

# **Use of Financial Services over Time in Uganda**

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### Background:

Until the late 1990's, most microfinance institutions (MFIs) did not have to worry about competition. They enjoyed near monopolies, as only a few, mostly small service providers sought to reach a huge untapped market. The idea of competing for clients was so far from the mindset of early MFIs that when two of them operated in the same city, they often reached gentlemen's agreements to divide the market geographically. MFIs frequently shared valuable technical learning with each other. This period of low competition was essential for the development of microfinance. It allowed microfinance institutions the freedom to focus single-mindedly on making the breakthroughs in methodology and management necessary to reach scale and sustainability. These breakthroughs have now brought micro-finance to the threshold of competition.

The rapid increase in competition is coming from three sources:

- Expansion of the traditional NGO-MFIs
- Entry of new commercial players into micro-finance
- Emergence of related businesses, primarily consumer lending, that overlap with the client base of traditional micro-finance

### Methods for this Study:

This study used a time series analysis-based "MFI Use over Time" tool to examine carefully selected clients' use of financial services over a twelve-year period. In-depth interviews were held with clients to discuss the evolution of their use of financial services over this period – thus allowing the researchers to understand why and how often they have changed financial service provider. 42 interviews were held with Kampala-based clients selected on the basis of the focus groups used in the qualitative study.

### Results:

The key results from this work can be summarized as follows:

#### 1) ROSCAs and ASCAs

There was widespread use of ROSCAs and (to lesser extent) ASCAs by clients - largely for start-up funds and emergencies. In some cases clients abandoned the ROSCAs and ASCAs when they join microfinance institutions. In other cases they continued with their ROSCAs and ASCAs because:

- (i) They are easy to join and are transparent;
- (ii) Useful lump-sums are easily created;
- (iii) They are within the community and therefore access to handy (though small) money to satisfy their recurrent requirements like food, school fees, and working capital (emergencies); and
- (iv) Easy access to loans in ASCAs.

#### 2] Use of Multiple Financial Institutions

The research findings established that it is common for clients to use more than one financial services provider. The reasons why clients moved between financial services providers revolve around the following:

- (i) Learning about how attractive the institution is from their friends that are already clients of the new institution (recommendations by friends) and "trying it out". In most cases, the clients kept both memberships as they familiarize themselves with the new MFI's terms, conditions and offering.
- (ii) Response to poor treatment by the MFI staff (unfriendly staff).
- (iii) Convenience of services such as ATMs and
- (iv) Spreading savings to avoid putting "all eggs in one basket".
- (v) Seeking financial services from a provider that is located closely to them.
- (vi) Emergencies that "can force a person to seek credit from any source even if he or she is already burdened with debt".
- (v) Accessing additional funding (bigger loans). This is especially true for high-value clients with large loan amounts when they require loans bigger than this level. In many other cases, MFIs do not give clients the money they applied for and so they go to another provider to "top up" or "patch" even if it means a burden in terms of repayment. In other cases the MFIs' initial loans are viewed as simply

too small to be useful in a business and are therefore “patched” together with another loan to achieve the desired basic amount.

- (vi) Other clients belong to more than one MFI in order to get more funds to address their diverse needs - particularly school fees and capital. In the latter case, they often find that mid-way through their loan, they need another loan to re-capitalise the business, and yet cannot go back to the same MFI.
- (vii) Obtaining loans to: (a) service their loans in other financial institutions; and (b) put down the required compulsory savings for another loan. The practice of getting funding from another financial institution was common in low business seasons or in the middle of the loan term when many clients have reduced disposable incomes.
- (vii) Financing different business/projects. Client with two or more lines of business often try not to mix them up, and thus chose to borrow from different financial service providers.

### 3] **Products and Service Delivery Methodology**

Clients require products designed to meet their needs. They seek:

- (i) Flexible repayment schedules, loan terms and prefer institutions whose compulsory savings requirements are low.
- (ii) Less frequent meetings since clients find weekly meetings a big bother and most prefer monthly to weekly repayments.
- (iii) Varied loan size (bigger loans) according to one’s ability to service the loan.
- (iv) To pay school fees and join MFIs to address this need hence prefer institutions that have introduced the school fees loan product so they do not have to borrow from a number of MFIs to fulfill this need (a variety of products).
- (v) A grace period ranging from one week to one month (they do not like institutions that do not have a grace period).
- (vi) A loan insurance scheme because “nobody wants to be made to repay for their dead members or their families coerced to repay upon death”.

### 4] **Customer Care and Friendly Staff**

Clients prefer institutions whose customer care is good otherwise they take the first opportunity to quit the institution. For example, a client left on MFI after 2 cycles because the “staff was arrogant”. According to the clients interviewed, good customer care can attract and retain more clients in the MFI. Therefore, it is important that MFIs make investment in customer care training. In some financial service providers there are staff that listen to, interact with and provide assistance to clients. In some others “staff does not listen and just come to collect repayments”. It is important for managers of financial institutions to listen to what the client is saying. As one client remarked, “No business will survive in a competitive market if it ignores what its customers think”.

### 5] **Speed of Service**

Clients prefer financial institutions that serve them quickly both over the counter and in terms of loan processing time, for example, when a loan is approved it should be disbursed quickly. Unreasonable delays discourage them from using a particular financial institution. Clients who finish paying up their loans before the repayment deadline should, where methodology permits, be permitted to proceed to the next cycle. Clients demand that loan cycles be de-linked from those of other members (with some MFIs, “you have to wait for other group members to finish repaying their loans before moving to the next loan cycle”).

### 6] **Security**

Clients interviewed said that financial institutions with good premises and security guards were safe and can keep their savings deposits with them: “people want to first know how secure their money will be before deciding to save with an institution”. Bank closures, minimum deposits/balances, long transactions time, and unfriendly staff have tended to move away clients from saving with some formal financial institutions.

### 7] **Collateral**

Some potential clients struggle to bring together the required numbers of trusted friends to form a group, and almost all clients noted that very often their savings are confiscated to pay for the defaulting group members. Most clients prefer an individual loan product for this reason, and because of the confidentiality it offers by comparison to the group-based method. Most clients were of the view that the guarantees protect the lender and “they are often poorly viewed by the borrower. In particular, many borrowers resent group guarantee

mechanisms and compulsory savings”. Procedures of handling defaulters created fear amongst some clients. After paying the first loan they revert to use only ROSCAs and ASCAs.

#### **8] Other**

Some clients interviewed expressed frustration with high charges in financial institutions. However, charges were generally not a direct reason they changed providers. Clients further preferred a financial institution that was transparent as regards to all charges and fees, as well as conditions of credit and saving services. Clients feel cheated whenever credit officers try to calculate arrears penalties payable over the late payments.

Ease of access to savings was the main consideration clients made to join a financial institution. Not all clients considered interest paid on savings as a big factor to join an MFI. Access to the savings on Saturday was very important to many clients interviewed. Clients still used informal institutions (ROSCAs and ASCAs) to build lump-sums.

**MFI USAGE OVER TIME TOOL**

Below are the records of how clients have moved between financial service providers over time<sup>1</sup>. The time frame stretches as far back as 12 years looking at these changes in intervals of 4 years focusing on the reasons why they do so. The following matrix records the results of an in-depth discussion with 33 clients drawn from Kampala, Wakiso, Luwero and Mukono districts.

No	NAME	12Years ago	8 Years ago	4 Years ago	Now
1	Secondary school teacher, business person and part time lecturer Makerere University	N/A	N/A	<ul style="list-style-type: none"> <li>▪ ROSCA</li> <li>▪ ASCAS</li> <li>▪ FAULU UGANDA</li> <li>▪ BARCLAYS BANK</li> </ul> <p><b>Notes</b> Joined a ROSCA and ASCA to get money to meet personal needs and emergencies such as illness and school fees. Members knew each other well.</p> <p>More capital was needed to expand her business in Kikuubo<sup>2</sup>, and the money from the ASCA and ROSCA was inadequate. Therefore joined FAULU because it was located near her business. FAULU was located near her business and paid reasonable interest calculated on reducing balance, so less to pay if one pays faster). In addition, no security was required other than the group guarantee. Her salary was being paid through Barclays Bank. At Barclays, she got a Barclays Loan, ten times her salary, which was bigger than the loan from FAULU.</p> <p>She therefore left FAULU for Barclays because of a big loan, longer pay back period (not exceeding four years). The loan was guaranteed by her employer and</p>	<ul style="list-style-type: none"> <li>▪ ROSCA</li> <li>▪ BACLAYS</li> <li>▪ PRIDE UGANDA</li> </ul> <p><b>Notes</b> Has continued with her ROSCA for emergency funds. Repayment of the Barclay Loan has left little funds to meet her needs and capital for her business, which has substantially expanded.</p> <p>Has now joined PRIDE Uganda Uganda. PRIDE Uganda Officers find her at the place of work and decides on how much to borrow. There is a product designed for schoolteachers.</p>

<sup>1</sup> FAULU opened shop in 1995 and modified/improved its operations in 1999; FINCA 1992; Uganda Women Finance Trust (UWFT) 1984; Micro Credit development Trust (MCDT) 1997; PRIDE UGANDA 1997/September 1999; Uganda microfinance Union August 1997; Commercial Micro Finance Ltd (CMFL) April 2000.

<sup>2</sup> Kikuubo is a busy trading centre in Kampala

No	NAME	12Years ago	8 Years ago	4 Years ago	Now
				was convenient (no weekly meetings and weekly repayments – deductions from salary).	
2	Roasting goat meat.	<ul style="list-style-type: none"> <li>▪ N/A</li> </ul>	<ul style="list-style-type: none"> <li>▪ N/A</li> </ul>	<ul style="list-style-type: none"> <li>▪ FAULU</li> </ul> <p><b>Notes</b> He used own capital to operate his business and sales were 10 goats a day. Sales started going down to selling only 3 goats a day because of competition and lack of sufficient capital to buy live goats for slaughter. Joined FAULU, which provided him with the required capital in a lump sum. “I did not have to wait long to get a loan and I access another loan after paying the previous one on time.</p>	<ul style="list-style-type: none"> <li>▪ FAULU</li> </ul> <p><b>Notes</b> “I will stay with FAULU because their training was comprehensive and it has really assisted me in managing my business”.</p>
3	Operates a stall in the market	<ul style="list-style-type: none"> <li>▪ ROSCA</li> </ul> <p><b>Notes</b> Obtained some money from Rotational Savings and Credit Associations (ROSCAs) to add to her own capital.</p>	<ul style="list-style-type: none"> <li>▪ ROSCA</li> </ul> <p><b>Notes</b> With more friends, she received more money in a lump sum and expanded her business.</p>	<ul style="list-style-type: none"> <li>▪ MCDT</li> </ul> <p><b>Notes</b> Left ROSCA and joined Micro Credit Development Trust (MCDT) because group members were no longer honouring their payments. Was invited by friends to join MCDT. MCDT which opened business in 1997 was near and conveniently located. Its training was good and the saving requirement of Ush.500 was affordable compared to other institutions that require Ush.6,000 she had to raise for her ROSCA. ROSCA could no long provide enough money to meet rent, school fees, sickness of mother and children, and capital to boost the business</p>	<ul style="list-style-type: none"> <li>▪ ROSCA</li> </ul> <p><b>Notes</b> Though there is little money in ROSCA, she has gone back to them because the mother’s sickness has intensified and she can no longer work daily to raise enough money to meet MCDT’s weekly installments.</p>

No	NAME	12Years ago	8 Years ago	4 Years ago	Now
4	Charcoal seller	N/A	N/A	<ul style="list-style-type: none"> <li>▪ FAULU</li> <li>▪ MUNO MUKABI</li> </ul> <p><b>Notes</b> Lacked capital to expand her business (needed capital for bulk purchases) and therefore joined FAULU when it came to their area in Kamwokya in 1995. She also joined <i>Muno Mukabi</i> group to access some money to repay the FAULU loan in case she fails to raise the weekly installment to pay.</p>	<ul style="list-style-type: none"> <li>▪ BAFUMBIRA TWEZIBE (ASCA)</li> <li>▪ MPOOZA (Deposit collector)</li> <li>▪ GABULA ATUUDE (SELF HEP GROUP)</li> </ul> <p><b>Notes</b> Was advised by her son to leave FAULU since she was only paid Ush.1,750 interest on her savings of Ush.230,000. This was compared to Ush. 50,000 interest she paid to FAULU on a Ush.. 400,000 loan. She did not like the idea of discussing her financial matters in the group of five and having to use her capital to pay the loan was discouraging</p> <p>Was not satisfied with FAULU's explanation that her savings were now Ush. 190,000 instead of Ush..230,000 because "The computer <i>ekya suula elinya</i>" (the computer is still processing and identifying her name).</p> <p>She instead has decided to join BAFUMBIRA TWEZIBE (ASCA) where a share is only Ush.3,000 and interest is paid on the shares and one can acquire a loan and pay interest to the group.</p> <p>She has also joined MPOOZA (Deposit Collector) where she gets money to pay the market dues of Ush.6,000, Under this scheme, she saves Ush.1,000 daily, the Ush.6,000 is deducted at the end of the month and remaining Ush. 24,000 returned to the individual with a receipt.</p> <p>She is also a member of GABULA ATUUDE (SELF HEP GROUP), which assists members to acquire household and personal assets. To</p>

No	NAME	12Years ago	8 Years ago	4 Years ago	Now
					her, leaving FAULU has saved her “illness-like” pressure to meet weekly repayments.
5	Sells Charcoal, Malwa, Waragi and rents out “Mizigo” (one room accommodat’n blocks).	N/A	<ul style="list-style-type: none"> <li>▪ ROSCA</li> <li>▪ FAULU</li> </ul> <p><b>Notes</b> With her varied businesses, she needed capital to expand and for bulk purchases. Own capital and what she obtained from her ROSCA were inadequate. When FAULU came to the area in 1995 she joined it targeting a big loan. She obtained a loan of Ush.3 million.</p>	<ul style="list-style-type: none"> <li>▪ FAULU</li> <li>▪ MCDT</li> <li>▪ BAFUMBIRA TWEZIMBE</li> </ul> <p><b>Notes</b> Left ROSCA because she lost money. In addition to membership in FAULU, she has joined MCDT for more money for school fees and business expansion. Was struggling with repayment of FAULU and MCDT loans. Both MFIs are near her home and the process of acquiring a loan in MCDT is very fast (takes only one week to process the loan unlike other MFIs).  Was invited by friends to join BAFUMBIRA TWEZIMBE, a women group and bought some shares at Ush.3,000 each. The group is handy for emergency loans for school fees, medical and loan repayment installments for FAULU and MCDT loans.</p>	<ul style="list-style-type: none"> <li>▪ FAULU</li> <li>▪ MCDT</li> </ul> <p><b>Notes</b> Left Bafumbira Twezimbe because she could not manage the saving requirements. Her mother got sick, had to stay home and take care of her, which reduced the amount of money coming in.  Client is used to FAULU and MCDT and known to the officers who are friendly and says transactions are easier.  Was informed and impressed about UMU but UMU is not within her location (UMU is in Nakawa and she lives in Kifumbira-Kamokya).  Remains in the two MFIs because no single MFI gives sufficient money.</p>
6	Retail shop	N/A	<ul style="list-style-type: none"> <li>▪ FINCA</li> </ul> <p><b>Notes</b> Had been with FINCA for the last six years. However, FINCA could no longer provide adequate money to meet school fees and expansion of her retail shop. Was invited by friends to join MCDT whose weekly payment spread over 16 weeks, which she found affordable.</p>	<ul style="list-style-type: none"> <li>▪ FINCA</li> <li>▪ MCDT</li> <li>▪ UWFT</li> <li>▪ ROSCA</li> </ul> <p><b>Notes</b> Besides getting more loans, she was encouraged to go to MCDT because it encourages savings. Unlike FINCA, savings at MCDT is accessible (with FINCA one cannot use the savings unless every group member has cleared their loan payments).</p>	<ul style="list-style-type: none"> <li>▪ FINCA</li> <li>▪ MCDT</li> <li>▪ ROSCA</li> </ul> <p><b>Notes</b> Left Uganda Women Finance Trust (UWFT) after 2 cycles because: The group chair person and treasurer were difficult, her savings were not being regularly recorded in her pass book and when she had a loan balance of Ush.80,000 and according to her calculations her savings were amounting to the same amount, she asked the MFI to use</p>



No	NAME	12Years ago	8 Years ago	4 Years ago	Now
				The group members all agreed to join MCDT implying two MFIs for all the five members. MCDT allows use of the savings on the account to repay the loan. Loans from MCDT and FINCA were not enough to meet the requirements of her expanding retail business. She learnt about UWFT from her friends. She joined and eventually got a loan. She maintained her membership of the ROSCA as a source of quick money for emergency such as school fees and rent.	her savings to repay the loan and she quit.  Her present source of money to meet her private and business needs include: FINCA, MCDT and ROSCA,
7	Owino Market second-hand clothes seller	N/A	<ul style="list-style-type: none"> <li>▪ ROSCA</li> </ul> <p><b>Notes</b> She started by buying second-hand cloths from bigger traders in Owino market and selling them in Kamwokya. As her business expanded, she secured a selling place in Owino market itself and started buying and wholesaling 5-20 bales of second-hand cloths. The major source of capital was ROSCA and own savings, which were no longer sufficient to continue expanding her business.</p>	<ul style="list-style-type: none"> <li>▪ FAULU</li> <li>▪ ROSCA</li> </ul> <p><b>Notes</b> Joined FAULU and obtained a loan to meet the needs of her expanding business. She stayed in her ROSCA where she gets small moneys for emergency.</p>	<ul style="list-style-type: none"> <li>▪ FAULU</li> <li>▪ ROSCA</li> </ul> <p><b>Notes</b> As her business increased, so did responsibilities such as paying school fees for her children. She wanted to leave FAULU but because of very good customer care, she was convinced to stay and was given a school fees loan and a business loan at the same time. She has continued with her ROSCA where she contributes Ush.1,000 daily in a group of six. All the group members are close friends.</p>
8	Owino Market second-hand clothes seller	N/A	N/A	<ul style="list-style-type: none"> <li>▪ ENTADIKWA SCHEMME</li> </ul> <p><b>Notes</b> She is Owino Market clothes seller and Politician. Joined for political reasons seeking votes. Has only saved with the scheme but has not borrowed; uses own capital.</p>	<ul style="list-style-type: none"> <li>▪ ENTADIKWA SCHEMME</li> </ul> <p><b>Notes</b> Is in the scheme for political reasons. She says her own capital is still sufficient for the volume of business and feels no need to look for a loan. She said that if she were to get a loan, she would look for an organization that gives bigger loans, monthly and not weekly repayments and a wide range of products to</p>

No	NAME	12Years ago	8 Years ago	4 Years ago	Now
					choose from. <i>The customer care must be good.</i>
9	Matooke seller in Owino Market	<ul style="list-style-type: none"> <li>▪ ASCA</li> </ul> <p><b>Notes</b> He started at a low note with suppliers giving him goods (matooke) and paying back after selling with little interest. He joined an ASCA where he also accessed a small loan to supplement the supplier credit.</p>	<ul style="list-style-type: none"> <li>▪ ASCA</li> <li>▪ ROSCA</li> <li>▪ Monthly Savings Club</li> </ul> <p><b>Notes</b> The ASCA arrangement continued but money was not adequate for the expanding business. He joined a ROSCA to get more money for his business. He also joined a scheme where a saving of Ush..2,000 was made daily and returned at the end of the month.</p>	<ul style="list-style-type: none"> <li>▪ ASCA</li> <li>▪ ROSCA</li> <li>▪ Monthly Savings Club</li> <li>▪ BARCLAYS</li> </ul> <p><b>Notes</b> Joined Barclays bank to save the lump sums received from the ROSCA at the end of the month.</p>	<ul style="list-style-type: none"> <li>▪ ASCA</li> <li>▪ ROSCA</li> <li>▪ Monthly Savings Club</li> <li>▪ BARCLAYS</li> </ul> <p><b>Notes</b> Has joined Barclays Bank not to get a loan (it is difficult to borrow from the bank) but it provides safety for his monthly savings.</p>
10	Matoke seller in Owino Market	<ul style="list-style-type: none"> <li>▪ ROSCA</li> </ul> <p><b>Notes</b> The business expanded and managed to get his own market stall part of which he rented out. The rent contributed to own capital. With time, the business expanded and the need for getting money in a lump sum increased. He joined a ROSCA to meet the need for more money.</p>	<ul style="list-style-type: none"> <li>▪ ROSCA</li> </ul> <p><b>Notes</b> The money from the ROSCA was still not enough. However was forced to leave the ROSCA because members became unfaithful – not fulfilling their commitments to the arrangement.</p>	<ul style="list-style-type: none"> <li>▪ PRIDE Uganda</li> </ul> <p><b>Notes</b> PRIDE Uganda was the first MFI in OWINO market. He was approached by their officers and invited to join. Had a big financial need, and had had a set back in business because of little capital. The Ush.2,200 required for savings was affordable and one could acquire a loan of Ush.150,000 after saving only Ush.8,800. He formed a group with long time-trusted friends and went on getting loans from the MFI.</p>	<ul style="list-style-type: none"> <li>▪ PRIDE Uganda</li> <li>▪ KCC SACCO</li> </ul> <p><b>Notes</b> At the moment he has no loan but is planning to get another one from PRIDE Uganda. Can save as an individual to borrow to a maximum of Ush.1,500,000</p> <p>To get more bigger loans, he has joined a KCC SACCO, a new MFI in Owino market where an individuals can acquire big loan loans as long as they have security.</p> <p>He liked PRIDE Uganda because it has an insurance component to cover the loan even when one is dead. “PRIDE Uganda <i>tebanja mufu</i>”. (PRIDE Uganda does not demand repayment from the dead)</p>
11	Owino Market baby clothes seller	N/A	N/A	<ul style="list-style-type: none"> <li>▪ ROSCA</li> <li>▪ PRIDE Uganda</li> </ul> <p><b>Notes</b></p>	<ul style="list-style-type: none"> <li>▪ ROSCA</li> <li>▪ PRIDE UGANDA</li> </ul> <p><b>Notes</b></p>

No	NAME	12Years ago	8 Years ago	4 Years ago	Now
				Christine started as an employee of someone else selling baby cloths in Owino Market. After acquiring some experience, she decided to go into the same business but did not have money to pay tax and start the business. Therefore she joined a ROSCA where she accumulated some start up capital. After starting, she soon realized that money from the ROSCA was not enough to pay rent, tax and capital for business and for personal needs. Was invited by friends to join a PRIDE Uganda group where she could borrow Ush.150,000 and pay back in installments. The group would also act as security for the loan.	Though she joined PRIDE Uganda, she still participates in ROSCA for emergency needs. She has obtained Ush..150,000 loan from PRIDE Uganda, which has helped her to start own business 1 year and 7 months ago. She feels she still needs both ROSCA and PRIDE Uganda and when need for bigger loans arise and cannot get it from these two sources, she will move to an additional MFIs to get loans to fill the gap.
12	Owino Market second-handclothes seller	N/A	N/A	<ul style="list-style-type: none"> <li>▪ ROSCA</li> <li>▪ KCC SACCO</li> </ul> <p><b>Notes</b> Needed money to start business. Husband was murdered and there was no other way to get money. The ROSCAs were easiest source of such needed money. With the little funds from a ROSCA, she started small business as a second-hand clothes seller in Owino Market. In addition to business, she needed money for other needs. Money from the ROSCA was no longer enough for the required capital. Friends invited her to join KCC SACCO.</p>	<ul style="list-style-type: none"> <li>▪ KCC SACCO</li> </ul> <p><b>Notes</b> Left ROSCA because group members proved unfaithful.</p> <p>Still needs capital because the KCC SACCO loan is inadequate and cannot borrow more because of lack of acceptable security.</p> <p>Would like to join PRIDE Uganda but cannot because members still have to repay KCC SACCO loans and cannot get her savings unless all members are paid up. She is trying to look around for a group to join in PRIDE Uganda.</p>
13	Restaurant owner		<ul style="list-style-type: none"> <li>▪ ROSCA</li> </ul> <p><b>Notes</b> Hasfa started her restaurant eight years ago and ROSCAs were the only means she could get money from.</p>	<ul style="list-style-type: none"> <li>▪ FINCA</li> </ul> <p><b>Notes</b> Dropped out of the ROSCA because some members would fail to honour their obligations.</p>	<ul style="list-style-type: none"> <li>▪ FINCA</li> </ul> <p><b>Notes</b> Still in FINCA.</p> <p><i>“I am sure of getting a bigger loan when need arises”.</i></p>

No	NAME	12Years ago	8 Years ago	4 Years ago	Now
			<p>However, the money from ROSCAs was not sufficient, especially when her business expanded.</p>	<p>She also lost interest in ROSCAs as more formalized institutions started. Joined FINCA because “<i>I started working there, serving food to staff</i>”. FINCA does not take a long period of time in processing the loan and the training was not so long either.</p>	
14	Fruit and vegetable market stall	N/A	<ul style="list-style-type: none"> <li>▪ ROSCA</li> </ul> <p><b>Notes</b> ROSCAs were the only options available to raise some capital, “<i>You do not have to pay interest and any time you need money it is available</i>” (operated a weekly arrangement). “<i>With ROSCA you are not confronted with debt collectors</i>”.</p> <p>Despite these advantages, ROSCA provides little amount of money that could not meet the needs of her expanding business.</p>	<ul style="list-style-type: none"> <li>▪ ROSCA</li> <li>▪ MCDT</li> <li>▪ FAULU</li> </ul> <p><b>Notes</b> Four years later, has continued with ROSCAs to meet emergencies but joined MCDT for bigger loans. With MCDT, ones’ savings can be accessed anytime. There is also a school fees loan.</p> <p>Joined FAULU because “<i>One loan would not fulfill all my needs. For instance, I get two loans; one of the loans is put in school fees while the other is invested in business and helps to service the other loan</i>”.</p> <p>In both institutions (MCDT &amp; FAULU) they are not harsh in collecting the loans back. They rarely resort to property unlike some other MFIs, which are very quick to do that.</p>	<ul style="list-style-type: none"> <li>▪ ROSCA</li> <li>▪ MCDT</li> <li>▪ FAULU</li> </ul> <p><b>Notes</b> Currently operates with both FAULU and MCDT because interest is lower and their repayment period favorable 4 to 6 months unlike the fixed 4 months of FINCA.</p> <p>However, she will not hesitate to join additional MFIs for bigger loans, better repayment terms and a wide range of products.</p>
15	Shop keeper in Kamuwokya market dealing in peanut paste and groundnuts.	N/A	<ul style="list-style-type: none"> <li>▪ FAULU</li> </ul> <p><b>Notes</b> Started the business with her own capital. She was not so keen on joining ROSCAs because she feared conflicting with colleagues. However, capital became a problem until she</p>	<ul style="list-style-type: none"> <li>▪ FAULU</li> </ul> <p><b>Notes</b> Continued to expand her business with loans from FAULU</p>	<ul style="list-style-type: none"> <li>▪ FAULU</li> </ul> <p><b>Notes</b> Wanted to join MCDT for a bigger loan for business and for a school fees loan. But did not have to move because now FAULU provided a school fees loan product. Besides, they have introduced a gross loan of Ush.1m to Ush.4m that has a lower interest rate of</p>

No	NAME	12Years ago	8 Years ago	4 Years ago	Now
			joined FAULU because it was the very first one in the Kamuwokya area in 1995. FAULU gave relatively comprehensive training in business management, which has been very vital for her. She also discovered that FAULU's interest rates reduce when one pays faster. She also did not like to join many institutions because once you fail to pay you can lose your property.		2.5% per month compared to an ordinary loan of 3% p.m.  "With FAULU if you are remaining with a small loan balance of say Ush.100,000 you can still get a loan and off set the small balance with the loan new bigger loan". Because of these favourable conditions, "I will for a while stick to FAULU".
16	Was working with Coffee Marketing Board before she was retrenched.  Started small business as a charcoal seller	N/A	<ul style="list-style-type: none"> <li>▪ UWFT</li> <li>▪ ROSCA</li> </ul> <p><b>Notes</b> The retrenchment package was not enough for her to continue paying her children's school fees and operate her business. She quickly joined a ROSCA which helped her to access some little funds.</p> <p>In the meantime she was introduced by a friend who was a member of UWFT where the staff were friendly and got her first individual loan to expand her charcoal business.</p>	<ul style="list-style-type: none"> <li>▪ UWFT</li> <li>▪ MCDT</li> </ul> <p><b>Notes</b> Dropped out of ROSCA because they do not provide enough money.</p> <p>Joined MCDT because of better service. With MCDT, the "loan finds you in your location (meeting place) so you don't have to incur transport. MCDT did not charge fees for the application form and no commitment fees like UWFT does. Besides, MCDT can give start up loans".</p>	<ul style="list-style-type: none"> <li>▪ UWFT</li> <li>▪ MCDT</li> </ul> <p><b>Notes</b> Stopped borrowing from UWFT and retained her savings account because of the additional costs such as commitment fees, transport which makes the loan too costly for her business in Kamwokya. She, however, feels that her savings are safer with UWFT, despite the new officers in the Bank "tossing her around".</p> <p>Has continued with MCDT because "my business is still small hence MCDT loan is currently sufficient".</p>

No	NAME	12Years ago	8 Years ago	4 Years ago	Now
17	Shop keeper in Owino Market	<ul style="list-style-type: none"> <li>▪ Own Savings</li> </ul> <p><b>Notes</b> Started sort of hawking business using own funds. Business was not so competitive as it is now and it would generate enough money. From hawking business, Ahmed started operating a shop in Owino market.</p>	<ul style="list-style-type: none"> <li>▪ ROSCA</li> </ul> <p><b>Notes</b> Soon business improved and demanded more capital to meet his customers' demands and stand competition. So he joined a ROSCA of 5 members contributing Ush.10,000 per day. With money from a ROSCA he did not pay interest and there was no force involved in recovery of money. However, the ROSCA provided much less money required for the expanding business.</p>	<ul style="list-style-type: none"> <li>▪ ROSCA</li> <li>▪ PRIDE Uganda</li> </ul> <p><b>Notes</b> Continued with ROSCA for emergency funding. Joined PRIDE Uganda because of need for bigger loan after being convinced by a friend who was a client of PRIDE Uganda who are considerate when one dies "PRIDE <i>tesasuza mulambo</i><sup>3</sup>" and instead, they can come for burial or contribute something.</p>	<ul style="list-style-type: none"> <li>▪ ROSCA</li> </ul> <p><b>Notes</b> He left PRIDE Uganda and continued with his ROSCA because of being made to pay for members who do not meet their obligations.</p> <p>PRIDE Uganda does not offer individual loans and members refused to guarantee him for a bigger loan "<i>due to jealousy. Interest has also become high and given the nature of business these days (competition and low sales) I cannot cope</i>".</p>
18	Owino Market second-handclothes seller	<ul style="list-style-type: none"> <li>▪ Own Savings</li> </ul> <p><b>Notes</b> Started with buying and selling 3-5 bales of second-hand clothes in Owino Market using own capital.</p> <p>Business expanded and got a stall in the market and her capital was no longer adequate.</p>	<ul style="list-style-type: none"> <li>▪ ROSCA</li> </ul> <p><b>Notes</b> Expanding business together with education of her children necessitated her to get a loan but did not belong to any MFI. So She decided to join a ROSCA of 10 members contributing Ush.1,000 per day.</p>	<ul style="list-style-type: none"> <li>▪ ROSCA</li> </ul> <p><b>Notes</b> Continued with ROSCA but later joined another one with her friend for working capital as well as paying school fees.</p>	<ul style="list-style-type: none"> <li>▪ Commercial Microfinance Ltd</li> <li>▪ ROSCA</li> </ul> <p><b>Notes</b> Esther required substantial amount of capital following increased business. So she joined and has stayed with CMFL, which provided her with a loan as well as security for her little savings. She also says that she cannot manage to handle loans from more than one MFI. Besides, CMFL provides a big loan which she can invest in school fees and use business proceeds to repay the loan.</p>

<sup>3</sup> PRIDE Uganda does not demand payment from a dead person because of the insurance fund.

No	NAME	12Years ago	8 Years ago	4 Years ago	Now
19	Retail business in Kifumbira	<ul style="list-style-type: none"> <li>▪ ROSCA</li> </ul> <p><b>Notes</b> A ROSCA of 10 people contributing Ush.1,000 per day provided her with capital she needed to buy maize flour for sale and many other consumer items.</p> <p>ROSCA was good because you did not have to pay interest or be pressured for repayment. However, ROSCA provided very small amounts of money.</p>	<ul style="list-style-type: none"> <li>▪ ROSCA</li> </ul> <p><b>Notes</b> The expansion of her business was modest and felt no need for looking for loans.</p>	<ul style="list-style-type: none"> <li>▪ ROSCA</li> <li>▪ MCDT</li> <li>▪ FAULU</li> </ul> <p><b>Notes</b> The need for more capital for the expanding business pressed her to join MFIs for the much-needed bigger loans, but stayed in her ROSCA for emergency funds. Joined MCDT because it was the first one she was informed of by a friend. She found MCDT interest low and repayment period favorable (4 to 6 months).</p> <p>She also joined FAULU because one loan was not enough for all needs. She gets two loans one: for business and the other school fees.</p>	<ul style="list-style-type: none"> <li>▪ ROSCA</li> <li>▪ MCDT</li> <li>▪ FAULU</li> </ul> <p><b>Notes</b> With MCDT, ones' savings can be accessed anytime. From MCDT she gets part of school fees loan and does all her savings transactions.</p> <p>From FAULU, she gets a bigger loan for business and additional money to pay school fees.</p>
20	Owino Market second-hand shoes seller	<ul style="list-style-type: none"> <li>▪ Own savings</li> </ul> <p><b>Notes</b> Hajati has operated the stall in Owino Market for the last 12 years using her own money.</p>	<ul style="list-style-type: none"> <li>▪ ROSCA</li> </ul> <p><b>Notes</b> Soon her own capital was inadequate and therefore joined ROSCA to help her in school fees, buying food, or anything that requires little money.</p>	<ul style="list-style-type: none"> <li>▪ ROSCA</li> <li>▪ FAULU</li> </ul> <p><b>Notes</b> With more needs, her working capital had reduced and needed a push. She has joined FAULU because it's the one she knew of –learnt from a friend who was a client in FAULU. She liked it because “you don't have to wait for all your other members to fully repay their loans in order for you to access another one as long as you repay”.</p>	<ul style="list-style-type: none"> <li>▪ ROSCA</li> <li>▪ KCC-SACCO</li> </ul> <p><b>Notes</b> After accumulating enough capital, she did not want to continue with FAULU. But stayed with her ROSCA for emergency funds.</p> <p>She has joined KCC- SACCO where she saves her money every end of the day and does not have to risk going back home with the money. She can access her savings anytime she wants to purchase shoes. The SACCO is conveniently located near her stall.</p>

No	NAME	12Years ago	8 Years ago	4 Years ago	Now
21	Charcoal seller and shop-keeper	<ul style="list-style-type: none"> <li>▪ Supplier Credit</li> <li>▪ ROSCA</li> </ul> <p><b>Notes</b> Started business with own capital supplemented by supplies on credit paid every after 7 days and ROSCA where she was contributing Ush.1,000 per day.</p>	<ul style="list-style-type: none"> <li>▪ Family/Relatives</li> <li>▪ ROSCA</li> </ul> <p><b>Notes</b> As her business improved, her husband put in some little more capital. She joined another ROSCA of 17 members each contributing Ush.10,000 per week. The business expanded and started a retail shop selling matooke, rice, posho, and variety of other merchandise. Her responsibilities also increased and needed money to pay school fees.</p>	<ul style="list-style-type: none"> <li>▪ Family</li> <li>▪ ROSCA</li> <li>▪ MCDT</li> </ul> <p><b>Notes</b> With time the business continued growing and funds from family and ROSCA was not sufficient. Therefore, she joined MCDT and obtained a loan of Ush..100,000 payable in 12 months. MCDT also provided her with an opportunity to save and her savings are accessed as and when required. She further accessed a second loan of Ush.200,000 payable in 6 months. Her Group guaranteed the loans.</p>	<ul style="list-style-type: none"> <li>▪ ROSCA</li> <li>▪ MCDT</li> <li>▪ PRIDE Uganda</li> </ul> <p><b>Notes</b> She still participates in the ROSCA for emergencies (school fees, medical). Has expanded her retail shop, purchased a fridge and a small-scale groundnuts processing machine. Despite being in the 8<sup>th</sup> cycle with a loan of Ush.500,000 at MCDT, the capital is still not adequate and cannot match the growing business requirements.</p> <p>She has therefore joined PRIDE Uganda where she hopes to get additional loans. She has stayed with MCDT for long because of their customer care, favorable savings policy and a school fees product.</p>
22	Retail shop-keeper	N/A	<ul style="list-style-type: none"> <li>▪ UGAFODE</li> </ul> <p><b>Notes</b> Paul joined UGAFODE to save because he was not operating any business (UGAFODE had gained reputation in his village). He was invited to join it by staff. UGAFODE eventually found it difficult to attend weekly meetings and monitor loans in remote villages. Eventually, it collapsed.</p>	<ul style="list-style-type: none"> <li>▪ Own Savings</li> </ul> <p><b>Notes</b> Mr. Were started a small retail shop using his own savings (with the collapse of UGAFODE in his village, there was no reliable financial institution to provide the badly needed financial services other than formal banks in town). A friend advised him to look for an MFI in Kampala or Luwero where he could apply for a loan to boost his retail business.</p>	<ul style="list-style-type: none"> <li>▪ CMFL</li> </ul> <p><b>Notes</b> He has joined and for the time being settled with CMFL because it is providing the loans he needs and because of its good customer care. But he says that he will not hesitate to move to another institution for bigger loans to supplement what he gets from CMFL when the situation so demands.</p>



No	NAME	12Years ago	8 Years ago	4 Years ago	Now
23	Retail shop and poultry business	N/A	<ul style="list-style-type: none"> <li>▪ FINCA</li> </ul> <p><b>Notes</b> Started with a local kiosk in Luzira. She joined FINCA to obtain funds to expand her business but quit after realising that women were defaulting so much, which denied those who were not defaulters access to loans. In addition, the idea of cycles was not appealing to her and did not want to wait for all members in a cycle to pay up before one gets another loan.</p>	<ul style="list-style-type: none"> <li>▪ FINCA</li> </ul> <p><b>Notes</b> Despite being dissatisfied with FINCA's services, she continued with it, accessing several small loans that greatly improved her kiosk as she looked around for a better alternative. In the meantime the business expanded beyond a kiosk to a retail shop.</p>	<ul style="list-style-type: none"> <li>▪ CMFL</li> </ul> <p><b>Notes</b> In April 2000 CMFL opened its branch near her retail shop. She straight away left FINCA and joined and is still with CMFL. She got her first loan and was assured she can get a loan any time she needs it (she actually hopes to get a bigger loan from CMFL to cater for her recently started poultry business).</p>
24	Goat selling and scrap metal	<ul style="list-style-type: none"> <li>▪ SACCO</li> </ul> <p><b>Notes</b> Started goat selling in Kisenyi, a slum area in Kampala with small loans from a SACCO. The loans were too small and the business required substantial capital so as to grow. He therefore quit the SACCO for FAULU.</p>	<ul style="list-style-type: none"> <li>▪ FAULU</li> </ul> <p><b>Notes</b> At FAULU, he obtained a bigger loan and actually started a side business in scrap metal.</p>	<ul style="list-style-type: none"> <li>▪ FAULU</li> </ul> <p><b>Notes</b> The loans from FAULU could no longer match his two business lines requirements and therefore decided to have multiple funding. Consequently, he later joined CMFL when they opened in April 2000.</p>	<ul style="list-style-type: none"> <li>▪ FAULU</li> <li>▪ CMFL</li> </ul> <p><b>Notes</b> He still belongs to FAULU. He has accessed more funding from CMFL. However, he says he is feeling the pinch of serving several loans at both FUALU and CMFL. He is planning to settle with CMFL where the loan size is now reasonable.</p>
25	Hardware business	N/A	<ul style="list-style-type: none"> <li>▪ Own Savings</li> <li>▪ FAULU</li> </ul> <p><b>Notes</b> Mutebi was dealing in hardware using own capital. In search of more money to expand his business, he joined FAULU. At first he was satisfied with the services and customer care but</p>	<ul style="list-style-type: none"> <li>▪ FAULU</li> </ul> <p><b>Notes</b> He still operated with FAULU as he looked around for another MFI for bigger loans. He believed that no single MFI gives sufficient money required by the business. Hence justification for multiple membership.</p>	<ul style="list-style-type: none"> <li>▪ CMFL</li> </ul> <p><b>Notes</b> He is still in the same business and dealings with FAULU became irregular as he joined and settled with CMFL. Has paid off all FAULU loans and feels that CMFL meets his credit needs. He likes its good customer care and flexible loan terms.</p>

No	NAME	12Years ago	8 Years ago	4 Years ago	Now
			the loans were small and found weekly meetings an inconvenience. He persisted with the inconvenience of weekly meetings and small loans. His business was increasing and required bigger loans.		
26	Grocery, second-hand clothes, hair salon and soft drinks	<ul style="list-style-type: none"> <li>▪ Support from Spouse</li> </ul> <p><b>Notes</b> She got a lump sum from the husband and started a grocery in Wobulenzi town, Luwero district. This was a deliberate action from the husband to get her occupied. He continued to offer basic support for the family needs.</p>	<ul style="list-style-type: none"> <li>▪ ROSCA</li> <li>▪ Support from Spouse</li> </ul> <p><b>Notes</b> Support from spouse went on to increase on the business capital. After some time there were domestic conflicts and spouse's support begun to dwindle.</p> <p>This forced her to join a ROSCA to basically meet her personal requirements like clothing. With time the ROSCA was also used to finance business like paying for rent and taxes.</p>	<ul style="list-style-type: none"> <li>▪ Gannyana (ROSCA)</li> <li>▪ FINCA</li> </ul> <p><b>Notes</b> Separated from husband and joined another ROSCA called Gannyana. With the mother's help she joined FINCA to start another business – second-hand clothes. Gannyana is basically for her children's school fees and FINCA for business, which has expanded as to include a hair salon and selling soft drinks.</p>	<ul style="list-style-type: none"> <li>▪ Gannyana (ROSCA)</li> <li>▪ FINCA</li> <li>▪ Remittance</li> <li>▪ CERUDEB</li> </ul> <p><b>Notes</b> Still a member in Gannyana and accessing loans from FINCA. She is however resting from taking another loan from FINCA after she sunk a huge sum in constructing her new house.</p> <p>She got support (remittance) from her sister who lives in Boston (USA) to complete the house.</p> <p>She is now looking forward to getting a bigger loan from CERUDEB – has applied for one. She feels she cannot leave FINCA mainly for social ties and the fact that they have now flexed their terms i.e. one can miss an installment and make repayment the following week.</p>
27	Clinic	<ul style="list-style-type: none"> <li>▪ ROSCA</li> <li>▪ Support from Spouse</li> <li>▪ Own Savings</li> </ul> <p><b>Notes</b> Member in ROSCA, which was born out of the Anglican Church to help women restock what was lost during the war of 1980s. This involved</p>	<ul style="list-style-type: none"> <li>▪ ROSCA</li> <li>▪ PAP</li> <li>▪ FINCA</li> </ul> <p><b>Notes</b> The larger ROSCA disintegrated and few small ones created. Apart from contributing to the acquisition of things like furniture this one had an element</p>	<ul style="list-style-type: none"> <li>▪ Gannyana (ROSCA)</li> <li>▪ FINCA</li> </ul> <p><b>Notes</b> Still with FINCA mainly because of its stability and the fact that its staff came to people. "You do not have to go to an office to apply for a FINCA loan ..... it just gets you where you are".</p>	<ul style="list-style-type: none"> <li>▪ FINCA</li> <li>▪ CERUDEB</li> <li>▪ Gannyana (ROSCA)</li> </ul> <p><b>Notes</b> Still with FINCA and the ROSCA and used just as they were four years ago. Money from these sources is mainly used for payment for school fees and meeting other domestic needs.</p>

No	NAME	12Years ago	8 Years ago	4 Years ago	Now
		<p>members visiting a colleague and assessing what her needs were and eventually contributing to such items as furniture, cooking utensils and clothing.</p> <p>Worked as a Nurse in Hospital and used part of her salary to start a clinic. The husband also contributed to the setting up of this business.</p>	<p>of insurance (Munno Mukabi) to provide cover in case of death or any other calamity.</p> <p>Joined Poverty Alleviation Project (PAP) to be able to acquire some equipment for the Maternity Clinic (1997). Obtained only two loans from PAP and joined FINCA. PAP was not easy due to delays in disbursements and political influences.</p> <p>The ROSCA was also useful in the FINCA program by way of bailing out members who had repayment problems.</p>	<p>Gannyana (ROSCA) was used mainly for domestic support and sorting out repayment problems.</p>	<p>Now CERUDEB is used to access bigger and longer-term loans with less stressful repayment frequency (monthly). Has so far taken two loans from the bank basically for business financing.</p>
28	Poultry business	N/A	<ul style="list-style-type: none"> <li>▪ ROSCA</li> </ul> <p><b>Notes</b> Joined a ROSCA to raise a lump sum to finance her personal needs like clothing and acquiring house equipment.</p>	<ul style="list-style-type: none"> <li>▪ ROSCA</li> <li>▪ FINCA</li> <li>▪ UMU</li> </ul> <p><b>Notes</b> Started a chicken rearing business and needed more money for it. The need for more money forced her to take multiple memberships in the available institutions. Had to borrow money from other institutions by proxy.</p>	<ul style="list-style-type: none"> <li>▪ CERUDEB</li> </ul> <p><b>Notes</b> Has since dropped from the ROSCA, FINCA and UMU. There was high level of defaulting at the ROSCA and the weekly repayments at FINCA were stressful. She also lost a lot of money to repay outstanding loans for defaulting group members at FINCA.</p> <p>Lost interest in UMU due to monthly ledger fees, which ate into her savings and group pressure.</p> <p>Has got the first loan from CERUDEB and hopes to focus on only one institution with better terms.</p>
29	Grocery shop	N/A	<ul style="list-style-type: none"> <li>• HUSBAND</li> <li>• ROSCA</li> </ul>	<ul style="list-style-type: none"> <li>• FAULU</li> <li>• ROSCA</li> </ul>	<ul style="list-style-type: none"> <li>• FSA</li> <li>• ROSCA</li> </ul>

No	NAME	12Years ago	8 Years ago	4 Years ago	Now
			<p><b>Notes</b> She started with Ush 100,000 selling passion fruits in Owino market. This was financed by her husband.</p> <p>Later joined a ROSCA saving up to Ush.150,000 which she used to buy a goat and two sheep for her mother. Continued saving with the ROSCA and managed to set up a grocery at Kalerwe, Kawempe Division of Kampala City Council (KCC).</p>	<p><b>Notes</b> Joined FAULU for bigger loans since business was growing but kept the ROSCA and used the savings to buy household items and making renovations on her house.</p> <p>She also used the ROSCA to help her mother with her house.</p>	<p><b>Notes</b> Dropped FAULU because of the weekly meetings at Kazo-Angola and was always late paying the Ush.500 as a fine each time. Joined FSA and bought shares where there are no weekly meetings and it is near her grocery. In the FSA the interest rate is high but it gives emergency loans.</p> <p>Continues participation in the ROSCA for its convenience.</p>
30	Hair saloon	N/A	<ul style="list-style-type: none"> <li>• ROSCA</li> </ul> <p><b>Notes</b> The ROSCA was used to start up a saloon in Mukono town with Ush.120,000 where she was for 3 years.</p>	<ul style="list-style-type: none"> <li>• ROSCA</li> <li>• FINCA</li> <li>• UWFT</li> </ul> <p><b>Notes</b> Decided to join FINCA to increase on the working capital while keeping her participation in the ROSCA. The interest was high and had problems in repaying the loan over four months, dropped off later.</p> <p>To keep her saloon going, she also joined UWFT for a loan where repayments were monthly.</p>	<ul style="list-style-type: none"> <li>• HUSBAND</li> <li>• ROSCA</li> </ul> <p><b>Notes</b> She has dropped all the MFIs and got financial support from the husband again to boost the saloon.</p> <p>She has also joined a ROSCA of three and now feels comfortable – away from MFI pressures.</p>
31	Timber business (Kireka, Wakiso district)	<ul style="list-style-type: none"> <li>• ROSCA</li> </ul> <p><b>Notes</b> The ROSCA was used to raise money for five married women each contributing Ush.15,000 per month. They all lived in one village and knew each other well. She used the money in a timber</p>	<ul style="list-style-type: none"> <li>• ROSCA</li> <li>• FAULU</li> </ul> <p><b>Notes</b> Participation in the ROSCA went on, but also joined FAULU to get a bigger loan. It was easy to get a loan in FAULU because it was possible to have a group</p>	<ul style="list-style-type: none"> <li>• ROSCA</li> <li>• FAULU</li> </ul> <p><b>Notes</b> Kept the ROSCA to meet home needs and continued with FAULU for business. “FAULU is good it gives two loans at a go”.</p>	<ul style="list-style-type: none"> <li>• FAULU</li> <li>• BANK OF BARODA</li> </ul> <p><b>Notes</b> Dropped out of the ROSCA because the money was small and it was taking some of her time off her business but is still with FAULU for savings services.</p>

No	NAME	12Years ago	8 Years ago	4 Years ago	Now
		business.	to guarantee her. This boosted her timber business so much that its growth was extremely good; she managed to build a house for renting.		Has joined Bank of Baroda to have a current account for her timber business. Hopes to access bigger loans to boost her business.
32	Food processing (Nakulabye)	N/A	N/A	<ul style="list-style-type: none"> <li>• UMU</li> <li>• Support from Husband</li> </ul> <p><b>Notes</b> She started baking chapati, and popcorns and the only source of finance was from her husband.</p> <p>She later joined UMU, in search for a bigger amount.</p>	<ul style="list-style-type: none"> <li>• UMU</li> <li>• PRIDE Uganda</li> </ul> <p><b>Notes</b> She has remained with UMU because of the school fees loan, the monthly repayments. She is happy with UMU staff. The staff also buys some of her products.</p> <p>Has also joined PRIDE Uganda to for more capital to boost her business. Decided to join PRIDE because it does not bother what you use the money for and pays bonus on the excess of the compulsory savings.</p> <p>She now wants to join Centenary Bank for bigger loans.</p>

No	NAME	12Years ago	8 Years ago	4 Years ago	Now
33	Bakery business (Mulago)	N/A	<ul style="list-style-type: none"> <li>ROSCA (Twesiime fund)</li> </ul> <p><b>Notes</b> The ROSCA was for a group of five men working together in a hotel each contributing Ush.20,000 per month. He was also engaged in a bakery business. The money saved helped him purchase building materials to construct a house on a plot given to him by his father. This helped him broaden his mind and further developed a culture of saving.</p>	<ul style="list-style-type: none"> <li>PRIDE Uganda</li> </ul> <p><b>Notes</b> Dropped the ROSCA, the hotel had collapsed and they all separated.</p> <p>Joined PRIDE Uganda for a loan of Ush.150,000 to invest in his bakery. Graduated to bigger loans up to Ush.900,000. However, attending weekly meetings was difficult for him being a busy man.</p>	<ul style="list-style-type: none"> <li>FSA</li> </ul> <p><b>Notes</b> Has dropped from PRIDE Uganda because of weekly meetings and locking one's savings in the group of 5 if a member failed to pay.</p> <p>Joined FSA two years ago. It gives speedy individual loans, sells shares for which he earns dividends, it is close to his business compared to PRIDE Uganda and repayments are monthly. He wants to join a commercial bank because FSA does not issue chequebooks to facilitate his growing business transactions.</p>
34	Retail shop	<ul style="list-style-type: none"> <li>ROSCA</li> <li>ASCA</li> </ul> <p><b>Notes</b> She had just started her retail shop in Luwero and the only source of credit was in a ROSCA. She later joined Burial (ASCA), which had the potential to give larger loans as compared to ROSCAs.</p>	<ul style="list-style-type: none"> <li>ROSCA</li> <li>ASCA</li> <li>Friends/Relatives</li> </ul> <p><b>Notes</b> Burial (ASCA) then lived for a short time and went under with a lot of people's savings. As a result she increased her participation in the ROSCAs and supplementing the amounts with contribution from Friends/Relatives.</p>	<ul style="list-style-type: none"> <li>ROSCAs</li> <li>FINCA</li> <li>UMU</li> <li>VEDCO</li> </ul> <p><b>Notes</b> With time the business has been growing and therefore need for larger loans. She joined FINCA but the amounts given could not match her business requirements and decided to have multiple membership including VEDCO and UMU. Membership in the ROSCA is still cherished especially in meeting emergency needs be they for business or domestic.</p>	<ul style="list-style-type: none"> <li>ROSCAs</li> <li>UMU</li> <li>CERUDEB</li> </ul> <p><b>Notes</b> She still participates in the ROSCA for emergency needs. She now looks for institutions with flexible/friendly terms. She can now access these services at both UMU and CERUDEB. Conditions here are favorable for her business (bigger loans, monthly repayments, range of products to choose from)</p>

No	NAME	12Years ago	8 Years ago	4 Years ago	Now
35	Textiles and soft drinks	N/A	<ul style="list-style-type: none"> <li>▪ ROSCAs</li> <li>▪ SACCO</li> </ul> <p><b>Notes</b> Started as a second hand cloths seller. Financed business from her own savings from her monthly salary as a schoolteacher. Increased on her capital with loans from a Teachers' Savings and Credit Society. She belonged to a ROSCA mainly for household needs.</p>	<ul style="list-style-type: none"> <li>▪ ROSCAs</li> <li>▪ SACCO</li> <li>▪ FINCA</li> <li>▪ UMU</li> </ul> <p><b>Notes</b> Retail business dealing in Textiles and Soft Drinks. The business had expanded and needed to expand the capital base therefore went for multiple membership in FINCA as well as UMU. Could not get any more loans from the SACCO although she went on saving with it. This was due to delays in getting a loan from this SACCO.</p>	<ul style="list-style-type: none"> <li>▪ ROSCAs</li> <li>▪ UMU</li> </ul> <p><b>Notes</b> Same business (Textiles and Soft Drinks). Has now settled with UMU, which she feels meets her credit needs. She particularly likes flexibility with their loan terms (can negotiate on loan period with UMU) and the monthly repayments. Likes the good customer care there and the fast processing of loans. She still belongs to the original ROSCA for emergencies.</p>
36	Canteen	<ul style="list-style-type: none"> <li>▪ ROSCAs</li> </ul> <p><b>Notes</b> The ROSCA was used to mainly finance household needs like buying utensils.</p>	<ul style="list-style-type: none"> <li>▪ ROSCAs</li> <li>▪ ASCAs</li> </ul> <p><b>Notes</b> Operated a Canteen at Luwero Police Station and decided to join Burial to build on capital. The ROSCA was used for both meeting household needs and also supplementing credit from Burial.</p>	<ul style="list-style-type: none"> <li>▪ ROSCAs</li> <li>▪ FINCA</li> <li>▪ VEDCO</li> </ul> <p><b>Notes</b> Moved business from Police Station to a larger premise – still selling consumer goods. Convinced by Friends/Relatives to join FINCA and terms were not good such as attaching individual savings to pay for defaulters. Decided to get another loan from VEDCO and used it to pay for children's school fees. Stayed with ROSCA to mainly cover up for shortfalls in her repayments to FINCA.</p>	<ul style="list-style-type: none"> <li>▪ UMU</li> <li>▪ CERUDEB</li> </ul> <p><b>Notes</b> Dropped FINCA and joined UMU because it had good repayment plan – monthly. Lately joined CERUDEB for larger loans and repayable over a long period of time (one year).</p>
37	Second-hand clothes seller and <i>Boda-boda</i> Motorcycle taxi owner	<ul style="list-style-type: none"> <li>▪ ROSCA</li> <li>▪ Friends &amp; Relatives</li> </ul> <p><b>Notes</b> Belonged to a ROSCA of seven traders that contributed money (Ush 30,000) on a monthly basis. They all worked in Owino Market in Kampala and knew each other</p>	<ul style="list-style-type: none"> <li>▪ ROSCAs</li> <li>▪ FINCA</li> </ul> <p><b>Notes</b> Participation in the ROSCA went on but also joined FINCA. It was easy to obtain a loan from FINCA because it was possible to have a group to guarantee. Although this money was</p>	<ul style="list-style-type: none"> <li>▪ ROSCAs</li> <li>▪ FINCA</li> <li>▪ UMU</li> </ul> <p><b>Notes</b> ROSCA still used, this time to cater for school fees. Could now raise more money for business from FINCA having been there for several cycles. Still joined UMU to purposely get an asset loan (kikalu). This loan from UMU was used</p>	<ul style="list-style-type: none"> <li>▪ CERUDEB</li> <li>▪ UMU</li> </ul> <p><b>Notes</b> Business has now grown and started importing carpets and electrical goods from Dubai. Now that business has expanded there has been need for more capital and therefore went to CERUDEB, which has been useful in the importation of goods. Remained with</p>

No	NAME	12Years ago	8 Years ago	4 Years ago	Now
		<p>well. This worked well for the members because each time one received his/her turn enough amounts were realized to invest in business. The business then was selling second-hand cloths.</p> <p>Money from Relatives and friends was used during times of emergency like sickness. It was only obtained whenever crisis hit.</p>	<p>borrowed to invest in business it was diverted to pay for children's school fees – the business was doing well with the funds raised from the ROSCA.</p>	<p>to acquire a motorcycle, which is now being used for transport (boda-boda).</p>	<p>UMU to finance gaps in business and also paying for school fees. Dropped the ROSCA because there seems to be no time for sitting in meetings.</p>
38	Handicrafts and retail shop	<ul style="list-style-type: none"> <li>▪ ROSCAs</li> <li>▪ ASCAs</li> </ul> <p><b>Notes</b> The ROSCA was deliberate move by department of Community Services to help women support themselves. All the 16 members had handicrafts businesses.</p> <p>With the advent of “Burial” ASCA, the ROSCA was quickly abandoned. Gains from Burial were impressive but lasted only a year.</p>	<ul style="list-style-type: none"> <li>▪ Friends/Relatives</li> </ul> <p><b>Notes</b> The ROSCA and Burial no longer operational. Last resort to Friends/Relatives who helped to raise little money to supplement own savings. The husband's salary was also used to invest in the business, which had then changed from handicrafts to a small retail shop.</p>	<ul style="list-style-type: none"> <li>▪ ROSCAs</li> <li>▪ FINCA</li> <li>▪ FAULU</li> </ul> <p><b>Notes</b> Quickly moved to FINCA to finance business. The ROSCA was part of the FINCA group to bail members whenever they had problems in servicing their loans.</p> <p>Joined FAULU for their education loan.</p>	<ul style="list-style-type: none"> <li>▪ UMU</li> </ul> <p><b>Notes</b> Dropped FINCA and FAULU and now with UMU. She can get all she needs from UMU – Capital Asset Loans, Working Capital Loans and School Fees Loans. UMU has better conditions than FINCA or FAULU. Loan periods are negotiable and monthly repayments are better.</p>
39	Boda-boda Motorcycle taxi owner/driver	N/A	<ul style="list-style-type: none"> <li>▪ ROSCAs</li> <li>▪ Friends/Relatives</li> </ul> <p><b>Notes</b> The youths in Namamve (Mukono) came together to form a ROSCA to help them raise funds to start income generating</p>	<ul style="list-style-type: none"> <li>▪ ASCA</li> <li>▪ PRIDE</li> <li>▪ CMFL</li> </ul> <p><b>Notes</b> The boda-boda business was much promising than the kiosk and a few months later decided to abandon it (kiosk).</p>	<ul style="list-style-type: none"> <li>▪ ASCA</li> <li>▪ CMFL</li> </ul> <p><b>Notes</b> Maintained membership in the ASCA for the various risks associated with the boda-boda business.</p>



No	NAME	12Years ago	8 Years ago	4 Years ago	Now
			<p>activities. This worked for a little while and the ROSCA came to an end since the youths were mobile and could not keep it running.</p> <p>Raised money from friends who were employed in Kampala and started a Kiosk selling soft drinks. Business started doing well and later acquired a motorcycle, which was committed to transport (boda-boda).</p>	<p>An ASCA was formed comprising of 10 boda-boda operators to help in times of accidents, licensing, repairs and sometimes replacement of and old bike.</p> <p>Joined PRIDE to get a loan to buy a second motorbike. This was to top up the amount drawn from the ASCA. A few months later one bike was stolen and loan repayments to both the ASCA and PRIDE were hard to make and decided to get another loan from CMFL to clear the outstanding loans. This was done and had only one institution (CMFL) to deal with which was a little easier.</p>	<p>Occasionally take loans from CMFL to pay for school fees. CMFL staff members became personal friends and no problem is experienced in accessing a loan from there.</p>
40	Second-hand clothes and hides/skins seller	<ul style="list-style-type: none"> <li>▪ ROSCAs</li> </ul> <p><b>Notes</b> The ROSCA used to raise money for 6 Katimba market vendors. The money was exclusively for business in the market.</p>	<ul style="list-style-type: none"> <li>▪ ROSCAs</li> </ul> <p><b>Notes</b> Continued to participate in the ROSCA and this time money raised was not only used for business but also for paying children's school fees and other domestic requirements.</p>	<ul style="list-style-type: none"> <li>▪ ROSCA</li> <li>▪ FAULU</li> <li>▪ PRIDE</li> </ul> <p><b>Notes</b> The ROSCA no longer raised enough for business and other needs. ROSCA now limited to meet domestic needs and had multiple membership in FAULU and PRIDE to be able to raise enough money for business which had since grown as to have a second business - Hides and Skins.</p>	<ul style="list-style-type: none"> <li>▪ FAULU</li> <li>▪ CERUDEB</li> </ul> <p><b>Notes</b> Dropped PRIDE because its conditions were tough (locking a client in their cell until all money is paid) and also not having enough time to sit in the many meetings besides running business.</p> <p>Retained FAULU for school fees and joined CERUDEB, which offers better terms (longer loan terms and monthly repayments) for business people.</p>

No	NAME	12Years ago	8 Years ago	4 Years ago	Now
41	Cattle trade	<ul style="list-style-type: none"> <li>▪ Friends &amp; Relatives</li> </ul> <p><b>Notes</b> Used Relatives abroad to finance business and to meet some domestic requirements like housing and children's education.</p>	<ul style="list-style-type: none"> <li>▪ Friends &amp; Relatives</li> </ul> <p><b>Notes</b> Used Relatives abroad to finance business and to meet some domestic requirements like housing and children's education.</p>	<ul style="list-style-type: none"> <li>▪ Relatives &amp; Friends</li> <li>▪ PRIDE</li> </ul> <p><b>Notes</b> Relatives continue to send money back home but now in limited amounts. Money sent then is used for school fees.</p> <p>Loans from PRIDE are used in cattle trade. Animals are bought upcountry and sold in Kampala.</p>	<ul style="list-style-type: none"> <li>▪ Relatives &amp; Friends</li> <li>▪ PRIDE</li> <li>▪ UMU</li> </ul> <p><b>Notes</b> Remittances from abroad have reduced remarkably. Amounts hardly go beyond \$100 and now used mainly for emergency.</p> <p>Both UMU and PRIDE are used to build up the necessary capital for cattle trade.</p>
43	Retail business	N/A	<ul style="list-style-type: none"> <li>▪ ROSCA</li> <li>▪ PAP</li> </ul> <p><b>Notes</b> ROSCA used to raise upfront savings required to obtain a loan from a World Vision project. WV worked as an intermediary entity for Poverty Alleviation Project (PAP). The requirement was to raise 20% of the loan over a period of 6 weeks and this was done in a ROSCA.</p>	<ul style="list-style-type: none"> <li>▪ ROSCAs</li> <li>▪ FINCA</li> </ul> <p><b>Notes</b> PAP stopped its operations and this time joined FINCA. The ROSCA was still useful in meeting repayment shortfalls and internal group lending.</p>	<ul style="list-style-type: none"> <li>▪ FINCAs</li> <li>▪ UMU</li> </ul> <p><b>Notes</b> Deliberate action by FINCA ended ROSCA operations because it was viewed as competitor. To increase on the business capital joined UMU for a Working Capital Loan. No single MFI gives enough money as required by the business and that justifies multiple memberships in more than one of them.</p>