

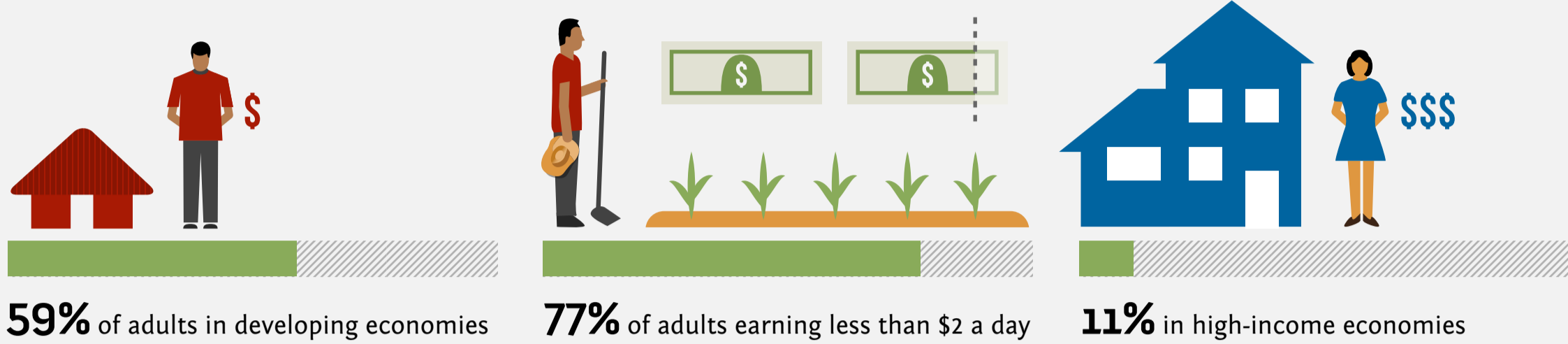


# WHO ARE THE UNBANKED?

## UNCOVERING THE FINANCIAL INCLUSION GAP

Worldwide, approximately 2.5 billion people do not have a formal account at a financial institution. Access to affordable financial services is linked to overcoming poverty, reducing income disparities, and increasing economic growth. The World Bank has created the Global Findex, a new global financial inclusion database to measure the use of financial services and identify those with the greatest barriers to access.

### WHY ARE PEOPLE UNBANKED?



**59%** of adults in developing economies **77%** of adults earning less than \$2 a day **11%** in high-income economies

**DON'T HAVE AN ACCOUNT AT A FINANCIAL INSTITUTION**

In all regions, with the exception of high income economies, borrowing from friends and family is the most commonly reported source of credit for current loans

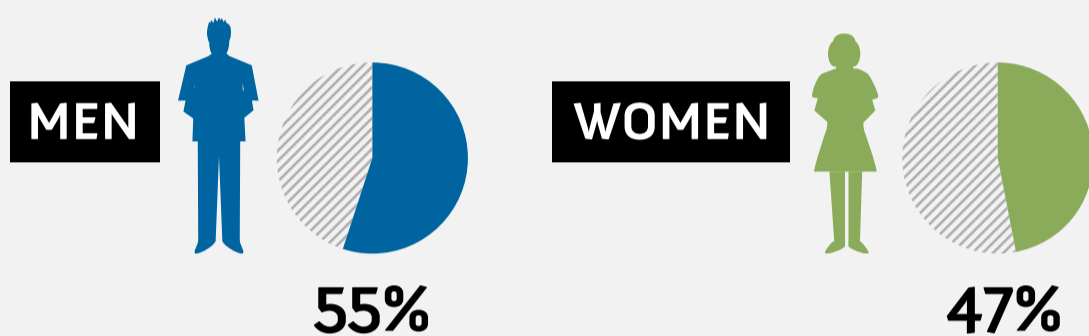


**55%** of borrowers in developing economies use only informal sources of credit.

### WHO ARE THE UNBANKED?

The Global Findex shows gaps in financial inclusion across demographics, with women, the poor, youth, and rural residents at the greatest disadvantage.

**GENDER:** Have an account at a formal financial institution, worldwide:



#### AGE

**WORLDWIDE**  
THOSE AGED 15-24 ARE  
**33%**  
LESS LIKELY  
to have an account, and  
**40%**  
LESS LIKELY  
to have saved formally  
(compared to those aged 25-64).

#### EDUCATION

**MORE THAN 2X AS LIKELY**  
TERTIARY PRIMARY OR LESS  
In developing economies, adults with a tertiary education are more than twice as likely to have a formal account as those with a primary education or less.

#### INCOME

**MORE THAN 3X AS LIKELY**  
RICHEST 20% → POOREST 20%  
In developing economies, the richest 20 percent of adults in a country are more than three times as likely to save in a formal financial institution as the poorest 20 percent of adults.

#### RESIDENCE

Have a formal account, in low-income economies:  
**URBAN RESIDENTS 35%** **RURAL RESIDENTS 22%**

### REGIONAL DIFFERENCES IN BANKING

The Global Findex reveals regional differences in financial inclusion worldwide.

Have saved at a formal financial institution in the past 12 months:



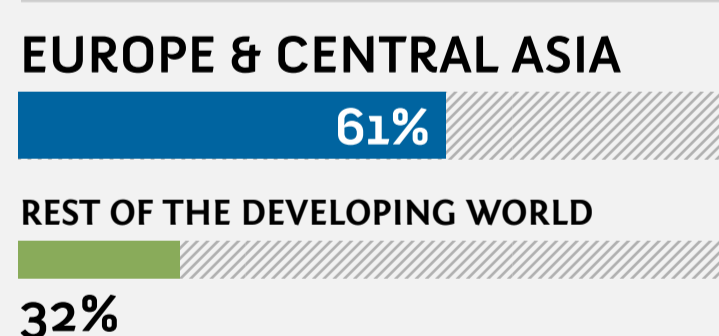
Have a credit card:



Have used a mobile phone to pay bills, send or receive money in the past 12 months:



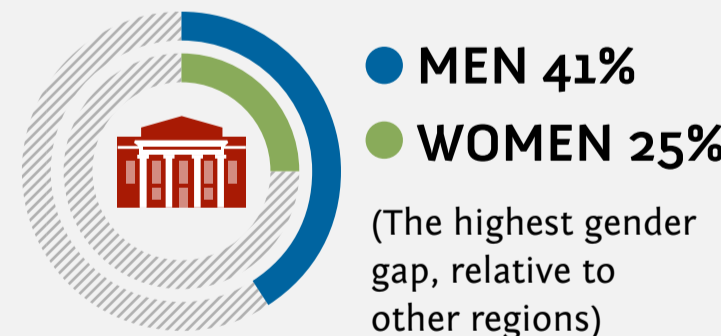
Account holders use their accounts to receive wages:



Zero deposits and withdrawals in a typical month:



Have a formal account:



### GOING MOBILE

The Global Findex shows mobile banking may help historically unbanked regions gain financial access.

**2/3 OF ADULTS** worldwide without an account cite lack of money as the obstacle to use of formal financial services.

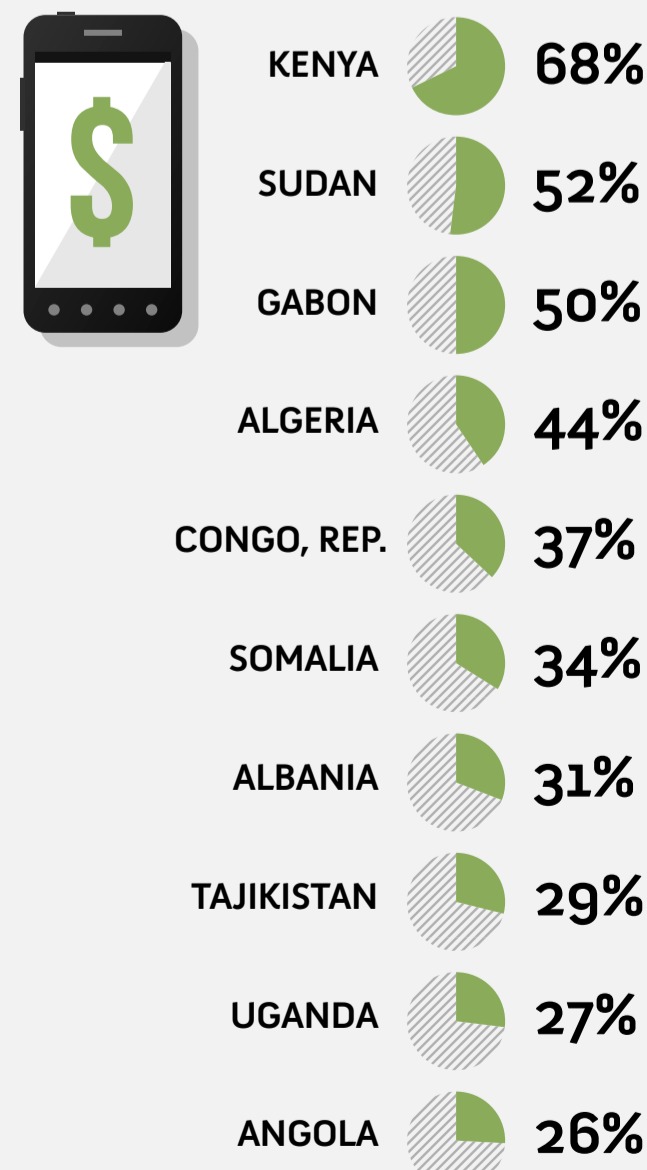
**1/3 OF ADULTS** also blame the cost of opening and maintaining an account or the banks being too far away.

#### SUB-SAHARAN AFRICA



In Sub-Saharan Africa, where traditional banking has been hampered by transportation and other infrastructure problems, mobile banking has expanded to 16% of the market.

Adults reporting using a mobile phone for money transactions:



FOR MORE INFORMATION ON THE GLOBAL FINDEX PROJECT AND TO DOWNLOAD THE DATA, visit: [www.worldbank.org/globalindex](http://www.worldbank.org/globalindex)

TO LEARN MORE ABOUT THE BANK GROUP'S WORK IN FINANCIAL INCLUSION, please visit: [www.worldbank.org/financialinclusion](http://www.worldbank.org/financialinclusion)