



Fact Sheet: BRAC Uganda

BRAC Uganda: BRAC began its operations in Uganda in 2006 and has quickly grown to become one of the largest microcredit providers in the country. BRAC Uganda differentiates itself from other microfinance institutions (MFIs) through exhibiting rapid growth, providing support services in addition to microfinance, and focusing on the poor. Over 80% of BRAC members are in the poorest half of the population. BRAC is the only top MFI in Uganda that also focuses on health, education and business development services – all critical livelihood enhancing components needed to ensure that the poor can break the cycle of poverty. Over the next two years, BRAC Uganda's programs will impact more than 1.5 million of the poorest people in rural Uganda.

Building sustainable programs in Africa: BRAC believes that Africa represents the greatest opportunity for global impact on poverty. Because BRAC is able to reach places where others are unwilling or unable to go, and to achieve scale within a timeframe that others cannot match, BRAC is in a unique position to make a difference in Africa by being a key driving force in reaching the Millennium Development Goals. BRAC recognizes in Africa many of the issues that faced Bangladesh over three decades ago. BRAC's success and the role it played and continues to play in Bangladesh gives it confidence that it can be an agent of permanent, major, and, scalable change in Africa as well. BRAC will draw on its bottom-up approach, dynamic learning culture and ability to adapt rapidly to local conditions, customs and realities to maximize its impact in Africa.

The Need for Economic Development: Uganda is a highly entrepreneurial country, with more than 33% of the population engaged in some kind of enterprise or business. However, 62% of Ugandans lack access to financial services and only 21% of country's population have access to formal and semi-formal financial services. The regulations imposed by the Central Bank make it difficult for commercial banks to provide financial services to the poor.

Microfinance: The microfinance industry in Uganda is viewed by most experts as relatively mature since MFIs have been in operation for over 15 years and most international networks have some affiliate operating there. However, a recent study funded by the DFID's Financial Sector Deepening project in Uganda indicates that less than 1-2% of the country population is currently served by MFI's. BRAC sees the opportunity to make a substantial impact in the country and within two years of launching its programs in Uganda, has become the third largest MFI in terms of active borrowers. Since June 2006, BRAC has extended \$35.8 million in loans to 88,390 borrowers and has an outstanding portfolio of \$9.8 million. Its average loan size is \$181, which grew from \$96 in 2006. BRAC Uganda's microfinance program targets the poor, but economically active women within an age group of 18 to 50.

BRAC Borrowers: BRAC's microfinance clients in Africa are all women. Nearly all of them have children, and most consider themselves to be single parents even if they are married because their spouses typically have completely separate economic activities and do not contribute to the maintenance of the household. Borrowers range in age from 20-50 and in education level from complete illiteracy to having completed some or all of high school. Most of BRAC's borrowers operate businesses that provide products or services to their local communities. Typical enterprises include selling cooked food, drinks or snacks, operating small groceries or fruit and vegetable stands, selling second hand clothes, tailoring, operating beauty salons, selling charcoal, making crafts or operating small retail shops. BRAC works only with women who have not worked with other MFIs before to ensure they are reaching women who have been excluded from the financial sector in the past.

Agriculture, Livestock & Poultry: Agriculture is one of the key economic sectors in Uganda. It accounts for 50% of GDP, over 90% of exports, and 80% of employment. However, the agriculture sector in Uganda has been stagnant, having missed the Green Revolution in the 1960s and lacking support for agricultural intensification and diversification activities. In early 2008, BRAC Uganda launched an Agriculture and Livestock pilot project to begin addressing the problems of poor crop and livestock productivity in Uganda. This program is growing the income of farmers and livestock rearers by helping increase productivity in core agriculture and livestock activities. BRAC provides training in various farming and livestock rearing technique and access to markets for its borrowers and other members in the community. BRAC is investing in agriculture research stations and seed trial plots to develop disease-resistant high-yielding seed varieties.

BRAC Uganda - Quick Facts

(As of August 2009)

- Founded in 2006
- Total BRAC Staff: 1620 (95% Ugandan)
- Total Village Organization membership: 133,510
- # of borrowers: 88,390
- # of operating branches: 85
- Cumulative loan disbursement: \$35.8 M
- # of Community Health Promoters: 1,600
- #of primary schools: 265
- # of students enrolled: 7,252
- # of students graduated: 2,172

Health Program: BRAC's health initiative in Uganda trains microfinance members to become Community Health Promoters (CHPs) who provide peer-to-peer health care services and health education. CHPs bring health campaigns and commodities to their communities via door-to-door visits and health promotion events at schools and other public places. CHPs educate communities on common disease detection and prevention, family planning, and reproductive health. They also make referrals, and sell health-related products (i.e. bed nets, condoms, non-prescription medicine, vitamins and water purifiers) to supplement their own income and to sustain their commitment.

Education Program in Northern Uganda: BRAC entered the post conflict region in Northern Uganda by launching education programs, rather than using its typical microfinance led approach to development. BRAC's initial assessments showed that the economic and political climate in the region is not yet suited for microfinance, that there is an urgent need for education and that education programs will allow BRAC to gain credibility and trust while learning more about this politically challenging region. The local government wanted BRAC to address the urgent need for educational opportunities for children who were out of school and living in the Internally Displaced Persons (IDP) camps. BRAC's education initiative is designed to complement the Ugandan government's efforts to eliminate illiteracy and educate the population in order to eradicate poverty. BRAC Uganda's approach to education draws from the innovations of BRAC's low cost non-formal primary education model that operates nationwide in Bangladesh and Afghanistan, but adapts its approach to meet the needs of the situation in Northern Uganda.

Adolescent Development Program: BRAC has developed a targeted solution designed to empower adolescent youth, particularly girls between 13 to 19 years old, through innovative livelihood and life skill training, combined with microfinance and a safe space. The objective is to create confidence, a sense of self worth, cause positive behavior change and improve the quality of life in the lives of young people, especially girls.

Training, Capacity Building and Research: A Training and Capacity Building Resource Center (TARC) was opened in Uganda to build the capacity of BRAC staff as well those of other civil society organizations and the government. The TARC is developing appropriate training curriculum and materials; implementing training programs, organizing non-training interventions for capacity development; and developing local master trainers. BRAC also established a Research and Evaluation unit for Africa based in Uganda, responsible for assessing the impact of BRAC's programs on a regular basis. The regional team has initiated large scale base-line surveys to conduct impact evaluation of BRAC's microfinance, adolescent and health programs in Uganda. The Research and Evaluation Unit is conducting operations research studies to map the evolution and adaptation of BRAC's approach within different countries in the region.

BRAC, the largest non-profit in the developing world, was launched in Bangladesh in 1972 and today reaches more than 110 million people with its holistic approach to addressing poverty by providing micro-loans, self-employment opportunities, health services, education and legal and human rights education. With its years of experience in post-war and post-disaster development and poverty alleviation in Bangladesh, BRAC has responded to the call of countries in Asia and Africa and is implementing development programs in Afghanistan, Pakistan, Sri Lanka, Tanzania, Uganda and Southern Sudan. BRAC is in the early stages of establishing programs in Sierra Leone and Liberia.

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