#globalfindex

GLOBAL FINDEX 2014

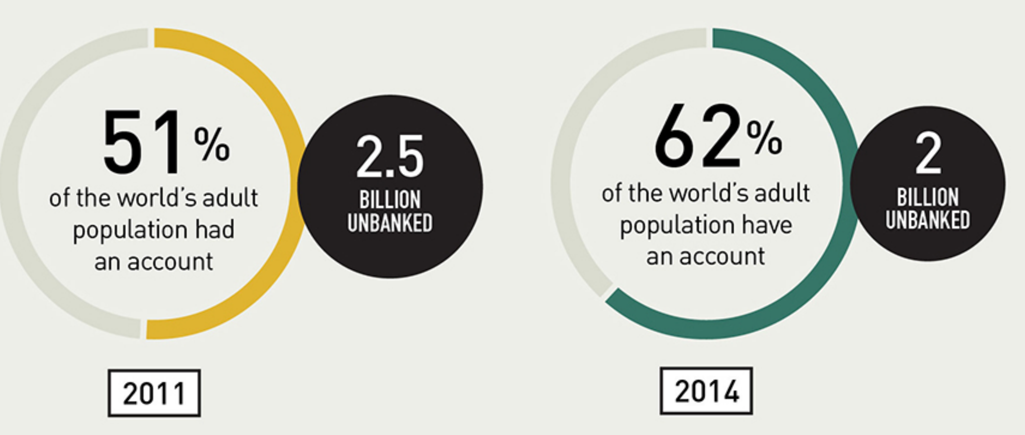
Financial Inclusion

Financial inclusion is critical in reducing poverty and achieving inclusive economic growth. When people can participate in the financial system, they are better able to start and expand businesses, invest in their children's education, and absorb financial shocks. In 2011 the World Bank launched the Global Findex database, the world's most comprehensive set of data on how people save, borrow, make payments, and manage risk. The updated 2014 Global Findex database shows great progress in expanding financial inclusion—and great opportunities to expand it further.

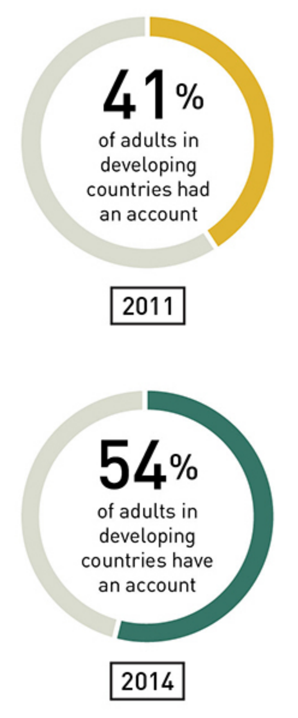
WORLD BANK GROUP — BILL & MELINDA GATES foundation

THERE HAS BEEN SIGNIFICANT GROWTH IN FINANCIAL INCLUSION

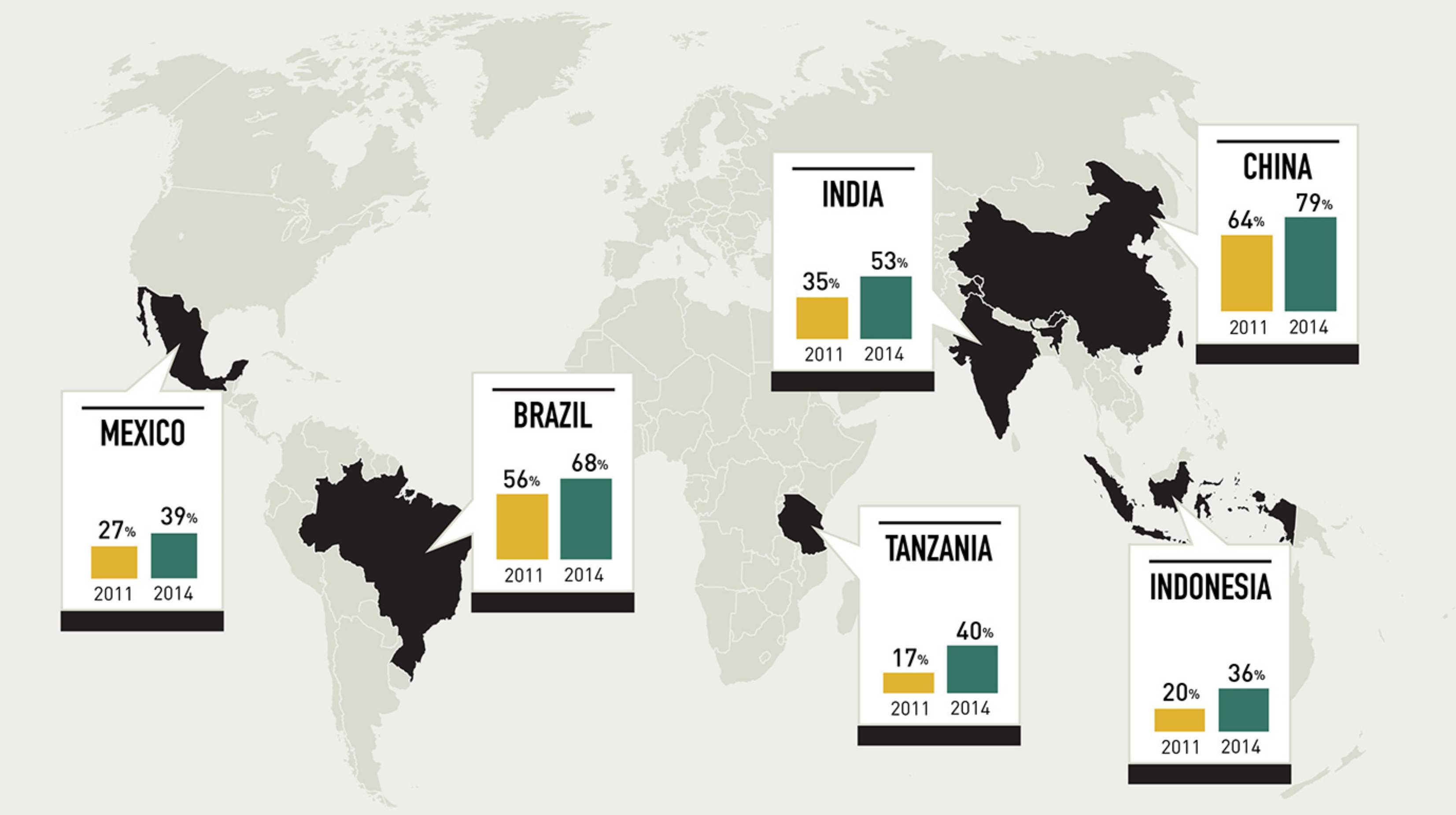
More adults have an account (with a financial institution or mobile money service) now than three years ago.



Account ownership has increased in nearly every developing country.

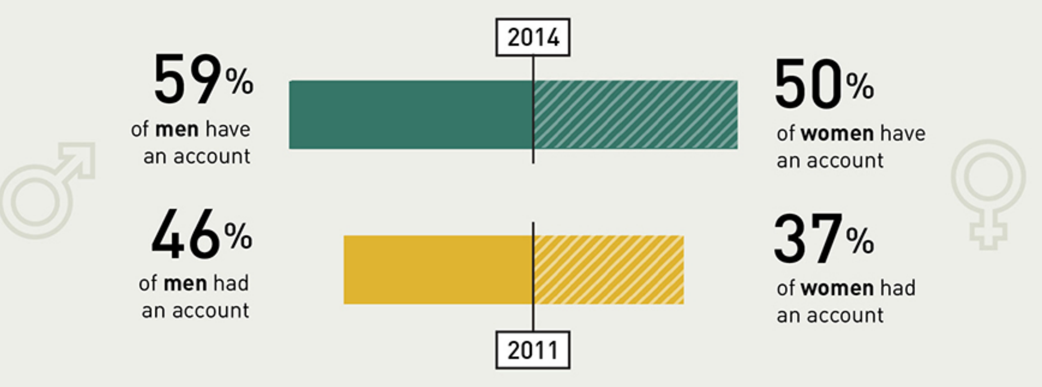


Examples include Mexico, Brazil, India, China, Tanzania, and Indonesia.

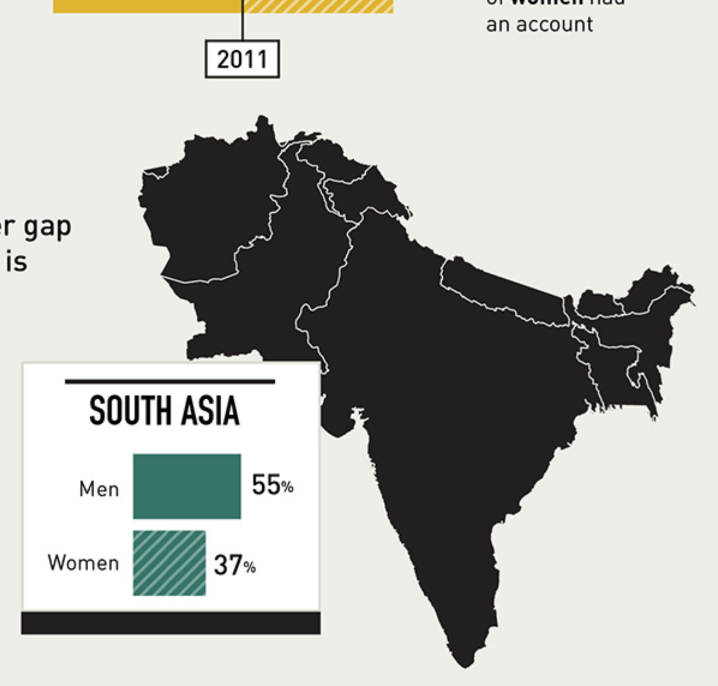


STILL, THERE ARE OPPORTUNITIES TO EXPAND FINANCIAL INCLUSION, PARTICULARLY AMONG WOMEN AND THE POOR

Globally, the gender gap remains unchanged. And the gender gap in developing countries remains a steady 9 percentage points.



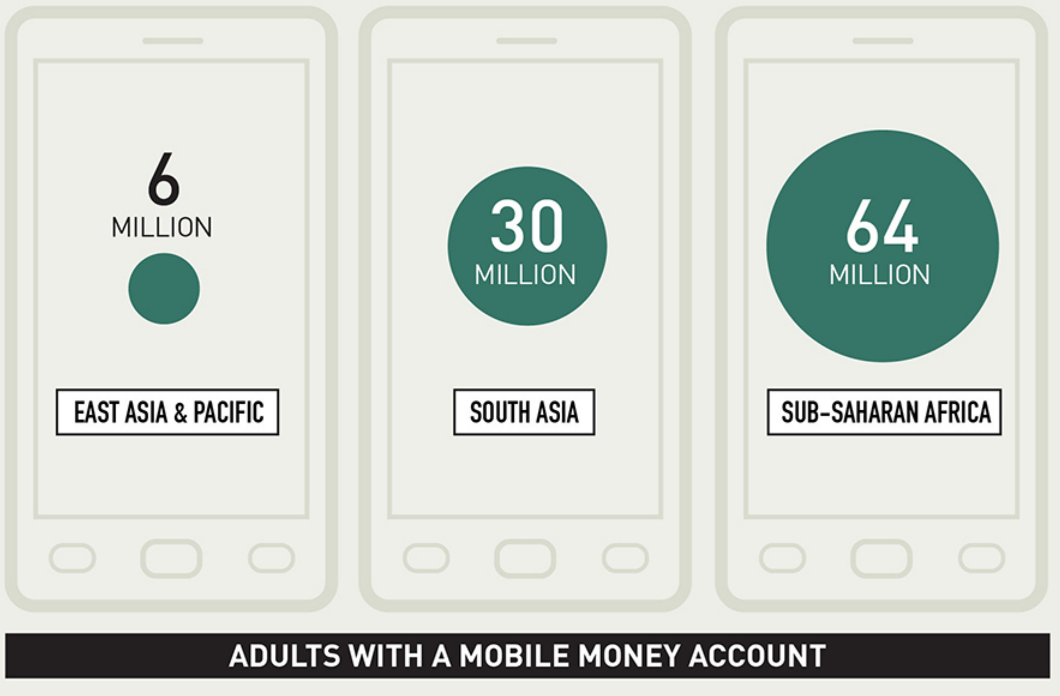
Regionally, the gender gap in account ownership is largest in South Asia.



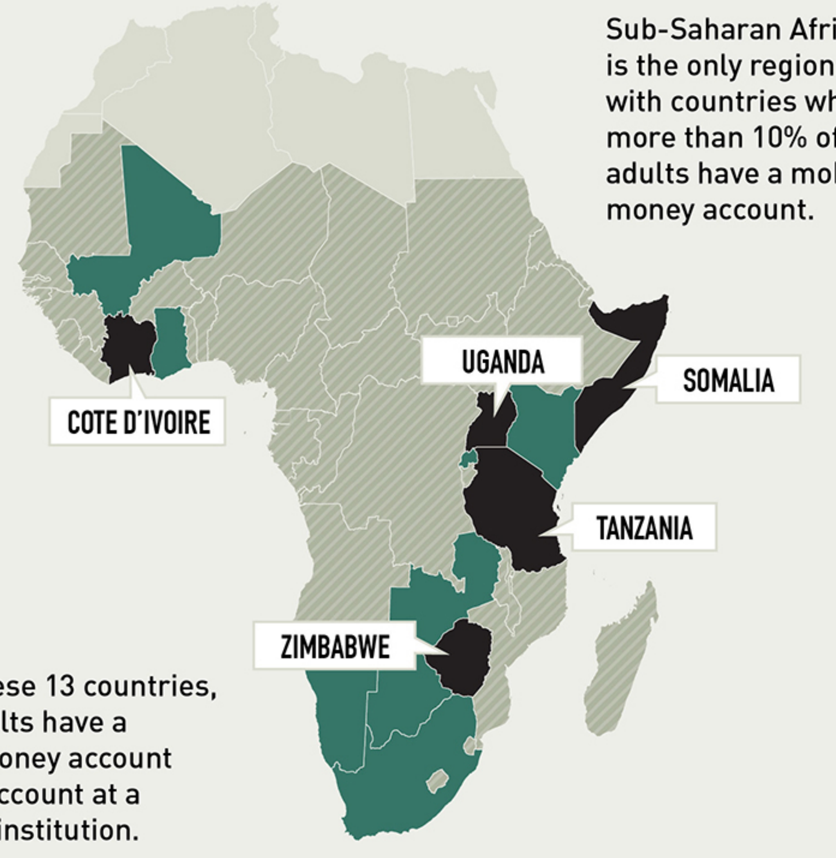
Among the world's poor, financial inclusion is improving, but not enough.

IN SUB-SAHARAN AFRICA, MOBILE MONEY ACCOUNT OWNERSHIP IS DRIVING A HUGE EXPANSION OF FINANCIAL INCLUSION

Worldwide, only 2% of adults have a mobile money account. 12% of adults in Sub-Saharan Africa have a mobile money account – 45% of them have only a mobile money account.



Sub-Saharan Africa is the only region with countries where more than 10% of adults have a mobile money account.



In 5 of these 13 countries, more adults have a mobile money account than an account at a financial institution.

IN DEVELOPING COUNTRIES, MOVING AWAY FROM CASH CAN SIGNIFICANTLY INCREASE FINANCIAL INCLUSION

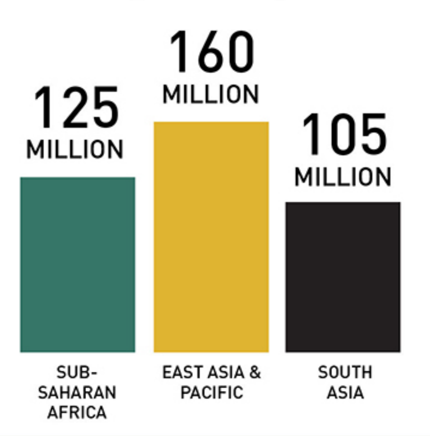
400 million+ unbanked adults receive wages or government transfer payments in cash.

By shifting transfers and wages digitally into accounts, governments can increase the number of adults with an account by up to **160 million.**

By paying private sector wages digitally into accounts, companies can increase the number of adults with an account by up to **280 million.**

AGRICULTURAL PAYMENTS

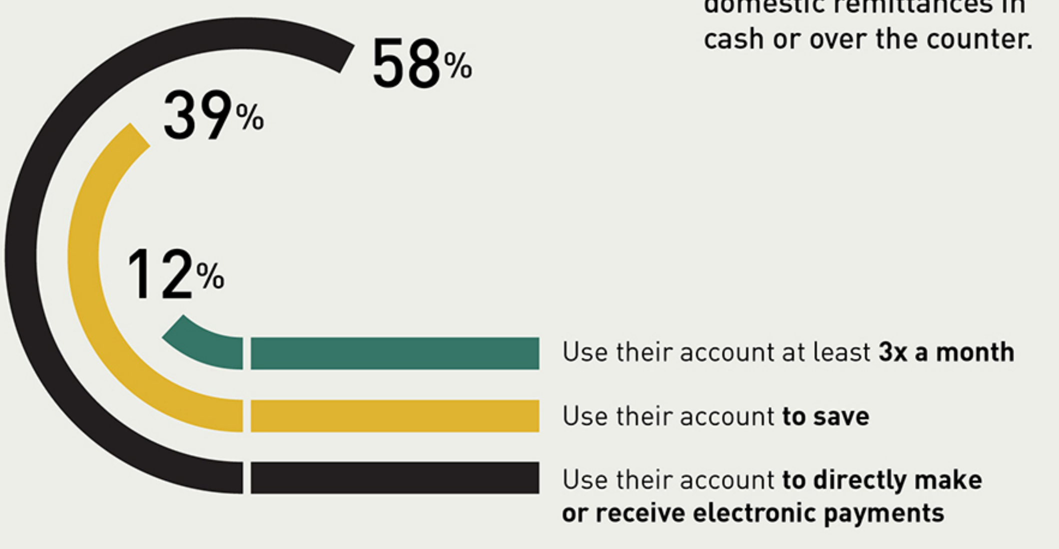
440 million unbanked adults in developing countries receive cash payments for the sale of agricultural products.



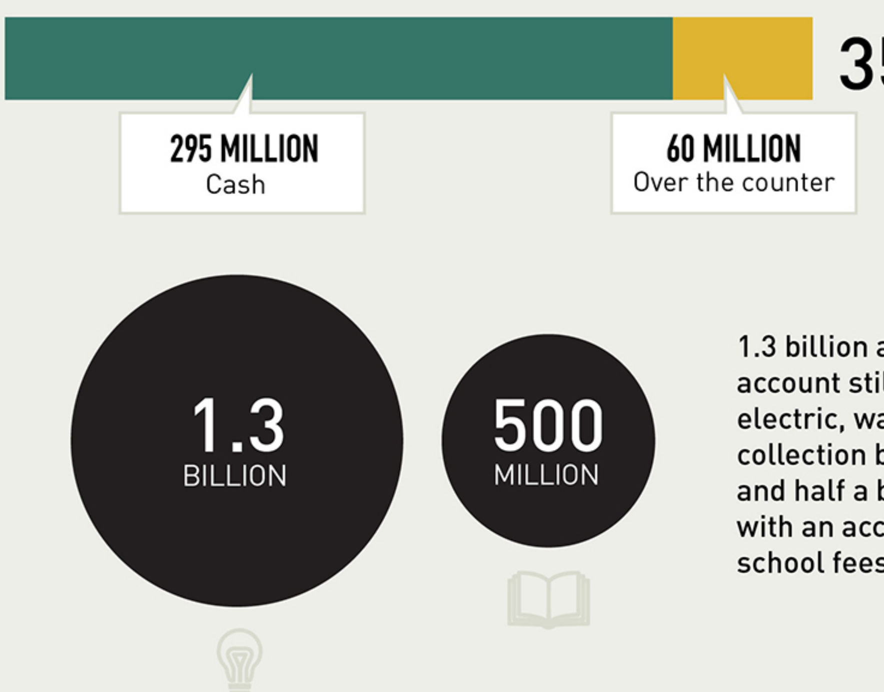
BUT WHAT REALLY MATTERS IS WHETHER PEOPLE ACTUALLY USE THEIR ACCOUNTS

Account ownership is a first step toward financial inclusion.

In developing countries, account holders use their accounts for a variety of functions.



Yet 355 million account holders send or receive domestic remittances in cash or over the counter.



1.3 billion adults with an account still pay their electric, water, or trash collection bills in cash, and half a billion adults with an account still pay school fees in cash.

FINANCIAL INCLUSION HELPS FAMILIES WEATHER EMERGENCIES

Having a safe place to save money can prevent people from falling into extreme poverty when disaster strikes.

74% of adults in developing countries **can come up with emergency funds** equal to 5% of average annual income in local currency.

56% of these adults **are not saving at a financial institution**

Keeping these emergency reserves in cash presents a real risk that money won't be there when needed. There is a large opportunity to design formal savings products to keep savings safe and accessible in the case of an emergency.

Source: Global Findex database, World Bank, Washington, DC. http://www.worldbank.org/globalfindex

The 2014 Global Findex database provides more than 100 indicators on such topics as account ownership and use, payments, saving, credit, and financial resilience, including by gender, age group, and household income. The Global Findex database is made possible with financial support from the Bill & Melinda Gates Foundation. The data were collected as part of the 2014 Gallup World Poll, which surveyed nationally representative samples of adults age 15 and older in over 140 countries across the emerging and developed world.

Explore the Global Findex by visiting www.worldbank.org/globalfindex #globalfindex