Financial Inclusion in North West Nigeria

EFInA Access to Financial Services in Nigeria
2018 Survey

20 May, 2019
About EFInA

Enhancing Financial Innovation & Access (EFInA) is a financial sector development organisation that promotes financial inclusion in Nigeria. Established in late 2007, our mission is to make the Nigerian financial system work better, especially for the poor. EFInA works through four pillars:

- Research
- Innovation
- Digital Finance
- Capacity Building & Advocacy

EFInA is funded by UK Government’s Department for International Development (DFID) and the Bill & Melinda Gates Foundation.
The Access to Financial Services in Nigeria 2018 Survey

Objectives
• Measure access to and use of financial services by all Nigerians
• Identify opportunities for expanding financial inclusion

Design
• Provided by the National Bureau of Statistics (NBS)
• Sampling of respondents was based on equal representation (750 respondents) per State
• Allows for statistically robust headline indicators of financial access at the state, regional and national level.

Coverage
• Nationally representative sample of Nigerian adults (18+) across all 36 States and FCT Abuja
• Achieved 27,470 interviews (97% of target sample of 28,380)
• Household listing and data collection was conducted from August to October 2018 by research firm Ipsos Nigeria, with supervision from the National Bureau of Statistics (NBS)

Questionnaire
The questionnaire (in English), was translated into and also administered in Hausa, Yoruba, Igbo and Pidgin English

Results
• Results were weighted by the NBS to provide for the total adult population.
• Also benchmarked to national population estimates for verification
Financial Inclusion of Nigerian Adults
Defining financial inclusion

Total adult population 18 years and older in Nigeria

Financially included = have/use financial products and/or services – formal and/or informal

Financially excluded = do not have/use any financial products and/or services — formal and/or informal

Formally served = have/use formal financial products and/or services provided by a regulated financial institution (bank and/or non-bank)

Informally served = have/use financial products and/or services which are not regulated

Banked = have/use financial products/services provided by a deposit money bank

Served by other formal financial institutions = have/use financial products/services provided by other regulated non-deposit money bank financial institutions

Source: EFInA Access to Financial Services in Nigeria 2018 survey
Financial Access in Nigeria – 2018

- Nearly half (48.7%) of Nigerian adults use formal financial services

<table>
<thead>
<tr>
<th></th>
<th>63.3% Financially served</th>
<th>36.8% Financially excluded</th>
</tr>
</thead>
<tbody>
<tr>
<td>Total</td>
<td></td>
<td></td>
</tr>
<tr>
<td>48.7% Formally included</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Banked</td>
<td>39.7%</td>
<td></td>
</tr>
<tr>
<td>Formal other</td>
<td>9.0%</td>
<td></td>
</tr>
<tr>
<td>Informal only only</td>
<td>14.6%</td>
<td></td>
</tr>
<tr>
<td>Financially excluded</td>
<td>36.8%</td>
<td></td>
</tr>
</tbody>
</table>

99.7m

These four categories are mutually exclusive

Source: EFInA Access to Financial Services in Nigeria 2018 survey
Over the past 10 years, regional differences in financial inclusion have widened

Financial Access by Geopolitical Zone - 2008

South West | 34% Banked | 2% Formal Other | 20% Informal Only | 44% Excluded
---|---|---|---|---
South South | 25% Banked | 2% Formal Other | 27% Informal Only | 47% Excluded
South East | 26% Banked | 2% Formal Other | 24% Informal Only | 47% Excluded
North West | 8% Banked | 4% Formal Other | 20% Informal Only | 68% Excluded
North East | 14% Banked | 4% Formal Other | 23% Informal Only | 60% Excluded
North Central | 22% Banked | 2% Formal Other | 30% Informal Only | 46% Excluded

Financial Access by Geopolitical Zone - 2018

South West | 58% Banked | 5% Other Formal | 17% Informal Only | 19% Excluded
---|---|---|---|---
South South | 51% Banked | 9% Other Formal | 17% Informal Only | 23% Excluded
South East | 50% Banked | 10% Other Formal | 11% Informal Only | 29% Excluded
North West | 17% Banked | 10% Other Formal | 11% Informal Only | 62% Excluded
North East | 22% Banked | 12% Other Formal | 12% Informal Only | 54% Excluded
North Central | 40% Banked | 10% Other Formal | 20% Informal Only | 31% Excluded

All these banks are for the government workers and the educated people, we here do not have enough money to feed not to talk about savings”
- Focus Group Discussion Respondents, Financially Excluded, Gombe rural

Source: EFInA Access to Financial Services in Nigeria 2008/2018 surveys
Financial exclusion levels vary widely by state

Source: EFInA Access to Financial Services in Nigeria 2018 survey
Lack of financial access points is an obstacle for expanding financial inclusion in Nigeria

Percentage of adults in each geopolitical zone that are aware of any financial access point near their home

- **Nigeria Nationwide**
  - Yes: 40%
  - No: 60%

- **South West**
  - Yes: 60%
  - No: 40%

- **South South**
  - Yes: 44%
  - No: 56%

- **South East**
  - Yes: 49%
  - No: 51%

- **North West**
  - Yes: 23%
  - No: 77%

- **North East**
  - Yes: 20%
  - No: 80%

- **North Central**
  - Yes: 44%
  - No: 56%

“We do not have banks close to us, if you have to use a bank you have to travel or spend some amount on transport and this is an issue because the whole money you are going to save sometimes may not be up to N2,000”

-Focus Group Respondents

Source: EFInA Access to Financial Services in Nigeria 2018 survey
Access to mobile phones varies by geopolitical zone

- A significant number of Nigerians do not own mobile phones but use a phone that belongs to someone else, demonstrating a market for financial services designed for use via a shared mobile phone.

### Mobile phone use by Geopolitical Zone

<table>
<thead>
<tr>
<th>Geopolitical Zone</th>
<th>Own a mobile phone</th>
<th>Do not own, but use a mobile phone owned by someone else</th>
<th>Do not own or use a mobile phone</th>
</tr>
</thead>
<tbody>
<tr>
<td>NORTH CENTRAL</td>
<td>74%</td>
<td>16%</td>
<td>10%</td>
</tr>
<tr>
<td>NORTH EAST</td>
<td>56%</td>
<td>25%</td>
<td>18%</td>
</tr>
<tr>
<td>NORTH WEST</td>
<td>43%</td>
<td>23%</td>
<td>33%</td>
</tr>
<tr>
<td>SOUTH EAST</td>
<td>78%</td>
<td>11%</td>
<td>12%</td>
</tr>
<tr>
<td>SOUTH SOUTH</td>
<td>78%</td>
<td>14%</td>
<td>8%</td>
</tr>
<tr>
<td>SOUTH WEST</td>
<td>87%</td>
<td>9%</td>
<td>4%</td>
</tr>
</tbody>
</table>

**Source:** EFInA Access to Financial Services in Nigeria 2018 survey
Financial Inclusion in the North West Zone
Income Sources & Levels

- 7% of adults in the North West primarily earn income from salaries/wages
- Nearly one third of adults in the North West are primarily dependent on others to meet their financial needs
- Of those that are earning income, the majority earn N35,000 or less monthly

**Primary source of income**

*Percentage of adults in the NW zone*

- Salary/wages (formal): 5%
- Salary/wages (informal): 2%
- Farming: 28%
- Own business/trader: 33%
- Money from family/friends: 31%
- Other: 1%

**Average monthly income**

*Percentage of adults in the NW zone*

- Below N15,000: 33%
- N15,000 - N35,000: 28%
- N35001 - N55,000: 9%
- N55,001 - N75,000: 3%
- N75,001 or more: 3%
- Refused to answer: 10%
- Don’t Know: 13%

Source: EFInA Access to Financial Services in Nigeria 2018 survey
Financial Access by Primary Income Source

- Nearly all formal sector employees are banked.
- Financial exclusion rates are highest among those that primarily depend on farming or family/friends to meet their needs.

Financial access by primary source of income
*Adults in the North West zone*

<table>
<thead>
<tr>
<th>Source of Income</th>
<th>Banked</th>
<th>Other Formal</th>
<th>Informal Only</th>
<th>Excluded</th>
</tr>
</thead>
<tbody>
<tr>
<td>Salary/wages (formal)</td>
<td>94%</td>
<td></td>
<td>6%</td>
<td>0%</td>
</tr>
<tr>
<td>Salary/wages (informal)</td>
<td>33%</td>
<td>15%</td>
<td>6%</td>
<td>46%</td>
</tr>
<tr>
<td>Farming</td>
<td>10%</td>
<td>9%</td>
<td>11%</td>
<td>69%</td>
</tr>
<tr>
<td>Own business/trader</td>
<td>21%</td>
<td>15%</td>
<td>17%</td>
<td>47%</td>
</tr>
<tr>
<td>Money from family/friends</td>
<td>6%</td>
<td>5%</td>
<td>5%</td>
<td>84%</td>
</tr>
<tr>
<td>Other</td>
<td>34%</td>
<td>7%</td>
<td>13%</td>
<td>45%</td>
</tr>
</tbody>
</table>

*Source: EFInA Access to Financial Services in Nigeria 2018 survey*
Financial Access by Gender

Financial access by gender
Adults in the North West zone

Female
- 10% Banked
- 9% Other Formal
- 10% Informal Only
- 70% Excluded

Male
- 23% Banked
- 10% Other Formal
- 11% Informal Only
- 55% Excluded

Source: EFInA Access to Financial Services in Nigeria 2018 survey
Financial Access by Age

- Adults between the ages of 18-25 have the highest rate of financial exclusion
- More than 5 million adults 18-25 are financially excluded, accounting for 37% of financially excluded adults in the North West

Financial access by age group
*Adults in the North West zone*

<table>
<thead>
<tr>
<th>Age Group</th>
<th>Banked</th>
<th>Other Formal</th>
<th>Informal Only</th>
<th>Excluded</th>
</tr>
</thead>
<tbody>
<tr>
<td>18-25</td>
<td>10%</td>
<td>10%</td>
<td>11%</td>
<td>70%</td>
</tr>
<tr>
<td>26-35</td>
<td>19%</td>
<td>11%</td>
<td>12%</td>
<td>58%</td>
</tr>
<tr>
<td>36-45</td>
<td>25%</td>
<td>8%</td>
<td>8%</td>
<td>58%</td>
</tr>
<tr>
<td>46-55</td>
<td>19%</td>
<td>11%</td>
<td>13%</td>
<td>58%</td>
</tr>
<tr>
<td>56+</td>
<td>19%</td>
<td>10%</td>
<td>8%</td>
<td>62%</td>
</tr>
</tbody>
</table>

Source: EFInA Access to Financial Services in Nigeria 2018 survey
Financial Access by Urbanisation

- Rural adults are significantly more likely than urban adults to be financially excluded
- Rural adults are also significantly less likely to be aware of any formal financial access points near their homes
- There are nearly 12 million financially excluded adults living in rural areas in the North West

Financial access by urbanisation

*Adults in the North West zone*

<table>
<thead>
<tr>
<th>Urban</th>
<th>Banked</th>
<th>Other Formal</th>
<th>Informal Only</th>
<th>Excluded</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>36%</td>
<td>8%</td>
<td>14%</td>
<td>42%</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Rural</th>
<th>Banked</th>
<th>Other Formal</th>
<th>Informal Only</th>
<th>Excluded</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>12%</td>
<td>10%</td>
<td>10%</td>
<td>68%</td>
</tr>
</tbody>
</table>

Proximity to financial access points

*Adults in the North West zone*

<table>
<thead>
<tr>
<th>Urban</th>
<th>Aware of at least one financial access point near their home</th>
<th>Not aware of any financial access points near their home</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>43%</td>
<td>57%</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Rural</th>
<th>Aware of at least one financial access point near their home</th>
<th>Not aware of any financial access points near their home</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>17%</td>
<td>83%</td>
</tr>
</tbody>
</table>

Source: EFInA Access to Financial Services in Nigeria 2018 survey
41% of adults in the North West are saving money
Of those, about half are only saving at home, and not using any formal or informal savings channels.
Savings – Motivations & Barriers

What did you mainly save/put money aside for? (top reasons given)
Percentage of adults in the NW that are saving

<table>
<thead>
<tr>
<th>Reason</th>
<th>Percentage</th>
</tr>
</thead>
<tbody>
<tr>
<td>For emergencies</td>
<td>43%</td>
</tr>
<tr>
<td>Day-to-day ordinary household needs</td>
<td>24%</td>
</tr>
<tr>
<td>Personal needs (such as clothes, shoes, jewellery)</td>
<td>8%</td>
</tr>
<tr>
<td>To buy farming inputs/cover farming expenses</td>
<td>6%</td>
</tr>
<tr>
<td>To cover business expenses</td>
<td>3%</td>
</tr>
<tr>
<td>Specific occasion (e.g. Yam Festival, Marriage, Christmas, Ileya, etc)</td>
<td>3%</td>
</tr>
<tr>
<td>To buy livestock/cattle</td>
<td>3%</td>
</tr>
<tr>
<td>Medical expenses</td>
<td>2%</td>
</tr>
<tr>
<td>Home improvements</td>
<td>2%</td>
</tr>
</tbody>
</table>

Why don’t you save?
Percentage of adults in the NW that are not saving

<table>
<thead>
<tr>
<th>Reason</th>
<th>Percentage</th>
</tr>
</thead>
<tbody>
<tr>
<td>Nothing to save/No money after I covered my expenses</td>
<td>71%</td>
</tr>
<tr>
<td>I am unemployed</td>
<td>29%</td>
</tr>
<tr>
<td>Do not believe in saving</td>
<td>7%</td>
</tr>
<tr>
<td>I do not know of any benefits of saving</td>
<td>5%</td>
</tr>
<tr>
<td>I do not know where to save</td>
<td>5%</td>
</tr>
<tr>
<td>Do not trust banks or other formal financial institutions</td>
<td>3%</td>
</tr>
<tr>
<td>Do not trust informal societies/savings clubs/ cooperatives/savings collectors</td>
<td>3%</td>
</tr>
<tr>
<td>Other</td>
<td>0%</td>
</tr>
</tbody>
</table>

Source: EFInA Access to Financial Services in Nigeria 2018 survey
27% of adults in the North West are borrowing money
Most borrow from family/friends
Across all geopolitical zones, very few adults are borrowing from formal sources

Credit Strand

**Percentage of adults in the North West**

- Bank: 12%
- Other formal (non-bank): 24%
- Informal: 2%
- Borrow from family/friends: 73%
- No borrowing

Source: EFInA Access to Financial Services in Nigeria 2018 survey
Remittances

- 27% of Nigerians in the North West are sending or receiving money (international or domestic remittances)
- When asked what channel they used most recently to send or receive money, most say family or friends

Remittances Strand – Channel used most recently to send/receive money

Percentage of adults in the North West

- 9% used bank services
- 2% used other formal non-bank services
- 16% used informal mechanisms
- 73% used remittance via family/friends
- 0% did not remit

Source: EFInA Access to Financial Services in Nigeria 2018 survey
Risk Management

- Very few Nigerians in the North West are insured. This is similar to nationwide rates of insurance coverage.
- In addition to tracking overall levels of financial inclusion, it is important to also consider deepening financial inclusion, including through access to services that can help families mitigate and manage risk.

Percentage of adults in the North West that have experienced a life event in the past 12 months that caused unexpected expenses/made it very difficult to pay for things:
- Yes: 51%
- No: 49%

Percentage of adults in the North West that are insured:
- Yes: 1%
- No: 99%

Percentage of adults in the North West that are interested in micro-insurance:
- Yes: 31%
- No: 60%
- Don’t know: 9%
Digital Payments

- Adults in the North West are less likely than those in other zones to have made a digital payment in the past year.
- When the concept has been explained, adults in the North West are more likely than those in the South to express interest in mobile money.

Percentage of adults that have made at least one electronic payment for goods, services or bills in the past year:

<table>
<thead>
<tr>
<th>Zone</th>
<th>Percentage</th>
</tr>
</thead>
<tbody>
<tr>
<td>North East</td>
<td>6%</td>
</tr>
<tr>
<td>North West</td>
<td>3%</td>
</tr>
<tr>
<td>North Central</td>
<td>8%</td>
</tr>
<tr>
<td>Southern Zones</td>
<td>15%</td>
</tr>
</tbody>
</table>

Would you be interested in mobile money?

<table>
<thead>
<tr>
<th>Zone</th>
<th>Yes</th>
<th>No</th>
<th>Don't know</th>
</tr>
</thead>
<tbody>
<tr>
<td>North East</td>
<td>36%</td>
<td>49%</td>
<td>16%</td>
</tr>
<tr>
<td>North West</td>
<td>36%</td>
<td>54%</td>
<td>10%</td>
</tr>
<tr>
<td>North Central</td>
<td>39%</td>
<td>52%</td>
<td>10%</td>
</tr>
<tr>
<td>Southern Zones</td>
<td>30%</td>
<td>61%</td>
<td>9%</td>
</tr>
</tbody>
</table>

Source: EFInA Access to Financial Services in Nigeria 2018 survey
Use of non-interest financial services remains low in the North West

**Why did you did not borrow money? (top reasons given)**

*Percentage of adults in the North West that are not borrowing*

- Did not need it: 40%
- Like to live within my means: 18%
- Did not have anyone to borrow from: 8%
- Spouse/partner won’t allow it: 8%
- Don’t believe in it: 7%
- Did not know who to borrow from: 5%
- Do not earn enough money: 4%
- Afraid to lose collateral: 4%
- Unemployed: 2%
- Paying interest is against my religion: 2%

**Why are you not insured?**

*Percentage of adults in the North West that are not insured*

- Haven’t thought about it yet: 24%
- I do not believe in insurance: 23%
- I do not know where to go and get one from: 20%
- I do not know the benefits of having one: 13%
- I have nothing to insure: 12%
- Cannot afford to pay for insurance: 12%
- No reason: 9%
- Religious reasons/God will take care of it: 8%
- They are cheats, they do not settle claims: 2%

**Use of non-interest financial services**

*Percentage of adults in the North West*

- Yes: 0.2%
- No: 99.8%

“[Insurance] is against our religion, that means you are planning for what has not happen, God does no like such act because you don’t know more than Him”

- Focus Group Respondent, Financially Excluded, Kano rural

Source: EFInA Access to Financial Services in Nigeria 2018 survey
Financial access by state in the North West zone

Adult Population 18+ Years

<table>
<thead>
<tr>
<th>Zone</th>
<th>Banked</th>
<th>Other formal (non-bank)</th>
<th>Informal Only</th>
<th>Excluded</th>
</tr>
</thead>
<tbody>
<tr>
<td>Zone Total</td>
<td>17%</td>
<td>10%</td>
<td>12%</td>
<td>62%</td>
</tr>
<tr>
<td>Kano</td>
<td>8%</td>
<td>8%</td>
<td>9%</td>
<td>75%</td>
</tr>
<tr>
<td>Jigawa</td>
<td>13%</td>
<td>13%</td>
<td>9%</td>
<td>65%</td>
</tr>
<tr>
<td>Katsina</td>
<td>15%</td>
<td>7%</td>
<td>14%</td>
<td>64%</td>
</tr>
<tr>
<td>Zamfara</td>
<td>13%</td>
<td>15%</td>
<td>14%</td>
<td>59%</td>
</tr>
<tr>
<td>Kaduna</td>
<td>30%</td>
<td>6%</td>
<td>9%</td>
<td>55%</td>
</tr>
<tr>
<td>Sokoto</td>
<td>17%</td>
<td>17%</td>
<td>12%</td>
<td>55%</td>
</tr>
<tr>
<td>Kebbi</td>
<td>33%</td>
<td>12%</td>
<td>12%</td>
<td>44%</td>
</tr>
</tbody>
</table>

Source: EFInA Access to Financial Services in Nigeria 2018 survey
Kano State
Income Sources & Levels

- 40% of adults in Kano rely primarily on money from family/friends to meet their expenses
- Most adults in Kano aware of and willing to disclose their monthly income earn N35,000 or less per month

**Primary source of income**
*Percentage of adults in Kano*

- Salary/wages (formal): 3%
- Salary/wages (informal): 1%
- Farming: 26%
- Own business/trader: 29%
- Money from family/friends: 40%
- Other: 1%

**Average monthly income**
*Percentage of adults in Kano*

- Below N15,000: 42%
- N15,000 - N35,000: 31%
- N35,001 - N55,000: 6%
- N55,001 - N75,000: 1%
- N75,001 or more: 2%
- Refused to answer: 10%
- Don’t Know: 9%

*Source: EFlnA Access to Financial Services in Nigeria 2018 survey*
Financial Inclusion in Kano

- In 2018, Kano State had more financially excluded adults than any other state in Nigeria, with 4.5 million financially excluded adults.

Source: EFInA Access to Financial Services in Nigeria 2018 survey
Financial Access by Demographic Groups in Kano

- Women in Kano are significantly less likely to be banked and are more likely to be financially excluded. There are 2.8 million financially excluded women in Kano.
- Adults living in rural areas are significantly more likely than those in urban areas to be financially excluded.
- Young adults between 18-25 are more likely than older adults to be financially excluded.

Financial access by gender

<table>
<thead>
<tr>
<th></th>
<th>Banked</th>
<th>Other Formal</th>
<th>Informal Only</th>
<th>Excluded</th>
</tr>
</thead>
<tbody>
<tr>
<td>Female</td>
<td>78%</td>
<td>11%</td>
<td>6%</td>
<td>4%</td>
</tr>
<tr>
<td>Male</td>
<td>71%</td>
<td>5%</td>
<td>10%</td>
<td>14%</td>
</tr>
</tbody>
</table>

Financial access by age group

<table>
<thead>
<tr>
<th>Age Group</th>
<th>Banked</th>
<th>Other Formal</th>
<th>Informal Only</th>
<th>Excluded</th>
</tr>
</thead>
<tbody>
<tr>
<td>18-25</td>
<td>79%</td>
<td>6%</td>
<td>10%</td>
<td>5%</td>
</tr>
<tr>
<td>26-35</td>
<td>74%</td>
<td>4%</td>
<td>13%</td>
<td>8%</td>
</tr>
<tr>
<td>36-45</td>
<td>73%</td>
<td>4%</td>
<td>5%</td>
<td>18%</td>
</tr>
<tr>
<td>46-55</td>
<td>71%</td>
<td>16%</td>
<td>4%</td>
<td>10%</td>
</tr>
<tr>
<td>56+</td>
<td>73%</td>
<td>12%</td>
<td>13%</td>
<td>2%</td>
</tr>
</tbody>
</table>

Financial access by urbanisation

<table>
<thead>
<tr>
<th>Urban/Rural</th>
<th>Banked</th>
<th>Other Formal</th>
<th>Informal Only</th>
<th>Excluded</th>
</tr>
</thead>
<tbody>
<tr>
<td>Urban</td>
<td>48%</td>
<td>21%</td>
<td>11%</td>
<td>20%</td>
</tr>
<tr>
<td>Rural</td>
<td>85%</td>
<td>4%</td>
<td>7%</td>
<td>4%</td>
</tr>
</tbody>
</table>

Source: EFInA Access to Financial Services in Nigeria 2018 survey
Kano – Financial Behaviours

Of adults in Kano State:
• 30% are saving money
• 17% are sending or receiving money
• 12% are borrowing money. Of those that borrow, almost all borrow from family/friends
• 2% are insured

Savings Strand

- 4% Banking products
- 10% Other formal non-bank products
- 14% Informal mechanism
- 70% Not saving

Remittances Strand

- 39% Bank services
- 13% Informal mechanisms
- 83% Remit money via family/friends
- 8% Not remitting

Credit Strand

- 0% Bank
- 12% Other formal (non-bank)
- 88% Informal sources
- 88% Borrow from family/friends

Percentage Insured

- 98% Insured
- 2% Not Insured

Source: EFInA Access to Financial Services in Nigeria 2018 survey
Kano – Mobile Access and Financial Services Access Points

Access to Mobile Phones

- Own a mobile phone: 40%
- Do not own, but use a mobile phone owned by someone else: 32%
- Do not own or use a mobile phone: 27%

Formal Financial Access Points Near Home

- Not aware of any financial access points near their home: 77%
- Aware of at least one financial access point near their home: 23%

Source: EFInA Access to Financial Services in Nigeria 2018 survey
2.3 million adults in Kano say that they would be interested in mobile money

Would you be interested in mobile money? (millions of adults)
Adults in Kano not currently using mobile money

- 2.3 million adults would be interested in mobile money
- 0.8 million own a mobile phone
- 0.8 million do not own a mobile phone, but use a mobile phone owned by someone else
- 0.2 million can read English comfortably
- 2.1 million can read Hausa comfortably

Source: EFInA Access to Financial Services in Nigeria 2018 survey
Profile of the Financially Excluded in Kano

There are 4.5 million financially excluded adults in Kano

- **83% Urban, 17% Rural**
- **61% Male, 39% Female**

- **27% Own a mobile phone**
- **45% Do not own, but use a mobile phone owned by someone else**
- **28% Do not own or use a mobile phone**
- **20% Not aware of any financial access points near their home**
- **80% Aware of at least one financial access point near their home**

**Primary Income Source**

<table>
<thead>
<tr>
<th>Source</th>
<th>Percentage</th>
</tr>
</thead>
<tbody>
<tr>
<td>Salary/wages</td>
<td>0%</td>
</tr>
<tr>
<td>Farming</td>
<td>30%</td>
</tr>
<tr>
<td>Own business/trader</td>
<td>21%</td>
</tr>
<tr>
<td>Money from family/friends</td>
<td>48%</td>
</tr>
<tr>
<td>Other</td>
<td>1%</td>
</tr>
</tbody>
</table>

**Age**

- **31% 18-25**
- **22% 26-35**
- **19% 36-45**
- **12% 46-55**
- **8% 56+**

**Percentage Saving, Borrowing, and/or Remitting**

- **31% Currently saving, borrowing, and/or remitting**
- **69% Not doing any of these things**

100% of financially excluded adults in Kano are paying for goods/services using cash

Source: EFInA Access to Financial Services in Nigeria 2018 survey
Summary

• Although financial inclusion in Nigeria has increased significantly since 2008, important differences in inclusion rates persist, including geographical differences.

• Financial exclusion is highest in Kano, where there are 4.5 million financially excluded adults.

• Despite challenges that are driving high financial exclusion rates in the North West and in Kano, there are opportunities to expand financial inclusion via financial services that are relevant, useful and affordable to Nigerians living in those areas.

• Leveraging technology (Mobile Phone, etc) and Agent network to provide financial services can yield some quick wins.

Source: EFInA Access to Financial Services in Nigeria 2018 survey
Visit [www.efina.org.ng](http://www.efina.org.ng) for:

- More results from the EFInA Access to Financial Services in Nigeria surveys, including in-depth analysis on topics such as women, youth, remittances, digital finance, etc.
- Results of additional studies on topics such as financial service agents, microinsurance, mobile money, financial services regulation, etc.


- Comprehensive data that can be segmented in multiple dimensions, e.g., gender, geopolitical zone, age, education, etc.
- Can request the full dataset, a limited number of variables, or custom analysis from EFInA
- To submit a data request, visit [www.efina.org.ng](http://www.efina.org.ng)

<table>
<thead>
<tr>
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<th>Website</th>
</tr>
</thead>
<tbody>
<tr>
<td><a href="mailto:info@efina.org.ng">info@efina.org.ng</a></td>
<td><a href="http://www.efina.org.ng">www.efina.org.ng</a></td>
</tr>
</tbody>
</table>