



**Promoting Village Savings and Loans Association Model to Augment Cash Transfer
(CAST)**

Baseline Survey Report

**Submitted to
DFID/UK-AID**

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Acronyms

CAST	:Promoting Village Savings and Loans Association Model to Augment Cash Transfer
GoU	:Government of Uganda
M&E	:Monitoring and Evaluation
MFI	:Micro Finance Institution
UBOS	:Uganda Bureau of Statistics
UK-AID	:United Kingdom Agency for International Development
UNHS	:Uganda National Household Survey
VSLA	: Village Savings and Loans Association.
UWESO	Uganda Women' Efforts to Save Orphans
KIDS	:Karamoja Integrated Development Services
CPSDL	:Center for Private Sector Development Limited
KPSPC	Karamoja Private Sector Promotion Center
FAO	: Food and Agricultural Organization.
CREAM	: Community Organization for Rural Enterprise Activity.
KYEDFA	:Kyenjojo District Farmers Association
CRS	:Catholic Relief Services
SACCO	:Savings and Credit Cooperative
NAADS	: National Agricultural Advisory Services.
PQL	:Program Quality and Learning
UNHS	:Uganda National Housing Survey
ACTED	: Agency for Technical Cooperation and Development.
SOCADIDO	: Soroti Catholic Diocese Development Organization

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Executive Summary

In 2012, Care International in Uganda started implementing an 18 month project “CAST” in all the 14 SAGE pilot districts all over Uganda, with financial support from DFID. The project’s main purpose is to contribute towards improved access to financial services for 80,000 women and men on a sustainable basis. The project is expected to result in:

- Increased availability, access and use of savings and credit services in SAGE areas through support to 80,000 persons of which 70% are women and 30% men through Village Savings and Loans Associations.
- Enhanced technical capacity of implementing partner organisations to implement the VSLA methodology among the most vulnerable and chronically poor households
- Strengthened VSLA impact measurement and learning systems and procedures to further build experience of applicable approaches in linking with and enhancing the impact of cash transfer activities as a social protection strategy.
- Increased government recognition of VSLA as part of the national chronic poverty reduction strategy.

CARE International in Uganda commissioned a baseline study to establish the current status on the key project indicators against which the impact of the project among the project impact groups will be measured. This study report specifically focuses on the quantitative design, which emphasized the use of the baseline survey tool, although the focus group discussions and key informant interviews were also conducted mainly to get qualitative information on key project indicators. A total of 413 CAST beneficiaries participated in the study.

Summary findings

The baseline study generated significant information on key CAST indicators at both individual VSLA members and their households. On the household situation, the study revealed that households had an average household size of 6 with an average age of 41, majority being in the 21 to 30 age bracket. 61.7% of the respondents were literate with majority 59% having attained primary education, while only 14% reached O-level secondary education. 54.6% reported being household heads, while only 40.4% were spouses. The study involved 61.7% female respondent composition, while only 12% reported being SAGE clients.

All households reported owning at least 2 assets, as 69% owned chicken, 63% owned radio, 57.8% owned goats, 53% owned bicycle, 57% owned phone and only 35% owned cattle. Regarding the housing condition of the households, 50.4% reported living in mud brick wall grass thatched houses, while only 16.5% mentioned living in burnt brick and iron roofed houses. 85% of the households had a pit latrine, 73% had a bath shelter, and 41% had a rubbish pit, while 44% had a plate drying rack.

The major occupation of the households was farming at 66% and only 16.1% engaged in trading. A household on average owned 3.8 acres of land, of which average 2 acres were cultivated in a season. The methods of cultivation were mostly by hand (84%), by animal traction (15%), by tractor (1%) and only 25% used improved agricultural production technologies. On average a household had 2 meals per day.

Households earned average UGX1, 060,982 annually. The largest household earning was registered as crop production. Households mostly spent UGX960, 761 on housing improvement annually, UGX756, 379 on land purchase/hire, UGX580, 535 on school fees, UGX439, 200 on food and UGX323, 937 on health care. Only 22% of the respondents reported accessing formal financial services, while majority 78% accessed informal financial services. Of those who accessed formal financial services, 80% reported accessing savings, 40.7% credit, and 30.8% accessing financial literacy. Majority (88%) accessed financial services from SACCOs. Reported challenges on accessing formal financial services included, high interest rates (41.8%), distant location of the finance service provider (34%) and also limited financial literacy (34%).

38% of the respondents belonged to a VSLA group before, while only 26% got VSLA training before CAST. 26% of the respondents reported that their VSLA group also had an IGA and 9.0% did group marketing. All respondents admitted making savings in VSLA, as 97% had saved UGX100, 000 and below so far, while 3% had saved over UGX100, 000. At a maximum, a VSLA member had saved UGX250, 000, while minimum savings so far was UGX12, 000. 65% accessed VSLA credit, 15% borrowing from SACCO and 12% borrowing from banks. 88% borrowed at individual level while the rest borrowed at group level. 95% reported planning before getting credit, although only 41% did so in a participatory manner in the household. The study showed that on average a VSLA member borrowed UGX99, 174 while the maximum credit recorded was UGX930, 000 and minimum of UGX2, 000. On the purpose of getting credit, equally 25% mentioned getting credit for paying school fees and investment in business respectively, while 14% said they obtained credit for household health care purposes. In terms of loan repayment performance, only 25% reported having challenges with loan repayment and therefore being in loan default currently. The challenges mentioned for loan default included, tragedies (17%), market uncertainties (12%), poor weather affecting agricultural production (9%) and poor planning prior to getting credit (10%).

A number of stakeholders and partners were reported to be giving VSLA support and engagement. These included, FAO, ASB, CRS, CARITAS, KYEDFA, CREAM, UWESO, Oxfam, ACTED among others.

CHAPTER ONE: BACKGROUND INFORMATION

1.0 Project Background

1.1 Introduction

With funding support from DFID, CARE International in Uganda is implementing an eighteen months (18) Village Savings and Loans Associations project (CAST). The project goal is “*reduced chronic poverty and improved wellbeing of poor women, men and children in SAGE program areas*”. CAST is implemented in the districts of Kole, Apac (Lango), Amudat, Nakapiripirit, Napak, Moroto (Karamoja), Kaberamaido & Katakwi (Teso), Kiboga & Kyankwanzi (Central Uganda), Zombo & Nebbi (West Nile) and Kyenjojo/Kyegegwa (Western Uganda) over the period July 2012 to 31st December 2013. These are also the Pilot districts in which the Social Assistance Grants for Empowerment (SAGE) program is being implemented. The purpose of CAST targeting these areas is to expose all community members including SAGE clients to an innovative savings and loan methodology that will provide these persons with the opportunity to choose to engage with and benefit from this financial inclusion approach. It is also expected that CAST will also inform stakeholders on the extent of complementarities of Village Savings and Loan (VSLA) and cash transfer approaches. More specifically, CAST will employ a VSLA financial inclusion model to establish 3,200 VSLAs so as to enable 80,000 poor and marginalized people’s access financial services. Through this VSLA approach, members will be able to save regularly and borrow their self-generated funds at convenient terms as well as share out with interest at the end of each saving cycle. Besides, helping to establish a savings and credit culture, the VSLA approach strongly complements the Government’s Rural Financial Services Strategy and lays a strong foundation of upgrading to formal financial service. It is also one of the four elements of the GoU’s 2006 “Prosperity for All” manifesto commitment.

The project has three specific outputs as listed below;

- Establishment of and support to 3200 sustainably self-financing Village Savings and Loans Associations
- Enhancing implementing partner Organizations (IPOs) and Community based Trainers (CBTs) technical capacity to implement the VSLA methodology among the most vulnerable and chronically poor households.
- Documenting evidence of the impact of VSLA combined with cash transfers as an effective social protection strategy

1.2 Purpose of the Survey

The WAYFIP PQL unit conducted a baseline study on the current socio-economic status of the beneficiaries of the CAST project, and the level of engagement and knowledge of different stakeholders and policy makers in the promotion of VSLA methodological interventions. The study had the following objectives;

- ❖ To assess the status of the potential target beneficiaries of the CAST project in-terms of:-
 - The housing condition of the members.
 - Access to financial services.
 - Ownership of assets.
 - The levels of household incomes
 - Access to medical services and education.
 - The investments and expenditures by the VSLA members.
 - The nutritional standards of VSLA members and non-members.
 - The ability to plan and make critical decisions.
 - The level of self esteem to participate in community activities and leadership.
- ❖ To establish the anticipated benefits/risks of CAST project to targeted beneficiaries and the neighboring communities.
- ❖ To document the current level of different stakeholders’ engagement and support in regard to the VSLA methodology.

CHAPTER TWO: METHODOLOGY OF THE SURVEY

2.0 Methodology of the Baseline study

This includes the design, area and population, the sample size, sampling procedure, data collection instruments, reliability and validity of instruments, research procedure, data analysis and ethical considerations during data collection.

2.1 Baseline Study Design

The study used cross-sectional survey design where data was collected from different sub counties in different districts, through visiting individual households at village level. Key informant interviews and Focus Group Discussions were also conducted mainly in order to obtain more qualitative insights into the responses at individual respondent level and to get perceptions on the VSLA methodology and the VSLA actors in the area.

2.2 Study population

This study was limited to VSLA group members of newly formed VSLA groups in the sample 7 districts (Kyegegwa, Kyankwanzi, Zombo, Kole, Kabermaido, Napak and Moroto) that the CAST pilot project is being implemented with emphasis on gender integration. This was done because of the expected heterogeneity among VSLA members in the context that they were coming from different environment and contexts.

2.3 Area of study

The Baseline survey covered seven in districts of Eastern, Western, Central, West Nile and Northern Uganda namely: Napak, Mororto, Kaberamaido, Kole, Zombo, Kyegwegwa and Kyankwanzi.

2.4 Sample size

When determining the required sample size, the degree of precision, cost implications, operational limitations and efficiency of the study design were taken into consideration. A total sample of 413 respondents from different districts was selected to participate in the survey. This was assumed to be a significant sample that was representative of all the districts the project operates in.

2.5 Sampling techniques

Simple random sampling was used to select the 13 Sub Counties as well as the 413 households. Respondents were randomly selected from VSLA groups that were participating as beneficiaries of the CAST project.

2.6 Data source

Primary data was collected from the selected respondents using semi-structured interview questionnaires. Qualitative data was obtained from key informant interviews and the focus group discussions. Secondary data was also obtained from a review of available related literature for triangulation purposes.

2.7 Methods of data collection

Interviews were conducted among the selected Households using questionnaires and observation while checking for existence of dwelling units such as pit latrines, bath shelters and rubbish pits. This was in addition to the key informant interviews and the focus group discussions.

2.8 Data entry and analysis

The collected data was checked for completeness, coded and entered in the computer using both Ms Excel and Statistical Package for Social Scientists (SPSS) for analysis; though Excel was majorly used to analyze the variables that had continuous elements such as income. Data was analyzed at two levels; univariate; that involved generation of summary (frequency) tables and bivariate that involved cross tabulations. Qualitative data was transcribed and analyzed around the sub themes of the study in order to get general trends and conclusions drawn.

2.9 Validity and Reliability

To ensure validity and reliability of the instruments, the instruments were developed with reference to the projects key indicators stipulated in the CAST project proposal and guidance of the projects technical team. The instruments were later pre-tested to ensure that they were going to collect the intended uniform data. That meant the instruments were able to produce consistent scores when the same groups of individuals are repeatedly measured under the same conditions. Some degree of limitation to the study was registered in that some respondents feared to disclose information about their assets, incomes and expenditures for fear of insecurity. To overcome this limitation, the researchers first sought the informed consent of the respondents and assured them of how the responses they were giving were purely confidential and used only for the study purposes. The other limitation to the study was that the timing of the study was quite inappropriate as the actual data collection for the study was done almost over 6 months after the start of the project implementation, meaning some findings may not portray a representative picture of what the situation would have been exactly at the start of the project implementation.

2.10 Ethical considerations

The study team secured informed consent of the respondents to seek permission of conducting the study. While conducting the survey, care was taken to respect human dignity. Also, the information acquired was kept confidential and used for the project work only. Sensitive information was not explored and all the respondents were thanked for their participation in the study.

CHAPTER THREE: FINDINGS

3.0 Introduction

The survey findings are presented in five sections. Section one looks at the household data and the general situation, section two has agricultural production and availability of food, section three looks at the household incomes, expenditures and access to financial services, section four looks at the benefits and risks that are expected out of the CAST intervention. Section five documents the prevailing level of stakeholder engagement and support in regard to the VSLA methodology.

3.1 SECTION ONE: DEMOGRAPHIC AND SOCIO CHARACTERISTICS OF THE RESPONDENTS

3.1.1 Coverage by District

A total of 413 questionnaires were returned from the CAST survey with a response rate of 100 percent. The highest response was registered from Kyegwegwa district (21%) and the least was registered from Napak district at 2%. Napak district registered a lowest response majorly emanating from the fact that the district also has the least target beneficiaries for the CAST project. Moroto district registered 15 respondents, Napa 10, Kabermaido 80, Kole 73, Zombo 75, Kyegegwa 85 and Kyankwanzi 75 respondents.

3.1.2 Respondents by sex and marital status

The 413 respondents included both male and female with the majority being female at 61.7% (n=255). Of these female, majority (62.8%) are married while, 10.2% are divorced and 22.4% are widows. Majority being women fits well into the CARE's Women and Youth Financial Inclusion Program (WAYFIP), which has focus on Women and Youth financial inclusion, and CAST is an integral initiative under this program.

The study registered a lower male response (38.3%) compared to the females. Of the males, majority 84.2% are married, 3.2% are widowed and 2.5% were divorced.

3.1.3 Age of Respondents

The average age of the respondents was 41, the youngest respondent being 15 years and the oldest was 57 years. The findings revealed that the biggest age group ranged from 21 to 30 years of age and this was in conformity with the fact that Uganda's population is largely youthful. This is a very good opportunity for the CAST project to exploit as this is within the age group that is targeted by the CARE's Women and Youth Financial Inclusion Program, of which CAST is one of the integral initiatives.

3.1.4 Position of the respondent in the family

During the survey, majority of the respondents happened to be either household heads (54.5%) or spouses (40.4%). This increased the chances of authenticity of the responses that they provided in this survey. 4% of the respondents were categorized as children. Although categorized as children, the minimum age was 15, which still fits into the WAYFIP's target minimum age of 15.

Table 1: Showing position of respondents in the household.

Position	Number			Percentage
	Male	Female	Total	
Head	143	82	225	54.5
Spouse	4	163	167	40.4
Child	9	8	17	4.1
Others (dependant)	2	2	4	1.0
Total	158	255	413	100

3.1.5 Education Levels of respondents

Most (59%) of the respondents had attended primary school as their highest level of education, while 14% had O-level (i.e. between S.1 to S.4). About 20.8% had not gone to school. The findings showed that of those that had never gone to school, majority were from Kyegwegwa and Zombo district at 5.3% each. The level of education gives an indication of the ability to make informed decisions at household level. A majority, 59% only attaining primary level education is quite authentic in that the Universal Secondary Education was only introduced a few years back, and so many rural households could not afford payment of secondary education fees, after the free Universal Primary Education.

3.1.6 Read and Write English

Majority of the respondents 61.7% could read and write meaningfully in English and local language compared to the 38.3% who could not. The study therefore revealed a literacy rate that is slightly below the national literacy rate of 73 percent. As can be seen from table 2 below, it was also established that of the respondents who cannot read and write English or any other language; the majority are from Zombo, Kyankwanzi, Kyegegwa and Kabermaido at 9.7%, 7.3%, 7% and 6.3% respectively. Ability to write and read gives a measure of literacy among the rural households. Literacy is an important personal asset, allowing individuals increased opportunities in life. With this ability, one can at a minimum be able to comprehend and document simple records and plans of activities at the household level. 61.7% of the respondents being able to read and write, is an opportunity that the CAST project should be able take advantage of, especially in building the capacity of the beneficiaries in documenting simple plans and records of any household development activity, such as VSL.

Table 2: Showing the proportions relating to being able to read and write.

Can you read and write	District							Total	%tage
	Moroto	Napak	Kaberamaido	Kole	Zombo	Kyegegwa	Kyankwanzi		
Yes	3	4	54	58	35	56	45	255	61.7%
No	12	6	26	15	40	29	30	158	38.3%
Total	15	10	80	73	75	85	75	413	100%

3.1.7 Main Occupation

Respondents were asked whether they indulge in farming, Salary employment, trading, wages, hand craft and others.

Majority of the respondents were farmers at 76.3%, followed by traders at 6.8%. Others were earning from wages such as hiring out labour (3.4%). Women were the biggest gender involved in farming (49%). In the same way, women dominated that category of respondents dealing in trade, handicraft and salary employment. There were more men involved in hiring out their wages (2.7%) than the women.

Moroto had the biggest portion of respondents with no occupation followed by Napak and Kyegegwa (*Refer to table 3 below*). However, Kyegegwa also presented the highest proportion of respondents indulged in farming.

Other Occupation; the other occupations given as main household occupations include: Saloon, brewing, brick laying, building, casual labour, charcoal burning, commercial housing, dry cleaning, fishing, mechanic, private nurse, restaurant and tailoring.

Main occupation of respondents by District

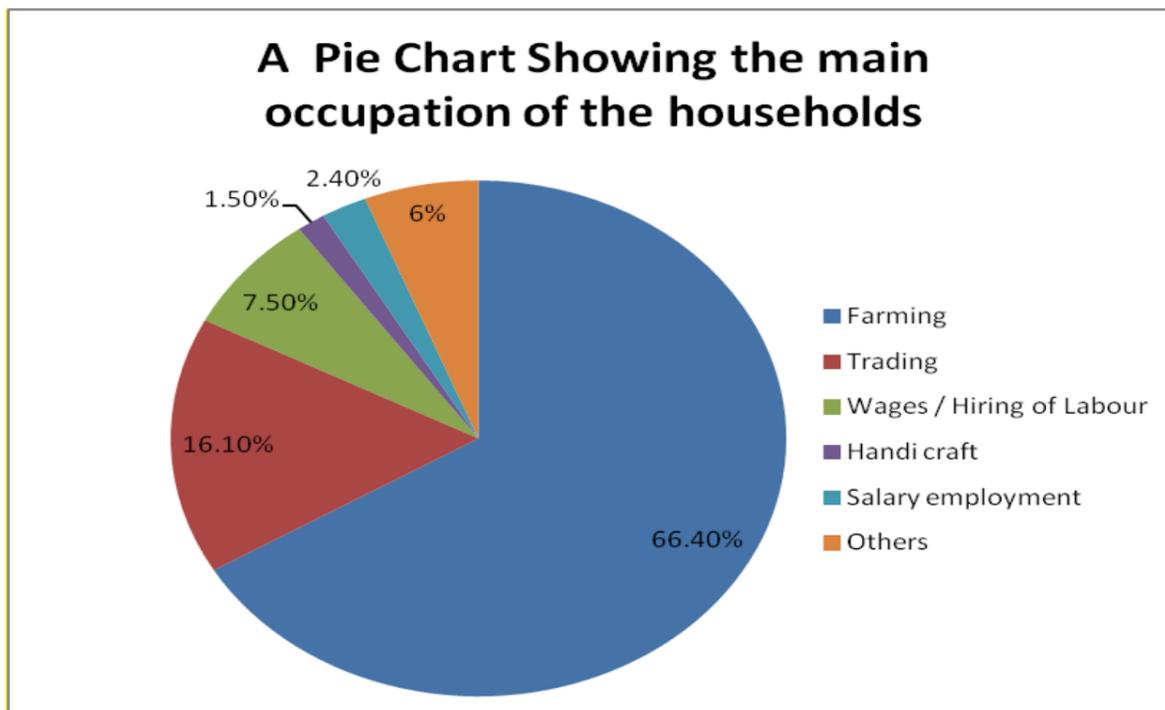
Table 3: Showing main occupation of the respondents by district.

Occupation	district of coverage							Percentage
	Moroto	Napak	Kaberamaido	Kole	Zombo	Kyegegwa	Kyankwanzi	
No occupation	6	4	1	1	0	4	1	4.1
Farming	0	1	66	68	68	78	34	76.3
Salary employment	1	0	4	2	1	3	0	2.7
Trading	2	2	6	1	1	0	16	6.8
Wages/hiring of labour	6	3	0	1	2	0	2	3.4
Handicraft	0	0	0	0	2	0	0	0.5
Others(specify)	0	0	3	0	1	0	22	6.3
Total	15	10	80	73	75	85	75	

Main Occupation of Household

The main occupation of the households was farming (66.4%), followed by trading (16.1%) and the occupation that was least recorded as the main household occupation was Handicraft at 1.5% as is illustrated by figure 1 below. The findings proved more authentic in that over 66% of the rural population in Uganda predominantly derives their livelihoods from agriculture.

Figure 1: Showing general proportions of respondents according to main occupation



3.1.8 Household Size and age composition

Household size refers to the number of usual members in a household. Usual members are defined as those who have lived in the household for at least 6 months in the past 12 months. However, it includes persons who may have spent less than 6 months during the last 12 months in the household but have joined the household with intention to live permanently or for an extended period of time. http://www.ubos.org/UNHS0910/chapter2_householdcharacteristics.html

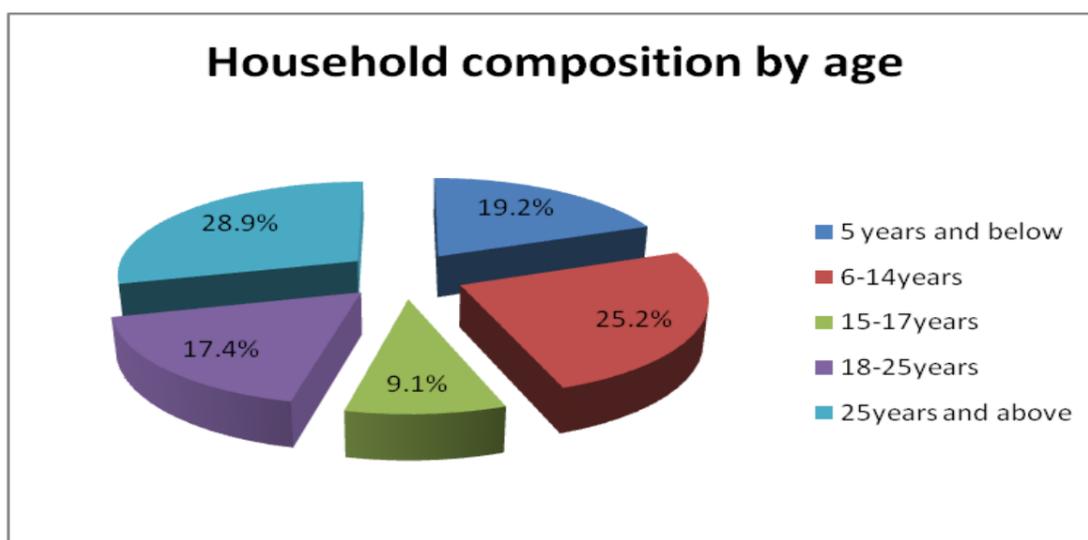
In this CAST study, majority of the respondents came from households that had at least 5 persons. On average households of respondents have 6 household members, with a minimum of 1 household member and a maximum of 20 household members.

Characteristics of the Household by Age group

The head of household is defined as “the one who manages the income earned and expenses incurred by the household, and is considered by other members of the household as the head”. The household head could either be male or female, and is not necessarily the oldest person in the household. http://www.ubos.org/UNHS0910/chapter2_householdcharacteristics.html

In the CAST study, findings show that the majority of household members were in the age group 25 and above years constituting 28.9 percent.

Figure 2: Showing proportions of households with the different age groups.



3.1.9 Housing Type

The different materials used for the construction of a house are usually viewed as a proxy measure of housing quality as well as an indicator of household wealth and health risk. Majority (50.4%) of the respondents stay in Mud brick wall houses with grass thatched roof, while only 16.5% stay in houses having burnt bricks with iron sheet roof. This is in conformity with rural poor

households in Uganda. Findings (as is illustrated in table 5 below), also indicate that it is mostly women respondents who reported staying in houses made of burnt bricks with iron sheet roofs.

Table 4: Showing proportions of households living in various housing types.

Housing Type	Male	Female	Total	%tage
Mud bricks wall with grass thatched roof	72	136	208	50.4
Mud brick wall with iron sheets roof	22	34	56	13.6
Burnt bricks wall with grass thatch	3	2	5	1.2
Burnt bricks with iron sheet roof	25	43	68	16.5
Mud & Wattle with grass thatched roof	26	29	55	13.3
Others	10	11	21	5.0
Total	158	255	413	100

3.1.10 Dwelling Units (Hygiene and Sanitation)

Maintaining proper Hygiene and sanitation standards is a requirement of maintaining proper household health status. So the households were observed to determine their hygiene and sanitation situation. Use of appropriate hygiene and sanitation facilities is important in controlling hygiene and sanitation illnesses like diarrhea, intestinal infections, respiratory infections and cholera among others. The ministry of health is advocating and implementing strategies for safe disposal of human excreta, garbage and waste water from the environment.

Of the households studied, 73% own a bath shelter, 85% own a pit latrine, and 41% have a rubbish pit while 44% have a dish rack. Latrine coverage amongst the respondents is slightly below the national average (86%).

Figure 3: Showing presence of dwelling units in the households.

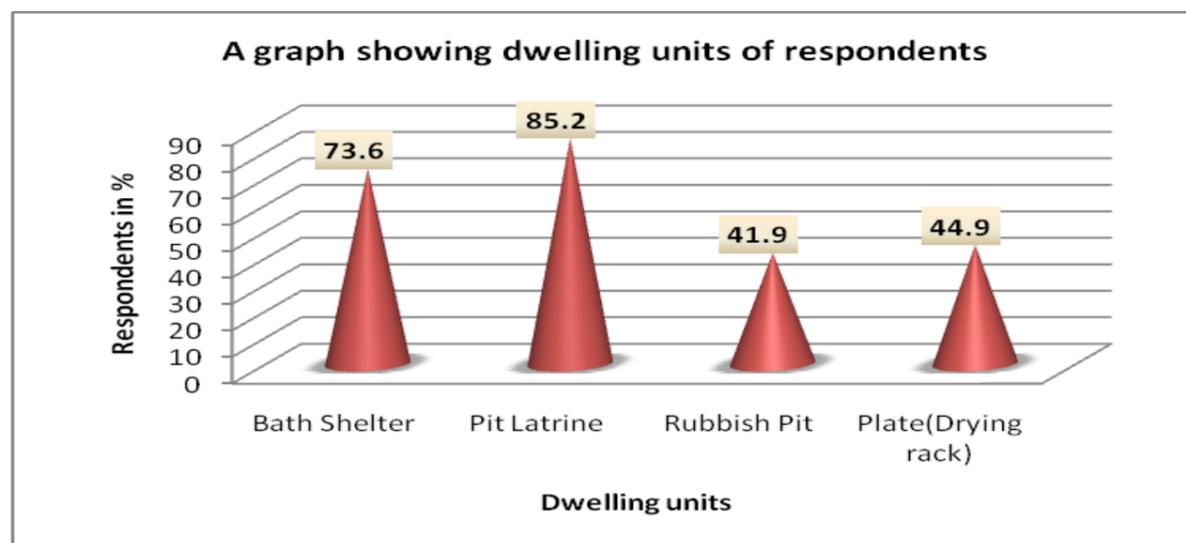


Table 5: Coverage of dwelling units by district.

Dwelling Units	Moroto	Napak	Kaberaido	Kole	Zombo	Kyegegwa	Kyankwanzi	Average
Bath Shelter	33.3%	90.0%	81.3%	94.5%	74.7%	55.3%	70.7%	73.6%
Pit Latrine	33.3%	20.0%	86.3%	86.3%	84.0%	88.2%	98.7%	85.2%
Rubbish Pit	20.0%	30.0%	56.3%	32.9%	49.3%	28.2%	49.3%	41.9%
Plate(Drying rack)	6.7%	80.0%	57.5%	26.0%	70.7%	54.1%	20.0%	44.9%

3.1.11 Access to Social Services

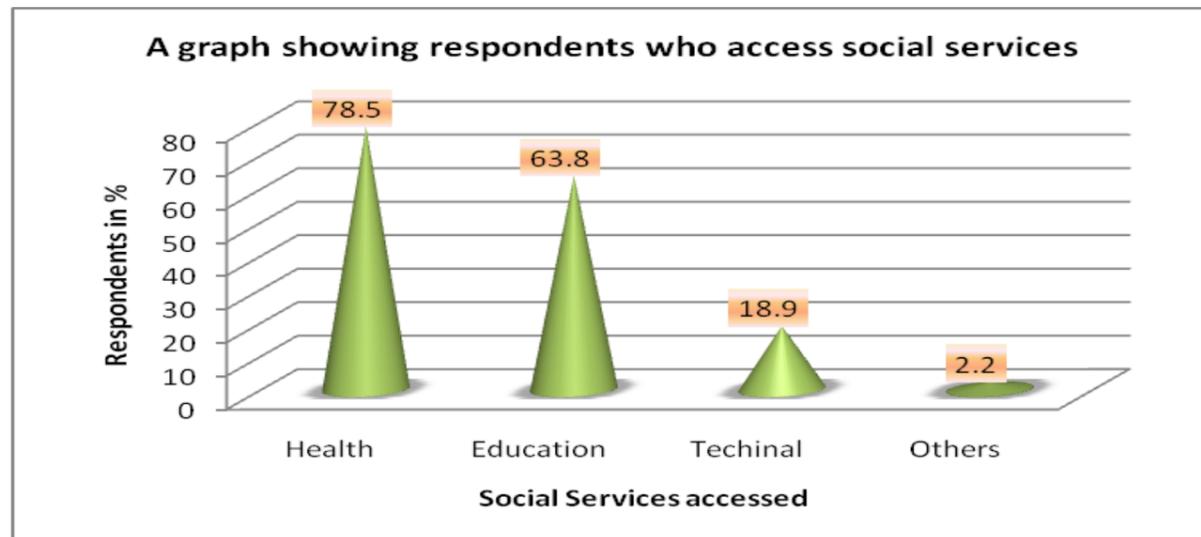
Uganda's Participatory Poverty Assessment Project (UPPAP) has emphasized the multi-dimensional nature of poverty and vulnerability across different locations and social settings in Uganda. Lack of basic commodities (consumption poverty) is one dimension, but other self-reported aspects of living in poverty include: lack of productive assets; lack of social networks and informal support systems; ill-health and illiteracy (35% nationally, but 50% among the poor); powerlessness; lack of access to

markets and community-level infrastructure; lack of productive employment opportunities (especially for the youth); vulnerability to shocks; and domestic problems such as alcoholism and domestic violence. <http://www.ids.ac.uk/files/UgandaCh3.pdf>

In this study, respondents were interviewed to determine what services under health, education and technical services they access. Majority said they access the social service of health (78.5%) more than education and technical support services and of those that access health services majority are women at 90.7% while men make up only 75.9%.

The technical support services accessed were mostly NAADS and Commercial support services.

Figure 4: Showing access to social services among the respondents



Access to social services by District and Gender

Table 6: Access to social services by district and gender.

Service	Male	Female	Moroto	Napak	Kaberaido	Kole	Zombo	Kyegegwa	Kyankwanzi	Average
Health	75.9%	90.7%	100.0%	100.0%	93.8%	97.3%	56.0%	87.1%	49.3%	78.5%
Education	58.9%	75.6%	93.3%	100.0%	82.5%	76.7%	49.3%	61.2%	37.3%	63.7%
Technical	21.5%	19.6%	0.0%	0.0%	8.8%	34.2%	24.0%	21.2%	13.3%	18.9%
Others	2.5%	2.2%	0.0%	0.0%	1.3%	2.7%	0.0%	3.5%	4.0%	2.2%

3.1.12 Access to Social Protection cash transfer

The Ministry of Gender, Labour and Social Development (MSGLD) in partnership with DFID is implementing the pilot Social Assistance Grants for Empowerment (SAGE) programme. Under the programme, a key component is the cash transfer which provides small but regular monthly grants to critically poor specifically targeting the aged and labour-constrained individuals and households. It is anticipated that by supplementing these critically poor households' and individuals' purchasing power with regular payments will reduce the impact of poverty, enabling quick improvement in nutrition and consumption and can also enable households to make small savings to cope with unexpected health and other costs, without falling into debt or selling productive assets. The CAST project is therefore implemented by CARE to augment the cash transfers through the VSLA methodology.

Respondents were interviewed to find out if any member of their household benefits from the social protection cash transfers. 12.1% of the respondents had at least one member of their household that benefited from the government's social protection cash transfer. The low proportion of the respondents could have arisen from the random sampling and also due to the fact that the CAST project was not targeting only the households with members who benefit from the social protection cash transfers.

Table 7: Access to social protection cash transfer.

Does any member of the household benefit from the government's social protection cash transfer?	Gender of respondent		Total	%tage
	Male	Female		
Yes	22	28	50	12.1%
No	136	227	363	87.9%
Total	158	255	413	100.0%

3.1.13 Household Assets and Ownership

The study defined asset ownership as household possession of an asset, as well as having the ability to control and make decisions over the asset. Household asset ownership determines the well being of household members. The survey focused on ownership of domestic animals such as cattle, goats, chicken pigs, sheep and then availability of items such as bicycles, motorcycles, cars etc. On average, households owned 1 cow, 2 goats, 5 chicken, 1 bicycle, 1 radio and 1 mobile phone. Sheep, television, motor cycle, car and ox plough were scarcely found in households while no household had an ox cart. Majority households (69%) owned chicken, 63.4% owned radio, 57.8% owned goats while 53.8% owned bicycle. Men owned the most of the assets. Cattle are largely owned by husbands at 56.6%, while women own only 17%. Children on the other hand own 3.4% while joint ownership is at 18.6%.

It should be noted that while men take the lead ownership for all the assets, the women mostly owned smaller assets such as chicken.

Table 8: Household asset ownership.

Asset	Percent ownership	Ownership							
		Husband	Wife	Child	Husband & Wife	Husband & Child	Wife & Child	Others	Total
Cattle	34.9%	56.6%	16.6%	3.4%	18.6%	0.7%	0.7%	3.4%	100.0%
Goats	57.8%	43.9%	23.6%	7.2%	20.3%	1.3%	0.8%	3.0%	100.0%
Chicken	69%	27.2%	28.3%	9.5%	28.3%	2.8%	1.1%	2.8%	100.0%
Pig	30%	33.3%	34.1%	5.6%	21.4%	0.8%	1.6%	3.2%	100.0%
Sheep	15.7%	46.9%	9.4%	10.9%	29.7%	1.6%	1.6%	0.0%	100.0%
Bicycle	53.8%	72.5%	13.1%	4.5%	7.7%	0.5%	0.5%	1.4%	100.0%
Motor cycle	7.7%	80.6%	3.2%	3.2%	12.9%	0.0%	0.0%	0.0%	100.0%
Car	0.7%	100.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	100.0%
Mobile phone	56.9%	47.6%	16.5%	2.6%	25.5%	2.2%	1.3%	4.3%	100.0%
Television	3.4%	18.2%	27.3%	0.0%	36.4%	0.0%	0.0%	18.2%	100.0%
Radio	63.4%	64.4%	19.4%	2.4%	13.0%	0.4%	0.4%	0.0%	100.0%
Ox Cart	0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
Ox plough	10.2%	67.4%	14.0%	0.0%	14.0%	0.0%	0.0%	4.7%	100.0%
Others	13%	40.0%	15.0%	0.0%	45.0%	0.0%	0.0%	0.0%	100.0%

Findings showed that men dominated in decision making regarding cars (100%), cattle (56.6%), Motor cycle (80.6%), bicycle (72.5%), Ox plough (67.4%) and mobile phones (46.6%). On the other hand decisions regarding some assets were made collectively i.e by both husband and wives as can be seen from the table above.

SECTION TWO: AGRICULTURAL PRODUCTION AND AVAILABILITY OF FOOD.

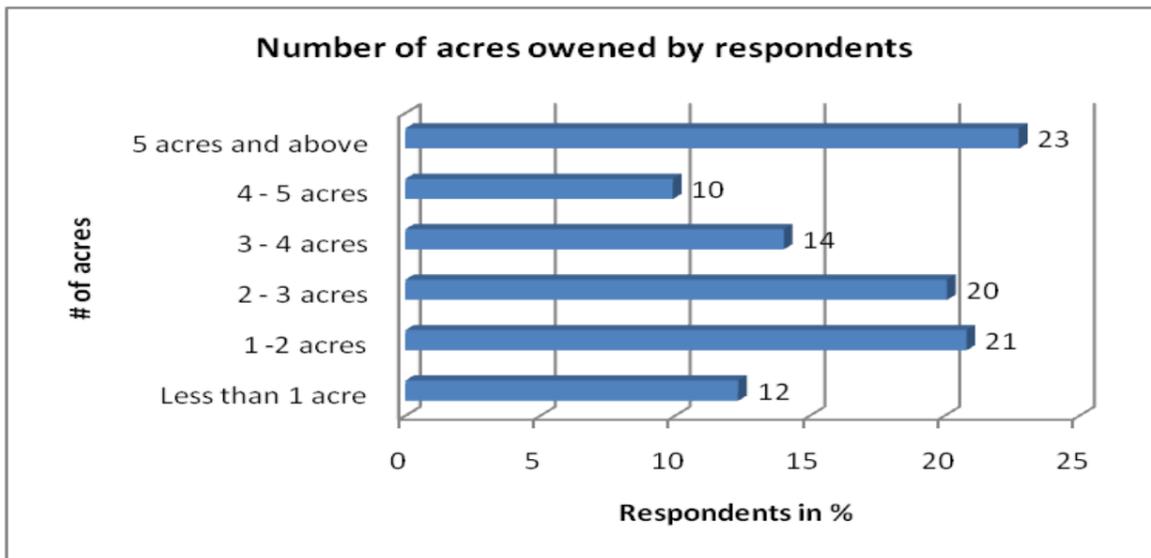
3.2.1 Land Ownership.

Land is one of the most important assets in agrarian economies like Uganda. The systems of land tenure that are recognized by law in Uganda are freehold, leasehold, mailo and customary tenures (Nayenga-Nabbunya, 2008). Land tenure refers to the manner in which land is owned, occupied, used and disposed of within a community. Uganda being a patrilineal society, the majority of land ownership has been based on the customary tenure system which does not allow women to own land. This is the system whereby land is owned and disposed of in accordance with customary regulations. Specific rules of customary tenure vary according to ethnic groups and regions. Often customary tenure is superimposed on other systems like mailo and freehold. This implies that even the freehold and mailo land cannot easily go to female offspring because of the deeply rooted gender biases in land ownership rights showing that male-headed households hold between 80% and 90% of the ownership rights of the land available in Uganda. <https://sites.google.com/site/landpolicyconference/2-programme/gender-and-land-ownership-in-uganda-do-female-headed-households-have-equal-opportunity-to-land>

This study found that the seven districts embrace agriculture at different scales and levels. Households owned 3.78 acres of land on average. 23% owned at least five acres of land while 77% owned less than five acres of land. Decisions on land determine what

the household will use it for. The study shows that decisions on land are mainly determined by Men (46.8%) followed by Collective decision making (38.2%). Women make at most 12.5% of decisions regarding on the use of land.

Figure 5: Household land ownership.



3.2.2 Land cultivation

Agricultural land refers to the share of land area that is arable, under permanent crops, and under permanent pastures. Arable land includes land defined by the FAO as land under temporary crops (double-cropped areas are counted once), temporary meadows for mowing or for pasture, land under market or kitchen gardens, and land temporarily on fallow. Land abandoned as a result of shifting cultivation is excluded. Land under permanent crops is land cultivated with crops that occupy the land for long periods and need not be replanted after each harvest, such as cocoa, coffee, and rubber. This category includes land under flowering shrubs, fruit trees, nut trees, and vines, but excludes land under trees grown for wood or timber. Permanent pasture is land used for five or more years for forage, including natural and cultivated crops. This page includes a historical data chart, news and forecasts for Agricultural land (% of land area) in Uganda. <http://www.tradingeconomics.com/uganda/agricultural-land-percent-of-land-area-wb-data.html>.

In the CAST study, even though 23% owned a minimum of 5 acres, only 7% cultivated to that tune. On average, 2.12 acres of land were cultivated. 80% of households cultivated less than 3 acres of land. Most households cultivated acres ranging from 1 to 2. (38%). This could be attributed to the fact that 84% of the households cultivated the land by use of hands while 15% used oxen and only 1% used tractors. Only 25% of households use improved technology that is the use of equipment, chemicals and all other forms of technology. On the other hand, improved seeds were preferred as a better means of agricultural production (18%); this was followed by chemicals (7%), equipments (5%) and others.

Improved technologies of production were accessed mainly through commercial input dealers (13%). Only 6% of the households which used improved means of production accessed it from NAADS. Other sources included NGO (2%). In the same light, access to technology was biased to men who dominated at 13% while collective ownership of both men and women was low at only 1%. Lack of funds/ affordability was the main reason for failure to use improved technology (48%). Low access to improved technology also hindered its use (35%) while lack of interest was a minor hindrance (10%). Other reasons contributed to only 7%.

Figure 6: Number of acres cultivated by households.

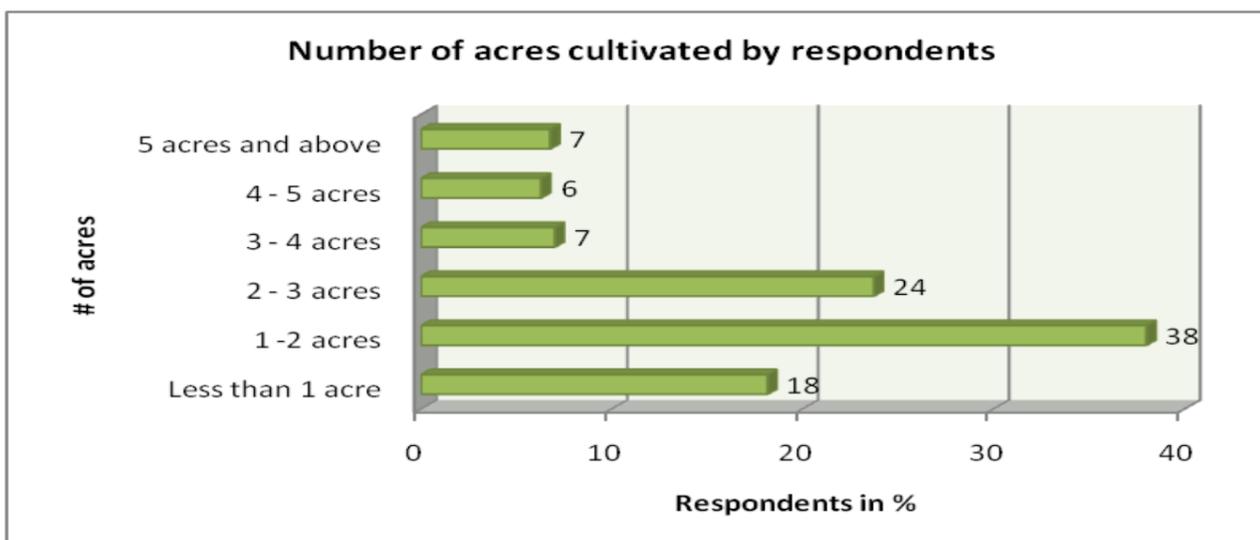
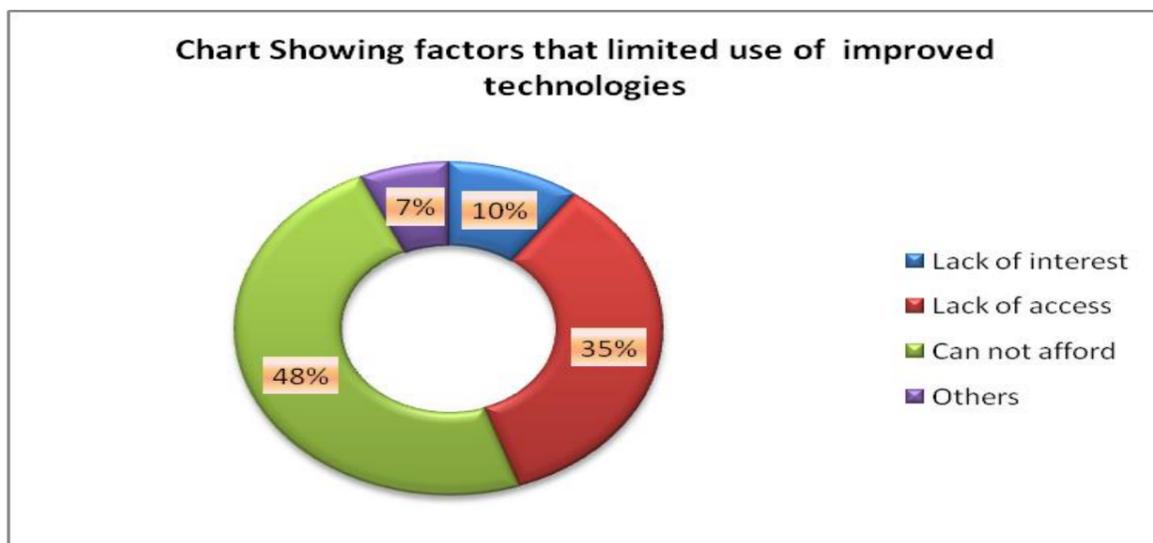


Figure 7: Factors that affected household use of improved technologies.

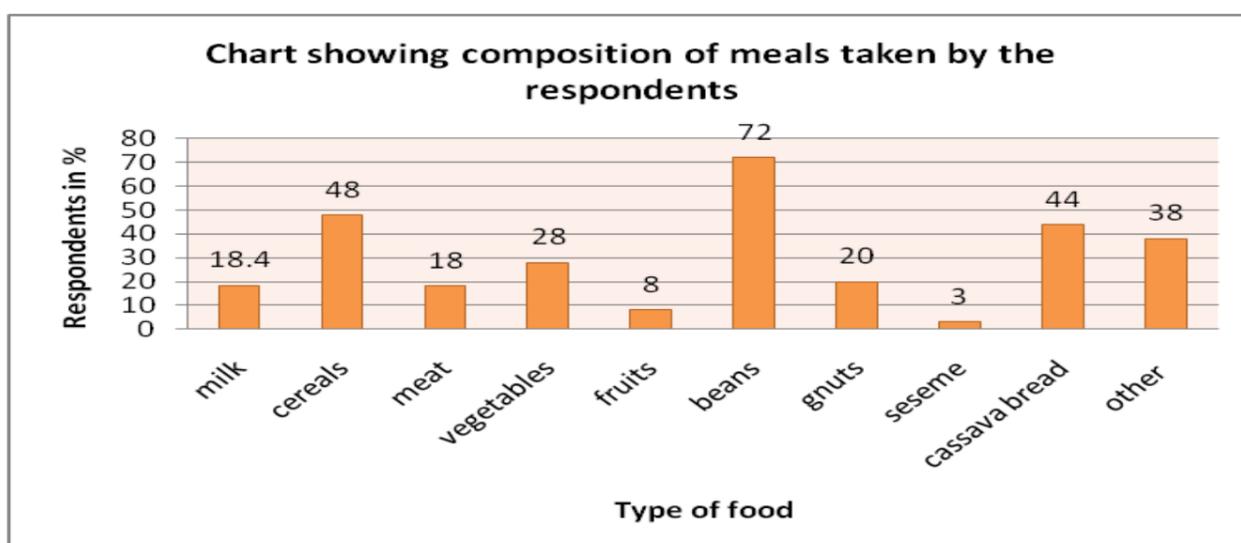


80% of households faced agricultural production related challenges in the last two seasons. The major challenge being irregular rains (52%) followed by pests and diseases (35%) and lastly lack of support services (21%).

3.2.3 Nutrition and composition of meals

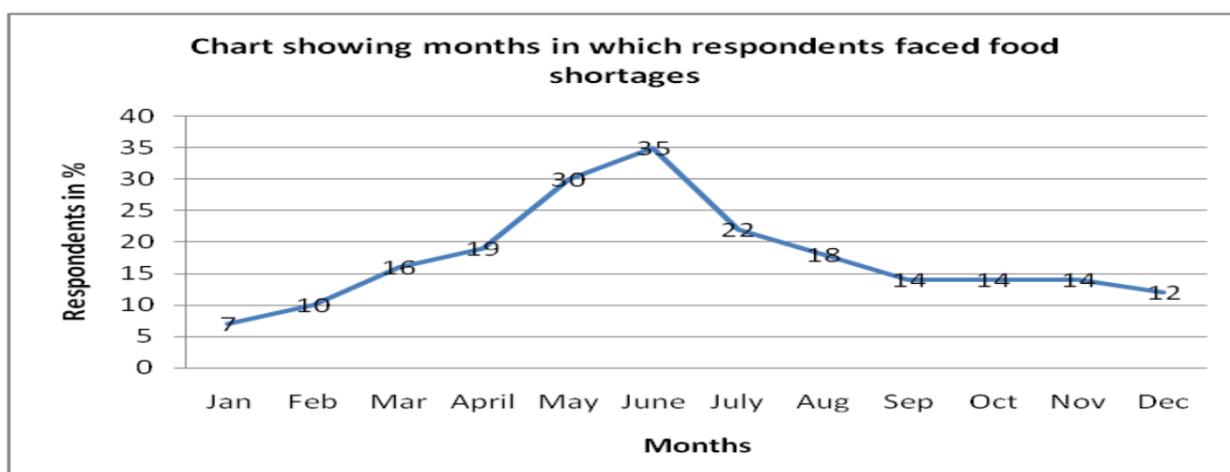
The quantity and nutritional quality of the meals largely affect the health and physical well being of the household members. The study revealed that on average a household had two meals per day. 55.2% of the households had taken only two meals the day before the survey, while 30.3% reported having three meals and only 12.3% had one meal. The meals had diverse composition of milk, beans, meat, vegetables and others. 72% of the households had beans as a composition in their meals. The graph below shows the percentage of respondents that consumed each type of food.

Figure 8: Composition of meals taken by household members.



Only 48.7% of households produced enough food to cover their household food needs last season. The low food production was majorly attributed to Droughts (20%), Pests and Diseases (16%) and Floods (12%). 65.6% of respondents reported their households experienced foot shortages. The graph below highlights months in a year in which food shortages occurred.

Figure 9: Period in a year when a household faced food shortages.



SECTION THREE: HOUSEHOLD INCOME, EXPENDITURE AND ACCESS TO FINANCIAL SERVICES

This section shows findings on the household incomes, expenditures and access to financial services.

3.3.1 Household sources of income

According to the UBOS, for Uganda as a whole, the measure of household welfare increased from UGX 55,092 per month per adult equivalent in 2005/06 survey to UGX 62,545 per month per adult equivalent in 2009/10 survey; equivalent to an annualized growth rate of 3.2 percent <http://www.ubos.org/UNHS0910/unhs200910.pdf>

Findings in this CAST study revealed that household average annual income is UGX1, 060,982. Majority (62.7%) of the households generated money from the sale of crops where by women dominated the men with an average of UGX680, 729 annually compared to the men that had an average of UGX495, 370 annually. This is attributed to the fact that in Uganda and especially in the rural areas women spend more time in the gardens as the men easily resort to drinking in the trading centers. The minimum income fetched from crop sales was UGX10, 000 and a maximum of UGX1.5 Million annually. Maize was the most fetching crop (14.8%), followed by beans(11.9%), cassava(5.6%), ground nuts (5%), irish potatoes(4.6%), sun flower(3.6%), coffee(2.2%), and others(1.7%).The second highest ranked income generation source was animal sales (47%), where men obtained an average of UGX326,028 annually while the women generated UGX619,837 annually. Minimum income from animal sales was UGX10, 000, while maximum was UGX2 Million annually. Goat sales fetched most income (42%), followed by cows (25%), Chicken (15%), Pigs(11%), sheep (2%) and others (5%). Following in hierarchy of income generation for the household was unskilled/casual labour (33%), petty trading (24.4%), brewing and others such as salaries.

3.3.2 Decisions on how to spend the income

The overall decision making power on the income expenditure was biased on the men who were found to dominate decision making on crop sales, animal/animal product sales, salaries/wages, causal labour, sale of construction material, bakery remittances and others. Women on the other hand dominated in decision making for income items such as brewing, fuel, artisan, petty trading, commercial trading and brick laying. According to these findings, there is a direct relationship in the items women make decisions over and the items they interact with mostly on the day to day basis. For instance, women in the rural areas of Uganda dominate the trade of brewing alcohol. So it is not surprising that the findings revealed that they dominated in the decisions on brewing.

On the other hand, collective decision making was highest for the sale of animal products and stood at 50%, closely followed by animal sales, crop sales, fuel and others. Children also made some decisions and when comparing what item the children made the biggest of the decisions compared to other items, it was found to be in the sale of animal products.

Table 9: Showing proportions of household incomes and decision making over the spending of the incomes.

Item	%tage of households	Average Amount of Income			Who Decides to spend this income?					
		Male	Female	Overall	Husband	Wife	Husband & Wife	Child	Others	Total
crop sales	62.7%	495,370	680,729	606,299	34%	19%	42%	3%	2%	100%
Animal sales	47.0%	326,028	619,837	512,309	31%	17%	43%	5%	4%	100%
Animal products	2.9%	234,200	297,286	271,000	33%	0%	50%	17%	0%	100%
Salaries, Wages, Pension	13.8%	5,366,870	3,793,647	4,428,456	53%	14%	26%	2%	5%	100%
Unskilled labour/Casual Labour	33.9%	492,638	302,437	396,179	37%	23%	30%	6%	4%	100%
Brewing	20.3%	350,870	912,666	758,840	11%	54%	29%	2%	5%	100%
Sale of construction materials(Poles	6.8%	409,000	324,885	369,947	66%	18%	11%	0%	5%	100%
Fuel	12.1%	899,474	810,581	844,360	28%	32%	40%	0%	0%	100%
Artisan	3.9%	1,523,333	516,538	705,313	28%	32%	40%	0%	0%	100%
Petty Trading	24.5%	716,618	472,104		25%	50%	25%	0%	0%	100%

				554,416						
Commercial Trading	9.9%	5,137,500	2,469,400	3,510,610	19%	41%	34%	4%	3%	100%
Bakery remittances	4.4%	1,266,667	634,800	740,111	44%	27%	22%	5%	2%	100%
Fishing mongering	1.2%	950,000	2,566,667	1,920,000	6%	61%	28%	0%	6%	100%
Brick laying	3.6%	351,250	342,857	347,333	20%	40%	20%	20%	0%	100%
Others	19.4%	1,361,032	1,326,898	1,340,125	73%	0%	7%	20%	0%	100%

3.3.3 Household Expenditure

According to the UBOS-UNHS (2009/2010), Uganda's average household monthly expenditure rose from UGX210, 750 in 2005/06 to UGX232, 700 in 2009/10 which reflects a real increase of 10.4 percent. The increase was mainly driven by the observed increases in the rural areas (11.8%), while the urban areas registered an increase of only three percent over the same period. http://www.ubos.org/UNHS0910/chapter6_%20Consumption%20Expenditures.html

In this CAST survey, the average highest amount of money households spent was on house construction on which they spent UGX960, 761 annually. In hierarchy of how households spent their money on followed; purchase/hire of land (UGX756, 379), school fees (UGX580, 535), food (UGX439, 200), house rent (UGX354, 594), health care (UGX323, 937) and purchase of livestock (UGX220, 290) annually. These findings are not surprising as in Uganda the cost of living is on a rise and most people spend money on rent, schools fees, health care or food. Men generally dominate on decision making on all items, apart from items such as servicing of loans and debts and the expenditure on fuel. These findings portray women's vulnerability as their level of decision making is suppressed by the men even on the items that they clearly do the most of the work like agriculture.

Table 10: Showing household expenditure and decision making over the expenditures.

Item	Households in %	Average amount spent			Who Makes the Decision?					
		Male	Female	Overall	Husband	Wife	Husband & Wife	Child	Others	Total
Food	78.7%	429,984	445,035	439,200	28%	20%	47%	0%	6%	100%
Health care	88.6%	356,504	303,996	323,937	27%	20%	49%	4%	1%	100%
School Fees	76.5%	519,991	611,972	580,535	25%	17%	52%	1%	5%	100%
clothings & Beddings	81.4%	189,090	176,576	181,530	27%	17%	51%	1%	4%	100%
Agro inputs	39.5%	236,462	105,067	158,270	22%	18%	56%	1%	2%	100%
Purchase/Hire of land	23.0%	776,093	740,077	756,379	45%	17%	37%	0%	1%	100%
Transport	50.8%	142,238	171,188	160,160	28%	20%	45%	0%	6%	100%
purchase of livestock	28.1%	325,435	151,194	220,290	34%	21%	37%	2%	7%	100%
House construction	27.4%	1,351,714	729,493	960,761	35%	27%	36%	0%	2%	100%
House Rent	15.5%	225,571	454,944	354,594	45%	30%	16%	0%	9%	100%

Consumables	94.4%	158,828	169,387	165,299	22%	25%	47%	1%	5%	100%
Refreshments	59.3%	116,147	126,706	122,310	29%	23%	44%	0%	4%	100%
Debt & Loan repayments	34.9%	368,635	569,587	497,021	31%	40%	25%	1%	4%	100%
cooking fuel	16.2%	86,125	193,022	167,494	16%	52%	22%	1%	7%	100%
Others	2.2%	104,667	218,333	180,444	56%	33%	11%	0%	0%	100%

3.3.4 Access to financial services

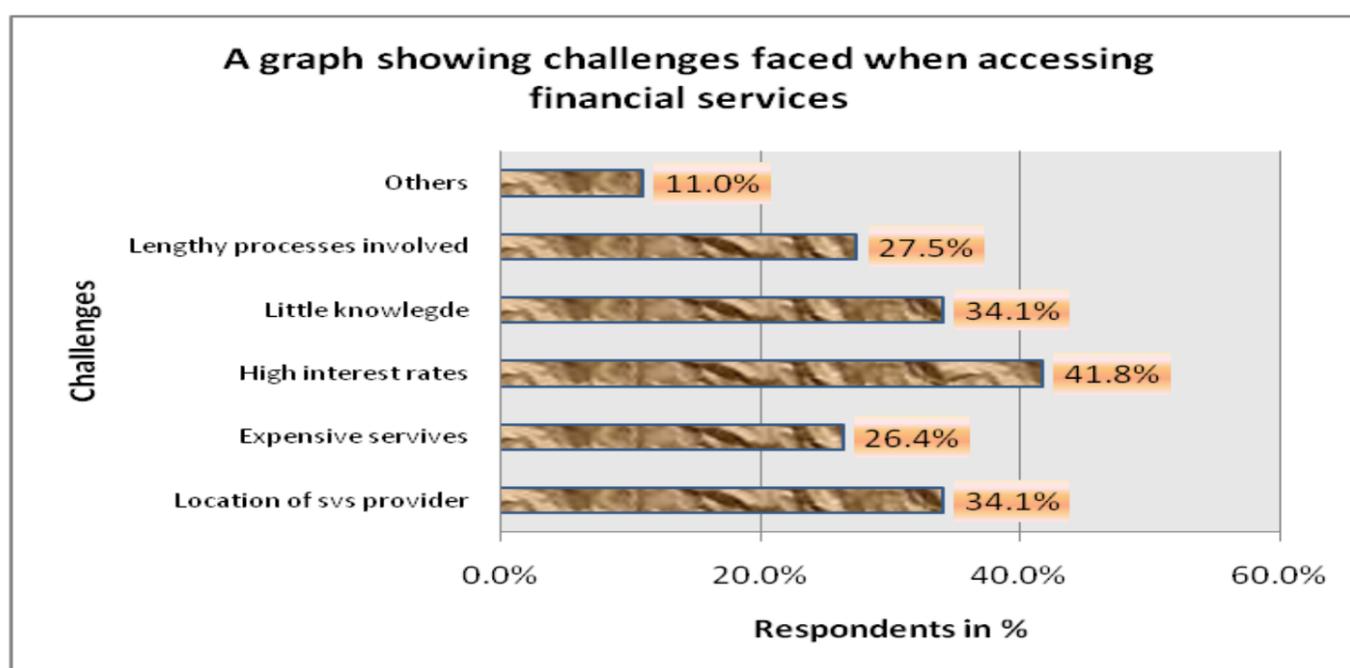
According to a study done for FINSCOPE Uganda by Stead Man International, overall, 49 percent of Ugandans are financially served either formally or informally. Those who are financially served included use of multiple institutions to access financial services. Fifty eight percent uses Credit Institution, 61 percent for MDI, 82 percent for SACCO, 79 percent of MFI and 41 percent who are banked, use informal services also. Incidences of banked users are high among those served by credit institution (47%), SACCOs (34%) and MFIs (27%). http://www.fsdu.or.ug/pdfs/Finscope_Report.pdf

In this CAST study, of the 413 respondents interviewed, access to formal financial services was at only 22% while the vast majority (78%) had never accessed formal financial services. All the respondents revealed that they accessed VSLA financial services, as an informal financial service. VSLAs mostly offered savings and credit services. The nature of the formal financial services accessed by highest rank included; savings (80%), credit services (40.7%) financial literacy (30.8%) and others 5.5%. The highest service provider were SACCOs(50.5%), Commercial banks(22%) and MFI at 9.9%.

Respondents revealed that majority (88%) of them accessed the financial services as an individual while the least (13%) accessed the services as a group. The biggest challenge that respondents faced in accessing financial services was high interest rates (41.8%) followed by the distant location of the service provider (34.1%) and little financial knowledge (34.1%). Other challenges that followed included lengthy access processes involved and expensive services.

It should also be noted that prior to this survey (CAST) the inflation in Uganda had reached a double digit and the financial institutions had raised their interest rates in response. This could have more scared away the potential rural population from accessing financial services service providers.

Figure 10: Challenges faced in accessing services



SECTION FOUR: ACCESS TO THE VSLA METHODOLOGY AND ITS BENEFITS

3.4.1 Activities of the VSLA

The Village Savings and Loan (VSL) model is a self-managed and self-capitalized microfinance methodology. By having its members mobilize and make intermediate local pools of investment finance, it offers savings, insurance and credit services in markets outside the reach of formal institutions. The model was developed by CARE International in Niger in 1991 and has since spread to at least 61 countries in Africa (Uganda inclusive), Asia and Latin America, with over 6 million active participants

worldwide. <http://vsla.net/>. In Uganda, CARE has been able to reach over 605,711 people with the VSL methodology, with cumulative savings of over 41 billion and cumulative loans of over 78 billion.

The groups are usually between 15 - 30 members and operate a life cycle of about 9 months with a defined leadership structure of about 5 persons (a chairperson, note taker, 2 money counters and a box keeper).

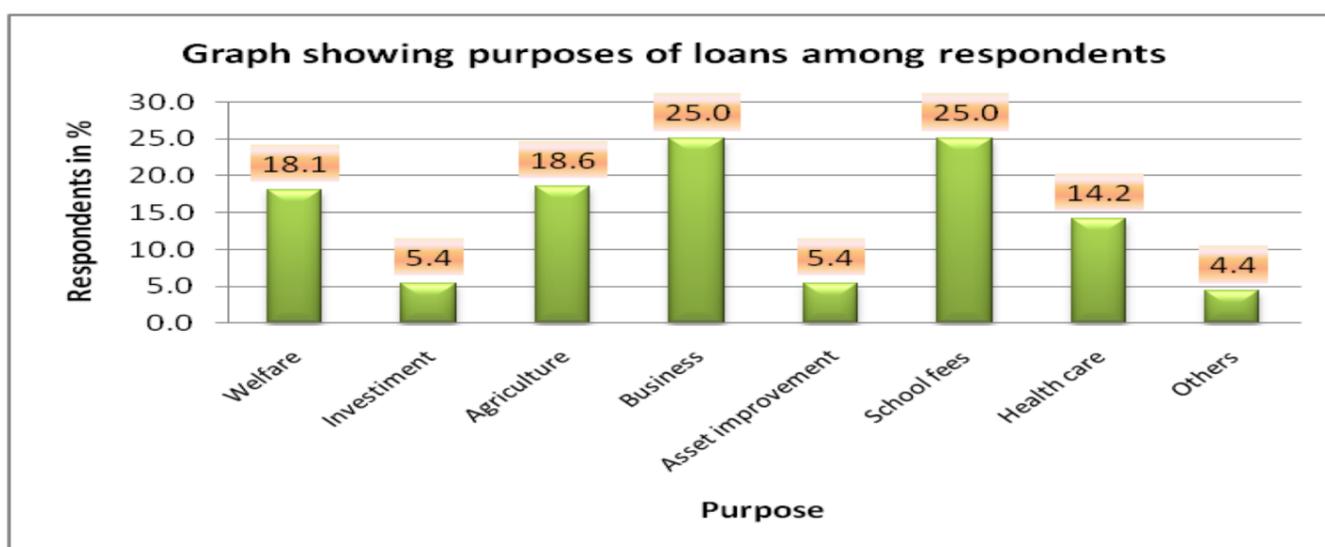
In this study, the respondents were asked if they had belonged to a VSLA at the time of accessing a financial service. Only 38 % had ever belonged to a VSLA at the time of acquiring a financial service while majority 62% had never belonged to any VSLA group before CAST. Of those that had belonged to VSLA before CAST, only 26% had ever received training in VSLA methodology from the CARE implementing partners and other VSL promoting actors, while 17% had never received such training. The rest of the respondents (47%) could not for sure tell whether they had received such trainings before. The biggest service providers for VSLA services included CBT's and NGOs among others.

Among the other activities that VSLAs do were IGA's (48.7%) labour sharing (27.6%) collective marketing (9.0%) and others 13.3%. The biggest reason that compelled respondents to join VSLA was the need to save (77.0%), Loan access (58.8%), easy access to social fund (45.3%), convenient location (24.2%), the friendly recovery of loans (18.7%) and low interest rates (18.2%). Of the respondents that belonged to a VSLA, it was found that 80.6% had ever made savings of some kind, while 19.4% had never saved before CAST. Among the respondents that had VSLA savings, it was discovered that majority (97.0%) saved an average of UGX100,000 and below so far, while 3% had saved UGX100,001 and above. The maximum VSLA savings amount a member had saved so far was UGX250, 000 while the minimum was UGX12, 000. Members that had additional savings outside the VSLA were 36.1%, of which majority (17%) had kept the savings at home, while others had kept the additional savings in kind (6.8%). Other respondents kept their additional savings with SACCOs (8%), friends and other places.

3.4.2 Purpose of loans

Various respondents reported various reasons as to why they accessed credit. The reason that ranked highest included need to pay school fees and investment in business both at 25%, as can be seen in figure 11 below.

Figure 11: Purpose of getting loan



3.4.3 Amount of credit received, interest rates and repayment period

Findings showed that the biggest source of credit was the VSLA (65%), SACCO at 15%, individual (12%), commercial banks and MFI both at 11% respectively. On average members picked UGX99, 174 from VSLAs as credit for an average of three months. A maximum loan amount a VSLA member picked was UGX930, 000, while the minimum was UGX2, 000.

The study also sought to probe the respondents' repayment performance of the VSLA loans that they possessed. Findings showed that 75% of those that had ever acquired a VSLA loan had been able to repay it, while those who had problems repaying the loans reported tragedies (17%), and market uncertainties (12%) among others as the causes of loan default. Other respondents indicated that the weather (9%) also had a big negative impact on loan repayment. Poor planning (10.4%) was also mentioned as one of the reasons for loan defaults.

Majority (94.9%) of the respondents that had ever accessed VSLA loan had a comprehensive plan. This can be attributed to the VSL methodology trainings, including the financial literacy trainings that the respondents received. 41.3% responded participatory and inclusive household planning for the VSLA loans, while 58.7% said they planned at individual levels.

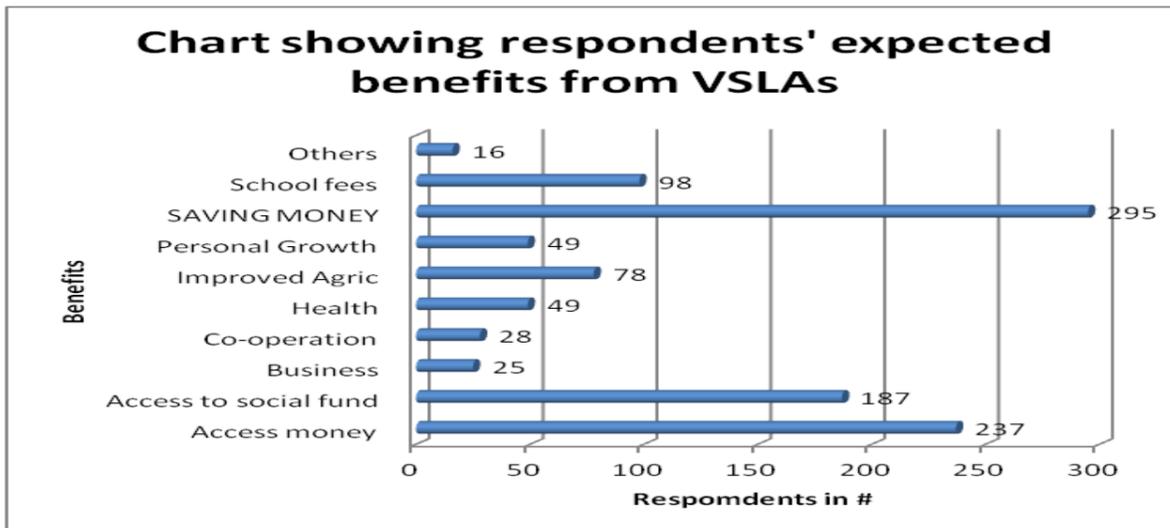
Findings show that banks had the highest average interest rate, standing at 17.6%, followed by MFI (12%), SACCOs (10%) and VSLA at 10%. The lowest interest rates were offered by individuals who offered loans at only 6.4%.

The repayment period was analyzed in terms of months that the respondents took to repay the loans that they had acquired. Commercial banks had the longest repayment period which was on average 12months, followed by MFI (9 months average), SACCO (4 months average), and VSLA (3 months average) and then individuals (1 month average).

3.4.4 Benefits of joining VSLA

When asked what benefits they expect to gain from joining VSLA groups, the respondents mentioned the need to save money (71.4%), access to credit (57.4%), access to social fund/money for emergency needs (45.3%) and then schools fees (23.7%), as illustrated in the figure 12 below. Others mentioned benefits that include; agricultural production improvement (18.9%), personal growth (12%), and improved health (11.9%). Only 6% reported using VSLA as a means to starting or expanding income generating activities.

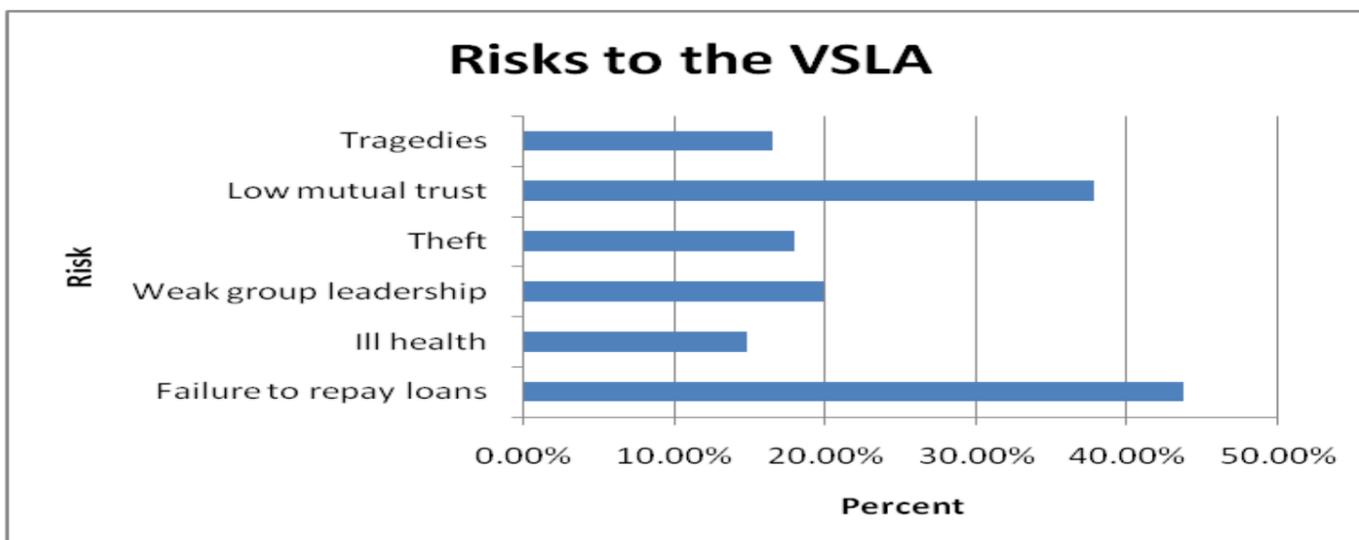
Figure 12: Benefits of being VSLA member.



3.4.5 Risks facing the VSLA support to the CAST beneficiaries.

When asked what risks they thought were associated with VSLA support, most respondents mentioned failure to repay loans (43.7%), low mutual trust amongst the groups internally (37.8%), weak leadership (19.9%), theft of money/cash boxes (17.9%), tragedies such as death of the members (16.5%), and ill health/sickness (14.8%) that could affect one's ability to save and loan repayment.

Figure 13: Perceived risks to the VSLA.



3.4.6 Prevailing level of stakeholder engagement and support in regard to the VSLA methodology.

The study also set out to probe level of VSLA engagement and support currently running in the various study districts by the various VSLA methodology promoting stakeholders. Overall, it emerged that in addition to the CARE VSLA methodology intervention, Catholic Relief Services (CRS), Plan International in Uganda, Oxfam, CARITAS, FAO, ASB, ACTED, CESVI and all the CARE implementing partners were also promoting VSLA in the various districts, often using approaches quite different from the CARE approach. The table 11 below gives the summary of the findings.

Table 11: VSLA stakeholders in the various districts of the study.

District	Stakeholders
Moroto	Oxfam, ACTED, ASB, KPSPC, FAO
Napak	Oxfam, ACTED, KIDS, FAO
Kabermaido	UWESO
Kole	CARITAS/CRS, Mid North Private Sector, Plan

Zombo	CREAM, WENIPS
Kyangkwanzi	CPSDL
Kyegegwa	CARITAS/CRS, KYEDFA

CHAPTER FOUR: CONCLUSION AND RECOMMENDATIONS.

4.0. Introduction.

This chapter presents summary discussions, conclusions and recommendations emanating from the various findings that have been presented in the preceding chapter of this report.

4.1. Livelihoods condition of the households benefiting from CAST intervention.

The livelihood situations of the CAST beneficiary households are still behind those indicated by the national human indicators. VSLA members earn livelihoods by engaging in agricultural activities, establishing small businesses and lately the monthly SAGE cash transfers to the SAGE VSLA members. The income earned is minimal, which qualifies CAST operational areas as lower-income areas. The little that is earned by these farmers is often spent on household welfare expenditures, invested in their businesses, paying school fees and buying other household/individual assets. Little is left over, and typically, the remainder is saved in a VSLA group. The pooled savings later become a source of credit that members can borrow at an agreed interest rate, for various purposes including the household needs mentioned above. The study findings have revealed that a majority of the CAST beneficiaries are adults, with a majority falling in the 21-30 years age category. This is in line with the national statistics that show that Uganda's population is largely youthful in proportions, and the youth are among the critically vulnerable groups of the rural population that SAGE is targeting. CAST is therefore projected to have a considerable positive outcome on the livelihoods of its beneficiaries as the youth form a potential section of the population that can cause economic transformation if meaningfully engaged and therefore lead to improvements of the general livelihoods of the rural poor households. The beneficiary households are relatively big, with an average household size of 6 majorly nuclear members, slightly above the national average household size of 5, with majority of the household members being women. The CAST project should continue targeting majority women, as women shoulder the biggest burden in ensuring rural household livelihoods. The household members have basic literacy levels, with majority having attained at least primary level education and predominantly engaged in farming as an occupation. Each household owned more than one asset, majority assets being agricultural productive assets. Literacy levels are critical for informed decision making and documentation at household level and this is an opportunity for the CAST project to exploit in bid to maximize the achievement of its intended objectives and goal. It is therefore a step in the right direction that the CAST project is targeting beneficiaries predominantly preoccupied in farming, as majority of the Ugandan population derives its livelihoods mainly from Agriculture. The study also revealed that households had diversified sources of income including income generating activities. Diversified sources of household income is critical for guarantying stable income flows to the rural poor households, and this can help smoothen the irregular household income patterns, therefore enabling the rural poor households to meet basic household needs and later on be able to save, thereby increasing their capacity to withstand shocks, hence having bigger impact on poverty.

Majority of the households reported currently living in mud grass thatched houses and having at least two hygiene and sanitation dwelling units and access Health Centers IIs for health attention. The household housing condition and dwelling units influence the health environment that a rural poor household lived in, and this is one of the parameters that the development interventions such as CAST seek to impact positively. Many households reported having at a minimum two meals per day in quality diversity, and this was significant enough in that it too has a bearing on the rural poor household's healthy well being. Among the social services accessed by the beneficiaries included education, health and marketing among others.

4.2. Access to the SAGE program.

The SAGE program is being implemented by Ministry of Gender, Labour and Social Development in partnership with DFID. The CAST project being implemented by CARE is therefore an initiative to compliment the integration of Village Savings and Loans Association (VSLA) methodology in which the SAGE beneficiary members voluntarily join VSLAs. VSLA intervention is quoted as the significant contributing factor to increased assets and household incomes and will augment the cash transfer component of SAGE by increasing impact through enabling beneficiaries to save a portion of their monthly cash transfer in the VSLAs that generate interest. Besides they also have access to additional funds in form of loans to enable later investment in income generating activities of their choice, thus diversifying their income sources and increasing their capacity to withstand shocks hence having larger impact on poverty than the original cash injection. From the study, it emerged that the SAGE beneficiaries' enrolment into the CAST project stood very low. There is therefore urgent need by CARE through its implementing partner organizations to step up the mobilization of the SAGE beneficiaries to enrol into the CAST project. Greater participation of the SAGE beneficiaries would register meaningful achievement of the CAST objectives in the longer term.

4.3 Access to financial services.

The analysis of CAST beneficiaries access to financial services shows that majority did not access formal financial services, but rather access some kind of informal financial services, mainly VSLA and this is a very good opportunity for the CAST project to exploit. Even a few that accessed formal financial services, did so at individual level and not at group level. The situation is supported by the Finscope study 2009 findings that showed that 42% of the population of Uganda are informally served financially, while 30% were totally excluded. It also emerged that majority beneficiaries did not have the knowledge and skills in regards to financial services and products offered by the formal financial sector. However the beneficiaries were aware of the formal financial

institutions that operated in their areas. Some of the formal financial institutions cited include; Post bank, Centenary bank, Barclays bank, Stanbic bank, Microfinance institutions and SACCOS. Even with this awareness, the beneficiaries are still reluctant to utilize formal financial services that these institutions offered. Some of the services offered by the financial institutions included;

- Credit Products such as business and consumer loans;
- Deposit Products such as fixed accounts, savings accounts and current accounts;
- E-banking such as ATM, SMS banking, e-tax payments;
- Foreign currency such as money exchange; and Money Transfer services such as Western Union, EFT, Speedie;
- Financial Literacy such as training and outreach programs and advisory services to the farmers;
- Other services include; automated salary processing, school fees, safe custody, standing orders, securing market for customers.

VSLA members still resent banks because they claim that banks are unfair, steal, charge high service fees, distant locations, lengthy processing procedures, and some claim that their savings amount does not warrant a bank account. These issues can be attributed to the limited knowledge in the area of financial literacy.

The CAST beneficiaries were already engaged in the VSLAs where they were actively saving and borrowing money at lower interest rates compared to the interest rates offered by the formal financial institutions. VSL members obtained VSLA credit for various reasons ranging from household social care, investment in IGAs, and acquisition of assets, including house improvement. Some members reported that they planned collectively in their households before a decision is reached to acquire credit. CAST should promote joint decision making at household level such that men do not dominate or do not go it alone which is usually the case in rural poor households. This is critical for accountability, transparency and social empowerment of the household members. It was also noted that often VSLA members found it difficult to repay loans acquired from VSL groups. This was mainly attributed to factors outside the control of VSLA members, such as tragedies like death, market uncertainties, weather uncertainties, poor timing and failure to set priorities in a business, and general poverty and laziness of some VSLA members. The VSLAs however faced some risks including failure to repay loans, low mutual trust amongst the groups internally, weak leadership and poor record keeping, theft of money/cash boxes, tragedies such as death of the members, and ill health/sickness that could affect one's ability to save and loan repayment.

REFERENCES

1. UBOS UNHS report 2010.
2. Fincope study report 2009
3. VSLA.net
4. AMFIU 2001
5. Agriculture Credit Department Hand Book On Best Practices in Agricultural/Rural Finance.
6. World Bank (2009).
7. Various CO programs study reports.

Annex 1: Respondent Survey Tool

CAST Baseline survey tool.

INFORMED CONSENT

Dear respondent, I am, working with CARE International in Uganda. We are conducting a survey and would appreciate your participation. Whatever information you provide will be kept strictly confidential.

Participation in this survey is voluntary and you can choose not to answer any individual question or all of the questions. Your participation is however very necessary since your views are important in enabling CARE and other stakeholders to make appropriate decisions regarding the VSLA and other support to your community. The information you provide is treated highly confidential and will in no way be disclosed to any third party. Collective feedback from the responses will be considered rather than the individual responses.

Feel free to ask me anything about the survey.

A. GEOGRAPHIC DATA

Districts of coverage (Circle/Tick appropriately)
Moroto
Napak
Kabermaido
Kole
Zombo
Kyegegwa
Kyankwanzi

Sub county.....

B. HOUSEHOLD DATA AND GENERAL SITUATION.

i. Social Demographic characteristics of the respondent (Insert figures or circle/tick appropriately).

1. Name and code of respondent	
2. Gender of respondent	a) Male. b) Female.
3. Age of respondent	
4. Position of respondent in household	a) Head b) Spouse c) Child d) Others (specify)
5. Marital status of respondent	a) Single b) Married c) Widow d) Divorced e) Others (Specify).....
6. Highest education level of respondent	
7. Main occupation of respondent	a) No occupation b) Farming b) Salary employment c) Trading d) Wages/hiring of labour e) Handicraft e) Others (specify).....
8. Can you read and write in English or any other language?	a) Yes b) No

ii) Social Demographic Characteristics of the Respondent Household (Insert figures or circle/tick appropriately).

1. Household size	
2. Number of adults (18-25 years)	
3. Number of adults (25 years and above)	
4. Number of children (5 years and below)	
5. Number of children (6-14 years)	
6. Number of children (15-17years)	
6. Main occupation of the household	a) Farming b) Trading c) Wages/hiring of labour d) Handicraft e) Others (Specify).....
7. Housing type (Tick/Circle where appropriate)	a) Mud bricks wall with grass thatch roof b) Mud brick wall with iron sheets roof. c) Burnt bricks wall with grass thatch. d) Burnt bricks with iron sheets roof. e) Others (Specify).....
8. Presence of dwelling units (Tick/Circle where appropriate)	a) Bath shelter b) Pit latrine c) Rubbish pit d) Plate drying rack
10. What social services does your household access? (Tick/Circle all where applicable)	a) Health b) Education c) Technical support services (eg: NAADS, Extension, Commercial...) d) Others (Specify).....
11. Does any member of the household benefit from the government's social protection cash transfers?	a) Yes b) No

iii) Household asset ownership.

Asset	Quantity	Who owns (Husband, Wife, Child.....?)	Who makes decision over asset
Cattle			
Goats			
Chicken			
Pigs			
Sheep			
Bicycle			
Motor cycle			

Car			
Ox cart			
Radio			
Television			
Mobile phone			
Ox plough			
Others (Specify).....			

C. AGRICULTURAL PRODUCTION AND AVAILABILITY OF FOOD.

1. How many acres of land does your household have?	
Who in the household owns and makes decisions on the land?	a) Husband b) Wife c) Child/Children d) Collective e) Others (Specify).....
2. How many acres did you cultivate last season?	
How did you cultivate your land last season?	a) By hand b) Using oxen c) Using tractor
3. Do you use improved agricultural technologies?	a) Yes b) No
If Yes, which ones?	a) Improved seeds b) Equipment c) Chemicals d) Others (Specify).....
From which sources?	a) NGOs b) NAADS c) Commercial Input dealers. d) Others (Specify).....
Who gets the improved technologies?	a) Husband b) Wife c) Children d) Collective e) Others (Specify).....
If No in 3 above, what could be the problem?	a) Lack of interest b) Lack of access c) Cannot afford d) Others (specify).....
4. Did you face any challenges related to agricultural production in the last two seasons?	a) Yes b) No <i>If No skip to Qtn5.</i>

If Yes what challenges did you face?(Tick/circle all that are applicable)	a) Irregular rains b) Pests and diseases c) Lack of support services(extension, marketing etc) d) Others (specify).....
5. How many meals did your household have yesterday?	
What was the composition of the meal? (Tick/Circle all that are applicable)	a) Milk b) Cereals c) Meat d) Vegetables e) Fruits f) Beans g) Ground nuts h) Sesame i) Others (Specify).....
6. Did you produce enough food to cover your household food needs last season?	a) Yes b) No <i>If Yes Skip to Qtn7</i>
If No, what could have been the reason?	a) Drought b) Flooding c) Pests and diseases d) Others (Specify).....
7. In the last 12 months, were there months in which your household experienced food shortages?	a) Yes b) No <i>If No skip to Qtn8.</i>
If Yes in which months did your household experience the worst food shortage?	a) Jan b) Feb c) Mar d) Apr e) May f) Jun g) Jul h) Aug i) Sep j) Oct k) Nov l) Dec
8. To the best of your memory, how much income on average did your household earn from crop products sales last season?	a) Less than 10,000UgShs. b) 11,000-50,000UgShs c) 51,000-100,000UgShs d) 101,000-150,000UgShs e) 151,000-200,000UgShs f) 201,000UgShs and above.
Which crop fetched the highest income?	
9. To the best of your memory, how much income on average did your household earn from livestock production last season?	a) Less than 10,000UgShs. b) 11,000-50,000UgShs c) 51,000-100,000UgShs d) 101,000-150,000UgShs e) 151,000-200,000UgShs f) 201,000UgShs and above.
Which livestock/product fetched the highest income?	

D. HOUSEHOLD INCOME, EXPENDITURE ACCESS TO FINANCIAL SERVICES.

Household Income (Insert figures to the best estimate)

Main Income Source(Last 12 months)	Average total amount received(Ugshs)	Who makes the decision to spend?
Crop sales(last season)		
Animal sales		
Animal product sales		
Salaries, wages, pension		
Unskilled labour/casual labour		
Brewing		
Sale of local construction material(poles, bricks, thatch)		
Sale of fuel(charcoal, firewood)		
Artisan(carpentry, tailoring,)		
Petty trading		
Commercial trading		
Bakery		
Remittances		
Fishing and fish mongering		
Brick laying		
Others(specify)		

ii) Household expenditure (Fill in to the best estimate)

Main Expenditure Item (last 12 months)	Average Amount spent	Who makes the decision?
Food		
Health care		
School fees		
Clothing and beddings		
Agro inputs		
Purchase/hire of land		

Transportation		
Purchase of livestock		
House construction/improvement		
House rent		
Consumables(salt, soap, paraffin, cooking oil)		
Refreshments(waragi, beer, soda/juice)		
Debt/loan repayments		
Cooking fuel(firewood/charcoal)		
Others(specify)		

iii) Access to Financial Services. (Tick/circle appropriately)

1. Do you have access to financial services, other than the VSLA?	a) Yes If No skip to Qtn2.	b) No
If Yes, what financial services?(Tick/circle all that are applicable)	a) Savings c) Financial literacy d) Others (Specify).....	b) Credit
If Yes, from which financial service providers? (Tick/circle all that are applicable)	a) SACCO c) Commercial banks d) Others (Specify).....	b) MFI
Which financial service provider do you prefer most?(Tick/circle all that are applicable)	a) VSLA c) MFI d) Others (Specify).....	b) SACCO d) Commercial banks
How do you access these financial services	a) Individually	b) Group
Did you have any challenges accessing the financial services?	a) Yes	b) No
If Yes, what are those challenges?(Tick/circle all that are applicable)	a) Location of the service provider b) Expensive services c) High interest rates d) Little knowledge e) Lengthy processes involved f) Others (Specify)	
2. Did you belong to a VSLA group before?	a) Yes	b) No
If Yes, for how long have you been a member? (In months)	If No skip to Qtn3	
If Yes, did you receive any VSLA training?	a) Yes	b) Yes

	f) School fees. g) Health care. f) Others (Specify).....
Have you been able to repay the credit?	a) Yes b) No
If No, what could have been the problem? (Tick/circle all that are applicable).	a) Tragedies. b) Market un certainties. c) Poor planning. d) Weather un certainties. e) Others (Specify).....
Did you have a comprehensive loan utilization plan before getting the credit?	a) Yes b) No
If Yes, were the other household members involved in the planning and decision?	a) Yes b) No

Information relating to credit accessed.

Credit Source	Amount of credit	Interest rate	Repayment period
Individual			
VSLA			
SACCO			
MFI			
Commercial bank			

E. EXPECTED BENEFITS AND RISKS TO THE CAST INTERVENTION

1) In your view, what are the expected benefits of the VSLA support?

- i)
- ii)
- iii)
- iv).....
- v)
- vi)

2) In your view, what are the possible risks that may affect the attainment of the VSLA support benefits?

- i)
- ii)
- iii)
- iv).....
- v)
- vi).....

Thank you very much for your time and participation.

