

Factbook: Borrower Profile Data

Maya Agiri Women's Development Group (MAWDEG)

Bududa, Uganda

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Table of Contents

Background on WMI/Methodology

Preliminary Loan Program Results

Survey Results

- I. Demographics
- II. Standard of Living
- III. Family Health and Welfare



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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.
- By the end of 2011, WMI will have funded or guaranteed over 3,500 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.
- 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.
- After 24 months in the WMI loan program, borrowers transition to loans issued by a local commercial bank.
- Their WMI loan funds are then recycled to provide loans to new borrowers. Once the initial loans are funded the WMI loan program becomes self-sustaining.
- Each hub loan program is administered by a village level organization. All local operating costs are covered by income from interest collected on the loans.

Methodology

- Naume Muganwa, MAWDEG's head coordinator in Bududa, Uganda, supervised the data collection and was assisted by the local coordinator, Margaret Gimei.
- Using a loan application and baseline survey, WMI collects borrower data when a new loan is issued.
- WMI administers a follow-up survey every 6 months, concurrent with follow-up loan applications.
- Local village women who are proficient in English issue the surveys.
- U.S. based staff analyze the data. The data presented in this fact book was collected between April 2010 and April 2011 from 80 borrowers.*



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

Preliminary Results from Follow-up Loan Data*

- Almost 80% of borrowers reported an improvement in their meals. Improvements included adding more meals, adding more food to each meal, and adding more meat to their diets.
- All borrowers reported that their business skills have improved, particularly skills in budgeting, problem-solving, and record-keeping.
- All borrowers reported improvements in their personal skills, especially in self-confidence, organization, and creativity/resourcefulness.
- 80% of borrowers reported saving on a weekly basis.
- Over 60% of borrowers reported that their top three priorities for their savings are: to pay health care expenses, to pay school fees, and to expand their businesses.
- Since receiving their first loans, almost 10% of borrowers reported changing their homes, adding rooms, and/or changing their floors.
- 35% of borrowers reported adding furniture to their homes.
- Almost three-quarters of borrowers reported that more people in their households sleep under mosquito nets.
- Borrowers' top three priorities for use of their business income are: expanding their businesses, buying food, and paying school fees.
- Before receiving a loan, most borrowers reported that the average daily income per person in their household was less than \$0.10. Six months later, after taking their first loan, they reported that the average daily income per person in their household was \$0.58.
- 87.5% of borrowers reported that their husband helps them with their business, most often by providing labor and encouragement.
- Almost 90% of borrowers report that their children actively support them by providing labor for the business or by assisting with household chores while their mother works.



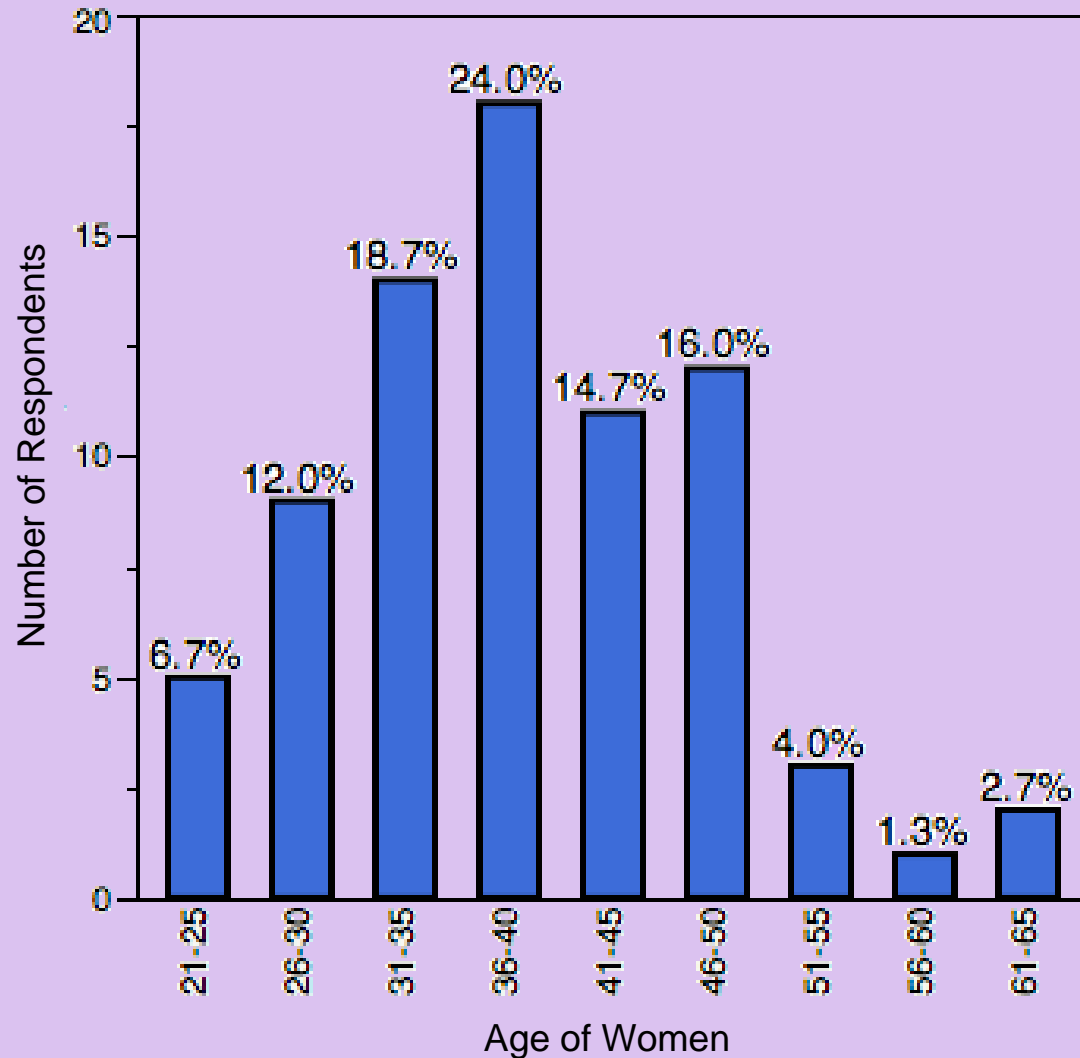
* Follow up data is from October 2010 - April 2011 from follow-up surveys for 67 borrowers.

I. DEMOGRAPHICS

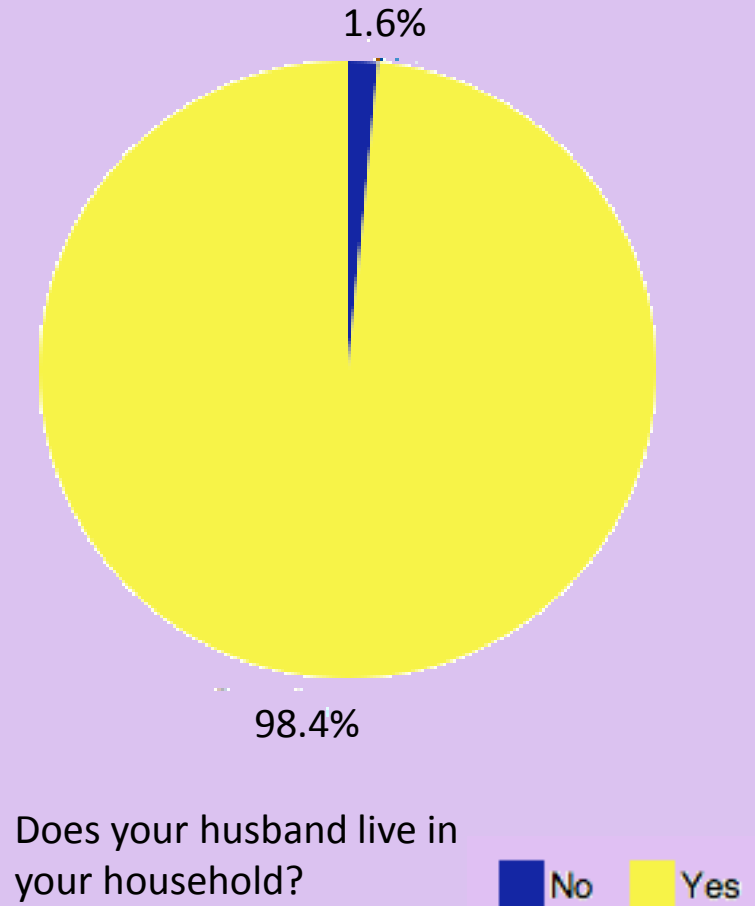
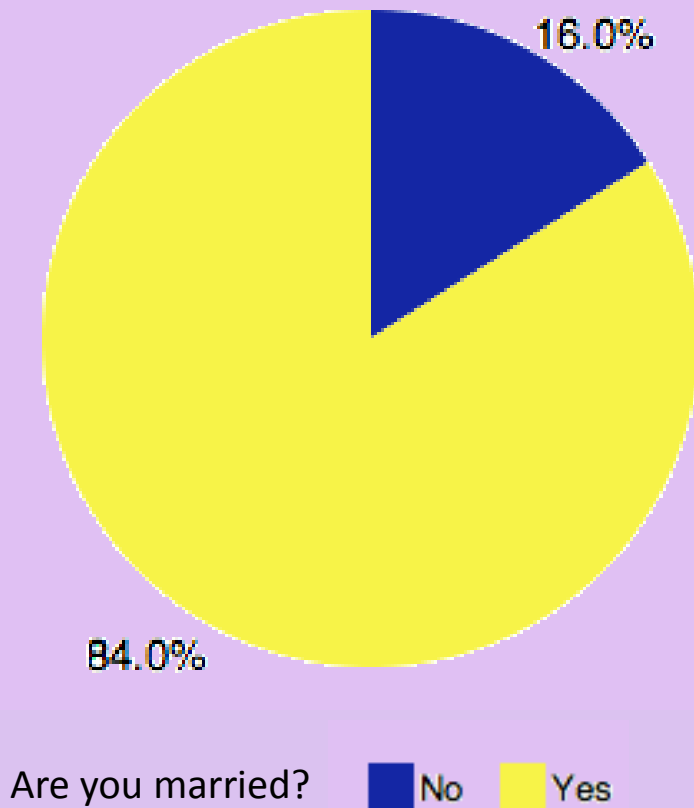
1. Age Distribution
2. Marital Status
3. People in Household
4. Children in Household
5. Orphaned Children in Household
6. Summary



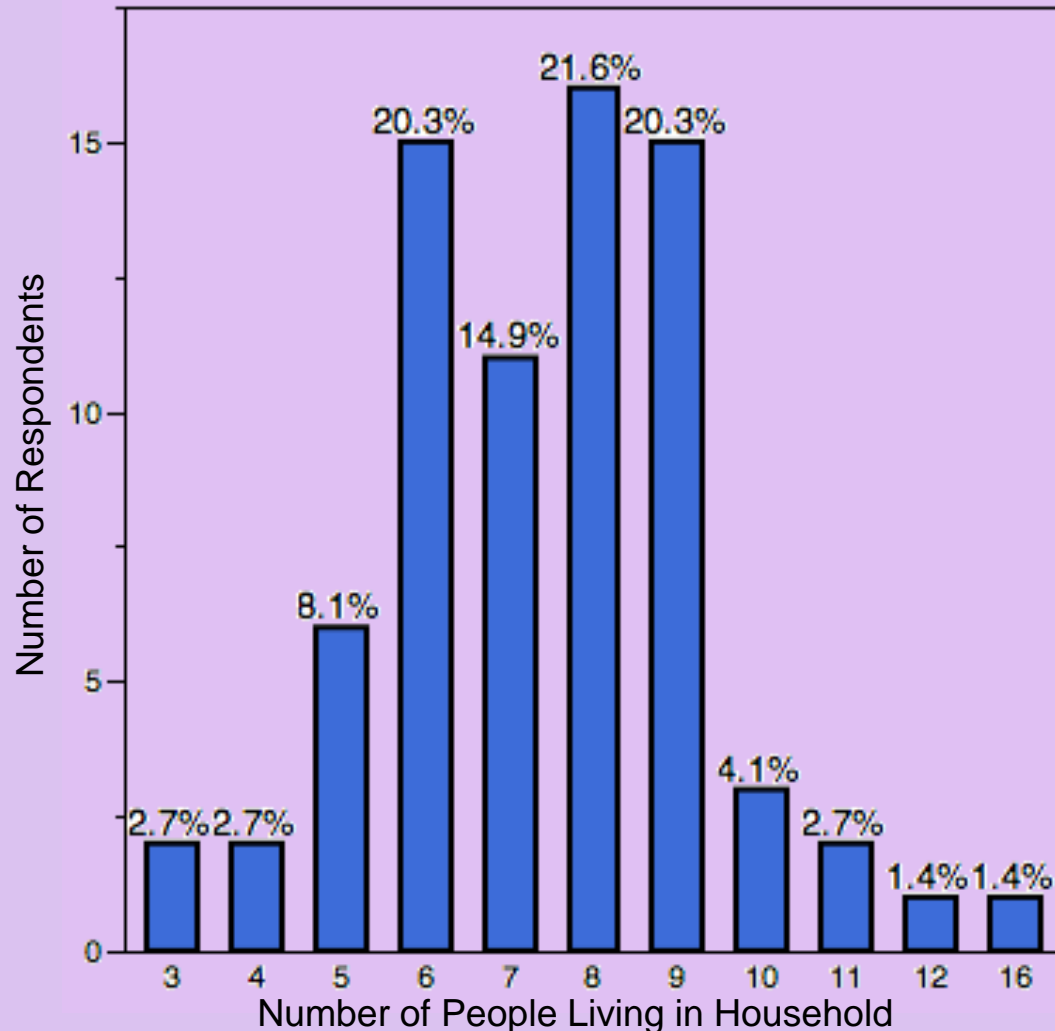
Nearly three-quarters of borrowers are between the ages of 31 and 50.



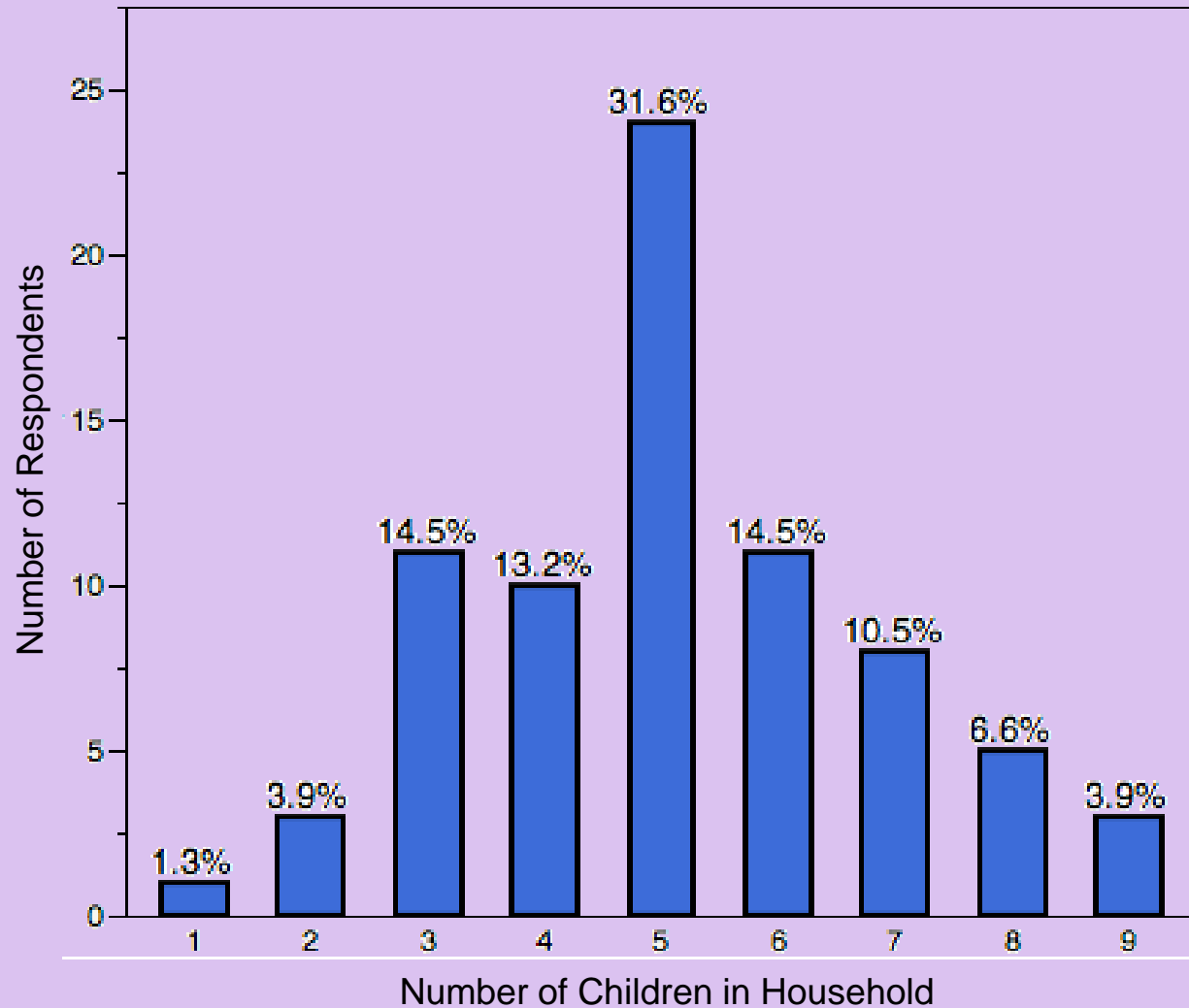
84% of borrowers are married. Nearly all married borrowers live with their husband.



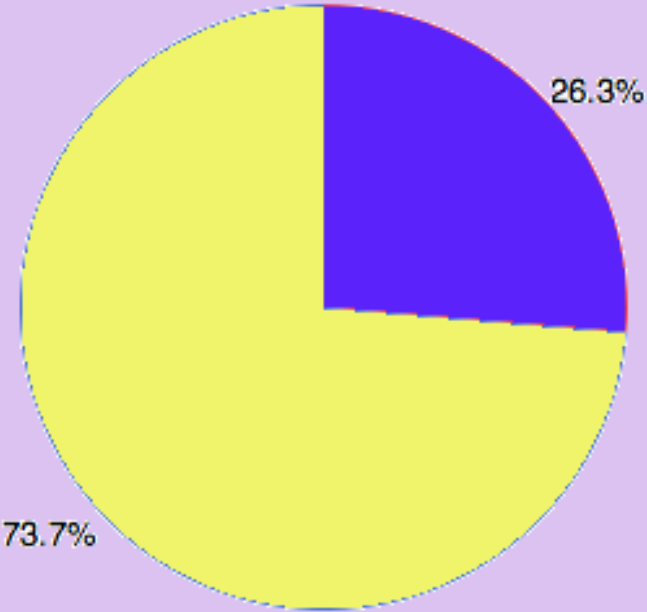
Over 50% of borrowers have 8 or more people living in their households.



Over 80% of borrowers care at least 4 children.

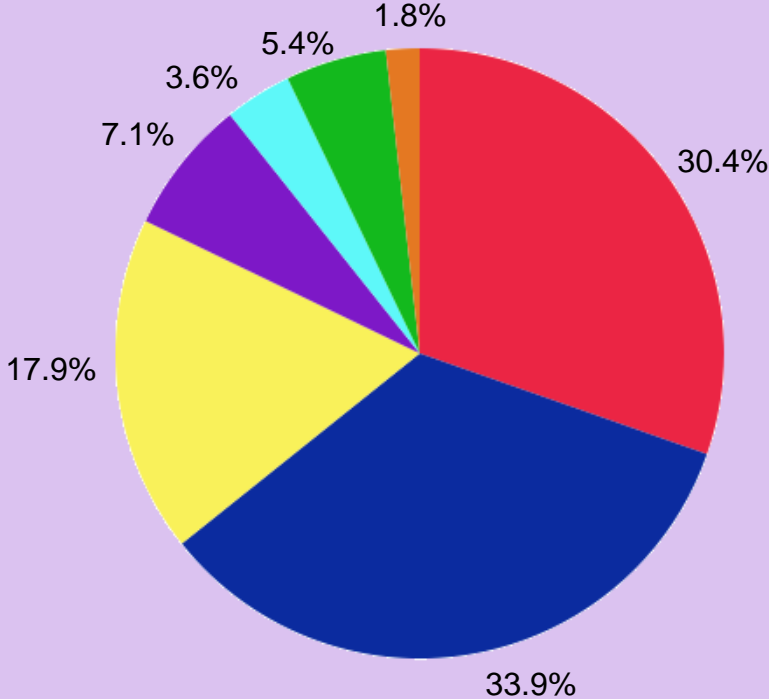


Of the 73.7% of borrowers who care for children who are not their own, over 70% care for more than one other child.



Do you have children who are not your own?

■ No ■ Yes



If yes, how many do you care for?

■ 1 ■ 2 ■ 3 ■ 4 ■ 5 ■ 6 ■ 8

DEMOGRAPHICS SUMMARY

- While borrowers span a variety of age groups, most borrowers are married and live in large households with many children, including children that are not their own. In rural communities in Uganda there are many orphaned children, who have lost their parents to HIV/AIDS, other illnesses or accidents.
- Microloans offer women a chance to create income-generating businesses, which then impact not only the borrowers but their family members and the orphans that many borrowers care for in their homes.



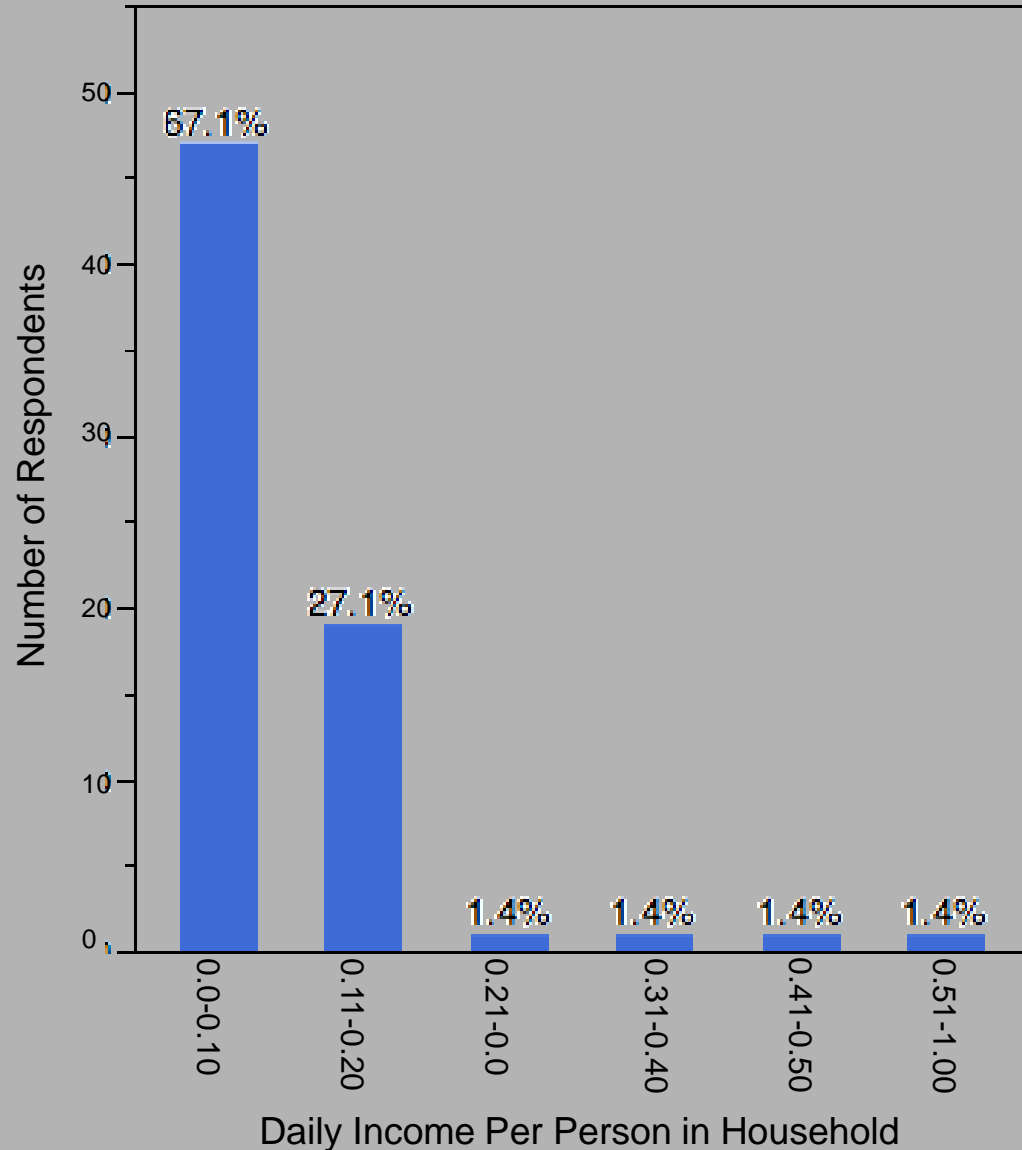
II. STANDARD OF LIVING

AT TIME OF FIRST LOAN

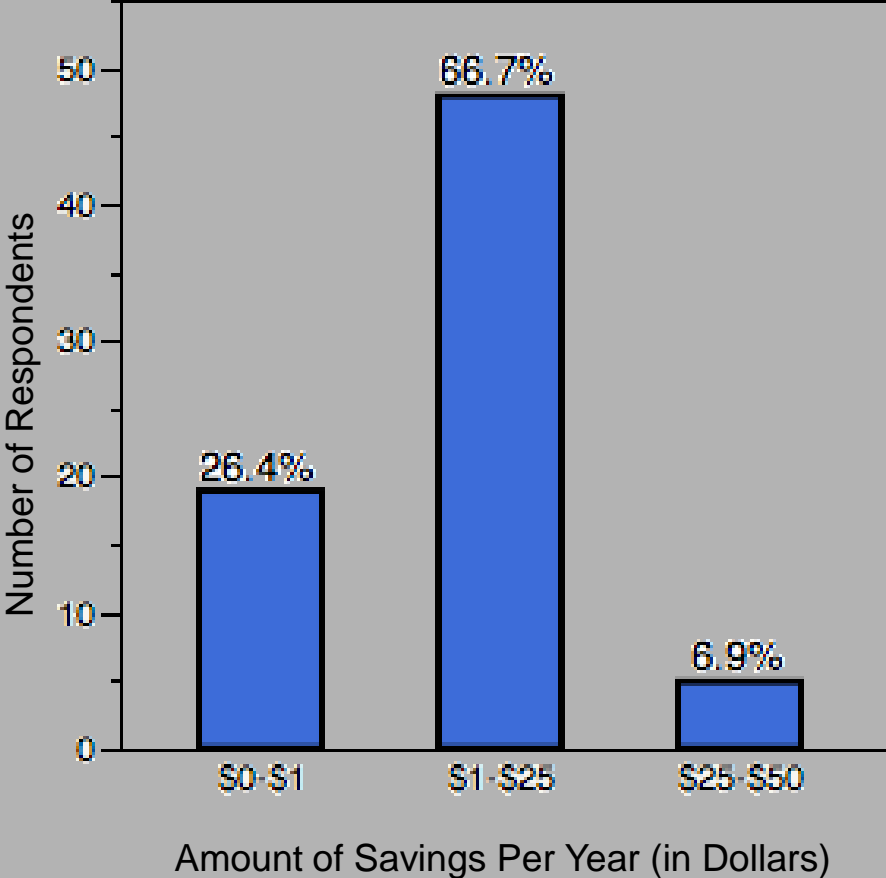
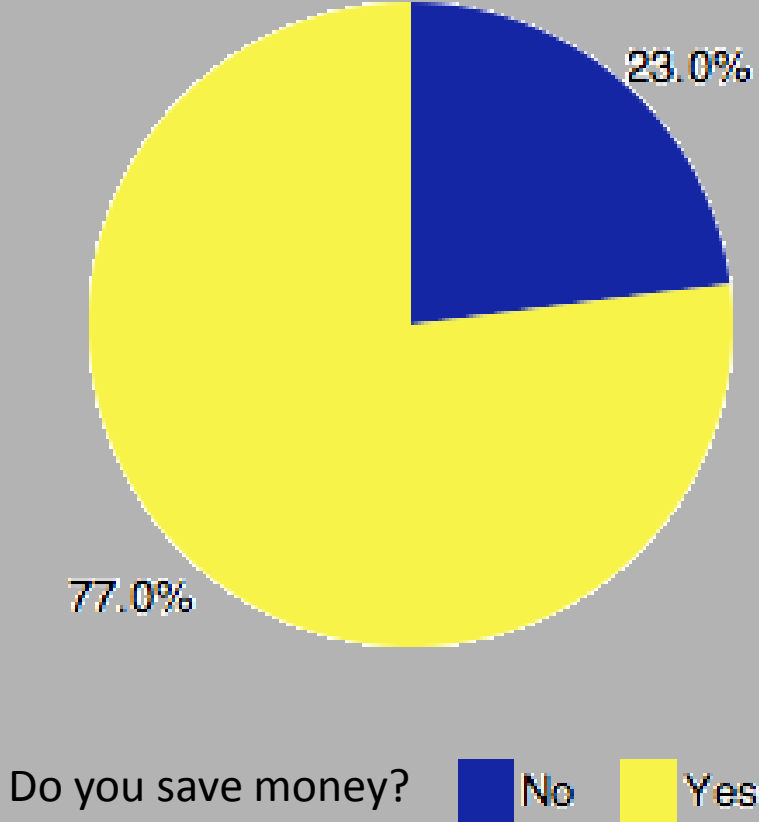
1. Daily Income
2. Savings Practices
3. Type of Home
4. Details of Home
5. Food Eaten Most Often
6. Number of Meals per Day
7. Shoes for Children
8. Ownership: Farm Animals
9. Ownership: Household Amenities
10. Light Source
11. Cooking Fuel
12. Water Source
13. Boil Drinking Water
14. Toilet Facility
15. Summary



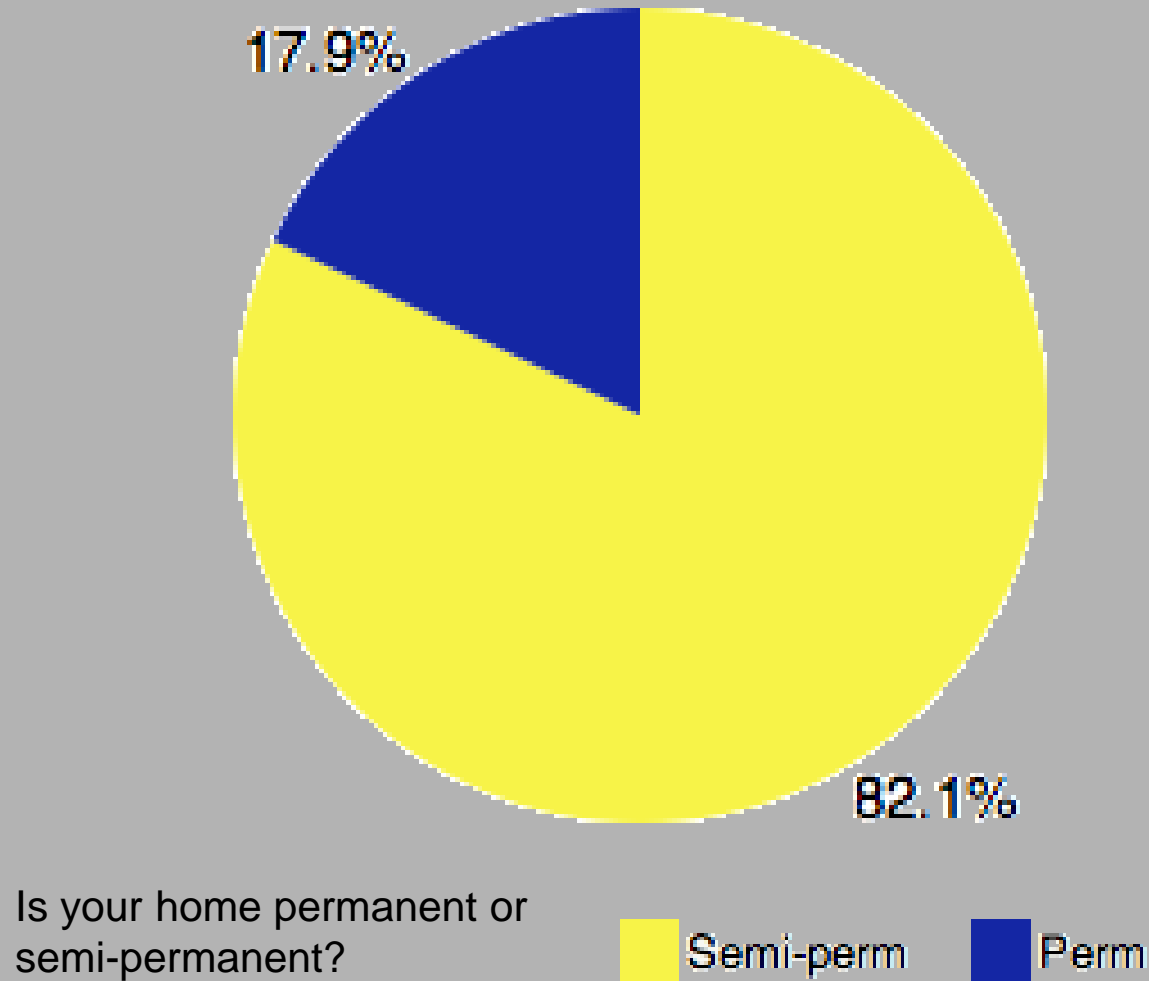
The majority of initial borrowers are living on less than 10 cents a day.



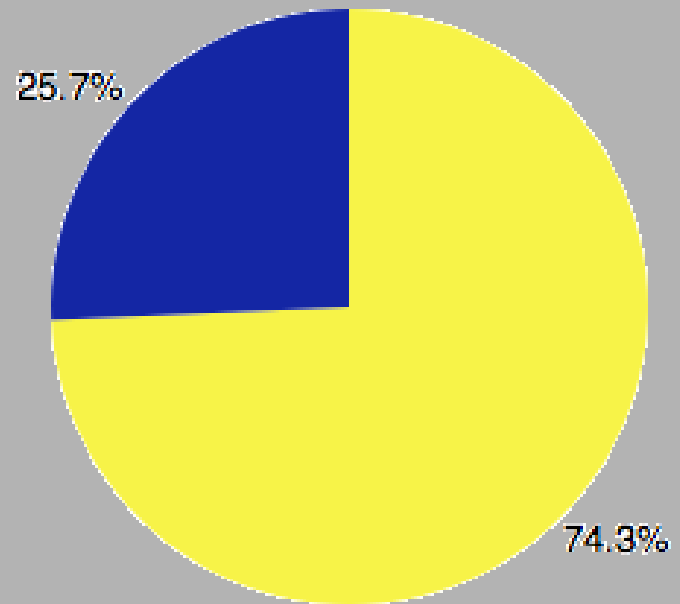
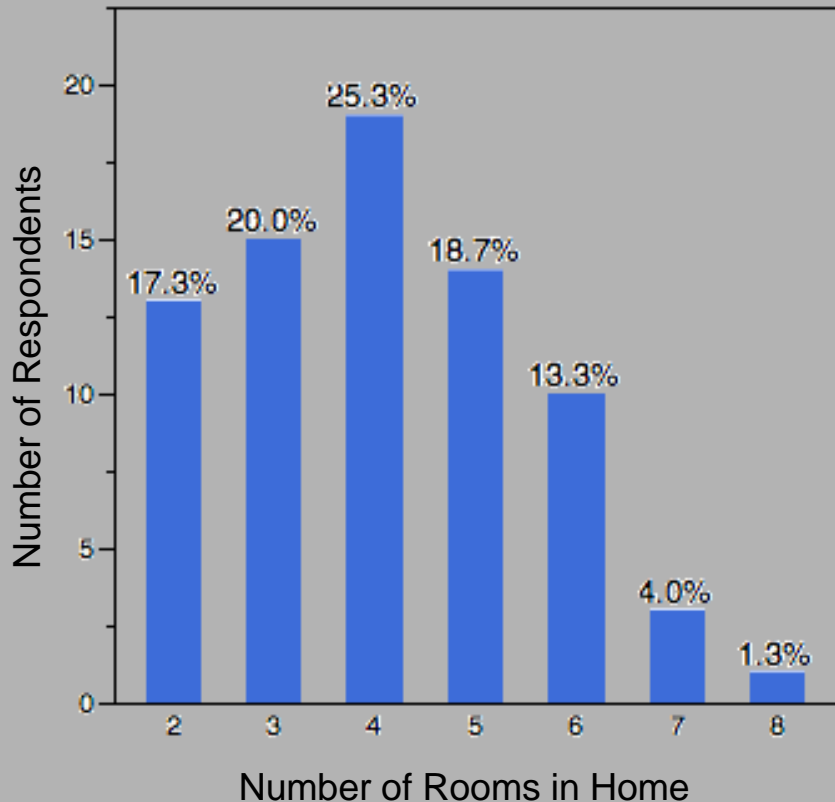
Over three-quarters of borrowers report saving prior to their first loan; however, over 90% of borrowers reported having less than \$25 in savings.



All borrowers reported owning their own home, but over 80% of these homes are semi-permanent.



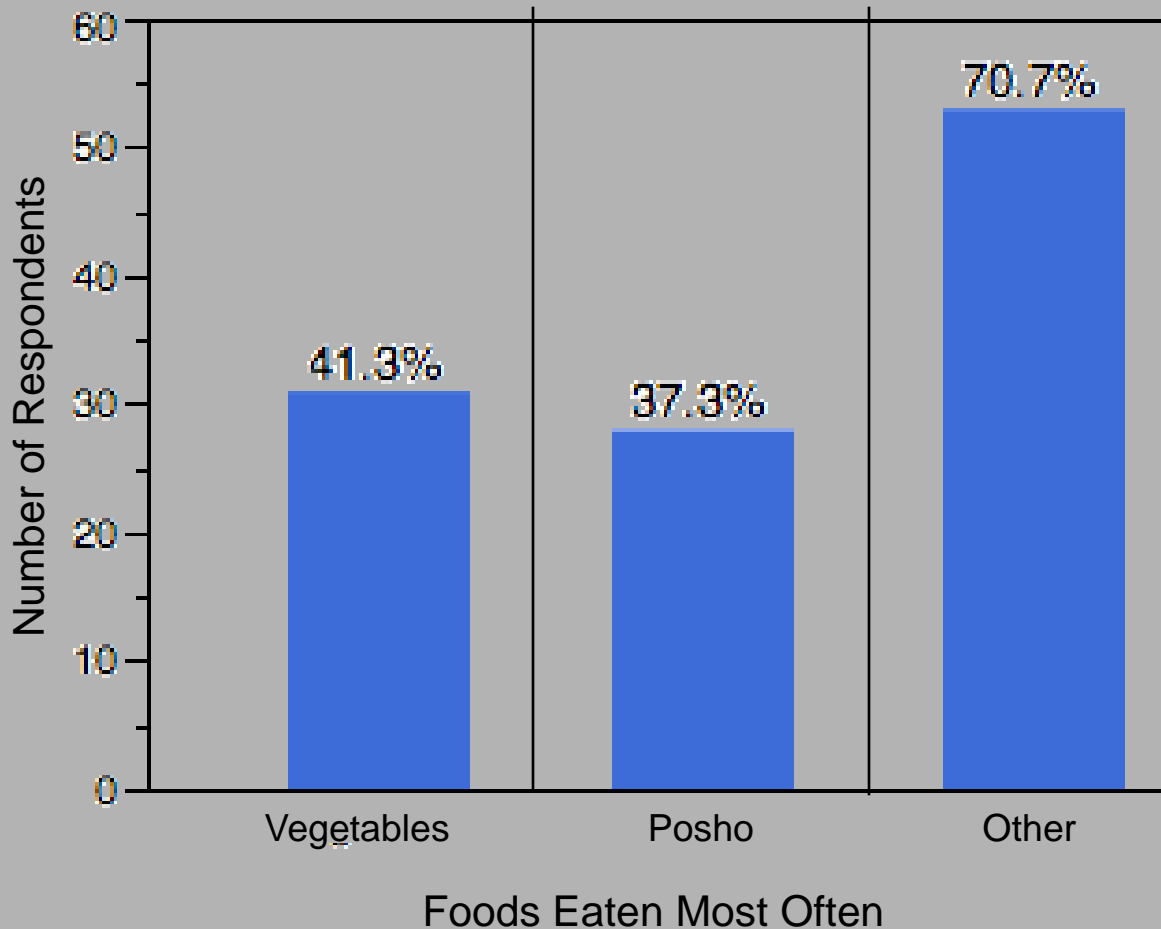
Over 60% of borrowers' homes have fewer than 5 rooms and nearly 75% have dirt floors.



What type of floor is in your house?

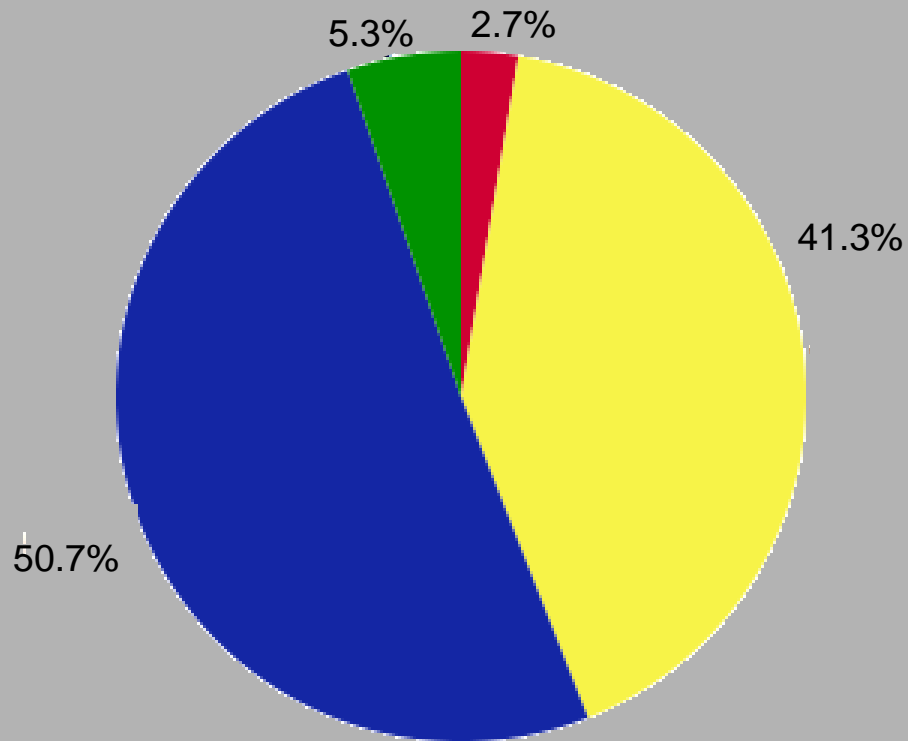
 Dirt  Cement

Posho and vegetables are staples in many borrowers' diets.

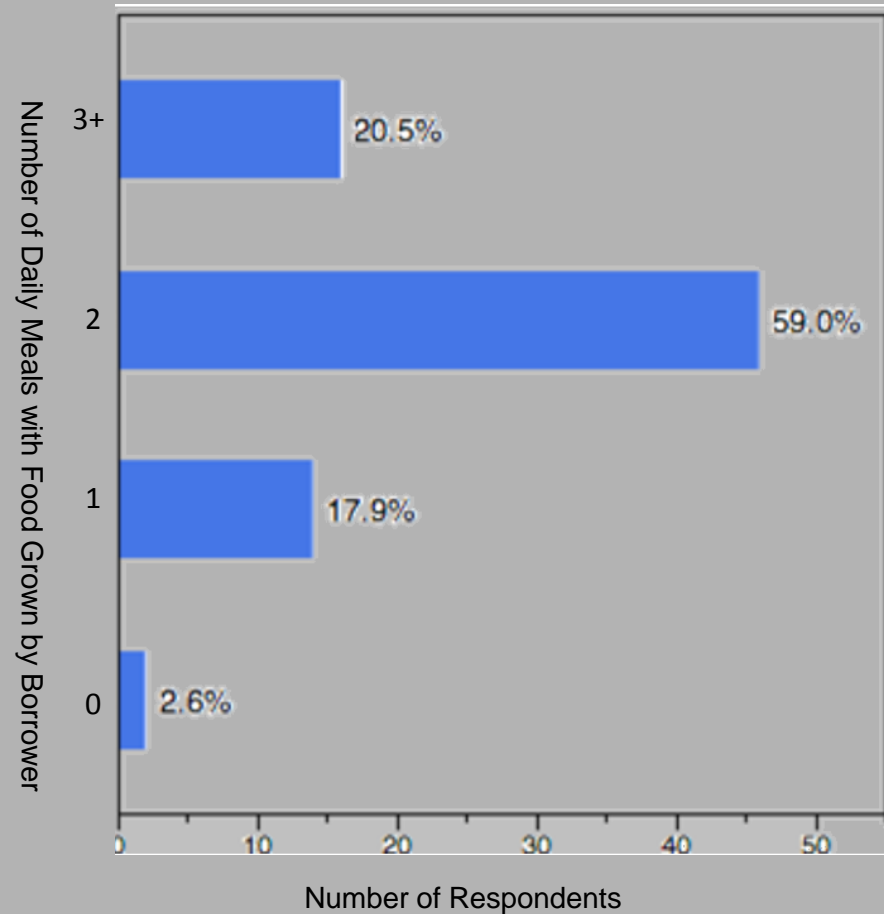


Other foods consumed in this area include rice, beans, cassava, and various species of banana.

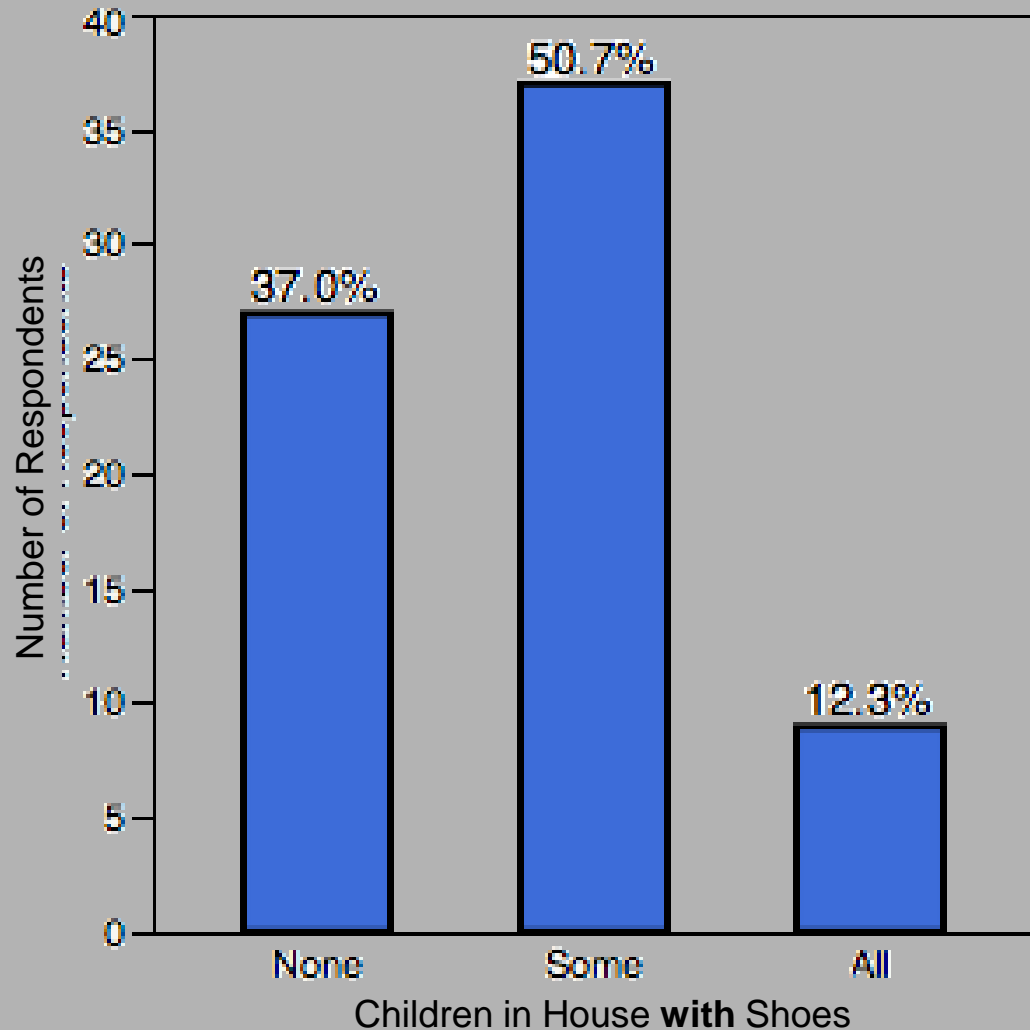
Over 90% of borrowers report eating two or three meals per day. Most meals include food grown by the household.



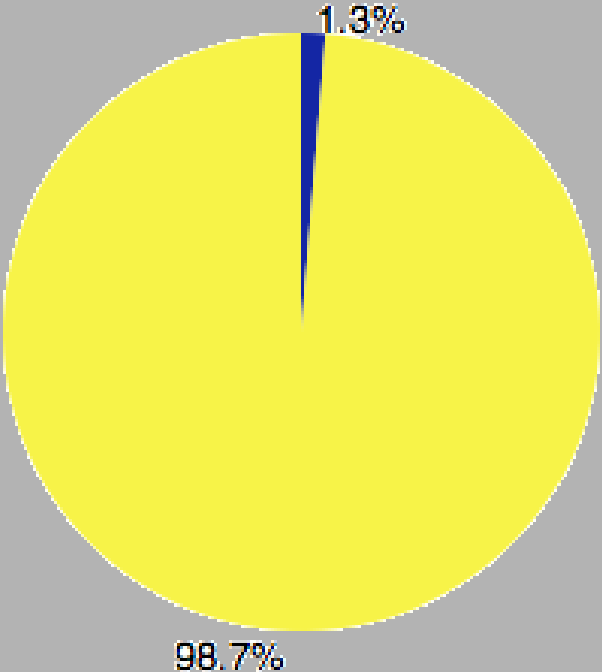
How many meals does your family typically eat per day?



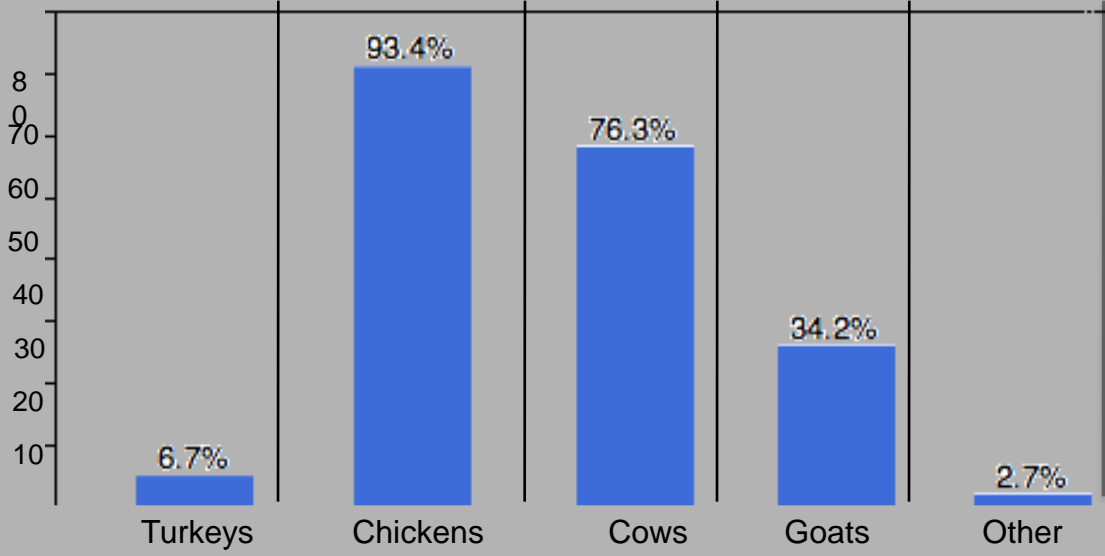
Over 80% of borrowers report that at least some of the children in their household do not own shoes.



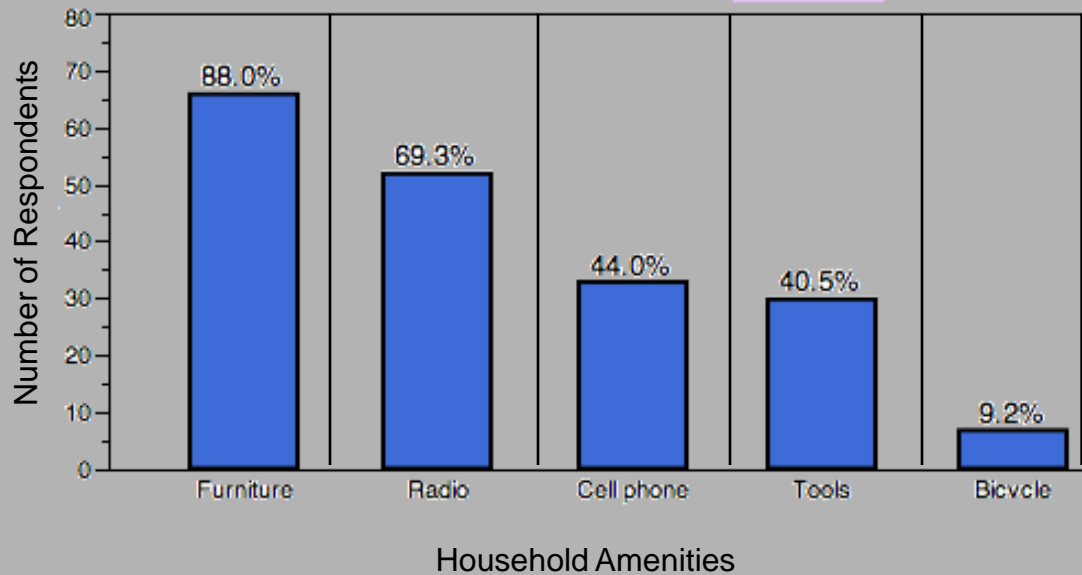
Nearly all borrowers reported owning livestock; cows and chickens are the most common animals borrowers own.



Do you own livestock? ■ No ■ Yes

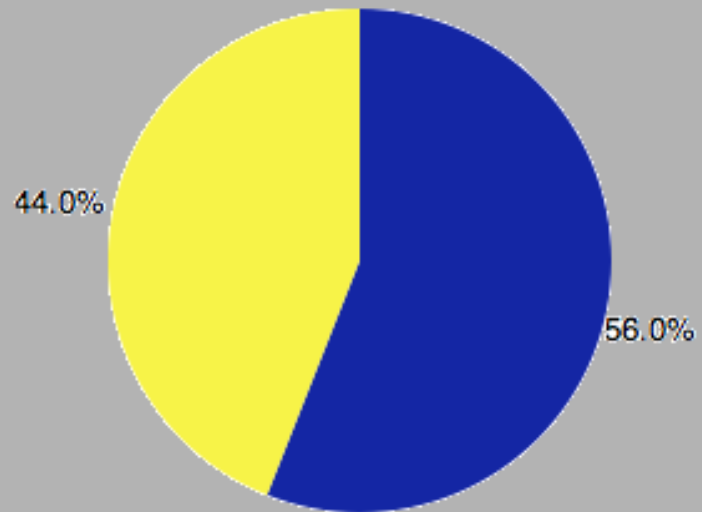


If yes, what type of livestock do you own?



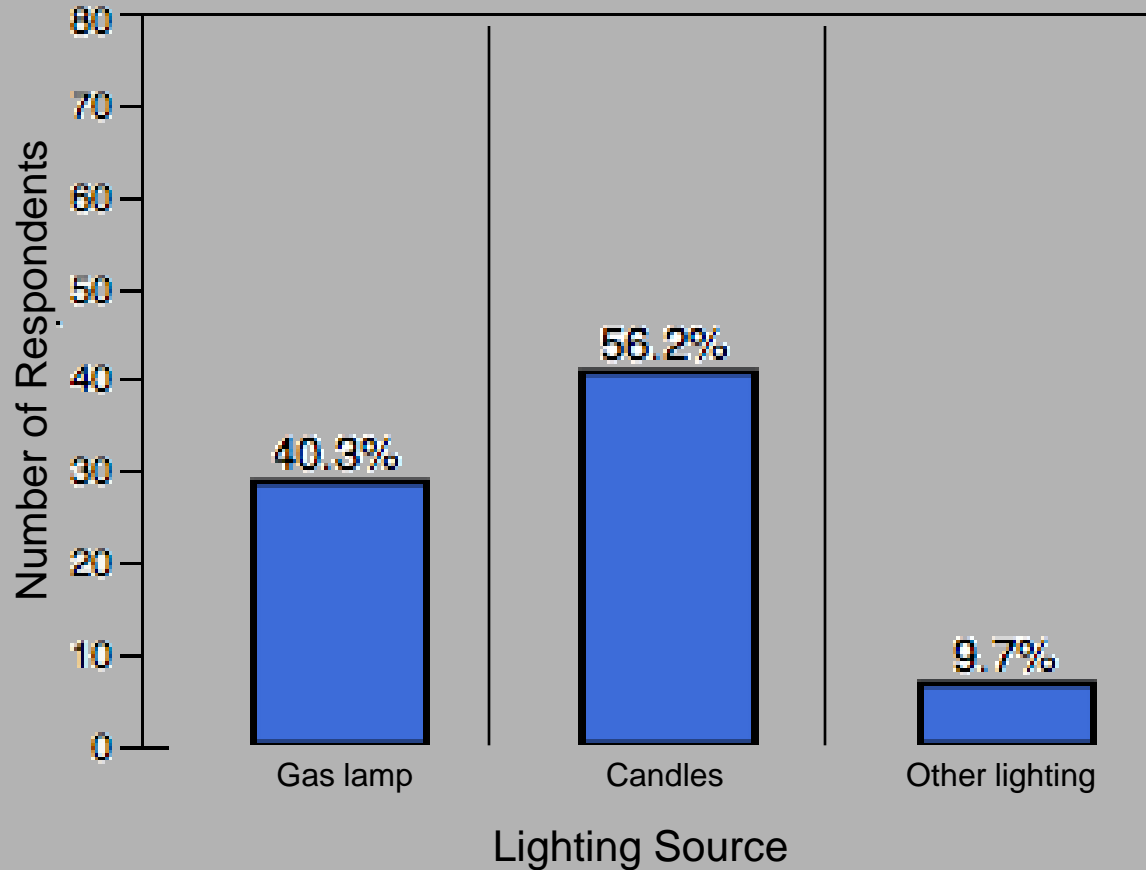
A radio is the cheapest and easiest way to get news in the village.

While less than half of borrowers own a cell phone, 44% of borrowers have decided it is a worthwhile expense.

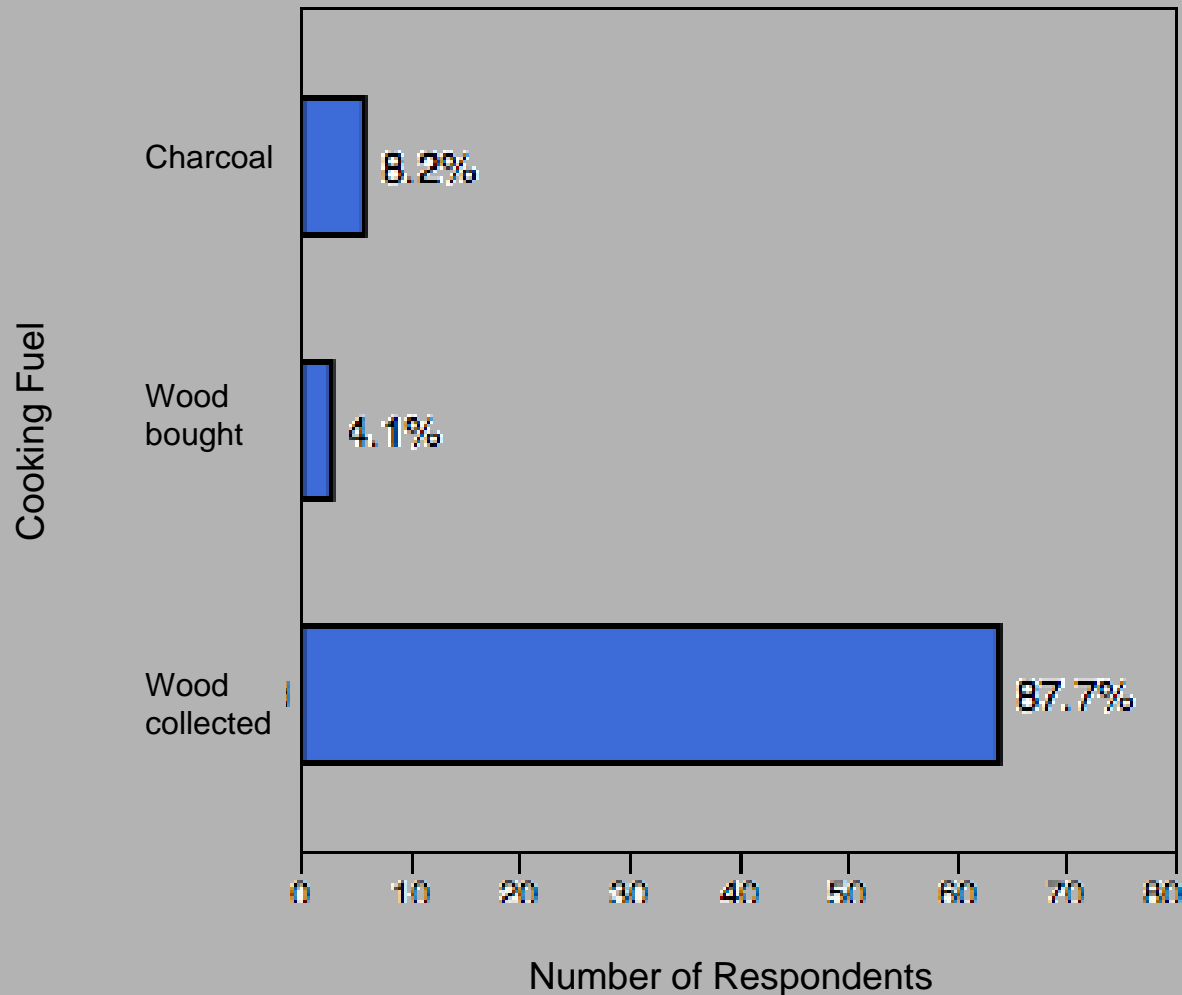


Do you own a cell phone? ■ No ■ Yes

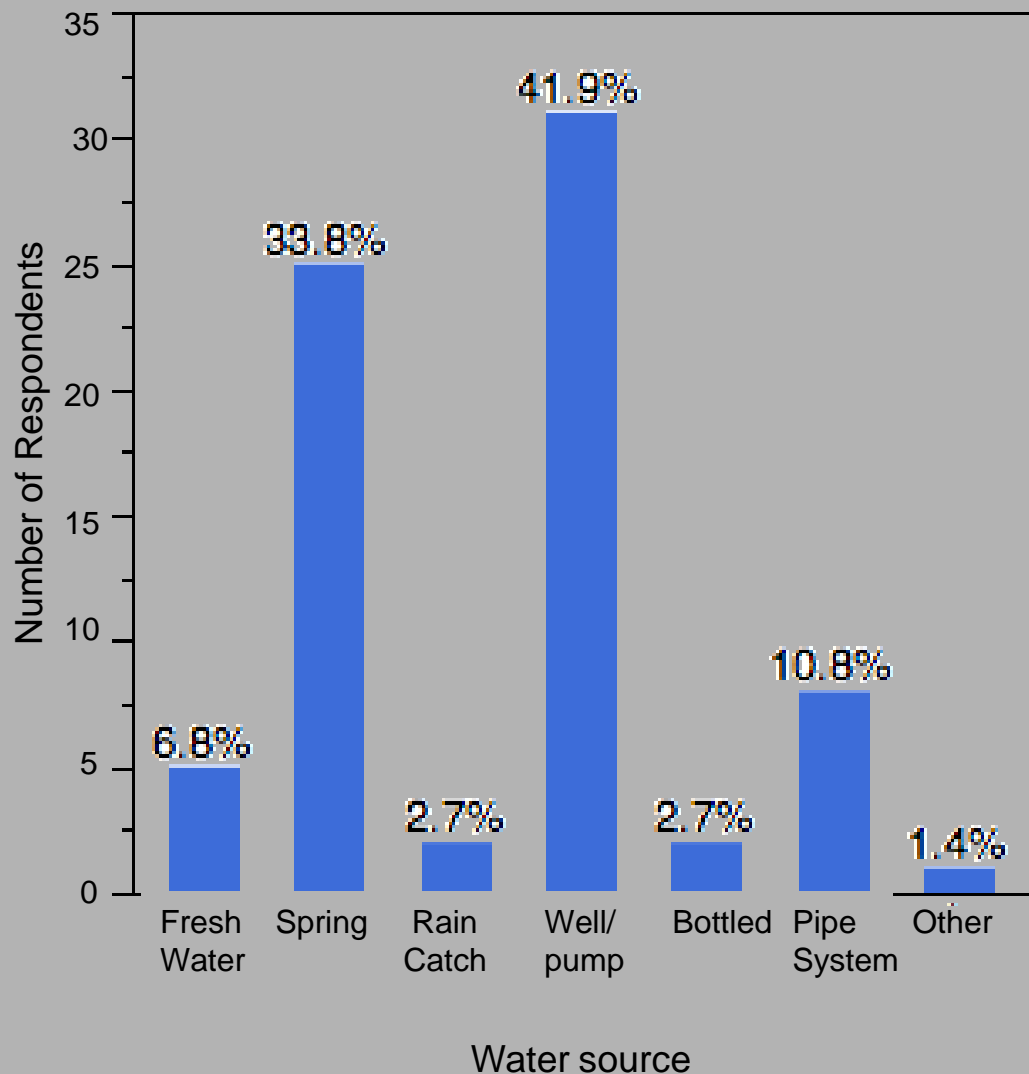
Most borrowers use candles and/or a gas lamp as their primary lighting source.



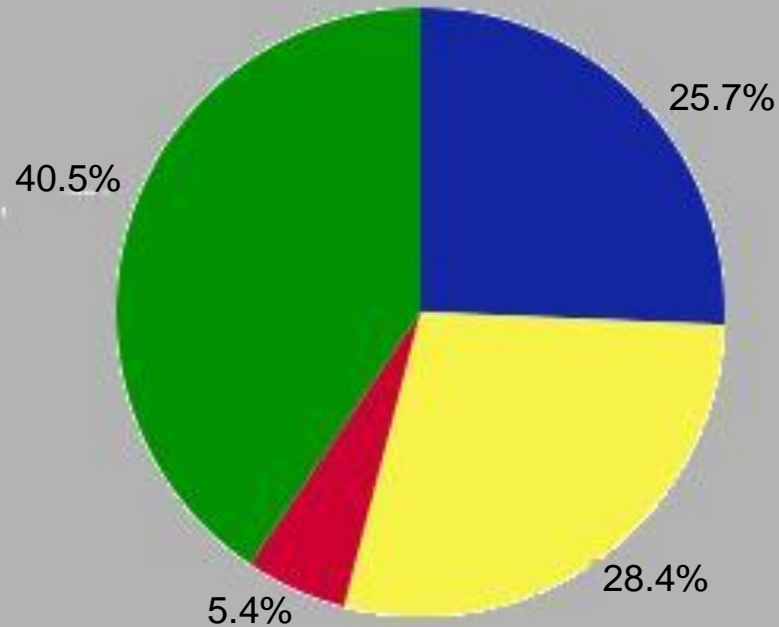
88% of borrowers use wood collected by family members as their primary source of cooking fuel.



Over 40% of borrowers get their water from a well or pump.



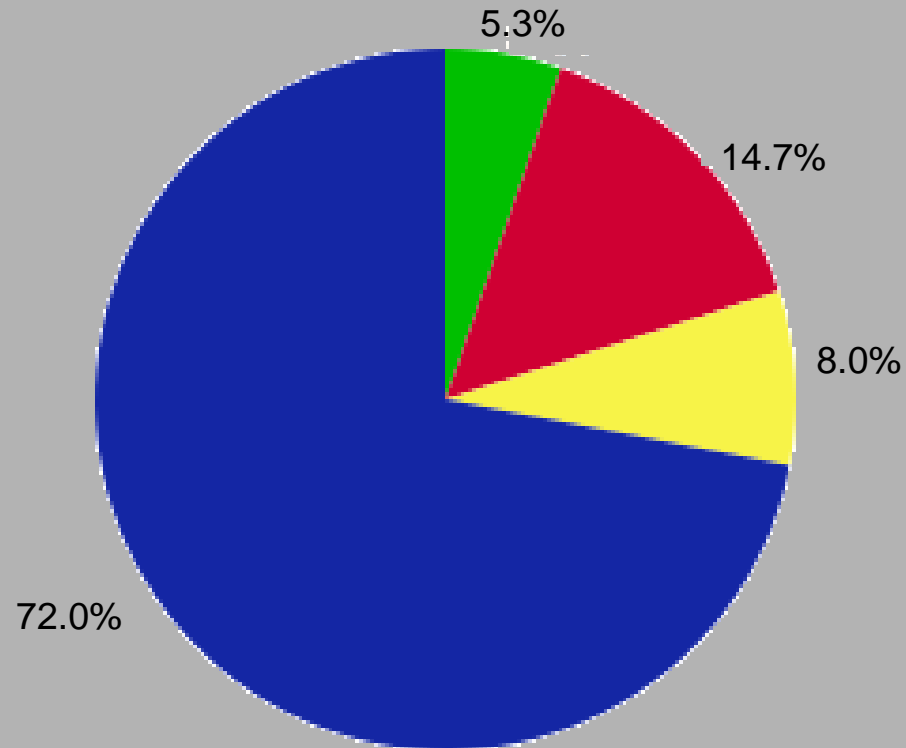
Over half of borrowers do not always boil their drinking water.



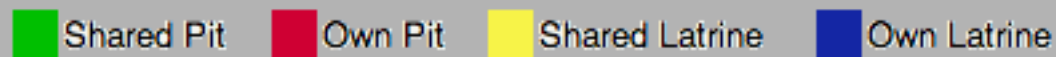
How often do you boil water?

■ Never ■ Some ■ Often ■ Always

Three-quarters of borrowers report using latrines.



What type of toilet facilities do you use?



II. Standard of Living Summary

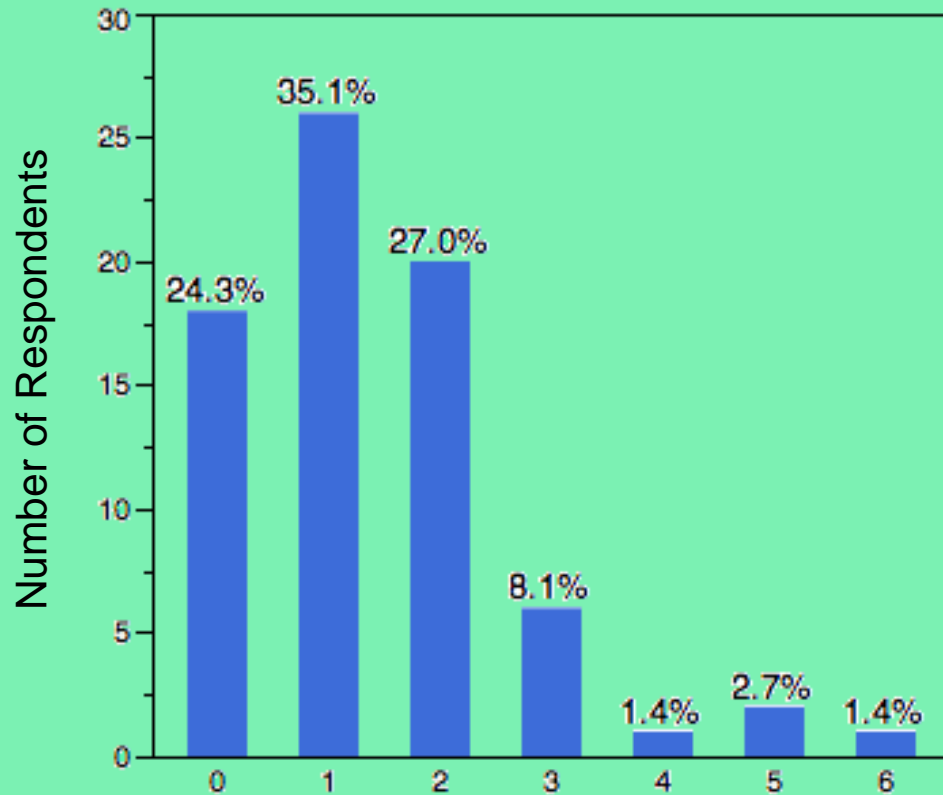
- Most borrowers live in semi-permanent houses which can contribute to inhabitants' health issues - dust kicked up from mud floors and walls can cause respiratory problems.
- Burning candles and firewood can both contribute to the development of respiratory problems. Toilet facilities can also be a health hazard when setup too close to gardens.
- Even though many water sources are contaminated with various bacteria that can exacerbate health issues, borrowers often do not boil water because it requires cooking fuel, which is expensive to buy and time-consuming to gather, and must be done everyday. Borrowers are thus susceptible to water-borne diseases. The most readily available types of cooking fuel are often expensive to buy or difficult to collect.
- Home grown food as well as milk and eggs from livestock make up a vital part of a family's diet.
- According to the World Bank definition, all first time borrowers are living in "extreme poverty." When dealing with such a small income, it is nearly impossible to save any money, or to purchase items, such as shoes or solar lamps, that would improve their standard of living.
- However, given many borrowers initial economic situations, generating even a small amount of income is likely to have an immediate, positive impact on their household living standards.

III. Family Health and Welfare

1. Illness in Household
2. Malaria in Household
3. Mosquito Nets
4. HIV/AIDS Testing
5. HIV/AIDS Prevalence
6. Difficulty in Paying Medical Bills
7. School Attendance
8. Summary

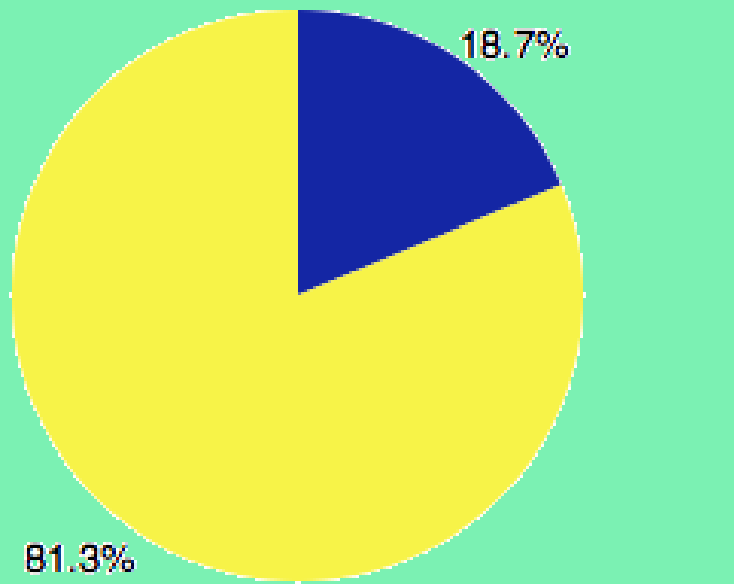


Three-quarters of borrowers' report that someone in their family is regularly ill.



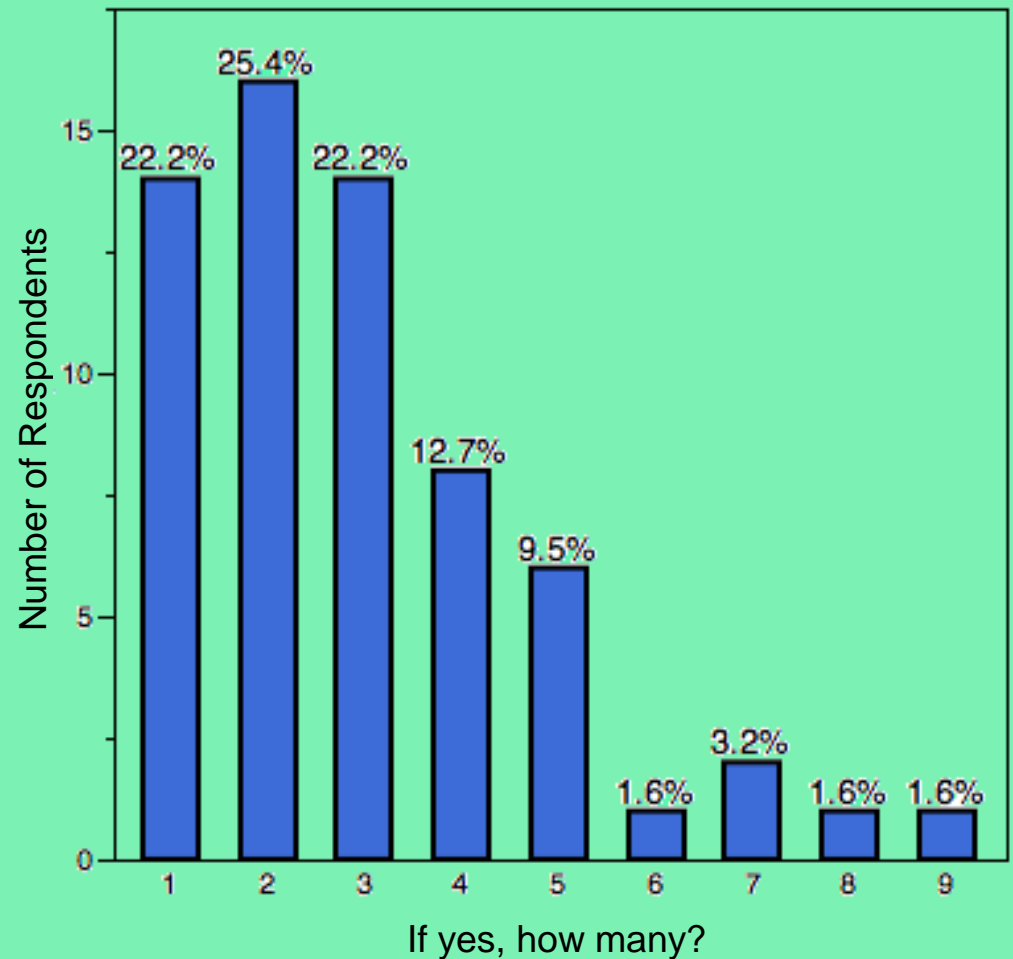
How many people in your household are regularly sick?

Over 80% of borrowers report that at least one person in their household has had malaria in the last year.

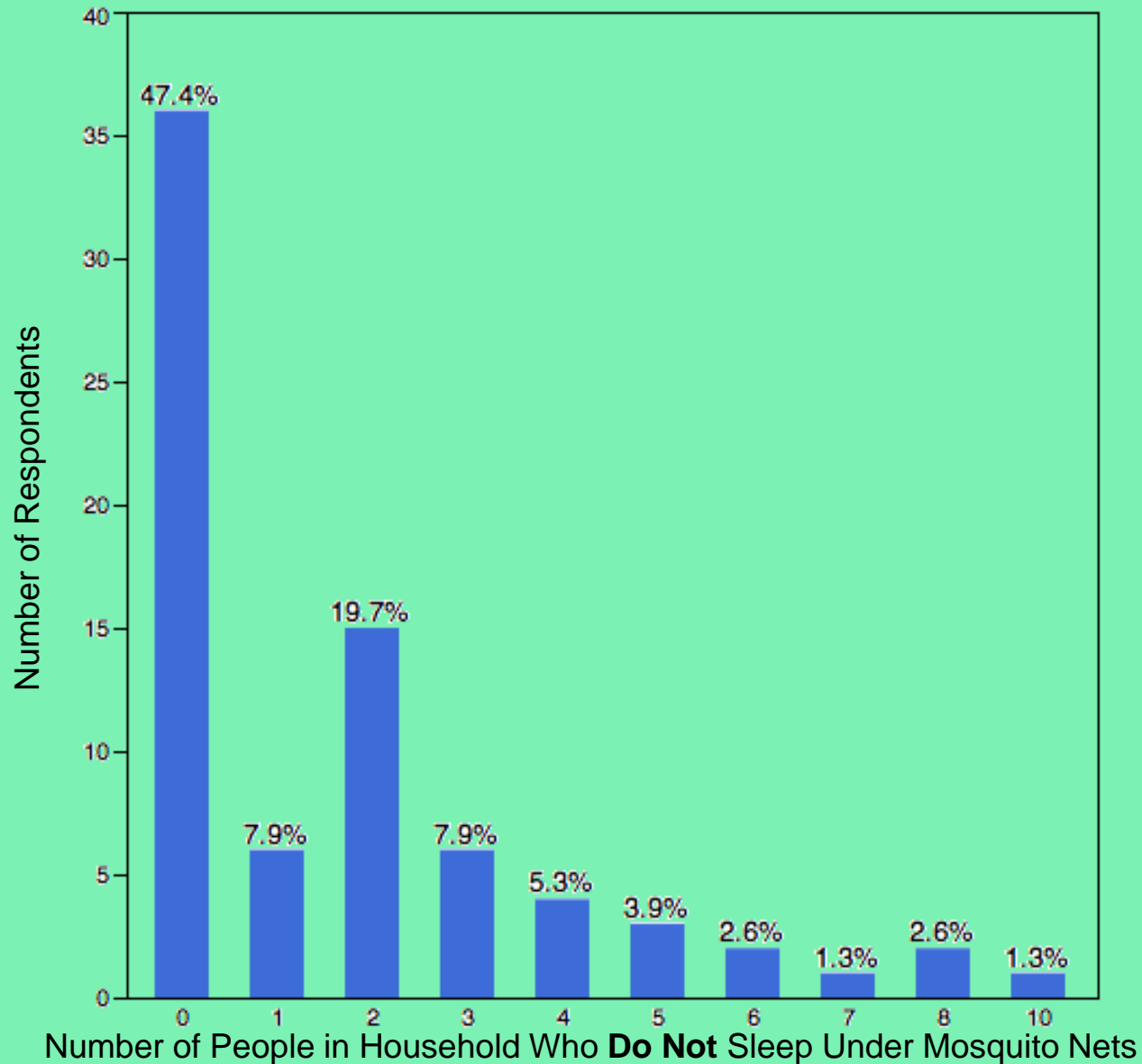


Has anyone in your house had malaria in the past year?

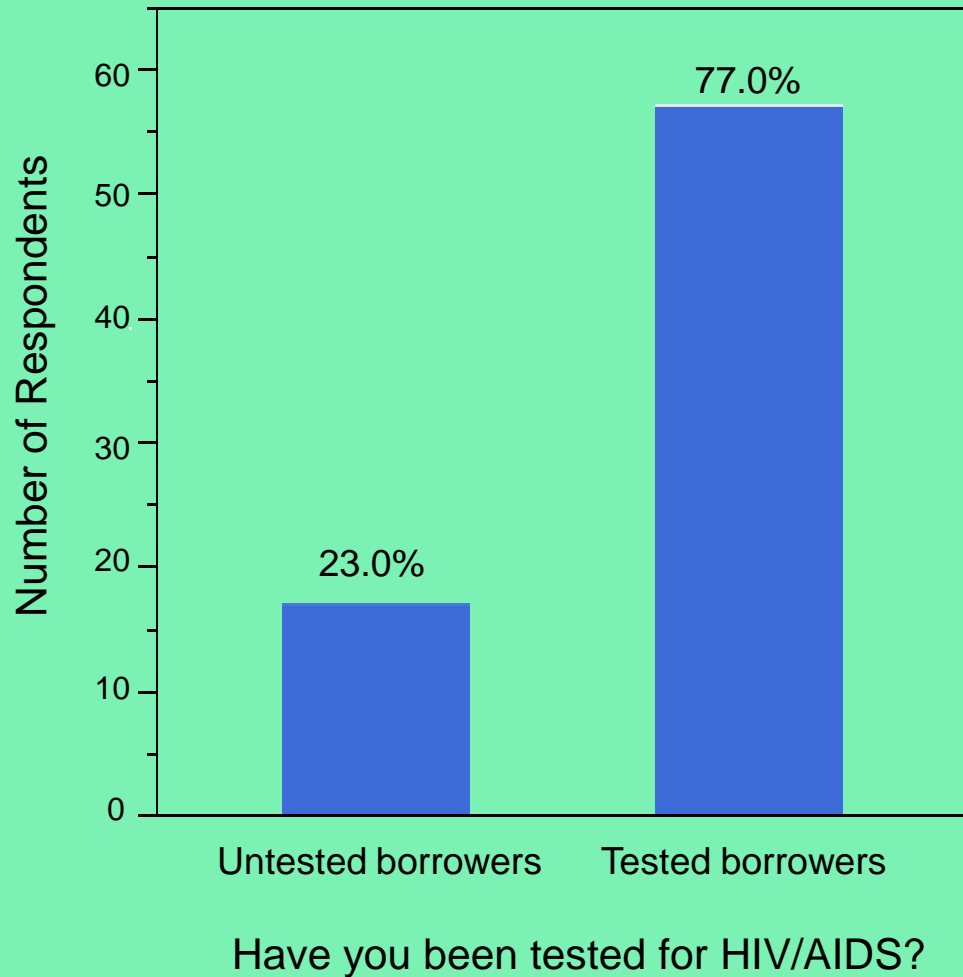
No Yes



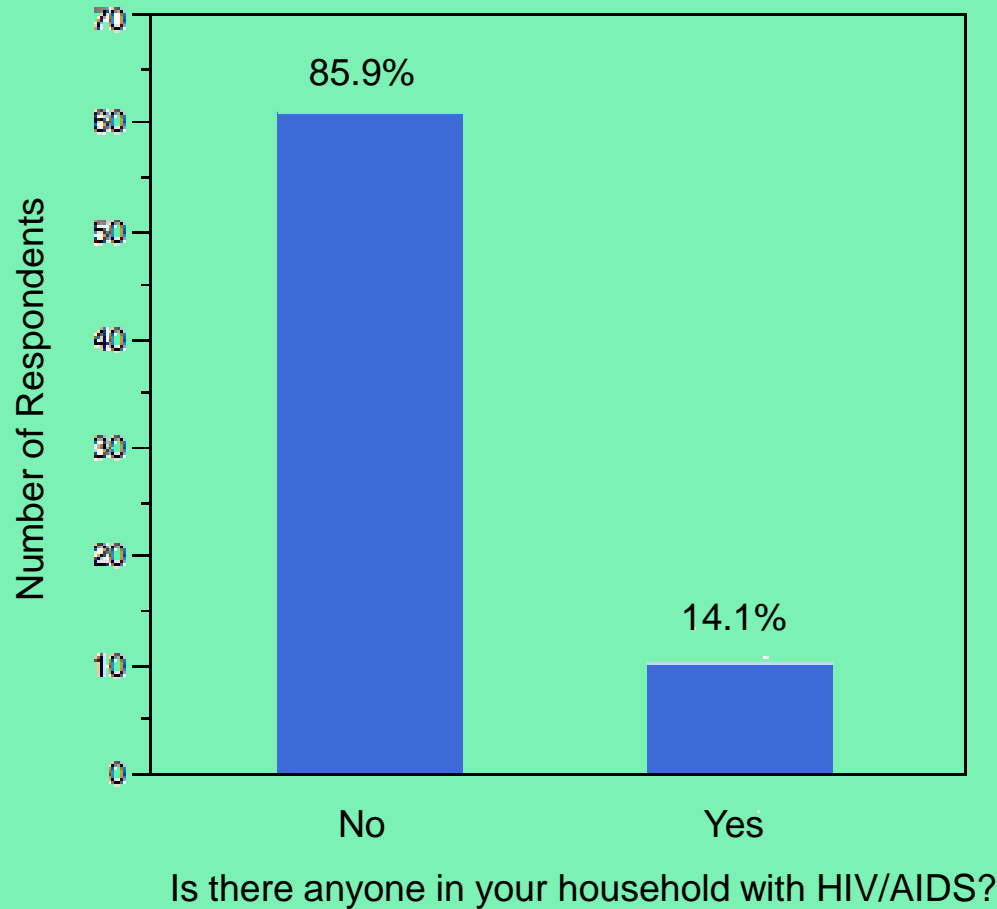
Fewer than 50% of borrowers have mosquito nets for all family members.



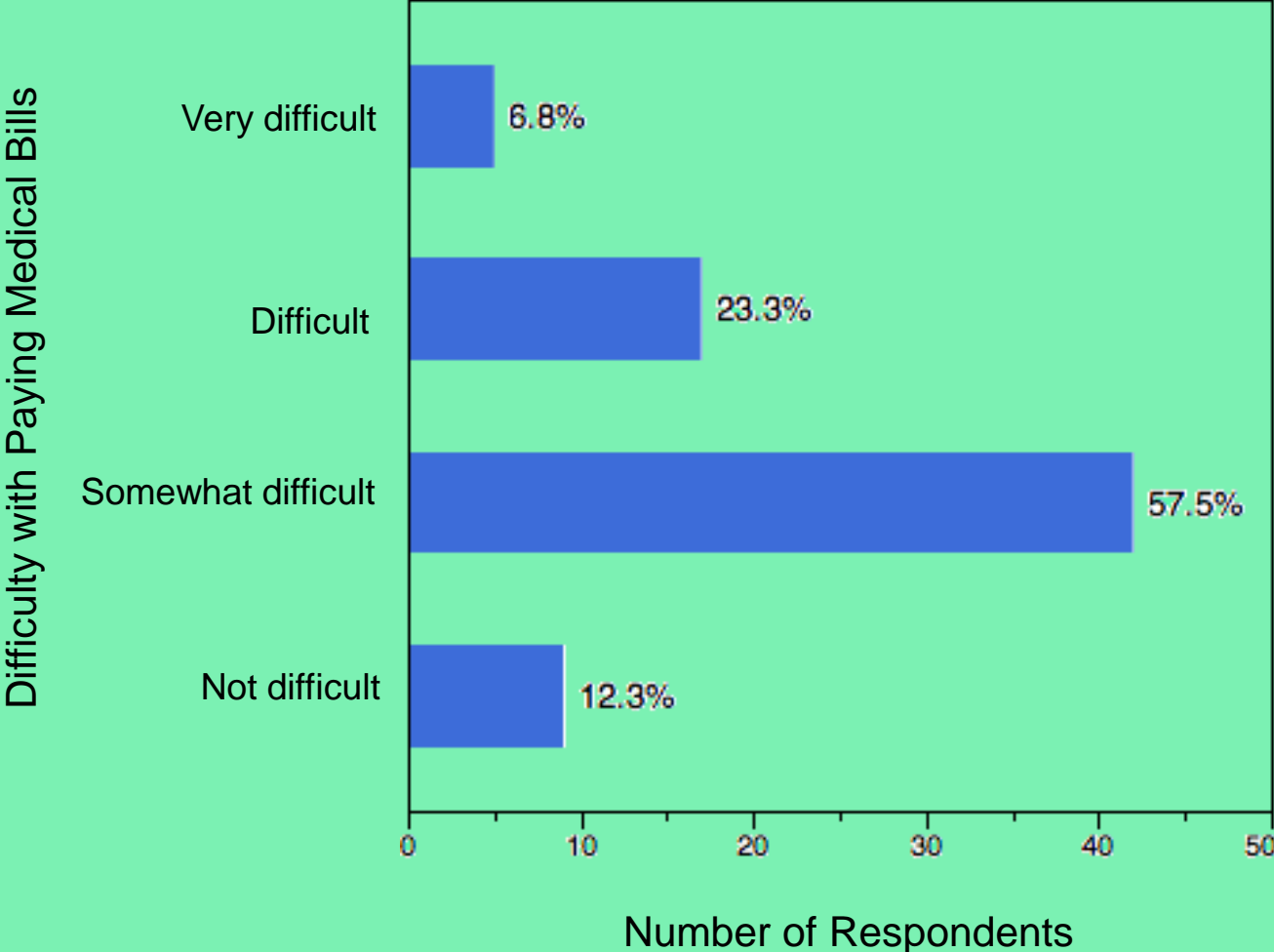
Three-quarters of borrowers have been tested for HIV/AIDS.



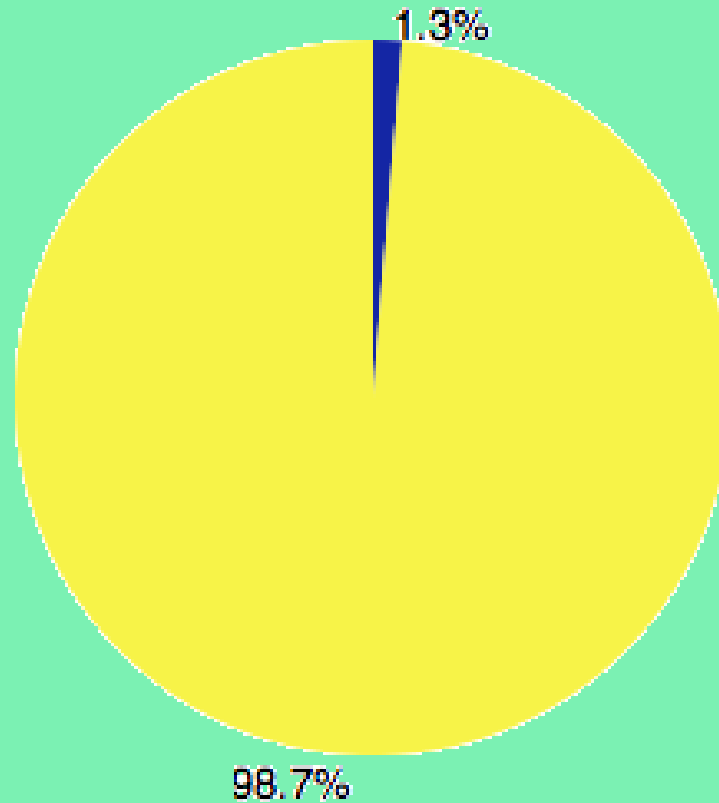
Almost 15% of borrowers report that someone in their household has been diagnosed with HIV/AIDS.



88% of borrowers report some level of difficulty with paying their medical bills.



Almost all borrowers' children regularly attend school.



How often do your children attend school?

■ Often ■ Always

III. Family Health and Welfare Summary

- Most children of borrowers regularly attend school indicating that parents in the loan program place a high value on education. There are very few extra-curricular activities available for youth and most children spend their free time doing chores.
- Health of the family plays a large part in the cycle of poverty. Most borrowers report that at least one family member is regularly too sick to attend school or go to work. Furthermore, medical treatment is extremely expensive and medical services are not available in most villages. Traveling to medical clinics for treatment is both costly and time consuming.

