

## **Personal Transfers Survey 2017-Preliminary Results**

The summary presents preliminary findings of the Annual Personal Transfers Survey (APTS) 2017. 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 2017. It was intended to answer questions about: who sends money/items back home, what is transferred, how often, how much, 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 conducted during the period of March 17<sup>th</sup> and April 13<sup>th</sup> 2018. A total of 1016 household heads were interviewed.

### **Remitters' Profile**

The personal transfers recipient households in the country, were estimated at 606,618 for cash and 227,233 for in kind personal transfers.

The results revealed that the majority of the remitters (35.2 percent) of personal transfers were siblings of the household head, with brothers accounting for 23.3 percent and sisters with 11.9 percent. This was followed by parents rated at 21.3 percent, while spouses, friends and children (sons and daughters) accounted for 9.5 percent, 9.0 percent and 7.1 percent respectively. Other relatives constituted to 17.9 percent of the total remitters.

Most remitters (79.6 percent) had lived abroad for periods not exceeding 10 years. The majority (88.1 percent) of remitters were reported to have attained at least secondary school education (Ordinary level). Of these, 51.4 percent were graduates and in some cases with postgraduate qualifications. The survey results indicated that most remitters were based in Africa (29.0 percent),

Middle East (28.6 percent), Europe (20.7 percent) and North/South America (18.4<sup>1</sup> percent).

Overall, 86.4 percent of remitters sent cash personal transfers while 6.6 percent sent both cash and in-kind personal transfers and 7.0 percent, sent only items in kind.

### **Transfer Channels**

The survey results indicate that the trend of channel usage is similar to that of 2016, where formal channels (Western Union, Mobile Money, Bank Accounts and Money gram) were the most popular channels as reported by, 27.5, 27.3, 14.4, and 10.2 percent respectively. The Post Office was the least used channel, with 0.1 percent. The transfer channels were pre-determined by the remitter (44.6 percent), while ease of access and favourable transaction charges were other considerations in the choice of channel ( 38.1 and 17.8, percent) respectively.

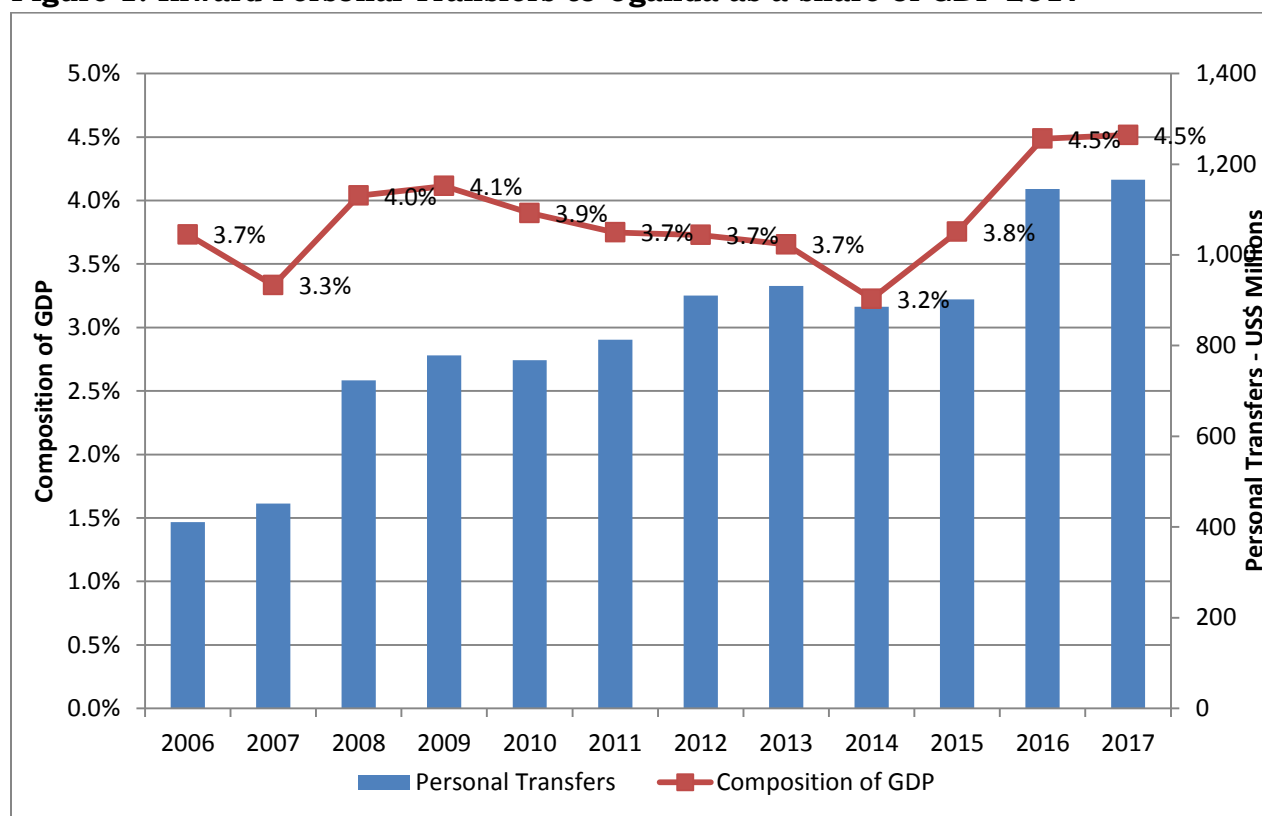
### **Total Personal Transfers Received in 2017**

Total personal transfers received in 2017 were estimated at US\$1,165.5 million which is about 4.5 percent of the GDP. The survey results reflect an increase of 2.0 percent compared to the US\$1,145.5 million estimate of 2016. In shillings terms, total personal transfers in 2017 were estimated at UGX 4,216.6 billion. This was an increase of 7.6 percent when compared to the estimate of UGX 3,918.3 billion of 2016. In light of the above total transfers to Uganda, and the depreciating exchange rate of 3412 in 2016, to 3618 in 2017, the trend of remittances as a share of GDP, remained at 4.5 percent points, a similar share as for 2016.

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<sup>1</sup> 18.2 percent of the remitters were based in North America while 0.2 percent in South America

**Figure 1: Inward Personal Transfers to Uganda as a share of GDP-2017**



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

### Cash Personal Transfers

Personal transfers received in cash were estimated at US\$840.2 million or 72.1 percent of the total received. 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 51.6 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, 91.8 percent of cash personal transfers were received through formal channels; this was an increase of 2.0 percentage points from the 2016 survey findings.

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

Generally, the trend of cash usage for personal transfers remains similar to that of past years, where household expenses and education took up the largest share of the money received with nearly US\$6 out of every US\$10 (59.5 percent) of the cash received was reported to have been spent on items in these groups. The survey results indicated that 39.6 percent was used for general household expenses, while 19.7 percent of the personal transfer receipts during 2017 were used for Education. Non-consumption expenditures accounted for 26.0 percent, most of which was spent on Building works and Business expansion.

### **Personal Transfers in Kind**

Personal transfers in kind were estimated at US\$325.3 million representing about 27.9 percent of total personal transfers received in 2017. The bulk of these items were received from Europe US\$127.4million (39.2 percent). Middle East and North America contributed goods worth US\$73.8m(22.7 percent) and US\$71.3million (21.9 percent) respectively while US\$46.6million (14.3 percent) came from Africa.

### **Conclusion**

In calendar year 2017, total personal transfers to Uganda increased by 2.0 percent, from US\$1,145.5 observed in 2016 to US\$1,165.5. This was mainly attributed to the increase in inkind transfers by 38.8 percent to US\$ 325.3 from US\$ 247.8 in 2016 There was a general increase in inflows to Uganda from most remitting countries in Europe, Middle East and Africa in 2017 as compared to inflows of 2016. The increased receipts from the remitting countries could be attributed to the importance of externalization of Uganda migrant workers to the Middle East in particular and economic growth of other remitting regions.

## Annex: Some Preliminary Results

**Table 1: Sample Allocation by Stratum**

Region	Urban		Rural		Grand Total		Percent	
	2016	2017	2016	2017	2016	2017	2016	2017
Northern	19	20	22	22	41	42	11.7	12.0
Eastern	28	26	27	28	55	54	15.7	15.4
Western	39	36	27	28	66	64	18.9	18.3
Central	64	68	24	22	88	90	25.1	25.7
Kampala	100	100	0	0	100	100	28.6	28.6
<b>Grand Total</b>	<b>250</b>	<b>250</b>	<b>100</b>	<b>100</b>	<b>350</b>	<b>350</b>	<b>100</b>	<b>100</b>

Source: Statistics Department, Bank of Uganda

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

Region	Urban		Rural		Grand Total		Percent	
	2016	2017	2016	2017	2016	2017	2016	2017
Northern	86	51	29	18	115	69	13.9	6.8
Eastern	83	82	36	50	119	132	14.4	13.0
Western	53	90	10	46	63	136	7.6	13.4
Central	163	193	39	33	202	226	24.4	22.2
Kampala	330	453	0	0	330	453	39.8	44.6
<b>Grand Total</b>	<b>715</b>	<b>869</b>	<b>114</b>	<b>147</b>	<b>829</b>	<b>1016</b>	<b>100</b>	<b>100</b>

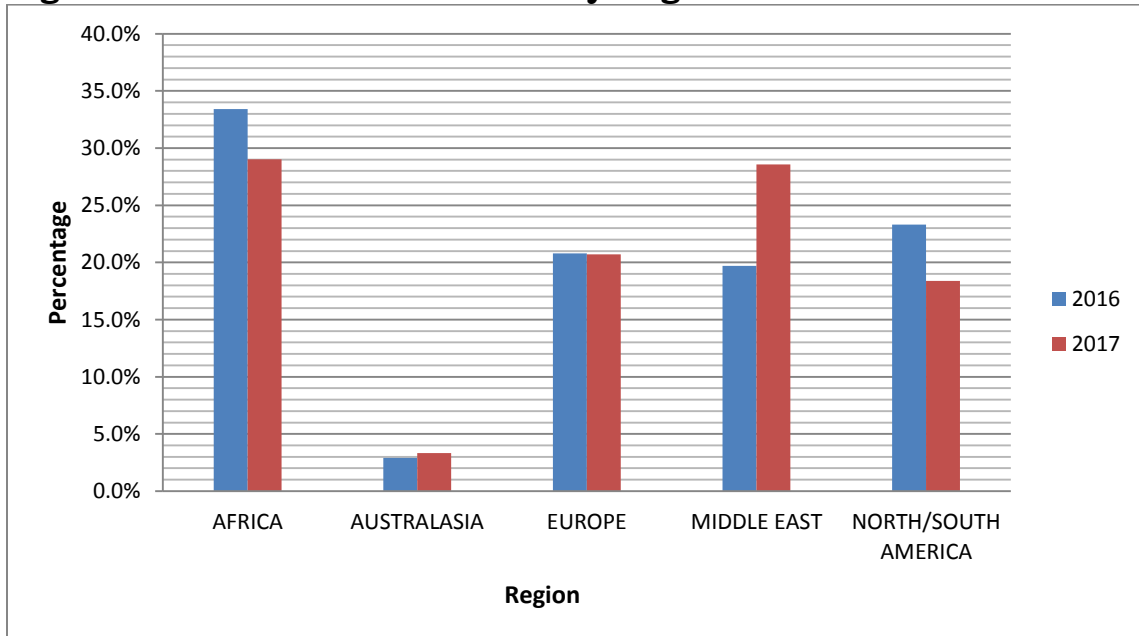
Source: Statistics Department, Bank of Uganda

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

Region	2016			2017		
	Cash	In kind	Total	Cash	In kind	Total
Africa	187.9	28.2	216.2	172.2	46.6	218.8
Australasia	10.9	39.0	49.9	42.3	6.2	48.5
Europe	224.6	79.9	304.6	210.0	127.4	337.4
Middle East	223.9	38.1	262.0	234.8	73.8	308.6
North/South America	250.3	62.6	312.9	180.7	71.3	252.1
<b>Total</b>	<b>897.7</b>	<b>247.8</b>	<b>1,145.5</b>	<b>840.2</b>	<b>325.3</b>	<b>1,165.5</b>

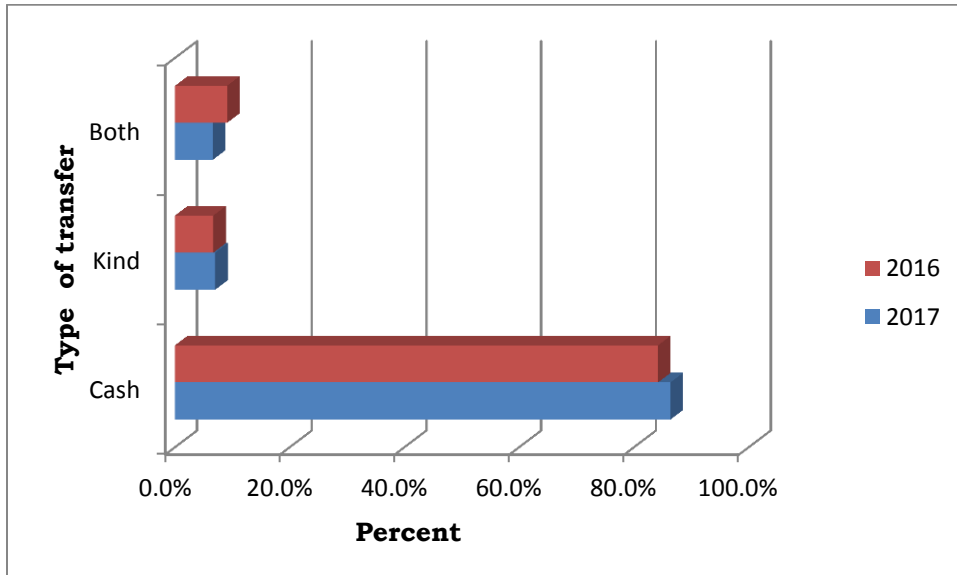
Source: Statistics Department, Bank of Uganda

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



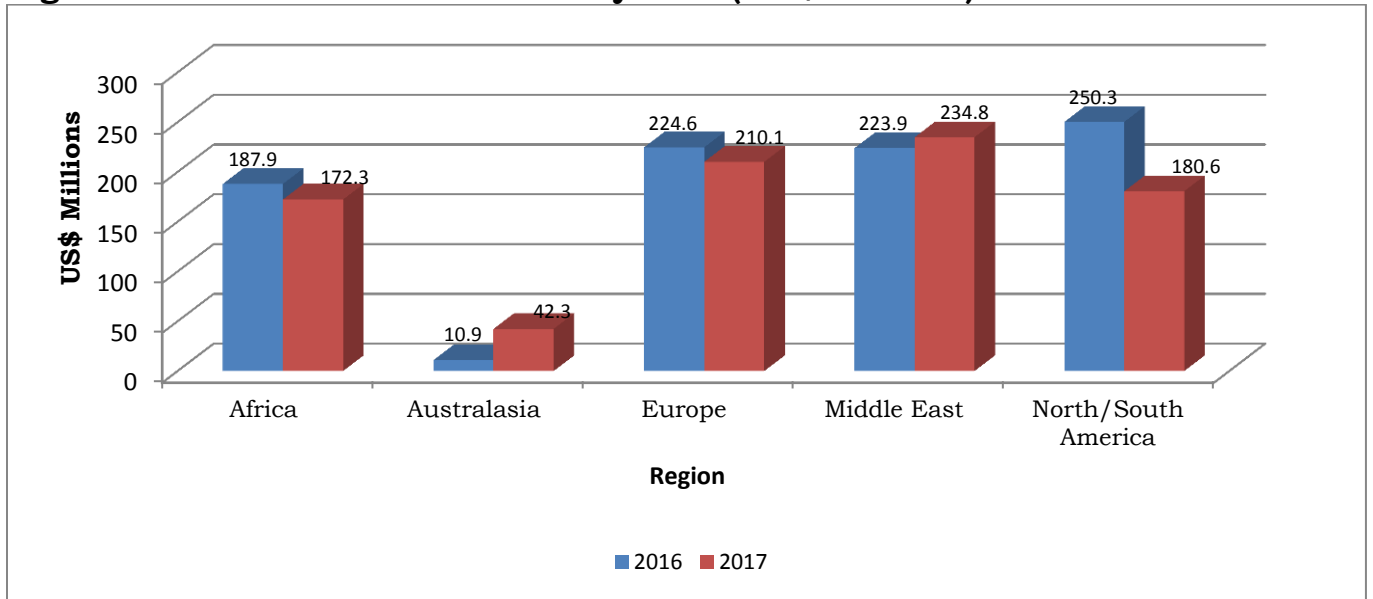
**Source:** Statistics Department, Bank of Uganda

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



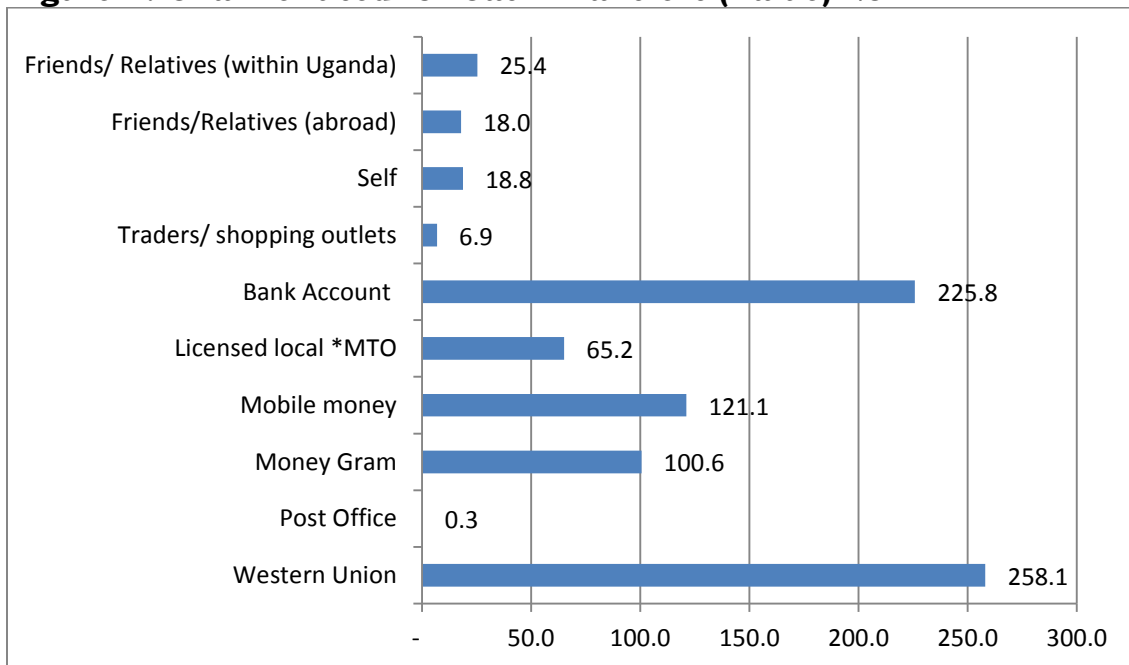
**Source:** Statistics Department, Bank of Uganda

**Figure 3: Source of Cash Transfers by value(US \$ millions)-2017**



Source: Statistics Department, Bank of Uganda

**Figure 4: Channel used for Cash Transfers (Value)-2017**

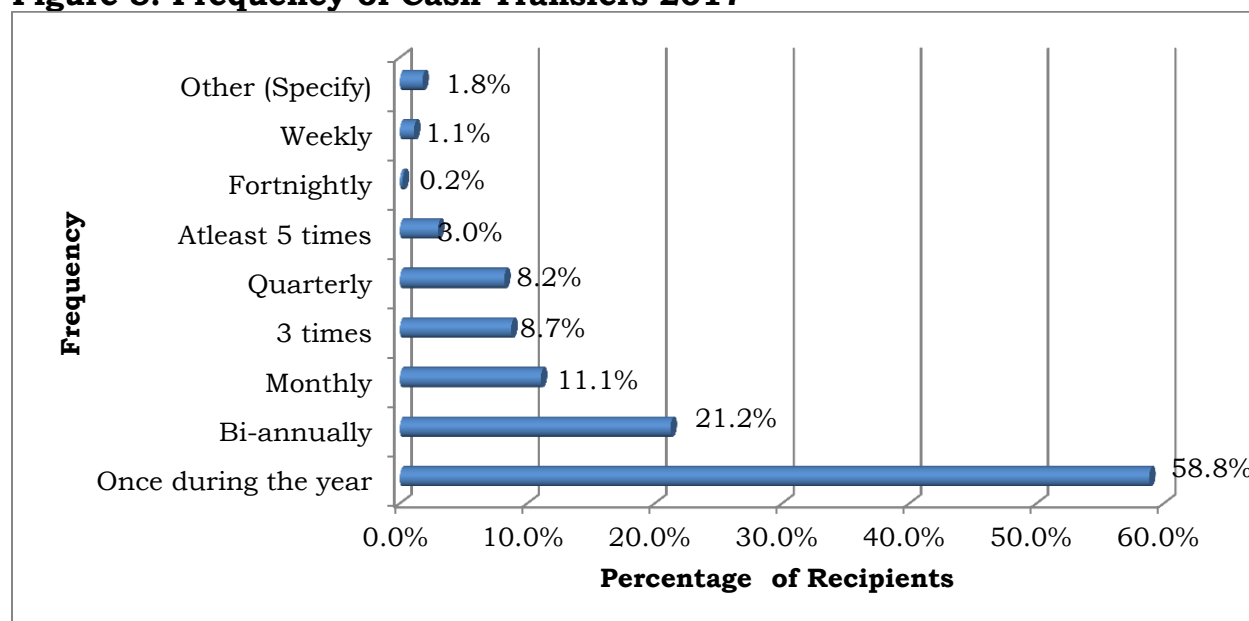


Source: Statistics Department, Bank of Uganda

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

Use	Amount (Million US\$)		Percent	
	2016	2017	2016	2017
<b>Consumption</b>	<b>623.9</b>	<b>602.4</b>	<b>69.5</b>	<b>71.7</b>
General Household Expenses	344.8	332.7	38.4	39.6
Education	197.5	165.5	22.0	19.7
Health	55.9	44.5	6.2	5.3
Social functions	25.8	58.8	2.9	7.0
<b>Non Consumption</b>	<b>220.4</b>	<b>218.5</b>	<b>24.5</b>	<b>26.0</b>
Building works	71.8	57.1	8.0	6.8
Business	83.5	105.5	9.3	12.5
Land Purchase	38.8	34.4	4.3	4.1
Farming	26.2	21.8	2.9	2.6
<b>Transfer to other Household</b>	<b>53.3</b>	<b>18.5</b>	<b>5.9</b>	<b>2.2</b>
Other Rural Household	46.5	13.4	5.1	1.6
Other urban Household	6.8	5.0	0.8	0.6
<b>Totals</b>	<b>897.7</b>	<b>840.2</b>	<b>100</b>	<b>100</b>

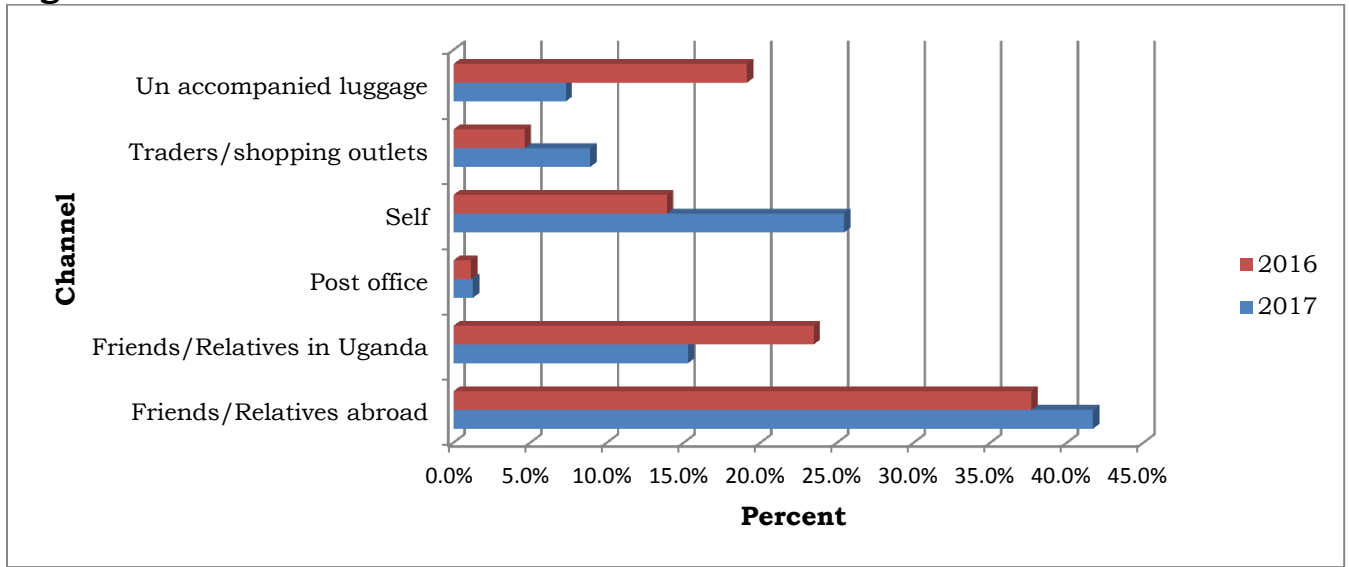
Source: Statistics Department, Bank of Uganda

**Figure 5: Frequency of Cash Transfers 2017**

Source: Statistics Department, Bank of Uganda

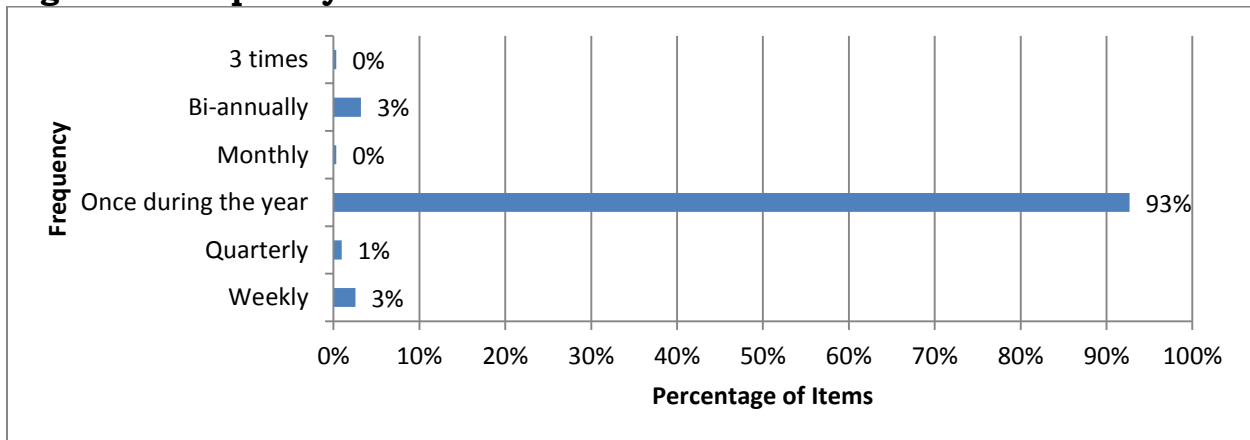


**Figure 6: Channel Used for In kind Transfers**



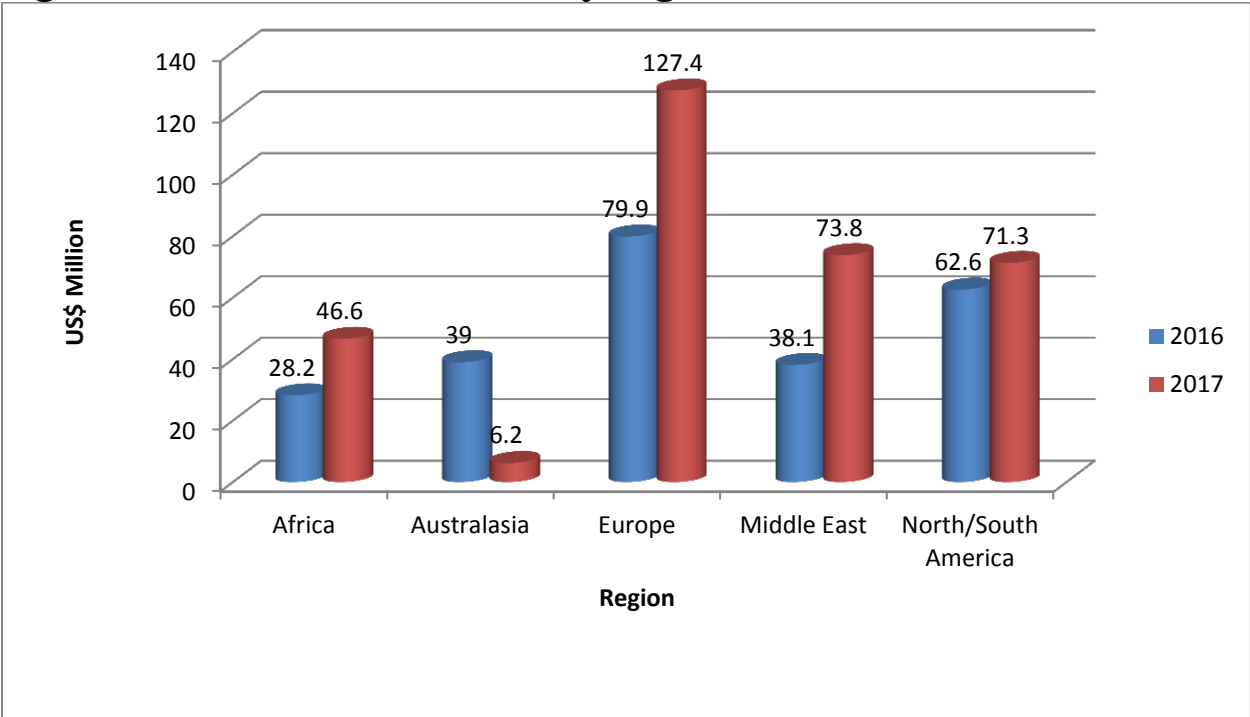
Source: Statistics Department, Bank of Uganda

**Figure 7: Frequency of In kind Transfers 2017**



Source: Statistics Department, Bank of Uganda

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



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