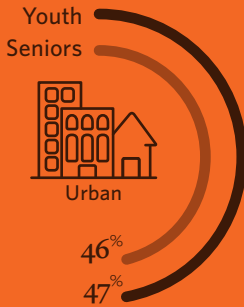




65% of the Benin population of 15 plus are youth (15 to 35 years)



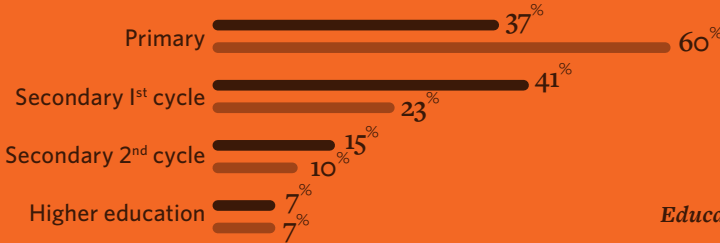
Proportion of youth vs. seniors living in urban areas

Similar proportion of youth and seniors residing in the urban areas.

Donga has the highest proportion of youth residing in urban areas (59%) while Collines has the highest rural proportion of youth (64%).

Although high for both groups, the youth have a lower proportion of adults who have not attended school (41%).

A gender gap exists within the youth in acquiring education. Only 5% female youth have post secondary education versus 9% male youth.



Education levels amongst the youth and seniors

41%

Do not go anywhere for advice

26%

Someone else in your family or friend

11%

Your spouse/partner

8%

Someone senior in your community

6%

Informal savings group

4%

Someone else in your community

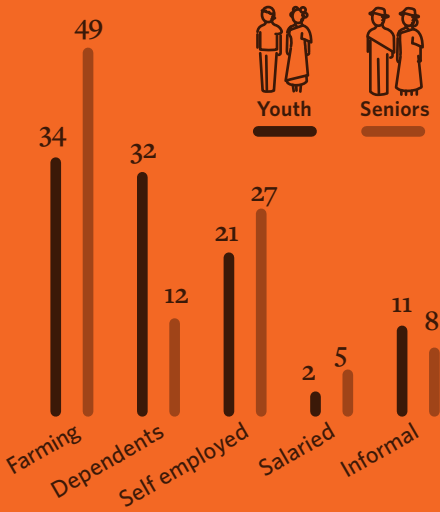
2%

Bank/other financial professional

Only 2% of the youth approach professionals for financial advice.

One in every two youths acknowledged that they required more information on all aspects of money management. The top aspects required were how to save, how to acquire a loan as well as how to invest.

Sources of financial advice amongst the youth



A high proportion of youth are dependents. One in every three youth rely on receiving assistance from family members whilst seniors largely depend on farming for a living with less being dependent on other household members or annuities. Similarly, one in every three youth depend on money from agriculture related activities as compared to one in every two seniors. 21% youth are self employed and only a few of these have registered businesses. Despite youth being more educated than seniors, only 2% are formally employed compared to 5% seniors. Overall, youth have an irregular and seasonal income.

Main sources of income by target groups(%)



Target groups are created using main income sources of adults. This allows homogeneous groups of adults to be analysed and targeted based on their main livelihood source.

Youth are paid less than seniors across all target groups. On average, the youth earn \$55 per month which is almost half of the senior monthly average of \$101 per month. This may be attributed to the level of skills and work experience. Another income target is the dependent youth, who receive a lot less than other youth income groups. Overall, the majority of the youth earn way less than the minimum wage of \$70 (Benin Labour Code - 2014).

Average income by main target group

(Exchange rate: USD 1 = FCFA580)
 (Average rate as at November 2018)

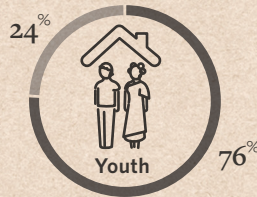
Benin YOUTH



The majority of the youth (76%) find it difficult to cope with financial commitments. This compares to the slightly higher proportion (79%) of seniors that find it difficult to keep up with financial commitments. Despite, lower average monthly income among the youth, a slightly higher proportion of them (20%) found it easier to keep up with financial commitments versus 18% of seniors.

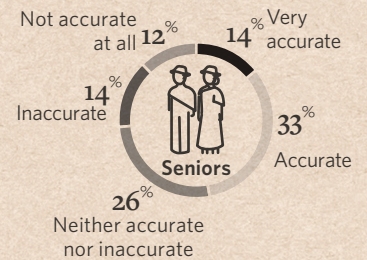
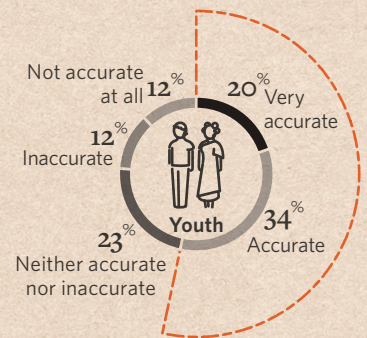
Document ownership used in identification of individuals seem lower amongst the youth. 76% of youth have an ID or its equivalent compared to 92% of seniors. About one in twenty youth has a proof of residence document. This can prove to be a significant barrier in trying to access formal financial services.

Financial behaviour can also be explained by the level of accuracy in accounting for monthly expenditure. There are generally minimal differences between the youth and senior Beninese. There are more youth showing high levels of accountability for monthly expenditure than seniors.



76% of youth are head of households compared to 86% of seniors. While most youth are married, a higher proportion of seniors (11%) are widowed than youth (7%).

One in two youths accurately accounted for personal monthly income. This is likely to be the proportion involved in formal employment and self employment segments.



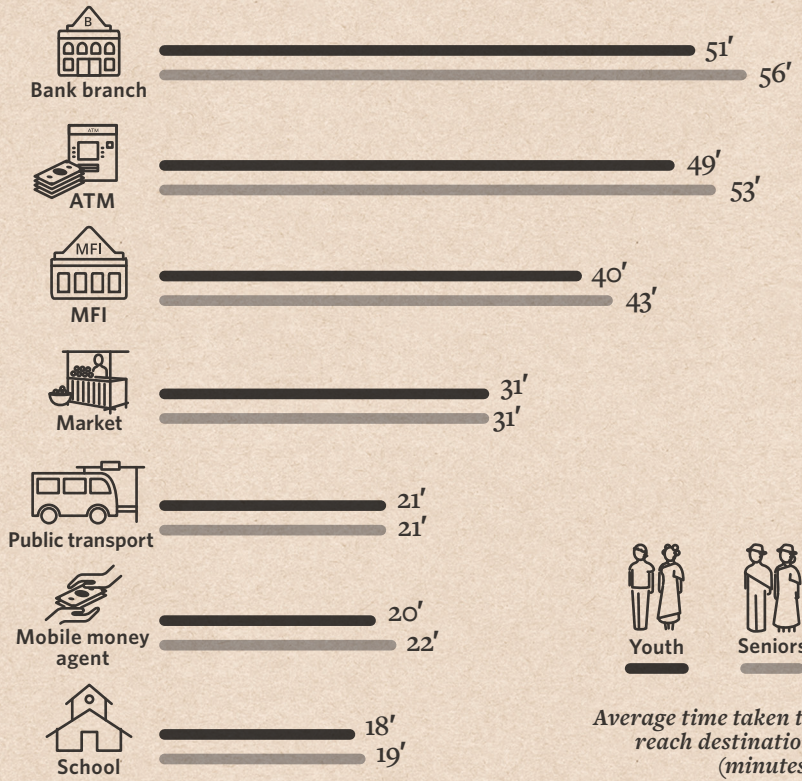
Accuracy in accounting for personal monthly expenditure

RADIO IS THE MOST WIDELY ACCESSED MEDIA AND COMMUNICATION PLATFORM



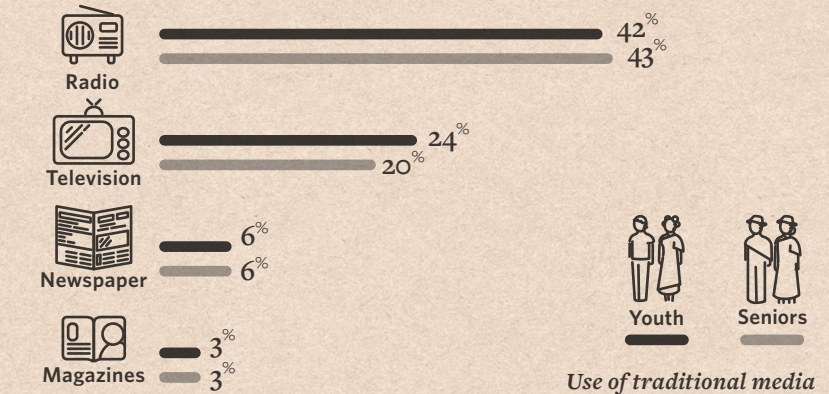
Youth Access to Infrastructure

Benin youth take above 40 minutes on average to reach a bank agent, ATM or MFI. There are no significant differences in the average time taken to different access points between the youth and seniors. The least accessible infrastructure among all adults are financial service points while the most accessible are schools, mobile money agents and market places. High ownership of transportation assets such as motor bike and bicycle versus own car/van between both groups.



Average time taken to reach destination (minutes)

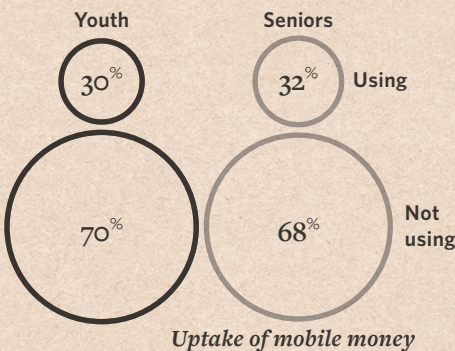
Low access to media and communication platforms to the Beninese people although radio is the most commonly used. Ownership of the radio amongst the youth is moderate with about 42% youth being in a household that owns a radio. The same applies to the senior adults. There is higher access to the television (24%) or internet (11%) by the youth. Financial information conveyed via the radio would reach a higher youth audience.



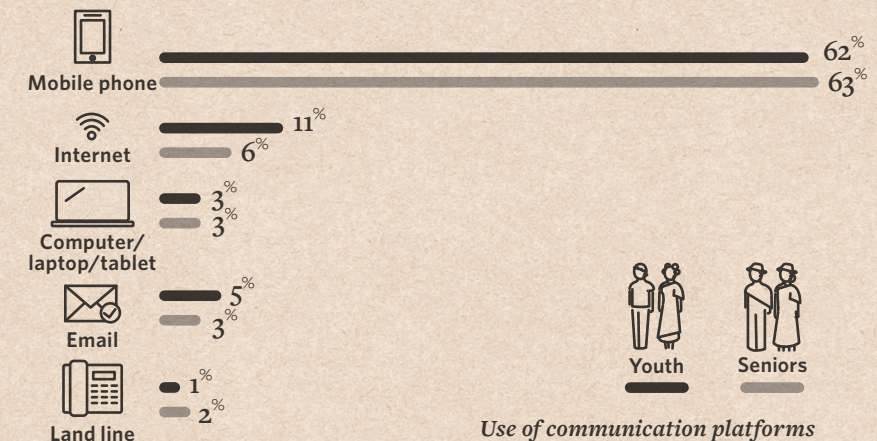
Use of traditional media

Mobile phone usage is similar among the youth (62%) and seniors (63%).

Consideration of mobile phones as a media access medium can be useful.



Uptake of mobile money



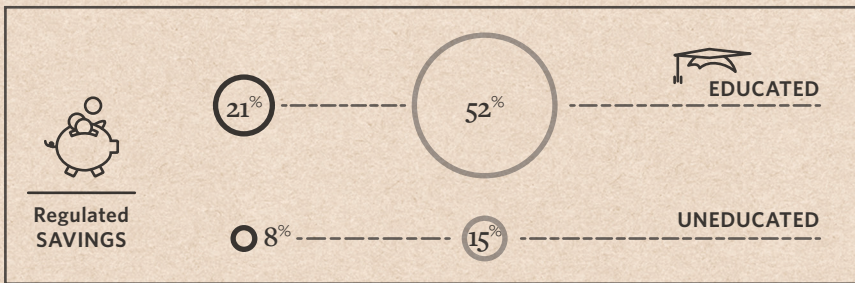
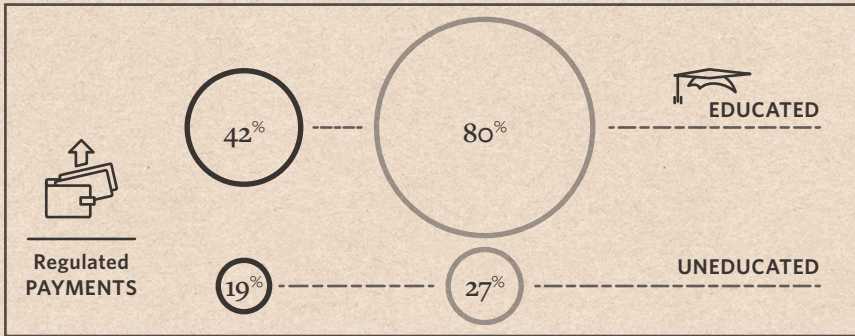
Use of communication platforms



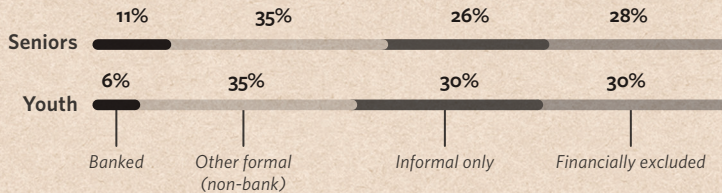
Youth



Seniors



Education levels and use of formal products



Financial Access Strand

30% of the youth are financially excluded.

This is slightly higher than the proportion of the seniors (28%). Regulated financial access among the youth is also lower at 37% compared to 44% of the senior adults. Among the youth, those aged between 15 to 20 years are more financially excluded (36%) compared to those aged 21 to 35 years (25%). This might be attributed to youth being less economically active and also largely being dependents. Moreover, the law doesn't allow youth below 18 to open an account in a bank or in a MFI. There is need for financial institutions to offer low cost accounts with lower requirements.

Education plays a role in access levels to formal financial services. 58% of educated youth have formal financial

services versus 30% of uneducated youth. This may be explained by the employment prospects that lie with higher educational attainments. However, when looking amongst the educated groups of the youth and seniors, a huge difference is noted in formal product uptake. The educated seniors have 89% of them having/using formal financial services compared to the aforementioned 58% of educated youth.

Usage exclusive to informal financial services is highest amongst uneducated youth (35%) versus 22% of educated youth. The same applies to educated seniors who use only informal services (6%) compared to 29% uneducated seniors. In both age groups, the uneducated show more reliance on

informal financial services with the educated having higher reliance on regulated financial products.

A lower proportion of youth borrow from banks and formal financial institutions. Only 1% of educated youth borrow from financial institutions versus 10% of educated seniors. The use of informal credit sources such as money lenders is more popular amongst the uneducated seniors (4%) compared to 2% of uneducated youth. Amongst the uneducated Beninese, there appears to be a credit averse community especially towards informal credit mechanisms. Overall, the uptake of credit appears to be low.

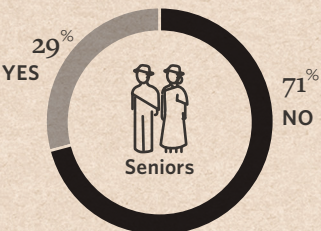
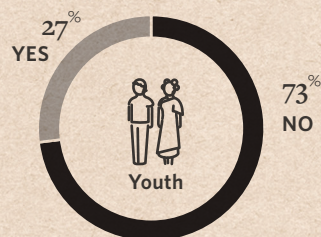
Bank and MFI product penetration is lower amongst the youth. A lower proportion of the youth (6%) are banked while 11% of the seniors are banked. There are 11% of youth that have MFI products (currently use) and 19% of seniors.

The main product driving the banked population among the youth is current/cheque account (20%) while MFIs are being driven by credit and savings products. Low penetration of cellphone banking among the banked population with 6% of youth versus seniors (10%). For the seniors, the most popular product driving bank access is also the current/cheque account (41%).

Uptake of mobile money



Raising awareness of the benefits of using mobile money among the youth can also boost the uptake of mobile money as it is most accessible. Of those youth not using mobile money, besides not having a cellphone (28%) being cited as the limitation to having a mobile money account, some of the other top reasons were not having enough information about mobile money account (17%) as well as mobile money transactions being complicated (13%).



The biggest risks among the youth that have experienced some form of insurable risk in the past is:

- death 35%
- big illness 32%

Despite one in five adult youth having experienced death or illness of a household member (including main income earner), 73% of youth are not aware of the term insurance (as well as 71% seniors). Insurance awareness of the health insurance related and low-cost products targeted at the poor and youth need to be sensitized.

One in ten youth also experienced agriculture related risk yet only one percent of them are formally insured. About one third (27%) of the youth depend on farming for a livelihood and even more seniors (42%) yet the mechanisms used mainly for mitigating agricultural risks are selling something, cut down expenses or doing nothing.

Awareness of insurance(%)

		Youth	Seniors	All
	Regulated	3%	7%	4%
	Unregulated	2%	4%	3%
	Family & friends or self	2%	2%	2%
	Regulated	28%	33%	30%
	Unregulated	1%	2%	1%
	Family & friends or self	3%	5%	3%
	Regulated	1%	4%	2%
	Unregulated	2%	4%	2%
	Insured indirectly	0.4%	1%	1%
	Regulated	13%	19%	15%
	Unregulated	48%	49%	48%
	Saving at home	51%	52%	51%

The table on the left summarizes the usage of financial services of the youth versus the senior population.

The youth population has lower access in regulated access to credit (3%), insurance (1%) and savings (13%) compared to the seniors with slightly higher access across the four landscape product areas. There is high uptake of unregulated savings products versus regulated products among the youth. Borrowing and insurance show areas of very low uptake.

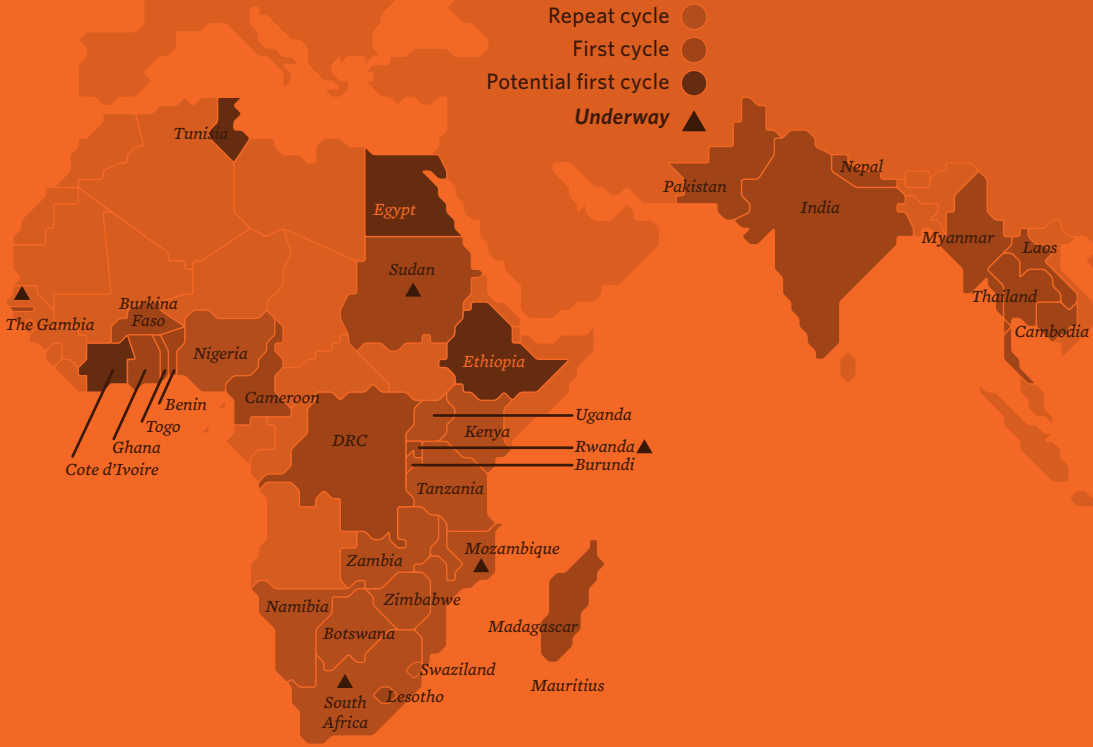
Low cost saving accounts and financial education are key for the youth.

Since youth are mainly involved in saving through informal mechanisms and at home, there is a need to understand the usage of informal savings groups. Offering financial education on the benefits of formal versus informal will also help to transform their financial behaviour and choice. Usage of informal services is not only limited to financial education but cost, convenience and access issues with formal institutions. Mobile money services can also be tailor made to suit the needs of youths.

Small and medium enterprise development - the youth have the largest proportion of dependents.

In order to transform them into productive areas, the growth of employment is made viable through the development of the small and medium enterprise sector. Youth mainly derive an income from this sector with 1 in 5 youths being reliant on self-employment. Engaging the needs of these youth and establishing firm entrepreneurial-led businesses and farming will be key in expanding access to employment for other youth who are dependents, involved in informal sectors and non-commercial farming.

Usage of financial services among youth and seniors in Benin



FinScope footprint



FinScope Consumer Surveys have been completed in 34 countries including Benin. This allows for cross-country comparison regionally and sharing of findings which are key in assisting on-going growth and strengthening the development of financial markets. Surveys are currently underway in 5 countries – 2 in SADC, 1 in West Africa and 2 non-SADC.

FinScope Benin 2018 contains a wealth of data based on a nationally representative sample of the adult population of the Benin.

About the Making Access Possible Programme

Making Access Possible (MAP) is a multi-country initiative to support financial inclusion through a process of evidence-based analysis feeding into a financial inclusion roadmap jointly implemented by a range of local stakeholders.

MAP was initiated by the United Nations Capital Development Fund (UNCDF) and is implemented in partnership with FinMark Trust and the Centre for Financial Regulation and Inclusion (Cenfri). In each country, MAP brings together a broad range of stakeholders from within government, the private sector and the donor community to create a set of practical actions aimed at extending financial inclusion tailored to that country.

About FinScope Benin

The FinScope survey is a research tool which was developed by FinMark Trust. It is a nationally representative survey of how individuals source their incomes, and how they manage their financial lives.

The FinScope survey is dynamic and the content is evaluated by a number of stakeholders including the private sector, NGOs and Government to ensure that the most relevant consumer data is collected. It also forms an important component of the Making Access Possible (MAP) methodology.



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