATMs	11,472	11,921	● 3.9%
Off-site ATMs	9,090	9,758	● 7.3%

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

Branch-lite

	2018 Q1	2019 Q1	Growth
Number of operating branch-lite units	1,690	1,892	● 12.0%
Number of cities and municipalities with branch-lite	728	796	● 9.3%
Number of cities and municipalities without head office/branch but with branch-lite	151	169	● 11.9%

"Branch-lite" gives banks the flexibility to determine the appropriate size and model of a banking office for a specific area or locality based on market needs (BSP Circular No. 987).

Other Financial Service Access Points

	2018 Q1	2019 Q1	Growth
NSSLAs	198	200	● 1.0%
Pawnshops ^[1]	16,582	12,879	● -22.3%
Money Service Businesses (MSBs) ^[1]	11,697	5,613	● -52.0%
Other NBFIs ^[2]	218	226	● 3.7%
	2017	2018	Growth
Cash agents ^{[3] p/} (baseline)	---	7,816	---
E-Money Agents ^{[4] r/}	41,990	27,993	● -33.3%
Point of Sale (POS) Terminals ^{r/}	119,559	103,852	● -13.1%
Credit Cooperatives ^[5]	3,664	3,881	● 5.9%
Microfinance NGOs ^[6] (2016 vs. 2017)	2,603	2,861	● 9.9%

Insurance Providers

	Insurers	Microinsurance Providers
Mutual Benefit Associations	35	23
Life Insurance Companies	33	11
Non-Life Insurance Companies	65	10
Total	133	44

Source: Insurance Commission (2018)

Overall Access Situation

	2018 Q1		2019 Q1	
	Number of cities and municipalities	% to Total	Number of cities and municipalities	% to Total
1. With banking presence	1,082	66.2%	1,101	● 67.4%
2. Without banking presence	552	33.8%	533	● 32.6%
2.1 Without banking presence but with other access points	446	27.3%	465	● 28.5%
2.2 Without any access point	106	6.5%	68	● 4.2%
With at least one access point (1 + 2.1) ^[7]	1,528	93.5%	1,566	● 95.8%

[1] 2018 Q1 and 2019 Q1 may not be directly comparable as a result of re-registration and cleaning of database following the issuance of BSP Circular Nos. 938 and 942.

[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] Preliminary data based on banks implementing/piloting the cash agent model (BSP Circular No. 940).

[4] Total number of registered e-money agents, of which 26,455 are considered active in 2018 based on preliminary data. This count includes agents that are pawnshops, MSBs, and cooperatives.

[5] Sourced from the Cooperative Development Authority (CDA). In 2018, there were 28,784 coops in the registry.

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

[7] 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, cooperatives offering financial services, microfinance NGOs, pawnshops, FXDs/MCs/RTCs, other NBFIs, e-money agents and cash agents; and exclude ATMs (no data on the number of ATMs that can perform both cash-in and cash-out).

p/ Preliminary; r/ Revised

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Usage

Deposits and Loans in the Banking System

	2018 Q1	2019 Q1		Growth
Number of deposit accounts (in millions)	58.2	65.2	●	12.1%
Number of depositors (in millions)	46.0	60.7	●	31.9%
Amount of deposits (in trillion pesos)	12.0	12.7	●	6.1%
Amount of loans (in trillion pesos)	8.2	9.0	●	9.5%

Basic Deposit Accounts (preliminary)

	2018 Q4
Number of depositors	339,633
Amount of deposits (in million pesos)	1,198.6

Electronic Money

	2017	2018		Growth
Number of Transactions (in millions)				
Inflow	73	119	●	62.1%
Outflow	317	406	●	28.0%
Amount of Transactions (in billion pesos)				
Inflow	481.7	546.4	●	13.4%
Outflow	481.0	543.7	●	13.0%
Number of E-Money Accounts (in millions) ^{p/}				
Active e-money wallets	2.2	5.0	●	132.7%
Prepaid cards (linked to e-money) ^{r/}	24.9	28.0	●	12.5%
Cards (in millions)				
ATM debit cards ^{r/}	38.7	39.5	●	2.0%
Credit cards ^{r/}	8.0	9.4	●	18.0%

Microfinance in the Banking System

		2018 Q1	2019 Q1		Growth
Microfinance	Banks	163	159	●	-2.5%
	Borrowers	1,738,732	1,982,860	●	14.0%
	Amount (in million pesos)	16,917.5	22,550.8	●	33.3%
Microenterprise Loans	Banks	151	146	●	-3.3%
	Borrowers	1,480,397	1,687,607	●	14.0%
	Amount (in million pesos)	14,095.0	18,720.9	●	32.8%
Microfinance Plus	Banks	37	38	●	2.7%
	Borrowers	8,337	9,790	●	17.4%
	Amount (in million pesos)	734.9	1,027.6	●	39.8%
Micro-Agri Loans	Banks	26	24	●	-7.7%
	Borrowers	66,931	93,449	●	39.6%
	Amount (in million pesos)	696.3	1,043.8	●	49.9%
Housing Microfinance Loans	Banks	18	15	●	-16.7%
	Borrowers	108,020	117,418	●	8.7%
	Amount (in million pesos)	1,041.4	1,378.2	●	32.3%

Microfinance Outside the Banking System

	2016	2017		Growth
Cooperatives ^[5]				
Number of member-depositors (in millions)	8.2	8.0	●	-2.4%
Deposit liabilities (in billion pesos)	98.8	109.2	●	10.5%
Outstanding loans (in billion pesos)	167.4	194.1	●	15.9%
Microfinance NGOs ^[6]				
Number of clients (in millions)	3.9	4.3	●	10.6%
Outstanding loans (in billion pesos)	20.6	28.6	●	38.6%

Insurance/Microinsurance

	2016	2017 ^{p/}		Change
Insurance Penetration	1.61%	1.65%	●	0.04

^{p/} Preliminary

Number of Policyowners, including dependents (in millions)	Insurers	Microinsurance Providers	% Share of Microinsurance
Mutual Benefit Associations	23.9	22.8	95.0%
Life Insurance Companies	39.1	11.8	30.3%
Non-Life Insurance Companies	9.8	4.3	43.6%
Total	72.9	38.9	53.4%

Amount of Premiums (in million pesos)	Insurers	Microinsurance Providers	% Share of Microinsurance
Mutual Benefit Associations	10,704	2,583	24.1%
Life Insurance Companies	228,612	4,560	2.0%
Non-Life Insurance Companies	50,834	999	2.0%
Total	290,149	8,142	2.8%

Other financial inclusion data

Alliance for Financial Inclusion Core Set/ Philippine Development Plan Indicator

	2018 Q1	2019 Q1	Growth
Total number of access points	99,037	88,258	-10.9%
Number of access points per 10,000 adults	13.2	11.7	-11.2%

Indicators from Demand-side Surveys

FORMAL ACCOUNT AND SAVINGS

World Bank Findex (Respondents: Adults - individuals aged 15+)	2014	2017	Change
Formal account*	31.3%	34.5%	3.2
Financial institution account	28.1%	31.8%	3.7
Mobile money account	4.2%	4.5%	0.3

By individual characteristics

Male	24.4%	30.0%	5.6
Female	37.9%	38.9%	1.0
Young adults (15-24)	19.0%	23.5%	4.5
Older adults (25+)	35.9%	38.8%	3.0
Poorest 40% ^{1/}	18.04%	18.03%	0.0
Richest 60%	40.6%	45.4%	4.8
Primary education or less	18.1%	18.0%	-0.1
Secondary education or more	36.8%	41.4%	4.5
Rural	27.5%	27.4%	-0.1

Savings

Saved any money in the past year	67.3%	58.7%	-8.6
Saved at a financial institution	14.8%	11.9%	-2.9
Saved using a savings club or a person outside the	9.3%	8.0%	-1.3

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

BSP Financial Inclusion Survey (Respondents: Adults - individuals aged 15+)	2015	2017	Change
Percentage of adults with savings	43.2%	47.9%	4.7
Percentage of adults with savings in a bank (base: adults with savings)	32.7%	17.9%	-14.8
Percentage of adults who keep their savings at home (base: adults with savings)	68.3%	68.3%	0.0

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

BSP Consumer Expectations Survey (Respondents: Households)	2018 Q1	2019 Q1	Change
Percentage of households with savings	36.6%	36.6%	0.0
Percentage of OFW households who allot a portion of remittances to savings	38.3%	33.0%	-5.3

Percentage of adults with a formal account



CREDIT

World Bank Findex (Respondents: Adults - individuals aged 15+)	2014	2017	Change
Percentage of adults who borrowed any money	70.1%	58.6%	-11.5
Percentage of adults who borrowed from a formal financial institution in the past year	11.8%	9.7%	-2.1
Percentage of adults who borrowed from family and friends	48.7%	41.2%	-7.5

BSP Financial Inclusion Survey (Respondents: Adults - individuals aged 15+)	2015	2017	Change
Percentage of adults with outstanding loans	47.1%	22.3%	-24.8
Percentage of adults who borrowed from a bank (base: adults with outstanding loans)	4.4%	2.6%	-1.8
Percentage of adults who borrow from informal sources (base: adults with outstanding loans)	72.3%	38.9%	-33.4

OTHER FINANCIAL SERVICES

World Bank Findex (Respondents: Adults - individuals aged 15+)	2014	2017	Change
Percentage of adults with debit card	20.5%	21.0%	0.5
Percentage of adults with credit card	3.2%	1.9%	-1.3
Percentage of adults who made or received digital payments	19.5%	25.1%	5.6

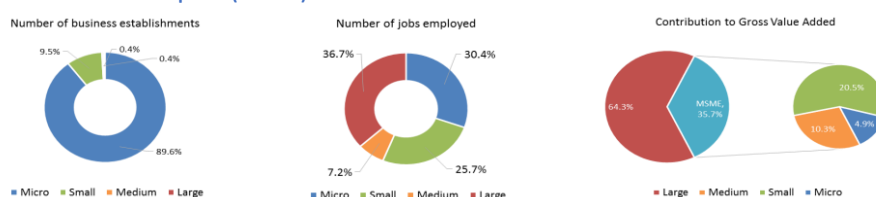
BSP Consumer Expectations Survey (Respondents: Households)	2018 Q1	2019 Q1	Change
Percentage of OFW households who allot a portion of remittances to debt payments	41.4%	21.4%	-20.0
Percentage of OFW households who allot a portion of remittances to investment	4.2%	3.8%	-0.3

Indicators on the Quality Dimension of Financial Inclusion

Financial literacy - Fin-Q Score (CPI, 2012)	53%
Satisfaction - Percentage of account holders who are satisfied with their account (FIS, 2017)	98%
Fair treatment - Percentage of adults who experienced a conflict with a financial service provider in the past 3 years (World Bank Financial Capability Survey, 2015)	17%

Sectoral data

Micro, Small and Medium Enterprises (MSMEs)



Source: Philippine Statistics Authority and Department of Trade and Industry (2016)

MSME Compliance

	2018 Q1	2019 Q1	Growth/ Change
Total compliance for MSEs (in billion pesos)	215.5	213.2	-1.1%
Total compliance for MEs (in billion pesos)	323.4	327.9	1.4%
Percentage of compliance for MSEs (required: 8%)	3.1%	2.7%	-0.4%
Percentage of compliance for MEs (required: 2%)	4.7%	4.2%	-0.5%
Number of MSME Borrowers	1,472,512	1,560,245	6.0%
Number of BMBE Borrowers	2,520	4,342	72.3%

Percent Share of MSME Loans to Total Loans

	2017 Q4	2018 Q4	Change
Total business loans	9.8%	9.2%	-5.8%
Total banking system loans	6.6%	6.2%	-5.3%

Enterprise Access to Finance

	2009	2015	Change
Percentage of enterprises with a checking or savings account	97.8%	93.2%	-4.6%
Small	97.2%	90.9%	-6.3%
Medium	98.5%	96.2%	-2.3%
Large	98.3%	98.0%	-0.3%
Percentage of enterprises with bank loans/line of credit	33.2%	29.9%	-3.3%
Small	21.1%	22.6%	1.5%
Medium	39.9%	38.9%	-1.0%
Large	61.4%	48.1%	-13.3%

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

Percentage of Enterprises Identifying Access to Finance as Major Constraint

	2009	2015 ^{1/}	Change
Percentage of Enterprises Identifying Access to Finance as Major Constraint	13.0%	10.4%	2.6%
Small	15.0%	9.3%	5.7%
Medium	17.0%	14.4%	2.6%
Large	7.0%	5.4%	1.6%

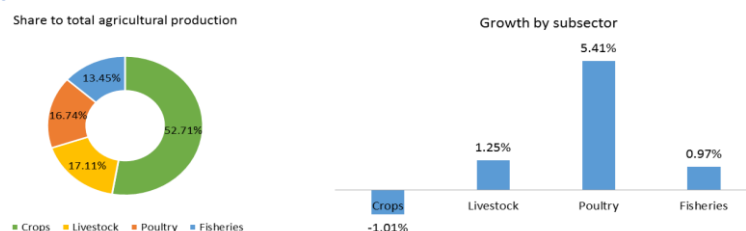
Source: World Bank Enterprise Survey (among small, medium, and large enterprises)

Proportion of Investments Financed by Source

	2009	2015	Change
Internal finance	75.9%	81.2%	5.3%
Bank finance	12.2%	10.1%	-2.1%
Trade/Supplier credit	6.5%	2.6%	-3.9%
Equity/Sale of stock	3.7%	5.5%	1.8%

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

Agricultural Sector



Source: Philippine Statistics Authority (Fourth Quarter 2018)

Agri-Agra Compliance

	2018 Q1	2019 Q1	Growth/ Change
Total compliance for AGRA (in billion pesos)	45.6	58.0	27.1%
Total compliance for AGRI (in billion pesos)	552.3	653.0	18.2%
Percentage of compliance for AGRA (required: 10%)	1.06%	1.17%	0.11%
Percentage of compliance for AGRI (required: 15%)	12.83%	13.16%	0.33%

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Other relevant data

Geography

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

Source: Philippine Statistics Authority

Population

	2010	2015	2019
Population, in millions	92.3	101.0	108.9*
Adult population (aged 15 +), in millions ^{1/}	61.8	69.3	75.2
Number of households, in millions	20.2	23.0	---

Source: Philippine Statistics Authority Census of Population and Housing

*Commission on Population

Economy

GDP Y-o-Y growth (First Quarter 2018 vs. First Quarter 2019)	5.6%
GDP full year growth (2018)	6.2%
Inflation rate (June 2019)	2.7%
Unemployment rate (July 2018) ^{1/}	5.4%

Source: Philippine Statistics Authority

Income and Poverty

Average annual family income, in PhP (Oct 2016)	267,000
Minimum wage, non-agri NCR, in PhP (Dec 2016)	512
Poverty incidence of population (2015)	21.6%
Poverty threshold, average monthly estimate, in PhP (2015)	9,064

Source: Philippine Statistics Authority

Overseas Filipinos

	2017	2018
Amount of cash remittances, in billion USD	28.1	28.9
Number of Overseas Filipinos, in millions* (2013)	10.2	

*Source: Commission on Filipino Overseas

Mobile Market

SIM penetration (Q4 2018) ^{1/}	126%
Unique mobile user penetration (2018) ^{2/}	58%
Mobile broadband penetration (Q4 2018) ^{1/}	86%
Smartphone penetration (2017) ^{1/}	63%

Sources:

1/ Groupe Speciale Mobile (GSM) Association/ GSMA

2/ We Are Social

Internet

	2016	2017
Percentage of individuals using the internet (ITU)	55.5%	60.1%
Average time spent on the internet per day (We Are Social, 2018)	9 hours, 29 mins	

Social Media

	2017	2018
Social media penetration	58%	63%
Number of Facebook users	60 million	67 million
Average time spent on social media per day	4 hrs, 17 mins	3 hrs, 57 mins

Source: We Are Social

E-Commerce and Mobile Banking

E-commerce penetration (2018)	39%
Mobile banking penetration (2018)	28%

Source: We Are Social

Compiled by:



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