



Expert Meeting on  
**THE IMPACT OF ACCESS TO FINANCIAL SERVICES,  
INCLUDING BY HIGHLIGHTING THE IMPACT ON REMITTANCES ON  
DEVELOPMENT: ECONOMIC EMPOWERMENT OF WOMEN AND YOUTH**  
*12-14 November 2014*

**SESSION 1:  
TRENDS IN FINANCIAL SERVICES AND FINANCIAL INCLUSION**

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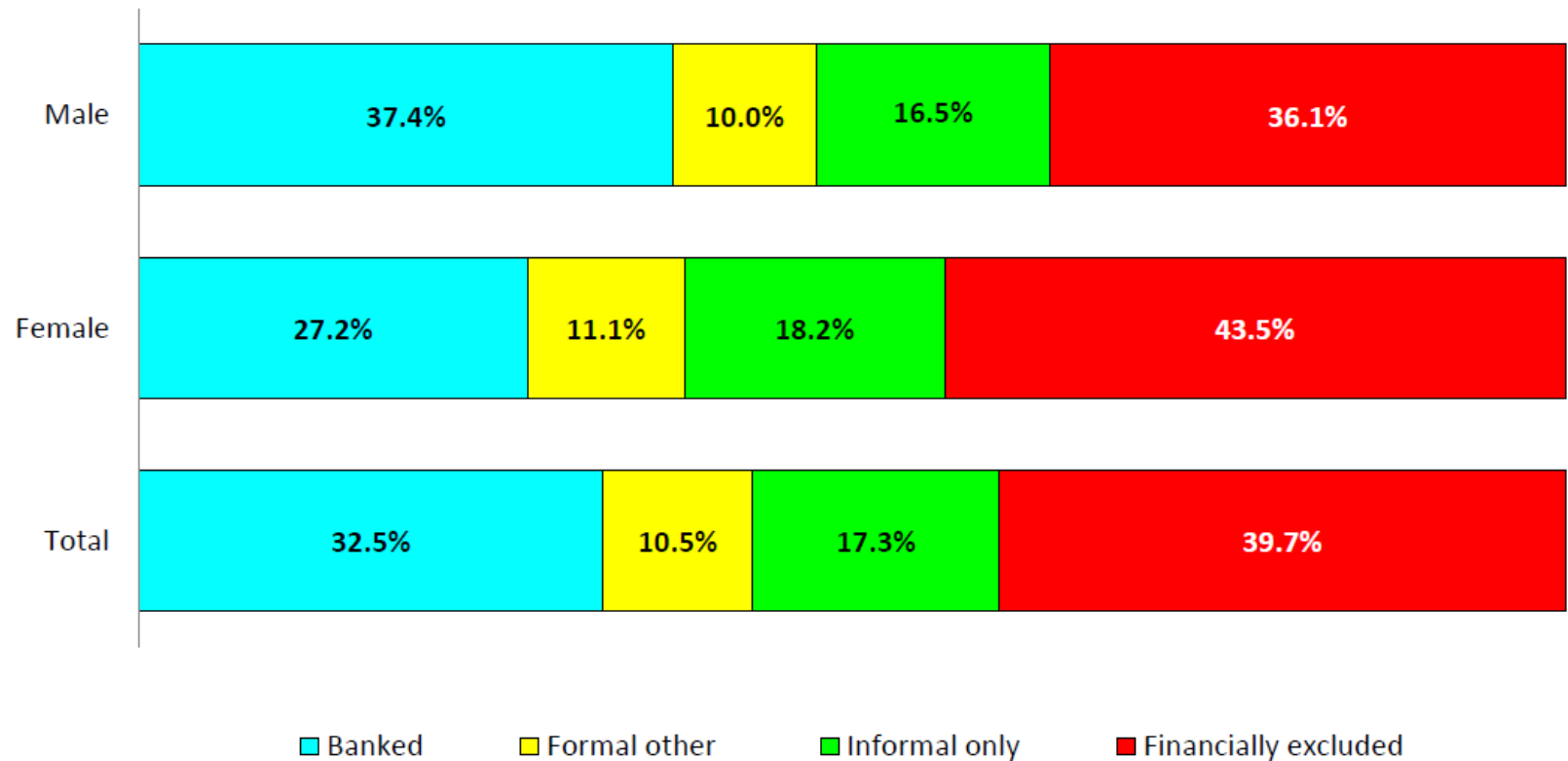
# Trends in Financial Services and Financial Inclusion – A Nigerian Perspective

October 14, 2014

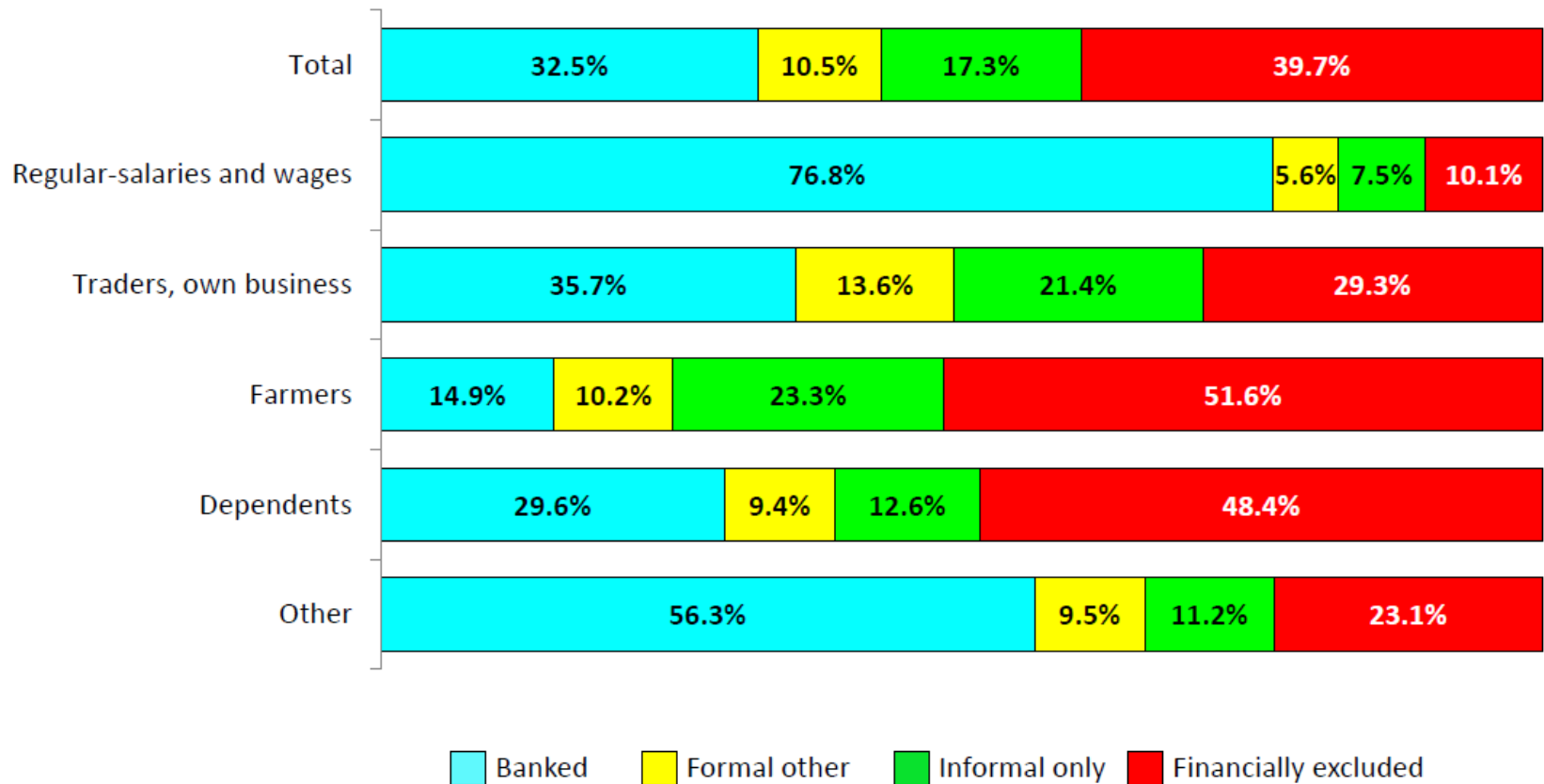


Nigeria Inter-Bank Settlement System Plc  
*...improving the Nigeria Payments System*

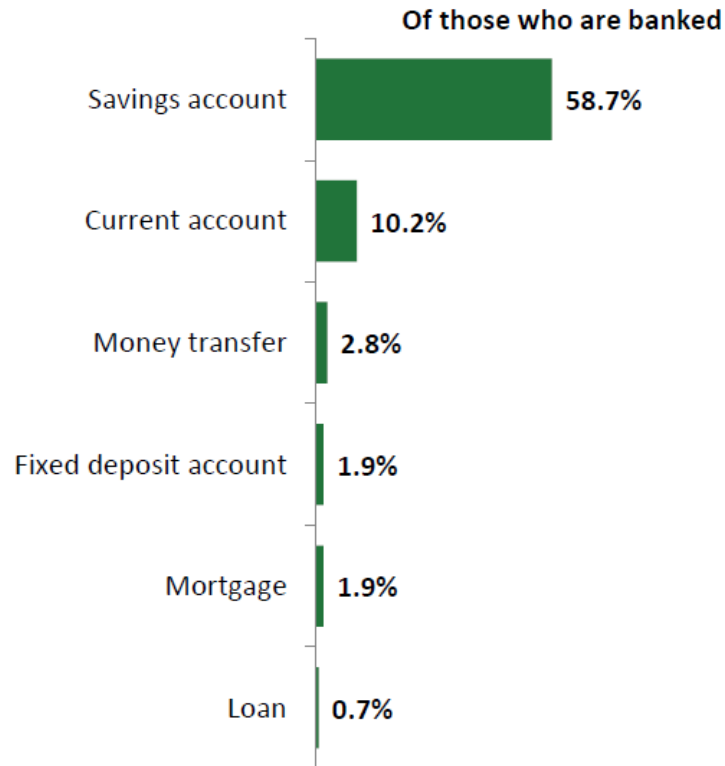
☐ Females remain more financially excluded



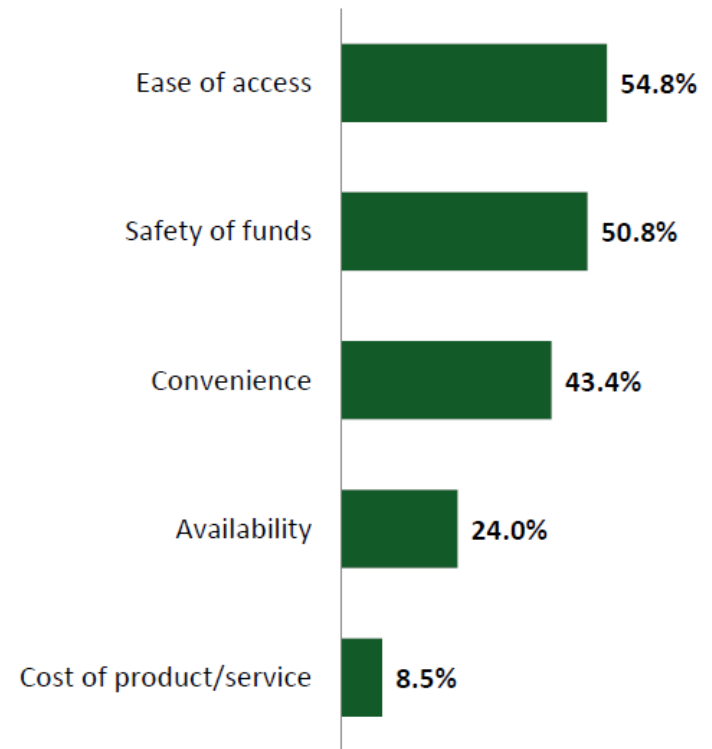
- Formally employed market almost saturated – opportunities lie among traders & farmers



### Top 5 most important products



### Top 5 ranking of why banking products are important

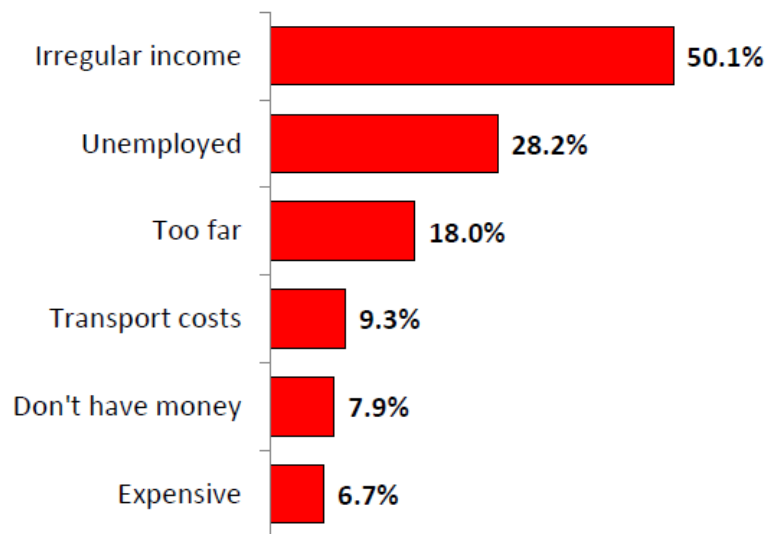


Source: EFINA Access to Financial Services in Nigeria 2012 survey

- ❑ The top three barriers to having a Deposit Money Bank or a Microfinance Bank account are irregular income, unemployment and distance to the bank

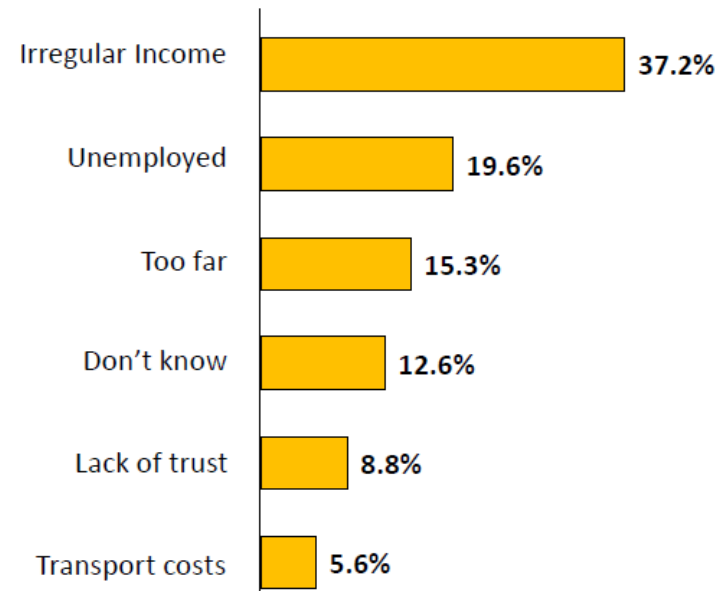
### Banking (Deposit Money Banks)

% of adults that don't have a bank account



### Banking (Microfinance Banks)

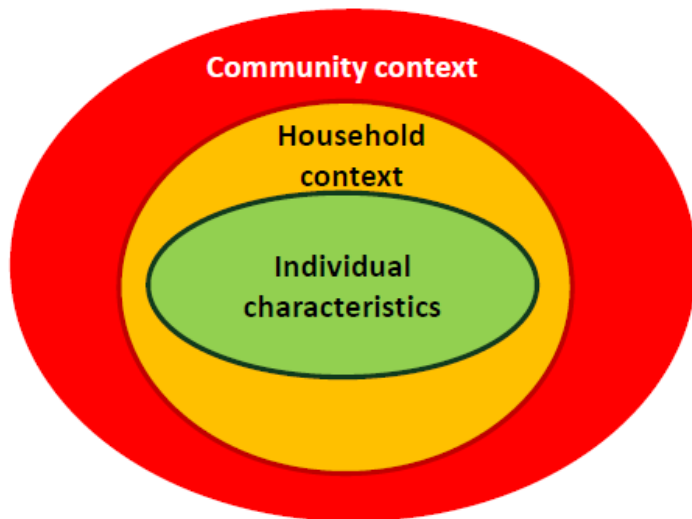
% of adults that have never had MFB accounts



Source: EFINA Access to Financial Services in Nigeria 2012 survey

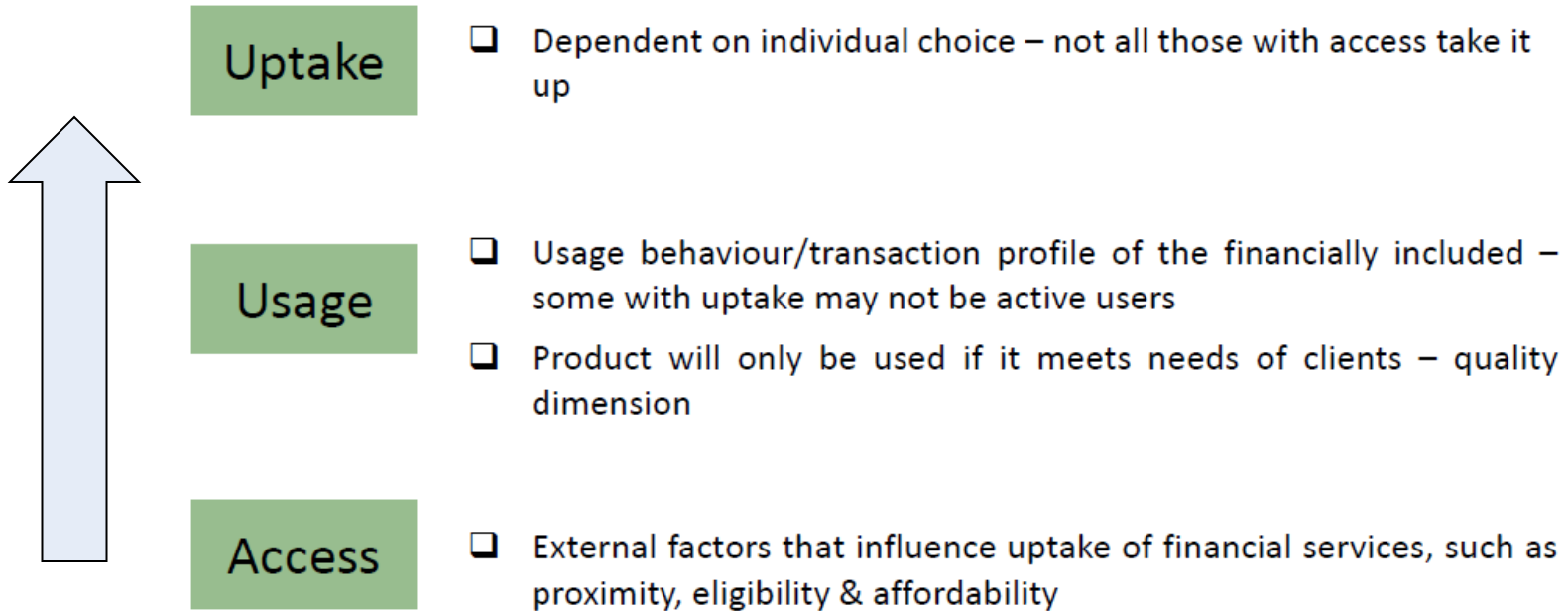
- From the data, the factors that determine whether a person is formally included or not include the following:

### Determinants of individual's behaviour



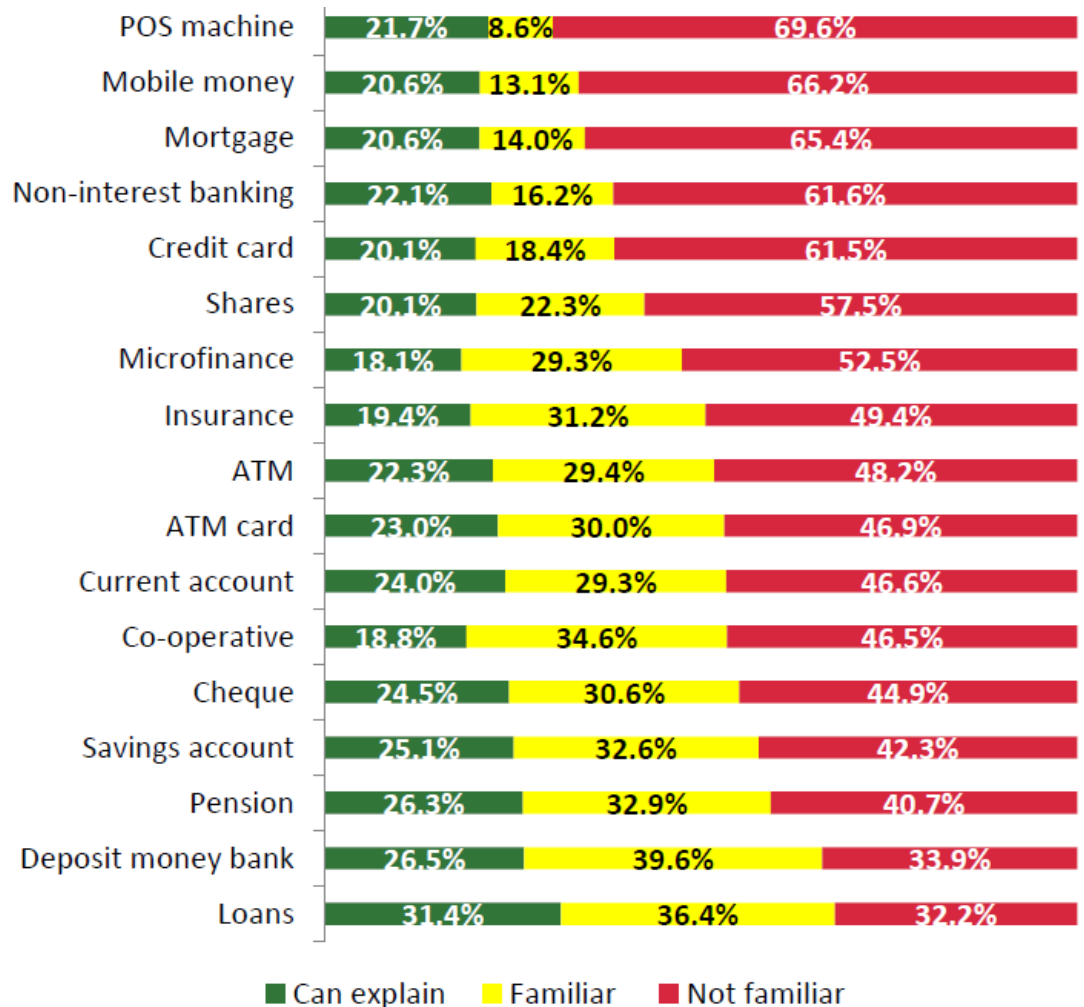
Determinants	
Individual attributes	<ul style="list-style-type: none"> <li>Whether saving or not</li> <li>Level of education</li> <li>Connectivity (mobile phone ownership, Internet)</li> <li>Source of financial advice (credibility of source)</li> <li>Reason for saving (long term, luxury, short term)</li> </ul>
Household attributes	<ul style="list-style-type: none"> <li>Social economic status</li> </ul>
Community attributes	<ul style="list-style-type: none"> <li>Proximity of nearest mobile phone kiosk</li> <li>Informal savings institutions in the community</li> </ul>

# Dimensions and Determinants of Financial Inclusion?





- ❑ Low levels of awareness of financial terms/products could hinder the uptake of products such as mobile money, non-interest banking and microfinance
- ❑ However, high levels of awareness does not necessarily result in high levels of uptake. For example, almost 50% of the adult population state that they are familiar with insurance or are able to explain what it is, yet penetration is still very low



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The main challenge to financial inclusion  
is not technology, it is about  
understanding diverse people and their  
needs.



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# THANK YOU

