

# PRACTICAL GUIDE OF PUBLIC POLICIES

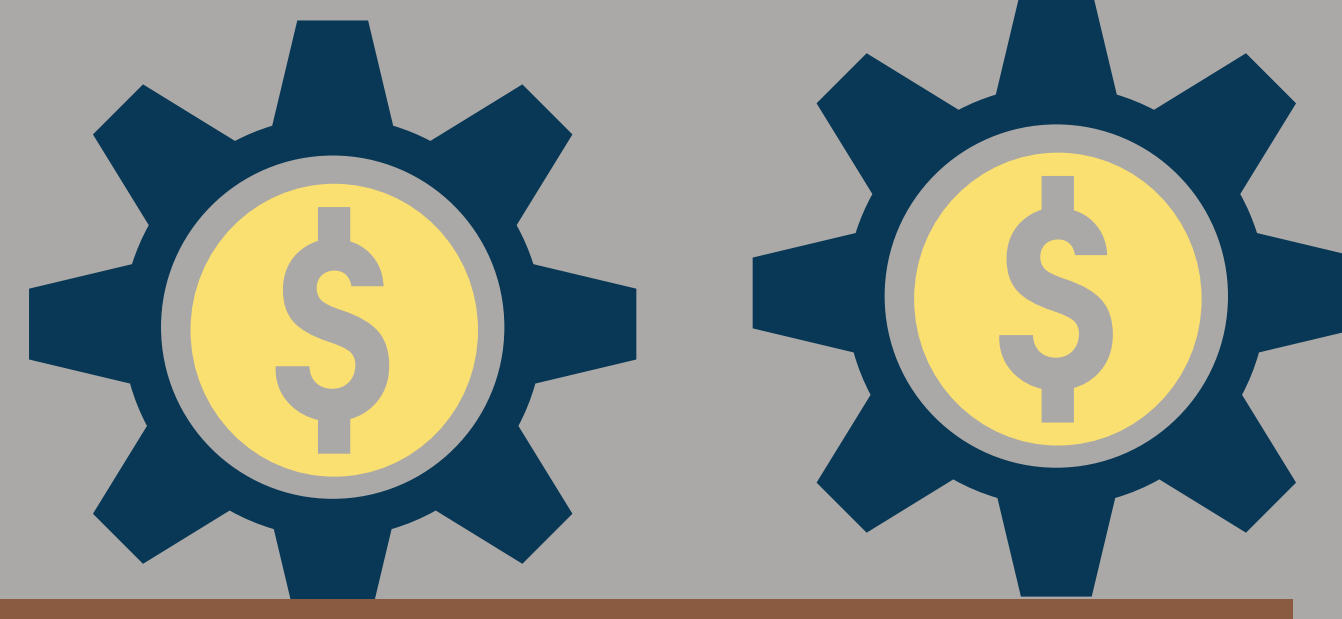
## FINANCIAL INCLUSION

### BACKGROUND

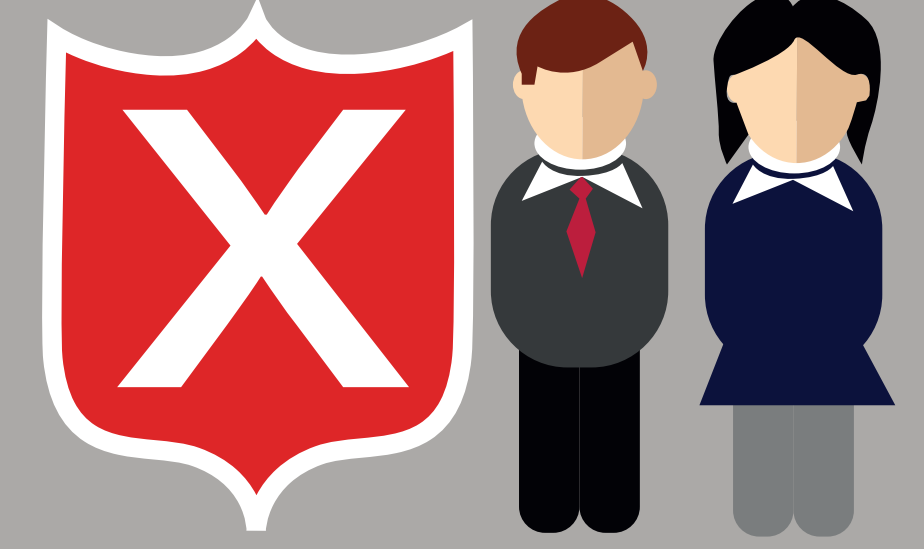


In Mexico only 25% adult population has a financial service such as savings accounts, credits, insurance and retirement savings (ENIF, 2015). The adoption of these services is greater among men than among women

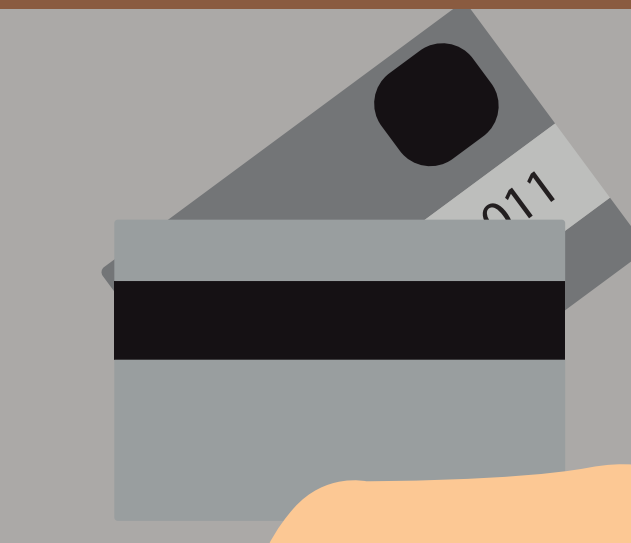
### CAUSES



Limited physical access caused by the low investment in financial infrastructure



Weak consumer protection generated by financial market concentration and poor regulation



Limited use of the financial services due to financial institutions' requirements



Poor financial education

## WHAT WORKS AND WHAT DOESN'T? Based on evidence



### POSITIVE IMPACT

- Interventions focused on encouraging savings have positive results, although the likelihood of opening and using accounts, differs among groups and regions.
- In general, incentives for saving affect positively: consumption patterns, households' expenditure composition that facilitates the way out of food insecurity conditions, expenditure on preventive health and the capacity to manage health emergencies.
- The evidence suggests a positive impact of financial education on the behavior of individuals regarding savings and indebtedness.



### NO IMPACT

- Increasing access to the financial system through microcredits has modest results, since there are no substantial improvements shown in the wellbeing of individuals and their homes.



This Practical Guide aims to show an overview of the consensus on what works or not in terms of evidence for financial inclusion, and to contribute in the decision-making process and the improvement of the country's public policy mechanisms based on evidence.

