

PAKISTAN

WAVE 6 REPORT SIXTH ANNUAL FII TRACKER SURVEY

Fieldwork conducted February-March 2020

March 2021



KANTAR

BILL & MELINDA
GATES *foundation*

PUTTING THE USER FRONT AND CENTER

The Financial Inclusion Insights (FII) program responds to the need identified by multiple stakeholders for timely demand-side data and practical insights into digital financial services (DFS), including mobile money, and the potential for their expanded use among the poor.

The FII team implements nationally representative population surveys and qualitative research studies in **Bangladesh, India, Indonesia, Kenya, Nigeria, Pakistan, Tanzania and Uganda** to:

- **Track access to and demand** for financial services, especially DFS;
- **Measure adoption and use** of DFS among key underserved groups (females, poor, rural, etc.);
- **Identify drivers and barriers** to further adoption of DFS;
- **Evaluate the agent experience** and the performance of mobile money agents; and
- **Produce actionable, forward-looking insights based on rigorous data** to support product and service development and delivery.

The FII program is managed by Kantar. Visit the FII Resource Center to learn more:
www.finclusion.org.



Photo credit: Bawar Khan

KEY DEFINITIONS

Access to a bank – Counts individuals who have ever used a bank, or who have a bank account registered in their name or a joint account in their and someone else’s name.

Access to mobile money or an NBFi – Counts individuals who have ever used a mobile money service or a full-service NBFi.

Active registered user – An individual who has an account registered in their name with a full-service financial institution and has used it in the last 90 days.

Advanced user – An active registered user who has ever used their account for any of the following: saving, borrowing, insurance, investment, paying bills or receiving wages or government benefits. Buying airtime top-ups is considered an advanced use of a bank account or NBFi account but not a mobile money account.

Agent banking – Banking services provided outside of regular bank branches by engaged agents under a valid agency agreement, mainly intended to reach the underserved population.

Basic use – Activities include cash-in (deposits) or cash-out (withdrawals), money transfers to another individual, or account maintenance. Buying airtime using mobile money is considered a basic use case.

Below the poverty line – In this study, adults living on less than \$2.50 per day in 2005 purchasing power parity in USD, as classified by the [Poverty Probability Index](#).

Confidence interval (95%) – The range of values within which the observed value of a statistic will be found in 95 out of 100 repeat measurements.

Cooperative – Typically, a business or other professional organization that is owned and run jointly by its members, who share profits or benefits. Cooperatives may release some of the profits/funds as loans to its members.

Customer journey – A series of progressive stages through which individuals become more active users of more sophisticated financial services.

Digital financial inclusion – Counts individuals who have an account in their name with a full-service financial institution that offers digital services (e.g., online account access, debit/ATM card, credit card, electronic cash transfers).

Digital financial services (DFS) – Financial services provided through an electronic platform (e.g., mobile phones, debit or credit electronic cards, internet).

Digital stored-value account – A mobile money account or a full-service bank or NBFi account that offers digital services.

Financial inclusion – Individuals who hold an account with an institution that provides a full suite of financial services and comes under some form of government regulation.

Financial literacy - Basic knowledge of four fundamental concepts in financial decision making (interest rates, interest compounding, inflation, and risk diversification) as measured by the Standard and Poor’s Rating Service’s Global Financial Literacy Survey.

Financial numeracy – The ability to read numerical place value and other key numeracy skills needed to complete a financial transaction on a mobile phone without assistance.

Full-service financial institutions – Financial institutions that offer loans to their customers and at least one of the following additional services: savings, money transfers, insurance, or investments.

Microfinance institution (MFI) – An organization that offers financial services to low-income populations. Almost all give loans to their members, and many offer insurance, deposit and other services.

Mobile money (MM) – A service that allows a mobile phone to be used for storing and transferring money, and potentially accessing other financial services.

Nonbank financial institution (NBFi) – A financial organization that is not formally licensed as a bank or a mobile money provider, but whose activities are regulated, at least to some extent, by the central bank within the country. Such financial institutions include microfinance institutions (MFIs), cooperatives, Post Office (Savings) Banks, and payments banks, etc.

Numeracy - The ability to use basic math skills, including counting, addition, division, multiplication and computing short- and long-term interest rates.

Poverty Probability Index (PPI) – A measurement tool wherein a set of country-specific survey questions are used to compute the likelihood that an individual’s income is below a specific threshold.

Registered user – Counts individuals who have a financial account registered in their name or registered jointly in their and someone else’s name.

Urban/rural – Urban and rural persons are defined according to their residence in urban or rural areas as prescribed by the national bureau of statistics.

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FINANCIAL INCLUSION OVERVIEW

UNDERSTANDING FINANCIAL INCLUSION

What is financial inclusion?

Financial inclusion means that individuals and businesses have access to useful and affordable financial products and services that meet their needs – transactions, payments, savings, credit and insurance – delivered in a responsible and sustainable way (*The World Bank*). Financially included individuals are those who have an account in their name with a full-service financial institution.

How is it measured?

We measure financial inclusion as the percentage of adults (15+ years old) who report having at least one account in their name with an institution that offers a full suite of financial services and comes under some form of government regulation.

How is it created?

Financial inclusion is created through the uptake and use of individual accounts with institutions that offer a full suite of financial services – savings, credit, money transfers, insurance and investment. Full-service financial institutions include banks, mobile money service providers, and nonbank financial institutions, such as deposit-taking microfinance institutions (MFIs) and financial cooperatives.

What institutions and services do not count?

Individuals who own accounts with institutions that are not full service, such as credit-only microfinance institutions (MFIs), are not considered financially included. Individuals who do not have their own full-service account or use someone else's account are not considered financially included. Individuals who only use services such as money guards, savings collectors, and digital recharge cards that are not attached to a bank or MFI account are also considered financially excluded.

ABOUT THE SURVEY

- Sixth survey (Wave 6) conducted from February 18 to March 22, 2020. Surveys measure national trends on key indicators of financial inclusion. This report focuses on trends over the 2014-2020 period before government lockdowns were imposed to address the COVID-19 pandemic in Pakistan.
- Data collection was ongoing when stay-at-home orders were instituted across Pakistan because of the COVID-19 pandemic. The survey was stopped when the sampling plan was 59% complete. Sample coverage included all provinces, but the city of Karachi was excluded. See the [Wave 6 Technical Report](#) for full details on sampling and deviations from the sample design.
- Target population: Adults aged 15+ residing in households.
- Sampling frame: Enumeration areas (EAs) prepared for the 2017 census by the Pakistan Bureau of Statistics.
- Sample design: Stratified multistage cluster sample of 6,000 adults designed by Kantar in collaboration with Associates in Development. Only 3,567 adults were surveyed before data collection was stopped.
 - Stratification by urban/rural EAs within each province;
 - First stage: Random selection of EAs using probability proportionate to size;
 - Second stage: Selection of 12 households per sampled EA;
 - Fourth stage: Random selection of one adult member per household.
- Face-to-face interviews administered at the household using computer assisted personal interviewing (CAPI). The average interview duration was 50 minutes.
- Sampling weights aligned the demographic characteristics of the sample with the 2017 population census and the 2017-2018 labor force survey.
- Weighted data were used to generate representative statistics at the national level, and for urban and rural populations separately. Weighted percentages are reported together with weighted respondent counts.

2020: National demographics

(Shown: Percentage of Pakistan adults (age 15+) (N=3,567)

Demographic characteristics	Percentages
Male	50
Female	50
Urban	39
Rural	61
Above the \$2.50/day poverty line	34
Below the \$2.50/day poverty line	66
Age: 15-24	33
25-34	23
35-44	18
45-54	13
55+	13
Basic literacy	47
Basic numeracy	95

COUNTRY CONTEXT

- The Government of Pakistan (GoP) has set ambitious goals for financial inclusion. Official statistics suggest that Pakistan achieved its 2020 target of 50% financial inclusion by 2018, [counting 63.9 million unique registered financial accounts](#) in the country. Survey measurements, such as the ones reported here and the [2017 Global Findex](#), provide lower estimates of financial inclusion.
- The five-year National Financial Inclusion Strategy (NFIS) action plan has set new [targets to be achieved by 2023](#), which include increasing usage of digital payments, with the goal of achieving 65 million active digital transaction accounts, achieving a deposits to GDP ratio of 55%, and serving 6 million farmers through digital solutions.
- Ehsaas is the GoP's [flagship program for poverty alleviation](#). It aims to extend financial and digital inclusion to 7 million individuals, 90% of whom should be women.
- The [Asaan Mobile Account](#) (AMA) was announced by the State Bank of Pakistan in 2017 to provide platform-level interoperability. The [Virtual Remittance Gateway](#) provides the platform that will connect all branchless banking providers that are part of the AMA.
- The Pakistan Post entered a “20-year strategic alliance” with Habib Bank Limited (HBL). Under this agreement, the Pakistan Post will offer branchless banking services to its customers through HBL's Konnect. HBL will also be installing ATMs and CDMs at selected post offices. This alliance will [expand HBL Konnect's outreach](#), especially in rural areas that are not yet serviced by the formal financial sector.
- The SBP's National Financial Literacy Program (NFLP) completed all its milestones for FY20. The NFLP program for adults imparted [financial education to 250,000 adults](#), against the target of 226,000. Similarly, the NFLP program for youth trained 300,000 students against the target of 240,000 thousand students.
- During FY 2018-19, the Securities and Exchange Commission of Pakistan (SECP) signed memoranda of understanding with seven public and private sector universities to conduct 110 interactive sessions across Pakistan. The SECP developed a series of short videos to provide [public education about investing in capital markets](#) among other relevant subjects. It also launched a book on financial literacy to educate new investors.
- To comply with the recommendations of the Financial Action Task Force (FATF) on Anti Money Laundering/ Combating the Financing of Terrorism (AML/CTF), the Central Directorate of National Savings (CDNS) will [transition from analog management to a digital management system](#) within the next three years. This transition is being facilitated by the World Bank's Financial Infrastructure and Inclusion Project (FIIP).
- As per the State Bank of Pakistan, registered mobile banking users have increased from 5 million in the third quarter of fiscal 2019 to 8.2 million in the third quarter of 2020. From the second to the third quarter 2020 [mobile banking users increased by 11.3%](#) ([Page 5](#)) as mobile banking gained popularity as an alternative to cash amid social distancing due to COVID-19.
- The S-Paisa, a branchless banking service was launched in July 2019 by the Special Communications Organization (SCO), in collaboration with JS Bank, in Azad Jammu & Kashmir (AJK) and Gilgit Baltistan (GB). In April 2020, the Prime Minister's Ehsaas program also [reached AJK and GB](#).
- In April 2019, the [SBP launched Electronic Money Institution \(EMI\) regulations](#). EMIs are nonbank entities that are licensed by the SBP to conduct digital payments.

COUNTRY CONTEXT

- In August 2020, the Speaker of Pakistan's National Assembly formed a [taskforce to plan to improve farmers' access to credit](#). It includes members of the National Assembly, President of Zarai Taraqiati Bank Limited (ZTBL), Secretary of the Ministry of Finance, Secretary of the Ministry of National Food Security and Research and senior officials of the State Bank of Pakistan. This initiative is crucial for achieving agricultural development objectives, given the high demand and low supply of agricultural loans in Pakistan. Access to formal loans is likely to increase financial inclusion within the agricultural sector as well.
- In March 2019, JazzCash partnered with the Punjab government to [digitize the disbursement of subsidy payments to farmers](#). The facility will enable the Punjab Agricultural Department (PAD) to use JazzCash to disburse support prices on fertilizer, cotton, oil seeds and other agricultural inputs.
- Ownership and use of mobile phones were negatively affected by raised import duties and, starting in 2019, enforcement of rules intended to [remove illegal smart and feature phones from the market](#). The Pakistan Telecommunications Authority started blocking phones that contain counterfeit technologies that infringe upon intellectual

property rights. Higher import duties on mobile phones also increased prices for end consumer. However, in September 2019, the Senate Standing Committee on Information Technology advised the Federal Bureau of Revenue to [slash these duties](#) to encourage digitization. In January 2020, the FBR announced an 86% reduction in import duties for phones that cost less than \$100. This is likely to encourage the adoption of mobile phones, especially smart phones.

- The State Bank of Pakistan launched Raast, which is the country's first instant payment system that will enable end-to-end digital payments among individuals, businesses and government entities instantaneously.
- The SBP is also in the process of developing a Regulatory Framework for Digital Banks. The regulation is supported by a host of recommendations for an Operating Framework, including proposed recommendations for Digital onboarding/Video KYC, Regulatory Sandbox, Open APIs, Responsible Use of AI, Cloud and Outsourcing, Cyber security and Agent Banking.

NOTABLE STATISTICS

Financial inclusion in Pakistan increased from 14% of adults in 2017 to 21% in 2020 (pre-COVID-19). This change was driven by statistically significant increases in registered users of banks, nonbank financial institutions (NBFIs) and mobile money.

- Mobile money account ownership (registered users) more than doubled, from 4% of adults in 2017 to 9% in 2020. Over the same period, overall access to mobile money, including users who have not registered an account, grew from 13% to 16% of adults, as network effects for digital payments continue to expand across the population.
- Banks were still the leading financial institutions. In 2020, 15% of the population had a registered full-service bank account, up from 11% in 2017 and 9% in 2016.
- Full-service nonbank financial institution (NBFI) account users were 2% of adults in 2020.

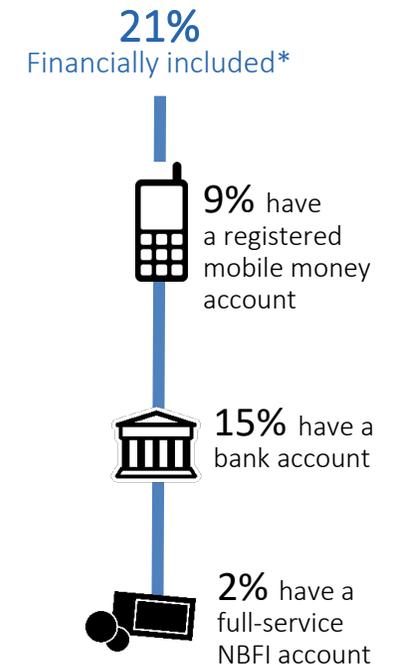
The gender gap remains an enormous barrier to women’s financial inclusion and economic empowerment; 36% of men were financially included in 2020, compared to only 7% of women.

- While financial inclusion for men grew strongly from 20% in 2017, to 36% in 2020, women were left behind at 7% financially included, which is unchanged from 2017 to 2020.
- There is a gap of 49 percentage points in phone ownership between men and women; 76% of men own phones, compared to only 27% of women.
- Text messaging – a key proxy indicator of capability to use digital financial services – is more than twice as prevalent among men: 58% of men versus 26% of women have ever sent or received a text message.

Mobile money active and advanced users more than doubled as a proportion of adults.

- Active users (past 90 days) of mobile money accounts increased from 3% of adults in 2017 to 8% in 2020
- Mobile money users of advanced services, such as saving, borrowing, insurance, and investment, increased from 2% to 4% of adults from 2017 to 2020.

2020: Financial Inclusion
 (Shown: Percentage of Pakistan adults, N=3,567)



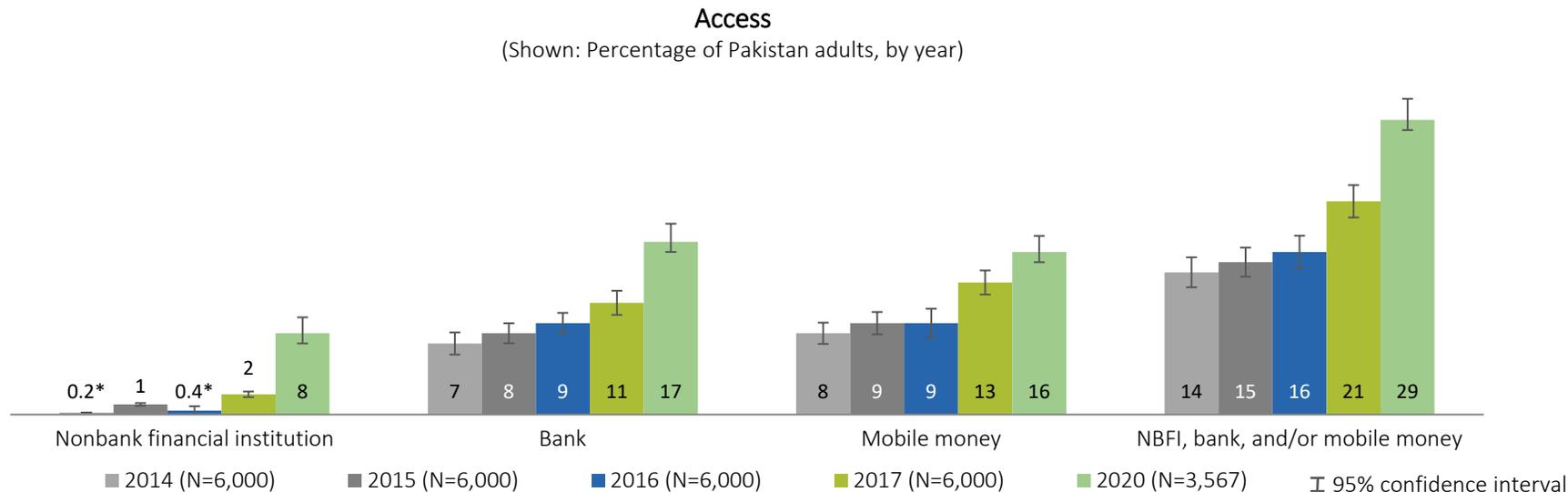
*Has an account with one or more financial institutions of the qualifying types as shown.

ACCESS TO FINANCIAL SERVICES

Access increased by 8 percentage points from 2017 to 2020

In 2020, nearly three in 10 adults (29%) reported ever using a full-service financial institution, up from 21% in 2017. Bank access increased from 11 percent of adults in 2017 to 17 percent in 2020. Mobile money access grew to 16% of adults in 2020, and 8% reported ever using a nonbank financial institution.

8% of adults were unregistered users of mobile money in 2020, down from 9% in 2017



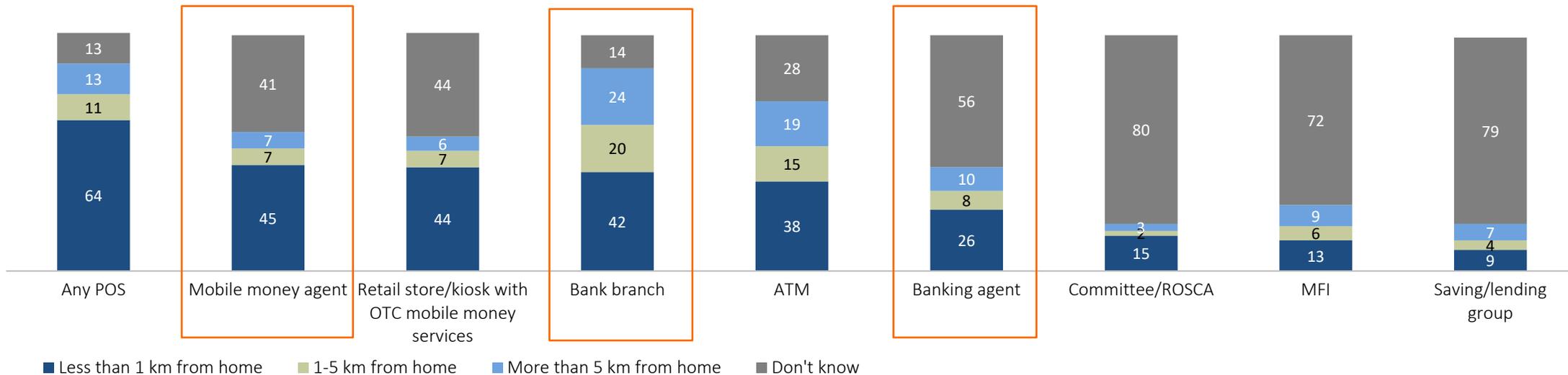
Source: Kantar Pakistan FII Tracker surveys, Wave 2 (N=6,000, 15+), September-December 2014; Wave 3 (N=6,000, 15+), September-October 2015; Wave 4 (N=6,000, 15+), September-October 2016; Wave 5 (N=6,000, 15+), September-October 2017; Wave 6 (N=3,567, 15+), February-March 2020.

GEOGRAPHICAL ACCESS TO FINANCIAL SERVICES

Almost nine out of 10 adults knew of at least one point-of-service (POS) within 5 kilometers of their homes

Bank branches were the most widely known points of service within 5km of home. While over 40% of adults knew of a mobile money point of service -- agent or kiosk -- within 1 km of home, similar proportions were unaware of the location of any mobile money point of service. Rural residents were more likely to know the location of a mobile money agent than a bank agent.

2020: Proximity to points-of-service (POS) for financial institutions
 (Shown: Percentage of Pakistan adults, N=3,567)

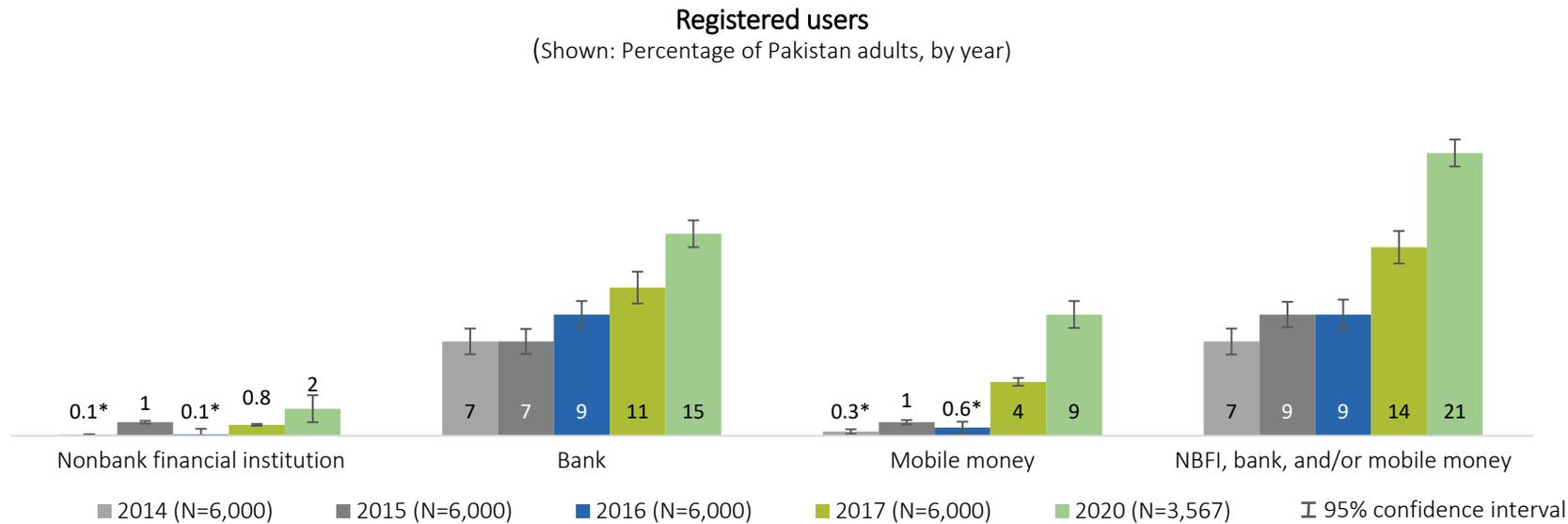


Source: Kantar Pakistan FII Tracker survey, Wave 6 (N=3,567, 15+), February-March 2020.

REGISTERED USERS (FINANCIAL INCLUSION)

Financial inclusion increased by 7 percentage points from 2017 to 2020

There was a significant increase in financial inclusion, from 14% in 2017 to 21% in 2020. Registered users of mobile money more than doubled from 4% to 9% of adults, and registered bank users increased by 4 percentage points over the same period.

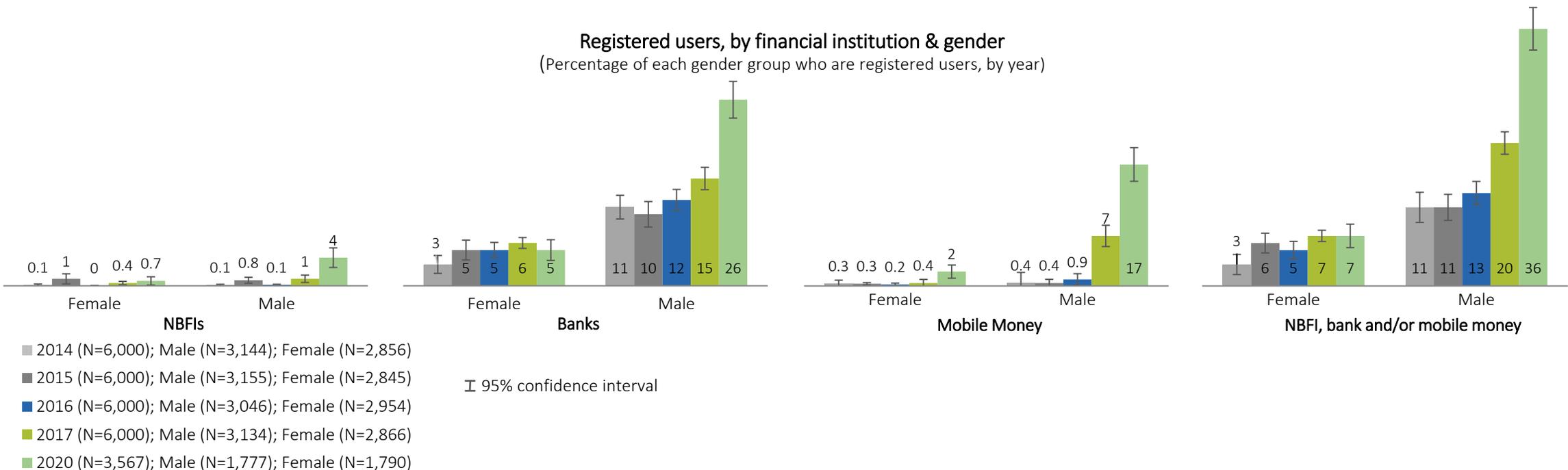


Source: Kantar Pakistan FII Tracker surveys, Wave 2 (N=6,000, 15+), September-December 2014; Wave 3 (N=6,000, 15+), September-October 2015; Wave 4 (N=6,000, 15+), September-October 2016; Wave 5 (N=6,000, 15+), September-October 2017; Wave 6 (N=3,567, 15+), February-March 2020.

FINANCIAL INCLUSION BY GENDER

Gender inequality worsened; men accounted for all gains in financial inclusion from 2017 to 2020

36% of men were financially included in 2020 compared to only 7% of women. While women made no gains in financial inclusion on a per capita basis since 2017, among men, mobile money account ownership more than doubled from 7% in 2017 to 17% in 2020, and bank account ownership increased by 11 percentage points over the same period.



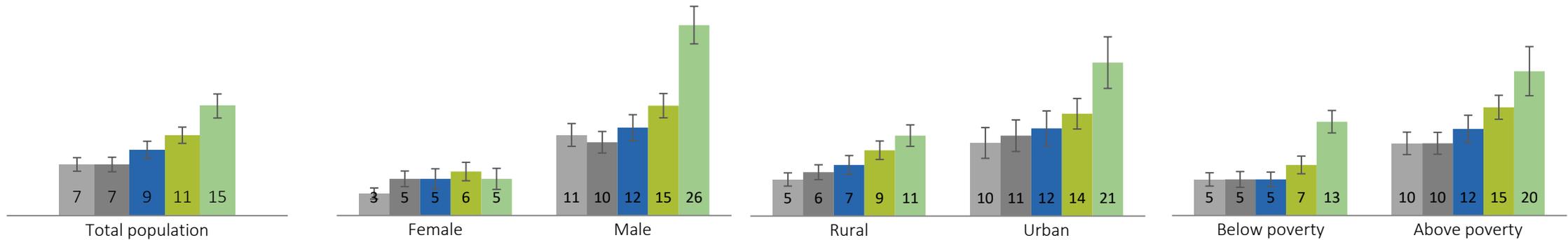
Source: Kantar Pakistan FII Tracker surveys, Wave 2 (N=6,000, 15+), September-December 2014; Wave 3 (N=6,000, 15+), September-October 2015; Wave 4 (N=6,000, 15+), September-October 2016; Wave 5 (N=6,000, 15+), September-October 2017; Wave 6 (N=3,567, 15+), February-March 2020.

BANK USERS BY DEMOGRAPHIC GROUP

Registered bank users increased the most among urban men

Financial inclusion via banks showed the most growth for men, rising by 11 percentage points between 2017 and 2020. The urban population that had a full-service bank account increased by 50%, from 14% in 2017 to 21% in 2020. Over the same period, registered bank users increased by only 2 percentage points among rural residents. Populations both above and below the poverty line showed considerable growth in bank users, rising by 5 and 6 percentage points, respectively.

Registered bank users, by demographic group
 (Shown: Percentage of each demographic group who are registered bank users, by year)



- 2014 (N=6,000); Male (N=3,144), Female (N=2,856); Rural (N=3,990), Urban (N=2,010); Below poverty (N=3,102), Above poverty (N=2,898)
- 2015 (N=6,000); Male (N=3,144), Female (N=2,856); Rural (N=3,970), Urban (N=2,030); Below poverty (N=3,074), Above poverty (N=2,926)
- 2016 (N=6,000); Male (N=3,144), Female (N=2,856); Rural (N=4,000), Urban (N=2,000); Below poverty (N=2,893), Above poverty (N=3,107)
- 2017 (N=6,000); Male (N=3,144), Female (N=2,856); Rural (N=4,010), Urban (N=1,990); Below poverty (N=3,201), Above poverty (N=2,799)
- 2020 (N=3,567); Male (N=1,777); Female (N=1,790); Rural (N=2,390), Urban (N=1,177); Below poverty (N=2,524), Above poverty (N=1,043)

┆ 95% confidence interval

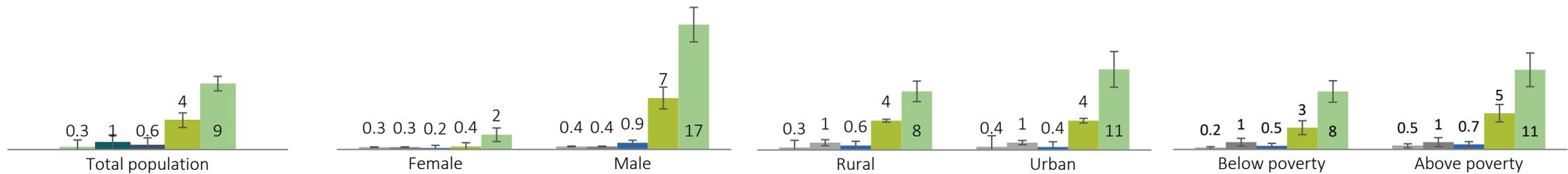
Source: Kantar Pakistan FII Tracker surveys, Wave 2 (N=6,000, 15+), September-December 2014; Wave 3 (N=6,000, 15+), September-October 2015; Wave 4 (N=6,000, 15+), September-October 2016; Wave 5 (N=6,000, 15+), September-October 2017; Wave 6 (N=3,567, 15+), February-March 2020.

MOBILE MONEY USERS BY DEMOGRAPHIC GROUP

Urban, higher-income men drove growth in registered mobile money users

The percentage of urban and above-poverty-line adults using mobile money accounts was higher than that of the overall population, increasing by 7 and 6 percentage points, respectively, from 2017 to 2020. The slowest adoption of mobile money was among women. Only 1.6% more women had an account in 2020 compared to 2017.

Registered mobile money users, by demographic group
 (Shown: Percentage of each demographic group who are registered mobile money users, by year)



- 2014 (N=6,000); Male (N=3,144), Female (N=2,856); Rural (N=3,990), Urban (N=2,010); Below poverty (N=3,102), Above poverty (N=2,898)
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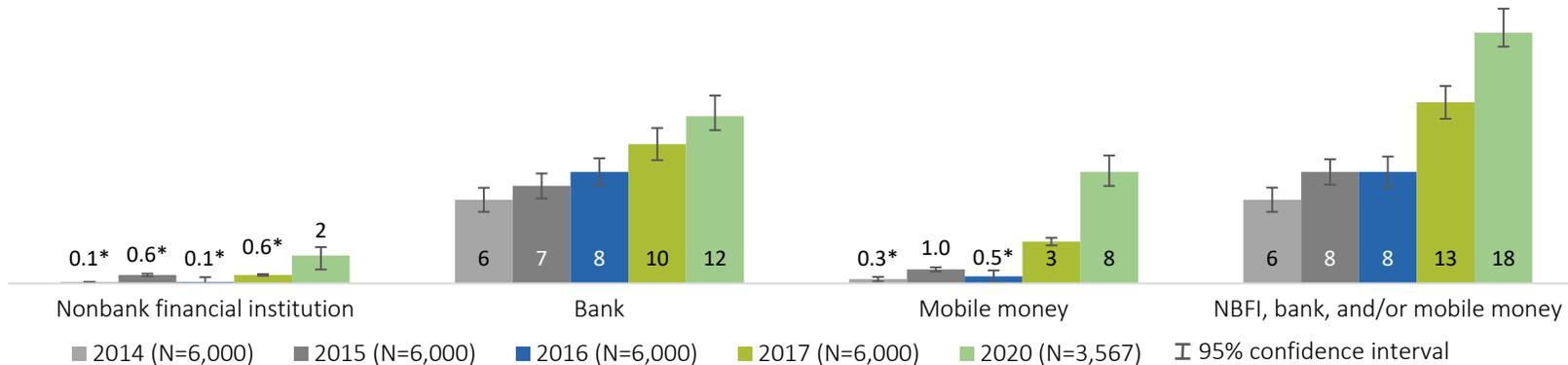
ACTIVE REGISTERED USERS (LAST 90 DAYS)

Active users grew by 5 percentage points from 2017 to 2020, driven by mobile money

Nearly all registered users of mobile money use their accounts actively as demand for person-to-person transfers created network effects that made accounts more useful. Active users of bank accounts have grown more slowly, by 2 percentage points from 2017 to 2020, and by 4 percentage points from 2016 to 2020. The latter change was statistically significant as banks continue to show slow but persistent growth in per capita active users.

85% of registered mobile money users reported using their account in the 90 days prior to the survey.

Active registered users
 (Shown: Percentage of Pakistan adults, by year)



Source: Kantar Pakistan FII Tracker surveys, Wave 2 (N=6,000, 15+), September-December 2014; Wave 3 (N=6,000, 15+), September-October 2015; Wave 4 (N=6,000, 15+), September-October 2016; Wave 5 (N=6,000, 15+), September-October 2017; Wave 6 (N=3,567, 15+), February-March 2020.

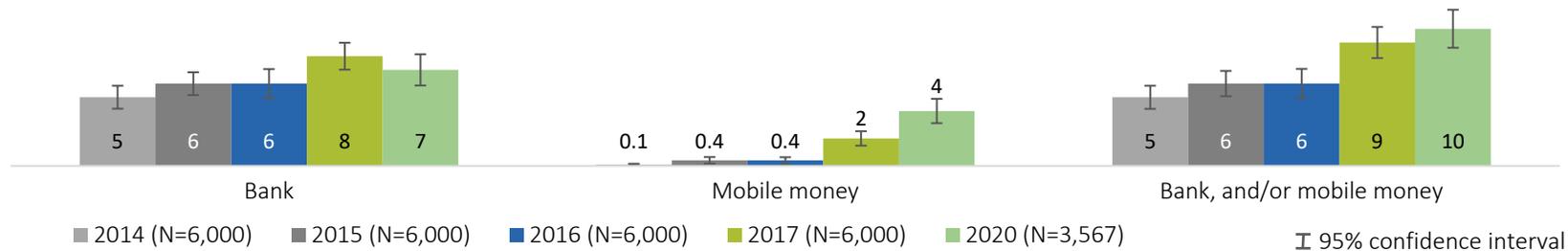
ADVANCED USERS

Advanced users of mobile money doubled from 2% of adults in 2017 to 4% in 2020

In 2020, one in 10 adults in Pakistan were users of advanced financial services beyond deposits, withdrawals, and transfers. Users tend to favor either banks or mobile money for advanced activities; only 1 percent of adults actively used a bank and a mobile money account and engaged in an advanced activity. Paying bills was the key service for advanced mobile money users.

79% of advanced mobile money users reported using bill pay, versus only 38% of advanced bank users.

Advanced active registered users
 (Shown: Percentage of Pakistan adults, by year)



Source: Kantar Pakistan FII Tracker surveys, Wave 2 (N=6,000, 15+), September-December 2014; Wave 3 (N=6,000, 15+), September-October 2015; Wave 4 (N=6,000, 15+), September-October 2016; Wave 5 (N=6,000, 15+), September-October 2017; Wave 6 (N=3,567, 15+), February-March 2020.

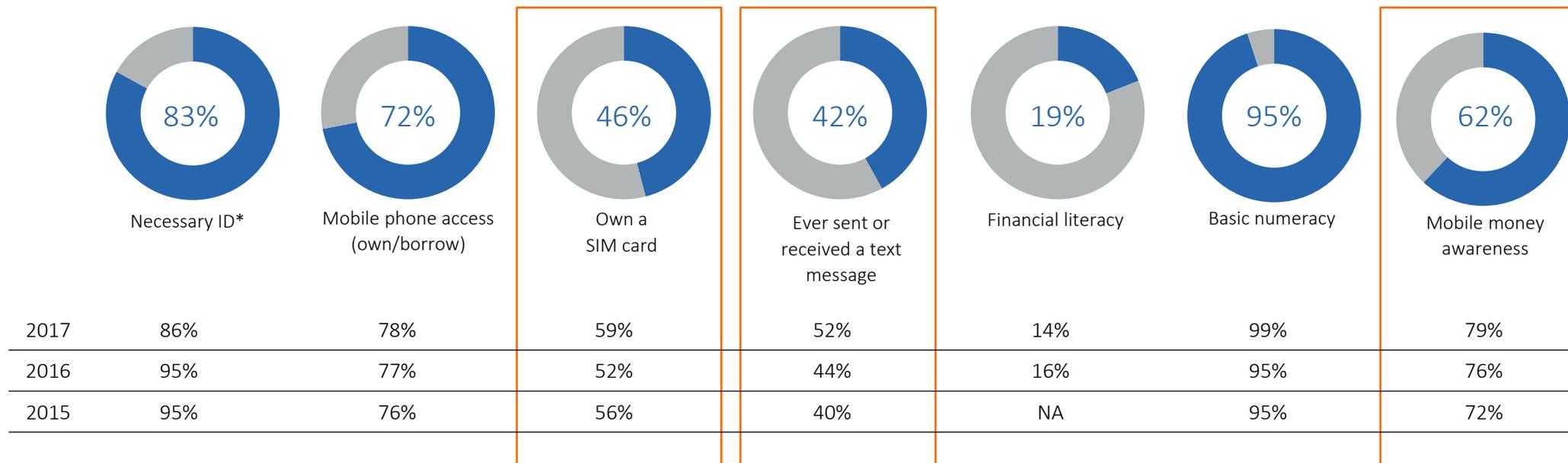
READINESS TO ADOPT DIGITAL FINANCIAL SERVICES

Readiness indicators dropped in 2020 compared to previous years, except for financial literacy

Indicators related to phone usage showed the largest declines, particularly ownership of a SIM card and ability to send and receive text messages. These indicators were affected by the enforcement of new rules [banning and blocking millions of phones](#) using counterfeit technology – volatility in these indicators from similar enforcement actions have been seen in previous FII surveys in other countries. Awareness of mobile money services dropped, which is surprising in the context of increased adoption. Financial literacy increased significantly.

2020: Key indicators of readiness to adopt digital financial services

(Shown: Percentage of Pakistan adults, N=3,567)



Source: Kantar Pakistan FII Tracker surveys; Wave 3 (N=6,000, 15+), September-October 2015; Wave 4 (N=6,000, 15+), September-October 2016; Wave 5 (N=6,000, 15+), September-October 2017; Wave 6 (N=3,567, 15+), February-March 2020.

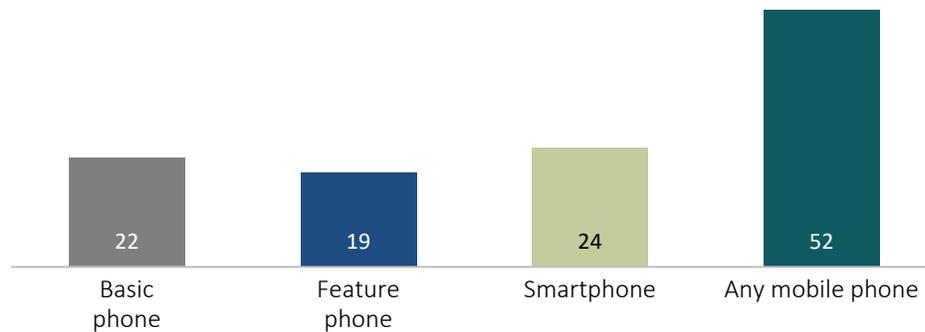
DIGITAL ACTIVITIES

PHONE OWNERSHIP

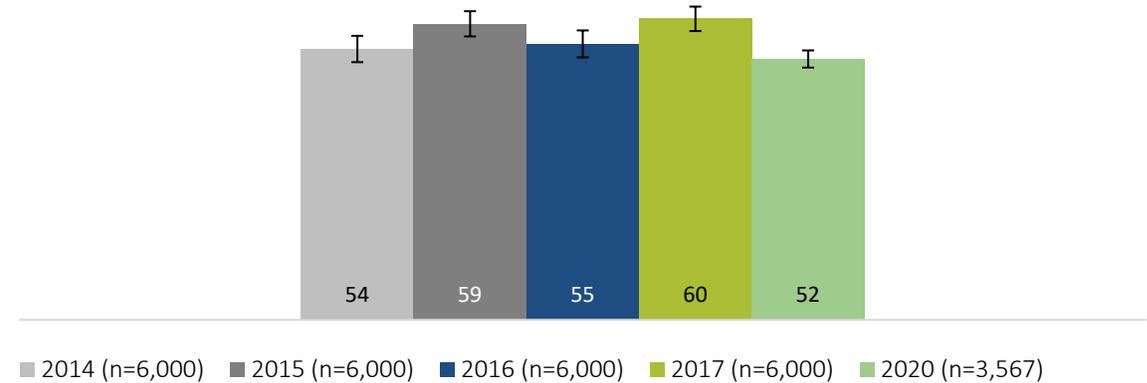
More than half of adults own a personal mobile phone; smartphones are the most common

- Nearly one out of four adults (24%) own a smartphone. After smartphones, 22% of adults own a basic phone, while 19% own a feature phone (some adults own more than one phone)
- Phone ownership showed a statistically significant decline from 2017 to 2020, likely due to enforcement action by the Pakistan Telecommunication authority to [deregister phones](#) that used counterfeit technology. Phone ownership is likely to return to around 60 percent of adults after this supply shock dissipates.

2020: Mobile phone ownership, by type
 (Shown: Percentage of Pakistan adults, N=3,567)



Mobile phone ownership trend
 (Shown: Percentage of Pakistan adults, by year)



┆ 95% confidence interval

Source: Kantar Pakistan FII Tracker surveys, Wave 2 (N=6,000, 15+), September-December 2014; Wave 3 (N=6,000, 15+), September-October 2015; Wave 4 (N=6,000, 15+), September-October 2016; Wave 5 (N=6,000, 15+), September-October 2017; Wave 6 (N=3,567, 15+), February-March 2020.

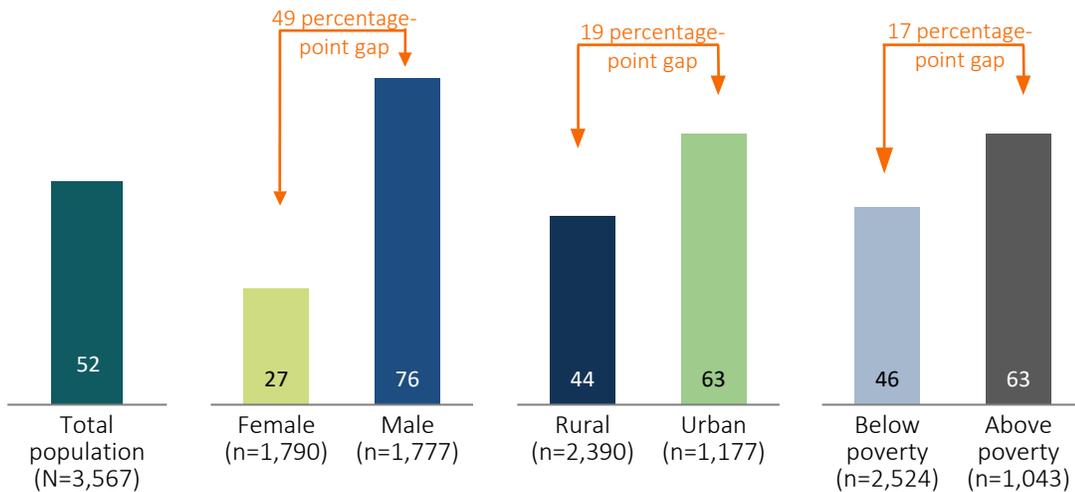
MOBILE PHONE OWNERS – DEMOGRAPHICS & ATTITUDES

Large gender, locality, and income gaps divide mobile phone ownership

- Among all demographics, the largest gap in phone ownership was between genders. Men were 49 percentage points more likely than women to own a mobile phone.
- Among those who did not own a mobile phone, 22% reported their main reason was they are not allowed to use a phone by their spouse, parents or other family members, while other reasons included not having anyone to call, no one else in the house having a phone or not knowing how to use one.

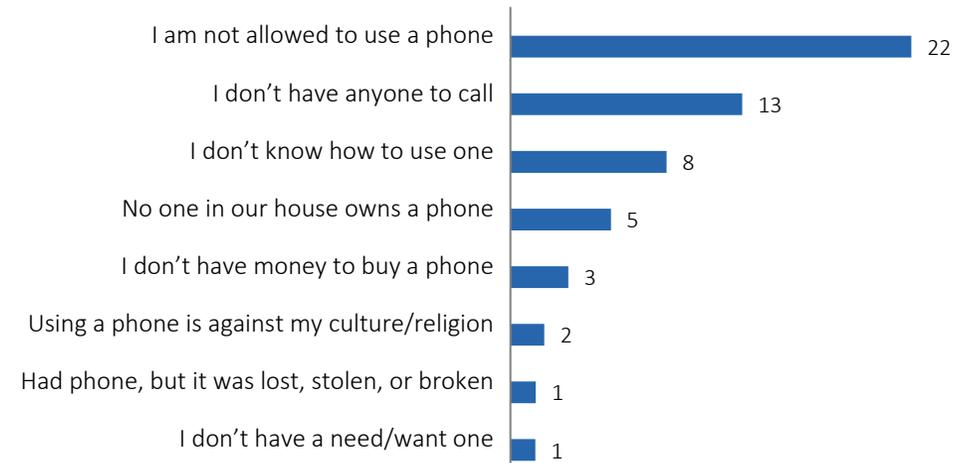
2020: Mobile phone ownership, by demographic

(Shown: Percentage of each demographic group who are phone owners)



2020: Top reasons for not owning a mobile phone

(Shown: Percentage of Pakistan adults who do not own a mobile phone, n=1,106)

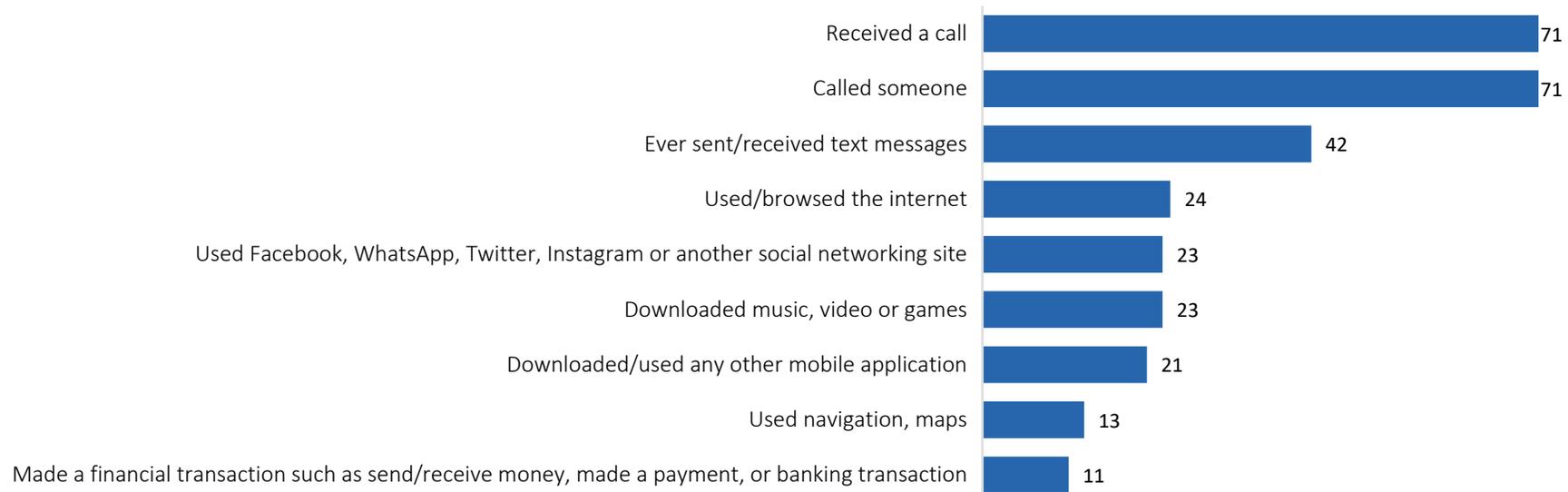


MOBILE PHONE USERS

While seven out of 10 adults used their phones to make and receive calls, only 11% used a mobile phone to complete a financial transaction

Only four out of 10 adults had the ability to send and receive text messages. The proportion of adults who used mobile internet, social media and other applications matches the 24% who are smartphone owners.

2020: Mobile phone functions ever used
 (Shown: Percentage of Pakistan adults, N=3,567)



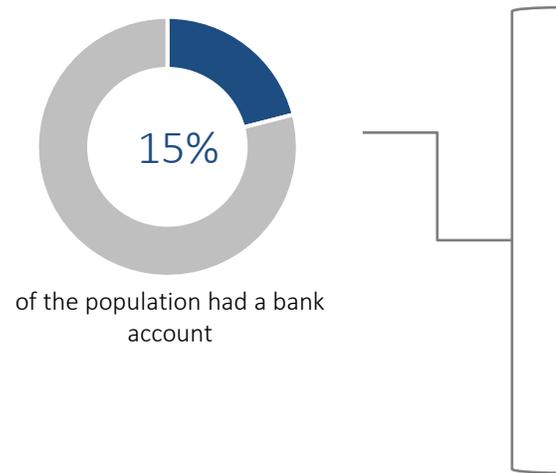
Source: Kantar Pakistan FII Tracker survey, Wave 6 (N=3,567, 15+), February-March 2020.

ACTIVITIES OF BANK ACCOUNT OWNERS

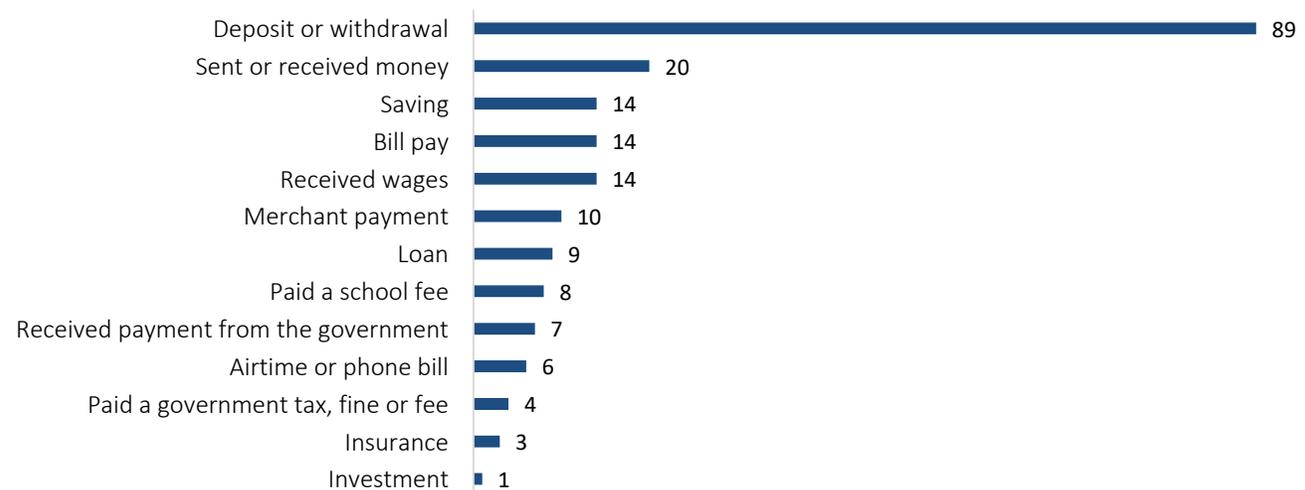
14% of bank account owners used their accounts for saving, bill pay, and/or receiving wages

Almost nine out of 10 adults with bank accounts use them primarily to deposit and withdraw money, and 20% used their accounts to send or receive money. The activities used the least include making investments, making insurance payments, paying government bills, buying airtime top-ups and receiving pension or other welfare money.

2020: Registered bank users
 (Shown: Percentage of Pakistan adults, N=3,567)



2020: Bank user activities
 (Shown: Percentage of Pakistan adults holding a bank account, n=589)

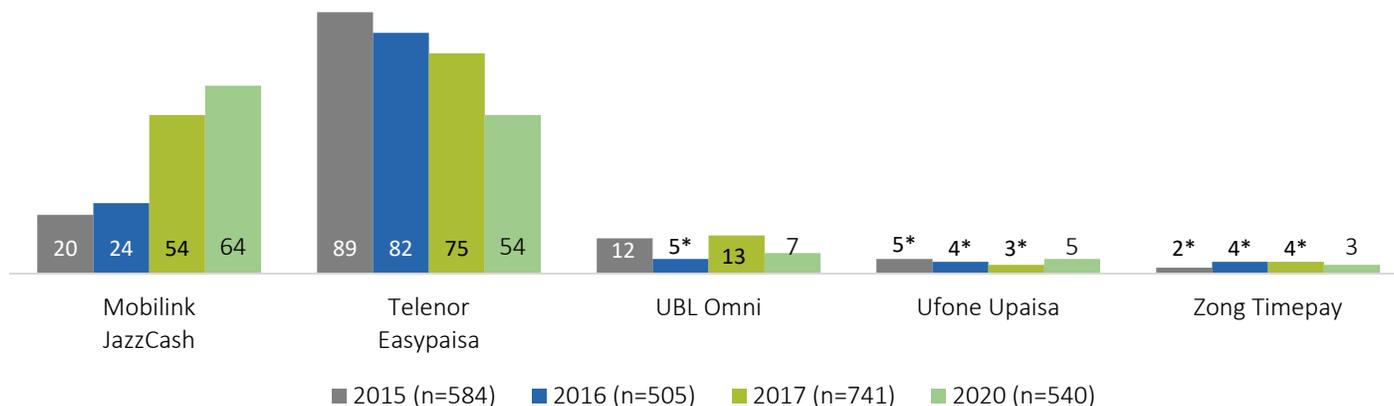


MOBILE MONEY PROVIDERS

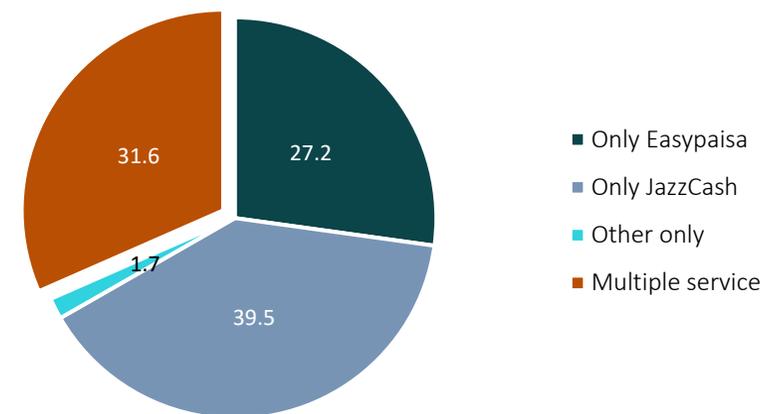
JazzCash took the lead position away from Easypaisa in the mobile money market

- In 2020, 64% of mobile money users reported ever using JazzCash, compared to 54% who used Easypaisa. Easypaisa’s share of mobile money users continued to decline, decreasing by 21 percentage points from 2017 to 2020, while JazzCash’s share increased by 10 percentage points.
- While nearly 40% of mobile money users used Jazzcash exclusively, nearly a third used multiple services.

Mobile money access, by provider
 (Shown: Percentage of adults who accessed mobile money, by year)



2020: Mobile money (MM) user exclusivity
 (Shown: Percentage of mobile money users, n=540)



*Fewer than 50 observations

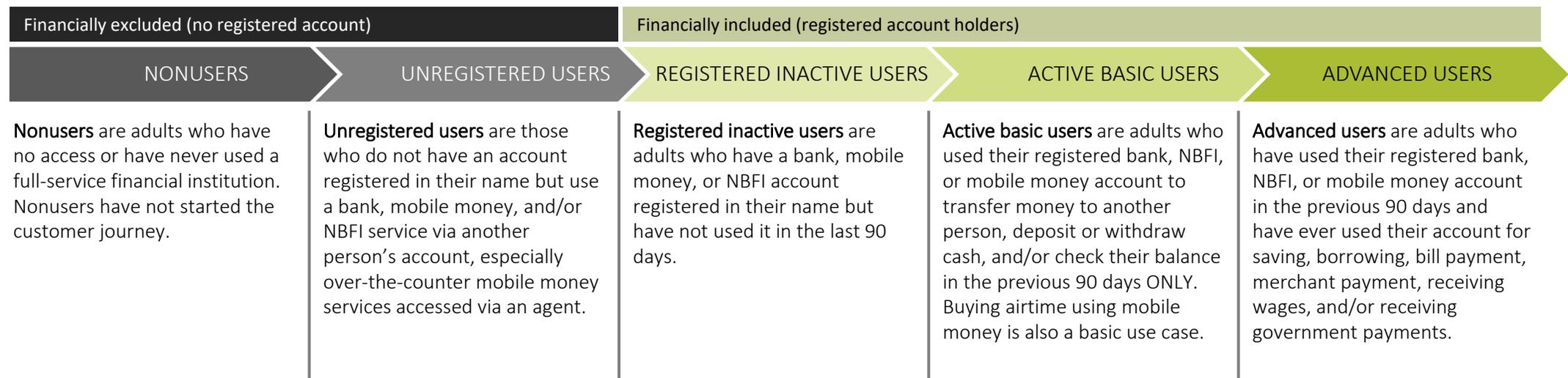
Source: Kantar Pakistan FII Tracker surveys, Wave 3 (N=6,000, 15+), September-October 2015; Wave 4 (N=6,000, 15+), September-October 2016; Wave 5 (N=6,000, 15+), September-October 2017; Wave 6 (N=3,567, 15+), February-March 2020.

CUSTOMER JOURNEY



CUSTOMER JOURNEY THEORY OF CHANGE

- Financial inclusion may be conceived as a process through which an individual’s needs are met by advancing step-by-step towards increasingly active engagement with a growing range of financial services. The customer journey theory of change posits that advancement on the journey leads to gains in human welfare.
- Understanding how individuals and groups advance on the customer journey is useful for developing strategies and interventions to assist more individuals to become users of the financial services that best meet their needs.
- Five major segments of the population on the customer journey are described below. Each group is mutually exclusive of the others. The population shifts between these groups as more individuals make progress on the customer journey.

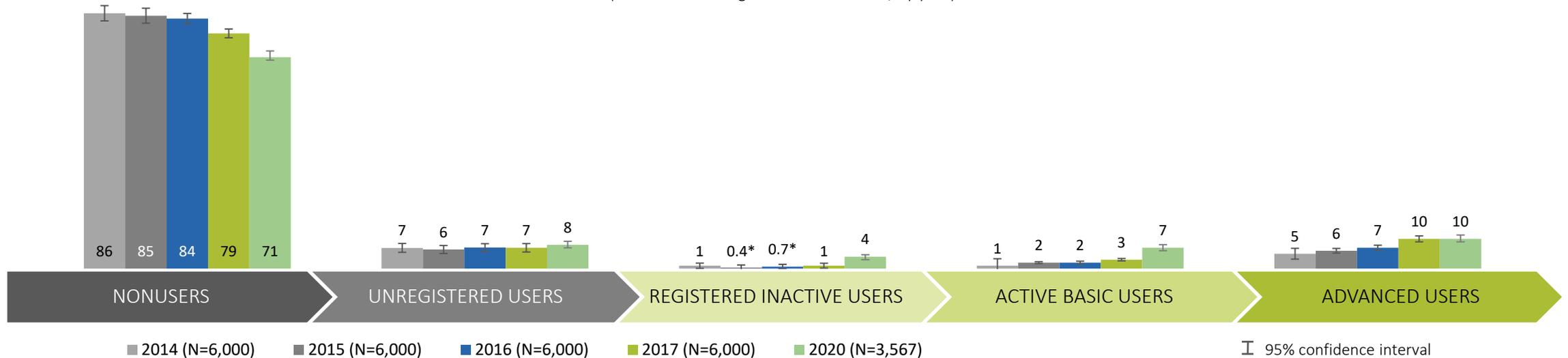


CUSTOMER JOURNEY TREND

The number of active basic users showed the greatest increase, while the percentage of nonusers dropped

Nonusers decreased by 8 percentage points from 2017 to 2020. This change resulted in a corresponding increase in unregistered users by 1 percentage point, a three-point increase in registered inactive users, and a four-point increase in active basic users. Meanwhile, the proportion of **advanced users** who engaged in activities such as saving, borrowing and investment was unchanged at 10% of adults.

Change over time in each segment of the customer journey for all financial institutions
 (Shown: Percentage of Pakistan adults, by year)



*Fewer than 50 observations

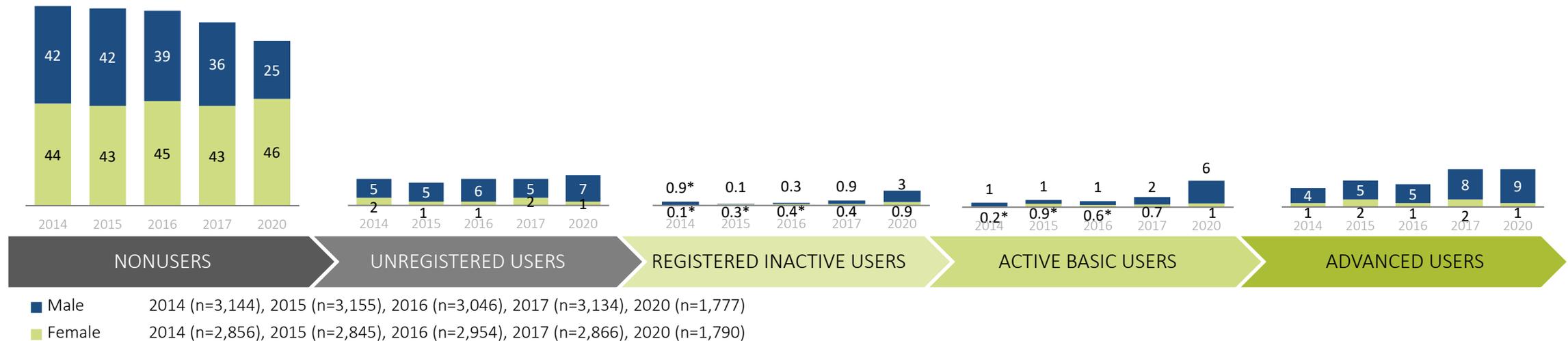
Source: Kantar Pakistan FII Tracker surveys, Wave 2 (N=6,000, 15+), September-December 2014; Wave 3 (N=6,000, 15+), September-October 2015; Wave 4 (N=6,000, 15+), September-October 2016; Wave 5 (N=6,000, 15+), September-October 2017; Wave 6 (N=3,567, 15+), February-March 2020.

CUSTOMER JOURNEY TREND, BY GENDER

Persistent gender gaps persist across all stages of the customer journey

A gender breakdown of the customer journey trend shows that the decrease in **nonusers** between 2017 to 2020 was from among males, while the proportion of female nonusers remained the same. Thus, only the male population has grown more financially included on a per capita basis. Female **unregistered users, registered inactive users, active basic users** and **advanced users** remain abysmally low, each standing at approximately 1% of the population.

Change over time in each segment of the customer journey, by gender
 (Shown: Percentage of Pakistan adults, by year and by gender)



*Fewer than 50 observations

Source: Kantar Pakistan FII Tracker surveys, Wave 2 (N=6,000, 15+), September-December 2014; Wave 3 (N=6,000, 15+), September-October 2015; Wave 4 (N=6,000, 15+), September-October 2016; Wave 5 (N=6,000, 15+), September-October 2017; Wave 6 (N=3,567, 15+), February-March 2020.

DEMOGRAPHICS OF EACH CUSTOMER SEGMENT

- The majority of nonusers are women, while men dominate all other segments in the customer journey.
- There is a decline in the proportion of adults with below poverty incomes in later stages of the customer journey.
- While 39% of the population lives in urban areas overall, 55% of advanced users, and 49% of active basic users live in urban areas.

2020: Demographic groups, by customer journey segment
 (Shown: Percentage of Pakistan adults in each segment)

DEMOGRAPHICS	NONUSERS (n=2,559)	UNREGISTERED USERS (n=248)	REGISTERED INACTIVE USERS (n=112)	ACTIVE BASIC USERS (n=273)	ADVANCED USERS (n=375)
 Male	36%	85%	74%	81%	89%
 Female	64%	15%	26%	19%	11%
 Above poverty	31%	37%	34%	40%	47%
 Below poverty	69%	63%	66%	60%	53%
 Rural	64%	61%	65%	51%	45%
 Urban	36%	39%	35%	49%	55%

Source: Kantar Pakistan FII Tracker survey, Wave 6 (N=3,567, 15+), February-March 2020.

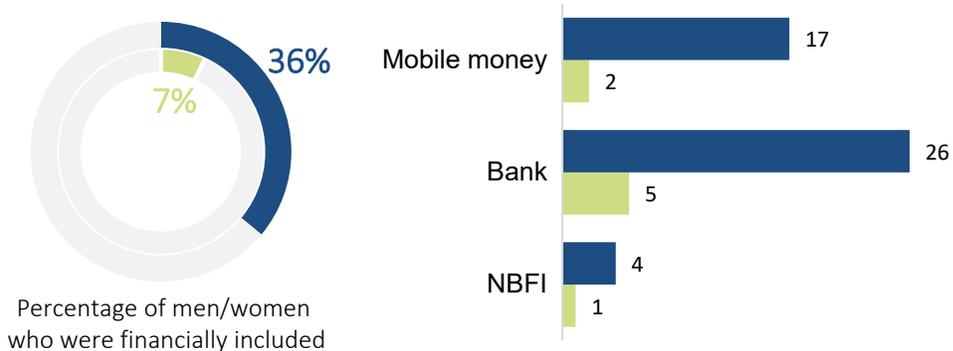
FINANCIAL INCLUSION & GENDER

FINANCIAL INCLUSION AND PHONE OWNERSHIP BY GENDER

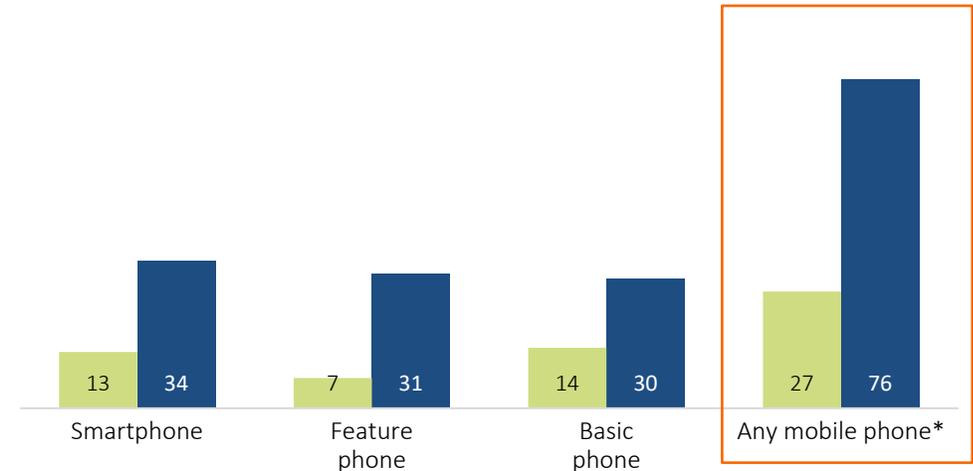
Significant gender gaps were seen in financial inclusion and mobile technology

- Across all phone types, women own phones at a much lower rate than men. In 2020, there was a 29% gender gap in financial inclusion, but a gap of 49% in mobile phone ownership.
- Women are thus far less likely to be equipped with the technology necessary to use digital payments unassisted via a mobile phone.

2020: Financial inclusion by service type
 (Shown: Percentage of Pakistan adults, by gender)



2020: Mobile phone ownership
 (Shown: Percentage of Pakistan adults, by gender)



■ Male (n=1,777)

■ Female (n=1,790)

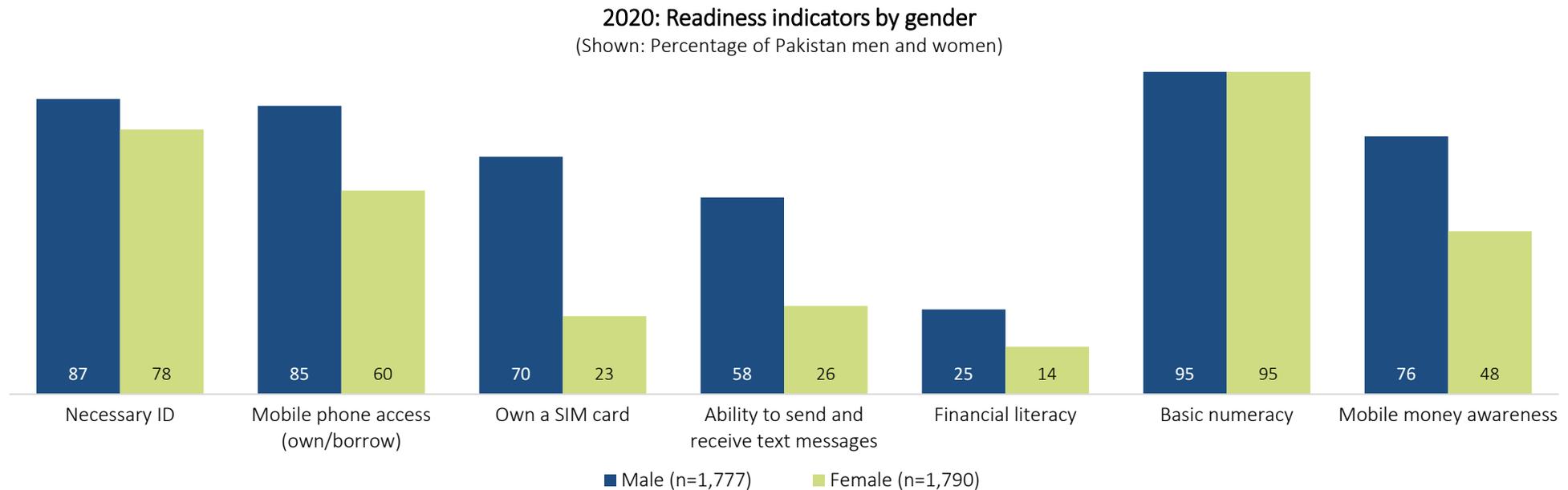
Source: Kantar Pakistan FII Tracker survey, Wave 6 (N=3,567, 15+), February-March 2020.

*Mobile phone users who own one or more of each type of phone

READINESS: MEN VS. WOMEN

Women have lower scores than men across all indicators of readiness for financial inclusion, except for basic numeracy

The widest gap between men and women was in the ownership of a SIM card – a gap of 47% -- with less than one-fourth of women owning their own SIM. However, 60% of women still had access to a mobile phone, presumably borrowing it from male family members. While 25% of men vs. 14% women were financially literate, 95% of both men and women had basic numeracy skills.



Source: Kantar Pakistan FII Tracker survey, Wave 6 (N=3,567, 15+), February-March 2020.

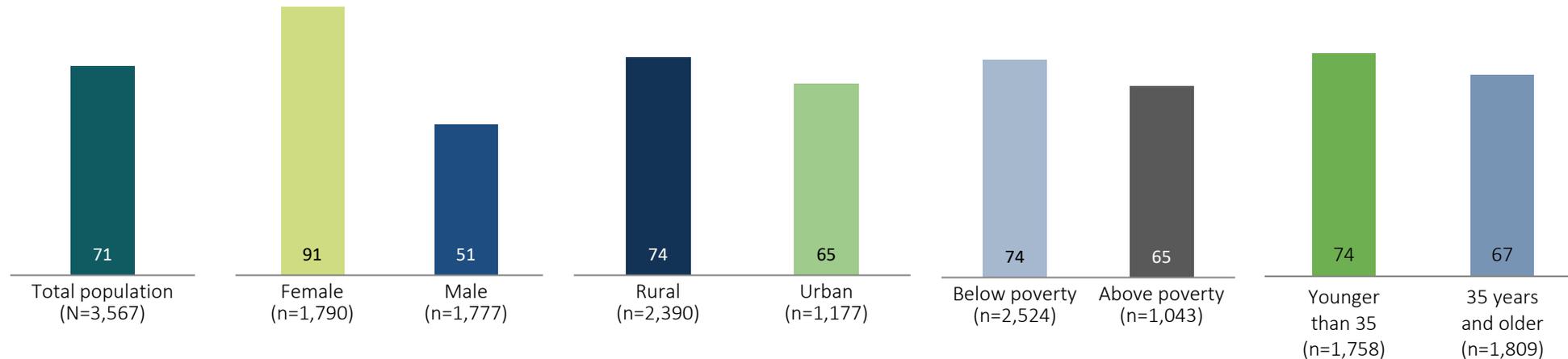
FINANCIALLY EXCLUDED

NONUSERS, BY DEMOGRAPHIC GROUP

Nine out of 10 women are nonusers of financial services

Nonusers, who make up 71% of the population, record a huge gender gap skewed towards women. The skew against populations that are rural, living below the poverty line or are younger than 35 is also significant.

2020: Nonusers, by demographic group
 (Shown: Percentage of each demographic group who are nonusers)



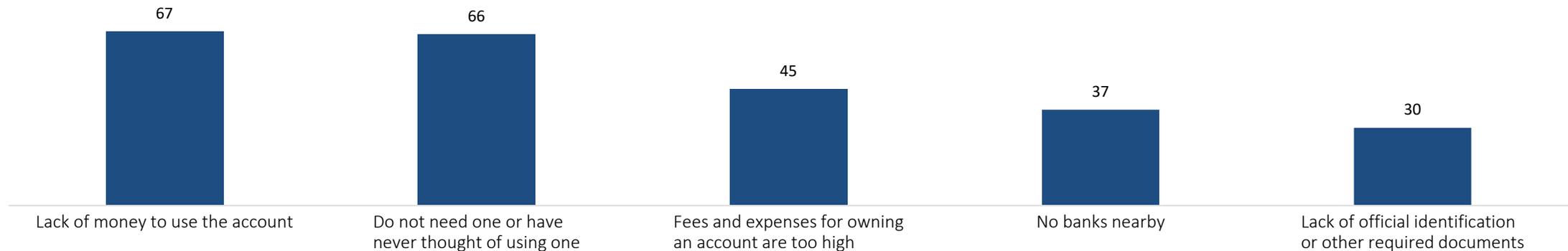
Source: Kantar Pakistan FII Tracker survey, Wave 6 (N=3,567, 15+), February-March 2020.

BARRIERS TO BANK ACCOUNT OWNERSHIP

Lack of money to use an account and lack of necessity were the most often reported barriers to bank account ownership

The 85% of adults in Pakistan who lack bank accounts report various reasons for not having an account. Lack of need and lack of money may be addressed by channeling more payments through banks. Fees and expenses are another major reason for not owning a bank account, as perceived by the population.

2020: Top reasons for not registering with a bank account
 (Shown: Percentage of bank nonusers reporting somewhat/strongly agree, n=2,932)



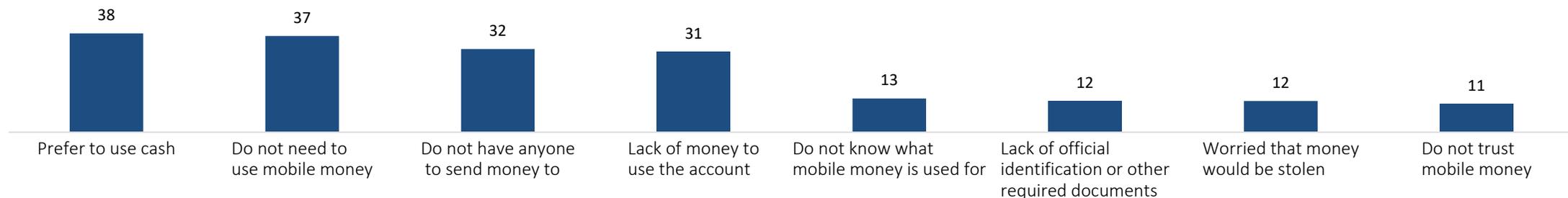
Source: Kantar Pakistan FII Tracker survey, Wave 6 (N=3,567, 15+), February-March 2020.

BARRIERS TO MOBILE MONEY ACCOUNT OWNERSHIP

Preference for cash and a perceived lack of need are the largest barriers to mobile money account ownership

Nearly 4 out of 10 adults (38%) who do not use mobile money report that they prefer to use cash instead. Additionally, 31% did not perceive a need to use mobile money, and 26% had no person to whom they would send money. Nearly one third (31%) reported lacking enough money to make an account useful. Compared to those who lack bank accounts, 30% of whom reported that a lack of official identification prevented them from opening an account, only 12% mentioned this barrier for mobile money.

2020: Top reasons for not registering a mobile money account
 (Shown: Percentage of mobile money nonusers reporting somewhat/strongly agree, n=3,027)

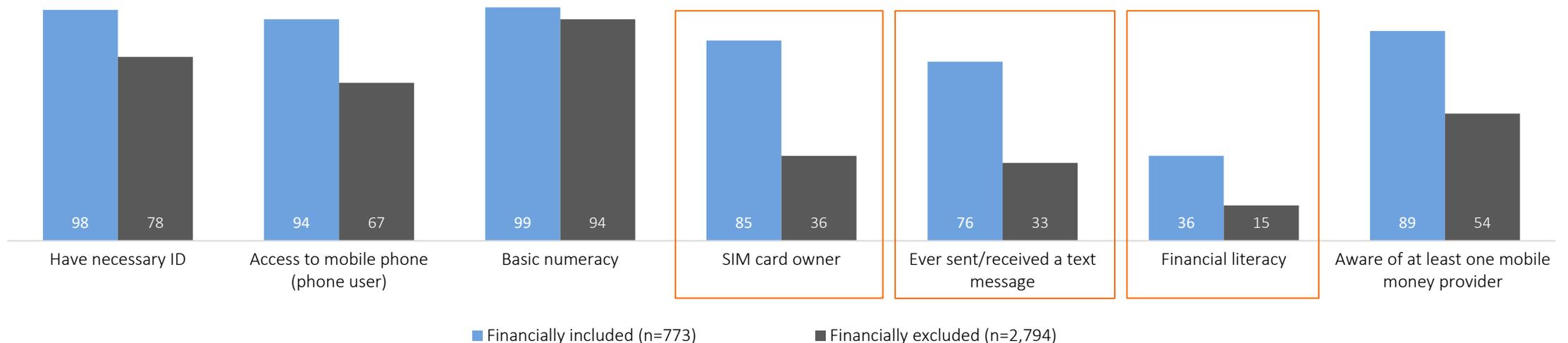


READINESS TO ACCESS FINANCIAL SERVICES: INCLUDED VS. EXCLUDED

The biggest readiness gaps were in SIM card ownership and the ability to operate a mobile phone

- The rate of SIM card ownership among financially included adults was 2.36 times greater than among the excluded. Similarly, sending text messages was 2.3 times more prevalent among the included versus the excluded population. Thus, those who lack access to phones or SIM cards, or lack digital skills such as text messaging, are unlikely to use financial services unassisted on their phone.
- While financially included and excluded populations had similar levels of basic numeracy, there was a gap of 21 percentage points in financial literacy between included and excluded adults, even though only 36% of the financially included population is financially literate.

2020: Readiness indicators, by financially included vs. excluded
 (Shown: Percentage of Pakistan adults who are financially included vs. excluded)

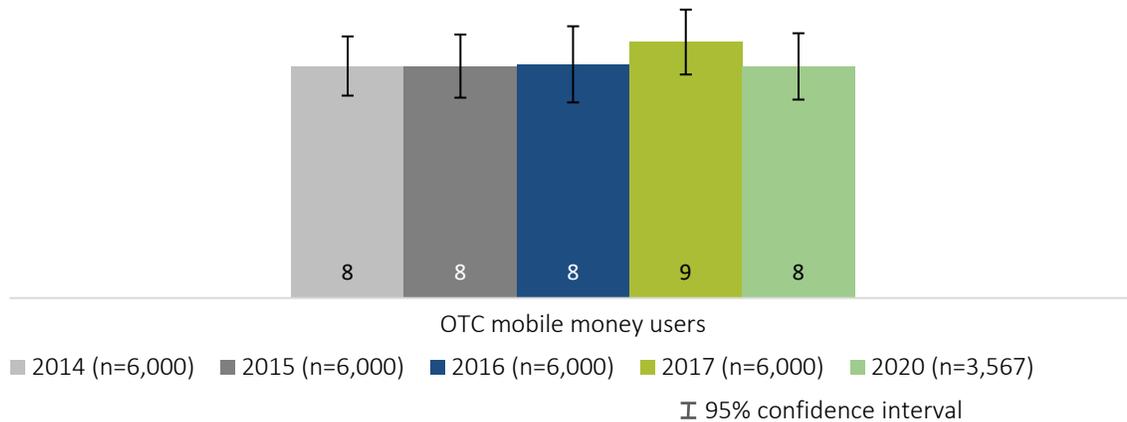


Source: Kantar Pakistan FII Tracker survey, Wave 6 (N=3,567, 15+), February-March 2020.

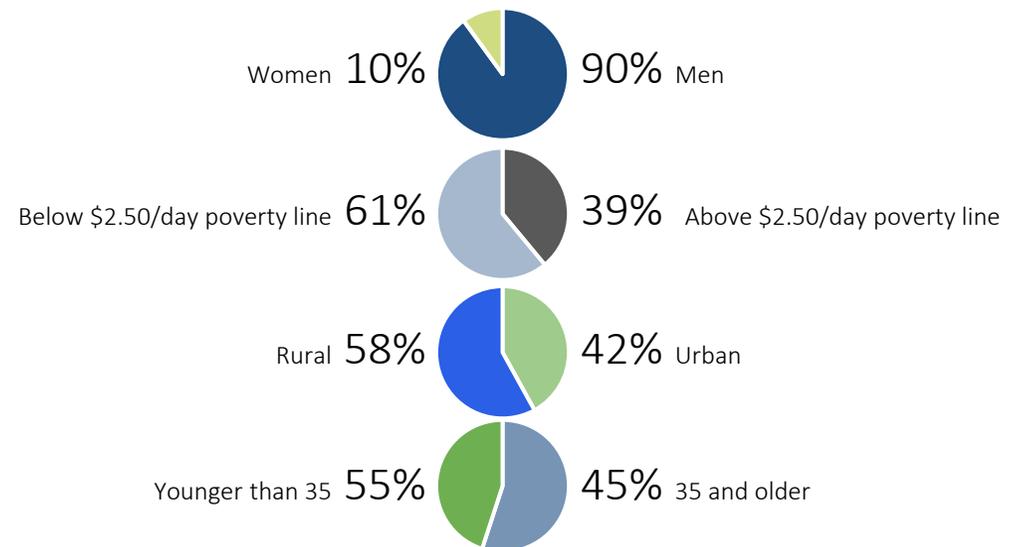
OVER-THE-COUNTER (OTC) MOBILE MONEY USERS

- The proportion of adults who used mobile money OTC without having an account has remained statistically unchanged since 2014.
- An overwhelming number of OTC users were men, accounting for 9 out of 10 OTC users.
- Rural, below the poverty line populations account for a large chunk of OTC users, but are still lower compared to their representation in the sample. On the other hand, urban users are 39% of the total sample but account for 42% of OTC users, while those above the poverty line account for 34% of the sample but 39% of OTC users.

Unregistered (OTC) mobile money users
 (Shown: Percentage of Pakistan adults, by year)



2020: Unregistered (OTC) mobile money users, by demographic
 (Shown: Percentage of Pakistan adults who access mobile money over the counter, n=278)



Source: Kantar Pakistan FII Tracker surveys, Wave 2 (N=6,000, 15+), September-December 2014; Wave 3 (N=6,000, 15+), September-October 2015; Wave 4 (N=6,000, 15+), September-October 2016; Wave 5 (N=6,000, 15+), September-October 2017; Wave 6 (N=3,567, 15+), February-March 2020.

FINANCIALLY INCLUDED

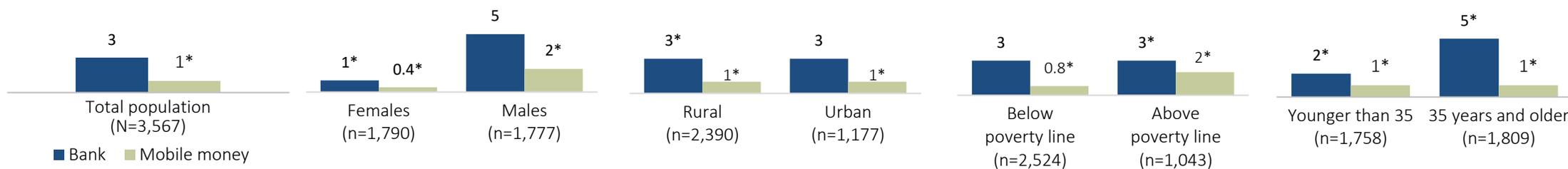
REGISTERED INACTIVE USERS, BY DEMOGRAPHIC GROUP

Male bank account owners over 35 years old were the largest group of users who had accounts but didn't use them for over 90 days before the survey

Four percent of the population reported that they held an account but did not use it within 90 days of the survey. Inactive bank users were 3% of adults, and only 1% had inactive mobile money accounts. As with other user segments, there was a large gender gap for both bank and mobile money accounts.

2020: Inactive users of registered bank accounts, by demographic group

(Shown: Percentage of each demographic group who are registered inactive users of each type of financial institution)



*Fewer than 50 observations

Source: Kantar Pakistan FII Tracker survey, Wave 6 (N=3,567, 15+), February-March 2020.

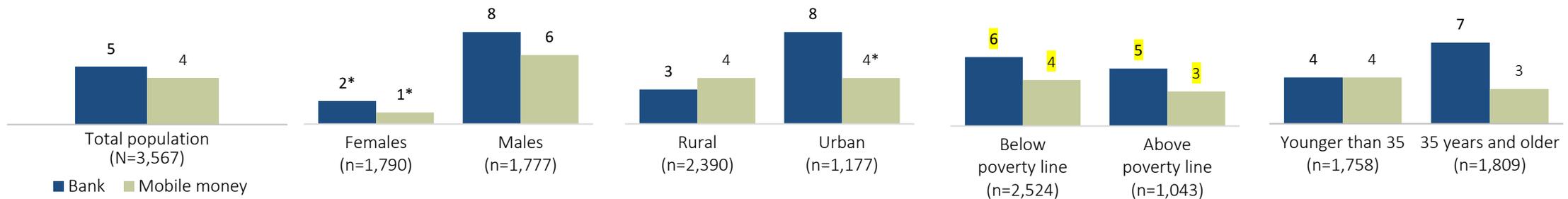
ACTIVE BASIC USERS, BY DEMOGRAPHIC GROUP

Active basic users are mostly men from urban areas and above the age of 35

Over 5% of the adult population are active basic users of banks, while another 4% are active basic users of mobile money. Across subgroups, the proportion of active basic users of banks is greater than or equal to those who use mobile money, except among rural adults, 4% of whom use mobile money vs. 3% who use banks.

2020: Active users of registered bank accounts, by demographic group

(Shown: Percentage of each demographic group who are registered active users of each type of financial institution)



*Fewer than 50 observations

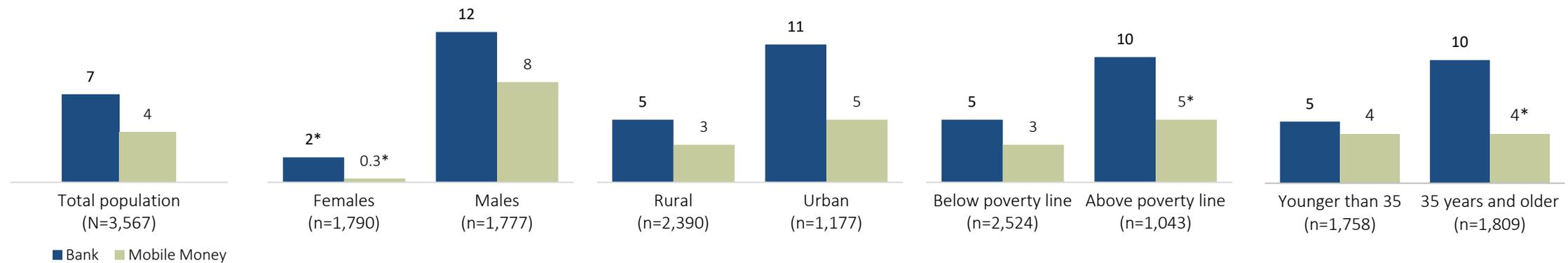
Source: Kantar Pakistan FII Tracker survey, Wave 6 (N=3,567, 15+), February-March 2020.

ADVANCED USERS, BY DEMOGRAPHIC GROUP

Advanced users were more commonly urban men with incomes above the poverty line

Advanced users mainly had bank accounts, although mobile money users are a growing share of this segment. Seven percent of advanced users reported having a bank account, while 4% had a mobile money account. While the population under 35 was half as likely as those over 35 to be advanced users of bank accounts, both age groups had an equal proportion of advanced mobile money users. This finding suggests that younger adults are contributing more to adoption of advanced mobile money services than bank services.

2020: Advanced users, by demographic and institution
 (Shown: Percentage of each demographic group who are advanced users of each type of institution)



*Fewer than 50 observations

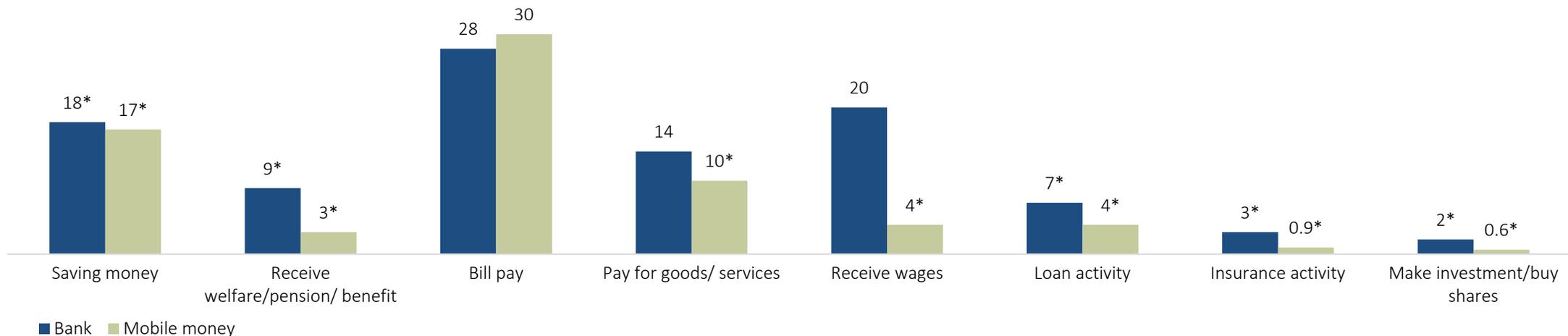
Source: Kantar Pakistan FII Tracker survey, Wave 6 (N=3,567, 15+), February-March 2020.

ADVANCED USER 90-DAY ACCOUNT ACTIVITIES

Paying bills was the most frequently reported advanced activity, followed by receiving wages, saving money and paying for goods and services

The typical advanced user reported engaging in a wide range of activities, such as paying bills, receiving wages, saving money and merchant payments. Activities such as receiving welfare or pension, receiving wages and loan activity was more likely to be done using bank accounts, while both bank and mobile money accounts almost equally for activities such as bill payments and saving money.

2020: Advanced users' account activities in last 90 days, by activity and institution
 (Shown: Percentage of advanced users, n=375)



*Fewer than 50 observations

Source: Kantar Pakistan FII Tracker survey, Wave 6 (N=3,567, 15+), February-March 2020.

KEY INDICATORS SUMMARY

Key Indicators	2014	2015	2016	2017	2020	Base Definition
	%, Base n	%, Base n	%, Base n	%, Base n	%, Base n	
Adults (15+) who have active digital stored-value accounts	6% (+/- 0.9%)	8% (+/- 1.1%)	8% (+/- 1.2%)	12% (+/- 1.3%)	18% (+/-1.8%)	All adults
	6,000	6,000	6,000	6,000	3,567	
Poor adults (15+) who have active digital stored-value accounts	4% (+/- 0.9%)	5% (+/- 1.2%)	4% (+/- 1.0%)	8% (+/- 1.5%)	15% (+/-1.8%)	All poor
	3,102	3,074	2,893	3,201	2,524	
Poor women (15+) who have active digital stored-value accounts	1%* (+/- 0.7%)	3%* (+/- 1.1%)	2%* (+/- 1.2%)	5% (+/- 1.9%)	3% (+/-1.3%)	All poor females
	1,300	1,426	1,316	1,495	1,268	
Rural women (15+) who have active digital stored-value accounts	2%* (+/- 0.9%)	3% (+/- 1.2%)	3% (+/- 1.4%)	5% (+/- 1.7%)	2% (+/-1.1%)	All rural females
	1,760	1,745	1,829	1,845	1,199	
Adults (15+) who actively use digital stored-value accounts and have accessed at least one advanced financial service (beyond basic wallet & P2P)	5% (+/- 0.9%)	6% (+/- 0.9%)	6% (+/- 1.1%)	9% (+/- 1.2%)	10% (+/-1.4%)	All adults
	6,000	6,000	6,000	6,000	3,567	
Poor adults (15+) who actively use digital stored-value accounts and have accessed at least one advanced financial service (beyond basic wallet & P2P)	3% (+/- 0.8%)	4% (+/- 1.0%)	3% (+/- 0.7%)	6% (+/- 1.1%)	8% (+/-1.3%)	All poor
	3,102	3,074	2,893	3,201	2,524	
Poor women (15+) who actively use digital stored-value accounts and have accessed at least one advanced financial service (beyond basic wallet & P2P)	1%* (+/- 0.7%)	1%* (+/- 0.6%)	0.9% (+/- 0.6%)	3% (+/- 1.7%)	1% (+/-0.8%)	All poor females
	1,300	1,426	1,316	1,495	1,268	
Rural women (15+) who actively use digital stored-value accounts and have accessed at least one advanced financial service (beyond basic wallet & P2P)	2% (+/- 0.9%)	2% (+/- 0.7%)	2% (+/- 1.2%)	4% (+/- 1.6%)	0.8% (+/-0.6%)	All rural females
	1,760	1,745	1,829	1,845	1,199	

Digital stored-value accounts: accounts in which a monetary value is represented in a digital electronic format and can be retrieved/transferred by the account owner remotely. For this particular study, DSVAs include a bank account or NBFi account with digital access (a card, online access or a mobile phone application) and a mobile money account.

AGRICULTURE & FINANCIAL INCLUSION

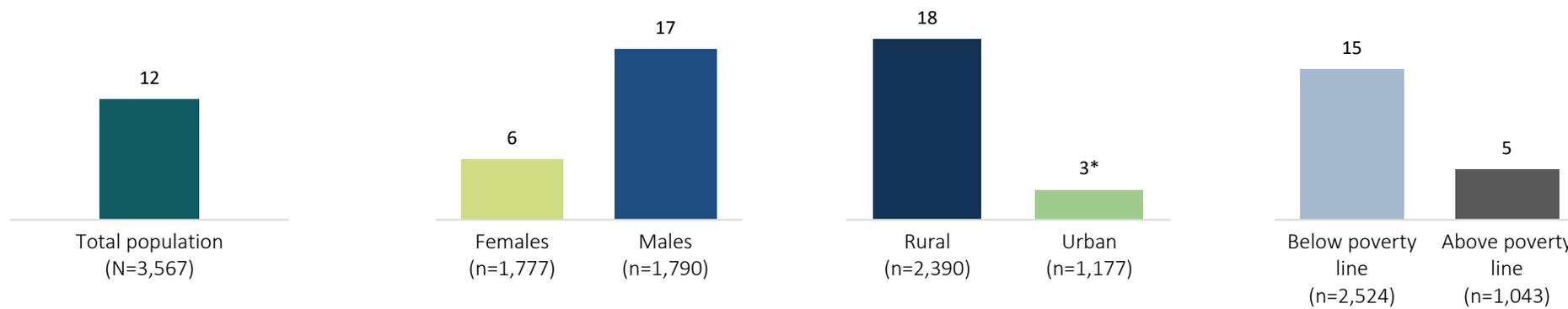
INCOME FROM AGRICULTURE

Agricultural income was mainly earned by men who lived in rural areas and had incomes below the poverty line

Overall, only 12% of the population reported income from agriculture. Men were nearly thrice as likely to earn income from agriculture than women. Income was received from agriculture by 18% of the rural population, compared to 3% of the urban population. Similarly, while 15% of the below poverty line population earned an income from agriculture, only 5% of those with incomes above the poverty line had income from agriculture.

2020: Population earning agricultural income

(Shown: Percentage of each demographic group who generate income from agricultural activities)



*Fewer than 50 observations

Source: Kantar Pakistan FII Tracker survey, Wave 6 (N=3,567, 15+), February-March 2020.

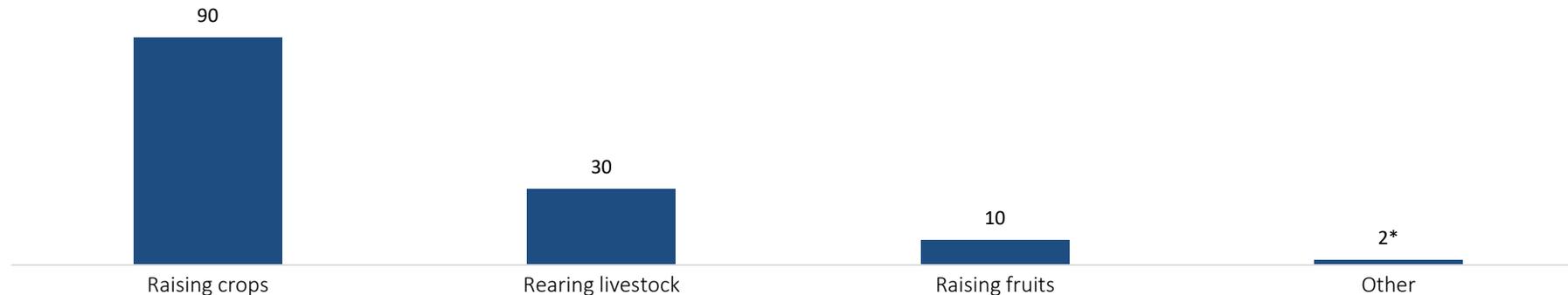
AGRICULTURAL ACTIVITIES THAT GENERATE AN INCOME

Raising crops was the primary income-generating activity

Nine out of ten adults involved in the agricultural sector generate their income from raising crops. About 30% generate their agricultural income from rearing livestock, while 10% cultivate fruits. Some raise a combination of crops, fruits or livestock, thus accounting for the total percentage crossing 100.

1 out of 10 adults in Pakistan raises crops to earn an income

2020: Activities in the agricultural sector
 (Shown: Percentage of adults who earn income from agriculture, n=513)



*Fewer than 50 observations

Source: Kantar Pakistan FII Tracker survey, Wave 6 (N=3,567, 15+), February-March 2020.

PREDOMINANT WORKING ARRANGEMENT

Land tenancy and ownership are the primary working arrangement for agriculture

Those involved in agriculture are mainly tenants leasing lands for agricultural activities (35%) or landowners working on their own land (31%). Of those who earn income from agriculture, 12% work as casual laborers for landowners or tenants and 18% are landowners cum tenants.

2020: Predominant working arrangement
(Shown: Percentage of adults who earn income from agriculture, n=513)

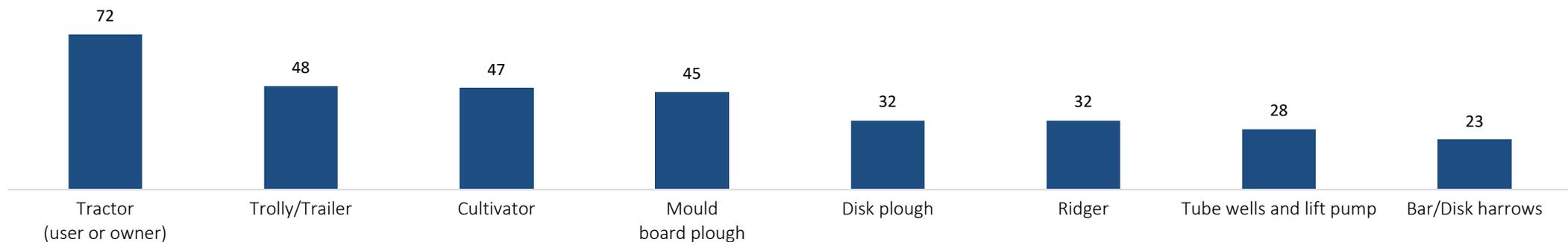


MACHINERY USED

Tractors are the most widely used type of machinery, due to its compatibility with other tools

Almost three quarters of those with incomes from agriculture (72%) used a tractor, while only 13% of those that raise an income from agriculture own their tractors. There are several other tools that are used as accessories to the tractors, such as cultivators (47%), trolleys (48%), mould board ploughs (45%) and disk ploughs (32%).

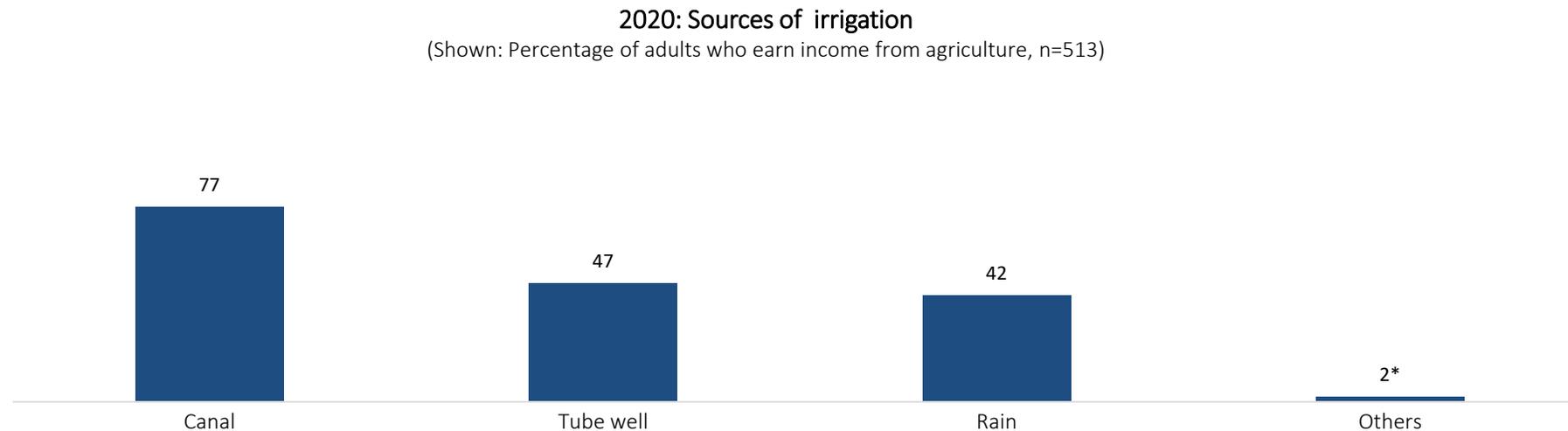
2020: Machinery used in the farm
 (Shown: Percentage of adults who earn income from agriculture, n=513)



SOURCES OF IRRIGATION

High reliance on canals and tube wells for supply of water for agriculture

Many of farmers use a combination of irrigation methods. More than three quarters (77%) of the population tend to their irrigation needs by using water from canals, while almost half (47%) draw water from tube wells. Over 42% of farmers rely on the rain to fulfil their irrigation needs as well.



*Fewer than 50 observations

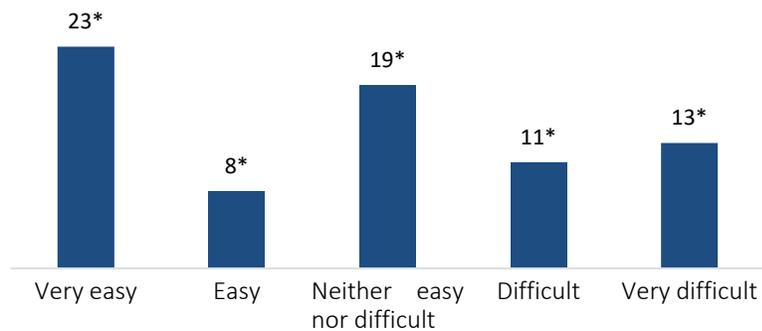
Source: Kantar Pakistan FII Tracker survey, Wave 6 (N=3,567, 15+), February-March 2020.

RENTAL OF TRACTORS

Almost a fourth of adults who own a tractor find it very easy to rent out

However, roughly 7 out of 10 of those that own tractors haven't tried renting them out at least in the last one year. Only 28% of the population tried to rent out their tractors, and nearly all were successful in doing so.

2020: Ease of renting out a tractor
 (Shown: Percentage of adults who own tractors; n=56)



2020: Ability to rent out tractor
 (Shown: Percentage of adults who own tractors; n=56)



*Fewer than 50 observations

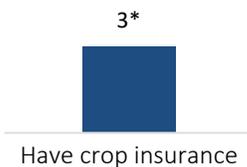
Source: Kantar Pakistan FII Tracker survey, Wave 6 (N=3,567, 15+), February-March 2020.

CROP INSURANCE

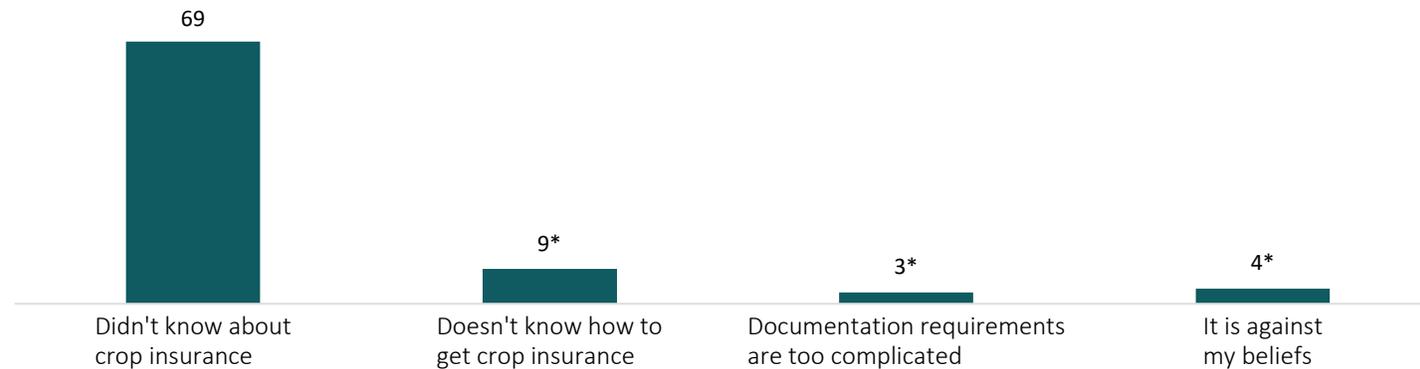
Only 3% of those involved in agriculture had crop insurance

The primary reason most farmers did not have crop insurance was that almost 7 out of 10 farmers had no knowledge of it. The small proportion that knew about crop insurance either weren't familiar with the process of obtaining it or found the documentation requirements and procedure to be too complicated. Further, about 4% of adults said crop insurance was against their beliefs. Thus, communicating the existence and benefits of crop insurance is highly recommended.

2020: Crop insurance
 (Shown: Percentage of adults who earn income from agriculture, n=513)



2020: Reason for not having crop insurance
 (Shown: Percentage of adults who earn income from agriculture, n=513)



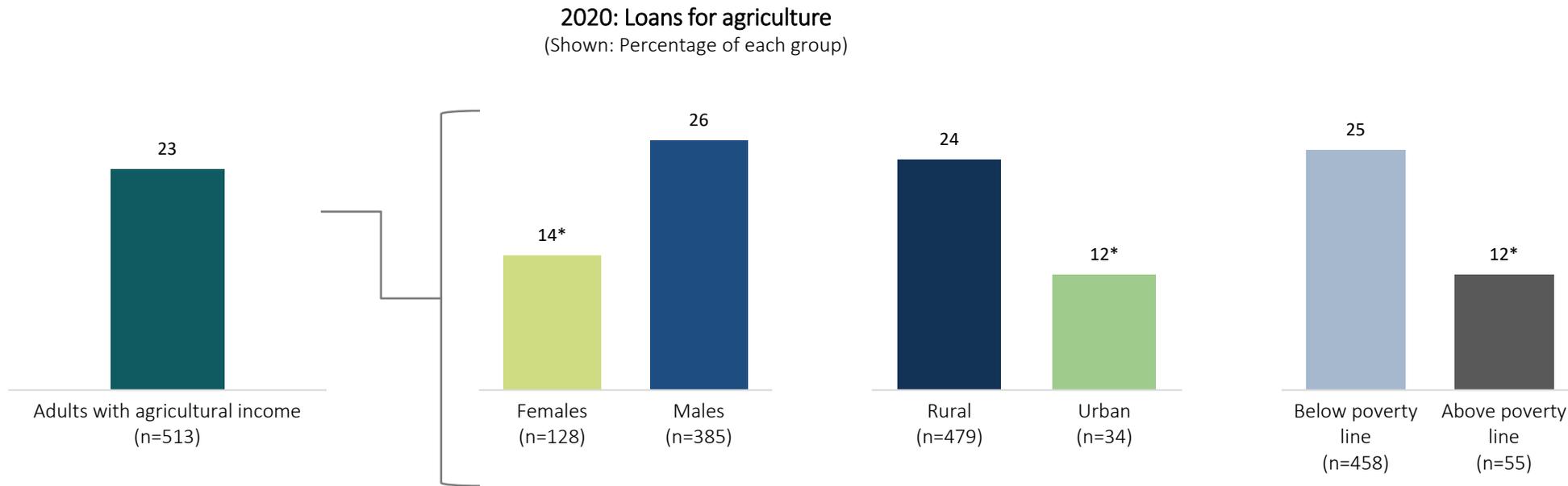
*Fewer than 50 observations

Source: Kantar Pakistan FII Tracker survey, Wave 6 (N=3,567, 15+), February-March 2020.

AGRICULTURAL LOANS

A fourth of those raising an income from agricultural activities had borrowed money for it

About 3% of the total population had borrowed money for agricultural activities from formal sources like banks and microfinance organizations as well as informal sources such as NGOs, money lenders and friends and family. Loan activity was mostly consistent with the involvement of demographic groups in agriculture – higher proportion of sub-groups like men, rural populations and those below the poverty line.



*Fewer than 50 observations

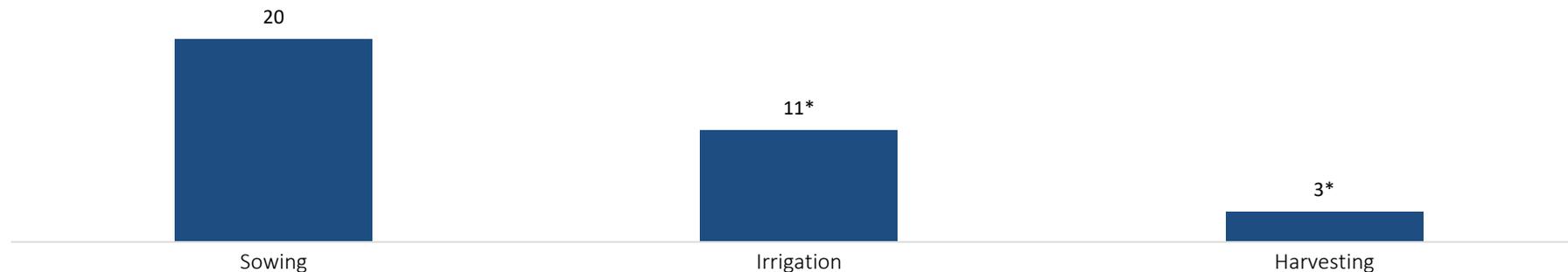
Source: Kantar Pakistan FII Tracker survey, Wave 6 (N=3,567, 15+), February-March 2020.

BORROWING ACTIVITIES

Most borrowing was done to fund sowing and irrigation activities

Of those who had income from agriculture, 20% borrowed to finance sowing (for purchase of seeds and equipment), while 11% was to finance irrigation activities. Only 3% also took loans prior to harvesting activities.

2020: Borrowing by stages of cropping cycle
(Shown: Percentage of adults who earn income from agriculture, n=513)



*Fewer than 50 observations

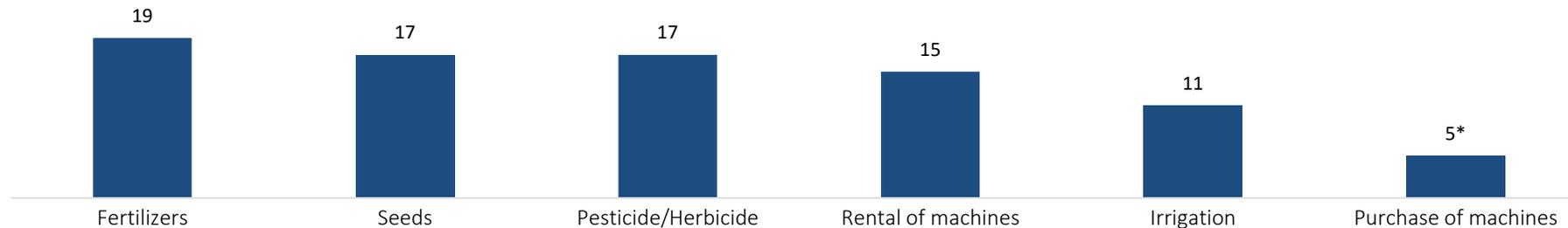
Source: Kantar Pakistan FII Tracker survey, Wave 6 (N=3,567, 15+), February-March 2020.

ACTIVITIES FINANCED BY BORROWING

Loans were mainly used to finance tasks performed during the sowing cycle

Rental of machines (15%), purchases of seeds (17%), fertilizers (19%), pesticides and herbicides (17%) were some of the activities undertaken during the sowing cycle, for which loans were taken.

2020: Borrowing by activities financed
 (Shown: Percentage of adults who earn income from agriculture, n=513)



*Fewer than 50 observations

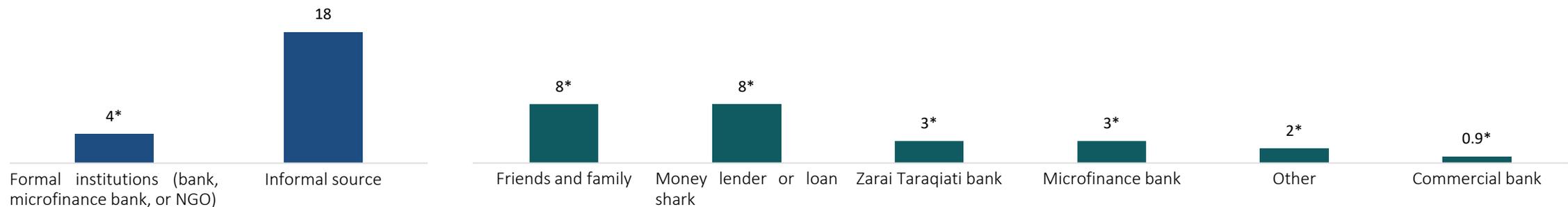
Source: Kantar Pakistan FII Tracker survey, Wave 6 (N=3,567, 15+), February-March 2020.

SOURCES OF BORROWING

Farmers borrowed mainly from informal sources

Only 4% of adults with income from agriculture reported borrowing from formal institutions such as Zarai Taraqati (the state agricultural bank), microfinance institutions or commercial banks. In contrast, 18% borrowed from informal lenders such as friends and family, money lenders, and loan sharks.

2020: Sources of borrowing
 (Shown: Percentage of adults who earn income from agriculture, n=513)



*Fewer than 50 observations

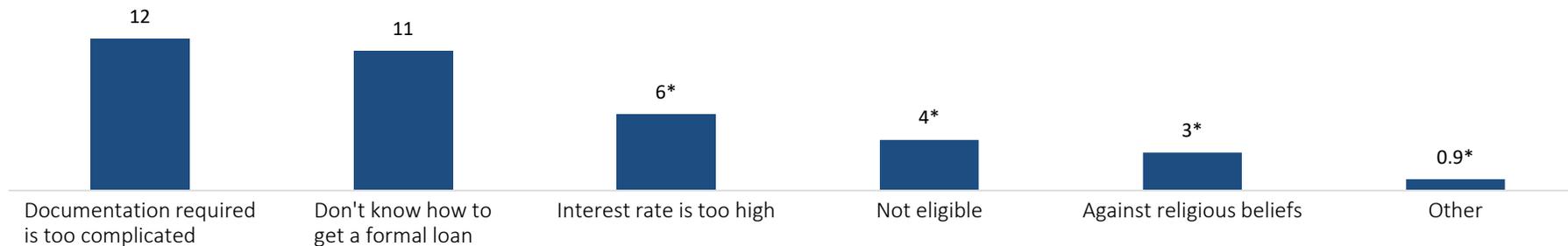
Source: Kantar Pakistan FII Tracker survey, Wave 6 (N=3,567, 15+), February-March 2020.

BARRIERS TO FORMAL BORROWING

The largest barriers are lack of knowledge and lack of required documentation

Farmers reported reasons such as not knowing how to get a loan and a complicated documentation process as the main reasons for not borrowing from a formal source of finance, each accounting for 11% and 12% respectively. Other reasons included high interest rates (6%), ineligibility to apply (4%) and religious beliefs around borrowing on interest (3%).

2020: Top reasons for not borrowing from a formal source
 (Shown: Percentage of adults who earn income from agriculture, n=513)



*Fewer than 50 observations

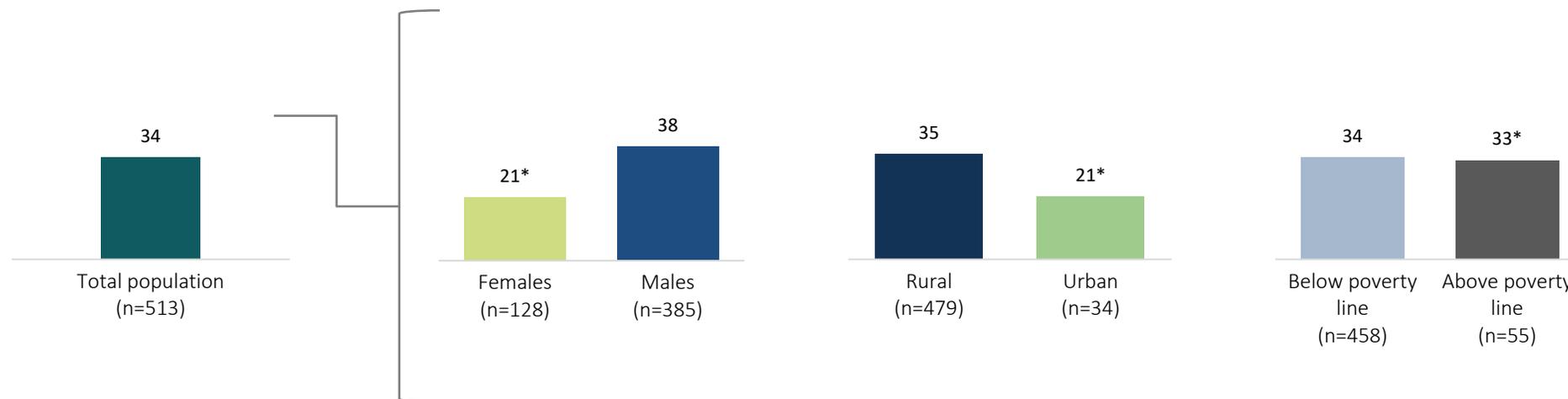
Source: Kantar Pakistan FII Tracker survey, Wave 6 (N=3,567, 15+), February-March 2020.

SAVINGS FROM AGRICULTURAL INCOME

Only a third of those involved in agriculture could make savings from the income

Of the population raising an income from agricultural activities, only 34% could make savings from it. While 38% of men raising an income from agriculture made savings (or 7% of all men), only 21% of women (or 1% of total women) could do so. In proportion to those involved in agriculture, a marginally higher proportion of those above the poverty line could make savings compared to those living below the poverty line.

2020: Population making savings from agricultural income
 (Shown: Percentage of adults who earn income from agriculture, n=513)



*Fewer than 50 observations

Source: Kantar Pakistan FII Tracker survey, Wave 6 (N=3,567, 15+), February-March 2020.

USE OF AGRICULTURAL SAVINGS

More than half of those who made savings re-invested them back into the farm

Overall, 20% of those involved in agriculture routed their savings back into farming operations. Savings for future purchases were made by 7% of the population, and another 7% made savings to use in emergencies.

2020: Use of savings from agricultural income
(Shown: Percentage of adults who earn income from agriculture, n=513)



*Fewer than 50 observations

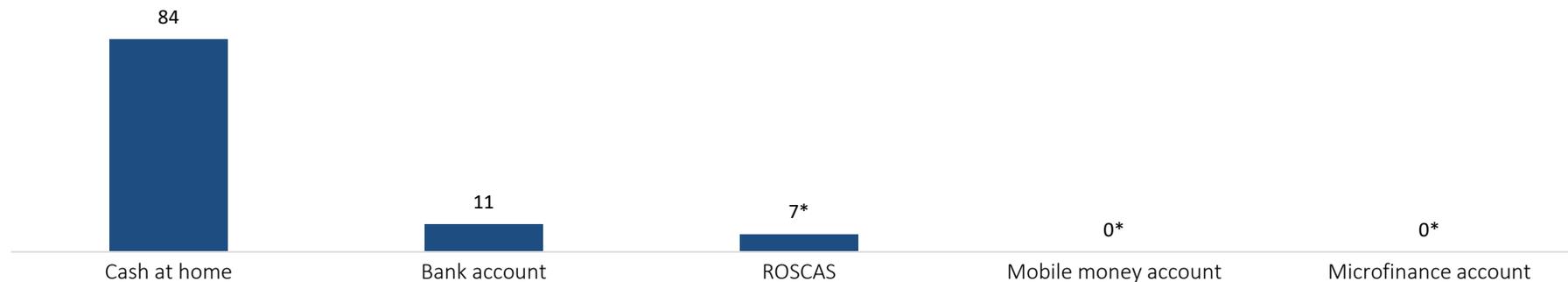
Source: Kantar Pakistan FII Tracker survey, Wave 6 (N=3,567, 15+), February-March 2020.

AGRICULTURAL SAVINGS

Farmers typically store their savings in cash at home

Of the population of those raising an income from agriculture, 84% chose to store savings made from agricultural activities in the form of cash, at home, rather than using a financial institution to do so. A mere 11% stored agricultural savings in a bank account, while 7% saved through ROSCAs. No savings were reported to be saved in a mobile money or microfinance account.

2020: Form of keeping savings from agricultural income
 (Shown: Percentage of adults who earn income from agriculture, n=513)



*Fewer than 50 observations

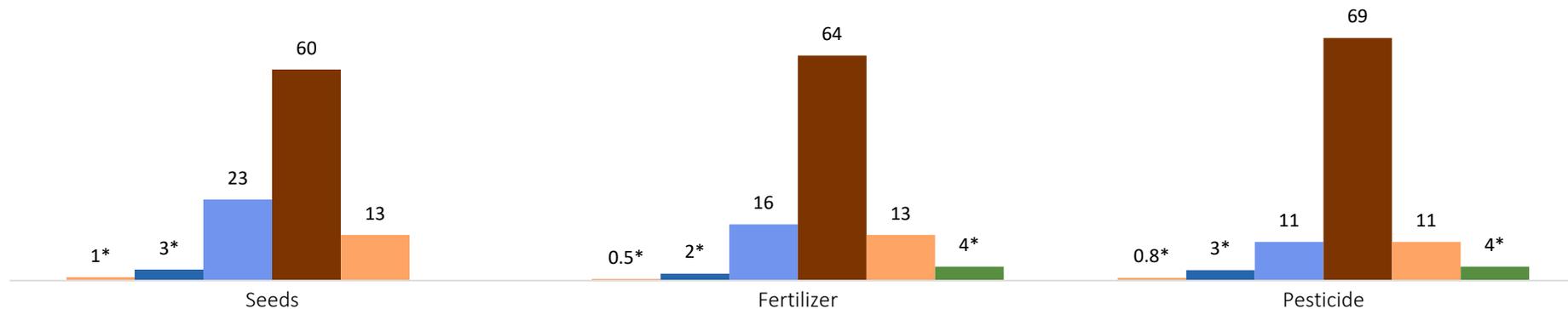
Source: Kantar Pakistan FII Tracker survey, Wave 6 (N=3,567, 15+), February-March 2020.

SOURCES OF INFORMATION FOR BUYING AGRICULTURAL PRODUCTS

Shopkeepers were the most important source of information on agricultural products

The majority of those involved in agricultural activities relied on the shopkeeper’s suggestion to receive information about agricultural products such as seeds, fertilizers and pesticide. Word of mouth was also a trusted source of information, especially for seeds. Other sources such as internet and agricultural centers and universities had negligible impact.

2020: Sources of information for decision making on agricultural products
 (Shown: Percentage of adults who earn income from agriculture, n=513)



Internet Agricultural research center or university Word of mouth Shopkeeper's suggestion Other Do not use

*Fewer than 50 observations

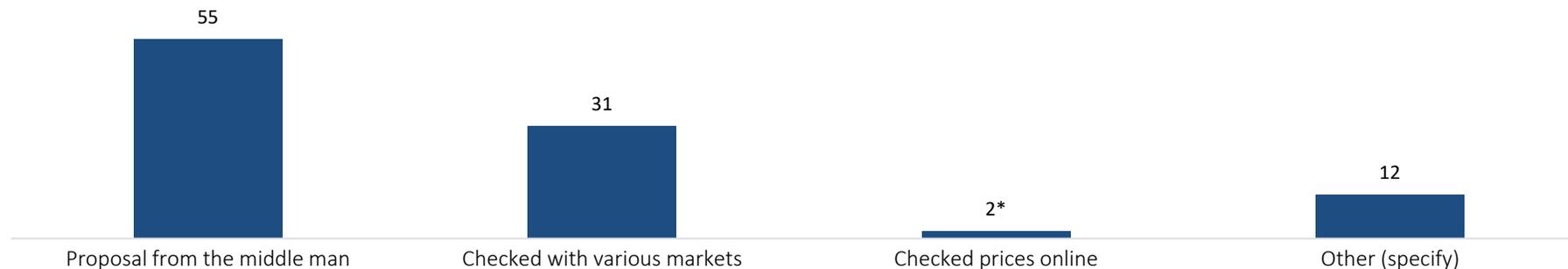
Source: Kantar Pakistan FII Tracker survey, Wave 6 (N=3,567, 15+), February-March 2020.

SOURCES OF INFORMATION FOR SELLING AGRICULTURAL PRODUCTS

Proposals from middle-men was the primary source of information for more than half farmers

For 55% of those who earned income from agriculture, the proposal made by middle-men was the primary source of information for determining the price to sell their harvest. Three out of 10 farmers also checked the prices at various markets before finalizing a cost for their harvest.

2020: Sources of information to determine selling price of agricultural produce
 (Shown: Percentage of adults who earn income from agriculture, n=513)



*Fewer than 50 observations

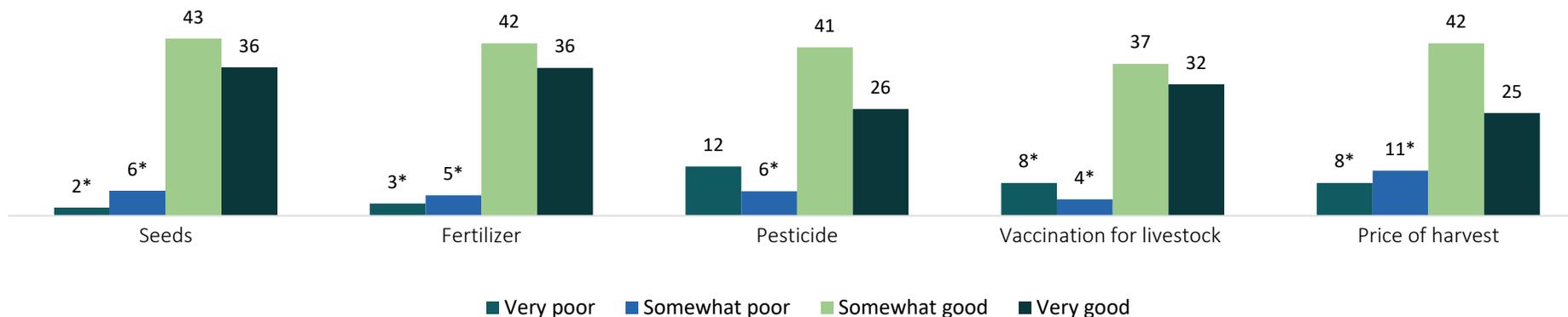
Source: Kantar Pakistan FII Tracker survey, Wave 6 (N=3,567, 15+), February-March 2020.

QUALITY OF INFORMATION

Most farmers are satisfied with the quality of information received for agricultural products

Most farmers reported that the quality of information they received for agricultural products such as seeds, fertilizer, pesticide, vaccination of livestock and price of harvest fell in the “somewhat good” to “very good” range. However, 12% farmers rated the quality of information for pesticides to be ‘very poor.’

2020: Rating of quality of information for agricultural products
 (Shown: Percentage of adults who earn income from agriculture, n=513)



*Fewer than 50 observations

Source: Kantar Pakistan FII Tracker survey, Wave 6 (N=3,567, 15+), February-March 2020.

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