

# **Inward Personal Transfers 2017**

## **Preface**

The importance of personal transfers to an economy cannot be underestimated as they provide a source of livelihood for recipient households and the much needed inflows of foreign exchange at the macro level. Data on personal transfers to and from Uganda is collected annually through a survey of households that receive and/or send these inflows.

This report presents findings of the annual personal transfers' survey of 2017, which was the eleventh in a series of annual surveys jointly conducted by Bank of Uganda and Uganda Bureau of Statistics. It was mainly aimed at determining the volume and value of cash and in-kind personal transfers received, their characteristics, transfer channels used to remit the funds, remitting frequencies and how the funds were used by the recipients.

The survey could not have been a success without collaborating with other stakeholders. Bank of Uganda therefore acknowledges and appreciates the valuable input of key stakeholders in the survey; the public that responded to the survey, government agencies, the media and field staff. The public should rest assured that the information collected through the survey will be used for statistical purposes only and will be treated with strict confidentiality.

## **Management**

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## Acronyms

AML/CFT	Anti-Money Laundering and Combating Terrorism Financing
BOP	Balance of Payments
BOU	Bank of Uganda
EA	Enumeration Area
EAC	East African Community
GCC	Gulf Co-operation Countries
GDP	Gross Domestic Product
HH	Household
LMIC	Low and Middle Income Country
MTO	Money Transfer Operator
PPS	Probability-Proportional-to-Size
SSA	Sub Saharan Africa
USA	United States of America
UBOS	Uganda Bureau of Statistics
UNHS	Uganda National Household Survey

## **Definitions**

<b>Balance of Payments:</b>	A statistical statement that systematically summarizes, for a given time period, an economy's transactions (inflows and outflows) with the rest of the world.
<b>Commercial Banks:</b>	A company licensed under the Financial Institution Act 2004 to carry out financial institution business as its principal business in Uganda.
<b>Enumeration Area:</b>	Local council 1 which is also the smallest local government administrative unit.
<b>Household:</b>	A group of people who normally live and eat together, usually a family living in the same house or compound.
<b>In-Kind Personal Transfers:</b>	Physical items and services other than cash sent or received by resident households to or from nonresident households.
<b>Money Transfer Operator:</b>	A company authorized to engage in money transfer services.
<b>Personal Transfers:</b>	Household income from foreign economies received from households resident in those economies for which there is no economic expectation in return. Consists of all current transfers in cash or in kind sent or received by resident households to or from nonresident households.
<b>Rural Area:</b>	Area where rural populations reside as gazetted by the Ministry of Local Government.
<b>Remitter:</b>	An individual who sends cash or items in-kind to a resident of another economy, without any economic expectations in return.
<b>Urban Area:</b>	Area where urban populations reside as gazetted by the Ministry of Local Government.



**Region:**

Areas broadly divided by physical characteristics, as demarcated by UBOS (Central, Eastern, Kampala, Northern and Western)

## **Executive Summary**

The main objective of the Personal Transfers Survey 2017 was to establish; the size of cash and in-kind personal transfers received, their characteristics, transfer channels used to remit the funds, the frequency of remittances and the usage of the personal transfers by the recipients during 2017.

The target respondents for the Annual Personal Transfers Survey (APTS) of 2017 were all recipient households in the selected Enumeration Areas (EAs) during 2017. A two stage sampling design with EAs as primary sampling units and households as second stage units was used. Data collection was carried out through interviews of 1016 household heads and was conducted between March 17<sup>th</sup> and April 16<sup>th</sup>, 2018.

### **Remitters' Profile and Estimates**

The results revealed that 35.2 percent of the recipient households received personal transfers from their siblings, while 21.3 percent received from their parents and 17.7 percent from other relatives.

Most remitters (79.1 percent) had lived abroad for periods not exceeding 10 years. The majority (88.2 percent) of remitters were reported to have attained at least secondary school education (Ordinary level). Of these, 39.3 percent were degree holders. The results further indicated that most remitters were based in Africa (29.0 percent), Middle East (28.6 percent), Europe (20.7), and (18.2 percent) based in North America. Overall, 86.4 percent of remitters sent cash personal transfers only, while 7.0 percent sent items in kind. The rest, 6.6 percent, sent both cash and in-kind personal transfers.

### **Transfer Channels**

As seen in previous surveys, formal channels were the most used as reported by 86.4 percent of recipient households. International MTO, Mobile Money and Bank Accounts were reported by 37.8, 27.3, and 14.4 percent of recipient households respectively. In most cases, 45.1 percent, the channels used to remit the funds were chosen by the remitter, while ease of access and favorable transaction charges were some of the other important considerations in the choice of channel.

## **Total Personal Transfers Received in 2017**

Total personal transfers received in 2017 were estimated at US\$1,165.4 million equivalent to 4.5 percent of GDP. The estimated value of personal transfers received in 2017 reflects an increase of 1.7 percent as compared to US\$ 1,145.5 million received in 2016. In shilling terms, total personal transfers in 2017 were estimated at UGX 4.2 trillion. This was an increase of 7.6 percent compared to the estimate of UGX 3.9 trillion of 2016. The increase in total transfers was largely attributed to the increase in the in-kind inflows of 31.2 percent, US\$ 325.2 million as compared to US\$ 247.8 million in-kind transfers received in 2016.

The major sources of personal transfers were Europe (US\$ 337.4 million) led by United Kingdom, Middle East (US\$308.6 million) majorly United Arab Emirates, North America (US\$ 252.1 million) predominated by United States of America, followed by Africa (US\$ 218.8 million) mainly from South Africa and South Sudan. As reported in the previous surveys, most recipient households (85.5 percent) were located in urban areas; this could be attributed to the fact that most financial institutions are located in urban areas. However, there was an increase in the number of recipients located in rural households from 13.7 percent in 2016 to 14.5 percent recipients in 2017.

## **Cash Personal Transfers**

Personal transfers received in cash were estimated at US\$840.2 million or 72.1 percent of the total received representing a 6.4 percent decline from US\$897.7 million recorded in 2016. Kampala region accounted for the largest share, 60.9 percent of the total cash receipts, while Northern region received the least value of 4.3 percent. About 58.8 percent of recipient households are reported to have received personal transfers once during 2017, while 9.7 percent received funds monthly during the same period. Most cash transfers were received from Middle East (27.9 percent), Europe (25.0 percent), North America (21.5 percent) followed by Africa (20.5 percent).

Overall, the bulk of the cash received in 2017, 91.8 percent (US\$ 771.1 million), was remitted through formal channels.

## **Usage of Cash Personal Transfers**

Similar to past years surveys, most of the personal transfers received (71.7 percent) were used for consumption dominated by general household expenses and education. Non-consumption expenditures accounted for 26.0 percent, most of which was spent on business and building works.

## **Personal Transfers In-Kind**

Personal transfers in kind were estimated at US\$325.2 million representing about 27.9 percent of total personal transfers received in 2017. The bulk of these items were received from Europe US\$132.9 million (40.9 percent). North America and Middle East contributed goods worth US\$69.8 million (21.4 percent) and US\$66.1 million (20.3 percent) respectively while US\$50.3 million (15.5 percent) came from Africa.

## **Conclusion**

The personal transfers received in 2017 amounted to US\$1,165.4 million; this was an increase of 1.7 percent compared to receipts in 2016. The increase in personal transfers may be attributed to higher flows from the major remitting countries in Europe (United Kingdom, Germany and Sweden), as well as in Middle East (United Arab Emirates, Saudi Arabia, Oman and Qatar) in 2017 as compared to inflows in 2016. The importance of the Middle East as a source region continued for a second year running which in part lends credence to the government efforts for externalization of labour spearheaded by the Ministry of Gender, Labour and Social Development. To further boost these inflows, policy makers should consider expanding this program to cover other regions in the World.

## **PART 1: INTRODUCTION**

The Personal Transfers Survey 2017 was the eleventh survey jointly undertaken by Bank of Uganda (BOU) and Uganda Bureau of Statistics (UBOS) to provide an estimate of the annual personal transfers to Uganda.

### **1.1 Compilation of Personal Transfers in the Balance of Payments (BOP)**

Remittances represent a contribution to domestic household income from foreign economies arising from the temporary or permanent movement of individuals to those foreign economies. The two items in the balance of payments that substantially relate to remittances are compensation of employees and personal transfers. Compensation of employees refers to the income of border, seasonal and other short term workers working in an economy where they are not resident; or residents employed by non-resident entities such as embassies, international organizations and nonresident companies. It represents remuneration for provision of labor to the host economy. Personal transfers on the other hand consist of all “current transfers” in cash or in-kind sent or received by resident households to or from non-resident households; independent of the source of income of the sender and the relationship between the sender and the recipient households. Previously, the term “workers’ remittances<sup>1</sup>” was used to describe such “current transfers”.

The Personal Transfers Survey 2017 was aimed at compiling statistics on inward and outward current transfers between resident households in Uganda and non-residents during calendar year 2017 through the various transmission channels. This chapter presents the objectives of the survey, methodology and global personal transfers trends and developments.

### **1.2 Survey Objectives**

The overall objective of the survey was to collect data on personal transfers for Balance of Payments compilation purposes. The specific objectives of the survey were to;

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<sup>1</sup> Workers’ remittances are current transfers by migrants who are employed in foreign economies and considered residents there.

1. Establish an estimate of the total value of personal transfers (inward) during 2017 for compilation of BOP statistics.
2. Assess characteristics of senders of personal transfers.
3. Attain the frequency of cash personal transfer receipts.
4. Determine the attributes of personal transfers.
5. Establish the usage of the transfers by the recipients.

### 1.3 Methodology

The sample was distributed into five strata namely; Kampala, Central Region, Eastern Region, Northern Region and Western Region based on urban-rural representation. A total of 350 Enumeration Areas (EAs) spread across the five regions were selected using a two-stage stratified cluster sampling design.

At the first stage, EAs were selected using the Probability Proportional to Size (PPS)<sup>[1]</sup> method, based on the 2014 Population and Housing Census Mapping Frame. The second stage entailed selection of all households within each EA that either received or remitted funds or items in-kind as established during the household listing exercise.

The distribution of the 350 EAs among the strata is as shown in the Table 1 below.

**Table 1: Sample Allocation by Stratum for 2017**

Region	Urban	Rural	Grand Total	Percent
Northern	20	22	42	12.0
Eastern	26	28	54	15.4
Western	36	28	64	18.3
Central	68	22	90	25.7
Kampala	100	-	100	28.6
<b>Grand Total</b>	<b>250</b>	<b>100</b>	<b>350</b>	<b>100</b>

**Source:** Statistics Department, Bank of Uganda

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[1]The PPS method ensures that EAs with a bigger number of households stand a higher chance of being selected in the sample.

For purposes of capacity building and equipping individuals involved in conducting the survey with the requisite skills, all supervisors and interviewers were trained prior to the commencement of the survey field activities<sup>2</sup>. The training workshop addressed both technical and practical aspects of the survey. Areas covered during the training included; balance of payments concepts, listing definitions and concepts, the survey instruments, field practice, editing, role play as well as finding solutions to challenges experienced during the previous survey exercises.

Field teams of 4 to 5 enumerators were recruited centrally and dispatched to the sampled EAs to collect the data. Prior to conducting the interviews, a complete listing exercise was done in all selected EAs. It involved recording of all households located within the EA boundaries to establish the number of households in the selected EAs. Throughout the listing exercise, care was taken to record every household as a recipient, remitter or neither of the two. Interviews were conducted with household heads of all recipient and remitting households in the EA. Field activities were conducted between March 17<sup>th</sup> and April 16<sup>th</sup>, 2018. The main instrument of data collection was the household questionnaire.

Data was captured using a customized MS Access tool and exported to MS Excel and other statistical software for further analysis.

#### **1.4 Trends in Global Remittances Flows in 2017**

According to the World Bank Migration and Development Brief 29, the Global remittances amounted to US\$613 billion in 2017, an increase of 7 percent from US\$573 billion in 2016. The stronger than expected recovery in remittances was driven by economic growth in Europe, the Russian Federation and the United States. The rebound in remittances, when valued in US dollars, was helped by higher oil prices and a strengthening of the Euro.

Remittance flows improved in all regions and the top remittance recipients in 2017, were India with US\$ 69 billion, followed by China (US\$64billion), the Philippines (US\$33 billion), Mexico (US\$31 billion), Nigeria (US\$22 billion) and Egypt (US\$20 billion). The World Bank estimates that officially

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<sup>2</sup>The survey team is provided in appendix I

recorded remittances to Low and Middle Income Countries (LMIC) reached US\$466 billion, in 2017 an increase of 8.5 percent over US\$ 429 billion in 2016. Remittances are expected to increase in 2018 by 4.1 percent to reach US\$485 billion and US\$38 billion to Sub Saharan Africa in particular. Global remittances are expected to grow by 4.6 percent to US\$ 642 billion, in 2018. This is on the back of stronger growth in remittance sending economies. (World Bank, April 2018). However, long-term risks remain to the growth in remittances flows in the form of a rise in anti-immigration sentiments coupled with strict immigration policies in some remittances source countries. The situation has been made worse by the de-risking behavior of international correspondent banks and increased regulatory burdens on money transfer operators, which continue to hinder the growth of formal remittances.

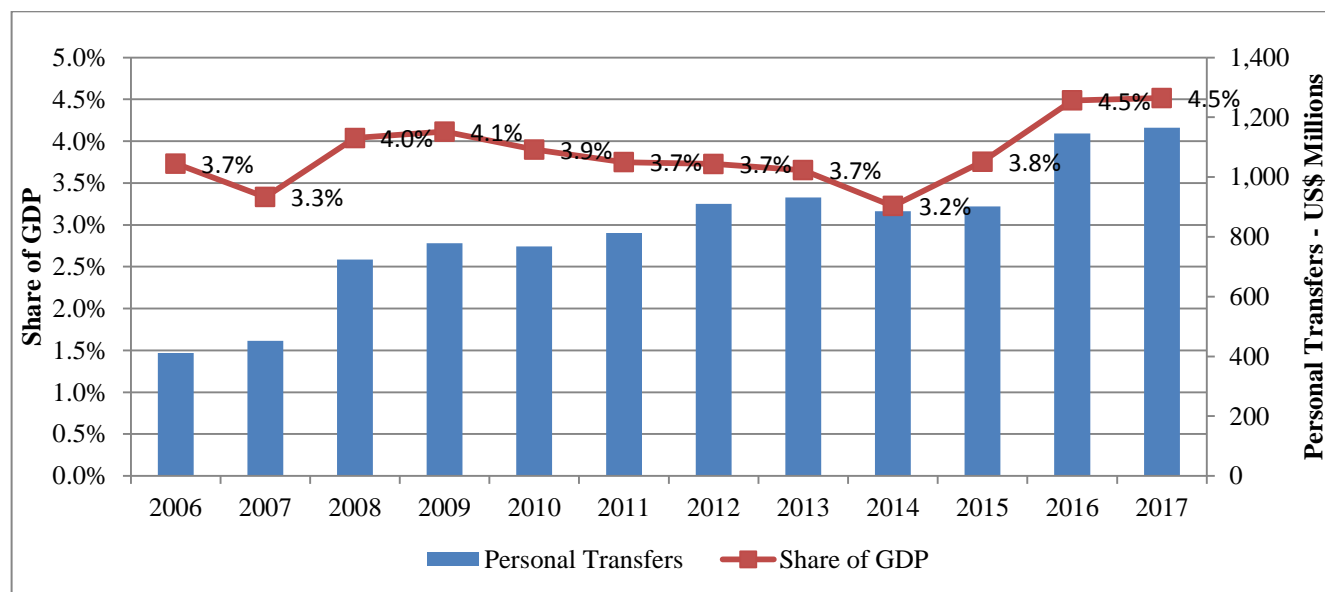
With regard to the cost of remitting money, Sub Saharan Africa continued to have the highest average cost. Across many African corridors remittance costs remain above 10 percent, because of the low volumes of formal flows, inadequate penetration of new technologies, and lack of a competitive market environment. However, as new technologies take root it is anticipated that the cost of remitting funds will drop.

### **1.5 Trend of Personal Transfers to Uganda as a Share of GDP in 2017**

Total personal transfers received during 2017 as a share of Uganda's GDP were estimated at 4.5 percent, similar to 2016. Further details are presented in Figure 1:



**Figure 1: Inward Personal Transfers to Uganda as a Share of GDP in 2017**



**Source:** Statistics Department, Bank of Uganda

### 1.6 Organization of the Report

Part 1 of the report provides background information about the survey. Part 2 presents the main findings, while a summary of the major findings and the conclusion is in Part 3.

## PART 2: MAIN FINDINGS

### 2.0 Introduction

The main findings of the personal transfers' survey 2017 are presented in this chapter. It includes estimates of total personal transfers received in cash and in-kind, the channels used to transfer the funds and details on how the cash transfers received were used by the recipient households.

### 2.1 Background Information

The survey targeted all recipient households in the selected EAs. A total of 1,016 respondent households were interviewed. Most of these households, 85.5 percent, were located in urban areas while 14.5 percent were in the rural areas. On a regional basis, Kampala region contributed the largest share of respondent households (44.6 percent) followed by Central region (22.2 percent) and Western (13.4 percent) as shown in Table 2 below.

The incidence of respondent households on average was about 3 households per EA. The Northern region had the lowest number of respondent households per EA (about 2) while Kampala had the highest (about 5).

**Table 2: Number of Respondent Households by Region in 2017**

Region	Urban		Rural		Grand Total	
	EAs	HHs	EAs	HHs	EAs	HHs
Northern	20	51	22	18	42	69
Eastern	26	82	28	50	54	132
Western	36	90	28	46	64	136
Central	68	193	22	33	90	226
Kampala	100	453	-	-	100	453
<b>Grand Total</b>	<b>250</b>	<b>869</b>	<b>100</b>	<b>147</b>	<b>350</b>	<b>1,016</b>

**Source:** Statistics Department, Bank of Uganda

Out of all the households interviewed, 902 (88.8 percent) were recipients while 49 (4.8 percent) were reported to have remitted money abroad during 2017. There were 53 households (5.2 percent) that were reported to have sent and also received transfers at the same time, during the period under review. A total of 12 households (1.2 percent) partially responded to the survey and as such their responses

were not used. Overall, there were 955 recipient households, of which 816 received cash only, 51 received items in-kind only, while 88 households received both cash and items in-kind.

**Table 3: Number of Recipient and Remitter Households by Region in 2017**

Region	Recipients				Remitters			
	Urban	Rural	Total	Percent	Urban	Rural	Total	Percent
Western	82	39	121	12.7	9	14	23	22.5
Eastern	78	46	124	13.0	9	7	16	15.7
Northern	44	18	62	6.5	8	5	13	12.7
Central	184	33	217	22.7	9	0	9	8.8
Kampala	431	0	431	45.1	41	0	41	40.2
<b>Grand Total</b>	<b>819</b>	<b>136</b>	<b>955</b>	<b>100</b>	<b>76</b>	<b>26</b>	<b>102</b>	<b>100</b>

**Source:** Statistics Department, Bank of Uganda

## 2.2 Inward Personal Transfers.

The inward personal transfer recipients in 2017 were predominantly based in urban areas (85.8 percent) while the rural areas accounted for only 14.2 percent of all recipient households. This is consistent with findings of previous surveys, which indicated that inward personal transfers are mainly an urban phenomenon.

The distribution of recipient households by region showed that Kampala had the largest share of these households (45.1 percent). This was followed by the Central region with 22.7 percent and Eastern region with 13.0 percent of all the recipient households. Northern region had the least number of recipient households (6.5 percent), as detailed down in Table 4.

**Table 4: Number of Recipient Households by Region in 2016 and 2017**

Region	Urban		Rural		Grand Total		Percent	
	2016	2017	2016	2017	2016	2017	2016	2017
Western	86	82	29	39	115	121	13.9	12.7
Eastern	83	78	36	46	119	124	14.4	13.0
Northern	53	44	10	18	63	62	7.6	6.5
Central	163	184	39	33	202	217	24.4	22.7
Kampala	330	431	0	0	330	431	39.8	45.1
<b>Grand Total</b>	<b>715</b>	<b>819</b>	<b>114</b>	<b>136</b>	<b>829</b>	<b>955</b>	<b>100</b>	<b>100</b>
<b>Percentage Share</b>	<b>86.2</b>	<b>85.8</b>	<b>13.8</b>	<b>14.2</b>				

**Source:** Statistics Department, Bank of Uganda

Comparing the results of 2016 and 2017, Table 4 further indicates that with exception of the Northern region, there was an increase in the number of recipient households in the other regions and this is similar to the pattern of recipient households for 2016.

### 2.3 Number of Remitters

Overall, the 955 recipient households received transfers from an estimated 1,108 remitters. The findings revealed that most of the households, (75.6 percent) received personal transfers from one remitter, while 16.6 percent of the households received from two remitters. The maximum number of remitters reported by a single household was five (5). Further details are provided in Table 5 below.

**Table 5: Number of Remitters by Household in 2017**

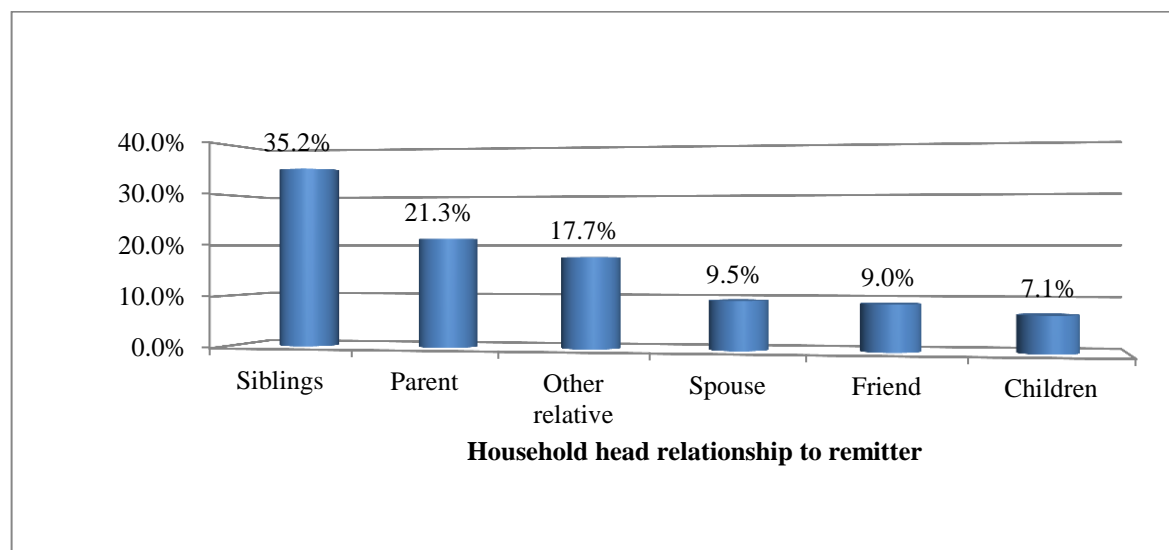
No. of remitters	No. of HH	Total Remitters	Percent
1	838	838	75.6
2	92	184	16.6
3	16	48	4.3
4	7	28	2.5
5	2	10	0.9
<b>Total</b>	<b>955</b>	<b>1108</b>	<b>100</b>

**Source:** Statistics Department, Bank of Uganda

## 2.4 Relationships Between Remitters and Recipients

Relations between the sender and the household head play a vital role in the decision to remit. The survey findings showed that most of the remitters (35.2 percent) were siblings of the household head followed by parents (21.3 percent). Figure 2 shows the distribution of the household head's relationship with the remitter.

**Figure 2: Household Head's Relationship to Remitter in 2017**



**Source:** Statistics Department, Bank of Uganda

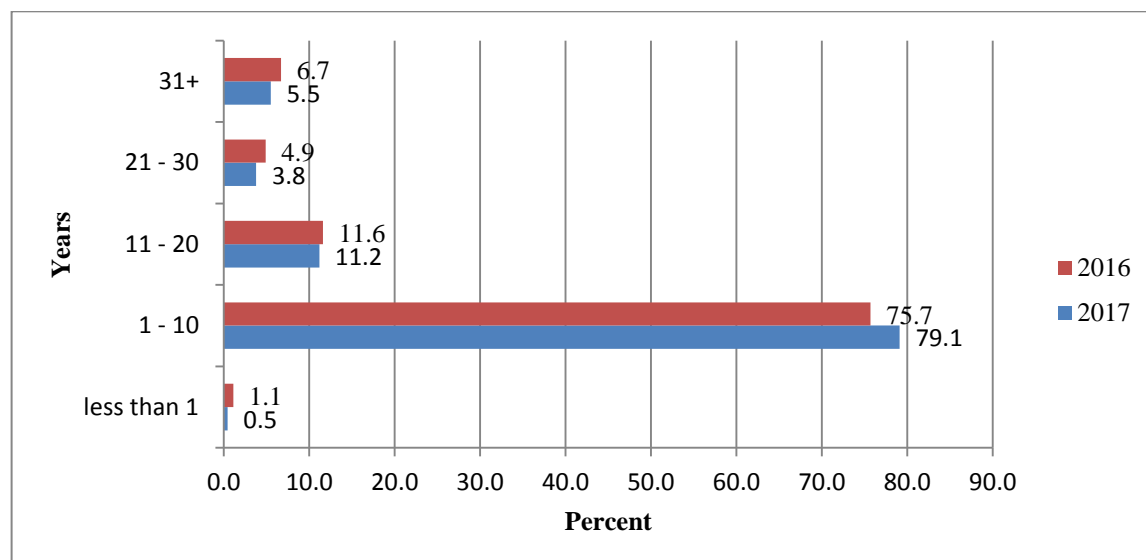
## 2.5 Profile of Remitters

In this section, the profile of remitters in terms of duration of stay abroad, age, gender, education, marital status and residence among others is presented.

### 2.5.1 Duration of Remitter's Stay Abroad

The majority of remitters (79.1 percent) were reported to have lived abroad for a period of 1-10 years, compared to 75.7 percent in 2016, while about 20.5 percent of the remitters had lived abroad for more than 10 years, compared to about 23.2 percent in 2016 as highlighted in Figure 3.

**Figure 3: Period of Stay Abroad (in completed years) of the Remitters in 2016 and 2017**



**Source:** Statistics Department, Bank of Uganda

### 2.5.2 Age and Gender of Remitters

The results showed that most of the remitters (92.6 percent) were aged between 20 and 59 years, with the highest proportion of 39.9 percent aged between 30 to 39 years. The proportions of remitters aged below 20 years and above 59 years were 1.4 percent and 6.0 percent of the total respectively. This age distribution indicates that most remitters are youthful and fall within the working age group of 20 to 49 years. With respect to gender, 6 out of every 10 remitters were male as shown in Table 6 below.

**Table 6: Percentage Distribution of Remitters by Age and Gender in 2017**

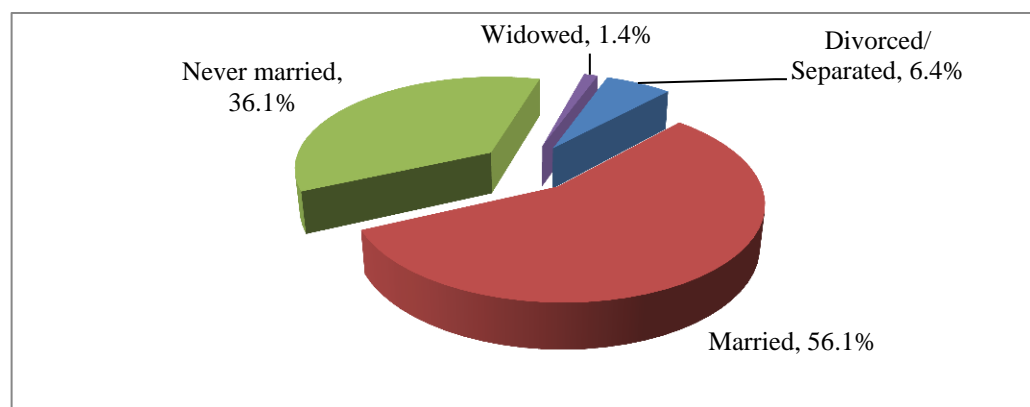
Age in completed years	Sex of Remitter		Total (Percent)
	Female	Male	
Less than 20	0.7	0.7	1.4
20-29	10.4	12.3	22.7
30-39	13.9	26.0	39.9
40-49	8.0	11.8	19.9
50-59	3.9	6.3	10.2
60-69	1.2	3.0	4.2
70+	0.9	0.9	1.8
<b>Total</b>	<b>39.0</b>	<b>61.0</b>	<b>100.0</b>

**Source:** Statistics Department, Bank of Uganda

### 2.5.3 Marital Status of the Remitters

The survey findings showed that the bulk of the remitters (56.1 percent) were married, followed by those that had never been married comprising of 36.1 percent of total remitters as indicated in Figure 4 below. These findings together with those on the duration of stay abroad in section 2.5.1 above suggest that most of the remitters are settled in the economies where they reside.

**Figure 4: Marital Status of Remitters in 2017**

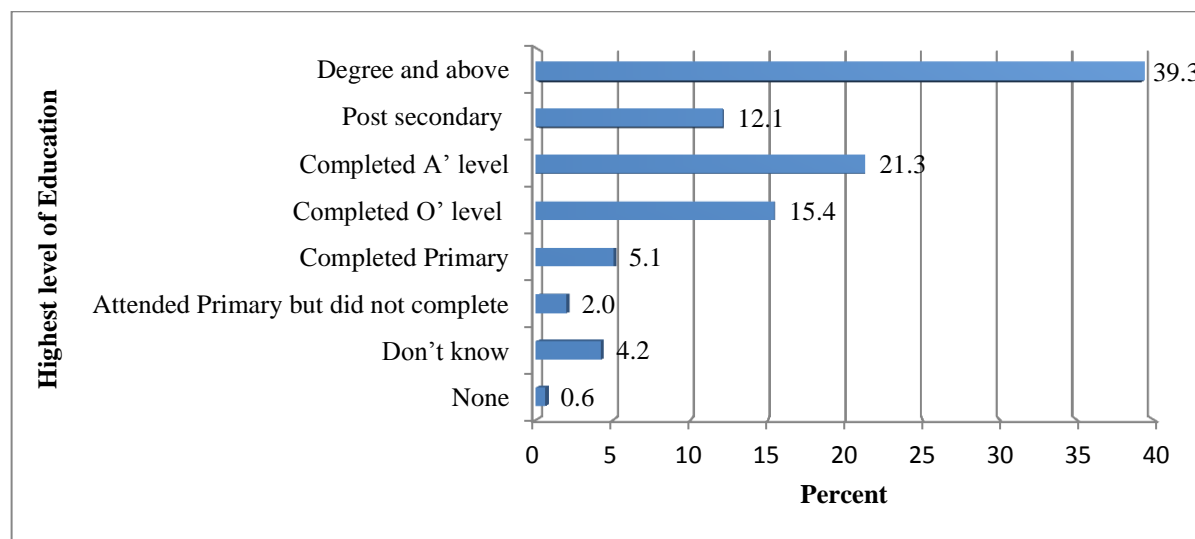


**Source:** Statistics Department, Bank of Uganda

### 2.5.4 Level of Education of the Remitters

With regard to the education level, the survey revealed that 72.7 percent of remitters had attained the Uganda Advanced Certificate of Education (or its equivalent qualification) or higher qualifications. Almost four out of every ten remitters (39.3 percent) were graduates with a degree. Only a small proportion of remitters (2.0 percent) had not completed primary education as shown in Figure 5.

**Figure 5: Highest Level of Education of the Remitters in 2017**



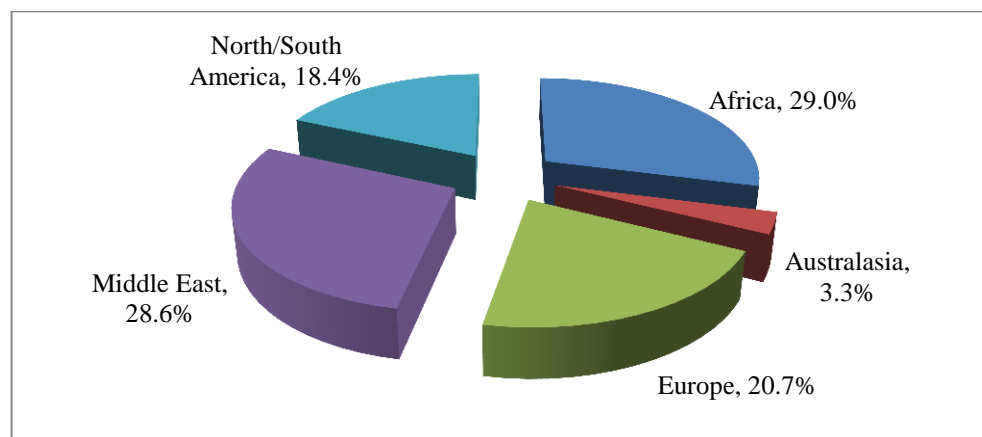
**Source:** Statistics Department, Bank of Uganda

### 2.5.5 Region of Residence of Remitters

Similar to the 2016 survey, Africa was reported as the main host region for remitters in 2017, accounting for 29.0 percent of all remitters, with most of them residing in Kenya, South Africa, South Sudan and DRC. The survey results indicated an increase in the number of remitters living in the Middle East from 19.7 percent in 2016 to 28.6 percent in 2017. The major host countries were reported as United Arab Emirates, Saudi Arabia, Oman and Qatar. Europe was reported to host 20.7 percent of the remitters, with most of them living in United Kingdom, Belgium, Germany and Sweden. The share of remitters living in North America was 18.2 percent. The distribution of remitters by region is illustrated in Figure 6.



**Figure 6: Residence of Remitters by Region in 2017**

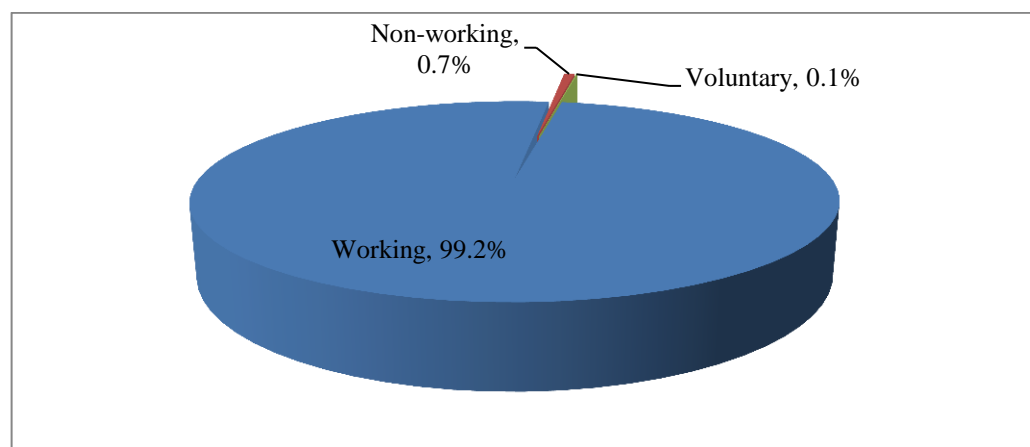


**Source:** Statistics Department, Bank of Uganda

### 2.5.6 Labour Status of Remitters

The findings of the survey revealed that most of the remitters were indeed employed and working. Compared to the survey results of 2016, the share of remitters gainfully employed rose to 99.2 percent from 98.5 percent reported in 2016.

**Figure 7: Labour Status of Remitters in 2017**



**Source:** Statistics Department, Bank of Uganda

### 2.6 Personal Transfers Received in 2017

Personal transfers may be remitted either as cash or items in-kind. Like has been the case in past surveys, respondents were required to specify the type of personal transfers received during 2017. The majority of recipient households, 86.4 percent, reported that they received only cash transfers while 5.5

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percent reported that they received in-kind transfers only. A total of 8.8 percent of the households received both cash and in-kind transfers.

**Table 7: Total Inward Transfers in 2016 and 2017 by Region (US\$ Millions)**

Region	Cash (US\$ Millions)			In-Kind Transfers (US\$ Millions)			Total Transfers (US\$ Millions)		
	2016	2017	Percentage change	2016	2017	Percentage change	2016	2017	Percentage change
Africa	187.9	172.3	-8.3	28.2	50.3	78.4%	216.2	222.6	3.0
Australasia	10.9	42.3	288.4	39	6.2	-84.1%	49.9	48.5	-2.7
Europe	224.6	210.1	-6.5	79.9	132.9	66.4%	304.6	343.0	12.6
Middle East	223.9	234.8	4.9	38.1	66.1	73.4%	262	300.9	14.8
North/South America	250.3	180.6	-27.8	62.6	69.8	11.4%	312.9	250.4	-20.0
<b>Grand Total</b>	<b>897.7</b>	<b>840.2</b>	<b>-6.4</b>	<b>247.8</b>	<b>325.2</b>	<b>31.2</b>	<b>1,145.5</b>	<b>1,165.4</b>	<b>1.7</b>

**Source:** Statistics Department, Bank of Uganda

Cash transfers reduced by 6.4 percent in 2017 to US\$840.2 from US\$ 897.7 million received in 2016, while in-kind transfers increased by 31.2 percent to US\$325.2 from US\$247.8 million in 2016.

With regards to source regions, the total value of personal transfers received in 2017 increased compared to amounts received in 2016 by 14.8 and 12.6 percent for Middle East and Europe respectively due to increase in kind transfers. This increase from the Middle East region could be due to the increased labor externalization through the Ministry of Gender, Labour and Social Development. There was a decline of 20.0 and 2.7 percent in the amount received from North America and Australasia respectively in 2017 compared to 2016.

## 2.7 Cash Transfers

Personal transfers received in cash were estimated at US\$840.2 million or 72.1 percent of the total transfers received in 2017. Among the recipient regions, Kampala received the highest amount of cash transfers of US\$511.7 million. This was over a half (60.9 percent) of the total cash receipts for the year 2017. The Central and Eastern regions jointly received US\$221.2 million (26.4 percent) of total cash transfers. The proportion of total cash transfers received by both the Northern and Western regions was 12.8 percent, which is equivalent to US\$107.4 million only. Further details are presented in Table 8.

**Table 8: Regional Distribution of Cash Transfers received in 2017 (US\$ millions)**

Region	Settlement			Percent
	Urban	Rural	Grand Total	
Central	123.6	13.0	<b>136.7</b>	<b>16.3</b>
Eastern	49.3	35.2	<b>84.5</b>	<b>10.1</b>
Kampala	511.7	-	<b>511.7</b>	<b>60.9</b>
Northern	32.0	4.0	<b>36.1</b>	<b>4.3</b>
Western	51.3	20.0	<b>71.3</b>	<b>8.5</b>
<b>Grand Total</b>	<b>768.0</b>	<b>72.2</b>	<b>840.2</b>	<b>100</b>
<b>Percent</b>	<b>91.4</b>	<b>8.6</b>	<b>100</b>	

**Source:** Statistics Department, Bank of Uganda

The survey results further reaffirm the findings from previous surveys that personal transfers are an urban phenomenon. During 2017, 91.4 percent of the total cash receipts went to households residing in urban areas, a decline from the urban proportion of 96.1 percent estimated in 2016.

### 2.7.1 Sources of Cash Transfers

The main sources of cash transfers were Middle East, Europe and North America, accounting for US\$234.8 million (27.9 percent), US\$210.0 million (25 percent) and US\$180.7 (21.5 percent) respectively. While the personal transfers from Middle East and Australasia increased from US\$ 223.9 million to US\$234.8 million, and from US\$10.9 million to US\$42.3 million between 2016 and 2017, transfers from all other sources registered a reduction. Both Africa and North America registered declines for the value of cash transfers received in 2017 as compared to cash transfers received in 2016.

**Table 9: Source of Cash Transfers received in 2016 and 2017**

Region	Amount(US\$ Million)		Percentage share		Percentage Change
	2016	2017	2016	2017	
Africa	187.9	172.2	20.9	20.5	-9.1
Australasia	10.9	42.3	1.2	5.0	74.2
Europe	224.6	210.0	25.0	25.0	-7.0
Middle East	223.9	234.8	24.9	27.9	4.6
North/South America	250.3	180.7	27.9	21.5	-38.5
<b>Grand Total</b>	<b>897.7</b>	<b>840.2</b>	<b>100.0</b>	<b>100.0</b>	

**Source:** Statistics Department, Bank of Uganda

## 2.7.2 Cash Transfer Channels by Households

Households received transfers through both formal and informal channels. The formal channels through which transfers were received included Money Transfers Operators (MTOs), Bank Accounts, Local MTOs and Mobile Money. All the other channels including; friends, relatives and traders/shopping outlets etc. are considered informal.

The majority of households (86.4 percent) reported that they received cash transfers through formal channels. This was an increase from a share of 74.5 percent reported in 2016. The main formal channels reported by the recipient households were International MTOs (37.8 percent), Mobile money (27.3 percent) and Bank Account (14.4 percent). The proportion of recipient households that reported use of informal channels decreased to 22.8 percent from 28.4 percent of the receiving household, reported in 2016. The major informal channels used were friends in Uganda with a share of 9.6 percent, self<sup>3</sup> 6.1 percent and friends abroad reported by 5.0 percent of the recipient household. The use of the formal channels has been increasing over the years; this could be due to the innovations in the mobile money platforms.

**Table 10: Use of Cash Transfer Channels by Households in 2016 and 2017**

Category	Channel	Percent	Percent
		2016	2017
Formal	International MTO	32.9	37.8
	Bank Account	14.8	14.4
	Local MTO	8.3	6.9
	Mobile Money	21.9	27.3
	Post Office	0.4	0.0
	<b>Sub Total Formal Channels</b>	<b>78.3</b>	<b>86.4</b>
Informal	Friends in Uganda	11.1	9.6
	Friends abroad	9.3	5.0
	Traders	2.7	2.1
	Self	5.5	6.1
	<b>Sub Total Informal Channels</b>	<b>28.4</b>	<b>22.8</b>

**Source:** Statistics Department, Bank of Uganda

<sup>3</sup> This is where the remitter carried the cash and/items and delivered them to the recipient in person.

### 2.7.3 Cash Transfer Channels by Value

The transfer channels used to remit the funds were assessed based on the value of funds sent through them. The survey results indicated that in 2017, the amount of cash transfers received through formal channels reduced by 4.3 percent to US\$771.1 million from US\$805.8 million in 2016. However, the share of cash transfers received through formal channels to total cash transfers received increased from 89.8 percent in 2016 to 91.8 percent in 2017. Among the formal channels, International MTOs and Banks moved the largest amount of cash, jointly accounting for US\$584.7 million, equivalent to 75.8 percent of the funds remitted through formal channels in 2017.

The value of cash transfers received through informal channels decreased by 24.8 percent, from US\$91.9 million in 2016, to US\$69.1 million in 2017. The main informal channels used in 2017 by value were friends living in Uganda, self and friends living abroad. The total amount carried by friends was estimated at US\$43.4 million, while transfers by the remitters (self) was valued at US\$18.8 million, out of the total value of US\$69.1 million received through the informal channels. Further details are shown in Table 11, below.

**Table 11: Use of Cash Transfer Channels by Value in 2016 and 2017**

	Channel	Amount (US\$ Million)		Percent	
		2016	2017	2016	2017
<b>Formal</b>	International MTO	403.5	358.9	45.0	42.7
	Bank Account	247.6	225.8	27.6	26.9
	Local MTO	66.6	65.2	7.4	7.8
	Mobile Money	86.4	121.1	9.6	14.4
	Post Office	1.7	0	0.2	0
	<b>Sub Total Formal Channels</b>	<b>805.8</b>	<b>771.1</b>	<b>89.8</b>	<b>91.8</b>
<b>Informal</b>	Friends in Uganda	24.5	25.4	2.7	3.0
	Friends abroad	41.4	18.0	4.6	2.1
	Self	7.8	18.8	0.9	2.2
	Traders	18.2	6.9	2.0	0.8
	<b>Sub Total Informal Channels</b>	<b>91.9</b>	<b>69.1</b>	<b>10.2</b>	<b>8.2</b>
	<b>Grand Total</b>	<b>897.7</b>	<b>840.2</b>	<b>100.0</b>	<b>100.0</b>

**Source:** Statistics Department, Bank of Uganda

### 2.7.4 Choice of Remittance Channel Used

The survey sought to establish the reasons for choosing the channels through which the funds were received. The findings revealed that the senders had an upper hand in determining the choice of channel, as reported by 45.1 percent of the recipients. The other important consideration for the choice of channel was ease of access for the recipients as reported by 38.1 percent of the respondents. Favorable transaction charges were another consideration when choosing transfer channels reported by 17.8 percent of the recipient households. The other reasons reported included prompt services, security/safety and favourable exchange rate as can be seen in Table 12.

**Table 12: Reasons for Use of Channel**

Channel	Reason for use (Percent)						Grand Total
	Easy Access	Favorable exchange rate	Favorable transaction charges	Prompt Services	Security/safety	Sender's Choice	
International MTO	7.1	0.7	8.2	2.3	0.9	18.7	37.8
Bank Account	4.9	0.2	3.2	0.3	1.2	4.5	14.4
Local MTO	1.2	0.4	2.1	0.1	0.1	2.9	6.9
Mobile Money	17.8	0.0	3.1	0.7	0.2	5.5	27.3
Post Office	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Friends in Uganda	3.9	0.1	0.6	0.1	0.2	4.8	9.6
Friends abroad	1.1	0.0	0.4	0.0	0.1	3.3	5.0
Traders	1.3	0.0	0.1	0.0	0.0	0.7	2.1
Self	0.8	0.1	0.1	0.0	0.3	4.8	6.1
<b>Grand Total</b>	<b>38.1</b>	<b>1.5</b>	<b>17.8</b>	<b>3.5</b>	<b>3.1</b>	<b>45.1</b>	

**Source:** Statistics Department, Bank of Uganda

### 2.7.5 Level of Satisfaction with the Channels

The channels through which recipient households received personal transfers were rated to ascertain respondents' level of satisfaction with the service. Overall, the majority of recipient households (85.4 percent) were very satisfied with the channels. However, there were sentiments of dissatisfaction expressed by about 6.7 percent of the respondents. Some of the reasons cited for dissatisfaction included; high transaction charges, many questions asked the risk that the money may be diverted and many documents required. The satisfaction ratings for the various channels are shown in Table 13.

**Table 13: Level of Satisfaction of Transfer Channels**

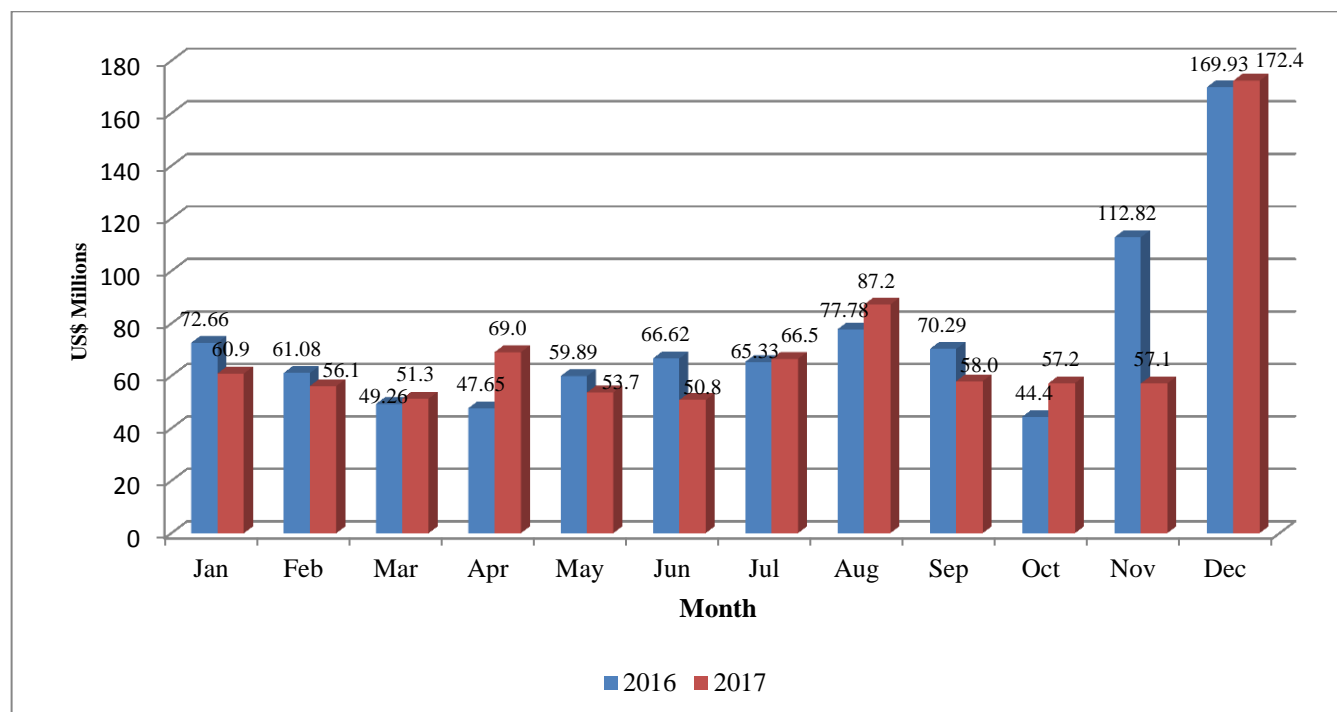
Channel	Satisfaction (Percent)			
	Very dissatisfied	Somewhat dissatisfied	Somewhat satisfied	Very satisfied
International MTO	1.3	1.8	7.1	27.7
Friends in Uganda	0.4	0.4	3.2	10.3
Local MTO	0.1	0.2	0.3	6.2
Bank	0.4	1.2	3.7	22.0
Friends Abroad	-	0.1	0.2	0.3
Mobile money	0.2	0.1	1.2	8.1
Traders	-	0.1	0.8	4.1
Post Office	-	0.2	0.7	1.2
Self	-	-	0.6	5.5
<b>Grand Total</b>	<b>2.5</b>	<b>4.2</b>	<b>17.7</b>	<b>85.4</b>

**Source:** Statistics Department, Bank of Uganda

### 2.7.6 Flow Pattern of Cash Transfers.

Respondents were asked to declare the month of the year in which cash transfers were received for purposes of tracking the monthly pattern of personal transfers. The months with the highest cash receipts were December, August and April with US\$172.4 million (20.5 percent), US\$87.2 million (10.4 percent) and US\$69.0 million (8.2 percent) respectively. The monthly pattern for 2016 and 2017 was similar, however, for the year 2017; there was a 49.3 percent decline (US\$55.7 million) in the month of November. The lowest cash receipts were during the months of March and June with US\$51.3 million (6.1 percent) and US\$50.8 million (6.0 percent) respectively. It should be noted that the months with the highest inflows coincided with specific events of the year that are known to be supported by people living in the diaspora. This is especially the case for the Christmas season; go back to school and Easter Holiday (December, August and April).

**Figure 8: Cash Transfers by Month in 2016 and 2017**



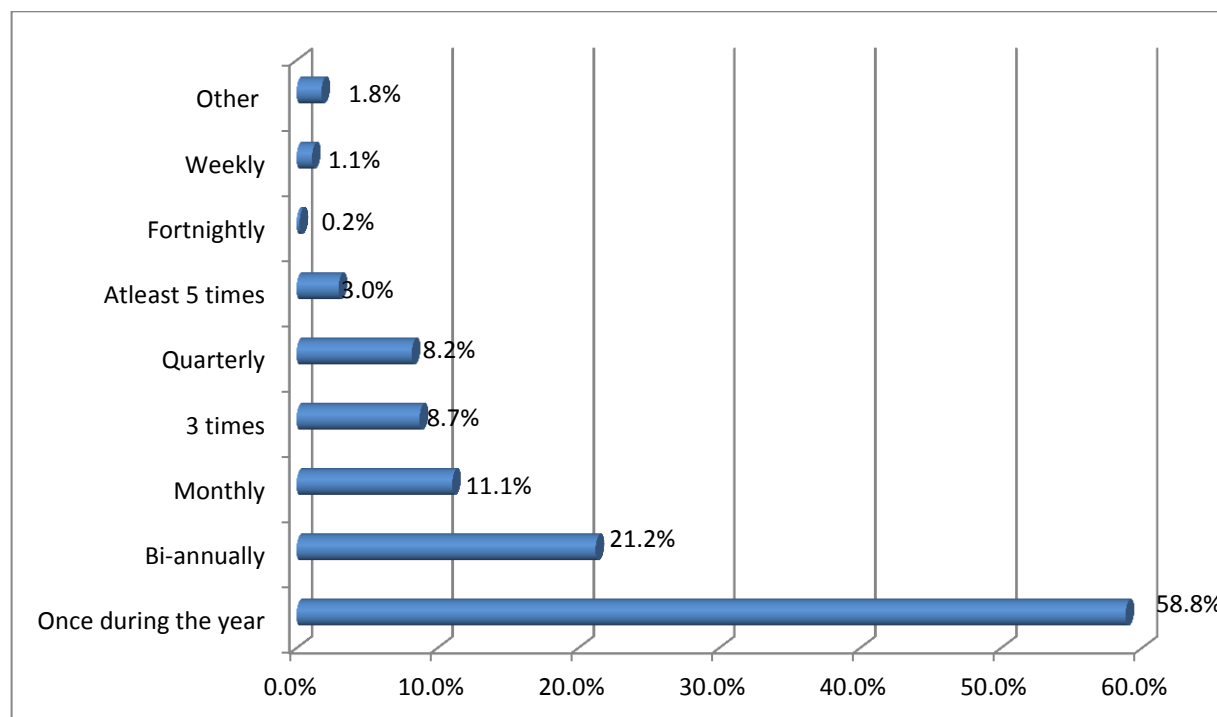
**Source:** Statistics Department, Bank of Uganda

### 2.7.7 Frequency of Cash Transfer Receipts

Consistent with findings from previous surveys, the 2017 survey results revealed that the majority of recipient households, 58.8 percent, received cash transfers only once during the year. About one in every five recipient households, 20.6 percent were reported to have received cash transfers at fairly regular intervals, i.e. weekly, fortnightly, monthly or quarterly. All other households are reported to have received transfers as and when need arose and in some cases more than once.



**Figure 9: Frequency of Cash Transfers**



**Source:** Statistics Department, Bank of Uganda

### 2.7.8 Use of Cash Transfers

The uses of cash transfers were grouped into three main expenditure categories namely consumption, non-consumption and transfer to other households.

The survey results revealed that consumption related expenditures such as general household expenses and education were the main expenditure items on which recipient households spent the funds received in 2017. The consumption expenditure accounted for 71.7 percent of the total cash receipts in 2017, which is equivalent to US\$602.7 million. The value spent on general household expenses was US\$333.1 million (39.6 percent), while US\$165.9 million was spent on education. Non-consumption expenditures accounted for 26.0 percent, equivalent to US\$218.8 million of total receipts in 2017. The largest share of cash transfers on non-consumption items was spent on business related activities (US\$105.4 million), building works (US\$56.9 million) and land purchase (US\$34.5 million). The proportion spent on business expenses in 2017 (12.5 percent, equivalent to US\$105.4 million) was higher when compared to 2016 findings.

Households based in urban areas are known to receive transfers on behalf of other households located in other areas. The results indicated that transfers to other households amounted to only US\$18.8 million (2.2

percent) as compared to (US\$53.3million or 5.9 percent), in 2016. Among the transfers to other Households in 2017, US\$13.7 million was to other rural households and US\$5.1 million was to other urban households.

In comparison to the previous year, there was an increase of 2.2 percentage points in the proportion spent on consumption as well as an increase of 1.5 percentage points in the proportion spent on non-consumption activities. The summary of the expenditure analysis is shown in Table 14 below.

**Table 14: Use of Cash Transfers (Value) in 2016 and 2017**

Use	Amount (Million US\$)		Percent	
	2016	2017	2016	2017
<b>Consumption</b>	<b>623.9</b>	<b>602.7</b>	<b>69.5</b>	<b>71.7</b>
General Household Expenses	344.8	333.1	38.4	39.6
Education	197.5	165.9	22.0	19.7
Health	55.9	44.8	6.2	5.3
Social functions	25.8	58.9	2.9	7.0
<b>Non Consumption</b>	<b>220.4</b>	<b>218.8</b>	<b>24.5</b>	<b>26.0</b>
Building works	71.8	56.9	8.0	6.8
Business	83.5	105.4	9.3	12.5
Land Purchase	38.8	34.5	4.3	4.1
Farming	26.2	22.0	2.9	2.6
<b>Transfer to other Household</b>	<b>53.3</b>	<b>18.8</b>	<b>5.9</b>	<b>2.2</b>
Other Rural Household	46.5	13.7	5.1	1.6
Other urban Household	6.8	5.1	0.8	0.6
<b>Totals</b>	<b>897.7</b>	<b>840.2</b>	<b>100</b>	<b>100</b>

Source: Statistics Department, Bank of Uganda

## 2.8 Personal Transfers In-Kind

The survey collected data on items received in-kind by recipient households. Respondents were required to declare the items received indicating a description of the items, the quantity received and the estimated value of the items. This information was used to estimate the total in-kind transfers received in 2017. It was estimated that recipient households received items in-kind worth US\$325.2 million, representing an increase of 31.2 percent from US\$247.8 million estimated for 2016.

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### 2.8.1 Personal Transfers In-Kind by Category and Source Region

The survey results showed that the largest share of the estimated value of items received in-kind originated from Europe with US\$132.9 million (40.9 percent) followed by North America and Middle East with US\$69.8 million (21.4 percent) and US\$66.1 million (21.3 percent) respectively.

All the items received in-kind in 2017 were broadly grouped into five(5) categories namely; clothing and foot wear, food, general equipment, household and personal items as well as transport and communication<sup>4</sup>.

The findings further showed that most of the in-kind personal transfers constituted clothing and footwear, with an estimated value of US\$135.2 million (41.6 percent); transport and communication US\$83.9 million (25.8percent) and general equipment worth US\$75.8 million (23.3 percent).

Further break down of in-kind transfers is provided in Table 15 below.

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<sup>4</sup>**Clothing and foot wear** (dresses, shirts, trousers and shoes); **Food** (palm oil, cooking oil, sugar and maize); **General equipment**(laptops, televisions, radios, and refrigerators); **House hold items** (bags, suitcases, perfumes, watches, books and toys); **Transport and communication** (mobile phones and motorcycle).

**Table 15: In-Kind Transfers by Category and Source Region (Value US\$ Millions)**

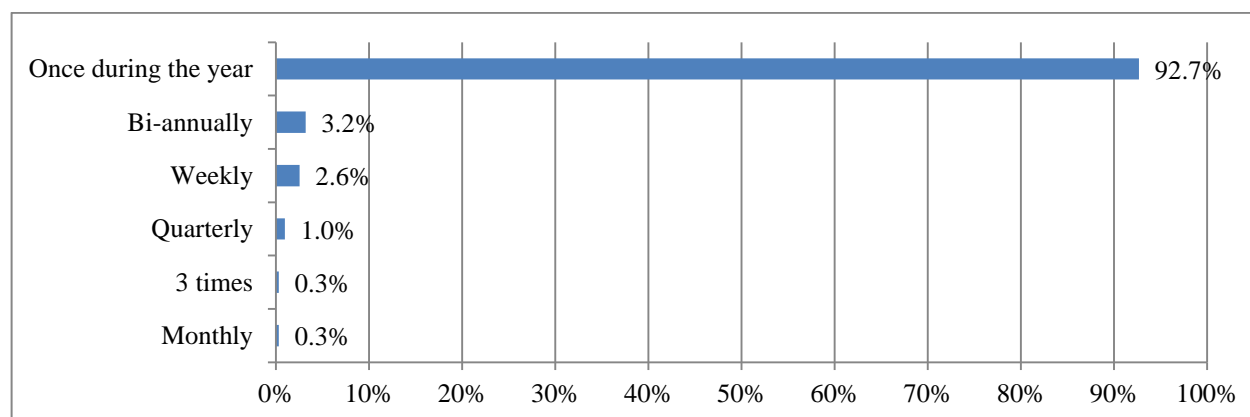
Category of items	Region						Grand Total	Percent
	Africa	Australasia	Europe	Middle East	North/South America			
Clothing and foot wear	7.3	1.0	68.3	26.2	32.4	135.2	<b>41.6</b>	
Food	7.9	0.0	5.6	2.5	0.0	16.0	<b>4.9</b>	
General equipment	9.4	4.2	21.4	16.8	23.9	75.8	<b>23.3</b>	
Household and personal items	3.8	0.5	3.7	4.2	2.2	14.3	<b>4.4</b>	
Transport and communication	21.8	0.5	33.9	16.4	11.2	83.9	<b>25.8</b>	
<b>Grand Total</b>	<b>50.3</b>	<b>6.2</b>	<b>132.9</b>	<b>66.1</b>	<b>69.8</b>	<b>325.2</b>	<b>100.0</b>	
<b>Percent</b>	<b>15.5</b>	<b>1.9</b>	<b>40.9</b>	<b>20.3</b>	<b>21.4</b>	<b>100.0</b>		

**Source:** Statistics Department, Bank of Uganda

### 2.8.2 Frequency of In-Kind Transfers

Respondents were required to indicate the frequency with which they received items in-kind. The survey results indicated that in-kind transfers were an infrequent phenomenon. Most households (92.7 percent) reported that they received items in-kind only once during 2017. This is consistent with findings from earlier surveys.

**Figure 10: Frequency of In-Kind transfers**



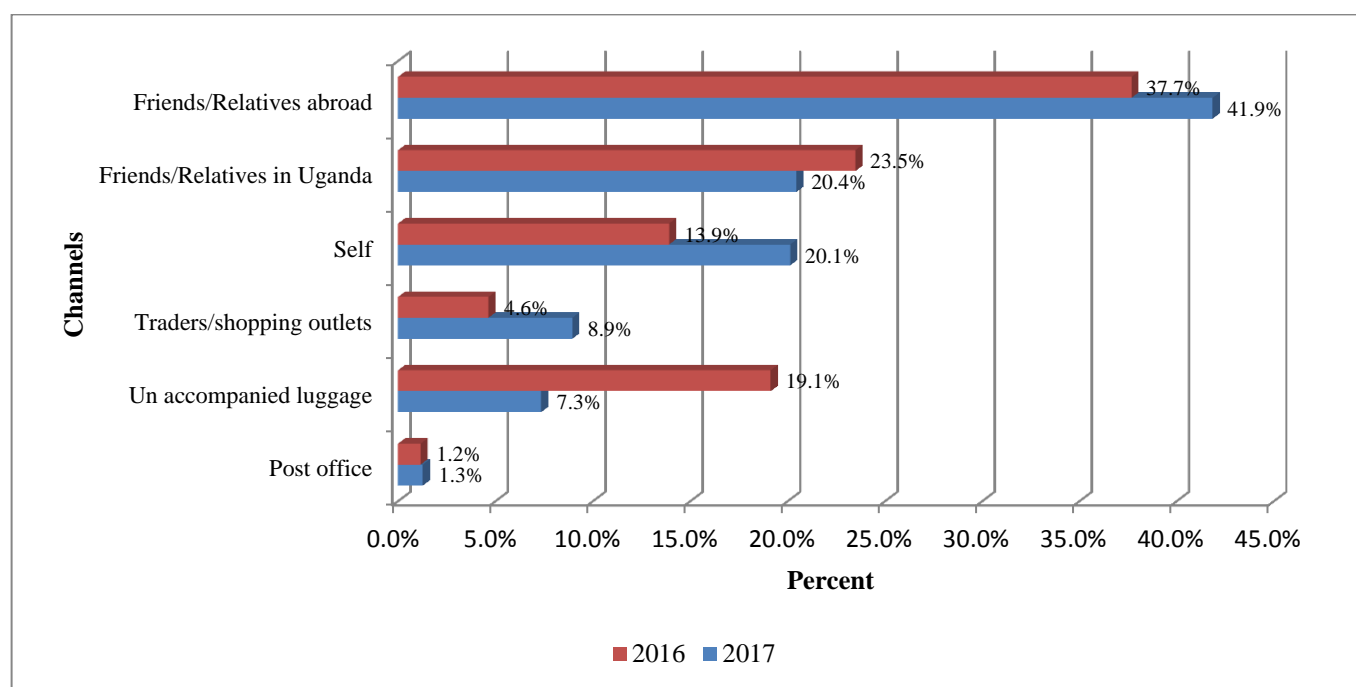
**Source:** Statistics Department, Bank of Uganda

### 2.8.3 Channels Used for In-Kind Transfers

The channels through which recipient households received in-kind transfers were classified into six (6) categories namely; friends/relatives abroad, friends/relatives in Uganda, unaccompanied luggage, self-delivery, post office and traders/shopping outlets.

The findings revealed that the most used channels for remitting in-kind transfers in 2017 were friends/relatives abroad, reported by 41.9 percent of respondents; friends/relatives in Uganda, reported by 20.4 percent and self, also reported by 20.1 percent of the respondents as illustrated in Figure 11. When compared to the results of 2016, there was a decline in the usage of un-accompanied luggage and friends/relatives in Uganda as indicated in the table below.

**Figure 11: Channels Used for In-Kind Transfers**



**Source:** Statistics Department, Bank of Uganda

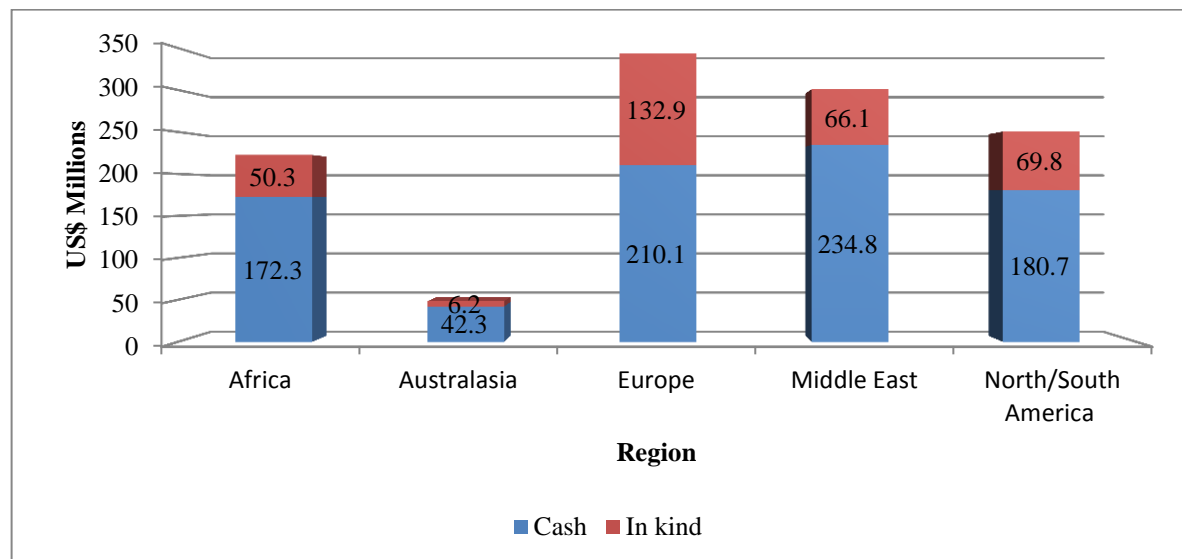
### 2.9 Total Personal Transfers

The estimate for total personal transfers received in 2017 was derived as the sum of both cash and in-kind transfers. Total personal transfers received in 2017 were estimated at US\$1,165.4 million, which is about 4.5 percent of GDP. The amount reflects an increase of 1.7 percent compared to US\$1,145.5

million estimated for 2016 mainly due to the increase on in kind transfers of 31.2 percent to US\$ 325.2 million from US\$ 247.8 million in 2016.

Europe was the major source of personal transfers accounting for US\$343.0 million or 29.4 percent of total receipts, followed by Middle East and North America with US\$300.9 million (25.8 percent) and US\$250.5 million (21.5 percent) respectively.

**Figure 12: Total Personal Transfers**



**Source:** Statistics Department, Bank of Uganda

## **PART 3: SUMMARY AND CONCLUSION**

### **3.1 Summary of Findings**

Personal transfers received in 2017 amounted to US\$ 1.165.4 million. This was an increase of 1.7 percent compared to the US\$1,145.5million estimate of 2016. The general characteristics of personal transfers remained largely unchanged from what was reported in previous survey findings i.e. mainly received in cash; the biggest share went to urban areas, most preferred channel was international MTO's (Western Union and MoneyGram) and most households (58.8 percent) received transfers only once during the year. The flow of cash personal transfers was high during the months of (December, August and April).

Europe and Middle East were the main sources of the personal transfers with US\$343.0 million received from Europe; a 12.6 percent increase of when compared to 2016. Transfers from Middle East amounted to US\$300.9 million; a 14.8 percent increase from US\$262.0 million received in 2016. There was a 3.0 percent increase in the share of personal transfers from Africa to US\$ 222.6 million in 2017, compared to US\$ 216.2 million received in 2016. On the contrary, there was a 20.8 percent decrease in personal transfers received in 2017 from North America to US\$ 250.5 million compared to US\$ 312.9 million received in 2016.

The expenditure pattern of the funds received remained unchanged from previous surveys, with the largest proportion (71.7 percent) spent on consumption. Cash transfers were mainly received through formal channels accounting for 91.8 percent of these flows in 2017 as compared to 89.8 percent in 2016. Personal transfers in-kind increased substantially and were mainly in form of clothing and foot wear (42.0 percent), transport and communication (25.5 percent) and general equipment (19.7 percent). The channels used for in-kind transfers were mainly friends/relatives abroad and un accompanied luggage.

The remitters were youthful (64.1 percent), educated (72.7 percent), and the majority (79.1 percent) had lived abroad for periods under 10 years.

### **3.2 Conclusion**

The annual survey on personal transfers remains an important source of information on remittances received in Uganda.

The personal transfers received in 2017 amounted to US\$1,165.4 million; this was an increase of 2.0 percent compared to receipts in 2016. The increase in personal transfers was attributed to higher flows from the major remitting countries in Europe (United Kingdom, Germany and Sweden), as well as in Middle East (United Arab Emirates, Saudi Arabia, Oman and Qatar) in 2017 as compared to inflows in 2016. The importance of the Middle East as a source region continued for a second year running which in part lends credence to the government efforts for externalization of labour spearheaded by the Ministry of Gender, Labour and Social Development. To further boost these inflows, policy makers should consider expanding this program to cover other regions in the World.



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## Appendices

### Appendix I: Survey Team

#### Coordinators

Mr. Charles A. Abuka	BOU
Mr. Emmanuel Ssemambo	BOU
Mr. Stephen Baryahirwa	UBOS

#### Supervisors

Dr. Thomas Bwire	BOU
Mr. Rodney Lwanga	BOU
Mr. Edward Twinomugisha	BOU
Mrs. Olivia Rukundo	BOU
Mr. Ronald Leeta	BOU
Mr. Albert Rubombora	BOU
Mr. Robert Byron Twesigye	UBOS
Mr. Bob Okua	UBOS
Mr. Norman Ntalo	UBOS
Mr. Vincent Ssenono	UBOS

#### Report Writing Team

Mr. Charles A. Abuka	BOU
Mr. Emmanuel Ssemambo	BOU
Ms. Ziria Babwona	BOU
Mr. Edward Twinomugisha	BOU
Mrs. Olivia Rukundo	BOU

#### Survey Taskforce

Mr. Tendo Lubwama	BOU
Mrs. Geraldine Semanda	BOU
Mrs. Rose Nakamaanya	BOU

Sr no	Enumerators	
1	Vicky Adong	
2	Yusuf Okello	
3	Rose Amenyio	
4	Pascal Angomoko	
5	Benna Assele	
6	Azam Mulondo	
7	Juliet Basemera	
8	Samuel W Batuli	
9	Nelson Gahwera	
10	Edward Kakuma	
11	Ruth Esaete	
12	Innocent Kagumya	
13	John Matanda	
14	Jane Francis Namugambe	
15	Josephine Byangonzi	
16	Sharon Asibazuyo	
17	Michael Byamukama	
18	Juliet Basemera	
19	Patrick Bryan Kaggwa	
20	Halima Kakaire	
21	Robert Kalenzi	
22	Edward Kalyesubula	
23	Leilah Katushabe	
24	Geofrey Mwesigwa	
25	Masinde Kenneth	
26	Moses Kusemererwa	
27	Gad Magezi	
28	Maiyi Mirembe	
29	Sylvia Mukonyezi	
30	Ritah Aida Nabikolo	
31	Carolyn Naiga	
32	Rose Nakalembe	
33	Shiela Alice Nalukwago	
34	Carol Trasy Turyakira	
35	Jamidah Nawajji	
36	Nelson Gahwera	

Sr no	Enumerators
37	Niwarinda Joanna
38	Noorman Mugume
39	Ssegujja Brian
40	Stanely Odeke
41	Raymond Magimbi John
42	Olga Kisakye
43	Olivia Nakafu Busuulwa
44	Daisy B Omvia
45	Angella Aluka
46	Maurice Otim
47	Celcius Okethi Oweka
48	Phillip Obote
49	Peter Kakuru
50	Opolot Anne Kimberly
51	Kennedy Batte
52	Stephen Ssimbwa Kayongo
53	Jacinta Twahira
54	Gerald Musinguzi
55	Tom Twimukye Timbakura
56	Colline Goerge Twine
57	Marrion Upakrwoth
58	Viola Kaej
59	Anthony Wataka
60	Mary Wokape

## Data Processing Team

<b>Srno</b>	<b>Data Editors</b>
1	Emily Tugumenawe
2	Moreen Akatukunda
3	Dora Namubiru
4	Gloria Angela Ndagire
5	Mellisa Nagawa
6	Harriet Ssempijja
	<b>Data Entrants</b>
1	Hannington Katono
2	Olga Yiga-Magero
3	Charles Lubega
4	Benjamin Mukooza
5	Dagfin Ayine
6	Timothy Mwaka

## Appendix II: Social-Demographic Characteristics of Household Heads

Characteristics	Percent		
	Female	Male	Total
Age in complete Years			
Less than 20	0.3	0.7	1.0
20-29	11.4	12.2	23.5
30-39	12.3	17.6	29.8
40-49	6.1	11.2	17.3
50-59	5.8	7.6	13.4
60-69	3.2	5.1	8.3
70+	3.4	3.3	6.6
<b>Total</b>	<b>42.4</b>	<b>57.6</b>	<b>100</b>

Can Read and Write	Female	Male	Total
No	4.1	1.4	5.4
Yes	38.3	56.2	94.6
<b>Total</b>	<b>42.4</b>	<b>57.6</b>	<b>100</b>

Highest level of Education	Female	Male	Total
Attended Primary but didn't complete	4.0	3.9	7.8
Completed Primary	7.7	9.0	16.7
Completed O' level	7.7	9.5	17.2
Completed A' level	7.0	10.2	17.2
Post-secondary	5.9	10.0	15.9
Degree and above	6.6	13.7	20.4
Don't know	0.1	0.2	0.3
None	3.4	1.2	4.5
<b>Total</b>	<b>42.4</b>	<b>57.6</b>	<b>100</b>

Activity Status	Female	Male	Total
Employer/ Own Account	25.8	36.1	61.9
Full Time student	0.4	0.6	1.0
Not working and not looking for work	5.1	1.7	6.8
Others (specify)	0.6	0.1	0.7
Paid Employee	9.6	18.8	28.4
Unpaid Family worker	0.9	0.4	1.3
<b>Total</b>	<b>42.4</b>	<b>57.6</b>	<b>100</b>

Level of monthly income	Female	Male	Total
N/A	5.6	2.6	8.2
Less Than Shs. 100,000	4.2	3.2	7.4
Shs. 100,000 - 299,000	9.9	9.5	19.4
Shs. 300,000 - 499,000	9.9	16.2	26.1
Shs. 500,000 - 699,000	6.1	12.1	18.2
Shs. 700,000 - 899,000	3.5	6.4	9.9
Shs. 900,000 and Above	3.2	7.7	10.9
<b>Total</b>	<b>42.4</b>	<b>57.6</b>	<b>100</b>

## Appendix III: Up-rating Methodology

### Background

The results of 2017 Annual personal Transfer Survey were used to obtain estimates for both cash and in-kind transfers received during 2017. The computation of total transfers was derived as the sum of both cash and in kind transfers. The estimation procedures described below are based on data from various sources namely; the 2016 surveys on inward personal transfers, the most recent Statistical Abstract 2017 and the 2014 National Population and Housing Census report. The up-rating methodology and key assumptions are presented in the sections that follow.

#### Step 1: Computing Average In-Kind Transfers Receipts per Household (HH)

Respondents were asked to provide details on the type, quantity and market price of items received in kind. The data was then used to compute the value of the goods received by multiplying the quantities reported and the derived prices. For respondents who did not report quantities, it was assumed that they received only one item, (i.e. quantity = 1). With the valuation for the in kind transfers derived, a total of all in kind transfers was obtained and using a count of all respondent households to the question on in kind transfers, the average transfers were obtained. From the sample, total in kind transfers received by reporting households amounted to UGX 245,796,316.

The count of all households that reported having received in kind transfers during the year was derived as 139. The average for in kind transfers was estimated as UGX 1,768,319 (See Table 1).

**Table 1: Survey Estimates for In-kind Transfers Receipts in 2017**

Number of in kind transfers recipients from the sample (HHs)	139
Total in kind receipts from the sample (UGX)	245,796,316
Average in kind transfers per household (UGX)	1,768,319

#### Step 2: Computing Average Cash Transfers Receipts per Household

Based on the data provided by the sample, all responses on cash transfers were summed up to obtain total cash received during 2017. Total cash transfers received by reporting households

amounted to UGX 3,286,095,564. In addition, a count of all households that reported having received cash transfers during the year was derived as 904. The average cash transfers received per household during 2017 was computed as UGX 3,635,061 (see Table 2).

**Table 2: Survey Estimates for Cash Transfers Receipts in 2016**

Number of cash transfers recipients from the sample (HHs)	904
Total cash receipts from the sample (UGX)	3,286,095,564
Average cash transfers per household (UGX)	3,635,061

### Step 3: Deriving the Number of Recipient Households

According to the Uganda Population Projections 2015 to 2020 (volume 1), released by the Uganda Bureau of Statistics (UBOS), the population of Uganda at the end of 2017 was projected to be 38,248,450 persons. Using the average household size of 4.7 persons per household (Uganda National Household Survey 2016/17), the total number of households in the country in 2017 was derived as 8,137,968. This number represents a 4.6 percent growth in the total number of households in the country between 2016 and 2017. Applying this growth rate to the 2017 estimates for cash and in kind transfers recipient households yielded the 2017 estimates as 606,618 for cash, and 227,233 households for in-kind transfers. (See Table 3).

**Table 3: Estimates for Recipient Households- Cash and In-Kind Transfers in 2017**

Computed household growth rate for 2017	4.6 percent	
	Cash	In-kind
Estimated number of recipient households in 2016	579,850	217,206
Estimated number of recipient households in 2017	606,618	227,233

Having derived the average cash and in-kind transfers received per household during 2017 from the survey, and the estimated number of households that received transfers during 2017 as described above, total transfer estimates were computed as follows.

#### Step 4: Computing Transfers for Household Head

Cash transfers were computed as the product of the average cash transfers received per household and the estimate of all cash transfer recipient households.

Similarly, in-kind transfers were computed as the product of the average value of in kind transfers received per household and the estimate of all in kind transfers recipient households.

The totals in Uganda shillings were then converted to USD using the average exchange rate for 2017 (see Table 4)

**Table 4: Grossed Up Estimates for Cash and In-Kind Transfers in 2017-Household Head**

	<b>Cash transfers</b>	<b>In-kind transfers</b>
Estimated number of recipient households	606,618	227,233
Average transfers per household	3,635,061	1,768,319
Total transfers received (UGX)	2,205,092,225,997	401,820,162,535
Average exchange rate for 2017 <sup>5</sup>	3,618	3,618
<b>Total transfers received by Household head (US\$)</b>	<b>609,490,640</b>	<b>111,063,667</b>

#### Step 5: Computing Transfers for Other Recipients in the Households

Respondents were asked to provide details on the number of other household members other than the household head who received cash and in kind transfers during 2017.

Overall, a total of 130 cash recipient households reported 189 other recipients within the household. Similarly, 46 in-kind recipient households also reported 113 other recipients. Based on this information, the average number of other recipients in each household that had more than one recipient was computed as 1.5 for cash and 2.5 for in-kind transfers. The proportions of households with other recipients in the population for 2017 were estimated as 26 percent and 79 percent for cash and in-kind recipients respectively. These proportions were applied to the estimated number of recipient households in the population to arrive at an estimate of households

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<sup>5</sup>The exchange rate used is the average exchange rate from the Research Department of Bank of Uganda



with other recipients. The derived estimates were then used to compute the number of other recipients in the population using the average number of other recipients per household. Finally, the estimate for transfers received by other recipients was computed as the product of the average cash or in-kind transfers received by each household and the estimated number of other recipients for each category of transfers (See Table5).

**Table 5: Grossed Up Estimates for Other Recipients of Cash and In-Kind Transfers in 2017-Other Recipient Household Members**

	Cash transfers	In-kind transfers
Number of households with other recipients	130	46
Number of recipients in reporting household	189	113
Average number of recipients per household	1.5	2.5
Estimated proportion of other recipients	26 percent	79 percent
Average received per person in the household <sup>6</sup>	3,635,061	1,768,319
Estimated number of other recipients	229,578	438,189
Total transfers received by other recipients (UGX)	834,529,498,040	774,857,772,123
Average exchange rate for 2017	3,618	3,618
Total transfers received by other recipients (US\$)	230,665,145	214,171,795

### Step 6: Computing Total Transfers

The total transfers were computed as a sum of the transfers for household head and transfers for other recipients.

**Table 6: Grossed Up Estimates for Total Transfers (Cash and In-Kind) in 2017**

	Cash transfers	In kind transfers
Transfers received by household head (UGX)	2,205,092,225,997	401,820,162,535
Transfers received by other recipients (UGX)	834,529,498,040	774,857,772,123
Total transfers received (UGX)	3,039,621,724,037	1,176,677,934,657
Average exchange rate for 2017	3,618	3,618
Total transfers received (US\$)	840,155,788	325,235,461

The total transfers from the estimates amounted to **UGX 4,216,299,658,695** or **US\$1,165,391,247**.

<sup>6</sup>It was assumed that each recipient received on average the same amount as the household head.