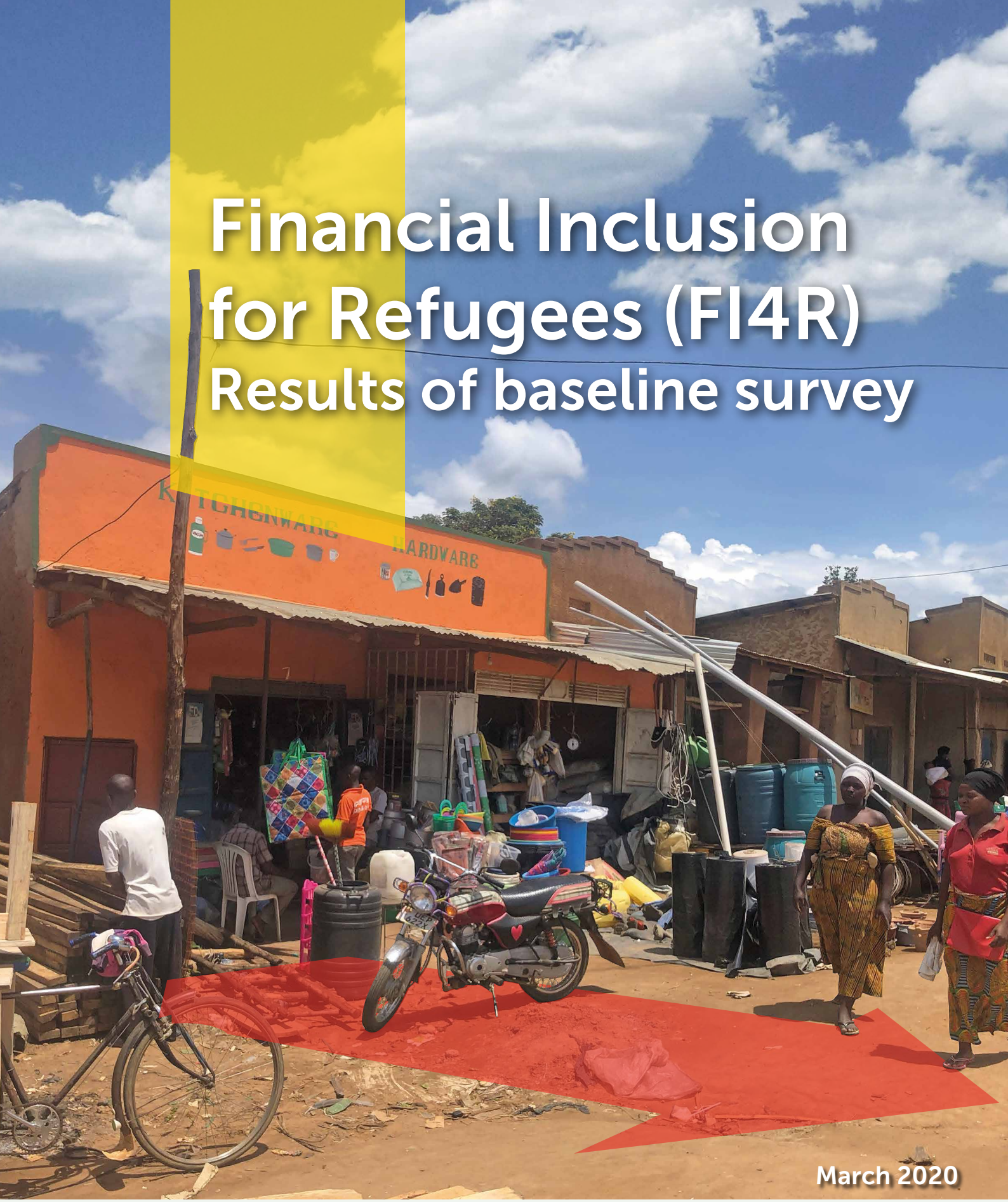
# Financial Inclusion for Refugees (FI4R)

## Results of baseline survey

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# Project Overview

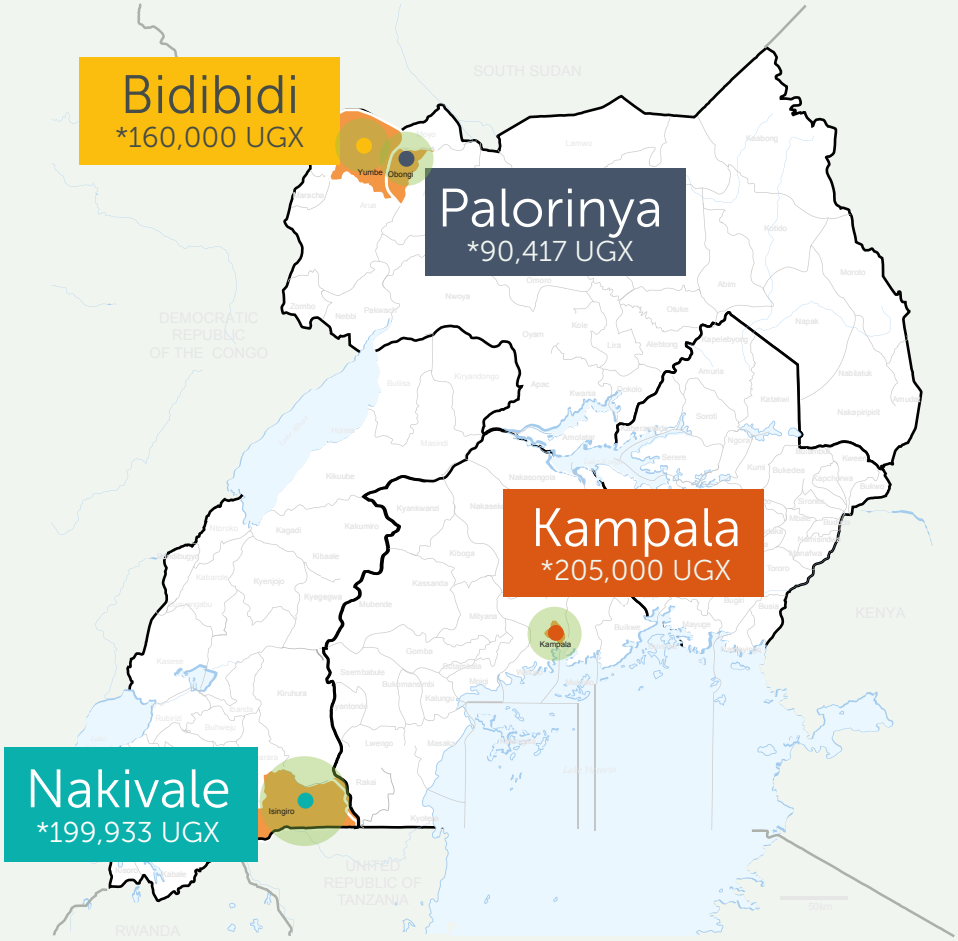
The Financial Inclusion for Refugees Project (FI4R) was launched by FSD Uganda and FSD Africa to support financial service providers (FSPs) to offer financial services to refugees and host communities. In addition, the project in collaboration with BFA Global will conduct refugee financial diaries in Uganda and provide insights into the financial strategies employed by refugees over time to build their livelihoods and manage their finances.

The FSP partners in the project are Equity Bank Uganda Limited (EBUL), VisionFund Uganda (VFU) and Rural Finance Initiative (RUFI). They will offer bank accounts services for savings, remittances, transactions etc, loans to entrepreneurs, farmers and businesses as well as create jobs by recruiting agents and field staff. This is expected to build resilience, drive access to and use of basic financial services for refugees and host communities.

# Baseline Objectives

- Provide the financial service providers in the FI4R project details of the relevant customer base they are targeting.
- Provide other stakeholders one of the few in-depth surveys that covers financial tools, as well as income, expenditures and physical assets of a diverse set of refugees.

# Map of Settlements Covered



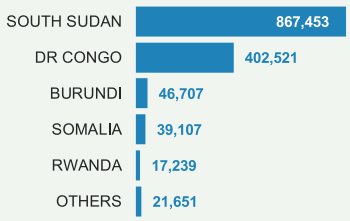

The locations of the baseline survey and *median monthly income.

Total refugees and asylum-seekers**

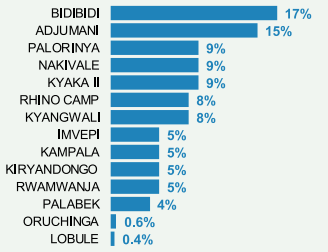
**1,394,678**

Source: UNHCR Representation in Uganda January 2020

**Countries of origin**




**Refugees per settlement**



# Demographic Characteristics

| | Refugee | Host |
|---|---|---|
| Household size | 6 | 7 |
| % Married Respondents | 67% | 89% |
| % at least secondary school education | 36% | 21% |

# Income

## Refugee

- 78% Non-employment income
- 52% Self employment revenues
- 27% Casual employment
- 25% Remittances
- 21% Agricultural income
- 6% Regular Employment income

## Host

- 57% Agricultural income
- 43% Self employment revenues
- 43% Casual employment
- 4% Remittances
- 4% Non-employment income
- 4% Regular Employment income

- Percentages represent median monthly income

# Refugee Income

| | Non-employment income (80,000 UGX) | Self employment revenues (100,000 UGX) | Casual employment (7,500 UGX) |
|---|---|---|---|
| Nakivale | 90% 124,000 UGX | 31% 100,000 UGX | 34% 7,500 UGX |
| Bidibidi | 100% 56,600 UGX | 80% 80,000 UGX | 9% 30,000 UGX |
| Kampala | 54% 490,000 UGX[1] | 57% 150,000 UGX | 18% 45,000 UGX |
| Palorinya | 66% 42,000 UGX | 38% 110,000 UGX | 50% 4,500 UGX |

| | Agricultural income (40,833 UGX) | Regular job (400,000 UGX) | Remittances (45,833 UGX) |
|---|---|---|---|
| Nakivale | 38% 66,667 UGX | 6% 400,000 UGX | 25% 17,500 UGX |
| Bidibidi | 6% 7,500 UGX | 9% 250,000 UGX | 0% No Observations |
| Kampala | 0% NA | 7% 380,000 UGX | 54% 180,417 UGX |
| Palorinya | 41% 40,000 UGX | 0% NA | 25% 22,500 UGX |

[1] This number is so high because one person receives income on a monthly basis from an NGO

- (UGX) below headings represents median monthly income for the refugee population in total
- UGX below bar represents median monthly income

Nakivale Bidibidi Kampala Palorinya

# Key financial instruments

Refugee Host

**Mobile Money**
30% 5,000 UGX
64% 5,600 UGX

**Savings in house**
29% 24,000 UGX
36% 30,000 UGX

**Borrowing from friends and family**
9% 20,000 UGX
0 UGX

**ASCA Accumulating Savings & Credit Association**
35% 20,000 UGX
82% 12,000 UGX

**Bank SACCO**
17% 1,500 UGX
14% 32,500 UGX

**Credit from local store**
13% 7,000 UGX
4% 8,000 UGX

**Borrowing from informal group**
6% 105,000 UGX
29% 50,000 UGX

**RoSCA Rotating Savings & Credit Association**
9% 67,500 UGX
25% 20,000 UGX

| Mobile Money (5,000 UGX)[1] | Bank SACCO (1,500 UGX)[1] | Savings in house (24,000 UGX)[1] |
|---|---|---|
| 31% 45,000 UGX | 38% 300 UGX | 25% 10,000 UGX |
| 31% 500 UGX | 17% 190,000 UGX[3] | 31% 16,000 UGX |
| 18% 0 UGX | 7% 15,000 UGX | 18% 40,000 UGX |
| 38% 4,400 UGX | 3% 40,000 UGX | 41% 51,000 UGX |

| Borrow from Informal Group (105,000 UGX)[1] | Credit from local store (7,000 UGX)[1] | Borrowing from friends and family (20,000 UGX)[1] |
|---|---|---|
| 13% 110,000 UGX | 22% 30,000 UGX | 25% 35,000 UGX |
| 0% NA | 9% 1,000 UGX | 6% 0 UGX |
| 0% NA | 18% 30,000 UGX | 0% NA |
| 9% 100,000 UGX | 6% 4,750 UGX | 3% 20,000 UGX |

1 Outstanding balance

2 Monthly contributions

3 This number is high because there are two people who have her wages paid into her bank account outside the camp and they haven't yet traveled to collect it.

• UGX below bar represents median monthly income

Accumulating Savings and Credit Association ASCA (20,000 UGX)[2]

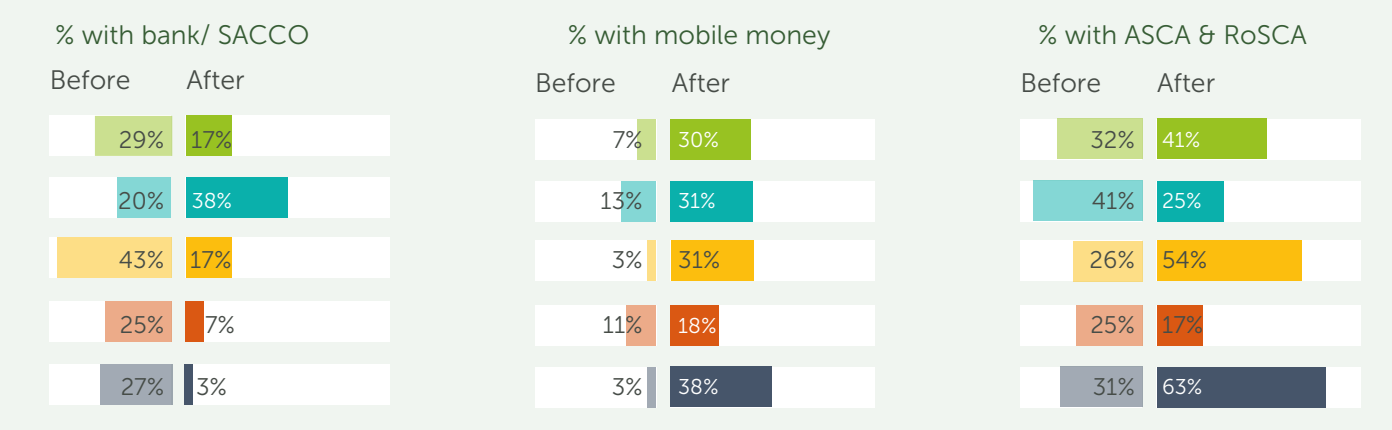
| | |
|---|---|
| 63% 8,000 UGX | 54% 20,000 UGX |
| 13% 26,000 UGX | 7% 20,000 UGX |

Rotating Savings and Credit Association ROSCA (67,500 UGX)[2]

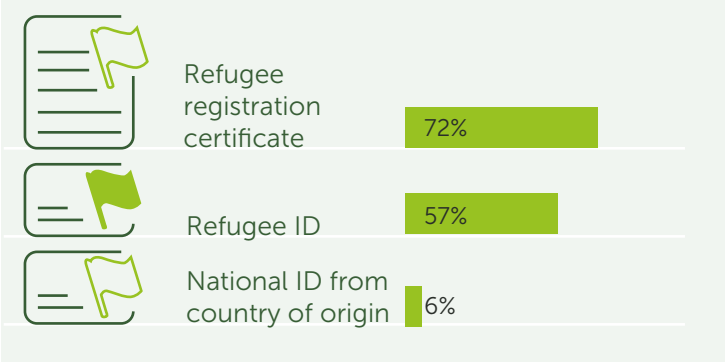
| | |
|---|---|
| 19% 20,000 UGX | 11% 120,000 UGX |
| 9% 59,000 UGX | NA |

Nakivale Bidibidi Kampala Palorinya

# Key financial instruments used before leaving and now




# Refugee IDs

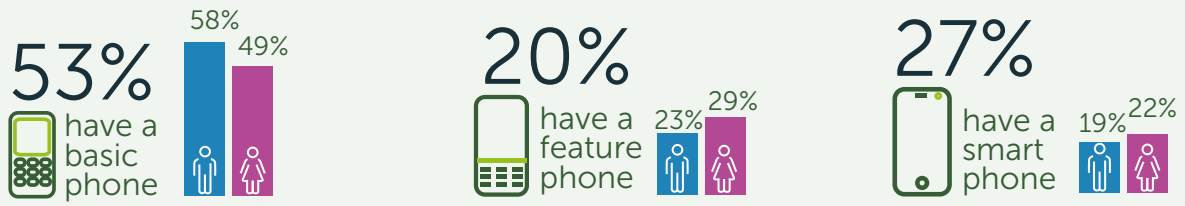



**57%**

**of refugees have a refugee ID**

# Refugee and Cell Phones

**71%** **of refugees have cell phones**




Out of the 71% of refugees who have cell phones 53% have a basic phone, 20% have a feature phone and 27% have a smart phone. The male and female bars represent the percentage of phone ownership in each category.

1 A basic phone has only voice, SMS, and sometimes USSD capabilities, but no data or GPRS capabilities.
2 Feature phones have data connectivity in addition to basic features and can connect to the Internet or run mobile applications.
3 A smartphone is akin to a minicomputer, any phone that has advanced capability and can perform complex computations

# Most reported events

| | Refugee | Host | Nakivale | Bidibidi | Kampala | Palorinya |
|---|---|---|---|---|---|---|
| Needed/ saw a doctor | 54% | 25% | 75% | 26% | 57% | 63% |
| *No. of times event happened | 3 | 2 | 4 | 3 | 2 | 3 |
| Needed doctor /didn't get | 14% | 4% | 25% | 0% | 14% | 19% |
| *No. of times event happened | 3 | 1 | 4 | NA | 2 | 2 |
| Needed/ bought meds | 60% | 46% | 81% | 29% | 64% | 69% |
| *No. of times event happened | 3 | 2 | 4 | 2 | 2 | 3 |
| Needed meds /didn't get | 21% | 4% | 31% | 3% | 21% | 29% |
| *No. of times event happened | 3 | 3 | 4 | 1 | 2 | 2 |
| Cultural religious festival | 60% | 86% | 34% | 71% | 54% | 78% |
| *No. of times event happened | 1 | 2 | 1 | 1 | 1 | 1 |
| Have pests in food/ house | 25% | 21% | 44% | 0% | 11% | 48% |
| *No. of times event happened | 5 | 13 | 3 | NA | 2 | 8 |
| Birth | 12% | 7% | 31% | 3% | 4% | 9% |
| *No. of times event happened | 1 | 1 | 1 | 1 | 1 | 1 |
| Received threats | 11% | 4% | 28% | 0% | 7% | 10% |
| *No. of times event happened | 2 | 3 | 2 | NA | 1 | 1 |
| Lost money/ goods via theft | 21% | 14% | 44% | 9% | 14% | 16% |
| *No. of times event happened | 1 | 2 | 1 | 1 | 1 | 1 |
| Lost crops | 10% | 21% | 22% | 0% | 0% | 16% |
| *No. of times event happened | 1 | 2 | 2 | NA | NA | 1 |

*No. of times event happened per person in a year

# Implementing Partners

VisionFund Uganda (VFU) is the microfinance subsidiary of World Vision – a Christian relief, development and advocacy organisation. VisionFund Uganda intends to pilot a unique wholesale credit model within savings groups in West Nile region. VFU will do this by accessing existing and stable NGO supported groups and leveraging the repayment and share-out data from previous cycles to determine eligibility for additional loan capital. In this way, VFU will boost the availability of credit for savings group members, allowing them to invest in income-generating activities (including agriculture, trade) to boost household incomes in refugee and host communities in the region.

Equity Bank Uganda Limited (EBUL) intends to use the learning from Kenya, Rwanda and other jurisdictions in which it is present to provide refugees in Uganda with fully-fledged bank accounts from which to access their humanitarian aid payments. EBUL will do this by setting up their systems and processes to ease refugee verification, facilitate account opening and aid financial literacy. The Bank will also set up an enabling infrastructure for cash-outs by extending their existing agent banking network to refugee settlements and within host communities. In this way, EBUL will provide necessary and relevant infrastructure to enable digitization of humanitarian payments in Uganda while simultaneously availing a wide array of financial services to this underserved market segment.

The Rural Finance Initiative (RUFI) is a cross-border MFI incorporated as a Limited Liability Company initially in South Sudan in 2008 and in Uganda In February 2017. RUFI will provide refugees with a combination of savings and lending products. The savings product will use the village savings and loan association (VSLA) Model which will aggregate the groups using Ledger Links developed by Grameen Foundation. Each VSLA will own a phone on which they can make all their transactions, financial or otherwise which will be stored on a database and can be retrieved at any time. The system will also create credit scores which will allow RUFI to process a VSLA loan application in real-time since they can also apply online. The groups will be able to withdraw their money through the use of Mobile Money. RUFI, as an agent of Centenary Bank, will provide a savings product to the VSLAs where they can keep excess money between group meetings. Other than those in VSLAs, RUFI will also target entrepreneurs with loans with a special focus on youth.

Cover Image - Business Centre in Nakivale refugee settlement

Back Page - Homesteads in Palorinya refugee settlement

Photo credit: Michelle Hassan, BFA Global

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