

A photograph of two young women at a fruit stall. The woman on the left, wearing a dark patterned top, is looking at a smartphone. The woman on the right, wearing a red shirt and a black headscarf, is also looking at a smartphone and holding a blue mobile payment device. They are surrounded by baskets of fresh produce, including tomatoes and leafy greens.

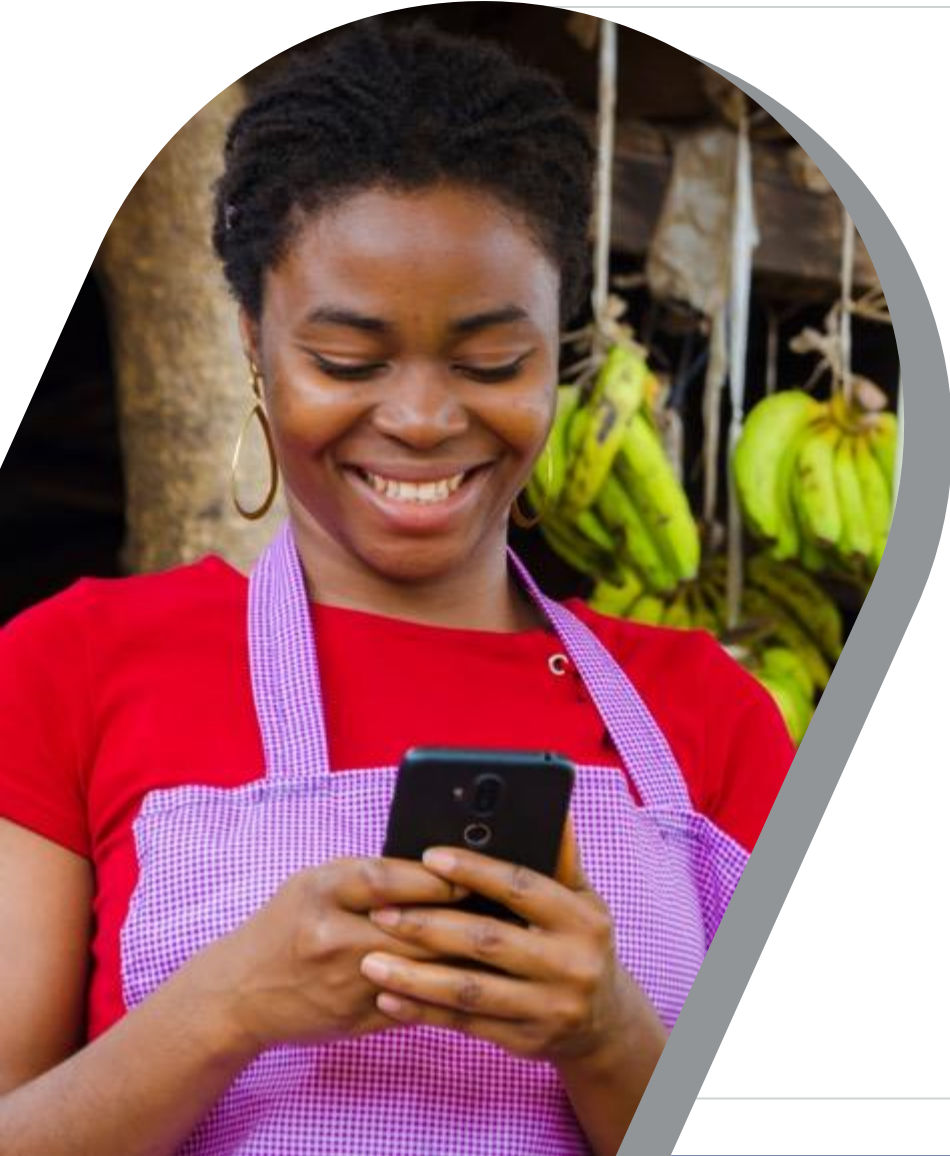
Assessment of market systems for MSME digitalization and device financing for youth women-inclusive MSMEs in Uganda

Final report

Conducted for the 10X programme implemented by Outbox, WITU, Refactory, and UNCDF, in partnership with Mastercard Foundation

10 June, 2025

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Special thanks go to the youth and women-led enterprises, including refugees and persons with disabilities, across the 40 districts of Uganda, whose stories and perspectives form the foundation of this study. Your contributions have been invaluable in shaping practical, inclusive, and impactful recommendations to advance MSME participation in the digital economy while promoting economic resilience, creating jobs, and driving sustainable growth.



1. Introduction

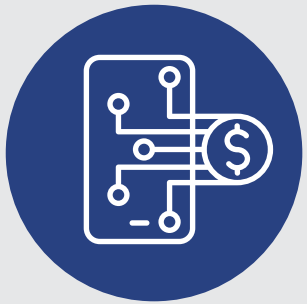
The background to the 10x program

MSME digitization and device financing



10x aims to:

- ▶ Promote MSME digitization: increase the adoption of digital tools to improve business efficiency and financial management.
- ▶ Enhance access to finance: provide innovative financing solutions, particularly for device financing and business expansion.
- ▶ Support women and youth: to improve their financial inclusion, focus on financially disadvantaged young women (who earn less than Uganda Shillings UGX 261,793 per month)
- ▶ Expand support across 40 districts: target key regions in Uganda where MSMEs need structured support to grow.
- ▶ Foster sustainable growth by partnering with financial institutions, digital technology providers, and business organizations to create a lasting economic impact.



10X: Enabling the growth of MSMEs through the digital economy is a three-year pilot initiative launched in Uganda by the United Nations Capital Development Fund (UNCDF) together with Outbox Uganda and Women in Technology Uganda (WITU), in partnership with the Mastercard Foundation. The program aims to empower young people especially young women, including refugees and persons with disabilities with the skills and opportunities to build better lives by leveraging the digital economy.

Study objectives (1/2)

UNCDF commissioned MSC to conduct a market assessment on MSME digitalization and device financing to enhance financial inclusion, economic empowerment, and digital adoption for youth- and women-inclusive enterprises, emphasizing women-led MSMEs.

1

Provide insights on how MSMEs can use the digital economy

MSC explored the engagement of various MSME archetypes with digital solutions. We evaluated their access, adoption, and usage. We understood their demand for business development services and their potential to engage in the digital economy.

2

Assess the current state of MSME digitization and their needs by founder archetype, business size, sector, and location

We assessed the current MSME digitization solutions and market barriers. MSC provided actionable recommendations to enhance access to digital solutions tailored to drive digital transformation.

3

Evaluate the current device distribution and financing solutions available for youth women-inclusive MSMEs

We conducted an in-depth analysis of the demand and supply sides of the device financing market for youth-led, underserved MSMEs.

Study objectives (2/2)

UNCDF commissioned MSC to conduct a market assessment on MSME digitalization and device financing to enhance financial inclusion, economic empowerment, and digital adoption for youth- and women-inclusive enterprises, emphasizing women-led MSMEs.

4

Assess business financing needs for youth and women led, underserved MSMEs

Our research examined the barriers youth-led businesses face in accessing finance and identified potential interventions, such as work capital loans and device financing.

5

Provide insights to support industry stakeholders, policymakers, and regulators

We documented case studies of youth women-inclusive MSMEs. Through these case studies, we sought to provide insights into their experiences and preferences.



Our study examined the following MSME archetypes

The Gig worker	The Invisibles	The Bootstrappers		The Gazelles
Freelancers	Livelihood sustaining enterprises (low growth)	Micro and Small enterprises (moderate growth)	Small and medium enterprises (moderate growth)	High growth potential small and medium enterprises-startups
UGX 1M - UGX 30M (\$200-\$10,000)	UGX 500k - UGX 1.5M (\$100- \$400)	UGX1.5m- UGX37M (\$400 - \$10,000)	UGX 37M - UGX750M (\$10,000 - \$200,000)	UGX750M - UGX 7.5bn
Business type: Photography, graphic design, décor coding, social media Influencing, part-time software engineering, web- design	Business type: General trade, hospitality, Décor, cake, food processors/value addition, market vendors, salons, restaurants, textiles, fashion and design, art & crafts, beauty parlor	Business type: Retail, general trade, hospitality, décor, cake, event planners, food processors/ value addition, market vendors, salons, restaurants, textiles, fashion and design, art & crafts, landscaping, beauty parlor, wholesale, construction	Business type: Retail, general trade, hospitality, cleaning services, interior design, training centers, textiles, fashion & design, hardware stores, construction platforms for their businesses	Business type: Tech startups, clean energy companies, supply chain, e- commerce, entertainment
Sector: The creative industry, small-scale manufacturing, technology	Sector: Agribusiness, small scale manufacturing, trade, fashion, and design. Agriculture, Services, small scale processing	Sector: Agribusiness, small-scale manufacturing, trade, fashion, and design.	Sector: Agribusiness, small scale manufacturing, trade, fashion, and design. Agriculture, services, small- scale processing, publishing	Sector: Technology, manufacturing, service Industry, MICE
Capital needs: Working capital	Capital needs: Working capital	Capital needs: Working capital	Capital needs: Working capital, assets, purchase order financing	Capital needs: Working capital, business model development, technical assistance, social capital
Tech needs: Good quality smartphones, laptops, smartphones, cameras, audio-visual production equipment (ring lights, mics)	Tech needs: Data packs, airtime, smartphones/ feature phones, tablets	Tech needs: Laptops, smartphones, tablets	Tech needs: Laptops, digital platforms for their businesses	Tech needs: Heavy duty laptops for business development, digital platforms for their businesses

Our study focused on the following three personas



Mary

Archetype: Mary is a young woman, is unemployed/in business. She cannot access technology infrastructure or afford technology equipment, capital, and markets.

Nature of impairment: None

Gender: Female

Nationality: Ugandan and non-Ugandan

Age: 18-35 years

Socioeconomic status: She earns a business revenue below UGX 250,000 per month.

1



Sandra

Archetype: Sandra is a young woman, who is underemployed or in business. She cannot access technology infrastructure, capital, or markets. She cannot afford technology equipment and has limited business skills.

Nature of impairment: None

Gender: Female

Nationality: Ugandan and non-Ugandan

Age: 18-35 years

Socioeconomic status: She earns an average business revenue of UGX 250,000- 290,000 per month.

2



Atim

Archetype: Atim is a woman entrepreneur who employs young women. She cannot access technology infrastructure, capital, or markets. She cannot afford technology equipment and has limited business skills.

Nature of impairment: None

Gender: Female

Nationality: Ugandan and non-Ugandan

Age: 18-35 years

Socioeconomic status: She earns a business revenue above UGX 290,000 per month.

3







The following sampling plan allowed MSC to target the MSME archetypes in different sectors

For this study, we focused on the young financially disadvantaged woman.
We used a single-sampling method to select the respondents covering different types of enterprises.



MSC used a comprehensive qualitative research with women and youth-led MSMEs and complemented it with stakeholder interviews

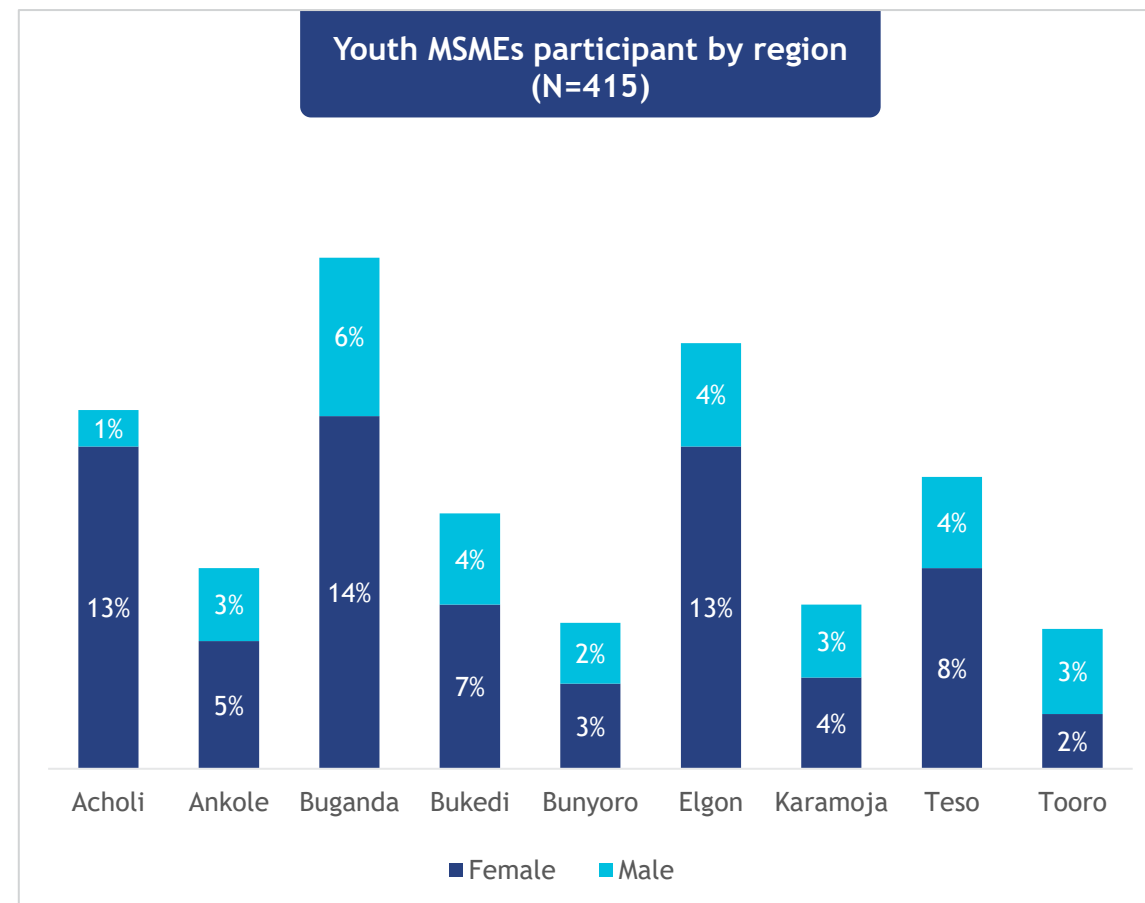
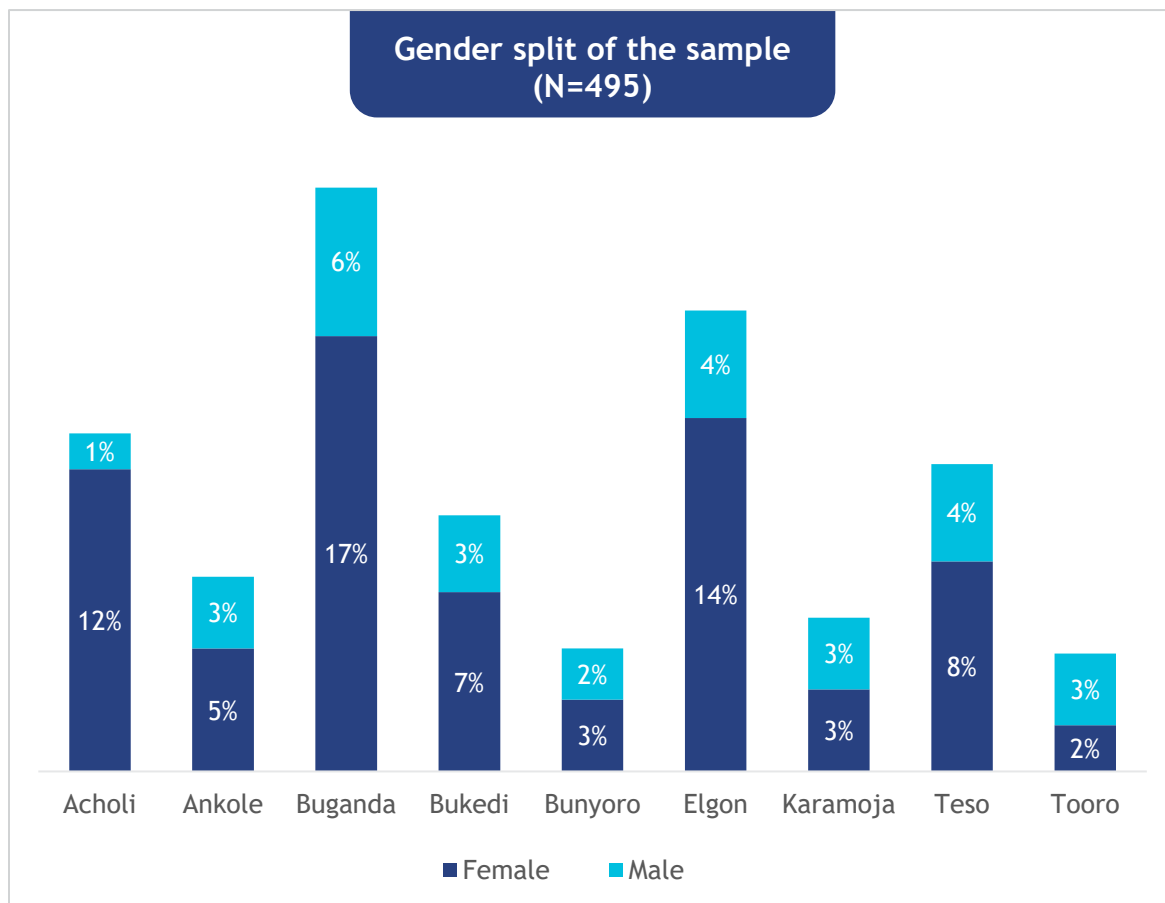
For this research, we focused on MSMEs with an annual turnover of up to Uganda shillings 360 million. We used a single-sampling method to select the respondents covering different types of enterprises. In all, we covered 495 respondents across 9 sub-regions and 40 districts.

Regions	Number of FGDs	Number of FGDs					
		 Trade and services	 Technology	 Agriculture	 MICE and tourism	 Light manufacturing	 Fashion and design
Bunyoro	3	1		1	1		
Tooro	3	1		1	1		
Ankole	4	1		1	1	1	
Karamoja	3	1		1			1
Bukedi	5	1	1	1	1	1	
Elgon	9	2	1	3	1	1	1
Buganda	8	1	2	1	1	1	2
Teso	6	1	1	1	1	1	1
Acholi	7	1	1	2	1	1	1
Total	48	10	6	12	8	6	6

30 key informant interviews (KIIs) across:

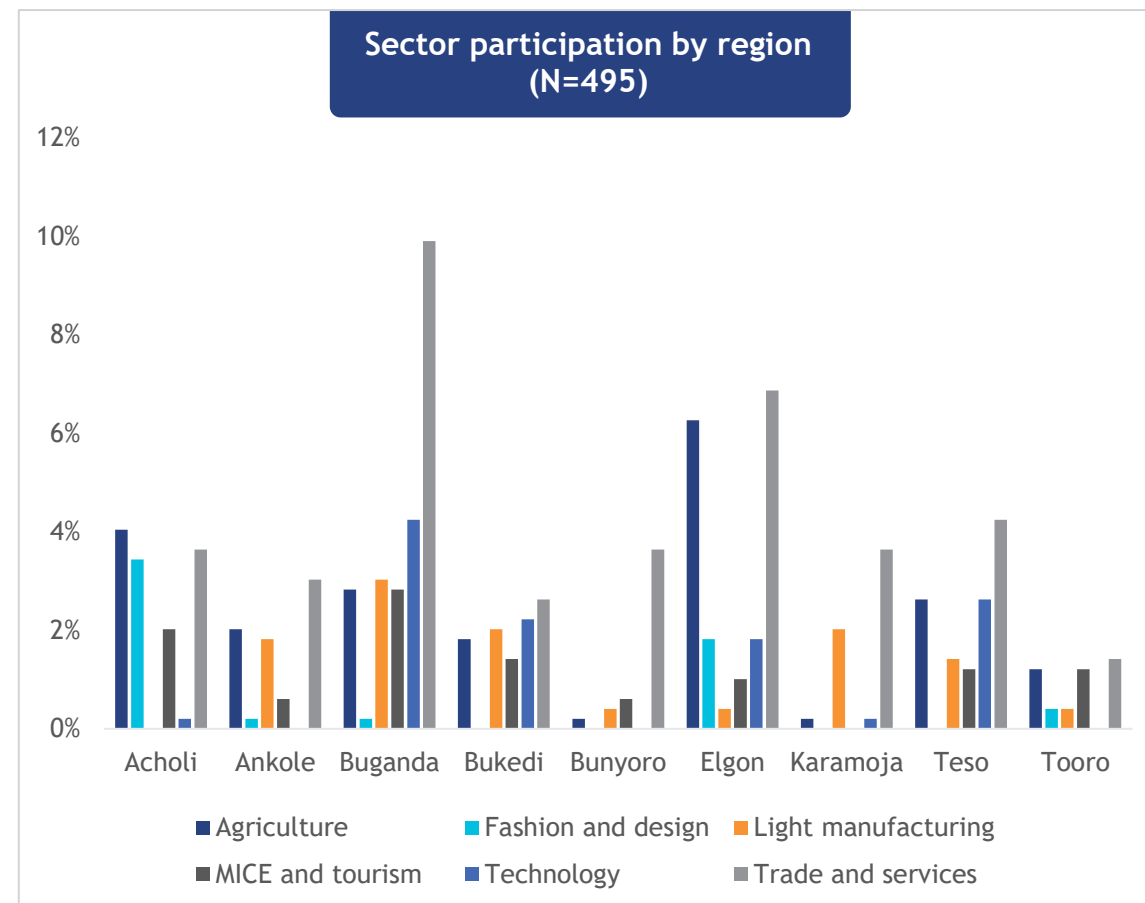
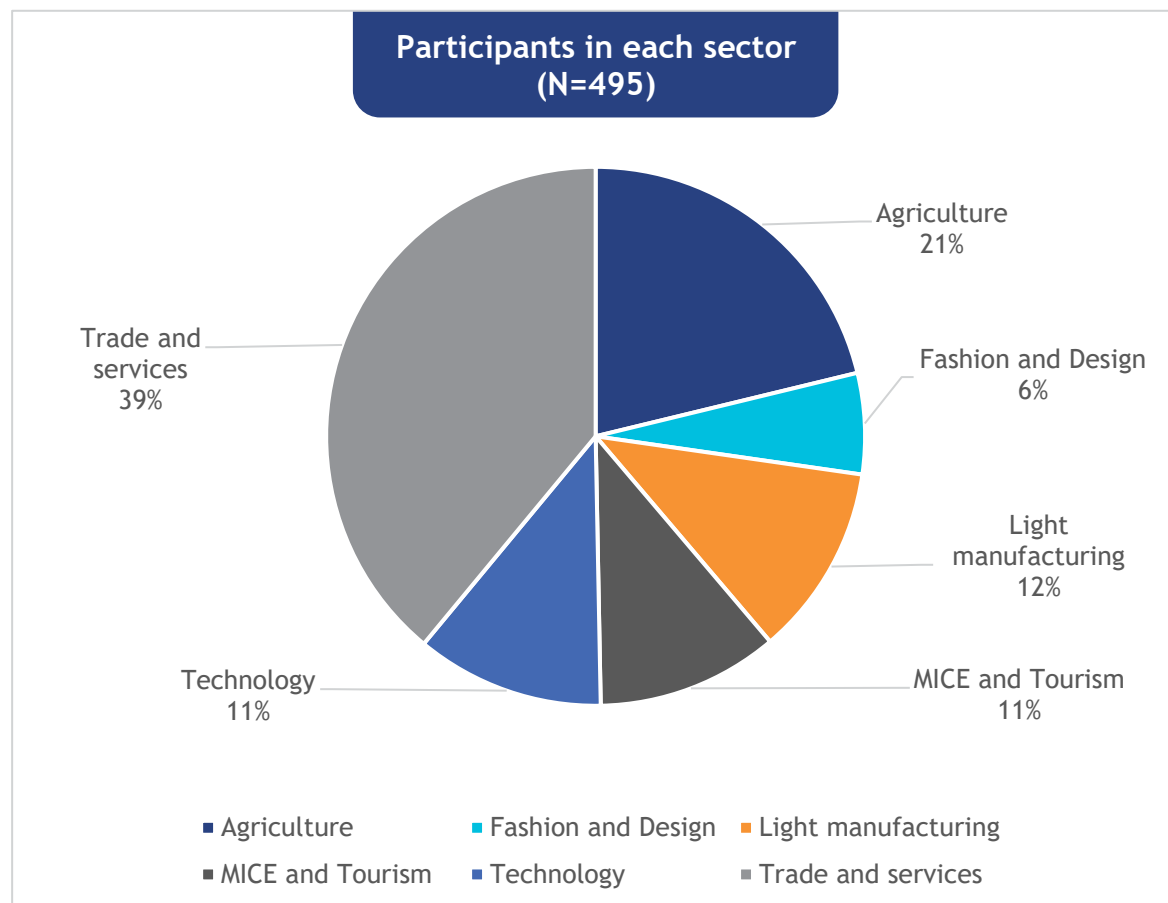
- Financial institutions
- Digital service providers
- Policy and regulatory bodies
- Development partners and donors
- Academic and research institutions
- MSME support organizations
- Digital platforms
- Export promotion organization

Youth and women-led MSMEs were the key sample targeted across all regions






A total of 495 MSMEs participated in the study. 71% of them were women and 29% of them were men. Young entrepreneurs largely dominated the study. They accounted for 84% of the respondents. Among them, 58% were young women, spread across all nine sub-regions.

Sample included six sectors across nine regions of the 10x program



The study covered six sectors of the MSME landscape in the nine regions of the 10x program. Trade and services MSMEs constituted 39% of the total sample, followed by agriculture at 21%. The rest of the sectors display a fair distribution between 6-12%.

The sample was spread across the three personas

Persona	Average amount	
 Mary (<250,000)	UGX 154,740	
 Sandra (250,000-290,000)	UGX 277,538	
 Atim (>290,000)	UGX 1,555, 980	

Revenue band (UGX)	Mary	Sandra	Atim
50,000 - 100,000	12		
100,000 - 250,000	61		
250,000 - 290,000		13	
290,000 - 500,000			35
500,000 - 1,000,000			62
1,000,000 - 2,000,000			53
2,000,000 - 3,000,000			27
3,000,000 - 4,000,000			6
4,000,000 - 5,000,000			7
6,000,000 - 7,000,000			4
7,000,000 - 8,000,000			7

- The data represents the distribution of personas' business revenue across three bands. We have calculated the average business revenue by dividing each category's monthly revenue by the number of personas in that group.
- There are more Atims than Marys in the sample because the sampling procedure controlled for factors such as age, gender, sector, region, and district, but not income levels. We have presented our findings and analysis separately for each persona.

2. Macro-level assessment of the digital economy landscape



Uganda has a vibrant digital economy led by mobile money usage, but low internet penetration and e-commerce adoption highlight key weaknesses

While digital tools like mobile money and e-commerce platforms are empowering businesses, more infrastructure, policy improvements, and cross-border trade facilitation are needed to help MSMEs scale regionally and globally.



Internet connectivity



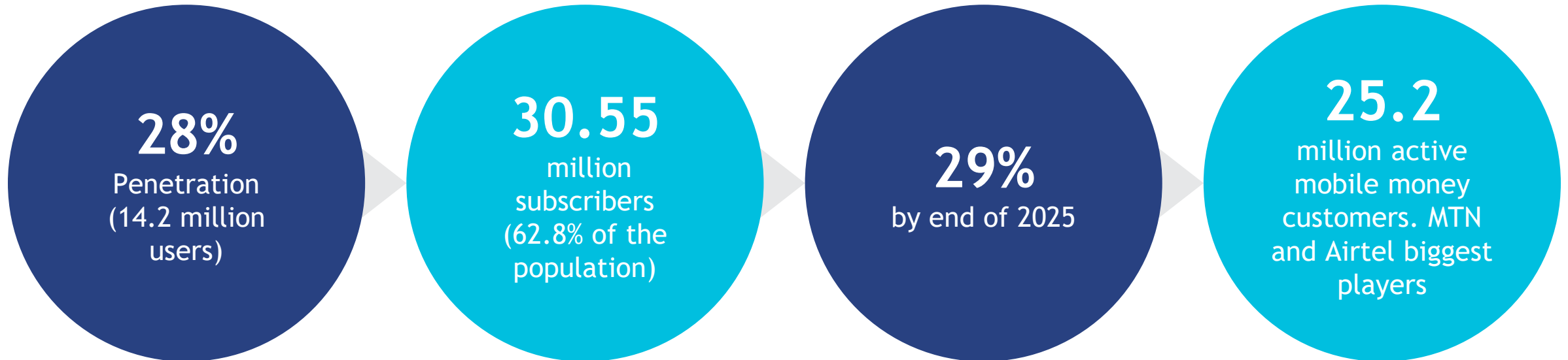
Mobile phone



E-commerce



Payment systems



Source: [UCC](#), [African Union](#), [World Bank](#)

Overview of MSME landscape in Uganda

MSMEs in Uganda are defined primarily based on the number of employees. Their asset base and annual turnover are also taken into consideration.

Criteria	Micro	Small	Medium
Number of employees	1-4	5-50	50-100
Capital investments (UGX)	0-10 million	10-100 million	100-360 million
Capital turnover (UGX)	100,000-10 million	10-100 million	100-360 million

Sector	Percentage
Services	49%
Agriculture and others	8%
Manufacturing	10%
Commerce and trade	33%

Source: Ministry of Trade Industry and Cooperatives, IFC 2021

- Contribute 75% of national GDP**
MSMEs drive the Ugandan economy. They comprise 90% of enterprises, generate 75% of the nation's GDP (gross domestic product) and provides livelihoods to more than 3.5 million Ugandans.
- Microenterprises dominate**
Approximately 94% of MSMEs fall under the microenterprises category. About 50% of them are less than five years old.
- Trade sector dominates**
The majority (61%) of the businesses are in the trading sector, and 59% of them are located in the central region.
- Service sector leads in employment**
On average, 80% of business employment is in the services sector. On the other hand, the trade subsector employs 42% of people in businesses. Of these, 68% are male, while 32% are female.
- Low credit access**
Only 8.9% of Ugandan MSMEs have a loan, as against 35% in Kenya and Ugandan MSMEs confront a UGX 31.4 trillion (USD 8.8 billion) financing gap, which is estimated to be 24% of GDP.

3. MSME market assessment



3.1 Digital devices and digital tools usage and adoption



Digital tools empower women to operate in male-dominated spaces and improve community perceptions of their professional capabilities

Key findings



- Digital tools have allowed entrepreneurs to overcome geographical limitations, enabling them to reach customers and suppliers in distant locations and access broader markets, such as Bweyale, Kampala, and Sudan.. This is particularly critical in refugee settlements where physical mobility is often restricted.
- Many respondents, especially women, reported that digital tools help them reduce the need for direct physical interactions with male clients, suppliers, or colleagues, potentially shifting traditional gender dynamics. This has proven beneficial in contexts where cultural norms may limit women's mobility or where direct engagement could invite unwanted scrutiny.
- Women reported that digital tools allow them to perform tasks traditionally reserved for men, such as negotiating prices and managing transactions. This would, thereby, enhance their social and professional standing.
- Female respondents noted that digital tools enable them to stay connected with customers while juggling household responsibilities, such as childcare and cooking.
- Positive shifts in perceptions: Despite some traditional barriers, such as restrictions by husbands, the use of digital tools has improved community perceptions of women entrepreneurs. Respondents noted that being digitally connected made them appear more professional and successful.

“

People now see us as intelligent and successful businesswomen because we use digital platforms.

”

“

Using my phone lets me negotiate with male clients without having to meet face-to-face, which gives me more confidence.

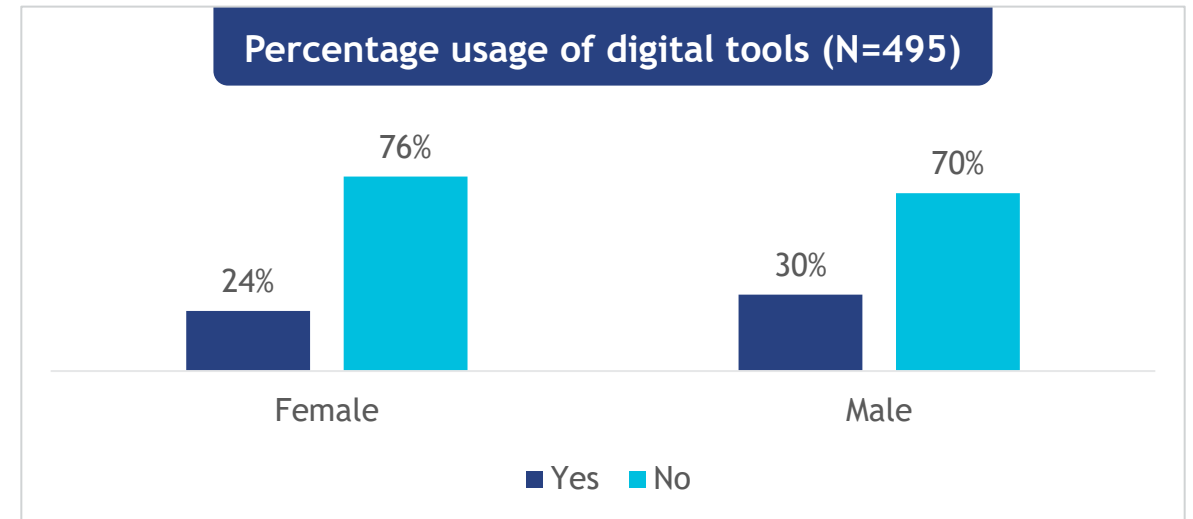
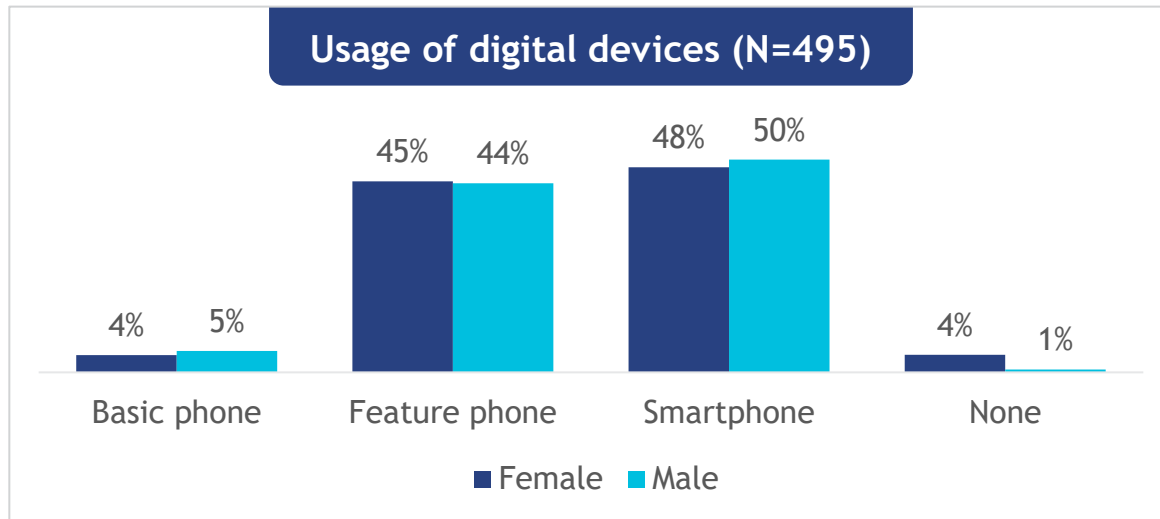
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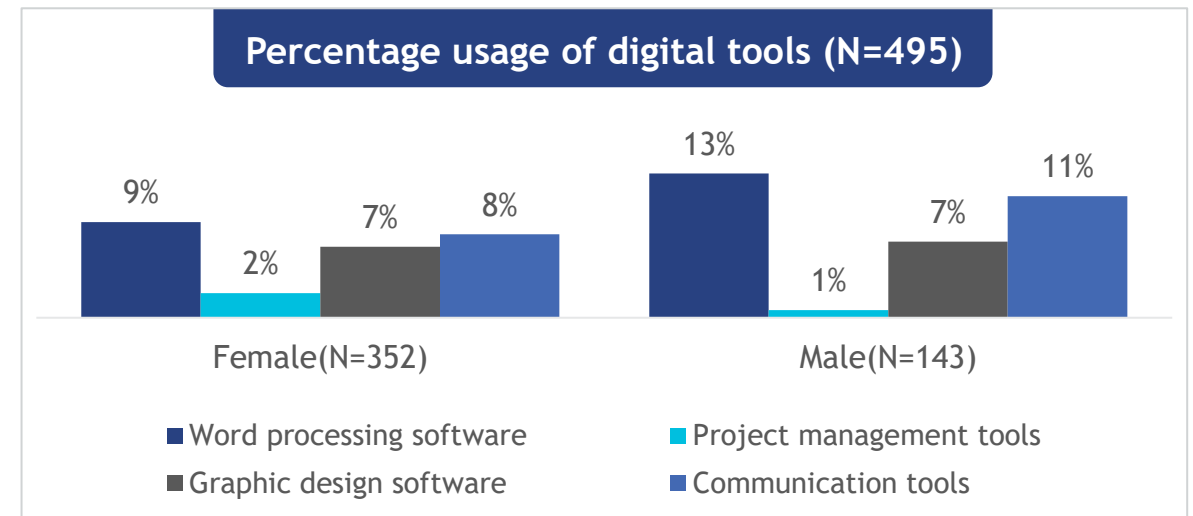
I can manage orders and talk to my customers while taking care of my children. This flexibility is crucial for me.

”

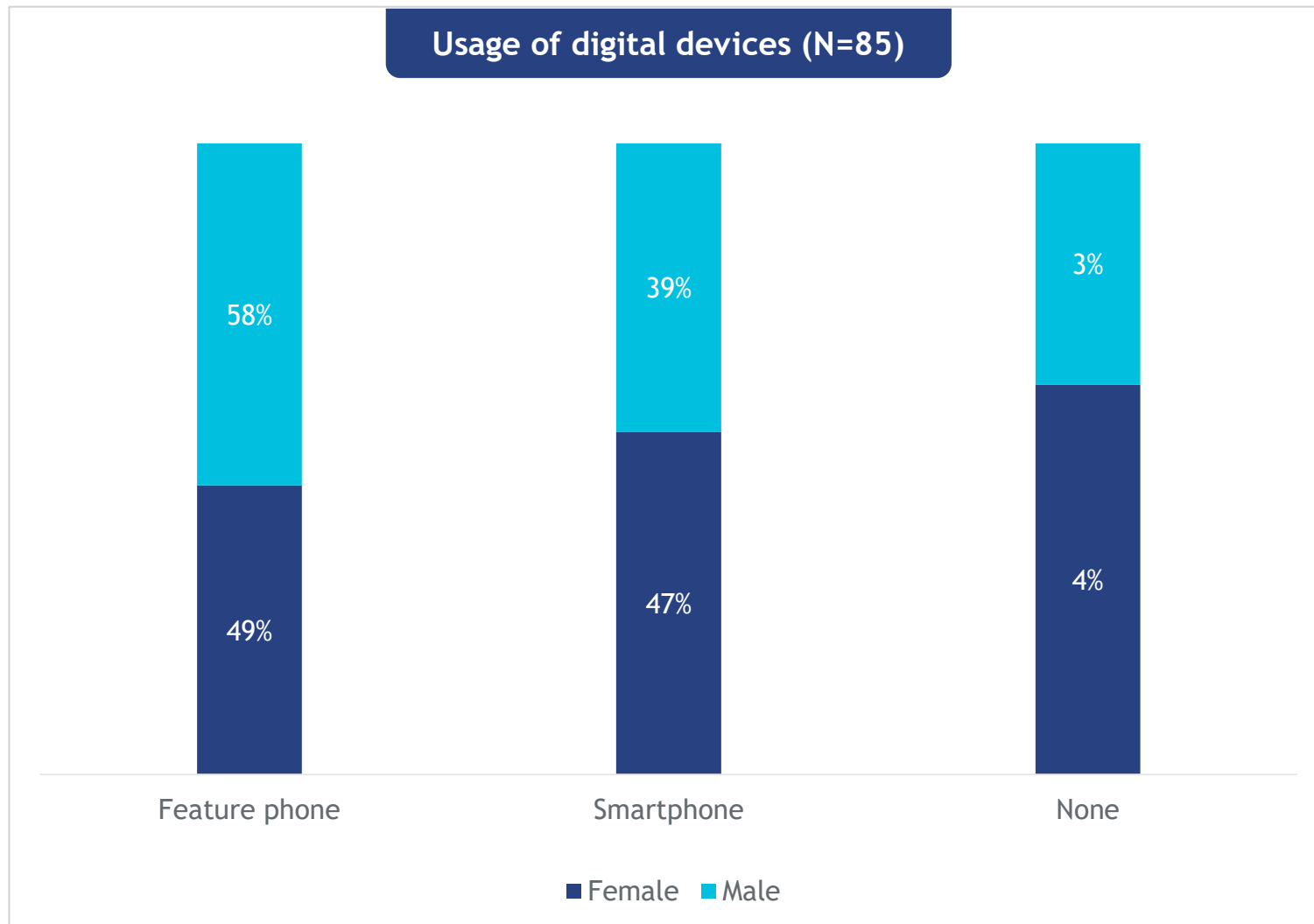
While ownership of digital devices, especially smartphones, is growing, however, women lag behind men in digital tool usage



- Smartphones are the most commonly used devices for both genders, with 50% of males and 48% of females reporting usage. This suggests a relatively high level of digital device penetration.
- The gender distribution, with 30% male respondents and only 24% female, may highlight a gender gap in digital tool usage. This suggests that targeted interventions may be needed to enhance digital access and adoption among women. Such interventions will ensure inclusivity in digital transformation efforts.

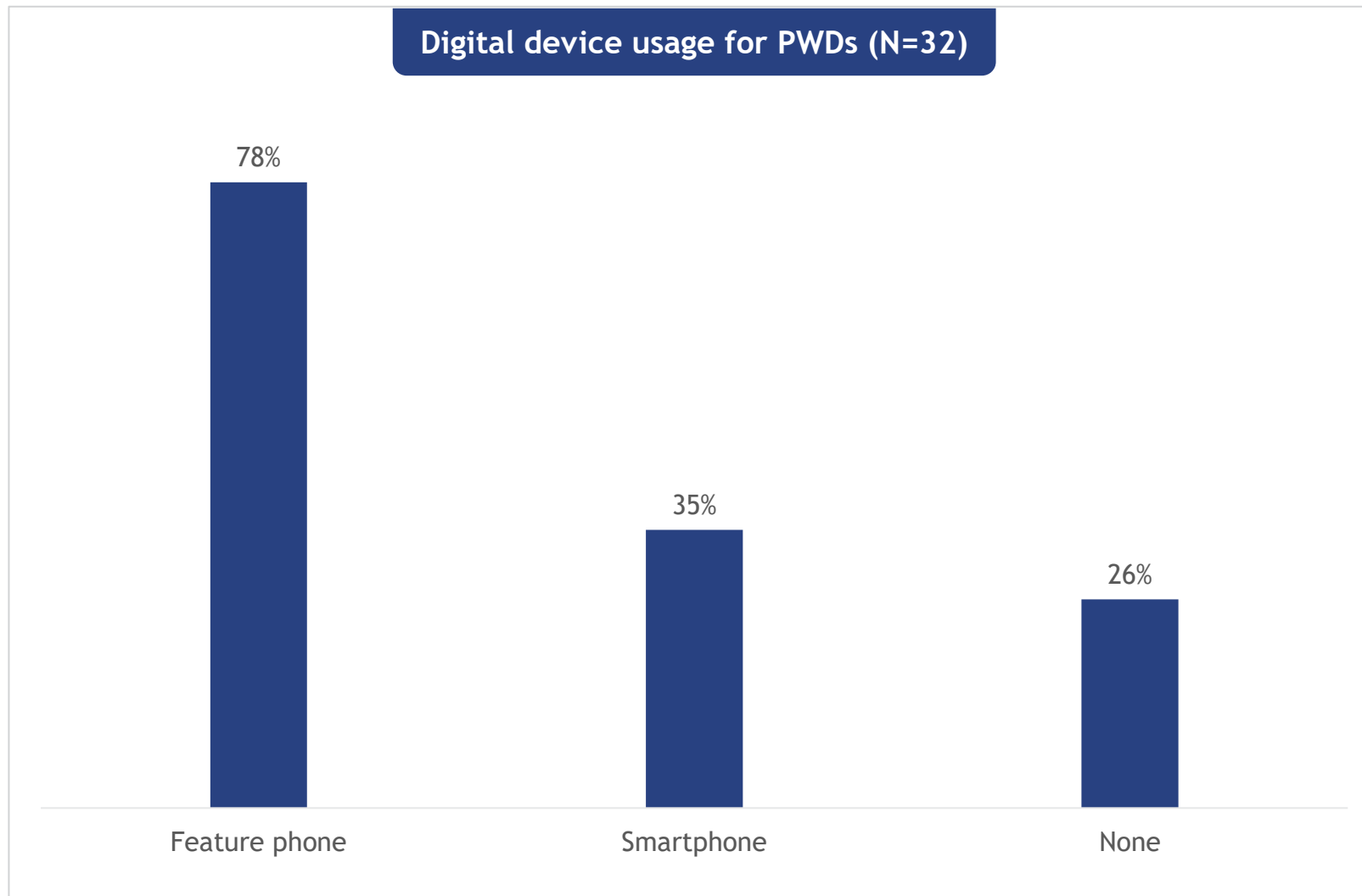


Refugees have access to digital devices, especially feature mobile phones, but they do not use digital tools



- Feature phone usage is more common among both genders, with a slightly higher proportion of men using them compared to women. This suggests that feature phones remain a widely accessible and prevalent digital device, possibly due to affordability and ease of use.
- A small proportion of both males and females do not use any digital device, with females slightly more represented in this group. This signals a continued need to address digital exclusion, especially among women.
- Refugees, both male and female, do not use digital applications for record keeping, accounting, etc.

PWDs have very limited access to smartphones and usage of digital tools is negligible



- Feature phones are the most commonly used devices, with 78% of PwDs relying on them. This suggests that feature phones are more accessible due to affordability, simplicity, or longer battery life. This has implications for
- 26% of PwDs do not use any digital device at all, highlighting a considerable digital exclusion rate in this group.
- PwDs usage of digital tools and applications is negligible as per our sample

Barriers to owning digital devices by women and youth led MSMEs

High cost of digital devices



- 🔍 **Finding:** High quality smartphones on the market range from UGX 400,000 to UGX 1,200,000, making them unaffordable for many young women. However, access to such smartphones which can effectively run essential applications is crucial for meaningful participation in the digital economy.
- 🔍 **Impact:** Businesses are unable to engage with online platforms, hindering their growth and ability to reach a larger customer base.

“

I prefer a smartphone but don't have capacity to buy one. - **retail trader**

”

“

My enterprise only supports my basic needs I can't afford a smartphone.
- **hairdresser**

”

“

I need a receipt printer for my business so I can retain a digital copy for my enterprise. - **farmer**

”

“

I can afford to pay UGX 300,000 for a smartphone with installments of UGX 40,000. - **retail trader**

”

High repair costs and limited technical support



- 🔍 **Finding:** Enterprises struggle to adopt digital tools primarily for financial and technical reasons. They struggle with the high cost of devices, repairs, and mobile data, and lack effective support for using these devices. Accessibility is also a concern; finding repair technicians often requires costly and time-consuming travel.
- 🔍 **Impact:** This barrier makes it difficult for many MSMEs with smartphone repair needs to access technician services, limiting their ability to participate in the digital economy.

Barriers to adopt digital tools by Women and youth MSMEs (1/3)

Access to technology and infrastructure



- **Finding:** Limited access to affordable, reliable digital infrastructure (internet, devices) hampers MSMEs' ability to adopt technology. In many rural and low-income areas, businesses face significant challenges due to poor internet connectivity and lack of devices.
- **Impact:** Businesses are unable to engage with online platforms, hindering their growth and ability to reach a larger customer base.

“

I think there is a lot of hidden information most especially when it comes to the interest rates and penalties involved. - **trader**

”

“

I use social media to gather information on new packaging designs and market my business using WhatsApp. - **a honey trader**

”

Affordability of digital tools



- **Finding:** Many MSMEs face financial constraints in adopting and maintaining digital tools such as accounting software. The upfront costs of purchasing devices and subscribing to digital tools are often prohibitively expensive for small businesses.
- **Impact:** This barrier leads to a significant portion of MSMEs remaining in the informal market, where digital tools are either minimally used or entirely absent, limiting their growth potential.

“

Internet in the town is ok, but in the village where my farm its sometimes not stable and we don't have after sales services in our area.
- **farmer in Bukwo district**

”

“

I use WhatsApp to communicate with my customers majorly those that I sell milk to on a daily basis about the deliveries and how to send the money. - **diary farmer in Kokoto village.**

”

Barriers to use digital tools by women and youth-led MSMEs (2/3)

Digital literacy



- **Finding:** Low levels of digital literacy prevent MSME owners and their employees from fully utilizing available digital tools. In many cases, the workforce lacks the skills to effectively use platforms for marketing, financial management, or customer engagement.
- **Impact:** Poor digital literacy results in the underutilization of digital tools, leading to inefficiencies and missed opportunities for business growth.

“

I think there is a lot of hidden information most especially when it comes to the interest rates and penalties involved. - **trader**

”

“

I use social media to gather information on new packaging designs and market my business using WhatsApp. - **a honey trader**

”

Fear of fraud and data theft



- **Finding:** The lack of consumer protection mechanisms in digital tools discourages MSMEs and consumers from fully embracing digital tools. Many MSMEs fear fraud or negative feedback, while consumers hesitate to trust e-commerce businesses without adequate protection.
- **Impact:** Consumer and business reluctance to engage in digital transactions affects MSME performance. This contributes to lower e-commerce adoption and market reach.

“

Internet in the town is acceptable, but in the village where my farm is located, it is sometimes unstable, and we lack after-sales services in our area. - **farmer**

”

“

I use WhatsApp to communicate with my customers, mainly those I sell milk to daily, regarding deliveries and payment instructions. - **diary farmer**

”

Barriers to use digital tools by women and youth-led MSMEs (3/3)

Cultural norms



- **Finding:** Cultural restrictions that limit women's access to digital tools reinforce existing gender disparities, reducing the potential for women-led MSMEs to grow. Some women indicated that their husbands restrict their phone usage or view interactions with male customers or suppliers with suspicion. Family responsibilities such as childcare also limit the time and energy available to learn and use digital tools.
- **Impact:** Gendered norms restrict access to and usage of digital devices and tools, especially advanced tools like accounting software, etc.



“

My husband checks my phone whenever I leave it unattended. - **retail trader**

”

“

Some customers prefer digital payments, but I still use cash because I don't have the tools or support to change.

- **visually impaired hairdresser**

”

“

There's fear that I might make a mistake online and lose money? At least with manual records, I understand what's happening. - **farmer**

”

“

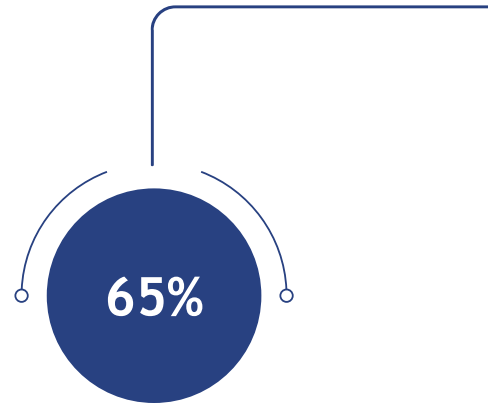
Even when I want to use digital tools, most training sessions are not inclusive. There's no interpreter or materials for people like me.

- **retail trader with hearing impairment**

”

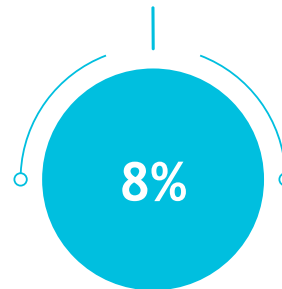
Digital skills among the women and youth MSMEs vary and many lack the technical skills to fully integrate digital platforms into operations

MSME owner's digital skills levels



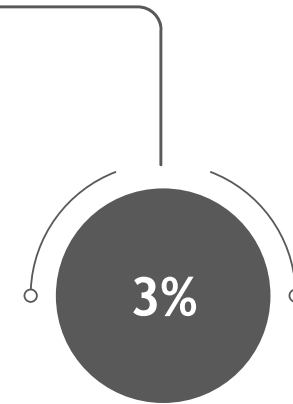
Basic digital skills

- Mostly, micro and small business owners have basic digital skills.
- They use mobile money, WhatsApp, and Facebook for communication and informal sales.
- They access digital financial services, such as mobile money services.
- They use mobile phone devices, such as smartphones and feature phones.



Intermediate digital skills

- Some small and medium enterprise founders have intermediate digital skills.
- They can navigate e-commerce platforms, simple business analytics, and digital bookkeeping tools, such as QuickBooks and Ensibuuko.
- They struggle to optimize digital marketing, integrate multiple digital solutions, and manage online customer engagement effectively.
- They use tablets and laptops.



Advanced digital skills

- Typically, founders of tech startups and growth-oriented MSMEs have advanced digital skills.
- They use CRM, supply chain management, automation, and AI-driven analytics.
- They face several barriers, such as high costs of advanced tools, lack of local mentorship, and limited access to tailored training programs.
- They use laptops and desktops.

MSMEs have varying digital skills; MSC assessed their digital confidence to understand these differences

On a scale of 1 to 5, how confident are you in using the following digital tools for your business? (1 = not confident, 5 = very confident)

MSME archetype	Persona	Email for communication	SMS and or WhatsApp for communication	Digital payment platforms (e.g., mobile money, bank apps)	Spreadsheet software (e.g., Microsoft Excel, Google Sheets)	E-commerce platforms (e.g., Jumia, kikubo online)	Social media marketing tools (e.g., TikTok, Facebook, Instagram business)	Accounting or inventory management software(e.g., QuickBooks, Odoo)
Gig Workers	Mary	2	5	5	2	1	2	2
	Atim	3	4	4	2	2	3	1
Invisibles	Mary	2	3	4	1	1	1	1
Bootstrappers (Micro and Small)	Mary	2	3	4	1	1	1	1
	Atim	2	4	4	1	1	2	1
Bootstrappers (Small and Medium)	Atim	2	4	4	1	1	3	1

Reliance on informal learning methods and limited confidence in using essential digital tools may hinder the growth and operational efficiency of youth and women-led MSMEs in refugee settlements

“

I taught myself, and sometimes my peers or even my children show me how to use new tools.

”

Informal learning methods



Respondents consistently indicated that they primarily learn new digital skills independently or through informal networks.

Digital confidence assessment



Many respondents showed high confidence in mobile money, SMS, and WhatsApp. This suggests that these tools are well-integrated into their routine activities.

In contrast, respondents had reduced confidence in tools such as email, spreadsheet software, e-commerce platforms, social media marketing tools, and accounting or inventory management software.

This points to a gap in skills needed for more sophisticated digital business operations.

Implication for MSMEs



The reliance on informal, self-taught digital skills means that many MSMEs may miss out on the benefits of structured digital tools training.

Without formal training or standardized practices, the skills acquired through peer networks or self teaching may be incomplete or inconsistent. This can lead to errors, inefficiencies, and a slower pace of digital transformation for these enterprises.

Although basic tools, such as mobile money and SMS, are well used, the low uptake of more advanced digital applications can worsen existing challenges in accessing wider markets or more efficient business processes.



4. Device distribution and financing models

Uganda has a significant informal digital device's market

Authorized distributors and resellers



- These are formal, structured channels tied to global or regional device brands. These distributors often supply OEM hardware to authorized resellers such as MFI Uganda, Sybil, and PC World.
- They focus on higher-margin devices and provide value-added services like extended warranties, IT support, and software pre-installation, making them ideal for middle- and high-income consumers and organizations.

Grey Market and informal



- Many devices, particularly smartphones, come through unofficial channels, mainly from Dubai, China, and Kenya.
- These players dominate the bustling electronics markets in downtown Kampala (e.g., Kikuubo, Nasser Road),
- While product quality and after sales is suspect, these traders quickly adapt to demand trends, frequently offering used, refurbished, or cloned devices to meet lower-income consumer needs.
- According to a study by UCC, **approximately 34% of Ugandans own counterfeit or "fake" mobile phones.**

Telecom and Mobile Network Operators (MNOs)



- Major telecom operators bundle devices with data, SIM cards, and mobile money accounts.
- MNOs like MTN and Airtel increasingly offer smartphone financing to attract new data users, especially targeting youth and first-time internet users.
- They also use their agent networks to distribute entry-level devices helping expand digital access to underserved areas.

The device market has both formal distributors and informal traders

Understanding the differences between these two is crucial for MSMEs when sourcing digital devices for business

Formal

Major brands, such as Banana and Techno



- Examples:
 - Banana (authorized distributor for brands, such as Samsung and Huawei)
 - Techno (distributor for Techno Mobile)
- These distributors sell devices through authorized retail outlets, online platforms, and established partners.

Advantages:

- Guaranteed product authenticity and warranty
- After-sales services, which include device repairs and replacement
- Often offer bulk purchasing discounts for MSMEs

Informal

Out of channel traders such as William Street vendors



- Examples:
 - William Street vendors in Kampala and other urban markets.
- They are often small, independent vendors who sell directly to consumers in open markets or on street corners.
- They sell devices on a retail basis, usually without official brand affiliations, and may offer second-hand devices.

Advantages:

- Lower prices due to minimal overhead costs
- Flexible payment terms, which include cash on delivery or installment payments
- Quick availability of various devices, which include used or refurbished devices



4.1 Demand side

Gaps in digital device financing of women and youth MSMEs

Addressing these gaps requires a multifaceted approach. It includes affordable device financing, regulation on the importation of grey devices, and increased consumer awareness

Inclusion and accessibility gaps



- **Affordability:** Smartphones and other digital devices remain expensive for many Ugandans, especially in rural areas, with prices that range from UGX 400,000 to UGX 1,200,000.
- **Awareness:** Many potential users are unaware of financing options such as “Buy Now, Pay Later” models offered by asset financing companies.
- **Limited reach:** Financing programs often fail to penetrate rural and underserved areas that have the greatest need.

Product and market design gaps



- **Limited product diversity:** Financing is concentrated around low-end smartphones, and productivity devices, likely laptops, are largely excluded.
- **Low consumer awareness:** Many users are unaware of available device financing options.

Credit risk and financial infrastructure gaps



- **High perceived risks and default rates:** Lenders fear non-payment and device resale before full repayment.
- **Cheap grey devices:** Grey market devices are typically sold at lower prices for cash, making them attractive to consumers seeking immediate affordability. This trend reduces the demand for formal financing options as consumers opt for cheaper, upfront purchases.

MSMEs in refugee settlements are interested in device financing solutions, but significant barriers remain

Key findings



- Many respondents were unaware of any existing device financing services. Even among those who had heard of such programs, they perceived these options as expensive. One common sentiment was that the current dealers charge high prices, which makes financing unattractive.
- Credit access is very limited to refugees most mainstream banks/Fis do not serve them
- Respondents consistently noted that the cost of quality smartphones is a major barrier. The suggested price range for a low-end smartphone was generally UGX 150,000 to UGX 400,000, but many preferred devices that do not exceed UGX 250,000- UGX 300,000. The high initial down payments and daily installments (for example, UGX 150,000 down with UGX 2,500 daily payments) discourage uptake.
- Most respondents rely on personal savings or informal channels, such as grants from friends, loans from money lenders, or FFIs. Discrimination against refugees and unfriendly credit requirements limit their access to formal device financing.
- Respondents expressed a strong need for accompanying services, such as training on device usage, troubleshooting support, regular maintenance, and repair services, to make financing more viable and sustainable for business use.

Impact



- High costs and unfavorable financing terms hinder MSMEs from accessing quality digital devices.
- The reliance on personal savings and informal lending options may not be sustainable, especially when the market demands more advanced and reliable digital tools.
- Discriminatory practices against refugees and gender-based restrictions, such as limited phone ownership for some women, deepen existing inequalities.

“

We would like a model of device financing that allows us to save for a smartphone in our savings groups. A special account called “Save for a smartphone” could help us buy the phone at its real price without interest charges.

”

“

For women whose husbands do not allow them to own smartphones, we could share or jointly own a device to protect our marriages while digitizing our businesses.

”

“

Yes, especially the discrimination between locals or nationals and us refugees. They do not give us credit because we do not have the Ugandan National ID and physical collateral, especially a semi-permanent house and asset, such as a motorcycle.

”

4.2 Supply side assessment of device financing market in Uganda



In Uganda, some FSPs and local retailers offer innovative financing solutions for MSMEs that are excluded from traditional credit structures

Pay-as-you-go (PAYG) model



- M-KOPA is a leading example of the PAYG model, which allows MSMEs to acquire devices, such as smartphones, solar-powered systems, or POS terminals, through small, daily payments.
- MSMEs make daily micro-payments via mobile money platforms, such as MTN MoMo or Airtel Money, until the device is paid off in full.
- This model makes it easier for MSMEs to acquire essential devices, such as smartphones or solar energy systems, by spreading the cost over time, which makes it more affordable.

Buy now, pay later (BNPL) model



- Telecom companies, such as MTN Uganda and Airtel Uganda, are partnering with device distributors to offer BNPL options.
- MSMEs can buy devices upfront and pay for them over a set period with zero or low interest rates, which enables immediate access to technology without upfront costs.
- This model provides MSMEs with the flexibility to acquire devices, such as smartphones, Internet devices, and feature phones, on a longer repayment term, which enhances cash flow management.

Device swapping



- Device swapping programs, such as those organized by some local electronics retailers, occasionally run promotions that allow customers to trade in their old devices for discounts on new purchases.
- MSMEs can exchange old devices they no longer need for those they need, a system that increases access to preferred devices.
- This model allows MSMEs to acquire devices, such as smartphones, laptops, and feature phones.

- Tier 4 models offer flexible, small payments for devices, which makes technology more accessible to MSMEs that may otherwise be excluded from traditional financing.
- With BNPL options from telecom partnerships, MSMEs can acquire digital devices without upfront payment, which spreads the cost across a manageable payment period.

Source: [M-Kopa](#), [Airtel Uganda](#)

Mainstream banks and MFIs have not focused on the device financing segment, and they do not have appropriate products

Structured credit offered by FSPs has not adequately addressed the need for tailored financing for devices



1. FSP tier 1 (Commercial banks)

Large commercial banks, such as Stanbic Bank and Standard Chartered Bank Uganda, provide business loans primarily to established MSMEs with strong credit histories and collateral. MSMEs in the informal sector often do not meet these stringent requirements, so they often cannot access loans.



2. FSP tier 2 (Credit institutions)

Credit institutions, such as BRAC and Opportunity Bank, offer loans to smaller businesses. However, the loans offered are often too general, without targeted products for digital technology or device financing, such as smartphones or POS systems.



3. FSP tier 3 (Microfinance deposit-taking institutions)

MFIs, such as UGAFODE and FINCA, offer loans with strict lending conditions and complex documentation requirements, which may hinder MSMEs' access to credit for device financing.

Structured credit through FSPs is crucial to support MSME growth, yet targeted products for device financing are largely absent. The existing FSP tiers 1, 2, and 3 have not addressed these needs adequately.

Current gaps



- **Lack of targeted products for device financing:** MSMEs that use platforms, such as Jumia for e-commerce need devices, such as smartphones, tablets, and POS systems, but current financial products do not address this specific need.
- **Need for collateral:** Women-led MSMEs often lack the collateral needed to secure loans to buy long-term assets, such as digital devices.
- **Limited financial inclusion:** Most MSMEs, particularly in rural Uganda are not formally banked. Therefore, they lack access to structured credit that could help them buy devices.

Key insights



- FSP tier 2 and tier 3 institutions are vital for MSMEs, but more customized loan products that address device acquisition for business operations are needed.
- The absence of digital device financing products hinders MSMEs from scaling their operations, especially in rural areas where access is crucial for e-commerce and online payments.

Regulatory environment for device distribution and financing in Uganda

Regulatory environment for device distribution and financing in Uganda

01

Uganda communications regulations (2019)

All communication equipment imported, sold, or used in Uganda must receive type approval from the Uganda Communications Commission (UCC). This process ensures that devices such as mobile phones, laptops, tablets, drones, and broadcast transmitters meet the required technical and safety standards before they are distributed in the market.

02

Electronics transactions act (2011)

This Act provides a legal framework for the use, security, facilitation, and regulation of electronic communications and transactions. It ensures that electronic records and signatures are legally recognized, promoting trust and efficiency in electronic dealings.

03

Ban of importation of used electronics

In 2009, the Ugandan government banned the importation of used electronics, including computers, refrigerators, freezers, and television sets, effective June 1, 2009. This measure aimed to prevent Uganda from becoming a dumping ground for electronic waste and to mitigate environmental hazards associated with e-waste.

04

Data protection and privacy act, 2019

This Act regulates the collection, processing, and storage of personal data, ensuring that individuals' privacy is protected in electronic transactions. It applies to any person or entity handling personal data within Uganda or processing data of Ugandan citizens outside the country.

Policy and regulatory gaps in device distribution and device financing of MSMEs

Several policy and regulatory gaps exist in device distribution in Uganda that affect affordability, access, and digital inclusion

Policy and strategic gaps



- ✦ **Lack of a national device access and distribution policy:** No overarching framework to guide public-private initiatives, affordability measures, or last-mile distribution strategies.
- ✦ **Limited digital inclusion targeting:** Existing digital strategies do not explicitly address the needs of youth, women, persons with disabilities (PWDs), rural communities, or refugees.
- ✦ **Outdated import ban without review mechanism:** The 2009 ban on used electronics does not distinguish between e-waste and high-quality certified refurbished imports.

Legal and regulatory gaps



- ✦ **No regulation for device financing or PAYG models:** Lacking legal frameworks around ownership rights and repossession.
- ✦ **No standard for refurbishment or resale certification:** Refurbished devices sold by platforms like Badili and Jumia operate in a legal grey zone without official standards or quality assurance.
- ✦ **Weak enforcement of existing e-waste and ICT laws:** While several legislations exist (e.g., Communications Act, Electronic Waste Policy draft), enforcement is patchy.

Fiscal and market incentive gaps



- ✦ **No tax incentives or subsidies for local assemblers, refurbishers, or buyers (e.g., youth, schools, MSEs).**
- ✦ **Import taxes and duties increase device costs:** New devices remain out of reach for many, especially with no exemption schemes for underserved groups.
- ✦ **No public procurement schemes for local devices:** Government bulk-buying doesn't currently prioritize locally assembled or refurbished options.



5. Digital platforms

Marketing, payments, communication, and record-keeping platforms are the key digital platforms used by MSMEs in the study

Definition and categorization of platforms

Platform type	Definition	Examples of platforms
Marketing platforms	These platforms facilitate the promotion and sale of products or services online. They include e-commerce platforms, social media platforms, and digital advertising platforms.	<ul style="list-style-type: none">➤ Jumia➤ Jiji Uganda➤ Kikuu➤ Kikubo online
Payment platforms	These platforms enable digital transactions, which makes it easier for businesses and individuals to receive and send payments.	<ul style="list-style-type: none">➤ Mobile money services: MTN Mobile Money and Airtel Money➤ Online payment gateways: Services, such as Payway and DPO Group, facilitate online transactions for businesses
Communication	These platforms facilitate communication and collaboration among individuals and businesses.	<ul style="list-style-type: none">➤ Social media: WhatsApp and Facebook are used for communication and networking.➤ Messaging apps: WhatsApp for business communication.
Record-keeping/Inventory management	These platforms help businesses manage their data, inventory, and operations more efficiently.	<ul style="list-style-type: none">➤ Inventory management software like Odoo or Zoho➤ Accounting and record-keeping tools: Software like QuickBooks or Wave.



5.1 Demand side

Access to technology, digital literacy, infrastructure challenges, and perception and trust are the key barriers to platform adoption

01

Access to technology and digital literacy

- ▶ **Limited access to technology:** Despite 38.6 million mobile connections in early 2025, only 14.2 million individuals used the internet, highlighting a significant gap in access to technology.
- ▶ **Digital literacy:** Limited digital literacy among potential users is a significant barrier to widespread adoption.

02

Infrastructure challenges

- ▶ **Internet penetration:** Internet penetration stood at 28.0% in early 2025, with 72.0% of the population remaining offline.
- ▶ **Cost of technology:** The cost of acquiring and maintaining digital infrastructure is a challenge for many businesses and individuals.

03

Perception and trust

- ▶ **Attitude towards technology:** Positive perceptions about technology are crucial for adoption. Negative attitudes or lack of trust in digital platforms can hinder their use.
- ▶ **Security concerns:** Security concerns, such as data privacy and transaction security, are barriers to the adoption of digital platforms.

5.2 Supply side of digital platforms



Supply-side barriers to digital platform adoption for MSMEs

Barrier	Description
Limited infrastructure and connectivity	MSMEs, especially in rural or underserved areas, face challenges related to unreliable internet access and insufficient technological infrastructure cost of data. This makes it difficult for businesses to adopt and consistently use digital platforms for transactions, marketing, or operations
High initial setup costs	Setting up digital platforms often involves significant upfront costs, including purchasing devices, internet connectivity, and training staff. The financial barriers can be challenging for MSMEs with limited capital or cash flow.
Concerns over security and privacy	MSMEs may be hesitant to adopt digital platforms due to concerns over the security of online transactions and the protection of customer data. This is particularly true for businesses that lack the knowledge or resources to implement robust cybersecurity measures.
Integration challenges with existing systems	MSMEs often operate on traditional or manual systems, making integrating digital platforms seamlessly into their existing business operations difficult. These integration challenges can discourage the adoption of digital tools that could enhance efficiency.
Lack of tailored solutions	Many digital platforms are designed with larger enterprises in mind, leaving MSMEs with platforms that are either too complex or not well-suited to their needs. The lack of affordable, easy-to-use, and tailored digital solutions can be a significant barrier to adoption.
Limited support from service providers	Some digital platform providers offer insufficient support for MSMEs, particularly regarding customer service, technical assistance, or localized resources. MSMEs find it difficult to troubleshoot issues and fully use digital platforms without adequate support.

Opportunities and challenges on existing digital platforms

Platform	Overview	Advantages	Challenges
Digital lending platforms	<p>Offers digital loans to small businesses in Uganda, providing quick and accessible credit.</p> <p>Provides digital financial services, including loans, leveraging mobile technology for convenience.</p>	<p>Accessibility:</p> <ul style="list-style-type: none"> Provides unsecured credit to MSMEs lacking collateral. <p>Facilitates supply chain financing for MSMEs.</p> <p>Convenience:</p> <ul style="list-style-type: none"> Online platform simplifies transaction processes. <p>Convenience:</p> <ul style="list-style-type: none"> Streamlined digital application process. <p>Innovation: Utilizes alternative data for credit assessment.</p> <ul style="list-style-type: none"> Integrates invoice discounting and purchase order financing. 	<ul style="list-style-type: none"> High interest rates: Interest rates may be higher compared to traditional banks. Over-Indebtedness: Easy access to credit could lead to borrowing beyond repayment capacity. Limited reach: Primarily serves urban areas, potentially excluding rural MSMEs. Credit risk: Dependence on the creditworthiness of buyers in supply chain financing. Awareness: Limited brand recognition may hinder MSME adoption. Technological barriers: MSMEs with low digital literacy may face challenges using the platform.
Mobile money platforms	<p>A mobile-based savings and loan service enabling users to save and borrow money digitally.</p>	<ul style="list-style-type: none"> Accessibility: Integrates with mobile money services for widespread reach. Convenience: Allows instant loans and savings via mobile phones. Innovation: Encourages a savings culture alongside credit facilities. Convenience: Simplified application process with minimal documentation. Innovation: Utilizes mobile platforms to reach a wider audience. 	<ul style="list-style-type: none"> Default risk: Minimal credit assessment could lead to higher default rates. Interest rates: Fees and interest may accumulate rapidly if not managed. User education: Lack of financial literacy among users may result in mismanagement of funds. High interest rates: Short-term loans may come with substantial fees. Over-indebtedness: Borrowers might accumulate debt due to easy access.

Source: 250108 - UGA - Provision of Relevant, Affordable, Accessible and Inclusive Digital Platforms for MSMEs in Uganda

Regulatory environment for digital platforms in Uganda

Regulatory environment for digital platforms in Uganda

01

Digital transformation roadmap

- Uganda launched its Digital Transformation Roadmap in April 2023 as an implementation tool to speed up the country's digital revolution. The roadmap, which spans five years (FY2023/24-2027/28), spells out key enablers to actualize the aspirations embedded in the Digital Uganda Vision.
- These include attaining 90% household connectivity, 90% broadband coverage by geography, and 90% citizens accessing e-services online, among others, by 2040.

02

Data protection and privacy

- This act provides a framework for protecting personal data and privacy, which is essential for building trust in digital platforms.
- The Data Protection and Privacy Act of 2019 provides a framework for protecting personal data and privacy, essential for building trust in digital platforms.

03

Cybersecurity and AI governance

- The Computer Misuse Act of 2011 address unauthorized access to digital systems and helps protect digital platforms from cyber threats and ensures legal recourse for violations

04

National Information Technology Authority, Uganda (NITA-U) Act

- NITA-U is responsible for regulating, coordinating, and promoting information technology in Uganda.
- This authority plays a crucial role in developing infrastructure to support AI regulation efforts and digital transformation.

6. Business financing needs and available solutions



Micro, small, and medium enterprises (MSMEs) in Uganda have distinct financing needs. Micro enterprises require short-term working capital, small enterprises emphasize loan restructuring and financial literacy, and medium enterprises seek longer-term financing.



01

Micro-enterprises

These businesses primarily require short-term working capital and loan restructuring. They often seek smaller loans, typically ranging from UGX 100,000 to 10 million, with shorter repayment periods (1 month to 2 years)



02

Small-enterprises

Small businesses also need loan restructuring but emphasize the importance of information. They face similar challenges as micro-enterprises but may require slightly larger loan sizes.



03

Medium-enterprises

Medium-sized businesses express a need for longer-term financing to provide greater flexibility and fund various capital needs. They require more substantial financial support compared to micro and small enterprises.



6.1 Demand side

Young women-inclusive MSMEs face several challenges in accessing business financing

Addressing these challenges requires concerted efforts to improve financial literacy, develop financial products tailored to the needs of MSMEs, and create an enabling environment that encourages formalization and growth of these enterprises

Lack of collateral



- Many MSMEs do not possess sufficient assets to meet the collateral requirements set by financial institutions, making it difficult to secure loans.
- Women often have restricted ownership of property or assets, especially land, which limits their ability to provide collateral a major requirement for accessing formal credit.

High interest rate



- The elevated cost of borrowing in Uganda poses a significant barrier for MSMEs, making loans unaffordable and discouraging them from seeking formal financing options.
- High interest rates widen the existing credit gap between male- and female-led enterprises. Lenders view women-led MSMEs as riskier and charge higher interest premiums, which excludes many women from accessing finance even when they meet the basic requirements.

Inadequate business skills and financial literacy



- A deficiency in essential business and financial management skills among MSME owners can lead to poor financial planning and management, deterring lenders from extending credit.
- Many women-led MSMEs lack the ability to track revenue, manage cash flow, or prepare budgets, which are essential for running a sustainable business. According to IFC, low financial literacy among women entrepreneurs leads to poor record-keeping and limited growth of enterprises.

Access to business financing remains a critical challenge for MSMEs in Uganda, particularly for youth women-inclusive enterprises

- ✦ Many MSMEs rely on informal credit sources due to stringent requirements from formal financial institutions.
 - Women-led businesses often face more barriers, such as lack of collateral and credit history.
 - Youth entrepreneurs struggle with stringent eligibility criteria from banks.
 - Refugee-owned MSMEs often lack access to banking services altogether.
- ✦ Although digital lending platforms offer alternative financing, their reach and adoption remain low among marginalized MSMEs due to high interest rates and a lack of financial literacy.
 - Many digital loans are short-term and come with high repayment costs.
 - Women entrepreneurs are less likely to adopt digital credit due to fear of over-indebtedness.
 - Refugee businesses are largely excluded from digital credit options due to a lack of identification documents.
- ✦ Many MSMEs perceive digital loans as risky due to high default penalties and hidden fees.
 - Some entrepreneurs fear automated deductions from mobile money accounts.
 - Limited understanding of loan terms leads to repayment challenges.
 - Negative experiences with aggressive loan recovery tactics discourage uptake.
- ✦ The data suggests that while small enterprises recognize the need for access to finance, the prohibitive cost of quality digital devices and the financial risks of loans drive their preference for grants.
 - These businesses are at risk of over-indebtedness due to limited cash flow, which leads to potential defaults that could hinder their long-term growth.
 - The implementation of targeted grant programs, along with tailored financing solutions and capacity-building initiatives could enable these businesses to overcome these financial barriers.

“ Banks ask for land titles, but I don’t own any property. My only option is borrowing from friends or savings groups. - **A female entrepreneur** ”

“ I tried applying for a digital loan, but they required a national ID, which I don’t have as a refugee. ”

“ I took a mobile loan once, but the interest kept increasing, and I ended up paying double the amount I borrowed. - **A trader** ”

There is a prevalent knowledge gap regarding digital credit among youth and women-inclusive MSMEs in refugee settlements

This gap hinders access to a potentially transformative financial resource, which limits business growth and maintains financial vulnerability—especially among women. Stakeholders can enhance digital financial literacy, simplify product offerings, and pilot low-risk credit options to help bridge this knowledge gap. This can, thereby, empower these enterprises to make informed borrowing decisions and unlock new growth opportunities.

“

Digital credit is attractive because it does not require collateral. However, the overall details remain unclear.

”

Low product knowledge



The vast majority of respondents were not knowledgeable enough to explain the key attributes of digital credit products, such as the loan application process, interest rates, fees, and repayment terms.

“

I know one woman who borrowed UGX 20,000 online. However, neither I nor my peers have accessed any digital credit. The men seem to understand it more. But for us women, the product attributes remain a mystery.

”

Limited usage



Most respondents have never used any form of digital credit. Only isolated cases exist, such as one woman who had borrowed 20,000. This indicates that, despite some awareness, actual adoption is very low.

“

None of us have really used an online loan before. I am curious about it, but I am still unsure about the whole process—from the loan application to repayment.

”

Gender differences



There is an indication that male respondents might have marginally higher awareness or access than female respondents. However, the overall digital credit usage is minimal across the board.

6.2 Supply side



FSPs face several challenges in the business financing of MSMEs

There is a USD 8.8 billion unmet demand for credit for MSMEs in Uganda. According to the IFC, despite representing 90% of all businesses and employing 75% of the private sector workforce, only 16% of these enterprises have access to formal financing

High cost of serving MSEs



- Credit providers often face high operational costs in serving MSEs and an added burden for last-mile service delivery. This is further compounded by the small ticket size of loans and limited long-term funding, making it difficult to serve MSEs profitably.

Limited tailored products and services



- Few financial institutions offer targeted products for segments like women-led MSMEs. Additionally, digital solutions for MSME financing are underdeveloped, leading to limited uptake of financial products.
- Financial products are not tailored to MSMEs' cash flow patterns or needs (e.g., seasonal businesses or startups).
- Loan terms, interest rates, and collateral requirements are often standardized and inflexible, making them inaccessible to small businesses.

Underdeveloped credit infrastructure



- Credit reference bureaus are underutilized or not comprehensive, especially for micro and small businesses that are not formally registered or banked.
- The lack of reliable business information limits lenders' ability to assess risk accurately.

FinTechs in Uganda are playing an increasingly crucial role in unlocking business financing

Digitizing credit access for MSMEs



- **Expand access to unsecured capital:** FinTechs provide unsecured digital loans tailored to MSMEs, especially informal traders and first-time borrowers who lack collateral or credit history.
- **Digitize MSME operations to build credit profiles:** FinTechs help MSMEs formalize recordkeeping by offering digital bookkeeping, inventory tracking, and POS tools.
- **Embed finance in MSME ecosystems:** FinTechs collaborate with platforms (e.g., gig work) to offer context-aware credit tied to income flows or business cycles.

Alternative credit scoring and risk assessment



- **Use nontraditional data:** FinTechs use nontraditional data, including mobile money transactions, POS sales, airtime purchases, and inventory turnover, to assess creditworthiness.
- **Example: Ensibuuko:** Aggregates VSLA and SACCO member data for group-based business lending.
- **Low consumer awareness:** Many users are unaware of available device financing options like Buy Now Pay Later (BNPL)

Merchant and supply chain financing



- **FinTechs enable businesses to access credit:** The credit is tied to inventory purchases, supplier relationships, or digital platforms. Working capital loans, such as those offered by B2B e-commerce platforms or POS systems, are often embedded within sales ecosystems.
- **Example: ChapChap** which Digitizes retail shops and offers stock financing based on their sales data.

7. Business Development Services (BDS)



Types of Business Development Services (BDS) solutions required by youth and women-led MSMEs

Business planning and enterprise growth



- **Structured business planning:** Most MSMEs lack formal business plans, which are crucial for attracting external funding from financial institutions. Although MSMEs clearly understand the significance of such documents, 68%-95% currently lack them.
- **Planning skills training:** Formal training sessions or workshops to develop robust, structured business plans to secure external financing and effectively manage growth opportunities.

Financial management and record keeping



- **Basic financial literacy:** MSMEs mostly perform manual calculations to determine profits and losses (up to 73%), indicating a fundamental yet limited understanding of financial management.
- **Digital tools for financial management:** MSMEs show limited usage of digital tools (45%-64%) and predominantly use manual recordkeeping, which can be inefficient and error-prone.
- **Capacity building in digital financial management:** Training MSMEs to effectively utilize digital tools (such as Excel, accounting software, and POS systems) to streamline financial processes, improve accuracy.

Marketing and digital engagement



- **Digital marketing skills:** There is increasing use of social media platforms (WhatsApp, Facebook, TikTok), but MSMEs often lack advanced skills to fully leverage digital platforms to expand their customer base and increase sales.
- **Formalized marketing approaches:** MSMEs often rely on traditional, informal methods (voice calls, referrals), limiting their market reach and customer growth.
- **Advanced marketing training:** Providing training in advanced digital marketing techniques, online branding, and customer engagement strategies to maximize digital platform effectiveness and improve market competitiveness.

Several gaps and opportunities exist in BDS delivery to MSMEs

Gaps identified in BDS delivery



Inadequate focus on inclusion (Youth, Women, PwD):

- BDS rarely addresses the unique needs of vulnerable groups. UNDP stresses the importance of gender-responsive programming, noting that women-led MSMEs are underrepresented in formal support channels.

Fragmentation and coordination challenges:

- In Uganda, multiple uncoordinated actors, such as government agencies, private providers, and donor programs, often deliver BDS. This leads to duplicated efforts and inconsistent service quality.

Limited access and affordability for BDS:

- MSMEs, particularly micro and informal enterprises, struggle to afford or access quality BDS. According to FSDU, most MSMEs cannot access BDS unless it's bundled with finance.

Lack of tailored sector-specific services:

- Generic BDS offerings do not always address the specific needs of different sectors or the unique challenges faced by women-led enterprises in Uganda.

Skills mismatch and generic offerings:

- Many BDS offerings are generic and not tailored to specific sectors or enterprise growth stages. According to ILO, BDS providers often ignore sector-specific trends and skill demands, leading to low uptake and impact.

Opportunities to deliver BDS



The use of digital platforms for service delivery:

- Stakeholders can create integrated business development service packages that include digital literacy, technical training, financial management, and sector-specific advisory services. These packages can meet the diverse needs of various MSME segments, including women-led businesses.

Expand access and affordability of BDS:

- Stakeholders can design and introduce subsidized or tiered BDS models to make services more affordable for micro and informal enterprises. Bundling BDS with financing can further improve accessibility and uptake.

Tailor BDS services to sector-specific needs:

- Stakeholders can design BDS offerings that are sector-specific and aligned with business growth stages. This improves relevance, effectiveness, and enterprise outcomes.

Integrate BDS with access to finance:

- Stakeholders can embed financial literacy and credit readiness support into BDS programs to strengthen MSMEs' access to financing, which in turn creates stronger pipelines for financial institutions.

Source: [UNCTAD](#), [UNDP](#), [FSDU](#), [ILO](#)



8. Summary findings for each MSME archetype

Key findings for the Gig workers (1/2)

Study area	Atim	Mary
Digital devices and tools	<ul style="list-style-type: none"> 62% use smartphones for business operations Limited usage of software applications like Microsoft Excel or Google Sheets (38%) Confident in using mobile money, SMS, and WhatsApp Limited confidence in using email, spreadsheets, e-commerce platforms, and business software 	<ul style="list-style-type: none"> 50% use smartphones for business operations Very low usage of any digital applications for business (20%) Confident in using mobile money and SMS Low confidence in using email, spreadsheets, e-commerce platforms, and business software
Device financing	<ul style="list-style-type: none"> Need affordable digital devices with flexible payment options 78% are aware of device financing options in the market Learn about financing options primarily through networks High repair costs and limited technical support strain business resources 	<ul style="list-style-type: none"> High cost of devices is a significant barrier Limited awareness of device financing options Difficulty meeting device financing criteria Learn about financing options through networks (50%)
Digital platforms	<ul style="list-style-type: none"> Social media platforms (WhatsApp, Facebook, TikTok) are used by quite a few for marketing 93% use mobile money platforms for daily transactions Strong customer relationship management using digital platforms like Whatsapp (75%) Limited use of e-commerce platforms (14%) 	<ul style="list-style-type: none"> Limited use of social media platforms for marketing Mobile money platforms are the primary digital financial tools used Limited customer relationship management through digital platforms Almost no usage of e-commerce platforms

Key findings for the Gig workers (2/2)

Study area	Atim	Mary
Business financing needs	<ul style="list-style-type: none"> ✈ Limited access to formal financial services ✈ Prefer digital financing options for faster turnaround times and ease of application ✈ Customer support during loan application process is crucial 	<ul style="list-style-type: none"> ✈ Very low access to formal financial services ✈ Strong positive perception of digital financing options ✈ Customer support during loan application process is vital
Business development support	<ul style="list-style-type: none"> ✈ Limited use of digital tools for record keeping ✈ Track sales manually ✈ Basic financial management knowledge 	<ul style="list-style-type: none"> ✈ Limited use of digital tools for record keeping ✈ Track sales manually ✈ Basic financial management knowledge

“

I took a mobile loan once, but the interest kept increasing, and I ended up paying double the amount I borrowed. - **trader in Kampala**

”

“

I tried applying for a digital loan, but they required a national ID, which I don't have as a refugee. - **A young businesswoman in Nakivale refugee settlement**

”

“

I know a laptop would help my business, but the cost is too high, and no one offers financing for us in the village. - **female entrepreneur in Soroti**

”

“

Banks ask for land titles, but I don't own any property. My only option is borrowing from friends or savings groups. - **A female entrepreneur in Bukedi**

”

Key findings for the Invisibles (1/2)

Study area	Mary
Digital devices and tools	<ul style="list-style-type: none">➤ Limited smartphone usage (74% don't use smartphones)➤ Minimal usage of software applications or digital tools➤ Unreliable internet access, especially in rural areas➤ Feature phones are more common than smartphones
Device financing	<ul style="list-style-type: none">➤ High cost of devices is a significant barrier➤ Most are unaware of device financing options➤ Difficulty meeting device financing criteria➤ Learn about financing options through networks (75%)
Sociocultural norms	<ul style="list-style-type: none">➤ Some resistance to digital adoption due to cultural norms➤ Community business practices still favor traditional methods➤ Positive perception from community members on the use of digital devices (60%)

“

My husband checks my phone whenever I leave it unattended. - **retail trader**

”

“

Some customers prefer digital payments, but I still use cash because I don't have the tools or support to change.
- **visually impaired hairdresser**

”

“

There's fear that I might make a mistake online and lose money? At least with manual records, I understand what's happening.
- **farmer**

”

“

Even when I want to use digital tools, most training sessions are not inclusive. There's no interpreter or materials for people like me.
- **retail trader with hearing impairment**

”

Key findings for the Invisibles (2/2)

Study area	Mary
Digital platforms	<ul style="list-style-type: none"> ▶ Limited use of social media for marketing (60% don't use platforms effectively) ▶ Mobile money platforms are the primary digital financial tools used ▶ Minimal customer relationship management through digital platforms (42%) ▶ Almost no usage of e-commerce platforms
Business financing	<ul style="list-style-type: none"> ▶ Significant unmet credit needs for enterprises ▶ Borrow primarily from family members and friends ▶ Limited understanding of digital financing options ▶ Need strong customer support during loan application process
Business development support	<ul style="list-style-type: none"> ▶ Limited use of digital tools for record keeping ▶ Majority track sales manually ▶ Basic financial management knowledge

“

I think there is a lot of hidden information, most especially when it comes to the interest rates and penalties involved. - **trader**

”

“

I use social media to gather information on new packaging designs and market my business using WhatsApp. - **a honey trader**

”

“

The Internet in the town is okay, but in the village where my farm is, it's sometimes not stable, and we don't have after-sales services in our area. - **farmer in Bukwo district**

”

“

I use WhatsApp to communicate with my customers, especially those to whom I sell milk on a daily basis, about the deliveries and how to send the money. - **Diary farmer in Kokoto village**

”

Key findings for the Micro and Small bootstrappers (1/2)

Study area	Atim	Mary
Digital devices and tools	<ul style="list-style-type: none"> 58% use smartphones for business operations Limited usage of software applications for business management Reliable internet access only in urban areas Peer recommendations lead to adoption of digital tools (50-59%) Face challenges with limited digital skills and high cost of internet data 	<ul style="list-style-type: none"> Limited usage of smartphones in business operations Limited usage of software applications Reliable internet access only in urban areas Peer recommendations led to adoption of digital tools Limited digital skills and high cost of internet data
Digital device financing	<ul style="list-style-type: none"> 68% need affordable digital devices 78% aware of device financing options in the market High repair costs and limited technical support (75%) Learn about device financing through networks 	<ul style="list-style-type: none"> Need affordable digital devices Limited awareness of device financing options in the market High repair costs and limited technical support Learn about financing options through networks
Social cultural norms	<ul style="list-style-type: none"> Digital tools increase participation in traditionally male businesses Non-physical interactions make it easier to engage with male customers Digital devices help women navigate mobility restrictions 	<ul style="list-style-type: none"> Digital tools increase participation in traditionally male businesses Non-physical interactions make it easier to engage with male customers Digital devices help women navigate mobility restrictions

Key findings for the micro and small bootstrappers (2/2)

Study area	Atim	Mary
Digital platforms	<ul style="list-style-type: none"> ➤ Social media platforms are effective for marketing (93%) ➤ Broad use of mobile money platforms (93%) ➤ Strong customer relationship management using digital platforms especially Whatsapp and other social media(75%) ➤ Limited use of e-commerce platforms (86%) 	<ul style="list-style-type: none"> ➤ Limited use of social media platforms for marketing ➤ Mobile money platforms are the most user-friendly financial tools they use daily ➤ Limited customer relationship management through digital platforms ➤ Almost no usage of e-commerce platforms
Business financing	<ul style="list-style-type: none"> ➤ Limited access to formal financial services ➤ Strong positive perception of digital financing options ➤ Interest rates and repayment schedules are important ➤ SACCOS are considered the lowest cost of financing ➤ Speed of loan approval and disbursement necessary in financing ➤ Lack of collateral 	
Business development	<ul style="list-style-type: none"> ➤ Limited use of digital tools for record keeping ➤ Track sales manually ➤ Basic financial management knowledge 	

“

I prefer a loan whose period is not less than six months. - **A retail shop owner**

”

“

I mostly use mobile money because it enables me pay my suppliers. - **Young retail shop owner from Nakivaale base camp**

”

Key findings for the small and medium bootstrappers (1/2)

Study area	Atim
Digital devices and tools	<ul style="list-style-type: none">81% use smartphones for business operationsHigher usage of software applications compared to smaller businessesReliable internet access in urban areas but limited in rural regions100% report peer recommendations led to adoption of digital toolsFace challenges with limited digital skills and high costs
Digital device financing	<ul style="list-style-type: none">Need affordable digital devices with better financing optionsHigh awareness of device financing options in the marketHigh repair costs and limited technical support
Socio cultural norms	<ul style="list-style-type: none">Non-physical interactions facilitate engagement with male customersDigital devices help women navigate mobility restrictionsSome expectation for men to be primary users of digital devicesCommunity business practices still favor traditional methodsPositive perception from community on use of digital devices (45%)

“ I want to keep better records, but I can’t afford a laptop, and I don’t know how to use the software.
- a female business owner in Bududa ”

“ I know a laptop would help my business, but the cost is too high, and no one offers financing for us in the village.
- Female entrepreneur in Soroti ”

Key findings for the small and medium bootstrappers (2/2)

Study area	Atim
Digital platforms	<ul style="list-style-type: none"> 86% use social media platforms effectively for marketing 100% use mobile money platforms regularly 60% manage customer relationships through digital platforms Limited use of e-commerce platforms despite awareness
Business financing	<ul style="list-style-type: none"> Better access to formal financial services than smaller businesses Strong preference for digital financing options Learn about financing options through established networks Need larger financing products for expansion
Business development services	<ul style="list-style-type: none"> Need to explore new markets like cross-border trade Need advanced digital skills like inventory management systems, accounting systems with tax integration, low cost CRMs/ERPs to manage business

“
I prefer physical cash grants, not online loans.
- A baker”

“
I prefer a loan whose period is not less than six months. - A retail shop owner”

“
I wish I had software to track my stock, but I don't know how to use it. - (Female entrepreneur, Serere)”

The widespread use of mobile money among refugees indicates increasing financial inclusion, but broader adoption of digital platforms for business purposes still remains weak

Key findings



Limited Internet access:

A major proportion of respondents report no Internet access. However, around 20-30% of the respondents have Internet access, which is critical for digital participation, communication, financial transactions, and business development.

Prevalence of mobile phones: Almost all respondents own and use digital devices, predominantly smartphones and feature phones. Only a few respondents indicated non-usage or no device.

Smartphone usage: Despite limited Internet access, smartphones are widely used among the respondents, which indicates the potential to use smartphones for business activities.

Familiarity with digital platforms:

- ▶ Mobile money platforms are the most commonly preferred digital tools for financial transactions and business activities.
- ▶ Many respondents are familiar with and use WhatsApp, the most common social media platform used for communication. Some respondents also use TikTok and Facebook, which suggests familiarity with basic social media for personal and business-related activities.
- ▶ E-commerce platforms, such as Kikubo online, have minimal usage.

Impact



- ▶ While WhatsApp is widely used, the limited Internet access hinders the use of more advanced digital business tools or e-commerce activities.
- ▶ None of the respondents indicated using social media channels for marketing. This might reflect a reliance on informal or offline methods, such as personal networks, walk-ins, or referrals. It could also suggest a gap in digital marketing adoption.
- ▶ This unanimous preference for a manual inventory management method could point to barriers, such as digital literacy, cost, or lack of trust in digital systems. It also suggests an opportunity to introduce simple, low-cost digital tools—if interest and training are available

“

I don't use them personally, but my daughters use them and have taught me how to use them. I'm hoping to get a smartphone soon. -
A farmer from Kibuku”

“

I keep track of everything in a notebook. It's how I've always done it, and I find it easier than using a computer. ”

“

Mobile money because it enables me pay my suppliers. - **Young retail shop owner from Nakivaale base camp**”

PWDs site societal stigma, low awareness, and inadequate support networks as key barriers to digital platform adoption

Barrier	Description
Stigma and negative stereotypes	Family and community perceive PWDs as incapable of using digital tools, leading to exclusion from tech-related training programs. Assumptions that visually impaired individuals cannot use computers despite the availability of screen readers.
Social discrimination	Discriminatory attitudes that prevent PWDs from accessing digital platforms or participating in digital activities. Visually impaired persons struggle to access mobile banking because service providers lack sign-language customer support
Lack of awareness	Society has a limited understanding of PWDs' capabilities to use digital tools, resulting in a lack of support and access. Many businesses do not offer screen reader-friendly websites because they are unaware of accessibility best practices.
Traditional gender roles	Women with disabilities face additional challenges due to cultural gender norms that limit their access to digital platforms. Family and community discourage from using digital platforms, believing that women with disabilities should rely on family support instead of pursuing entrepreneurship.
Fear of judgment	Concerns about being judged or ridiculed for using technology, deter PWDs from adopting digital platforms. Many avoid using online platforms because of past experiences of discrimination in digital forums.
Inadequate support networks	Without strong family or community support, PWDs struggle to access and adopt digital platforms.
Cultural resistance to change	Some communities resist technology, making it harder for PWDs to integrate digital solutions into daily life

Visual and hearing impaired site issues of language, universal user interfaces, inconsistent language options, unclear terminologies and instructions as key barriers to adopt digital platforms

Barrier	Description
Mobile applications with restricted accessibility	Most platforms face accessibility challenges for people with physical disabilities, as their interfaces often lack full keyboard or voice navigation, limiting access and usage for individuals with disabilities.
Universal user interface	Digital platforms with complex navigation, small buttons, or non-customizable interfaces can be difficult for users with physical disabilities to interact with, especially those who rely on adaptive devices like switches or voice commands..
Inaccessible design	Limited text-to-speech features and vice versa: Platforms that do not provide comprehensive text-to-speech options may create accessibility barriers for visually impaired users. If platforms use jargon or complex language that isn't easily read by text-to-speech tools, these users are left at a disadvantage.
Inconsistent language across devices	Digital platforms primarily use a single language, often English or the local dominant language, without offering translations or accessible versions in other languages or dialects. This can make it difficult for PWD who are more comfortable in another language to navigate the platform.
Unclear instructions or terminology	Digital platforms often use specialized or technical language in their user interfaces, instructions, or help sections. Without easy-to-understand language, PWD may struggle to comprehend how to use the platform effectively, which can limit their ability to engage.
Lack of support for sign language	The absence of sign language options or video content with sign language interpretation on platforms can be a barrier. Without these language options, it becomes harder to fully understand platform content and interact effectively.



9. Recommendations

9.1 Key recommendations for WITU



Key recommendations for WITU to improve digital device usage among youth and women led MSMEs (1/2)

Key Finding	Recommendation	Rationale	Target personas	Implementation Partner
Women entrepreneurs face time constraints due to household responsibilities	Design training that can be completed in 10-15 minute sessions to accommodate time constraints	Time constraints from household responsibilities limit women's ability to attend long training sessions. Offering 10-15 minute modules makes learning more accessible and flexible, allowing women entrepreneurs to build skills without disrupting their daily routines.	Gig workers, Invisibles and micro/small - bootstrapper with childcare responsibilities, Invisibles and Micro and small boot strappers (Mary and Atim)	WITU (design), mobile learning providers (technical)
High confidence in mobile money, SMS, and WhatsApp but low confidence in email, spreadsheets, e-commerce platforms, and business software	Create progressive learning paths starting with familiar tools and advancing to business management applications.	Since entrepreneurs are more confident using mobile money, SMS, and WhatsApp than formal business tools, starting with familiar platforms and gradually introducing advanced applications builds trust, eases learning, and improves digital adoption for business management	Gig workers, Invisibles and micro/small - bootstrappers (Mary and Atim)	WITU curriculum design
Low awareness on the tools available for improving business outcomes	Create a comprehensive list of tools appropriate for the specific personas(digital recording keeping, social media marketing)	Awareness on appropriate digital tools and their benefits, and using training to demonstrate live demonstrations and practical usage will go a long way in increasing awareness and usage of the digital tools	Gig workers, Invisibles and micro/small/medium -bootstrappers (all personas)	
Limited formal training opportunities, especially in refugee settlements	Launch training sessions in local business hubs	Launching sessions in local hubs provides accessible, regular training	Gig workers and Invisibles (Mary)	

Key recommendations for WITU to improve digital device usage among youth and women led MSMEs (2/2)

Key Finding	Recommendation	Rationale	Target archetypes	Implementation Partner
Limited use of digital tools for business planning, record keeping, and marketing	Develop persona-based business development toolkits. MSMEs are at varying levels of business maturity and digital engagement (e.g., Mary, Sandra, and Atim personas)	Developing persona-based toolkits tailors support to their specific needs, making it easier for businesses like those represented by Mary, Sandra, and Atim to adopt digital solutions effectively	Gig workers, Invisibles, Micro and small bootstrappers (Mary and Sandra personas)	Outbox and WITU could: <ul style="list-style-type: none"> Design and integrate practical digital skills modules into existing BDS programs. Train facilitators and pilot digital skills content.
The majority of the women and youth MSMEs with a Mary persona track sales manually Basic knowledge of financial management	Integrate practical digital skills, such as using mobile money statements for recordkeeping or WhatsApp for marketing, into all business support training	Since many entrepreneurs manually track sales and have only basic financial knowledge, integrating practical digital skills into training helps them use familiar tools like mobile money and WhatsApp to improve recordkeeping and marketing, making digital adoption more accessible and immediately useful	Gig workers, Invisibles, Micro and small bootstrappers (Mary and Sandra personas)	
Reliance on informal, self-taught digital skills means many MSMEs miss structured training benefits	Develop sector-specific digital skills modules showing exactly how similar businesses use digital tools	Sector-specific modules demonstrating practical, real-world use cases make training more relevant, structured, and easier for MSMEs to apply.	Sandra (Small Bootstrappers)	Outbox (content development), industry associations (validation)

Key recommendations for WITU to improve digital platforms usage among youth and women led MSMEs

Key Finding	Recommendation	Rationale	Target archetypes	Implementation Partner
<p>About 44% of young women market products through traditional channels like word-of-mouth and referrals</p> <p>Only 36% of young women use social media platforms effective for business growth</p>	<p>Develop very practical training modules on usage of social media platforms, e-commerce platforms to access customers, showcase products etc.</p> <p>Create "WhatsApp Business Starter Guides" showing entrepreneurs how to use the platform's basic features</p>	<p>With many young women relying on traditional marketing channels, simplified digital marketplace interfaces make it easier for MSMEs to list and sell products online without needing advanced digital skills, expanding their market reach.</p> <p>Since many young women already find social media effective for business growth, providing "WhatsApp Business Starter Guides" builds on existing behaviors and equips entrepreneurs with practical skills to better market and manage their businesses.</p>	Micro and small Bootstrappers (Mary and Sandra)	WITU (training) Outbox (development) e-commerce platforms (hosting)

Key recommendations for WITU to improve business financing and business development services

Key Finding	Recommendation	Rationale	Target archetypes	Implementation Partner
<p>Majority of the Mary and Sandra's across the different archetypes struggles with accessing affordable and timely loans.</p> <p>Awareness on digital credit is limited</p>	<p>Develop training modules explaining the benefits and products of various type of credit providers (commercial banks, fintech's, MFIs, SACCOs) .</p> <p>Develop practical content on:</p> <ol style="list-style-type: none"> 1. Credit product marketing information on what product type is important for which growth stage and type of business. (Importance of working capital vs investment loans) 2. Building credit profile engaging with digital lenders 3. Leveraging digital payments to access better credit terms 	<p>Businesses need different types of loans for different business needs. MSMEs are not aware of digital lending products offered by Fintechs or even MFIs/SACCOs which they can access if they have good digital payment transaction history and other digital data on their business etc.</p> <p>Women and youth MSMEs need awareness on the availability, terms and conditions of the different digital lending products in the Ugandan market, but also they must be informed on how they can build their digital footprint to enable access to these products</p>	Gig workers, Invisibles, Micro and small Bootstrappers	WITU (conducts the training), Outbox (designs the Curriculum), and UNCDF engaged with the digital lenders to share product information

9.2 Key findings and recommendations for the Outbox team



Key recommendations for Outbox to improve digital device and digital platform usage among youth and women led MSMEs (1/2)

Key Finding	Recommendation	Rationale	Target Archetype	Implementation Partner
About 28% of younger women receive recommendations from peers on digital solutions	Establish "Digital Champions/mentors" network - trained peer educators/influencers to mentor youth and women MSMEs and creating a structured mentorship program for women and youth MSMEs	Peer recommendations/mentorship influence digital adoption among younger women, both in Uganda, as our study shows, and also from MSCs' experience in India and Bangladesh. Creating a network of "Digital Champions" from among the MSME segments who are already using digital tools in their business or leveraging specific business development centers	Gig workers, Invisibles, Micro and small bootstrappers (Mary and Sandra)	Outbox: Identify the mentors across different archetypes with the support of WITU and other ESOs
Social media platforms give women visibility, facilitate client interactions, and enhance product marketing. However, awareness on digital platforms is limited among Gig workers and micro and small bootstrappers	Run Digital Market Facilitation bootcamps to help entrepreneurs photograph products, create listings, and manage customer interactions	Handholding of gig workers and micro , small and medium bootstrappers on social media platforms, digital marketing and showcasing of products on social media	Gig workers, micro and small bootstrappers	Run digital market facilitation bootcamps together with other ESOs



Key recommendations for Outbox to improve digital device and digital platform usage among youth and women led MSMEs (1/2)

Key Finding	Recommendation	Rationale	Target Archetype	Implementation Partner
High confidence in mobile money, SMS, and WhatsApp but low confidence in email, spreadsheets, e-commerce platforms, and business software. There is a general mistrust of digital platforms due to low awareness	Develop a cadre of last digital facilitators to handhold the Invisibles and Micro bootstrappers to use digital platforms. These facilitators can be existing mobile money agents or such last mile service providers	Assisted channels help bridge the trust deficit many women MSMEs have for digital platforms. Digital facilitators can help with onboarding on a digital platform , troubleshoot in case of issues, track progress made by the MSMEs	Invisibles and Micro-bootstrappers	Outbox in partnership with agent banking service providers (ABC company)
Very few of the Micro, Small, and Medium bootstrappers are using e-commerce and other digital platforms to reach out to broader customer bases and distant geographies	Engage with digital market places like Jumia to ease up product listing of the small and medium bootstrappers. Create a segmented strategy for different sectors.	Handholding of micro, small and medium bootstrappers by linking with ecommerce players and creating easier onboarding processes for micro, small and medium bootstrappers	Sandra and Atim (Small Bootstrappers)	Outbox (platform), Ecommerce and digital market places like Jumia
Refugees have very limited access to digital platforms/marketplaces/ecommerce	Engaging with e-commerce/digital marketplace like Jumia/Kikubo online to create dedicated refugee-focused services	Refugees have limited access to digital marketplaces. Bulk purchasing accounts and dedicated onboarding support from platforms like Jumia or Kikubo online would simplify entry, reduce costs, and improve refugee entrepreneurs' engagement in e-commerce.	Invisibles and Micro-bootstrappers	Outbox in partnership with digital marketplaces.

Key recommendations to enhance device and business financing

Key Finding	Recommendation	Rationale	Target Archetype	Implementation Partner
Invisibles, micro, and small bootstrappers struggle with high cost of devices, leading to usage of low quality and back market devices	<p>Linking women and youth MSMEs with certified refurbished sellers like Badili</p> <p>Educating MSMEs on the appropriate level of investment in devices suitable for the business stage/growth</p>	<p>Using good quality devices is required to increase trust and also to demonstrate the benefits of using digital devices for the business.</p> <p>Ensuring the appropriate investment in technology depending on the business needs is also important to ensure MSMEs do not over/under invest</p>	Invisibles, micro and small bootstrappers	Outbox and other ESOs along with refurbished sellers and UNCDF with the financing partners
About 32% of younger women cited lack of collateral, high interest rates, and rising living costs as barriers to accessing business finance	<p>Developing a compendium on the type of lenders, their products, and terms and conditions to access these products.</p> <p>Handholding the MSMEs to become ready to get products by giving them financial literacy, financial management capacity building and developing tailored business plans</p>	<p>Access to affordable and timely credit is an important enabler to grow the business but MSMEs are unaware of the available product's suitability and their own internal readiness to access and utilize credit responsibly and productively.</p> <p>Beyond mere classroom training on financial literacy it is also required to handhold them on making the right credit decisions based on their internal business needs</p>	Invisibles, micro, small and medium bootstrappers (Mary, Sandra and Atim)	Outbox together with other ESOs

Key recommendations for Outbox to enable advanced digital tools usage and business development services for women and youth MSMEs

Key Finding	Recommendation	Rationale	Target personas	Implementation Partner
Limited use of advanced digital tools for business management	Expose MSMEs to digital inventory management, digital invoicing systems and low cost ERP solutions	Small and Medium bootstrappers need advanced inventory management, business accounting software, low cost ERP/CRM solutions skills to expand their business these	Small and Medium bootstrappers (Atim)	Outbox:  Design and integrate practical digital skills modules into existing BDS programs.  Train facilitators and pilot digital skills content
Need for new markets like cross border trade	Develop training modules on export readiness, cross border regulations working with AfCFTA	AfCFTA has developed a number of solutions to ease cross-border trade (iSOKO app). MSMEs need to be made aware of these solutions as well as the opportunities available in cross border trade for different sectors, the key product regulations and business planning on these	Small and Medium bootstrappers (Atim)	Outbox develops “Basics of cross border trade” modules for



9.3 Key recommendations for the UNCDF team

Key findings and recommendations for enhancing device financing among Gig workers, Invisibles and micro bootstrappers

Key Finding	Recommendation	Rationale	Target Persona	Implementation Partner
<p>Smartphone penetration among Gig workers is low, around 62% for Atims and only 50% among Marys .</p> <p>Limited smartphone ownership (only 26% usage) among Invisibles</p> <p>Limited smartphone access among younger women, with many lacking devices entirely or using low-quality/counterfeit phones that cannot support essential applications</p>	<p>Design and implement flexible, affordable device financing schemes in partnership with PAYGO providers such as Watu Simu, M-Kopa, Yellow Africa, and Noble Unit.</p> <p>To enhance affordability for young women, include certified refurbished devices in the financing options. UNCDF can facilitate partnerships between BNPL providers and certified refurbishers like Badili</p> <p>Concessional financing to PAYGO providers to ensure down-payment amount is reduced especially for MSMEs who have been trained by WITU and Outbox</p>	<p>High upfront costs remain a major barrier for young women in accessing smartphones and laptops necessary for participation in the digital economy. While BNPL models ease this burden, even the lowest-cost new devices may remain unaffordable for some. Integrating certified refurbished devices into BNPL schemes broadens access, while UNCDF's facilitation role ensures alignment between financial partners and refurbishers.</p> <p>Invisibles are also quite comfortable in using mobile money for their daily business transactions so they have generated a good amount of data on this segment which can be leveraged for underwriting</p>	Mary and Sandra	UNCDF working in tandem with BNPL/PAYGO players like Watu Simu and refurbished sellers like Badili

Key findings and recommendations for business financing for Gig workers, Invisibles and Micro and Small bootstrappers (1/2)

Key Finding	Recommendation	Rationale	Target Persona/Archetype	Implementation Partner
Gig workers face irregular income patterns	Working with MFIs such as BRAC, FINCA, Pride, design income smoothing and cash flow management products, like digital savings linked to credit overdraft	Irregular incomes make gig worker cash flow management very critical for the overall business. Ability to save quickly during periods of cash flows and then leveraging these savings for credit can enable gig workers to carry on with their business without risk of running deficit balance sheets.	All Gig workers	UNCDF (product design), FinTechs (implementation)
About 32% of younger women cited lack of collateral, high interest rates, and rising living costs as barriers to accessing business finance	Design "Micro-Digital Loans" of UGX 50,000-150,000 with simplified application processes, together with MFIs/SACCOs like BRAC Uganda, FINCA, Pride Microfinance, Mushanga Sacco leveraging alternative credit scoring models	Offering low-ticket digital starter loans with simplified processes allows micro-entrepreneurs to invest in business essentials without the burden of collateral requirements, thus improving access to capital for underserved groups.	Mary (Micro Bootstrappers)	UNCDF (structure), fintech partners (delivery), SACCOs (distribution)

Key findings and recommendations for business financing for Gig workers, Invisibles and Micro and Small bootstrappers (2/2)

Key Finding	Recommendation	Rationale	Target Persona	Implementation Partner
About 40% of Atim bootstrappers cited slow disbursement affecting their ability to access urgent capital	Support digitized loan processes for faster, paperless onboarding and disbursement	Digitized loan processes shorten turnaround times and reduce paperwork, making it easier for women to access capital quickly—especially during emergencies or when responding to business opportunities.	Sandra and Atim (Small/Medium Bootstrappers)	UNCDF (technical assistance), financial institutions (implementation)
Turnaround time is an important factor in accessing credit, with mobile platforms preferred for their simplicity and faster approval	Create alternative credit scoring models using digital footprints	Alternative credit scoring models based on digital footprints expand financial access for individuals without traditional collateral or formal credit history, making the lending process more inclusive and data-driven.	All personas, particularly beneficial for Sandra	UNCDF and Outbox (algorithm development), credit bureaus (data)
Most MSMEs rely on personal savings and informal funding sources	Establish digital savings groups with formal financial institution linkages	Digital savings groups provide a stepping stone into formal financial systems, enabling MSMEs to build saving discipline while also becoming visible to financial institutions for future credit opportunities.	Mary and Sandra (Micro/Small Bootstrappers)	UNCDF and Outbox (mobilization), digital VSLA platforms (technology)
Atim-profile entrepreneurs need larger financing for expansion	Design "Digital Expansion Financing" products of UGX 1-5 million working with micro-banking unit of Tier 1 and 2 banks	Commercial banks like Stanbic Bank Uganda, Equity, and Centenary Bank have MSME banking units. Similarly, MFIs like Letshego, UGAFODE, and Pride also have MSME lending products. Engaging with these institutions and developing digital lending products for Atim bootstrappers using digital credit scoring can enable Atim to invest in the digital transformation of their businesses	Atim (Small bootstrappers)	UNCDF (structure), financial institutions (delivery)



9.4 Key recommendations for Refactory

Key recommendations for Refractory to enable advanced digital tools usage and platform usage for women and youth MSMEs

Key Finding	Recommendation	Rationale	Target personas	Implementation Partner
Freelancers primarily utilize smartphones for their business operations (62%-81%) but show limited confidence and skills in using advanced software applications such as spreadsheets and specialized business software.	Develop targeted advanced digital skills training for freelancers, emphasizing practical proficiency in key software applications like spreadsheets (Excel, Google Sheets) and specialized business software.	Since most freelancers already rely heavily on smartphones for business operations but have limited skills in essential business software, structured training will bridge this skills gap, increasing productivity, efficiency, and professional growth.	Small and Medium bootstrappers (Atim)	Refractory:  Design customized training modules, emphasizing practical applications of spreadsheets (Excel, Google Sheets) and other essential business software.
There remains notably limited adoption of e-commerce platforms, suggesting gaps in platform-specific digital skills and market utilization.	Launch an e-commerce adoption and training initiative specifically designed for freelancers, incorporating practical modules on using e-commerce platforms for business growth and customer engagement.	Given the low adoption of e-commerce platforms among freelancers, targeted training will equip them with the necessary digital skills, enabling them to leverage these platforms for increased market reach, customer engagement, and revenue generation.	Small and Medium bootstrappers (Atim)	Refractory develops practical workshops and tutorials covering platform navigation, product listing, digital marketing, and payment integration.



9.5 Other recommendations

Inclusivity and universal design considerations for PwDs, refugees and youth



Persons with disability (PwD)

The following considerations are needed to ensure PwDs have access to technology and can benefit from it:

Accessibility features

- ▶ The platform should have features, such as screen readers, voice recognition, captions, high-contrast displays, and alternative navigation methods for users with visual, auditory, or motor disabilities.

Integration of assistive technology

- ▶ Devices and platforms should integrate with assistive tools, such as Braille displays, hearing aids, and alternative input devices.

Flexible and customizable design

- ▶ The design should allow users to adjust the font size, colors, contrast, and navigation methods. The platform should also allow different input methods, such as touch, voice, and keyboard, to accommodate diverse needs.



Refugees

Refugees are not a homogenous group, so their needs are quite dynamic. Digital technology can, however, help them rebuild their lives. The considerations for them should include the following:

Language accessibility

- ▶ The platform should offer multilingual support to overcome language barriers. This would ensure refugees from various regions can easily navigate and use services.

Simplified layouts

- ▶ A simple user interface layout would accommodate varying literacy levels.

Digital identity

- ▶ Mobile-enabled digital IDs are critical for refugees to better tailor support services.



Women and Youth

The following considerations are needed to ensure women, youth, and other vulnerable groups have access to the technology and can benefit from it:

Gender-inclusive design

- ▶ Platforms should acknowledge and address the challenges of all groups without separate solutions.

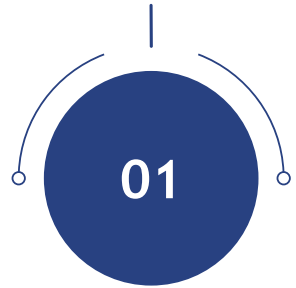
Flexibility in use

- ▶ Features, such as scalable user interfaces are important as they work well for both tech-savvy youth and women who are less tech-experienced.

Simple and intuitive use

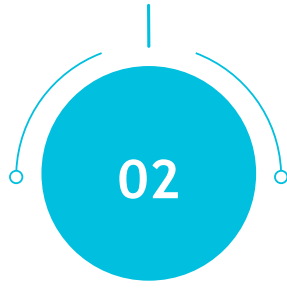
- ▶ Interfaces should minimize complexity to accommodate users with limited digital exposure, such as women in rural areas.
- ▶ Clear visual and auditory cues help women, youth, and PwDs navigate platforms effectively.

A tailored approach for different sectors of MSMEs is important; Farmers, in particular, may be more skeptical about digitalization due to their focus on traditional farming methods



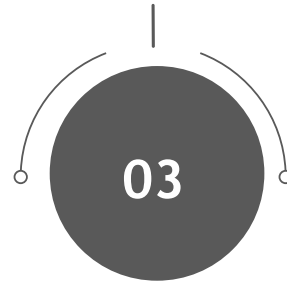
Context-specific training

Create farm-specific training programs and teach farmers how to use digital tools for tasks, such as crop management, pest control, weather forecasting, and market access. For example, apps for weather updates, agricultural supply management, or platforms to sell their produce directly to consumers or distributors.



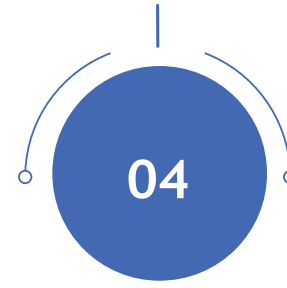
On-the-field demonstrations

Organize field demonstrations where farmers can directly see the benefits of digital tools in action. For instance, a demonstration of how a weather app can help them plan planting and harvesting times or how digital payment systems can streamline transactions with buyers.



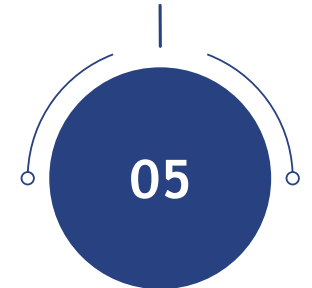
Peer learning and success stories

Share real-life success stories from farmers who have successfully implemented digital solutions in their farms. This could help them see the direct impact and benefits. Peer learning, where experienced digital users mentor the less experienced, could also help ease them into the adoption process.



Mobile-friendly solutions

Given the rural setting in which many farmers may operate, ensure the digital tools introduced are mobile-friendly since mobile phones are the most commonly accessible digital devices. Introduce apps that are easy to use, lite, and can function on lower-end smartphones.



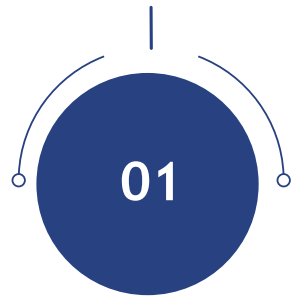
Simplify the tech introduction

Break down the complexities of digital tools into bite-sized, easy-to-understand concepts. Farmers may feel overwhelmed by advanced technology, so the focus should be first on basic, practical applications. You can introduce more advanced tools as they grow more confident.

Hands-on training, language accessibility, and peer-led learning will be crucial for the success of training programs

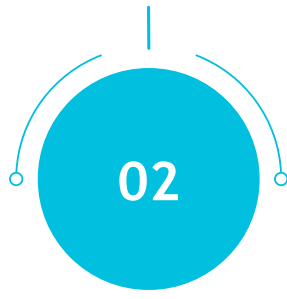
Recommendations to the consortium partners

The MSMEs we interviewed have strong potential but face challenges related to digital literacy, access to devices, and financial constraints. Based on the insights, here is a summary of the key needs and recommendations to design effective training programs and workshops for them.



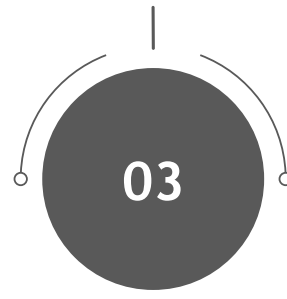
Localized training

Respondents in the base camps recommended that training materials, workshops, and sessions be conducted in local languages to ensure wider comprehension.



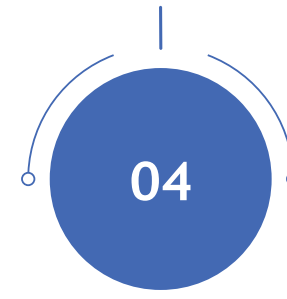
Localized mentorship programs

Develop localized mentorship programs that tap into the influence of community leaders, such as members of parliament (MPs) and chairpersons, to increase engagement and trust.



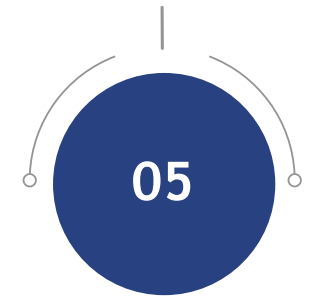
Women-only sessions

Host women-only sessions where successful women entrepreneurs who have adopted digital tools share their stories. This can inspire confidence in others and provide practical advice. Offer digital marketing coaching for women.



Continuous digital skills updates

Create a continuous learning program that keeps business owners updated about the latest digital tools, trends, and marketing techniques. Incorporate financial inclusion training into this program.







Tailored workshops

For businesses in specific sectors (e.g., tailoring, soap production, hairdressing, agriculture), create specialized training on how digital tools can be applied in their fields.

Policy and regulatory recommendations to accelerate digital device and tools

Key issue	Implications for 10x	Recommendation
High cost of digital devices	<p>Barrier to entry: Many young women and women-led MSMEs, especially in rural or low-income areas, cannot afford smartphones, laptops, or other productivity devices.</p> <p>Digital access gap: This limits participation in digital platforms (e-commerce, e-learning, digital services), affecting job access, market visibility, and service delivery.</p>	<ul style="list-style-type: none"> Subsidize entry-level devices: Introduce targeted device affordability measures such as tax exemptions, public-private device financing schemes (e.g., PAYG), or one-time subsidies for women and youth-led MSMEs. High device costs remain a significant barrier for small enterprises. Many own basic phones but not smartphones capable of running business tools. Digitize government-to-MSME Interactions: Make core public services for MSMEs, such as registration, licensing, tax filing, and tendering, accessible only through digital platforms with a mobile-first design. Estonia's e-Residency and South Africa's BizPortal successfully pushed small businesses into digital routines through mandatory e-services.
Limited usage of smart phones	Increasing smartphone usage proficiency, not just access, is essential for maximizing the impact of digital skilling, market linkage, and financial inclusion efforts.	<ul style="list-style-type: none"> Integrate digital tools into public-sector businesses: Ensure that every publicly-funded MSME support program includes training on simple digital tools like bookkeeping apps, WhatsApp Business, mobile inventory managers, and basic analytics. Training is often analog-only; MSMEs receive skills but not the tools to apply them. Bundling the two ensures digital uptake.
Low levels of digital literacy among MSMEs	Without addressing digital literacy gaps, interventions around digital skilling, financial inclusion, and digital transformation of MSMEs may fail to achieve depth and scale.	<ul style="list-style-type: none"> Invest in offline-first and local language digital tools: Support local developers and tech startups to create offline-capable, USSD/WhatsApp-based, and multilingual tools to expand access among rural and low-literacy MSMEs. Bangladesh's Maya App and India's Karya platform use local language voice/visual tools with offline access to reach underserved populations. Make digital tools adoption a metric in government MSME programs: Introduce key performance indicators (KPIs) for government and donor programs that track digital skills training and tool adoption and usage rates among MSMEs. Indonesia's Kartu Prakerja linked financial incentives to using e-learning and business platforms, improving tool engagement.
Presence of clones on the market	Clone devices undermine the programme's digital goals by causing inefficiencies, user risks, and eroding trust in technology.	<ul style="list-style-type: none"> Strong enforcement from government agencies to protect MSMEs from "clones" on the market.





Recommendations to policymakers and regulators for increased usage of digital platforms (1/2)

Key issue	Implication of 10x	Recommendation
High transaction costs	High digital transaction costs limit the uptake and impact of business financing solutions that will be introduced under the 10X programme.	 Lower transaction fees: The stakeholders in the policy space could consider revising the mobile money tax rate to make digital payments more affordable, particularly for vulnerable groups, such as women and youth
High fees on withdrawals from mobile money	High mobile money withdrawal fees reduce MSMEs' willingness to adopt and rely on digital financial services.	 Tiered taxation system: Implement a progressive tax structure where smaller transactions below UGX 50,000 are exempt. This would ensure that low-income users are not burdened. In May 2022, Ghana introduced a 1.5% e-levy on electronic transactions. To mitigate the impact on low-income individuals, transactions below GHS 100 (approximately USD 16) per day were exempted.
Low trust in digital systems	Low trust in digital systems limits meaningful engagement with digital platforms and tools.	 Promotion of trust in digital systems through the strengthening enforcement of the Data Protection and Privacy Act (2019) by the Personal Data Protection Office to build confidence in the security of digital transactions.
Low market access opportunities for MSMEs	Low market access opportunities limit MSMEs' ability to grow, scale, and sustain their businesses. This directly undermines the impact of digital skilling, business support, and financial inclusion interventions under the 10X programme, for youth women-inclusive enterprises.	 PPDA and MOFPED should link MSMEs to public procurements: Enable registered MSMEs to access public procurement opportunities via digital platforms, including priority quotas for youth women-inclusive enterprises. For example, Kenya's AGPO (Access to Government Procurement Opportunities) mandates 30% of public procurement for youth, women, and persons with disabilities.

Recommendations to policymakers and regulators for increased usage of digital platforms (2/2)

Key issue	Implications for 10x	Recommendation
Poor digital infrastructure	Without reliable digital infrastructure, the programme's core components digital skilling, business support, and financial inclusion cannot be delivered equitably or at scale.	<ul style="list-style-type: none"> NITA and UCC should enhance digital infrastructure: Improve internet connectivity and technology infrastructure, especially in rural and underserved areas, to enable young women to access digital platforms.
Limited number of platforms tailored to MSME needs	Without contextually relevant, user-friendly, and business-oriented platforms, MSMEs cannot meaningfully participate in or benefit from the digital economy.	<ul style="list-style-type: none"> Offer affordable solutions and support services: Develop affordable, user-friendly digital platforms tailored to the needs of MSMEs. These should be scalable and simple to implement without significant upfront costs. Offer robust customer support, including training, troubleshooting, and localized resources to assist MSMEs during adoption. Facilitate seamless integration: Foster collaboration between regulatory bodies and private tech companies to create tailored solutions for MSMEs, addressing their specific needs and challenges with digital platforms.
Low levels of digital literacy	Low digital literacy limits MSMEs' ability to adopt digital tools, reduces the effectiveness of skilling efforts, and hinders access to digital markets and financial services. It undermines both Interventions 1 and 2 by preventing beneficiaries from fully participating in the digital economy.	<ul style="list-style-type: none"> NITA and UCC should support digital literacy and capacity building: Implement programs that provide training and resources for MSMEs to better understand digital platforms and their associated regulatory requirements.
Low levels of trust in digital platforms	Low trust in digital platforms discourages MSMEs and young women from using online tools for payments, learning, and business operations. This reduces adoption, limits engagement with digital financial services, and undermines the programme's efforts to promote inclusive participation in the digital economy	<ul style="list-style-type: none"> Strengthen cybersecurity measures: Offer resources to help MSMEs understand and implement best practices for data protection and online transactions.

Policy and regulatory recommendations on device distribution and financing

Key issue	Implication for 10x	Recommendation
High cost of digital devices	Without affordable access to digital devices, the programme's core outcomes improved skilling, financial inclusion, and business growth cannot be equitably achieved.	 Device access and affordability framework: Develop a national strategy or policy on device access that sets clear targets for affordability, availability, and inclusion, in line with the Digital Uganda Vision. For example, India's PMGDISHA program provides low-cost tablets and smartphones bundled with digital literacy training for rural communities.
Brand new devices are still unaffordable for MSMEs despite having pay-as-you-go models.	The unaffordability of new devices even under PAYG—limits meaningful digital participation and calls for more flexible, inclusive, and innovative device access models to unlock the full potential of the 10X programme.	 Enable a certified refurbishment and circular device economy: NEMA should establish and enforce standards for refurbished devices, covering certification, resale regulations, and warranty requirements. It should also permit certified refurbished imports from trusted providers while upholding e-waste protection measures
Lack of clear guidelines on aspects like repossession of the device	Without clear repossession guidelines, device financing models risk losing user trust and fail to deliver inclusive access. The programme must support the development of fair, transparent, and enforceable lending practices tailored to MSMEs.	 UMRA should regulate and promote leasing models: Establish consumer protection guidelines for digital device financing models, including lock/unlock protocols, data privacy, and default terms.
Lack of sector-wide coordination on digital device access for MSMEs	The absence of sector-wide coordination leads to fragmented, small-scale interventions, duplication of efforts, and inconsistent access models.	 Create a multisector task force: Establish a digital device access task force comprising the Ministry of ICT, Ministry of Trade, UCC, URA, NITA-U, development partners, telecoms, banks, and refurbishers. For example, South Africa's Digital Council coordinated stakeholders to improve access to low-cost devices, affordable internet bundles, and local device assembly.

Policy and regulatory recommendations to accelerate MSME business development support

Key issue	Implications for 10x	Recommendation
Limited access and affordability of BDS	Limited access and affordability of BDS restrict MSMEs from receiving critical support such as mentorship, business planning, digital adoption guidance, and market linkages. This hinders their ability to grow, formalize, and access finance.	<ul style="list-style-type: none"> Behaviorally-informed public BDS Programming by MOFPED: Policymakers can collaborate with behavioral science experts to integrate cost-effective nudges into skilling and mentorship programs. Kenya's Youth Impact Labs and India's Digital Green program used SMS reminders and peer story testimonials to improve learning outcomes and sustained engagement. Performance-based funding outcomes: Design and pilot performance-based contracts (PbCs) or results-based financing (RBF) models that link payment for BDS providers to measurable improvements in MSME capabilities. For example, Ethiopia's Enterprise Development Centers (EDCs) and Peru's Business Advisory Voucher Program linked funding to verified client improvements.
Fragmented BDS efforts by different actors	It makes it harder for MSMEs to navigate available services, resulting in missed opportunities for growth, digital adoption, and access to credit.	<ul style="list-style-type: none"> MOFPED should establish a nationwide peer-led MSME coaching and mentorship network: Establish and fund a national peer coach registry and mentorship curriculum coordinated through MSME support institutions or district-level hubs.
Lack of tailored sector-specific services	The absence of sector-specific support limits the relevance and impact of business development and digital interventions for MSMEs. Generic services often fail to address the unique challenges, market dynamics, and digital use cases within sectors like agriculture, fashion, health, or trade.	<ul style="list-style-type: none"> Mobile-first MSME digital resource platform: Develop a government-backed platform accessible via USSD, WhatsApp bots, and the web, featuring localized content, finance directories, and DIY business planning tools. For example, South Africa's BizPortal and Ghana's NBSSI Business Advisory Platform centralize MSME resources and services across public and private actors.

10. Personas emerging from the study



Personas emerging from the study



Atim



Sandra



Mary



Business profile

- Revenue: UGX 600,000
- Location: Sironko
- Age: 32 years
- Sector: Wholesale trade (grains, cooking oil, and household goods)

- Revenue: UGX 280,000 monthly (average)
- Location: Kiryandongo
- Age: 26 years
- Sector: Handicrafts and e-commerce (sells handmade bags and accessories)

- Revenue: UGX 200,000
- Location: Kitgum
- Age: 35 years
- Sector: Retail (sells *omena* and grains in an open-air market)



Business operation tools

- Uses mobile money for transactions but prefers in-person negotiations and manual record-keeping.
- Occasionally uses WhatsApp for bulk orders but relies heavily on phone calls and direct connections

- Uses QuickBooks for bookkeeping, actively promotes products via Instagram and Facebook ads, and sells through Jumia Uganda.
- Keeps customer records in Google Sheets and uses mobile banking for transactions.

- Uses mobile money and WhatsApp for customer interactions but avoids e-commerce platforms due to Internet costs
- Prefers traditional bookkeeping over digital records



Challenges

- Resistant to advanced digital solutions, believes business success is based on personal relationships
- Limited recordkeeping makes financial tracking difficult
- Struggles with online marketing strategies

- The high cost of digital advertising limits her reach.
- Faces occasional technical issues with online platforms.
- Struggles to balance online marketing with production demands.

- Limited access to reliable Internet makes online business expansion difficult
- Prefers cash transactions, which limits her ability to track finances digitally
- Low awareness of affordable digital tools that can simplify operations



Digital needs for the business

- Introduction to simple digital inventory tracking tools.
- Training on mobile-based invoicing for efficiency.
- Encouragement to explore social media marketing for bulk sales.

- Digital skills workshops to improve ad targeting.
- Access to affordable digital marketing tools.
- Collaboration with online marketplaces for better exposure.

- Introduction to mobile-friendly bookkeeping apps
- Community-based digital training programs
- Incentives for transitioning to digital payment platforms

11. Case studies on MSMEs that have successfully used digital financing



The following case studies demonstrate how MSMEs in Uganda have successfully used digital financing platforms



Ms. Aguti

Aguti, a resilient entrepreneur in Ntinda, has built a successful business in sweater-making and grocery sales, which earns her UGX 720,000 monthly. Despite her hearing impairment, she uses digital tools to connect with customers and grow her business. She uses WhatsApp video calls to interact with clients visually, which ensures they see her products before making a purchase. She prefers apps with location features and payment options to help track customer details and complete transactions. However, she is skeptical about digital financial tools after she heard about friends who lost UGX 400,000 to phone hacks. While Aguti sees the need for an app to track business records, security concerns make her hesitant to adopt one.

Social media plays a key role in her marketing strategy. She promotes her products in WhatsApp groups and posts them on Facebook and Twitter. For bill payments, she has used PayWay for electricity and other utilities. However, she notes a gap in digital adoption, as language barriers prevent some business owners from fully using technology. With the right digital literacy training and secure financial solutions, Esther's business could use technology better to improve efficiency, security, and growth opportunities.

The following case studies demonstrate how MSMEs in Uganda have successfully used digital financing platforms



Ms. Nairubwe

Agnes is a 32-year-old entrepreneur from Luzira. Despite being visually impaired, she has built a thriving business. With a certificate-level education and a monthly business revenue of UGX 1.2 million, Agnes has embraced digital solutions to enhance her business operations. She borrowed UGX 500,000 from BRAC, which she repaid in six months with an interest of UGX 75,000.

Agnes favors short-term financing and now seeks a receipt printer to retain digital records. Social media has been instrumental in her growth. She learned poultry farming from TikTok and successfully made e-purchases, including ordering clothes from Jumbo Arcade.

Mobile money simplifies her bill payments for water and electricity, and she employs one person with a salary of UGX 60,000. Agnes efficiently maintains records through braille. She uses a stylus, slate, and braille papers at home. While she has integrated digital tools into her business, she seeks training to maximize the utility of digital platforms. Her journey highlights resilience, innovation, and the power of digital inclusion in MSMEs. With further support in digital literacy and access to technology.

The following case studies demonstrate how MSMEs in Uganda have successfully used digital financing platforms



Ms. Apolot

Apolot, a 26-year-old mobile money agent in Ngora district, began her digitization journey immediately after finishing secondary school. Employed for two years at an Airtel shop, Esther manages digital services like SIM card registration, airtime sales, and mobile money transactions. She leverages a business-owned laptop for daily reporting and maintaining detailed financial records using Microsoft Word and Excel, tools essential to her operations. Although Apolot owns a Techno smartphone, neither her phone nor the business laptop was acquired through digital financing.

She recognizes significant barriers to digitization, notably a lack of community awareness about digital tools and financial platforms. Apolot suggests targeted training and mentorship to bridge these knowledge gaps, enhance local digital skills, and increase financial inclusion through accessible online finance platforms.

Apolot's shop sees significant foot traffic, with over 20 customers engaging daily in digital finance. Her recent introduction of agency banking through Centenary Bank reflects her proactive approach to expanding digital financial services. Apolot's story demonstrates the transformative power of digital technology and highlights the potential impact of increased awareness and device financing for MSMEs

The following case studies demonstrate how MSMEs in Uganda have successfully used digital financing platforms



Ms. Kakayi

Kakayi is a 35-year-old entrepreneur from Mbale. She has built a thriving business despite having only a primary school education. She balances entrepreneurship with her responsibilities as a mother and wife. She supports her family of three while ensuring financial independence. With an initial capital of UGX 170,000, she started selling fresh produce before transitioning to first-hand women's clothing, inspired by fellow women entrepreneurs. She manages her business alone and handles sourcing, sales, and customer engagement without employees. Though Kakayi lacks a traditional bank account, she saves through a women's SACCO and mobile money to ensure financial security.

Her smartphone has transformed her business—she markets her products via WhatsApp, engages with clients, and follows fashion trends on TikTok to stay competitive. Initially skeptical, her husband has come to appreciate her digital efforts after he recognized their contribution to household stability. However, Kakayi remains cautious about online fraud and only accepts payments through trusted channels and verified buyers. She hopes to expand her digital skills, particularly in the use of Twitter and Facebook for marketing. With better digital literacy and financial inclusion, Kakayi's journey proves that small businesses can thrive through technology.

The following case studies demonstrate how MSMEs in Uganda have successfully used digital financing platforms



Ms. Lanyero

Lanyero, a 29-year-old entrepreneur from Pader District, owns Be-Smart Fashion and Design Tailoring Workshop. After she received fashion and design training through a Child Fund sponsorship (2014-2016), she started her business with a sewing machine. In 2017, she expanded using UGX 400,000 earned from selling simsim (sesame). Lanyero is determined to empower others and trains school dropouts. She offers flexible courses of three, six, or 12 months and charges UGX 40,000 per month.

Over the past decade, she has grown her business assets to acquire 10 sewing machines, a designing machine, a baby lock machine, and a pressed button machine. Cumulatively, these assets are valued at more than UGX 5 million. In 2017, she bought a feature phone and later upgraded to a smartphone in 2022. The smartphone has transformed her business, allowing her to market on WhatsApp, receive payments via mobile money, and order supplies from Kampala, Gulu, Lira, and Arua without travel. However, challenges, such as poor internet, high data costs, and concerns about digital fraud hinder her growth. She seeks training on digital tools, better internet infrastructure, and a website to expand her reach. With improved digital literacy and infrastructure, Be-Smart Fashion and Design can achieve even greater success.

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13. Annex





13.1 Key Definitions and Acronyms

Key definitions used in the report

Terms	Definitions
AgTechs	Businesses or startups employing technology to improve efficiency, productivity, sustainability, and profitability in agriculture, through solutions such as digital marketplaces, precision agriculture, farm management software, and agricultural financing innovations.
Digital tools	Technologies, applications, and software that facilitate digital interactions, information exchange, or business processes, including communication, payments, and financial management.
Digital platforms	Online-based solutions that enable interactions and transactions between multiple users or groups, such as buyers and sellers, through integrated digital infrastructures and ecosystems.
Digital devices	Hardware tools, such as mobile phones, smartphones, tablets, computers, and sensors, used to access, manage, or operate digital platforms and services.
FinTechs	The use of technology and innovative business models in the provision of financial services. The term is a contraction of “Financial Technology”. It refers mainly to technological innovations in the financial sector, including innovations in financial literacy and education, retail banking, investment, and even cryptocurrencies.
Income	Income refers to money earned by individuals or entities (such as households or businesses) from various sources, including wages, salaries, profits, interests, rents, or other earnings over a given period, typically one year
Mobile payments	Financial transactions conducted via mobile devices, typically involving the transfer of money, bill payments, or purchase of goods and services using a mobile device as the medium
Mobile banking	Services provided by banks or financial institutions allowing customers to access bank accounts, conduct transactions, and manage financial resources remotely via mobile devices
Mobile enabled payments	Payment transactions initiated or processed through mobile networks or services, encompassing both mobile payments (transactions originating from mobile phones) and other payment methods enabled by mobile connectivity.
Revenue	Revenue refers to the total money generated from business activities or operations over a specific period before any expenses or costs are deducted.
Mobile Money	A type of electronic money (E-Money) that is transferred electronically using mobile networks and SIM-enabled devices, primarily mobile phones. The issuer of mobile money may, depending on local laws and the business model, be a mobile network operator (MNO), a financial institution, or another licensed third-party provider.
Young financially disadvantaged woman	A female youth who faces economic challenges that limit her access to opportunities and resources. This demographic often includes young women from low-income backgrounds, marginalized communities, or regions with limited economic development

Source: [Alliance for Financial Inclusion Dictionary](#), [OECD](#).

List of acronyms used in the report (1/2)

Acronym	Full Form
AfCFTA	African Continental Free Trade Area
AI	Artificial Intelligence
ASCAs	Accumulating Savings and Credit Associations
EPRC	Economic Policy Research Centre
ESOs	Enterprise Support Organizations
FGD	Focus Group Discussion
FSME	Federation of Small and Medium-sized Enterprises
FSDU	Financial Sector Deepening Uganda
ICT	Information and Communications Technology
IFC	International Finance Corporation
IoT	Internet of Things
ITC	International Trade Centre
ITU	International Telecommunication Union
KII	Key Informant Interview
MICE	Meetings, Incentives, Conferences and Exhibitions.
MFBs	Microfinance Banks

List of acronyms used in the report (2/2)

Acronym	Full Form
MFIs	Microfinance Institutions
MoMo	Mobile Money
MSMEs	Micro, Small, and Medium Enterprises
MSC	Microsave Consulting
MTN	Mobile Telephone Network (Uganda)
PAYG	Pay-As-You-Go
FIs	Financial Institutions
PWDs	Persons with Disabilities
ROSCAs	Rotating Savings and Credit Associations
SACCOs	Savings and Credit Cooperative Organizations
SMEs	Small and Medium Enterprises
TDB	Trade and Development Bank
UGX	Ugandan Shillings
UCC	Uganda Communications Commission
UNCDF	United Nations Capital Development Fund
WITU	Women in Technology Uganda

Objectives as per the TOR

The objectives of the project were

- Provide insights on how the digital economy can be leveraged by MSMEs within our target segments to drive growth and key requirements, including suitable devices and platforms needed for these enterprises to capitalize on digital opportunities.
- Exploring how the digital economy can be used to leverage the opportunities coming with the Africa Continental Free Trade Area Agreement (AfCFTA) for MSMEs.
- Provide an overview of the current state of MSME digitalization and their needs (devices, platforms, skills).
- Provide insights on the current device distribution and financing solutions available for youth women-inclusive MSMEs.
- Identify suitable interventions to address key challenges and opportunities in supporting the digital transformation of MSMEs, particularly in the areas of working capital and digital device/asset loans within our target segments.
- Within each of the above objectives, estimate the size of the market opportunity to serve youth-led MSMEs in Uganda, with a specific focus on women-led or women-owned businesses.
- Provide relevant insights for industry stakeholders, policy makers, and regulators.



13.2 Approach for literature review and analysis framework



MSC focused on literature and data sources that answer the following themes of the study (1/2)

Research focus	Area of inquiry	Themes of the study
Demand-side	Digitization needs, practices, and experiences	<ul style="list-style-type: none"> Women-led underserved MSME archetypes and their size, location, sector, business attributes, economic activities, utilization, and needs for digital platforms. Access, adoption, and intensity of digital tools and platforms based on the women-led underserved MSME archetypes. Gaps and opportunities (from demand and supply) to deliver effective business development services. Opportunities for underserved MSMEs to engage meaningfully in the digital economy and take advantage of specific initiatives, e.g., AfCFTA. The utilization level of existing digital solutions, devices, or platforms with recommendations to enhance these.
	Device financing	<ul style="list-style-type: none"> Existing financing mechanisms utilized (formal loans, informal credit, supplier credit, mobile money loans, family/friends) Preferred distribution channels for financing (banks, microfinance institutions, telecom companies, fintech, retail stores). Awareness, attitudes, and perceptions of device financing solutions.
	Business financing needs	<ul style="list-style-type: none"> Barriers and drivers for access to accessible, convenient, and affordable business finance. Gaps and opportunities to increase business finance. Perceptions and experiences in accessing business finance.

MSC focused on literature and data sources that answer the following themes of the study (2/2)

Research focus	Area of inquiry	Themes of the study
Supply-side	Digitization offerings in the market	<ul style="list-style-type: none"> Comprehensive scan and comparative analysis of digital solutions, devices, or platforms in the market. Barriers, motivations, and drivers for market players to digitize underserved MSMEs in the target sectors. Relevance of existing opportunities (e.g., AfCFTA, COMESA, etc.) to provide market access to underserved MSMEs. Importance of regulatory environment as a driver for MSME digitization. A gap-fit analysis and recommendations to address market barriers.
	Device financing	<ul style="list-style-type: none"> Current market structure and supply-chain dynamics for the digital solutions, devices, or platforms. Device financing models (e.g., installments, leasing, lease-to-own, subsidized pricing models, buy-now-pay-later, trade-in programs, manufacturer direct pricing, etc.), trends, constraints, opportunities, and recommendations Derisking mechanisms that can accelerate device financing
	Business financing opportunities	<ul style="list-style-type: none"> Barriers and drivers for the delivery of accessible, convenient, and affordable business finance. Gaps and opportunities to increase business finance for providers. Perceptions and experiences in providing business finance to youth women-inclusive underserved MSMEs.

We applied MSC's gender centrality framework to develop research tools

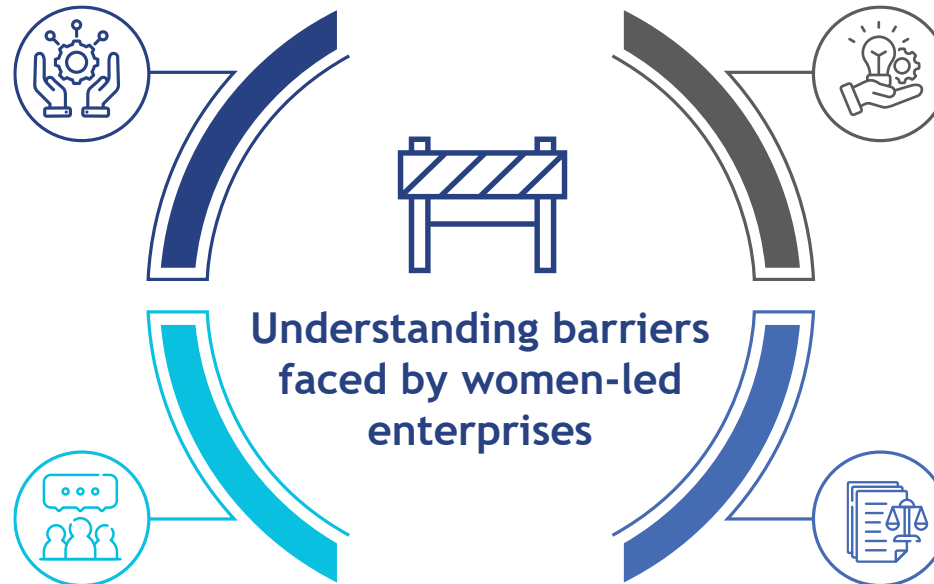
MSCs' gender centrality framework draws from Moser's and Harvard's analytical frameworks to understand gender roles and relations and the gender inequity arising out of attitudes, beliefs, and practices in the context of women's financial inclusion.

Access to and control over resources

Productive assets, natural resources, technology, information and knowledge networks, training, and capacity development through skilling and upskilling opportunities.

Beliefs and perception

Discriminatory social norms & practices, gendered stereotypes on occupational segregation in economic activities, appropriate behavior, mobility, influence, decision making, different needs, interests, and priorities as social groups and stakeholders in a particular process.



Practices and behaviors

The norms and beliefs that influence women and men also structure their roles, responsibilities, and activities, the Division of labor in household and community work, rates of participation in different social, political, and economic activities, and time use.

Laws, policies, and institutional ecosystem

Turning on or off external institutional and political environment, markets, access to employment, health services, infrastructure, difference in inheritance rights, access to justice systems.

MSC applied its barrier analysis framework to identify obstacles to women's digital inclusion (1/2)

Barrier	Sub-barrier
Access	Coverage - 2G/3G+ (availability and strength of bandwidth)
	Handset ownership, access, and design
	Electricity (solar energy provides meaningful opportunities here)
	Documentation/identity requirements (legal and policy requirements)
	Government restrictions (conflict and fragile geographies where restrictions on the Internet are imposed)
	Agents (not just cash-in and cash-out (CICO) but for a broader range of services) - and the role of female agents)
Affordability	Cost of handsets
	Cost of data packages
	Cost of electricity
	Taxes on digital transactions/services
	Cost of digital services/paywall (fees and charges for services in-app services)
Digital capability	Literacy
	Digital skills (including the ability to adapt to dynamic technology)
	Proactive information-seeking behavior (willingness to seek more information)
	Trust and confidence in the digital ecosystem

MSC applied its barrier analysis framework to identify obstacles to women's digital inclusion (2/2)

Barrier	Sub-barrier
Relevance	Interoperability
	Use cases (demand side)
	Relevance of content/quality of service (supply side) including unavailability of content in the user's language/content only available in the dominant language of the internet)
	Communication of the value/potential of digital services
Safety and Security	Digital fraud
	Consumer protection and grievance redressal mechanism
	Privacy/confidentiality (including ransomware, malware, dark web)
	Fear of dependence on others for help
	Gender-based Violence in different forms is aggravated by online mediums
Social norms	Restrictions on access and usage of digital devices and interfaces (digital public spaces)
	Restrictions on mobility
	Women's agency, control over income and assets, and decision-making (including digital assets)
	Gender bias in algorithms in AI/digital applications

Note: This is derived from the barrier analysis [framework](#) developed by MSC for this research.

The study sample distribution across the 40 districts of the 10x program



- The chart represents the sample distribution across the nine regions and 40 districts of the 10x program.
- The Buganda region had the highest contribution of participants at 23%, followed by Elgon at 18% and Acholi at 13%. Teso accounted for 12%, while Bukedi contributed 10%. Ankole comprised 8% of the total, with Karamoja at 6% and Tooro and Bunyoro at 5% each.
- This chart takes into account MSMEs from 40 districts in Uganda that include Kiryandongo, Kyaka, Rwamanja, Nakivaale, Nakapiripiriti, Busia, Tororo, Pallisa, Kibuku, Budaka, Bulambuli, Kween, Kapchorwa, Mbale, Sironko, Bukwo, Bududa, Manafwa and Namisindwa, Nakasongola, Nakaseke, Luweero, Kiboga, Mukono, Buikwe, Wakiso, Kampala, Katakwi, Soroti, Amuria, Serere, Ngora, Bukedea, Lamwo, Kitgum, Nwoya, Gulu, Omoro, Agago, and Pader.



13.3 Literature review

What do we know about MSME digitization and device financing in Uganda?



According to the FSDU, over 95% of MSMEs utilize mobile phones for business operations, yet 37% have internet access. However, access to more advanced digital tools, such as computers and laptops, is considerably lower, indicating a gap in the adoption of comprehensive digital technologies.



The World Bank's 2021 Digital Economy Assessment for Uganda highlights that while mobile phone usage is extensive, internet penetration remains limited, particularly in rural areas. This digital divide poses challenges for MSMEs seeking to leverage online platforms for business operations.



From our analysis, findings further established that 70% of MSMEs in Uganda have unmet credit needs, which impedes their ability to invest in digital technologies and infrastructure.



A CGAP survey of smallholder households in Uganda revealed that while mobile phone ownership is widespread, smartphone penetration remains low. This limits access to advanced digital financial services

What challenges do women-led MSMEs face in digitization and device acquisition?



In some contexts, women have less autonomy over financial decisions, impacting their ability to invest in digital tools for their businesses.



Women-led MSMEs often face difficulties obtaining formal financing due to factors such as lack of collateral, limited credit histories, and gender biases within financial institutions. This restricts their ability to invest in necessary digital tools and technologies.



The high cost of acquiring digital devices and accessing internet services can be prohibitive for women entrepreneurs, particularly those operating small-scale businesses with limited financial resources.



Women entrepreneurs may have less exposure to digital technologies due to societal roles and limited access to education and training opportunities, hindering their ability to utilize digital tools for business operations effectively.



Existing digital skills training programs often do not consider women's time constraints and specific learning needs, making it challenging for them to acquire necessary digital competencies.



Prevailing social norms may discourage women from engaging with technology or pursuing tech-driven business ventures, limiting their participation in the digital economy.

Source: [EPRC](#), [Women world banking](#), [SME Finance Forum](#)

Lessons from Kenya and India on MSME digitization and device financing



Pay-as-You-Go (PAYG) models, originally used for solar systems, are now applied to device financing, allowing MSMEs to purchase smartphones and pay in installments. Companies like M-KOPA have successfully adapted this model to finance smartphones, and similar structures are emerging for laptops.



Kenya's widespread adoption of M-PESA demonstrates how mobile money platforms can be a foundation for digitizing MSME operations. Mobile money systems have enabled many small businesses to access credit, make cashless transactions, and participate in e-commerce platforms.



Collaborations between the government and private sector have led to initiatives to enhance digital skills among MSMEs, enabling them to utilize digital tools and platforms effectively.



The Indian government has introduced credit guarantee programs to support MSMEs in acquiring machinery and digital devices without collateral, easing access to necessary technology.



In India, the rise of digital finance models, including marketplace lending and supply chain finance, has expanded credit access for MSMEs, enabling them to invest in digital tools and infrastructure.



Partnerships between e-commerce platforms and financial institutions have facilitated MSMEs' access to digital markets and financing options, promoting digital adoption and business growth.

Source: [Reuters](#), [World Bank](#)

Can digital platforms provide market access for MSMEs?



Digital platforms enable MSMEs to transcend traditional geographic limitations and reach a broader customer base. For instance, during the COVID-19 pandemic, the United Nations Capital Development Fund (UNCDF) partnered with SafeBoda to provide 800 market vendors with access to the SafeBoda app, sustaining their operations amid movement restrictions.



Digital platforms streamline transactions and reduce operational costs for MSMEs through market aggregation. This aggregation gives businesses up-to-date market information, enabling more informed decision-making and improved competitiveness.



Digital platforms can provide vital services, including market access support, training, financial expertise, and mentorship. These services are crucial for business growth and the sustainability of MSMEs' market access. The Federation of Small and Medium-sized Enterprises (FSME) provides such services to MSMEs.



According to the International Trade Centre (ITC), digital platforms facilitate cross-border e-commerce, providing MSMEs in developing countries with opportunities to sell products internationally.



Digital platforms allow MSMEs to connect directly with customers, eliminating intermediaries and increasing profit margins. For instance, women entrepreneurs can use mobile phones to access virtual marketplaces, negotiate fair prices, and arrange deliveries, thus enhancing their market presence.



Digital financial services provide women entrepreneurs with access to loans, savings, and insurance, which are critical for business growth. These services, when combined with digital financial literacy, can significantly improve business efficiency and resilience.

Source: [UNCDF](#), [ITC](#), [FSME](#), [World Bank](#), [Women World Banking](#)

We have assessed MSMEs digital skill levels as per the below framework

Definition of founders' digital skills level



Basic digital skills

- These are foundational skills needed to perform simple digital tasks, essential for digital literacy. They include:
 - Use of digital devices, such as smartphones, computers, and tablets
 - Navigating the Internet and using search engines
 - Sending and receiving emails
 - Use of basic word processing, spreadsheets, and presentation software
 - Understanding online safety, privacy, and responsible digital behavior



Intermediate digital skills

- These skills enable individuals to perform more complex tasks and interact with digital technologies in workplaces and education. They include:
 - Advanced use of office productivity tools, such as word processing, spreadsheets, data visualization
 - Use of collaboration and communication tools, such as video conferencing and cloud-based tools
 - Digital marketing and e-commerce skills
 - Basic coding and programming knowledge
 - Understanding and applying data protection measures



Advanced digital skills

- These skills are required for professional and specialized roles in the digital economy. They enable innovation and technology development. They include:
 - Software development, programming, and app development
 - Data science, artificial intelligence (AI), and machine learning
 - Cybersecurity and ethical hacking
 - Cloud computing, blockchain, and IoT (Internet of Things)
 - Network administration and IT infrastructure management

Key gaps in Uganda's digital transformation strategy compared to South Africa and Egypt's digital strategies and policies

Gap area	South Africa and Egypt	Uganda's DF4D and policies
Lack of specific policies addressed to the issues for example on cross broader trade and e-commerce	Digital strategies and policies are highly specific. Egypt's strategies include integrating with international digital markets and enhancing export opportunities for local businesses.	Uganda's DF4D is generalized and lacks detailed measures, such as integrating digital markets to enhance e-commerce for export.
Non-comprehensive regulatory framework	Comprehensive, strong enforcement	Emerging and incomplete enforcement
Limited interoperability of digital payments	Interoperable, diversified payments	Limited interoperability
Uneven coverage in infrastructure connectivity	Strong national-level investment	Uneven coverage, infrastructure gaps
Limited well-coordinated capacity and skills initiatives	Institutionalized, systematic programs	Ad-hoc initiatives, not fully integrated
Minimal cross-border trade integration in digital strategies and policies	Clear frameworks, international focus	Minimal cross-border integration strategy
Limited specific financing and incentives	Dedicated funding and support programs	Limited specific funding incentives

Source: [US Department of Commerce](#), [Egypt Ministry of Communication](#), [Uganda Digital Vision 2040](#)

MSMEs in Uganda have sector-specific primary financing needs, including short-term working capital for trade and hospitality and input and equipment financing for agriculture



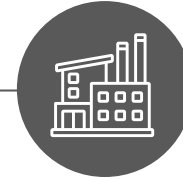
Trade and hospitality

- ▶ **Short-term working capital:** MSMEs in these sectors require flexible financing to manage inventory and cash flows effectively.
- ▶ **Restructured loans:** Many businesses need loan restructuring to handle seasonal fluctuations and high competition.



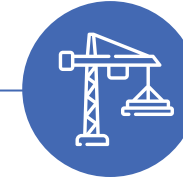
Agriculture

- ▶ **Short-term financing needs for inputs:** Agricultural MSMEs need financing for seeds, fertilizers, and other inputs.
- ▶ **Medium-term financing for inputs:** They also require funding for machinery and equipment to improve productivity.



Manufacturing






- ▶ **Long-term financing:** Manufacturing MSMEs need substantial capital for machinery and technology investments.
- ▶ **Supply-chain financing:** They benefit from supply chain finance solutions to manage cash flows and inventory.



Construction and logistics

- ▶ **Medium-to-long-term financing:** These sectors require financing for project execution and expansion.
- ▶ **Invoice discounting and factoring:** They benefit from invoice discounting and factoring to manage cash flows.

Uganda has several formal financial service providers that provide payments, savings, credit, insurance, and/or mobile money services. Diverse regulators guide them.

Savings 	Credit 	Mobile money 	Payments 	Insurance 
<ul style="list-style-type: none">26 banks4 credit institutions5 microfinance depository institutions1,900 SACCOs1 public pension fund1 social security fund60 private retirement benefits schemes	<ul style="list-style-type: none">26 banks4 credit institutions5 microfinance depository institutions1,900 SACCOs70 MFIs200 moneylenders	<ul style="list-style-type: none">2 mobile money service providers	<ul style="list-style-type: none">26 banks4 credit institutions5 microfinance depository institutions	<ul style="list-style-type: none">22 non-life insurance companies7 life insurance companies
Regulators: BOU, UMRA, URBRA	Regulators: BOU, UMRA	Regulators: BOU, UMRA	Regulators: BOU	Regulators: IRA

UMRA - Uganda Microfinance Regulatory Authority, URBRA - Uganda Retirements Benefits Regulatory Authority, BOU - Bank of Uganda, UCC - Uganda Communications Commission, IRA - Insurance Regulatory Authority

Sources: Bank of Uganda, 2021, Uganda National financial inclusion strategy

Uganda has more than 78 FinTechs and 16 innovation hubs, including:



Yo! Payments (formerly Yo! Uganda):

- A mobile payments aggregator facilitating business-to-consumer (B2C, B2B and C2B) payments through agnostic mobile money accounts.
- The C2B service has enabled various educational institutions in Uganda to receive school fees digitally.
- At the same time, value chains have been digitized for B2B and B2C payments, for example, to farmers using the bulk payment facility.



- Pegasus** is a third-party payments provider aggregating bulk payments, merchant services, and bill payments between mobile providers and banks in Uganda.

- In October 2020, Pegasus experienced a cyber attack that impacted bank-to-wallet transfers leading to the loss of USD 2.7m.

- Their services have been suspended for safeguarding reasons (The Independent, October, 2020).



- Cellulant** launched Tingg, an all-in-one, multi-functional consumer super-app. Tingg integrates payments including cross-border payments, e-commerce, and financial services into a single platform.

- It is available in Nigeria, Kenya, Ghana, Uganda, Tanzania, Mozambique, Zambia and Botswana as a mobile app, USSD short-code service, or web-based application.



- Xente:** A cards and payments platform focused on streamlining and modernizing businesses' administrative and financial processes.

- "Smart" Xente Visa cards are linked to a Xente business wallet, employees' digital wallets, and a management portal that improves transparency and enables limits to be set on how, when, and where money is spent. Mobile money, airtime, and data can also be sent and received from multiple service providers.



- Ensibuuko** is a Uganda-based Fintech that provides a platform that is uniquely designed to help SACCOs and lending companies go paperless and become more efficient by digitizing how they manage customer data and transactions.

- The Fintech also offers savings group platforms, mobile money integration and crop insurance products.



- Payway** a third-party provider enabling utility payments, airtime purchase, data top-up, and car lease payment via mobile money, cards either online, at a kiosk, or at a POS.

- The service also offers PayWay wallet, an agnostic mobile wallet offering (Tangerine, Smile, MTN, Uganda Telecom, Roke Telecom, Airtel, Vodafone, Africell).

Organizations are providing BDS services in Uganda

Category	Organizations
Government and public sector providers	<ul style="list-style-type: none"> ➤ National Entrepreneurship Development Institutes: Uganda National Entrepreneurship Development Institute (UNEDI) is a major resource offering entrepreneurship training, research, and curriculum development. UNEDI works through various specialized centers to provide skills training, capacity building, and business advisory services. ➤ Apex bodies and chambers like Private Sector Foundation Uganda (PSFU): This body acts as a coordinating body that links various BDS providers and advocates for policies to support MSME development.
Incubators, accelerators, and innovation hubs	<ul style="list-style-type: none"> ➤ Hive Colab: Uganda's first technology innovation hub that supports startups with mentorship, training, and access to digital resources. ➤ The Makerere University Business School (MUBS) Entrepreneurship Center: This regional accelerator recently expanded to Uganda. It offers a six-month intensive program focusing on scaling businesses and linking them to investment opportunities. ➤ Enterprise Uganda: Provides comprehensive business support, including entrepreneurship training, mentoring, business planning, and market access. It's a well-recognized local host for Global Entrepreneurship Week and runs projects like the Grow Movement to connect entrepreneurs with international consultants.
Non-governmental Organizations and private sector initiatives	<ul style="list-style-type: none"> ➤ Inclusive business accelerators such as Outbox: These organizations provide specialized business advisory services, mentorship, and networking opportunities, helping entrepreneurs refine their business models and scale their operations. ➤ UWEAL (Uganda Women Entrepreneurs Association Limited): Focused specifically on supporting women entrepreneurs, UWEAL offers networking, training, and access to business resources. ➤ FinAfrica: A not-for-profit center dedicated to providing business incubation, training, and advisory services with a focus on empowering SMEs to access markets and finance.
International and donor funded programs	<ul style="list-style-type: none"> ➤ UNIDO, UNCTAD, and World Bank Initiatives: These international organizations support various capacity-building and digital transformation projects in Uganda, often collaborating with local partners to extend BDS' reach to underserved areas. ➤ AfDB and GSMA Programs: Reports from these institutions highlight initiatives to enhance digital connectivity and financial inclusion, with projects designed to subsidize digital access and promote ICT-based training.
Financial Institutions	<ul style="list-style-type: none"> ➤ Centenary Bank, DFCU Bank, and Finance Trust Bank: Besides traditional banking services, these institutions increasingly offer business development services such as financial literacy training, advisory services, and tailored credit products for MSMEs.

13.4 Summary findings on digital devices and tools



Summary findings on the adoption of digital tools and devices of key personas of Atim and Mary (Gig workers)

Atim: Business revenue above UGX 290,000

Usage of smartphones in business operations

Most microenterprise owners with Atim's persona use smartphones for communication, marketing, and transactions. Some use laptops for record-keeping, reporting, and accounting. This indicates the growing integration of digital tools in micro and small business operations.

62%

Usage of software applications

Most enterprise owners do not use digital tools or software applications, such as Microsoft Excel, Google Sheets, or other data management tools. A few use Excel for daily record-keeping, Microsoft Word to create business reports, and Instagram to market products, primarily through direct messages.

62%

Reliable internet access only in urban areas

Most people with Atim's persona have reliable internet and electricity in town, but access remains limited in rural areas. Power outages are frequent, which makes it difficult to use digital devices consistently. Opportunities to develop offline-first digital tools and services that sync once internet access is restored enable them to continue managing their operations in rural areas without disruption.

76%

Mary: Business revenue less than UGX 250,000

Limited usage of smartphones in business operations

Some enterprise owners with Mary's persona use smartphones to communicate, transact, and manage customer orders. Smartphones help them connect with clients and streamline business operations. Mobile service providers, app developers, and financial institutions can collaborate to offer affordable smartphones with pre-installed business tools, such as invoicing apps, inventory management, and payment solutions.

50%

Limited usage of software applications

Most enterprise owners with Mary's persona do not use digital tools or software applications, such as Microsoft Excel, Google Sheets, or other data management tools. Partnerships with tech companies and financial institutions to provide subsidized access to user-friendly digital tools and software can enhance their capacity to run more efficient, data-driven businesses.

80%

Reliable internet access only in urban areas

Most people with Mary's persona do not have reliable internet and electricity in town, but access remains limited in rural areas. Power outages are frequent, which makes it difficult to use digital devices consistently. Opportunities to develop offline-first digital tools and services that sync once Internet access is restored enable them to continue managing their operations in rural areas without disruption.

75%

Summary findings on the adoption of digital tools and devices of key personas of Atim and Mary (representing micro and small bootstrappers)

Atim: Business revenue above UGX 290,000

Usage of smartphones in business operations

Most microenterprise owners with Atim’s persona use smartphones for communication, marketing, and transactions. Some use laptops for record-keeping, reporting, and accounting. This indicates the growing integration of digital tools in micro and small business operations. The expansion of access to affordable device financing, business-focused digital tools, and tailored training can empower these microenterprises to optimize digital platforms for marketing, e-commerce, and financial planning.

58%

Usage of software applications

Most enterprise owners with Atim’s persona do not use digital tools or software applications, such as Microsoft Excel, Google Sheets, or other data management tools. One woman uses Excel for daily record-keeping, Microsoft Word to create business reports, and Instagram to market products, primarily through direct messages.

62%

Reliable internet access and electricity in urban areas

Most people with Atim’s persona have reliable internet and electricity in town, but access remains limited in rural areas. Power outages are frequent, which makes it difficult to use digital devices consistently. Opportunities to develop offline-first digital tools and services that sync once internet access is restored enable them to continue managing their operations in rural areas without disruption.

77%

Mary: Business revenue less than UGX 250,000

Limited usage of smartphones in business operations

Most enterprise owners with Mary’s persona do not use smartphones to communicate, transact, and manage customer orders. Smartphones help them connect with clients and streamline business operations. Mobile service providers, app developers, and financial institutions can collaborate to offer affordable smartphones with pre-installed business tools, such as invoicing apps, inventory management, and payment solutions.

74%

Limited usage of software applications

Most enterprise owners with Mary’s persona do not use digital tools or software applications, such as Microsoft Excel, Google Sheets, or other data management tools. Partnerships with tech companies and financial institutions to provide subsidized access to user-friendly digital tools and software can enhance their capacity to run more efficient, data-driven businesses.

82%

Reliable internet access and electricity in urban areas

Some people with Mary’s persona have reliable internet and electricity in town, but access remains limited in rural areas. Power outages are frequent, which makes it difficult to use digital devices consistently. Opportunities to develop offline-first digital tools and services that sync once Internet access is restored enable them to continue managing their operations in rural areas without disruption.

41%

Summary findings on the adoption of digital tools and devices of key personas of Atim and Mary (representing small and medium bootstrappers as well as Invisibles)

Atim: Business revenue above UGX 290,000

Usage of smartphones in business operations

Most microenterprise owners with Atim’s persona use smartphones for communication, marketing, and transactions. Some use laptops for record-keeping, reporting, and accounting. This indicates the growing integration of digital tools in micro and small business operations. The expansion of access to affordable device financing, business-focused digital tools, and tailored training can empower these microenterprises to optimize digital platforms for marketing, e-commerce, and financial planning.

81%

Usage of software applications

Most enterprise owners with Atim’s persona use digital tools or software applications, such as Microsoft Excel, Google Sheets, or other data management tools. One woman uses Excel for daily record-keeping, Microsoft Word to create business reports, and Instagram to market products, primarily through direct messages.

54%

Reliable internet access and electricity in urban areas

Most people with Atim’s persona have reliable internet and electricity in town, but access remains limited in rural areas. Power outages are frequent, which makes it difficult to use digital devices consistently. Opportunities to develop offline-first digital tools and services that sync once internet access is restored enable them to continue managing their operations in rural areas without disruption.

100%

Mary (invisibles): Business revenue less than UGX 250,000

Limited usage of smartphones in business operations

Some enterprise owners with Mary’s persona do not use smartphones to communicate, transact, and manage customer orders. Smartphones help them connect with clients and streamline business operations. Mobile service providers, app developers, and financial institutions can collaborate to offer affordable smartphones with pre-installed business tools, such as invoicing apps, inventory management, and payment solutions.

78%

Limited usage of software applications

Most enterprise owners with Mary’s persona do not use digital tools or software applications, such as Microsoft Excel, Google Sheets, or other data management tools. Partnerships with tech companies and financial institutions to provide subsidized access to user-friendly digital tools and software can enhance their capacity to run more efficient, data-driven businesses.

85%

Reliable internet access and electricity in urban areas

Most people with Mary’s persona have reliable internet and electricity in town, but access remains limited in rural areas. Power outages are frequent, which makes it difficult to use digital devices consistently. Opportunities to develop offline-first digital tools and services that sync once Internet access is restored enable them to continue managing their operations in rural areas without disruption.

75%

Summary findings on the adoption of digital tools and devices by key personas of Atim and Mary (representing micro and small bootstrappers)

Atim: Business revenue above UGX 290,000

Peer recommendations led to adoption of digital tools

Some enterprises with Atim's persona reported receiving recommendations from peers on the type of digital tools that can benefit them. This indicates that a peer-led training model can effectively provide digital literacy training for these enterprises.

50%

Limited digital skills and high cost of internet data

Young entrepreneurs with Atim's persona face challenges, such as limited technical skills and the high cost of digital tools. They also struggle with Internet data expenses and concerns about security and data protection. Subsidized digital tools tailored for small businesses, affordable data bundles, and security-focused digital literacy programs would empower these enterprises to make the most of digital resources.

50%

High repair costs and limited technical support

Most enterprises with Atim's persona struggle to adopt digital tools primarily for financial and technical reasons. They struggle with the high cost of devices, repairs, and mobile data and lack effective support in using these tools. Accessibility is also a concern, as finding repair technicians often requires costly and time-consuming travel.

75%

Mary: Income less than UGX 250,000

Peer recommendations led the adoption of digital tools

Some enterprises with Mary's persona adopted digital tools primarily due to customer demand and peer recommendations. One young woman said customers wanted updates on new products and often requested photos of designs, which led her to adopt tools. She also found digital tools to be cost-effective for marketing and communication.

50%

Limited digital skills and high cost of internet data

Some enterprises with Mary's persona face challenges, such as high data costs, power outages, and limited digital skills. They also struggle with the high cost of devices, which makes it difficult for them to adopt digital tools for their business fully.

50%

High repair cost and limited technical support

Most enterprises with Mary's persona cited enterprise face significant challenges due to high repair costs and limited access to technical support. The frequent need for repairs, whether for equipment or digital tools, strains the business's financial resources. Moreover, the lack of reliable technical support means that when issues arise, Mary often struggles to find timely solutions, leading to prolonged downtimes.

100%

Summary findings on the adoption of digital tools and devices by key personas of Atim and Mary (representing small and medium bootstrappers as well as invisibles)

Atim: Business revenue above UGX 290,000

Peer recommendations led to adoption of digital tools

Most enterprises with Atim’s persona reported receiving recommendations from peers on the type of digital tools that can benefit them. This indicates that a peer-led training model can effectively provide digital literacy training for these enterprises.

100%

Limited digital skills and high cost of internet data

Young entrepreneurs with Atim’s persona face challenges, such as limited technical skills and the high cost of digital tools. They also struggle with Internet data expenses and concerns about security and data protection. Subsidized digital tools tailored for small businesses, affordable data bundles, and security-focused digital literacy programs would empower these enterprises to make the most of digital resources.

100%

High repair costs and limited technical support

Most enterprises with Atim’s persona struggle to adopt digital tools primarily for financial and technical reasons. They struggle with the high cost of devices, repairs, and mobile data and lack effective support in using these tools. Accessibility is also a concern, as finding repair technicians often requires costly and time-consuming travel.

100%

Mary (Invisibles): Income less than UGX 250,000

Peer recommendations led the adoption of digital tools

Some enterprises with Mary’s persona adopted digital tools primarily due to customer demand and peer recommendations. One young woman said customers wanted updates on new products and often requested photos of designs, which led her to adopt tools. She also found digital tools to be cost-effective for marketing and communication.

50%

Limited digital skills and high cost of internet data

Most enterprises with Mary’s persona face challenges, such as high data costs, power outages, and limited digital skills. They also struggle with the high cost of devices, which makes it difficult for them to adopt digital tools for their business fully.

75%

High repair cost and limited technical support

Some enterprises with Mary’s persona cited enterprise face significant challenges due to high repair costs and limited access to technical support. The frequent need for repairs, whether for equipment or digital tools, strains the business's financial resources. Moreover, the lack of reliable technical support means that when issues arise, Mary often struggles to find timely solutions, leading to prolonged downtimes.

25%

Summary findings on the socio cultural norms of key personas of Atim and Mary (Gig workers)

Atim: Business revenue above UGX 290,000

Digital tools increase participation in traditionally male businesses

Most enterprise owners with Atim's persona felt that digital tools enabled them to take on businesses traditionally associated with men, such as hardware businesses. Social media platforms gave them visibility, facilitated client interactions, and enhanced product marketing.

71%

Non-physical interactions made it easier to engage with male customers

Most enterprise owners with Atim's persona stated that nonphysical interactions made engaging with male customers easier. Placing orders on the phone allows them to run their businesses while they manage household responsibilities. They also mentioned that their spouses prefer limited direct interactions with male customers

100%

Digital devices and tools help women navigate mobility restrictions

Most enterprise owners with Atim's persona can now keep their money safe on mobile money and deposit and withdraw money from their banks without moving to distant banking halls. This has given them the confidence to handle and manage money without their husband's involvement. They usually do this through mobile money and agency.

80%

Mary: Business revenue less than UGX 250,000

Digital tools increase participation in traditionally male businesses

Most enterprise owners with this persona do not use mobile phones for orders, deliveries, and appointments, which allows them the flexibility to manage their businesses from home. This increased digital engagement enables greater participation in traditionally male dominated businesses, breaking barriers and expanding economic opportunities.

75%

Non-physical interactions made it easier to engage with male customers.

Most enterprise owners with Mary and Sandra's persona expressed confidence in their ability to trade and communicate with men. They also mentioned that, at times, they earn more than their male counterparts and can contribute to household expenses.

100%

Digital devices and tools help women navigate mobility restrictions

Most enterprise owners with Mary's persona can now keep their money safe on mobile money and deposit and withdraw money from their banks without moving to distant banking halls. This has given them the confidence to handle and manage money without their husband's involvement. They usually do this through mobile money and agency.

75%

Summary findings on the socio-cultural norms of key personas of Atim and Mary (representing micro and small bootstrappers)

Atim: Business revenue above UGX 290,000

Digital tools increase participation in traditionally male businesses

Some enterprise owners with Atim’s persona felt that digital tools enabled them to take on businesses traditionally associated with men, such as hardware businesses. Social media platforms gave them visibility, facilitated client interactions, and enhanced product marketing.

59%

Non-physical interactions made it easier to engage with male customers

Some enterprise owners with Atim’s persona stated that nonphysical interactions made engaging with male customers easier. Placing orders on the phone allows them to run their businesses while they manage household responsibilities. They also mentioned that their spouses prefer limited direct interactions with male customers.

50%

Digital devices and tools help women navigate mobility restrictions

Some enterprise owners with Atim’s persona are now recognized for supporting their families while running businesses from home. This enables them to stay close and avoid long travels or overnight absences. This presents an opportunity to help them further balance their time between business and household responsibilities through the provision of digital literacy training.

49%

Mary: Business revenue less than UGX 250,000

Digital tools increase participation in traditionally male businesses

Most enterprise owners with this persona use mobile phones for orders, deliveries, and appointments, which allows them the flexibility to manage their businesses from home. This increased digital engagement enables greater participation in traditionally male dominated businesses, breaking barriers and expanding economic opportunities.

54%

Non-physical interactions made it easier to engage with male customers.

Some enterprise owners with Mary and Sandra’s persona expressed confidence in their ability to trade and communicate with men. They also mentioned that, at times, they earn more than their male counterparts and can contribute to household expenses.

50%

Digital devices and tools help women navigate mobility restrictions

Some enterprise owners with Mary’s persona can now keep their money safe on mobile money and deposit and withdraw money from their banks without moving to distant banking halls. This has given them the confidence to handle and manage money without their husband’s involvement. They usually do this through mobile money and agency.

44%

Summary findings on the socio-cultural norms of key personas of Atim and Mary (representing small and medium bootstrappers as well as invisibles)

Atim: Business revenue above UGX 290,000

Digital tools increase participation in traditionally male businesses

Most enterprise owners with Atim’s persona did not feel that digital tools enabled them to take on businesses traditionally associated with men, such as hardware businesses.

75%

Non-physical interactions made it easier to engage with male customers

Some enterprise owners with Atim’s persona stated that nonphysical interactions made engaging with male customers easier. Placing orders on the phone allows them to run their businesses while they manage household responsibilities. They also mentioned that their spouses prefer limited direct interactions with male customers

40%

Digital devices and tools help women navigate mobility restrictions

Some enterprise owners with Atim’s persona are now recognized for supporting their families while running businesses from home. This enables them to stay close and avoid long travels or overnight absences. This presents an opportunity to help them further balance their time between business and household responsibilities through the provision of digital literacy training.

45%

Mary (Invisibles): Business revenue less than UGX 250,000

Digital tools increase participation in traditionally male businesses

Most enterprise owners with this persona do not use mobile phones for orders, deliveries, and appointments, which allows them the flexibility to manage their businesses from home. This increased digital engagement enables greater participation in traditionally male dominated businesses, breaking barriers and expanding economic opportunities.

60%

Non-physical interactions made it easier to engage with male customers.

Most enterprise owners with Mary and Sandra’s persona did not express confidence in their ability to trade and communicate with men.

75%

Digital devices and tools help women navigate mobility restrictions

Some enterprise owners with Mary’s persona can now keep their money safe on mobile money and deposit and withdraw money from their banks without moving to distant banking halls. This has given them the confidence to handle and manage money without their husband’s involvement. They usually do this through mobile money and agency.

50%

Summary findings on the socio-cultural norms of key personas of Atim and Mary (Gig workers)

Atim: Business revenue above UGX 290,000

Men as the primary users of digital devices in the business

Most enterprise owners with Atim’s persona felt that there is an expectation or pressure from men to be the primary users or decision-makers regarding digital devices in business. One participant shared that her husband had refused to let her use a smartphone, although others indicated this was not a problem in their cases.

55%

Positive perception from community members on use of digital devices

Most enterprise owners with this persona reported no criticisms, penalties, or stigma related to digital devices or tools. Instead, they were sought out for advice on the use of digital platforms and tools in their communities.

71%

Mary: Business revenue less than UGX 250,000

Men as the primary users of digital tools in the business

Most enterprise owners with Mary’s persona noted that there is an expectation or pressure for men to be the primary users or decision-makers regarding digital devices in business. One participant shared that her husband had refused to let her use a smartphone, although others indicated this was not a problem in their cases.

65%

Positive perception from community members on use of digital devices

Most enterprise owners with this persona reported no criticisms, penalties, or stigma related to digital devices or tools. Instead, they were sought out for advice on the use of digital platforms and tools in their communities.

75%

Summary findings on the socio-cultural norms of key personas of Atim and Mary (representing micro and small bootstrappers)

Atim: Business revenue above UGX 290,000

Men as the primary users of digital devices in the business

Most enterprise owners with Atim’s persona felt that there is an expectation or pressure from men to be the primary users or decision-makers regarding digital devices in business. One participant shared that her husband had refused to let her use a smartphone, although others indicated this was not a problem in their cases.

51%

Community business practices still favor traditional methods

Most enterprise owners with Atim’s persona cited that people preferred traditional business practices, such cash transactions. These practices were more prevalent. However, they noted that a few people had adopted cashless transactions.

75%

Positive perception from community members on use of digital devices

Most enterprise owners with this persona reported no criticisms, penalties, or stigma related to digital devices or tools. Instead, they were sought out for advice on the use of digital platforms and tools in their communities.

68%

Mary: Business revenue less than UGX 250,000

Men as the primary users of digital devices in the business

Most enterprise owners with Mary’s persona felt that there is an expectation or pressure from men to be the primary users or decision-makers regarding digital devices in business. One participant shared that her husband had refused to let her use a smartphone, although others indicated this was not a problem in their cases.

65%

Community business practices still favor traditional methods

Some enterprise owners with Mary’s persona cited that people preferred traditional business practices, such as cash transactions, which were more prevalent. However, they noted that a few people had adopted cashless transactions.

50%

Positive perception from community members on use of digital devices

Some enterprise owners with this persona reported no criticisms, penalties, or stigma related to digital devices or tools. Instead, they were sought out for advice on the use of digital platforms and tools in their communities.

37%

Summary findings on the socio-cultural norms of key personas of Atim and Mary (representing small and medium bootstrappers as well as invisibles)

Atim: Business revenue above UGX 290,000

Men as the primary users of digital devices in the business

Some enterprise owners with Atim’s persona felt that there is an expectation or pressure from men to be the primary users or decision-makers regarding digital devices in business. One participant shared that her husband had refused to let her use a smartphone, although others indicated this was not a problem in their cases.

41%

Community business practices still favor traditional methods

Most enterprise owners with Atim’s persona cited that people preferred traditional business practices, such as cash transactions. These practices were more prevalent. However, they noted that a few people had adopted cashless transactions.

75%

Positive perception from community members on use of digital devices

Some enterprise owners with this persona reported no criticisms, penalties, or stigma related to digital devices or tools. Instead, they were sought out for advice on the use of digital platforms and tools in their communities.

45%

Mary (invisibles): Business revenue less than UGX 250,000

Men as the primary users of digital devices in the business

Some enterprise owners with Mary’s persona felt that there is an expectation or pressure from men to be the primary users or decision-makers regarding digital devices in business. One participant shared that her husband had refused to let her use a smartphone, although others indicated this was not a problem in their cases.

50%

Community business practices still favor traditional methods

Some enterprise owners with Mary’s persona cited that people preferred traditional business practices, such as cash transactions, which were more prevalent. However, they noted that a few people had adopted cashless transactions.

50%

Positive perception from community members on use of digital devices

Most enterprise owners with this persona reported no criticisms, penalties, or stigma related to digital devices or tools. Instead, they were sought out for advice on the use of digital platforms and tools in their communities.

61%

The following digital tools and platforms were identified from both the secondary literature and field data

Sector	Function						
	Digital credit	Financial management	Business operations management	Training and skilling	E-commerce and marketing	Communication and marketing	Payments
Agriculture	EMATA, Akello Banker, Mokash, Wewole	Odoo, QuickBooks, Clever girl finance , SACCONET	Google Docs, Excel, Word, and WPS Office Farmforce, M-Omulimisa	Soma app	Ezyagric Kisofresh SokoYetu and EABC Trade hub iSOKO J-force by Jumia	Zoom and Google Meet Photoshop, Canvas, InDesign, and CorelDRAW Mail chimp	Yo! Uganda, Pesapal, Flexipay
Trade and services	Numida, Mokash, Wewole	Odoo, QuickBooks, Clever girl finance , SACCONET	Google Docs, Excel, Word, and WPS Office Odoo, Zoho CRM	Soma app	SokoYetu and EABC Trade hub iSOKO J-force by Jumia	Zoom and Google Meet Photoshop, Canvas, InDesign, and CorelDRAW Mail chimp	Yo! Uganda, Pesapal, Payway, Flexipay
Light Manufacturing	Numida, Mokash, Wewole	Odoo, QuickBooks, Clever girl finance , SACCONET	Google Docs, Excel, Word, and WPS Office Odoo, Zoho CRM	Soma app	SokoYetu and EABC Trade hub iSOKO J-force by Jumia	Zoom and Google Meet Photoshop, Canvas, InDesign, and CorelDRAW Mailchimp	Yo! Uganda, Pesapal, Payway, Flexipay

Color	Representation
	Secondary literature
	Field data

The following digital tools and platforms were identified from both the secondary literature and field data

Sector	Function						
	Digital credit	Financial management	Business operations management	Training and skilling	E-commerce and marketing	Communication and marketing	Payments
MICE	Numida, Mokash, Wewole	Odoo, QuickBooks Clever girl finance SACCONET	Google Docs, Excel, Word, and WPS Office Odoo, Zoho CRM	Soma app	SokoYetu and EABC Trade hub iSOKO J-force by Jumia	Zoom and Google Meet Photoshop, Canvas, InDesign, and CorelDRAW Mailchimp	Yo! Uganda, Pesapal, Payway, Flexipay.
Technology	Numida, Mokash, Wewole	Odoo, QuickBooks Clever girl finance SACCONET	Google Docs, Excel, Word, and WPS Office Odoo, Zoho CRM	Soma app	SokoYetu and EABC Trade hub iSOKO J-force by Jumia	Zoom and Google Meet Photoshop, Canvas, InDesign, and CorelDRAW Mailchimp	Yo! Uganda, Pesapal, Payway, and Flexipay.
Fashion and design	Numida Mokash, Wewole	Odoo, QuickBooks Clever girl finance SACCONET	Google Docs, Excel, Word, and WPS Office Odoo, Zoho CRM	Soma app	SokoYetu and EABC Trade hub iSOKO J-force by Jumia	Zoom and Google Meet Photoshop, Canvas, InDesign, and CorelDRAW Mailchimp	Yo! Uganda, Pesapal, Payway, and Flexipay.

Color	Representation
	Secondary literature
	Field data

13.5 Summary findings on device financing and distribution



Summary findings on access to device financing for the key personas of Atim and Mary (Gig workers)

Atim: Business revenue above UGX 290,000

Need affordable digital devices

Most enterprise owners with Atim's persona requested more affordable digital tools and services and training in digitalization to manage daily business operations. This support would enhance their efficiency.

71%

Awareness of device financing options in the market

Most enterprise entrepreneurs with Atim's persona are eager to upgrade to better digital devices but require affordable financing options. They noted that existing models, such as buy now, pay later, have high interest rates, which makes it difficult to acquire devices. Affordable devices would enhance access and usage, enabling them to reach more customers and access business information more efficiently.

71%

Mary: Business revenue less than UGX 250,000

Need affordable digital devices

Many enterprise owners with Mary's persona find digital devices, such as smartphones, too expensive. This restricts their access to basic platforms, such as WhatsApp and Facebook. As a result, they struggle to reach potential customers, network, and explore new business opportunities.

75%

Awareness of device financing options in the market

Most enterprise owners with Mary's persona are unaware of available device financing options and only consider direct purchases. This gap presents an opportunity to improve their digital access through affordable financing solutions.

75%

Summary findings on access to device financing for the key personas of Atim and Mary (representing micro and small bootstrappers)

Atim: Business revenue above UGX 290,000

Need affordable digital devices

Most enterprise owners with Atim's persona requested more affordable digital tools and services and training in digitalization to manage daily business operations. This support would enhance their efficiency.

68%

Awareness of device financing options in the market

Most enterprise entrepreneurs with Atim's persona are eager to upgrade to better digital devices but require affordable financing options. They noted that existing models, such as buy now, pay later, have high interest rates, which makes it difficult to acquire devices. Affordable devices would enhance access and usage, enabling them to reach more customers and access business information more efficiently.

78%

Difficulty in meeting device financing criteria

Most enterprise owners with Atim's persona did not qualify for device financing options. This gap presents an opportunity to improve their digital access through affordable and accessible financing solutions.

58%

Mary: Business revenue less than UGX 250,000

Need affordable digital devices

Most enterprise owners with Mary's persona find digital devices, such as smartphones, too expensive. This restricts their access to basic platforms, such as WhatsApp and Facebook. As a result, they struggle to reach potential customers, network, and explore new business opportunities.

64%

Awareness of device financing options in the market

Most enterprise owners with Mary's persona are unaware of available device financing options and only consider direct purchases. This gap presents an opportunity to improve their digital access through affordable financing solutions.

73%

Difficulty in meeting device financing criteria

Most enterprise owners with Mary's persona did not qualify for device financing options. This gap presents an opportunity to improve their digital access through affordable and accessible financing solutions.

67%

Summary findings on access to device financing for the key personas of Atim and Mary (representing small and medium bootstrappers as well as invisibles)

Atim: Business revenue above UGX 290,000

Need affordable digital devices

Most enterprise owners with Atim's persona requested more affordable digital tools and services and training in digitalization to manage daily business operations. This support would enhance their efficiency.

55%

Awareness of device financing options in the market

Most enterprise entrepreneurs with Atim's persona are eager to upgrade to better digital devices but require affordable financing options. They noted that existing models, such as buy now, pay later, have high interest rates, which makes it difficult to acquire devices. Affordable devices would enhance access and usage, enabling them to reach more customers and access business information more efficiently.

75%

Mary (Invisibles): Business revenue less than UGX 250,000

Need affordable digital devices

Most enterprise owners with Mary's persona find digital devices, such as smartphones, too expensive. This restricts their access to basic platforms, such as WhatsApp and Facebook. As a result, they struggle to reach potential customers, network, and explore new business opportunities.

90%

Awareness of device financing options in the market

Most enterprise owners with Mary's persona are unaware of available device financing options and only consider direct purchases. This gap presents an opportunity to improve their digital access through affordable financing solutions.

70%

Summary findings on the key personas of Atim and Mary: Awareness and access to device financing options (representing micro and small bootstrappers)

Atim: Business revenue above UGX 290,000

Learned about device financing through their networks

Some enterprise owners with Atim's persona learned about device financing options from their peers. One woman learned about device financing options from a friend who took her to an MTN shop. At the MTN shop, she was taken through the device financing options.

50%

Extensive awareness of financing options for digital tools and devices

Most enterprise owners with Atim's persona are aware of many financing options to acquire digital devices. They mentioned mobile loans, such as MoKash, SACCO loans, and device loans from M-KOPA and Watu Simu.

75%

Mary: Business revenue less than UGX 250,000

Learned about device financing through their networks

Some enterprise owners with Mary's persona know financing options, particularly device financing through providers, such as M-KOPA and Watu Simu. These providers offer phones on credit, which allows customers to pay over a one-year period.

50%

Extensive awareness of financing options for digital tools and devices

Some enterprise owners with Mary's persona learned about available financing options through their peers and some sales agents. However, some found the process unclear when they inquired about the total repayment amount. They were then referred to the service center for clarification.

50%

Summary findings on the key personas of Atim and Mary: Awareness and access to device financing options (representing small and medium bootstrappers as well as invisibles)

Atim: Business revenue above UGX 290,000

Learned about device financing through their networks

Most enterprise owners with Atim's persona learned about device financing options from their peers. One woman learned about device financing options from a friend who took her to an MTN shop. At the MTN shop, she was taken through the device financing options.

67%

Have extensive awareness of financing options for digital tools and devices

Most enterprise owners with Atim's persona are aware of many financing options to acquire digital devices. They mentioned mobile loans, such as MoKash, SACCO loans, and device loans from M-KOPA and Watu Simu.

67%

Mary invisibles: Business revenue less than UGX 250,000

Learned about device financing through their networks

Most enterprise owners with Mary's persona know financing options, particularly device financing through providers, such as M-KOPA and Watu Simu. These providers offer phones on credit, which allows customers to pay over a one-year period.

75%

Have extensive awareness of financing options for digital tools and devices

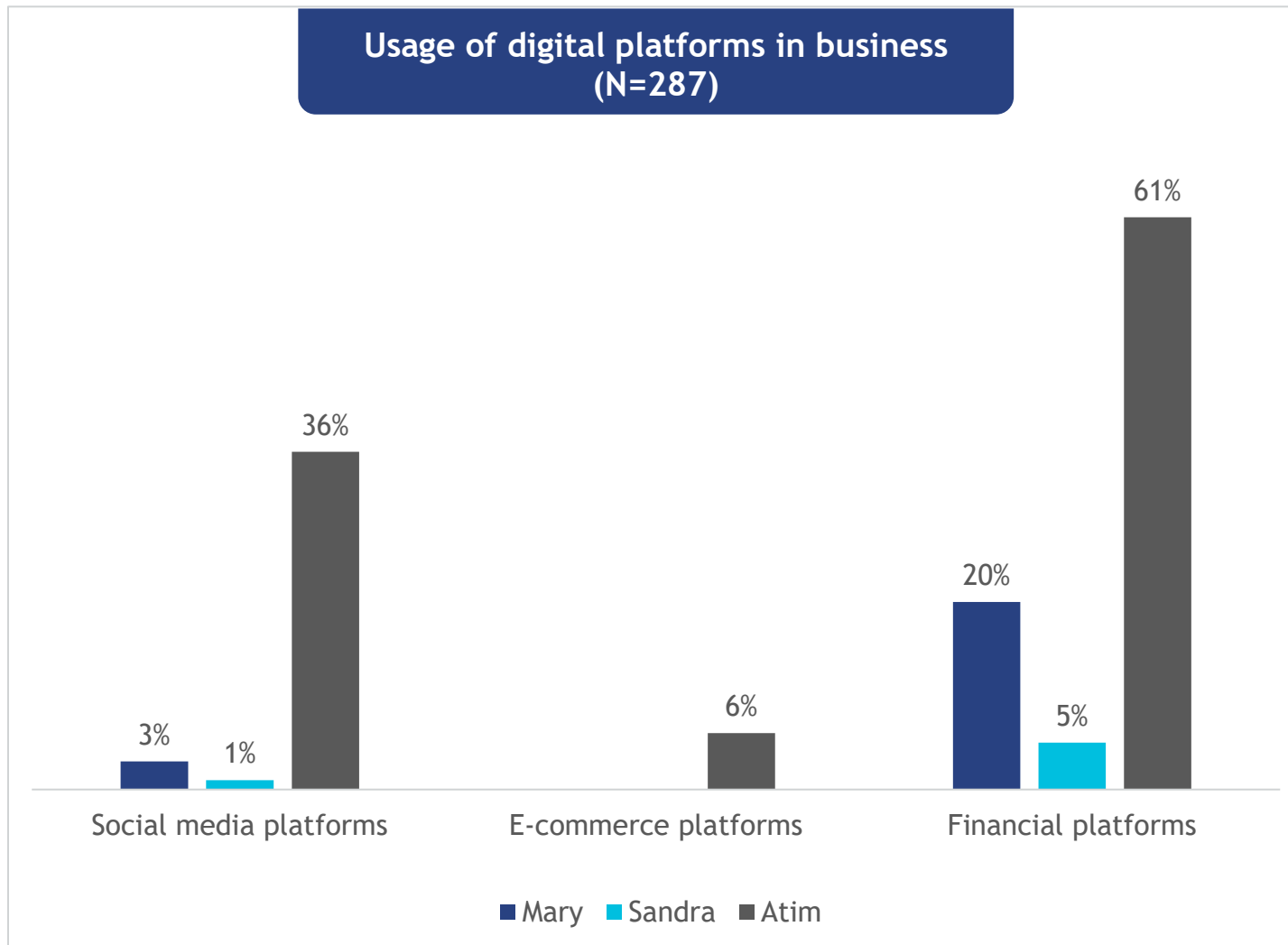
Some enterprise owners with Mary's persona learned about available financing options through their peers and some sales agents. However, some found the process unclear when they inquired about the total repayment amount. They were then referred to the service center for clarification.

50%



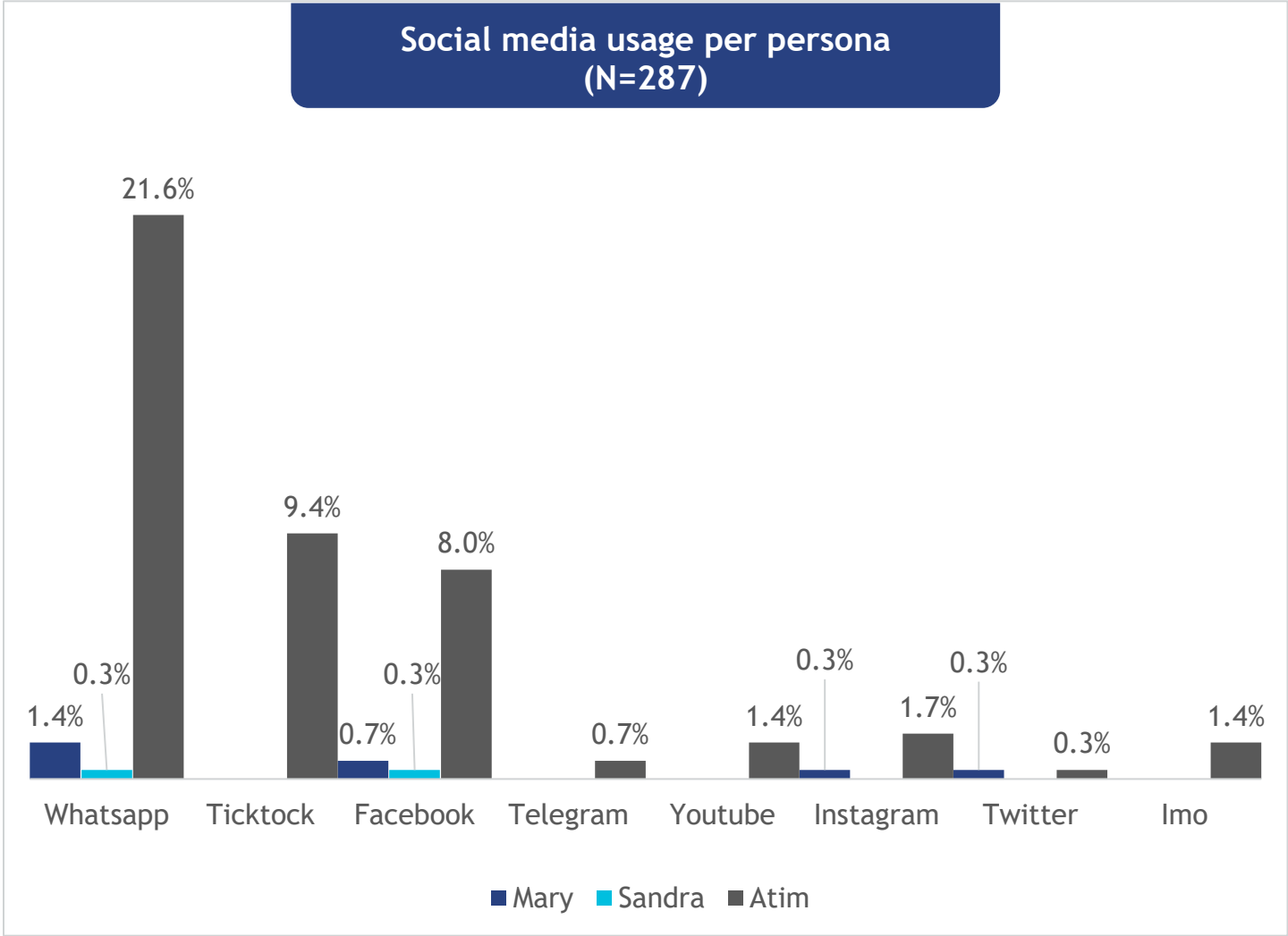
13.6 Summary findings on digital platforms

Summary findings on digital platform usage of key personas of Atim, Sandra, and Mary



- ▶ People with Atim's personality rely on financial platforms in their businesses. They most commonly use MTN and Airtel mobile money to send and receive payments. They also use these platforms to access digital credit through MoKash and Wewole.
- ▶ The majority of young women do not use e-commerce platforms, though a few have used them to order supplies for their businesses.
- ▶ A few young women with Sandra's personality use financial and social media platforms.
- ▶ Most people like Mary do not use social media for business. However, those who do typically use WhatsApp groups and Facebook to market products, communicate with clients, and manage orders. Social media platform usage is largely determined by access to the internet and the type of digital devices owned.

Summary findings on social media platform usage of key personas of Atim, Sandra, and Mary



- WhatsApp is the most widely used social media platform among the three personas. It supports both business and personal communication. Individuals with hearing impairments use it primarily for video calls when using sign language. In contrast, those with visual impairments rely on the TalkBack app to have their WhatsApp messages read aloud.
- Young women use social media platforms to advertise their products, stay connected with customers, and share product details. They post photos, promote their products in WhatsApp groups, and take orders directly from customers.
- Other apps young women use include TikTok, YouTube, Instagram, and Twitter. They use these platforms to learn about their businesses and stay informed on the latest packaging trends, hairstyles, and fashion trends.

Summary findings on the adoption of digital platforms by key personas of Atim and Mary (representing micro and small bootstrappers)

Atim: Business revenue above UGX 290,000

Social media platforms are the most effective for marketing

Some enterprises with Atim's personality find WhatsApp, Facebook, TikTok, and Instagram particularly effective for business growth. These platforms help them showcase products, attract loyal customers, and increase visibility through marketing. They prefer them over Google due to their affordability and higher engagement.

44%

Broad use of mobile money platforms

Most enterprise owners with Atim's persona use the mobile money platform almost every day to pay suppliers, receive money from clients, buy airtime and data, and pay for utilities. This presents an opportunity to develop solutions that reduce transaction costs and enable seamless integration with savings, credit, and insurance services, which can maximize the potential of mobile money platforms.

93%

Strong customer relationship management using digital platforms

Most enterprise owners with Atim's persona manage customer relationships by setting up customer profiles and tracking interaction through WhatsApp. They engage in online social events to strengthen customer connections, such as wedding meetings, introductions, and funeral arrangements via WhatsApp groups

75%

Mary: business revenue less than UGX 250,000

Limited use of social media platforms for marketing

Most enterprises with Mary's personality did not find WhatsApp, TikTok, and Facebook particularly effective for business growth. They mainly market their enterprises using traditional marketing strategies like visible branding for the enterprise, referrals, and personal networks.

25%

Broad use of mobile money platforms

Most enterprise owners with Mary's persona use mobile money platforms for daily customer transactions. This indicates that offering financial education programs and advanced mobile money features, such as savings and micro-lending options, can empower these enterprises to enhance their business operations and financial resilience.

90%

Strong customer relationship management using digital platforms

Some enterprise owners with Mary's persona manage customer relationships through WhatsApp communications and track transactions via mobile money messages. They encourage clients to pay digitally for easier follow-ups and record sales and customer details in a notebook and phone contacts. Tailored training on using platforms effectively can further streamline their operations and enhance customer service

40%

Summary findings on the adoption of digital platforms by key personas of Atim and Mary (representing small and medium bootstrappers as well as invisibles)

Atim: Business revenue above UGX 290,000

Social media platforms are the most effective for marketing

Most enterprises with Atim's personality find WhatsApp, Facebook, TikTok, and Instagram particularly effective for business growth. These platforms help them showcase products, attract loyal customers, and increase visibility through marketing. They prefer them over Google due to their affordability and higher engagement.

86%

Broad use of mobile money platforms

Most enterprise owners with Atim's persona use the mobile money platform almost every day to pay suppliers, receive money from clients, buy airtime and data, and pay for utilities. This presents an opportunity to develop solutions that reduce transaction costs and enable seamless integration with savings, credit, and insurance services, which can maximize the potential of mobile money platforms.

100%

Strong customer relationship management using digital platforms

Most enterprise owners with Atim's persona manage customer relationships by setting up customer profiles and tracking interaction through WhatsApp. They engage in online social events to strengthen customer connections, such as wedding meetings, introductions, and funeral arrangements via WhatsApp groups

60%

Mary (invisibles): business revenue less than UGX 250,000

Social media platforms are the most effective for marketing

Some enterprises with Mary's personality find WhatsApp, TikTok, and Facebook particularly effective for business growth. They mainly use WhatsApp status updates for marketing and customer engagement. TikTok and Facebook help increase visibility and attract new customers.

50%

Broad use of mobile money platforms

Most enterprise owners with Mary's persona use mobile money platforms for daily customer transactions. This indicates that offering financial education programs and advanced mobile money features, such as savings and micro-lending options, can empower these enterprises to enhance their business operations and financial resilience.

89%

Strong customer relationship management using digital platforms

Some enterprise owners with Mary's persona manage customer relationships through WhatsApp communications and track transactions via mobile money messages. They encourage clients to pay digitally for easier follow-ups and record sales and customer details in a notebook and phone contacts. Tailored training on using platforms effectively can further streamline their operations and enhance customer service

42%

Summary findings on adoption of digital platform by key personas of Atim and Mary (representing micro and small bootstrappers)

Atim: Business revenue above UGX 290,000

Use social media to boost sales

Some enterprise owners with Atim's persona use social media to increase sales and business awareness by posting their products on TikTok, WhatsApp, and Facebook. Digital marketing training programs can be developed to help these entrepreneurs enhance their social media strategies, build brand identity, and use data analytics to drive sales. Partnerships with telecom companies can enable offers on affordable Internet packages tailored for small businesses

50%

Mobile money platforms are the most user-friendly financial platforms.

Most business owners with Atim's persona use Mobile Money to save business funds and manage their financial reserves efficiently. The platform provides financial independence, allowing them to receive payments, pay suppliers, and save money without relying on traditional banking services. Integrate Mobile Money with WhatsApp for seamless transactions and customer engagement, using WhatsApp as a marketing tool to promote products and services.

93%

Limited use of e-commerce platform

Most enterprise owners with Atim's persona have limited use of e-commerce platforms and continue to rely on traditional business methods. Limited digital literacy and preference for familiar, offline transaction management were cited as reasons for limited usage. Among those who have used e-commerce platforms, a few mentioned sites like Jiji, Jumia, Alibaba, and ISOKO, most primarily use Jumia to order goods.

86%

Mary: Business revenue less than UGX 250,000

Use social media posts to boost sales

Some enterprise owners with Mary's persona post their products on TikTok, WhatsApp, and Facebook to increase sales and business awareness. Customers view their posts, place orders, and refer them to others, which helps them grow their customer base. Opportunities include offering digital marketing training to optimize social media engagement, using analytics, and creating targeted advertising.

50%

Mobile money platforms are the most user-friendly financial platforms.

Most business owners with Mary's persona find Mobile Money easy to access and use, even without advanced technical skills. This makes it perfect for manual operations or individuals with limited digital literacy. Mobile Money is available at all times and accessible from anywhere, making it a dependable platform for financial transactions.

90%

Use of e-commerce platforms

Most people with Mary's persona have not used an e-commerce platform before. Mary's may not see the value or relevance of e-commerce in their daily lives, often due to a lack of exposure to its benefits. This gap in digital engagement can result in missed opportunities for convenience, cost savings, and access to a wider market.

100%

Summary findings on adoption of digital platform by key personas of Atim and Mary (representing small and medium bootstrappers as well as invisibles)

Atim: Business revenue above UGX 290,000

Use social media to boost sales

Most enterprise owners with Atim's persona use social media to increase sales and business awareness by posting their products on TikTok, WhatsApp, and Facebook. Digital marketing training programs can be developed to help these entrepreneurs enhance their social media strategies, build brand identity, and use data analytics to drive sales. Partnerships with telecom companies can enable offers on affordable Internet packages tailored for small businesses

86%

Mobile money platforms are the most user-friendly financial platforms.

Most business owners with Atim's persona use Mobile Money to save business funds and manage their financial reserves efficiently. The platform provides financial independence, allowing them to receive payments, pay suppliers, and save money without relying on traditional banking services. Integrate Mobile Money with WhatsApp for seamless transactions and customer engagement, using WhatsApp as a marketing tool to promote products and services.

100%

Limited use of e-commerce platform

Most enterprise owners with Atim's persona have limited use of e-commerce platforms and continue to rely on traditional business methods. Limited digital literacy and preference for familiar, offline transaction management were cited as reasons for limited usage. Among those who have used e-commerce platforms, a few mentioned sites like Jiji, Jumia, Alibaba, and ISOKO, most primarily use Jumia to order goods.

86%

Mary (invisibles): Business revenue less than UGX 250,000

Use social media posts to boost sales

Most enterprise owners with Mary's persona do not post their products on TikTok, WhatsApp, and Facebook to increase sales and business awareness. Customers place orders and receive new customers through personal networks, voice calls, and physical branding of their enterprises. Opportunities include offering digital marketing training to optimize social media engagement, using analytics, and creating targeted advertising.

70%

Mobile money platforms are the most user-friendly financial platforms

Most business owners with Mary's persona find Mobile Money easy to access and use, even without advanced technical skills. This makes it perfect for manual operations or individuals with limited digital literacy. Mobile Money is available at all times and accessible from anywhere, making it a dependable platform for financial transactions.

89%

Use of e-commerce platforms

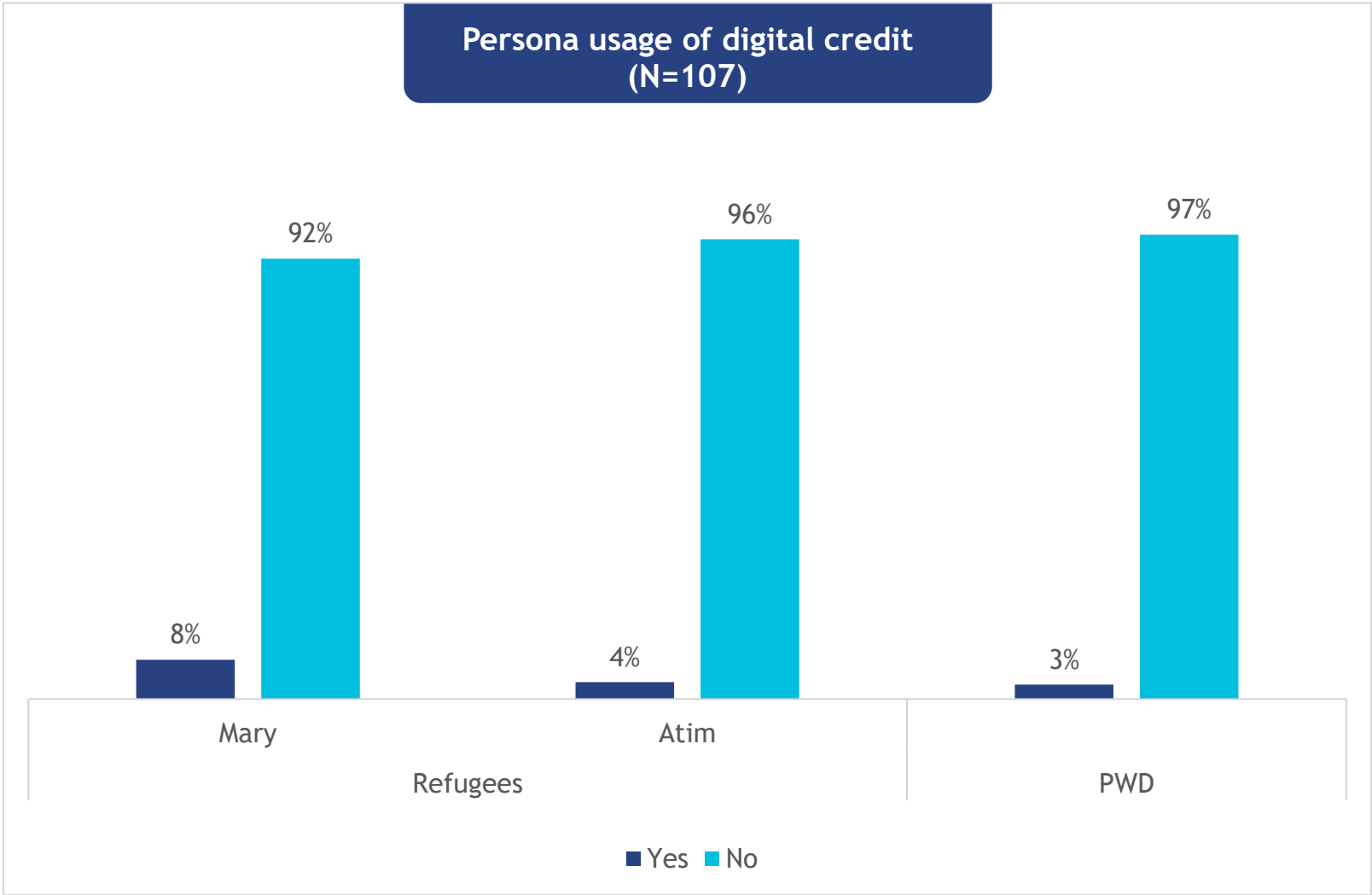
Most people with Mary's persona have not used an e-commerce platform before. Mary's may not see the value or relevance of e-commerce in their daily lives, often due to a lack of exposure to its benefits. This gap in digital engagement can result in missed opportunities for convenience, cost savings, and access to a wider market.

100%

13.7 Summary findings on business financing and solutions



Summary findings on business financing from the youth, persons with disabilities, and refugees



- Most young women with disabilities in the study have never borrowed from formal financial institutions. While some were afraid to take loans, a few have borrowed from their SACCOs.
- Most refugees in the study had never used digital credit. The majority rely on moneylenders and support from family and grants to finance their enterprises.
- Youth are highly aware of digital credit, particularly through mobile money platforms and other providers. However, they criticized the exorbitant interest rates charged by some digital loan companies.

Summary findings on access to business financing by the key personas of Atim and Mary (representing micro and small bootstrappers)

Atim: Business revenue above UGX 290,000

Limited access to formal financial services

Some enterprise owners with Atim's persona reported having unmet credit needs for their enterprises. They still borrow from family members and friends. This is mostly due to limited access to financial services in rural areas, where one has to travel many kilometers to access a bank.

50%

Strong positive perception of digital financing options

Most enterprise owners with Atim's persona favor digital financing more than traditional financing. They prefer it for its ease and convenience, as it provides faster access to credit without the need for extensive travel or complex documentation.

75%

Customer support in the loan application process is vital

Customer support is crucial in the decision-making process during the application process for most enterprise owners with Mary's persona. If they receive clear guidance and assistance, they are more likely to complete the process, return for future financing, and recommend the service to others. However, poor support discourages them, which leads them to abandon the application and seek alternatives.

50%

Mary: Business revenue less than UGX 250,000

Limited access to formal financial services

Some enterprise owners with Mary's persona reported having unmet credit needs for their enterprises. They still borrow from family members and friends. This is mostly due to limited access to financial services in rural areas, where one has to travel many kilometers to access a bank.

50%

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50%

Summary findings on access to business financing by the key personas of Atim and Mary (representing small and medium bootstrappers as well as invisibles)

Atim: Business revenue above UGX 290,000

Limited access to formal financial services

Most enterprise owners with Atim's persona reported having unmet credit needs for their enterprises. They still borrow from family members and friends. This is mostly due to limited access to financial services in rural areas, where one has to travel many kilometers to access a bank.

83%

Strong positive perception of digital financing options

Most enterprise owners with Atim's persona favor digital financing over traditional financing. They prefer it for its ease and convenience, as it provides faster access to credit without the need for extensive travel or complex documentation.

67%

Customer support in the loan application process is vital

Customer support is crucial in the decision-making process during the application process for most enterprise owners with Mary's persona. If they receive clear guidance and assistance, they are more likely to complete the process, return for future financing, and recommend the service to others. However, poor support discourages them, which leads them to abandon the application and seek alternatives.

83%

Mary (invisibles): Business revenue less than UGX 250,000

Limited access to formal financial services

Most enterprise owners with Mary's persona reported having unmet credit needs for their enterprises. They still borrow from family members and friends. This is mostly due to limited access to financial services in rural areas, where one has to travel many kilometers to access a bank.

75%

Strong positive perception of digital financing options

Some enterprise owners with Mary's persona favor digital financing over traditional financing. They prefer it for its ease and convenience, as it provides faster access to credit without the need for extensive travel or complex documentation.

50%

Customer support in the loan application process is vital

Customer support is crucial in the decision-making process during the application process for most enterprise owners with Mary's persona. If they receive clear guidance and assistance, they are more likely to complete the process, return for future financing, and recommend the service to others.

75%

Summary findings on access to business financing by the key personas of Atim and Mary (representing micro and small bootstrappers)

Atim: Business revenue above UGX 290,000

Interest rates and repayment schedules are important

Most enterprise owners with Atim's persona consider interest rates and repayment schedules the most important factors in business financing. Offering tiered interest rates, grace periods, or revenue-based repayment models can improve their access to credit while reducing default risks. This will ultimately foster business growth and financial resilience.

75%

SACCOS are considered the lowest cost of financing

Some enterprises with Atim's persona use savings from SACCOS to meet business needs. This reliance underscores the gap in formal financing options for microentrepreneurs, who often struggle with collateral requirements and high interest rates. Strengthening SACCOS through better financial management, digital solutions, and partnerships with formal lenders can enhance their capacity to serve micro businesses.

50%

Risk aversion among women-led MSMEs

Most enterprise owners with Atim's persona have pursued financing with no fear of taking loans. However, some respondents cited fear of losing assets as a reason for not taking loans that require collateral.

75%

Mary: Business revenue less than UGX 250,000

Interest rates and repayment schedules are important

Some enterprise owners with Mary's persona consider interest rates and repayment schedules the most important factors in business financing. Offering tiered interest rates, grace periods, or revenue-based repayment models can improve their access to credit while reducing default risks. This will ultimately foster business growth and financial resilience.

50%

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Risk aversion among women-led MSMEs

Most enterprise owners with Mary's persona have pursued financing without fear of taking loans. However, some respondents cited fear of losing assets as a reason for not taking loans that require collateral.

83%

Summary findings on access to business financing by the key personas of Atim and Mary (representing micro and small bootstrappers)

Atim: Business revenue above UGX 290,000

Speed of loan approval and disbursement

Some enterprise owners with Atim's persona consider the speed of loan approval and disbursement the most important factor in business financing. Offering quick turnaround time for loan applications can improve their access to credit while reducing the risk of acquiring loans from other parties that have higher interest rates but quick turnaround times. This will ultimately foster business growth and financial resilience.

50%

Lack of collateral

Most enterprises with Atim's persona identified a lack of collateral as a major barrier to accessing business financing. As a result, some married women rely on jointly owned property with their husbands to secure loans. However, this requires the husband's consent, and in some cases, he demands a portion of the loan despite the wife being solely responsible for repayment.

58%

Mary: Business revenue less than UGX 250,000

Speed of loan approval and disbursement

Most enterprise owners with Mary's persona do not consider the speed of loan approval and disbursement the most important factor in business financing. Offering quick turnaround time for loan applications can improve their access to credit while reducing the risk of acquiring loans from other parties with higher interest rates but quick turnaround times. This will ultimately foster business growth and financial resilience.

67%

Lack of collateral

Most enterprises with Atim's persona identified a lack of collateral as a major barrier to accessing business financing. As a result, some married women rely on jointly owned property with their husbands to secure loans. However, this requires the husband's consent, and in some cases, he demands a portion of the loan despite the wife being solely responsible for repayment.

67%

Summary findings on access to business financing by refugee enterprise owners with the key persona of Mary

“ I prefer physical cash grants, not online loans.
- A baker ”

“ I prefer a loan whose period is not less than six months.
- A retail shop owner ”

Mary: Business revenue less than UGX 250,000

Preference for cash grants over loans

Prefer grants over loans due to limited repayment capacity. They need flexible financial products suited to refugees with restricted market access. Business funding mainly comes from selling assets, savings groups, parental support, and customer down payments.

74%

Access credit through money lenders

Primarily access credit from moneylenders but prefer instant mobile loans if the amount is sufficient for their business needs. They prefer loans with a minimum repayment period of six months and, where possible, grants.

57%

Preference for informal finance channels due to language barrier

Rely on savings groups, money lenders, parents, and the UNHCR's monthly allowance to start and sustain their businesses. They prefer money lenders because they do not require written agreements, which can be challenging due to language barriers. However, one respondent has been borrowing from FINCA Uganda and noted that their loans are accessible and refugee-friendly.

74%

* The summary findings are on Mary since we had a few Atims and Sandras.

Summary findings on access to business financing by PwD enterprise owners with the key persona of Mary

“ We are not discriminated against when we get loans from our SACCOs.

- A hearing-impaired person who operates a grocery store ”

“ My daughter sells rice, but when we applied for credit from a financial institution, they insisted that I be the primary borrower simply because she was visually impaired.

- A mother of a visually impaired rice seller ”

The bank's policy or practice might lack inclusive and objective criteria or methods for assessing the creditworthiness and business viability of individuals with disabilities. As a result, credit officers might have reverted to subjective judgments or biased interpretations of the guidelines.

* The Summary findings are on Mary since we had only two Atims.

***Mary: Business revenue less than UGX 250,000**

Discriminatory practices and negative stereotypes

Most visually impaired enterprise owners with Mary's persona face discrimination when they seek business financing. Certain lenders prefer to provide credit to a supporter without disabilities rather than PwDs, even though they own viable enterprises.

57%

Limited awareness and information on financing options

Most of these enterprise owners with Mary's persona have do not awareness and access to information on their financing options. The information is often not tailored to PwDs, and many financial institutions do not provide loan terms and conditions in accessible formats, such as Braille, sign language, or audio.

61%

Inadequate credit history and collateral history

Most entrepreneurs with Mary's persona operate in the informal sector and lack the property or substantial assets financial institutions require for credit approval. This limits their access to financing from various institutions.

57%

13.8 Summary findings on business development support



Summary findings on the key personas—Atim, Sandra, and Mary, on the level of business planning (representing small and medium bootstrappers)

Atim: Business revenue above UGX 290,000

Lack structured business plans

Most young women lack formal business plans in physical and soft copy formats. They actively use these documents to request funding from donors, which indicates an understanding of the importance of a structured business plan to secure external support.

68%

Atim (Bootstrapper(Small and medium)): Business revenue above UGX 290,000

Lack structured business plans

Some young women lack formal business plans in physical and soft copy formats. They actively use these documents to request funding from lenders, which indicates an understanding of the importance of a structured business plan to secure external support.

45%

Use business planning tools to develop business plans

Most young women mentioned that they had not developed business plans with business planning tools. A few had developed business plans with business planning tools such as Whittaker. They also use these plans to track their sales.

95%

Mary: Business revenue less than UGX 250,000

Lack structured business plans

Most young women lack formal business plans in physical and soft copy formats. They actively use these documents to request funding from donors, which indicates an understanding of the importance of a structured business plan to secure external support.

68%

Sandra: Business revenue between than UGX 250,000-UGX 290,000

Do not plan for business growth

Most people like Sandra do not plan for business growth. However, a few have a plan for business growth and have been in business for some time. This presents an opportunity for stakeholders to strengthen their businesses further through financial literacy sessions and training on digital tools for business optimization.

77%

Summary findings on Atim and Mary on the level of financial management (representing micro and small bootstrappers)

Atim: Business revenue above UGX 290,000

Use of digital tools in a limited way for recordkeeping

Most young women do not use digital tools in their enterprises. However, some have adopted Excel spreadsheets for easier tracking and compliance with tax authorities, such as the Uganda Revenue Authority, but these remain a minuscule minority.

62%

Track sales manually

The majority track their sales using designed record books with different levels of auditing—either weekly or periodic. Only a handful use digital tools, such as POS machines to track sales.

82%

Have basic financial management knowledge

Most young women subtract costs manually from sales to determine profit or loss, which indicates a fundamental understanding of financial management.

93%

Mary: Business revenue less than UGX 250,000

Use of digital tools in a limited way for recordkeeping

Most young women with the Mary persona do not use digital tools in their enterprises.

54%

Track sales manually

Most young women with the Mary persona do not track their sales using books with different levels of auditing—either weekly or periodic.

73%

Have basic financial management knowledge

Most young women are unable to subtract costs manually from sales to determine profit or loss, which indicates a fundamental understanding of financial management.

73%

Summary findings on Atim and Mary on the level of financial management (representing small and medium bootstrappers as well as invisibles)

Atim: Business revenue above UGX 290,000

Limited use of digital tools for record keeping

Most young women do not use digital tools in their enterprises. However, some have adopted Excel spreadsheets for easier tracking and compliance with tax authorities, such as the Uganda Revenue Authority, but these remain a minuscule minority.

55%

Track sales manually

Most track their sales using designed record books with different levels of auditing—either weekly or periodic. Very few use digital tools, such as POS machines to track sales.

55%

Basic financial management knowledge

Most young women subtract costs manually from sales to determine profit or loss, which indicates a fundamental understanding of financial management.

64%

Mary (invisibles): Business revenue less than UGX 250,000

Limited use of digital tools for record keeping

Most young women with the Mary persona do not use digital tools in their enterprises.

64%

Track sales manually

Some young women with the Mary persona track their sales using books with different levels of auditing—either weekly or periodic.

50%

Basic financial management knowledge

Some young women subtract costs manually from sales to determine profit or loss, which indicates a fundamental understanding of financial management.

50%

Summary findings on Atim and Mary (refugees): The level of business planning, financial management, and marketing skills

Atim: Business revenue above UGX 290,000

“ I do not need a book. I just know how much I make and what I spend in my head.

- Market trader

”

Keep proper business records

Many young women record their revenues and expenses by noting daily sales in a book. This helps them calculate profits and reinvest in their businesses. When they maintain accurate records, they can also find opportunities to plan for growth and ensure the long-term health of their enterprises.

56%

Use digital platforms for marketing to customers

Most young women use digital marketing platforms to promote their products. Yet, many have become social media-savvy and post product photos on WhatsApp, Facebook, and TikTok. The shift toward these platforms suggests an opportunity for young women to expand their reach and increase sales by adopting more advanced digital marketing strategies for the broader audience.

61%

Mary: Business revenue less than UGX 250,000

Plan for growth but lack the skills for formal strategic planning

While they often plan informally for factors, such as seasonal demand or sourcing of raw materials, their approach lacks structure. This results in reactive rather than proactive planning, which hinders their ability to capitalize on opportunities and market trends fully.

57%

Keep proper business records

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68%

Summary findings on Atim and Mary (PWDs): The level of business planning, financial management, and marketing skills for young women PWDs

Atim: Business revenue above UGX 290,000

Create annual business plans

Most young women make annual plans for their enterprises and track business transactions. However, they rely on informal methods and trial and error, which can lead to inefficient decision-making, missed opportunities, and slow business growth.

92%

Keep business records

Most young women maintain physical copy records of their daily business transactions, including revenue and expenses. They can determine the daily profit from their enterprises based on these records. However, the reliance on physical copy records can be time-consuming and prone to errors, which makes it difficult to track financial trends or generate reports efficiently.

62%

Use traditional marketing channels

Most young women market their products through traditional channels, such as word-of-mouth and referrals. A smaller number use digital platforms, such as WhatsApp, Facebook, and TikTok. They often share photos of their products with customers. People with hearing impairments use WhatsApp video, while the TalkBack app reads out WhatsApp messages for visually impaired users.

69%

Mary: Business revenue less than UGX 250,000

Plan for their business growth

While 44% of young women track their revenue and expenses via books or mental tracking, the remaining 56% do not keep any formal records, which can lead to inaccuracies, missed financial insights, and difficulty in managing business growth.

44%

“ I do not advertise. My customers tell others, and they come to me.

- Artisan

”

Rely on traditional marketing strategies

Most young women use informal marketing strategies to promote their products and services. They often rely on voice calls and personal networks to connect with potential clients and grow their customer base. While these methods help maintain connections with existing customers, they may limit the potential to attract new clients or expand beyond personal networks.

85%

Sectors we work in

Providing impact-oriented business consulting services



Banking, financial services, and insurance (BFSI)



Water, sanitation, and hygiene (WASH)



Government and regulators



Micro, small, and medium enterprise (MSME)



Social payments and refugees



Youth



Gender equality and social inclusion (GESI)



Education and skills



Digital and FinTech



Agriculture and food systems



Climate change and sustainability



Health and nutrition

Multi-faceted expertise

Advisory that helps you succeed in a rapidly evolving market



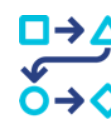
Policy and strategy



Products and channels



Research, evaluation, and analytics



Organizational transformation



Digital technology and channels



Catalytic finance



Design thinking and innovation



Marketing and communication



Training



Government regulations and policy



Data Insight



Customer protection and engagement for responsible finance

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International financial, social and economic inclusion consulting firm with **25+** years of experience



>300 staff in **10** offices around the world



Projects in **~68** developing countries

Our impact so far

>550
clients

>1,400
publications

Assisted development of digital G2P services used by
>875 million people

Implemented
>950 DFS projects

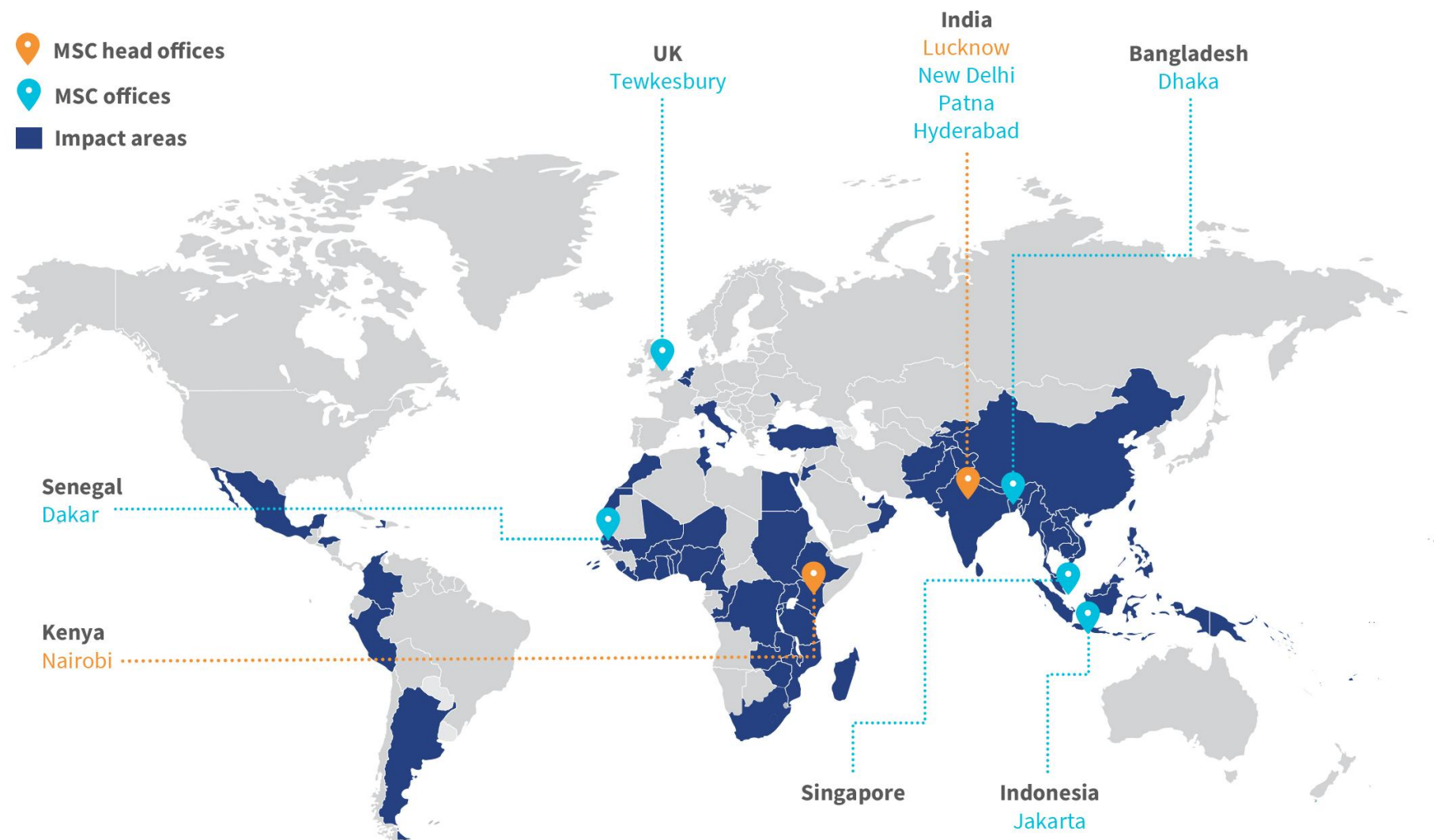
Developed
>300 FI products
and channels now used by
>1.7 billion people

Trained >11,100
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