

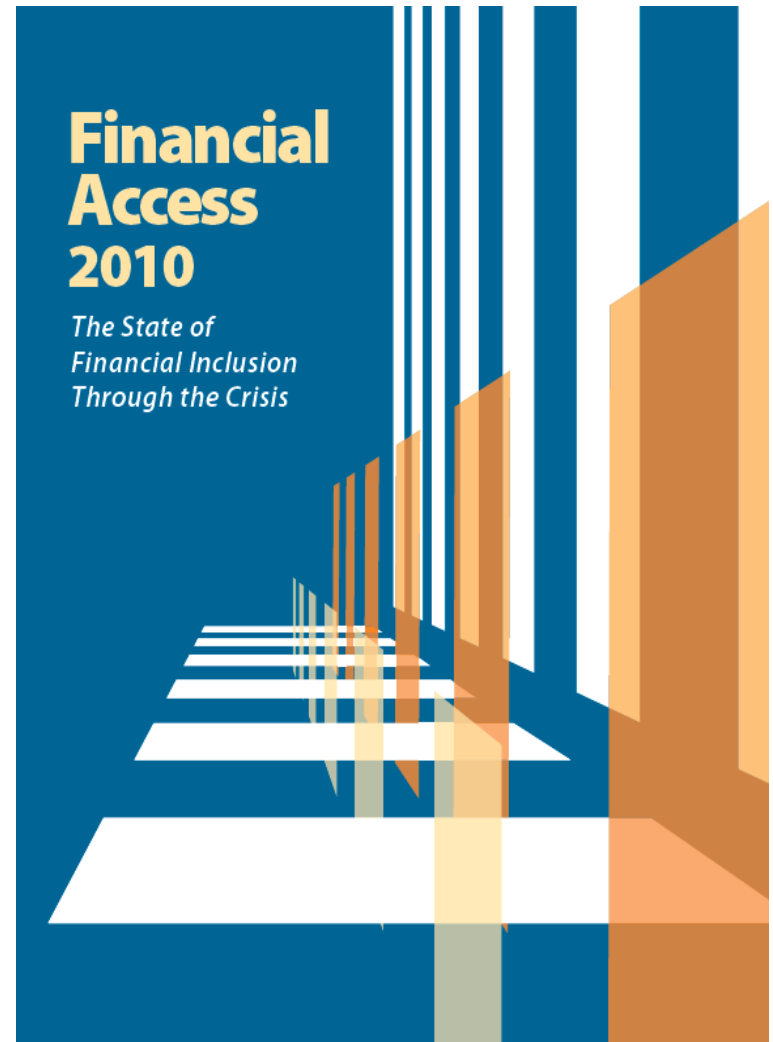
FINANCIAL ACCESS 2010

The State of Financial Inclusion Through the Crisis

<http://www.cgap.org/financialindicators>

Financial Access 2010

- ❑ Second CGAP/World Bank Group annual report on Financial Access
- ❑ Results of the survey of main financial regulators in 142 countries
- ❑ Indicators of financial access for regulated financial institutions, including non-banks
- ❑ Three policy areas: financial inclusion mandates, consumer protection in financial services, access to finance by SMEs.
- ❑ Data, report and more available at www.cgap.org/financialindicators



I. Access to Financial Services: Update

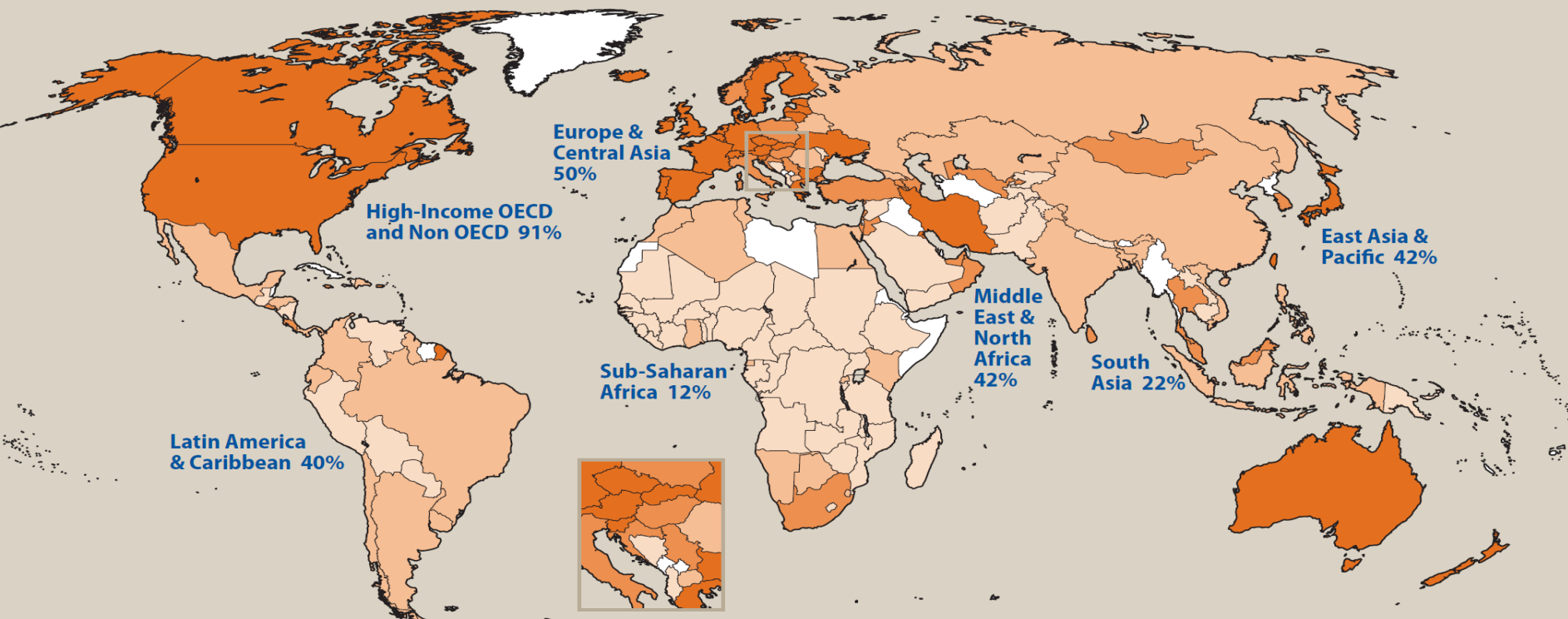
Country level statistics on

- ❑ Deposit services
- ❑ Credit services
- ❑ Physical outreach

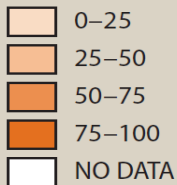
About half of the households in the world have no access to a bank account

MAP 1.1

Percentage of banked households, 2009



% of households with a deposit account in a formal financial institution



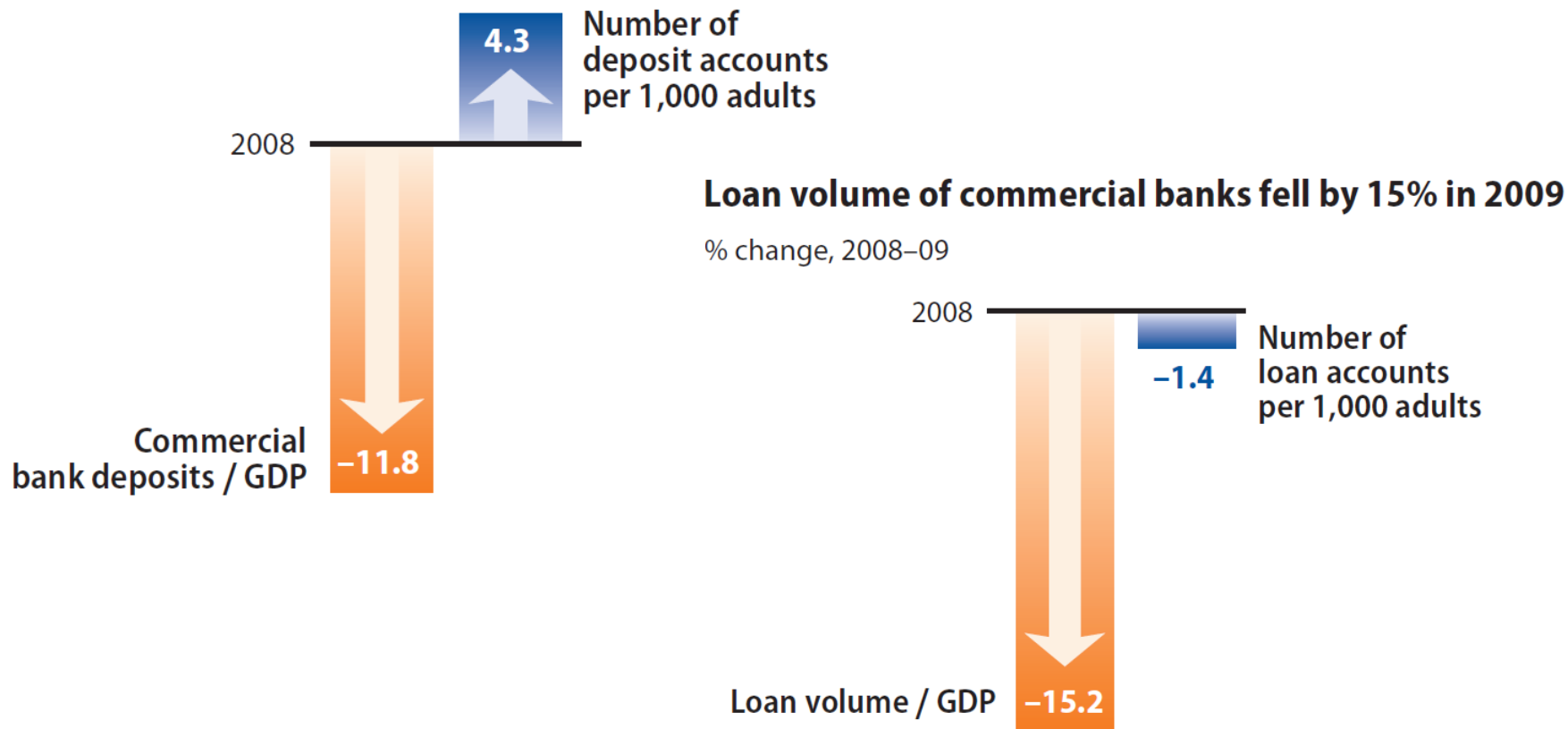
Note: OECD = Organisation for Economic Co-operation and Development

The map uses data from household surveys including Living Standard Measurement Surveys where available, as well as regional sources: for the EU, the European Commission's Eurobarometer, Special Barometer 260 (2007); for Africa, FinMark Trust's FinScope; for Latin America, Tejerina and Westley (2007) and the MECOVI database and Barr et al. (2007); and Nenova et al. (2009). For countries for which these data are unavailable, predictions based on an econometric model with number of deposit accounts per 1,000 adults and number of branches per km² from the *Financial Access* database are used. See the section on Methodology for more details. Data for Taiwan (China), Hong Kong SAR (China), and Puerto Rico (US) have been broken out from the national dataset.

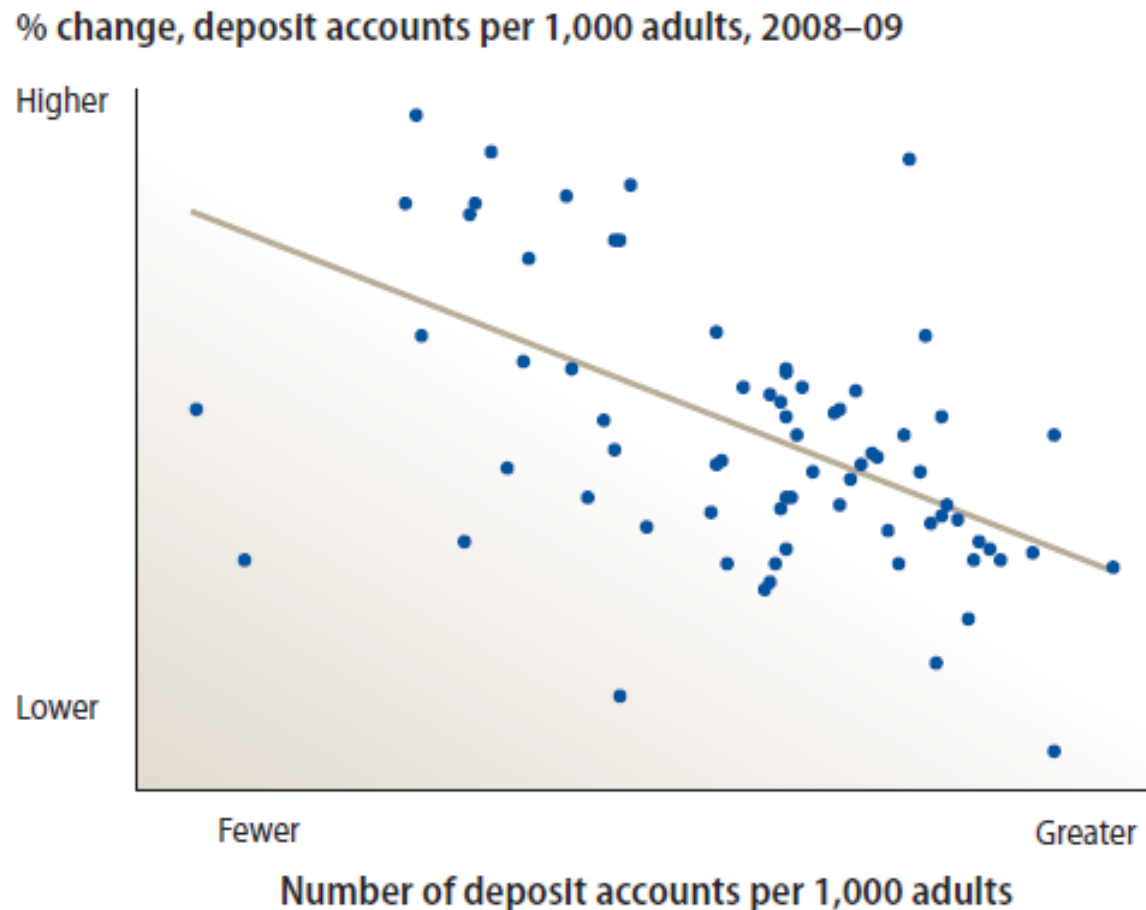
Access to savings and payment services is a basic need. The number of accounts continued to increase, even during the crisis.

More accounts, less money in commercial banks

% change, 2008–09

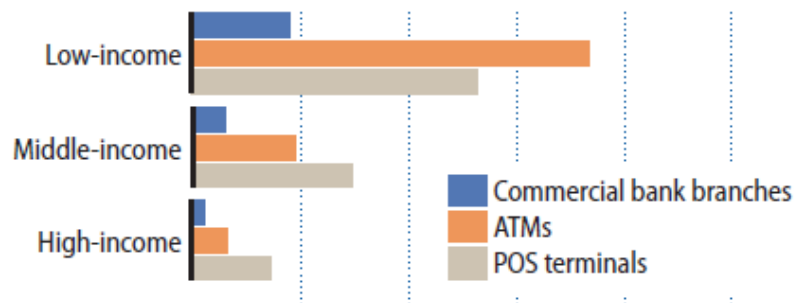


Financial inclusion: the number of accounts grew faster in countries with less developed financial systems, reducing the gap

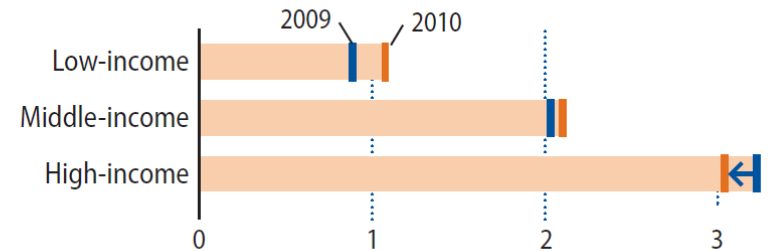


Retail networks grew faster in low & middle income countries, but ATMs and POS terminals are still less prevalent than in high income countries

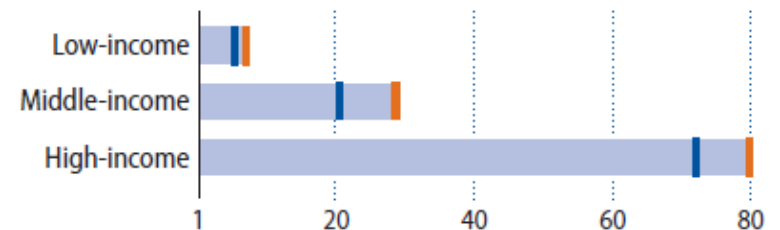
% change in the number of commercial bank branches, ATMs, and POS terminals, 2009–10



Number of ATMs per bank branch, 2009–10



Number of POS terminals per bank branch, 2009–10

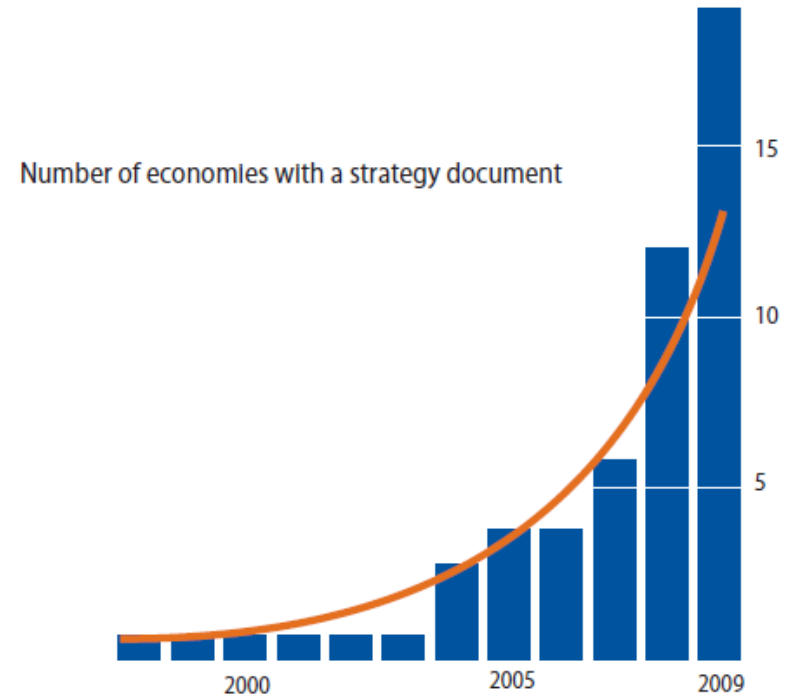
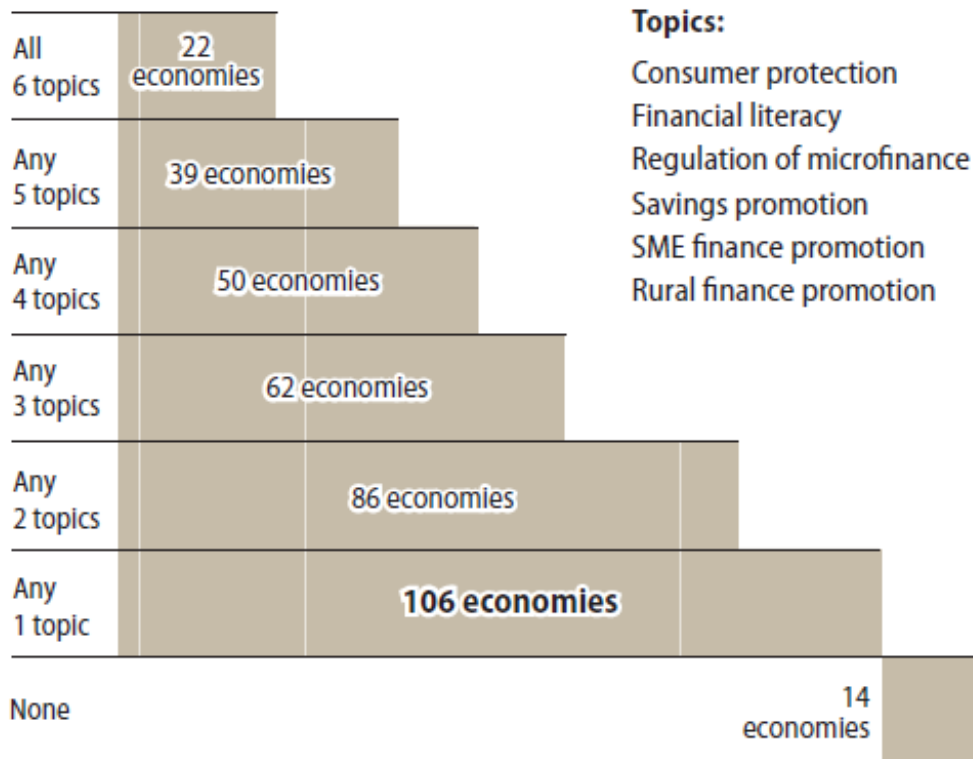




II. Financial Inclusion Mandates

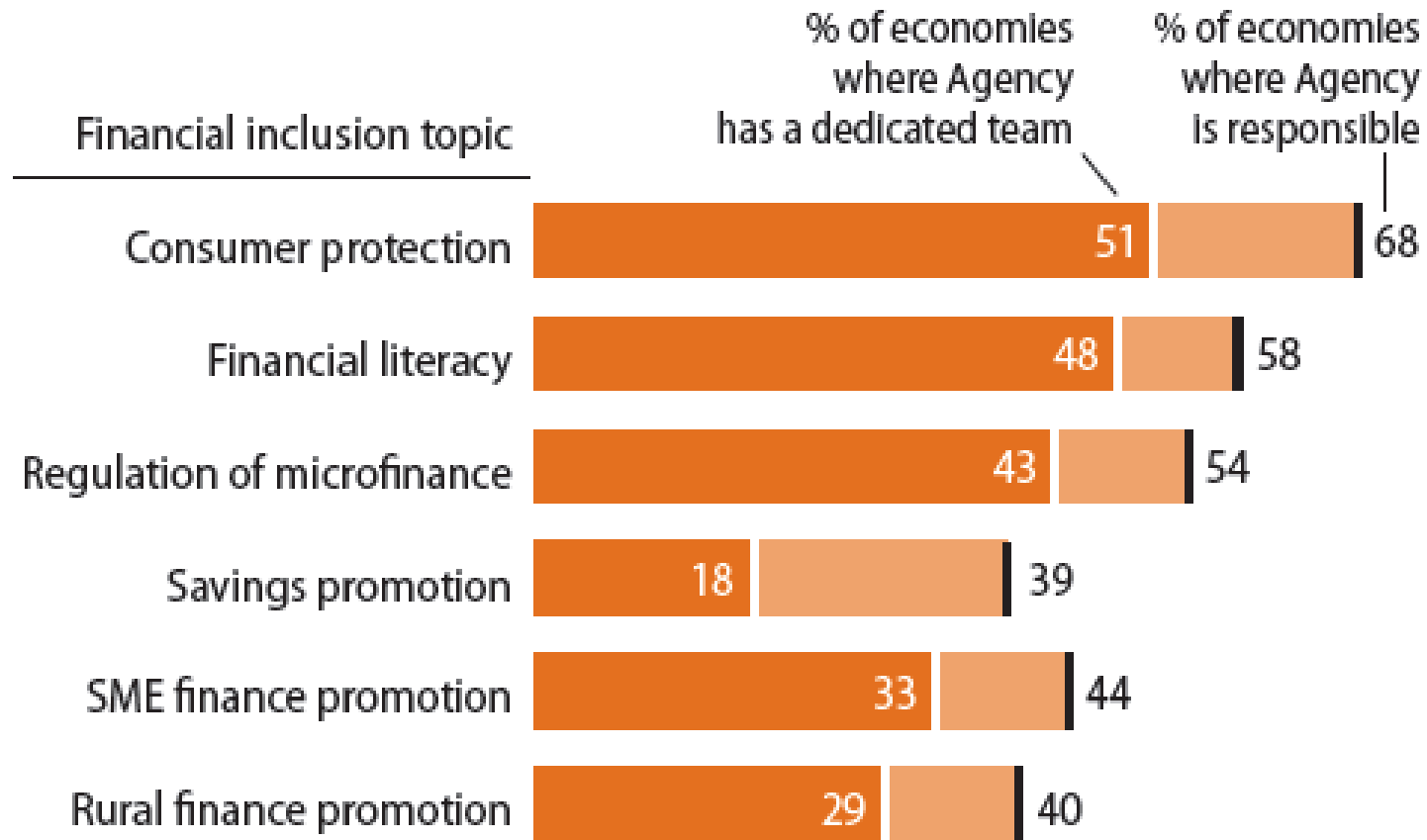
At least one aspect of financial inclusion is under purview of the financial regulators in 90 percent of economies.

Financial inclusion strategies are increasingly common.

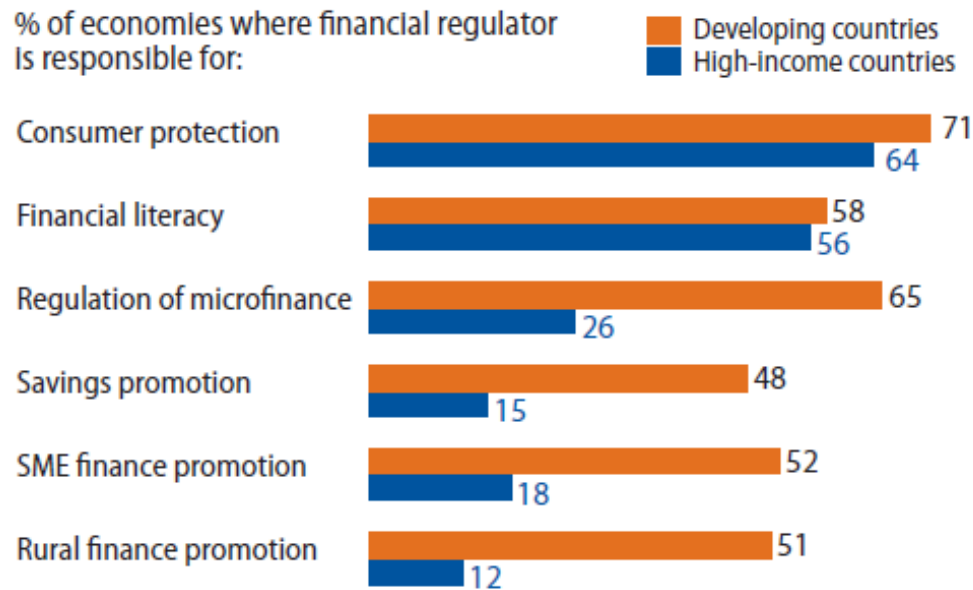


Source: Financial Access database.

Topics related to market conduct regulation and regulation of microfinance are the most common areas of focus. But mandate is not always matched by resources.

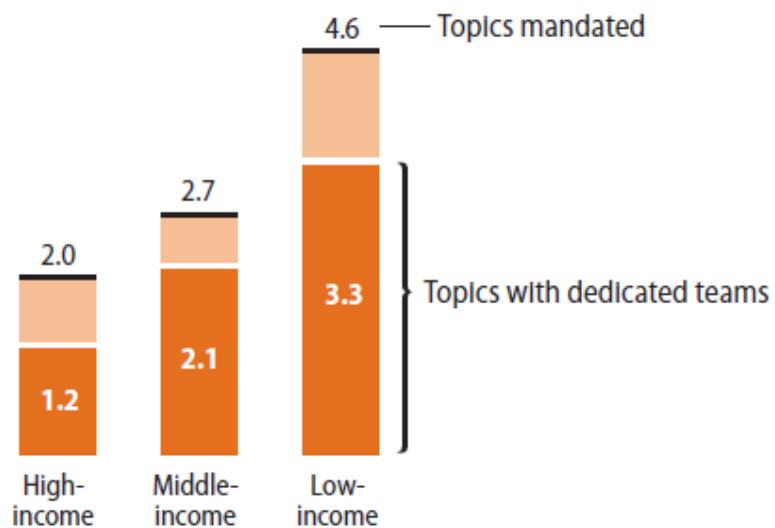


Regulators in low and middle income countries have a broader agenda, but are often overstretched, especially in low income countries



Resource gap is greater in low-income countries

Average number of topics

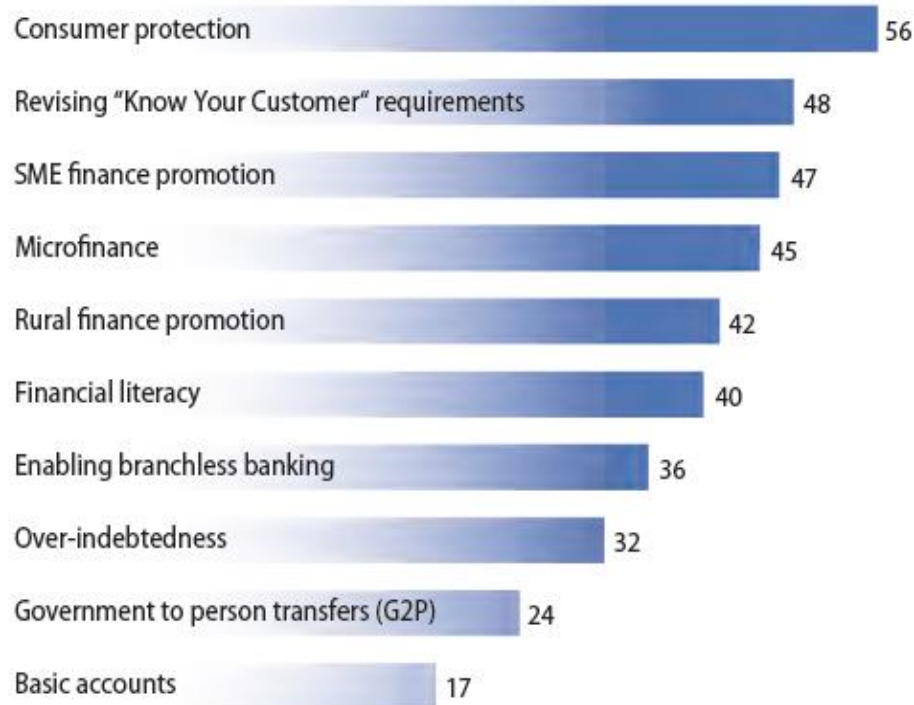


Source: Financial Access database.

Consumer protection was the most common area of reform in the aftermath of the crisis

What do economies reform?

% of economies that reformed by area of reform



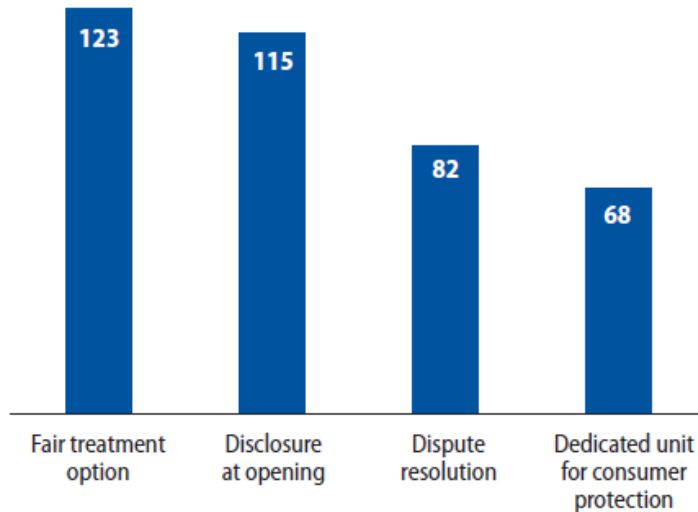
Source: Financial Access database.



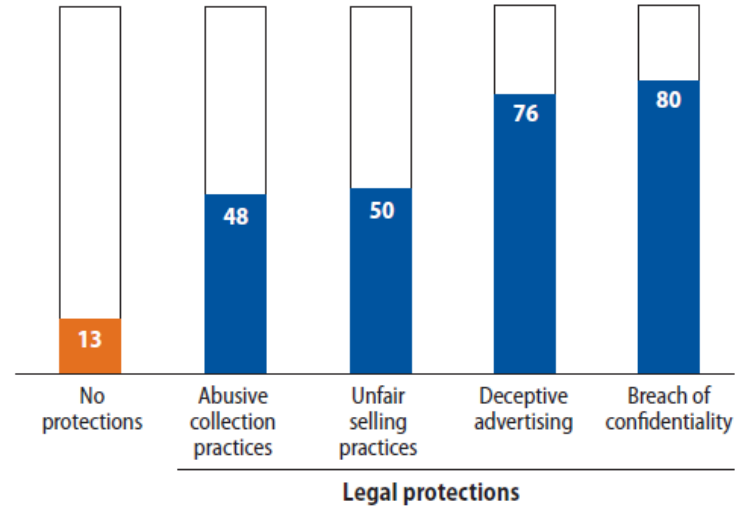
III. Consumer Protection in Financial Services

Broad consumer protection legal framework is in place in many countries, but specific financial sector issues are often not addressed and enforcement mechanisms are lacking

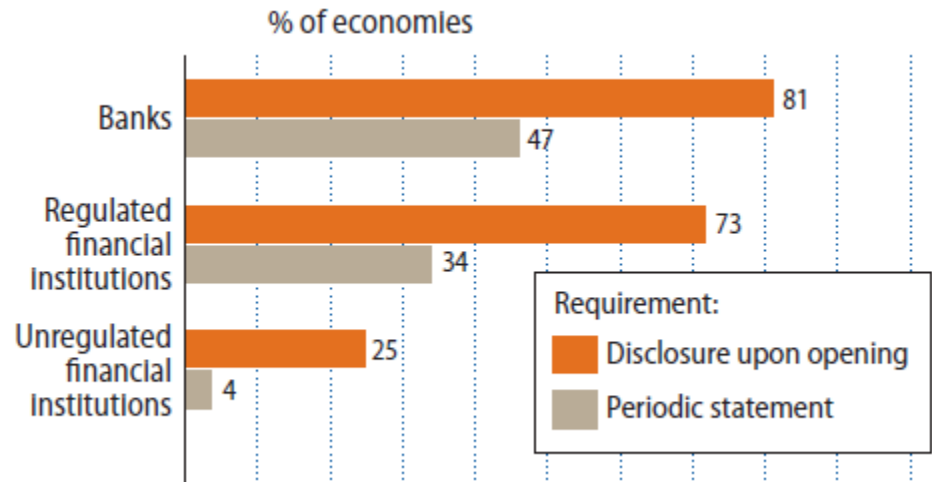
Number of economies



% of economies



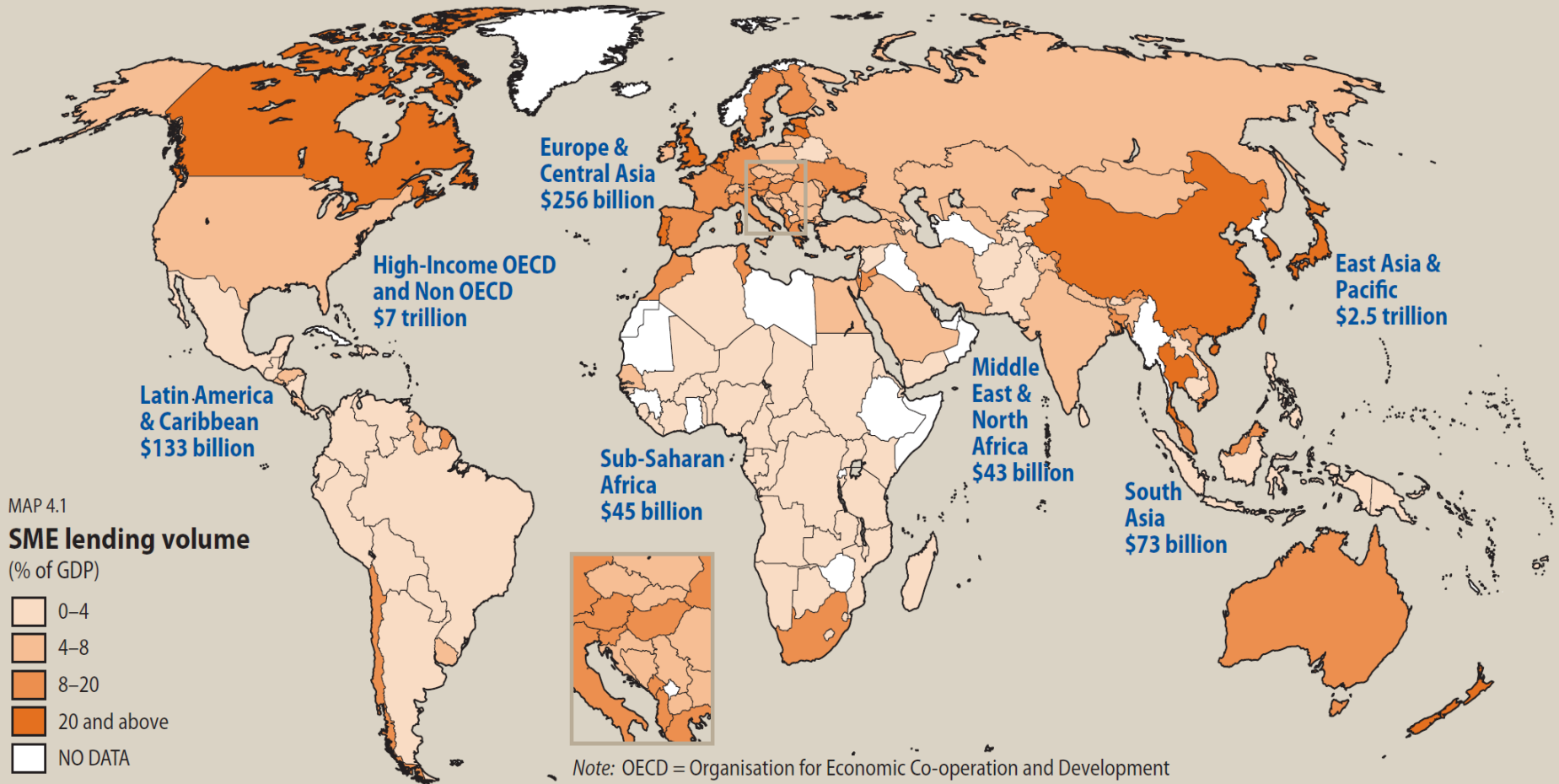
Unregulated financial service providers are often not subject to consumer protection regulations





IV. SME Finance

Global SME finance volume is estimated at US\$10 trillion, though variation in definitions pose a challenge for measurement

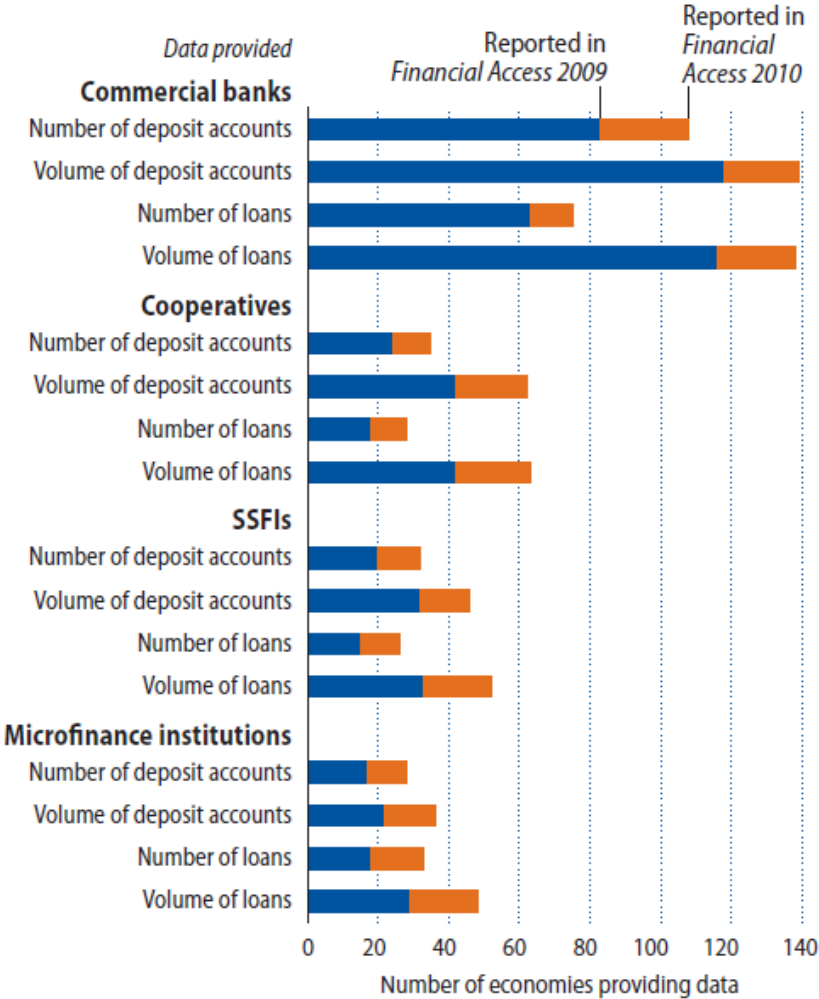


The map plots a ratio of SME lending volume to GDP. Actual data is presented for 50 economies that provided information. For the remainder of the economies, the ratio of SME lending to GDP is predicted by a regression model controlling for the ratio of private credit to GDP, the number of days to start a business (*Doing Business database*) and a dummy for offshore financial centers. See Ardic, Mylenko and Saltane (forthcoming) for detailed methodology. Data for Taiwan (China), Hong Kong SAR (China), and Puerto Rico (US) have been broken out from the national dataset.



IV. Data Availability

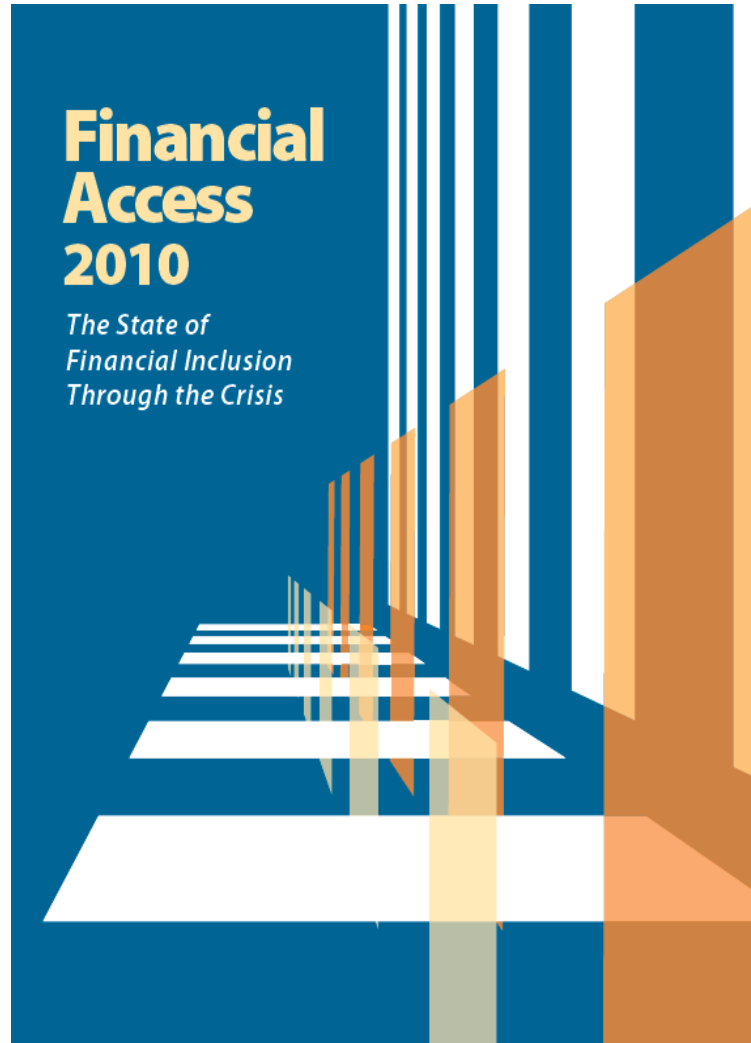
Data availability improved for all types of institutions compared to *Financial Access 2009*



Source: *Financial Access Database*.

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