

Authors

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New global estimate reveals that half the world is unbanked

FAI just published a [new paper](#) that reveals that 2.5 billion adults worldwide do not have a savings or credit account with either a traditional (regulated bank) or alternative financial institution (such as a microfinance institution). And nearly 90% of the financially unserved (2.2 billion) live in Asia, Africa, the Middle East and Latin America.

The analysis points out some interesting insights. For example, that India, a country with low per capita income and a large rural population, demonstrates much greater use of financial services than many relatively richer and more urban countries. The global data indicate that countries can improve levels of financial inclusion by creating effective policy and regulatory environments and enabling the actions of individual financial service providers. More than 800 million of those using financial services live on less than \$5 per day, so it is possible to provide these services to very low-income communities—but there are still nearly 2 billion to reach.

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