

WOMEN'S MICROFINANCE INITIATIVE

ANNUAL FACT BOOK

2018





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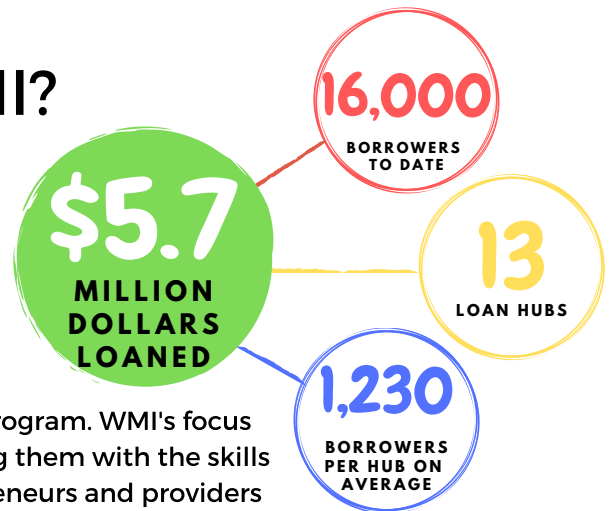
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INTRODUCTION

What is WMI?

The Women's Microfinance Initiative (WMI) is a micro-lending organization operating in rural villages in Uganda, Kenya, and Tanzania. WMI was founded in 2008 by a group of U.S.-based businesswomen, and began by issuing loans in Buyobo, Uganda to a group of 20 women. Today, WMI serves over 16,000 women through partnerships with thirteen community based organizations which implement the loan program. WMI's focus is on empowering rural women by encouraging and equipping them with the skills and resources necessary to uncover their potential as entrepreneurs and providers for themselves and their families.

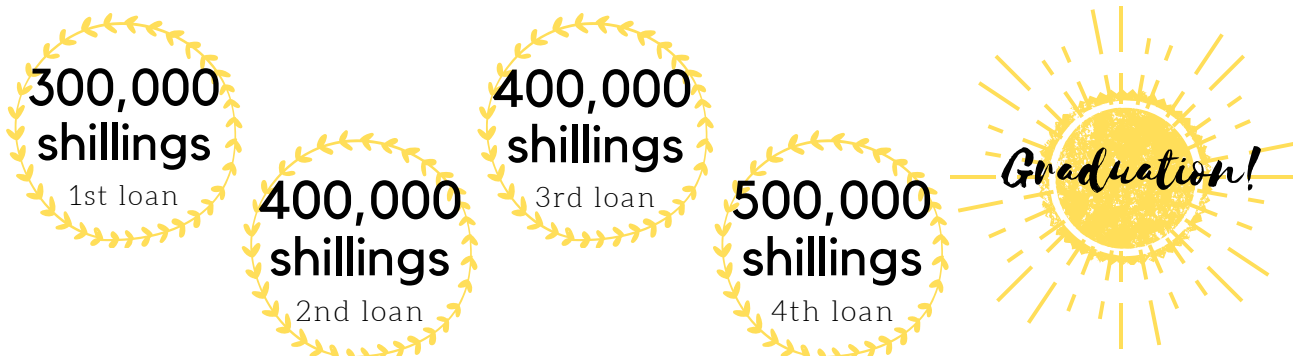


The Loan Program



WMI's loan program works in four loan cycles, with loans issued every six months over the course of the two year program. Borrowers receive an initial loan of 300,000 shillings (\$81) two follow up loans of 400,000 shillings (\$108), and a final loan of 500,000 shillings (\$135). Over each 6 month loan cycle, the women make 10 repayments covering their principal plus interest calculated at a 10% flat rate. The interest that is collected is used to cover operational costs on the ground (salaries, supplies, transport, training etc.) as well as community outreach projects. Using this economic model, the loan hubs generate enough income to become financially independent and self-sustaining.

Participants in WMI's loan program are organized into solidarity groups of 20, to create a support system of businesswomen who can encourage, share knowledge, and hold each other accountable for loan repayments. This unique use of social collateral has led to a very low loan default rate of less than 2.5%. Additionally, every borrower must attend a training session before receiving her first loan and after receiving her third loan to learn business management, customer service, record-keeping, marketing and tactics to overcome business challenges to ensure their success.



Community Based Organizations

An important aspect of the WMI model is our partnering with local community based organizations (CBOs) in the villages we serve. The CBOs create rural loan hubs where women can obtain and repay loans right where they live. The hubs also become resource centers for rural women to access information, services, and support. Each of these CBOs is run entirely by women from the community, providing local employment and allowing them the opportunity to take on leadership roles.

WMI's East Africa headquarters is located in Buyobo, Uganda, sharing the facility with our CBO partners, the Buyobo Women's Association (BWA). The talented women of BWA manage the entire WMI loan program in Uganda and mentor the local leadership at the loan hubs in Uganda and Tanzania. Their leadership, and transition from borrowers to board members has been essential to our work and success as an organization.



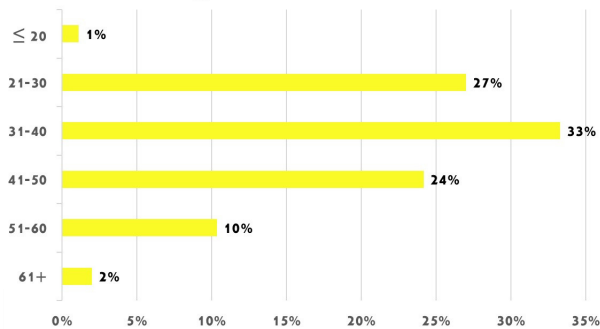
METHODOLOGY

How and when was the data collected?

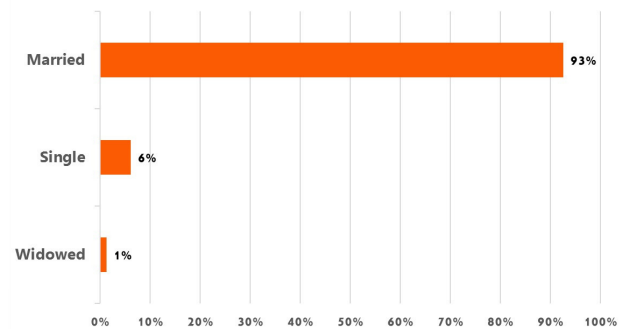
The data displayed in this fact book was collected through surveys of WMI's borrowers. Participants in the WMI program complete three surveys during their tenure in the program: A baseline survey before receiving their first loan, a follow up survey after one year, and an exit survey. This allows us to record and analyze changes that the women experience through participation in the program. The statistics discussed and analyzed below were collected from borrowers based in our partner CBOs throughout Uganda, with the majority coming from our main facility in Buyobo, Uganda. The data was collected between July 2017 and April 2018.

DEMOGRAPHICS

Age of Borrowers



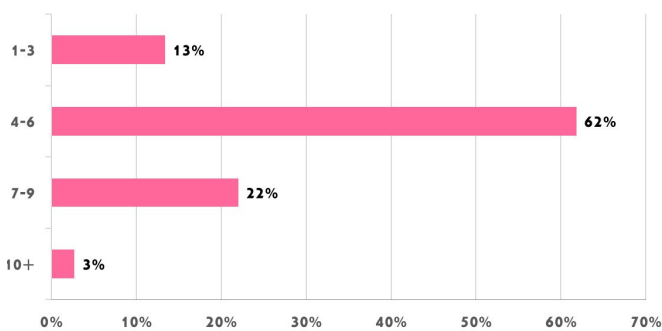
Marital Status



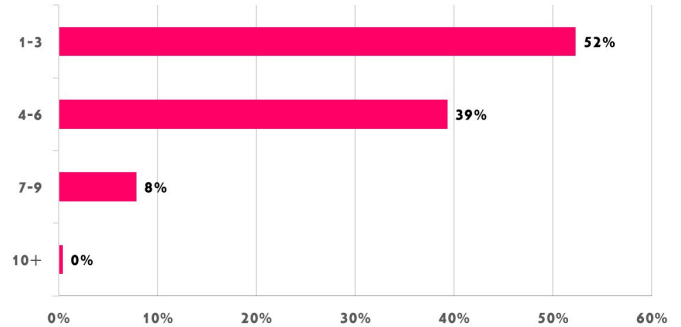
Age and Marital Status of Borrowers

WMI loans to women of all ages, from 18 to 80 years old, with the majority of our borrowers falling in the range between 21-50 years old. The vast majority of women in the loan program are married, with only 7% being single or widowed.

Number of People in Household



Number of Children in Household

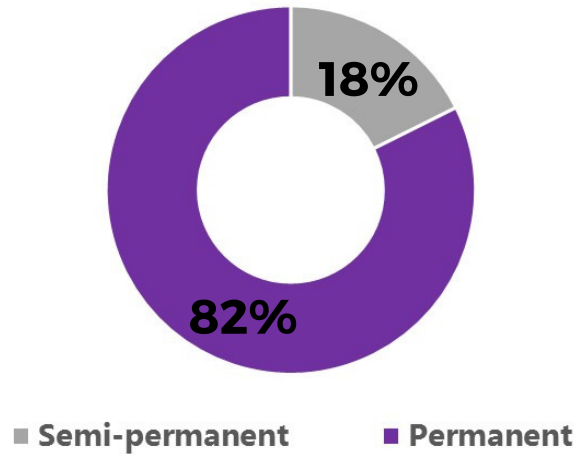


Borrowers' Households

WMI borrower households are generally large. The majority of borrowers live in a household with four-six people; while 25% of borrowers live in a family of seven or more. Many of the women in our program are also mothers and caretakers for orphaned children. 91% of women in our program have between one and six children, with the average number of children being four.

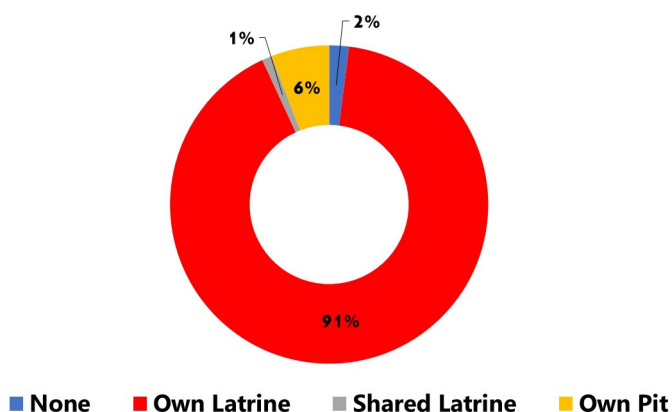
Household Profile: Where do our borrowers live?

Type of House



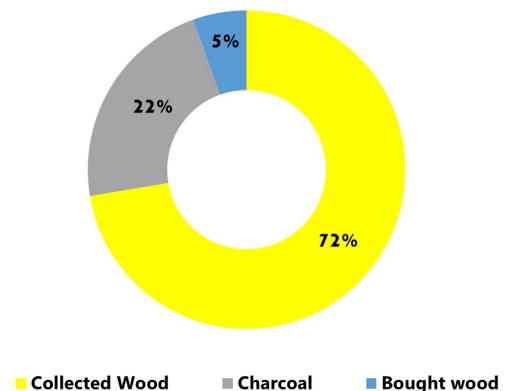
Upon entering the loan program, the majority of borrowers live in permanent houses (built with bricks or cement) while 18% live in semi-permanent homes, which are built from wood, dried mud, and cow dung.

Toilet Facility



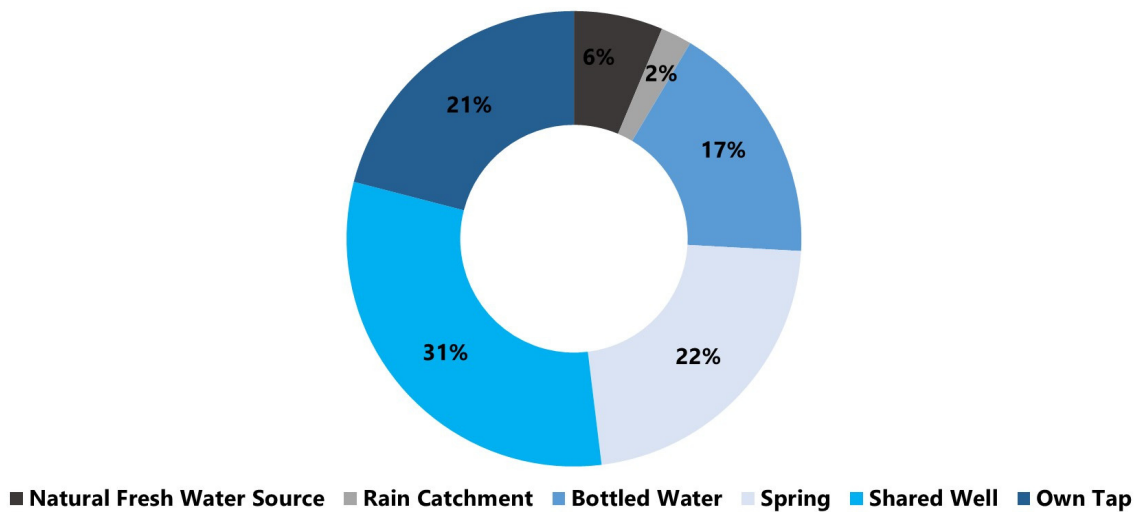
More than 90% of borrowers report having access to their own latrine or pit in their home, while 3% report sharing or having no access to toilet facilities.

Cooking Fuel



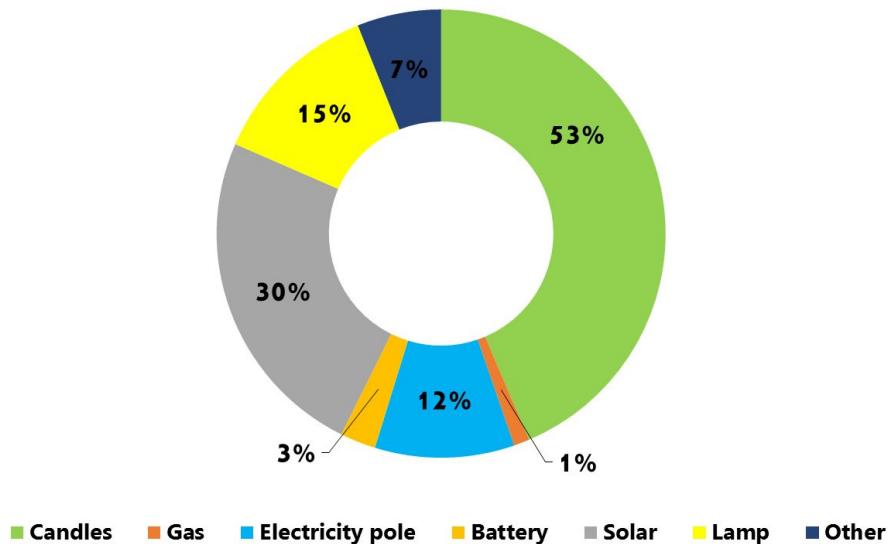
Most of our borrowers collect firewood as cooking fuel, with 27% purchasing either wood or charcoal for cooking.

Source of Drinking Water



The women in our program make use of a variety of different water sources. Over 50% obtain water from a community tap or have their own tap connected to a shared well, while 22% collect water from a spring, and 17% drink bottled water. The remaining 8% collect water from rain catchments or natural sources, such as rivers and streams.

Lighting Source



The most popular lighting source for women in our program is candles, while 30% make use of solar power. 26% of women light their homes with gas, battery, kerosene and paraffin lamps, or an alternative type of source. Only 12% of borrowers have access to electricity in their homes before entering the WMI loan program.

Types of Businesses

Women who join the WMI program use their newly gained business skills and capital to run a variety of different businesses. Below are some examples of the most common businesses created by our borrowers, and some of the women who own them.



Bogoya



Fish



Hotel

"I can send all my children to school."

ALICE WODILA

Alice runs her hotel (restaurant) in Buweli village, serving customers from all around the area with the help of her family. With the profits from her business, she is now able to educate her children.



Salon



Shoes



Clothing



Tailoring

"Now my family eats well."

ESTHER NABUKWASI

Esther has been managing her Mobile Money and Airtime shop in Buyobo for the past two years. With the success of her business, she is now able to provide food for her husband and son, and expand her business to a second location.

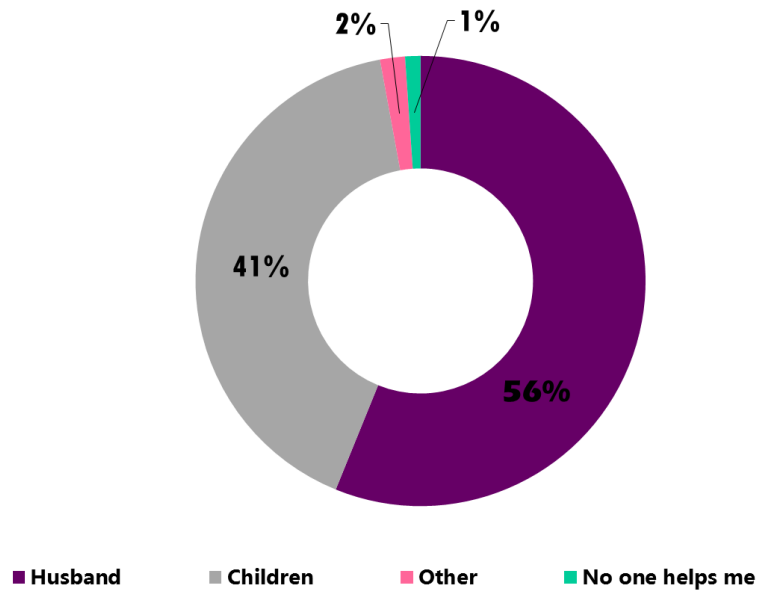


Shop



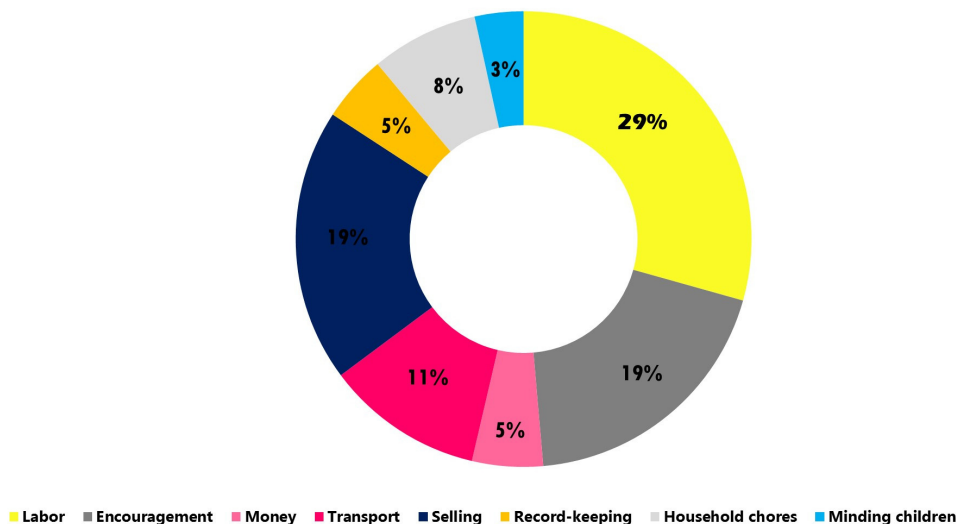
Produce

Who in the family helps you with your business?



99% of the women in the WMI program run their business with help from their family member. 56% of women work together with their husbands, 41% of women report that their children help with the business and 2% of borrowers run their business with the help of other family members, such as in-laws and siblings.

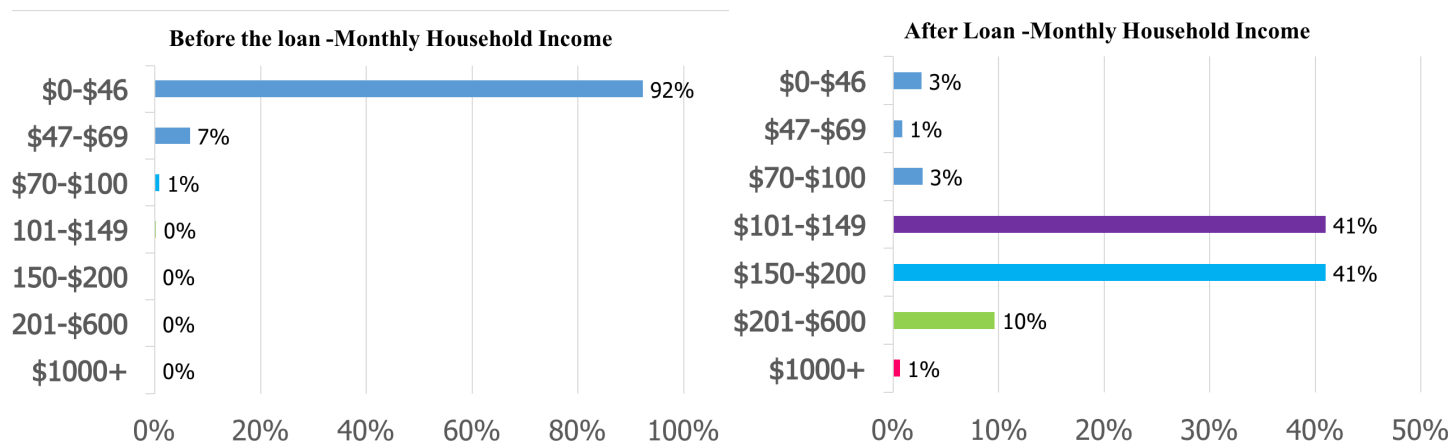
How does the family help?



The family members of our borrowers contribute to the success of their businesses in many ways. 48% of borrowers report that their families help with labor and selling products, and 22% say their relatives help by taking care of the household and children. 11% of borrowers receive help with transportation from their families, and 10% receive assistance with money and record-keeping. 8% of borrowers report that their families help them by giving them encouragement.

EFFECTS OF THE LOAN PROGRAM

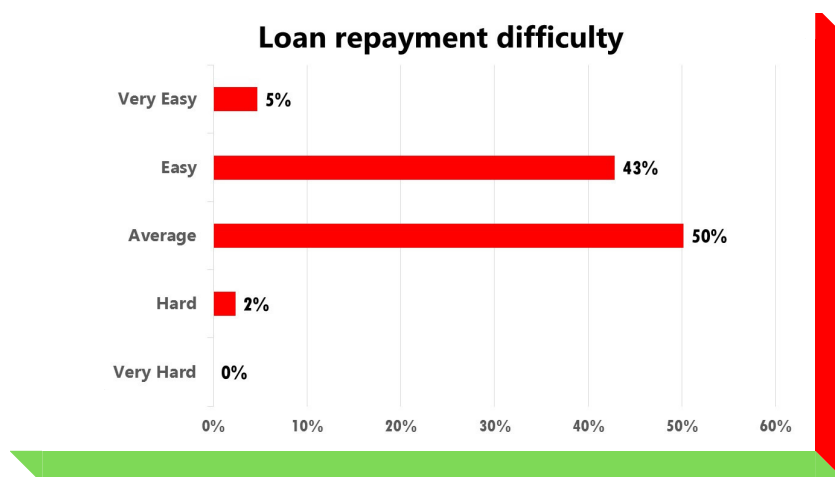
Economic Improvements



Before the loan, only 1% of the women surveyed were living in households earning more than \$70/month. The vast majority, 92%, were in households subsisting on less than \$47/month. This means that their household income was about \$1.50/day.

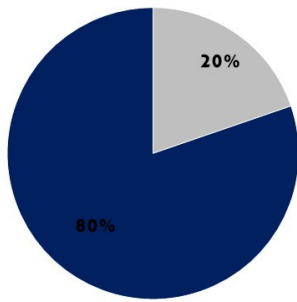
After the loan, households earning over \$70/month shot up to 96%. Before the loan none of the women lived in households earning over \$100/month but after the loan 93% of the women did. This means their household income increased by at least 100%.

Higher income brackets improved as well. After the loan, 52% of women experienced a 200% income gain and were earning over \$150/month; while 11% experienced at least a 300% income gain and are earning between \$200-600/month. At the top end, after the loan, 1% of women are living in households earning over \$1,000/month – this is an increase in household income of at least 1,000%.



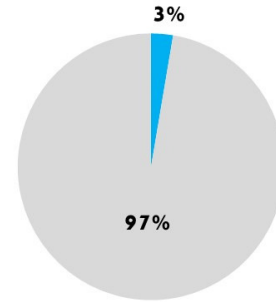
98% of borrowers in the WMI program report that they find it average or above average to repay their loans. 48% of these women find it easy or very easy to repay, while just 2% report they find it hard to repay their loan.

Women Who Pay University Fees



■ Pay university fees ■ Do not pay university fees

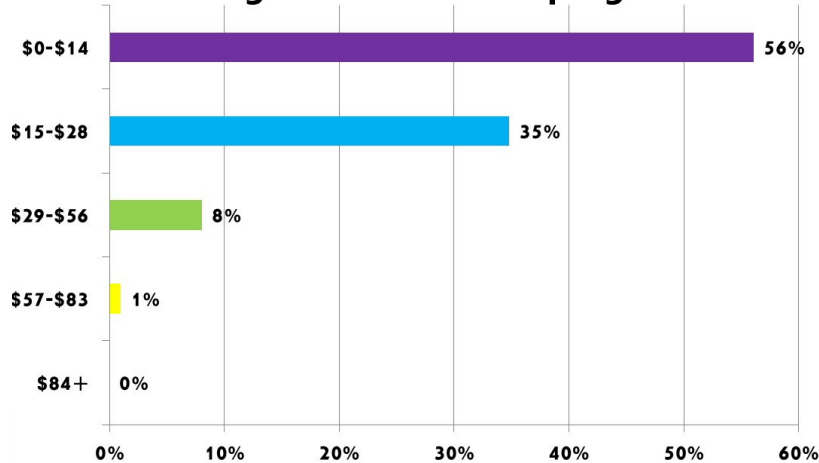
Can women pay for university without their business?



■ Can pay without ■ Cannot pay without

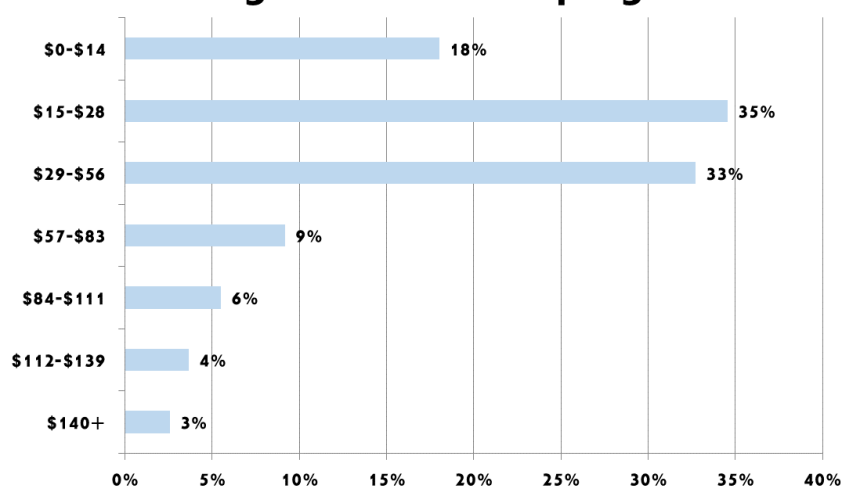
At the end of the two year program, 20% of women report that they pay university fees for either themselves or their children. 97% of these women report that the only reason they are able to afford tuition is because of their businesses funded by their WMI loans.

Savings before the loan program

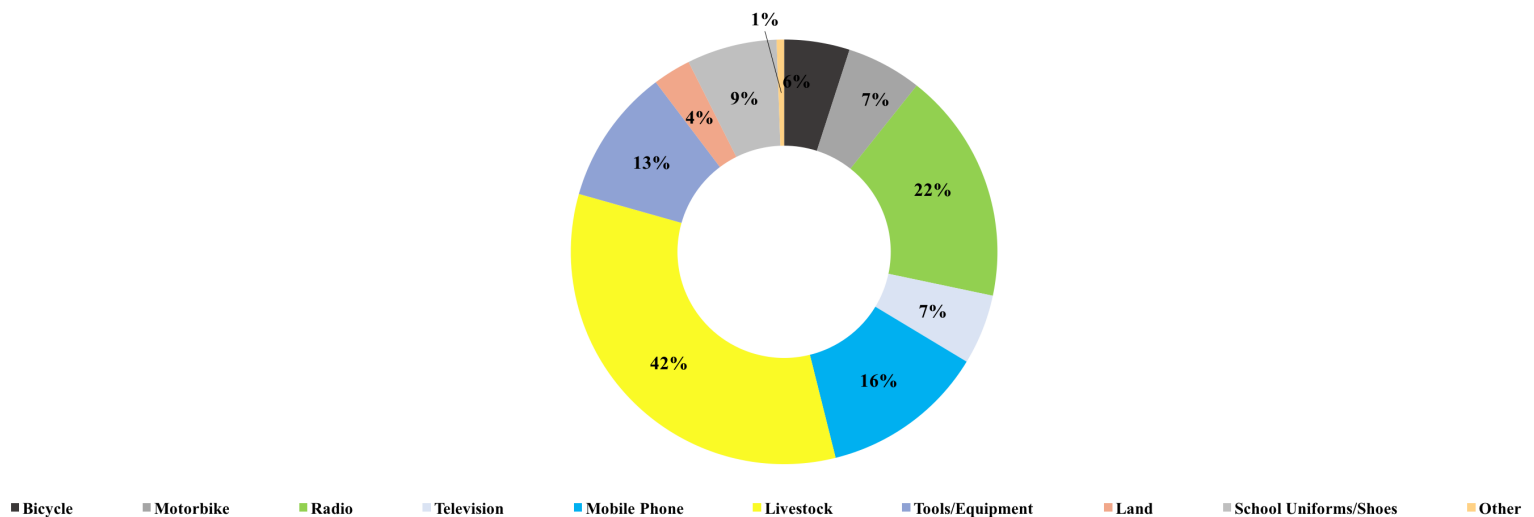


Upon entering the loan program, most women report having less than \$14 in total savings. After two years in the program, our borrowers are making enough income to save. The majority of women report a monthly savings of \$15-56. 22% of women save \$57 or more per month, while 7% report a monthly savings of more than \$112.

Savings after the loan program

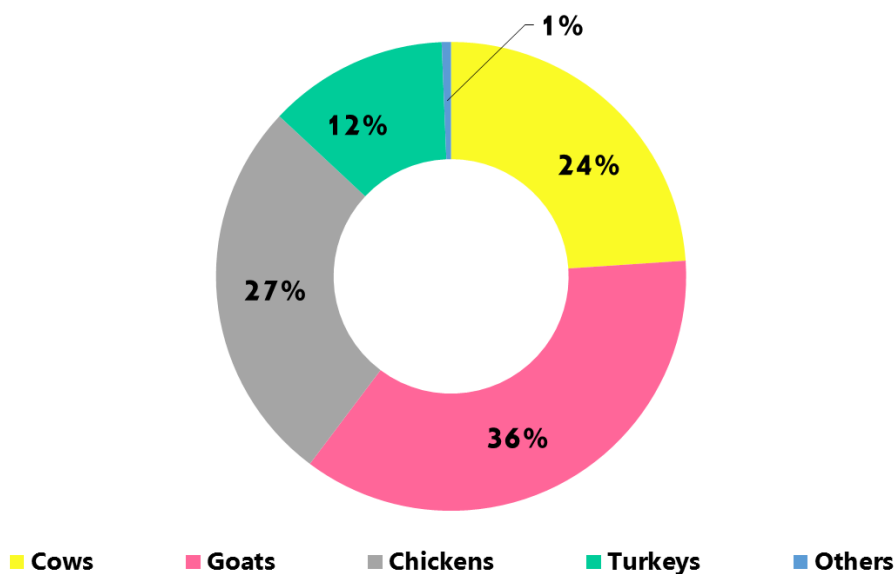


New Possessions of Borrowers



With their new, steady sources of income and savings, women in WMI's program are able to afford all sorts of possessions beyond their families' basic needs. 93% of women have purchased livestock, mobile phones, radios, and tools and equipment for bettering their homes and businesses. 34% of women are buying televisions, bicycles and motorbikes, land, new shoes and school uniforms for their children, or other products.

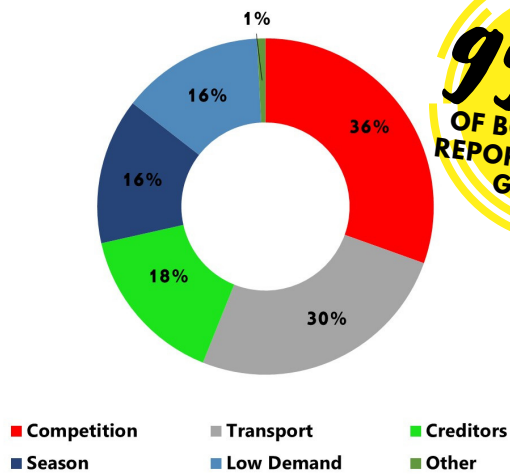
Livestock



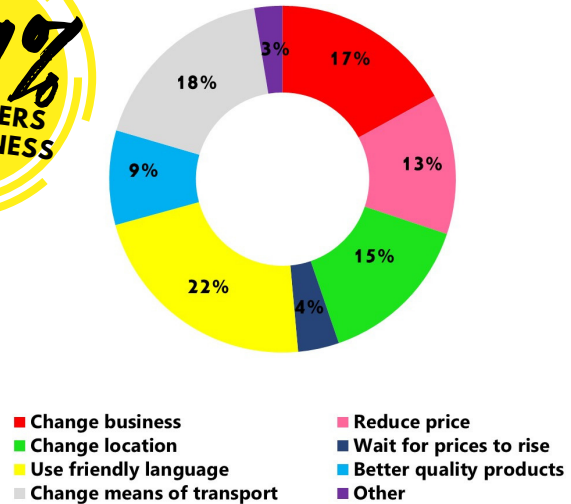
A very common investment made by our borrowers is livestock, which can create a valuable source of income and nutrition for their families. 60% of women report buying cows and goats, some of the most valuable livestock, while 27% purchase chickens, and 13% purchase turkeys or other animals, such as pigs and sheep. This livestock also acts as a hedge against inflation and is a form of non-monetary savings.

Skills and Business Improvements

Business Challenges

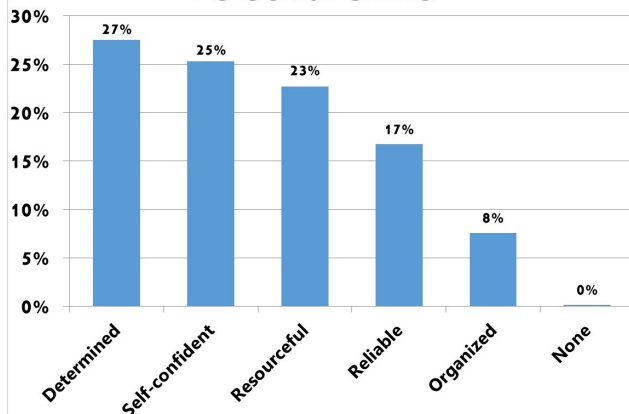


Plans to Solve Business Challenges

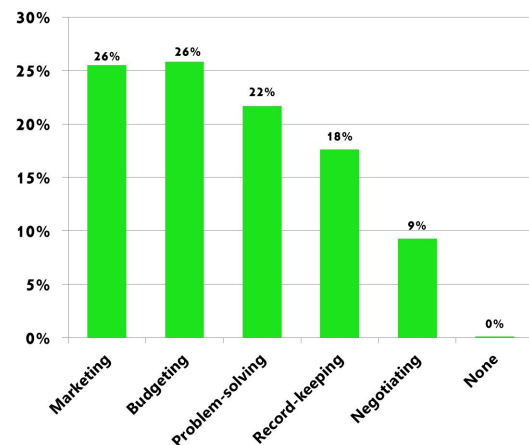


Many of the borrowers run into various challenges in their business operations, most commonly competition and transit. Creditors, low demand for products, and seasonal changes also affect 50% of business women. To combat these challenges, the women get creative solutions, ranging from changing businesses or prices, using friendly sales language, to switching locations and modes of transport. After 2 years in the program, 99.9% of borrowers report that they have had steady business growth.

Personal Skills



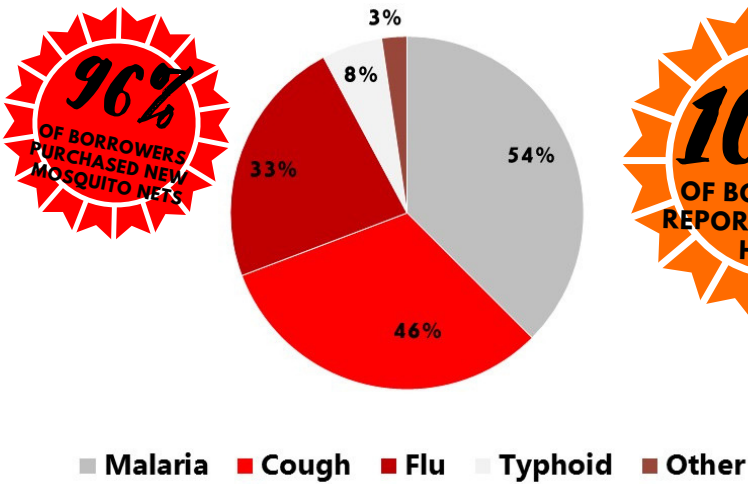
Business Skills



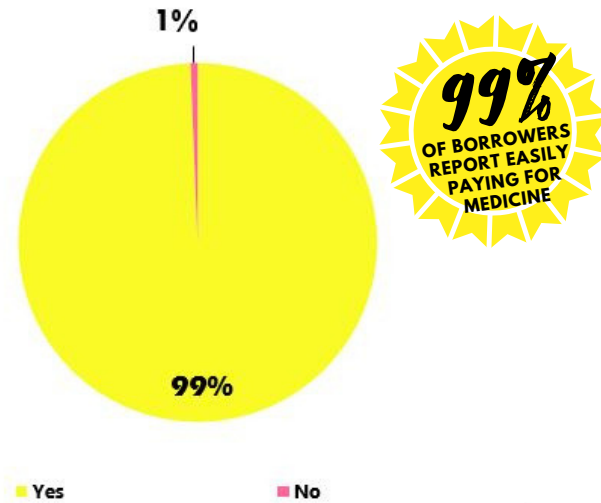
100% of the women in our program report having improvement in both personal and business skills. Most women report being more determined and self-confident, while 23% say they are more resourceful, and 25% say they're more reliable and organized. Most women also report improved marketing and budgeting skills, and 49% report improvements in problem solving, record-keeping, and negotiating.

Living Standard Improvements

Health prior to loans

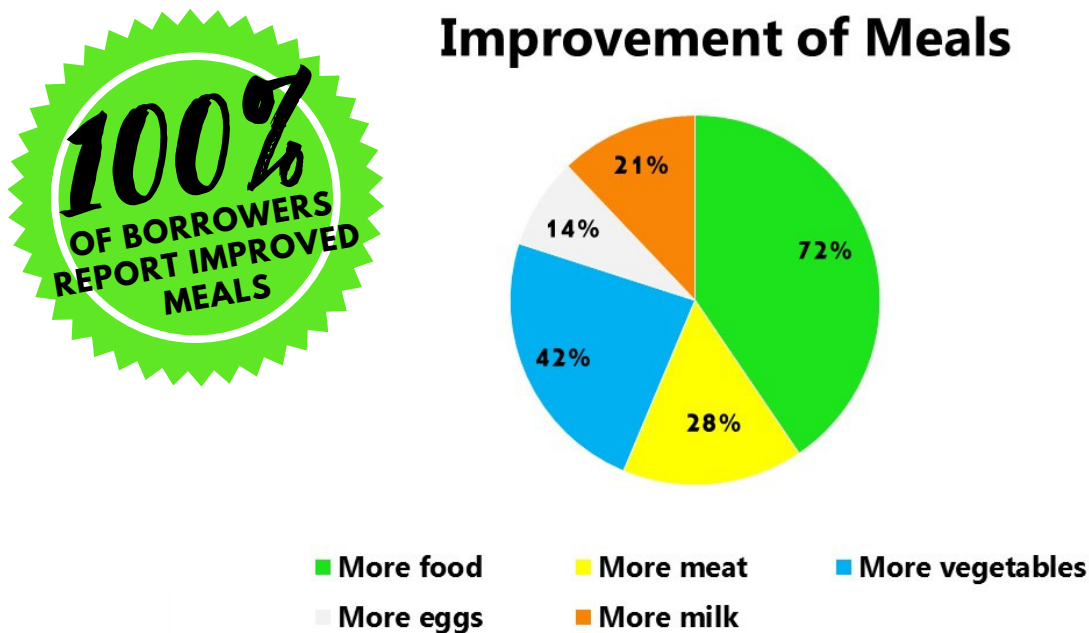


Has it been easier to pay medical fees since you received your loan?



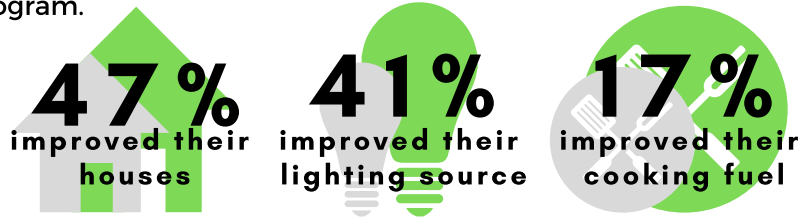
Upon entering the program, our borrowers fill out information on their health and the health of their families. More than half of our borrowers have dealt with malaria within the past 6 months, while 79% report having coughs and flu, and 11% report having typhoid or other illnesses. However, after entering the loan program, 100% of borrowers report improvements in health. This can be attributed to the fact that 99% of borrowers report improved ability to pay for healthcare, and 96% of borrowers report purchasing more mosquito nets.

Improvement of Meals



100% of borrowers report improvements in their meals after two years in the program. 72% of women report being able to afford more food for their families. 42% report having more vegetables, while 49% report having more meat and dairy products, and 14% of borrowers report being able to eat more eggs.

Along with health and nutrition improvements, our borrowers are able to use their loans and the income from their businesses to improve their quality of life in various ways. Throughout the two years of the program, 47% of borrowers report improving their houses in some way, while 41% of borrowers report that they have improved their lighting source, with a large number switching to solar and electric lighting in their homes. Lastly, 17% of our borrowers say the type and quality of the cooking fuel they use has improved during the program.



Overall Changes

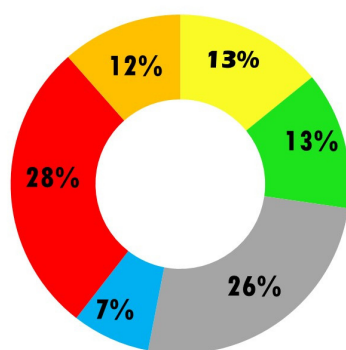
The changes seen in the families of WMI's borrowers don't just stay isolated in the home. The empowerment of women through the loan program has also caused a ripple effect of positive changes within their communities. During their follow up and final interviews, our borrowers report on what have seen as the biggest improvement in their villages, with 35% saying that women are more empowered and busy in business, 17% pointing out women's strong work ethic, and 14% saying that women have more skills and solve problems. 13% report that overall improvements in wealth, living standards, and infrastructure in their hometown are most significant, 10% of women report that there is more cooperation between men and women in the community, while 10% report that the biggest improvement is that more children in the community are able to attend school, and 7% mention a decrease in crime and domestic violence.

Most Significant Change in the Community



Are you happier since receiving your loan?

Yes because....



100% of women who participate in the WMI program report that they are happier since receiving their loan. 38% of borrowers say they are happier because their loans and business allow them to meet their needs and the needs of their families, and give them a better quality of life. 28% of women say they are happier because the program has made them more self-reliant. 26% of borrowers report they are happier because their businesses are growing, and they are able to pay fees and solve financial problems. 7% of WMI borrowers report that they are happier because the women and their families are now healthier.

- Major problems / fees can be solved
- Business is boosted / growing
- Woman can meet hers and her family's needs
- Woman / family is healthier
- Woman is self-reliant
- Better quality of life for her family

COMMUNITY ENGAGEMENT

In addition to running the loan program, WMI also reinvests the income from the loan program to engage and support the local communities in which our borrowers live. Below, we have highlighted some of the community engagement projects implemented by our Ugandan headquarters in Buyobo, Uganda in partnership with the Buyobo Women's Association.

BOYS AND GIRLS GROUP

Boys and Girls Group is a program for youth ages 11-14 in Buyobo led by our facilitators, Sam and Teacher Susan. Girls and Boys group holds weekly sessions discussing topics such as sexual health and hygiene, as well as creative expression and business skills. Boys and girls group also holds contests in entrepreneurship and design. Through these contests some of the youth in our program have gone on to create successful businesses and sell their designs to fund their education. To date, more than 400 youth have benefited from the program.



SCHOOL LUNCH PROGRAM

In Ugandan primary schools, students are not provided with meals during the long school day, causing many children to go hungry and become distracted from learning. Noticing this phenomenon at Buyobo Primary School, WMI pledged to invest \$1,500 per year into a program in partnership with the school district to provide lunch to the P6 and P7 students during the day, so that they are better able to perform on their critical exams for secondary school placement. With the school lunch program in place, students no longer have to worry about a meal, but are now more able to focus on their schoolwork and achieve academic success.



KEEP BUYOBO CLEAN

Keep Buyobo Clean is a sanitation initiative which situates large trash receptacles throughout the village in order to promote and manage proper disposal of waste. The Keep Buyobo Clean program has also been implemented in other surrounding villages, including Buweli and Budadiri, and has seen much success in curbing littering and unsanitary conditions in these villages. The bin collection and placement is entirely managed by local residents, making the program easily sustainable and manageable in the villages.



VILLAGE HEALTH TEAM

The Village Health Team (VHT) is an organization supported by WMI which aims to improve the health and sanitation conditions in rural communities around Buyobo. The VHT conducts monthly home visits to families around the community to promote hygiene, sanitation, and to provide screenings and preventative care to keep the community healthy. Today, the Village Health Team is comprised of 84 local volunteers who serve 71 different villages.



ORPHAN OUTREACH PROGRAM



The Orphan Outreach Program is a new initiative which was launched this June by Lilia Smyth and Cerina Corrigan, WMI's 2018 interns. The Orphan Outreach Program's mission is to provide resources to orphaned children in Buyobo and the surrounding communities. In Uganda, children who have lost at least one parent are considered orphans. Most of these children live with relatives or other adults in the community, however they often face issues of mistreatment, neglect, and hunger. WMI launched the Orphan Outreach Program which provides a safe, afterschool haven, with access to adult counselors, academic assistance, and school supplies. Today, 32 children come to Buyobo each week to participate in the program.

NURSERY SCHOOL PROGRAM



This past year, WMI and BWA established a partnership with the Buyobo Nursery School, to support the English language-learning of the young students. As nearly all secondary schools in Uganda are taught in English, it is important to support English-language learning to open up educational opportunities for the future. Each week during the summer months, WMI's interns, who are typically native English speakers, meet with Teacher Mary of Buyobo Nursery School to share English songs and games, and then put them in practice in a lesson with the children.

TEA AND BUNS FOR TEACHERS



As is also the case with Uganda's students, teachers are not provided with food during the long school day. To help teachers avoid burn-out and to support their important work as educators, WMI funds a program to provide tea and buns for teachers, so that all teachers can have access to a daily, free breakfast to help them prepare for their important and difficult job. Tea and Buns for Teachers also provides an opportunity for relaxation and social time for the teachers, which can be a much needed reprieve. For the past 8 years, WMI has provided Tea and Buns for Teachers in the Buyobo community

STAFF SUPPORT FUND



The staff support fund provides financial assistance to the WMI staff members at our main office in Buyobo to cover medical expenses and treatment. The fund is available to support BWA and WMI staff who are unable to work due to temporary illness or injury, as well financing ongoing medical treatment for chronic illness management. Each year, the fund helps multiple staff members with managing their health and wellness.

CONCLUSION

After 10 years of providing loans to rural women throughout East Africa, WMI has invested more than \$5,000,000 and served over 16,000 women, making a significant financial and social impact in rural Uganda and beyond. Conservatively, each loan impacts at least 10 people, including family members, business suppliers and customers, meaning that WMI has impacted well over 160,000 rural villagers in East Africa. Through the work of this program, rural women have been empowered to step into their potential as business owners, heads of households, and community leaders. This has opened up opportunities for a better future for our borrowers, their families, and their communities. It is an initiative we look forward to supporting for years to come.

For more information or to get involved, contact us:

EMAIL ADDRESS

wmicontact@gmail.com

PHONE NUMBER

(301)-520-0865

POSTAL ADDRESS

Robyn Nietert
WMI President
P. O. Box 485
Cabin John, MD 20818 USA

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