



# Selected Results of the AFP Baseline Survey



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## SURVEY DESIGN AND DEMOGRAPHIC DATA

**600 individuals** were interviewed in **60 villages**.

Of the villages there were **75% villages in rural areas**,  
and **25% in urban areas**.

Respondents were **48% male** and  
**52% female**.

Target Provinces:

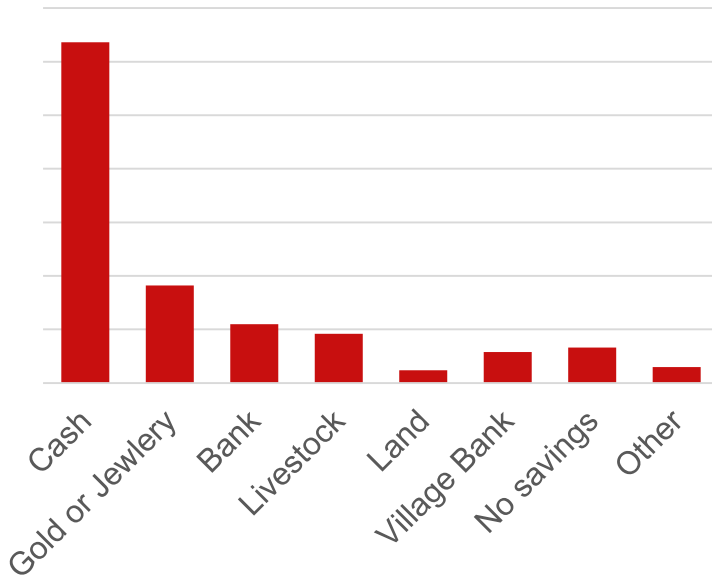
**Champasak, Salavan, Savannaketh.**



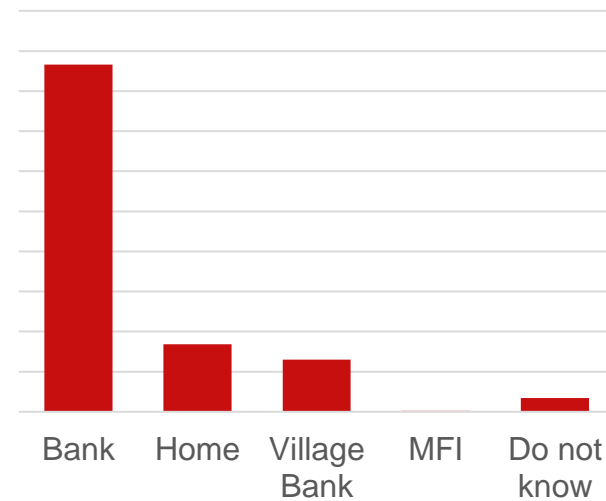


# SAVING

Most people save cash...



But are aware that a bank is the safest place to deposit money





## SAVING

People mostly save for emergencies and to a lower extent for long term investments

**84%**

Save... for emergencies

**43%**

...for education

**22%**

...for larger purchases

**23%**

...for retirement

**17%**

...to smoothen their  
income streams



## CREDIT TAKING

### Most borrow from a bank or from friends & family:

223 individuals (38%) have taken or are taking loans. 68% of credit takers use or used a bank, 19% borrow from friends & family.



### Most credits are for **productive reasons** or for **emergencies**:

50% either borrowed for business investments or material to support income earning, 39% for medical or other emergencies.



## CREDIT TAKING

	Proportion of people who would never take credit for this reason
To have fun and relax	95%
Consumption goods	90%
Onlend to family	86%
Goods that make life easier	85%
Special social commitments	83%
Other emergencies	77%
Housing	75%
Business materials	71%
Education	66%
Expand business	53%
Medical emergency	34%
Credit is bad	20%



## FINANCIAL RECORD KEEPING

21% record income and expenditure for their household or business in **written**...

...of these, 54% answered that they mainly **remember** when being asked how they actually keep record.

No significant differences for people who actually own a business or state that a business is their main income.

**Only 32% of business owners take records.**





## NUMERACY AND CALCULATION SKILLS

**63%** were unable to calculate 2% from 1.000.000 KIP.

**41%** were unable to sum up 12 consecutive payments of 30.000 LAK (12 x 30.000).



**55%** couldnt identify one of three pictures which displayed bank notes to the amount of 89.000 LAK.

Results positively correlate to the **level of education.**





## GENDER ASPECTS

Women are disadvantaged mainly due to poor education:

- **29% of female** respondents didnt receive any form of formal education compared to **16% of men**.
- Education gap evident in all age groups (18 years of age upwards).



- Women scored lower on questions on numeracy.
- Women were less aware of formal financial institution.



## CONCLUSIONS

- General awareness is not the main problem in most cases: People understand the importance of financial planning, and dangers of debt for example.
- Long term savings should be promoted by awareness raising AND offering suitable products
- Major weaknesses in basic numeracy. Financial literacy should include elements of financial calculation and/ or instruments to help individuals deal with such problems.
- Basic risk management for farmers is highly relevant.
- Access is a problem. Financial literacy and access to finance have to go hand in hand.
- Measures to improve financial literacy should aim to reach out to women in specific.



# THANK YOU FOR YOUR ATTENTION





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