This Ayeyarwady region 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 Ayeyarwady region.

Demographics

Ayeyarwady is home to about 4 million adults or close to 12% of the adult population in Myanmar. The largest concentration of adults are in Yangon (17%) and Mandalay (13%).
**Household involvement in farming (%)**

18% of Ayeyarwady households are mostly subsistence or largely farming for own consumption.

58% of Ayeyarwady households involved in farming.

- 41% are dependent on savings for their farming inputs.
- 31% borrow from MADB.
- 1% claim not to use any inputs.

**Main source of income (%)**

- No income: 19%
- $1—$100: 21%
- $101—$200: 33%
- $201—$300: 19%
- $301—$400: 5%
- $401—$500: 6%
- $501—$1000: 2%
- Refused: 7%
- do not know: 15%

**Markets for commercial farmers**

- Collection centres: 30%
- Middelman/agents: 42%
- Wholesaler: 2%
- Directly to consumers: 16%
- Processing centres: 7%
- Other (Specify): 2%
- Retailer: 1%

**Monthly income USD (%)**

<table>
<thead>
<tr>
<th>Income Range</th>
<th>Ayeyarwady</th>
<th>Myanmar</th>
</tr>
</thead>
<tbody>
<tr>
<td>$1—$100</td>
<td>21%</td>
<td>44%</td>
</tr>
<tr>
<td>$101—$200</td>
<td>33%</td>
<td>19%</td>
</tr>
<tr>
<td>$201—$300</td>
<td>5%</td>
<td>6%</td>
</tr>
<tr>
<td>$301—$400</td>
<td>2%</td>
<td>3%</td>
</tr>
<tr>
<td>$401—$500</td>
<td>1%</td>
<td>1%</td>
</tr>
<tr>
<td>$501—$1000</td>
<td>1%</td>
<td>1%</td>
</tr>
</tbody>
</table>

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

- Grocery store: 11'
- Public access: 26'
- Bank: 53'
- ATM: 58'
- Post office: 54'
- Market: 34'
- Medical facility: 34'
- MFI: 45'
- Mobile money: 49'

1 USD = ± MMK1,320
Dealing with finances is stressful/a burden
Ayeyarwady 73%
Myanmar 63%

You adjust your expenses according to your income
Ayeyarwady 88%
Myanmar 81%

A budget helps to keep track of how much money you can spend
Ayeyarwady 80%
Myanmar 81%

You often have to spend more money than you have available
Ayeyarwady 50%
Myanmar 49%

You keep track of your income and expenditure on a monthly basis
Ayeyarwady 26%
Myanmar 40%

Unplanned expenses e.g. new clothes
Ayeyarwady 25%
Myanmar 23%

Irregular/unreliable income
Ayeyarwady 26%
Myanmar 23%

Not enough income
Ayeyarwady 21%
Myanmar 20%

Unexpected events /have to pay for necessities
Ayeyarwady 2%
Myanmar 2%

Other
Ayeyarwady 21%
Myanmar 22%

Don't know
Ayeyarwady 5%
Myanmar 9%

Reasons for not planning (% of those not planning)

59%
OF AYEYARWADY ADULTS HAVE DEPLETED HOUSEHOLD FUNDS FOR FOOD AND OTHER CRITICAL LIVING NEEDS BEFORE THEIR NEXT INCOME

Poverty symptoms reduced nationally between 2013 and 2018 (22% to 18%). Ayeyarwady citizens have a higher than average prevalence of medical, hunger and educational symptoms due to a lack of money.

62%
OF ADULTS HAVE HAD A MAJOR EXPENSE OR EVENT

15% Borrow/credit
27% Rely on family/friends
70% Savings

Mechanism for paying for major expense (%)
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, 63% of Ayeyarwady adults are formally served, the highest of all states and regions. Ayeyarwady has 58% of adults served informally - one of the highest in the country. The region has 39% of its households with a formal account compared to 24% nationally.

Ayeyarwady adult product ownership or usage is largely driven by the MADB (30%), MFIs (28%) and Cooperatives (10%). MADB (28%) and MFI (24%) credit are the major drivers for formal credit product uptake (31%).

### Financial access (overall)

Bank access is much higher in Ayeyarwady together with a high other formal (non-bank) product uptake. Overall, Ayeyarwady has higher than national average formal financial access predominantly led by bank product uptake. Higher access to banks, formal economic activity, stability and general perceptions may explain the higher than average formal product uptake.

<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 Products</td>
<td>Formal</td>
<td>63%</td>
<td>Credit</td>
<td>MADB, MFI, Cooperatives</td>
</tr>
<tr>
<td></td>
<td>Informal</td>
<td>58%</td>
<td>Savings</td>
<td>Savings groups, jewellery, livestock</td>
</tr>
<tr>
<td>Depth Multiple products</td>
<td>Formal</td>
<td>25%</td>
<td>Credit</td>
<td>MADB, MFI, Cooperatives</td>
</tr>
<tr>
<td></td>
<td>Informal only</td>
<td>19%</td>
<td>Savings</td>
<td>Savings groups, jewellery, livestock</td>
</tr>
<tr>
<td>Area Urban</td>
<td>Formal</td>
<td>62%</td>
<td>Payments</td>
<td>Bank</td>
</tr>
<tr>
<td></td>
<td>Informal</td>
<td>44%</td>
<td>Savings</td>
<td>Savings groups, jewellery</td>
</tr>
<tr>
<td>Rural</td>
<td>Formal</td>
<td>62%</td>
<td>Credit</td>
<td>MFI</td>
</tr>
<tr>
<td></td>
<td>Informal</td>
<td>61%</td>
<td>Savings</td>
<td>Savings groups, jewellery, livestock</td>
</tr>
<tr>
<td>Gender Male</td>
<td>Formal</td>
<td>64%</td>
<td>Credit</td>
<td>MADB, MFI, Cooperatives</td>
</tr>
<tr>
<td></td>
<td>Informal</td>
<td>54%</td>
<td>Savings</td>
<td>Savings groups, jewellery</td>
</tr>
<tr>
<td>Female</td>
<td>Formal</td>
<td>61%</td>
<td>Credit</td>
<td>MFI</td>
</tr>
<tr>
<td></td>
<td>Informal</td>
<td>63%</td>
<td>Savings</td>
<td>Savings groups, jewellery</td>
</tr>
</tbody>
</table>

### Overview of financial access (%)
Ayeyarwady 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**

Ayeyarwady adults have a high use of formal products with only credit being largely formal (49%). Informal savings are the most popular informal mechanism followed closely by informal credit mechanisms.

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

**Savings and Investments**

A significant proportion of Ayeyarwady adults save mainly through informal mechanisms (38%) compared to a lower national average of 34%. In Ayeyarwady, like most other states and regions, most adults depend on informal savings. This is that even though the formal savings(16%) uptake is higher compared to other states and regions.

16% OF AYEYARWADY ADULTS CLAIM TO BELONG TO INFORMAL SAVINGS GROUPS.
Borrowing and Credit

Ayeyarwady leads the nation in borrowing from the formal sector (mainly MADB). Informal borrowing is much higher (31%) than the national average (22%) which is mainly driven by money lenders.

Remittances and mobile money

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

Insurance and risk management

The most common income security risks encountered by Ayeyarwady adults in the past 12 months were major illness (31%) and natural disasters or crop failure (18%). The main coping mechanisms for both risks is pawning goods, borrowing money, using formal account balance or savings.

Formal insurance is largely driven by social security benefit while informal insurance is largely driven by informal funeral funds and solidarity systems.
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).

**Ayeyarwady**

<table>
<thead>
<tr>
<th>Product Depth Strand (%)</th>
<th>Male</th>
<th>Female</th>
</tr>
</thead>
<tbody>
<tr>
<td>3%</td>
<td>18%</td>
<td>37%</td>
</tr>
<tr>
<td>18%</td>
<td>4%</td>
<td>13%</td>
</tr>
<tr>
<td>7%</td>
<td>22%</td>
<td>19%</td>
</tr>
<tr>
<td>19%</td>
<td>30%</td>
<td>19%</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

» Ayeyarwady has higher than national average formal financial access in 2018 at 63% compared to 48% (being the highest). Formal financial access is driven mainly by MADB credit (30%), in line with the national average, MFIs, and formal remittance channels.

» Ayeyarwady has high uptake of informal financial products compared to the national average (58% versus 50%) which is largely driven by borrowing from money lenders, village savings groups and informal funeral funds/solidarity systems.

» Ayeyarwady has a lower proportion of adults (19%) dependent only on informal mechanisms as compared to the national average (22%). 16% of urban adults are informally served while rural adults sit at 20%, indicating a higher dependency on informal services alone.

» Most adults only use one formal product (37%) with less using two or three regulated products (25%).

» The proportion of households with one account is at 39% for Ayeyarwady which is fifteen percentage points above the national average of 24% and also the highest of all states and regions.

» Urban and rural adults in Ayeyarwady are equally formally included (62%). A higher excluded population is in urban areas (22%) versus rural areas (18%).

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.