This Magway 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 Magway region.

**Demographics**

Magway is home to 2.66 million adults or close to 8% of the adult population in Myanmar. The largest concentration of adults are in Yangon (17%) and Mandalay (13%).
**Household involvement in farming (%)**

- Collection centers: 65%
- Middleman/Agents: 26%
- Directly to consumers: 7%
- Retailer: 1%

**Markets for commercial farmers**

- 35% of farmer households are mostly subsistence or largely farming for own consumption.

**Main source of income (%)**

- **Magway**
  - Grocery store: 6%
  - Public access: 24%
  - Bank: 26'
  - ATM: 53'
  - Post office: 58'
  - Market: 57'
  - Medical facility: 37'
  - MFI: 34'
  - Mobile money: 24'

- **Myanmar**
  - Grocery store: 10%
  - Public access: 24'
  - Bank: 26'
  - ATM: 53'
  - Post office: 58'
  - Market: 57'
  - Medical facility: 37'
  - MFI: 34'
  - Mobile money: 24'

**Monthly income USD (%)**

- No income: 13%
- $1—$100: 21%
- $101—$200: 31%
- $201—$300: 10%
- $301—$400: 19%
- $401—$500: 6%
- $501—$1000: 3%
- Refused/do not know: 26%

1 USD = ± MMK1,320

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

- Magway
  - Bank: 50'
  - Market: 53'
  - Post office: 58'
  - Medical facility: 57'

- Myanmar
  - Bank: 54'
  - Market: 37'
  - Medical facility: 31'

- 26' and 24' indicate distances in minutes.
Dealing with finances is stressful/a burden
You adjust your expenses according to your income
A budget helps to keep track of how much money you can spend
You often have to spend more money than you have available
You keep track of your income and expenditure on a monthly basis

Unplanned expenses e.g. new clothes
Irregular/unreliable income
Not enough income
Unexpected events /have to pay for necessities
Other
Don’t know

Reasons for not planning (% of those not planning)

Of adults have had a major expense or event

Borrow/credit
Rely on family/friends
Savings

Mechanism for paying for major expense (%)

Agreeing with statement (%)
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. 49% of Magway adults are formally served with 50% of adults being served informally. Magway region has 17% of its households with a formal account compared to 24% nationally - being 4 percentage points lower than the national average.

Magway adult product ownership or usage is largely driven by the MADB (20%), MFIs (12%) and Cooperatives (8%). MADB credit is the major driver for formal credit product uptake.
Magway 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**

Magway adults have a high use of informal products with only credit mainly driven by formal mechanism. Informal savings are the most popular informal mechanism.

Informal credit comprises mostly of 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 Magway adults save mainly through informal mechanisms (37%) compared to a lower national average of 34%.

For Magway, most adults depend on informal mechanisms to save and much less informal savings which stand at 10% for the state.
Borrowing and Credit

Borrowing from bank (mainly driven by MADB) and other formal (non-bank) in Magway drives formal credit. Magway has the highest proportion of adults dependent only on borrowing from family and friends (14% versus 7% 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 experienced by by Magway adults in the past 12 months were major illness (19%) crop failure (16%). The main coping mechanisms for both risks is pawning goods or borrowing money.

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).

Magway product depth strand by gender(%)

<table>
<thead>
<tr>
<th></th>
<th>Male</th>
<th>Female</th>
</tr>
</thead>
<tbody>
<tr>
<td>Have one regulated product</td>
<td>34%</td>
<td>34%</td>
</tr>
<tr>
<td>Have/use two regulated products</td>
<td>12%</td>
<td>14%</td>
</tr>
<tr>
<td>Have/use three regulated products</td>
<td>4%</td>
<td>1%</td>
</tr>
<tr>
<td>Informal product(s) only</td>
<td>24%</td>
<td>20%</td>
</tr>
<tr>
<td>Do not use any formal/informal product(s)</td>
<td>26%</td>
<td>31%</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**

» Magway has similar to national average formal financial access in 2018 at 49% compared to 48% nationally. Formal financial access is driven mainly by MADB credit (20%), in line with the national average, MFIs, and formal remittance channels.

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

» Magway has the same proportion of adults (22%) dependent only on informal mechanisms as with the national average. Magway adults relying exclusively on informal products (25% urban and 21% rural) is higher than national average (19% and 23% respectively). Adults using both formal and informal compares similarly with the national average (56%).

» Most adults only use one formal product (34%) with less using two or three regulated products (15%).

» The proportion of households with one account is at 17% for Magway which is seven percentage points lower than the national average of 24%.

» Rural adults in Magway are more formally included at 50% while urban adults are at 46%. Urban adults that are informally served sit at 25% while rural adults sit at 21% indicating higher urban dependency on the informal services alone. The excluded population in both urban and rural areas stood at 29%.

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**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.