

# Myanmar's initiatives towards increasing financial inclusion



Myanmar

## National Financial Inclusion Priorities

### Background

In Myanmar 30% of the adults use regulated financial services, such access is thin with only 6% have access to more than one product, and even where available, the formal product frequently does not suit customer needs. Less than 5% of adults have a bank account. The unregulated financial sector constitutes the largest source of borrowing.

### Priorities

Five key priority to strengthen financial inclusion in Myanmar:

- 1) Building and Reforming key Institutions;
- 2) Building the market;
- 3) Improved access in Agriculture, Livestock, Fisheries;
- 4) Increased access for Micro & SME;
- 5) Formalizing access for Low Income Level.



## 2014-2020 Financial Inclusion Roadmap overseen by Financial Supervisory Department (MoF)

The Myanmar Financial Inclusion Roadmap lays out a plausible vision for the enhancement of financial inclusion in Myanmar. The overall goal is to increase Financial Inclusion to 40% by 2020 through coordinated action by government, private sector and development partners, working across institutions, products and key market segments in order to address the various barriers to financial inclusion.

Myanmar is currently undergoing a political, social and economic transition. However, certain barriers to Financial Inclusion are yet to be overcome:

- 1) Prevalence of cash-based economy
- 2) High levels of informality throughout economy
- 3) Capital constrained retail financial sector
- 4) Limited offer of tailored financial products to customers
- 5) Lack of key institutions such as Credit Bureau

## Challenges and the Way Forward on Financial Inclusion

The proposed goal is to: "Increase Financial Inclusion in Myanmar from 30% in 2014 to 40% by 2020, and adults with more than one product from 6% to 15%, with a full range of affordable, quality and effective financial services (which comply to internationally recognized standards on responsible finance) by getting all stakeholders to work together in an integrated manner".



## ASEAN FINANCIAL INCLUSION CONFERENCE

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