

FSD Uganda working through various partners in the sector, focuses its programming specifically, on impacting the poor including but not limited to:

Women: As one of the most vulnerable groups in Uganda, poor women face higher rates of formal financial exclusion than men. According to the Finscope Uganda 2018 report, 46% of women are financially excluded. FSD Uganda seeks to understand, document the unique barriers of women's financial inclusion and work with partners to develop relevant and gender responsive interventions. FSD Uganda also seeks to better understand the nuances related to culture, poverty and rural populations that can affect inclusion. If women access and use affordable financial services, then they will be able to better manage economic assets to cope with shocks and stresses, adapt to changing circumstances and transform their lives positively.

Youth: Over 50% of Uganda's population are youth (*National Population and Housing Census, UBOS, 2014*). Including youth in formal financial markets is critical to providing them with opportunities to be educated and to earn an income.

Refugees: Uganda has the largest refugee population in Africa and the third largest of any country in the world. A recent UNHCR/World Vision study (*Inter-Agency Livelihood Assessment Targeting Refugees and Host Communities in IMVEPI and Rhino Camp Settlements*) found that refugee financial inclusion was at 1%. Access to well-functioning financial markets is a critical requirement for refugees to be able to settle and integrate with host communities and engage in economic activity.

Micro, Small and Medium Enterprises (MSMEs): MSMEs are a crucial source of income and employment for the poor in Uganda. The Uganda Investment Authority (UIA) puts the number of people employed in the MSME sector at over 2.5 million, where they account for approximately 90% of the entire private sector, generating over 80% of manufactured output that contributes 20% of the gross domestic product (*SMEs Driving the Economy, UIA 2016*). Financial markets must support MSMEs to enable them to startup, develop, grow and make contributions to growth. Markets should provide a range of appropriate financing options to MSMEs.

Smallholder farmers: According to the Uganda Bureau of Statistics census report (UBOS, 2014), Uganda's economy is hinged on agriculture with over 60% of the population engaged in subsistence farming. Access to formal financial markets is critical for smallholder farmers to improve their productivity and insure themselves against the loss of their crops or livestock.

Our Areas of Focus

FSD Uganda's programming is organised across three main pillars:



The Business Environment pillar supports financial sector, information and communication technology regulators as well as policy makers to develop and enhance policies, laws, regulations and processes that should result in a more conducive environment for inclusive financial services. The pillar also engages industry associations which act as a bridge between the financial sector industry, regulators and policy makers.



The Market Infrastructure pillar covers micro and meso interventions relating to interoperability, capacity building, as well as support to financial service providers, technology companies and Mobile Network Operators.



The Access and Usage of Financial Services pillar covers micro level interventions with a focus on innovative approaches towards the provisions of affordable, appropriate and usable financial services. This is done through a combination of technical assistance to build capacity, facilitating partnership connections between players, and grants to de-risk testing.

These pillars are supported by the following functions: Research, Monitoring and Results, Measurement and Communications. FSD Uganda's work is underpinned by a strong team in human resources, finance and administration.



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Promoting initiatives that improve performance of finance markets for greater inclusiveness of the active poor

Who We Are

Financial Sector Deepening Uganda (FSD Uganda) is a company limited by guarantee promoting greater access and usage of appropriate financial services so as to reduce vulnerability to financial shocks, promote job creation and improve Uganda's competitiveness. FSD Uganda seeks to develop a more inclusive financial sector with focus on low-income individuals (particularly women, youth and forcibly displaced people) and Micro, Small and Medium Enterprises (MSMEs). FSD Uganda supports product innovation, conducts research, helps to promote and improve market infrastructure as well as policy, laws and regulations that shape the financial sector in Uganda. FSD Uganda's interventions are based on the "making markets work for the poor" (M4P) approach to change the way markets work, so that the poor are included in the benefits of growth and economic development. FSD Uganda is currently funded by the Department for International Development (DFID)/UKaid and the Bill and Melinda Gates Foundation. FSD Uganda is part of a network of eight financial sector deepening organisations working across Sub-Saharan Africa.

Our Vision

FSD Uganda strives to see:

- Financial service providers providing services to marginalised and vulnerable population groups (women, youth, people with disabilities and forcibly displaced people).
- A fully functional and interoperable payment system that financial service providers use to deliver good quality and affordable products and services to Ugandans (such as savings, credit, insurance, pension, long term investments, capital markets and improved payments).
- Ugandans accessing financial products and services through an expanded network of agents and channels that reach to the furthest corners of the country.
- Opportunities created for Ugandans to be economically self-sufficient, including business growth and trade, through better credit market infrastructure and innovative products.

Our Mission

FSD Uganda's mission is to: "Promote improved inclusive financial markets that foster job creation, reduce poverty and improve Uganda's competitiveness".

Our Objective

FSD Uganda's objective is a deeper, broader and more inclusive financial sector in Uganda.

Our Approach

FSD Uganda's primary role is to address constraints, to allow and facilitate the financial market system to function more effectively and inclusively.

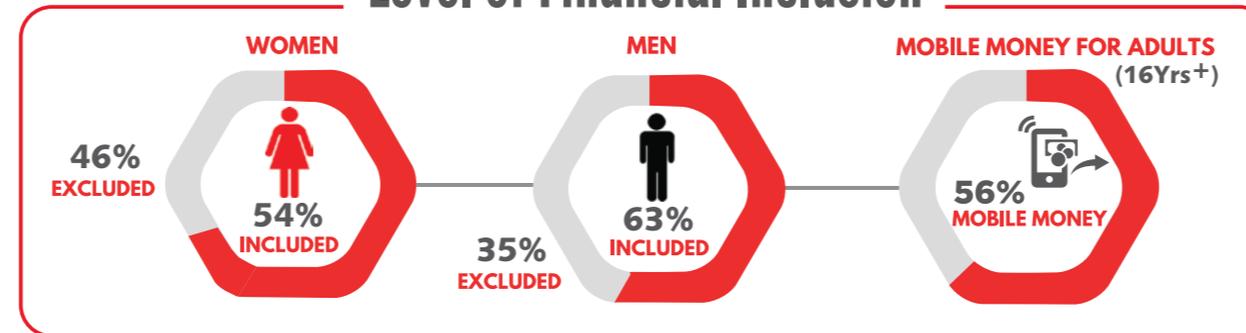
As a market facilitator, FSD Uganda partners with various stakeholders in financial inclusion to influence and support changes in the market systems for financial inclusion of the active poor. To do our work, we rely heavily on research to understand the market and encourage the use of data for decision making. We mainly focus on the financial sector services aided by technology because this intersection is the centre of an ecosystem that helps us all to decrease poverty.

Our Target Partners and Beneficiaries

FSD Uganda focuses its programming on achieving systemic outcomes which will have cross-cutting impact on all poor consumers. Partners include:

- Financial service providers – banks, insurance companies, FinTechs
- Mobile Network Operators (MNOs)
- Government institutions
- Financial sector and information technology regulators
- Industry associations
- Development partners
- Think tanks

Level of Financial Inclusion



Source: FinScope Uganda 2018