

## **Personal Transfers Survey 2014-Preliminary Results**

The summary presents preliminary findings of the Annual Personal Transfers Survey (APTS) 2014. The survey organized by Bank of Uganda in collaboration with the Uganda Bureau of Statistics (UBOS) sought to collect data on personal transfers received during the year 2014. It was intended to answer questions about: who sends money back home, what is transferred, how it is transferred, and use of the transfers.

The methodology involved a nationwide survey targeting all recipient households in the selected Enumeration Areas (EAs). 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 647 household heads and was conducted during the months of March and April 2015.

### **Remitters' Profile**

Remittance recipient households were estimated at 532,171 for cash and 199,346 for personal transfers in kind.

The results revealed that 38.0 percent of the recipient households received personal transfers from siblings while 13.9 percent received from their children.

Most remitters (71.4 percent) had lived abroad for periods not exceeding 10 years. The majority (83.8 percent) of remitters were reported to have attained at least secondary school education (Ordinary level). Of these, 37.2 percent were graduates and in some cases with postgraduate qualifications. The recipient households indicated that most remitters were based in Africa (46.6 percent), Europe (23.7 percent) and North America (18.6 percent)

Overall, 79.0 percent of recipient households received cash personal transfers while 9.9 percent received items in kind. The rest, 11.1 percent, received both cash and in-kind personal transfers.

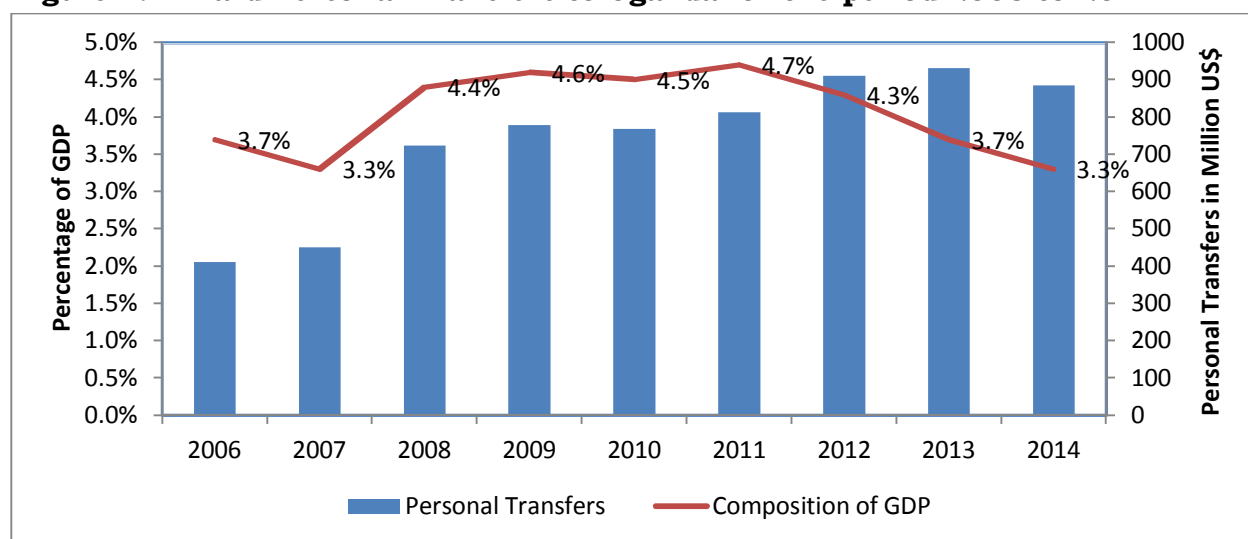
### Transfer Channels

Consistent with the survey results of previous years, International Money Transfer Operators (Western Union and Money gram) were the most popular channels as reported by 36.5 percent of the recipient households. Ease of access was a major consideration in the choice of channel as reported by 33.0 percent of the households. However, most households (43.5 percent) indicated that the transfer channels were pre-determined by the remitter.

### Total Personal Transfers Received in 2014

Total personal transfers received in 2014 were estimated at US\$885.9 million which is about 3.3 percent of the GDP. The amount reflects a decrease of 4.9 percent compared to the US\$931.57 million estimate of 2013. In shillings terms, total personal transfers in 2014 were estimated at UGX 2,303 billion. This was a decrease of 4.4 percent when compared to the estimate of UGX 2,409 billion of 2013. The decline in total transfers is largely attributed to lower in-kind receipts, which dropped by 49.8 percent when compared to 2013.

**Figure 1: Inward Personal Transfers to Uganda for the period 2006 to 2014**



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

The major sources of personal transfers were Africa with 31.6 percent, Europe 29.2 percent and North America with 23.0 percent of total inward personal transfers. Most personal transfers (90.1 percent) were sent to households located in urban areas.

### **Cash Personal Transfers**

Personal transfers received in cash were estimated at US\$752.2 million or 84.9 percent of the total received. Kampala region accounted for the largest share, 36.1 percent of the total cash receipts. About 50.8 percent of recipient households are reported to have received personal transfers once during 2014, while 17.3 percent received twice during the same period.

Overall, 70.7 percent of cash personal transfers were received through formal channels.

### **Usage of Cash Personal Transfers**

The bulk of personal transfer receipts during 2014 were used for consumption (73.5 percent). Generally, household expenses and education were the most common expenditure categories, with about half of the cash received reported to have been spent on items in these groups. Non-consumption expenditures accounted for 22.3 percent, most of which was building works.

### **Personal Transfers in Kind**

Personal transfers in kind were estimated at US\$133.7 million representing about 15.1 percent of total personal transfers received in 2014. The majority of in-kind transfers consisted of clothing and footwear items with a value of US\$55.6m (or 41.6 percent) followed by transport and communication worth US\$45.5m (or 34.0 percent). Similar to cash personal transfers, the bulk of these items were received from Africa US\$45.5m (34.0 percent). Europe contributed goods worth US\$40.4m (30.2 percent) while US\$30.7m (23.0 percent) came from North America.

**Conclusion**

At the macro level, personal transfers continued to be an important source of foreign exchange for the country while at the household level, the transfers provided a reliable source of resources for consumption as evidenced by the 73.5 percent use.

## Annex: Some Preliminary Results

**Table 1: Sample Allocation by Stratum**

Region	Urban	Rural	Grand Total	Percent
Northern	21	24	45	15.0
Eastern	34	25	59	19.7
Western	42	23	65	21.7
Central	51	21	72	24.0
Kampala	59	0	59	19.7
<b>Grand Total</b>	<b>210</b>	<b>90</b>	<b>300</b>	<b>100</b>

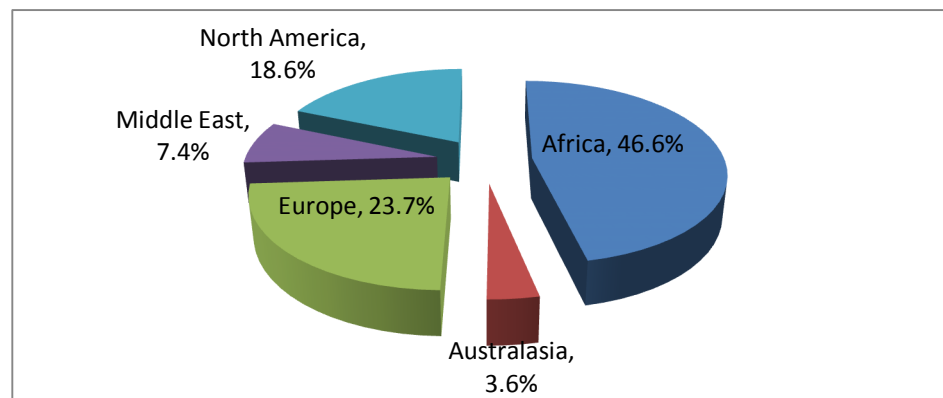
Source: Statistics Department, Bank of Uganda

**Table 2: Number of recipient Households by Region**

Region	Urban	Rural	Grand Total	Percent
Northern	92	9	101	15.6
Eastern	78	23	101	15.6
Western	100	7	107	16.5
Central	131	25	156	24.1
Kampala	182	0	182	28.1
<b>Grand Total</b>	<b>583</b>	<b>64</b>	<b>647</b>	<b>100</b>

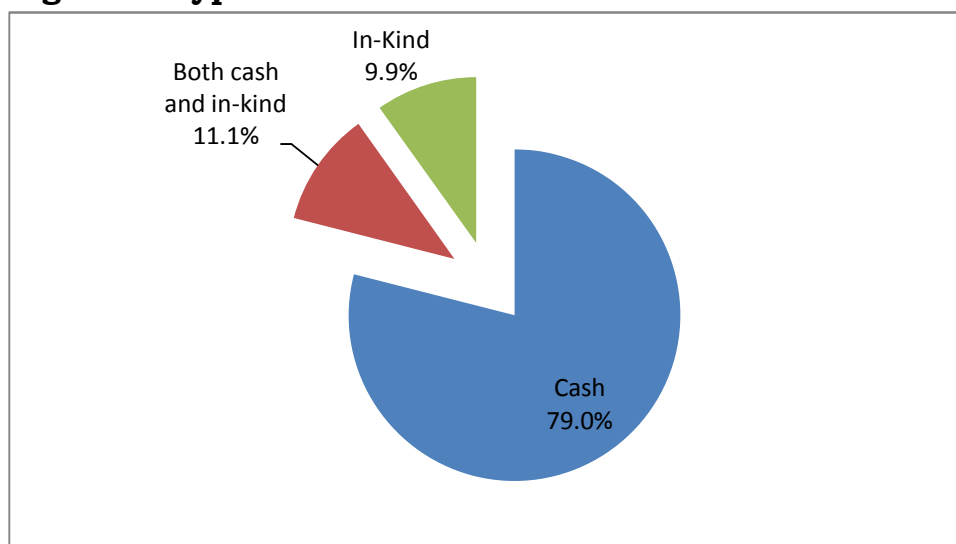
Source: Statistics Department, Bank of Uganda

**Figure 1: Residence of Remitters by region**



Source: Statistics Department, Bank of Uganda

**Figure 2: Type of transfers**



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

**Table 3: Source of Total inward Transfers**

Region	Amount(US\$ Million)	Percent
Africa	279.9	31.6
Austral Asia	43.4	4.9
Europe	258.9	29.2
Middle East	100.2	11.3
North America	203.5	23.0
<b>Grand Total</b>	<b>885.9</b>	<b>100</b>

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

**Table 4: Source of cash transfers**

Region	Amount(US\$ Million)	Percent
Africa	233.3	31.0
Austral Asia	40.3	5.4
Europe	215.1	28.6
Middle East	84.5	11.2
North America	179.0	23.8
<b>Grand Total</b>	<b>752.2</b>	<b>100</b>

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

**Table 5: Channel used for Cash transfers by value and number of households**

Chanel	Amount (US\$ Million)	Percent	No. of HHs	Percent
International MTO	228.1	30.3	232	36.5
Bank Account	83.8	11.1	104	16.4
Local MTO	100.5	13.4	62	9.8
Friends in Uganda	222.1	29.5	106	16.7
Friends abroad	53.1	7.1	64	10.1
Traders	24.7	3.3	17	2.7
Mobile Money	38.9	5.2	47	7.4
Post Office	0.9	0.1	3	0.5
<b>Total</b>	<b>752.1</b>	<b>100</b>	<b>635</b>	<b>100</b>

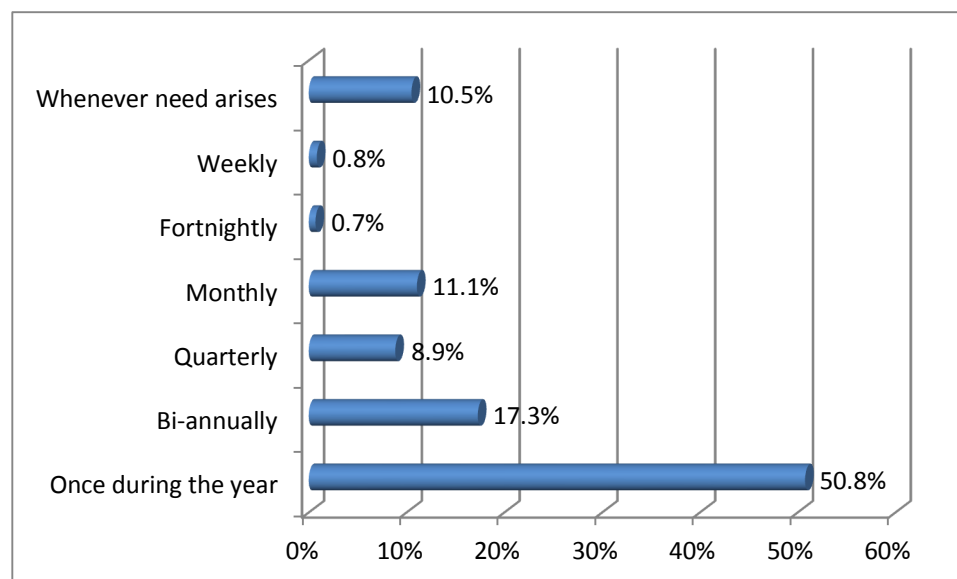
Source: Statistics Department, Bank of Uganda

**Table 6: Use of Cash Transfer (Value)**

Use	Amount (Million US\$)	Percent
<b>Consumption</b>	<b>553.14</b>	<b>73.5%</b>
General Household Expenses	252.18	33.5%
Education	207.45	27.6%
Health	64.21	8.5%
Social functions	29.30	3.9%
<b>Non Consumption</b>	<b>167.76</b>	<b>22.3%</b>
Building works	67.29	8.9%
Business	56.03	7.4%
Land Purchase	28.63	3.8%
Farming	14.71	2.0%
Savings	1.10	0.1%
<b>Transfer to other Household</b>	<b>31.24</b>	<b>4.2%</b>
Other Rural Household	9.43	1.3%
Other urban Household	21.81	2.9%
<b>Totals</b>	<b>752.1</b>	<b>100.0%</b>

Source: Statistics Department, Bank of Uganda

**Figure 3: Frequency of Cash transfers**



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

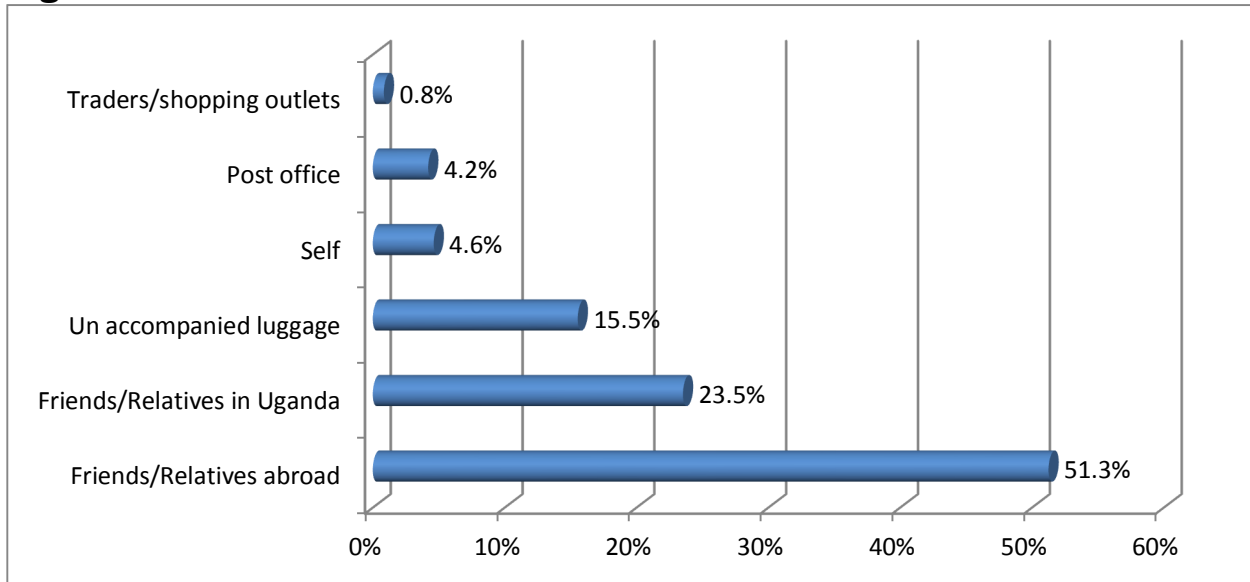
**Table 7: In kind Transfers (Value)**

Category of items	Region					Grand Total	Percent
	Africa	Australasia	Europe	Middle East	North America		
Clothing and foot wear	13.9	3.0	20.9	2.0	15.8	55.6	<b>41.6</b>
Food	13.3	0.3	0.0	0.6	0.3	14.6	<b>10.9</b>
General equipment	2.3	0.1	1.0	2.2	0.9	6.5	<b>4.9</b>
Household and personal items	3.2	0.1	6.8	0.6	0.9	11.5	<b>8.6</b>
Transport and communication	12.8	3.2	11.8	4.9	12.8	45.5	<b>34.0</b>
<b>Grand Total</b>	<b>45.5</b>	<b>6.8</b>	<b>40.4</b>	<b>10.4</b>	<b>30.7</b>	<b>133.7</b>	<b>100</b>
<b>Percent</b>	<b>34.0</b>	<b>5.1</b>	<b>30.2</b>	<b>7.7</b>	<b>23.0</b>	<b>100</b>	

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

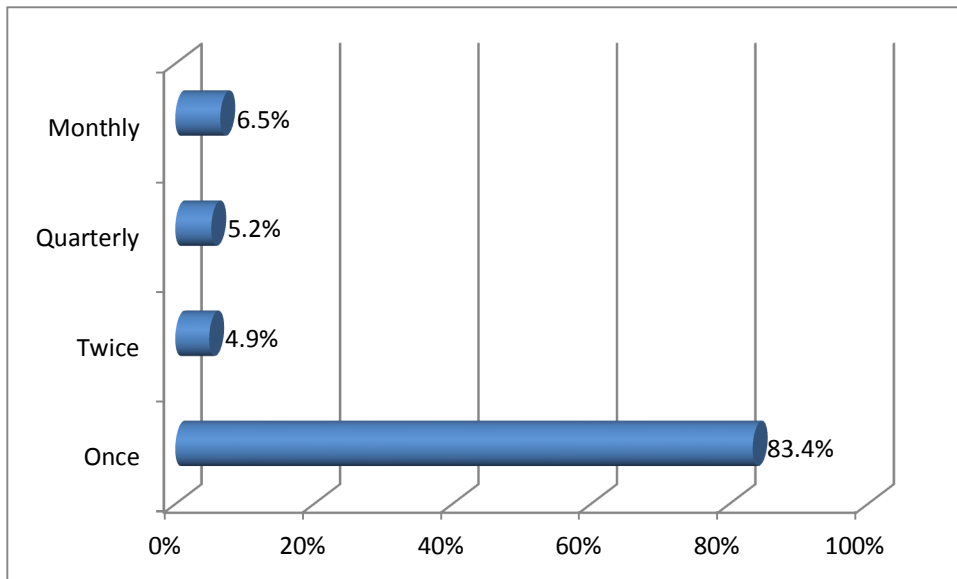


**Figure 4: Channel used for in kind transfers**



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

**Figure 5: Frequency of in kind transfers**



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

**Table 8: Total inward Transfers 2014 by Region**

Region	Type of Transfer		Total	Percent
	In kind	Cash		
Africa	46.6	233.3	279.9	31.6
Australasia	3.2	40.3	43.4	4.9
Europe	43.8	215.1	258.9	29.2
Middle East	15.7	84.5	100.2	11.3
North America	24.5	179.0	203.5	23.0
<b>Total</b>	<b>133.7</b>	<b>752.2</b>	<b>885.9</b>	<b>100</b>

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