This Rakhine state dashboard on financial inclusion gives a high-level overview of the adult population uptake and usage of financial products and services. The dashboard also describes the adult perceptions, attitudes and needs within the Rakhine state.

Demographics

Rakhine is home to about 1.35 million adults or close to 4% of the adult population in Myanmar. The largest concentration of adults are in Yangon (17%) and Mandalay (13%).

Married 71% 82%
Divorced/Separated 1% 2%
Widowed 7% 6%
Single 11% 21%

Rakhine
Myanmar

Marital status

18 - 24 years 12% 19%
25 - 34 years 25% 24%
35 - 44 years 24% 21%
45 - 54 years 19% 17%
55 - 64 years 8% 11%
65 years and older 12% 9%

Rakhine
Myanmar

Male
Female

Male
Female

Age (%)

Male vs. female

Rural vs. urban

Adult population by State/Region

Rakhine (1,355,564)
**Main source of income (%)**

- **$501–$1000**: 1% (Rakhine), 0% (Myanmar)
- **$401–$500**: 3% (Rakhine), 1% (Myanmar)
- **$301–$400**: 3% (Rakhine), 5% (Myanmar)
- **$201–$300**: 6% (Rakhine), 6% (Myanmar)
- **$101–$200**: 19% (Rakhine), 26% (Myanmar)
- **$1–$100**: 18% (Rakhine), 32% (Myanmar)
- **No income**: 18% (Rakhine), 21% (Myanmar)
- **Refused/did not know**: 15% (Rakhine), 15% (Myanmar)

**Monthly income USD (%)**

- **Collection centres**: 4% (Rakhine), 4% (Myanmar)
- **Middleman/agents**: 42% (Rakhine), 42% (Myanmar)
- **Wholesaler**: 4% (Rakhine), 4% (Myanmar)
- **Directly to consumers**: 4% (Rakhine), 4% (Myanmar)
- **Processing centres**: 30% (Rakhine), 30% (Myanmar)
- **Other (Specify)**: 11% (Rakhine), 11% (Myanmar)
- **Retailer**: 5% (Rakhine), 5% (Myanmar)
- **No income**: 3% (Rakhine), 3% (Myanmar)

**Markets for commercial farmers**

- **Farming & fishing**: 17% (Rakhine), 21% (Myanmar)
- **Remittances dependent**: 22% (Rakhine), 12% (Myanmar)
- **Self-employed**: 18% (Rakhine), 18% (Myanmar)
- **Formally-employed (Government)**: 7% (Rakhine), 6% (Myanmar)
- **Formally-employed (Private)**: 3% (Rakhine), 4% (Myanmar)
- **Informally-employed**: 14% (Rakhine), 16% (Myanmar)
- **Other income**: 18% (Rakhine), 21% (Myanmar)
- **No income**: 3% (Rakhine), 3% (Myanmar)

**Mechanism for paying for major expense (%)**

- **Savings**: 74% (Rakhine), 74% (Myanmar)
- **Borrow/credit**: 53% (Rakhine), 53% (Myanmar)
- **Rely on family/friends**: 86% (Rakhine), 86% (Myanmar)
- **Rely on savings**: 87% (Rakhine), 87% (Myanmar)

**Household involvement in farming (%)**

- **OF RAKHINE HOUSEHOLDS ARE MOSTLY SUBSISTENCE OR LARGELY FARMING FOR OWN CONSUMPTION**

- **OF ADULTS HAVE HAD A MAJOR EXPENSE OR EVENT**

**% OF RAKHINE HOUSEHOLDS INVOLVED IN FARMING**

- **32%** borrow from MADB
- **38%** are dependent on savings for their farming inputs
- **41%** claim not to use any inputs

**1USD = ± MMK1,320**

- **$501–$1000**: 1% (Rakhine), 0% (Myanmar)
- **$401–$500**: 3% (Rakhine), 1% (Myanmar)
- **$301–$400**: 3% (Rakhine), 5% (Myanmar)
- **$201–$300**: 6% (Rakhine), 6% (Myanmar)
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- **$1–$100**: 18% (Rakhine), 32% (Myanmar)
- **No income**: 18% (Rakhine), 21% (Myanmar)
- **Refused/did not know**: 15% (Rakhine), 15% (Myanmar)

**OF FARMER HOUSEHOLDS ARE MOSTLY SUBSISTENCE OR LARGELY FARMING FOR OWN CONSUMPTION**

- **74%** of these are dependent on savings for their farming inputs
- **17%** claim not to use any inputs
- **22%** borrow from MADB

**Skipping meal, skipping treatment, skipping school (%)**

- **OF RAKHINE ADULTS HAVE DEPLETED HOUSEHOLD FUNDS FOR FOOD AND OTHER CRITICAL LIVING NEEDS BEFORE THEIR NEXT INCOME**

**Rakhine**: 110'

**Myanmar**: 49'

**OF ADULTS HAVE HAD A MAJOR EXPENSE OR EVENT**

- **72%**

**% OF ADULTS HAVE HAD A MAJOR EXPENSE OR EVENT**

- **Savings**: 74% (Rakhine), 74% (Myanmar)
- **Borrow/credit**: 53% (Rakhine), 53% (Myanmar)
- **Rely on family/friends**: 86% (Rakhine), 86% (Myanmar)
- **Rely on savings**: 87% (Rakhine), 87% (Myanmar)

**Mean time taken to reach destination (minutes - dry season)**

- **Grocery store**: 15', 10'
- **Public access**: 23', 24'
- **Bank**: 53'
- **ATM**: 58'
- **Post office**: 54'
- **Market**: 34'
- **Medical facility**: 34'
- **MFI**: 31', 38'
- **Mobile money**: 49'

**Agreeing with statement (%)**

- **Skipping meal**: 74% (Rakhine), 74% (Myanmar)
- **Skipping treatment**: 60% (Rakhine), 60% (Myanmar)
- **Skipping school**: 60% (Rakhine), 60% (Myanmar)

**OF RAKHINE ADULTS HAVE DEPLETED HOUSEHOLD FUNDS FOR FOOD AND OTHER CRITICAL LIVING NEEDS BEFORE THEIR NEXT INCOME**

- **3%**

**OF ADULTS HAVE HAD A MAJOR EXPENSE OR EVENT**

- **Savings**: 74% (Rakhine), 74% (Myanmar)
- **Borrow/credit**: 53% (Rakhine), 53% (Myanmar)
- **Rely on family/friends**: 86% (Rakhine), 86% (Myanmar)
- **Rely on savings**: 87% (Rakhine), 87% (Myanmar)
Dealing with finances is stressful/a burden: 84% (Rakhine), 63% (Myanmar).

You adjust your expenses according to your income: 65% (Rakhine), 81% (Myanmar).

A budget helps to keep track of how much money you can spend: 81% (Rakhine), 81% (Myanmar).

You often have to spend more money than you have available: 56% (Rakhine), 49% (Myanmar).

You keep track of your income and expenditure on a monthly basis: 12% (Rakhine), 26% (Myanmar).

Of Rakhine adults, 72% have had a major expense or event.

Reasons for not planning (% of those not planning):
- Unplanned expenses: e.g. new clothes, 39% (Rakhine), 23% (Myanmar).
- Irregular/unreliable income, 22% (Rakhine), 23% (Myanmar).
- Not enough income, 10% (Rakhine), 20% (Myanmar).
- Other, 24% (Rakhine), 22% (Myanmar).
- Do not know, 5% (Rakhine), 9% (Myanmar).

Mechanism for paying for major expense (%):
- Savings, 57%.
- Borrow/credit, 27%.
- Rely on family/friends, 19%.

Although poverty symptoms reduced nationally between 2013 and 2018 (22% to 18%). Rakhine citizens have a higher than average prevalence of medical, hunger and educational symptoms due to a lack of money. For medical symptoms, Rakhine households are nearly double (29%) the national rate (15%) while more than double the proportion of households (14%) skipping a meal due to lack of funds.
Financial Inclusion

FinScope measures the perceived ownership/usage of financial products. If an adult (18 years or older) believes to currently have or use a product or service from an institution (e.g. MADB) or family/friend, the individual is classified as accessing financial services, either formally or informally. This classification may deviate from supply-side information (on formal product reporting) as one adult may have multiple products with similar institutions (e.g. savings account with two banks). FinScope only counts this adult once although having multiple products in the access strand. The ‘banked’ category has precedence over other formal channels which has precedence over informal channels. Hence, Finscope and supply-side may differ when reporting on adult perceptions versus accounts in the corresponding supply side analysis.

Overall, 48% of Myanmar adults are formally served while 50% are informally served. Comparatively, 35% of Rakhine adults are formally served with 59% of adults being served informally. Rakhine state has 8% of its household with a formal account compared to 24% nationally - 3 times lower than the national average.

### Financial access (overall)

Bank access is much lower in Rakhine together with other formal (non-bank) product uptake. Low economic activity and stability, remote financial access points and general perceptions of financial services contribute to lower than average financial inclusion compared to national averages.

<table>
<thead>
<tr>
<th>Focus</th>
<th>Regulated/unregulated</th>
<th>Uptake</th>
<th>Main Financial Product</th>
<th>Main Provider(s)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Access</td>
<td>Formal</td>
<td>35%</td>
<td>Credit, payments</td>
<td>MADB, MFI, bank</td>
</tr>
<tr>
<td></td>
<td>Informal</td>
<td>59%</td>
<td>Credit, savings</td>
<td>Savings groups, jewellery, money lenders</td>
</tr>
<tr>
<td>Depth</td>
<td>Formal</td>
<td>12%</td>
<td>Payments</td>
<td>Bank</td>
</tr>
<tr>
<td></td>
<td>Informal only</td>
<td>36%</td>
<td>Credit</td>
<td>Money lenders</td>
</tr>
<tr>
<td>Area</td>
<td>Formal</td>
<td>51%</td>
<td>Payments</td>
<td>Bank</td>
</tr>
<tr>
<td></td>
<td>Informal</td>
<td>71%</td>
<td>Savings</td>
<td>Savings groups, jewellery</td>
</tr>
<tr>
<td>Gender</td>
<td>Male</td>
<td>43%</td>
<td>Credit, payments</td>
<td>MADB, bank</td>
</tr>
<tr>
<td></td>
<td>Informal</td>
<td>63%</td>
<td>Credit</td>
<td>Savings groups, jewellery</td>
</tr>
<tr>
<td></td>
<td>Female</td>
<td>26%</td>
<td>Credit</td>
<td>MFI</td>
</tr>
<tr>
<td></td>
<td>Informal</td>
<td>56%</td>
<td>Credit</td>
<td>Money lenders</td>
</tr>
</tbody>
</table>

Rakhine access strand by gender (%)

Rakhine access strand by location (%)
Rakhine adults use different financial mechanisms (both formal and informal), ranging from borrowing and pawning of goods to saving and investing, to meet their top three needs which are medical, living, and education expenses.

**Formal vs. informal usage of financial products**

Rakhine adults have a high use of informal products with savings being the most popular informal mechanism and followed very closely by informal credit mechanisms. Payments are largely driven by formal mechanisms and very few Rakhine adults use formal saving mechanism.

Informal credit comprises mostly current borrowing from money lenders, employers and getting goods in advance from shop/store. Informal insurance largely comprises community based groups or solidarity systems and funeral or burial societies referred to as Nar yay athin. Informal savings comprise village savings groups such as Su Jay or Su-mae, savings in livestock and jewellery.

**Savings and Investments**

A significant proportion of Rakhine adults save through informal mechanisms (31%) compared to a slightly higher national average of 34% overall. The higher proportion of those that do not save in Rakhine may be due to lower incomes and higher prevalence of adults experiencing poverty related symptoms caused by a lack of money.

Village savings groups and jewellery are the most common informal savings mechanisms. Saving in livestock is uncommon (under 1%) compared to national trend (6%).
Borrowing and Credit

Borrowing from informal (mainly driven by money lenders) is much higher at 36% compared to 22% nationally.

<table>
<thead>
<tr>
<th>Credit strand (%)</th>
<th>Rakhine</th>
<th>Myanmar</th>
</tr>
</thead>
<tbody>
<tr>
<td>Credit at bank</td>
<td>14%</td>
<td>14%</td>
</tr>
<tr>
<td>Credit at other formal (non-bank)</td>
<td>9%</td>
<td>12%</td>
</tr>
<tr>
<td>Credit informal</td>
<td>25%</td>
<td>13%</td>
</tr>
<tr>
<td>Credit with family/friends</td>
<td>6%</td>
<td>7%</td>
</tr>
<tr>
<td>Do not borrow</td>
<td>46%</td>
<td>54%</td>
</tr>
</tbody>
</table>

Remittances and mobile money

Bank remittances – both banked and unbanked users (over the counter) – constitute one of the two main drivers of formal remittances.

<table>
<thead>
<tr>
<th>Remittances strand (%)</th>
<th>Rakhine</th>
<th>Myanmar</th>
</tr>
</thead>
<tbody>
<tr>
<td>Remittances through bank</td>
<td>7%</td>
<td>7%</td>
</tr>
<tr>
<td>Remittances through other formal (non-bank)</td>
<td>11%</td>
<td>6%</td>
</tr>
<tr>
<td>Remittances through informal channels</td>
<td>4%</td>
<td>3%</td>
</tr>
<tr>
<td>Remittances through family/friends</td>
<td>2%</td>
<td>4%</td>
</tr>
<tr>
<td>Do not remit</td>
<td>79%</td>
<td>93%</td>
</tr>
</tbody>
</table>

Insurance and risk management

The biggest income security risks encountered by Rakhine adults in the past 12 months were major illness (20%) and crop failure (26%). The main coping mechanisms for both risks is pawning goods, borrowing money or assistance from others.

<table>
<thead>
<tr>
<th>Insurance strand (%)</th>
<th>Rakhine</th>
<th>Myanmar</th>
</tr>
</thead>
<tbody>
<tr>
<td>Insured</td>
<td>24%</td>
<td>16%</td>
</tr>
<tr>
<td>Other formal (non-bank)</td>
<td>1%</td>
<td>1%</td>
</tr>
<tr>
<td>Informal</td>
<td>11%</td>
<td>6%</td>
</tr>
<tr>
<td>Insured through others</td>
<td>1%</td>
<td>1%</td>
</tr>
<tr>
<td>Not insured</td>
<td>76%</td>
<td>84%</td>
</tr>
</tbody>
</table>

Informal insurance is largely driven by informal funeral funds and solidarity systems. These funeral funds or solidarity systems are usually at village level and mainly social ties are what brings them together to cover the costs of funerals.
Product Depth Strand

The product depth strand classifies adults with their current number of different regulated (formal) products across the four main categories of credit, savings, payments (transactions and remittances), and insurance. The last two tiers are those only using informal (unregulated) products and the excluded (those that do not have/use any financial product/service).

Rakhine product depth strand by gender(%)

<table>
<thead>
<tr>
<th>Product Depth Strand (%)</th>
<th>Male</th>
<th>Female</th>
</tr>
</thead>
<tbody>
<tr>
<td>Have one regulated product</td>
<td>32%</td>
<td>20%</td>
</tr>
<tr>
<td>Have/use two regulated products</td>
<td>27%</td>
<td>7%</td>
</tr>
<tr>
<td>Have/use three regulated products</td>
<td>13%</td>
<td>41%</td>
</tr>
<tr>
<td>Informal product(s) only</td>
<td>3%</td>
<td>6%</td>
</tr>
<tr>
<td>Do not use any formal/informal product(s)</td>
<td>25%</td>
<td>33%</td>
</tr>
</tbody>
</table>

Product depth strand (%)

<table>
<thead>
<tr>
<th>Product Depth Strand (%)</th>
<th>Male</th>
<th>Female</th>
</tr>
</thead>
<tbody>
<tr>
<td>Have one regulated product</td>
<td>23%</td>
<td>31%</td>
</tr>
<tr>
<td>Have/use two regulated products</td>
<td>10%</td>
<td>13%</td>
</tr>
<tr>
<td>Have/use three regulated products</td>
<td>2%</td>
<td>4%</td>
</tr>
<tr>
<td>Informal product(s) only</td>
<td>36%</td>
<td>22%</td>
</tr>
<tr>
<td>Do not use any formal/informal product(s)</td>
<td>29%</td>
<td>30%</td>
</tr>
</tbody>
</table>

Landscape of Access

The Landscape of Access is used to illustrate the extent to which financially included individuals have/use financial products/services (excluding those borrowing from family/friends and those who save at home/saving in secret place). The population here would include those formally included as well informally included.
Key findings

» With a 35% formal financial access, Rakhine significantly trails the national average (48%). Formal financial access is driven mainly by MADB credit (16%), in line with the national average, MFIs, and formal remittance channels.

» Rakhine has higher than national average uptake of informal financial products (59% versus 50%) largely driven by borrowing from money lenders, village savings groups and informal funeral funds/solidarity systems.

» Rakhine has a very high proportion of adults (36%) dependent only on informal mechanisms as compared to the national average (22%).

» Most Rakhine adults only use one formal product (23%), with less using two or three regulated products (12%).

» The proportion of households with one account is at 8% for Rakhine which is two-thirds lower than the national average (24%).

» Urban adults in Rakhine are more formally included at 51% while rural adults are at 32%. Both urban and rural adults that are informally served sit at 36% leaving 32% of rural adults being excluded compared to 13% of urban adults.

» There are significant disparities between female and male adults’ access to financial services in Rakhine. Females have lower bank (12%) and other formal (non-bank) (14%) access compared to males with 25% being banked and 18% having other formal (non-bank) access. Females have higher informal product usage (41%) than males (32%), with a higher exclusion rate at 33%.

Note to Reader: The data displayed depicts the understanding, perceptions and responses to questions of the surveyed adult population asked by well-trained enumerators. The dashboard reflects the demand-side data on financial inclusion for understanding consumer perceptions and behaviour. Disparities emerging between the FinScope findings and supply-side are due to measurement differences, duplication, literacy, awareness, etc. Some of these disparities are explored for follow-up investigation in the MAP Diagnostic Report. Some graphs are not meant to be added due to multiple mention/overlaps. Some of the numbers in the graphics may add to less or more than 100% due to rounding off.