Government of Ghana

Ministry of Finance

The Official
Ghana
Demand Side Survey
2021
OVERVIEW

The Ghana Demand Side Survey 2021 was commissioned by the Ministry of Finance (MoF). In the implementation of the survey, the Steering Committee was formed with the aim of putting in place technical procedures for the design and implementation of a global and inclusive process according to the context. The Ghana Demand Side Survey 2021 represents a collaboration between the following Steering Committee members:

- Ministry of Finance (Chair)
- World Bank (country representatives)
- Ghana Statistical Services
- Representatives from various institutions from government, private sector and development partners
- FinMark Trust

The FinScope survey methodology is dynamic and the content is evaluated by several stakeholders including the private sector, NGOs and Government to ensure that the most relevant consumer data is collected.

Acknowledgements are extended to the following Steering Committee members:

**Ministry of Finance**
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- Mr. Benjamin Torsah-Klu

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**CGAP**
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**FinMark Trust**
- Mr. Abel Motsomi
- Dr. Kingstone Mutsonziwa
Introduction
The Government of the Republic of Ghana, through the Ministry of Finance initiated a Financial Sector Development Project (FSDP) to enhance the financial sector in facilitating economic growth through access to financial services. The project objective is to promote financial sector soundness and access to financial services by individuals. The Ministry of Finance (supported by country stakeholders) commissioned the Ghana Demand Side Survey 2021 to help identify and create a roadmap that ultimately secures the realisation of this vision.

The Ghana Demand Side Survey 2021 provides credible benchmarks on the level of financial inclusion and guides targeted and focused financial inclusion strategies using empirical evidence. The Ghana Demand Side Survey 2021 will also act as a national good for use across private, public sectors and academia backgrounds to ensure the lives of Ghanaians are improved.

Methodology
- Universe: Adult population in Ghana who are 15 years and older.
- Sample drawn by Ghana Statistical Services (GSS), representative at national, regional and locality type (urban/rural).
- 470 Enumeration Areas (EAs) selected using Probability Proportional to Size (PPS) sampling and household listing data.
- 5,156 Computer Assisted Personal Interviewing (CAPI) completed interviews.
- Fieldwork conducted by Ipsos Ghana (July - September 2021).
- Quality control/field checks conducted by GSS and FinMark Trust.
- Data validation against Census data and latest data sources.
- Weighting of the data conducted by GSS in consultation with FinMark Trust.

Survey objectives
The objectives of the Ghana Demand Side Survey 2021 are:
- To describe the levels of financial inclusion (i.e., levels of access to financial products and services – both formal and informal).
- To describe the landscape of access (i.e., the type of products and services used by financially included individuals).
- To identify the drivers of, and barriers to financial access.
- To stimulate evidence-based dialogue that will ultimately lead to effective public and private sector interventions that will increase financial inclusion.
- To assess trends/changes/interventions over time (from 2010).
- Measure financial inclusion impact on Ghana adult population.
- To stimulate evidence-based dialogue that will ultimately deepen financial inclusion.
A Ghana Demand Side Survey 2021 was implemented to track changes in the strategy.
Vision – “Increasing the availability of a broad range of affordable and quality financial services that meet the needs of all Ghanaians and are provided by sound, responsible, and innovative financial institutions.”
The Steering Committee (SC) for the Ghana Demand Side Survey 2021 was a collective formation of various institutions that provided strategic guidance and oversight to the study.

**Ministry of Finance**
Custodian of the Survey, Overall Strategic oversight

**Ghana Statistical Services (GSS)**
Data and Statistical oversight

**FinMark Trust**
Project management, technical assistance, quality control

**Ipsos Ghana**
Data collection

**Steering Committee (SC)**
Ministry of Finance (Chair)
World Bank
Consultative Group to Assist the Poor (CGAP)
Ghana Statistical Services
Bank of Ghana (BoG)
National Insurance Commission (NIC)
Securities and Exchange Commission (SEC)
National Pensions Regulatory Authority (NPRA)
Ghana MicroFinance Institutions Network (GHAMFIN)
FinMark Trust
Note:
A map of Ghana showing all the locations where interviews were conducted.

- Footprint of all interviews conducted.
- Nationally representative sample.
- Regionally representative sample.

- The higher the concentration of dots shows the higher number of interviews.
- 40% (6,406,835) growth in adult population over the last 10 years (from 13,318,814 to 19,725,649 adults).
A third of the adults (31%) have primary education and below.

The livelihoods space is dominated by adults who are informal business owners (34%) and those in the agriculture space (25%), those receiving remittances (13%) which denotes mostly irregular income earners.
Covid-19 impact on livelihoods (%)

- Income reduced: 41%
- Same as before: 34%
- Stopped working for some time: 27%
- Could not operate due to restrictions: 18%
- Got retrenched: 13%
- Income increased: 3%

An aggregate of 65% of the adults were negatively affected, through either losing their jobs or had reduced income.

Support received from (%)

- 18% Banks
- 2% Cooperative
- 3% Microlender
- 3% Savings group
- 5% Bank or Mobile Money agent
- 16% Church/mosque
- 45% Family and friends
- 46% Government of Ghana (all spheres)

About 18% (3,628,113) of adults received Covid-19 support from various sources.
About 40% of adults are from households involved in farming as a source of income.

- Two-fifths of the adults are from households that are involved in farming.
Access to Infrastructure

- Number of individuals from households with access to piped water (dwelling/compound):
  - 2010: 30% (= 5.5 million)
  - 2021: 65% (= 8.6 million)

- Number of individuals from households with electricity:
  - 2010: 89% (= 17.6 million)
  - 2021: 65% (= 8.6 million)

- Access to piped water and electricity doubled (in absolute numbers) in the decade under review.
% of adults reaching the destination within

<table>
<thead>
<tr>
<th>Services</th>
<th>Less than 30 mins</th>
<th>30 mins - 1hr</th>
<th>1hr - 2hrs</th>
<th>More than 2hrs</th>
</tr>
</thead>
<tbody>
<tr>
<td>Mobile Money agent</td>
<td>92 Urban, 76 Rural</td>
<td>5 Urban, 9 Rural</td>
<td>1 Urban, 5 Rural</td>
<td>2 Urban, 10 Rural</td>
</tr>
<tr>
<td>ATM</td>
<td>52 Urban, 18 Rural</td>
<td>17 Urban, 16 Rural</td>
<td>7 Urban, 14 Rural</td>
<td>24 Urban, 52 Rural</td>
</tr>
<tr>
<td>Bank</td>
<td>61 Urban, 24 Rural</td>
<td>18 Urban, 22 Rural</td>
<td>7 Urban, 14 Rural</td>
<td>14 Urban, 40 Rural</td>
</tr>
<tr>
<td>MicroFinance Institution (MFI)</td>
<td>49 Urban, 23 Rural</td>
<td>14 Urban, 18 Rural</td>
<td>6 Urban, 12 Rural</td>
<td>31 Urban, 47 Rural</td>
</tr>
<tr>
<td>Public transport/Bus stops</td>
<td>86 Urban, 64 Rural</td>
<td>8 Urban, 15 Rural</td>
<td>2 Urban, 9 Rural</td>
<td>4 Urban, 12 Rural</td>
</tr>
<tr>
<td>Market</td>
<td>79 Urban, 53 Rural</td>
<td>14 Urban, 21 Rural</td>
<td>4 Urban, 10 Rural</td>
<td>3 Urban, 16 Rural</td>
</tr>
<tr>
<td>Bill payment point</td>
<td>74 Urban, 38 Rural</td>
<td>15 Urban, 18 Rural</td>
<td>3 Urban, 13 Rural</td>
<td>8 Urban, 31 Rural</td>
</tr>
</tbody>
</table>

- Mobile Money agents are the closest formal financial service providers.
- Bank branches, ATMs and MFIs remain the least accessible.
FINANCIAL CAPABILITY

**Overall Financial Capability (%)**

- From the financial capability dimensions, knowledge and planning require top priority.

**Financial capability indicator dimension (%)**

- Around 39% of Ghanaian adults have low financial capability.
Overall Financial Capability (%)

- Low: 12%
- Medium: 48%
- High: 40%

Those with low capability are more likely to be:

- 35% Aged 15 - 35 years
- 47% Aged 50 - 59 years
- 56% Aged 60 years and older
- 51% Rural population
- 55% Have primary education or lower

Of those with Low Financial Capability, are mostly remittance recipients, informally employed and receive earnings from farming related activities.
Drivers of Financial Capability

Where would people go for financial advice or assistance? (%)

- Do not get financial advice: 34%
- Spouse or partner: 14%
- Friends/family members: 12%
- Person in community: 11%
- Banker or financial professional: 11%
- Internet: 5%
- Workplace or employer: 4%

Following on earlier results that knowledge and planning dimensions ought to be prioritised, it’s important to understand where adults get their knowledge. Most adults (34%) do not get financial advice while 14% rely on their spouse or partner. About 48% are consulted during decision-making process.

Responsibility for financial decision-making (%)

- I am consulted: 48%
- I am consulted some of the time: 24%
- I am not involved: 10%
- Single person household (makes decisions alone): 18%
Drivers of Financial Capability

Mitigating against low financial capability requires financial education.

70% Adults listen to a radio
73% Rural population
26% About 26% use internet
42% Have smartphones
66% Have a simple phone

What channels could be employed to disseminate financial information, education and literacy?

Resulting in more financially literate, financially empowered, financially capable adults.
Total adult population 15 years and older in Ghana (19.73 million)

- **FINANCIALLY INCLUDED**
  have/use any financial products and/or services - formal and/or informal.

- **FINANCIALLY EXCLUDED**
  do not have/use any financial products and/or services - neither formal nor informal.

- **FORMALLY SERVED**
  have/use financial products and/or services provided by a formal financial institution (bank and/or non-bank). A formal financial institution is governed by a legal precedent of any kind and bound by legally recognised rules.

- **INFORMALLY SERVED**
  have/use financial products and/or services which are not regulated and operate without legal governance that would be recognised, e.g. Funeral society, money lenders, saving groups, etc.

- **BANKED**
  have/use financial products/services provided by a bank, regulated by the Bank of Ghana.

- **SERVED BY OTHER FORMAL FINANCIAL INSTITUTIONS**
  have/use financial products/services provided by other regulated (non-bank) financial institutions, e.g. a loan by a micro-finance institutions or insurance products, Pension Schemes, Mobile Money, etc.
### Financial Inclusion classification

<table>
<thead>
<tr>
<th>Banking</th>
<th>Other formal (non-bank)</th>
<th>Informal</th>
<th>Excluded</th>
</tr>
</thead>
<tbody>
<tr>
<td>Currently use bank account in the following:</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>• Universal banks</td>
<td>Cooperative Society/Credit Unions</td>
<td>Credit and Savings from:</td>
<td>• Save at home</td>
</tr>
<tr>
<td>• Rural and Community banks</td>
<td></td>
<td>• Informal Saving groups</td>
<td>• Borrow from family members and/or friends</td>
</tr>
<tr>
<td>• Savings &amp; Loans Companies</td>
<td></td>
<td>• Savings in other saving club</td>
<td>• Send or receive through family members/relatives/friends or transfer money personally</td>
</tr>
<tr>
<td>• MicroFinance Companies</td>
<td></td>
<td>• Unregulated persons</td>
<td></td>
</tr>
<tr>
<td>Savings</td>
<td>Insurance products from insurance providers</td>
<td>• Informal remittance agent</td>
<td></td>
</tr>
<tr>
<td>Credit</td>
<td>Mobile Money accounts</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Send/receive money through banking channels</td>
<td>Products from MFI</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Have following products:</td>
<td>Products from Pension fund administrators</td>
<td></td>
<td></td>
</tr>
<tr>
<td>• Debit/Current/Credit/ATM card</td>
<td>Retirement products/services</td>
<td></td>
<td></td>
</tr>
<tr>
<td>• Use internet/cellphone banking; wallet money</td>
<td>Remittances, Mobile Money services – MTN, Airtel, etc.</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>
95% are formally served (collectively served by banks and other formal (non-bank), which passes the 85% formally served adults target for 2023.

- Excluded reduced by 40 percentage points.
- Mobile Money drove the significant changes in the financial landscape of Ghana.

In 2010, there was no Mobile Money, the sudden spike in the use of other formal (non-bank) financial services was spurred by Mobile Money.

Formal other (non-bank) financial service/products mostly Mobile Money is a game changer in deepening inclusion and reducing financial exclusion.
In 2021:

- 95% use a combination of formal and informal mechanisms to manage their financial needs, from 40.7% in 2010;
- Only 0.6% of adults rely exclusively on banking services from 15.2% in 2010; and
- 1% of the adult population ONLY rely on informal mechanisms up from 15.3% in 2010, this due to the Mobile Money impact.
DEFINING FINANCIAL INCLUSION

Access Strands by locality type and sex (%)

- Rural residents are maximising on the use of Mobile Money (other formal non-bank) solutions specifically designed to bridge the access gap.

Access Strands by age and education (%)

- Elderly with lower levels of education and seniors are more likely to be excluded but still utilise other formal (non-bank) solutions.
It is interesting to note that the rural residents are maximising on the use of Mobile Money (other formal non-bank) solutions specifically designed to bridge the access gap.
DEFINING FINANCIAL INCLUSION

Access Strand by livelihood – Target groups (%)

- Financial Capability is a useful segmentation variable to highlight the Ghanaian usage of financial services. Formally employed adults have higher usage of banking and Mobile Money services.

Access Strand by level of financial capability (%)
Ghana ranks 2\textsuperscript{nd} if we sort using the ‘least financially excluded country’

- Compared to the selected African countries, Ghana has a large formally served population (96%) and one of the lowest financial exclusion at 4%.
Only 12% of Ghanaians do not have access to transactional accounts, the conversion rate to Mobile Money is very high.

Those without transactional accounts are likely to be:

- 41% 46 years and older
- 63% low on Financial Capability
- 65% rural population
- 57% in primary education or lower
- 44% receiving earnings from farming related activities
Barriers to own a Transactional account and Mobile Money

Barriers to banking (70%)

- Do not have regular income: 47
- No money to save: 28
- Do not work: 27
- Do not trust institutions: 15
- Do not need it: 13
- Cannot maintain the minimum balance: 6
- Do not know how to open account: 5
- Do not know how the institution works: 5
- It is too expensive: 5
- Use someone else’s account: 3
- Institution is too far/transport too difficult: 5
- Do not have documentation required: 3

Barriers to Mobile Money account (13%)

- Do not have money to send/receive: 25
- Do not have access to a mobile phone: 18
- Do not have enough information: 15
- I am not educated (can't use it): 13
- Cannot afford the costs: 12
- Do not trust telecom companies: 11
- Lost money to mobile provider before: 10
- Have not thought about it: 9
- Do not have a SIM card: 8
- It is complicated: 6
- Do not have documents required: 5
- Do not have confidence in this: 4

Required minimum balance, lack of product knowledge and access to mobile phone.
## TRANSACTIONAL ACCOUNTS

### Banking activities (%)

- Withdrew cash: 62%
- Deposited cash: 57%
- Cashed a cheque: 25%
- Mobile banking transaction: 16%
- Received money from someone: 15%
- Deposited a cheque: 11%
- Payment of bill/to someone: 9%
- Money transfer between accounts: 8%
- Internet/online transactions: 3%

### What transactional accounts are mostly used for

- **Mobile Money activities (%)**
  - To receive money: 71%
  - Cash withdrawal: 64%
  - To send money: 58%
  - Cash deposit: 40%
  - Money transfer: 22%
  - Purchase airtime: 22%
  - Payment of goods and services: 22%
  - Receive payment of goods and services: 10%
  - Mobile banking: 9%
  - Paid public utility bill: 6%

*Mainly driven by withdrawing and deposit cash, however, payment activities can be enhanced.*
Lessons from Kenya

Has Mobile Money replaced banking in Ghana?

**Banking era (pre 2009)**
- Earlier than 2009 and before 2005, bank accounts were the dominant transactional accounts.

**M-Pesa era (2010 - 2015)**
- With the advent of M-Pesa, Mobile Money accounts surpassed the number of bank accounts in Kenya.

**Banks retaliation (post 2015)**
- Banks restrategised and reformulated their offerings.
- With new strategies, the banks managed to wrestle back their majority.

Source: CGAP: https://www.cgap.org/blog/kenya-bank-accounts-again-more-popular-m-pesa-why
Great strides observed in adults saving using other formal channels (9% in 2010 to 48% in 2021), mainly driven by Mobile Money.

Savings from a bank and informal groups have declined significantly.

Adults deem savings as ‘short-term’ in nature.

Note: That other formal (non-bank) includes those who “claim to save” on Mobile Money (22%). If those are excluded, the other formal (non-bank) for 2021 is 12%.

Sentiments about savings: Adults deem savings as ‘short-term’ in nature

Duration of savings (%)
- One day: 8
- One week: 20
- One month: 38
- One year: 17
- More than 1 year: 14
- Other: 4

Savings behaviour of adults saving
- 73% save money on monthly, weekly or daily basis
- 66% Shortest time to put money aside to count as savings - monthly
- 52% putting money aside to be used later for a specific purpose
- 51% Putting money aside to stop it being spent immediately or to be safe
Comparing the Savings Strands by locality type and sex reveals that formal savings are higher among adults residing in urban (61% are formally saving) and compared to rural areas (45%), while males also prefer formal mechanisms to save.

- Adults in rural areas are likely not to save, females are less likely to use bank services to save.

- Comparing the Savings Strands by locality type and sex reveals that formal savings are higher among adults residing in urban (61% are formally saving) and compared to rural areas (45%), while males also prefer formal mechanisms to save.
68% of adults who SAVE

Drivers/mechanisms used (%)

- Savings in Mobile Money: 60%
- Secret place at home: 32%
- Savings at bank: 23%
- MFI: 7%
- Cooperatives/Credit Unions: 5%
- Family and friends: 4%
- Livestock (non-monetary): 4%
- Pension funds: 3%

32% of adults DO NOT save

Barriers (%)

- Do not have any money after spending: 53%
- No income, no money to save: 29%
- My children will care for me: 8%
- Prefer to spend money when have it: 8%
- I do not need to: 7%
- Have never thought of it: 7%

- The adoption and savings through Mobile Money in Ghana account for 60% of all savings, though the behavior may be defined as more of short-term savings.
Overall credit consumption remained fairly constant, could MM based credit offer an opportunity for adults given the high penetration of MM?

Credit overall (%)
- Banking: 4
- Other formal (non-bank): 7
- Informal: 6
- Family/friends: 10
- Not borrowing: 79

Credit Strand by livelihood – Target groups (%)
- Self-employed: 5
- Formally employed: 4
- Informally employed: 2
- Remittances dependent: 14
- Formally employed: 3
- Self-employed: 6
- Farming: 9

- Banking products
- Other formal (non-bank)
- Informal
- Family/friends only
- Not borrowing

Borrowing and credit

Landscapes Products
- Generally, adults don’t use formal credit across the board irrespective of locality type, sex or livelihood.
- There is not much differentiation between age and level of education on credit usage.
Overall use of insurance products increased to 68% in 2021. The most used product is health/medical insurance.

**Insurance Strand (%)**

- **2021**: 68% covered, 32% not insured
- **2010**: 46% covered, 54% not insured

**Insurance types (%)**

- **Health/medical insurance**: 65%
- **Life insurance**: 4%
- **Pension insurance**: 3%
- **Accident insurance**: 2%
- **Housing insurance**: 1%
- **Third-party vehicle/motorcycle insurance**: 1%
- **Comprehensive vehicle insurance**: 1%
- **Property damage insurance**: 1%
- **Education insurance**: 1%
Main risks faced with greatest impact (%)

- Illness of main income earner: 15
- Serious illness of a household member: 11
- Death of a main income earner: 5
- Job losses: 5
- Death of family member: 4
- Theft of personal property: 2
- Increase in size of household: 2
- Drought/low rainfall: 1
- Theft of business property: 1

Main coping strategy (%)

- Used savings: 15
- Gift assistance: 5
- Sold something: 4
- Borrowed money: 4
- Claimed insurance: 1

Interesting to note that insurance is not held in high regard.

Insurance and risk management

- Formal insurance from other formal (non-bank) has paved ways for majority of adults to be financially secure.

Interesting to note the positive sex gap in favour of females on insurance take-up – more females insured than male counterparts.

Of the insurable risks, Ghanaians experienced risks related to earnings and illnesses but relied more on savings than any other coping mechanism.
There was a dramatic shift to Mobile Money as the most used remittance channel.

**Remittances overall (%)**

- Banking: 0.2
- Other formal (non-bank): 10
- Informal: 6
- Family/friends: 5
- No remittances usage: 29

**Sent money (%)**

- Mobile Money: 47
- Friends or family: 2
- Money Transfer Agencies: 1

**Received money (%)**

- Mobile Money: 52
- Friends or family: 4
- Money Transfer Agencies: 2
- Informal channels: 1
LANDSCAPE PRODUCTS

**Sent money (%)**
- Sent within Ghana: 52% Yes, 48% No
- Sent outside Ghana: 99% Yes, 1% No

**Received money (%)**
- Received within Ghana: 43% Yes, 57% No
- Received from outside Ghana: 95% Yes, 5% No

5% of inflowing international remittances are received from:
- USA: 43%
- UK: 21%
- Italy: 13%
- Germany: 11%

- Adults are more net receivers than senders, mostly local remittances. International remittances account for 5% of all received remittances.

**By locality type (%)**
- Rural: 36% Yes, 60% No
- Urban: 25% Yes, 71% No

- Interesting to note that adults in urban and rural areas have adopted Mobile Money as means to remit. Further, women largely benefit as they are net receivers of remittances.

**By sex (%)**
- Female: 64 Yes, 14 Not remitting, 31 Family/friends
- Male: 69 Yes, 2 Informal channels, 29 Not remitting
- Those formally employed by government remit the most (86%), while 12% of remittance dependents utilise informal channels or family and friends.
Financial inclusion and financial health are cornerstones for international development. An inclusive and healthy financial system benefits all participants. One-third of Ghanaian adults are financially vulnerable.

- **Financially Healthy**: 22%
- **Financially Coping**: 44%
- **Financially Vulnerable**: 34%

<table>
<thead>
<tr>
<th>FinHealth dimensions</th>
<th>Low score</th>
<th>Medium score</th>
<th>High score</th>
</tr>
</thead>
<tbody>
<tr>
<td>Planning and prioritising (plan score)</td>
<td>16.8%</td>
<td>48.6%</td>
<td>34.6%</td>
</tr>
<tr>
<td>Ability to manage day to day (spend score)</td>
<td>31.7%</td>
<td>32.7%</td>
<td>36.7%</td>
</tr>
<tr>
<td>Build and maintain reserves (save score)</td>
<td>48.0%</td>
<td>34.3%</td>
<td>17.7%</td>
</tr>
<tr>
<td>Ability to manage risks</td>
<td>61.7%</td>
<td>16.4%</td>
<td>21.9%</td>
</tr>
</tbody>
</table>

- There is a direct link between financial health and financial inclusion.

**Access Strand by – Financially health indicator (%)**

- Financially vulnerable: 15% Banked, 22% Other formal (non-bank), 30% Informal only, 1% Excluded
- Financially coping: 77% Banked, 72% Other formal (non-bank), 69% Informal only, 1% Excluded
- Financially healthy: 2% Banked, 6% Other formal (non-bank), 1% Informal only, 1% Excluded
### Key Highlights and Take-Outs

<table>
<thead>
<tr>
<th>Category</th>
<th>Progress</th>
<th>Focus area</th>
</tr>
</thead>
<tbody>
<tr>
<td>Formally served adult population</td>
<td>Number of formally served adults exceeded 2021 target of 85%. As of 2021, the formally served are 95%</td>
<td>The dawn of Mobile Money has seen a drastic improvement on access to financial services. The next focus should be to assess if that access has translated into meaningful usage of the services.</td>
</tr>
<tr>
<td>Extending the rails of Mobile Money platform</td>
<td>Leverage the high penetration of Mobile Money.</td>
<td>Extending the offerings of Mobile Money to include Savings, Insurance, Credit, Pension, amongst others.</td>
</tr>
<tr>
<td>Savings</td>
<td>Number of adults who have formal savings grew by 39% since 2010 and driven by other formal (non-bank) savings.</td>
<td>The payment of interest on Mobile Money balances may need to be considered.</td>
</tr>
<tr>
<td>Credit</td>
<td>Credit uptake remains at similar level to 2010.</td>
<td>Lack of access to formal credit remains a major concern and is clearly highlighted as a need particularly for business owners.</td>
</tr>
<tr>
<td>Insurance</td>
<td>More adults are now insured formally - from 46% in 2010 to 68% in 2021. However, the main product held is health/medical insurance.</td>
<td>Expand insurance to better manage impact of risk beyond health and medical. Covid-19 for example, impacted on a lot more than health aspects.</td>
</tr>
<tr>
<td>Pension</td>
<td>Pension sector coverage expansion initiatives now part of NFIDS focus areas.</td>
<td>Explore voluntary pension contributions via Mobile Money coupled with financial education on importance and role of pensions.</td>
</tr>
<tr>
<td>Remittances</td>
<td>A significant number of Ghanaians are remitting, mostly driven by Mobile Money.</td>
<td>Leveraging on the existence of the well-established MM agent network offers opportunities for the network to offer more services beyond remittances.</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Category</th>
<th>Indicator</th>
<th>2017</th>
<th>2020</th>
<th>2021 (results)</th>
<th>2023 (target)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Access to financial services</td>
<td>Ghana (%)</td>
<td>58%</td>
<td>70%</td>
<td>96%</td>
<td>85%</td>
</tr>
<tr>
<td></td>
<td>Women (%)</td>
<td>57%</td>
<td>70%</td>
<td>94%</td>
<td>85%</td>
</tr>
<tr>
<td></td>
<td>Rural (%)</td>
<td>51%</td>
<td>65%</td>
<td>92%</td>
<td>80%</td>
</tr>
<tr>
<td></td>
<td>Northern Regions (%)</td>
<td>45%</td>
<td>60%</td>
<td>93%</td>
<td>75%</td>
</tr>
<tr>
<td></td>
<td>Poorest quantile (%)</td>
<td>41%</td>
<td>55%</td>
<td>-</td>
<td>70%</td>
</tr>
<tr>
<td></td>
<td>Youth (ages 15 – 24)</td>
<td>52%</td>
<td>65%</td>
<td>94%</td>
<td>80%</td>
</tr>
</tbody>
</table>
POSSIBLE POLICY IMPLICATIONS

Public Sector policy implications

- About 40% of the adult population are self-employed or own small businesses. Supporting this sector with financial services and access to finance may, therefore, spur economic growth.
- Understanding the small business sector will require a full scoping study that looks deeply at their challenges, and at how Covid-19 has impacted this sector. More importantly, understanding how to support it.
- Develop a National Financial Education Strategy to support the rollout and complement the dawn of technology in fast-tracking financial inclusion. To reduce the potential digital divide, financial literacy is a requirement for meaningful usage of financial services.
- Integrate financial education in the school curriculum from the basic level, Lower Primary to Junior Secondary School.

Private Sector policy implications

- Innovative offerings leveraging on the Mobile platforms.
- To allow for non-traditional credit providers including Fintechs.
- Encourage Innovation and new Fintech products
  - Focus on investments
  - Springboard savings into investment space
  - How to digitise informal savings, e.g., susu, using Fintech

Development partners policy implications

- A dedicated nationally representative Small Business Survey may be required, because two in five adults rely on small businesses for their livelihoods. More data is needed in this space to articulate the level of financial inclusion of small businesses.
POSSIBLE POLICY IMPLICATIONS

- Deepening financial inclusion by focusing on the ‘usage indicators’ as access to services is no longer an issue.
- Adopt Financial Health and Financial Capability indicators – these provide another dimension to ensure a meaningful usage of financial services and thus empower adults with better financial management skills and behaviour to escape poverty.
- Align Financial Policy and Digitised Policy Framework and the National Financial Inclusion Strategy, NFIS.

Development partners policy implications

  - Start with a transactional account.
  - Savings, Credit, Pensions etc. Phasing in of other products.
  - Extend the conversations beyond banking and insurance.
  - Education on how financial services operate.
- Methodological considerations; sampling considerations for the next round to include 12-year-olds, booster sample of 12 – 14 years.
- A dedicated module on Fintech space.
- Expand questionnaire to include ‘Usage indicators’.
- Specific policy on ‘How to grow MicroFinance institutions’.
FinScope footprint

FinScope Consumer Surveys have been completed in 36 countries including Ghana. This allows for cross-country comparison regionally and sharing of findings which are key in assisting on-going growth and strengthening the development of financial markets. Consumer Surveys currently underway, 3 in SADC, 1 in East Africa, 1 in West Africa, while MSME Surveys are in 3 other countries.

The Ghana Demand Side Survey 2021 contains a wealth of data based on a nationally representative sample of the adult population of Ghana.

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