



Women's Microfinance Initiative

Uganda



ANNUAL FACT BOOK
YEAR 2017

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Section 1: Introduction



A: What is Women's Microfinance Initiative?

The Women's Microfinance Initiative (WMI) is a non-profit organization working to establish village-level loan hubs, administered by local women, to provide capital, training and support to women in Uganda. Based in the United States, WMI has been operating in Uganda since 2008. Today, there are seven loan hubs in Uganda, with over 11,000 borrowers to date.

Women who participate in WMI's comprehensive two-year program receive a total of four loans on a bi-annual basis. The loan amount increases each six-month cycle, with the largest loan valued at \$250 (UGX 500,000). Borrowers are issued loans individually and organized into groups of twenty. This methodology allows borrowers to become part of a supportive network of female entrepreneurs and work with one another to ensure loan repayment. This system of accountability has led to a 97% loan repayment rate. Borrowers are also enrolled in training courses in business management, record-keeping and savings. This model introduces women to traditional banking and the formal economy, ultimately setting them up for financial independence.

Quick Facts

Year began: 2008

Number of hubs: Seven hubs in Uganda (additional hubs in Kenya and Tanzania)

Number of women served: 11,918 to date

Total loans issued: \$4,494,848 to date

B: What does WMI aim to do?



Figure 1: WMI's Triple Bottom Line Impact

WMI's grass root operations aim for a triple bottom line impact. First of all, WMI supports rural women in starting profitable sustainable businesses. With these profits, the women improve their household living standards in terms of their quality and quantity of food, access to healthcare and access to education for their children. Secondly, WMI partners with woman- managed Community Based Organizations (CBOs) to administer the loans, building human capacity in the villages and empowering these CBOs to become a resource for the local community. The CBOs administer the loan program and serve as a distribution point for peer-to-peer knowledge transfer and organizing social services such as health checks, sanitation upgrades, and literacy training. Thirdly, WMI supports structural changes in interactions between rural women and the traditional financial sector. By offering loans without collateral and by training borrowers in effective business management, WMI's clients become empowered advocates for themselves and their communities.



A: How was the data in this fact book collected?

The data in this fact book was generated through data collected from borrowers, in a process supervised by the local CBOs. Borrowers fill out three surveys in their two years with the WMI loan program: one survey before they are issued their first loan, a follow-up survey after one year in the program, and an exit survey after they have completed the two-year program. The surveys are administered by local coordinators to the women in each loan group. The data in this survey was collected from July 2016 to April 2017.



Zita Wolayo has big dreams for her all-purpose shop in the upcoming year. By using her capital from her Jumbo loan, as well as her connections in town, she plans to “expand her business into town where [she] can increase [her] customer base and charge higher prices.” To do this, she hopes to employ her daughter to help her run the shops.



B: Who was surveyed?

A number of groups from WMI’s Ugandan hubs were selected, with the survey data for those groups being collated for analysis purposes. The majority of the groups are from the Buyobo loan hub in Sironko District. Other loan hubs include groups in Bududa and Kabale Districts. The data presented in this fact book is based on a total of 1,320 surveys at different points in the loan program and represent a variety of the businesses that WMI supports through its loan program.

Figure 2: The Variety of Businesses Supported by the WMI Loan Program

Section 3: Background Information - Who We Serve



A: Demographic Information

I: Age

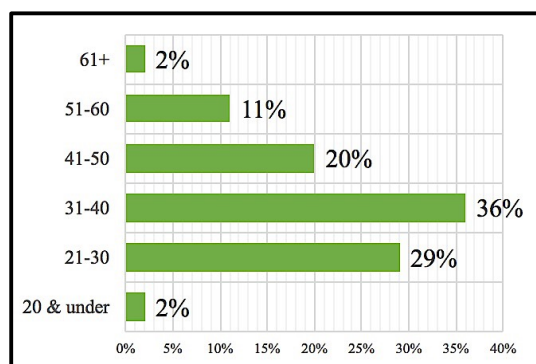


Figure 3: Age Distribution of the Women

65% of borrowers are in the 21-40 age range.

II: Marital Status

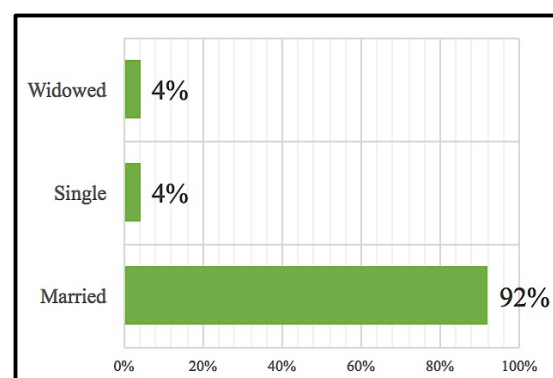


Figure 4: The Marital Status of the Women

92% of borrowers are married and only **8%** are single.

III: Number of People in Household

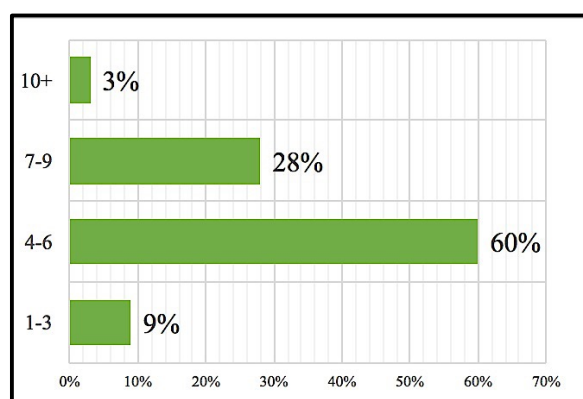


Figure 5: Number of People in Borrowers' Households

3.79 children per household.

IV: Annual Income¹

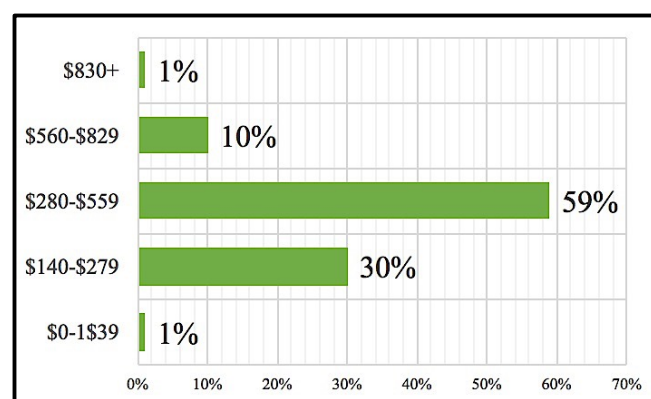


Figure 6: Annual Income of Borrowers in US Dollars²

Before entering the loan program,
90% of borrowers make less than \$560 (= UGX 2M)
a year(< \$2 a day).

¹ Exchange rate used at June 2017 is \$1 = UGX 3,600

² This data represents annual income before they enter the WMI loan program.

Section 3: Background Information- Who We Serve



B: Household Profile

I: Type of House³

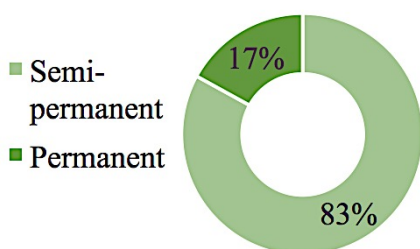


Figure 7: Distribution of Type of House

II: Lighting Source

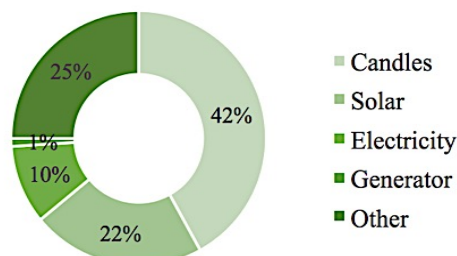


Figure 8: Distribution of Type of Lighting Source

III: Toilet Facility

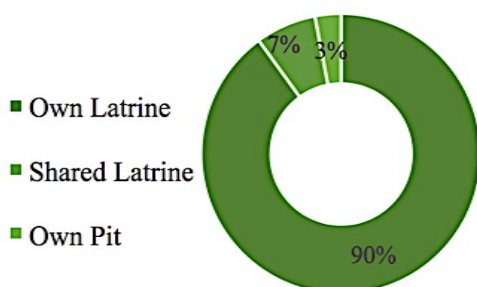


Figure 9: Distribution of Toilet Facility

IV: Source of Drinking Water

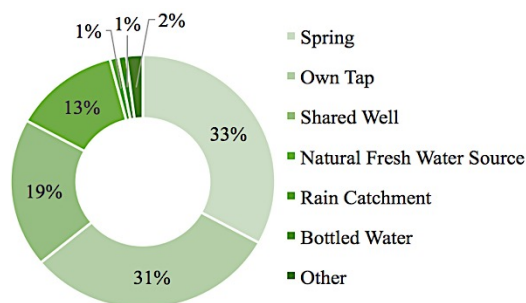


Figure 10: Distribution of Source of Drinking Water



As a mother of nine, WMI's adult literacy courses, as well as training in budgeting and record keeping have not only benefitted Irene Matto's produce business, but her household as well. Since receiving her WMI loan in 2016 she has been "dressing, eating and feeling better," and her children are now able to go to school.

V: Cooking Fuel

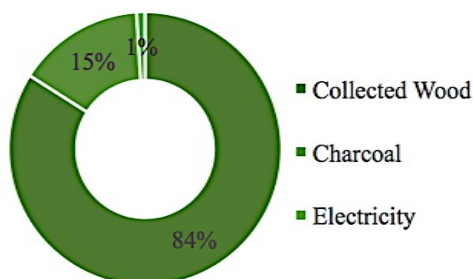


Figure 11: Distribution of Type of Cooking Fuel

³ Semi-Permanent houses are constructed with mud walls; permanent houses are constructed with brick walls.



Section 4: Impacts of WMI Loan Program

A: Economic and Financial Empowerment⁴

I: Monthly Income

Before joining loan program

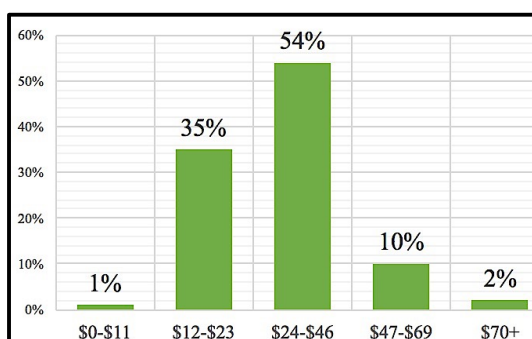


Figure 12: Monthly Income Distribution Before Joining WMI Loan Program

After two years in program

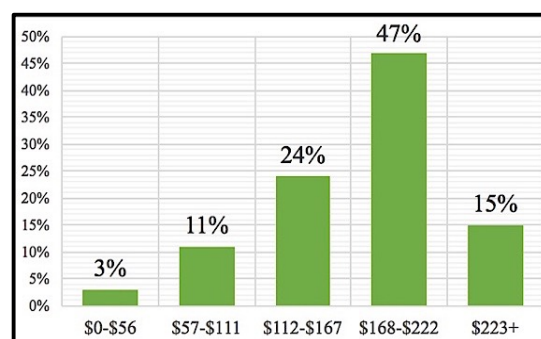


Figure 13: Monthly Income Distribution After Two Years in WMI Loan Program

Before joining the loan program, **90% of borrowers** make less than \$46 (UGX 165,600) per month and the distribution suggests an **average income of \$32 (UGX 115,200)** for women joining the program. After two years in the program, **86% of borrowers** report a monthly income higher than \$112 (UGX 403,200) and the **average monthly income upon exiting the two-year loan program is \$169 (UGX608,400)**. This represents a **428% increase in monthly income**.

II: Savings

Before joining loan program

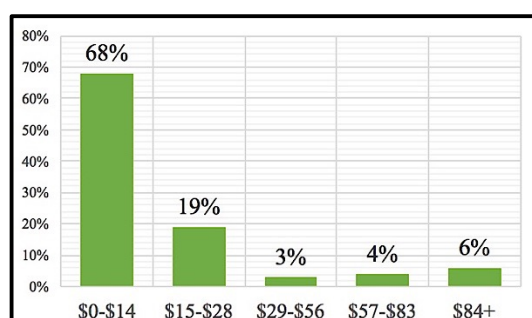


Figure 14: Total Savings Distribution Before Joining WMI Loan Program

After two years in program

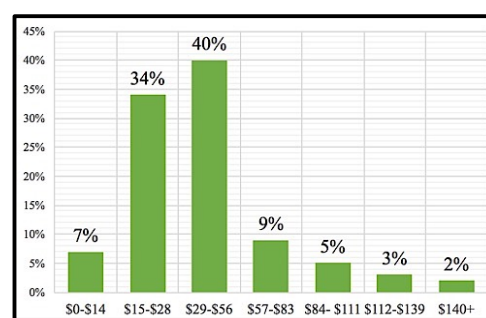


Figure 15: Total Savings Distribution After Two Years in WMI Loan Program

Before joining the loan program, women have an **average total savings of \$18 (UGX 64,800)** with **68% of borrowers** having less than \$14 (UGX 50,000) in total savings. After two years in the program, **94% of borrowers** report saving regularly with an average monthly saving of **\$7 (UGX 25,000)** and an average total savings of **\$43 (UGX 154,800)**. This represents a **139% increase in total savings**.

⁴ Throughout this section, exchange rate used at June 2017 is \$1 = UGX 3600



Section 4: Impacts of WMI Loan Program

III: Livestock Acquired⁵

After two years in the program, borrowers report having bought the following livestock in the last six months of the two-year program.

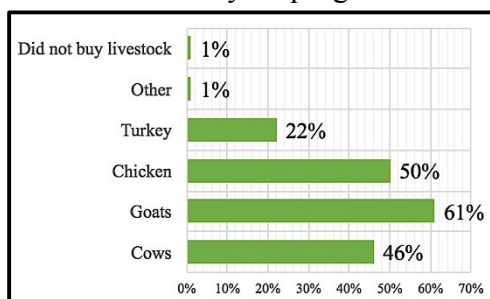


Figure 16: Distribution of Livestock Bought by the Women in Last Six Months of Two-Year Loan Program

After one year in the program **60% of borrowers** report buying livestock and **99% of borrowers** report purchasing at least one form of livestock in the last six months of the WMI two-year loan program. **46% of borrowers** purchased cows, which is the most valuable livestock and **61% of borrowers** purchased goats, the second most valuable livestock.

IV: Difficulty of Loan Repayment

After two years in the loan program, **54% of borrowers** find it “Easy” or “Very Easy” to repay their loans. **46% of borrowers** find it “Average” to repay their loans. No woman finds it “Hard” or “Very Hard” to repay her loans.

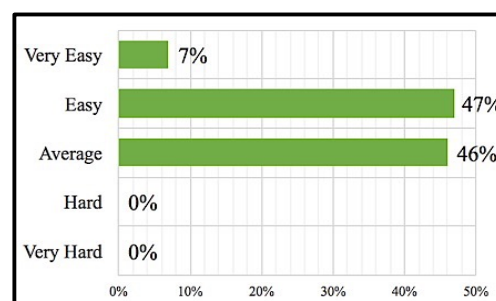


Figure 17: Ease of Loan Repayment After Two Years in the Loan Program



Before joining WMI, Teddy Mabisi was a small-scale produce seller “making around UGX 500,000 (\$140) in revenue a year from [her] business.” Her loan allowed her to invest in a shop, invest in inventory and build a customer base. Now, “[she] has over UGX 1M (\$275) in stock at [her] store” and is making even more in revenue.

V: Business Growth and Stability

After one year in program

99% of borrowers report a growth in their business.

After two years in program

99% of borrowers report greater business stability.

⁵ In Uganda, buying livestock is a common way to 1. Invest - through reproduction, livestock numbers multiply and thus generate additional value overtime – and 2. Save - livestock does not lose value due to inflation, which can secure savings against frequent currency fluctuations.



Section 4: Impacts of WMI Loan Program

B: Personal Impact and Growth

I: Skills

Business Skills:

After one year in the program, **98% of borrowers** report an improvement in at least one of following business skills:

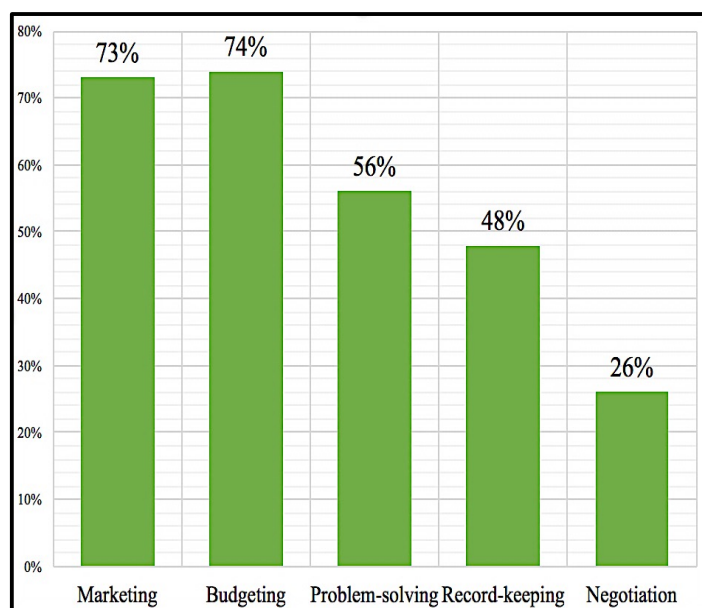


Figure 18: Improved Business Skills After One Year in Program

Personal Skills:

After two years in the program, **100% of borrowers** report an improvement in at least one of the following personal skills:

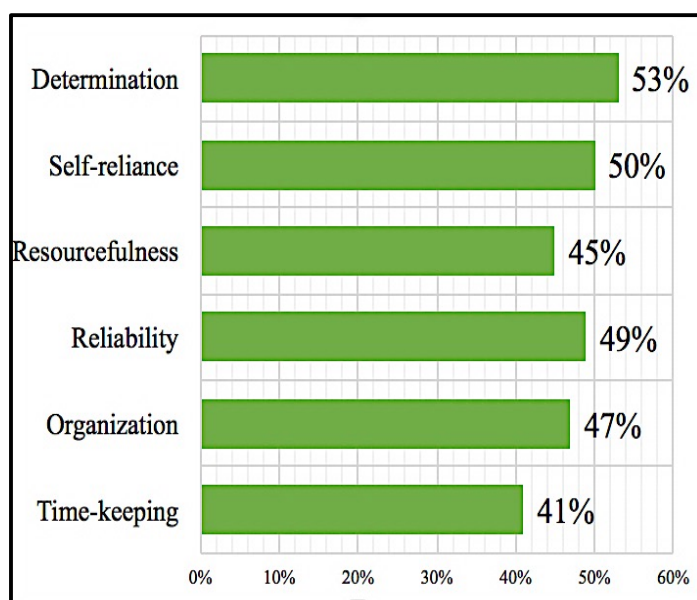


Figure 19: Improved Personal Skills After Two Years in Program

II: Standards of Living

Across each stage of the loan program, the top three expenditures are **medical payments (84%)**, **school fees (80%)** and **food (68%)**. Therefore, to track the greatest impact on standard of living of women in the program, we analyse health, education and quality of food indicators to deduce the effect of increased profits on the borrowers and their families.



Section 4: Impacts of WMI Loan Program

Health

After one year in program

- **98% of borrowers** report an increase in ease of paying medical fees.
- **96% of borrowers** bought more mosquito nets since receiving their second loan in the cycle.

After two years in program

- **100% of borrowers** report an improvement in health in the last six months.
- **100% of borrowers** report an improvement in family's health in the last six months.

Education

Surveyed at the end of the two-year program, of the **63% of borrowers** who pay secondary school fees, **93%** indicated they would not be able to pay the fees without their business income.

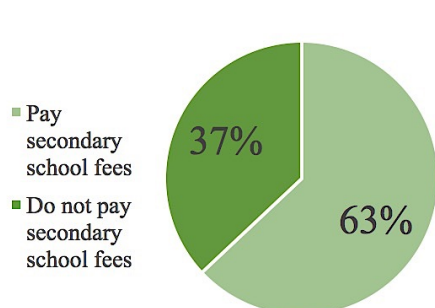


Figure 20: Women Who Pay Secondary School Fees

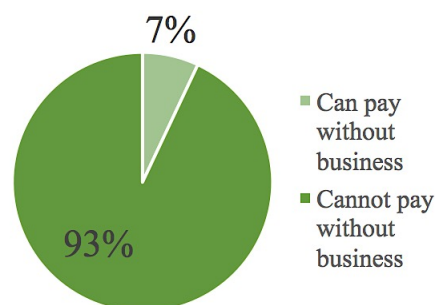


Figure 21: Women Who Cannot Pay School Fees Without Their Business Income

Surveyed at the end of the two-year program, of the **19% of borrowers** who pay university school fees, **91%** indicated they would not be able to pay the fees without their business income.

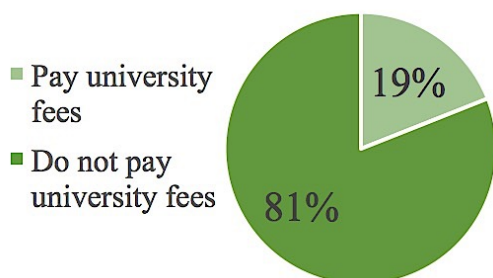


Figure 22: Women Who Pay University Fees

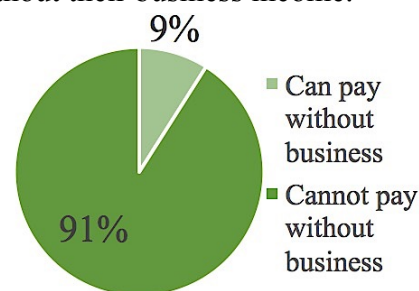


Figure 23: Women Who Cannot Pay University Fees Without Their Business Income



Section 4: Impacts of WMI Loan Program

Quality of Food

After one year in program

- **100% of borrowers** report an increase in at least one of the following in their meals:

- **Food** **100%**
- **Meat** **39%**
- **Vegetables** **46%**
- **Eggs** **16%**
- **Milk** **23%**

After two years in program

- **78% of borrowers** report an improvement in meals in the home in the last six months of the two-year program.

Other Improvements to Standard of Living



For Joyce Gizamba, WMI's impact hasn't just meant increased income. It's meant positive changes in her community. She says, "women are no longer idle, they are now busy running their businesses and are more independent." This has also meant "domestic violence has declined, as there is less fighting about money and women have more power in households."

*Improvements were made in the last six months before the end of the loan program.

	<u>After one year in program</u>	<u>After two years in program*</u>
Improved house	50% of borrowers	24% of borrowers
Improved cooking fuel	35% of borrowers	26% of borrowers
Improved lighting source	51% of borrowers	Data unavailable

Table 1: Other Improvements to Standard of Living



Section 4: Impacts of WMI Loan Program

C: Community Engagement

I: Community-wide Impacts of Loan Program

Widespread Changes in the Community

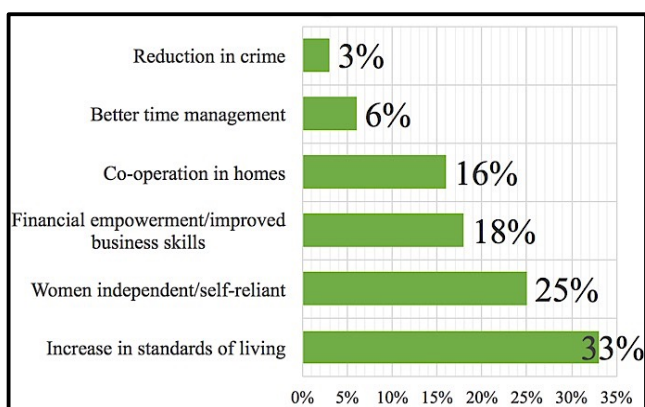


Figure 24: Impact of Loan Program in Community

When asked about the impact of the loan program, **100% of borrowers** reported positive changes in their community as a result of the program. A **third of borrowers** reported that the loan program has improved standards of living throughout the community, specifically citing increased access to food and education, happier families and increased access to services and medical treatment. Respondents also reported that women in the greater community are more independent and self-

reliant, that they are financially empowered, and that there is more cooperation between husbands and wives.

Ripple Effects of Women in Business

Over **98% of WMI's borrowers** report that their business allowed them to help other people. Of these, **70%** use the funds from their business to support orphans, the elderly and widows in the community. The ripple effect of the loan program is significant: loans are directly benefitting not only WMI's borrowers and their immediate families but also their extended families and other vulnerable members of the community. Further, borrowers report being business advisors to provide ideas to their peers, bringing services closer to the people who need them, and serving as community leaders as a result of the loan program.

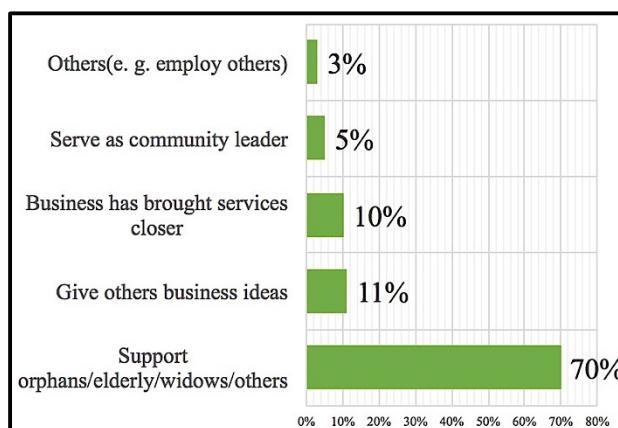


Figure 25: Impact of Owning a Business on Community Members

Section 4: Impacts of WMI Loan Program



Changing Relationships between Men and Women

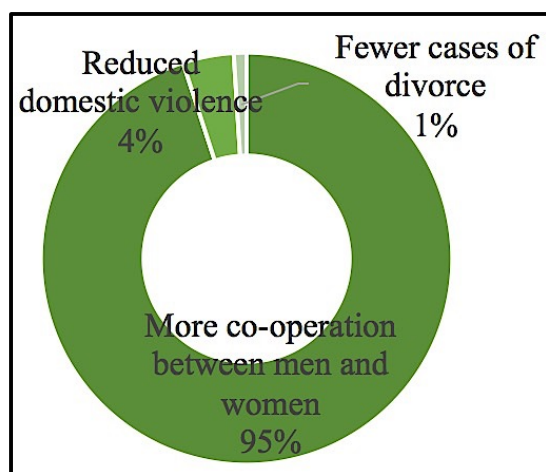


Figure 26: Positive Impact on Relationship Between Men and Women

For **85% of borrowers**, financial empowerment related to their participation in the loan program has also led to improved gender dynamics within their homes and communities. Of this 85% of women, **95% reported** that they noticed more cooperation between men and women as a result of women's increased incomes. Women also cited reduced domestic violence and fewer cases of divorce as impacts of increased women's economic participation.



Lydia Nambosa's charcoal and firewood businesses have thrived since receiving her WMI loan. The ability to care for her children, pay for their education and run two business has made Lydia confident she can do anything. She now "offers business advice and help for members of [her] church congregation," and feels she has become a leader in the community.

II: Community Project Highlights

Our local partners use the proceeds from loan interest payments to cover their operating expenses and to implement community projects. Projects are initiated in a variety of sectors and are managed exclusively by community members, maximizing impact and ensuring sustainability of programs.

In 2017, the Buyobo Women's Association (BWA)⁶, the women's group managing the Buyobo loan hub, will facilitate **11 community programs** and **5 local infrastructure projects** which will serve a total of over **15,000 people** in the surrounding area. The focus of these projects is on further enhancing day-to-day life for everyone living in Sironko District. These projects include health outreach programs, girl empowerment programs and nutrition programs as well as significant infrastructure development such as building construction and water source renovations. WMI invests in community projects to support our entrepreneurs because we know that healthy and empowered communities thrive economically.

⁶ BWA is the CBO that oversees the Buyobo loan hub, one of WMI's seven loan hubs in Uganda.

Section 4: Impacts of WMI Loan Program



Girls' Group and Boys' Group

Funds invested in 2016: \$780

Estimated Beneficiaries: 180 boys and girls

BWA supports early financial literacy through its Girls' and Boys' Groups. Girls and boys in grades 5, 6 and 7 learn budgeting and marketing skills to become tomorrow's entrepreneurs. The Girls and Boys' Groups also engage in their own income-generating activities. Both groups have invested in livestock and work collaboratively to care for their animals.

The 10-week courses also focus on prevention activities, teaching HIV and sexual education. BWA is lucky to have excellent facilitators for both groups, relying on teachers at local schools who know their pupils well and have a vested interest in their future success.



Figure 27: Pictured above is a Girls' Group class in the WMI pavilion in Buyobo. Below is a Boys' Group class attending to pigs for their entrepreneurial project

Water Source Renovation

Funds invested in 2016: \$30,000

Estimated Beneficiaries: 1,000+ individuals

Starting in 2016, WMI's Buyobo loan hub in Uganda, in partnership with local government, renovated the Gibugomu water source, a natural spring that had been tapped to provide piped water to taps throughout the region. The piping and taps had fallen into disrepair and local government was unable to shoulder the full cost of the repairs, leaving much of the local population without access to clean drinking water.

The source renovation, which cost over \$30,000, was completed in 2016. The renovation has dramatically improved quality of life for the Buyobo-area population by providing water that is safe to drink directly from the tap. Plus, the renovation added ten more community taps serving over 1500 people. The availability of water close to home has decreased the workload on women and girls who are traditionally responsible for fetching water. The investment will support improved quality-of-life and reduced disease burden in the communities for years to come.



Figure 28: One of the taps providing potable water to residents of Buyobo from the Water Source Renovation Project



Section 4: Impacts of WMI Loan Program

Volunteer Health Team

Funds invested in 2016: \$500

Estimated Beneficiaries: 1,000+ community members

WMI's Buyobo loan hub supports the outreach activities of the local Volunteer Health Team (VHT), an active group of community members providing preventive care services. They make home visits in their neighborhoods to teach proper home hygiene and to serve as a primary resource on health-related matters.

The Buyobo VHT has over eighty active members and meets frequently to plan and implement community health initiatives. It is also an important resource to facilitate new health-related activities funded by BWA; for example, when BWA instituted a motorcycle ambulance service, the VHT stood up to manage the project and maintain the ambulance.



Figure 29: Pictured above is a section of the Buyobo VHT. Pictured below is the motorcycle ambulance featuring the WMI logo

Student Lunch Program

Funds invested in 2016: \$1,500

Estimated Beneficiaries: 600 children

Primary school students at public schools in Uganda are not provided a lunch during school days. For many students, this means they spend their full school day hungry, adversely impacting their academic performance. The most heavily affected group of these students are those in grades 6 and 7 who must take critical exams which determine whether they are eligible to attend secondary school.

WMI's Buyobo hub funds a student lunch program for grade 6 and 7 students to ensure that they have proper nutrition in-between classes during the school day. The program drastically increased the number of children who passed their exams and opened doors to secondary school and beyond. The program also provides testing resources, covering the cost of paper booklets and other supplies for test-takers.



Figure 30: Some grade 6 and grade 7 girls having lunch sponsored by the WMI Student Lunch Program

Section 5: Conclusion



To date, WMI has served a total of over 11,000 women in Uganda. Its loan program continues to have positive economic and social impacts on its borrowers. Beyond this, the presence of the loan program has provided infrastructural development and positive interventions for the communities in which its hubs are situated.

To learn more about this organization and the work that it undertakes, please take note of the contact information below:

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