

# Overview

## Vizaun Inkluzaun Finanseira

- 15 1.1 Financial Exclusion and Its Challenges**  
Esklusaun finanseira ho ninia dezafiu
- 15 1.2 Goals and Benefits of Financial Inclusion**  
Metas no Benefísius husi Inkluzaun Finanseira
- 16 1.3 Measuring Financial Inclusion**  
Sasukat ba Inkluzaun Finanseira







***The global financial sector has continued to develop, deepen and modernise over time, providing a range of products and services through various channels to meet the growing financial needs of today's society. Banking and finance has become part and parcel of everyday life, enabling people to transact, save, obtain credit and insure against risks in a safe and efficient manner. In achieving this, regulators and financial institutions continue to work hand in hand to ensure a stable, well-functioning and sound financial sector.***

*Setór finanseiru mundiál kontinua nafatin dezenvolve, aprofunda no moderniza tuir tempu, para bele oferese produsos no servisu oioin liuhosi kanál oioin hodi atende nesessidades finanseiras sosiedade nian ne'ebé ohin-loron aumenta ba beibeik. Atividade bankária ho finansas sai ona hanesan partentegrante moris loroloron nian, para fasilita ema sira bele hala'o atividades tranzasaun, poupansa, hetan kréditu ho seguru kontra riskus tuir forma ida-bé segura no efisiente. Para bele realiza ida-ne'e, reguladór ho instituisaun finanseira sira tenke kontinua servisu hamutuk hodi bele garante setór finanseira ida-bé estável, ninia funsionamentu ka dezempeñu di'ak no seguru.*



## 1.1

### Financial Exclusion and Its Challenges

While the financial sector has made leaps and bounds in its development, the results have yet to benefit all segments of society. There are still many disadvantaged members of society who continue to be excluded from the financial system. The often excluded and underserved members of society, particularly the low-income, rural, women and people with disabilities, continue to face barriers to inclusion. More than 70% of the world's poor are unbanked due to many barriers, including costs, travel distances and the often-burdensome requirements involved in opening a financial account.<sup>1</sup> Timor-Leste, like many developing countries around the world, is not an exception to the challenges of financial exclusion. The underserved communities in Timor-Leste endure similar obstacles in participating in the regulated financial sector.

When the underserved become constrained by these barriers, they consequently rely on other forms of informal mechanisms to meet their financial needs. These informal mechanisms are often more risky, expensive, and inferior substitutes for formal, regulated services. Further, the informal sector also presents vulnerabilities in terms of consumer protection and regulatory frameworks to safeguard consumers.

## 1.2

### Goals and Benefits of Financial Inclusion

The goal of financial inclusion is to bring disadvantaged segments of society into the regulated financial system, enabling households and businesses to gain access to financial products and services in a safe and efficient manner. Financial inclusion does much more than just lowers the risks of informal mechanisms. It brings significant benefits to the underserved in terms of empowerment and validation.

<sup>1</sup> World Bank estimates that 2 billion people (38% of adults in the world) do not use financial services, and 73% of the poor are unbanked. (World Bank Global Findex 2014)

## 1.1

### Esklusaun finanseira ho ninia dezafiu

Enkuantu setór finanseiru iha ninia dezvoltamentu halo avansu ka hasoru obstákulu, maibé ninia rezultadus tenke lori benefísius ba segmentu hothotu iha sosiedade laran. Sei hetan membru barak desfavoresidu iha sosiedade laran mak sei kontinua hetan eskluzaun hosi sistema finanseiru. Membru sosiedade sira ne'ebé dala barakliu hetan eskluzaun no sai vulnerável, liuliu mak sira ne'ebé rendimentu ki'ik, hela iha área rurál, feto sira ho ema deficiente sira, sei kontinua hasoru nafatin barreira ba inklusaun. Liután 70% husi ema kiak iha mundu ne'e mak ladauk hetan benefísius banku nian tanba hasoru barreiras barak, inklui kustu, distánsia viajen ho eziénsia sira-ne'ebé dala barak sai onerozu mak envolve bainhira loke konta bankária ruma.<sup>1</sup> Timor- Leste, hanesan países-em-dezvoltamentu barak iha mundu, la'ós exesaun ba dezafiu iha eskluzaun finanseira. Comunidades vulneráveis iha Timor-Leste sei hasoru obstákulus hanesan bainhira partisipa iha setór finanseiru regulamentadu.

Wainhira laiha asesu ba servisu finanseira sai hanesan limitasaun ba obstákulu sira ne'e, konsekuentemente maka depende ba mekanismu informál sira seluk hodi bele satisfaz sira-nia nesesidade. Mekanismu informál sira ne'e dala barak risku liu, karu no substitute laiha qualidade formál kompara ho servisu sira ne'ebé reguladu. Alén ne'e, setór informál mós apresenta vulnerabilidade em termu protesauun ba konsumidór sira no enkuadramentu regulatóriu hodi proteje konsumidór sira.

## 1.2

### Metas no Benefísiu husi Inklusaun Finanseira

Meta ka objetivu inklusaun finanseira nian mak atu lori fali segmentu sira desfavoreidu iha sosiedade ne'e mai tama iha sistema finanseira reguladu, hodi permite ka fasilita famílias no

<sup>1</sup> Banco Mundial halo estimativa katak iha emar biliaun 2 (ema adultu 38% iha mundu) mak la uza servisu finanseirus, no iha emar kiak 73% mak la hetan benefísiu bankáriu. (World Bank Global Findex 2014)

Financial inclusion helps the underserved learn to save, increase investment, raise productivity and manage risks. This is important because it will lead to consumption smoothing, increased income and better standards of living. The opportunity to access and use financial services coupled with financial literacy empowers the underserved, especially the poor, providing the necessary financial tools to uplift their lives and break away from the cycle of poverty. Poverty reduction and increased standards of living will also bring positive outcomes for investment in education, health and enterprises. This further solidifies the foundations for a more balanced and equitable economy.

## 1.3. Measuring Financial Inclusion

As a catalyst for poverty reduction and shared prosperity, financial inclusion is a collective vision supported by Banco Central de Timor-Leste (BCTL), as well as regulators and policymakers globally. The foundations of financial inclusiveness are built on the conditions of convenient accessibility, usage of financial services as well as other qualitative dimensions, including consumer satisfaction and consumer protection. These dimensions form the basis of the BCTL's initiative to measure financial inclusion in the country.

This report is focused on supply-side data which are tracked by the performance of financial institutions. The key indicators include outreach of financial services access points in terms of administrative units covered, and the penetration of deposit and financing accounts per adult population. BCTL will also be assessing some quality dimensions in relation to financial inclusion, particularly on the factors that affect the ease of obtaining bank accounts.

The analysis of financial inclusion data for this report was also complemented by Timor-Leste's population demographics data by municipalities, administrative posts and sucos, to ensure accurate and comprehensive assessments. The population and area statistics were sourced from the country's

negósiu empresas bele hetan asessu ba produtus no servisu finaseirus tuir forma segura no eficiente. Inkluzau finanseira halo no oferece liután duké hamenus de'it riskus hosi mekanizmu informál sira-nian. Nia oferece benefisius signifikativus ba ema vulneráveis mal-atendidas kona-bá halo empoderamentu ka kapasitasaun no validasaun.

Inkluzau finanseira ajuda ema vulneráveis mal-atendidas aprende halo poupança, aumenta investimento, hasa'e produtividade no jere riskus. Ida-ne'e importante tanba bele regulariza ka suaviza konsumu, hasa'e rendimentu ho padraun moris nian ida diakliu ne'e (*better standards of living*). Oportunidade para hetan asessu no utiliza servisu finaseirus hamutuk ho literasia finanseira kapasita ema vulneráveis mal-atendidas, liuliu ema kiak sira, hodi fornese ferramentas finanseiras neessárias ba sira para bele hasa'e sira-nia moris no halakon tiha siklu pobreza. Redusaun pobreza ho aumentu ba padraun moris nian mós sei lori rezultadus pozitivus ba investimento iha edukasaun, saúde no empresas. Ida-ne'e sei solidifika eh hamétin liután fundamentu sira ba ekonomia ida-bé ekuilibradu no ekuitativu liu.

## 1.3 Sasukat ba Inkluzau Finanseira

Nu'udar katalizadór ida ba halo redusaun pobreza no ba prosperidade kompartillada, inkluzau finanseira ne'e mak vizaun kolektiva hetan apoiu husi Banco Central de Timor-Leste (BCTL), no mós nu'udar reguladór no formuladór ba polítika sira iha nível globál. Fundamentu sira inkluzau finanseira nian harii iha kondisoens-de-asesibilidadade conveniente, uza servisu finaseirus, hanesan mós dimensaun kualitativa sira-seluk, inklui satisfasaun ba konsumidór sira no fó protesaun ba konsumidór sira. Dimensaun hirak-ne'e konstitui nu'udar fundamentu bázik ba iniciativa BCTL nian hodi sukat inkluzau finanseira iha país laran.

Relatóriu ida-ne'e sei foka ba iha dadus mai hosi parte prestadór servisu finanseira sira (supply-side data) ne'ebé hatudu liu-ba kona-ba dezempeñu hosi instituisaun finanseira sira. Ninian indikadór xave mak inklui kobertura hosi pontu asessu

Census 2010,<sup>2</sup> the most recent officially released data in Timor-Leste. BCTL was able to identify key access and usage indicators, using the inputs from supply-side financial services data, as well as population and area statistics.

The measurement of financial inclusion plays a vital role in facilitating evidence based policy-making to enhance financial inclusion in the country. Thus, given the role of BCTL as a policymaker and regulator, comprehensive supply-side data from financial institutions and financial infrastructure has been tracked and analysed extensively for the purpose of this report. Over time, BCTL will continue to monitor progress, applying the latest financial services and population data, to thoroughly assess the country's achievements in advancing financial inclusion.

<sup>2</sup> The Government had more recently carried out another census in 2015 which had yielded preliminary results, with a population increase of around 9.46% in the country and possible cases of migration across municipalities. However, the Census 2015 data is still at a preliminary stage which has not been released officially.



servisu finanseiru em termu kobertura iha undidade administrativa no penetrasaun konta depóztu no finansiamentu ba populasaun adulta idaidak. BCTL mós halo avaliasaun ba qualidade dimensaun hirak ne'ebé mak iha relasaun ho inklusaun finanseira, partikularmente kona-ba fatór sira mak afekta ba facilidade hodi bele hetan/loke konta bankária.

Análiza ba dadus inklusaun finanseira ba relatóriu ne'e mós komplementa ho dadus demográfiku populasaun Timor-Leste nian inklui munisípiu, postu administrativu no suku, hodi bele asegura katak rezultadu hosi avaliasaun ne'e sei loos no kompreensivu. Estatística ba populasaun no área ne'ebé mak apresenta iha relatóriu ne'e basea ba dadus hosi Senu tinan 2010<sup>2</sup> nian, hanesan dadus ofisialmente ne'ebé mak divulga iha Timor-Leste. BCTL bele identifika asesu prinsipál no indikadór utilizaun, uza input mai hosi dadus supply-side servisu finanseira nia, no-mós dadus estatística ba populasaun no area.

Sasukat ba inklusaun finanseira dezempeñu papél vitál atu bele fasilita halo formulaun ba política bazeia ba prova hodi bele mellora inklusaun finanseira iha país laran. Tamba ne'e, BCTL hala'o ninia knaar nu'udar desizór polítiku no reguladór, rekolla no analiza ho extensivamente ba dadus supply-side mak kompreensivu mai hosi instituisaun finanseira sira no infrastrutura finanseira sira ho ninia objektivu ba relatóriu ne'e. Iha futuru mai, BCTL sei kontinua halo monitorizasaun ba progresu, aplika/introdúz servisu finanseiru no dadus populasaun foun, hodi bele avalia ho didiak ba rezultadu hosi pais ne'e hodi promove inklusaun finanseira.

<sup>2</sup> Governu foin dadaun ne'e realiza sensu iha tinan 2015, ne'ebé iha ona rezultadu preliminar, ho populasaun aumenta kuaze 9,46% iha nasaun ne'e no kazu possível tamba migrasaun akontese entre munisípiu sira. Tamba dadus ba Senu tinan 2015 sei iha faze preliminary, hodi nu'uné la bele lansa ofisialmente.