



FinScope South Africa

April 2019

Objective of Session

- Position FinMark Trust
- Give a Perspective of the FinScope survey
- Developing Role of FinMark Trust in South Africa
- The FinScope Strategy
- Support for and use of the FinScope program

FinMark Trust

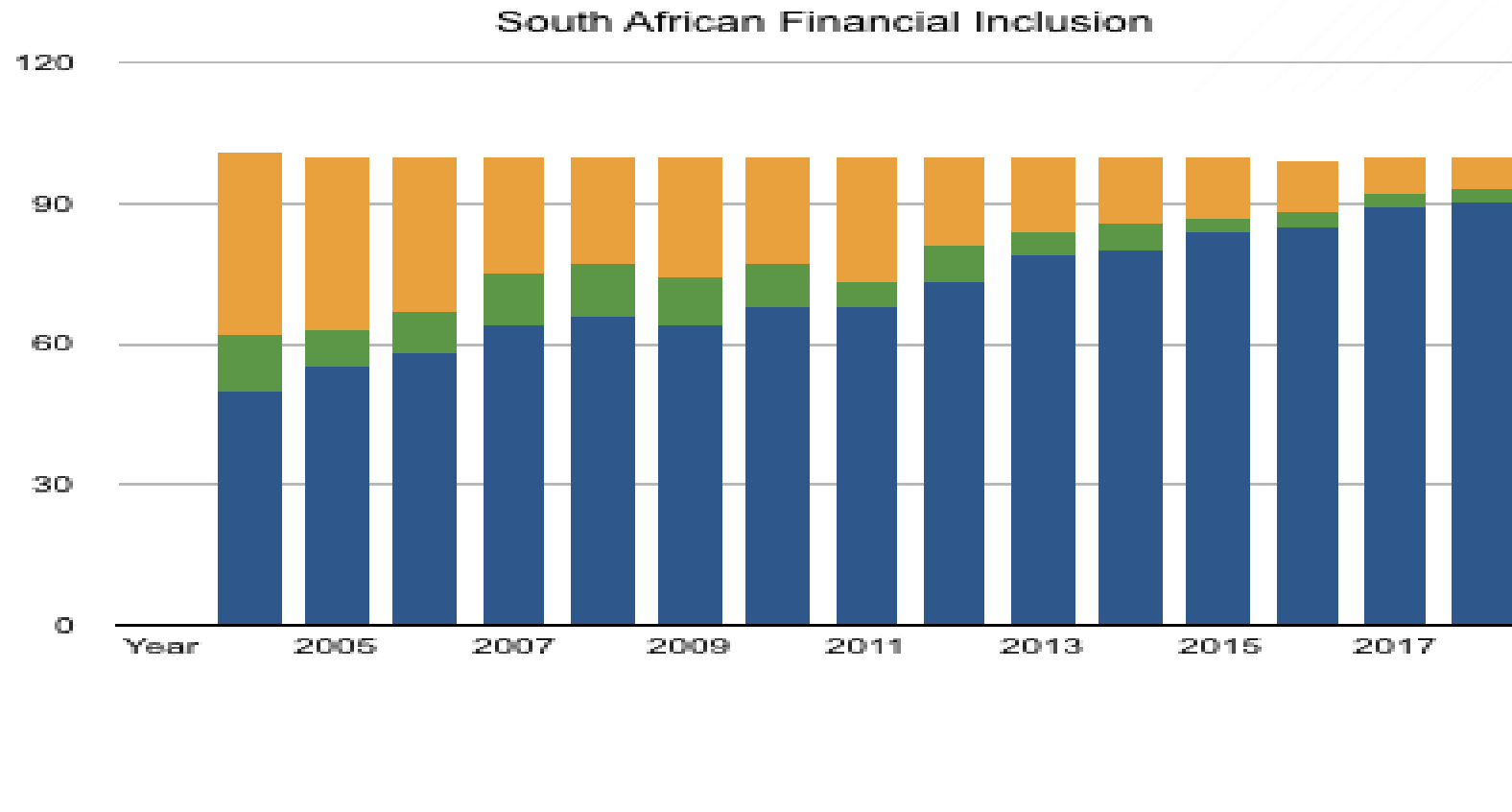
- It is an independent non-profit trust
- 'Making financial markets work for the poor, by promoting financial inclusion and regional financial integration'
- Data-based research into financial services for in-depth insights
- Systematic financial sector inclusion and deepening programs and advocacy to overcome regulatory, supplier and other barriers in the effective provisioning of services

FinScope

- FinScope is a survey-based research tool – annual
- Has been undertaken continuously since 2003
- Covers all consumers of financial services – focuses on the issues at the entry-level market
- Deals with take-up and usage issues, delves into attitudinal and enabling issues, puts it into context in a socio-economic framework
- It is funded by 'syndicate' members
 - Predominantly the major financial service providers
 - Underlying data is only available to syndicate members
 - Results are publicly available and provides an accepted national assessment of the state of financial inclusion
- Used as a starting point in the Financial Sector Code negotiations to agree where the industry is.

South Africa – Financial Inclusion 2004 – 2018

FinScope Results



FinScope Strategy 2019 onwards

- Acknowledges and incorporates the public benefit of the FinScope research:
 - Involvement of policymakers & regulators
 - Continued involvement of financial service providers
 - Mixed model and funding
 - Basic data to be generally available, branded data only for financial sector syndicate members
- FinScope being made more relevant by additional focus on
 - Behavioural factors
 - Financial capability
 - Digital financial services
 - Impact of the use of financial services

FinScope Strategy 2019 onwards (cont.)

- Adding a MSME survey to provide insight into this market on a regular basis
- FinScope consumer survey to be done on a bi-annual basis, alternating with the MSME survey.
- Greater visibility and communication – portal plus the incorporation of additional data – regular market interactions and updates.
- Incorporation into the financial inclusion policy and the interventions – national forum and task group.
- Add in further research on specific areas of concern/interest as part of the product offering: 4 – 6 research topics to be covered in each two year cycle

FinScope and South African Financial Inclusion

- FinMark Trust focussing on taking South African financial inclusion and deepening further, as well as contribute to transformation from an informed position
- Supporting a broad-based financial inclusion initiative program
- Coordinating and supporting financial inclusion task force and financial inclusion forum
- Bringing together policymakers & regulators with the industry
- Formulating what the most important issues are on which to focus
- Where cooperation is required, facilitating such interventions
- FinScope is and will be a key tool to both assess and monitor the results of this program

It would be appreciated if

- The mixed model would be supported
 - In everyone's interest and an attempt to generate additional research and involvement
 - Continuing support for the syndicate
 - Specific issues could still be addressed
- The extension into small enterprise is supported – insights are desperately needed in this much talked-about but still inadequately supported segment
- The restructuring of FinScope is used as an opportunity to gain further insight and to use the additional research constructively
- There is involvement in the financial inclusion program with FinMark Trust – the country needs all!



Thank you