

TRENDS AND ISSUES IN MICROFINANCE INFORMAL INFORMATION EXCHANGE MEETING

HELD ON MONDAY 24th April, 2006 AT EQUATORIA HOTEL

The theme of this quarter's Information Exchange was "**Supply and Demand for Financial Services in Uganda: The Census of Tier 4 MFIs and the FinScope Study**". Mr. Dipankar Mahalanobis, C.E.O. Microcare Ltd, chaired the meeting which was attended by 56 participants. Mr. Mahalanobis opened the meeting with introductory remarks on FinScope

Highlights:

Presentations:

"FinScope in Uganda"

By: Mr. Luke Okumu, Research Coordinator – DFID Financial Sector Deepening Uganda Project

Mr. Okumu made a presentation on the progress made towards carrying out the demand study in Uganda. A copy of the presentation and further details can be obtained from our website: www.fsdu.or.ug and AMFIU's website www.amfiu.org.ug

"FinScope in Africa"

By: Ms. Darrell Berghin & Mr. Bob Curren, Consultants – FinMark Trust South Africa

Ms. Berghin & Mr. Curren made a presentation on the justification for the demand study and the evolution of the FinScope branded exercise. A copy of the presentation and further details can be obtained from our website: www.fsdu.or.ug and AMFIU's website www.amfiu.org.ug

Questions and Comments:

Q. *Which methodology is being used to carry out the FinScope Uganda research and what is the sample size?*

A.

- The methodology is to pick a representative sample across the country. The sample size is 3,000 respondents. In order to select the 3,000 respondents, area sampling will be done using the census data of the country. It's a probability based sampling technique. This kind of methodology is recommended by the World Bank as it's robust. Area based methodology also allows mapping of data and understanding of the complexities when comparing it with other data from statistical organizations like UBOS.

Q. *Why is the Advisory Committee consisting mainly of donors and the government with hardly any private sector player?*

A.

- "Many are called but few are chosen" There are some representatives from the private sector as well. Those who responded to the invitation were chosen. However, the door is still open for more to join in the future.

Q. *When will the results of the demand study be out?*

A.

- The planned time for the initial results is August 2006.

Q. *It takes a long time for UBOS to process data. What will you do about this delay?*

A.

- UBOS is not doing the analysis for this research. It is being done by the Steadman Group. The results should therefore be released as soon as the analysis is completed.

Q. *Why were the sectors limited to agriculture and fishing? There are other sectors like veterinary which are left out.*

A.

- The key elements were chosen to help give an overall picture of the sector. Other areas might be covered in the later studies.

Q. *This question was addressed to the practitioners; "If you had a study of such nature, how would you use it?"*

A.

- Answered by an employee of Stanbic "MFIs would use the results of the study for product development. Stanbic bank would use the results to benchmark the existing in-house studies"

Presentations:

"Census of Tier 4 MFIs in Uganda"

By: Mr. Edward Masiga – Ministry of Finance, Planning & Economic Development

Mr. Masiga made a presentation on the ongoing Census of Tier 4 MFIs. A copy of the presentation and further details can be obtained from our website: www.fsdu.or.ug and AMFIU's website www.amfiu.org.ug

Q. *When will the results be out?*

A.

- *By end of June, 2006.*

Q. *What is the government's interest in this data?*

A.

- *The government is interested in rolling out the rural development strategy. They need to know where the gaps are.*

Mr. Paul Rippey from DFID – FSDU wrapped up the session on the Census of Tier 4 MFIs and Mr. Mahalanobis made the closing remarks of the meeting.

Announcements:

Mr. David Baguma announced the release of the Tier 4 Regulation Booklet which contains background studies on Tier 4 Institutions. He also announced the AMFIU 10 Years celebration on Wednesday 3rd May, workshop on 4th & 5th May and AGM on 6th May.

The formal meeting ended but participants continued the discussions over cocktails

The next Trends and Issues in Microfinance – Informal Information Exchange meeting will take place on **Monday 31st July 2006 at 2.30 pm at the Fairway Hotel**. This quarter's meeting was organised jointly by AMFIU and FSDU. Ms. Betty Tukei and Ms. Zainabu Asimwe of AMFIU took the minutes.

The organizers wish to satisfy the desires of the microfinance community for information and therefore invite suggestions for the theme for the next meeting. People with ideas for future presentations should communicate them to AMFIU (oliver@amfiu.org.ug) or to FSDU (chris@fsdu.or.ug).

Best Regards



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