

RISE UGANDA REFUGEES: INNOVATION, SELF-RELIANCE & EMPOWERMENT



(Photo credit: Kate Holt)

THE PROJECT

Uganda hosts over 1.5 million refugees, the largest of any African country. The largest numbers of refugees remain those from South Sudan and Democratic Republic of Congo (DRC). The Isingiro district, where Nakivale Refugee Settlement sits, hosts over 150,000 refugees.

Opportunity International UK ([OIUK](#)) has been working in the refugee space since May 2019, working with partners to promote financial inclusion for refugees. July 2021 marked the start of an adapted project following the withdrawal of UKAID funding earlier in the year. This meant that the new focus was solely on OIUK working with Opportunity Bank Uganda Ltd. ([OBUL](#)) in Nakivale Refugee Settlement. Funding to the other original project partners, FINCA Uganda and PHB Development, ceased at this point, although both remained under the project umbrella looking for other potential areas of collaboration, and FINCA continues to rollout financial products, services and financial literacy training in Kiryandongo Refugee Settlement.

Despite the adaptation, the RISE project continues to promote financial inclusion among refugee and host communities and to address the challenges, identified by FSDU (2018), that prevent refugees from developing resilient livelihoods:

- **Reliance on Cash:** There is a high risk of physical cash being susceptible to theft/loss and it is likely to be used quickly by recipients.
- **Lack of Traceability:** Increased transparency for cash payments is required, particularly due to corruption scandals regarding refugee registration.
- **Lack of Access to Finance:** There are few financial institutions in settlements. Refugees' status, lack of assets and social capital prevent them from accessing capital and starting businesses.
- **Lack of Financial Capability:** Most refugees have little access to or knowledge of formal financial services.
- **Limited Livelihood Opportunities:** Refugees are isolated from local markets as a result of poor infrastructure. They fall prey to distorted prices and cannot access buyers easily.
- **Lack of Empowerment:** This limits female refugees' ability to make informed decisions, mainly regarding finances, and hampers their transition from dependency to self-reliance.

FINANCIAL INCLUSION

OBUL has developed savings and loan products specific to the needs of refugees, which take into account that documentation held by refugees is different to that of nationals and that they also lack capital. In October 2021, OBUL opened a [branch](#) in Nakivale, having been working from a temporary structure prior to this. This has helped raise OBUL's visibility within the settlement and also demonstrates their commitment to serving refugees. Footfall has increased since its opening, expanding OBUL's client based. The branch has also proved popular more widely as OBUL installed an ATM machine and is able to handle remittances and currency conversions.



The branch has 18 members of staff (10 nationals, 8 refugees; 10 males, 8 female). This includes the six Financial Inclusion Officers (five of whom are refugees) who work with the local community delivering financial literacy training. [Agnes Mukandekezi](#), who had been working as a Relationship Officer from the temporary structure, signing refugees up to savings accounts and disbursing loans, was promoted to Branch Manager on its opening.

The products developed and the experience gained from working with refugees in Nakivale has enabled OBUL to expand to serving urban refugees (this work is outlined later in the report).

Table 1: Reach to date – OBUL, Nakivale

	OBUL - Nakivale
Individual accounts	3,495 individual accounts
VSLA/group accounts	178 group accounts
	Total: 3,673
Savings volume (total for individuals and groups)	10,525,660,585 UGX (approx. \$2,734,950)
Loans disbursed	782
Loan amount (total)	1,356,940,127 UGX (approx. \$352,580)
Financial Literacy participants	6,900
ATM cards issues	919
ATM transactions (not just OBUL clients)	10,378
Remittances processed	1,535

FINCA has also continued to expand their reach in Kiryandongo, with 2,121 individuals reached through financial literacy training, 496 individual accounts and 91 group accounts opened, and 114 loans disbursed.

MEET THE CLIENTS

ROSE AND THE FAMILY SAVINGS GROUP

Rose is a member of the Family Savings Group who took part in the participatory videos in March 2020. She took a loan of 1.4m UGX (approx. \$365) from OBUL in order to expand her retail business. She has added a bar within her shop so that it can also be used as a social venue. Once her current loan is repaid, Rose intends to buy a pool table for the bar which will encourage young people to use her bar and generate more income for her.

The Family Savings Group started its journey in 2019. They gained financial literacy training through OBUL and their membership has grown from 12 members to 30. The group has a savings account with OBUL and plan to take out a loan in the future. They have secured an office space for the group to operate from and hope to become a bank agent for OBUL.





PHOTO EXHIBITION

In the autumn of 2021, OIUK held a six-week photo exhibition “Refugee to Entrepreneur: All they need is Opportunity” at St James’ Piccadilly in London. This was delayed due to COVID but showcased the photographs taken by [Kate Holt](#) in Nakivale Refugee Settlement in November 2019. A number of events and receptions were held so that donors and stakeholders could visit the exhibition and, as it was set up in the gardens of St James’, it was accessible to the public.

ONGOING STAKEHOLDER COORDINATION IN THE REFUGEE SPACE

OIUK continues to collaborate with other stakeholders to share lessons and experiences. OIUK is a member of the Refugee Cash and Livelihood Working Group and has participated in key refugee events, such as the World Refugee Day celebrations in June 2022. In February 2022, as part of its Corporate Social Responsibility for the refugee segment, OBUL established a solar powered water source in Nakivale Refugee Settlement. This water source serves over 200 refugee households with clean water in Rubonde refugee sub-settlement; and is managed by Nsamizi Institute.



OI is an active member of the Smart Communities Coalition a Mastercard and USAID network of participants (private companies, civil society, government agencies, investors) committed to new technology and partnership solutions to demonstrate models that increase coordination, improve economic growth and livelihood opportunities, and provide greater value for refugee communities. In October 2021, OIUK was invited to speak on a panel at the African Microfinance week, on the topic of ‘Resilience in inclusive Finance to better overcome crisis’.

URBAN REFUGEES

Towards the end of 2021, OIUK approved a pilot to utilize the products developed under RISE and the experience gained from working in Nakivale in an urban setting. To that end, in January 2022, OBUL started working with refugees in four districts of Kampala and one in Mbarara (the nearest town to Nakivale). This pilot had the same aims as RISE in terms of providing access to financial products specific to the needs of refugees and delivering financial literacy training (three Financial Inclusion Officers were hired deliver this).

Building on this early work, OBUL was able to secure a partnership with MercyCorps to expand this pilot to reach more people and to also add an element of business skills training and mentoring through business clinics. In a relatively short period of six months (January to June 2022), OBUL was able to make the case for also serving urban refugees, to develop their skills in this area and establish partnerships which bodes well for future work in this area.

Table 1: Reach to date – OBUL, Nakivale

	OBUL - Nakivale
Individual accounts	552 individual accounts
VSLA/group accounts	20 group accounts
	Total: 572
Savings volume (total for individuals and groups)	308,446,614 UGX (approx. \$80,145))
Loans disbursed	59
Loan amount (total)	80,250,000 UGX (approx. \$20,850)
Financial Literacy participants	1,706

MEET THE CLIENTS

Balume Kagumbu

Balume is a 26-year-old refugee from DRC. He arrived in Uganda, alone, 11 years ago (when he was 15 years old). All of his time in Uganda has been spent in and around Kampala and he has never been to a settlement. He was provided with a boda boda (motorbike taxi) by a friend and started saving money from the work he gained through this. When he built up his savings, he took out a loan from OBUL for 1.5m UGX (approx. \$390) to expand his retail business. The loan also helped him to get a license for his shop. Since expanding, he has been able to employ someone to help in the shop – a woman who also does some tailoring. His vision for the future is to get another loan in order to get larger premises for his shop.



COMING UP

WORKING WITH REFUGEE YOUTH

OIUK had secured funding from the Dutch Government under the Challenge Fund for Youth Employment (CFYE). As this project builds on the existing RISE project, it is being called RISE-T (Transition). The focus of this project will be on creating and improving jobs, alongside promoting financial inclusion for refugee youth. This project will also take place in Nakivale as well as expanding to Rwamwanja Refugee Settlement.

The project will address economic and capacity challenges faced by young refugees in Uganda, which prevent them from accessing sustainable employment opportunities. Challenges include infrastructure limitations, fractured value-chains and markets, low agricultural productivity, poor governance, lack of employment and entrepreneurial skills, limited access to financial services, plus cultural and gender-specific barriers.

OIUK (as lead partner) and OBUL will continue their work together for this project. It will also re-engage [PHB Development](#) and bring on a new partner in [Cohere](#). PHB will work through Unleashed, a Refugee-Led Organisation (RLO) in Nakivale, to help prototype, incubate and grow social enterprises for refugees. Cohere will work in Rwamwanja with two RLOs – Tomorrow Vijana and AFID – to provide agriculture and business training to maize farmers, as well as guaranteeing above market prices and value addition through storage and milling. OBUL will provide financial literacy training and promote financial access for refugee youth. They will also establish a satellite contact centre in Rwamwanja to better serve refugees within the community.

This project is due to start in September 2022 and will run for three years with a total budget of €1,640,000. This is an exciting opportunity to grow OIUK's refugee programme and build on the foundation we have already established, as was the plan. It is anticipated that we will hold an in-country launch event for the new project in the first quarter of 2023.



PARTICIPATORY VIDEOS

In March 2020, participatory videos were filmed with eight groups in Nakivale Refugee Settlement. These films acted as a baseline, capturing [stories](#) from refugees and hosts about life in the settlement. The exercise will be repeated in October 2022 and this time will focus on Most Significant Change (MSC) to capture impact stories for the project. [InsightShare](#) will again facilitate the fieldwork, with support from OIUK and OBUL programmes staff. Working with many of the same members from the local evaluation team (as this was predominantly made up of the Financial Inclusion Officers that are still in post), this will further develop their skills so that they can conduct similar fieldwork in the future without support from InsightShare.

MEET THE CLIENTS

Wenzetu Group

The [Wenzetu Group](#) formed in 2019 as a support for parents of children with a disability and started working with OBUL in 2020, undergoing financial literacy training in March 2020. The group started as four parents but now has 130 members (and approx. 140 children). The group started as a means to bring children together (they have a range of different disabilities) and provide some form of schooling, and as a way for parents to support each other to improve their lives as “the only support was us”. The group “put their hands together to make something great”. The group is able to bring the children to the centre

so that they can play together in a safe space and all of the members have become proud of their children.

The group started savings cycles to ensure regular savings activity for sustainability and so they could buy basic things, and the financial literacy training from OBUL was helpful in supporting this. However, the livelihood part was lacking. The group helps to bring individual skills together with the aim of making the group the greatest in Nakivale. This enabled the members to divide themselves into groups to establish different businesses, including farming (60 members) and craft (15 members). Everyone joined a group depending on their skills and what they felt comfortable in.



The group stated that, in light of the financial literacy training, they had developed strong hearts and, while there was still a challenge around access to capital to start a business, they now felt more confident. It also helped them recognise that women can do business and “touch money” and that businesses are not just for men. The group reported that they had grown since the training.

The group is not yet where they want to be but they are still progressing and OBUL has helped improve lives. They have applied for a group savings account but it has not yet been activated. Some of the members have individual accounts and a couple have taken loans from OBUL.

Members noted that OBUL has been there for them, helping to support a group of vulnerable children and vulnerable single mothers. The presence of the branch and the ATM mean that they can access money 24 hours a day. OBUL was very favourably compared to other banks. The group has been supported with business skills and have been able to establish businesses. It was also recognised that it can be difficult for members to fully commit to their business as their children can require a lot of care. COVID exacerbated this as lockdowns meant that the children had to be kept at home, preventing the parents from pursuing their business activities. This meant that businesses effectively stopped as parents looked after their children and did the best they could for their children’s wellbeing. Members reported that their mental health was also affected because of this as they felt over-stressed. They also noted that they are still feeling the effects of COVID.



The Wenzetu Group took part in the first round participatory videos and we will continue to follow their journey in the next round in October and beyond.

To see their story, that of the Family Savings Group and even a walk-through of the photo exhibition, please visit OIUK's YouTube channel: <https://www.youtube.com/channel/UCuJstcZey0LniiTg0HQheVA>