

Financial Inclusion and Inequality

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COVID-19 is accelerating digital financial services



During COVID-19:

- Higher account ownership
- Greater volume and frequency of digital payments

Making efforts to improve financial infrastructure even more urgent!

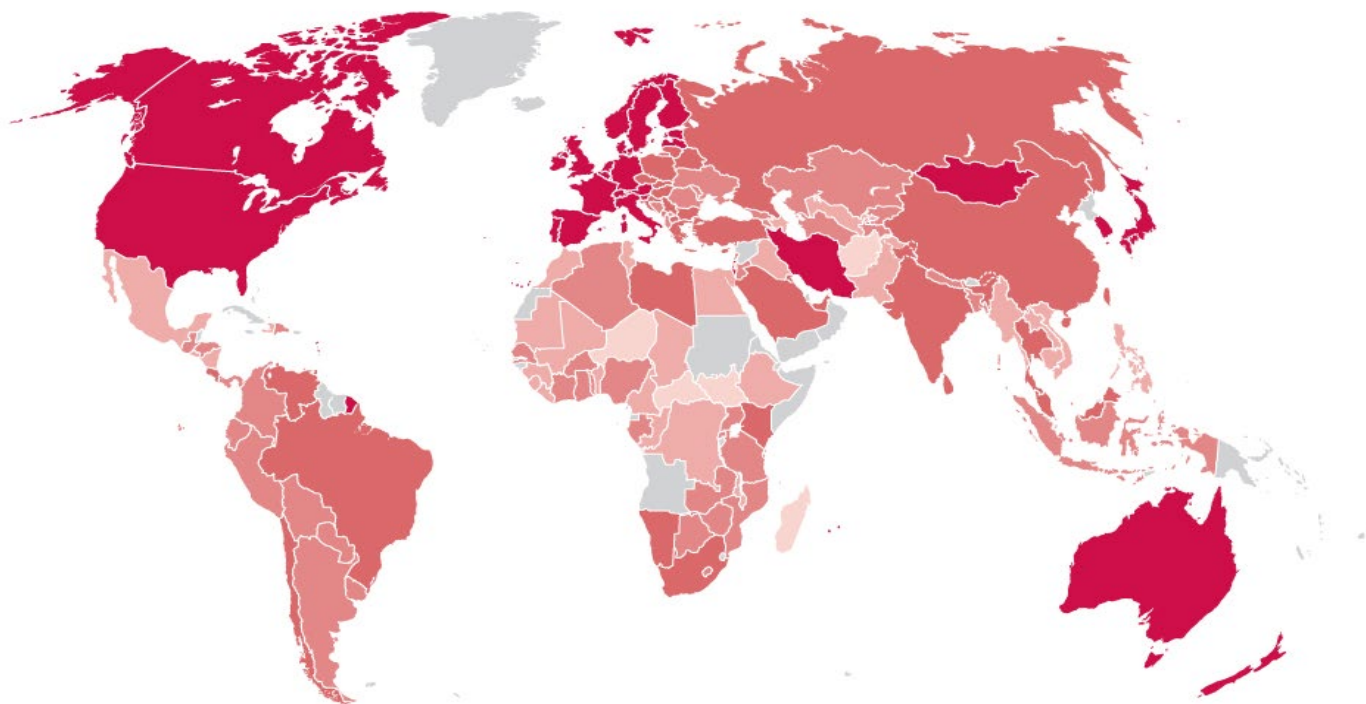
Financial inclusion is on the rise globally

- Between 2014 and 2017, account ownership rose globally from 62% to 69%. In developing economies, it went from 55% to 63%
- 1.7 billion adults remain unbanked

Account ownership, 2017 (% of population ages 15 and older)



SDG 8.10



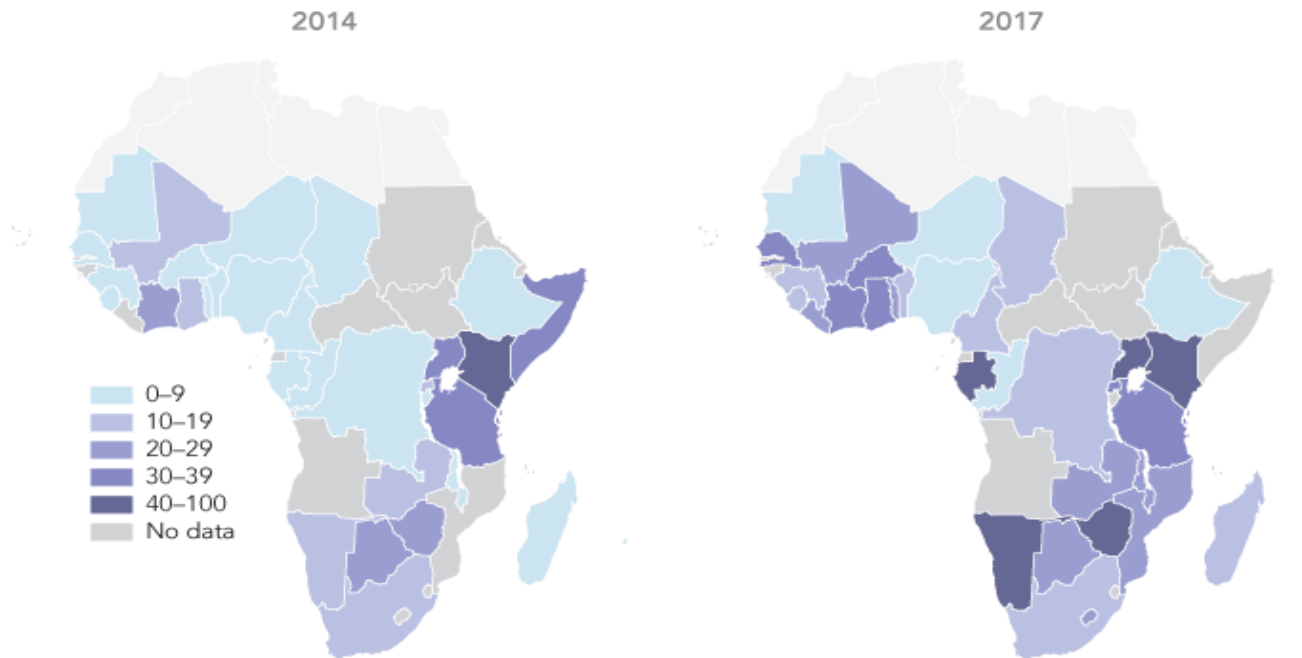
Source: Global Findex database.

Digital technology is driving inclusive access to & use of financial services

- In Sub-Saharan Africa, mobile money account ownership rose from 12% to 21%.
- Mobile money spread from East Africa to West Africa and beyond and plays an important role in some fragile and conflict affected economies.

Mobile money accounts have spread more widely in Sub-Saharan Africa since 2014

Adults with a mobile money account (%)



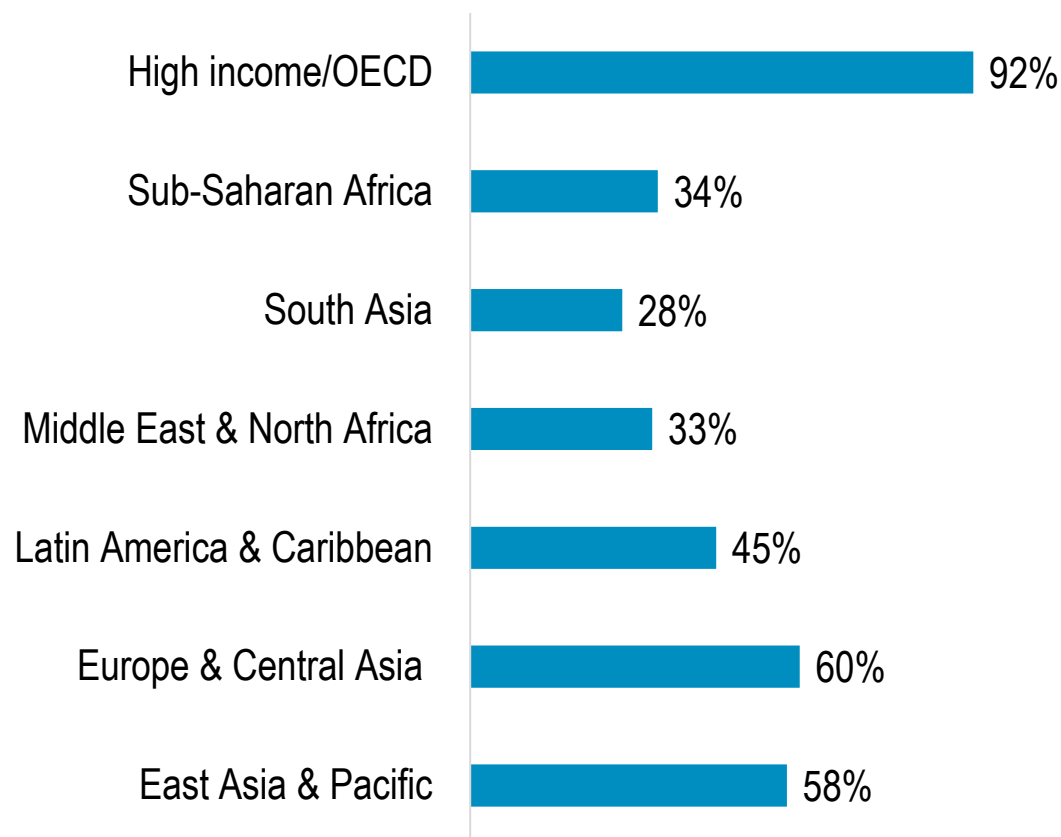
Source: Global Findex database.

Note: Data are displayed only for economies in Sub-Saharan Africa.

Digital payments facilitate rapid COVID-19 payments

Digitally active, 2017

(% of population ages 15 and older)



- From 2014-2017, the share of account owners sending or receiving payments digitally increased globally from 67% to 76% (about half of all adults)
- In some economies, this share increased by more than 20 percentage points, such as in China (23 pp), and Thailand (29 pp)

Source: Global Findex database.

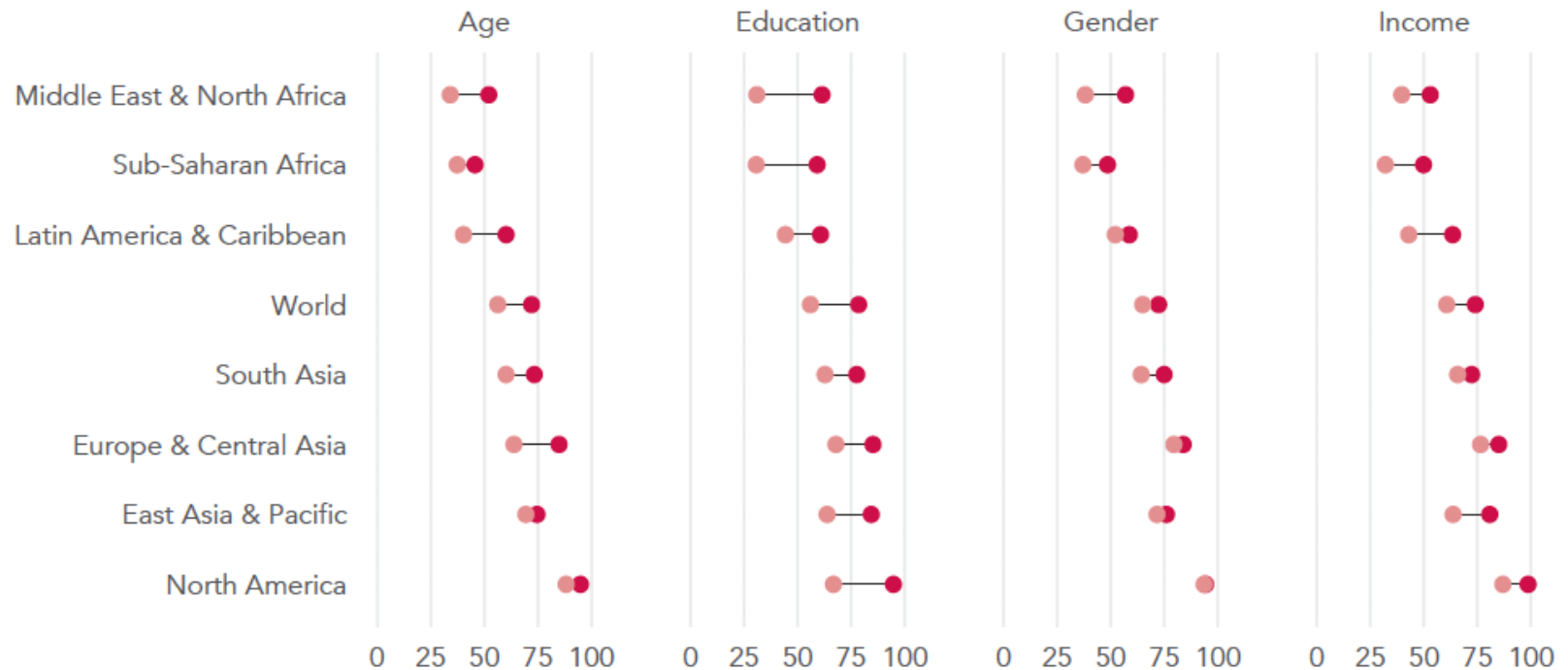
Countries cannot reach universal financial access without inclusive growth

Financial account ownership is lower among younger adults, those with less education, women, and poorer adults.

Account ownership, 2017 (% of population ages 15 and older)

SDG 8.10

- Ages 25 and older
- Secondary or more
- Male
- Richest 60 percent
- Ages 15–24
- Primary or less
- Female
- Poorest 40 percent



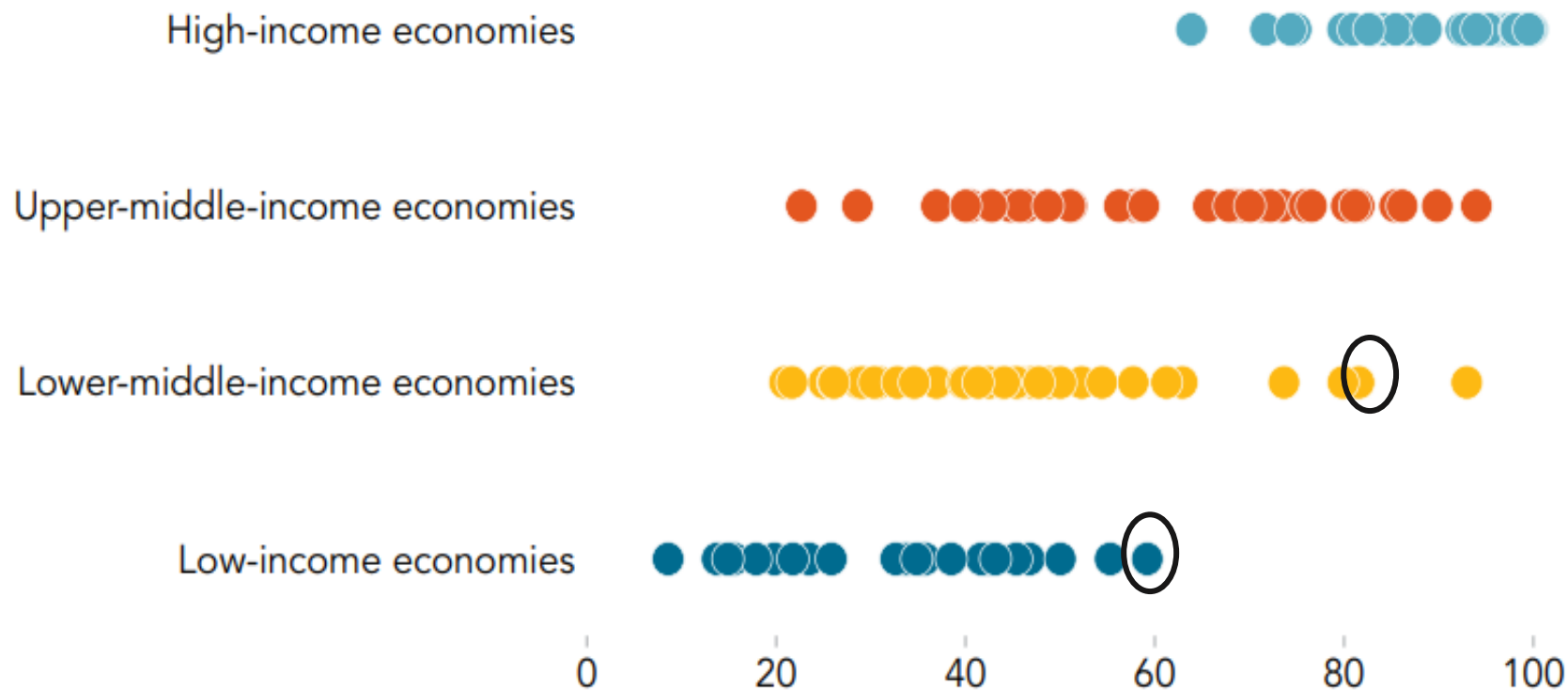
Note: Data refer to the richest 60 percent and poorest 40 percent within individual economies rather than the region as a whole.

Source: Global Findex Database. World Development Indicators (FX.OWN.TOTL.MA.ZS; FX.OWN.TOTL.FE.ZS; FX.OWN.TOTL.YG.ZS; FX.OWN.TOTL.OL.ZS; FX.OWN.TOTL.PL.ZS; FX.OWN.TOTL.SO.ZS; FX.OWN.TOTL.40.ZS; FX.OWN.TOTL.60.ZS).

Income Only Partially Explains Cross-Economy Differences in Financial Inclusion

Account ownership differs substantially even within income groups

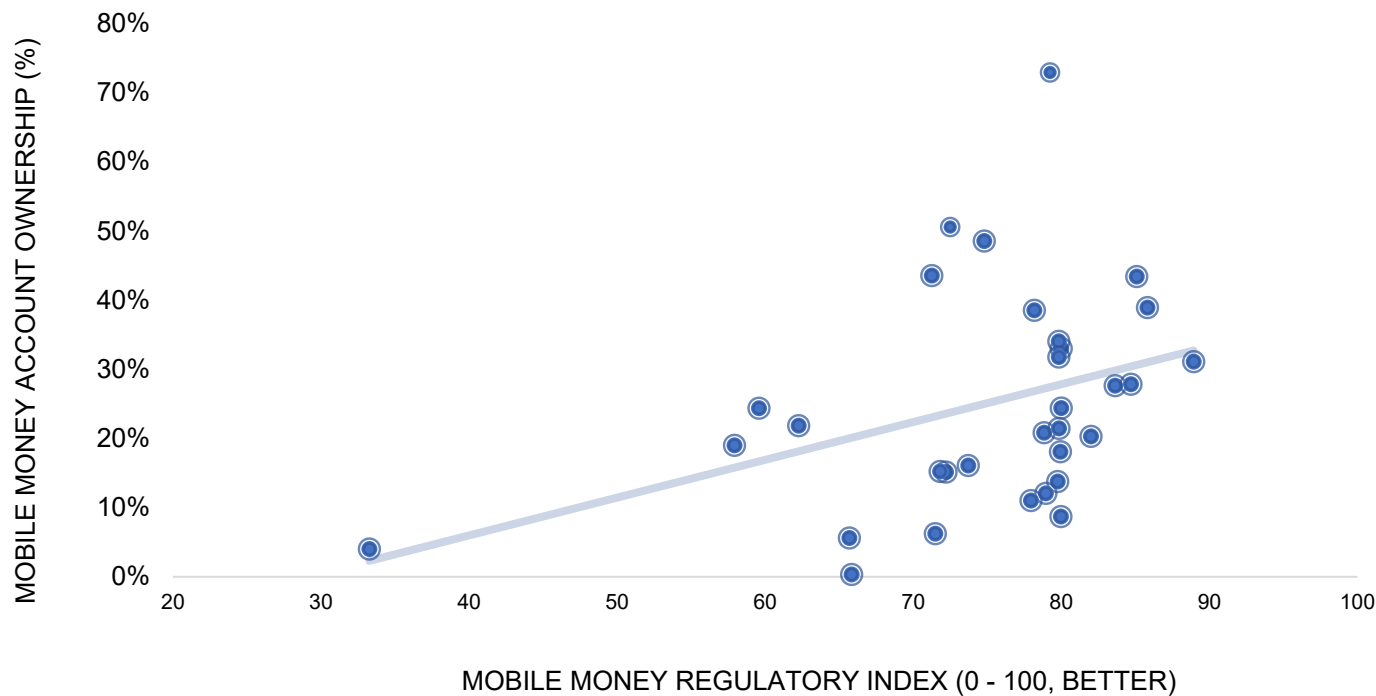
Adults with an account (%), 2017



Source: Global Findex database.

There's a strong correlation between account ownership and regulations

- Globally, bank account ownership and use of formal saving are higher in economies with stricter and better enforced consumer protections
- Use of account to save is also correlated with policies that limit fees, as well as tax incentives aimed at fostering financial inclusion
- Regulations might matter more in encouraging the use of financial services—rather than just their adoption.



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