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Ghana's Progress on Reaching out to the Unbanked Through Financial Inclusion

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ABSTRACT

Financial inclusion is a measure of the proportions of individuals and firms that use formal financial services. It serves as a vehicle for poverty alleviation and the driving force for the achievement of the global sustainable development goals (SDGs). The purpose of this study was to find out the progress achieved pertaining to financial inclusion in Ghana. The government of Ghana has for the past years consciously put in place policies and programs to facilitate the promotion of financial inclusion. These policies have resulted to rapid expansion of the banking sector thereby making formal financial services accessible to all. The expansion of bank branches, ATM coverage, increment in Debit/Credit cards ownership and mobile money account holders are indications of achievement in the financial inclusion agenda. An estimated 83.1% of Ghanaians have mobile money account, which has taken savings and other forms of financial services to the doorstep of the ordinary citizen. This has also resulted to a rise in the level of making/receiving payment digitally from 22% in 2014 to 44% in 2017 among rural dwellers. Bank branches coverage per 100,000 adults has grown from 4.8 in 2008 to 7.2 in 2016. Because of the branch visibility, account ownership has also seen a surge especially, in the rural areas where it used to be minimal. Although there has been some success, there is the need for the government to continue with the provision of an enabling environment for faster progress since achievement of financial inclusion enhances stability and faster economic growth.

Keywords: Financial inclusion; Sustainable development goals; Mobile money; Poverty alleviation; Ghana.

INTRODUCTION:

The term financial inclusion refers to making available the basic financial services at affordable cost to the disadvantaged and low-income segments of the society. Individuals are financially inclusive if they use financial services from formal financial institutions. Formal financial institutions are not restricted to just the commercial banks but it includes other non-bank financial institutions such as the credit unions, cooperative societies, and other microfinance institutions. The sovereign states all over the world have the sustainable development goals (SDGs) target to achieve by the year 2030. The objective of these global goals is to end poverty, protect the planet and ensure that all people enjoy peace and prosperity. However, this cannot be achieved without advancing the course of financial inclusion since it is featured as a target in eight (8) of the seventeen (17) SDGs. These includes SDG1 on eradicating poverty; SDG2 on ending hunger, achieving food security and promoting sustainable agriculture; SDG3 on providing good health and well-being; SDG5 on achieving gender equality and economic empowerment of women; and SDG8 on promoting economic growth and jobs. The rest are SDG9 on supporting industry innovation and infrastructure; SDG10 on reducing inequalities and SDG17 on revitalize the global partnership for sustainable development. Obviously, there is an implicit role financial inclusion plays for greater savings mobilization for investment and consumption that can spur economic growth.

According to McKinsey & Company, (2010), more than half of the world's working-age population (2.5 billion adults) does not have quality affordable financial services. About 2.2 billion live in Africa, Asia, Latin America and the Middle East. Financial Inclusion aims at benefiting the world's poor, the vast majority of whom do not use formal financial services of the sort provided by banks, insurers or MFIs. To better take advantage of life's opportunities and shield themselves from economic shocks, these un-served people and their households must be able to save, borrow, insure against risk, and make payments knowledgeably, safely, and affordably. The aim to enable everyone to participate fully in the formal financial system is what is referred to as 'financial inclusion' which when achieved will benefit individuals, the commercial enterprises that serve them, and the society at large. Financial inclusion or inclusive financing is the delivery of financial services at affordable cost to sections of disadvantaged and low-income segments of society.

Benefits of Financial Inclusion:

The need for financial inclusion in the economic growth of every country is enormous. The benefits of financial inclusion, which demands a pursuit by every nation, can be either micro or macro. On the micro front, financial inclusion helps individual citizens to cope better with poverty. Financially inclusive Individuals can borrow to meet emergency cash needs like payment of hospital bills, school fees, funeral or wedding expenses or to accumulate worth through savings build up. Financial inclusion makes the ordinary citizens very productive and happier and that goes a long way to improve their standard of living. Micro and small enterprises can obtain funds in a form of loan from financial institutions to overcome cash constraints to start a new business project. Formal financial institutions save individuals from the burden of relying on moneylenders and other sources of loans in the informal sector that mostly charge exorbitant interest rate and make unrealistic collateral demands. This means that financial inclusion, which provide individuals, micro and small enterprises access to formal financial services empower them to pursue growth opportunities and protect them from exploitation.

Financial inclusion on a macro scale boosts economic growth through savings mobilization. With all-inclusive financial system, mobilized savings that would have been sitting idle are used in a more productive manner. Financial inclusion raises the economic productivity potentials of a country through the improvement in labor skills and provision of better education and health care. Financial inclusion promotes growth in tax revenue and empowers workers to be eligible for better protection and benefits.

Commitment of the Central Bank of Ghana towards Financial Inclusion:

To promote the financial inclusion agenda in Ghana, the Central Bank of Ghana (BoG) has over the years, made many reforms in the banking industry, and that has accelerated the drive for financial inclusiveness in the country. For example; in 2008, a branchless banking regulation was issued by BoG to enable banks take advantage of digital technologies for the acceleration of financial inclusion. However, these regulatory guidelines limited the role of mobile network operators. In furtherance to the existing guidelines, the government of Ghana signed the 'Maya Declaration' in 2012 committing to specific goals including. The set out goals were revising the payment system strategy by year end 2012; revising the regulatory framework of branchless banking to promote an enabling environment to achieve 70% financial inclusion by 2017; implementing interoperability in the mobile financial services sector; improving consumer protection; and taking positive steps to improve financial literacy by the end of 2012. The government subsequently joined the 'Better than Cash Alliance' (BTA) in 2014 which was to finalize a national financial inclusion strategy that will see Ghana moving towards becoming a cash-light society, expanding access to electronic payments and reducing transaction cost and time.

The central bank released yet another guideline in 2015 governing e-money issuers and the use of agents in financial services, consumer protection and deposit insurance (CGAP annual report, 2016). These series of reforms has significantly expanded the financial-consumer protection and improved the banks and mobile network operators to offer more services that are competitive, products and pricing. These reforms have helped the digital financial sector to grow from 150,000 active users in 2011 to over 4 million in 2015. In addition to MTN, Tigo, Airtel, Vodafone, e-zwich and Fidelity Bank who were the main financial services providers, 138 rural banks, 503 MFIs, 60 NBFIs, 27 commercial banks and some individual 'Susu' collectors serve as agents across the length and breadth of Ghana to make mobile money services available and accessible to the ordinary person. These reforms brought a rapid expansion in the banking sector which witnessed an increase in number of licensed banks from 3 in the early 1990s to 35 in 2018, licensed MFIs moving from non-existence to 564 in

2016, ATMs has increased from 923 in 2014 to 1,928 in 2016, and NBFIs increasing from 60 in 2014 to 64 in 2016. The number of active mobile money agents has risen from 20,722 in 2014 to 107,415 in 2016. Mobile money accounts have more than doubled from 3 million before the guidelines to 7 million in June 2016 (CGAP annual report, 2016).

The Microfinance Subsector:

The success story of financial inclusiveness in Ghana can never be complete without mentioning the role of MFIs. In Ghana, prior to the emergence of microfinance, the very poor who constituted the larger section of the population were deprived of financial services particularly credit. Loan advancement went to only clients who were capable of providing collateral security. The emergence of microfinance was to prevent this discriminatory practice of financial services to the poor.

Microfinance involves the provision of financial services and management of small amount of money through a variety of products and a system of intermediary functions that are aimed at low income clients (Johnson P. Asiama, 2007). Some of the services provided by the MFIs include Microcredit, Savings, Insurance, Money transfer services etc. Microfinance therefore is undoubtedly one of the critical dimensions of the broad range of financial tools for the poor in society. The need for microfinance was enormous as far as financial inclusiveness is concerned. This necessitated the introduction of numerous poverty reduction programs in Ghana. Among these programs was Ghana's Growth and Poverty Reduction Strategy (GPRS II) which aimed at ensuring "Sustainable equitable growth, accelerated poverty reduction and the protection of the vulnerable and excluded within a decentralized, democratic environment". The primary goal of the program was to eliminate widespread poverty and growing inequality, especially among the productive poor who constituted the larger proportion of the working population as evidenced in the 2000 population and housing census, which indicated that about 80% of the working population is in the private informal sector. Also according to the 2003 IMF country report on Ghana, "weaknesses in the financial sector that restrict financing opportunities for productive private investment are particular impediments to business expansion in Ghana. Microfinance therefore has the potential to reduce poverty by bringing a significant improvement in the lives of the active poor who are mostly women.

The need for microfinance was enormous as far as financial inclusiveness in concerned. The relevance of MFIs emanated from the fact that:

- The formal financial sector (commercial banks) had provided no or little services to low-income people creating a high demand for credit and savings services amongst the poor.
- The poor also need access to productive resources such as financial services if they are to be able to improve their living conditions
- The poor also have the capacity to use loans effectively for income generation
- Microfinance is a viable venture and can become sustainable and also achieve full cost recovery
- Microfinance can have a significant impact on cross cutting issues such as women empowerment, reducing of the spread of HIV/AIDS and improving social indicators like education, health and housing.

The Emergence of the Microfinance Sub-Sector:

Even though the concept of microfinance is not new in Ghana, it was not a formalized institution until the enactment of the non-bank financial institutions (NBFIs) act (1993) Act (328). In Ghana, we understand the term Microfinance as a subsector of the financial sector, comprising of different financial institutions that use a particular financial system to reach out to the poor. The institutions that operates under the NBFIs law includes Savings and Loans Companies, Hire Purchasing Companies, Discount Houses, Leasing Companies, Insurance Companies, Finance houses, Remittance Companies, Social Security and National Insurance Trust (SSNIT), Credit Reference Bureau and Credit Unions.

The policy framework governing NBFIs had led to the emergence of four categories of MFIs in Ghana:

- Formal suppliers such as Savings and Loans companies, Rural and Community Banks as well as development and commercial banks
- Semi-formal suppliers such as Credit Unions, Financial Non-governmental Organization (FNGOs) and Cooperatives
- Informal suppliers such as 'Susu' Collectors and Clubs, Rotating and Accumulating Savings and Credit Associations, Money Lenders and other Individuals
- Public sector programs that have developed financial and non-financial services for their clients

OBJECTIVES OF THE STUDY:

The main objective of the study is to assess the recent government of Ghana policies in the financial sector and its impact on the achievement of financial inclusion in the country. Specifically, the study aims to:

1. Find out the impact mobile money transfer has had on the achievement of financial inclusion in Ghana.
2. Find out the rate at which Ghanaians undertake banking transaction through digital means
3. Find out whether banking services have been made accessible to the ordinary citizen through bank branch expansion
4. Find out the state of adult account ownership in the country.

LITERATURE REVIEW:

Akhil Damodaran (2016) conducted a study on the issues and challenges facing financial inclusion in India. The researcher recounted that even though bank rationalization in India by the government gave the first vigorous focus of banking to mass banking; yet there are areas in India that are under-banked. Areas in Bihar, Orissa, Rajasthan, Uttar Pradesh, West Bengal and some many other Northeastern states have average bank branch per population very high compared to the national average. The researcher however admitted that the introduction of the new branch authorization policy by the Reserve Bank of India will encourage banks to open branches in the under-banked regions in the country. In the view of the researcher, financial inclusion must be pursued with vigor because, it enhances the economy in many ways. Financial inclusion propels faster economic growth and stability. It will also increase the quality of life of the citizenry and ensure orderly growth. Financial inclusion when largely achieved will reduce the gap between the rich and the poor.

Alexandra Zins and Laurent Weill (2016) conducted a study in order to understand what determines financial inclusion in Africa by taken into consideration 37 countries. A probit estimation was performed using formal account, formal credit and formal saving as the measures of financial inclusion. Their findings indicated that being a woman in Africa significantly reduces your chances of owning a formal account or having formal savings. They also found that older people are more likely to be financially included but its tendency diminishes at certain age. Again it was found that individuals with higher income were financially inclusive than their lower income counterparts. Education was also found to be positively related to all the financial inclusion measures. An indication that the higher your level of education the higher your chances of being financially included.

Kawaljeet Kaur and Jaswinder Singh (2015) attempted to evaluate the role of information communication technology (ICT) infrastructure in driving the growth for financial inclusion in India. The results of their regression analysis indicated that financial inclusion measured by number of account holders positively related to ICT infrastructure including telephone lines, mobile phones and internet usage. Owning a personal computer did not have any significant relationship with financial inclusion, which was attributed to the fact that the mere fact that owning a computer does not mean it is used for accessing banking services.

Yakubu et al. (2017) in their study to find out the determinants of financial inclusion in the Northern Ghana used formal bank account, pension fund, mortgage loan, credit/debit card, insurance, microfinance loan, mobile phone payment account, bonds, stocks, and shares as proxies for financial inclusion. The independent variables included gender, age, employment, and income, spending habit, place of residence, trust, and distance to financial institution or services, affordability of financial services, cultural and religious beliefs, financial capabilities, documentation, family, money and literacy. The findings from their discriminant analysis indicated that age, cost, financial capability, distance and literacy were the most significant financial inclusion determinants in the Northern Ghana.

METHODOLOGY:

Secondary data was the source of data for this study. The data used was sourced from the websites of the Central Bank of Ghana, World Bank global Findex reports, IMF banking survey reports, Consultative Group to Assist the Poor (CGAP) reports, and Global Microscope. The analysis of the data was qualitative in nature with the help of charts and graphs. The method of presentation was descriptive.

FINDINGS AND DISCUSSION:

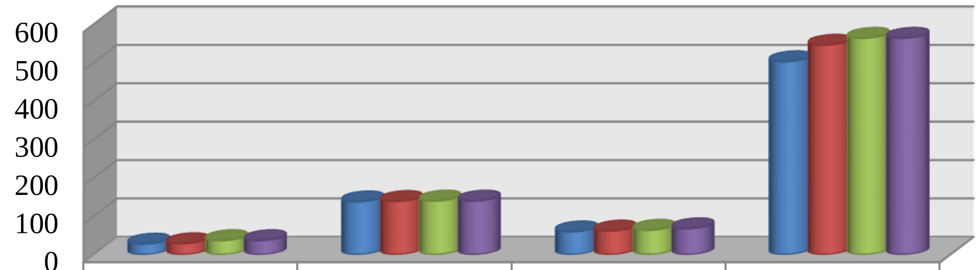
There has not been any universally accepted single financial inclusion indicator for the measurement of the financial inclusiveness in a particular country. As a result, we use several indicators to measure the level of inclusion in various countries. These indicators span from savings accounts at formal financial institutions to the use of ATMs, mobile banking or even the use of debit and credit cards. According to the World Bank estimation, nearly 2.5 billion or 50% of adults worldwide are ‘unbanked’. Most of these ‘unbanked’ are living in developing countries in South Asia, Africa and the Middle East (World Bank Global Findex, 2011). However, a recent World Bank report indicates that 515 million adults have opened accounts since 2014, which has led to the number of adult account holders reaching 1.2 billion since 2011. In totality, 3.8 billion adults representing 69% of adults in the world now have accounts. Below are the analyses of various financial inclusion measurement indicators identified by the researcher to ascertain whether the financial inclusion agenda is progressing or retrogressing in Ghana.

Development in the Banking Institutions:

The successive reforms by the Central Bank of Ghana have brought about rapid expansion in the banking sector over the years. Back in the early 1990s, there were only 3 commercial banks and 7 secondary and 100 rural banks in Ghana. The first ever finance company was established by the government in 1991 to help distress but potential viable companies to recapitalize. The establishment of the finance company was a part of the financial sector adjustment program.

From fig.1 below, there has been an increase in the number of licensed banks from 28 in the early 2014 to 37 in 2017. Licensed MFIs increasing from 503 to 564 in 2017, NBFIs, also from 60 in 2014 to 68 in 2017 whereas rural and community banks increasing from 138 to 140 within the same period.

Fig. 1: Financial Institutions in Ghana



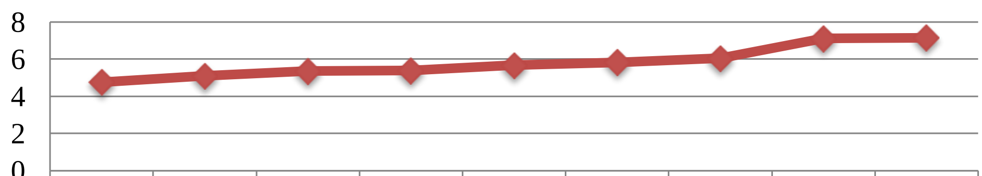
	Deposit money banks	Rural & community banks	NBFIs	Microfinance Institutions
2014	28	138	60	503
2015	29	139	62	546
2016	37	140	64	564
2017	37	140	68	564

Source: IMF financial Access Survey

Bank Branch Coverage:

Fig.2 below indicates the number of commercial bank branches per every 100,000 adults in Ghana from2008 to 2016. The graph shows an ascendancy trend right from 2008 to 2016, an indication that effort it in progress by the stakeholders to make banking services accessible to all. The ratio of bank branches per 100,000 has grown from 4.767 in 2008 to 7.158 in 2016. The rapid expansion of bank branches in the country has brought about banking services to the doorsteps of the ordinary citizens.

Fig. 2: Commercial Bank Branches per 100,000 adults



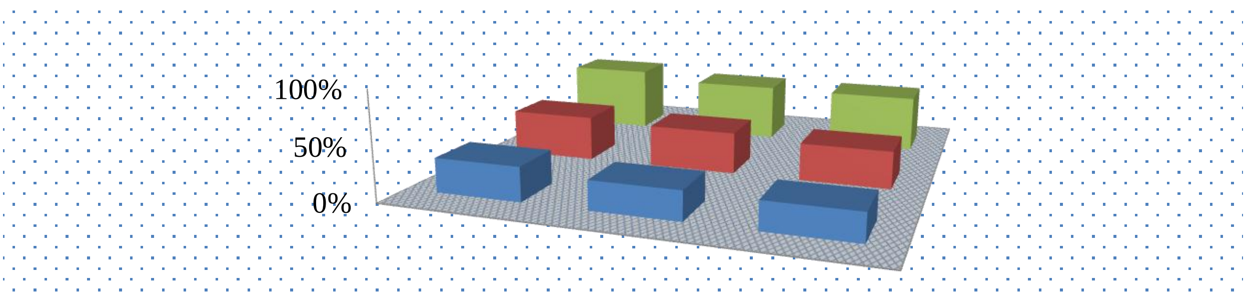
	2008	2009	2010	2011	2012	2013	2014	2015	2016
Branch	4.767	5.096	5.361	5.378	5.666	5.825	6.047	7.120	7.158

Source: IMF, financial access survey (2017)

Account Holders in Financial Institutions:

Fig.3 below shows the percentage account holders among male, female, and rural dwellers in Ghana between 2011 and 2017. The percentage male account holders increased from 32% in 2011 to 62% in 2017 whereas female account holders also increased from 27% to 54% in 2017. Rural dwellers account holders has tremendously increased from 26% in 2011 to 53% in 2017. This increment when sustained will go a long way in the achievement of financial inclusion goal.

Fig. 3: Account holders in formal financial Institutions



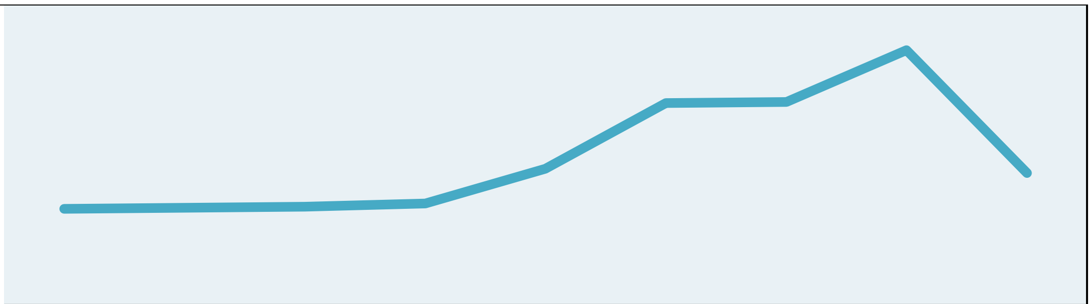
	Male (age 15+ years	Female (age 15+ years)	Rural(age 15 + years)
2011	32%	27%	26%
2014	42%	39%	35%
2017	62%	54%	53%

Source: Global Findex (2018)

ATM Coverage:

ATM coverage in Ghana has increased from 923 in 2014 to 1,928 in 2016. This has enhanced the government's cashless transaction agenda and bringing banking services closer to the doorstep of the citizenry thereby enforcing financial inclusion. Fig. 4 shows the ATM coverage per 100,000 adults in Ghana from 2008 to 2016. The ratio of ATM per 100,000 adults in 2008 was 3.844 that peaked at 10.189 in 2015 and declined to 5.273 in 2016. This sharp decline may be due to the collapse of two commercial banks in the country and mergers and acquisition of Procredit and Intercontinental bank by Fidelity and Access banks respectively.

Fig.4: ATM coverage per 100,000 adults



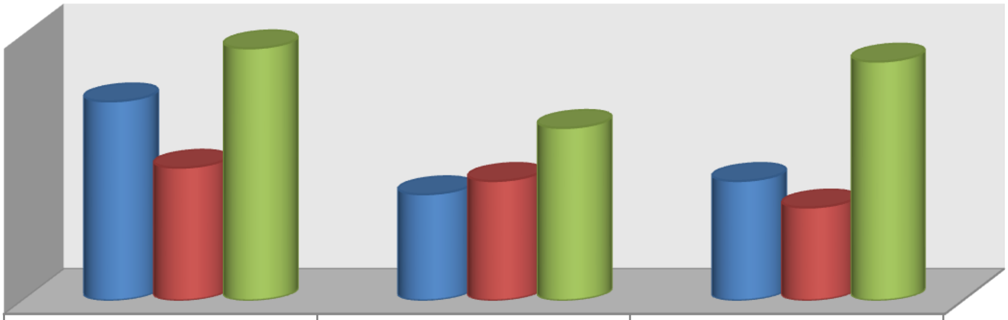
	2008	2009	2010	2011	2012	2013	2014	2015	2016
ATM	3.844	3.886	3.93	4.063	5.455	8.083	8.131	10.189	5.273

Source: IMF financial access survey (2017)

The Debit and Credit Cards Ownership:

The debit and credit cards ownership of male and female as well as rural dwellers are as presented in fig.5 and fig.6 below. From fig.5, it is observed that, in 2011, out of the 48.8% of male population in Ghana 15% owned debit card. Only 8% of the 51.2% of the female population possessed debit card whiles out of 49.8% rural dwellers, only 9% of them owned debit card. Ceteris paribus, the card ownership base was to increase along with the growing population. As expected the female ownership increased from 8% in 2011 to 13% in 2017 whereas, male debit card ownership also increased from 15% to 19%. Rural dwellers ownership on the other hand also doubled from 9% in 2011 to 18% in 2017.

Fig.5: Debit Card Ownership

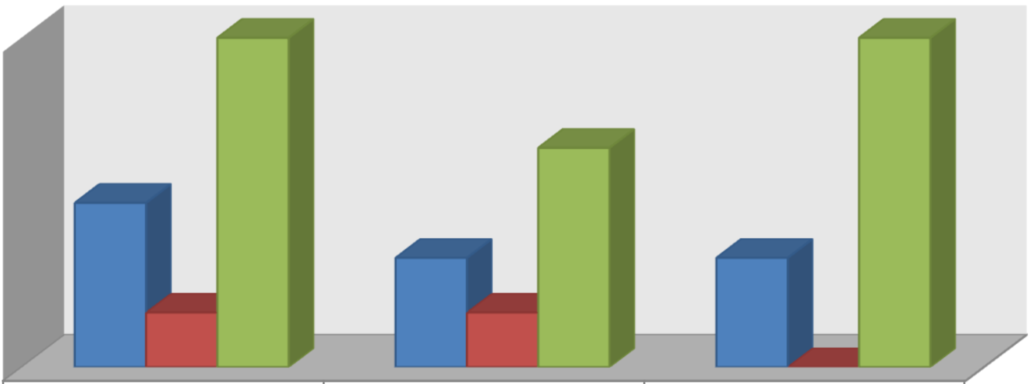


	Male (age 15+ years)	Female (age15+ Years)	Rural (age 15+ years)
2011	15%	8%	9%
2014	10%	9%	7%
2017	19%	13%	18%

Source: World Bank

Credit card ownership in Ghana has not gained many grounds as its debit card counterpart. This probably may be due to bad credit history of most bank customers and many other factors. According to Andoh Emmanuel (2014), the reasons for lower credit card usage in Ghana included; lack of efficient internet facilities, lack of central database system, and lack of proper street address system and identification system. Among other obstacles include inadequate public education as well as high rate of default. From fig.6 below, shows that only 3% of the 12.02 million male populations in 2011 owned credit card. This was reduced to 1% in 2014 but marginally increased to 6% in 2017. Only 2% of the 12.6 million female populations in 2011 owned credit card which was reduced to 1% in 2014 and increased to 4% in 2017. Rural dwellers, which represent 50.2% of Ghana's population as at 2011, had only 2% credit card ownership. The ownership reduced to 0% in 2014 and rose to 6% in 2017.

Fig. 6: Credit Card ownership



	Male (age 15+ years)	Female (age15+ Years)	Rural (age 15+ years)
2011	3%	2%	2%
2014	1%	1%	0%
2017	6%	4%	6%

Source: World Bank

Payment Systems in Ghana:

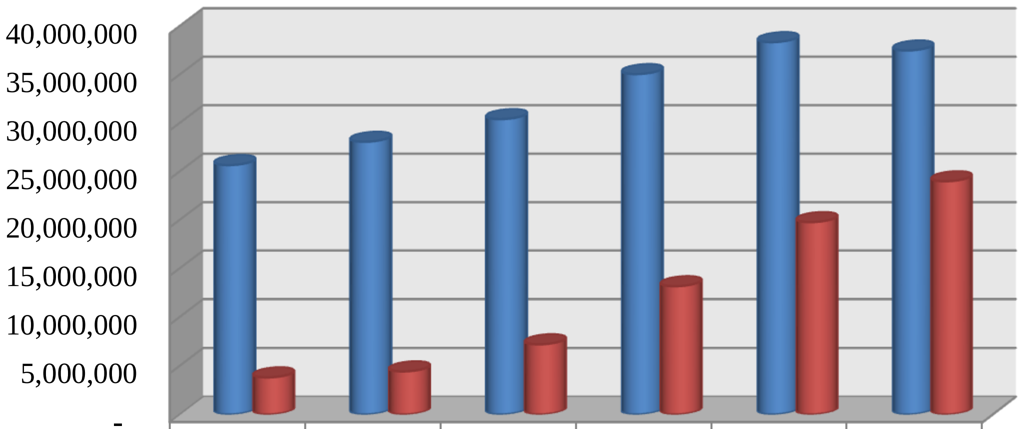
The payment system in Ghana has improved over the years ever since the Magnetic Ink character Recognition (MICR) was introduced in 1997. The current trend in the development of the payment system in Ghana is being driving by economic, financial, public policy and the growing local ICT industry and global trend in payment system development. The driving force behind the current development of the payment and settlement system is based on the following objectives:

- To prevent and or contain risks in payment, clearing and settlement system
- To establish a robust oversight and regulatory regime for the payment and settlement systems
- To bring efficiency to fiscal intermediation
- To discourage the use of cash for transaction whilst encouraging the use of paper-based instruments for payments as part of the short term development plan.
- To promote financial inclusion without risking the safety and soundness of the banking system
- To develop an integrated electronic payment infrastructure that will enhance interoperability of payment and securities infrastructures

Mobile Money Payment System:

The mobile phone, which used to be a luxury in Ghana in early 2000 where only few individuals could afford, has recent past become very affordable and essential as well. The ease of access to mobile phone services by majority of Ghanaians was capitalized upon by the mobile network operators to introduce mobile money services as a result of the enabling environment put in place by the Central bank. It is an undeniable fact that mobile telephony has been very pivotal to Ghana's socio-economic growth. Mobile technology has helped eliminated barriers to the manner individuals connect with families and do their work. Since the evolution of mobile financial services, there has been a reduction in cash transactions, enhanced economic activities as well as promoting social and financial inclusiveness. Fig.7 below shows the number of mobile phone users and registered mobile money customers. It could be observed that, phone ownership has been in ascendancy from 2012 to 2017. Out of the population of 28,833,629 in the year 2017, 23, 947,437 representing 83.1% of Ghanaians have mobile money account. This shows how mobile money has brought the unbanked into the mainstream banking.

Fig. 7: Mobile Phone subscribers and Registered Mobile Money (MM) customers



	2012	2013	2014	2015	2016	2017
M.Phone Subscribers	25,618,427	28,026,482	30,360,771	35,008,387	38,305,078	37,445,048
Registered MM customers	3,778,374	4,393,721	7,167,542	13,120,367	19,735,098	23,947,437

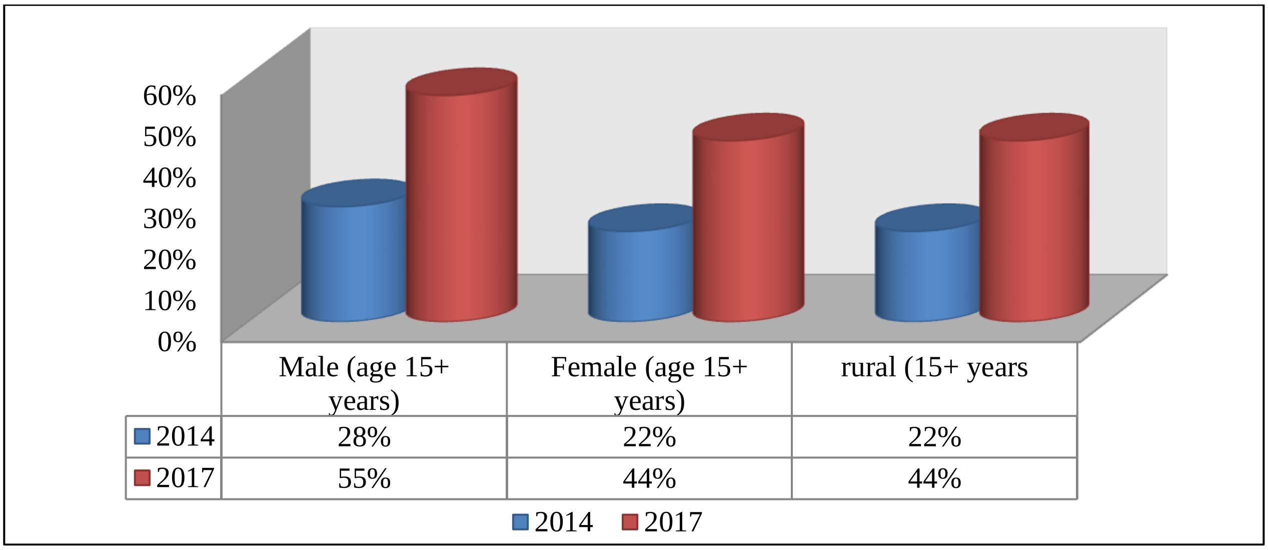
Source: Bank of Ghana

Digital Transactions Made or Received:

According to Mckinsey Global Institute, digital finance alone could benefit billions of people by spurring inclusive growth that adds $3.7 billion to the GDP of emerging economies within a decade. The results of a long term impact study on a mobile money service in Kenya, M-PESA found mobile money has lifted as many as 194,000 households represent 2% of the Kenya population out of poverty and has been effective in improving the economic lives of poor women and members of female-headed households.

Fig.8 below shows the percentage digital payment made or received for the past one year. It can be observed that the number of males who received or made payment through digital means was 28% in 2014 and rose to 55% in 2017. 22% Ghanaian females aged 15 years and above received or made digital payment in 2014, which doubled to 44% as at year end 2017. Averagely, 22% of rural population made or received digital payment in 2014 and doubled in 2017 to 44%. This is an indication that the financial inclusion agenda is an all on-board which does not only take place in the urban areas of Ghana but in the rural areas too.

Fig.8: Digital Payment made or received for the past 1 year



Source: Global Findex (2017)

CONCLUSION:

Achieving financial inclusion cannot be possible on a short-term basis; therefore, any government with the aim of achieving financial inclusion must make it a part of its master plan. In view of that, the government of Ghana over the years has made a number of reforms that were geared towards making of financial services accessible to the ordinary citizens. These reforms have led to an increment of bank branches from 3 commercial banks and 7 secondary banks in 1990s to 37 functional banks in 2017. 100 rural banks have also reached 140 whereas; NBFIs and MFIs have also grown from non-existence to 68 and 564 respectively. The branch expansion in the banking sector has affected the rate of the formal account ownership over the years. It was found that the account ownership of males and females aged 15 years and above increased from 32% to 62% and 27% to 54% from 2011 to 2017 respectively. Rural dwellers account ownership has also increased over the years from 26% to 53% within the same period. The numbers of ATMs have also seen some expansions over the years thus-from 923 in 2014 to 1928 in 2016. The coverage per 100,000 adults has also increased from 3.8% to 5.3%.
Because of the enabling financial technological environment created by the government and the regulators, debit and credit cards ownership have also increased over the years. Males and females aged 15 years and above from 2011 to 2017 increased from 15% to 19% and 8% to13% respectively. Rural dwellers ownership also increased from 9% to 18%. Credit card ownership though not as high as the debit cards but has made progress. Males and females credit card ownership aged 15 years and above increased from 3% to 6% and 2% to 4% from 2011 to 2017 respectively. Rural dwellers aged 15 years and above increased from 2% to 6%.
Mobile phone ownership has also increased from 25.6 million in the year 2012 to 37.4 million in 2017. This huge jump in phone subscribership has been made use of by the digital financial sector operators. Registered mobile money customers have since 2012 increased from 3.8 million to 23.9 million in 2017. The digital payments (both receiving and sending) for males aged 15 years and above rose from 28% to 55% from 2014 to 2017 whereas females increased from 22% to 44% within the same period. Rural dwellers aged 15 years and above who made digital transaction also increased from 22% in 2014 to 44% in 2017. It can therefore be concluded that government and for that matter Ghana has made a stride in the pursuit of the achievement of financial inclusiveness as manifested in the indicators analyzed in the paper.

RECOMMENDATIONS:

Based on the findings of the study the following recommendations have been made to enhance the course of financial inclusion in the country.

1. The government has to prioritize financial literacy especially in the rural areas on the need to enroll onto formal financial services.
2. The state owned banks must be empowered to increase its presence in the rural areas to increase accessibility
3. Mobile money has proven over the years to be an enabling medium for financial inclusion in Ghana therefore the regulators should regularize the transaction charges to serve as an incentive for patronage.

4. More mobile money agents should be enrolled especially in the rural areas to facilitate popularizing financial products offered by the providers.
5. The financial institutions should have customized products to meet the need of the customers for easy patronage.

There should be special incentives for banking services for rural dwellers. For example; opening of zero bank account, lesser interest charges and special interest on savings.

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