



# Reflecting on the numbers

1

## FinAccess launch

15<sup>th</sup> December 2021



# Where do the FinAccess numbers come from?



# Thank you to all who contributed:

- 22,024 households
- Enumerators, supervisors, interpreters, drivers, etc.
- Partnership of CBK, KNBS & FSD Kenya
- Regulators, private sector players and other supporters



FinAccess Management Partners:



Central Bank of Kenya



KNBS  
KENYA NATIONAL  
BUREAU OF STATISTICS



fsd  
Kenya

Proudly sponsored by:

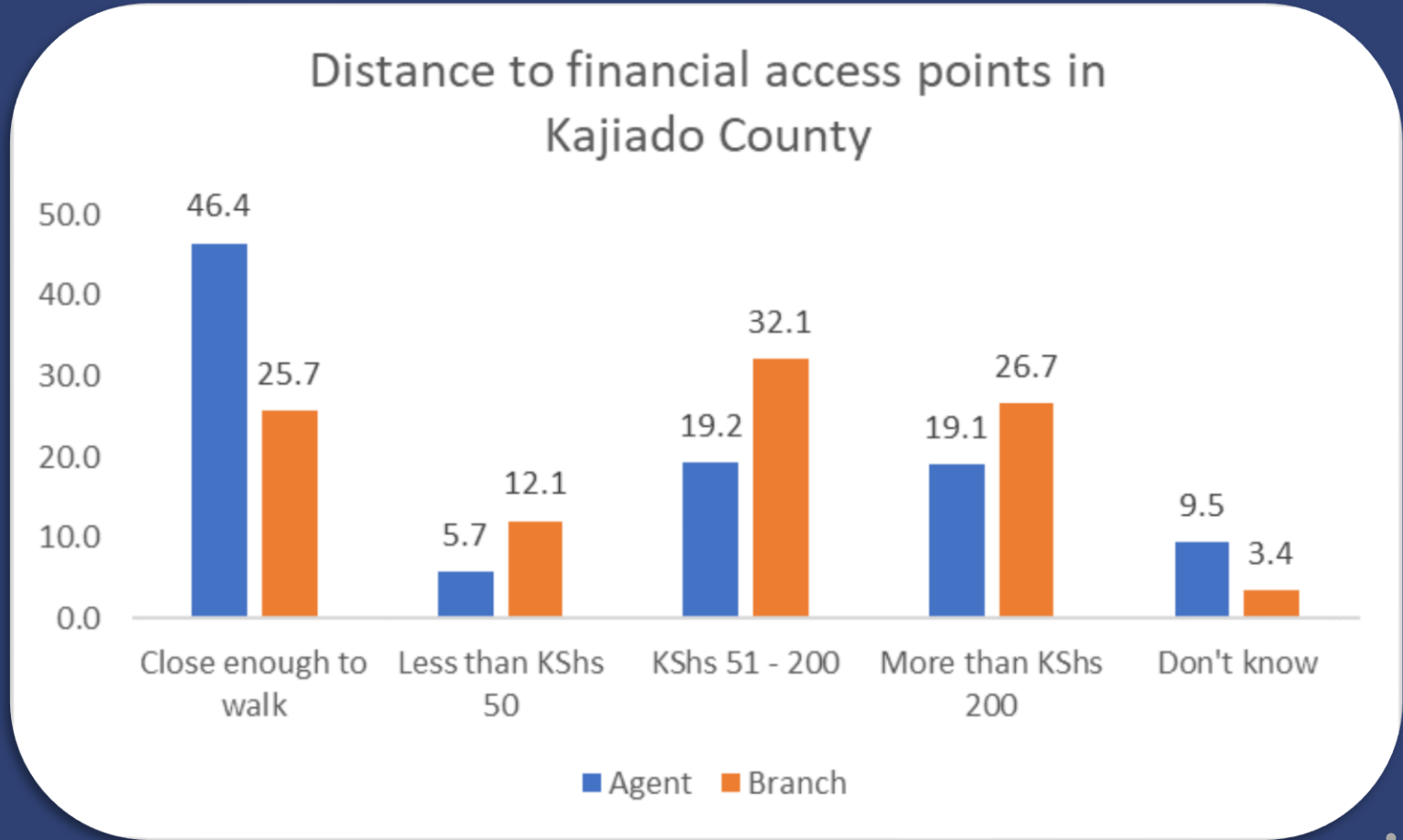


fsd  
Kenya

# Does access to finance provide value?



# Is physical access to financial access points still a barrier?

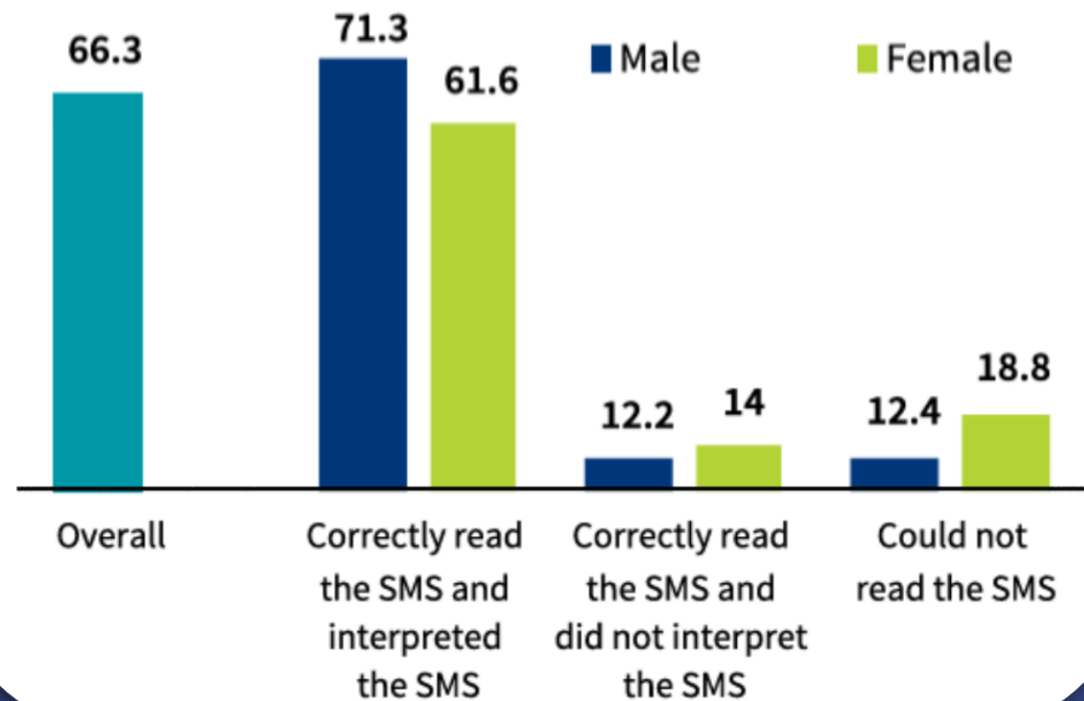


# Do customers understand the financial services they use?



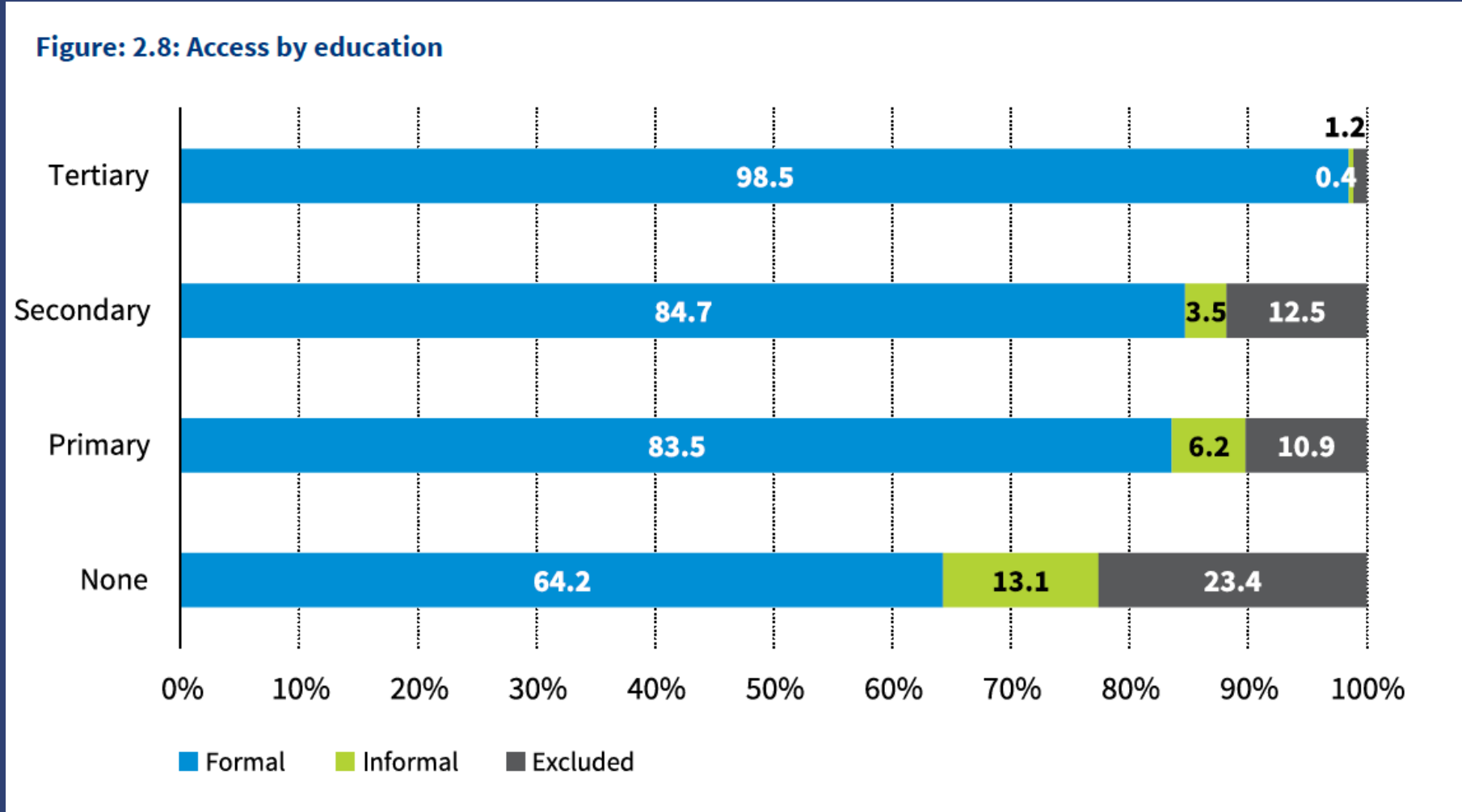
Figure 4.4: Knowledge of transaction costs

(a) Knowledge on transaction costs by sex

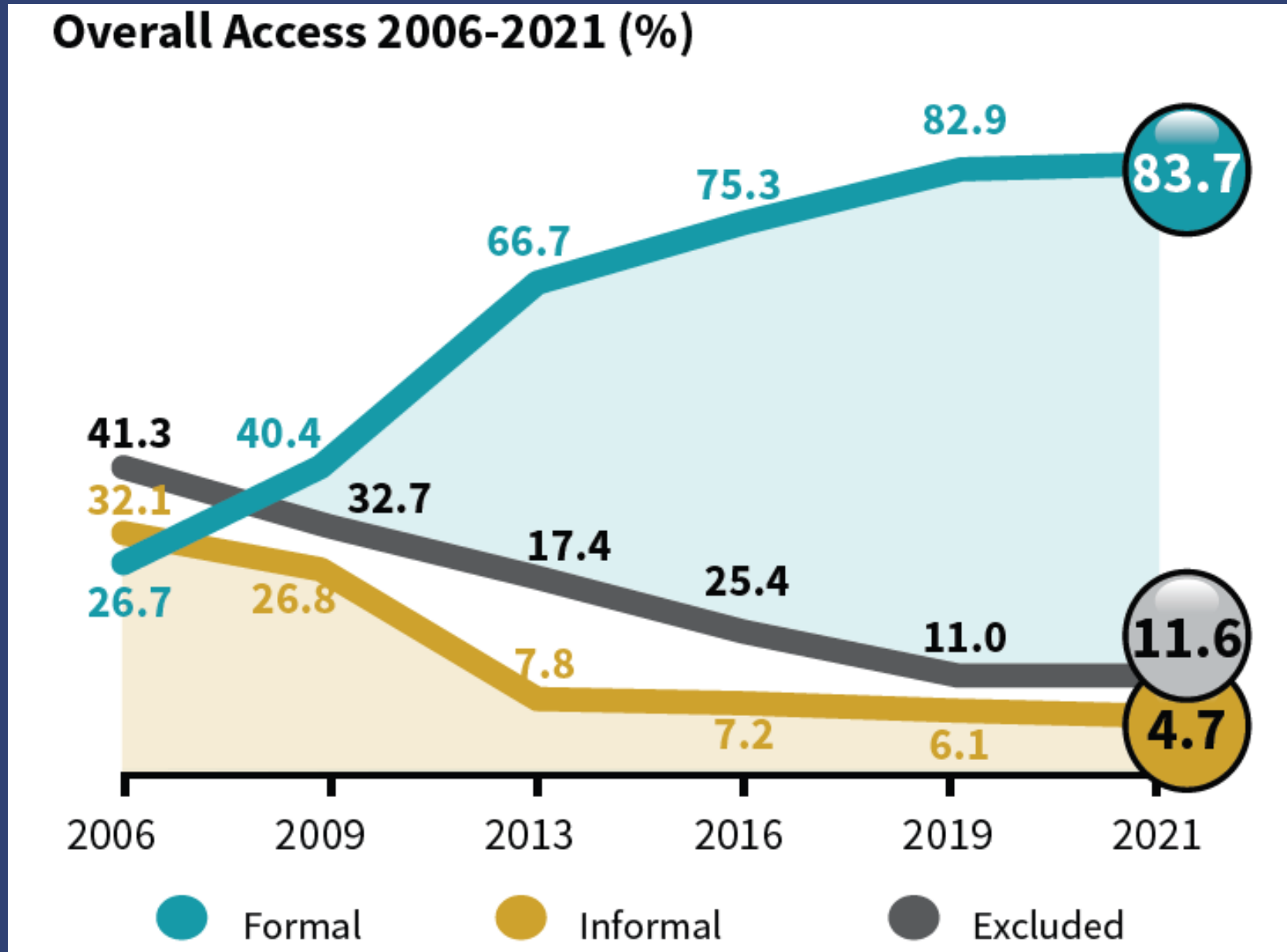


888 YRS Confirmed. KSh 370.00 paid to XYZ ABC on 8/9/18 at 4.24PM. Balance is KSh 16.51. Cost of transaction: KSh 10.00  
888 YRS imethibitishwa. Ksh 370.00 imelipwa kwa XYZ saa 4.24PM. Baki mpya ni KSh 16.51. Garama ya matumizi ni KSh. 10.00

# What role does level of education play in driving financial exclusion?



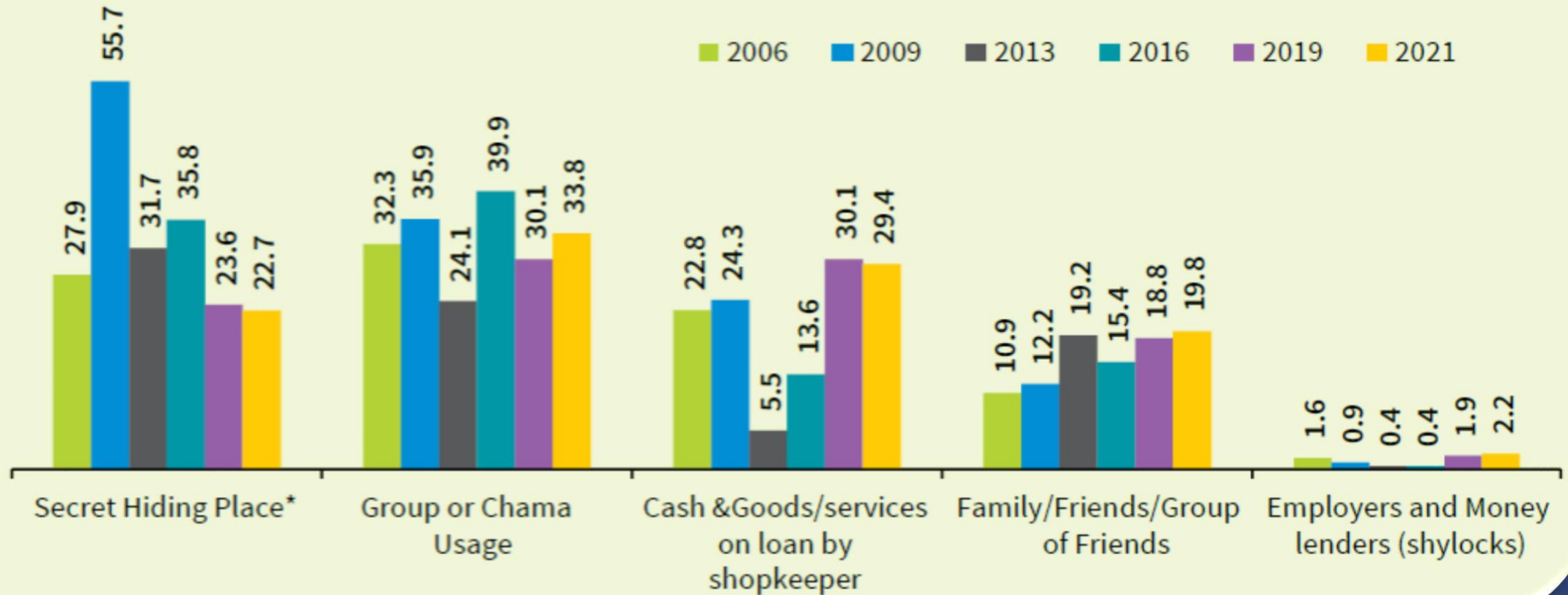
# What is behind the Access trends?





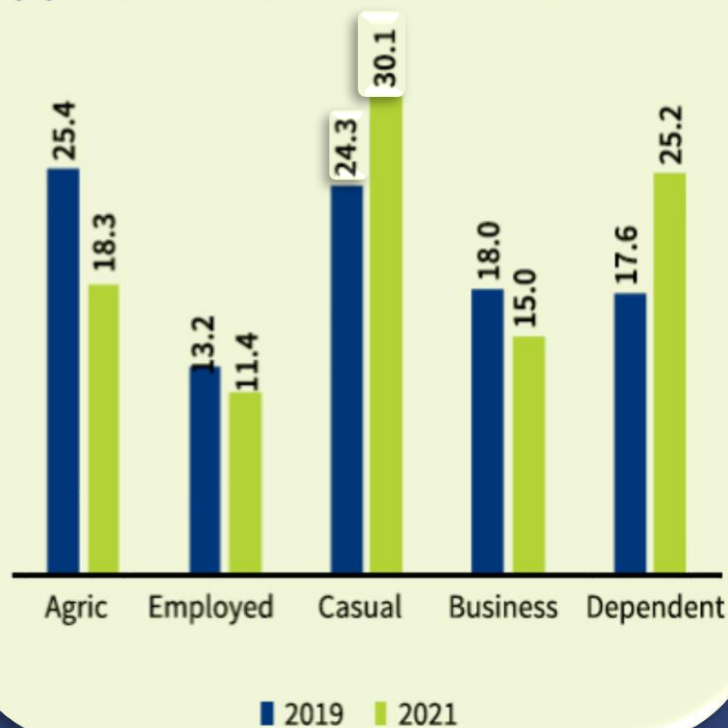
# But 1<sup>st</sup>, why does informal finance remain significant with growing formal inclusion?

Figure 3.29: Informal usage (%)



# How are demographic changes reflected in the Access trends?

(a) Sources of livelihood: 2019 vs 2021

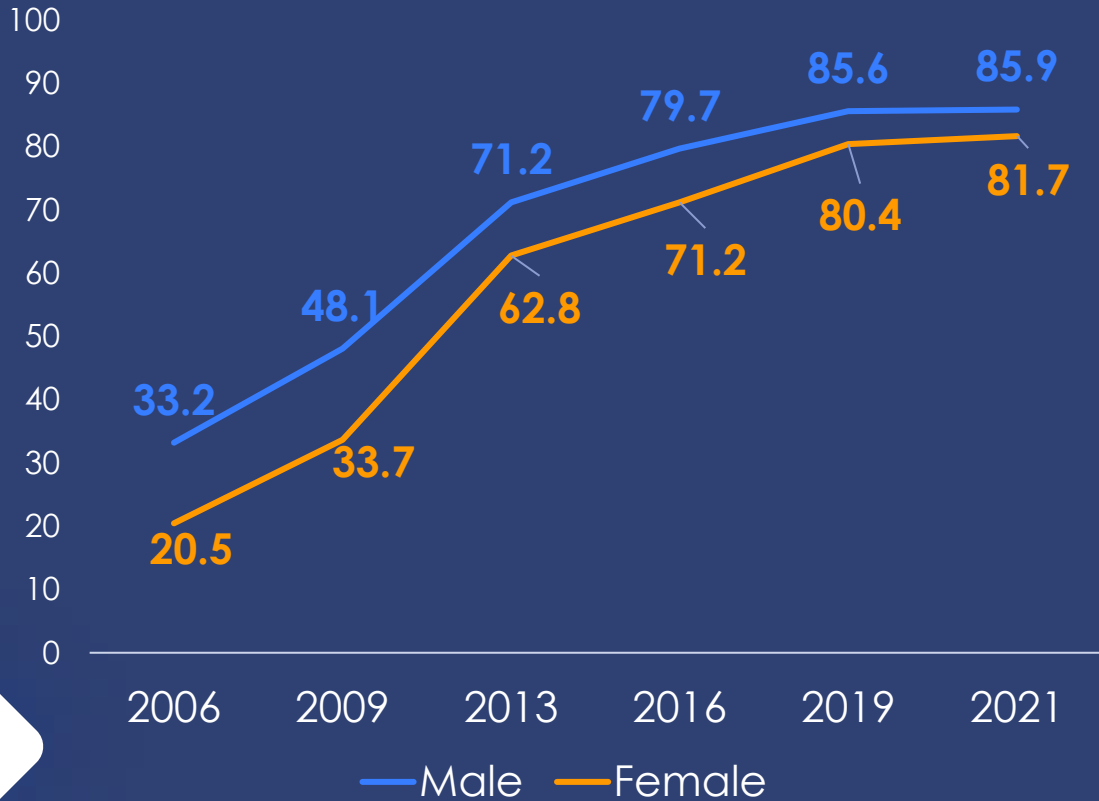


## Growing youth population

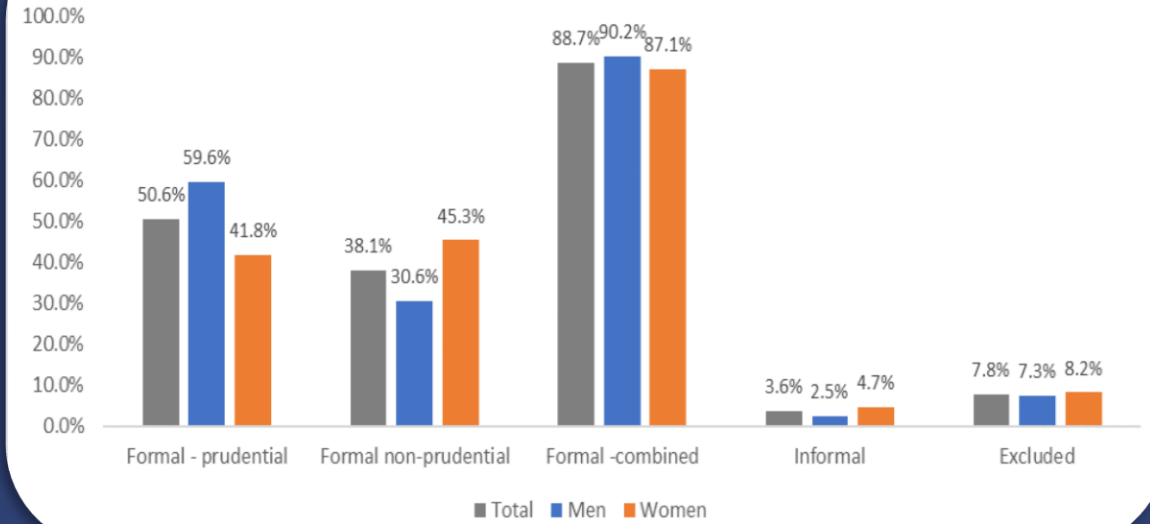
	2019		2021		
	Total population	% of the population	Total population	% of the population	% point difference
<b>Total</b>	25,104,968	100.0%	27,212,052	100.0%	
<b>18-25yrs</b>	5,140,123	20.5%	7,648,688	28.1%	<b>7.6%</b>
<b>26-35yrs</b>	7,112,045	28.3%	7,777,703	28.6%	<b>0.3%</b>
<b>36-45yrs</b>	4,980,864	19.8%	4,867,648	17.9%	<b>-2.0%</b>
<b>46-55yrs</b>	3,061,980	12.2%	2,967,200	10.9%	<b>-1.3%</b>
<b>&gt;55yrs</b>	4,809,955	19.2%	3,950,813	14.5%	<b>-4.6%</b>

# How do we move to a zero gender gap?

Formal inclusion: Male vs female (%)



Gender gap in Kajiado

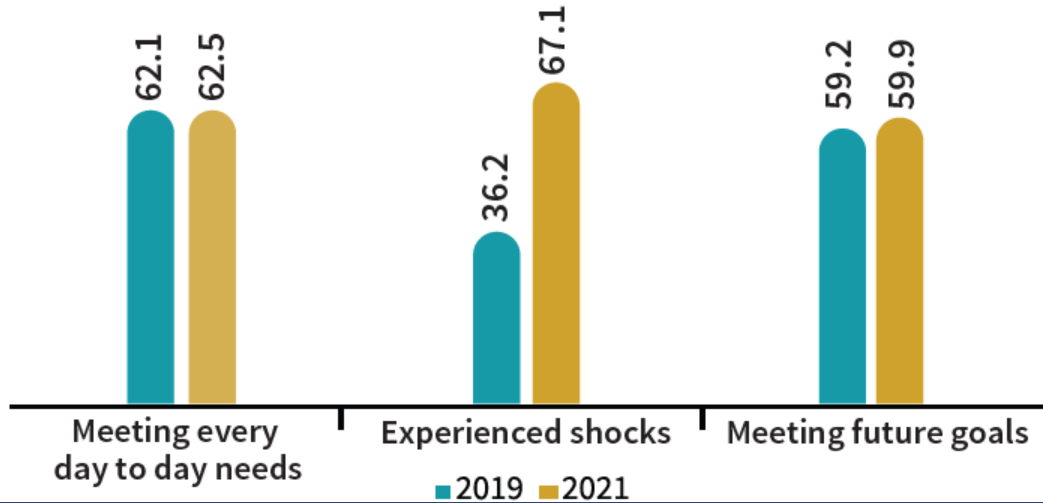


	2006	2009	2013	2016	2019	2021
Formal inclusion gender gap	12.7	14.4	8.4	8.5	5.2	4.2

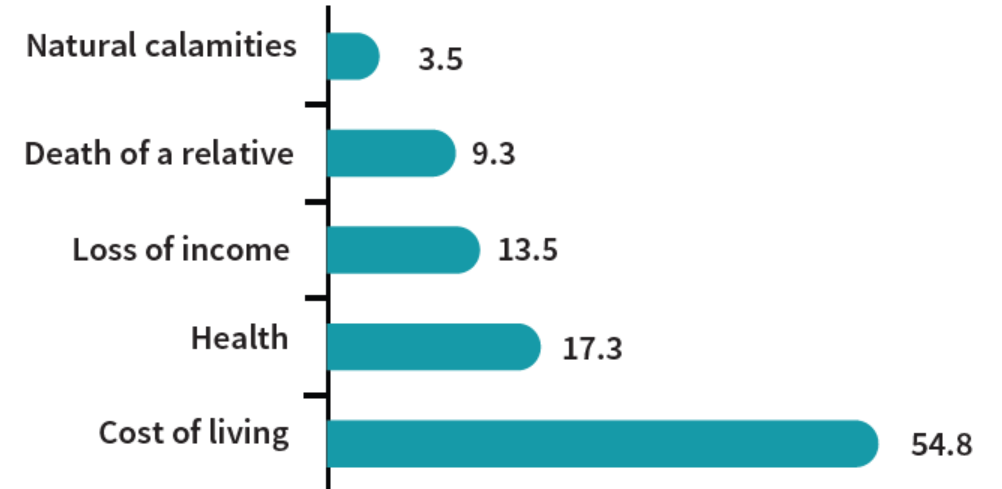


# What are the financial needs?

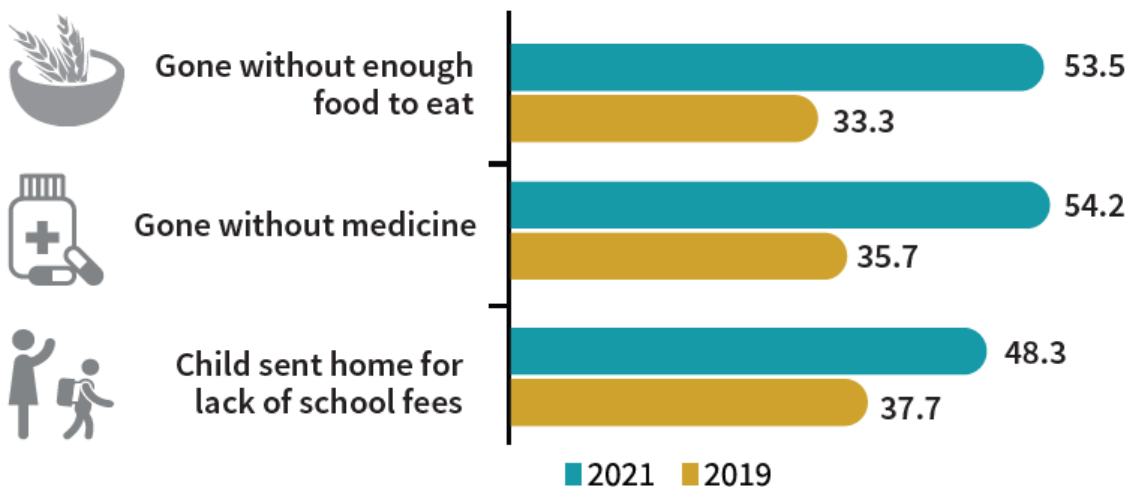
**Figure 8:**  
Incidence of experiencing financial needs



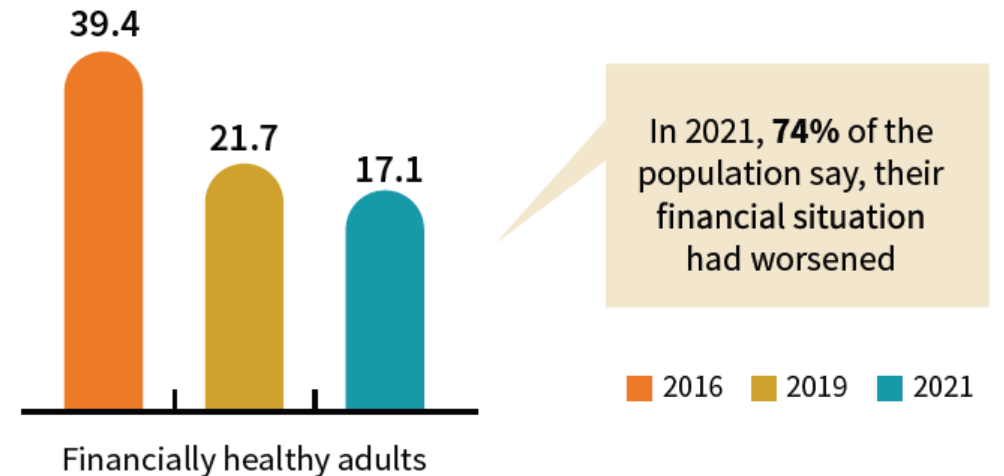
**Figure 9:**  
Main shocks experienced in 2021



**Figure 11: Vulnerability indicators**



**Figure 12: Financial health Index**



# How does financial health break down?

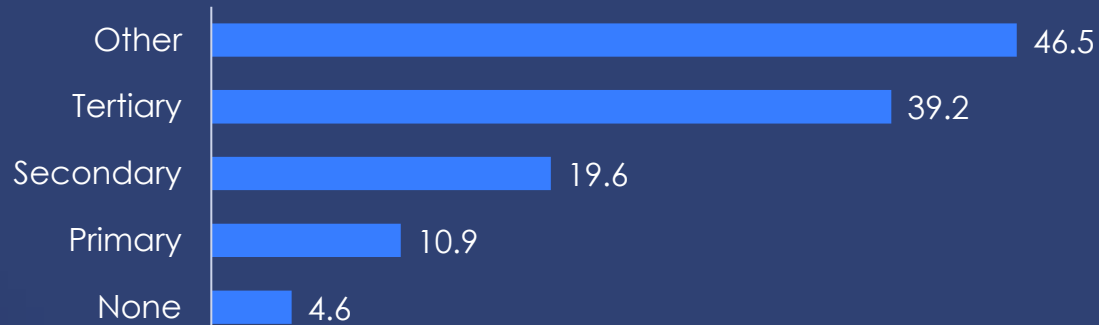
## Urban rural



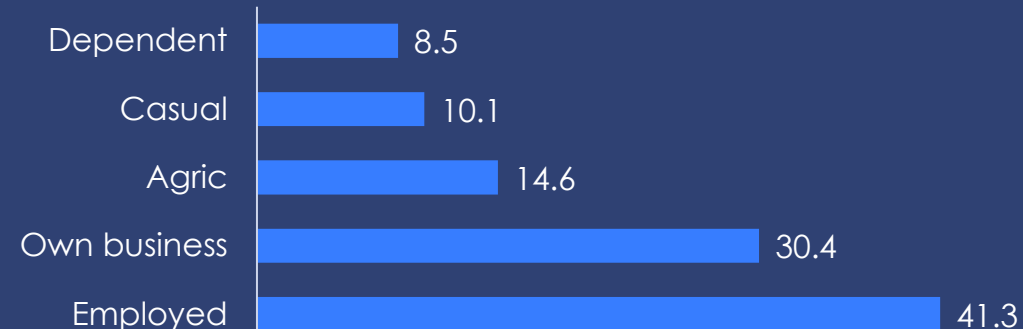
## Female vs male



## Education levels



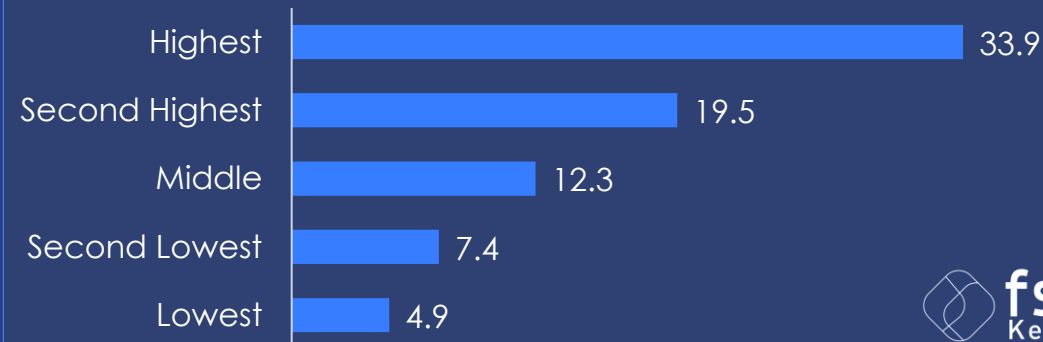
## Livelihoods



## Age group

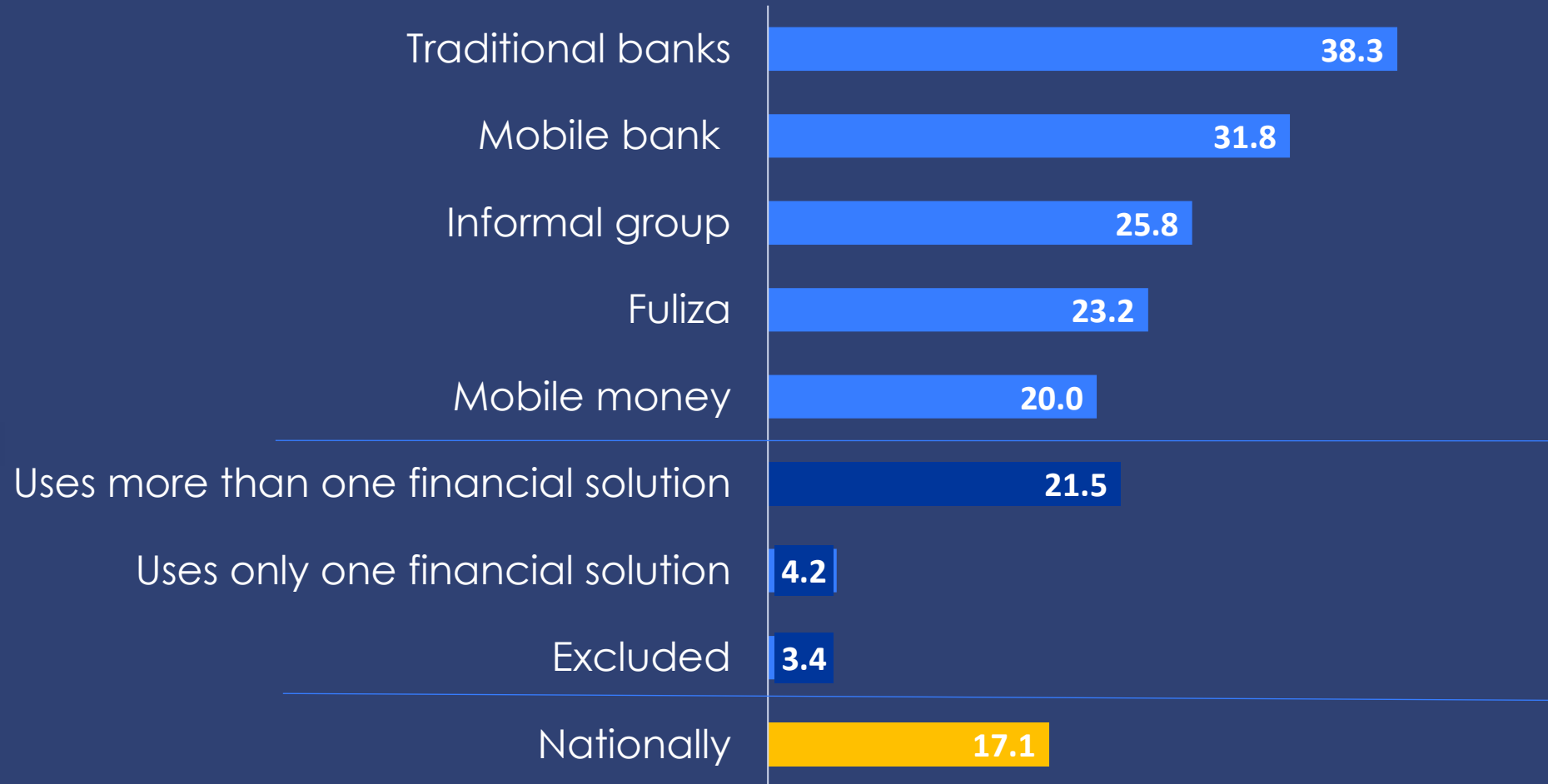


## Wealth quintile



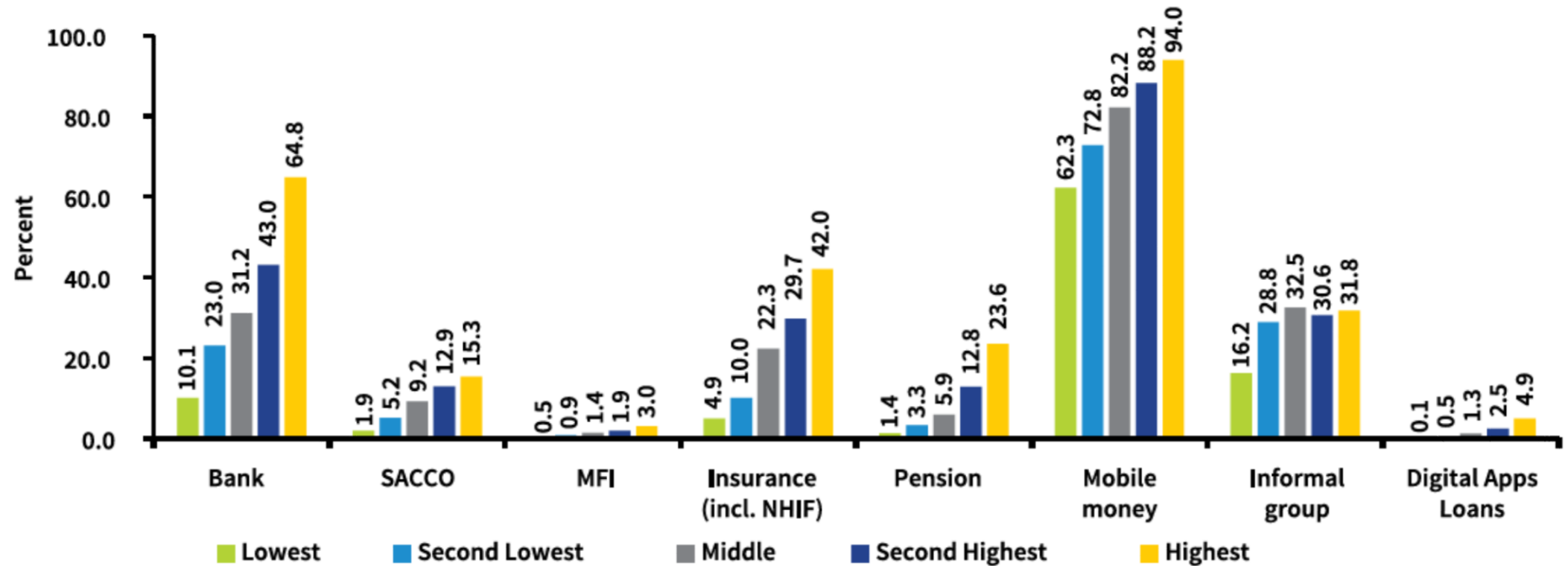
# Does use of finance promote financial health (or just correlated)?

Financially healthy adults by financial solution used (%)



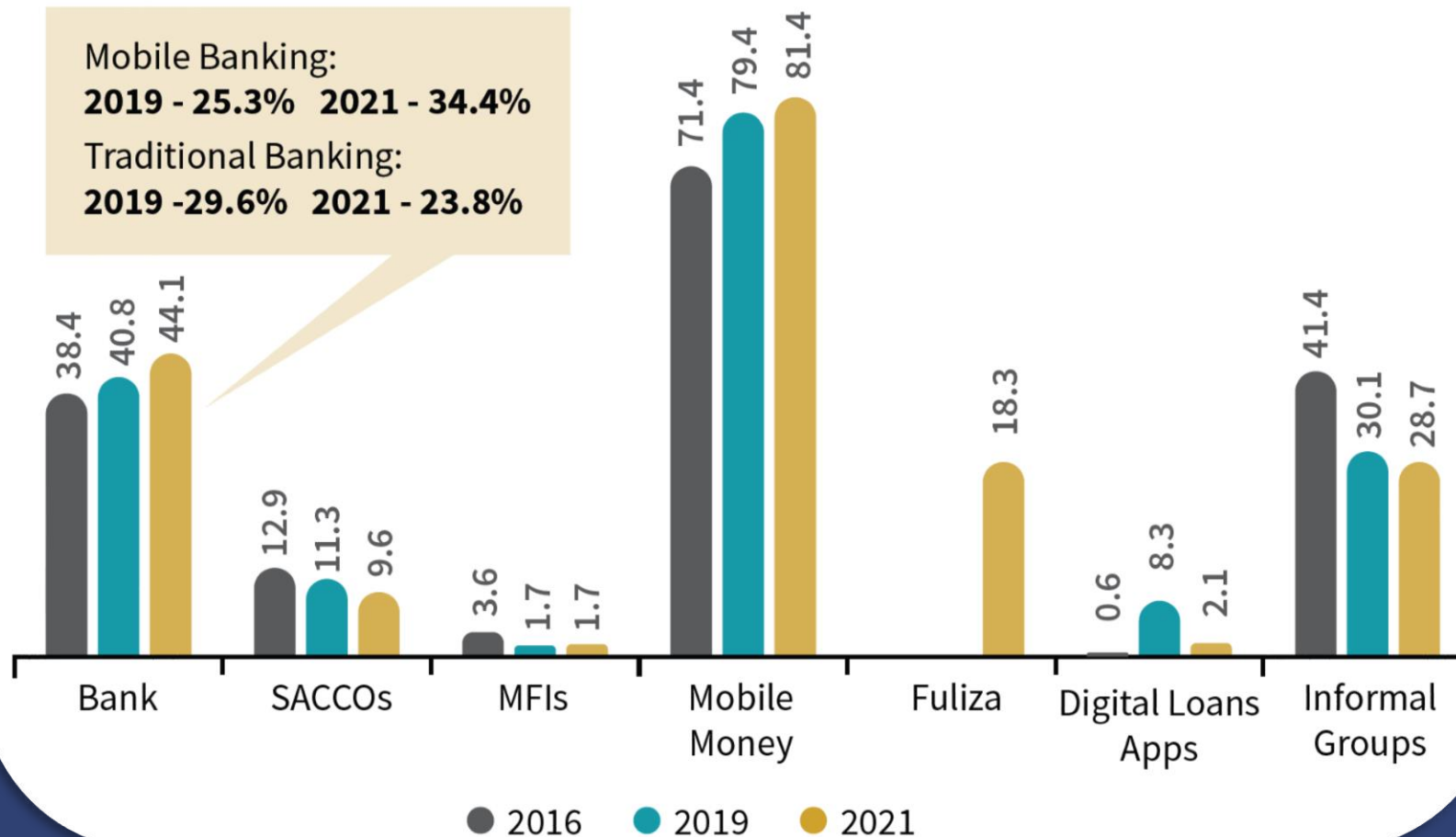
# Does use of finance promote wealth (or just correlated)?

Figure 3.7: Usage of financial providers by wealth quintile



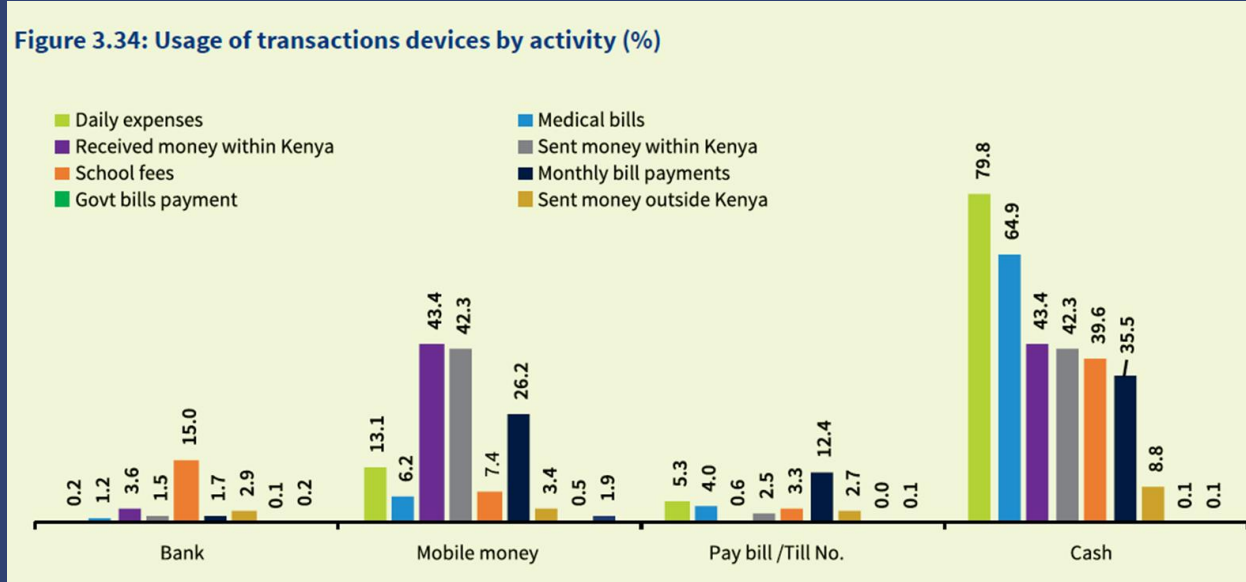
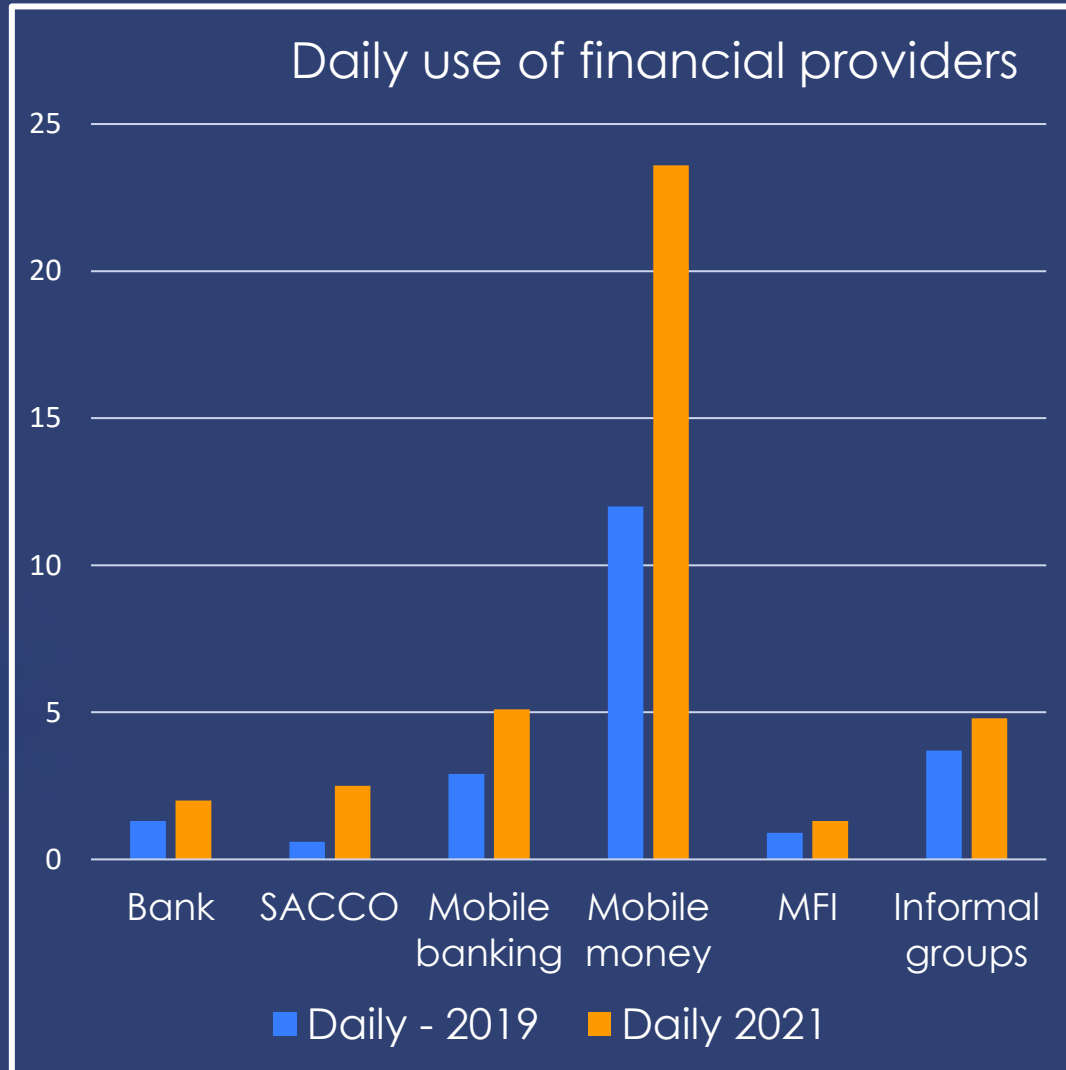
# Why is mobile-enabled access growing & other access shrinking?

**Figure 3:**  
Trends in usage by provider type





# How is behaviour changing from cash to digital??



# What does this mean for farmers?

Farmers

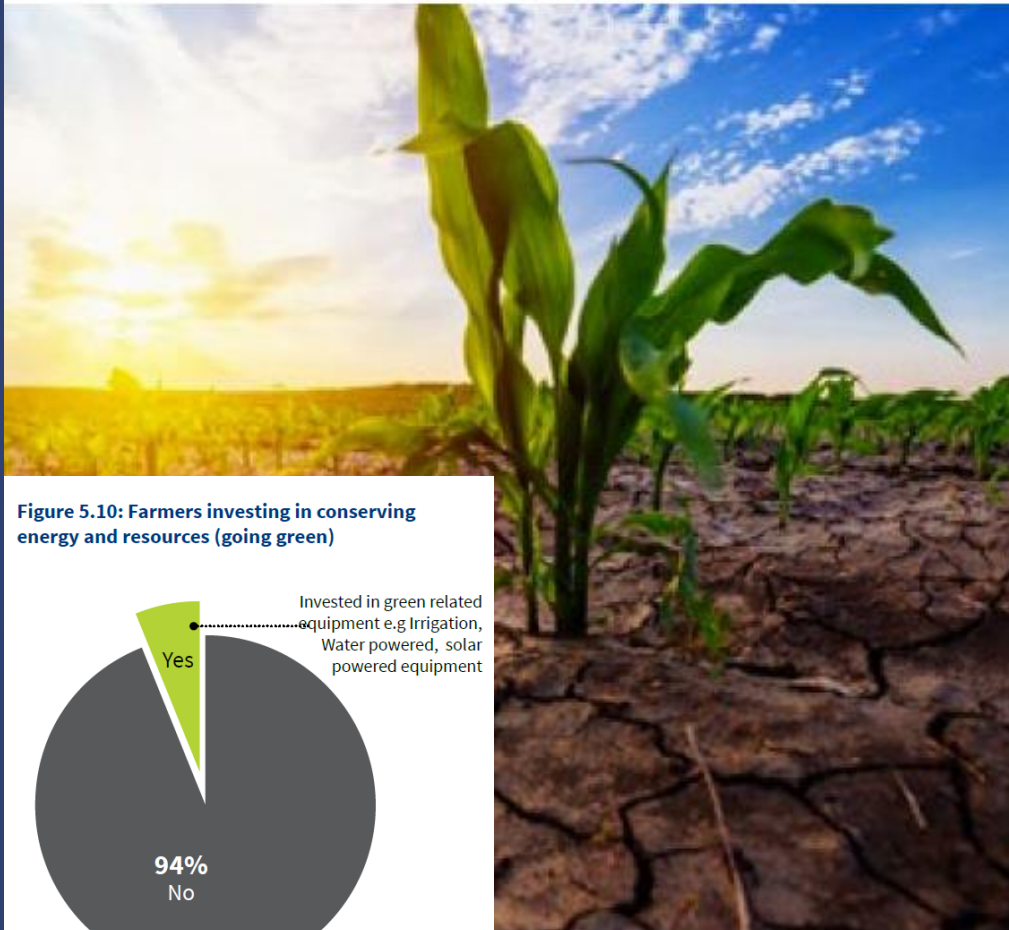


Figure 5.10: Farmers investing in conserving energy and resources (going green)

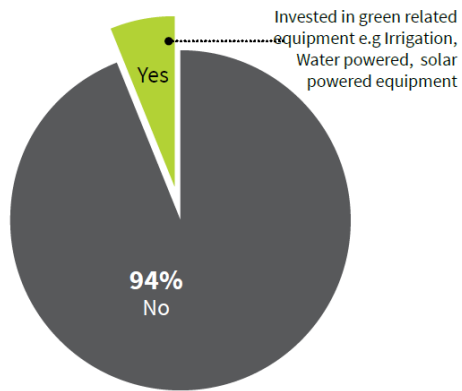
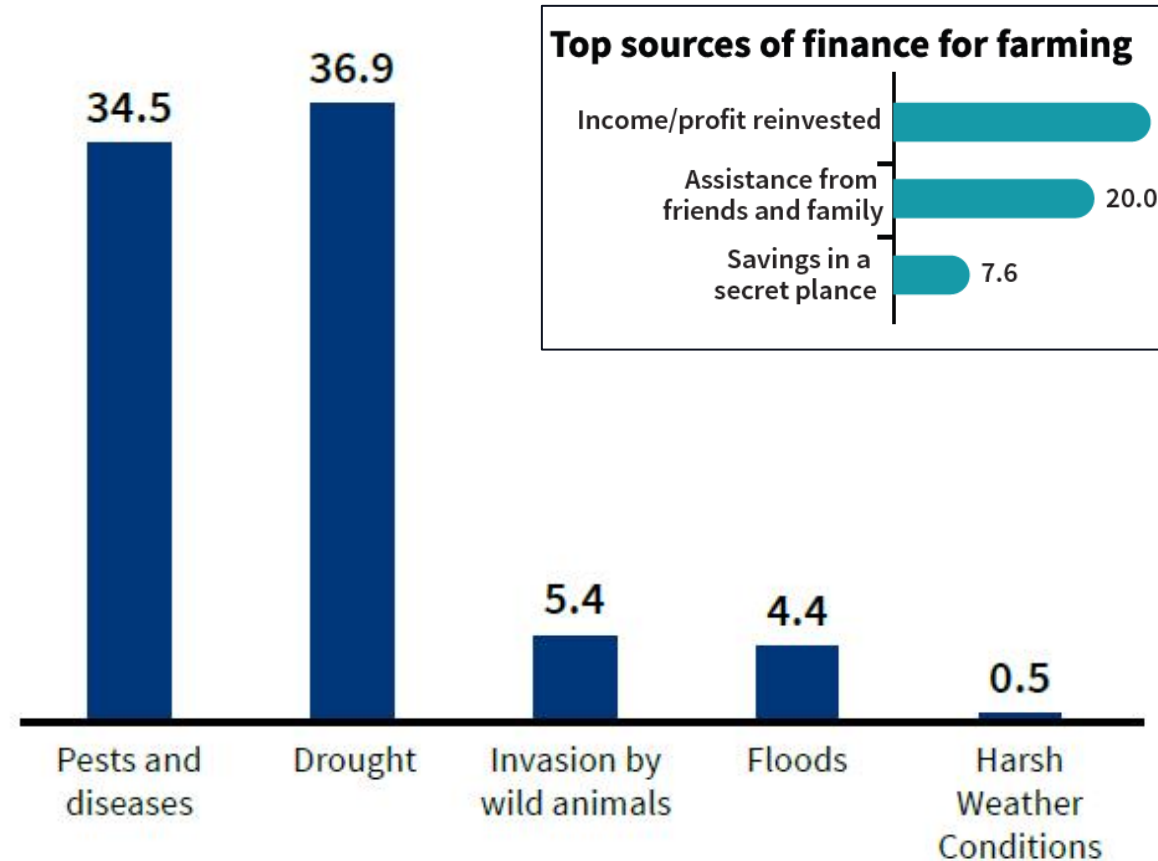
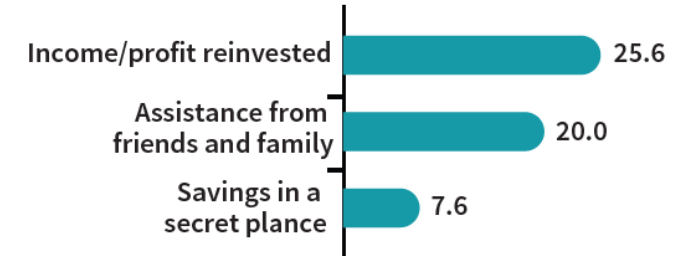


Figure 5.9: Challenges facing farmers



Top sources of finance for farming

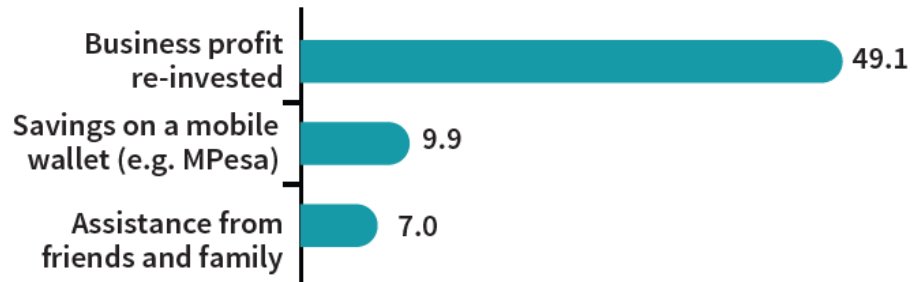


# What does this mean for enterprises?

Own business



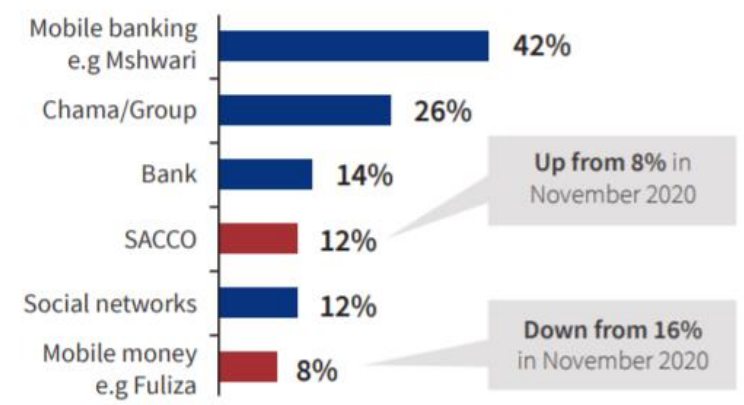
## Top sources of finance for business



## Uptick in loans, possible indication of improved business opportunities

**55%** of MSEs had loans in July 2021 up from 43% in March 2021 and 45% in November 2020.

...Small mobile banking loans still dominate, but SACCOs are re-emerging



**finaccess**  
MSE COVID-19 TRACKER SURVEY

Wave 1: Feb - Nov 2020 | Wave 2: Dec - March 2021 | Wave 3: Apr - July 2021

# What are YOUR questions? #FinAccess

## 2021 FinAccess Household Survey

December 2021



ACCESS | USAGE | QUALITY | IMPACT

## 2021 FinAccess Household Survey

### Table of Contents

FOREWORD .....	iii	3.6 Usage of Financial Providers and Products by County .....	41
ACKNOWLEDGEMENT .....	v	<b>4.0 QUALITY</b>	
EXECUTIVE SUMMARY .....	vi	4.1 Financial literacy .....	44
<b>1.0 INTRODUCTION</b>		4.2 Cost of borrowing .....	47
1.1 Economic context .....	3	4.3 Transparency in pricing/ pricing concerns .....	48
1.2 Survey objectives .....	3	4.4 Loan default/ debt distress .....	48
1.3 Sampling .....	3	4.5 Fraud incidence .....	50
1.4 Survey demographics .....	4	4.6 Poor service .....	51
<b>2.0 ACCESS</b>		4.7 Perceptions on betting/ gambling .....	52
2.1 Access to financial services and products, 2006 – 2021 .....	11	<b>5.0 IMPACT/ WELFARE</b>	
2.2 Financial access by category .....	12	5.1 Main life priorities .....	56
2.3 Access by demographic category .....	13	5.2 The needs-based framework .....	56
2.4 Access by county .....	13	5.3 Financing livelihoods .....	58
<b>3.0 USAGE</b>		5.4 Financial health .....	61
3.1 Usage of financial services by providers/ institutions .....	25	<b>6.0 CONCLUSION</b>	
3.2 Use of financial providers by population .....	26	<b>Annexes</b>	
3.3 Frequency in usage of financial services by institution .....	26	A1: County breakdown .....	69
3.4 Usage of financial services by demographic and economic categories .....	29	A2: Abbreviations and terminologies .....	71
3.5 Drivers of usage .....	33	A3: Financial health .....	73

ACCESS | USAGE | QUALITY | IMPACT

