



FinScope Uganda Findings

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The FinScope 2023 survey activities were implemented under the auspices of the Steering Committee (SC). The SC comprises government ministries and relevant agencies, industry associations, and development partners with diverse interest to ensure a well-rounded coverage of the financial sector. The mandate of the SC is to design strategies and provide guidance on the implementation of the FinScope survey activities in accordance with the agreed parameters and international best practices. The members of the SC are drawn from the following institutions:

1. Bank of Uganda (BoU)
2. Uganda Bureau of Statistics (UBOS)
3. Ministry of Finance, Planning and Economic Development (MoFPED)
4. Uganda Bankers Association (UBA)
5. Uganda Retirement Benefits Regulatory Authority (URBRA)
6. Uganda Cooperative Savings and Credit Union Limited (UCSCU)
7. Uganda Insurers Association (UIA)
8. Uganda Microfinance Regulatory Authority (UMRA)
9. Capital Markets Authority of Uganda (CMA)

10. Insurance Regulatory Authority of Uganda (IRA)
11. Association of Microfinance Institutions of Uganda (AMFIU)
12. Uganda Cooperative Alliance (UCA)
13. National Payment Services Providers Association (NPSPA)
14. Development Partners (FSD Uganda, aBi Finance Ltd etc.)



SUMMARY OF THE FINDINGS

Demographic Characteristics

The adult population has grown significantly over the five cycles of the FinScope surveys from 14 million reported in 2009 to 25 million in 2023. The youth aged between 18 and 24 years have registered the highest growth in comparison to all the other demographic groups.

Identification

In 2023 the proportion of adults with a national identity card reduced from 80 percent registered in 2018 to 75 percent in 2023. The same is the case when further disaggregated by gender.

Digital Connectivity

The proportion of overall mobile phone ownership increased from 59 percent reported in 2009 to 72 percent in 2023. The same is the case across the genders, though the gender gap in mobile phone ownership has steadily increased from 8 percent in 2009 to 16 percent in 2023.

Economic Livelihood

Personal Income and Expenditures

With the exclusion of food and clothing, medical (28 percent), education (21 percent) and rental (18 percent), expenses are the predominant personal expenditures among Ugandan adults.

Trade (44 percent) is the dominant source of income and close to 50 percent of the Ugandan adults earn their income seasonally and daily. More than 90 percent of Ugandan adults transact in cash which speaks to the largely informal nature of economic activity in Uganda.

Financial Health

Financial Management

The proportion of Ugandans who are keeping track of the money they receive and spend has increased to more than 50 percent (57 percent) when compared to the last FinScope survey in 2018. However, nine (9) out every 10 adults are not satisfied with their present financial situation.

The proportion of Ugandans who are keeping track of the money they receive and spend has increased by 10 percent from the previous FinScope (Figure 2). While most adult Ugandans have good financial management practices, they are not satisfied with their present financial situation.

Financial Resilience

Nine out of every 10 Ugandans were faced by an unexpected event in 2023 which is more than triple the figure reported in 2018. Most of these Ugandans (70 percent) do not have sufficient income to cover their expenses.

Planning for the Future

Only two(2) out of every ten(10) Ugandan adults are confidently setting their long-term financial goals and strive to achieve them. Only 1 percent of Ugandan adults have access to and are utilising pension/retirement benefits scheme(Table 95).

Financial Inclusion

Overall financial inclusion has increased since the last FinScope survey in 2018, by 4 percentage points from 77 percent registered in 2018 to 81 percent registered in 2023. The biggest driver of this growth has been formal financial inclusion which has grown by 10 percent from 58 percent in 2018 to 68 percent in 2023. Informal financial inclusion grew slightly from 50 percent registered in 2018 to 52 percent in 2023.

Access and Usage of Financial Services

Financial inclusion continues to be driven by mobile money and Village Savings and Loan Associations (VSLAs)/Rotating Savings and Credit Associations (ROSCAs) accounting for 66 percent and 36 percent of the total adult population respectively.

Mobile money agents are the closest financial services access points to the customer with close to six(6) out of every ten(10) adults reporting that mobile money agents are within 1 km radius or less from their home or workplace.

Financial Products and Services

Savings and Investment

The proportion of Ugandan adults saving in one form, or another has grown from 54 percent when the 2018 FinScope survey was done to 60 percent in 2023. Saving at home, mobile money and VSLAs continue to be the predominant savings mechanisms each accounting for over 40 percent of the adult population.

Credit

The proportion of Ugandans who accessed credit reduced to 36 percent in 2023 from 46 percent reported in the 2018 FinScope survey findings. VSLAs are the most preferred source of credit accounting for over 40 percent of the adult population and a gender analysis shows that women prefer the informal community-based savings and credit groups compared to men who are the predominant users of formal financial institutions.

Payments

The findings from the 2023 FinScope survey show that most Ugandans (70 percent) still prefer cash over digital payments though they are willing to learn how to use new technology in equal measure (70 percent).

Risk Management

The most prevalent risks Ugandans face are related to agricultural activity (23 percent), individual health (23 percent) and safety (23 percent). To manage these risks, Ugandans rely on their savings (38 percent), managing their expenditures (30 percent) and family and friends (29 percent). However, eight out of every ten Ugandans face difficulties in managing these risks. Family and the community are strong support systems in managing people's risks.

Green Finance

While 38% of Ugandan adults are involved in agriculture / agribusiness, only 22% of them have borrowed for some form of green finance. The major determinants for advancing credit for green activities are collateral, the prevailing conditions both within and without the business and the capacity of the borrower to service and pay back the credit facility.

The main reasons advanced by financial institutions for not advancing credit for green activities is the lack of knowledge about green activities and the unfavourable conditions in the agricultural sector.

INTRODUCTION

FOR A
ROCKIES
POWERING YOUR
HOMETOWN TEAM

1. INTRODUCTION

Since 2006, five waves of the FinScope survey in Uganda has been undertaken with the most recent having been undertaken in 2023. FinScope is a national representative survey of how individuals source their income, and how they manage their financial lives, including their engagement with the financial services sector (both formal and informal products/services).

The FinScope survey also provides insight into attitudes and perceptions regarding money management, financial products, and services, as well as information regarding demographics and overall lifestyles. The FinScope survey provides insights into the financial needs, preferences, and behaviour of people. It is tailored to be optimally useful for those who want credible information (benchmarks and trends) of financial access and usage.

The 2023 survey had three main objectives:

1. To track overall trends in financial inclusion to provide information on how the landscape of financial inclusion has changed since 2018, including benchmarking these trends with countries within the region.
2. To provide insights that could be utilised both at policy and market levels to further deepen financial inclusion.
3. To describe the financial service needs of the adult population (i.e. individuals 16 years or older) in Uganda.

In addition to the above objectives, the survey was expected to meet the following:

1. Understand money management concerning household income and expenditure, financial behaviour, discipline, and decision making.

- 2. Understand household and adult level socio-economic and demographic conditions and communal facilities.
- 3. Provide indicators of financial capability and financial health of Ugandans.

1.1 SAMPLING

A three-stage stratified sampling approach was used to arrive at a representative sample of individuals aged 16 years and older:

- The first stage is geographic representation. 320 enumeration areas (EAs) were selected by UBOS to ensure national, regional and urban-rural representativeness.
- The second stage is household representation within each EA. 10 households were selected at random from a comprehensive list of households in the EA.
- The third stage of sampling is individual representation. One adult (i.e. an individual 16 years or older) was selected at random from each of the selected households to be interviewed.
- The sampling approach ensured that results from the survey can be disaggregated by region and location setting (i.e. rural or urban) as well as by demographic attributes such as sex.

Enumeration areas	Samples of respondents
320 Targeted	3,200 Targeted
319 Achieved	3,176 Achieved

(99% response rate) the FinScope 2023 survey data represents an adult population of **24.6 million**



DEMOGRAPHIC & OTHER CHARACTERISTICS

2. DEMOGRAPHIC AND OTHER CHARACTERISTICS

2.1 DEMOGRAPHIC CHARACTERISTICS

Over the five FinScope cycles, we have witnessed a growth in the proportion of the urban population from 25 percent in 2009 to 30 percent in 2023. In absolute terms the urban population has more than doubled from 3.5 million to 7.3 million (table 1).

1. The gender divide has remained even with a slight increase in the proportion of men to women. However, in absolute terms both women and men have registered an increase in numbers of 4.95 million and 5.49 million respectively over the 14-year period from 2009 to 2023.

Table 1: Summary of the survey demographics

Location				
	2009	2013	2018	2023
Adult Population	14,112,506	16,699,718	18,572,641	24,552,199
Urban	25%	19%	24%	30%
Rural	75%	81%	76%	70%
Gender				
Female	55%	52%	54%	52%
Male	45%	48%	46%	48%
Age				
16-17 Yrs.	9%	3%	4%	5%
18-24 Yrs.	25%	20%	23%	31%
25-34 Yrs.	27%	30%	28%	27%
35-59 Yrs.	31%	35%	33%	30%
60+ Yrs.	8%	12%	11%	7%
Marital Status				
Married (monogamy)	47%	54%	47%	33%

Married (polygamy)	9%	12%	9%	5%
Cohabiting	6%	2%	9%	9%
Divorced/separated	5%	7%	7%	9%
Widowed	6%	9%	9%	10%
Single	27%	16%	19%	36%
Education				
Adult Population	13,793,426	16,661,808	18,464,580	24,505,815
Primary level	49%	55%	56%	46%
Secondary level	30%	20%	24%	30%
Tertiary level	5%	5%	5%	7%
University	2%	2%	1%	2%
Never went to school	13%	18%	15%	14%

Table 1: Summary of the survey demographics

The youth between the ages of 18 and 24 years have registered the highest increase over the period under review with a proportionate increase of 6 percent and 4.1 million in absolute terms. The overall youth demographic between the ages of 18 to 34 account for the biggest market for financial services in Uganda accounting for 58 percent (14.2 million) of the adult population. Primary and secondary school level graduates continue to dominate the adult population accounting for two thirds (76 percent) of the adult population. This is a slight decrease from 79 percent registered in 2009.

Table 2: Employment status

Employment			
	2009	2013	2023
Adult Population	14,112,507	16,399,187	24,236,326
Self-employment	52%	65%	59%
Paid employment	9%	8%	8%
Unpaid work	13%	5%	15%
Retired	0.03%	1%	2%
Student	0%	4%	9%
Casual labour	8%	8%	-
Unemployed	19%	9%	8%

In 2023 the proportion of unemployed adults decreased substantially from 19 percent registered in 2009 to 8 percent registered in 2023 (table 2). The self-employed are still the predominant category among the employed adults and they registered a slight increase in 2023 from 52 percent registered in 2009 to 59 percent in 2023. But this is a decrease from 65 percent registered in 2013.

2.2 DIGITAL CONNECTIVITY

2.2.1 IDENTIFICATION

Identity is one of the critical pillars and foundations of financial inclusion as it forms the basis upon which anyone engages any financial institution. One’s identity is the bedrock of any Know-Your-Customer (KYC) framework of financial institutions. Therefore, the possession of a national identity card is critical for anyone to access financial services. Considering that Uganda’s national identification system has digital capabilities, it is critical for any efforts towards digitalisation of the financial system to allow for digital financial services.

In 2023, the proportion of adults with a national identity card reduced from 80 percent registered in 2018 to 75 percent in 2023 (table 3). The same is the case when further disaggregated by gender.

Table 3: National Identification

National Identity Possession		
	2018	2023
Adult Population	18,572,641	24,552,199
Overall	80%	75%
Male	81%	77%
Female	79%	74%

2.2.2 MOBILE PHONE OWNERSHIP AND INTERNET CONNECTIVITY

Findings from the 2023 FinScope survey show that the levels of digital connectivity have increased across the different indicators (table 4). The proportion of overall mobile phone ownership increased from 59 percent reported in 2009 to 72 percent in 2023 despite a dip in 2018 to 52 percent. The same is the case across the genders, though the gender gap in mobile phone ownership has steadily increased from 8 percent in 2009, 12 percent in 2018 to 16 percent in 2023.

Table 4: Mobile phone ownership and internet access

	2009	2018	2023
Adult Population	16,620,284	18,572,641	24,552,199
Mobile Phone Ownership			
Overall	59%	52%	72%
Male ¹	63%	58%	80%
Female ²	55%	46%	64%
SIM Card Ownership			
Overall		56%	72%
Male ³		63%	80%
Female ⁴		50%	65%
Type of Mobile Phone			
Smartphone		12%	26%
Feature phone (e.g. Kabiriti, etc.)		86%	69%
Both		2%	6%
Access to Internet and Computers			
Overall access to the internet		10%	26%
Overall access to the computer		4%	12%

1 This refers to the proportion of the male population that owns mobile phones.

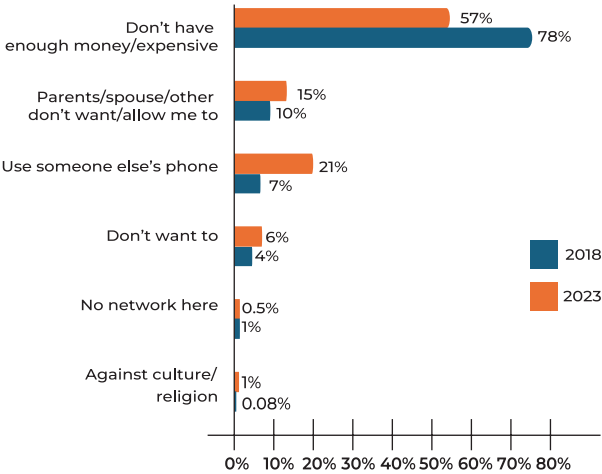
2 This refers to the proportion of the female population that owns mobile phones

3 This refers to the proportion of the male population that owns a SIM Card

4 This refers to the proportion of the female population that owns a SIM Card

Likewise, the levels of SIM Card ownership increased overall from 56 percent in 2018 to 72 percent in 2023. The same is the case across genders as was the case with mobile phone ownership. Similarly, the gender gap increased from 13 percent in 2018 to 15 percent in 2023. There has also been a marked increase in smartphone ownership with the proportion of adults with a smartphone more than doubling from 12 percent reported in 2018 to 26 percent in 2023. Likewise access to internet and computers has more than doubled and tripled respectively.

Figure 1: Reason why Ugandans do not own a mobile phone



Base population: 6,666,582 (2018), 6,920,836 (2023)

The findings from the 2023 FinScope survey indicate that the cost of mobile phones is still the biggest hinderances to owning a mobile phone though the proportion of Ugandans that consider mobile phones expensive has reduced by 21 percent since the last FinScope survey in 2018 (figure 1).



ECONOMIC LIVELIHOOD

3. ECONOMIC LIVELIHOOD

3.1 PERSONAL EXPENDITURE

With the exclusion of food and clothing, medical, education and rental expenses are the predominant personal expenditures among Ugandan adults (table 5).

Table 5: Personal expenditure

Expenses	Frequency	Percent
Medical expenses/ medical aid	6,318,420	28%
School/tuition fees	4,583,790	21%
Rent	3,991,334	18%
Telephone bill/airtime	2,326,628	10%
Save/savings contributions	1,465,212	7%
Fuel for household purposes/charcoal/wood /paraffin	1,230,918	6%
Electricity bill	842,887	4%
Pay back money I borrowed/loan repayment	437,285	2%
Entertainment/social activities/leisure/sport activities	432,274	2%
Transport/fuel for transport such as petrol/diesel	365,585	2%
Water bill	286,897	1%
	22,281,230	100%

3.2 PERSONAL INCOME

Trade is the dominant source of income (table 6) and close to 50 percent of the Ugandan adults earn their income seasonally and daily (table 7). More than 90 percent of Ugandan adults transact in cash (table 8) which speaks to the largely informal nature of economic activity in Uganda.

Table 6: Sources of personal income

Sources of Income	Frequency	Percent
Money from trading/selling anything you produce/grow/raise/make/collect/buy with the intention of selling	10,198,579	44%
Money from providing a service such as transport, hairdressing, processing, hospitality services (food and accommodation)	3,097,113	13%
Don't get money/someone else pays my expenses	2,986,550	13%
Salaries/wages	2,685,571	12%
Piece work/casual labour/occasional jobs	2,395,088	10%
Someone else/others give/send me money	1,170,261	5%
Rental income	162,676	1%
Interest from savings, investments, stocks, unit trusts etc.	140,491	1%
Pension	92,862	0.4%
Social welfare money/grant from government	45,360	0.2%
	22,974,553	100%

Table 7: How often do you earn your income?

How often do you earn your income?	Frequency	Percent
Seasonally	5,110,535	26%
Daily	4,436,426	23%
Monthly	3,304,259	17%
Weekly	2,032,580	10%
Occasionally	2,007,051	10%
No particular schedule	1,050,047	5%
Quarterly	845,069	4%
Upon completion of a job	738,639	4%
Annually	143,605	1%
	19,668,212	100%

Table 8: How do you receive your income/payment?

Sources of Income	Frequency	Percent
Cash in hand	17,990,308	91%
Into a bank account	888,183	5%
On your phone (mobile money)	534,895	3%
No schedule	81,958	0.4%
No answer provided	73,082	0.4%
Upon completion of a job	45,045	0.2%
occasionally	37,553	0.2%
Through a money transfer services (Western Union, MoneyGram and Swift Cash)	17,188	0.1%
	19,668,212	100%

3.2.1 INCOME EARNED

The estimated total income earned by Ugandan adults per month is Ushs6 trillion (US\$ 1.6 billion) (table 9) which translates into a total annual income of Ushs72 trillion (US\$ 19.2 billion).

Table 9: Estimated income earned per month.

Income Thresholds (Ushs)	Frequency	Percent	Mid-Point	Estimated Income Earned (Ushs Bn)	Mean (Ushs)
Less than 150,000	9,358,445	51%	75,000	701.9	
150,000-250,000	4,229,195	23%	200,000	845.8	
250,001-500,000	2,875,135	16%	375,001	1,078.2	
500,001-1,000,000	1,282,449	7%	750,001	961.8	
1,000,001-5,000,000	482,946	3%	3,000,001	1,448.8	
5,000,001-10,000,000	59,070	0.3%	7,500,001	443	
More than 10,000,000	53,598	0.29%	10,000,000	536	
	18,340,838	100%		6,015.6	327,988

From a gender perspective men earn more than women (tables 10 and 11). From a demographic perspective, the older population which has more employment and business opportunities earns more than the younger population (tables 12-16).

Table 10: Estimated income earned per month - male

Income Thresholds (Ushs)	Frequency	Percent	Mid-Point	Estimated Income Earned (Ushs Bn)	Mean (Ushs)
Less than 150,000	4,173,403	44%	75,000	313	
150,000-250,000	2,397,166	25%	200,000	479.4	
250,001-500,000	1,783,376	19%	375,001	668.8	
500,001-1,000,000	797,739	8%	750,001	598.3	
1,000,001-5,000,000	291,587	3%	3,000,001	874.8	
5,000,001-10,000,000	28,166	0.3%	7,500,001	211.2	
More than 10,000,000	51,391	1%	10,000,000	513.9	
	9,522,828	100%		3,659.4	384,279

Table 11: Estimated income earned per month - female

Income Thresholds (Ushs)	Frequency	Percent	Mid-Point	Estimated Income Earned (Ushs Bn)	Mean (Ushs)
Less than 150,000	5,185,042	59%	75,000	388.9	
150,000-250,000	1,832,030	21%	200,000	366.4	
250,001-500,000	1,091,759	12%	375,001	409.4	
500,001-1,000,000	484,710	5%	750,001	363.5	
1,000,001-5,000,000	191,358	2%	3,000,001	574.1	
5,000,001-10,000,000	30,904	0.4%	7,500,001	231.8	
More than 10,000,000	2,207	0.03%	10,000,000	22.1	
	8,818,010	100%		2,356.2	267,198

Table 12: Estimated income earned per month - 16-17 year olds

Income Thresholds (Ushs)	Frequency	Percent	Mid-Point	Estimated Income Earned (Ushs Bn)	Mean (Ushs)
Less than 150,000	310,352	80%	75,000	23.3	
150,000-250,000	79,040	20%	200,000	15.9	
250,001-500,000	-	0%	375,001	-	
500,001-1,000,000	-	0%	750,001	-	
1,000,001-5,000,000	-	0%	3,000,001	-	
5,000,001-10,000,000	-	0%	7,500,001	-	
More than 10,000,000	-	0%	10,000,000	-	
	389,392	100%		39.1	100,373

Table 13: Estimated income earned per month - 18-24 year olds

Income Thresholds (Ushs)	Frequency	Percent	Mid-Point	Estimated Income Earned (Ushs Bn)	Mean (Ushs)
Less than 150,000	3,007,998	59%	75,000	225.6	
150,000-250,000	1,370,039	27%	200,000	274	
250,001-500,000	496,769	10%	375,001	186.3	
500,001-1,000,000	207,822	4%	750,001	155.9	
1,000,001-5,000,000	40,638	1%	3,000,001	122	
5,000,001-10,000,000	-	0%	7,500,001	-	
More than 10,000,000	-	0%	10,000,000	-	
	5,123,266	100%		963.7	188,098

Table 14: Estimated income earned per month - 25-34 year olds

Income Thresholds (Ushs)	Frequency	Percent	Mid-Point	Estimated Income Earned (Ushs Bn)	Mean (Ushs)
Less than 150,000	2,612,768	46%	75,000	196	
150,000-250,000	1,191,187	21%	200,000	238.2	
250,001-500,000	1,280,835	23%	375,001	480.3	
500,001-1,000,000	431,617	8%	750,001	323.7	
1,000,001-5,000,000	95,739	2%	3,000,001	287.2	
5,000,001-10,000,000	5,246	0.1%	7,500,001	39.3	
More than 10,000,000	16,072	0.3%	10,000,000	160.7	
	5,633,464	100%		1,725.5	306,295

Table 15: Estimated income earned per month - 35-59 year olds

Income Thresholds (Ushs)	Frequency	Percent	Mid-Point	Estimated Income Earned (Ushs Bn)	Mean (Ushs)
Less than 150,000	2,822,293	47%	75,000	211.7	
150,000-250,000	1,369,184	23%	200,000	273.8	
250,001-500,000	912,256	15%	375,001	342.1	
500,001-1,000,000	550,565	9%	750,001	413	
1,000,001-5,000,000	305,546	5%	3,000,001	916.7	
5,000,001-10,000,000	41,930	1%	7,500,001	314.5	
More than 10,000,000	29,543	0.5%	10,000,000	295.4	
	6,031,317	100%		2,767.1	458,784

Table 16: Estimated income earned per month - above 60 years

Income Thresholds (Ushs)	Frequency	Percent	Mid-Point	Estimated Income Earned (Ushs Bn)	Mean (Ushs)
Less than 150,000	605,034	52%	75,000	45.4	
150,000-250,000	219,746	19%	200,000	44	
250,001-500,000	185,274	16%	375,001	69.5	
500,001-1,000,000;	92,446	8%	750,001	69.3	
1,000,001-5,000,000;	41,023	4%	3,000,001	123.1	
5,000,001-10,000,000;	11,894	1%	7,500,001	89.2	
More than 10,000,000.	7,983	1%	10,000,000	79.8	
	1,163,400	100%		520.2	447,175

3.3 FINANCIAL HEALTH

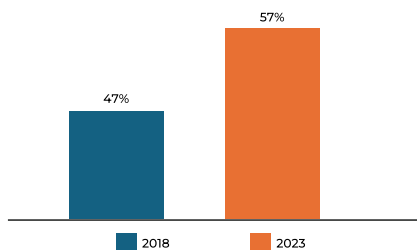
Financial health or wellbeing is the extent to which a person or family can smoothly manage their current financial obligations and have confidence in their financial future. Four elements are covered in measuring financial health¹:

1. **Day to day (financial management):** Smooth short-term finances to meet financial obligations and consumption need
2. **Financial resilience:** Capacity to absorb and recover from financial shocks
3. **Goals (planning for the future):** Ability to reach future goals
4. **Confidence:** Feeling secure and in control of finances

3.3.1 FINANCIAL MANAGEMENT

The proportion of Ugandans who are keeping track of the money they receive and spend has increased by 14 percent from the previous FinScope (figure 2). While most adult Ugandans have fairly good financial management practices, they are not satisfied with their present financial situation (figure 3).

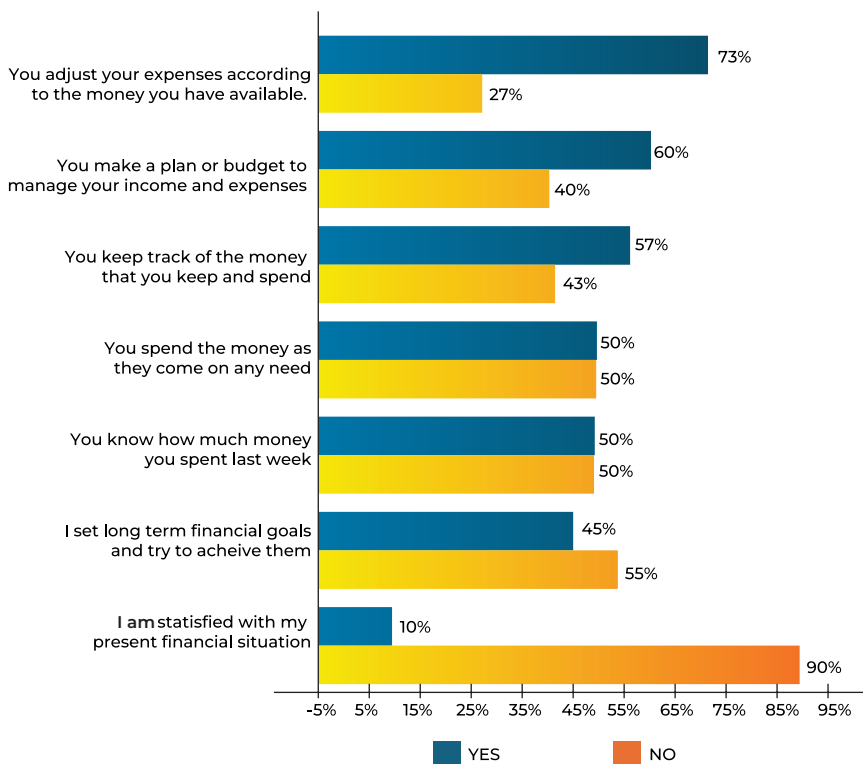
Figure 2: Keep track of money received and spent(%)



Base population: 18,572,641 (2018), 24,552,199 (2023).

¹ As defined by United Nations Secretary-General's Special Advocate for Inclusive Finance for Development Financial Health Working Group

Figure 3: Money management practices.

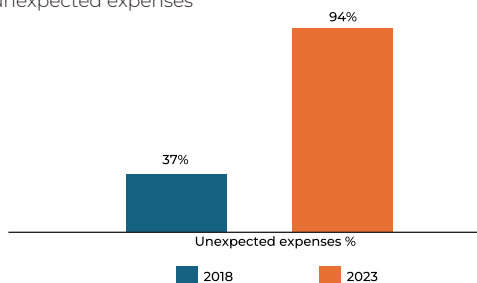


Base population: 24,552,199

3.3.2 FINANCIAL RESILIENCE

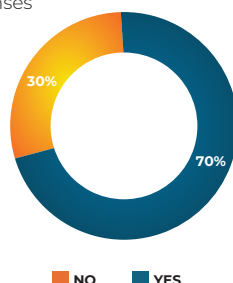
Nine out of every 10 Ugandans were faced by an unexpected event in 2023 which is more than triple the figure reported in 2018 (figure 4). And most of these Ugandans do not have sufficient income to cover their expenses (figure 5).

Figure 4: Proportion of Ugandans with unexpected expenses



Base population: 18,572,641 (2018), 24,552,199 (2023)

Figure 5: Insufficient income to cover expenses



Base population: 24,552,199

Most Ugandans have to cut back on their expenses and rely on their personal savings and family and friends to manage the deficit (table 17). A third of the Ugandan adults are not sure whether they can continue covering their living expenses without borrowing any money (table 18).

Table 17: Ways of managing insufficient funds

	Frequency	Percent
Cut back on spending (i.e. spend less, do without, delay a planned expense, etc.)	3,638,344	21%
Ask family/friends to assist	3,485,376	20%
Use savings	3,474,593	20%
Work more/do more work	2,066,356	12%
Borrow money (family and friends)	1,683,368	10%
Sold an item (i.e., assets, agricultural produce, and other products)	1,427,288	8%
Borrow money (financial institutions)	997,137	6%
Visit relatives/stay with relatives	179,659	1.1%
Take children out of school	93,631	0.5%
Don't travel/cut down on social activities	34,566	0.2%
Don't repay debt	7,955	0.05%
	17,088,273	100%

Table 18: Period of managing insufficient funds without borrowing any money

	Frequency	Percent
Less than a week	3,192,532	14%
At least a week, but not one month	4,239,641	18%
At least one month, but not three months	4,888,051	21%
At least three months, but not six months	2,163,363	9%
Six months or more	1,204,366	5%
Don't know	7,547,834	32%
	23,235,786	100%

3.3.3 PLANNING FOR THE FUTURE

Only two out of every ten(10) Ugandan adults are confidently setting their long-term financial goals and strive to achieve them (table 19). Only 1 percent of Ugandan adults have access to and are utilising pension/retirement benefits scheme (table 20).

Table 19: Do you set long-term financial goals and strive to achieve them?

	Frequency	Percent
Somewhat	7,085,293	29%
Not at all	6,357,843	26%
Very little	5,960,990	24%
very well	2,862,899	12%
Completely	2,285,173	9%
	24,552,199	100%

Table 20: How do you intend to meet your needs when you retire/can't work anymore?

	Frequency	Percent
Don't know/have no plans/have not yet thought about how/where I would get the money for this purpose	7,361,619	32%
Farming/agriculture/livestock	5,158,788	22%
Savings	3,349,522	14%
Own business	2,910,616	13%
Children will take care of me	1,323,003	6%
Land/property that I can sell	1,133,804	5%
Money from friends/relatives	985,296	4%
Rental income	690,213	3%
Pension/ retirement benefit schemes	161,932	1%
Sell financial assets (i.e., bonds, bills, etc.)	55,449	0.2%
	23,130,244	100%

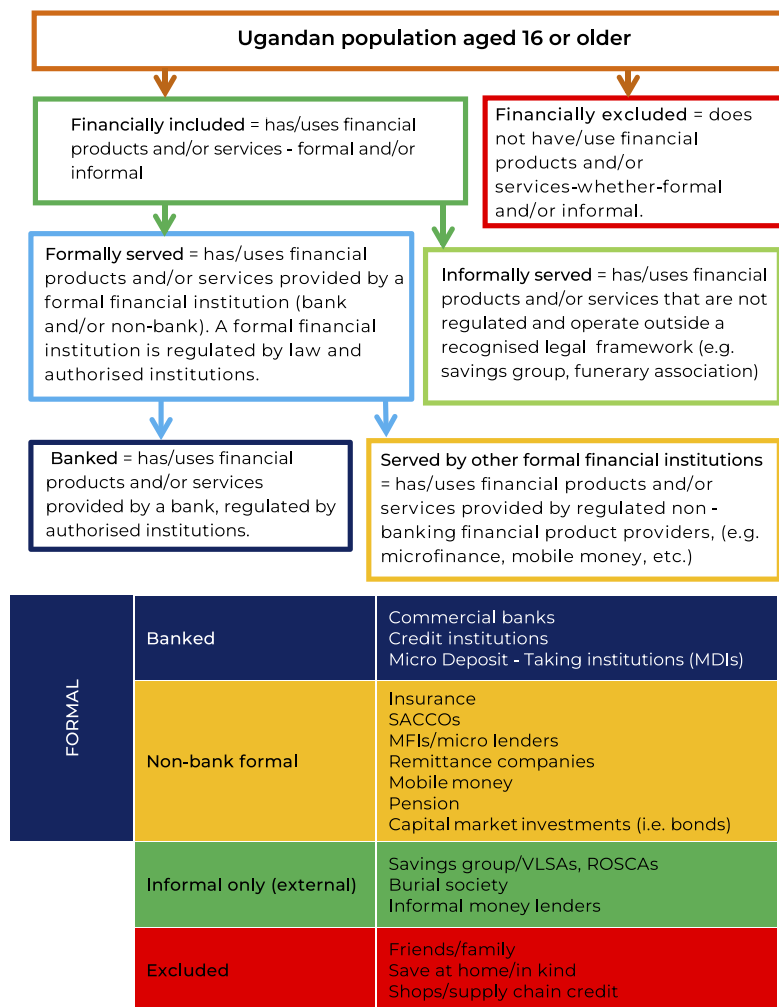




THE STATE OF FINANCIAL INCLUSION

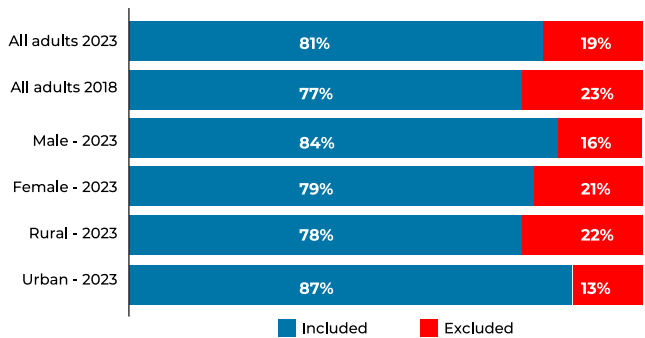
4. THE STATE OF FINANCIAL INCLUSION

In measuring the state of financial inclusion from the survey findings, the access strand methodology illustrated in figures was applied.



Overall financial inclusion has increased since the last FinScope survey in 2018, increasing by 4 percentage points from 77 percent registered in 2018 to 81 percent registered in 2023 (Figure 6). The biggest driver of this growth has been formal financial inclusion which has grown by 10 percent from 58 percent in 2018 to 68 percent in 2023 (figure 7). Informal financial inclusion grew slightly from 50 percent registered in 2018 to 52 percent in 2023 (figure 8).

Figure 6: Overall financial inclusion



Base population: 18,572,641 (2018), 24,552,199 (2023).

Figure 7: Formal financial inclusion



Base population: 18,572,641 (2018), 24,552,199 (2023).

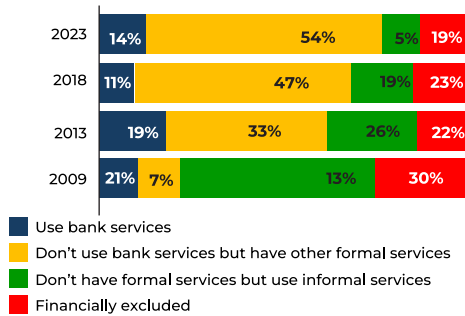
Figure 8: Informal financial inclusion



Base population: 18,572,641 (2018), 24,552,199 (2023).

Non-bank financial services driven by mobile money are the most widely accessed financial services among the Ugandan adult population and the excluded population has gradually reduced over the different FinScope cycles from 30 percent registered in 2009 to 19 percent registered in 2023 (figure 9).

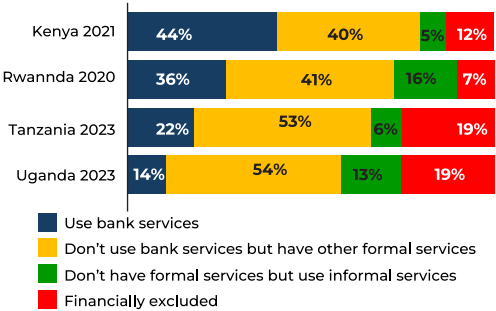
Figure 9: Trends in financial inclusion



Base population: 14,112,506(2009), 16,699,718 (2013), 18,572,641 (2018), 24,552,199 (2023).

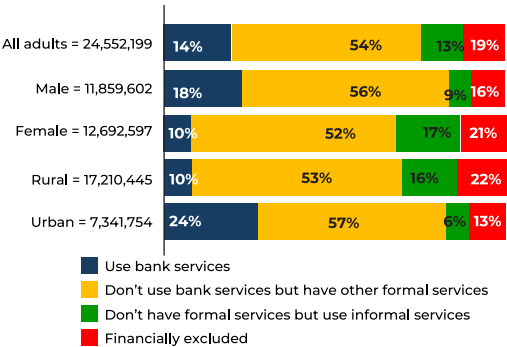
A regional comparison reveals that at 44 percent, Kenya has the highest proportion of the formally included adult population in the East African region. However, at 7 percent, Rwanda has the lowest proportion of the excluded adult population in the East African region (figure 10).

Figure 10: Financial inclusion, a regional comparison



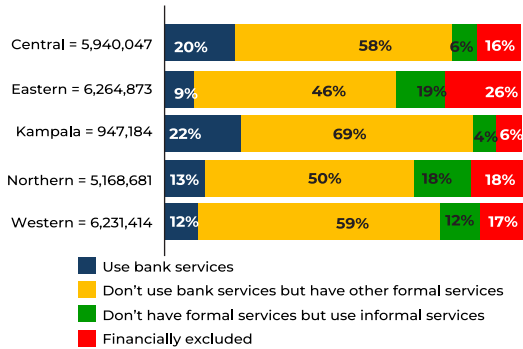
Men are more formally included than women and the reverse is true for informal financial services where women dominate (figure 11).

Figure 11: Financial inclusion, a gender perspective



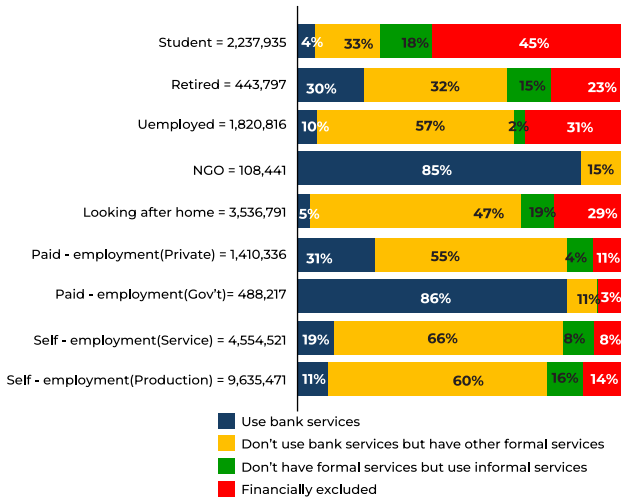
At the regional level the Eastern region has the highest proportion of excluded adults. This could be due to the high levels of poverty in Eastern Uganda (figure 12).

Figure 12: Financial inclusion, a local regional perspective



In terms of employed, public service as expected has more banked than the other vocations since their salaries are usually paid through the formal banking system (figure 13).

Figure 13: Financial inclusion, a vocational perspective





ACCESS AND USAGE OF FINANCIAL SERVICES

5. ACCESS AND USAGE OF FINANCIAL SERVICES

This section looks at the levels of access to and usage of financial services among Ugandan adults. It presents the findings of how Ugandans interact with the different financial service providers.

5.1 PROXIMITY OF FINANCIAL SERVICE PROVIDERS

Figure 14: Proximity to home (% of adults)

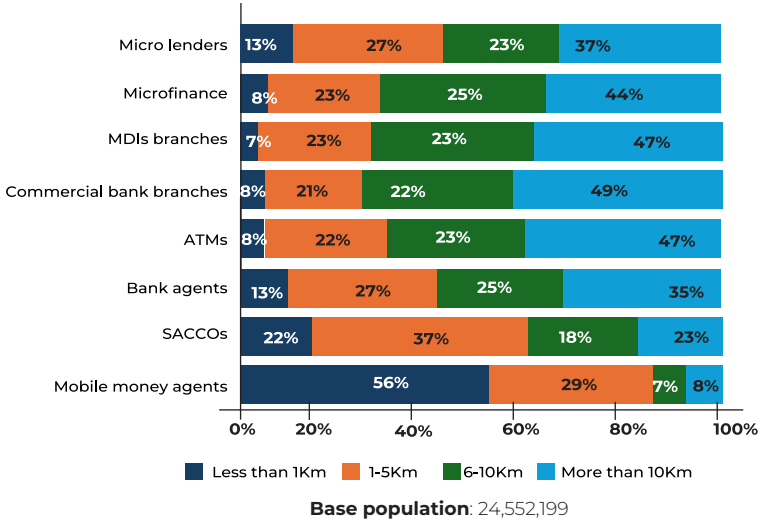
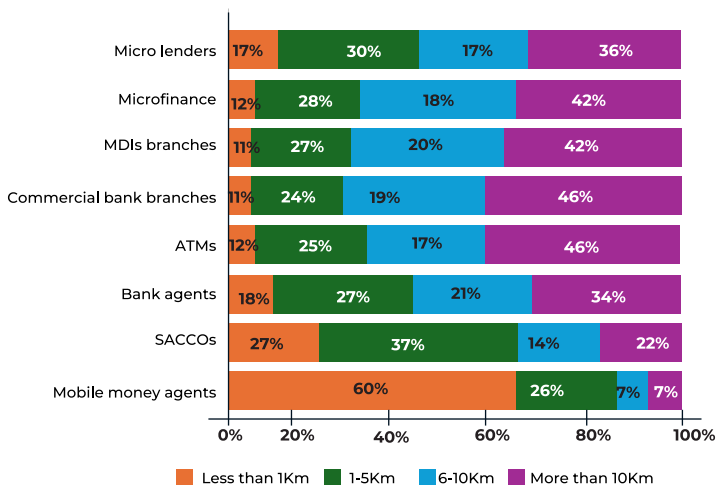


Figure 15: Proximity to work (% of adults)



Base population: 24,552,199.

Formal financial institutions have limited outreach especially in rural areas and even in the urban areas where they have managed to establish a footprint, there are not many access points to service the huge population of potential customers (figures 14 and 15). Mobile money agents are the closest financial services access points to the customer with close to six out of every ten adults reporting that there is a mobile money agent within 1 km radius or less from their home or workplace.

5.2 ACCESSIBILITY OF FINANCIAL SERVICES

Table 21: Access to financial services

	2018	2023	Change(-/+)
Base Population	18,572,641	24,552,199	
Mobile money	54.4%	65.9%	11.5%
VSLAs/ROSCAs	41.3%	36.4%	-4.9%
Banks (Tier 1-3)	10.4%	13.7%	3.3%
SACCOs	4.3%	12.2%	7.9%
Informal money lenders	1.6%	6.3%	4.7%
Cooperatives	0.5%	2.3%	1.8%
Pension	1.1%	2.2%	1.1%
Micro-lenders/formal money lenders	0.3%	1.5%	1.2%
Insurance	1.4%	1.5%	0.1%

Financial inclusion continues to be driven by mobile money and Village Savings and Loan Associations (VSLAs)/Rotating Savings and Credit Associations (ROSCAs) (table 21). However, the proportion of Ugandans accessing VSLAs decreased by approximately 5 percentage points from 41.3 percent in 2018 to 36.4 percent in 2023. SACCOs registered the highest increase in uptake from 4.3% in 2018 to 14% in 2023.

5.2.1 BANKING

Automated Teller Machines (ATMs) and branches are still the dominant channel for banking services, but bank agents and mobile and internet banking are picking up with a substantial proportion of banking customers using them (figure 16). However, the cash economy continues to dominate depicted in the low velocity of money within the banking system (figure 17). Most Ugandans transact with the banks monthly rather than weekly or daily.

Figure 16: Adoption of banking channels

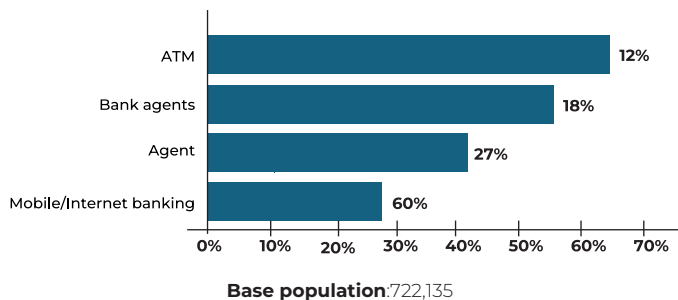
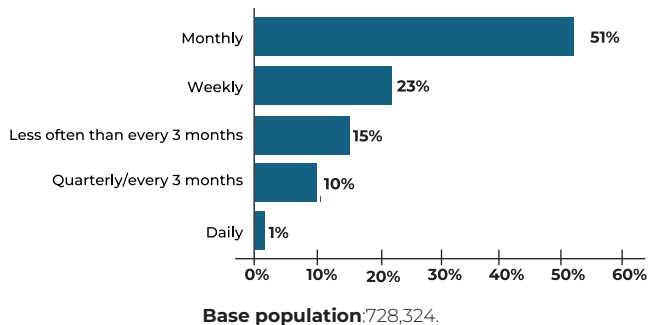
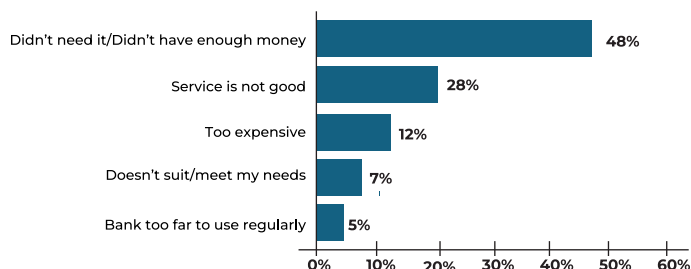


Figure 17: How often Ugandans transact with banks?



For those Ugandans already banked, when asked about their infrequent use of banking services, a lack of enough money to transact within the banking system and poor customer service are the major reasons for their infrequent transactions (figure 18).

Figure 18: Reasons for the infrequent use of banking



Base population: 107,346

For the Ugandans who have abandoned banking completely or never attempted to access banking, the intimidating environment of banks is the greatest barrier to access. Awareness, the distance and lack of sufficient funds are the other major barriers to accessing banking services (table 22).

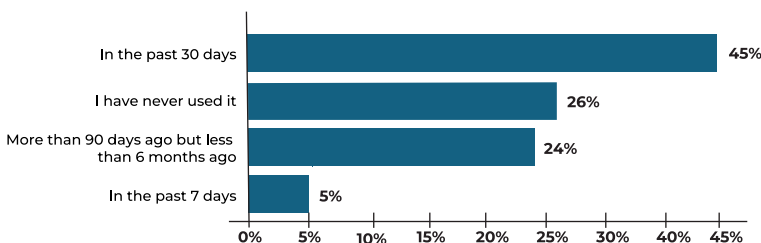
Table 22: Main reasons for not using a bank account

Reasons	Frequency	Percent
Feel intimidated by the bank environment/does not feel comfortable in a bank	12,629,959	55%
Does not know how to open a bank account	11,109,050	49%
Banks are too far away	8,192,217	37%
Does not need it – insufficient or no money coming in to justify it	6,577,663	29%
Does not understand the benefits of having a bank account	4,959,786	23%
Does not trust banks	4,840,521	22%
Banking hours are not convenient	4,723,592	21%
Can get the same services elsewhere in the community	3,376,489	15%
Need permission of someone else to open it	2,757,802	13%
Does not have the documentation required	2,177,812	10%
Banks do not provide the products or services I need	1,755,212	8%
Bank service charges are too high	1,152,633	5%
Cannot maintain the minimum balance	677,554	3%

5.2.2 MICROFINANCE

As is the case with banking, most Ugandans rarely engage with microfinance providers. When asked how often they use the services of microfinance institutions or micro lenders, almost 50 percent indicated the last 30 days (figure 19). Only 5 percent indicated the last seven days.

Figure 19: How often do Ugandans interact with microfinance institutions?



Base population: 41,294

The main reason why Ugandans have not engaged microfinance institutions is because they are not aware of them (table 23). The distance and lack of sufficient funds are the other major barriers to accessing microfinance services (table 23).

Table 23: Reasons for not using a microfinance institution

	Frequency	Percent
Don't know them	12,478,897	52%
Too far away	7,812,017	33%
Do not need it - insufficient or no money coming in to justify it	6,573,375	28%
Cannot maintain the minimum balance	5,127,030	21%
Service charges are too high	3,677,591	15%
Do not trust them	3,420,375	14%
Do not have the documentation required	2,171,663	9%
Can get the same services elsewhere in the community	1,777,303	7%
Do not understand the benefits of having an account	1,742,234	7%
Hours are not convenient	1,195,824	5%
Do not know how to open an account	976,713	4%
They do not provide the products or services I need	944,407	4%
Feel intimidated by the environment/does not feel comfortable there	724,308	3%
Need permission of someone else to open it	542,555	2%

5.2.3 SAVINGS AND CREDIT COOPERATIVE ORGANISATIONS (SACCOs)

The major reasons of one belonging to a SACCO are saving, borrowing and social networking (table 24). Trust and convenience especially in times of urgent need are the other critical drivers of SACCO membership. All these speak to the high levels of flexibility SACCOs have compared to other conventional financial institutions.

The survey findings also show that SACCOs/cooperatives are actively engaged in the social lives of their members beyond the financial services they provide (table 25). More than a third of Ugandans who subscribe to a SACCO/Cooperative indicate that their SACCOs/cooperatives provide mobile money services-a move towards digitisation (table 25).

Table 24: Reasons for belonging to a SACCO

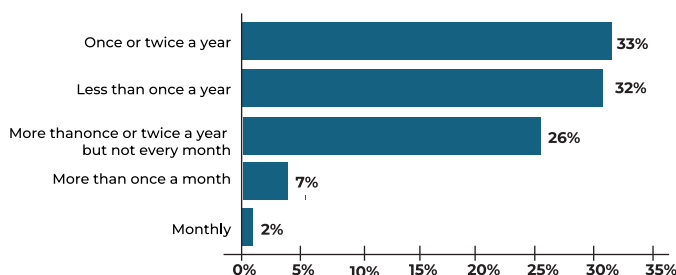
	Frequency	Percent
To borrow money	1,348,203	45%
To socialise or meet friends/to network	1,231,798	41%
To save money/to buy shares	1,130,905	38%
Can turn to them when in financial need	865,730	29%
They give financial advice	727,417	24%
Can get access to money in case of loss or emergency/access to the social fund	661,854	22%
I trust the members with my money	528,533	18%
It forces me to save	431,428	14%
They give information on matters such as education, health, etc.	203,969	7%
Because government requires me to	99,694	3%
It is compulsory/expected of me	85,240	3%
Inherited membership	12,557	0.4%

Table 25: The value of SACCOs/cooperatives beyond savings and credit

	2023	Percent
Contribute towards funerals or other emergencies of members and their families	2,234,171	74%
Contribute towards social events of members, e.g. weddings, the birth of a child	1,526,601	51%
Use mobile money services to receive members from money	1,084,897	36%
Have a joint income-generating activity, e.g. brick making, basket making	773,787	26%
Use mobile money services for paying out dividends	669,940	22%
Help you get a better price for your produce/products	505,064	17%
Help you get farm inputs	501,052	17%
Buy assets for members	378,663	13%
Have a loan from a bank	311,903	10%
Have insurance to cover things like equipment, investments etc.	193,153	6%

Like all the other formal financial services, SACCOs are not exceptional as more than 60 percent of Ugandans borrow from them once or less than twice a year (figure 20).

Figure 20: How often do Ugandans borrow from SACCOS/cooperatives



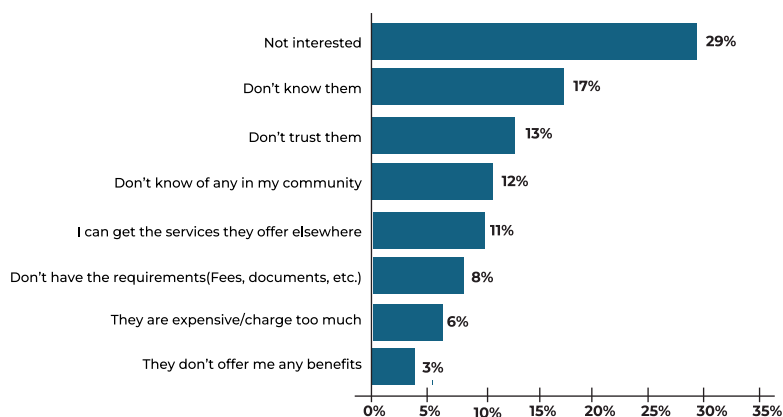
Base population: 3,005,172

The predominant use case for SACCOS is savings and credit but increasingly Ugandans also use SACCOS to make financial payments (table 26). On the other hand, the predominant reason for not belonging to a SACCO in Uganda is a lack of interest and knowledge as well as low levels of trust (figure 21).

Table 26: Use cases for SACCOS

	Frequency	Percent
To save	2,442,246	81%
To get credit/loan	1,728,448	58%
To make loan payments	951,959	32%
To pay school fees	578,795	19%
To receive government transfers (PDM, Emyooga, etc.)	455,403	15%
To buy airtime	427,723	14%
To pay bills, utilities, rent, taxes	204,632	7%
To process salary/wages	200,388	7%
To pay for goods or services at a grocery store, clothing shop or any other store/shop	197,724	7%
To make an investment, including bought stock or shares	119,561	4%
To receive pension payments, retirement benefit schemes or government assistance payments	105,782	4%
To make insurance payments	76,572	3%
To make insurance payments or receive claims on insurance	35,607	1%

Figure 21: Reasons for not belonging to a SACCO



Base population: : 21,350,557.

5.2.4 MOBILE MONEY

5.2.4.1 LEVELS OF AWARENESS AND ADOPTION

The 2023 FinScope survey sought the perception and understanding of adults about some attributes of mobile money and going by their responses, one can deduce that there are high levels of awareness and understanding about the operations and services of mobile money (table 27). When asked about the reasons why they adopted mobile money services, the predominant use case for money is money transfers between persons (table 28). On the other hand, the biggest barriers to using mobile money is the cumbersome Know-Your-Customer (KYC) requirements and the lack of mobile phone ownership (table 29).

Table 27: Level of awareness and perceptions about mobile money services

	Agree	Disagree	Don't Know
You can receive money through your phone from someone who uses another network, and it goes directly into your wallet	69%	9%	22%
If you send money to someone using your phone, it is cheaper when he/she is on the same network you are using	67%	11%	23%
Paying for goods and services using your phone is safer than carrying cash	48%	22%	30%
If you forget your PIN, you can easily change it.	44%	21%	35%
One can easily lose money if you send/receive it using a mobile phone	34%	40%	26%
If you save money on your phone and your phone is lost/stolen, you cannot get back your money	19%	45%	36%
If you borrow money from one mobile money service provider and you get a new line from a new mobile network, you don't have to repay the loan from the old provider	17%	39%	44%

Table 28: Reasons for adopting mobile money services

	Frequency	Percent
I had to receive money from another person	2,649,542	59%
I had to send money to another person	2,302,065	52%
Most of my friends/family members are already using it	995,822	22%
Somebody/a person requested that I open an account	682,005	15%
A person I know, who uses mobile money, recommended I use mobile money because it is better than other financial services, I use	471,211	11%
To borrow money	437,500	10%
I saw other people using it and wanted to try it myself	395,315	9%
An agent or salesperson convinced me	209,082	5%
I wanted a safe place to store my money	197,753	4%
I had to send money to an organisation/government agency e.g., I had to pay a bill	156,044	3%

I had to receive money from an organisation/government agency: e.g., pension, unemployment payment or welfare benefits	146,644	3%
I wanted to start saving money on a mobile money account	119,042	3%
An organisation/government agency requested and I signed up for an account	106,432	2%
I got a discount on airtime	89,060	2%
I got a promotional amount of money to spend if I start using mobile money	28,522	1%
I saw posters/billboards/radio/TV advertising that convinced me	13,910	0.3%

Table 28: Reasons for adopting mobile money services

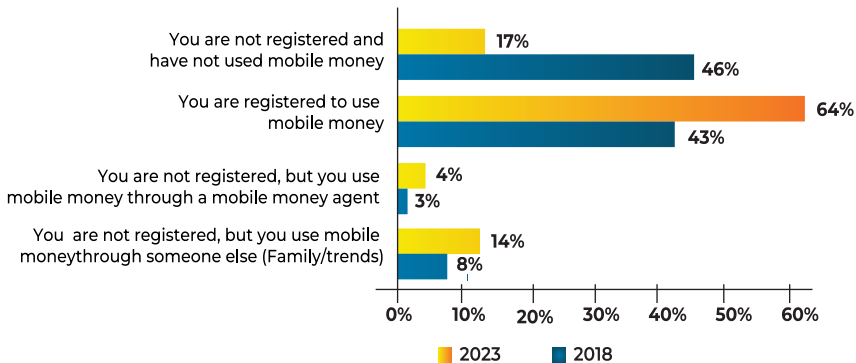
Table 29: Reasons for not adopting mobile money services

	Frequency	Percent
I do not have the required documents	778,671	44%
I do not have a phone	563,712	32%
Using it is difficult	341,498	19%
I do not know what it is/never heard of it before	280,317	16%
I do not know how to get it	252,124	14%
Registration is too complicated	234,035	13%
I do not understand this service; I do not know what I can use it for	200,088	11%
I do not need it; I do not make any transactions	190,956	11%
There is no point-of-service/agent close to where I live	174,400	10%
I do not trust that my money is safe on a mobile money account	121,292	7%
The registration fee is too high	116,803	7%
My spouse, family, in-laws do not approve of me having a mobile money account	91,274	5%
No one among my friends or family use this service	51,710	3%
Mobile money does not provide anything better/any advantage over the financial services I currently use	48,467	3%
Fees for using this service are too high	43,144	2%
It is against my religion	35,522	2%
I don't use it because all agents are men	17,915	1%

5.2.4.2 REGISTRATION STATUS

The proportion of Ugandans who are registered for the mobile money service with a SIM Card has increased by more than 20 percentage points since the last FinScope survey in 2018 from 46 percent to 64 percent (figure 22). The main reason for not registering for mobile money is a lack of a national identity card and other KYC documents (figure 23).

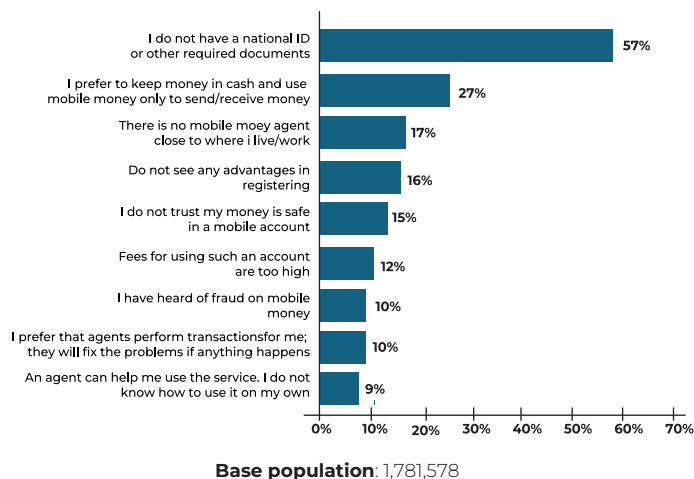
Figure 22: Status of the registration for mobile money



Base population: 18,572,641 (2018), 24,552,199 (2023).



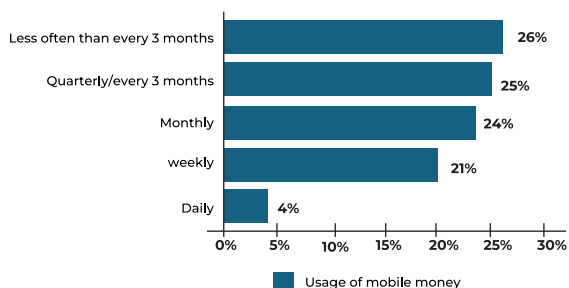
Figure 23: Reasons for not registering for mobile money



5.2.4.3 MOBILE MONEY USAGE

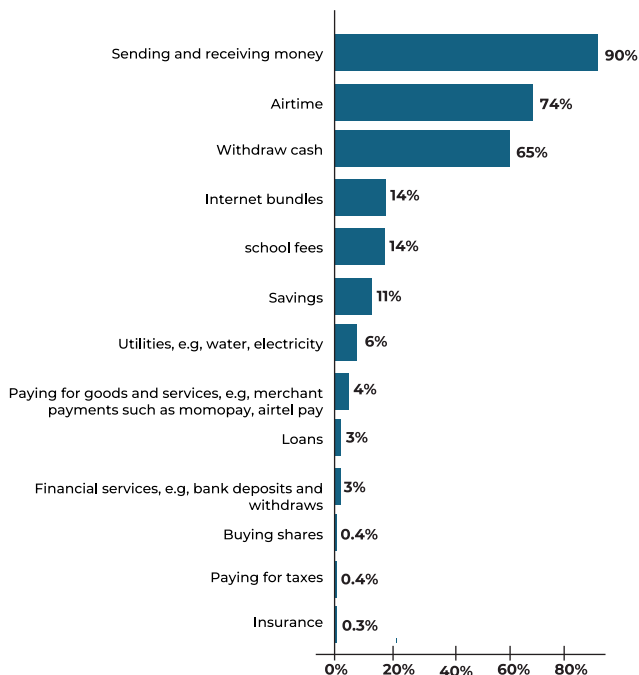
Unlike all the other formal financial services, mobile money is more frequently used with the largest proportion of Ugandans transacting with mobile money once a month or more (figure 24). Sending and receiving money is still the predominant use case for mobile money in Uganda followed by the purchase of airtime and cash withdrawals (figure 25). Purchases of household groceries and expenditures on health, education, transport and airtime are the predominant reasons for mobile money withdrawals (figure 26).

Figure 24: How often mobile money is used.



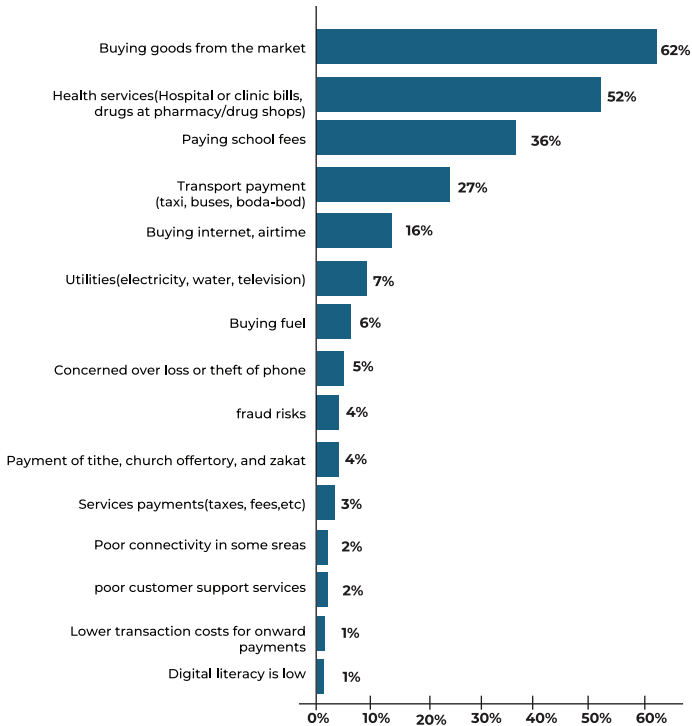
Base population: 4,465,555.

Figure 25: Mobile money use cases in Uganda



Base population: 20,276,622.

Figure 26: Reasons for mobile money withdraws

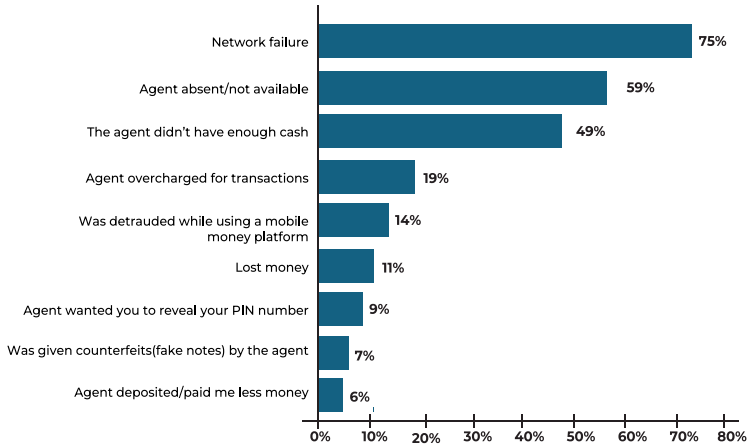


Base population: 13,274,407

5.2.4.4 MOBILE MONEY CUSTOMER SERVICE

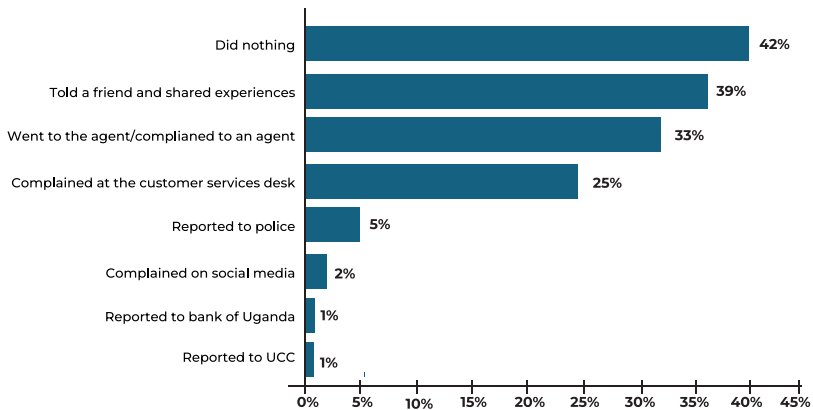
The most predominant problems Ugandans face with mobile money are network failure and problems related to mobile money agents (figure 27). When customers are faced with these mobile money problems, they do nothing, and they trust their friends and mobile money agents more than reporting to the responsible regulators (figure 28). Even for those who report their concerns, only four out of every ten Ugandans' concerns are resolved (figure 29).

Figure 27: Mobile money problems customers face



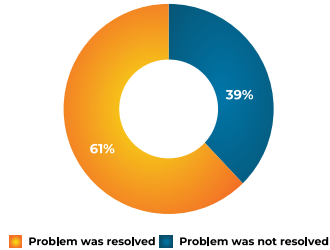
Base population: 20,276,622.

Figure 28: Customer responses to the mobile money problems



Base population: 16,547,990.

Figure 29: Were the problems resolved?

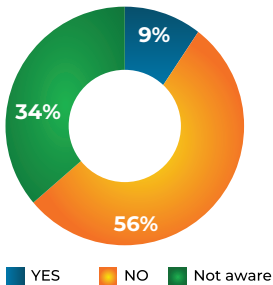


Base population: 13,274,407

5.2.4.5 MOBILE MONEY FINANCIAL SERVICES

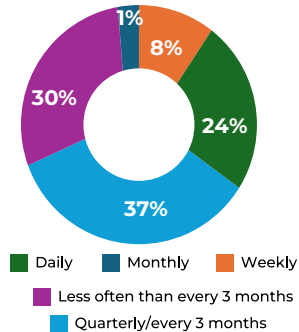
Just about one out of every ten adults are borrowing using mobile money (figure 30). There are also a sizeable proportion of Ugandans who are not aware of the option of borrowing using mobile money.

Figure 30: Have you ever borrowed through mobile money?



Base population: 24,522,199.

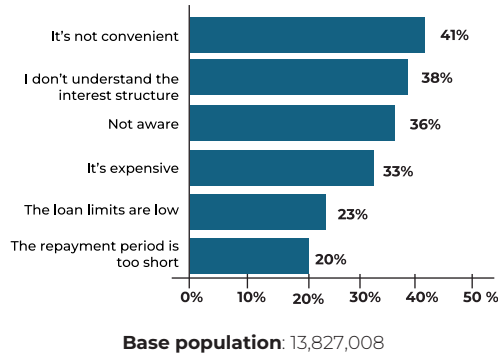
Figure 31: How often do you borrow through mobile money?



Base population: 2,321,403

Even those who borrow through mobile money, do not borrow often. Most of them borrow once a month or more (figure 31). Regarding those who do not borrow through mobile money, the main reasons advanced for the same is a lack of convenience, the high cost of borrowing and low levels of awareness and understanding of the product (Figure 28).

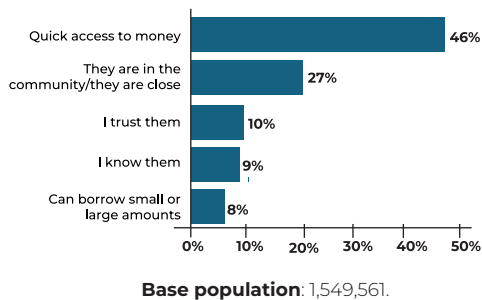
Figure 32: Reasons for not borrowing through mobile money



5.2.5 INFORMAL MONEY LENDERS

The biggest driver of usage of informal money lenders' services is the quick access to money and the community networks that these informal institutions provide to their customers (figure 33).

Figure 33: Reasons why you use informal money lenders.





FINANCIAL PRODUCTS AND SERVICES

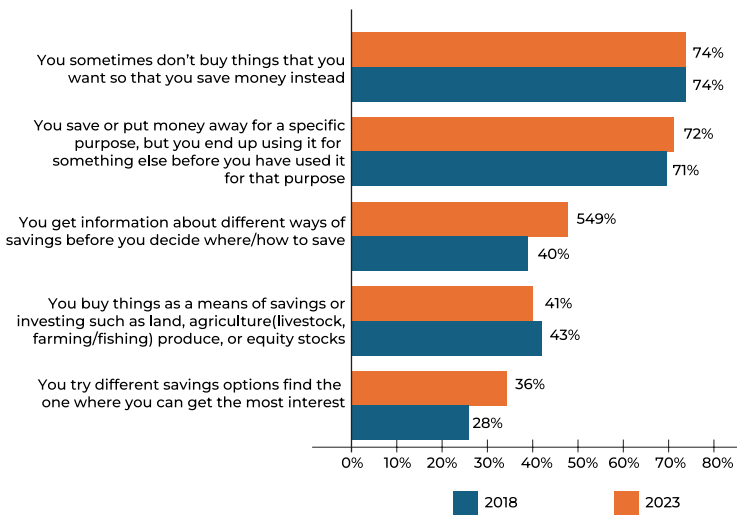
6. FINANCIAL PRODUCTS AND SERVICES

6.1 SAVINGS AND INVESTMENT

6.1.1 SAVINGS BEHAVIOUR

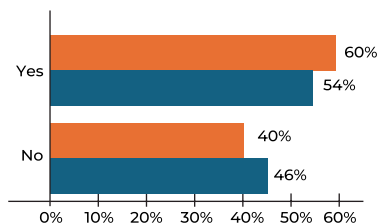
The savings behaviour of Ugandans has not changed much since the last FinScope survey in 2018 (figure 34). Most Ugandans still have good saving habits of keeping money aside for future expenses. Since the last FinScope in 2018, the proportion of Ugandans that save in any form to cater for their future expenses has grown from 40 percent in 2018 to 60 percent in 2023 (figure 35).

Figure 34: Savings behaviour of Ugandans



Base population: 18,572,641 (2018), 24,522,199 (2023)

Figure 35: Have you been saving money, in the past 12 months?



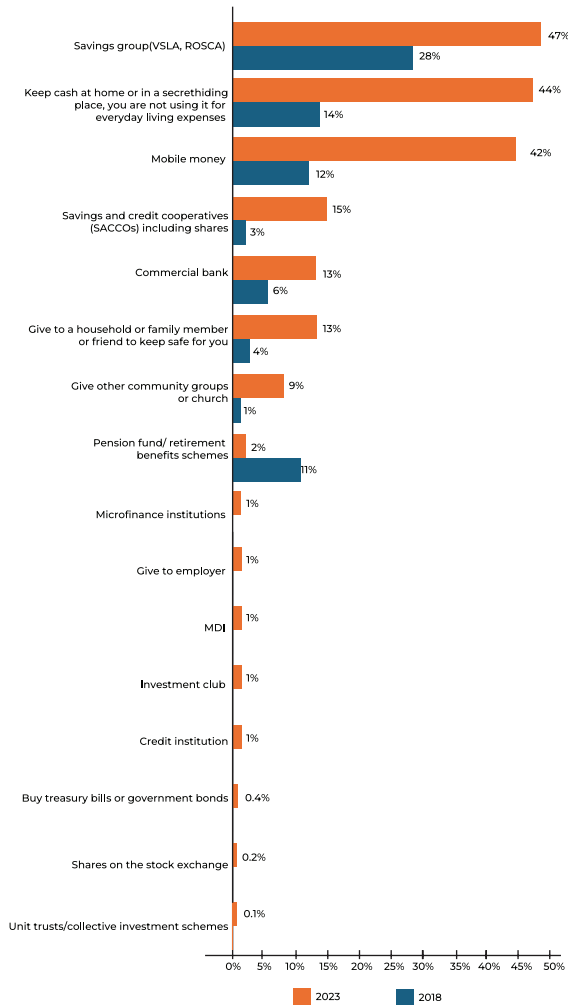
Base population: 18,572,641 (2018), 24,522,199 (2023)

6.1.2 SAVINGS MECHANISMS

Since the last FinScope in 2018, the number of Ugandans keeping money at home has more than tripled as is the case with mobile money (figure 36). There has also been a marked increase in the proportion of Ugandans saving with commercial banks and SACCOs (figure 36). Nevertheless VSLAs, keeping money at home and saving with mobile money remain the predominant savings mechanisms among Ugandans (figure 36). When asked how often they used a particular savings and investment mechanism, those saving and investing with government securities and community based savings groups were the most frequent savers and investors. (figure 37).

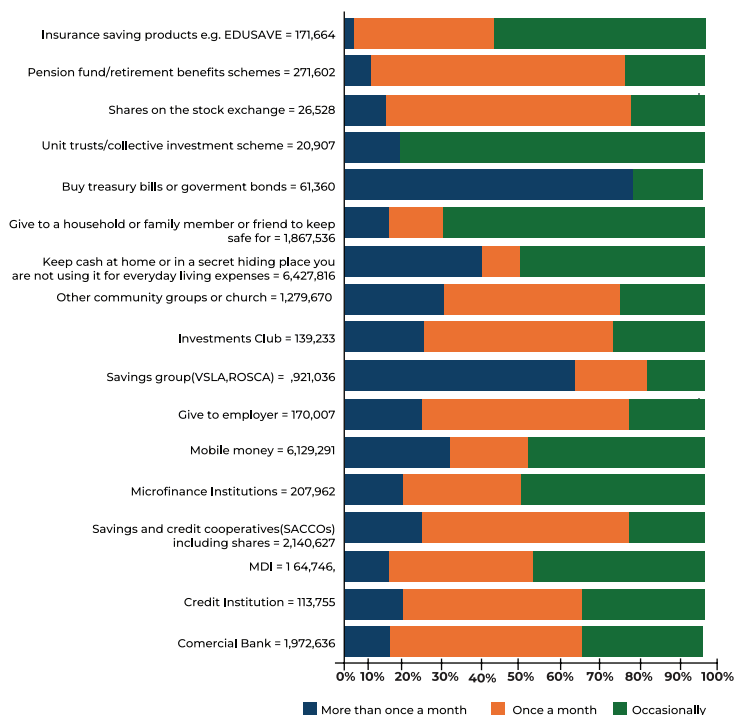


Figure 36: Savings mechanisms



Base population: 18,572,641 (2018), 14,637,570 (2023).

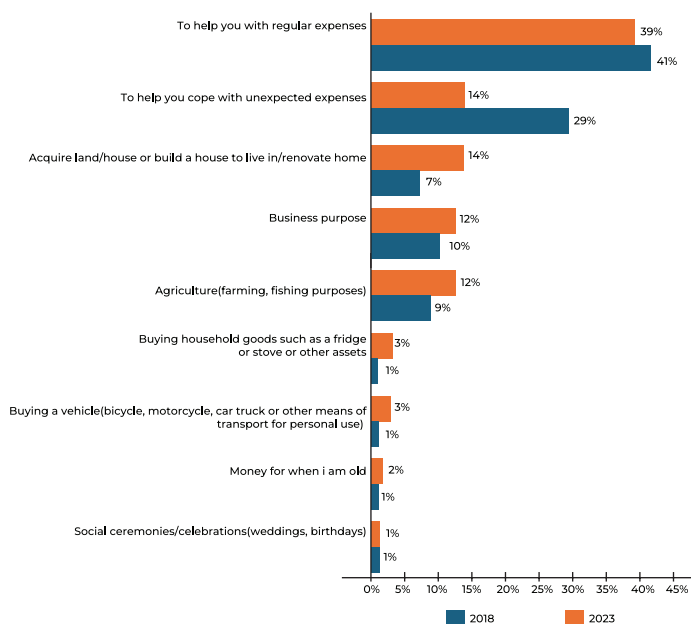
Figure 37: How often do you use this savings and investment mechanism?



6.1.3 PURPOSE FOR SAVING AND INVESTMENT

Most Ugandans do not save for the long-term, they save to mainly cater for short-term needs and emergencies (figure 38). However, the 2023 FinScope findings show that this trend is changing with more Ugandans moving away from a short-term focus to a more long-term focus, saving to invest in business and agriculture and more physical assets such as land and housing (figure 38).

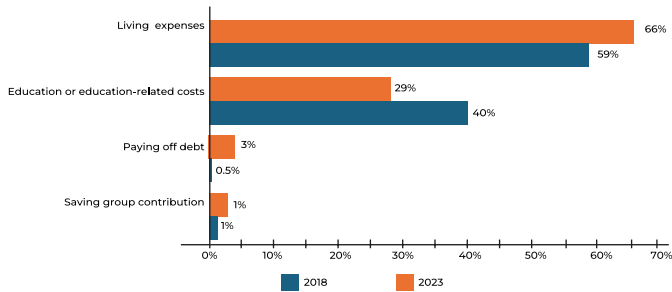
Figure 38: The purpose for saving



Base population: 8,913,710 (2018), 14,637,569 (2023).

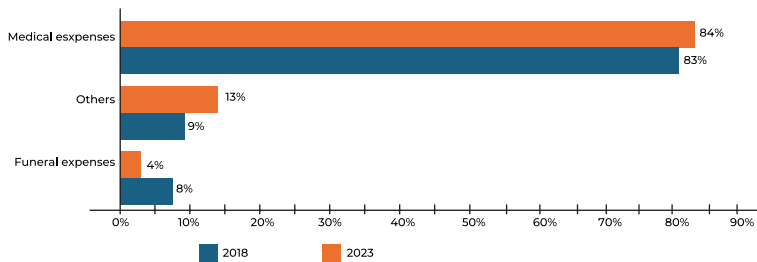
More specifically, most Ugandans save to cater for living household and education expenses (figure 39). For the unexpected expenses, medical expenses predominate (figure 40). For business expenses, working capital needs predominate, though there is an increase in business owners who are investing in long-term capital assets (figure 41). Likewise in agriculture working capital needs such as purchase of inputs, predominate but there is a decreasing trend towards long-term investment in capital assets like land and agricultural equipment (figure 42).

Figure 39: Most regular expenses saved for



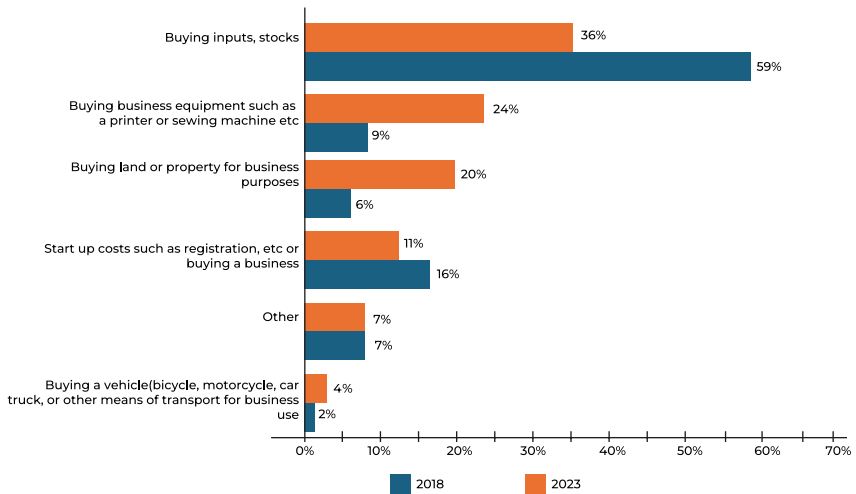
Base population: 3,591,786 (2018), 5,680,331 (2023).

Figure 40: Most unexpected expenses saved for



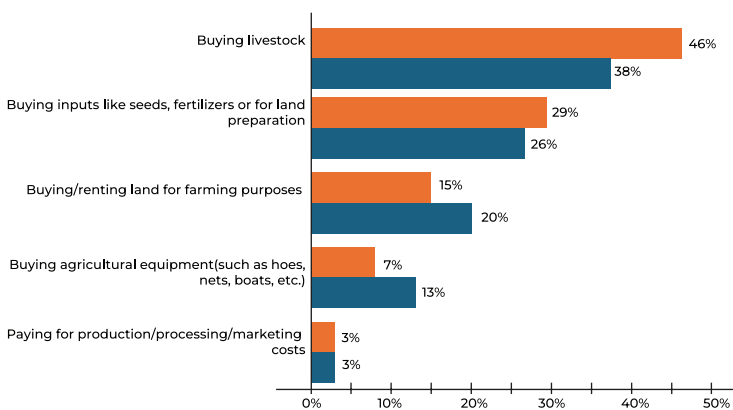
Base population: 2,598,102 (2018), 2,099,026 (2023).

Figure 41: Most business expenses saved for



Base population: 872,757 (2018), 1,758,646 (2023).

Figure 42: Most agricultural expenses saved for



Base population: 759,892 (2018), 1,712,298 (2023).

6.1.4 INCOME SAVED

When asked how much money they put away the last time they saved any money, 63 percent saved less than Ushs150,000 (table 30). But this was an improvement from the previous FinScope in 2018 where the same saving threshold had more than 80 percent Ugandans (table 30). The total estimated savings from the 2023 FinScope survey findings is put at Ushs3.4 trillion per month and the average savings stands at Ushs258,848 per month (table 31). This translates into an annual savings estimated of Ushs40 trillion (23% of GDP).

A further analysis of the saving levels by gender shows that men save more than women with more women in the lower saving thresholds (table 32). Likewise, the estimated total and average savings for men is more than double that of women (tables 33 and 34).

Table 30: Income saved

Saving Thresholds (Ushs) Per Month	2018	Percent	Cum Percent	2023	Percent	Cum Percent
Less than 150,000	8,581,794	86%	86%	8,251,272	63%	63%
150,000- 250,000	466,795	5%	91%	2,514,543	19%	82%
250,001- 500,000	558,302	6%	96%	1,283,473	10%	91%
500,001- 1,000,000	209,763	2%	99%	782,915	6%	97%
1,000,001- 5,000,000	138,922	1%	100%	318,451	2%	100%
5,000,001- 10,000,000	-	0%	100%	34,776	0.3%	100%
More than 10,000,000	-	0%	100%	678	0.01%	100%
	9,955,576	100%		13,186,108	100%	

Table 31: Estimated value of savings

Saving Thresholds (Ushs) Per Month	Frequency	Mid Point	Estimated Total Savings (Ushs Bn)	Estimated Average Savings (Ushs)
Less than 150,000	8,251,272	75,000	618.8	
150,000-250,000	2,514,543	200,000	502.9	
250,001-500,000	1,283,473	375,001	481.3	
500,001-1,000,000	782,915	750,001	587.2	
1,000,001-5,000,000	318,451	3,000,001	955.4	
5,000,001-10,000,000	34,776	7,500,001	260.8	
More than 10,000,000	678	10,000,000	6.8	
	13,186,108		3,413.2	258,848

Table 32: Income saved by gender

Saving Thresholds (Ushs) Per Month	Male	Percent	Female	Percent
Less than 150,000	3,536,128	55%	4,715,143	70%
150,000-250,000	1,440,405	22%	1,074,138	16%
250,001- 500,000	716,935	11%	566,537	8%
500,001- 1,000,000	534,276	8%	248,640	4%
1,000,001-5,000,000	222,892	3%	95,559	1%
5,000,001-10,000,000	29,365	0.5%	5,411	0%
More than 10,000,000	678	0.01%	-	0%
	6,480,679	100%	6,705,428	100%

Table 33: Estimated value of savings for men

Saving Thresholds (Ushs) Per Month	Frequency	Mid Point	Estimated Savings (Ushs Bn)	Total	Estimated Average Savings (Ushs)
Less than 150,000	3,536,128	75,000	265.2		
150,000-250,000	1,440,405	200,000	288.1		
250,001-500,000	716,935	375,001	268.9		
500,001-1,000,000	534,276	750,001	400.7		
1,000,001-5,000,000	222,892	3,000,001	668.7		
5,000,001-10,000,000	29,365	7,500,001	220.3		
More than 10,000,000	678	10,000,000	6.8		
	6,480,679		2,118.5		326,901

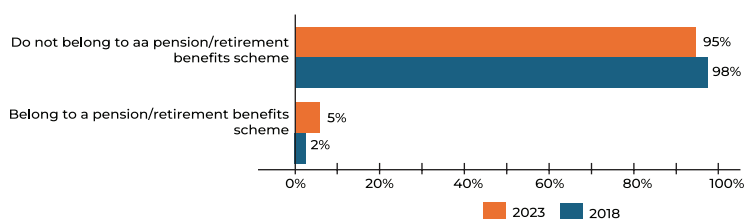
Table 34: Estimated value of savings for women

Saving Thresholds (Ushs) Per Month	Frequency	Mid Point	Estimated Savings (Ushs Bn)	Total	Estimated Average Savings (Ushs)
Less than 150,000	4,715,143	75,000	353.6		
150,000-250,000	1,074,138	200,000	214.8		
250,001-500,000	566,537	375,001	212.4		
500,001-1,000,000	248,640	750,001	186.5		
1,000,001-5,000,000	95,559	3,000,001	286.7		
5,000,001-10,000,000	5,411	7,500,001	40.6		
More than 10,000,000	-	10,000,000	-		
	6,705,428		1,294.7		193,076

6.2 RETIREMENT PLANNING AND INVESTMENT

6.2.1 RETIREMENT BENEFITS

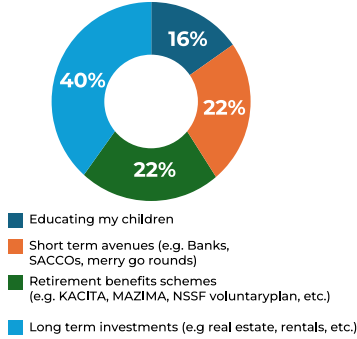
The proportion of Ugandans who have access to a formal retirement benefits products more than doubled in 2023 to 5 percent compared to 2 percent registered in 2018 (figure 43).

Figure 43: Access to formal retirement benefits

Base population: 15,837,687 (2018), 19,036,221 (2023).

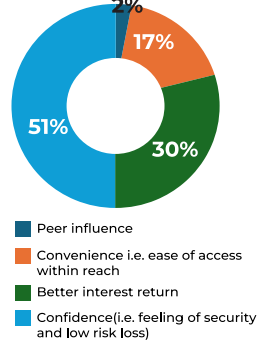
The most preferred retirement savings mechanism is investment in physical assets such as real estate (figure 44) and the driving factor in the choice of retirement savings mechanism is security of the investments (figure 45).

Figure 44: Most preferred retirement savings mechanism



Base population: 921,996

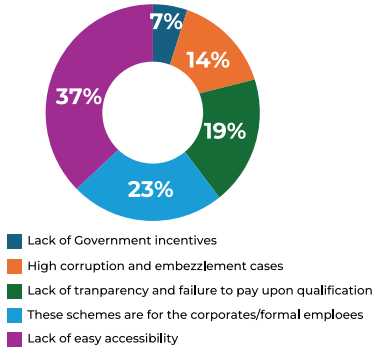
Figure 45: Why preferred retirement savings mechanism?



Base population: 921,996

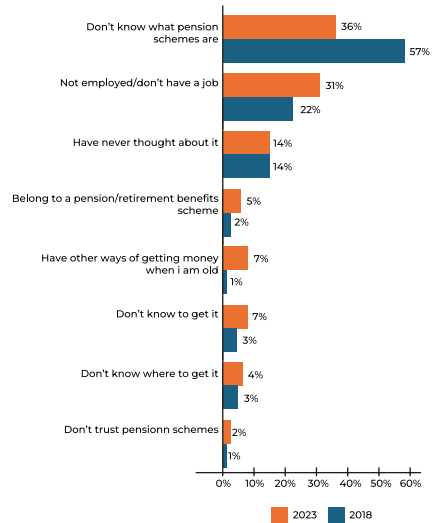
The main concerns about retirement benefits schemes are accessibility and the control by the employers (figure 46). The major drivers of not having access to a formal retirement benefits scheme is a lack of awareness and unemployment (figure 47).

Figure 46: Concerns with retirement benefits schemes



Base population: 921,996

Figure 47: Reasons for not belonging to a pension scheme



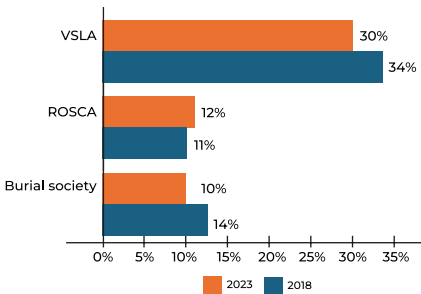
Base population: 11,886,565 (2018), 18,114,224 (2023)

6.3 COMMUNITY BASED SAVINGS AND CREDIT MECHANISMS

6.3.1 ACCESS

Village Savings and Loans Associations (VSLAs) are the most predominant savings and credit mechanisms in the local communities as three out of every ten Ugandans belong to a VSLA (figure 48). The opportunity to get a lumpsum payment and peer pressure from other community members are the predominant reasons for joining the community-based savings and credit groups (figure 49).

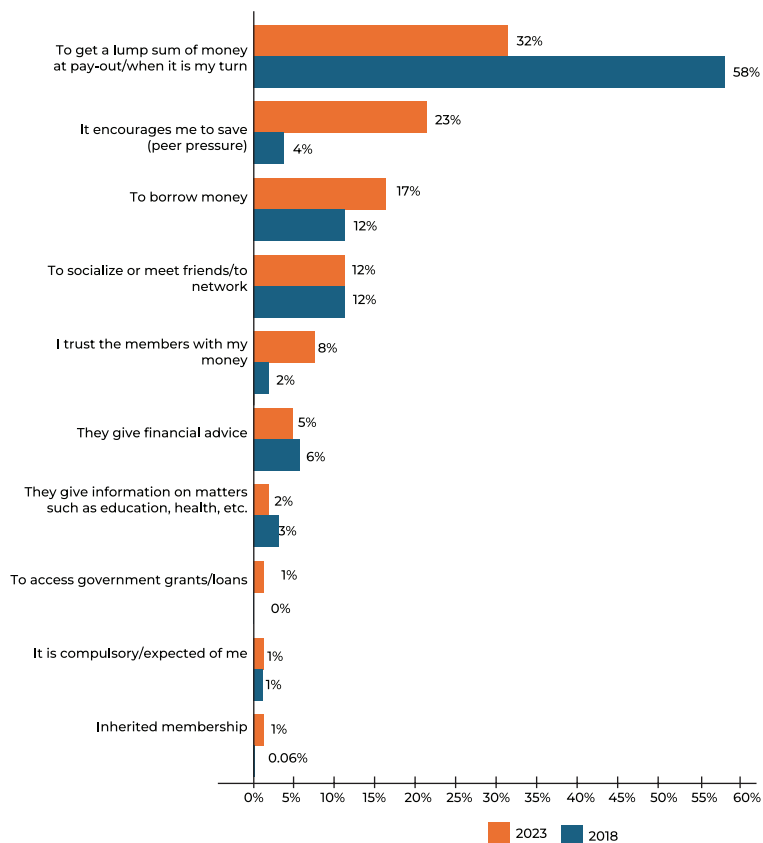
Figure 48: Community based groups that adults belong to



Base population: 8,608,908 (2018), 24,531,876 (2023).



Figure 49: Reasons for joining community-based savings groups

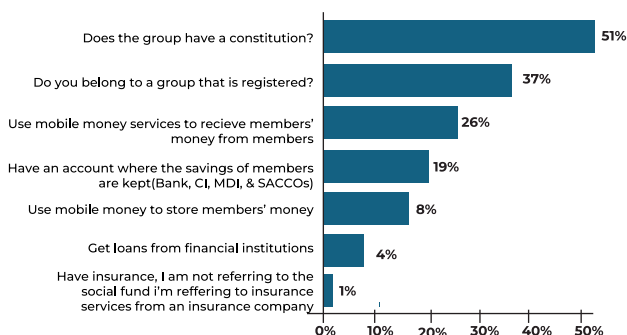


Base population: 2,961,121 (2018), 7,319,567 (2023).

6.3.2 FORMALISATION AND DIGITISATION

Just about one in every two community-based savings groups is registered and has a constitution (figure 50). Two in every ten groups have an account with a formal financial institution and close to three out of every ten groups use mobile money services (figure 50). However less than 10 percent of these groups use mobile money digital wallets to store their members savings (figure 50).

Figure 50: Levels of formalisation of the community-based savings groups



Base population: 7,319,567.

6.3.3 MEMBER CONTRIBUTIONS AND BORROWINGS

The Ugandan adult who saves with community-based savings groups contributes an average of Ushs40,103 per month which translates in an estimated annual gross savings of Ushs3.4 trillion from the community based financial system (table 35). This is 9 percent of the total estimated annual savings across all savings channels. Further analysis shows that over eight in every ten adults saving with community-based groups save less than Ushs50,000 (table 35).

When it comes to borrowing, the community-based savings groups members, on average borrow Ushs169,807 which is four times the average amount saved with the groups (table 36). This translates into an estimated loan portfolio of Ushs771.9 billion per month and an annual estimate of Ushs 9.3trillion (table 36).

Table 35: Savings contributions to community-based savings groups

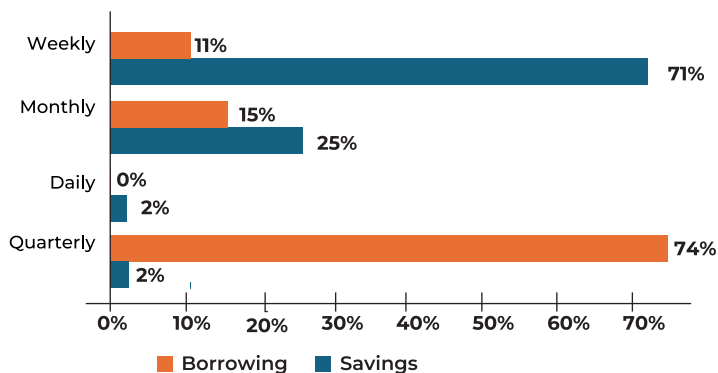
Contributions to the Savings Groups per Month(Ushs)	Frequency	Percent	Mid-Point	Estimated Total Savings (Ushs Billion)	Mean (Ushs)
Less than 5,000	1,275,922	18%	2,500	3.2	
5,000 - 50,000	4,516,221	65%	27,500	124.2	
50,001-100,000	899,164	13%	75,001	67.4	
100,001-250,000	214,279	3%	175,001	37.5	
250,001-UGX.500,000	57,997	1%	375,001	21.7	
500,001-UGX.1,000,000	21,390	0%	750,001	16	
More than 1,000,000	10,426	0%	1,000,000	10	
	6,995,399	100%		280.5	40,103

Table 36: Borrowings from community-based savings groups

Contributions to the Savings Groups(Ushs)	Frequency	Percent	Mid-Point	Estimated Total Savings (Ushs Billion)	Mean (Ushs)
Less than 5,000	55,323	1%	2,500	0.138	
5,000-50,000	1,494,116	33%	27,500	41.1	
50,001-100,000	1,198,880	26%	75,001	89.9	
100,001-250,000	935,324	21%	175,001	163.7	
250,001-UGX.500,000	518,118	11%	375,001	194.3	
500,001-UGX.1,000,000	245,710	5%	750,001	184.3	
More than 1,000,000	98,543	2%	1,000,000	98.5	
	4,546,015	100%		771.9	169,807

Most of the community-based groups' members save on a weekly basis but borrow more often on a quarterly basis (figure 51).

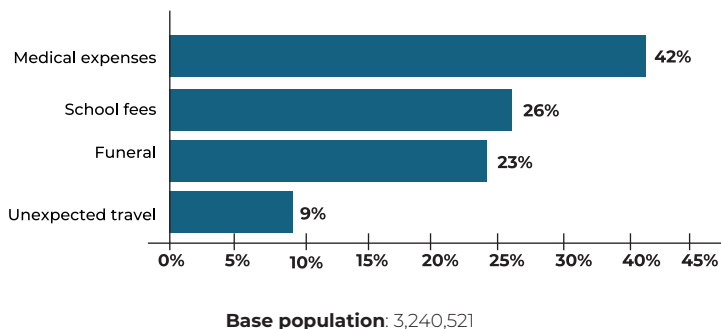
Figure 51: Frequency in saving and borrowing



Base population: Saving N=7,319,567, Borrowing N=5,469,536.

Most of the funds borrowed from the savings groups are used to cater for medical expenses and school fees (figure 52).

Figure 52: Purpose for borrowing from the saving groups



Base population: 3,240,521

6.3.4 MEMBER PAYOUT

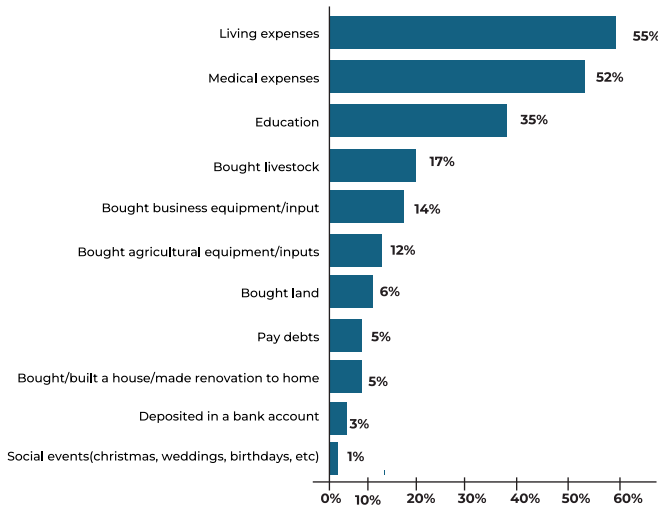
Usually at the end of every year, members of community-based savings groups receive a payout from the savings collected and profits made during the year. From the 2023 FinScope findings, the last time such a payout was made the average payout per member was estimated at Ushs244,286 (table 37) resulting in a total estimated payout of Ushs711.8 billion for the entire sector. The members mainly spend their payouts on household living, medical and education expenses (figure 53).

Table 37: Annual member payouts from community-based savings groups

Contributions to the Savings Groups (Ushs)	Frequency	Percent	Mid-Point	Estimated Total Payouts (Ushs Billion)	Mean (Ushs)
Less than, 10,000	61,576	2%	5,000	0.308	
10,001- 50,000	381,270	13%	30,001	11.4	
50,001-100,000	781,416	27%	75,001	58.6	
100,001-250,000	849,561	29%	175,001	148.7	
250,001-500,000	441,346	15%	375,001	165.5	
500,001-1,000,000	285,412	10%	750,001	214.1	
More than 1,000,000	113,209	4%	1,000,000	113.2	
	2,913,790	100%		711,.8	244,286



Figure 53: Expense of the membership payouts



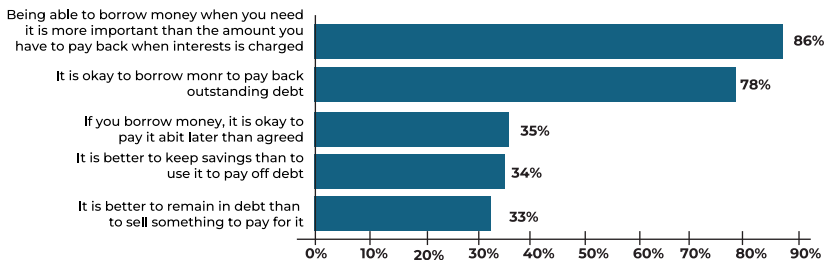
Base population: 3,288,889

6.4 CREDIT

6.4.1 ATTITUDES TOWARDS BORROWING

Most Ugandans are averse to borrowing and will always avoid borrowing whenever they can (figure 54).

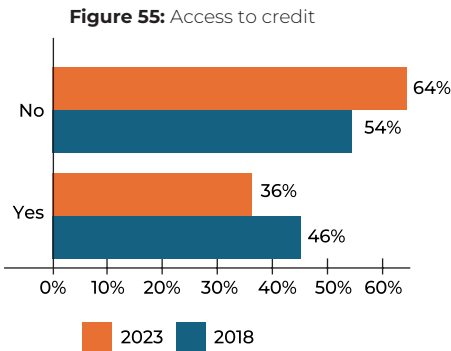
Figure 54: Attitudes towards borrowing



Base population: 24, 552,199

6.4.2 ACCESS TO CREDIT

The proportion of Ugandans who accessed credit reduced to 36 percent from 46 percent reported in the 2018 FinScope survey findings (Figure 55). VSLAs are the most preferred source of credit (figure 56) and a gender analysis shows that women prefer the informal community-based savings and credit groups compared to men who are more predominant with formal financial institutions (figure 57).



Base population: 18,572,641 (2018), 24,552,199 (2023).



Figure 56: Preferred credit provider

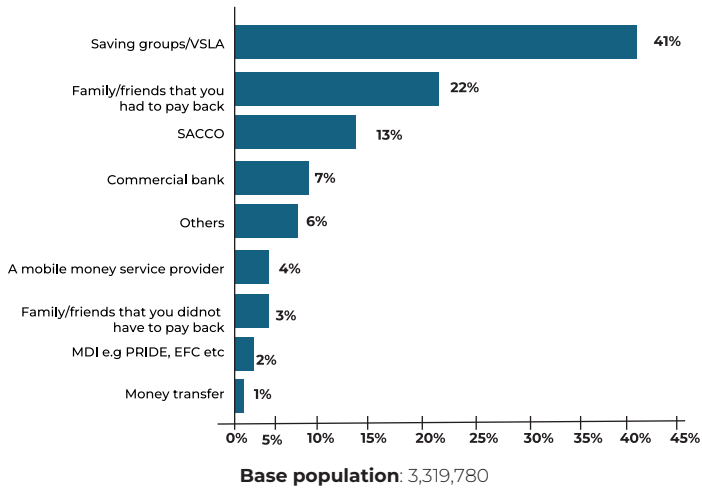
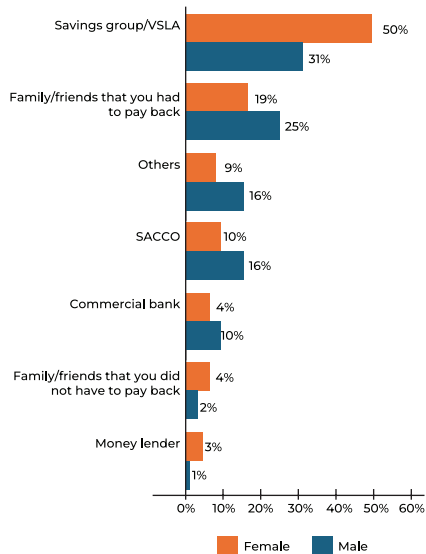


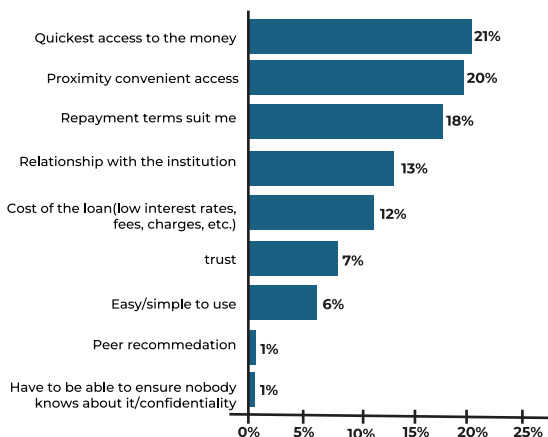
Figure 57: Most preferred financial institutions by gender



6.4.2.1 DRIVERS OF CREDIT

Convenience and quick access are the predominant drivers of access to credit in Uganda (figure 58). When we consider gender, quick access and trust stands out for women more than men as a key driver for accessing credit (Figure 59).

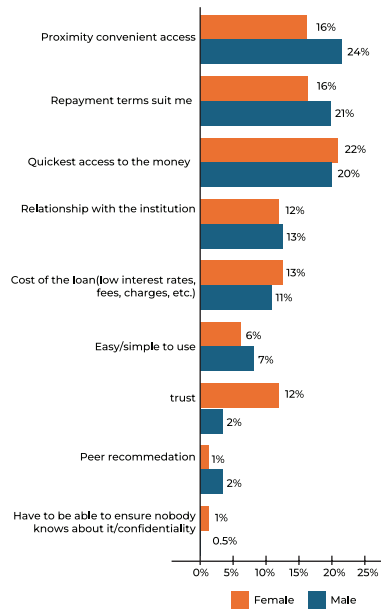
Figure 58: Drivers for access to credit



Base population: 3,365,476



Figure 59: Drivers of credit by gender



Base population: Male N=1,511,788, Female N=1,853,688

6.4.2.2 USE OF CREDIT

Meeting regular household expenses is the major use for credit for most Ugandans with close to 50 percent adults borrowing for this purpose (Table 38).

Table 38: Use of credit

Use of Credit	Frequency	Percent
To help you with regular expenses	1,463,872	44%
For business purposes	719,867	22%
To help you cope with unexpected expenses	401,301	12%
For farming/fishing purposes	360,761	11%
Buying a vehicle (bicycle, motorcycle, car, truck or other means of transport for personal use)	199,989	6%
Buy residential land/house or build a house to live in/renovate home	86,391	3%
Buying property such as a house or land to rent out	69,072	2%
Buying household goods such as a fridge or stove or other assets	26,811	1%
Social ceremonies/celebrations (weddings, thanksgiving, birthdays, etc.)	15,199	0.5%
	3,343,263	100%

6.4.2.3 AMOUNT OF FUNDS BORROWED

From the 2023 and 2018 FinScope survey findings, an estimated total of Ushs4.2 trillion was borrowed by Ugandan adults in 2023 up from an estimate of Ushs 2.1 trillion borrowed in 2018 (tables 39 and 40). The proportion of Ugandans borrowing less than Ushs150,000 reduced from 73 percent registered in 2018 to 50 percent in 2023 a growth of 46 percent (tables 39 and 40). The average amount of money borrowed also increased from Ushs 245,179 in 2018 to Ushs 531,671 in 2023. However, the estimated number of borrowers reduced from 8.5 million registered in 2018 to 7.8 million registered in 2023-a reduction of 8 percent (tables 39 and 40).

Table 39: Estimated amount borrowed - 2018

Amount Borrowed (Ushs)	Frequency	Percent	Mid-Point	Estimated Total Credit (Ushs Billion)	Mean (Ushs)
Less than 150,000	6,285,245	73%	75,000	471.4	
150,000-250,000	772,330	9%	200,000	154.5	
250,001-500,000	858,022	10%	375,001	321.8	
500,001-1,000,000	385,099	4%	750,001	288.9	
1,000,001-5,000,000	289,934	3%	3,000,001	869.8	
5,000,001-10,000,000	-	0%	7,500,001	-	
More than 10,000,000	-	0%	10,000,000	-	
	8,590,630	100%		2,106	245,179

Table 40: Estimated amount borrowed - 2023

Amount Borrowed	Frequency	Percent	Mid-Point	Estimated total credit (Ushs Billions)	Mean (Ushs)
Less than 150,000	3,879,447	50%	75,000	291	
150,000-250,000	1,638,233	21%	200,000	327.7	
250,001-500,000	1,154,301	15%	375,001	432.9	
500,001-1,000,000	632,885	8%	750,001	474.7	
1,000,001-5,000,000	303,701	4%	3,000,001	911.1	
5,000,001-10,000,000	109,981	1%	7,500,001	824.9	
More than 10,000,000	88,889	1%	10,000,000	888.9	
	7,807,438	100%		4,151	531,671

With respect to gender, men (Ushs2.5 trillion) borrowed more money than women (Ushs1.6 trillion) in 2023 with the average amount borrowed by men (Ushs651,080) equally higher than that of women (Ushs414,315) (tables 41 and 42). There were more women borrowing less than Ushs150,000 (53 percent) than men (46 percent) and much fewer women borrowing in the higher thresholds than men (tables 41 and 42).

Table 41: Estimated amount borrowed by men - 2023

Amount Borrowed (Ushs)-Male	Frequency	Percent	Mid-Point	Estimated total credit (Ushs Billions)	Mean (Ushs)
Less than 150,000	1,774,827	46%	75,000	133.1	
150,000-250,000	861,520	22%	200,000	172.3	
250,001-500,000	597,891	15%	375,001	224.2	
500,001-1,000,000	321,521	8%	750,001	241.1	
1,000,001-5,000,000	176,181	5%	3,000,001	528.5	
5,000,001-10,000,000	63,569	2%	7,500,001	476.8	
More than 10,000,000	74,351	2%	10,000,000	743.5	
	3,869,860	100%		2,520	651,080

Table 42: Estimated amount borrowed by women - 2023

Amount Borrowed (Ushs)-Female	Frequency	Percent	Mid-Point	Estimated total credit (Ushs Billions)	Mean (Ushs)
Less than 150,000	2,104,620	53%	75,000	157.8	
150,000-250,000	776,713	20%	200,000	155.3	
250,001-500,000	556,410	14%	375,001	208.7	
500,001-1,000,000	311,364	8%	750,001	233.5	
1,000,001-5,000,000	127,520	3%	3,000,001	382.6	
5,000,001-10,000,000	46,412	1%	7,500,001	348.1	
More than 10,000,000	14,538	0%	10,000,000	145.4	
	3,937,577	100%		1,631.4	414,315

When access to credit is considered from a demographic perspective, the young adults between the ages of 16 to 24 and the elderly above 60 years. have the least access to credit collectively borrowing an estimate of just about Ushs 1 trillion compared to 1 trillion and Ushs 2 trillion by the 25-34 year olds and 35-59 year olds. respectively (See tables 43-47).

However, the eldest above 60 years have the highest average amount borrowed at close to Ushs 1 million (table 47) and as expected the 16-17 year olds borrowed the least with an average of Ushs 114,811 (table 43). The same age group equally had the highest proportion of people (78

percent) borrowing less than Ushs 150,000 (table 43). The 35-59 year olds have the lowest proportion of adults (39 percent) borrowing less than Ushs 150,000 (table 46) whereas the category of 60 years and above have the highest proportion of adults (12 percent) borrowing more than Ushs 1 million (table 47).

Table 43: Estimated amount borrowed by 16 - 17 years old - 2023

Amount Borrowed (Ushs)	Frequency	Percent	Mid-Point	Estimated total credit (Ushs Billions)	Mean (Ushs)
Less than 150,000	95,143	78%	75,000	7.1	
150,000-250,000	17,594	14%	200,000	3.5	
250,001-500,000	8,797	7%	375,001	3.3	
500,001-1,000,000	-	0%	750,001	-	
1,000,001-5,000,000	-	0%	3,000,001	-	
5,000,001-10,000,000	-	0%	7,500,001	-	
More than 10,000,000	-	0%	10,000,000	-	
	121,534	100%		13.9	114,811

Table 44: Estimated amount borrowed by 18 - 24 years old - 2023

Amount Borrowed (Ushs)	Frequency	Percent	Mid-Point	Estimated total credit (Ushs Billions)	Mean (Ushs)
Less than 150,000	1,393,160	66%	75,000	104.5	
150,000-250,000	411,907	20%	200,000	82.4	
250,001-500,000	163,229	8%	375,001	61.2	
500,001-1,000,000	94,132	4%	750,001	70.6	
1,000,001-5,000,000	9,079	0%	3,000,001	27.2	
5,000,001-10,000,000	-	0%	7,500,001	-	
More than 10,000,000	28,492	1%	10,000,000	284.9	
	2,099,999	100%		631	300,398

Table 45: Estimated amount borrowed by 25 - 34 years old - 2023

Amount Borrowed (Ushs)	Frequency	Percent	Mid-Point	Estimated total credit (Ushs Billions)	Mean (Ushs)
Less than 150,000	1,168,379	47%	75,000	87.6	
150,000-250,000	536,239	22%	200,000	107.3	
250,001-500,000	460,905	19%	375,001	172.8	
500,001-1,000,000	165,695	7%	750,001	124.3	
1,000,001-5,000,000	104,665	4%	3,000,001	314	
5,000,001-10,000,000	33,203	1%	7,500,001	249	
More than 10,000,000	7,488	0.3%	10,000,000	74.9	
	2,476,574	100%		1,130	456,229

Table 46: Estimated amount borrowed by 35 - 59 years old - 2023

Amount Borrowed (Ushs)	Frequency	Percent	Mid-Point	Estimated total credit (Ushs Billions)	Mean (Ushs)
Less than 150,000	1,062,283	39%	75,000	79.7	
150,000-250,000	574,045	21%	200,000	114.8	
250,001-500,000	473,999	17%	375,001	177.8	
500,001-1,000,000	354,179	13%	750,001	265.6	
1,000,001-5,000,000	162,687	6%	3,000,001	488.1	
5,000,001-10,000,000	72,089	3%	7,500,001	540.7	
More than 10,000,000	37,722	1%	10,000,000	377.2	
	2,737,004	100%		2,044	746,734

Table 47: Estimated amount borrowed by 60 years and above - 2023

Amount Borrowed (Ushs)	Frequency	Percent	Mid-Point	Estimated total credit (Ushs Billions)	Mean (Ushs)
Less than 150,000	160,481	43%	75,000	12	
150,000-250,000	98,448	26%	200,000	19.7	
250,001-500,000	47,371	13%	375,001	17.8	
500,001-1,000,000	18,879	5%	750,001	14.2	
1,000,001-5,000,000	27,270	7%	3,000,001	81.8	
5,000,001-10,000,000	4,690	1%	7,500,001	35.2	
More than 10,000,000	15,187	4%	10,000,000	151.9	
	372,326	100%		332.5	893,046

6.4.2.4 REASONS FOR NOT BORROWING

Over seven out of every 10 adults are not borrowing because they are afraid of borrowing, they do not believe in borrowing or do not need the borrowed money (table 48). The high interest rates and collateral requirements are not considered critical barriers to access to credit as they are always depicted to be.

Table 48: Reasons for not borrowing

Reasons for not Borrowing	Frequency	Percent	Cumulative Percent
Worried would not be able to pay back the money	4,433,093	28%	28%
Didn't need to borrow money; my income is enough to cover all necessary expenses	3,923,741	25%	53%
Don't want to borrow money/don't believe in borrowing money	3,673,088	23%	76%
Not allowed to borrow money by spouse, by family or other	1,072,708	7%	83%
Interest charged on borrowed money is too high	797,912	5%	88%
Do not have security or collateral	702,977	4%	92%
Do not have the right documentation	250,206	2%	94%
Tried to borrow, but I was denied	244,298	2%	96%
Do not know where to borrow money from	219,257	1%	97%
Still paying off an existing loan	185,468	1%	98%
Do not know how to apply for a loan	152,780	1%	99%
Cannot get a loan because of my credit history	90,520	1%	100%
Against my religion to pay interest	47,347	0.3%	100%
	15,793,396	100%	

6.5 PAYMENTS

6.5.1 ATTITUDES TOWARDS DIGITAL PAYMENTS AND CASH

The findings from the 2023 FinScope survey show that most Ugandans still prefer cash over digital payments though they are willing to learn how to use new technology (table 49).

Table 49: Attitudes towards digital payments and cash

	True	False	Don't Know
You prefer to use cash because everybody uses cash	70%	16%	15%
You are willing to learn how to use new technology	70%	13%	18%
You would rather deal with people face to face than with machines such as ATMs even if the machines are quicker	67%	16%	17%
You do not like carrying large amounts of cash	67%	24%	10%
You prefer to pay cash rather than paying electronically (i.e., mobile money or using the internet, or with cards or through Machines)	63%	17%	20%
You fear fraud on electronic payment platforms	46%	13%	41%
If connectivity improves, I will consider using electronic payment channels over using cash	34%	11%	55%
If the costs associated with electronic payment channels were lowered, I would readily embrace the various modes over cash	32%	10%	57%
E-payment systems save you time	31%	12%	57%
It is safer to use cards and machines for payments to carrying cash.	29%	24%	47%
I foresee using electronic payment channels more over the next year	28%	13%	58%
I would recommend someone to use e-payments	28%	17%	55%
The transaction fees of e-payments are high	26%	13%	61%
E-payment systems save you money	23%	16%	60%
E-payment systems are more convenient than cash.	23%	16%	61%
E-payment systems can be easily understood and readily adopted.	23%	18%	59%
E-payment offers a greater choice for consumers and merchants in the way they send and receive payment.	21%	14%	66%
The level of customer care service in e-payments is satisfactory	18%	15%	67%
E-payment transaction costs are hidden from users	16%	22%	62%
Someone else knows my password and PIN information e.g. family member.	12%	42%	46%

6.5.2 AWARENESS ABOUT AND USAGE OF DIGITAL PAYMENTS CHANNELS

Across all digital payment channels, not more than three out of every ten Ugandans are aware of and use digital payment channels. Mobile money digital wallets are by far the most popular and widely used digital payment channel (tables 50 and 51). The predominant reason for using digital payment channels is their safety (table 52).

Table 50: Levels of awareness of digital payment channels

Digital Payment Channels	Frequency	Percent
Mobile money wallets or e-money wallets	8,347,900	34%
Debit cards	5,299,367	22%
Mobile or internet banking	5,136,223	21%
Remittance channels, e.g., MoneyGram, Western Union	4,225,289	17%
Mobile banking using USSD codes	3,388,484	14%
Credit cards	2,742,096	11%
Electronic Funds Transfer (EFT)	2,655,581	11%
Point of sales (POS) machines	2,196,569	9%
Real time gross settlement (RTGS)	1,285,626	5%

Table 51: Usage of digital payments channels

Usage of Digital Payment Channels	Frequency	Percent
Mobile money wallets or e-money wallets	5,620,921	23%
Mobile or internet banking	2,167,815	9%
Debit cards	1,601,365	7%
Mobile banking using, USSD codes	1,195,671	5%
Remittance channels, e.g., MoneyGram, Western Union	1,110,667	5%
Electronic Funds Transfer (EFT)	837,627	3%
Point of sales (POS) machines	810,703	3%
Credit cards	366,292	1.5%
Real time gross settlement (RTGS)	209,157	0.9%

Table 52: Reasons for using digital payment channels

Reasons for Using Digital Payments	Frequency	Percent
Safe and secure	8,143,005	52%
Convenient (24-hour service, anywhere, anytime)	2,572,708	17%
Privacy	2,198,761	14%
Quick processing time	762,968	5%
Easy to track my transaction activity	694,738	4%
Elimination of associated costs, e.g., transport to an agent or financial institution	608,482	4%
Do not like using cash	240,023	2%
Affordable charges	162,758	1%
Employer requirement	62,655	0.4%
Integrates well with my daily business activities, e.g., the volume of transactions, value	55,163	0.4%
Nature of business dealings, e.g., Uber, Safe-Boda, Jumia, etc.	32,176	0.2%
My preferred mode for financial transactions	30,511	0.2%
A subscriber to online services, e.g., Netflix, YouTube, Meta	24,431	0.2%
	15,588,380	100%

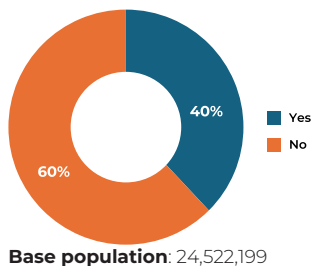
6.6 REMITTANCES

6.6.1 PERSON TO PERSON (P2P) REMITTANCE

6.6.1.1 SENDING MONEY

Four out of every ten Ugandans are actively involved in remittances ecosystem (figure 60).

Figure 60: Proportion of Ugandans sending money



Most money is sent to family members in rural areas (tables 53 and 54). Within the country, the major destination of remittances is the central region. Outside the country, Kenya is the major destination of remittances (tables 55 and 56).

Table 53: Who did you send money to in the last 12months?

	Frequency	Percent
Other family members	3,674,479	15%
Parent	3,636,244	15%
Friend	2,383,263	10%
Child	1,971,398	8%
Spouse	967,919	4%
Business purposes	653,895	3%
Someone I borrowed money from	494,084	2%

Table 54: Where did you send money to?

	Rural Village	Urban Community	Outside Uganda
Parent	13%	1.79%	
Other family members	11%	4.18%	0.194%
Friend	5%	4.48%	0.189%
Child	3%	5.32%	0.07%
Spouse	2%	1.38%	0.21%
Someone I borrowed money from	0.85%	1.16%	
Business purposes	0.83%	1.76%	0.07%

Table 55: Which region did you send money to?

Region	Frequency	Percent
Central	2,599,852	34%
Eastern	1,887,999	24%
Western	1,760,460	23%
Northern	1,486,988	19%
	7,735,300	100%

Table 56: Which country did you send money to?

Country	Frequency	Percent
Kenya	20,007	42%
Rwanda	7,997	17%
South Sudan	6,738	14%
DRC	5,999	13%
America	3,801	8%
Rest of Africa	3,168	7%
	47,710	100%

Most Ugandans send money in emergencies to mainly cater for regular household consumption, education and medical expenses (tables 57 and 58). In 2023 an estimated Ushs2 trillion was sent out in remittances by just over 9 million Ugandans translating into an average of Ushs 227,467 sent out in remittances (table 59). Much as there is not much different in the absolute figures of remittances between men and women, there is a stack difference in the average remittances between men and women by over 30 percentage points (tables 60 and 61).

Table 57: Frequency of sending money

	Frequency	Percent
When they ask you to/in case of an emergency	5,789,053	59%
Monthly	1,830,160	19%
Quarterly	1,514,243	15%
Once a year	550,797	6%
Weekly	193,331	2%
	9,877,583	100%

Table 58: Reasons for sending money

	Frequency	Percent
Household/everyday use	5,108,871	52%
Education (school fees, uniforms, books)	1,762,386	18%
Hospital/medical expenses	1,317,883	13%
Business expenses	672,494	7%
Farming expenses	340,435	3%
payment-of a debt	234,999	2%
Social event	160,318	2%
Purchase of land	100,368	1%
Funeral expenses	88,294	1%
Salary payments	39,116	0.4%
Payment of utility bills	27,513	0.3%
Building/renovation/expansion	15,809	0.2%
Purchase of a house	9,097	0.1%
	9,877,583	100%

Table 59: Amounts sent through remittances

Remittance Thresholds (Ushs)	Frequency	Percent	Mid-Point	Estimated Remittances (Ushs Billion)	Mean
Less than 150,000	6,564,477	72%	75,000	492.3	
150,000-250,000	1,382,306	15%	200,000	276.5	
250,001-500,000	721,989	8%	375,001	270.7	
500,001-1,000,000	349,707	4%	750,001	262.3	
1,000,001-5,000,000	80,442	1%	3,000,001	241.3	
5,000,001-10,000,000	17,149	0.2%	7,500,001	128.6	
More than 10,000,000	41,120	0.4%	10,000,000	411.2	
	9,157,189	100%		2,083	227,467

Table 60: Amounts sent through remittances - male

Remittance Thresholds (Ushs)	Frequency	Percent	Mid-Point	Estimated Remittances (Ushs Billion)	Mean
Less than 150,000	3,277,670	68%	75,000	245.9	
150,000-250,000	809,308	17%	200,000	161.9	
250,001-500,000	427,351	9%	375,001	160.3	
500,001-1,000,000	267,142	6%	750,001	200.4	
1,000,001-5,000,000	50,915	1%	3,000,001	152.7	
5,000,001-10,000,000	9,183	0.2%	7,500,001	68.9	
More than 10,000,000	8,695	0.2%	10,000,000	87	
	4,850,264	100%		1,076.9	222,023

Table 61: Amounts sent through remittances - female

Remittance Thresholds (Ushs)	Frequency	Percent	Mid-Point	Estimated Remittances (Ushs Billion)	Mean
Less than 150,000	3,286,807	76%	75,000	246.5	
150,000-250,000	572,998	13%	200,000	114.6	
250,001-500,000	294,638	7%	375,001	110.5	
500,001-1,000,000	82,565	2%	750,001	61.9	
1,000,001-5,000,000	29,527	1%	3,000,001	88.6	
5,000,001-10,000,000	7,966	0.2%	7,500,001	59.7	
More than 10,000,000	32,424	0.7%	10,000,000	324.2	
	4,306,925	100%		1,006.1	233,598

The predominant channel for sending money is mobile money with over 90 percent using it (table 62).

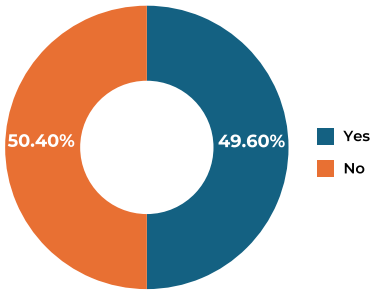
Table 62: Remittance channels for sending money

Remittance Channel	Frequency	Percent
Through mobile money	9,298,717	94%
Friends or family takes it there	400,208	4%
Money transfer operations (e.g. Western Union, Money gram)	82,622	0.8%
Bank transfer/pay into a bank account	74,929	0.8%
Bus/taxi driver takes it there	21,106	0.2%
	9,877,583	100%

6.6.1.2 RECEIVING MONEY

Just about half of Ugandan adults receive money through remittances (figure 61).

Figure 61: Proportion of Ugandans that are receiving money



Base population: 24,522,199

As is the case with sending money, most money is received from family members in rural areas (tables 63 and 64). Within the country the major origin of remittances is the central region and outside the country, South Sudan, United States of America and the Middle East are the major origins of remittances (tables 65 and 66).

Table 63: Who did you receive money from in the last 12 months?

	Frequency	Percent
Other family members	4,963,237	20.22%
Friend	3,959,878	16.13%
Child	1,645,507	6.70%
Business purposes	1,601,120	6.52%
Spouse	1,530,803	6.23%
Parent	1,515,936	6.17%
Someone I borrowed money from	467,177	1.90%

Table 64: Where did you receive the money from?

	Rural Village	Urban Community	Outside Uganda
Parent	7%	7%	1.1%
Other family members	4%	4%	1%
Friend	3%	3%	0.3%
Business purposes	3%	3%	0.3%
Spouse	2%	2%	0.2%
Child	1%	1%	0.8%
Someone I borrowed money from	1%	1%	1.1%

Table 65: Which region did you send money to?

Region	Frequency	Percent
Central	5,233,765	46%
Eastern	2,393,564	21%
Western	1,937,732	17%
Northern	1,841,844	16%
	11,406,906	100%

Table 66: Which country did you receive money from?

Country	Frequency	Percent
South Sudan	81,570	29%
America	62,119	22%
Middle East	52,064	19%
Rwanda	29,559	11%
Kenya	23,677	8%
Europe	17,462	6%
Rest of Africa	6,982	2%
DRC	3,671	1.3%
Tanzania	3,033	1.1%
	280,139	100%

Most Ugandans receive money at least four times a year (tables 67) to mainly cater for regular household consumption, education and medical expenses (table 68). In 2023, an estimated Ushs3.5 trillion (USD 955 million) was received in remittances by just about 11 million Ugandans translating into an average of Ushs 325,629 (USD 87) received in remittances (table 69). On average men receive more money than women in remittances (tables 70 and 71).

Table 67: Frequency of receiving money

	Frequency	Percent
Quarterly	4,921,710	40%
Monthly	4,288,414	35%
Once a year	2,221,932	18%
Weekly	744,843	6%
Quarterly	12,176,900	100%

Table 68: Reasons for receiving money

	Frequency	Percent
Household/everyday use	5,849,848	48%
Business expenses	2,058,750	17%
Education (school fees, uniforms, books)	1,709,197	14%
Hospital/medical expenses	1,028,654	8%
Farming expenses	706,717	6%
payment-of a debt	225,255	2%
Social event	149,451	1%
Purchase of land	149,050	1%
Salary Payments	125,323	1%
Funeral expenses	97,368	1%
Payment of utility bills	37,176	0.31%
Building/renovation/expansion	31,604	0.26%
Purchase of a house	8,506	0.1%
	12,176,900	100%

Table 69: Amounts of money received through remittances

Remittance Thresholds (Ushs)	Frequency	Percent	Mid-Point	Estimated Remittances (Ushs Billion)	Mean
Less than 150,000	6,787,783	62%	75,000	509.1	
150,000-250,000	1,951,517	18%	200,000	390.3	
250,001-500,000	1,335,264	12%	375,001	500.7	
500,001-1,000,000	540,325	5%	750,001	405.2	
1,000,001-5,000,000	282,518	3%	3,000,001	847.6	
5,000,001-10,000,000	38,754	0.4%	7,500,001	290.7	
More than 10,000,000	63,835	0.6%	10,000,000	638.3	
	10,999,995	100%		3,581.9	325,629

Table 70: Amounts of money received through remittances - male

Remittance Thresholds (Ushs)	Frequency	Percent	Mid-Point	Estimated Remittances (Ushs Billion)	Mean
Less than 150,000	2,955,867	55%	75,000	221.7	
150,000-250,000	1,130,405	21%	200,000	226.1	
250,001-500,000	747,037	14%	375,001	280.1	
500,001-1,000,000	308,001	6%	750,001	231	
1,000,001-5,000,000	192,862	4%	3,000,001	578.6	
5,000,001-10,000,000	25,005	0%	7,500,001	187.5	
More than 10,000,000	63,835	1%	10,000,000	638.4	
	5,423,012	100%		2,363.4	435,807

Table 71: Amounts of money received through remittances - female

Remittance Thresholds (Ushs)	Frequency	Percent	Mid-Point	Estimated Remittances (Ushs Billion)	Mean
Less than 150,000	3,831,915	69%	75,000	287.4	
150,000-250,000	821,112	15%	200,000	164.2	
250,001-500,000	588,227	11%	375,001	220.6	
500,001-1,000,000	232,324	4%	750,001	174.2	
1,000,001-5,000,000	89,656	2%	3,000,001	269	
5,000,001-10,000,000	13,748	0%	7,500,001	103.1	
More than 10,000,000	-	0%	10,000,000	-	
	3,831,915	69%	75,000	287.4	218,491

The predominant channel for receiving money is mobile money with over 80 percent using it (table 72).

Table 72: Remittance channels for receiving money

Remittance Channel	Frequency	Percent
Through Mobile money	10,894,019	89%
Friends or family takes it there	809,201	7%
Bank transfer/Pay into a bank account	242,320	2.0%
Money transfer operations (e.g. Western Union, Money gram)	195,953	1.6%
Bus/Taxi driver takes it there	35,408	0.3%
	12,176,900	100%

6.7 MERCHANT PAYMENTS

6.7.1 MODES OF PAYMENT

Cash is the predominant form of merchant payment followed by mobile money used by adults to pay for goods and services (tables 73 and 74).

Table 73: Methods used to pay for goods and services

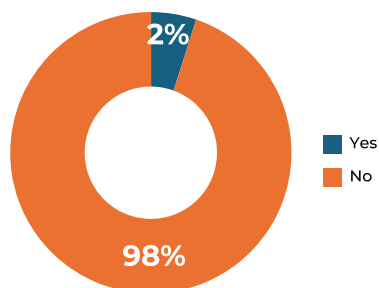
	Frequency	Percent
By using cash	23,679,046	96.44%
Mobile money services	5,183,411	21.11%
Pay over the counter into a bank account of the business/ education/medical facility	393,099	1.60%
I do not buy/pay for this because somebody buys/pays for me	370,812	1.51%
By debit card/ATM card	346,621	1.41%
By cheque - ever used to pay for goods and services	198,325	0.81%
Bank transfer from my account to their account-EFT	155,305	0.63%
Bank transfer from my account to their account-RTGS	117,407	0.48%
I have medical insurance – don't pay	70,890	0.29%
By credit card	62,185	0.25%

Table 74: Payment method used most in the last 12 month

	Frequency	Percent
By using cash	22,990,346	94%
Mobile money services	975,109	4%
I do not buy/pay for this because somebody buys/pays for me	258,995	1.1%
I don't buy this because I never use this/I don't have to pay for this	227,464	0.9%
By cheque	48,027	0.2%
Bank transfer from my account to their account-EFT	22,312	0.1%
Pay over the counter into a bank account of the business/ education/medical facility	18,399	0.07%
By debit card/ATM card	11,547	0.05%
	24,552,199	100%

6.8 INSURANCE UPTAKE

According to the 2023 FinScope survey findings, the insurance uptake among Ugandan adults increased to 2 percent up from 1 percent recorded in the 2018 FinScope survey (Figure 62).

Figure 62: Insurance uptake

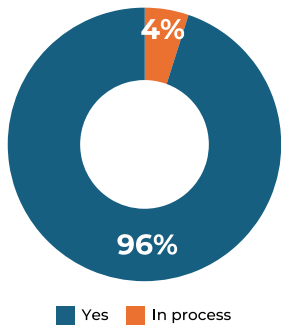
Base population: 24,522,199

Close to seven (7) out of every ten (10) Ugandans who have an insurance policy have never made an insurance claim (Table 75) but those who have made an insurance claim, close to 100 percent have been successful (Figure 63). However, just about half of those who managed to pursue an insurance claim were satisfied with the process of handling the insurance claim (Figure 64)

Table 75: When did you last claim from your insurance?

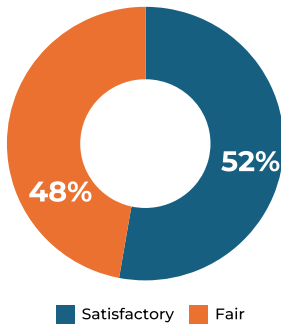
	Frequency	Percent
I have never used it/claimed	349,710	67%
6 months or longer ago	60,475	12%
In the past 90 days	51,938	10%
In the past 30 days	41,495	8%
More than 90 days ago but less than 6 months ago	14,249	3%
In the past 7 days	5,246	1%
	523,111	100.0%

Figure 63: Was the insurance claim successful?



Base population:173,402

Figure 64: What was your experience in handling the claim?



Base population:173,402

6.9 RISK MANAGEMENT

The most prevalent risks Ugandans face is related to agricultural activity, individual health and safety (table 76). To manage these risks, Ugandans mostly rely on their savings, managing their expenditures and family and friends (table 77). However, eight out of every ten Ugandans face difficulties in managing these risks (table 78). Family and the community are strong support systems in managing people's risks (tables 79-82).

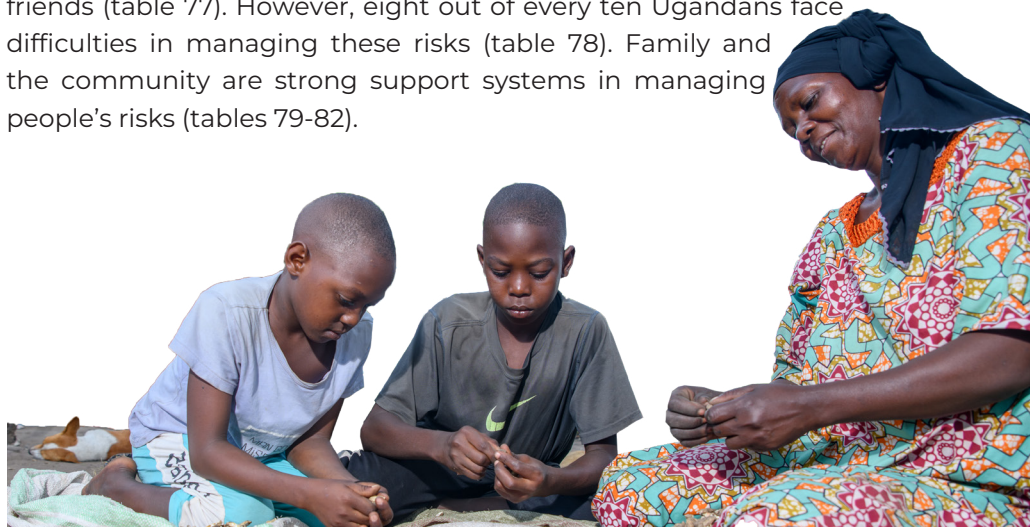


Table 76: Risks faced during the last 12 months

	Frequency	Percent
Crop failure, death of livestock and drought	5,285,104	23%
Illness of a family member	5,279,469	23%
Theft	5,208,509	23%
Covid-19	1,613,219	7%
Other	1,316,316	6%
Loss of income because of an unexpected drop in the price you get for produce/harvest	1,284,069	6%
Death of a family member	916,944	4%
Products you sell	668,993	3%
Floods, landslides and mudslides	625,946	3%
Accident	616,707	3%
Fire	251,337	1%
	23,066,615	100%

Table 77: Financial response to unexpected events/risks

	Frequency	Percent
Used savings	9,416,574	38%
Cut back on spending (i.e., spend less, do without, delay a planned expense etc.)	7,453,956	30%
Asked for help from family, friends, or the community	7,044,083	29%
Sold an item (i.e., assets, agricultural products, and other products)	4,916,975	20%
Earned extra money (i.e., work overtime, take an extra job, etc.)	3,227,159	13%
Borrowed from family, friends, or the community	2,388,761	10%
Took a loan from an institution (i.e., bank, microfinance, savings societies, VSLAs, etc.)	1,158,946	5%
Appealed for support from the government, NGO, or religious institutions	426,866	2%
Informal community arrangements	330,502	1.35%
Borrowed from employer/salary advance	324,967	1.32%
Accessed digital credit (viz. Mokash, Jumo/Wewole, Cente Mobile)	50,370	0.21%
Formal insurance company	27,505	0.11%

Table 78: How difficult was it to come up with the required amount to cover?

	Frequency	Percent
Very difficult	12,961,168	55%
Somewhat difficult	7,751,120	33%
Could not do it	1,966,856	8%
Easy to cover	956,111	4%
	23,635,254	100%

Table 79: In your community, who pays most of the funeral costs if someone passes on?

	Frequency	Percent
The family members/relatives	15,963,702	72%
The community	4,900,745	22%
They belong to a savings group/burial society that will cover the costs	1,223,930	6%
People have insurance	86,418	0.4%
	22,174,794	100%

Table 80: You have people in the community that you can turn to for support

	Frequency	Percent
Yes	19,728,035	86%
No	3,336,031	14%
	23,064,066	100%

Table 81: You would rather turn to strangers than people in the community

	Frequency	Percent
Yes	3,563,109	16%
No	19,126,828	84%
	22,689,937	100%

Table 82: People in your community rely on each other for support

	Frequency	Percent
Yes	16,960,349	77%
No	5,089,888	23%
	22,050,237	100%



GREEN FINANCE

7. GREEN FINANCE

7.1 LEVELS OF AWARENESS

Ugandans are more aware of the impact of agribusiness activities on the environment (table 83). The local community organisations and government are at the forefront of sensitising the masses about environment sustainability (table 84). Eight in every ten Ugandans are conscious of the need to protect the environment to ensure a sustainable future (figure 65).

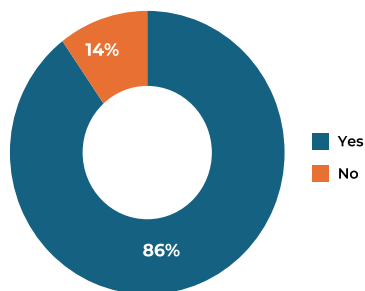
Table 83: Awareness of green concepts and terms

	Frequency	Percent
Do you agree that environmental degradation from agribusiness activities negatively affects both the current and future generation?	10,956,189	45%
Do you agree that our current agribusiness actions have a strong determination on the life of the future generation?	10,416,415	42%
Are you aware of sustainable development?	7,168,502	29%
Are you aware of environmental sustainability awareness programs/ activities organised in your community?	6,786,733	28%
Are you aware of green growth and its related importance to life on earth?	6,762,893	28%
Are you aware of climate change adaptation?	6,141,460	25%
Are you aware of climate change mitigation?	5,384,913	22%
Are you aware of biodiversity conservation?	4,662,244	19%
Are you aware of green finance, and what it implies?	2,735,058	11%

Table 84: Organiser of community environmental sustainability awareness activities

	Frequency	Percent
Local community	4,354,099	17.73%
Government	3,292,896	13.41%
NPISH (i.e., NGO and church)	1,812,964	7.38%
Financial institutions (banks, MFIs etc.)	511,648	2.08%

Figure 65: Is there a need to watch for human impact on the environment?



Base population: 10,416,415

7.2 GREEN GROWTH

High levels of poverty and lack of awareness were identified as the greatest hinderances to green growth (table 85). Likewise, resource mobilisation and mass awareness campaigns are the foremost drivers of green growth (Table 86).

Table 85: Factors that hinder green growth

	Frequency	Percent
High poverty levels among the people	12,911,834	64%
Lack of awareness by the masses about environment protection	4,329,239	21%
Declining characters	953,667	5%
Limited natural resources, like land, water, etc. causing competition.	846,944	4.2%
Weak enforcement from authorities	822,372	4.1%
Low technology levels	273,451	1.4%
	20,137,507	100%

Table 86: Factors that help achieve green growth

	Frequency	Percent
Resource mobilisation	9,938,573	50%
Mass awareness/ capacity building	7,905,500	40%
Institutional set-up and enforcement	701,223	4%
Promotion and participatory approaches	418,351	2%
Public-private partnership	346,190	2%
Green finance by banks	307,389	2%
Gender mainstreaming	206,504	1%
	19,823,730	100%

7.3 AGRICULTURE AND THE ENVIRONMENT

7.3.1 PARTICIPATION IN AGRICULTURE

Close to four in every ten adult Ugandans are practicing agriculture (Table 87).

Table 87: Are you involved in agriculture/agribusiness?

	Frequency	Percent
Practicing agriculture and or involved in agribusiness	9,272,528	38%
Not practicing agriculture and or involved in agribusiness	15,279,671	62%
	24,552,199	100%

7.3.2 CLIMATE ADAPTATION PRACTICES

The use of improved varieties of seeds and livestock breeds is the most widely used climate adaptation practice among adult Ugandans (table 88). Post-harvest handling and the prevention and treatment of pathogens are the other widely used climate adaption practices (table 88).

Table 88: Climate change adaptation measures practiced by agribusinesses

	Frequency	Percent
Improved varieties for seeds, and livestock	3,825,495	41%
Post-harvest handling practices	3,530,806	38%
Prevention and treatment of pathogens (e.g. ticks and worms) and diseases.	2,917,106	32%
Warehouse and storage facilities	1,817,451	20%
Water installation for crops and livestock	1,274,570	14%
Physical structures and equipment for livestock	1,068,097	12%
Renovation of current agriculture facilities	715,524	8%
Smart agricultural practices like green house farming	674,062	7%
ICT infrastructure for crop and livestock	359,580	4%
ICT systems to measure, track, and report farm climate related indicators.	132,178	1%

Not more than three in every ten adult Ugandans who practice climate adaptation measures access credit to finance these measures. But for those who access credit, it is mainly to finance smart agricultural practices like greenhouse farming and the purchase of improved seed varieties and livestock breeds (table 89).

Table 89: Climate change adaptation practices, financed by credit

	Frequency	Percent
Smart agricultural practices like green house farming	168,157	25%
Improved varieties for seeds, and livestock	754,718	20%
Water installation for crops and Livestock	240,712	19%
Prevention and treatment of pathogens (e.g. ticks and worms) and diseases	460,375	16%
Physical structures and equipment for livestock	155,457	15%
ICT infrastructure for crop and livestock	51,215	14%
Renovation of current agriculture facilities	96,704	14%
Post-harvest handling practices	319,226	9%
ICT systems to measure, track, and report farm climate related indicators.	10,776	8%
Warehouse and storage facilities	143,191	8%

7.3.3 CLIMATE MITIGATION PRACTICES

The predominant agricultural climate mitigation practices among adult Ugandans are mixed crop farming, application of green manure and vegetable mulches (table 90).

Table 90: Climate mitigation measures practiced by agribusinesses

	Frequency	Percent
Mixed crops farming	7,228,274	78%
Green manure, e.g., dried grass	5,456,312	59%
Vegetable mulches	3,524,387	38%
Clean energy e.g., solar, hydro electric	1,040,348	11%
Agricultural bio-waste for organic fertilizer	655,788	7%
Soil and biomass protection	468,993	5%
Collection and transportation of waste practices	361,371	4%
Recycling, manufacturing, and repurposing	247,332	3%
Sewage sludge treatment	157,604	2%
New buildings with minimal energy use and carbon emission	78,527	0.8%
Manufacture of biomass energy use equipment	26,217	0.3%
Renovations to minimise energy use and carbon emission.	20,771	0.2%
Electricity from bioenergy, and wind	10,869	0.1%
Equipment modification with energy efficiency	6,272	0.1%

Not more than three in every ten adult Ugandans who practice climate mitigation measures access credit to finance these measures. But for those who access credit, it is mainly to finance soil and biomass protection (table 91).

Table 91: Climate change mitigation practices, financed by credit

	Frequency	Percent
Soil and biomass protection	125,227	27%
Agricultural bio-waste for organic fertilizer	79,324	12%
Sewage sludge treatment	19,319	12%
Mixed crops farming	786,136	11%
Green manure, e.g., dried grass	594,499	11%
Vegetable mulches	367,928	10%
Clean energy e.g., solar, hydro electric	75,575	7%
Collection and transportation of waste practices	10,940	3%

7.3.4 BIODIVERSITY PRACTICES

The predominant agricultural biodiversity practices among adult Ugandans are afforestation and forestry conservation (table 91).

Table 92: Biodiversity measures practiced by agribusinesses

	Frequency	Percent
Afforestation/planting new trees	5,240,483	57%
Forestry/species conservation practices	2,089,685	23%
Forestry rehabilitation and restoration	1,900,952	21%
Wildlife conservation activities	901,599	10%

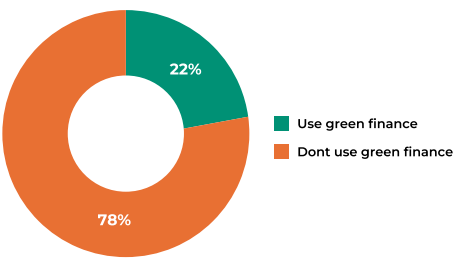
Not more than two in every ten adult Ugandans who practice biodiversity measures access credit to finance these measures. But for those who access credit, it is mainly for wildlife conservation and forestry rehabilitation and restoration (table 92).

Table 93: Biodiversity measures financed by credit

	Frequency	Percent
Wildlife conservation activities	174,099	19%
Forestry rehabilitation and restoration	315,217	17%
Forestry/species conservation practices	317,952	15%
Afforestation/planting new trees	720,853	14%

7.4 GREEN FINANCING

Figure 66: Use of green finance



Base population: 9,272,528

The major determinants for advancing credit for green activities are collateral, the prevailing conditions both within and without the business and the capacity of the borrower to service and pay back the credit facility (table 94).

Table 94: Determinants of advancing credit for green activities

	Frequency	Percent
Collateral	648,048	32%
Conditions	633,253	31%
Capacity	589,870	29%
Character	361,490	18%
Capital	253,459	12%
Credit Reference Bureau (CRB)	29,922	1%

The main reasons advanced by financial institutions for not advancing credit for green activities is the lack of knowledge about green activities and the unfavourable conditions in the agricultural sector (table 95).

Table 95: Reasons for not advancing credit for green activities

	Frequency	Percent
Lack of knowledge by the financial service provider	1,857,390	20%
Unfavourable conditions	926,330	10%
Lack of green financing loan products	665,507	7%
Lack of or inadequate capacity	643,809	7%
Lack of or inadequate collateral	643,122	7%
Lack of or inadequate capital	506,064	5%
Character	221,508	2%
No reasons given	216,064	2%
Credit Reference Bureau (CRB)	21,540	0.2%



