This Chin 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 Chin state.

Demographics

Chin is home to about 270 thousand adults or close to 1% of the adult population in Myanmar. The largest concentration of adults are in Yangon (17%) and Mandalay (13%).
**Household involvement in farming (%)**

- 80% of Chin households are involved in farming.
- 33% claim not to use any inputs.
- 18% are dependent on savings for their farming inputs.
- 1% borrow from MADB.

**Main source of income (%)**

- **Chin**
  - Farming & fishing: 27%
  - Self-employed: 5%
  - Formally-employed (Government): 9%
  - Formally-employed (Private): 1%
  - Informally-employed: 7%
  - Other income: 20%
  - Remittances dependent: 6%
  - No income: 25%

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

**Monthly income USD (%)**

- No income: 26%
- $1—$100: 16%
- $101—$200: 4%
- $201—$300: 6%
- $301—$400: 1%
- $401—$500: 1%
- $501—$1000: 1%
- $1001—$2000: 1%
- Refused/do not know: 15%

**Remittances dependent**

- 71% of farmer households are mostly subsistence or largely farming for own consumption.
- Of these, 1% are dependent on savings for their farming inputs.
- 33% borrow from MADB.

**Markets for commercial farmers**

- Collection centres: 6%
- Middleman/agents: 43%
- Wholesaler: 5%
- Directly to consumers: 29%
- Processing centres: 3%
- Other (Specify): 2%
- Retailer: 13%

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

- China
  - Grocery store: 15'
  - Public access: 27'
  - Bank: 53'
  - ATM: 58'
  - Post office: 54'
  - Market: 58'
  - Medical facility: 43'
  - MFI: 51'
  - Mobile money: 38'

- Myanmar
  - Grocery store: 10'
  - Public access: 24'
  - Bank: 58'
  - ATM: 34'
  - Post office: 34'
  - Market: 79'
  - Medical facility: 49'
Although poverty symptoms reduced nationally between 2013 and 2018 (22% to 18%). Chin citizens have a higher than national average prevalence of medical, hunger and educational symptoms due to a lack of money.
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. 50% of Chin adults are formally served with 38% of adults being served informally. Chin state has 20% of its households with a formal account compared to 24% nationally - being 4 percentage points lower than the national average.

<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>▲ 50°</td>
<td>Payments</td>
<td>→ Bank</td>
</tr>
<tr>
<td></td>
<td>Informal</td>
<td>▲ 38°</td>
<td>Savings</td>
<td>→ Savings groups, jewellery, livestock</td>
</tr>
<tr>
<td>Depth Multiple products</td>
<td>Formal</td>
<td>▲ 12°</td>
<td>Payments</td>
<td>→ Bank</td>
</tr>
<tr>
<td></td>
<td>Informal only</td>
<td>▲ 20°</td>
<td>Savings, credit</td>
<td>→ Savings groups, jewellery, livestock</td>
</tr>
<tr>
<td>Area Urban</td>
<td>Formal</td>
<td>▲ 76°</td>
<td>Payments</td>
<td>→ Bank</td>
</tr>
<tr>
<td></td>
<td>Informal</td>
<td>▲ 37°</td>
<td>Savings</td>
<td>→ Savings groups, jewellery</td>
</tr>
<tr>
<td>Rural</td>
<td>Formal</td>
<td>▲ 40°</td>
<td>Payments</td>
<td>→ Bank</td>
</tr>
<tr>
<td></td>
<td>Informal</td>
<td>▲ 38°</td>
<td>Savings</td>
<td>→ Savings groups, jewellery</td>
</tr>
<tr>
<td>Gender Male</td>
<td>Formal</td>
<td>▲ 53°</td>
<td>Payments</td>
<td>→ Bank</td>
</tr>
<tr>
<td></td>
<td>Informal</td>
<td>▲ 43°</td>
<td>Savings</td>
<td>→ Savings groups, jewellery</td>
</tr>
<tr>
<td>Female</td>
<td>Formal</td>
<td>▲ 45°</td>
<td>Payments</td>
<td>→ Bank</td>
</tr>
<tr>
<td></td>
<td>Informal</td>
<td>▲ 32°</td>
<td>Savings</td>
<td>→ Savings groups, jewellery</td>
</tr>
</tbody>
</table>

Overview of financial access (%)

Financial access (overall)

Bank access is much lower but with a higher other formal (non-bank) product uptake. The prevalence of MFIs and cooperatives in the state may explain the higher than average uptake of other formal (non-bank) product uptake.

Chin

<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>▲ 17°</td>
<td>Payments</td>
<td>→ Bank</td>
</tr>
<tr>
<td></td>
<td>Informal</td>
<td>▲ 33°</td>
<td>Savings</td>
<td>→ Savings groups, jewellery, livestock</td>
</tr>
<tr>
<td>Depth Multiple products</td>
<td>Formal</td>
<td>▲ 20°</td>
<td>Payments</td>
<td>→ Bank</td>
</tr>
<tr>
<td></td>
<td>Informal only</td>
<td>▲ 30°</td>
<td>Savings, credit</td>
<td>→ Savings groups, jewellery, livestock</td>
</tr>
<tr>
<td>Area Urban</td>
<td>Formal</td>
<td>▲ 15°</td>
<td>Payments</td>
<td>→ Bank</td>
</tr>
<tr>
<td></td>
<td>Informal</td>
<td>▲ 21°</td>
<td>Savings</td>
<td>→ Savings groups, jewellery</td>
</tr>
<tr>
<td>Rural</td>
<td>Formal</td>
<td>▲ 18°</td>
<td>Payments</td>
<td>→ Bank</td>
</tr>
<tr>
<td></td>
<td>Informal</td>
<td>▲ 37°</td>
<td>Savings</td>
<td>→ Savings groups, jewellery</td>
</tr>
<tr>
<td>Gender Male</td>
<td>Formal</td>
<td>▲ 12°</td>
<td>Payments</td>
<td>→ Bank</td>
</tr>
<tr>
<td></td>
<td>Informal</td>
<td>▲ 28°</td>
<td>Savings</td>
<td>→ Savings groups, jewellery</td>
</tr>
<tr>
<td>Female</td>
<td>Formal</td>
<td>▲ 14°</td>
<td>Payments</td>
<td>→ Bank</td>
</tr>
<tr>
<td></td>
<td>Informal</td>
<td>▲ 46°</td>
<td>Savings</td>
<td>→ Savings groups, jewellery</td>
</tr>
</tbody>
</table>

Penetration levels - formal product up-take (%)
**Formal vs. informal usage of financial products**

Chin adults have a high use of informal products with only savings being largely informal (27%). Formal payments are the most popular formal mechanism followed closely by formal 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 Chin adults save mainly through informal mechanisms (27%) compared to a higher national average of 34%. For Chin, one quarter of adults depend on saving at home despite them saving in other formal and informal mechanisms. Other formal channels such as MFIs play a significant role in formal savings uptake.
Borrowing and Credit

Low bank borrowing but mostly MFI borrowing in Chin. Borrowing from informal (mainly driven by money lenders) in Chin is lower at 17% compared to 22% nationally.

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 Chin adults in the past 12 months were major illness (20%) and natural disasters or crop failure (8%). The main coping mechanisms for both risks is pawning goods, borrowing money, or help/assistance from others.

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).

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

» Chin has higher than national average formal financial access in 2018 at 50% compared to 48%. Formal financial access is driven mainly by MADB credit (13%), in line with the national average, as well as MFIs, and formal remittances channels.

» Chin has a lower than national average uptake of informal financial products (38% versus 50%) largely driven by borrowing from money lenders, village savings groups and informal funeral funds/solidarity systems.

» Chin has a lower proportion of adults (20%) dependent only on informal mechanisms as compared to the national average (22%).

» Most adults only use one formal product (36%) with less using two or three regulated products (12%).

» The proportion of households with one account is at 20% for Chin which is four percentage points lower than the national average of 24%.

» Urban adults in Chin are more formally included at 76% while rural adults are at 40%. Urban adults that are informally served sit at 10% while rural adults sit at 23% indicating higher rural dependency on the informal services alone. A higher excluded population is in rural areas (37%) versus a low 14% in urban areas.

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.