

# Financial Inclusion in the Philippines

Dashboard | As of Third Quarter 2022

## Access

### Banks and Electronic Money Issuers (EMIs)

	2021 Q3	2022 Q3	Growth
Universal & Commercial Banks	46	45	<span style="color: red;">●</span> -2.2%
Thrift Banks	47	43	<span style="color: red;">●</span> -8.5%
Rural & Cooperative Banks	424	404	<span style="color: red;">●</span> -4.7%
Digital Banks	--	6	---
EMIs	63	72	<span style="color: green;">●</span> 14.3%

### Electronic Banking

	2021 Q3	2022 Q3	Growth
Number of banks with e-banking	66	63	<span style="color: red;">●</span> -4.5%

### Service Points of Banks and EMIs

	2021 Q3	2022 Q3	Growth
Banking offices (head office, branches, and other offices) <sup>[1]</sup>	13,122	13,165	<span style="color: green;">●</span> 0.3%
ATMs <sup>[1]</sup>	22,932	23,074	<span style="color: green;">●</span> 0.6%
On-site ATMs	12,386	12,633	<span style="color: green;">●</span> 2.0%
Off-site ATMs	10,546	10,441	<span style="color: red;">●</span> -1.0%
	2019	2020	Growth
Cash agents <sup>[2]</sup>	17,057	58,417	<span style="color: green;">●</span> 242.5%
E-money agents <sup>[3]</sup>	35,959	84,299	<span style="color: green;">●</span> 134.4%

### Insurance Providers<sup>[4]</sup>

	2021	
	Insurers	Microinsurance Providers
Mutual Benefit Associations	38	25
Life Insurance Companies	33	11
Non-Life Insurance Companies	65	15
Total	136	51

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

[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] Source: Insurance Commission

## Access

### Other Financial Service Providers (FSPs) (head office and branches)

	2021 Q3	2022 Q3	Growth
NSSLAs	199	200	● 0.5%
Pawnshops	15,369	16,013	● 4.2%
Money Service Businesses (MSBs)	7,573	7,628	● 0.7%
Other NBFIs <sup>[5]</sup>	222	218	● -1.8%
	2019	2020	Growth
Credit Cooperatives <sup>[6]</sup>	2,766	2,762	● -0.1%
	2020	2021	Growth
Financing and Lending Companies <sup>[7]</sup>	4,083	4,260	● 4.3%
Microfinance NGOs <sup>[8]</sup>	4,450	4,162	● -6.5%

### Total Financial Service Access Points <sup>[9]</sup>

	2021 Q3	2022 Q3	Growth
Total number of access points	221,492	221,937	● 0.2%
Number of access points per 10,000 adults	28.7	28.3	● -1.4%

### Overall Access Situation

	2021 Q3		2022 Q3	
	Number of cities and municipalities	% to Total	Number of cities and municipalities	% to Total
1. With banking presence <sup>[10] [11]</sup>	1,381	84.5%	1,381	84.5%
2. Without banking presence	253	15.5%	253	15.5%
2.1 Without banking presence but with other access points	181	11.0%	182	11.1%
2.2 Without any access point	72	4.6%	71	4.3%
<b>With at least one access point (1 + 2.1) <sup>[12]</sup></b>	<b>1,562</b>	<b>95.6%</b>	<b>1,563</b>	<b>95.7%</b>

[5] 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.

[6] 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.

[7] Source: Securities and Exchange Commission

[8] Based only from a sample of microfinance NGOs that responded to the BSP data request. As of 27 October 2022, there are 27 accredited microfinance NGOs based on Microfinance NGO Regulatory Council (MNRC) data.

[9] Includes banking offices, e-money & cash agents, NSSLAs, Pawnshops, MSBs, other NBFIs, microfinance NGOs, and cooperatives with credit operations

[10] Indicator includes cash agents. Based on traditional metrics (no. of banking offices only), Q3 2021 - 1,138 (69.6%) and Q3 2022 - 1,147 (70.2%).

[11] In estimating the overall access situation, latest available location data were used, i.e., for e-money and cash agents-as of 2019; insurance companies-as of 2020; and lending and financing companies-as of 2020.

[12] 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

	2021 Q3	2022 Q3	Growth
Number of deposit accounts (in millions)	85.4	93.2	● 9.2%
Number of depositors (in millions)	80.6	87.8	● 9.0%
Amount of deposits (in trillion pesos)	15.7	16.7	● 6.8%
Amount of loans (in trillion pesos)	9.9	11.0	● 11.3%

## Microfinance in the Banking System

	2021 Q3	2022 Q3	Growth
Microfinance	Banks	144	141 ● -2.1%
	Borrowers	1,999,668	1,927,767 ● -3.6%
	Amount (in million pesos)	25,857.3	26,200.1 ● 1.3%
Microenterprise Loans	Banks	132	128 ● -3.0%
	Borrowers	1,746,792	1,681,721 ● -3.7%
	Amount (in million pesos)	22,217.7	22,578.9 ● 1.6%
Microfinance Plus	Banks	35	36 ● 2.9%
	Borrowers	10,335	10,555 ● 2.1%
	Amount (in million pesos)	797.5	768.9 ● -3.6%
Micro-Agri Loans	Banks	21	18 ● -14.3%
	Borrowers	84,843	72,694 ● -14.3%
	Amount (in million pesos)	1,096.8	1,142.6 ● 4.2%
Micro-Housing Loans	Banks	12	12 ● 0.0%
	Borrowers	121,486	89,440 ● -26.4%
	Amount (in million pesos)	1,475.5	1,383.6 ● -6.2%

## Microfinance Outside the Banking System

	2019	2020	Growth
Cooperatives <sup>[6]</sup>			
Number of member-depositors	9.5	9.9	● 4.2%
Deposit liabilities (in billion pesos)	152.0	174.3	● 14.7%
Outstanding loans (in billion pesos)	315.8	327.1	● 3.6%
	2020	2021	Growth
Microfinance NGOs <sup>[8]</sup>			
Number of clients (in millions)	6.2	6.4	● 2.6%
Outstanding loans (in billion pesos)	50.4	52.8	● 4.7%

## Credit Information System

	2020	2021	Growth
Number of submitting entities with actual basic credit data	556	639	● 14.9%
Number of unique individuals with financial credit data [in millions]	23.3	30.6	● 31.2%
Total contracts [in millions]	89.9	107.0	● 19.0%

Insurance/Microinsurance <sup>[9]</sup>

	2021 Q3	2022 Q3	Change
Insurance Penetration (premium volume as a share of GDP)	2.03	1.81	● -0.22
2021			
Number of Persons with Coverage (in millions)	Insurers	Microinsurance Providers	% Share of Microinsurance
Mutual Benefit Associations	33.4	31.9	95.6%
Life Insurance Companies	46.1	14.4	31.2%
Non-Life Insurance Companies	25.5	7.4	29.2%
Total	105.0	53.7	51.2%
Amount of Premiums (in million pesos)			
Mutual Benefit Associations	13,235	5,993	45.3%
Life Insurance Companies	310,240	2,925	0.9%
Non-Life Insurance Companies	51,192	1,202	2.3%
Total	374,667	10,120	2.7%

Investment <sup>[13]</sup>

	2021 Q3	2022 Q3	Change
Number of Personal Equity & Retirement Account (PERA) Administrators	3	3	● 0.0%
Number of BSFIs offering PERA UITFs	4 <sup>r/</sup>	6	● 50.0%
Number of approved PERA products/UITFs	17	17	● 0.0%
Number of PERA contributors	4,001	4,937	● 23.4%
Total PERA contributions (in million pesos)	236.7	292.9	● 23.8%
Number of Existing Non-PERA UITFs <sup>[14]</sup>	229	240	● 4.8%
Number of UITF participants	1,950,295	2,305,377	● 18.2%

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

[14] Existing means available in the market.

## Inclusive Digital Finance

### Basic Deposit Accounts

	2021 Q3	2022 Q3	Growth
Number of banks offering BDA <sup>[15]</sup>	137	152	● 10.9%
Number of BDA (in millions)	7.6	8.6	● 12.8%
Amount of deposits (in billion pesos)	4.8	4.9	● 2.8%

### Electronic Money Accounts

	2021	2022 Q2	Growth
Number of E-Money Accounts (in millions) <sup>[16]p</sup>			
Registered e-money accounts	173.4	195.7	● 12.9%
Active e-money accounts	52.5	47.6	● -9.3%
	2021 Q3	2022 Q3	Growth
Number of Transactions (in millions)			
Inflow	28.2	260.4	● 824.8%
Outflow	107.6	763.5	● 609.5%
Amount of Transactions (in billion pesos)			
Inflow	145.0	662.6	● 357.1%
Outflow	142.8	662.8	● 364.1%

### Digital onboarding (e-KYC)

	2021 Q3	2022 Q3	Growth
Number of banks with digital onboarding capability	49	57	● 16.3%

### Digital Access <sup>[17]</sup>

	2019	2021	Change
Percentage of mobile phone and internet users who had online financial transaction <i>(base: adults with mobile phone and internet)</i>	11%	60%	● 49.1%
Percentage of mobile phone and internet users who are financially included <i>(base: adults with mobile phone and internet)</i>	32%	60%	● 28.5%
Unbanked but with mobile phone and internet <i>(base: adults without an account)</i>	47%	68%	● 20.7%

### Digital Payments

	2021 Q3	2022 Q3	Growth/Change
<b>PESONet <sup>[18]</sup></b>			
Volume (in millions)	51.8	62.6	● 20.9%
Value (in billion pesos)	3,180.0	4,598.9	● 44.6%
<b>InstaPay <sup>[18]</sup></b>			
Volume (in millions)	322.0	392.3	● 21.8%
Value (in billion pesos)	1,888.8	2,503.2	● 32.5%
	2020	2021	Change
Share of digital payments to total payment transactions			
Volume	20%	30%	● 10.2%
Value	27%	44%	● 17.3%

### Alternative Finance <sup>[19]</sup>

	2021	2022	Growth
<b>Crowdfunding (reward-based crowdfunding)</b>			
Number of campaigns (in thousands)	0.67	0.66	● -1.9%
Transaction Value (in million US\$)	0.57	0.61	● 6.9%
<b>Crowdfunding (equity-based crowdfunding)</b>			
Number of campaigns (in thousands)	0.01	0.01	● 14.8%
Transaction Value (in million US\$)	1.51	1.63	● 8.1%
<b>Crowdlending (lending-based crowdfunding)</b>			
Number of loans (in thousands)	0.14	0.15	● 6.1%
Transaction Value (in million US\$)	7.01	7.96	● 13.6%

[15] Number of banks offering BDA based on submitted reports

[16] Number of accounts registered/subscribed to mobile delivery channel

[17] BSP Financial Inclusion Survey

[18] Covers transactions from January to September 2022

[19] Source: Statista - Digital Market Outlook

## Other Financial Inclusion Data

### Indicators from Demand-side Surveys

#### FORMAL ACCOUNT

<b>BSP Financial Inclusion Survey</b> (Respondents: Adults - Individuals aged 15+)	2019	2021	Change
Percentage of adults with formal account	29%	56%	● 26.9
<i>By type of account</i>			
Bank account	12%	23%	● 11.2
E-money account	8%	36%	● 27.6
Microfinance institution account	12%	9%	● -3.6
Cooperative account	2%	5%	● 3.5
Non-stock savings and loan association account	0%	0%	● 0.2
<i>By individual characteristics</i>			
Male	24%	54%	● 29.6
Female	34%	57%	● 23.9
Young adults (15-19)	7%	27%	● 20.5
Older adults (>60)	32%	47%	● 15.4
ABC	43%	80%	● 36.9
D	28%	54%	● 26.9
E	27%	44%	● 17.0
Rural	30%	56%	● 26.3
Urban	27%	55%	● 27.8
Working adults	39%	61%	● 21.6
Business owners	43%	65%	● 22.0
Pantawid Pamilyang Pilipino Program beneficiaries	47%	64%	● 16.2
Percentage of accountholders who use their account for payments	47%	79%	● 32.2

<b>BSP Consumer Finance Survey</b> (Respondents: Households)	2014	2018	Change
Percentage of households with deposit account	14.0%	9.7%	● -4.3

<b>World Bank Findex</b> (Respondents: Adults - Individuals aged 15+)	2017	2021	Change
Formal account	34.5%	51.4%	● 16.9
Financial institution account	31.8%	46.0%	● 14.2
Mobile money account	4.5%	21.7%	● 17.2
Poorest 40%	18.0%	34.0%	● 16.0
Richest 60%	45.4%	62.8%	● 17.4

#### SAVINGS

<b>BSP Financial Inclusion Survey</b> (Respondents: Adults - Individuals aged 15+)	2019	2021	Change
Percentage of adults with savings	53%	37%	● -15.7
Percentage of adults with savings in a bank (base: adults with savings)	21%	31%	● 10.5
Percentage of adults who keep their savings at home (base: adults with savings)	51%	52%	● 0.4

<b>BSP Consumer Expectations Survey</b> (Respondents: Households)	2021 Q3	2022 Q3	Change
Percentage of households with savings	25.2%	27.5%	● 2.3
Percentage of households with savings in a bank (base: HHs with savings)	67.7%	85.9%	● 18.2
Percentage of OFW households who allot a portion of remittances to savings	31.8%	33.7%	● 1.9

#### CREDIT

<b>BSP Financial Inclusion Survey</b> (Respondents: Adults - Individuals aged 15+)	2019	2021	Change
Percentage of adults with outstanding loans	33%	45%	● 11.2
Percentage of adults who borrowed from a bank (base: adults with outstanding loans)	3%	4%	● 1.2
Percentage of adults who borrow from informal sources (base: adults with outstanding loans)	55%	57%	● 2.3

<b>World Bank Findex</b> (Respondents: Adults - Individuals aged 15+)	2017	2021	Change
Percentage of adults who borrowed any money	58.6%	57.8%	● -0.9
Percentage of adults who borrowed from a formal financial institutions in the past year	10.7%	17.4%	● 6.7
Percentage of adults who borrowed from family and friends	41.2%	40.8%	● -0.4

## Other Financial Inclusion Data

### OTHER FINANCIAL SERVICES

<b>World Bank Index</b> (Respondents: Adults - Individuals aged 15+)	2017	2021	Change
Percentage of adults with debit card	21.0%	29.8%	● 8.8
Percentage of adults with credit card	1.9%	8.1%	● 6.1
Percentage of adults who made or received digital payments	25.1%	43.5%	● 18.4

<b>BSP Consumer Expectations Survey</b> (Respondents: Households)	2021 Q3	2022 Q3	Change
Percentage of OFW households who allot a portion of remittances to debt payments	14.5%	18.0%	● 3.5
Percentage of OFW households who allot a portion of remittances to investment	11.0%	5.8%	● -5.2

### FINANCIAL RESILIENCE

<b>World Bank Index</b> (Respondents: Adults - Individuals aged 15+) <sup>[20]</sup>	2021
<b>Most worrying financial issue</b>	
Paying for medical costs in case of a serious illness or accident	42%
Money to pay for monthly expenses or bills	24%
Money for old age	17%
Paying school or education fees	13%
<b>Main source of emergency funds in 7 days and 30 days</b>	
Family or Friends	41%
Work	21%
Savings	19%
Loan from a bank employer or private lender	9%
Sale of Assets	2%

### **BSP Financial Inclusion Survey** (Respondents: Adults - Individuals aged 15+)

<b>Top sources of funds for financial needs</b> (base: adults who experienced the financial need)	
<i>Meeting goals</i>	
Purchase of expensive items	
Used own savings	28%
Borrowed	27%
Used regular income	22%
Put up or expand business	
Borrowed	41%
Used regular income	29%
Used own savings	28%
<i>Resiliency</i>	
Experienced sickness, death or loss of job in the family	
Borrowed	45%
Used own savings	28%
Used regular income	28%
Affected by natural calamities	
Borrowed	43%
Used regular income	28%
Used own savings	26%
<i>Liquidity</i>	
Pay for regular spending needs	
Borrowed	41%
Used regular income	28%
Used own savings	24%

### FINANCIAL LITERACY

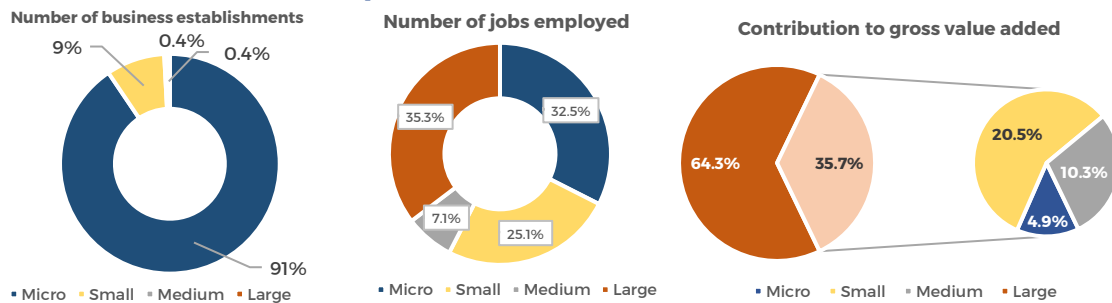
<b>BSP Financial Inclusion Survey</b> (Respondents: Adults - Individuals aged 15+)	2019	2021	Change
Percentage of adults who correctly answered all 6 financial literacy questions <sup>[21]</sup>	---	2%	---
Percentage of adults who correctly answered inflation and interest rate questions	8%	4%	● -3.6
Percentage of adults who correctly answered questions on:			
Inflation	55%	42%	● -12.1
Simple interest	32%	32%	● -0.2
Compound interest	33%	30%	● -2.9
Division <sup>[21]</sup>	---	91%	---
Diversification of Portfolio <sup>[21]</sup>	---	61%	---
Investment Risk <sup>[21]</sup>	---	58%	---
Attendance to Financial Literacy Session <sup>[21]</sup>	---	7%	---

[20] The Financial Resilience data are new indicators introduced in the 2021 Worldbank Findex.

[21] Indicator was introduced in the 2021 FIS.

## Priority Sectors

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



Source: Philippine Statistics Authority and Department of Trade and Industry (2021)

### Men vs women-owned/led MSMEs

	2021
<b>Percentage of MSMEs who use merchant and business accounts</b>	
Men	39%
Women	17%
<b>Percentage of MSMEs who applied for a business loan</b>	
Men	20%
Women	28%
<b>Percentage of MSMEs who use digital financial services</b>	
Men	44%
Women	28%

Source: ADB MSME Finance Survey

### MSME Loans

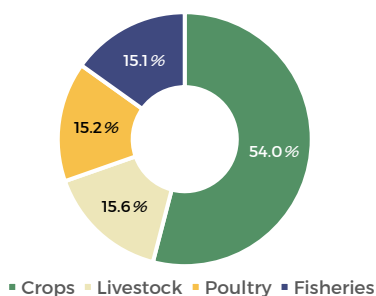
	2021 Q3	2022 Q3	Growth/Change
<b>Total MSME loans</b> (in billion pesos)	449.7	454.3	1.0%
% share of MSME loans to total business loans	6.8%	6.2%	-0.5
% share of MSME loans to total banking system loans	4.5%	4.1%	-0.4
% share of MSME loans to GDP	3.3%	2.9%	-0.4
<b>Y-o-Y growth in loans to MSMEs</b>	-4.6%	1.0%	5.6
Y-o-Y growth in loans to microenterprises	7.9%	1.4%	-6.5
Y-o-Y growth in loans to small enterprises	-9.3%	0.1%	9.5
Y-o-Y growth in loans to medium enterprises	-5.2%	1.3%	6.5
Y-o-Y growth in loans to private corporations	3.1%	10.5%	236.6%

### MSME Loans based on RA 6977, as amended<sup>[22]</sup>

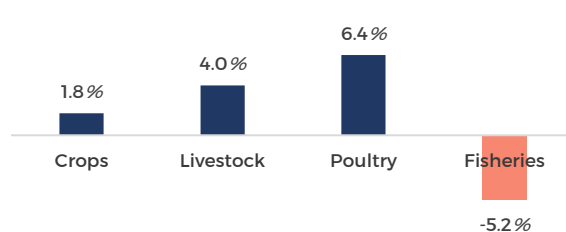
	2021 Q3	2022 Q3	Growth/Change
<b>Total compliance for MSEs</b> (in billion pesos)	171.8	180.7	5.2%
<b>Total compliance for MEs</b> (in billion pesos)	268.5	273.7	1.9%
Percentage of compliance for MSEs (required: 8%)	2.03%	1.95%	-0.1
Percentage of compliance for MEs (required: 2%)	3.18%	2.96%	-0.2
<b>Number of MSME Borrowers</b>	1,377,109	1,474,356	7.1%
<b>Number of Barangay Microbusiness Enterprises (BMBE) Borrowers</b>	4,021	3,609	-10.2%

### Agricultural Sector

#### Share to total agricultural production



#### Growth by subsector



Source: Philippine Statistics Authority (Third Quarter 2022)

### Agriculture, Forestry and Fishing (AFF) Loans

	2021 Q3	2022 Q3	Growth/Change
<b>Total AFF Loans</b> (in billion pesos)	233.3	250.1	7.2%
% share of AFF loans to total loans outstanding	2.23%	2.16%	-0.1

### Agri-Agra Compliance<sup>[23]</sup>

	2021 Q2	2022 Q2	Growth/Change
<b>Total compliance for AGRA</b> (in billion pesos)	71.6	64.2	-10.3%
<b>Total compliance for AGRI</b> (in billion pesos)	718.1	783.8	9.1%
Percentage of compliance for AGRA (required: 10%)	1.0%	0.8%	-0.2
Percentage of compliance for AGRI (required: 15%)	9.7%	9.5%	-0.1

[22] 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.

[23] The Report on Compliance with the Mandatory Agri-Agra Credit (Agri-Agra) will no longer be submitted starting with the reporting period ending 30 September 2022. (Circular No. 1159 Series of 2022)

## Other Relevant Data

### Geography<sup>[24]</sup>

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

### Population\*

	2015	2020	2021	2022
Population, in millions	101.0	109.0	110.0 <sup>**</sup>	110.5 <sup>***</sup>
Adult population (aged 15 +), in millions	69.3	75.8	77.2	78.5 <sup>*</sup>
Number of households, in millions	23.0	26.4	---	---

\*Source: Philippine Statistics Authority Census of Population and Housing

\*\*Source: Year-end population estimation of Commission on Population and Development (POPCOM)

\*\*\*Source: Population estimate of POPCOM as of March 2023

### Economy<sup>[24]</sup>

GDP Y-o-Y growth (Third Quarter 2021 vs. Third Quarter 2022)	7.7%
GDP full year growth (2022)	7.6%
Inflation rate (September 2022)	6.90%
Unemployment rate (September 2022)	5.00%

### Income and Poverty<sup>[24]</sup>

Average annual family income, in PhP (2018)	313,000
Minimum wage in NCR for non-agriculture, in PhP (September 2022)	570.00
Poverty incidence among population (2021)	18.1%
Poverty threshold, average monthly estimate (family of five), in PhP (2021)	12,030

### Overseas Filipinos

	2020	2021
Amount of cash remittances, in billion USD	29.9	31.4 <sup>p/</sup>
Number of Overseas Filipinos, in millions* (2013)	10.2	
	2019	2020
Number of Overseas Filipino Workers (OFWs), in millions <sup>[24]</sup>	2.2	1.8

\*Source: Commission on Filipino Overseas

[24] Philippine Statistics Authority



## Other Relevant Data

### Mobile Market

	2021
Percentage of adults with mobile phone <sup>[17]</sup>	92%
Percentage of adults with smart phone <sup>[17]</sup>	81%
	2019
Mobile connections <sup>[25]</sup>	155%
Mobile broadband connections <sup>[25]</sup>	134%
Mobile broadband penetration <sup>[25]</sup>	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

	2021
Percentage of adults with internet <sup>[17]</sup>	77%
Percentage of adults with mobile phone and internet <sup>[17]</sup>	76%
	January 2023
Average time spent on the internet per day <sup>[26]</sup>	9 hours, 14 mins
Social media penetration <sup>[26]</sup>	73%
Average time spent on social media per day <sup>[26]</sup>	3 hours, 43 mins

### E-Commerce

	January 2023
Percentage of internet users who purchased a product or service online <sup>[26]</sup>	61%

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

[26] We Are Social

Compiled by:



**BANGKO SENTRAL NG PILIPINAS**

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