

Financial Inclusion in the Philippines

Dashboard

As of Third Quarter 2021

Access

Banks and Automated Teller Machines (ATMs)*

	2020 Q3	2021 Q3	Growth
Banks (head office, branches, and other offices)**	12,914	13,122	1.6%
Universal & Commercial Banks	6,958	6,995	0.5%
Thrift Banks	2,667	2,751	3.1%
Rural & Cooperative Banks	3,289	3,376	2.6%
ATMs	22,463	22,932	2.1%
On-site ATMs	12,175	12,386	1.7%
Off-site ATMs	10,288	10,546	2.5%

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

** Total head offices - 517 (U/KBs-46;TBs-47; R/CBs-424)

Branch-lite

	2020 Q3	2021 Q3	Growth
Number of operating branch-lite units	2,308	2,473	7.1%
Number of cities and municipalities with branch-lite	882	908	2.9%
Number of cities and municipalities without head office/branch but with branch-lite	199	208	4.5%

*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)

	2020 Q3	2021 Q3	Growth
NSSLAs	200	199	-0.5%
Pawnshops	14,553	15,369	5.6%
Money Service Businesses (MSBs)	7,280	7,573	4.0%
Other NBFIs ^[1]	225	222	-1.3%
	2018	2019	Growth
Point of Sale (POS) Terminals	103,852	79,693	-23.3%
	2019	2020	Growth
Cash agents ^[2]	17,057	58,417	242.5%
E-Money Agents ^[3]	35,959 ^[4]	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]

	2020	
	Insurers	Microinsurance Providers
Mutual Benefit Associations	36	23
Life Insurance Companies	33	10
Non-Life Insurance Companies	66	13
Total	135	46

Total Financial Service Access Points

	2020 Q3	2021 Q3	Growth
Total number of access points	119,990	221,492	84.6%
Number of access points per 10,000 adults	15.7	28.7	83.4%

Digital onboarding (e-KYC)

	2020	2021 Q3
Number of banks with digital onboarding capability	34	49

Overall Access Situation

	2020 Q3		2021 Q3	
	Number of cities and municipalities	% to Total	Number of cities and municipalities	% to Total
1. With banking presence ^[8]	1,380	84.5%	1,381	84.5%
2. Without banking presence	254	15.5%	253	15.5%
2.1 Without banking presence but with other access points	179	11.0%	181	11.1%
2.2 Without any access point	75	4.6%	72	4.4%
With at least one access point (1 + 2.1) ^[9]	1,559	95.4%	1,562	95.6%

[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

[7] Source: Insurance Commission

[8] Indicator has been updated to include cash agents. Based on traditional metrics (no. of banking offices only), Q3 2020 - 1,130 (69.2%) and Q3 2021 - 1,138 (69.6%).

[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 NGOs, 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

	2020 Q3	2021 Q3	Growth
Number of deposit accounts (in millions)	78.8	85.4	8.4%
Number of depositors (in millions)	72.8	80.6	10.7%
Amount of deposits (in trillion pesos)	14.4	15.7	8.9%
Amount of loans (in trillion pesos)	9.7	9.9	2.2%

Microfinance in the Banking System

	2020 Q3	2021 Q3	Growth	
Microfinance	Banks	149	144	-3.4%
	Borrowers	1,963,637	1,999,668	1.8%
	Amount (in million pesos)	24,877.9	25,857.3	3.9%
Microenterprise Loans	Banks	137	132	-3.6%
	Borrowers	1,650,606	1,746,792	5.8%
	Amount (in million pesos)	21,100.7	22,217.7	5.3%
Microfinance Plus	Banks	35	35	0.0%
	Borrowers	16,626	10,335	-37.8%
	Amount (in million pesos)	1,044.8	797.5	-23.7%
Micro-Agri Loans	Banks	22	21	-4.5%
	Borrowers	92,532	84,843	-8.3%
	Amount (in million pesos)	1,047.2	1,096.8	4.7%
Housing Microfinance Loans	Banks	13	12	-7.7%
	Borrowers	134,257	121,486	-9.5%
	Amount (in million pesos)	1,435.1	1,475.5	2.8%

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]

	2020 Q3	2021 Q3	Change
Insurance Penetration (premium volume as a share of GDP)	1.69%	2.03%	0.34

	2020		
	Insurers	Microinsurance Providers	% Share of Microinsurance
Number of Persons with Coverage (in millions)			
Mutual Benefit Associations	29.2	28.0	95.9%
Life Insurance Companies	44.9	15.8	35.1%
Non-Life Insurance Companies	19.3	6.2	32.3%
Total	93.4	50.0	53.5%
Amount of Premiums (in million pesos)			
Mutual Benefit Associations	11,461	4,479	39.1%
Life Insurance Companies	247,414	2,631	1.1%
Non-Life Insurance Companies	46,612	916	2.0%
Total	305,487	8,026	2.6%

Investment ^[10]

	2020	2021 Q3	Change
Number of Personal Equity & Retirement Account (PERA) Administrators	3	3	0.0%
No. of BSFIs offering PERA UITFs	3	3	0.0%
Number of approved PERA products/UITFs	17	17	0.0%
	2020 Q3	2021 Q3	Change
Number of PERA contributors	2,043	4,001	95.8%
Total PERA contributions (in million pesos)	144	236.7	64.6%
No. of Existing Non-PERA UITFs*	244	229	-6.1%
No. of UITF participants**	572,162	1,950,295	240.9%

*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

	2020 Q3	2021 Q3 ^{P/}	Growth
Number of banks offering BDA	130	137	● 5.4%
Number of BDA (in millions)	6.2	7.6	● 23.6%
Amount of deposits (in billion pesos)	4.5	4.8	● 6.6%

Electronic Money Accounts

	2019	2020	Growth
Number of E-Money Accounts (in millions)			
Registered e-money accounts	63.0	138.8	● 120.1%
Active e-money accounts	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%

Account Ownership among Filipino Adults

	Adults (in millions)
Total adults ^[Philippine Statistics Authority, 2021]	77.2
Adults with an account in 2019 ^[BSP, 2019 FIS]	20.9
Newly onboarded adults to date based on increase in: ^[11]	20.3
BDA ^[Q4 2019 vs. Q3 2021]	3.6
New e-money accounts (active) ^[BSP, as of Q4 2020]	16.8
Adults with an account as of Q3 2021 ^(estimate)	41.2
% Share of adults with an account as of Q3 2021 ^(estimate) ^[12]	53%

Digital Payments

	2020 Q3	2021 Q3	Growth
PESONet ^[13]			
Volume (in millions)	21.5	51.8	● 141.3%
Value (in billion pesos)	1,839.5	3,180.0	● 72.9%
InstaPay ^[13]			
Volume (in millions)	146.2	322.0	● 120.2%
Value (in billion pesos)	773.2	1,888.8	● 144.3%
	2019	2020	Change
Share of digital payments to total payment transactions ^[14]			
Volume	14%	20%	● 6.1
Value	24%	27%	● 2.8

Alternative Finance^[15]

	2020	2021	Growth
Crowdfunding (reward-based crowdfunding)			
Number of campaigns (in thousands)	0.67	0.67	● -0.2%
Transaction Value (in million US\$)	1.53	2.03	● 33.1%
Crowdfunding (equity-based crowdfunding)			
Number of campaigns (in thousands)	0.01	0.01	● 22.3%
Transaction Value (in million US\$)	0.50	0.72	● 45.8%
Crowdlending (lending-based crowdfunding)			
Number of loans (in thousands)	0.13	0.14	● 8.0%
Transaction Value (in million US\$)	0.28	0.39	● 41.8%

[11] A key assumption in approximating the growth in account penetration is that the increase in BDA and e-money accounts in a given period represents accounts opened by unique individuals who were previously unbanked. However, there is probability that uptake of e-money accounts may be driven to a considerable extent by banked individuals opening e-money as a secondary transaction account.

[12] The estimated account ownership as of Q3 2021 is based on the growth of BDA and e-money accounts starting in 2020.

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

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

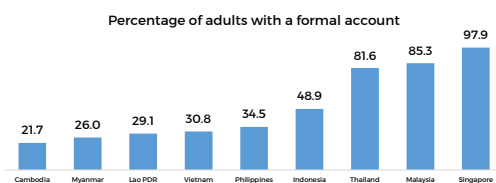
[15] Source: Statista - Digital Market Outlook

Other financial inclusion data

Indicators from Demand-side Surveys

FORMAL ACCOUNT

BSP Financial Inclusion Survey (Respondents: Adults - individuals aged 15+)	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 accountholders who use their account for payments	18%	39%	● 21.0
BSP Consumer Finance Survey (Respondents: Households)			
Percentage of households with deposit account	14.0%	9.7%	● -4.3
World Bank Findex (Respondents: Adults - individuals aged 15+)			
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 - individuals aged 15+)	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 (base: adults with savings)	68%	51%	● -17.3
BSP Consumer Expectations Survey (Respondents: Households)			
Percentage of households with savings	24.7%	25.2%	● 0.5
Percentage of households with savings in banks (base: HHs with savings)	71.1%	67.7%	● -3.4
Percentage of OFW households who allot a portion of remittances to savings	31.6%	31.8%	● 0.2

CREDIT

BSP Financial Inclusion Survey (Respondents: Adults - individuals aged 15+)	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 (base: adults with outstanding loans)	39%	54%	● 15.6
World Bank Findex (Respondents: Adults - individuals aged 15+)			
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

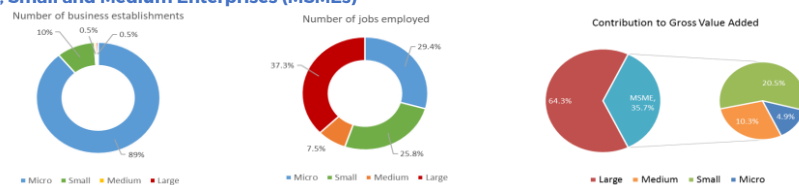
World Bank Findex (Respondents: Adults - individuals aged 15+)	2014	2017	Change
Percentage of adults with debit card	20.5%	21.0%	● 0.5
Percentage of adults with credit card	3.2%	1.9%	● -1.3
Percentage of adults who made or received digital payments	19.5%	25.1%	● 5.6
BSP Consumer Expectations Survey (Respondents: Households)			
Percentage of OFW households who allot a portion of remittances to debt payments	18.4%	14.5%	● -3.9
Percentage of OFW households who allot a portion of remittances to investment	6.4%	11.0%	● 4.6

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 (2021 Q3)	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

	2020 Q3	2021 Q3	Change
Total MSME loans (in billion pesos)	471.3	449.7	-4.6%
% share of MSME loans to total business loans	7.3%	6.8%	-0.5
% share of MSME loans to total banking system loans	4.9%	4.5%	-0.3
% share of MSME loans to GDP	3.7%	3.3%	-0.4
Y-o-Y growth in loans to MSMEs	-14.5%	-4.6%	9.9
Y-o-Y growth in loans to microenterprises	-23.7%	7.9%	31.5
Y-o-Y growth in loans to small enterprises	-14.5%	-9.3%	5.2
Y-o-Y growth in loans to medium enterprises	-12.1%	-5.2%	6.9
Y-o-Y growth in loans to private corporations	3.2%	3.1%	0.0

MSME Loans based on RA 6977, as amended^[6]

	2020 Q3	2021 Q3	Growth/ Change
Total compliance for MSEs (in billion pesos)	179.6	171.8	-4.4%
Total compliance for MEs (in billion pesos)	284.7	268.5	-5.7%
Percentage of compliance for MSEs (required: 8%)	2.1%	2.0%	-0.1
Percentage of compliance for MEs (required: 2%)	3.3%	3.2%	-0.1
Number of MSME Borrowers	1,508,528	1,377,109	-8.7%
Number of Barangay Microbusiness Enterprises (BMBE) Borrowers	2,421	4,021	66.1%

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 (Third Quarter 2021)

Agriculture, Forestry and Fishing (AFF) Loans

	2020 Q3	2021 Q3	Growth/ Change
Total AFF Loans (in billion pesos)	258.9	233.3	-9.9%
% share of AFF loans to total loans outstanding	2.53%	2.23%	-0.30

Agri-Agra Compliance

	2020 Q3 ^[6]	2021 Q3	Growth/ Change
Total compliance for AGRA (in billion pesos)	55.8	68.9	23.5%
Total compliance for AGRI (in billion pesos)	606.8	735.2	21.2%
Percentage of compliance for AGRA (required: 10%)	0.86%	0.92%	0.06
Percentage of compliance for AGRI (required: 15%)	9.32%	9.81%	0.49

[6] 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	2021
Population, in millions	92.3	101.0	109.0	110.0**
Adult population (aged 15 +), in millions	61.8	69.3	75.8	77.2
Number of households, in millions	20.2	23.0	---	---

*Source: Philippine Statistics Authority Census of Population and Housing

**Source: Year-end population estimation of Commission on Population and Development

Economy^[17]

GDP Y-o-Y growth ^{r/} (Third Quarter 2020 vs. Third Quarter 2021)	6.9%
GDP full year growth ^{r/} (2020)	-9.6%
Inflation rate (September 2021)	4.2%
Unemployment rate (September 2021)	8.9%

Income and Poverty^[17]

Average annual family income, in PhP (2018)	313,000
Minimum wage in NCR for non-agriculture, in PhP (Sep 2021)	537.00
Poverty incidence among population (2021)	23.7%
Poverty threshold, average monthly estimate, in PhP (1st sem, 2021)	14,498

Overseas Filipinos

	2020	2021
Amount of cash remittances, in billion USD	29.9	31.4 ^{p/}
Number of Overseas Filipinos, in millions* (2013)	10.2	

*Source: Commission on Filipino Overseas

Mobile Market

	2019
Percentage of adults with mobile phone ^[18]	69%
Percentage of adults with smart phone ^[18]	52%
Mobile connections ^[19]	155%
Mobile broadband connections ^[19]	134%
Mobile broadband penetration ^[19]	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

	2019
Percentage of adults using the internet ^[18]	53%
	Feb 2022
Average time spent on the internet per day ^[20]	10 hours, 27 mins
Social media penetration ^[20]	82%
Average time spent on social media per day ^[20]	4 hours, 6 mins

E-Commerce and Digital finance

	Feb 2022
Percentage of internet users who purchased a product or service online ^[20]	63%
	2019
Percentage of adults who use their mobile phone for financial transactions ^[18]	9%
Percentage of adults who use the internet for financial transactions ^[18]	5%

[17] Philippine Statistics Authority

[18] BSP Financial Inclusion Survey

[19] Groupe Speciale Mobile (GSM) Association/ GSMA

[20] We Are Social

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