



**IFC Workshop on Financial Inclusion Indicators**  
**Co-hosted by Bank Negara Malaysia**  
**5 – 6 Nov 2012, Sasana Kijang, Kuala Lumpur**

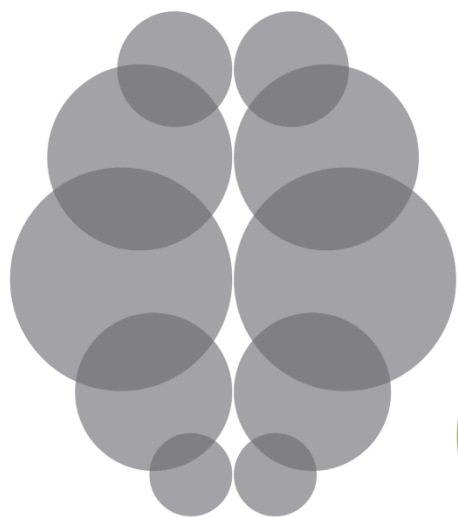
**The financial inclusion data working group and the Mexican experience<sup>1</sup>**

Nora Garcia, Alliance for Financial Inclusion

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<sup>1</sup> This presentation was prepared for the workshop. The views expressed are those of the author and do not necessarily reflect the views of the BIS or the central banks and other institutions represented at the workshop.

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**afi** Alliance for  
Financial Inclusion

## Bringing Smart Policies to Life

Ms. Nora García

**Workshop on Financial Inclusion Indicators**

**Kuala Lumpur, Malaysia**

November 5, 2012

## Part 1

# FINANCIAL INCLUSION DATA WORKING GROUP (FIDWG)

## Evidence-Based Policymaking

Diagnose  
the state of  
financial  
inclusion

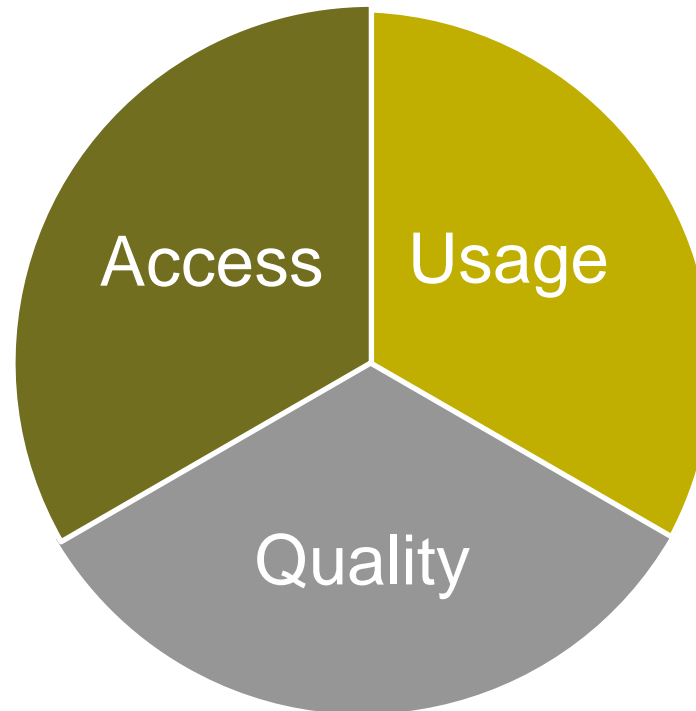
Design  
appropriate  
policies

Monitor  
changes  
over time

Evaluate  
policy  
impact

## Ability to use financial services:

- Proximity
- Channels
- Barriers



## Actual use of financial services:

- Products
- Patterns
- Behaviors

## Appropriateness of financial services:

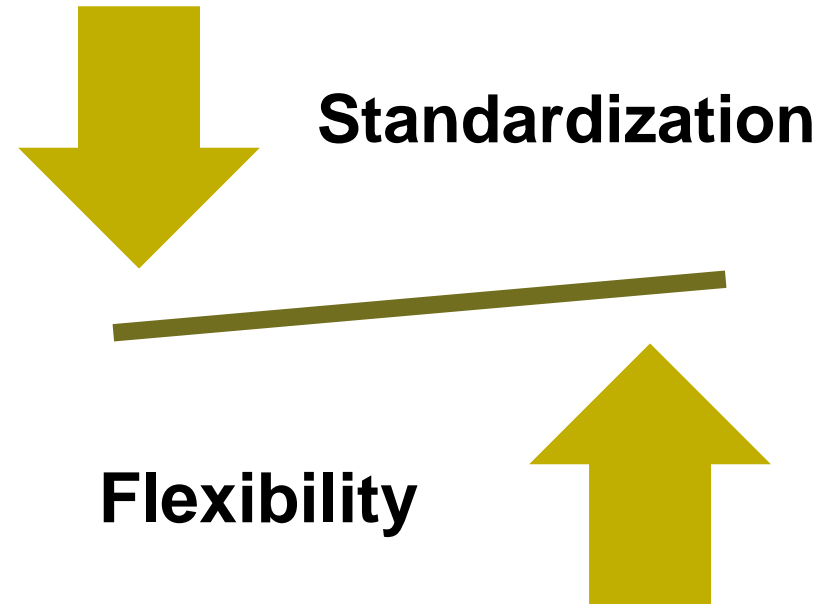
- Convenience
- Security
- Consumer Protection

## The AFI FIDWG core set of indicators

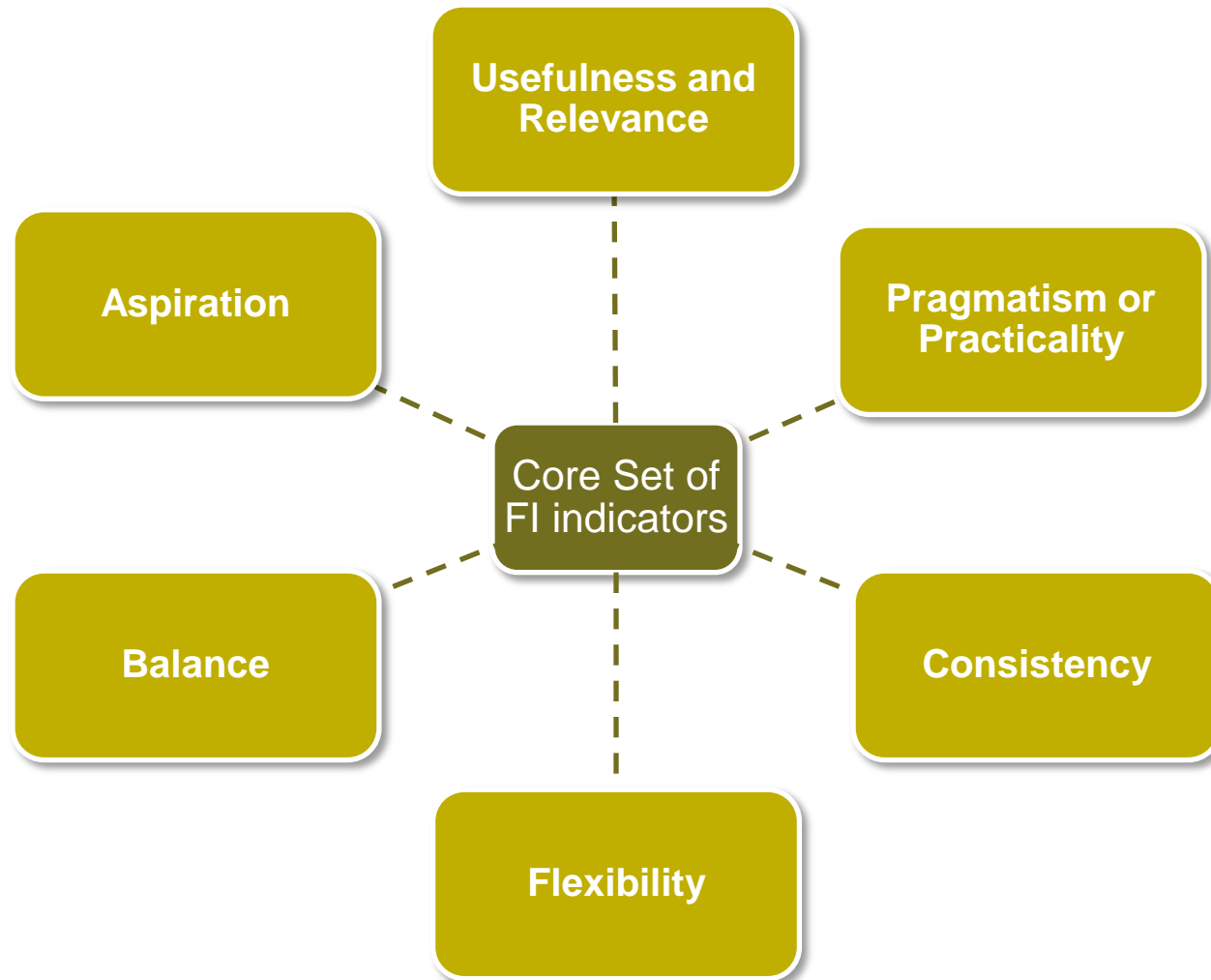
The Core Set of indicators is one initiative developed by the Financial Inclusion Data Working Group as a guidance to conduct data collection and measurement efforts at country-level.

This set is a list of indicators designed by policymakers to be flexible for country-specific needs, but at the same time to allow certain amount of comparison and benchmarking among countries.

Unique in the global data landscape  
... equilibrium...



# Principles behind the selection of Core Set



# Core Set of Financial Inclusion Indicators

Dimension	Core Indicators
<b>Access</b>	<p>1) Number of <b>access points</b> per 10,000 adults</p> <p>2.1) % of administrative units with at least one access point</p> <p>2.2) % of total population living in administrative units with at least one access point</p>
<b>Usage</b>	<p>3.1) % adults with at least one type of <b>regulated deposit account</b> <i>Proxy: Number of deposits accounts per 10.000 adults</i></p> <p>3.2) % adults with at least one type of <b>regulated credit account</b> <i>Proxy: Number of credits accounts per 10.000 adults</i></p>



## Further initiatives

### A. Core indicators

On-line availability  
(MixMarket online platform)

### B. Second Tier indicators

Barriers to access and usage  
Quality indicators  
Other indicators

**Work in  
progress**

### C. Demand-side surveys

Guidance note  
Core questions  
Focus groups

### D. Additional activities

New knowledge material  
New peer-reviews



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## Geographic distribution / concentration of access points

The indicators and definitions for this component are as follows:

### Access points per km sq

[Number of branches](#) per 1,000 km sq

Number of ATMs per 1,000 km sq

Number of POS per 1,000 km sq

### Spatial distribution of access points

Map of branch presence by type of institution (commercial bank, development bank, Savings and credit entity)

Map color-coded by number of branches per 10,000 adults (high, medium, low)

### Access points per administrative unit

Percentage of 3rd tier administrative units with at least one access point that performs cash-in and cash-in

Number of admin unit with branch presence by type of institution (commercial bank, development bank, cooperatives, MFIs)

Average number of branches per admin unit by type of institution (commercial bank, development bank, cooperative, MFI)

[Number of outlets](#) (branches, kiosks, satellites) per district

Percentage of admin unit with at least one branch by 2nd tier admin unit

Percentage of municipalities with at least one branch representing each type of institution by classification of municipality

Number of municipalities with at least one branch representing each type of institution by classification of municipality

Percentage of municipalities with at least on branch by classification of municipality

Percentage of total [number of branches](#) in the country located in each category of municipality

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**Country:** Brazil

*Adult population:* 144,823,504

*Total number of relevant administrative units:* 5565

**Access dimension**

*Total number of branches:* 31,541

*Total number of agents:* 151,623

*Total number of ATMs:* 174,920

*Total other Cash-in & out:* 1,990

*Number of access points per 10,000 adults at a national level:* 18.3

*% of administrative units with at least one access point:* 100%

*% of total population living in administrative units with at least one access point:* 100%

**Usage dimension**

*% of adults with at least one type of regulated deposit account:* 79%

*Number of deposit accounts per 10,000 adults:* 12,470

*% of adults with at least one type of regulated credit account:* 21%

*Number of loan accounts per 10,000 adults:* 44,686

Sources: AFI-FIDWG Financial Inclusion Survey. Data for 2010/2011

**Country:** Burundi

*Adult population:* 3,819,120

*Total number of relevant administrative units:* 129

**Access dimension**

*Total number of branches:* 410

*Total number of agents:* 0

*Total number of ATMs:*

*Total other Cash-in & out:* 0

*Number of access points per 10,000 adults at a national level:* 1.1

*% of administrative units with at least one access point:* 93%

*% of total population living in administrative units with at least one access point:* 95%

**Usage dimension**

*% of adults with at least one type of regulated deposit account:*

*Number of deposit accounts per 10,000 adults:* 1,738

*% of adults with at least one type of regulated credit account:*

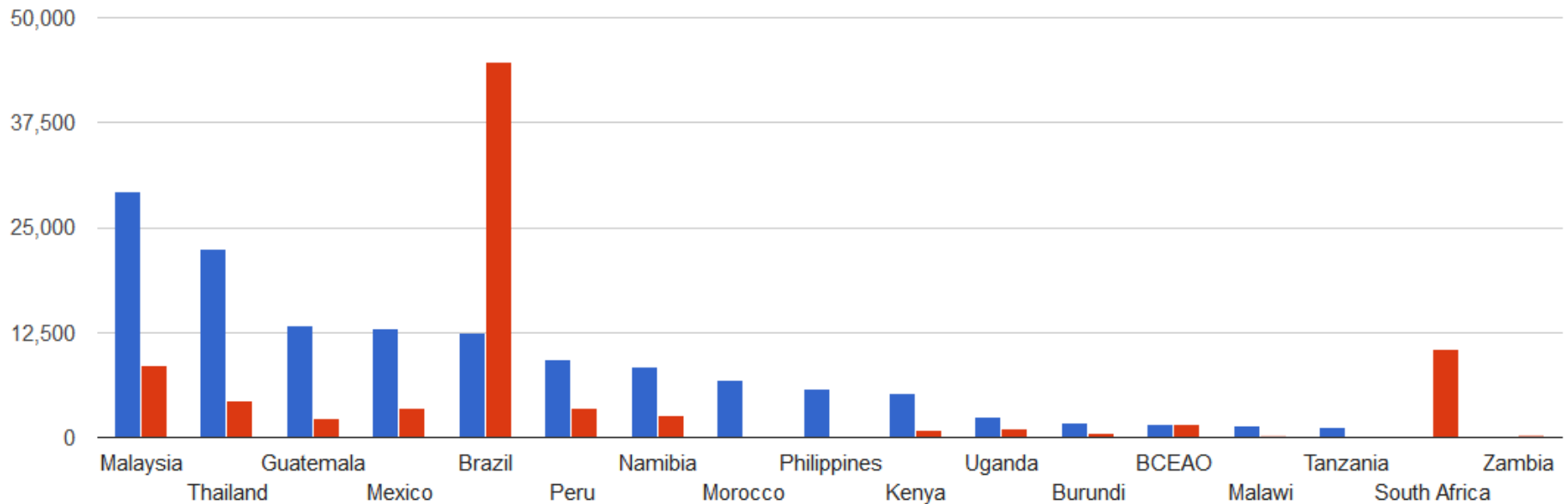
*Number of loan accounts per 10,000 adults:* 468

Sources: AFI-FIDWG Financial Inclusion Survey. Data for 2011

# On-line indicators: comparative charts

3.a Number of deposit accounts per 10,000 adults / 3.b Number of loan accounts per 10,000 adults

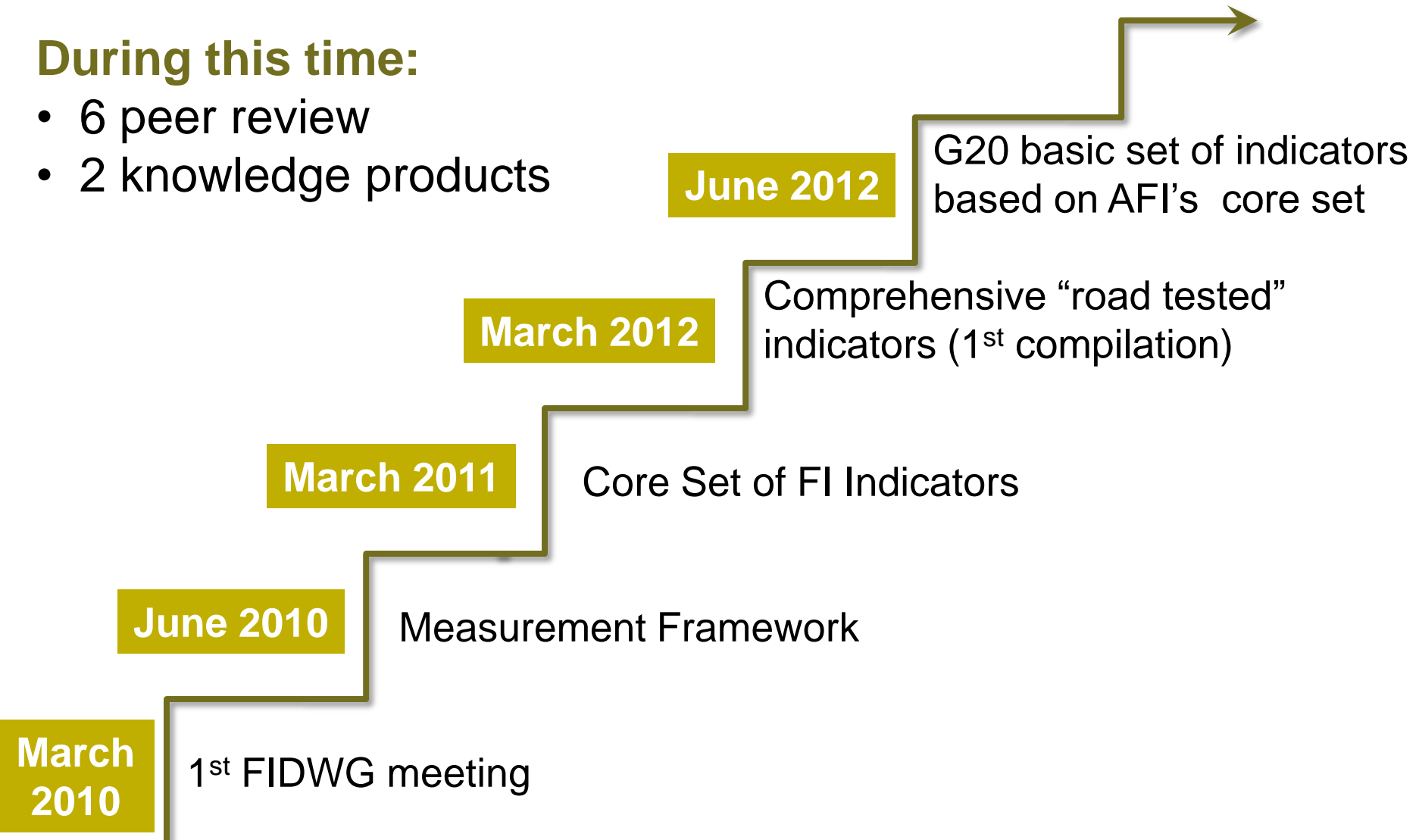
■ Number of deposit accounts per 10,000 adults ■ Number of loan accounts per 10,000 adults



# Key accomplishments

## During this time:

- 6 peer review
- 2 knowledge products



## Lessons learned

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- ✓ Focus on policy questions (strategy)
- ✓ Start with available data (harmonization)
- ✓ Consider partnerships (cooperation)

## Part 2

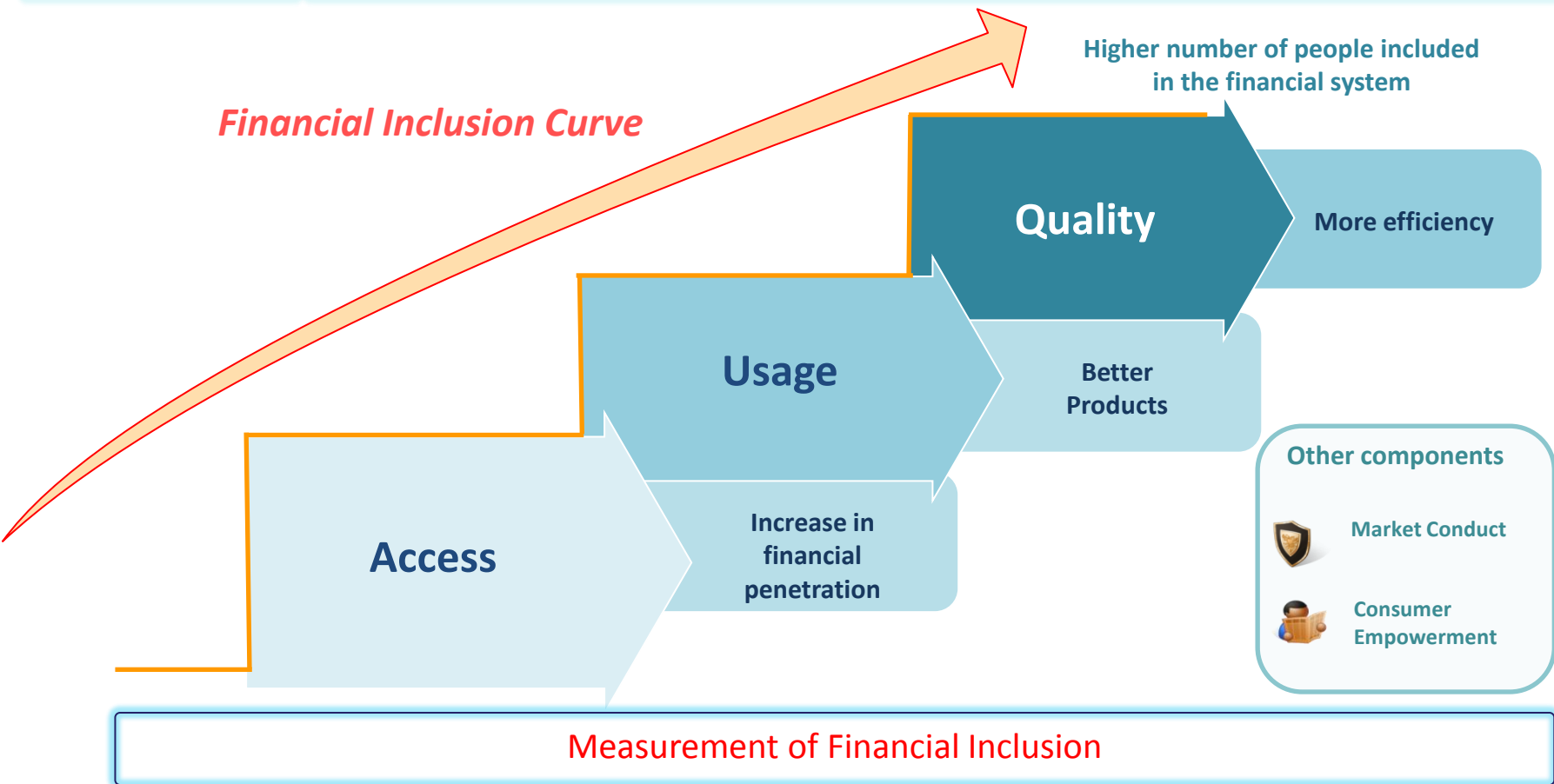
# THE MEXICAN EXPERIENCE

# Strategy for financial inclusion

## Definition of Financial Inclusion

The access and usage of a portfolio of financial products and services for the population, under an appropriate regulatory framework that protects the interests of users and promotes its financial capabilities.

### Financial Inclusion Curve





# Measurement framework

Dimension	Indicators	Source
<b>Access</b>	<ul style="list-style-type: none"><li>• Number of branches and banking agents per 10,000 adults</li><li>• Number of ATMs/POS per 10,000 adults</li><li>• % of adult population living in a municipality with at least one access point</li></ul>	<ul style="list-style-type: none"><li>• CNBV financial inclusion reports</li><li>• ABM (Bank Association of Mexico) geo-spatial analysis</li></ul>
<b>Usage</b>	<ul style="list-style-type: none"><li>• Number of deposit accounts/loans per 1,000 adults</li><li>• Number of depositors/borrowers per 1,000 adults</li><li>• % of adults with an account at a formal financial institution</li><li>• % of products that correspond to banks/other financial institutions</li><li>• % of adults with at least one financial product</li></ul>	<ul style="list-style-type: none"><li>• CNBV: financial inclusion reports.</li><li>• BANXICO (Central Bank).</li><li>• ENIF 2012. National Survey.</li></ul>
<b>Financial Literacy and Consumer Protection</b>	<ul style="list-style-type: none"><li>• New financial capabilities data</li><li>• % of financial institutions with financial literacy programs</li><li>• % of complaints and claims that are solved</li></ul>	<ul style="list-style-type: none"><li>• World Bank/CNBV/Condusef</li><li>• Commercial banks, Condusef (Commission for the Protection of the Users of Financial Services)</li></ul>

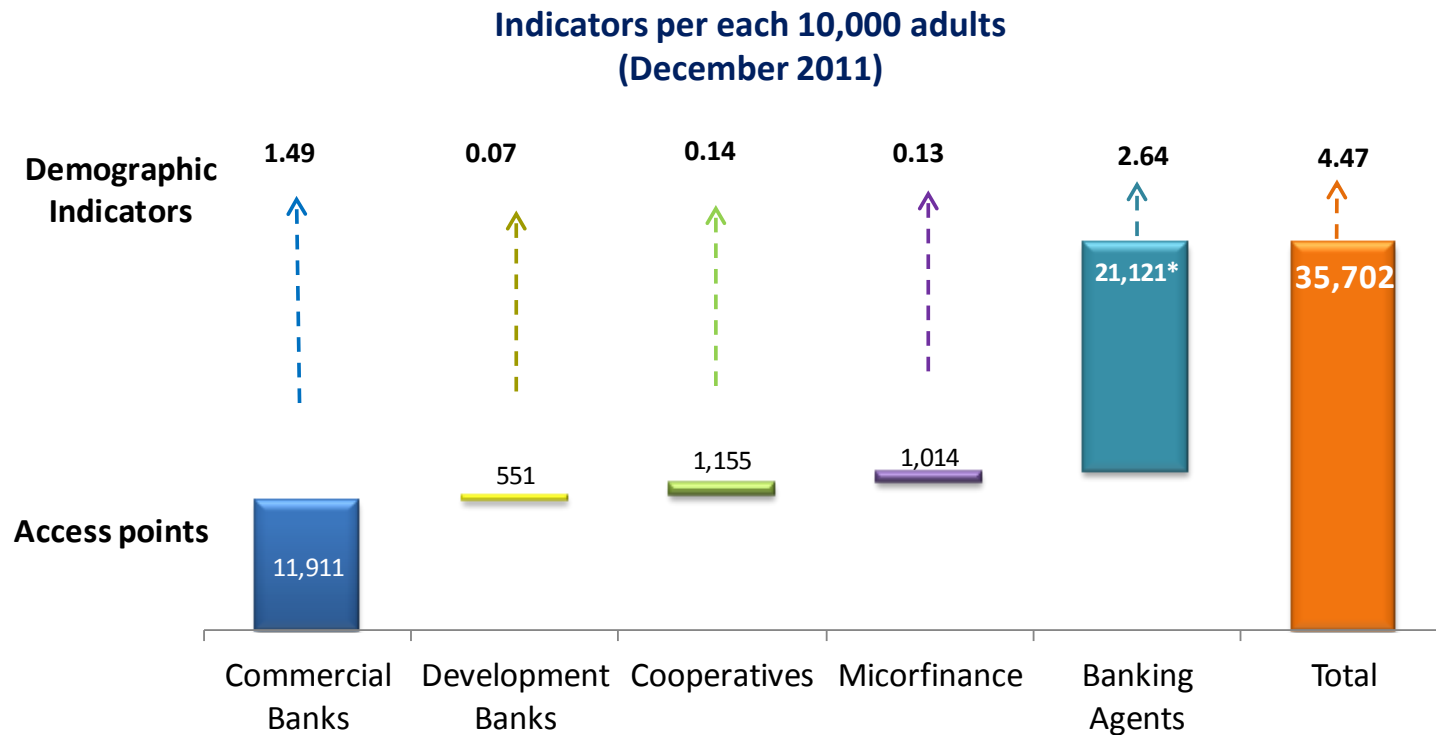
# Demand-side survey

- In 2010 – 2012 CNBV developed, in collaboration with the Ministry of Finance and other stake holders, the conceptual framework and design of the first National Financial Inclusion Survey (ENIF 2012).
- The National Institute of Statistics (INEGI) participated providing technical assistance (sampling design & selection) and conducting the survey at the field in May 2012.
- The results will be available by year-end 2012.

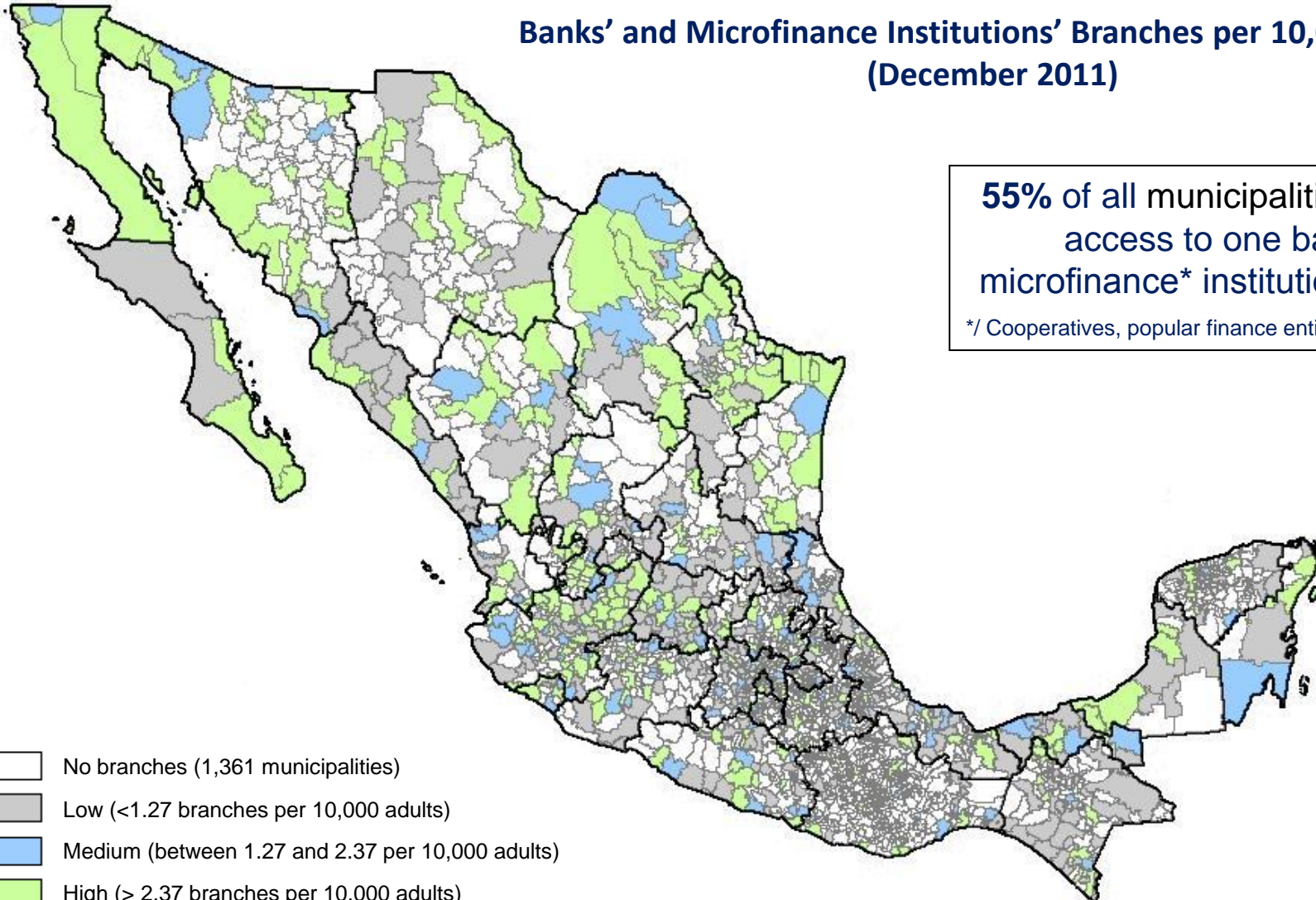


## Actual situation

- Up to December 2011, there are 35,702 access points, of which 11,911 are bank branches and 21,071 banking agents. Altogether, there are 4.47 access points per each 10,000 adults.



## Banks' and Microfinance Institutions' Branches per 10,000 adults (December 2011)



- ✓ Financial inclusion measurement framework in Mexico was designed considering FIDWG's discussions and conclusions
- ✓ The indicators were built upon already available data and further information was gathered to complete the or enhance them
- ✓ Publication of results and establishment of a communication strategy was considered a key issue
- ✓ Cooperation with other Mexican financial authorities was crucial in some initiatives (such as the demand-side survey)

*Thank you!*