AN ASSESSMENT
OF THE IMPACT OF
MICROFINANCE SERVICES
IN UGANDA: BASELINE FINDINGS

Volume 1

May 1998

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ACRONYMS

AIMS	Assessing the Impact of Microenterprise Services Project
ANOVA	Analysis of variance test
EG	Economic Group
FINCA	Foundation for International Community Assistance
FOCCAS	Foundation for Credit and Community Assistance
GDP	Gross Domestic Product
LIF	Loan Insurance Funds
MEC	Market Enterprise Committee
MFI	Microfinance institution
MISR	Makerere Institute of Social Research
MSEs	Micro and Small-Scale enterprises
PRIDE	Promotion of Rural Initiatives and Development Enterprises
USAID	United States Agency for International Development

FOREWORD

The Assessing the Impact of Microenterprise Services (AIMS) Project seeks to gain a better understanding of the processes by which microenterprise programs strengthen businesses and improve the welfare of microentrepreneurs and their households. In addition, it focuses on strengthening the ability of the U. S. Agency for International Development (USAID) and its partners to measure the results of their microenterprise programs. The project's core agenda includes desk studies, focused field research, three major impact assessments, and the development and testing of tools for use by private voluntary organizations and non-governmental organizations. The project also includes a technical assistance component to address specific requests from USAID missions and offices.

USAID/Uganda conceived, planned and funded this assessment of microenterprise services in Uganda. Its objective is to gain a better understanding of the impacts of microfinance programs to document the results of programs USAID supports in Uganda. The work of AIMS on the design of the assessment, carried out in collaboration with USAID, and this baseline study were funded by USAID/Uganda through the technical assistance component of AIMS. USAID/Uganda also contracted the Makerere Institute for Social Research to work in cooperation with AIMS on the baseline study.

While this paper addresses specific concerns of USAID, it is hoped that it will be of interest to others seeking to understand and document the impacts of microenterprise programs. For further information about this study the reader may contact USAID/Uganda or the AIMS Project. Copies of Volumes 1 an 2 of this report are available at USAID/Uganda and its PRESTO Project's library in Kampala. Also, these volumes and other AIMS publications can be found on the AIMS home page (http:\\www.mip.org).

Carolyn Barnes
AIMS Project

PREFACE

EXECUTIVE SUMMARY

Overview of the Assessment

USAID/Uganda has undertaken a two-stage assessment of the impact of microfinance services in Uganda. The objective of the assessment is to identify the impact of microfinance programs upon clients, their households and enterprises. The study will examine if participation in a microfinance program leads to improvements in the economic welfare of households, enterprise growth or stability, increases in empowerment of women, and strengthened social networks with rural areas. Utilization of survey research methods will result in identification of the nature, extent and distribution of impacts.

USAID/Uganda contracted Management Systems International under the Assessing the Impact of Microenterprise Services (AIMS) Project to design the assessment and conduct the baseline study in cooperation with the Makerere Institute for Social Research. This report describes the conduct and findings of the baseline survey carried out in November and December, 1997. It is anticipated by USAID/Uganda that follow-up information will be collected in 24-36 months on the same variables in order to assess change and impact.

Three microfinance organizations which use what are considered "best practices" were selected for inclusion in this study: FOCCAS (Foundation for Credit and Community Assistance), FINCA (Foundation for International Community Assistance) and PRIDE (Promotion of Rural Initiatives and Development Enterprises) Uganda. The best practices common among these organizations include: lending to individuals who are members of a credit group, provision of services to microentrepreneurs whose businesses generate a weekly cash flow, group guarantee of the loans made to its members, commercial interest rates, a mandatory savings requirement, and a weekly mandatory group meeting for loan repayment. FOCCAS and FINCA provide services to women, and PRIDE reaches men and women.

Interviews were conducted with a sample of clients from these programs in three districts of Uganda (Mbale, Masaka, Kampala) and a sample of non-client microentrepreneurs from the same areas. All sampled respondents possess the following three characteristics: the respondent is the sole owner or co-owner of a microenterprise, the microenterprise generates a cashflow on a weekly basis, and the microentrepreneur has been actively involved in the business during the last two months. The total number of respondents interviewed was 1,332: 1,242 women and 90 men.

The baseline findings present data on the clients and non-clients and their households. Similarities and differences between these two groups are described, and, where relevant, geographical and gender distinctions are noted. The findings and analyses report on basic characteristics of respondents and their households, sources of income, uses of income, financial services, empowerment, and agricultural sector linkages. The results of statistical tests are used to identify differences that exist between clients and non-clients and between districts.

Major Findings

Basic Characteristics of Respondents and Their Households

Similarities as well as differences are found among the clients and non-clients in terms of demographic characteristics, location of residence, and characteristics of dwelling. At times the geographic location influences the findings.

\#   The *average age* of clients is 36 years compared to 33 years for non-clients. This difference is statistically significant.

\#   The *average level of education* for clients is one year of secondary school. For non-clients the average education level is seven years of primary school. This difference is statistically significant.

\#   The *marital status* of most clients and non-clients is married, but 34% of the clients and 40% of the non-clients are single (i.e., divorced, separated, widowed, never married).

\#   The *average household size* is significantly larger for clients than non-clients (6.57 and 5.48 members respectively).

\#   A significantly higher proportion of clients than non-clients *reside on agricultural land* (46% of clients compared with 36% of non-clients). Major differences occur between districts, with Mbale having the highest proportion of respondents residing on agricultural land and Kampala the lowest proportion.

\#   Client households are more likely than non-client households to own their residence. *Ownership of residence* is more common in Mbale and Masaka than Kampala, and ownership tends to be related to whether or not the household is located on agricultural land.

\#   Clients and non-clients live in *dwellings* with similar features when taking into account geographic location. The majority of Masaka and Kampala respondents live in residences with iron sheet roofing and brick walls. Mbale respondents typically have residences with iron sheet roofing and walls of mud and poles.

\#   The *average number of rooms* in respondent households is three. On average there are more people per room in client than non-client households.

\#   Clients differ significantly from non-client households in the *ownership of key consumer durables*. A larger proportion of client than non-client households have radios, televisions, and bicycles. However, less than one-third of the client households have televisions or bicycles.

Sources of Income

Household income may be obtained from a variety of sources. Ownership of a microenterprise that generates a regular cash flow is a prerequisite for participating in the three microfinance programs and was used as a criteria for selection of the non-client sample. These microenterprises are frequently a very important source of household cash income.

\#   A significantly higher proportion of client (32%) than non-client (22%) households have a member in *wage or salaried employment*. Geographic location influences the likelihood of wage or salary employment, with Kampala having the highest rate.

\#   Overall 69% of the respondents have *business activities* related to the marketing or production of natural resource and agriculture-based products.

\#   The *average age of respondent enterprises* is five years.

\#   The majority of respondents rank their *enterprise as the most important source of household cash income.*

\#   The *location of the respondents' primary enterprise* is most often the same location as their residence.

\#   The *average number of workers employed* by clients in their enterprises is less than one. About half of these workers are family members.

Uses of Income

Client households use their income for basic household needs, gradual accumulation of household and business assets, unanticipated financial crises, and transfers to rural dwellers. Differences appear between client and non-client households in the amounts expended in each of these areas. Geographic location also influences the amounts expended.

\#   Clients tended to spend more on *household assets* than non-clients.

\#   Expenditures on *business fixed assets* differed by district and by client or non-client status. On average clients spent more ($100) than non-clients ($87). Mbale respondents spent considerably less than respondents in the other two districts.

\#   Over 90% of respondents identify their enterprises as the principal *use of enterprise earnings*. The second most frequent expenditure category is food for household members.

\#   Earnings from respondents' microenterprises tend to be the main source of funds for *education expenses*.

\#   When asked about *expenditures on food items*, the majority of respondents in Masaka and Kampala stated that they purchase the food items the household consumes. Among Mbale

respondents only meat and milk are purchased by a majority of the households, as they produce a substantial amount of their own food.

\# Nearly two-thirds of all respondents reported *unanticipated events* in their household during that last two years that had financial repercussions. A serious illness or medical expenses of a household member were the most frequently reported events. Most respondents' households were able to cope with these events without having to sell income-generating assets.

\# About one half of the respondents reported cash or in-kind *remittances to rural dwellers* during the three months prior to the survey.

\# A *proxy indicator for the relative poverty or wealth level of client or non-client households* can be calculated by summing total expenditures on education, business and household assets, remittances, and agricultural inputs. Client households average $323 in expenditures and non-client households average $211. This difference is statistically significant. Geographic location influences the amount spent.

Financial Services

Clients of the three microfinance programs have all received at least one loan and have participated in the mandatory savings programs as part of the lending requirements.[1] All three microfinance programs also encourage their clients to have voluntary savings.

\# Loan periods are typically four months with the initial repayment due the first week of the loan. Given this *loan repayment pattern,* respondents appear to be using loan funds in their enterprises as a source of working capital.

\# The *average loan amount* for clients ranged from $83 for FOCCAS clients in Mbale to $131 for FINCA clients in Kampala. In Masaka where both PRIDE and FINCA female clients were interviewed, the average FINCA loan was $88 and the average PRIDE female client loan was $127.

\# All clients have mandatory savings accounts, and many clients also have voluntary savings accounts (49% in Masaka, 82% in Kampala, 66% in Mbale). The average amounts saved by clients in mandatory and voluntary savings programs are $34 and $23 respectively.

Empowerment

In this baseline study survey 94% of the sampled microfinance program clients are women. The effect of participation in microfinance programs on financial discipline and leadership opportunities illustrates the importance of these programs on women's empowerment. The findings suggest that FOCCAS has an impact on women trying new health and nutrition practices and informing others about these practices.

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[1] PRIDE referred to their mandatory savings component as a Loan Insurance Fund.

\#   The majority of clients (83%) are the sole *decision-makers* concerning the use of recent loan funds. Almost all clients state that they are the source of funds to meet weekly loan repayment requirements.

\#   When asked about *positive consequences of owning your own business*, one-third of the respondents mentioned the ability to meet basic family needs and the ability to take care of oneself.

\#   Participation in the credit and savings programs of FINCA, PRIDE, and FOCCAS assists clients in acquiring *financial discipline*. Clients are required to adhere to a weekly loan repayment schedule and contribute weekly to a mandatory savings program.

\#   *Formal leadership* opportunities are available to women clients through their credit groups.

\#   FOCCAS is a source for clients of information on *improved health and nutrition practices*. Clients try new practices and inform others about such practices.

\#   For client and non-client respondents in all three districts at least 85% of girls aged 6-16 in the household are enrolled in school.

Agriculture Sector Linkages

Microfinance programs in lending to microentrepreneurs reach households engaged in agricultural sector activities. Rural Mbale respondents in particular illustrate this linkage.

\#   Client households (73%) are more likely than non-client households (63%) to receive *income from businesses which are part of the marketing or production chain of natural resource or agriculture-based products*. There are statistically significant differences between clients and non-clients, and between districts.

\#   *Agriculture products* (including the buying and selling of agricultural produce) represent the largest category of business activity that respondents indicate as either owning or co-owning.

\#   Slightly more than half of the Mbale respondents (55%) cite *farming* as their main economic activity.

\#   Approximately 30% of all respondents cite either crops, livestock, yeast production or fuelwood sales as the *top two contributors to household income*.

\#   Approximately three-fourths of respondent households have *cultivatable land* on which more than one-half of the respondents grow crops. Despite their urban or peri-urban residence, 62% of the client households and 45% of non-client households in Kampala have cultivatable land. There are statistically significant differences between clients and non-clients, and between districts for owning and using cultivatable land.

\#   The estimated average *size of total cultivatable land* ranges from 7.06 acres for Kampala respondent households to 6.26 acres for Masaka households to 5.44 acres for Mbale households. This difference is statistically significant.

\#   Clients are more likely than non-clients (66% and 49% respectively) to own *poultry or livestock*. Poultry is owned more than any other type of animal. There are statistically significant differences between clients and non-clients and between districts for households owning livestock.

\#   Of those respondents who grow crops a larger percentage of clients (65%) than non-clients (57%) spent money on *agricultural inputs* in the three months prior to the survey. There are statistically significant differences between clients and non-clients, and between districts for households purchasing agricultural inputs.

Conclusions

\#   **Microfinance programs reach low-income households in both rural and urban areas.**

The baseline data suggest that the microfinance program clients are from low-income households which are part of a class of working poor (that is, people earning an income, but spending a high proportion of it on basic needs, such as food and education of children, and having low levels of consumer durables and other assets). They are not among the impoverished and destitute. On average the households of client respondents have 6.57 members, of whom two are economically active. The data on food consumed the three days prior to the survey indicate that meat/fish/chicken are normally consumed only twice a week, and milk less than once a week (even though most households contain one member under the age of 6). One-third of the client respondents reported no purchases (sole or joint) of household assets during the 12 months prior to the survey. At the same time, a high proportion of clients own (or are purchasing) their current residence, own radios, and own or control cultivatable land. The percentage of girls and boys aged 6-16 in their households who are enrolled in school is high, as is the ratio of mattresses to persons 9 years and older. Most client households were able to cope with unanticipated financial crises without selling income-generating assets.

It is clear from the data that the microfinance program clients are *not* among the wealthier segment of society. This is evident in the low proportion of client households owning vehicles, refrigerators, and houses and rental units not contiguous with the household dwelling, and the low percentage of client households with piped water and electricity.

The baseline data suggest that geographic location influences the level of poverty or wealth. Overall, rural Mbale respondents exhibit lower levels of living standards, expenditures, and different patterns of saving than the more urban respondents in Masaka and Kampala.

 #   Savings, enterprise earnings, and loan funds are used to expand the wealth base of households and enterprises.

Almost all clients report using the loan funds on their enterprise, usually as operating capital to expand or diversify their businesses. They indicate that they would not have made these expenditures without the loan from their respective microfinance program. Clients also purchased household assets (e.g., utensils, furniture) and fixed business assets with savings and enterprise earnings. For some clients it appears that access to loan funds allows savings to be used to accumulate household assets.

 #   Microfinance programs operating in urban and rural areas reach microentrepreneurs who have strong linkages to the agriculture sector.

Microfinance program linkages with the agriculture sector are illustrated in the access of microfinance program clients to cultivable land, the prevalence of businesses that are part of the marketing and production chain of natural resource and agriculture-based products, and economic remittances by respondent households to rural dwellers.

 #   Microenterprises are the main source of household cash income.

Approximately three-fourths of the respondents rank their enterprise as the number one source of household cash income. Enterprise earnings are the main source of funds for education expenses and for the purchase of business and household assets**.**

 #   Microfinance programs enable female entrepreneurs to develop financial management, decision-making, and leadership skills.

Female microfinance program clients make decisions on the allocation of their loan funds, loan repayments, and savings requirements. Their loan funds are spent on their own business activity. The formation of credit groups within each microfinance program provides clients with an opportunity to participate in formal leadership positions within the group (e.g., treasurer, chair). In addition, clients are expected to acquire financial discipline skills that enable them to repay loans on time and meet weekly mandatory savings requirements.

 #   Provision of health and nutrition information by the FOCCAS microfinance program results in clients trying new practices and informing others about such practices.

FOCCAS program personnel facilitate the presentation of information on new health and nutrition practices such as AIDS prevention and breastfeeding techniques to female clients participating in their microfinance program. This information enables these female entrepreneurs to become better informed on new practices, and in turn to try these and to disseminate this information to friends and/or other household members. Female FOCCAS clients are significantly more likely than non-clients to have tried a new health or nutrition practice and to have advised a friend or household member about the improved practices, a positive impact of the FOCCAS program.

 #   Clients tend to be significantly different from non-clients in several ways.

Data on key characteristics of clients, indicators of poverty, and other factors indicate that the clients tend to be significantly different from the non-client respondent group. This implies a self-selection bias: certain people are more likely than others to become clients of the three microfinance programs. The selectivity bias is likely to be the result of two interrelated factors. First, persons with certain individual and household characteristics are more likely than others to be motivated to participate in the microfinance programs. Second, since the programs operate by individuals having to agree on who is part of their credit group, the groups are likely to select individuals whom they feel are most likely to be diligent in meeting their loan repayments. At the same time, there is no evidence of market saturation.

Next Steps

A wealth of information has been obtained from respondents who participated in this baseline study. It is recommended that the follow-on survey of the microfinance program clients and the comparison group is expected to reveal impacts of microfinance program participation in the areas of: agriculture sector linkages, enterprise expansion and diversification, and accumulation of household and enterprise assets. It is suggested that the follow-on exercise include focus group interviews to determine if the reasons why people join the microfinance programs have been realized.

The follow-on study ought to be undertaken in the same months as the baseline survey so as to control for seasonal variations. Options exist for designing the follow-up questionnaire. The research directors need to decide whether questions should be asked in the exact same way or whether to ask only about changes in that variable since the baseline study period, or to combine the two approaches. In addition, questions not covered in this baseline report which proved difficult and had the least reliable responses should be modified or eliminated.

I. INTRODUCTION

A.   Significance of Microenterprise Programs in Uganda

Microenterprises are a vibrant part of the Ugandan economy, providing a wide range of goods and services.   In 1995 an estimated 22 percent of all households were engaged in some kind of business activity (Impact Associates, 1995). These were usually micro in scale and home-based. Twenty-nine percent of the working age population in 1995 were estimated to be employed in micro and small enterprises. These statistics underscore the prevalence of microenterprises, but mask the importance of microenterprises as a vital source of income for the urban and rural poor. Their business activities are often the major source of household revenue.

These poor microentrepreneurs, especially women, have had limited access to financial services offered by the commercial banks (Duval, 1991; Morris et al., 1995; Mugyenyi, 1992). Widespread recognition of this lower accessibility to formal credit has led to recent endeavors to target the poor, especially women entrepreneurs, through development programs that provide financial services. In addition to the provision of credit, these programs also facilitate the establishment of savings accounts. Thus, these semi-formal financial institutions provide low-income clients (particularly women) with financial services not previously provided by commercial banks.

Since the mid-1990s, as part of its strategy to alleviate bottlenecks to private sector development, USAID/Uganda has provided financial and technical support to a number of organizations providing microfinance services for poor microentrepreneurs. These organizations vary in terms of target clientele, maximum size of loans, program strategies, geographic coverage, size of the loan portfolio, and financial security.

B.   Objective and Scope of the Assessment

The objective of the Uganda assessment is to provide data on the impact of USAID-supported microfinance programs on clients, their households and enterprises. The assessment will also provide information on the linkages between microentrepreneurs and the agricultural sector. It should be noted that no attempt is being made to distinguish between use of USAID funds and other funds, as these microfinance programs are normally financed through a mix of sources and funds tend to be fungible.

The problem addressed by the assessment is the following: Do programs providing microfinance services make a positive difference in the lives of microentrepreneurs, their households, and enterprises? This problem statement can be framed as a series of questions. What is the nature, extent, and distribution of these impacts? Have microfinance programs helped to reduce poverty in the households of microentrepreneurs? Has support to microentrepreneurs in urban areas increased the flow of transfers and remittances to rural areas? Have programs helped microentrepreneurs, particularly women, to gain more control over the income they generate? The baseline assessment also answers an ancillary, but important, question: What are the linkages between microfinance program clients and the agricultural sector?

The assessment is based on collecting information on a set of impact indicators during two rounds of field survey work. The initial round was completed in 1997 when a baseline survey was

conducted. The second round will be completed in two to three years when a follow-up survey is conducted. The baseline information reveals differences and similarities between a group of clients of three microfinance programs and a comparison group of microentrepreneurs who are not program clients from three districts in Uganda. A comparison of the results of the first and second survey rounds will enable the researchers to determine changes that have occurred in both groups and provide explanations of these changes.

Three microfinance organizations which follow what are considered to be "best practices" were selected for inclusion in this study: FOCCAS (Foundation for Credit and Community Assistance), FINCA (Foundation for International Community Assistance) and PRIDE (Promotion of Rural Initiatives and Development Enterprises) Uganda.   The best practices common among these organizations include: lending to individuals who are members of a credit group, provision of services to microentrepreneurs whose businesses generate a weekly cash flow, group guarantee of the loans made to its members, commercial interest rates, a mandatory savings requirement, and a weekly mandatory group meeting for loan repayment. FOCCAS and FINCA provide services to women, and PRIDE reaches both women and men.

The three districts covered by the assessment were purposively selected to provide a range of socioeconomic contexts since geographic location can influence the impact of a program. The locations selected were: Kampala, a vibrant metropolitan center; Masaka, a smaller urban center, and rural Mbale, a highly populated, good farming area.

C.   Assessment Framework

Microenterprises provide an individual with access to microfinance programs, but these individuals are also members of households. Resources within a household are fungible and resources may flow between households (such as from urban to rural households). At the same time, particularly given the ramifications of gender, the household economic portfolio is likely to include individually controlled resources and activities. Thus, the assessment has a wide lens to detect impacts at the client, household, and enterprise levels as well as upon rural networks.

The household economic portfolio framework (Chen and Dunn, 1997) developed by the USAID-sponsored Assessing the Impact of Microenterprise Services (AIMS) Project provides a tool for conceptualizing and analyzing the relationship between participation in microfinance programs, microenterprises, and people's lives, where people are considered both as individuals and as members of households and social networks. Enterprises are regarded as embedded in the household economic portfolio.

The definition of household used for this study was "people who usually live and eat together, whether or not they are related by blood, marriage or adoption". Included in this definition are persons who are not living there full time because they are away at school. This definition of household is normally used by central bureaus of statistics (including the Statistics Department of the Ministry of Planning and Economic Development in Uganda) and researchers. Because the local languages do not have specific terms for household, family, and extended household, the Ugandan enumerators explained this definition to respondents.

D.   Anticipated Impacts

The assessment will examine if participation in a microfinance program leads to: 1) improvements in the economic welfare of households; 2) enterprise growth or stability; 3) increases in empowerment, especially among women; and 4) strengthened social and rural networks. Under each of these, specific types of measurable impacts were identified during work leading up to the final design of the baseline questionnaire (see the section on Methodology). The range of anticipated impacts reflects differences in the socioeconomic context of Kampala, Masaka and rural Mbale and the clientele of the microfinance programs covered by the assessment.

The focus on household economic welfare centers on

> #   improvement in living conditions through increases in number of rooms used by households and better infrastructure;
> #   increased proportion of male and female children in school;
> #   improvements in household diet;
> #   improvement in the household's effectiveness in coping with financial crises;
> #   increases in the amount of land used, the number and types of crops sold, and number of livestock owned by households engaged in agriculture;
> #   clients of programs that provide health and nutrition information trying new practices; and
> #   increases in household assets.

To determine if participation leads to enterprise growth or stability, attention is given to

> #   investment in enterprise fixed assets;
> #   increases in paid and unpaid employment; and
> #   continuation, expansion, and diversification of microenterprise activities.

Indicators of empowerment focus on greater control of resources. It is hypothesized the latter will occur through

> #   an increase in controlling decisions about the use of money earned;
> #   an increase in assets owned and controlled; and
> #   a change in the pattern of savings.

To determine if microfinance programs are likely to strengthen social and rural networks -- that is, benefit individuals beyond the clients and their immediate households -- the study will look for an increase in the flow of resources to rural areas through an increase in remittances and transfers.

E.   Overview of the Report

This report describes the conduct and findings of the baseline survey. Chapter II contains a profile of the geographic, demographic and economic context of the country, as well as of each of the three districts in which the baseline study was conducted. Chapter III describes the three microfinance programs from which the clients for this study were selected. Chapter IV focuses on the research methodology including the sampling plan; questionnaire design; data collection; data coding, entry and cleaning; and the statistical tests done during data analysis.

Chapter V presents the findings from the baseline survey of clients of three microfinance programs and a comparative group of non-clients. This chapter provides information on the basic characteristics of the respondents and their households; income-generating activities; uses of income on household and business expenditures; financial services and loan uses; empowerment of women; and linkages of respondent microentrepreneurs to the agricultural sector. Chapter VI contains a summary of the findings and conclusions.

For readers desiring more detailed information, there is a supplemental volume of annexes. The annexes contain the research plan, the questionnaires, the instruction guide for enumerators, additional tables setting out the baseline survey findings, and the code book.

II. UGANDA CONTEXT

This chapter is designed to provide the reader with a brief profile of Uganda in general and the districts in which the baseline respondents live in order to facilitate a better understanding of the socio-economic environment of the baseline survey respondents and their income generating activities.

A.   Profile of Uganda

Geographical Context. Uganda is a landlocked country located in the great lakes region of Africa. Uganda has a favorable climate given its altitude. There are two annual rainy seasons (March to May and September to December) experienced mainly in the Central and Western regions. Further north, the rainfall diminishes to one rainy season.

Administrative Context. The country is divided into 45 districts and municipalities. The districts are further divided into counties, sub-counties, parishes, and villages. This system is administered by appointed chiefs and elected local council administrators.

Demographic Context.   Uganda is inhabited by people of different racial and ethnic origins, who follow varied traditions, cultures and religions. The population census conducted in 1991 revealed a total population of 16.7 million persons and an average annual growth rate of 2.5% for 1980-91. The population is estimated to be between 19.5 and 20 million in 1998, and is projected to increase to 33.0 million by 2016. According to the 1991 census, Uganda's population density was calculated as 85 persons per square kilometer.

The 1991 census enumerated 1.8 million people in 150 urban centers[2] representing 11.3% of the total population. The urban population grew at an average annual rate of 6.4% during 1980-91. The high growth rate is reported to be principally a result of migration during and after the civil wars of that period. The size of the urban population is projected to increase to 8.8 million (an increase of 370% from the 1991 level) by the year 2016.

The level of fertility in Uganda has been declining, according to Uganda Demographic Health Survey. Fertility has declined from 7.1 births per woman over the past two decades to 6.9 births for the period 1992-94. Similarly, the same data source shows a decline in the infant mortality rate from 122 (1991 census) to 97 per 1000 live births

Brief Economic History Prior to 1987. From the time of independence in 1962 to 1970, Uganda's economy was among the strongest in Africa with a gross domestic product (GDP) growth rate of 6% per year, compared to a population growth rate of 2.6% per year. The inflation rate was low and the balance of payments was in surplus. When Idi Amin took over the government in 1971, Uganda's economic performance started deteriorating. The economy moved away from outward-oriented policies to a regime of protection of local industries. Public sector involvement in economic activities increased considerably.   As a result of these policies and general government mismanagement,

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   [2] An urban center is defined as all gazetted cities, municipalities, towns, town boards and trading centers with a population over 1,000 persons.

budgetary revenues collapsed, inflation increased, and agricultural output declined by as much as 20% in the 1970s. By 1980, Ugandan exports (e.g., cotton, tea, tobacco) were no longer competitive in the world market. Coffee was the only major export crop.

When Milton Obote took over in the early 1980s, there was a brief attempt to stabilize and revitalize the economy using donor assistance. The stabilization program included the introduction of a more flexible exchange rate policy, the decontrol of many prices, and regular review of producer prices. This program resulted in the growth of real GDP which averaged 6% per annum during 1981/82-1983/84. However, economic recovery remained weak due to major structural problems and political instability arising from the civil war. In January, 1986, the National Resistance Movement (NRM), led by Yoweri Museveni, defeated the Obote government.

NRM Government and Economic Reforms. When the NRM took over the government of Uganda the economy was in shambles. The civil war had destroyed the entire infrastructure system. Manufacturing plants were operating at very low rates of capacity utilization, and the agriculture sector was only producing for subsistence consumption.

By 1987 per capita GDP in Uganda was estimated at 40% *below* the 1970 level. The annual inflation rate was 240%. The spread between the official nominal exchange rate and the parallel market exchange rate grew daily. Terms of trade continued to deteriorate which resulted in an acute shortage of foreign exchange and external payment arrears.

In reaction to the widespread decline of the Ugandan economy, the NRM Government embarked on a comprehensive Economic Recovery Program in May, 1987 with support from the International Monetary Fund, the World Bank, and other donors. Since the launching of the Economic Recovery Program, the economy has steadily grown. In fiscal year (FY) 1994/95, a GDP growth rate of 10.6% per annum was recorded while in FY1995/96 GDP grew by 8.5%. Much of this growth resulted from the industrial sector which responded strongly to the new government's economic incentives for promoting manufacturing as an attempt to diversify the economic base. The ratio of domestic investment to GDP rose from 9% to 16.4%.

The linchpin of the Economic Recovery Program has been the fight against inflation. The rate of inflation was reduced from over 200 percent in the 1980s to single digit levels by 1994/95. Low inflation rates and stable prices have been achieved primarily through fiscal adjustments. The federal budget deficit has been reduced to 2.1% of GDP in FY1996/97 from 4.5% of GDP in FY1990/91.

Between 1987 and 1994, the agricultural sector grew on average 4.3% per year. The growth of the food crop subsector within agriculture was influenced by the adoption of free market policies. Though the NRM government initiated policies directed at diversifying the economic base of the country, agricultural production continued to account for about 44% of GDP.

Uganda's gross domestic savings as a percentage of GDP improved from a negative 12.6% in 1987 to a positive rate in the 1990s (Table 1). In 1997/98, savings deposits grew by 24.8% while the ratio of financial savings (time and savings deposits) to the overall money supply increased to 33.7% in 1996/97 from 12% in 1988/89.

The major foreign exchange earners have historically been the traditional export crops of coffee, cotton, and tea. As a percentage of total economic output, total exports fell slightly from 10.8% in 1995/96 to 10.4% in 1996/79. This decline was due to the drop in coffee prices which fell by 23% in 1996/97. Non-traditional exports (e.g., fish, maize, gold, cut flowers) grew by 70% in FY1996/97, and it is projected that they will increase to $288 million in FY1997/98.

The level of foreign exchange reserves at the Bank of Uganda grew to $627 million by the end of June, 1997. It is projected that these reserves will increase to $706 million by the end of June, 1998, which will represent a value equivalent to approximately five months worth of imported goods and non-factor services.

Table 1. Performance of Key Macroeconomic Indicators for Fiscal Years 1986/87-1996/97

Indicator	1986/87	1990/91	1994/95	1995/96	1996/97
GDP % Growth Rate (1991 prices)	3.8%	5.2%	10.5%	8.1%	5.0%
Per Capita GDP % Growth Rate	1.0%	2.2%	7.2%	5.0%	2.1%
% Inflation Rate	240%	30%	2.9%	7.4%	6.7%
Domestic Savings Ratio to GDP	-12.6%	4.7%	9.0%	10.8%	NA
Domestic Investment Ratio to GDP	NA	10.4%	14.6%	16.2%	NA

Sources: Ministry of Planning and Economic Development, Bank of Uganda, International Monetary Fund.

Key Characteristics of the Agriculture Sector. Uganda's economy is predominantly agricultural with over 90 percent of the population dependent on subsistence farming and light agro-based industries. Favorable conditions for agriculture (e.g., good soils, topography and climate) support a wide range of food crops, in addition to the major cash crops of coffee, cotton, tea and tobacco. Agricultural output comes almost exclusively from smallholders, 80% of whom have fewer than five hectares of land (World Bank Country Study, 1993). Approximately 16 million people (80% of the population) are engaged in crop production. The average size of agricultural holding is estimated to be approximately 1.6 hectares.

About 5,291,000 hectares are estimated to be owned by individual households. This includes agricultural and non-agricultural land that is legally owned. Of the 5,291,000 hectares, 3,981,000 hectares (76%) is cultivable land. Approximately 20% (1.0 million hectares) of the 5.2 million owned hectares are leased to others.[3]

Current Economic Conditions (1996/97). Growth of per capita GDP has been remarkable, rising from $170 in 1992 to $270 in 1996/97 fiscal year. During the fiscal year 1996/97, the Uganda economy is estimated to have grown by 5% per annum, a lower rate than in the previous four years, and also below the average for the last decade of 6.5% per annum. The factor that had the largest

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[3] The land tenure systems in Uganda are extremely complex since they are a mix of traditional practice, colonial regulations, and post-colonial legislation.

negative influence on GDP growth was the prolonged dry weather conditions that led to a significant drop in food crops.

Although the unfavorable weather conditions had a negative impact on the production of food crops, this was not the case with cash crops which registered a growth of 14.2% in 1996/97. Cash crops were not as affected by the drought conditions as food crops because the bulk of Uganda's cash crops (coffee and tea) are perennial, and the dry spell coincided with the end of the season for cash crops. Nevertheless, cash crop growth was lower than the growth in the previous year.

During 1996/97, total agricultural output accounted for 45% of GDP (Table 2) as compared to 57% in 1987/88. The services sector (which included the buying and selling of goods and services) represented the second largest contribution to GDP (18%). The manufacturing sector accounted for approximately 8% of total economic output in 1996/97 as compared to 5.8% in 1987/88. The main contributory product groups to this sector were drinks and tobacco, food processing, textiles and clothing, and chemicals, paint and soap. Construction (mainly rehabilitation investments in the public sector and new investments in residential buildings) accounted for 8% of total economic output in 1996/97. Contributions to 1996/97 GDP from other sectors were all less than 20% and did not vary much from previous years. The "other" sector included categories such as hotels, mining, public utilities and handicrafts.

Table 2.   Sector Contributions to 1996/97 GDP

Sector	% Contribution to GDP
Agriculture	45%
Services	18%
Manufacturing	8%
Construction	8%
Transport	5%
Other	16%

Source: Ministry of Planning and Economic Development
1997/98 Background to the Budget.

Current government revenue for 1996/97 was 10.6% lower than the budget estimate. However, in spite of this shortfall and accompanying pressures to finance extra-budgetary expenditures (e.g. implementation of Universal Primary Education), government expenditure (recurrent, development, and net lending) was contained within the provisions of the overall macroeconomic framework. Fiscal measures (e.g. issuance of Treasury Bills) have played a key role in the maintenance of macroeconomic stability, by keeping inflation low and the exchange rate stable.

Uganda's financial sector emerged from the civil war period of the 1970s-1980s barely solvent. By the 1990s, there were foreign as well as indigenous commercial banks operating in the country. The presence of private banks has increased competition and, consequently, has improved services in recent years for individuals and businesses residing in Kampala. (The majority of banks continue to

only operate offices in Kampala.) In addition to these commercial banks, non-bank financial institutions (e.g., insurance companies and economic development agencies such as FINCA, FOCCAS, PRIDE) are also operating. Non-bank financial institutions are playing an increasing role in providing financial services to low-income micro-entrepreneurs who have not previously had access to formal commercial banks. These non-bank financial institutions constitute the semi-formal financial market which has characteristics of both the formal (e.g., commercial banks) and semi-formal (e.g., indigenous rotating and savings associations) financial markets. This type of financial reform has both broadened and deepened access to financial services in Uganda.

The real interest rate on savings deposits during 1996/97 remained negative (-3.8%). Despite negative real interest rates, the political and economic stability of the nation encouraged the public to continue to increase deposits in savings accounts. The domestic savings ratio increased to 10.8% in 1995/96. However, if Uganda is to reduce its reliance on international donor aid it needs to increase this ratio. This places a premium on the development of the Uganda financial sector, as the key to higher savings rates is an efficient financial system capable of mobilizing small savings amounts from a large proportion of the population.

Banks' lending rates remained above 20.0% per annum during the year, much higher than the average inflation rate of 6.7% per annum for 1996/97. The large margin on lending rates over savings deposit rates reflects the continued fragile state of the financial sector and the lack of competition in that sector.

Uganda Civil Service employment has been decreasing from an average of 201,585 paid workers per month in 1993 to 147,015 workers in 1996 according to government payroll statistics. This has been a result of civil service institutional reform aimed at achieving a more cost-effective civil service capable of rewarding high performing civil servants using a system based on merit. The employment rate in the private sector is estimated to be about 2.5 million in the manufacturing, commerce and services sectors.

Implication of AIDS. AIDS has been at the epicenter of social, economic and political life in Uganda over the past decade and jeopardizes the progress Uganda has recently made in economic and social development. The Government of Uganda has taken a proactive stance and is making strides in its war against AIDS. Working with a number of organizations, notably USAID, a wide range of innovative projects have been implemented to prevent new HIV infections and respond to the social- and family-level impacts of AIDS. Family-level impacts include increased financial expenditures on health, loss of income earners, and care of children who have lost one or both parents, whereas the social impacts include a relatively high death rate among the educated elite and a shortage of drugs and hospital beds. The prevalence of HIV/AIDS is considered to be relatively high in two of the three baseline study sites: Kampala and Masaka districts.

There is increasing evidence, however, that HIV prevalence is declining, especially among young women. The declines are particularly evident among pregnant women aged 15 to 19, among whom the HIV prevalence rate of 26% in 1992 declined to 8% in 1997. Declines are also observed in women aged 20-24 (USAID, 1998 a and b).

Poverty Eradication Policy and Strategies for 1996/97-1998/99. In order to increase domestic savings and raise per capita income the Ugandan government has launched a Government Poverty

Eradication Plan which identifies key sectors to be given priority in allocation of government resources to reduce the incidence of poverty. These key sectors are:

infrastructure development, particularly road maintenance for access by the rural poor to markets;
agricultural modernization to meet rising food requirements and to generate foreign exchange earnings and improve rural household incomes;
social sector development particularly as related to primary education and health care; and
promotion of private sector development.

Related to the promotion of private sector development is the development of micro and small-scale enterprises (MSEs) which offers one of the most promising means of eradicating poverty in Uganda. A national survey of MSEs commissioned by USAID in 1995 established that 22% of all households in Uganda engage in some kind of business activity (Impact Associates, 1995). These activities in turn employ about 29% of the country's labor force. The MSE sector is also important because 27% of the households who own businesses depend on these businesses for all of their income. An additional 33% of households receive half or more of their income from these businesses.

A major hindrance to the development of MSEs is the lack of financial services available to them. According to the *1997/98 Background to the Budget,* the Government of Uganda is seeking to address this problem by promoting the growth of microfinance institutions (MFIs) to provide credit and other financial services on terms and conditions accessible to the poor. The microfinance institutions studied in this baseline survey are examples of non-governmental organizations providing financial services to rural and urban microentrepreneurs.

B. Profile of Study Sites: Kampala, Masaka, and Mbale Districts

The baseline study was conducted in three districts: Kampala, Masaka, and Mbale.   Study sites in Kampala were located in urban and periurban areas. In Masaka respondents were interviewed in urban, peri-urban, and peripheral rural areas. Mbale respondents were all located in rural areas. Basic information about the districts where the baseline study was conducted is presented in Table 3 and Table 4. Following these tables a more detailed profile of each district is presented.

Table 3.   Demographic Information on Study Site Districts

District	Population Size (in 000s)	Urban Population as % of District Population	Average Household Size	% Female Headed Households
Kampala	774.2	100%	4.0	31%
Masaka	838.7	9.2%	4.4	32%
Mbale	710.9	8.5%	4.5	24%

Source: 1991 Population & Housing Census

Table 4. Socio-Economic Information on Study Site Districts

District	Main Income Sources by % Households				Tenure Status of Residences		% Households with Electricity
	Subsistence Farming	Trade	Employment	Family Support	Owner Occupied	Rented	
Kampala	2%	23%	58%	10%	18%	72%	42%
Masaka	67%	11%	11%	10%	77%	16%	6%
Mbale	75%	7%	8%	8%	89%	9%	4%

Source: 1991 Population & Housing Census
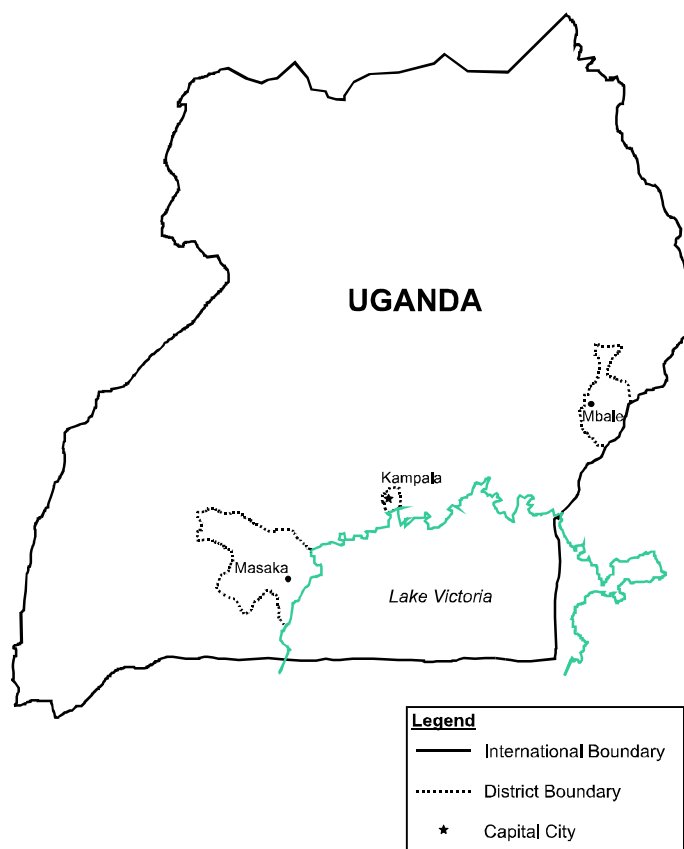
Map 1. Uganda and Study Sites

Kampala District

Geographic Context. Kampala District is situated in southern Uganda about 45 km. north of the equator on the shoreline of Lake Victoria. It has a moderate climate with temperatures varying between 10-32ºC and an average annual rainfall of 120-150 centimeters. The district is entirely surrounded by a rich hinterland with reliable rainfall.

Demographic Description. The population of the district has been growing at a fast rate. Rural-urban migration has been identified as the major contributory factor of the rapid increase in population. Kampala has developed into a cosmopolitan city where all the ethnic groups in Uganda are represented apart from the indigenous people of the region, the Baganda. Intra-city migration is also very high.

According to the 1991 Population Census, the population of the district is 774,241 and was projected to be 902,900 by the year 2000. Kampala has the highest population density among the districts of Uganda at 4,581 persons per square kilometer according to the 1991 census. Female-headed households are estimated to represent approximately 33 percent of all Kampala households in the mid-1990s.

Local Economic Context. Kampala District is Uganda's major commercial center and serves as an important marketing, processing and distribution center for agricultural products. The rural-urban

linkages between Kampala and its surrounding districts are critical to its future economic growth in terms of both the formal and informal trading sectors. Kampala's economy is largely cash based.

Due to the numerous political and economic disruptions over the last three decades in Uganda which led to the collapse of formal sector employment, many of Kampala's residents have found it increasingly difficult to meet their subsistence needs. Retrenched government employees as well as those who are employed but not earning a living wage are forced to engage in numerous income-generating activities to provide household necessities. The diversification of business activities has resulted in a dramatic increase in urban women's participation in income-generating activities. This is particularly noticeable in those households headed by women.

According to the 1991 census formal employment was the principal source of household income for 59% of all Kampala households. Almost one-quarter of Kampala households depended on trade as their principal source of income. Other principal sources of household income included family support, subsistence farming, and crop farming (Table 4).

Informal Sector. The informal sector activities are located both in commercial centers and in residential/trading areas. The rapid development of the informal economy is cited as a major challenge to the planning and administration of the district. A demographic survey undertaken in 1989 revealed that informal activities were undertaken by almost all households and that the people primarily employed in the informal sector were concentrated in trade and services. Informal sector activities are estimated to generate about 80% of Kampala's current industrial production. These business activities occur outside the formal market areas for several reasons: lack of space in formal markets; unaffordability of market stalls by poor entrepreneurs; necessity of locating services close to the customer; and women combining productive and reproductive roles by working in close proximity to or within their homes. One of the major constraints facing informal sector activities is their underevaluation by the city council authorities which leads to insufficient provision of infrastructure and utility services in most of the areas where informal sector activities occur.

Access to Financial Institutions. Although all of the commercial banks operating in Uganda have branches in Kampala, the majority of the urban poor do not access these banks because they do not meet the requirements to obtain financial services. The urban poor often lack the required collateral or financial history to obtain credit, and their saved amounts are too small to open savings accounts. For example, a house built and owned on an untitled piece of land (a common practice among the urban poor) cannot be used as collateral to secure a commercial bank loan.

Masaka District

Geographic Context. Masaka District lies along Lake Victoria southwest of Kampala District. The landscape and topography in general is rolling and undulating with vertical gully heads, valley bottom swamps including stream flows to rivers and lakes. The rainfall pattern is bimodal having two rain seasons with dry spells in between July and August as well as January and March.

Demographic Description. Masaka's population in a mixture of Baganda, Banyankore, Banyoro, Banyarwanda and, to a limited extent, Barundi peoples. The total population of Masaka District, according to 1991 population and housing census, is 838,736. It is projected to increase to 1,061,000 people by the year 2000. The population density in 1991 was 151.6 persons per square kilometer.

Masaka District is one of the districts worst hit by the AIDS/HIV epidemic. As indicated earlier, this is likely to have a far-reaching demographic impact not only on the health status and longevity of the population but also on the human, economic and social fabric of the society (e.g. weakening of the social support system for the vulnerable population). Households are currently responsible, and will continue to be responsible, for feeding, clothing and educating additional family members from AIDS-devastated households.

Economic Context. The economy of Masaka District is based on farming, with coffee and matoke (plantains) as the traditional cash and food crops, respectively. Subsistence farming, as a main source of livelihood, accounts for 67% of the households. Trade, employment, family support, and commercial farming are the other main sources of household income (Table 4). The district has over 15 trading centres located along highways in various areas.

The local economy of the district has been described as an economy in decline, according to the Integrated District Development Plan 1996/97 - 2000/01. Factors that have contributed to this decline include the long-term migration of skilled people from Masaka to Kampala and improved transportation linkages with Kampala which have enabled traders to purchase goods directly from Kampala-based importers or industries.

Mbale District

Geographic Description. Located in eastern Uganda, Mbale District is 2560 square kilometer. The district borders Kenya to the east. Mbale District has a wide variety of scenery and topography. The terrain ranges from small areas of tropical bushes and plains lying at 1200 meters above sea level to the dominant mass of Mt. Elgon at 4700 meters above sea level. Mbale District is the home of Mt. Elgon National Park which has been established to conserve the forest in order to stabilize water catchment areas. Mbale District has a climate conducive to agricultural production with rainfall generally spread throughout the year, reaching up to 1,191 mm. per annum.

Demographic Description. Mbale District has a population of 710,980 people (650,682 rural and 60,298 urban dwellers) according to the 1991 population census. With a density of 284 persons per square kilometer, the district ranks fourth in Uganda in terms of density after Kampala, Jinja, and Kisoro. The population is mainly comprised of the Bagisu tribe with a mixture of other tribes also present.

The Local Economic Context. The dominant economic activities are agriculture, trade and manufacturing. Tourism is also becoming important, linked to Mt. Elgon National Park. The mild coffee known as Bugisu Arabic is grown in mountain areas and is the major foreign exchange earner in the district. A wide range of other crops are grown in the district including cotton, maize, beans, bananas and horticultural crops. Cattle and goats are kept on the plains. Due to the shortage of land, zero grazing is becoming very important. High population coupled with poor farming methods contribute to land fragmentation in the district.

At the household level, according to the 1991 population census, 75% of the households depend on subsistence farming as their principal source of livelihood. Other sources of principal household income include formal employment, family support, and trade and commercial farming (Table 4).

III. MICROFINANCE PROGRAMS

A.   Microfinance Program Characteristics

The three microfinance programs (MFIs) whose clients were selected for inclusion in this study are FOCCAS (Foundation for Credit and Community Assistance, allied with the international NGO Freedom from Hunger), FINCA (Foundation for International Community Assistance, an international NGO), and PRIDE (Promotion of Rural Initiatives and Development Enterprises) Uganda (associated with PRIDE Africa). Clients who were interviewed from these programs for the baseline survey resided in Kampala, Masaka and Mbale districts. The distribution of survey client respondents among three microfinance programs in three districts represents an intentional effort to capture data from a spectrum of microentrepreneurs representative of the diversity of businesses and living conditions in Uganda.

The mission of these organizations varies. FOCCAS promotes self-help programs to enhance the economic productivity and family health and nutrition of the predominantly rural poor. It provides groups of poor women with credit and savings services for income-generating activities, and provides non-formal education on the topics of health, nutrition, family planning, HIV/AIDS prevention and better business management. Working with solidarity groups, FOCCAS/Uganda integrates practical education into a village banking methodology. The FINCA program is committed to assisting hard working women entrepreneurs who are willing to organize themselves into groups for economic development. FINCA offers a credit and savings scheme called village banking that targets low-income women who are organized in groups. While the FINCA and FOCCAS programs center on women, PRIDE/Uganda has the objective of providing financial services to female and male microentrepreneurs who operate businesses in predominantly urban areas. As part of its programming focus, PRIDE seeks to integrate the individual borrower and saver into the formal financial system by requiring clients to have a savings account with a commercial bank.

These three MFIs were chosen because each has demonstrated use of "best practices," a constellation of recognized practices which the most successful MFIs employ worldwide. The best practices common among these three MFIs include: the formation of a credit group consisting of individual members each of whom owns and operates a business that produces at least a weekly cash flow, the entire group's guarantee of the loan made to each member of the group, the use of an interest rate that supports the administrative costs of the MFI (sustainability), a mandatory savings requirement, a weekly mandatory group meeting for loan repayment, a demonstrated high rate of repayment (close to 100%), and the ability of the program to serve (either currently or in the future) significant numbers of individuals.[4] Additionally, each of these programs has operated a successful microfinance program in Uganda or elsewhere in Africa. The characteristics of the three programs are compared in table 5.

FOCCAS is the most recently established of these three MFIs and has the most rural clientele. It commenced lending late in 1996 and by December of 1997 had 3,297 borrower and savers. FOCCAS

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[4] Although more than sixty MFIs were registered in mid-1997 with a USAID project offering training and other support for organizations lending to microentrepreneurs, only a handful of them consistently employed best practices at that time.

operates almost exclusively in the rural areas of two adjacent districts, Mbale and Tororo. For this baseline study only Mbale residents were selected as survey respondents.

At the time of the survey FINCA, which began working in Uganda in 1992, had operations in nine districts, servicing more than 10,000 individual clients. This study surveyed FINCA clients in Kampala, in areas ranging from densely settled poor urban neighborhoods to peri-urban settings, and also in Masaka District, where the clients were situated in the urban center of Masaka town, in commercial areas along the main road from Kampala to the southwest, and in villages and rural areas extending up to ten kilometers outside the town. In addition to the geographic differences between the Kampala and Masaka FINCA clients, the Kampala clients were more likely to be experienced MFI participants. The Kampala respondents belonged to groups who had been borrowing and saving for at least three months, some more than a year. Since FINCA's presence in Masaka was quite new, virtually all the Masaka clients were working with their first loan.

While PRIDE operated in six districts at the time of the survey, its operation in Masaka was new and all but a handful of the PRIDE clients were also working with their first loan. PRIDE initiated its lending programs in Uganda early in 1996 and had 3,283 borrowers, about the same number as FOCCAS, by December of 1997. PRIDE had also registered more than 2,300 additional clients as savers who were poised to become borrowers within weeks of the conclusion of the survey.

Gender. The three programs have several characteristics in common but also differ in ways that may influence the profile of the client who joins and the group dynamic. The most obvious distinction is that PRIDE offers membership to both men and women, while FINCA and FOCCAS provide credit and savings for women only.

Urban/Rural Location of Program. FINCA operates in urban and peri-urban settings, although some of its clients may come from contiguous rural areas, particularly in Masaka. PRIDE offices are located in urban areas and potential clients are supposed to operate businesses within 5 kilometers of a PRIDE office. FOCCAS, by contrast, is a highly rural operation.

Client Selection and Group Formation. The client selection and group formation processes differ somewhat among the three programs. FINCA operates on a "village bank" model, seeking to register thirty or more women in each "bank." Each member of the group guarantees the repayment of all funds borrowed by their village bank. Approximately eighty percent of FINCA's village banks were formed from existing women's groups, whose purpose may have been educational, economic, cultural or purely social. While this pre-existing relationship bodes well for the group's dynamic, the fact that the women did not come together to secure credit may be reflected in the success of their respective businesses or their willingness to continue over a longer time period in a credit and savings program.

Following an evaluation of a local community's credit needs and health awareness standards, FOCCAS meets with local leaders, then the community at large and finally with interested women. Women who wish to participate organize themselves into "solidarity groups," which consist of four to seven women who know each other well enough to guarantee the others' loan payments. Solidarity groups are then organized into "credit associations." FOCCAS anticipated 36 women per association, but given the high demand the average membership size is 42 women, and the largest 52. While the solidarity group guarantees the loans of its individual members, the credit association provides a second guarantee if the solidarity group fails to honor the loans.

Table 5.   Comparison of the Program Characteristics of FINCA, FOCCAS and PRIDE

	FINCA	FOCCAS	PRIDE
Uganda Startup Date	1992	1996	1996
Uganda Clients as of 12/97	10,429 borrowers/savers	3,297 borrowers 3,507 savers	3,283 borrowers 5,662 savers
District(s) surveyed	Kampala Masaka	Mbale	Masaka
Size of initial loan (US$)	$44 rural $66 periurban $88 urban	Up to $44	Up to $132
Subsequent loans	Equal to first loan plus savings Max. of $528	50% increase over last loan, assuming savings is at least 5% of new loan	Progressive from 2nd through 6th, $176 to $704
Payment schedule	Weekly, beginning one week following receipt of funds	Weekly, beginning one week following receipt of funds	Weekly, beginning one week following receipt of funds
Savings program	Weekly; the group banks mandatory and voluntary savings	Weekly: the group banks mandatory and voluntary savings	Loan Insurance Funds collected by PRIDE ------ Members save in own bank accounts
Gender	Women	Women	37% men 63% women
Group structure	Village bank, ranging from 22 to 45 individuals	Credit Association (average of 42 persons) consisting of several 4-7 member solidarity groups	50 member Market Enterprise Committee (MEC) consists of 10 5-person Economic Groups (EG)

Source: Interviews with PRIDE, FOCCAS, FINCA personnel, July and November 1997, and February 1998; and PRESTO report to USAID/Uganda, March 1998.

PRIDE clients are recruited and meet at a PRIDE office located near the urban center. Pre-site selection research by PRIDE personnel confirms that there are at least 2,500 microentrepreneurs, both men and women, within 5 kilometers of each PRIDE office. PRIDE clients self-select to form Economic Groups (EGs) which are composed of five microentrepreneurs who guarantee each other's loans. Ten EGs form a Market Enterprise Committee (MEC) which provides the second guarantee for each loan. All MECs include 10 EGs. If a member drops out of an EG a replacement is sought to keep the EG membership at five and the MEC membership at fifty.

In both FINCA and FOCCAS the credit officer or field agent assigned to each client group travels to meet with the group at a location chosen for the group's convenience, providing access to those for whom distance might otherwise be an insurmountable obstacle. FOCCAS staff may travel up to

30 kilometers (the majority of the distance on unpaved roads) to meet with their clients. PRIDE clients meet at the PRIDE office for meetings.

Training. Once the group's members are identified, all three programs conduct training for each individual credit group for up to eight weeks (FINCA and FOCCAS train for five, PRIDE for eight) at mandatory weekly meetings. All three teach elementary banking, bookkeeping and credit principles, and impart the rules that govern the program.

In each program self-management is expected. Group officers (e.g., chair, secretary, treasurer) are selected by group members. In FOCCAS and PRIDE the solidarity group and EG also choose officers. In all three programs the members are expected to identify and qualify the individual businesses that will generate the cash flow necessary to repay the loan. Each group establishes its own bylaws and disciplinary rules, usually imposing fines or restricting future borrowing privileges for those who do not comply.

During each week of training all three MFIs collect from each potential borrower a mandatory refundable payment, identified as "savings" by FINCA and FOCCAS, but as "Loan Insurance Funds" (LIF) by PRIDE. Each FINCA and FOCCAS group establishes an account at a local bank. These savings are deposited in the bank account of the FINCA or FOCCAS *group*. The LIF is forwarded to PRIDE's central office and is returned when the client leaves the program.

Loan Terms and Savings. Clients of all three programs are required to repay the loan in flat weekly payments, beginning one week after the loan is received. At the time of the weekly banking meeting, all three programs require their clients to add a specified amount to their mandatory savings or LIF. FINCA and FOCCAS clients are encouraged to add voluntary savings to this payment. PRIDE clients are encouraged to save in their individual commercial bank accounts.

The initial loan size varies from $44 for FOCCAS clients to $132 for PRIDE clients.[5] Depending on client location FINCA initial loan sizes vary from $44 to $88. Stated interest rates vary from PRIDE's 30% flat annual rate to the 12% per 16 week loan cycle rate charged by the FOCCAS and FINCA programs. All three programs calculate the interest on the amount of the original loan, not on the declining balance. This method of interest rate calculation results in effective annual interest rates ranging from 66% to 77% per annum.

The repayment period for FINCA and FOCCAS loans is 16 weeks. In comparison, the period is 26 weeks for the first loan, building to a year for larger loans from PRIDE. FINCA and FOCCAS do not permit further loans to a group until the specified loan payback period expires and until the loans to all group members have been repaid. The maximum amount of subsequent loans is significantly higher under the PRIDE program (see table 5).

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[5] The initial loan amounts for each of the three programs was 50,000 Uganda shillings for FOCCAS clients, 150,000 Uganda shillings for PRIDE clients, and 50,000 to 100,000 for FINCA clients. All currency amounts have been converted to US dollars for reader comprehension. The exchange rate used was 1137 Uganda shillings per US1.00.

B.   Individual Program Distinctions

FINCA. FINCA village banks receive a lump sum loan from FINCA, which they distribute among themselves consistent with the rules governing loan size (Table 5). After 16 weeks (or when all individual loans and the group loan have been repaid) the village bank can receive and distribute another loan. Because no member can move to the next borrowing cycle until all members have repaid their respective loans, each woman's ability to borrow and the timing of her loans are a function of the entire group's conduct and creditworthiness.

A feature unique to FINCA among the three MFIs whose clients were surveyed is that the size of second and subsequent loans is a function of each individual's ability to save. Each repeat borrower is eligible to borrow an amount equal to her first loan plus the amount of her savings (mandatory and voluntary combined).

Weekly the group's chosen officials conduct the village bank's business, logging loan payments and mandatory and voluntary savings in the "bank's" ledgers and in each woman's individual passbook. The remainder of the meeting's agenda is set by the group, usually focusing on disciplinary problems encountered (e.g., tardiness, absence, nonpayment). Members can be excused from the weekly meetings for personal or family illness or funeral attendance, but they are expected to send their weekly payment with another member. In its training FINCA stresses the importance of voluntary savings, the investment of loan proceeds in each client's business, and the group's responsibility for all repayments.

FOCCAS. While all three MFIs in this survey train their credit groups in the banking skills necessary for credit association management, FOCCAS also provides participatory education in microenterprise development and a weekly learning session on health, nutrition, and family planning based on learning modules. At the weekly meeting of the credit association the women are expected to repeat the lesson learned the previous week through participation in a skit, song or discussion.

As with FINCA, the banking business of the group is conducted by the selected officers. During the weekly meeting each FOCCAS member deposits ten cents in savings and then publicly announces her voluntary savings for the week, while the group applauds. These savings payments and the weekly loan payment are logged in the association's ledger and in each member's individual passbook. In both FOCCAS and FINCA many of the women are neither literate nor numerate, and thus their understanding of the content and meaning of the columns in their books is minimal.

Similar to FINCA, the group's cumulative loan and savings payments are deposited in the group's account at a local bank. At the end of a 16 week cycle, both the principal and interest are returned to FOCCAS. After the first loan cycle, each member may increase the size of her loan by 50% more than the preceding loan, assuming that her savings are equal to 5% of the loan request, that the group's aggregate request is supported by cumulative savings of 5%, and that the group as a whole approves the new loan. Field agents are available to assist during the business portion of the weekly meetings, and they are also responsible for delivery of the health and business training.

PRIDE. PRIDE differs from the other two MFIs in several respects. While PRIDE groups review and confirm the viability of the businesses of their members, guarantee each member's loan, and participate in mandatory weekly group meetings for banking purposes, PRIDE otherwise fosters

individual rather than group reliance. During the training period each client is required to open a bank account with a local commercial bank if they do not already have one. Members' loans are distributed directly into these accounts. Neither the EG nor the MEC maintains a bank account.

Distribution of loans within the EG is staggered; following the training period two members of each EG receive their first loans, four weeks later two more, and finally the chairperson receives his/her loan. The repayment period for the first loan of $132 is 25 weeks. After the initial loan is repaid, PRIDE has a progressive schedule for second and subsequent loans (e.g., $176 over 30 weeks; $308 over 40 weeks etc.). Any client may prepay a loan at any time and then secure a larger loan, assuming the group and ultimately the credit officer approves. Prepayment, however, includes all interest as originally calculated and all LIF payments. Thus, the only motive for prepayment is the acquisition of a larger loan.

Each PRIDE client deposits $1.32 weekly into the Loan Insurance Fund, both before receiving a loan and during the repayment period. This assures that, by the time of the second loan and thereafter, PRIDE will have at least 25% of the loan amount in LIF. The LIF is returned to the client when she/he leaves PRIDE. A ten per cent "bonus" is paid when the LIF is returned if the client has been with PRIDE for more than one year. PRIDE strongly encourages its members to build up savings in their individual commercial bank savings accounts, but does not require the reporting of these savings to PRIDE.

Weekly PRIDE meetings focus on banking activities. One officer from each EG conducts the EGs weekly transactions with the MEC officers. This procedure forces the EG to keep all members current. Delinquencies are not allowed at the MEC level.

C.   Financial Overview of the Programs

A financial overview for each of the programs is provided in tables 6, 7 and 8. The information covers lending activities, such as number and balance of loans outstanding, interest rates and fees, client revenues, expenditures and financial ratios. Multi-year data for the FINCA and PRIDE programs reveal significant growth in these programs.

Table 6.   Financial Overview — FINCA/UGANDA
   (in Uganda Shillings 000s)

	Activities	Aug-95	Aug-96	Aug-97
1	Balance of loans outstanding, start of year	50,837	101,827	216,733
2	Balance of loans outstanding, end of year	101,827	216,733	565,235
3	Average balance of loans outstanding ((1+2)/2))	76,332	159,280	390,984
4	Number of loans outstanding, end of year	1,289	3,324	8,473
5	Average loan outstanding (line 2/line 4)	79	65	67
6	Balance of savings, end of year	98,714	240,541	488,146
7	Number of individual voluntary savings, end of year	1,289	3,324	8,473
Interest Rates & Fees		**Aug-95**	**Aug-96**	**Aug-97**
8	Nominal Interest rate (monthly flat %)	3%	3%	3%
9	Affiliation fee (% of disbursement paid at disbursement)	1%	1%	1%
10	Term of loan (length of Village Bank cycle in weeks)	16	16	16
11	Number of payments from Village Banks to FINCA in 1 cycle (monthly)	4	4	4
12	Number of payments from clients to Village Bank in 1 cycle (weeks)	16	16	16
13	90-Day Treasury Bill Rate	10%	11%	13%
Client Revenues		**Aug-95**	**Aug-96**	**Aug-97**
14	Total interest and fee income	40,539	93,215	213,833
Expenses		**Aug-95**	**Aug-96**	**Aug-97**
15	Salaries and administration	68,331	102,025	277,993
16	Depreciation of fixed assets	2,247	9,309	13,460
17	Loan losses	696	--	62
18	Total non-financial expenses (11+12+13)	71,274	111,334	291,515
19	Adjusted financial expenses (3*9)	7,633	16,884	49,264
20	Total adjusted expenses (14+15)	78,907	128,218	340,779
Ratios		**Aug-95**	**Aug-96**	**Aug-97**
21	Delinquency	0%	0%	0%
22	Loan loss rate (13/3)	0.9%	0.0%	0.0%
23	Operational self-sufficiency (10/14)	57%	84%	73%
24	Financial self-sufficiency (10/16)	51%	73%	63%

Table 7.   Financial Overview — FOCCAS/UGANDA
Credit with Education (in Uganda Shillings 000s)

	Activities	1997 Actual*
1	Amount of loans outstanding, start of year	--
2	Amount of loans outstanding, end of year	126,420
3	Average amount of loans outstanding	63,210
4a	Number of Credit Association loans outstanding, end of year	63
4b	Number of CwE Borrowers, end of year	2,488
5	Average loan size, end of year	51
6	Balance of voluntary savings or deposits, end of year**	--
7	Number of voluntary savings or deposit accounts, end of year**	--
	Interest Rates	
8	Interest Rate and Fees	36%
9	90-day Treasury Bill Rate (est.)	10.0%
	Client Revenues	
10	Interest and fee income from clients	5,851
	Expenses	
11	Salaries and Administration	121,274
12	Depreciation of fixed assets	12,815
13	Loan Loss Charge	--
14	Total non-financial expenses (sum of lines 11, 12 and 13)	134,089
15	Adjusted financial expenses (line 3 times line 9)	6,321
16	Total adjusted expenses (sum of lines 14 and 15)	140,410
	Ratios	
17	Delinquency rate	0.0%
18	Long-run loss rate (line 13 divided by line 3)	0.0%
19	Operational self-sufficiency ratio (line 10 divided by line 14)	4.4%
20	Financial self-sufficiency ratio (line 10 divided by line 16)	4.2%

*   1997 was the first year of *Credit with Education operations* in Uganda.
**   Savings are not held by FOCCAS/Uganda.

Table 8.   Financial Overview — PRIDE/UGANDA
(in Uganda Shillings 000s)

	Activities	1995	1996	1997 Provisional
1	Amount of loans outstanding, start of year	0	0	25,500,000
2	Amount of loans outstanding, end of year	0	25,500,000	468,000,000
3	Average amount of loans outstanding ((1+2)/2))	0	12,750,000	246,750,000
4	Number of loans outstanding, end of year	0	211	3,700
5	Average loan size		120,853	126,486
6	Delinquency rate %	0.0%	0.0%	0.0%
7	Long run loss rate %	0.0%	0.0%	27%
	Interest Rates & Fees	**1995**	**1996**	**1997**
8	Nominal Interest rate %		30%	30%
9	Local Interbank Interest rate %		25%	23%
10	Inflation rate %		7%	10%
	Client Revenues	**1995**	**1996**	**1997**
11	Interest income from clients	0	8,757,885	77,277,340
12	Fee income from clients	0	2,849,700	37,834,440
13	Total client revenue	0	11,807,388	116,110,780
14	Non-financial expenses	58,478,883	100,954,783	590,477,655
15	Depreciation of fixed assets	0	0	10,950,000
16	Loan loss provision	0	0	657,000
17	Total non-financial expenses	58,478,883	100,954,783	602,084,635
18	Adjusted financial expenses	0	3,187,500	56,752,500
19	Total expenses	58,478,883	104,142,283	658,837,155
20	Return on operations %		11.15%	17.47%
21	Exchange rate: beginning of year US $1.00 =	1,200	1,045	1,020
22	Exchange rate: end of year US $1.00 =	1,045	1,020	1,170

IV. METHODOLOGY

A.   Sampling Plan

The sampling plan called for surveying clients of three microfinance programs and three comparison groups of non-clients.[6] Further, the plan called for sampling in three different geographic areas of Uganda (Mbale, Masaka, and Kampala) in order to provide information from rural, urban and metropolitan areas. In Masaka, clients from two programs were surveyed as well as a comparison group, allowing for some cross-program comparisons.

The sampling methodologies varied by area and client status, however, in all cases a form of random sampling was undertaken. For clients, random samples were taken from the client records of the microfinance institutions. Time of the most recent loan was used as a sampling factor to achieve consistency in Mbale. In Masaka, as both lending programs were new to the area, a random sample of new clients were surveyed. In Kampala, the sampling frame was guided by selecting only clients from Kampala District and for whom group maps were available. Time of the most recent loan was also used as a sampling factor to achieve consistency in Kampala. In all client samples a large group of alternates was selected in case initially selected clients could not be interviewed.

Two selection methods were used to help identify the non-client sample In both Kampala and Masaka, a "random walking method" which utilized spatial matching with randomized components was used to draw the non-client sample. In rural Mbale, a Clustered Stratified Systematic Unaligned Random Sample of rural households was utilized. Three key factors were used to help ensure similarity between the non-clients and clients. First, as all clients in Mbale and Kampala are women, the non-client sample was also female. In Masaka, the aim was to have the same proportion of males in the client and non-client samples. Second, the respondents needed to own a microenterprise which generates a weekly or bi-weekly flow of revenue. Third, the enterprise had to be actually operating over the past two months.

During the execution of the sample, adjustments were required due to a number of complicating factors including errors in the lending institutions' client records and severe flooding in Mbale. Due largely to the hard work of the Uganda team and the flexibility built into the sampling design (many alternates), the resultant sample retains the qualities of high rigor based on random selection.

The breakdown by location and gender of the respondents is shown in Table 9. The resultant numbers show an excellent match with the sample sizes targeted in the sampling plan--they are exact in Kampala, off by no more than one in Masaka, and over target in Mbale.

At the time of the survey, the Kampala respondents, who operate businesses in urban or peri-urban areas, had been borrowing or saving with FINCA for at least three months, some for more than a year. The highly rural Mbale respondents had been FOCCAS clients for four to eight months when surveyed. Virtually all of the PRIDE and FINCA respondents in Masaka were working with their first loans. Both groups' clients were spread throughout Masaka town; FINCA clients were also found in the peri-urban and contiguous rural areas.

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[6] The detailed sampling plan is contained in the Research Plan in Volume 2 of this baseline report.

Table 9.   Location and Gender of Respondents

	Clients		Non-clients		TOTAL	
Location	**Female**	**Male**	**Female**	**Male**	**Female**	**Male**
Masaka	314	45	196	45	510	90
Kampala	180	0	180	0	360	0
Mbale	191	0	181	0	372	0
Total	685	45	557	45	1,242	90

B.   Questionnaire Design

The design of the questionnaire involved a series of steps. First, an initial set of hypotheses, variables and measures was drawn up based on the results of previous assessments of the impacts of microfinance programs. Lessons learned in finalizing the questionnaire for an AIMS impact assessment in Zimbabwe were also taken into account. A field visit to Uganda was undertaken September 1-20, 1997 by the MSI/AIMS consultant to develop the research design and draft the questionnaire.

Second, exploratory interviews were conducted with microentrepreneurs in Masaka, Mbale and Kampala, and the leaders of two loan groups in Kampala. Key informant discussions were held with the USAID WorldWID Fellow and microfinance program officers and staff. In addition, information was gathered on the strategies of the microfinance programs to be studied and from key documents and reports (including microfinance program documents). The program strategies and transaction costs, program clientele and different economic contexts of the areas to be studied influenced the selection of hypotheses and the variables by which to assess these. In addition, documents from the Statistics Department and the Ministry of Planning and Economic Development were utilized. Included in these studies was the Uganda National Household Survey 1996/1997 as well as previous household surveys. All of these sources helped shape the selection of the hypotheses, variables and measures that were reflected in an initial draft of the questionnaire which was pre-tested.

Third, a pilot test of the instrument, the conduct of focus groups and discussions among the MISR team, the USAID WorldWID Fellow and the MSI/AIMS consultant led to further questionnaire revisions. A pilot test was carried out by the MSI/AIMS consultant and the MISR team in Masaka, Mbale and Kampala; the number of interviews in each site varied from three to eight. In addition, two focus groups were held with members of one loan group in Kampala to learn more about possible areas of impact. During this phase, attention was given to including only questions which yielded the most reliable responses, and to inclusion of more questions related to gender relations. The former led to eliminating several questions related to the amount of money spent or earned. A request by USAID/Uganda to include questions on agriculture linkages resulted in further revisions to the questionnaire.

Fourth, the questionnaire was translated into Luganda and then back-translated for quality control. The questionnaire was also translated into Lugishu. The English and Luganda versions were used during the one-week training of enumerators. The enumerator training session, which involved mock interviews and a day of interviewing microentrepreneurs, led to further refinements in the questionnaire.

C.   Data Collection

Training of Enumerators. MISR retained fifteen experienced enumerators who were trained by MSI and the MISR survey team during the week of October 27, 1997. In addition, the USAID WorldWID Fellow and the Director of MISR each provided a segment of the training.

Training included the provision of information about microfinance and the three MFI programs involved in the survey, a review of interview techniques, a detailed explanation of the questionnaires, the conduct of mock interviews, field administration of the questionnaires, and discussion of issues and problems identified in administering the questionnaires.

Translation. The enumerators retained to work in Mbale were native to that district and spoke the local language, Lugishu. All other enumerators were fluent in Luganda, the language most commonly spoken in Kampala and Masaka. Two of the Mbale enumerators translated the questionnaire into Lugishu; the translation was reviewed by a Lugishu speaking senior MISR staff member. The MISR survey team provided the Luganda translation.

Field Work. Field work began the week of November 3, 1997. A team consisting of a field supervisor and several enumerators were assigned to each of the three districts. Four enumerators went to Mbale, seven to Masaka (where clients of two programs were surveyed, resulting in a larger survey population), and four remained in Kampala.

Delays occurred during the first week of work. The approval of district administrators and local officials is required to conduct a survey in Uganda. Those approvals had been sought by USAID prior to November 3. Survey team supervisors seeking to confirm permission experienced delays due to communication problems and ongoing local elections.

Also during the first week, the USAID WorldWID Fellow's review of completed questionnaires and discussion with the three field teams revealed that the instrument was not thoroughly understood by the enumerators and that there were some difficulties with the instrument itself and/or in securing accurate answers from the respondents. The WorldWID Fellow undertook further enumerator training, coaching, and a group review of completed questionnaires exemplary of confusing issues. Data collection issues were summarized in field notes so they could be taken into consideration in data analysis and reporting.

The enumerators interviewed an average of three respondents per day, seven days a week. The interview took at least an hour, frequently an hour and twenty minutes, and occasionally longer. On this schedule the teams in Mbale and Masaka completed the interviews on December 6. Kampala interviews were completed on December 14, due to the loss of an enumerator the first week.

As issues presented themselves they were resolved either by the field supervisor or in collaboration with the WorldWID Fellow, who circulated among the three sites throughout the period of the survey. The WorldWID Fellow also made use of the virtual relationship with the MSI sampling expert when sampling issues arose.

Physically locating the client respondents was difficult in Kampala and Masaka, since neither the MFIs nor the group leaders maintain address lists. In Kampala in particular a group's members might be widely scattered across the urban landscape. Field supervisors resorted to attending the credit group's weekly meeting to secure enough information to locate the sample to be surveyed, despite a desire not to bias the survey by identification with the MFI programs.

In Mbale the enumerators' personal knowledge of the villages facilitated location of the clients to be interviewed, but callbacks were frequently necessitated to speak with the respondent. Except for weather, locating Mbale non-client respondents, who were represented by dots on a topographical map, went well. In Mbale reaching respondents was rendered increasingly difficult as the rainy season took its toll and unprecedented floods washed out roads and bridges. Alternative respondents identified by the previously described random sampling method were substituted as necessary.

Receptivity to participating in the survey varied tremendously. In Mbale both clients and non-clients were receptive and responsive. In Kampala and Masaka clients were more amenable to the interview than non-clients, but some were suspicious that the existence of assets might be conveyed to the MFI program to be used as collateral, or might have tax implications. The reluctance of non-client microentrepreneurs to participate in the survey was particularly pronounced in Kampala. Their reluctance resulted in enumerators having to perform two or three random walks to locate a willing participant. Masaka enumerators experienced similar but less frequent reluctance to participate from non-clients.

D.   Data Coding, Entry and Cleaning

Data Coding. Two experienced data coders were recruited and trained by MISR using the survey questionnaire and the enumerators' guide. A code book was then jointly developed by the MISR statistician and data coders using approximately 10% (130) of the questionnaires. As data entry began while data collection was still ongoing, the code book evolved as new categories were continuously added from the fresh batches of completed questionnaires that were returned from the field.

Since the questionnaire used mostly close-ended questions, the coding process was fairly easy and straightforward, except for the enterprise section where it was difficult to give a distinct code for each and every product because of the vast number of different products (and/or product variations) on the market. This slowed down the coding process considerably given the caution the coders had to exercise to avoid making gross errors. Great care was exercised in coding data on location of the respondents to make certain the respondents could be easily traced for the follow up survey.

Data Entry. Templates for data capturing were designed by MISR's statistician using the Epinfo package. Appropriate error traps and validation routines were inbuilt to ensure that data coding and entry errors were kept to a minimum.

Four experienced data clerks (including the two data coders) were trained to carry out the data entry exercise. As the data coders were also involved in data entry, this helped to ensure the coders did a thorough job of data coding.

The supervisor (statistician) together with the data clerks tested the templates to their satisfaction before the actual data entry exercise started. After data entry, the data were exported to SPSS for cleaning and eventual analysis.

Data Cleaning. Data cleaning and validity checking consisted of numerous checks and cross checks of the data. The major effort consisted of checking the printed data base against the original questionnaires. Initially, printouts of the raw data were made and the data clerks, working in pairs, compared the actual questionnaire entries (question by question and questionnaire by questionnaire) with the print-outs. Corrections, if any, were made on the print-outs and later (on completion of the manual checks) entered into the computer.

Additional checks were made for any inconsistencies that may have trickled through during the coding and data correction exercises. This exercise was undertaken by both the MISR statistician and an MSI consultant using the SPSS software. Further cleaning and validity checks included generating frequency runs of all numerical variables to look for outliers, and then checking those outliers for validity. A final set of runs involved validity checking for logical or illogical pairs. An example of a logical pair would be to check if a respondent was classified as a client of a microfinance program (and by sample definition, had recently received a loan) and whether she/he answered yes to a question on whether they had recently received a loan. An example of an illogical pair (in the Uganda context) would be comparing the gender of the respondent to the gender of the spouse--if both are the same in Uganda, there is likely a data problem. Numerous such checks were run and the data adjusted accordingly.

E.   Statistical Testing

Statistical tests were run to demonstrate statistically significant results that emerged from the baseline study. The statistical tests used were the most appropriate techniques, given the nature of the data. The statistical analyses used were standard tests which primarily looked for differences that exist between either clients or non-clients or between districts. If the data were interval data (from which means can be calculated and variances estimated), independent sample t-tests were used to determine whether difference of means were statistically significant. This was usually the case in the client versus non-client analyses where interval data was encountered. When distinctions between districts were analyzed, a simple one-way analysis of variance (ANOVA) test was used. This ANOVA is the analogy of a t-test when three (districts) versus two (client or non-client) categories were used.

For categorical (nominal) data, chi-square analyses were used, but disaggregated so that locational effects were kept separate from client or non-client effects. To understand chi-square analyses, a simple example is provided below.

> Hypothetically, the health record of populations who have a history of substantial smoking (Smokers) versus their counterparts (Non-smokers), and the relationship of this history to lung cancer (yes or no) is presented in Table 10.

Table 10. Relationship of Smoking History and Cancer Incidence

	Smokers	Non-Smokers	Total
Cancer victim	600	200	800
No cancer	400	800	1,200
Total	1,000	1,000	2,000

Running a chi-square test on the table above will clearly show that there is a statistically significant risk associated with smoking and cancer. The chi-squared statistic incorporates observed and expected values, under the assumption that there will be no difference in percentages of cancer between smokers and non-smokers. When differences do occur, the statistic is able to differentiate whether these differences are likely to be random or whether they are statistically significant.

Chi-square tables were appropriate for analyzing either a client or non-client variable (a nominal or categorical variable) or a district variable (a nominal variable) against another variable for which only a frequency (versus an interval statistic such as a mean) was provided.

V. FINDINGS AND ANALYSES

A.   Introduction

This section presents and analyzes the baseline findings. It addresses two key questions: who is reached by the three microfinance programs and whether clients of these microenterprise programs differ from microentrepreneurs who do not participate. To further understand the responses to these questions, where appropriate, the influence of geographic location and gender are addressed. The following topics are discussed: basic characteristics of respondents and their households, sources of income, uses of income, financial services and loan uses, empowerment, and agricultural sector linkages. Information from a follow-up survey will permit identification of changes that have occurred, and allow a comparison of these changes between client and non-client samples to identify the impacts of program participation.

Respondents live in three districts in Uganda: Masaka, Kampala, and Mbale. Throughout this section the place names of Masaka and Kampala are used to refer to the urban area or its periphery where the respondents reside.   In contrast, the place name Mbale refers specifically to *rural* Mbale as this is where the respondents reside, not in the town or its periphery.

As discussed in the Methodology chapter, the non-client sample was selected from the same neighborhoods as the client samples in Masaka and Kampala and from a random sample of other rural areas of Mbale District.   Microentrepreneurs were excluded from the non-client sample if they had received a loan from a formal organization for an income-generating activity, other than crop production. Those included in the non-client sample *match* the clients on two key variables: gender and owning a business that generates a cash flow on a weekly or bi-weekly basis. The latter is a basic eligibility criteria used by all three of the microfinance programs. Since FINCA and FOCCAS serve women, both the client and non-client samples in Kampala and Mbale are composed solely of women. In Masaka where the PRIDE program serves both men and women, 45 of the randomly selected PRIDE clients were men, so 45 of the non-client sample were men; hence men comprise 13% of the client sample and 19% of the non-client sample. Overall, 6% of the client sample and 7% of the non-client sample are men.

The findings on specific questions were subjected to statistical tests to determine if the distribution found between clients and non-clients and between geographic locations (Kampala/Masaka/rural Mbale) is statistically significant. As explained in the Methodology chapter, the tests indicate whether or not the differences are a significant departure from chance expectation.

B.   Basic Characteristics of Respondents and Their Households

Information on demographic characteristics - age, education and marital status - provides an initial base for understanding who is reached by the three microfinance programs in the study areas and identifying differences between clients and non-clients. Data on respondents' households further illuminate this profile.

Characteristics of Respondents.   The client and non-client respondents differ significantly in average age and highest level of education, but not in terms of marital status (Table 11). The average age of clients is 36 compared to 33 for non-clients. The average level of education for clients is one

year of secondary school and for non-clients seven years of primary school. While most of the respondents are married, 34% of the clients and 40% of the non-clients are single (i.e. divorced, separated, never married, or widowed). Differences between the districts are statistically significant[7]: Masaka has the highest rate of single respondents, while more rural Mbale has the lowest rate of single respondents and the highest rate of those in a polygamous marriage.

Table 11.   Key Characteristics of Respondents and Their Households

Key Characteristic	Clients	Non-Clients	Level of Statistical Significance
Average Age	36 years	33 years	chi^2 @ <.001
Highest Education Level	1 year secondary school	7 years primary school	chi^2@<.001
Monogamous Relationship Polygamous Relationship Single/Divorced/Separated/Widowed	50% 17% 34%	46% 15% 40%	Not statistically significant
Average Household Size	6.57 persons	5.48 persons	t- test @ .0001
Reside on-farm	46%	36%	chi^2 @ .0006

Source: Field Survey Data, 1997.

Size and Composition of Respondent Households. On average client households are significantly larger (6.57 members) than those of non-clients (5.48 members). Client households are also more likely than non-client households to have one member who is not regularly present. The average number of household members regularly present is 5.63 for clients compared with 5.02 for non-clients. The reasons for not being present on a regular basis include living with another partner (polygamous relationships), work demands, and schooling.

On average the households of both groups of respondents contain one child under six years old and two persons who are economically active. Households are often composed of both nuclear and extended family members: 47% of the client and 37% of the non-client households contain grandchildren or relatives of the respondent or respondent's partner.

Respondent as Head of Household. When asked to identify the head of household, about half of the respondents identified themselves as the head of household.   District differences are apparent, however, with the highest rate in Masaka (54%) and the lowest in Mbale (38%). Among Masaka respondents, 51% of the women and 71% of the men stated that they are head of household The next most frequent response from respondents across all three districts was joint head of household with their spouse.

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[7] A chi-square test at the <.001 significance level indicates a statically significant differences between geographic location and marital status.

Location of Residence. Information on location of residence facilitates a better understanding of the data on living conditions, crop and livestock production, and sources of food consumed that are covered in later sections of this report. Clients differ significantly from non-clients in terms of residence: 46% of the clients compared with 36% of the non-clients reside on agricultural land[8]. Major differences appear between districts: about 85% of Mbale respondents compared with less than 5% of the Kampala respondents live on agricultural land. The Masaka sample is more diverse: 45% of clients and 27% of non-clients reside on agricultural land.

Ownership of Property. Information on ownership of the household residence as well as rental units and houses owned elsewhere indicates the property asset base of respondents. A greater proportion of client than non-client households own or are purchasing the place where they live: 61% and 53% respectively.[9] Respondent households are more likely to own dwellings in Masaka (59% of client and 43% of non-client households) and Mbale (92% of client and 88% of non-client households) than in Kampala. Ownership is primarily but not exclusively related to residing on agricultural land; the tenure on this agricultural land is normally based on household rights under the communal land system. Fewer than 15% of respondents own rental units or houses elsewhere.

Living Conditions. Housing structure, amenities and number of rooms used by the household indicate living conditions. Clients and non-clients live in dwellings with similar features, when district is taken into account. The majority of respondents in Masaka and Kampala live in residences with iron sheet roofing and brick walls. Mbale respondents typically have residences with iron sheet roofing but with walls of mud and poles. Fewer than half of the Masaka respondents (44%) have electricity in their residences compared to 59% of the Kampala respondents. (The electricity question was not asked of the rural Mbale respondents because so few households in the pretest and pilot test had access to electricity.) The main source of water among clients and non-clients in Masaka and Mbale is a well or springs. The most common source of water for Kampala respondents is a public tap.

The average number of rooms used by respondent households is three. When taking into account the size of the household (6.57 for clients and 5.48 for non-clients), three rooms indicates a slightly higher number of people per room among the client households.

Consumer Durables. Ownership of consumer durables indicates the standard of living of households and may serve as a proxy indicator of relative wealth (Table 12). More than 90% of respondent households in all districts reported owning mattresses,[10] an indicator used to determine level of extreme poverty. Taking into account that more than one child may sleep on a mattress, the ratio of number of mattresses owned to household members over the age of 9 was calculated. Mbale

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[8]A chi-square test @ .0006 indicates statistically significant differences between clients and non-clients on whether or not they reside on agricultural land.

[9]A chi-square test @<.01 level indicates statistically significant differences between clients and non-clients on the variable % who own or are buying their residence. For this same variable, the chi-square test focused on responses by district reveal statistical significance @<.001, indicating a clear rural/urban distinction.

[10]A question on the number of mattresses in the household was asked because a similar question was included in the national household survey conducted in 1996/97. In the national survey, absence of mattresses is used as an indicator of extreme poverty.

clients and non-clients are the only respondents who recorded a ratio of less than 1 mattress per household member over 9 years of age: .56 for clients and .59 for non-clients.

Table 12.   Percentage of Respondents Owning Specific Consumer Durables

Ownership of Consumer Durables	Clients	Non-Client	Level of Statistical Significance
Mattresses	98%	98%	Not significant
Radios	83%	76%	chi^2 @ .002
Televisions	30%	21%	chi^2 @ .004
Refrigerators	14%	14%	Not significant
Bicycles	39%	28%	chi^2 @.001

Source: Field Survey Data, 1997.

A significantly higher proportion of client compared to non-client households own radios and television sets, but the same proportion own refrigerators (Table 12). Bicycles are the most common type of transport found among respondents. They are more frequently found among respondent households in Masaka and Mbale households than in Kampala. Less than 2% of the respondents own a motorcycle, car, or truck.

Discussion. A profile of client respondents and their households emerges. The average client respondent is 36 years old, has one year of secondary education, is married, and classifies herself as head of household. The household is composed of 6.57 persons, with one person not present on a regular basis. On average two persons are economically active; 70% of the household members are economically dependent. Slightly fewer than half of the client respondents reside on agricultural land. Client dwellings usually have iron sheet roofs and average three rooms. Client respondents differ significantly from non-clients in the following ways: they are likely to be older, have a higher level of education, have more people in their household and to reside on agricultural land.

The baseline data suggest that the clients are not among the extremely poor and neither are they among the wealthier segment of society. Rather, they appear to be among a broad class of working poor. This is suggested by the low proportion of client households with piped water and electricity in their houses, and the low proportion of client households that own vehicles, refrigerators, televisions, and houses or rental units not contiguous with their residence.

The question of wealth or poverty level is directly linked to the question of whether the three programs reach the poor. Ideally this would be addressed by comparing data on clients not only to the non-client respondents but also to household level data from the three districts or a national sample. The results of the Uganda National Household Survey 1996/97, when available from the Ministry of Planning and Economic Development, should permit comparisons on a set of indicators on ownership of assets such as land, livestock, transport and housing, and on living conditions.

The average household size of both respondent groups is much larger than that reported in the 1991 Population and Housing Census (Table 3), which may be a result of different interpretations of the

term "household" or differences in sampling techniques. Also, a higher proportion of the respondent households are female headed than the proportion reported in the census for the same districts. This probably reflects the baseline sample population being restricted to women in Mbale and Kampala and the tendency of female-headed households to engage in microenterprise activities.

C.   Income-Generating Activities and Other Income Sources

Household income can be obtained from a variety of sources: income generating activities, such as wage employment, casual labor, enterprises, crop and livestock sales, and rental property; and transfers and gifts. By definition for inclusion in this study, all respondents have microenterprises which generate a cash flow on a regular basis. The boundaries of an enterprise are defined to include those income-earning activities which operate in the same time and space and/or use the same stock. Income-earning activities which meet this criteria are then classified as a single enterprise.[11]

Household Income Sources. On average slightly more clients (54%) than non-clients (48%) report household income from wages, rental income, and remittances. Overall 69% of respondents have enterprises related to the marketing and production chain of natural resource or agriculture-based products (Table 13).[12] Clients are more likely than non-clients to have received income from these activities. Given their rural characteristics, Mbale respondents are more likely to be involved in these types of activities than either Masaka or Kampala respondents. There are statistically significant differences between clients and non-clients, and between districts, for the variable "natural resource or agriculture-based business activity".[13] The active participation by Kampala and Masaka respondents in these activities is explained by their involvement in the buying and selling of agriculture commodities and the peri-urban residence of some of these respondents.

Table 13. Number and Percentage of Clients and Non-Clients with Natural Resource or Agriculture-Based Business Activities by District

District	Clients		Non-Clients		Total	
Masaka	238	(66%)	115	(48%)	353	(59%)
Kampala	130	(72%)	102	(57%)	232	(64%)
Mbale	167	(87%)	161	(89%)	328	(88%)
Total	535	(73%)	378	(63%)	913	(69%)

Source: Field Survey Data, 1997.

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[11] Only 149 clients (20%) and 35 non-clients (6%) had a distinct second enterprise.

[12] Agriculture-based refers to transformed and untransformed crops, livestock (including poultry) and livestock products. Natural resource-based refers to wood, wood-based products and activities, and fish.

[13] A chi-square test at the .001 level indicates statistically significant differences between clients and non-clients, and between districts for the variable "natural resource or agriculture-based business activity".

There are some variations among the districts concerning sources of income which reflect their urban or rural characteristics. Kampala respondent households (60%) are more likely to have income from wages, rental income, and remittances than Masaka (49%) or Mbale (47%) households. The reverse pattern is true for households with cash income from crops and livestock; Mbale respondent households (82%) are more likely to have income from crops and livestock than Masaka (44%) or Kampala (19%) households.

> **Business Diversification**
>
> A woman microentrepreneur in Mbale is a maize and bean trader selling her commodities in a rural market center. She and her two young sons live in an adjacent room, but use the shop as an extension of their residence in the evenings. She has received her third loan from FOCCAS. Since she has been a FOCCAS client, she has rented land behind the shop for growing food crops and cotton. She plans to open a restaurant in the future and is gradually investing in items needed for this second business.

Approximately three-fourths of the client and non-client respondents rank their enterprise as the number one source of contributions to household cash income (Table 14). Given that almost half of the female respondents in Masaka and Kampala (and roughly a third in Mbale) report they are the head of their household, this underscores the importance of the woman's enterprise to the economic welfare of the household.

Table 14. Number and Percentage of Respondents Who Rank their Enterprise as Top Contributor to Household Cash Income

Location	Clients		Non-Clients		Total	
Masaka	285	(79%)	193	(80%)	478	(80%)
Kampala	135	(75%)	132	(73%)	267	(74%)
Mbale	136	(71%)	134	(74%)	270	(73%)
Total	556	(76%)	459	(76%)	1015	(76%)

Source: Field Survey Data, 1997.

Type of Enterprise. Enterprises based on the sales of agricultural products (including fruits, vegetables, and legumes) represent the most frequent type of enterprise reported by respondents (47% of clients and 30% of non-clients). A shop or kiosk is the second most frequent enterprise for both clients and non-clients (26%). In all three districts these types of enterprises are the two most frequently reported.

Age of Enterprise. The average age of respondent enterprises (5 years) is approximately the same for clients and non-clients. A smaller percentage of clients (17%) than non-clients (24%) have enterprises less than 1 year old.

Enterprise Location. Enterprise location can influence the effective demand and hence revenue of the enterprise. Enterprises are located in a variety of areas which include: same location as residence, formal market center, town or city center, and mobile (or no fixed site). The most common site is the same location as the respondent's residence; this includes living in rooms adjacent to a shop. Residential-based enterprises were more frequent among Mbale respondents (58%) than Masaka

(35%) or Kampala (46%) respondents. Less than 40% of primary enterprises of respondents are located in other places: formal market center (16%), town or city center (13%), and mobile (7%). Statistically significant differences exist among districts for the location of enterprise variable.

The lack of electricity in respondent households (51% of households do not have electricity) in general, and Mbale households in particular, restricts the types of enterprises that can be operated from the household. Thus, respondent enterprises are much more likely to be trading activities than ones that manufacture or produce goods.

Employment Both client and non-client households average two household members who are employed.[14] Given an average household size of six members, this means approximately one-third of total household members are employed. Client households (32%) are more likely than non-client households (22%) to have at least one household member in wage or salaried employment. Kampala (37%) and Masaka (32%) households are more likely to have members earning a wage or salary than Mbale (12%) households. There are statistically significant differences between the districts in the incidence of wage or salaried employment.

Employment within the enterprise was assessed to determine if these activities absorb unpaid household labor or generate paid jobs. The average number of workers employed by clients is .87 compared with .54 for non-clients (i.e., less than one worker on average). Slightly more than half of these workers are family members who tend to work less than full-time and are not paid

> **Expansion of Business Activities**
>
> A PRIDE client sells used clothing in and around Masaka town. He used his loan to hire a saleswoman who travels into the rural areas selling second-hand clothes. He now has two paid employees who work with him.

for their services. Piece-rate workers were hired by about one-fifth of both clients and non-clients during the week prior to the survey. While the findings show little absorption of additional labor, both client and non-client respondents are fully engaged in their enterprise. The average enterprise owner works 8 hours a day, 5-6 days a week, and 25-26 days a month.

Payment of agricultural labor is the largest agricultural input expenditure by respondent households. Agricultural labor is hired most often for planting and harvesting activities. Of the client and non-client respondents who purchase agricultural inputs, clients (77%) were more likely to hire agricultural labor than non-clients (70%). Differences between clients and non-clients are most accentuated in Kampala, where 85% of clients and 61% of non-clients hire agricultural labor. Whether or not a respondent's residence is located on agricultural land appeared to have little effect on their decision to hire or not hire agriculture labor.

Discussion. Multiple income-generating activities are frequently undertaken by those Ugandans who find it increasingly difficult to meet their subsistence requirements. Microenterprises as well as wage or salaried employment are part of these activities. As evidenced in the three districts surveyed in this baseline study, women's participation in income-generating activities plays a significant role in the household economic portfolio. Both client and non-client households receive income from more than

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[14]The term employment refers to self-employment, farming, casual labor, wage labor, and salaried work and covers both paid and unpaid workers.

two sources. The respondent's microenterprise is the top contributor to household cash income for over three-fourths of the respondents. Given that 93% of the respondents are women, this underscores the importance of women's economic activities to the household economy.

Geographic location (district) is an important factor in the types of income earned by households and the location of the enterprise. More Kampala households report income from wages or salaries, rental income, and remittances than respondents in Masaka or Mbale. Reflecting their rural location, Mbale households report income more frequently from agriculture activities and locate their enterprise more often at their residence than respondents in the other two districts. Income from crop and livestock activities was earned by 54% of client households and 40% of non-client households, indicating the importance of agriculture to Ugandan households.

Though the respondent enterprises employ less than one worker on average, the owner of the enterprise is fully employed in her/his firm. A 1995 study on micro- and small-scale enterprises reported that these enterprises employed about three people per enterprise (Impact Associates, 1995). The smaller number of workers hired by respondents in this microfinance baseline survey reflects the smaller scale of these enterprises and the predominance of trading activities among the respondents.

D.   Uses of Income

The income of a household is used to provide for its basic needs, to maintain or expand its income-generating activities, to increase its asset base to improve the living standards, and/or to maintain its social network. Information was gathered to determine the spending patterns of clients and non-clients. Data on uses of revenue generated by the respondents' enterprises the month prior to the survey serve as a proxy indicator of the main, recurrent uses of the monies,[15] while extraordinary purchases are captured in data on the source of funds for purchase of enterprise fixed assets and consumer durables.

Information was also obtained on the amount and source of funds spent on education of household members, as education can be considered both as a basic need and investment in the human asset base. The source of food consumed within the household the three days prior to the survey was ascertained in order to determine expenditure patterns on food, another basic need.

The ability of households to cope with unanticipated financial events was assessed to determine if existing income and savings permitted the households to meet these extraordinary expenditures. Finally, data on the monetary value of cash and in-kind remittances to rural areas in the three months prior to the survey indicate the pattern and levels of assistance to non-household members.

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[15]The months covered, October and November, by this recall question are generally considered by microentrepreneurs as "average months," in that neither are high or low revenue months. Since quarterly school fees were paid in October, the data averages reflect this use of revenue.
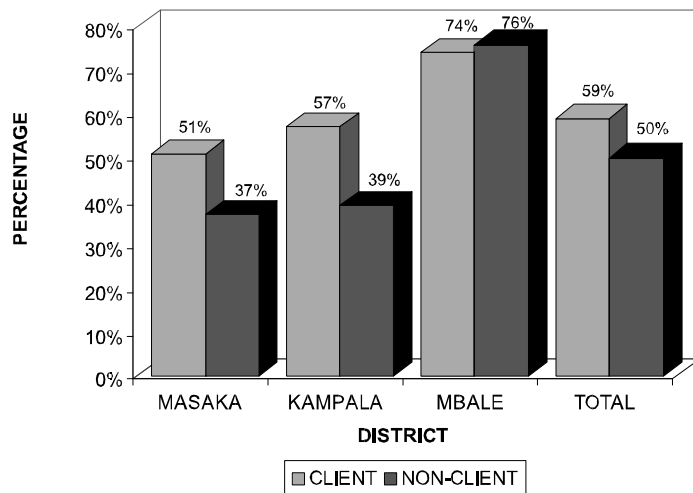
Figure 1.   Respondents Purchasing Enterprise Assets in Last 12 Months

Purchase of Enterprise Fixed Assets.[16] A significantly larger proportion of clients than non-clients purchased enterprise-related fixed assets in the 12 months prior to the survey (Figure 1).[17] The average total cost of all enterprise fixed assets purchased by clients was $100 compared with $87 for non-clients (Figure 2).

Differences are evident between districts and programs as well as client and- non-client groups. Within Masaka, clients in the PRIDE program averaged $159 on enterprise fixed asset expenditures, while FINCA program clients averaged $72 and non-clients averaged $67. In Kampala and Mbale non-clients spent more on enterprise fixed assets ($192 and $25 respectively) than either FINCA clients in Kampala ($128) or FOCCAS clients in Mbale ($20).[18] Respondents in Mbale spent considerably less than respondents in the other two districts, although Mbale respondents were more likely than those from the other districts to buy fixed assets.[19]

Respondents' purchases were usually made with funds generated by the microenterprise. A loan from PRIDE, FINCA, or FOCCAS was used by fewer than 10% of the clients to make these purchases, and there was no discernable difference between first time and repeat borrowers. The business assets purchased by clients included furniture and fittings, refrigerators, tools, cooking and eating utensils, and sewing machines.

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[16]Enterprise fixed assets were defined as buildings, fixtures and furnishings, tools, equipment, and machines.

[17]A chi-square test at the .001 level indicates a significant difference between clients and non-clients on whether or not they purchased any enterprise fixed assets the last 12 months.

[18]While non-clients in these areas spent more on enterprise fixed assets than clients, when averaging a set of expenditures (Table 14) which includes emterprise fixed assets, client averages were higher than those of non-clients in Kampala and Mbale.

[19]A chi-square test at the .001 level indicates a significant difference between districts on whether or not enterprise fixed assets were purchased the last 12 months.
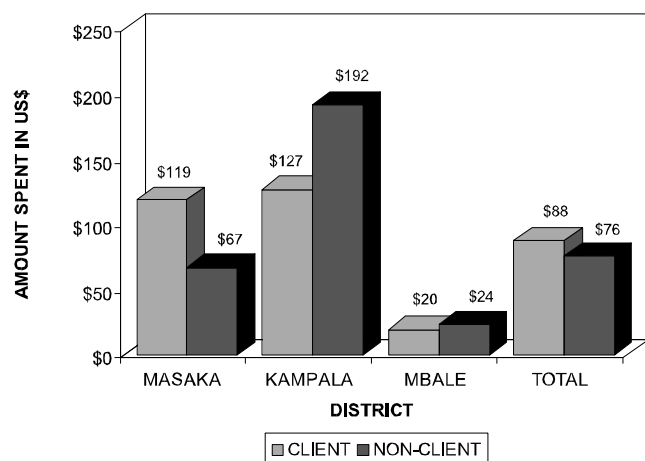
Figure 2. Average Total Amount Respondent Spent on Enterprise Fixed Assets in Last 12 Months

Respondent Expenditures on Agricultural Inputs.   Respondents who grow crops expend monies on agricultural inputs, such as seeds, fertilizer, and agricultural labor.   In the three months prior to the survey, among those with access to cultivable land a larger percentage of clients (65%) than non-clients (57%) spent money on agricultural inputs. Among these respondents, the average amount spent by clients was higher than the average amount spent by non-clients: $45 compared with $32 respectively.   (These expenditures are discussed further in the section on Agricultural Linkages.)

Monthly Use of Enterprise Earnings. Respondents also reported on how the majority of their sales revenue was spent during the previous calendar month. Not surprisingly, nearly all respondents (over 90%) identified their enterprises as the number one area of expenditure. The second most frequent area of expenditure was food for household members (48% of clients and 66% of non-clients). Debt payment was the third expenditure area most often mentioned by clients (45%), while health and medical expenditures were the third area listed by non-clients (32%). Interestingly, both clients and non-clients listed education of household members as their fourth largest expenditure area (24% of clients and 20% of non-clients).

Education Expenses.   Information on the source of funds for school expenditures last term reinforces the above information on use of sales revenue last month. Fifty-nine percent of the clients and 65% of the non-clients cited enterprises as the main source of funds for expenditures on education last term. Crop and livestock sales was the second most important source of school funds in Mbale among both clients and non-clients households. In contrast, salary or wages was the second source of funds for Kampala and Masaka respondent households. The enterprise earnings used to pay school expenses were mainly from businesses owned by respondents (67% of the clients and 61% of the non-clients), indicating that women have the primary financial responsibility for educating their children.

Client and non-client households are similar in terms of the percentage of girls and boys aged 6-16 in their households who are enrolled in school: 91% and 90% respectively. Similarity also exists when the age range of 5-24 is considered. For each child enrolled in school, respondents were asked to estimate the amount paid to send that child to school last term. The average total expenditure of the household on education last term was $137 for client households compared with $99 by non-client households. When analyzed by the average household educational expenditure per household member attending school, the difference between the two groups is less: $34 for client households and $27 for non-client households (Table 15). Geographic differences are apparent, with lower levels of expenditures among Mbale respondent households.

Table 15.   Average Household Education Expenditure per Household Member Attending School*

District	Client	Non-Client	Total
Masaka	$36	$29	$33
Kampala	$49	$38	$44
Mbale	$17	$14	$16
Total	$34	$27	$31

Source: Field Survey Data, 1997.
*This table excludes expenditures on household members by non-household members.

Pattern of Food Consumption and Expenditures.   Respondents reported on how frequently in the three days prior to the interview certain categories of food were consumed by the household. The results reveal similar dietary consumption patterns in client and non-client households: on average respondent households ate maize/matoke/rice 3 times in the previous 3 days; greens and other vegetables twice in the previous 3 days; and legumes twice in the previous 3 days. Meat/chicken/fish were eaten on average once in the previous 3 days, and milk was consumed 1.5 times during this same period.

Most of the respondent households in Masaka and Kampala purchased the items they consumed, with the exception of greens which were usually obtained from household production. In comparison, among Mbale respondents only meat and milk were purchased by a majority of the households. Expenditure of cash income on certain categories of food is mainly but not completely explained by the location of the household residence; those residing on agricultural land are more likely than others to consume food produced by the household.

Purchase of Household Assets. Respondents specified the consumer durables they solely or jointly purchased in the 12 months prior to the survey. Approximately two-thirds of the clients and 57% of the non-clients purchased household assets. On average clients spent $95 compared with $72 for non-clients (Figure 3).

There are discernible differences both within and between districts and microfinance programs. The findings in Masaka and Mbale reveal that clients generally spent more on household assets than non-clients. In Masaka, clients of PRIDE averaged $145 on household asset expenditures, while FINCA clients averaged $88 and non-clients on average spent $74. In Mbale, FOCCAS clients spent more ($52) than non-clients ($41). In Kampala, FINCA clients and non-clients on average spent the same amount ($98).

Figure 3.   Average Total Amount Respondent Spent on Household Assets in the Last 12 Months

The majority of respondents reported using their savings or earnings to purchase household assets. Household utensils (e.g., pots and pans, dishes, cutlery) and furniture were the items purchased most frequently by respondents.

Unanticipated Events and Their Financial Repercussions. Nearly two-thirds of all respondents (65%) had unanticipated events in their household during the last 24 months that had financial repercussions. On average respondents reported 1.6 such events. Nearly half of the respondents reported a serious illness or medical expenses of a household member (47% of clients and 49% of non-clients). The death or funeral of a household member was the second most reported unanticipated event (13% of clients and 16% of non-clients). The data suggest that the incidence of serious illness and death was similar between clients and non-clients. Although the survey did not specifically ask about the nature of these illnesses and deaths, AIDS is likely to be a reason for a number of these cases.

Most respondents were able to cope with unanticipated events without having to sell income-generating assets. The majority of respondents (70% of clients and 76% of non-clients) used current earnings or existing income to finance these additional expenses. Transfers, remittances, and gifts were used by 23% of the respondents. About 15% reported selling crops, livestock or as a last resort, land.

Economic Transfers to Rural Dwellers. Slightly more than one half of the respondents used cash and in-kind income to assist non-household members in rural areas during the three months prior to the survey. The percentage of client and non-client households providing this assistance is similar, but differences appear between districts (Figure 4). In Mbale, respondents were more likely to give in-kind (food, clothing etc.) rather than cash assistance, whereas in Masaka and Kampala the reverse was true. This difference in type of remittance may be due to the generally lower economic level (and thus their relatively lower access to cash) of respondent households in Mbale.
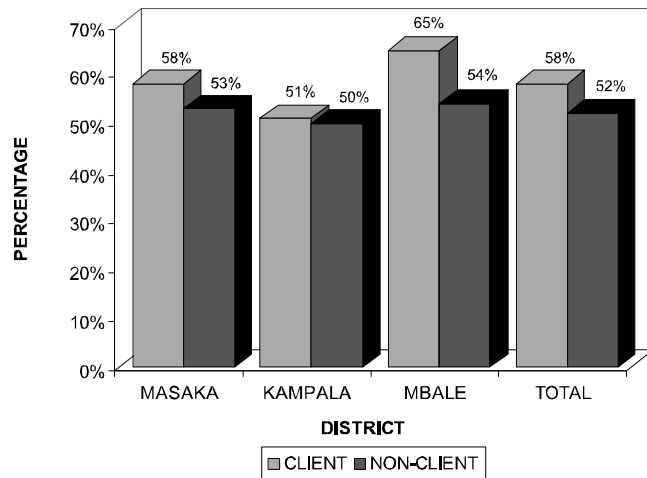
Figure 4. Percent of Households Assisting Rural Dwellers with Remittances in the Last 3 Months

Table 16. Average Amount of Combined Cash and In-Kind Remittances to Rural Dwellers

Location	Client	Non-Client	Total
Masaka	$51	$44	$48
Kampala	$54	$56	$55
Mbale	$21	$20	$20
Total	$43	$40	$42

Source: Field Survey Data, 1997.

Overall there is little variation in the average amount of the cash and in-kind contributions between clients and non-clients: $43 and $40 respectively. However, Kampala provided on average a higher level of assistance than respondent households in the other two districts (Table 16). District differences in the value of remittances were statistically significant at the .001 level.

When assessing if differences appear among the client group between recent participants and repeat clients, no clear pattern emerges. In Kampala and Masaka new clients tended to remit more than repeat clients, but this pattern did not hold true for Mbale clients.

In Masaka, gender differences appear. Female clients and non-clients in Masaka provided on average higher levels of assistance ($52 and $45 respectively) than either male clients ($42) or male non-clients ($40). Remittance patterns illustrate the role of women as caregivers, a role which frequently extends to other households.

Total Expenditures. Total expenditures on education,[20] business and household assets, remittances to rural households, and agricultural inputs serve as a *proxy indicator* of the relative poverty or wealth level of client and non-client households. Different reference periods were used based on the ease of recall so as to strengthen the reliability of the information. The education data refer to last term and remittances data for the previous three months; both refer to household-level expenditures. The data on assets capture expenditures made solely or jointly by the respondent in the past 12 months, while the agricultural input data refer to respondents' expenditures over the last three months.

Statistically significant differences appear between client and non-client households.[21] Client households on average spent 35% more than the comparison group (Table 17). When analyzed on a per capita basis the difference is 22%. Statistically significant differences were also found based upon geographic location. The lowest levels were found in Mbale and the highest in Kampala.

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[20]This excludes money paid directly by a non-household member.

[21]An independent sample t-test shows a statistically significant difference at the .01 level between the average total household expenditures of clients and non-clients, and a difference at the .001 level between districts for the same variable.

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Table 17. Average Total Household Expenditures on Education, Enterprise and Household Assets, Remittances, and Agricultural Inputs*

District	Client	Non-Client	Total
Masaka	$375	$196	$314
Kampala	$392	$304	$348
Mbale	$164	$134	$150
Total	$323	$211	$275

Source: Field Survey Data, 1997.
*Data are not annualized. A three-month reference period is used for education, remittances and agricultural inputs, while a twwelve-month reference period is used for enterprise and household assets.

Discussion. A larger proportion of clients compared with non-clients spent money on enterprise fixed assets and agricultural inputs, although the pattern of spending on enterprise assets was not consistent and only a small proportion of the respondents purchased agricultural inputs. When the average total expenditures on a group of uses is analyzed, the client sample had higher averages both on a household basis and a per capita basis. Thus, the data imply that client households on average have a higher level of income than do non-client households. Care should be taken with this interpretation, however, as the higher client averages are partly attributable to a small number of high end spenders, and the receipt of loan funds during the previous three-month period may have inflated expenditures levels.

Within Masaka differences related to program participation were found among clients. On average PRIDE clients spent more on household and business fixed assets than FINCA clients. These differences are a result of a small number of PRIDE clients spending large amounts, which in turn increased the average for their group. These large spenders are probably indicative of the differences in lending approaches between PRIDE and FINCA: since PRIDE provides larger initial and subsequent loan sizes, a graduated loan repayment period, and encourages individual initiatives, its lending approach is more likely to attract microentrepreneurs from households with higher levels of income.

The data reveal differences based on district location. Rural Mbale respondents tended to spend less than those living in Masaka and Kampala. Mbale District is one of the best agricultural regions of Uganda, with a relatively high population density rate. It is located on a principal trade route and has a relatively good infrastructure for trade with Kampala and neighboring Kenya. Nevertheless, the lower expenditure levels on education, agricultural inputs, and household and business assets all indicate lower income levels among Mbale respondents irrespective of client or non-client status. These lower income levels, in turn, are likely to be related to lack of economic opportunities and lower effective demand for goods and services. This relates to the finding by The World Bank (1996, p. 81) that rural households are poorer than urban households on average, even when rural expenditures are deflated by rural prices.

E.   Financial Services

Clients of the three microfinance programs have all received at least one loan and have participated in the mandatory savings programs as part of the lending requirements.[22]   All three microfinance programs also encourage their clients to have voluntary savings.

Lending Characteristics. Loan periods for FINCA and FOCCAS loans are typically four months with the initial repayment due the first week of the loan. First loans from PRIDE aree for 26 weeks. Given this lending pattern, respondents appear to be using loan funds in their enterprises primarily as a source of working capital. Increases in working capital permit entrepreneurs to diversify their stock or to purchase in larger quantities. It is important to note that most clients reported they would not have made the expenditures on their enterprises without the loan funds.

Client respondents had all received at least one loan from either PRIDE, FINCA or FOCCAS. Among the client respondents, 60% were first-time borrowers and 40% repeat borrowers. Among the repeat borrowers 63% were in their second loan cycle, 28% in their third loan cycle and 8% in their fourth. Masaka district PRIDE and FINCA clients were all in their first loan cycle with the exception of a few PRIDE clients who had repaid early to borrow a larger amount. Kampala FINCA clients and Mbale FOCCAS clients were in varied loan cycles.

Loans. The average amount of client loans ranged from $83 for FOCCAS clients in Mbale to $131 for FINCA clients in Kampala. In Masaka, where both PRIDE and FINCA female clients were interviewed, the average FINCA loan was $88. The average PRIDE female client loan was $127 compared with $147 for male clients. The average amount of money borrowed by respondents from household members, extended family, friends, or others for their income-generating activities was minimal (an average of less than $1.00 for clients and $5.00 for non-clients).

Almost all clients in the three loan programs reported that their most recent loan was spent on an enterprise solely or jointly owned by them. This finding is important as it shows that women clients are not being used as conduits of funds for male household members. Only five clients reported they had spent their latest loan on an enterprise not owned by them. Related to the issue of control of loan funds, the vast majority of the clients made the decisions regarding the use of loan funds (88% in Masaka, 91% in Kampala, 69% in Mbale), and are responsible for obtaining the necessary funds to repay the loan (95% Masaka, 92% Kampala, 73% Mbale). The relationship of financial discipline to women's empowerment is discussed further in the "Empowerment" section of this chapter.

The second most frequent category of loan expenditure is savings, a common finding among microfinance clients in other countries as well. In order to be assured of funds for loan repayment and mandatory savings during the initial weeks, clients are apt to set aside part of the loan funds to meet these requirements.

The most frequent type of enterprise on which loan money is spent was a shop or kiosk by Masaka clients (29%) and Kampala clients (23%). For Mbale clients the most frequent type of enterprise (23%) was the buying and selling of agricultural products. The second most frequent type of

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[22]PRIDE refers to their mandatory savings component as a Loan Insurance Fund.

enterprise on which loan money was expended was the buying and selling of agricultural products for Kampala and Masaka respondents, and the selling of drinks for Mbale respondents. The client's enterprise is the main source of funds used for loan repayment by the majority of clients (80%).

Savings. Baseline data provide information on the savings patterns of respondents and estimates of the amount of this savings. Due to the lending requirements of the MFI programs, virtually all clients have mandatory savings. Voluntary savings are held by 49% of Masaka clients, 82% of Kampala clients, and 66% of Mbale clients. For FINCA clients, the size of second and subsequent loans is a function of the first loan repayment plus the amount of a client's savings.

The accuracy of the amounts of mandatory and voluntary savings reported by clients varies widely. Clients in all three districts stated they have more funds in mandatory than voluntary savings, reflecting MFI lending requirements. Often clients were unable to disaggregate mandatory savings from voluntary savings. The average aggregated amount saved in mandatory and voluntary savings programs across all three districts was less than $60.

A higher proportion of clients than non-clients have individual bank savings accounts (Table 18). Since PRIDE program clients are required to have an established bank account prior to receiving their first loan, this contributed to the higher percentage of clients (67%) than non-clients (24%) in Masaka with individual bank accounts. Over 92% of PRIDE program clients in Masaka have individual bank savings accounts compared to 43% of FINCA program clients in Masaka. There is a substantial difference between clients and non-clients (32% versus 18%) in Kampala, which is not explained by program requirements. The lack of access to banks in rural areas explains the low number of Mbale respondents with bank savings accounts.

Table 18. Number and Percentage Having Individual Bank Savings Accounts

Location	Client		Non-Client		Total	
Masaka	242	(67%)	58	(24%)	300	(50%)
Kampala	57	(32%)	33	(18%)	90	(25%)
Mbale	11	(10%)	5	(7%)	16	(4%)
Total	310	(43%)	96	(16%)	406	(31%)

Source: Field Survey Data, 1997.

Savings by respondents in addition to bank and microfinance institution accounts was labeled "other" and included mostly informal savings schemes. Non-clients (36%) were more likely to report that they have "other" savings than clients (13%).

Discussion. The lack of financial services for microenterprises and small businesses is frequently cited as one of the missing pieces in the development puzzle. The provision of financial services by these three microfinance programs addresses this critical issue. Most clients reported that the expenditures made with their recent loans would not have occurred if they had not received the program loan. These loan amounts averaged $117.

Except for the clients of PRIDE and of FINCA in Kampala, a relatively low proportion of the respondents had savings accounts with banks, which are easier to establish than current accounts (checking accounts). Only 13% of clients use a form of savings other than mandatory, voluntary, or individual bank savings accounts compared to 36% of non-clients. Savings patterns used by clients and non-clients included rotating savings and credit associations and money kept with others. Often the amount of "other" savings radically changed from week to week and even daily, indicating that this "savings" was probably cash-on-hand rather than long-term savings.

The term "graduation" in microfinance programs is typically used to describe a client who no longer borrows from these programs but is eligible to borrow from a commercial bank. An interesting variation to the term "graduation" is occurring between the FINCA and PRIDE microfinance programs for some of the clients. Some FINCA clients had received and repaid their FINCA loans, and then decided to leave the FINCA program and become PRIDE clients. Although PRIDE participation requirements are more difficult (e.g., clients have to have an established bank account), the larger size of PRIDE loans is the major factor that attracts the FINCA clients. Thus, these FINCA clients can be considered as "graduating" to the PRIDE program.

> **Microfinance Program Graduation**
>
> A microfinance program client used her loans to diversify her livestock activities. She has two cows in zero grazing, laying hens, a piggery, and rabbits. She first participated in microlending programs as a FINCA client, but later moved to the PRIDE program to obtain a larger loan. She is an interesting example of graduation within microfinance programs.

Microfinance program requirements have been affected by the incidence of AIDS in all three districts. AIDS-related issues discussed by program participants and loan officers include repayment responsibility when a client dies of AIDS, and lack of attendance at mandatory group meetings due to caring for household members with AIDS.

Transaction costs for microfinance program participants are high, some of which are related to instilling financial discipline. These costs include effective loan interest rates over 50%, mandatory savings accounts, and compulsory attendance at weekly group meetings. The small loan amounts and the frequency of repayment limit most borrowers to buying and selling activities which require little initial investment and promise a rapid turnover of goods to meet the weekly repayment schedule. There is no incentive within the lending programs for a client to repay early; in fact the client pays a penalty since interest is assessed based on a pre-established loan period. Though program clients have books in which their loan payments and balances and mandatory savings contributions are recorded, clients often were unable to explain these entries nor were they able to distinguish between mandatory and voluntary savings.

F.   Empowerment

Attention has been given to the potential of participation in a microfinance program to empower clients. The elements of empowerment identified for this assessment are: control of decisions about the use of loan funds and monies generated by income-generating activities; client perspectives of positive consequences in the household; ownership of consumer durables purchased; financial discipline; leadership and acquisition of information; improved health and nutrition practices; and female children enrolled in school.

It is important to recall that FINCA and FOCCAS serve women and hence both the client and non-client samples in Kampala and Mbale are composed solely of women. In Masaka where the PRIDE program serves both men and women, men comprise 13% of the client sample and 19% of the non-client sample. Overall, 6% of the client sample and 7% of the non-client sample are men.

Economic Decision-making. The vast majority of clients (83%) were the sole decision-makers concerning the use of recent loan funds. This pattern occurs among both the male and female clients in Masaka. When marital status is taken into account, about 75% of the respondents in a monogamous marriage were the sole decision-maker, compared with 84% of those in a polygamous marriage and 96% of the single clients. The remaining clients made the decision either after consulting with a household member or jointly with a household member.

Differences are discernable by district, with less individual decision-making in rural Mbale. Decisions on use of loan funds were made solely by 88% of the clients in Masaka, 91% in Kampala, and 69% in Mbale. Almost a third of the Mbale clients either consulted with a household member (15%) or were involved jointly with a household member in making the decision (15%).

The loci of decisions regarding the use of sales revenue from their businesses was similar among clients and non-clients, with 79% and 77% respectively being the sole decision maker. Although marital status influenced whether or not the microentrepreneur was the sole decision maker, two-thirds of the respondents in a monogamous marriage reported being the sole decision-maker.

Positive Consequences in Household Due to Having an Enterprise. Respondents were asked about the positive consequences upon household relations from having their own business during the previous 24 months (table 19).[23] The responses center on behavior associated with economic empowerment and self-confidence. Approximately a third of both the clients and non-clients mentioned that having a business enabled them to meet basic family needs and to take care of themselves. More clients than non-clients mentioned the education of children and the acquisition of assets as positive consequences.

Table 19. Positive Consequences upon Household Relations the Last 24 months Due to Having an Enterprise *

Positive Consequences	Clients		Non-clients		Total	
Able to Meet Basic Family Needs	253	(35%)	207	(34%)	460	(35%)
Can Educate Children	185	(25%)	97	(16%)	282	(21%)
Has Acquired Assets	145	(20%)	93	(15%)	238	(18%)
Can Take Care of Myself	266	(37%)	220	(37%)	486	(37%)

Source: Field Survey Data, 1997.
*Multiple responses were possible; percent represents percentage mentioning that consequence.

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[23] Respondents were also asked about the negative household consequences of having their own business. Less than 15% indicated there were any negative consequences.

The responses of female and male respondents in Masaka are similar: 21% and 24% respectively indicated that the ability to meet basic family needs is a positive consequence of their ownership of an enterprise, and 24% of the women and 20% of the men mentioned the ability to take care of themselves.

Ownership of Consumer Durables. Respondents use the earnings from their income-generating activities to acquire consumer durables, such as kitchen utensils and furniture. The survey sought to determine if expenditure of own funds equated with ownership of items purchased. Ownership was defined as being able to take or retain it if the household broke up. Most of the clients (84%) and non-clients (78%) report owning the items they alone purchased. District differences are discernable, with the lowest levels occurring in Mbale. When assets were jointly purchased, these were normally reported as jointly owned.

Financial Discipline. Participation in the credit and savings programs of FINCA, PRIDE and FOCCAS helps to instill financial discipline. Clients are required to abide by a weekly loan repayment schedule and make mandatory savings contributions on a weekly basis. This system requires that clients have financial discipline to manage their cashflow.

To better understand this discipline, clients were asked about the source of funds for meeting their weekly loan repayments. Overwhelmingly the funds came solely from the clients (89%). However, the proportion was lower in Mbale (73%) than in other districts, and mirrors the decision-making pattern on use of loan funds. When the client is not the sole source of funds for loan repayments, she is usually or occasionally assisted by household members.

The results of two focus group discussions among FINCA clients in Kampala, facilitated by MISR researchers during the baseline design phase, underscore the importance clients attach to financial discipline. When asked the reasons for joining the FINCA program, learning how to plan and save money was identified as the *primary* reason by participants in one focus group, and the third most important reason by those in the second group.

Leadership. All three of the lending programs disburse credit to women who are members of a group. Women mentioned during the interview process that the groups are an opportunity for them to come together to talk about various socio-economic issues such as new health or nutrition methods and business decision-making practices. Learning and sharing information about business practices was a major reason cited by focus group participants for being in a credit group. It was ranked as the second most important reason by one FINCA focus group, while the other group ranked it third.

Each credit group selects officers who are responsible for ensuring the full participation of group members. Women within each credit group are elected to offices such as treasurer, secretary, or chair. Women members also have the opportunity to decide the agenda topics at group meetings depending on the interests and concerns of the membership that day.

The FOCCAS microfinance program provides additional informal leadership opportunities for women as they discuss new health or nutrition practices learned at FOCCAS group meetings. Women clients in the FOCCAS program are more likely than non-clients (88% of clients and 76% of non-clients) to have advised a friend or household member in the last 12 months about improved health or

nutrition practices. This statistically significant finding suggests a positive impact of the FOCCAS program.

Improved Health and Nutrition Practices. Clients in the FOCCAS microfinance program in Mbale receive instruction in child feeding practices, disease prevention (including AIDS, diarrhea, and malaria), and family planning practices. The baseline survey clearly suggests the impact of FOCCAS on clients as a source of information on improved practices, clients' trying new practices, and clients informing others about such practices.[24]

Of those who had learned about improved health and nutrition practices, 181 clients (95%) compared to 128 non-clients (72%) had tried a practice related to improved health or nutrition of their children. When clients were asked where they had learned about these new practices, all of them reported FOCCAS as a source, sometimes in addition to other sources. The majority of non-clients learned about new health practices from the health center, a community health worker, or the radio.

The most frequently mentioned health and nutrition practices tried by clients and non-clients were diarrhea prevention, immunizations, and child feeding practices (Figure 5). However, a greater proportion of clients than non-clients mentioned trying each of these. Differences are also noticeable in terms of AIDS prevention. A similar proportion of clients and non-clients reported trying new health practices associated with immunization and malaria prevention.[25]
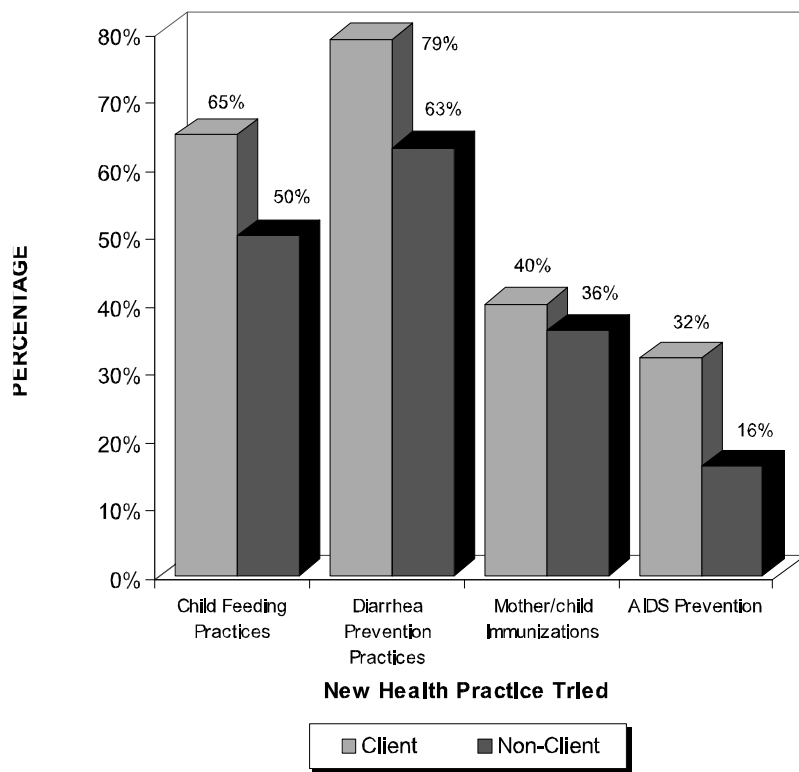
Figure 5. New Health Practices Tried by Mbale District Respondents

Gender and Household School Enrollment. For client and non-client respondents in all three districts at least 85% of girls aged 6-16 in the household were enrolled in school. School attendance among male and female children is a good indicator of the relative status of females within a household. In client households in all three districts, slightly higher percentages of girls than boys

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[24]In three statistical tests of Mbale clients and non-clients on who had a) learned new health and nutrition practices, 2) had tried a new practice, and 3) had advised friends or family members on improved practices, the chi square tests revealed that there existed statistically significant differences @ <.001 for each of these variables.

[25]Access to immunization was relatively equal for both clients and non-clients. Therefore lack of access was not an issue in terms of client vs. non-client participation in immunization programs.

aged 6-16 were not enrolled in school. In client households in Masaka, 9% of girls and 8% of boys were not enrolled. Similarly in Mbale client households, 10% of girls and 9% of boys were not enrolled. In Kampala client households, 13% of girls and 8% of boys were not enrolled. The higher percentage of girls not enrolled in school in Kampala is probably attributable to pregnancies as well as income-earning opportunities, such as childcare and housekeeping chores, available for young girls.

Discussion. Participation in a microfinance program appears to be motivated *not* solely by receipt of credit. The profile which emerges indicates that participation in a microfinance program is linked to greater empowerment through learning and practicing financial discipline, information sharing, and acquiring and practicing leadership skills. In addition, the findings indicate that the FOCCAS program positively affects learning and trying new health and nutrition practices, vital steps in the process to sustainable adoption of improved practices.

Over three-quarters of the clients are the sole decision-makers about use of their loan funds and sales revenue, and own the assets purchased solely by them. Furthermore, almost all respondents have their female children enrolled in school. Little difference was discernible between clients and non-clients. However, enrollment rates of female children did differ at the district level, with Mbale having the lowest rates.

G.   Agricultural Sector Linkages

The extent to which microfinance programs in lending to microentrepreneurs also reach households engaged in agricultural sector activities is examined in this section. The agriculture linkages of clients and non-clients is also compared. As a high proportion of the sample is from urban and peri-urban areas, cash and in-kind assistance to rural households is also assessed.

Household Involvement in Farming. Fewer than 10% of survey respondents in Masaka and Kampala list their *main* activity as farming. In contrast, in Mbale slightly more than half of the respondents (55%) report their main activity as farming. Mbale respondents record the highest incidence of households where at least one household member is actively engaged in farming (60% of client households and 63% of non-client households).

Approximately 30% of all respondents cite crops, livestock, yeast production or fuelwood sales among the top two contributors to household income. As expected, a higher proportion of respondents in Mbale (50% of clients and 35% of non-clients) than Masaka (23% of clients and 18% of non-clients) or Kampala (26% of clients and 33% of non-clients) report these business activities as the top two contributors to household income.

Cultivatable Land Owned and Used by Households. More client than non-client households have cultivatable land (Figure 6). In Masaka 89% of clients and 65% of non-clients
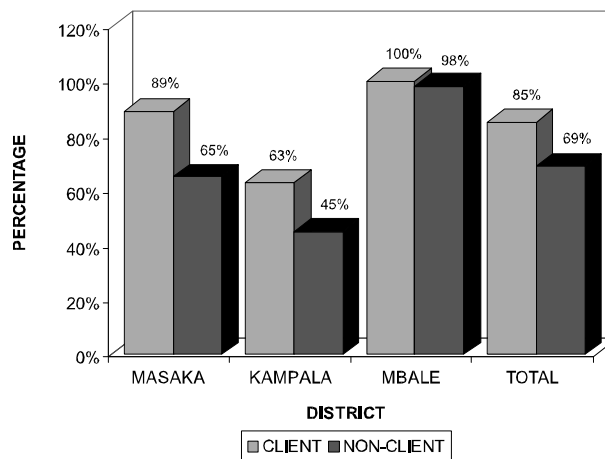
Figure 6.   Distribution of Households Having Cultivatable Land

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have cultivatable land, and over 98% of Mbale respondents (100% of clients) have cultivatable land. Despite their urban or peri-urban residence, 62% of Kampala clients and 45% of non-clients have cultivatable land. There are statistically significant differences between clients and non-clients, and between districts, for the variable "owning or using cultivatable land".[26] Mbale clients are more likely than other respondents to have access to cultivatable land.

It is difficult for respondents to accurately assess the size of their land holdings which includes: the amount of land owned or controlled by their household, the amount rented, and other land used but belonging to someone else. Therefore, enumerators were instructed to ask respondents to compare the acreage of the land they owned and/or used with the size of a football pitch. The estimates that resulted indicate that non-clients have less total cultivatable land than clients in all three districts (Table 20). The estimated average size of total cultivatable land available varied from 7.06 acres for Kampala respondent households to 6.26 acres for Masaka households to 5.44 acres for Mbale households. In the Masaka sample female clients averaged fewer acres (4.20 acres) than male clients (6.58 acres). The average acres of cultivatable land differ significantly between clients and non-clients.

Table 20. Average Number of Acres of Total Cultivatable Land Available *

Location	Client	Non-Client	Total
Masaka	6.26	3.02	5.25
Kampala	7.06	5.08	6.23
Mbale	5.44	3.74	4.55
Total	6.15	3.68	5.16

Source: Field Survey Data, 1997.
*This land may or may not be owned by the land user or their household.

Crops Grown. Most microentrepreneurs with access to cultivatable land are involved in producing crops either for household consumption or sale. In Masaka and Mbale nearly all (90%) of the client respondents in households with cultivatable land grow crops that solely belong to them. In Kampala more than 60% of client respondents whose households have cultivatable land have their own crops. The majority of non-client respondents (84%) in households with cultivatable land grow crops that solely belong to them.

The five crops grown most frequently by clients and non-clients alike are: plantain (matoke), beans, sweet potatoes, cassava, and maize. The average number of crops grown that are owned by clients was 4.16, and for non-clients 3.74. Thus respondents are engaged in a diversified risk-minimizing cropping pattern.

Respondent Expenditures on Agricultural Inputs. Of those respondents who grow crops which they solely or jointly own, a larger percentage of clients than non-clients spent money on agricultural inputs (seeds, fertilizer, agricultural labor, etc.) in the three months prior to the survey (Table 21).

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[26]A chi-square at the .001 level indicates statistically significant differences between clients and non-clients, and between districts, for the variable "owning/using cultivatable land".

This difference is particularly noteworthy in Kampala where 61% of clients purchased agricultural inputs compared to 47% of non-clients.[27] Masaka respondents were more likely to purchase inputs than respondents in other districts. There are statistically significant differences between clients and non-clients, and between districts, for the variable "respondents who purchased agricultural inputs".[28] Despite their rural location and client status, fewer than half of Mbale respondents purchased these types of inputs.

Table 21. Respondents (number and percentage) * Who Purchased Agricultural Inputs in the Last 3 Months

Location	Client		Non-Client		Total	
Masaka	228	(77%)	103	(74%)	331	(76%)
Kampala	47	(61%)	20	(47%)	67	(56%)
Mbale	92	(49%)	81	(47%)	173	(48%)
Total	367	(65%)	204	(57%)	571	(62%)

Source: Field Survey Data, 1997.
* Includes only those respondents who had access to cultivatable land and grew crops.

Of those respondents who spend money on agricultural inputs, the average amount spent by clients is higher than the average amount spent by non-clients. In Kampala clients spent on average $82, and non-clients $45. Masaka clients and non-clients spent similar amounts on average ($45) on inputs. In Mbale the average amount clients spent is more than twice that of non-clients ($28 and $13 respectively).

Respondent expenditures on agricultural inputs are concentrated in three areas: hiring of labor, purchase of seeds, and the purchase of fertilizer. Of those respondents who purchase inputs most of them (75%) hired labor, approximately half (51%) purchased seeds, and fewer than 1 in 10 (8%) bought fertilizer. Masaka and Kampala non-client respondents spent more than clients on seeds. Mbale clients are the only client respondents who spent the same or more on labor and seeds in the last three months than non-clients. The average amount spent on labor was more than 3 times the average amount spent on seeds ($32 and $9 respectively) for clients and non-clients ($29 and $9) in all three districts.

Of those respondents who spent money on agricultural inputs, household size appears to have little influence on their decision of whether or not to hire agriculture labor. For example, of those respondents purchasing agricultural inputs and living in a household of greater than eight members 83% hired agricultural labor. Over 70% of respondents from households with 5-8 members and from households with 1-4 members hired labor.

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[27]Kampala respondents live in highly urbanized areas and also in peri-urban areas where agricultural activities are an important source of household income.

[28]A chi-square at the .02 level indicates statistically significant differences between clients and non-clients for the variable "respondents who purchase agricultural inputs". A chi-square at the .001 level indicates statistically significant differences between districts for the same variable.

Economic Transfers to Rural Dwellers. Cash and in-kind transfers are often an important infusion of resources to rural areas, particularly in a country as poor as Uganda. As previously discussed in the section "Uses of Income," respondent households are actively assisting rural dwellers both in terms of percentage of households contributing and the amount of contributions.

Livestock Ownership. Client households are more likely to own livestock (including poultry) than non-client households (Table 22). Not surprisingly, rural Mbale client (96%) and non-client (89%) households are more likely to own livestock than Masaka or Kampala households. There are statistically significant differences between clients and non-clients, and between districts for the variable "households owning livestock".[29]

Table 22.   Number and Percentage of Households Owning Livestock

Location	Client		Non-client		Total	
Masaka	228	(64%)	103	(43%)	331	(56%)
Kampala	68	(38%)	31	(17%)	99	(28%)
Mbale	182	(96%)	159	(89%)	341	(93%)
Total	478	(66%)	293	(49%)	771	(58%)

Source: Field Survey Data, 1997.

Since livestock are a potentially important form of investment, questions were asked about livestock owned by the respondents. Chickens are owned by more respondents than any other type of livestock (on average 20 chickens are owned by clients and non-clients). Kampala respondents have the most commercial poultry operations, averaging 35 chickens. Goats are the second most frequent type of livestock owned. The average number of goats owned was 2.5. Fewer than 10% of the respondents reported ownership of cattle.

Discussion. Despite efforts by the government to diversify economic activities, agriculture continues to account for 44% of Uganda's GDP and employs 80% of its workforce. In lending to microentrepreneurs these three microfinance programs reach households engaged in crop production and the marketing chain for natural resource and agriculture-based products.

In the current survey, 69% of respondents have enterprises linked to agriculture and natural resources. Client households are more likely than non-client households to have received income from these types of activities. Approximately 30% of both client and non-client respondents cite crops, livestock, yeast production or fuelwood sales as one of the top two contributors to household income.

The data show that residence is not an indicator of whether or not the household has cultivatable land and engages in crop production. The land inheritance system, customary rights to use land controlled by the natal household, and a market for rental of agricultural land all account for the high proportion of households with cultivatable land in rural areas. Urban households thus continue to maintain their

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[29]A chi-square test at the .001 level indicates statistically significant differences between clients and non-clients and between districts for the variable "households owning livestock".

strong ties to agricultural land and agricultural activities. Areas with lower land quality and lower population densities, such as Masaka and Kampala, tend to have higher levels of cultivatable land per household.

Respondent remittances to rural dwellers reflect the socio-economic linkages that microentrepreneurs continue to maintain with rural households. These patterns also illustrate women's role as caregiver which frequently extends to other households.

VI. SUMMARY AND CONCLUSIONS

A.   Summary

Basic Characteristics of Respondents and Their Households

Similarities as well as differences are found among the clients and non-clients in terms of demographic characteristics, location of residence, and characteristics of dwelling. At times the geographic location influences the findings.

The *average age* of clients is 36 years compared to 33 years for non-clients. This difference is statistically significant.

The *average level of education* for clients is one year of secondary school. For non-clients the average education level is seven years of primary school. This difference is statistically significant.

The *marital status* of most clients and non-clients is married, but 34% of the clients and 40% of the non-clients are single (i.e., divorced, separated, widowed, never married).

The *average household size* is significantly larger for clients than non-clients (6.57 and 5.48 members respectively).

A significantly higher proportion of clients than non-clients *reside on agricultural land* (46% of clients compared with 36% of non-clients). Major differences occur between districts, with Mbale having the highest proportion of respondents residing on agricultural land and Kampala the lowest proportion.

Client households are more likely than non-client households to own their residence. *Ownership of residence* is more common in Mbale and Masaka than Kampala, and ownership tends to be related to whether or not the household is located on agricultural land.

Clients and non-clients live in *dwellings* with similar features when taking into account geographic location. The majority of Masaka and Kampala respondents live in residences with iron sheet roofing and brick walls. Mbale respondents typically have residences with iron sheet roofing and walls of mud and poles.

The *average number of rooms* in respondent households is three. On average there are more people per room in client than non-client households.

Clients differ significantly from non-client households in the *ownership of key consumer durables*. A larger proportion of client than non-client households have radios, televisions, and bicycles. However, less than one-third of the client households have televisions or bicycles.

Sources of Income

Household income may be obtained from a variety of sources. Ownership of a microenterprise that generates a regular cash flow is a prerequisite for participating in the three microfinance programs and was used as a criteria for selection of the non-client sample. These microenterprises are frequently a very important source of household cash income.

\#   The average number of *household income sources* is higher for client households (3.23 sources) than non-client households (2.53).

\#   A significantly higher proportion of client (32%) than non-client (22%) households have a member in *wage or salaried employment*. Geographic location influences the likelihood of wage or salary employment, with Kampala having the highest rate.

\#   Overall 69% of the respondents have *business activities* related to the marketing or production of natural resource and agriculture-based products.

\#   The *average age of respondent enterprises* is five years.

\#   The majority of respondents rank their *enterprise as the most important source of household cash income.*

\#   The *location of the respondents' primary enterprise* is most often the same location as their residence.

\#   The *average number of workers employed* by clients in their enterprises is less than one. About half of these workers are family members.

Uses of Income

Client households use their income for basic household needs, gradual accumulation of household and business assets, unanticipated financial crises, and transfers to rural dwellers. Differences appear between client and non-client households in the amounts expended in each of these areas. Geographic location also influences the amounts expended.

\#   Clients tended to spend more on *household assets* than non-clients.

\#   Expenditures on *business fixed assets* differed by district and by client or non-client status. On average clients spent more ($100) than non-clients ($87). Mbale respondents spent considerably less than respondents in the other two districts.

\#   Over 90% of respondents identify their enterprises as the principal *use of enterprise earnings*. The second most frequent expenditure category is food for household members.

\#   Earnings from respondents' microenterprises tend to be the main source of funds for *education expenses.*

\#   When asked about *expenditures on food items*, the majority of respondents in Masaka and Kampala stated that they purchase the food items the household consumes. Among Mbale respondents only meat and milk are purchased by a majority of the households, as they produce a substantial amount of their own food.

\#   Nearly two-thirds of all respondents reported *unanticipated events* in their household during that last two years that had financial repercussions. A serious illness or medical expenses of a household member were the most frequently reported events. Most respondents' households were able to cope with these events without having to sell income-generating assets.

\#   About one half of the respondents reported cash or in-kind *remittances to rural dwellers* during the three months prior to the survey.

\#   A *proxy indicator for the relative poverty or wealth level of client or non-client households* can be calculated by summing total expenditures on education, business and household assets, remittances, and agricultural inputs. Client households average $323 in expenditures and non-client households average $211. This difference is statistically significant. Geographic location influences the amount spent.

Financial Services

Clients of the three microfinance programs have all received at least one loan and have participated in the mandatory savings programs as part of the lending requirements.[30] All three microfinance programs also encourage their clients to have voluntary savings.

\#   Loan periods are typically four months with the initial repayment due the first week of the loan. Given this *loan repayment pattern,* respondents appear to be using loan funds in their enterprises as a source of working capital.

\#   The *average loan amount* for clients ranged from $83 for FOCCAS clients in Mbale to $131 for FINCA clients in Kampala. In Masaka where both PRIDE and FINCA female clients were interviewed, the average FINCA loan was $88 and the average PRIDE female client loan was $127.

\#   All clients have mandatory savings accounts, and many clients also have voluntary savings accounts (49% in Masaka, 82% in Kampala, 66% in Mbale). The average amounts saved by clients in mandatory and voluntary savings programs are $34 and $23 respectively.

Empowerment

In this baseline study survey, 94% of the sampled microfinance program clients are women. The effect of participation in microfinance programs on financial discipline and leadership opportunities illustrates the importance of these programs on women's empowerment. The findings suggest that

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[30]PRIDE referred to their mandatory savings component as a Loan Insurance Fund.

FOCCAS has an impact on women trying new health or nutrition practices and informing others about these practices.

\# The majority of clients (83%) are the sole *decision-makers* concerning the use of recent loan funds. Almost all clients state that they are the source of funds to meet weekly loan repayment requirements.

\# When asked about *positive consequences of owning your own business*, one-third of the respondents mentioned the ability to meet basic family needs and the ability to take care of oneself.

\# Participation in the credit and savings programs of FINCA, PRIDE, and FOCCAS assists clients in acquiring *financial discipline*. Clients are required to adhere to a weekly loan repayment schedule and contribute weekly to a mandatory savings program.

\# *Formal leadership* opportunities are available to women clients through their credit groups.

\# FOCCAS is a source for clients of information on *improved health and nutrition practices*. Clients try new practices and inform others about such practices.

\# For client and non-client respondents in all three districts at least 85% of girls aged 6-16 in the household are enrolled in school.

Agriculture Sector Linkages

Microfinance programs in lending to microentrepreneurs reach households engaged in agricultural sector activities. Rural Mbale respondents in particular illustrate this linkage.

\# Client households (73%) are more likely than non-client households (63%) to receive *income from businesses which are part of the marketing or production chain of natural resource or agriculture-based products.* There are statistically significant differences between clients and non-clients, and between districts. Over 80% of Mbale respondents are involved in these types of activities.

\# *Agriculture products* (including the buying and selling of agricultural produce) represent the largest category of business activity that respondents indicate as either owning or co-owning.

\# Slightly more than half of the Mbale respondents (55%) cite *farming* as their main economic activity.

\# Approximately 30% of all respondents cite either crops, livestock, yeast production or fuelwood sales as the *top two contributors to household income*.

\# Approximately three-fourths of respondent households have *cultivatable land* on which more than one-half of the respondents grow crops. Despite their urban or peri-urban residence, 62% of the client households and 45% of non-client households in Kampala have cultivatable

land. There are statistically significant differences between clients and non-clients, and between districts for owning or using cultivatable land.

\# The estimated average *size of total cultivatable land* ranges from 7.06 acres for Kampala respondent households to 6.26 acres for Masaka households to 5.44 acres for Mbale households. This difference is statistically significant.

\# Clients are more likely than non-clients (66% and 49% respectively) to own *poultry or livestock*. Poultry is owned more than any other type of animal. There are statistically significant differences between clients and non-clients and between districts for households owning livestock.

\# Of those respondents with access to cultivatable land, a larger percentage of clients (65%) than non-clients (57%) spent money on *agricultural inputs* in the three months prior to the survey. There are statistically significant differences between clients and non-clients, and between districts for households purchasing agricultural inputs.

B. Conclusions

\# Microfinance programs reach low-income households in both rural and urban areas.

The baseline data suggest that the microfinance program clients are not among the hard core poor. Rather, they are part of a broad class of working poor. On average the households of client respondents have 6.57 members, of whom two are economically active. The data on food consumed the three days prior to the survey indicate that meat/fish/chicken are normally consumed only twice a week, and milk less than once a week (even though most households contain one member under the age of 6). One-third of the client respondents reported no purchases (sole or joint) of household assets during the 12 months prior to the survey. At the same time, a high proportion of clients own (or are purchasing) their current residence, own radios, and own or control cultivatable land. The percentage of girls and boys aged 6-16 in their households who are enrolled in school is high, as is the ratio of mattresses to persons 9 years and older. Most client households were able to cope with unanticipated financial crises without selling income-generating assets.

It is clear from the data that the microfinance program clients are *not* among the wealthier segment of society. This is evident in the low proportion of client households owning vehicles, refrigerators, and houses and rental units not contiguous with the household dwelling, and the low percentage of client households with piped water and electricity.

The baseline data suggest that geographic location influences the level of poverty or wealth. Overall, rural Mbale respondents exhibit lower levels of living standards, expenditures, and different patterns of saving than the more urban respondents in Masaka and Kampala.

 #   Savings, enterprise earnings, and loan funds are used to expand the wealth base of households and enterprises.

Almost all clients report using the loan funds on their enterprise, usually as operating capital to expand or diversify their businesses. They indicate that they would not have made these expenditures without the loan from their respective microfinance program. Clients also purchased household assets (e.g., utensils, furniture) and fixed business assets with savings and enterprise earnings. For some clients it appears that access to loan funds allows savings to be used to accumulate household assets.

The most frequent type of enterprise activity for Kampala and Masaka clients is a shop or kiosk. Buying and selling of agriculture produce is the second most frequent type of business activity. In Mbale trade in agriculture produce is the most frequent activity, and shop or kiosk is second.

 #   Microfinance programs operating in urban and rural areas reach microentrepreneurs who have strong linkages to the agriculture sector.

Microfinance program linkages with the agriculture sector are illustrated in the access of microfinance program clients to cultivatable land, the prevalence of businesses that are part of the marketing and production chain of natural resource and agriculture-based products, and economic remittances by respondent households to rural dwellers.

The majority of respondents (85%) reside in households which have access to cultivatable land and more than half of these respondents grow crops. Among clients with access to cultivatable land and who grow crops, 65% of them purchased agricultural inputs in the three months prior to the survey, with clients tending to spend more than non-clients on these inputs. Clients have access to more cultivatable land on average (6.15 acres) than non-clients (3.68 acres). Almost three-fourths of the clients receive income from activities linked to the marketing and production chain of natural resource or agriculture-based products (e.g., buying and selling agricultural produce or livestock, charcoal sales). More than half of the client households provide cash and/or in-kind remittances to rural dwellers. This implies a strong a social network with rural dwellers.

 #   Microenterprises are the main source of household cash income.

Approximately three-fourths of the respondents rank their enterprise as the number one source of household cash income. Enterprise earnings are the main source of funds for education expenses and for the purchase of business and household assets**.**

 #   Microfinance programs enable female entrepreneurs to develop financial management, decision-making, and leadership skills.

Female microfinance program clients make decisions on the allocation of their loan funds, loan repayments, and savings requirements. Their loan funds are spent on their own business activity. The formation of credit groups within each microfinance program provides clients with an opportunity to participate in formal leadership positions within the group (e.g., treasurer, chair). In addition, clients are expected to acquire financial discipline skills that enable them to repay loans on time and meet weekly mandatory savings requirements.

 #   Provision of health or nutrition information by the FOCCAS microfinance program results in clients trying new practices and informing others about such practices.

FOCCAS program personnel facilitate the presentation of information on new health or nutrition practices such as AIDS prevention and breastfeeding techniques to female clients participating in their microfinance program.   This information enables these female entrepreneurs to become better informed on new practices, and in turn to try these and to disseminate this information to friends and/or other household members. Women FOCCAS clients are significantly more likely than non-clients to have tried a new health or nutrition practice and to have advised a friend or household member about the improved practices, a positive impact of the FOCCAS program.

 #   Clients tend to be significantly different from non-clients in several ways.

Data on key characteristics of clients, indicators of poverty, and other factors indicate that the clients tend to be significantly different from the non-client respondent group. This implies a self-selection bias: certain people are more likely than others to become clients of the three microfinance programs. The selectivity bias is likely to be the result of two interrelated factors. First, persons with certain individual and household characteristics are more likely than others to be motivated to participate in the microfinance programs. Second, since the programs operate by individuals having to agree on who is part of their credit group, the groups are likely to select individuals whom they feel are most likely to be diligent in meeting their loan repayments. At the same time, there is no evidence of market saturation.

Next Steps

A wealth of information has been obtained from respondents who participated in this baseline study. The follow-on survey of the microfinance program clients and the comparison group is expected to reveal impacts of microfinance program participation in the areas of: agriculture sector linkages, enterprise expansion and diversification, and accumulation of household and enterprise assets. It is suggested that the follow-on exercise include focus group interviews to determine if the reasons why people join the microfinance programs have been realized.

The follow-on study ought to be undertaken in the same months as the baseline survey so as to control for seasonal variations. Options exist for designing the follow-up questionnaire. The research directors need to decide whether questions should be asked in the exact same way or whether to ask only about changes in that variable since the baseline study period, or to combine the two approaches. In addition, questions not covered in this baseline report which proved difficult and had the least reliable responses should be modified or eliminated.

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AN ASSESSMENT
OF THE IMPACT OF
MICROFINANCE SERVICES
IN UGANDA: BASELINE FINDINGS

Volume 2

May 1998

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Annex E: Tables

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ANNEX A

RESEARCH DESIGN FOR AN ASSESSMENT

OF THE

IMPACTS OF MICROFINANCE SERVICES

IN UGANDA

**Assessing the Impact of
Microenterprise Services (AIMS)**

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–AIMS–

RESEARCH DESIGN
FOR AN ASSESSMENT
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IN UGANDA

November 1997

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I.   INTRODUCTION

This paper sets forth guidance and recommendations for an assessment of the impacts of microfinance services in Uganda.[1] The purpose of the assessment funded by USAID/Uganda is to document the impacts of microfinance services in Uganda.   This will be accomplished through the study of a sample of the clients of three microfinance programs in three different areas of Uganda: FINCA in Kampala and Masaka, PRIDE in Masaka, and FOCCAS in rural Mbale. The intent is to collect baseline information in 1997 and it is recommended that the follow-up be done during the same months in 1998 or 1999, to determine changes which have occurred in the key impact variables. In order to plausibly link the changes found among the client sample to participation in microfinance programs, a sample of non-clients will be included in the assessment. This research design will provide the basis for studying the impacts of the microfinance programs upon clients, their households, enterprises and social and rural linkages.

The assessment will be designed to provide descriptive information of immediate utility on characteristics of clients, use of loan funds and the linkages between microenterprises and their owners, and the agricultural sector.

This paper proposes a design for the assessment. It sets forth hypotheses that are grounded in a conceptual model which considers microenterprises as embedded in the household economy. The selection of hypotheses has been informed by the context of the study areas and on the strategies of the programs to be studied, as well as the findings of impact assessments on microenterprise support programs in other countries. For example, it takes into account a) two of the programs do not target their loans to specific enterprises, but require that a client have an enterprise that produces income on a regular (weekly or bi-weekly) basis, b) urban based households may also be engaged in the agricultural sector, and c) the low level of household assets and relatively low level of income among most microentrepreneurs. The section on sampling plan describes the criteria and process used for the selection of programs and program sites.

The paper begins with a statement of the problem to be studied, followed by a brief discussion of a conceptual framework for assessing the impacts of microenterprise services. The next section presents the set of research hypotheses related to household welfare, enterprise growth and stability, client control over resources, social networks and linkages with the agricultural sector. In addition, key variables and measures are proposed.   Further, it identifies key participation and mediating variables which should be included in the assessment. The participation variables focus on client interaction with the microfinance program. The mediating variables are factors internal and external to the household which may affect impacts. Next is a discussion of the operational definition of an enterprise. It is followed by a discussion of key descriptive information which will be available from the baseline survey, in particular on linkages with the agricultural sector, characteristics of program clients and use of loan funds.   The following section sets forth the sampling design and plan. It discusses factors considered in development of the design, and discusses the sampling methodology for clients and non-clients. The last section suggests a process for the next stages in planning, implementing and reporting on the baseline assessment, and makes recommendations on the second round of the assessment.

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[1] This design paper reflects comments received from USAID/Uganda on an earlier version of the paper, and decisions made up to November 21st. Sections of the baseline report will provide further updates.

II.   A FRAMEWORK FOR ASSESSING THE IMPACTS OF MICROFINANCE SERVICES

A.   Statement of the Research Problem

Background:

Microenterprises are a critical source of income and employment for numerous low income people in Uganda.[2] Recognizing the importance of microenterprises to the general economy and especially for the poor, USAID has supported services to microentrepreneurs in Uganda the past 4-5 years and this attention has increased the past couple of years.   Uganda has benefitted from financial and technical support from both USAID/W and USAID/Uganda. USAID supports programs in Uganda that utilize poverty lending and microfinance strategies as well as those that link enterprise development with nutrition and health education. Such efforts include the provision of credit and savings services through village banking, solidarity groups and other organizational forms. Several of the significant microfinance programs focus on involving women as clients.

The problem statement:

The main problem to be addressed by the assessment can be framed as a series of questions: Do programs providing microfinance services make a positive difference in the lives of microentrepreneurs, their households, and enterprises? What is the nature, extent, and distribution of these impacts? Have microenterprise programs helped to reduce poverty in the households of microentrepreneurs? Has support to micro entrepreneurs in urban and metropolitan areas increased the flow of transfers and remittances to rural areas? Have they helped microentrepreneurs, particularly women, to grow their existing businesses or take advantage of new economic opportunities? What are the linkages between microentrepreneurs and their enterprises and the agricultural sector?

To address these questions, the assessment shall focus on key improvements in household welfare, enterprise growth or stability, increased ownership of resources by women, increased flow of resources to rural areas, and the relationship between microenterprises, microentrepreneurs and the agricultural sector.

B.   The Household Economic Portfolio

To analyze the impacts of microfinance services, the AIMS Project has developed a framework that conceptualizes the relationship between microenterprises and people' s lives, where people are considered both as individuals and as members of households and social networks. Enterprises are regarded as embedded in the household economic portfolio. Increased income from

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[2]Microenterprises are defined by USAID as very small, informally organized business activities (not including crop production) undertaken by low income people. They have ten or fewer employees, including the owner operator (or "microentrepreneur")and any paid employees or unpaid family workers. (USAID/G/EG/MD Policy Directive on Microenterprise Development).

enterprises and loan funds may be used in other spheres of the household economy, for basic daily needs or other investment activities.

The definition of *households* follows that normally used by central bureaus of statistics, including that in Uganda. A household is defined as a single person or group of persons who usually live and eat together, whether or not they are related by blood, marriage or adoption. The individuals recognize each other as members of the same household. Included in this definition are persons who are not living there fulltime because they are away at school. Living and eating together implies sharing at least some resources.

The hypotheses proposed for the Uganda assessment are embedded a modified version of the household economic portfolio model developed by the AIMS Project (Chen and Dunn 1996). The Chen and Dunn model places microenterprises within a broader set of household production, consumption, and investment activities. The conceptual model is defined in terms of three elements: 1) household resources, 2) household activities, and 3) the circular flow of interaction between household resources and household activities. The model recognizes that *resources*–financial, human, and physical resources–are fungible within the portfolio of household *activities*–production, investment and consumption activities–and that decisions regarding the allocation of resources are made in relation to options and tradeoffs within the overall household portfolio of activities. Because microenterprises are embedded in households, an understanding of impacts requires an approach that considers the full range of household resources and activities. The household model places microenterprises within the context of a broader household strategy to achieve economic security and family well-being. The model has been modified in two ways for the Uganda assessment: first, it allows for different types of services provided by microenterprise programs, whereas the Chen and Dunn model focuses on credit; and, second, it encompasses social and rural linkages, whereas the Chen and Dunn model includes only social networks.

Given the fungibility of resources among and between economic activities within households, and the flows of other resources into and out of the household (in addition to resources from the program service), a key challenge in studying impacts is linking change in any one activity or resource to the actual program service. In the case of credit, because the unit of borrowed money is identical to other units of money, and because of the complex pattern of cash inflows and outflows, it is often difficult to attribute a particular source of money to a particular outcome. Use of a comparison group of micro entrepreneurs who have not had access to credit, but operate in the same economic environment assists in accounting for the fungibility of resources within the household, (Chen and Dunn 1996).
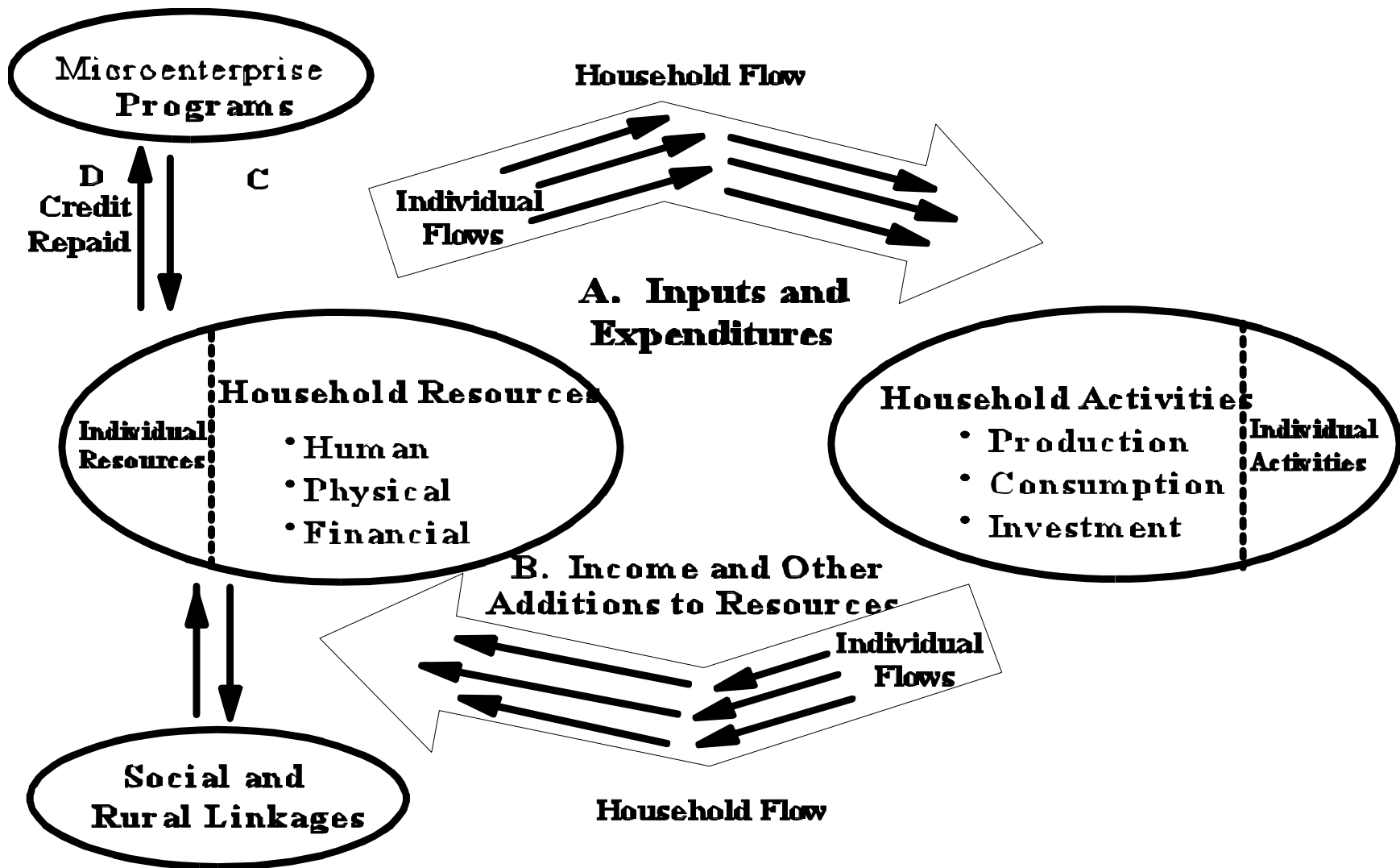
Figure 1: Model of the Household Economic Portfolio
Modification of Model in Chen and Dunn (1997)

III.   HYPOTHESES, VARIABLES AND MEASURES

A.   The Selection Process

The results of previous assessments of the impacts of microfinance programs served as a starting point for the identification of hypothesis for the Uganda assessment. (These are explained in an AIMS paper by Sebstad and Chen, 1996.) In Uganda, exploratory interviews were conducted with microentrepreneurs and key informant discussions held with the USAID WID Fellow, and microfinance program officers and staff. In addition, information was gathered on the strategies of the microfinance programs to be studied and from key documents and reports (including microfinance program documents). These sources have helped shape the selection of the hypotheses and variables explained below. The results of the exploratory interviews and pre- and pilot tests of a draft questionnaire led to the final selection of hypotheses, variables and measures.

In addition, the program strategies and transaction costs, program clientele and different economic contexts of the areas to be studied have influenced the selection of hypotheses to be tested and the variables by which to assess these. The selection of variables and measures has taken into account those on which credible and reliable information may be collected in a large survey. For households, the impact path is specified in terms of improvements in economic welfare. For enterprises, positive impacts may be realized in the form of enterprise growth or stability. For clients it is likely that they will benefit from an increase in resources over which they have control and from being able to plan for the future. In terms of social and rural linkages, the impact path is specified in terms of increased flow of resources to rural areas.

B.   Household-Level Hypotheses, Variables and Measures

Household economic welfare can be defined as the ability of a household to provide for the basic needs of its members, to cope with crises, to protect household resources and productive activities from unpredictable forces or actions, and to pursue a higher standard of living. Strategies for improving economic welfare include (H-1) diversification in the sources of household income, (H2) improvement in living conditions, (H-3) investment in human capital (H-4), increase in the quality of food consumed by the household (H-5), improvement in the effectiveness in coping with financial crises ,(H-6) increase in agricultural activities especially by agricultural based households, and (H-7) increase in trying new health and nutritional practices by those who participate in microenterprise programs that provide health and nutrition information.

H-1:   Participation in microfinance services leads to greater diversification in the sources of household income.

There are several possible motivations for a household to diversify its sources of income. Households may use diversification to reduce the risk of income variability (manage risk), to overcome resource or market constraints, or to increase revenue and profits. Microenterprise credit and savings services may increase the ability of the household to pursue a strategy of diversifying the sources of income in its portfolio, by diversifying their enterprises, crops, livestock or rental property.

Respondents will be asked to specify all of their household's sources of income. Additional questions about crops, livestock and rental property will serve as a cross-check to ensure that all sources are identified. The time period will be the last 12 months. Data will be analyzed in terms of the number of sources, and the three sources which contribute most to the household. (This question takes into account that male household members may earn the most money but that it cannot be assumed that this income is spent on the household.)

H-2: **Participation in microfinance services leads to an improvement in living conditions of clients through:**

> **H-2a:** **an increase in the number of rooms used by the household.**
> **H-2b:** **an improvement in the housing infrastructure.**

Urban microentreprenuers in Uganda often live in rental property without access to piped water in the dwelling and with no electricity. It is hypothesized that increased income will be spent on better living accommodation. Some rural and urban microentrepreneurs live in their business shop, often using the same room for living and sales. These people may improve their living conditions by renting a room primarily for living space. And, rural farm households may improve their houses with increased income from microenterprises.

Respondents will be asked about the type of dwelling, total numbers of rooms used by their household for living, and basic infrastructure, e.g. type of roof and walls, main source of water, and for urban areas, access to electricity. In addition, information will be collected on the tenure status.

It is anticipated that the household living conditions may improve with increased income from microenterprises.

H-3: **Participation in microfinance services leads to an increase in investment in human capital through**
> **H4-a ...... increased expenditure on children's education.**
> **H4-b ....proportion of male and female children aged 5-24 in school.**

Ugandans tend to place a high priority on education. Despite the articulated commitment to provide public primary education, households must spend money on school fees, uniforms, books and supplies, and building funds to have their children attend. Secondary school fees and related expenses require a significant outlay of cash. This investment in human capital improves the human resource base of the household. Savings and revenues from microenterprises may be used to pay for educational expenses, or credit may directly finance these expenditures.

Not only the amount spent but the proportion of school aged children in school may be a significant impact of participation in a microfinance program. It is hypothesized that as the income of a household increases funds will be used to keep children in school for more years. The assessment will determine if both female and male children benefit.

Information will be obtained on whether or not household members aged 5-24 are in school or training, and the current level of schooling. This combined with information on the sex of each will be analyzed to address H3-b. In addition, data will be obtained on the amount of money spent last term on each household member in school, as well as the main sources of this money. The latter will be used both to confirm that the money was derived from the household's income generating activities as well as to determine if the respondents' enterprises were a source of funds.

The time period of last term has been selected since a shorter time period increases the reliability of the information. (The exploratory work tested asking about expenditures this school year, but found that it was difficult for the people to recall the expenditures over so many months.

H-4: **Participation in microfinance services leads to improvements in household diet, especially among the very poor.**

Participation in microenterprise programs may affect food consumption in several ways. Among very poor households, increases in income will increase the ability of households to purchase or produce a range of nutritious foods. Even most rural households are not self-sufficient in the provision of a range of nutritious foods and hence rely on the market for these. Given the level of poverty among the study population, this is considered as a potentially strong indicator of the impact of microfinance programs.

Respondents will be asked about different food groups and the number of times in the last three days that any items in a group were eaten in the household. The food groups will be devised in such a way to take into account cultural preferences and local crops.

H-5: **Participation in microenterprise credit services leads to an increase in the household's effectiveness in coping with financial crises.**

Unanticipated financial shocks can have different ramifications upon households depending upon their level of economic security. Shocks can be permanent (e.g. loss of an income stream through death of a member) or temporary (e.g. illness, theft of goods from a business or drought). The more financially stable a household the less the shock will cause a permanent economic setback.

If a household is effective in coping with shocks, its responses will be limited primarily to strategies which are reversible, such as use of liquid assets, borrowing, and increased labor sales. A second stage strategy is characterized by the liquidation of productive assets, while the third stage is break-up of the household. Microfinance services can help households to rely primarily on stage one strategies by helping them to increase their savings and to build self-insurance mechanisms for later use.

Respondents will be asked about any major unanticipated events that have occurred within their households in the past 24 months that had financial repercussions. The event, when it occurred and the response to the event will be recorded. Data will be analyzed to determine if client in comparison to non-client households were able to cope with the crisis without disruption of normal household expenditures and renting or selling key physical assets.

H-6: **Participation in microfinance services leads to an increase in agricultural activities of agricultural-based households by:**

H-6 a: increasing the amount of land used.
H-6 b: increasing the number and types of crops grown for sale.
H-6 c: increasing the number of livestock owned by household members.
H-6 d: serving as a marketing outlet for produce and livestock products
produced by the household.

The households of rural and urban microentrepreneurs may be involved in agricultural production for sale and domestic consumption, and the raising of livestock. Increased income from microenterprises may be spent on expanding their agricultural based activities. The income may be used to rent in land on which to grow crops, increase the number and types of crops grown for sale, and purchase livestock. (It is acknowledged that livestock, particularly goats, sheep and cattle, may be purchased primarily as a savings instrument. The exploratory study found that this was occurring among urban as well as rural microentrepreneurs.)

Descriptive information will be collected on whether microentrepreneurs sell produce and livestock products produced by themselves or their households. In addition, information will be obtained to determine the extent to which microenterprises purchase products or inputs from farmers and in rural markets. This latter is particularly relevant to microentrepreneurs who operate in urban areas, as well as those in rural areas.

H-7:   Participation in a microenterprise program that provides health and nutrition
information leads clients to try new practices.

Clients who participate in programs which provide health and nutrition information are likely to try practices which they learn about through the program and other information sources. Freedom from Hunger has found that trial and adoption of practices is often related to hearing the information from more than one source. This reinforcement of information on good practices leads people to changing their behaviors.

FOCCAS clients will be asked if they tried any new practices the past 12 months, which practices and where they learned about these.

C.   Enterprise-Level Hypotheses, Variables and Measures

In assessing the impacts of microfinance services Uganda, it is important to realize that the context within which the microenterprises operate differs across regions. The local economic conditions can have an important impact on the potential for growth (Snodgrass 1996). One positive impact of microenterprise credit could be that it helps an enterprise to grow faster and perform better than other enterprises that do not receive similar credit. However, in times and places where most enterprises are performing poorly, the positive impact of microenterprise credit could be to help an enterprise to remain stable while others are failing.

Microenterprise credit is generally believed to contribute to the growth or stability of enterprise profits and enterprise net worth. However, it is extremely difficult to get reliable information on profits and on enterprise net worth due to 1) the difficulties of creating a single data collection instrument that will allow accurate measurement of net revenue from a wide variety of subsectors, and 2) the limitations imposed by the respondents' not knowing the information. Therefore,

proxy indicators are proposed.   Enterprise stability and growth will be assessed in terms of (E-1) increases in sales volume and value of sales, and marketing margins of traders, (E-2) increase in fixed assets, especially among repeat borrowers, and (E-3) increases in employment.

E-1:   **Participation in microfinance services leads to an increase in microenterprise net revenues through ...**
    E-1 a: **increases in sales volume, and**
    E-1 b: **increases in the value of sales.**

It is proposed that information be gathered on the volume and value of sales, within a limited time frame and for a select number of products. This will serve as a proxy measure of enterprise growth and stability. It is proposed that additional information be obtained from those engaged in trade to be able to calculate marketing margins.

Respondents should be asked to report on the three highest value items or services sold the past month or last week (depending on ease of recall). Each item would be specified and the number and monetary sales value for the past month or week given. Enumerators will be responsible for determining the time frame (week or month) most remembered by the respondent. Traders often think in terms of the number of purchase units sold, so this will be taken into account to assist them in recalling their sales.

Since the three items are unlikely to represent total sales for the week or month, respondents will be asked to estimate what these three items represent vis a vis their total sales.

E-2:   **Participation in microfinance services leads to an increase in enterprise fixed assets, especially among repeat borrowers.**

The accumulation of enterprise fixed assets may be one of the most important long-term impacts of microenterprise credit, especially among the less-poor borrowers (Barnes 1996; Hulme and Mosley 1996; Sebstad and Chen 1996). The accumulation of enterprise fixed assets represents an expansion of the household resource base. These enterprise-specific resources can be used, in turn, to expand or improve productivity within the microenterprise. This may enhance the income generating potential of the microenterprise in current and future periods, and may improve the ability of the enterprise to deal with market risks. It also represents part of the accumulated wealth of the household which may be liquidated in a major crisis. Enterprise fixed assets include equipment, machinery, tools, furniture and fittings, and premises.

Participants will be asked about enterprise fixed assets (equipment, machines, tools, fittings, furniture and buildings) purchased in the past 12 months, the source of funds, purchase price and if not paid off, the amount owned.

E-3: **Participation in microfinance services leads to an increase in the employment generated by the enterprise, including ...**

    E-3 a: **increases in paid employment and**
    E-3 b: **increases in unpaid employment.**

The generation of employment has been widely cited as an important potential result of microenterprise growth and, thus, a potential impact of microenterprise credit services. The evidence for this impact is mixed (Sebstad and Chen 1996). There are two possible employment impacts. Microenterprise services may result in additional paid employment. The second part of the hypothesis (E-3b) focuses on the possibility that microenterprise services allow the enterprise to productively absorb more of the (unpaid) labor of the household.

Information will be collected on the nature and extent of employment in the respondents' enterprises last week and last month. It will permit an analyses to determine the extent of changes in household and non-household unpaid and paid labor is employed in the enterprises. Information will be collected on whether or not the person is paid, and if paid the type of payment: solely in cash, cash and in-kind, solely in-kind.

D. **Individual-Level Hypotheses:**

The household economic portfolio model recognizes a variety of joint or separate arrangements in the organization of resources, activities, and interactions within households. Gender relations are reflected in legal constraints (in particular property and inheritance laws), tradition and cultural mores which sanction male control of almost all resources. These are linked to the lack of economic opportunities (often related to gender relations) for women and lead them to be economically disadvantaged. These gender dimensions are played out within and without the household. Particularly since Ugandan women tend to bear the responsibility for providing for their children as well as orphans of relatives, the individual level hypotheses are significant. Two of the three programs in this study lend exclusively to women. Their respective focus on group formation, plus FOCCAS delivery of health and nutrition education, may indirectly assist in building foundations for the empowerment of women.

The impact path specified at the client level is greater empowerment, especially of female clients. This is operationalized to mean (I-1) greater control of resources and (I-2) increased ability to plan for the future.

I-1: **Participation in microfinance services leads to greater control of resources through**
    I-1 a: **an increase in assets owned and controlled by the female client**
    I-1 b: **a change in the pattern of savings.**
    I-1 c: **an increased role in deciding on the income from crops grown and sold**
    I-1 d: **an increase in livestock owned and controlled.**
    I-1 e: **an increase in agricultural inputs purchased.**

Microfinance programs serving women have the potential of substantially increasing the physical and financial assets controlled by female clients. The assets can be in the form of items for their enterprise(s) or household. It is recognized that women may also increase their purchasing power and buy assets for the household or others, but not have total rights of control over these. Savings is important for several reasons. First, it is an indicator of the accumulated wealth of the individual. Second, it represents a form of self-insurance that can be drawn down to buffer the effects of economic shocks. Third, savings are financial assets. Mandatory savings is a key part of participation in the microenterprise programs studied. In addition, two of the programs also permit clients to put more than the required amount into their mandatory account while the third encourages clients to open savings accounts at banks.. The assessment will explore the pattern of savings and the current amount saved. Since savings tend to be very personal and the amount held in confidence, the assessment will focus on the savings of the respondent microentrepreneur.

Purchases solely or jointly by the respondent over the past 12 months will be documented and information obtained on purchase price, amount still owned, main source of funds and if respondent controls and owns the asset. Also, the pattern of savings and shilling value of the respondents' savings will be ascertained. In addition, since some Ugandans save through livestock, changes in the average number and value of respondents livestock will be determined.

Information on crops solely or co-owned by the respondent will be determined, in addition to the loci of control over income earned from any sales the past 12 months. Also, respondent' s expenditures on agricultural inputs the last three months will be recorded.

I-2:   Participation in a microenterprise program leads to improved ability to plan for the future.

Participation in a microenterprise program permits clients to be assured of access to credit and savings which can be used to grow an enterprise or initiate a new enterprise. In addition, the process of having to be able to manage financial resources to repay loans indirectly affects the behavior and outlook of clients, as their planning skills are expanded beyond the immediate loan to focus on plans for the future. Information on this will be sought through an open-ended question.

E.   Social and Rural Linkages Hypothesis, Variables and Measures

Microfinance programs are likely to benefit individuals beyond the clients and their immediate households. Because of USAID/Uganda' s strategic objective on increases in rural incomes, special attention will be paid to remittances and transfers of funds from the metropolitan and urban areas to rural areas.

R-1: **Participation in microfinance services leads to an increase in the flow of resources to rural areas through**

R-1 a: **flow of cash and in-kind goods.**

R-1 b: **serving as a marketing outlet for produce and livestock products produced by the household.**

R-1 c: **purchasing products from farmers and in rural markets to sell in urban areas.**

Ugandan microentrepreneurs and their households have financial obligations and social responsibilities within an ever extended network of social relations. The closest ties within this network are with to blood relatives who do not reside and eat with the household, such as parents and children. They also are called upon to assist relatives, such as cousins, nieces and nephews. Assistance may take the form of funds for educational expenditures or food. It may also be to assist with funeral related expenditures. Resources may flow from the metropolitan and urban areas to rural areas. They may also flow from rural areas to other rural areas or to urban and metropolitan areas in the form of cash and in-kind resources such as food crops.

The average monetary value of assistance to non-household members in rural areas will be compared for the two sample populations**.**

Descriptive information will be obtained to determine the extent to which the main source of inputs to microenterprises are farmers (on-farm) and rural markets. This latter is particularly relevant to microentrepreneurs who operate in urban areas, as well as those in rural areas. Since microentrepreneurs, especially in urban areas, do not know whether their main supplier is a farmer or a middleman, no attempt was made to distinguish the type of supplier of agricultural products in towns and urban areas. The same is true for the identity of those selling in rural markets.

F.   Factors Influencing Impacts

Participation Variables:

The participation variables are designed to measure the different degrees of program inputs which are hypothesized to lead to positive impacts. The client who takes a single, short-term loan for a small amount would not be expected to experience the same impacts as a client who borrows repeatedly and larger amounts over an extended period of time. Many of the impacts are expected to either intensify or appear only with long-term, repeat borrowing.

Table 1. Participation Variables Reflecting Extent of Participation

P-1:	Monetary value of current (baseline period) loan
P-2:	Number of loans received
P-3:	Total monetary value of loans received to date
P-4:	Total amount of savings

The participation variables in table refer both to current loans and to the history of loans. For the report on the baseline period, information should be collected on all of the participation variables. If possible, information especially on savings should be cross-checked.. The information should be updated during the follow-up assessment.

Mediating Variables:

Mediating variables are key factors which might affect the direction and strength of the relationship between participation in microfinance programs and impacts at the household, enterprise, individual and social network levels. The allocation of additional resources generated by microenterprise services and their impacts on household economic welfare, enterprise growth and stability, individual ownership of assets and transfers may depend on several factors in addition to the service provided.

At the level of the household, the important mediating variables include 1) the basic demographics of the household (percentage of household members who are economically dependent , age, marital and educational status and gender of the microentrepreneur, and gender of headship) the size and composition of the household income portfolio; and 3) household asset base. At the enterprise-level, several mediating variables are expected to affect the nature and level of impacts. These are listed in table 3. During the analysis of the survey findings, the mediating variables at the enterprise level may be used to construct different subgroups of microenterprises, thus refining the ability to interpret changes in the impact variables.

Table 2. Mediating Variables Affecting Impacts at Enterprise Level

Mediating Variable	Measurement Approach
Sector	Main products or services provided and if mixed, the sector of the products/services which bring the highest sales revenues.
Age	Length of time since start-up of enterprise
Gender of Owner	Pattern of ownership and gender of owner(s).
Continuity of operation	Average months per year; weeks per month; days per week; and hours per day over last year
Location of enterprise	Location of main sales premise.
Security of premises	Secure premise measured by: a) ownership of premise b) if pays charges for use of premise.

Program and Local Context:

The microfinance program strategies, criteria and mode of operation, and the local economic and regulatory context may also affect the extent and degree of impacts. The assessment report will provide descriptive information on the following: a) criteria for access to services, b) range of services and delivery methods, c) structure of organization especially related to outreach, and d) length of existence and size of financial portfolio and client base. It addition information should be gathered on repayment rates. Factors in the local economic and regulatory context

environment likely to affect impacts include a) regulations affecting microenterprises, b) the structure of local markets for goods and services, c) the condition of the basic transport infrastructure, e.g. roads, d) the credit and savings market, and e) extraordinary events which positively and negatively affected microenterprises (such as drought, floods, disruption of transport and political unrest). These factors should be described in the baseline report and the implications of these to baseline and later findings should be used in analyzing the data.

G.   Operational Definition of Enterprises

The assessment will cover all microentrepreneurs selected for the client sample, irrespective of whether they are engaged in an income-generating activity that meets the USAID definition of microenterprise. The programs to be covered in the assessment require that the client have an activity which generates an income on a daily or weekly basis. This activity may or may not be the main income-generating activity to which the loan funds are directed or which generates the most money. For example, a Kampala client's main enterprise is poultry raising, which generates an income every two to three months, and she sells envelops that she makes to a local health dispensary and this latter generates a small income every week. In rural Mbale, a significant portion of the women earn money on a regular basis by brewing but it is likely that their main income-generating activity is agricultural based.

Therefore, the assessment should cover both the income-generating activity which generates a regular flow of money as well as the activity which generates the most money. Agricultural based activities, such as poultry raising, milk production, and market gardening, should be considered as valid activities if they fit into one of these categories.

An enterprise will be defined as:

> An income-generating activity by one or more household members who are self-employed (including those who are employers) or engaged in own account activities. The activity is owned or controlled by one or more members of the household. The owner may belong to a cooperative but the production process is controlled by the owner(s). The income earned from the sale of an item is ultimately received by the owner(s). The cooperative may assist with marketing or sharing of premises. The owner may be in partnership with a non-household member, but the sales revenue must be distributed according to the contributions by the owner or an employee (paid or unpaid including household members).

An enterprise may be undertaken seasonally or occasionally or on a fulltime basis. For example, a person may raise batches of chickens to sell during the holiday season.

According to the standard definition, if two activities operate at the same time and place, it is a diversified enterprise. For example, it is common in urban areas of Uganda for microentrepreneur to operate more than one sector activity at the same time and place. For example, a hair dresser (services sector) makes school uniforms (manufacturing sector) in a corner of her shop and sells used clothes (trade sector). A diversified enterprise is normally classified in the sector which generates the greatest sales receipts. Using the hairdresser example, school uniforms generate the most money in sales receipts over a 12 month period even (though the sales occur periodically)

and hence the enterprise would be classified as manufacturing. The same time and same place is defined to mean the main sales outlet.

According to the standard definition, if the same activity operates at the same time but at two different sites, it would be two enterprises. An example is a charcoal seller who has expanded her business and sells from two different sites, with an employee taking care of one site. The standard definition would classify this woman as having two enterprises; however, if she were asked about her sales receipts and net revenue she would not be able to specify it by enterprise since she manages the inputs and sales revenue as if it is one enterprise. Therefore, it is recommended that the assessment not try to artificially separate such an activity as two enterprises if the respondent classifies it as one.

H.   Descriptive Information from Baseline Survey

To meet USAID/Uganda' s desire for information of immediate utility from the baseline survey, it was be designed to provide descriptive information on a) characteristics of clients, their households and enterprises vis a vis non-clients, thier households and enterprises, b) use of loans, and c) linkages with the agricultural sector. The baseline surveyis expected to provide descriptive information on the socioeconomic level of clients. This will be indicated by a) living conditions, b) ownership of agricultural land, houses and other property, c) ownership of key household assets, and d) uses of enterprise income to determine ways the household relies on that income. Information will be collected on the use of the last loan: on what it was spent, if spent on an enterprise owned by the respondent, and the amounts spent on the largest categories. In regards to the largest expenditure category, information will be available on what the respondent would have done if they had not received the loan. In addition, information will be available on the decision making pattern related to use of the loan and on the loci of provision of funds for loan repayment (i.e. others who provided funds to assist the client with funds for repayment installments). Moreover, specific questions on the source of funds to meet educational expenditures, household assets and enterprise assets should yield additional information use of current and past loans.

The baseline survey will provide information on the extent programs to those individuals and households engaged in agricultural sector activities. It will collect information on a) crops grown and sold by the respondent and respondent' s household, b) livestock owned by the respondent and respondent' s household, c) expenditures on labor and crop inputs by the respondent, d) and whether the respondent' s sell crops, livestock or livestock products produced by them or their households, and e) the amount of land owned/controlled by the household as well as land rented in and land used but belonging to someone else. In addition, information will be gathered to determine if the main inputs (main in terms of amount of money spent) are obtained in rural markets or directly from farmers, on farm. Finally, information will be gathered on transfers, assistance and remittances to rural areas in the last month and the last three months, to document support to rural dwellers by microentrepreneurs in urban as well as rural areas.

Furthermore, descriptive information will be available on the positive and negative effects ownership of a microenterprise has on household relations. It is expected that this open-ended question will yield testimonies of the effects of microenterprise program services upon social relations in the household.

IV. SAMPLING PLAN

A. Introduction

The purpose of this sampling plan is to provide and detail sampling methodology which will allow optimal analytical capability given the objectives of USAID/Kampala and practical considerations. A major objective of USAID/Kampala is that the impact study be as representative as possible across geographical areas and across lending programs. Of necessity, this sampling plan thus reflects trade-offs that have been made in order to achieve this greater representativeness.

The impact assessment design is based on studies in three geographical regions and for three "best practice" lending programs. While this diversity somewhat diminishes the statistical power in some situations, it increases the likelihood of providing comparative empirical evidence on location-specific and program service-specific issues.

The sampling plan uses sample sizes that will allow for the attainment of statistically significant results in many types of disaggregated analyses if warranted. These sample sizes will also contribute to the validity of the descriptive statistics provided in the study. The sample sizes have been adjusted for anticipated loss in this longitudinal study due to movement and mortality.

The sampling methodology uses random stratified sampling of all client populations and either random sampling or clustered variants of random sampling for non-client comparison groups. This maintains a high degree of power for the statistical analyses which will be employed, given the constraints of the sampling frame. Practical problems of survey implementation impose certain restrictions on the population to be used for sampling.

B. Sampling Frame and Key Considerations

<div align="center">SAMPLE DESIGN</div>

Metropolitan		Urban				Rural	
Program A		Program A		Program B		Program C	
Client	Comparison	Client	Comparison	Client	Comparison	Client	Comparison
N=180	N=180	N=180	N=240*	N=180	N=240*	N=180	N=180

* Comparison Groups for Programs A & B in the Urban Category are identical.

Geographical Considerations:

In order to achieve the highest level of possible geographical representativeness, given the practical constraints of this study, locational diversity was sought among study locations within Uganda. Further diversity was sought along the rural-urban-metropolitan continuum.

Uganda has a highly differentiated geography. One generality is that a wetter, more fertile southern part of the country graduates to a drier, less fertile north. With this gradation comes associated gradations in dominant economies and population density. Within this generalized landscape, there are many local variants.

At the time of this survey, there is minimal microenterprise finance activity in the northern part of the country, much of which is still insecure. The middle section of the country is beginning to see new microenterprise lending activity, but the programs are still relatively new. It was thus decided to focus on a tier of the country where there are established programs and a large client base. To increase the geographical diversity, it was decided to include areas in the east (Mbale), central (Kampala) and western (Masaka) parts of this tier.

A further geographical consideration is to insure representativeness along the rural-urban-metropolitan continuum. It is likely that microenterprise impacts will vary along this continuum, as clients have differential access to economic opportunities based on this locational component. Thus the three study sites selected reflect a desire to study the spectrum of rural to metropolitan locations. Kampala was chosen as the metropolitan representative. Masaka, an intermediate size city, was chosen as the urban representative. And Mbale District was chosen to survey rural representative clients.

It is acknowledged that not all geographical considerations can be included in a limited survey, but an effort has been made in this sample design to be as representative as possible, given practical constraints.

Program Considerations:

There are approximately 80 microenterprise financial institutions (MFIs) operating in Uganda. It is neither feasible nor desirable to study them all. Many of these MFIs are small and newly established. Indeed, the most established MFIs have only been operating during the 1990s. This study will focus on MFIs which employ "best practices," which have an established record of microenterprise lending, and which have a sufficient client base and geographical representation to meet the objectives of the sampling design. This limits the number of potential MFI programs considerably.

Consultations with USAID/Kampala staff, the WID Fellow, and an expert from PRESTO provided information on the universe of MFI programs and specifics on those that could be considered to be operating at or near "best practices" level. This reduced the number of potential programs for the study to less than ten. The number of these programs that were very new and thus had at least a minimal track record or were highly geographically limited reduced the desirable program base further.

Based on these consultations, USAID/Kampala and MSI agreed on including three programs in the study: PRIDE-Africa, the Foundation for International Community Assistance (FINCA), and the Foundation for Credit and Community Assistance (FOCCAS). PRIDE-Africa will be surveyed in Masaka, FINCA will be surveyed in Masaka and Greater Kampala, and FOCCAS will be surveyed in rural Mbale.

The three programs included in the study share certain similarities:

a) they are judged as operating at or very near the level of "best practices";
b) they use the "village bank" model which loans to individuals through groups which give a "group guarantee";
c) savings are a mandatory component of the credit program;
d) they have similar loan durations (4-6 months);
e) they charge similar interest rates (typically a "flat rate" on the loan of 3% per month);
f) there is group accountability through elected officials;
g) their initial focus in on small loans; and
h) all have a reasonable repayment record.

It must be noted, however, that these programs do vary according to services offered and requirements of clients. These variances may reduce the statistical power of pooled analyses, although this drawback may be somewhat ameliorated by other analyses involving comparison groups. Further, an explicit trade-off was made to increase geographical and program representativeness at the cost of some statistical power, thus allowing for greater comparative analysis and comprehensiveness of the results.

These program differences include:

a) maximum loan amount varies;
b) women are targeted almost exclusively by two of the three groups, the other (PRIDE-Africa) targets both sexes;
c) savings requirements and credit/savings relationships vary between groups, especially past the initial loan;
d) one group has a specific social agenda (health and nutrition-FOCCAS), while the others are primarily financially-oriented;
e) focus along the rural-metropolitan continuum varies; and,
f) program inclusion and participation rules vary.

Sample Size Considerations:

The sampling plan has selected sampling sizes which will allow disaggregated analyses by up to two sectors within groups that may yield statistical significance. Further, should the resulting analyses lack the achievement of statistical significance, the large sample sizes should increase the validity of interpretation of the descriptive statistics resultant from the surveys.

A base sampling size of N=180 was chosen. A rule of thumb is that n=30 is the minimum sampling size upon which to base statistical significance. This sample size of N=180 allows for a two sector disaggregation of any sampling group (which would require an N=120 with equal group sizes). An N=180 sampling size allows for both unequal sector group size and the likelihood that the sample size will be reduced in the subsequent longitudinal analysis due to movement and mortality.

In the Urban case study, two client groups will be sampled in the same setting. The same comparison group will be used for the two client groups, but, given that there are some differences between services provided and client target populations, the sample size of the comparison group has been increased to N=240.

SAMPLE DESIGN INDICATING GEOGRAPHICAL AND PROGRAM CHOICES

LOCATION/PROGRAM SPECIFIC SAMPLE DESIGN

Metropolitan *Kampala*		Urban *Masaka*				Rural *Mbale*	
Program A *FINCA*		Program A *FINCA*		Program B *PRIDE-Africa*		Program C *FOCCAS*	
Client	Compar-ison	Client	Compar-ison	Client	Compar-ison	Client	Compar-ison
N=180	N=180	N=180	N=240*	N=180	N=240*	N=180	N=180

* Comparison Groups for Programs A & B in the Urban Category are identical.

C.   Sampling Methodology

Client Groups:

For all client groups, the methodology uses stratified random sampling from the selected sites. Stratified random sampling acknowledges that the lenders are aggregated into groups. Thus, rather than taking a pure random sample of the entire client population, a random sample of approximately the same size is taken *within* each group. This stratification technique increases the group representativeness of the sample with only the slightest 'cost' in terms of statistical power.

The samples were taken from the population of groups for which records were available which received loans in the most recent periods during the three months of August-October, 1997.

For both FINCA and FOCCAS, stratified random sampling (using a random number table) was conducted directly from the files of all groups receiving loans in the most recent periods. In the case of FOCCAS in rural Mbale, there were 29 groups with 6-7 clients and 3 alternates chosen randomly from each group to achieve an N=180 with 87 alternates available. For FINCA in Greater Kampala, there were 18 groups from each of which a random sample of 10 was taken with 4 alternates to achieve an N=180 with 72 alternates available. Maps to each of the FINCA Kampala group's meeting places were copied.

For FOCCAS in rural Mbale, a sample list with alternates was produced by group. The groups selected were all 29 groups who will receive a loan between September 1 and October 15. The list includes the name and location of the group, the name of the group's Credit Association President, and the name of FOCCAS's Organizational Representative. For each individual, the name, loan activity (type of enterprise), and previous loan amount are recorded.

Random sampling of PRIDE and FINCA groups in Masaka will be undertaken in October. Both of these groups are new in the area and it was determined to wait until more program participants were available in order to achieve the numbers required for sampling.

A printout of PRIDE's current Masaka clients was generated by PRIDE's Paul Mayanja Nviri, and this printout made it clear there would be no sampling problems from such a list in the near future. FINCA's group loan sheets for Masaka also will allow straightforward client sampling in the near future.

Instructions have been drafted for field supervisors and field enumerators which detail the precise methods to be used in identifying and approaching clients for the sample. If a client cannot be found on the first attempt, two call backs are required before an alternate client is chosen for the survey.

Non-Client Groups:

In all three sites, representatives from programs which are being included in the survey were consulted regarding appropriate comparison samples in their areas.

In Mbale, FOCCAS' Basil Wanzira estimates that their program's 'penetration' of participation of Mbale District rural women engaged in small businesses is less than 5% of the potential population. There are few other groups working in microenterprise finance in rural Mbale. Thus, selection of a comparison sample site was not influenced by the complication of significant segments of the non-client population being ruled ineligible due to participation in some microenterprise finance program.

Based on a study done by PRIDE of potential program participants within 5 kilometers of their office in Masaka town, PRIDE's projected penetration of the potential population through the end of the baseline survey (December, 1997) will be around 2%. Based on PRIDE's study, FINCA's penetration will be somewhat less than PRIDE's. There are only a few other microenterprise finance groups working in Masaka. Thus, again MFI penetration is not a critical issue in generating a non-client sample in Masaka.

Greater Kampala has a higher penetration by MFIs, but there still exists a substantial population of non-clients who do not participate in a program, according to Michael McCord of FINCA.

It should be noted, however, that MFI participation does tend to geographically cluster. It is expected that field enumerators may frequently have to screen more than one client before an appropriate non-client is found to survey.

For FINCA in Greater Kampala and PRIDE and FINCA in Masaka, the non-client population will be sampled using a matched "random walk" method. Using this method, after a client has been surveyed, the field enumerator walks a random (but specified) number of houses/establishments in a random (but specified) direction and screens that person for eligibility and willingness to participate in the survey. If that person is ineligible or unwilling, the field enumerator walks another random (but specified) interval and initiates the process again. This process iterates until

a successful interview is achieved. The random sequence selected is 6,2,5 and the random direction is right.

For Masaka, there will be overlap in the comparison groups between PRIDE and FINCA. Thus only 120 non-clients will be matched for each sample (PRIDE and FINCA), yielding a comparison group of N=240.

While this process does not yield a "pure" random sample [it is not an EPSEM--an "equal probability of selection method"], it is the most reliable and pragmatic random sampling procedure possible given that:

a)   there are no existing lists of potential non-clients, and generating such a list would be unrealistic given budget and time constraints; and

b)   good maps showing the extent of microenterprise activity are not available, nor could they be accurately and practically generated (especially given the degree to which some microenterprise is home-based).

Instructions for field implementation of the random walk method of non-client sampling have been provided.

For Mbale, the sampling strategy was to use a Clustered Stratified Systematic Unaligned Random Sample of rural participants. See B.J.L. Berry and A.M. Baker, "Geographic Sampling," in SPATIAL ANALYSIS edited by B.J.L. Berry and D.F. Marble, Prentice Hall, 1968 for full details of this technique. The choice of this spatial sampling technique is especially useful in rural areas since it "combines the advantages of randomization and stratification with the useful aspects of systematic samples, while avoiding the possibilities of bias because of the presence of periodicities" (ibid, p. 93).

This technique requires classifying a geographical area into eligible and non-eligible areas. For Mbale, after discussion with Basil Wanzira of FOCCAS, ineligible areas include Mbale town because it is urban not rural, the forests of Mount Elgon, swamplands, and the lowlands west of Mbale where the program does not operate.

For Mbale, topographic maps at the 1:50,000 scale were acquired and reproduced for the client areas of FOCCAS in Mbale District. A copy of the maps was given to FOCCAS for their own use. Six-randomly selected quadrants were selected using a geographical grid. The cardinal orientation (N,S,E,W) was also randomly selected and a 15 square kilometer grid was generated with quadrant cells of one kilometer square as geographical units for sampling. The density of an average grid cell is estimated to be approximately 70 households.

Two sets of random numbers were assigned to each grid along the axes of the 3X5 quadrant. These random numbers were generated for each of the six geographical clusters, and the stratified systematic unaligned sampling method was applied, generating 30 geographical control points per cluster for a total of N=180. This process yields a desirable sample.

Instruction for operationalizing this sample are provided. Field enumerators must walk to the control point and begin the survey process at the nearest household.

V.   NEXT STAGES

A.   Baseline Assessment

Preparatory Work:

A preliminary draft questionnaire was pre-tested in greater Kampala. Based on the results and further discussions, it was revised for pilot testing. The pilot tests were designed to take place in Mbale, Kampala and the Masaka area among clients and non-clients. The test sites were geographically apart from the sites of the assessment sample population.

While the pilot test was planned for 18 microentrepreneurs, however, due to difficulties encountered in Masaka, less than the scheduled number of 6 were conducted. The results of the pilot tests were discussed by the research firm with USAID and the AIMS consultant. The pilot test sought to answer the following questions:

(1)   Where the questions clear, easily understood, and specific? Did respondents frequently ask for clarification of any questions?
(2)   Were the response choices appropriate and comprehensive? Did respondents offer a number of "other" responses to any list of choices?
(3)   How much effort was required to answer? Was the respondent able and willing to answer all the questions? Did the respondent lose interest in a question or a set of questions?
(4)   What questions were enumerators having trouble with?
(5)   Were there unnecessary biases due to the nature of the introduction and format of the questions?
(6)   Was the sequencing of the questions optimal and were there smooth transitions between questions?
(7)   How much time did the interview take? How much time did each section take?
(8)   Was there variance in the answers to the questions? Were there rare events?

As a result of the pre-tests and pilot tests, additional refinement and modifications were made to the questionnaire. To the extent feasible an attempt was made for the rural questionnaire for FOCCAS clients to parallel the urban questionnaire. This was done to aid data manipulation and aggregation.

The draft enumerator's instruction manual developed by the AIMS consultant will be finalized by the Ugandan contractor. In addition, the final questionnaires will be translated into the local languages and then the rural questionnaire back-translated. The questionnaires were then typed in the local languages.

The Ugandan firm provided field supervisors and recruited enumerators. The training plan included mock interviews and field experience.

Implementation:

After finalization of the questionnaires, the AIMS consultants shall prepare an initial tabulation and analysis plan. The Ugandan contractor will be responsible for data collection, processing and analysis. Guidance will be provided by the AIMS consultants largely through virtual space. An AIMS specialist will work with the local contractor to review data entry, cleaning and tabulation and analysis plans. This work will involve up to 12 days in Uganda.

It is suggested that the final report include sections which provide a description of the programs studied and the local economic context of the study sites. The survey findings shall be presented in simple tables which shall be specified in the data entry and analysis plan.

A copy of the cleaned data and explanations on data cleaning shall be submitted to the AIMS consultants. AIMS shall review the cleaned data.

The Baseline Report:

USAID and AIMS have agreed on a draft outline of the baseline report and writing responsibilities. AIMS shall take the lead and be responsible for writing up the findings and conclusions of the survey data. A draft outline for this section will be developed by AIMS, discussed with USAID and then finalized. USAID and AIMS will be in communication about suggestions for modifications in the draft outline presented below.

FINAL REPORT

TABLE OF CONTENTS

		Who Responsible
EXECUTIVE SUMMARY		MSI
I.	Introduction (Objectives and Purpose)	MSI
II.	Macroeconomic Context	MISR
III.	Local Economic Context of Study Sites	MISR
	A. Kampala	
	B. Masaka	
	C. Mbale	
IV.	Microfinance Program Services and Delivery Methods	Kathleen
	A. FINCA	
	B. PRIDE	
	C. FOCCAS	

V. Methodology (There should probably be a short write-up in the body of the report with detail provided as an annex.)

	A. Sampling	MSI(GGaile)
	B. Questionnaire Design	MSI(Barnes)
	C. Data Collection	MISR/Kathleen
	D. Data Coding and Cleaning	MSI(Gaile)/MISR (Richard)
VI.	Findings and Conclusions	MSI (utilizing MISR as appropriate)

This section will, of course, have many subsections. Among them will be an Agricultural Linkages section.

| VII. | Lessons Learned | MSI/MISR/Kathleen |
| VIII. | Follow-up Assessment | MSI/MISR/Kathleen |

(Including clear instructions to the future team. Also including specific recommendations.)

ANNEXES

1. Research Plan	MSI
2. Questionnaires	MSI
3. Enumerator's Instruction Manual	MSI

Handover of Documentation to USAID:

Since the 1997 survey will be followed- up later on the same respondents, it is extremely important that USAID has all of the documentation necessary for conducting the follow-up study. The documentation should include:

a)   all completed forms with client control information obtained from program files; all screening and initial interview forms; a list of all persons in the sample, with their addresses, any specific directions regarding location as used by the survey team, the main enterprise sector of each, and their household identification number; maps with the location of each sample marked; notes on any deviations from the procedures specified to identify the comparison sample; written documentation on the 10% follow-ups by supervisors.

b)   a disk and hard copy of the final questionnaire in English and the local languages, and of the enumerator' s instruction manual; a list of all enumerators and field supervisors (names and addresses); and all questionnaires administered, with any comments written in local language translated into English adjacent to the entry.

c)   a word processing document on data cleaning that I) names each of the tables, ii) describes the contents of each table, iii) matches the column headings to both a name for the variable and its specific location on the questionnaire, iv) shows a list of household identification numbers corresponding to the names of the respondents, v) defines nits of measurement, and vi) describes changes that were made to the data during the cleaning process, and

d)   computer disks with raw data and cleaned data sets.

B.   Second Round of the Assessment

The second round of the assessment should be done two years after the first round. The survey should be conducted in the same months in 1999, in order to control for seasonal variations. In addition to the survey, information should be gathered on each client from the microfinance program files and on the loan history of the group to which the client belongs in order to document any extraordinary expenditures and problems with repayment. The baseline report should include any specific recommendations.

In addition to the survey work, it is strongly recommended that focus group interviews and a series of in-depth interviews with clients be conducted. This qualitative work should focus on a) why clients join and stay in the programs, b) clients' perceptions of benefits from the program, and c) financial returns to common investments. It is suggested that this be done after the second round of survey work is completed and it cover clients from the sample. An option would be to conduct the qualitative, in-depth work in the interim year on clients who would then be withdrawn from the survey. This complementary work is considered extremely important since real effective interest rates of the microfinance programs tend to average about 72 percent per annum. This raises several potentially significant questions, such as : What are the returns to investments made

with the loan funds? Do the loans serve to smooth consumption? Why do people continue to borrow funds loaned at a flat rate of 3% per month?

The survey data from the second round will be compared with the baseline information. The data will permit analysis of the net difference in key impact variables between clients and non-clients. Also, differences in key impact variables can be compared for the short term and long term clients: that is, some clients are expected to not continue in the program, while others will remain over numerous loan cycles.

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ANNEX B

ASSESSMENT OF MICROENTREPRENEURS IN UGANDA -

RURAL QUESTIONNAIRE

ASSESSMENT OF MICROENTREPRENEURS IN UGANDA
RURAL QUESTIONNAIRE

Name of respondent: _____   Interview Date: _____

Location: Masaka/ Kampala/ Mbale   Place of Interview: residence/Business/other specify: _____

HH Address:_____   Start time: _____   End Time: _____

Local council I area: _____

Village: _____   Name of Interviewer: _____

Parish: _____   Name of Team Leader: _____   Date Reviewed: _____

Subcounty: _____   Name of Data Entry Person_____   Date Entered: _____

Enterprise Address (If Different from HH)

_____

_____

_____

INTRODUCTION: I am one of a team of investigators from Makerere University, working on behalf of USAID, visiting people engaged in microenterprises. The purpose of this visit is to better understand the lives and income generating activities of those who work for themselves. This research is being undertaken in the districts of Masaka, Kampala and Mbale. The results will be used to inform policy makers and development planners in the country with practical facts about the households and enterprises of those who work for themselves. I will be asking you questions related to your household and your business enterprises(s). Do not feel shy, or compelled to reply to something you do not know. Your individual answers will be kept strictly confidential. Only the team conducting the study will see the answers which you provide. Your answers will be combined anonymously with all the others we talk with to form a report.

PRINT ON BACKSIDE OF COVER PAGE

RELATIONSHIP	MARITAL STATUS CODES	CURRENT MAIN ACTIVITY	EXTENT OF PRESENCE IN HOUSEHOLD
1 = Daughter/son 2 = Grandchild 3 = Respondent's mother/father 4 = Spouse's mother/father 5 = Child of spouse 6 = Other relatives of respondent 7 = Other relatives of spouse 8 = Domestic worker 9 = (Other specify)	1 = Married/partner/ monogamous 2 = Married/polygamous 3 = Divorced/separated 4 = Single/never married 5 = Widowed	1 = student 2 = salaried/wage employment 3 = casual /part-time work outside HH 4 = self employment- employer or own account worker (Not HH farming) 5 = assists in HH business(NOT AN OWNER OF THE BUSINESS) 6 = farming 7 = ill/disabled —no work 8 = unemployed/retired 9 = other specify	1 = Regularly present 2 = School holidays (boarding outside) 3 = Short term absences (resides in HH at least 20 days per month) 4 = Other, SPECIFY number days per week resides in HH 5 = other, SPECIFY number months the past 12 months resides in HH 6 = other, SPECIFY

2. Define for Respondent the Definition You Use of the Term Household: Those Who Regularly Live and Eat with You

A FIRST NAME	B RELATION-SHIP (CODE)	C GENDER 1=male 2=female	D AGE (last birthday; or record year born)	E MARITAL STATUS (CODE)	F Highest level of Education Completed	G If 15+ years (born 1982 or before) Current main Activity (CODE)	H. IF AGE 5-24 ASK, IF CURRENTLY ENROLLED IN SCHOOL/COLLEGE/			I EXTENT OF PRESENCE IN HH
							H1 Level enrolled in 0= Not enrolled	H2 How much did you pay to send this child to school last term?	H3 Were the educational expenditures for this person paid by non-household member? TICK IF YES	
1. respondent										
2. (Spouse/ partner)										
3.										
4.										
5.										
6.										
7.										
8.										
9.										
10.										
11.										
12.										
13.										
14.										

3. In reference to all school going children, but excluding those we talked about whose expenses were paid by someone else, what were the two main sources of funds this household spent on educational fees last term?

A. Source (CIRCLE UP TO TWO)	B. (CIRCLE UP TO TWO)
1. Savings/earnings from enterprise	Whose? 1= Respondent 2=spouse 3=other, SPECIFY _____
2. Salary/wages	Whose? 1= Respondent 2=spouse 3=Other, SPECIFY _____
3. Sold crops / livestock	Whose? 1= Respondent 2=spouse 3=Co-owned by HH members 4= Other, SPECIFY _____
4. Sold labor	Who? 1= Respondent 2=spouse 3=other, SPECIFY _____
5. Loan SPECIFY source	Who received? 1= Respondent 2=spouse 3=other, SPECIFY _____
6. Borrowed money	Who received? 1= Respondent 2=spouse 3=other, SPECIFY _____
7. Remittances, transfers	Who received? 1= Respondent 2=spouse 3=HH 4=other, SPECIFY_____
8. Other specify	

4. RESIDENCE AND HH PROPERTY

A. *(SKIP TO B IF SOLE ADULT IN HH)* Among those who live & eat with you, who makes the major decisions? 1 = Respondent 2 = Respondent's spouse/partner 3 = Respondent's father 4 = Respondent's father-in -law 5 = Respondent's mother 6 = respondent & spouse jointly 7 = other, SPECIFY relationship to respondent	B. Type of dwelling of your residential & eating group, 1 = in business/shop(SKIP to D) 2 = rooms attached to business/shop 3 = rental unit(dwelling only) 4 = house(not on agricultural land) 5 = house on agric land 6 = sharing house or flat 7 = other, SPECIFY	C. Total number of rooms used by HH for living (not including rooms rented out)

D. Type of roof	E. Type of walls	F Main Source of water
1 = thatched 2 = iron sheets (mabati) 3 = tin 4 = tiles 5 = cement/concrete 6 = other	1 = mud & poles 2 = brick 3 = cement blocks/concrete 4 = mud with plaster 5 = other	1 = Piped outside on compound 2 = Piped in dwelling 3 = public tap 4 = neighbor' s piped water 5 = well/springs 6 = river, lake, stream 7 = other

5.

Tenure Status of Living Premises	A Status *(tick)*	B Amount per month, *Sh*
1. Owned		
2. Paying for in installments		
3. Rent (not subsidized)		
4. Free		
5. Other, specify		

ASK C TO THOSE WHO LIVE IN ROOMS ATTACHED TO SHOP; FOR ALL OTHERS SKIP TO QUESTION 6.

    C.   Does your answer cover payment for both shop and rooms?   1 = Yes   2 = No

6. Does any member of your household own/control:

    A. Rental Units   1 = Yes   2= No (SKIP to B)

        A.1   Where? (CIRCLE, MULTIPLE CODE)   1 = Rural 2 = town/urban

    B. Houses elsewhere   1 = Yes   2 = No (SKIP TO Question 7)

        B.1   Where? (CIRCLE, MULTIPLE CODE)   1 = Rural 2 = town/urban

Remittances, Transfers and Assistance:

7. In the last three months did this household or anyone in it give money or items, such as food, to individuals/persons who do not regularly eat and live here? *Include assistance re funerals and school fees. Do not include e.g. payments to burial society)* First tell me about assistance given to those in rural areas, and then to those in towns and urban areas.

    A   1 = Yes   2 = No (SKIP TO Question 8)

Remittances, transfers, assistance	B. FOR THE LAST 3 MONTHS	
	B.1 shillings CASH *(List Sh if convenient)*	B.2 IN-KIND SPECIFY CASH VALUE *Sh*
1. To those in rural areas (includes trading centres)	1.	
	1.2.	
	1.3.	
2. To those in towns or urban areas	2.1.	
	2.2	

Food Consumption:

8.1 Thinking about food eaten in the household the last three days, *(0 for not eaten at all)*

	A. Greens, other Vegetables (sauce or separate)	B. Groundnuts, beans, peas, soya (any form)	C. sorghum, millet (any form)	D. Maize, matoke, Irish, Sweet Potatoes, rice (any form)	F. meat, chicken, fish	G. Milk	H Eggs	I. Fruit
1. on how many days did your household eat any of these items:								
2. Main source: (MULTIPLE CODES) 1 = purchased 2 = HH production 3 = transfers, gifts 4 = other, specify								

8.2 Health and Nutrition

A. In the past 12 months, did you try any new practices to improve the health or nutrition of children?
    1 = Yes   (go to Question B)
    2 = No   (go to Question D)
    3 = Don't know (go to Question D)

B. From where did you learn these practices? (CIRCLE, Multiple responses)

    1. hospital/health center
    2. health worker in community
    3. mobile campaign
    4. traditional healer
    5. HH member
    6. Friend, neighbor
    7. FOCCAS Credit Association
    8. Radio
    9. other, SPECIFY_____
    10. don't know/don' t remember

C. What new health or nutrition practice did you try? (CIRCLE, MULTIPLE RESPONSES)
    1. Breastfeeding practices (give colostrum, exclusively breast for about 6 months, don't use bottles, breast feed for 2 years, etc.)
    2. Child feeding practices (to give specific, nutritious foods, feed children more often, feed children more at each meal, when to first introduce foods and best complementary foods)
    3. Practices to prevent/treat diarrhea (give more liquids or ORS, continue to feed, seek professional help if severe, food and personal hygiene to prevent)
    4. Immunizations (for children and/or mothers)
    5. Family Planning practices
    6. Prenatal care practices
    7. AIDS prevention
    8. Malaria prevention
    9. other (SPECIFY) _____

D. In the past 12 months, did you advise a friend or non-household member about good health or nutrition practices?
    1 = Yes   2 = No   3 = Don' t Know

9. Assets

What fixed assets have been individually or co-purchased by you in the past 12 months? *(Include items such as sufurias, bedsheets, furniture, fixed assets for farm, fixed assets for enterprises owned by OTHER household members, land, buildings, and women' s traditional dress. Do not include livestock and fixed assets of your enterprises - we will discuss these later). .*

A Item	B Purchase Price *(Sh)*	C If not paid in full, Amount Owed *(Sh)*	D Main Source of funds 1 = Savings/earnings 2 = borrowed 3 = Loan SPECIFY 4 = transfer/remittance 5 = other SPECIFY	E **DO LAST** Which of these are owned by you? *(COULD TAKE AWAY OR RETAIN IF HH BROKE UP) TICK THE ONES OWNED BY RESPONDENT*
1.				
2.				
3.				
4.				
5.				
6.				

10. Now I would like to know about other assets owned by you and members of the household.   Do not include the items you just told me about

   10.1   (**READ**)   *(IF MORE THAN ONE OWNED, FOR D GIVE MULTIPLE ANSWERS)*

A. Items in Household: Not predominately Business Assets	B 1 =Yes 2 = No	C Number of Items	D Is it currently in working order? 1= Yes 2= No 3= Don' t Know	
1. Mattress(es)				
2. Hurricane lamps				
3. Radio, radio cassette/cassette				
4. Stove (paraffin/gas); electric hot plate				
5. Charcoal stove				

10.2   Does any member of this household own a means of transport, including bicycle? *(IF OWNS MORE THAN ONE, IN E MULTIPLE ANSWERS)*

A.   1 = Yes   2 = No (SKIP to Question 11)

(DO NOT READ, JUST ASK WHAT)   (IF MORE THAN ONE OWNED, FOR D GIVE MULTIPLEANSWERS)

B. What item?	C. TICK IF MENTIONED	D. Number	E. Is it currently in working order? 1 = Yes 2 = No 3 = Don't Know
8. Bicycle (not child's)			
9. Motorbike, motorcycle			
10. Car, pickup			
11. Lorry, 4 WD,			

Cultivatable Land

11. Now I would like to talk about all cultivatible land that is owned/controlled (including that in fallow), rented out and rented in, or used by your household, or any member in it.

A. Does the household or any of its members have such land?   1 = Yes   2 = No (SKIP TO Question 14)

I would like you to estimate the acres of:

B. Land owned/controlled by HH		C. Land rented in and used for crops	D. Parent's land used for crops	E. Other, specify
1. Total owned/controlled by HH (including that rented and lent out; not land rented in or belonging to another HH)	2. Rented out and lent out			

12.1   Crops of respondent: I would like you to tell me about crops you individually own or co-own that were grown the last 12 months.

A. Main crops grown by respondent (including permanent crops)	B. Ownership form 1 = individual owner 2 = co-owner	C. Was any of this crop sold? 1 = Yes 2 = No	D. For any crops you sold, who usually decides on what to do with the money? 1 = Respondent only 2 = Respondent with other HH member, SPECIFY 3 = Other HH member 4 = Other, SPECIFY
1.			
2.			
3.			
4.			
5.			
6.			
7.			
8.			

12.2.   A. In the last three months, have you purchased **with your money** any inputs or paid labor to help you on the crops which you individually own or co-own?

               1 = Yes   2 = No (SKIP TO Question 14)

        B. What? (DO NOT READ)

What Item	Tick if mentioned	Amount spent (shillings)
1. Seeds		
2. Labour		
3. Fertilizer		
4.		
5.		
6.		

13. What crops were grown (including permanent crops) the last 12 months by other members of this household , which are not individually or jointly owned by you?

    A = No other crops grown (SKIP to Question 14)

B. Main crops grown by household members the last 12 months, including permanent crops	C. Was any of this sold? 1 = Yes 2 = No
1.	
2.	
3.	
4.	
5.	
6.	
7.	
8.	
9.	

14. Do you or any person who lives and eats regularly with you own any livestock? (PROBE)

    A.   1 = Yes   2 = No (SKIP to Question 15)

B. Livestock	C. How many currently individually owned by respondent?	D. How many currently co-owned by respondent?	E. How many currently owned by others in the HH, (DO NOT INCLUDE THOSE INCLUDED IN D)?	F. Were any animals sold in the last 12 months? (Including types not currently owned) 1=Yes 2=No
1. Dairy cattle (crossed/exotic)				
2. Ploughing animals				
3. Other cattle				
4. Sheep/goats				
5. Poultry				
7. Rabbits				
8. Pigs				
9. Other SPECIFY				

Sources of HH Income
15.1   We have talked about crops and livestock sales during the last 12 months. Now I would like to ask about other sources of cash income for you and those who normally live and eat with you.   First please tell me about

enterprises owned by members of this household group. (IF INCOME FROM RENTA L PROPERTIES, COVER IN # 8) (PROBE)

A. Businesses/enterprises, (include on-farm activities which generate a cash flow on a regular basis, that is weekly or bi-weekly such as brewing, eggs, milk, and non-farm income generating activities) (Do not list crops and livestock from HH that were sold and covered previously, unless these are part of an enterprise- not the only activity)	B. Ownership pattern 1 = respondent individually 2 = respondent co-owned with other HH member(s) 3 = respondent co-owned with non-HH members 4 = spouse/partner 5 = other HH member 6 = other, SPECIFY	C. **DO LAST** Ranking of contribution to total household cash income for the last 12 months (Rank top 5- AMONG LINES 1-12)
1		
2.		
3		
4		
5		

15.2   Did any one in your eating and dwelling unit earn income from any of these sources the last 12 months?**(READ,)**

A. Sources of Cash Income	Tick if Yes	B. Who earned (Multiple codes) 1 = Respondent 2 = spouse/partner 3 = Other HH member 4 = HH 5 = other specify	C. (CONTINUED FROM ABOVE)
6. Casual or part-time work			
7. Wage or salaried			
8. Rental income (all types of			
9. Transfers,, gifts, TASO, other Assistance (not school fees)			
10. Other-SPECIFY			

SUMMARIZE WITH RESPONDENT ALL SOURCES MENTIONED, INCLUDING FROM QTS 12.1, 13 & 14.
THEN READ: Thinking about all of your household' s sources of income the past 12 months, please tell me the five which contributed the most to total household cash income. (Gross income, not taking into account costs.) Include total income from crops (as a total group) and from livestock sales which were not part of an enterprise activity. Think of all crop sales that were not part of an enterprise as one group, and all livestock sales that were not part of an enterprise activity as one group.

Source		continue ranking
11. Crops		
12. Livestock		

16.1   In the last six months have you (respondent) received any loans or borrowed money for any of your enterprises or other income generating activities? (NOT INCLUDE CREDIT FROM TRADERS/SUPPLIES) DO NOT READ; MULTIPLE RESPONSES

A.   1 = Yes   2 = No (SKIP to Question 20)

B Source *DO NOT READ*	C Tick source	D Amount acquired, *Sh (if more than once, the most recent)*	E Was interest charged? 1 = yes 2 =No	F If interest charged, total amount had to be repaid DK	G. If had fixed due date 1 = Yes 2 = No *(SKIP)*	H Length/ term *(if more than one, most recent)*
1. Coop/Centenary/Other Bank						
2. UWESO/ FAULU/ UGAFODE/ UWFT/ OTHER NGO						
3. FINCA/PRIDE/FOCCA S						
4. Extend Family, Household Members						
5. Friends, Other individuals						
6. Other, SPECIFY						

16.2   SKIP TO QT 16.3 IF DID NOT RECEIVE LOAN FROM # 3 ABOVE,
   A.   Have you gotten loans from this source previously?   1 = Yes   2 = No (SKIP TO Question 16.3)
   B.   How many loans have you received previously from this source? _____
   C.   Please tell me the amount received for each previous loan: _____

16.3   IF # 3 IN QT 16.1 , ASK: How were the latest, most recent loan funds spent? (DO NOT READ)
        FOR ANY OTHERS , ASK: How was the largest loan or amount borrowed spent? (DO NOT READ)

A.	B. Tick if loan used in this category	C. Which enterprise SPECIFY	D. Whose 1=resp indiv 2=resp co-owner 3= other SPECIFY	E. DO LAST Amount spent (for the 2 biggest categories)
1. Enterprise Activity				
2. Animal husbandry, livestock				
3. Agricultural seeds, tools, labor, other crop inputs				
4. Food for HH				4.
5. School expenditures for HH members				5.
6. Medical care for HH members				6.
7. Savings				7.
8. Debts, saved for loan payment				8.
9. Obligations/assistance to non-HH				9.
10. Other: SPECIFY				10.
11. Other: SPECIFY				11.

SKIP TO Question 20 IF BORROWED MONEY (ANSWER TO QT 16.1 WAS #4-5 and no interest and no fixed due date)

17. Thinking about the largest expenditure that was made with the loan funds, what would you (or your household) have done if you had not obtained the loan?

   1 = Borrowed money or gotten a loan from elsewhere SPECIFY_____

   2 = delayed in making these expenditures

   3 = Used savings

   4 = Continued as was doing

5 = Other, specify _____

18.

A. Who decided about the actual use of the funds? (CIRCLE) 1 = I made the decision by myself. 2 = I talked it over with others in my household 3 = It was a joint decision made by me and one or more HH members 4 = other HH member decided 5 = credit group assisted me to decide 6 = other, SPECIFY	B. IF 2-4, relationship of other household members to the respondent (CIRCLE, MULTIPLE RESPONSES) 1 = spouse/partner 2 = son 3 = father/father-in-law 4 = daughter 5 = other, SPECIFY

19.

A. Who has been providing the money for the loan payments? (CIRCLE) 1 = Only me 2 = I do but a few times another member of the household has assisted 3 = Both me and at least one other member of the household usually provide the funds. 4 = I do but group members have assisted me a few times 5 = Another household member 6 = Other, specify _____	B. Two main sources of money from respondent or HH member (CIRCLE NO MORE THAN TWO) 1= respondent' s enterprise(s) 2= other HH member' s enterprises, wages, sold labor 3= respondent' s crop/livestock sales 4= other HH member' s crop/livestock sales 5=transfers. remittances 6= other SPECIFY

20. Do you (respondent) save in any of these ways? (READ)

A. Type of savings	B. 1 = Yes 2 = No	C. Current amount
1. Post office savings		
2. Individual bank savings account		
3. A. Credit savings group: mandatory payments, loan insurance fund		
B. Credit savings group: voluntary savings		
4. Other, SPECIFY		

21. Now I would like to ask you about major unanticipated events that may have occurred within your household in the last 24 months that had financial repercussions on your household. Did you have such events?
   A.1 = Yes   B.2 = No (SKIP TO Question 22)

B. What happened? (MULTIPLE RESPONSES)	C. Which one of these events was the most financially damaging? *(USE CODE FROM B)* *(If a package of related events, and respondent cannot say which One was the most financially damaging, code the one which had the most lasting repercussions)*	D. When did this *(damaging)* event occur? *GIVE YEAR*
1 = New individuals joined household due to deaths 2 = Loss of a job, wage income; closure of HH business 3 = Business losses due to fire/theft (not of crops/ livestock on farm) 4 = Serious illness; medical expenses of HH member 5 = Need to repay debts 6 = Drought causing low or no crop output 7 = Crop losses(non-drought); livestock losses including losses due to theft 8 = Death/funeral of household member 9 = Financial obligations to non-HH member 10 = Other: specify		

D. When this *(damaging)* occurred, how were financial demands met then and afterwards?
   (**MULTIPLE RESPONSES** : CIRCLE ALL THAT APPLY*)*

   1 = used earnings/regular income (handled within existing income)

   2 = used money from savings account

   3 = transfers, remittances, gifts

   4 = borrowed; took a loan SPECIFY SOURCE _____

   5 = worked more hours

   6 = did not replace stock or inventory of enterprise

   7 = HH member took up a new income earning activity, sold labor

   8 = delayed on payments for debts/loans/school fees/other financial obligations

   9 = reduced expenditures on food/health

   10 = rented out HH assets SPECIFY which and number _____

   11 = sold HH assets SPECIFY which and number _____

   12 = other, specify _____

YOUR ENTERPRISES- (SELF-EMPLOYMENT)

22.   Please tell me all enterprises owned by you that operated the last 12 months: *(DO A AND B, THEN ASK IF ANY OPERATE IN SAME TIME AND SPACE - THESE SHOULD BE CLASSIFIED AS ONE ENTERPRISE; IF ANY OF THEM OPERATE IN MORE THAN ONE PLACE BUT USE THE SAME STOCK, CLASSIFY AS ONE).*

A. Description of enterprise	B. Ownership Pattern 1 = respondent-individually owned 2 = respondent co-owned w/spouse 3 =respondent co-owned w/other HH member(s) 4 =respondent co-owned w/non-HH Member 5 = other specify	C. Those which operate at same time and space *(SPACE MEANS MAIN SALES SITE OR BASE)* *USE ROW NUMBERS FROM COL.A; THESE SHOULD BE CONSIDERED AS ONE ENTERPRISE(SUMMARIZE FOR RESPONDENT)*	D. (DOES THIS INCLUDE AN ACTIVITY THAT GENERATES CASH ON A REGULAR BASIS) 1 = yes 2 = no	E. ASK Was the enterprise open the last 2 months for business	F. **DO LAST** Which generated the most profit the last 2 months? (Rank)
1. Those that generate cash on a regular basis, that is weekly or bi-weekly		1.			
1.1					
1.2		2.			
1.3					
1.4		3			
2. Other enterprises					
2.1		4.			
2.2		5.			
2.3		6.			
2.4					

IDENTIFY THE ENTERPRISES (UP TO TWO) WHICH YOU WILL BE ASKING QUESTIONS ABOUT. SEE INSTRUCTIONS MANUAL.
EXPLAIN TO THE RESPONDENT THE ONE THAT YOU WILL FIRST TALK ABOUT AND THE ACTIVITIES (IF RESPONDENT CLASSIFICATION IS DIFFERENT FROM THE WAY THE TEAM CLASSIFIES ENTERPRISES)
ENTERPRISE ONE: (THE ONE WHICH GENERATES A CASH FLOW ON A REGULAR BASIS(IF MORE THAN ONE GENERATES A CASH FLOW ON A REGULAR BASIS THEN THE ONE WHICH WAS OPEN FOR BUSINESS/OPERATING THE LAST 2 MONTHS AND GENERATES THE MOST PROFIT

23. SUMMARIZE WITH RESPONDENT THE ENTERPRISE YOU ARE GOING TO ASK QUESTIONS ABOUTClassification of Activities into Sectors   *(USE LIST; USE OBSERVATION AND ASK)*

A. Activities: Are any of these activities in carried out in this enterprise?	B. *(CIRCLE)*	C. **DO LAST** Which generated the most in sales revenue the last 2 months? *(TICK)*
1. Buy and Sell /trade	1 = yes 2 = no	
2. Sell crops/livestock or livestock products produced by you or your HH (e.g. Eggs, milk) DO NOT INCLUDE ITEMS TRANSFORMED	1 = yes 2 = no	
3. Services (e.g. cooked food, hotel, etc)	1 = yes 2 = no	
4. Manufacturing: (e.g. sewing, welding, carpentry)	1 = yes 2 = no	

24. ONLY FOR THOSE WHO REPLIED TO #2, IN QT. 23,
    Thinking about last month, were the crops/livestock or livestock products you sold: (Circle)

1.   Only produced by you or your household

2.   Mainly produced by you or your household

3.   About half produced by you or your household

4.   Less than half produced by you or your household

5.   Very little, almost none produced by you or your household

25. OPERATIONAL PATTERN.
   A. When was this business begun?

      1.   19_____ *(SKIP TO B IF MORE THAN 1 YEAR OLD)*

      2.   Month began _____

      3.   Did you individually or co-own another enterprise before beginning this one? 1 =yes   2 = no

   B. Number of months in operation last 12 month: _____

26.

A. Is the enterprise's main site at the same site as where you live? 1=yes 2=No	B. Main location of enterprise 1 = residential/ trading area 2 = formal market site 3 = other, on main road 4 = off main road 5 = Mobile (no fixed location) 6 = other explain	C. Business physical structure main sales site 1 = Open air, including with temporary roof/top 2 = Semi-permanent, partial or complete walls/roof 3 = Permanent building 4 = Mobile, no main premise 5 = Other, specify	D. Do you pay any charges for the use of this place? *(INCLUDE RENT AND FEES)*			E. IF PAYS NO CHARGES form of tenure (land) 1 = HH owns 2 = informal agreement 3 = no permission 4 = mobile NA 5 = other, specify
			1 = yes 2 = no SKIP TO E 3 = same as for residence already recorded in Question 5	Amount paid _____	Per 1 = day 2 = week 3 = month	

27.

In the last 3 months with which type of seller did you spent the **most** money for products or inputs for your business? 1 = farmers (on-farm) 2 = rural markets 3 = traders/intermediaries/ farmers (coming to respondent to sell) 4 = wholesale/retail permanent shops 5 = factories/manufacturers/ 6 = other specify

INTRODUCTION What products/services contributed most to your total sales value last month? Which three contributed the most to the value of your sales?

28. *(BEFORE ASKING SALES LAST MONTH, ASK WHICH IS EASIEST FOR RESPONDENT TO RECALL) (sales value refers to Sh received plus Sh due from items sold)*

A. **ONLY FOR ITEMS BOUGHT AND SOLD (TRADED)** Name of Item	B.1 Unit of Purchase Describe	B.2 Cost of Purchase Unit *(last time)* *Shillings*	C. Sales Last Month in Purchase Units *(IF DOESN'T KNOW SKIP TO D)*			D. IF LAST MONTH NOT KNOWN, **Sales last week**				
			C.1 number purchase units sold	C.2 Selling price of one Purchase unit *(Sh)*	C.3 Total Sales Value *(Sh)*	D.1 number purchase units sold	D.2 Selling price of one Purchase unit *(Sh)*	D.3 Total Sales Value *(Sh)*	D.4 Last week's sales compared with weeks last month 1 =High 2 = Low 3 = Average	D.5 Estimate Last month's total sales value *(Sh)*
1.										
2.										

3.											

29.

A. FOR ALL OTHER ITEMS/ SERVICES Name of Product or Service	B. SALES LAST MONTH				C. IF LAST MONTH NOT KNOWN, SALES LAST WEEK						D.
	B.1 Sales unit *Describe*	B.2 Number sold	B.3 Selling price of 1 unit	B.4 Total Sales VALUE *Sh*	C.1 Sales Unit *Describe*	C.2 Number sold	C.3 Selling price of 1 unit *Sh*	C.4 Total Sales VALUE *Sh*	C.5 Last week' s sales compared with weeks last month 1 =High 2 = Low 3 = Average	C.6 Estimate Last month's total sales value *Sh*	Estimated margin (sales value minus expenditure) per sales unit *Sh*
1.											
2.											
3.											

30. What part of your total sales value the last week /last month do the items we just talked about represent?

    1 = All or almost all

    2 = most   (61-90%)

    3 = about half   (40-60%)

    4 = less than half (20-39%)

(REFER TO Question 22; IF NO SECOND ENTERPRISE SKIP TO QT. 39)
ENTERPRISE TWO: (The most profitable <u>and</u> open for business the last two months. See Guide for what NOT to include) REVIEW WITH RESPONDENT WHICH ENTERPRISE ACTIVITY YOU WILL BE FOCUSING ON)

31. Classification of Activities into Sectors (USE LIST; USE OBSERVATION AND ASK)

A. Activities: Are any of these activities in carried out in this enterprise?	B. (CIRCLE)	C. **DO LAST** Which generated the most in sales revenue the last 2 months? (TICK)
1. Buy and Sell /trade	1 = yes 2 = no	
2. Sell crops/livestock or livestock products produced by you or your HH (e.g.. Eggs, milk) *DO NOT INCLUDE ITEMS TRANSFORMED*	1 = yes 2 = no	
3. Services (e.g. cooked food, hotel etc)	1 = yes 2 = no	
4. Manufacturing: e.g. sewing, welding, carpentry)	1 = yes 2 = no	

32. ONLY FOR THOSE WHO REPLIED TO #2, IN Question 31.
  Thinking about last month, were the crops/livestock or livestock products you sold: (Circle)

    1. Only produced by you or your household   4. Less than half produced by you or your household

    2. Mainly produced by you or your household   5. Very little, almost none produced by you or your household

    3. About half produced by you or your household

33. OPERATIONAL PATTERN.   A. When was this business begun?
    1. 19_____   (SKIP TO B IF MORE THAN 1 YEAR OLD)

    2. Month began_____

    3. Did you individually or co-own another enterprise before beginning this one? 1 = yes   2 = no

B. Number of months in operation last 12 months:_____

34.

A. Is the enterprise' s main site at the same site as where you live? 1 = Yes 2 = No	B. Main location of enterprise 1 = residential/trading area 2 = formal market site 3 = other, on main road 4 = off main road 5 = Mobile (no fixed location) 6 = other explain	C. Business physical structure main sales site 1 = Open air, including with temporary roof/top 2 = Semi-permanent, partial or complete walls& roof 3 = Permanent building 4 = Mobile, no main premise 5 = Other, specify	D. Do you pay any charges for the use of this place? (Include rent and fees under charges)			E. IF PAYS NO CHARGES form of tenure (land) 1=HH owns 2=informal agreement 3=no permission 4= mobile N/A 5=other, specify
			1 = Yes 2 = No SKIP TO E 3 = same as for residence already recorded in Qt 5	Amount paid _____	Per 1= day 2=week 3=month	

35.

In the last 3 months with which type of seller did you spent the **most** money for products or inputs for your business?

1 = farmers (on-farm)

2 = rural markets

3 = traders/intermediaries/farmers (coming to respondent to sell)

4 = wholesale/retail permanent shops

5 = factories/manufacturers/

6 = other specify

INTRODUCTION What products/services contributed most to your total sales value last month? Which three contributed the most to the value of your sales?

36. (BEFORE ASKING SALES LAST MONTH, ASK WHICH IS EASIEST FOR RESPONDENT TO RECALL) sales value refers to Sh received plus Sh due from items sold on credit)

A. ONLY FOR ITEMS BOUGHT AND SOLD (TRADED) Name of Item	B.1 Unit of Purchase Describe	B.2 Cost of Purchase Unit *(last time)* *Shillings*	C. Sales Last Month in Purchase Units *(IF DOESN' T KNOW SKIP TO D)*			D. IF LAST MONTH NOT KNOWN, Sales last week				
			C.1 number purchase units sold	C.2 Selling price of one Purchase unit *(Sh)*	C.3 Total Sales Value *(Sh)*	D.1 number purchase units sold	D.2 Selling price of one Purchase unit *(Sh)*	D.3 Total Sales Value *(Sh)*	D.4 Last week' s sales compared with weeks last month 1 =High 2 = Low 3 = Average	D.5 Estimate Last month's total sales value *Sh*
1.										
2.										
3.										

37.

A. FOR ALL OTHER ITEMS/ SERVICES Name of Product or Service	B. SALES LAST MONTH				C. IF LAST MONTH NOT KNOWN, SALES LAST WEEK						D. Estimated margin (sales value minus costs) per sales unit, *Sh*
	B.1 Sales unit *Describe*	B.2 Number sold	B.3 Selling price of 1 unit	B.4 Total Sales VALUE *Sh*	C.1 Sales Unit *Describe*	C.2 Number sold	C.3 Selling price of 1 unit *Sh*	C.4 Total Sales VALUE *Sh*	C.5 Last week' s sales compared with weeks last month 1 =High 2 = Low 3 = Average	C.6 Estimate Last month's total sales value, *Sh*	
1.											
2.											

A. FOR ALL OTHER ITEMS/ SERVICES	B. SALES LAST MONTH				C. IF LAST MONTH NOT KNOWN, SALES LAST WEEK						D. Estimated margin (sales value
Name of Product or Service											minus costs) per

sales unit, *Sh*

38. What part of your total sales value the last week /last month do the items we just talked about represent?

       1 = All or almost all
       2 = most   (61-90%)
       3 = about half   (40-60%)
       4 = less than half (20-39%)
       5 = very little (1-19%)

USE OF SALES REVENUE LAST CALENDAR MONTH:

39. Thinking about the sales revenue from all of **your** enterprises (one and two and any others) **last calendar month**, how was it used?*(DO NOT INCLUDE RENTAL INCOME, WAGE INCOME OR OTHER SOURCES) REMIND RESPONDENT ONLY LAST CALENDAR MONTH*

A. USE	B. Tick if mentioned	C. Rank the 3 on which you spent the most money.	D. How much did you spend on each of the three?
1. Enterprise one and/or two (include inputs/goods to sell, rent, wages, etc)			
2. Another enterprise owned by respondent (include inputs/goods to sell, rent, etc)			
3. Another enterprise owned by a household member-specify (include......)			
4. Agricultural production (crops/livestock)			
5. Rent for dwelling			
6. Food for household members			
7. Education expenditures for household members			
8. Health and medical expenditures			
9. Social obligations, assistance to non-HH members, church, mosque, self-help			
10. Own Savings			
11. Debt, loan payments			
12. Others specify			
13. Other specify			

 GO BACK TO TOTAL SALES VALUE QT 28/29 AND 36/37; CHECK RE PURCHASES FOR ENTERPRISE AND TOTAL SALES VALUE

40.

A. Over the past three months, who decided how this revenue would be spent? (CIRCLE)	B. If 2-4, relationship of other HH member to respondent (CIRCLE, MULTIPLE CODES)
1 = Only me	1 = spouse/partner
2 = I talked it over with others in my household; consulted	2 = son
3 = It was a joint decision by me and one or more HH members	3 = father/father-in-law
4 = other SPECIFY	4 = Daughter
	5 = other, SPECIFY

41. Assistance/employment: Enterprises One and Two
I would like you to start with yourself and name everyone who assisted with your enterprise *(REMIND RESPONDENT WHICH ONES)* in the past week and last calendar month, whether paid or unpaid, formally employed or not, including apprentices, children, and casual workers)

A. Name of worker	B. Is she/he a HH member? 1 = Yes 2 = No	C. Is she/he over 15 years old? 1 = Yes 2 = No	D. Time worked			E. Is he/she paid? 1 =Yes in cash 2 = Cash & in kind 3 = in kind 4 = No
			D.1 Average Hours per day last week or (start-finish time)	D.2 Total Days last Week	D.3 Total days last month worked	
1. Respondent						
2.						
3.						
4.						
5.						

F. If uses task/piece rate workers, number used last week_____

42. Respondent' s Enterprise Assets
   Please tell me all fixed assets (including building, furnishings, tools, equipment and machines) that you have purchased in the last 12 months for enterprises one and two *(REMIND RESPONDENT WHICH ENTERPRISES).*and for other enterprises. (if not recorded in Question 9)

A. Type of Fixed Asset	B. Source of funds 1 = earnings 2 = savings account 3 = credit from seller/hire purchase 4 = loan, SPECIFY 5 = transfers/remittances 6 = other, SPECIFY	C. Purchase Price *Sh*	D. Paid off 1 = Yes (Skip to F) 2 = No	E. If not paid off, amount owed	F. Is this owned by you? (Could take/retain if HH broke up?) 1 = Yes 2 = No
1.1					
1.2					
1.3					
1.4					
1.5					
FOR OTHER ENTERPRISES					
2.1					
2.2					
2.3					

43. You have been very helpful and told us about your enterprises and household. In the last two years (or since began business if less than 24 months ago) have there been any negative consequences within your eating and dwelling group as a result of having your own income generating activities? *(WHAT, WHY)*

_____

_____

_____

_____

_____

_____

_____

_____

_____

_____

_____

44. In the last two years (or since began business if less than 24 months ago) have there been positive results of having your own income, Income generating activities that we have not already discussed? *(WHAT, WHY)*

_____

_____

_____

_____

_____

_____

_____

45. Do you have any plans or strategies for increasing your income?

   1 = Yes   2 = No

   If yes, what are they and What are you doing to implement these plans.

   _____

   _____

   _____

   _____

In two years time, we will come back to talk with you. If you are not at the same business or household location, do you have a permanent post office box which you would be using? Who will know where you are? *(TWO REFERENCES)   WRITE CLEARLY*

1. Your Permanent Post Office Box: _____

    Other Contact Information: _____

2. Name: _____ P. O. Address or location: _____

    Other contact information (e.g. telephone): _____

3. Name: _____ P. O. Address or location: _____

    Other contact information (e.g. telephone): _____

THANK YOU FOR YOUR COOPERATION. I WISH YOU GREAT SUCCESS IN YOUR BUSINESS EFFORTS.

Enumerator' s comments

ANNEX C

ASSESSMENT OF MICROENTREPRENEURS IN UGANDA -

URBAN QUESTIONNAIRE

ASSESSMENT OF MICROENTREPRENEURS IN UGANDA
URBAN QUESTIONNAIRE

Name of respondent: _____   Interview Date: _____

Location: Masaka/ Kampala/ Mbale   Place of Interview: residence/Business/other specify: _____

HH Address:_____   Start time: _____   End Time: _____

Local council I area: _____

Village: _____   Name of Interviewer: _____

Parish: _____   Name of Team Leader: _____   Date Reviewed: _____

Subcounty: _____

Enterprise Address (If Different from HH)   Name of Data Entry Person_____   Date Entered: _____

_____

_____

_____

INTRODUCTION: I am one of a team of investigators from Makerere University, working on behalf of USAID, visiting people engaged in microenterprises. The purpose of this visit is to better understand the lives and income generating activities of those who work for themselves. This research is being undertaken in the districts of Masaka, Kampala and Mbale. The results will be used to inform policy makers and development planners in the country with practical facts about the households and enterprises of those who work for themselves. I will be asking you questions related to your household and your business enterprises(s). Do not feel shy, or compelled to reply to something you do not know. Your individual answers will be kept strictly confidential. Only the team conducting the study will see the answers which you provide. Your answers will be combined anonymously with all the others we talk with to form a report.

PRINT ON BACKSIDE OF COVER PAGE

RELATIONSHIP	MARITAL STATUS CODES	CURRENT MAIN ACTIVITY	EXTENT OF PRESENCE IN HOUSEHOLD
1 = Daughter/son 2 = Grandchild 3 = Respondent' s mother/father 4 = Spouse' s mother/father 5 = Child of spouse 6 = Other relatives of respondent 7 = Other relatives of spouse 8 = Domestic worker 9 = (Other, SPECIFY)	1 = Married/partner/ monogamous 2 = Married/polygamous 3 = Divorced/separated 4 = Single/never married 5 = Widowed	1 = student 2 = salaried/wage employment 3 = casual /part-time work outside HH 4 = self employment- employer or own account worker (not HH farming) 5 = assists in HH business(NOT AN OWNER OF THE BUSINESS) 6 = farming 7 = ill/disabled- no work 8 = unemployed/retired 9 = other, SPECIFY	1 = Regularly present 2 = School holidays (boarding outside) 3 = Short term absences (resides in HH at least 20 days per month) 4 = Other, SPECIFY number days per week resides in HH 5 = other, SPECIFY number months the past 12 months resides in HH 6 = other, SPECIFY

2. Define for Respondent the Definition You Use of the Term Household: Those Who Regularly Live and Eat with You.

A. FIRST NAME	B. RELATION-SHIP (CODE)	C. GENDER *1=male 2=female*	D. AGE (last birthday; or record year born)	E. MARITAL STATUS (CODE)	F. HIGHEST LEVEL OF EDUCATION COMPLETED	G. CURRENT MAIN ACTIVITY If 15+ years (born 1982 or before) (CODE)	H. IF AGE 5-24 ASK, IF CURRENTLY ENROLLED IN SCHOOL/COLLEGE			I. EXTENT OF PRESENCE IN HH
							H.1 Level enrolled in 0 =Not enrolled	H.2 How much did you pay to send this child to school last year?	H.3 Were the educational expenditures for this person paid by non-household member? TICK IF YES	
1. Respondent										
2. (Spouse/Partner)										
3.										
4.										
5.										
6.										
7.										
8.										
9.										
10.										
11.										
12.										
13.										
14.										

3. In reference to all school going children, but excluding those we talked about whose expenses were paid by someone else, what were the two main sources of funds this household spent on educational fees last term?

A. Source (CIRCLE UP TO TWO)	B. (CIRCLE UP TO TWO)
1. Savings/earnings from enterprise	Whose? 1 = Respondent; 2 = Spouse; 3 = Other, SPECIFY
2. Salary/wages	Whose? 1 = Respondent; 2 = Spouse; 3 = Other, SPECIFY
3. Sold crops/livestock	Whose? 1 = Respondent; 2 = Spouse; 3 = Co-owned by HH members; 4 = Other, SPECIFY
4. Sold labor	Who? 1 = Respondent; 2 = Spouse; 3 = Other, SPECIFY
5. Loan SPECIFY source	Who Received: 1 = Respondent; 2 = Spouse; 3 = Other, SPECIFY
6. Borrowed money	Who Received: 1 = Respondent; 2 = Spouse; 3 = Other, SPECIFY
7. Remittances, transfers	Who Received: 1 = Respondent; 2 = Spouse; 3 = HH; 4 = Other, SPECIFY
8. Other, SPECIFY	

4. **RESIDENCE AND HH PROPERTY**

A. (SKIP TO B IF SOLE ADULT IN HH) Among those who live & eat with you, who makes the major decisions? 1 = Respondent 2 = Respondent's spouse/partner 3 = Respondent's father 4 = Respondent's father-in-law 5 = Respondent's mother 6 = Respondent & spouse jointly 7 = Other, SPECIFY relationship to respondent	B. Type of dwelling of your residential & eating group 1 = in business/shop (SKIP to D) 2 = rooms attached to business/shop 3 = rental unit(dwelling only) 4 = house(not on agricultural land) 5 = house on agricultural land 6 = sharing house or flat 7 = Other, SPECIFY	C. Total number of rooms used by HH for living (not including rooms rented out)

D. Type of roof 1 = thatched 2 = iron sheets (mabati) 3 = tin 4 = tiles 5 = cement/concrete 6 = Other, SPECIFY	E. Type of walls 1 = mud & poles 2 = brick 3 = cement blocks/concrete 4 = mud with plaster 5 = other	F. Main Source of water 1 = Piped outside on compound 2 = Piped in dwelling 3 = Public tap 4 = Neighbor's piped water 5 = Well/springs 6 = River, lake, stream 7 = Other, SPECIFY	G. Electricity in dwelling 1 = Yes 2 = No

5.

TENURE STATUS OF LIVING PREMISES	A. Status *(tick)*	B. Amount per month *(List Shillings if Convenient)*
1. Owned		
2. Paying for in installments		
3. Rent (not subsidized)		
4. Free		
5. Other, SPECIFY		

ASK C TO THOSE WHO LIVE IN ROOMS ATTACHED TO SHOP; FOR ALL OTHERS SKIP TO QUESTION 6.

C. Does your answer cover payment for both shop and rooms? 1 =   Yes   2 =   No

6. Does any member of your household own/control:

   A. Rental Units   1 = yes   2 = No (SKIP to B)

      A.1   Where?   (CIRCLE, MULTIPLE CODE)   1 =   Rural   2 =   town/urban

   B. Houses elsewhere   1 = Yes   2 = No (SKIP to 7)

      B.1   Where?   (CIRCLE, MULTIPLE CODE)   1 =   Rural   2 =   town/urban

Remittances, Transfers and Assistance:
7. In the last three months did this household or anyone in it give money or items, such as food, to individuals/persons who do not regularly eat and live here? *Include assistance re funerals and school fees. Do not include e.g. payments to burial society)* First tell me about assistance given to those in rural areas, and then to those in towns and urban areas.

   A.   1 = Yes   2 = No (SKIP TO QUESTION 8)

REMITTANCES, TRANSFERS, ASSISTANCE	B. FOR THE LAST 3 MONTHS	
	B.1 Shillings CASH *(List Shillings if Convenient)*	B.2 IN-KIND *(Specify Cash Value)*
1. To those in rural areas (includes trading centres)	1.	
	1.2.	
	1.3.	

REMITTANCES, TRANSFERS, ASSISTANCE	B. FOR THE LAST 3 MONTHS	
	B.1 Shillings CASH *(List Shillings if Convenient)*	B.2 IN-KIND *(Specify Cash Value)*
2. To those in towns or urban areas	2.1.	
	2.2	

Food Consumption:

8. Thinking about food eaten in the household the last three days, *(0 for not eaten at all)*

	A. Greens, Other Vegetables (Sauce or Separate)	B. Ground-nuts, beans, peas, soya (Any Form)	C. Sorghum, Millet (Any Form)	D. Maize, Matoke, Irish, Sweet Potatoes, Rice (Any Form)	E. Meat, Chicken, Fish	F. Milk	G. Eggs	H. Fruit
1. On how many days did your household eat any of these items?								
2. Main source: (MULTIPLE CODES) 1 = Purchased 2 = HH production 3 = Transfers, gifts 4 = Other, SPECIFY								

9. Assets

What fixed assets have been individually or co-purchased by you in the past 12 months? *(Include items such as sufurias, bedsheets, furniture, fixed assets for farm, fixed assets for enterprises owned by OTHER household members, land, buildings, and women's traditional dress. Do not include livestock and fixed assets of your enterprises - we will discuss these later).*

A. Item	B. Purchase Price (Shilling)	C. If not paid in full, Amount Owed (Shilling)	D. Main Source of funds 1 = Savings/earnings 2 = Borrowed 3 = Loan SPECIFY 4 = Transfer/remittance 5 = Other, SPECIFY	E. DO LAST Which of these are owned by you? (COULD TAKE AWAY OR RETAIN IF HH BROKE UP) *TICK THE ONES OWNED BY RESPONDENT*
1.				

2.				
3.				
4.				
5.				
6.				

10.   Now I would like to know about other assets owned by you and members of the household. Do not include the items you just told me about.

10.1   (**READ**)   *(IF MORE THAN ONE OWNED, FOR D GIVE MULTIPLE ANSWERS)*

A. Items in Household: Not Predominately Business Assets	B. 1 =Yes 2 =No	C. Number of Items	D. Is it currently in working order 1 = Yes 2 = No 3 = Don' t Know
1. Mattress(es)			
2. Radio, radio cassette/cassette			
3. Television			
4. Stove (paraffin/gas); electric hot plate			
5. Charcoal stove			
6.. Refrigerator			
7. Beds			

10.2   Does any member of this household own a means of transport, including bicycle?
   (IF OWNS MORE THAN ONE, IN E MULTIPLE ANSWERS)

   A.   1 =   Yes   2 = No (SKIP to QUESTION 11)

DO NOT READ, JUST ASK WHAT) (IF MORE THAN ONE OWNER D, FOR D GIVE MULTIPLE ANSWERS

B. What Item?	C. Tick If Mentioned	D. Number	E. Is it Currently in Working Order? 1 = Yes 2 = No 3 = Don' t Know
8. Bicycle (not child' s)			

B. What Item?	C. Tick If Mentioned	D. Number	E. Is it Currently in Working Order? 1 = Yes 2 = No 3 = Don' t Know
9. Motorbike, motorcycle			
10. Car, pickup			
11. Lorry, 4 WD			

Cultivatable Land:

11. Now I would like to talk about all cultivatable land that is owned/controlled (including that in fallow), rented out and rented in, or used by your household, or any member in it.

    A. Does the household or any of its members have such land?   1 = Yes   2 = No (SKIP TO QUESTION 14)

I would like you to estimate the acres of:

B. Land owned/controlled by HH		C. Land rented in and used for crops	D. Parent's land used for crops	E. Other, SPECIFY
1. Total owned/controlled by HH (including that rented and lent out; not land rented in or belonging to another HH)	2. Rented out and lent out			

12.1   Crops of respondent: I would like you to tell me about crops you individually own or co-own that were grown the last 12 months.

A. MAIN CROPS GROWN BY RESPONDENT (Including Permanent Crops)	B. OWNERSHIP FORM 1 = Individual Owner 2 = Co-owner	C. WAS ANY OF THIS CROP SOLD? 1 =Yes 2 =No	D. FOR ANY CROPS YOU SOLD, WHO USUALLY DECIDES ON WHAT TO DO WITH THE MONEY? 1 = Respondent only 2 = Respondent with other HH member, SPECIFY 3 = Other HH member 4 = Other, SPECIFY
1.			
2.			
3.			
4.			
5.			
6.			
7.			
8.			

12.2.   A. In the last three months, have you purchased **with your money** any inputs or paid labor to help you on the crops which you individually own or co-own?

        1 = Yes   2 = No (SKIP TO Qt 14)

B. What? **(DO NOT READ)**

WHAT ITEM	TICK IF MENTIONED	AMOUNT SPENT (SHILLINGS)
1. Seeds		
2. Labour		
3. Fertilizer		
4.		
5.		
6.		

13. What crops were grown (including permanent crops) the last 12 months by other members of this household, which are not individually or jointly owned by you?

A = No other crops grown (SKIP to Qt 14)

B. Main crops grown by household members the last 12 months, including permanent crops	C. Was any of this sold? 1 =Yes 2 =No
1.	
2.	
3.	
4.	
5.	
6.	
7.	
8.	
9.	

14. Do you or any person who lives and eats regularly with you own any livestock? (PROBE)

A. 1 = Yes   2 = No (SKIP to Qt 15)

B. Livestock	C. How many currently individually owned by respondent?	D. How many currently co-owned by respondent?	E. How many currently owned by others in the HH, (DO NOT INCLUDE THOSE INCLUDED IN D)?	F. Were any animals sold in the last 12 months? (Including types not currently owned) 1=Yes 2=No
1. Dairy cattle (crossed/exotic)				
2. Ploughing animals				
3. Other cattle				
4. Sheep/goats				
5. Poultry				
7. Rabbits				
8. Pigs				
9. Other, SPECIFY				

Sources of HH Income:

15.1   We have talked about crops and livestock sales during the last 12 months. Now I would like to ask about other sources of cash income for you and those who normally live and eat with you. First please tell me about enterprises owned by members of this household group. (IF INCOME FROM RENTAL PROPERTIES, COVER IN # 8)
(PROBE)

A. Businesses/enterprises, (include on-farm activities which generate a cash flow on a regular basis, that is weekly or bi-weekly such as brewing, eggs, milk, and non-farm income generating activities) (Do not list crops and livestock from HH that were sold and covered previously, unless these are part of an enterprise- not the only activity)	B. Ownership pattern 1 = respondent individually 2 = respondent co-owned with other HH member(s) 3 = respondent co-owned with non-HH Members 4 = spouse/partner 5 = other HH member 6 = other, SPECIFY	C. **DO LAST** Ranking of contribution to total household cash income for the last 12 months (Rank top 5- AMONG LINES 1-12)
1.		
2.		
3.		
4.		
5.		

15.2 Did any one in your eating and dwelling unit earn income from any of these sources the last 12 months?
(READ)

A. SOURCES OF CASH INCOME	Tick if Yes	B. WHO EARNED? (Multiple codes) 1 = Respondent 2 = Spouse/partner 3 = Other, HH member 4 = HH 5 = Other, SPECIFY	C. (CONTINUED FROM ABOVE)
6. Casual or part-time work			
7. Wage or salaried			
8. Rental income (all types of property, including livestock)			
9. Transfers,, gifts, TASO, other Assistance (not school fees)			
10. Other, SPECIFY			

SUMMARIZE WITH RESPONDENT ALL SOURCES MENTIONED, INCLUDING FROM QTS 12.1, 13 & 14.
THEN READ: Thinking about all of your household' s sources of income the past 12 months, please tell me the five which contributed the most to total household cash income. (Gross income, not taking into account costs.) Include total income from crops (as a total group) and from livestock sales which were not part of an enterprise activity. Think of all crop sales that were not part of an enterprise as one group, and all livestock sales that were not part of an enterprise activity as one group.

SOURCE		CONTINUE RANKING
11. Crops		
12. Livestock		

16.1 In the last six months have you (respondent) received any loans or borrowed money for any of your enterprises or other income generating activities? (NOT INCLUDE CREDIT FROM TRADERS/SUPPLIES)

A. 1 = Yes   2 = No (SKIP to Qt 20)

DO NOT READ. MULTIPLE RESPONSES

B. Source **DO NOT READ**	C. Tick source	D. Amount acquired, Sh (if more than once, the most recent))	E. Was interest charged? 1 = Yes 2 = No	F. If interest charged, total amount had to be repaid DK	G. If had fixed due date 1 = Yes 2 = No (SKIP)	H. Length/ term (if more than one, most recent)
1. Coop/Centenary/other Bank						
2. UWESO/FAULU/UGAFODE/ UWFT/OTHER NGO						
3. FINCA/PRIDE/FOCCAS						
4. Extended Family, Household Members						
5 Friends, Other individuals						
6. Other, SPECIFY						

16.2   SKIP TO QT 16.3 IF DID NOT RECEIVE LOAN FROM # 3 ABOVE,

A. Have you gotten loans from this source previously?   1 = Yes   2 = No (SKIP TO QT 16.3)

B. How many loans have you received previously from this source? _____

C. Please tell me the amount received for each previous loan:_____

16.3   IF # 3 IN QT 16.1, ASK: How were the latest, most recent loan funds spent? (DO NOT READ)
FOR ANY OTHERS, ASK: How was the largest loan or amount borrowed spent? (DO NOT READ)

A.	B. *Tick if loan used in this category*	C. WHICH ENTERPRISE? (SPECIFY)	D. WHOSE? 1 = resp indiv 2 = resp co-owner 3 = other, SPECIFY	E. **DO LAST** Amount spent (for the 2 biggest categories)
1. Enterprise Activity				
2. Animal husbandry, livestock				
3. Agricultural seeds, tools, labor, other crop inputs				
4. Food for HH				4
5. School expenditures for HH members				5.
6. Medical care for HH members				6.
7. Savings				7.
8. Debts, saved for loan payment				8.
9. Obligations/assistance to non-HH member, specify members				9.
10. Other: SPECIFY _____				10.
11. Other: SPECIFY				11.

SKIP TO QT 20 IF BORROWED MONEY (ANSWER TO QT 16.1 WAS #4-5 and no interest <u>and</u> no fixed due date)

17. Thinking about the largest expenditure that was made with the loan funds, what would you (or your household) have done if you had not obtained the loan?

    1 = Borrowed money or gotten a loan from elsewhere SPECIFY_____

    2 = delayed in making these expenditures

    3 = Used savings

    4 = Continued as was doing

    5 = Other, specify _____

18.

A. Who decided about the actual use of the funds? (CIRCLE)	B. IF 2-4, relationship of other household members to the respondent (CIRCLE, MULTIPLE RESPONSES)
1 = I made the decision by myself. 2 = I talked it over with others in my household 3 = It was a joint decision made by me and one or more HH members 4 = Other HH member decided 5 = Credit group assisted me to decide 6 = Other, SPECIFY	1 = spouse/partner 2 = son 3 = father/father-in-law 4 = daughter 5 = other, SPECIFY

19.

A. Who has been providing the money for the loan payments?	B. Two main sources of money from respondent or HH member?
(CIRCLE) 1 = Only me 2 = I do but a few times another member of the household has assisted 3 = Both me and at least one other member of the household usually provide the funds. 4 = I do but group members have assisted me a few times 5 = Another household member 6 = Other, specify _____	(CIRCLE NO MORE THAN TWO) 1 = respondent's enterprise(s) 2 = other HH member's enterprises, wages, sold labor 3 = respondent's crop/livestock sales 4 = other HH member's crop/livestock sales 5 = transfers. remittances 6 = other SPECIFY

20. Do you (respondent) save in any of these ways? (READ)

A. Type of savings	B. 1 =Yes 2 =No	C. Current amount
1. Post office savings		
2. Individual bank savings account		
3. A. Credit savings group: mandatory payments, loan insurance fund		

B. Credit savings group: voluntary savings		
4. Other, SPECIFY		

21. Now I would like to ask you about major unanticipated events that may have occurred within your household in the last 24 months that had financial repercussions on your household. Did you have such events?

   A. 1 = Yes   B. 2 = No (SKIP TO QT 22)

B. WHAT HAPPENED? (MULTIPLE RESPONSES) 1 = New individuals joined household due to deaths 2 = Loss of a job, wage income; closure of HH business 3 = Business losses due to fire/theft (not of crops/livestock on farm) 4 = Serious illness; medical expenses of HH member 5 = Need to repay debts 6 = Drought causing low or no crop output 7 = Crop losses(non-drought); livestock losses including losses due to theft 8 = Death/funeral of household member 9 = Financial obligations to non-HH member 10 = Other, SPECIFY	C. WHICH ONE OF THESE EVENTS WAS THE MOST FINANCIALLY DAMAGING? (USE CODE FROM B) (If a package of related events, and respondent cannot say which One was the most financially damaging, code the one which had the most lasting repercussions)	D WHEN DID THIS (*DAMAGING)* EVENT OCCUR? GIVE YEAR

D. When this (*damaging*) occurred, how were financial demands met then and afterwards?
   (**MULTIPLE RESPONSES** : CIRCLE ALL THAT APPLY *)*

   1 = used earnings/regular income (handled within existing income)
   2 = used money from savings account
   3 = transfers, remittances, gifts
   4 = borrowed; took a loan SPECIFY SOURCE _____
   5 = worked more hours
   6 = did not replace stock or inventory of enterprise
   7 = HH member took up a new income earning activity, sold labor
   8 = delayed on payments for debts/loans/school fees/other financial obligations
   9 = reduced expenditures on food/health
   10 = rented out HH assets SPECIFY which and number_____
   11 = sold HH assets SPECIFY which and number_____
   12 = Other, Specify _____

YOUR ENTERPRISES (SELF-EMPLOYMENT)

22. Please tell me all enterprises owned by you that operated the last 12 months: (DO A AND B, THEN ASK IF ANY OPERATE IN SAME TIME AND SPACE - THESE SHOULD BE CLASSIFIED AS ONE ENTERPRISE; IF ANY OF THEM OPERATE IN MORE THAN ONE PLACE BUT USE THE SAME STOCK, CLASSIFY AS ONE) .

A. Description of enterprise	B. Ownership Pattern 1 = respondent-individually owned 2 = respondent co-owned w spouse 3 = respondent co-owned w other HH member(s) 4 = respondent co-owned w non-HH Member 5 = other specify	C. Those which operate at same time and space (SPACE MEANS MAIN SALES SITE OR BASE) USE ROW NUMBERS FROM COL. A; THESE SHOULD BE CONSIDERED AS ONE ENTERPRISE(SUMMARIZE FOR RESPONDENT)	D. (DOES THIS INCLUDE AN ACTIVITY THAT GENERATES CASH ON A REGULAR BASIS) 1 = Yes 2 = No	E. ASK Was the enterprise open the last 2 months for business?	F. DO LAST Which generated the most profit the last 2 months? (Rank)
1. **Those that generate cash on a regular basis, that is weekly or bi-weekly**		1.			
1.1					
1.2		2.			
1.3					
1.4		3			
2. **Other enterprises**					
2.1		4.			
2.2		5.			
2.3		6.			
2.4					

**IDENTIFY THE ENTERPRISES (UP TO TWO) WHICH YOU WILL BE ASKING QUESTIONS ABOUT. SEE INSTRUCTIONS MANUAL.
EXPLAIN TO THE RESPONDENT THE ONE THAT YOU WILL FIRST TALK ABOUT AND THE ACTIVITIES (IF RESPONDENT CLASSIFICATION
IS DIFFERENT FROM THE WAY THE TEAM CLASSIFIES ENTERPRISES)**

ENTERPRISE ONE: (THE ONE WHICH GENERATES A CASH FLOW ON A REGULAR BASIS(IF MORE THAN ONE GENERATES A CASH FLOW ON A
REGULAR BASIS THEN THE ONE WHICH WAS OPEN FOR BUSINESS/OPERATING THE LAST 2 MONTHS <u>AND</u> GENERATES THE MOST PROFIT

23. **SUMMARIZE WITH RESPONDENT THE ENTERPRISE YOU ARE GOING TO ASK QUESTIONS ABOUT**

Classification of Activities into Sectors (USE LIST; USE OBSERVATION AND ASK)

A. Activities: Are any of these activities in carried out in this enterprise?	B. (CIRCLE)		C. **DO LAST** Which generated the most in sales revenue the last 2 months? (TICK)
1. Buy and Sell /trade	1 = yes	2 = no	
2. Sell crops/livestock or livestock products produced by you or your HH (e.g. Eggs, milk) DO NOT INCLUDE ITEMS TRANSFORMED	1 = yes	2 = no	
3. Services (e.g. cooked food, hotel, etc)	1 = yes	2 = no	
4. Manufacturing: (e.g. sewing, welding, carpentry)	1 = yes	2 = no	

24. **ONLY FOR THOSE WHO REPLIED TO #2, IN QUESTION 23**

Thinking about last month, were the crops/livestock or livestock products you sold:

(Circle)
1.   Only produced by you or your household

2.   Mainly produced by you or your household

3.   About half produced by you or your household

4.   Less than half produced by you or your household

5.   Very little, almost none produced by you or your household

25. **OPERATIONAL PATTERN.**

   A. When was this business begun?

      1. 19_____ (SKIP TO B IF MORE THAN 1 YEAR OLD)

      2. Month began_____

      3. Did you individually or co-own another enterprise before beginning this one?

         1 = yes   2 = no

   B. Number of months in operation last 12 months:_____

26.

A. Is the enterprise's main site at the same site as where you live? 1 = Yes 2 = No	B. Main location of enterprise 1 = residential/trading area 2 = formal market centre 3 = town/city centre 4 = Mobile (no fixed location) 5 = other explain	C. Business physical structure main sales site 1 = Open air, including with temporary roof/top 2 = Semi-permanent, partial or complete walls& roof 3 = Permanent building 4 = Mobile, no main premise 5 = Other, SPECIFY	D. Do you pay any charges for the use of this place? (INCLUDE RENT AND FEES)			E. IF PAYS NO CHARGES Form of Tenure (land) 1 = HH owns 2 = informal agreement 3 = no permission 4 = mobile NA 5 = other, specify
			1 = Yes 2 = No **SKIP TO E** 3 = Same as for residence already recorded in Question 5	Amount Paid _____	Per 1 = day 2 = week 3 = month	

27. In the last 3 months with which type of seller did you spent the **most** money for products or inputs for your business?

    1=farmers (on-farm)

    2=rural markets

    3=traders/intermediaries (in this urban area)

    4 = wholesale/retail permanent shops

    5 = factories/manufacturers/

    6=other specify

INTRODUCTION

What products/services contributed most to your total sales value last month? Which three contributed the most to the value of your sales?

28. (BEFORE ASKING SALES LAST MONTH, ASK WHICH IS EASIEST FOR RESPONDENT TO RECALL) (sales value refers to Sh received plus Sh due from items sold)

A. ONLY FOR ITEMS BOUGHT AND SOLD (TRADED) Name of Item	B.1 Unit of Purchase Describe	B.2 Cost of Purchase Unit (last time) Shillings	C. Sales Last Month in Purchase Units (IF DOESN'T KNOW SKIP TO D)			D. IF LAST MONTH NOT KNOWN, **Sales last week**				
			C.1 Number Purchase Units Sold	C.2 Selling Price of One Purchase Unit(sh)	C.3 Total Sales Value (Sh)	D.1 Number Purchase Units Sold	D.2 Selling Price of One Purchase Unit(sh)	D.3 Total Sales Value (Sh)	D.4 Last Week's Sales Compared with Weeks Last Month 1=High 2 =Low 3 =Average	D.5 Estimate Last Month's Total Sales Value sh
1.										
2.										
3.										

29.

A. FOR ALL OTHER ITEMS/SERVICES Name of Product or Service	B. SALES LAST MONTH				C. IF LAST MONTH NOT KNOWN, SALES LAST WEEK						D.
	B.1 Sales unit *Describe*	B.2 Number sold	B.3 Selling price of 1 unit	B.4 Total Sales VALUE Sh	C.1 Sales Unit *(Describe)*	C.2 Number sold	C.3 Selling price of 1 unit Sh	C.4 Total Sales VALUE SH	C.5 Last week's sales compared with weeks last month *1=High* *2 =Low* *3 =Average*	C.6 Estimate Last month's total sales value Sh	Estimated margin (sales value minus expenditure) per sales unit Sh
1.											
2.											
3.											

30. What part of your total sales value the last week /last month do the items we just talked about represent?

    1 = All or almost all

    2 = most   (61-90%)

    3 = about half   (40-60%)

    4 = less than half (20-39%)

(REFER TO QT. 22; IF NO SECOND ENTERPRISE SKIP TO QT. 39)
ENTERPRISE TWO: (The most profitable and open for business the last two months. See Guide for what NOT to include) REVIEW WITH RESPONDENT WHICH ENTERPRISE ACTIVITY YOU WILL BE FOCUSING ON)

31. **Classification of Activities into Sectors** (USE LIST; USE OBSERVATION AND ASK)

A. Activities: Are any of these activities in carried out in this enterprise?	B. (CIRCLE)	C. **DO LAST** Which generated the most in sales revenue the last 2 months? (TICK)
1. Buy and Sell/Trade	1 = yes 2 = no	
2. Sell crops/livestock or livestock products produced by you or your HH (e.g.. Eggs, milk). **DO NOT INCLUDE ITEMS TRANSFORMED**	1 = yes 2 = no	
3. Services (e.g. cooked food, hotel etc)	1 = yes 2 = no	
4. Manufacturing: g, e.g. sewing, welding, carpentry)	1 = yes 2 = no	

32. ONLY FOR THOSE WHO REPLIED TO #2, IN QT.31
    Thinking about last month, were the crops/livestock or livestock products you sold: *(Circle)*

1. Only produced by you or your household
2. Mainly produced by you or your household
3. About half produced by you or your household

4. Less than half produced by you or your household
5. Very little, almost none produced by you or your household

33. OPERATIONAL PATTERN.

   A. When was this business begun?

      1. 19_____   (SKIP TO B IF MORE THAN 1 YEAR OLD)
      2. Month began_____
      3. Did you individually or co-own another enterprise before beginning this one?   1= yes   2 = no

   B. Number of months in operation last 12 months:_____

34.

A. Is the enterprise's main site at the same site as where you live? 1 = Yes 2 = No	B. Main location of enterprise 1 = residential/trading area 2 = formal market centre 3 = town/city centre 4 = Mobile (no fixed location) 5 = other explain	C. Business physical structure main sales site 1 = Open air, including with temporary roof/top 2 = Semi-permanent, partial or complete walls& roof 3 = Permanent building 4 = Mobile, no main premise 5 = Other, specify	D. Do you pay any charges for the use of this place? (Include rent and fees under charges)			E IF PAYS NO CHARGES Form of Tenure (Land) 1 = HH owns 2 = Informal agreement 3 = No permission 4 = mobile N/A 5 = Other, specify
			1 = Yes 2 = No **SKIP TO E** 3 = same as for residence already recorded in Qt 5	Amount Paid _____	Per 1 = day 2 = week 3 = month	

35. In the last 3 months with which type of seller did you spent the **most** money for products or inputs for your business?

    1 = farmers (on-farm)

    2 = rural markets

    3 = traders/intermediaries (in this urban area)

    4 = wholesale/retail permanent shops

    5 = factories/manufacturers/

    6 = Other, specify

INTRODUCTION

What products/services contributed most to your total sales value last month? Which three contributed the most to the value of your sales?

36. (BEFORE ASKING SALES LAST MONTH, ASK WHICH IS EASIEST FOR RESPONDENT TO RECALL) sales value refers to Sh received plus Sh due from items sold on credit)

A. **ONLY FOR ITEMS BOUGHT AND SOLD (TRADED)** Name of Item	B.1 Unit of Purchase Describe	B.2 Cost of Purchase Unit (last time) Shillings	C. **Sales Last Month** in Purchase Units (IF DOESN'T KNOW SKIP TO D)			D. IF LAST MONTH NOT KNOWN, **Sales last week**				
			C.1 number purchase units sold	C.2 Selling price of one Purchase unit(Sh)	C.3 Total Sales Value (Sh)	D.1 number purchase units sold	D.2 Selling price of one Purchase unit(Sh)	D.3 Total Sales Value (Sh)	D.4 Last week's sales compared with weeks last month *1=High* *2 =Low* *3 =Average*	D.5 Estimate Last month's total sales value sh
1.										
2.										
3.										

37.

A. FOR ALL OTHER ITEMS/ SERVICES Name of Product or Service	B. SALES LAST MONTH				C. IF LAST MONTH NOT KNOWN, SALES LAST WEEK						D. Estimated margin (sales value minus costs) per sales unit, SH
	B.1 Sales unit *Describe*	B.2 Number sold	B.3 Selling price of 1 unit	B.4 Total Sales VALUE Sh	C.1 Sales Unit *Describe*	C2 Number sold	C.3 Selling price of 1 unit Sh	C.4 Total Sales VALUE SH	C.5 Last week's sales compared with weeks last month *1=High* *2 =Low* *3 =Average*	C.6 Estimate Last month's total sales value, sh	
1.											
2.											
3.											

38. What part of your total sales value the last week /last month do the items we just talked about represent?

       1 = All or almost all

       2 = most   (61-90%)

       3 = about half   (40-60%)

       4 = less than half   (20-39%)

       5 = very little   (1-19%)

Use of Sales Revenue Last Calendar Month:

39. Thinking about the sales revenue from all of **your** enterprises (one and two and any others) **last calendar month**, how was it used?
(DO NOT INCLUDE RENTAL INCOME, WAGE INCOME OR OTHER SOURCES) REMIND RESPONDENT ONLY LAST CALENDAR MONTH

A. USE	B. Tick if mentioned	C. Rank the 3 on which you spent the most money	D How much did you spend on the each of the three
1. Enterprise one and/or two (include inputs/goods to sell, rent, wages, etc)			
2. Another enterprise owned by respondent (include inputs/goods to sell, rent, etc)			
3. Another enterprise owned by a household member-specify(include......)			
4. Agricultural production (crops/livestock)			
5. Rent for dwelling			
6. Food for household members			
7. Education expenditures for household members			
8. Health and medical expenditures			
9. Social obligations, assistance to non-HH members, church, mosque, self-help			
10. Own Savings			
11 Debt, loan payments			
12. Others specify			
13. Other specify			

 GO BACK TO TOTAL SALES VALUE QT 28/29 AND 36/37; CHECK RE PURCHASES FOR ENTERPRISE AND TOTAL SALES VALUE

40.

A. Over the past three months, who decided how this revenue would be spent? (CIRCLE)	B. If 2-4, relationship of other HH member to respondent (CIRCLE, MULTIPLE CODES)
1 = Only me 2 = I talked it over with others in my household; consulted 3 = It was a joint decision by me and one or more HH members 4 = Other, SPECIFY	1 = spouse/partner 2 = son 3 = father/father-in-law 4 = Daughter 5 = Other, SPECIFY

41. **ASSISTANCE/EMPLOYMENT: ENTERPRISES ONE AND TWO**

I would like you to start with yourself and name everyone who assisted with your enterprise(REMIND RESPONDENT WHICH ONES) in the past week and last calendar month, whether paid or unpaid, formally employed or not, including apprentices, children, and casual workers)

A. Name of worker	B. Is she/he a HH member? 1 = Yes 2 = No	C. Is she/he over 15 years old? 1 = Yes 2 = No	D. Time worked			E. Is he/she paid? 1 = Yes in cash 2 = Cash & In kind 3 = In kind 4 = No
			D.1 Average Hours per day last week or start-finish time	D.2 Total Days last Week	D.3 Total days last month worked	
1. Respondent						
2.						
3.						
4.						
5.						

F.   If uses task/piece rate workers, number used last week_____

42. **RESPONDENT'S ENTERPRISE ASSETS**

Please tell me all fixed assets (including building, furnishings, tools, equipment and machines) that you have purchased in the last 12 months for enterprises one and two (REMIND RESPONDENT WHICH ENTERPRISES).and for other enterprises (if not recorded in Qt 9).

A. Type of Fixed Asset	B. Source of funds 1 = Earnings 2 = Savings account 3 = Credit from seller/hire purchase 4 = Loan, SPECIFY 5 = Transfers/remittances 6 = Other, SPECIFY	C. Purchase Price SH	D. Paid off 1 = Yes (SKIP TO F) 2 = No	E. If not paid off, amount owed	F. Is this owned by you? (Could take/retain if HH broke up?) 1 = Yes 2 = No
1.1					
1.2					
1.3					
1.4					
l.5					
FOR OTHER ENTERPRISES					
2.1					
2.2					
2.3					

43. You have been very helpful and told us about your enterprises and household. In the last two years (or since began business if less than 24 months ago) have there been any negative consequences within your eating and dwelling group as a result of having your own income generating activities? (WHAT, WHY)

44. In the last two years (or since began business if less than 24 months ago) have there been positive results of having your own income Income generating activities that we have not already discussed? (WHAT, WHY)

45. Do you have any plans or strategies for increasing your income?   1 = Yes 2 = No
    If yes, what are they and what are you doing to implement these plans.

In two years time, we will come back to talk with you. If you are not at the same business or household location, do you have a permanent post office box which you would be using? Who will know where you are? (TWO REFERENCES) WRITE CLEARLY

1. Your Permanent Post Office Box _____

    Other Contact Information: _____

2. Name _____P.O. Address or location _____

    Other contact information (e.g. telephone) _____

3. Name _____P.O. Address or location _____

    Other contact information (e.g. telephone) _____

THANK YOU FOR YOUR COOPERATION. I WISH YOU GREAT SUCCESS IN YOUR BUSINESS EFFORTS.

Enumerator' s comments

ANNEX D

ASSESSMENT OF MICROENTREPRENEURS IN UGANDA -

INSTRUCTIONS MANUAL FOR ENUMERATORS

ASSESSMENT OF MICROENTREPRENEURS IN UGANDA
INSTRUCTIONS MANUAL FOR ENUMERATORS[3]

I. Objectives of the Survey and Use of the Information
II. Preparations Prior to Field Work
III.   Procedures and Operations (including sampling instructions)
IV.   Questionnaire
V. Key Terms
VI.   Sector Classification

I.   MICROENTERPRISE ASSESSMENT STUDY OBJECTIVES AND USES OF THE INFORMATION

The assessment will focus on individual entrepreneurs, their households and businesses/enterprises owned by the household, especially the respondent. It centers on those self employment with their own income generating activities. The objective is to better understand the processes by which enterprises are strengthened and the welfare of microentrepreneurs and their households are improved. A secondary objective is to understand the linkages between non-farm enterprises, activities which general cash on a regular basis, and the agricultural sector. To do this a baseline study is being undertaken in 1997 and a follow-up study of the same households will be carried out two years later in order to assess changes which have occurred. The assessment covers microentrepreneurs who participate in credit groups and have received assistance from microenterprise programs and those who are eligible to participate but do not participate.

This assessment in Uganda, funded by USAID, is being carried out in three areas: Masaka, Kampala and rural Mbale district. The results will be shared with development assistance agencies and widely distributed within Uganda to policy makers at various levels. The survey results are intended to document the situation of microentrepreneurs and changes which have occurred, and to explain why these changes have taken place.

The specific purposes of the survey assessment are:

-    to have reliable information on microentrepreneurs, their households and enterprises
-    to document linkages between the non-farm enterprises, enterprises which generate cash on a regular basis, microentrepreneurs and the agricultural sector
-    to obtain select information on the individual microentrepreneur vis a vis the household and its economy.
-    to determine if the households and enterprises of microentrepreneurs who have received special services differ from those who have not.

---

[3]This was the manual taken to the field. Additional guidance and clarification were made during the course of the fieldwork.

In the questionnaire information is collected on the household, the individual respondent and the enterprises of the respondent. At the household level this information covers:
- demographic characteristics
- expenditures : school fees, levies, and exam fees; key household items; assistance to others
- income : all sources for last 12 months and ranking
- residence : tenure status; and number of rooms
- assets : indicators of key household items, ownership of houses, rental units and agricultural land
- food consumption : normal pattern of consumption of different food groups
- financial crises and ways household coped with them

Information is obtained on the individual respondent about: pattern of savings and amount, ownership of crops and livestock, decision-making patterns related to use of loan funds and use of enterprise income, contributions to household economy, ownership of assets and plans for increasing income. Information is obtained about respondent' s enterprises:
- sector and activities
- age of business
- premises
- employment
- main type of suppliers
- sales volume and receipts for top three products or services
- value of fixed assets purchased last 12 months

II. PREPARATIONS PRIOR TO FIELD WORK

A. OVERVIEW OF ENUMERATOR TRAINING

The training will consist of classroom training and practical training. The classroom training will involve:
an explanation of why the survey is being carried out and the use of the information. The importance of quality and care in both establishing good rapport with the respondents and in recording answers will be emphasized. Good practices and approaches to conducting interviews will be stressed. Second, the questionnaire will be studied and each question clearly explained. In addition, instructions will be given on how to probe to get responses on questions related to income, expenditure, and value of sales.   Then there will be role playing to learn the ways to ask the questions and then to practice asking the questions in the local languages. The practice will pay particular attention to how the questions are asked in the local language to ensure that the meaning of the questions remains consistent. Next trainees will be involved in field practice interviews. Observers will work with the trainees and check the phrasing of questions, probing to establish replies to income, expenditure and value of sales questions, and recording of responses. Oversight and training will continue in the field when supervisors meet to discuss with each enumerator his/her work.

B. CONDUCTING AN INTERVIEW

Successful interviewing rests on the enumerator being sensitive to the respondent. The enumerator should consider how he/she would react if a stranger came to ask questions about their income, expenditures, assets and income-generating activities! First impressions are important. The enumerator must be friendly, polite and dress neatly but modestly. Enumerators are to act professional and NOT be rude or arrogant. The enumerator is asking the microentrepreneur to help her/him to carry out their job so they should be thoughtful and kind. They may purchase a soda or item from the microentrepreneur but NEVER accept any gifts or ask for special discounts!

Establishing rapport and the interview setting.

Greet the person with a smile and salutation. If the person is busy, wait patiently until they finish what they are doing. Show an interest in the enterprise.) Do not interrupt their sales. Then, explain the purpose of your visit. Answer any questions frankly. Stress the confidentiality of responses. This means that the respondent must be comfortable about discussing financial matters in front of others. It is best if no other adults are present.

DO NOT MISREPRESENT THE OBJECTIVES AND USE OF THE INFORMATION, OR YOURSELF. The information from each individual is to be kept strictly confidential and not discussed outside the research team. Therefore the respondent will not gain or lose anything from answering. Neither will the particular LC area. Explain the information from everyone will be aggregated together for a report which will go to USAID and others interested in how people who work for themselves are managing. At the same time, if someone asks about who provides services to microentrepreneurs for non-farm activities, give them a copy of the list which you will be provided. The list is not inclusive but names certain

groups we know about in the area who give loans to individuals in groups. Neither the enumerators nor the directors of the assessment team have any links to micro finance organizations.

General Guidance

1. Be neutral. Never allow the respondent to think that she or he has given a right or wrong answer by expression on your face, tone of voice and never appear to approve or disapprove of any answers.
2. Never suggest answers. You may probe or when instructions state, read the list of possible responses.
3. Do not change the wording or sequence of the questions, unless the instructions manual has said that it might be. The exact wording must be maintained.
4. If respondent says "I do not know" try to interest the respondent in the question and determine if this is correct.
5. If respondent gives irrelevant answers, listen and try to steer back to the original question.
6. Be friendly never act bored or be rude or pushy.
7. Do not form expectations as to the answers of the respondent. Ask the questions as stated.
8. Show an interest in the respondent, her family or enterprise.
9. When the interview is completed, thank the person and make friendly comments about the enterprise (if interview conducted there) or in general e.g. children if conducted at the house. Leave in a friendly and grateful manner just as you would expect someone to behave.

III.   PROCEDURES AND OPERATIONS

A. GENERAL PROCEDURES FOR RECORDING ON THE QUESTIONNAIRE

The questionnaires will be completed in pencil. The enumerator will circle the response category which corresponds to the reply to the question or write in the answer.

Three general codes will be used:

    DK = don' t know
    NW = not willing to respond
    NA = not applicable, this question does not apply

Key questions center on the shilling amount of school fees, levies and exam fees paid, dollar value of assistance to non-household members, ranking of income and expenditures, costs per unit, sales receipts. The enumerator must assist the respondent to recall individual expenditure or income items and then assist with calculation of the amount. Patience and careful probing will be required. A " don' t know" reply should ONLY be used after patient probing and only when it is obvious the person does not have information on which to construct the answer.

B. In general when there is a table to complete, first fill in the initial column completely and then move row by row down getting information on each item. e.g. H1 write down first all the names of HH members and then, when you have them all, ask for details on each.

C. DATA QUALITY

Remember that the success of the survey depends on you, the enumerator. Checks will be made on the quality of data and information you collect. If necessary call backs will be required to gain correct and accurate information.

D. When following a SKIP instruction please leave blank, do not write NA.

E. CONFIDENTIALITY

It is your responsibility to maintain the integrity and confidentiality of all respondents, throughout this exercise.
You should not discuss individual responses outside the assessment team.

F. INSTRUCTIONS FOR SELECTION OF NON-CLIENT SAMPLE

 Mbale:

1. The Field supervisor has a basic topographic map, which sets out the areas from which the non-client sample is to be taken. In each area, there are dots showing the location of the houses from which to begin interviewing to identify those eligible to be included in the survey.

Field enumerators should calculate their average walking time (number of minutes per kilometer) since the map is marked in one kilometer grids. Copies of the sampling map detailing the grid and location will be given to each enumerator.

2. The Field Supervisor will assist the enumerators in finding locations along roads nearest the target points where a path exists. Field enumerators should judge from the map the distance to the target point off the road and walk the estimated distance in the direction of the target point. Along the way, they should reconfirm with people they see that there is indeed a house in that direction. The field enumerator should select the home nearest the target point to the survey.

3. Screening Process: They should begin the short screening questionnaire after introducing themselves and their purpose. They should ask if any woman (aged 18-60) is engaged in an income generating activity which generates cash on a regular basis. This is the person whom you should talk with. If she is not there, ask another knowledgeable person in her household the filter questions to see if the woman qualifies for being part of the sample.
   1) woman engaged in an activity which generates cash on a regular basis (weekly or bi-weekly) (THIS INCLUDES distilling and brewing if done on a weekly basis)
   2) the woman is individual owner or co-owner with a household member
   3) been active in carrying out this work over the past 2 months
   4) has not received a loan for her income generating activities (but may have gotten an agricultural loan, NOT from FOCCAS)

4. If no one is at home, return at a different time at least once more, before selecting an alternative. The enumerator should make note of the time and place of the call-back and reason for not being able to locate the person. If no women in that household qualifies for the same, proceed with alternative.

5. The alternative procedure is to walk to the nearest house and begin the screening process again.

Kampala and Masaka.

1. From the place where the client is interviewed, face away from her/his house or enterprise. Turn right and walk **forward six** houses/businesses way from the sampled client. The enumerator should then ask if a woman between the ages of 18-60 is individual or co-owner with a household member of an activity which produces a regular cash flow (on a weekly or bi-weekly basis). If there is no woman owner of such an activity, the field enumerator should move **two** more residences/businesses in the same direction and begin again. If there are no more businesses along the line turn to the right. If at any time moving to the right results in coming to the end of an area, the enumerator should change direction 90 degrees to the right and continue with the count. If impossible to go right, go left.

   If, however, the enumerator is following the sampling procedure and observes that s/he is about to leave the area of potential businesses/residences, he/she should change directions (180 degree turn) and return to the area continuing the counting.

2. When you identify a business which generates cash on a regular basis and is owned by a woman, ask these questions:
   1) woman engaged in an activity which generates cash on a regular basis (weekly or bi-weekly) (THIS INCLUDES distilling and brewing if done on a weekly basis)
   2) the woman is individual owner or co-owner with a household member
   3) been active in carrying out this work over the past 2 months
   4) has not received a loan for her income generating activities (but may have gotten an agricultural loan) from a bank or formal organization.

If the woman does not meet the criteria, thank her and conclude the interview or if meets criteria but refuses to be interviewed, continue with the walking sequence. **The walking sequence is 6-2--5-3-5.**

G. Instructions for Location of Clients

First, Supervisors and Enumerators should be careful not to identify themselves with a microfinance organization and carefully follow the instructions discussed during training about the Introduction of the Survey. We are NOT doing an assessment of individual microfinance programs, rather we are looking at those who participate in programs and those who do not.

Once a client is located then that person can be asked about where to find the next two or three on the list.

The Field Enumerators will provide instructions for location of clients. It is important that only clients (not their household members) be interviewed. Locate either the business or residence of the client. If not there, find out where she/he can normally be found. Try to make an appointment. At least **two more call-backs** are required to locate the client at the place where s/he can normally be found. One should try to identify where she is normally found during the day and appointments made, when possible. For each call back, the enumerator should make note of the time of each and place, that is home or business. The Field Supervisor will provide an alternative for the sample after all attempts have failed meeting with the client. A record of the reason why someone cannot be located after three visits should be put in the Field Supervisor's notebook as well as time and dates of call-backs.

IV.   QUESTIONNAIRE

FRONT COVER Complete all sections
>   the ID will be provided by MISR later
>   HH address is the residential address of the respondent and his/her HH or village
>   Collect both residential address/location and address/location of enterprise if different from
>   that of HH;
>   Remember someone needs use this information to locate this person in two years.

DEFINITION OF HOUSEHOLD: A household is **a group of persons who usually live and eat together.** Usual members include those who are away on a visit, those in boarding schools, and polygamous husbands and the elderly and anyone else who lives here more than six months a year. Domestic workers with part of meals taken in their own quarters are not classified as part of this household. Relatives or family who normally live elsewhere are NOT part of this household.

In rural areas, the actual houses may be separate on the compound. The key is whether they usually eat from the same pot. There may be cases of widows who live adjacent or on a compound but share no other resources with those with whom they eat such as their son' s family. In such cases, the widow would be a single person household.

When you begin the interview TELL the respondent that you will be asking questions about the group of persons who usually live and eat together. Tell her what word or phrase you will use to refer to this unit. During the interview remind her of this definition.

In the questionnaire and this manual the word household or HH is used to refer to the group of persons who usually live and eat together.

2   Table. Begin by having the respondent list everyone in her HH, starting with the adults. Then
    ASK A - G for each person, using the CODES or filling in the response. Then ask H for all
    those age 5-24, that is born between 1982- 1992.

    ASK # I last.

B   Mother/father means biological. Other relationship terms refer to biological relationship.

D   **If person only knows year of birth record it as 19##, i.e. include the 19 so that we can
    distinguish between someone born in 1950 and someone who is 50 years old. If does not
    know age or year of birth, ask for an approximate age.**

E   Be sure to find out, in a polite way, if the woman is in a polygamous marriage. This helps us
    to interpret the information given
    Later. Record #2 if her husband has another wife.

F   For the respondent and respondent' s spouse/partner ONLY, *ASK* the highest level of education completed. Write in answer; if none record 0; primary level one = P1, and so forth for primary school. For secondary school, write S and then the last level completed, e.g. S3.. If have had post primary education = PP training; post secondary training= PS training; college, and university. Use the same codes as in E.

G   *ASK* for those 15 years and older the current main activity. That means the person was born in 1982 or before. Even if person is a student, probe to see if working is the main activity. (Current main activity information will be used as a cross check on sources of income and on employment within the household enterprises. It will also be part of the information used to derive an economic dependency ratio.)

    See code list . Code 4 includes all self employed persons and employers. Do NOT assume the main activity of the person you are interviewing is Code 4. Especially in Mbale, they may consider their main economic activity as farming or peasant.

H   For those aged 5-24, born between 1973- 1992), *ASK* if currently enrolled in school/training, If yes, *ASK* the level of enrolment and record in H1. If not currently enrolled in school, *record 0. ASK* the amount spent last term on educational fees, : tuition, book fees, building fees, and special levies) last term of each person currently enrolled. Then ASK were the educational fees for this student paid by a non-household member. (Note: in the first few days in the field the questionw as changed to read educational expenses, not fees).

I   *ASK* if the person is regularly (almost daily) present in the household. If away for work, schooling, or living elsewhere part of the time, record in 2 H the status. If not regularly present, *ASK* the extent the person resides in this household. If this person is away more than 6 months a year for a reason other than school/training, cross out the name since the person does not meet the original criteria for inclusion as a household member. (Correct information on membership and status is important. This will be used when calculating data on a per capita basis.) Note: when polygamous husbands visit the HH daily, this is not the same as living and eating there on a regular basis. Record that under #6, such as visits daily but doesn' t stay there.

3   Here we want information on who paid and where the money came from for the educational fees paid by this HH. The two main sources of funds. But if there is only one source but two people providing from the same kind of source, record that. **See Key Terms List for definition of "loan" and "borrowed" money.**

4   Head of HH means among those who live and eat there almost all the time. It is not the titular male head who is Away most of the time. Who makes the decisions for this group. Relationship refer to biological relationship.

B   Type of dwelling. Some microentrepreneurs will live in part of the same room where they carried out their business. Others will have rooms attached to the main business area. A house on agricultural land mean land which they own or rent as a contiguous unit. Agricultural land does not refer to garden plots on mainly town/urban land.

C DO NOT count bathrooms or hallways or small store rooms. This refers to where the HH lives. Many rooms will be used for both business activity and living space for HH. **Do not** include rooms rented out.

D Where possible, use observation and do not ask.

E When walls are plastered so the person does not know, just record DK and go to next question.

F This refers to the Main source used.

G Urban questionnaire: Electricity - is the place wired or have electricity. This question is not concerned about whether it is turned on or off.

For Mbale, it is assumed there is no electricity in the place. If there is, write in space after F, has electricity.

5. TICK the appropriate row and ask only the questions for that row. e.g. If household rents, **READ** the rent questions. Owned means that they have customary rights to it or have purchased the house and have no further payments. If the household lives in a place that belongs to someone else and they do not pay any rent for the place, use the #4 Free row.

C For those who live in rooms attached to shops, ask if their answer covers both places. If they state a rental value for the dwelling as separate from the shop, then record the amount for the rooms for dwelling in this question and the rental value of the shop later under the enterprise questions. If they on state or know one lump sum, record and more on. But, remember later not to double record the answer under rent of business premises.

6. Own or control means that they are the legal owner or have customary rights to control that include transfer of use rights.

B If has house elsewhere, rural means on agricultural land or in small market area.

7 This covers items OUT OF THE HH including transfers, remittances of money, gifts or items such as food, payment of rent for others, educational costs, and ceremonies, AND assistance for burials and funerals. DO NOT include money given as loans and expected to be repaid. If gifts, food or other items given, record the monetary value of the items.

Need to distinguish between rural areas and towns. Before asking #1, EXPLAIN you will ask about those in rural areas first and then about those in towns or urban areas. To people in Kampala, everything may be classified as rural!
Do not make the respondent add up the total amount. If she gives each amount, then record each amount. Additions will be done when the data are entered.

8. This does NOT include items which one member may have taken when eating outside of the HH. The last 3 days, not today.

Vegetables - include all types of vegetables, any form.

Meat, Chicken, include any poultry, game, fish(dried or fresh); they may say they eat it only once a week but only record it if that day was one of the last 3 days.

Milk = any form but not that taken in tea; fresh or sour milk. If they say, only the children, record those days.

Eggs =   record the number of days mentioned even when they say only the children.

Main source: this refers to the food eaten the last three days only. May use multiple codes.
Code 4, and specify if takes
Items from her or HH enterprise.

8. 2   Rural only. Health and Nutrition

A   In past 12 months, has respondent tried any new health or nutrition practices?

B   If yes, where did she learn these practices. MULTIPLE RESPONSES

C   What new practices did she try? MULTIPLE RESPONSES POSSIBLE. (LEARN RESPONSE CATEGORIES FOR SPEED OF RECORDING)

D   In past 12 months did respondent advise a non-HH member about improved health or nutrition practices.

9   What items have been purchased by the respondent in the last 12 months. Purchased individually means only with her/his money; co-purchased means jointly purchased, mixing of funds from others. The items may be for the HH dwelling, the farm, for enterprises of another HH member, traditional woman's dress, building materials and so forth. DO NOT include here livestock, agricultural inputs, and fixed assets for the respondent's enterprise(s) since those will be covered later.

B   Its important to get this information.

C   Is any money still owed on this? If YES, **ASK**, how much is still owed, principal plus any interest. Record 0 for none.

E   What was the Main source of funds, record only one response.   If it was a loan, specify the organization or bank or categories such as friend, spouse, etc. Note that borrowing, as distinct from a loan, is some arrangement which DOES NOT include interest payments and a fixed due date. A loan is a formal arrangement and includes interest and fixed term/fixed due date.

F   **ASK**, Is this item owned exclusively by you? If the HH broke up, could she/he take it away or retain it?

10.1 Items owned by any HH member but not named in Qt 9, or any gifts acquired. **READ** the individual items listed in 10.1.
Urban questionnaire: If the refrigerator is mainly used in an enterprise but also for HH record it here.

10.2 **ASK** does any member of this HH own a bicycle or other means of transport? If YES just ask what and record answer. DO include transport owned by HH member and used in business. Currently in working order refers to this week. It can be in for repairs but not in the shop indefinitely.

11. Cultivatable land means that which is suitable for crops: soil and drainage affect which crops can be grown. Here we include land not cultivated, such as land in fallow and that held but not used. First ask if they own/control, rent or lend out or rent in land, or use other land. HH in Kampala and Masaka may not own or use such land.

B. Land owned/controlled by HH; controlled refers to customary tenure rights which extend to right of transfer. People have several small parcels of land. Ask them to estimate the total amount owned/controlled and include the land rented or lent out **but not** land rented in or belonging to another HH or someone outside this HH. Then of this, how many acres have they lent and/or rented out?

C Land rented in and used for crops

D Parents of respondent or respondent's spouse.

12.1 Crops of the respondent. Those solely/exclusively owned and those jointly owned that were grown the past 12 months. This includes newly planted crops which have not yet been harvested and permanent crops (those that do not require planting or setting out every season). We are mainly interested in the crops grown and sold.

12.2 In the last 3 months, has respondent purchased with money she/he earned any inputs for crops or paid labor for crop? If yes, don't read . Ask and tick if mentioned. Other inputs write the name. For all record amount spent; do not make the respondent add the totals, neither should you if large. Just write down each expenditure for labour, if paid more than once.

13. Crops grown by other HH members individually or jointly (not including those mentioned in Qt 12.1). ASK respondent to name in order of importance to the HH economy. We are primarily interested in those which are marketed. DO A first and then ask B.

14. Livestock. PROBE a little if seems reluctant to talk about numbers. Re poultry just estimate number if over 10. Dairy cattle does NOT refer to local breeds, rather crossed or upgraded locals, or any exotic breeds. There should be NO double recording of other cattle and ploughing animals.

15. Sources of Income. You have already been learning about crops and livestock which have been sold in the past 12 months. Now we want to find out other sources of cash income for this HH.

15.1
A First, ask about any enterprises/businesses owned by members of this HH . There are two types: Include on-farm activities which generate a cash flow on a regular basis, that is weekly or bi-weekly. Record these here even if mentioned previously. FOR MBALE, THIS WILL INCLUDE BREWING, YEAST MAKING, MAKING FOOD AND SELLING, ZERO GRAZING, AND MAYBE POULTRY RAISING. FOR URBAN AREAS, MAY INCLUDE ZERO GRAZING, RABBITS AND POULTRY RAISING OR LIVESTOCK TRADE. It may include seasonal activities BUT NOT occasional sale of crops or Livestock or livestock products ONLY from own or HH production. Here you are asking about the enterprise - as they consider it; not the individual activities within it. For example if the person has a shop, just record shop. If the business sells fruits and vegetables, just write fruits and vegetables. A small table with a variety of items is usually called vending table.

ALSO INCLUDE UNDER A, NON-FARM INCOME GENERATING ACTIVITIES. Do not include rental properties as an Enterprise.

LIST ALL AND THEN DO B.

B. What is the ownership pattern?
    1 = respondent sole or individual owner; no other owners
    2 = respondent is co-owner with another HH member(s)
    3 = respondent is co-owner with one or more persons who are not HH members
    4 = spouse is individual owner or co-owner with another person outside the HH
    5 = another HH member is individual owner or co-owner with another person outside the HH
    6 = Other, specify ownership pattern

15.2   What were other sources of income for HH or members in the last 12 months (READ)

A/B   6 = if sells labor, casual or part time work
    7 = salaried or wage income
    8 = rental income, BE SURE TO ASK THIS
    9 = transfers, remittances, gifts, TESO, other contributions
        (TESO clients receive funds each month)
        DO NOT INCLUDE SCHOOL FEES PAID BY SOMEONE OUTSIDE HH AND
        RECORDED IN QT 2
    10 = other, SPECIFY.
        DO NOT INCLUDE MONEY GOTTEN FROM LOANS OR BORROWING IN LAST
        6 MONTHS.

PROBE for any other source of income which has not been mentioned,. Include here any lump sum payments for pension, retirement, retrenchment, etc. and regular pension payments

B   Who earned (Multiple codes possible)

1 = respondent
2 = spouse/partner
3 = other HH member
4 = HH as a unit or group
5 = other specify

NOW WE STOP AND ASK: THINK ABOUT ALL OF YOUR HH' S SOURCES OF INCOME THE PAST 12 MONTHS. THIS INCLUDES THE CROPS AND LIVESTOCK DISCUSSED EARLIER, ENTERPRISES AND THE OTHER SOURCES. IF THERE WERE CROP SALES (QTS 12.1, AND 13). AND LIVESTOCK SALES (QT 14) , ASK THE RESPONDENT TO THINK OF THESE CROP SALES AS ONE SOURCE OF INCOME; LIVESTOCK SALES AS ANOTHER SOURCE.

Then each enterprise and other source of income should be treated as separate categories.

ASK: PLEASE TELL ME THE 5 WHICH CONTRIBUTED TO THE MOST TO HH CASH INCOME THE LAST 12 MONTHS.
Rank them in order of there contribution to total HH cash income, top record as 1 and so forth.

Do not assume that enterprises other sources which contribute money on a regular basis earn the most money.
ASK the respondent. This means HH income; income from a polygamous husband may not come into this HH.

Gross income is the total amount of income earned: and does not take into account the cost of inputs and other expenditures required to earn this gross income.

16 This question covers any money acquired the last 6 months by respondent for purposes of her/his income earning activities. **The** money may actually have been used for something else **DO NOT READ RESPONSE CATEGORIES.** Borrowed means it does not include both an interest payment and a fixed date when must be repaid.   Banks gives loans. So do numerous other organizations (#2) in addition to those listed in #3, the study' s client population. Individuals may also extend loans in that they charge an interest and have a fixed repayment date. If respondent has obtained money from #4, #5 or other in #6, ask if interest charged and amount, if had a fixed due date, and length/term of loan (record number of days, weeks or months as appropriate. Interest is charged if the amount due is greater than the amount borrowed.

If got more than one loan or borrowed in the last 6 months for income generating activities, record multiple responses.

16.2   If respondent received loan from FINCA/PRIDE/FOCCAS ask A-C. Some are likely to have had several loans before the latest one, the most recent one. For B and C, do NOT count the most recent loan. For C, just record the amount for Each loan (principle, not amount the had to be repaid which includes interest payments) and do not try to total the amounts.

16.3 ASK to everyone who either received a loan or borrowed money in the last 6 months, how they spent the money. If received loans from FINCA/PRIDE/FOCCAS ask specifically about how this loan money was spent even if they also got money elsewhere. For all others, ask about the largest amount obtained. DO NOT READ responses.

1 = Enterprise activity means it should be for operating costs, purchase of goods/stock/material, purchase of fixed asset or Paying rent for business premise and labour, transport.

Column C, record which enterprise since there may be more than one of that type in the HH. For example, two people in the HH may have the same kind of business, such as a duka/shop, therefore it is important to know

Whose shop was assisted. In D ask who is owner of the enterprise.

Have the respondent name each use (column A). Then ask C-D on each. At the end, ask the amount spent for the two largest Categories, not on specific items bought for enterprise etc.

17. **SKIP to Qt 20 for all those who borrowed money. ((LOOK AT QT 17.1; IF RESPONSE IN #4-5 SKIP)**

What would the respondent (or the HH) done if respondent had NOT gotten the loan. 4= continued as was doing means would not have made those expenditures. Be sure to SPECIFY any other answer.

18.A. Who decided about the actual use of the funds? One may have intended one use, but when the money came used it for something else. 2= talked it over means consulted, took others opinions but then respondent made final decision. Credit group, means they may have advised the respondent.

19. Who has been providing the money for the loan payments or payment. What has been the pattern?

B What have been the two main sources of funds for these repayments.

20. Do you save in any of these ways. Read categories. When you ask, #4 other, if they are in rounds, or rotational clubs-find record it under other. #3 A means that credit groups/associations often require that a member make mandatory payments or contributions such as for a loan insurance fund. #3B means that credit groups/associations often provide a means for individuals to save, with no requirements about the frequency and amount. ASK the current amount saved. Do not probe if unwilling to tell you.

Rounds means clubs or groups where members contribute a set amount at a set time, regularly, and then one of the members gets all the money, in rotation each time, every member getting a turn at receiving all the money.

Savings club means money is saved, but not given out to someone each time deposits are made. If savings clubs are mentioned, record under Other. If respondent mentions giving out

loans which earn interest and investments as savings, please make note but do not include under Other.

For #2 and #3 record only for individual accounts, not joint accounts.

21.   **STATE** Now I would like to ask you about major unanticipated events within your household in the past12 months that had financial repercussions on the HH. Events happen that change the income and expenditure patterns or may require an extraordinary expenditures - unplanned expenditure for a special reason, this is not part of the normal pattern and long term changes may result. **PROBE**, if necessary read response categories.

A Type of event **MULTIPLE RESPONSE** : circle all that apply

B Damaging means which upset the household economy, pattern of income or was the most financially costly. We know that all of the events above have personal and human dimensions as well. Some of the events happen in a package, such as illness, Loss of job, and death of HH member. Try to record the one which had the biggest financial impact. If not possible, use multiple responses for the package.

D **ASK** When this (*damaging event*) occurred, how were financial demands met then and afterwards? The event may have required an extraordinary expenditure or may have required adjustments to the pattern of expenditures. This questions covers both.
Multiple responses circle all that apply

1 = used earnings/regular income i.e., handled within existing income
10 or 11: Renting or selling assets. Assets are physical property or items or possessions. If assets sold or rented out, ASK please tell me which assets were sold or rented out. Record. This means assets owned by HH or a HH member.

RESPONDENT' S ENTERPRISES

22.
(1) Explain that you first want to know about those which generate cash on a regular basis, that is weekly or bi-weekly.
(This means normal flow, not seasonal or irregular)

Do A and B first. C.-E is done last after recording for lines numbered 1 and 2 .

A Describe the main activity. Do this by using general descriptive categories such as sewing,, tailoring (makes clothes on order), vehicle body repairs - metal work, shop, bar, hotel.

B. Ownership pattern;
    1 = respondent individual, sole owner
    2 = respondent co=owner with spouse
    3 = respondent co-owner with other HH member(s)
    4 = respondent co-owner with non HH member
    5 = other explain

(2) Other enterprises, These are those which do not generate money on a regular bases. They can be seasonal or irregular. (We have information on sales of crops and livestock produced by the respondent and/or respondent' s household. While these Should be listed here if mentioned, they alone should not be the focus of asking questions about Enterprise Two.). For example, selling a pig or cow once or twice a year does not justify asking Enterprise Two questions about this income generating activity. If it is a significant operation, such as poultry keeping for sale of broilers it should be recorded and be focus for Enterprise Two. Own or household produced items can be sold in same space as other items and thus covered under Enterprise One or Two.

C for 1 and 2:

The purpose of this question is to identify an enterprise: more than one activity can take place at the same Time and space. These are grouped together and considered as an enterprise.

Which operate at same time and space. Space means main sales site or base. If sales are made from same place for Activities listed in 1.2 and 2.2, then in 1.2 add the number 2.2; and in 2.2 add the number 1.2 so we can pair the activities. Which operate in same time and space. If any operate in more than one place but use the same stock, classify as one enterprise and hence record the row numbers to get pairs or matches.

D   Before doing D and E, classify activities into enterprises. Explain to respondent the grouping. Then ask, has this enterprise been operating/open for business the last 2 months. (It might have been closed Due to illness, funeral etc)

Then you will study the responses to identify what activities/enterprise to cover in questions for Enterprise One
And for enterprise Two.

Enterprise One is that which generates a cash flow on a regular basis. (NOT THE MOST PROFITABLE)
HOWEVER, if more than one enterprise generates a cash flow on a regular basis, select the one open/operating
The last 2 months AND generating the most profit)

IF ONLY TWO ENTERPRISES, THE SECOND ONE WILL BE COVERED UNDER ENTERPRISE TWO.

IF MORE THAN TWO ENTERPRISES, WHICH ONE WAS OPERATING THE LAST TWO MONTHS AND GENERATED THE MOST PROFIT. THIS WILL BE ENTERPRISE TWO ABOUT WHICH YOU ASK QUESTIONS.

MAKE NOTE ON PAGE THE ACTIVITIES AND HOW CLASSIFIED INTO ENTERPRISE ONE AND TWO.

23.   The purpose of this question is to classify the enterprise by sector. However, many enterprises cover activities Which fall into different sectors. For example, a shop can sell

dried food, etc (TRADE), chapatis the owner Makes (SERVICE), and have a sewing machine for repairs and making dresses (MANUFACTURING).

Remind the respondent which activities you have classified as one enterprise. Then use observation (if Interviewing at business site as well as ASK: ALSO REFER TO YOUR LIST OF SECTOR CLASSIFICATIONS

1 = buy and sell items - trader

2 = sell crops/livestock/ or livestock products produced by you or your HH

If sells crops/livestock or livestock products PRODUCED BY OTHERS THIS IS TRADE

Do not include items transformed/

3 = services, food and local beer sales, hair dressing etc

4= manufacturing: making, repairing

Use your list to help classify TYPES of activities. In Mbale, if women brews beer for selling to customers and also Sells to other women who will sell to customers classify as service or manufacturing based on which generates the most cash income.

24. Operational Pattern

A Record year respondent first began in this type of business.. If begun within the past 12 months also record the month begun.

Since microentrepreneurs especially traders often move up in scale and type of activity, if this business is less the 12 months

Old, ASK did you own another enterprise before this one?

B. Number of months in operation last 12 months. The person may have been ill, or something else may have caused the Business not to operate. Operating means when available/ open for sales or when producing something or traveling To buy inputs.

25. Main business site. Ask if this is main site or whether the respondent also has other outlets or sells elsewhere.

Establish the main business site.

Is it at the same site as where lives, that is lives in the shop or has rooms adjacent to the business structure.

If not interviewing at the main business site, **ASK,** please describe the immediate surroundings of your main business site.

If necessary read response categories.

B Main Location: This means the immediate surroundings of main business site (premise) "I stand at the business site and look around, where am I?" Since an entrepreneur may have more than one business site (premise), the **MAIN** one is defined as follows:

* Main sales location - for traders, agricultural sellers
* manufacturers - main production site

*   services - main site for organizing/contacting/storage i.e. the "base"

Urban Qt:

1= residential trading area, this means houses and shops mixed together

2 = Formal market centre- there are established markets such as

3 = Town/city centre means not in a formal market centre in a town/city centre, it could be in a shop or along a road

4 = Mobile means no fixed sales site, moves around during a day or changes from day to day

5 = Other

Rural Qt:

1= residential trading area, this means centre with some shops , it may be one row deep or larger

2 = Formal market sites- there are established markets sites, where people pay daily or weekly fees to use

3 = Other, on main road means site is on a two lane road but not in a trading area

4 = Off main road, sells from house or otherwise not on a two lane road

5 = Other Specify

C   Business physical structure

Main Premise where business done. Business premise: This means the exact physical structure where the business operates, not the surroundings. For example, my main business sites is located in a formal market; then the business structure in the market could be a) outdoors, selling on the ground, b) a stall, or c) inside a permanent building.

If not interviewing at the main business site or if interviewing at residence, **ASK**, which best describes your main business site. **READ** response categories.

C   1 = Open air, including those with umbrella's and temporary roof

2 = semi-permanent structures with roofs, such as stalls, shops, shed ; poles and mats; low grade unburnt bricks

3 = Permanent building of brick, cement

4 = Mobile, no main premise, moving around, no base

5 = Other, specify _____

D   ASK if pays charges for the use of the place (building or land) IF ENTERPRISE AND DWELLING THE SAME, MAKE SURE   YOU ARE NOT DOUBLE COUNTING THE RENT. CHECK BACK TO QT 5

E   IF PAYS NO CHARGES, WHAT IS THE FORM OF TENURE

This question concerns the *security* of the premises from eviction, movement by authorities and so forth. If the person is selling along the street in front of an authorized site, we are concerned about that person's actual selling site.". If he/she is not paying rent but using someone else's residence, probe to assess security level of the arrangement. Informal agreement implies that the person could not be evicted without notice.

26. Type of seller/supplier with which respondent spent the MOST money. READ response categories, if appropriate.
   1 = farmers(on farms), did they go onto commercial, semi-commercial or peasant farms to buy agricultural products, brew for reselling, yeast for making brew , trees for making charcoal, or buying charcoal, cows for slaughtering
   2 = rural markets (any type of organized market or trading area)
   3 = Traders/intermediaries (in urban area) FOR MBALE this response is different- means people coming to sell to respondent.
   3 = wholesale/retail shops - in towns, urban areas
   4 = factories/manufacturers --commercial businesses for timber, construction materials etc

27 FOR SELLERS OF CROPS AND LIVESTOCK AND LIVESTOCK PRODUCTS (e.g. milk, eggs). This does not mean products that have been transformed through any process. **This does not have to be the main line of products sold.**

A Asks about the usual or normal pattern .

B. Asks about last calendar month.

28. BEGIN with a with asking respondent to think about the total value of sales last month. What products contributed the most to the money obtained and any due from extension of items of credit? What were the three most important products? Thus we can assist the respondent to identify the 3 top products in terms of **value of sales (that is money received and money due on products sold.).**

ASK, What are the three products or services that contributed the most last month to the sales VALUE, expenditure and inputs not taken into account. If respondent sold more than 3 types of items last month then list 3, not just the top one or two.

Then for each item, one by one and row by row. Note that the sections answered i.e. C or D or E or F, could differ for different products.

B FOR ITEMS BOUGHT AND SOLD (TRADED) ONLY

B1 ASK, Unit of purchase. Unit, means a crate of cokes, a crate of tomatoes, a bale of clothes but it could also mean individual items such as a dress. Do not worry about translation of what the unit is. This is mainly to establish a unit to discuss.

B2 Cost of the unit in B1. Not including labor and other inputs such as transport, rent etc.

THEN ASK RESPONDENT WHICH IS EASIEST FOR YOU TO REMEMBER - SALES LAST MONTH OR LAST 7 days.

ASK C OR D, ACCORDINGLY.

C1 ASK, how many purchase units were sold last month. Be specific e.g. half a crate.

C2 Average selling price per unit

C3 Total sales value last month. This could be C1 multiplied by C2 but if discount is given for instance it may differ.

D   FOR THOSE WHO COULD NOT GIVE INFORMATION IN C

D1 ASK, how many purchase units were sold the last week.. Be specific e.g. half a crate. You may have to assist with recall by asking about yesterday and working back for 7 days.

D2 Average selling price per unit

D3 Total sales value last week. This could be C1 multiplied by C2 but if discount is given for instance it may differ.

**D4 THEN ASK, was last week ' s sales high, low or average compared to the weeks last month. Use this question to help
The respondent to estimate the total sales last month.**
Were the sales the last week, higher, lower or about the same as the weeks last calendar month?
Now we want to assist the respondent to estimate the total sales value last month using the weekly information. First ask whether the sales last week were typical of other weeks, or were they higher or were they lower?

D5 Probe and spent time to establish an estimate for total sales last month. It will not be simply the weekly figure multiplied by 4.

29.   FOR ALL OTHER ITEMS AND FOR SERVICES

A   List the top three products or services. The products may be malwa, a type of dress made, school uniforms etc.

ASK RESPONDENT WHICH IS EASIEST FOR YOU TO REMEMBER - SALES LAST MONTH OR LAST WEEK.

ASK B OR C, ACCORDINGLY.

B1 ASK, how many sales (service) units were sold last month. For a hair dresser, use heads.

B2 number sold

B3 Average selling price for one unit**. This means actual price sold at.**

B4 Total sales value last month. This could be B2 multiplied by B3 but if discount is given for instance it may differ. Not including labor and other inputs such as transport, rent etc. Take time to work with respondent to estimate and compute the cost.

C FOR THOSE WHO COULD PROVIDE INFORMATION on the month, ask about last week
You may have to go day by day for those who do not know about the total week. Ask what sales yesterday.
Then the day before that, etc.

C 1-4 Same as B 1-4

C 5- Were the sales the last week, higher, lower or about the same as the weeks last calendar month?
Now we want to assist the respondent to estimate the total sales value last month using the weekly information. First ask whether the sales last week were typical of other weeks, or were they higher or were they lower?

C 6 Probe and spent time to establish an estimate for total sales last month. It will not be simply the weekly figure multiplied by 4.

D Ask the respondent to estimate net margin (sales value minus costs) per sales unit.
S/he may have an idea of the amount they would like to get. Probe to try to get an actual net . This is only per item, not counting other costs like rent, wages etc.

30. **ASK** Do the sales units sold represent all or almost all (90-100 %) of the sales for the last week? Month? IF ONLY HAVE FOR LAST MONTH, ONLY ASK RE LAST MONTH.

31 ENTERPRISE TWO (SAME AS above)

39 ASK, please think about the sales revenue from your enterprises (one and two - the ones discussed in detail, and any others listed as enterprises in Qt 22 how was the money you received spent? (DO NOT READ CATEGORIES, BUT REMIND RESPONDENT THIS INCLUDES MONEY PUT BACK INTO BUSINESS FOR INPUTS, PRODUCTS TO SELL AND GENERAL OPERATING EXPENDITURES) THIS IS AN IMPORTANT QUESTION. SPEND TIME.

Tick those items which respondent mentions. Then before proceeding with C-D, go back and confirm that all these Expenditures were made LAST calendar month.

C-D Then ask the respondent to think about those on which she/he spent the most money. Rank the three top ones.

Afterwards ask how much did you spend on each of the three.
IF IT IS EASIER TO THINK FIRST ABOUT AMOUNT SPENT ON EACH, DO D FIRST AND THEN GO BACK TO
C. The respondent may not be able to estimate the amount spent on his/her enterprise or on food. Try to get a rough Estimate.

SUMMARIZE AND THEN GO BACK TO QT 28/29/30 AND (IF SECOND ENTERPRISE) 36/37/38. HAS RESPONDENT INCLUDED ALL OF THE MONEY SPENT TO BUY INPUTS/GOODS/STOCK FOR BUSINESS? DOES THE NUMBER OF ITEMS STATED AS EXPENDITURES SEEM IN LINE WITH THAT AMOUNT OF MONEY FROM SALES GIVEN WHAT THE SALES INFORMATION REPRESENTS AS A % OF TOTAL ENTERPRISE SALES? DISCUSS WITH RESPONDENT TO CLARIFY. IF NECESSARY MAKE NOTE.

If does not know for co-owned enterprise but knows for the other (if you did 2 enterprises), make note and record For the one she knows.

40.   Over the past 3 months who decided how this revenue from your enterprises would be spent? (What was the usual Decision-making pattern?)

A, Who decided last month to spend the money in these ways?
Consultation means discussing it with someone but respondent makes final decision
Joint decision (option 3) means respondent and one (or more) other people reach an agreement
If there appears to be a general pattern, e.g. I give to my wife and she makes the decisions each month, record under 4 other and explain.

B Circle relationship of other person with who the respondent consulted, made joint decision or mentioned in 4.

41 Ask about who assisted last week and last month with the one/two enterprises discussed in detail. Remind respondent which you are talking about. Include casual, irregulars workers . The row for the respondent MUST be completed.

A **ASK** the names of everyone who worked last week and last month and record them

THEN ASK B to G FOR EACH PERSON, including respondent, one by one and row by row

C **ASK** is she/he over 15 years old?

D We are aiming to get the monthly figures. Ask all hours, D1, D2, D3 so as to get as much information as possible.

D1 Average number of hours per day worked last week.: record these even if respondent claims it was not a normal week

D2 Total days last week

D 3   Total days last month worked. Standardize. October has 31 days and Nov 30 days. Standardize.
    7 days per week = record 28 days
    6 days per week= record 24
    5 days per week= 20

E First ask if the person is paid and then ask how. IF a household member is not paid in Sh, but there is an explicit agreement that person will receive in-kind payment, then record YES. One assumes household members receive payments indirectly. In-kind payment means in items or services instead of cash. It may include food eaten at the work-place.
In kind implies the value is calculated/estimated as all or part of the payment for services rendered.

2 = mixture of cash and kind

F Some respondents may pay people by the task or job, not by the hour. If so, ask how many people paid by task/job
Piece last week. Include here, people paid only on commission, that is what that person sells.

42. Respondent' s enterprise Assets First for enterprise one and two and then for other enterprises which HH has or plans to have but did not mention in Qt 9. No double recording in Qt 45 and Qt 9. Re Enterprise One and Two, remind respondent what enterprise(s) discussing.
Fixed assets the respondent has purchased in the last 12 months.

INCLUDE
hire purchase items
transport, machinery, equipment, furniture, fittings, land, buildings,
buying a separate premise not physically attached to residence
buying or bought land separate from where household lives

EXCLUDE
Items mentioned in question about HH and other purchases.

The purpose of this question is to be able to calculate the total amount invested in this enterprise the last 12 months.
Complete A in full and then ask B-E for each item, row by row.

E If not paid for in full, ask total amount (principle plus any interest) still remaining to be paid

F Do last. Which items are owned by the respondent (could take away or retain if HH broke up)
Record code for each item.

43. The purpose of this question is to learn if in the last 2 years (or if business new, since it began) have there been any
Negative consequences within the HH as a result of the respondent having her or his own income generating activities.
Does involvement in an income generating activity cause negative results in the HH.
Respondents however may use this as the opportunity to talk about other negative things related to the business.
Ask the question clearly. But, if respondent chooses to talk about some other negative things, record. Do not

Press the question. Record what and why.

44.   The purpose of this question is to learn any positive results or outcomes as a result of owning an income generating
Activity, especially anything that has not been covered.

45.   Any plans or strategies the respondent has for increasing her/his income. Ask what is the plan/strategy and THEN be sure to ask what she/he is doing to implement it. If nothing yet record this .

     1= Yes   2- No **CONTACTS**

STATE: You have been very helpful and I thank you for telling me about your enterprise and household, We will return in two years time to find out how things are progressing with you, your HH and your enterprises. If you are not at the same business or household address, who will know where you are?

Obtain details of their permanent mailing address or mailing address of next of kin or close friends who will know where they are. Telephone numbers will also be useful. Under other contact information, if the person is formally employed record name of company or office and telephone number, OR the home telephone number.

As you depart, show an interest in the business, any special products etc. LEAVE ON A POSITIVE NOTE. Chat with respondent to show interest.

AFTERWARDS, write comments on questionnaire in terms of willingness and ability to answer questions. Ability refers to the person knowing the answer.

V. KEY TERMS / DEFINITIONS

ENTERPRISE/BUSINESS an activity to produce cash income; it does not involve working for someone else. It can be (very) small or large. A range of income generating activities carried out in same time and space is classified as one enterprise.

ENTERPRISE ONE It includes non farm activities that produce a regular cash flow income, and on-farm AS LONG AS IT PRODUCES A REGULAR CASH FLOW. This definition includes poultry production for eggs and broilers, zero grazing/milk production from crossbreeds or exotic cattle, raising rabbits to sell, and brewing or distilling of local drinks as long as these are carried out on a regular basis to generate a cash income.

ENTERPRISE TWO In addition to the definition for Enterprise One, this refers to seasonal, occasional trade, manufacturing or services, so long as they have been carried on in the last two months alone or in conjunction with on-farm activities. IT DOES NOT REFER TO SEASONAL, OCCASIONAL SALE OF CROPS OR LIVESTOCK IF THAT IS THE ONLY ACTIVITY. (We have already collected information on these.)

HOUSEHOLD A household is **a group of persons who usually live and eat together.** Usual members include those who are away on a visit, those in boarding schools, and polygamous husbands and the elderly and anyone else who lives here more than six months a year. Domestic workers with part of meals taken in their own quarters are not classified as part of this household. Relatives or family who normally live elsewhere are NOT part of this household. May have single person households.

In rural areas, the actual houses may be separate on the compound. The key is whether they usually eat from the same pot. There may be cases of widows who live adjacent or on a compound but share no other resources with those with whom they eat such as their son' s family. In such cases, the widow would be a single person household.

LOAN money borrowed that must be repaid by a certain time <u>and</u> with interest

BORROW money obtained that will be repaid but may be with or without interest; and the due date may or may not be specified

FIXED ASSET a physical item, possession, including livestock, land, buildings, equipment, tools, furnishes, Bed sheets, blankets etc.

SALES VALUE money obtained and still owing from items sold; price sold at

SALES RECEIPTS   money actually obtained, cash in hand

NET REVENUE/PROFIT   Value of sales minus expenditures

MARKETING MARGIN   For each item sold, sales value or price sold at minus cost of that item to seller

PAST 24 MONTHS   depending on when interviews are conducted; if in September refer throughout to period September 95 to September 97. If in October period is October 95 to October 1997.

PAST 12 MONTHS   depending on when interviews are conducted; if in September refer throughout to period September 96 to September 97. If in October period is October 96 to October 1997.

PAST 3 MONTHS   depending on when interviews are conducted; if in September refer throughout to period June to August 1997. If in October period is July to September

PAST 1 MONTH   depending on when interviews are conducted; if in September refer

LAST CALN. MONTH throughout to August 1997. If in October refer throughout to September 1997. If unforseen circumstances have prevented a business from operating during the last calendar month, but usually the business is a regular one, then refer all questions of "last caln. month" to the last but one calendar month.

LAST WEEK   Means last calendar week.

SECTOR CATEGORIES

A. COMMERCE/TRADE (ITEMS BOUGHT AND SOLD; NO VALUE ADDED)

EXAMPLES
Shop
Vending table with limited stock (e.g. matches, cigarettes etc)
clothes/garments, shoes etc (used or new)
Dairy products - milk (not canned or powered), eggs, ice cream not produced by respondent or respondent' s household
butchery/fish/meat/chickens
Stationery, printed materials, books, newspapers
hardware, metal products
cosmetics
Farm products not produced by respondent or respondent' s household
leather/shoes,
Drug shop
Brewing for sale to people who will sell it to customers
Yeast making for sale to people who will use it
Paraffin/kerosine
Flour
Dried Fish

B. AGRICULTURE (THAT PRODUCED BY RESPONDENT OR RESPONDENT' S HOUSEHOLD)

Poultry (chickens for eggs or broilers, turkeys)
Pigs, rabbits
Livestock trade
Milk production from crossbreeds or exotic cows; zero grazing
Crops grown by household or respondent and sold (e.g. maize, matoke, bananas)

C. MANUFACTURING

GARMENTS/TEXTILES
Sewing, knitting, crocheting, makes clothes, embroidery
tie/dye
Makes clothes on order to fit - tailoring

FOREST BASED PRODUCTS
furniture making, carpentry, wood carving,
grass/cane/bamboo works,
Saw milling -
Charcoal making (from trees not on own land)

METAL WORK

welding, other
Tinsmithing (Drum making/refurbishing/repair etc)
Blacksmith,
Fence maker, other

LEATHER/RUBBER/PLASTICS
Shoe maker/Sandal making
purses & other leather work

MASONRY
brick making, block making, pottery work, other

D. SERVICES

FOOD AND BEVERAGES
bread or cakes, madazis, chapatis, other cooked foods
Eating Room, restaurants
Bars/salons/local brew
Brewing/distilling
Yeast
other cooked foods

REPAIR WORK
auto repair (not welding) ,
bike repair,
electrical repair,
clock/watch/jewelry repair,
Plumbing,
 radio/TV repair,

OTHER
Hair salon/barber
Bus/taxi/lorry transport service,
Dry-cleaning/laundry, Photo, hotel, or others requiring fixed assets
Professional services, e.g. Accounting, computer services, services to professionals,
Schools, training, education
Traditional healer
Clinic
Hotel

ANNEX E

TABLES

A Tables   Agricultural Linkages

B Tables   Household and Enterprise Characteristics

SL Tables   Savings and Loans

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Table A.1 **Number and Percentage of Households With at Least One Member Whose Main Activity is Farming**

LOCATION	FARMING		NON-FARMING		TOTAL
MASAKA	81	(13.5%)	518	(86.5%)	599
KAMPALA	6	(1.7%)	353	(98.3%)	359
MBALE	227	(61.2%)	144	(38.8%)	371
TOTAL	314	(23.6%)	1015	(76.4%)	1329

GENDER (Masaka)	FARMING		NON-FARMING		TOTAL
FEMALE	58	(11.4%)	451	(88.6%)	509
MALE	23	(25.6%)	67	(74.4%)	90

Source: Field Survey Data, 1997.

A household is counted if the question is answered. A response of 'no' is counted as a response. Households for whom the data base registers a blank, or a missing value, are not counted as households. Thus, to interpret the first cell (Masaka/Client), one should say: "Of all the respondents in Masaka who gave a valid response to the question, 'Does your household have at least one member whose main activity is farming?', 81 respondents (or 13.5%) indicated their households had at least one member whose main activity is farming."

Table A.2   Number and Percentage of Households with at Least One Member Whose Main Activity is Farming

	FARMING		NON-FARMING		
LOCATION	Client	Non-Cl.	Client	Non-Cl.	TOTAL
MASAKA	49 (13.7%)	32 (13.3%)	310 (86.3%)	208 (86.7%)	599
KAMPALA	5 (4.1%)	1 (0.6%)	117 (95.9%)	176 (99.4%)	359
MBALE	114 (59.7%)	113 (62.8%)	77 (40.3%)	67 (37.2%)	371
TOTAL	168 (26.5%)	146 (24.5%)	504 (73.5%)	451 (75.5%)	1329

Source: Field Survey Data, 1997.

There are three missing values. N=1329.

Table A.3   Average Number and Percentage of Household Members Whose Main Activity is Farming

LOCATION	CLIENT	NON-CLIENT	TOTAL
MASAKA	0.16 (6.48%)	0.17 (6.97%)	0.16 (6.68%)
KAMPALA	0.03 (1.11%)	0.01 (0.29%)	0.02 (0.71%)
MBALE	1.09 (48.92%)	1.08 (52.28%)	1.09 (50.57%)
TOTAL	0.37 (16.07%)	0.39 (18.65%)	0.38 (17.23%)

Source: Field Survey Data, 1997.

Table A.4 Number and Percentage of Respondents** Who List Farming as Their Main Activity

LOCATION	CLIENT	NON-CLIENT	TOTAL
MASAKA	22 (6.2%)	8 (3.3%)	30 (5.0%)
KAMPALA	2 (1.1%)	0 (0%)	2 (0.5%)
MBALE	98 (53.6%)	99 (55.9%)	175 (54.6%)
TOTAL	122 (17.3%)	107 (18.2%)	229 (17.6%)

Source: Field Survey Data, 1997.

** A 'Respondent' is anyone who answers the question. A person who responds 'no' is counted as a respondent. Persons for whom the data base registers a blank, or a missing value, are not counted as respondents. Thus, to interpret the first cell (Masaka/Client), one should say: "Of all the clients in Masaka who gave a valid response to the question 'What is your current main activity?', 22 respondents (or 6.2%) indicated farming was their main activity."

There are 31 invalid cases. N=1301.

Table A.5 Total Number and Percentage of Households Having Cultivable Land

LOCATION	CLIENT	NON-CLIENT	TOTAL
MASAKA	320 (89.1%)	155 (64.6%)	475 (79.3%)
KAMPALA	113 (62.4%)	79 (44.9%)	192 (53.8%)
MBALE	191 (100.0%)	177 (98.3%)	368 (99.2%)
TOTAL	624 (85.4%)	411 (69.0%)	1035 (78.0%)

GENDER (Masaka)	CLIENT	NON-CLIENT	TOTAL
FEMALE	278 (88.5%)	121 (62.1%)	399 (78.4%)
MALE	42 (93.3%)	34 (75.6%)	76 (86.7%)

Source: Field Survey Data, 1997.

Table A.6   Average Size of Cultivatable Land (in acres) for Those Households Owning/Controlling Land

LOCATION	CLIENT	NON-CLIENT	TOTAL
MASAKA	6.12	2.94	5.11
KAMPALA	4.52	4.97	4.71
MBALE	4.48	3.07	3.81
TOTAL	5.36	3.33	4.50
GENDER (Masaka)	CLIENT	NON-CLIENT	TOTAL
FEMALE	3.15	2.85	5.38
MALE	4.18	3.23	3.75

Source: Field Survey Data, 1997.

Table A.7   Average Size (in acres) of Total Cultivatable Land Available to Land Users

LOCATION	CLIENT	NON-CLIENT	TOTAL
MASAKA	6.26	3.02	5.25
KAMPALA	7.06	5.08	6.23
MBALE	5.44	3.74	4.55
TOTAL	6.15	3.68	5.16
GENDER (Masaka)	CLIENT	NON-CLIENT	TOTAL
FEMALE	4.20	3.68	3.96
MALE	6.58	2.81	5.51

Source: Field Survey Data, 1997.

Table A.8   Total Number and Percentage of Households Who Own Land** Who Rent Out/Lend Out Land

LOCATION	CLIENT	NON-CLIENT	TOTAL
MASAKA	53 (16.7%)	15 (9.8%)	68 (14.5%)
KAMPALA	12 (11.4%)	7 (9.7%)	19 (10.7%)
MBALE	33 (14.3%)	15 (9.1%)	48 (11.7%)
TOTAL	98 (15.1%)	37 (9.3%)	135 (12.8%)
GENDER (Masaka)	CLIENT	NON-CLIENT	TOTAL
FEMALE	4.20	3.68	3.96
MALE	6.58	2.81	5.51

Source: Field Survey Data, 1997.

** 'Households Who Own Land' are households who answer the question 'Land Owned/Controlled by the household' affirmatively. Thus, to interpret the first cell (Masaka/Client), one should say: "Of all the clients in Masaka who gave an affirmative response to the question 'Does your household own/control land?', 53 respondents (or 16.7%) indicated they rent out/lent out land."

Table A.9   Average Size of Rented Out/Lent Out Land (in acres)

LOCATION	CLIENT	NON-CLIENT	TOTAL
MASAKA	2.83	0.72	2.36
KAMPALA	6.15	3.85	5.30
MBALE	4.20	2.20	3.41
TOTAL	3.64	1.92	3.13
GENDER (Masaka)	CLIENT	NON-CLIENT	TOTAL
FEMALE	3.26	0.69	2.69
MALE	1.16	0.87	1.10

Source: Field Survey Data, 1997.

Table A.10   Total Number and Percentage of Households Using Land** Who are Renting In Land And Using it for Crops

LOCATION	CLIENT	NON-CLIENT	TOTAL
MASAKA	42 (25.6%)	82 (27.5%)	124 (26.2%)
KAMPALA	6 (5.6%)	4 (5.4%)	10 (5.5%)
MBALE	59 (35.5%)	60 (35.1%)	119 (35.3%)
TOTAL	107 (24.8%)	146 (26.2%)	253 (25.5%)
GENDER (Masaka)	CLIENT	NON-CLIENT	TOTAL
FEMALE	76 (27.3%)	34 (28.6%)	110 (27.7%)
MALE	6 (14.3%)	8 (23.5%)	14 (18.4%)

Source: Field Survey Data, 1997.

** ' Households Using Land' are households who answer the question ' Does the household have cultivable land?' affirmatively.   Thus, to interpret the first cell (Masaka/Client), one should say: "Of all the clients in Masaka who gave an affirmative response to the question ' Does your household have cultivable land land?' , 42 respondents (or 25.6%) indicated they rent in land and use it for crops."

Table A.11   Average Size of Rented In Land (in acres) Used for Crops

LOCATION	CLIENT	NON-CLIENT	TOTAL
MASAKA	0.99	0.92	0.96
KAMPALA	0.71	0.38	0.58
MBALE	1.69	1.33	1.51
TOTAL	1.26	1.13	1.20
GENDER (Masaka)	CLIENT	NON-CLIENT	TOTAL
FEMALE	0.99	0.82	0.94
MALE	1.00	1.31	1.18

Source: Field Survey Data, 1997.

Table A.12   **Number and Percentage of Respondents With Access to Cultivatable Land Who Grow Crops**

LOCATION	CLIENT	NON-CLIENT	TOTAL
MASAKA	297 (93.1%)	137 (88.4%)	434 (91.6%)
KAMPALA	68 (60.2%)	33 (42.9%)	101 (53.1%)
MBALE	189 (99.0%)	172 (97.2%)	361 (98.1%)
TOTAL	554 (88.9%)	442 (83.6%)	896 (86.8%)
GENDER (Masaka)	CLIENT	NON-CLIENT	TOTAL
FEMALE	262 (94.6%)	106 (87.6%)	368 (92.5%)
MALE	35 (83.3%)	31 (91.2%)	66 (86.8%)

Source: Field Survey Data, 1997.

Table A.13   **Five Most Common Main Crops Grown by Respondent that are Individually Owned and Number of Respondent Growers****

LOCATION	CLIENT	NON-CLIENT	TOTAL
MASAKA	Matooke (46)	Beans (16)	Matooke (60)
KAMPALA	------	------	------
MBALE	Maize (26)	Maize (27)	Maize (53)
TOTAL	Beans (64)	Beans (40)	Beans (104)
GENDER (Masaka)	CLIENT	NON-CLIENT	TOTAL
FEMALE	Matooke (43)	Matooke (14)	Matooke (57)
MALE	------	------	------

Source: Field Survey Data, 1997.

** Reported only if number of respondent growers is at least 10.

Table A.14   Average Number of Crops Grown that are Individually-Owned

LOCATION	CLIENT	NON-CLIENT	TOTAL
MASAKA	4.30	3.59	4.11
KAMPALA	3.38	2.86	3.28
MBALE	4.17	3.97	4.07
TOTAL	4.16	3.74	4.02
GENDER (Masaka)	CLIENT	NON-CLIENT	TOTAL
FEMALE	4.37	3.60	4.17
MALE	3.46	3.57	3.50

Source: Field Survey Data, 1997.

Table A.15   Average Number of Crops Grown that are Individually-Owned and Sold

LOCATION	CLIENT	NON-CLIENT	TOTAL
MASAKA	2.39	1.76	2.25
KAMPALA	1.73	----	1.73
MBALE	2.71	2.07	2.41
TOTAL	**2.39**	**1.95**	**2.26**
GENDER (Masaka)	CLIENT	NON-CLIENT	TOTAL
FEMALE	2.50	1.24	2.31
MALE	1.75	2.33	1.91

Source: Field Survey Data, 1997.

Table A.16   Average Number of Crop Types Co-owned

LOCATION	CLIENT	NON-CLIENT	TOTAL
MASAKA	4.36	4.01	4.23
KAMPALA	4.24	3.33	3.83
MBALE	5.40	5.23	5.32
TOTAL	4.79	4.54	4.68
GENDER (Masaka)	CLIENT	NON-CLIENT	TOTAL
FEMALE	4.47	4.00	4.32
MALE	3.86	4.04	3.96

Source: Field Survey Data, 1997.

Table A.17   Average Number of Crop Types Co-owned and Sold

LOCATION	CLIENT	NON-CLIENT	TOTAL
MASAKA	2.84	2.22	2.61
KAMPALA	2.20	2.00	2.12
MBALE	3.53	2.40	3.03
TOTAL	3.18	2.32	2.82
GENDER (Masaka)	CLIENT	NON-CLIENT	TOTAL
FEMALE	3.00	2.29	2.74
MALE	2.17	2.00	2.10

Source: Field Survey Data, 1997.

Table A.18   Number and Percentage of Households with Other Members Growing Other Crops Which are Not Individually or Jointly Owned by Respondent

LOCATION	CLIENT	NON-CLIENT	TOTAL
MASAKA	40 (12.8%)	18 (12.0%)	58 (12.5%)
KAMPALA	10 (9.2%)	9 (12.0%)	19 (10.3%)
MBALE	61 (32.1%)	31 (17.5%)	92 (25.1%)
TOTAL	111 (18.1%)	58 (14.4%)	169 (16.7%)
GENDER (Masaka)	CLIENT	NON-CLIENT	TOTAL
FEMALE	31 (11.4%)	15 (12.8%)	46 (11.8%)
MALE	9 (22.0%)	3 (9.1%)	12 (16.2%)

Source: Field Survey Data, 1997.

Table A.19   Main Crops Grown by Other Household Members**

LOCATION	CLIENT	NON-CLIENT	TOTAL
MASAKA	Coffee (15)	Coffee (10)	Coffee (25) Matooke (10)
KAMPALA	------	------	------
MBALE	Matooke (19) Coffee (17)	Coffee (12)	Coffee (29) Matooke (20)
TOTAL	Coffee (35) Matooke (28)	Coffee (26)	Coffee (61) Matooke (34) Beans (14) Maize (11)
GENDER (Masaka)	CLIENT	NON-CLIENT	TOTAL
FEMALE	Coffee (13)	Coffee (14)	Coffee (27)
MALE	------	------	------

Source: Field Survey Data, 1997.

** Reported only if number of other household members is at least 10.

Table A.20   Main Crops Grown and Sold by Other Household Members**

LOCATION	CLIENT	NON-CLIENT	TOTAL
MASAKA	------	------	Coffee (15)
KAMPALA	------	------	------
MBALE	Coffee (17) Matooke (10)	------	Coffee (24) Matooke (10)
TOTAL	Coffee (28) Matooke (13)	Coffee (16)	Coffee (44) Matooke (14)
GENDER (Masaka)	CLIENT	NON-CLIENT	TOTAL
FEMALE	------	------	Coffee (15)
MALE	------	------	------

Source: Field Survey Data, 1997.

** Reported only if number of other household members is at least 10.

Table A.21   Percentage of Respondents Who Grow Crops Who Purchased Agricultural Inputs With Own Money in Last 3 Months

LOCATION	CLIENT	NON-CLIENT	TOTAL
MASAKA	228 (76.8%)	103 (73.6%)	331 (75.7%)
KAMPALA	47 (61.0%)	20 (46.5%)	67 (55.8%)
MBALE	92 (49.2%)	81 (46.6%)	173 (47.9%)
TOTAL	367 (65.4%)	57.1%	571 (62.2%)
GENDER (Masaka)	CLIENT	NON-CLIENT	TOTAL
FEMALE	200 (76.3%)	81 (74.3%)	281 (75.7%)
MALE	28 (80.0%)	22 (71.0%)	50 (75.8%)

Source: Field Survey Data, 1997.

Percentages adjusted for missing data/not applicables (N=414).

Table A.22   Of Those Who Purchase Inputs, Average Amount (Ugsh) Spent (1137 Uganda Shillings equal US$1.00)

LOCATION	CLIENT	NON-CLIENT	TOTAL
MASAKA	51969	49727	51297
KAMPALA	93003	51306	79973
MBALE	31646	15318	24533
TOTAL	50763	36230	45769
GENDER (Masaka)	CLIENT	NON-CLIENT	TOTAL
FEMALE	53567	55772	54161
MALE	42380	32802	38154

Source: Field Survey Data, 1997.

Table A.23   Percentage Distribution of Respondent's Purchase of Agricultural Inputs

LOCATION	CLIENT	NON-CLIENT	TOTAL
MASAKA	Seeds (51.3%) Labor (78.2%) Fertilizer (8.8%)	Seeds (51.5%) Labor (69.6%) Fertilizer (7.9%)	Seeds (51.4%) Labor (75.5%) Fertilizer (8.5%)
KAMPALA	Seeds (44.7%) Labor (84.8%) Fertilizer (2.2%)	Seeds (42.1%) Labor (61.1%) Fertilizer (5.9%)	Seeds (43.9%) Labor (78.1%) Fertilizer (3.2%)
MBALE	Seeds (54.8%) Labor (71.7%) Fertilizer (15.2%)	Seeds (48.1%) Labor (73.4%) Fertilizer (3.8%)	Seeds (51.7%) Labor (72.5%) Fertilizer (9.9%)
TOTAL	Seeds (51.4%) Labor (77.4%) Fertilizer (9.6%)	Seeds (49.3%) Labor (70.4%) Fertilizer (6.1%)	Seeds (50.6%) Labor (74.9%) Fertilizer (8.4%)

Note: "Other inputs " resulted in a low N of 17 and thus are not in this table.

GENDER (Masaka)	CLIENT	NON-CLIENT	TOTAL
FEMALE	Seeds (51.0%) Labor (81.1%) Fertilizer (8.5%)	Seeds (46.3%) Labor (72.5%) Fertilizer (3.8%)	Seeds (49.6%) Labor (78.6%) Fertilizer (7.2%)
MALE	Seeds (53.6%) Labor (57.1%) Fertilizer (10.7%)	Seeds (69.6%) Labor (59.1%) Fertilizer (22.7%)	Seeds (60.8% Labor (58.0%) Fertilizer (16.0%)

Source: Field Survey Data, 1997.

This table should be interpreted such that, for example, of the clients in Masaka who are respondents and who purchased agricultural inputs, 51.3% purchased seeds, 78.2% purchased labor and 8.8% purchased fertilizer.

Table A.24   Average Amount Spent (Ugsh) on Agricultural Inputs Last 3 Months (Of Those Who Spent > 0 per Item) (1137 Uganda Shillings equal US$1.00)

LOCATION	CLIENT		NON-CLIENT		TOTAL	
MASAKA	Seeds	9606	Seeds	10682	Seeds	9934
	Labor	38266	Labor	44647	Labor	40893
	Fertilizer	107906*	Fertilizer	23836	Fertilizer	81003*
KAMPALA	Seeds	10347	Seeds	12063	Seeds	10856
	Labor	48658	Labor	46778	Labor	48297
	Fertilizer	-------	Fertilizer	------	Fertilizer	------
MBALE	Seeds	12912	Seeds	8465	Seeds	10957
	Labor	22869	Labor	16841	Labor	20079
	Fertilizer	5261	Fertilizer	5000	Fertilizer	5228
TOTAL	Seeds	10610	Seeds	9881	Seeds	10347
	Labor	36021	Labor	32996	Labor	35028
	Fertilizer	61502	Fertilizer	20517	Fertilizer	51017
GENDER (Masaka)	CLIENT		NON-CLIENT		TOTAL	
FEMALE	Seeds	9353	Seeds	10741	Seeds	9714
	Labor	39208	Labor	47973	Labor	41548
	Fertilizer	123886*	Fertilizer	40029	Fertilizer	109087*
MALE	Seeds	11240	Seeds	10547	Seeds	10893
	Labor	29375	Labor	29408	Labor	29389
	Fertilizer	33333	Fertilizer	14120	Fertilizer	21325

Source: Field Survey Data, 1997.

*   These numbers reflect isolated cases of unusually large purchases such that the average should not be construed to be representative.

Table A.25   Number and Percentage of Households Who Own Livestock

LOCATION	CLIENT	NON-CLIENT	TOTAL
MASAKA	228 (64.0%)	103 (43.1%)	331 (55.6%)
KAMPALA	68 (38.4%)	31 (17.2%)	99 (27.7%)
MBALE	182 (96.3%)	159 (88.8%)	341 (92.7%)
TOTAL	478 (66.2%)	293 (49.0%)	771 (58.4%)
GENDER (Masaka)	**CLIENT**	**NON-CLIENT**	**TOTAL**
FEMALE	202 (65.0%)	79 (40.5%)	281 (55.5%)
MALE	26 (57.8%)	24 (54.5%)	50 (56.2%)

Source: Field Survey Data, 1997.

Table A.26   Average Number of Livestock Individually-Owned by Type**

LOCATION	CLIENT		NON-CLIENT		TOTAL	
MASAKA	Chickens	19.6	Chickens	11.9	Chickens	17.4
	Goats	3.0	Goats	2.6	Goats	2.9
KAMPALA	Chickens	90.3	Chickens	-----	Chickens	108.3
	Goats	4.5	Goats	3.0	Goats	4.4
MBALE	Chickens	6.6	Chickens	9.3	Chickens	7.9
	Goats	2.2	Goats	2.2	Goats	2.2
TOTAL	Chickens	23.0	Chickens	20.4	Chickens	22.0
	Goats	2.7	Goats	2.4	Goats	2.6
GENDER (Masaka)	**CLIENT**		**NON-CLIENT**		**TOTAL**	
FEMALE	Chickens	20.8	Chickens	13.3	Chickens	18.7
	Goats	3.0	Goats	1.9	Goats	2.8
MALE	Chickens	------	Chickens	------	Chickens	6.2
	Goats	------	Goats	------	Goats	3.2

Source: Field Survey Data, 1997.

**   Reported only where >10% of respondents replied positively either as individual owners, co-owners, or other members of households owning livestock.

Table A.27   Number and Percentage of Respondents Citing Crops and/or Livestock or Beer Brewing/Distilling or Yeast Production by Household Among Top 5 Sources of Household Income

LOCATION	CLIENT	NON-CLIENT	TOTAL
MASAKA	93 (25.9%)	44 (18.3%)	137 (22.8%)
KAMPALA	51 (28.3%)	43 (23.9%)	94 (26.1%)
MBALE	111 (58.1%)	69 (38.1%)	180 (48.9%)
TOTAL	255 (34.9%)	156 (25.9%)	411 (30.9%)
GENDER (Masaka)	CLIENT	NON-CLIENT	TOTAL
FEMALE	84 (26.8%)	38 (19.4%)	122 (23.9%)
MALE	9 (20.0%)	6 (13.3%)	15 (16.7%)

Source: Field Survey Data, 1997.

There were no missing observations for this variable. N=1332.

Table A.28   Number and Percentage of Respondents Citing Crops, Livestock and/or Livestock Products, Beer Brewing and/or Distilling, or Yeast Production by Households as #1 or #2 Source of Household Income

LOCATION	CLIENT	NON-CLIENT	TOTAL
MASAKA	82 (22.8%)	43 (17.9%)	125 (20.9%)
KAMPALA	47 (26.3%)	60 (33.3%)	107 (29.8%)
MBALE	96 (50.3%)	64 (35.4%)	160 (43.0%)
TOTAL	225 (30.9%)	167 (27.8%)	392 (29.5%)
GENDER (Masaka)	CLIENT	NON-CLIENT	TOTAL
FEMALE	75 (23.9%)	35 (17.9%)	110 (21.6%)
MALE	7 (15.6%)	8 (17.8%)	15 (16.7%)

Source: Field Survey Data, 1997.

There were two missing observations for this variable. N=1330.

Table A.29   Average Number of Chickens Co-Owned by Type**

LOCATION	CLIENT	NON-CLIENT	TOTAL
MASAKA	43.0	----	46.2
KAMPALA	----	----	----
MBALE	9.2	9.0	9.1
TOTAL	12.5	14.0	13.1

Source: Field Survey Data, 1997.

**   Reported only where >10% of respondents replied positively either as individual owners, co-owners, or other members of households owning livestock.

Table A.30   Number and Percentage Distribution of Those Suppliers to Enterprise One Who Are Farmers (on-Farm) or Rural-Markets

LOCATION	CLIENT	NON-CLIENT	TOTAL
Masaka	61 (17.2%)	37 (15.4%)	98 (16.5%)
Kampala	12 (6.8%)	--------	16 (4.5%)
Mbale	85 (44.5%)	58 (32.0%)	143 (38.4%)
TOTAL	158 (21.9%)	99 (16.5%)	257 (19.4%)

Source: Field Survey Data, 1997.

Table A.31   Number and Percentage Distribution of Those Suppliers to Enterprise One Who Are Farmers (on-Farm) or Rural-Markets

LOCATION	CLIENT	NON-CLIENT	TOTAL
Masaka	39 (10.9%)	36 (14.9%)	75 (12.5%)
Kampala	13 (7.2%)	--------	18 (5.0%)
Mbale	33 (44.5%)	25 (13.8%)	58 (15.6%)
TOTAL	85 (11.7%)	66 (11.0%)	151 (11.3%)

Source: Field Survey Data, 1997.

Table A.32 Number and Percentage of household Assisting Those in Rural Areas with Remittances, etc. of Cash

LOCATION	CLIENT	NON-CLIENT	TOTAL
Masaka	143 (39.8%)	78 (32.4%)	221 (36.8%)
Kampala	64 (35.6%)	69 (39.0%)	133 (37.3%)
Mbale	89 (46.8%)	70 (38.7%)	159 (42.9%)
TOTAL	296 (40.6%)	217 (36.2%)	513 (38.6%)

Source: Field Survey Data, 1997.

Table A.33 Number and Percentage of household Assisting Those in Rural Areas with Remittances, etc. In-Kind

LOCATION	CLIENT	NON-CLIENT	TOTAL
Masaka	89 (24.9%)	66 (27.4%)	155 (25.9%)
Kampala	52 (29.1%)	57 (31.8%)	109 (30.4%)
Mbale	106 (55.8%)	81 (44.8%)	187 (50.4%)
TOTAL	247 (34.0%)	204 (33.9%)	451 (34.0%)

Source: Field Survey Data, 1997.

Table B.34   Percentage of Respondents Who Have an Enterprise That Engages in Sale of Agricultural Products, Sale of Livestock and Livestock Products, Beer Brewing and Distilling, Yeast Production or Charcoal Firewood Sales as Ranked Enterprise One or Two

LOCATION	CLIENT	NON-CLIENT	TOTAL
MASAKA	22.8%	17.9%	20.9%
KAMPALA	26.3%	33.3%	29.8%
MBALE	50.3%	35.4%	43.0%
TOTAL	30.9%	27.8%	29.5%
GENDER (Masaka)	CLIENT	NON-CLIENT	TOTAL
FEMALE	23.9%	17.9%	21.6%
MALE	------	------	------

Source: Field Survey Data, 1997.

N=1332

Table B.35   Number and Percentage Distribution of Those Suppliers to Enterprise One Who are Farmers (on-farm) or Who Sell in Rural-Markets

LOCATION	CLIENT	NON-CLIENT	TOTAL
MASAKA	61 (17.2%)	37 (15.4%)	98 (16.5%)
KAMPALA	12 (6.8%)	------	16 (4.5%)
MBALE	85 (44.5%)	58 (32.0%)	143 (38.4%)
TOTAL	158 (21.9%)	99 (16.5%)	257 (19.4%)
GENDER (Masaka)	CLIENT	NON-CLIENT	TOTAL
FEMALE	51 (16.5%)	32 (16.4%)	83 (16.4%)
MALE	10 (22.0%)	------	15 (16.7%)

Source: Field Survey Data, 1997.

There are 8 missing values. N=1325.

Table B.36   Number and Percentage of Households Who used Sales Revenue Last Calendar Month on Agricultural Production

LOCATION	CLIENT	NON-CLIENT	TOTAL
MASAKA	39 (10.9%)	36 (14.9%)	75 (12.5%)
KAMPALA	13 (7.2%)	------	18 (5.0%)
MBALE	33 (17.3%)	25 (13.8%)	58 (15.6%)
TOTAL	85 (11.7%)	66 (11.0%)	151 (11.3%)

Source: Field Survey Data, 1997.

N=1332.

Table B.37   Positive Outcomes of Respondents' Engagement in Business

POSITIVE OUTCOME	OVERALL					
	Client		Non-Client		Total	
None	12	(0.9%)	21	(2.3%)	33	(1.5%)
Able to meet basic needs of the family	253	(20.0%)	207	(22.3%)	460	(21.0%)
Family doesn't go hungry anymore	43	(3.4%)	39	(4.2%)	82	(3.7%)
Don't bother my husband about money anymore	53	(4.2%)	36	(3.9%)	89	(4.1%)
Can look after my children	85	(6.7%)	80	(8.6%)	165	(7.5%)
Can educate my children	185	(14.6%)	97	(10.5%)	282	(12.9%)
Co-financed acquisition of Household assets	16	(1.3%)	18	(1.9%)	34	(1.5%)
Has acquired new assets	145	(11.5%)	93	(10.0%)	238	(10.8%)
Can take care of myself	266	(21.0%)	220	(23.7%)	486	(22.2%)
Has gained self-esteem and confidence	14	(1.1%)	9	(1.0%)	23	(1.0%)
Has learned to associate with people	11	(0.9%)	1	(0.1%)	12	(0.5%)
I have moved away from home	1	(0.1%)	-	-	1	(0.0%)
Has made friends	15	(1.2%)	4	(0.4%)	19	(0.9%)
Now uses money optimally	2	(0.2%)	1	(0.1%)	3	(0.1%)
Has learned to save	31	(2.4%)	7	(0.8%)	38	(1.7%)
Has got something to do	24	(1.9%)	18	(1.9%)	42	(1.9%)
Other	109	(8.6%)	77	(8.3%)	186	(8.5%)

Source: Field Survey Data, 1997.

Table B.38   Distribution of Businesses Respondents (Co-)Own
Percentage of respondents (co-)owning a particular type of business)

TYPE OF BUSINESS	MASAKA					
	Client		Non-Client		Total	
MASAKA						
Home baked/cooked foods	35	(9.7%)	15	(6.3%)	50	(8.3%)
Drinks/Bar	20	(5.6%)	8	(3.3%)	28	(4.7%)
Beer brewing/Distilling waragi	5	(1.4%)	1	(0.4%)	6	(1.0%)
Agricultural products	160	(44.6%)	68	(28.3%)	228	(38.1%)
Livestock	41	(11.4%)	18	(7.5%)	59	(9.8%)
Livestock Products/Sale of Fish	52	(14.5%)	14	(5.8%)	66	(11.0%)
Charcoal/Firewood	34	(9.5%)	7	(2.9%)	41	(6.8%)
Shop/Kiosk	115	(32.0%)	87	(36.3%)	202	(33.7%)
Restaurant/Takeaway	11	(3.1%)	9	(3.8%)	20	(3.3%)
Tailoring/Sewing	45	(12.5%)	25	(10.4%)	70	(11.7%)
Clothware/Footware/Beddings	47	(13.1%)	16	(6.7%)	63	(10.5%)
Selling Yeast	-	-	-	-	-	-
Others (hair salons, clinics, schools, transport, etc.)	137	(38.2%)	61	(25.4%)	198	(33.1%)
KAMPALA						
Home baked/cooked foods	40	(22.2%)	29	(16.4%)	69	(19.3%)
Drinks/bar	29	(16.1%)	6	(3.4%)	35	(9.8%)
Beer brewing/distilling waragi	6	(3.3%)	7	(4.0%)	13	(3.6%)
Agricultural products	41	(22.8%)	35	(19.8%)	76	(21.3%)
Livestock	14	(7.8%)	6	(3.4%)	20	(5.6%)
Livestock Products/Sale of Fish	13	(7.2%)	6	(3.4%)	19	(5.3%)
Charcoal/Firewood	19	(10.6%)	26	(14.7%)	45	(12.6%)
Shop/Kiosk	41	(22.8%)	43	(24.3%)	84	(23.5%)
Restaurant/Takeaway	9	(5.0%)	7	(4.0%)	16	(4.5%)
Tailoring/Sewing	17	(9.4%)	11	(6.2%)	28	(7.8%)
Clothware/Footware/Beddings	23	(12.8%)	13	(7.3%)	36	(10.1%)
Selling Yeast	-	-	-	-	-	-
Others (hair salons, clinics, schools, transport, etc.)	58	(32.2%)	58	(32.8%)	116	(32.5%)
MBALE						
Home baked/cooked foods	16	(8.4%)	23	(12.7%)	39	(10.5%)
Drinks/bar	38	(19.9%)	57	(31.5%)	95	(25.5%)
Beer brewing/distilling waragi	54	(28.3%)	41	(22.7%)	95	(25.5%)
Agricultural products	143	(74.9%)	81	(44.8%)	224	(60.2%)
Livestock	2	(1.0%)	7	(3.9%)	9	(2.4%)
Livestock Products/Sale of Fish	20	(10.5%)	6	(3.3%)	26	(7.0%)
Charcoal/Firewood	12	(6.3%)	10	(5.5%)	22	(5.9%)
Shop/Kiosk	30	(15.7%)	20	(11.0%)	50	(13.4%)
Restaurant/Take-away	24	(12.6%)	24	(13.3%)	48	(12.9%)
Tailoring/Sewing	3	(1.6%)	5	(2.8%)	8	(2.2%)
Clothware/Footware/Beddings	13	(6.8%)	1	(0.6%)	14	(3.8%)
Selling Yeast	15	(7.9%)	4	(2.2%)	19	(5.1%)
Others (hair salons, clinics, schools, transport, etc.)	30	(15.7%)	21	(11.6%)	51	(13.7%)

Source: Field Survey Data, 1997.

Table B.39 Distribution of Respondent's Main Source of Funds used to Purchase Household Assets

SOURCE OF FUNDS FOR PURCHASE OF HOUSEHOLD ASSETS	DISTRICT									TOTAL		
	Masaka			Kampala			Mbale					
	Client	Non-Client	Total	Client	Non-Client	Total	Client	Non-Client	Total	Client	Non-Client	Total
Savings	529 93.8%	335 92.5%	864 93.3%	228 93.8%	167 99.4%	395 96.1%	270 81.8%	240 86.6%	510 84.0%	1027 90.3%	742 91.9%	1769 91.0%
Borrowed	1 0.2%	2 0.6%	3 0.3%	-	-	-	3 0.9%	-	3 0.5%	4 0.4%	2 0.2%	6 0.3%
Loan	1 0.2%	-	1 0.1%	4 1.6%	-	4 1.0%	6 1.8%	4 1.4%	10 1.6%	11 1.0%	4 0.5%	15 0.8%
Transfer	6 1.1%	7 1.9%	13 1.4%	8 3.3%	1 0.6%	9 2.2%	10 3.0%	7 2.5%	17 2.8%	24 2.1%	15 1.9%	39 2.0%
Other	27 4.8%	18 5.0%	45 4.9%	3 1.2%	-	3 0.7%	41 12.4%	26 9.4%	67 11.0%	71 6.2%	44 5.5%	115 5.9%
TOTAL (Cases)	230	145	375	111	79	190	148	121	269	489	345	834

Table B.40   **Average Number of Households Earning an Income from Wages, Rental Income, and Remittances**

(Percentages shown are for within district)

District	Clients		Non-Clients		TOTAL	
Masaka	194	(54.0%)	102	(42.3%)	296	(49.3%)
Kampala	118	(65.6%)	98	(54.4%)	216	(60.0%)
Mbale	85	(44.5%)	89	(49.2%)	174	(46.8%)
TOTAL	397	(54.4%)	289	(48.0%)	686	(51.5%)

Source: Field Survey Data, 1997.

Table B.41   **Average Number of Households Earning an Income from Crops and Livestock**

(Percentages shown are for within district)

District	Clients		Non-Clients		TOTAL	
Masaka	187	(52.1%)	78	(32.4%)	265	(44.2%)
Kampala	44	(24.4%)	23	(12.8%)	67	(18.6%)
Mbale	163	(85.3%)	140	(77.3%)	303	(81.5%)
TOTAL	394	(54.0%)	241	(40.0%)	635	(47.7%)

Source: Field Survey Data, 1997.

Table B.42   **Average Total Number of all Household Income Sources**

District	Clients	Non-Clients	Total
Masaka	3.21	2.33	2.86
Kampala	2.94	2.29	2.62
Mbale	3.57	3.04	3.31
TOTAL	3.23	2.53	2.92

Source: Field Survey Data, 1997.

Table B.43   Distribution of Most Financially Damaging Event That Occurred

EVENT	Client		Non-Client		Total	
New individuals joined Household due to deaths	13	(2.3%)	4	(0.9%)	17	(1.6%)
Loss of a job, wage income; closure of household business	17	(3.0%)	13	(2.8%)	30	(2.9%)
Business Losses due to fire/theft (not of crops/livestock)	84	(14.7%)	53	(11.5%)	137	(13%)
Serious illness; medical expenses of household member	269	(47.1%)	226	(49.1%)	495	(48.0%)
Spouse reduced financial contributions	9	(1.6%)	3	(0.7%)	12	(1.2%)
Need to repay debts	10	(1.6%)	6	(1.3%)	16	(1.6%)
Drought causing low or no crop output	12	(2.1%)	17	(3.7%)	29	(2.8%)
Crop losses (non-drought); livestock losses	6	(1.1%)	3	(0.7%)	9	(0.9%)
Death/funeral of household member	72	(12.6%)	72	(15.7%)	144	(14.0%)
Financial obligations to non-household member	36	(6.3%)	27	(5.9%)	63	(6.1%)
Others	43	(7.5%)	36	(7.8%)	79	(7.7%)

Source: Field Survey Data, 1997.

Table B.44 Distribution of How the Financial Demands were met when the most financially damaging event occurred

SOLUTION	Client		Non-Client		Total	
Used Earnings/Handled within existing income	400	(70.1%)	349	(75.9%)	749	(72.6%)
Used money from savings account	49	(8.6%)	30	(6.5%)	79	(7.7%)
Transfers, remittances, gifts	132	(23.1%)	101	(22.0%)	233	(22.6%)
Borrowed from friends/family members	40	(7.0%)	41	(8.9%)	81	(7.9%)
Worked more hours	51	(8.9%)	19	(4.1%)	70	(6.8%)
Did not replace inventory of enterprise	14	(2.5%)	22	(4.8%)	36	(3.5%)
Household member took up new income activity	9	(1.6%)	17	(3.7%)	26	(2.5%)
Delayed on payments for debts/school fees, etc.	14	(2.5%)	12	(2.6%)	26	(2.5%)
Reduced expenditures on food/health	16	(2.8%)	20	(4.3%)	36	(3.5%)
Sold household Assets (e.g., land, crops, livestock)	79	(13.8%)	76	(16.5%)	155	(15.0%)
Took a loan from FINCA/PRIDE/FOCCAS	30	(5.3%)		-	30	(2.9%)
Borrowed from suppliers (took goods on credit)	8	(1.4%)	3	(0.7%)	11	(1.1%)
Other (e.g., family assisted)	35	(6.1%)	20	(4.3%)	55	(5.3%)

Source: Field Survey Data, 1997.

Table B.45 Distribution of Top 13 Items of which sales revenue was mostly spent
(% shown represent the percentage of respondents that ranked the item)

TYPE OF EXPENDITURE MADE	MASAKA		
	Client	Non-Client	Total
Enterprise one and/or two	88.6%	94.6%	91.0%
Another enterprise owned by respondent	3.3%	3.7%	3.5%
Another enterprise owned by an household member	1.1%	1.2%	1.2%
Agricultural production (crops/livestock)	3.3%	5.0%	4.0%
Rent for dwelling	2.5%	7.9%	4.7%
Food for household members	35.7%	57.3%	44.3%
Education expenditures for household members	36.8%	25.3%	32.2%
Health and medical expenditures	18.1%	38.6%	26.3%
Social obligations	7.8%	30.3%	12.2%
Own Savings	20.3%	18.7%	19.7%
Debt, loan payments	45.4%	1.7%	27.8%
Others (e.g Purchase of Assets)	12.8%	16.2%	14.2%
	KAMPALA		
Enterprise one and/or two	93.3%	92.8%	93.1%
Another enterprise owned by respondent	-	1.1%	0.6%
Another enterprise owned by an household member	-	0.6%	0.3%
Agricultural production (crops/livestock)	2.2%	1.7%	1.9%
Rent for dwelling	9.4%	15.0%	12.2%
Food for household members	79.4%	77.2%	78.3%
Education expenditures for household members	13.3%	15.6%	14.4%
Health and medical expenditures	13.3%	24.4%	18.9%
Social obligations	12.2%	18.3%	15.3%
Own Savings	12.8%	14.4%	13.6%
Debt, loan payments	46.7%	3.9%	25.3%
Others (e.g Purchase of Assets)	8.9%	16.7%	12.8%

Source: Field Survey Data, 1997.

Table B.45 Distribution of Top 13 Items of which sales revenue was mostly spent

(cont'd)   (% shown represent the percentage of respondents that ranked the item)

TYPE OF EXPENDITURE MADE	MBALE		
	Client	Non-Client	Total
Enterprise one and/or two	94.8%	92.3%	93.5%
Another enterprise owned by respondent	0.5%	-	0.3%
Another enterprise owned by an household member	1.0%	-	0.5%
Agricultural production (crops/livestock)	8.9%	5.5%	7.3%
Rent for dwelling	2.6%	3.9%	3.2%
Food for household members	42.4%	66.9%	54.3%
Education expenditures for household members	10.5%	17.1%	13.7%
Health and medical expenditures	10.5%	32.0%	26.6%
Social obligations	4.2%	8.3%	6.2%
Own Savings	33.0%	19.3%	26.3%
Debt, loan payments	42.4%	11.0%	27.2%
Others (e.g Purchase of Assets)	9.9%	12.2%	11.0%
	OVERALL		
Enterprise one and/or two	91.4%	93.4%	92.3%
Another enterprise owned by respondent	1.8%	1.8%	1.8%
Another enterprise owned by an household member	0.8%	0.7%	0.8%
Agricultural production (crops/livestock)	4.5%	4.2%	4.4%
Rent for dwelling	4.2%	8.8%	6.3%
Food for household members	48.2%	66.1%	56.3%
Education expenditures for household members	24.1%	19.9%	22.2%
Health and medical expenditures	17.8%	32.4%	24.4%
Social obligations	7.9%	15.4%	11.3%
Own Savings	21.8%	17.6%	19.9%
Debt, loan payments	44.9%	5.1%	27.0%
Others (e.g Purchase of Assets)	11.1%	15.1%	12.9%

Source: Field Survey Data, 1997.

Table B.46 Distribution of Decision-Making on Use of Sales Revenue

PERSON WHO MADE THE DECISION	DISTRICT									TOTAL		
	Masaka			Kampala			Mbale					
	Client	Non-Client	Total	Client	Non-Client	Total	Client	Non-Client	Total	Client	Non-Client	Total
Respondent only	87.7%	83.4%	86.0%	90.5%	88.1%	89.3%	52.9%	58.7%	55.7%	79.2%	77.3%	78.4%
Respondent talked it over with others in household	5.6%	8.3%	6.7%	5.6%	5.1%	5.4%	27.7%	20.1%	24.1%	11.4%	10.9%	11.2%
Joint decision by Respondent and others	5.6%	7.1%	6.2%	2.8%	5.1%	3.9%	17.8%	18.4%	18.1%	8.1%	9.9%	8.9%
Other	1.1%	1.2%	1.2%	1.1%	1.7%	1.4%	1.6%	2.8%	2.2%	1.2%	1.8%	1.5%

Source: Field Survey Data, 1997.

Table B.47 Average Number of Workers (Employees)

DISTRICT	CLIENTS	NON-CLIENTS	TOTAL
Masaka	0.73	0.37	0.58
Kampala	0.93	0.53	0.73
Mbale	1.09	0.78	0.94
TOTAL	0.87	0.54	0.72

Source: Field Survey Data, 1997.

Table B.48 Percentage of Employees Excluding Respondents who are Household Members
(%s shown are for within district)

DISTRICT	CLIENTS	NON-CLIENTS	TOTAL
Masaka	127 (48.7%)	46 (52.3%)	173 (49.6%)
Kampala	92 (54.8%)	53 (55.8%)	145 (55.1%)
Mbale	135 (64.9%)	83 (58.9%)	218 (62.5%)
TOTAL	354 (55.6%)	182 (56.2%)	536 (55.8%)

Source: Field Survey Data, 1997.

Table B.49 Percentage of Respondents who Hired Piece-Rate Workers Last Week
(%s shown are for within district)

DISTRICT	CLIENTS	NON-CLIENTS	TOTAL
Masaka	15.3%	12.0%	14.0%
Kampala	19.4%	23.3%	21.4%
Mbale	29.8%	24.9%	27.4%
TOTAL	20.1%	19.3%	19.7%

Source: Field Survey Data, 1997.

Table B.50 Percentage of Respondents who bought fixed asssets for enterprises I and II in last 12 months
(%s shown are for within district)

DISTRICT	CLIENTS	NON-CLIENTS	TOTAL
Masaka	51.0%	37.3%	45.5%
Kampala	57.2%	39.4%	48.3%
Mbale	74.3%	75.7%	75.0%
TOTAL	58.6%	49.5%	54.5%

Source: Field Survey Data, 1997.

Table B.51 Distribution of Source of funds for the Purchase of Enterprise Assets I and II

SOURCE OF FUNDS FOR PURCHASE OF FIXED ASSETS FOR ENTERPRISES	DISTRICT									TOTAL		
	Masaka			Kampala			Mbale			TOTAL		
	Client	Non-Client	Total	Client	Non-Client	Total	Client	Non-Client	Total	Client	Non-Client	Total
Earnings	89.5%	90.2%	89.7%	81.7%	82.6%	82.1%	95.8%	94.6%	95.2%	89.4%	90.5%	89.8%
Savings Account	2.9%	4.2%	3.3%	7.1%	9.9%	8.2%	0.8%	1.7%	1.3%	3.3%	4.4%	3.8%
Credit Purchase	0.3%	-	0.2%	-	-	-	-	-	-	0.1%	-	0.1%
Loan from FINCA/PRIDE...	1.6%	-	1.1%	5.6%	-	3.5%	-	-	-	2.1%	-	1.3%
Loan from other credit inst.	2.2%	1.4%	2.0%	0.5%	1.7%	0.9%	0.4%	2.5%	1.5%	1.2%	2.0%	1.5%
Borrowed from family/friends	0.6%	0.7%	0.7%	1.0%	2.5%	1.6%	0.4%	-	0.2%	0.7%	0.8%	0.7%
Transfers/Remittances	1.9%	2.8%	2.2%	3.6%	2.5%	3.1%	-	0.8%	0.4%	1.7%	1.8%	1.8%
Other	1.0%	0.7%	0.9%	0.5%	0.8%	0.6%	2.5%	0.4%	1.5%	1.3%	0.6%	1.0%

Source: Field Survey Data, 1997.

Table B.52 Average Cost of all Fixed Assets Purchased

DISTRICT	CLIENTS	NON-CLIENTS	TOTAL
Masaka	135,316/=	76,339/=	115,732/=
Kampala	144,999/=	217,849/=	173,789/=
Mbale	22,876/=	27,610/=	25,182/=
TOTAL	100,181/=	86,504/=	94,617/=

Source: Field Survey Data, 1997.

Table B.53 Distribution of Households which include Relatives of Respondent or Spouse**

DISTRICT	CLIENT		NON-CLIENT		TOTAL	
Masaka	189	52.6%	76	31.5%	265	44.5%
Kampala	81	45%	78	43.3%	159	44.2%
Mbale	70	36.6%	71	39.2%	141	37.9%
Total	340	46.6%	225	37.4%	565	42.4%

Source: Field Survey Data, 1997.

** These relatives also include grandchildren.

Table B.54 Distribution of Households with at least one Member who is Salaried

DISTRICT	CLIENT		NON-CLIENT		TOTAL	
Masaka	137	38.2%	56	23.2%	193	32.2%
Kampala	76	42.2%	57	31.7%	133	36.9%
Mbale	23	12.0%	22	12.2%	45	12.1%
Total	236	32.3%	135	22.4%	371	27.9%

Source: Field Survey Data, 1997.

Table B.55 Average Total household expenditure (UGSH) on Education, Business and Household Assets Remittances and Agricultural Inputs (1137 Uganda Shillings equals US1.00)

DISTRICT	CLIENT	NON-CLIENT	TOTAL
Masaka	426,720/	222,315/	356,867/
Kampala	445,594/	346,085/	394,097/
Mbale	186,909/	152,215/	170,678/
Total	367,093/	239,939/	313,121/

Source: Field Survey Data, 1997.

**Table B.56 Distribution of Respondents with Natural-Resource/Agriculture-Based
Business Activities**

DISTRICT	CLIENT		NON-CLIENT		TOTAL	
	HAVE	DON'T HAVE	HAVE	DON'T HAVE	HAVE	DON' T HAVE
Masaka	238 66.3%	121 33.7%	115 47.7%	126 52.3%	353 58.8%	247 41.2%
Kampala	130 72.2%	50 27.8%	102 56.7%	78 43.3%	232 64.4%	128 35.6%
Mbale	167 87.4%	24 12.6%	161 89.0%	20 11.0%	328 88.2%	44 11.8%
Total	535 73.3%	195 26.7%	378 62.8%	224 37.2%	913 68.5%	419 31.5%

Source: Field Survey Data, 1997.

Table B.57 Distribution of Sales Revenue Expenditures Disaggregated by Gender - For Masaka District**

TYPE OF EXPENDITURE MADE	Client			Non-Client			Total		
	Male	Female	Total	Male	Female	Total	Male	Female	Total
Enterprise one and/or two	44 97.8%	307 98.4%	351 98.3%	45 100%	192 98.0%	237 98.3%	89 98.9%	499 98.2%	588 98.3%
Another enterprise owned by respondent	6 13.3%	17 5.4%	23 6.4%	2 4.4%	7 3.6%	9 3.7%	8 8.9%	24 4.7%	32 5.4%
Another enterprise owned by a household member	0 0%	5 1.6%	5 1.4%	3 6.7%	2 1.0%	5 2.1%	3 3.3%	7 1.4%	10 1.7%
Agricultural production (crops/livestock)	6 13.3%	33 10.6%	39 10.9%	9 20.0%	27 13.8%	36 14.9%	15 16.7%	60 11.8%	75 12.5%
Rent for dwelling	9 20.0%	43 13.8%	52 14.6%	19 42.2%	54 27.6%	73 30.3%	28 31.1%	97 19.1%	125 20.9%
Food for household members	39 86.7%	237 76.0%	276 77.3%	41 91.1%	176 89.8%	217 90.0%	80 88.9%	413 81.3%	493 82.4%
Education expenditures for household members	21 46.7%	164 52.6%	185 51.8%	20 44.4%	72 36.7%	92 38.2%	41 45.6%	236 46.5%	277 46.3%
Health and medical expenditures	26 57.8%	171 54.8%	197 55.2%	29 64.4%	146 74.5%	175 72.6%	55 61.1%	317 62.4%	372 62.2%
Social obligations	16 35.6%	93 29.8%	109 30.5%	24 53.3%	90 45.9%	114 47.3%	40 44.4%	183 36.0%	223 37.3%
Own Savings	36 80.0%	182 58.3%	218 61.1%	20 44.4%	58 29.6%	78 32.4%	56 62.2%	240 47.2%	296 49.5%
Debt, loan payments	44 97.8%	280 89.7%	324 90.8%	2 4.4%	4 2.0%	6 2.5%	46 51.1%	284 55.9%	330 55.2%
Others (e.g Purchase of Assets)	15 33.3%	61 19.6%	76 21.3%	10 22.2%	58 29.6%	68 28.2%	25 27.8%	119 23.4%	144 24.1%

Source: Field Survey Data, 1997.

** 2 businesses for female clients were not operational in the previous month and so this question was not applicable to them.

Table B.58 Average Total Amount (UGSH) Spent on Agricultural Inputs Among Repeat and Non-Repeat Clients
(1137 Uganda Shillings equals US1.00)

DISTRICT	NON-REPEAT CLIENTS	REPEAT CLIENTS	TOTAL
Masaka	45,860/	45,875/	45,861/
Kampala	28,313/	111,917/	76,618/
Mbale	32,500/	24,717/	24,806/
Total	44,332/	44,818/	44,498/

Source: Field Survey Data, 1997.

Table B.59 Distribution of Respondents who spent money on labor vs. those who didn't by household size - among households that spent money on agricultural inputs**

Purchased Labor?	MASAKA DISTRICT			
	Household Size: 1 - 4	Household Size: 5 - 8	household Size: Over 8	Total
Yes	48 75.0%	123 70.7%	77 86.5%	248 75.8%
No	16 25.0%	51 29.3%	12 13.5%	79 24.2%
KAMPALA DISTRICT				
Yes	18 81.8%	19 70.4%	12 85.7%	49 77.8%
No	4 18.2%	8 29.6%	2 14.3%	14 22.2%
MBALE DISTRICT				
Yes	24 66.7%	61 73.5%	38 74.5%	123 72.4%
No	12 33.3%	22 26.5%	13 25.5%	47 27.6%
TOTAL (ALL 3 DISTRICTS)				
Yes	90 73.8%	203 71.5%	127 82.5%	420 75.0%
No	32 26.2%	81 28.5%	27 17.5%	140 25.0%

Source: Field Survey Data, 1997.

** Because of the small number of observations, disaggregation has not been done by client/non-client.

Table B.60 Distribution of respondents who spent money on labor vs. Those who didn' t by whether or not household resides on agricultural land - among households that spent money on agricultural inputs**

Purchased Labor?	Doesn' t Reside on Agric. Land		Households Reside on Agric. Land		Total	
MASAKA DISTRICT						
Yes	127	77.9%	121	73.8%	248	75.8%
No	36	22.1%	43	26.2%	79	24.2%
KAMPALA DISTRICT						
Yes	40	76.9%	9	81.8%	49	77.8%
No	12	23.1%	2	18.2%	14	22.2%
MBALE DISTRICT						
Yes	16	72.7%	107	72.3%	123	72.4%
No	6	27.3%	41	27.7%	47	27.6%
TOTAL (ALL 3 DISTRICTS)						
Yes	183	77.2%	237	73.4%	420	75.0%
No	54	22.8%	86	26.6%	140	25.0%

Source: Field Survey Data, 1997.

**   Due to the small number of observations disaggregation has not been done by client/non-client

Table B.61 Average total amount (ugsh) of remittances given out by households of repeat and non-repeat clients (1137 Uganda Shillings equals US1.00)

DISTRICT	NON-REPEAT CLIENTS	REPEAT CLIENTS	TOTAL
Masaka	52,091/	43,500/	51,975/
Kampala	96,341/	50,047/	73,448/
Mbale	5,000/	22,651/	22,500/
Total	59,538/	30,598/	48,568/

Source: Field Survey Data, 1997.

Table B.62 Average Total Household Expenditure (UGSH) on Education** (1137 Uganda Shillings equals US1.00)

DISTRICT	CLIENT	NON-CLIENT	TOTAL
Masaka	181,001/	119,315/	159,137/
Kampala	183,045/	142,809/	162,459/
Mbale	84,456/	73,664/	79,423/
Total	156,008/	112,277/	137,385/

Source: Field Survey Data, 1997.
** Excludes expenditures on household members by non-household members.

Table B.63 Average Household Education Expenditure (UGSH) per Household Member Attending School**

DISTRICT	CLIENT	NON-CLIENT	TOTAL
Masaka	40,608/	33,076/	38,000/
Kampala	55,485/	43,604/	49,406/
Mbale	19,884/	15,815/	17,998/
Total	38,333/	30,929/	35,209/

Source: Field Survey Data, 1997.

** Excludes expenditures on household members by non-household members.

Table SL.64   Average Amount of Loans from PRIDE/FINCA/FOCCAS (in Uganda Shillings)

Location	Client		Non-client	TOTAL
Masaka	FINCA	99494	N/A	125182
	PRIDE	150727		
Kampala		131492	N/A	131492
Mbale		83461	N/A	83461
TOTAL		115796	N/A	115796
Gender (Masaka)	**Client**		**Non-client**	**TOTAL**
Female (FINCA & PRIDE)		122035	N/A	122035
Male (PRIDE)		147000	N/A	147000

Source: Field Survey Data, 1997.

N/A: Not Applicable

Table SL.65   Distribution of Number of Loans by Source of Funds

Source of Funds	Clients	Non-Clients	Total
Coop/Centenary/Other Bank	3	0	3
UWESO/FAULU/UGAFODE/UWFT/Other NGO	0	1	1
FINCA/PRIDE/FOCCAS	729	1	730
Extended Family, household Members	2	8	10
Friends, Other Individuals	5	37	42
Other	2	6	8
TOTALS	741	53	794

Source: Field Survey Data, 1997.

783 Valid cases; 549 missing cases. Some multiple responses.

Table SL.66 **Average Amount of Money Acquired from Extended Family, household Members, Friends, Other Individuals (in Uganda Shillings)**

Location	Client	Non-client	TOTAL
Masaka	627	3402	1742
Kampala	722	7683	4203
Mbale	1204	4740	2925
TOTAL	801	5085	2737
Gender (Masaka)	**Client**	**Non-client**	**TOTAL**
Female	717	3878	1931
Male	0	1333	667

Source: Field Survey Data, 1997.

Table SL.67 **Of Those That Had Previously Received a Loan from FINCA/PRIDE/FOCCAS Totals and % of Numbers of Previous Loans**

Number of Previous Loans	Number of Clients	% of Those With Previous Loans
1	183	(63%)
2	82	(28%)
3	24	(8%)

Location	Number of Clients	Average Amount of All Previous Loans
Masaka	11	331818
Kampala	97	228711
Mbale	188	71781
TOTAL	296	132872

Source: Field Survey Data, 1997.

Table SL.68   Total and Percent of How Latest Loan Was Spent
(Aggregated from up to Five Responses per Client)

How Latest Loan Was Spent	Number	Percent
Enterprise Activity	754	66%
Animal Husbandry, Livestock	37	3%
Agricultural Inputs & Implements	25	2%
Food for Household	36	3%
School Expenditures for household Members	47	4%
Medical Care for household Members	27	2%
Savings	103	9%
Debts, Saved for Loan Repayment	67	6%
Obligations/Assistance to non-household Member	8	0.1%
Others (e.g., Starting new enterprise, it was stolen)	63	6%
TOTALS	1147	100%

Source: Field Survey Data, 1997.

NB: Because of Low Numbers Outside of First Category, Not Disaggregated by District.

Table SL.69   Decision-Making Regarding Use of Loan Funds

Decision-Making	Masaka	Kampala	Mbale	TOTAL
I Made the Decision by Myself	317 (88%)	173 (91%)	130 (69%)	620 (84%)
I Talked It Over With Others in My household	17 (5%)	10 (5%)	29 (15%)	56 (8%)
It Was a Joint Decision Made By Me and One or More household Members	21 (6%)	4 (2%)	29 (15%)	54 (7%)
Other household Member Decided	0	1 (1%)	0	1 (0.1%)
Credit Group Assisted Me to Decide	1 (0.3%)	1 (1%)	0	2 (0.3%)
Other	5 (1%)	2 (1%)	0	7 (1%)
TOTALS	361	191	188	740

Source: Field Survey Data, 1997.

Table SL.70 Source of Funds for Repayment of Loans

Source of Funds for Repayment of Loans	Masaka	Kampala	Mbale	TOTAL
Only Respondent	343 (95%)	177 (92%)	138 (73%)	658 (89%)
Respondent with Occasional household Assistance	8 (2%)	8 (4%)	23 (12%)	39 (5%)
Respondent and Other household Members Usually	6 (2%)	7 (4%)	28 (15%)	41 (6%)
Respondent but Occasional Group Member Assistance	1 (0.3%)	0	0	1 (0.1%)
Another household Member	1 (0.3%)	0	0	1 (0.1%)
Other	2 (1%)	0	0	2 (0.3%)
TOTALS	361	192	189	742

Source: Field Survey Data, 1997.

Table SL.71 Savings Patterns: Number and Percent Having Individual Bank Savings Account

Location	Client		Non-client		TOTAL	
Masaka	242	(67%)	58	(24%)	300	(50%)
Kampala	57	(32%)	33	(18%)	90	(25%)
Mbale	11	(6%)	5	(3%)	16	(4%)
TOTAL	310	(43%)	96	(16%)	406	(31%)

Source: Field Survey Data, 1997.

Table SL.72 Savings Patterns: Number and Percent of Respondents Responding Yes to Mandatory Savings Account from Credit Savings Group

LOCATION	CLIENT	NON-CLIENT	TOTAL
MASAKA	358 (99.7%)	n/a	358 (59.9%)
KAMPALA	179 (99.4%)	n/a	179 (49.7%)
MBALE	190 (99.5%)	1 (0.5%)	191 (51.2%)
TOTAL	727 (99.6%)	1 (n/a)	728 (54.7%)

Source: Field Survey Data, 1997.

Table SL.73   Savings Patterns: Number and Percent Having Voluntary Savings Account from Credit Savings Group

Location	Client	Non-client	TOTAL
Masaka	177 (50%)	N/A	177 (30%)
Kampala	144 (82%)	N/A	144 (41%)
Mbale	115 (66%)	1	116 (33%)
TOTAL	436 (62%)	1	437 (33.4%)

Source: Field Survey Data, 1997.

Table SL.74   Savings Patterns: Number and Percent Having Other Savings

Location	Client	Non-client	TOTAL
Masaka	25 (7%)	43 (18%)	68 (11%)
Kampala	21 (14%)	70 (39%)	91 (28%)
Mbale	36 (28%)	104 (58%)	140 (46%)
TOTAL	82 (13%)	217 (36%)	299 (24%)

Source: Field Survey Data, 1997.

ANNEX F

CODE BOOK

MICRO-FINANCE SURVEY (1997)

Code Sheet for URBAN & RURAL QUESTIONNAIRES

Identification

IDNO
1st Digit	-	District Code
2nd Digit	-	Gender
3rd Digit	-	Status (0- Non-Client, 1 - Client, 2 - Repeat-Client)
Last 3 digits	-	Household number in a district

DISTRICT
1	-	Masaka
2	-	Kampala
3	-	Mbale

Kampala District

			LCIs					Villages
RLCI	1	-	Soweto Zone	RVILLAG	1	-	Wandegeya
BLCI	2	-	Kimwanyi Zone	BVILLAG	2	-	Bwaise
	3	-	Kisenyi Zone		3	-	Mpererwe
	4	-	Bakery Zone		4	-	Makerere
	5	-	Busia Zone		5	-	Mulago
	6	-	Kagugube Zone		6	-	Kagugube **(Makerere)**
	7	-	Banda Zone		7	-	Kavule **(Makerere)**
	8	-	Bukulungi Zone		8	-	Masanafu
	9	-	Kivulu Zone II		9	-	Kivulu **(Makerere)**
	10	-	Katale Zone		10	-	Kalerwe
	11	-	Kibezo Zone		11	-	Kitamanyanganda
	12	-	Kitamanyanganda Zone		12	-	Kyebando
	13	-	Nsooba Zone		13	-	Nsooba
	14	-	Kivulu Zone I		14	-	Kisenyi
	15	-	Mayinja Zone		15	-	Nakulabye
	16	-	Nakulabye Zone 4		16	-	Owino
	17	-	Nalwewuba Zone		17	-	Mambule Stage
	18	-	Maganjo-Kijapani		18	-	Maganjo
	19	-	Kizito Market		19	-	Ben Kiwanuka St.
	20	-	Kyebando		20	-	Nabutaka
	21	-	Central Zone		21	-	Katale
	22	-	Nabutaka/Gitta		22	-	Kamwokya
	23	-	Kamwokya Zone I		23	-	Kanyanya
	24	-	Police Barracks (DPC/OC)		24	-	Nakasero

Masaka District

LCIs

Villages

31	-	Gayaza Council	31	-	Gayaza
32	-	Kyabakuza Town Council	32	-	Kyabakuza
33	-	Kimaanya ' B'	33	-	Kitenga
34	-	Kitenga ' A'	34	-	Masaka Municipal
35	-	Kimaanya ' A'	35	-	Buwunga
36	-	Folk-Land Cell	36	-	Kampala Rd
37	-	Kitwe	37	-	Kimaanya
38	-	Kampala Rd	38	-	Binyonyi ' A'
39	-	Semujju Cell	39	-	Kikuubo
40	-	Market Cell	40	-	Kiruba
41	-	Kiruba ' B'	41	-	Kasana
42	-	Bata Cell	42	-	Nkoni
43	-	Masaka Main Market	43	-	Bisanje
44	-	Kasana	44	-	Elgin Street
45	-	NewPark	45	-	Kalagala
46	-	Nkoni ' B'	46	-	Cinema
47	-	Bisanje	47	-	Kirimya
48	-	Mulema	48	-	

Kanoni

49	-	Cinema Cell	49	-	Kyankole
50	-	Kirimya ' A'	50	-	Kabaale
51	-	Kanoni	51	-	Senyange
52	-	Kyankole	52	-	Nkumba
53	-	Kyabakuza ' A'	53	-	Kijabwemi
54	-	Luteete	54	-	Kidda
55	-	Senyange ' B'	55	-	Kirowooza
56	-	Nkumba	56	-	Bata
57	-	Kijabwemi	57	-	Mitemula
58	-	Mizinga	58	-	

Nabinene

59	-	Kirowooza	59	-	Kissuna
60	-	Mitemula	60	-	Butego
61	-	Nabinene	61	-	Bulando
62	-	Masaka Shell	62	-	Kasanje
63	-	Butego	63	-	Kayunga
64	-	Bulando	64	-	Kitekusa
65	-	Kirewerwa	65	-	Kumbu
66	-	Kayunga			
67	-	Kitenga ' B'			
68	-	Bwanika			
69	-	Kirumba ' A'			
70	-	Kidda			
71	-	Senyange ' A'			
72	-	Kumbu Estate			
73	-	Masaka Old Park Market			

Mbale District
LCIs
Villages

91	-	Mufufu	91	-	Buweswa
92	-	Bubentsye Lower	92	-	Bubentsye
93	-	Bukimuma	93	-	Bukimuma
94	-	Nanje	94	-	Bushambi
95	-	Bushambi	95	-	Bunabunyu
96	-	Bunabunyu	96	-	Mangako
97	-	Butinduyi	97	-	Magale
98	-	Matsatsa	98	-	Matsatsa
99	-	Bukirwe	99	-	Nakatsi
100	-	Bumityero	100	-	Bulobi
101	-	Bubitumu	101	-	Bumityero
102	-	Situni	102	-	Bubitumu
103	-	Bunanyama	103	-	Buketela
104	-	Kimuma	104	-	Bunanyama
105	-	Bubuyela	105	-	Tooma
106	-	Buwashi	106	-	Bubuyela
107	-	Bubikala	107	-	Buwashi
108	-	Bubituni	108	-	Bubituni
109	-	Bunatsemi	109	-	Bunatsemi
110	-	Bumulekhwa	110	-	Bumulekhwa
111	-	Bukhisa	111	-	Bukhisa
112	-	Bumangula	112	-	Bumangula
113	-	Napasha	113	-	Napasha
114	-	Bunamboko	114	-	Bunamboko
115	-	Bukhamunyu	115	-	Bukhamunyu
			116	-	Bubenze

Kampala District
(Parishes)

RPARISH	1	-	Wandegeya
BPARISH	2	-	Mulago
	3	-	Kagugube
	4	-	Lubya
	5	-	Kyebando
	6	-	Kalerwe
	7	-	Kawempe
	8	-	Bwaise
	9	-	Nabweru
	10	-	Nakulabye
	11	-	Maganjo
	12	-	Makerere
	13	-	Kanyanya
	14	-	
	15	-	
	16	-	
	17	-	
	18	-	
	19	-	
	20	-	

Masaka District

(Parishes)

21	-	Kyabakuza	31	-	Mukungwe
22	-	Kalagala	32	-	Kyankole
23	-	Kasanje	33	-	Kabonera
24	-	Katwe	34	-	Kimaanya
25	-	Buwunga	35	-	Kingo
26	-	Nyendo	36	-	Senyange
27	-	Ssaza	37	-	Town Council
28	-	Mulema	38	-Bulayi
29	-	Kisansala	39	-	Bulando
30	-	Bisanje	40	-	Butego
			41	-	Bukoto

Mbale District

(Parishes)

61	-	Buweswa	73	-	Bulobi
62	-	Bumasikye	74	-	Busanza
63	-	Busai	75	-	Bunabwana
64	-	Bubikala	76	-	Bunyinza
65	-	Bumishiho	77	-	Bushunya
66	-	Bumbo			
67	-	Bunatsimi			
68	-	Bukhaweka			
69	-	Bunakhayoti			
70	-	Busimawolya			
71	-	Butta			
72	-	Buteteya			

Kampala District

(Sub-Counties)

RCOUNTY
BCOUNTY

1	-	Kawempe
2	-	Rubaga
3	-	Central Division
4	-	Nabweru
5	-	Nangabo
6	-	Nakawa
7	-	
8	-	
9	-	
10	-	

Masaka District

11	-	Bukoto
12	-	Mukungwe
13	-	Kalungu
14	-	Butego
15	-	Kaswa
16	-	Nyendo-Ssenyange
17	-	Mulema

18	-	Kingo	
19	-	Kabonera	
20	-	Kyabakuza	
21	-	Butenga	
22	-	Masaka Municipal	
23	-	Buwunga	
24	-		

Mbale District

41	-	Buwagogo
42	-	Busoba
43	-	Bududu
44	-	Bupoto
45	-	Bushika
46	-	Bubutu
47	-	Bukhigai
48	-	Bugobero
49	-	Bumbo
50	-	Butiru

INTPLACE

1	-	Residence
2	-	Business
3	-	Other

INTNAME

1	-	Prossy Musoke	**LEADNAME** 1	-	
		Samuel Kayabwe			
2	-	Ben Bataringaya	2	-Agrippinah Namara	
3	-	Phoebe Kajubi	3	-	
		Peter Kajula			
4	-	Flavia			
5	-	Turinde K.A			
6	-	Taaka Jenipher			
7	-	Kimbowa Erasmus	**CLERKNAM** 1	-	
		Niyibigira E.			
8	-	Sarah Nambuubi	2	-Natukunda M.	
9	-	Wendiro Deborah	3	-	
		Eva Kangave			
10	-	Gertrude Natukunda	4	-	
		Turyakira Eleanor			
11	-	Sam Wandukwa			
12	-	Cathy Gimono			
13	-	Timothy Mukeele			
14	-	Jane Wakikona			

Qn2

B.   Relationship of Household Members to Respondent

1	-	Daughter/son
2	-	Grandchild
3	-	Respondent' s mother/father
4	-	Spouse' s mother/father
5	-	Child of spouse
6	-	Other relatives of respondent
7	-	Other relatives of spouse

8	-	Domestic worker
9	-	Other

C. **Gender of Household member**

1	-	Female
2	-	Male

D. **Age of Household Member**

ENTER AS IS, **-66 for Not Willing, -77 for DK, -88 for NA, -99 for Missing**

E. **Marital Status of Household members**

1	-	Married/partner/ -monogamous
2	-	Married/polygamous
3	-	Divorced/separated
4	-	Single/never married
5	-	Widowed

G. **Current Main Occupation of Household member (if 15+ years)**

1	-	Student
2	-	Salaried/wage employment
3	-	Casual /part-time work outside HH
4	-	Self employment- employer or own account worker (not HH farming)
5	-	Assists in HH business (NOT AN OWNER OF THE BUSINESS)
6	-	Farming
7	-	Ill/disabled- no work
8	-	Unemployed/retired
9	-	Assists at home
10	-	Other

F&H1 **Education**

No.		Level	No.		Level
0	-	None	15	-	J1-J2
1	-	Nursery & P1	16	-	TTC
2	-	P2	17	-	NTC
3	-	P3	18	-	Informal Training
4	-	P4	19	-	Post secondary
5	-	P5	20	-	Post Primary
6	-	P6	-77	-	Don' t Know
7	-	P7			
8	-	S1			
9	-	S2			
10	-	S3			
11	-	S4			
12	-	S5			
13	-	S6			
14	-	University			

H2. **Amount for Educational Expenditures**

ENTER AS IS, **-77 for DK. -88 for NA, -99 for Missing**

H3. **Payer of Educational Expenditures is non-household member**

1	-	Yes
2	-	No
3	-	Partially by Household member and Non-household Member
-88	-	Not Applicable

I. **Extent of Presence of Household members in Household**

1	-	Regularly present
2	-	School holidays (boarding outside)
3	-	Short term absences (resides in HH at least 20 days per month)
4	-	4 - 6 days in a week
5	-	1 - 3 days in a week
6	-	1 - 3 months in a year
7	-	4 - 6 months in a year
8	-	7 - 9 months in a year

Qn3

A. **Source of funds for educational Expenditures**

1	-	Savings/Earnings from Enterprise
2	-	Salary/Wages
3	-	Sold Crops/Livestock
4	-	Sold Labor
5	-	Loan from MFI
6	-	Loan from other Credit Institution
7	-	Borrowed
8	-	Remittances, Transfers, Gifts
9	-	Other

B. **Ownership of Source of Funds**

1	-	Respondent
2	-	Spouse
3	-	Co-owned by HH members
4	-	Other
-88	-	Not Applicable

Qn4

A. **Q4HHHEAD**

1	-	Respondent
2	-	Respondent' s spouse/partner
3	-	Respondent' s father
4	-	Respondent' s father-in - law
5	-	Respondent' s mother
6	-	Respondent & spouse jointly
7	-	Other

B. **DWELLING**

1	-	In business/shop
2	-	Rooms attached to business/shop
3	-	Rental unit(dwelling only)
4	-	House(not on agricultural land)
5	-	House on agric land
6	-	Sharing house or flat
7	-	Other

C. **Number of Rooms used by Household for Living in**

ENTER AS IS

D.   ROOF   1   -   Thatched
2   -   Iron sheets(mabaati)
3   -   Tin
4   -   Tiles
5   -   Cement/concrete
6   -   other

E.   WALLS 1   -   Mud & poles
2   -   Brick
3   -   Cement blocks/concrete
4   -   Mud with plaster
5   -   Other

F.	ELECDWEL	1	-	Yes
		2	-	No

Qn5

A.	Q5TENDWE	1	-	Owned
		2	-	Paying for in installments
		3	-	Rent (not subsidized)
		4	-	Free
		5	-	Stay in Govt.. House
		6	-	Other (Own house but not land)

B.   Amount of Rent
ENTER AS IS

C.	RENTBOTH	1	-	Yes
		2	-	No

Qn6

A.	Q6RENTUN	1	-	Yes
		2	-	No

	RENTURB	1	-	Rural rental Units
		2	-	Urban Rental Units

B.	HOUSELSE	1	-	Yes
		2	-	No

	HOUSEURB	1	-	Rural house
		2	-	Town/Urban House

Qn7

A.	Q7GIVOUT	1	-	Yes
		2	-	No

B.   Cash value of amount given out to both rural and urban areas
ENTER AS IS, **-77 for DK, -88 for NA**

B2.   Items given out in kind to both rural and urban non-household members

1	-	Clothing
2	-	Sugar
3	-	Medicine
4	-	Soap
5	-	Food
6	-	Salt
7	-	Paraffin
8	-	Clothing/Soap/Sugar/Salt/Paraffin/Medicare (can' t separate)
9	-	Supports entire family
10	-	Others

Qn8

1.   Number of days Household ate any of the given foods
ENTER AS IS, **-88 for NA, -99 for Missing**

2.   Source of the foods eaten by Household

1	-	Purchased
2	-	Household Production
3	-	Transfers/Gifts
4	-	Other
12	-	1 & 2
13	-	1 & 3
23	-	2 & 3
-88	-	Not Applicable

Qn9

A.   Assets purchased or co-purchased by Respondent in last 12 months

0	-	None
1	-	Radio/Radio Cassette
2	-	Clothing
3	-	Shoes
4	-	Blanket/Bed sheets/Curtains
5	-	Cooking Utensils/Eating Utensils (including Glasses, Plates, Sufurias)
6	-	Paraffin/Gas Stove/Hot Plate/Cooker
7	-	Sigiri/Charcoal Stove
8	-	Furniture (Including Sideboards, Chairs, Tables, Beds)
9	-	Carpet/Mats
10	-	Mattress
11	-	Bicycle
12	-	Flat Iron/Electric Fan
13	-	TV
14	-	Fridge
15	-	Building/Building Materials
16	-	Other Electrical Equipment
17	-	Other non-electrical Equipment
18	-	Traditional Dress/Gomesi
19	-	Plot of Land

E.   Whether Respondent owns assets

1	-	Yes
2	-	No

Qn10

B.   Whether Household owns each of the listed items (excluding those above)

1	-	Yes
2	-	No

C.   Number of Items owned by type
ENTER AS IS

D. **Whether items owned are currently in working order**

1	-	Yes
2	-	No
-77	-	Don' t Know
-88	-	NA

Qn11

A. **Q11LAND**

1	-	Yes
2	-	No

B-E **Size of Household' s Land**

ENTER AS IS, **-77 for DK**

Qn12

A. **Crops owned or co-owned by respondent grown in last 12 months**

0	-	None	17	-	Tomatoes
1	-	Beans	18	-	Cowpeas
2	-	Greens	19	-	
3	-	Sweet Potatoes			
4	-	Cassava			
5	-	Matooke/Bananas			
6	-	Maize			
7	-	Coffee			
8	-	Rice			
9	-	Fruits			
10	-	Millet			
11	-	Sugarcane			
12	-	G.Nuts			
13	-	Sorghum			
14	-	Irish Potatoes			
15	-	Yams			
16	-	Onions			
-88	-	Not Applicable			

B. **Ownership of the Crops**

1	-	Individual
2	-	Co-owned
-88	-	Not Applicable

C. **Was any of the crops sold**

1	-	Yes
2	-	No
-88	-	Not Applicable

D. **Who decides on the money got from respondent' s crops**

1	-	Respondent only
2	-	Respondent with spouse
3	-	Respondent with other Household member (not spouse)
4	-	Spouse
5	-	Other household member (not spouse)

12.2   **BUYIMPLE**   1   -   Yes
             2   -   No
             -88   -   Not Applicable

B.   **Whether Respondent has purchased each of the listed inputs**
          1   -   Yes
          2   -   No
          -88   -   Not Applicable

Amount of money spent on purchasing the inputs
          ENTER AS IS, **-77 for DK, -88 for NA**

Other inputs purchased
          1   -   Pesticides/Drugs
          2   -   Other (Hoes etc)

Qn13

A.   **Other Crops grown by Household**
          0   -   None   17   -
Tomatoes
          1   -   Beans   18   -
Cowpeas
          2   -   Greens   19   -Trees
          3   -   Sweet Potatoes
          4   -   Cassava
          5   -   Matooke
          6   -   Maize
          7   -   Coffee
          8   -   Rice
          9   -   Fruits
          10   -   Millet
          11   -   Sugarcane
          12   -   G.Nuts
          13   -   Sorghum
          14   -   Irish Potatoes
          15   -   Yams
          16   -   Onions
          -88   -   Not Applicable

B.   **Was any of these crops sold**
          1   -   Yes
          2   -   No
          -88   -   NA

Qn14

A.   **Q14REAR**   1   -   Yes
                        2   -   No

C-E   **Number of animals/birds owned by type**
          ENTER AS IS**, -77 for DK, -88 for NA**

F.   Any animals sold in the last 12 months

1	-	Yes
2	-	No
-88	-	NA

Qn15

A.   Businesses/Enterprises that generate a regular cash flow

1	-	Sale Home Baked Products (Chapatis, Mandazi, Samosas, Half Cakes, and Pancakes)
2	-	Sale of Cooked (Roasted/Fried) Foods
3	-	Hair Saloon/Hair Products
4	-	Sale of Drinks/Bar
5	-	Beer Brewing/Distilling Waragi
6	-	Sale of Agricultural Products (Fruits, Vegetables etc) Hortcultural products
7	-	Sale of Livestock
8	-	Sale of Milk
9	-	Sale of Eggs
10	-	Sale of other Livestock products
11	-	Sale of Charcoal/Firewood
12	-	Sale of Arts & Handicrafts
13	-	Market Stall
14	-	Roadside Stall/Street Vending
15	-	Table vending
16	-	Newspaper Vending
17	-	Shop/Kiosk
18	-	Carpentry Workshop
19	-	Restaurant/Take Away
20	-	Transport services
21	-	Tailoring/Sewing
22	-	Sale of Clothware & Footware (old & new)
23	-	Sale of Beddings (Blankets, Mattresses, Bed sheets etc.)
24	-	Welding/Fabrication
25	-	Hawker
26	-	Grinding Mill
27	-	Timber sale
28	-	Bindery
29	-	Sale of snacks, cigarettes
30	-	Garage
31	-	Brick Making
32	-	Photocoping Services
33	-	Coffee Factory
34	-	Car Dealer
35	-	Shoe Repair/Shoe Shining
36	-	Photography
37	-	Educational services/School
38	-	Sale of fish
39	-	Clinics/TBAs
40	-	Mechanic
41	-	Sale of Drugs/Drug shop/Pharmacy
50	-	Others (e.g Sale of decorations)

B. **Ownership of Business**

1	-	Respondent
2	-	Respondent co-owns with other household member
3	-	Respondent co-owns with other non-household member
4	-	Spouse/Partner
5	-	Others Household member
6	-	Others

C. **Ranking of Business contribution to total HH cash income for last 12 months**
ENTER AS IS

Qn15.2

A. **Whether HH earns income from the other listed sources**

1	-	Yes
2	-	No

B. **Household member who earned the income from these other sources**

1	-	Respondent
2	-	Spouse/Partner
3	-	Other HH member
4	-	HH
5	-	Other

Qn16.1

A. **Q16LOAN**

1	-	Yes
2	-	No

C. **Source of Loan**

1	-	Coop/Centenary/Other Bank
2	-	UWESO/FAULU/UGAFODE/UWFT/Other NGO
3	-	FINCA/PRIDE/FOCCAS
4	-	Extended family, Household members
5	-	Friends, Other Individuals
6	-	Other
-88	-	Not Applicable

D. **Amount of Loan (or borrowed)**
ENTER AS IS, **-88 for NA**

E. **Whether Interest was charged**

1	-	Yes
2	-	No

F. **Total Amount Repaid**
ENTER AS IS

G. **Whether Loan had fixed due date**

1	-	Yes
2	-	No

H. **Length of Loan Period**
ENTER AS IS **(Duration in Months)**

Qn16.2

A. **GOTLNBEF** 1 - Yes
                    2 - No
                    -88 - Not Applicable

B. **NOLOANS**
       ENTER AS IS

C. **Amount of loan received each time**
       ENTER AS IS, **-77 for DK**

Qn16.3

B. **How latest loan was spent**
       1 - Enterprise Activity
       2 - Animal Husbandry, Livestock
       3 - Agricultural inputs & implements
       4 - Food for Household
       5 - School expenditures for HH members
       6 - Medical care for HH members
       7 - Savings
       8 - Debts, saved for loan repayment
       9 - Obligations/Assistance to non-HH member
       10 - Others (E.g Starting new enterprise, it was stolen)

C. **Which Enterprise was the loan money spent on**
       1 - Sale Home Baked Products (Chapatis, Mandazi, Samosas, Half Cakes, and Pancakes)
       2 - Sale of Cooked (Roasted/Fried) Foods
       3 - Hair Saloon
       4 - Sale of Drinks/Bar
       5 - Beer Brewing/Distilling Waragi
       6 - Sale of Agricultural Products (Fruits, Vegetables etc) Hortcultural products
       7 - Sale of Livestock
       8 - Sale of Milk
       9 - Sale of Eggs
       10 - Sale of other Livestock products
       11 - Sale of Charcoal/Firewood
       12 - Sale of Arts & Handicrafts
       13 - Market Stall
       14 - Roadside Stall
       15 - Table vending
       16 - Newspaper Vending
       17 - Shop/Kiosk
       18 - Carpentry Workshop
       19 - Restaurant
       20 - Transport services
       21 - Tailoring/Sewing
       22 - Sale of Clothware & Footware (old & new)
       23 - Sale of Beddings (Blankets, Mattresses, Bed sheets etc.)
       24 - Welding/Fabrication
       25 - Hawker
       26 - Grinding Mill
       27 - Timber Sale
       28 - Bindery

29	-	Sale Snacks, cigarettes
30	-	Garage
31	-	Brick Making
32	-	Photocoping Services
33	-	Coffee Factory
34	-	Car Dealer
35	-	Shoe Repair/Shoe Shining
36	-	Photography
37	-	Educational services/School
38	-	Sale of fish
39	-	Clinics/TBAs
40	-	Mechanic
41	-	Sale of Drugs/Drug shop/Pharmacy
50	-	Others (e.g Sale of decorations)

D.   Owner of Enterprise

1	-	Respondent Individually
2	-	Respondent co-owner
3	-	Other

E.   Amount spent for the 2 biggest items
ENTER AS IS

Qn17

Q17NOLOA

1	-	Borrowed from credit institution
2	-	Delayed in making these expenditures
3	-	Used Savings
4	-	Continued as I was doing
5	-	Borrowed from friends/family members
6	-	Would have sought assistance from friends/family members
7	-	Would have sold off some of my property
8	-	Other (E.g. Start business that requires little capital)

Qn18

A.   Q18DECID

1	-	I made the decision by myself.
2	-	I talked it over with others in my household
3	-	It was a joint decision made by me and one or more HH members
4	-	Other HH member decided
5	-	Credit group assisted me to decide
6	-	Other

B.   Relationship of other household members involved in making the decision

1	-	Spouse/Partner
2	-	Son
3	-	Father/Father in-law
4	-	Daughter
5	-	Other

Qn19

A. **Q19PROV** 1 - Only me
          2 - I do but a few times another member of the household has assisted
          3 - Both me and other member(s) of the household usually provide the funds.
          4 - I do but group members have assisted me a few times
          5 - Another household member
          6 - Other

B. **Two main sources of money for loan repayments**
          1 - Respondent's enterprise(s)
          2 - Other HH member's enterprises, wages, sold labor
          3 - Respondent's crop/livestock sales
          4 - Other HH member's crop/livestock sales
          5 - Transfers. remittances
          6 - Other

Qn20

B. **Whether the Respondent saves in any of the listed ways**
          1 - Yes
          2 - No

C. **Amount saved in each of the listed ways**
          ENTER AS IS

Qn21

A. **Q21EVENT** 1 - Yes
          2 - No

B. **Type of major unanticipated events with financial repercussions that occurred in last 24 months**
          1 - New individuals joined household due to deaths
          2 - Loss of a job, wage income; closure of HH business
          3 - Business losses due to fire/theft (not of crops/livestock on farm)
          4 - Serious illness; medical expenses of HH member
          5 - Spouse reduced financial contributions
          6 - Need to repay debts
          7 - Drought causing low or no crop output
          8 - Crop losses(non-drought); livestock losses including losses due to theft
          9 - Death/funeral of household member
          10 - Financial obligations to non-HH member
          11 - Other
          -88 - Not Applicable

C. **WORSTEVE** 1 - New individuals joined household due to deaths
          2 - Loss of a job, wage income; closure of HH business
          3 - Business losses due to fire/theft (not of crops/livestock on farm)
          4 - Serious illness; medical expenses of HH member
          5 - Need to repay debts
          6 - Drought causing low or no crop output
          7 - Crop losses(non-drought); livestock losses including losses due to theft

8	-	Death/funeral of household member
9	-	Financial obligations to non-HH member
10	-	Other
-88	-	Not Applicable

D. **WHENOCCU** ENTER AS IS **(Year it occured)**

E. **How the financial obligations were met**

1	-	Used earnings/regular income (handled within existing income)
2	-	Used money from savings account
3	-	Transfers, remittances, gifts
4	-	Borrowed from friends/family members
5	-	Worked more hours
6	-	Did not replace stock or inventory of enterprise
7	-	HH member took up a new income earning activity, sold labor
8	-	Delayed on payments for debts/loans/school fees/other financial obligations
9	-	Reduced expenditures on food/health
10	-	Rented out HH assets
11	-	Sold HH Assets (e.g. land)
12	-	Took a loan from FINCA/PRIDE/FOCCAS
13	-	Took a loan from other credit institution
14	-	Other (e.g. Family assisted)
15	-	Borrowed from suppliers (took goods on credit)
-88	-	Not Applicable

Qn22

A. **Enterprises owned by respondent and operated in last 12 months**

01	-	Sale Home Baked Products (Chapatis, Mandazi, Samosas, Half Cakes, and Pancakes)
02	-	Sale of Cooked (Roasted/Fried) Foods
03	-	Hair Saloon
04	-	Sale of Drinks
05	-	Beer Brewing/Distilling Waragi
06	-	Sale of Agricultural Products (Fruits, Vegetables etc) Hortcultural products
07	-	Sale of Livestock
08	-	Sale of Milk
09	-	Sale of Eggs
10	-	Sale of other Livestock products
11	-	Sale of Charcoal/Firewood
12	-	Sale of Arts & Handicrafts
13	-	Market Stall/Street vending
14	-	Roadside Stall/Street Vending
15	-	Table vending
16	-	Newspaper Vending
17	-	Shop/Kiosk
18	-	Carpentry Workshop
19	-	Restaurant/Take away
20	-	Transport services
21	-	Tailoring/Sewing
22	-	Sale of Clothware & Footware (old & new)
23	-	Sale of Beddings (Blankets, Mattresses, Bed sheets etc.)
24	-	Welding/Fabrication
25	-	Hawker
26	-	Grinding Mill
27	-	Timber sale

28	-	Bindery
29	-	Sale snacks, cigarettes
30	-	Garage
31	-	Brick Making
32	-	Photocoping Services
33	-	Coffee Factory
34	-	Car Dealer
35	-	Shoe Repair/Shoe Shining
36	-	Photography
37	-	Educational services/School
38	-	Sale of fish
39	-	Clinics/TBAs
40	-	Mechanic
41	-	Sale of Drugs/Drug shop/Pharmacy
50	-	Others (e.g Sale of decorations)

B.   Ownership of Enterprise

1	-	Respondent is individual owner
2	-	Respondent co-owns with spouse
3	-	Respondent co-owns with other household member
4	-	Respondent co-owns with other non-household member
5	-	Others

C.   ' Enterprises' that operate at the same time and space to form a single enterprise
ENTER THE COMBINATION CODES OF THE ' ENTERPRISES' (using the 2 digit enterprise codes above **e.g. 0611 means sale of agricultural products and sale of firewood/charcoal is one enterprise**)

D.   Whether business generates income regularly

1	-	Yes
2	-	No

E.   Whether enterprise has been operating the last 2 months

1	-	Yes
2	-	No

F.   Rank of enterprises according to profit
ENTER AS IS

Qn23

B.   Whether Respondent carries out any of the listed activities

1	-	Yes
2	-	No

C.   MOSTSALE

1	-	Trade
2	-	Sell of own/HH produce (Crops/Livestock or products)
3	-	Services (eg cooked food, hotel)
4	-	Manufacturing (e.g sewing)

Qn24

Q24AGRIC	1	-	Only produced by you or your household
	2	-	Mainly produced by you or your household
	3	-	About half produced by you or your household
	4	-	Less than half produced by you or your household
	5	-	Very little, almost none produced by you or your household

Qn25

A 1.   **Q25DATEB**   ENTER AS IS

2.   **MONTHOPE**   ENTER AS IS (1 - January, 2 - Febuary, ...)

3.   **BUSIBEFO**   1   -   Yes
                                 2   -   No

B.   **OPENMTHS**   ENTER AS IS

Qn26

A.   **Q26SITE**   1   -   Yes
                                 2   -   No

B. **ENTLOCA**	1	-	Residential/trading area
	2	-	Formal market centre
	3	-	Town/city centre
	4	-	Mobile (no fixed location)
	5	-	Other
C. **TYPSTRU**	1	-	Open air, including with temporary roof/top
	2	-	Semi-permanent, partial or complete walls& roof
	3	-	Permanent building
	4	-	Mobile, no main premise
	5	-	Other
D. **RENTSTRU**	1	-	Yes
	2	-	No

AMTSTRU   ENTER AS IS, **-88 for NA**

REGUPAY	1	-	Daily
	2	-	Weekly
	3	-	Monthly
E. **TENNOREN**	1	-	Household owns
	2	-	Informal agreement
	3	-	No permission
	4	-	Mobile
	5	-	Other

Qn27

<table>
<tr><td>Q27CUST</td><td>1</td><td>-</td><td>Farmers (on-farm)</td></tr>
<tr><td></td><td>2</td><td>-</td><td>Rural markets</td></tr>
<tr><td></td><td>3</td><td>-</td><td>Traders/intermediaries (in this urban area)</td></tr>
<tr><td></td><td>4</td><td>-</td><td>Wholesale/retail permanent shops</td></tr>
<tr><td></td><td>5</td><td>-</td><td>Factories/manufacturers/</td></tr>
<tr><td></td><td>6</td><td>-</td><td>Other</td></tr>
</table>

Qn28, 29, 36, and 37

A.   Items and Services sold

1	-	Shoes	48	-	Black Books
2	-	Handbags	49	-	Chalk
3	-	Sweet Potatoes (raw)	50	-	Cigarettes
4	-	Cooked Food	51	-	Mixed Plate (Food)
5	-	Fried Cassava	52	-	Beds
6	-	Sweet Bananas	53	-	Sideboards
7	-	Matooke Bunches	54	-	Chairs
8	-	Tomatoes	55	-	Mandazi
9	-	Greens	56	-	Samosas
10	-	Onions	57	-	Chapatis
11	-	Maize (Grain)	58	-	Pancakes
12	-	Tea	59	-	Halfcakes
13	-	Soda	60	-	Bread
14	-	Beer	61	-	Waragi
15	-	Chicken	62	-	Cooked Posho/Beans
16	-	Rabbits	63	-	Cooked Cassava/Beans
17	-	Firewood	64	-	Cooked Matooke/Meat
18	-	Charcoal	65	-	Yams
19	-	Cooking Oil	66	-	Hair Oil
20	-	Fish	67	-	Calcium Carbide
21	-	G-Nuts	68	-	Welding Rods
22	-	Millet (Flour)	69	-	Super Glue
23	-	Maize (Flour)	70	-	Batteries
24	-	Cassava (Raw)	71	-	Kirundu (Wood)
25	-	Sugar	72	-	4 x 2 (Wood)
26	-	Sugarcane	73	-	6 x 2 (Wood)
27	-	Juice	74	-	Rice
28	-	Milk	75	-	Irish Potatoes (Raw)
29	-	Eggs	76	-	Sweets
30	-	Watches	77	-	Fruits
31	-	Necklaces	78	-	Soap
32	-	Crochets	79	-	Gomesi/Traditional Wear
33	-	Banana Leaves	80	-	Baby Clothes
34	-	Local Brew	81	-	Dresses
35	-	Blankets	82	-	Trousers
36	-	Wet-Look	83	-	Skirts
37	-	Straight Perm	84	-	Brake Fluid
38	-	Leisure Curl	85	-	Hydraulic Oil
39	-	Hair Re-touch	86	-	Grease
40	-	Braiding	87	-	Seedling flowers
41	-	Braids (sell)	88	-	Garden Trees
42	-	Relaxer	89	-	Fencing Trees
43	-	Weaving	90	-	Blouses
44	-	Hair Treatment	91	-	Non - Mixed Plate (Food)

45	-	Toys	92	-	Other Cloth
46	-	Paraffin	93	-	Photocopy
47	-	Exercise Books	94	-	Beans
			95	-	Sewing

Qn28, 29, 36 & 37 continued

95	-	Sewing	121	-	Sauce Pans
96	-	Buthis	122	-	Socks
97	-	Towels	123	-	Shoe Polish
98	-	Cattle Ropes	124	-	Belts
99	-	Sauce Pans	125	-	Bodycare Creams
100	-	Snacks	126	-	Underwear
101	-	Shoe Repair	127	-	Meat
103	-	Bras	128	-	Hair Cut
104	-	Tyres	129	-	Drugs
105	-	Albums	130	-	Health Services
106	-	Petty coats	131	-	Baking Flour
107	-	Umbrella	132	-	Matches
108	-	Mineral Water	133	-	Mechanic services
109	-	Bedsheets	134	-	Cassava Flour
110	-	Slippers	135	-	Curry Powder
111	-	Photos	136	-	Motorcycle Hire
112	-	Salt
113	-	Padlocks
114	-	Glass
115	-	Shirts
116	-	Shorts
117	-	Education/School
118	-	Mushrooms
119	-	Plates
120	-	Flat Iron

B.1   **Unit of Purchase/Sale**

C.1	1	-	Bundles/Heaps	21	-Clusters
	2	-	Bags/Sacks	22	-
Trays
	3	-	Bunches	23	-
Pairs
	4	-	Jerrycans	24	-
Rolls
	5	-	Bales
	6	-	Tins
	7	-	Lorries
	8	-	Baskets/Basin
	9	-	Per Bird/Animal
	10	-	Cartons
	11	-	Kgs
	12	-	Per piece (Unit Item)
	13	-	Per plate/mug/Cup
	14	-	Sets
	15	-	Crates
	16	-	Dozens
	17	-	Per Head
	18	-	Litres

19	-	Per day
20	-	Packets

Value of Sales/Purchases
ENTER AS IS, **-77 for DK**

Qn30

Q30REPRE	1	-	All or almost all
	2	-	Most (61-90%)
	3	-	About half (40-60%)
	4	-	Less than half (20-39%)

Qn31

B.   Whether Respondent carries out any of the listed activities

	1	-	Yes
	2	-	No

C.	**MOSTSAL**	1	-	Trade
		2	-	Sell of own/HH produce (Crops/Livestock or products)
		3	-	Services (eg cooked food, hotel)
		4	-	Manufacturing (e.g sewing)

Qn32

Q32AGRIC	1	-	Only produced by you or your household
	2	-	Mainly produced by you or your household
	3	-	About half produced by you or your household
	4	-	Less than half produced by you or your household
	5	-	Very little, almost none produced by you or your household

Qn33

A 1.	**Q33DATEB**	ENTER AS IS

2.	**MONTHOP**	ENTER AS IS (1 - January, 2 - Febuary, ...)

3.	**BUSIBEF**	1	-	Yes
		2	-	No

B.	**OPENMTH**	ENTER AS IS

Qn34

A.	**Q34SITE**	1	-	Yes
		2	-	No

B.	**EPSELOCA**	1	-	Residential/trading area
		2	-	Formal market centre

		3	-	Town/city centre
		4	-	Mobile (no fixed location)
		5	-	Other
C.	TYPSTR	1	-	Open air, including with temporary roof/top
		2	-	Semi-permanent, partial or complete walls& roof
		3	-	Permanent building
		4	-	Mobile, no main premise
		5	-	Other
D.	RENTSTR	1	-	Yes
		2	-	No
	AMTSTRUC	ENTER AS IS,		**-88 for NA**
	REGUPA	1	-	Daily
		2	-	Weekly
		3	-	Monthly
E.	NORENTEN	1	-	Household owns
		2	-	Informal agreement
		3	-	No permission
		4	-	Mobile
		5	-	Other

Qn35

Q35CUST	1	-	Farmers (on-farm)
	2	-	Rural markets
	3	-	Traders/intermediaries (in this urban area)
	4	-	Wholesale/retail permanent shops
	5	-	Factories/manufacturers/
	6	-	Other

Qn38

Q38REPRE	1	-	All or almost all
	2	-	Most (61-90%)
	3	-	About half (40-60%)
	4	-	Less than half (20-39%)
	-77	-	Don' t Know

Qn39

B.   Whether sales revenue was spent on any of these items

1	-	Yes
2	-	No

C.   Rank of the 3 top items according to expenditures from sales revenue
            ENTER AS IS

D. **How much was spent on the top items**
ENTER AS IS, **-77 for DK**

Qn40

A. **Q40DECID** 1 - Only me
2 - I talked it over with others in my household; consulted
3 - It was a joint decision by me and one or more HH members
4 - Other

B. **Relationship to respondent of person who decided on the expenditures**
1 - Spouse/Partner
2 - Son
3 - Father/Father in-law
4 - Daughter
5 - Other

Qn41

B. **Whether worker is a member of the Household**
1 - Yes
2 _ No

C. **Whether worker is over 15 yrs old**
1 - Yes
2 - No

D.1 **Average number of hours per day last week**
ENTER AS IS

D.2 **Total days worked last week**
ENTER AS IS

D.3 **Total days worked more than 1 hr last month**
ENTER AS IS

E. **How the worker is paid**
1 - Yes in Cash
2 - Cash & Kind
3 - In kind
4 - No

F. **PIECEWK** ENTER AS IS

Qn42

A. **Fixed Assests of Enterprises 1 & 2 purchased by respondent in last 12 months**
0 - None
1 - Cooking/Eating Utensils
(including Baskets, Sufurias, Cups, Glasses, Plates etc.)
2 - Fridge
3 - Trolly
4 - Furniture (Including shelves, tables, chairs)

5	-	Workshade/shelter/building
6	-	Hair drier
7	-	Rollers
8	-	Towels
9	-	Hair Steamer
10	-	Mirrors
11	-	Lamps
12	-	Chisels
13	-	Hand saws
14	-	Sewing machine
15	-	Cattle
16	-	Poultry
17	-	Stoves
18	-	Trolly
19	-	Soda/Beer Empties (Crates)
20	-	Mats/Carpets
21	-	Grinding Mill
22	-	Other
23	-	Weighing Scale
24	-	Photocopier
25	-	Bicycle
26	-	Camera/Video
27	-	Lantern
28	-	Bag/Container/Sacks
29	-	Hair Cutters
30	-	Bicycle Tools

B.   Source of funds used to purchase enterprise assets

1	-	Earnings
2	-	Savings Account
3	-	Credit from seller/hire purchase
4	-	Loan from FINCA/PRIDE/FOCCAS
5	-	Loan from other Credit Institution
6	-	Borrowed money from family member/friends
7	-	Transfers/remittances
8	-	Other

C.   Purchase price of enterprise asset
         ENTER AS IS

D.   Whether asset has been paid off

1	-	Yes
2	-	No

E.   How much is still owed on the enterprise asset
         ENTER AS IS

F.   Whether Respondent owns the enterprise asset

1	-	Yes
2	-	No

Qn43

Problems Respondent has had with family due to participation in business in last 24 months

0	-	None

1	-	Not enough time to attend to business myself
2	-	Family eats/uses business merchandise
3	-	Husband hates being dependant on wife b' se he has no work
4	-	Household at times withdraws part of working capital
5	-	Husband doesn't like my participation in business
6	-	Husband wants me to stay at home and take care of children
7	-	Husband had reduced contribution to household expenditure
8	-	At first, husband didn't like the ideea, but he is now cooperative
9	-	Husband didn't like my participation and we separated
10	-	Husband would want me to do other things ratherthanmy business
11	-	Husband borrowed her money but didn't refund
12	-	Family problems because of not having enough time to attend to family
15	-	Others

Qn44

What good things have come out of Respondent having an income generating activity in last 24 months

0	-	None
1	-	Able to meet basic family needs
2	-	Family does' nt go hungry
3	-	Don' t bother my husband about money anymore
4	-	Can look after my children
5	-	Can educate my children
6	-	Co-financed acquisation of household assets
7	-	Has acquired assets
8	-	Can take of myself
9	-	Has gained self esteem and confidence as a woman
10	-	Learnt to associate with people
11	-	Has moved away from home
12	-	Has made friends
13	-	Now uses of money optimally
14	-	Has learnt to save
15	-	Other
16	-	Has got something to do
-88	-	Not applicable

Qn45

A. **Q45PLAN**

1	-	Yes
2	-	No

B. **Type of future plans respondent has**

1	-	Expand business
2	-	Buy more equipment and tools
3	-	Start a new business
4	-	Diversify business
5	-	Move to a more strategic business location
6	-	Improve business structure
7	-	Other (e.g. Start manufacturing)
-88	-	Not Applicable

C. **How the business plans will be implemented**

0	-	Not stated
1	-	Get loan
2	-	Work harder
3	-	If I get more money
4	-	Already in process
5	-	Through Savings
6	-	Borrow money
7	-	Other (e.g sell property)
-88	-	Not Applicable

Permanent Respondent's Address and Information on 2 references
ENTER AS IS

Enumerator's comments & observations

0	-	None
1	-	Respondent very cooperative
2	-	Respondent not very truthful
3	-	Interview interrupted by rain
4	-	Interview constantly interrupted by Respondent's clients
5	-	Respondent not very cooperative
6	-	Respondent expressed desire to join an MFI
7	-	Lack of information on MFIs
8	-	Increase mandatory savings
9	-	Prefers that MFI deals with individuals b' se some Grp members not trustworthy
10	-	Amount of loan should be increased
11	-	Marriage problems affecting business
12	-	Respondent is failing to pay back the loan
13	-	Respondent expressed fear about the weekly loan repayments
14	-	Expressed fear for failure to pay up
15	-	Complains about irresponsible husband - not contributing financially
16	-	Expressed difficulty in remembering expenditures
17	-	Other (e.g. Complaining about weekly meetings in town)