

## More than 25 million Mexican people have no access to financial services

The lack of access to financial services affects millions of Mexican people, and it also places them in a situation of vulnerability to face crises as they do not have enough savings to get through

Congregación Mariana Trinitaria, through its Network of Productive and Financial Inclusion, part of its Welfare Ecosystem, offers among other actions, creating groups for savers and financing programs with low or null interests, with the objective of promoting financial education and improving the productive and economic capacities in the population.

**M**ore than 25 million people in Mexico do not have any financial service, as revealed by the National Survey on Financial Inclusion performed by the National Banking and Securities Commission, that fact places these people in a vulnerable situation to face economic, social, health, or environmental crises.

In 2018 there were 79 million people between 18 and 70 years old in Mexico, and 31.7 percent did not use any financial service, a percentage that increased in the female population, as 34.8 percent of 41 million women living in the country did not use any financial product or service.

The problem increases when we compare urban and rural populations. In this matter, 74.4 percent of the adult population in urban areas use financial services, while only 57.1 percent of rural population may have access to those services.



rantee protection to consumers and that also promotes financial education to improve the capacities of all the segments in the population”.


The CONEVAL details that having access to a financial system with suitable regulations and the correct use of it may optimize time in case of unexpected fall of incomes (caused by events like: diseases, unemployment, climate phenomena or temporal fluctuation), with no need to get rid of productive assets or personal values.


The fact that businessmen are using savings and credits facilitates many things, like financing their working capital and investing in fixed capital with controlled risks.

Generally, the poorest segments of the population do not have access to formal financial services, and if they do, they do not use the correct ways to manage them, mentions the CONEVAL.

### Population that uses at least one financial product

Population	Total	Women	Men
Adult population between 18 to 70 years old	79,096,971	41,551,432	37,545,539
People using a financial product	54,040,320 (68.3%)	27,072,077 (65.2%)	26,968,243 (71.8%)
People with no financial products	25,056,651 (31.7%)	27,072,077 (65.2%)	26,968,243 (71.8%)

Urban areas	Total	Women	Men
	51,490,246	27,068,396	24,421,850
People using a financial product	38,284,209 (74.4%)	18,677,787 (69.0%)	19,606,422 (80.3%)
People with no financial products	13,206,037 (25.6%)	8,390,609 (31.0%)	4,815,428 (19.7%)

Rural population	Total	Women	Men
	27,606,725	14,483,036	13,123,689
People using a financial product	15,756,111 (57.1%)	8,394,290 (58.0%)	7,361,821 (56.1%)
People with no financial products	11,850,614 (42.9%)	6,088,746 (42.0%)	5,761,868 (43.9%)

Source: National Survey on Financial Inclusion 2018.

### Financial exclusion limits small producers

According to the Integral Evaluation on the performance of the federal programs to support productive inclusion in 2014-2015, small producers in Mexico face a severe problem on limited capacities to generate or consolidate productive projects, specifically due to three reasons: inefficient and incomplete markets, low productivity and competitiveness of productive projects and limited access to financing.

Limited access to financing is a consequence of poor penetration and coverage of financial institutions, as banks and others; and also the limits that low-income producers face to have effective access to financing options. Those two situations contribute to the operations of informal mechanisms for saving, which also causes a financial problem linked to intermediaries. Besides, low-income producers become vulnerable to intermediaries and people who may take advantage of their situation.

In rural contexts, these areas have important deficiencies on issues regarding infrastructure of several services. Moreover, in productive topics there is a dominance of small producers who are not organized and they do not collaborate in value chains either.

Talking about inefficient markets, low-income producers have difficulties on commercializing their products. Low productivity and low competitiveness in productive projects are deeply related to informality in companies, especially the small ones, which tend to organize their family members only.

### CMT and financial inclusion


Congregación Mariana Trinitaria, A.C. (CMT), thanks to its Network of Productive and Financial Inclusion, aims to combat productive and financial exclusion, especially among the population that lives in Zones of Priority Attention, the ones who do not have enough means or simply do not have any.

The CMT Network of Productive and Financial Inclusion offers a set of integral solutions to grant access and to promote productive and financial inclusion to improve the living conditions of the population who get the benefits of it.

For CMT is crucial to contribute and increase the opportunities to have access to productive and financial inclusion for people, above all to the ones in vulnerable situations in order to improve their living conditions.

Among the solutions that CMT offers we can find saving and investment, they both aim at developing programs with groups of savers, financing with low or null interests, and to offer cash collateral.

### CMT solutions to financial inclusion

Sub-network	Component	Integral solutions
Financial services 	Saving and investment	<ul style="list-style-type: none"> <li>• Programs for groups of savers</li> <li>• Financing products with null or low interest rates</li> <li>• Creation and formalization of cash collateral programs</li> </ul>

### Financial Inclusion helps you to face crises

The low level of access caused by poor financial infrastructure, the low protection to consumers caused by high levels of concentration and poor regulations, a system of requirements barely used, and poor financial education, are the reasons that cause financial exclusion in Mexico, mentions the National Council for Evaluation of Social Development Policy (CONEVAL).

According to the National Council for Financial Inclusion (CONAIF), financial inclusion means “the access and use of formal financial services with appropriate regulations that gua-

