

Cooperating Partners:



FINSCOPE ZAMBIA

2020 SURVEY PROVINCIAL REPORT



CENTRAL PROVINCE

REGISTERED OFFICES

Head Office

Bank Square, Cairo Road
P. O. Box 30080, Lusaka, 10101, Zambia
Tel: (+260)211399300
E-mail: info@boz.zm
Website: www.boz.zm

Regional Office

Buteko Avenue,
P.O. Box 71511, Ndola, Zambia
Tel: (+260)212399600
E-mail: info@boz.zm
Website: www.boz.zm



Bank of Zambia



TABLE OF CONTENTS

FOREWORD	i
----------	---

LIST OF FIGURES	ii
-----------------	----

LIST OF TABLES	v
----------------	---

ACRONYMS AND ABBREVIATIONS	vi
----------------------------	----

DEFINITIONS	vii
-------------	-----

1.0 EXECUTIVE SUMMARY	1
------------------------------	----------

2.0 SURVEY BACKGROUND AND METHODOLOGY	3
2.1 Survey Background	3
2.2 Survey and Instrument Design	3
2.3 Sampling Frame	3
2.4 Sample Design and Implementation	4
2.5 Fieldwork	4

3.0 DEMOGRAPHIC COMPOSITION	5
3.1 Adult Population	5
3.2 Main Livelihood and Income Generating Activities	6
3.3 Average and Median Income of Adults by Main Income Generating Activities	7
3.4 Distribution of Adults by Progress out of Poverty Index (PPI)	7

4.0 FINANCIAL INCLUSION	10
4.1 Defining Financial Inclusion	10
4.2 Developments in Financial Inclusion	11
4.3 Formal and Informal Financial Inclusion	13
4.4 Financial Access Strands	15

5.0 UPTAKE OF FORMAL FINANCIAL SERVICES	19
5.1 Levels of Formal Financial Services	19
5.2 Perceived Barriers to Usage of Formal Financial Services	25

6.0 USE OF INFORMAL FINANCIAL SERVICES	28
6.1 Uptake of Informal Financial Products/Services	28
6.2 Barriers to Usage of Informal Savings Services	35

7.0	FINANCIAL CAPABILITIES	36
7.1	Financial Sufficiency and Decision Making	36
7.2	Cash-flow Management	40
7.3	Risk Management	44
7.4	Assets and Asset Building	47
7.5	Investment	48
7.6	House Occupancy Status	49
7.7	Strategies to Meet Future Needs When Old and Cannot Work	50

8.0	ACCESS TO FINANCIAL SERVICES	52
8.1	Physical Access to Points of Service	52
8.2	Eligibility to Access Services	52

9.0	FINANCIAL PRODUCTS AND SERVICES USED BY ADULTS	54
9.1	Electronic Payments	54
9.2	Adults Buying Goods and Services on Credit	56
9.3	Remittances	57
9.4	Savings	58
9.5	Credit Services	61
9.6	Insurance Services	67
9.7	Pension services	68
9.8	Landscape of access	69

10.0	FINANCIAL HEALTH	71
10.1	Financial Health Status	71
10.2	Self-Reported Financial Status	73

11.0	FINANCIAL LITERACY	76
11.1	Financial Literacy by Rural-Urban Segmentation and Sex	76
11.2	Financial Literacy by Age	76
11.3	Financial Literacy by Level of Education	76
11.4	Financial Literacy by Progress Out of Poverty Index	77

12.0	CLIMATE CHANGE	78
12.1	Climate Change Experience	78
12.2	Adults Who Experienced Hardship due to Climate Change	78
12.3	Types of Hardship Experienced due to Climate Change	79
12.4	Coping Strategies to the Effects of Climate Change	79

13.0	COVID-19 PANDEMIC	80
13.1	Effects of Covid-19 Pandemic on the Adult Population	80
13.2	Coping Mechanisms against Effects of the COVID – 19 Pandemic	80

14.0	CONCLUSION AND RECOMMENDATIONS	81
------	--------------------------------	----

15.0	APPENDICES	83
------	------------	----



FOREWORD

The Government of the Republic of Zambia has acknowledged the importance of financial inclusion as an enabler of economic development. In this regard, a comprehensive National Financial Inclusion Strategy (NFIS) 2017 – 2022 was developed to accelerate progress towards an inclusive, stable and competitive financial sector. The Bank of Zambia (BoZ) also adopted financial inclusion as the second pillar in its 2020 – 2023 Strategic Plan.

To assess the level of financial inclusion and the extent of financial service delivery, the BoZ collaborated with other financial sector stakeholders in the implementation of the FinScope 2020 Survey, during the period September - October 2020. This Survey is an important research tool developed by FinMark Trust to provide credible national information on the demand, access, use of and behaviour towards financial services by the adult population. It also enables policy makers and financial service providers to develop a more targeted response to the gaps and barriers that have been identified regarding access to and usage of financial services.



The FinScope 2020 Survey was the first to be managed and conducted by a local project team. It was also the first time that a detailed report has been produced for each province. Survey findings from Central Province indicated that financial inclusion stood at 65.4 percent, driven mainly by uptake of digital financial services. This level of inclusion was, however, lower than the national level of 69.4 percent. Further, a huge disparity was observed in the level of financial inclusion between urban (81.4 percent) and rural (59.3 percent) areas. Similar to the national pattern, financial inclusion for males (66.5 percent) was higher than females (64.3 percent), indicating that there is more work required to bridge the gender and urban-rural gaps.

As coordinators of this Survey, the BoZ wishes to thank Financial Sector Deepening Zambia (FSDZ), Rural Finance Expansion Programme (RuFEP), German Sparkassenstiftung for International Cooperation, Ministry of Finance and National Planning (MoFNP), and the United Nations Capital Development Fund (UNCDF) for the financial support and participation in the study.

The Zambia Statistics Agency (ZamStats) is also acknowledged for providing technical expertise, structures for data collection, and ensuring that the Survey was undertaken in accordance with best international practice. Special thanks are extended to FinMark Trust for their technical advice, as well as the Pensions and Insurance Authority (PIA), Securities and Exchange Commission (SEC), Bankers Association of Zambia (BAZ) and Association of Microfinance Institutions of Zambia (AMIZ), for providing technical and logistical support.

We encourage all stakeholders to use the survey information to develop innovative interventions, strategies, and customer centric products to overcome the barriers that have been identified and improve financial service delivery. This will result in greater outreach of financial services, facilitate higher economic activity and improve the economic welfare of the people in Central Province.

A handwritten signature in red ink, appearing to read 'D. Kalyalya', positioned above the printed name of the Governor.

Dr. Denny Kalyalya
GOVERNOR

LIST OF FIGURES

Figure 1:	Rural-Urban Distribution of Adults (Percent)	5
Figure 2:	Distribution of Adults by Age (Percent)	5
Figure 3:	Distribution of Adults by Sex (Percent)	6
Figure 4:	Distribution of Adults by Education (Percent)	6
Figure 5:	Main Income Generating Activities of Adults (Percent)	6
Figure 6:	PPI Quintile Distribution of Adults	8
Figure 7:	Relationship Between Livelihoods and PPI (Percent)	8
Figure 8:	Components of Financial Inclusion	11
Figure 9:	Developments in Financial Inclusion (Percent)	11
Figure 10:	Financially Included Adults (Percent)	12
Figure 11:	Financial Inclusion by Rural/Urban Segmentation (Percent)	12
Figure 12:	Financial Inclusion by Sex (Percent)	13
Figure 13:	Financial Inclusion by Level of Education (Percent)	13
Figure 14:	Formal and Informal Financial inclusion (Percent)	13
Figure 15:	Profile of Adults Who Used Formal and Informal Financial Services (Percent)	14
Figure 16:	Overlap in Formal and Informal Inclusion (percent)	15
Figure 17:	Financial Access Strands by Sex (Percent)	15
Figure 18:	Financial Access Strands by Age (Percent)	16
Figure 19:	Financial Access Strands by Rural-Urban Segmentation (Percent)	16
Figure 20:	Financial Access Strands by Main Source of Income (Percent)	17
Figure 21:	Financial Access Strands by PPI Quintile (Percent)	17
Figure 22:	Overlap in Usage of Commercial Bank and Formal Other Services (Percent)	19
Figure 23:	Adults Who Had/Used Bank and Non-Bank Formal Financial Services (Percent)	20
Figure 24:	Comparing the Profile of Adults Who Used Commercial Bank Services with the Total Adult Population (Percent)	21
Figure 25:	Comparing the Profile of Adults Who Used Microfinance Services with the Total Adult Population (Percent)	22
Figure 26:	Comparing the Profile of Adults Who Used Insurance Services with the Total Adult Population (Percent)	23
Figure 27:	Comparing the Profile of Adults Who Used Pension Services with the Total Adult Population (Percent)	24
Figure 28:	Comparing the Profile of Adults Who Used Mobile Money Services with the Total Adult Population (Percent)	25
Figure 29:	Use of Informal Financial Products/Services (Percent)	28
Figure 30:	Profile of Adults Who Used Informal Savings Services (Percent)	29

Figure 31:	Profile of Adults Who Used Informal Credit Services (Percent)	30
Figure 32:	Profile of Adults Who Used Informal Remittance Services (Percent)	31
Figure 33:	Comparing the Profile of Adults Who Belonged to a Chilimba with the Total Adult Population (Percent)	32
Figure 34:	Comparing the Profile of Adults Who Belonged to a Savings Group with the Total Adult Population (Percent)	33
Figure 35:	Comparing the Profile of Adults Who Belonged to a Village Bank with the Total Adult Population (Percent)	34
Figure 36:	Comparing the Profile of Adults Who Used Kaloba with the Total Adult Population (Percent)	35
Figure 37:	Adults Who Had Money of Their Own (Percent)	36
Figure 38:	Adults Who Had Money of Their Own to Use as They Wished (Percent)	37
Figure 39:	Adults Involved in Financial Decision-Making (Percent)	38
Figure 40:	Adults Who Kept Track of the Money They Received and Spent (Percent)	39
Figure 41:	Adults Who had Someone to Turn to for Financial Advice (Percent)	40
Figure 42:	Major Life Events Considered Most Costly (Percent)	41
Figure 43:	Adults Who Had Fallen Behind/Struggled to Keep Up with Regular Expenses (Percent)	43
Figure 44:	Adults Who Kept a Record of Their Money (Percent)	44
Figure 45:	Adults Who Had Fallen Behind/Struggled to Manage Unexpected Expenses (Percent)	45
Figure 46:	Adults Who Made Provision for Unexpected Expenses (Percent)	46
Figure 47:	Adults Investing to Ensure They Have Money in the Future (percent)	49
Figure 48:	Adults Able to Provide Valid Documentation (Percent)	53
Figure 49:	Usage of Electronic Payment Channels for Purchasing Goods and Services (Percent)	54
Figure 50:	Profile of Adults Who Used Electronic Payment Channels for the Purchase of Goods and Services (Percent)	55
Figure 51:	Adults Who Bought Goods and Services on Credit in the 12 Months Prior to FinScope 2020 Survey (Percent)	55
Figure 52:	Usage of Electronic Payment Channels for Paying Bills (Percent)	56
Figure 53:	Adults Who Sent or Received Money (Percent)	57
Figure 54:	Definition of Savings (Percent)	58
Figure 55:	Adults Who Saved (Percent)	59
Figure 56:	Most Important Criteria for Choosing a Savings Mechanism (Percent)	60
Figure 57:	Types of Saving Mechanisms Used by Savers (Percent)	60
Figure 58:	Average Savings by Savers (ZMW)	61
Figure 59:	Adults Who Borrowed in the 12-Month Period Prior to the Survey (Percent)	62
Figure 60:	Adults Who Did Not Borrow in the 12-Month Period Prior to the Survey (Percent)	63

Figure 61:	Most Important Criteria for Choosing a Lender (Percent)	64
Figure 62:	Lenders Used by Adults Who Borrowed in the 12-Month Period Prior to the FinScope 2020 Survey (Percent)	64
Figure 63:	Adults Who Missed Loan Repayments (Percent)	65
Figure 64:	Reasons for Missing Loan Repayments (Percent)	65
Figure 65:	Profile of Adults who were Aware of the CRB (Percent)	66
Figure 66:	Profile of Adults Who Used Insurance Services (Percent)	67
Figure 67:	Type of Insurance Products Held by Adults (Percent)	68
Figure 68:	Adults Who Contributed to Pension Schemes (Percent)	68
Figure 69:	Profile of Adults Who Contributed to Pension Schemes (Percent)	69
Figure 70:	Landscape of Access (Percent)	70
Figure 71:	Financial Health Status (Percent)	71
Figure 72:	Financial Health by Sex and Rural/Urban Segmentation (Percent)	71
Figure 73:	Financial Health by PPI (Percent)	72
Figure 74:	Financial Health by Source of Livelihood (Percent)	72
Figure 75:	Financial Health by Age (Percent)	72
Figure 76:	Financial Health by Level of Education (Percent)	73
Figure 77:	Perception of Financial Status (Percent)	74
Figure 78:	Perception of Financial Status by Progress Out of Poverty Index (Percent)	74
Figure 79:	Perception of Financial Status by Source of Livelihood (Percent)	75
Figure 80:	Perception of Financial Status by Age (Percent)	75
Figure 81:	Perception of Financial Status by Level of Education (Percent)	75
Figure 82:	Financial Literacy by Rural/Urban Segmentation and Sex (Percent)	76
Figure 83:	Financial Literacy by Age (Percent)	76
Figure 84:	Financial Literacy by Level of Education (Percent)	77
Figure 85:	Financial Literacy by Progress Out of Poverty Index (Percent)	77
Figure 86:	Adults Who Experienced Climate Change Effects (Percent)	78
Figure 87:	Adults Who Experienced Hardship due to Climate Change (Percent)	78
Figure 88:	Types of Hardship Experienced due to Climate Change (Percent)	79
Figure 89:	Coping Strategies to the Effects of Climate Change (Percent)	79
Figure 90:	Effects of COVID -19 Pandemic on the Adult Population (Percent)	80
Figure 91:	Coping Mechanisms to the effects of COVID - 19 Pandemic (Percent)	80

LIST OF TABLES

Table 1:	Summary of Top Line Findings	1
Table 2:	Allocation of Clusters and Households by Province and Region	4
Table 3:	Income by Main Income Generating Activity (ZMW)	7
Table 4:	Frequency of Receiving Main Income (Percent)	7
Table 5:	Average and Median Income by PPI Quintile (ZWK)	8
Table 6:	Levels of Access/Use of Non-Bank Formal Financial Services (Percent)	20
Table 7:	Barriers to Usage of Commercial Bank Products/Services by Unbanked Adults (Percent)	26
Table 8:	Barriers to Usage of Microfinance Products/Services by Unserved Adults (percent)	26
Table 9:	Barriers to Usage of Capital Market Products by Unserved Adults (Percent)	26
Table 10:	Barriers to Usage of Insurance Products by Unserved Adults (Percent)	27
Table 11:	Barriers to Usage of Pension Services by Unserved Adults (Percent)	27
Table 12:	Barriers to Usage of Mobile Money Services by Unserved Adults (Percent)	27
Table 13:	Barriers to Usage of Informal Savings Services (Percent)	35
Table 14:	Income by Source of Income Generating Activity and PPI Quintile	41
Table 15:	Adults with a Child/Dependant Sent Home for Lack of School Fees (Percent)	42
Table 16:	Strategies to Cope with Unexpected Expenses (Percent)	47
Table 17:	Asset Ownership and Connectivity of Adults (Percent)	48
Table 18:	House Occupancy Status (Percent)	50
Table 19:	Strategies to Meet Future Needs When Old and Cannot Work (Percent)	51
Table 20:	Adults Able to Access Service Points within 30 Minutes (Percent)	52
Table 21:	Adults with Documentation to Prove Identity and/or Residence (Percent)	53
Table 22:	Remittances (Percent)	58
Table 23:	Main Drivers of Savings Behaviour (Percent)	59
Table 24:	Drivers of Borrowing Behaviour (Percent)	63
Table 25:	Adults Denied Loans By Formal FSPS	65

ACRONYMS AND ABBREVIATIONS

ATM	Automated Teller Machine
BoZ	Bank of Zambia
CAPI	Computer Assisted Personal Interview
CRB	Credit Reference Bureau
EA	Enumeration Area
FAS	Financial Access Strand
FSDZ	Financial Sector Deepening Zambia
FSP	Financial Services Provider
GRZ	Government of the Republic of Zambia
ZMW	Kwacha (Zambian currency)
KYC	Know Your Customer
MFI	Microfinance Institution
MoFNP	Ministry of Finance and National Planning
NFIS	National Financial Inclusion Strategy
NRC	National Registration Card
PIA	Pensions and Insurance Authority
PoS	Point of Sale
PPI	Progress out of Poverty Index
PSU	Primary Sampling Unit
ROSCA	Rotating Savings and Credit Association
SACCO	Savings and Credit Cooperative
SEC	Securities and Exchange Commission
RUFEP	Rural Finance Expansion Programme
UNCDF	United Nations Capital Development Fund
ZAMSTATS	Zambia Statistics Agency

DEFINITIONS

Access strand	A measurement of financial access across the formal and informal institutional provider groups.
Adult	A person of age 16 years and above for the purposes of this survey. Individuals using one or more financial products/services supplied by commercial banks.
Chilimba	This is an informal savings activity practised in Zambia, involving a group of people who agree to make regular, fixed cash contributions which go to each member, in a pre-determined order.
Credit	Obtaining funds or goods by a borrower from a lender with the promise of repayments of principal and in most cases, interest as well as arrangement charges at an agreed future date or period.
Demand-side barriers	Characteristics inherent to individuals that prevent them from accessing financial products/services, such as perceived insufficient income, low levels of financial literacy, long distance to access points and lack of trust in financial institutions.
Financial access landscape	A measurement of usage of both formal and informal financial products/services across the main categories of financial services: savings, credit, payments, insurance and investments.
Financial health	The ability to manage expenses, prepare for and recover from financial shocks, have minimal debt, and ability to build wealth for the future.
Financial inclusion	Access to and informed usage of a broad range of quality and affordable savings, credit, payments, insurance and investment products and services that meet the needs of individuals and businesses (formal or informal).
Financial literacy	Represents the ability to understand personal finance. It refers to awareness and knowledge of key financial concepts required for managing personal finances.
Financial Services Provider	A formal financial institution regulated by either the Bank of Zambia, Pensions and Insurance Authority or Securities and Exchange Commission.
Financially excluded	Individuals who are not using any formal or informal financial product/service.
Financially served	Individuals using one or more formal and/or informal financial products/services.
Financial Technology (FinTech)	Fintech short for Financial Technology refers to the combination of technology and finance to enhance traditional methods of delivering financial services.
Formal other	Financial products/services provided by formal financial institutions other than commercial banks (e.g., capital markets operators, formal payment service providers, insurance companies and microfinance institutions).
Formally included	Individuals using formal financial products/services provided by institutions that are regulated by any of the three financial sector regulators. This is not exclusive usage, as these individuals may also use informal products/services.
Informal products/services	Financial products/services provided by financial service providers that are not formally regulated.

Informally included	Individuals who are not using any formal financial products/services but who use one or more financial products/services offered by an informal provider.
Insurance	Payment of a premium for risk of an event happening, where pay-out is made if, or when the event occurs.
Investment	The act of allocating money with the expectation of earning an income or profit in the future. An investment can be an asset, shares, collective investment schemes and bonds (among others) which is expected to increase in value over time.
Kaloba	Informal credit that is provided by money-lenders.
Pension	A fund into which a sum of money is added during an employee's employment years. Once the person retires from work, he/she receives regular (monthly) payments from this fund.
Pension Scheme	A type of organised saving plan for retirement and it is not an insurance contract.
Remittances	The sending and receiving of money between a sender in one place and a receiver in another place using formal or informal means.
Saving	Putting money aside today for future use.
Savings Group	A closed self-selected user group that pools savings which are shared out at the end of the savings cycle (usually 12 months). The savings are also used to offer credit within the group at an agreed interest rate and the interest earned is then shared by the members in proportion with their respective savings.
Supply-side barriers	Factors inherent to financial service providers that prevent individuals or businesses from accessing their services such as proximity and cost of products/services.
Transfers	The use of cash or electronic means (such as cheques, credit cards, debit cards, mobile money, electronic funds transfer) to send or receive payments.
Village bank	A group of entrepreneurs (usually low-income) who come together to share and guarantee one another's loans, outside the formal financial sector.

1.0 EXECUTIVE SUMMARY

The vision for financial inclusion in Zambia is to have all citizens enabled with access and usage of a wide range of affordable financial products and services that meet their needs. This is expected to facilitate income-generating activities, build financial security and ultimately enhance the quality of life and well-being of the population. Addressing financial inclusion is therefore important as a means of uplifting the livelihoods of the poor and vulnerable societies, particularly in rural areas. In this regard, the National Financial Inclusion Strategy (NFIS) of 2022 target was to increase the overall level of financial inclusion to 80 percent and the level of formal financial inclusion to 70 percent.

The objectives of the FinScope 2020 Survey Provincial Reports were to:

- 1) Assess the financial landscape;
- 2) Measure the level of financial inclusion in each province; and
- 3) Identify the gaps and barriers in the financial sector as well as to stimulate innovations in product design and digital financial services.

A survey response rate of 99.7 percent was achieved in Central Province from a sample of adults aged 16 years and above in 1,305 households. The survey results indicated that the level of financial inclusion was 65.4 percent out of a population of 959,991 adults.

TABLE 1: SUMMARY OF TOP LINE FINDINGS

Description	Central Province	National
Total population ¹ (million)	1.7	17.9
Total adult ² population (million)	0.9	9.5
Adults living in rural areas (%)	72.3	52.6
Adults living in urban areas (%)	27.7	47.4
Male adults (%)	48.2	47.5
Female adults (%)	51.8	52.5
Level of financial inclusion (%)	65.4	69.4
Financial inclusion amongst males (%)	66.5	71.2
Financial inclusion amongst females (%)	64.3	67.9
Financial inclusion in urban areas (%)	81.4	84.4
Financial inclusion in rural areas (%)	59.3	55.9
Formal financial inclusion (%)	59.1	61.3
Informal financial inclusion (%)	31.2	32.3
Adults financially healthy (%)	14.4	13.6
Adults financially literate (%)	23.3	23.6
Adults who experienced climate change effects (%)	52.8	65.8

The landscape of access for types of financial services showed that most adults used saving products and electronic payment channels for the purchase of goods and services, with an uptake of 53.7 percent and 46.4 percent, respectively. However, there was low access to credit as well as usage of pension and insurance services at 18.0 percent, 7.7 percent and 4.9 percent, respectively.

¹Population and Demographic Projections 2011 – 2035, Zambia Statistics Agency (formerly Central Statistical Office of Zambia), July 2013

²Adult refers to those aged 16 years and above for purposes of this survey

The following were identified as the main barriers to the use of formal financial services by most of the adult population in Central Province:

- Insufficient money to open and maintain accounts at commercial banks and microfinance institutions;
- Lack of money and knowledge about how capital markets work;
- Lack of awareness about insurance products and services;
- Unemployment for the low uptake of pension services; and
- Low levels of financial literacy.

These barriers call for a more coordinated approach by the government, regulators, Financial Services Providers (FSPs) and other financial sector stakeholders to develop strategies and interventions that would lead to higher levels of financial inclusion.

Recommendations

Implementation of the following recommendations could spur actions that would contribute to addressing the identified barriers and lead to the achievement of a more inclusive financial sector in the Province:

1. Development of strategic partnerships to facilitate financial education and awareness campaigns on various financial products and services, including insurance and capital markets, as well as on the usage of digital financial services;
2. Promotion of innovation, Financial Technology (FinTech) and targeted design of affordable products/services leveraging on digital platforms;
3. Coordinated fraud and cyber security awareness programs by financial service providers, regulators and other stakeholders;
4. Rural finance initiatives to empower productive capacity of poor communities, particularly farmers and the Small and Medium Enterprise (SME) sector;
5. Collaboration between Government, donors and stakeholders to support SMEs development targeting, capacity building (basic business skills, financial education) and financial support such as credit guarantee schemes to empower productive activities particularly by the youth and women, hence contributing to economic growth and poverty reduction;
6. Collaboration of private sector and the Government to improve widespread access of affordable mobile phones, which was the main barrier to usage of digital financial services;
7. Collection of financial sector data and conducting research studies for greater understanding of behavioural patterns to facilitate evidence-based policies/strategies /initiatives for increasing financial inclusion;
8. Development of infrastructure to support implementation of widespread digital systems and financial access points at affordable pricing across the country; and
9. Implementation of sustainable green finance policies/strategies to mitigate and adapt to the risks of climate change.

2.0 SURVEY BACKGROUND AND METHODOLOGY

2.1 Survey Background

The Financial Scoping (FinScope) Survey is a research tool developed by FinMark Trust to address the need for credible financial sector information. The survey aims to provide stakeholders and regulators in the financial sector with strategic information regarding market opportunities and the financial services that different segments of society use and need. This would enable providers to extend their reach and broaden the range of services they offer. Implementing FinScope surveys over time further provides the opportunity to assess how financial inclusion in a country has evolved.

The Bank of Zambia, in collaboration with the Zambia Statistics Agency (ZamStats) and other financial sector stakeholders³ successfully conducted the FinScope Zambia 2020 Survey in September - October 2020.

2.2 Survey and Instrument Design

The FinScope 2020 Survey was designed to provide reliable estimates for key indicators at national and provincial level by sex, age, as well as urban and rural domains for each of the 10 provinces. The questionnaire covered the following areas:

- Demographics;
- Wealth of households;
- Earning and spending of money;
- Planning, cash-flow and risk management;
- Financial literacy;
- Financial health;
- Savings and investments;
- Borrowing;
- Pensions and insurance;
- Capital Markets;
- Climate Change and impact of the COVID -19 Pandemic;
- Payment systems – transfers;
- Informal saving mechanisms; and
- Access to infrastructure.

2.3 Sampling Frame

The sampling frame used for the FinScope 2020 Survey was based on the Census of Population and Housing (CPH) of the Republic of Zambia conducted in 2010, and updated to accommodate the changes in districts and constituencies that occurred between 2010 and 2019. The Province was subdivided into districts; each district into constituencies; and each constituency into wards. Each ward was then subdivided into smaller areas called Census Supervisory Areas

³Financial Sector Deepening Zambia; Rural Finance Expansion Programme; German Sparkassenstiftung for International Cooperation; Ministry of Finance and National Planning; United Nations Capital Development Fund and FinMark Trust.

(CSAs). In turn, the CSAs were subdivided into Enumeration Areas (EAs) which have a census map delineating boundaries, with identification information and a measure of size (i.e., the number of households enumerated in the 2010 CPH). This list of EAs was used as the sampling frame for the Survey.

2.4 Sample Design and Implementation

The FinScope 2020 Survey used a stratified cluster sample design. Three (3) sampling stages were used as follows:

- i. Selection of Clusters – 87 EAs were selected using the probability proportional to population size approach.
- ii. Selection of households – All the households in the sampled EAs served as the sampling frame for the selection of 15 households per cluster, using the linear systematic sampling method.
- iii. Selection of household member – One adult usual household member aged 16 years or older was selected from each household, resulting in a sample of 1,305 adults for the Province (Table 2).

The Survey adopted the modified Kish Optimal Square Root allocation method. This method oversamples undersized domains (provinces) and moderates the oversized ones to have reasonable provincial estimates, given the variations in the sizes of the provinces. The modified Kish allocation formula is given by:

$$n_d = n \frac{\sqrt{\frac{1-I}{D^2} + I[\theta_d^2]}}{\sum \sqrt{\frac{1-I}{D^2} + I[\theta_d^2]}}$$

Where

- n_d is the sample size in the domain;
- n is the sample size;
- D is the number of domains;
- N_d is the total number of households in domain d ;
- N is the total number of households in Zambia, as per the 2010 Census of Population and Housing;
- θ_d is the proportion of households in domain; and
- I is the Kish allocation index denoting the relative importance assigned to estimates at the national or subgroups that cut across domains.

TABLE 2: ALLOCATION OF CLUSTERS AND HOUSEHOLDS

Domain / Stratum	Allocation of EA			Allocation of households		
	Urban	Rural	Total	Urban	Rural	Total
Central	26	61	87	390	915	1,305

2.5 Fieldwork

Fieldwork was carried out from September to October 2020 over a period of 4 weeks by 30 data collectors. A total of 1,301 face-to-face interviews were conducted representing a 99.7 percent response rate. Data was captured electronically using Computer Assisted Personal Interviews (CAPI).

3.0 DEMOGRAPHIC COMPOSITION

This section highlights key demographics of the adult population in Central Province as well as their income generating activities. Demographics and livelihoods are important for understanding the potential financial landscape. This information can be used for product design, marketing, strategies, and policy interventions to expand financial inclusion.

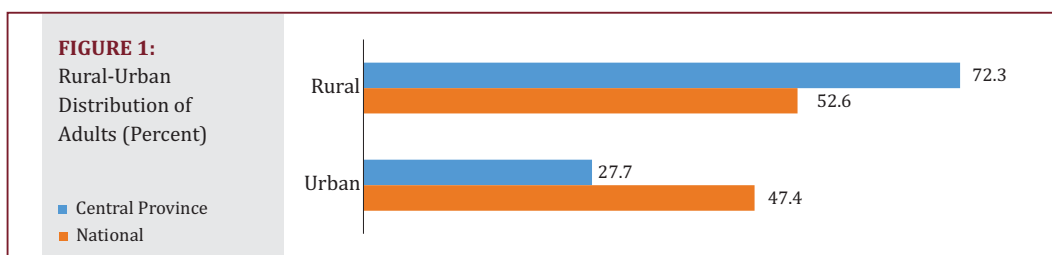
3.1 Adult Population

The adult population was estimated at 959,991 in Central Province, about ten percent of the total national adult population of 9.5 million. A summary of the demographic characteristics of this population showed that most adults were:

- Predominantly rural-based;
- Of age 35 years or younger; and
- Female.

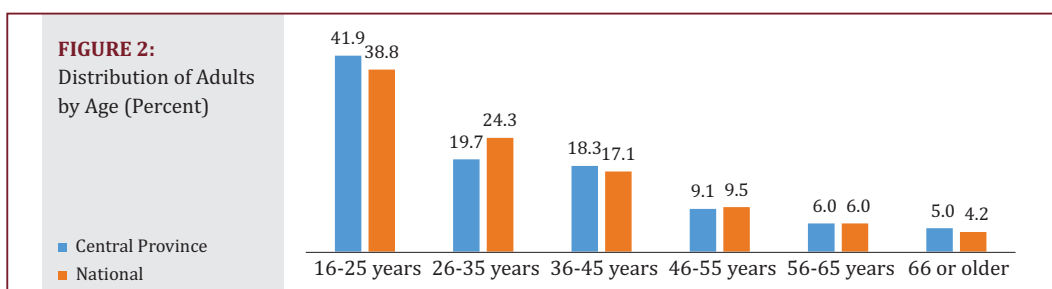
3.1.1 Rural-Urban Distribution of Adults

The Survey showed that 72.3 percent of adults resided in rural areas compared with 27.7 percent in urban areas. It is therefore important to consider this aspect in the development of strategies to increase financial inclusion in Central Province (Figure 1).



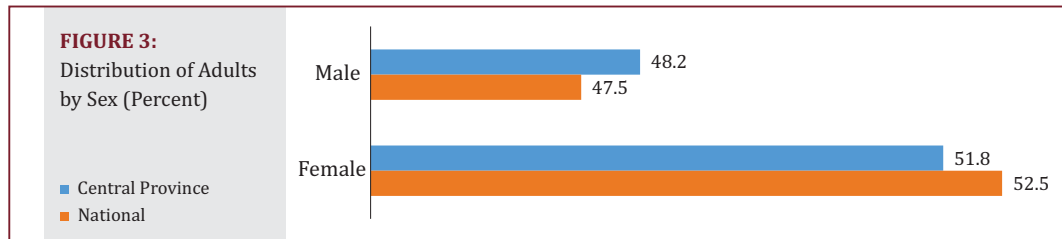
3.1.2 Distribution of Adults by Age

The adult population was largely youthful, of age 35 years or younger, at 61.6 percent (591,199). In addition, the percentage of adults in the age groups 16 – 25 years, 36 – 45 years and those older than 65 years was higher than the national level (Figure 2).



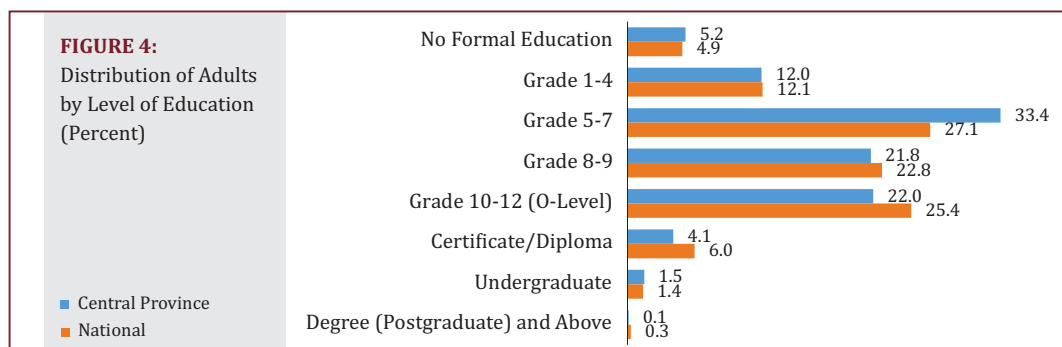
3.1.3 Distribution of Adults by Sex

Figure 3 shows that 48.2 percent (462,594) of adults were males while 51.8 percent (497,144.67) were females. This distribution of adults by sex in the Province was similar to the pattern at national level (Figure 3).



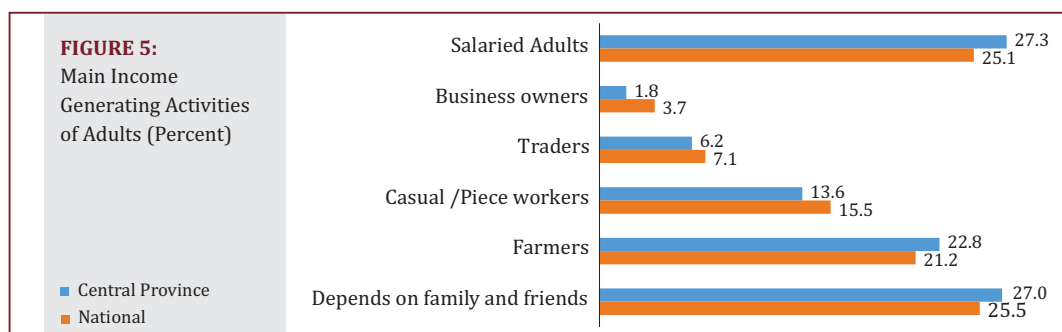
3.1.4 Distribution of Adults by Education

Education levels have substantial influence on the uptake of financial products/services. The Survey showed that 33.4 percent of adults had achieved grade 5-7 level of primary education. For Secondary levels of education, 21.8 percent had completed grades 8-9, while 22.0 percent had completed grades 10-12. Only 1.5 percent of the adult population had completed an undergraduate degree (Figure 4).



3.2 Main Livelihood and Income Generating Activities

Figure 5 illustrates that most adults relied on salaried income (27.3 percent) dependence on family and friends (27.0 percent) as well as farming (22.8 percent) for income to sustain their livelihoods. Only 1.8 percent of adults relied on income earned from their business.



3.3 Average and Median Income of Adults by Main Income Generating Activities

The average and median monthly incomes of salaried workers, traders and business owners were significantly higher than those of adults who were dependent on family and friends, farmers as well as casual/piece workers (Table 3).

TABLE 3: MONTHLY INCOME BY MAIN INCOME GENERATING ACTIVITY (ZMW)

Income generating activity	Central		National	
	Average	Median	Average	Median
Salaried adults	2,350.43	1,000.00	2,359.94	1,139.09
Business owners	1,749.26	1,600.00	1,564.59	1,000.00
Traders	1,892.09	1,311.75	1,698.17	935.13
Casual/Piece workers	504.75	500.00	661.13	496.91
Farmers	933.66	500.00	745.97	400.00
Depends on family and friends	827.48	500.00	762.30	440.00

3.3.1 Frequency of Receiving Main Income

As illustrated in Table 4, the survey showed that the frequency of receiving income by most adults was as follows:

- Monthly for salaried workers;
- Weekly and daily for business owners;
- Annually and seasonally for farmers; and
- Occasionally for casual/piece-workers.

TABLE 4: FREQUENCY OF RECEIVING MAIN INCOME (PERCENT)

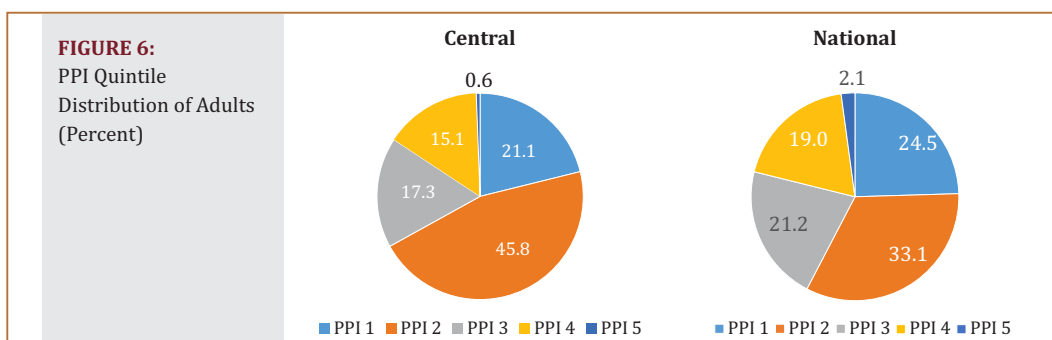
Frequency	Salaried Adults	Business owners	Traders	Casual /Piece workers	Farmers	Depends on family and friends
Daily	8.0	36.2	32.9	5.9	3.6	2.8
Weekly	5.8	36.3	28.8	10.7	4.0	2.1
More than once a month but not weekly	2.9	-	-	3.8	2.2	3.6
Monthly	55.0	6.3	17.6	18.4	11.6	44.0
Every 2 months	1.4	-	1.1	1.9	2.5	2.8
Annually	5.4	-	1.0	0.9	28.9	4.7
Seasonally	8.3	5.2	3.9	6.7	30.5	10.9
Occasionally - no particular schedule	9.0	16.1	14.8	40.0	16.1	20.6
Upon completion of job	4.0	-	-	11.7	0.5	3.8

3.4 Distribution of Adults by Progress out of Poverty Index (PPI)

The Progress out of Poverty Index (PPI) is used to estimate household poverty levels in this report. It is a quantitative tool based on a set of ten questions standardised and consistent with the circumstances of a country. The PPI scores were segmented into five (5) intervals (quintiles).

According to the Survey, most adults were in PPI 2 (45.8 percent) and PPI 1 (21.1 percent) representing the poor segment of society. The percentage of adults in PPI 3 (middle income) and

PPI 4 (high income) quintiles, stood at 17.3 percent and 15.1 percent, respectively. Only 0.6 percent of the adult population were the highest income quintile of PPI 5 (Figure 6). This number of adults was too small to be included in any detailed analysis.



3.4.1 Income of Adults by PPI Quintile

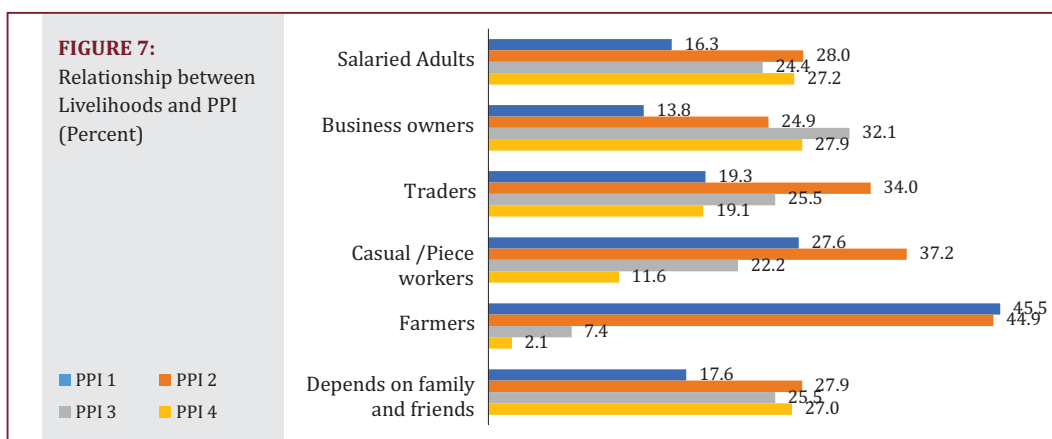
The average and median incomes per month for each quintile in the Province were higher than the national averages, with the exception of adults in the middle income quintile of PPI 3 (Table 5).

TABLE 5: INCOME BY PPI QUINTILE (ZMW)

	Central		National	
	Mean	Median	Mean	Median
PPI 1	860.64	500.00	540.80	300.00
PPI 2	1,043.11	503.32	820.31	462.58
PPI 3	1,383.57	940.00	1,690.19	1,000.00
PPI 4	3,368.99	2,000.00	2,886.85	1,500.00

3.4.2 Relationship between Livelihoods and PPI (Percent)

The Survey showed that most adults were in the low income quintile of PPI 2 for all the listed income source categories, except for business owners and farmers. Business owners had the highest percentage of adults in PPI 3 while most farmers were in the lowest-income quintile of PPI 1 (Figure 7).





4.0 FINANCIAL INCLUSION

4.1 Defining Financial Inclusion

In line with the NFIS, financial inclusion is defined as access to, and informed usage of a broad range of quality and affordable savings, credit, payment, insurance, and investment products and services that meet the needs of individuals and businesses.

The benefits of financial inclusion include the ability to:

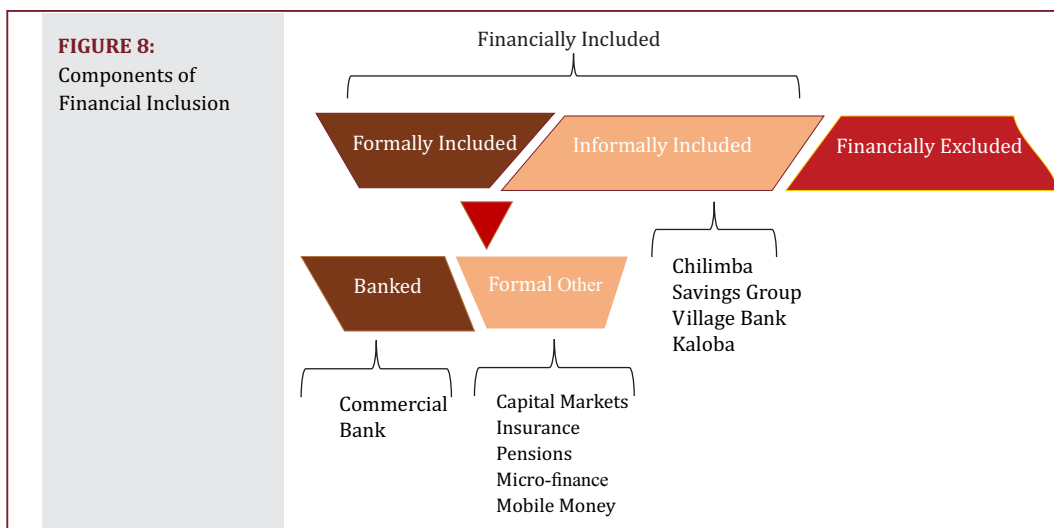
- Make day-to-day transactions, such as sending and receiving money with ease;
- Safeguard savings, which can help households and enterprises to manage cash flow spikes, smoothen consumption and build working capital;
- Access credit to finance micro, small and medium enterprises (MSMEs), helping owners increase productivity and investment in assets;
- Plan and pay for recurring expenditures such as utility bills; and
- Manage expenses related to unexpected events such as medical emergencies, death, theft or natural disasters through insurance, investment and pension products/services.

The ultimate goal of financial inclusion is to improve the welfare of citizens by reducing financial vulnerability and increasing potential for their participation in economic activities. The FinScope Survey methodology segments the adult population into those who are “financially included” and “financially excluded”. Financially included people can either be formally or informally included.

Formal financial inclusion relates to the use of financial products/services offered by regulated Financial Service Providers (FSPs). The formally included population can be segmented into the “banked” and the “formal other”. The banked population comprises individuals using financial services offered by commercial banks. The “Formal other” use financial services supplied by formal FSPs, such as microfinance institutions (MFIs), payment service providers, insurance, pension companies and capital markets operators.

Informal financial inclusion, on the other hand, is the use of informal financial products/services that are provided by entities that are not regulated by a financial sector regulator. Informal products/services include saving with an employer, membership in a savings group or borrowing from an informal moneylender/Kaloba. These concepts are graphically depicted in Figure 8.

⁴National Financial Inclusion Strategy 2017 - 2022

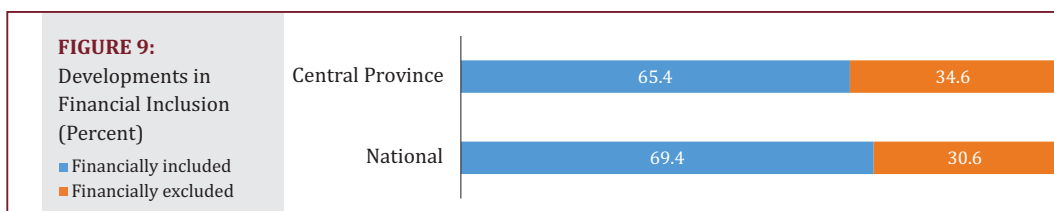


4.2 Developments in Financial Inclusion

For the purposes of this Survey, financial inclusion is segmented as follows:

- Adults who have or use financial products/services to manage their financial lives – financially included; and
- Adults who do not use financial products/services to manage their financial lives – financially excluded.

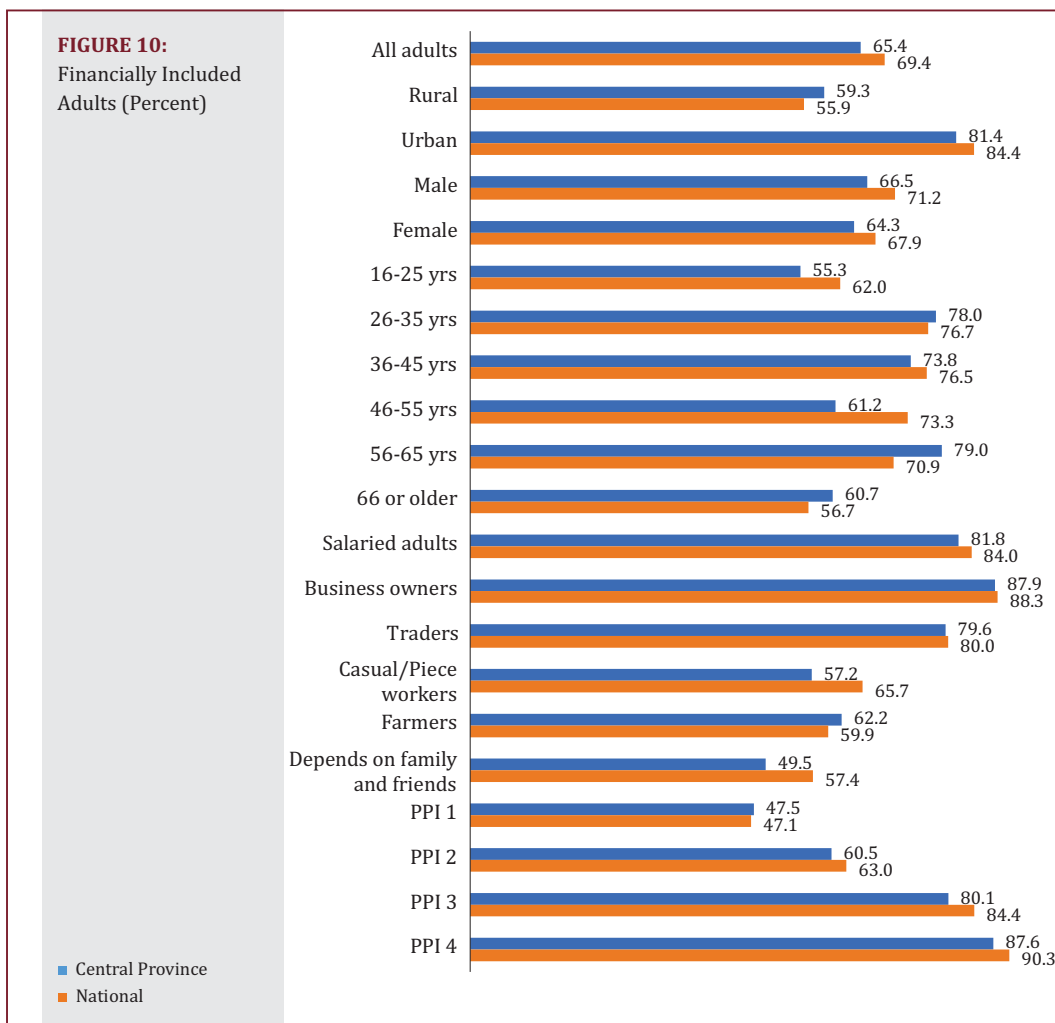
The Survey showed that 65.4 percent (627,834) of adults in the Province were financially included while 34.6 percent (332,157) were excluded (Figure 9).



4.2.1 Financial Inclusion amongst Adults

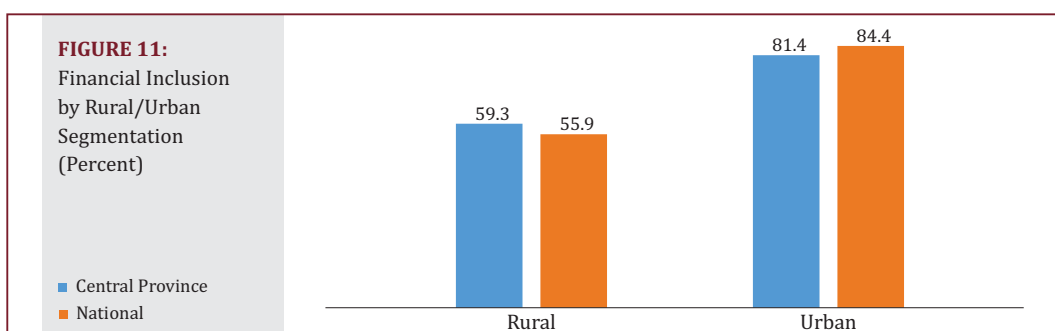
The level of financial inclusion in the Province was highest amongst:

- Adults in urban areas;
- Males;
- Adults of age 56 – 65 years;
- Business owners; and
- Households in the high-income quintile of PPI 4.



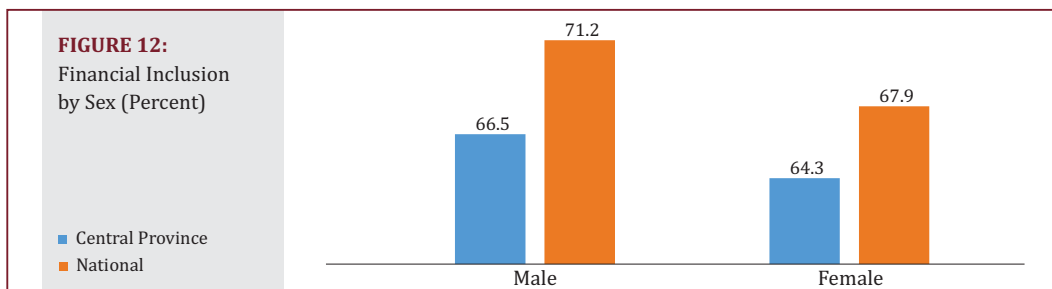
4.2.2 Financial Inclusion by Rural/Urban Segmentation

Figure 11 shows that financial inclusion was higher in urban areas (81.4 percent) than in rural areas (59.3 percent).



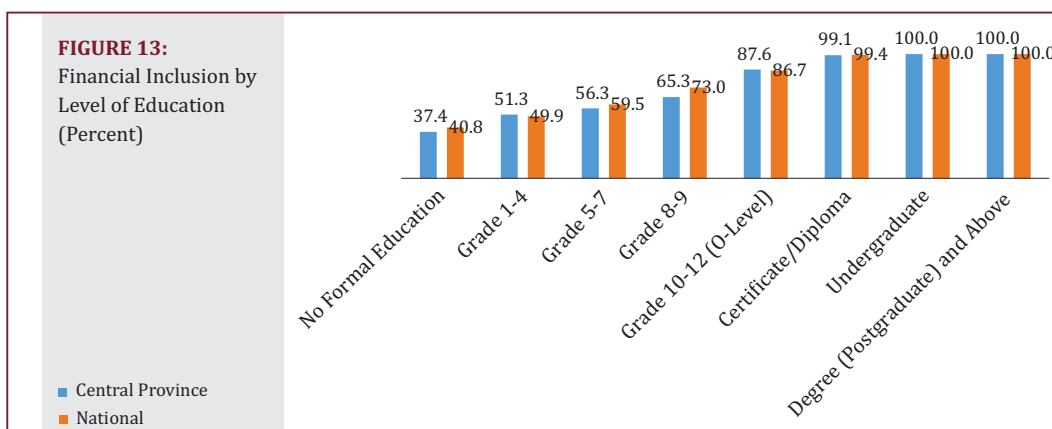
4.2.3 Financial Inclusion by Sex

The level of financial inclusion among males at 66.5 percent was higher compared with females at 64.3 percent (Figure 12).



4.2.4 Financial Inclusion by Level of Education

The FinScope 2020 survey data showed a positive correlation between the level of education and financial inclusion. Adults who had achieved higher levels of education such as undergraduate or postgraduate were all financially included while those with lower levels of education showed the least levels of inclusion (Figure 13).



4.3 Formal and Informal Financial Inclusion

Formal financial inclusion relates to the percentage of adults who have or use financial products/services provided by FSPs that are regulated or supervised by any of the three financial sector regulators, BoZ, PIA or SEC. Informal financial inclusion on the other hand refers to the percentage of adults who use financial services provided by a service provider that is not regulated.

Formal financial inclusion amongst adults was 59.1 percent while informal inclusion stood at 31.2 percent (Figure 14).

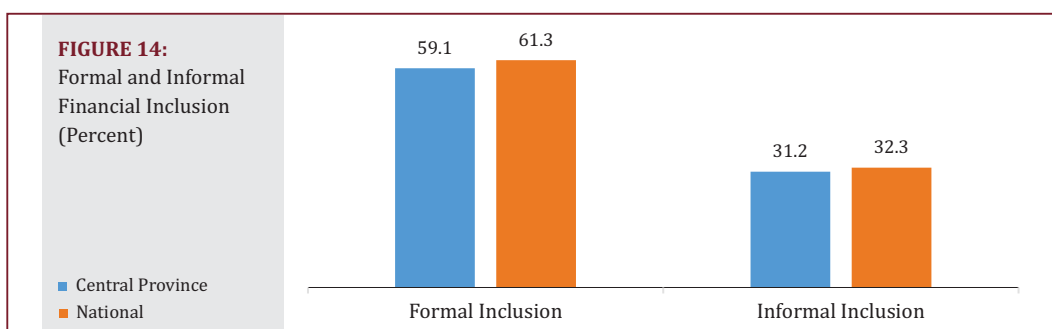
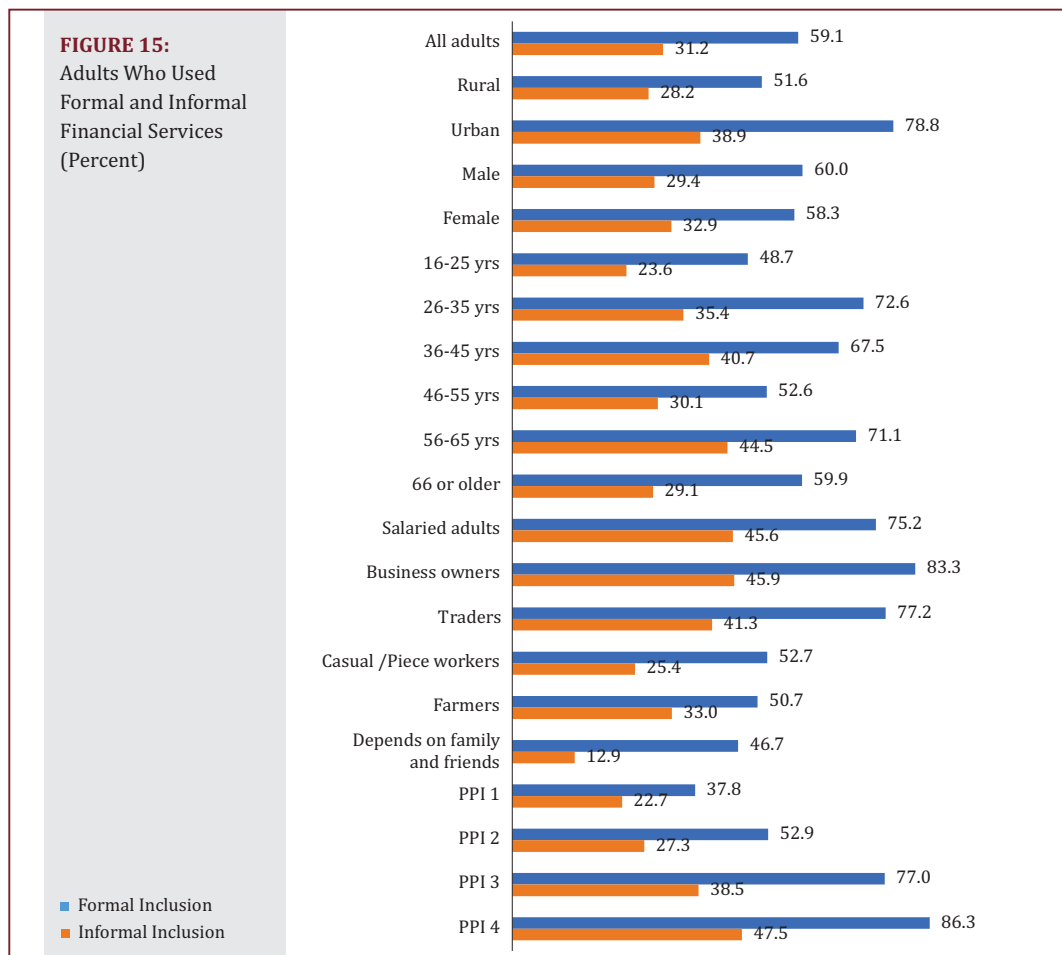


Figure 15 shows that formal financial inclusion was highest amongst:

- Urban based adults;
- Males;
- Adults of age 26 – 35 years;
- Business owners; and
- Households in the high income quintile of PPI 4.

Informal inclusion was also higher in urban areas than in rural areas. The percentage of adults who were informally included was highest amongst::

- Females;
- Adults of age 56 – 65 years;
- Business owners and salaried workers; and
- Households in the high income quintile of PPI 4.



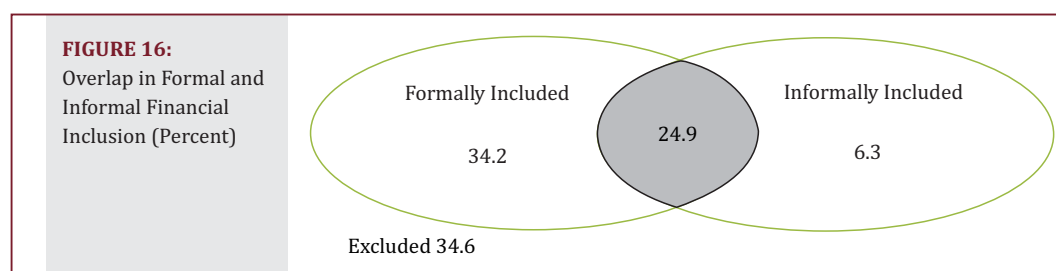
4.4 Financial Access Strands

Financial access strands are useful in comparing levels of financial inclusion over time or between different population segments. Adults were grouped into four (4) financial access strands. Those who:

1. Have or use only formal financial products/services;
2. Have or use only informal financial products/services;
3. Have or use both formal and informal financial products/services; and
4. Do not have or use any financial products/services to manage their financial lives.

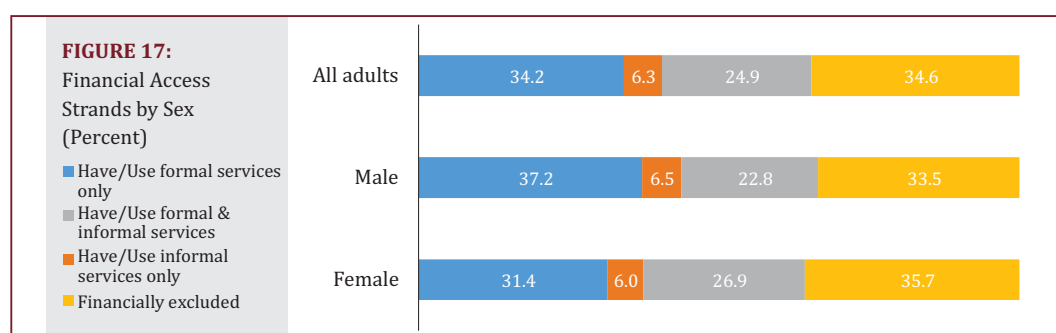
4.4.1 Overlap in Formal and Informal Inclusion

The Survey showed that 34.2 percent of adults used only formal financial products/services while 6.3 percent used only informal financial products/services. In addition, 24.9 percent of adults used both formal and informal financial products/services. The percentage of financially excluded adults at 34.6 percent was higher than the national level of 30.6 percent (Figure 16).



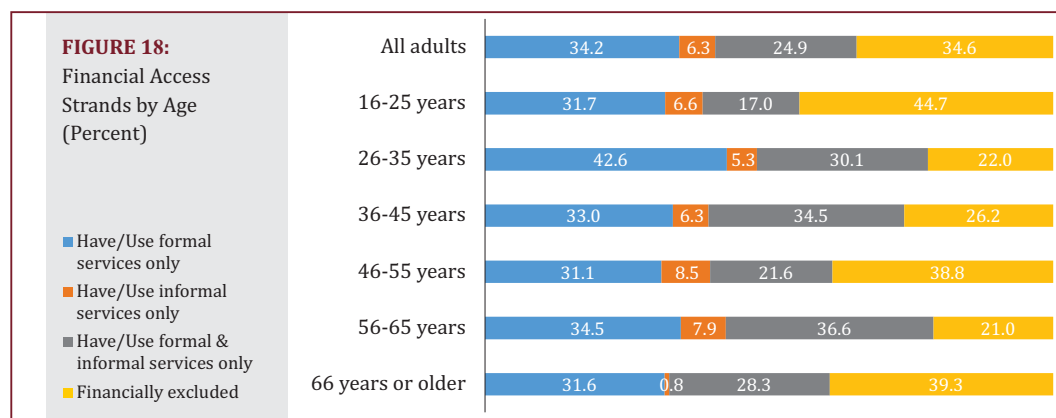
4.4.2 Financial Access Strands by Sex

The analysis of access strands by sex showed that more males used only formal financial services and informal services exclusively at 37.2 percent and 6.5 percent compared with their female counterparts at 31.4 percent and 6.0 percent, respectively. In contrast, more females used both formal and informal financial services at 26.9 percent compared with 22.8 percent for males (Figure 17).



4.4.3 Financial Access Strands by Age

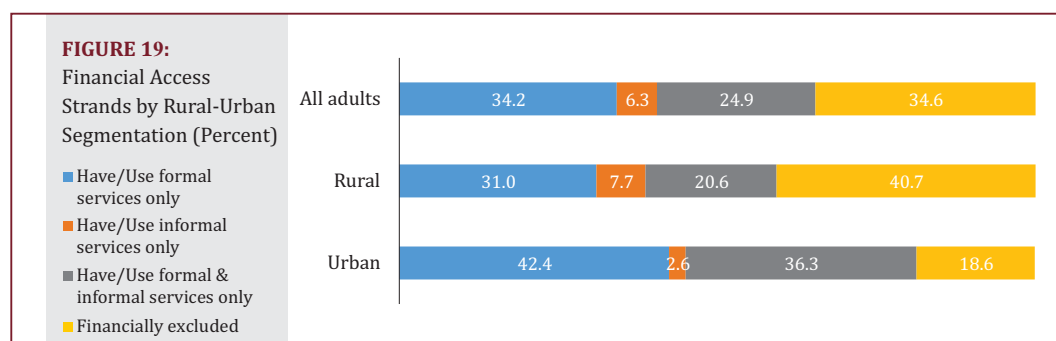
The highest percentage of adults that used only formal financial products/services were in the age group 26 - 35 years. Adults who used both formal and informal financial products/services were mostly in the age group 56 - 65 years. The percentage of adults who used informal financial services only was highest in the age group 46 - 55 years, while the most financially excluded adults were in the age group 16 - 25 years (Figure 18).



4.4.4 Financial Access Strands by Rural-Urban Distribution

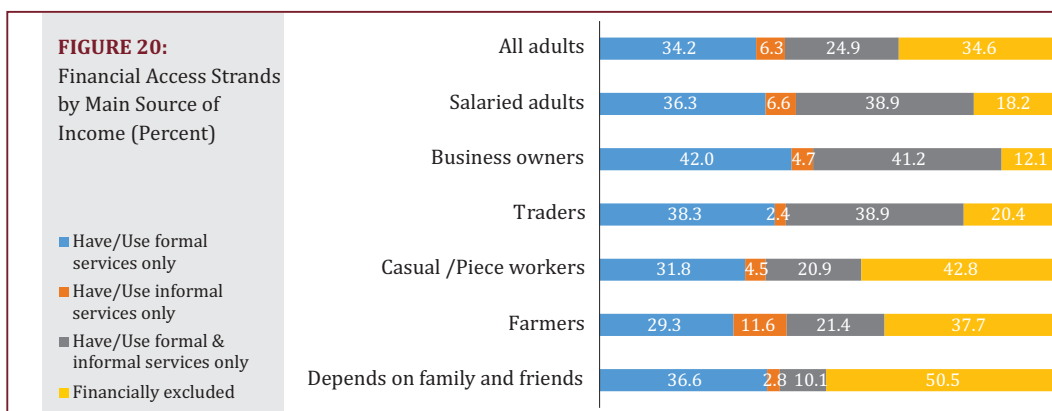
The percentage of adults who used only formal financial products/services was higher in urban areas (42.4 percent) than in rural areas (31.0 percent). Similarly, the percentage of adults who used both formal and informal financial products/services was higher in urban areas than in rural areas.

In contrast, most adults who used only informal services (7.7 percent) and those who were financially excluded (40.7 percent) resided in rural areas.



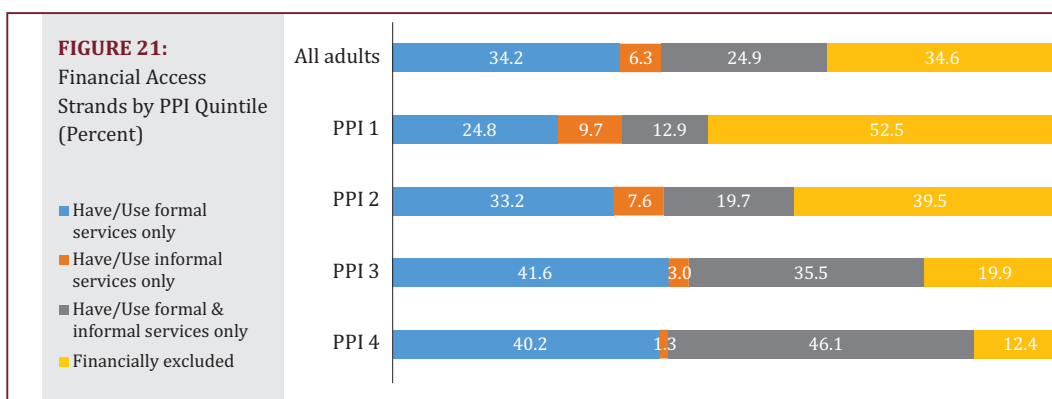
4.4.5 Financial Access Strands by Main Source of Income

Financial access strands by main source of income showed that the highest percentage of business owners used formal only and a combination of formal and informal financial services. Further, the highest percentage of farmers used only informal products while those who depended on family and friends were the most financially excluded.



4.4.6 Financial Access Strands by PPI Quintile

Figure 21 shows that the percentage of adults who used only formal financial services was highest in the middle income quintile of PPI 3. Further, the use of both formal and informal financial services was highest in the income quintile of PPI 4 while the income quintile with the most financially excluded adults was PPI 1.





5.0 UPTAKE OF FORMAL FINANCIAL SERVICES

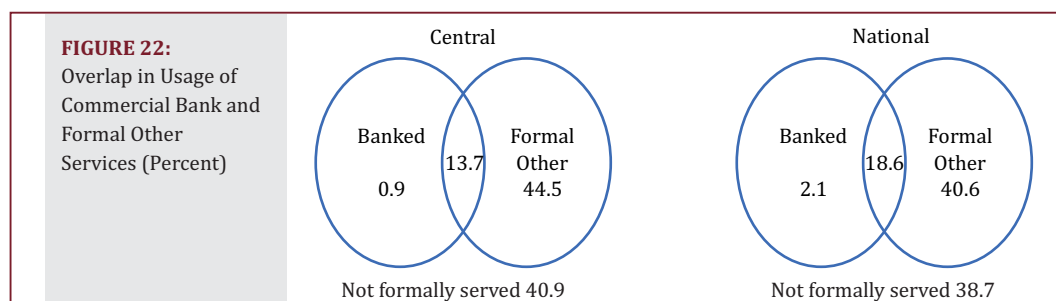
This section highlights details of products/services used by the formally included adult population in Central province, which stood at 59.1 percent.

5.1 Levels of Formal Financial Services

Formal financial services relate to products and services offered by institutions which are regulated by the following:

- Bank of Zambia (for commercial banks, micro-finance service providers, and payment service providers⁵);
- Pension and Insurance Authority (pensions and insurance providers); and
- Securities and Exchange Commission (capital markets).

Formal financial services are provided by two main types of institutions, commercial banks and non-bank service providers defined as 'formal other'. The Survey showed that 14.6 percent of adults were banked while 58.2 percent used 'formal other' services. Of those who were banked, 0.9 percent used only products/services provided by commercial banks. The percentage of adults who used products/services provided by both commercial banks and formal other was 13.7 percent. About forty one percent of the adult population did not use formal financial products/services (Figure 22).



The most widely used non-bank service was mobile money at 57.4 percent. Money transfer and capital market services were the least utilised at 0.5 percent for each. This profile was consistent with the national level of access for non-bank formal financial services (Table 6).

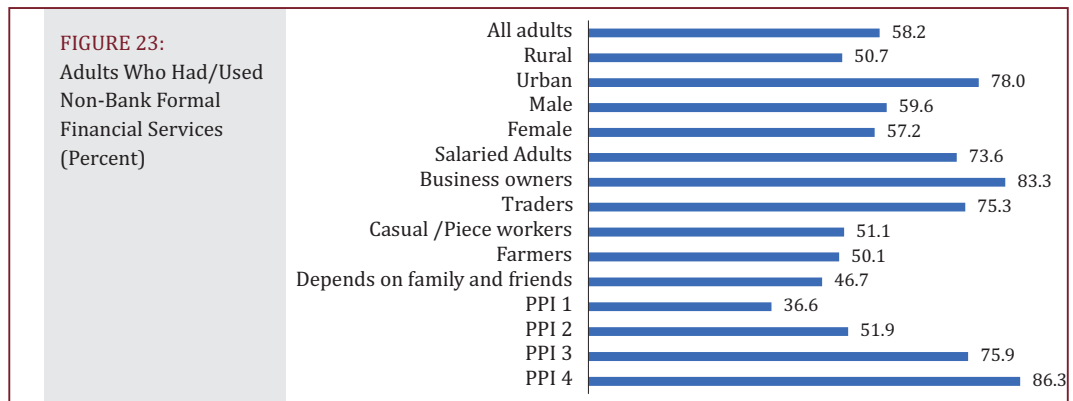
⁵Payment Service Providers include mobile money and money transfer service providers.

TABLE 6: LEVELS OF ACCESS/USAGE OF NON-BANK FORMAL FINANCIAL SERVICES (PERCENT)

	Central Province	National
Adults	58.2	59.2
Mobile money	57.4	58.4
Pensions	7.7	8.2
Insurance	4.9	6.3
Micro finance	1.6	2.1
Money transfer ⁶	0.5	0.6
Capital markets	0.5	0.6

Figure 23 shows that the usage of non-bank formal financial products/services was highest amongst:

- Urban based adults;
- Males;
- Business owners; and
- Households in the high-income quintile of PPI 4.



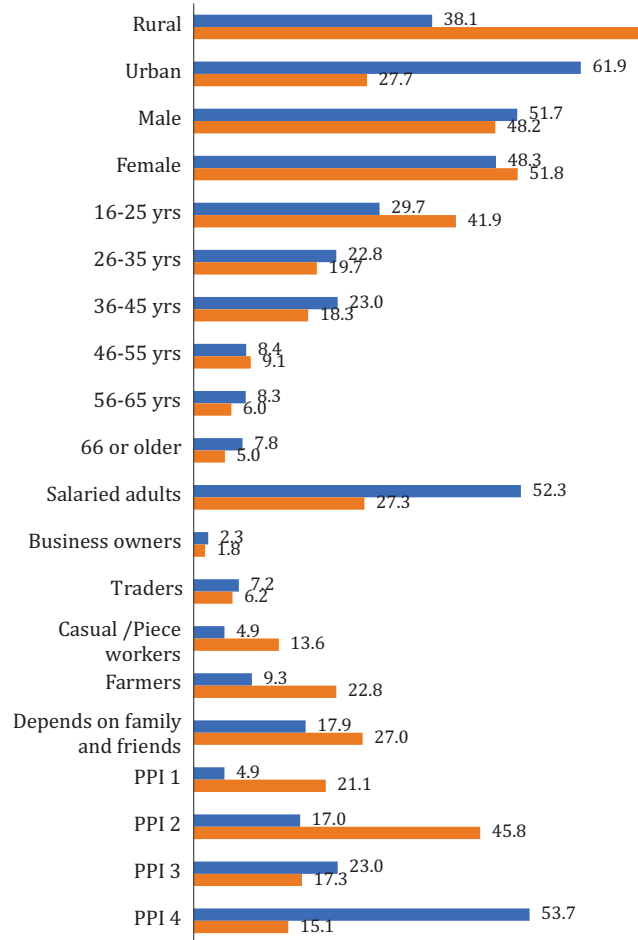
5.1.1 Uptake of Commercial Bank Services

The Survey showed that 14.6 percent of adults used commercial bank services in the Province. Of these, 61.9 percent resided in urban areas while 38.1 percent were in rural areas (Figure 24). The profile of adults who mostly used commercial bank products/services was as follows:

- Male;
- Of age 16 - 25 years;
- Salaried employees; and
- Households in the high income quintile of PPI 4.

⁶Use of services such as Western Union, Money gram and Swift Cash

FIGURE 24:
Comparing the Profile
of Adults Who Used
Commercial Bank
Services with the
Total Adult Population
(Percent)

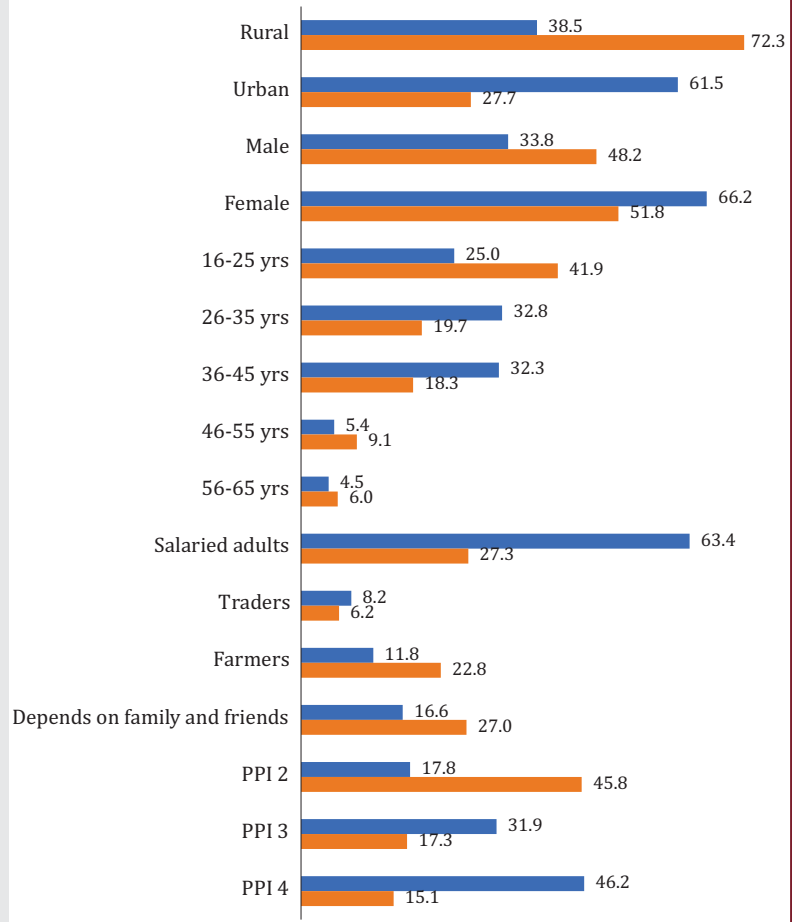


5.1.2 Uptake of Microfinance Services

The uptake of microfinance services stood at 1.6 percent of the total adult population. As illustrated in Figure 25, these were most likely to be:

- Urban based;
- Female;
- Of age 26 - 45 years;
- Salaried; and
- From households in the high income quintile of PPI 4.

FIGURE 25:
Comparing the Profile
of Adults Who Used
Microfinance Services
with the Total Adult
Population (Percent)

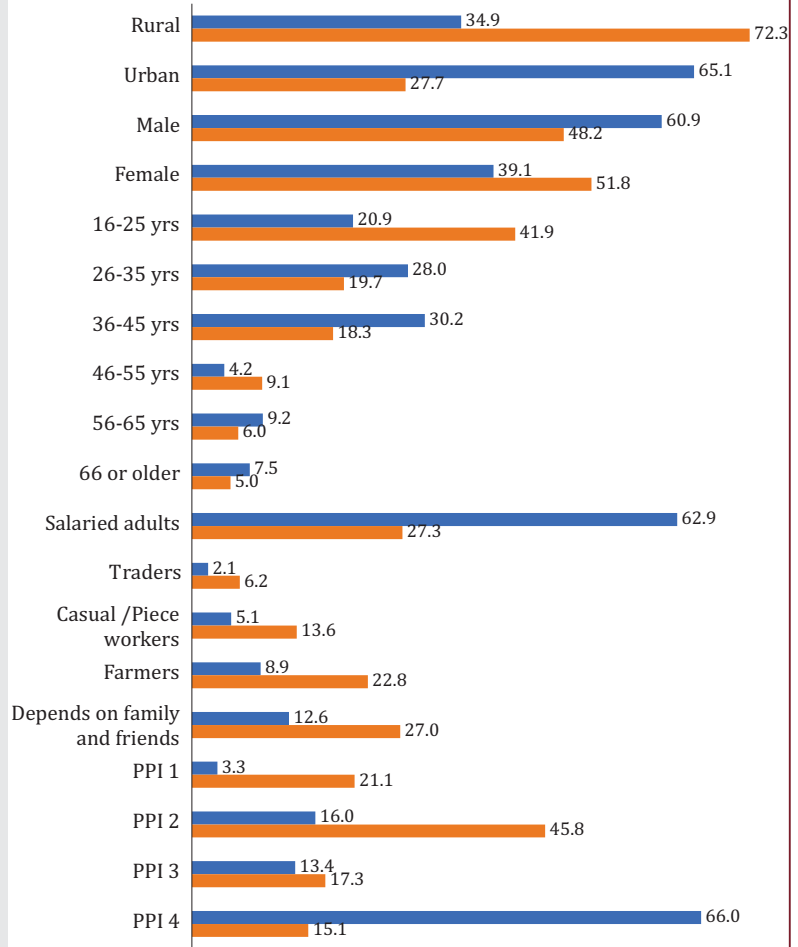


5.1.3 Uptake of Insurance Services

The uptake of insurance services stood at 4.9 percent of the adult population. As illustrated in Figure 26, these adults were most likely to be:

- Urban based;
- Male;
- Of age 36 - 45 years;
- Salaried employees; and
- From households in the high income quintile of PPI 4.

FIGURE 26:
Comparing the Profile of Adults Who Used Insurance Services with the Total Adult Population (Percent)

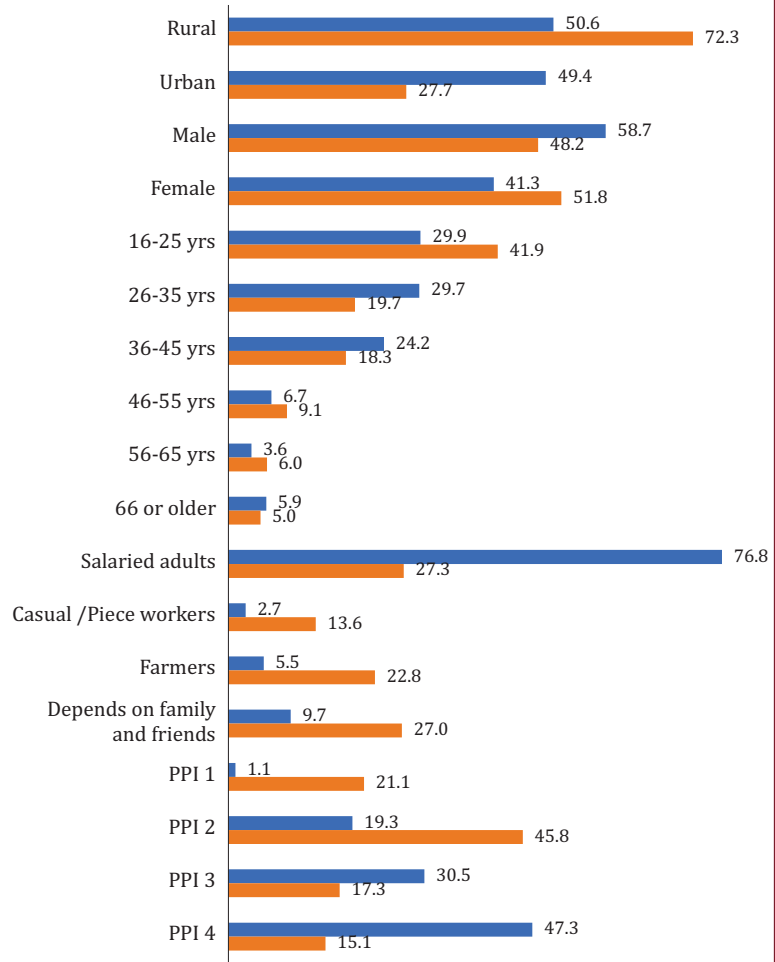


5.1.4 Uptake of Pension Services

The uptake of pension services stood at 7.7 percent of the adult population. As shown in Figure 27, these were most likely to be:

- Rural based;
- Male;
- Of age 16 - 35 years;
- Salaried employees; and
- From households in the high income quintile of PPI 4.

FIGURE 27:
Comparing the Profile of Adults Who Used Pension Services with the Total Adult Population (Percent)

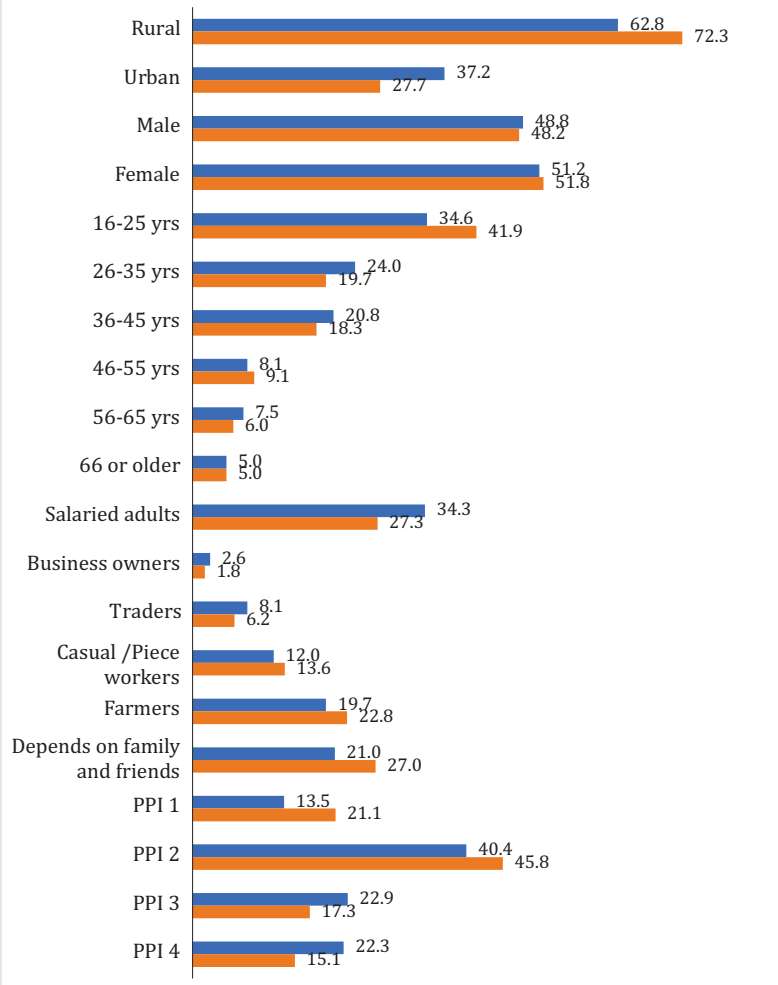


5.1.5 Uptake of Mobile Money Services

The uptake of mobile money services stood at 57.4 percent. Figure 28 illustrates that these adults were most likely to be:

- Rural based;
- Female;
- Of age 16 - 25 years;
- Salaried employees; and
- From households in the low income quintile of PPI 2.

FIGURE 28:
Comparing the Profile of Adults Who Used Mobile Money Services with the Total Adult Population (Percent)



5.2 Perceived Barriers to Usage of Formal Financial Services

Demographic factors play a major role in determining access to formal financial services. Most adults who were not using formal financial products/services in the Province were from rural areas, female, aged 16-25, dependent on family and friends for income and from households in the low income quintile of PPI 2.

5.2.1 Barriers to Usage of Commercial Banks Products/Services

As illustrated in Table 7, the two main factors that inhibited the use of commercial bank services in the Province were:

- Insufficient money to justify opening of an account; and
- Long distance to the nearest commercial bank.

TABLE 7: BARRIERS TO USAGE OF COMMERCIAL BANK SERVICES (PERCENT)

Barriers	Central Province	National
Insufficient money to justify opening an account	26.6	37.5
Banks are too far away	24.3	18.7
Cannot maintain the minimum balance	11.6	10.9
Does not understand benefits of having a bank account	10.9	6.6
Bank service charges are too high	8.3	7.9
Does not have the documentation required	5.3	4.7
Do not know how to open a bank account	4.1	4
Do not trust banks	2.2	1.6
Bank products are complicated	2.0	2.1
Can get the same services elsewhere in the community	1.4	2.1

5.2.2 Barriers to Usage of Microfinance Services

As illustrated in Table 8, the main barriers reported by most adults who did not use microfinance services were:

- Lack of understanding of the benefits of using microfinance services;
- Long distance to the nearest microfinance access point; and
- Insufficient money to justify opening an account.

TABLE 8: BARRIERS TO USAGE OF MICROFINANCE SERVICES (PERCENT)

Barriers	Central Province	National
Does not understand benefits of having an account	26.0	19.8
They are too far away	22.4	16.1
Insufficient money to justify opening an account	20.8	32.6
Cannot maintain the minimum balance	9.8	8.2
Service charges are too high	6.5	5.1
Does not have the documentation required	5.5	3.7
Does not know how to open an account	3.3	3
Does not trust them	2.4	3.4
They do not provide the products or services I need	1.6	2.4
Can get the same services elsewhere in the community	0.9	1.9
Hours are not convenient	0.4	0.4

5.2.3 Barriers to Usage of Capital Market Products

Table 9 illustrates that the main barriers to uptake of capital market services were:

- Lack of awareness on how capital markets work;
- Lack of knowledge about the existence of capital markets;
- Lack of money to invest; and
- Lack of knowledge about the benefits of investing.

TABLE 9: BARRIERS TO USAGE OF CAPITAL MARKET PRODUCTS (PERCENT)

Barriers	Central	National
Do not know how it works	23.0	26.2
I have never heard of it	20.5	21.9
Do not have money to invest	19.6	26.9
Do not know the benefits of investing	19.0	10.7
Do not know where the product is offered	8.6	4.8
Do not trust the companies that provide the services	5.1	1.4
I am scared to lose my money	1.9	3.9

5.2.4 *Barriers to Usage of Insurance Services*

Most adults who did not use insurance services indicated that they had never heard about insurance (Table 10).

TABLE 10: BARRIERS TO USAGE OF INSURANCE SERVICES (PERCENT)

Barriers	Central	National
Never heard of insurance	40.0	40.9
Does not know how it works	17.7	12.5
Cannot afford it	17.2	24.9
Does not know the benefits of insurance	14.4	10.8
Do not know how/where to get it	5.1	4.0
Don't need it – protect self in other ways	2.0	2.9
Do not trust the insurance companies	1.7	1.5
Does not want to think about bad things happening	1.0	1.0
Insurance companies don't want to pay-out claims	0.8	1.2

5.2.5 *Barriers to Usage of Pension Services*

The main barrier to usage of pension services was unemployment (Table 11).

TABLE 11: BARRIERS TO USAGE OF PENSION SERVICES (PERCENT)

Pension barriers	Central	National
Not employed / don't have a job (both formal and informal)	75.8	66.6
I don't have money to contribute to a pension scheme	7.6	12.2
No specific reason	5.3	7.4
Never thought about it	4.4	5.5
Don't know how to get it	2.1	2.1
Don't know pension services	2.0	2.7
Have other ways of getting money when old	1.3	1.2
Don't know where to get it	1.0	0.8

5.2.6 *Barriers to Usage of Mobile Money Services*

Most adults reported that the main barrier to usage of mobile money services was not having a mobile phone (Table 12).

TABLE 12: BARRIERS TO USAGE OF MOBILE MONEY SERVICES (PERCENT)

Barriers	Central	National
I do not have a mobile phone	40.1	39.5
No point of service / agent nearby	7.7	4.9
Do not know how to get it	6.9	6.6
Do not need it – do not make any transactions	6.1	11.2
Do not have required documents	6.0	4.7
Do not trust that my money is safe on mobile money account	4.4	2.8
Don't understand the service/what you can use it for	3.8	2.3
Using it is difficult	2.8	2.6
Do not know what it is	2.1	5.2
Mobile money does not provide any advantage	1.2	0.7

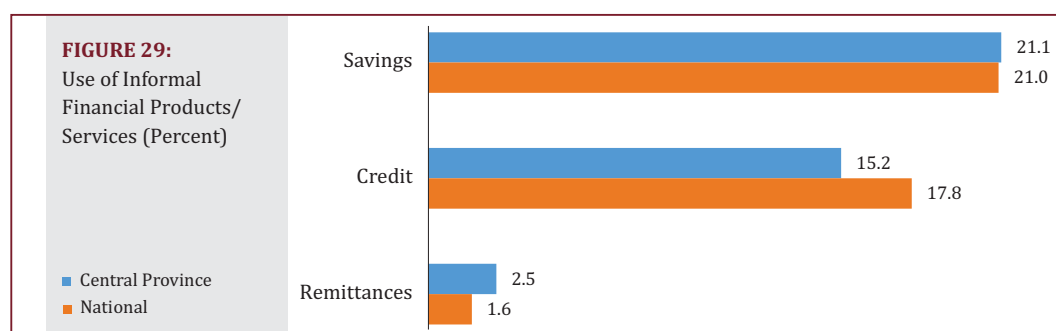
6.0 USE OF INFORMAL FINANCIAL SERVICES

This section provides survey findings on access and usage of informal products/services. These are products/services provided by entities that are not formally regulated such as savings clubs (Chilimba), savings groups, village banks, Savings and Credit Cooperatives (SACCOs) and informal money lenders (Kaloba).

The uptake of informal financial products/services by adults in the Province was 31.2 percent (299,517).

6.1 Uptake of Informal Financial Products/Services

Informal savings products/services had the highest uptake of 21.1 percent followed by credit at 15.2 percent (Figure 29).

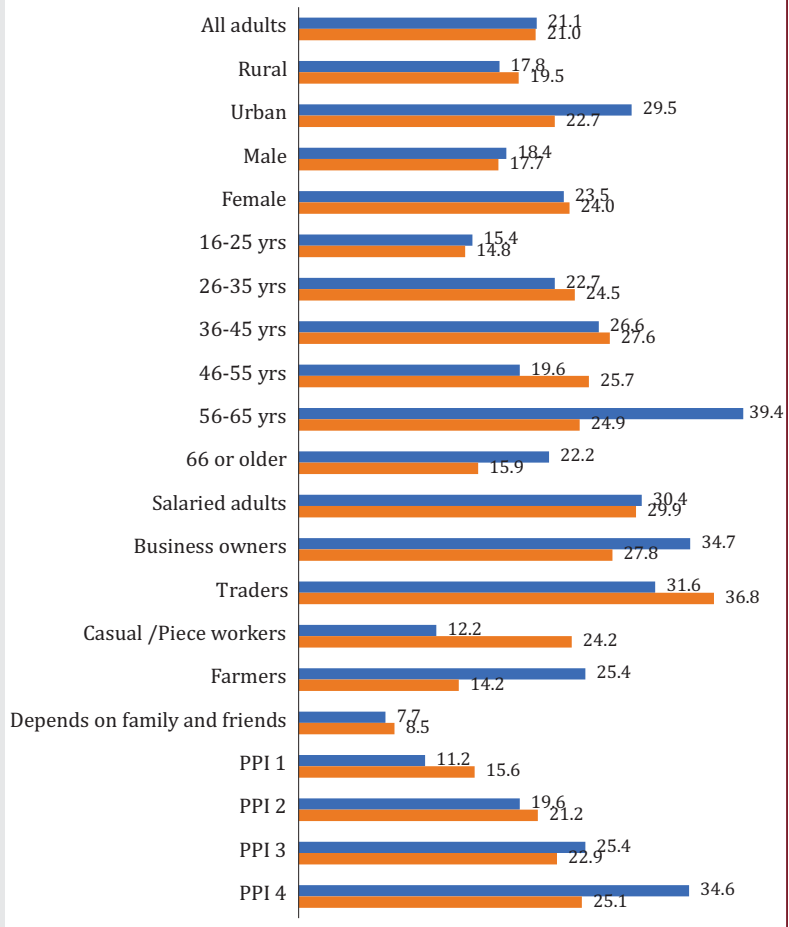


6.1.1 Informal Savings Products/Services

The Survey showed that 21.1 percent of adults used informal savings products/services, almost the same as the national level of 21.0 percent. These products/services included village banking and other savings mechanisms such as keeping money with employers, community groups and churches. As illustrated in Figure 30, the uptake of informal savings products/services was mostly amongst:

- Urban based adults;
- Females;
- Those of age 56 – 65 years;
- Business owners; and
- Households in the high income quintile of PPI 4.

FIGURE 30:
Adults Who Used
Informal Savings
Services (Percent)

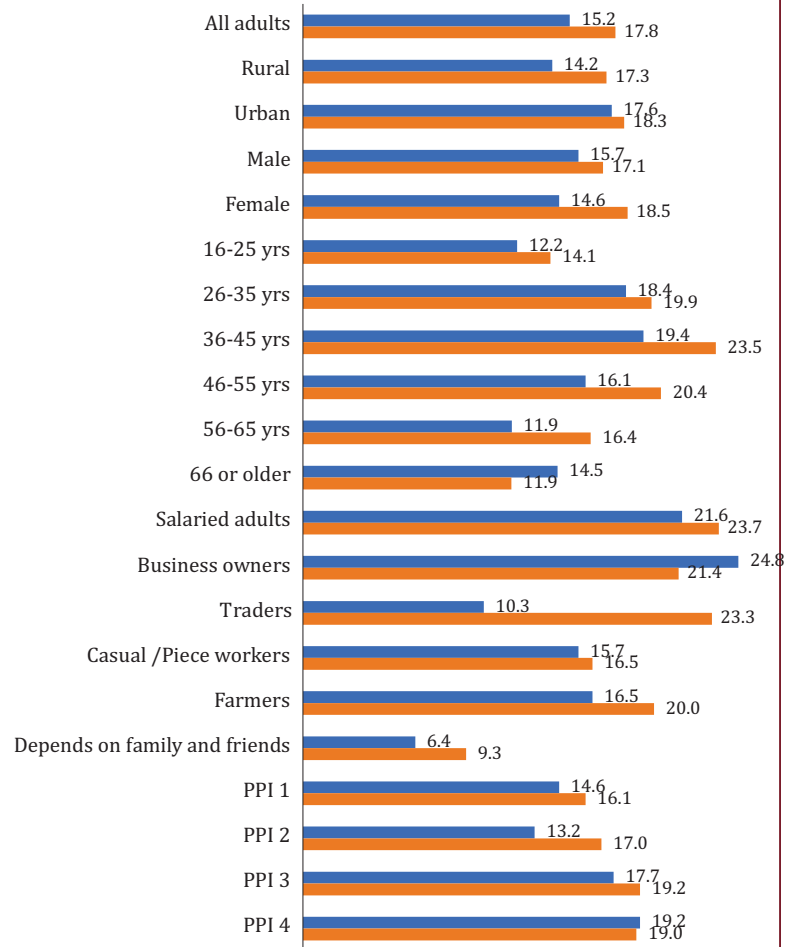


6.1.2 Informal Credit Services

Informal credit products/services were accessed by 15.2 percent of adults (Figure 31). This included borrowing from village banks, savings groups, chilimba, kaloba and other informal sources of credit. Uptake of informal credit products/services was mostly amongst:

- Adults in urban areas;
- Males;
- Those of age 36 – 45 years;
- Business owners; and
- Households in the high income quintile of PPI 4.

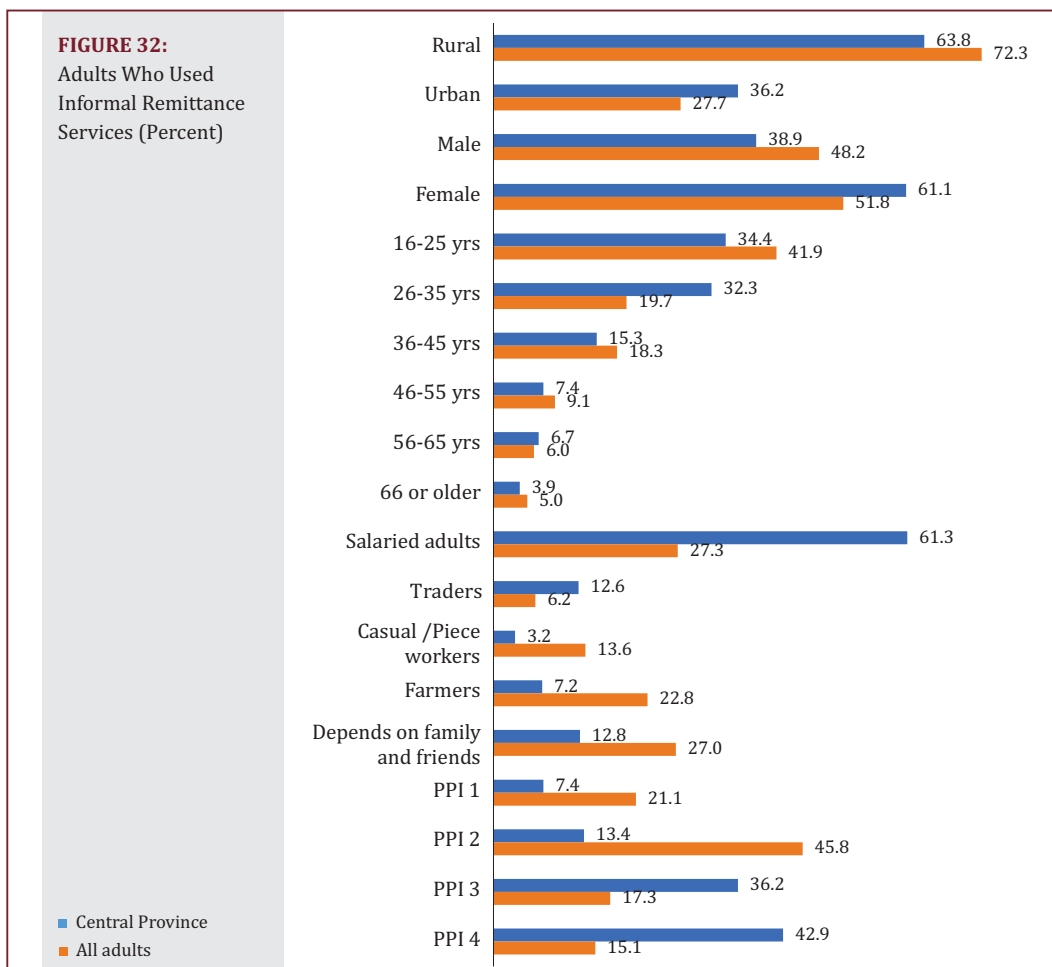
FIGURE 31:
Adults Who Used
Informal Credit
Services (Percent)



6.1.3 Informal Remittance Services

Adults that used informal money transfer services accounted for 2.5 percent of the adult population. As illustrated in Figure 32, the usage of these services was largely by:

- Rural based adults;
- Females;
- Those of age 16 – 25 years;
- Salaried employees; and
- Households in the high-income quintile of PPI 4.



6.1.4 Informal Credit and Community Savings Groups

This section below provides an analysis of the demographic profile of adults that accessed informal credit and belonged to community savings groups. The Survey indicated that 14.1 percent of the adult population in the Province belonged to a Chilimba, Savings Group or Village Bank. In addition, 2.2 percent obtained informal credit called Kaloba.

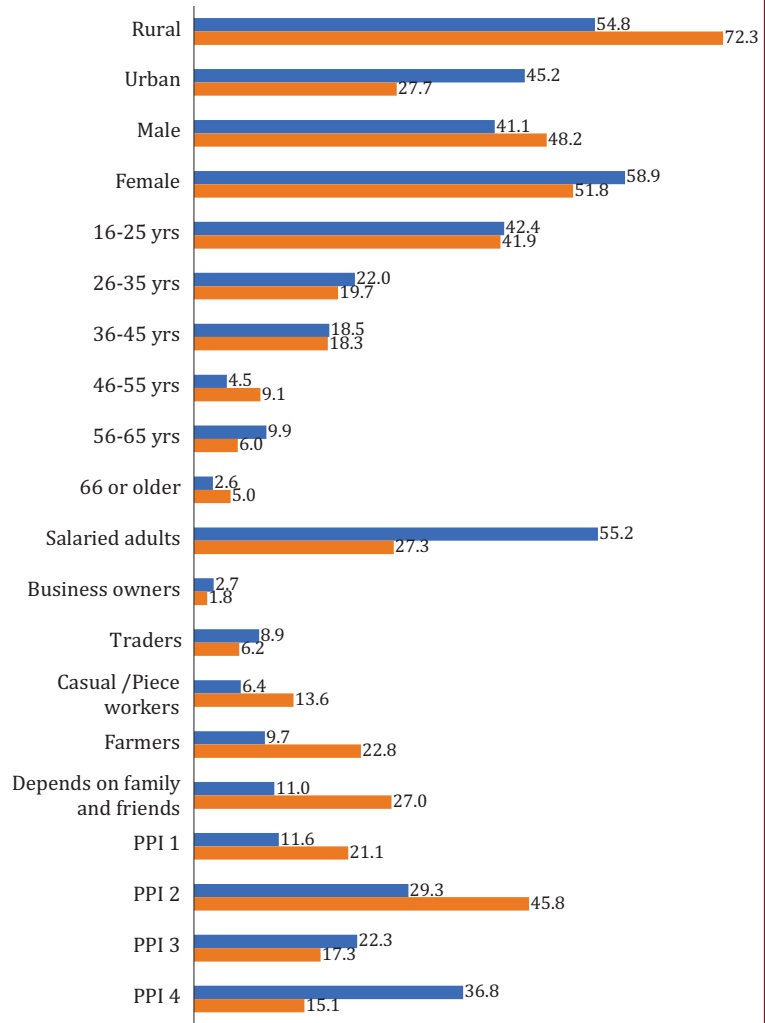
6.1.4.1 Chilimba

Chilimba refers to an informal rotating savings scheme in which a group of people agree to make regular fixed cash contributions, which go to each member, in a pre-determined order and period. The Survey showed that 8 percent of adults belonged to a Chilimba.

Figure 33 shows that, these adults were most likely to be:

- Rural based;
- Female;
- Of age 16 -25 years;
- Salaried employees; and
- From households in the high income quintile of PPI 4.

FIGURE 33:
Comparing the Profile of Adults Who Belonged to a Chilimba with the Total Adult Population (Percent)



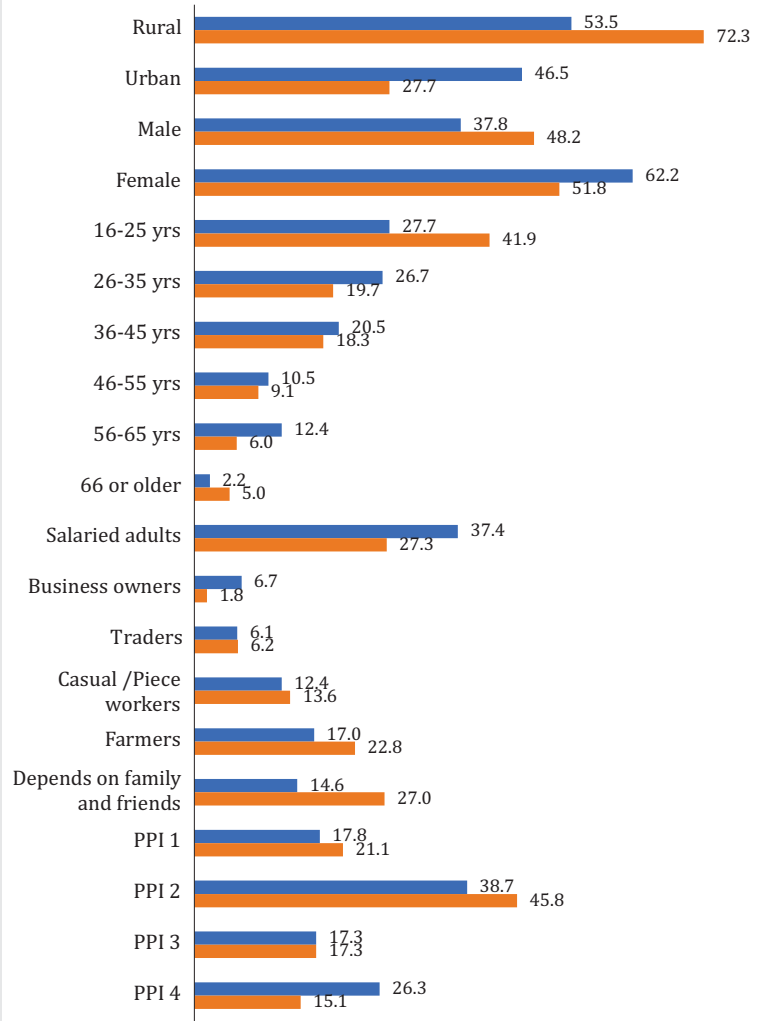
6.1.4.2 Savings Groups

Savings Groups (SGs) are closed self-selected user groups that pool savings which are shared out at the end of a savings cycle (usually 12 months). The savings are also used to offer credit within the group at an agreed interest rate. The interest earned is shared by members of the group in proportion to their respective savings.

The Survey showed that 5.7 percent of the adult belonged to SGs. As illustrated in Figure 34, these were most likely to be:

- Rural-based;
- Female;
- Of age 16-35 years;
- Salaried employees; and
- From households in the low income quintile of PPI 2.

FIGURE 34:
Comparing the Profile of Adults Who Belonged to a Savings Group with the Total Adult Population (Percent)



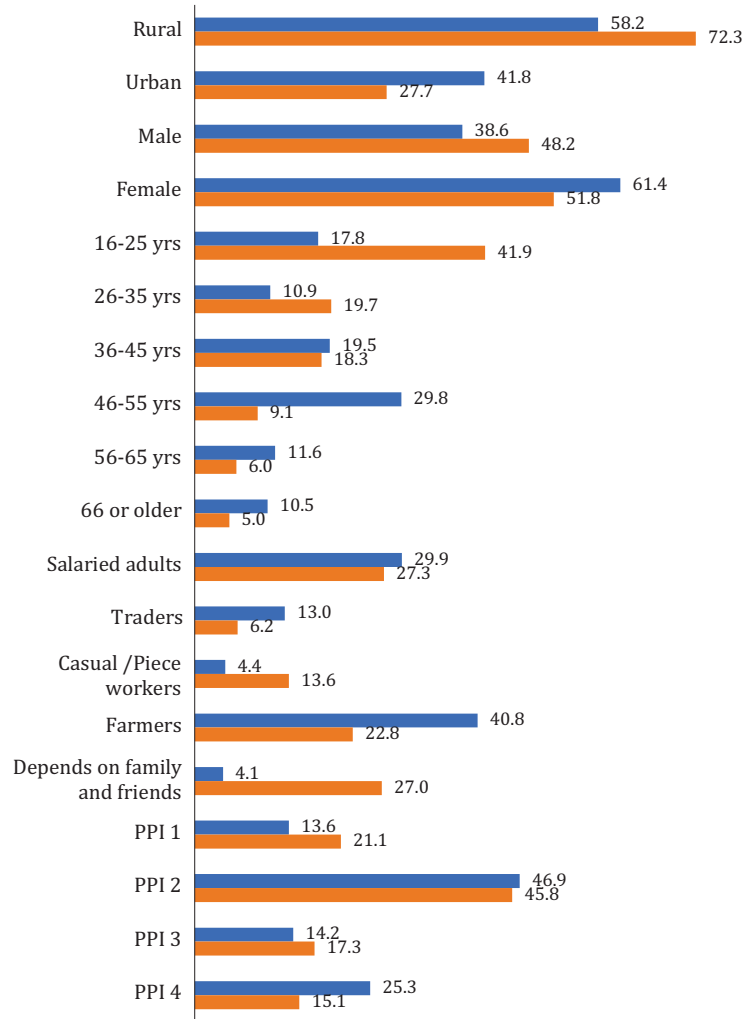
6.1.4.3 Village Bank

A village bank is a group of mostly low-income entrepreneurs who come together to share and guarantee one another's loans. The Survey indicated that 2.3 percent of adults belonged to a village bank.

The demographic profile of adults who belonged to village banks (Figure 35) showed that they were more likely to be:

- Rural-based;
- Female;
- Of age 46 - 55 years;
- Farmers; and
- From households in the low-income quintile of PPI 2.

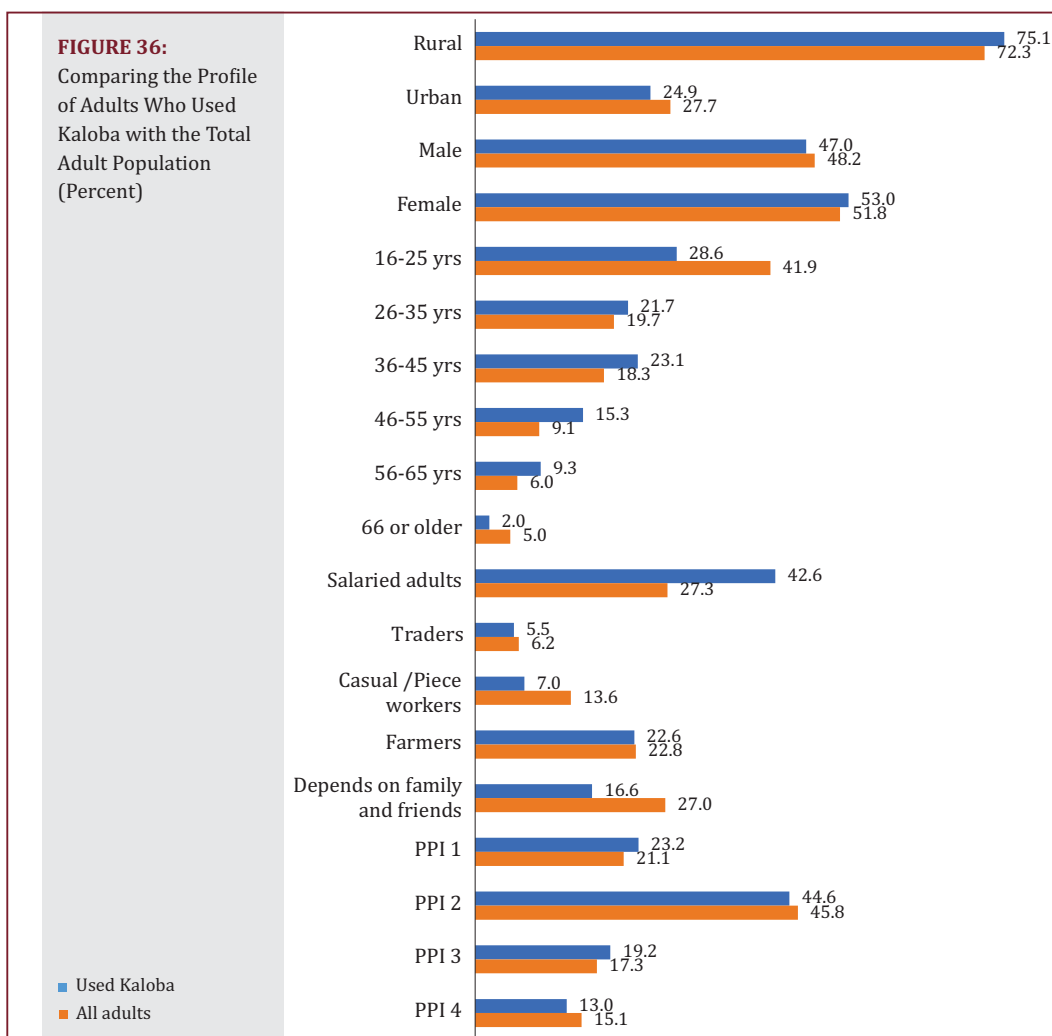
FIGURE 35:
Comparing the Profile
of Adults Who
Belonged to a Village
Bank with the Total
Adult Population
(Percent)



6.1.4.4 Kaloba

Kaloba is informal credit provided by money-lenders and was used by 2.2 percent of the adult population. Figure 36 shows that adults who used Kaloba were more likely to be:

- Rural-based;
- Female;
- Of age 16 - 25 years;
- Salaried employees; and
- From households in the low income quintile of PPI 2.



6.2 Barriers to Usage of Informal Savings Services

The Survey indicated that the main barrier to accessing informal services such as the Chilimba, Savings Group and Village bank was lack of money to save (Table 13).

TABLE 13: BARRIERS TO USAGE OF INFORMAL SAVING SERVICES (PERCENT)

Perceived Barrier	Chilimba	Savings Group	Village Bank
Do not have any money to save	27.9	26.7	26.1
Do not have enough money to save	23.8	24.8	24.2
There are no such groups in the community	20.0	23.0	24.8
Do not trust them	6.7	6.3	6.1
I see no benefits	6.5	4.6	5.5
I save money on my mobile phone	6.1	6.4	5.8

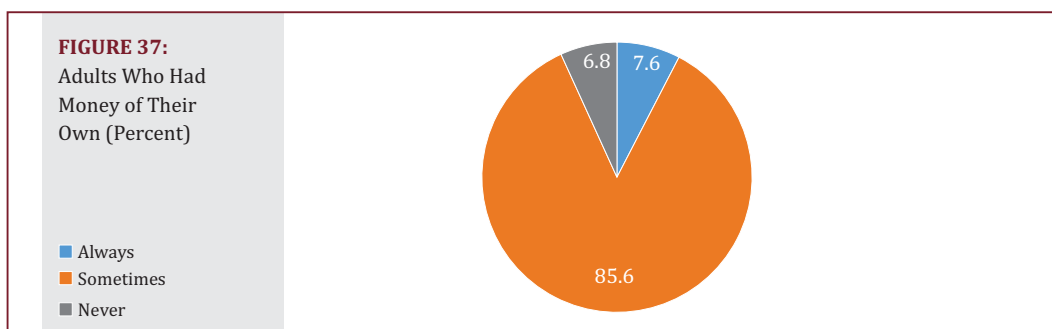
7.0 FINANCIAL CAPABILITY

Financial services are required for cash flow management, risk management, asset building and productive investment. The Survey explored the following dimensions of financial capabilities:

- Financial sufficiency;
- Financial decision making;
- Financial management; and
- Financial advice.

7.1 Financial Sufficiency and Decision Making

As illustrated in Figure 37, only 7.6 percent of adults indicated that they always had money of their own to use as they wished while 85.6 percent had money occasionally. The percentage of adults who never had money of their own to spend as they wished was 6.8 percent.



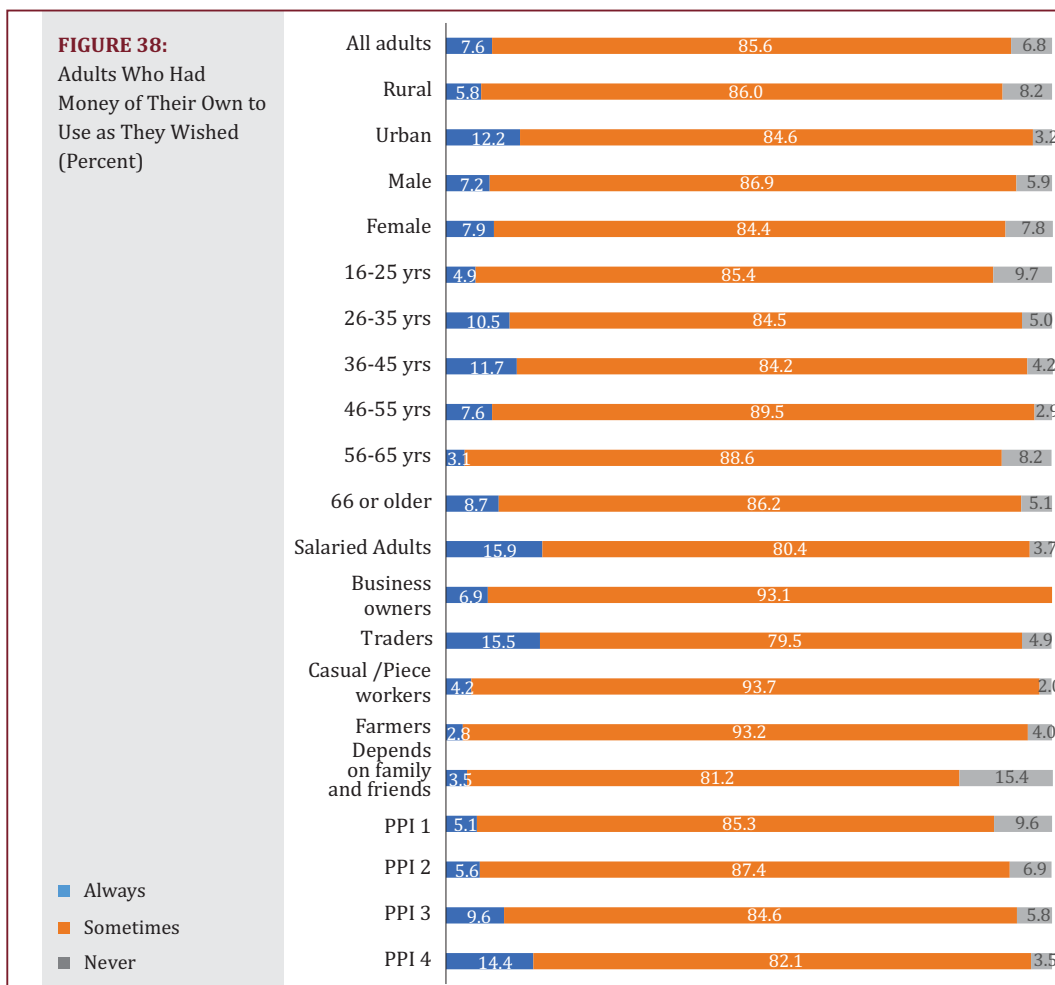
7.1.1 Adults with Money of Their Own to Use as They Wish

Figure 38 shows that 7.6 percent of adults always had money of their own to use and these were mostly amongst;

- Those in urban areas;
- Females;
- Those of age 36 – 45 years;
- Salaried employees and traders; and
- Adults from households in the high income quintile of PPI 4.

The percentage of adults who occasionally had money of their own to use was highest amongst:

- Those in rural areas;
- Males;
- Those of age 46 – 55 years;
- Business owners, casual/piece workers and farmers; and
- Households in the low-income quintile of PPI 2.

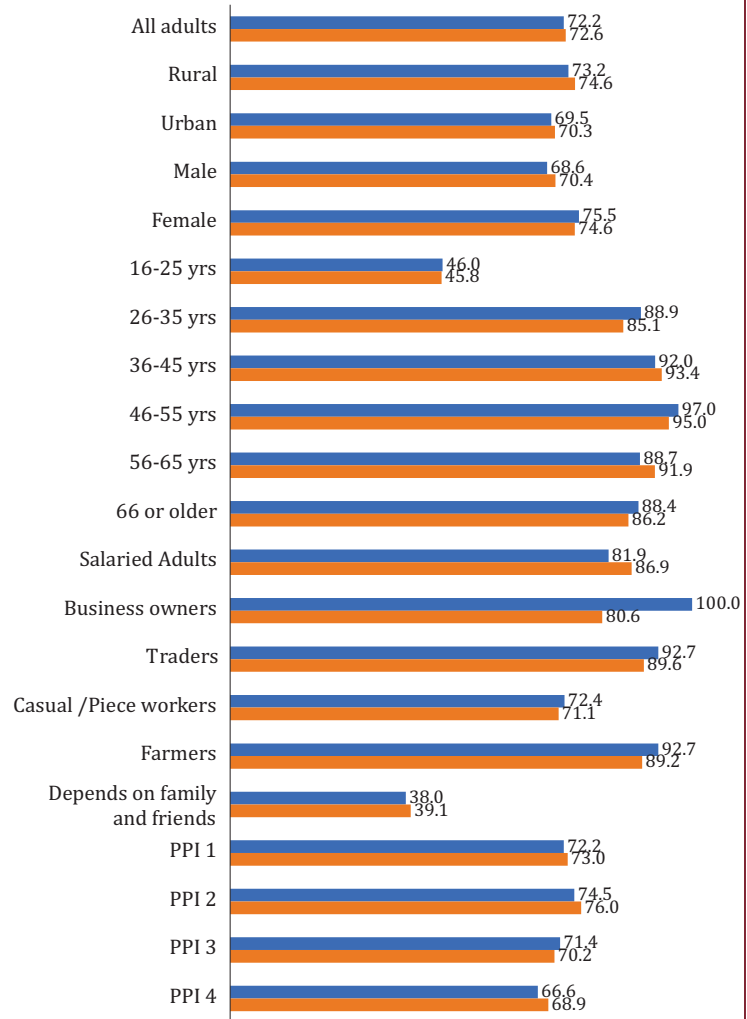


7.1.2 Adults Involved in Financial Decision Making

The Survey showed that 72.2 percent of adults were involved in household financial decision-making (Figure 39). These were highest amongst:

- Rural based adults;
- Females;
- Adults of age 46 – 55 years;
- Business owners; and
- Households from the low-income quintile of PPI 2.

FIGURE 39:
Adults Involved in
Financial
Decision-Making
(Percent)

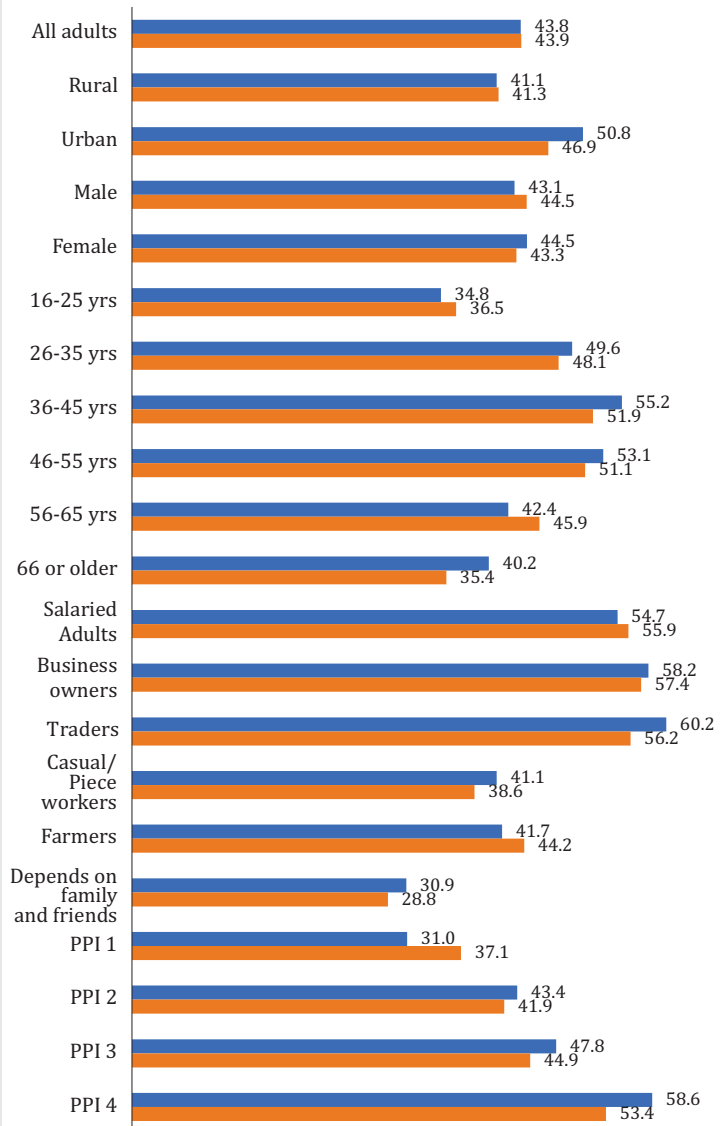


7.1.3 Adults Who Kept Track of the Money They Received and Spent

The survey indicated that 43.8 percent of the adult population were able to keep track of the money they received and spent (Figure 40). These were mostly among:

- Those in urban areas;
- Females;
- The age group 36 – 45 years;
- Traders; and
- Households in the high-income quintile of PPI 4.

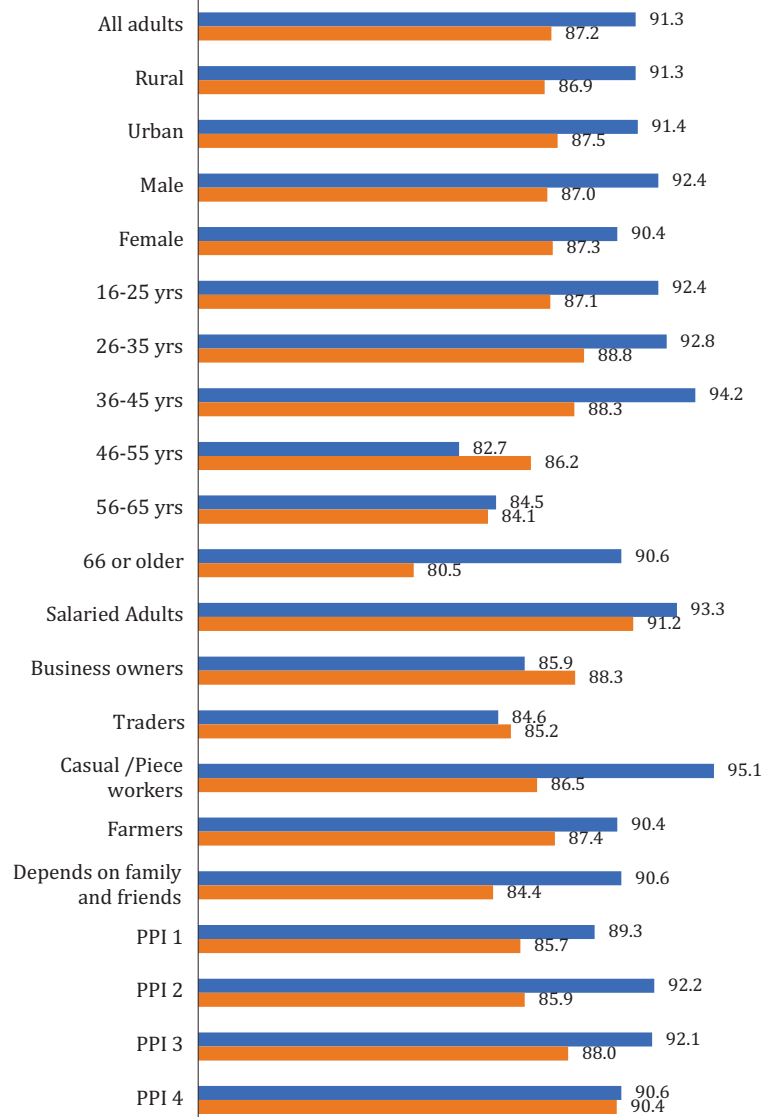
FIGURE 40:
Adults Who Kept Track
of the Money They
Received and Spent
(Percent)



7.1.4 Adults Who Had Access to Financial Advice

The percentage of adults who indicated that they had somewhere/someone to consult with when they needed financial advice was 91.3 percent. Figure 41 illustrates that Generally, over 80 percent of adults had access to financial advice across all demographic characteristics of the population.

FIGURE 41:
Adults Who Had
Someone to Turn to
for Financial Advice
(Percent)



7.2 Cash-flow Management

Table 14 shows that the average and median income of adults in the Province was K47.17 and K20.00 per day compared to the national average of K44.51 and K17.91, respectively. Urban adults earned twice as much average income than those in rural areas.

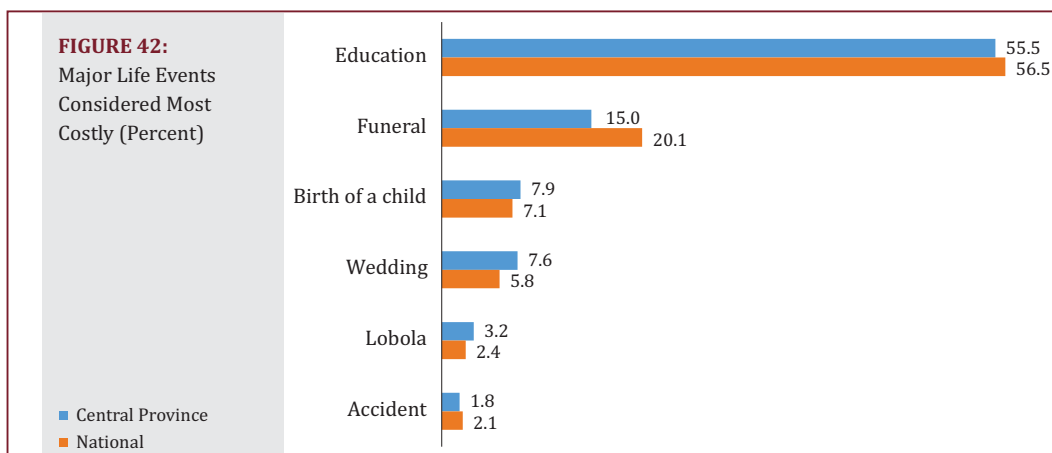
TABLE 14: INCOME BY SOURCE OF MAIN INCOME GENERATING ACTIVITY AND PPI QUINTILE

	Kwacha				USD			
	Average		Median		Average		Median	
	Central	National	Central	National	Central	National	Central	National
All Adults	47.17	44.51	20.00	17.91	2.54	2.40	1.08	0.96
Rural	37.20	25.79	16.78	13.33	2.00	1.39	0.90	0.72
Urban	72.40	67.12	33.33	33.94	3.90	3.62	1.80	1.83
Male	47.22	49.76	20.00	21.76	2.54	2.68	1.08	1.17
Female	47.36	39.54	20.00	16.67	2.55	2.13	1.08	0.90
Salaried Adults	78.35	78.66	33.33	37.97	4.22	4.24	1.80	2.05
Business owners	58.31	52.15	53.33	33.33	3.14	2.81	2.87	1.80
Traders	63.07	56.61	43.73	31.17	3.40	3.05	2.36	1.68
Casual /Piece workers	16.82	22.04	16.67	16.56	0.91	1.19	0.90	0.89
Farmers	31.12	24.87	16.67	13.33	1.68	1.34	0.90	0.72
Depends on family and friends	27.58	25.41	16.67	14.67	1.49	1.37	0.90	0.79
PPI 1	28.59	18.03	16.67	10.00	1.54	0.97	0.90	0.54
PPI 2	34.87	27.34	16.78	15.42	1.88	1.47	0.90	0.83
PPI 3	45.82	56.34	28.56	33.33	2.47	3.04	1.54	1.80
PPI 4	112.21	96.23	66.67	50.00	6.05	5.18	3.59	2.69

*Based on the exchange rate as at mid-August 2020 of K18.56 to USD

7.2.1 Major Life Events Considered Most Costly

The most expensive major life events reported by adults in the Survey were education and funerals at 55.5 percent and 15.0 percent, respectively (Figure 42). This was similar to the perception at national level.



7.2.2 Adults with a Child/Dependant Sent Home due to Lack of School Fees

In the six (6) months prior to the Survey, 53.1 percent of adults had a dependant/child they supported sent home due to non-payment of school fees, at least once a month (Table 15). These were mostly amongst:

- Urban based adults;
- Females;
- Casual/piece workers; and
- Households in the middle income quintile of PPI 3.

Further, 46.9 percent of adults had a child/dependant sent home at least once during the year. These were mostly amongst:

- Rural based adults;
- Males;
- Business owners; and
- Households in the low income quintile of PPI 2.

TABLE 15: ADULTS WITH A CHILD/DEPENDANT SENT HOME DUE TO LACK OF SCHOOL FEES (PERCENT)

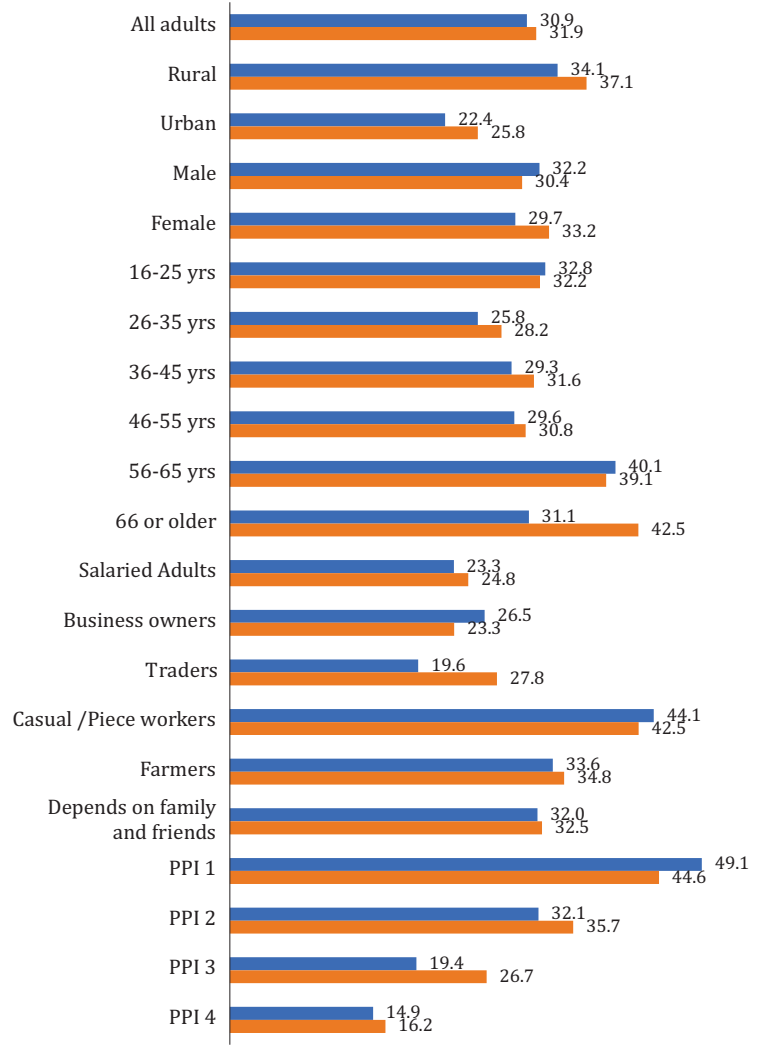
	Central		National	
	At least once a month	At least once a year but not every month	At least once a month	At least once a year
All adults	53.1	46.9	57.4	42.6
Rural	47.7	52.3	58.1	41.9
Urban	64.4	35.6	56.7	43.3
Male	44.0	56.0	57.1	42.9
Female	61.6	38.4	57.7	42.3
Salaried Adults	52.3	47.7	53.0	47.0
Business owners	-	100.0	54.7	45.3
Traders	39.6	60.4	47.7	52.3
Casual /Piece workers	69.4	30.6	60.3	39.7
Farmers	31.5	68.5	57.4	42.6
Depends on family and friends	63.6	36.4	63.9	36.1
PPI 1	53.8	46.2	61.4	38.6
PPI 2	49.4	50.6	57.3	42.7
PPI 3	56.7	43.3	52.9	47.1
PPI 4	54.7	45.3	56.4	43.6

7.2.3 Adults Who Fell Behind/Struggled to Keep Up with Regular Expenses

The Survey revealed that 30.9 percent of adults struggled to manage regular expenses (Figure 43). This was mostly amongst:

- Those in rural areas;
- Males;
- Adults of age 56 – 65 years;
- Casual/piece workers; and
- Households in the lowest income quintile of PPI 1.

FIGURE 43:
Adults Who Fell Behind/Struggled to Keep Up with Regular Expenses (Percent)

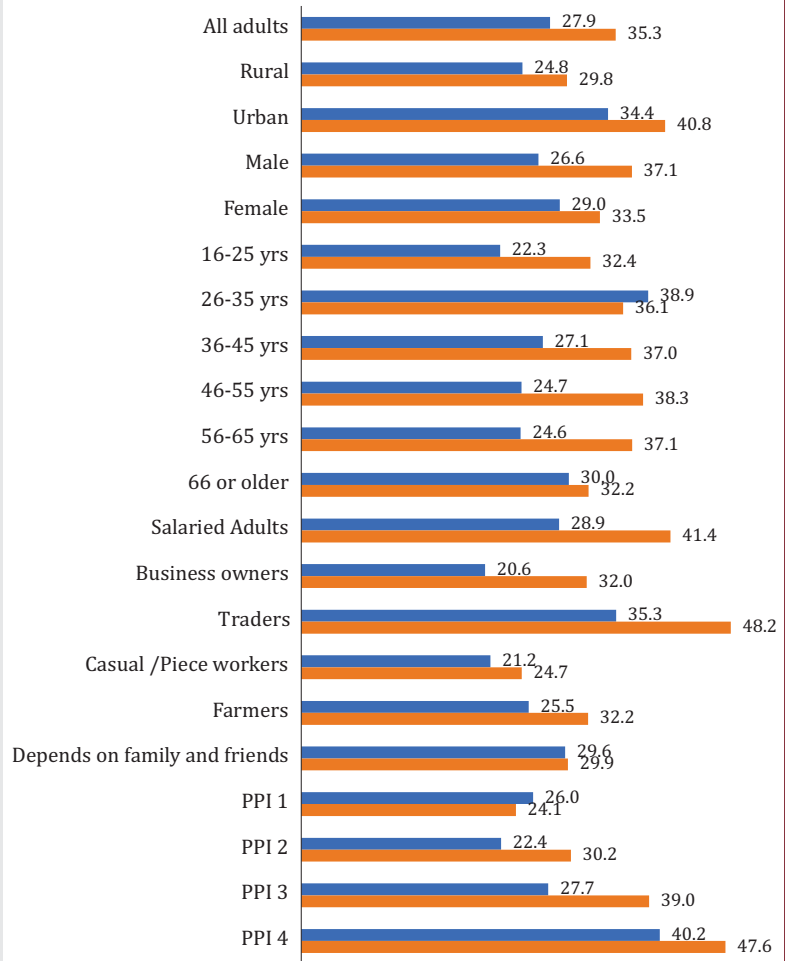


7.2.4 Adults Who Kept a Record of Their Money

Figure 44 illustrates that only 27.9 percent of the adult population kept a record of their money (receipts and expenses). These were mostly amongst:

- Adults in urban areas;
- Females;
- Adults of age 26 – 35 years;
- Traders; and
- Households in the high income quintile of PPI 4.

FIGURE 44:
Adults Who Kept a
Record of Their
Money (Percent)



7.3 Risk Management

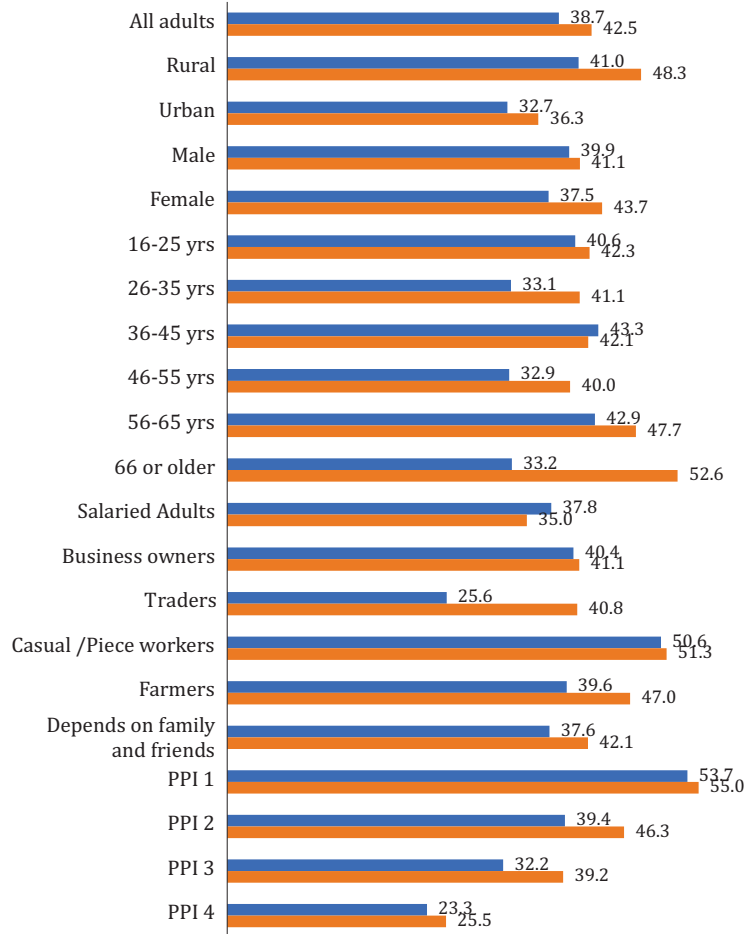
Risk management is the process of managing potential risks to minimize the negative impact they may have.

7.3.1 Adults Who Struggled to Manage Unexpected Expenses

Figure 45 showed that 38.7 percent of adults fell behind or struggled to manage unexpected expenses in the 12 months prior to the survey (Figure 45). These were highest amongst:

- Adults in rural areas;
- Males;
- Adults of age 36 – 45 and 56 – 65 years;
- Casual/piece workers; and
- Households in the lowest income quintile of PPI 1.

FIGURE 45:
Adults Who Struggled
to Manage Unexpected
Expenses (Percent)

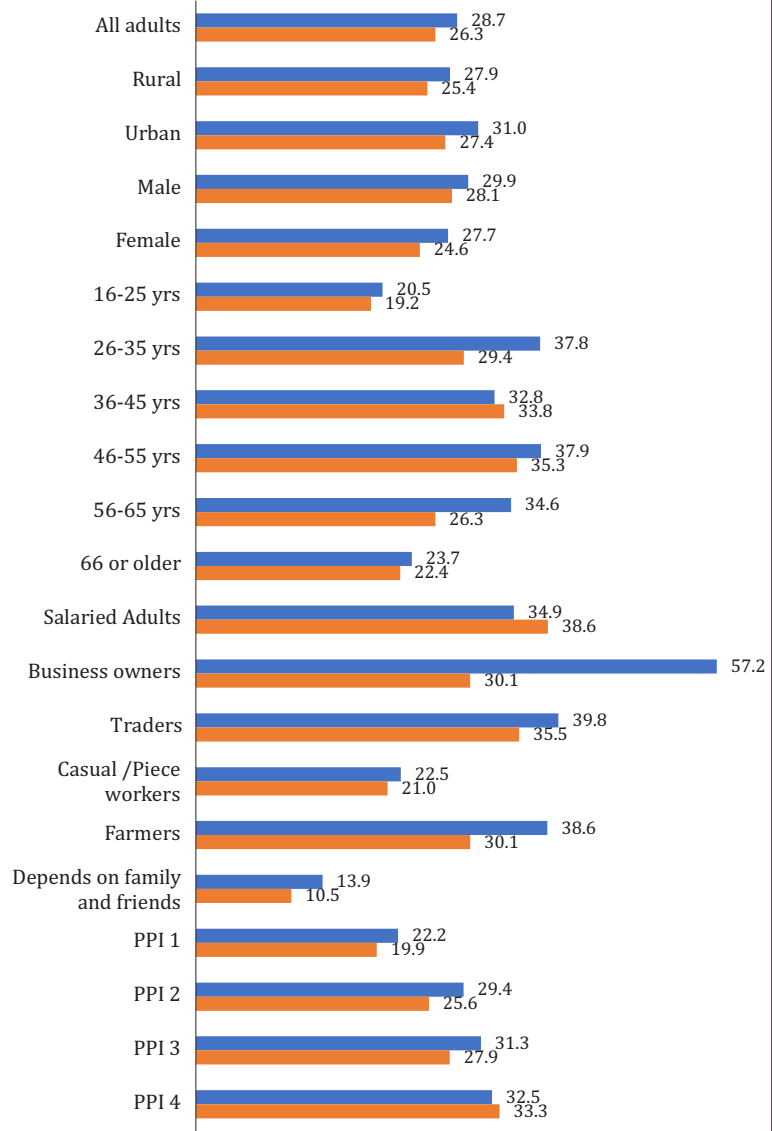


7.3.2 Adults Who Made Provision for Unexpected Expenses

The Survey showed that 28.7 percent of adults were able to make provision for unexpected expenses (Figure 46). This was mostly amongst:

- Adults in urban areas;
- Males;
- Adults of age 26-35 years and 46 – 55 years;
- Business owners; and
- Households in the high income quintile of PPI 4.

FIGURE 46:
Adults Who Made
Provision for
Unexpected Expenses
(Percent)



7.3.3 Strategies to Cope with Unexpected Expenses (Percent)

The Survey showed that 60.7 percent of adults relied on gifts from family and friends as well as expense cutbacks to cope with unexpected expenses while 27.5 percent relied on savings and 11.8 percent on credit.

Males were more likely to rely on gifts and expense cutbacks (62.8 percent) compared with their female counterparts (58.8 percent). More females relied on savings or borrowed to cope at 28.9 percent and 12.3 percent, respectively, compared with males at 26.0 percent and 11.2 percent, respectively. The demographic characteristics of these adults are indicated in Table 16.

TABLE 16: STRATEGIES TO COPE WITH UNEXPECTED EXPENSES (PERCENT)

	Savings		Borrowed		Rely on gifts & expenses cut back	
	Central	National	Central	National	Central	National
Adults	27.5	28.3	11.8	9.0	60.7	62.7
Rural	27.5	27.3	11.8	9.1	60.7	63.6
Urban	24.7	29.4	11.5	9.0	63.8	61.6
Male	26.0	29.7	11.2	9.0	62.8	61.2
Female	28.9	27.0	12.3	9.1	58.8	63.9
Salaried Adults	34.8	45.2	12.6	11.4	52.6	43.4
Business owners	27.7	33.2	11.8	10.1	60.5	56.7
Traders	44.3	33.5	16.2	8.1	39.6	58.5
Casual /Piece workers	35.9	24.9	6.0	11.1	58.1	64.0
Farmers	40.8	29.8	3.1	9.5	56.1	60.7
Depends on family and friends	22.5	10.2	17.3	4.8	60.3	84.9
PPI 1	23.9	23.6	7.1	8.8	69.0	67.6
PPI 2	13.5	26.3	11.0	9.5	75.5	64.2
PPI 3	22.2	30.5	8.3	8.6	69.5	60.8
PPI 4	27.5	34.1	11.8	8.7	60.7	57.1

7.4 Assets and Asset Building

Asset ownership is important for income generation, saving, risk mitigation, collateral and hedging against inflation. In the case of business owners, traders and farmers, asset ownership helps to create value and could facilitate the efficient running of their businesses.

The Survey showed that 47.0 percent of adults reported that at least one household member owned the current dwelling (Table 17). This was more likely to be:

- Adults in urban areas;
- Females;
- Business owners and traders; and
- Households in the middle income quintile of PPI 3.

Further, 62.1 percent of adults owned a mobile phone while 19.5 percent owned agricultural land. With regard to ICT, 16.0 percent of adults indicated that they used the internet and only 6.3 percent had access to a computer (Table 17).

TABLE 17: ASSET OWNERSHIP AND CONNECTIVITY TO ICT (PERCENT)

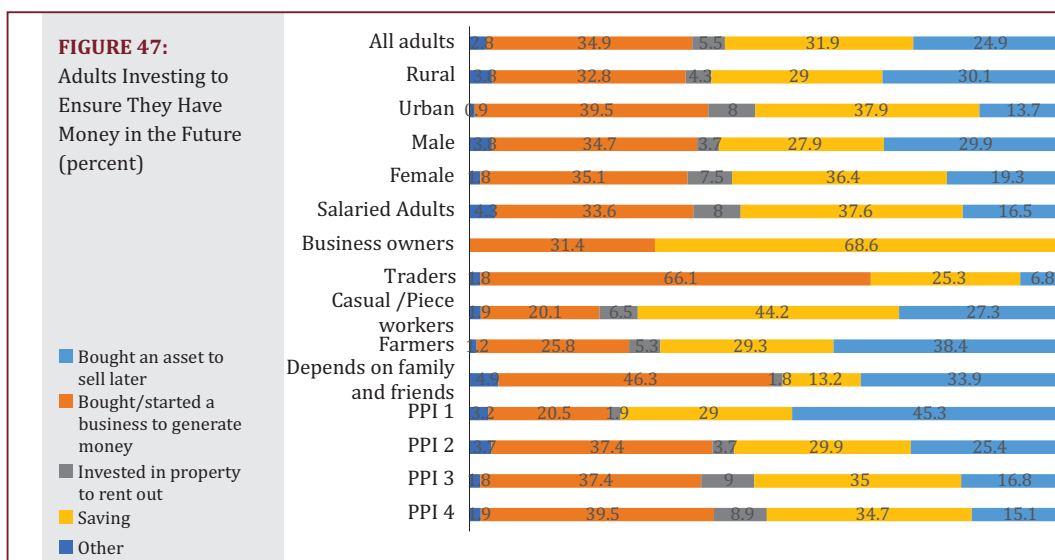
	Own Current house	Member of household owns the house	Personally own (any/another) House	Personally own Agriculture land	Personally own a mobile phone	Have access to a computer	Have access to the internet
Adults	21.7	47.0	26.2	19.5	62.1	6.3	16.0
Rural	21.7	47.0	26.2	19.5	62.1	6.3	16.0
Urban	24.6	49.3	29.1	24.8	56.7	2.1	5.7
Male	28.6	37.5	32.0	22.9	63.1	6.5	16.2
Female	15.3	55.8	20.9	16.4	61.1	6.1	15.7
Salaried Adults	14.3	40.9	18.8	5.9	76.0	18.5	42.9
Business owners	21.7	46.8	26.2	19.3	62.3	6.4	16.1
Traders	21.2	30.6	27.2	16.5	77.8	9.4	25.5
Casual /Piece workers	12.8	25.0	35.7	10.1	77.3	16.1	21.5
Farmers	29.0	35.7	31.4	16.4	84.3	2.7	17.4
Depends on family and friends	22.8	51.9	27.1	15.9	57.1	3.9	7.4
PPI 1	37.9	49.2	44.0	42.6	54.5	.9	3.2
PPI 2	5.4	64.5	6.6	5.3	49.2	9.7	20.0
PPI 3	45.4	9.2	51.8	21.8	75.2	3.5	35.9
PPI 4	21.7	47.0	26.2	19.5	62.1	6.3	16.0

7.5 Investments

The Survey indicated that the following investment strategies were used by adults to ensure that they had money for the things they needed in the future:

- Saving;
- Buying/starting a business;
- Buying an asset to sell later; and
- Investing in property to rent out.

Figure 47 showed that most adults would either start a business or save to ensure they had money in future. The percentage of adults who indicated that they would save to generate future income was highest amongst females, urban dwellers, business owners and those in PPI 3 and PPI 4. Further, adults who indicated that they would start a business were mostly amongst urban dwellers, traders and those in PPI 4.



7.6 House Occupancy Status

The Survey showed that 17.7 percent of adults lived in a house that was provided rent free (Table 18). These were highest amongst:

- Adults in rural areas;
- Males;
- Salaried employees; and
- Households in the high income quintile of PPI 4.

On the other hand, 11.1 percent of adults lived in a rented house. Those who lived in a rented house were predominantly amongst:

- Urban based adults;
- Males;
- Business owners, and
- Households in the high income quintile of PPI 4.

TABLE 18: HOUSE OCCUPANCY STATUS (PERCENT)

	Central		National	
	Household member rents the house	House provided rent free ⁷	Household member rents this house	House provided rent free
All adults	11.1	17.7	20.4	10.6
Rural	4.6	18.9	4.1	10.6
Urban	28.1	14.6	38.6	10.6
Male	12.1	18.5	20.4	11.0
Female	10.2	16.9	20.5	10.3
Salaried Adults	17.2	29.6	30.3	13.1
Business owners	36.3	26.0	30.5	14.5
Traders	18.1	12.3	23.6	9.2
Casual /Piece workers	13.3	11.1	21.4	12.0
Farmers	1.4	7.2	3.0	5.9
Depends on family and friends	9.1	18.9	22.7	10.9
PPI 1	2.3	12.6	3.1	7.0
PPI 2	7.1	12.9	11.4	10.8
PPI 3	18.6	25.3	32.9	12.5
PPI 4	25.5	30.8	40.6	12.6

7.7 Strategies to Meet Future Needs When Old and Cannot Work

The Survey indicated that 23.9 percent of adults considered farming/agriculture as a means of ensuring that they had money when old and unable to work. Other common strategies included starting a business (22.3 percent) and savings (13.0 percent). The least common strategies were pensions (1.5 percent), and insurance products (0.4 percent). Further 14.2 percent of adults indicated that they had no plans on how to ensure they had money when old and unable to work.

Table 19 shows that 34.0 percent of adults in urban areas were more likely to start a business while 30.1 percent in rural areas would consider farming as a means of ensuring that they had money when old and unable to work.

Analysis by income generating activities showed that business owners and traders comprised the largest group that would invest in a business to meet future needs when old and unable to work. Further, most farmers would engage in farming while salaried workers would depend on savings.

⁷This means the housing unit is provided free by the employer/friend or relative of any member of the household

TABLE 19: STRATEGIES TO MEET FUTURE NEEDS WHEN OLD AND CANNOT WORK (PERCENT)

	Central Province									
	Savings	Children	Land/property	Own business	Rental income	Farming/agriculture/ livestock	Pension	Insurance policy	Don't know/have no plans	Other specify
All adults	13.0	9.9	8.5	22.3	4.7	23.9	1.5	0.4	14.2	1.6
Rural	11.1	11.6	9.2	17.9	3.5	30.1	0.2	0.3	14.4	1.7
Urban	17.8	5.5	6.8	34.0	7.9	7.6	4.8	0.7	13.5	1.6
Male	12.9	8.5	9.4	21.2	4.4	26.2	2.1	0.2	13.8	1.3
Female	13.1	11.2	7.7	23.3	5.0	21.7	1.0	0.6	14.5	2.0
Salaried Adults	23.6	6.9	9.4	22.0	4.9	17.6	3.2	0.3	11.9	0.3
Business owners	2.9	-	6.6	47.3	12.2	25.4	-	-	3.5	2.0
Traders	10.7	5.6	5.0	42.7	7.5	19.2	-	-	4.9	4.3
Casual /Piece workers	6.3	12.8	4.3	23.3	7.6	30.8	1.1	-	10.1	3.7
Farmers	7.2	17.9	14.3	13.0	1.2	37.3	0.7	0.5	6.6	1.3
Depends on family and friends	11.1	6.5	6.3	22.2	4.6	17.7	0.5	0.8	28.4	1.7
PPI 1	6.9	14.1	7.2	13.2	3.2	35.4	-	0.5	16.3	3.2
PPI 2	11.6	10.8	7.5	22.0	2.5	28.6	0.3	-	15.1	1.6
PPI 3	14.7	7.2	11.6	28.9	8.4	13.9	1.2	-	13.4	0.7
PPI 4	23.5	4.6	9.5	28.7	8.8	5.7	7.3	1.9	9.7	0.3

8.0 ACCESS TO FINANCIAL SERVICE

There are various dimensions to access such as, proximity to points of service, eligibility to take up services offered, suitability of product/service, affordability and awareness of services. This makes it a complex concept to measure.

For the purposes of this Survey, access in this chapter refers to physical proximity to a financial access point and the ability to take up financial services. It is therefore important to note that findings on physical proximity represent perceived access to a service point within 30 minutes.

8.1 Physical Access to Points of Service

The Survey showed that 32.4 percent of adults were able to reach at least one access point within 30 minutes by motor vehicle, 27.0 percent by bicycle and 17.8 percent on foot.

In terms of proximity, schools were much closer to the population followed by health centres and mobile money agents. The Survey showed that 72.4 percent of adults were able to reach the nearest school within 30 minutes by motor vehicle, 68.2 percent by bicycle and 49.5 percent on foot. Access to health centres by adults within a 30-minute reach was 63.1 percent by motor vehicle, 56.4 percent by bicycle and 38.6 percent on foot. For mobile money agents, 55.4 percent were able to reach by motor vehicle, 49.2 percent by bicycle and 41.9 percent on foot (Table 20).

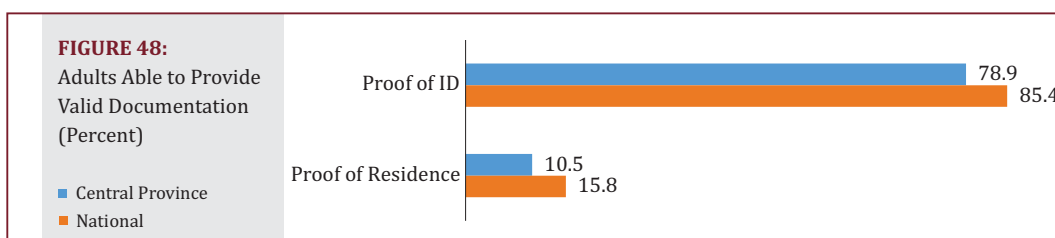
TABLE 20: ADULTS ABLE TO ACCESS SERVICE POINTS WITHIN 30 MINUTES (PERCENT)

Access Point	Mode of Travel		
	Foot	Bicycle	Motor vehicle
All adults	17.8	27.0	32.4
Bank branch/ATM	11.4	21.2	29.8
Microfinance institution	7.4	14.8	19.8
Bank agent	16.2	24.2	30.4
Mobile money agent	41.9	49.2	55.4
Building society	5.5	11.8	16.1
Insurance company	6.7	13.7	17.7
Capital Markets Operator	4.3	7.6	10.1
Post Office	11.3	21.3	28.4
School	49.5	68.2	72.4
Health Centre	38.6	56.4	63.1
Filling station	15.5	25.9	33.6
Supermarket	19.2	29.6	36.7

Generally, access to financial service points such as banks, microfinance institutions and insurance companies was much lower than access to social services such as schools, health centres, filling stations and supermarkets.

8.2 Eligibility to Access Services

The Survey indicated that 78.9 percent of adults in the Province had proof of identification (ID) while only 10.5 percent had proof of residential address (Figure 48).



The Survey revealed that the main constraint in meeting full KYC requirements for opening an account with a formal financial service provider was failure to provide proof of residential address.

Table 21 shows that apart from the National Registration Card (NRC), generally, the percentage of adults that possessed various KYC documentation such as a passport, driver's license, payslip, lease agreement, T-PIN, electricity/water bill was low at less than 10 percent of the adult population.

TABLE 21: ADULTS WITH DOCUMENTATION TO PROVE IDENTITY AND/OR RESIDENCE (PERCENT)

Type of Document	Central Province			National
	Rural	Urban	Overall	
National registration card	75.0	86.6	78.9	85.4
Driver's license	2.4	7.9	3.9	6.8
Passport	1.1	9.5	3.4	5.3
Payslip from employer	2.9	9.5	4.7	6.4
Lease or rental agreement	0.8	5.2	2.0	4.2
Subscription (e.g. satellite TV)	4.4	16.1	7.7	10.7
Tax identification	2.0	15.3	5.7	8.9
Electricity/water bill	1.3	9.8	3.7	6.5
Insurance policy	1.3	4.0	2.1	3.4
Telephone/Zamtel bill	0.5	1.0	0.6	2.8
Title deed	3.4	7.2	4.4	6.2

9.0 FINANCIAL PRODUCTS AND SERVICES USED BY ADULTS

The uptake of financial services amongst Zambian adults was grouped into six main categories:

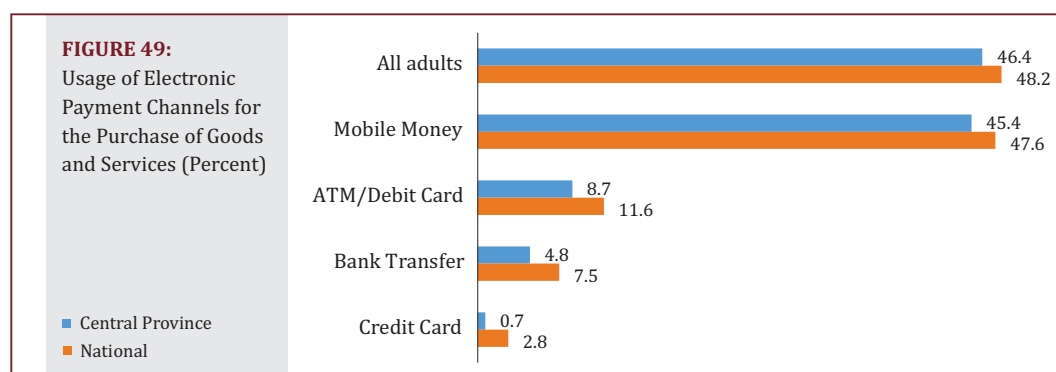
- 1) Electronic Payment Channels
- 2) Credit
- 3) Remittances
- 4) Savings;
- 5) Insurance; and
- 6) Pensions.

9.1 Electronic Payment Services

The use of electronic payment platforms has gained prominence in recent years for the purchase of goods and services, to make bill payments and conduct money transfers. This has been partly driven by efforts of the Government and other stakeholders to promote a cash-lite society and enable the delivery of financial services to rural and remote areas through digital financial platforms. In addition, the Covid-19 pandemic has provided greater impetus for usage of digital financial services to facilitate contactless financial transactions hence reducing the spread of the disease.

9.1.1 Purchasing Goods and Services

The survey indicated that 46.4 percent of the adult population in Central Province used electronic payment channels to purchase goods and services. Amongst these payment methods, mobile money was the most widely used at 45.4 percent, while credit cards had the least usage at 0.7 percent (Figure 49).

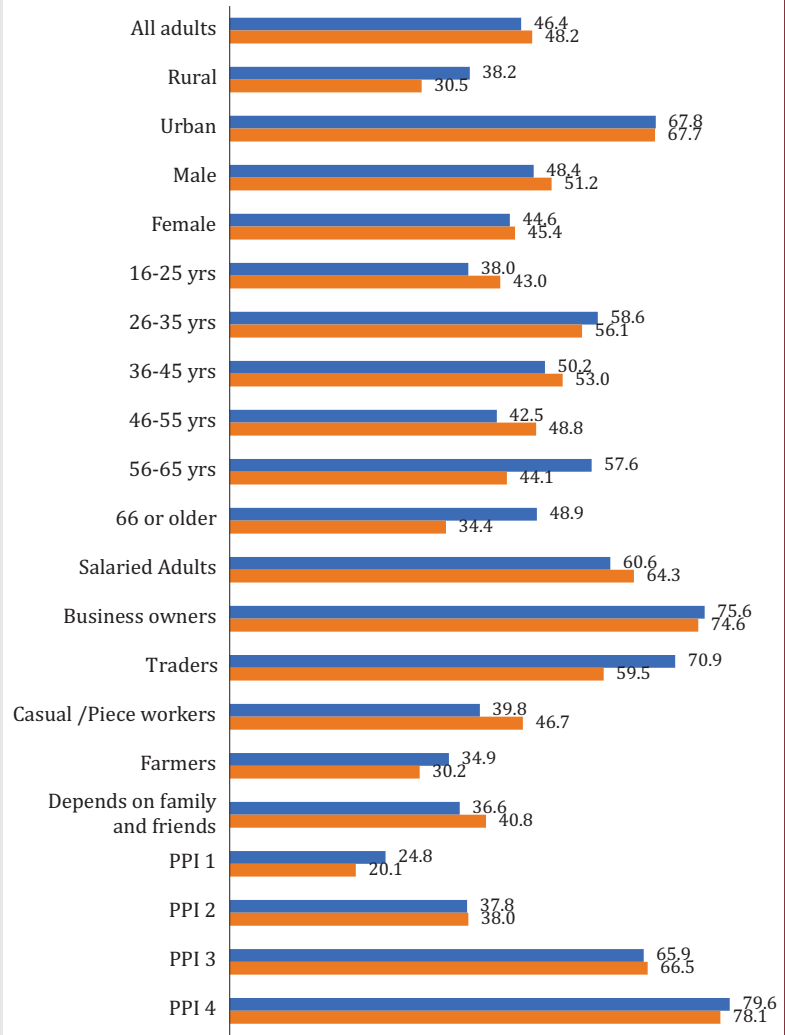


9.1.2 Adults Using Electronic Payment Channels for Purchase of Goods and Services

Figure 50 shows that adults who used electronic payment methods were mostly among:

- Those in urban areas;
- Males;
- Those in the age group 26 – 35 years;
- Business owners; and
- Households in the high-income quintile of PPI 4.

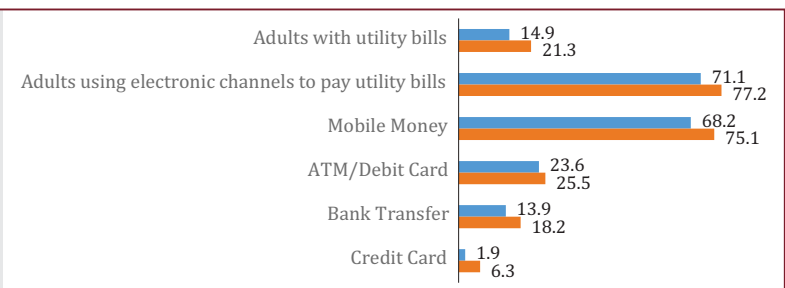
FIGURE 50:
Profile of Adults Using
Electronic Payment
Channels for the
Purchase of Goods and
Services (Percent)



9.1.3 Bill Payments

In the 12 months prior to the survey 14.9 percent of adults stated that they had utility bills to pay. Of these, 71.1 percent used electronic payment channels. Mobile money was the most widely used channel for bill payments at 68.2 percent. The least utilised electronic payment channel for bill payments was the credit card at 1.9 percent (Figure 51).

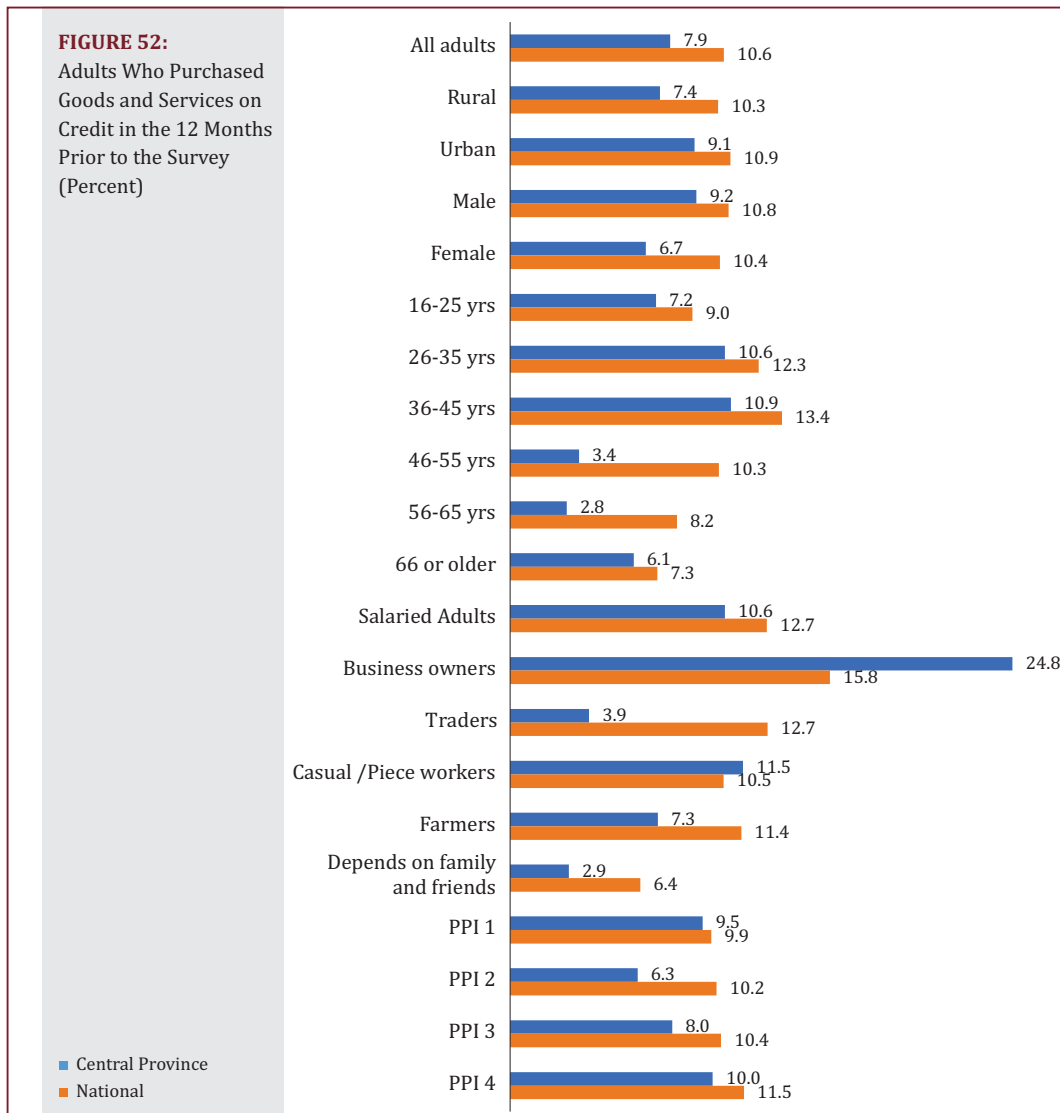
FIGURE 51:
Usage of Electronic
Payment Channels for
Paying Bills (Percent)



9.2 Adults Buying Goods and Services on Credit

The Survey indicated that 7.9 percent of adults bought goods and services on credit in the 12 months prior to the Survey (Figure 52). These adults were mostly among:

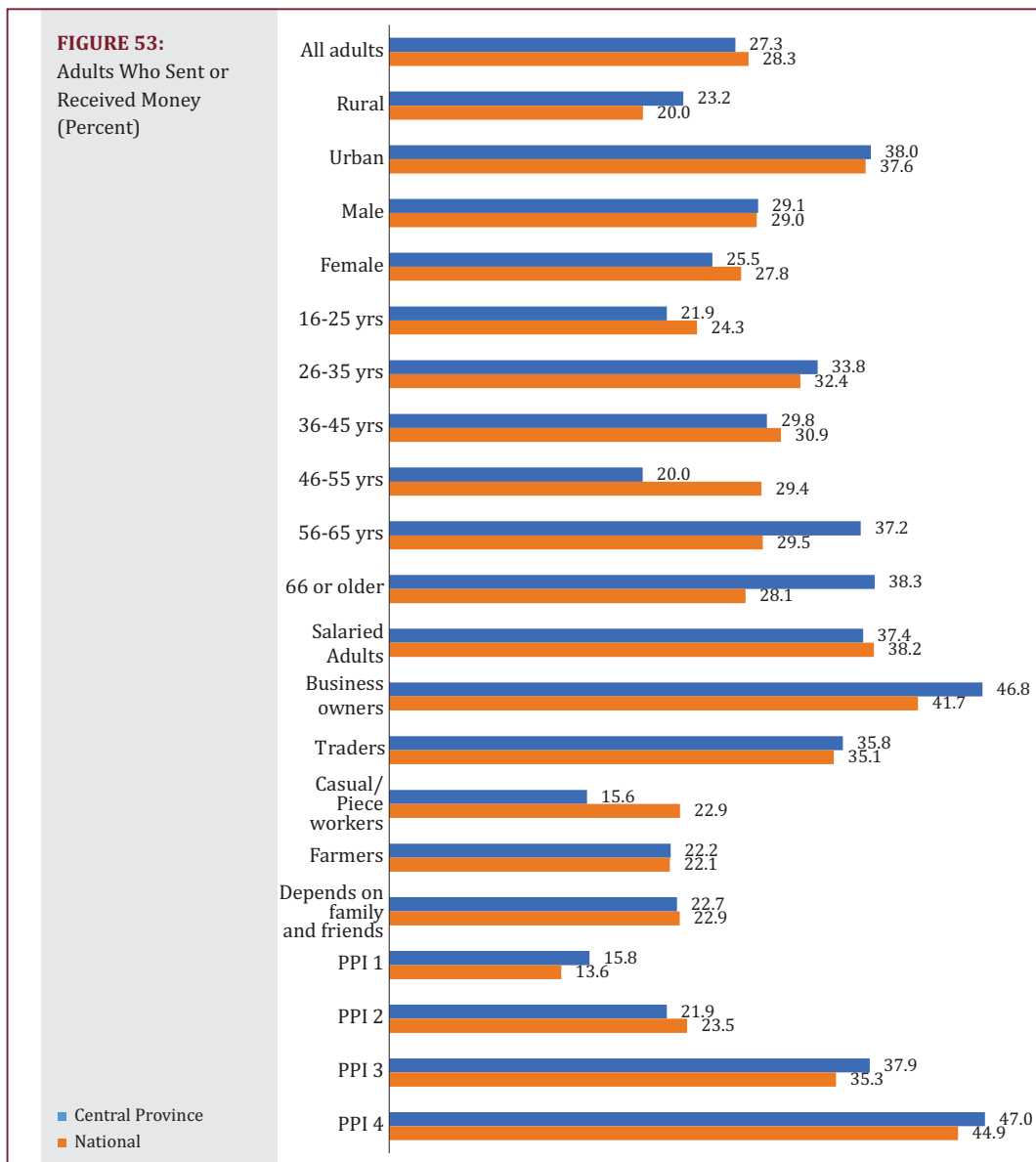
- Those in urban areas;
- Males;
- Adults of age 26 – 45 years;
- Business owners; and
- Households in the lowest and high income quintiles of PPI 1 and PPI 4.



9.3 Remittances

During the 12-months period prior to the Survey, 27.3 percent of adults sent or received money from someone (Figure 53). These activities were mostly observed amongst:

- Adults in urban areas;
- Males;
- Adults of age 66 years or older;
- Business owners; and
- Households in the high-income quintile of PPI 4.



The Survey results showed that mobile money was the most widely used channel for sending (54.5 percent) and receiving (80.8 percent) money. Remittances made through Banks were the least utilised methods (Table 22).

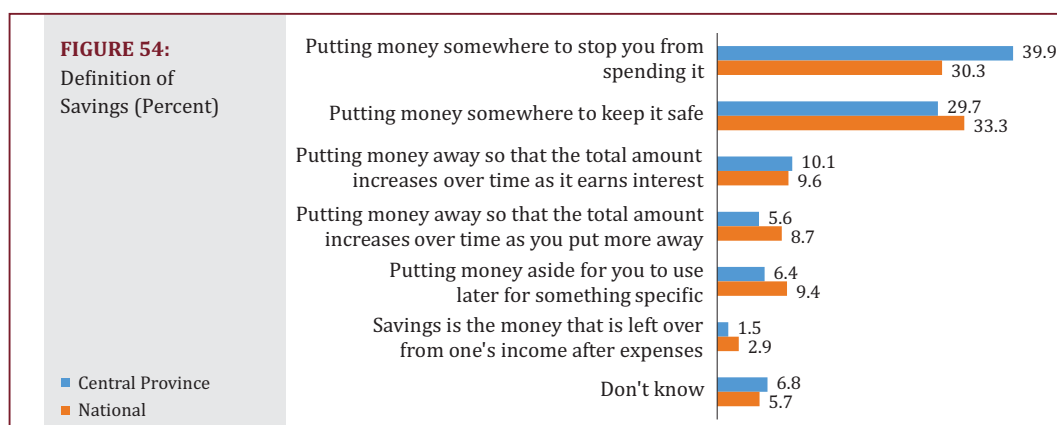
TABLE 22: REMITTANCES (PERCENT)

	Senders	
	Central Province	National
Channels used to send money		
Mobile money	54.5	56.8
Bank transfer/Pay into bank account	0.2	2.7
Friends or family takes it there	2.3	2.0
Bus/taxi driver	0.6	0.5
Channels used to receive money	Receivers	
Post Office	0.6	0.4
Mobile money	80.8	88.4
Bank transfer/Pay into bank account	1.1	5.1
Friends or family	4.6	7.4
Western Union/Money gram/Swift cash	0.8	1.5

9.4 Savings

9.4.1 Definition of Savings

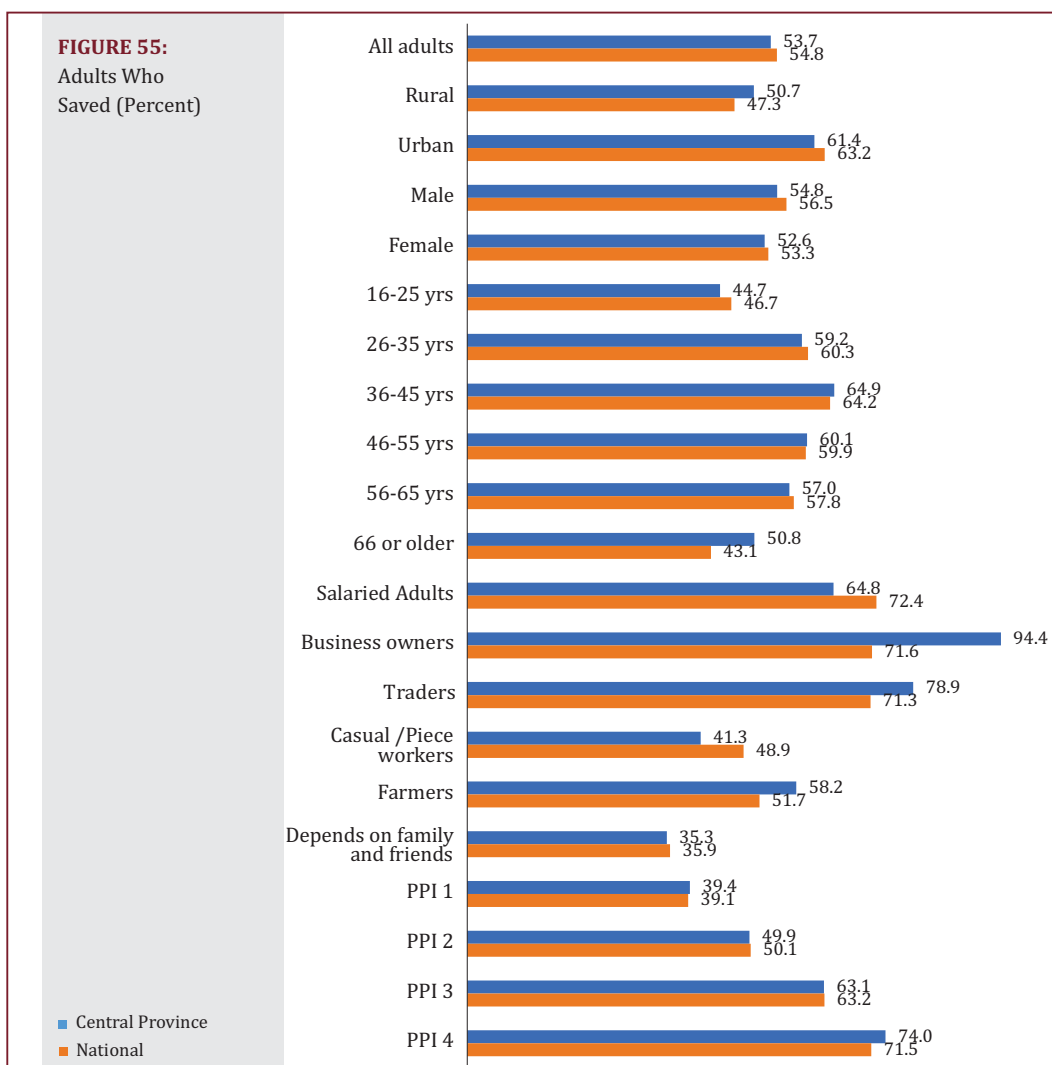
As illustrated in Figure 54, most adults (39.9 percent) defined saving as “keeping money somewhere to avoid spending it”. Others (29.7 percent) indicated that saving meant “putting money somewhere to keep it safe”.



9.4.2 Adults Who Saved

Figure 55 shows that 53.7 percent of adults indicated that they saved. Those who saved were highest amongst:

- Adults in urban areas;
- Males;
- Adults of age 36 – 45 years;
- Business owners; and
- Households in the high-income quintile of PPI 4.



9.4.3 Drivers of Saving

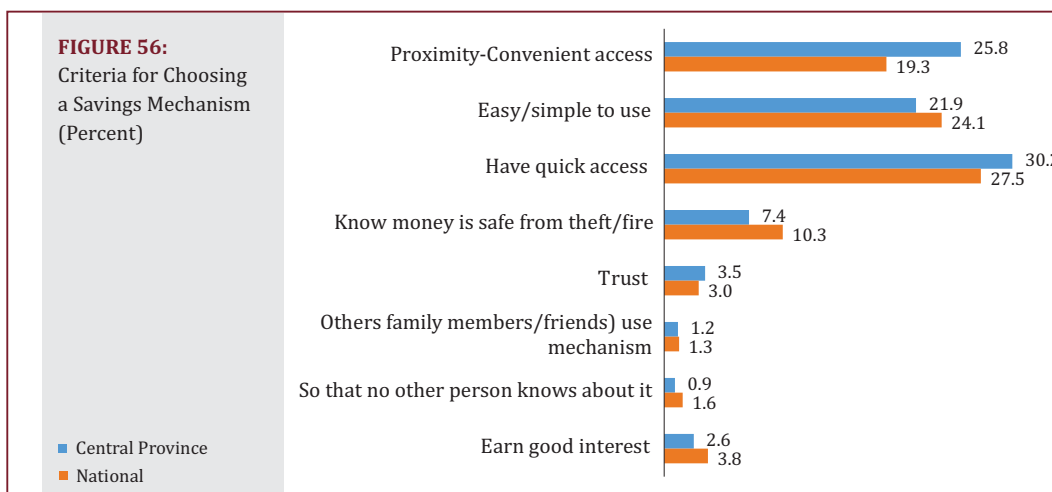
The findings summarised in Table 23 indicate that most adults saved in order to smoothen cash-flow mainly for living and farming expenses.

TABLE 23: MAIN DRIVERS OF SAVINGS (PERCENT)

Purpose	Drivers	Savers
Cash-Flow Management	Living expenses for when you do not have money	84.1
	Education or school fees	14.9
	Farming expenses such as seeds or fertilizer	84.5
	Business expenses such as additional stock	40.5
Risk Management	Medical expenses	36.3
Investing	Buying business equipment such as a printer or sewing machine etc.	0.9
Assets and Productive Activities	Buying a bicycle, motorcycle, car, truck or other means of transport for personal use	1.6
	Starting or expanding business	15.1
	Buying land	21.4

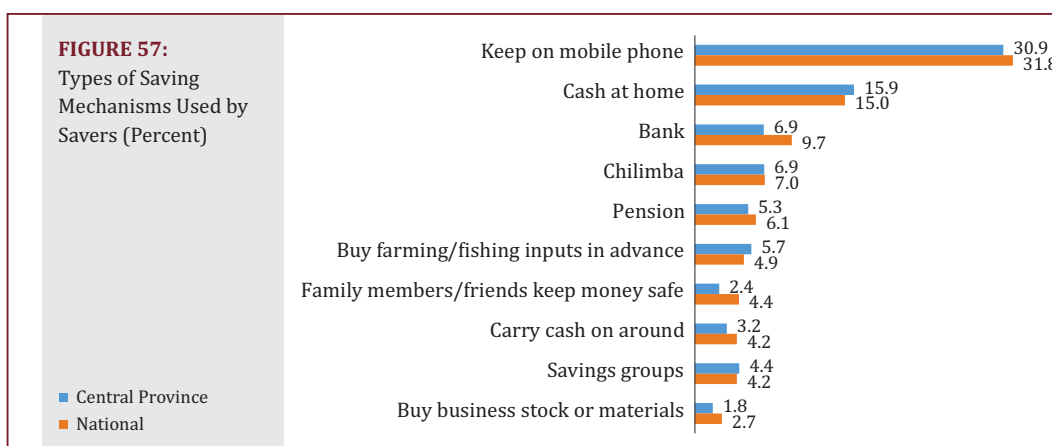
9.4.4 Criteria for Choosing a Saving Mechanism

The most important criteria for choosing a savings mechanism as illustrated in Figure 56 was quick access (30.2 percent), followed by proximity (25.8 percent) and ease of use (21.9 percent).



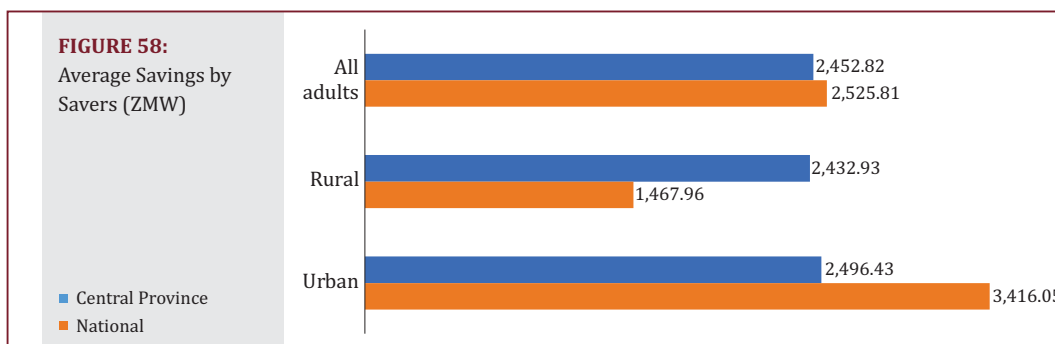
9.4.5 Types of Saving Mechanisms

Figure 57 illustrates that most adults (30.9 percent) used mobile money services to save. This was followed by 'keeping cash at home' (15.9 percent). Only 6.9 percent of adults saved money at a commercial bank.



9.4.6 Average Savings

Figure 58 shows that the average amount of money saved was K2,452.82. Adults in urban areas saved slightly more (K2,496.43) than those in rural areas (K2,432.93).



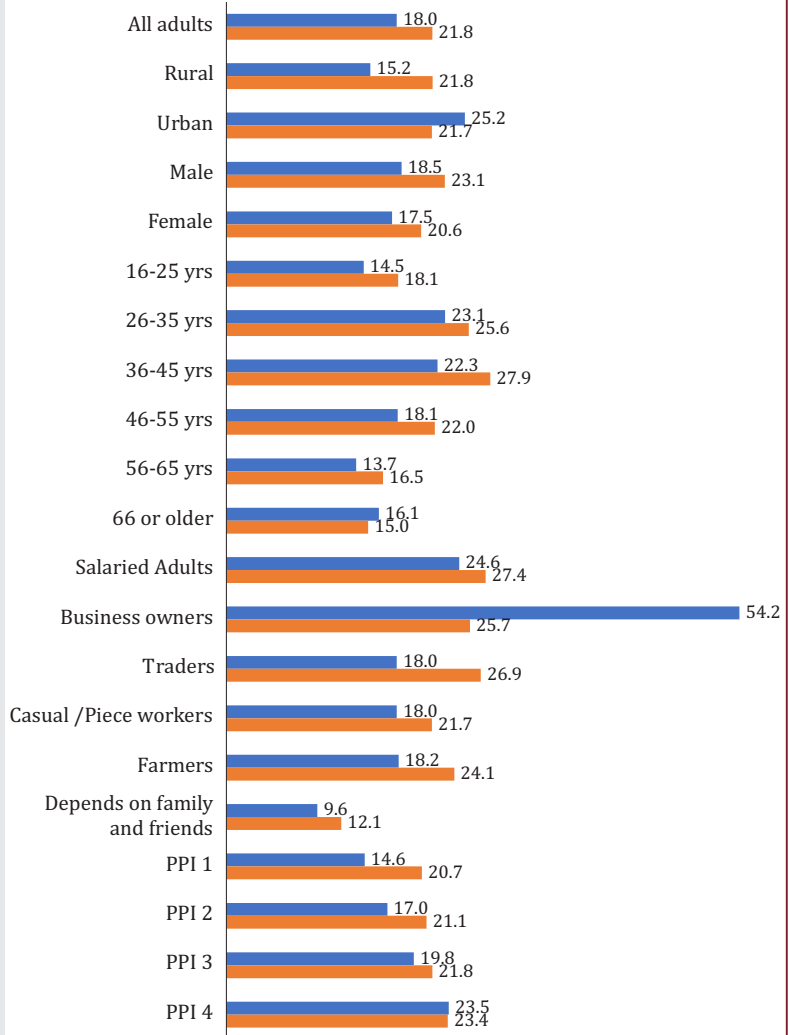
9.5 Credit Services

9.5.1 Adults Who Borrowed in the 12 Months Period Prior to the Survey

During the 12 months period prior to the Survey, 18.0 percent of adults accessed credit from both formal and informal sources (Figure 59). These were highest amongst:

- Those in urban areas;
- Males;
- Adults of age 26 – 45 years;
- Business owners; and
- Households in the high-income quintile of PPI 4.

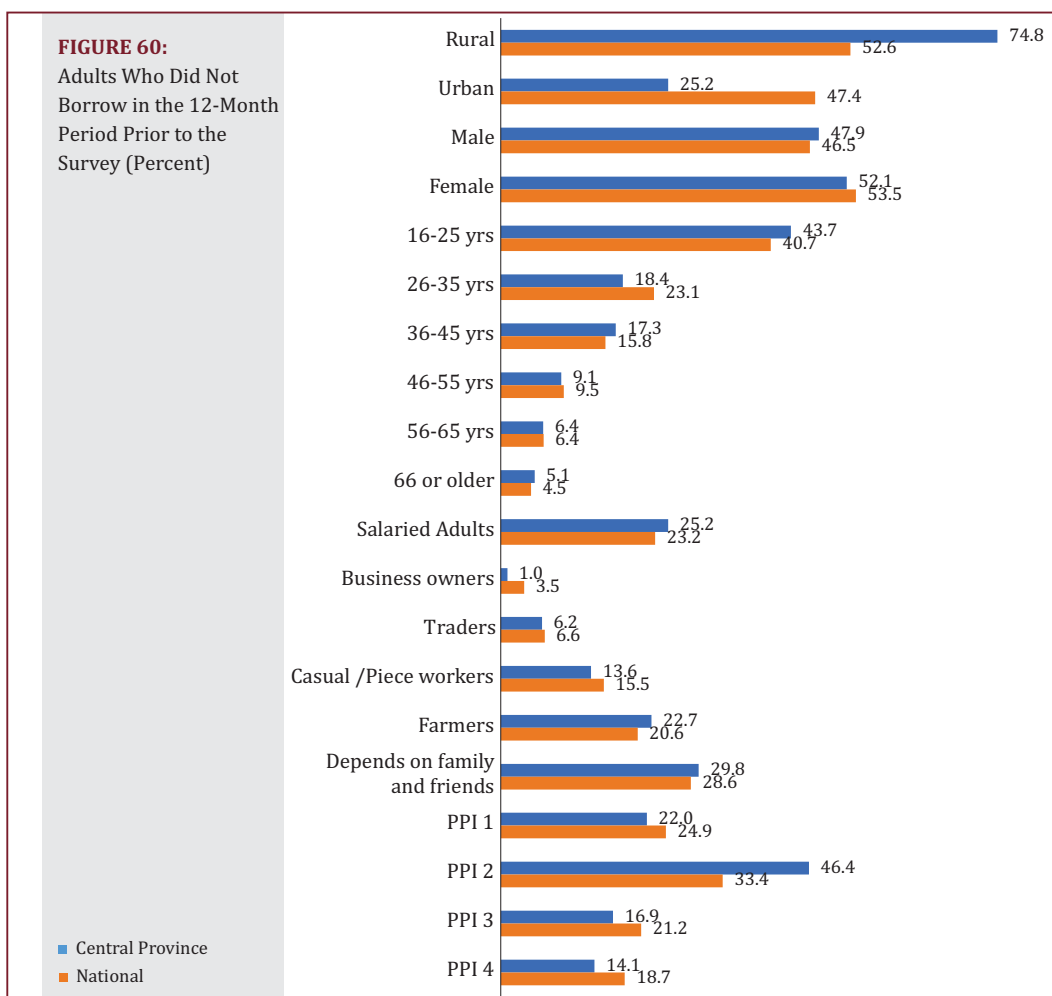
FIGURE 59:
Adults Who Borrowed
in the 12 Months
Period Prior to the
Survey (Percent)



9.5.2 Adults Who Did Not Borrow in the 12 Month Prior to the Survey

As illustrated in Figure 60, the characteristics of those with a tendency not to borrow were more likely to be:

- Rural based;
- Females;
- Of age 16 – 25 years;
- Those who depended on family and friends; and
- From households in the low income quintile of PPI 2.



9.5.3 Drivers of Borrowing

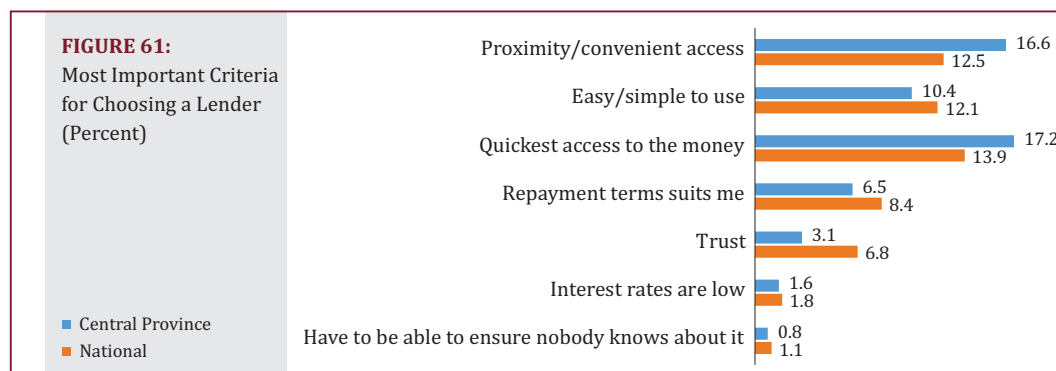
Table 24 illustrates that 80.1 percent of adults mostly borrowed to pay for living expenses when they did not have money while 79.4 percent borrowed to cater for farming expenses.

TABLE 24: DRIVERS OF BORROWING (PERCENT)

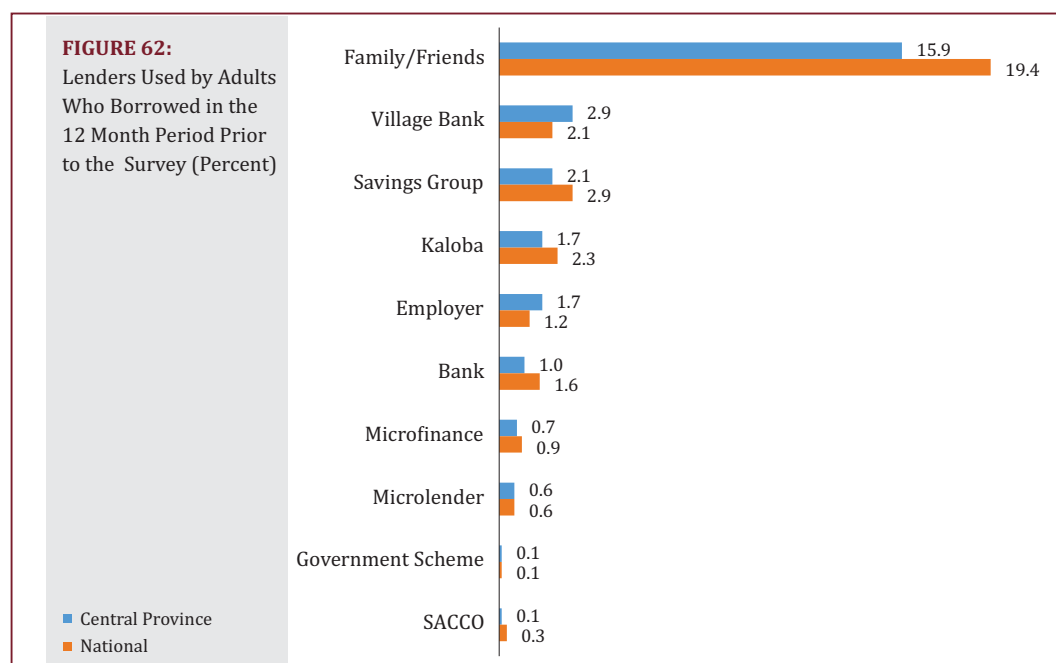
Purpose	Driver	Adults
Cash-Flow	Living expenses for when you do not have money	80.1
Management	Education or school fees	17.0
	Farming expenses such as seeds or fertilizer	79.4
	Production, processing or marketing cost	3.7
Risk Management	Funeral expenses	2.6
	Medical expenses	13.4
Investing	Buying business equipment such as a printer or sewing machine etc.	1.9
Assets and Productive Activities	Buying a bicycle, motorcycle, car, truck or other means of transport for personal use	0.9
	Starting or expanding business	11.9
	Buying land	7.2

9.5.4 Criteria for Choosing a Lender

The most important criteria for choosing a lender were having quick access to money and proximity/convenient access (Figure 61).



The Survey showed that 15.9 percent of adults preferred to borrow from family/friends while only 1.0 percent borrowed from commercial banks (Figure 62).

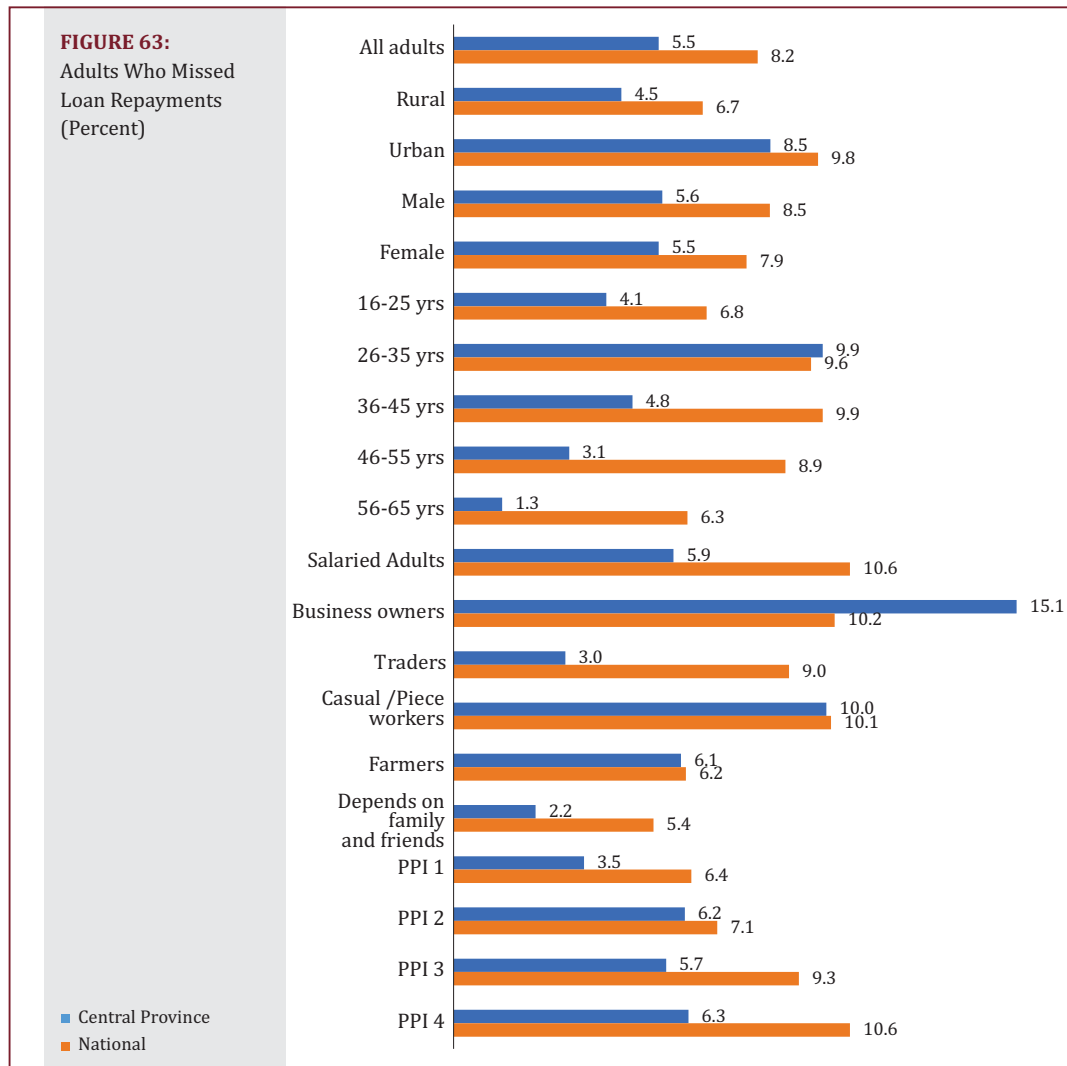


9.5.5 Adults who Missed Loan Repayments

The survey showed that out of the adults who borrowed from formal financial service providers, 5.5 percent missed loan repayments (Figure 63). These were mostly among:

- Adults in urban areas;
- Adults in the age group 26 - 35 years;
- Business owners; and
- Households in the low and high income quintiles of PPI 2 and PPI 4.

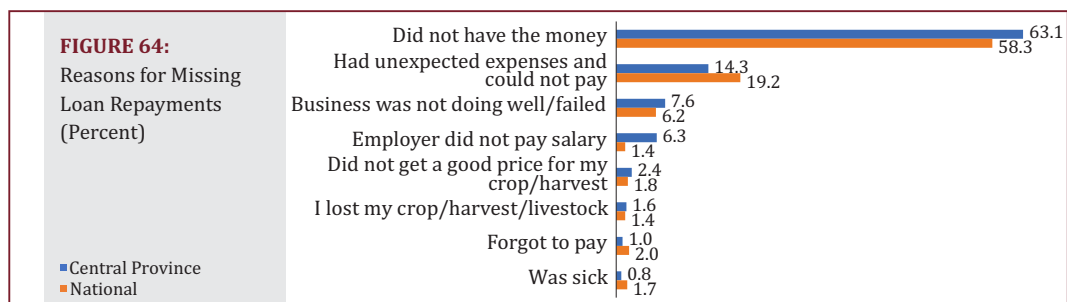
Further, an equal percentage of males and females borrowed from formal financial service providers.



9.5.6 Reasons for Missing Loan Repayments

As illustrated in Figure 64, most adults missed loan repayments because they:

- Did not have money; and
- Had other unexpected expenses.



9.5.7 Adults Denied Loans by Formal FSPs

The survey showed that 19.6 percent of adults who applied for loans from formal FSPs were unsuccessful. The highest percentage of those denied loans was from micro-lenders (Table 25).

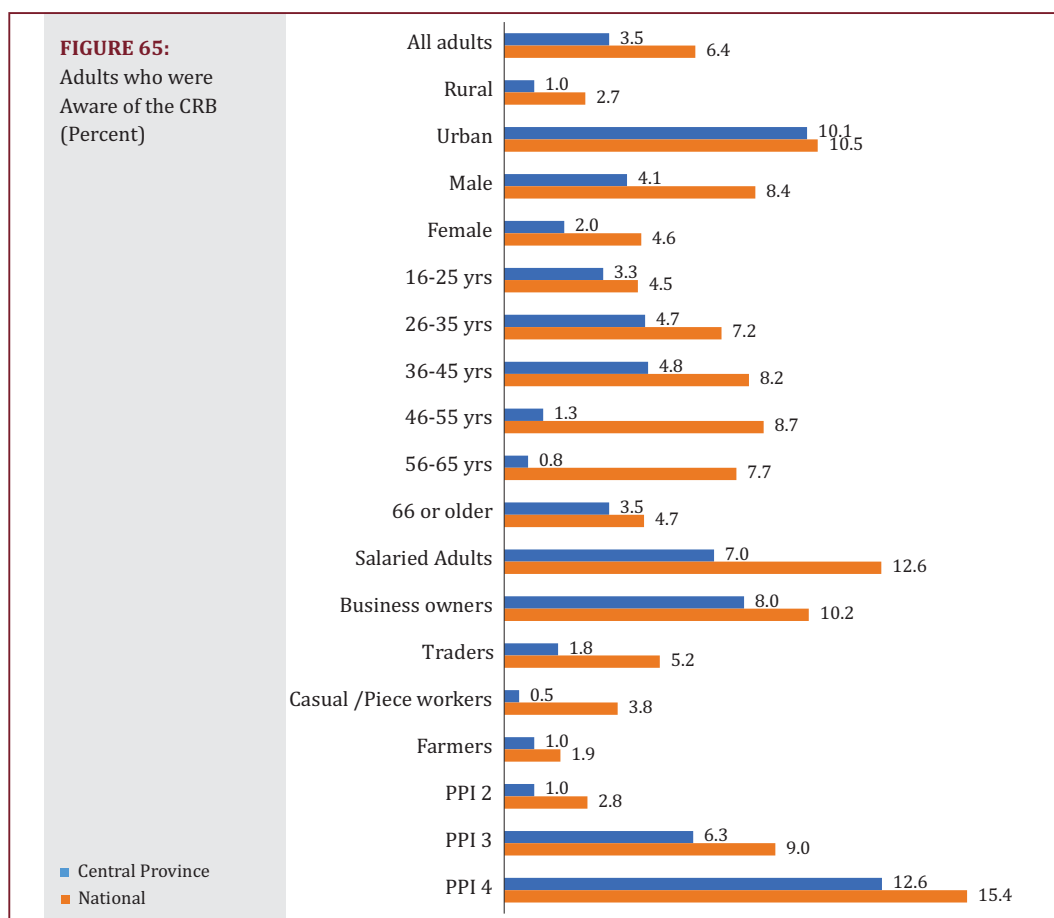
TABLE 25: ADULTS DENIED LOANS BY FORMAL FSPS AND THE MAIN REASONS FOR DENIAL

	Percentage of adults denied access	Main reason for being denied access
All adults	19.6	Low income
Commercial banks	18.2	Lack of collateral
		No credit history
Microfinance institutions	12.1	Lack of collateral
		No correct documentation
Micro-lenders	26.7	No specific reason

9.5.8 Awareness of the Credit Reference Bureau (CRB)

As shown in Figure 65, only 3.5 percent of adults in the Province were aware of the Credit Reference Bureau (CRB). Those who were aware of the CRB were more likely to be:

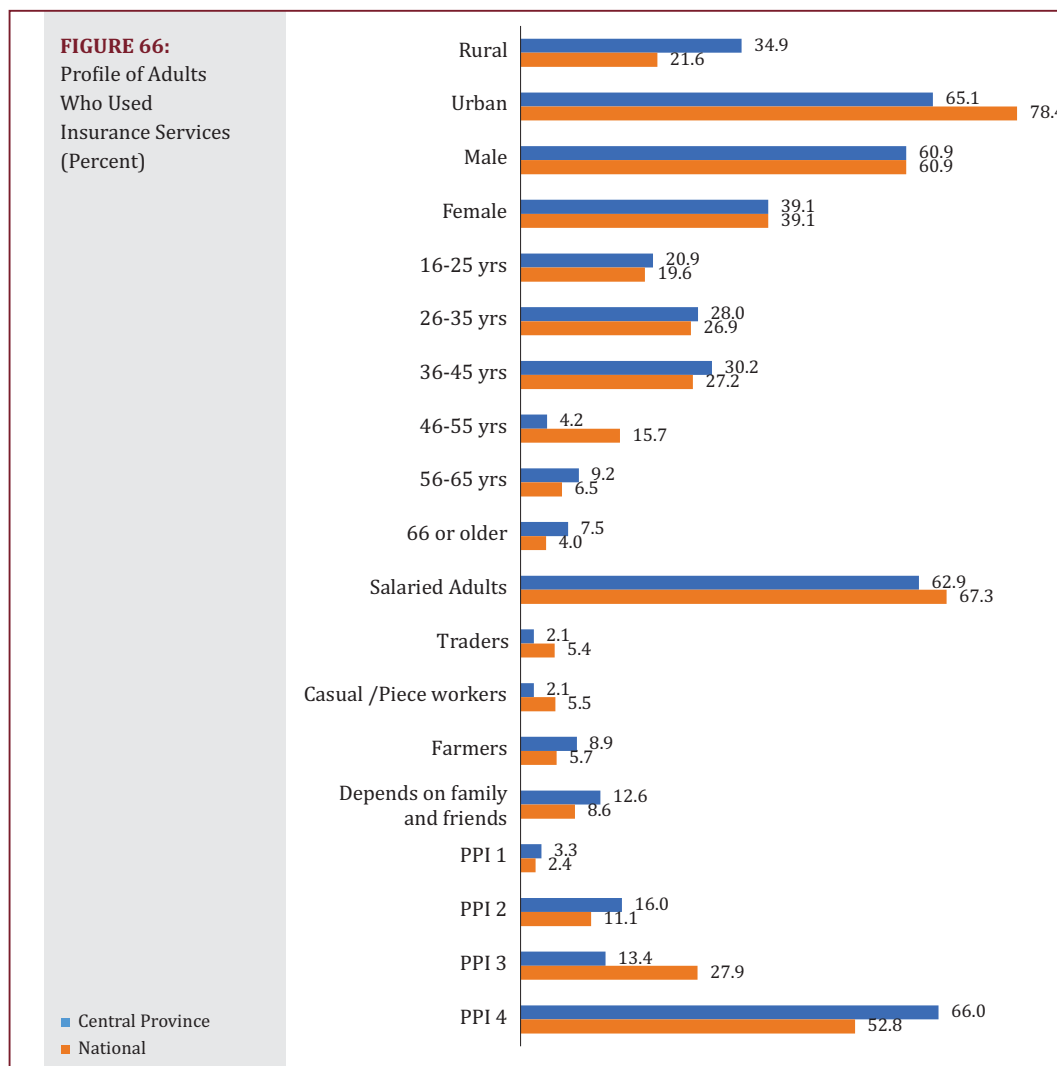
- Urban based adults;
- Males;
- Those in the age group 26 – 45 years;
- Business owners; and
- From households in the high income quintile of PPI 4.



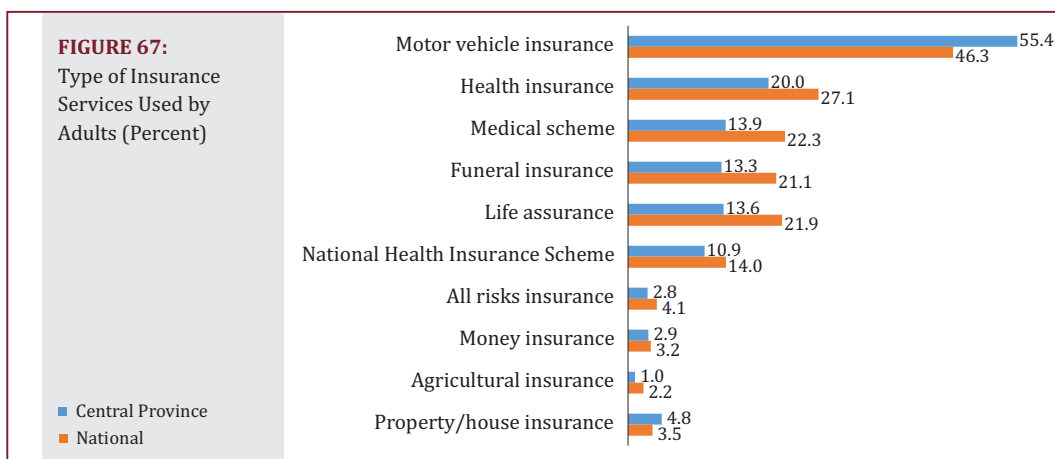
9.6 Insurance Services

The Survey indicated that only 4.9 percent of adults in the Province used insurance services compared with 6.3 percent at national level. As shown in Figure 66, these were mostly:

- Urban based;
- Male;
- In the age group 36 – 45 years;
- Salaried employees; and
- From households in the high income quintile of PPI 4.

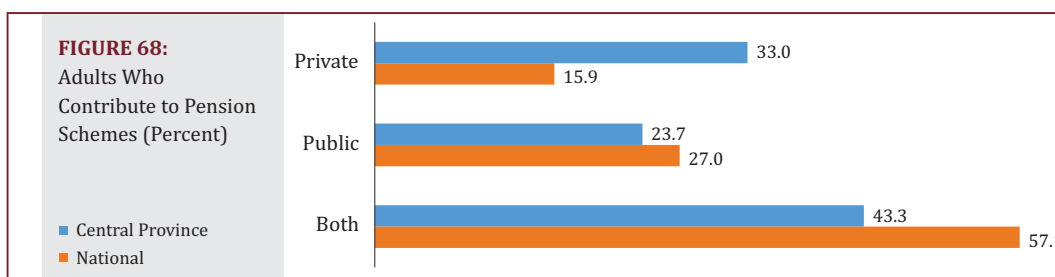


The most widely used insurance service was motor vehicle insurance at 55.4 percent. This was followed by health insurance and medical insurance at 20.0 percent and 13.9 percent, respectively. The least used insurance product was agriculture insurance, at 1.0 percent (Figure 67).



9.7 Pension Services

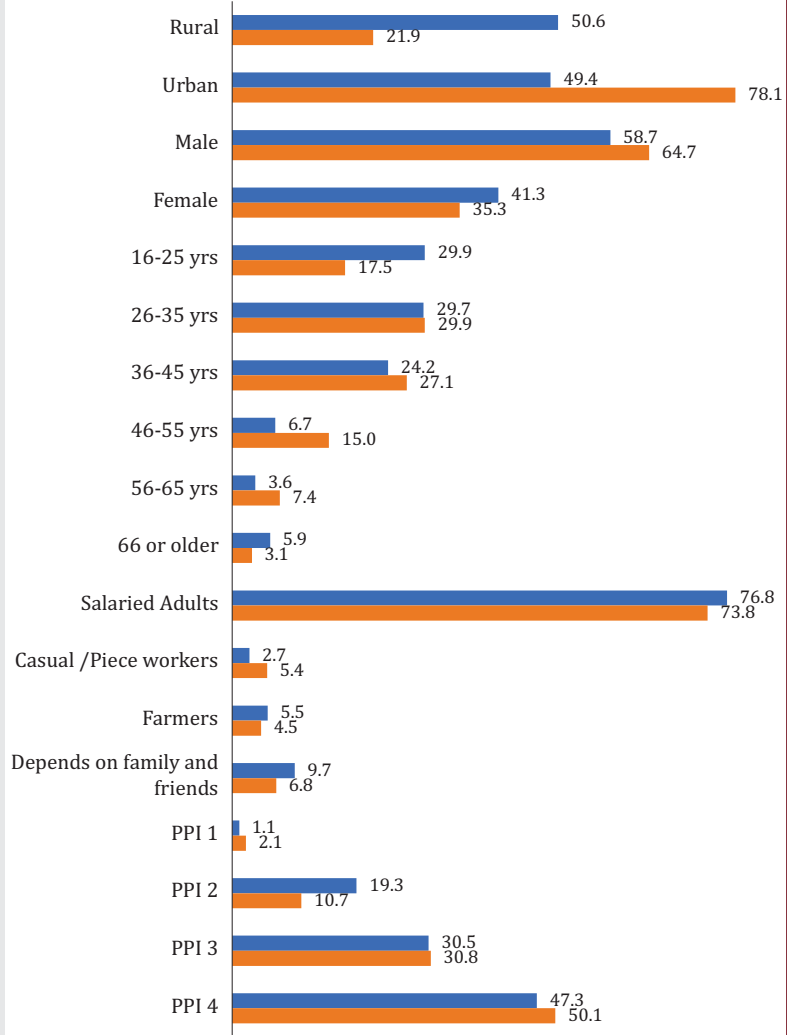
The Survey revealed that 7.7 percent of adults contributed to a pension scheme compared with 8.2 percent at national level. Figure 68 shows that the highest percentage of adults contributed to both public and private pension schemes (43.3 percent).



The Survey indicated that adults who contributed to a pension scheme (Figure 69) were most likely to be:

- Rural based;
- Male;
- In the age group 16 – 35 years;
- Salaried employees; and
- From households in the high income quintile of PPI 4.

FIGURE 69:
Profile of Adults Who
Contributed to Pension
Schemes (Percent)

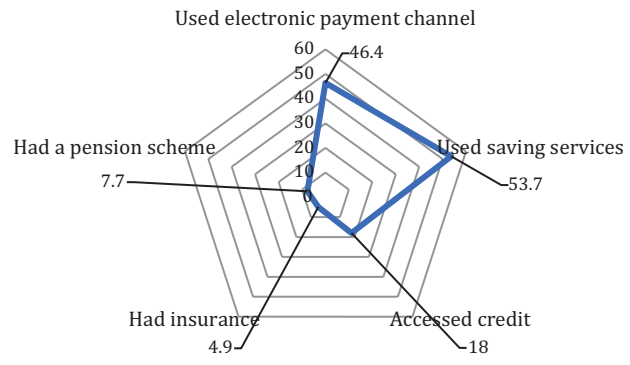


9.8 Landscape of Access

The landscape of access provides a summary of the types of financial products/services used by adults in the Province (Figure 70). Adults in Central Province were most likely to use the following services:

- Savings (53.7 percent);
- Electronic payment methods (46.4 percent);
- Credit (18.0 percent);
- Pension (7.7 percent); and
- Insurance (4.9 percent).

FIGURE 70:
Landscape of Access
(Percent)



10.0 FINANCIAL HEALTH

Financial health is the ability to manage expenses, prepare for and recover from financial shocks, have minimal debt, and build wealth. This measure helps us assess whether higher levels of financial inclusion are enabling households to have better financial health. It also provides the Government and financial stakeholders with information that can help devise measures for economic recovery.

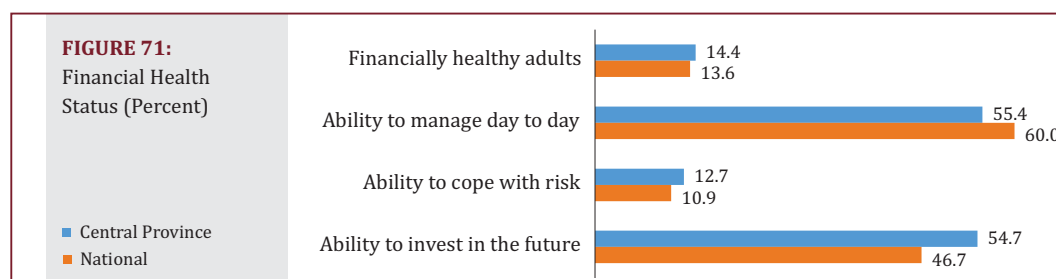
Financial health is measured by a multidimensional score made up of three dimensions:

1. Ability to manage everyday finances;
2. Ability to cope with risk; and
3. Ability to invest for the future.

The financial health status of the adult population was estimated by summing up equally weighted scores from 11 survey questions mapped to the three dimensions. An individual was financially healthy if they satisfied six out of the 11 questions.

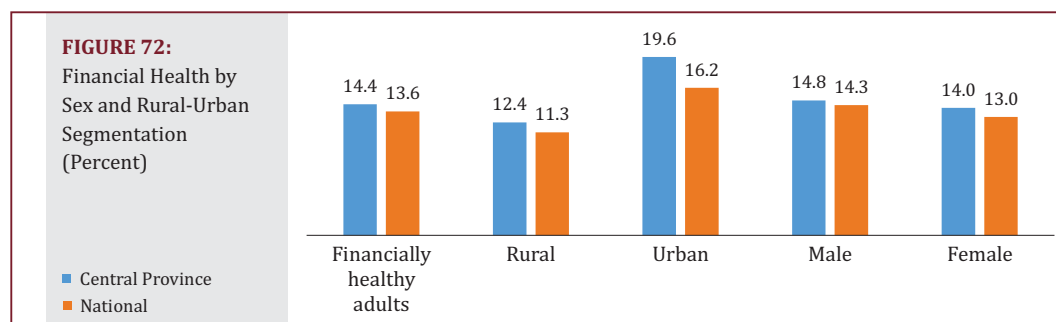
10.1 Financial Health Status

The Survey indicated that only 14.4 percent of adults in the Province were financially healthy and this was higher than the national level of 13.6 percent (Figure 71).



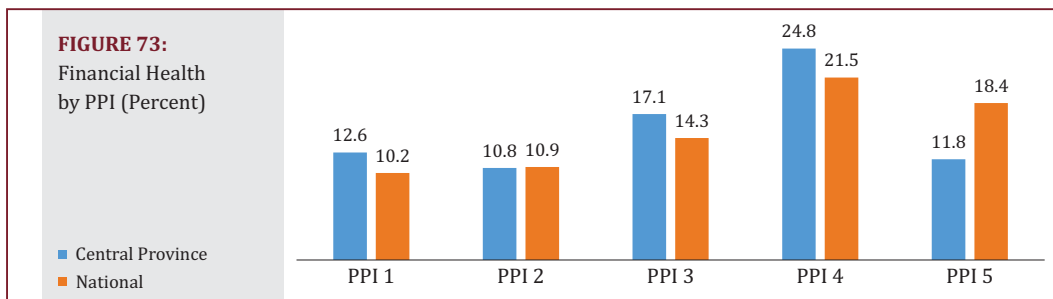
10.1.1 Financial Health by Sex and Rural/Urban Segmentation

Adults in urban areas were found to be more financially healthy at 19.6 percent compared with those residing in rural areas at 12.4 percent. Further, males were slightly more financially healthy than females (Figure 72).



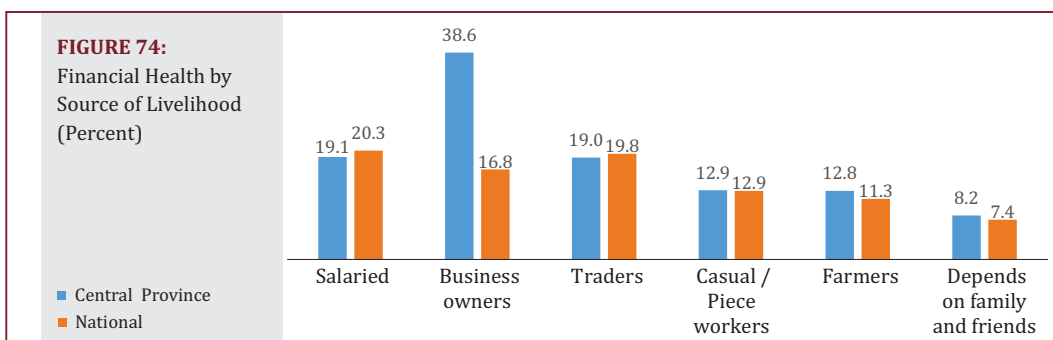
10.1.2 Financial Health by the Progress Out of Poverty Index (PPI)

The most financially healthy adults were from households in the high income quintile of PPI 4 while the least financially healthy were from the low income quintile of PPI 2 (Figure 73).



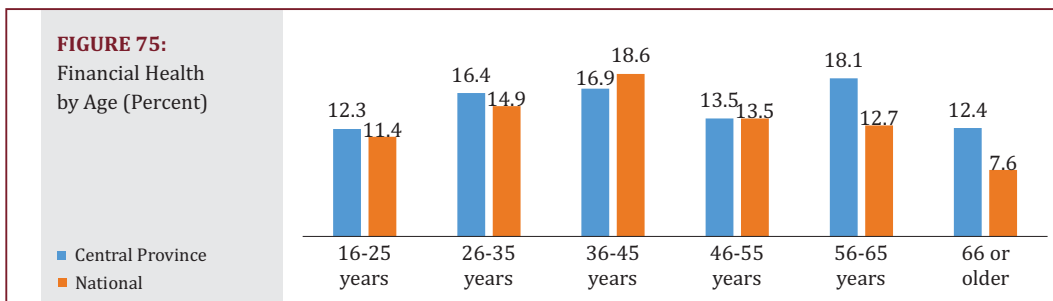
10.1.3 Financial Health by Source of Livelihood

With regard to the source of livelihood, business owners were the most financially healthy in the Province at 38.6 percent while those who depended on family and friends recorded the least level of financial health at 8.2 percent (Figure 74).



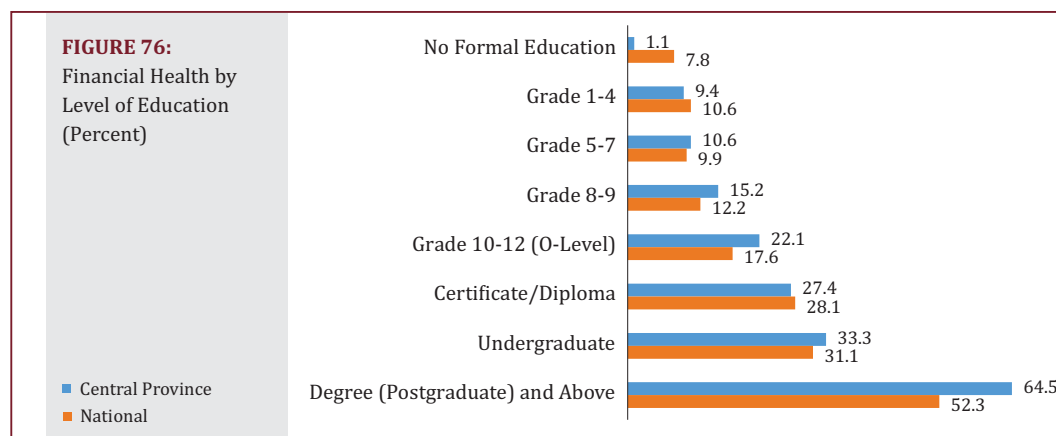
10.1.4 Financial Health by Age

Adults in the age group 56 - 65 years were the most financially healthy in the Province, while those of age 16 - 25 years and 66 years or older had the least level of financial health (Figure 75).



10.1.5 Financial Health by Level of Education

The level of financial health improved with the progression in the level of education and was consistent with the national pattern (Figure 76).



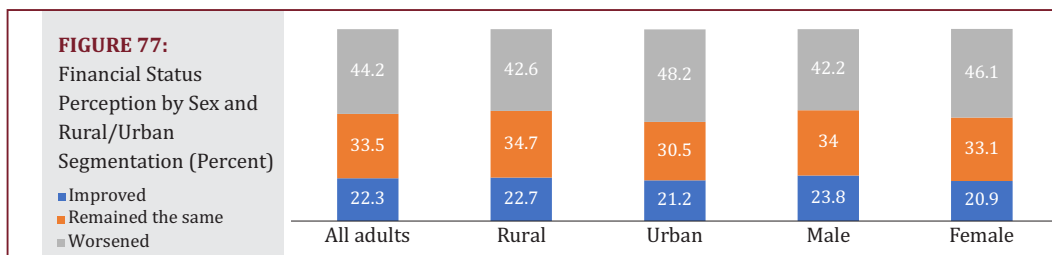
10.2 Self-Reported Financial Status

10.2.1 Financial Status Perception by Rural/Urban Segmentation and Sex

With respect to self-reported financial status, 44.2 percent of adults indicated that their financial status had worsened in the 12 months prior to the survey while 33.5 percent reported that their financial status had remained the same. Only 22.3 percent of the adults reported that their financial status had improved (Figure 77).

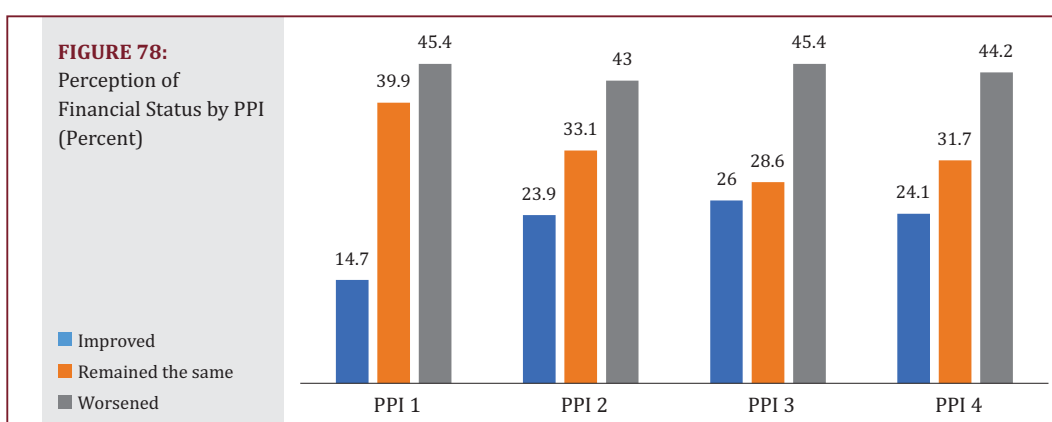
In terms of regional distribution, 48.2 percent of adults in urban areas indicated that their financial status had worsened over the last twelve months compared with 42.6 percent in rural areas. The percentage of adults in rural areas who reported that their financial status had either remained the same (34.7 percent) or improved (22.7 percent) was higher than urban areas.

The findings further showed that out of those who perceived that their status had worsened, most were female (46.1 percent) compared with males (42.2 percent). In contrast, most males perceived that their financial status had remained the same or improved.



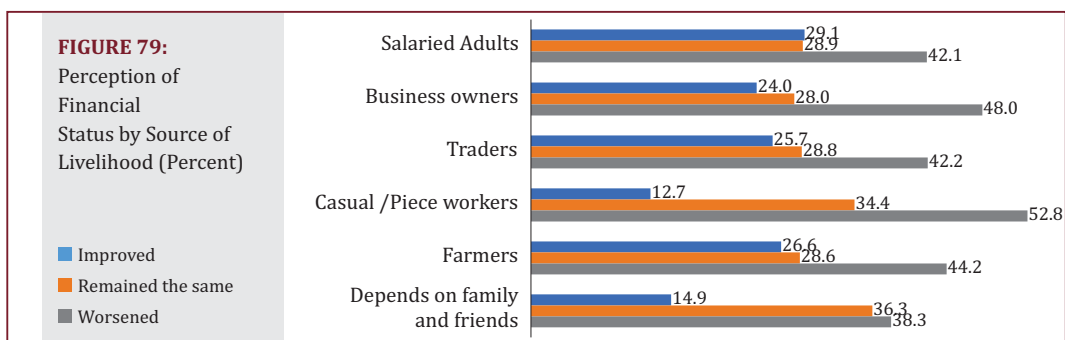
10.2.2 Financial Status Perception and Progress Out of Poverty Index

In the 12 months prior to the Survey most adults in all the income quintiles perceived that their financial status had worsened with the highest percentage in PPI 1 and PPI 3 (Figure 78).



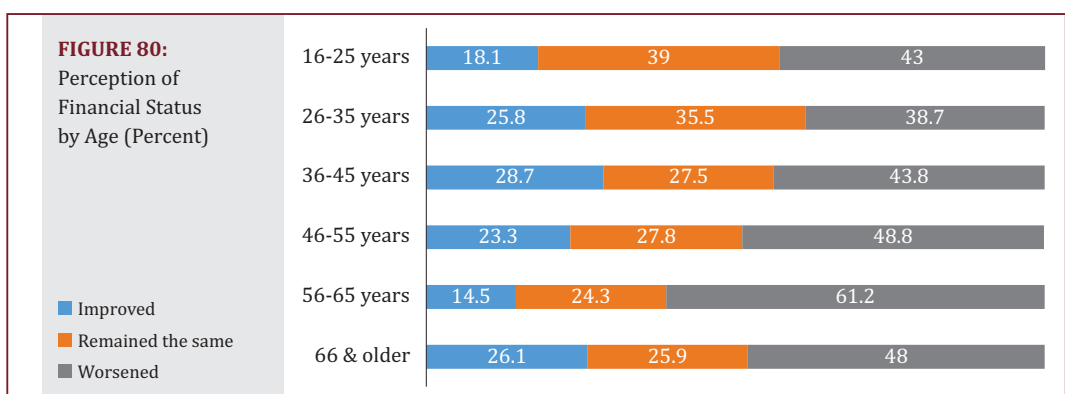
10.2.3 Financial Status Perception by Source of Livelihood

Figure 79 showed that the highest percentage of adults who perceived that their financial status had worsened were casual/piece workers. The highest percentage of adults who perceived their financial status had remained the same were dependent on family and friends while those who perceived their financial status had improved were mostly salaried employees.



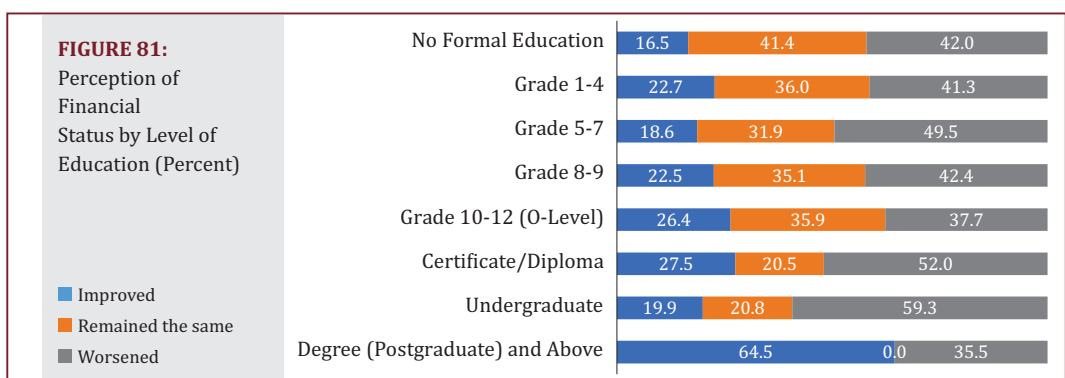
10.2.4 Financial Status Perception by Age

The highest percentage of adults who perceived that their financial status had worsened was in the age group 56 - 65 years. Further, the percentage of adults who perceived their financial status had remained the same was highest in the age group 16-25 years while adults who perceived that their financial status had improved were mostly in the age group 36-45 years (Figure 80).



10.2.5 Financial Status Perception by Level of Education

The highest percentage of adults who perceived that their financial status had worsened were undergraduates. Most adults who perceived their financial status had improved had postgraduate degree level of education while the highest percentage who perceived that their financial status had remained the same had no formal education (Figure 81).

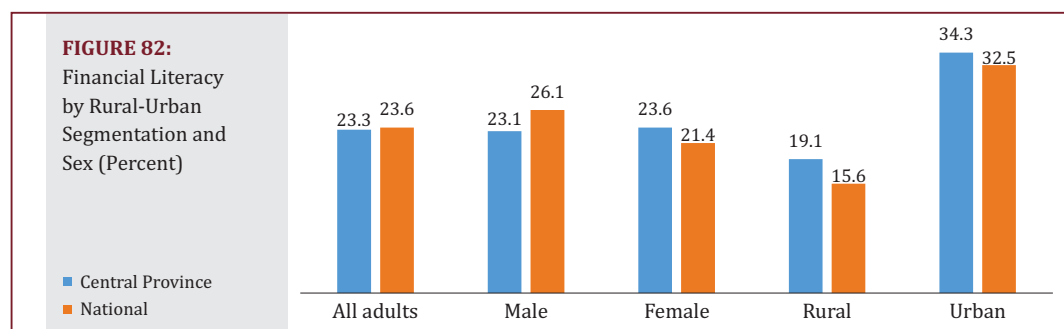


11.0 FINANCIAL LITERACY

Financial literacy refers to awareness and knowledge of key financial concepts required for managing personal finances. In this Survey, financial literacy was measured by assessing the ability to understand and effectively apply various financial skills and concepts, including personal financial management and budgeting.

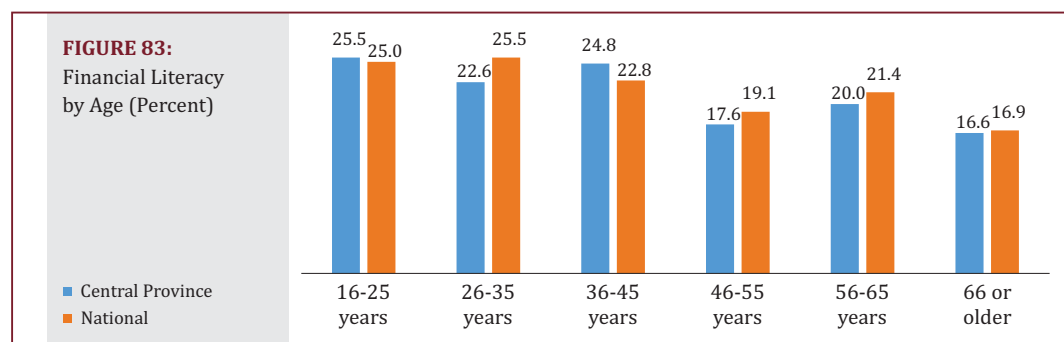
11.1 Financial Literacy by Rural-Urban Segmentation and Sex

Results from the Survey indicated that 23.3 percent of the adult population in Central Province was financially literate. This was mostly amongst urban-based adults and females (Figure 82).



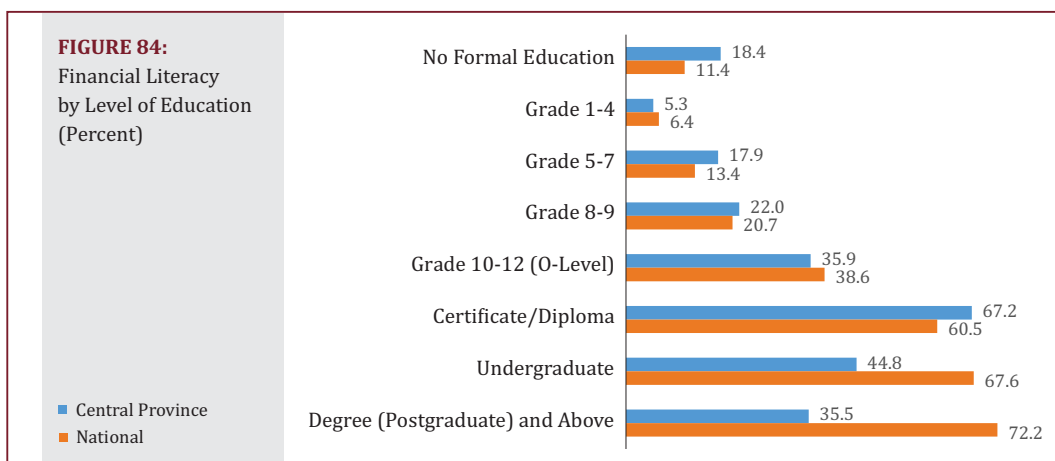
11.2 Financial Literacy by Age

The highest level of financial literacy was amongst adults in the age group 16 - 25 years, while the least financially literate adults were in the age group 66 years or older (Figure 83).



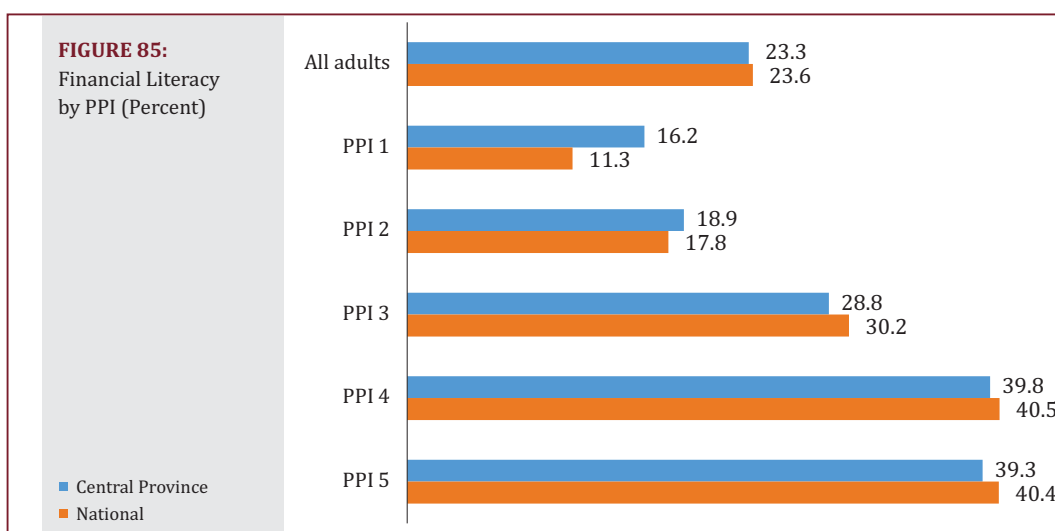
11.3 Financial Literacy by Level of Education

The level of financial literacy was highest amongst adults with certificates/diplomas at 67.2 percent while the least financially literate adults were those with Grade 1 - 4 level of education at 5.3 percent (Figure 84).



11.4 Financial Literacy by Progress out of Poverty Index

Adults in the high income quintile of PPI 4 and PPI 5 were the most financially literate while those from the lowest income quintile of PPI 1 were the least financially literate (Figure 85).

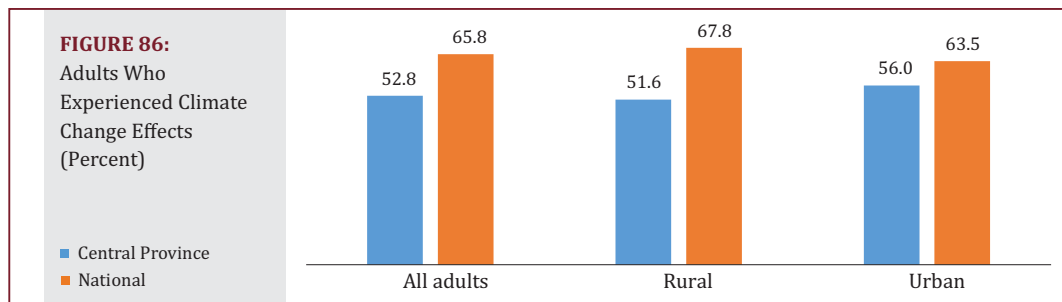


12.0 CLIMATE CHANGE

Climate change refers to the long-term shift in temperatures and weather patterns, resulting in more frequent extreme weather conditions such as droughts, heat waves and rainstorms. Climate change can have negative impacts on wildlife, agriculture, water resources, landscapes, human health, ecosystems, energy and infrastructure. The effects of climate change can pose challenges to Zambia's efforts to reduce poverty, food insecurity and ensure sustainable management of natural resources.

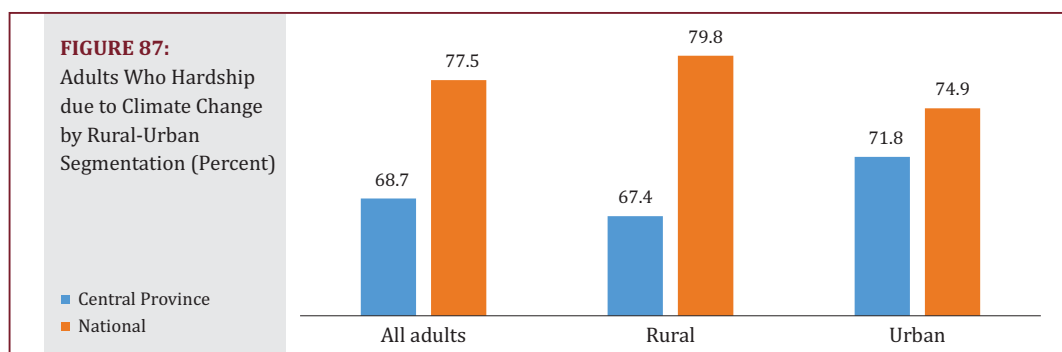
12.1 Climate Change Experience

Figure 86 illustrates that 52.8 percent of adults in the Province experienced effects of climate change. More adults in urban areas experienced climate change effects than those in rural areas.



12.2 Adults who Experienced Hardship due to Climate Change

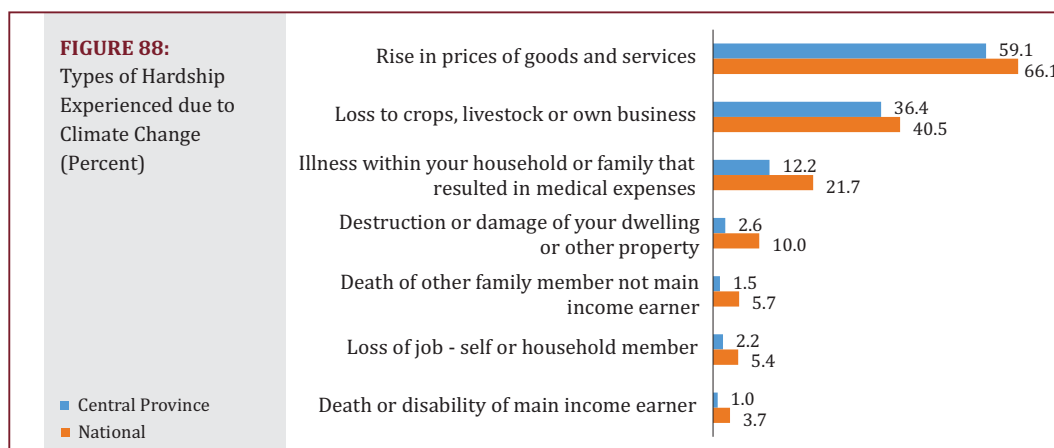
The Survey findings indicated that 68.5 percent of adults in the Province experienced hardships as a result of climate change. Further, a higher percentage of adults in urban areas experienced hardships compared to those in rural areas (Figure 87).



12.3 Types of Hardships Experienced due to Climate Change

As illustrated in Figure 88, the main types of hardships experienced due to climate change were:

- High prices of goods and services;
- Loss of crops/livestock/own business; and
- Illness that resulted in medical expenses.

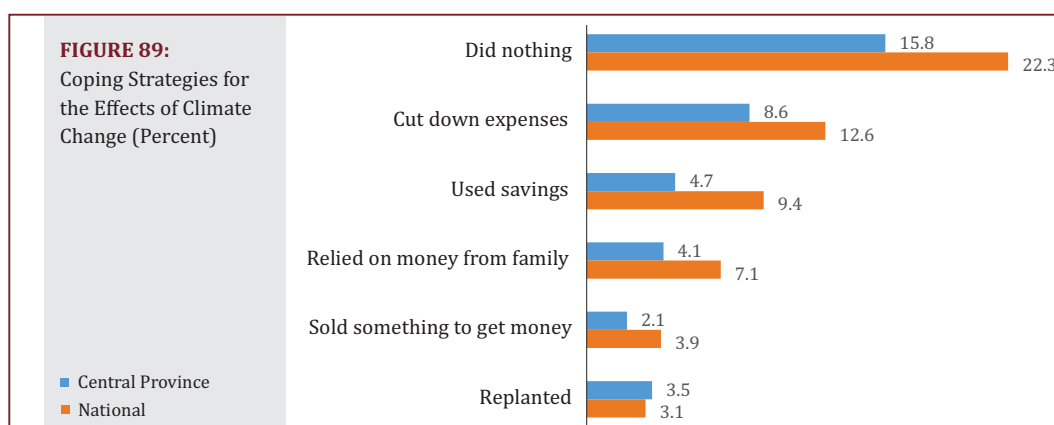


12.4 Coping Strategies for the Effects of Climate Change

The Survey showed that adults who had coping strategies against the effects of climate change employed the following:

- Cutting down expenses;
- Use of savings; and
- Relied on money from family and friends.

However, 15.8 percent of adults had no coping strategies for the effects of climate change (Figure 89).

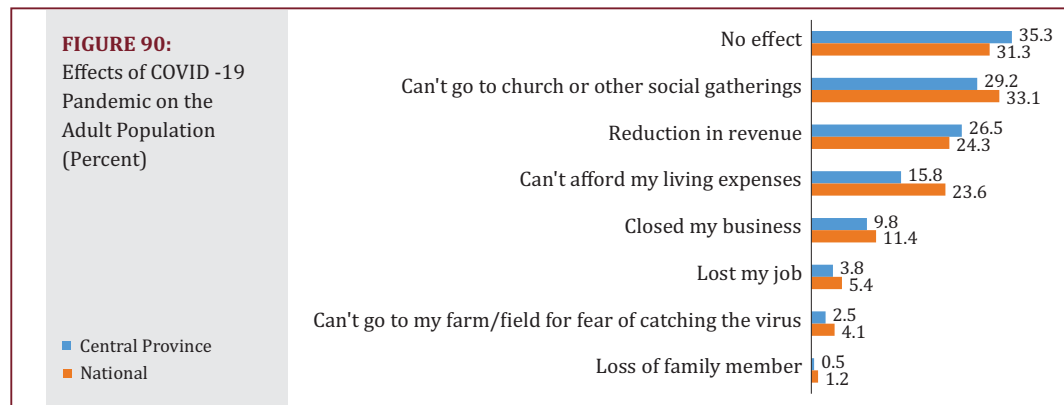


13.0 COVID-19 PANDEMIC

The Coronavirus Disease (COVID-19) is an infectious disease caused by acute respiratory syndrome (SARS-Cov-2) virus. It is mainly spread from an infected person's nose or mouth when they cough, sneeze, speak or breath. First reported in November 2019, the COVID-19 pandemic resulted in a global economic slowdown due to restrictions on trade, travel, public events, loss of lives, closure of schools and businesses. This had a negative economic and social impact on the population.

13.1 Effects of Covid-19 Pandemic on the Adult Population

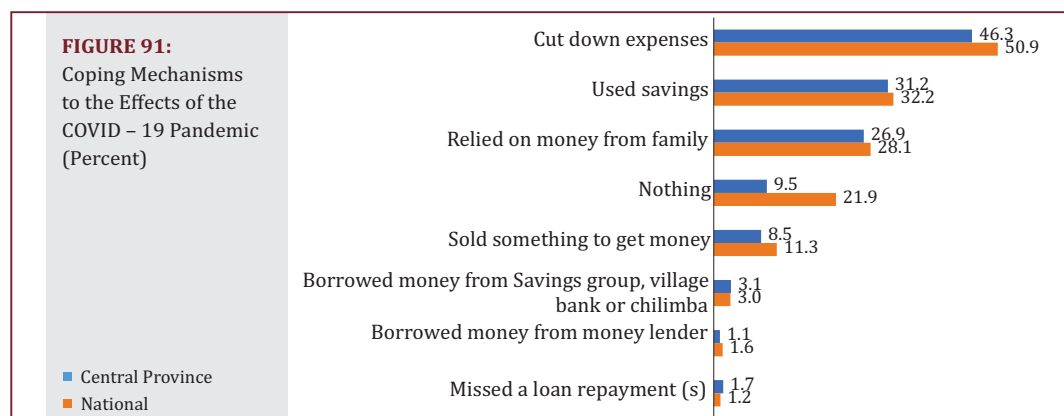
The main effects of the COVID – 19 pandemic reported by most adults in the Province were the restriction on church attendance and other social gatherings (29.2 percent), reduction in revenue (26.5 percent) and failure to afford living expenses (15.8 percent). However, 35.3 percent of adults reported that the pandemic had no effect on their lives (Figure 90).



13.2 Coping Mechanisms against Effects of the COVID – 19 Pandemic

Figure 91 shows that most adults in the Province employed the following coping mechanisms against effects of the COVID – 19 Pandemic:

- Cutting down expenses;
- Use of savings; and
- Reliance on money from family and friends.



14.0 CONCLUSION AND RECOMMENDATIONS

The FinScope 2020 Survey showed that financial inclusion in Central Province stood at 65.4 percent which was below the national level of 69.4 percent.

The Survey also indicated that 59.1 percent of adults used formal financial services. This was below the national level of 61.3 percent. Access to formal financial services was slightly higher for males (60.0 percent) than females (58.3 percent). Further the level of inclusion in urban areas was higher than rural areas despite over 70 percent of the population residing in rural areas. In contrast informal financial inclusion was highest amongst rural areas and females, who were the most financially excluded.

The uptake of insurance and pension services was poor at less than eight percent of the adult population. In this regard, more is required to raise awareness and develop appropriate insurance products that meet the needs of the people.

Although the percentage of adults who were financially healthy was low (14.4 percent), this was higher than the estimate at national level (13.6 percent), as more people in the province had the ability to cope with risk and invest in the future.

In terms of financial literacy, the Survey showed that 23.3 percent of the population was financially literate against 23.6 at national level. These adults were mostly female and urban-based.

With regard to climate change, 52.8 percent of adults in the Province experienced effects of climate change compared with 65.8 percent at national level. This was mostly amongst those from urban areas. The main types of hardship experienced due to climate change were the rise in prices of goods and services and the loss of crops, livestock or own business.

The main effects of the COVID-19 pandemic were the restriction on attending church and social gatherings, reduced revenues, and failure to afford living expenses. Cutting down expenses was the most employed coping mechanism against the effects of the COVID-19 pandemic.

Financial inclusion can contribute to helping the most vulnerable communities to build resilience as well as mitigate losses caused by climate change and the impact of the COVID -19 pandemic. Therefore, a more coordinated approach by the Government, private sector and financial sector stakeholders in the Province is required to facilitate provision of appropriate interventions and improved access to affordable financial services.

The following recommendations would provide greater momentum to achieving financial inclusion in the Province:

1. Development of strategic partnerships to facilitate financial education and awareness campaigns on various financial products and services, including insurance and capital markets, as well as on the usage of digital financial services;
2. Promotion of innovation, FinTech and targeted design of affordable products/services leveraging on digital platforms;
3. Coordinated fraud and cyber security awareness programs by financial service providers, regulators and other stakeholders;
4. Rural finance initiatives to empower productive capacity of poor communities, particularly farmers and the SME sector;

5. Collaboration between Government, donors and stakeholders to support SMEs development targeting, capacity building (basic business skills, financial education) and financial support such as credit guarantee schemes to empower productive activities particularly by the youth and women, hence contributing to economic growth and poverty reduction;
6. Collaboration of private sector and the Government to improve widespread access of affordable mobile phones, which was the main barrier to usage of digital financial services;
7. Collection of financial sector data and conducting research studies for greater understanding of behavioural patterns to facilitate evidence based policies/strategies/initiatives for increasing financial inclusion;
8. Development of infrastructure to support implementation of widespread digital systems and financial access points at affordable pricing across the country; and
9. Implementation of sustainable green finance policies/strategies to mitigate and adapt to the risks of climate change.

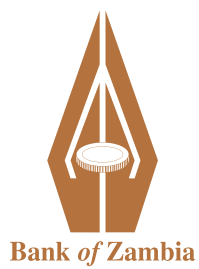
15.0 APPENDICES

Appendix I: Addendum

Following further cleaning of the FinScope 2020 dataset by the Project Team, there were revisions made to estimates for some indicators at national level as tabulated below.

Description	Initial estimate in main report	Revised estimate	Affected charts in provincial report	Affected charts in main report
Income Per Main Income Generating Activity - Mean for Salaried adults (ZMW)	2,381.00	2,359.94	Table 3	Table 6
Income Per Main Income Generating Activity - Mean for Business owners (ZMW)	1,547.00	1,564.59		
Income Per Main Income Generating Activity - Mean for Casual/Piece workers (ZMW)	670.00	661.13		
Income Per Main Income Generating Activity - Mean for Farmers (ZMW)	752.00	745.97		
Income Per Main Income Generating Activity - Mean for those Dependent on family and friends (ZMW)	769.00	762.30		
Income Per Main Income Generating Activity - Median for Salaried adults (ZMW)	1,050.00	1,139.09		
Income Per Main Income Generating Activity - Median for Casual/Piece workers (ZMW)	400.00	496.91		
Income Per Main Income Generating Activity - Median for Farmers (ZMW)	350.00	400.00		
Income Per Main Income Generating Activity - Median for those Dependent on family and friends (ZMW)	375.00	440.00		
Income Per PPI Quintile - Mean for PPI 1 (ZMW)	551.00	540.80	Table 5	Table 8
Income Per PPI Quintile - Mean for PPI 2 (ZMW)	826.00	820.31		
Income Per PPI Quintile - Mean for PPI 3 (ZMW)	1,722.00	1,690.19		
Income Per PPI Quintile - Mean for PPI 4 (ZMW)	2,879.00	2,886.85		
Income Per PPI Quintile - Mean for PPI 5 (ZMW)	2,892.00	2,739.88		
Income Per PPI Quintile - Median for PPI 1 (ZMW)	288.00	300		
Income Per PPI Quintile - Median for PPI 2 (ZMW)	400.00	462.58		
Income Per PPI Quintile - Median for PPI 5 (ZMW)	1,900.00	1,500.00		
Income Per Main Income Generating Activity and PPI Quintile - Average for Rural (ZMW)	27.00	25.79	Table 14	Table 17
Adults who Experienced Hardships due to Climate Change - Rural (%)	79.3	79.8	Figure 87	Figure 97
Adults who Experienced Hardships due to Climate Change - Urban (%)	75.4	74.9		
Financial Literacy - Rural (%)	16.2	15.6	Figure 82	Figure 92
Financial Literacy - Urban (%)	31.9	32.5		
Financial Health - Rural (%)	11.7	11.3	Figure 72	Figure 83
Financial Health - Urban (%)	15.8	16.2		
Financial Health - Male (%)	14.2	14.3		
Financial Health - Female (%)	13.1	13.0		
Average savings by savers - All Adults (ZMW)	3,191.80	2,525.81	Figure 58	Figure 63
Average savings by savers - Rural (ZMW)	1,654.70	1,467.96		
Average savings by savers - Urban (ZMW)	4,604.10	3,416.05		
Usage of Electronic Payment Channels for Purchasing Goods and Services - All Adults (%)	48.7	48.2	Figure 49	Figure 55





Cooperating Partners:

