

**WMI FACT BOOK: Loan Program Data**  
**August 2013**

# NORTHEASTERN UGANDA

[wmionline.org](http://wmionline.org)



**WOMEN'S  
MICROFINANCE INITIATIVE**

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# WMI Background, Methodology, and Summary

## Background on WMI Loan Program

WMI is a U.S. based non-profit organization that provides loans of up to \$250 to women in rural East Africa to help them start and expand their small businesses. Loan programs are administered by village level organizations and issued to lending groups of 20 borrowers, all of whom guarantee each other's loans. *No collateral is required.* WMI also provides borrowers with training in financial literacy, business management, record keeping, and financial planning to ensure that borrowers have the knowledge and skills they need to be successful. After 24 months in the WMI loan program, borrowers graduate to financial independence and transition to a bank loan issued by a financial institution. Ultimately, women use their business profits to pay school fees, buy more food for their families, improve their homes, pay for health care, and expand their businesses.

## Methodology

WMI partners with local community based organizations (CBOs) to operate each village loan hub. The CBOs supervise local data collection utilizing borrower surveys that are completed every six months, starting with a baseline survey when borrowers enter the loan program. The data is compiled and analyzed annually in the U.S.

The data presented in this fact book was collected from July 2012 to April 2013, utilizing 354 baseline surveys.

## Summary

The data included in this fact book was collected from borrower surveys in Bududa, Buputo, and Konokoya, three villages located in Northeastern Uganda about 130 miles from Kampala. Most borrowers in this region range in age from 31 to 40 years old and are married. 87% of husbands live in the household and are able to provide emotional and economic support, creating a more stable environment for business operations. 84% of borrowers care for at least 3 children in their households, and 45% care for at least one orphan. When entering the loan program, 64% of borrowers have annual incomes of between \$250 and \$500, which they spend mainly on school fees, business expansion, and health care. Most of families live in semi-permanent homes and eat posho, a paste made of maize flour and water with little nutritional value.

After 6 months in the loan program, the vast majority of borrowers improved their business skills and feel more determined, organized, and self-confident. As businesses expand and incomes increase, at least 80% of borrowers report having more shoes and school uniforms for their children. Prior to entering the loan program, only about half of children had shoes, leaving them vulnerable to preventable diseases that are contracted from direct contact with contaminated soil. 94% of families are healthier as well, with 77% of borrowers purchasing more mosquito nets and 82% on more meals.

24 months after entering the loan program, the majority of borrowers now earn annual incomes of over \$2000, an increase of nearly 400% from their baseline annual incomes. At 6 months, barely 30% of borrowers saved more than \$10 per month. After 24 months in the loan program, 63% of borrowers saved more than \$10 per month, an increase of over 100%.

### **I. Baseline Data:** (354 Surveys)

This is a snapshot of the borrowers' demographics and living standards when entering the loan program.

#### **A. Demographics:**

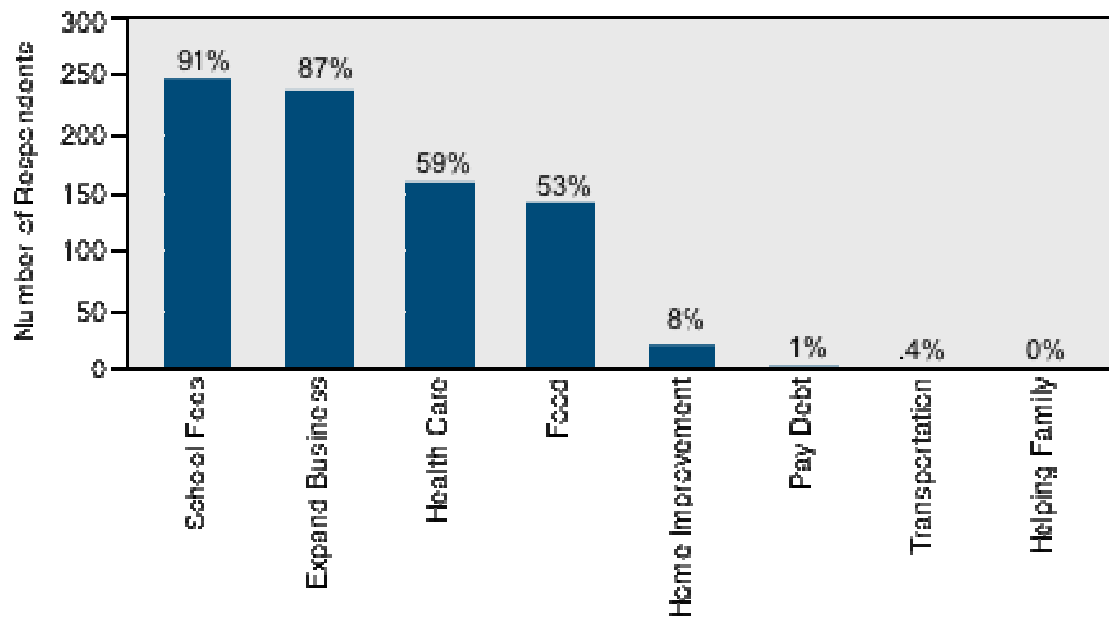
Demographics		
Ages	20 & Under	1%
	21-30	23%
	31-40	42%
	41-50	26%
	51-60	7%
	61 & Over	1%
Marital Status	Married	85%
	Single	12%
	Widowed	3%
# of People in Household	2 or fewer	2%
	3-5	33%
	6-8	46%
	9-11	17%
	12 & up	2%
# of Children in Household	0-2	16%
	3-5	47%
	6-8	31%
	9 & up	6%
# of Orphans in Household	0	55%
	1	21%
	2	12%
	3	5%
	4 or more	7%
Annual Household Income (in US Dollars)	Under \$250	11%
	\$250 – \$500	64%
	\$501 - \$1000	20%
	\$1001 - \$2000	3%
	Over \$2000	2%
Household Savings	Yes	72%
	No	28%

#### **B. Standard of Living**

**i. Type of House:** Land is mostly owned by families, not individuals. The vast majority of women live in semi-permanent homes built on family land.

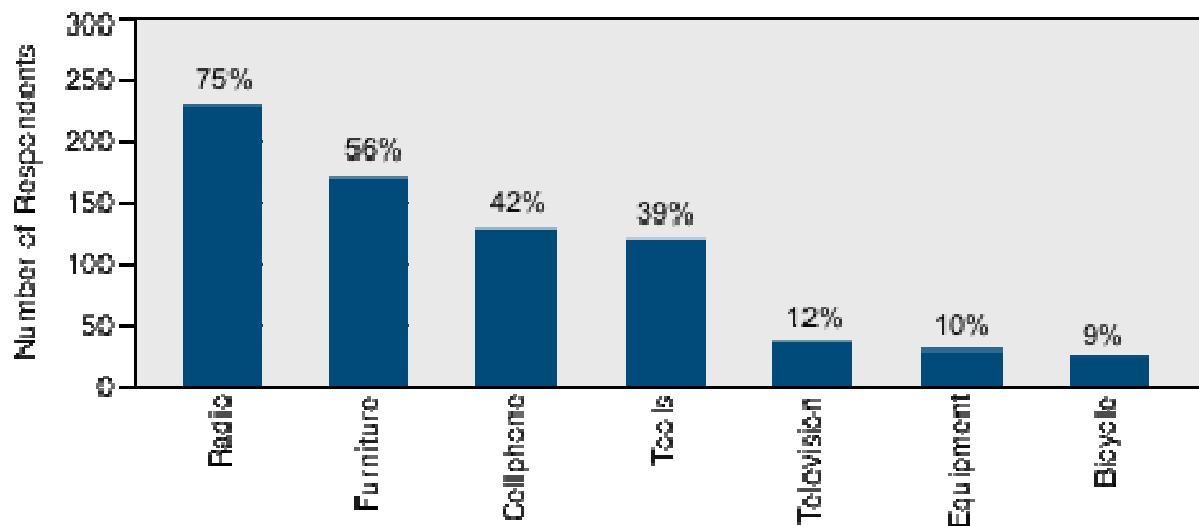
Type of House		
Own House?	Yes	95%
	No	5%
Own Land?	Yes	77%
	No	23%
Type of House	Semi-Permanent	85%
	Permanent	15%

## ii. Top Household Expenditures:



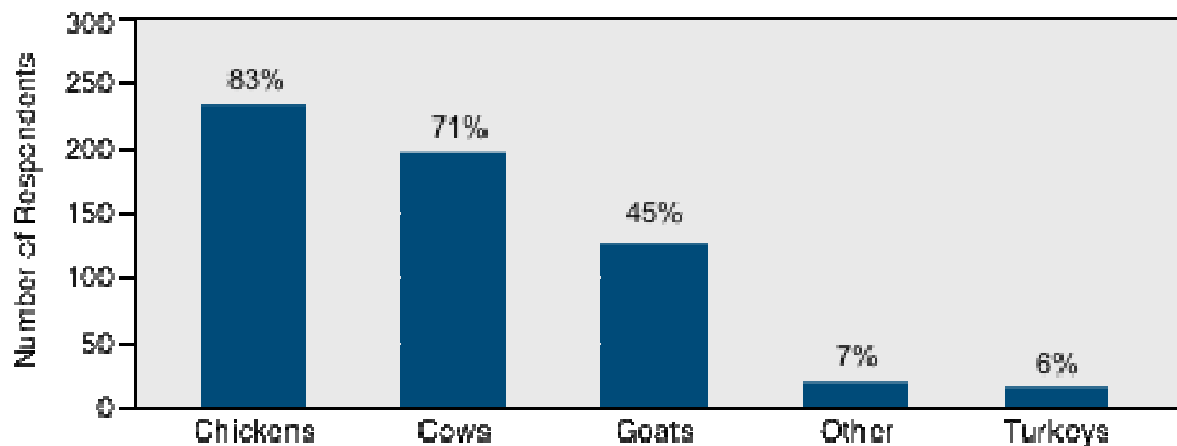
Top Expenditures

## iii. Household Amenities:



Household Amenities

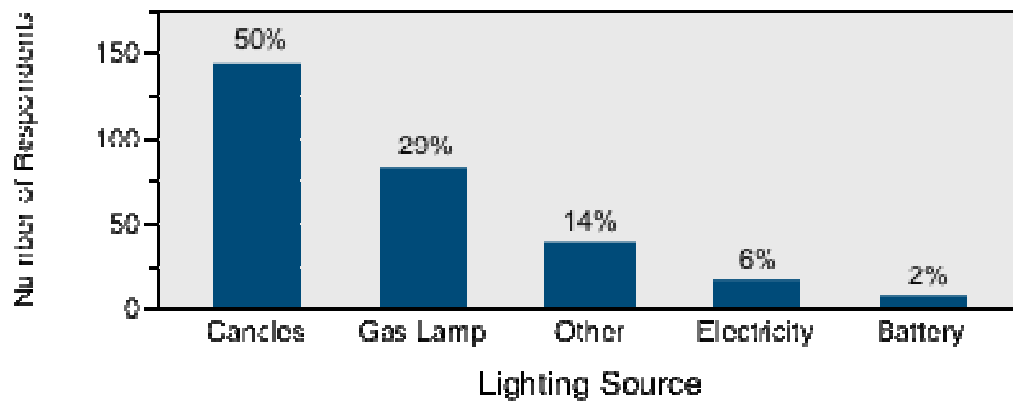
## iv. Livestock:



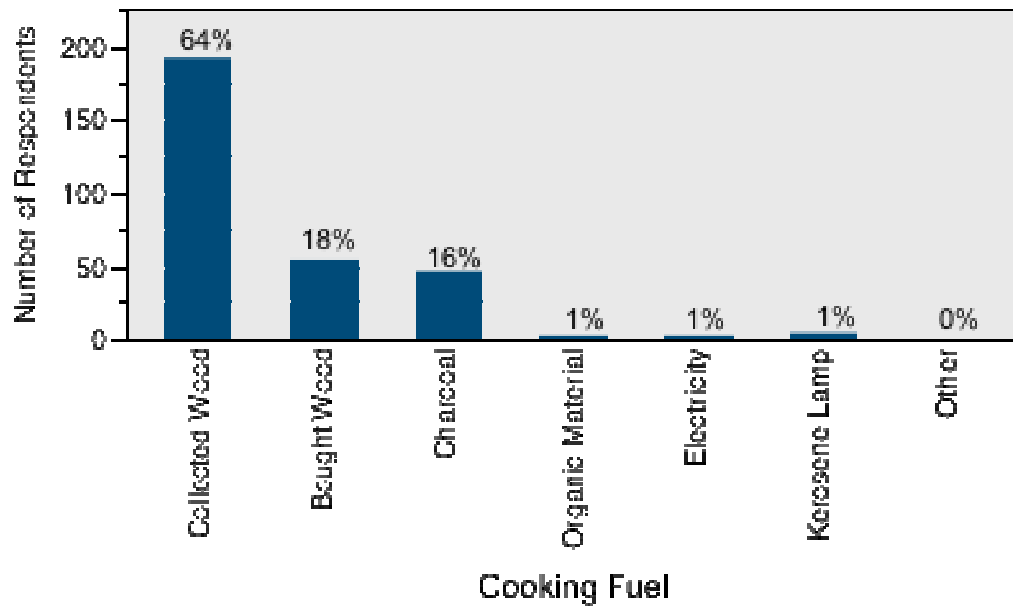
Livestock



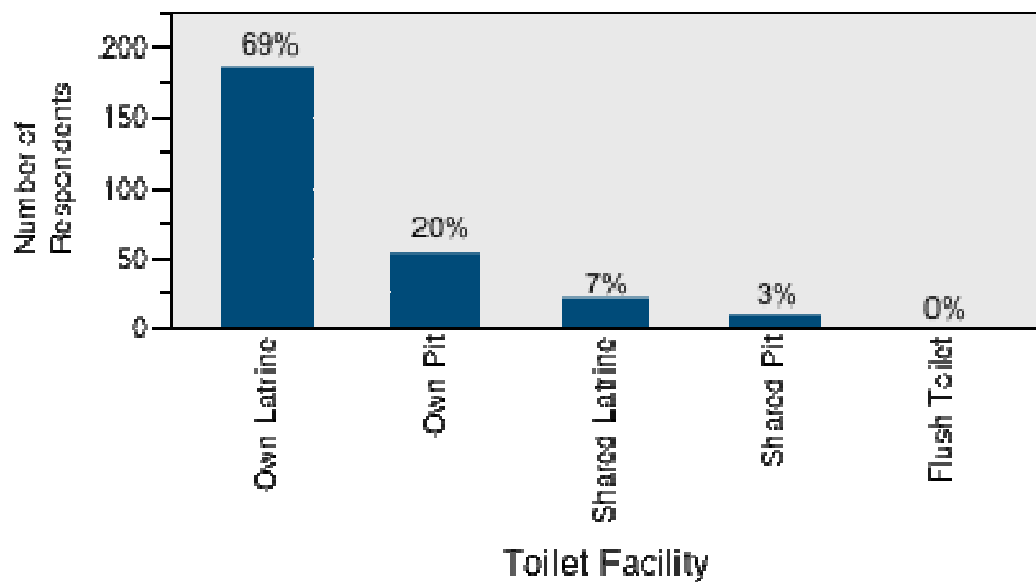
**v. Lighting Source:** Half of the borrowers still use candles as the basic form of lighting.



**vi. Cooking Fuel:** The majority of borrowers are still collecting wood for cooking fuel.

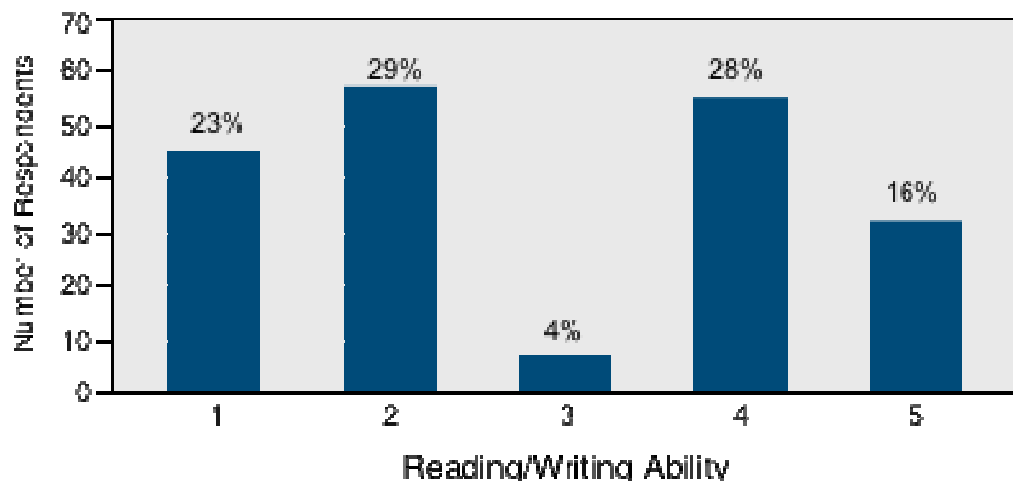


**vii. Toilet Facilities:** The majority of borrowers use a private latrine.

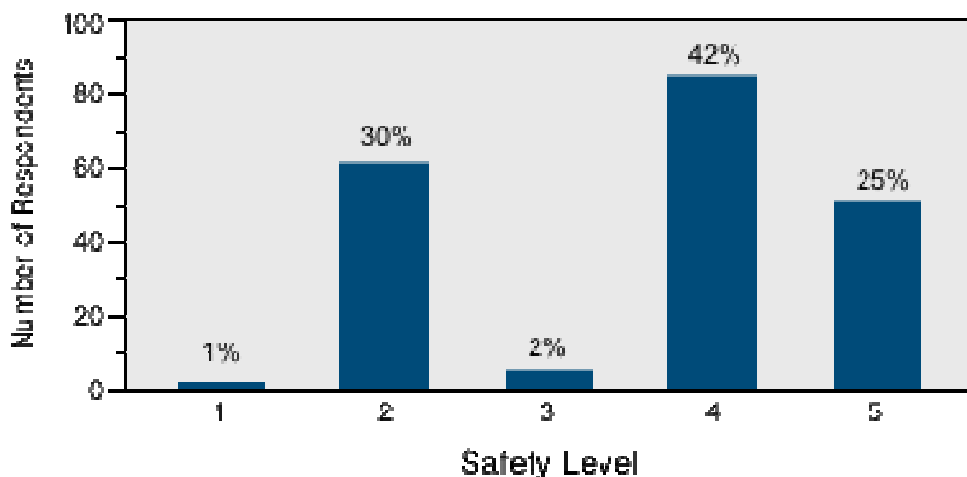


## C. Family Health and Welfare

**i. Reading/Writing Ability:** On a scale of 1 to 5, with 1 being the least comfortable and 5 being the most comfortable, borrowers rated their comfort level with reading and writing.



**ii. Water Safety:** On a scale of 1 to 5, with 1 being the least safe, borrowers rated the quality of their drinking water.

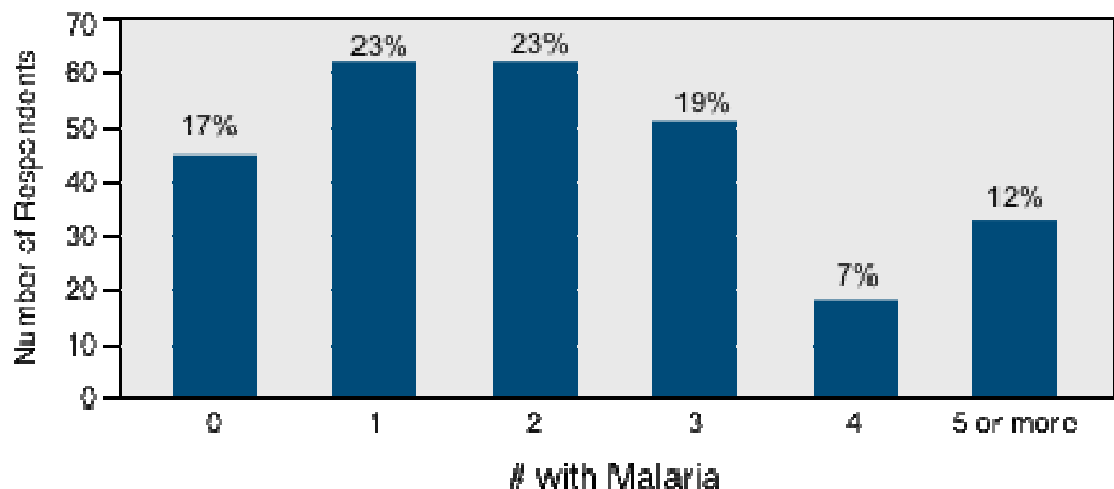


**iii. Illness in Household:** 59% of borrowers reported that at any given time, at least one member of their household is sick, with malaria being the dominant illness.

### Illnesses in Household

# of Family Members Regularly Sick	0	41%
	1	30%
	2	19%
	3	10%
	4 or more	0%
Major Household Illnesses	Malaria	50%
	Cough	18%
	Other	10%
	Quality/Lack of Food	8%
	None	5%
	Lack of Medical Care	4%
	Flu/Fever	4%
	HIV/AIDS	1%

**iv. Malaria in Household:** 84% of borrowers reported at least one case of malaria in their households in the last six months.

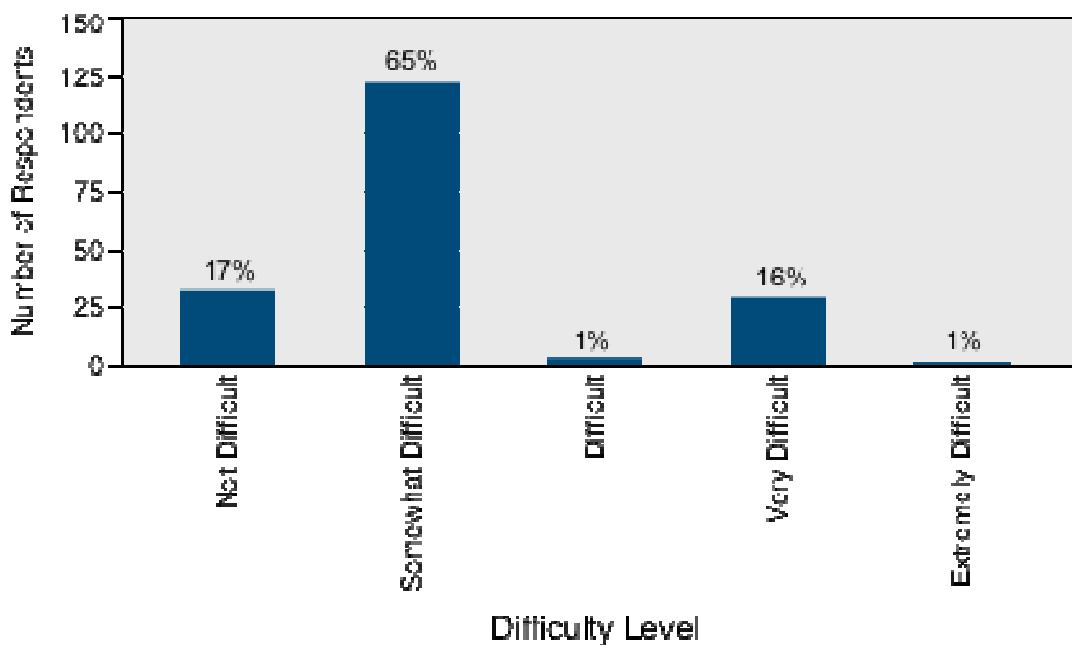


**v. Mosquito Nets:** Only 59% of borrowers have mosquito nets for every family member.

**vi. HIV/AIDS:**

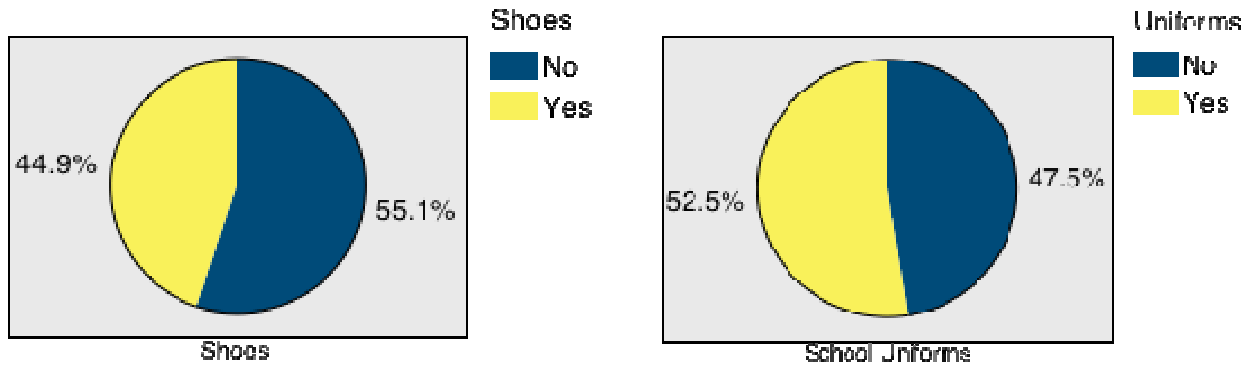
HIV/AIDS		
Borrowers Tested for HIV/AIDS	Yes	84%
	No	16%
Family Members Tested for HIV/AIDS	Yes	72%
	No	28%
Borrowers who have a family member with HIV/Aids	Yes	8%
	No	92%
If yes, do they receive regular treatment?	Yes	94%
	No	6%

**vii. Medical Payment Difficulty:** Over 80% of borrowers find it at least somewhat difficult to pay medical fees.





**viii. Do all children in the household have shoes and school uniforms?**



**x. Food Consumption:**

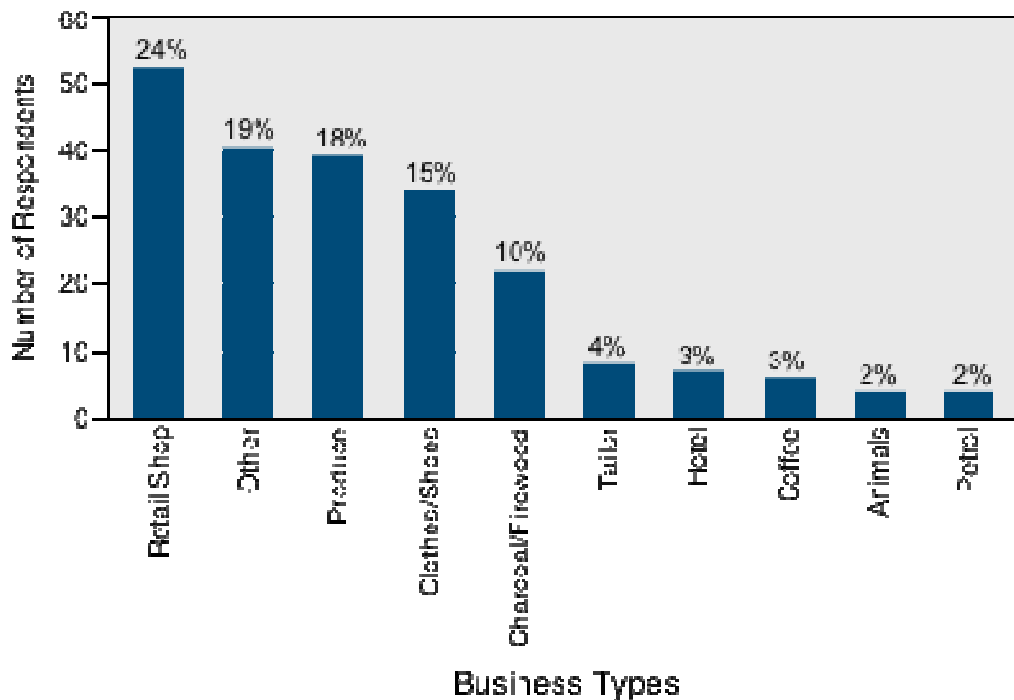
**Food Consumption**

# of Meals Eaten Per Day	1	3%
	2	41%
	3	54%
	4 or more	2%
Food Eaten Most Often	Posho	68%
	Bananas	25%
	Beans	21%
	Matooke	18%
	Cassava	15%
	Other	19%

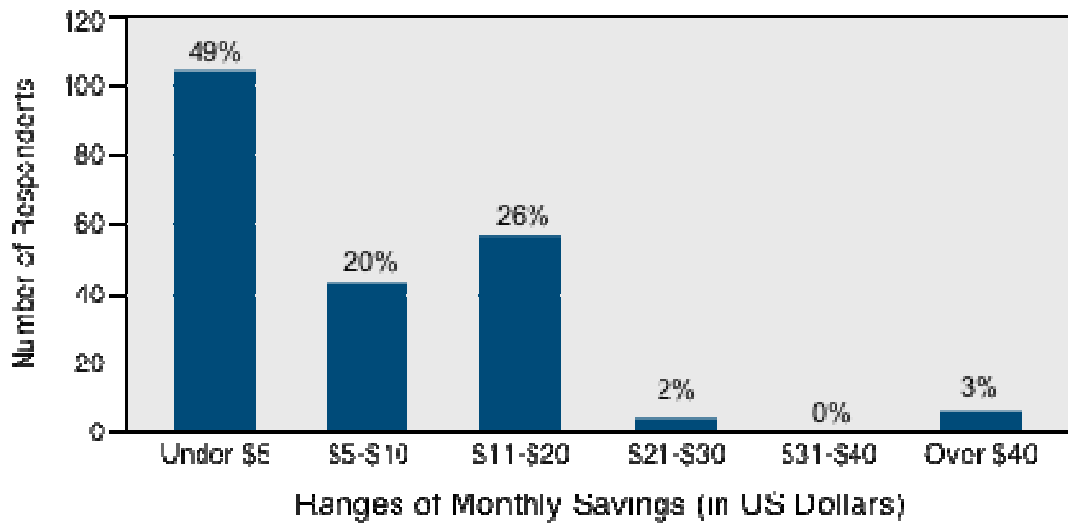
**II. 6-Month Loan Impact Data: (222 Surveys)**

**A. Business Operations**

**i. Business Type:**



**ii. Monthly Savings:** At six months, borrowers begin to save regularly.



**iii. Family Assistance:** The vast majority of borrowers receive assistance from their families in operating their businesses.

**Business Operations**

Who in the family helps?	Husband	96%
	Children	94%
Type of Help Received from Family	Selling	82%
	Labor	76%
	Encouragement	72%
	Transport	52%
	Money	49%
	Household Chores	45%
	Minding Children	36%
	Record-Keeping	13%

**iv. Improved Personal/Business Skills:**

Improved Skills	Percentage
Literacy and Numeracy	84%
More Determined	82%
More Organized	77%
More Resourceful	75%
More Self-Confident	72%
More Reliable	60%
Improved Record-Keeping	89%
Improved Marketing	78%
Improved Problem Solving	75%
Improved Budgeting	74%
Improved Negotiating	65%

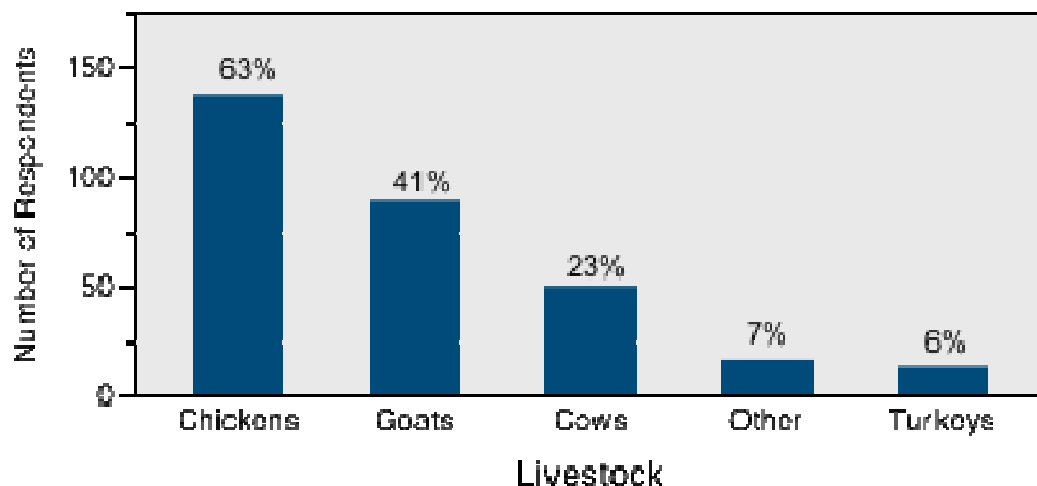
## **B. Standard of Living Improvements**

### **i. Household Improvements:**

#### Major Changes in Household at Six Months

Home Improvements	Improved Floor	12%
	Improved Roof	12%
	Added Furniture	30%
	Added Rooms	7%
Land Acquisition	Yes	12%
	No	88%
More Shoes for Children	Yes	80%
	No	20%
More Uniforms for Children	Yes	86%
	No	14%
Healthier Family?	Yes	94%
	No	6%
More Mosquito Nets?	Yes	77%
	No	23%
Less Malaria in Household?	Yes	87%
	No	13%
Easier to Pay for Medical Expenses?	Yes	93%
	No	7%
More visits to the clinic when you or family member gets sick?	Yes	59%
	No	41%
More Meals?	Yes	82%
	No	18%

### **ii. Livestock:** At six months, most borrowers increased livestock purchases.



**iii. Household Purchases:** At six months, over one-third of borrowers purchased tools/equipment, and nearly one-third purchased radios.

Household Purchases	% of Borrowers
Tools/Equipment	36%
Radio	31%
Cell Phone	19%
Television	5%
Bicycle	4%
Motorbike	1%

### III. 12-Month Data: (177 Surveys)

#### A. Loan Impact

**i. Increases to Annual Income:** Upon entering the loan program, the average income was \$530. After just 6 months in the loan program, the average income increased to \$2,555. This is an increase of almost 500%.

Ranges of Annual Incomes (in US Dollars)	Baseline (354 Surveys)	6 Month (222 Surveys)	12 Month (177 Surveys)
Under \$250	11%	2%	5%
\$250 – \$500	64%	3%	2%
\$501 - \$1000	20%	3%	3%
\$1001 - \$2000	3%	18%	19%
Over \$2000	2%	73%	70%

#### **ii. Savings:**

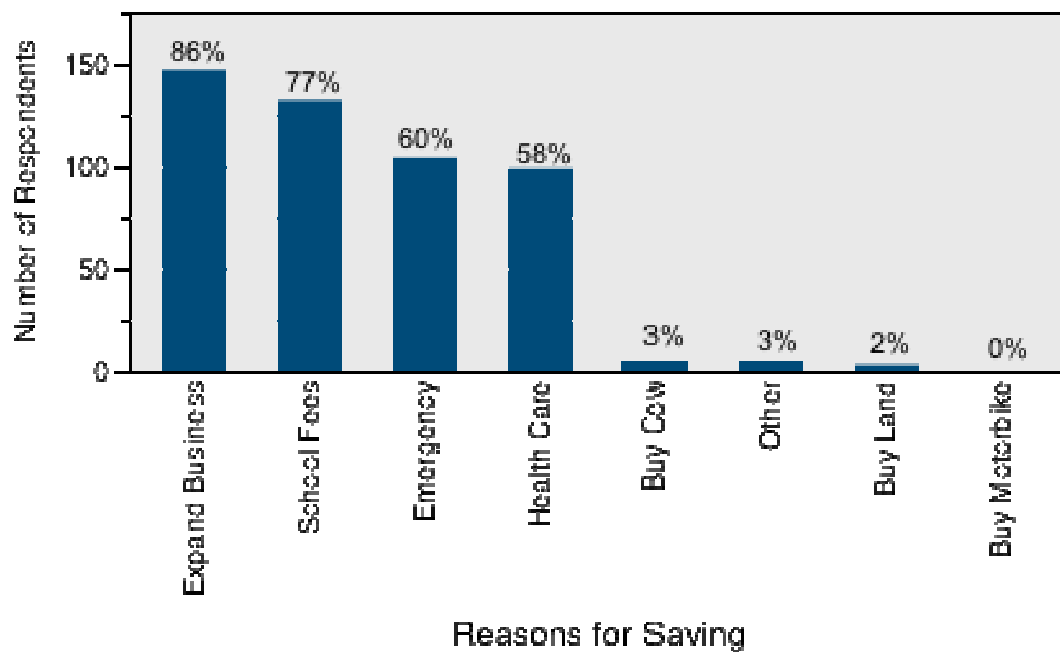
**a.** Prior to entering the loan program, borrowers had limited savings.

Total Savings Amount (in US Dollars)	Baseline
\$0	28%
\$1-\$10	11%
\$11 - \$20	25%
\$21 - \$30	3%
\$31-\$40	10%
Over \$40	22%

**b.** After entering the loan program, borrowers save on a monthly basis from their business income. Most borrowers save from \$1 to \$10 per month.

Ranges of Monthly Savings (in US Dollars)	6 Month	12 Month
\$0	3%	0%
\$1-\$10	67%	69%
\$11 - \$20	26%	28%
\$21 - \$30	2%	1%
\$31-\$40	0%	1%
Over \$40	3%	1%

### iii. Reasons for Saving:



### iv. Standard of Living Improvements:

#### Standard of Living Improvements

Household Purchases	Livestock	57%
	Radio	26%
	Cell Phone	24%
	Tools/Equipment	21%
	Bicycle	2%
	Motorbike	1%
	Television	0%
Land Acquisition	Yes	16%
	No	84%
Improved Lighting Source?	Yes	44%
	No	56%
Improved Cooking Fuel?	Yes	20%
	No	80%
Improved Academic Skills?	Yes	92%
	No	8%

### v. Family Assistance with Business Operations:

#### Type of Family Help with Business

	6 Month	12 Month
Husband Helps	96%	90%
Children Helps	94%	86%
Type of Help: Selling	82%	81%
Labor	76%	63%
Encouragement	72%	71%
Transport	52%	55%
Money	49%	38%
Household Chores	45%	38%
Minding Children	36%	34%
Record-Keeping	13%	17%

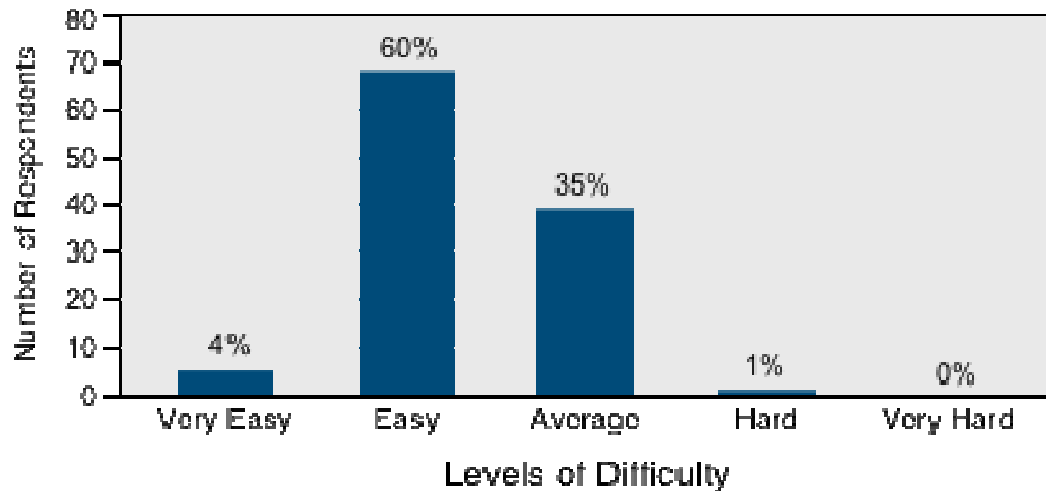
**vi. Paid Employees:** At six months, borrowers start hiring paid employees and the trend continues into the first year of business operations.

Paid Employees	6 Month	12 Month
Yes	12%	15%
No	88%	85%

**vii. Health & Nutrition Improvements**

Types of Improvements		
More Mosquito Nets?	Yes	93%
	No	7%
Easier to Pay for Medical Treatment?	Yes	99%
	No	1%
Eat More Meals?	Yes	91%
	No	9%
Improved Meals?	Yes	95%
	No	5%

**viii. Loan Repayment Difficulty:** Nearly two-thirds of borrowers find the loans easy or very easy to repay.



## IV. 24-Month Loan Impact Data: (38 Surveys)

### A. Loan Amount:

Loan	Loan Amount (in US Dollars)
1 <sup>st</sup> Loan: Baseline	\$150
2 <sup>nd</sup> Loan: 6-Month	\$150-\$200
3 <sup>rd</sup> Loan: 12-Month	\$200-\$250
4 <sup>th</sup> Loan: 24-Month	\$500

### B. Annual Income:

Ranges of Annual Incomes (in US Dollars)	Baseline (351 Surveys)	6 Month (219 Surveys)	12 Month (170 Surveys)	24 Month (34 Surveys)
Under \$250	11%	2%	5%	0%
\$250 – \$500	64%	3%	2%	15%
\$501 - \$1000	20%	3%	3%	12%
\$1001 - \$2000	3%	18%	19%	6%
Over \$2000	2%	73%	70%	68%

### C. Monthly Savings:

Ranges of Monthly Savings (in US Dollars)	6 Month	12 Month	24 Month
\$0	3%	0%	5%
\$1-\$10	67%	69%	32%
\$11-\$20	26%	28%	49%
\$21-\$30	2%	1%	11%
\$31-\$40	0%	1%	0%
Over \$40	3%	1%	3%

### D. Husband Economic Contribution to Household:

Husband Economic Contribution to Household		
Does the Husband Have Separate Employment?	Yes	93%
	No	7%
Does the Husband Help with the Borrowers' Businesses?	Yes	99%
	No	1%



## **V. Borrower Narratives**

The following quotes have been taken from the borrower surveys.

### **1. Has your loan made your life better?**

- “I am now independent and self reliable.”
- “I can plan and budget for my family easily.”
- “I have a happy and good mood.”

### **2. How has your business had a positive effect on your family?**

- “I can feed and educate them.”
- “My family members are now healthier.”
- “They can work together as a team.”

### **3. Are you happier since getting your loan?**

- “Yes because my family is in good condition.”
- “Yes, I am able to solve my family problems easily.”
- “Yes, I can feed, educate, and dress myself.”

### **4. Have you seen any changes in your village because of the loan program?**

- “I have a village with active and hardworking ladies.”
- “They have acquired saving skills.”
- “Women are cooperative and active.”