Financial citizenship statistics production

Katherine Hennings and Danniel Lafetá Machado,
Central Bank of Brazil

---

1 This presentation was prepared for the meeting. The views expressed are those of the authors and do not necessarily reflect the views of the BIS, the IFC or the central banks and other institutions represented at the meeting.
Financial Citizenship
Statistics Production

Danniel Lafetá
July 2017
Presentation outline

- Concepts
- Indicators of access to and use of financial services – supply side
- Financial literacy and financial consumer protection indicators – demand side
- Next steps
Financial Citizenship

Expanded concept of financial inclusion

It represents the citizen’s active role in accessing and using financial services, and it depends on:

- infrastructure (access channels);
- financial services (diversified offer);
- sound decisions (financial literacy);
- consumers’ conflicts support (demands against banks);
- and
- adequate regulatory framework.
Financial Citizenship

Financial Inclusion
- Access
- Use
- Quality
- Privacy and security

Consumer Protection
- Conflict mediation
- Transparency and ethics

Financial Education
- Behavior
- Knowledge
- Attitude

Reliable regulatory and institutional environments
In the Central Bank of Brazil, efforts are based on diagnosis and are channeled through:

- regulation;
- supervision;
- attendance;
- financial education; and
- coordination of the national financial inclusion strategy.
# Measuring Financial Citizenship

## Groups of indicators for FC measuring

<table>
<thead>
<tr>
<th>Financial Inclusion (bank records)</th>
<th>Financial education (survey)</th>
<th>Financial consumer protection (survey)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Access</td>
<td>Knowledge</td>
<td>Demand rank</td>
</tr>
<tr>
<td>Use</td>
<td>Attitude</td>
<td>Channels of attendance</td>
</tr>
<tr>
<td></td>
<td>Behavior</td>
<td>Conflict resolution</td>
</tr>
</tbody>
</table>
Financial Inclusion Report

RFI

2010

II RFI

2011

RFI II RFI

Financial Inclusion Report

RFI

2010

II RFI

2011

RFI II RFI

Financial Inclusion Report
Dep. for Financial Citizenship Promotion

DEPEF
2012

III RFI
2015

Planning and organization
Sources of Financial Inclusion Data

BCB’s databases

- **Unicad** – registration database for financial institutions (service points);
- **SCR** – credit database (indebtedness, default);
- **CCS** – relationship database (banking);
- **COSIF** – accounting database (deposit accounts);
- **SAG** – consortium database;
- **DEBAN** – payments database (transactions, access channels).
Access and use indicators – supply side

Points of Service: physical access channels (branches, service points, electronic service points and correspondents)

Geographical distribution of **points of service per 10,000 adults** – 2015

Source: BCB (UNICAD), IBGE

Note: ATMs and POS not considered
Access and use indicators – supply side

Adults with banking relationship

Source: BCB (CCS), SRF
Access and use indicators – supply side

Number of transactions per access channel

Source: BCB (DEBAN-SPB)

* Pagamentos, depósitos, transferências, crédito, saques, consultas.
Access and use indicators – supply side

Credit takers by income bracket – 2016

- No income: 3%
- < 3 MW: 64%
- 3-5 MW: 13%
- 5-10 MW: 12%
- > 10 MW: 8%

Source: BCB (SCR)
Access and use indicators – supply side

Indebtedness by income bracket – December 2016

Source: BCB (SCR)
Access and use indicators – supply side

Debt service by income bracket and modality – 2016

Source: BCB (SCR)
Access and use indicators – supply side

Non-performing credit rate by modality – 2016

Source: BCB (SCR)
Time Series Management System (SGS)

- DW Expansion
- Financial Inclusion
- (MSE)

- SGS + Open Data Portal

- 2016
- 2016/17

- SGS
Use and Quality of Financial Services Survey – 2014:

- 2500 adults, proportionally distributed among the country’s regions.
- Main themes analyzed:
  - Ownership and use of bank accounts;
  - Financial planning;
  - Savings;
  - Access to credit;
  - Service channels – conflict resolution.
Financial inclusion and education survey – toolkit INFE/OCDE 2015 (BC/SERASA/IBOPE)

- 2,000 people between 18 and 79 years old.
- The survey positioned Brazil in relation to financial inclusion and education (knowledge, attitude and behavior). The participation of the country in the survey enables the comparison of the country with 29 other countries/economies.

Some results:

- About 48% of interviewees answered correctly at least 5 out of 7 questions about financial education knowledge.
- Only 36% of families centralize financial issues in one of the members and prepare a domestic budget.
- Only 30% saved in the last 12 months.

It must be repeated.
Complementary databases

Incorporation of other databases in the construction of financial inclusion indicators and implementation of surveys:

- Federal Tax Revenue Authority
- FGC
- RAIS
- SME registry
- MDS – single registry
- IBGE
Work plan for 2017 BC/IBGE:

1. Survey proposal to be discussed during the 3rd Financial Citizenship Forum (Nov/2017), with the participation of IBGE and other public and private entities, interested in many ways in the theme, such as researchers, policymakers and others.

2. Adjustment period;

3. Implementation of the survey (POF – FC Module – IBGE’s proposal) in 2018;

4. Results processing in 2019/20.