



WOMEN'S  
MICROFINANCE  
INITIATIVE



# SIKABU FACT BOOK: Borrower Profile Data

SIAYA, KENYA

August 2011



[wmionline.org](http://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.
- ❖ Since January 2008, WMI has funded or guaranteed over 3,000 loans for women in 8 rural hubs across Uganda and Kenya.
- ❖ WMI provides borrowers with training in financial literacy, business management, record keeping and financial planning.
- ❖ Village level organizations administer the loan programs with grants from WMI. Women are organized into solidarity groups of 20 borrowers who cross-guarantee each other. No physical or monetary collateral is required.

## METHODOLOGY

- ❖ WMI collects data from SIKABU borrowers through surveys and loan applications which every borrower must fill out before receiving a loan.
- ❖ Margaret Akoth, the Head Coordinator of the SIKABU Loan Program in Siaya, Kenya supervises the collection of survey and loan application data at each loan issue.
- ❖ Members of SIKABU who are proficient in English help administer the surveys and loan applications.
- ❖ U.S. based staff analyze the data.
- ❖ The data presented in this fact book were collected from April 2010 to April 2011 from 140 borrowers.\*

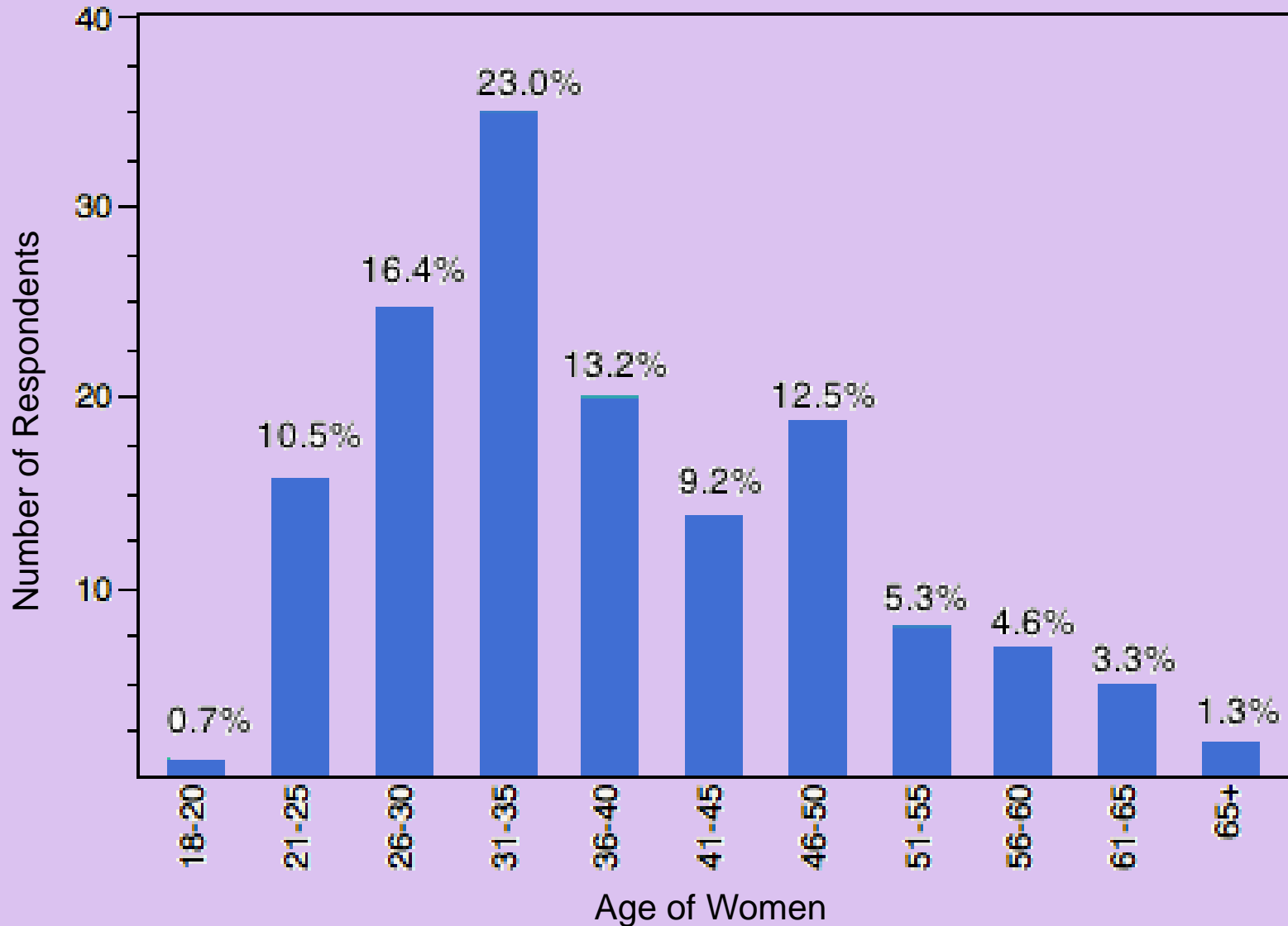
\*Not all respondents answered all questions on the forms and applications.

# I. DEMOGRAPHICS

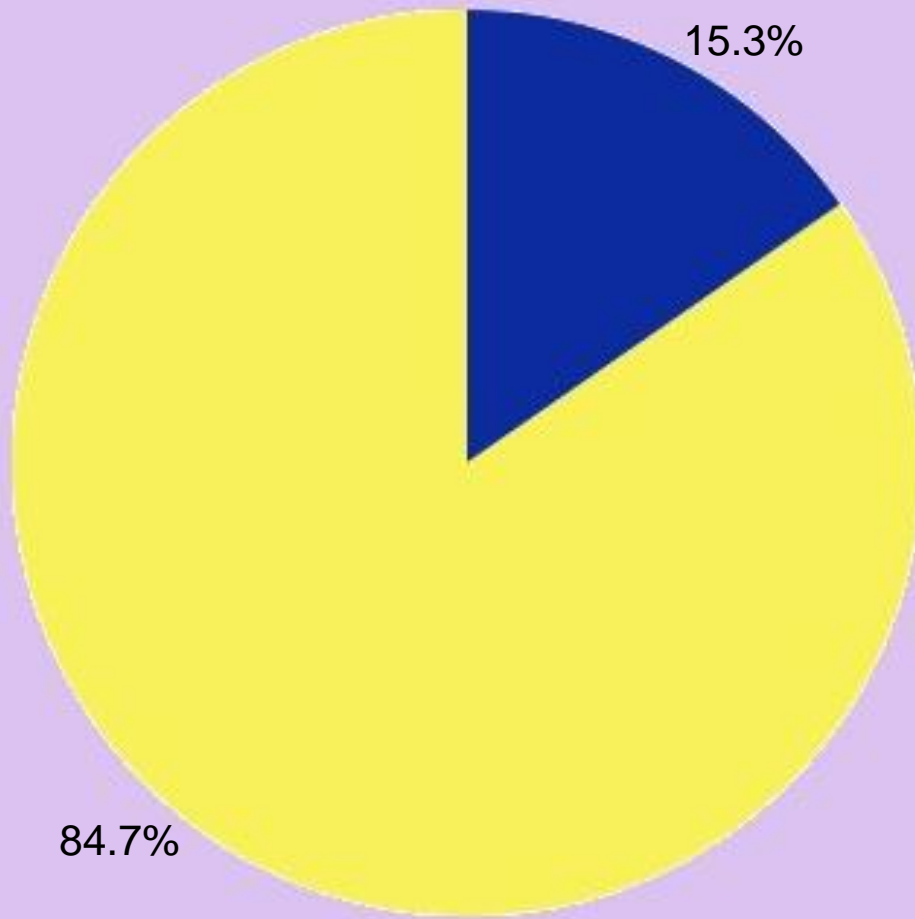
1. Age Distribution
2. Marital Status
3. Husband in Household
4. Number of People in Household
5. Number of Children in Household
6. Other Children in Household
7. Summary



Over 50% of borrowers are between 26 and 40 years of age.



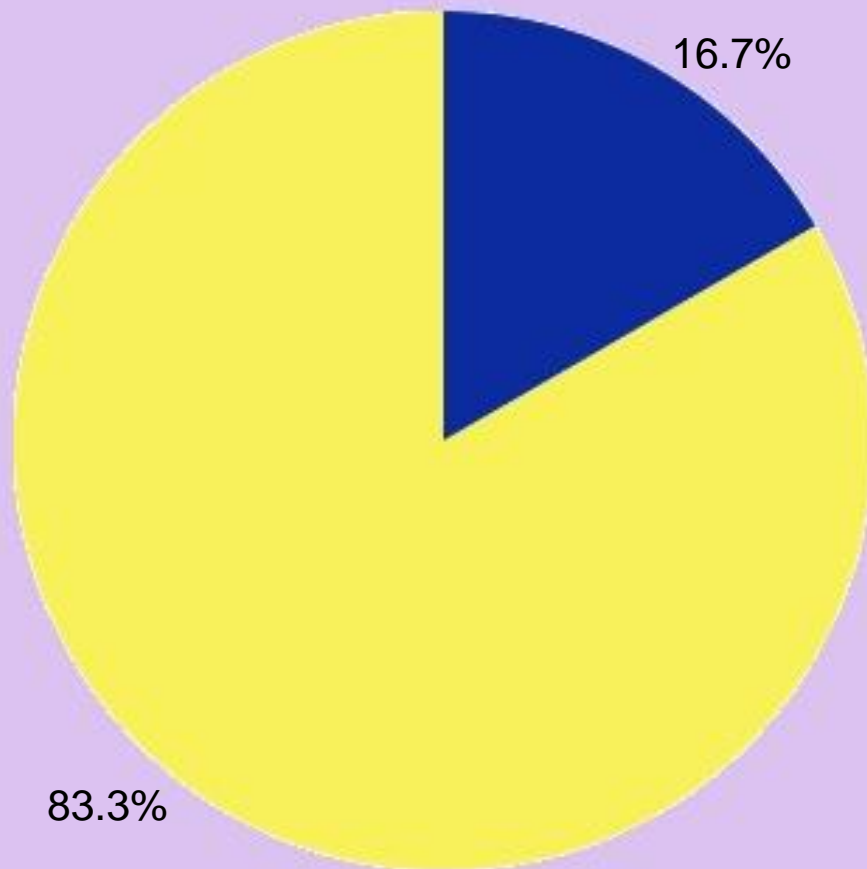
# Almost 85% of new borrowers are married.



- Some unmarried borrowers are widowed, while other women in the loan program have never been married.
- Some widows who have remarried often refer to themselves as widows.

Are you married? ■ No ■ Yes

# Over 80% of the husbands of married borrowers live in the borrowers' households.

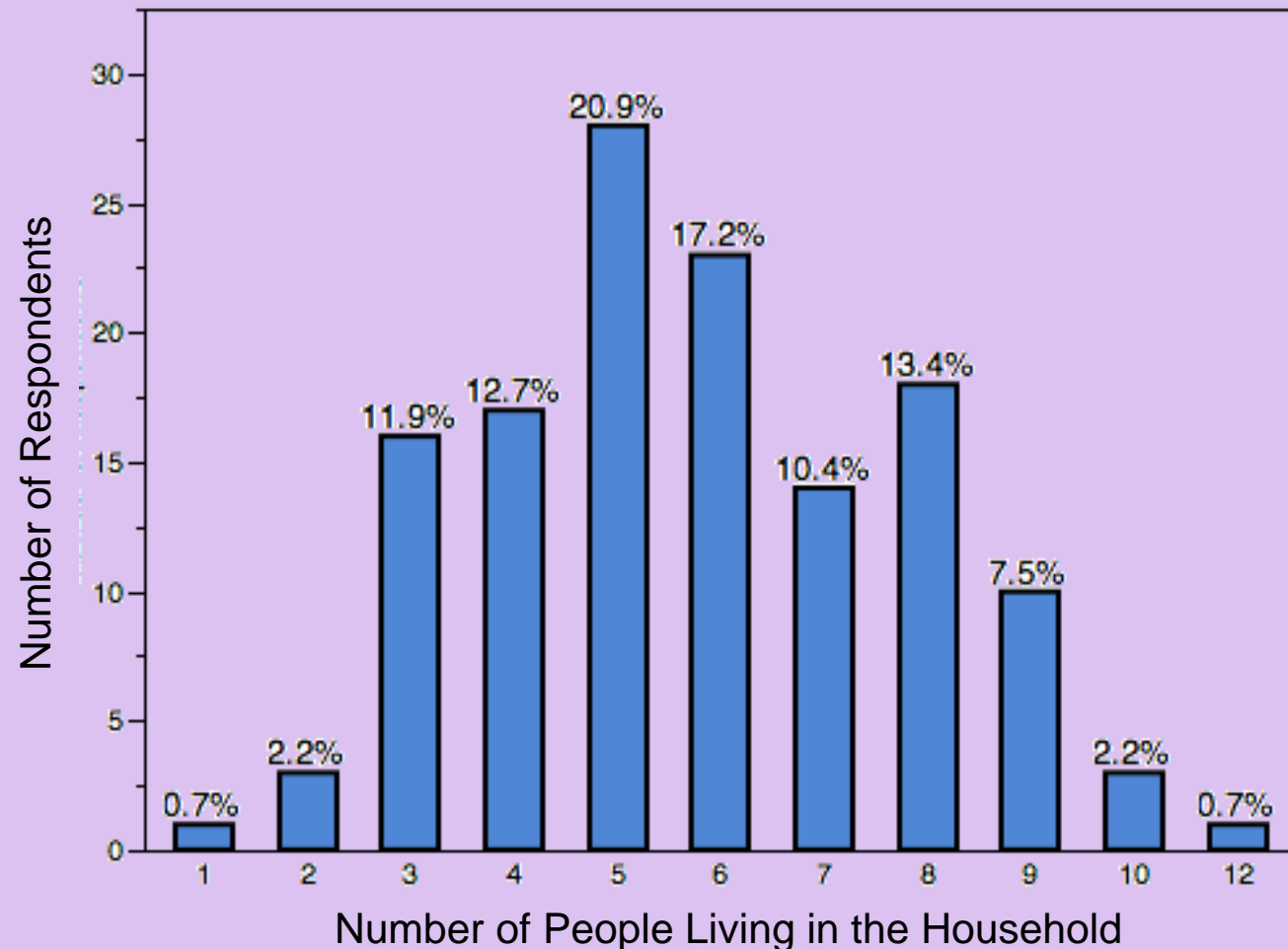


- Over 75% of borrowers report that their husbands contribute money to the household.
- Husbands living in borrowers' households are able to provide emotional and economic support, creating a more stable environment in which businesses can grow.

Does your husband live in the household?

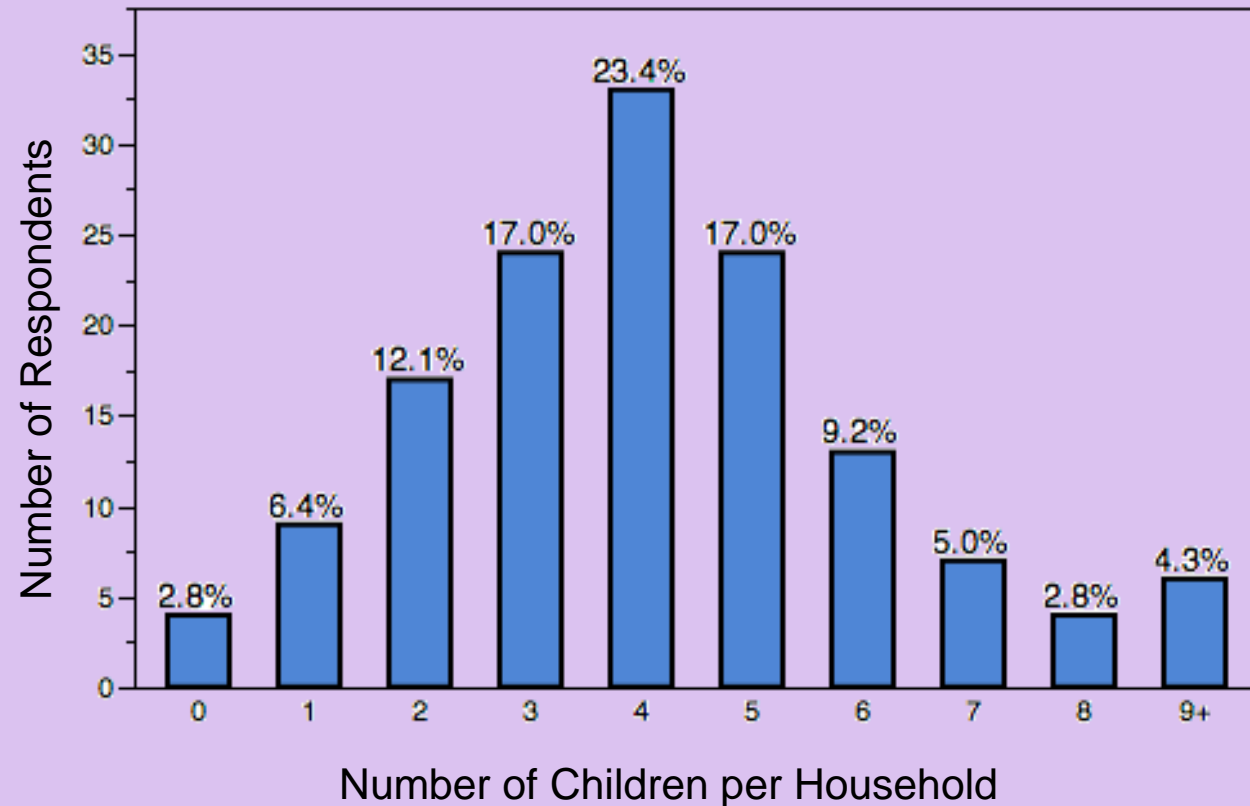
 No  Yes

Over 70% of borrowers reported at least five people living in their household; over 50% reported 6 or more.



- Nearly 25% of borrowers reported 8 or more people living in their household.
- Households often include not only immediate family but also grandparents, aunts, uncles, cousins, children from other marriages and orphans.

# Over 60% of women take care of at least 4 children.

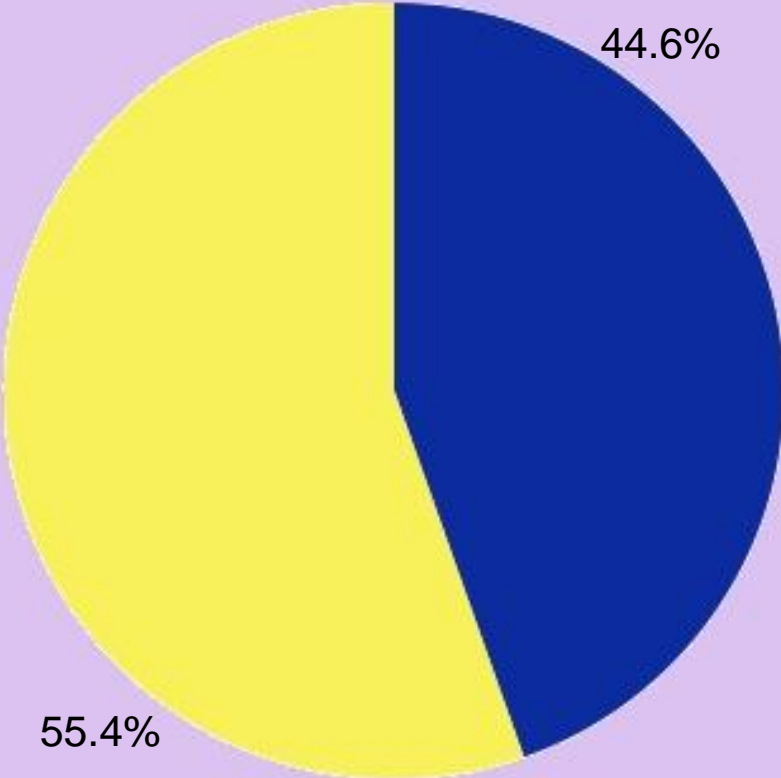


- Having large numbers of children is one way parents create a network of people who can take care of them when they grow old.

- Birth rates in Kenya may also be high to compensate for the high infant mortality rate, which Index Mundi reports is over 50%.

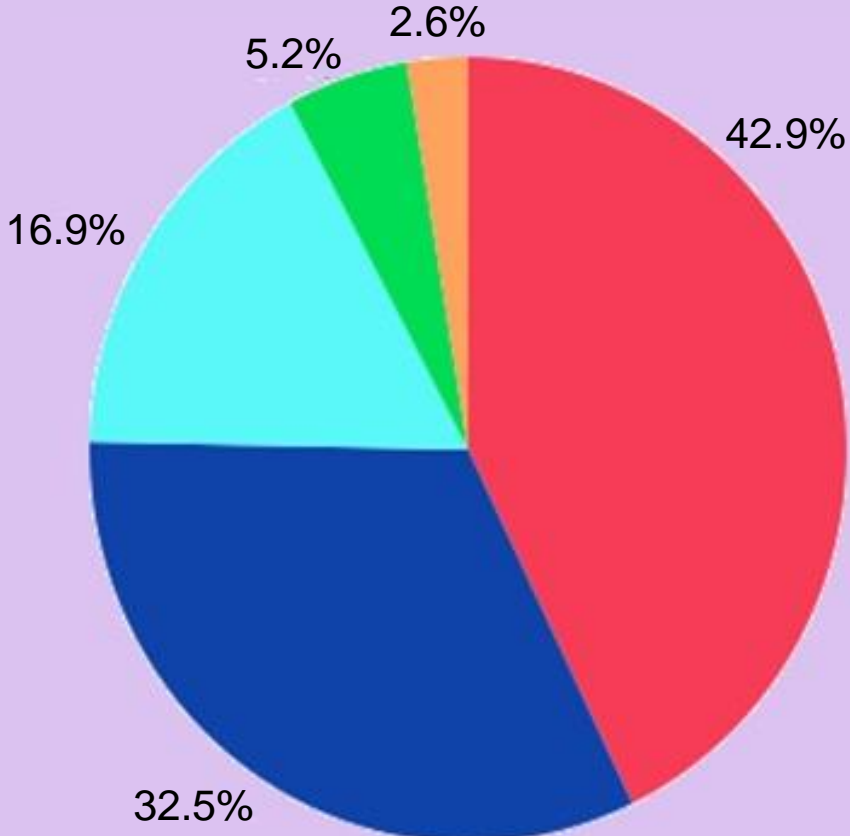
- Many pregnancies may also be unplanned. Contraceptives are difficult to access and are not always considered acceptable or desirable to use.

# Over 55% of borrowers care of children who are not their own.



Do you take care of children who are not your own?

No Yes



If yes, how many do you care for?

1 2 3 4 5

# DEMOGRAPHIC SUMMARY

- The loan program in Siaya caters to women of many different ages, most of whom are married and living with their husbands. Many of these women have large households with multiple children and extended family members. A surprising number of women - over 50% - care for children who are not their own. The HIV/AIDS infection rate in Siaya is over 25% - one of the highest in the world.
- While large families can provide emotional and economic support for the women, they can also be a burden. In the business trainings that SIKABU group leaders provide to new borrowers, they encourage women to include their husbands and family members in their businesses. The businesses where the whole family contributes are often the most successful.

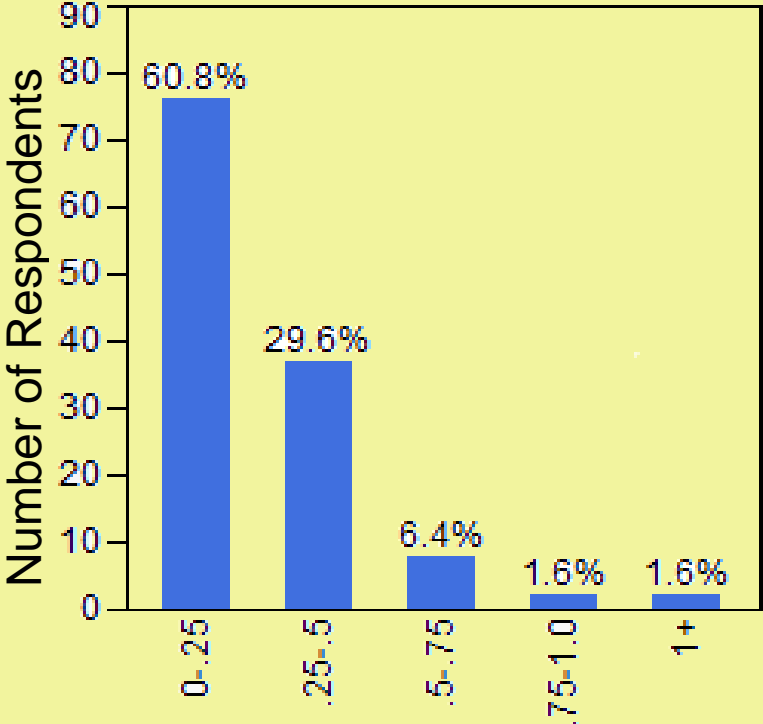
# II. STANDARD OF LIVING

## AT TIME OF FIRST LOAN

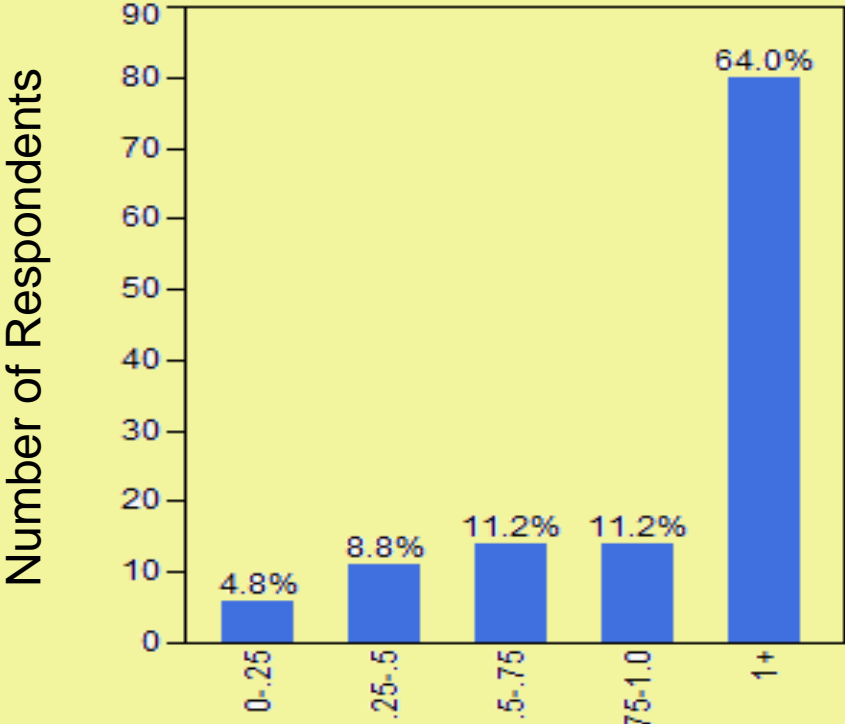
1. Daily Income
2. Savings Practices
3. Savings Amount
4. Ownership: Home
5. Rooms per Home
6. Floor Types
7. Food Eaten Most Often
8. Number of Meals per Day
9. Food Grown at Home
10. Shoes for Children
11. Ownership: Tools
12. Ownership: Farm Animals
13. Ownership: Household Amenities
14. Cell Phone Ownership
15. Light Source
16. Cooking Fuel
17. Water Source
18. Boil Drinking Water
19. Toilet Facilities
20. Testimonials



Almost 100% of borrowers live on less than \$1.25 a day; nearly 90% live on less than 50 cents per day.



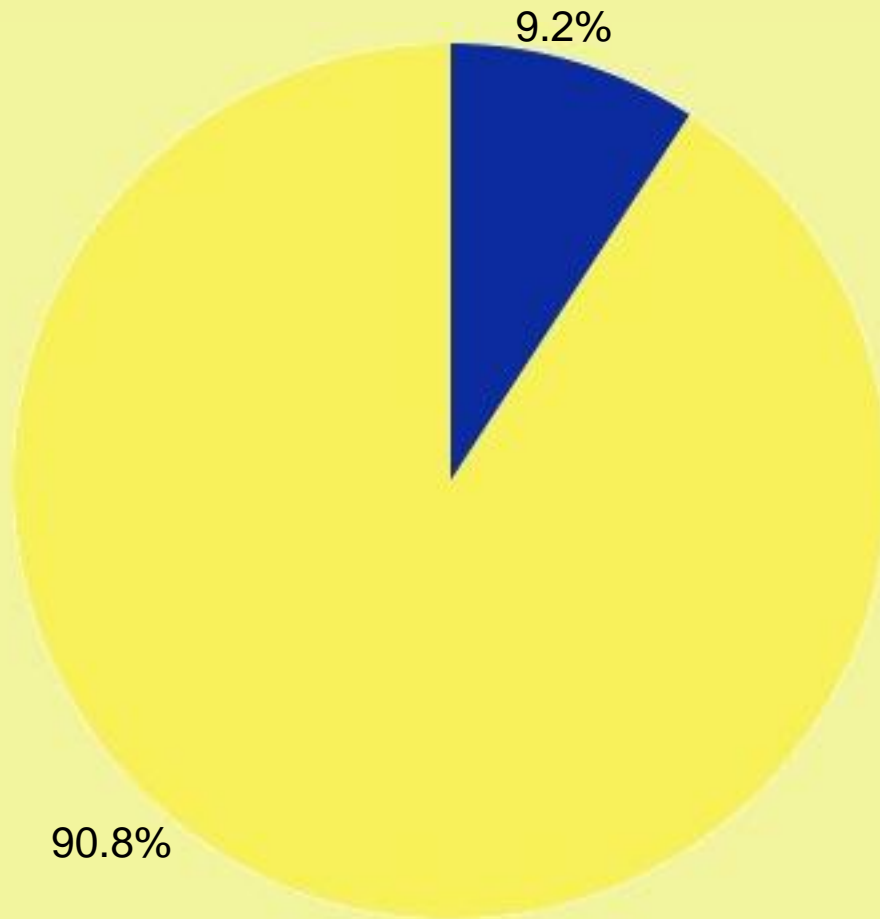
Daily Income Per Person in USD



Daily Income Per Household in USD

- 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. In 2010, the CIA World Factbook ranked Kenya 199 out of 228 nations based on GDP per capita.

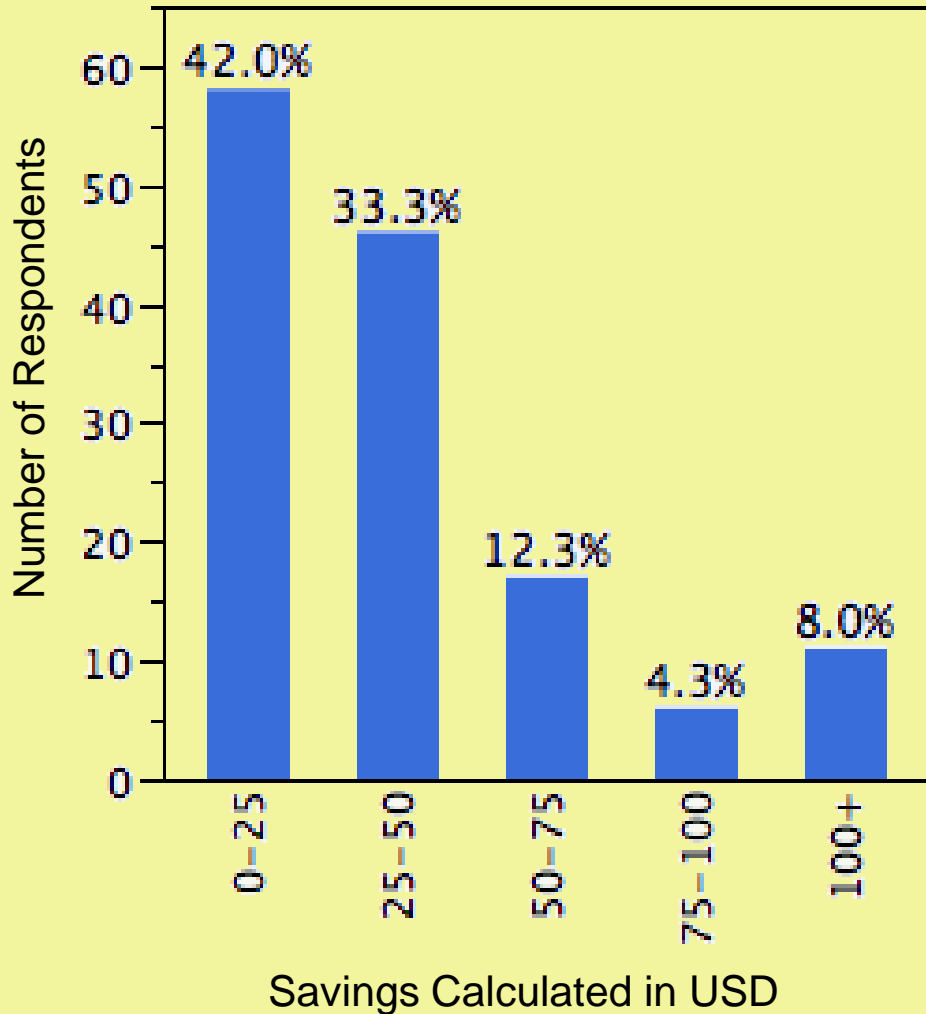
# 90% of borrowers report some savings prior to their first loans.



- Savings help borrowers survive medical crises and other emergencies.
- This widespread savings culture of women entering the loan program may also contribute to the 100% borrower repayment rate.

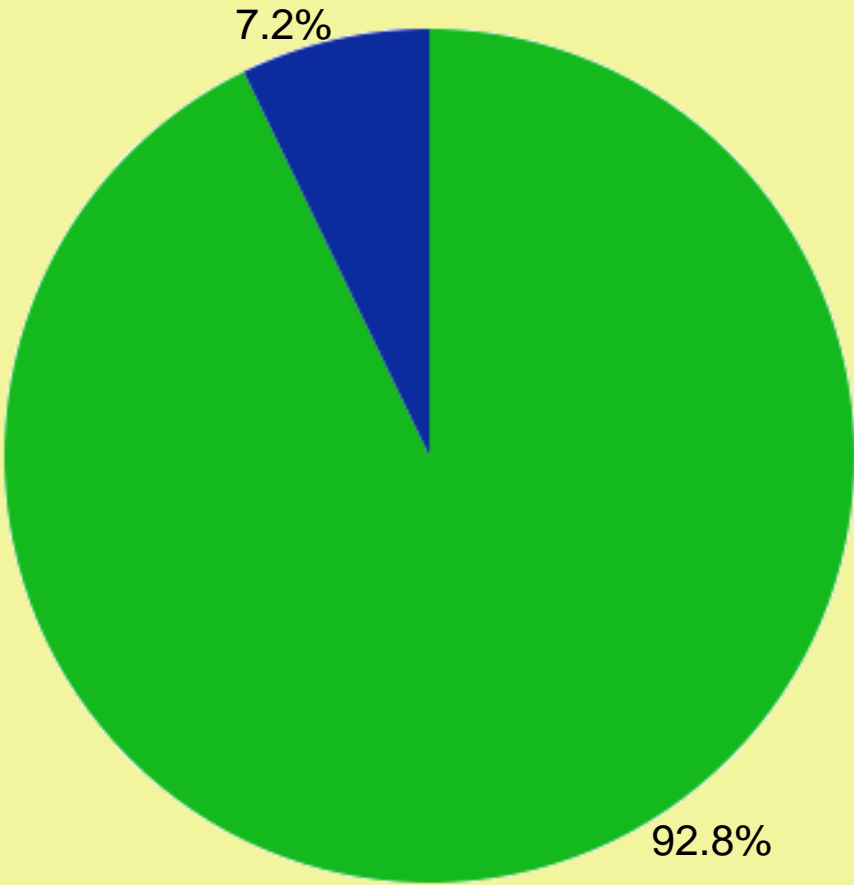
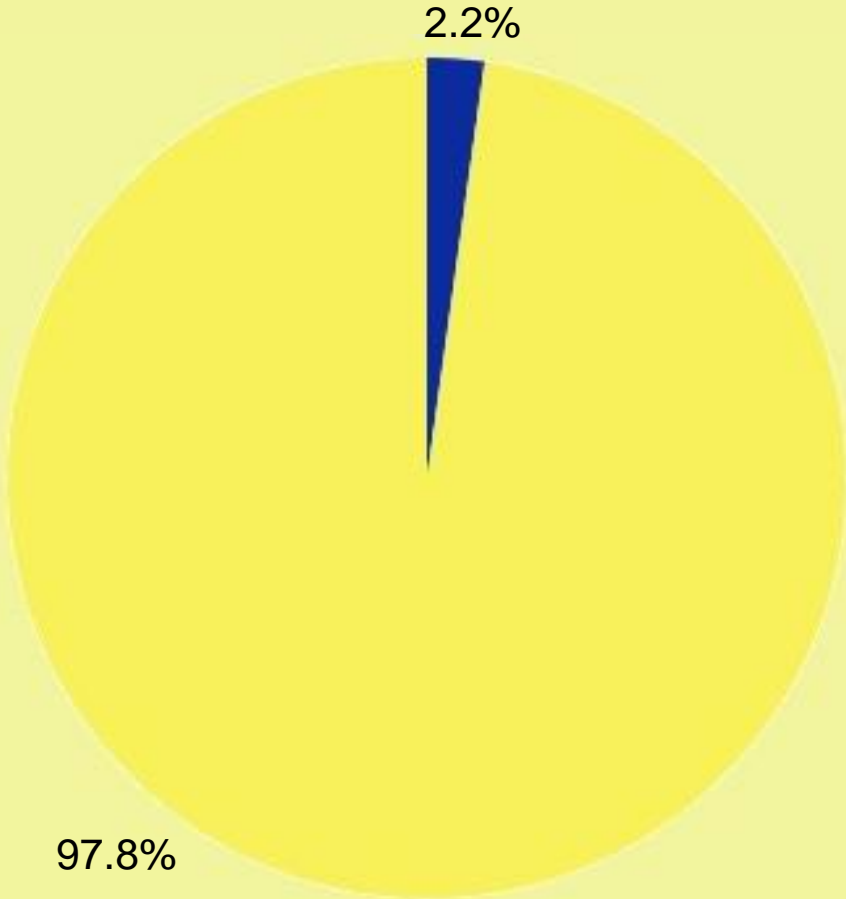
Do you save? ■ No ■ Yes

Over 50% of borrowers have no more than \$50 in savings at the time of their first loan.



- While a vast majority of borrowers report some level of savings prior to their first loan, the amount of savings is not very large.

Almost 100% of borrowers report owning their own homes, over 90% of which are semi-permanent.

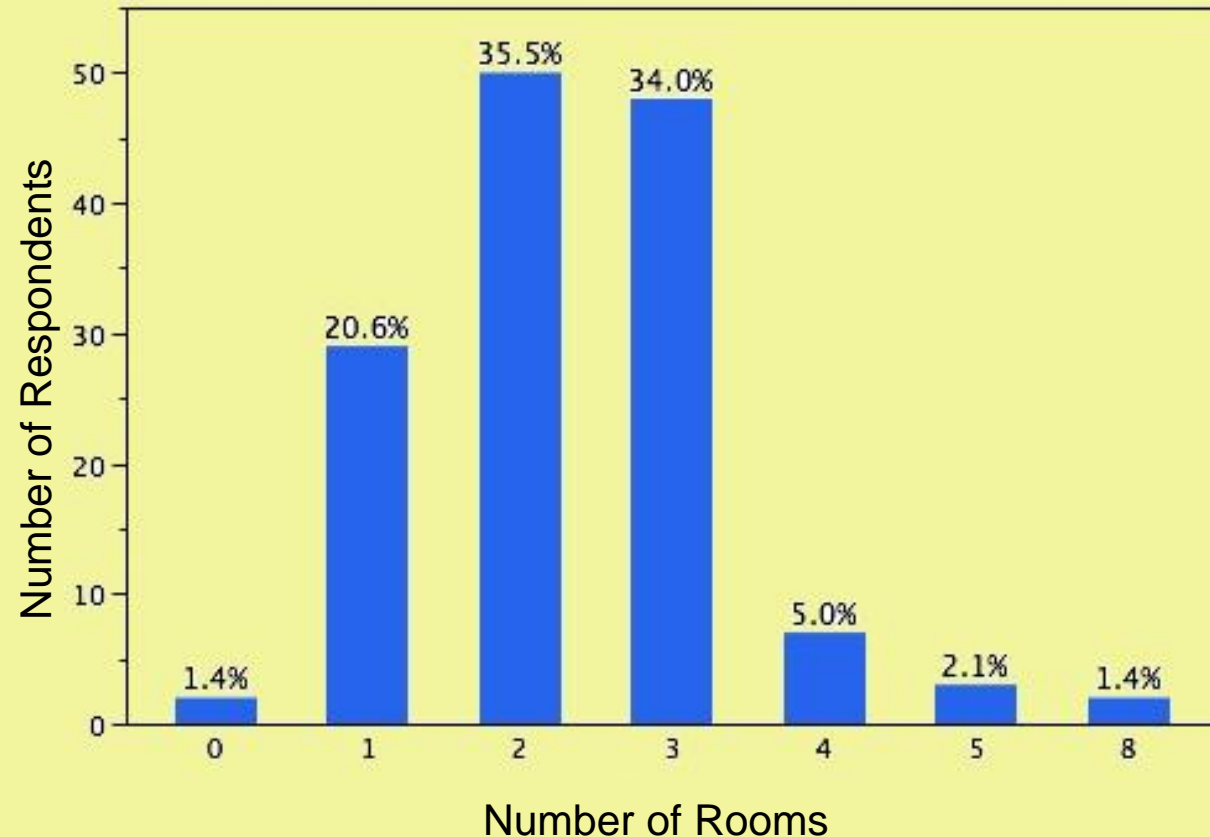


Do you own your home?

■ No ■ Yes

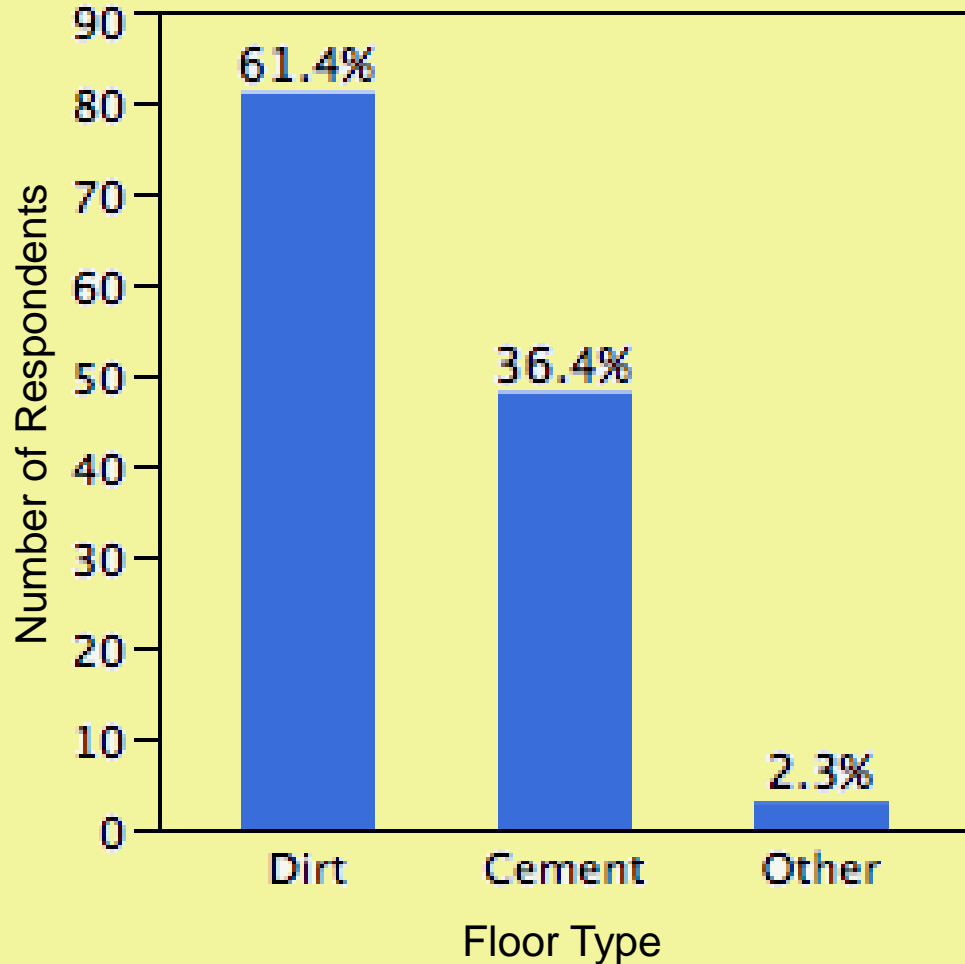
■ Semi-permanent ■ Permanent

Over 90% of borrowers occupy houses that have 3 or fewer rooms; over 50% have 2 or fewer rooms.



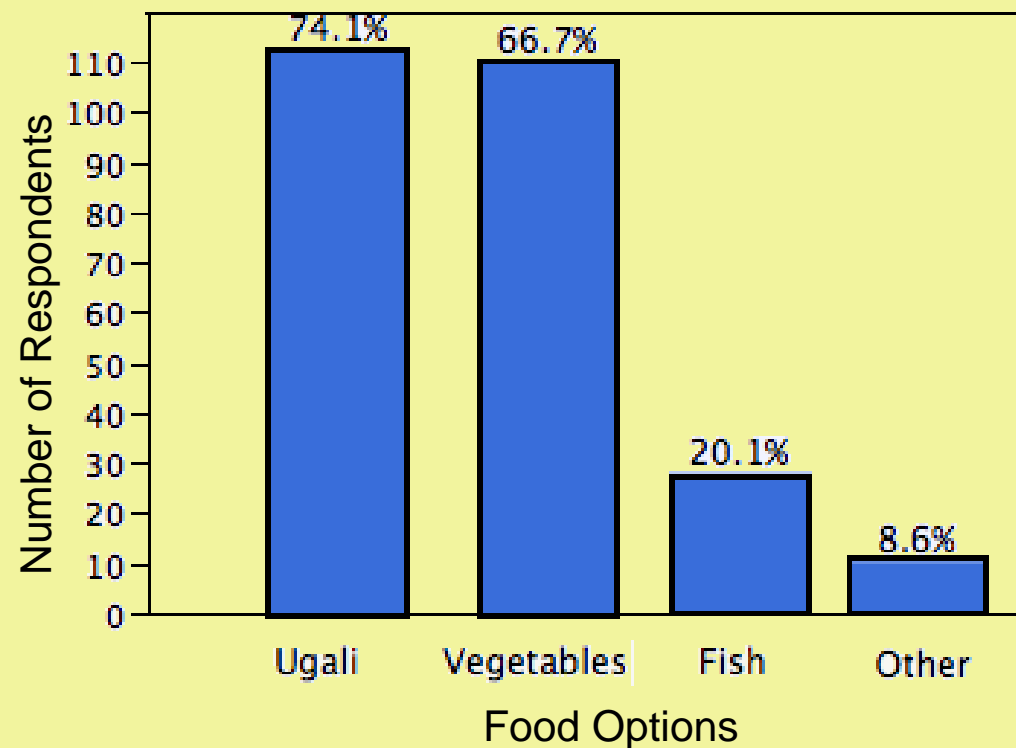
- Most homes do not include an indoor kitchen – kitchens are often situated behind the homes in the open air with a covering of grass thatch.
- Most rooms are multipurpose; many people have to share the limited living space.

# Over half of borrowers have a mud floor in their home at the time of their first loan.



- Mud floors can cause health hazards, such as respiratory diseases caused by breathing in excessive amounts of dust kicked up from the floor.
- Mud floors are difficult to maintain. Many people who have mud floors in their homes also have mud walls. Floors and walls require at least bi-annual smearings of a mixture of sand, dirt and cow dung to manage the dust.

# Borrowers report that the food they eat most often is ugali.

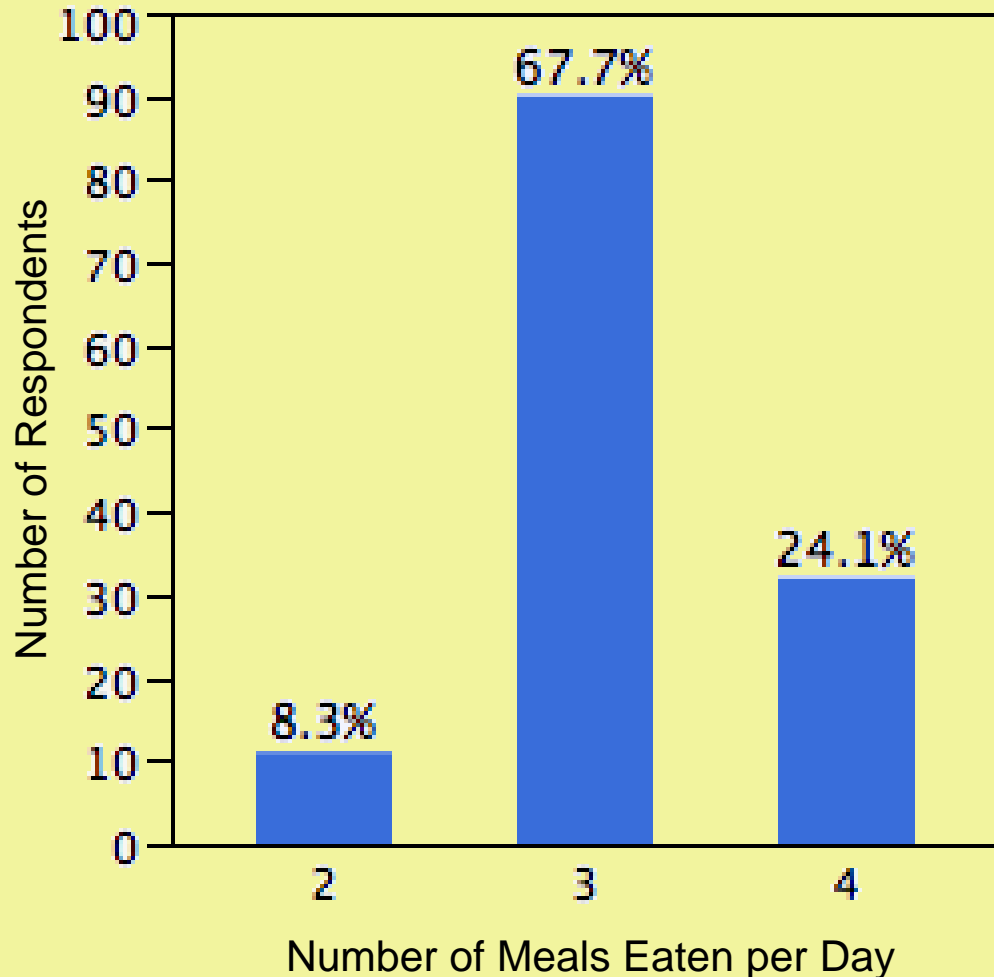


- Ugali is a paste made of maize flour and water. It is high in starch content, which satiates appetite but does not provide many other nutrients.

- Vegetables grown in Kenya include beans and cassava - a type of yam with a high starch content.

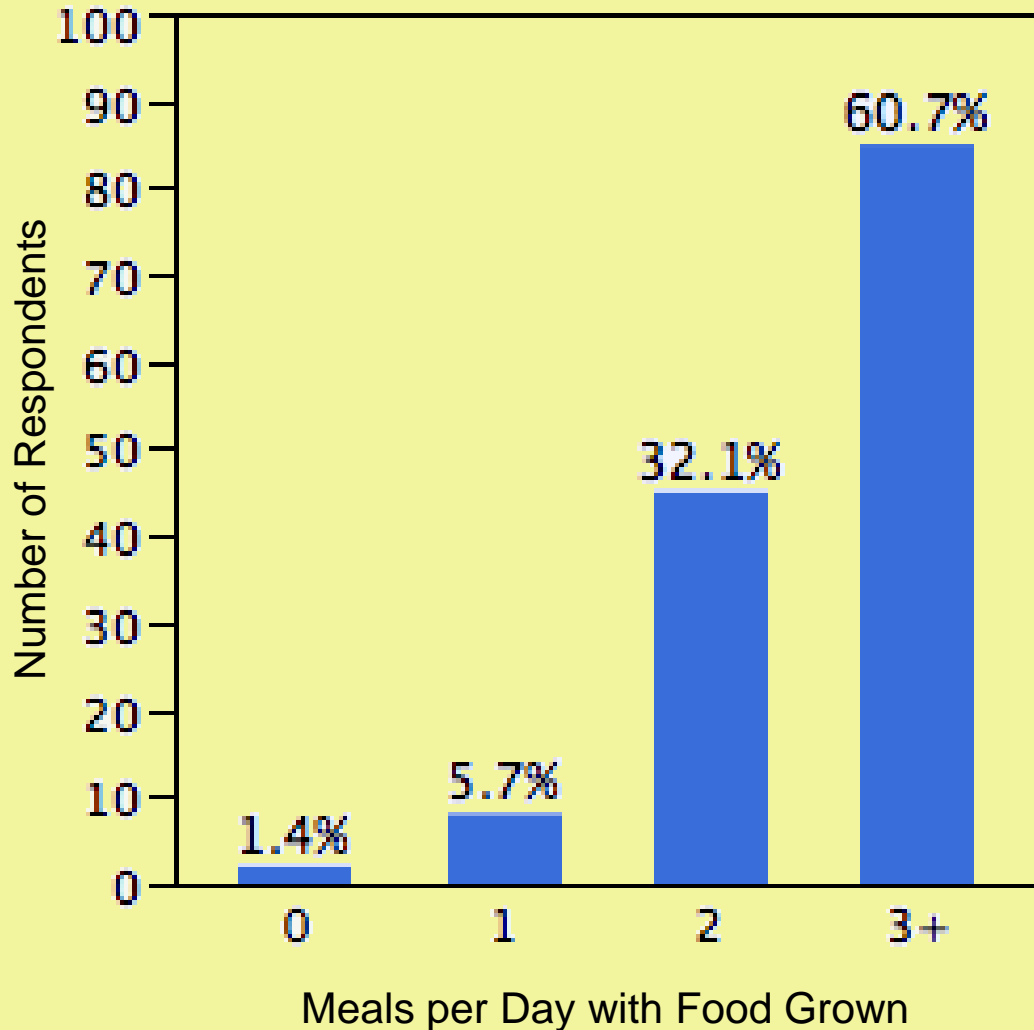
- Other commonly eaten foods named by survey respondents are fish, rice, sweet bananas and matooke (a type of unsweet, starchy banana).

# The majority of borrowers report eating at least three meals per day.



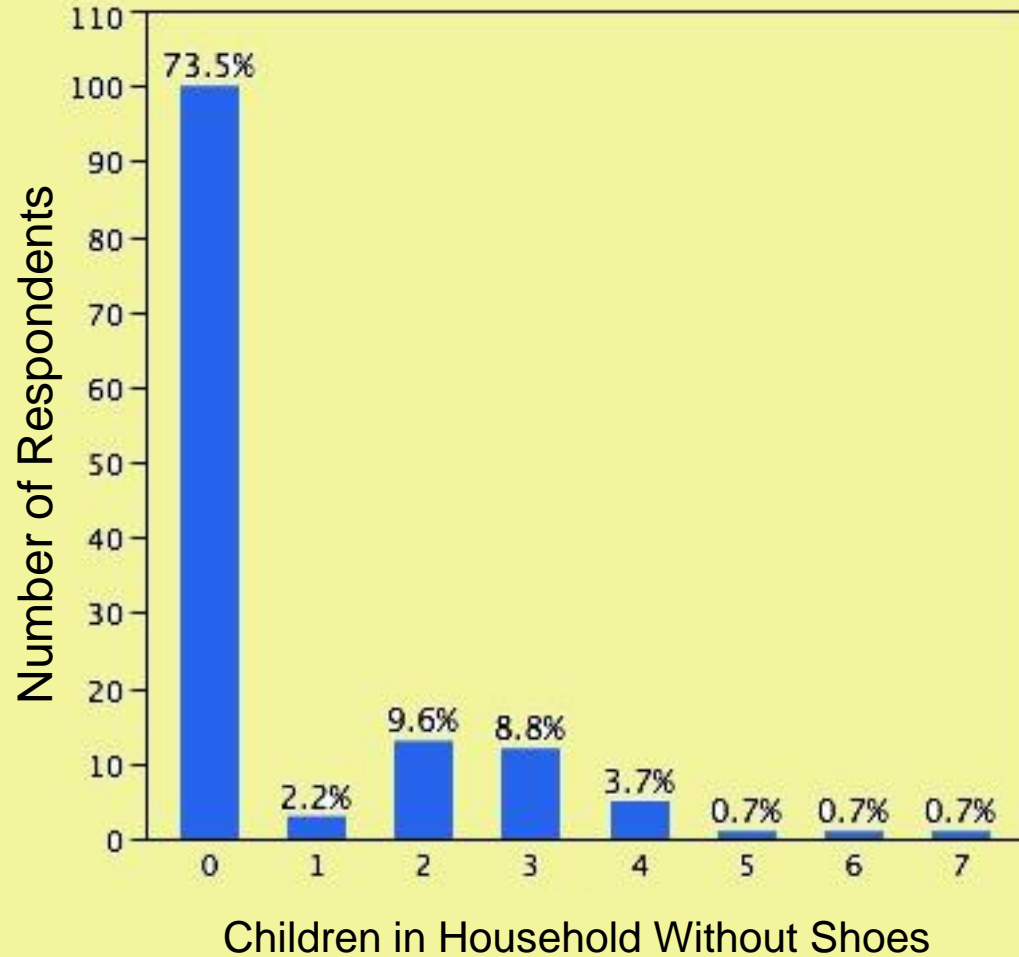
- Although meals do not meet all nutritional needs – too much starch and not enough protein or vitamins - borrowers and their families generally have enough food to eat three regular meals per day.
- The availability of food varies a lot with the season. During harvest time food is plentiful. At the end of the dry season before the rains come (when most people are waiting to start planting again) there is often food scarcity.

Over 90% of borrowers report eating homegrown food at least twice a day.



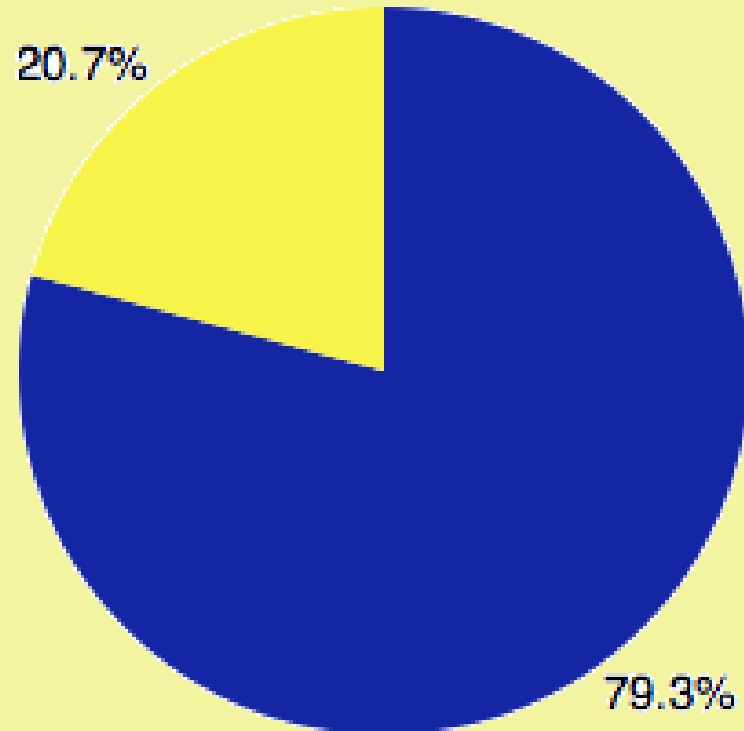
- Most households in this region have gardens where people grow much of the food they consume.

# Over a quarter of borrowers cannot provide shoes for all of the children in their house.



- Shoes minimize trauma from walking on hard dirt roads.
- Additionally, they protect against infections and parasitic diseases such as hookworm, which enters through cuts in bare feet.
- Children walk long distances to school or while doing chores, exposing them to harsh terrain and leaving them susceptible to disease.
- Many schools require shoes as part of the uniform and routinely must send home children unable to afford them.

# Only 20.7% of borrowers own basic farming tools at the time of their first loan.

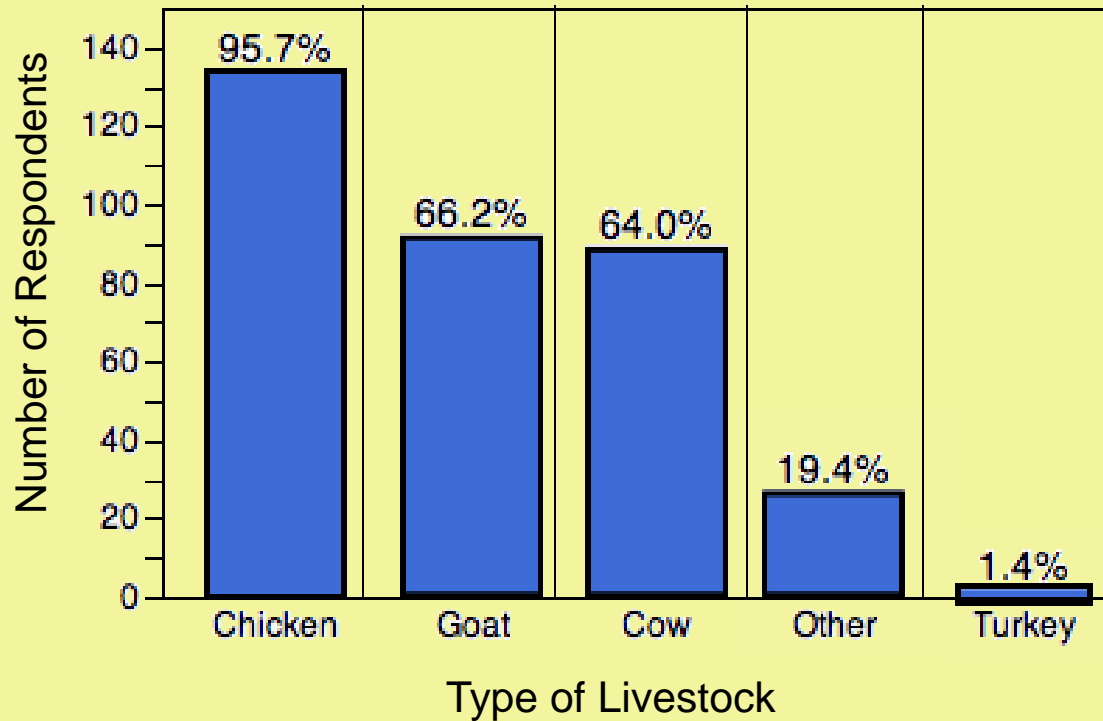


Do you own any tools?

■ No ■ Yes

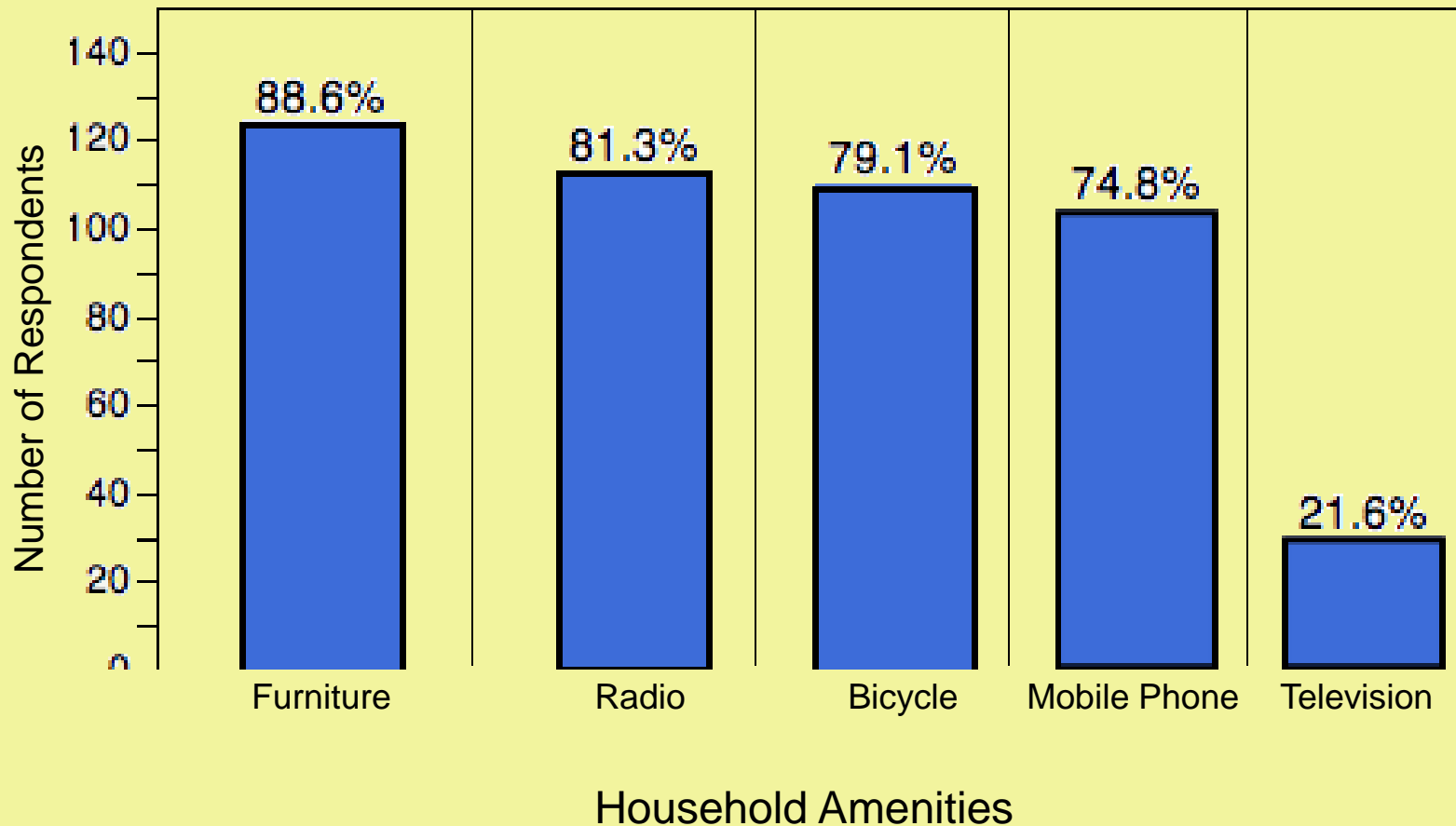
- Since low-income families depend on gardening as a source of food, basic tools are important assets.
- According to a case study organized by the Food and Agriculture Organization of the United Nations, the Kenyan economy is predominantly composed of small landholders, who are mainly subsistence farmers and/or livestock raisers.
- Most farmers till the land with hoes rather than animal-drawn ploughs.

# 100% of Borrowers reported owning some livestock at the time of their first loan.

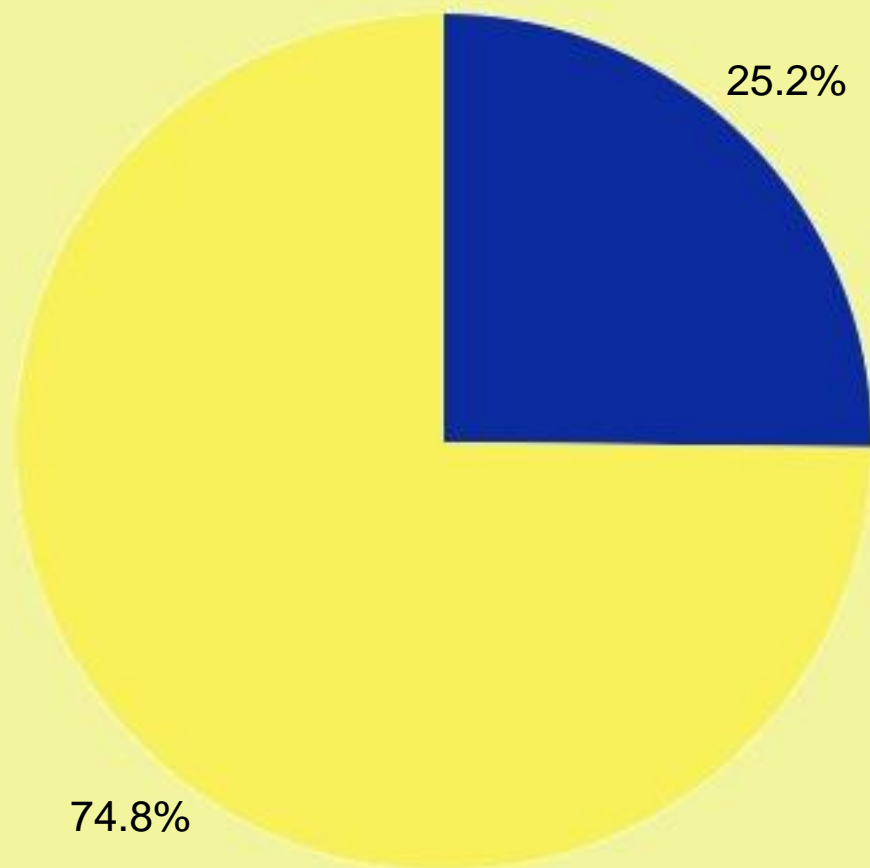


- The most common livestock owned is chickens. They are relatively inexpensive to raise.
- Chickens also provide eggs which are a good source of protein for many people who do not eat meat on a regular basis because it is too expensive.
- Cows and goats are also common. While they are more difficult to care for than chickens, the milk they provide is an important source of calcium and other vitamins to supplement a starch heavy diet.

Almost 90% of borrowers own furniture, while around three quarters of borrowers own radios, bicycles and cell phones.



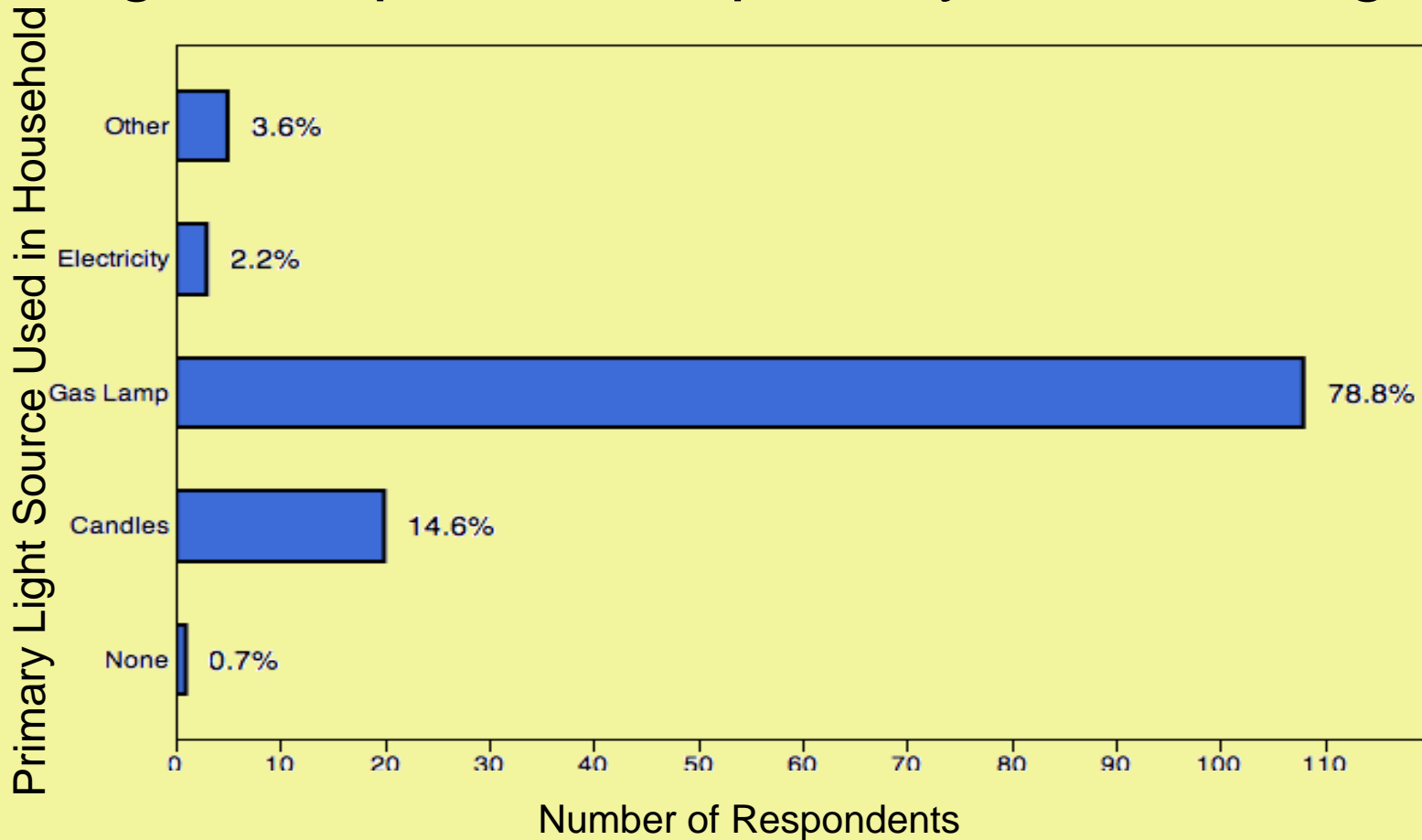
# Approximately three out of four borrowers report owning a cell phone.



Do you own a cell phone? ■ No ■ Yes

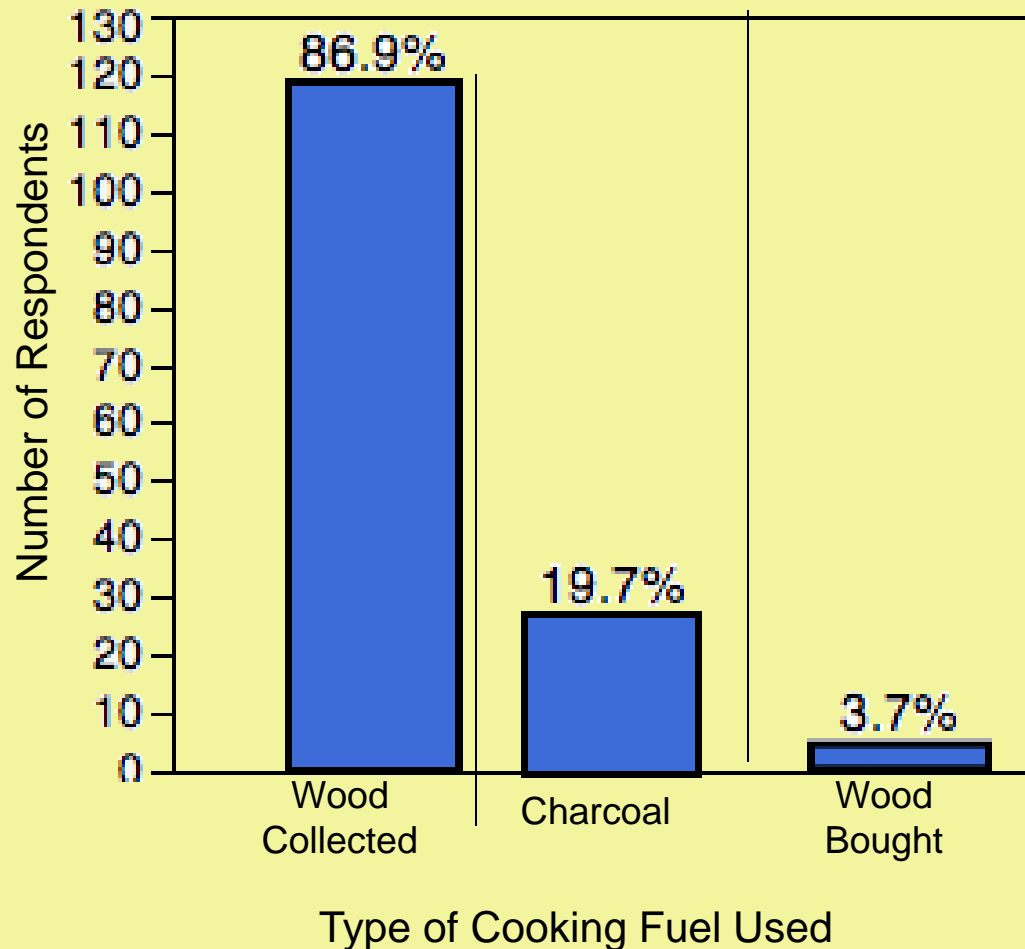
- Cell phones are widely used in Kenya and are more common than landlines. According to a survey conducted as part of an *Audiencescapes* project, the primary functions of cell phones, apart from phone calls and text messaging, are radio and financial transactions.
- Reception is not readily available throughout all of Kenya, and it is much better in the South than the North. The South also has much higher population densities.
- One firm, Safaricom, controls 70% of the cellular telephone market in Kenya, but since 2010 competition has led to a major decrease in calling rates.

The overwhelming majority of borrowers use gas lamps as their primary source of lighting.



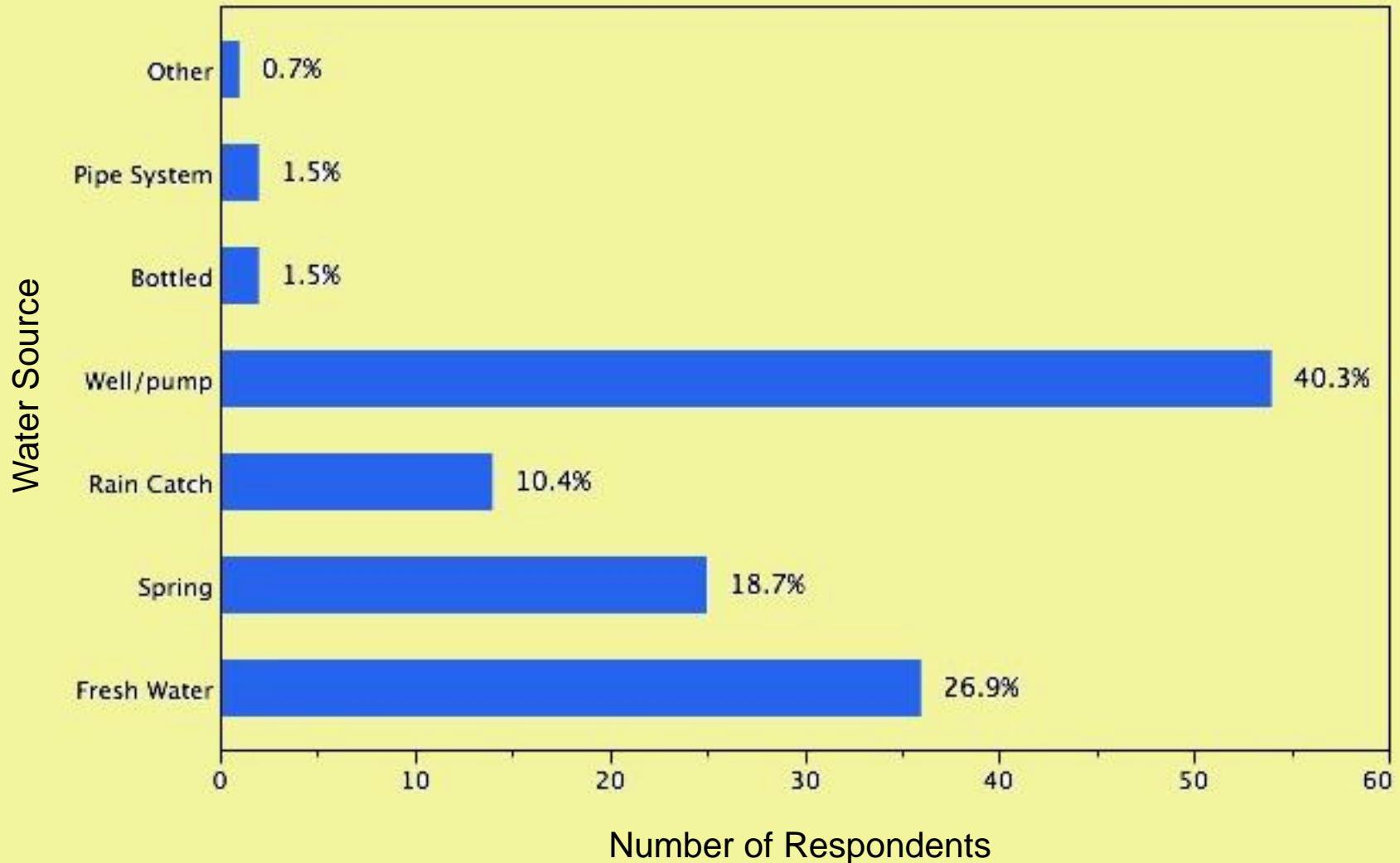
- Though many women want solar products, they are not readily available. Some women still use candles because they are inexpensive - but they are not long-lasting.

Nearly nine out of ten borrowers reported that they used wood collected by the family as their primary source of cooking fuel.

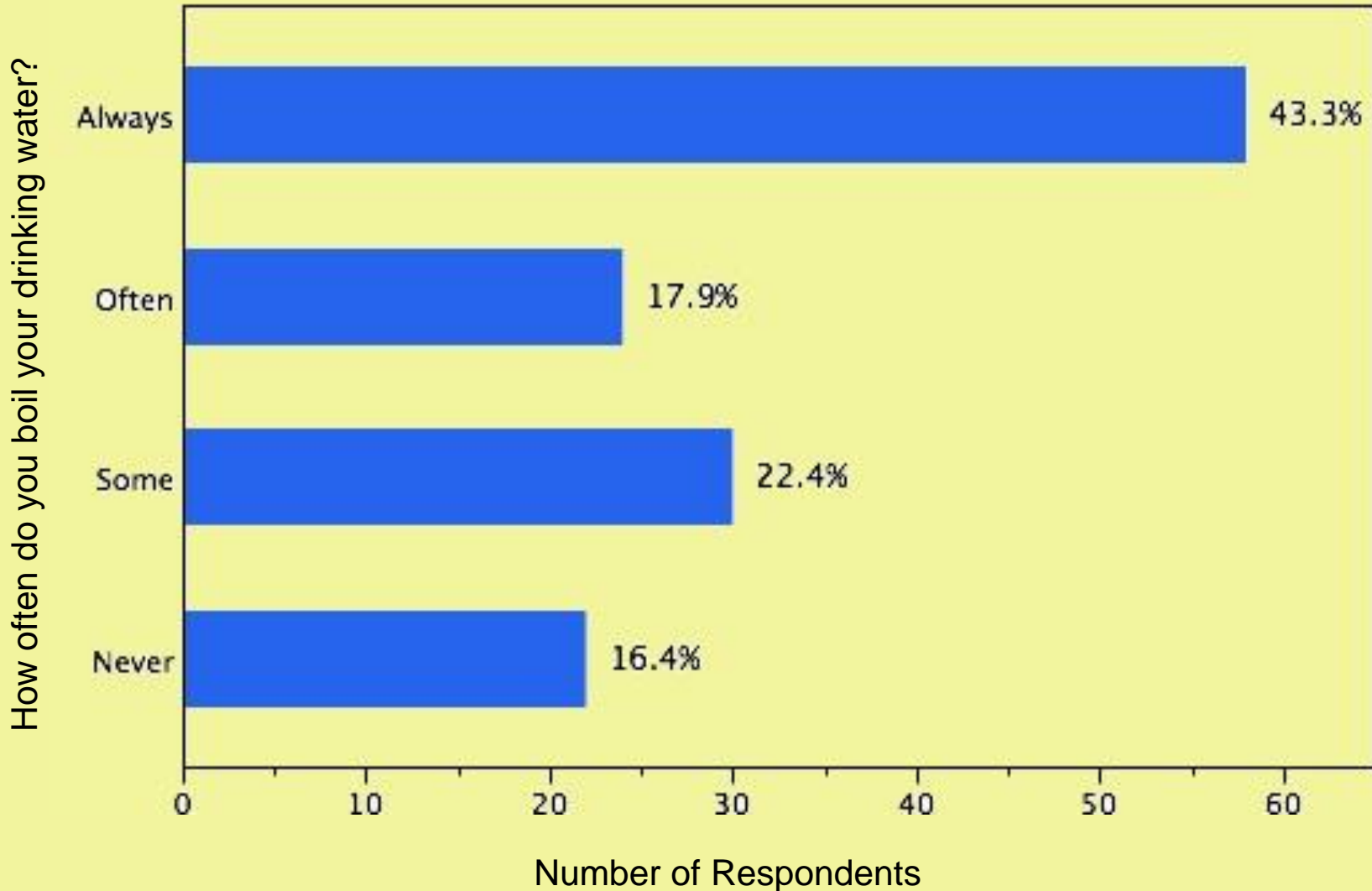


- Wood collection is time consuming, taking women's time away from running their businesses and their children's time away from study and play.
- Wood burning is an inefficient fuel source, although it does heat up quickly which speeds up the cooking process. Charcoal is a more efficient fuel source; however, it takes longer to heat up and is more expensive.
- Prolonged exposure to wood burning stoves without proper ventilation can cause respiratory problems because of the constant inhalation of smoke.

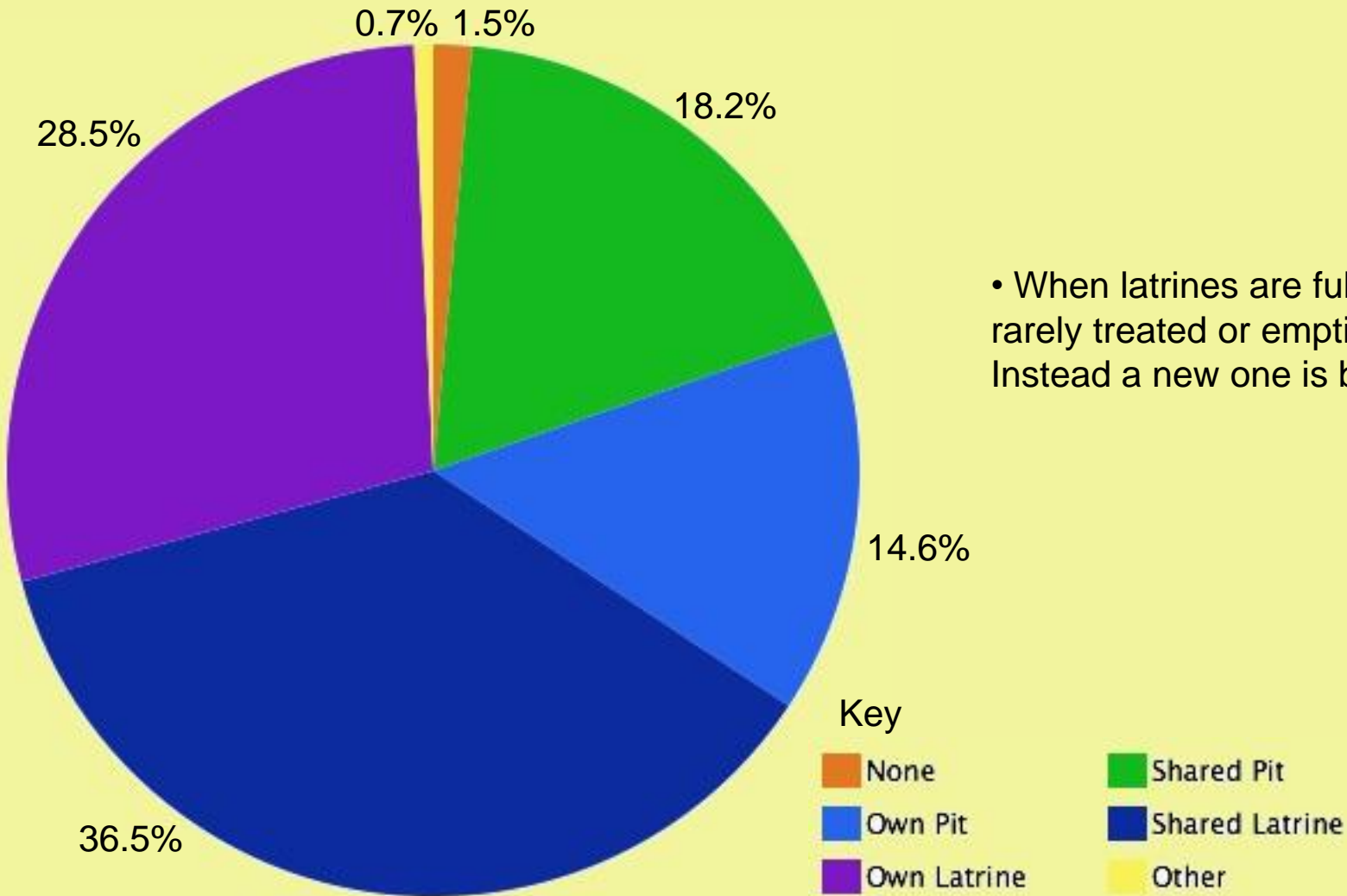
Borrowers most commonly collect fresh water or use a well or pump as their water source.



Over one-third of borrowers report they sometimes or never boil their drinking water.



# Most borrowers use a shared latrine as their primary toilet facility.



- When latrines are full they are rarely treated or emptied. Instead a new one is built.

# STANDARD OF LIVING SUMMARY

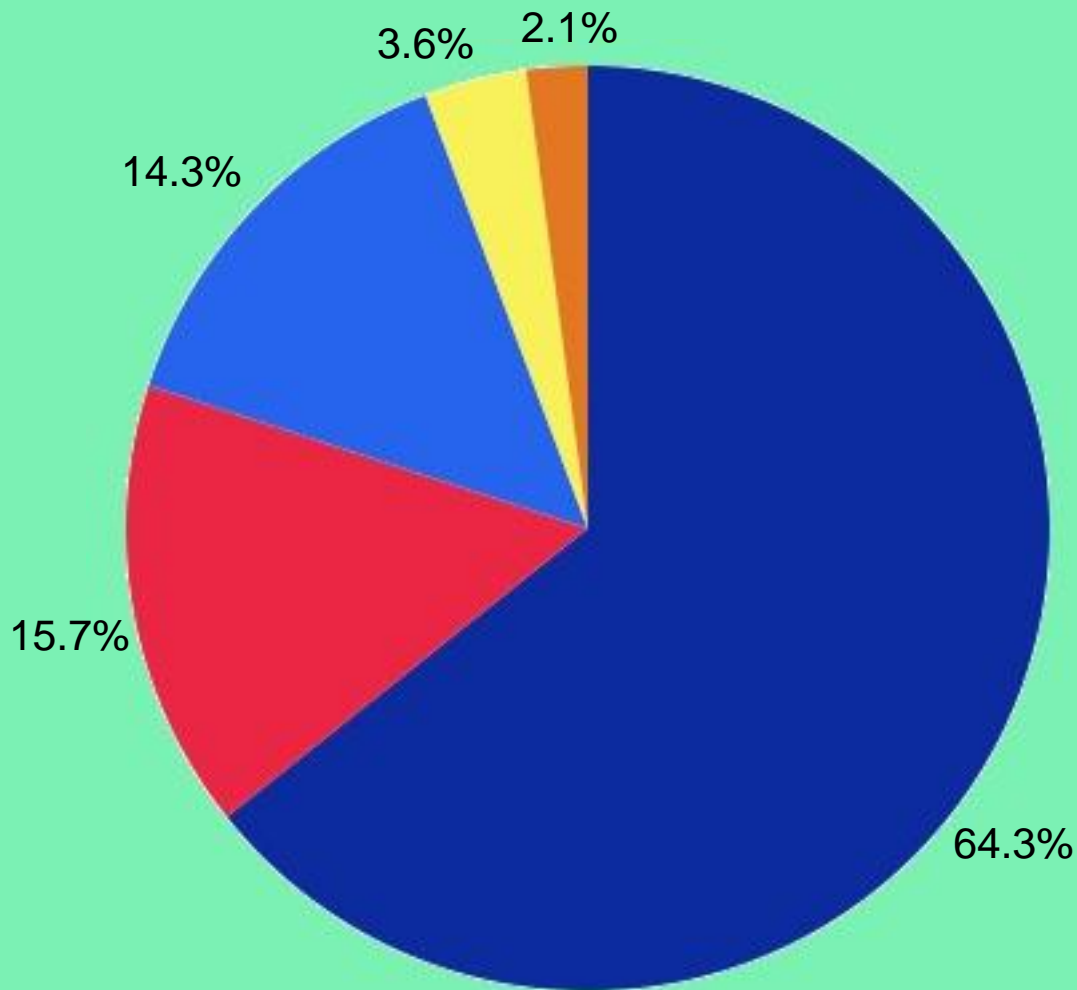
- Upon entering the loan program, most borrowers are living on incredibly small daily incomes and are unable to save money for the future.
- Their homes are generally semi-permanent with dirt floors and walls. They own few tools, but generally have livestock. Almost three-quarters of them own cell phones which they use with pay-as-you-go plans. The phones are very useful for organizing logistics, but can also strain tight household budgets when people do not keep track of the amount of airtime they use.
- Many borrowers access water from a well or a pump. Collecting water is an extremely time consuming process. People must carry all of the water they will use everyday in 40 liter jerry cans.
- The living conditions of these women are often so extreme that generating even a small amount of income is likely to have an immediate, positive impact on their household living standards.
- In the longer term, access to credit helps borrowers create a steady income stream and plan for future spending.

# III. FAMILY HEALTH AND WELFARE

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



# Over one-third of borrowers report that at least one person in their household is regularly sick.



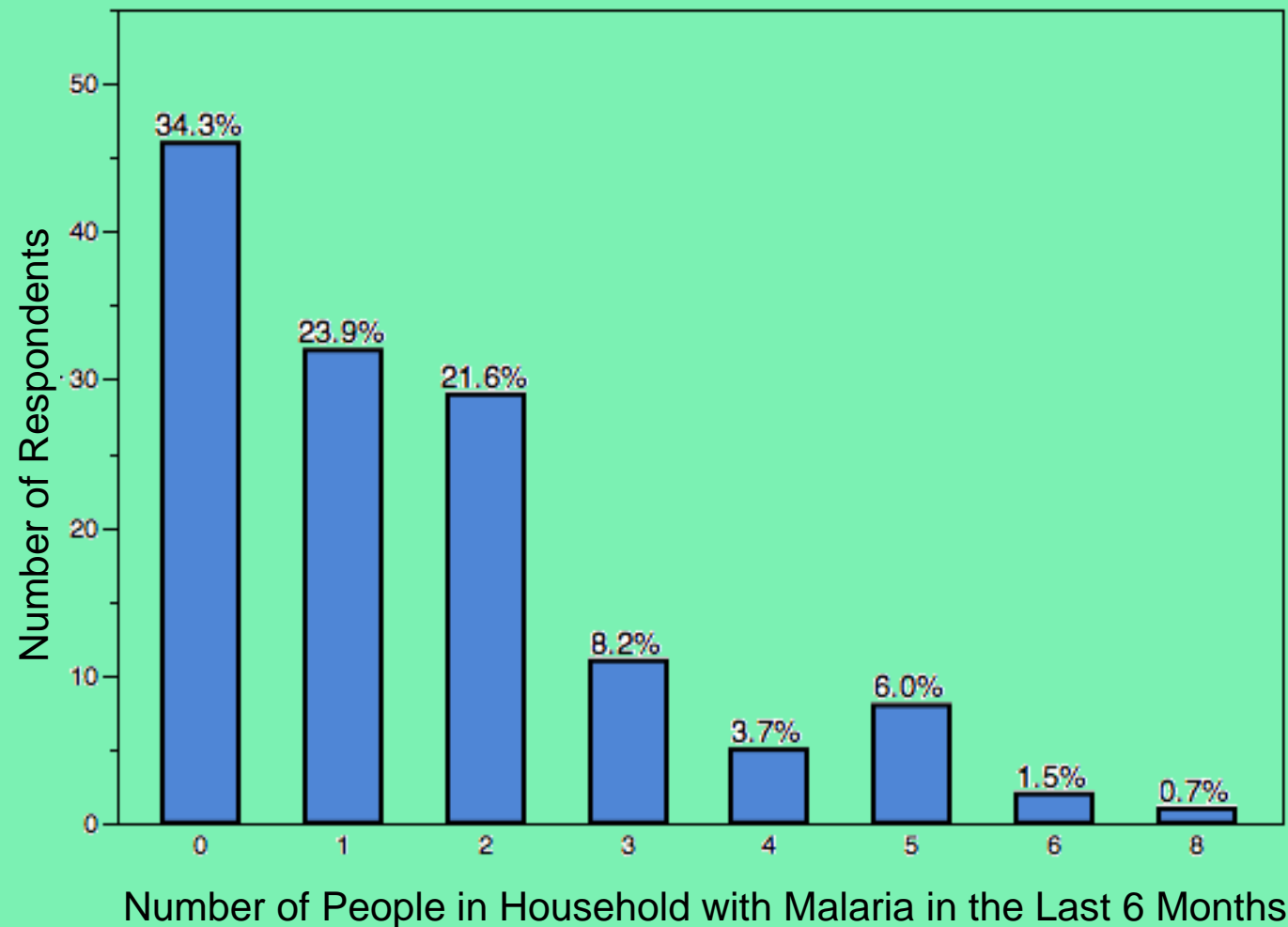
- Common causes of illness include malaria, which is transmitted by infected mosquitoes, and waterborne diseases like typhoid fever.

- Many of these illnesses are easily treatable or preventable. Treatment depends on the availability of affordable healthcare and prevention depends on access to clean drinking water.

How many people in your household are regularly sick?

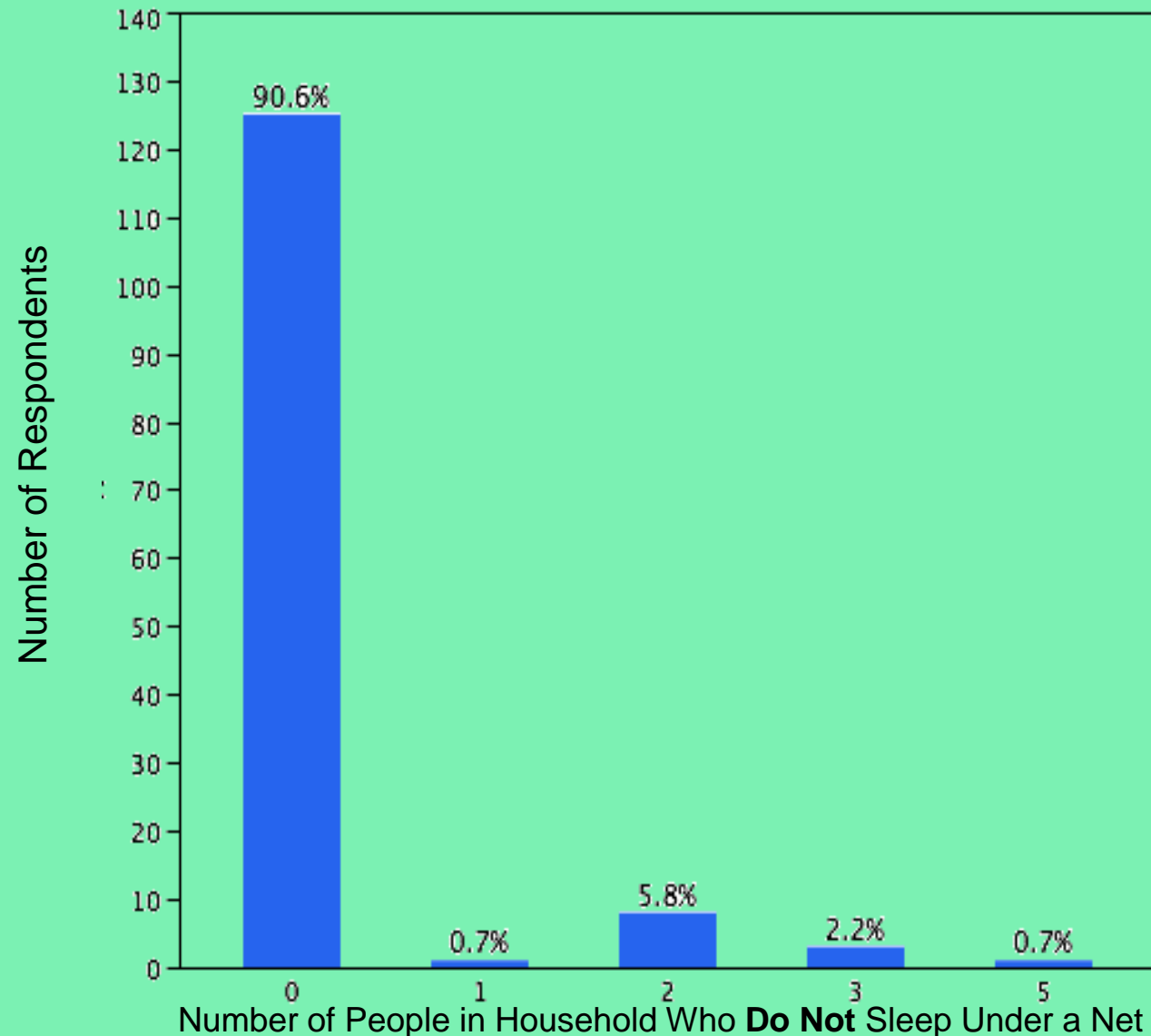


Almost two-thirds of borrowers report that at least one person in their household has had malaria in the last 6 months.



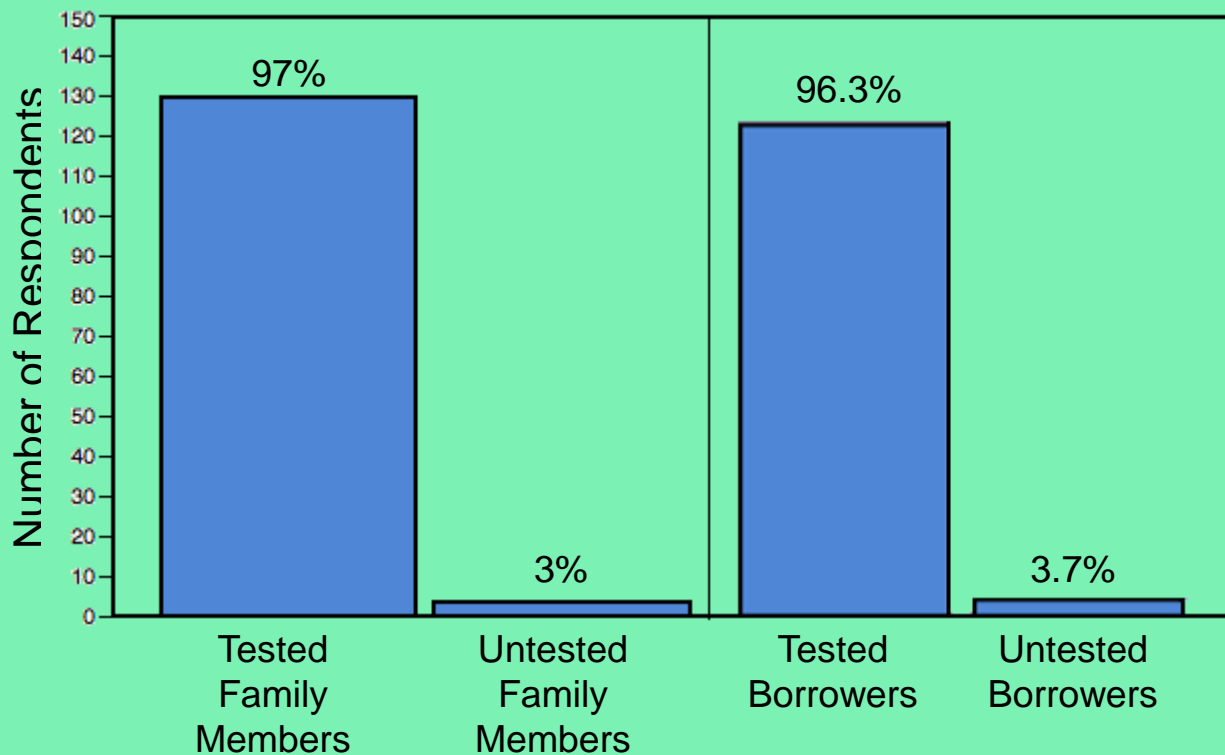
- Malaria is particularly prevalent in southwestern Kenya near Lake Victoria. The low altitude and tropical climate create excellent breeding grounds for mosquitoes, which are the main vectors of disease transmission.

# Over 90% of borrowers report that everyone in their household sleeps under a mosquito net.



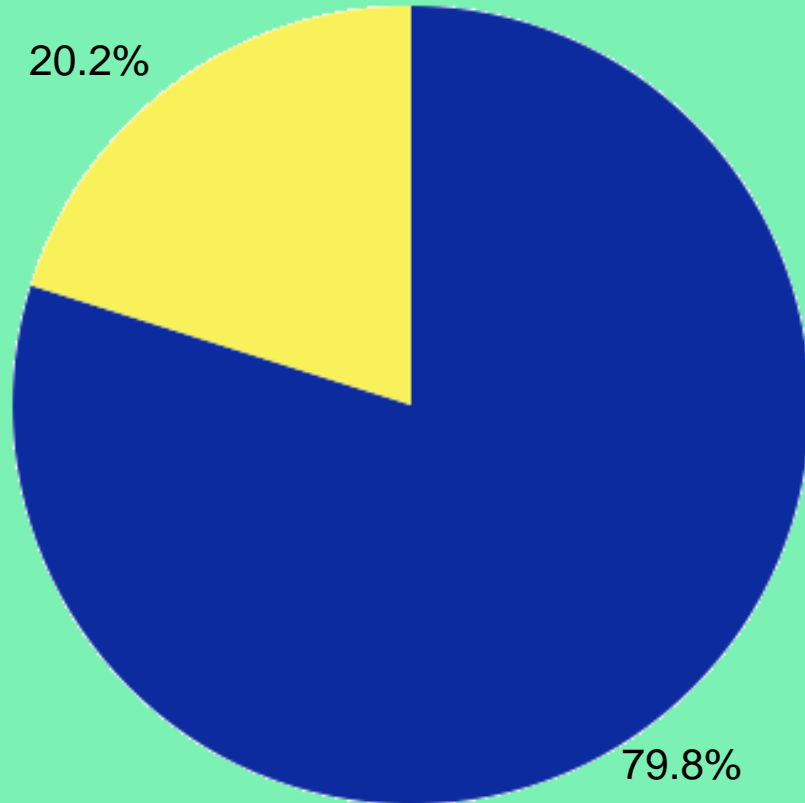
- Since 2008 the Kenyan government has made a concentrated effort with support from various foreign donors to address the high rates of malarial infection.
- This includes the purchase and free distribution of millions of insecticide-treated nets - with a particular focus on getting nets to children and pregnant mothers.
- Some households use nets that are old and have holes in them, which makes them ineffective barriers against mosquitoes.

# Over 95% of borrowers reported that both they and their families have been tested for HIV/AIDS infection.



- Borrowers recognize the importance of HIV/AIDS testing.
- HIV/AIDS treatment in the form of Anti-Retro Virals (ARVs) is basically free in Kenya. Even so, the 2009 Kenya Health and Demographics Survey reported that only 70,000 of the 200,00 people in need of ARVs were receiving them.

# One-fifth of borrowers report that at least one person in their household is HIV positive.

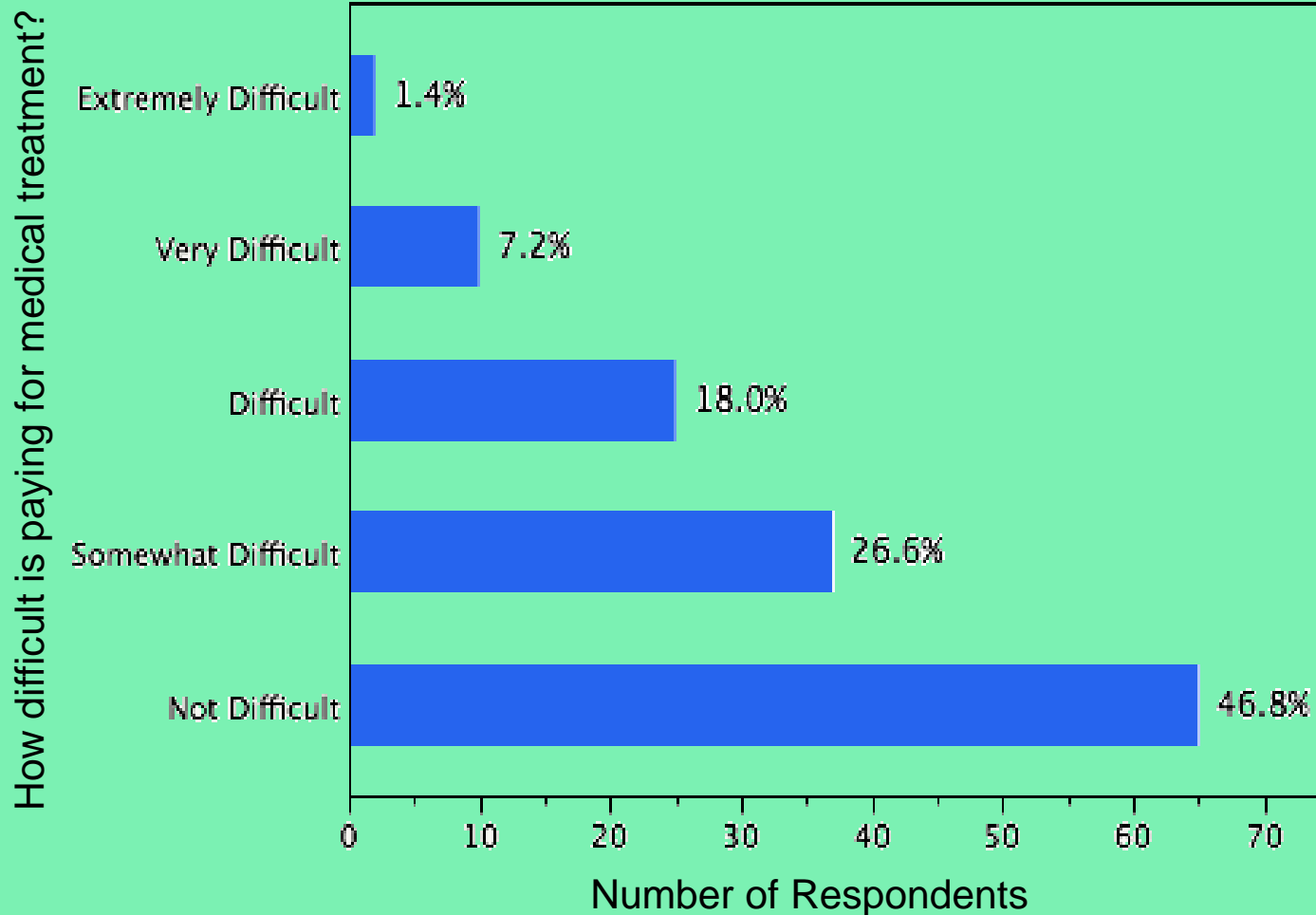


- Of the borrowers who reported that at least one person in their household is HIV positive, 73% also reported that the person receives regular treatment. The other 27% did not answer the question about treatment.

Do you or does anyone in your household have HIV/AIDS?

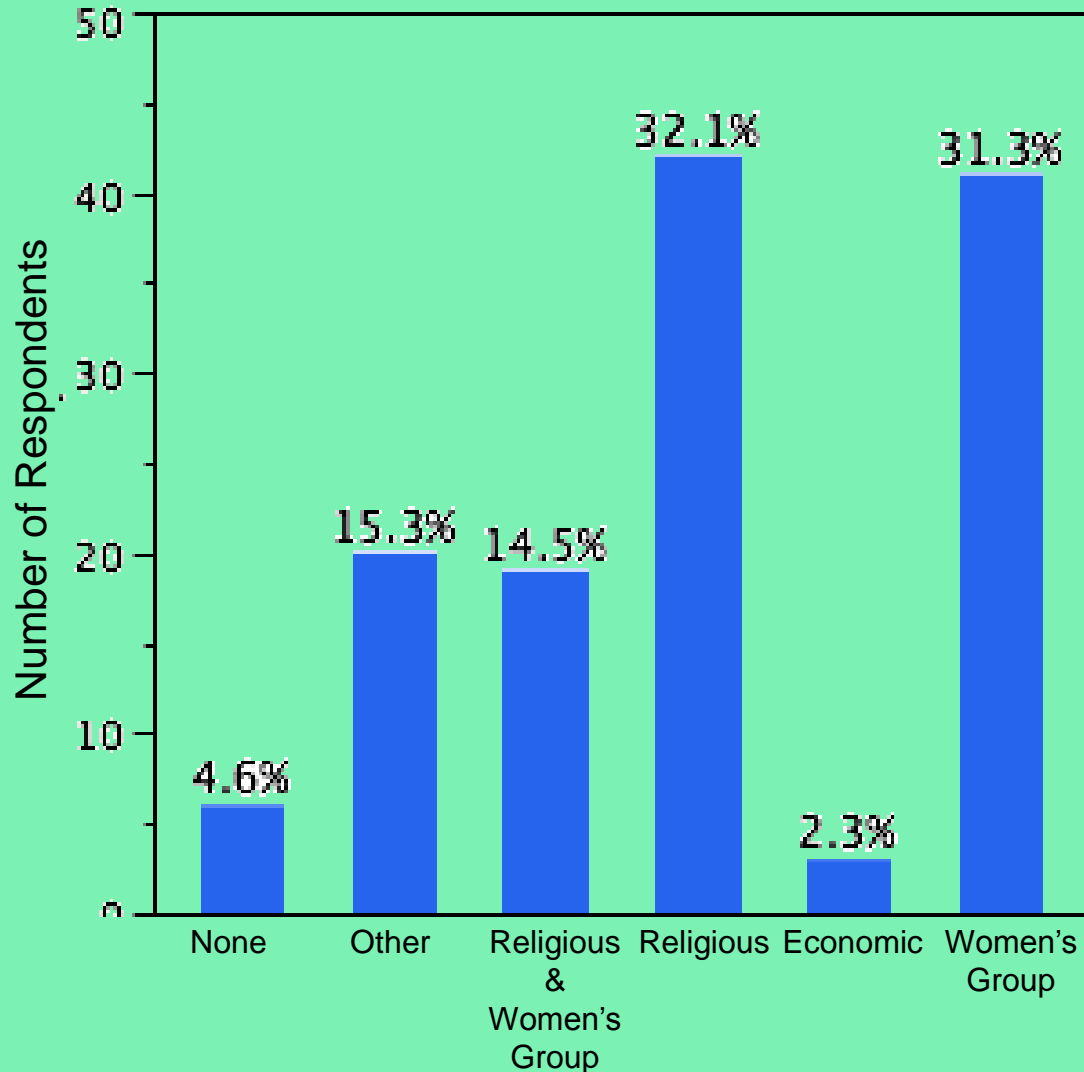
■ No ■ Yes

# Almost 50% of borrowers report that paying for medical treatment is not difficult.



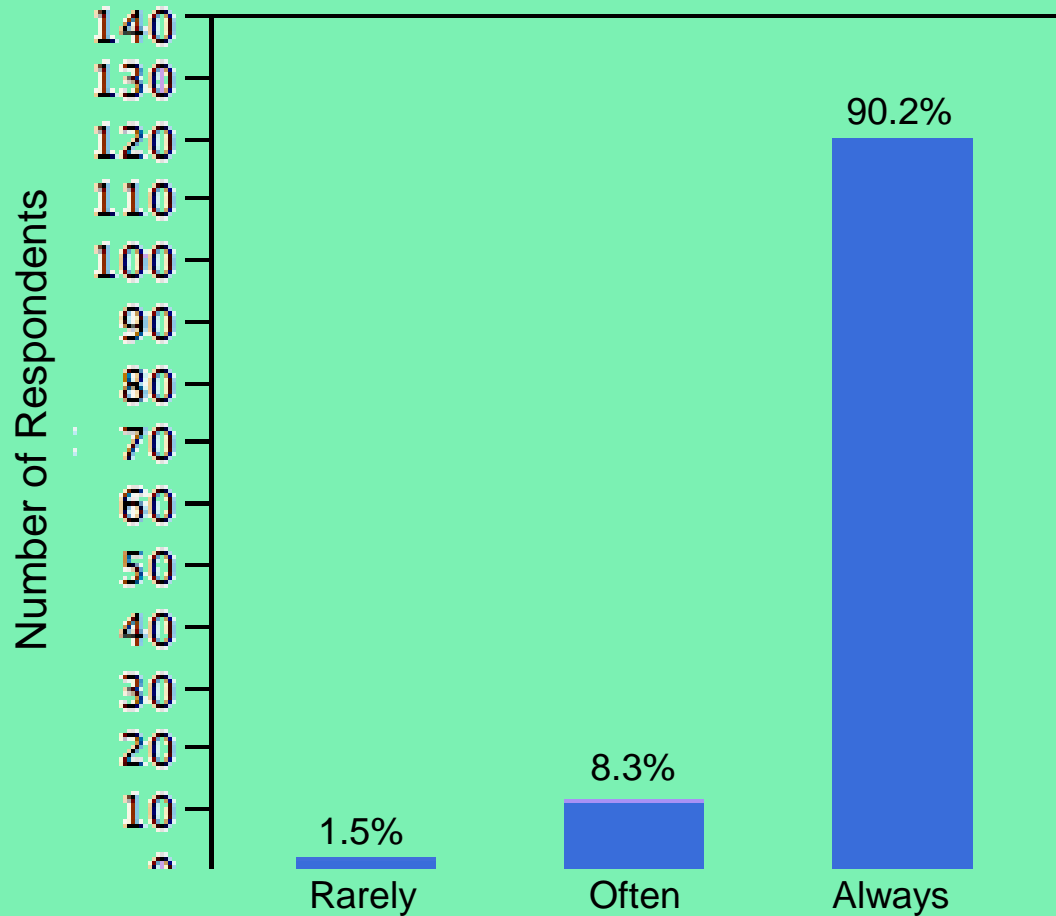
- Borrowers in Siaya have access to several free health centers in the area, which may account for the lack of difficulty in paying for medical treatment.

# Over 95% of borrowers report being involved in some type of community organization.



- Community involvement can reinforce relationships among borrowers who are providing cross-guarantees for each other's loans.

# 90% of borrowers report that their children always attend school.



- Borrowers place a high priority on education. Some children walk many kilometers to and from school each day.

How often do your children attend school?

Almost three-quarters of women in SIKABU report that their children do not participate in any type of organized after-school activities.



Do your children participate in any after-school activities?

- Many rural village schools do not have the resources to organize after-school activities. Teachers are often underpaid and overworked and there is little incentive to create after-school programs.
- Over 50% of women report that chores are their children's main after-school activity, indicating that children are expected to help out around the house.
- Organized activities include sports teams, choirs and drama clubs.

# FAMILY HEALTH AND WELFARE SUMMARY

- Many borrowers report regular sickness in their families, including multiple cases of malaria in the last six months. Local free health clinics mean that paying for medical treatment is not difficult. However, regular sickness prevents children from attending school and parents from working. If parents cannot work it puts a strain on already tight household budgets.
- A significant number of women have to care for someone with HIV/AIDS. Nyanza Province has the highest rate of HIV/AIDS cases in all of Kenya. Many borrowers recognize the importance of getting tested and of those who reported that someone in their household had HIV/AIDS, almost three-quarters reported that the person receives regular treatment.
- Borrowers see school as one way for their children to gain access to a better life. They make sure that the children attend regularly. Many schools do not offer any type of after-school activities. Borrowers reported chores as their children's main after school activity.