

Financial Inclusion in the Philippines

Dashboard

As of Fourth Quarter 2020

Access

Banks and Automated Teller Machines (ATMs)*

	2019 Q4	2020 Q4	Growth
Banks (head office, branches, and other offices)	12,820	12,994	1.4%
Universal & Commercial Banks	6,865	6,979	1.7%
Thrift Banks	2,683	2,685	0.1%
Rural & Cooperative Banks	3,272	3,330	1.8%
ATMs	21,777	22,778	4.6%
On-site ATMs	11,988	12,344	3.0%
Off-site ATMs	9,789	10,434	6.6%

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

Branch-lite

	2019 Q4	2020 Q4	Growth
Number of operating branch-lite units	2,248	2,361	5.0%
Number of cities and municipalities with branch-lite	871	889	2.1%
Number of cities and municipalities without head office/branch but with branch-lite	195	201	3.1%

"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 Providers (FSPs)

	2019 Q4	2020 Q4	Growth
NSSLAs	200	200	0.0%
Pawnshops	13,801	14,641	6.1%
Money Service Businesses (MSBs)	6,784	7,214	6.3%
Other NBFIs ^[1]	224	225	0.4%
	2018	2019	Growth
Point of Sale (POS) Terminals ^[2]	103,852	79,693	-23.3%
	2019	2020	Growth
Cash agents ^[2]	17,057	58,417	242.5%
E-Money Agents ^[3]	35,959 ^{1/}	84,299	134.4%
Credit Cooperatives ^[4]	2,766	2,762	-0.1%
Microfinance NGOs ^[5]	3,887	4,450	14.5%
Financing and Lending Companies ^[6]	3,861	4,083	5.7%

Insurance Providers ^[7]

	Insurers	Microinsurance Providers
Mutual Benefit Associations	35	23
Life Insurance Companies	31	10
Non-Life Insurance Companies	66	13
Total	132	46

Total Financial Service Access Points

	2019 Q4	2020 Q4	Growth
Total number of access points	92,356	220,275	138.5%
Number of access points per 10,000 adults	12.3	29.1	136.6%

Digital onboarding (e-KYC)

	2020 Q3
Number of banks with digital onboarding capability	27

Overall Access Situation

	2019 Q4		2020 Q4	
	Number of cities and municipalities	% to Total	Number of cities and municipalities	% to Total
1. With banking presence ^[8]	1,378	84.3%	1,380	84.5%
2. Without banking presence	256	15.7%	254	15.5%
2.1 Without banking presence but with other access points	181	11.1%	180	11.0%
2.2 Without any access point	75	4.6%	74	4.5%
With at least one access point (1 + 2.1) ^[9]	1,559	95.4%	1,560	95.5%

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

[3] Total number of active e-money agents. In 2020, 89% of the total 94,293 registered e-money agents are active.

[4] Sourced from the Cooperative Development Authority (CDA). There are 19,973 operating cooperatives (head offices and branches) as of December 2020, of which approximately 9,484 cooperatives are offering financial services.

[5] Based only from a sample of MF NGOs that responded to the BSP data request. 2020 data is based on the 29 microfinance NGOs accredited by the Microfinance NGO Regulatory Council.

[6] Source: Securities and Exchange Commission (2020)

[7] Source: Insurance Commission (2020)

[8] Indicator has been updated to include cash agents. Based on traditional metrics (no. of banking offices only), Q4 2019 - 1,124 (68.8%) and Q4 2020 - 1,135 (69.5%).

[9] 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 NCOs, pawnshops, MSBs, lending companies, 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) and insurance providers (no data on location).

Usage

Deposits and Loans in the Banking System

	2019 Q4	2020 Q4	Growth
Number of deposit accounts (in millions)	73.7	80.1	● 8.6%
Number of depositors (in millions)	68.5	73.7	● 7.5%
Amount of deposits (in trillion pesos)	13.7	14.9	● 9.0%
Amount of loans (in trillion pesos)	9.7	9.9	● 1.8%

Microfinance in the Banking System

	2019 Q4	2020 Q4	Growth
Microfinance	Banks	154	● -3.2%
	Borrowers	2,410,677	● -17.2%
	Amount (in million pesos)	27,294.7	● -2.5%
Microenterprise Loans	Banks	142	● -4.2%
	Borrowers	2,088,352	● -17.3%
	Amount (in million pesos)	22,880.5	● -1.6%
Microfinance Plus	Banks	37	● -2.7%
	Borrowers	10,465	● 319.5%
	Amount (in million pesos)	1,162.8	● 21.1%
Micro-Agri Loans	Banks	23	● -8.7%
	Borrowers	94,381	● -25.6%
	Amount (in million pesos)	1,327.2	● -23.6%
Housing Microfinance Loans	Banks	13	● 0.0%
	Borrowers	143,291	● -39.9%
	Amount (in million pesos)	1,535.0	● -6.0%

Microfinance Outside the Banking System

	2019	2020	Growth
Cooperatives ^[4]			
Number of member-depositors (in millions)	9.5	8.8	● -7.4%
Deposit liabilities (in billion pesos)	152	158.8	● 4.5%
Outstanding loans (in billion pesos)	315.8	288.1	● -8.8%
Microfinance NGOs ^[5]			
Number of clients (in millions)	5.2	6.2	● 19.4%
Outstanding loans (in billion pesos)	41.9	50.4	● 20.5%

Credit Information System

	2019	2020	Growth
Number of submitting entities with actual basic credit data	474	556	● 17.3%
Number of unique individuals with financial credit data (in millions)	9.0	23.3	● 158.3%
Total contracts (in millions)	56.5	89.9	● 59.2%

Insurance/Microinsurance^[7]

	2019 Q4	2020 Q4	Change
Insurance Penetration (premium volume as a share of GDP)	1.64%	1.71%	● 0.07

Number of Policyowners, including dependents (in millions)	Insurers	Microinsurance Providers	% Share of Microinsurance
Mutual Benefit Associations	30.2	29.0	96.0%
Life Insurance Companies	43.5	14.7	33.8%
Non-Life Insurance Companies	30.3	6.7	22.1%
Total	103.9	50.3	48.4%

Amount of Premiums (in million pesos)	Insurers	Microinsurance Providers	% Share of Microinsurance
Mutual Benefit Associations	11,232	4,462	39.7%
Life Insurance Companies	247,715	2,423	1.0%
Non-Life Insurance Companies	49,307	914	1.9%
Total	308,254	7,799	2.5%

Investment^[10]

	2019	2020	Change
Number of Personal Equity & Retirement Account (PERA) Administrators	2	3	● 50.0%
No. of BSFIs offering PERA UITFs	3	3	● 0.0%
Number of approved PERA products/UITFs	16	17	● 6.3%
Number of PERA contributors	1,388	2,671	● 92.4%
Total PERA contributions (in million pesos)	114.9	166.9	● 45.3%
No. of Existing Non-PERA UITFs ^{*/†}	206	211	● 2.4%
No. of UITF participants ^{**}	471,381	629,396	● 33.5%

^{*}Existing means available in the market.

^{**}The data is based on 30 Trust Entities (TEs) with active trust licenses.

[10] Source: BSP PERA Technical Working Group; Capital Markets and Trust Supervision Department (CATSD)

Inclusive Digital Finance

Basic Deposit Accounts

	2019 Q4	2020 Q4	Growth
Number of banks offering BDA	120	133	● 10.8%
Number of BDA (in millions)	4.0	6.6	● 64.1%
Amount of deposits (in billion pesos)	3.5	4.7	● 32.8%

Electronic Money Accounts

	2019	2020	Growth
Number of Active E-Money Accounts (in millions)			
Active e-money accounts ^{r/}	17.9	34.7	● 93.3%
Number of Transactions (in millions)			
Inflow	178	501	● 180.8%
Outflow	449	1,207	● 168.6%
Amount of Transactions (in billion pesos)			
Inflow	745.2	1,220.9	● 63.8%
Outflow	740.1	1,189.5	● 60.7%

**Sum of card-based only and cards linked to e-wallet*

Account Ownership among Filipino Adults

	Adults (in millions)	Share of adults (%)
Total adults ^[Philippine Statistics Authority, 2021]	77.2	
Formal sector banked ^[BSP, 2019 FIS]	20.9	27%
Onboarded since 2020	19.4	25%
of which		
New BDA ^[BSP, as of Q4 2020]	2.6	3%
New e-money accounts (active) ^[BSP, as of Q4 2020]	16.8	22%
Unbanked adults (estimate)	36.9	48%

Digital Payments

	2019	2020	Growth
PESONet ^[11]			
Volume (in millions)	12.1	36.8	● 203.9%
Value (in billion pesos)	1,259.1	2,791.1	● 121.7%
InstaPay ^[11]			
Volume (in millions)	34.1	232.9	● 582.9%
Value (in billion pesos)	258.6	1,236.6	● 378.1%
Share of digital payments to total payment transactions ^[12]			
Volume	14%	20%	● 6.1
Value	24%	27%	● 2.8

Alternative Finance^[13]

	2019	2020	Growth
Crowdfunding (reward-based crowdfunding)			
Number of campaigns (in thousands)	0.67	0.67	0.0%
Transaction Value (in million US\$)	2.13	1.51	● -29.1%
Crowdfunding (equity-based crowdfunding)			
Number of campaigns (in thousands)	0.01	0.01	0.0%
Transaction Value (in million US\$)	0.58	0.49	● -15.5%
Crowdlending (lending-based crowdfunding)			
Number of loans (in thousands)	0.12	0.13	● 8.3%
Transaction Value (in million US\$)	0.37	0.27	● -27.0%

[11] Source: BSP Payment System Oversight Department (PSOD). Covers transactions from January to December.

[12] Source: Better than Cash Alliance (BTCA)

[13] Source: Statista

Other financial inclusion data

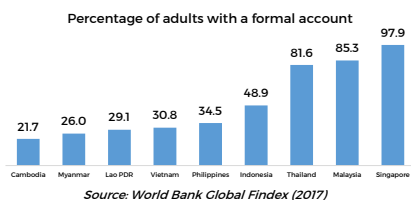
Indicators from Demand-side Surveys

FORMAL ACCOUNT

BSP Financial Inclusion Survey (Respondents: Adults - Individual)	2017	2019	Change
Percentage of adults with formal account	22.6%	28.6%	6.0
<i>By type of account</i>			
Bank account	11.5%	12.2%	0.7
E-money account	1.3%	8.0%	6.7
Microfinance institution account	8.1%	12.1%	4.0
Cooperative account	2.9%	1.7%	-1.2
Non-stock savings and loan association account	0.3%	0.1%	-0.2
<i>By individual characteristics</i>			
Male	15.4%	24.2%	8.8
Female	29.1%	32.9%	3.8
Young adults (15-24)	8.3%	13.1%	4.8
Older adults (25+)	28.1%	34.9%	6.8
ABC	51.1%	42.9%	-8.2
D	24.4%	27.6%	3.2
E	13.9%	27.0%	13.1
Rural	20.3%	29.8%	9.5
Urban	25.0%	27.3%	2.3
Working adults	28.1%	39.0%	10.9
Business owners	---	42.9%	
Pantawid Pamilya participants	---	47.5%	
Percentage of account holders who use their account for payments	18%	39%	21.0

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

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



SAVINGS

BSP Financial Inclusion Survey (Respondents: Adults - Individual)	2017	2019	Change
Percentage of adults with savings	48%	53%	5.1
Percentage of adults with savings in a bank (base: adults with savings)	18%	21%	3.5
Percentage of adults who keep their savings at home	68%	51%	-17.3

BSP Consumer Expectations Survey (Respondents: Household)	2019 Q4	2020 Q4	Change
Percentage of households with savings	36.3%	25.0%	-11.3
Percentage of households with savings in banks (base: HHs with savings)	69.6%	74.0%	4.4
Percentage of OFW households who allot a portion of remittances to savings	38.5%	33.4%	-5.1

CREDIT

BSP Financial Inclusion Survey (Respondents: Adults - Individual)	2017	2019	Change
Percentage of adults with outstanding loans	22%	33%	10.7
Percentage of adults who borrowed from a bank (base: adults with outstanding loans)	3%	3%	0.4
Percentage of adults who borrow from informal sources	39%	54%	15.6

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

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

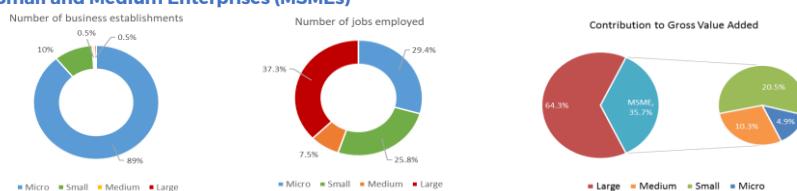
BSP Consumer Expectations Survey (Respondents: Household)	2019 Q4	2020 Q4	Change
Percentage of OFW households who allot a portion of remittances to debt payments	20.1%	15.9%	-4.2
Percentage of OFW households who allot a portion of remittances to investment	5.1%	6.2%	1.2

Indicators on the Quality Dimension of Financial Inclusion

<i>Financial literacy</i> . Percentage of adults who got a perfect score in a financial literacy quiz (FIS, 2019)	8%
<i>Complaints</i> . Percentage of adults who transacted with financial access points and encountered issues (FIS, 2019)	37%
<i>Affordability</i> . Percentage of adults who said that the fees in financial access points are more expensive than expected (FIS, 2019)	22%
<i>Choice</i> . Percentage of cities and municipalities with access to all types of financial services: savings, credit, insurance, payments and remittances (2020 Q4)	76%
<i>Satisfaction</i> . Percentage of account holders who are satisfied with their account (FIS, 2019)	97%

Priority Sectors

Micro, Small and Medium Enterprises (MSMEs)



Source: Philippine Statistics Authority and Department of Trade and Industry (2020)

Women MSME

Share of female within the leading industries in the MSME Sector	2018
Retail or wholesale	88%
Arts and culture	81%
Materials or manufacturing	74%
Food processing	70%
Agriculture	44%

Source: Statista

MSME Loans

	2019 Q4	2020 Q4	Change
Total MSME loans (in billion pesos)	589.0	488.0	-17.1%
% share of MSME loans to total business loans	8.8%	8.0%	-0.8
% share of MSME loans to total banking system loans	6.1%	4.9%	-1.1
% share of MSME loans to GDP	3.2%	2.7%	-0.4
Y-o-Y growth in loans to MSMEs	1.9%	-17.1%	-19.0
Y-o-Y growth in loans to microenterprises	23.8%	-24.6%	-48.4
Y-o-Y growth in loans to small enterprises	-7.1%	-15.6%	-8.5
Y-o-Y growth in loans to medium enterprises	1.5%	-15.8%	-17.4
Y-o-Y growth in loans to private corporations	7.9%	-8.3%	-16.2

MSME Loans based on RA 6977, as amended^[14]

	2019 Q4	2020 Q4	Growth/ Change
Total compliance for MSEs (in billion pesos)	228.4	186.1	-18.5%
Total compliance for MEs (in billion pesos)	350.8	294.4	-16.1%
Percentage of compliance for MSEs (required: 8%)	2.8%	2.2%	-0.6
Percentage of compliance for MEs (required: 2%)	4.3%	3.5%	-0.8
Number of MSME Borrowers	1,651,501	1,405,200	-14.9%
Number of BMBE Borrowers	4,050	3,741	-7.6%

Enterprise Access to Finance

	2009	2015	Change
Percentage of enterprises with a checking or savings account	97.8%	93.2%	-4.6
Percentage of enterprises with bank loans/line of credit	33.2%	29.9%	-3.3
Percentage of Enterprises Identifying Access to Finance as Major Constraint	13.0%	10.4%	2.6

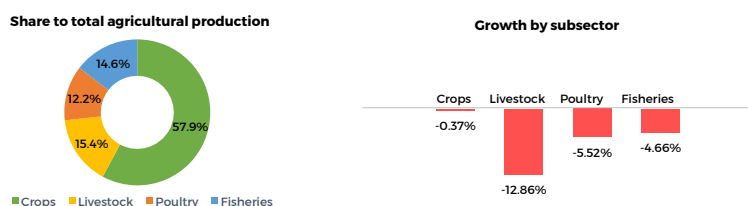
Source: World Bank Enterprise Survey (among small, medium, and large enterprises)

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 2020)

Agriculture, Forestry and Fishing (AFF) Loans

	2019 Q4	2020 Q4	Growth/ Change
Total AFF Loans (in billion pesos)	269.2	256.4	-4.7%
% share of AFF loans to total loans outstanding	2.56%	2.47%	-0.09

Agri-Agra Compliance

	2019 Q4	2020 Q4	Growth/ Change
Total compliance for AGRA (in billion pesos)	67.2	71.2	5.9%
Total compliance for AGRI (in billion pesos)	666.7	642.4	-3.6%
Percentage of compliance for AGRA (required: 10%)	1.09%	1.00%	-0.09
Percentage of compliance for AGRI (required: 15%)	10.80%	9.00%	-1.80

[14] Magna Carta for Micro, Small and Medium Enterprises (MSMEs). The mandatory allocation of credit resources to MSMEs lapsed in June 2018 but is being reported for monitoring purposes.

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	2020
Population, in millions	92.3	101.0	108.8
Adult population (aged 15 +), in millions	61.8	69.3	75.8
Number of households, in millions	20.2	23.0	---

Source: Philippine Statistics Authority Census of Population and Housing

Economy

GDP Y-o-Y growth (Fourth Quarter 2019 vs. Fourth Quarter 2020)	-8.3%
GDP full year growth (2020) ^{1/}	-9.6%
Inflation rate (December 2020)	3.5%
Unemployment rate (January 2021)	8.7%

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)	16.7%
Poverty threshold, average monthly estimate, in PhP (2018)	10,727

Source: Philippine Statistics Authority

Overseas Filipinos

	2019	2020
Amount of cash remittances, in billion USD	30.1	29.9
Number of Overseas Filipinos, in millions* (2013)	10.2	

*Source: Commission on Filipino Overseas

Mobile Market

Percentage of adults with mobile phone ^{1/}	69%
Percentage of adults with smart phone ^{1/}	52%
Mobile connections ^{2/}	155%
Mobile broadband connections ^{2/}	134%
Mobile broadband penetration ^{2/}	86%

Mobile connections - number of SIM cards (as percentage of total population)

Mobile broadband connections - number of sim cards that are 3G and above (as percentage of total population)

Mobile broadband penetration - mobile broadband connections ÷ mobile connections

Internet and Social Media

Percentage of adults using the internet ^{1/}	53%
Average time spent on the internet per day ^{3/}	10 hours, 56 mins
Social media penetration ^{3/}	81%
Average time spent on social media per day ^{3/}	4 hours, 15 mins

E-Commerce and Digital finance

Percentage of internet users who purchased a product or service online ^{3/}	80%
Percentage of adults who use their mobile phone for financial transactions ^{1/}	8%
Percentage of adults who use the internet for financial transactions ^{1/}	5%

Sources:

1/ BSP Financial Inclusion Survey (2019)

2/ Groupe Speciale Mobile (GSM) Association/ GSMA (2019)

3/ We Are Social (Jan 2021)

Compiled by:



BANGKO SENTRAL NG PILIPINAS
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