

# Financial Inclusion in the Philippines

Dashboard | As of Fourth Quarter 2022

## Access

### Banks and Electronic Money Issuers (EMIs)

	2021 Q4	2022 Q4	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	413	403	<span style="color: red;">●</span> -2.4%
Digital Banks	---	6	---
EMIs	64	72	<span style="color: green;">●</span> 12.5%

### Electronic Banking

	2021 Q4	2022 Q4	Growth
Number of banks with e-banking	65	63	<span style="color: red;">●</span> -3.1%

### Service Points of Banks and EMIs

	2021 Q4	2022 Q4	Growth
Banking offices (head office, branches, and other offices) <sup>[1]</sup>	13,100	13,215	<span style="color: green;">●</span> 0.9%
ATMs <sup>[1]</sup>	22,984	23,419	<span style="color: green;">●</span> 1.9%
On-site ATMs	12,462	12,827	<span style="color: green;">●</span> 2.9%
Off-site ATMs	10,522	10,592	<span style="color: green;">●</span> 0.7%
	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>

	2022	
	Insurers	Microinsurance Providers
Mutual Benefit Associations	40	23
Life Insurance Companies	34	12
Non-Life Insurance Companies	60	15
Total	134	50

[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 Q4	2022 Q4	Growth
NSSLAs	198	194	● -2%
Pawnshops	15,388	15,998	● 4%
Money Service Businesses (MSBs)	7,449	6,906	● -7%
Other NBFIs <sup>[5]</sup>	222	218	● -2%
	2021	2022	Growth
Credit Cooperatives <sup>[6]</sup>	2,843	2,783	● -2.1%
Financing and Lending Companies <sup>[7]</sup>	4,260	4,115	● -3.4%
Microfinance NGOs <sup>[8]</sup>	4,162	4,263	● 2.4%

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

	2021 Q4 <sup>r/</sup>	2022 Q4	Growth
Total number of access points	222,308	221,950	● -0.2%
Number of access points per 10,000 adults	28.8	28.3	● -1.8%

### Overall Access Situation

	2021 Q4		2022 Q4	
	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%	1,380	84.8%
2. Without banking presence	253	15.5%	249	15.2%
2.1 Without banking presence but with other access points	185 <sup>r/</sup>	11.3%	188	11.5%
2.2 Without any access point	68 <sup>r/</sup>	4.2%	61	3.7%
<b>With at least one access point (1 + 2.1) <sup>[12]</sup></b>	<b>1,566<sup>r/</sup></b>	<b>95.8%</b>	<b>1,573</b>	<b>96.3%</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 20,467 operating cooperatives (head offices) as of December 2021, of which 9,650 offered financial services. Moreover, 20,105 operating cooperatives have been reported as of December 2022, of which 9,018 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), Q4 2021 - 1,141 (69.8%) and Q4 2022 - 1,153 (70.6%).

[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 Q4	2022 Q4	Growth
Number of deposit accounts (in millions)	87.1	101.6	● 16.7%
Number of depositors (in millions)	81.7	102.2	● 25.1%
Amount of deposits (in trillion pesos)	16.2	17.8	● 9.4%
Amount of loans (in trillion pesos)	10.3	11.5	● 11.6%

## Microfinance in the Banking System

		2021 Q4	2022 Q4	Growth
Microfinance	Banks	138	137	● -0.7%
	Borrowers	1,978,394	1,937,431	● -2.1%
	Amount (in million pesos)	27,704.3	28,199.6	● 1.8%
Microenterprise Loans	Banks	126	124	● -1.6%
	Borrowers	1,708,755	1,699,708	● -0.5%
	Amount (in million pesos)	23,718.4	24,340.0	● 2.6%
Microfinance Plus	Banks	34	37	● 8.8%
	Borrowers	10,655	10,971	● 3.0%
	Amount (in million pesos)	821.5	864.6	● 5.2%
Micro-Agri Loans	Banks	19	17	● -10.5%
	Borrowers	86,725	74,956	● -13.6%
	Amount (in million pesos)	1,263.3	1,191.3	● -5.7%
Micro-Housing Loans	Banks	13	12	● -7.7%
	Borrowers	95,784	76,350	● -20.3%
	Amount (in million pesos)	1,517.5	1,466.0	● -3.4%

## Microfinance Outside the Banking System

		2020 <sup>r/</sup>	2021	Growth
Cooperatives <sup>[6]</sup>				
Number of member-depositors		9.9	9.7	● -2.0%
Deposit liabilities (in billion pesos)		174.3	173.8	● -0.3%
Outstanding loans (in billion pesos)		327.1	284.4	● -13.1%
		2021	2022	Growth
Microfinance NGOs <sup>[8]</sup>				
Number of clients (in millions)		6.4	6.6	● 4.1%
Outstanding loans (in billion pesos)		52.8	68.3	● 29.3%

Credit Information System <sup>[13]</sup>

		2021	2022	Growth
Number of submitting entities with actual basic credit data		639	765	● 19.7%
Number of unique individuals with financial credit data [in millions]		30.6	38.9	● 27.2%
Total contracts [in millions]		107.0	132.6	● 23.9%

Insurance/Microinsurance <sup>[4]</sup>

		2021 Q4	2022 Q4	Change
Insurance Penetration (premium volume as a share of GDP)		1.93	1.73	● -0.20
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>[14]</sup>

		2021 Q4	2022 Q4	Change
Number of Personal Equity & Retirement Account (PERA) Administrators		3	3	● 0.0%
Number of BSFIs offering PERA UITFs		5	6	● 20.0%
Number of approved PERA products/UITFs		17	17	● 0.0%
Number of PERA contributors		4,382	5,100	● 16.4%
Total PERA contributions (in million pesos)		253.3	329.5	● 30.1%
Number of Existing Non-PERA UITFs <sup>[15]</sup>		229	242	● 5.7%
Number of UITF participants		2,126,371	3,528,545	● 65.9%

[13] Source: Credit Information Corporation

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

## Inclusive Digital Finance

### Basic Deposit Accounts

	2021 Q4	2022 Q4	Growth
Number of banks offering BDA <sup>[16]</sup>	141	154	● 9.2%
Number of BDA (in millions)	7.9	15.3	● 95.4%
Amount of deposits (in billion pesos)	5.1	12.0	● 136.0%

### Electronic Money Accounts

	2021	2022 Q2	Growth
Number of E-Money Accounts (in millions) <sup>[17]p</sup>			
Registered e-money accounts	173.4	195.7	● 12.9%
Active e-money accounts	52.5	47.6	● -9.3%
	2021 Q4	2022 Q4	Growth
Number of Transactions (in millions)			
Inflow	49.7	67.5	● 35.7%
Outflow	127.2	138.6	● 9.0%
Amount of Transactions (in billion pesos)			
Inflow	144.0	214.3	● 48.8%
Outflow	142.7	225.2	● 57.8%

### Digital onboarding (e-KYC)

	2021 Q4	2022 Q4	Growth
Number of banks with digital onboarding capability	53	58	● 9.4%

### Digital Access <sup>[18]</sup>

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

### Digital Payments

	2021	2022	Growth/Change
PESONet <sup>[19]</sup>			
Volume (in millions)	71.9	84.8	● 17.9%
Value (in billion pesos)	4,537.2	6,406.2	● 41.2%
InstaPay <sup>[19]</sup>			
Volume (in millions)	451.7	548.7	● 21.5%
Value (in billion pesos)	2,702.8	3,535.3	● 30.8%
Share of digital payments to total payment transactions			
Volume	30%	42%	● 11.8
Value	44%	40%	● -4.0

### Alternative Finance <sup>[20]</sup>

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

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

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

[18] BSP Financial Inclusion Survey

[19] Covers transactions from January to December 2022

[20] 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 Q4	2022 Q4	Change
Percentage of households with savings	30.2%	30.5%	● 0.3
Percentage of households with savings in a bank (base: HHs with savings)	68.9%	76.8%	● 7.9
Percentage of OFW households who allot a portion of remittances to savings	31.7%	29.3%	● -2.4

#### 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 Q4	2022 Q4	Change
Percentage of OFW households who allot a portion of remittances to debt payments	11.1%	16.2%	● 5.1
Percentage of OFW households who allot a portion of remittances to investment	9.2%	6.5%	● -2.7

### FINANCIAL RESILIENCE

<b>World Bank Index</b> (Respondents: Adults - Individuals aged 15+) <sup>[21]</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>[22]</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>[22]</sup>	---	91%	---
Diversification of Portfolio <sup>[22]</sup>	---	61%	---
Investment Risk <sup>[22]</sup>	---	58%	---
Attendance to Financial Literacy Session <sup>[22]</sup>	---	7%	---

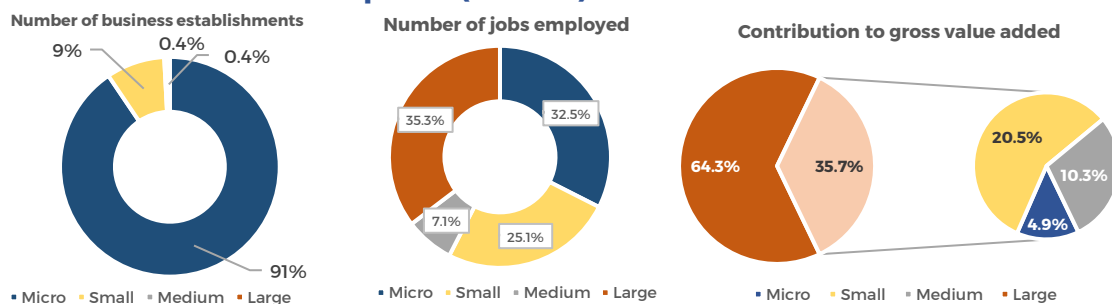
[21] The Financial Resilience data are new indicators introduced in the 2021 Worldbank Index.

[22] 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

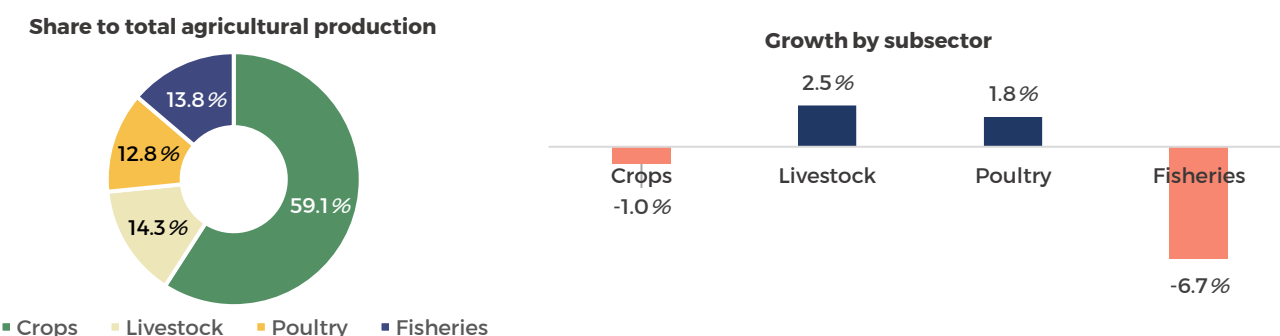
### MSME Loans

	2021 Q4	2022 Q4	Growth/Change
<b>Total MSME loans</b> (in billion pesos)	470.1	492.6	4.8%
<b>% share of MSME loans to total business loans</b>	6.8%	6.5%	-0.3
<b>% share of MSME loans to total banking system loans</b>	4.6%	4.3%	-0.3
<b>% share of MSME loans to GDP</b>	2.4%	2.2%	-0.2
<b>Y-o-Y growth in loans to MSMEs</b>	-3.7%	4.8%	8.5
Y-o-Y growth in loans to microenterprises	4.2%	5.0%	0.8
Y-o-Y growth in loans to small enterprises	-9.5%	5.0%	14.5
Y-o-Y growth in loans to medium enterprises	-3.0%	4.7%	7.7
Y-o-Y growth in loans to private corporations	15.1%	9.5%	-5.6

### MSME Loans based on RA 6977, as amended<sup>[23]</sup>

	2021 Q4	2022 Q4	Growth/Change
<b>Total compliance for MSEs</b> (in billion pesos)	178.1	190.5	6.9%
<b>Total compliance for MEs</b> (in billion pesos)	285.0	303.0	6.3%
<b>Percentage of compliance for MSEs</b> (required: 8%)	2.08%	2.02%	-0.1
<b>Percentage of compliance for MEs</b> (required: 2%)	3.33%	3.22%	-0.1
<b>Number of MSME Borrowers</b>	1,410,653	1,491,227	5.7%
<b>Number of Barangay Microbusiness Enterprises (BMBE) Borrowers</b>	3,510	2,870	-18.2%

### Agricultural Sector



Source: Philippine Statistics Authority (Fourth Quarter 2022)

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

	2021 Q4	2022 Q4	Growth/Change
<b>Total AFF Loans</b> (in billion pesos)	243.7	256.7	5.3%
<b>% share of AFF loans to total loans outstanding</b>	2.25%	2.13%	-0.1

### Agri-Agra Compliance<sup>[24]</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%
<b>Percentage of compliance for AGRA</b> (required: 10%)	1.0%	0.8%	-0.2
<b>Percentage of compliance for AGRI</b> (required: 15%)	9.7%	9.5%	-0.1

[23] 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.

[24] 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>[25]</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>[25]</sup>

GDP Y-o-Y growth (Fourth Quarter 2021 vs. Fourth Quarter 2022)	7.1%
GDP full year growth (2022)	7.6%
Inflation rate (December 2022)	8.1%
Unemployment rate (December 2022)	4.3%

### Income and Poverty<sup>[25]</sup>

Average annual family income, in PhP (2021)	307,190
Minimum wage in NCR for non-agriculture, in PhP (July 2023)	610.00
Poverty incidence among population (2021)	18.1%
Poverty threshold, average monthly estimate (family of five), in PhP (2021)	12,030

### Overseas Filipinos

	2021	2022
Amount of cash remittances, in billion USD	31.4	32.5 <sup>p/</sup>
Number of Overseas Filipinos, in millions* (2013)	10.2	
	2020	2021
Number of Overseas Filipino Workers (OFWs), in millions <sup>[25]</sup>	1.8	1.8

\*Source: Commission on Filipino Overseas

[25] Source: Philippine Statistics Authority



## Other Relevant Data

### Mobile Market

	2021
Percentage of adults with mobile phone <sup>[18]</sup>	92%
Percentage of adults with smart phone <sup>[18]</sup>	81%
	2019
Mobile connections <sup>[26]</sup>	155%
Mobile broadband connections <sup>[26]</sup>	134%
Mobile broadband penetration <sup>[26]</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>[18]</sup>	77%
Percentage of adults with mobile phone and internet <sup>[18]</sup>	76%
	January 2023
Average time spent on the internet per day <sup>[27]</sup>	9 hours, 14 mins
Social media penetration <sup>[27]</sup>	73%
Average time spent on social media per day <sup>[27]</sup>	3 hours, 43 mins

### E-Commerce

	January 2023
Percentage of internet users who purchased a product or service online <sup>[27]</sup>	61%

[26] Source: Groupe Speciale Mobile (GSM) Association/ GSMA

[27] Source: We Are Social

Compiled by:



**BANGKO SENTRAL NG PILIPINAS**

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