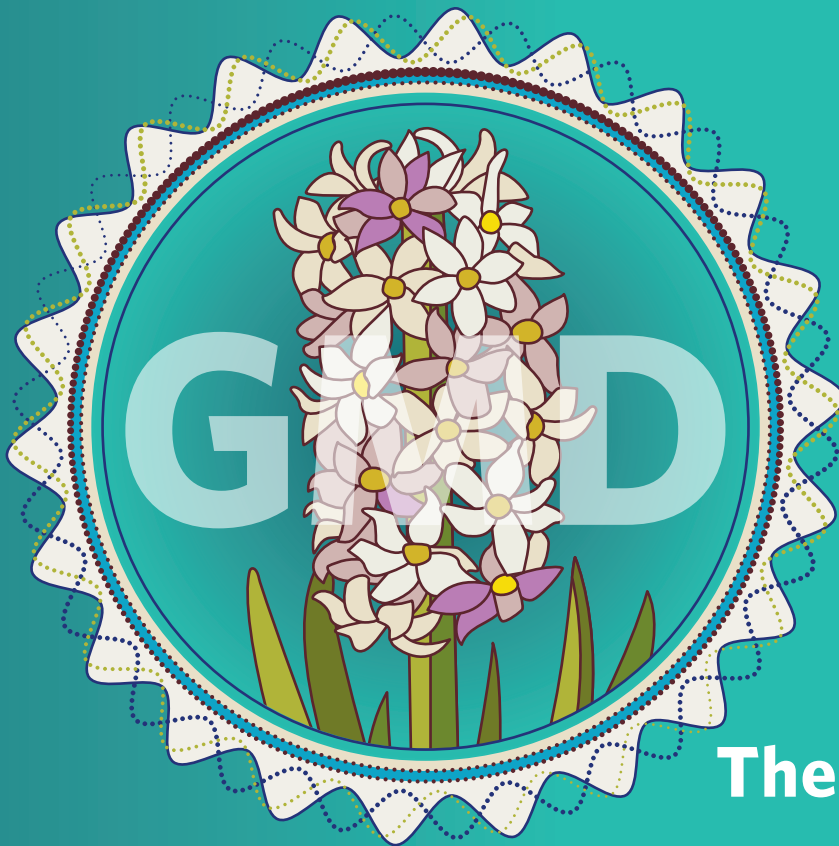


FinScope

Consumer
Survey
Highlights



The Gambia

2019





The cover symbol

Through FinScope Gambia 2019, we hope to effect real change at country level and see the impact of financial inclusion on broader national growth and development. The cover graphic features a flower synonymous to The Gambia. The flower symbolises growth and development while the circle represents inclusive growth. Each flower is an example of the successful growth in a unique environment. By combining the flower with the currency symbol of The Gambia we represent the characteristics of the country, linking financial inclusion with successful growth.

Partnering for a common purpose

The FinScope Gambia 2019 survey is a research diagnostic meant to support the government of The Gambia and UNCDF in developing the National Financial Inclusion Strategy and other related activities. At country level, the survey is a collaboration with Government, other key stakeholders and donors to ensure an inclusive, holistic process. FinScope Gambia represents a partnership between the following institutions:

- The Central Bank of Gambia (CBG)
- The United Nations Capital Development Fund (UNCDF)
- Gambia Bureau of Statistics (GBoS)
- FinMark Trust (FMT)

The FinScope survey is dynamic and the content is supported, evaluated and strategically led by a number of stakeholders including the private sector, NGOs and Government to ensure that the most relevant consumer data is collected.

Introduction

The Government of The Gambia recognises the role played by the financial sector in facilitating economic growth through enhanced access to financial services. In order to strengthen policies

that will generate sustainable and inclusive growth and development, the Government of The Gambia implemented the FinScope survey to help identify and create a roadmap that ultimately secures the realisation of this vision.

The baseline survey will provide credible benchmarks on level of financial inclusion and guide targeted and focused financial inclusion strategies using empirical evidence. FinScope Gambia will also act as a national good for use across private and public sectors as well as academia in order to ensure the lives of the Gambian people are enhanced.

Methodology

- According to Gambia Bureau of Statistics (GBoS) the total adult population is estimated to be 1,32 million.
- Nationally representative individual-based sample of the adult population aged 15 years and older at urban/rural level.
- Sampling frame and data weighting conducted by GBoS in consultation with FinMark Trust.
- 1 461 completed face-to-face interviews conducted by GBoS (July – August 2019).

Survey objectives

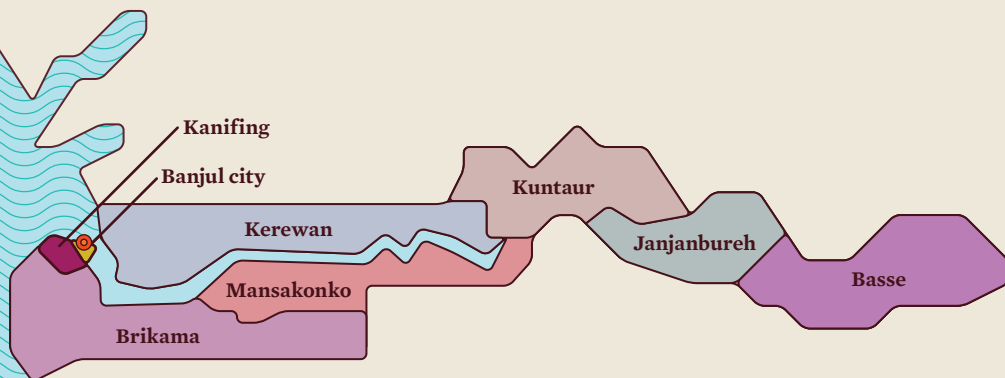
The objectives of the FinScope Consumer Survey Gambia 2019 were to understand the adult population in terms of:

- Livelihoods and how they generate their income.
- Their financial needs and demands.
- Their financial perceptions, attitudes, and behaviours.
- Their demographic and geographic distribution.
- Current levels of access to, and utilisation of, financial services and products.
- Special focus on youth and life transitions.

Published November 2019

DISTRICTS OF THE GAMBIA

● CAPITAL CITY
Banjul



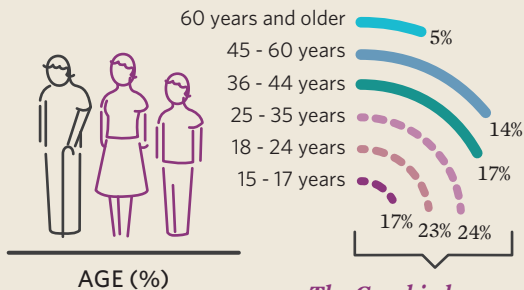
Senegal

Guinea-Bissau

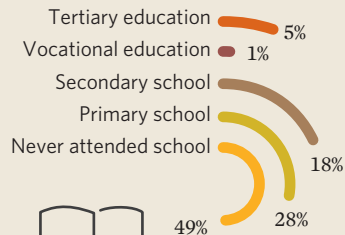
DEMOGRAPHICS



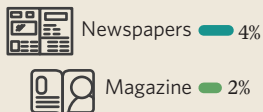
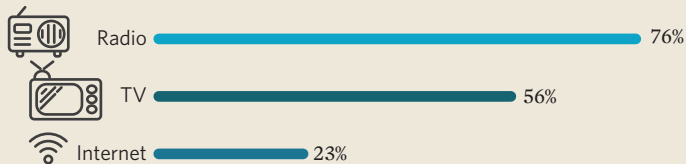
DEMOGRAPHICS



The Gambia has a young population as 64% of adults are between 15- 35 years.

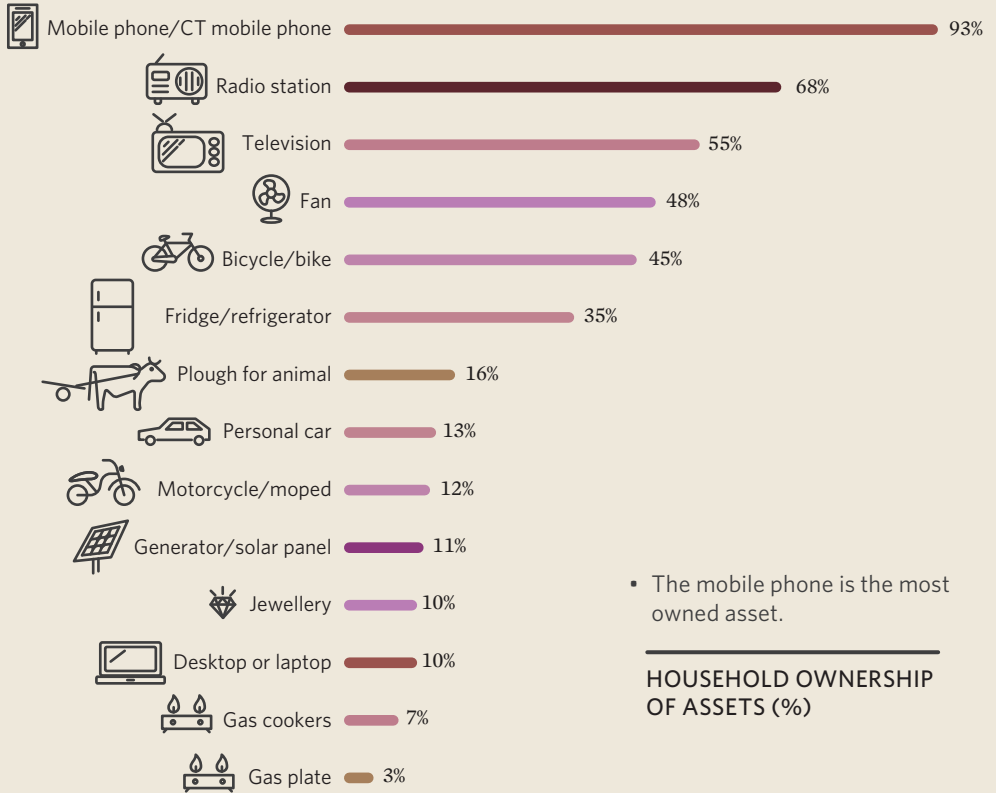


Youth = 15 - 35 years
Seniors = 36 years and older



COMMUNICATION TOOLS/CHANNELS (%)

Media read, watched, listened to, in the last 30 days

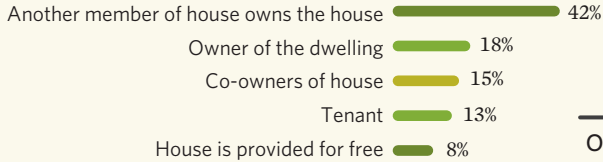


- The mobile phone is the most owned asset.

HOUSEHOLD OWNERSHIP OF ASSETS (%)

UNDERSTANDING PEOPLE'S LIVES

Property ownership

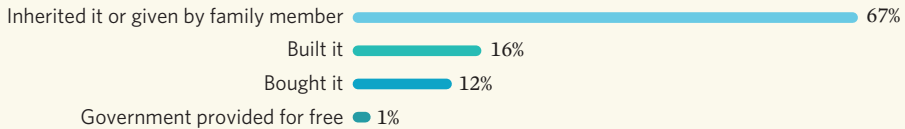


OCCUPANCY STATUS (%)

Of those who have built their houses, bought the house or inherited their houses, 49% have title deeds



TITLE DEED POSSESSION (%)



HOW THE HOUSE WAS ACQUIRED? (%)

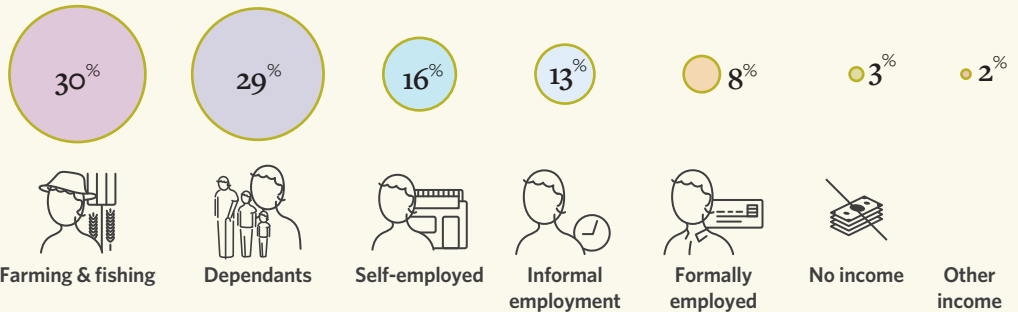
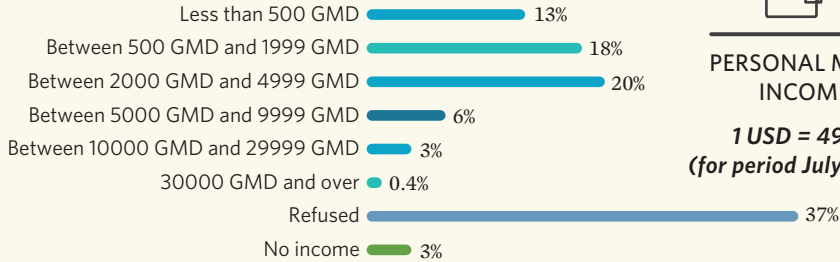
UNDERSTANDING PEOPLE'S LIVES

Income/livelihoods



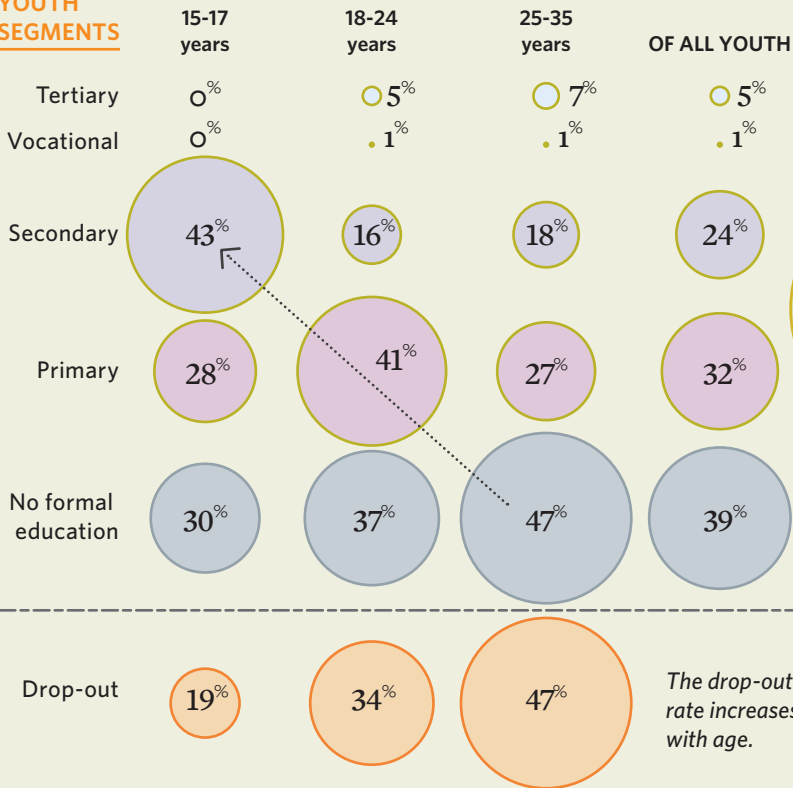
PERSONAL MONTHLY INCOME (%)

1 USD = 49.6 GMD
(for period July - Aug 2019)



MAIN INCOME SOURCE (%)

YOUTH SEGMENTS



As youth age, their chances of attaining further education lessens.

A total of 69% of all adults had not completed school in 'one-go'

The drop-out rate increases with age.

Note the rapidly increasing participation rate in education (see arrow), and to increasingly higher levels of education. For instance, for 25-35 years, the largest portion

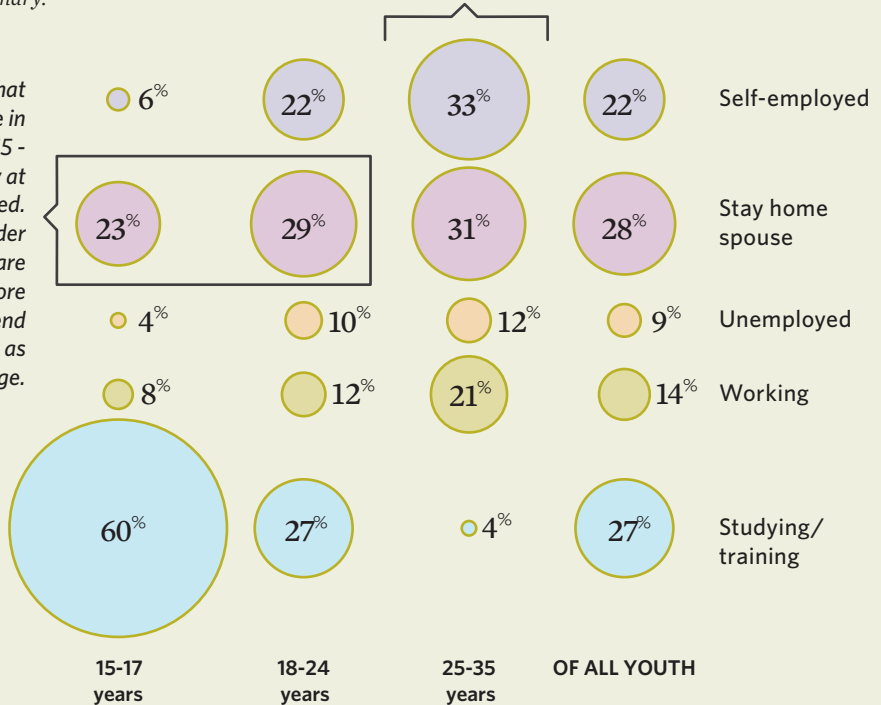
have no education (47%). For 18 to 24 years it is primary (41%) and for 15 to 17 years it is secondary (43%). This is a drastically and rapidly changing educational landscape,

which is very positive, and points to a rapidly improving educational system and or country overall environment which allows for more children to attend school for longer.

See more results for youth on the dedicated “youth dashboard” summary.

Positive strides by some youth (25 – 35 years) who start a businesses as means to earn a living (33%).

Worrisome that more than one in two youth, aged 15 - 24 years, stay at home discouraged. The gender differences are observed, more female youth tend to stay at home as they age.



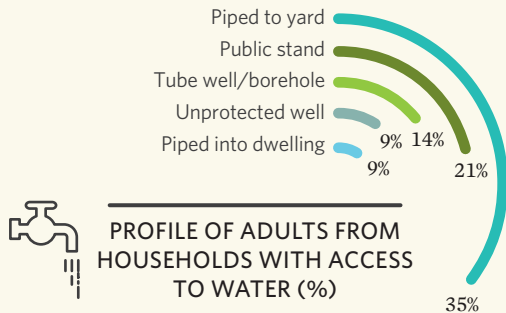
Entrepreneurship seems to offer an opportunity for youth to make means. However, the spirit of entrepreneurship should be

inculcated at an earlier age (e.g. from 15-17 years). Further, there is need to continuously improve skills and education for those

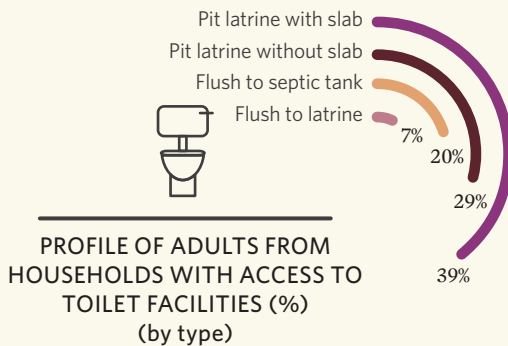
aged 25 - 35 years (4%) to remain competitive and relevant.

UNDERSTANDING PEOPLE'S LIVES

Access to services



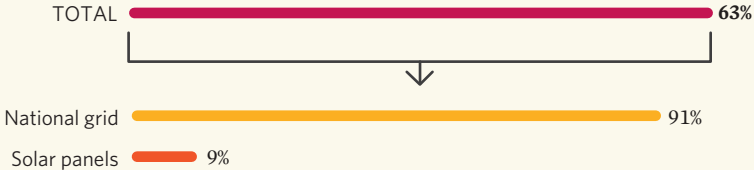
Most households access piped water within their yards (35%) as well as 39% use pit latrines with slab as amenities.



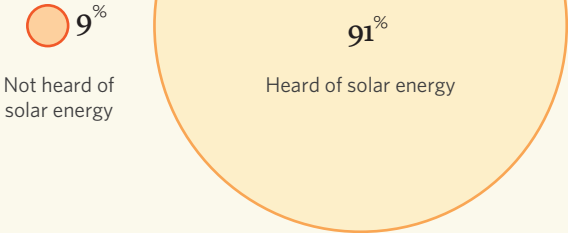
Access to services



PROFILE OF ADULTS FROM HOUSEHOLDS WITH ELECTRICITY CONNECTION (%)



AWARENESS OF SOLAR ENERGY (%)

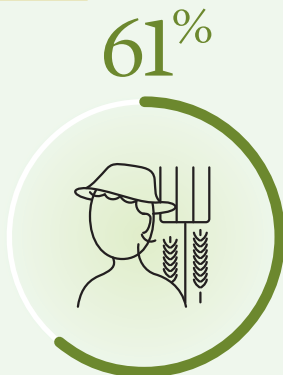


Though the majority of adults have heard of solar home systems, only 22% have invested in the renewable energy source.

UNDERSTANDING PEOPLE'S LIVES

Agriculture

Farming in The Gambia is important with 61% of adults living in households involved in farming.



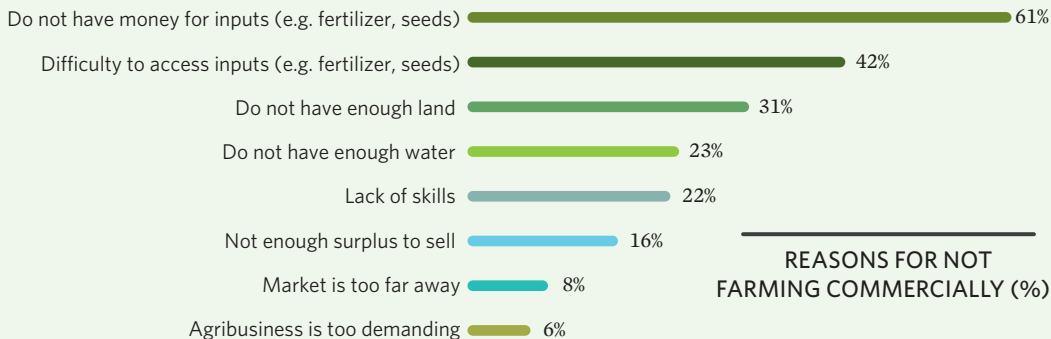
About
34%
of farmers are
subsistence farmers.



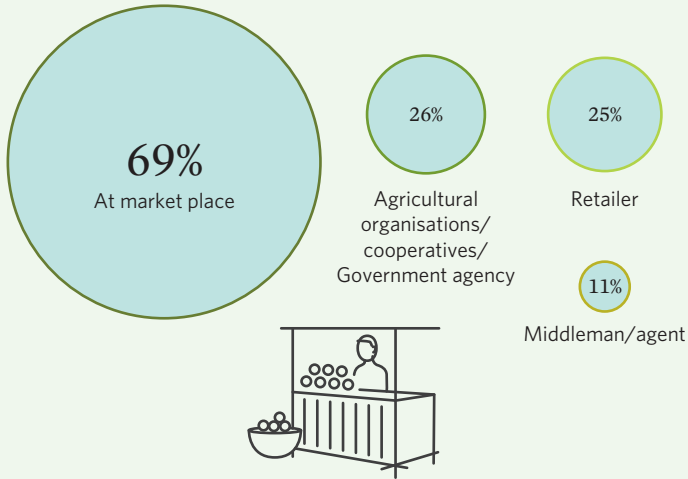
With
63%
both consuming and selling.



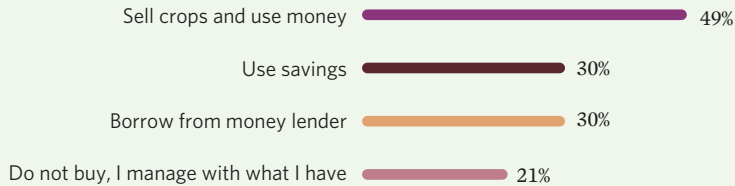
About 58% of farmers have considered to start agri-businesses. However, there are limitations to realising this endeavour.



Agriculture



WHOM THEY SELL TO (%)



SOURCE OF FARMING INPUTS (%)

UNDERSTANDING PEOPLE'S LIVES

Infrastructure

Adults using
or aware of
destination

Mean time taken
to reach destination
[minutes (')]



Urban



Rural

Credit cooperative

74'

81'



Bank branch

34'

86'



ATM

51'

92'



Mobile
money
agent

65'

89'



Health
centre

22'

32'



Market place

17'

26'



MFI

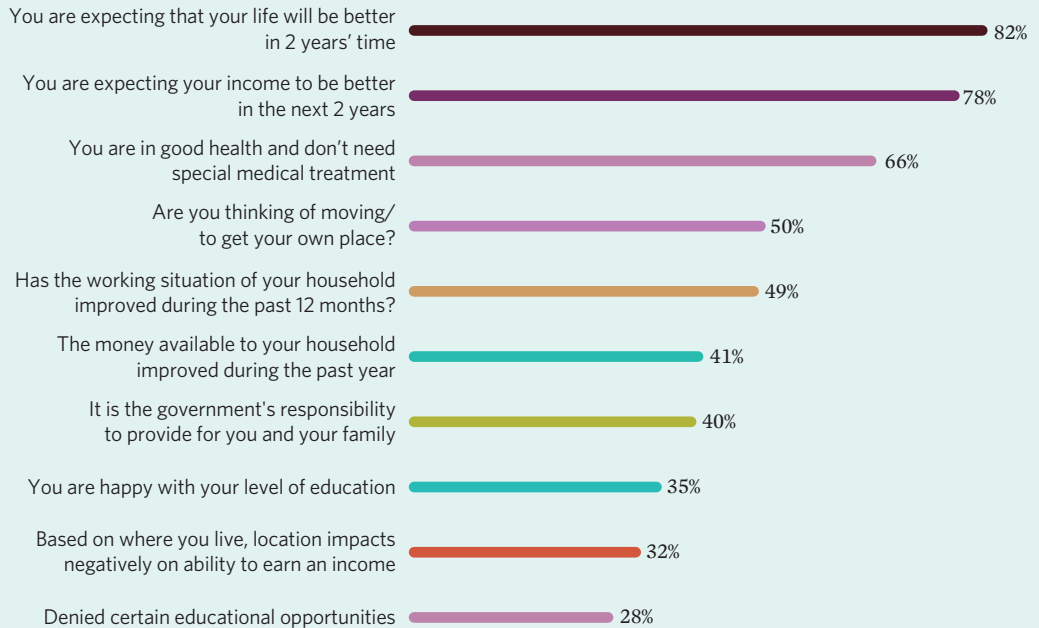
48'

86'

The Gambia has severe
infrastructural issues since all
the access points seem to be
relatively far.

Perception of life
% agreeing with statement

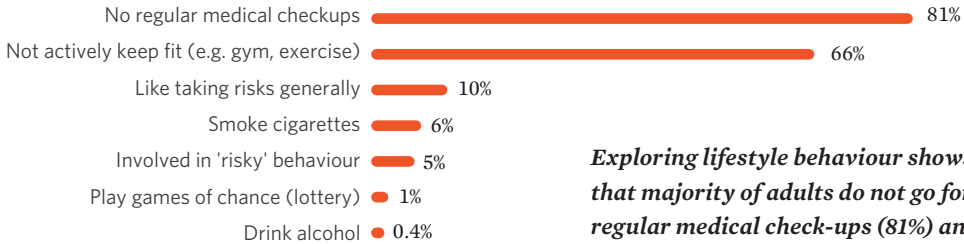
*Gambian adults are really upbeat and
positive about the future*



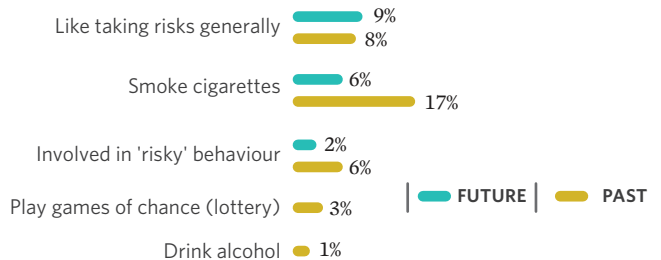
SOCIAL CONTEXT AND LIFESTYLE



RISKY BEHAVIOUR (%)

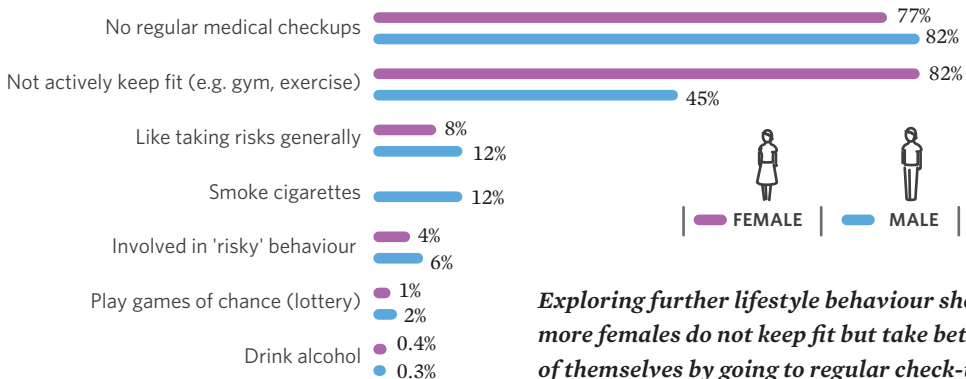
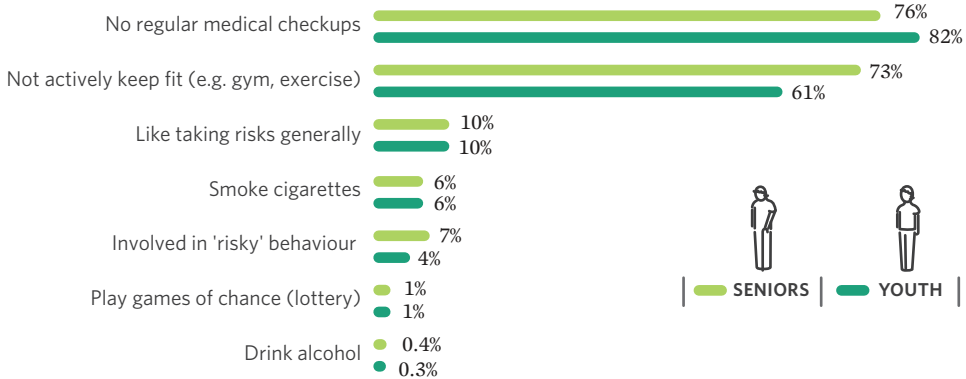


Exploring lifestyle behaviour shows that majority of adults do not go for regular medical check-ups (81%) and 66% also do not actively keep fit (e.g. gym or exercise).



SOCIAL CONTEXT AND LIFESTYLE

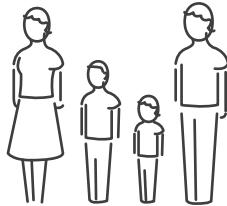
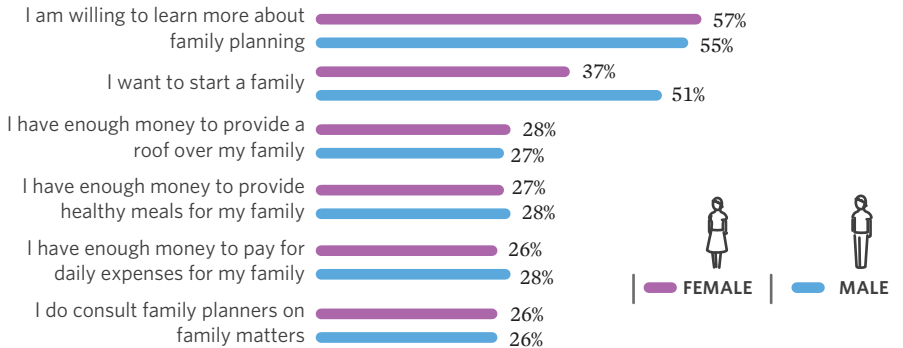
Age vs gender



Exploring further lifestyle behaviour shows that more females do not keep fit but take better care of themselves by going to regular check-ups. Additionally, females do not smoke cigarettes.

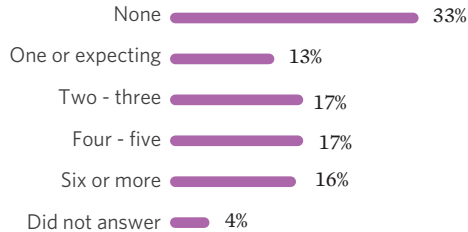
SOCIAL CONTEXT AND LIFESTYLE

Interesting to note that more males have ambition to start families compared to women. Further, there is high willingness to learn more about family planning.



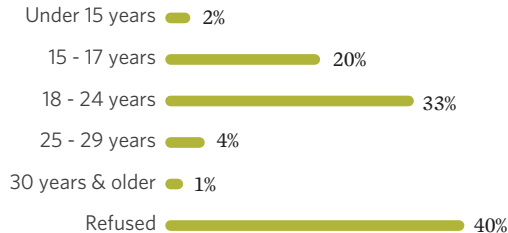
FAMILY PLANNING (%)

No. of children a woman has



**EXPLORING THE SOCIAL
NORMS (%)**

How old were you when you had first child?



Interestingly, 20% of women have children at the age of 15 – 17 years. As part of family planning, the idea is for women to push out the age for childbirth so that they increase chances of furthering their education, which in turn increases chances of a more formal employment.

DIMENSIONS OF FINANCIAL CAPABILITY



MANAGING MONEY

Planning and keeping track: Focuses on an individual's ability to monitor his/her financial situation.

Making ends meet: Focuses on an individual's ability to cope financially. It looks at whether people are able to make their money last until the end of the month while covering essential items and financial commitments.



CHOOSING AND USING
PRODUCTS

Incorporates how people have chosen or would go about choosing products or mechanisms that enable them to meet financial goals or objectives.

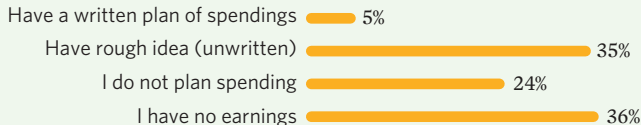


ACCESSING INFORMATION

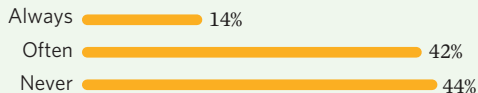
Explores how well an individual is informed about financial matters, how aware they are of information channels, and the steps they take to stay informed.

Written plans help adults keep track of financial spending. In The Gambia, few adults regularly keep financial records.

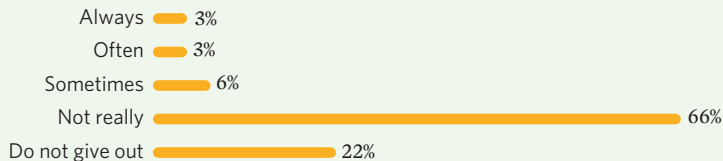
Written plan about income and spending



Ability to keep written spending plans

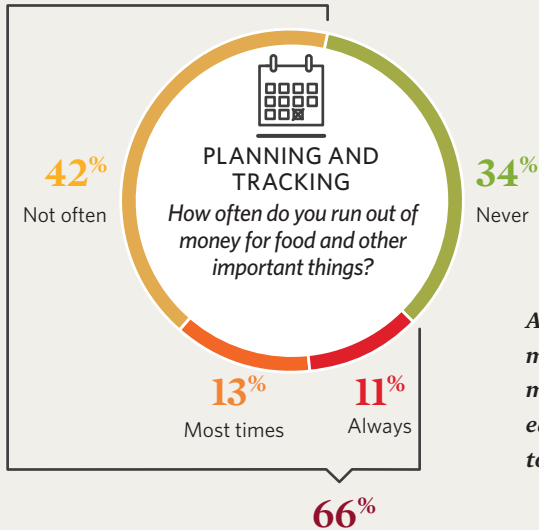


Keep records of money given to others

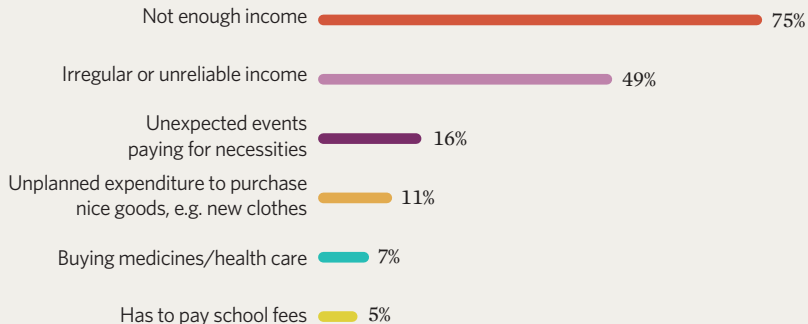


FINANCIAL CAPABILITY

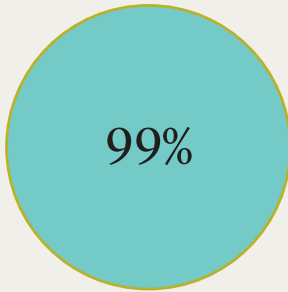
Managing money



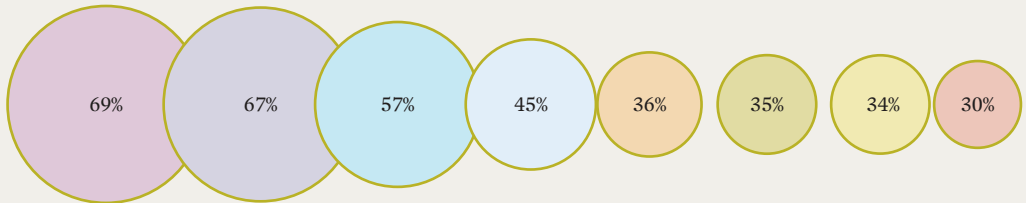
REASONS FOR RUNNING OUT OF MONEY (%)



Accessing Information



- About 99% of adults felt they needed more information about personal finance.
- Currently, majority (54%) of the adults do not go anywhere to access financial information, while others (44%) get information from their family and friends.
- Given that the required financial information is foundational, it could be taught within the school curricula and/or on the radio for the general populace.



How to save

How to invest

How to budget

How to obtain a loan

What financial products are available

Advantages/disadvantages, the terms and conditions of financial products

How to choose financial products

How to use financial products



DESIRED FINANCIAL EDUCATION (%)

FINNEEDS

Gambians have a transfer of value need

Transfer of value enables people to act out their economic lives, it enables consumption, gifting, payments and receipt of income.

93% of Gambians have transferred value in the last 12 months – comprised of: received remittances, received income and made payments



% OF ADULTS WHO TRANSFERRED VALUE

Transfer of value is driven by income and payments



Remittances 21%



Payments 47%



Income 99%

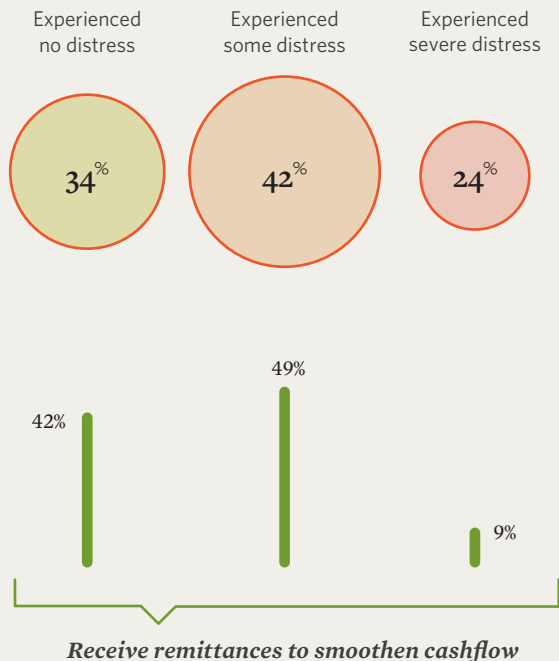
- 21% of adults remitted (either received or sent money) in the past 12 months as part of transferring value

“FinNeeds is a new framework that proposes that financial needs drive uptake and usage of financial services. Therefore, understanding needs precede the use of financial services”.

http://access.i2ifacility.org/Measurement_framework/

Liquidity

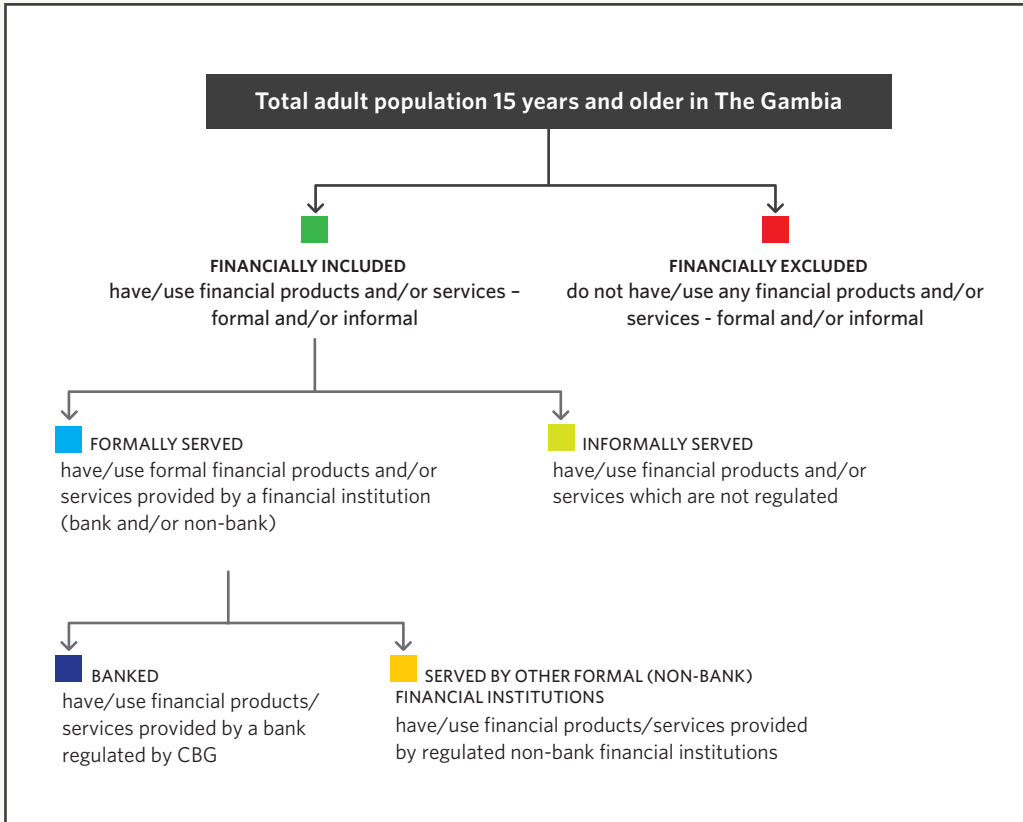
Liquidity need is the need to meet expenses in each income cycle



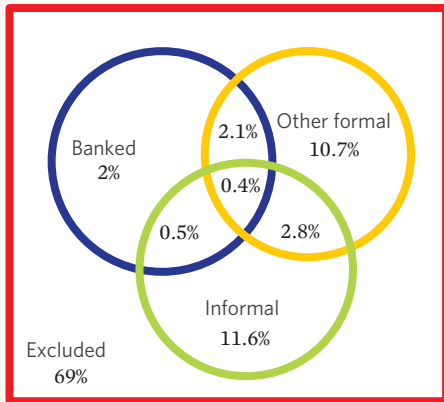
- It can be observed that the most severe are not receiving remittances to aid in their distress.
- Most remittances received are used for living expenses, school fees or education related and medical emergencies.

FINANCIAL INCLUSION

Defining financial inclusion by category



'Formal' is a category classifying products or services as regulated or supervised by a formal institution or any other formal regulator/agency. This is also synonymous to 'other formal' or 'other formal (non-bank)' to differentiate it from the banked which are mostly commercial and development banks.



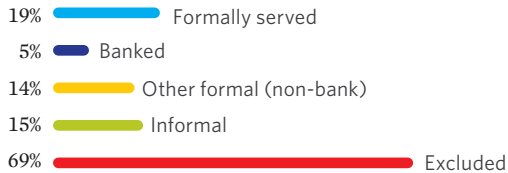
Overlaps

Consumers generally use a combination of financial products and services to meet their financial needs.

- 2% of adults rely exclusively on banking services yet 11% rely exclusively on other formal mechanisms.
- 6% use a combination of banked, and/or other formal and/or informal mechanisms to manage their financial needs, thus indicating that their needs are not fully met by the formal sector alone.
- 12% of the adult population ONLY rely on informal mechanisms such as informal savings and credit groups to save or borrow money or cover risk.

Note: Due to rounding off numbers of 'Banked' and 'Other formal (non-bank)' the 'Excluded' population is 69%.

FINANCIAL INCLUSION



If filtered by 18 years and above the banked population sits at 5,6%, excluded at 65%.

- 19% of adults are formally served, including both banked and other formal non-bank products/services.
- 5% of adults are banked.
- 14% of adults have/use other formal non-bank products/ services.
- 15% of adults have/use informal mechanisms for managing their finances.
- 69% of adults are financially excluded.

Financial Access Strand



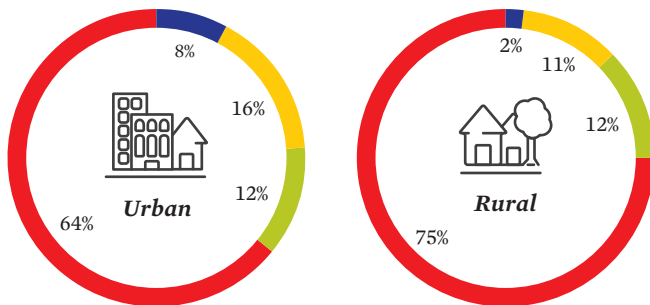
In constructing this strand, the overlaps in financial product/ services usage are removed, resulting in the following segments:

- Financially excluded adults, i.e. they do not use any financial products/services - neither formal nor informal - to manage their financial lives (69%).
- Adults who have/use informal mechanisms only but no formal products/services (12%).
- Adults who have/use other formal non-bank products/ services but NO commercial bank products (14%) - they might also have/use informal mechanisms.
- Adults who have/use commercial bank products/ services (5%) - they might also have/use other formal and/or informal mechanisms.

ACCESS STRANDS

Financial Access Strand (%)

*Access Strands
by location and
gender*





The Gambia

Burkina
Faso

Nigeria

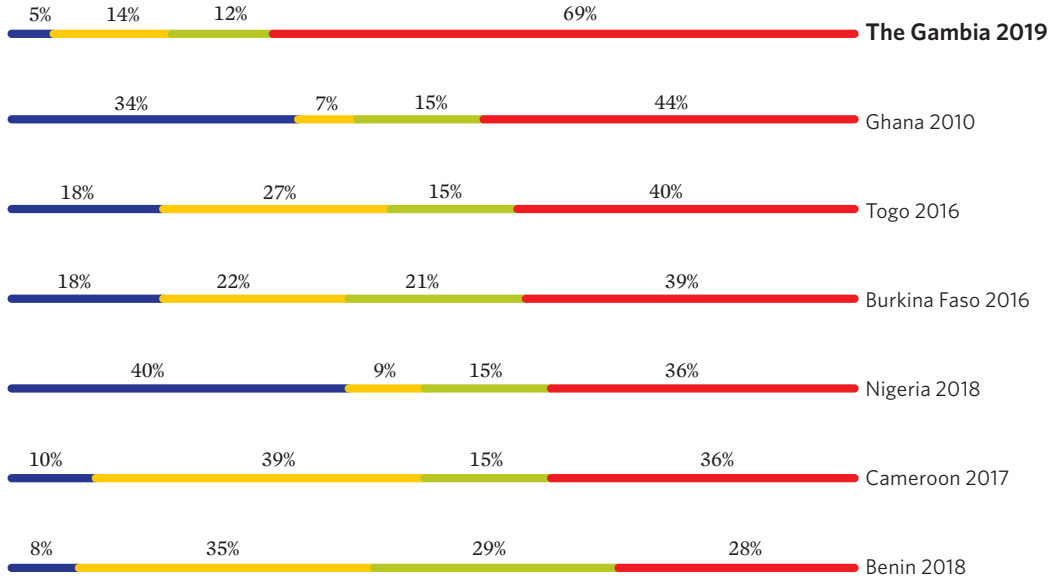
Cameroon

Ghana

Benin

Togo

Financial Access Strand 2019



FINANCIAL INCLUSION

Financial Access Strand by livelihoods



Informally employed

2% 8% 7%

83%



Remittance dependent

3% 12% 7%

78%



Fishing and farming

2% 11% 12%

76%



Self-employed

7% 20% 22%

51%



Formally employed - private

17% 25% 12%

46%



Formally employed - Government

32% 29% 5%

33%

Banked

Other formal (non-bank)

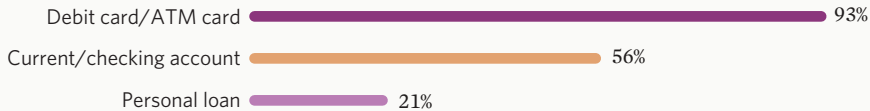
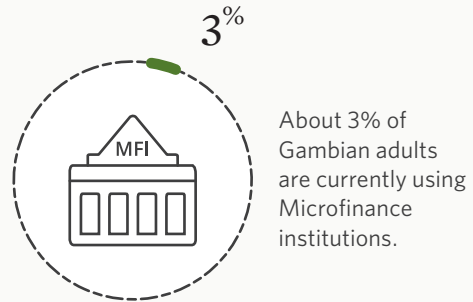
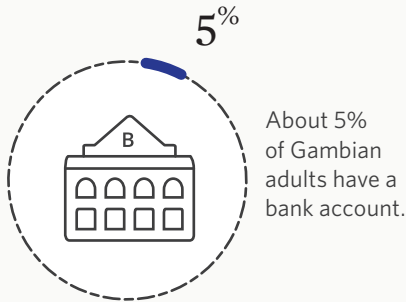
Informal only

Excluded

Banking



What products/services are driving the banked?



BANKING PRODUCTS/USAGE (OF THOSE CURRENTLY BANKED (%))

- A further 9 815 adults (0.7%) were previously banked.
- Additional 13 582 (1%) Gambian adults are using someone else's bank account.

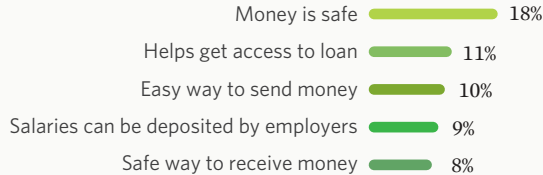
LANDSCAPE PRODUCTS



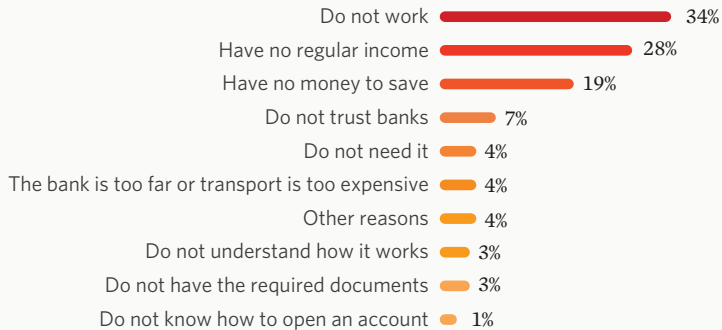
Banking

Drivers and barriers

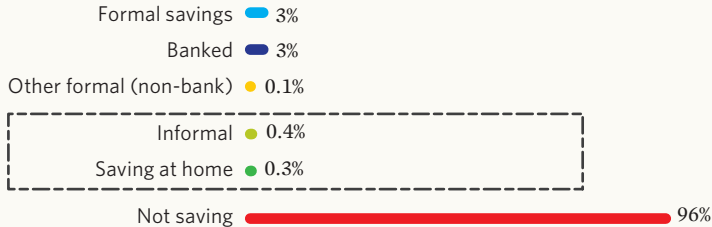
Main drivers for banking – based on the 5% of adults who are banked in 2019



Main barriers to being banked – based on the 95% of adults who are not banked in 2019



Overall



Savings and investments (%)



Inclusive of monetised saving and investment vehicles, (%) does not include saving in kind (8%) - mostly livestock.

Savings Strand



In constructing this strand, the overlaps in financial product/ services usage are removed.

- 96% of the population were not saving at the time of the survey.
- 1% rely on informal mechanisms such as savings groups (they might also save at home, but they do not have/use any formal savings products).
- 3% have/use savings products from a commercial bank (they might also have/ use other formal and/or informal mechanisms, or save at home).

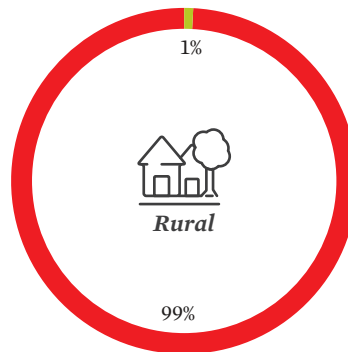
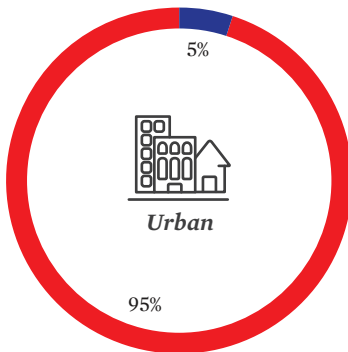
LANDSCAPE PRODUCTS

Savings and investments (%)

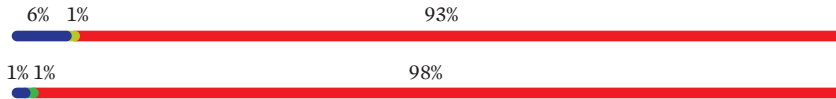


Savings Strands by location, gender and age

Rural adults save using informal mechanisms. The formal sector does not service their needs further exacerbating the exclusion of many adults.



Male



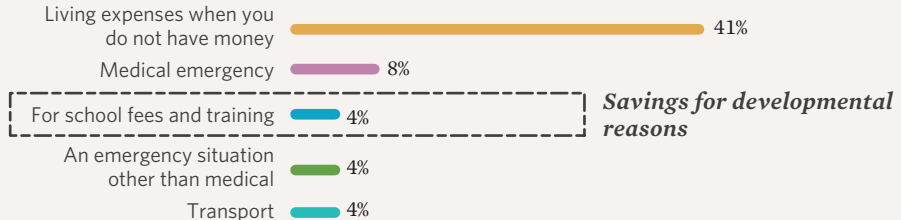
Female



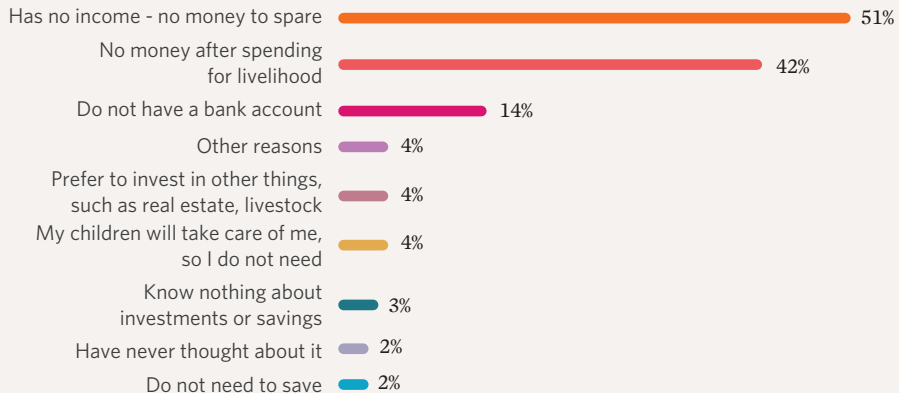
Savings and investments (%)



Main drivers for saving – based on the 4% of adults who save



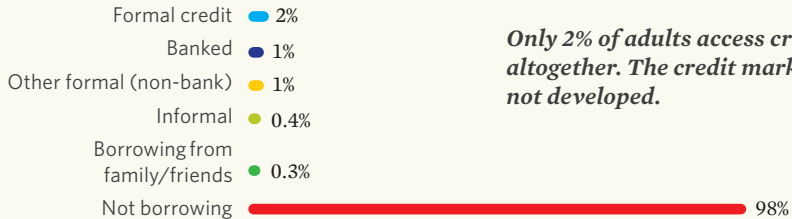
Main barriers to saving – based on the 96% of adults who do not save



LANDSCAPE PRODUCTS



Borrowing and credit



Only 2% of adults access credit altogether. The credit market is still not developed.

Credit Strand



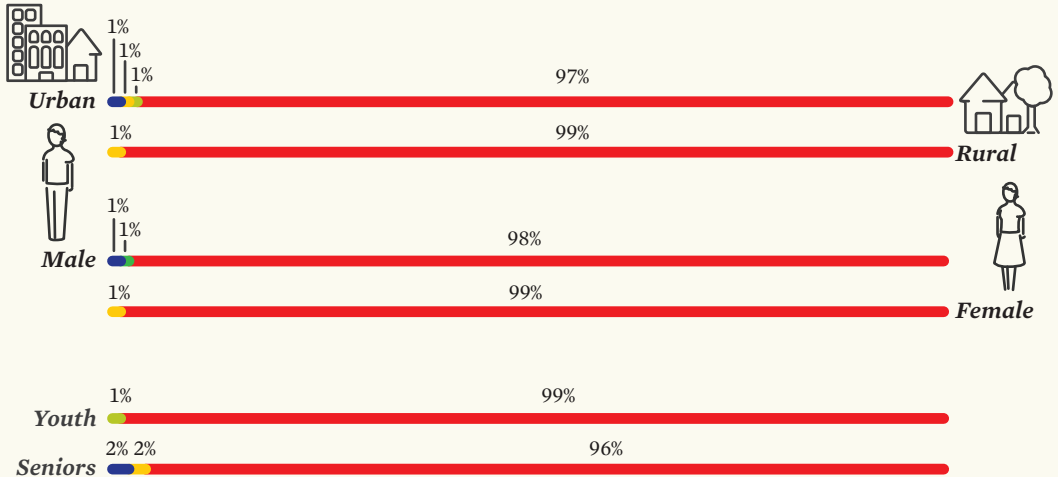
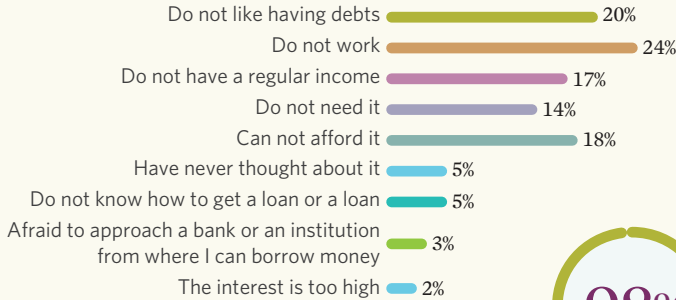
In constructing this strand, the overlaps in financial product/services usage are removed.

- 98% claimed not to borrow at the time of the survey, neither from friends/family nor from formal/informal financial services providers.
- 1% have/use credit/loan products from other formal (non- bank) institutions, but do not have credit/loan products from a bank (they could also use informal credit/loan products and/ or borrow from friends and family).
- 1% of adults have/use credit/ loan products from a commercial bank (however, they could also have other credit/loan products and/ or borrow from friends and family, but the defining characteristics are that they borrow from a bank).



Borrowing and credit

Barriers to accessing credit



LANDSCAPE PRODUCTS



Insurance and risk management

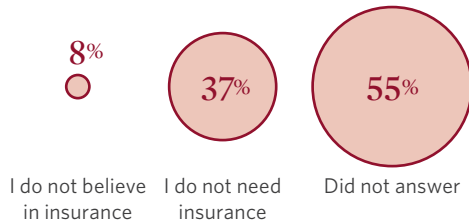


Insurance Strand

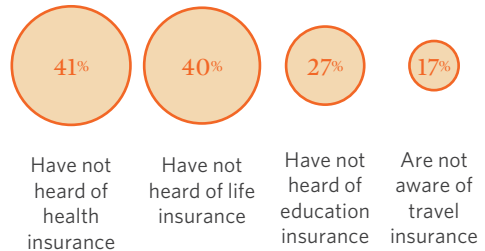


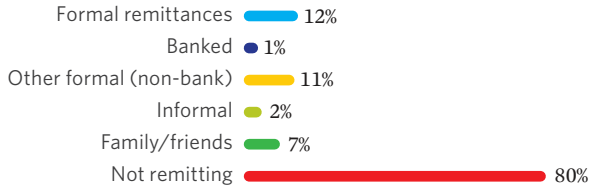
99% of adults do not have any kind of financial product covering risk

Main barriers to the uptake of insurance:

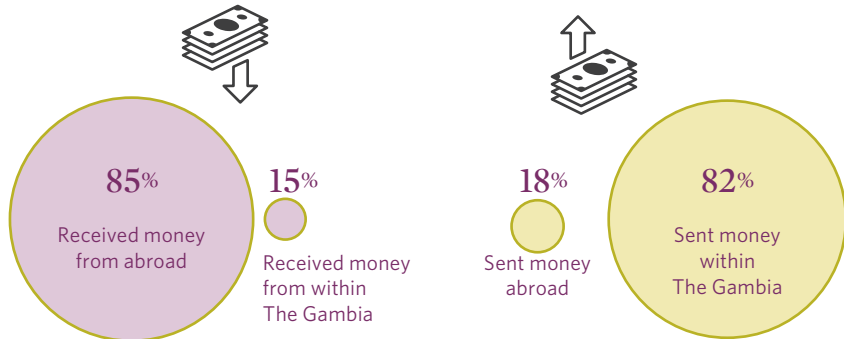


Of those without insurance (99%):





Remittances Strand



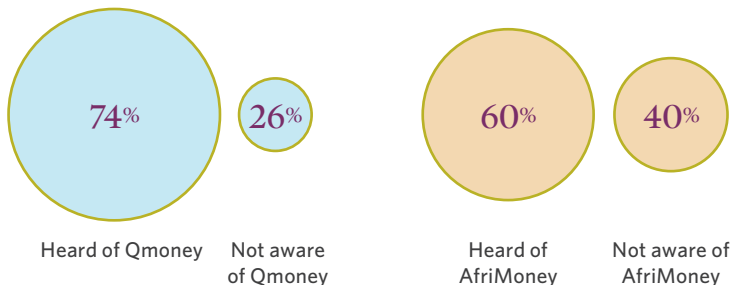
- Of those receiving money, international remittances account for 85% of remittances received.
- Therefore adults are nett receivers of international transfers.



LANDSCAPE PRODUCTS

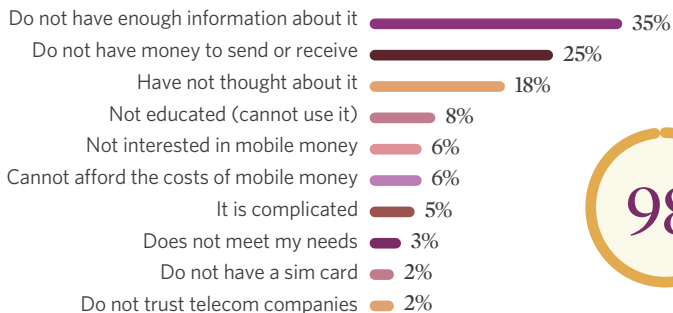


Mobile money



- Though more than 68% of adults are aware of mobile money (both Qmoney-74% and AfriMoney-60%), it does not translate into usage as only 2% of adults are registered mobile money users.

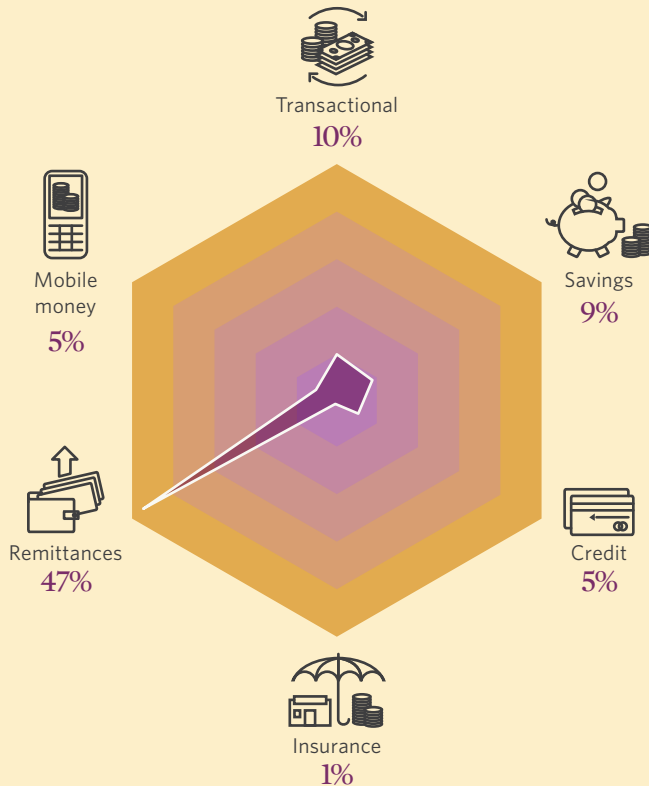
Main barriers to using mobile money – based on the 98% of adults who do not use mobile money services



98% *do not use mobile money*

LANDSCAPE PRODUCTS

Landscape of Access (ONLY of those with financial product - financially included)



- 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/hiding money in a secret place).
- It also highlights the drivers of overall inclusion - in The Gambia's case - its transactions and remittances.

KEY FINDINGS

The FinScope Gambia 2019 study revealed how the Gambian adults 15 years and older manage their finances and elements that influence their access to financial services. The study also identified the role of formal and informal financial sectors in the financial environment of The Gambia. From this study, the following conclusions are drawn:

1. Almost 31% of the population 15 years and older have access to financial services. However there are disparities and levers that should be acted on to enable broader inclusion of the population. It therefore appears that:

- 19% of adults are served formally including banks and other non-bank formal products and services;
- 5% of adults are served by banks;
- 14% of Gambian adults use other non-bank formal products and services;
- 15% of adults in The Gambia use only non-formal mechanisms to manage their finances; and
- 69% of Gambian adults are financially excluded.

2. There is low usage of formal financial services amongst Gambian adults. Formal credit (2%), formal savings (3%), and insurance is almost non-existent (0,5%)

3. Consumer education and financial literacy are real issues in The Gambia - across all financial services available. In addition,

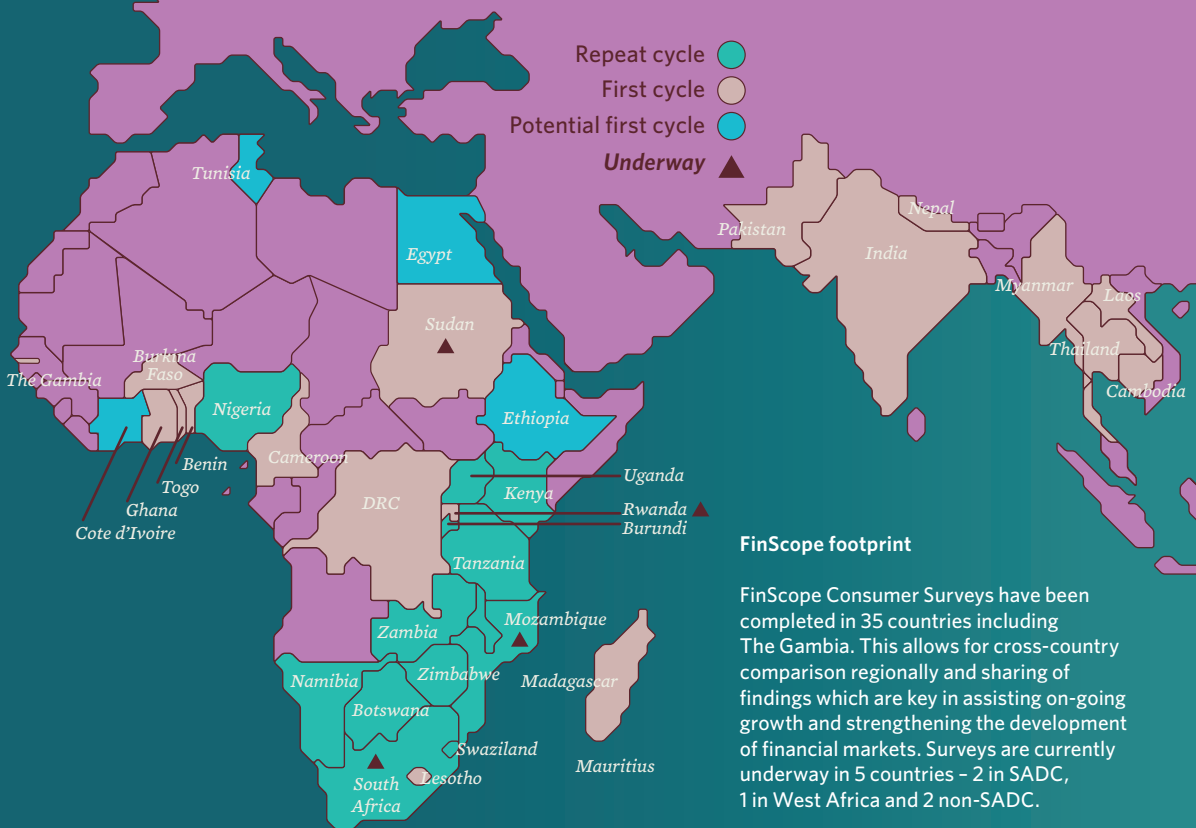
- About 99% of adults indicated a need for financial education, mainly seeking information on how to save and on the advantages of financial products;
- Most adults live far from existing financial access points.

4. Currently, only 2% of 15 years and over are registered as mobile money users making it another financial inclusion lever. Further 3% are using Microfinance institutions.

The priorities of financial inclusion in The Gambia should therefore ensure that the lives of The Gambian people are improved. To this end:

- 1.** Initiatives to 'drive access' to financial services should be a priority as uptake is very low. This may be an anchoring theme in the development of the National Financial Inclusion Strategy.
- 2.** Addressing real economy issues such as agricultural value chains, services delivery, employment and entrepreneurship could provide a lever for change as these directly affect livelihoods.
- 3.** Need for a National Financial Literacy Strategy and programme to address issues related to consumer empowerment, consumer protection, financial knowledge and encouraging good financial behaviour and practices. Financial capability is an enabler for adults to meaningfully engage with financial institutions.
- 4.** Leverage existing demand-side data such as FinScope surveys and other surveys to enable innovative financial solutions to be created. This evidence-based approach has enabled actors in the financial sector to understand the barriers and limitations currently prevailing.
- 5.** Mobile based financial solutions could be explored in The Gambia as most adults have access to a mobile phone. Learnings and information sharing with actors from countries in East Africa where MPesa was a successful product in enhancing financial inclusion could be an opportunity.
- 6.** Since the youth (15 - 35 years) do not engage with the financial sector due to high levels of unemployment and lack of income, targeted initiatives that encourage entrepreneurship and upskill financial capability could lead to higher financial inclusion.
- 7.** Cultivate a savings culture among individuals and households to help mobilise formal savings used as 'capital funding' for the formal financial sector which in turn increases money in circulation thus spurring more economic activity. This has an economic ripple effect resulting in more financially included adults.





FinScope footprint

FinScope Consumer Surveys have been completed in 35 countries including The Gambia. This allows for cross-country comparison regionally and sharing of findings which are key in assisting on-going growth and strengthening the development of financial markets. Surveys are currently underway in 5 countries - 2 in SADC, 1 in West Africa and 2 non-SADC.

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