



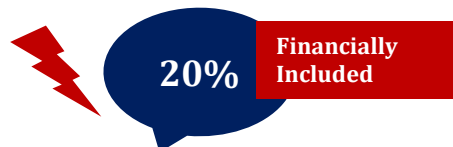
KIRIBATI NATIONAL STATISTICS OFFICE, MINISTRY OF FINANCE AND ECONOMIC DEVELOPMENT



FINANCIAL INCLUSION DEMAND SIDE SURVEY PRELIMINARY RESULTS FACTSHEET

JUNE 2024

State of Financial Inclusion



Country Overview:

Demographics:

Population (2023. Est.): 123,375
Life expectancy at birth (Census, 2020): 67.3
Adult population (Census, 2020): 64.7%

Economic outlook:

Per Capita GDP (2022): USD\$ 2,199
Poverty in relation to population (HIES, 2019):

- Below US\$ 2.15 a day: 1.7%
- Below national poverty line: 21.9%

Foundation: Kiribati 20-year Vision (2016-2030)

Lays a strong emphasis on attaining universal financial inclusion through;

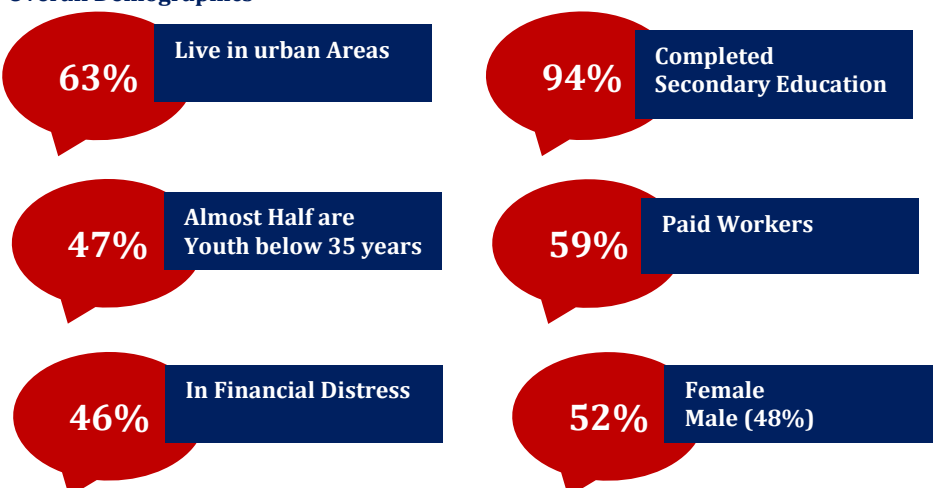
- o Improving access to banking and financial services, especially for outer islands, Small and Medium Enterprises (SMEs) and the informal sector.
- o Developing innovative financial products and services tailored to the needs of the population.
- o Promoting the use of digital financial services to improve financial inclusion.
- o Strengthening the regulatory and supervisory framework for the financial sector.
- o Building financial literacy and capability among the population

About the survey:

Universal financial inclusion is one of the most powerful pathways to empowering people and driving sustainable economic development particularly in developing countries. The Kiribati 20-Year Vision places a strong emphasis on using financial inclusion to drive broader economic development. The Kiribati National Statistics Office (KNSO) under the Ministry of Finance and Economic Development (MFED) commissioned a comprehensive study to evaluate and benchmark the state of Financial Inclusion in the country in mid-2023. The Financial Inclusion Demand-Side Survey 2023 was conducted across 14 Islands in close partnership with the United Nations Capital Development Fund (UNCDF) through the Pacific Digital Economy Program (PDEP). The survey report provides an insightful window into the financial behaviors, attitudes, and needs of individuals and households across the country. It also sheds light on the critical aspects of digital and financial literacy – a cornerstone for unlocking the transformative potential of financial inclusion.

The state of Financial Inclusion in Kiribati: FIDSS 2023 Findings – a highlight

Overall Demographics





The left behind? Reasons for inability to access financial services were found to vary across demographic groups and education levels. Proximity is a significant barrier in rural areas while urban respondents are more sensitive to affordability. More educated i-Kiribati population are keen on trust and seek income smoothening solutions. Segments in financial distress, exhibiting low financial literacy and living in rural areas amongst the most excluded.

Home Internet Access

88%

Can Access Internet at Home

90%

Men Accessing Internet

87%

Women Accessing Internet

10%

Access Internet Banking



Mobile Phone Ownership

59%

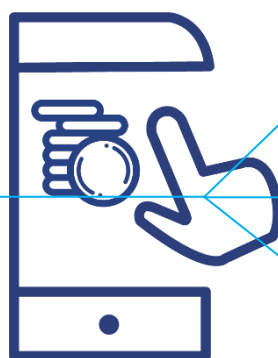
Mobile Phone Ownership

40%

Age 55+ Having a Mobile Phone

18%

Fewer Women than Men Own Phones



Lower Women and Youth Financial Inclusion Noted: Women are 5% less likely to own a bank account compared to men. Young adults are however, the most excluded from formal financial services with less than 10% having a bank account. There is, therefore, need for drastic acceleration of women's and youth financial inclusion in Kiribati.

Financial behavior, attitudes and perceptions

SAVING PATTERNS



63% of respondents never do a budget or savings plan for emergencies.



53% of respondents do not engage in any form of savings or investments.



Most people who save do so for shorter durations. Only 8% save or invest in the longer term. Men save more than women.

INSURANCE UPTAKE/ RECORD KEEPING

Whereas **budgeting is not widely practiced**, females were better at planning to manage income and expenses compared to men. Generally, keeping receipts or recording spending is a common practice among both males and females especially those managing own businesses, with similar percentages observed. Buying insurance to protect against financial shocks was found to be less prevalent overall.

BORROWING & SPENDING

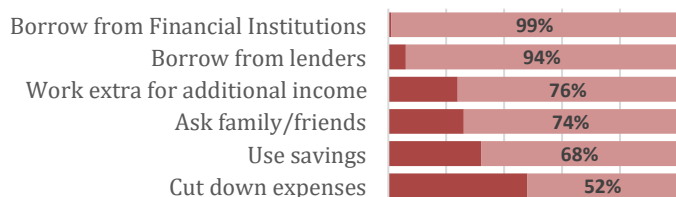
86%

Spend money as soon as they receive it.

99%

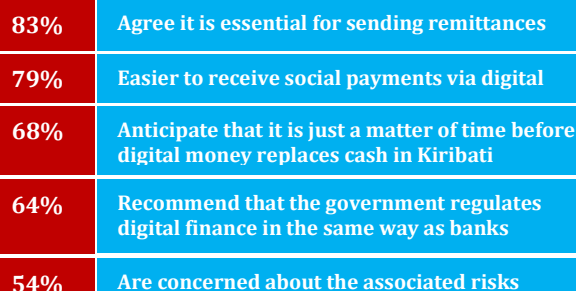
Not borrowed from a financial institution (6% accessed lenders)

Financial stress coping mechanisms



■ Yes ■ No

Perceptions on digital finance and digitalization



For more information visit www.nso.gov.ki

Preliminary results factsheet, June 2024 release (FIDSS 2023). Visit www.nso.gov.ki for more information



Supported by:

