

## **Personal Transfers Survey 2016-Preliminary Results**

The summary presents preliminary findings of the Annual Personal Transfers Survey (APTS) 2016. 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 2016. It was intended to answer questions about: who sends money/items back home, what is transferred, how often, 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. The data collection exercise was done in the months of March and April 2017. A total of 885 household heads were interviewed.

### **Remitters' Profile**

The personal transfers recipient households in the country, were estimated at 579,850 for cash and 217,206 for in kind personal transfers.

The results revealed that the majority of the remitters (33.6 percent) of personal transfers were siblings of the household head, with brothers accounting for 22.8 percent and sisters with 10.8 percent. This was followed by parents rated at 22.8 percent, while spouses, friends and children (sons and daughters) accounted for 9.3 percent, 7.3 percent and 6.4 percent respectively. About 1 out of every 5 remitters (20.7 percent) were other relatives.

Most remitters (76.8 percent) had lived abroad for periods not exceeding 10 years. The majority (87.4 percent) of remitters were reported to have attained at least secondary school education (ordinary level). Of these, 43.0 percent were graduates and in some cases with postgraduate qualifications. The recipient

households indicated that most remitters were based in Africa (33.3 percent), North America (23.3 percent) and Europe (20.8 percent)

Overall, 84.1 percent of remitters sent cash personal transfers while 9.2 percent sent both cash and in-kind personal transfers and 6.7 percent, sent only items in kind.

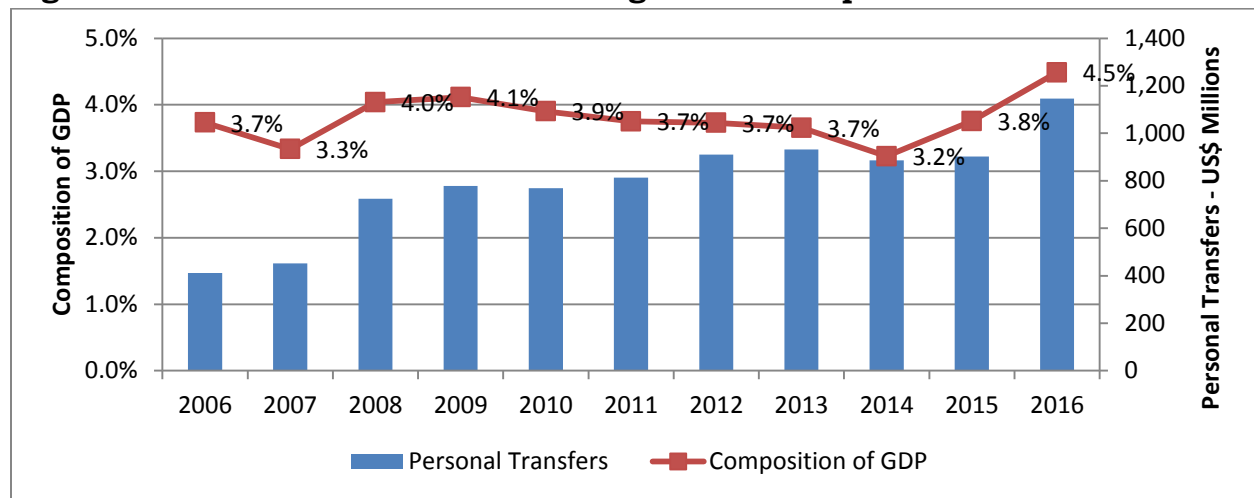
### **Transfer Channels**

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 32.9 percent of the recipient households. Ease of access was a major consideration in the choice of channel as reported by 44.7 percent of the households, this was followed by 41.9 percent, who indicated that the transfer channels were pre-determined by the remitter.

### **Total Personal Transfers Received in 2016**

Total personal transfers received in 2016 were estimated at US\$1,145.5 million which is about 4.5 percent of the GDP. The amount reflects an increase of 27.0 percent compared to the US\$901 million estimate of 2015. In shillings terms, total personal transfers in 2016 were estimated at UGX 3,918.3 billion. This was an increase of 34.1 percent when compared to the estimate of UGX 2,922.7 billion of 2015.

**Figure 1: Inward Personal Transfers to Uganda for the period 2006 to 2016**



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

### Cash Personal Transfers

Personal transfers received in cash were estimated at US\$897.7 million or 78.4 percent of the total received. Kampala region accounted for the largest share, 39.8 percent of the total cash receipts, while Northern region received the least of 7.6 percent. About 55.8 percent of recipient households are reported to have received personal transfers once during 2016, while 9.0 percent received funds monthly during the same period. Most cash transfers were received from North America (27.9 percent), Europe (25.0 percent), Middle East (24.9 percent) followed by Africa (20.9 percent).

Overall, 90.6 percent of cash personal transfers were received through formal channels; this was an increase of 7.2 percentage points from the 2015 survey findings.

### Usage of Cash Personal Transfers

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. The survey results indicate that 38.4 percent was used for general household expenses, while 22.0 percent of the personal transfer receipts during 2016 were used for Education. Non-consumption expenditures accounted for 24.5 percent, most of which was spent on business related activities.

### **Personal Transfers in Kind**

Personal transfers in kind were estimated at US\$247.8 million representing about 21.6 percent of total personal transfers received in 2016. The bulk of these items were received from Europe US\$79.9m (32.2 percent). North America and Middle East contributed goods worth US\$62.6m (25.2 percent) and US\$38.1m (15.4 percent) respectively while US\$20.5m (11.4 percent) came from Africa.

### **Conclusion**

In calendar year 2016, personal transfers to Uganda increased by 27 percent, the highest increase observed since 2009. The increase was achieved despite a 35.2 percent reduction in receipts from Africa, which had sustained these inflows after the financial crisis. The reduction in inflows from Africa was offset by an increase in receipts from other regions, particularly the Middle East, Europe and North America. High receipts from Europe and North America may be attributed to improved economic conditions in those regions, whereas the increase in flows from the Middle East may be attributed to the growing importance of the region as a destination for Ugandan Migrant Workers. These developments suggest even higher personal transfers going forward.

## Annex: Some Preliminary Results

**Table 1: Sample Allocation by Stratum**

Region	Urban		Rural		Grand Total		Percent	
	2015	2016	2015	2016	2015	2016	2015	2016
Northern	17	19	19	22	36	41	12.0	11.7
Eastern	25	28	25	27	50	55	16.7	15.7
Western	32	39	24	27	56	66	18.7	18.9
Central	56	64	22	24	78	88	26.0	25.1
Kampala	80	100	0	0	80	100	26.7	28.6
<b>Grand Total</b>	<b>210</b>	<b>250</b>	<b>90</b>	<b>100</b>	<b>300</b>	<b>350</b>	<b>100</b>	<b>100</b>

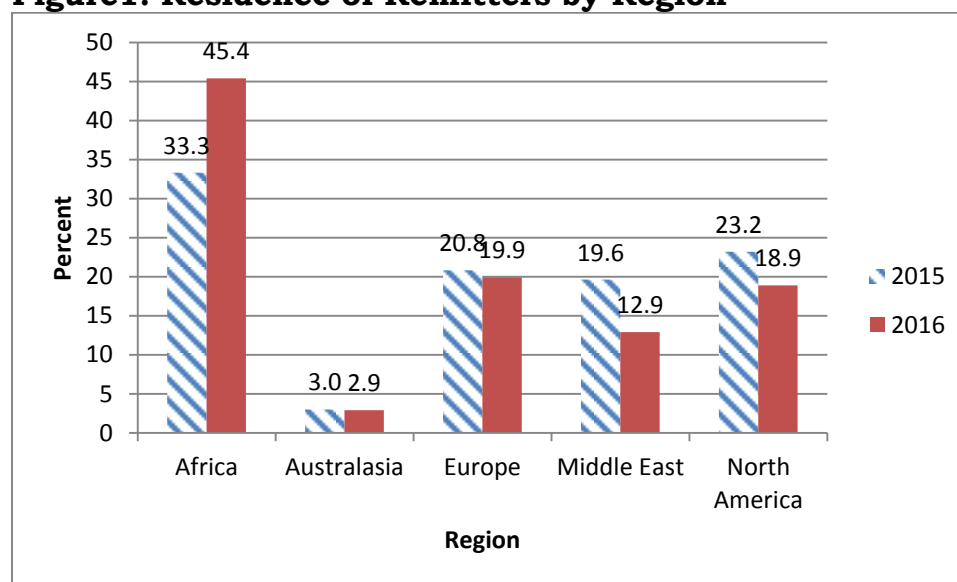
Source: Statistics Department, Bank of Uganda

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

Region	Urban		Rural		Grand Total		Percent	
	2015	2016	2015	2016	2015	2016	2015	2016
Western	57	86	24	29	81	115	11.1	13.9
Eastern	83	83	27	36	110	119	15.1	14.4
Northern	66	53	21	10	87	63	11.9	7.6
Central	173	163	19	39	192	202	26.3	24.4
Kampala	259	330	0	0	259	330	35.5	39.8
<b>Grand Total</b>	<b>638</b>	<b>715</b>	<b>91</b>	<b>114</b>	<b>729</b>	<b>829</b>	<b>100</b>	<b>100</b>

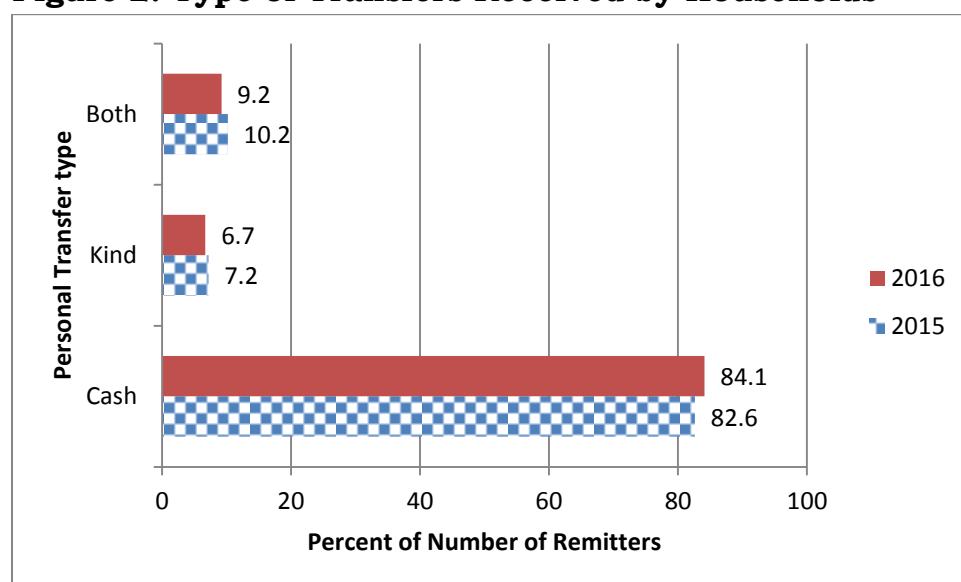
Source: Statistics Department, Bank of Uganda

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



Source: Statistics Department, Bank of Uganda

**Figure 2: Type of Transfers Received by Households**



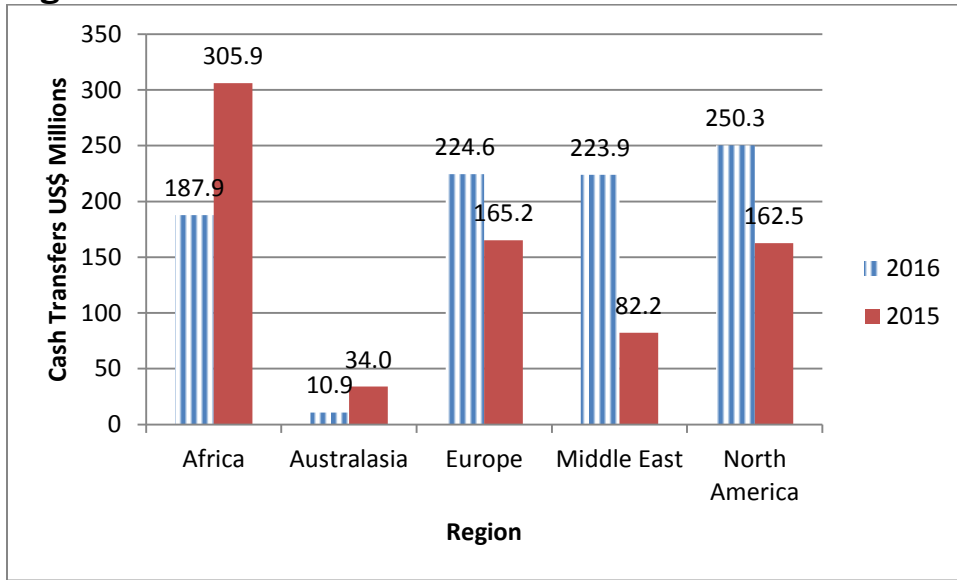
**Source:** Statistics Department, Bank of Uganda

**Table 3: Total Inward Transfers by Source Region(US \$)**

Region	2015			2016		
	Cash	In kind	Total	Cash	In kind	Total
Africa	305.9	27.6	333.5	187.9	28.2	216.2
Australasia	34.0	18.3	52.3	10.9	39.0	49.9
Europe	165.2	50.8	216	224.6	79.9	304.6
Middle East	82.2	12.7	94.9	223.9	38.1	262.0
North America	162.5	42.7	205.2	250.3	62.6	312.9
<b>Total</b>	<b>749.8</b>	<b>152.0</b>	<b>901.8</b>	<b>897.7</b>	<b>247.8</b>	<b>1,145.5</b>

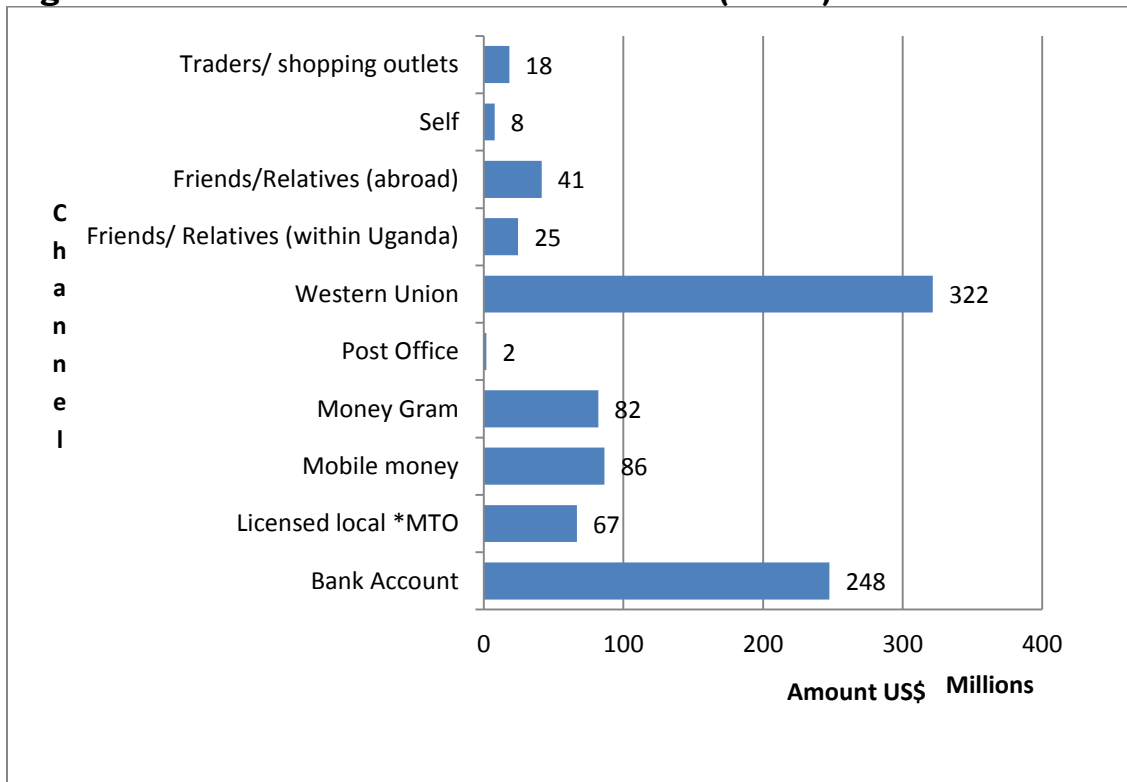
**Source:** Statistics Department, Bank of Uganda

**Figure 3: Source of Cash Transfers**



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

**Figure 4: Channel used for Cash Transfers (Value)**

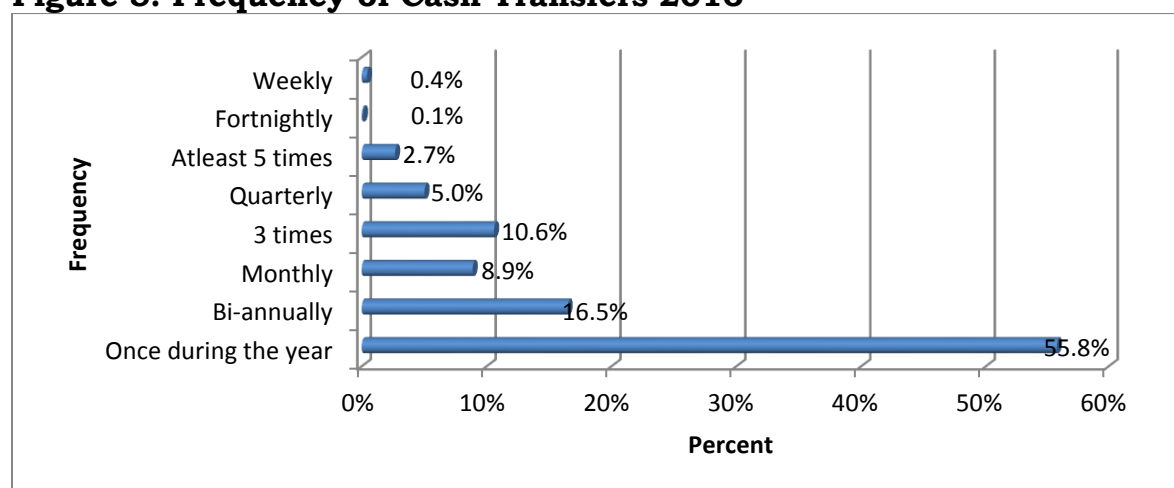


**Source:** Statistics Department, Bank of Uganda

**Table 4: Use of Cash Transfer (Value)**

Use	Amount (Million US\$)		Percent	
	2015	2016	2015	2016
<b>Consumption</b>	<b>578.5</b>	<b>623.9</b>	<b>77.1</b>	<b>69.5</b>
General Household Expenses	241.8	344.8	32.2	38.4
Education	246.2	197.5	32.8	22.0
Health	58.8	55.9	7.8	6.2
Social functions	31.7	25.8	4.2	2.9
<b>Non Consumption</b>	<b>139.2</b>	<b>220.4</b>	<b>18.5</b>	<b>24.5</b>
Building works	41.0	71.8	5.5	8.0
Business	52.2	83.5	7.0	9.3
Land Purchase	33.9	38.8	4.5	4.3
Farming	7.9	26.2	1.1	2.9
Savings	3.9	0	0.5	0
Charity	0.3	0	0	0
<b>Transfer to other Household</b>	<b>32.2</b>	<b>53.3</b>	<b>4.3</b>	<b>5.9</b>
Other Rural Household	26.2	46.5	3.5	5.1
Other urban Household	6.0	6.8	0.8	0.8
<b>Totals</b>	<b>749.8</b>	<b>897.7</b>	<b>100</b>	<b>100</b>

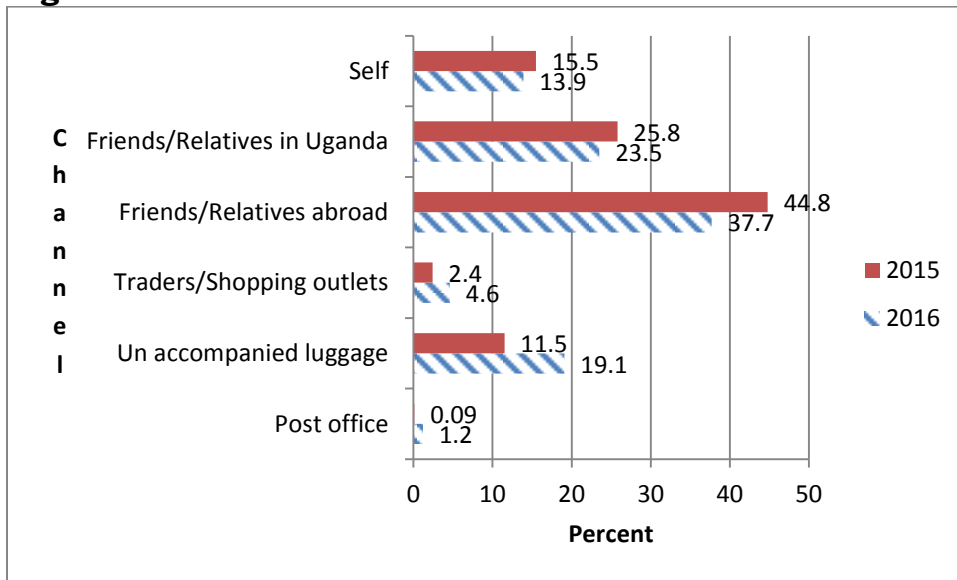
Source: Statistics Department, Bank of Uganda

**Figure 5: Frequency of Cash Transfers 2016**

Source: Statistics Department, Bank of Uganda

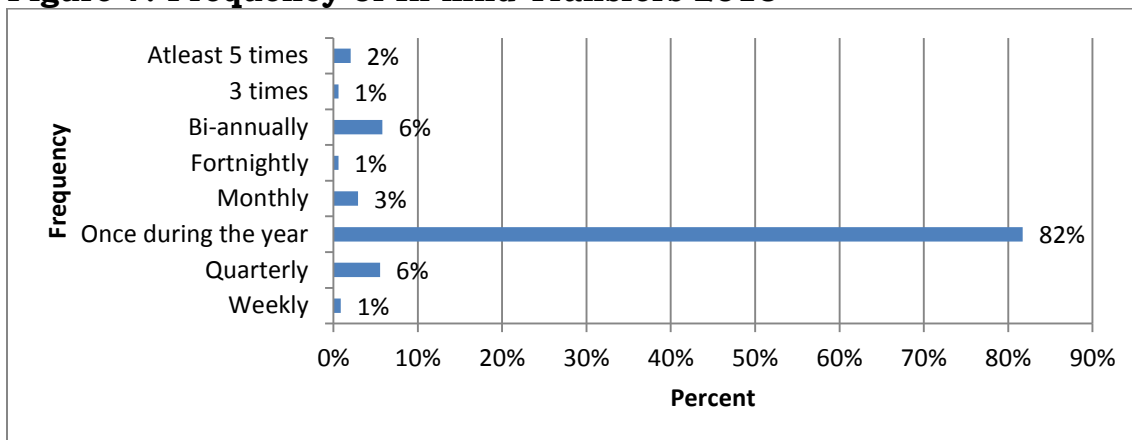


**Figure 6: Channel Used for In kind Transfers**



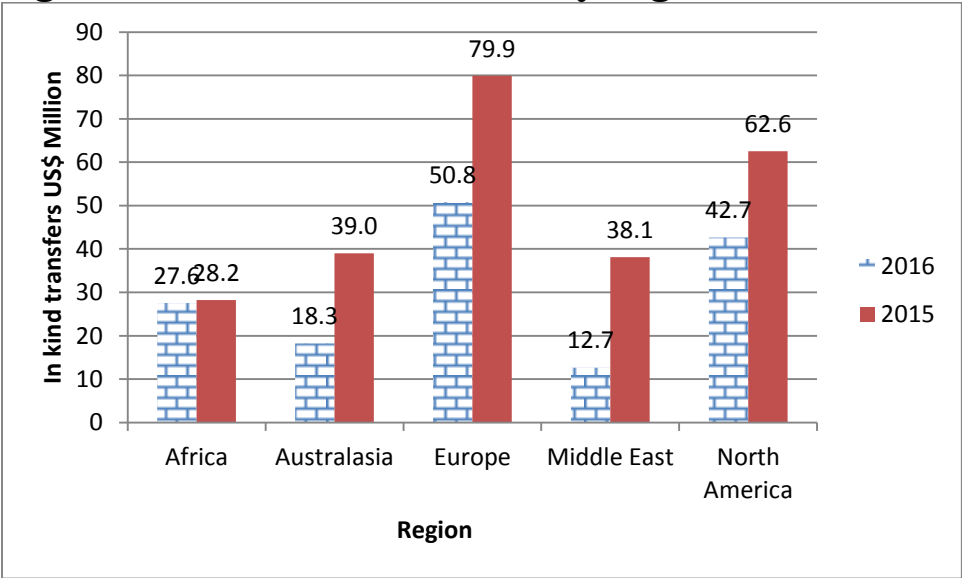
**Source:** Statistics Department, Bank of Uganda

**Figure 7: Frequency of In kind Transfers 2016**



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

**Figure 8: Total In kind Transfers by Region**



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