

Financial Inclusion in the Philippines

Dashboard
As of Fourth Quarter 2019

Access

Banks and Automated Teller Machines (ATMs)*

	2018 Q4	2019 Q4	Growth
Banks (head office, branches, and other offices)	12,316	12,820	● 4.1%
Universal & Commercial Banks	6,594	6,865	● 4.1%
Thrift Banks	2,657	2,683	● 1.0%
Rural & Cooperative Banks	3,065	3,272	● 6.8%
ATMs	21,278	21,777	● 2.3%
On-site ATMs	11,724	11,988	● 2.3%
Off-site ATMs	9,554	9,789	● 2.5%

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

Branch-lite

	2018 Q4	2019 Q4	Growth
Number of operating branch-lite units	1,874	2,248	● 20.0%
Number of cities and municipalities with branch-lite	791	871	● 10.1%
Number of cities and municipalities without head office/branch but with branch-lite	169	195	● 15.4%

"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 Q4	2019 Q4	Growth
NSSLAs	196	200	● 2.0%
Pawnshops	12,107	13,801	● 14.0%
Money Service Businesses (MSBs)	5,483	6,784	● 23.7%
Other NBFIs ^[1]	219	224	● 2.3%
Cash agents ^[2] (2019)	17,057		---
	2018	2019	Growth
E-Money Agents ^{[3] r/}	52,600	43,740	● -16.8%
Point of Sale (POS) Terminals ^{p/}	103,852	79,693	● -23.3%
Credit Cooperatives ^[4]	3,881	2,711	● -30.1%
Microfinance NGOs ^[5]	2,861	3,887	● 35.9%
Financing and Lending Companies ^[6]	3,861		---

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 Q4		2019 Q4	
	Number of cities and municipalities	% to Total	Number of cities and municipalities	% to Total
1. With banking presence	1,098	67.2%	1,124	● 68.8%
2. Without banking presence	536	32.8%	510	● 31.2%
2.1 Without banking presence but with other access points	432	26.4%	435	● 26.6%
2.2 Without any access point	104	6.4%	75	● 4.6%
With at least one access point (1 + 2.1) ^[7]	1,530	93.6%	1,559	● 95.4%

[1] 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.

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

[3] Total number of registered e-money agents, of which 28,446 are considered active in 2019. This count includes agents that are pawnshops, MSBs, and cooperatives.

[4] Sourced from the Cooperative Development Authority (CDA). There are 19,692 operating cooperatives (head offices and branches) as of December 2019, of which approximately 9,145 cooperatives are offering financial services.

[5] Based only from a sample of MF NGOs that responded to the BSP data request. 2019 data is based on the 28 microfinance NGOs accredited by the Microfinance NGO

[6] Sourced from the Securities and Exchange Commission (SEC).

[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).

Usage

Deposits and Loans in the Banking System

	2018 Q4	2019 Q4	Growth
Number of deposit accounts (in millions)	62.9	73.7	● 17.2%
Number of depositors (in millions)	52.9	68.5	● 29.5%
Amount of deposits (in trillion pesos)	12.8	13.7	● 7.1%
Amount of loans (in trillion pesos)	9.3	9.7	● 4.0%

Basic Deposit Accounts (preliminary)

	2019 Q4
Number of depositors (in millions)	4.0
Amount of deposits (in billion pesos)	3.5

Electronic Money

	2018	2019	Growth
Number of Transactions (in millions)			
Inflow	119	178	● 50.1%
Outflow	406	449	● 10.8%
Amount of Transactions (in billion pesos)			
Inflow	546.4	745.2	● 36.4%
Outflow	543.7	740.1	● 36.1%
Number of E-Money Accounts (in millions)			
Active e-money wallets	5.0	8.8	● 74.0%
Prepaid cards (linked to e-money)	28.2	20.6	● -27.0%
Cards (in millions)			
ATM debit cards	39.5	43.0	● 8.7%
Credit cards	9.4	9.0	● -4.3%

Microfinance in the Banking System

	2018 Q4	2019 Q4	Growth	
Microfinance	Banks	159	154	● -3.1%
	Borrowers	1,986,683	2,410,677	● 21.3%
	Amount (in million pesos)	22,615.4	27,294.7	● 20.7%
Microenterprise Loans	Banks	145	142	● -2.1%
	Borrowers	1,652,044	2,088,352	● 26.4%
	Amount (in million pesos)	18,640.9	22,880.5	● 22.7%
Microfinance Plus	Banks	39	37	● -5.1%
	Borrowers	8,900	10,465	● 17.6%
	Amount (in million pesos)	968.9	1,162.8	● 20.0%
Micro-Agri Loans	Banks	24	23	● -4.2%
	Borrowers	98,761	94,381	● -4.4%
	Amount (in million pesos)	1,092.2	1,327.2	● 21.5%
Housing Microfinance Loans	Banks	15	13	● -13.3%
	Borrowers	127,418	143,291	● 12.5%
	Amount (in million pesos)	1,396.0	1,535.0	● 10.0%

Microfinance Outside the Banking System

	2017	2018 ^[4]	Growth
Cooperatives^[4]			
Number of member-depositors (in millions)	8.0	9.4	● 17.5%
Deposit liabilities (in billion pesos)	109.2	138	● 26.4%
Outstanding loans (in billion pesos)	194.1	276	● 42.2%
Microfinance NGOs^[5]			
Number of clients (in millions)	4.3	5.2	● 20.1%
Outstanding loans (in billion pesos)	28.6	41.9	● 46.6%

Insurance/Microinsurance

	Q3 2018	Q3 2019	Change
Insurance Penetration (premium volume as a share of GDP)	1.76%	1.69%	● -0.07

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%

Source: Insurance Commission (2018)

[5] Based only from a sample of MF NGOs that responded to the BSP data request. 2019 data is based on the 28 microfinance NGOs accredited by the Microfinance NGO Regulatory SES FinInc Form No. 01-001* Version 0* Updated 29 Jun 2017

Other financial inclusion data

Alliance for Financial Inclusion Core Set/ Philippine Development Plan Indicator

	2018 Q4	2019 Q4	Growth
Total number of access points	74,778	92,356	23.5%
Number of access points per 10,000 adults	10.0	12.3	23.0%

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

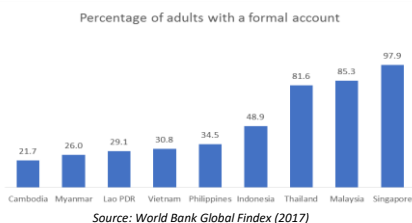
Saved any money in the past year	67.3%	58.7%	-8.6
Saved at a financial institution	14.8%	11.9%	-2.9
Saved using a savings club or a person outside the	9.3%	8.0%	-1.3

*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 formal account	22.0%	22.6%	0.6
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 Q4	2019 Q4	Change
Percentage of households with savings	32.8%	36.3%	3.5
Percentage of households with savings in banks	68.0%	69.6%	1.6
Percentage of OFW households who allot a portion of remittances to savings	35.5%	38.5%	3.0



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

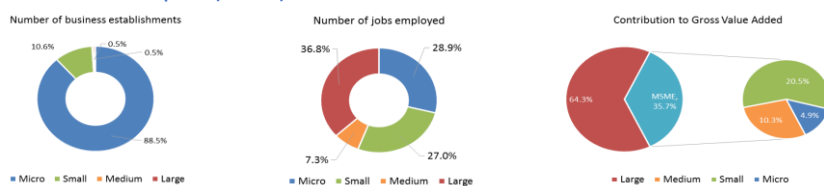
BSP Consumer Expectations Survey (Respondents: Households)	2018 Q4	2019 Q4	Change
Percentage of OFW households who allot a portion of remittances to debt payments	21.9%	20.1%	-1.8
Percentage of OFW households who allot a portion of remittances to investment	5.1%	5.1%	0.0

Indicators on the Quality Dimension of Financial Inclusion

Financial literacy - Fin-Q Score (CfI, 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 (2018)

MSME Compliance

	2018 Q4	2019 Q4	Growth/ Change
Total compliance for MSEs (in billion pesos)	233.6	228.4	-2.3%
Total compliance for MEs (in billion pesos)	341.2	350.8	2.8%
Percentage of compliance for MSEs (required: 8%)	3.1%	2.8%	-0.3
Percentage of compliance for MEs (required: 2%)	4.6%	4.3%	-0.2
Number of MSME Borrowers	1,712,488	1,651,501	-3.6%
Number of BMBE Borrowers	4,467	4,050	-9.3%

MSME Loans

	2018 Q4	2019 Q4	Change
Total MSME loans (in billion pesos)	578.0	589.0	1.9%
% share of MSME loans to total business loans	9.2%	8.8%	-0.4
% share of MSME loans to total banking system loans	6.2%	6.1%	-0.2
% share of MSME loans to GDP	3.3%	3.2%	-0.2
Y-o-Y growth in loans to MSMEs	8.6%	1.9%	-6.7
Y-o-Y growth in loans to private corporations	16.0%	7.9%	-8.1

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

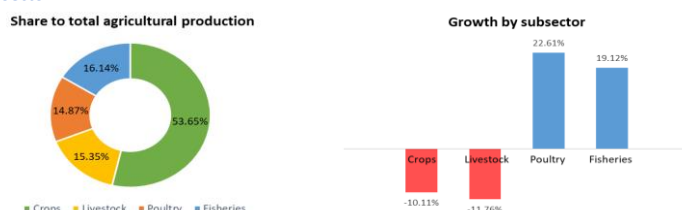
Source: World Bank Enterprise Survey (among small, medium, and large enterprises)

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 2019)

Agri-Agra Compliance

	2018 Q4	2019 Q4 ^{1/}	Growth/ Change
Total compliance for AGRA (in billion pesos)	58.0	67.5	16.5%
Total compliance for AGRI (in billion pesos)	649.4	666.7	2.7%
Percentage of compliance for AGRA (required: 10%)	1.17%	1.09%	-0.08
Percentage of compliance for AGRI (required: 15%)	13.08%	10.80%	-2.28

Other relevant data

Geography

Land area (in km ²)	300,000
Regions	17
Provinces	81
Cities	146
Municipalities	1,488

Source: Philippine Statistics Authority

Population

	2010	2015	2019
Population, in millions	92.3	101.0	108.9*
Adult population (aged 15 +), in millions	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 (Fourth Quarter 2018 vs. Fourth Quarter 2019)	6.4%
GDP full year growth (2019)	5.9%
Inflation rate (Dec 2019)	2.5%
Unemployment rate (October 2019)	4.5%

Source: Philippine Statistics Authority

Income and Poverty

Average annual family income, in PhP (2018)	313,000
Minimum wage in NCR for non-agriculture, in PhP (Sep 2019)	537.00
Poverty incidence among population (2018)	16.6%
Poverty threshold, average monthly estimate, in PhP (2018)	10,727

Source: Philippine Statistics Authority

Overseas Filipinos

	2018	2019
Amount of cash remittances, in billion USD	28.9	30.1
Number of Overseas Filipinos, in millions* (2013)	10.2	

*Source: Commission on Filipino Overseas

Mobile Market

SIM penetration (Q4 2019) ^{1/}	159%
Mobile broadband penetration (Q4 2019) ^{1/}	86%
Unique mobile user penetration (2018) ^{2/}	58%
Smartphone penetration (2019) ^{2/}	65%

Sources:

1/ Groupe Speciale Mobile (GSM) Association/ GSMA

2/ We Are Social

Internet and Social Media

Percentage of individuals using the internet	67%
Average time spent on the internet per day	9 hours, 45 mins
Social media penetration	67%
Average time spent on social media per day	3 hours, 53 mins

Source: We Are Social (Jan 2020)

E-Commerce and Mobile Banking

Percentage of internet users who purchased a product or service online	70%
Percentage of internet users using mobile banking	54%

Source: We Are Social (2019)

Compiled by:



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