

Financial Inclusion Report Bangladesh, 2024



NFIS Administrative Unit (NAU)
Bangladesh Bank

Financial Inclusion Report Bangladesh, 2024



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MESSAGE

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The Government of Bangladesh has developed the National Financial Inclusion Strategy (NFIS) as an effective tool to achieve the core objective of increasing all adults' financial inclusion to 100% by June 2026. This strategy paper recognizes the transformative power of financial inclusion in empowering marginalized groups, granting them access to essential financial services, credit facilities, and financial literacy. Through the implementation of such initiatives, the government aspires to foster a society that is more equitable, prosperous, and inclusive.

Financial inclusion has become a central focus of discussions in Bangladesh over the last couple of years, marking significant progress, notably through the expansion of Digital Financial Services (DFS). These services have played a crucial role in empowering marginalized communities to better manage their finances. Bangladesh has taken a leading role in financial inclusion using the Agent Banking system and DFS, with initiatives such as Mobile Financial Services (MFS), the establishment of Digital Banks, and the introduction of 'Bangla QR'. These endeavors aim to cultivate a cashless environment and boost financial inclusion by integrating micro-merchants into the digital payment sphere.

The Financial Inclusion Report (FIR) Bangladesh, 2024 serves as a pivotal instrument for evaluating the financial inclusion landscape in Bangladesh. It offers insights into the status of inclusion across sectors, demographic trends, the impact of digital financial services, efforts to promote financial literacy, progress in implementing the NFIS and the challenges encountered along the way.

This report underscores the diligent work undertaken by NFIS Administrative Unit (NAU) to analyze and present the multifaceted landscape of financial inclusion. By shedding light on both the successes and challenges encountered, the report facilitates informed decision-making and strategic planning aimed at maximizing the impact of financial inclusion initiatives.

Finally, I extend my heartfelt appreciation to NAU for their unwavering dedication in preparing this Report. This document provides a thorough and succinct overview of the efforts, achievements, and obstacles encountered in the realm of financial inclusion. At the same time, it calls for proactive measures to ensure continued advancement in this critical area, underscoring the importance of sustained progress for the betterment of all.

Dr. Ahsan H. Mansur
Governor
Bangladesh Bank

ACKNOWLEDGEMENT

The NFIS Administrative Unit (NAU) of Bangladesh Bank acknowledges and expresses deep gratitude to the contributions of several departments of Bangladesh Bank, including the Financial Inclusion Department (FID), Payment Systems Department (PSD), SME & Special Programmes Department (SMESPD), Agricultural Credit Department (ACD), Financial Integrity and Customer Services Department (FICSD), Sustainable Finance Department (SFD) and Statistics Department (SD). Our gratitude to financial sector regulators, including the Bangladesh Securities and Exchange Commission (BSEC), Insurance Development & Regulatory Authority (IDRA), Microcredit Regulatory Authority (MRA), Palli Karma-Sahayak Foundation (PKSF), Department of Cooperative, financial services providers like Banks, Finance Companies, Mobile Financial Services Providers for their active participation in NFIS implementation providing support with data, collaborations and dedication which was indispensable in preparing this report.

We extend our deepest gratitude to Dr. Md. Habibur Rahman, Deputy Governor, Bangladesh Bank, for his unwavering support and guidance. His contributions have been essential in shaping the contents of this report. NAU is especially thankful to the tireless dedication and invaluable contributions of Mr. Rup Ratan Pine, Executive Director, Bangladesh Bank who has greatly shaped & illuminated this report. We are grateful to all who reviewed & refined this report.

Thanks to all, who have contributed information contained in this report and acknowledges to everyone mentioned above, as well as to all, whose support may not be explicitly mentioned but is equally valued.

EXECUTIVE SUMMARY

This report offers a comprehensive update on the country's financial inclusion landscape as of December 2024. The financial sector is diverse, comprising 61 banks, 35 FCs, 703 MFIs, 1,234 CMIs, 13 MFSPs, 82 insurers, cooperative societies and other financial service providers.

Key achievements include substantial growth in digital financial services, with MFS transactions of BDT 1.64 trillion in 2024, a 32.02% increase from the previous year and total MFS accounts rising by 8.3% to 238.6 million, complemented by 1.83 million MFS agents. Internet banking and POS services experienced remarkable growth in 2024. This shift reflects Bangladesh's strategic move to a cash-light, digital-first economy. Agent banking has expanded significantly achieving 50% female ownership, with 21,248 outlets—85.6% in rural areas—serving over 24 million accounts and deposits of BDT 419 billion. No-frill accounts totaled 31.08 million, with nearly 70% located in rural regions, highlighting efforts to include underserved populations. CMSME loan disbursement stood at BDT 626 billion, with a growing share attributed to cottage and micro-enterprises. The WFID Dashboard shows a rise in female-owned deposit accounts from 50.7 million to 55 million—an 8.48% increase. Youth inclusion is advancing through school banking programs, with 4.38 million accounts and a 53.28% rural share and female participation in school banking reached 49.02%.

The microfinance sector remains crucial for inclusive growth, with over 42 million accounts, daily loans and savings—primarily benefiting rural and low-income populations. MFIs can disburse loans and receive installments from their clients through MFSPs. MRA-registered MFIs issued around BDT 2.62 trillion in loans during FY 2023-24, of which 49% allocated to the agricultural sector, supporting the livelihoods of marginal communities. Capital Market Intermediaries are working to improve financial literacy, digitize the monitoring system, ensure data interoperability and promote digital financial services. The insurance sector contributes to inclusion by extending insurance and financial services to underserved groups, including women entrepreneurs, youth, and physically challenged communities in remote and underdeveloped areas. Cooperatives remain vital for accelerating financial inclusion across rural and urban communities and have been serving over 12.52 million members (3.24 million Women).

The NFIS progress report indicates that 69% targets were fully met and 28% were partially achieved by December 2024, with technology adoption being a key area for improvement. Despite progress, challenges persist. To address these issues, the report recommends targeted efforts to enhance digital and financial literacy, expand digital infrastructure and inclusive financial products, foster interoperability and improve access to credit for MSMEs and informal workers, strengthen consumer protection and integrate climate-resilient finance solutions. Collaboration among regulators, financial institutions and technology providers is emphasized to achieve the objectives of NFIS, universal access to quality financial services and to build a sustainable, resilient and inclusive financial ecosystem.

ACRONYM

| | |
|----------------|--|
| ADB | Asian Development Bank |
| AFI | Alliance for Financial Inclusion |
| ATM | Automated Teller Machine |
| BASA | Bangladesh Association for Social Advancement |
| BB | Bangladesh Bank |
| BBADCF | Bangladesh Bank Agricultural Development Common Fund |
| BDT | Bangladeshi Taka |
| BGD | Bangladesh |
| BGD e-GOV CIRT | Bangladesh Government's e-Government Computer Incident Response Team |
| BPO | Bangladesh Post Office |
| BRAC | Bangladesh Rural Advancement Committee |
| BSEC | Bangladesh Securities and Exchange Commission |
| CCAM | Customer Complaint Address Module |
| CDIP | Centre for Development Innovation and Practices |
| CDM | Cash Deposit Machine |
| CIRT | Computer Incident Response Team |
| CMI | Capital Market Intermediary |
| CMSME | Cottage, Micro, Small and Medium Enterprises |
| COVID | Corona virus Disease |
| CRF | Credit Risk Fund |
| CRFS | Comprehensive Rural Finance Study |
| CRM | Cash Recycler Machine |
| CSE | Chittagong Stock Exchange |
| CSR | Corporate Social Responsibility |
| DFS | Digital Financial Services |
| DPS | Deposit Pension Scheme |
| DSE | Dhaka Stock Exchange |
| ECCMA | Electronic Commerce Code Management Association |
| FC | Finance Company |
| FCBs | Foreign commercial banks |
| FICSD | Financial Integrity and Customer Services Department |
| FID | Financial Inclusion Department |
| FSP | Financial Service Provider |
| FY | Fiscal Year |
| GDP | Gross Domestic Product |
| GoB | Government of Bangladesh |
| GRS | Grievance Redress System |

| | |
|-------|--|
| G2P | Government-to-Person |
| HBFC | House Building Finance Corporation |
| ICT | Information and Communication Technology |
| IDRA | Insurance Development and Regulatory Authority |
| IFC | International Finance Corporation |
| IT | Information Technology |
| ISBs | Islami Shariah based banks |
| KYC | Know Your Customer |
| LIC | Life Insurance Corporation |
| MFI | Microfinance Institution |
| MFS | Mobile Financial Services |
| MFSP | Mobile Financial Service Provider |
| MRA | Microcredit Regulatory Authority |
| MSME | Micro, Small and Medium Enterprises |
| NAU | NFIS Administrative Unit |
| NBFI | Non-Bank Financial Institution |
| NFIS | National Financial Inclusion Strategy |
| NGO | Non-Governmental Organization |
| NPSB | National Payment Switch Bangladesh |
| PCBs | Private Commercial Banks |
| PKSF | Palli Karma-Sahayak Foundation |
| POS | Point-of-Sale |
| PSD | Payment Systems Department |
| SBAs | School Banking Accounts |
| SBs | Specialized banks |
| SOCBs | State-owned commercial banks |
| SD | Statistics Department |
| SDGs | Sustainable Development Goals |
| SFD | Sustainable Finance Department |
| SICIP | Skills for Industry Competitiveness and Innovation Program |
| SME | Small and Medium Enterprises |
| TMSS | Thengamara Mohila Sabuj Sangha |
| WFID | Women Financial Inclusion Data |

CHAPTER 1

Introduction

Following the recent transition, Bangladesh stands at a decisive moment, requiring comprehensive reforms across various sectors to improve the functioning of the economy. A key expectation is the implementation of these reforms, particularly those aimed at advancing financial inclusion. Financial inclusion—the process of providing individuals and businesses with access to affordable and effective financial products and services—is crucial for reducing poverty and fostering sustainable economic growth. By ensuring that individuals and businesses have access to formal financial services, the country strengthens its foundation for inclusive development and resilience. Recognizing this, the Government of Bangladesh has made financial inclusion a key priority within its national development agenda, aligning it with the broader vision of building a digitally empowered society.

Guided by the National Financial Inclusion Strategy (NFIS) and supported by rapid advancements in mobile banking, agent banking, and digital financial platforms, the country has made notable progress in expanding the reach of formal financial services. Strategic collaboration among regulatory authorities, financial institutions, and technology providers has accelerated the development of an inclusive digital financial ecosystem. The vision and objectives of this strategy into a concrete action plan entail a set of 12 goals consisting of 69 targets that have been marked to drive future developments in financial inclusion.

This report provides an updated and comprehensive overview of the financial inclusion landscape in Bangladesh as of December 2024, highlighting achievements, identifying ongoing challenges, and outlining the strategic actions needed to meet the NFIS target of universal access to quality financial services by June 2026. Drawing on data from a wide range of sources—including Banks, Finance Companies (FCs), Microfinance Institutions (MFIs), Mobile Financial Services Providers (MFSPs), Capital Market Intermediaries (CMIs), and Insurers—the report assesses financial inclusion across three critical dimensions: access, usage, and quality. This evidence-based analysis serves as a benchmark for evaluating progress and shaping future policy directions on the path toward inclusive and sustainable economic development.

CHAPTER 2

Financial Sector Landscape

The financial sector in Bangladesh has grown substantially over the past decades, playing a pivotal role in facilitating economic development, poverty reduction and financial inclusion. The financial system of Bangladesh is comprised of three broad sectors:

- ❑ Regulated Sector
- ❑ Quasi-regulated Sector
- ❑ Non-regulated Sector

2.1 Regulated sector

It comprises a diverse mix of institutions including Banks, Finance Companies (FCs) previously known as Non-Bank Financial Institutions (NBFIs), Microfinance Institutions (MFIs), Insurance Companies, Capital Market Intermediaries (CMI) like Brokerage Houses, Merchant Banks etc and Mobile Financial Services providers (MFSPs).

The financial sector is governed by four main regulatory authorities:



**Bangladesh Bank
(BB)**

Regulating Banks
FCs, MFSPs and
payment systems



**Bangladesh Securities
and Exchange
Commission (BSEC)**

Oversees capital
market activities



**Insurance
Development and
Regulatory Authority
(IDRA)**

Regulates life and
non-life insurance
companies



**Microcredit
Regulatory
Authority (MRA)**

Supervises licensed
Micro Finance
Institutions

❑ Banks

- ❖ The banking sector is the dominant component, comprising:
 - State-owned commercial banks (SOCBs)
 - Private commercial banks (PCBs)
 - Foreign commercial banks (FCBs)
 - Specialized banks (SBs)
 - Islami shariah based banks (ISBs)
- ❖ The sector contributes most significant part of financial system assets

- ❑ **Finance Companies (FCs)**
 - ❖ Play a supporting role in industrial and infrastructure finance
- ❑ **Mobile Financial Services Providers (MFSPs)**
 - ❖ Revolutionized access to basic financial services
 - ❖ Supports digital payments, remittances, and government benefit transfers
- ❑ **Capital Markets**
 - ❖ Dhaka Stock Exchange (DSE)
 - ❖ Chittagong Stock Exchange (CSE)
- ❑ **Insurance Sector**
 - ❖ Comprises both life and non-life insurers
- ❑ **Microfinance Sector**
 - ❖ Bangladesh is the birthplace of modern microfinance
 - ❖ Provides access to credit for millions, especially in rural areas
 - ❖ Plays a significant role in poverty alleviation and financial inclusion

Table 2.1 Formal Financial Sector Landscape Overview

| |
|---|
| BANKS - 61 |
| FINANCE COMPANIES - 35 |
| MOBILE FINANCIAL SERVICES PROVIDERS - 13 |
| CAPITAL MARKET INTERMEDIARIES - 1234 |
| LIFE INSURERS - 36; NON-LIFE INSURERS - 46 |
| MICROFINANCE INSTITUTIONS - 703 |

Data source: BB, MRA, BSEC, IDRA

2.2 Quasi-regulated sector

It includes institutions regulated by any law or government agency but do not fall under the jurisdiction of BB, IDRA, MRA, BSEC or any other financial regulator. This sector is mainly represented by specialized financial institutions like Bangladesh Post Office (BPO), House Building Finance Corporation (HBFC), Palli Karma-Sahayak Foundation (PKSF), Samabay Bank, Grameen Bank, SME Foundation, Social Development Foundation, Bangladesh NGO Foundation, Palli Sanchay Bank, Co-operatives, Non-Governmental Organizations (NGOs) which are not MFIs and discrete government programs.

2.3 Non-regulated sector

It includes private intermediaries which are completely unregulated, such as local money lender, gold shop, dadon lender etc.

CHAPTER 3

Current States of financial Inclusion in Bangladesh

3.1 Overview: Where Bangladesh Stands

Access Point Information:

Bangladesh's financial ecosystem is steadily evolving, with 61 Banks and 35 FCs operating through 11,362 and 262 branches respectively across the country. Complementing this, MFIs manage 26,806 branches, while 13 MFSPs enhance digital access. Additionally, 1,234 CMIs support the capital market sector. A key highlight is that 45.94% branches and 51.07% of sub-branches of Banks are situated in rural areas, with full online service availability at all bank branches.

Table 3.1: Access Point Information of Financial Sector

| | |
|---|---|
| <p>Banks</p> <p>Total branches: 11,362 Rural branches: 45.94% Online branches: 100% Rural sub-branches: 51.07%</p> | <p>MFIs</p> <p>Number of MFIs: 703 Total branches: 26,806</p> |
| <p>FCs</p> <p>Total branches: 262 Rural branches: 23.66% Online branches: 32.44%</p> | <p>CMIs</p> <p>Total CMIs: 1234 Number of TREC Holder/Broker/ Dealer Branches: 889</p> |
| <p>MFSPs</p> <p>MFSPs: 13 MFS agent: 1,828,870</p> | <p>Insurance sector</p> <p>Life insurer: 36 Non-life insurer: 46</p> |

This overview reveals a promising trajectory for financial inclusion in Bangladesh and also identifies areas requiring attention. The strong rural footprint of banking infrastructure reflects a strategic push to reach beyond urban centers. The extensive network of financial players, emphasis on rural connectivity, and integration of mobile financial services showcase a deep commitment to inclusivity. Nevertheless, boosting financial literacy and expanding the range of financial offerings in rural zones are critical for ongoing development.

Account Information:

The account distribution across institution types reflects a clear urban-rural divide. Among banking sector, State-owned Commercial Banks (SOCBs) and Specialized Banks (SBs) maintain strong rural outreach, while Private and Foreign Banks remain heavily concentrated in urban areas. Despite urban dominance overall, a significant portion of accounts still originates from rural regions, which is underscoring the continued role of financial institutions in promoting geographic inclusivity in the banking sector.

Table 3.2: Number of Accounts (As on December 2024)

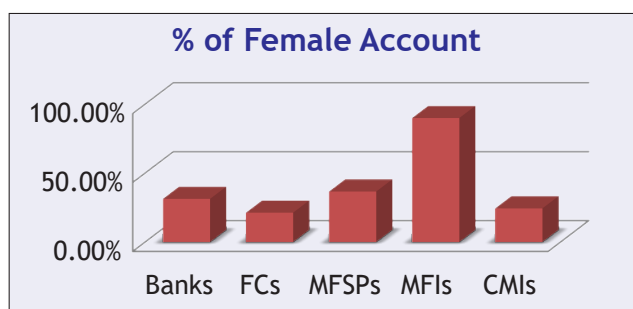
| Total Account | Rural | %Rural | Urban | %Urban | Total |
|---------------|-------------|--------|-------------|--------|-------------|
| Banks | 76,818,908 | 42.67% | 103,225,119 | 57.33% | 180,044,027 |
| FCs | 120,268 | 19.89% | 484,336 | 80.11% | 604,604 |
| MFSPs | 123,597,599 | 54.02% | 105,220,768 | 45.98% | 228,818,367 |
| MFIs | | - | | - | 42,649,806 |
| B/O accounts | | - | | - | 1,247,501 |

Data Source: Banks, FCs, MFSPs, MRA, BSEC

Table 3.3: % of Female Account

| | |
|-------|--------|
| Banks | 31.36% |
| FCs | 21.37% |
| MFSPs | 36.70% |
| MFIs | 90.00% |
| CMLs | 24.46% |

Data source: Banks, FC's, MFSPs, MRA, BSEC



The data reveals that Banks and MFSPs dominate with significant rural presence, accounting for over 42% and 54% respectively, indicating strong outreach in rural areas. FCs, however, show a stark urban concentration with 80% of accounts, suggesting limited rural penetration, possibly due to regulatory or demand factors. When combined with the female account percentage data, this emphasizes the need to target rural women for inclusion. The important fact is that, microfinance has been successfully reaching women. Enhancing rural banking infrastructure and tailored financial products could bridge the above mentioned gaps, and enhance broader economic participation.

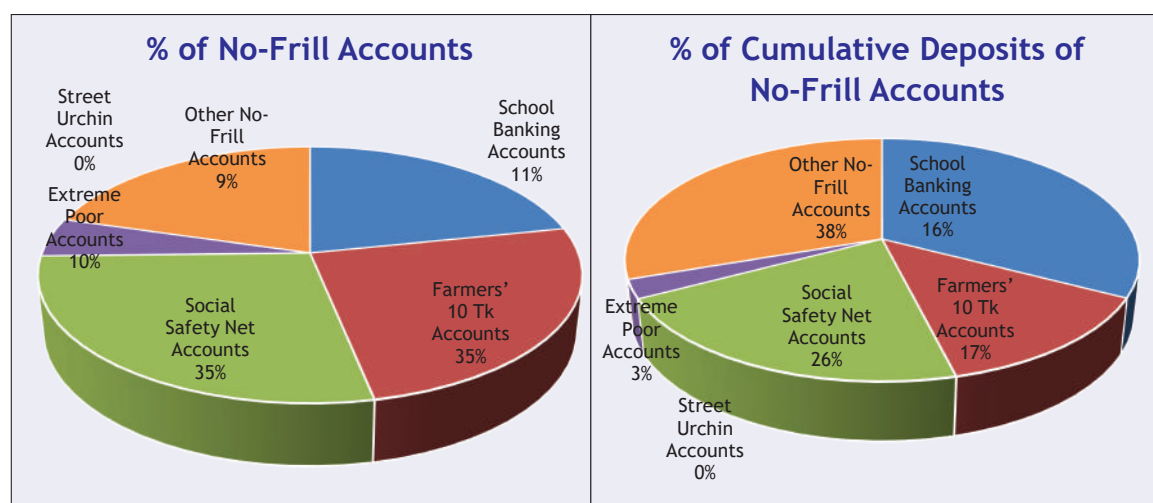
No-Frill Accounts Analysis:

The table below details the distribution of no-frill accounts in Bangladesh as on December 2024, segmented by account type and geographic area, alongside their cumulative deposit volumes. This data reflects efforts to broaden financial access for underserved populations through low-barrier banking solutions, emphasizing both account penetration and savings engagement.

Table 3.4: No-Frill Accounts (as on December 2024)

| No-Frill Accounts | Number of Accounts | | | Cumulative Deposits (million BDT) | | |
|----------------------------|--------------------|------------------|-------------------|-----------------------------------|------------------|------------------|
| | Rural | Urban | Total | Rural | Urban | Total |
| School banking accounts | 2,333,817 | 2,046,342 | 4,380,161 | 5,955.30 | 14,756.30 | 20,711.6 |
| Farmers 10 Tk accounts | 7,522,528 | 2,355,399 | 9,877,927 | 6,076.96 | 2,908.97 | 8,985.93 |
| Social safety net accounts | 7,673,470 | 2,619,290 | 10,292,760 | 9,562.23 | 5,832.28 | 15,394.51 |
| Extreme poor accounts | 2,081,385 | 460,981 | 2,542,366 | 1,126.10 | 451.05 | 1,577.15 |
| Street urchin accounts | 426 | 37,272 | 37,698 | 0.91 | 3.52 | 4.43 |
| Other no-frill accounts | 2,066,754 | 1,886,866 | 3,953,620 | 13,678.42 | 31,771.48 | 45,449.90 |
| Total | 21,678,381 | 9,406,151 | 31,084,532 | 36,399.92 | 55,723.59 | 92,123.51 |

Data Source: Statistics Department, BB



The data illustrates notable progress in expanding no-frill accounts, with over 31 million accounts now in operation and nearly 70% located in rural areas, demonstrating a strong institutional focus on reaching underserved populations.

Social Safety Net and Farmers’ 10 Taka Accounts represent a large share of this expansion, reflecting alignment between financial inclusion efforts and broader social protection and agricultural policies. While School Banking Accounts show a relatively balanced rural-urban spread, urban areas continue to generate higher deposit volumes, likely due to stronger economic activity and greater financial awareness. Interestingly, overall rural deposits now exceed those in urban areas, signaling improved rural engagement and the growing role of branchless and agent banking.

Agent Banking: Expanding Financial Access in Bangladesh

Agent banking has emerged as a transformative solution for Bangladesh to enhance financial inclusion, especially in rural and underserved regions. In a context where conventional bank branches are often absent in remote areas, agent banking leverages local retail outlets and trusted community businesses to provide essential banking services. These agents serve as vital access points for deposits, withdrawals, remittance services, utility payments, and even social safety net disbursements.

Table 3.5: Agent Banking Data (As on December 2024)

| Category | Rural | Urban | Total | Rural % |
|-----------------------|-------------------|------------------|-------------------|--------------|
| Outlets | 18,189 | 3,059 | 21,248 | 85.6% |
| Total accounts | 20,610,405 | 3,467,825 | 24,078,230 | 85.6% |

Data Source: Quarterly Report on Agent Banking, Financial Inclusion Department (FID), BB

The widespread deployment of agent outlets across the country, with a strong presence in rural areas, reflects the model’s strategic focus on bridging the gap between formal financial institutions and marginalized populations. By integrating digital platforms with community-based service delivery, agent banking not only ensures convenience and trust but also fosters a deeper sense of financial empowerment.

3.2 Trend Analysis

3.2.1 Banks & FCs

Banks and FCs play a pivotal role in advancing financial inclusion in Bangladesh through their extensive network of branches. These networks span cities, towns, and rural areas, enabling institutions to deliver essential financial services – such as account opening, cash deposits and withdrawals, and credit facilities – directly to communities across the nation. The reach of these access points highlights their importance in connecting underserved populations to formal financial systems. A detailed overview of access points of Banks and FCs is presented below-

Table 3.6: Access Point Penetration of Banks

| | Dec-23 | Dec-24 |
|--------------------------|---------|---------|
| Number of institutions | 61 | 61 |
| Total branches | 11,284 | 11,362 |
| Number of rural branches | 5,290 | 5,220 |
| Number of sub branches | 4,201 | 4,530 |
| % of Rural branches | 46.81% | 45.94% |
| % of Online branches | 96.98% | 100.00% |
| % of Rural sub-branches | 48.49% | 51.07% |
| Number of ATM | 13,436 | 12,859 |
| Number of CDM | 263 | 298 |
| Number of CRM | 4,035 | 6,970 |
| Number of POS | 108,469 | 125,641 |

Data Source: Statistics Department, BB

Table 3.7: Access Point Penetration of FCs

| | Dec-23 | Dec-24 |
|--------------------------|--------|--------|
| Number of institutions | 35 | 35 |
| Total branches | 260 | 262 |
| Number of rural branches | 72 | 62 |
| % of Rural branches | 27.69% | 23.66% |
| % of Online branches | 33.08% | 32.44% |

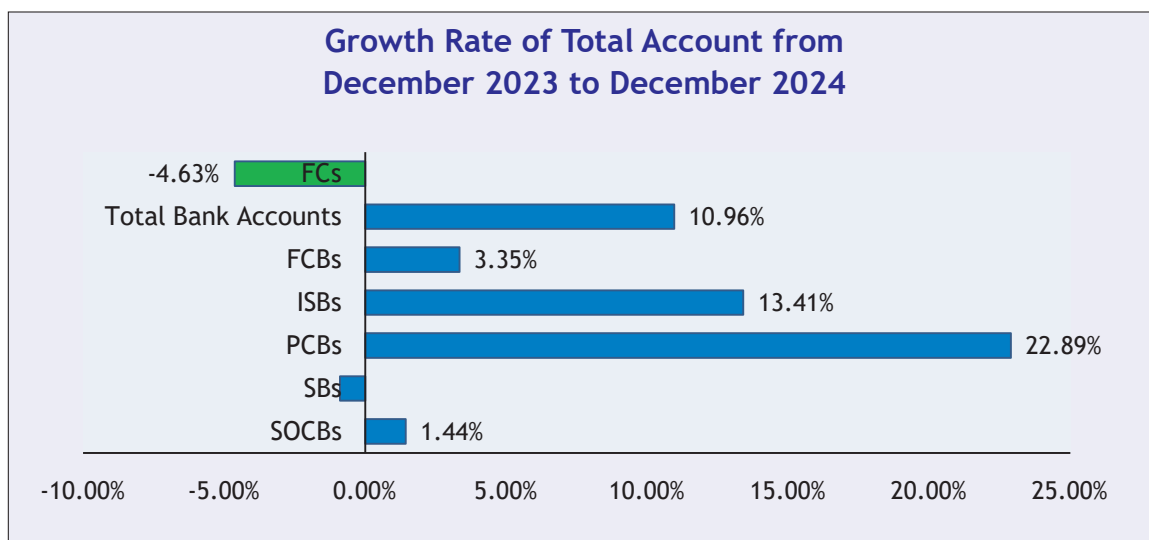
Data Source: FCs

The glimpse of banking sector's access point penetration has shown that, the expansion of bank's sub-branches, full online connectivity, and increased deployment of digital channels like CRMs and POS devices reflect growing efforts to modernize services and improve accessibility. While FCs have a smaller rural footprint, their continued involvement contributes to a more inclusive and diversified financial landscape.

Table 3.8: Rural/Urban Accounts of Banks & FCs

| Institutional type | Dec-23 | | | Dec-24 | | |
|---------------------|------------|------------|-------------|------------|-------------|-------------|
| | Rural | Urban | Total | Rural | Urban | Total |
| SOCBs | 30,479,683 | 23,831,695 | 54,311,378 | 29,696,706 | 25,394,632 | 55,091,338 |
| SBs | 17,325,788 | 1,392,288 | 18,718,076 | 17,196,493 | 1,355,622 | 18,552,115 |
| PCBs | 18,743,065 | 36,851,105 | 55,594,170 | 20,061,678 | 48,260,349 | 68,322,027 |
| ISBs | 9,887,031 | 22,998,652 | 32,885,683 | 9,854,535 | 27,440,605 | 37,295,140 |
| FCBs | 9,283 | 748,729 | 758,012 | 9,496 | 773,911 | 783,407 |
| Total Bank accounts | 76,444,850 | 85,822,469 | 162,267,319 | 76,818,908 | 103,225,119 | 180,044,027 |
| FCs | 137,223 | 496,722 | 633,945 | 120,268 | 484,336 | 604,604 |

Data Source: Banks, FCs



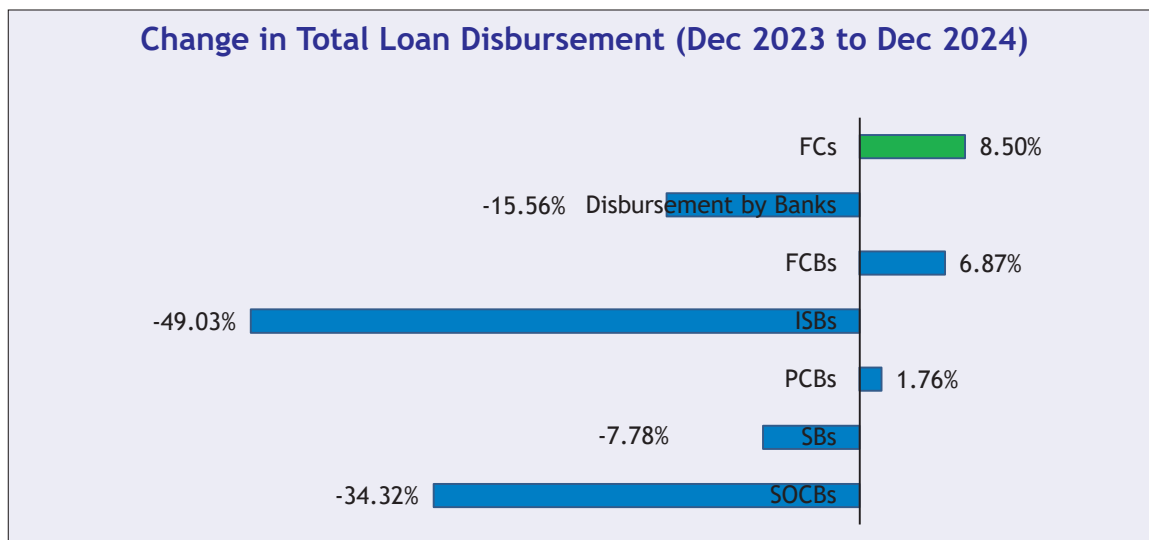
Data Source: Banks, FCs

The provided synopsis compares the total number of bank accounts across various bank types between December 2023 and December 2024, highlighting both growth and decline trends. Notably, PCBs have shown significant growth, likely driven by enhanced customer outreach, digital banking services, and public trust. Conversely, SBs experienced a decline and SOCBs displayed only marginal growth. To address these trends, SOCBs and SBs should consider modernizing operations and embracing digital solutions, while FCs may need to revisit their strategic direction in the local market. Meanwhile, the momentum in account's growth should be maintained through continued innovation, customer-centric strategies, and deeper market penetration, particularly in underserved regions.

Table 3.9: Total Loan Disbursement by Banks & FCs (in million BDT)

| Institutional type | Dec-23 | | | Dec-24 | | |
|-----------------------|------------|--------------|--------------|------------|--------------|--------------|
| | Rural | Urban | Total | Rural | Urban | Total |
| SOCBs | 66,398.26 | 185,264.65 | 251,662.91 | 37,435.12 | 127,867.76 | 165,302.88 |
| SBs | 59,521.65 | 7,845.15 | 67,366.80 | 52,341.09 | 9,787.64 | 62,128.72 |
| PCBs | 96,479.14 | 1,525,716.37 | 1,622,195.51 | 112,403.82 | 1,538,294.48 | 1,650,698.30 |
| ISBs | 66,016.50 | 843,783.66 | 909,800.16 | 37,701.84 | 426,032.20 | 463,734.04 |
| FCBs | 44.12 | 292,285.54 | 292,329.66 | 36.48 | 312,386.41 | 312,422.88 |
| Disbursement by Banks | 288,459.67 | 2,854,895.37 | 3,143,355.04 | 239,918.35 | 2,414,368.48 | 2,654,286.83 |
| FCs | 6,739.00 | 50,278.57 | 57,017.57 | 11,331.32 | 50,531.06 | 61,862.38 |

Data Source: Banks, FCs



Data Source: Banks, FCs

The table presents a comparison of total disbursement across various institutional types between December 2023 and December 2024. It reveals a significant overall decline of approximately 15.56% in total disbursement, driven largely by steep drops in key institutions such as ISBs (-49.03%) and SOCBs (-34.32%). This decline may be attributed to several macro and sector-specific factors, including the political transition experienced in 2024, which likely dampened investor’s confidence and slowed credit demand. Moreover, an ongoing reform process in the banking sector, including tighter regulatory oversight and risk mitigation strategies, may have restricted the flow of new loans, particularly from traditional high-volume lenders. In contrast, PCBs maintained stability, registering slight positive growth (1.76%), possibly due to better credit risk management and selective disbursement of some renowned banks. FCBs and FCs showed modest gains, suggesting resilience or niche market focus. Specialized Banks saw a small decline. Overall, the contraction in disbursement reflects a cautious financial landscape shaped by both external instability and internal restructuring efforts within the banking industry.

No-Frill Account

The table provides a comparison of No-Frill Accounts between December 2023 and December 2024, covering both total accounts and cumulative deposits across different categories. While the overall number of accounts has remained relatively stable over the year, there has been a noticeable increase in the total volume of deposits, indicating enhanced account usage and improved trust in formal banking systems.

Table 3.10: No-Frill Accounts

| No-Frill Account | Total Account | | Cumulative Deposit (million BDT) | |
|----------------------------|-------------------|-------------------|----------------------------------|------------------|
| | Dec-23 | Dec-24 | Dec-23 | Dec-24 |
| Components | | | | |
| School banking accounts | 4,055,239 | 4,380,159 | 21,813.80 | 20,711.59 |
| Farmers 10 Tk accounts | 9,779,473 | 9,877,927 | 7,906.41 | 8,985.93 |
| Social safety net accounts | 10,488,351 | 10,292,760 | 14,178.01 | 15,394.51 |
| Extreme poor accounts | 2,559,284 | 2,542,366 | 1,775.83 | 1,577.15 |
| Street urchin accounts | 37,516 | 37,698 | 4.89 | 4.43 |
| Other no-frill accounts | 3,974,024 | 3,953,620 | 44,914.76 | 45,449.90 |
| Total | 30,893,887 | 31,084,532 | 90,593.70 | 92,123.51 |

Data Source: Statistics Department, BB

Some categories, such as social safety net and school banking accounts, show a decline in account numbers, possibly reflecting policy adjustments or account rationalization. In contrast, other segments—particularly the category of other No-Frill Accounts—have expanded significantly, suggesting growing interest in diverse financial products. Despite limited change in outreach to certain vulnerable groups, like the extreme poor and street children, the overall trend points toward a consolidation of no-frill accounts and a shift from mere access to more active financial participation.

Access and Services through Agent Banking

Bangladesh Bank introduced agent banking in Bangladesh in 2013 with a view to providing an alternate delivery channel of banking services to the under-served population of geographically remote locations where the formal banking networks are limited. At present, 31 banks are continuing agent banking operations.

Table 3.11: Access through agent banking

| Institutional type | Number of agents | | Agent Outlets | | Total Accounts | |
|--------------------|------------------|---------------|---------------|---------------|-------------------|-------------------|
| | Dec-23 | Dec-24 | Dec-23 | Dec-24 | Dec-23 | Dec-24 |
| SOCBs | 794 | 736 | 793 | 736 | 919,653 | 1,063,036 |
| PCBs | 11,044 | 11,349 | 16,657 | 16,281 | 14,844,495 | 16,419,915 |
| ISBs | 3,919 | 3,947 | 4,150 | 4,232 | 5,655,827 | 6,595,279 |
| Total | 15,757 | 16,032 | 21,600 | 21,248 | 21,419,975 | 24,078,230 |

Table 3.12: Services Provided by Agent Banking (in million BDT)

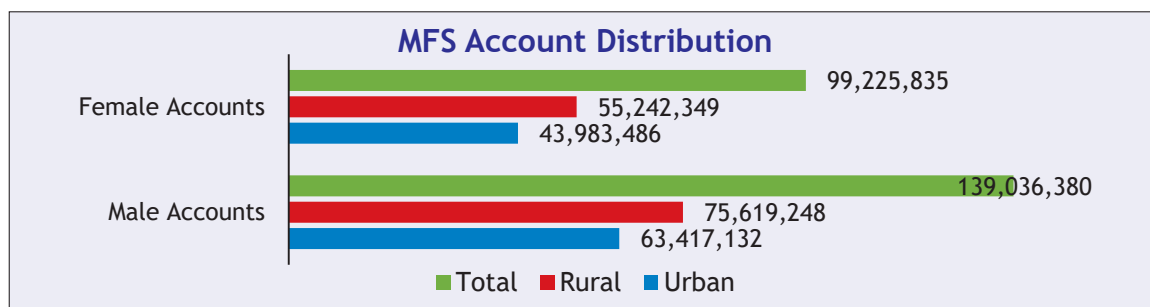
| Institution Type | Loan Disbursement | | Deposit amount | |
|------------------|-------------------|-------------------|-------------------|-------------------|
| Institution Type | Dec-23 | Dec-24 | Dec-23 | Dec-24 |
| SOCBs | 4,961.38 | 645.73 | 21,212.09 | 22,709.48 |
| PCBs | 129,104.28 | 218,577.43 | 141,625.24 | 180,381.46 |
| ISBs | 12,360.24 | 21,059.95 | 189,170.29 | 216,467.20 |
| Total | 141,926.50 | 240,283.11 | 363,581.36 | 419,558.14 |

Data source of table 3.11 & 3.12: Quarterly Report on Agent Banking, FID, BB

PCBs have emerged as the key drivers of this model’s success, demonstrating institutional agility and digital adaptability. In contrast, public banks and Islamic banks have shown slower engagement. While access has expanded, service distribution remains uneven. The majority of transactions and account ownership are concentrated under a few institutions, raising concerns about long-term competitiveness and resilience. Moreover, recent declines in loan disbursement volumes from public institutions point to reduced outreach activity of those institutions. This uneven participation of the institutions in agent banking reflects broader structural challenges, which should be overcome to reach the most financially excluded communities.

3.2.2 MFS: Trends in Account Ownership and Transactions

MFS sector in Bangladesh witnessed significant expansion between December 2023 and December 2024, reflecting deeper integration of digital finance into the lives of both urban and rural populations. This rapid growth signals not only rising demand for mobile-based financial solutions but also an increasing reliance on these platforms for everyday transactions and financial access.



Data Source: Banks, FCs

Table 3.13: Overview on Mobile Financial Services (MFS)

| Category | Dec-23 | Dec-24 |
|-----------------|-------------|-------------|
| MFS agent | 1,724,515 | 1,828,870 |
| Total account | 220,457,448 | 238,676,153 |
| Female accounts | 92,223,837 | 99,225,835 |

Table 3.14: Overview on MFS Transactions (BDT in millions)

| Transaction Type | Dec-23 | Dec-24 |
|---|--------------|--------------|
| All transaction Amount | 1,245,484.60 | 1,647,393.60 |
| G2P | 4,690.20 | 4,613.10 |
| Utility bills payments | 29,035.80 | 26,334.30 |
| Inward remittance | 5,868.70 | 12,418.10 |
| Accounts using for monthly deposit to banks/FCs | 399,911.00 | 488,765.00 |
| Accounts availing loans from banks/FCs | 128,208.00 | 306,228.00 |

Data Source of table 3.13 & 3.14 : PSD, BB

MFS in Bangladesh continued to expand between December 2023 and December 2024, reinforcing its role as a driver of financial inclusion. The steady rise in accounts and agents indicate greater access, while the increase in female participation reflects progress in bridging gender gaps in finance. The transaction trends show that MFS is moving beyond basic transfers, with stronger linkages to savings and credit facilities—signaling deeper integration with the formal financial system.

3.2.3 Microfinance Sector

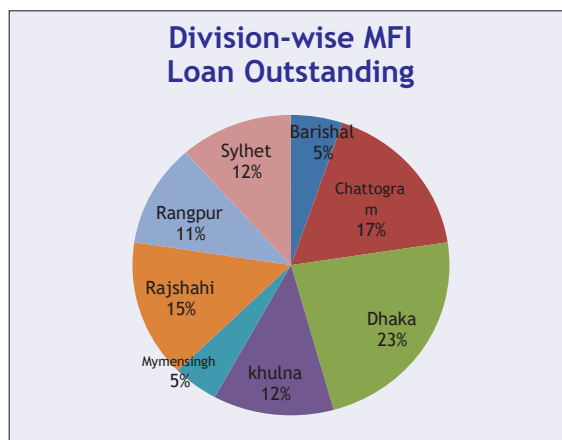
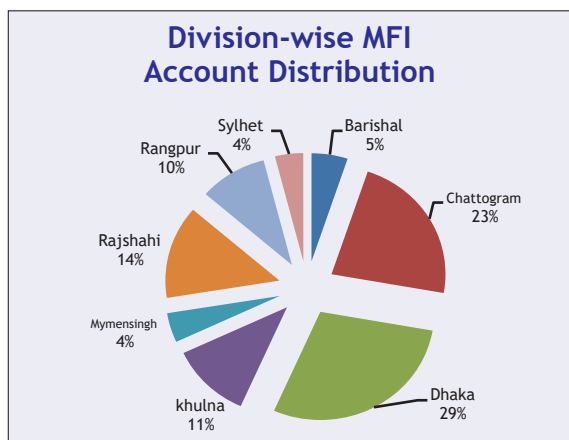
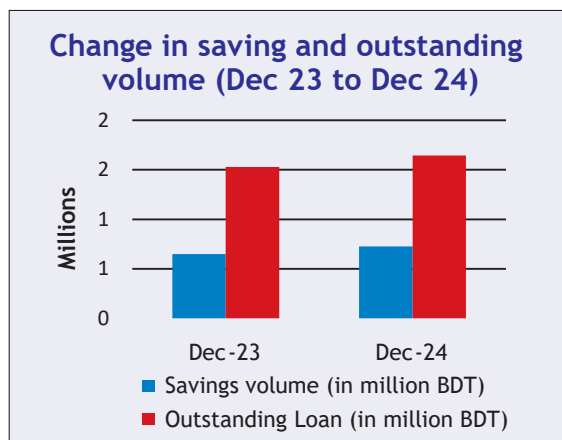
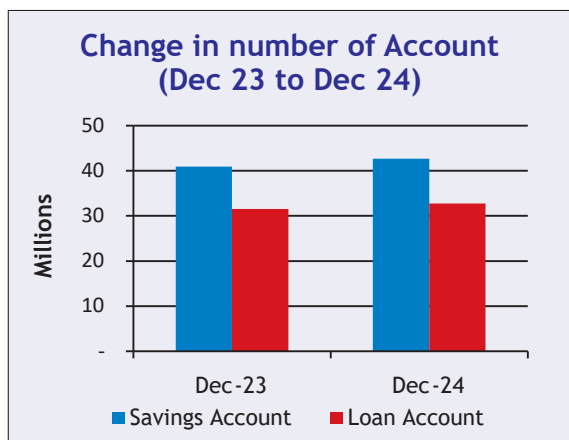
The microfinance sector continued to strengthen its role in advancing inclusive finance during 2024, expanding its reach to communities traditionally underserved by formal financial institutions. While the total number of microfinance institutions slightly decreased over the year, their branch networks grew, reflecting ongoing efforts to deepen outreach, particularly in rural areas.

Table 3.15: Overview of the Microfinance Sector

| Components | Dec-23 | Dec-24 |
|-----------------------------------|--------------|--------------|
| Number of MFI | 731 | 703 |
| Number of MFI branch | 25,567 | 26,806 |
| Total account | 40,936,643 | 42,649,806 |
| Savings account | 40,936,643 | 42,649,806 |
| Loan account | 31,560,684 | 32,739,468 |
| Savings volume (in million BDT) | 648,582.34 | 725,764.30 |
| Outstanding loan (in million BDT) | 1,529,333.99 | 1,645,236.49 |

Data Source: MRA

Growth in both savings and loan accounts demonstrates the sector’s continued relevance as a trusted provider of financial services to low-income groups. Microfinance has remained pertinent in enabling small-scale entrepreneurs, farmers, and women-led enterprises to access funds that support livelihood activities and contribute to local economies.



Savings mobilization and loan disbursement through MFIs recorded steady increases, reinforcing the sector’s contribution to household financial security and productive investment. The pattern of regional distribution showed that the highest concentration of microfinance activity remained in economically active areas, while other divisions also benefited from expanded service delivery.

3.2.4 Capital Market

Capital market in Bangladesh has shown dynamic shifts between December 2023 and December 2024, reflecting both growth and challenges in expanding financial inclusion through capital market participation. The data, shown in the following table, provides insight into the evolving landscape of CMI, highlighting changes in the number of intermediaries, account penetration, gender distribution, and mobile app adoption.

Table 3.16: Overview on CMIs

| CMI | Dec-23 | Dec-24 |
|----------------------------------|-----------|-----------|
| Number of CMIs | 1,176 | 1,234 |
| Total account | 1,732,586 | 1,247,501 |
| % of Female account | 24.43% | 24.46% |
| % of BO account using mobile app | 2.39% | 2.77% |

Data Source: Bangladesh Securities and Exchange Commission (BSEC)

Between December 2023 and December 2024, the number of CMIs grew, reflecting stronger infrastructure and competition in the sector. However, the notable decline in total accounts indicates challenges in sustaining investor participation, possibly due to market shifts and political instability. Female participation remained largely unchanged, highlighting the need for targeted initiatives to reduce the gender gap. Going forward, expanding digital infrastructure, improving financial literacy, and fostering inclusive participation will be essential to strengthen the capital market ecosystem.

3.2.5 Insurance Sector

IDRA continued its efforts in 2024 to strengthen financial inclusion through insurance-based solutions. A series of regulatory and operational measures were introduced to improve transparency, ensure fair claim settlements, and enhance sectoral governance.

The following table outlines policy distribution and premium collections across Life, Micro, Health, Agricultural, and Non-Life Insurance segments, emphasizing gender-based participation and the financial weight of non-life premiums. Aligned with IDRA's updated regulatory framework, including enhanced consumer protection, risk-based supervision, stricter solvency and reporting standards, the data reflects efforts to strengthen industry accountability.

Table 3.17: Insurance Sector Snapshot in Bangladesh (October-December 2024)

| Category | Metric | Male | Female | Others | Total |
|--------------------|---|---------|---------|--------|---------|
| Insurance Policies | Life Insurance | 214,023 | 248,923 | - | 462,946 |
| | Micro Insurance | 21,602 | 41,196 | - | 62,798 |
| | Health Insurance | - | - | - | 1,231 |
| | Agricultural Insurance | - | - | - | 251 |
| | Non-Life | - | - | - | 240,779 |
| Automation | Policy Holders Using Internet-Based Service | 11,599 | 11,217 | 58,856 | 81,672 |
| | Policy Holders Paying Premium via MFS | 9,569 | 10,099 | - | 19,668 |
| | Policy Holders Paying Premium via Bank | 2,030 | 1,118 | 58,856 | 62,004 |

Data source: IDRA

IDRA also prioritized expanding insurance access to underserved groups, including women entrepreneurs, youth, migrant workers, the physically challenged and marginalized communities in rural and remote areas. Despite challenges in awareness and infrastructure, these initiatives bolster household resilience, support income stability & economic security, and reinforce the insurance sector’s critical role in Bangladesh’s financial inclusion ecosystem.

3.2.6 Driving Inclusive Growth through Cooperative Initiatives

The following table highlights the major indicators of the cooperative sector in Bangladesh, reflecting its financial capacity, membership strength, and socio-economic contributions:

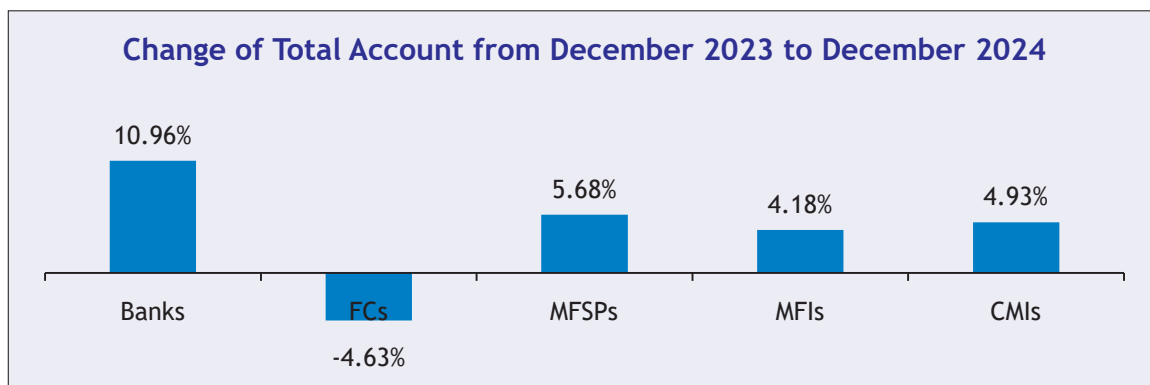
Table 3.18: Glimpses of Cooperative Sector

| Category | Indicator | As on December 2024 |
|-------------------------|-------------------------------------|---------------------|
| Institutional Structure | Total Registered Cooperatives | 178,852 |
| | Total Members | 12,523,742 |
| | Women Members | 3,238,609 |
| Financial Strength | Effective Capital | BDT 300.28 billion |
| | Shared Capital | BDT 34.78 billion |
| Credit Operations | Total Loan Disbursed in 2024 | BDT 256.16 billion |
| Socio-economic Impact | Employment Generated | 1,203,317 persons |
| Capacity Building | Training Programs Organized in 2024 | 15,001 |

Data Source: Department of Co-operatives (DoC)

Beyond these financial and organizational achievements, the Department of Cooperatives places strong emphasis on promotion, awareness, and capacity-building activities to strengthen the cooperative movement. It disseminates information on cooperative initiatives through periodicals such as Monthly Samabay, Co-operation, and newsletters, along with annual reports, statistical booklets, posters, and other publications. The department also arranges seminars, workshops, celebrations of national and international cooperative days, national awards, exhibitions, fairs, and documentaries to encourage wider participation. In addition, it actively collaborates with radio, television, and other mass media to ensure greater outreach.

Despite its progress, the cooperative sector still faces some challenges, including the presence of inactive cooperatives, limited manpower, and the need for stronger transparency in management. To fully reap the benefits of this sector, regulators can take proactive steps such as ensuring stricter monitoring, introducing digital financial management systems, improving ICT infrastructure, and expanding training for both members and administrators. These measures would not only increase efficiency but also enhance trust, encourage wider participation, and accelerate financial inclusion across rural and urban communities.



Bangladesh has made significant progress in expanding financial inclusion across Banks, MFIs, and MFSPs between December 2023 and December 2024, reflecting growing public trust and access to formal financial services. This upward trend underscores the country's economic resilience and commitment to inclusive growth, even amid global and domestic challenges. While Finance Companies experienced a slight decline, the overall expansion signals coordinated, cross-sector progress aligned with the nation's vision of becoming a developed country.

CHAPTER 4

Progress of NFIS Implementation

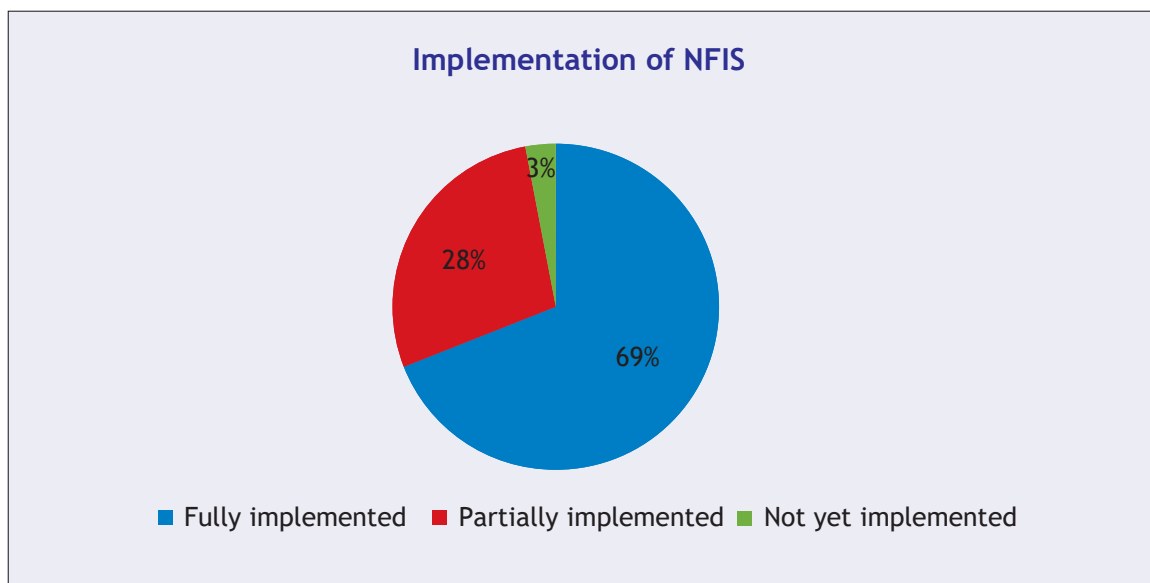
The NFIS Administrative Unit (NAU) is tracking the progress of all the targets under NFIS in quarterly basis. To translate the vision and objectives of NFIS into a concrete action plan, a set of 12 goals consisting of 69 targets have been marked to drive future developments in financial inclusion.

NFIS aims to enhance payment systems including service delivery channels, promote financial literacy, consumer empowerment and expand financial inclusion for women, populations affected by climate change, other underserved groups and senior citizens, while simultaneously strengthening the policy & regulatory framework, reinforcing risk management of financial inclusion initiatives and establishing a comprehensive data and measurement infrastructure.

Out of 69 targets of NFIS, 48 targets (69%) have already been fully implemented as on December 2024. These targets include access to quality financial services for the underserved people, enhancement of payment systems and digital banking, boosting up regulatory policies and fortifying insurance and microcredit sector.

| Goal wise implementation of NFIS targets | | | | |
|--|-------------------|-------------------|-----------------------|-----------------|
| | Number of Targets | Fully implemented | Partially implemented | Not implemented |
| Goal 1 | 16 | 12 | 4 | 0 |
| Goal 2 | 13 | 13 | 0 | 0 |
| Goal 3 | 6 | 5 | 1 | 0 |
| Goal 4 | 5 | 0 | 5 | 0 |
| Goal 5 | 3 | 0 | 3 | 0 |
| Goal 6 | 6 | 2 | 3 | 1 |
| Goal 7 | 6 | 5 | 0 | 1 |
| Goal 8 | 4 | 3 | 1 | 0 |
| Goal 9 | 5 | 4 | 1 | 0 |
| Goal 10 | 3 | 3 | 0 | 0 |
| Goal 11 | 2 | 1 | 1 | 0 |
| Goal 12 | - | - | - | - |
| Total | 69 | 48 | 19 | 2 |

Another 19 targets (28%) are partially achieved. Coordinated initiatives are required to promote financial literacy, consumer empowerment, and expand financial inclusion for women, populations affected by climate change, other underserved groups and senior citizens which are related to those targets.



However, 2 targets (3%) have not yet been implemented. Both of these are related to the use of new technologies in the financial sector. These two unimplemented targets show that more focus is needed on technology and training for the future. Taking action on them will help the financial system become smarter, safer and prepared for changes in the digital world.

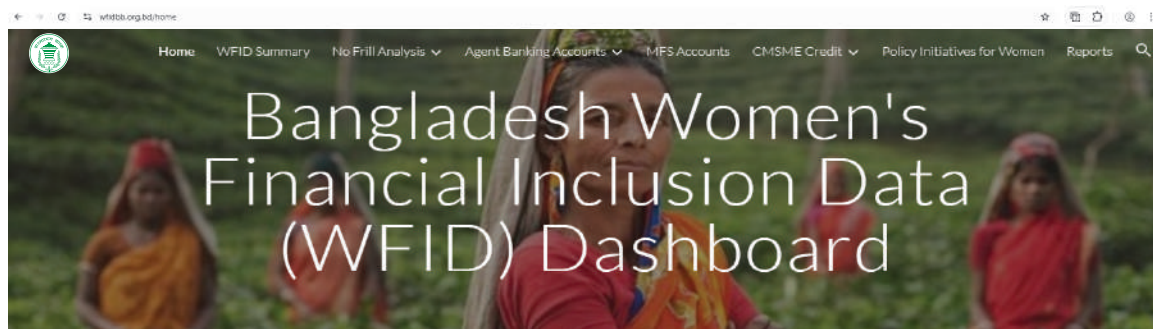
In conclusion, 97% of the targets are either done or in progress, which is a positive sign. Coordinated initiatives are needed to achieve the NFIS goals completely.

CHAPTER 5

WFID & Women Financial Inclusion Initiatives

5.1 Advancing Gender Equity through Financial Inclusion of Women

Women's financial inclusion remains a national priority in the broader agenda of inclusive development. Recognizing the persistent gender gaps in access to finance, Bangladesh Bank has adopted a multi-pronged approach to increase women's access to and usage of formal financial services. One of the key initiatives in this regard is the establishment of the Women Financial Inclusion Data (WFID) Dashboard, a strategic tool that provides gender-disaggregated financial data to monitor trends, gaps and progress across financial service providers.



Welcome to the Bangladesh Women's Financial Inclusion Data (WFID) Dashboard, a collaboration between [Bangladesh Bank](#), [ConsumerCentrix](#) and [Financial Alliance for Women](#).

The dashboard aims to illuminate the landscape of women's financial inclusion in Bangladesh through comprehensive data representation. By aggregating information from banks, non-bank financial institutions, microfinance entities, and mobile financial services, it presents a nuanced, gender-disaggregated analysis. The WFID Dashboard serves as a strategic tool, providing insights to empower service providers in identifying opportunities to expand women's financial inclusion. Through intuitive graphical presentations, the dashboard will help in driving positive change by facilitating a deeper understanding of the financial landscape and fostering informed decision-making.

Click the links below to access the dashboards



[WFID Summary](#)



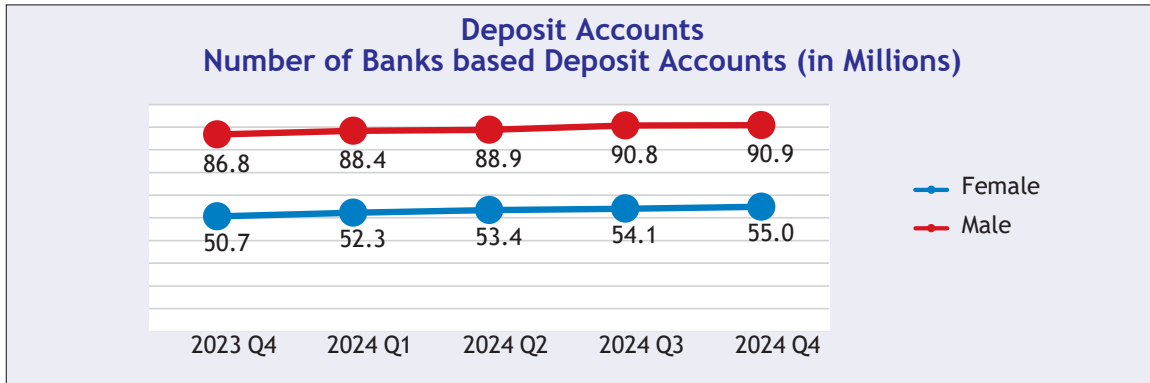
[No Frills Accounts](#)
[No Frills Scorecard](#)



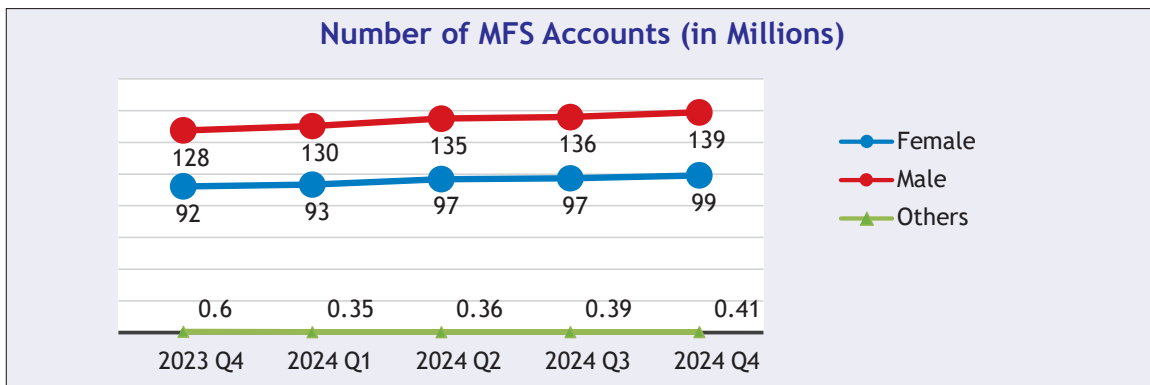
[Agent Banking Accounts](#)
[Agent Banking by Division](#)

5.2 Data Insights from the WFID Dashboard

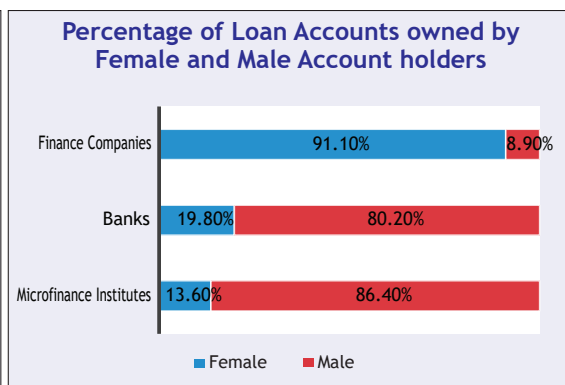
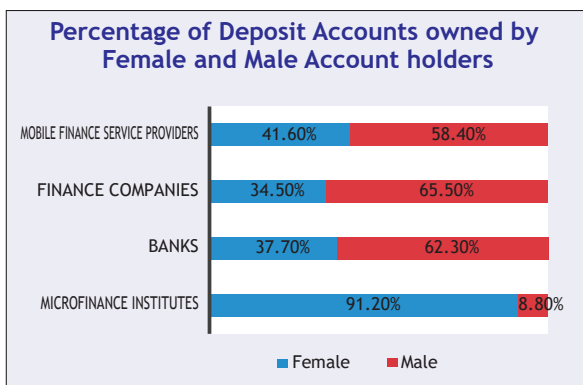
The WFID Dashboard tracks the number of deposit accounts, loan accounts, CMSME loan disbursement, MFS accounts, No-frill accounts, agent banking accounts by gender, location, institution type, and enterprise size, as well as other metrics. Comparing the data of December 2023 to December 2024 reveals:



- Deposit accounts are on the rise in banks. The graph shows that, the number of deposit accounts is seeing a steady growth over the year, and this upward trend is visible for female-owned accounts also. We can also see an 8.48% increase on women deposit accounts ownership, going from 50.7 million to 55 million accounts;

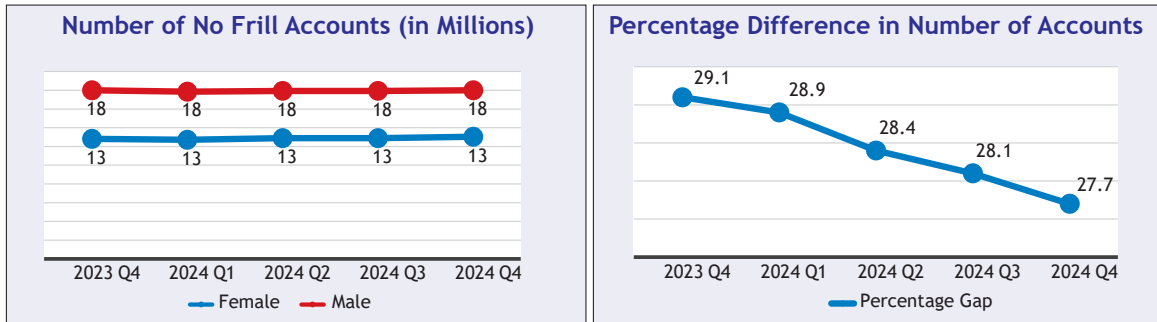


- The number of female owned MFS Account has grown by 7.6% (from 92 million to 99 million);

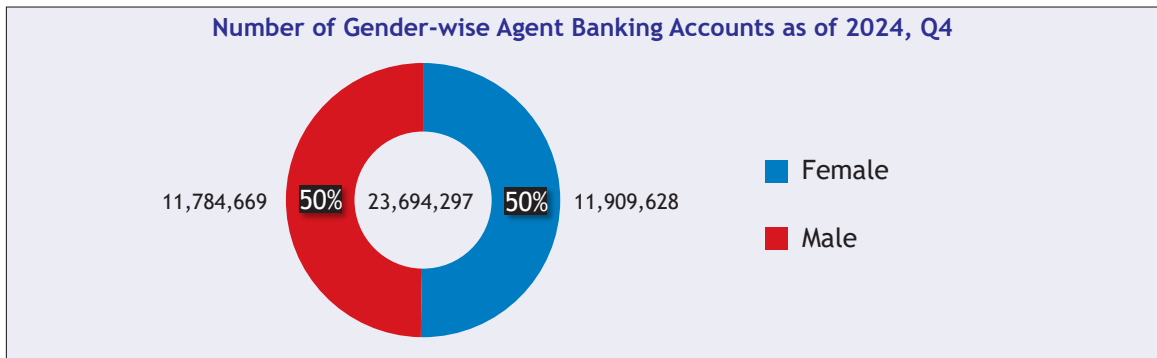


- The number of deposit accounts owned by women is almost double than the number of loan accounts owned by women in case of Banks and Finance Companies, indicating a barrier in access to credit for women in Banks and FIs;

- On the other hand MFIs are performing better with above 90% female share in both the number of deposit accounts and loan accounts;



- The number of No-Frill Accounts has been relatively stable between December 2023 and December 2024;
- Gender gap has been slowly, but positively changing since December 2023;



- Agent banking data is very optimistic. It is currently standing at 50% female ownership, a sign of gender inclusive growth in this sector.

5.3 Initiatives for Women Entrepreneurs

As per the instructions of BB, all Banks and FCs have already established women entrepreneur development unit (WEDU) at their head offices and regional offices, along with women entrepreneur dedicated desk (WEDD) at the branch level. Banks and FCs are encouraged to assign female staffs on the WEDU and WEDD. These units and desks provide business-friendly services, manage grievance redressal, conduct promotional campaigns and monitor the development initiatives for women clients.

In addition, each bank branch is required to:

- Identify at least three new women entrepreneurs annually from their catchment areas,

- Provide them with the necessary training,
- And sanction loans to at least one of them per year.

Furthermore, women entrepreneurs can avail loans up to BDT 2.5 million without collateral, under several refinance schemes of Bangladesh Bank.

5.4 Refinance Schemes for Women

Bangladesh Bank operates a range of refinance schemes that are either exclusive to or prioritize women entrepreneurs. Notable among them are:

1. **Small Enterprise Refinance Scheme (exclusive to women):** A refinance scheme amounting BDT 30 billion offers concessional loans at a maximum interest rate of 5% and a 2% incentive (1% for borrower, 1% for PFI) for timely repayment. At the end of June 2024, BDT 84.96 billion was refinanced from this fund to 61,924 enterprises on a revolving basis; among them 49,198 were run by women entrepreneurs.
2. **Pre-Finance Scheme:** A revolving pre-finance scheme amounting BDT 250 billion has been introduced with a maximum 7% interest rate where women and other vulnerable groups are prioritized. At the end of June 2024, BDT 205.28 billion was disbursed as pre-finance from this fund.
3. **BDT 100 Billion Revolving Refinance Scheme:** The scheme provides 4% refinancing to PFIs against loans disbursed under the stimulus package, with allocations for women. BDT 103.42 billion was refinanced through Banks and FCs against 15,090 enterprises.
4. **BDT 1 Billion Scheme for New Entrepreneurs:** Aimed at new CMSME entrepreneurs, including women, this scheme offers loans at 7% interest rate. Under this scheme at the end of June 2024, 3678 new entrepreneurs were refinanced with BDT 2.88 billion.
5. **BDT 14 Billion Agro-Based Industry Scheme:** The scheme promotes women's participation in agro-processing industries, particularly in rural regions. Under this scheme, BDT 31.11 billion was disbursed to 4,798 enterprises on revolving basis till June 2024.

BB has also introduced a Startup Refinance Fund of BDT 5 billion, and directed all Banks to create their startup funds using 1% of their net profits. As of December 2024, BDT 5.05 billion has been mobilized. Women are guaranteed 10% of the total startup funds and can access up to BDT 10 million at a maximum of 4% interest over five years.

CHAPTER 6

Digital Financial Services in Promoting Financial Inclusion

Digital financial landscape of Bangladesh experienced significant growth driven by supportive government policies, rapid technological advancements, and a fast-expanding user base.

6.1 Initiatives of BB

6.1.1 Growth of MFS

One of the most notable developments was the surge in MFS. Total MFS transactions soared to BDT 1,647.39 billion in 2024, marking a 32.29% increase from BDT 1,245.48 billion the previous year.

Table 6.1: Highlights of MFS growth

| Metric | 2023 | 2024 | % Change |
|--|---------------|---------------|----------|
| Total MFS transactions (in million BDT) | 1,245,484.60 | 1,647,393.60 | +32.29% |
| Average daily transaction (in million BDT) | 40,176.90 | 53,141.70 | +32.27% |
| Total MFS accounts | 220.4 million | 238.6 million | +8.3% |
| Active MFS accounts (Dec 2024) | — | 88.89 million | — |

Data Source: PSD, BB

Similarly, the number of registered MFS accounts also grew steadily, rising by 8.3%. As of December 2024, there were 88.89 million active MFS accounts in use across the country. Currently, 13 licensed MFS providers operate in Bangladesh, reflecting a competitive and growing market.

6.1.2 Comparative Shifts in Digital Channels

Between December 2023 and December 2024, DFS experienced substantial structural shifts. Internet banking and POS services emerged as the strongest growth drivers. These developments indicate a decisive move toward a cash-light, digital-first economy in alignment with the country's broader financial inclusion and digital transformation goals. On the other hand usage of ATMs and Bangla QR declined in this period.

Table 6.2: Comparative summary statement of National Payment Switch Bangladesh (NPSB) between December 2023 and December 2024

| Channel | Transactions | December-23 | December-24 | % Change |
|--------------------------------|---------------------------------------|--------------------|--------------------|----------|
| ATM/ | Number of banks | 57 | 57 | 0.00% |
| | Number of transactions | 6,272,473 | 6,359,515 | 1.39% |
| CDM/CRM | Amount in BDT | 53,871,320,531.71 | 44,900,826,485.60 | -16.65% |
| | Average amount per transaction in BDT | 8,588.53 | 7,060.42 | -17.79% |
| POS | Number of banks | 55 | 55 | 0.00% |
| | Number of transactions | 980,948 | 1,454,047 | 48.23% |
| | Amount in BDT | 3,651,786,109.31 | 4,988,230,223.79 | 36.60% |
| | Average amount per transaction in BDT | 3,722.71 | 3,430.58 | -7.85% |
| Internet Banking Fund Transfer | Number of banks | 51 | 56 | 9.80% |
| | Number of transactions | 3,013,951 | 5,271,941 | 74.92% |
| | Amount in BDT | 159,018,358,398.16 | 316,187,850,057.60 | 98.84% |
| | Average amount per transaction in BDT | 52,760.76 | 59,975.60 | 13.67% |
| Bangla QR | Number of Banks/MFSPs/PSOs | 34 | 47 | 38.24% |
| | Number of transactions | 523,940 | 325,983 | -37.78% |
| | Amount in BDT | 1,711,846,498.53 | 1,265,172,376.71 | -26.09% |
| | Average amount per transaction in BDT | 3,267.26 | 3,881.10 | 18.78% |

Data Source: PSD, BB

6.1.3 Declining Dependence on Cash

Although the number of ATM transactions increased slightly by 1.39%, the total value of withdrawals declined by 16.65%. Consequently, the average withdrawal amount fell by 17.79%. This trend suggests that customers are increasingly relying on ATMs only for smaller withdrawals, while shifting high-value transactions to digital channels.

6.1.4 Expanding Retail Digitization through POS

Point-of-Sale (POS) transactions grew sharply, with transaction numbers increasing by 48.23% and transaction values rising by 36.60%. Although the average amount per transaction decreased marginally, this overall growth indicates a strong shift in consumer behavior toward frequent digital payments for everyday purchases.

6.1.5 A Major Growth Drive by Internet Banking

The most significant transformation occurred in internet banking, where transaction numbers increased by 74.92%, and the total value nearly doubled, rising by 98.84%. Moreover, the average transaction size increased by 13.67%, highlighting that both individuals and businesses now place greater trust in online banking for high-value transfers. Number of participating banks raised 9.80% in this period.

6.1.6 Growing Infrastructure, Slower Adoption of Bangla QR Payments

In the case of Bangla QR payments, the number of participating institutions grew by 38.24%. However, transaction counts fell by 37.78%, and transaction values dropped by 26.09%. Interestingly, the average transaction value increased 18.78%, suggesting that while overall adoption remains limited, QR payments are increasingly being used for larger-value purchases. This pattern reflects adoption challenges such as consumer awareness gaps, limited merchant readiness, and competition from other digital payment platforms.

6.2 Initiatives of IDRA

IDRA has taken inclusive initiatives to extend insurance and financial services to underserved groups including women entrepreneurs, youth, and the physically challenged communities in remote and underdeveloped areas. The project titled 'Jumuna River Sustainable Management Project-1' Disaster Risk Financing (Component-3) by IDRA brings the people of the Jumuna region under insurance to protect them from the financial impact of floods. Among the insurance schemes approved by IDRA to promote financial inclusion of women/youth/disabled population are Jibon Bima Corporation's Pramila DPS Insurance, Denmohar Insurance, Green Delta's Nivedita Bundle Insurance, Delta Life's Kanyya Bibah Insurance, LIC's Jibon Tilottama Insurance, LIC's Young Citizen, NDD Suraksha Bima for people with neuro-developmental disabilities and Bangabandhu Shikkha Bima for students aged (3-17) to prevent students from dropping out of educational institutions. These initiatives are gradually enhancing financial inclusion, risk protection, and economic resilience among vulnerable populations across both rural and urban regions.

6.3 Initiatives of BSEC

BSEC is actively pursuing digitalization initiatives to modernize the capital market, enhance transparency, and improve efficiency. These efforts include digitizing the monitoring system, and establishing a fully digital and transparent governing board for data interoperability (FinTech) to ensure data interoperability and enhance the software services and operations of different organizations under BSEC. BSEC is also working on improving financial literacy and promoting digital financial services.

6.4 Initiatives of Directorate of Cooperatives (DoC)

DoC has formed Women's Cooperative Society for the advancement, development and protection of all their interests with the aim of improving the socio-economic status of women and empowering women. At present there are 27,817 Women cooperative societies in total with an individual membership of 10,19,829. For the development of the women's society, the members of the women's co-operative societies are involved in various economic activities such as production of handicrafts and industrial products, sewing, embroidery etc. The association is conducting income generation activities through distribution of sewing machines, training in handicrafts and pottery etc among the members. This results in the creation of employment and financial inclusion of the members. They are able to solve their own problems on the basis of cooperatives by registering the association from the Directorate of Cooperatives. Disbursing and collecting loans among the members of the association through the association and undertaking various activities including health, family planning, education, socio-economic development of their members. The association is conducting service activities like education scholarship, tree plantation, sanitation, health care, and donation etc. for the welfare of the members of the association with its own capital.

6.5 Initiatives of MRA

MRA is working with International Finance Corporation (IFC) to support modernization of the sector, enable MRA and MFIs to build their own capabilities, introduce modern governance and solid risk management practices, and leverage technology. As per paragraph 5 of Bangladesh Mobile Financial Services (MFS) Regulations, 2022 MFIs can disburse loans and receive installment from their clients through MFSPs. Some MFIs (Such as BRAC, UDDIPON, TMSS, Shakti Foundation, CDIP, Padakhep, Ambala Foundation and BASA Foundation) started to disburse loan and collect installment through MFS. BB has also channeled BDT 3000 crore refinance scheme for low income professionals, farmers and small traders affected by Covid-19 through Bank and MFI Linkage.

Overall, supportive policies from government and regulators, innovation and proper regulations helped shifting trends in using DFSs for including rural, underserved and unserved population in formal financial systems.

CHAPTER 7

Youth Financial Inclusion in Bangladesh

Recognizing the importance of preparing the next generation for financially responsible adulthood, Bangladesh has placed youth financial inclusion high on its development agenda. With a focus on normalizing banking in the daily lives of children and young people, the country is tapping into the transformative potential of this growing demographic.

One of the most impactful initiatives in this regard is the School banking programme, launched by Bangladesh Bank in 2010. The program enables students to gain first-hand experience with banking and digital financial tools from an early age. It not only introduces financial literacy but also nurtures the habit of saving and responsible money management.

As of December 2024, 59 out of 61 Scheduled Banks participated in this program. These Banks collectively manage 4,428,426 School Banking Accounts (SBAs)—an increase of 5.13% compared to the previous year. The total deposit under these accounts stands at BDT 21,380.83 million.

Table 7.1: Comparison of SBAs between 2023 and 2024

| Metric | As on December 2023 | As on December 2024 |
|-----------------------------|-----------------------|-----------------------|
| No. of banks operating SBAs | 59 | 59 |
| Total no. of SBAs | 4,212,303 | 4,428,426 |
| Total amount of deposits | BDT 24,978.34 million | BDT 21,380.83 million |

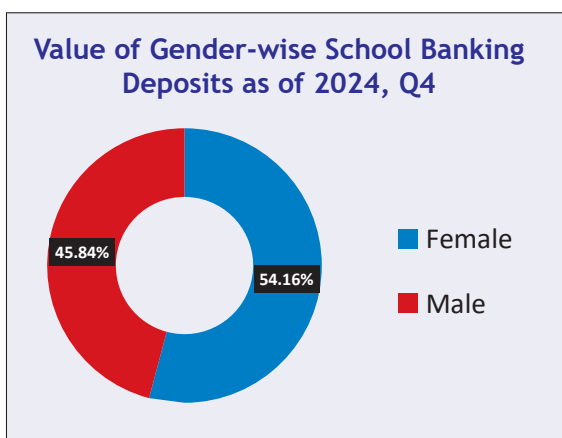
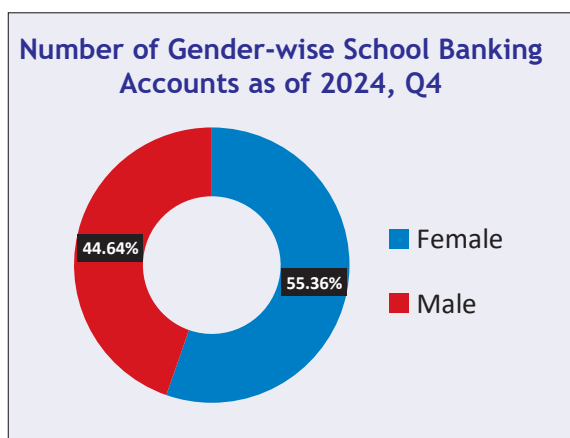
Data Source: FID, BB

7.1 Rural Outreach Expands

The school banking program's reach has grown significantly in rural areas, underscoring its role in extending financial services to unserved and underserved populations. By the end of 2024, 60.40% of schools banking accounts were rural, compared to 55.20% in December 2023. This expansion demonstrates that the initiative is effectively narrowing the urban-rural divide and creating opportunities for youth in less developed regions to access formal financial services.

7.2 Female Participation Strengthens

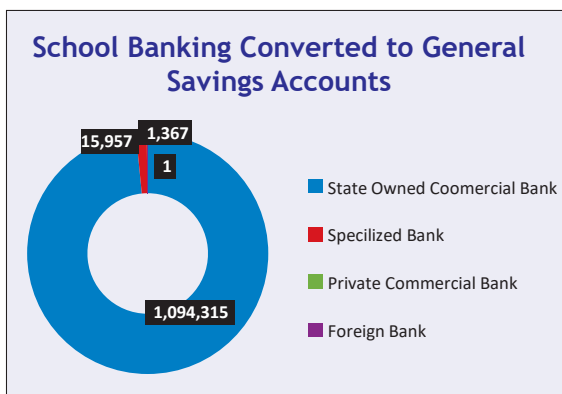
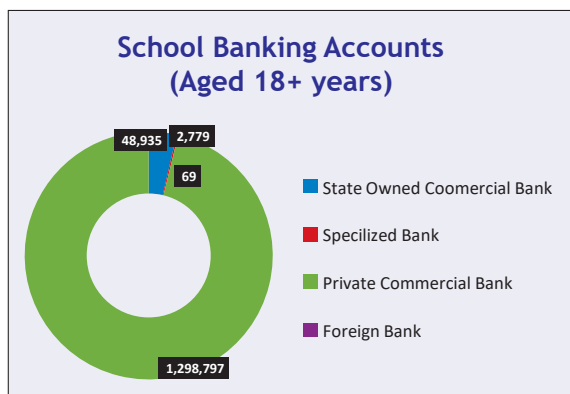
Female participation in school banking has shown remarkable progress. By December 2024, female students accounted for 55.36% of school banking accounts, up from 48.94% in December 2023. Similarly, the share of deposits held by female account holders rose from 45.41% in the same period to 54.16%. This upward trend reflects growing financial empowerment among girls which highlights the program's role in addressing gender disparities by integrating young women into the financial system at an early age.



Data Source: FID, BB

7.3 Conversion of School Banking Accounts to General Savings A/Cs

SBAs can be converted to general savings accounts when students turn to 18 years of age. A significant portion of SBAs has been converted to general savings accounts after the students reached 18 years. In the October-December 2024 quarter, the number of accounts belongs to 18 years+ students were 1,350,580 and 1,111,640 of them (approximately 82.31%) have been converted to general savings accounts. It means most of the school banking account is being converted to general savings accounts.



Data Source: FID, BB

7.4 Banking Services for Street Urchins and Working Children

BB has advised banks to provide financial services to street urchins and working children to secure their hard earned money and help them to develop a saving habit. Children who do not have parents or legal guardians can open accounts with the designated banks with the help of a registered Non-Government Organizations (NGOs). The NGOs involved in this process are fully responsible for the account operation and for the welfare of the account holders. No fees are charged for these accounts. As of December 2024, 19 banks have opened 39,634 street urchin accounts through 53 NGOs. The total amount of deposits in these accounts reaches BDT 4.30 million.

7.5 School Banking Conference

In 2024, 13 "School Banking Conferences" were held across Bangladesh by lead Bank method, often with the support of Bangladesh Bank and its local offices. The primary goal of these events was to encourage savings habits and financial literacy among school students, raising awareness about their contribution to the economy.

Details are described in below:

| District | Lead Bank's name |
|-----------------------------|----------------------------|
| Noakhali | Bhola |
| Sunamganj | Madaripur |
| Chottagram | Manikganj |
| Barisal | Sathkira |
| Bagerhat | Bogura |
| Rajshahi | Cumilla |
| Mymensingh | Rupali Bank Ltd. |
| AB Bank Ltd. | IFIC Bank Ltd. |
| Mutual Trust Bank Ltd. | Shahjalal Islami Bank Ltd. |
| The City Bank Ltd. | Trust Bank Ltd. |
| Agrani Bank Ltd. | Al-Arafah Islami Bank Ltd. |
| Mercantile Bank Ltd. | One Bank Ltd. |
| United Commercial Bank Ltd. | Standard Bank Ltd. |

Data Source: FID, BB

7.6 International Recognition

In recognition of outstanding success of school banking, Bangladesh Bank received the prestigious Global Youth Financial Inclusion Award from the Alliance for Financial Inclusion (AFI) in 2024. This global acknowledgment reinforces the value of youth-focused financial initiatives and position of Bangladesh as a leader in inclusive financial innovation.

CHAPTER 8

Agriculture and Rural Financing Initiatives

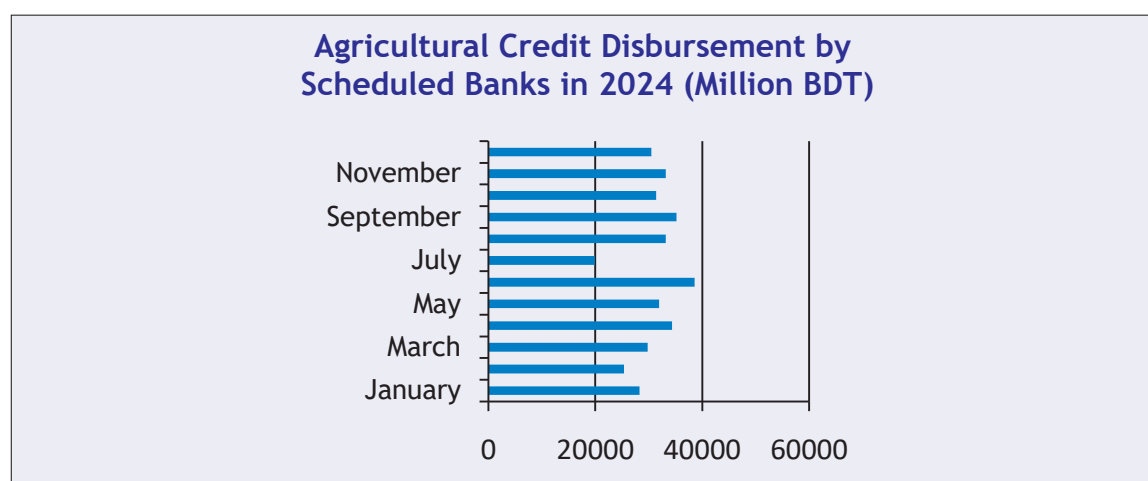
The financial services sector in Bangladesh is undergoing significant transformation with the integration of technology, ensuring inclusive access to finance for agricultural stakeholders continues to be a key priority. Bangladesh Bank and other FSPs have undertaken several key initiatives in 2024 to promote agriculture and rural finance, focusing on increasing credit flow, promoting financial inclusion, and ensuring food security.

8.1 Enhanced Agricultural and Rural Credit Target

Bangladesh Bank significantly increased the agri-credit disbursement target to BDT 38 billion for the fiscal year 2024-25. This marks an 8.57% increase compared to the FY 2023-24 target of BDT 35 billion. This increased target aims to achieve higher GDP growth, control inflation, eradicate poverty, ensure safe and nutritious food, develop the rural economy, and increase financial inclusion.

Table 8.1: Agricultural Credit Disbursement by Scheduled Banks in 2024

| Month | Disbursement (Million BDT) | Month | Disbursement (Million BDT) |
|----------|----------------------------|-----------|----------------------------|
| January | 2827.68 | July | 1991.27 |
| February | 2536.9 | August | 3316.99 |
| March | 2976.88 | September | 3516.38 |
| April | 3436.54 | October | 3135.87 |
| May | 3191.92 | November | 3319.61 |
| June | 3857.81 | December | 3046.05 |



Source: ACD, BB.

8.2 Sector-wise Allocation of Agricultural Credit

To ensure balanced growth across agricultural sectors, BB has set specific allocation percentages for different sub-sectors (e.g. 60% to crops and grains sector, 15% to livestock sector and 13% to fisheries sector).

8.3 Bangladesh Bank Agricultural Development Common Fund (BBADCF)

To ensure that unmet agricultural loan targets are still utilized for agricultural development, Bangladesh Bank established the BBADCF. Banks that fail to meet their individual disbursement targets must deposit the shortfall into this fund, earning 2% interest. The funds collected in BBADCF are then redistributed as agricultural and rural loans through banks that have met their targets, ensuring consistent credit flow to the agricultural sector.

8.4 Refinancing Schemes

Bangladesh Bank operated several refinancing schemes at subsidized interest rates to encourage credit flow to critical agricultural sectors. These include:

- **The Returning Home Scheme, worth BDT 5 billion**, aids workers and entrepreneurs affected by the COVID-19 pandemic in restarting income-generating activities and by December 2024, a total of 28,663 customers were benefited from this scheme.
- **The Wheat and Corn Refinance Scheme, valued at BDT 10 billion**, ensures higher domestic food production, helped a total of 55,272 individuals upto December, 2024.
- **The Food Security Refinance Scheme, with BDT 50 billion**, supports diverse agricultural activities, including rice, tuber crops, fisheries, and livestock, benefited 2,82,992 farmers until December, 2024.

8.5 Initiatives of MRA

Throughout March 2024, MRA engaged in Comprehensive Rural Finance Study (CRFS) consultations alongside BB, InM, PKSF, and other banks/NGOs. These sessions targeted rural financial inclusion, exploring challenges in credit, savings, insurance, agent banking and fintech services aimed at underserved rural and agrarian communities. MRA-registered MFIs issued around BDT 2.62 trillion in loans during FY 2023-24, of which 49% allocated to the agricultural sector, supporting the livelihoods of marginal communities. (Source: Microfinance in Bangladesh, Annual Statistics, June 2024).

8.6 Initiatives of PKSF

The PKSF has made remarkable contributions to agricultural expansion in Bangladesh. To enhance agricultural productivity and sustainability, PKSF promotes the cultivation of climate-tolerant, high-value, high-yielding, and nutrient-rich crops such as summer tomatoes, off-season watermelons, and year-round vegetables and fruits. By June 2024, in collaboration with partner organizations, PKSF had established 36,103 demonstrations on 34 different agricultural technologies and organized 1,450 field days to share successful practices with farmers. Additionally, it provided farmers with 687 urea applicators, 1,33,973 pheromone lures, 27,076 perching sticks, and 2,05,702 fruit bags, helping reduce production losses, enhance productivity, and promote environment-friendly farming practices. These efforts improve farmers production and income, which makes it easier for them to get loans, savings, and other financial services—helping them become more financially included. (Source: Annual Report 2024, PKSF)

CHAPTER 9

Contribution of CMSME in Financial Inclusion

9.1 CMSME as a Cornerstone of Inclusive Growth

The Cottage, Micro, Small and Medium Enterprises (CMSMEs) sector plays a decisive role in bringing underserved and unbanked populations into the formal financial system, while contributing significantly to employment and GDP. Through targeted financing, institutional support, and data-driven policymaking, financial sector regulators continue to integrate CMSMEs more deeply into the financial inclusion agenda.

9.2 Policy Framework and Lending Targets

To expand credit access for CMSMEs, Bangladesh Bank introduced the CMSME Finance Policy in 2025 (Previous CMSME Finance Policy was introduced in 2019), aligning with the National SME Policy 2019 and the Industrial Policy 2016. Key provisions of the policy include:

- 27% of banks' and FCs' net loan portfolio must be allocated to the CMSME sector by 2029.
- Of this, at least 50% must go to cottage, micro, and small enterprises, with the remaining for medium enterprises.
- At least 15% of CMSME financing must be allocated to the women entrepreneurs/women led initiatives.
- A minimum of 40% CMSME financing must target manufacturing, 20% for services, and a maximum of 40% for trading.

These benchmarks aim to not only broaden access to finance but also promote sectoral diversification, encouraging value-added and productive economic activities.

9.3 Institutional Initiatives and Credit Support Mechanisms

To facilitate smooth and affordable credit flows to CMSMEs, Bangladesh Bank, SME foundation and other stakeholders have taken various initiatives. For example:

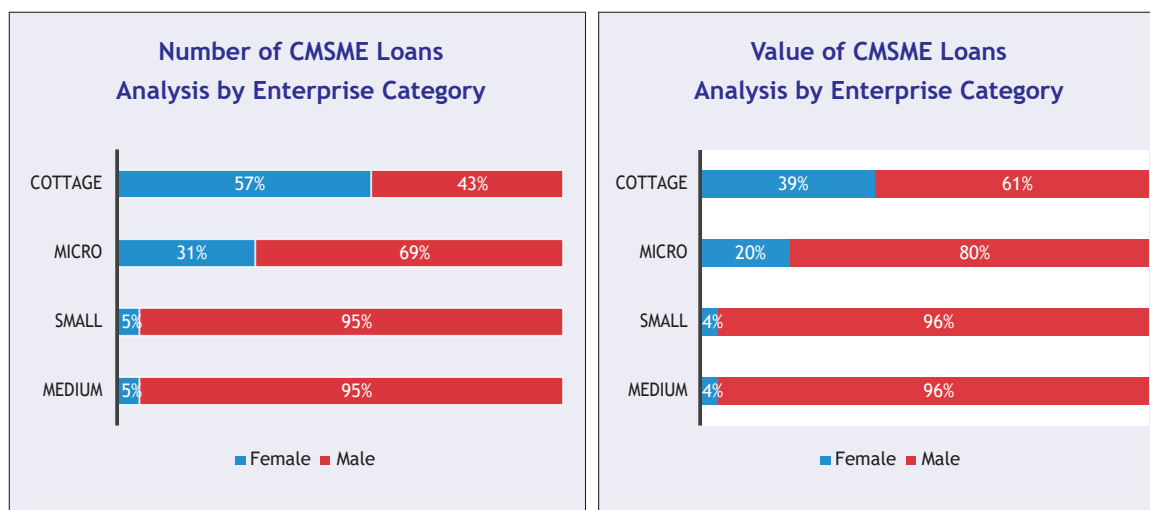
- **BDT 250 billion pre-finance scheme:** The scheme provides refinance at 2% interest to banks and FCs, with a 7% cap for end-users. It was designed to support underserved groups, including women and disaster-affected entrepreneurs.

- **BDT 100 billion revolving refinance scheme:** This scheme offers liquidity support to banks for CMSME lending under the stimulus package at a 4% interest rate.
- **BDT 1 billion refinance scheme for new entrepreneurs:** The scheme aims to support new CMSME entrants, particularly in rural and underserved regions, offering loans at 7% interest.
- **BDT 14 billion agro-based industry refinance scheme:** It facilitates the establishment of agro-processing industries in rural areas, thus supporting financial inclusion through rural industrialization.
- **Start-up Financing Mechanism:** This includes a BDT 5 billion refinancing fund created by BB and over BDT 5.05 billion in start-up funds mobilized by commercial banks (as of December 2024), with 10% earmarked for women entrepreneurs.
- **Revolving loan facility:** In mid-2024, SME Foundation collaborated with Dhaka Bank to launch a BDT 4.5 billion revolving loan fund (partly sourced from government stimulus). This fund provides subsidized loans to CMSMEs at a concessional interest rate of 6%, aiming to stimulate MSME activity post-pandemic.

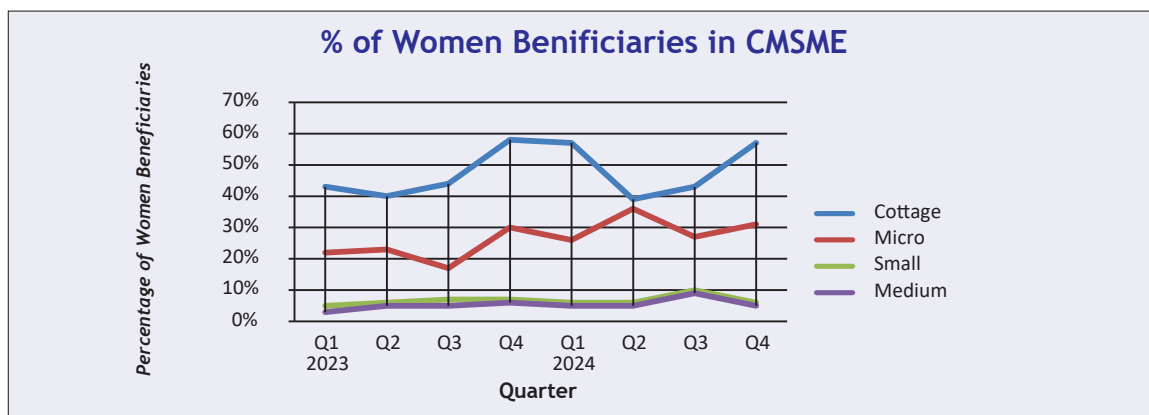
These schemes are designed to ease access to capital, reduce interest burdens, and encourage formalization of CMSME activities.

9.4 CMSME Inclusion Trends and Insights

- As of December 2024, CMSME loan disbursement stood at BDT 626 billion, with a growing share attributed to cottage and micro-enterprises.



- CMSME accounts constituted a significant proportion of formal enterprise borrowers in rural areas, indicating enhanced regional penetration.
- Gender-disaggregated data show increased inclusion of women-owned CMSMEs, particularly in micro and small enterprise categories, aided by targeted quotas and collateral-free lending opportunities.



Furthermore, rural-focused CMSME initiatives—such as agent banking, mobile financing and SME fairs—have helped deepen financial service usage among first-time and small-scale entrepreneurs.

9.5 Capacity Building and Entrepreneurial Development

Beyond financing, stakeholders such as Bangladesh Bank, SME Foundation, MRA and IDRA actively support CMSME development through entrepreneurship training and skills enhancement programs.

- The SME Foundation regularly organizes training on business planning, financial literacy, digital skills and market access, particularly targeting women and rural entrepreneurs.
- Under the Skills for Industry Competitiveness and Innovation Program (SICIP), supported by the Asian Development Bank (ADB), the foundation has scaled up capacity-building efforts by combining access to finance with skill development for women and youth entrepreneurs. BB complements this by integrating capacity-building components into its refinance schemes, while also encouraging banks to provide advisory services.
- IDRA promotes insurance literacy to safeguard small businesses.

Together, these initiatives aim to build a more resilient and competitive CMSME sector by equipping entrepreneurs with the knowledge and tools needed for sustainable growth.

CHAPTER 10

Financial Literacy

10.1 Strategic Drive to Enhance Financial Literacy

Bangladesh Bank has placed significant emphasis on financial literacy as a crucial element for achieving inclusive and sustainable economic development and issued comprehensive guidelines named ‘Financial Literacy Guidelines for Banks and Financial Institutions’ to guide these institutions in promoting financial literacy across the nation in 2022. Through these guidelines BB instructed banks and finance companies to take the following measures:

- Dedicated wings within banks & FCs have been formed headed by senior officials responsible for administering and reporting on financial literacy programs;
- Financial Literacy Day observes on the first Monday of March every year. Financial Literacy Week was observed nationwide (March 18-24, 2024), with banks & FCs hosting events to highlight topics such as digital transactions, responsible financial behavior and consumer protection;
- Banks and FCs uploaded a variety of financial literacy-related content under the ‘Financial Literacy’ tab on their respective websites throughout 2024. This approach effectively utilized digital technology to promote and disseminate financial literacy.

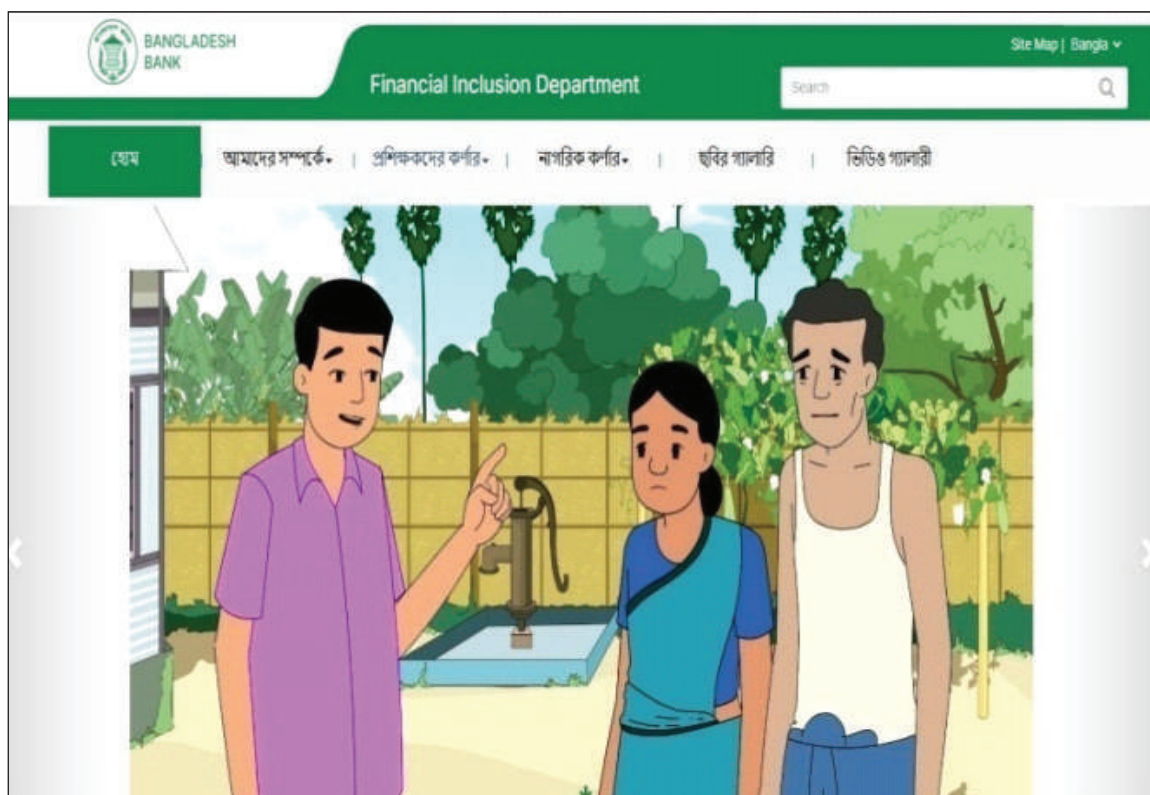
10.2 Financial Literacy Initiatives

BB provides technical assistance and directions, encouraging commercial banks and financial institutions to design and implement various awareness and capacity-building activities at the grassroots level. Through this coordinated approach, BB ensured that financial literacy initiatives reached a wider population, particularly students, women and rural communities, thereby fostering greater financial inclusion and responsible financial behavior nationwide.

Table 10.1: Financial Literacy Programs by FSPs in 2024

| Institutions | Number of FL Program Organized | Number of Participants |
|--------------|--------------------------------|------------------------|
| Banks | 4,128 | 238,418 |
| FCs | 234 | 5,241 |
| MFSPs | 3,178 | 19,770 |
| CMI | 45 | 5,977 |

Data Source: Banks, FCs, MFSPs, CMIs.



BB launched a dedicated website (www.finlit.bb.org.bd) aimed at enhancing financial literacy across the population. The website serves as a central digital platform hosting a variety of interactive and educational materials aimed at enhancing financial literacy among the people. It contains literacy documents and animated videos on diverse financial topics and services, designed to enhance financial literacy.

BSEC is actively involved in promoting financial literacy to foster a healthy and informed capital market. BSEC regularly conducts investment education programs aimed at empowering general investors to make informed financial decisions. In 2024 BSEC organized training and educational programs to increase awareness about the role of money, savings, investments and risk management. These programs targeted individuals at various levels to help them understand the benefits of formal financial sectors and protect themselves from financial frauds.

সুস্থ পুঁজিবাজার ও সমৃদ্ধ অর্থনীতি, পুঁজিবাজারে বৃদ্ধি কমাতে এবং সচেতনতা বাড়াতে

ত্রিবার্ষিক ত্রৈমাসিক বিষয়ক শর্ট টার্মিটে প্রত্যাশিতা



অংশগ্রহণকারী: স্নাতক ও স্নাতকোত্তর স্তরে বাংলাদেশে অধ্যয়নরত ছাত্র-ছাত্রী

প্রথম পুরস্কারঃ ৬০,০০০/- টাকা ও ফেস্ট
দ্বিতীয় পুরস্কারঃ ৪৬,০০০/- টাকা ও ফেস্ট
তৃতীয় পুরস্কারঃ ৩০,০০০/- টাকা ও ফেস্ট
বিশেষ: প্রতিটি সাক্ষর/উৎসাহ পুরস্কারের মূল্য ২৬,০০০/- ও সফল।
৩ ক্যাটাগরিতে ১ম, ২য়, ৩য় বিয়ে ০৩ টি পুরস্কার ও ১০ টি সাক্ষর/উৎসাহ পুরস্কার সহ মোট ০৩ টি পুরস্কার।

প্রতিযোগিতা শুরু তারিখঃ ০১-০৭-২০২৫ ইং
ভিডিও জমা দেওয়ার তারিখঃ ১৬-০৭-২০২৫ ইং থেকে ৩০-০৭-২০২৫ ইং পর্যন্ত।
বিস্তারিত জানতে ভিজিট করুনঃ www.finlitbd.com

আয়োজকঃ বাংলাদেশ সিকিউরিটিজ অ্যান্ড এক্সচেঞ্জ কমিশন (বিএসইসি)

বিস্তারিত
সহকারীঃ ডিএসই, সিএসই, সিউবিএল, বিএএসএল, বিআইসিএল

BSEC has a dedicated and comprehensive website (www.finlitbd.com) for its financial literacy initiatives. It serves as a crucial resource for educating the Bangladeshi people about financial matters, particularly those related to the capital market. The primary goal is to provide financial education to every person in Bangladesh, enabling them to understand money management, savings, investments, formal financial sectors and risk protection. It aims to equip individuals with the knowledge and skills to make responsible investment decisions and assess the suitability of various financial products.

MRA plays a crucial role in promoting financial literacy within the microfinance sector. Through structured training programs, MRA ensures a consistent and standardized approach to financial education. This enables MFI clients to better understand key financial concepts such as budgeting, saving and responsible borrowing.

CHAPTER 11

Consumer Protection

In Bangladesh, financial inclusion is expanding rapidly through banks, finance companies, MFSPs, MFIs and CMI's ensuring consumer trust and safeguarding the interests of clients. However, this expansion has also given rise to challenges such as information asymmetry, hidden charges, fraud, aggressive lending, over-indebtedness and weak grievance redress mechanisms. Recognizing these risks, Bangladesh Bank and other regulatory bodies have placed increasing emphasis on consumer protection frameworks.

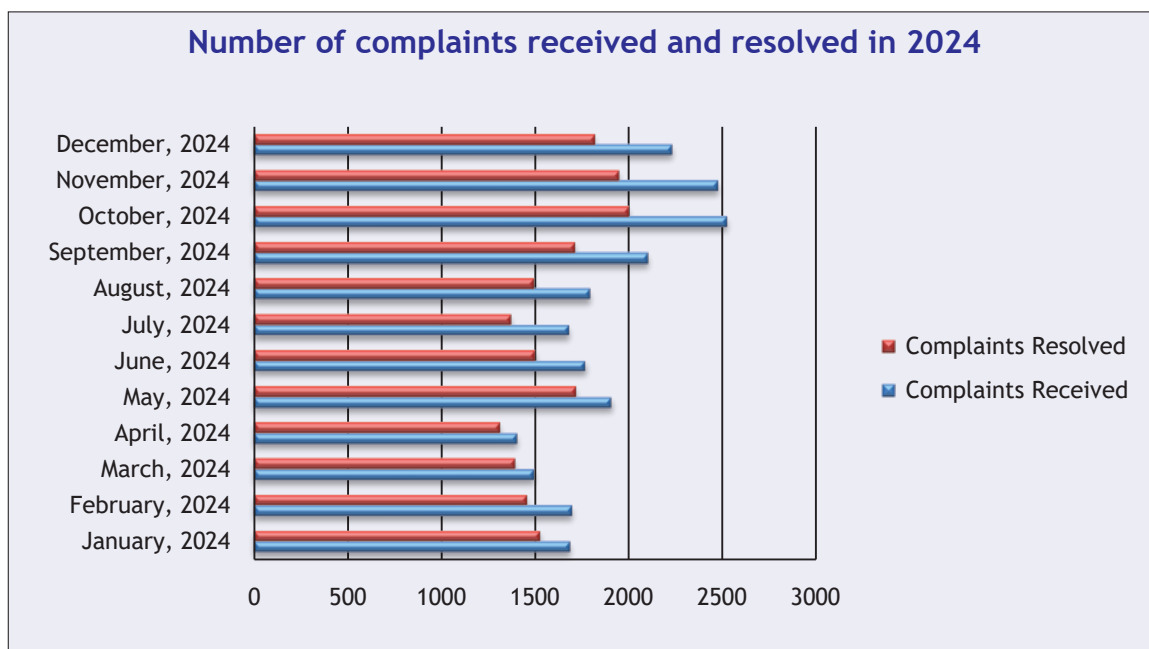
11.1 Bangladesh Bank

As the central bank and primary financial regulator of the country, BB plays a vital role in ensuring consumer protection within the financial sector. FICSD of BB has developed comprehensive policies aimed at promoting quality customer service and effective general management. To ensure effective consumer support, BB has also established a dedicated hotline number (**16236**). Furthermore, quarterly meetings are held with stakeholders to assess customer service performance, identify systemic weaknesses and implement necessary improvements. To enhance service quality and raise awareness at the grassroots level dedicated 'Customer Service Week' is also observed.

Banks and finance companies have established their own dedicated hotline number and email address to receive customer complaints. The details of complaints received and complaints resolved in 2024 are summarized below:

Table 11.1: Number of complaints received and resolved in 2024

| Name of the Month | Complaints Received | Complaints Resolved | % Resolved |
|-------------------|---------------------|---------------------|---------------|
| January | 1,687 | 1,524 | 90.34% |
| February | 1,695 | 1,455 | 85.84% |
| March | 1,494 | 1,392 | 93.17% |
| April | 1,401 | 1,311 | 93.58% |
| May | 1,907 | 1,716 | 89.98% |
| June | 1,769 | 1,501 | 84.85% |
| July | 1,678 | 1,369 | 81.59% |
| August | 1,791 | 1,493 | 83.36% |
| September | 2,104 | 1,712 | 81.37% |
| October | 2,523 | 2,001 | 79.31% |
| November | 2,477 | 1,949 | 78.68% |
| December | 2,230 | 1,819 | 81.57% |
| Total | 22,756 | 19,242 | 84.56% |



Data Source: FICSD, BB

11.2 BSEC

BSEC provides multiple avenues for investors to lodge complaints related to the capital market. Investors can file written complaints directly or use the user-friendly Customer Complaint Address Module (CCAM) available on the BSEC website for online submissions. Moreover, it has ‘Investors Protection Fund’ and ‘Settlement Guarantee Fund’ in place to safeguard the interests of the investors. BSEC is committed to ensuring a prompt and efficient resolution process, with the goal of delivering quick and satisfactory outcomes for investors.

Table 11.2: Number of complaints received and resolved through CCAM in 2024

| Name of Quarter | Complaints Received | Complaints Resolved | % Resolved |
|------------------|---------------------|---------------------|---------------|
| January-March | 39 | 34 | 87.19% |
| April-June | 29 | 28 | 96.55% |
| July-September | 70 | 46 | 65.71% |
| October-December | 24 | 20 | 83.33% |
| Total | 162 | 128 | 79.01% |

Data Source: Quarterly Report, BSEC

11.3 IDRA

IDRA protects the interests of policyholders by ensuring transparency, fairness, and accountability in the insurance sector through 'Bima Grahak Surokkha Guidelines, 2024' and 'Bima Dabi Babosthapon Guidelines, 2024'. Consumers can lodge complaint and track the progress through IDRA's website (<https://webportal.idra.org.bd/grievence-form>).

11.4 MRA

To ensure effective client support, MRA has established a dedicated hotline (16133), offering an easy and accessible channel for clients to voice their concerns. Additionally, MRA has formed a Grievance Redress System (GRS) Committee, which serves as a formal mechanism for resolving disputes between MFIs and their clients. These initiatives enhance transparency and accountability in the sector. Furthermore, MRA has introduced a 'Customer Welfare Fund' aimed at safeguarding customer interests and strengthening the overall microfinance ecosystem, making it more inclusive and sustainable.

11.5 Directorate of Posts

Directorate of Posts takes necessary measures to resolve consumer complaints through the 'Grievance Redress System' formulated by Government of Bangladesh. There is a call center to solve issues related to international mail. In addition, consumer issues are managed through the official government hotline (333) which operates 24/7.

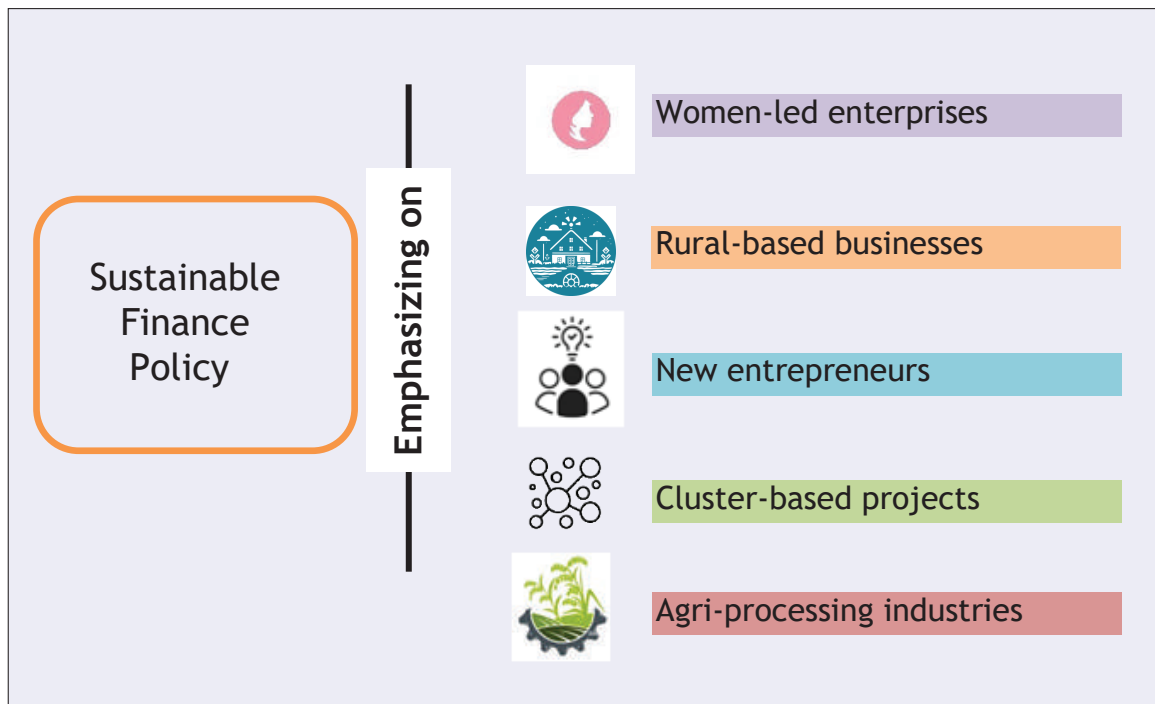
CHAPTER 12

Sustainability & Resilience in Financial Inclusion

To promote sustainability and resilience within financial inclusion framework, multifaceted approach including policy reforms and targeted programs has been undertaken by BB and other regulators, FSPs and international development partners.

Government of Bangladesh (GoB) has developed a 5 year (2021-2026) long NFIS focusing on sustainability and resilience in financial inclusion.

BB plays a pivotal role in ensuring that marginalized, underserved and vulnerable populations have equitable access to financial services through innovative policies & targeted initiatives like below:



This policy aligns with the United Nations SDGs, particularly SDG 5, which focuses on achieving gender equality. It also promotes banks and finance companies to set priority on financing to sustainable CMSMEs.

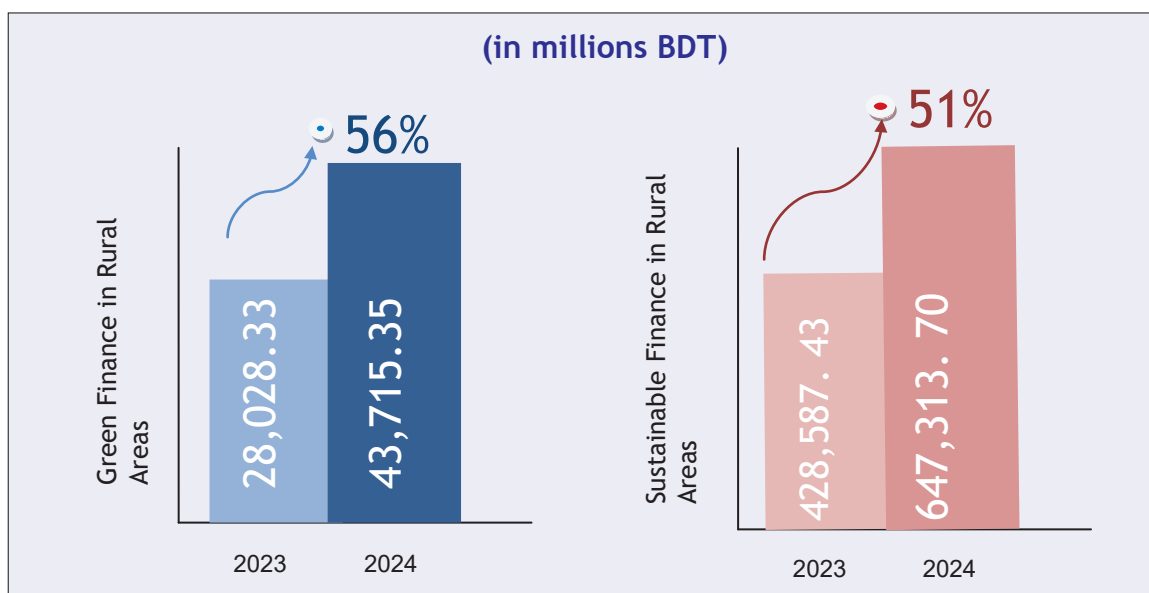
12.1 Sustainable Finance (At a glance)

| | |
|----------------------|--|
| 03 Refinance Schemes | Green Transformation Fund (BDT 50 billion) |
| | Green Product & Initiatives (BDT 10 billion) |
| | Technology Development/Up-Gradation Fund (BDT 10 billion) |

| Loan Disbursement (In billion BDT) | |
|------------------------------------|----------|
| 2023 | 1,973.69 |
| 2024 | 4,594.84 |

Data Source: Quarterly Review Report on Sustainable Finance, SFD, BB.

12.2 Advancement in financial inclusion through sustainable finance



Data Source: SFD, BB.

The substantial growth in both green and sustainable finance in rural Bangladesh during 2024 demonstrates increasing awareness and adoption of environmentally and socially responsible financial practices. Bangladesh Bank has introduced 3 (three) refinance schemes for promoting sustainable finance as well as green finance.

The remarkable rise in women's participation, especially in green finance, signals a positive shift toward gender inclusivity and empowerment in the financial sector.

| Particulars | 2023 | 2024 | Increase |
|-------------------------------------|-----------|-----------|----------|
| No. of green finance to women | 49,211 | 795,554 | ▲ 1517% |
| No. of sustainable finance to women | 1,883,404 | 3,075,488 | ▲ 63% |

Data Source: SFD, BB.

Besides these, **BSEC** has been actively working to create a more sustainable capital market. A significant development in 2024 was the formulation of guidelines for sustainable bonds, aimed at encouraging the issuance of green, blue and orange bonds. Initiatives such as World Investor Week 2024 highlight BSEC's commitment to raising awareness about investment opportunities, thereby encouraging wider participation in the capital market—an essential component of financial inclusion. (source-www.sec.gov.bd)

IDRA features in national and development-partner programs expanding index-based agricultural insurance and inclusive products (e.g., crop/weather schemes)—important climate-resilience tools for low-income farmers.

(<https://www.adb.org/projects>)

The **MRA** is driving the digitization of MFIs, encouraging the use of MFS for loan disbursements and collections. This enhances operational efficiency (sustainability) and provides clients with faster access to funds during emergencies (resilience).

12.3 Resilience in Financial Inclusion

To ensure financial inclusivity even in economic shocks, disasters or health crises (e.g., pandemics, floods)-

- The Government has almost completely digitized its social safety net payments, disbursing allowances for widows, the elderly and students directly into MFS or bank accounts.
- Through BB, stimulus packages (during COVID-19) provided liquidity for small businesses, CMSMEs and agriculture. These packages helped maintain continuity in financial inclusion efforts.
- Initiatives from MFSPs have expanded outreach to remote and underserved areas.
- The development of climate-resilient financial products (e.g., weather-indexed insurance, micro-savings and emergency credit).
- Banks and finance companies are instructed to spend 20% of Corporate Social Responsibility (CSR) fund in Environment and Climate Change Mitigation & Adaptation (ECCMA) sector and spend half of that 20% of ECCMA as Climate Risk Fund (CRF). The CRF directly supports climate-affected populations.

CHAPTER 13

Barriers to Financial Inclusion

As Bangladesh continues to make commendable progress in enhancing financial inclusion but significant challenges remain especially in reaching low income groups, women and rural communities. These barriers limit access to and usage of formal financial services, slowing inclusive economic growth. These must be addressed to ensure a more equitable, accessible and resilient financial ecosystem.

Financial inclusion barriers can be broadly categorized into two main types: Demand side barriers and supply-side barriers.

13.1 Demand-side barriers

These persist due to awareness gaps, distrust, digital divide, cultural barriers, economic challenges etc. The key demand-side barriers in achieving financial inclusion are outlined below:

- **Limited financial literacy and awareness:** A large portion of the population particularly in rural and semi-urban areas lacks basic understanding of financial services, digital platforms and consumer rights which affects both demand and informed usage of available financial tools.
- **Digital divide/Technological barriers:** Despite significant growth in DFS limited access to smart phones, low digital literacy and patchy mobile network coverage in rural areas restrict inclusive use of MFS and digital banking. This limits outreach and efficiency especially in rural areas.
- **Unserved informal sectors and MSMEs:** Informal workers and MSMEs which make up the backbone of Bangladesh's economy face major challenges in accessing formal credit or digital payment systems due to lack of financial records, collateral or formal registration.
- **Gender based exclusion:** Women remain significantly underrepresented in account ownership and financial product usage. As on December 2024 only 37.7% of women in Bangladesh own deposit account with banks. Socio-cultural norms, mobility restrictions, lack of documentation, limited control over financial resources, male-dominated decision-making and ability to use digital tools hinder their access to formal financial services.
- **High dormancy of accounts:** Many individuals particularly social safety net beneficiaries and rural users open accounts for one-time use but do not engage in regular financial activity reflecting limited awareness or relevance of available services.
- **Low uptake of credit and savings products:** Despite increased access to basic transaction accounts, formal credit and structured savings remain out of reach for most low-income groups, farmers and micro-entrepreneurs due to structured processes, high costs or lack of tailored products.

- **Cultural and religious beliefs:** Religious reservations about interest-based transactions and cultural resistance to formal institutions discourage segments of the population from engaging with the formal financial sector.
- **Dependence on informal finance:** Widespread reliance on informal lenders and unregistered credit societies persists due to their easier access and familiarity. Past banking scams and high-profile loan defaults have eroded public trust in formal institutions.
- **Documentation challenges:** Many people in Bangladesh face barriers to financial access due to missing IDs, address proof or collateral. Small and low-income borrowers are discouraged from using formal financial services due to structured KYC rules and multi-step loan processes.
- **Language & accessibility issues:** Despite Bangla being spoken by nearly the entire population many financial products and services remain in English and use technical terminology which excludes less-educated groups. Persons with disabilities also face accessibility challenges due to lack of braille, sign language support and inclusive design in both digital platforms and physical branches.
- **Fear of debt & financial risks:** In Bangladesh, fear of debt and repayment terms discourages many from taking formal loans. Fear of losing collateral or security money, any misleading information about repayment process causes apathy. Limited access to insurance further increases risk aversion, especially among low-income and rural populations.
- **Low income & savings levels and economic uncertainty:** Low income, limited savings and economic uncertainty discourage segments of the population engagement with formal financial services in Bangladesh.
- **Over-reliance on cash:** A significant portion of transactions in both urban and rural economies are still occurred in cash, limiting the shift to formal and digital financial services. A segment of population relies on cash for payment and receipt of financial value, creating barrier to inclusion in formal financial sector and to build a cashless society.

13.2 Supply-side barriers

These stem from infrastructure gaps, high operational costs, rigid policies, inadequate products and urban-centric services.

- **Rural-urban divide:** Difficult terrain, poor infrastructure and disaster risks create high costs and logistical challenges which discourage FSP expansion in these areas. As a result, large segments of the population in such areas like chars, haors, coastal belts, forest and hilly areas remain financially underserved.

- **Lack of interoperability across platforms:** Limited integration between banks, MFSPs and payment platforms leads to fragmented financial experiences. Users often maintain multiple accounts to bypass ecosystem limitations increasing cost and complexity.
- **Inadequate financial inclusion data:** Bangladesh faces challenges in collecting comprehensive financial inclusion data. While initiatives like WFID Dashboard have been introduced to monitor gender disparities data disaggregated by gender, age, location and other aspects remain limited. Many small financial actors operate outside national reporting systems. This lack of granular data hampers the development of targeted policies and interventions to address specific barriers to financial inclusion.
- **Cash-dominated economy:** The prevalence of a cash-based informal economy reduces the perceived need for formal financial channels. Despite MFS transactions crossed BDT 1.64 trillion in December, 2024 cash remains the dominant mode of transaction in rural markets and informal trade limiting the transition to formal, trackable and inclusive financial activity.
- **Fragmented institutional coordination:** Overlapping mandates among financial sector regulators create gaps and hinder the development of integrated, interoperable and customer-centric financial services.
- **Inadequate use of technology:** High reliance on outdated technology among some FSPs remains a significant barrier to inclusion. Some FSPs continue to use legacy IT systems resulting in slow manual processes. Attempts to deploy interoperable platforms and Bangla QR have seen minimal adoption due to poor usability, limited bank participation and weak promotion.
- **Risk-averse behavior of FSPs:** Some formal financial institutions remain highly risk-averse often reluctant to extend credit to small-scale farmers, rural borrowers and low-income customers due to concerns over low profitability, defaults and collateral issues. Despite central bank mandates, many FSPs have missed agricultural and SME lending targets.
- **Insufficient agent and branch networks:** Bangladesh has 11,362 bank branches, 21,248 agent banking outlets nationwide where 85.6% are rural. Still, many areas remain uncovered. Many remote and hard-to-reach areas remain underserved due to inadequate physical branch access and limited agent support hindering the reach of formal financial services.
- **Poor infrastructure:** Rural and hard to reach areas in Bangladesh still suffer from weak transport networks, frequent power outages and unaffordable internet service and poorer households endure longer load-shedding. These infrastructure gaps significantly hinder access to formal financial channels in underserved communities.

- **Lack of product diversity:** Financial products are often one-size-fits-all, urban-focused or designed for salaried individuals and fail to reflect the needs of marginalized groups such as smallholder farmers, micro-entrepreneurs, women, persons with disabilities or informal earners and the needs of such groups are largely unmet by current offerings. In this era of inclusive economy, many FSPs launched diversified products for segregated or deprived group of customers, still delivery with proper service seems inadequate.
- **High cost of financial services in remote areas:** Account fees, transaction charges and high loan interest rates are unaffordable for low-income individuals & deter low-income users.
- **Low institutional capacity at grassroots level:** MFIs, cooperatives and some other semi regulated sectors often lack the digital tools, training, and institutional capacities. Oversight is needed to deliver inclusive financial services efficiently and securely to the last mile.
- **Regulatory and compliance constraints:** Some financial sector in Bangladesh faces significant regulatory hurdles such as complex licensing and strict compliance requirements. Entrepreneurs, small scale business person or female participants become upset and decides not to onboard as they fail to meet regulatory requirements or having insufficient documents.
- **Fraud risks and cyber scams:** Rapid digital financial expansion has heightened exposure to cyber security threats including data breaches and fraud. A significant incident in 2023 compromised personal data of over 50 million citizens underscoring vulnerabilities in digital infrastructure (BGD e-Gov CIRT). In some cases on-boarded financial sector participants are fighting with cybercrimes like scamming, hacking ransomware or other ICT associated risks. Lower income and deprived group of peoples are largely affected by fraud and scam activities as they lack knowledge about both usage of technology and financial literacy.
- **Presence of informal sector:** A significant portion of Bangladesh's workforce operates in the informal sector including self-employed individuals often lacking formal employment contracts or access to traditional financial services. This informality, coupled with low financial and digital literacy, restricts their ability to engage with formal financial institutions, limiting their access to savings, credit and financial products.

Despite significant strides in advancing financial inclusion, yet deep-rooted demand- and supply-side barriers continue to exclude low-income groups, women, rural communities, and informal workers. Unless these challenges are addressed, large sections of the population will remain excluded from the formal financial system.

CHAPTER 14

Way forward

Despite steady progress in financial inclusion, significant disparities remain in Bangladesh—particularly among women, rural populations, low-income groups and microenterprises. The evolving financial landscape marked by rapid digitization and regulatory reforms presents both opportunities and challenges in bridging these gaps. This chapter outlines targeted recommendations to build a more inclusive financial ecosystem. Grounded in 2024 data and stakeholder insights the focus is on improving access, reducing exclusion, enhancing digital readiness and strengthening consumer protection.

- **Enhance digital & financial literacy:** Implementation of nationwide financial & digital education programs targeting youth, women, rural populations & marginalized communities through educational institutions, youth development centers, mobile apps and community workshops can enhance digital and financial literacy.
- **Expand DFS & invest in digital infrastructure for last-mile access:** Mobile Money and Digital Banking reduce physical barriers. By encouraging partnerships between banks, telecoms and fintechs to expand DFS, providing public-private support for affordable smartphone access, expansion of broadband connectivity and improving internet penetration in underserved regions might be helpful. Incentivizing banks and MFSPs for setting up service points in underserved region and supporting them to develop user-friendly digital interfaces might also be helpful.
- **Introduce inclusive product:** FSPs may design context-specific savings, credit and insurance products—such as agricultural loans with seasonal repayment features, Islamic finance compliant microfinance products, savings-linked microinsurance and remittance-linked investment/savings schemes for migrant families structured to meet needs of various segments.
- **Gender-responsive financial products & policies:** FSPs could be encouraged to develop savings, insurance and credit products like collateral free loans, women’s savings groups, maternity-linked insurance. FSPs and fintechs might be incentivized for women-led financial inclusion initiatives backed by data-driven insights. Support for women’s digital access would be ensured through mobile ownership programs and tech training.

- **Leverage public-private partnerships:** Synergy between sectors enhances scale and sustainability. Collaborations between government, fintech startups, telecom operators and FSPs could be fostered to reach underserved areas and reduce duplication of efforts.
- **Foster interoperability and open banking frameworks:** Interoperability among digital wallets, banks and fintech platforms might be ensured to simplify transfers and payments. Introduction of open banking standards for boosting competition and service quality needs to be considered.
- **Improve access to credit for MSMEs and informal workers:** Encouragement of alternative credit scoring models using mobile usage, utility payments or transactional data, expansion of credit guarantee schemes and low-interest loan programs for small entrepreneurs and informal workers, simplification of loan documentation processes and digitalization of access through fintech platforms will improvise the portion of their access.
- **Strengthen policy and regulatory harmonization:** A unified regulatory approach could be encouraged to better balance innovation and consumer protection.
- **Develop climate-resilient financial products:** Micro-insurance for crops, livestock and disaster events targeted at vulnerable rural communities can be promoted. Green finance products that enable sustainable agriculture, renewable energy and eco-friendly livelihoods can overcome associated risks. A climate risk assessment into credit and insurance design for high-risk regions is required.
- **Incorporate financial inclusion into broader national development plans:** Develop a national financial inclusion multi-stakeholder roadmap 2026-2031 with clear targets, timelines and responsibilities for ministries, regulators and the private sector to position financial inclusion as a key development pillar.
- **Strengthen institutional capacity & ecosystem:** Personnel at FSPs must receive training in digital financial services and inclusive practices. MFIs and cooperative societies should be digitalized to operate under formal oversight frameworks with performance metrics linked to inclusion goals.

- **Formation of National Inclusive Finance Forum:** Well defined National Inclusive Finance Forum could be created under Bangladesh Bank with representation from IDRA, BSEC, MRA, DoC, BPO, NSD, NGO Affairs Bureau and relevant organization to ensure synergies.
- **De-risking agent banking issues and enforcement of agent banking guidelines:** Agent banking should be expanded in remote and underserved regions—such as chars, hill tracts, forest, coastal and haor areas with difficult terrain. As on December 2024, around 85.6% of the 21,248 agent outlets are already in rural areas, yet significant gaps remain in hardtoeach locations.
- **Scale usage & analysis of financial inclusion data, cyber security & real-time insights:** To identify and target exclusion pockets, for ensuring ethical data frameworks and to protect consumer information national-level data usage on financial inclusion indicators could be scaled up.

The journey toward a truly inclusive financial ecosystem in Bangladesh demands collaboration, innovation and people-centered approach. While challenges are significant, the opportunities are even greater. With proactive policymaking, strategic investments, coordination and also with strong leadership and commitment from all stakeholders Bangladesh can bridge its remaining gaps in financial inclusion and empower millions more toward greater economic resilience.

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