

Measuring Financial Access through Users' Surveys Core Concepts, Questions and Indicators

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1. Introduction

There is a growing recent recognition that improving the access of households and small enterprises to financial services can have both private and social benefits. One consequence of this recognition is a new effort to measure levels of financial access, which would permit both private and public agents to improve their policies toward access, expand appropriate service provision, and permit the monitoring of progress through intertemporal and cross country comparison.¹ This paper attempts to identify core common elements which would be required in one spectrum of these measurements, if comparability and standardization in measurement is to be achieved.

Measures of access which have been recently constructed have fallen into two broad categories, those based on the providers' information, and those based on users' information. The conceptual underpinning is an extension of the national accounts identity, in terms of a single sector of the economy, the financial service sector, from the output and the income side, respectively. Producer or supply side information on financial services is available from providing financial institutions, or indirectly, from regulatory authorities such as central banks.² However such have no information on who the consumers of such financial services may be, or what specific financial services they consume. Surveys of consumers of financial services add these dimensions, indicating the range of services used by persons with different attributes, permitting a multivariate profile of financial access, and providing also an opportunity to collect psychometric information on financial access, such as perceived difficulties in obtaining services and barriers to use.

The present note has two purposes. First, to identify simple measures of financial access which can be extracted from a broad array of surveys which include information on the use of financial services, which are easily comparable across countries, and second, to discuss issues relevant for the incorporation of such measures in future user surveys. Users referred to here are individuals and households, and do not include enterprises, as the underlying concepts of services needed and used are intrinsically dissimilar.³

It must be recognized that core indicators, which measure the present status of a financial system with regard to access, are not necessarily the same as the most important questions to address, from a policy perspective, in examining financial access. The aim of indicators is to measure and describe the present system. The aim of an investigation of access should be more oriented towards diagnosis of underlying

¹ Recent efforts include, notably, a series of studies in the World Bank, described in Kumar (2005), Solo (2004), Caskey, Duran and Solo (2004), Basu (2004). In parallel, similar efforts were launched by the Finmark Trust, sponsored by DFID, in South Africa and its surrounding countries (Genesis Analytics 2003a, 2003b, 2003c, 2003d and 2004), as well as a study on the USA, undertaken by the OCC. Some of these studies have since been updated, and comments here refer to the editions referenced. Reviews of recent surveys have been undertaken by Peachey and Roe (2004), Emerging Market Economics (2005), and Honohan (2004).

² For example, the BCEAO has collected information on financial access and outreach in its member's countries over the past ten years. In Brazil, the Central bank maintains information not only on deposits and loans by institution, but also by branch and has deposit and loan data by size category. The World Bank has now constructed a database on financial access covering close to 80 countries (Beck et al 2005).

³ Questions related to financial services for business needs are better covered by the World Bank Industrial Climate Assessment database (ICA), which now includes 18 completed ICAs and country survey data on 46 countries, and its precursor, the World Business Environment Survey (WBES), a survey of over 10,000 firms in 80 countries that examines a wide range of interactions between firms and the state. A standardized subset of this, for financial sector variables, has now been constructed and is available for use through the World Bank's Development Economics Research Groups.

issues, relevant to the policymaker, private banker, or any other person commissioning the work. It is for this reason that the present paper separates indicators from the broader array of questions to examine.

Recently administered surveys on financial access provide examples. These have been undertaken at the World Bank, on various Latin American countries and on India, as well as by the DFID and Finmark Trust, whose work in Africa is closely parallel. Relevant examples from other countries are also included. However, it should also be possible to incorporate such core concepts and measures in more broad based surveys of consumption, expenditures, income, such as the Living Standards measurement surveys, undertaken for poverty assessments, and income and expenditure surveys conducted in many developed countries.⁴

The next section briefly discusses the limits of the universe over which measures are to be defined, and is followed in Parts III and IV by a discussion of principles underlying the construction of financial access indicators, core questions on access, and core indicators. Part V discusses the practical application of indicators in surveys. Specific comments on underlying concepts, proposed by DFID / Finmark, are summarized in the Annex.

2. Defining the Universe of Access - Usage, Unit, Time and Spatial Coverage

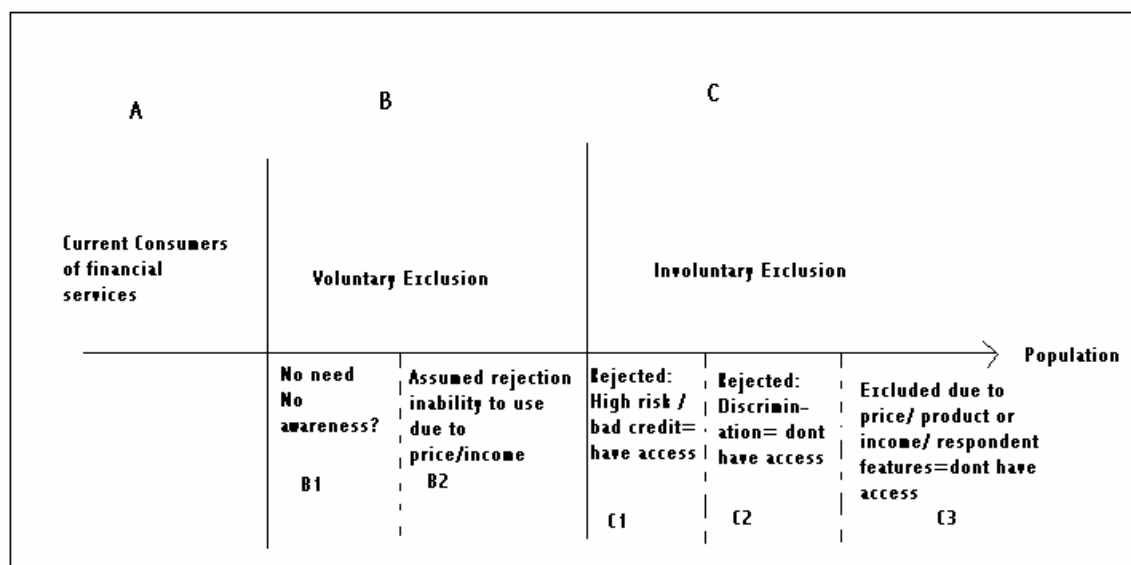
2.1 Access Versus Usage

Can financial access be measured through usage of financial services? Usage has the advantage of being directly observable. However it is debated that the consumption or *use* of financial services (group A) may not be equivalent to *access* to such services, as there is a group of persons (group B) who voluntarily exclude themselves from consumption.⁵ Thus the group *with access* would be greater than the group of current consumers of services, and would be defined by A+B.

⁴ Honohan (2005) has an in-depth survey of the LSMS survey contributions to financial access. Examples of surveys in developed countries which include references to financial access include, for example, the Consumer Expenditure surveys of the US Federal Reserve, which focuses on consumer finances and household expenditures, the Family Resource surveys of the UK Department of Works and Pensions, which is focused on employment, income and welfare, the UK Consumer Expenditures survey and the DNB Household Survey (formerly known as the Center Savings Survey) of the Netherlands, a broad based survey which contains information about employment, pensions, income, assets, debts, as well as health and psychological concepts. Some 'specialist' surveys which focus on financial access alone have also been undertaken in the USA, e.g., Dunham (2002) for the US OCC, and Bond and Townsend for suburban Chicago (1996).

⁵ E.g., Emerging Market Economics (2005).

Figure 1 - Access versus Usage – Is Access Equal to A+B?



Survey evidence tends to support the finding of a group which voluntarily excludes itself. For example in a survey of financial access in Brazil, looking at overall access to banking services, around two thirds of persons who did not have a bank account claimed to want one, while a third professed lack of interest. In India, 62 percent of survey respondents did not feel a need for a bank account.

However the simple distinction of voluntary and involuntary is unrealistic and conceptual separation is difficult. First, involuntary exclusion can include those are ineligible for services due to risk characteristics (e.g. bad credit history), who some would argue have access, as well as those who are excluded due to racial or ethnic discrimination, who do not. Second, persons may be excluded, or may even voluntarily profess a lack of interest, if the financial service in question is considered too expensive or not suited to their needs (product characteristics); or because they lack the income, education, etc., to enable use.⁶

Third, even those who are voluntarily excluded and express lack of need may lack the awareness of how such services could be useful. While the proportion of persons who believe that having a bank account may be useful, many poor claim they have no need for a loan.⁷ However as societies grow richer, the use of some form of credit is widespread, even if not in the traditional form of a loan – e.g. through overdraft facilities, lines of credit, mortgage loans, etc. Thus with development and increased financial depth, the group of voluntarily excluded would presumably shrink (B would tend towards zero). *As a result of these conceptual issues, which underlie problems of measurement, it is suggested as a first approximation that core measures of financial access are limited to Group A – users of such services.*

Nevertheless, attempting to learn more about exclusion and what factors explain it is critical for policy towards access and for the resolution of constraints towards access. Guidelines for comparing such constraints are therefore explored in the final section of this paper, on financial access surveys.

2.2 Unit of Response - Individual, Household or Other?

⁶ E.g., see Appendix Table A2 for reasons for not using a bank account.

⁷ The proportion of persons in Brazil who felt they had no need for a loan (among those who did not have a loan) was 70%, in contrast to the 33% of the ‘voluntarily excluded’ from having a bank account.

What denominator should be used in the construction of measures of access? Surveys such as the LSMS take (i) the *entire household* as the unit of account. However, information is also collected on household members through separate interviews with each member. In other surveys, (ii) the household is the unit of account and information on members is provided by the *head of the household* alone rather than by each individual (BNLS above, India, or Mexico, as in Table 2.1). A third variant is (iii) constructing the sample based on *all adult individuals* (as followed in the surveys of South Africa, Brazil and the USA).⁸

If the household as a whole is used as the unit of account, control information on the characteristics of the specific individual who is the service recipient may be lost. Often this critically affects financial access; e.g., women may be much less likely to have a bank account. Even if some information is collected on each household member, it may be inaccurate if questions are addressed only to the head of household.⁹ Even if the head of the household has access to certain services, these may not be available to others in the household. Primarily for these conceptual reasons, and following the suggestions of Scott (2000), *it is suggested that the adult individual be adopted as the unit of response*.¹⁰ However, availability or access to certain services through other family members can be included as a ‘higher order’ measure of access.¹¹

Table 2.1 – Examples of Unit of Response and Reference Time Period

	Brazil (2002)	Colombia (2002/03)	Mexico (2002/03)	India (2003)	BNLS (2003)	South Africa (2003)	USA (2000)
Unit of response	Individuals of 18 or above	All individuals in household of 18 or above	Respondent is head of household, questions addressed to household as a whole	Heads of Household	Heads of Household	Individuals of 18 or above	Individuals of 18 or above
Reference Time Period for Flow variables	12 months (5), 1 month (9), 1 week (1)	3 years (3), 12 months (9), 6 months (1)	15 days (2), 1 month (1), 12 months (20), 3 years (1), 5 years (2)	1 month (1), 3 months (1), 6 months (3), 12 months (7)	1 month (1), 6 months (18), 12 months (1), 5 years (1)	1 month (11), 6 months (20), 12 months (8)	12 months (37), 3 years (3)

Note: A full list of Reference Time Periods for specific questions relating to flow variables can be found in Appendix Table A1 Sources: Access to Financial Services Surveys - Brazil, Colombia, Mexico, India, Botswana, Lesotho, Namibia, Swaziland, South Africa and USA (see Kumar (2005), Solo (2004), Caskey, Duran and Solo (2004), Basu (2004), Genesis Analytics (2003a, 2003b, 2003c, 2003d and 2004) and Dunham (2002) respectively).

2.3 Reference Time Period

Especially for financial services which may be made less frequently, what should the *reference time period* be? The current time is an appropriate frame of reference for daily or ongoing financial services (e.g., making low value payments, or holding savings) typically refer to the present situation, which is appropriate. However, in the case of less frequently used and typically larger value services, such as seeking loans, or sending or receiving remittances, responses depend on the time period of reference. Examples from ‘specialist surveys’ stretch from 30 days, 12 months, to even three years. A list of comparisons of time frames for alternative questions, across all surveys, is presented in Appendix Table A1. The financial modules of LSMS surveys often opted for 30 days to maintain uniformity with other household expenditure questions. While a short time period would exclude many users, too long a time period would span periods where possibility of policy or technology changes have occurred. *Thus an*

⁸ The age threshold for ‘adult’ is discussed in Part 6 of this note.

⁹ As discussed by Honohan (2005b, mimeo), the extent to which services available to a household are available to each constituent member also depends upon the internal structure of the household – some may consist of more autonomous subunits, and while others may be more ‘autocratic’, services available to the head may or may not be extended to members.

¹⁰ Moreover, from the point of view of sample construction, greater variation in the spectrum of respondents could be obtained for the same sample size by going beyond the household to the individual as the unit of response.

¹¹ Thus questionnaires in Latin America in some cases asked whether the respondent had access to specific services through other household members. The Colombia questionnaire asked if there were people under 18 in the household that possessed a bank account, in Mexico, the question was whether anyone in the household has money deposited with a financial institution

*interim time period, which also represents the most frequently used in existing questionnaires, say 12 months, is suggested.*¹²

Another option is to ask a hypothetical question: “would you avail of a given service, at a given price”, (e.g., seek a loan, send a remittance through a bank) etc. While this methodology is widely used for the construction of demand estimates, the introduction on such a subjective element in core measures of current access or usage is not suggested. Searching all available survey questionnaires for such hypothetical questions, limited examples found. e.g., e “would you like to have a bank account” (Appendix Table A2 to A6). There were no hypothetical questions on whether the respondent would like to have, e.g., savings or credit. However, the USA questionnaire has used the concept of whether the respondent *would approach* certain credit providers.

2.4 Geographic Coverage

Some of the above surveys are partial in nature (multiple urban centers for Brazil, a single city for Mexico, two rural states for India, etc). South Africa alone provides a nationally representative sample. Given differences in resources likely to be available for such surveys, it is suggested that information from less than national coverage cannot be eliminated, although caveats on this coverage will be required if used for the purposes of cross country comparison. However strong efforts should be made to ensure a *representative sample* is constructed – as was undertaken for the majority of the surveys cited here.

Can such a sample be used to extrapolate up to nationally representative indicators? This could only be realistically attempted by incorporating ‘supply side’ information on quantities of services provided with national indicators on factors such as local economic activity, population density and income, etc. However the interpretation of such hybrid indicators would have considerable limitations, and would be particularly problematic if we try to scale up from say rural samples to a mixed rural and urban population.

3. Financial Access - Concepts and Definitions

3.1 Dimensions of Access

Degrees or levels of access to finance could be measured through *alternative dimensions*. Three principal ones considered here are (i), the institutional; (ii) the functional, and (iii) the product level. Access through alternative technological platforms is a possible fourth. It is argued here that each approach contributes to different aspects of an understanding of access and they are not mutually exclusive. In some areas, a measure of access in terms of, e.g., device or product, may embed an assumption of specific institutions – i.e., mappings across these dimensions may be possible in many

¹² See for example the measurement of access to Grameen bank’s telecomm services, <http://www.telecommons.com/villagephone/data.html> it is suggested that the introduction on such a subjective element in core measures of current access or usage would be unusual. This could be better left to more specifically constructed exercises on demand measurement, or included as an additional dimension. (This possibility is discussed in Honohan, 2005b, mimeo). Searching the available survey questionnaires for such hypothetical questions, some examples found, e.g., “would you like to have a bank account” (Appendix Table A1 to A7). There were no hypothetical questions on whether the respondent would like to have, e.g., savings or credit. However, the USA questionnaire has used the concept of whether the respondent *would approach* certain credit providers. Regarding the time frame, Honohan (2005b, mimeo) suggests that backward looking dimensions should be avoided. However this has been found difficult in most surveys to date, due to small number of observations it would lead to.

areas. If indicators are to provide as complete an understanding as possible of access, more than one dimension may need consideration.

At the *institutional* level, different levels of access would imply a gradation, conceptually, from secure, modern financial services, with some implicit notions of soundness, fairness and efficiency, standardization of terms and conditions of service provision, objective criteria, and finally, some form of surveillance. Thus, formal service providers are likely to have, e.g., schedules of fees for specific services, schedules of interest paid on deposits, etc., as opposed to fee schedules negotiated with each person separately, etc. At one extreme, the largest participant category in formal financial services are banks, distinguished by their provision of *multiple financial services* to their members, including at least deposits, credit through overdraft facilities as well as loans, access to the national payments network, formal surveillance, and some degree of depositor protection. At the opposite end of the spectrum would be the informal providers of services, where services could be expensive, fraudulent and limited. *One advantage of incorporating an institutional dimension to indicators is that these can serve as composite indicators of the functional approach*, automatically embracing access to specific services. Thus access to a bank or bank-like provider largely meeting the criteria above, (e.g. credit unions, in many advanced countries) would offer not only savings services but also payments services such as drawing money, making payments through the payments network, or receiving remittances. Credit in the form of overdrafts may also be available.¹³ A limitation is that institutional environments differ across countries – but broad groups of institutional types can be defined, which would allow cross-country mapping.

A second advantage to incorporating an institutional dimension is its widespread current use. A form of this indicator – the ‘banked’, is widely used already in several countries, especially developed countries, so that there is already a platform for comparability.¹⁴ As shown in Appendix Table A2, this question was asked, in some form in all ten surveys examined.¹⁵ Third, individuals, especially the poorest, often lack the discrimination between different forms of services available, in a functional construct – transactions and deposit services via current versus savings accounts, for example, and responses to the simpler overarching question of institutional access are often much more comprehensive than responses regarding specific individual services.¹⁶

The *functional perspective* disaggregates financial service outputs, within the overall sectoral classification and focuses on whether an agent has access to a specific type of financial service. This is a powerful construct as it enables a focus on specific service needs, and their gradation in order of priority from less to more developed financial environments. One advantage claimed for this construct is that it can *abstract from different institutional environments*. Nevertheless, as discussed in the context of institutions, there is a possibility of ‘mapping’ specific functions to particular institutions.

Core financial service functions identified, to be used as the basis for indicators, include, (i) transactions or payments services, (ii) savings (deposit) services, (iii) loan or credit services, and (iv) risk transformation services such as insurance.¹⁷ Based on traditional constructs of the demand for money, moving away from a barter economy, the transactions demand for money, or money as a *medium of exchange*, is usually accepted to be its first and most important use. The need to be able to draw funds,

¹³ There may in some cases be special limited service accounts which do not provide the full spectrum.

¹⁴ Note however that our definition of ‘banks’ here would include all institutions observing the criteria enumerated above, rather than those specifically labeled banks.

¹⁵ Although in Colombia, Mexico and BNLS a distinction was immediately made between current and savings accounts.

¹⁶ Thus in Brazil, the total number of persons who responded affirmatively to having current accounts and having savings accounts was much smaller than the total number who responded affirmatively to having an account.

¹⁷ Ross Levine (1997), as pointed out in Honohan (2005b). World Bank surveys using this broad construct include those in Brazil, in 2002 (as detailed in Kumar 2005), in India (Basu 2004) in Mexico (Caskey, Duran and Solo 2004) and in Colombia (Solo 2004).

cash cheques and make and receive payments are the most important forms of financial access, demanded by virtually all persons including those too poor to save. This would therefore occupy a place of prime importance among indicators.

Following transactions demand, the next function of money is as a *store of value*; i.e. for the preservation and possibly for the augmentation of wealth. There is an increasing realization that demand for a safe store of value may be the most valuable formal financial service sought.¹⁸ For example, in India, 71.7 percent of respondents stated that they wanted a bank account mainly for security. In Brazil, 77 percent of respondents put security as the main reason. Credit services, it has been argued, are formally sought by a smaller proportion of the population, and therefore follow savings in order of importance. However, meeting credit needs for emergency shocks or unusual needs arise for a wide spectrum of persons, and thus credit services such as overdrafts or lines of credit may be of greater importance than formal loans. Finally, risk transformation services may be considered optional, in a set of basic access indicators, because of their greater sophistication, and their more limited use in poorer societies.¹⁹

Gradations in service level can be identified. Thus, a first level of transactions services would simply be the ability to access cash, and change checks or vouchers into cash. A higher level of transactions services would be the ability to make frequently needed transactions through the financial system – pay for daily needs or utilities, receive regular payments from the government or private sources, etc. Less frequent and perhaps more sophisticated would be the ability to enter into cross-border payments and receipts,

Similar gradations can be identified for savings services – at the most basic level, ‘savings’ implies simply a safe store value and the preservation of wealth and the movement from non-financial savings such as cattle or gold, into financial savings. This would take the form of (i) unremunerated holding of money in a secure institution (variously called current accounts, sight deposits, etc). At a higher level, savings services would imply (ii) holding of money for some form of return, as in a savings (or money market) account, with high liquidity, and at a still higher level of service, (iii) holding of money for investment purposes, where some of the transactional functions (liquidity) and safekeeping functions (security) may be ceded for the sake of higher returns, (e.g., fixed deposits, voluntary pension plans, mutual funds, educational funds stocks and bonds, etc.) and with the assumption of greater risk.

Gradations in credit services could be discussed in terms of a progression from formal and individual requests for loans, to ready access to loans, though lines of credit (e.g., via credit cards) or through overdraft facilities. Recent data in Brazil show that consumer credit outstanding through these channels considerably exceeds formal loans. Gradations could also be considered in terms of amount – getting access to large volumes of loans for example for a mortgage represents a higher level of access.

As the discussion on levels of service reveals, measures of access which attempt to penetrate beyond basic presence and absence of a service, and move towards deeper measures of levels of service, move directly towards the *product dimension* of access indicators. And looking at more developed countries, preoccupations today with financial access focus increasingly on the *quality* of the service and its *accessibility* in a user friendly manner - for example, whether disclosure provided in mutual funds is adequate, or whether households are given adequate information on privacy and banking transactions – ie, a shift towards consumer protection issues.²⁰ There are also increasing efforts in developed countries to more finely track access to the payments network, and construct more detailed information on different

¹⁸ As pointed out for example in Christen et. al (2004).

¹⁹ Note that this is also because the present example surveys users – individuals or households. If the questionnaire was intended to cover firms, the relative importance of various services would alter.

²⁰ Thus, in the USA, there is concern about the manner of disclosure of privacy of account holders’ information. In the UK, the Family Resource Survey is concerned with responsible financial behavior and the appropriate use of financial services, more than availability alone (UK Government 2004)

devices in this regard.²¹ And as with the institutional and functional dimensions, mappings are possible between some areas of one dimension and another.

The proposal here is therefore to recognize the complementarity of dimensions in the measurement of access and formulation of core indicators. For example, composite indicators could look at the holding of an account in a particular institutional form, such as a bank or bank-type, which would then indicate also, access to certain core services in the area of payments (depositing a check or drawing cash) and savings (keeping assets safe). And an examination of higher levels of access e.g., to savings or credit requires a move beyond the simple functional to the product dimension.

3.2 Definitions – Institutions

A common understanding of what is meant in each of these dimensions would be necessary to underpin the construction of indicators based on these dimensions. Standard definitions have been proposed by DFID / Finmark and a detailed consideration of these is presented in a table in Annex 1 to this paper, and summarized briefly below.

First, looking at the ***institutional dimension***, it is generally recognized that there is a fundamental distinction between informal and formal financial services. At a minimal level, formal indicators would exclude informal service provision, who are not registered or licensed. Examples, which vary by country, are informal money lenders, pawnshops, check cashing outlets, stokvels, etc. However, to build comparable indicators, there is a case for a further distinction between those formal financial institutions which are banks or bank like in the attributes alluded to above, (wide spectrum service provision, standardized services, some form of surveillance, etc), *which have a series of known and broadly comparable attributes across countries*, and other ‘formal’ financial institutions, who may be registered but where there are very likely major differences of structure, form or comparability across countries.

The role, composition and importance of these entities are likely to vary significantly across countries, in contrast to banks.²² Institutes also differ by the type of service under consideration. Thus, in the case of *credit*, the alternatives will be consumer finance companies, credit card companies or credit unions. For *remittances*, they are more likely to be specialized service providers, such as Western Union. They may have different tax regimes and differences in permitted funding sources – e.g. many NGOs and microfinance entities are not deposit taking. And in some cases it may be difficult to disentangle financial services from other functions. The criterion of registration may have limited relevance if registration is not with an entity responsible for financial sector oversight.²³ Thus indicators would focus *essentially* on (i) banks and bank like institutions; *desirably, and separately*, on (ii), other formal service providers; and *in certain cases*, on (iii) informal service providers. There would be good comparability in (i),

²¹ In the UK, the Cruickshank report highlighted issues of financial access limitations focusing on payments access, followed by an investigation by HMT on payments access in the report (Cruickshank 2000). In the USA, studies such as Fringe Banking (Caskey 1994), JD von Pischke (1991), focus considerably on services such as check cashing outlets, and more recently, new investigations of impediments in small value payments are being launched as measures of access (Michael Barr 2005).

²² In many countries, cooperatives are of high importance and visibility (e.g., in many parts of the Caribbean). In Mexico however surveys found that key ‘additional’ financial institutions are the *‘afores’*, or mutual fund type vehicles established for savings purposes. Responses to the question of whether respondents used formal financial sources in Mexico increased from 25 percent to 48 percent depending on whether the *afores* were included. In Brazil, NGOs and entities called OSCIPs (civil society organizations with a public interest) can provide some financial services, such as microcredit, but cannot provide deposit taking or payments functions. These entities are differentiated from formal providers of microfinance, who are known as SCMs – or societies for credit to microentrepreneurs.

²³ Cooperatives often combine financial and non financial services, or take ‘shares’ from members in addition to deposits. Registration in such cases may be with a commissioner of cooperatives and there may be no structure of oversight. Factoring can be an important source of finance for small enterprises but usually this is deemed to be commercial and not financial activity, and the registration of factors may be akin to other commercial activities. The registration of NGOs in many countries is only to establish a name.

significantly poorer comparability in (i)+(ii), but wider coverage. If possible, both (i) and (ii) should be measured, separately.

Institutions versus points of service: Although the traditional discussion has focused on the nature of the institution, in the future, the discussion may be much more focused on the point of service or nature of outlet. Thus, not only is it relevant to access to know whether a user makes use of a formal or less formal financial institution, but also to know whether that institution provides outlets or points of service, through ATM machines, stores, gas (petrol) stations, etc. Distinctions could also be made between networks which are provider specific, versus those which are interlinked (e.g. the *Cirrus* network). While core indicators may not be able to accomplish this, including these themes in questions could help ensure that indicators are adequately forward looking.

3.3 Definitions - Services

Transaction / Payments Services

Access to transactions services— whether it is possible to make or receive simple (non-barter) payments— can be considered at the heart of financial access. And the more frequent the need for the service, and the greater the number of persons using a service, the greater its importance. Definitions are therefore suggested first on this basis, segregating at a *functional* level by the nature and sophistication of service provided, as discussed above: the ability to access cash, change checks or vouchers into cash, make frequently needed, usually local, transactions, and make more sophisticated cross border transactions.

Transactions could also be defined at the *institutional* level, using the concept of formal – banks, other formal, and informal, as described above. Virtually all forms of bank accounts permit a variety of payments services. A second tier of other providers of such services could include correspondent banks outlets, post offices, and dedicated service providers especially for international remittances (e.g. Western Union). Some of these entities require the holding of an account, while others permit single fee based transactions without the need for an account. Check cashing outlets if unregistered, could be regarded as informal.

Access could also be defined at the *product* level, in terms of alternative payment devices. Particularly for payments services, technological change, through new devices and interfaces, has been very significant in recent years and may be the most significant source of expansion for formal financial services to the currently excluded in the near future (Michael Barr, 2004 and 2005). These could be paper-based (vouchers, check books, passbook savings books, or postal orders); card based (ATM cards, store cards including garage petrol cards); phone based (phone / cell phone banking), internet (web) based, or involve direct orders through dedicated EFT (electronic funds transfer) networks – debit or ACH transfers, Swift transfers, etc.

Savings and Investment Services

Safeguarding of money is the most basic savings service (thus including unremunerated savings) accumulation next (earning returns on assets, and not only preservation), and seeking high returns in the third order, through the transformation of simple savings into investment products, as described above.

Beyond this, distinctions between formal and informal savings, as proposed by DFID / Finmark (see Annex Table 1) can again be based on the institutional distinctions offered above: savings through banks and bank-like entities, (common to all countries), and (ii) savings through a range of other registered institutions which vary by country landscape (cooperatives, deposit taking MFIs if they exist, and other non-bank financial institutions such as brokerage or investment companies, building societies, etc. (iii)

Informal institutions would include the *stokvels*, *tandas*, *roscas* and *rotulas* of Latin America, or *tontines* and *hawalas* of other countries.

The landscape of instruments appears to naturally segment into (i) unremunerated holding of money in a secure institution (current accounts), (ii) holding of money for some form of return, as in a savings (or money market) account, with high liquidity, and (iii) holding of money for investment purposes, where some of the transactional functions (liquidity) may be ceded for the sake of returns, (e.g., fixed deposits, voluntary pension plans, mutual funds, educational funds stocks and bonds, etc.)

Another issue of debate concerning savings instruments concerns the distinction between *obligatory* savings e.g. through social security schemes, or employer contribution plans, and *voluntary* savings. Given that these definitions are being built to construct approximations of voluntary access, it is suggested that involuntary savings be excluded from core definitions. This would imply exclusion of e.g. government pensions, employer contributions, as well as retirement funds or pension / provident funds etc, if they are obligatory.

Informal savings instruments defined by Finmark, such as *stokvels*, burial societies, *tandas*, *roscas*, etc, have much in common across countries, however they can all be excluded from definitions of formal financial access. However they could form a part of a fuller accounts of meeting the financial needs of the poor, which would take into account such informal savings networks. Real investments in house, property (cattle jewelry, etc) would be included in such definitions of informal investment.

Credit and Loan Services

Finmark has offered the definition that credit involves the ‘extension of monetary value for personal usage and on promise of repayment of principal (with likely interest and arrangement charges)’. However, loans, even to individuals on a personal basis, could be for business usage, especially for the poorest.

On a functional basis, access to a specific loan, individually applied for, is the most traditional concept. With financial deepening, there is an increased expectation that some form of credit access will become widely available, especially, consumer credit, as well as credit for purchase of housing or vehicles. An increasing proportion of personal credit services are offered through standing arrangements such as lines of credit (e.g. through a card, or an overdraft facility).

As with other financial services, credit availability could also be viewed through institutional distinctions: loans from bank-type institutions, from other formal institutions (cooperatives, savings and loans, building societies, microfinance institutions, hire purchase companies, consumer finance and credit card companies); and informal entities (family and friends, church groups, pawnshops, savings clubs, etc). Note that some sources of loan finance such as shops or stores will not be immediately recognized as formal (non-bank) financial institutions, as the financial institutions backing the shops are not always obvious to the respondent.

On a product basis, it may be interesting to distinguish between loans for a specific urgent need, e.g., to tide over emergencies or shocks, which are likely to be the most important for the poorest households, compared to loans for purposes such as housing or education, which are widely available in deeper financial systems.

Insurance Services

On an institutional basis, most insurance is provided through insurance companies or insurance wings of banks, and there are few even semi formal providers. In terms of products, the basic distinctions adopted

by insurance companies of life versus non-life business, with a further separation of the latter into property (vehicles, homes etc) and casualty (medical, funeral, unemployment) would seem to be a standard segregation. If the surveys are to include rural areas, it would be important to also consider examples of rural insurance – crop insurance, area based yield insurance, etc.

4. Core Questions and Indicators

Based on the preceding discussion of the nature of financial institutions, services, and products which make up the universe of what is desirable in terms of financial access, four broad groups of questions and then of indicators is suggested. ***A first group relates to the simple and composite concept of having an account with a financial institution.*** The reasons why this is important has been discussed; it embeds within it a number of other functional concepts. A person who has an account also has access to basic transactions and payments services as well savings in the form of safekeeping of wealth, and possible remuneration, and possibly also to credit in the form of an overdraft facility. ***The next three groups of indicators are derived from the principal service groups discussed above – transactions, savings and credit services.***

Beyond the identification of the presence or absence of a service, an attempt is also made to embed the notion of the level of access or quality of the service, using the concept above of gradations in service. Within each group, a single core indicator is suggested, supplemented with ancillary indicators which could also be usefully included, depending on the total number of indicators to be used in any given context.

Our preference is to include *only positive measures of usage among core questions*, due to both conceptual as well as practical difficulties outlined (Part 2, and also further in Part 5 below) regarding non use and underlying reasons, which may or may not indicate lack of access. This does not detract from the importance of such questions in a wider context and they are discussed in the following section, moving from core indicators to additional desirable and important questions, for an understanding of financial access from a policy perspective.

A final caveat is that before a final selection is made, *empirical validation* of the selection is desirable, not only through future field trials, but initially by a deeper investigation of designs of and responses from existing surveys. The reason is that in some cases, responses in actual practice between related indicators may suggest low levels of discrimination between them, in which case, some could be dropped. Those questions chronically eliciting weak response, or concept confusion, should also be discarded. It is for this reason that questions and measures, are partially illustrated by reference to previous surveys of financial access, and their prior use. Details of *questions* in each area, in a number of previous surveys, are provided in accompanying Appendix Table A2 to A7. Preliminary details of *responses* are also provided, with tables of comparative information from existing surveys. However, this treatment requires further development so that the empirical examination of robustness is more specifically tailored to the various options proposed for core indicators.

4.1 Access to a financial institution (Appendix Table A2):

This compelling multipurpose indicator could take a number of variant forms which are distinguished, in the first place, by the nature of the institution to which the respondent has access, and whether the respondent has direct or indirect access. Thus the simple question, ‘Do you have a bank account? (or account with similar institution)’; which assumes direct access, to bank, could also expand its coverage to

include, for example, accounts with any other registered financial institution, or indirect access, via another household member. The tradeoff is between strict comparability, through the use of a broadly standard institutional form, and wider coverage, with some likely compromises in comparability.

Given the importance of this measure, it is proposed that we ask both the simple and the extended institutional versions of the question, as well as explore both direct and indirect access. The reason is that empirically, wide differences in response rates been observed between these different questions, in addition to the conceptual distinction. Selected core measures are highlighted.

Expressed as indicators, these refer to the proportion of the adult population which:

- 1.1** *Has a bank account*
- 1.2** *Has an account with any other formal financial institution* [such as... country specific.]
- 1.3** *Has access to the use of a bank/ formal or any financial service provider through other household members*

Table 4.1 - Having an Account with a Bank

	Latin America			Africa					Others
	Brazil	Colombia	Mexico	South Africa	Botswana ⁷	Lesotho ⁷	Namibia ⁷	Swaziland ⁷	India
Have a bank Account	43	39	24	48 ⁸	74	37	56	58	41
Have an account with another formal FI			18 ³						
Have a current account cooperatives commercial	16 ¹	1 ² 7 ²	15	15 ⁴	30 ⁵	3 ⁵	18 ⁵	9 ⁵	63
Have a saving account cooperatives commercial	19 ¹	6 ² 28 ²	38	75 ⁴	64 ⁶	26 ⁶	44 ⁶	50 ⁶	

Notes: ¹ The question is whether they have money deposited in a current or savings account

³ Including the AFORES, where compulsory pension contributions are deposited

⁴ Percentages of Banked individuals, and not percentages of total surveyed persons

⁵ 'Current account' corresponds to "current or check account" plus a "transaction and transmission account".

⁶ 'Savings account' corresponds to "savings/transaction accounts" plus "fixed deposit accounts".

⁷ Figures for Botswana, Lesotho, Namibia and Swaziland refer to the household, with the respondent speaking for the entire household.

⁸ Figure refers to the surveyed population as a whole

Sources: Access to Financial Services Surveys - Brazil, Colombia, Mexico, India, Botswana, Lesotho, Namibia, Swaziland, South Africa and USA (see Kumar (2005), Solo (2004), Caskey, Duran and Solo (2004), Basu (2004), Genesis Analytics (2003a, 2003b, 2003c, 2003d and 2004) and Dunham (2002) respectively).

The universality of this question, in some form, is illustrated in Table 4.1 and Table 4.2. Note that the question in the Latin American countries refers specifically to individuals with bank accounts (indicator 1.1), whereas the Table 4.2 looks at households with accounts (indicator 1.3). In most of the examples in Table 4.1, attempts have also been made to disaggregate banks from other 'formal financial institutions' – in two steps (indicator 1.2) – which has made a significant difference in the case of Mexico for example.

Table 4.2 - Proportions of the Population with Bank Accounts (Developed Countries)?

Country	% Households with bank Accounts	Country	% Households with bank Accounts
USA (Households)	87	Luxembourg	94
England	92	Belgium	93
Wales	88		
Scotland (households)	85	Spain	92
Denmark	99	Portugal	82
Netherlands	99	Austria	81
Sweden	98	Ireland	80
Finland	97	Greece	79
Germany	97	Italy	70
France	96		

Source: Peachey and Roe (2004)

Together with these basic questions, multiple associated questions have routinely been asked, in particular, further institutional details and physical access. Attempts to decompose those who do not use this service into those rejected ('involuntary') and those who have not applied, are also frequent, however as discussed in Part 2 above, the interpretation of this is problematic.

4.2 Access to Transactions and Payments Services (Appendix Table A3)

Access to transactions services— i.e., whether it is possible to make or receive simple (non-barter) payments— are at the heart of financial access. Looking first at the simplest transaction need, access to cash, the answer to this is already embedded in the indicators of group (1). Thus, if a respondent has an account, (s)he/ also has the capacity to convert checks into cash, draw money, and send money. Thus it is not seen necessary to add this as a *core indicator*.

Moving up from the concept of cash access, the extent to which person can make other frequent but more complex transactions through the payments network provide the next level of indicators. However, cash preference is so high in terms of paying for *daily necessities* in most countries, that the degree of cash used for this purpose may not provide a good gauge of the degree of access. Instead, following the examples of BNLS, the USA, Colombia, Mexico, and in part Brazil, payments for *utilities*, which are more often on a monthly or quarterly cycle, are suggested as a gauge for the degree of financial access.

A parallel on the receipts side is the ability to receive frequent (e.g. monthly) payments for purposes such as government (public) transfers, or payroll deposits (Table 4.3). Even in countries such as Brazil, electronic transfers of government social security and subsidies to low income families through special programs (*Bolsa Familia*, *Fome Zero*) have become vehicles for expanding financial access. In the USA, EFT (electronic fund transfer) for social security payments to the poor led to a major boost in account holding, and incentives are available for employers to provide such services for paying wages. Such transactions, which lend themselves to automation and offer scope for technological improvement, are recognized sources of expanded access, and thus *a measure of the ability to receive regular payments electronically is suggested as a core indicator*.

Table 4.3 - Transactions Services – Income Receipt

	Latin America			Africa				Others
	Brazil	Colombia	Mexico	Botswana ¹	Lesotho ¹	Namibia ¹	Swaziland ¹	India
Paid in Cash	68	63	9	50	79	53	59	66
In Kind or Cash/Kind								33
Paid by Check	4	7	71	9	20	9	6	n.a.
Direct Deposit into Account	24	30	20	56	2	49	42	
Others	4	0	0	1	0	1	0	n.a.
Total	100	100	100					

Notes: ¹ Percentages refer to percentages of the total surveyed population. The question is how they receive their wages and salaries, and if these are in cash

Source: Access to Financial Services Surveys - Brazil, Colombia, Mexico, Botswana, Lesotho, Namibia, Swaziland and India (see Kumar (2005), Solo (2004), Caskey, Duran and Solo (2004), Genesis Analytics (2003a, 2003b, 2003c, 2003d) and Basu (2004) respectively).

At a third level are transactions which are occasional and still more complex, such as payments or receipts of international remittances. Remittance services have gained recent attention as a measure of financial access.²⁴ In addition, accelerating technological innovations, which are making transactions services accessible to the poor at lower costs, imply that movement in the frontiers of access are most likely to be perceived and tracked through questions in these areas.²⁵ Thus indicators could move beyond the functional level to include the also the product level.

Finally, a device or product based indicator could be added, to capture technological advance, e.g., through queries on the use of paper based (checks, vouchers)/ card-based (ATM, credit cards, etc)/ telephone or internet based financial service interfaces. For purposes of an indicator, the card-based device is suggested as having relevance in both poorer and more advanced countries.

Normative questions have also been asked in this area, to gauge the degree of cash preference (shown to still be high and often exceeding actual cash receipts, reflecting difficulties in check cashing services), however these are excluded from the core list for reasons discussed above. Based on this discussion, core indicators on transactions would comprise the proportion of the adult population which:

2.1 *Receives income / public transfers through direct deposit into an account in a [bank/formal financial institution]*

2.2 *Pays utility bills through a [bank/formal financial institution]*

2.3 *Has made or received an international remittance in the past [x period] through an account.*

4.3 Access to Savings Services (Appendix Table A4)

The lowest level of cash savings is to seek a safe store of value, abstracting from savings in the form of goods such as gold or cattle. *Having an account (Indicators 1.1-1.3) already ensures that this facility is available.* The next question, to gauge degree of service provision, is whether the account is the form of an (unremunerated) transactions account, or a (remunerated) savings account, and also to investigate the extent to which savings are invested, in instruments with higher returns (with a trade-off in terms of liquidity or risk). Corresponding indicators refer to the proportion of the adult population which

3.1 Has any cash savings, [instead of, e.g., gold or livestock].

3.2 *Earns money on bank deposits / deposits at other registered financial institution.*

²⁴ Ratha and Maimbo (2005).

²⁵ See especially Barr (2004) who is now constructing financial access questionnaires based exclusively and in detail on payments services.

3.3 Invests money saved, in instruments such as time deposits / CDs, bonds, stocks, funds, voluntary pension plans, etc.)

Table 4.4 - Savings Services - Institutional Type

	Latin America			Africa					Others
	Brazil	Colombia	Mexico	South	Botswana	Lesotho ³	Namibia ³	Swaziland ³	India
Banks	95 ¹	85	96						90 ²
Cooperatives	0	14							7
Post Office					47	1	31	0	2
Family/Friends	4								
Others	1	1	4						1
Total	100	100	100						100

Notes: ¹ 54% private and 41% public

² 51 banks and 34 Rural regional Banks

³ Post Office saving accounts on behalf of banks

Sources: Access to Financial Services Surveys - Brazil, Colombia, Mexico, South Africa, Botswana, Lesotho, Namibia, Swaziland and India (see Kumar (2005), Solo (2004), Caskey, Duran and Solo (2004), Genesis Analytics (2004, 2003a, 2003b, 2003c, 2003d) and Basu (2004) respectively).

4.4 Access to Loan and Credit Services (Appendix Table A5)

Credit enjoyed primacy in earlier literature although recently years there has been an increasing recognition of the more widespread need for transactions and savings services.²⁶ However, credit still assumes special importance as it provides a means to made productive investments, which lead to higher future income, and also the means to make intertemporal financial decisions.

Virtually all surveys or questionnaires which include themes on financial access inquire whether the respondent has received a loan, and if so, from what form of *institution* (informal or formal), e.g., as in Table 4.5. Note that the extensive qualifiers on each entry serve to illustrate current problems of comparability.

Table 4.5 - Credit Services – Formal and Informal Sources

	Latin America			Africa				Others
	Brazil	Colombia	Mexico	Botswana	Lesotho	Namibia	Swaziland	India
Loan	10 ¹		10 ²					23 ³
Formal	60% of	6 ⁵	23% of	23 ⁷	17	14 ⁷	8 ⁷	
Informal		13 ⁸		3 ⁹	6 ⁹	2 ⁹	5 ⁹	

During the last 12 months applied and received a loan from either a formal or informal institution.

During the last three years applied and received a loan from either a formal or informal institution.

During the last three years.

Main source of credit for respondents who received a loan.

During the last three years applied and received a loan from a bank, savings group, cooperative or other formal Institution.

Percentage of the respondents that applied for credit.

Percentage of respondents that have either a mortgage bond or housing loan from a bank or a loan from a bank or a loan from a registered money lender.

Loans from friends, unregistered money lenders, Employment Funds, Informal Savings fund and other informal sources.

Loan from unregistered money lender.

Source: Access to Financial Services Surveys - Brazil, Colombia, Mexico, Botswana, Lesotho, Namibia, Swaziland and India (see Kumar (2005), Solo (2004), Caskey, Duran and Solo (2004), Genesis Analytics (2003a, 2003b, 2003c, 2003d) and Basu (2004) respectively).

²⁶ Christen et. al. (2004), Honohan (2005), Peachey and Roe (2004).

In most cases (Finmark is an exception), questions take the form of asking specifically about individual *loans*. However as discussed above, in view of the increasing importance of credit facilities such as *overdrafts or lines of credit*, as societies' financial deepening increases, a division between these product types, in core indicators, is suggested.

Finally, product distinctions may also serve as indicators of levels of access, e.g., whether loans are available for emergencies, or for purposes such as mortgages, education, or vehicle finance, which are widely available in most developed countries.

Corresponding indicators therefore are:

(4) The proportion of the adult population which

4.1 has now or [in the past x months] has had a loan

4.2 has, currently, access to credit through an overdraft facility or line of credit

4.3 has now or [in the past x months] had a loan for the purpose of [emergency / unusual needs; vehicle finance/ mortgage finance]

4.5 Core Measures of Voluntary and Involuntary Exclusion?

Attempts to measure voluntary versus involuntary exclusion, and the proportion of rejections have been frequent, especially in the case of overall access to a bank account, and in the case of access to credit (e.g., Table 4.6)²⁷ Such indicators could be included here though as discussed above their interpretation is problematic. Even if such measures are included here, it is proposed that the wider issue of exploring reasons for barriers to access is left to a later section, together with other normative questions. As seen from Table 4.6, in the case of access to loan facilities, these proportions appear to vary so widely between countries that they may also be hard to interpret (e.g., the proportions of approvals and rejections were 68% and 32% respectively in Brazil, in contrast to only 20 and 75% in Brazil). There are few a priori explanations.

Table 4.6 – Credit Services – Applying for a loan

	Latin America			India
	Brazil	Colombia	Mexico	
Applied	15	9	14	3
Approved (% applied)	68	72	75	20
Rejected (% applied)	32	26	20	75
Under evaluation	0	2	5	5

Source: Access to Financial Services Surveys - Brazil, Colombia, Mexico and India (see Kumar (2005), Solo (2004), Caskey, Duran and Solo (2004) and Basu (2004) respectively).

Nevertheless, if such questions are to be included, it should be pointed out that it would not be over the universe of the sample as a whole, and also that an investigation of this would require the addition of an additional pair of indicators for each type of service, (having a bank account, having a loan, etc). E.g.,

5.1 If no to 4.1 (or 4.1 and 4.2), (i.e., the proportion of the adult population **which does not have a loan**), the proportion of this group who **never applied (voluntary exclusion)** and

5.2 If no to 4.1 (or 4.1 and 4.2), (i.e., the proportion of the adult population **which does not have a loan**), the proportion of this group who applied and was rejected (**involuntary exclusion**).

²⁷ Although, as discussed earlier, with financial deepening, some credit products grow universal, e.g. overdrafts and personal lines of credit, credit cards and consumer finance, and mortgage and housing loans.

Based on the preceding sections, a list of core and ancillary indicators is summarized in **Table 4.7**, where eight selected measures – representing four core groups - are italicized. The final list will depend partially on the purpose and context of the present indicators, which will determine how many are to be used. Selection of a smaller final set would be based on the four core categories described above. It is also suggested that before final selection, a deeper investigation of practical ability to discriminate, and feasibility in application, be conducted.

**Table 4.7 – Summary of Suggested Financial Access Indicators:
(Proportions of the Adult Population)¹**

<i>Suggested 'core' indicators are italicized.</i>
<p>1. Composite Indicator: Access to a formal financial institutions' services</p> <p>1.1 <i>Has a bank account</i></p> <p>1.2 <i>Has an account with any other formal financial institution [such as... country specific.]</i></p> <p>1.3 <i>Has access to the use of a bank/ formal or any financial service provider through other household members</i></p> <p>2. Access to Transactions / Payments services</p> <p>2.1 <i>Receives income / public transfers through direct deposit into an account in a [bank/formal financial institution]</i></p> <p>2.2 <i>Pays utility bills through a [bank/formal financial institution]</i></p> <p>2.3 <i>Has made or received an international remittance in the past [x period] through an account.</i></p> <p>3. Access to Savings / Investment Services</p> <p>3.1 <i>Has any cash savings, [instead of, e.g., gold or livestock].</i></p> <p>3.2 <i>Earns money on bank deposits / deposits at other registered financial institution.</i></p> <p>3.3 <i>Invests money in instruments such as time deposits / CDs, bonds, stocks, funds, voluntary pension plans, etc.)</i></p> <p>4. Access to Loan / Credit Services</p> <p>4.1 <i>Has now or [in the past x months] has had a loan</i></p> <p>4.2 <i>Has, currently, access to credit through an overdraft facility or line of credit</i></p> <p>4.3 <i>Has now or [in the past x months] had a loan for the purpose of [emergency / unusual needs; vehicle finance/ mortgage finance]</i></p> <p>Ancillary Question – Voluntary and Involuntary exclusion?</p> <p>5.1 <i>If no to 4.1 (or 4.1 and 4.2), (ie, the proportion of the adult population which does not have a loan), the proportion of this group who never applied (voluntary exclusion) and</i></p> <p>5.2 <i>If no to 4.1 (or 4.1 and 4.2), (ie, the proportion of the adult population which does not have a loan), the proportion of this group who applied and was rejected (involuntary exclusion).</i></p>

¹ Ancillary questions 5.1 and 5.2 cannot be expressed as a proportion of the total population but instead refer to the proportion of the population which does not have the use of the service already.

5. From Indicators to Surveys – Complementary Issues

5.1 Scope for Further Harmonization

As mentioned in the introduction to this note, core indicators on their own are not adequate for an understanding of financial access. The list of eight to twelve indicators presented above compares with

an extraordinarily large number of questions asked in recent specialist surveys on financial access, ranging from around 500 to almost 2,500 interactive questions (**Table 5.1**).²⁸

For future investigations, it would be desirable to achieve comparability in other aspects of investigation of financial access, and to expand the set of data and variables which can be analyzed across countries. Appendix Tables A2 to A6 identify and compare the approaches to *select additional questions pertaining to financial access*, expanding within the core areas identified above: access to an account in an institution, and access to transactions, savings, credit and insurance services. These tables select those additional questions which appear to be of the greatest relevance and which have been included fairly consistently across the specialist surveys examine here. Comparisons with the actual questions used in other surveys (e.g. the LSMS, and the range of consumer expenditure surveys of advanced countries), would be desirable.

Table 5.1 – Numbers of Questions in Selected Surveys – Including Sub Questions and Interactions

	Brazil (2002)	Colombia (2002/03)	Mexico (2002/03)	India (2003)	BNLS (2003)	South Africa (2003)	USA (2000)
1.3.1 Main	119	98	79	150	73	69	255
1.3.2 Level 2	119	98	79	150	90	126	281
1.3.3 Level 3	202	218	485	296	369	834	838
1.3.4 Number of questions with rankings	16	0	0	7	0	0	0
1.3.5 Number of questions with ratings	0	0	0	0	5	0	0
1.3.6 Number of interactions	638	466	1,213	806	1,805	2,423	1,715

Notes: Level 2: Contains total number of questions, including subsections (e.g. 4a, 4b, 4c etc.); Level 3: Contains total number of questions, including subsections and total number of questions asked within each question (e.g. 1a: 1, 2, 3, 4 and 1b: 1, 2, 3, 4, 5 etc.); Number of interactions: Contains total number of possible selections/answers provided to the respondent; BNLS: Separate questionnaires for 4 Southern African countries (Botswana, Namibia, Lesotho and Swaziland). All four questionnaires are practically identical except for some minor local questions. The Swaziland questionnaire was used for counting purposes. Sources: Access to Financial Services Surveys - Brazil, Colombia, Mexico, India, Botswana, Lesotho, Namibia, Swaziland, South Africa, and USA (see Kumar (2005), Solo (2004), Caskey, Duran and Solo (2004), Basu (2004), Genesis Analytics (2003a, 2003b, 2003c, 2003d and 2004) and Dunham (2002) respectively).

Additional questions arising in a number of questionnaires include at least the following broad groups: (i) additional *positive* or factual information on *institutions*; e.g., public versus private, domestic versus foreign, specific contributions of different types of non-bank or informal service providers, etc. In countries where there are commercial interests in responses, information on the role of specific financial institutions has been requested. (ii) Finer information is requested on *products*, including e.g., points of service, devices, technology (use of ATM cards, use of petrol cards, point-of-service locations, etc).

Equally universal are *normative* questions, including both *affirmative* questions on why specific services are wanted (e.g. having a bank account) as well as *negative* questions, on why such services are not used. Finally, virtually all questionnaires ask for the indication of *preferences* – between alternative institutions, services, or products. The balance of this section (5.2) focuses specifically on approaches towards, and scope for harmonization in such normative questions. Section 5.3 considers briefly the issue of how, especially for such normative questions, questionnaire design itself can affect comparability, even when questions asked are identical

²⁸ Comparing numbers of questions per se is not meaningful, due to their different structures (e.g. some with multiple options, or the need for ranking across options, or ranking each option in terms of level of importance, etc. Also, some questionnaires had significant 'skip patterns', whereas these were absent in others. Ideally, comparisons of the numbers of coded variables would be appropriate, but absent this, information on numbers of interactions provides an indicator of the actual numbers of embedded questions, at all levels.

5.2 Behavior and Preferences – Reasons Underlying Use or Non-Use

The underlying difficulty of comparability with normative questions is that reasons / choices offered for specific behaviours are often very different between questionnaires. There may also be wide differences in the level of choice offered. One way to bring about comparability in such circumstances is to return to underlying broad concepts and use these to group alternative specific reasons examined.

Looking first at *affirmative* questions, designed to probe the positive value of such services to respondents one frequently asked question is, e.g., ‘would you like to have an account and if so why?’ (asked in the context of USA, India, Brazil). Reasons offered include security, lower service costs, prestige, convenience, etc. To facilitate comparison, a simple distinction can be made between benefits in the form of lower *risk* (e.g. security), or lower *costs* (including non-financial benefits such as prestige, convenience, etc). Putting the different reasons into these two broad groups would imply that at least broad comparisons between different surveys are possible.

Next we look specifically at questions pertaining to *barriers to use*. A first question frequently raised (as discussed in the suggested potential indicators in Group 5 above) is whether the respondent was denied a financial service (involuntary exclusion), or whether (s)he had no interest in the use of the service (voluntary exclusion). However as discussed in Part 2 of this note, both in concept and in practice the distinction between voluntary and involuntary exclusion and the mapping of this to access is difficult. To explore reasons for non-usage, the conceptual underpinning suggested is the distinction between barriers to use due to *price / cost / product related characteristics*, and those which are due to the. *income / education / lack of awareness / lack of documentation and other respondent characteristics*. Using this construct, virtually all reasons suggested for non-use could be grouped into these two broad categories, so that once again, at least at this simple level, comparisons would be possible. Examples of questions, based on those in Appendix Table A2, are:

If you do not have a bank account, what are the three most important reasons? Rank...

(*respondent income / characteristics* related): I don't need one/ don't have documentation/ don't earn enough or don't have a steady job /

(*cost / feature* related): They are costly / inconvenient / provide poor services/ don't treat me well

Questions regarding the *location* of a financial institution/ service point can also be included in this construction, as distance translates into time and the cost of public transportation, and can thus be regarded as a cost-related barrier. Obstacles due to location are often important to policy makers. Examples of responses and how they can be grouped are illustrated in Table 5.2 and Table 5.3 below.

Table 5.2 - Barriers to Having a Bank Account – Reasons

	Latin America ¹			Africa	Others	
	Brazil	Colombia	Mexico	South Africa ²	USA ³	India
Respondent / income etc limitations:						
No need/no savings	n.a.	16	7	6	53	62
No awareness/ lack of interest	33					22
Lack of documentation/ don't qualify	25	3	3	6	10	
Lack of job				54		
Lack of regular income / inadequate income				46/15		
Privacy concerns			2		22	
Product / cost limitations:						
(e.g. high costs minimum balances; documents)	42	78	70	7	45	
Perceptions of Service/Safety/Mistrust			16		18	
Inconvenience –Location and hours			2		10	

Notes: ¹ Percentage response among the different categories.

² Based on previously banked only. Based on percent of previously banked.

³ Percent of total sample and not percent of reasons for not having an account

Sources: Access to Financial Services Surveys – Brazil, Colombia, Mexico, South Africa, USA and India (see Kumar 2005, Solo 2004, Caskey, Duran and Solo 2004, Genetics Analysis 2004, Dunham 2002 and Basu 2004 respectively).

Table 5.3 - Barriers to Applying for Loans – Reasons for Not Applying

	Latin America		
	Brazil	Colombia	Mexico
Respondent / income etc limitations:			
No Need	70	27	37
Preference for own resources		14	34
Assumed that the application would be rejected		35	19
Too many requirements		8	7
Lack of guarantees	13	2	1
Don't have a job		9	4
Low income		16	7
Others		19	6
Product / cost related			
High Interest rates (cost related)		5	4

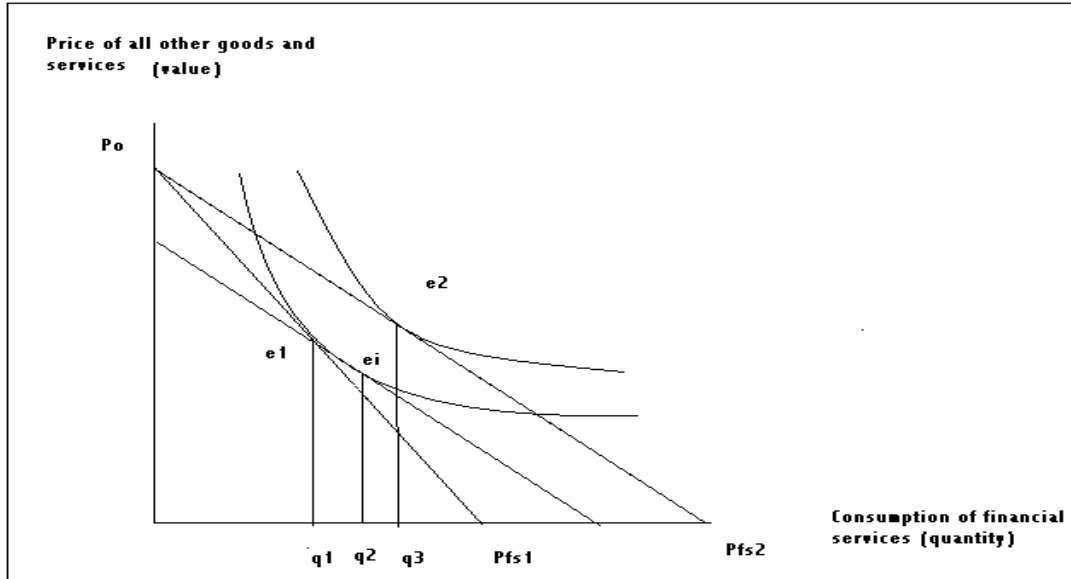
Source: Access to Financial Services Surveys - Brazil, Colombia and Mexico (see Kumar (2005), Solo (2004) and Caskey, Duran and Solo (2004) respectively).

The importance of price (product characteristics) and income (respondent characteristics) in explaining 'voluntary exclusion' from financial services is shown in the traditional diagram above (

Figure 2). If relative prices of financial services go down compared to other goods (i.e. the price line moves from $P_o P_{fs1}$ to $P_o P_{fs2}$), those who were voluntarily excluded increase consumption from $q1$ to $q3$ due to both a substitution effect ($q1$ to $q2$) and an income effect ($q2$ to $q3$).²⁹

²⁹ How does this fit in with constructs defining access as a trade-off between transaction costs and risks (Beck and de la Torre, draft mimeo 2005)? They are not mutually exclusive; the risk-cost analysis could be regarded as supply side interpretation of which group of potential consumers he would be willing to extend access to.

Figure 2 - Price and Income Components of Financial Exclusion



5.3 Questionnaire Structure

Finally, in questions where normative questions are being raised (e.g. the range of issues concerning voluntary and involuntary access), questionnaire design considerably impacts upon comparability, *even if questions asked are identical*. As an example, looking at the reasons for not having a loan, some questionnaires asked for a ranked selection of the three most important reasons, ranked in order of importance (Brazil), others asked for a selection of all those that apply among a list of reasons (Mexico, Colombia) while others asked individual questions on each factor, with a question of whether or not it applied (USA, South Africa). In South Africa, this question was only asked of those who had previously been banked and were no longer. Essentially, the latter provide frequencies for the selected population, while the former distribute frequencies among alternative reasons. A hypothetical example of how survey construction can obstruct comparison even if questions are identical is offered below (Table 5.4)

Table 5.4 - Role of Questionnaire Design - Lack of Comparability Despite Identical Questions

I Don't Want A Bank Account Because....

Approach 1: Rank the top 3 reasons in order of importance (out of 6) (Colombia, Mexico)	Approach 2: Rank each on a scale of 1-5 (1=not important, 5=very important) (South Africa)	Approach 3: Select the most important reason in each of the two groups below (Brazil)
Cost / Service It does not offer the right services It is too expensive It is too far		
Income / Personal Characteristics I don't have a job I don't save enough I don't have the right documentation / identification		

This difficulty does not arise in comparisons of questionnaires within the LSMS surveys, where subjective questions were limited to start with, and where questionnaire design was broadly similar across surveys, with ‘skip patterns’ (as in the USA questionnaire). Given a choice between assigning weights to each reason (either yes/no; or assigning a scale of 1-5), versus asking for a ranking selecting the top [three] most important reasons, one observation is that the ranking technique allows an assessment of the relative importance of different factors. Second, numbers of interactions are kept low, which reduces the tradeoff between additional information received and the additional ‘noise’ introduced through the introduction of more questions and interactions which could affect the quality of all responses. It is also more cost effective. However, the individual importance of certain factors may not be probed in as much detail as in the alternative method. Whatever technique is adopted, it would need to be uniform if issues pertaining to barriers are to be evaluated on a comparable platform.³⁰

6. From Questions to Analysis: Adding Control Variables

In association with specific questions regarding financial access, it is highly desirable to define control or explanatory variables, to provide comparable environments of inquiry, and to permit indicators to move from the unidimensional to multidimensional. For example, including some measure of income or wealth would permit us to identify not only how many persons use a specific service, but also, how many of the top or bottom quintile use it. Each of the dedicated ‘access’ surveys included such control variables, and so have the LSMS household surveys. Dedicated access surveys have been wide in scope, and in all cases information has been collected on several hundred variables, as discussed above. Standardizing questions regarding core control variables would not affect the scope of work. The parameters below are selected on the basis of their likely relevance as explanators of access, as found in many surveys conducted already.³¹ Coverage of these in recent survey questionnaires is examined in [Appendix Table A7](#). ***Suggestions are offered here to ensure that basic broad groups of such attributes are recognized and included, with individual details left to specific surveyors.***

6.1 Age, gender, education and employment status

Age clearly affects financial usage. Younger persons will have lower demand for savings and a population with a high proportion of young persons (e.g. Bangladesh) would likely have a different profile of access from one with a more narrow based age distribution (e.g., China). Some questionnaires have asked for age in terms of broad groups or bands, however, details of bands used vary widely. What age of persons should be included? Should all respondents be covered or only adults? The minimum adopted for Brazil, South Africa and the USA was 18 years, though questions regarding minors and dependents were included in some of these. Mexico and India did not include variables on age. It is suggested here the 18 year cut off could lead to the widest comparability and also that following the practice of the USA, age could be a continuous variable where the question asked is simply, what the respondent’s age is.

³⁰ Questionnaires administered should ideally be accompanied by “Interviewers Manuals”, which explain the concepts underlying questions in greater detail, so that these can be explained to respondents by trained interviewers. This would be the place to elaborate upon details not apparent in the questions themselves. Also the prior construction of a Manual of Codes, which enumerates all variables, is suggested.

³¹ The analysis of data from Brazil included tests of differences, where access between these groups was shown in most cases to be significant.

Gender is also important for access; male and female profiles of access would be expected to differ – with some convergence as societies develop. Explicit inclusion of this question is suggested, even though some samples are constructed to include quotas for age and sex at the final level, which are representative of those for the population as a whole.

Education levels appear to influence access, including voluntary exclusion and provider discrimination. Some questionnaires (e.g. Brazil) have also explicitly asked for the literacy level. The inclusion of broad educational categories (no formal education, partial primary, partial secondary, high school or trade school diploma, and graduate or higher education) (e.g. as in the Colombia or India questionnaires) would be desirable.

Employment has also been shown to be an important discriminator for access, especially in terms of opening an account at a bank. Identifying the broadest dimensions of employment which emerge from the questionnaires surveyed are first, the degree of employment (unemployed, partly employed, full time employment – Brazil, Mexico, USA, South Africa), the stability of employment (regular or irregular) and life-cycle related employment status (student / housewife / retired person – South Africa, and to some extent the USA). Some standard inclusion of these broad dimensions of employment would be desirable.

6.2 Income and wealth - oversampling the poor?

Income and wealth are both associated with financial access in theoretical constructs, e.g., in the simple indifference framework discussed in Part 5, increased income would encourage more consumption of all financial services. Moreover, different financial products would have different elasticities of income, especially, the spectrum of alternative savings products. In theories of regarding specific financial services such as savings, the permanent income or life cycle hypothesis, both income and wealth are relevant.

The difficulties of measuring income through questionnaires is notoriously difficult, and beyond the scope of this work.³² However, it can be noted that most surveyors recommend against direct questions on income and instead support the building up of income estimates based on incomes from different sources. A minimal distinction between direct (salary or wage) and indirect sources would be appropriate (private transfers such as domestic or overseas remittances, and social transfers such as food benefits, etc). Direct questions are likely to encounter partial and often biased responses. The manner of receipt of income is an important question, as will be discussed in Part 5 below, for indicators of payment services.

Given the importance of income as an explanatory, should the questionnaire ‘oversample’ the poor? Only one of the surveys undertaken here (Dunham 2002) did that. If the aim is to learn about service availability to the poorest, this may be useful. However, such oversampling would limit the ability to be able to compare proportions for the population as a whole, in terms of access. Thus for present purpose of constructing representative indicators, it is not suggested.

6.3 Geographic Identifiers - Neighborhood, Region and Distance

Wealth measures include first of all variables related to home ownership, which are core to credit concepts in financial access. Therefore closely associated with the concept of wealth is the concept of *neighborhood identifiers* – whether the respondent lives in a neighborhood with basic public utilities (electricity, water, tarred roads, sewage), whether the home itself is in a legalized area or a slum dwelling,

³² Details are discussed for example in Scott (2000), as well as Deaton (1997). Efforts of the Living Standards Measurement Studies to construct quantitative information on income and wealth met with resistance. Other researchers found such questions to be not only overly sensitive, but likely to meet with inaccurate responses e.g. Dunham (1998).

etc. Some surveys have found such identifiers of local geography to be as important as regions of the country and associated with pockets of differences in access within densely served urban neighborhoods.³³ Treatment of such identifiers has varied considerably across surveys. Both the Brazil and the South Africa surveys paid considerable attention to such identifiers.

Beyond the dwelling place, identifiers of wealth importantly include information on *communications services* (telephone and computer capability) which are importantly associated with payments functions, as well as other key moveable and immovable asset. Many questionnaires have asked for myriad details on consumer durables and vehicles. Such questions must necessarily be tailored to the country and community context. From the point of view of financial access, consumer durable purchase could be interestingly associated with availability of consumer credit, and vehicle financing systems are often based on leasing. Specific details beyond this would probably depend on the extent to which the database in question is intended for commercial use, where specific vendors may have an interest in identifying client group characteristics.

Geographical identifiers beyond the neighborhood are the *region of the country* (or state, or municipality, depending on details available) where the respondent lives. As widely recognized, financial services are more sparsely distributed in remote regions and ensuring that such regions are well served is often the central goal of public policy towards financial access. If incorporated in the questionnaire, these can later be associated with other known economic features of each region (population levels and density, levels of economic activity, etc) as well as with 'supply side' indicators of access.³⁴ A special aspect of geographic identifiers is the *geographic distance of the respondent from financial services*, and the impact of this on usage.³⁵ Most specialist surveys have attempted to measure this through a range of questions including distance from financial services, time taken to access services, need for public transport, means of transport, etc. *The critical issue here is the cost of the financial service*, as distance implies additional costs, as well as inconvenience. These parameters are important for the investigation of distinctions between access and usage, and for the exploration of reasons for non-usage. The inclusion of questions which identify such costs is suggested.

6.4 Social status, rank, ethnicity or race

While some surveys (Brazil, Mexico, Colombia) have deliberately sought to avoid such questions, their relevance for financial access is high as witnessed by surveys which have focused on such issues as core characteristics.³⁶ Both South Africa and the USA provide examples of the inclusion of such variables. An adapted version of such questions, appropriate for a village community, were also successfully integrated in the India questionnaire.

7. Conclusions

The preceding sections show, first, that the final selection of indicators requires empirical validation of relevance and feasibility, and this step is urged as a prelude to the conclusion of the selection, perhaps

³³ Kumar (2005a). Similar findings have been pointed out recently by Zeller et. al. (2004).

³⁴ Beck, Demirgüç-Kunt and Martinez Peria (2005, April draft)

³⁵ Concern about this are not restricted to poor countries alone, but remain a preoccupation even in developed countries. In the UK, closure of ATMs in remote regions prompted a recent parliamentary investigation. (Financial Times: December 22 2004)

³⁶ Bond and Townsend in inner city Chicago, (1996), Dunham in the context of Los Angeles and New York (2002) both concerned primarily with the treatment of racial minorities and immigrant communities.

beginning with existing data before launching new field trials. Second, a deeper understanding of financial access is needed for the purposes of policy, and the standardization of a considerably wider spectrum of the questionnaires used for data collection would be useful, and is achievable.

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Annex 1

**Annex Table 1: Definitions of Concepts Relevant to Access –
Comments on Proposals from DFID / Finmark**

Concepts	DFID / Finmark	Comments
<p>I. Segments of the financial system to be covered, or sources of financial services covered - refers to alternative institutional channels of provision.</p>	<p>Two tier classification, which proposes coverage of a first tier of 'a licensed / registered entity providing financial services', including cooperatives, microfinance NGOs and registered moneylenders (and implicitly, banks). It is pointed out that the inclusion of cooperatives may be problematic as they exhibit informal traits. Core criterion is <i>legal recognition and registration</i> of the entity in question, with an additional qualification that they must be <i>financed by a formal source</i> (private or donor).</p> <p>Excluded from coverage in this proposal are informal providers of financial services, with the key distinction being the lack of registration and licensing of the entity. Examples provided of such entities are informal money lenders / hawkers, burial societies, unlicensed moneylenders, stokvels, etc.</p>	<p>Comment: one segment of licensed /registered entities is fairly comparable across countries. Banking (formal) services in most countries have a large number of institutional characteristics in common. With another segment of other formally registered service providers (semi formal), there are likely major differences of structure, comparability, etc, across countries. Nevertheless these should be included in concepts of access which aim to include all significant acknowledged providers of a specific financial service. Third, there are informal services providers (unregistered / unlicensed).</p> <p>Only segment (i) ensures good <i>comparability</i>, while adding section (ii) ensures good <i>coverage</i>.</p> <p>It is therefore suggested that surveys distinguish between the three institutional groups, which would allow measures of full coverage /strictly comparable coverage. Measure of the ratio of (i) to (ii) would also allow an assessment of contributions of institutional segments. Such a breakdown does not add significantly to scope of questions.</p> <p>Survey coverage would then focus essentially on (i) formal banking service providers; desirably on (ii), semi-formal service providers and in certain cases, additionally on (iii); informal financial service providers.</p> <p>Institutions versus service points: Distinctions could be added for ATM machines, including whether they are dedicated, linked, available at stores or other convenient locations, etc.</p>
<p>II. Services:</p>	<p>Four principal financial services: Transactions, Credit, Savings and Insurance</p>	<p>Comment: Corresponds closely to classification adopted in recent World Bank surveys.</p> <p>Transactions demand for financial services translates into the need for access to cash, and to payments facilities, to and from other parties in the national and international economic system.</p> <p>Savings services reflect the need to (i) safely store value and preserve wealth, in the first place, and (ii) at a higher level, to also provide a return on financial assets (iii) if returns are the primary objective, savings are translated to investments.</p> <p>Loans and credit services permit intertemporal transformations of consumption and investment</p> <p>Insurance services enable the transformation of risk.</p>
<p>II.1 Transactions Services</p>	<p>Definition: any channel which provides the functionality to collect and distribute cash / make payments via ATM, POS, or electronic (debit order).</p> <p>Formal channels ATM / debit card Check account/current account Savings/transaction account (if main function is transaction) Garage petrol card Transaction account Cell phone banking money transfers (if</p>	<p>Comment: Definitions are suggested first at a <i>functional</i> level by the nature and sophistication of service provided. At a first level (i) the ability to access cash, change checks or vouchers into cash, (ii) make frequently needed, usually local, transactions (pay bills, receive public or private electronic payments), and (iii) make more sophisticated cross border transactions.</p> <p>It is suggested that the list separate devices (<i>products</i>) from <i>institutions</i> involved in payments activities. Recognize different device categories.</p> <p>Three institutional channels would determine the separation of formal, semi formal and informal savings</p> <p>Bank based (transactions accounts, current accounts, checking</p>

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Comments on Proposals from DFID / Finmark**

Concepts	DFID / Finmark	Comments
	<p>applicable) Postal orders</p> <p>Informal Likely to be nil unless have data on transfer of funds via taxis etc</p>	<p>accounts or savings accounts), Based on other registered financial service providers (e.g. correspondent banks outlets, post offices, and dedicated service providers especially for international remittances (e.g. Western Union, credit unions if they offer transactions facilities in the country concerned). Check cashing outlets, if registered commercial entities. Informal channels. Unregistered (curbside) check cashing outlets; personal transactions services, couriers, etc.</p> <p>Devices: (these reflect technology) paper-based not linked to accounts (vouchers / money orders / postal orders); paper-based, linked to accounts: checks card based (ATM cards, store cards including garage petrol cards); phone based (phone / cell phone banking), internet / web based (online banking) direct EFT (electronic funds transfer) networks (ACH, Swift)</p>
II.2 Savings Services	<p>Definition: Intention to accumulate and, in some cases, earn a return. Other reasons for savings, especially among poor is to safe guard savings in order accumulate funds.</p> <p>Formal Savings account (to include savings books and accounts at cooperatives etc) Fixed deposit Pension/ provident fund Government pension Retirement funds Endowment Educational fund Money market account Other investment instruments Education savings scheme/policy</p> <p>Informal Savings clubs (e.g. Stokvels) Savings held at home e.g. under a mattress Other informal savings vehicles (e.g. cattle, jewelry etc) Saving from savings club, burial societies, other informal groups such as Church etc.</p>	<p>Comment: Savings entail (i) safeguarding money (thus including unremunerated savings); (ii) accumulating money (making some returns – i.e. growth in addition to accumulation); and (iii) investing money (seeking high returns). Questions should distinguish between these <i>functionally distinct</i> concepts if possible.</p> <p><i>Institutions</i> define formal and informal savings: (i) bank based (ii) savings through a range of other registered institutions which vary by country landscape, (coops, deposit taking MFIs, etc.), and (iii) informal savings. Suggest that informal savings be excluded from definitions of formal financial access. However include supplementary questions on informal savings or investment – savings under a mattress, jewellery (store of value), real property purchase, cattle, etc.</p> <p><i>Products or Instruments</i> (see above): (i) unremunerated holding of money in a secure institution (current accounts), (ii) holding of money for some form of return, as in a savings (or money market) account, but also with high liquidity, and (iii) holding of money for investment purposes, where some of the transactional functions (liquidity) may be ceded for the sake of returns, (e.g., fixed deposits, voluntary pension plans, mutual funds, educational funds stocks and bonds, etc.)</p> <p>Voluntary vs. Obligatory savings: Treat separately. Exclude latter from core measures e.g., government pensions, employer contributions, etc, for core measures. Adjust on a country wide basis if needed through macro data.</p>
II.3 Credit Services	<p>Definition: extension of monetary value for personal usage and on promise of repayment of principal (with likely interest and arrangement charges). (TBC re consumer credit law review definition)</p> <p>Formal Credit card Retail credit (e.g. store card, hire purchase/ installment sale agreements) - credit only Mortgage or home loan Personal loan from a registered financial</p>	<p>Comment: Loans could be for business as well as personal usage. Can distinguish between loans for family emergencies, consumer loans, housing loans, and loans for productive purposes.</p> <p>Formal and Informal credit: would follow from the institutional classifications above. Therefore we distinguish between (i) loans from banks (ii) from other formal institutions (credit unions, savings and loans, building societies, microfinance institutions, hire purchase companies, consumer (including vehicle, appliances etc.) finance companies, credit card companies; and (iii) informal entities: family and friends, church groups, pawnshops, savings clubs, etc.</p>

**Annex Table 1: Definitions of Concepts Relevant to Access –
Comments on Proposals from DFID / Finmark**

Concepts	DFID / Finmark	Comments
	<p>institution (e.g. bank or registered micro-lender) Vehicle finance Asset Finance Alternative credit suppliers Government loans</p> <p>Informal Loan from friend of family Loan from employer Loan from unregistered micro-lender, township lender, savings club, burial societies, other informal groups such as Church etc. Informal retail credit</p>	<p>Note that some sources of loan finance such as shops or stores will not be immediately recognized as financial institutions, as the institutions backing them are not always obvious to the respondent.</p> <p>Areas for debate: What is 'asset finance'? If this refers to collateralized lending it should be grouped with the parent loan.</p> <p>Credit versus credit devices: Credit cards, retail cards are devices, in the consumer finance business, as they offer a channel to a loan products. Overdraft facilities and lines of credit are similar. Access to loan facilities through such devices need not mean loan uptake or usage.</p>
II.4 Insurance Services	<p>Definition: Payment of premium for risk cover (both long and short-term insurance)</p> <p>Formal Life Insurance Funeral policy - formal insurance company Funeral parlor underwritten by formal insurance company Short term insurance, to include risk cover for moveable and immovable goods, disability insurance, etc Credit insurance Credit life insurance Medical insurance From employer scheme for pension and medical if underwritten by formal provider</p> <p>Informal Burial society Funeral insurance with an unregistered provider (e.g. funeral parlors that has not underwritten with a formal insurance company) Other informal insurance (where applicable) From employer scheme for pension and medical if not underwritten by formal provider</p>	<p>Comments: Most insurance is provided through insurance companies or insurance wings of banks – there are few other semi formal providers.</p> <p>The distinction between employers schemes on the basis of whether underwritten by formal providers or not (and hence formal or informal) seems rather to be a distinction between funded and pay-as-you-go systems and possibly both could belong to the semi-formal category.</p> <p>In terms of products, the basic distinctions adopted by insurance companies of life versus non-life business, with a further separation of the latter into property (vehicles, homes etc) and casualty (medical, funeral and unemployment) would seem to be a standard segregation.</p> <p>If the surveys are to include rural areas, it would be important to also consider examples of rural insurance – crop insurance, area based yield insurance, etc.</p>

Appendix Tables

Appendix Table A1 – Reference Time Period for Flow variables

	Brazil (2002)	Colombia (2002/03)	Mexico (2002/03)	India (2003)	BNLS (2003)	South Africa (2003)	USA (2000)
1.1 Reference Time Period for Flow variables	<p>In the last 12 months have you bought or leased an automobile for personal use?</p> <p>During the last month, how many jobs or bits of work did you have?</p> <p>In the last 12 months have you bought or leased an automobile for personal use?</p> <p>How many hours were spent in the last 30 days on education?</p> <p>Specify, in order of importance, the 5 main sources of income and benefits from the last 30 days:</p> <p>Indicate, in order of importance, the 3 main investments that you have made in the last 12 months:</p> <p>Have you voluntarily contributed, during the last 12 months, to some kind of pension fund?</p> <p>In the last 12 months, have you lent money to anyone in your family?</p> <p>Where have you deposited your money in the last 30 days?</p> <p>In the last 12 months, did you withdraw any money from your investments?</p> <p>If CPMF didn't exist, would you have invested and/or</p>	<p>During the last 12 months, did you have any financial services cancelled by you or another?</p> <p>During the last 12 months, did you attempt to open an account?</p> <p>During the last 12 months, did you attempt to open an account that was denied?</p> <p>During the last 12 months, have you kept savings in an account?</p> <p>During the last 3 years, did you request a loan?</p> <p>What is the main reason for not requesting a loan during the last 3 years?</p> <p>During the last 12 months did you receive and remittances in cash?</p> <p>How much did you receive in remittances in the last 12 months?</p> <p>During the last 12 months, did you contribute to a pension fund?</p> <p>During the last 6 months, what was the most frequent method used to cash a check?</p>	<p>During the last 12 months, did you make any changes to the house?</p> <p>Do you plan to make any changes to the house in the next 12 months?</p> <p>Comparing your economic situation today with that of 5 years ago, how has it changed?</p> <p>During the last 12 months, did you have any of the following expenses?</p> <p>During the last 12 months, did a member of the family purchase food on credit?</p> <p>What was the total amount spent on food using credit in the last 15 days?</p> <p>During the last 12 months, did a member of the family purchase white goods on credit?</p> <p>What was the total amount spent on white goods using credit in the last 15 days?</p> <p>During the last 12 months, did you or a member of the family receive payment in either cash or goods?</p> <p>How much was received in total in the last 12 months?</p> <p>During the last 12 months, did you or a member of the family receive remittances?</p>	<p>In the past 30 days, what were your main sources of income?</p> <p>In the past 6 months, how many times have you incurred large expenditures, outside of your routine expenditure?</p> <p>In the past 6 months, what was the size of the largest (non-routine) payment you made?</p> <p>In the past 6 months, how many times have you made payments outside the village?</p> <p>In the past 3 months, how many times have you used the KCC?</p> <p>In the past year, how many times have you utilized the maximum amount of your overdraft facility?</p> <p>In the past 12 months, have you: Purchased any stocks, Purchased bonds (e.g. from post office), Purchased insurance, Bought gold, Bought other jewelry, Bought consumer durables (e.g., T.V. Radio)</p>	<p>Could you please tell me the monthly cash income of your household last month?</p> <p>If you think about the household income in a year, is it the same every month or is it sometimes more than other months or sometimes less, or is it never the same?</p> <p>If you think about your expenses in a year, is it the same every month or is it sometimes more than other months or sometimes less, or is it never the same?</p> <p>How many times have you changed banks in the last 5 years?</p> <p>If you think about the last year, would you say that the amount of credit you owe has gone up, down or stayed the same?</p> <p>Many people tell us that they use different services to send money to/from family from time to time. Which of these services have you personally used in the past 6 months (transfer money via a bank/post office/ internet, telegraphic transfer, sent money to friend/family member, delivered the money personally, by taxi/bus, don't send/ receive money, other)?</p>	<p>About how much did you contribute last month to your burial society/societies?</p> <p>In total, about how much did you contribute last month to your group savings schemes such as stokvels, savings and investment clubs?</p> <p>Many people tell us that they use different services to send money to/from family from time to time. Which of these services have you or someone in your household used in the past 6 months to send/receive money to/from someone (bank, post office, telegraphic transfer, friend/family, check, services such as Western Union, paid/unpaid runner, don't send/receive, electronic bank transfer, other)?</p> <p>In the last 12 months, how often has your family (gone without food, felt unsafe from crime, gone without medicine, gone without income, gone without clean water, gone without shelter, gone without electricity, gone without fuel)?</p>	<p>In the last 12 months, was the money sent by direct deposit ever (been late, delayed, not delivered)?</p> <p>In the last 12 months, was the money sent by electronic transfer ever (been late, delayed, not delivered)?</p> <p>During the last 12 months, did you ever (Deposit your check and take some of it back in cash, deposit your entire check, sign your check over to a family member (or friend) for cash, other)?</p> <p>Which of these did you do most often (Deposit your check and take some of it back in cash, deposit your entire check, cash your entire check, sign your check over to a family member (or friend) for cash)?</p> <p>During the last 12 months, how many paychecks, benefit checks (or other checks you receive regularly) did you usually cash each month?</p> <p>During the last 12 months, when you went to that bank to cash a check, did they ever ask you for your fingerprint?</p> <p>Have you purchased a money order at least once during the last 12 months?</p> <p>About how many money orders did</p>

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	Brazil (2002)	Colombia (2002/03)	Mexico (2002/03)	India (2003)	BNLS (2003)	South Africa (2003)	USA (2000)
	<p>withdrawn more money in the last 12 months?</p> <p>During the last 12 months have any members of the household sent or received remittances to/from other parts of Brazil?</p> <p>During the last 12 months did you apply for or receive any loan or credit?</p>		<p>How much did you receive in the last month?</p> <p>In the last 5 years, did a member of the household sell or terminate a business?</p> <p>During the last 12 months have you: Participated in a tandas, lent interest free money, lent money charging interest, participated in a savings scheme, kept savings at home, kept money in another location?</p> <p>How much money have you generated in transactions in the last 12 months?</p> <p>Have you voluntarily contributed, during the last 12 months, to some kind of pension fund?</p> <p>During the last 12 months, has a member of the household cancelled a deposit or savings account?</p> <p>Have you requested credit in the last 3 years?</p>				<p>you usually buy each month?</p> <p>About how many money orders did you buy during the last 12 months?</p> <p>In the last 12 months, was your money order ever (Not accepted for payment, Stolen from you, turn out to be worthless)?</p> <p>During the last 12 months: Did you pay any of your bills (By check, By automated bill payment)? Did you pay any of your bills (In cash, By money order, Through a place that makes the bill payments for you, In some other way)?</p> <p>How did you pay most of your bills (By check, By money order, In cash, Through a place that makes the bill payments for you, By automated payment)?</p>
1.1 Reference Time Period for Flow variables (additional)	<p>USA Only: In the last 12 months, have you ever paid your bills (By mailing in a payment, By paying at the office of the company that sent the bill, By paying someone at their home (or some other place), At your home, where someone came to collect your payment, some other way)?</p> <p>During the last 12 months, have you ever sent money to someone who lives</p>	<p>USA Only: In the last 12 months, were the money orders you sent ever (Delayed for a week or less, Delayed for more than a week, Lost, stolen)?</p> <p>During the last 12 months, did you most often wire money from (Western Union, bank, check cashing outlet, supermarket, other store)?</p> <p>In the last 12 months, was the money you wired</p>	<p>USA Only: In the past 12 months, have you had a "basic" checking account?</p> <p>During the last 12 months, have you kept any savings? Considering all the ways you save, in the last 12 months, did you add to your Savings?</p> <p>During the last 12 months, did you have money set aside for any of these reasons (In case of emergencies, To</p>	<p>USA Only: During the last 12 months, did you have money set aside for any of these reasons (For the education of children or other family members, To buy furniture or household appliances, To buy a home (or make home improvements), To buy a car (or truck or other vehicle), To start a business (or expand an existing business), For retirement, To feel more financially</p>	<p>USA Only: During the last three years, did you ever look into getting a loan from a (car dealership, work place, community (or church) loan fund, government loan fund, furniture store, check cashing outlet)?</p> <p>During the last three years, did you ever look into getting a loan from a (friend, family member, person in the neighborhood who lends out money for interest)?</p>	<p>USA Only: During the past 12 months, did you ever live in a place that had no telephone (or no working telephone), even for a few days?</p> <p>During the last three years, did you ever (Get a cash advance from any credit card you may have had, Borrow from any thrift plan (or life insurance policy) you may have had, Buy something on an installment plan (or layaway plan), Pawn anything at a</p>	<p>USA Only: Have you moved during the last 12 months?</p> <p>In the past 12 months, have you received any payments from the government, such as (Your wages (or salary), Social Security payments, Veterans payments (or pension), Food Stamps (or WIC nutrition program), Welfare payments (or general assistance), Supplemental Security Income,</p>

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	Brazil (2002)	Colombia (2002/03)	Mexico (2002/03)	India (2003)	BNLS (2003)	South Africa (2003)	USA (2000)
	<p>somewhere else?</p> <p>In the last 12 months, was the money you sent ever (Delayed for a week or less, Delayed for more than a week, Lost, stolen)?</p> <p>During the last 12 months, where did you most often buy money orders to send to someone who lives somewhere else?</p>	<p>ever (Delayed for a week or less, Delayed for more than a week, Lost, stolen)?</p> <p>In the last 12 months, have you had an "ATM-only" account, where you get bank services through an ATM machine, and pay a fee if you use a human bank teller?</p>	<p>cover the costs of a new baby, In case a family member or friend urgently needed money, To pay for special events (such as a wedding or other celebration), For travel or a vacation, To pay for food (or clothing or rent), To get out of debt (or pay down loans), To pay for Christmas (or other holiday) gifts)?</p>	<p>secure)?</p> <p>In the last 12 months, have you bought anything (or borrowed money) by having someone else use their major credit card, which you then repay?</p> <p>In the last 12 months, have you bought anything by having someone else use their store charge card, which you then repay?</p>	<p>During the last 12 months, have you ever used a bank card (or benefits card) to pay for something at the supermarket, where you pay by sliding the card through the little machine at the cash register?</p> <p>In the last 12 months, did you ever contact your bank by telephone for information about your bank account?</p>	<p>pawn shop, Get a rapid tax refund, Get a loan from a rotating credit society, Rent furniture (or anything else) from a rent-to-own store, Lease a car (or truck), Have someone co-sign (or guarantee) a loan for you, Obtain a land contract for a house)?</p>	<p>Railroad retirement benefits, or any other government pension (or retirement pay), Any medical benefits, None, Any other government payments)?</p>

Appendix Table A2 – Access to a Financial Institution : Banked and Unbanked

	Brazil (2002)	Colombia (2002/03)	Mexico (2002/03)	India (2003)	BNLS (2003)	South Africa (2003)	USA (2000)
2.1 Does the respondent have access to any financial institutions' services:	<p>Do you have a bank account?</p> <p>Additional relevant questions:</p> <p>In this moment, do you have any money deposited in a checking account?</p> <p>Would you like to have a bank account?</p>	<p>Does the respondent have a:</p> <ol style="list-style-type: none"> 1. savings account 2. current account 3. CDT 4. credit card 5. investment portfolio 6. other 7. none 8. don't know 	<p>Do you currently have (or have money deposited in) a:</p> <ol style="list-style-type: none"> 1. Savings account 2. checking account 3. investment account 4. debit card 5. individual afore account 6. directed savings 	<p>Does any one in the household have a bank account?</p>	<p>Do you have the following (answers can be I have now but don't use, I have now and use, used to have in the past but not now and never had):</p> <ol style="list-style-type: none"> 1. An ATM card 2. A Post Office Savings Account 3. Savings/Transaction account from a bank 4. Mortgage bond or housing loan 5. Current or Check account 6. Debit card 7. Credit Card 8. Garage Card/Petrol Card 9. Transaction/Transmission account 10. Fixed Deposit bank account 11. Vehicle finance from a bank 12. Loan from a bank 13. Call account with a bank 14. An overdraft at the bank – personal 15. An overdraft at the bank – for your business 16. Loan from a registered micro-lender 17. Loan from an unregistered money lender 18. Membership of a stokvel/ motshelo or savings club 19. Loan and/saving from a NGO 20. Account with a store 21. Loan and/or saving from a Savings and Credit Co-operative 22. Other 	<p>Do you have the following (answers can be I have now but don't use, I have now and use, used to have in the past but not now and never had):</p> <ol style="list-style-type: none"> 1. An ATM card 2. Debit card 3. A savings book 4. A Post Office Savings Account 5. Savings/Transaction account 6. Current or Check account 7. Credit Card – Visa/ Master/ American Express/ Diners Club 8. Fixed Deposit bank account 9. Garage Card/ Petrol Card 10. Money market account 11. Mortgage bond or housing loan 12. A house bought by borrowing money from Government scheme 13. A house bought by borrowing money from an employer/friend/ family 14. Personal loan from a bank 15. Loan from friend or family 16. Loan from an employer 17. Loan from a micro-lender 18. Loan from an informal money lender 19. Vehicle finance 20. An overdraft 21. Store card where you buy on account and pay later 22. Store loyalty card that gives you cash back 23. Other club or loyalty cards such as Discovery <p>You said you don't have a bank account. Do you perform banking</p>	<p>Do you have:</p> <ol style="list-style-type: none"> 1. A checking account? 2. A savings account? 3. Or any other kind of account at a bank? 4. I do not have a bank account 88. Don't know <p>In the past 12 months, have you had a "basic" checking account?</p>

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	Brazil (2002)	Colombia (2002/03)	Mexico (2002/03)	India (2003)	BNLS (2003)	South Africa (2003)	USA (2000)
						transactions using someone else's account/a joint account, or not?	
2.2 Access to any financial institutions' services by family members:	Are there people under 18 in your household that possess a bank account?	Does the father have a: 1. savings account2. current account3. CDT4. credit card5. investment portfolio6. other7. none8. don't know	Does anybody have any money deposited in a financial institution at this time? Asks whether any household members aged 12-17 have their own savings account and/or credit card and/or other	Does any one in the household have a bank account?	Do you or any one in your household belong to such a savings club?	Did/do your parents have a bank account, or not? Do you have a bank account at the same institution, or not? Do you, or anyone in your household have a bank account in South Africa?	What is the age of your youngest child (under 18) who owns a bank account?
2.3 Type of Institution (Public/Private, Bank or non-bank, Formal/Informal):	In which institution do you have the largest amount deposited? 1. Public credit institutions 2. private credit institutions 3. cooperatives/ credit unions 4. family/friends 5. others 6. no amount deposited	Does the respondent have a: 1. current account at a cooperative bank 2. current account at a commercial bank or CAV 3. savings account at a cooperative or cooperative bank 4. savings account at a commercial bank or CAV 5. CDT at a commercial bank or CAV 6. CDT at another financial institution 7. other 8. none	In which institution do you have the largest amount deposited? 1. Commercial bank 2. credit union 3. savings and loan society 4. credit cooperative 5. savings bank 6. solidarity scheme 7. NGO 8. pawnshop 9. employee fund 10. other	What is the main form in which you save excess money? 1. Keep at home 2. deposit in bank 3. deposit in Co-operative 4. pay into Chit Fund 5. pay into SHG 6. lend it 7. give to money keeper/guard 8. never have excess money 9. other	Which of these banks/financial institutions do you use at present? 1. Barclays 2. Standard Bank 3. Bank of Beroda 4. Stanbic 5. First National Bank 6. Botswana Building Society 7. Post Office Savings Bank 8. Western Union 9. Registered Money lender 10. Micro-finance NGO 11. SACCO's 12. Other 13. None	And which bank is your main bank? 1. ABSA 2. African Bank 3. FNB/First National Bank 4. Ithala Bank 5. NBS 6. Nedbank 7. Old Mutual Bank 8. Peoples Bank 9. Pep Bank 10. Post Bank/Post Office Bank 11. Standard Bank 12. Teba Bank 13. Other 14. None	
2.4 Physical Access:	What is the distance from your house to the following options? 1. Institution where you keep your money 2. Private bank - Agency 3. Private bank - ATM 4. Private bank - Service post 5. Public bank - Agency 6. Public bank - ATM 7. Public bank - Service post 8. Lottery shop 9. Post office w/ bank services 10. Co-operatives / Credit union 11. Micro-financier - NGO / OSCIP / SCM 12. Broker. How long do you	What is the distance from your work to the following options (less than 5 blocks, from 5 to 10 blocks, more than 10 blocks, don't know): 1. Bank or cooperative bank 2. credit and savings cooperative 3. ATM 4. foreign exchange bureau How long does it take to get from your house to the following options: 1. Bank or cooperative bank 2. credit and savings cooperatives 3. ATM 4. foreign exchange bureau	What is the distance from your house to the following options (less than 10 blocks, from 10 to 20 blocks, more than 20 blocks): 1. Foreign exchange bureau 2. ATM 3. private bank 4. development bank 5. credit union/SAP 6. savings bank 7. moneylender How long does it take to get from your house to the following options: 1. Foreign exchange bureau 2. ATM 3. private bank 4. development bank 5. credit union/SAP 6. savings bank 7. moneylender	How far is the bank?	Would you have to make use of public transport to get to a bank or ATM? What would be the average time that you would spend traveling to the bank or ATM using public transport? How much does it or would it cost you to use public transport to get to a bank or ATM?	If you had to go to the bank, would you have to use public transport, or not? Approximately how much money does it cost you to use public transport each time you go to the bank? What is the average time you currently spend traveling to get to the bank?	Are banks too far away from: 1. Your home? 2. Your work? 3. Or places where you shop, or do other things? 7. Other Which one of these is located in the most convenient place for you? 1. The nearest stand-alone bank office, 2. The nearest bank office in a supermarket (or other store), 3. The nearest ATM machine, 4. The nearest supermarket that cashes paychecks (or benefit checks), 5. The nearest U.S. post office, 6. Or the nearest

Appendix Table A2 – Access to a Financial Institution : Banked and Unbanked

	Brazil (2002)	Colombia (2002/03)	Mexico (2002/03)	India (2003)	BNLS (2003)	South Africa (2003)	USA (2000)
	<p>take to arrive at your primary financial institution from your house?</p> <p>What is the main form of transport that you use to arrive at your most important financial institution?</p> <ol style="list-style-type: none"> 1. By foot 2. Private Vehicles 3. Public Transport 4. Others 						<p>check cashing outlet?</p> <p>Are there any barriers to bank services for you that we have not discussed?</p>
2.5 Reasons for having a bank account:	<p>Indicate three main reasons for having a bank account: For security reasons, because I would have transactions with lower costs, because I would have access to other financial services, because of the attractive rates of return, others</p>			<p>What do you mainly use the account for?</p> <ol style="list-style-type: none"> 1. To keep money safe 2. to write checks 3. to be able to apply for overdraft/loan 4. to receive money from migrant relatives 5. social prestige 6. required to receive payment from government for sale of my produce 7. others 		<p>USA only: What features of your bank account are most useful to you?</p> <ol style="list-style-type: none"> 1. It is inexpensive 2. The required balance is low 3. The checks I deposit clear quickly 4. I can use direct deposit 5. It is fast 6. It is easy 7. It is safe (at offices or ATMs) 8. It has convenient office (or ATM) locations 9. Its branches are open during convenient hours 10. It is easy to use my own language 11. Nothing in particular 12. Other 	
2.6 Reasons for not having a bank account:	<p>Indicate, in order of importance, the 3 main reasons why you don't have a bank account:</p> <ol style="list-style-type: none"> 1. The banks take too long to perform their transactions 2. Banking fees are very high 3. Bad level of service 4. There aren't any banks close by 5. Banking hours are too inconvenient 6. Afraid of losing my money 	<p>Indicate the main reasons for not having an account:</p> <ol style="list-style-type: none"> 1. lack of funds 2. high maintenance costs 3. not necessary 4. por el tres por mil 5. inefficient service 6. do not meet the minimum requirements 7. do not know how to open an account 8. fear losing money 9. lack of trust 10. other 	<p>Why don't you have a bank account:</p> <ol style="list-style-type: none"> 1. Never tried to open an account 2. tried to open an account but was rejected 3. had an account but decided to cancel it 4. had an account but it was cancelled by the bank 5. other <p>Why have you never tried to open an account:</p> <ol style="list-style-type: none"> 1. Too far 2. inconvenient hours 3. bad service 4. minimum balance too high 5. very low Interest rate 6. very high banking commissions 7. do not trust banks/ fear losing money 8. do not know how to open an account 9. do not need the bank's services 10. no money to 	<p>Why did you never apply for a bank account?</p> <ol style="list-style-type: none"> 1. I don't need it 2. did not think I could get it 3. form difficult to understand 4. bank too far 5. bank officials are not friendly or courteous 6. it would cost too much 7. others. 	<p>Please rate each one of the following disadvantages of dealing with formal financial institutions (it's not a problem at all, it is not a problem, neither/nor, is a problem to you, is a big problem to you, does not apply):</p> <ol style="list-style-type: none"> 1. I have to pay to deal with them 2. My money does not grow quickly 3. I cannot get the money immediately if I need it 4. My money is taxed 5. I have to stand in queues for service 6. I have to have credit references 7. I have to have a pay-slip 8. I have to fill in forms 9. I have to have an identity document 10. I don't qualify for their services 11. Their ATM machines are not always safe 	<p>You said earlier that you don't currently have a bank account. Why is this?</p> <ol style="list-style-type: none"> 1. I do not have a job long? 2. I don't have an identity document 3. I don't qualify to open an account 4. Have to keep a minimum balance in the bank 5. I don't need a bank account 6. I don't know how to open an account 7. I use someone else's bank account 8. I prefer dealing in cash 9. I don't trust banks 10. Don't want to pay service fees 11. The bank is too far from where I live 12. It's expensive to have a bank account/I can't afford to 13. I earn too little to make it worthwhile 14. Others 15. Don't know 	<p>What are the main reasons why you do not have a bank account:</p> <ol style="list-style-type: none"> 1. Do banks hold your checks too long? 2. Do you not have the amount of money banks require to open an account? 3. Are bank fees are too high? 4. Are banks not located conveniently? 5. Are banks not open when you need to use them? 6. Is it not easy to speak with bank staff in a language other than English? 7. Are you not quite sure how to open an account? 8. None of these reasons <p>Are there any other main reasons why you do not have a bank account? Is it because:</p> <ol style="list-style-type: none"> 1. You do not think

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	Brazil (2002)	Colombia (2002/03)	Mexico (2002/03)	India (2003)	BNLS (2003)	South Africa (2003)	USA (2000)
			<p>save</p> <p>11. do not like the atmosphere at the bank</p> <p>12. lack documentation</p> <p>13. lack recommendations/ references</p> <p>14. Other</p>		<p>12. The big institutions are not always safe</p> <p>13. They are too far away for me and expensive to get to</p> <p>14. I need a permanent address</p> <p>15. Their technology can be difficult to work with</p> <p>16. They only offer a good return over a period of years</p> <p>17. They force me to keep a high minimum balance</p>		<p>you would feel welcome at a bank, or treated with respect there?</p> <p>2. The bank might report to the government about your account?</p> <p>3. Your account could be "frozen" by the government or a creditor?</p> <p>4. You would need a Social Security number to open an account?</p> <p>5. The bank would not let you open an account?</p> <p>6. Or any other main reason?</p> <p>7. None of these reasons</p> <p>Are there any barriers to bank services for you that we have not discussed?</p>
<p>2.7 Have you applied for an account that was rejected:</p>	<p>Indicate three reasons:</p> <p>1. Don't have enough money to open and maintain an account</p> <p>2. The banking environment is hostile</p> <p>3. Don't have all the necessary documents to open an account</p> <p>4. Need more references</p> <p>5. Bad credit history</p> <p>6. Don't know how to open an account.</p>	<p>In the last 12 months, have you applied for an account that was rejected:</p> <p>1. current account at a cooperative bank</p> <p>2. current account at a commercial bank or CAV</p> <p>3. savings account at a cooperative or cooperative bank</p> <p>4. savings account at a commercial bank or CAV</p> <p>5. CDT at a commercial bank or CAV</p> <p>6. CDT at another financial institution</p> <p>7. other</p> <p>8. none</p> <p>What was the main reason for your application to be rejected:</p> <p>1. incomplete documents</p> <p>2. not enough money for the minimum balance</p> <p>3. name listed on the credit risk list</p> <p>4. no explanation given</p>	<p>Have you applied for an account that was rejected?</p> <p>Why couldn't you open a bank account:</p> <p>1. lacked the necessary documents</p> <p>2. not enough money for the minimum balance</p> <p>3. lacked personal references</p> <p>4. lacked business references</p> <p>5. others</p>	<p>Did you ever apply to open a bank account?</p> <p>Why was your application rejected?</p> <p>1. Don't know</p> <p>2. proof of no identity</p> <p>3. no proof of residence</p> <p>4. form filled out incorrectly</p> <p>5. others</p>			

Appendix Table A2 – Access to a Financial Institution : Banked and Unbanked

	Brazil (2002)	Colombia (2002/03)	Mexico (2002/03)	India (2003)	BNLS (2003)	South Africa (2003)	USA (2000)
		5. others					
2.8 Have you or has the financial institution cancelled an account of yours:	<p>If you had an account, which no longer exists, indicate, in order of importance, the 3 main reasons that led to the account being cancelled? 1. Couldn't maintain the minimum balance</p> <p>2. The interest rates being offered were very low</p> <p>3. The banking fees were too high</p> <p>4. Didn't trust the bank</p> <p>5. The bank cancelled it</p> <p>6. Others</p> <p>If the bank cancelled your account, what were the 3 main reasons, in order of importance:</p> <p>1. Couldn't maintain the minimum balance</p> <p>2. For writing bad checks</p> <p>3. No explanation given</p> <p>4. The bank just cancelled it</p> <p>5. Others.</p>	<p>During the last 12 months did you cancel or have cancelled any financial services and which services were they:</p> <p>What was the main reason behind you canceling or having the financial services cancelled?</p> <p>1. Distance too far</p> <p>2. bad service</p> <p>3. very low Interest rate</p> <p>4. high maintenance costs</p> <p>5. do not trust the institutions</p> <p>6. no longer needed</p> <p>7. lacked sufficient funds</p> <p>8. term expired</p> <p>9. could not maintain the minimum balance</p> <p>10. sent bad checks</p> <p>11. no explanation</p> <p>12. other</p>	<p>If you've ever had an account cancelled, what was the reason:</p> <p>1. Bad service and distance</p> <p>2. could not maintain the balance</p> <p>3. very low Interest rate</p> <p>4. very high minimum commissions</p> <p>5. do not trust the institutions</p> <p>6. it was necessary to cancel</p> <p>7. no longer needed</p> <p>8. transferred funds to another account</p> <p>9. the institution closed the account</p> <p>10. other</p> <p>If the bank cancelled the account, what was the reason:</p> <p>1. could not maintain the minimum balance</p> <p>2. sent bad checks</p> <p>3. no explanation</p> <p>4. the account was just cancelled</p> <p>5. other</p>				<p>When you think of why the bank account closed:</p> <p>1. Was it mainly the bank's decision?</p> <p>2. Or was it mainly your decision?</p> <p>77. Or was it mainly due to other reasons?</p>

Appendix Table A3 – Payment Services

	Brazil (2002)	Colombia (2002/03)	Mexico (2002/03)	India (2003)	BNLS (2003)	South Africa (2003)	USA (2000)
3.1 Receipts: Income	How do you receive your main income? 1. Cash 2. check 3. deposit in a current account 4. deposit in a savings account 5. others	How did you receive your last payment: 1. Check 2. deposit in current account 3. deposit in savings account 4. cash 5. other 6. no income 7. haven't worked in the past year	In what form do you receive your main income? 1. Cash 2. check 3. deposit in current account 4. deposit in savings account 5. other 6. none	In what form do you receive your main income? 1. Cash 2. goods/ in kind 3. check 4. others	How is this money (income) received? 1. Cash 2. Check 3. Deposit directly into account 4. Voucher 5. Other	How do you receive your money? 1. Into Bank 2. In Cash 3. In Other Forms 4. By Check	In which of these ways did you receive most of your income? 1. By direct deposit to a bank account? 2. By check? 3. In cash? 4. By electronic transfer to a place that's not a bank?
3.2 How would you like to receive your income: (after 3.1)	How would you like to be paid? 1. Cash 2. check 3. deposit in a current account 4. deposit in a savings account 5. others	In what form would you like to receive your main income? 1. Deposit in current account 2. deposit in savings account 3. cash 4. check 5. other	In what form would you like to receive your main income? 1. Deposit in current account 2. deposit in savings account 3. cash 4. check 5. other		How would your household prefer the money to be paid? 1. Check 2. Cash, Into a bank account and withdraw at an ATM 3. Into a bank account and withdraw at a teller 4. Voucher 5. Other 6. Don't know		
3.3 Check cashing services:	If you received a check and wanted to cash it, where would you cash it? 1. Public credit institutions 2. private credit institutions 3. family/friends 4. shop/business 5. micro-financers 6. brokers and others. Would you have to pay a fee to cash the check? How much would you pay in Reals to cash the check or what fee, as a percentage of the value of the check, would they charge you? Do you have a debit card? Do you have a credit card?	How do you cash your checks (most frequent): 1. deposit into account 2. cashier 3. foreign exchange bureau 4. friends/ family 5. commercial store 6. make purchases with check 7. other Do you have to pay to cash a check (what percentage)?	How/where do you cash most of your checks? 1. Deposit into account 2. at the bank 3. moneylender 4. family 5. commercial store 6. exchange for goods 7. other Do you have to pay to cash a check?	How would you cash a check? 1. Go to bank 2. go to post office 3. don't know 4. others			Which of these did you do most often? 1. Deposited the check and took some of it back in cash? 2. Deposited your entire check? 3. Cashed your entire check? 4. Signed your check over to a family member (or friend), who gave you cash? 7. Other Where did you cash most of your checks? 1. at a bank 2. at your work place 3. at a check cashing outlet 4. through an insurance broker 5. through a friend or family member 6. at the supermarket 7. at the ____

Appendix Table A3 – Payment Services

	Brazil (2002)	Colombia (2002/03)	Mexico (2002/03)	India (2003)	BNLS (2003)	South Africa (2003)	USA (2000)
3.4 Payment transactions:	<p>How do you perform each of the following payments (Daily purchases, domestic goods, utilities, education, health, rent, other)?</p> <ol style="list-style-type: none"> 1. Cash 2. Check 3. Credit card 4. Debit card 5. Transfers 6. Discounted from pay check 7. Not applicable <p>Do you have a debit card?</p> <p>Do you have a credit card?</p>	<p>How have you made payments in the last 12 months (Market, electricity, aqueduct and sewage system, telephone, gas, rent, education, health, domestic goods, clothing):</p> <ol style="list-style-type: none"> 1. Did not pay 2. cash 3. check 4. credit card 5. debit card 6. direct deposit 7. other 	<p>If you have made payments on any of the following, how did you pay them (Communications, electricity, water, food, health, furniture, relaxation equipment, transport, education, domestic goods, business rent, rent):</p> <ol style="list-style-type: none"> 1. Cash 2. check 3. credit card 4. debit card 5. in kind 6. transfer 	<p>How do you typically pay for your routine expenditures?</p> <ol style="list-style-type: none"> 1. Cash 2. check 3. loan from seller/shop 4. loan from neighbors/ relatives and other <p>In the past 6 months, how many times have you incurred large expenditures, outside of your routine expenditure?</p> <p>How did you finance these expenditures?</p> <ol style="list-style-type: none"> 1. Pay from cash at home 2. get cash from bank/ Co-op/ Post Office 3. buy on loan from seller 4. loan from friends/ relatives 5. loan form moneylenders 6. loan from landlord 	<p>How do you pay for the service/usage of these (Electricity, running water, telephone and cell phone)?</p> <ol style="list-style-type: none"> 1. Cash 2. credit card 3. debit order 4. debit order 5. other <p>Additional list of items with more alternatives for payment:</p> <ol style="list-style-type: none"> 1. Cash 2. Store Credit Card/ Store Account 3. Debit Order 4. Debit Card 5. Via Internet 6. Pay Roll Deduction 7. Check 8. Credit Card 9. Lay Buy 10. Bank loan 11. Other 12. Not applicable <p>How do you pay for unexpected items: Monthly income, Savings, Bank overdraft, Credit card, On credit, Bank loan, Money lender, Loan from other institution, Burial insurance, Medical insurance, family/ friends, Sold asset, Liquidated an investment, Other, Did not have this expense</p>	<p>When you go grocery shopping, which payment methods do you use more?</p> <ol style="list-style-type: none"> 1. Pay Cash 2. Pay by credit card e.g. Master Card/Visa/ American Express/Diners 3. Pay by debit card/ATM card/check card 4. Pay with Store credit card e.g. Woolworth's 5. Pay with vouchers 6. Pay by check 	<p>How did you pay most of your bills?</p> <ol style="list-style-type: none"> 1. By check? 2. By money order? 3. In cash? 4. Through a place that makes the bill payments for you? 5. By automated payment? 7. Other <p>How did you pay most of your bills?</p> <ol style="list-style-type: none"> 1. By mailing in a payment? 2. By paying at the office of the company that sent the bill? 3. By paying someone at their home (or some other place)? 4. At your home, where someone came to collect your payment? 7. Or some other way?
3.5 Remittances:	<p>During the last 12 months have any members of the household sent or received remittances to/from other parts of Brazil?</p> <p>How were the majority of these remittances sent/received?</p> <ol style="list-style-type: none"> 1. In cash (in person) 2. Check 3. Giro Post 4. Electronic transfer, from your local bank account 	<p>Have you received any remittances in the past 12 months?</p> <p>How were remittances sent from overseas received?</p> <ol style="list-style-type: none"> 1. Cash 2. transfer to remittance agency 3. deposit in an overseas account (in dollars) 4. bank transfer (in pesos) 5. check (in dollars) 6. other 	<p>Has anyone in your house received any remittances in the past 12 months?</p> <p>How were these remittances received:</p> <ol style="list-style-type: none"> 1. Cash 2. check 3. Giro post 4. deposited into your account 5. bank transfer 6. moneylender 7. other 	<p>Have you ever received money from outside the village?</p> <p>In what form was the money received?</p> <ol style="list-style-type: none"> 1. In what form was the money received? 2. Check/ bank draft 3. postal money order 4. cash 5. others 	<p>Which of these services have you personally used in the past six months?</p> <ol style="list-style-type: none"> 1. Transfer money via a bank 2. Transfer money via Post Office 3. Transfer money via Internet 4. Transfer telegraphic transfer 5. Sent money with a friend/ family member 6. I delivered the money myself 7. By taxi/ bus 8. Don't send money 	<p>Which of these services have you or someone in your household used in the past six months to send/receive money to someone?</p> <ol style="list-style-type: none"> 1. Bank 2. Post office 3. Internet 4. Telegraphic transfer 5. With a friend/family 6. check 7. Using services such as Western Union, Thomas Cook, Rennies 	<p>During the last 12 months, have you ever sent money to someone who lives somewhere else?</p> <p>During this time, did you usually send money:</p> <ol style="list-style-type: none"> 1. More often than once a month, 2. About once a month, 3. Or less often than once a month? 7. Other <p>How did you most often send the</p>

Appendix Table A3 – Payment Services

	Brazil (2002)	Colombia (2002/03)	Mexico (2002/03)	India (2003)	BNLS (2003)	South Africa (2003)	USA (2000)
	5. Others	How were remittances sent from other cities within the country received? 1. Cash 2. transfer to remittance agency 3. deposit into your account (in pesos) 4. bank transfer (in pesos) 5. check (in dollars) 6. other			to/ receive money from my family 9. Other	8. With a paid runner e.g. taxi driver, bus driver 9. Don't send/receive money	money? 1. By mailing a personal check? 2. By giving someone a bank card to withdraw money from your bank account? 3. By transferring money from your bank account to someone else's bank account? 4. By wire? 5. By mailing a money order? 6. By mailing a traveler's check? 7. By sending it through a courier? 8. By taking it yourself (or giving it to someone to take)? 77. Other

Appendix Table A4 – Savings

	Brazil (2002)	Colombia (2002/03)	Mexico (2002/03)	India (2003)	BNLS (2003)	South Africa (2003)	USA (2000)
4.1 Do you have a savings account:	In this moment, do you have any money deposited in a checking account? At this moment, do you have any money deposited in a savings account? In this moment, do you have any money invested in a Time Deposit? At this moment, do you have any money deposited in a savings account, current account or term deposit?	Do you have a savings account in a commercial bank, CAV, cooperative or cooperative bank?	Do you currently have (or have money deposited in) a: 1. Savings account 2. checking account 3. investment account 4. debit card 5. individual pension (afore) account 6. directed savings	What is the main form in which you save excess money? 1. Keep at home 2. Deposit in bank 3. Deposit in Co-operative 4. Pay into Chit Fund 5. Pay into SHG 6. Lend it 7. Give to money keeper/guard 8. Never have excess money 9. Other	Do you have the following (answers can be I have now but don't use, I have now and use, used to have in the past but not now and never had): 2. A Post Office Savings Account 3. Savings/Transaction account from a bank		Do you have: 1. A checking account? 2. A savings account? 3. Or any other kind of account at a bank? 4. I do not have a bank account 88. Don't know
4.2 What kind of institution do you use for savings (formal/informal):	In which institution do you have the largest amount deposited? 1. Public credit institutions 2. private credit institutions 3. cooperatives/credit unions 4. family/friends 5. others 6. no amount deposited	In the last 12 months have you kept savings in one of the following: 1. current account at a cooperative bank 2. current account at a commercial bank or CAV 3. savings account at a cooperative or cooperative bank 4. savings account at a commercial bank or CAV 5. CDT at a commercial bank or CAV 6. CDT at another financial institution 7. other 8. none	In which institution do you have the largest amount deposited? 1. Commercial bank 2. credit union 3. savings and loan society 4. credit cooperative 5. savings bank 6. solidarity scheme 7. NGO 8. pawnshop 9. employee fund 10. other	What is the main form in which you save excess money? 1. Keep at home 2. deposit in bank 3. deposit in Co-operative 4. pay into Chit Fund 5. pay into SHG 6. lend it 7. give to money keeper/guard 8. never have excess money 9. other			
4.3 Informal Institution – Collective Investment Scheme (Tanda/Rosca/ Burial societies etc.):			Have you, in the last 12 months, participated in any of the following: 1. Tandas 2. lending money without receiving interest 3. lending money with interest 4. savings bank 5. solidarity schemes 6. kept savings at home 7. kept savings elsewhere 8. other non institutional 9. none of these		Do you or any one in your household belong to a savings club?	Do you personally belong to a burial society, or not? Many people in South Africa belong to informal societies or group saving schemes such as stokvels, savings clubs or investment clubs to which they contribute on a regular basis. Do you personally belong to any of these types of clubs or not?	
4.4 Savings for investment:	At this moment, do you have any money	In the last 12 months have you kept		In the past 12 months, have you:		Which of the following best describes your	In which of these did you keep most of your

Appendix Table A4 – Savings

	Brazil (2002)	Colombia (2002/03)	Mexico (2002/03)	India (2003)	BNLS (2003)	South Africa (2003)	USA (2000)
	<p>deposited in a term deposit?</p> <p>Indicate the three main investments that they have made in the last 12 months:</p> <ol style="list-style-type: none"> 1. Current account 2. Term deposit 3. Savings account 4. Consortium 5. Cooperatives 6. Buying or selling shares 7. Certificates of deposit 8. Short term funds, fixed/variable income etc. 9. Others 	<p>savings in one of the following:</p> <ol style="list-style-type: none"> 1. employee fund 2. home 3. friends' savings funds 4. loan to family with interest 5. loan to family without interest 6. other 7. none 		<ol style="list-style-type: none"> 1. Purchased any stocks 2. purchased bonds 3. purchased insurance 4. bought gold 5. bought other jewelry 6. bought consumer durables <p>Did you invest in past 12 months in:</p> <ol style="list-style-type: none"> 1. Purchase livestock 2. land improvement/acquisition 3. building improvement/acquisition 4. purchase of equipment/machinery 5. purchase of vehicles or 2 wheelers 6. others 		<p>experience with the following ways of investing, or ways to make money.</p> <ol style="list-style-type: none"> 1. Timeshare 2. Holiday Home/cottage/investment in a second home for yourself 3. Investment in another property that you rent out 4. Investment in a plot of vacant land 5. Investment in farm land 6. Investment in cattle or live stock 7. Unit Trusts 8. Shares on the stock exchange 9. Investment in your own business 10. Investment in somebody else's business 11. Collectables like Antiques/Kruger Rand/Stamps 12. Off-shore investments 13. Stokvel or savings club 14. Burial society 15 A Post Office savings account 16. A savings account at the bank 17. Buying or making goods to sell 18. Starting a business 19. Lending money to others with interest 20. Insurance policies 21. Improving your home 22. Buying and exchanging vouchers for cash or retail goods 	<p>savings?</p> <ol style="list-style-type: none"> 1. In money market funds, other mutual funds, stocks, bonds, or certificates of deposit 2. In a pension or retirement plan 3. In a tax-deferred savings plan or thrift plan 4. In your bank account 5. In someone else's bank account 6. In a bank safe deposit box 7. In U.S. government savings bonds 8. In money orders, or checks you have not yet cashed 9. In cash, jewelry, or gold 10. In property or a business 11. By lending to others with interest 12. By being part of a savings circle 13. No savings at all 77. Other
4.5 Difficulties/obstacles to having a savings account:	Are there any restrictions for withdrawing money?		Are there any restrictions for withdrawing money?				
4.6 Reasons for having a savings account:	<p>Indicate, in order of importance, the 3 main reasons?</p> <ol style="list-style-type: none"> 1. For security reasons 2. to carry out transactions with lower costs 3. to have other financial services available 4. attractive rates of return 			<p>What do you mainly use the account for?</p> <ol style="list-style-type: none"> 1. To keep money safe 2. to write checks 3. to be able to apply for overdraft/loan 4. to receive money from migrant relatives 5. social prestige 6. required to receive payment 	<p>South Africa only: (Burial societies) Thinking about yourself, why do you belong to a burial society /societies? To help me make the funeral arrangements</p> <ol style="list-style-type: none"> 1. For self discipline and commitment 2. For people to help each other/build each other up/ubuntu 3. To socialize/like going to meetings 4. To borrow money 5. To provide for the family 6. Because I inherited the position from my parent 	<p>Which of these are important reasons for keeping your savings where you do?</p> <ol style="list-style-type: none"> 1. You feel that your savings are safe and secure 2. You earn high interest rates 3. You get steady earnings 4. It helps you save for long term goals 	

Appendix Table A4 – Savings

	Brazil (2002)	Colombia (2002/03)	Mexico (2002/03)	India (2003)	BNLS (2003)	South Africa (2003)	USA (2000)
				from government for sale of my produce 7. others	7. Because I don't qualify for a funeral policy through a big organization 8. It makes me feel safe 9. To help when there is a death in the family 10. To help when there is an emergency 11. To provide the kind of funerals my family deserves 12. To keep money safe 13. Because I know and trust the members 14. Because I could not get money or help anywhere else 15. To provide comfort and support when I need it 16. There are many people who will die who depend on me 17. To increase the benefits I get 18. Other		5. You find it easy to add to your savings 6. You find it easy to get to your money, if you need to 7. That there is no fee for taking out your money 8. Or you find it helpful that it is not so easy to get to your money 9. You earn tax-free interest 10. Or you do not need to keep a high balance there 11. None 12. Other
4.6 Reasons for having a savings account: (additional)	<p>South Africa only: Thinking about yourself, why do you belong to a stokvel, savings club or investment club? 1. For self discipline and commitment, 2. For people to help each other/build each other up/ubuntu, 3. To socialize/like going to meetings, 4. To save for a particular purpose, 5. To borrow money, 6. To increase income, 7. Because it's for women, 8. To provide for the family, 9. Because I inherited the position from my parent, 10. To help when there is a death in the family, 11. To help when there is an emergency, 12. To invest and grow your money, 13. To keep money safe, 14. Because I trust and know the members, 15. Because I could not get money or help anywhere else, 16. Other, 17. None</p>						

Appendix Table A5 – Loans & Credit

	Brazil (2002)	Colombia (2002/03)	Mexico (2002/03)	India (2003)	BNLS (2003)	South Africa (2003)	USA (2000)
5.1 Do you have a loan/credit:	During the last 12 months did you apply for or receive any loan or credit?	Have you applied for a loan in the past 3 years? Was your loan application: Accepted, pending, rejected?	Have you applied for a loan since 1999? (Yes, yes but was rejected, no)	Do you have any loans outstanding from formal institutions? Has any one in your household applied to an institution for a loan in the last 3 years?	Do you have a mortgage bond or housing loan from a bank?	Do you currently have a loan:	In the last three years, have you ever looked into getting a loan from a: 1. bank 2. finance company 3. mortgage company 4. None
5.2 Institutional role:	Indicate what are the 3 most important institutions that have granted them credit: 1. Public credit institutions 2. private credit institutions 3. stores 4. cooperatives 5. micro-financers/ NGO 6. partners 7. brokers 8. family/friends 9. others.	Have you applied for a loan in the past 3 years from one of the following institutions? 1. Bancafe 2. Agrarian Bank 3. other banks 4. savings corporation 5. cooperative 6. other 7. none Do you currently owe money to one of the following institutions: 1. Bancafe 2. Agrarian Bank 3. other banks 4. savings corporation 5. cooperative 6. NGO 7. other 8. none	From which of the following did you apply for the loan: 1. Commercial bank 2. SOFOL (Financial society) 3. credit union 4. savings and loans society 5. credit card 6. savings bank 7. solidarity scheme 8. NGOs 9. pawnshops 10. employee fund 11. tanda 12. friends/family 13. commercial store 14. moneylender 15. local government 16. other	(Informal credit) Who did you borrow from? 1. NGO 2. SHG 3. landlord 4. moneylender 5. chit fund 6. friends/ relatives 7. other	(Hypothetical question) Asks how they would finance certain options: 1. Bank 2. Money lender 3. Family/ friends 4. Government Grant 5. Government Loan 6. Other Sources 7. Would not borrow for this 8. Not applicable	Which of the following do you currently use for loans? 1. ABSA 2. Bankfin 3. African Bank 4. Burial societies/ stokvels/ savings clubs 5. Consumer Credit 6. Credit Indemnity 7. Employer 8. FinAid 9. First National Bank (FNB) 10. Friends/ family members 11. Furniture stores 12. Ithala Bank 13. Mashonisas 14. Microlenders or cash lenders 15. NBS 16. Ned Credit 17. Nedbank 18. Old Mutual/ Perm 19. Pawn brokers 20. Peoples Bank 21. Pep Bank 22. Standard Bank 23. Stannic 24. Teba Bank 25. Unibank 26. Wesbank 27. Other 28. None	In which of these places did you most recently look into getting a loan? 1. bank 2. finance company 3. mortgage company 4. None
5.3 Informal credit	Besides the formal credit, how do you solve your financial necessities? Have you borrowed money in the last 3 years from one of the following informal sources: 1. loans from friends/family 2. moneylender 3. employee fund 4. informal savings fund 5. other 6. none	During the last 3 years, have you applied for a loan from: 1. Friends/ Family 2. Moneylender 3. Almacén 4. Employee fund 5. Informal savings fund 6. Other 7. None of the above		In the past 12 months, have you borrowed from non-institutional/informal sources? Who did you borrow from? 1. NGO 2. SHG 3. landlord 4. moneylender 5. chit fund 6. friends/relatives 7. other	Inquires whether they have a loan from: 1. unregistered money lender 2. loan and/or savings from a NGO 3. loan and/or savings from a cooperative	Inquires whether they (they (have/ used to have/ have now and used to/ have now but don't use to) a loan from: 1. friend/family 2. employer 3. stockvel	During the last three years, did you ever look into getting a loan from a: 1. car dealership (or car sales lot) 2. work place 3. community (or church) loan fund 4. government loan fund 5. furniture store (or other store) that makes cash loans 6. check cashing outlet (or other place) that gives you a "payday loan." 7. None During the last three

Appendix Table A5 – Loans & Credit

	Brazil (2002)	Colombia (2002/03)	Mexico (2002/03)	India (2003)	BNLS (2003)	South Africa (2003)	USA (2000)
							years, did you ever look into getting a loan from a: 1. friend 2. family member 3. person in the neighborhood who lends out money for interest? 4. None
5.4 Credit Card/ Store Card/ Overdraft	Do you have a credit card?	Do you have a credit card?	From what institution or person did you get credit from? 5. Credit card	Do you have a Kisan Credit Card? Does anyone in the household have any overdraft facilities?	Do you have an overdraft at the bank?	Do you have a store card or account at any store?	Do you have a major credit card?
5.5 Purpose of loan:	<p>What was the the loan or credit for? 1. For the home/private, 2. For the company, others.</p> <p>What was the most important purpose for 'personal use': 1. Family emergency 2. special event 3. purchase goods for personal use 4. automobile 5. purchase or renovate property 6. education 7. others</p> <p>What was the most important purpose for 'business use': 1. Working capital 2. maintenance 3. fixed capital 4. pay creditors 5. special costs / unforeseen costs 6. others</p>	<p>What was the purpose of the loan? 1. Personal expenses 2. education or health 3. vehicle purchase 4. purchase or renovation of property 5. purchase or renovation of machinery 6. business investment 7. to pay debts 8. other</p>	<p>What was the purpose of the loan? 1. To buy a house 2. to renovate house 3. domestic goods 4. personal vehicle 5. to pay debts 6. education 7. health 8. to buy merchandise 9. to buy tools 10. to buy machinery 11. transport vehicle 12. to pay creditors 13. to pay qualification</p>	<p>What was the purpose of the loan? 1. Purchase/improvement of land 2. purchase/improvement of building 3. purchase of livestock 4. purchase of machinery/equipment 5. purchase of car/tractor/2 wheelers/TV etc. 6. working capital for business 7. education 8. family emergency (accident, sickness) 9. special event 10. household expenditures 11. others</p>	<p>(Where would you go for a loan or credit) Why would you use that particular option? 1. Money to study 2. Buying a car 3. Loan to pay off debts 4. To start a business 5. For a family emergency like funeral 6. To buy food if money has run out 7. If retrenched 8. For unexpected medical expenses 9. To pay school fees 10. Clothing 11. Furniture 12. Electrical appliances 13. Travel or holiday 14. Repairing or painting a house 15. Buying a house 16. Livestock 17. Seed and Fertilizers 18. To replace things that has been stolen or destroyed</p>	<p>Inquires what type of loan they currently have or have ever had: 1. Money to study 2. To pay off debts 3. To buy food if money has run out 4. To pay school fees 5. For clothing you need 6. To pay for water or electricity 7. For a funeral 8. For unexpected medical expenses 9. Because of a retrenchment 10. For furniture 11. For electrical appliances 12. For travel or holiday 13. To repair or paint a house 14. To buy a car 15. To start a business 16. To buy a house 17. None</p>	<p>What did you plan to use the loan for? 1. In case of emergencies 2. To cover the costs of a new baby 3. In case family/ friend urgently needed money 4. To pay for special events 5. For travel or for a vacation 6. To pay for food or clothing or rent 7. To pay down other loans 8. To pay for Christmas, or other, gifts 9. For education or training 10. To buy furniture or other household appliances 11. To buy/ improve a home 12. To buy a vehicle 13. To start/ expand a business 14. None of these 15. Other</p>

Appendix Table A5 – Loans & Credit

	Brazil (2002)	Colombia (2002/03)	Mexico (2002/03)	India (2003)	BNLS (2003)	South Africa (2003)	USA (2000)
5.6 Difficulties/obstacles to obtaining a loan/credit:	How long (months and days) did it take to receive a response for your loan or credit? Did you need any guarantees or collateral for the loan or credit?	Were any of the following items used as collateral: 1. Mortgage or pledge 2. vehicles 3. equipment and machinery 4. inventory 5. other goods 6. public institution guarantee 7. co-signer 8. solidarity group 9. other	Did the loan require any collateral? Did the loan require a guarantee?	How long did the process take (weeks): Was collateral required (for each of the institutions); Did you have to bribe anyone to receive loan approval What is the main constraint to accessing additional credit? 1. Not adequate collateral 2. no need to 3. interest rate too high 4. others		Asks which loan providers require insurance (retailer, bank, micro lender, other, none)	
5.7 Why didn't you apply for a loan:	If you didn't apply for a loan or credit, why not? 1. No need. 2. didn't know how to apply 3. assumed that the application would be rejected 4. others	Why have you not applied for a loan in the past 3 years: 1. no need 2. prefer to use own funds 3. to many requirements 4. don't like to have debts 5. insufficient income 6. lack of guarantees 7. didn't find co-debtors 8. high cost of credit 9. don't have a job 10. other	Mexico only: They are asked to choose one reason from the following: 1. no need 2. prefer to use their own funds 3. have other sources 4. too many requirements 5. don't trust the financial sector 6. didn't have a job 7. low salary 8. lack of collateral 9. the amount was too high 10. the amount was too low 11. high interest rates 12. high maintenance costs 13. didn't know who to apply to 14. assumed that the application would be rejected 15. Insufficient information 16. other				
5.8 Why was the loan rejected:	Indicate, in order of importance, the 3 main reasons responsible for the loan or credit being rejected? 1. Didn't have enough earnings 2. didn't have steady income 3. didn't have any guarantees 4. didn't have a job 5. the evaluated returns were less than the proposed expenses 6. others	What is the main reason the loan was rejected: 1. no credit history 2. bad credit history 3. lack of collateral 4. insufficient and irregular income 5. purpose of loan 6. no reason given 7. don't know 8. other	Choose one reason from the following: 1. gender 2. age 3. civil status 4. solicited amount was too high 5. lack of credit history 6. bad references 7. because of the guarantees 8. lack of guarantees 9. didn't have a job 10. insufficient income 11. short working history 12. lack of pay slip 13. too many debts 14. the aim of the credit 15. other	Asks why was the loan application rejected: 1. Not enough earnings 2. no steady income 3. no guarantees available 4. no collateral 5. incomplete filled applications 6. others			

Appendix Table A6 – Insurance, Pensions and Term Transformation

	Brazil (2002)	Colombia (2002/03)	Mexico (2002/03)	India (2003)	BNLS (2003)	South Africa (2003)	USA (2000)
6.1 Pension	<p>Have you voluntarily contributed, during the last 12 months, to some kind of pension fund?</p> <p>The institution that you contributed to was:</p> <ol style="list-style-type: none"> 1. Public 2. Private 	<p>Have you contributed, during the last 12 months, to some kind of pension fund?</p> <p>The institution that you contributed to was:</p> <ol style="list-style-type: none"> 1. Public 2. Private <p>How long have you contributed to this fund?</p>	<p>Have you contributed, during the last 12 months, to some kind of pension fund (AFORE)?</p> <p>The institution that you contributed to was:</p> <ol style="list-style-type: none"> 1. Public 2. Private - Workplace 3. Private - Other <p>How long have you contributed to this fund?</p>		<p>I would like you to tell me if you never had, used to have but don't have it now, don't have but others in the household have, or you yourself currently have:</p> <ol style="list-style-type: none"> 1. Membership of a burial society 2. Funeral Policy 3. Life Insurance Policy – long-term 4. Retirement annuity/Provident Fund/Pension Fund 5. Endowment/Investment Policy 6. Household/car Insurance – short-term 7. Medical Aid 8. Hospital Plan 9. Disability Insurance 10. Education insurance cover 		<p>In which of these did you keep most of your savings? In a pension or retirement plan [Not Social Security]</p>
6.2 Insurance				<p>Do you have any kind of insurance?</p> <p>2. Which kind of insurance?</p> <p>Would you like to have any kind of insurance & pay for it?</p> <p>Which insurance would you want the most?</p> <ol style="list-style-type: none"> 1. Life 2. Health 3. Fire 4. Theft 5. Crop 6. Other <p>Would you be ready to pay for monsoon insurance?</p>	See above		<p>Do all of your children (under 18) have health care coverage? [Medicaid, Medicare, or a Health insurance plan - either private or government]</p>
6.3 Term Transformation							

Appendix Table A7 - Core Concepts: Basic Socioeconomic Attributes – Control Variables

	Brazil (2002)	Colombia (2002/03)	Mexico (2002/03)	India (2003)	BNLS (2003)	South Africa (2003)	USA (2000)
7.1 Age (Age of respondent : see Table 3: Unit of response)	What is your date of birth?	Respondent's age?			Respondent's age?	Could you please tell me into which age group you fall? A. 18 - 24 years B. 25 – 29 years C. 30 – 34 years D. 35 – 39 years E. 40 – 44 years F. 45 – 49 years G. 50 – 54 years H. 55 – 59 years I. 60 – 64 years J. 65+ years 11. Refusal	What is your age? 1. Specify age [18-98] 2. Over 98 years old
7.2 Gender	What is the sex of the interviewee?	Respondent's sex?			Respondent's sex?	Respondent's gender?	Respondent's Gender [Voice recognition or personal recognition only]
7.3 Education	Do you know how to read and write (a card or note)? What is your level of education? 1. Literacy for adults 2. Elementary (incomplete) 3. Elementary (complete) 4. Primary (incomplete) 5. Primary (complete) 6. Secondary (incomplete) 7. Secondary (complete) 8. Tertiary (incomplete) 9. Tertiary (complete) 10. Master's 11. Doctorate	What is your level of education? 1. None 2. Preschool 3. Primary 4. Secondary 5. Tertiary or above 6. Don't know		What is your level of education? 1. Illiterate 2. Primary 3. Secondary 4. Graduate 5. Postgraduate 6. Technical 7. Others	What is your level of education? 1. None 2. Some primary school 3. Completed primary school 4. Some secondary school 5. Completed secondary school 6. Degree/ Diploma Tertiary	What is your level of education? 1. No formal education 2. Some primary school 3. Primary school completed 4. Some high school 5. Matriculated 6. Some university 7. University completed 8. Any other post-matric qualification	What is the highest grade in school you completed? 1. [Specify number]___ [0-30] 2. Passed high school equivalency test (G.E.D.) 3. Attended a trade school (or apprentice program) 4. No formal schooling
7.4 Employment	In your main job, you work: 1. As an employer 2. Self employed 3. As an employee 4. As a non-paid worker 5. Others Your working hours could be considered as: 1. Full-time? 2. Part-time? 3. Irregular hours?		In your main job last week, you worked: 1. As an employer 2. Self employed 3. As an employee - Variable salary 4. As an employee - Fixed salary 5. As a member of a cooperative 6. As a non-paid worker (family) 7. As a non-paid worker (outside family) 8. Unemployed 9. Others	Respondent's activity status: 1. Unemployed? 2. Full-time? 3. Part-time? 4. Not applicable? 5. Others?		Is the head of household employed or working or not? 1. Yes 2. No Which of the following best describes your employment status? 1. Pensioner/Retired 2. You work full-time 3. You work part-time 4. You are a housewife 5. You are a student/scholar 6. You are not working but looking	Are you currently: working full time at a job for a wage (or salary)? 1. Working full time (or salary)? 2. Working part-time? 3. Working at more than one job? 4. Working in a family business, but not for wages? 5. Self-employed (or a business owner)? 6. Or not employed at all? [includes taking care of home or own children] 7. Other

Appendix Table A7 - Core Concepts: Basic Socioeconomic Attributes – Control Variables

	Brazil (2002)	Colombia (2002/03)	Mexico (2002/03)	India (2003)	BNLS (2003)	South Africa (2003)	USA (2000)
						for a job 7. You do piecework/ work in the informal sector 8. Unemployed 9. Other	
7.5 Income – Direct/ Indirect	Specify, in order of importance, the 5 main sources of income and benefits from the last 30 days: 1. Salary (full-time)? 2. Salary (part-time)? 3. Salary (irregular)? 4. Rent? 5. Returns from financial investments? 6. Remittances/ Transfers? 7. Transport tickets? 8. Scholarship? 9. Pension/ Social security? 10. Food allowance? 11. Others Indicate the total value received from each of the 5 options chosen in the previous question:		During last the 12 months, did you or some of the members of the home received payments in money or goods for: 1. Rents from properties other assets etc.? 2. Insurance payout? 3. Scholarships and loans for studies received? 4. Food pensions, retirement, widowhood or disability? 5. Suspension and indemnification from work? 6. PROCAMPO benefits/ others? 7. Interest received from savings and deposits? 8. Other income? How much did you receive in the last 12 months from the sources listed in the previous question?	In the past 30 days, what were your main sources of income? 1. sale of farm produce 2. sale of fruits/vegetables 3. sale of dairy products 4. wages / salary (full time) 5. wages / salary (part time) 6. wages / salary (irregular) 7. trading 8. business 9. pension 10. rent 11. remittances/transfers 12. none 13. others In addition to your income, do you receive any other payments during the year (e.g., from sale of harvest, remittances, transfers)?	Thinking about you and your household, could you please tell me the number of people earning an income by doing the following? 1. Salaries and or wages 2. Subsistence farming 3. Commercial farming 4. Business activities, non farming 5. Pension 6. Cash remittances 7. Rental income 8. Interest from savings/ investments 9. Maintenance grants 10. Drought relief insurance 11. In kind receipts 12. Welfare grants 13. Others 14. No income Does the respondent earn ANY income?	Please indicate your average total monthly personal income before tax and other deductions: Please indicate your average total monthly household income before tax and other deductions: 77. Any other government payments?	In the past 12 months, have you received any payments from the government, such as: 1. Your wages (or salary)? 2. Social Security payments? 3. Veterans payments (or pension)? 4. Food Stamps (or WIC nutrition program)? 5. Welfare payments (or general assistance)? 6. Supplemental Security Income? [OR SSI] 7. Railroad retirement benefits, or any other government pension? 8. Any medical benefits? 9. None 77. Any other government payments?
7.6 Wealth	How many of the following items do you have in your household? 1. Telephone lines 2. Televisions 3. Computers 4. Cellular Phones 5. Automobiles 6. Motorcycles Your dwelling is: 1. Owned - Paid for 2. Owned - Still paying 3. Rented 4. Provided by employer 5. Provided by another form 6. Others	Which of the following assets do you possess? 1. Additional property 2. Automobiles 3. Motorcycles 4. Computers 5. Bicycle Cellular 6. Phones 7. Refrigerator 8. Televisions 9. Computers 10. None of the above	Your dwelling is: 1. Owned - Still paying 2. Owned - Paid for 3. Rented 4. Provided by employer or another form 5. Others Do you have the following items in your household? 1. Refrigerator 2. Mixer 3. Televisions 4. Parabolic antenna 5. Sewing machine 6. Computers 7. Automobiles 8. Truck 9. Motorcycles 10. Bicycle 11. Transport for animals 12. Boats, canoes, etc.		Your dwelling is: 1. Owned - Paid for 2. Owned - Still paying 3. Occupied free 4. Rented without subsidy 5. Rented with subsidy 6. Others Please tell me which of the following you have in your home: 1. Electricity 2. Running water 3. In-home telephone 4. Cell-phone 5. Computer	Does this household own or rent this dwelling? 1. Own 2. Rent Please tell me which of the following you have access to now: 1. Cell-phone 2. Telkom telephone at home 3. Telkom public phone 4. Telkom telephone at friend/work 5. Computer at home or work 6. Internet at home or work 7. Email at home or work 8. A fax machine at home or work 9. None	Do you rent your home, or do you own it? [includes owning a condominium, co-operative, or townhouse association] 1. Rent 2. Own 77. Other Do you own a car (or truck, or other motor vehicle)?

Appendix Table A7 - Core Concepts: Basic Socioeconomic Attributes – Control Variables

	Brazil (2002)	Colombia (2002/03)	Mexico (2002/03)	India (2003)	BNLS (2003)	South Africa (2003)	USA (2000)
7.6 Wealth (additional)	<p>South Africa only: Please tell me which, if any, are presently in your household: 1. Hot running water; 2. Fridge/freezer; 3. Microwave oven; 4. Flush toilet in house or on plot Cape; 5. A full-time domestic servant; 6. VCR in household; 7. Vacuum cleaner/floor polisher; 8. A cellular phone in household; 9. Home is a traditional hut; 10. Have a washing machine; 11. A computer at home; 12. An electric stove; 13. A TV set; 14. A tumble dryer; 15. A Telkom home telephone; 16. No or only one radio; 17. Hi-fi/music center; 18. Living in a non-urban area outside of Gauteng or Western Cape; 19. Built-in kitchen sink; 20. Home security service; 21. A deep freezer; 22. Water in home or on stand; 23. Have M-Net and/or DSTv; 24. A dishwasher; 25. Electricity; 26. A sewing machine; 27. Live in Gauteng; 28. Live in Western Cape; 29. One or more motor vehicles</p>						
7.7 Geography - Local/ Neighborhood Identifiers	<p>Brazil only: This dwelling is located in a: 1. Legalized Condominium of Houses and/or Apartments 2. Slum or Shanty-town not-legalized 3. Tenement House or similar 4. Isolated Construction 5. Others</p> <p>How many rooms exist in this dwelling (occupied by you or your family)?</p> <p>What type is the dwelling in which you live? 1. House 2. Apartment 3. Shack 4. Room (separate) 5. Room (internal) 6. Others</p>					<p>South Africa only: Please can you tell me which of the following apply to you and your household ? 1. There is a communal tap or a tap shared by a number of houses 2. Toilet is a pit latrine or hole or bucket system 3. There is no toilet 4. There is a bank nearby 5. There is a formal restaurant or hotel nearby 6. There is a formal shop nearby selling men's clothing 7. There is a formal shop nearby selling women's or children's clothing 8. There are tarred roads on most roads nearby 9. There is a lot of wood or coal smoke around where you live 10. There is a hospital/clinic nearby 11. There are emergency services (ambulance, fire etc.)</p>	
7.8 Geography - Regional identifiers	Region, State, Municipality, City, Address	Municipality	Municipality	Village, District, Address	City, Address	Record area: 1. Metro 2. Small urban 3. Rural	I see from the listing in the telephone book that your address is address, city, state, zip]. Is this correct?
7.9 Geography – proximity of financial services:	See: Appendix Table A1.2 question 2.5 Physical Access						
7.10 Social Rank/ Community Status/ Race or Ethnic discriminators				Respondent's social Group? Were you born in this village? Respondent's religion?	What is your marital status? Please tell me your religion?	Respondent's race? Population group: 1. Black 2. White 3. Colored 4. Asian	Are you Latino (or Hispanic)? 1. No 2. Yes 77. Other Which one (or more) of the following do you consider yourself? 1. Black (or African American)? 2. White? 3. Asian? 4. American Indian (or Alaska Native)? 5. Native Hawaiian (or Other Pacific Islander)? 77. Another race?