



Financial Lives of Refugees

Economic Inclusion working group session

FSD Africa & BFA Global
Nairobi | 28th April, 2022

Project background



Implementing partners



Highlights of project achievements

25,800



Over 25,800 customers reached with loans

2.1m



Cumulative loans amounting to 1.5m GBP (2.1m USD)

<5%



Portfolio at risk 30 days <5%

250



Over 250 agents recruited

73,000



73,000 households registered on Equity Bank Uganda's digital platform

63,000



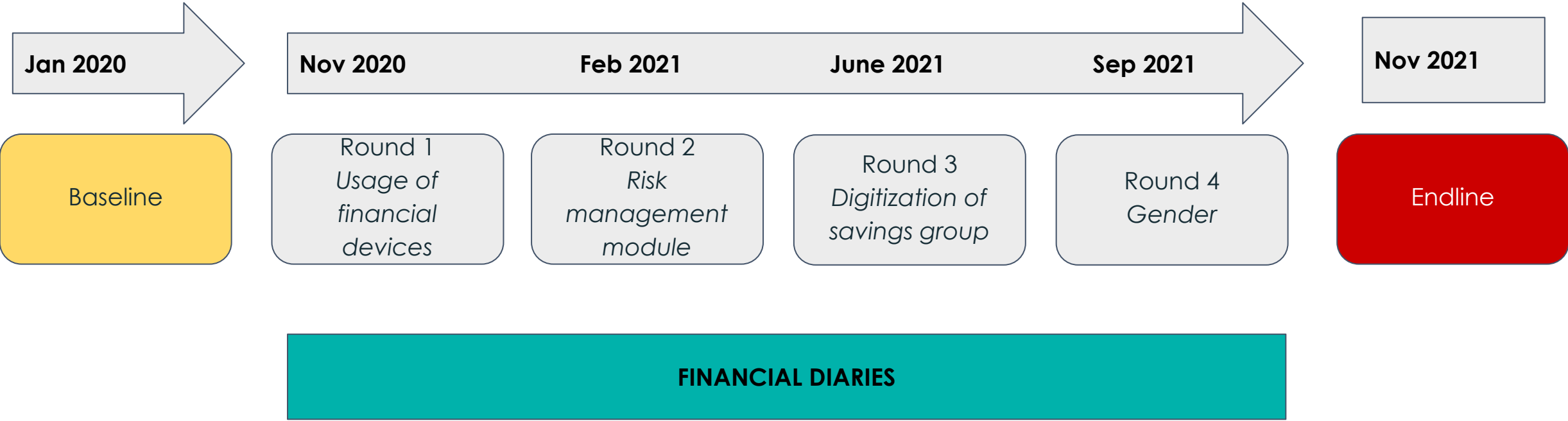
63,000 households receiving digital payments, with GBP 2.4m (USD 3.4m) disbursed in the last quarter of 2021

8



8 humanitarian agencies using the Equity Bank Uganda platform for disbursements

Overview of the research





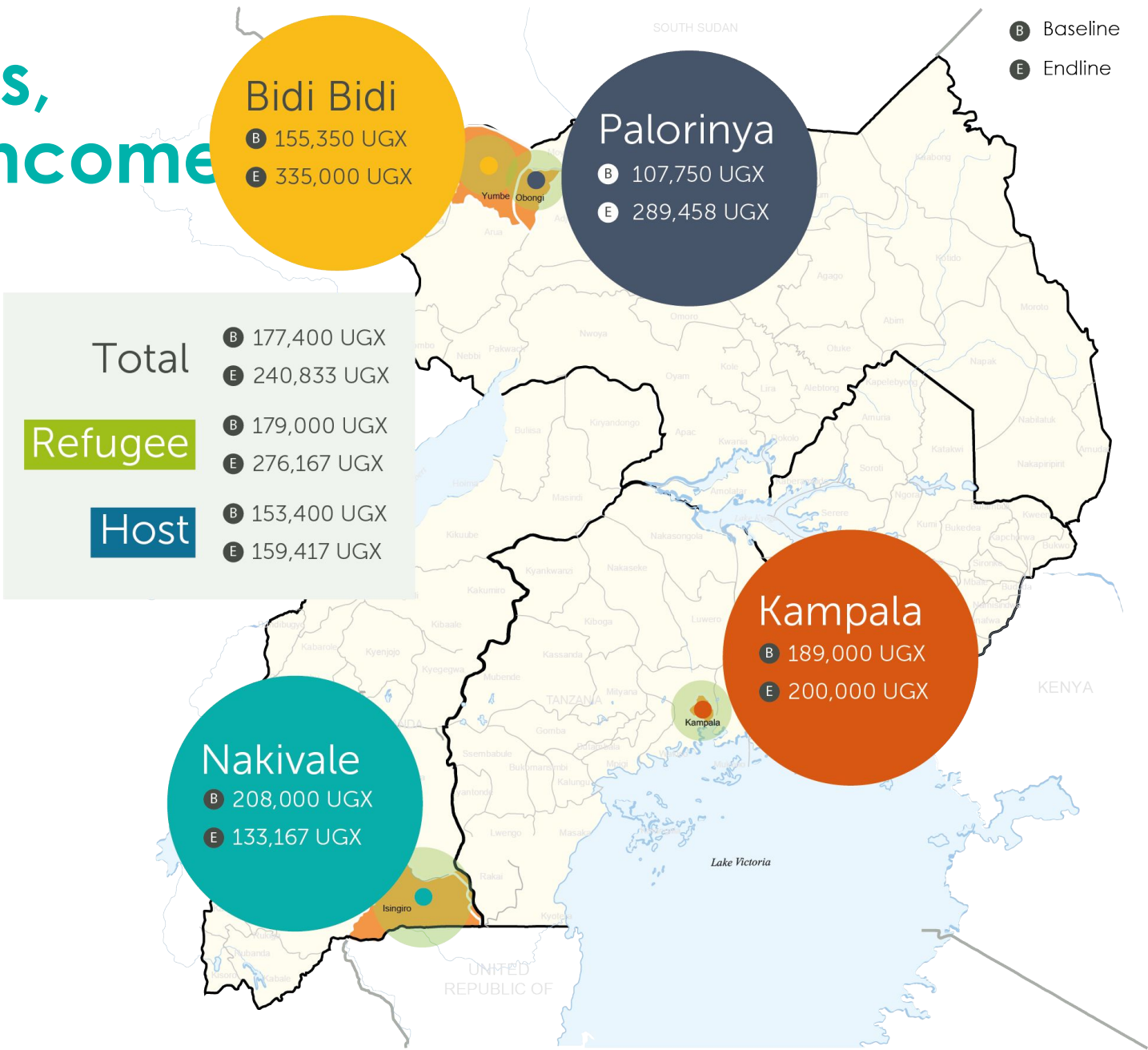
01

Results

Map of settlements, median monthly income

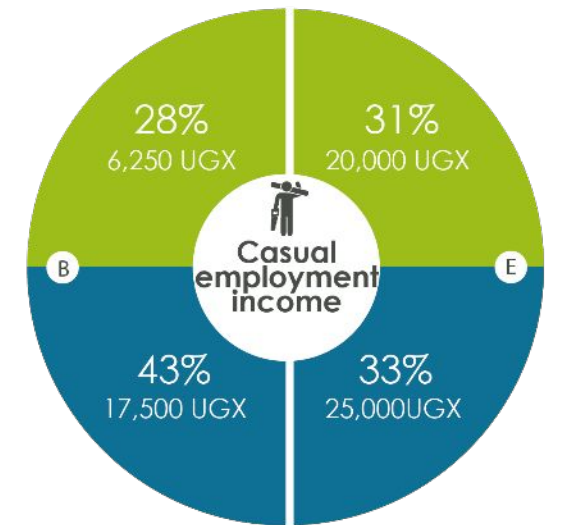
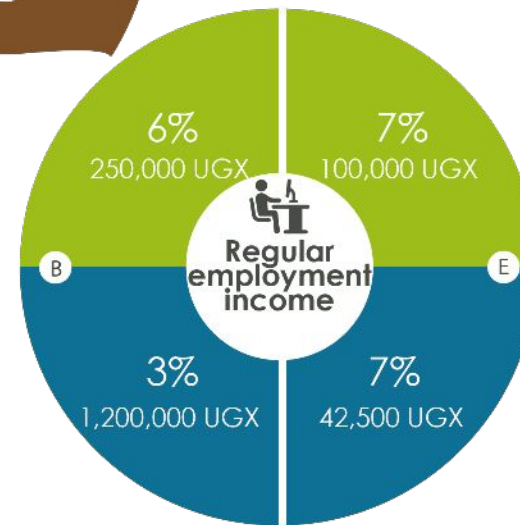
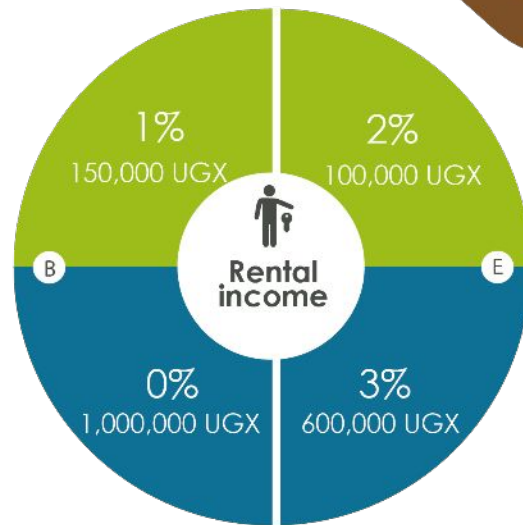
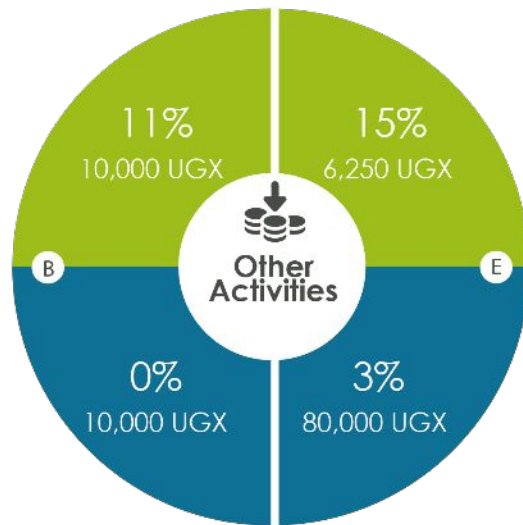
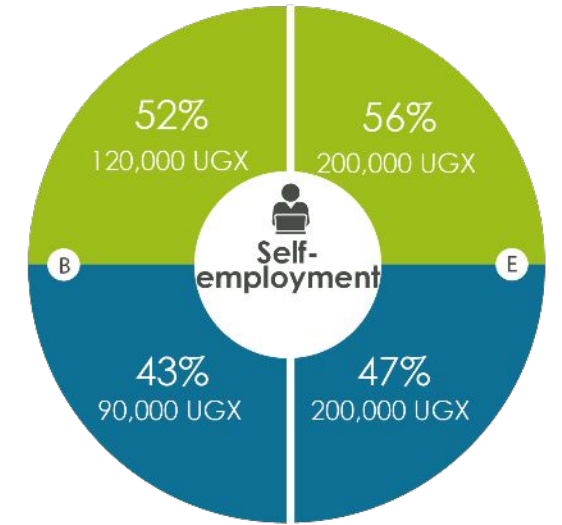
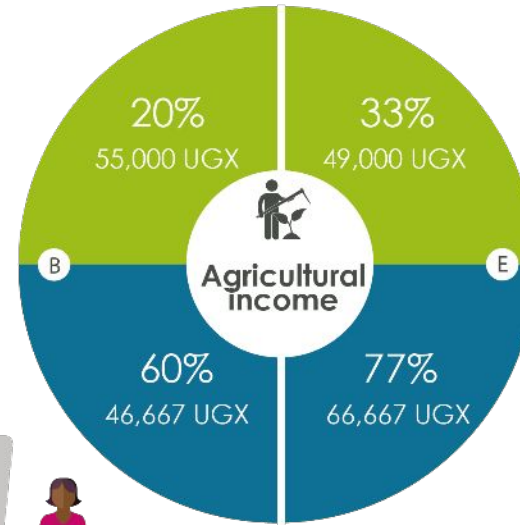
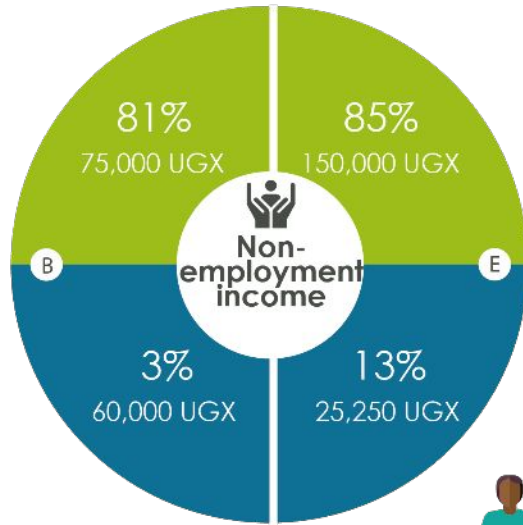
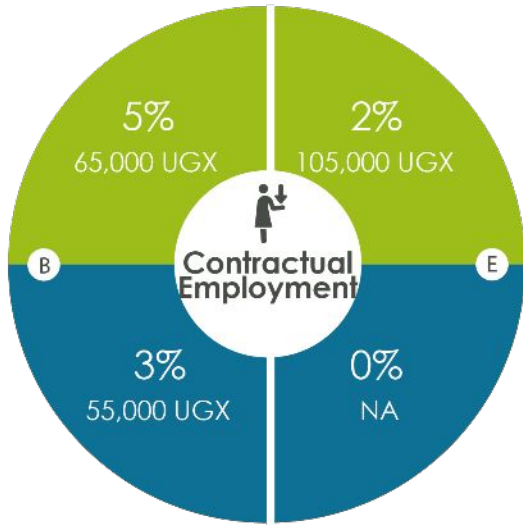
Total refugees and asylum seekers

1,573,291



The locations of the baseline survey and *median monthly income.

Types of income - comparison between baseline and endline



■ Refugee
 ■ Host
 B Baseline
 E Endline

Types of income

		% that have		income in UGX	
		Baseline	Endline	Baseline	Endline
Regular Employment	Male refugees	6%	13%	NA	105,000 UGX
	Female refugees	5%	4%	250,000 UGX	44,000 UGX
Casual employment	Male refugees	27%	33%	10,000 UGX	15,000 UGX
	Female refugees	28%	29%	5,000 UGX	40,000 UGX
Self-employment	Male refugees	40%	56%	140,000 UGX	280,000 UGX
	Female refugees	60%	56%	120,000 UGX	160,000 UGX
Non-employment	Male refugees	81%	85%	80,000 UGX	104,000 UGX
	Female refugees	81%	84%	70,000 UGX	160,000 UGX
Rental income	Male refugees	0%	6%	150,000 UGX	100,000 UGX
	Female refugees	1%	0%	NA	NA
Agricultural income	Male refugees	27%	38%	68,333 UGX	58,333 UGX
	Female refugees	16%	29%	45,833 UGX	39,500 UGX
Contractual Employment	Male refugees	8%	4%	92,500 UGX	105,000 UGX
	Female refugees	3%	0%	65,000 UGX	NA
Other Activities	Male refugees	17%	13%	25,000 UGX	1,792 UGX
	Female refugees	8%	16%	3,250 UGX	8,750 UGX

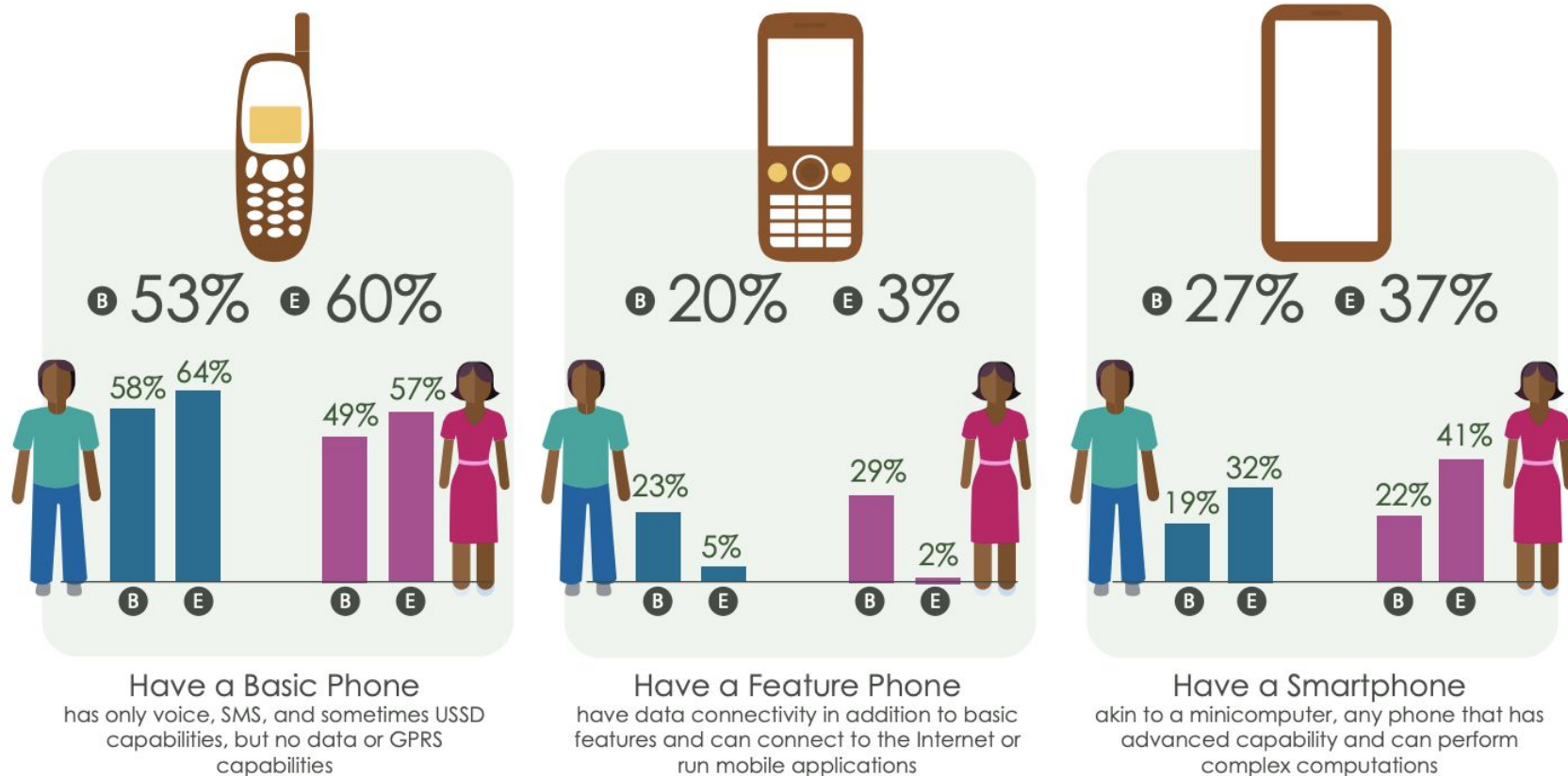
Expenses

		% that have		Expenditure in UGX	
		Baseline	Endline	Baseline	Endline
Charcoal	Refugee community	45%	50%	33,000 UGX	35,000 UGX
	Host community	29%	27%	40,000 UGX	20,000 UGX
Airtime	Refugee community	72%	83%	4,000 UGX	4,500 UGX
	Host community	75%	77%	6,000 UGX	10,000 UGX
Grinding maize meal	Refugee community	20%	51%	8,000 UGX	4,800 UGX
	Host community	36%	70%	10,000 UGX	6,000 UGX
Cooking oil	Refugee community	39%	48%	11,000 UGX	13,500 UGX
	Host community	54%	73%	11,000 UGX	18,250 UGX
Meat	Refugee community	34%	50%	12,000 UGX	15,500 UGX
	Host community	68%	70%	20,000 UGX	40,000 UGX
Medicine	Refugee community	29%	56%	5,000 UGX	2,500 UGX
	Host community	46%	77%	12,500 UGX	5,000 UGX
School fees	Refugee community	38%	25%	4,750 UGX	15,833 UGX
	Host community	64%	43%	41,668 UGX	87,500 UGX
School uniforms	Refugee community	43%	24%	6,500 UGX	4,167 UGX
	Host community	61%	40%	5,000 UGX	11,250 UGX

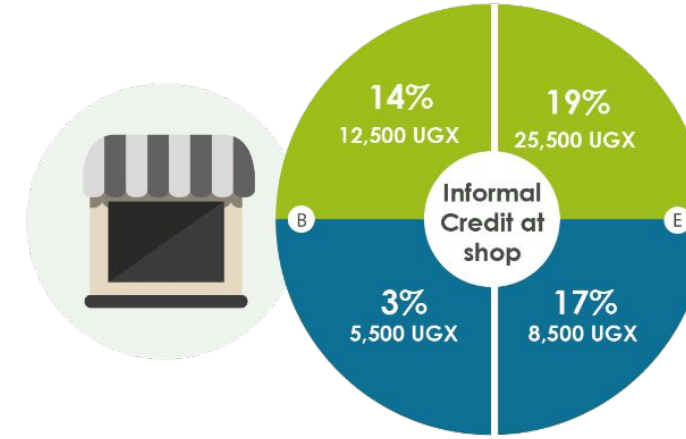
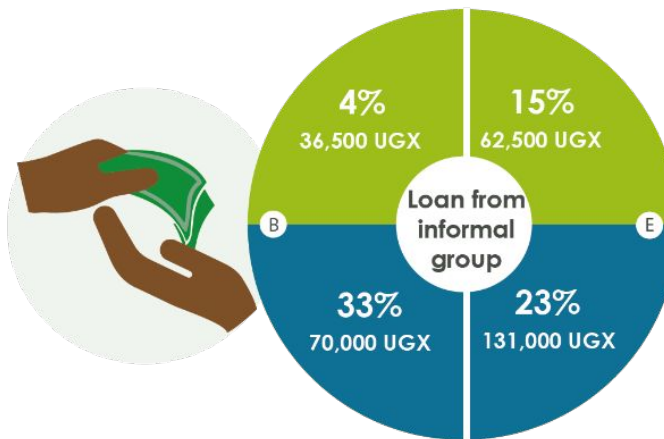
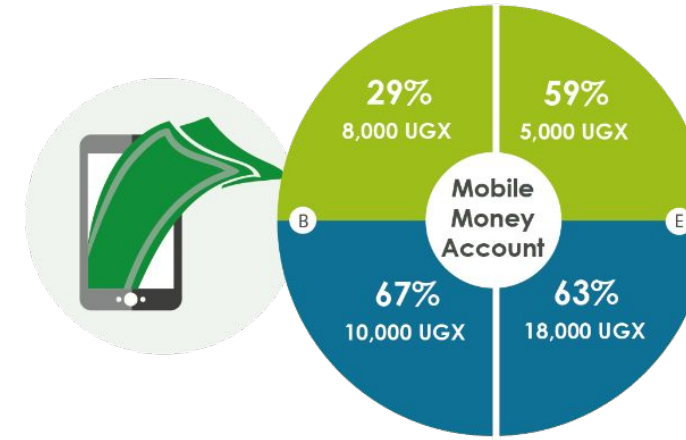
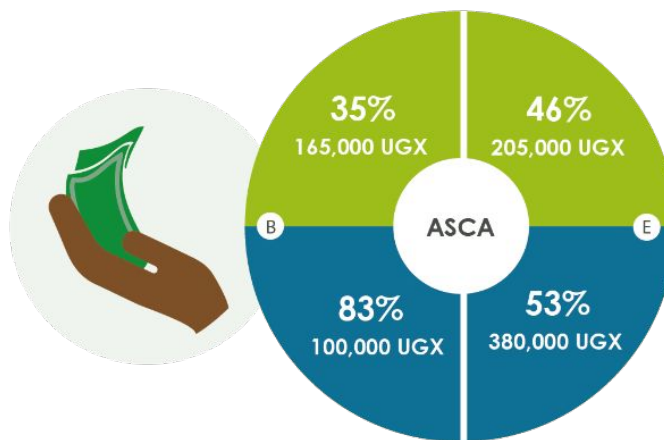
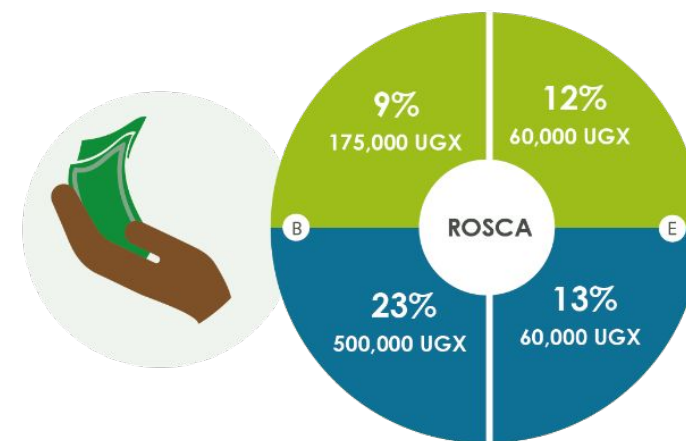
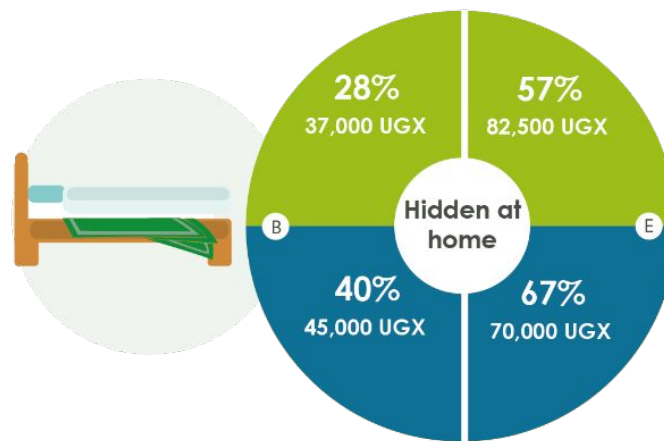
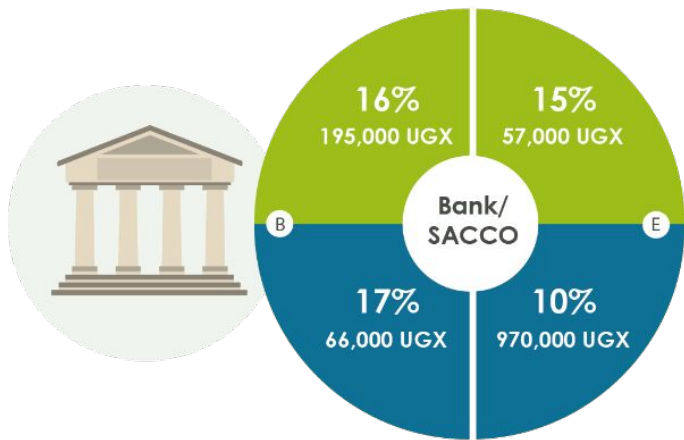
Financial instruments



Refugees and cell phones



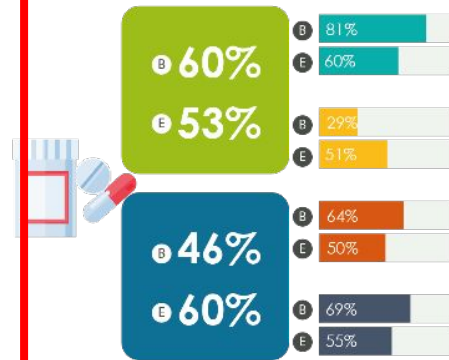
73% **81%** Refugees that have cell phones



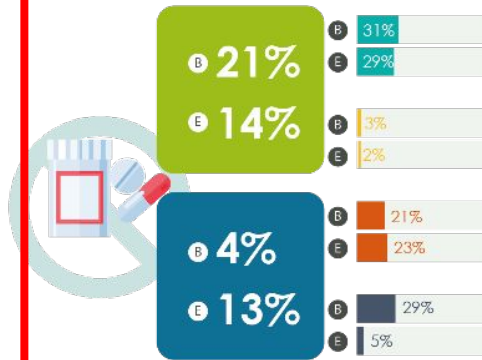
Financial instruments

Events

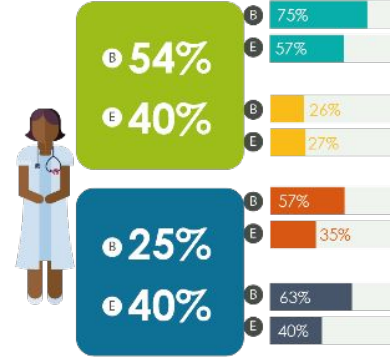
Needed medicine and bought it



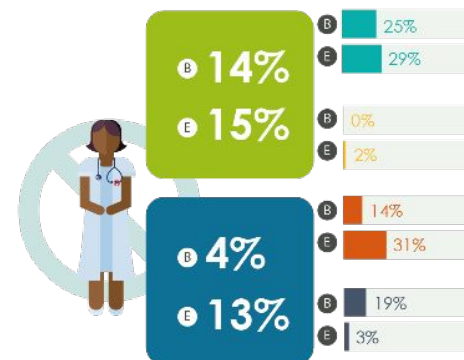
Needed medicine but didn't get



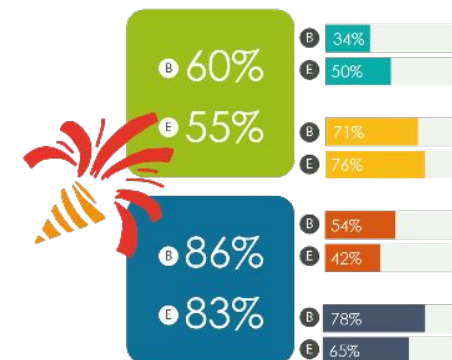
Needed to see a doctor/go to the clinic and went there



Needed doctor but didn't go



Cultural/religious festival (Christmas, Eid, etc)

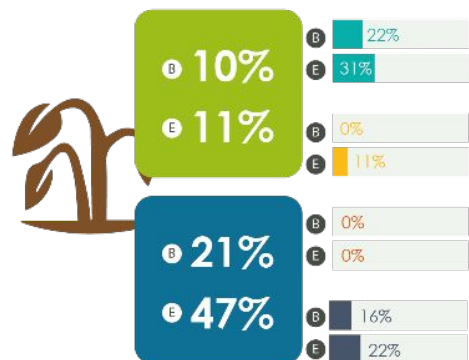


B Baseline

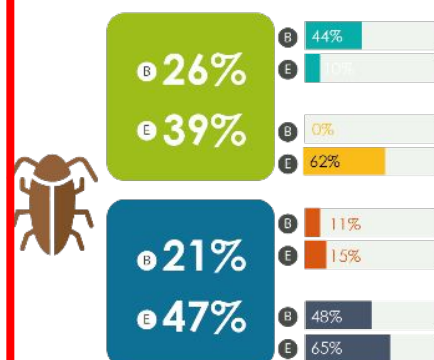
Refugee Host

E Endline

Lost crops



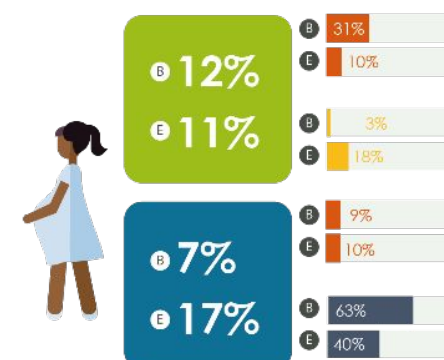
Have pests in the house/food



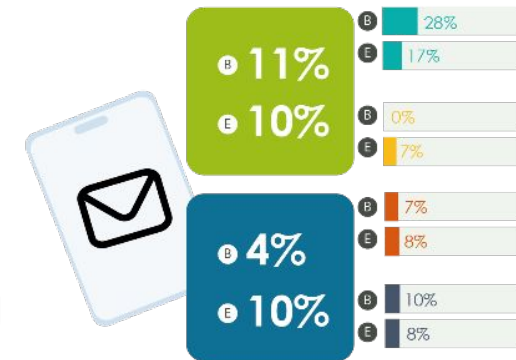
Lost money or goods through theft



Birth



Threatening message received either in person, through another person or through phone

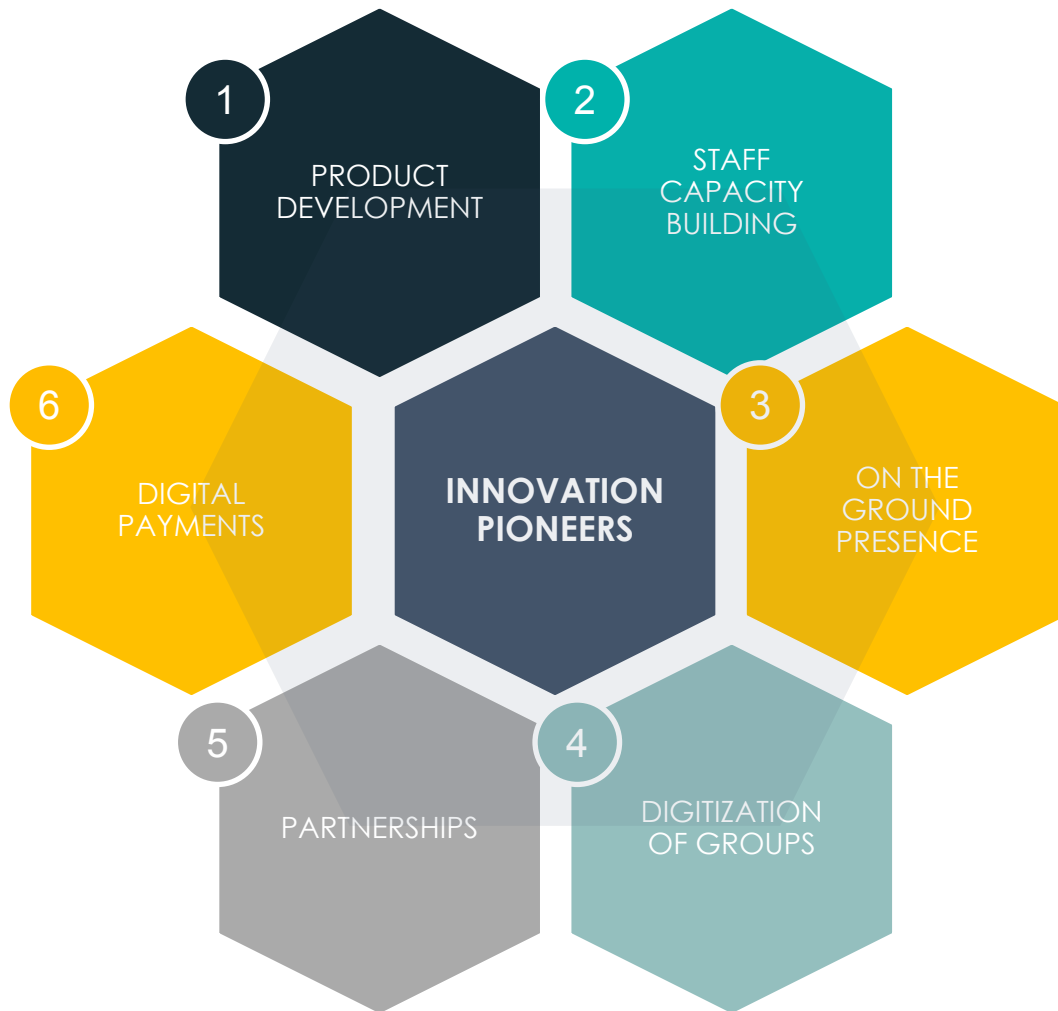




02

Lessons from the project

Ecosystem approach to serving refugees



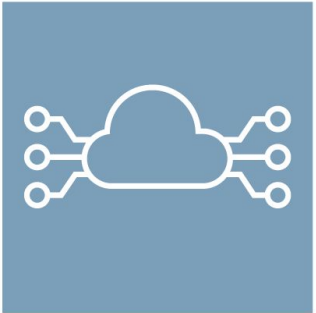
1. **Product development:** The project implementing partners had to customize their products to the refugee context
 - New products e.g RUFI
 - Additional features e.g Equity
2. **Staff training:** Train staff to improve their understanding of the products and learning new skills such as digitizing of data.
3. **On the ground presence:** Having presence in the settlement is important
 - Increase of agency banking in most settlements
 - Community Based Trainers
4. **Digitization of groups:** RUFI and Vision Fund initiated a process to digitize savings groups
 - Both organizations used field officers and knowledgeable group members to help train other group members to use technology.
5. **Partnerships:** Partnerships are critical in moving the needle
6. **Digital Payments:** Merchants are a critical part of the ecosystem because refugees rely on them to buy food and other necessities



03

Recommendations

Recommendations

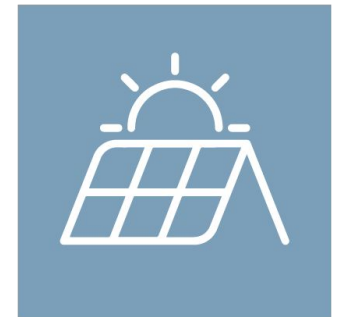


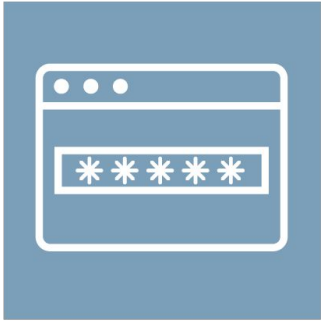
Branchless banking

- Access is still an issue. In the settlements, agents are mostly found at the base camp.
 - A key recommendation is to have more agents deployed to different locations of the settlement as this would reduce both the time and cost of accessing these services.
- Liquidity is also challenge.
 - Building merchants' networks can assist with easing the need for cash outs. Several models have been tested to encourage person-to-business (P2B) transactions.

Sustainable energy solutions

- Access to affordable and sustainable clean energy sources in settlements is limited. Consequently, refugee and host communities rely heavily on charcoal and firewood as the preferred fuels for heating and cooking.
 - There is an opportunity for PAYGo solar and clean energy companies to provide access to sustainable and affordable energy solutions via a pay-as-you-go model that reduces the financial burden while reducing environmental degradation.





Information sensitization

- There is still an information gap on the types of products and services FSPs offer as well as little knowledge on fees, especially for opening bank accounts and operating costs.
 - Sharing information through agents would be ideal as the customers would have someone to ask questions.
 - Flyers and handouts in the local languages would also be key, similar to the cash transfer program where they highlight step by step through a diagram.

Upskilling/ skills set

- 41% of the sample are involved in some form of agriculture.
 - Train refugees on new farming techniques to help with yield output, which has become more critical as cash transfers and food rations continue to reduce.
 - Building the capacity of refugees to learn about different types of crops and farming methods could help especially climate-resilient agricultural practices to tackle the challenge of climate change.
 - Facilitating access to inputs is also critical to getting a higher yield.





Microinsurance

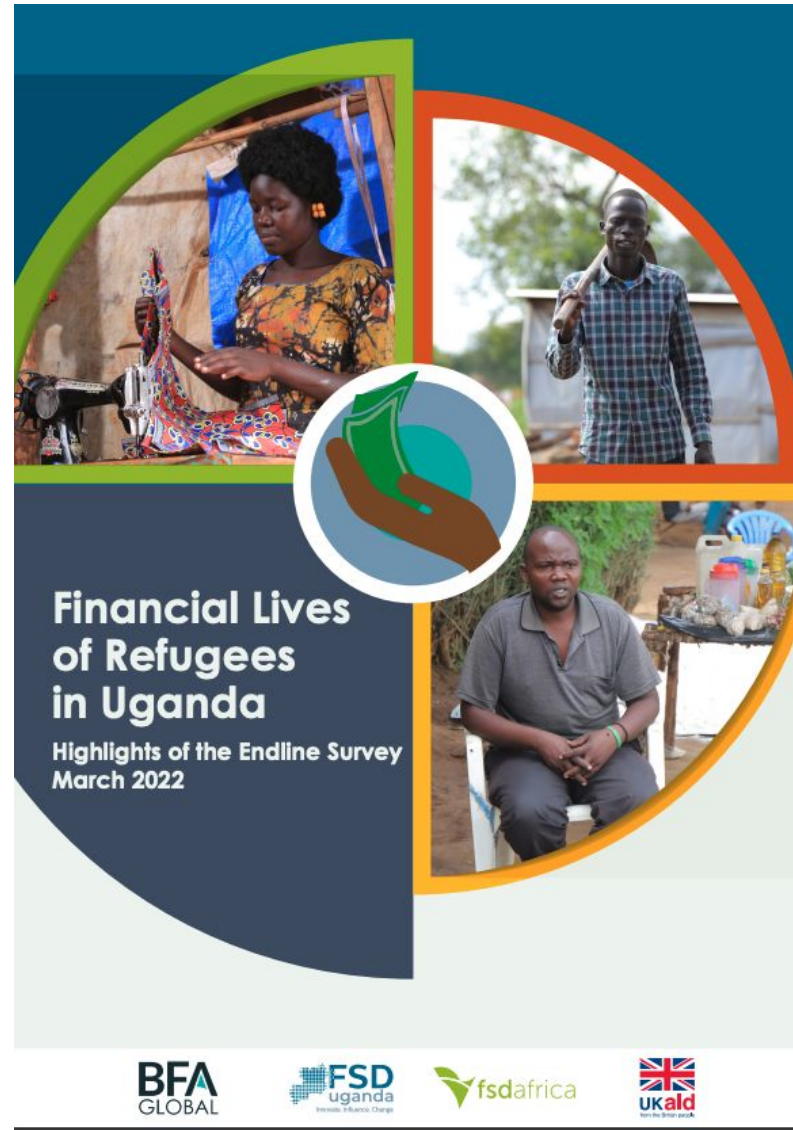
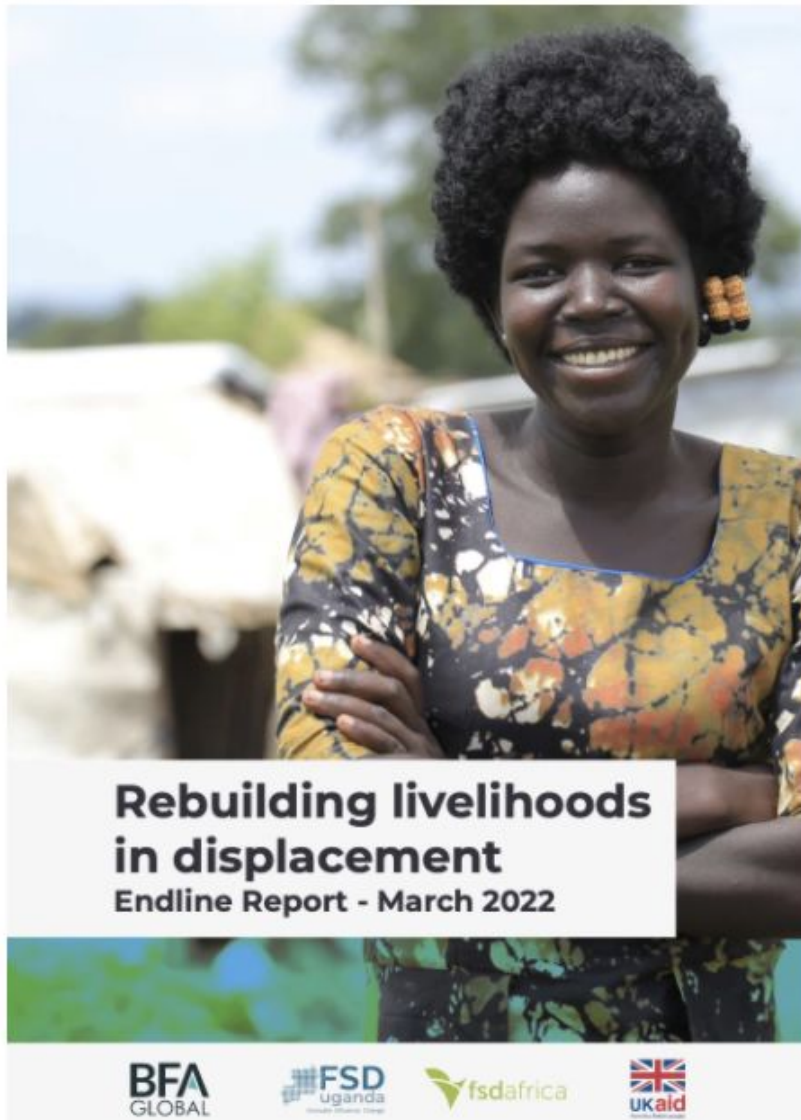
- Hospitalizations and outpatient services have increased among the refugee population. The current offering by NGOs is not enough to cater for all the needs.
 - There is a need to offer a microinsurance product that could protect refugees for these events.
 - The product would need to be flexible either with weekly or monthly installments and be able to cater for both in-patient and out-patient services.

Digitization

- Most refugees still don't have access to smartphones, likely to be digitally illiterate and also have low levels of trust in financial institutions.
 - As financial institutions think about digitization for refugees, it is important to keep the needs of the end user central in planning and execution.
 - It is critical to solve any issues as soon as they occur to create trust with the customers.
 - The product needs to be in a simple language that can be easily understood.



Outputs



<https://www.fsdafrica.org/publication/rebuilding-livelihoods-in-displacement/>



Thank **you!**

