Opinion Poll

Special Press Release
Access to Finance
(Part 16 of a 30 part series)

Dominant majority of Pakistanis (72%) believe they can live their life without having a bank account. (Access to Finance Survey 2015 – State Bank of Pakistan/ Gallup Pakistan)

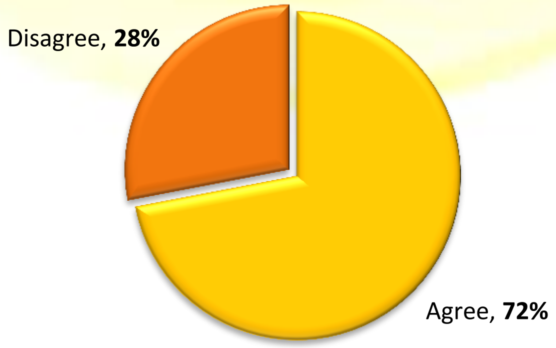
Islamabad, July 12, 2016

According to a survey conducted by Gallup Pakistan, 72% Pakistanis agreed with the following statement: 'You can easily live your life without having a bank account'. On the other hand, 28% disagreed with this statement. These results are a part of the nationwide Access to Finance Study conducted by the State Bank of Pakistan in 2015 with the intent of determining the degree of financial inclusiveness of the Pakistani public (please refer to page # 4 for more details).

This press release is part of a special series that aim to foster an empirical understanding of financial inclusion in Pakistan and that hope to create a collaborative network of individuals working on the topic. Before starting any conversation on developing a methodology of increasing financial inclusivity in Pakistan, it is vital to be aware of the perceptions that the general public has with regards to banks. This particular press release aims to determine the proportion of Pakistanis who feel that owning a bank account is not a necessity in their lives. The banking sector in Pakistan has traditionally had to tackle a number of misconceptions that Pakistanis have regarding it. Even now, in today's interconnected financial world that is driven by banks and other formal financial institutions, the proportion of Pakistanis in the formal financial net is still fairly low, primarily because of the negative associations that people have attached to banks. One such consequence of these misconceptions has led people to believe that having a bank account is not a necessity. However, what people then fail to realize is that even though it is not a necessity, a bank account still has numerous benefits that only aid in bringing a modicum of financial stability to the people who own it.

A nationally representative sample of men and women from across the four provinces was asked, "Please tell me if you rather agree or rather disagree with these statements? [You can easily live your life without having a bank account]" In response to this question, 72% Pakistanis agreed with this statement whereas 28% respondents disagreed. The empirical results show that majority in the Country still believes that one can live without owning a bank account. This empirical statistic shows that financial stakeholders in Pakistan still have to make an effort in clearing up misconceptions that Pakistanis have regarding banks so that more people can be brought into the formal financial net.

Question: "Please tell me if you rather agree or rather disagree with these statements? [You can easily live your life without having a bank account]"

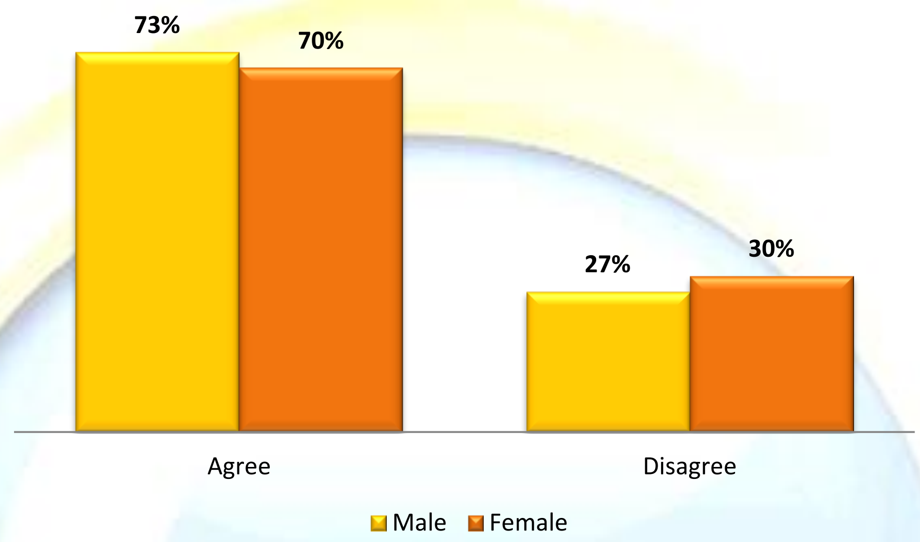


Source: Access to Finance Survey 2015: State Bank of Pakistan/Gallup Pakistan
(https://www.a2f2015.com, www.gallup.com.pk)

Gender Breakdown: Majority men and women in Pakistan feel that they can live their lives without a bank account

A gender breakdown of this result also reveals a picture with an insignificant gap between the two genders. 73% males agreed that they can live their life without having a bank account while the same response was given by 70% of the females. Meanwhile, 27% males disagreed with this statement while the same response was given by 30% of the females.

Gender Breakdown

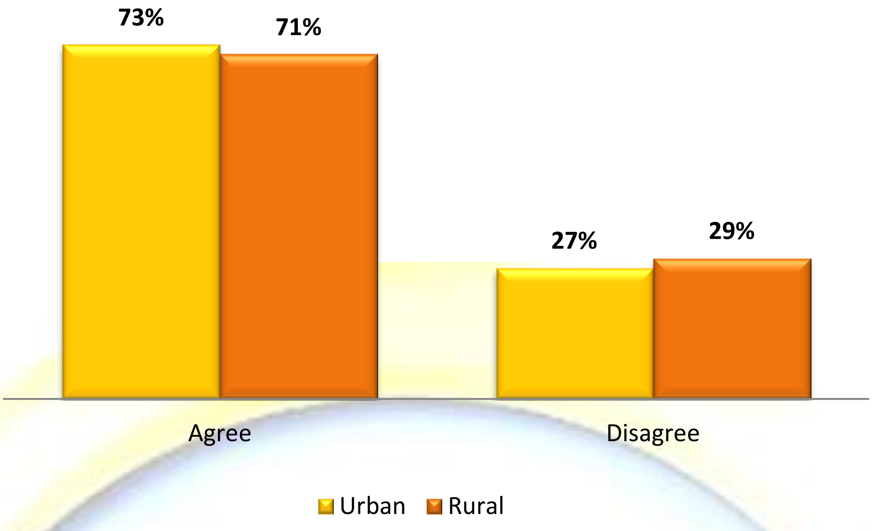


Source: Access to Finance Survey 2015: State Bank of Pakistan/Gallup Pakistan
(https://www.a2f2015.com, www.gallup.com.pk)

Urban-Rural Differences: Majority urban (73%) and rural (71%) respondents agreed with the statement that owning a bank account is not a necessity in life

A rural/urban breakdown reveals that 73% of the respondents in urban areas and 71% in rural areas felt that they can live their lives without having a bank account. This negligible difference between the proportion of urban and rural respondents agreeing with this statement highlights an important aspect of the Pakistani society with regards to its perception on banks. Despite there being a considerable disparity in the socio-economic development between the urban and rural areas of Pakistan, the proportion of urban respondents agreeing to this statement is still remarkably high. This seems to show that Pakistanis, regardless of their education or income level, are still skeptical about the benefits of banking and would still be happy living without having a bank account. Finally, 27% in the urban areas disagreed with this statement while the same answer was given by 29% of the respondents in rural areas.

Urban-Rural Breakdown

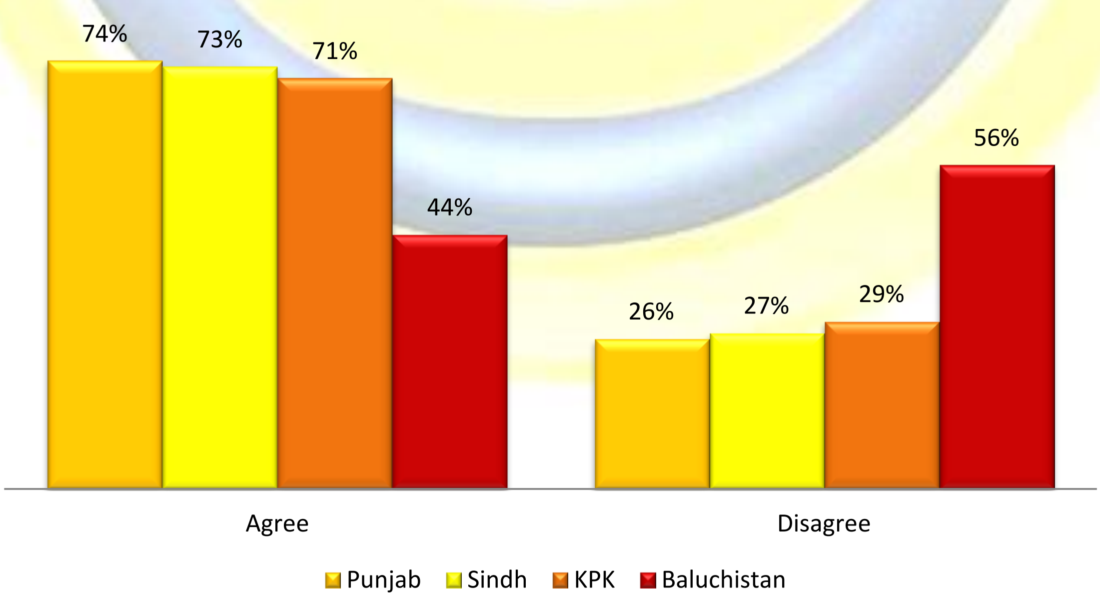


Source: Access to Finance Survey 2015: State Bank of Pakistan/Gallup Pakistan
(https://www.a2f2015.com, www.gallup.com.pk)

Provincial Results: Majority respondents in all provinces except Baluchistan agree that they can live their lives without having a bank account.

According to the provincial breakdown, 74% of the respondents in Punjab, 73% in Sindh, 71% in KPK and 44% in Baluchistan believed that they can live their lives without having a bank account. On the other hand, 26% of the respondents in Punjab, 27% in Sindh, 29% in KPK and 56% in Baluchistan disagreed with the statement. The fact that Baluchistan has the highest proportion of respondents that disagree with this statement requires a deeper analysis. Despite not being on the same level of socio-economic development as some of Pakistan's other provinces, notably Punjab and KPK, one would think that the people of Baluchistan would be more skeptical of the benefits of banking. However, as the empirical results show, the case is different and needs to be explored further in order to develop a meaningful hypothesis.

Provincial Breakdown



Source: Access to Finance Survey 2015: State Bank of Pakistan/Gallup Pakistan
(https://www.a2f2015.com, www.gallup.com.pk)

of Gallup Pakistan

(1980-2016)

Introduction to Access to Finance:

The Access to Finance Survey 2015 (A2F 2015) aims to create a platform for the State Bank, the Government and the private sector of Pakistan to adopt and implement a comprehensive set of reforms needed to influence financial inclusion among Pakistanis in a more holistic manner. A2F 2015 will help state and non-state actors in streamlining their policies and reforms to ensure that they are able to effectively target the financial inclusivity of the Pakistani public.

Gallup Pakistan, in collaboration with HORUS Development Finance, conducted an extensive survey in over 10,000 households across Pakistan. The primary aim of the study was to determine the extent of financial services being used by Pakistanis as well as to provide insights into the barriers faced by the Pakistani public in accessing formal financial services.

The data was released as part of Access to Finance Study 2015. Fieldwork carried out by Gallup Pakistan, the Pakistani affiliate of Gallup International, among a sample of 10,000 households across rural and urban areas of all four provinces of Pakistan, during March 27 – June 12, 2015. Error margin is estimated to be approximately ± 2-3 per cent at 95% confidence level.