FinScope

*Consumer
Survey
Report*

Angola

2022

The FinScope Consumer Survey Angola 2022 (known as FinScope Angola 2022) was commissioned by the National Bank of Angola (BNA). In the implementation of the survey, the Steering Committee was formed with the aim of putting in place technical procedures for the design and implementation of a global and inclusive process according to the local context. FinScope Angola 2022 represents a collaboration between the following Steering Committee members:

- Several BNA departments, coordinated by the Financial Inclusion Department (DIF)
- Representatives of the private sector and civil society
- FinMark Trust, LBC and MIRA

The FinScope survey is dynamic and the content is evaluated by stakeholders including the private sector, NGOs and Government to ensure that the most relevant consumer data is collected.

The cover symbol

Through FinScope Angola 2022, we hope to effect real change at country level and see the impact of financial inclusion on broader national growth and development. The cover graphic features a national flower that symbolises growth and development while the circle represents inclusive growth. The petals of the flower symbolise the various stakeholders engaged with a common vision – financial inclusion for a broader national growth and development.

Introduction

The Government of Angola recognises the role played by the financial sector in facilitating economic growth through enhanced access to financial services. In order to strengthen policies that will generate sustainable and inclusive growth and development. The National Bank of Angola implemented the FinScope Angola 2022 survey to help identify and create a roadmap that ultimately secures the realisation of this vision.

FinScope Angola 2022 will provide credible benchmarks on level of financial inclusion and guide targeted and focused financial inclusion strategies using empirical evidence. FinScope Angola will also act as a national good for use across private, public sectors, academic backgrounds in order to ensure the lives of Angolans are enhanced.
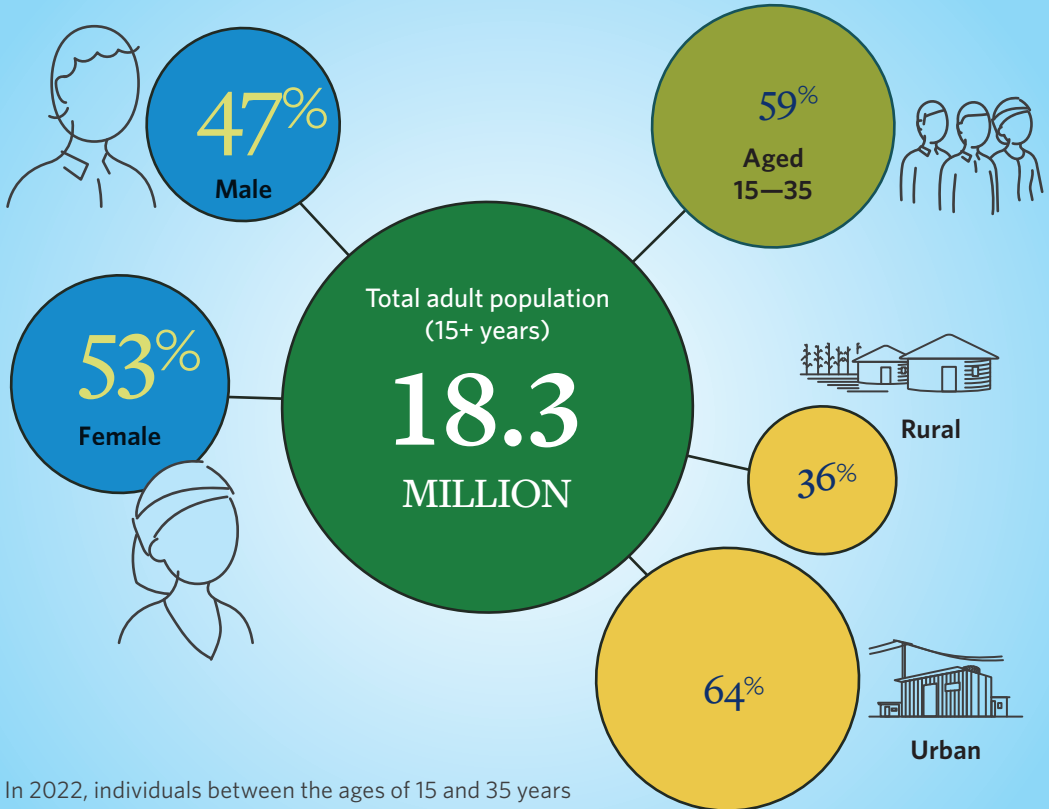
Methodology

According to National Statistics Institute (Angola) the total adult population is estimated to be 18.28 million.

- Sample drawn by **National Statistics Institute (INE)**, representative at national, provincial and urban/rural level.
- **Individual and household-based methodology** – Enumerator areas (EAs) randomly selected using probability proportional to size (PPS) sampling and household listing data.
- Computer Assisted Personal Interviewing (CAPI).
- Fieldwork conducted by **MIRA** (October to December 2022) and **6 237** interviews were approved from a target of 6 000.

Published June 2023

PROVINCES OF ANGOLA

Cabinda

Zaire

Uíge

Luanda

Cuanza Norte

Malanje

Lunda Norte

Lunda Sul

Bengo

Atlantic Ocean

Cuanza Sul

Bié

Moxico

Benguela

Huambo

Huíla

Namibe

Cunene

Cuando Cubango

47%
Male

59%
Aged 15—35

53%
Female

Total adult population
(15+ years)
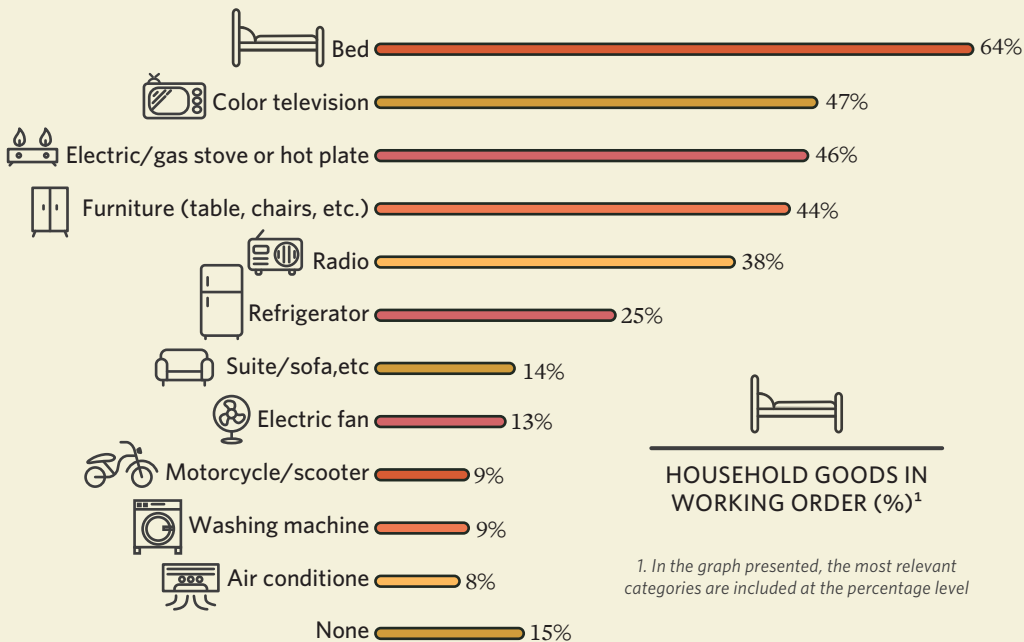## 18.3
MILLION

Rural

36%

64%

Urban

- In 2022, individuals between the ages of 15 and 35 years accounted for 59% of the population over the age of 15 years.
- About two out of three respondents live in urban areas.
- There is a slightly higher proportion of female adult respondents than male adult respondents.

Household goods

Only 64% of households have a bed, although it is the most common asset to own, followed by a colour television (47%) and electric/gas stove or hot plate (46%).

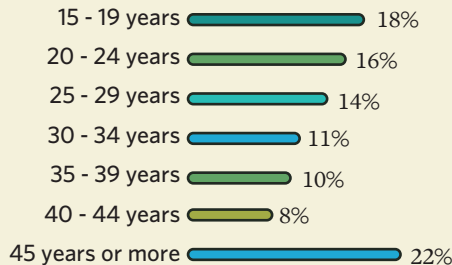|	
Bed	64%
Color television	47%
Electric/gas stove or hot plate	46%
Furniture (table, chairs, etc.)	44%
Radio	38%
Refrigerator	25%
Suite/sofa,etc	14%
Electric fan	13%
Motorcycle/scooter	9%
Washing machine	9%
Air conditione	8%
None	15%

HOUSEHOLD GOODS IN WORKING ORDER (%)[1]

1. In the graph presented, the most relevant categories are included at the percentage level

SDG 4 – Inclusive and quality education

4 QUALITY EDUCATION

No formal education
13%
3% 10%
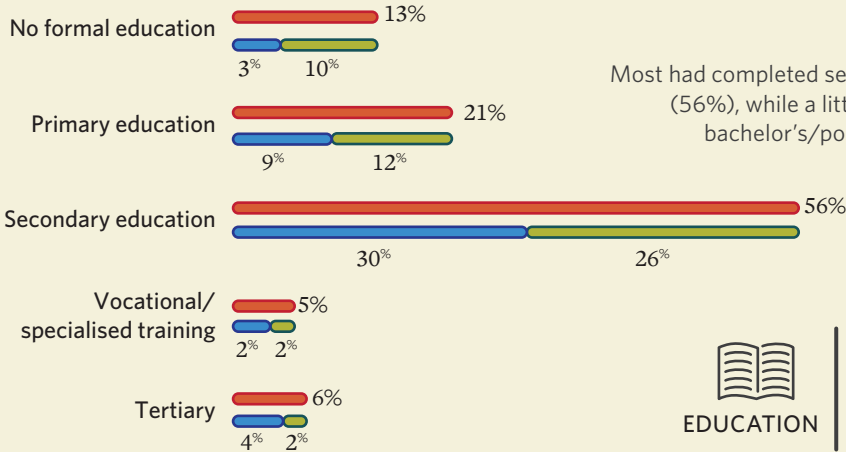
Most had completed secondary education (56%), while a little more men had a bachelor's/postgraduate degree.

Primary education
21%
9% 12%

Secondary education
56%
30% 26%

Vocational/ specialised training
5%
2% 2%

Tertiary
6%
4% 2%

EDUCATION

Total
Male
Female

15 - 19 years   18%
20 - 24 years   16%
25 - 29 years   14%
30 - 34 years   11%
35 - 39 years   10%
40 - 44 years   8%
45 years or more   22%

AGE (%)

Angola has a young adult population, reflected in the survey of the universe of individuals aged 15 years or more.

Households

The Angolan household has, on average, 5.10 individuals, while in about 40% of households, only one member contributed to the household income.

Average number of **children** per household: 2.77

Average number of **adults** per household: 2.76
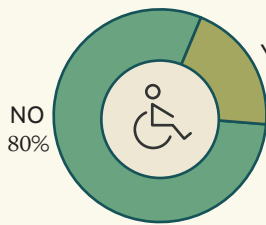
Average number of **individuals** per household: 5.10

Average number of **rooms** per house: 3.05

Average **bedrooms** per house: 2.13

Income contributing household members: 0-1: 40% 2+: 60%

Cement 35%
Natural floor 24%
Earth/sand 19%
Ceramic tile/mosaic/brick 13%
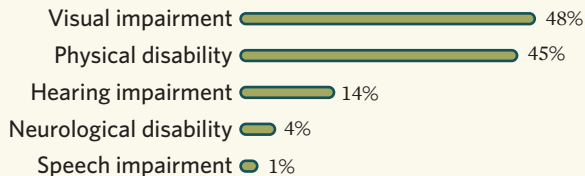
MAIN CONSTRUCTION MATERIALS
FOR THE HOUSE FLOOR

Household disabilities
20% of households have members with disabilities, among which visual impairment (48%) and physical disability (45%) stand out.

HOUSEHOLDS
WITH MEMBERS
WHO WORKED IN
THE PREVIOUS
WEEK (%)
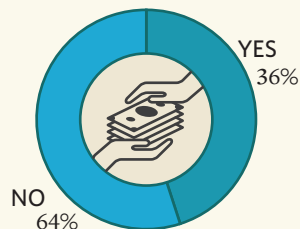
YES
36%

NO
64%

NO
80%

YES
20%

TYPES OF DISABILITY (%)

Visual impairment 48%
Physical disability 45%
Hearing impairment 14%
Neurological disability 4%
Speech impairment 1%

HOUSEHOLDS WITH
DISABLED MEMBERS (%)

Households

About 73% of the adult respondents' households own the house they live in, however 61% of these households do not have an official title for the land on which the house is situated.

Own or co-own the house ▬▬▬▬▬▬ 51%

Another member of your household is a registered owner of the house ▬▬▬ 22%

It is a rented house (you pay) ▬▬ 13%

It is a rented house (it is another person living in the house who pays) ▬ 7%

Housing was made available at no cost (you don't pay to be here) ▬ 7%
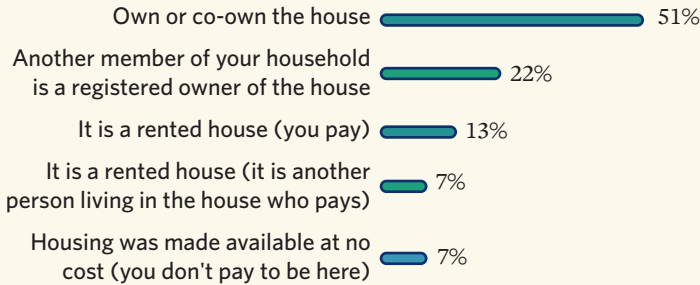
OWNERSHIP OF
HOUSEHOLD'S HOUSE (%)

3% DOES NOT KNOW

61% NO

YES 36%

HAVE AN OFFICIAL
LAND TITLE FOR
THE HOUSEHOLD'S
HOUSE (73%[1])
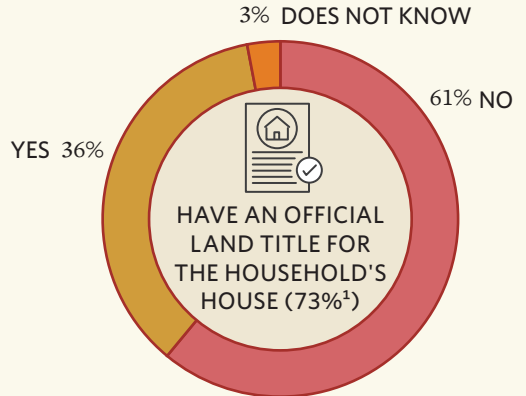
1. Refers to cases where the respondent or another household member owns the house.

Access to basic utilities

Significant differences in water and fuel sources between people in rural and urban areas

SDG 1 and 6

Pond, lake, river or stream
- Total: 24%
- Urban: 6%
- Rural: 55%

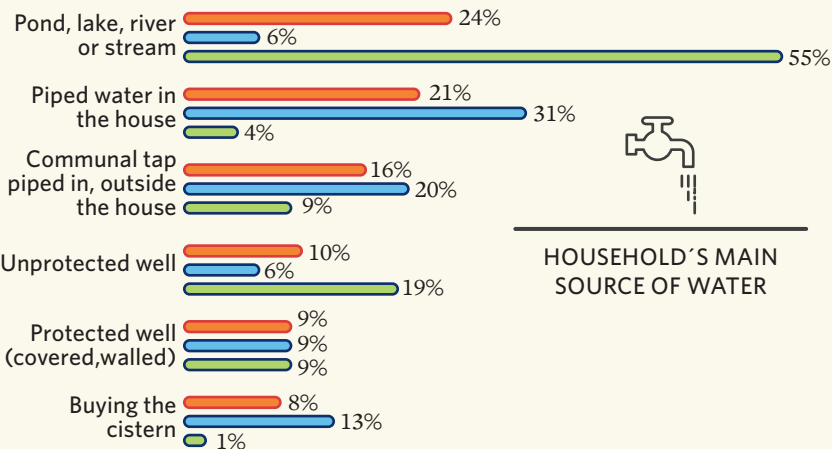**Piped water in the house**
- Total: 21%
- Urban: 31%
- Rural: 4%

Communal tap piped in, outside the house
- Total: 16%
- Urban: 20%
- Rural: 9%

Unprotected well
- Total: 10%
- Urban: 6%
- Rural: 19%

Protected well (covered, walled)
- Total: 9%
- Urban: 9%
- Rural: 9%

Buying the cistern
- Total: 8%
- Urban: 13%
- Rural: 1%

HOUSEHOLD´S MAIN SOURCE OF WATER

Gas
- Total: 38%
- Urban: 54%
- Rural: 8%

Firewood
- Total: 29%
- Urban: 14%
- Rural: 74%

Electricity
- Total: 17%
- Urban: 24%
- Rural: 3%

Coal
- Total: 14%
- Urban: 16%
- Rural: 11%
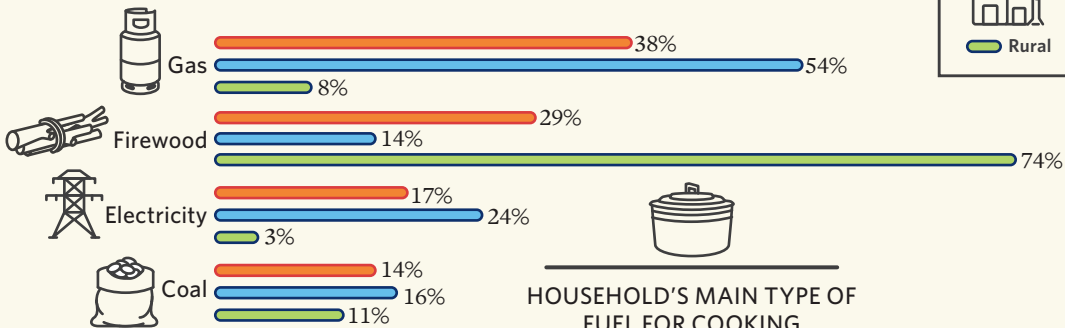
HOUSEHOLD'S MAIN TYPE OF FUEL FOR COOKING

Total
Urban
Rural

11 SUSTAINABLE CITIES AND COMMUNITIES

Access to infrastructure

Financial institutions are less accessible, especially for the rural population.

Category	Total	Urban	Rural
Transfer agency	49%	68%	15%
Bank branch	44%	63%	11%
ATM	43%	62%	10%
Public services	47%	60%	24%
Microcredit institution	15%	21%	3%
Public transport	66%	83%	35%
Service point *(where you can withdraw cash)*	24%	34%	5%
Insurance agency	13%	18%	2%
Bank agent	26%	37%	6%

Total   Urban   Rural
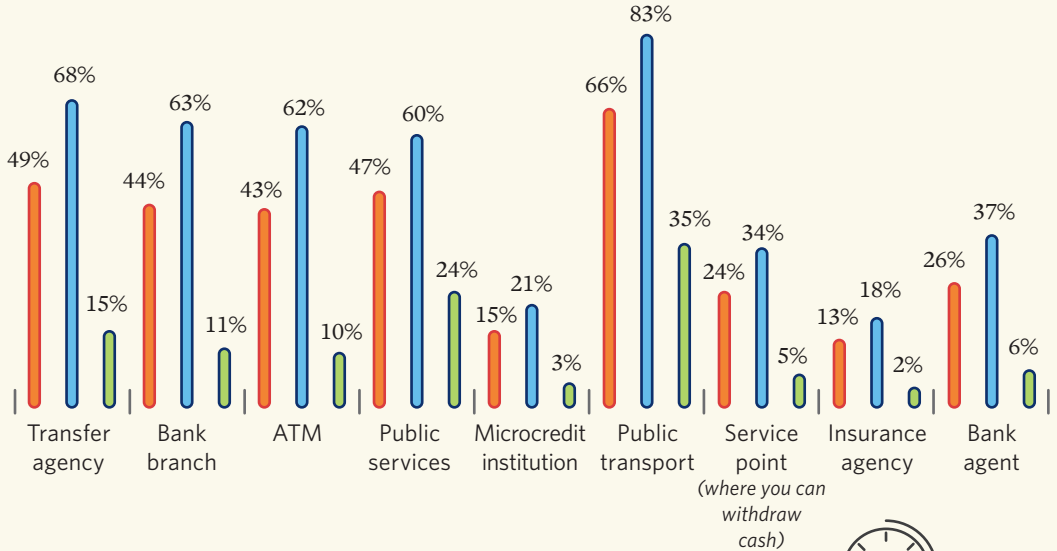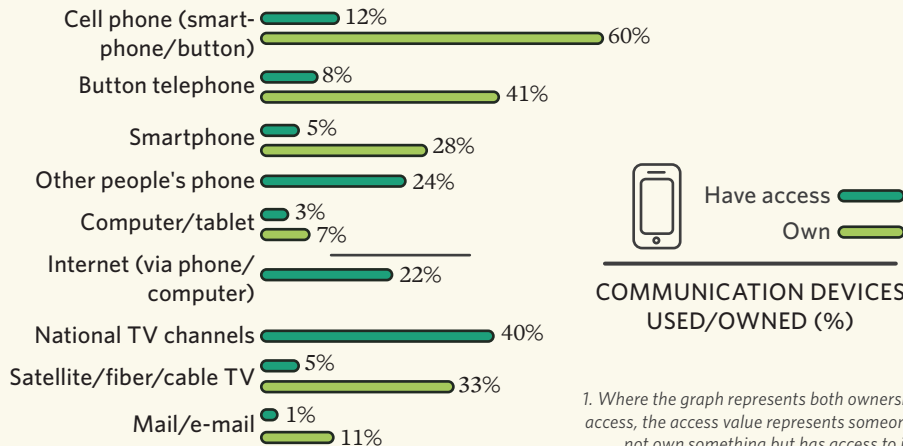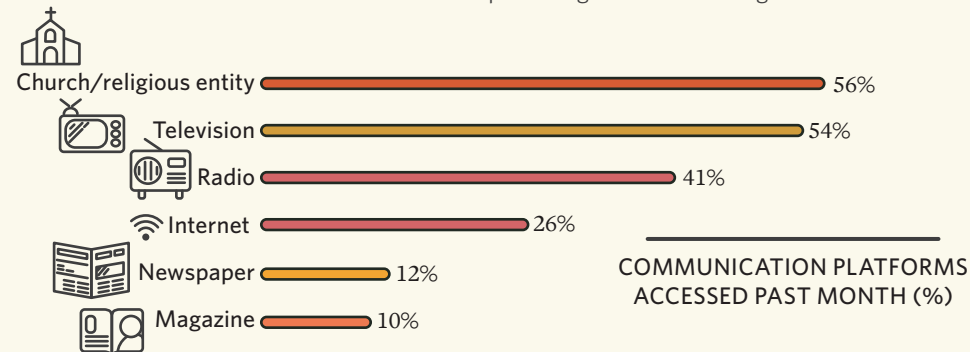
% OF ADULTS ARRIVING AT THEIR DESTINATION IN FEWER THAN 30 MINUTES

7

Communication and access to media

72% of adults have access to a mobile phone – a promising base for boosting the use of mobile money.

Platform	%
Church/religious entity	56%
Television	54%
Radio	41%
Internet	26%
Newspaper	12%
Magazine	10%

COMMUNICATION PLATFORMS
ACCESSED PAST MONTH (%)

Device	Own	Have access
Cell phone (smartphone/button)	60%	12%
Button telephone	41%	8%
Smartphone	28%	5%
Other people's phone		24%
Computer/tablet	7%	3%
Internet (via phone/computer)		22%
National TV channels		40%
Satellite/fiber/cable TV	33%	5%
Mail/e-mail	11%	1%

Have access
Own

COMMUNICATION DEVICES
USED/OWNED (%)

1. Where the graph represents both ownership and access, the access value represents someone does not own something but has access to it.

Income

NOTHING ▭ 16%
LESS THAN KZ 9.000 ▭ 8%
KZ 9.000—KZ 20.999 ▭ 13%
KZ 21.000—KZ 28.999 ▭ 6%
KZ 29.000—KZ 49.999 ▭ 11%
KZ 50.000—KZ 99.999 ▭ 15%
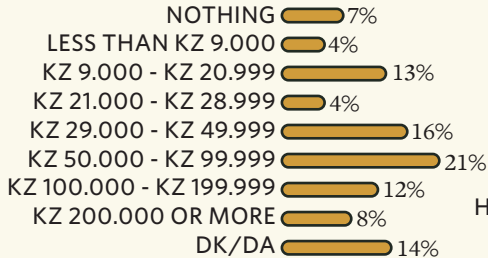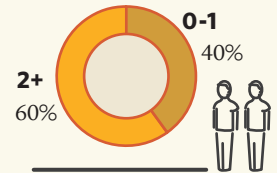KZ 100.000—KZ 199.999 ▭ 8%
KZ 200.000 OR MORE ▭ 5%
DK/DA ▭ 18%
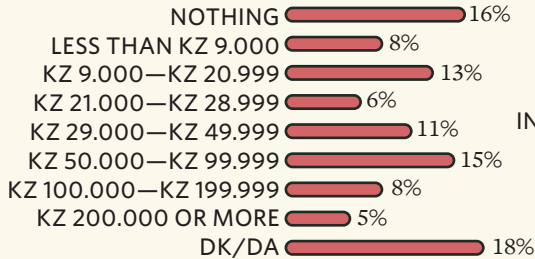
INDIVIDUAL MONTHLY
INCOME (KZ)

43% of respondents earn less than 29,000 KZ per month, while
44% of households earn less than 50,000 KZ per month[1].

1. It should be noted that household incomes are typically underestimated in surveys.

NOTHING ▭ 7%
LESS THAN KZ 9.000 ▭ 4%
KZ 9.000 - KZ 20.999 ▭ 13%
KZ 21.000 - KZ 28.999 ▭ 4%
KZ 29.000 - KZ 49.999 ▭ 16%
KZ 50.000 - KZ 99.999 ▭ 21%
KZ 100.000 - KZ 199.999 ▭ 12%
KZ 200.000 OR MORE ▭ 8%
DK/DA ▭ 14%

HOUSEHOLD MONTHLY
INCOME (KZ)

0-1
40%

2+
60%

NUMBER OF HOUSEHOLD
MEMBERS CONTRIBUTING
TO INCOME

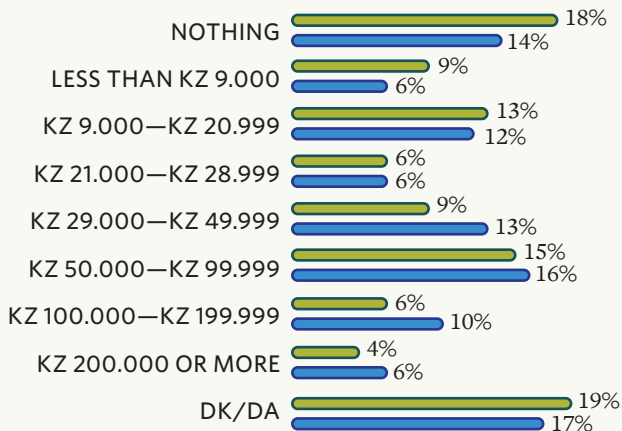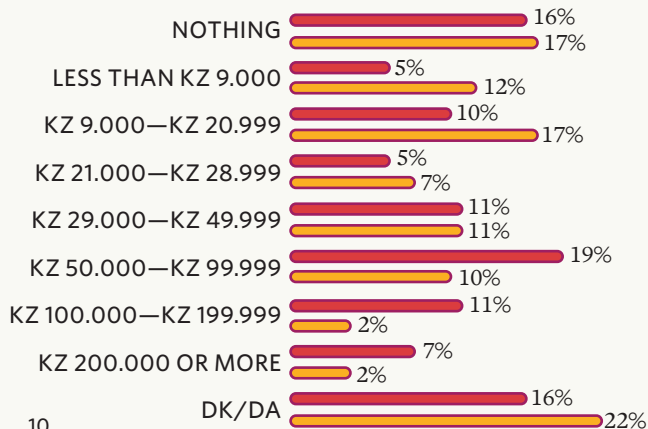| National minimum wage (Presidential Decree 54/22 of 17 February 2022)	18 products in a monitored price regime (INE, December 2022), basic food basket
32.181,15 KZ	39.781,48 KZ

Income
Income distribution by sex and location

INDIVIDUAL'S MONTHLY INCOME (KZ) BY SEX

Income	Female (green)	Male (blue)
NOTHING	18%	14%
LESS THAN KZ 9.000	9%	6%
KZ 9.000—KZ 20.999	13%	12%
KZ 21.000—KZ 28.999	6%	6%
KZ 29.000—KZ 49.999	9%	13%
KZ 50.000—KZ 99.999	15%	16%
KZ 100.000—KZ 199.999	6%	10%
KZ 200.000 OR MORE	4%	6%
DK/DA	19%	17%

INDIVIDUAL'S MONTHLY INCOME (KZ) BY LOCATION

🔴 Urban 🟡 Rural

Income	Urban	Rural
NOTHING	16%	17%
LESS THAN KZ 9.000	5%	12%
KZ 9.000—KZ 20.999	10%	17%
KZ 21.000—KZ 28.999	5%	7%
KZ 29.000—KZ 49.999	11%	11%
KZ 50.000—KZ 99.999	19%	10%
KZ 100.000—KZ 199.999	11%	2%
KZ 200.000 OR MORE	7%	2%
DK/DA	16%	22%

Covid-19

Impact of Covid-19 on livelihoods – 30% saw their income reduced.

Nothing has changed ⬤▬▬▬▬▬▬▬▬▬ 38%
Revenues/income decreased ⬤▬▬▬▬▬▬▬ 30%
Stopped working for a while ⬤▬▬▬▬ 18%
Could not work due to the restrictions ⬤▬▬▬ 16%
DK/DA ⬤▬▬ 10%
Revenues/income rose ⬤▬ 3%
Was fired ⬤ 2%
Nothing has changed yet, but I know my situation will get worse ⬤ 1%
Has suffered a study interruption ⬤ 1%

IMPACT OF COVID-19 ON LIVELIHOODS (%)

Did not receive support ⬤▬▬▬▬▬▬▬▬▬▬▬▬▬▬▬ 93%
Received support ⬤▬ 7%
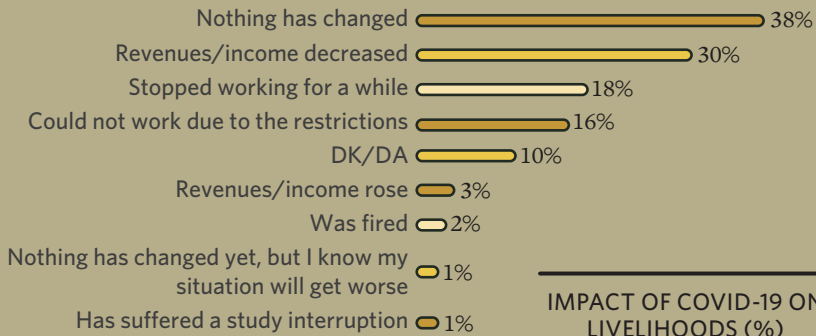
SUPPORT RECEIVED

UNDERSTANDING PEOPLE'S LIVES: SDG8

Sources of income

About 2 in 5 (41%) Angolans are self-employed, the vast majority of which informally. 17% earn no income, while 15% are informally employed.

Self-employed/provides financial services
to community for profit (lending/exchanging money)
41%

Does not get money
17%

Receives money from someone in the household
15%

Casual/manual work
11%

State/public wages
9%

Wages from private companies/mining company
9%

Wages from a farm
7%

Wages from an individual employer
6%

Handicrafts/sells harvests from nature
(grass, firewood, charcoal)
3%

Remittances (receives money or goods from
family/friends/other person/organization
or NGO abroad or at home)
2%

Private pension
1%

State/Government pension
1%

MAIN SOURCE OF INCOME

SDG 8 – Promoting inclusive and sustainable growth, employment and decent work for all.

8% **FORMAL**

92% **INFORMAL**
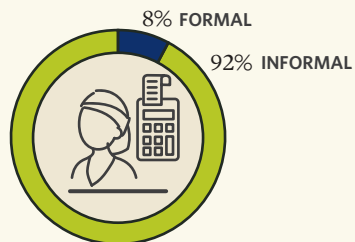
SELF-EMPLOYED

Formal sources of income—characterised by the regular and documented entry of funds, typically include:

• Salary from government or private company.
• State pension or private pension.
• Rental income, savings interest, investments, dividends, common funds, business.

Informal sources—characterised by small, irregular, and undocumented flows of funds, typically include:

• Agriculture and fishing.
• Self-employment, remittances, informal employment.
• Salary of an individual employer.
• Hunting/poaching, crafts.

5 GENDER EQUALITY

SDG 5 – Achieving gender equality and empowering all women and girls.

More women (44%) are self-employed, and more earn no income (19%). The percentage of men in formal employment is about double that of women.

Self-employed — 44% / 37%
Formal employment — 11% / 21%

Informal employment — 14% / 16%
No income (don't get money) — 19% / 14%
Farming and fishing — 6% / 7%
Remittance-dependent — 3% / 2%
Government-dependent — 1% / 1%
Other — 1% / 1%
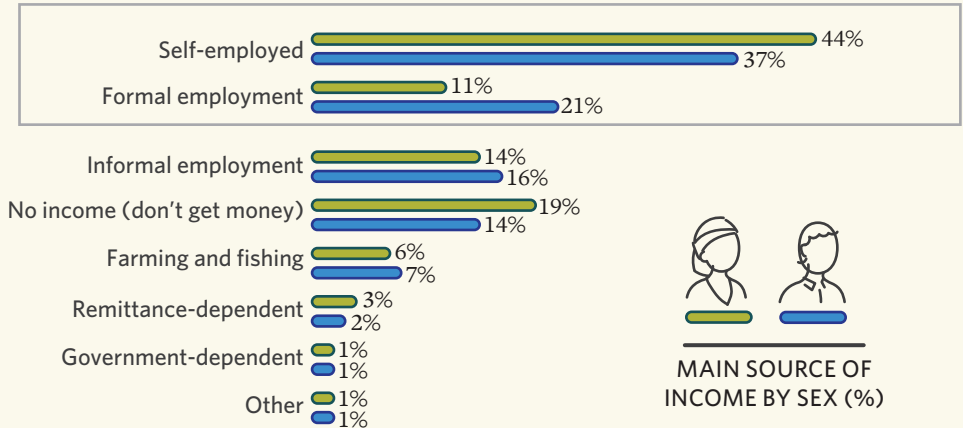
MAIN SOURCE OF INCOME BY SEX (%)

Self-employment (INFORMAL) — 93% / 89%
Self-employment (FORMAL) — 7% / 11%
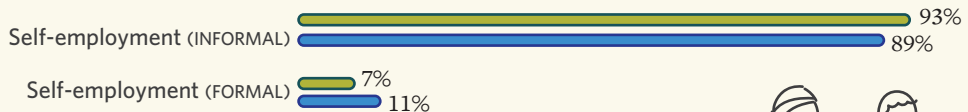
SELF-EMPLOYMENT BY SEX (%)

13

Financial inclusion framework

Angolan adult population aged 15 or older (18.227.256)

FINANCIALLY INCLUDED:
Has/uses financial products and/or services
– formal and/or informal.

FINANCIALLY EXCLUDED:
does not have/use financial products and/or
services – whether formal and/or informal.

FORMALLY SERVED:
Has/uses financial products and/or services
provided by a formal financial institution (bank
and/or non-bank). A formal financial institution
is regulated by law and authorised institutions.

INFORMALLY SERVED:
Has/uses financial products and/or services
that are not regulated and operate outside a
recognised legal framework (eg. savings group,
funerary association).

BANKED:
Has/uses financial products and/or services provided
by a bank, regulated by authorised institutions.

**SERVED BY OTHER FORMAL FINANCIAL
INSTITUTIONS:**
Has/uses financial products and/or services
provided by regulated non-banking financial product
providers, (eg. microfinance, mobile money, etc).

Overlaps

Financially included consumers tend to mix financial products and services to meet their financial needs
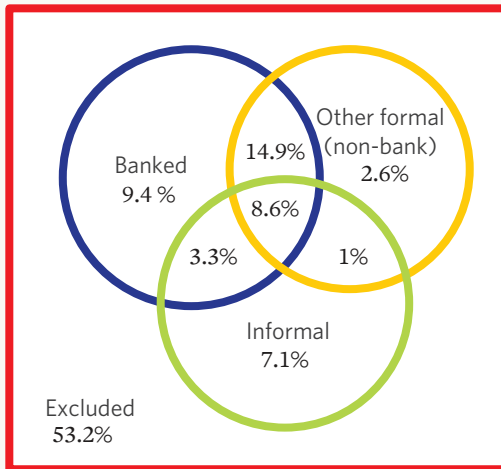
- 12.9% mix formal and informal mechanisms to meet their financial needs, thus indicating that their needs are not fully met by the formal sector;
- 9.4% use banking services exclusively, while 2.6% use exclusively other formal mechanisms;
- 8.6% mix banking, other formal and informal products;
  7.1% of the population depends exclusively on informal mechanisms, (e.g. Kixiquila) for savings, loans and risk management.

Access to financial products

More people are financially excluded (53%), while 40% are formally served, mostly by banking institutions. There are significant segments that rely on informal mechanisms (20%), justifying efforts to deepen and increase financial inclusion.

Formal and informal financial inclusion	47%
Formally served (Banked+Other formal)	40%
Banked	36%
Other formal (non-bank) inc. MM	28%
Mobile money	6%
Informal	20%
Excluded	53%

Financial Access Strand

36%	4%	7%	53%
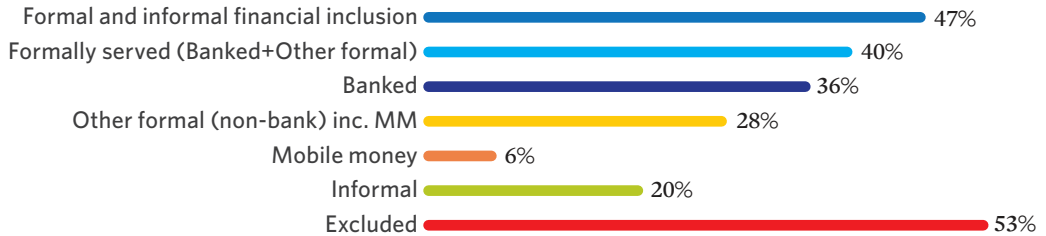
Banked | Other formal (non-bank) | Informal only | Excluded

Higher formal financial inclusion (banking) among adults in urban areas and, overall, the majority of women are financially excluded.

Financial inclusion by location

Urban 48% 5% 7% 40%

Rural 15% 2% 6% 77%

Financial inclusion by gender

Male 44% 4% 6% 46%

Female 29% 3% 8% 60%
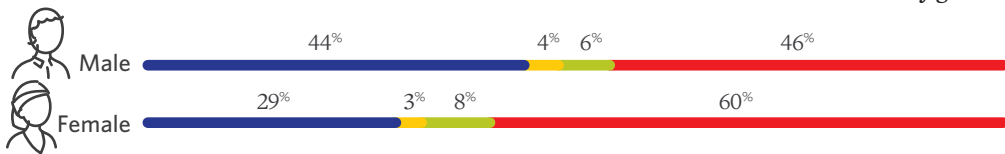
Adult respondents with lower levels of education and the elderly are more likely to be financially excluded.

Financial inclusion by education level

Secondary and higher 47% 6% 7% 41%

Primary and below 14% 2% 6% 78%

Financial inclusion by age

15-35 years 35% 5% 7% 53%

36-60 years 39% 2% 7% 52%

60+ years 34% 1% 5% 60%

● Banked ● Other formal (non-bank) ● Informal only ● Excluded

17
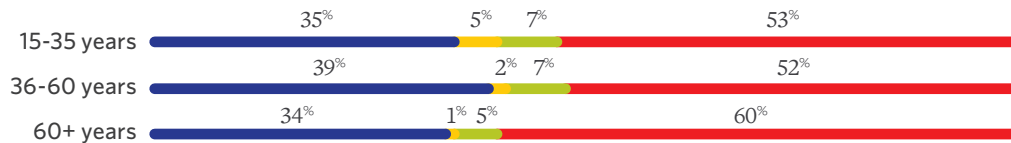
Regional comparison

Relative to SADC countries, Angola has a lower financial inclusion rate

Country	Banked	Other formal (non-bank)	Informal only	Excluded
Angola 2022	36%	4%	7%	53%
DRC 2014	12%	24%	12%	52%
Malawi 2014	27%	7%	15%	51%
Mozambique 2019	21%	22%	11%	46%
Madagascar 2016	12%	17%	30%	41%
Zambia 2020	21%	40%	8%	31%
Namibia 2017	68%	5%	5%	22%
Tanzania 2017	22%	54%	6%	19%
Botswana 2020	56%	26%	3%	15%
eSwatini 2018	52%	33%	2%	13%
Zimbabwe 2022	46%	37%	4%	12%
Mauritius 2014	85%	3%	2%	10%
Lesotho 2021	39%	48%	4%	9%
Seychelles 2016	94%	1%	2%	3%
South Africa 2022	82%	14%	2%	2%

Legend: ● Banked ● Other formal (non-bank) ● Informal only ● Excluded

By primary means of income

Respondents who rely on agriculture, self-employment,
and odd jobs are more likely to be financially excluded

	Banked	Other formal (non-bank)	Informal only	Excluded
Government Dependent	94%	1%		5%
Salary from public sector	89%	1%	1%	9%
Salary from private sector	73%	3%	4%	20%
Remittance Dependent	47%	7%	9%	37%
Self-employed	34%	3%	9%	54%
Informal sector incl. piece jobs	20%	5%	7%	68%
Farmers	15%	3%	12%	70%

● Banked   ● Other formal (non-bank)   ● Informal only   ● Excluded
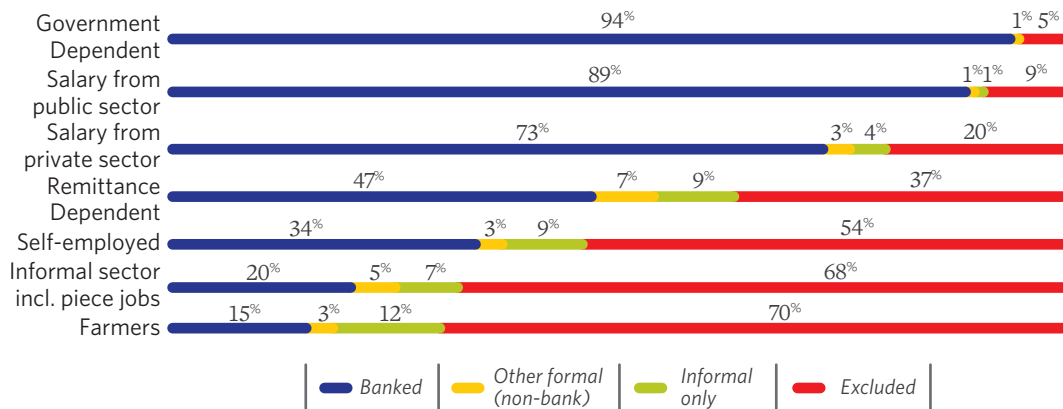
Financial Access in Angola in 2022
- The rate of financial exclusion was 53% in 2022, the highest among SADC countries.
- Formal financial inclusion stood at 40% percent, driven primarily by banking products.
- The banked population was 36%.
- The rate of use of other formal (non-bank) financial products and services was 27%.
- Mobile money penetration was low, at 6%.
- A notable contribution to financial inclusion was made by informal financial products and services, used by 20% of Angolans.
- However, it should be noted that Angolans used a mix of financial products and services, with 12.9% using formal and informal products, 9.4% using banking services exclusively, and 7.1% exclusively using informal mechanisms to meet their financial needs.

TRANSACTIONAL ACCOUNTS
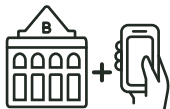
Banking & mobile money

36% of adult Angolans have a transactional platform or account that allows them to transact digitally via a bank account or mobile money (MM).

Live in urban areas — 52%

Attained primary or lower education — 45%

Are female — 58%

36% Have access to a bank account /mobile money

29%

6%

1%

TRANSACTIONAL ACCOUNT (BANK/MM)%
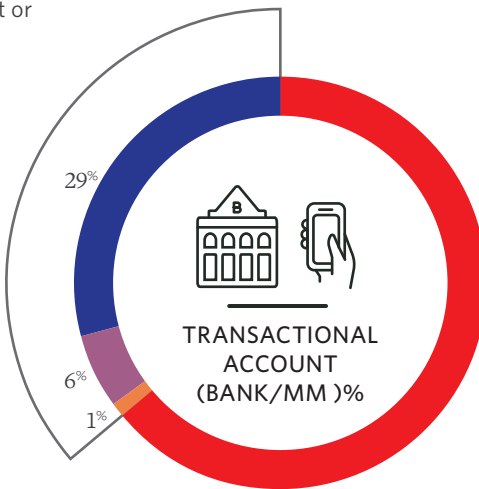
64% Have no transaction account

Urban 48%
Rural 15%
Male 43%
Female 29%
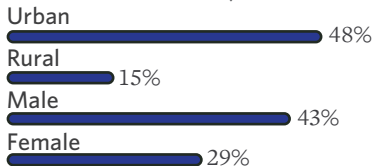
35% BANK ACCOUNT

6% MOBILE MONEY

- Bank account only
- Bank & mobile money accounts
- Mobile money account only
- No transaction account

Significant differences in transactional account penetration
by sex and location, but not so much by age

Transactional account
(Banking/mobile money)

Urban — 38% | 9% | 1% | 52%
Rural — 14% | 1% | 85%

Male — 35% | 8% | 57%
Female — 24% | 4% | 1% | 71%

15-35 years — 28% | 7% | 1% | 64%
36-60 years — 33% | 5% | 62%
60+ years — 31% | 3% | 66%

Legend:
- *Bank account only*
- *Bank & mobile money accounts*
- *Mobile money account only*
- *No transaction account*
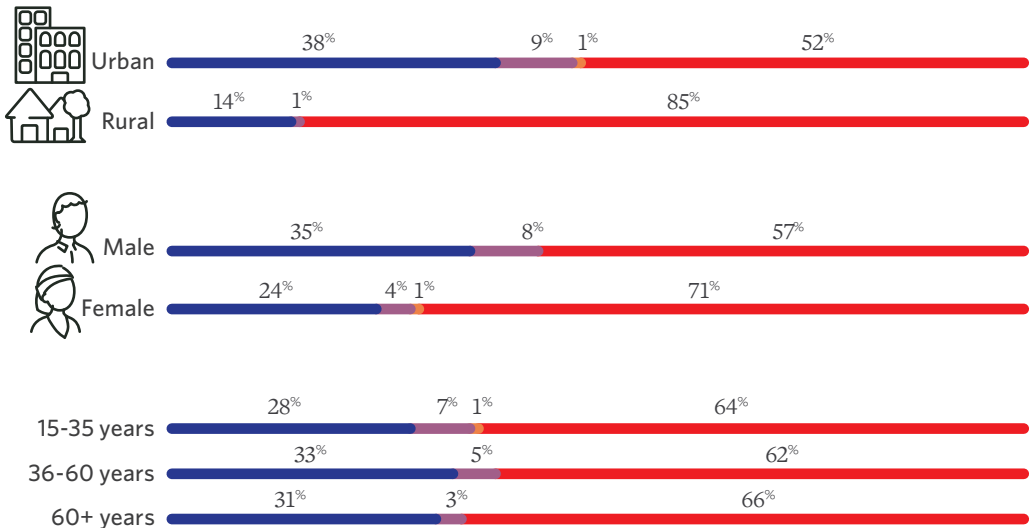
LANDSCAPE PRODUCTS

Banking

About 36% of Angolans are banked.

64%
(11 635 058)
Unbanked
adults in Angola

18 227 256
TOTAL ADULT POPULATION

36%
(6 592 198)
Banked
adults in Angola
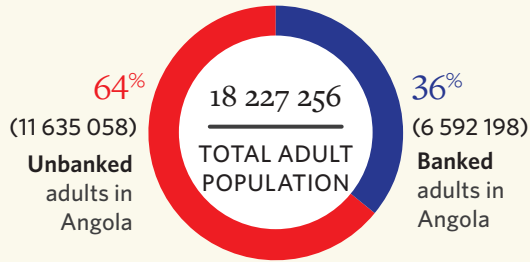
Penetration
Individuals between 26-35 years old, urban residents, men, and residents of Luanda and Namibe were more likely to use banking services.

Bank product penetration by location, sex, age and departments

Urban 48%
Rural 15%

Male 44%
Female 29%

15-25 years 28%
26-35 years 45%
36-60 years 39%
60+ years 34%

Cunene 11%
Uíge 19%
Huíla 22%
Lunda Norte 22%
Bié 23%
Moxico 23%
Cuando Cubango 25%
Cuanza Norte 27%
Malanje 27%
Huambo 27%
Lunda Sul 27%
Bengo 34%
Cuanza Sul 34%
Cabinda 36%
Zaire 36%
Benguela 38%
Namibe 43%
Luanda 58%

51% High (daily/weekly)

36%
Banked adults
in Angola

31% Moderate (monthly)

18% Infrequent (occasionally/ not used)
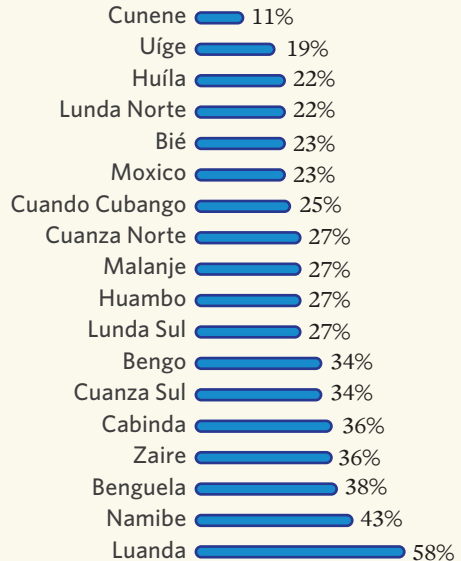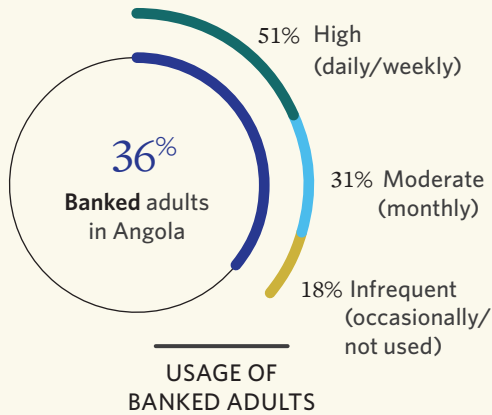
USAGE OF
BANKED ADULTS

Banked: usage

82% of banked adults use their bank accounts monthly or more often – mostly to withdraw money and pay balances.

MAIN TRANSACTIONS CARRIED OUT AT LEAST MONTHLY (30%[1])

1. Corresponding to 82% of adults who use their bank accounts monthly or more often, of the 36% banked
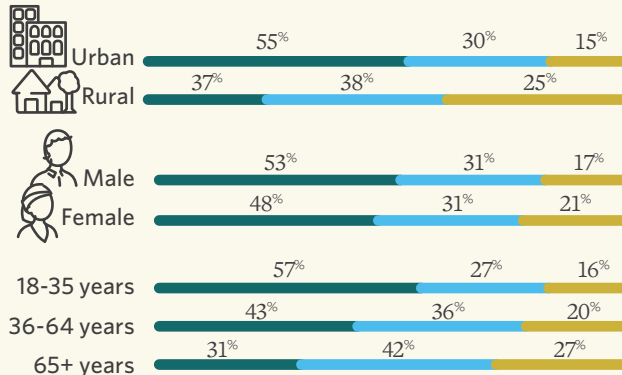
Transaction	%
Withdraw money	84%
Pay balance (voice, data, television)	71%
Pay bills/expenses/purchases	66%
Deposit money/save money	65%
Receive/transfer money	58%
Pay for utilities, e.g. electricity, water	54%

Usage by sex, location, and age

	High (daily/weekly)	Moderate (monthly)	Infrequent (occasionally/not used)
Urban	55%	30%	15%
Rural	37%	38%	25%
Male	53%	31%	17%
Female	48%	31%	21%
18-35 years	57%	27%	16%
36-64 years	43%	36%	20%
65+ years	31%	42%	27%

High (daily/weekly)
Moderate (monthly)
Infrequent (occasionally/not used)

23

LANDSCAPE PRODUCTS

*Bank product penetration
by departments*

Department	High (daily/weekly)	Moderate (monthly)	Infrequent (occasionally/not used)
Bengo	52%	29%	19%
Benguela	41%	38%	21%
Bié	29%	51%	20%
Cabinda	38%	43%	18%
Cuando Cubango	42%	34%	25%
Cuanza Norte	36%	46%	19%
Cuanza Sul	28%	29%	43%
Cunene	45%	27%	27%
Huambo	42%	34%	24%
Huíla	32%	40%	28%
Luanda	66%	24%	11%
Lunda Norte	29%	35%	37%
Lunda Sul	32%	53%	15%
Malanje	38%	40%	23%
Moxico	36%	31%	33%
Namibe	48%	35%	17%
Uíge	49%	36%	15%
Zaire	37%	37%	25%

Legend:
- High (daily/weekly)
- Moderate (monthly)
- Infrequent (occasionally/not used)

Drivers of usage

Bank account (normal) — 61%
Debit card/multi-box — 57%
Savings account — 9%
Simplified account (e.g. Bankita) — 3%
Internet banking — 4%
Mobile Banking — 1%

Banking product usage is primarily driven by transactional products

USAGE OF BANKING PRODUCTS (36%)

Obstacles to the usage of bank accounts

No need – no income /low income — 45%
Don't understand how they work — 14%
Does not have the necessary documentation — 13%
Can't keep the balance minimum — 12%
Don't know how to open an account — 10%
— 5%
Don't understand the benefits of having an account — 4%
Services are too far away or transportation is too difficult — 4%
— 3%
Does not understand the financial terms used — 2%
Don't trust the banks It's hard to raise money when I need it — 2%

The most cited reason among the 64% unbanked Angolans is insufficient income; followed by a set of factors linked to financial literacy and the minimum requirements for acquiring products.

OBSTACLES TO THE USAGE OF BANK ACCOUNTS (64%)[1]

1. No gráfico apresentado, incluem-se as categorias mais relevantes a nível percentual

Mobile money

While 72% of all respondents have access to a mobile phone, mobile payments penetration is very low, with only 6% of all respondents having registered accounts.

60% own a mobile phone

6% own a mobile phone and use mobile payments

12% do not own but use mobile phones

0.3% don't own their own mobile phone but use mobile payments
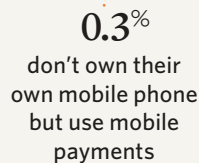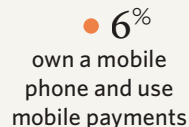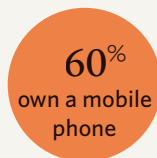
Mobile money penetration by location, sex, age and departments

Urban 9%
Rural 1%

Male 8%
Female 5%

15-25 years 5%
26-35 years 12%
36-60 years 9%
60+ years 3%

Cunene 1%
Cuando Cubango 1%
Bengo 1%
Moxico 2%
Lunda Sul 2%
Lunda Norte 2%
Huíla 2%
Uíge 2%
Cuanza Norte 3%
Cuanza Sul 3%
Cabinda 4%
Malanje 4%
Benguela 4%
Bié 4%
Zaire 5%
Huambo 5%
Namibe 6%
Luanda 14%
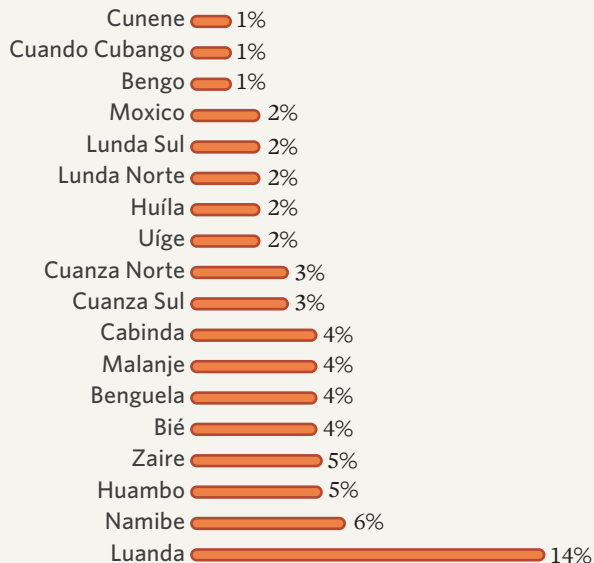
**Mobile money:
usage**

Receiving/transferring money to a bank account is the most commonly performed transaction among mobile money users. Understanding the characteristics of those who use mobile money can help boost usage in the rest of the population.

22% *High (daily/weekly)*

10% *Moderate (monthly)*

68% *Infrequent (occasionally /not used)*

FREQUENCY OF USE (6%)

Receive amounts from/transfer amounts to another digital wallet — 85%

Receive amounts from/transfer values to a remittance operator — 31%

Receive amounts from/transfer amounts to another mobile payment operator — 12%

Receive amounts from/transfer amounts to the same mobile payment operator — 2%

Receive amounts from/transfer amounts to a bank account — 1%

OPERATIONS CARRIED OUT
AT LEAST MONTHLY (33%)

Mobile money: challenges

Reliability of services and difficulty in using the service/menus are the main challenges in the mobile money market.

I have no money to send or receive through these services — 39%
I have no confidence in the providers of these services — 18%
I don't have a SIM — 16%
No reason — 14%
I never thought of that — 11%
I don't have frequent internet access — 9%
I can't afford the costs of these services — 9%
I do not meet the conditions to use these services — 8%
I don't have a mobile phone — 8%
I don't know how to use these services — 7%
I don't have enough information about these services — 7%

BARRIERS TO THE USE OF MOBILE MONEY (94%)[1]

There was no system — 20%
Difficulty in operating the mobile /navigating the menu — 11%
Transfer values to the wrong destination — 3%
Delay in receiving refund when a transaction didn't work — 3%
Access to an agent — 3%
Lack of clarity about usage fees — 2%
Family/friends stole balance — 1%
Suspected fraud — 1%
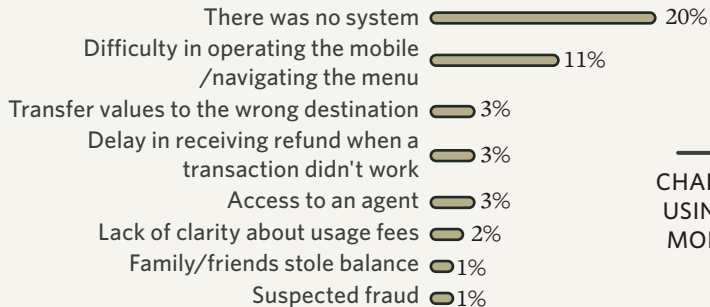
CHALLENGES IN USING MOBILE MONEY (6%)[1]

1. In the graphs presented, the most relevant categories are included at the percentage level

Savings and investments (%)

76% do not save. Among the 24% who save, there is greater reliance on informal mechanisms, including keeping money at home, than formal savings.

Savings Strand (%)

7%   1%   12%   4%   76%

Savings at bank	Other formal (non-bank)	Informal	At home/secret place only	Not saving

Banking products ▬ 7%

Other formal (non-bank) ▬ 2%

Informal ▬▬ 17%

Save at home ▬ 9%

Not saving ▬▬▬▬▬▬▬▬▬▬ 76%

29

Savings and investments: financial terminology

Among individuals who save or invest (24% of the population), the most frequent type of investment is in their own business(16%).

Investment in your own business — 16%
Real estate — 6%
Other movable property, e.g. motor vehicles — 6%
Cattle and/or other livestock/agricultural crops/agricultural equipment or installations — 6%
Investment in someone else's business — 2%
Jewelry/precious minerals (gold,...) — 1%
Purchase of shares/assets — 1%
Investments outside the country, including real estate or other assets — 0.4%
Food products (general) — 0.3%

TYPES OF INVESTMENTS MADE (24%)

Capital markets — 17%
Actions — 17%
Stock exchange — 15%
Mobile payments — 14%
Digital wallet
Common funds — 11%
Financial derivatives — 10%
Other Investments, e.g. Negotiable — 4%
Certificate of Deposit — 3%
Government-issued fixed-income securities, e.g. Bonds or Treasury Bills — 3%
Consumer risk score (credit score) — 3%

FAMILIARITY WITH THE FOLLOWING TERMS (%)

Savings and investments: obstacles

Among the 76% who do not save or invest, the main reason cited was insufficient disposable income.

No money left over after expenses — 54%
Have no income/money to save — 33%
Don't know that — 7%
Never thought of it — 3%
Prefer to spend money on the things I need now — 2%
Someone's going to take care of me, so I don't need to — 1%
No need to save — 1%

REASONS FOR NOT SAVING (76%)

There's no money left for that — 60%
Lack of knowledge and information — 27%
It's hard to open an account — 7%
Lack of customer-adapted products — 7%
Doesn't need/matter — 5%
Lack of investor protection — 3%
I have other priorities — 2%

REASONS FOR NOT INVESTING (%)

Borrowing and credit

Credit from bank ● 2%
Credit from other formal (non-bank) ● 0.1%
Credit from informal sources ● 3%
Family/friends ● 10%
Not borrowing ● 88%

Credit consumption is low, although slightly more pronounced among civil servants. Most people, if they seek a loan, do so from family and friends.

Credit Strand (%)

2% 3% 7% 88%

Credit Strand by profession (%)

Entrepreneur 12% 1% 2% 13% 72%
Farmer 2% 9% 89%
Civil servant 4% 8% 88%

● Credit at bank | ● Credit at other formal (non-bank) | ● Credit at informal mechanisms | ● Borrow from friends/family | ● Do not borrow

**Borrowing and credit:
preferences**

Among those who sought a loan, most did
so from family and friends.

Credit from bank — 3%
-- 1%

Credit from other formal
(non-bank) — 0%

Credit from informal sources — 3%
-- 3%
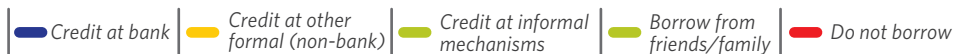
Family/friends — 8%
-- 7%

Not borrowing — 86%
-- 89%

Male —
Female - - - -

Credit from bank — 3%

Credit from other formal
(non-bank) — 0%

Credit from informal sources — 4%
-- 1%

Family/friends — 9%
-- 6%

Not borrowing — 85%
-- 93%

Urban —
Rural - - - -

Credit from bank — 2%
-- 2%

Credit from other formal
(non-bank) — 1%

Credit from informal sources — 3%
-- 3%

Family/friends — 8%
-- 6%

Not borrowing — 87%
-- 88%

Aged 15-35 —
Aged 36+ - - - -

Borrowing and credit:
reasons

Most of those seeking loans did so to cover food expenses. Most of those who did not seek loans feared debt and were concerned about their ability to make repayments.

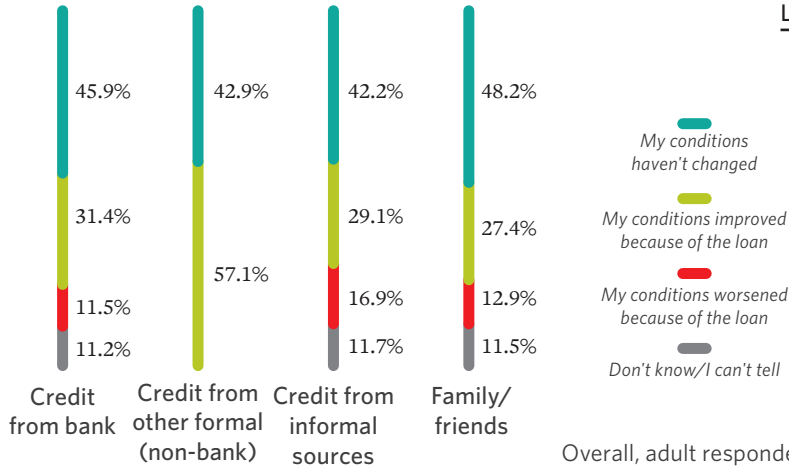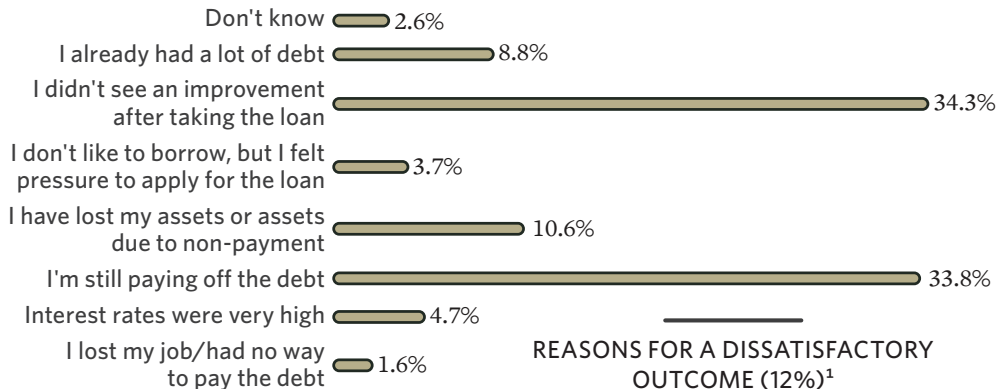| Reasons for seeking credit (12%)[1]	
To buy food	32%
Medical expenses, both planned and emergency	29%
Non-medical emergencies	15%
Normal expenses, e.g. non-essential food, clothing	7%
Education or school fees	7%
Launch or develop a business	5%
A wedding or other family celebration	4%
To pay for water	4%
Construction or rehabilitation of the house	3%
Agricultural/fishing expenditure	3%
Pay off another debt	3%
Purchase of appliances, goods or furniture	3%
To buy stock/materials for business	2%

REASONS FOR SEEKING CREDIT (12%)[1]

Reasons for not seeking credit (88%)[1]	
Fear of debt	28%
Fears of not being able to make the payments	20%
No specific reason	14%
No need	12%
Don't know where you can apply for a loan	3%
No credit score/profile	2%
No guarantees	2%
Interest rates are very high	2%
Don't want to pay late or be known for such	2%
Fears being denied	2%
Don't know how to apply for a loan	2%
Asked, but was denied	1%

REASONS FOR NOT SEEKING CREDIT (88%)[1]

1. In the graph presented, the most relevant categories are included at the percentage level

Borrowing and credit:
outcomes

Credit from bank: 45.9% / 31.4% / 11.5% / 11.2%

Credit from other formal (non-bank): 42.9% / 57.1%

Credit from informal sources: 42.2% / 29.1% / 16.9% / 11.7%

Family/friends: 48.2% / 27.4% / 12.9% / 11.5%

My conditions haven't changed

My conditions improved because of the loan

My conditions worsened because of the loan

Don't know/I can't tell

LOAN OUTCOMES, BY STRAND (12%)

Overall, adult respondents who had taken loans had a more positive experience in the formal (non-banking) sector, while unsatisfactory results were proportionately higher in the informal sector.

Don't know — 2.6%

I already had a lot of debt — 8.8%

I didn't see an improvement after taking the loan — 34.3%

I don't like to borrow, but I felt pressure to apply for the loan — 3.7%

I have lost my assets or assets due to non-payment — 10.6%

I'm still paying off the debt — 33.8%

Interest rates were very high — 4.7%

I lost my job/had no way to pay the debt — 1.6%
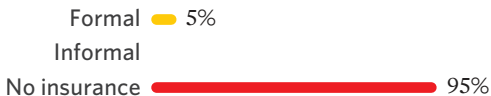
REASONS FOR A DISSATISFACTORY OUTCOME (12%)[1]

1. In the graph presented, the most relevant categories are included at the percentage level

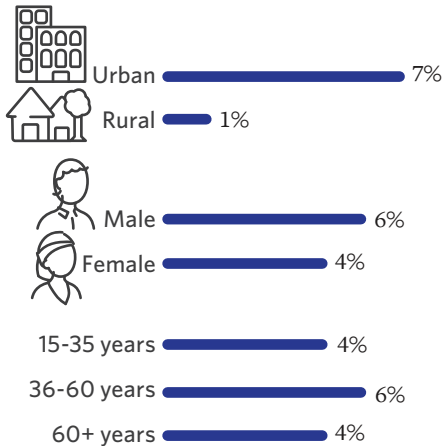## Insurance and risk management

Only 5% of adults have insurance, in all cases formal, and mostly in urban areas

Formal ▬ 5%
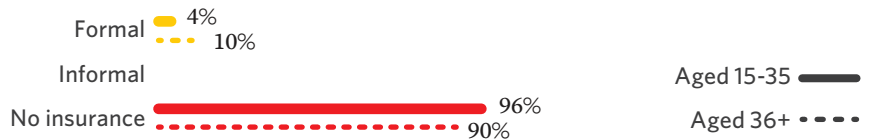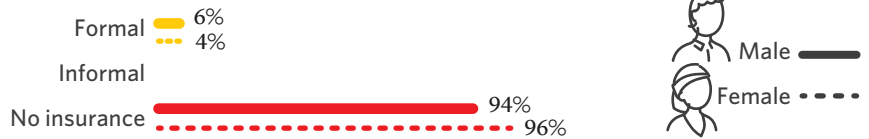Informal
No insurance ▬▬▬▬▬▬▬ 95%

PERSONAL RISK INSURANCE (%)

5% Yes

95% No

Insurance penetration by sex, location and age (%)

Urban ▬▬▬▬▬ 7%
Rural ▬ 1%

Male ▬▬▬▬ 6%
Female ▬▬▬ 4%

15-35 years ▬▬▬ 4%
36-60 years ▬▬▬▬ 6%
60+ years ▬▬▬ 4%

Insurance and risk management: trends

Individuals under the age of 36 and those living in rural areas are less likely to be insured.

Formal   6%
          4%
Informal
No insurance   94%
                96%

Male
Female

Formal   7%
          1%
Informal
No insurance   93%
                99%

Urban
Rural

Formal   4%
          10%
Informal
No insurance   96%
                90%

Aged 15-35
Aged 36+

Insurance and risk management: product penetration

The greatest penetration is by auto and health insurance – familiarity and cost are the main obstacles

Car insurance	49%
Health insurance	42%
Employer insurance (public or private)	18%
Life insurance	7%
Housing insurance	7%

PRODUCT PENETRATION
AMONG POLICYHOLDERS (5%)

Never heard of it	35%
There is no way to pay insurance	32%
Don't know how it works	20%
Never thought of that	18%
Don't see the need	14%
Don't know how or where to get it	12%
Don't know/didn't answer	10%
You have nothing to assure	6%
It does not trust insurance or providers	2%
Insurance is for rich people	2%
Protects yourself in other ways	2%
Insurance does not justify the cost	1%
Don't think that misfortunes will happen	1%
If there is misfortune, you pay with your own money	1%

OBSTACLES TO
INSURANCE (95%)[1]

1. In the graph presented, the most relevant categories are included at the percentage level
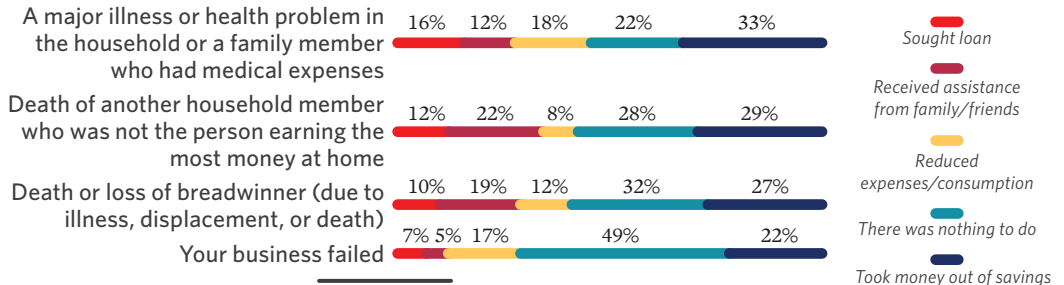
Adverse events with a significant financial impact

Few indicated an adverse event with high financial impact in the last 12 months – among these the majority cited the illness of a loved one as the most frequent event.

A major illness or health problem in the household or a family member who had medical expenses — 14%

Your business failed — 9%

Death or loss of income of the person earning the most money at home (due to illness, displacement, exoneration or death) — 7%

Death of another household member who was not the person earning the most money at home — 7%

Lost savings/job/source of income — 3%

Lost crop/livestock due to natural cause (e.g. floods, storm) or animal disease — 2%

Lost home/assets (theft, fire) — 1%

Conflict/instability (with other people, authority) has harmed your locality or income — 1%

ADVERSE EVENT WITH HIGH FINANCIAL IMPACT IN THE LAST 12 MONTHS (%)

The most frequent response to adverse events with high financial impact is to do nothing or take money out of savings.

A major illness or health problem in the household or a family member who had medical expenses — 16% | 12% | 18% | 22% | 33%

Death of another household member who was not the person earning the most money at home — 12% | 22% | 8% | 28% | 29%

Death or loss of breadwinner (due to illness, displacement, or death) — 10% | 19% | 12% | 32% | 27%

Your business failed — 7% | 5% | 17% | 49% | 22%

Sought loan

Received assistance from family/friends

Reduced expenses/consumption

There was nothing to do

Took money out of savings
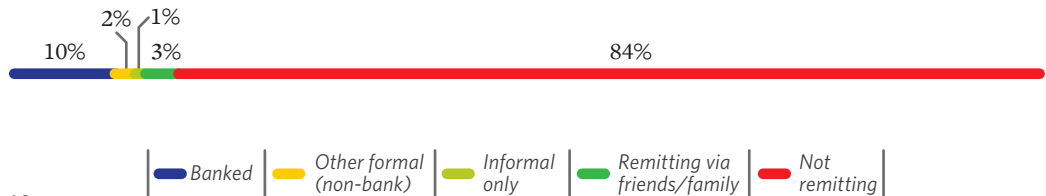
RESPONSE TO ADVERSE EVENTS WITH HIGH FINANCIAL IMPACT (%)

Remittances

Among the 16% of adult respondents who sent or received remittances, they did so mostly through banking channels.

Bank	
Other formal (non-bank)	3%
Informal	2%
Friends/family	4%
Not remitting	84%

Remittances Strand (%)

Remittances include only those who have sent or received money from their family members (relatives, other dependents) and/or friends. It excludes other money transfers between persons (e.g., exchanges of services or goods).
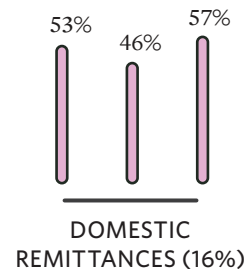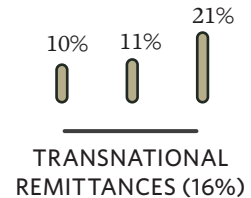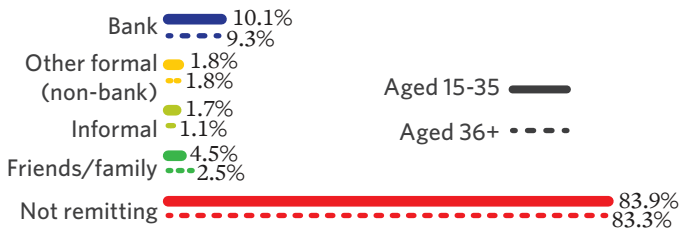
10%   2% 1%
          3%   84%

Banked | Other formal (non-bank) | Informal only | Remitting via friends/family | Not remitting

**Remittances:
trends**

Although low among all segments, individuals in urban areas tend to send and receive remittances more than in rural areas.
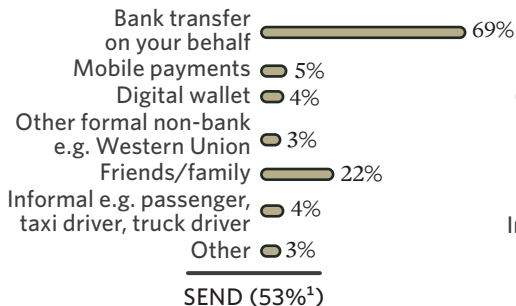
Among the 16% who sent or received remittances, Angolans were more likely to send/receive remittances domestically rather than transnationally.
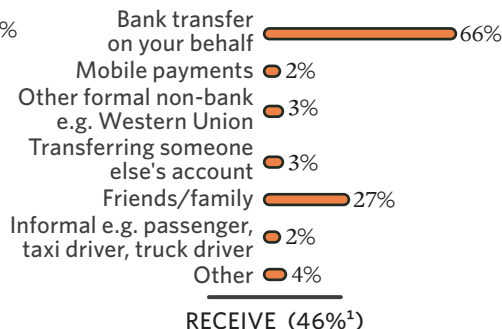
Bank — 11.4%
····· 8.3%
Other formal (non-bank) — 2%
— 1.6%
Informal — 1.2%
·· 1.7%
Friends/family — 3.1%
··· 3.4%
Not remitting — 82%
····· 83%

Male ——
Female ····

Bank — 13.9%
·· 2.4%
Other formal (non-bank) — 2.4%
— 0.8%
Informal — 2.1%
· 0.4%
Friends/family — 3.3%
·· 3.1%
Not remitting — 78.3%
····· 93.3%

Urban ——
Rural ····

Bank — 10.1%
····· 9.3%
Other formal (non-bank) — 1.8%
·· 1.8%
Informal — 1.7%
· 1.1%
Friends/family — 4.5%
··· 2.5%
Not remitting — 83.9%
····· 83.3%

Aged 15-35 ——
Aged 36+ ····

10%   11%   21%

TRANSNATIONAL
REMITTANCES (16%)

53%   46%   57%

DOMESTIC
REMITTANCES (16%)

LANDSCAPE PRODUCTS

Remittances: Domestic

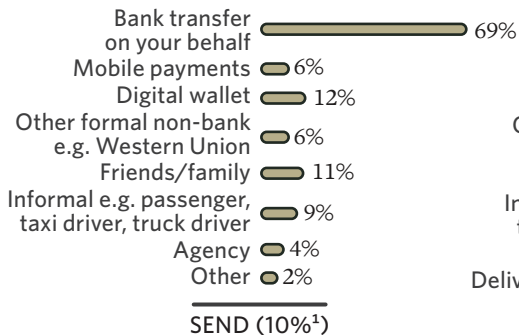Bank transfer is most often used to remit money in the country, followed by via friends and family.

Bank transfer on your behalf — 69%
Mobile payments — 5%
Digital wallet — 4%
Other formal non-bank e.g. Western Union — 3%
Friends/family — 22%
Informal e.g. passenger, taxi driver, truck driver — 4%
Other — 3%

SEND (53%[1])

1. Of the 16% of adults who have sent or received remittances

Bank transfer on your behalf — 66%
Mobile payments — 2%
Other formal non-bank e.g. Western Union — 3%
Transferring someone else's account — 3%
Friends/family — 27%
Informal e.g. passenger, taxi driver, truck driver — 2%
Other — 4%

RECEIVE (46%[1])

1. Of the 16% of adults who have sent or received remittances

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Remittances: Transnational

Banking channels are most frequently used to send and receive cross-border remittances. It is notable that digital wallets are the second most-used channel for cross-border remittances.
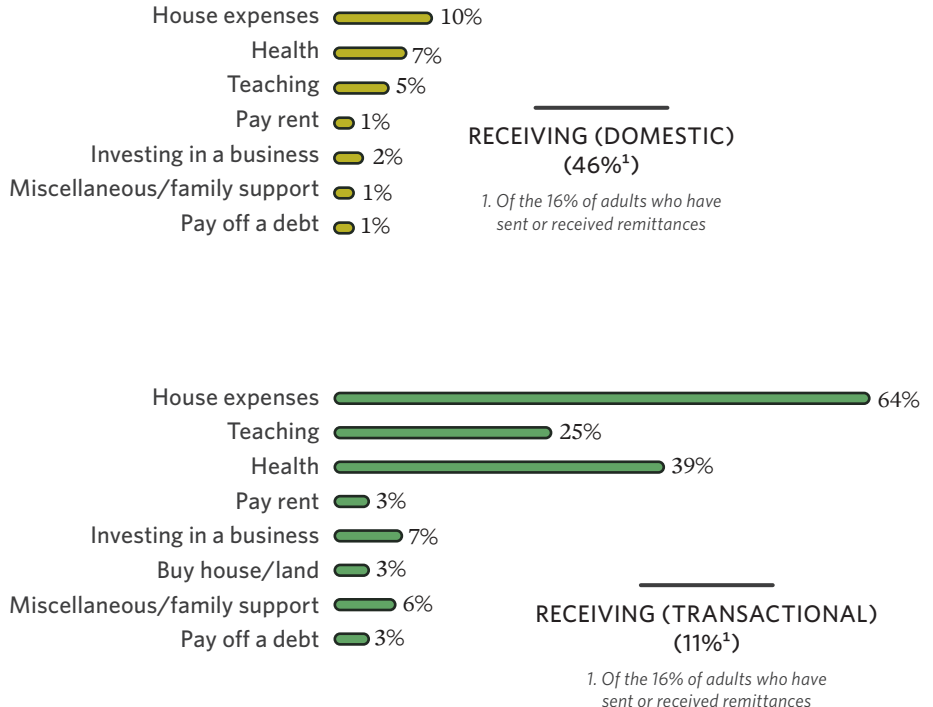
Bank transfer on your behalf — 69%
Mobile payments — 6%
Digital wallet — 12%
Other formal non-bank e.g. Western Union — 6%
Friends/family — 11%
Informal e.g. passenger, taxi driver, truck driver — 9%
Agency — 4%
Other — 2%

SEND (10%[1])

1. Of the 16% of adults who have sent or received remittances

Bank transfer on your behalf — 53%
Mobile payments — 3%
Digital wallet — 4%
Other formal non-bank e.g. Western Union — 7%
Friends/family — 4%
Informal e.g. passenger, taxi driver, truck driver — 29%
Agency — 9%
Delivery Service (e.g. DHL) — 5%
Other — 4%

RECEIVE (13%[1])
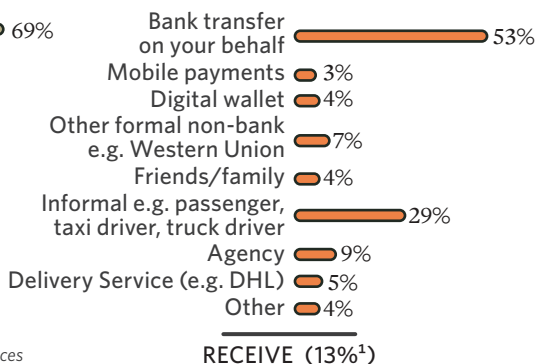
1. Of the 16% of adults who have sent or received remittances

Remittances: Usage and drivers
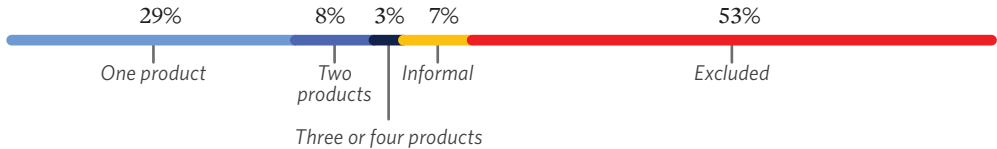Remittances are mainly used to cover household expenses.

House expenses ▭ 10%
Health ▭ 7%
Teaching ▭ 5%
Pay rent ▭ 1%
Investing in a business ▭ 2%
Miscellaneous/family support ▭ 1%
Pay off a debt ▭ 1%

RECEIVING (DOMESTIC)
(46%[1])

*1. Of the 16% of adults who have
sent or received remittances*

House expenses ▭ 64%
Teaching ▭ 25%
Health ▭ 39%
Pay rent ▭ 3%
Investing in a business ▭ 7%
Buy house/land ▭ 3%
Miscellaneous/family support ▭ 6%
Pay off a debt ▭ 3%

RECEIVING (TRANSACTIONAL)
(11%[1])

*1. Of the 16% of adults who have
sent or received remittances*

Depth Strand:
total products usage

Most financially included respondents use only one financial product
(whether formal or informal)

Depth Strand (%)

28%	14%	5%	53%
One product	Two products		Excluded

Three or four products
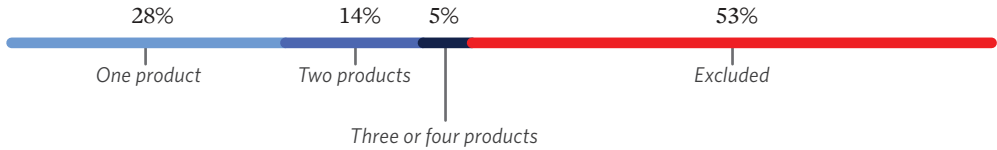
Depth Strand (*excluding Informal*) (%)

29%	8%	3%	7%	53%
One product	Two products		Informal	Excluded

Three or four products

Financial health

Financial inclusion and financial health are foundations of development. An inclusive and healthy financial system benefits all participants. About 60% of Angolans are assessed as financially vulnerable.

Healthy — 10%

Surviving — 31%

Vulnerable — 59%
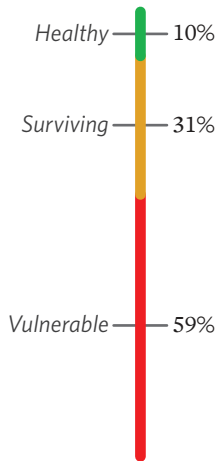
Dimensions of financial health	Low score[1]	Medium score[1]	High score[1]
Planning and priority setting (planning score)	43.8%	22.1%	34.2%
Ability to manage day-to-day (spending score)	73.0%	19.5%	7.6%
Build and maintain reserves (saving score)	63.1%	25.9%	11.0%
Ability to manage risks	58.6%	34.7%	6.7%

1 The Financial Health indicator is an aggregate average of each individual's ability to manage their finances. It returns a low, medium, or high health score. The methodology attributes a score to spending, saving, credit, and insurance behaviours. The indicator is widely used to identify and track the most vulnerable segments over time.

Financial Access Strands by Financial health:

There is a strong correlation between financial health and financial inclusion.

Healthy: 70% 3% 11% 16%

Surviving: 47% 4% 10% 39%

Vulnerable: 25% 4% 5% 66%

Banked   Other formal (non-bank)   Informal only   Excluded
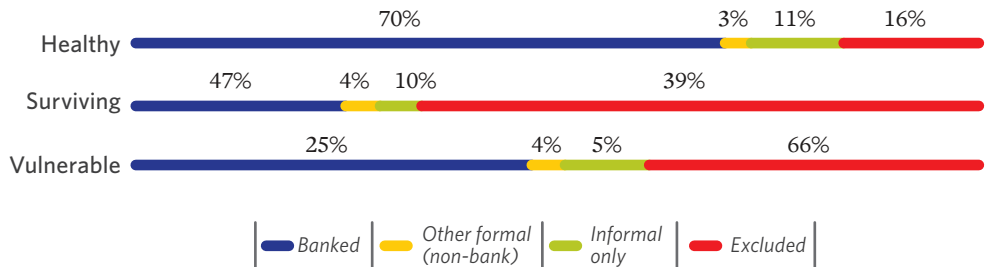
Public Sector policy implications

- Undertake the small business sector full scoping and baseline study, looking in detail at the challenges of and how MSMEs build resilience post-Covid-19. More importantly, build understanding of how to support the MSME sector. About 41% of the adult population are self-employed (own small businesses), therefore supporting the MSME sector with financial services and access to finance should spur economic growth.
- Develop a National Financial Inclusion Strategy that prioritises financial exclusion, deepens the financial inclusion of those with access to services, analyses the preference for 'informal services' through qualitative studies, promotes beneficial usage of the existing portfolio of products, and sets realistic targets for tracking the progress of the financial inclusion mandate. This may include:
  - Setting up a consultative process to ensure local buy-in and ownership by the various stakeholders; and
  - Developing financial inclusion champions within the various institutions to enhance mainstreaming and adoption of 'financial inclusion' as a national agenda.
- Develop a National Financial Education Strategy to support the roll-out of and complement the use of technology (technical capability) in fast-tracking financial inclusion. This is to reduce the potential digital divide as financial literacy is a prerequisite to a meaningful usage of financial services.

Private Sector policy implications

- Create an enabling environment and legislation supportive of 'Innovation' – e.g. regulatory sandboxing, product or innovation focused sandboxing, thematic sandboxing, cross-border sandboxing, etc.
- Encourage non-traditional financial providers (especially credit, insurance), including fintechs, to participate in the financial sector. This includes facilitating access for actors such as 'super-agents', mobile network operators, and telecommunications companies to operate in the financial sector.
- Encourage innovation and new fintech products for digitalising informal savings, informal credit and informal remittances, using fintech. Fintechs play a key role in increasing financial services provision, reach, and fostering competitiveness among market participants while delivering value to consumers.
- Promote 'inclusive micro-products' (micro-savings, micro-credit, micro-insurance) or nano-products – micro- and nano-financial products are 'minimalist' versions of regular financial products, scaled for microentrepreneurs and businesses. They help these customers manage their liquidity, usually without recourse to collateral, while adopting the patterns of the formal economy. They thus provide microentrepreneurs and businesses a point of entry to the formal economy, albeit scaled to their requirements.

Development partners

- Fund and implement a dedicated Nationally Representative Small Business Survey as two in five

adults rely on small businesses for their livelihoods. More data is needed to articulate the level of financial inclusion for small businesses, and for reporting and tracking.

- Support the processes and interventions that deepen financial inclusion by focusing on the 'usage and quality indicators' while promoting access to services for those currently excluded.
- Align the various financial legislations, policies, and Acts with the National Financial Inclusion Strategy (NFIS) to promote and place financial inclusion at their core.

Ownership of the Financial Inclusion Mandate (BNA)

- Continue prioritising financial consumer education through financial literacy programmes that will enable consumers to gain trust, knowledge, skills, attitudes, and behaviours to be aware of financial opportunities and make informed choices. Given the rise of DFS, the future will increasingly be digital. Consumer education should strengthen digital literacy. Channels for delivering messages are key in order to reach the targeted groups.
- Continue enabling regulatory environment: a conducive macro-economic environment is critical to ensure the achievement of financial inclusion goals. BNA is recommended to keep implementing measures that assist in increasing confidence in the financial sector by consumers—promoting transition to formality gradually and in a sustainable way.
- Strengthen sector and policy coordination to ensure

that financial inclusion priorities are streamlined among various government ministries and agencies as well as development partners programmes. Continued monitoring and evaluating of financial inclusion targets is key.

Potential actions to take

- Permit microcredit companies and other non-banking entities to take deposits (with appropriate prudential, infrastructural and capital regulations), allowing them access to the capital needed to innovate and reach more customers.
- Enable product and service providers to develop innovative products in the regulatory sandbox, followed by supervised pilots in the target market, as a first step in developing the legislative framework for the proposed activity.
- Collaborate with financial service providers to understand the working of and develop services to support the informal market. This facilitates a progressive and sustainable path to formality, based on incentives, rather than trying to transform the informal market to formal legislatively and at once.
- Incorporate telecommunications industry stakeholders into the financial inclusion strategy, given the reliance on telecommunications infrastructure to expand financial inclusion.
- Identify and reduce, consolidate, and remove bureaucratic barriers to financial inclusion (unnecessary documentation, physical presence, etc.) where common sense and technology permit.
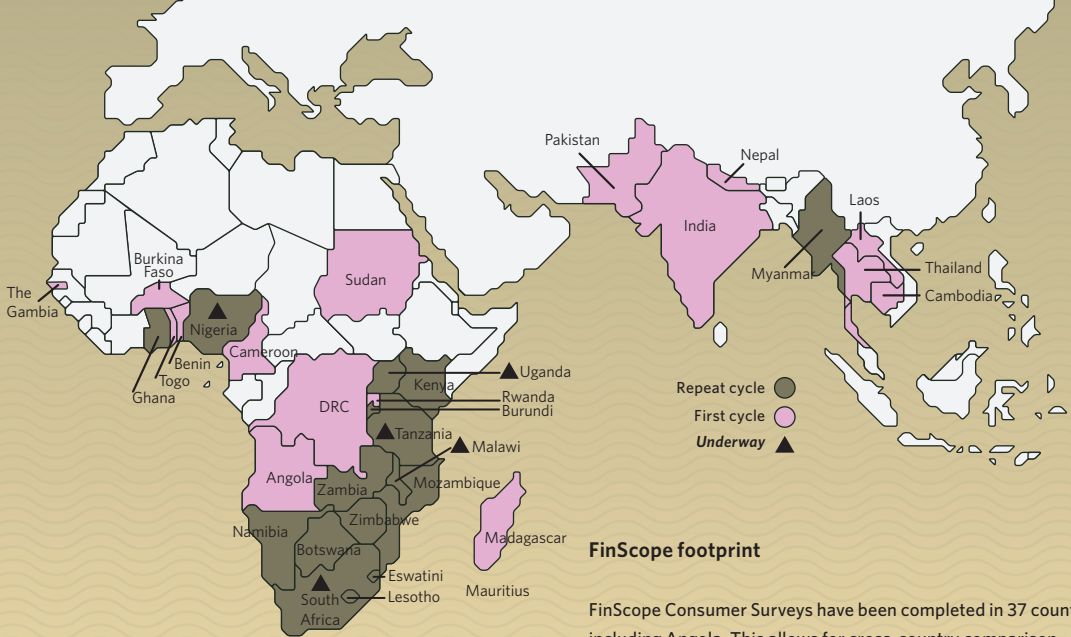
FinScope footprint

FinScope Consumer Surveys have been completed in 37 countries including Angola. This allows for cross-country comparison regionally and sharing of findings which are key in assisting on-going growth and strengthening the development of financial markets. Surveys are currently underway in 5 countries- 3 in SADC, 1 in East Africa and 1 in West Africa.

FinScope Angola 2022 contains a wealth of data based on a nationally representative sample of the adult population of Angola.

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