

# Factbook August 2011: Borrower Profile Data

Bulambuli Widow's Association (BWA)  
Buyobo, Uganda



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

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# Background on WMI

- ❖ WMI is a U.S. based, non-profit organization that provides micro-credit to women in rural East Africa.
- ❖ Women use the loans to start and expand small businesses.
- ❖ WMI provides borrowers with training in financial literacy, business management, record keeping and financial planning.
- ❖ 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.
- ❖ After 24 months in the WMI loan program, borrowers transition to a loan issued by Post Bank Uganda (PBU) which is guaranteed by WMI.
- ❖ 12 months later successful PBU borrowers graduate to independent banking.
- ❖ By the end of 2011, WMI will have funded or guaranteed over 3,500 loans in 8 rural hubs across Uganda and Kenya. WMI has a 100% repayment rate.
- ❖ 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

- ❖ Olive Wolimbwa, WMI's Local Director in Buyobo, Uganda, supervises overall loan issuance and data collection for all WMI loan programs, assisted by WMI's Assistant Local Director, Jackline Namonye.
- ❖ Using a loan application and baseline survey, WMI collects borrower data whenever a new loan is issued.
- ❖ WMI administers a borrower survey every 6 months, concurrent with follow-up loan applications.
- ❖ Local village women who are proficient in English administer the surveys.
- ❖ U.S. based staff analyze the data.
- ❖ The data presented in this fact book were collected from July 2010 to January 2011 from 140 borrowers.\*



\*Not all respondents answered all questions on the forms and applications.

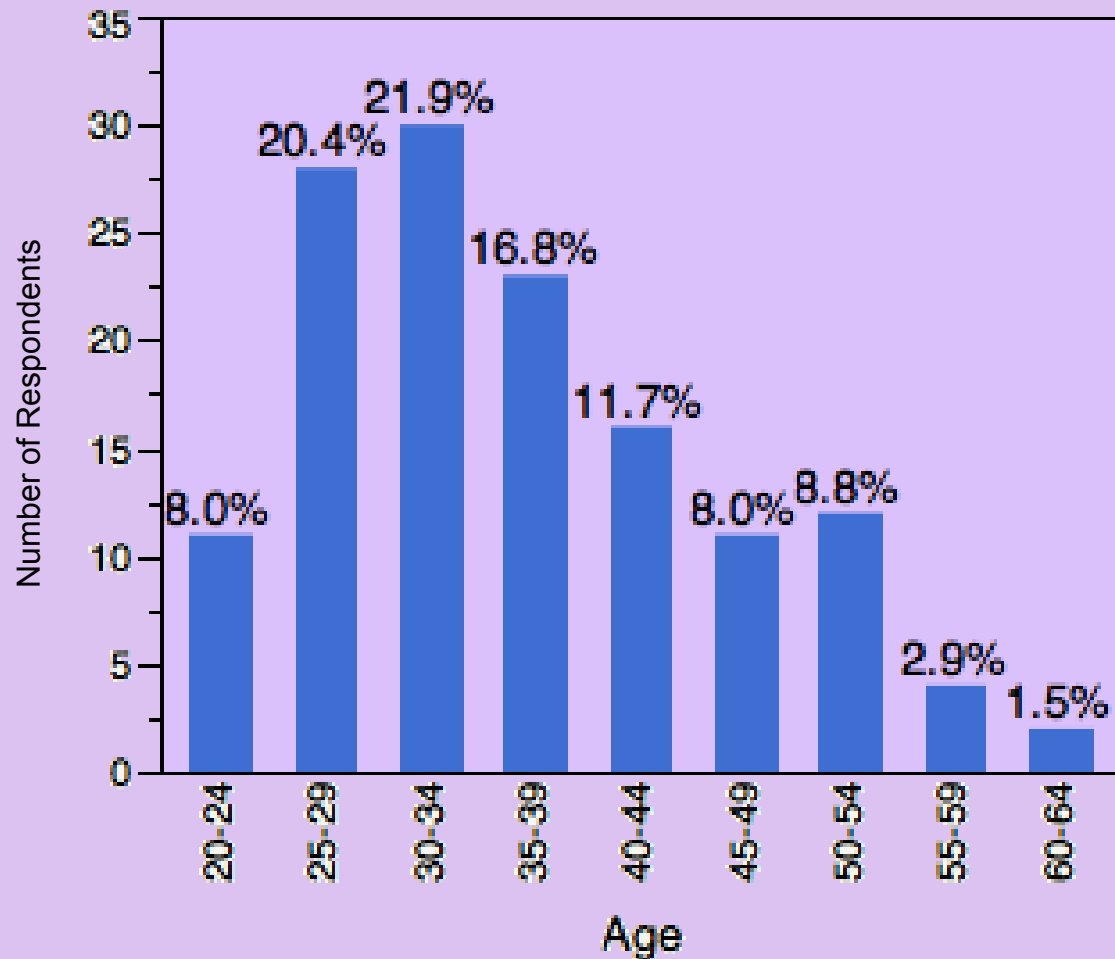
# I. Demographics

1. Age Distribution
2. Marital Status
3. Husband in Household
4. Number of People in Household
5. Number of Children in Household
6. Other Children in Household
7. Summary

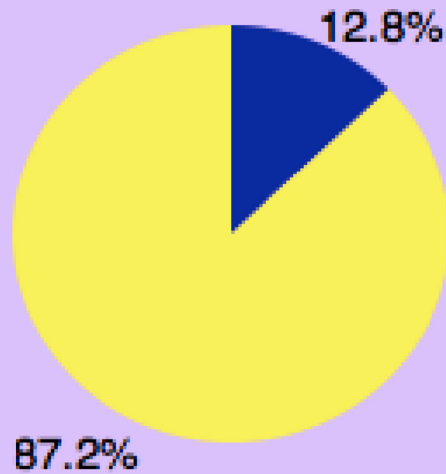




Nearly 60% of the borrowers are between the ages of 25 and 40.



# Over 85% of borrowers are married.



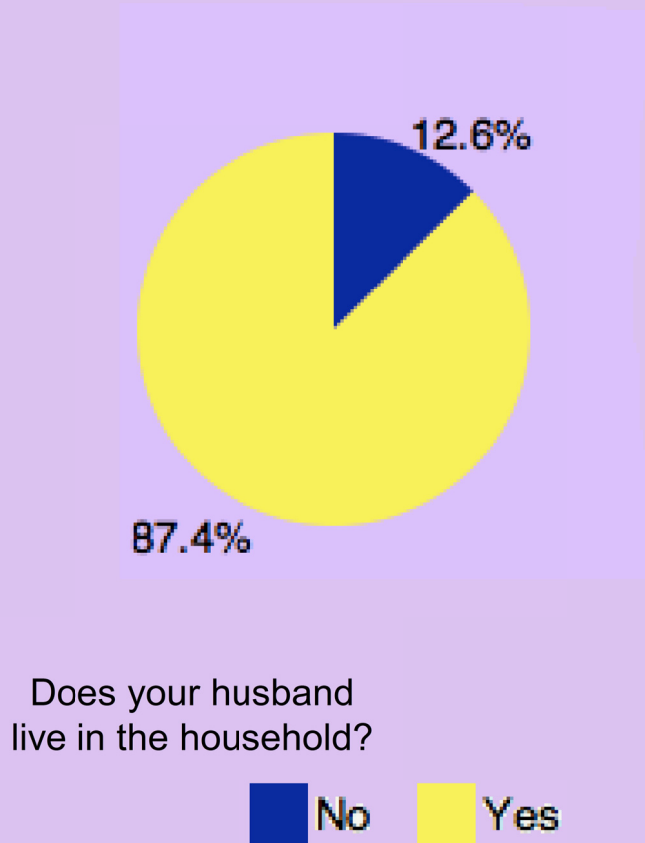
Are you married?

No  Yes

- Family support is critical to business success. Borrowers' families frequently help with the workload of running a business.
- Many of the unmarried borrowers are widows.



# Over 85% of the borrowers' husbands live in the household.

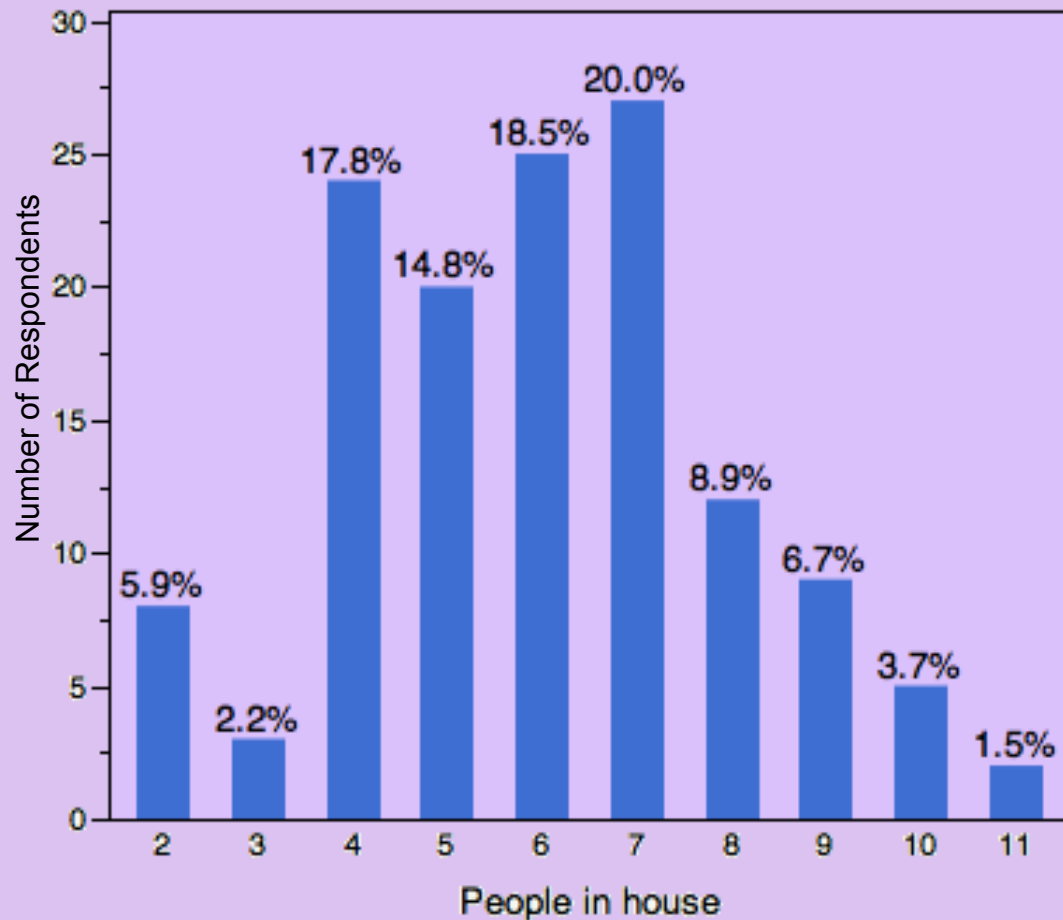


- Husbands are able to provide support by helping with the business and with the household chores.

- 94% of borrowers responded that their husbands contribute money to the household.

- Some husbands who do not live in the household work in the city and they still contribute to the household.

# Nearly 60% of borrowers have six or more people in the household.

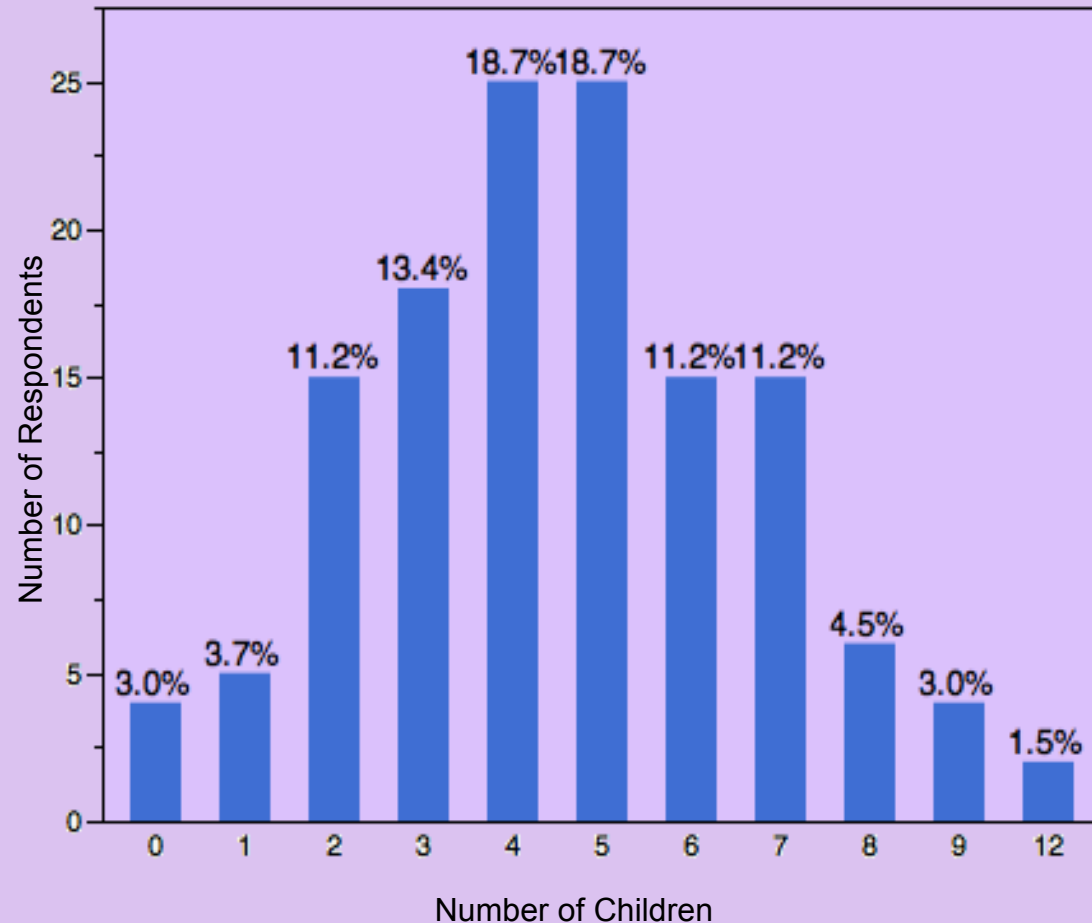


- The majority of households have no more than three rooms.

- In typical households, the mother cares for members using whatever money her husband gives her; she is the first person in the home to go without food or medical care if resources are insufficient.

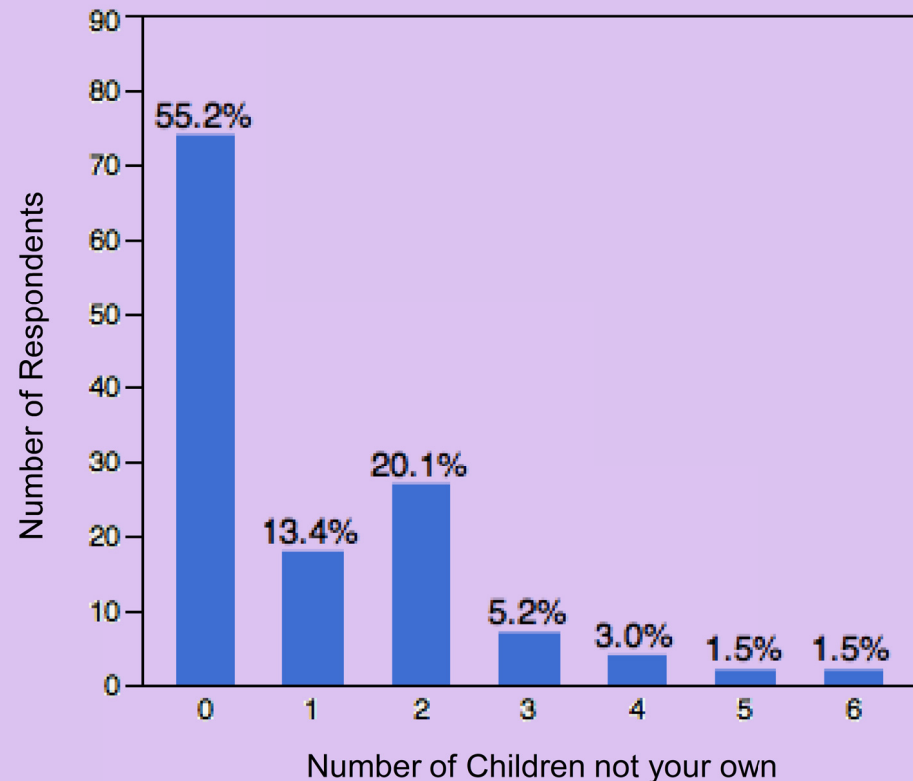
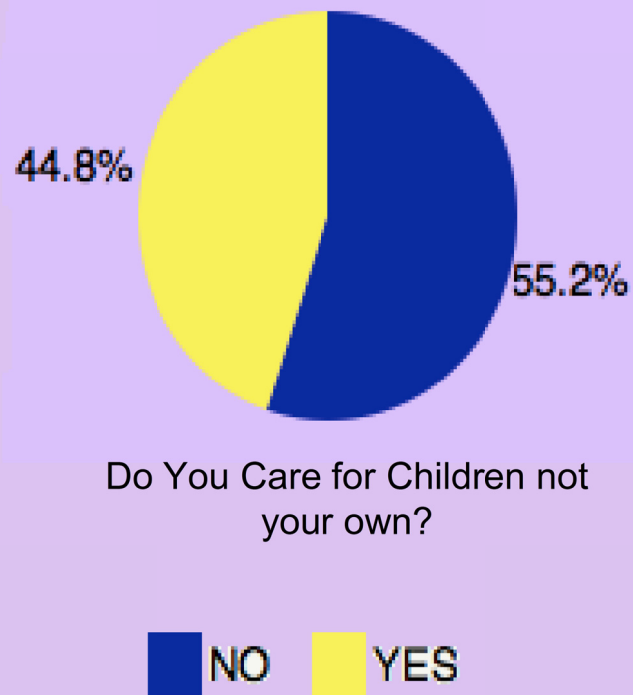


# Over two-thirds of households have 4 or more children.



- Birth rates are high in order to compensate for a traditionally high child mortality rate, which has been lowered in recent years due to advances in health care.
- High birth rates are also partly due to the infrequent use of contraceptives, which are often difficult to access or not available.
- Many families take in orphans, increasing their household size.

# Nearly 45% of borrowers care for children not their own.





# I. DEMOGRAPHICS SUMMARY

WMI works with a diverse group of mostly married borrowers, ranging in age from 20 to 64, most of whom care for 4 or more children. Microloans not only benefit the borrowers, but also their sizable families, many of which include orphans. HIV/AIDS is prevalent in the area and there are many children who have lost parents, resulting in a large orphan population. Families, including the husband and extended relatives, can be both an economic burden and a source of support for the borrowers.



# II. Standards of Living

## At Time of First Loan

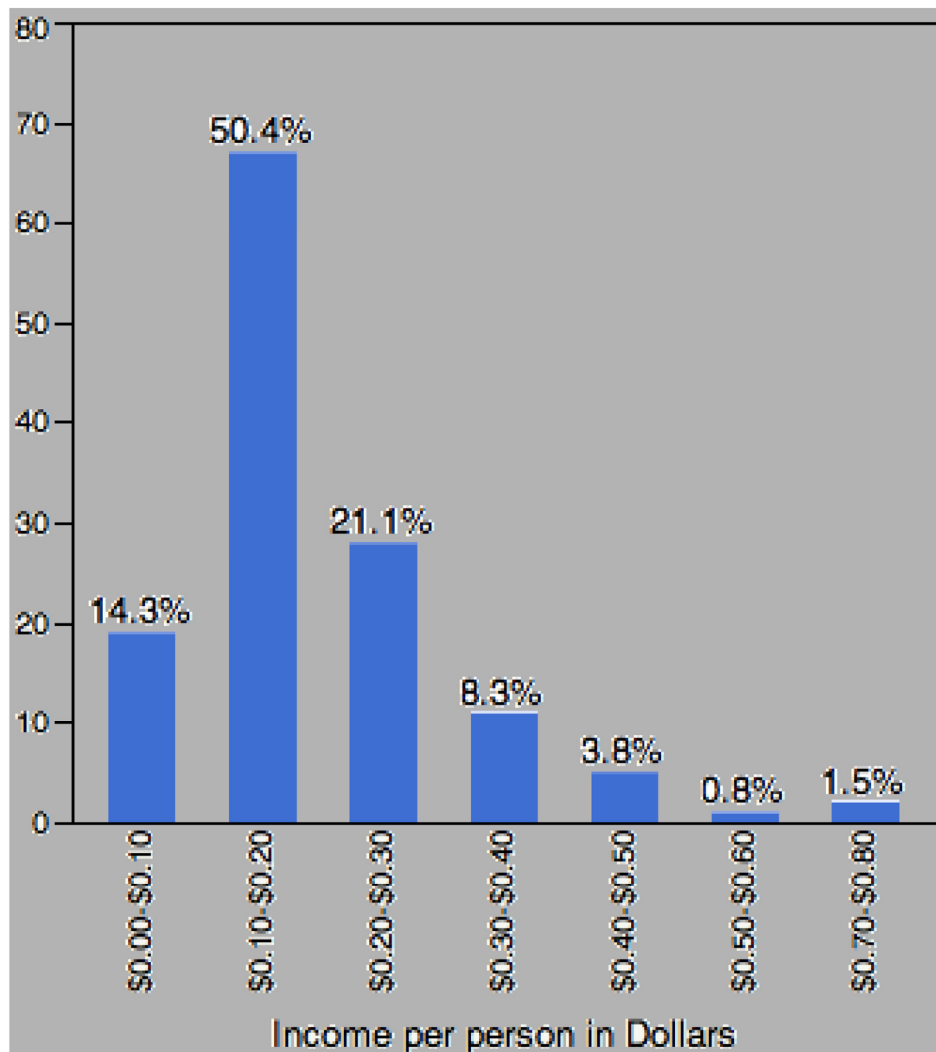
1. Daily Income
2. Savings Practices
3. Savings Amount
4. Ownership: Home
5. Rooms per Home
6. Floor Types
7. Food Eaten Most Often
8. Number of Meals per Day
9. Food Grown at Home
10. Shoes for Children

1. Ownership: Tools
2. Ownership: Farm animals
3. Ownership: Household amenities
4. Cell Phone Ownership
5. Light Source
6. Cooking Fuel
7. Water Source
8. Boil Drinking Water
9. Toilet Facility
10. Summary



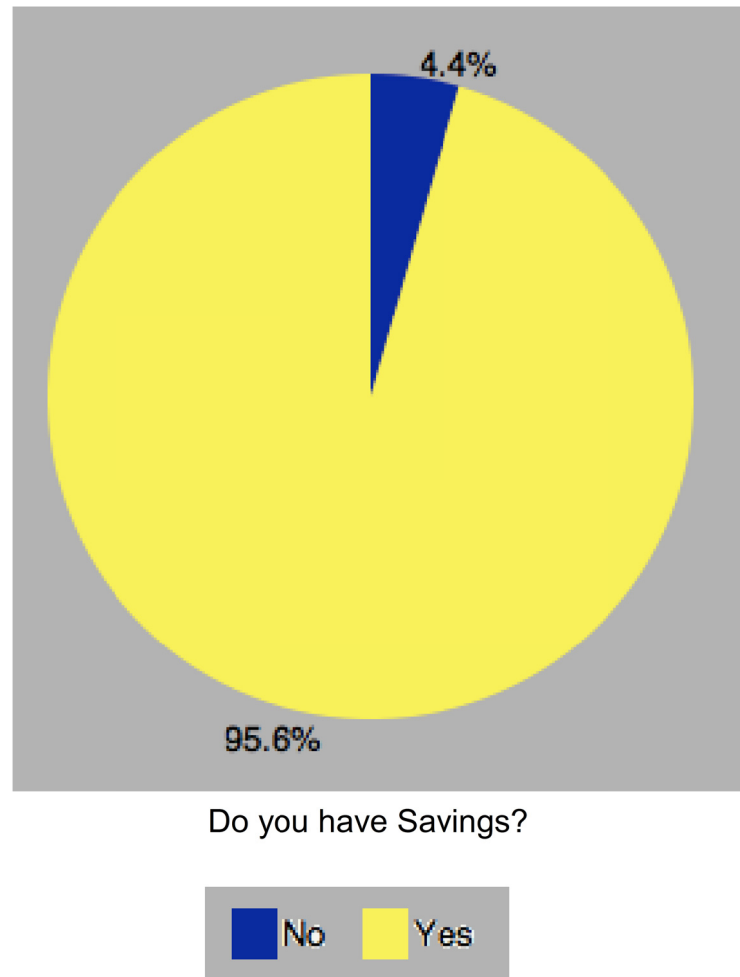


# Nearly two-thirds of borrowers live on less than 20 cents per day.



- All of the borrowers live on less than 80 cents per day.
- The World Bank defines poverty as living on less than \$2 a day, and “extreme poverty” as living on less than \$1.25 a day

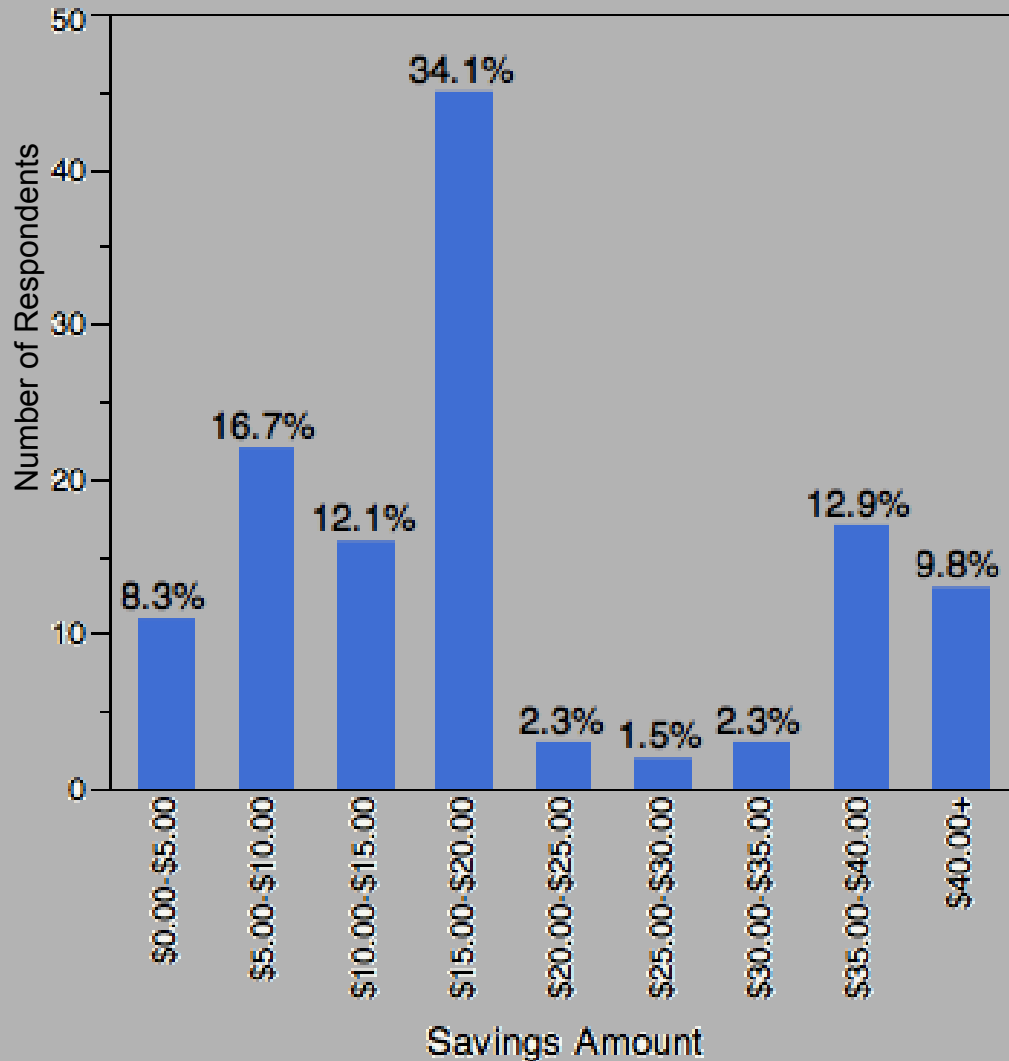
# 95% of borrowers report saving prior to their first loan.



- This strong culture of saving helps borrowers survive medical crises and other emergencies.
- The widespread habit of saving by women entering the loan program contributes to the 100% repayment rate of loans.



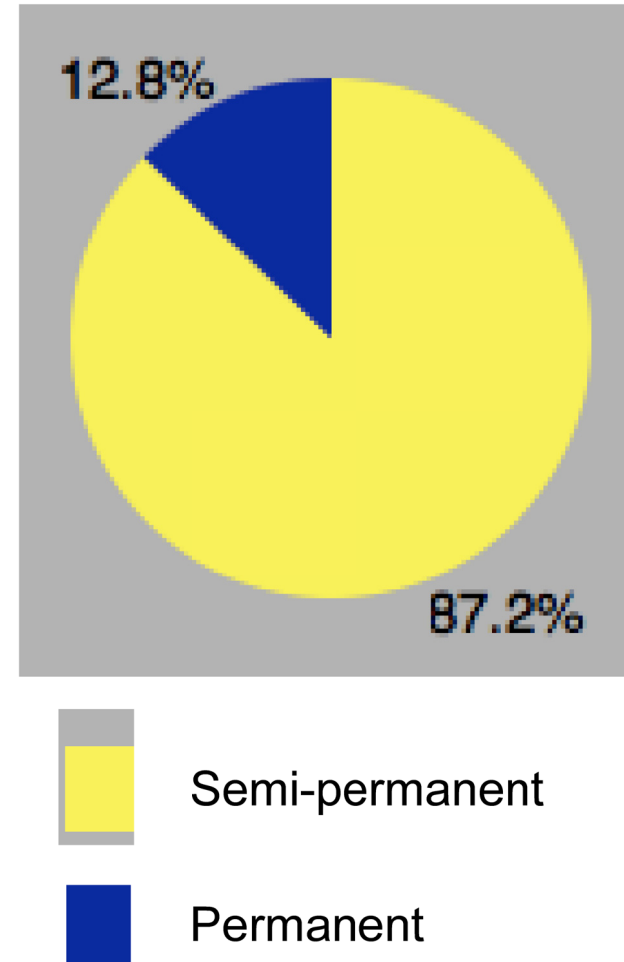
# Over 70% of borrowers saved less than \$20.00 before their initial loan.



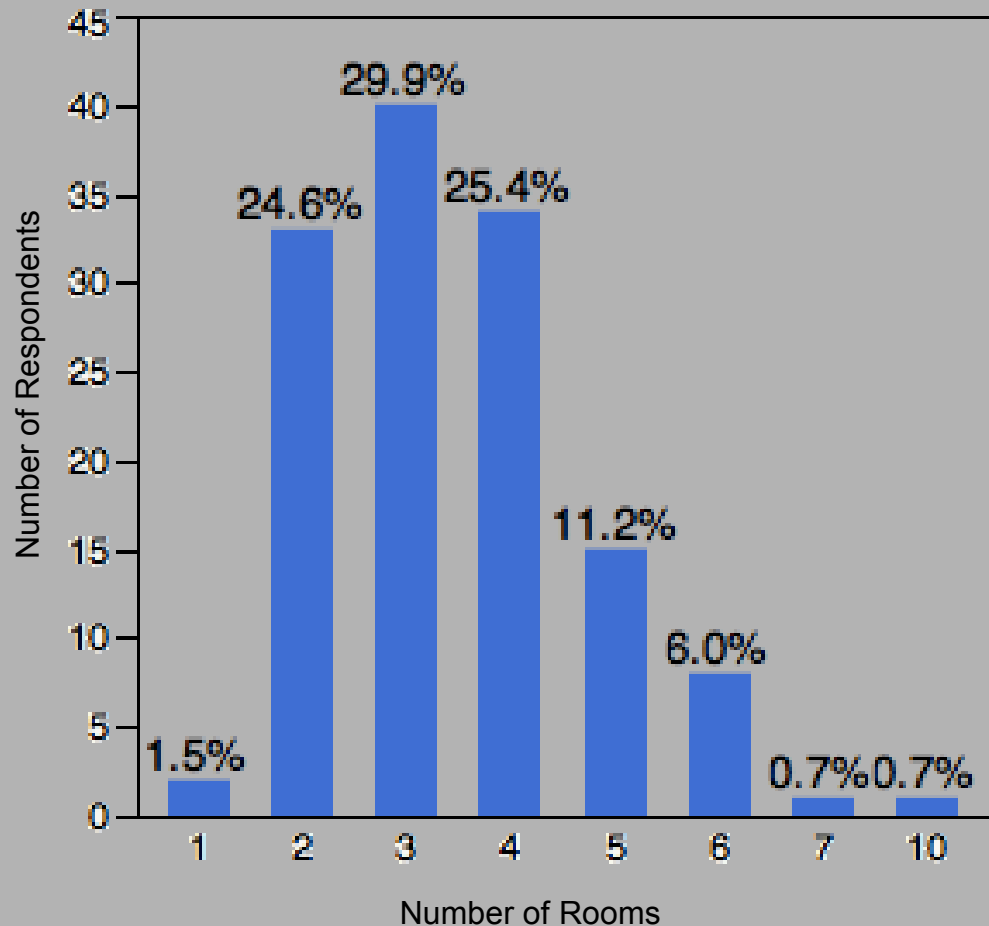
- Most families spend all of their income on daily living expenses and thus cannot very much money.

All respondents own their own home. Over 85% of homes are semi-permanent.

- A semi-permanent home is made out of mud. It has an iron or thatch roof, mud floors, and no glass in the windows.



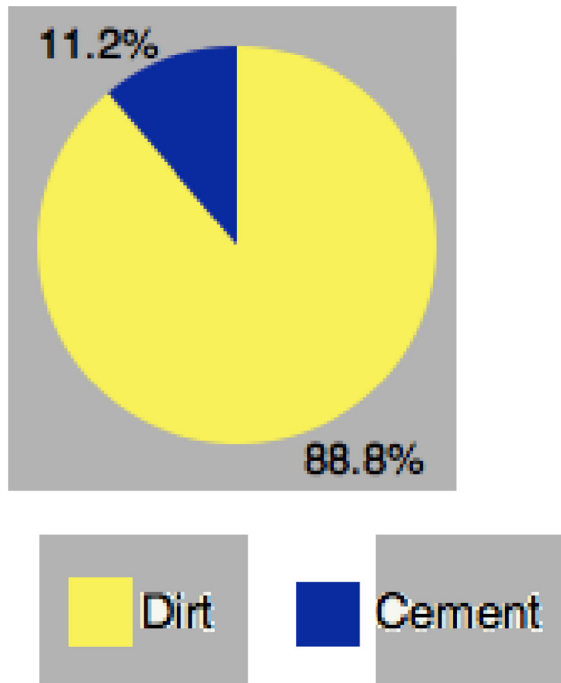
# Over 80% of borrowers have 4 or fewer rooms in their home.



- Most rooms are multipurpose, and contain very little furniture.
- The most common bed is a woven floor mat that is rolled up in the morning.
- Houses do not have hallways, since the rooms are directly connected in a linear design. There is little privacy in the homes.

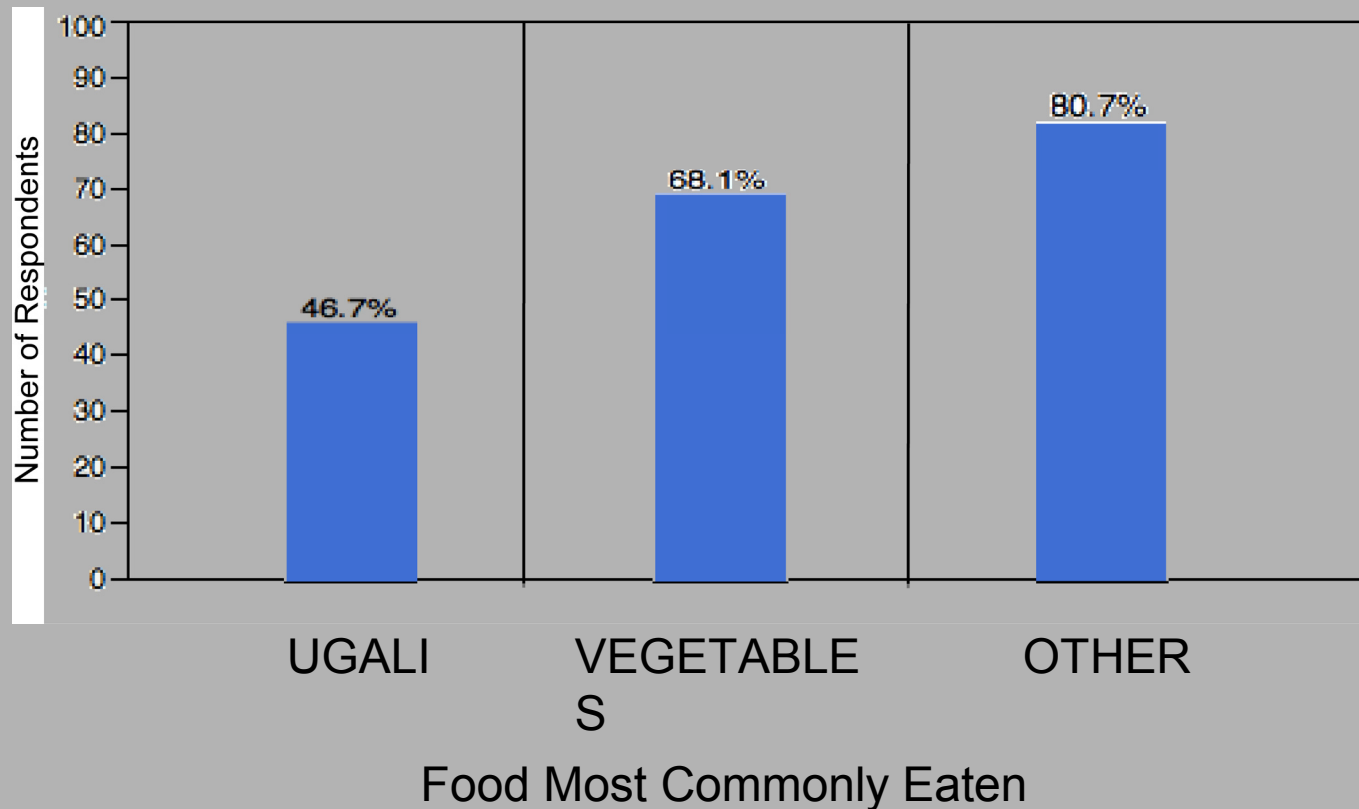


# Nearly 90% of borrowers' homes have dirt floors.



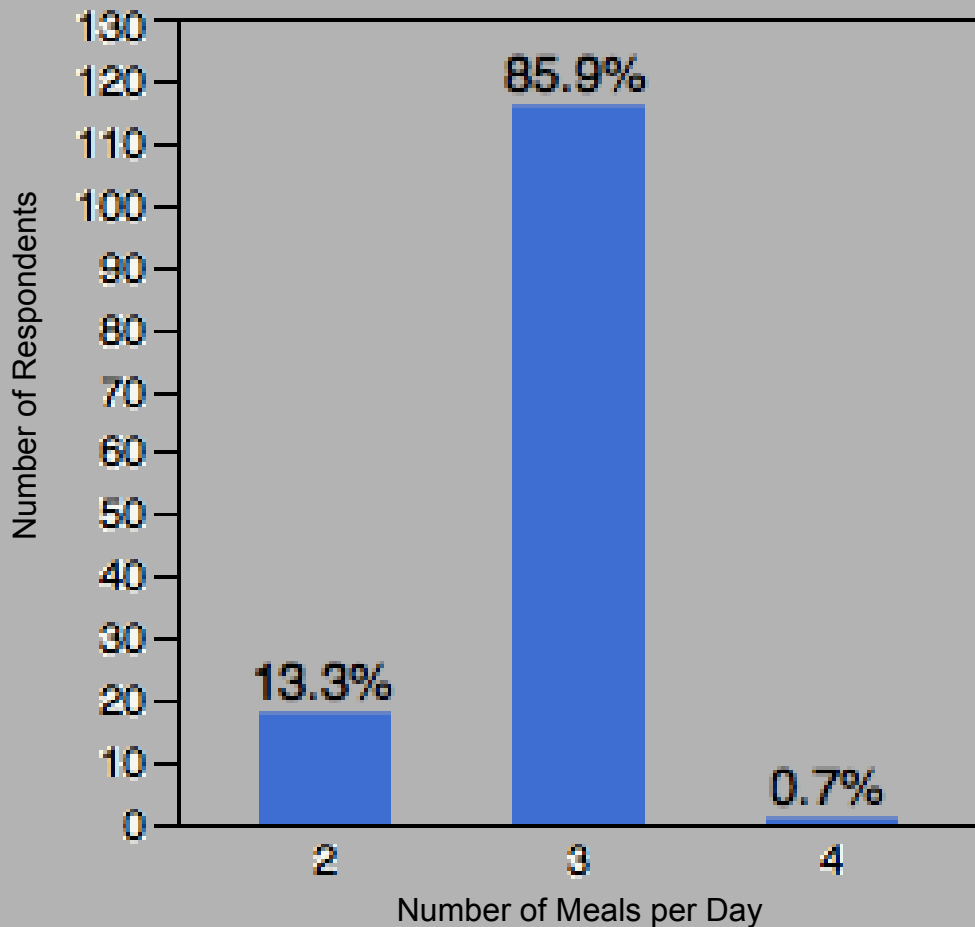
- Mud floors require constant maintenance to control the dust. They have to be re-smeared regularly with a mixture of cow dung, sand and dirt.
- Mud floors can provide home for insects, leading to health issues such as jiggers and other parasitic infections.

# Vegetables, small fish and grains are the main diet.



- The “Other” category includes maize, matooke, small silver fish and cassava.

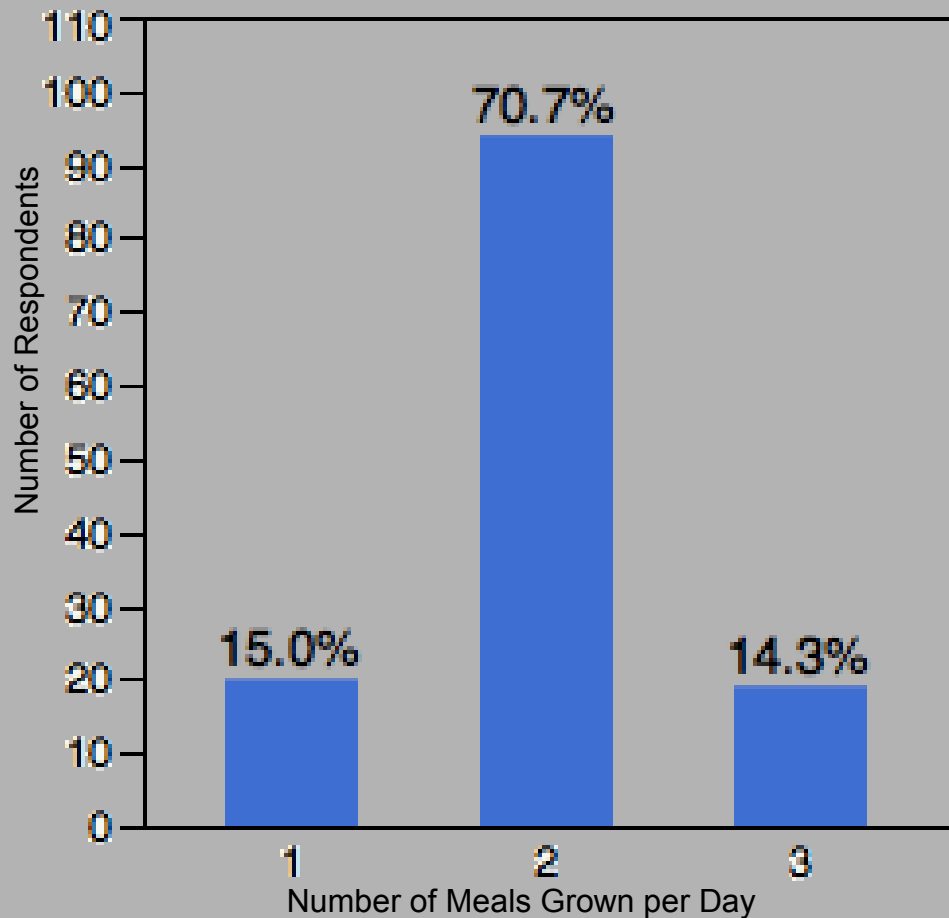
# Over 85% of borrowers eat three or more meals per day.



•While the food does not meet all nutritional needs, borrowers and their families generally have enough food to eat three regular meals per day.



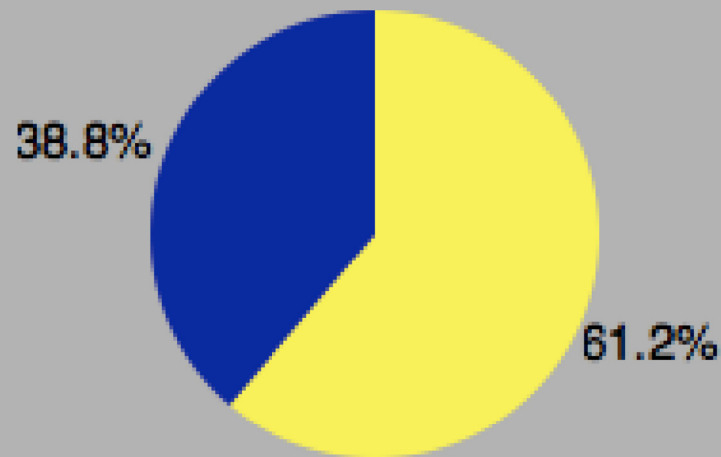
85% of borrowers eat food they grew themselves in at least two of their daily meals.



- Borrowers in this region obtain most of their food through kitchen gardens located near their houses.

- Due to the low household incomes in the region, the food each family grows is very important to the diet.

# Nearly 40% of borrowers are not able to provide shoes for all of their children.

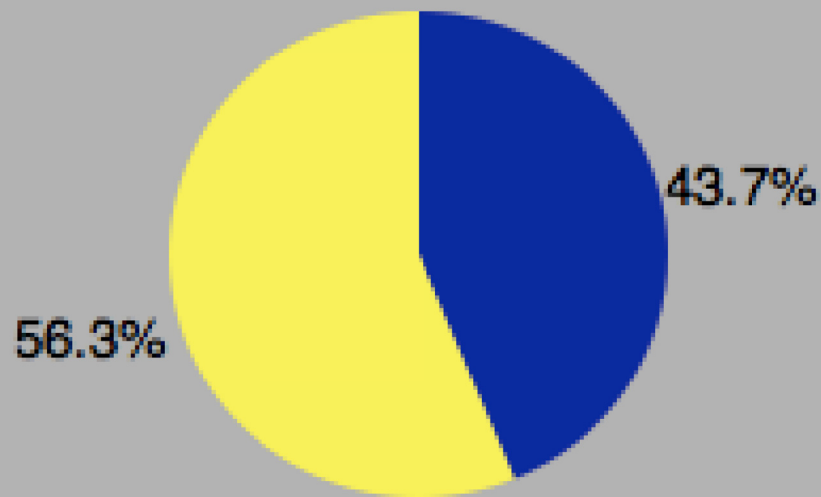


Do all the children have shoes?

YES  NO

- Shoes minimize trauma from walking on hard dirt roads.
- Additionally, they protect against infections and parasitic diseases such as jiggers, which enters through cuts in bare feet.
- Many children walk long distances to school or to do chores

# The majority of borrowers own basic farming tools at the time of their first loan.



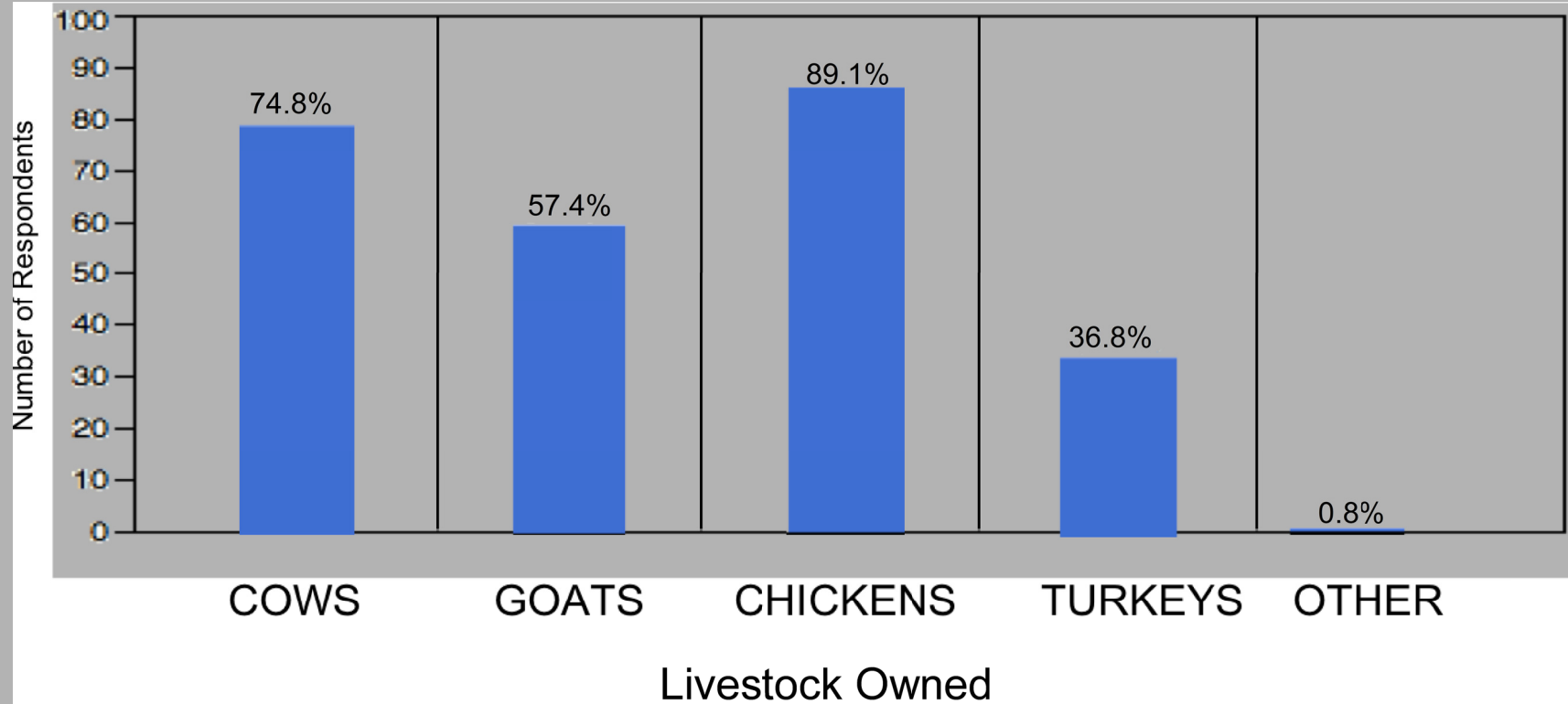
Do You Own Farming Tools?



- Common tools include hoes, axes and pangas (a tool similar to a machete).

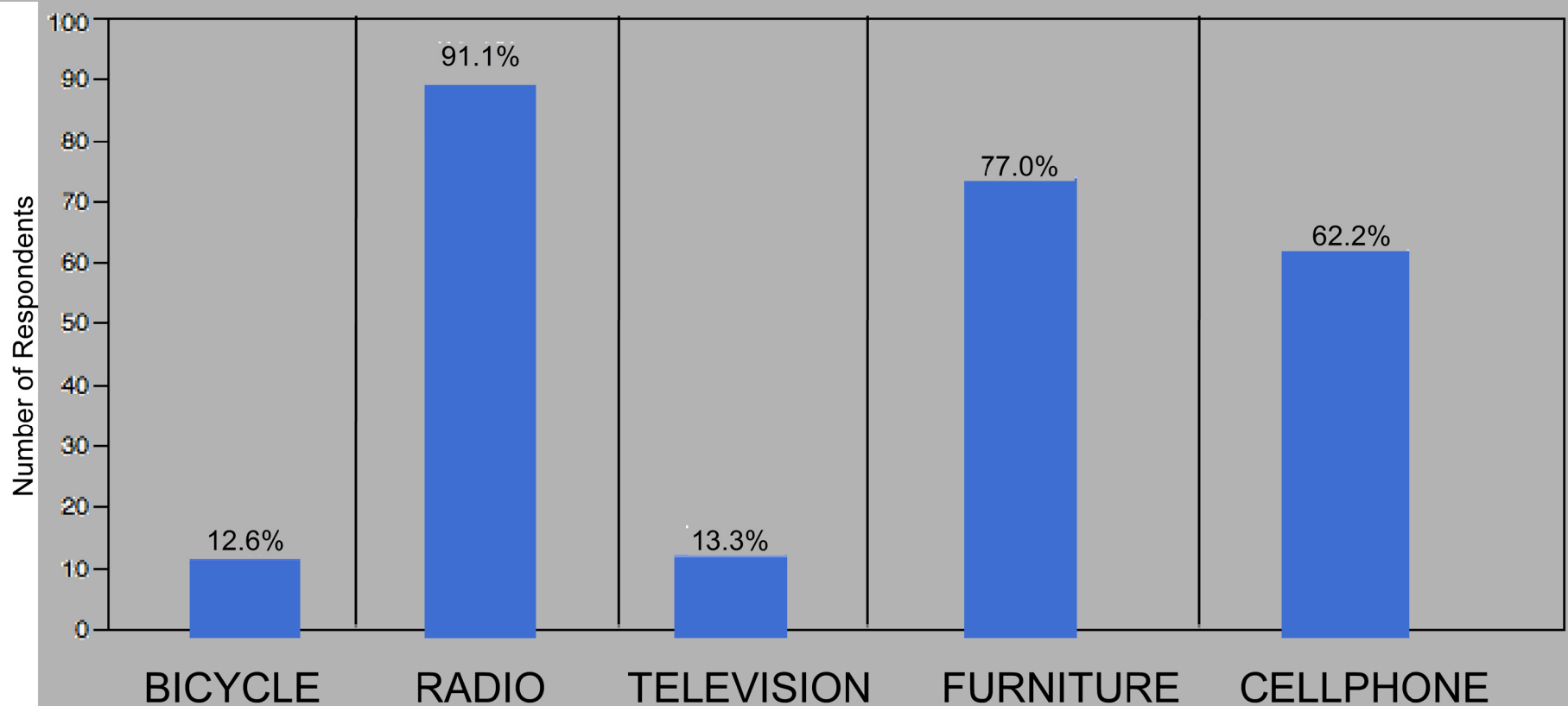
- Farming tools are important assets to poor women who obtain the majority of their family's food from kitchen gardens.

# Most borrowers own some type of livestock





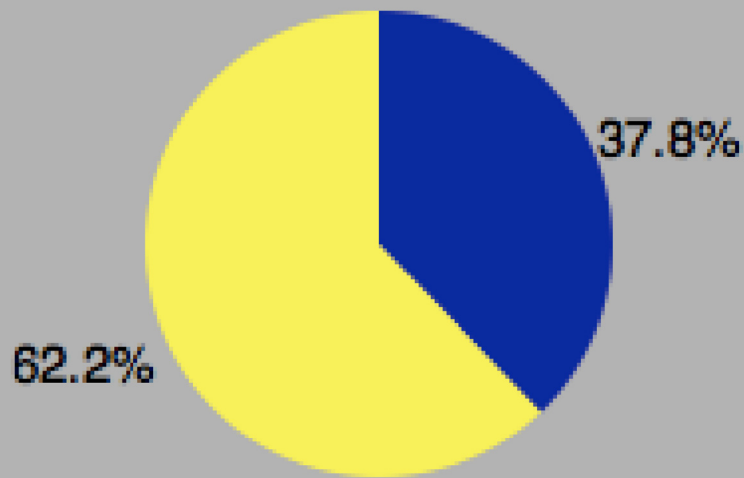
# Over 90% of borrowers own a radio.



## Household Amenities

- Radio is the main way to get news; papers are not delivered in the villages, and many people cannot read or afford a newspaper.
- Almost all furniture is locally made.
- Bicycles are a primary form of transportation in rural areas; but they are expensive to purchase and maintain so most people do not own one.
- Cell phones have become common.

# Nearly two-thirds of borrowers report owning a cellphone.



Do You Own a Cellphone?



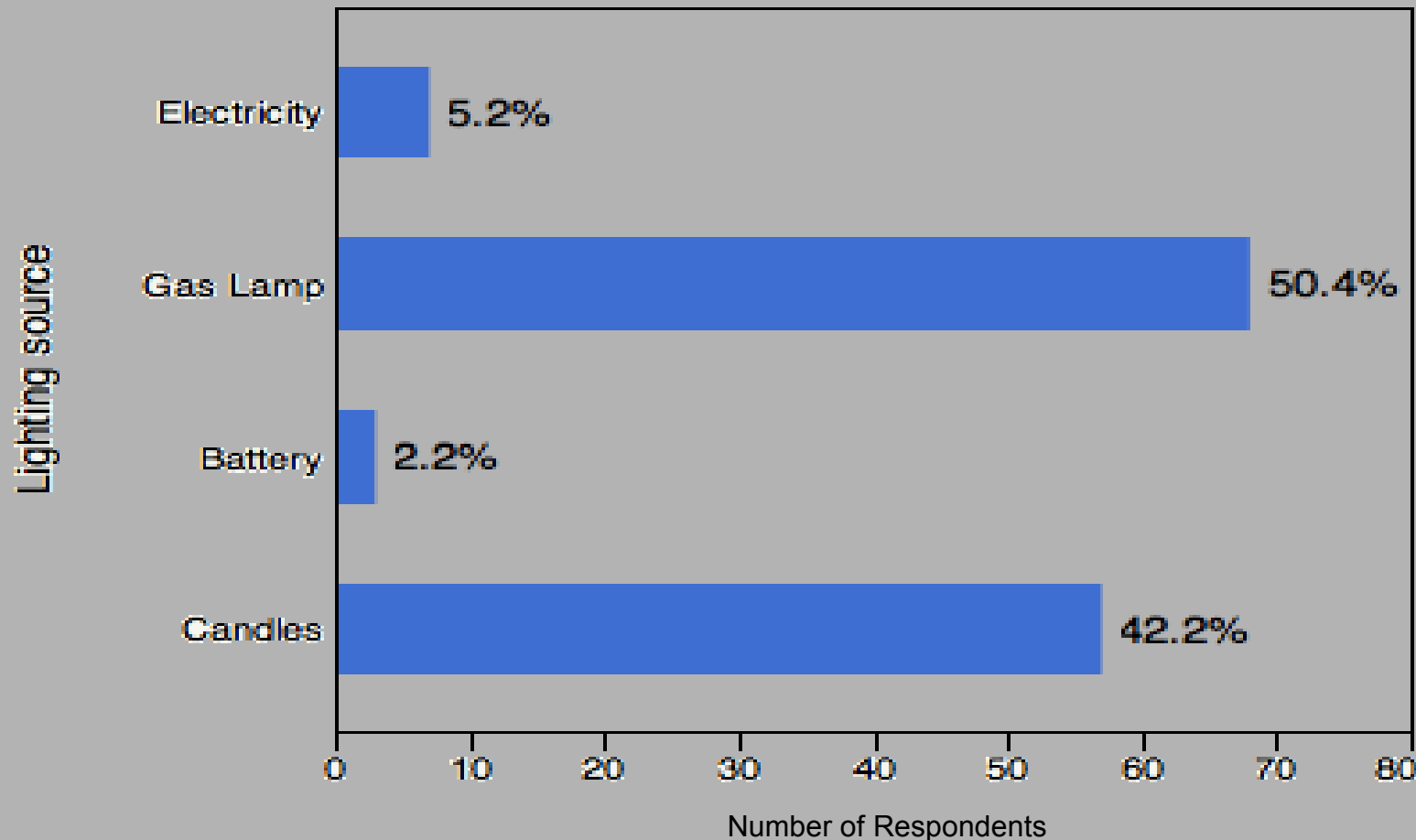
- Uganda has extensive network coverage, with reception available in most areas. Transportation is expensive and unreliable so cell phones have become an important way for people to stay in touch.

- A phone costs between USD \$30-100.

- Many people have cell phones indicating that people place a high priority on communication.

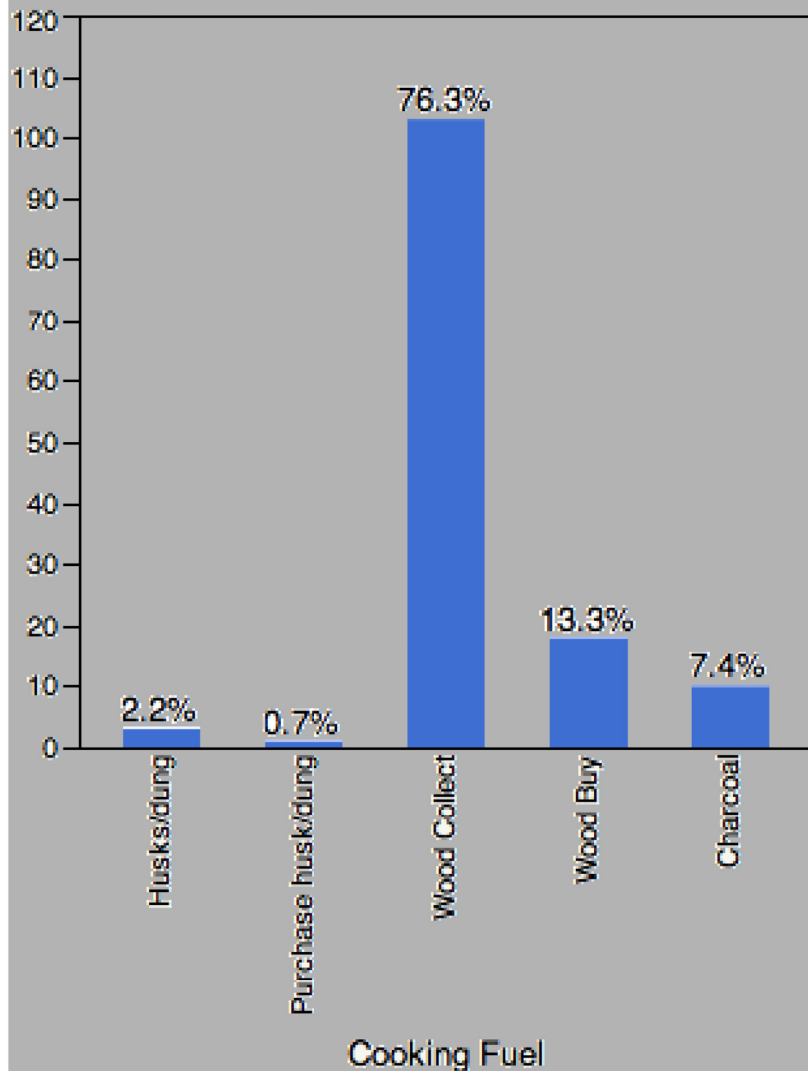
- Cell phones can be either beneficial or harmful to extremely poor populations; they allow for communication but also strain tight budgets.

# Only 5% of borrowers use electricity as their light source.



- Candles are inexpensive and inefficient, but cheap to purchase.
- Uganda's electrical grid reaches about 11% of the population. It is severely overtaxed, leading to rolling blackouts.

# Over three-fourths of borrowers collect wood as their source of cooking fuel.

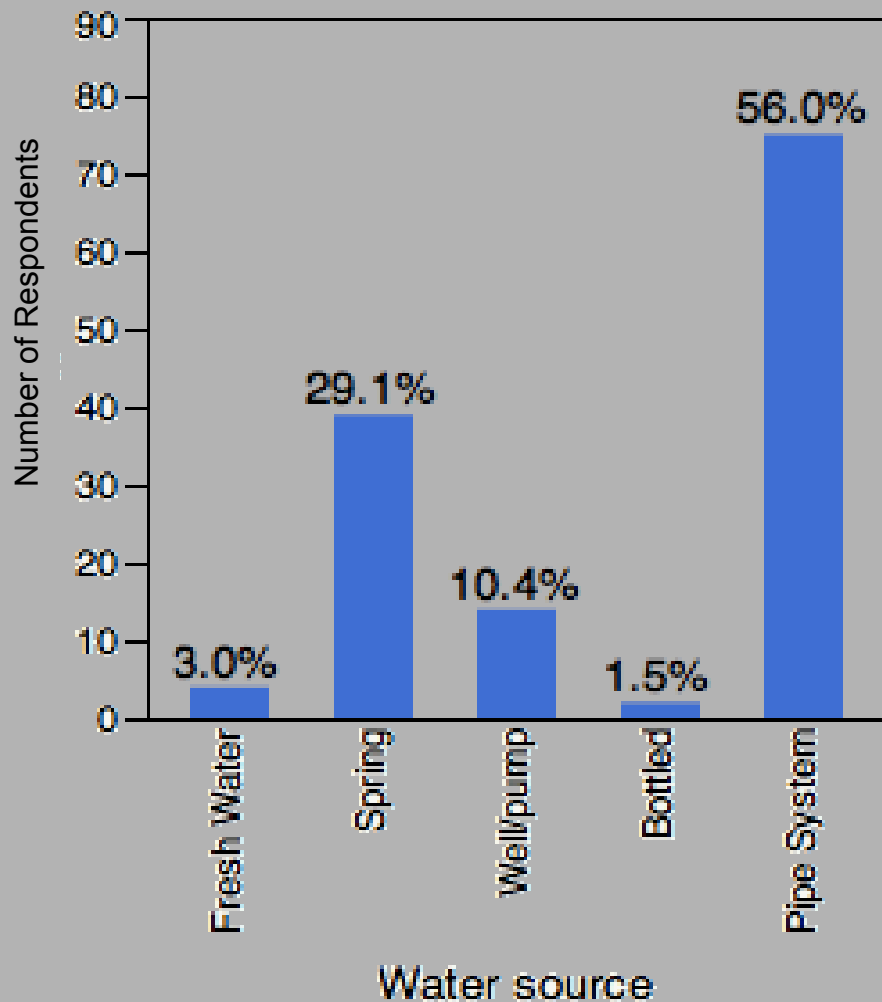


- Burning wood fuel contributes to deforestation, which is beginning to have an adverse impact on the environment. Recent mud slides in eastern Uganda that killed hundreds of people were partly attributed to deforestation.

- Most women cook with wood in open-fire pits, leading to an inefficient use of the wood. It also causes respiratory problems due to constant smoke inhalation.

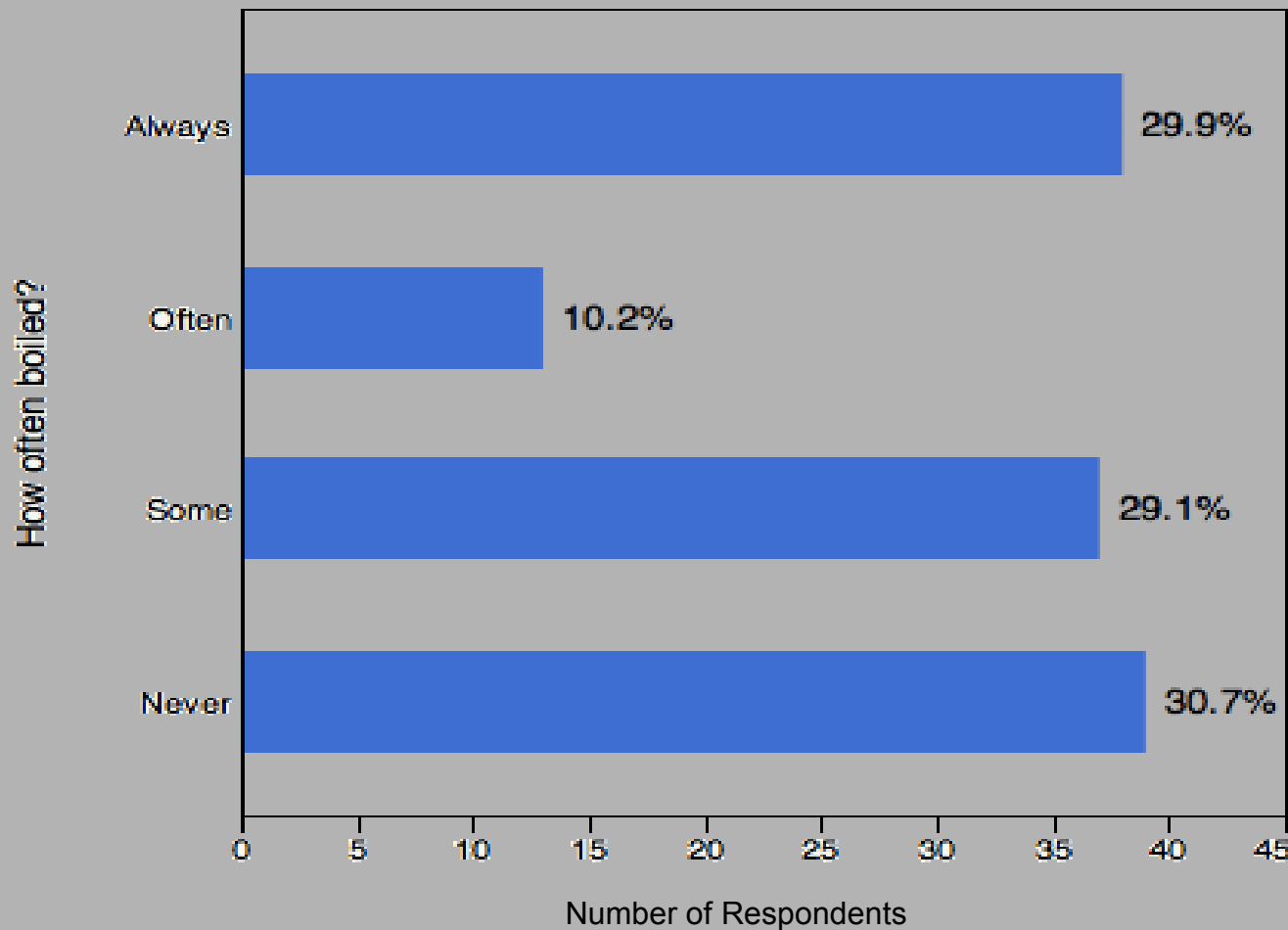


# Over 50% of borrowers collect water from a communal pipe system.



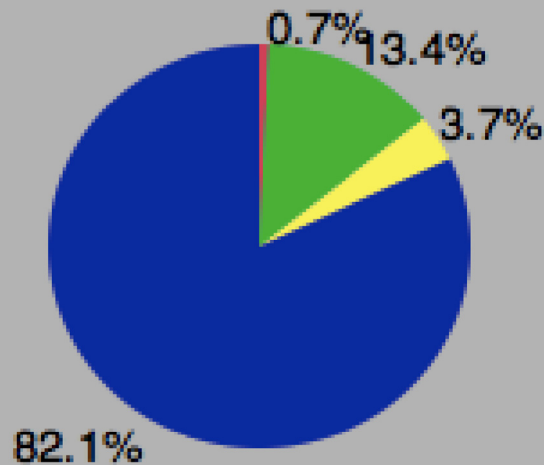
- The pipes in the local system were buried too close to the surface and are cracked, allowing bacteria, fecal matter, and insects to contaminate the water.
- Tapping from the pipe system is the easiest and cheapest way to collect water, despite the health hazard it poses.

# A mere 30% of borrowers always boil their drinking water.



- Boiling drinking water eliminates bacteria from the water, which helps prevent the spread of infectious intestinal diseases common to the area; but, it is time-consuming and requires fuel.

# Over 80% of borrowers use their own latrines.



What type of toilet facilities do you use?



- Latrines are frequently placed near a garden, sometimes contaminating the food grown there..
- When a latrine is full it is simply abandoned and a new one is built. Old latrines are rarely treated.

# tandards of Living Summary

- The semi-permanent houses that many borrowers live in require frequent maintenance. The light sources and cooking fuel most commonly used are cheap, inefficient and lead to a number of health and environmental problems. Borrowers often do not boil their drinking water, even though most sources are contaminated, thus exacerbating health issues.
- The borrowers' financial situation is dire, falling well below the UN's definition of "extreme poverty." With such a small income, it difficult to save money for emergencies or necessities, such as shoes and school supplies.
- Most borrowers own livestock and farming tools, both of which are essential, as most rely on home-grown food for meals.





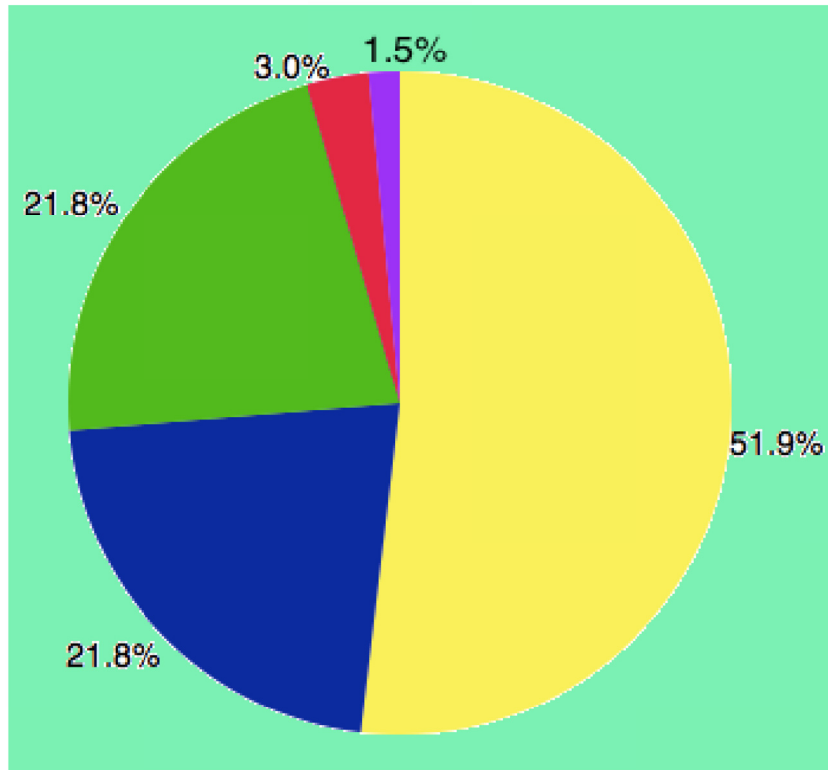
# III. FAMILY HEALTH AND WELFARE

1. Illness in Household
2. Malaria in Household
3. Mosquito Nets
4. AIDS Testing
5. Difficulty in Paying Medical Bills
6. Involvement in Community
7. School Attendance
8. Out-of-School Activities for Children
9. Summary





# Nearly half of the households have at least one member who is regularly sick.

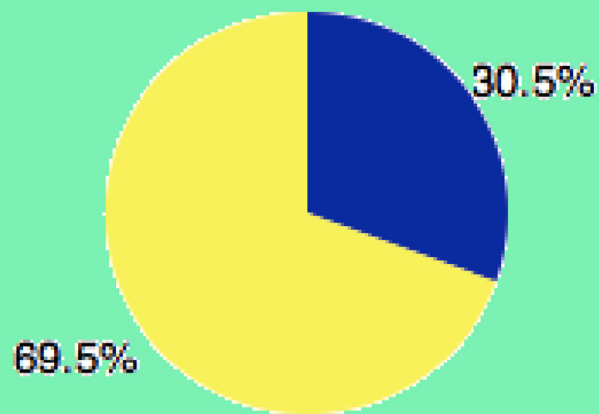


How many members of you household are regularly sick?



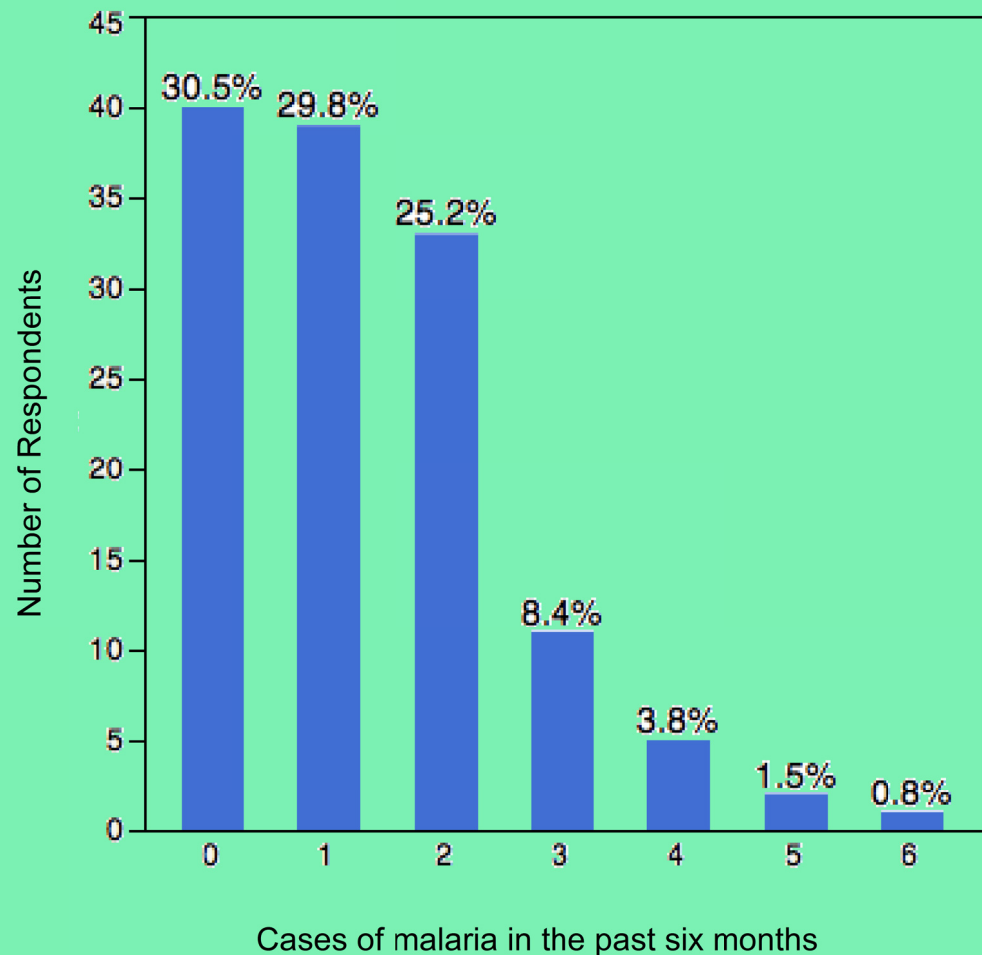
- Medical treatment can be expensive and time consuming — traveling to town, payment to see the doctor, and cost of drugs add up quickly.

# Over two-thirds of households have had at least one case of malaria in the past six months.

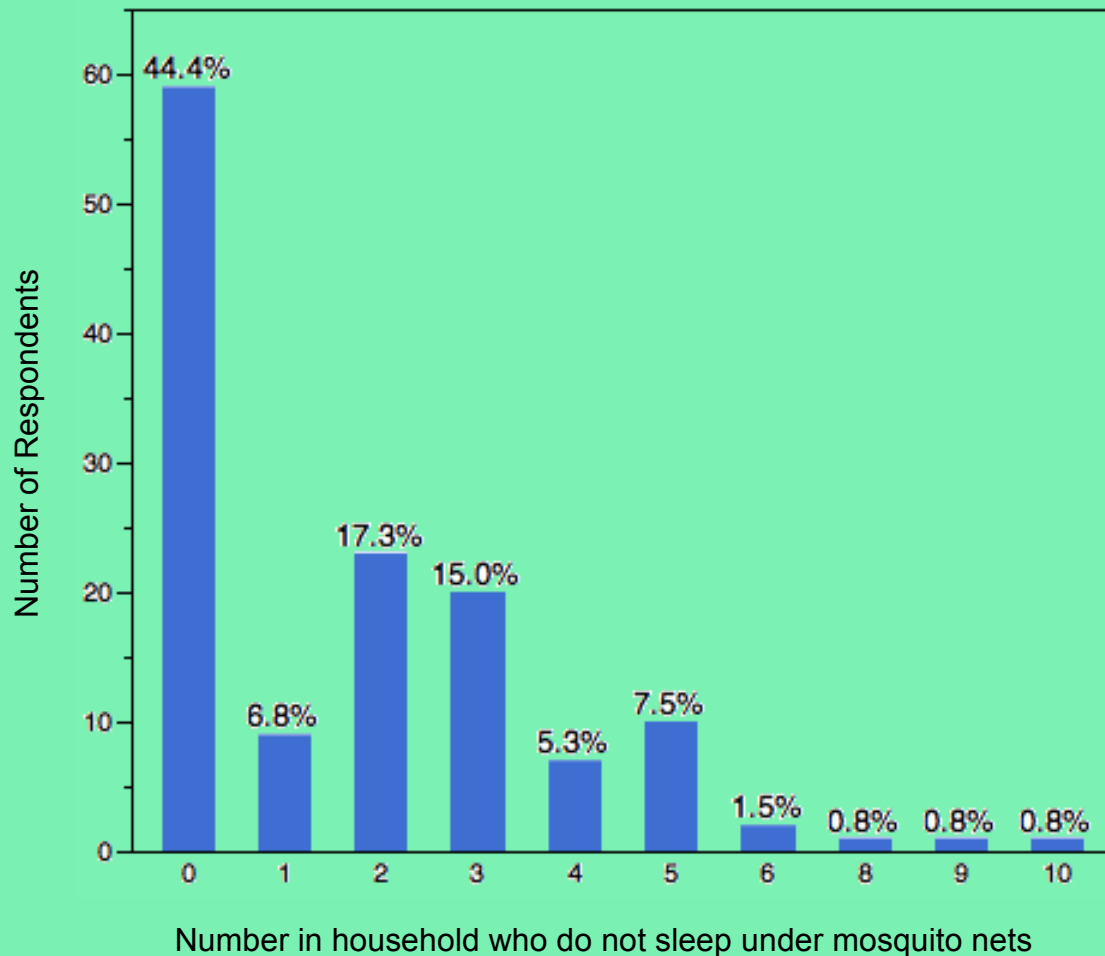


Has anyone in your family had malaria in the past six months?

**No** **Yes**



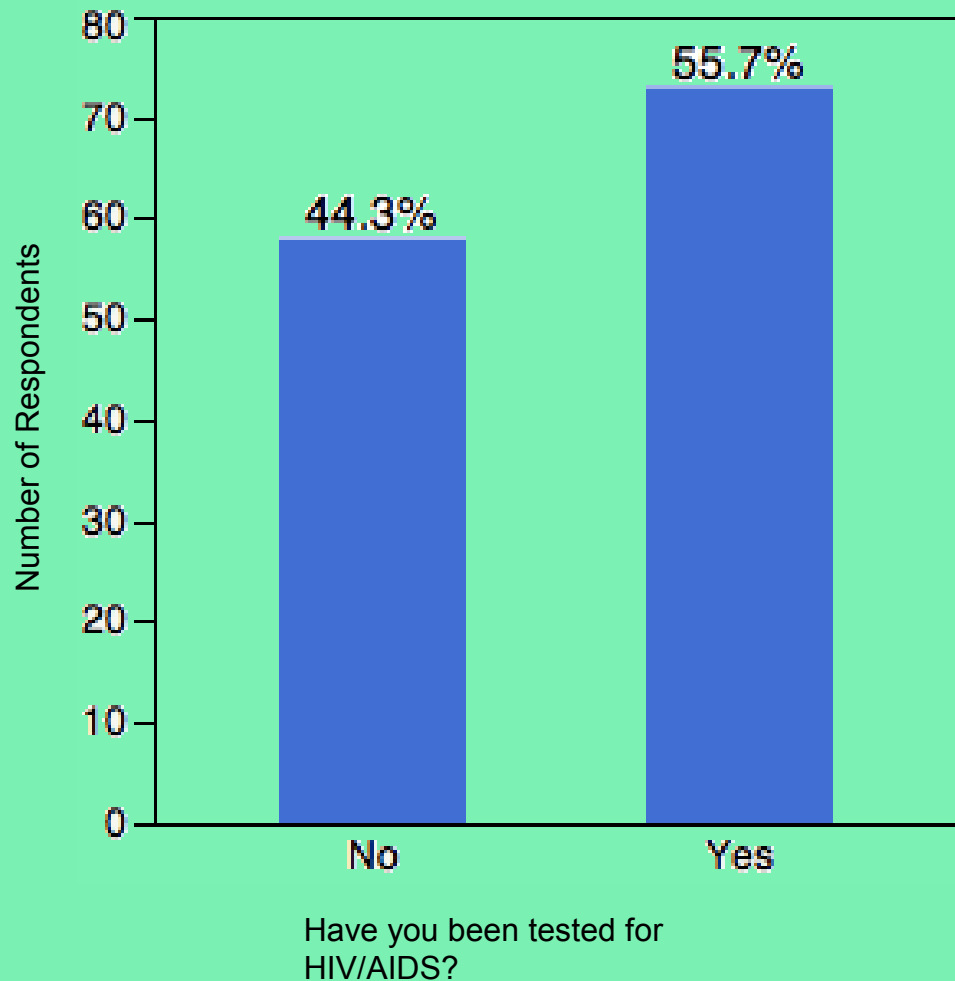
In 55% of borrowers' homes, at least one person does not sleep under a mosquito net.



- Mosquito nets are the most cost-efficient way to prevent malaria.

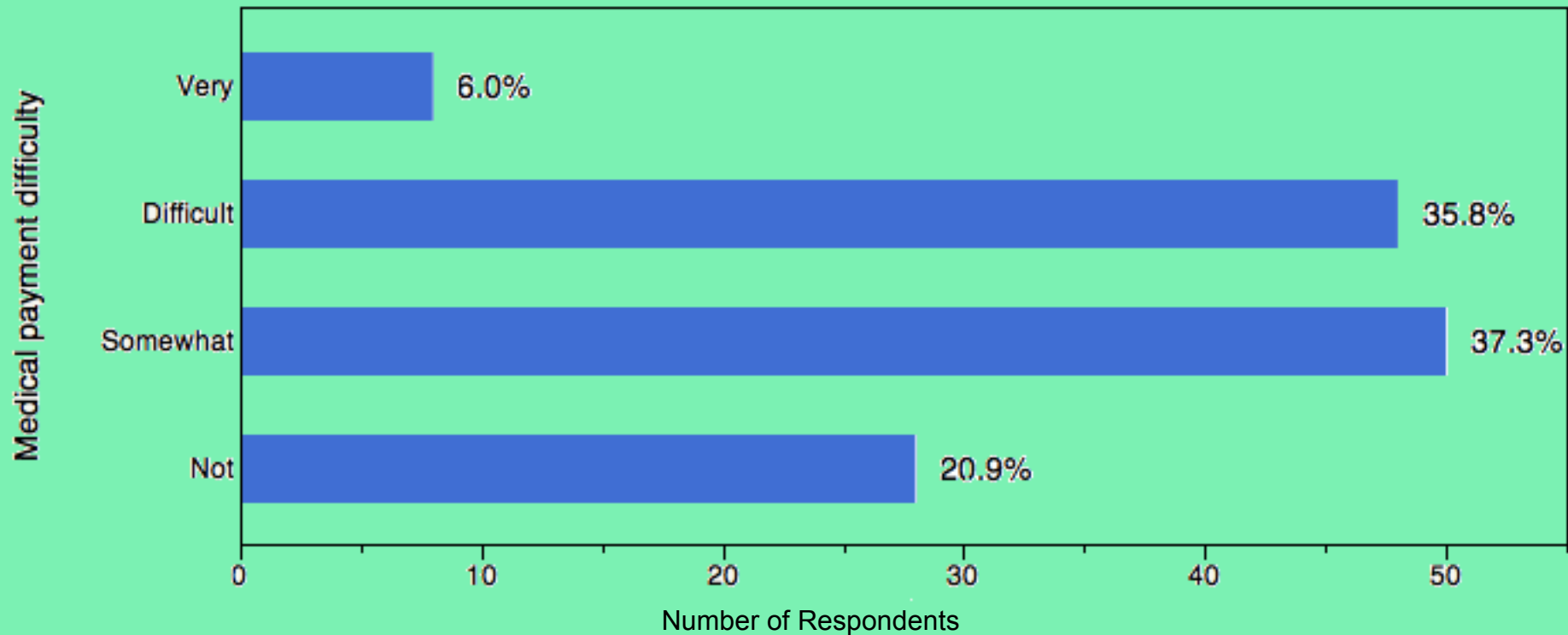
- Mosquitoes infected with malaria come out mainly at night, so protection is most important and effective while sleeping.

# Over 55% of borrowers have been tested for HIV/AIDS.



- Uganda has an extensive HIV/AIDS awareness program. Many borrowers' families have been impacted by the disease.
- Borrowers understand the importance of testing, and the majority do so to help keep themselves and their families safe and healthy. The stigma still attached to the disease helps explain the 44% who have never been tested.

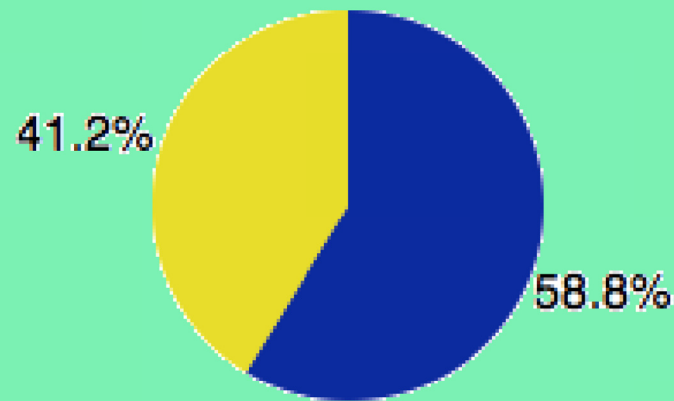
# Nearly 80% of respondents find medical payment at least somewhat difficult.



- Functional health centers are far away and expensive, causing extreme difficulties for anyone requiring medical treatment.
- Local health centers often do not have the necessary drugs and equipment to treat patients.



# Over 40% of borrowers are involved in community organizations.



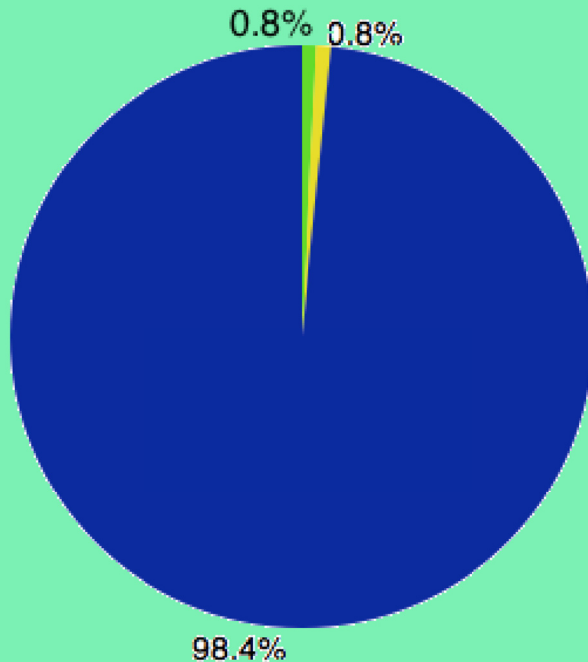
Are you involved in community organizations?

■ No ■ Yes

- Women who are involved in community groups generally join religious groups. Other organizations include political, economic, and social groups.

- Many of the women in the program consider WMI to be a community organization, offering support and assistance from their peers.

# Nearly 100% of borrowers report that their children always attend school.

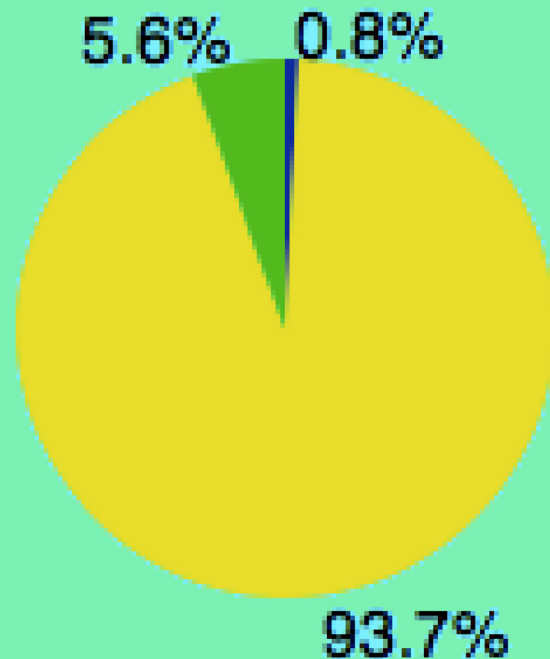


How often do your children attend school?

■ Rarely ■ Often ■ Always

- The Ugandan government offers free primary and secondary education. However, students must provide their own school supplies and uniforms.
- Most parents who can afford to do so send their children to private schools, where they must pay fees.
- Because of the high cost of education, and the emphasis placed on education as a priority for income use in the villages, those who can pay the fees generally always attend school.

# The main after school activity for 90% of children is doing chores.



Children's after  
school activities?

■ No ■ Chores ■ Actual Organization

- Very few children participate in organized after school activities. Those who do participate in activities are most commonly involved in sports or music groups.
- Common chores include grazing the livestock, minding other children, digging in the garden, and collecting water and firewood.

# III. Family Health and Welfare Summary

- Disease is a considerable issue in rural Uganda. Regular sickness can prevent children from attending school and adults from working. Health services are not easily accessible, mainly due to economic reasons. As a result, many diseases go untreated.
- Children mostly spend their time either at school or doing chores. Nearly all children always attend school but few participate in extra curricular activities.
- The loan program's support group gives the borrowers a sense of community. Very few are involved in community groups aside from WMI.

