



Financial Access Maps-Tanzania

GIS-Workshop for FSDs

Wednesday, 22nd July 2015



FINANCIAL SECTOR DEEPENING TRUST



Goal & Purpose



What Is FSDT?

- A registered Trust
- Incorporated in 2004
- Supported by six partners
- Five funders

Goal to achieve sustainable improvements in the lives of poor people through reduced vulnerability to shocks, income generation and employment creation.

Purpose to achieve improved capacity and sustainability of the financial sector to meet the needs of MSMEs and poor men and women and to contribute to economic growth.

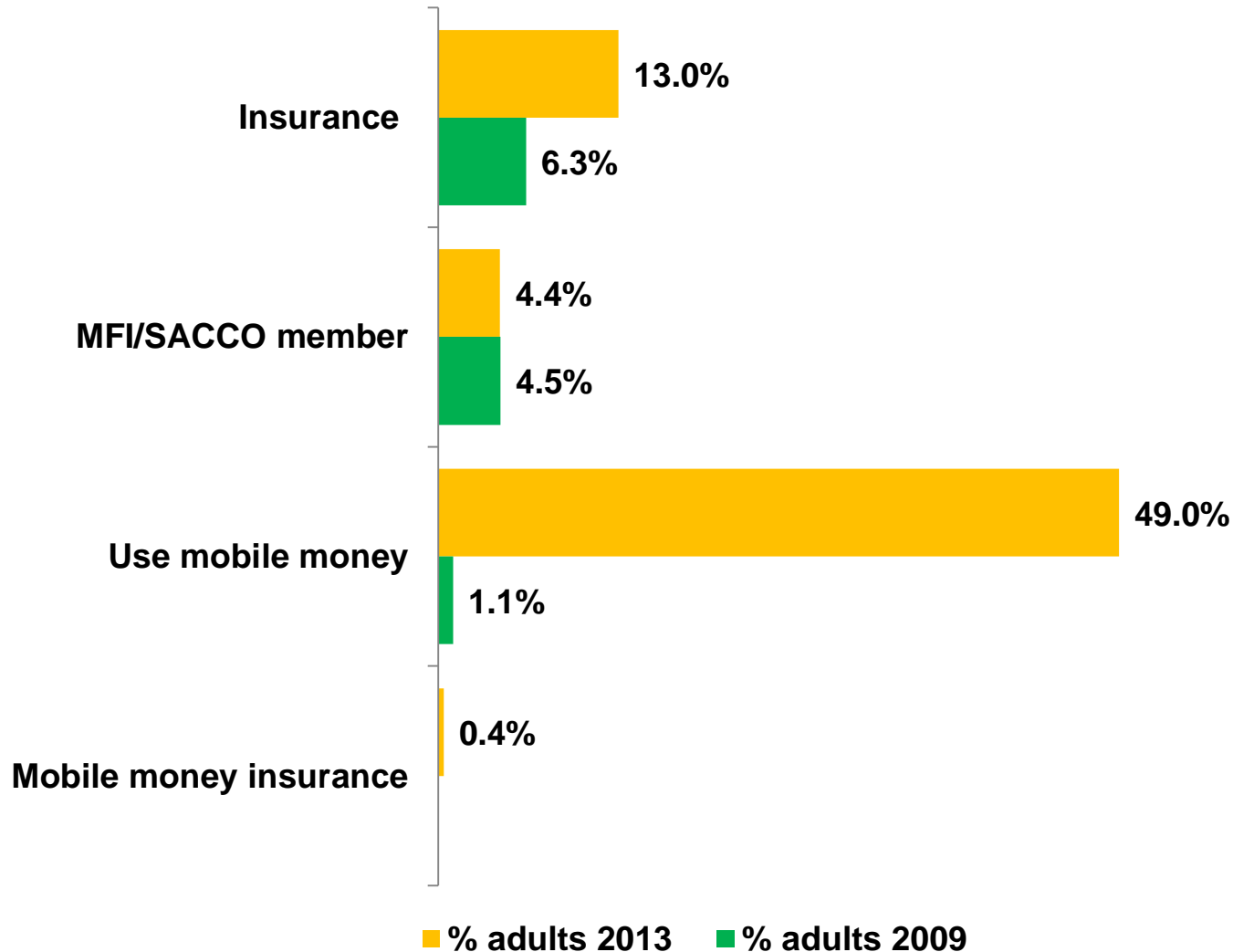
FSDT is a **market facilitator**: partners and collaborates with difference players in the financial sector to expand the landscape of access to finance in Tanzania

Agenda



- 1. Status and Progress made since 2009**
- 2. Financial Access Maps-Origin and Rationale**
- 3. Use Cases of FAPs**
- 4. Challenges & lessons**
- 5. Future sustainability**

Significant Growth: Non banking sector



Financial Access Maps –Tanzania 2013



Objectives : High Level

- ❑ Map the **financial sector supply** infrastructure
- ❑ Describe **proximity** of financial services
- ❑ Establish proximity **baseline** and assess **trends**
- ❑ Describe **factors influencing distribution** of financial access points

Note: Tanzania was 1st country to conduct GIS Mapping

But WHY is Proximity important?

Is a critical pillar in achieving financial inclusion goals-drive usage

Necessary condition to achieve goals?

Ability to use financial services; minimal barriers to opening an account/ membership

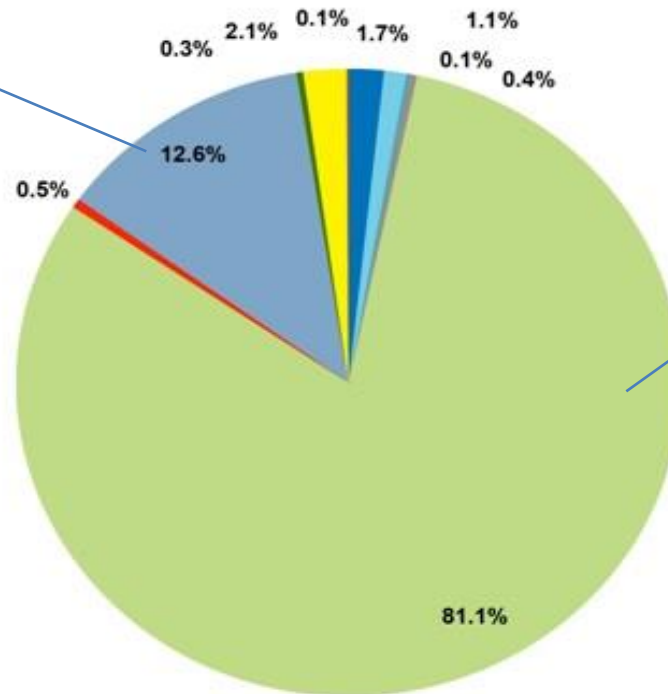
- Physical proximity
- Affordability
- Eligibility/ self exclusion



Overall Distribution

POS & 3rd Party Payment providers

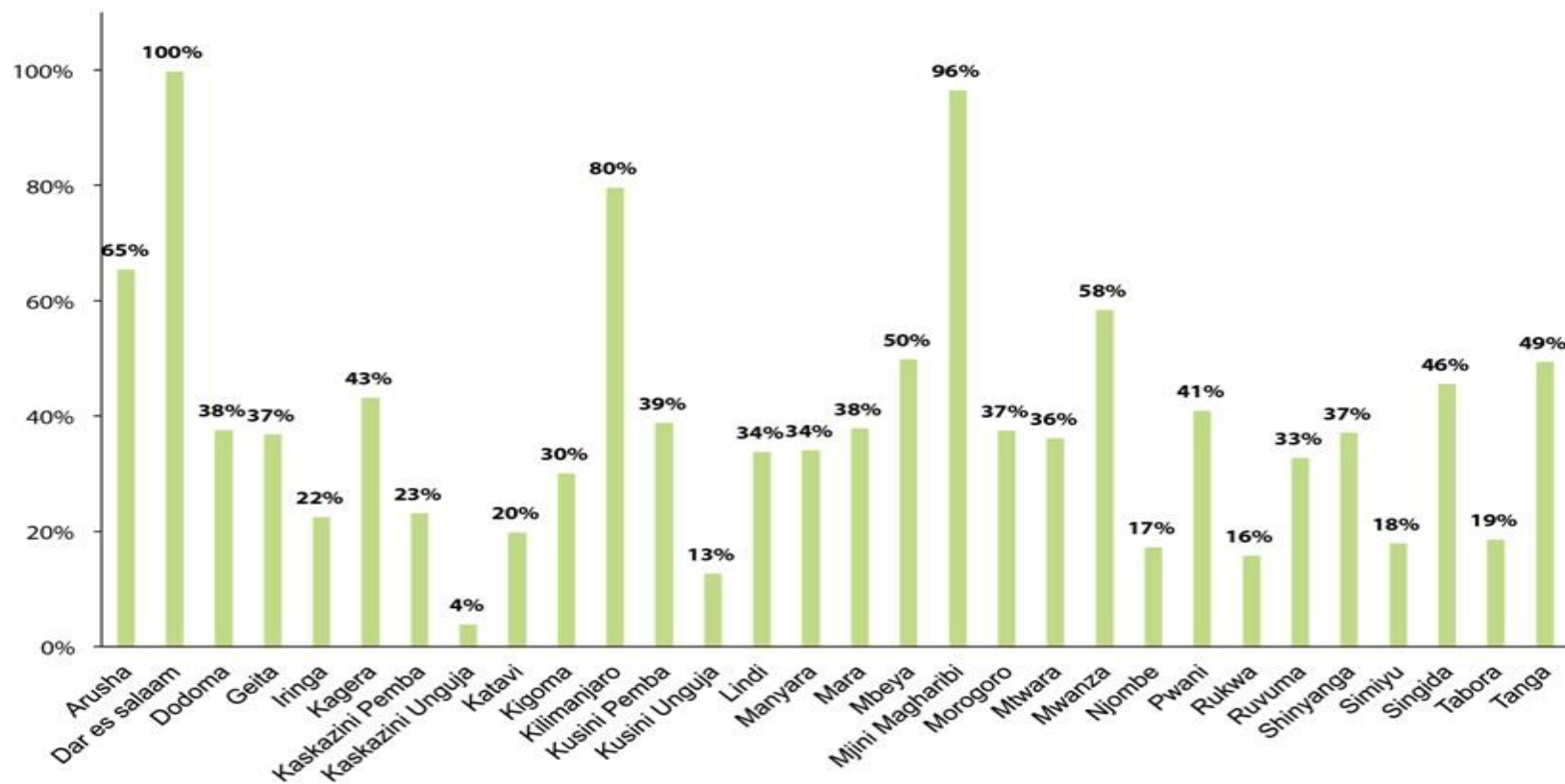
Mobile Money Agents



55,875 financial access points

- ATM
- Community Bank
- Mobile Money Agent
- POS/3rd Party Payment Provider
- SACCOS
- Commercial Bank
- MFI
- Bank Agent
- Post Office
- Bus Stand

Proximity: Regional



% of Tanzanians that live within 5km of a financial access point by region

Proximity : Change over time

5km Access Areas		2012	2013
Bank Branches, ATMs, Bank Agents	%Population Served	10,981,535	11,795,843
	% of Population Served	24%	26%
Bank Branches, ATMs, Bank Agents, MFIs, SACCOS	Population Served	12,771,712	13,975,928
	% of Population Served	28%	30%
POS (including 3rd Party Payment)	Population Served		12,017,381
	% of Population Served		26%
Mobile Money	Population Served	15,458,222	20,649,397
	% of Population Served	35%	45%
All (Excluding Mobile Money)	Population Served	13,193,004	15,213,633
	% of Population Served	29%	33%
All (Including Mobile Money)	Population Served	15,706,061	20,912,663
	% of Population Served	35%	45%

Use cases of Financial Access Maps

National Financial Inclusion Framework

Access/Proximity Target

25% of Tanzanians live **within 5km** of a financial access point **by 2016**

Where are we now?

Is this realistic?

Need for new target & rationale

Proximity : Country

45% of Tanzanians live within 5km of a financial access point

Complimented by FinScope 2013

New target set at 65% by 2016

Source of evidence: GIS 2016

Other use cases

FSDT

- Targeting the marginalized geographies
- Targeting the marginalized segments (e.g. farmers)
- Informing new delivery models and platforms (e.g. insurance, interoperability, linking informal groups with digital platforms)
- Influencing FSPs in thinking about recalibrating their distribution density (e.g. location of new access points, deploying new products/solutions in the market-IPOs on mobile, M-pawa, Timiza, levy collection, etc.)-
- Strategic input and KPIs for Equity Bank, CRDB Bank,

Government/BoT/MoF/MIT/MAFSC

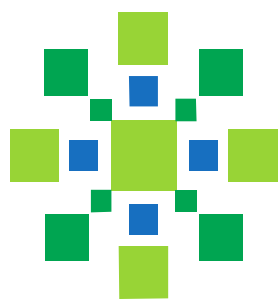
- Influencing regulatory/policy changes (e.g. agency banking regulations, payments and e-money regulations, requirements for bank branches, the need for tiered KYC, etc.)
- Building the case for interoperability with BoT for Tanzania

Key challenges, lessons

- **Cost-GIS mapping is costly in terms of money and time**
- **Expertise: Requires expertise for analysis and linking with other data sets/platforms to make the data meaningful. Quality of data is therefore paramount**
- **Driving usage: Initiatives to drive usage consume time and money. Dissemination strategy should be robust enough and should be given high priority from onset**

Should be thought through

- **Creating demand to increase usage-training people/developed manuals to guide basic analysis**
- **Make data easily accessible-in Websites and provide support**
- **Regularize data collection-BoT agreed to include mandatory submission of GIS coordinates of all the agents**
- **Ensure the data base exists and analysis performed adequately and in a timely manner**



FINANCIAL ACCESS MAPS

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