



# Financial Consumer Protection Survey (FCPS) Uganda 2025

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Associated survey dataset available here: <https://doi.org/10.7910/DVN/VKOGM1>

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# Executive Summary

## **Top five challenges and risks identified by DFS users**

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1. Poor network quality	74%
2. Fraud attempt	61%
3. Defaulted on mobile loan (% of loan users)	45%
4. Unclear fees or charges	27%
5. Sent money to an incorrect number	27%

## **Choice and transparency**

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Compares prices before selecting a financial service provider	34%
Often or always learns prices for DFS before the transaction	53%

## **Over-indebtedness**

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Loan users that missed a scheduled payment in last 12 months	62%
Loan users that regretted taking on debt	27%
Loan users that reduced food expenditure to repay debt	31%

## **Fraud**

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Experienced a fraud attempt in last 12 months	61%
Lost money due to fraud in last 12 months	9%

# Executive Summary

## Challenges with agents

Paid an extra fee in last agent transaction	8%
Experience agent discrimination sometimes, often, or always	22%

## Complaints redress

Sought redress in the last 12 months, among those that lost money due to fraud, unclear fees, or service quality challenges	27%
Of redress seekers, somewhat or very satisfied with last redress outcome	61%
Redress seekers changed, stopped, or reduced usage of DFS	
- Of redress seekers, <b>satisfied</b> with redress outcome	16%
- Of redress seekers, <b>dissatisfied</b> with redress outcome	36%

## Trust

Share of respondents who report full trust in each provider type (regarding privacy, fraud protection, and problem resolution):

- Mobile banking providers	56%
- Mobile money providers	56%
- Agents	26%
- Mobile loan providers	25%

## Executive Summary

### Sample characteristics

- 1 Demographics:** 69 percent had completed at least some secondary education or more, similar to the 71 percent in the Findex 2025 survey, and more than half were between 26 and 45 years of age. 50 percent of interviewed respondents were female, and 50 percent urban (comparing to 19 percent of typical urban DFS users in Findex).
- 2 Smartphone usage:** Over half of respondents use smartphones, with urban, higher educated, middle-aged, and less poor consumers significantly more likely to own smartphones.
- 3 SIM card registration:** Nearly 40 percent use SIM cards not registered in their own names, particularly common among younger adults, less educated, and less financially literate individuals.
- 4 Financial health challenges:** Half of consumers would have difficulties accessing emergency funds equivalent to 1/20th of GNI per capita (USD 52) within 30 days. Younger adults, female, poorer, and less financially literate respondents showed the greatest difficulty meeting this financial health benchmark.

## Executive Summary

### Digital Financial Services Usage and Consumer Choice

- 1 Services used:** Mobile money was the most common DFS, with nearly all respondents using agents and 57 percent having taken mobile loans. Mobile banking remained low at 17 percent, while credit cards, overdraft services and buy-now-pay-later were rare.
- 2 Provider concentration:** Two providers dominate both mobile money and mobile loan markets with nearly 100 percent market share.
- 3 Provider choice:** 76 percent of users choose payment service providers based on easy and quick access rather than pricing, with 27-40 percent comparing prices across services. One third of users report barriers to comparing prices between different services.
- 4 Stopped using a service:** 47 percent of respondents had stopped using a payment service provider, primarily due to account access problems, while 69 percent had switched agents, mainly due to distance or business closure.

## Executive Summary

## Challenges and risks

**1 Fraud exposure:** 85 percent of respondents experienced fraud attempts, with 61 percent targeted in the past year and 22 percent losing money due to fraud. The median loss in the last incident among fraud victims was USD 22, representing 23 percent of median monthly household income.

**2 Over-indebtedness:** 45 percent of mobile loan users defaulted in the past year, with one third holding multiple active loans simultaneously. 31 percent reduced food expenditure and 22 percent experienced debt collector harassment to repay loans.

**3 Price transparency:** Only 53 percent consistently knew fees before transactions, while 27 percent experienced unclear account deductions. Consumers rarely seek formal redress when problems occur, even when money is lost from their accounts.

**4 Service quality and agent reliability:** 83 percent encountered any type of service quality challenge, with 74 percent experiencing poor network quality affecting DFS usage. 27 percent of agents lack visible price lists, and are not always able to complete transactions.

## Executive Summary

### Complaints redress

- 1 Redress-seeking rates:** Of respondents who lost money due to fraud, unexpected fees, or service quality challenges in the past 12 months, only 27 percent sought redress to resolve the issue. Male respondents were more likely to seek redress.
- 2 Recovery of funds:** While half of redress cases involved lost funds, only 20 percent of those who lost money recovered some or all of it. Older adults, higher educated, and more financially literate respondents were more likely to recover funds.
- 3 Complaints resolution:** Among redress seekers, 61 percent reported satisfaction with outcomes, and complaint resolution consistently took longer than expected. Nearly one fifth spent money averaging USD 4.32 on resolution processes.
- 4 Impact on service usage:** 23 percent of redress seekers changed their DFS usage patterns after their complaint experience. Dissatisfied complainants and those experiencing financial losses were more likely to reduce their DFS usage.

## Executive Summary

### Trust in Digital Financial Services

- 1 Trust levels by provider:** Consumer trust was highest in mobile money and mobile banking providers, with between 51 percent and 66 percent giving them full trust ratings. Only 23 percent to 28 percent trusted fully in mobile loan providers and agents.
- 2 Help with challenges:** Across all services, consumers were least confident in providers' ability to help them resolve challenges related to DFS usage, and most confident in their ability to keep money safe from fraud, with ability to keep information private between the two.
- 3 Demographic trust patterns:** Urban, female, higher educated, and middle-aged consumers tended to be less trustful, as measured by a trust index score constructed from all trust indicators.
- 4 DFS challenges and impact on trust levels:** Consumers who experienced DFS challenges show markedly lower trust scores, with particularly strong negative correlations for agent overcharging, customer care problems, and fraud experiences.

## KEY TERMS

# Key Terms

**BNPL:** Buy-now-pay-later, or installment payment services, allow users to purchase goods or services immediately and repay the cost later through deductions from their accounts over several weeks or months. These services are typically provided by a financial company instantly at the time of purchase.

**Credit card:** A credit card is a card that allows users to borrow money in order to make payments or purchases. The balance is repaid later.

**Debit card:** A debit or ATM card is a card connected to an account that allows users to withdraw money or buy things, and the money is taken out of the account immediately.

**DFS agents:** DFS agents provide cash-in (deposit) and cash-out (withdrawal) services for customers, acting as human ATMs. Agents may also support customers complete other types of transactions, open accounts for new customers, and help customers resolve problems.

**Digital credit:** financial service that enables you to obtain loans through digital rather than in-person channels, most often via a mobile phone.

**Digital financial services (DFS):** Financial services—such as deposits, payments, and credit—delivered through digital channels, most commonly via mobile phones.

## KEY TERMS

# Key Terms

**Mobile banking:** A service that allows users to access and manage their bank account via a mobile phone using USSD codes or a bank app. A bank account is required to use mobile banking services.

**Mobile money:** An electronic wallet service that uses a phone number as the account number, allowing users to hold money electronically, send and receive funds, and make payments without needing a bank account - just a phone number and ID are required.

**Overdraft services:** Overdrafts allow users to spend more than their account balance by automatically covering the cost of a purchase if it exceeds the account balance. This credit is repaid later.

**USSD:** Unstructured Supplementary Service Data. A communication service that enables customers to use mobile financial services (MFS) on nearly any phone, by sending instructions to the MFS provider along with their personal identification number (PIN) for authentication, while enabling MFS providers to send responses to clients and confirm transactions. Examples of usage includes making payments or sending funds with mobile money, checking account balances, and buying airtime and internet bundles.

# Subgroups

Throughout this report, segmentation analysis is conducted using the following six respondent characteristics:

**GENDER:** In our survey, respondents self-identified as either male or female.

**AGE:** Grouped into brackets of 18-25 years, 26-45 years, and older than 46 years.

**URBAN:** Respondents were automatically categorized as urban or rural. We sampled from the country's two largest cities by population size (urban) and randomly selected districts with a population density below the country median (rural)

**EDUCATION:** We grouped respondents into those who have completed primary education or less, those who have completed some level of secondary education, and those who have completed secondary education or a higher level. Higher levels includes diplomas and university education.

**POVERTY:** Our definition was based on the [Poverty Probability Index \(PPI®\)](#) score. Individuals were grouped into more and less likely to be poor, where more poor individuals had a poverty probability higher than the sample median

**FINANCIAL LITERACY:** We grouped respondents into less financially literate (scoring less than 3/4 questions correctly) and financially literate (scoring at least 3/4 questions correctly), based on [Standard & Poor's global financial literacy survey](#)

# Study Methodology: Financial Consumer Protection Study

**Summary:** FCPS studies are conducted as **in-person market intercept surveys** targeting **1,000 DFS active customers** (respondents who had used digital financial services in the past 12 months). By design, the samples include **equal representation by gender as well as rural and urban** locations. We present **unweighted statistics**.

**Sampling:** Our sampling methodology involves a multi-tiered purposive sampling process to select markets where intercept surveys are conducted. An equal number of urban and rural markets are selected, each with different sampling approaches:

**Urban locations:** We select the country's **two largest cities** by population. In each selected city, field teams identify five markets (where food, clothing, or other consumer goods are typically sold), one market in the city's central business district and one market in each cardinal direction from the central business district (with modifications based on geography as needed).

**Rural locations:** We select administrative units at the level with a count closest to 100 units, and randomly select **two administrative units**, subject to three constraints: (1) below median population density, (2) no safety and security concerns, and (3) no IPA or partner survey firm operational limitations. To sample markets, we **randomly generate ten geocoordinates** per administrative unit, excluding areas with high population density ( $>1,000/\text{km}^2$ ). Field teams then identify the **nearest market** within a 15km radius of these coordinates.

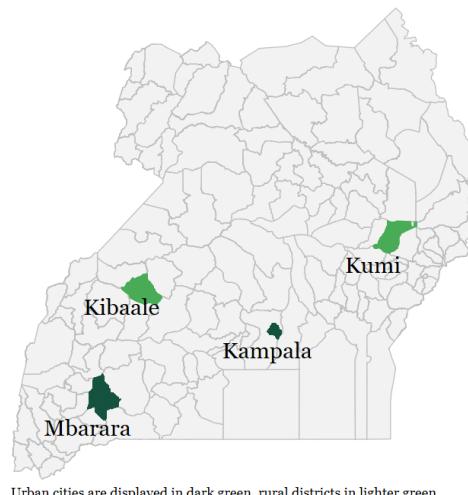
**Respondent selection and recruitment:** Enumerators station themselves in sampled markets, **intercepting individuals** to screen them for eligibility. Interviews are conducted until a total of 25 surveys have been completed in each market. Respondents must be **at least 18 years old, and have used mobile money, mobile banking, or a DFS agent within the past 12 months**. We sample an **equal number of men and women**.

# Study Methodology: The Uganda FCP Survey

**Sampled Districts:** In Uganda, we conducted the FCP survey in **urban markets** in **Kampala** and **Mbarara**, and in **rural markets** in **Kumi** and **Kibaale** districts.

**Representation:** Our survey is **not representative of the population of DFS users in Uganda**.

Our **purposive sampling approach** is designed to allow us to make comparisons across important consumer segments, without taking a resource-intensive, nationally representative sampling approach. As a rough assessment of representativeness, we present detailed sample demographics and compare them with those of DFS users in the nationally representative 2025 Global Findex survey.



Urban cities are displayed in dark green, rural districts in lighter green

# Sample Characteristics

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# Key Findings

**1. Demographics:** 69 percent had completed at least some secondary education or more, similar to the 71 percent in the Findex 2025 survey, and more than half were between 26 and 45 years of age. 50 percent of interviewed respondents were female, and 50 percent urban (comparing to 19 percent of typical urban DFS users in Findex).

**3. SIM card registration:** Nearly 40 percent use SIM cards not registered in their own names, particularly common among younger adults, less educated, and less financially literate individuals.

**2. Smartphone usage:** Over half of respondents use smartphones, with urban, higher educated, middle-aged, and less poor consumers significantly more likely to own smartphones.

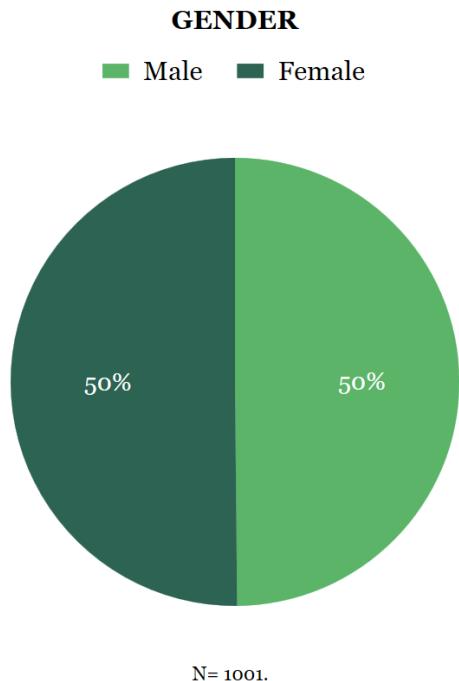
**4. Financial health challenges:** Half of consumers would have difficulties accessing emergency funds equivalent to 1/20th of GNI per capita (USD 52) within 30 days. Younger adults, female, poorer, and less financially literate respondents showed the greatest difficulty meeting this financial health benchmark.

## SAMPLE CHARACTERISTICS

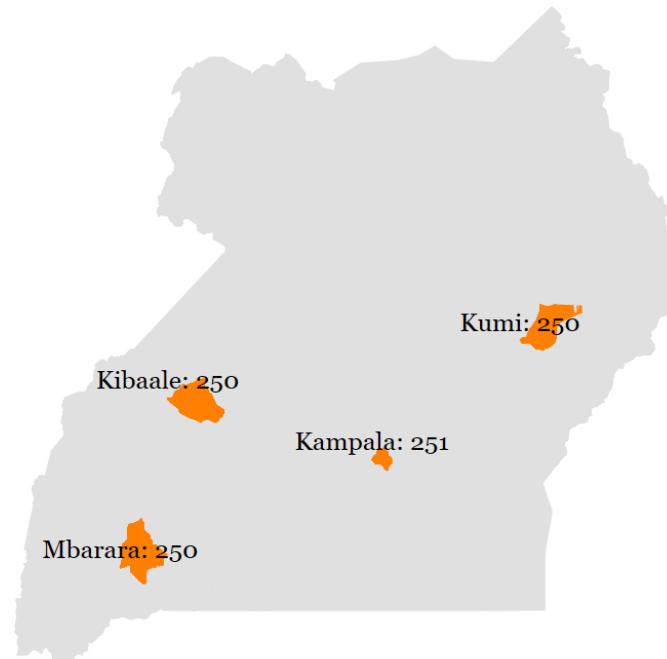
By design, our sample is balanced by gender and urbanicity.

We surveyed a total of 1,001 DFS users in Uganda.

Our survey sampled equal shares of men and women.



We surveyed 501 respondents in the two biggest cities, Kampala and Mbarara, and another 500 in two randomly selected rural districts, Kumi and Kibaale.

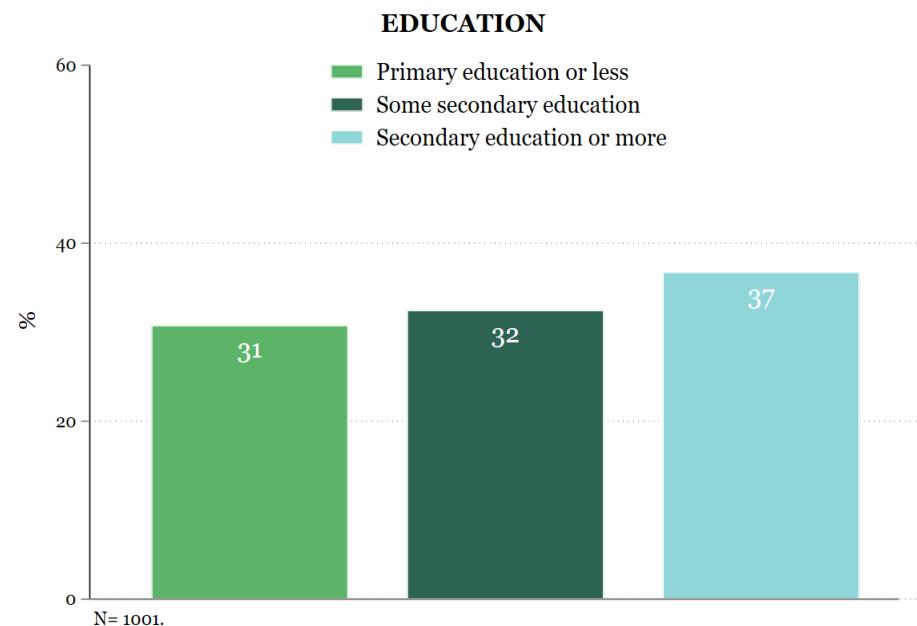
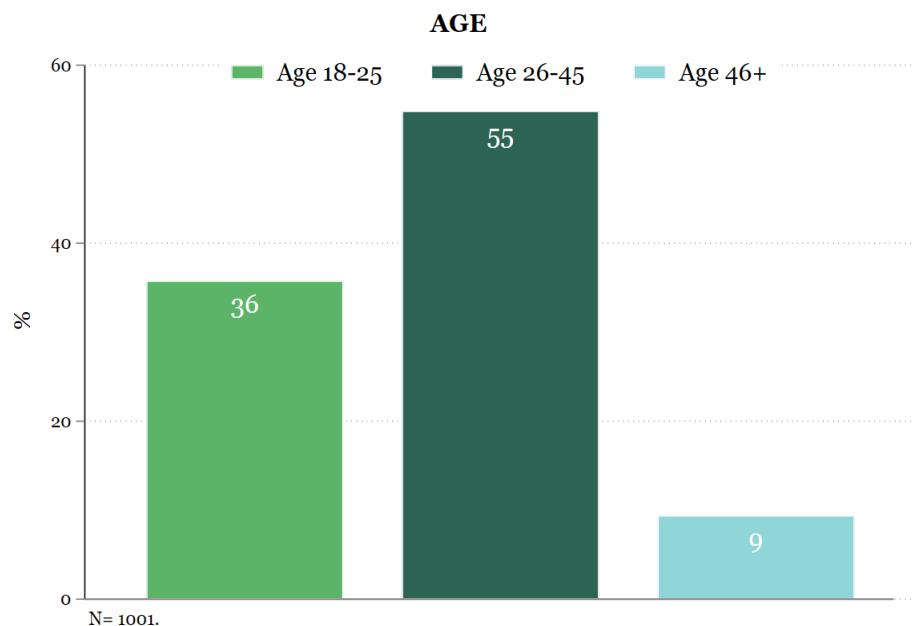


This compares to 47 percent female and 19 percent urban DFS consumers nationally in the Findex 2025 survey.

## AGE AND EDUCATION

Surveyed DFS users are primarily middle-aged adults with at least some secondary education.

69 percent had some secondary education, similar to the 71 percent in the Findex data.

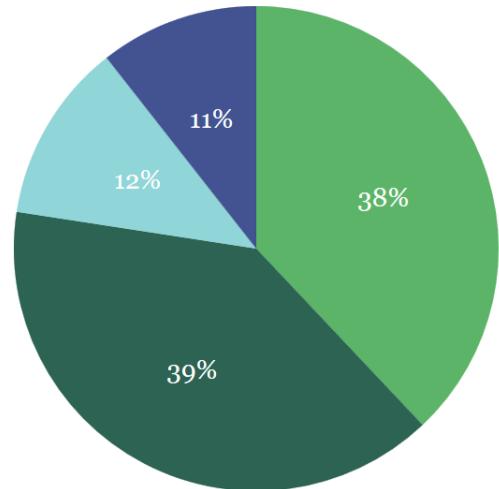


## HOUSEHOLDS

Half of surveyed DFS users were married or cohabitating, and most were the household head or their partner.

**MARITAL STATUS**

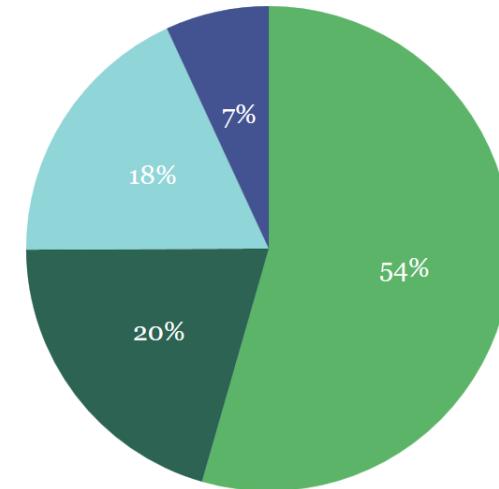
■ Never married ■ Married ■ Separated/Divorced/Widowed ■ Cohabitating



N= 1001.

**RELATIONSHIP TO HEAD OF HOUSEHOLD**

■ Household head ■ Partner/Spouse ■ Child ■ Other



N= 1001.

## EMPLOYMENT

# Most respondents were working and self-employed.

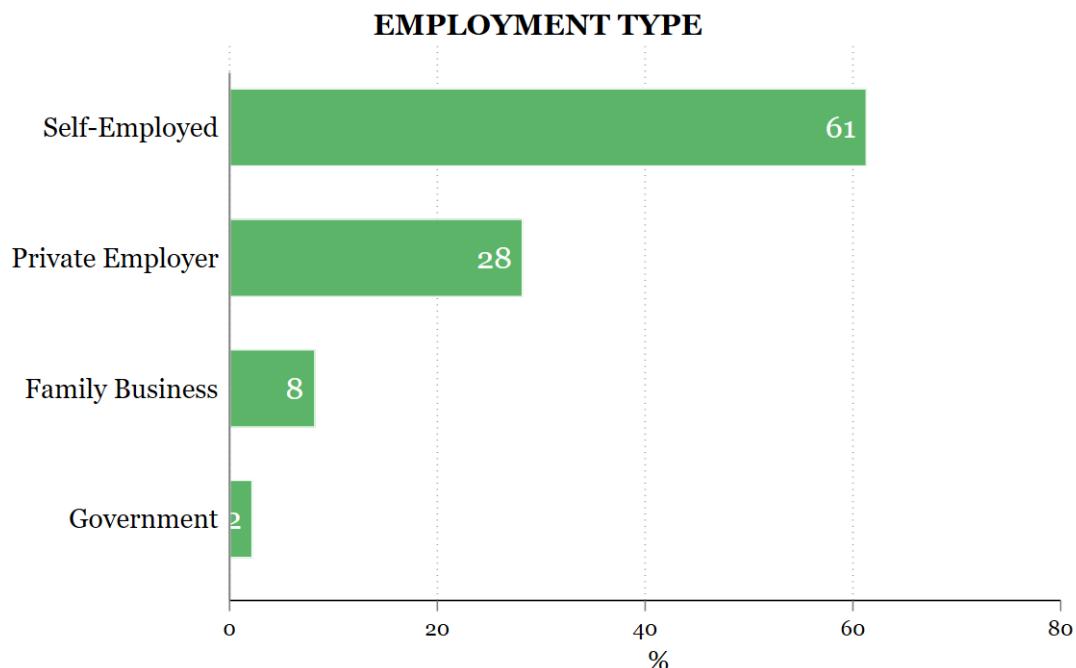
86 percent of respondents were working at least 20 hours a week.

More than half were self-employed. Among all workers, 28 percent worked at a formally registered business.

Of those working for an employer,

**14 percent**  
had received wages into an account at a bank or similar financial institution.

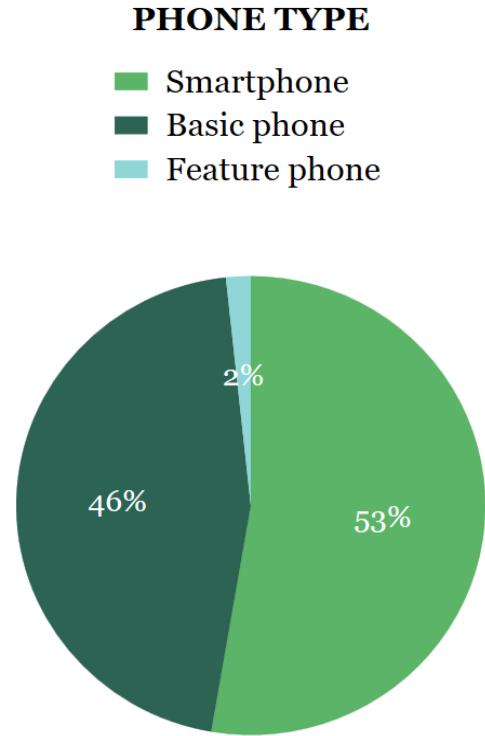
**27 percent**  
had received wages through their phone.



N= 863. Excludes 2 don't know/refuse to answer responses.

## PHONE USAGE

Over half of respondents use smartphones.



50 percent of typical DFS users in the Findex survey owned a smartphone.

Urban, higher educated, middle-aged, and less poor respondents were more likely to use a smartphone as their primary phone.

N= 998.

## PHONE USAGE

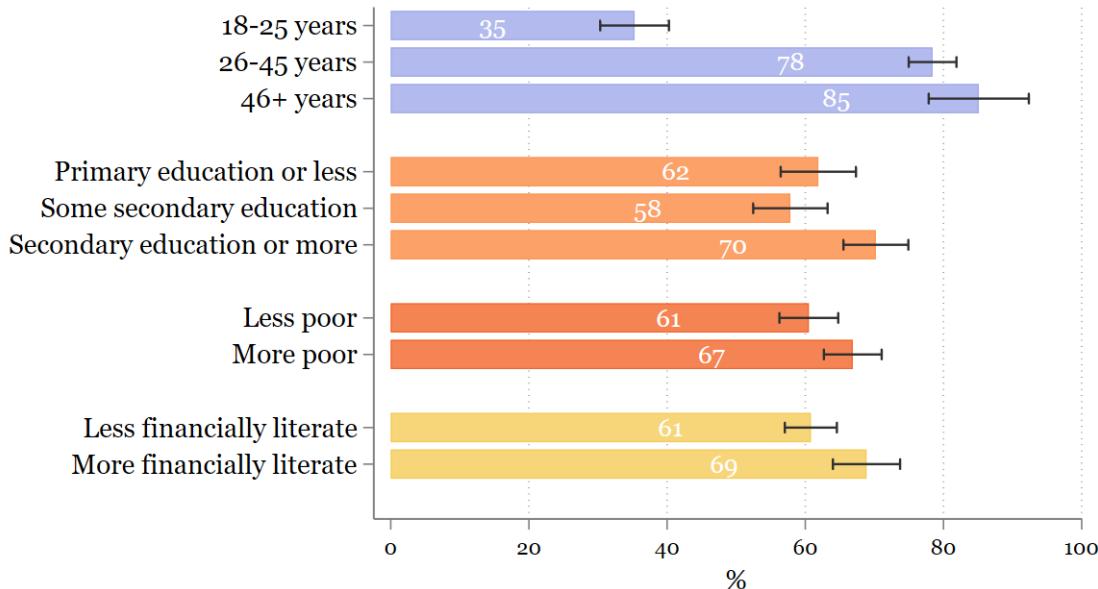
# SIM cards were frequently not registered in the respondent's name.

36 percent said the SIM card they used was not registered in their name.

Younger adults, those with less education, and less financially literate individuals were more likely to use phones registered in someone else's name.

The share is higher than it was in 2021\*, when 28 percent of consumers used SIM cards not registered in their name.

## PHONE SIM IS REGISTERED IN RESPONDENT'S NAME



N= 998. 95% confidence intervals shown.  
Graphs produced only when consumer segments differed at the 5% significance level.

\*The 2021 survey conducted by IPA interviewed active DFS consumers on phone in Central, Eastern, Northern, and Western region of Uganda.

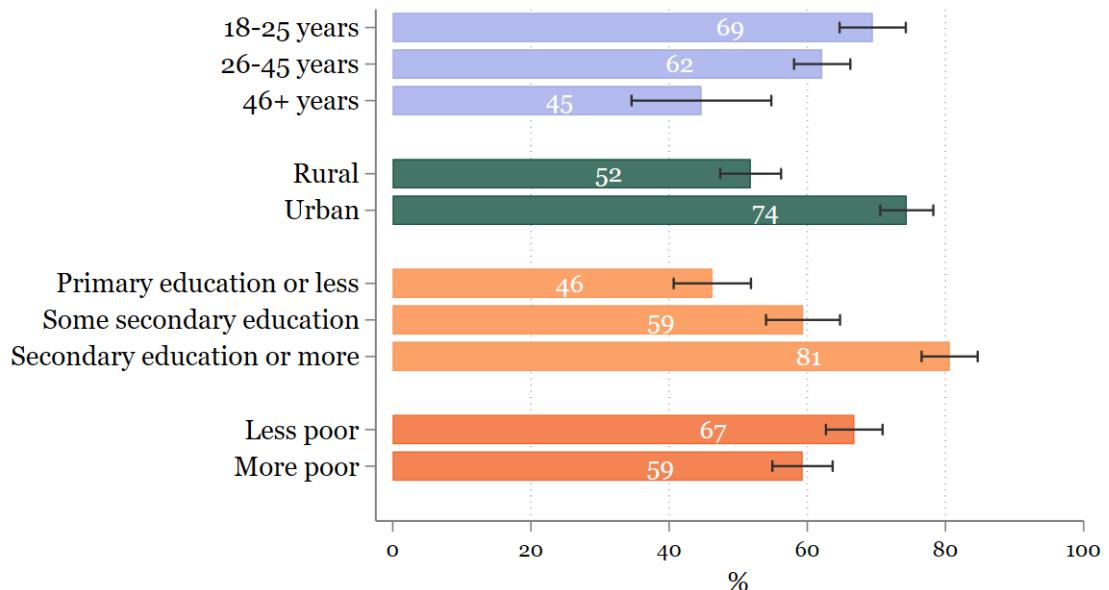
## PHONE USAGE

Almost 40 percent of DFS users did not have a PIN or password on their phone to protect their accounts.

Older adults, rural, less educated and poorer consumers were less likely to have password protected phones.

Among respondents who had a PIN or password,  
**16 percent did not know how to change it.**

### PHONE IS PASSWORD PROTECTED



N= 998. 95% confidence intervals shown.  
Graphs produced only when consumer segments differed at the 5% significance level.

## Most consumers use their own phone, but one in three that use a PIN or password share it with others.

When respondents shared passwords, it was typically with their spouse/partner or another household member. Middle-aged adults, those with some secondary education, and female respondents were more likely to say that someone else knew their PIN or password.

15%

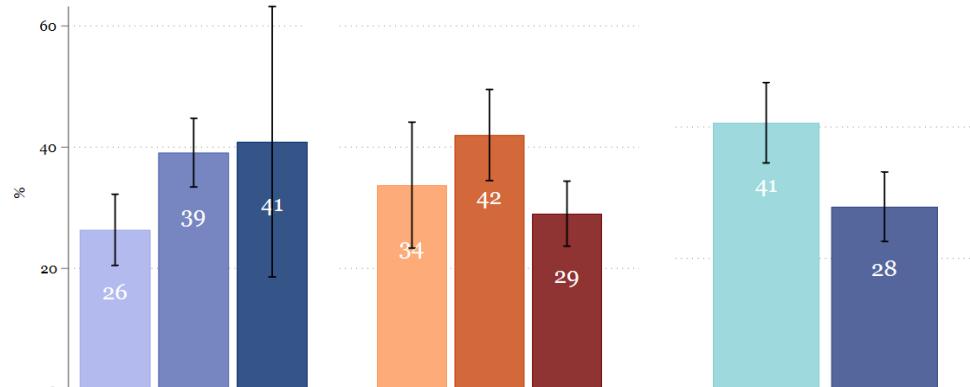
shared their phone with someone else.

34%

of PIN/password users said that someone else knew their PIN or password\*

### SOMEONE ELSE KNOWS PHONE PIN OR PASSWORD

Age	Education	Gender
18-25 years	Primary or less	Female
26-45 years	Some secondary	Male
46+ years	Completed secondary	

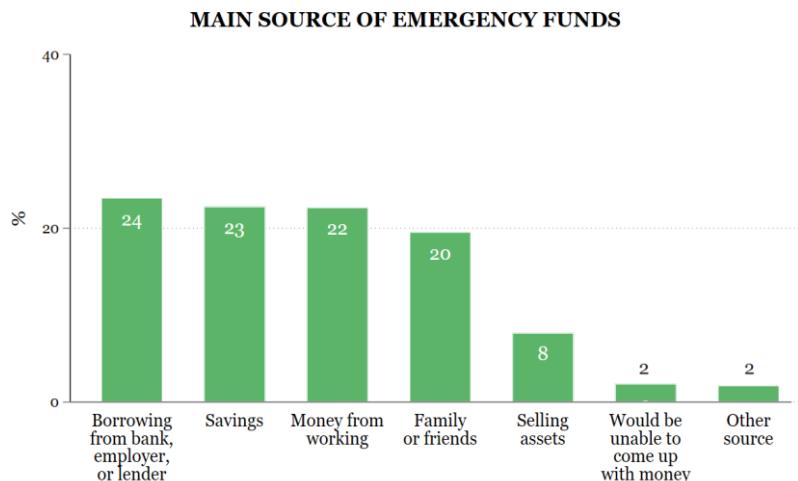


N= 531. 95% confidence intervals shown.  
Graphs produced only when consumer segments differed at the 5% significance level.

\*Due to a survey programming error, PIN or password sharing was only asked of respondents who had a PIN/password and knew how to change it (N=531), instead of all respondents who had a PIN/password (N=630).

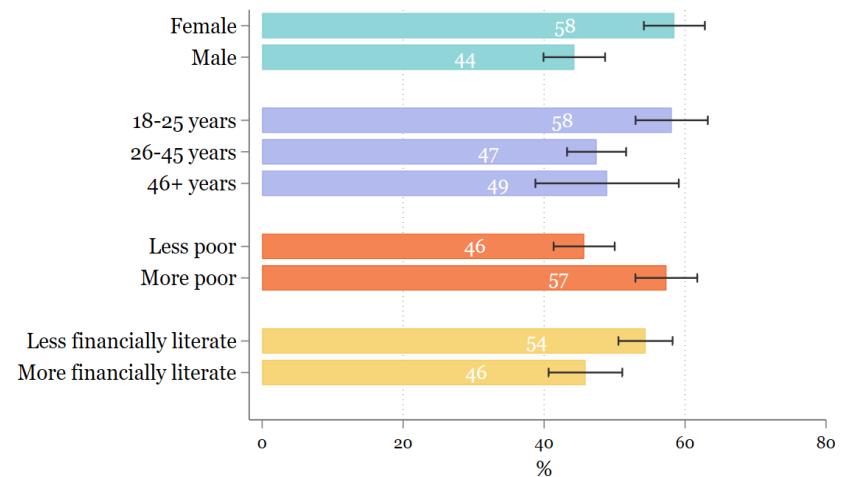
# Half of consumers found it difficult to meet a basic financial health benchmark: accessing funds equal to 1/20th of GNI per capita within 30 days in an emergency.

While half (51 percent) of respondents had difficulty coming up with emergency funds equivalent to 1/20th GNI per capita (USD 52) within a month, more than three-quarters (78 percent) found it difficult to do so within a week.



Female, younger, poorer, and less financially literate respondents were most vulnerable to financial emergencies.

**DIFFICULT TO COME UP WITH EMERGENCY FUNDS (30 DAYS)**



In Uganda, USD 50 or UGX 184,000 is equal to 1/20th of GNI per capita. The questions are taken from IPA's Financial Health Survey (2020)

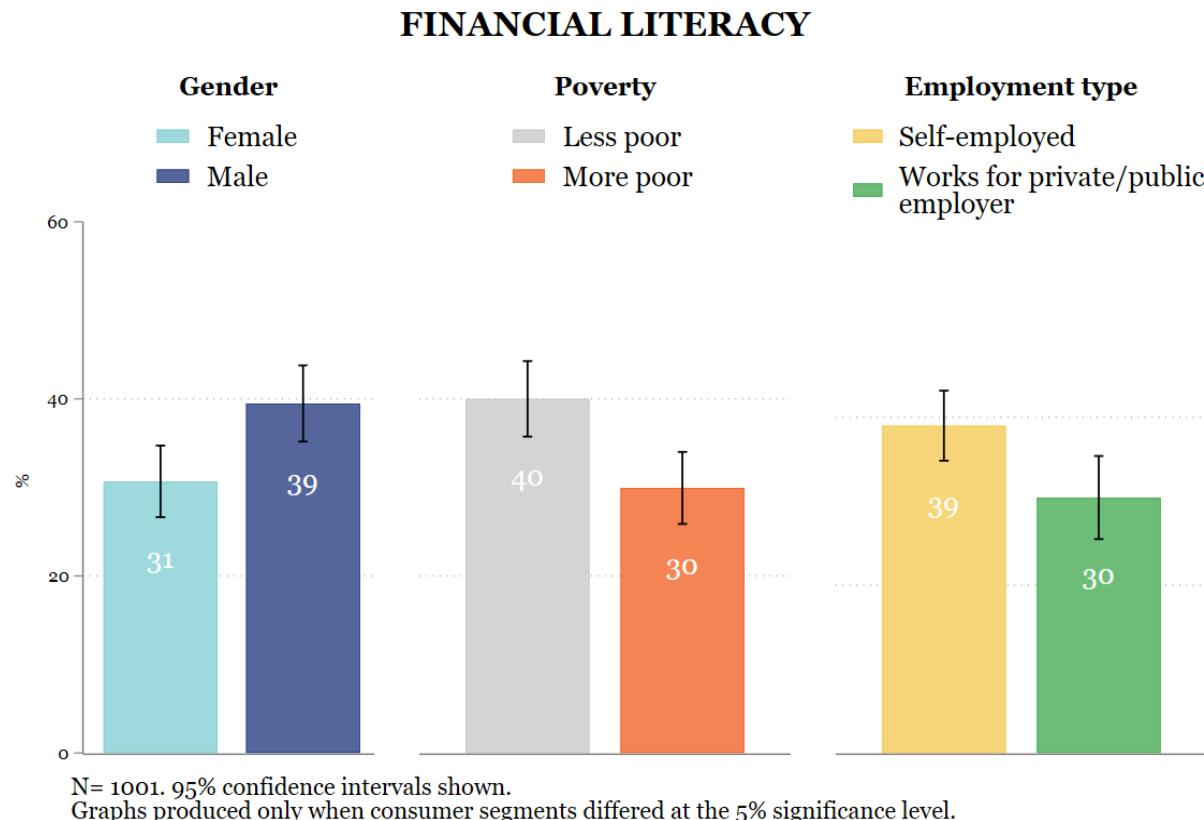
## Financial Literacy.

In our study we relied on [Standard & Poor's global financial literacy survey](#) which is the world's largest global measurement of financial literacy. This measure probes knowledge of four basic financial concepts: risk diversification, inflation, numeracy, and interest compounding.

*A person is considered financially literate if they answer three out of the four questions correctly.*

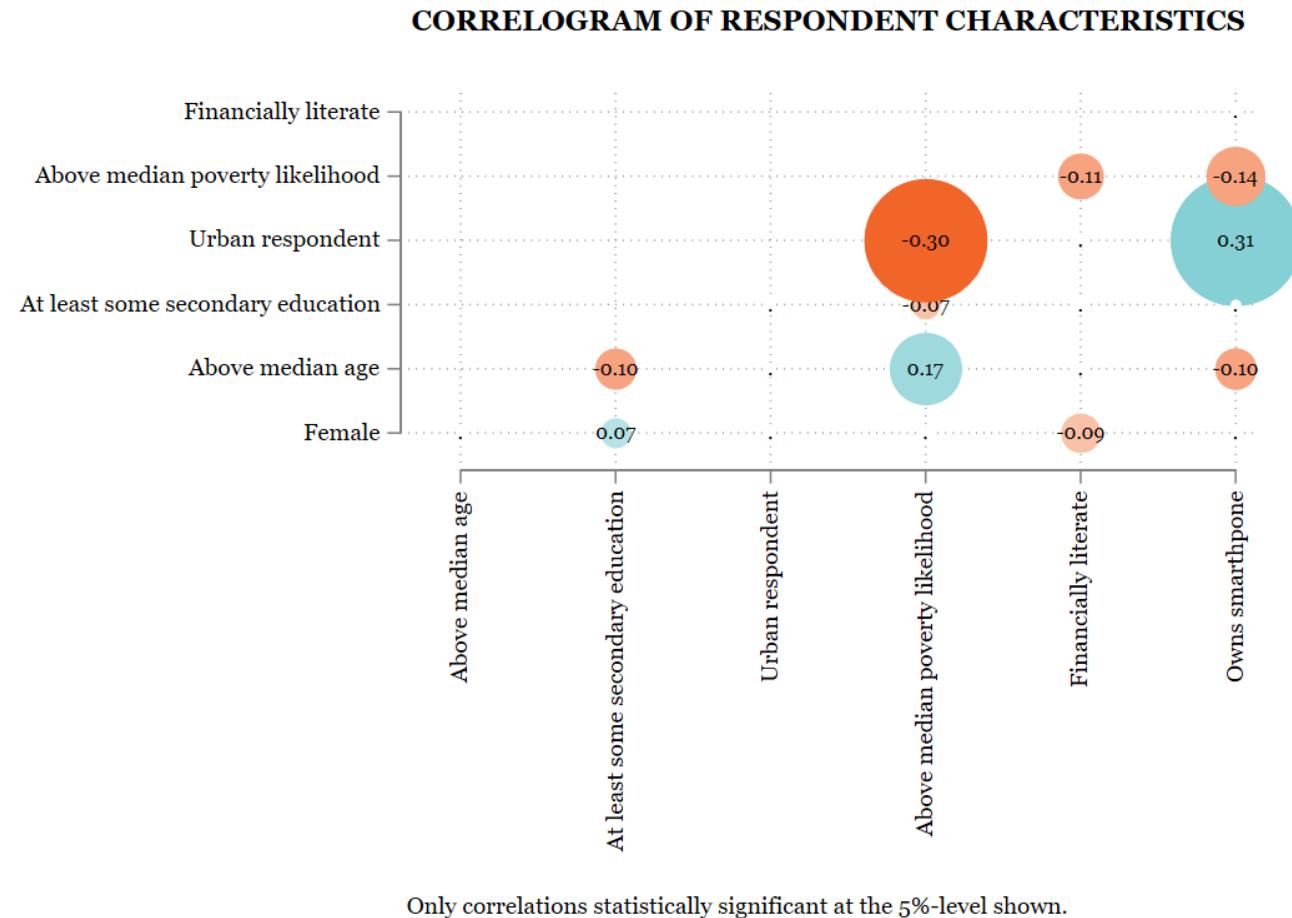
In our sample, 35 percent of respondents were financially literate.

Financial literacy is correlated with gender, poverty, and self-employment.



## CORRELATIONS

Several key demographic characteristics of our sample are correlated.



Stronger relationships are shown as larger circles, in light blue for positive correlations and red for negative correlations.

Urbanicity, poverty, age, and smartphone ownership are most correlated.

# Digital Financial Services Usage and Consumer Choice

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# Key Findings

**1. Services used:** Mobile money was the most common DFS, with nearly all respondents using agents and 57 percent having taken mobile loans. Mobile banking remained low at 17 percent, while credit cards, overdraft services and buy-now-pay-later were rare.

**3. Provider choice:** 76 percent of users choose payment service providers based on easy and quick access rather than pricing, with 27-40 percent comparing prices across services. One third of users report barriers to comparing prices between different services.

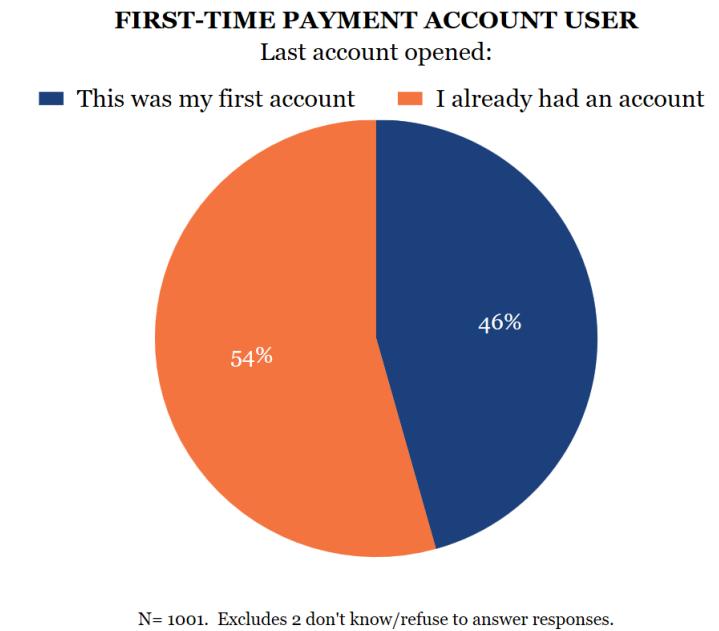
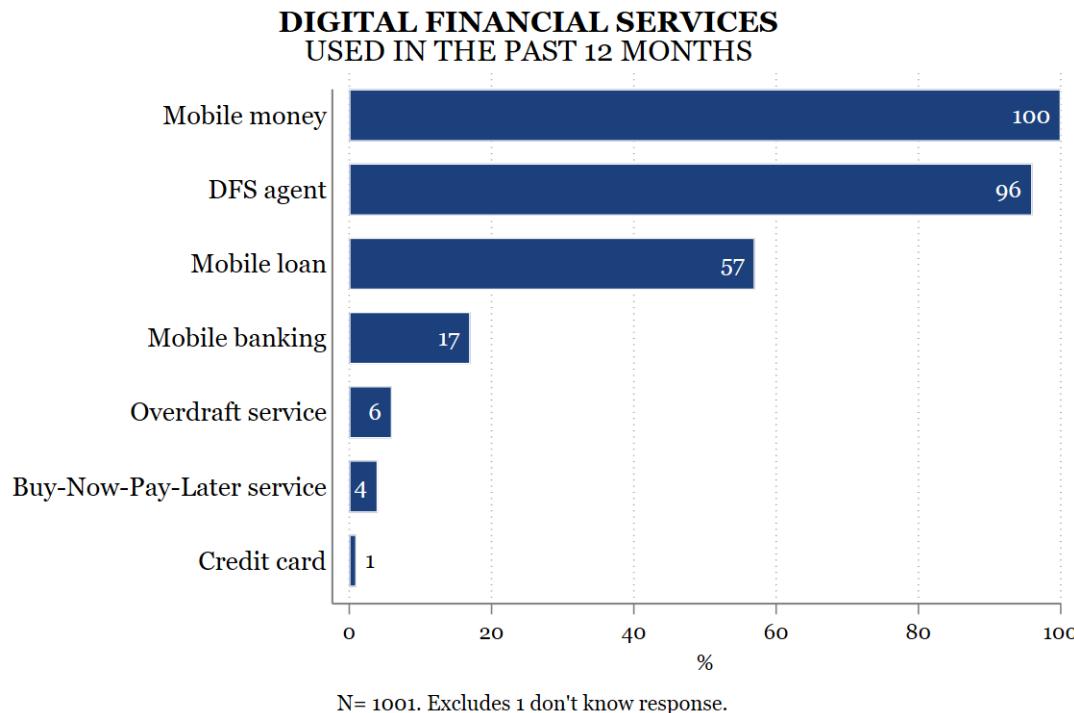
**2. Provider concentration:** Two providers dominate both mobile money and mobile loan markets with nearly 100 percent market share.

**4. Stopped using a service:** 47 percent of respondents had stopped using a payment service provider, primarily due to account access problems, while 69 percent had switched agents, mainly due to distance or business closure.

## USAGE SUMMARY

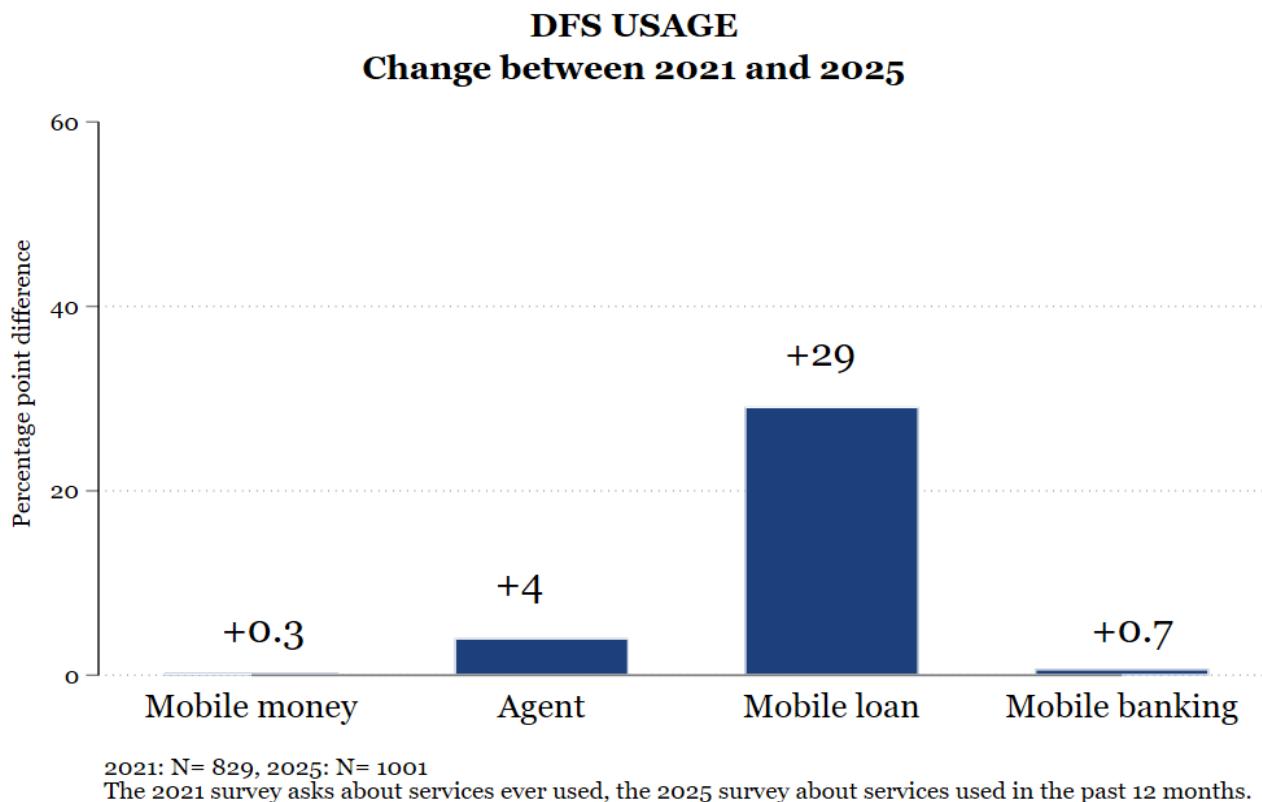
# Among DFS users, mobile money is the most used service, and agents are nearly universally used.

Almost all DFS users (96 percent) had used an agent, and over half (57 percent) had taken out a mobile loan. Mobile banking is much less common, used by 17 percent of DFS users. Other credit services – Overdraft, buy-now-pay-later (BNPL), and credit cards are relatively uncommon.



## Mobile loan usage has increased since 2021

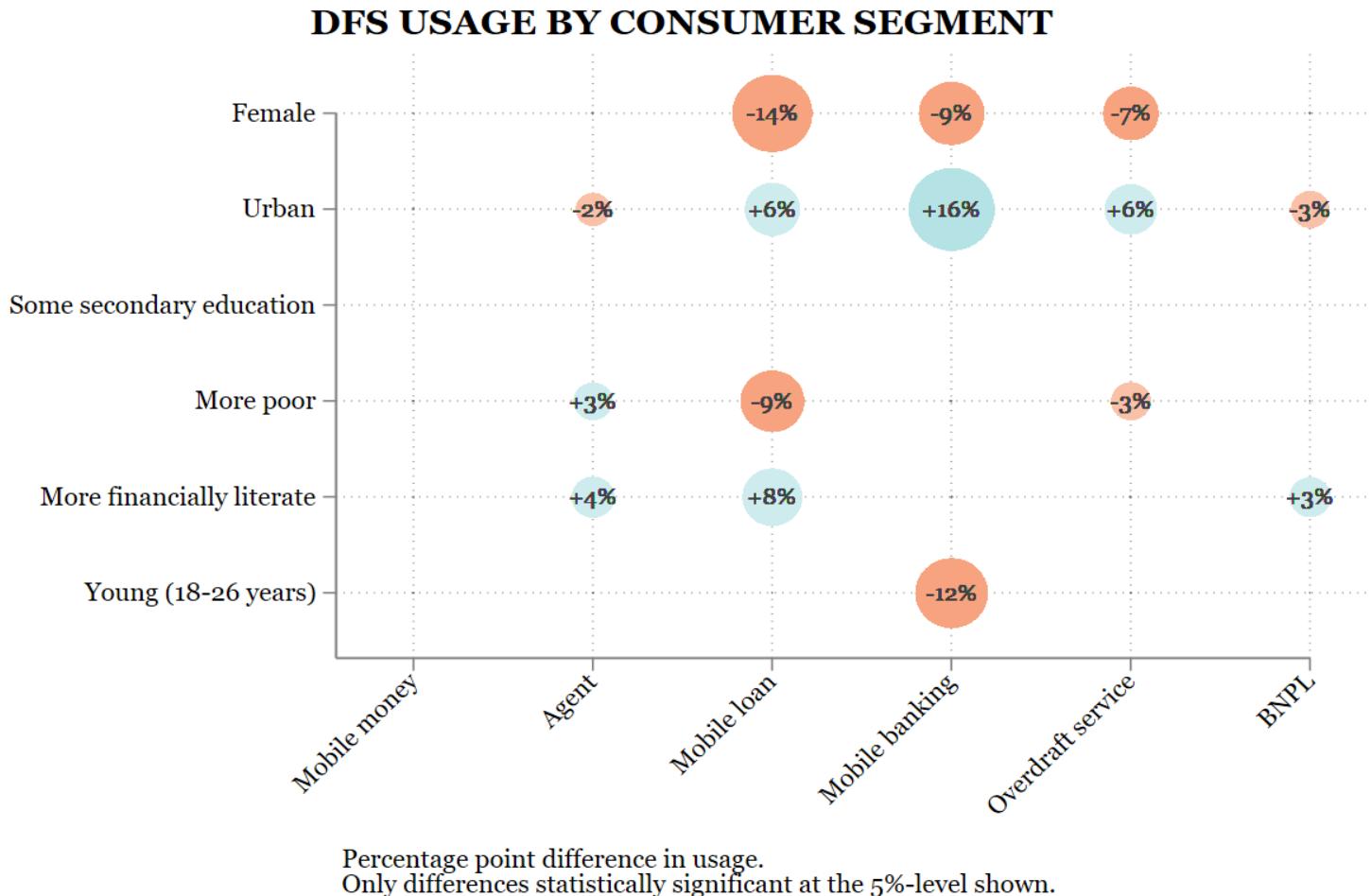
While usage of mobile money, mobile banking, and agent services has remained largely stable over time, 28 percent said they had used mobile loans in 2021, compared to 57 percent in 2025.



## USER CHARACTERISTICS

# The type of services used differed by consumer segment.

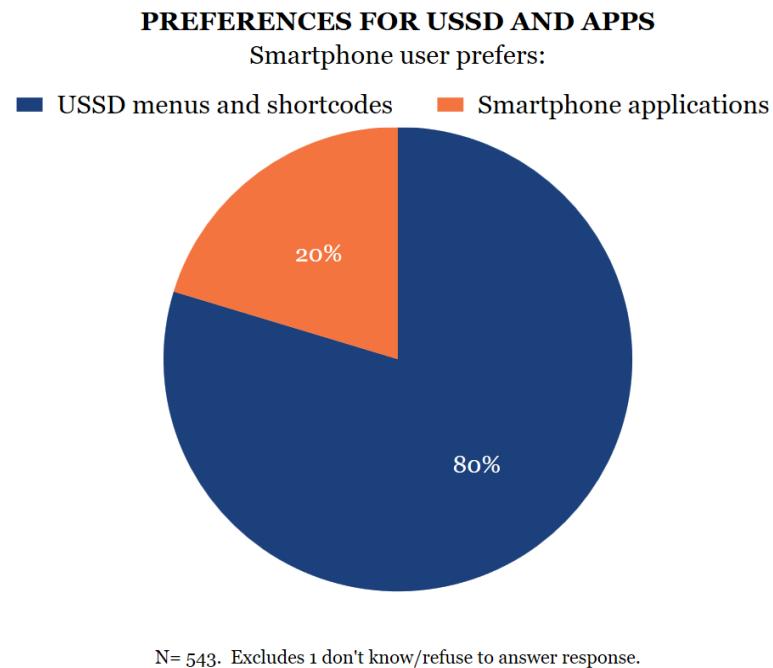
Urban and socioeconomically advantaged consumers tended to use banking and debt services to a greater extent.



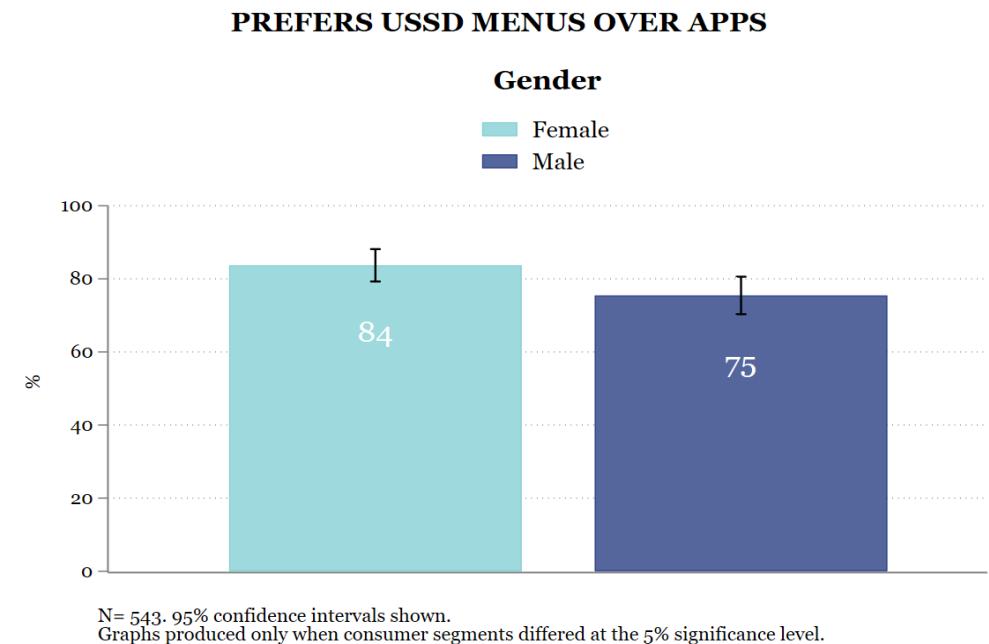
## USER CHARACTERISTICS

The majority of smartphone users preferred USSD menus over apps for digital transactions.

Mobile banking and non-mobile banking users were equally likely to prefer USSD menus.

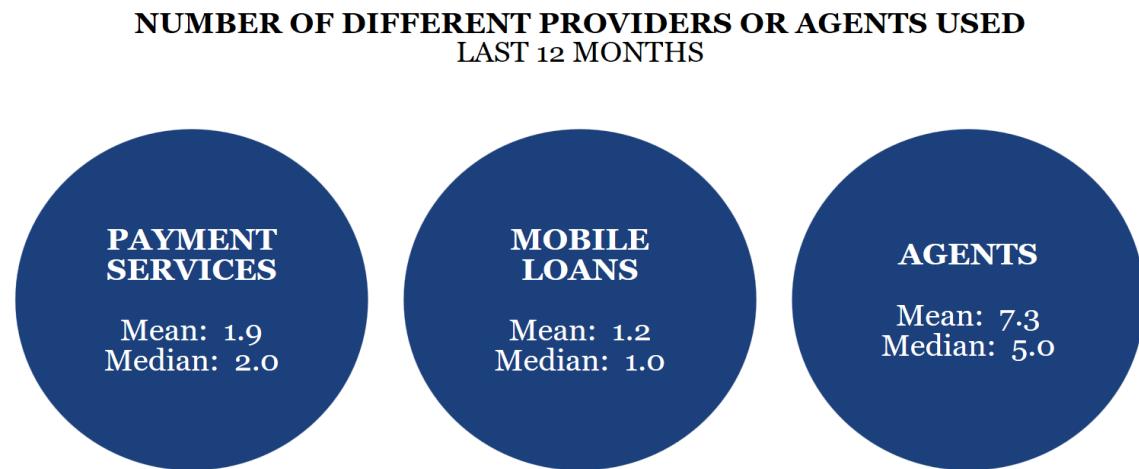


Female smartphone users were more likely to prefer USSD menus.



## USAGE

DFS consumers use multiple agents, and have typically used two payment service providers.



Payment services: N= 1001, Mobile loans: N= 569, Agents: N= 961.

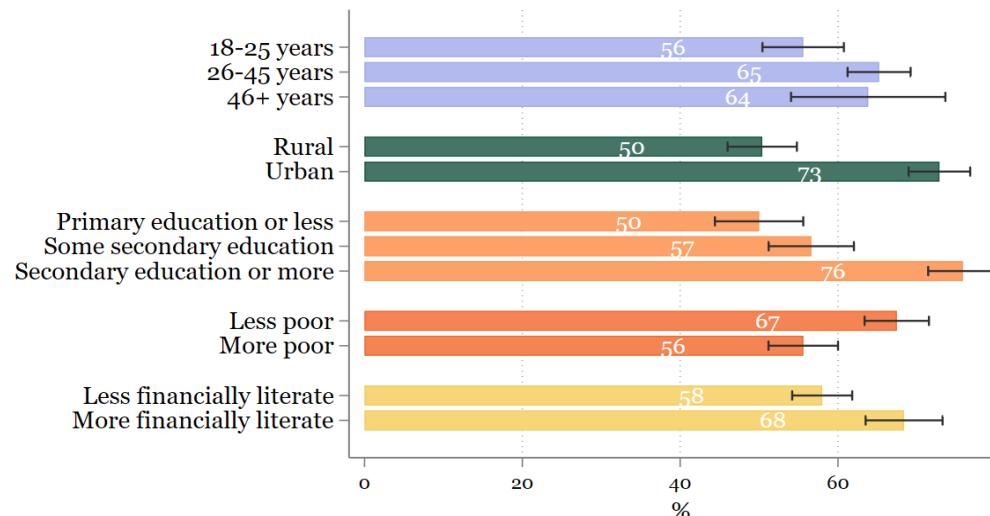
38 percent had only used one payment services provider, 83 percent had only used one mobile loan provider, and 5 percent had only used one agent.

Urban respondents used more agents than rural respondents, averaging 8.3 compared to 6.4 agents (with a median of 5 for both).

## USAGE

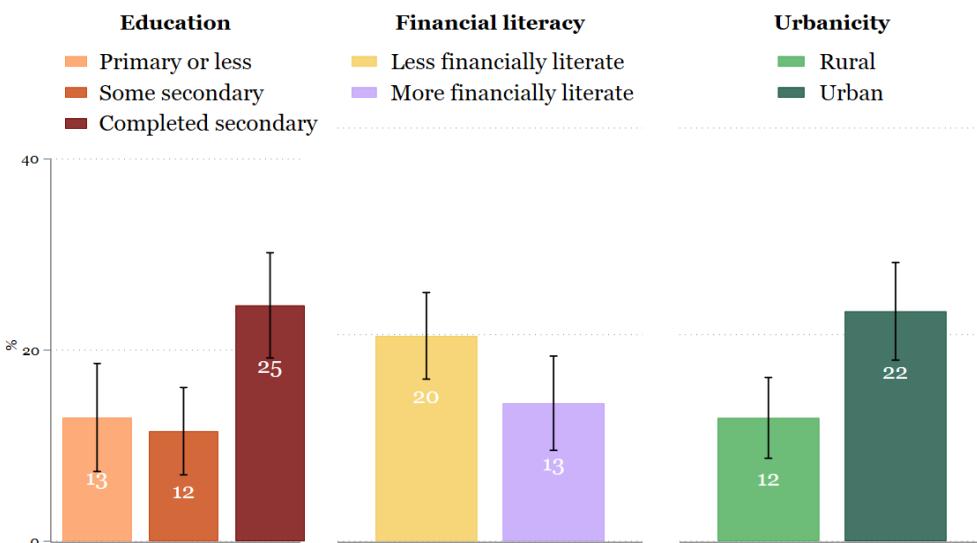
Older adults, male, urban, higher educated, less poor, and more financially literate respondents used a greater number of providers on average.

**USES MULTIPLE PAYMENT SERVICE PROVIDERS**



N= 1001. 95% confidence intervals shown.  
Graphs produced only when consumer segments differed at the 5% significance level.

**USES MULTIPLE MOBILE LOAN PROVIDERS**

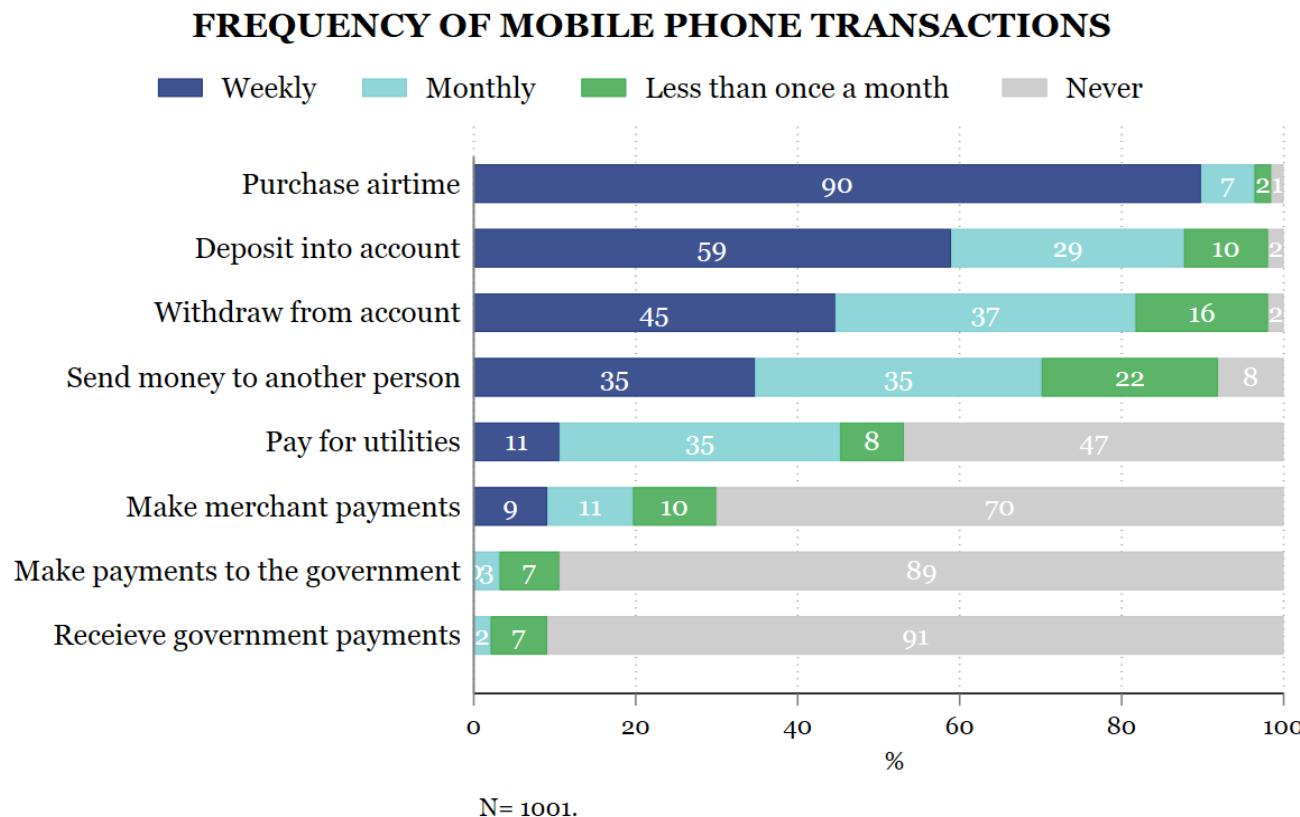


N= 569. 95% confidence intervals shown.  
Graphs produced only when consumer segments differed at the 5% significance level.

## USAGE

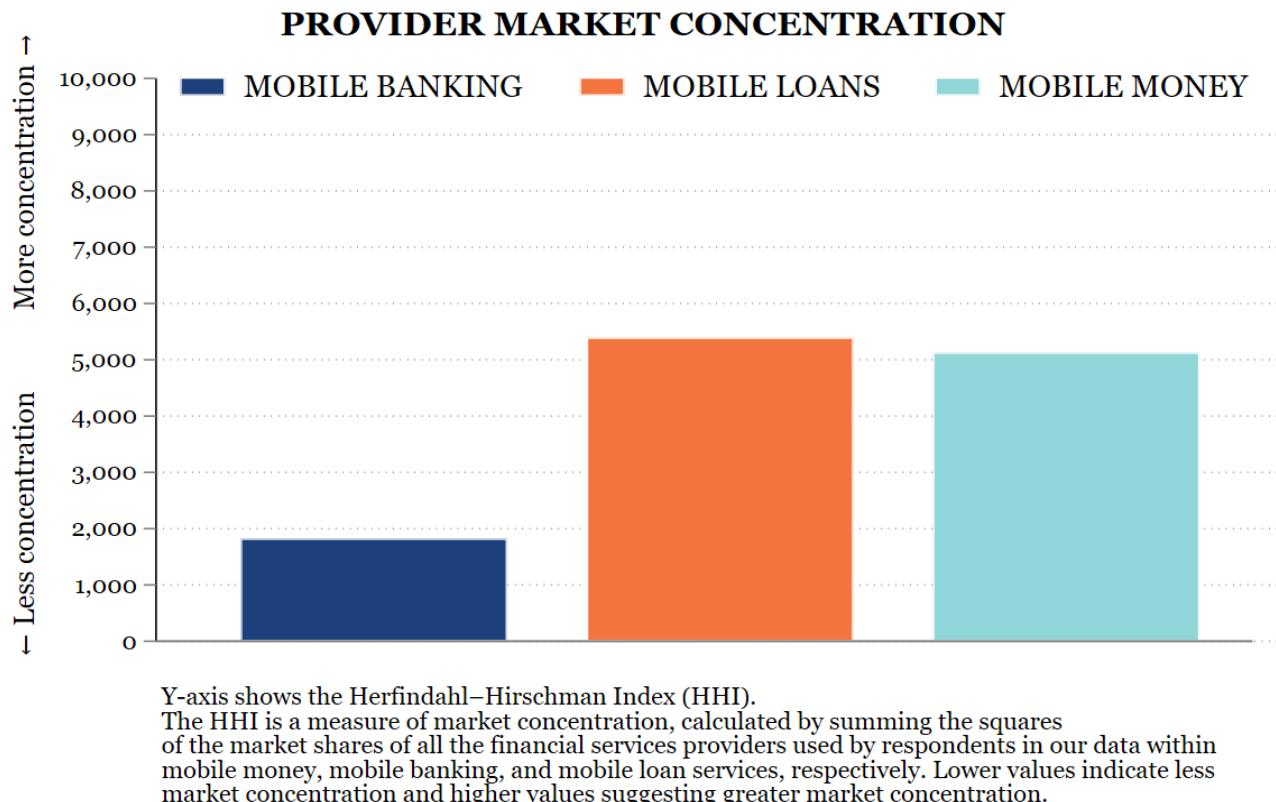
The majority of respondents used their DFS account to deposit, withdraw, or send money at least monthly.

90 percent of respondents purchase airtime weekly. Payments for utilities are relatively common, while merchant payments remain relatively rare.



## PROVIDERS

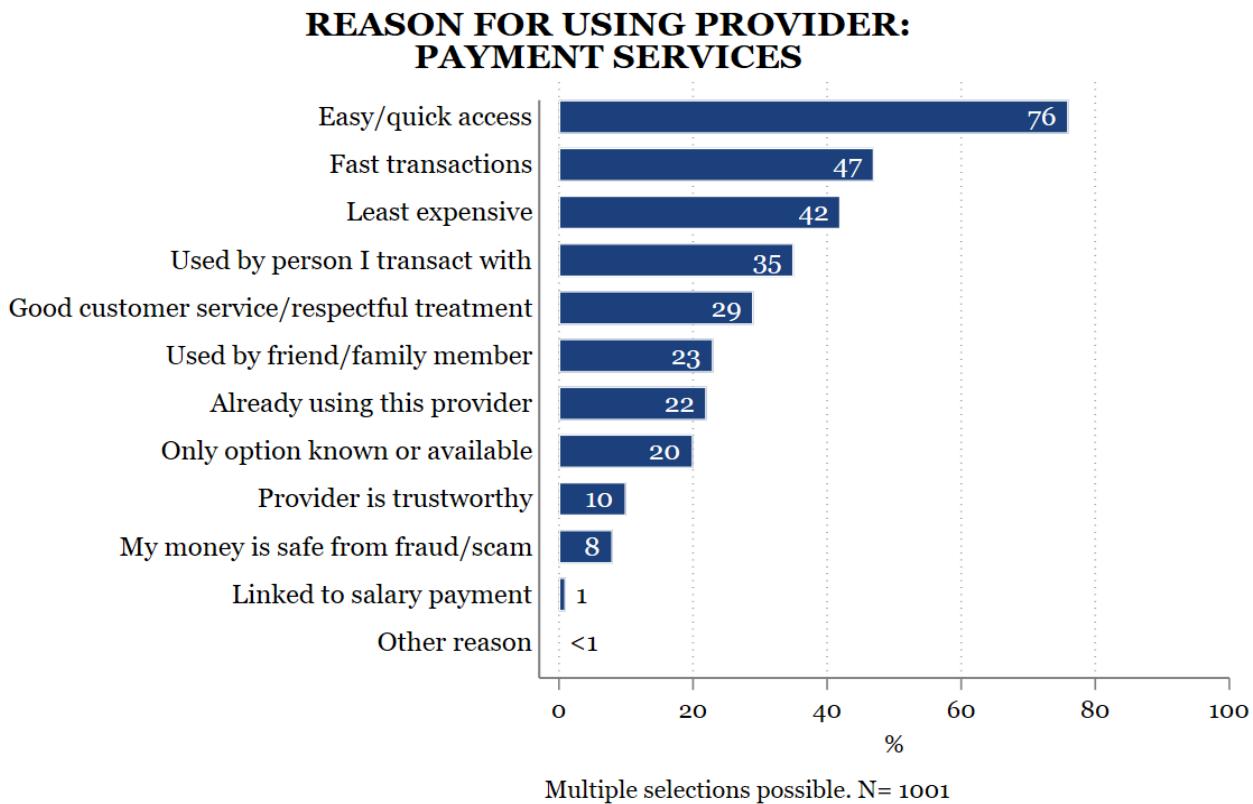
Mobile money and mobile loan markets are highly concentrated, each being dominated by two providers with nearly 100 percent of the market.



## REASON FOR USING PROVIDERS

Expediency and price are the main drivers of payment service provider choice.

76 percent of respondents said they chose to use their most used provider due to easy and quick access.

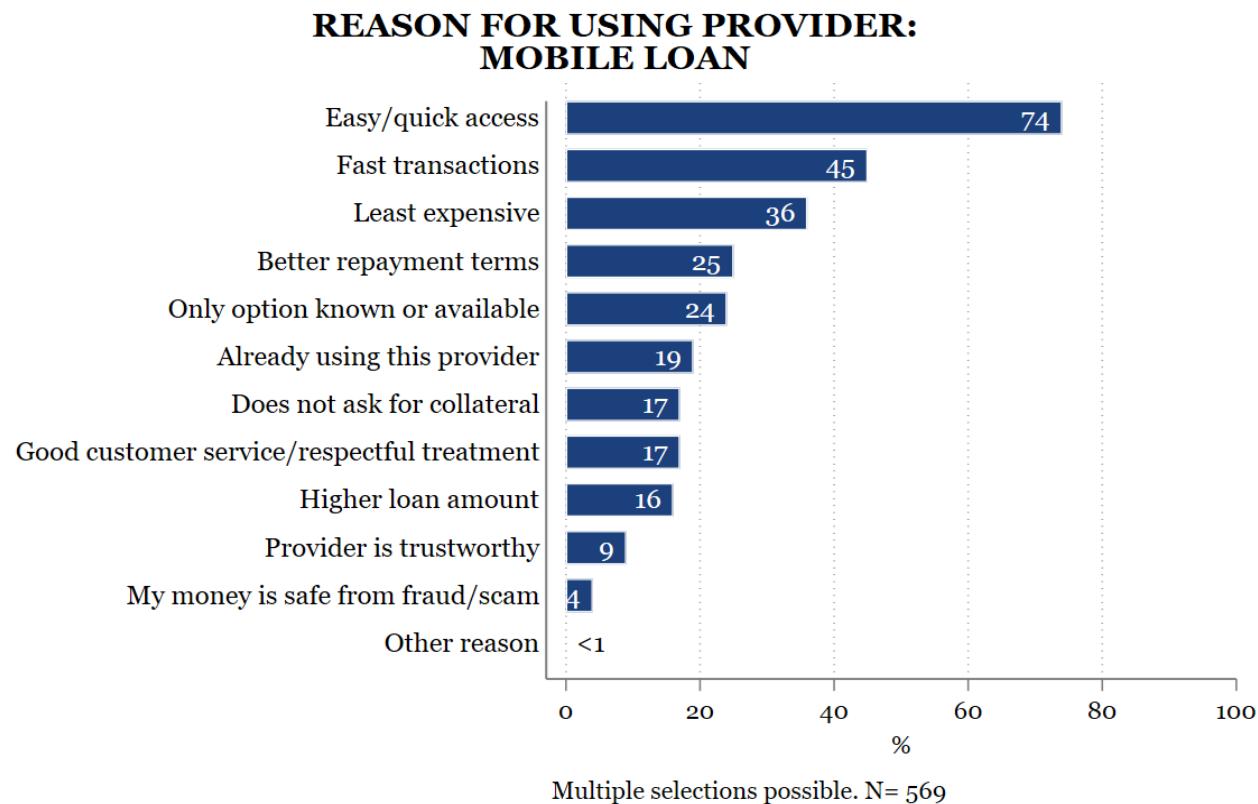


Network effects also play a significant role: consumers often choose providers recommended or used by others.

Rural, less educated, and poorer respondents were more likely to cite access or lack of choice as a motivating factor.

## REASON FOR USING PROVIDERS

Similar to payment services, the primary reason for choosing a mobile loan provider was ease of access.



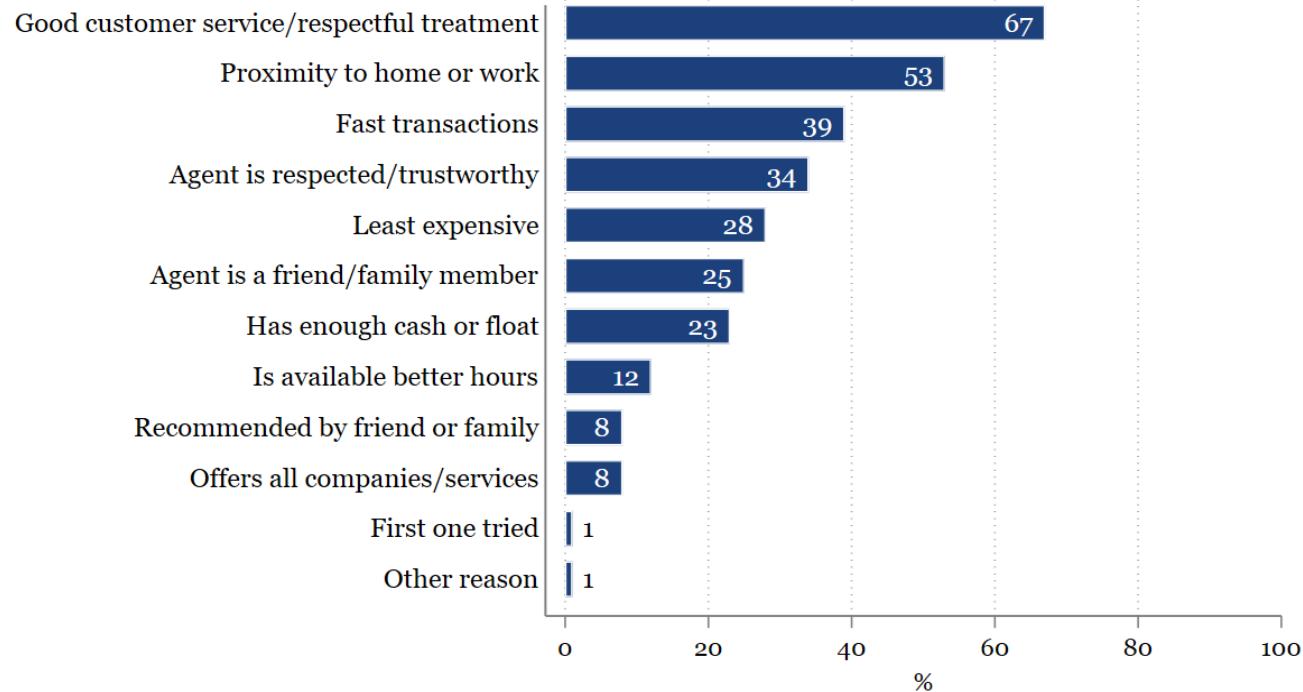
Repayment terms was mentioned by a quarter of respondents.

Mobile loan users prioritize an easy and fast experience over pricing when selecting a provider.

## REASON FOR USING PROVIDERS

Respondents choose agents based on their quality of customer service and proximity.

### REASON FOR USING DFS AGENT



Multiple selections possible. N= 965. Excludes 1 don't know response.

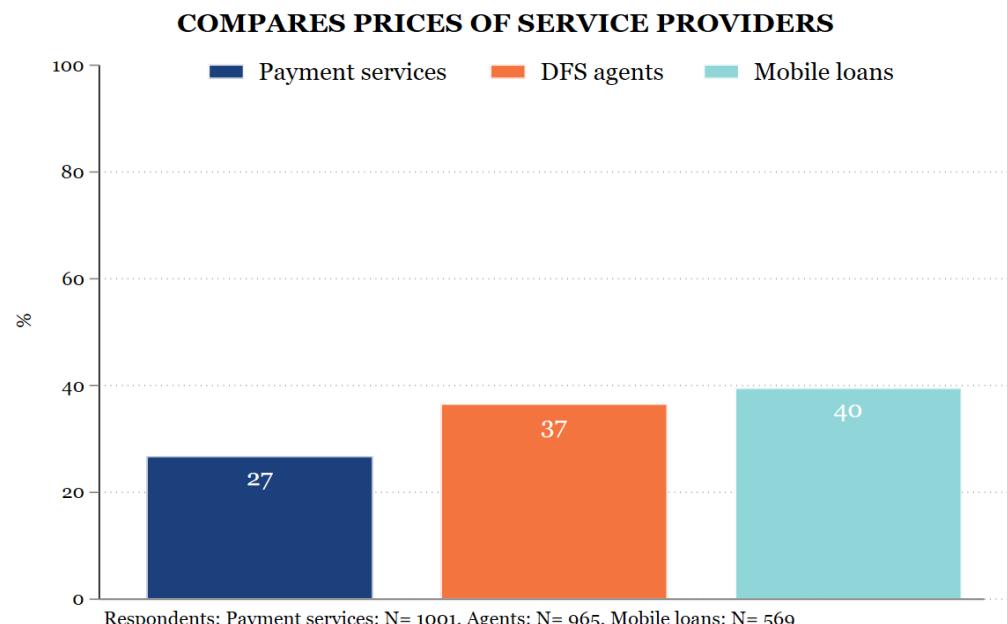
Over a third of respondents said they chose agents based on trust.

Higher educated respondents mention cost and customer service more often, while older, more financially literate, and less poor respondents are more likely to cite trustworthiness. Older adults, more financially literate and rural respondents are more likely to mention liquidity.

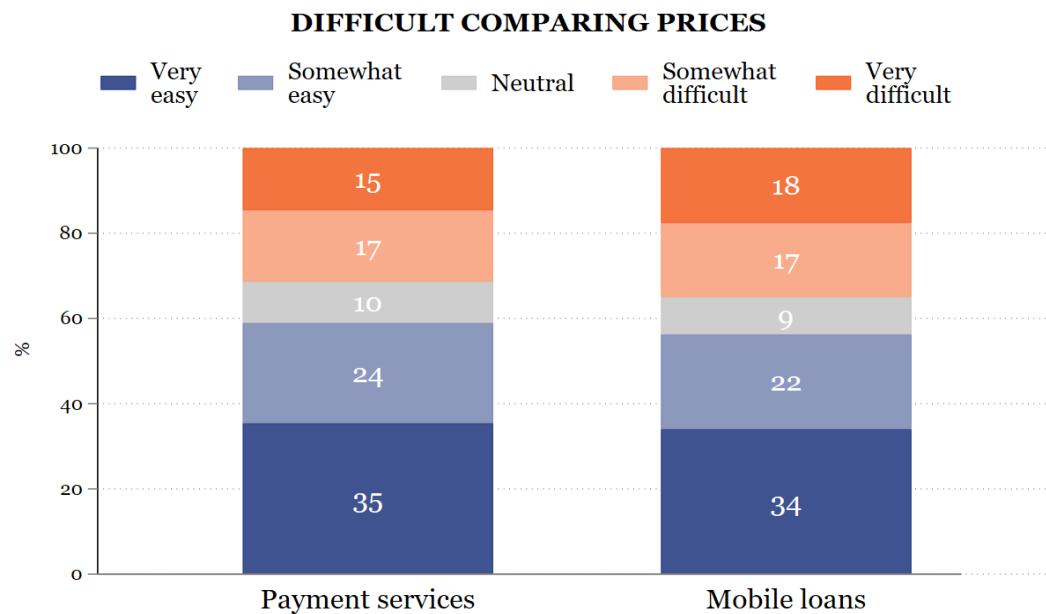
## PRICE COMPARISON

# Relatively few consumers compare prices.

Between 27 and 40 percent compared prices, depending on the service used. Urban and higher educated respondents were more likely to compare prices and services across different DFS.



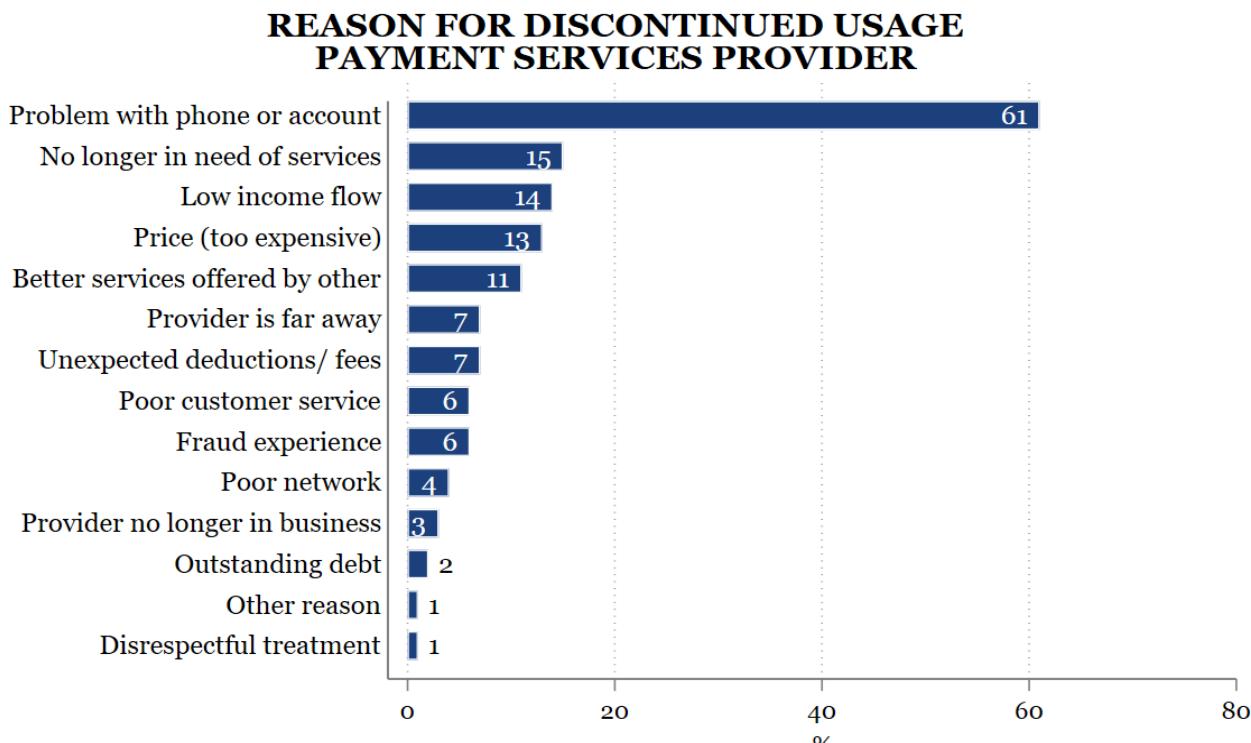
There are barriers to price comparison: 31 percent of payment services users and 35 percent of loan users said it was somewhat or very difficult to compare prices.



## DISCONTINUED USAGE

47 percent of respondents had stopped using a payment service provider in the past.

The majority did so due to problems with their account, for example because they lost access to their account, forgot their password, or lost their phone or SIM card.



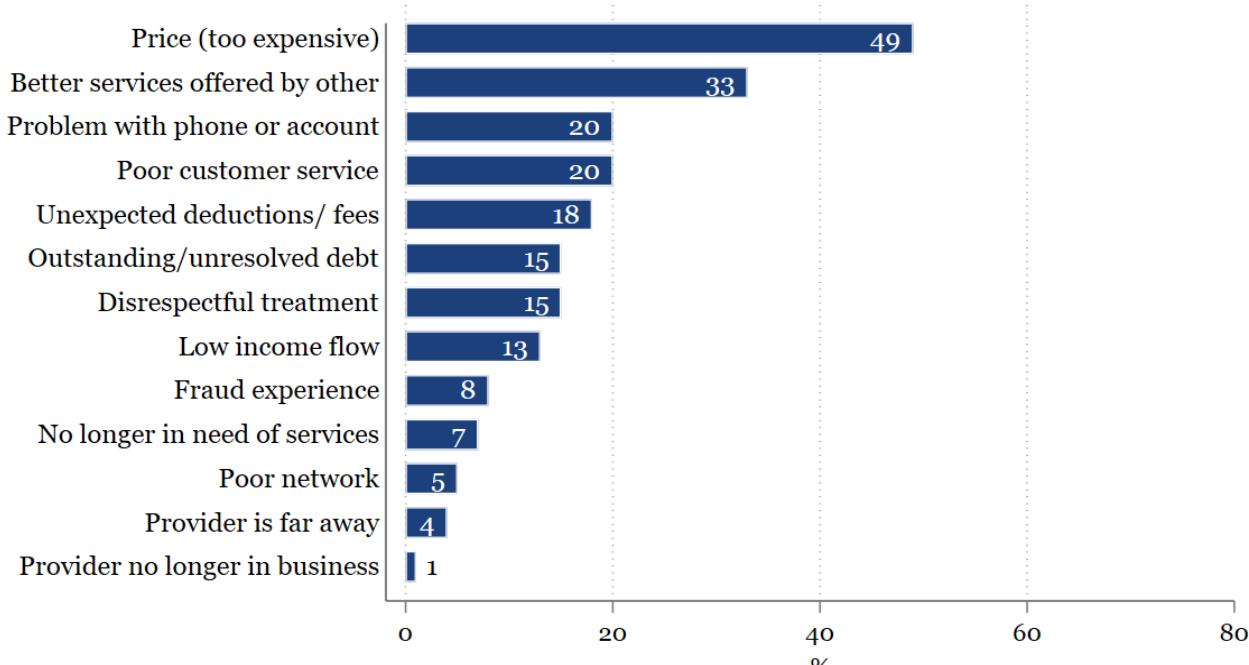
Older adults, urban, and male respondents were more likely to have stopped using a payment services provider.

## DISCONTINUED USAGE

15 percent of respondents had stopped using a mobile loan provider in the past.

Most did so because of cost, or because they switched to another provider with a better services offer.

### REASON FOR DISCONTINUED USAGE MOBILE LOAN PROVIDER



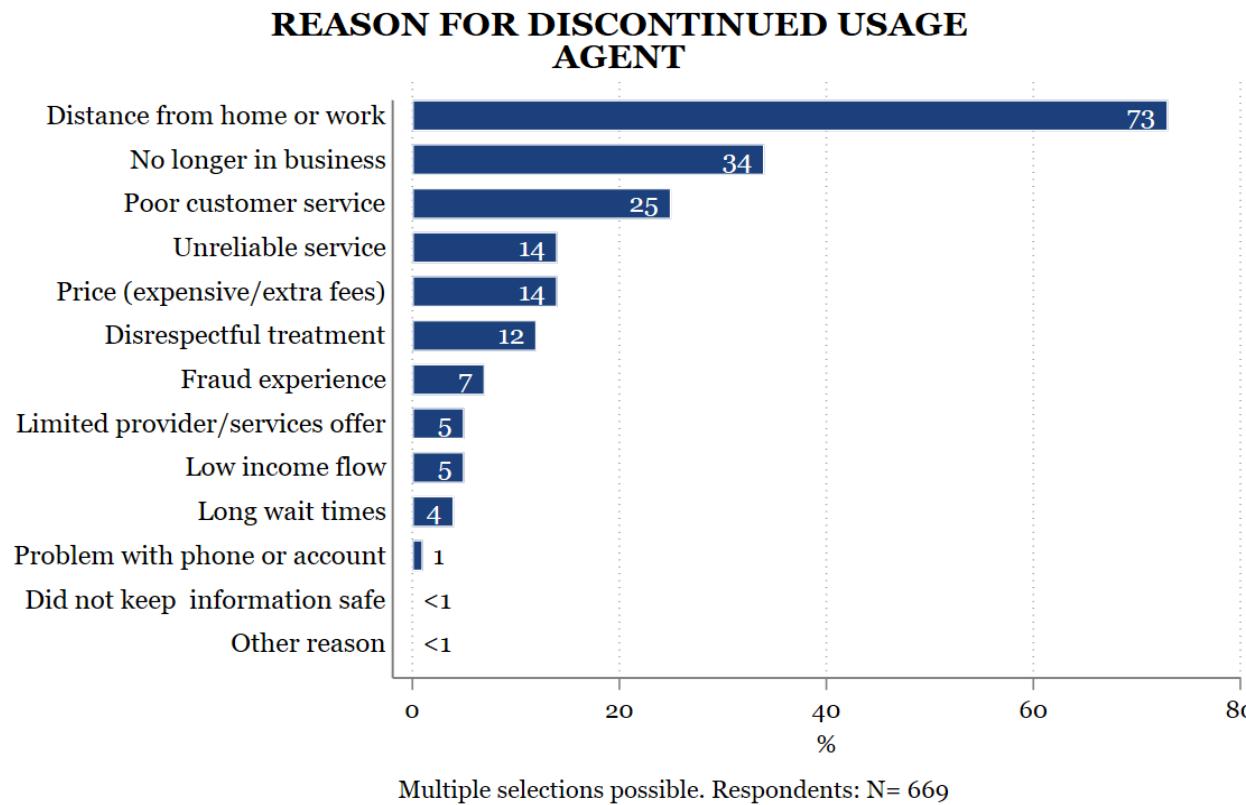
Multiple selections possible. Respondents: N= 85

Older adults and less poor respondents were more likely to stop using a mobile loan provider.

## DISCONTINUED USAGE

**69 percent of respondents had stopped using an agent in the past.**

Most switched agents due to distance from their home or workplace. Over a third said their agent had gone out of business, and a quarter cited poor customer service.

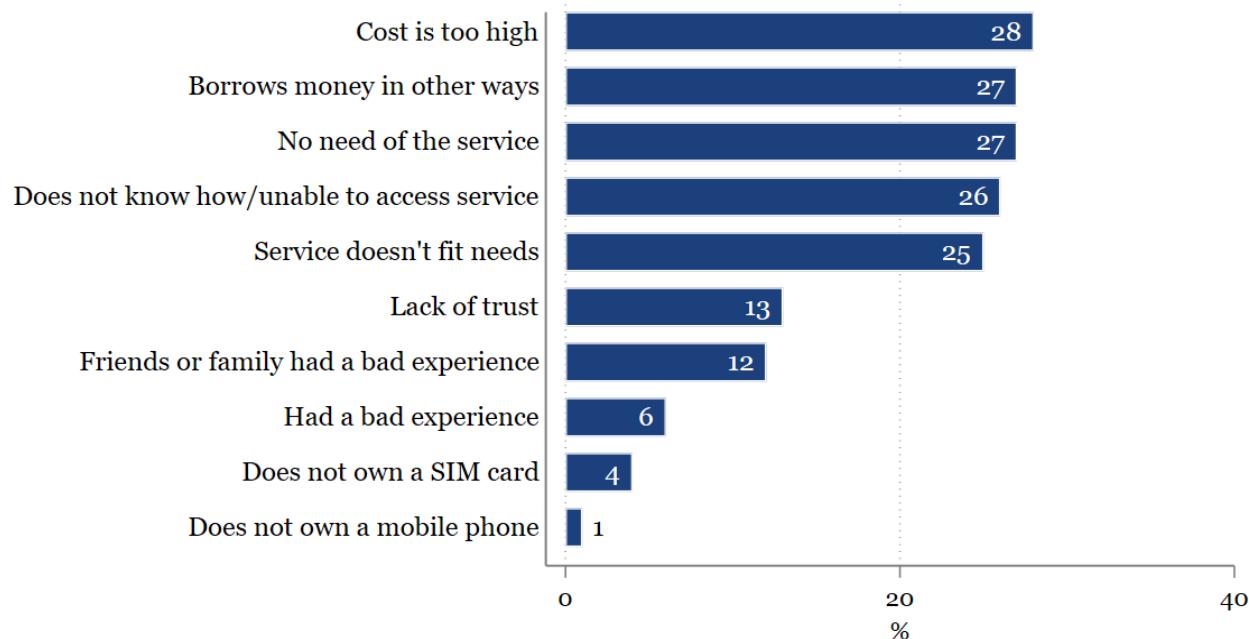


Higher educated respondents were more likely to stop using an agent.

## REASON FOR NOT USING SERVICE

Respondents cited high costs, alternative borrowing options, and lack of need for the service as reasons for not using mobile loans.

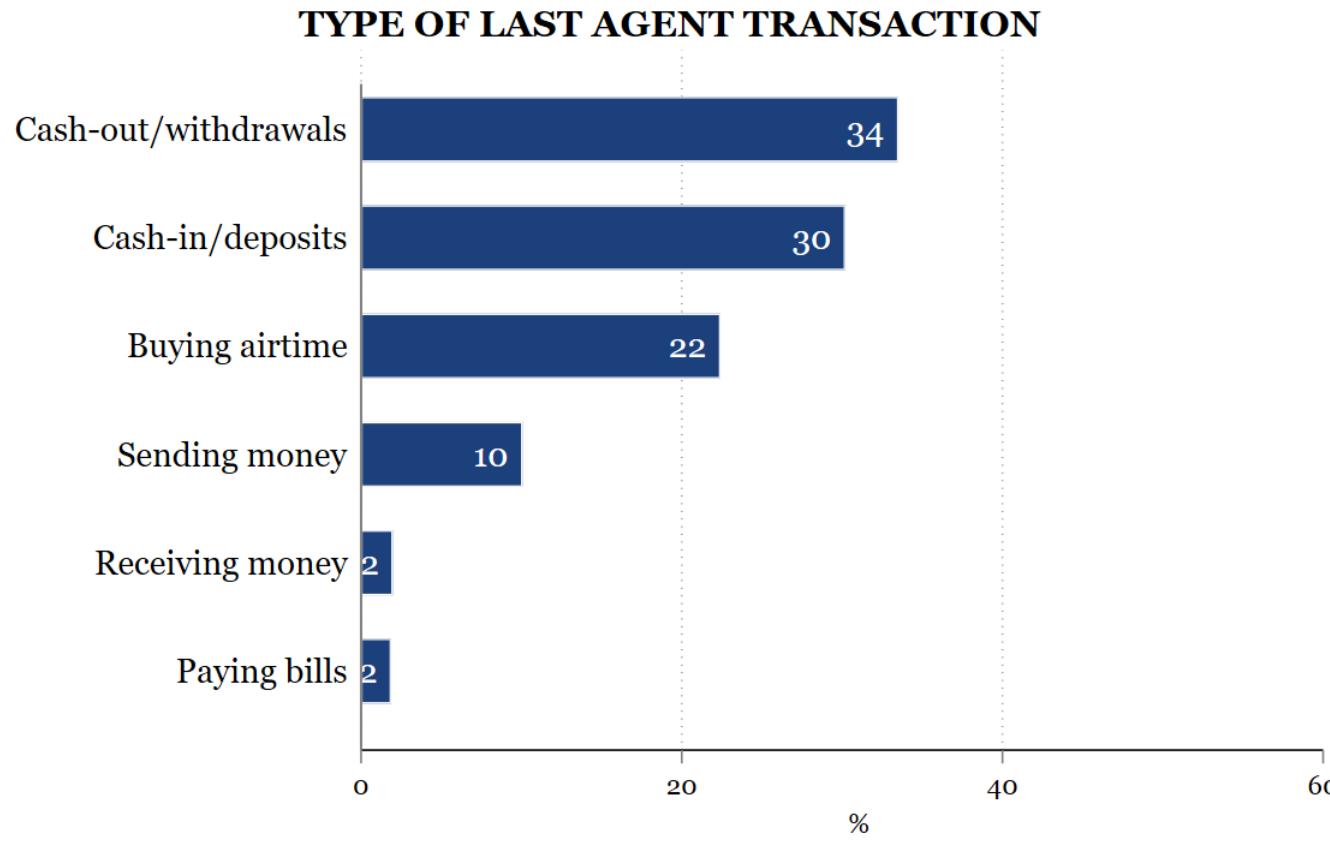
### REASON FOR NOT USING SERVICE MOBILE LOANS



A quarter said that the service does not fit their needs, and 13 percent cited lack of trust.

Multiple selections possible. Respondents: N= 432.  
Excludes 10 don't know/refuse to answer responses.

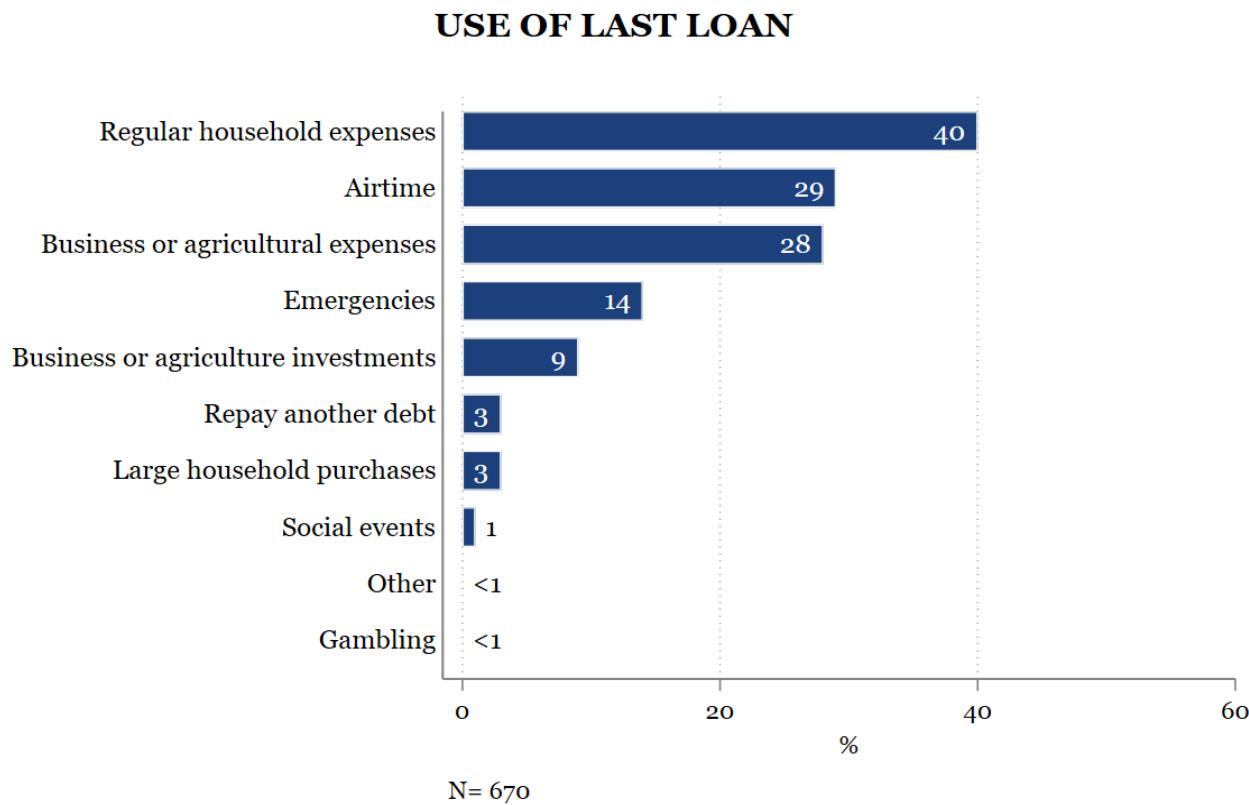
DFS users primarily rely on agents for cash-in / cash-out services.



## LOANS

67 percent of DFS users had borrowed money from any source in the past 12 months.

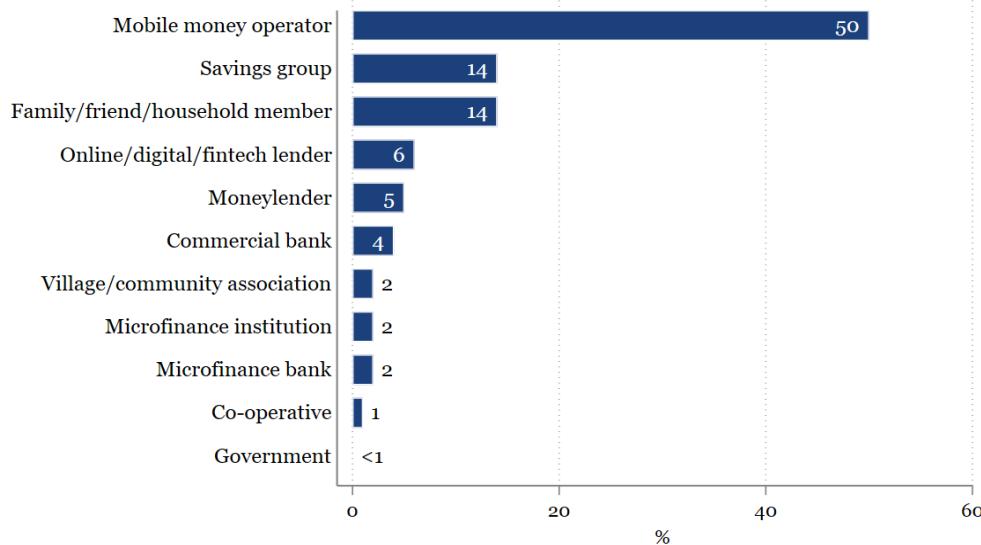
Loans were much more commonly used for regular household or business expenses than investments or emergencies.



# Half of all borrowing was done through mobile money operators.

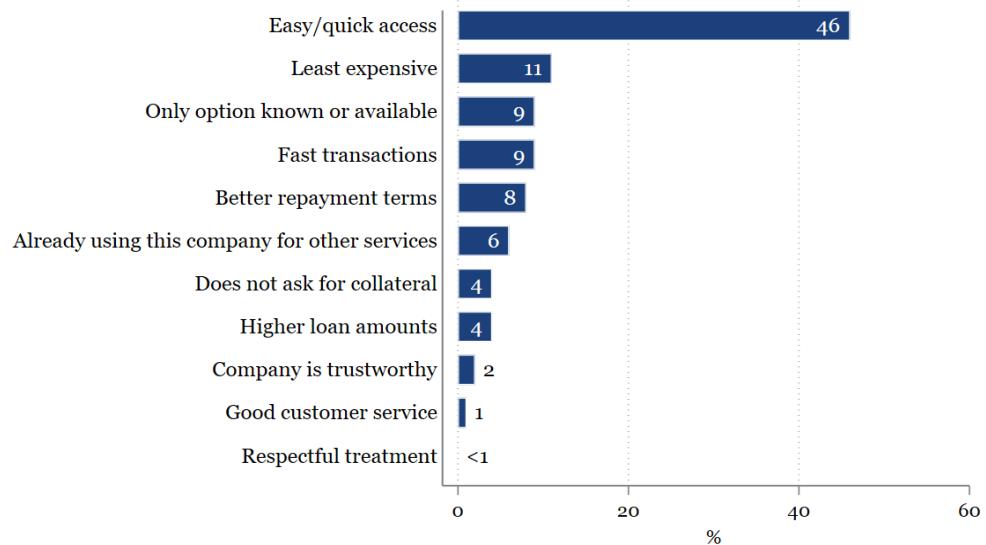
Only 7 percent of most recent loans came from a microfinance or commercial bank.

SOURCE OF LAST LOAN



N= 670. Excludes 11 don't know/refuse to answer response.

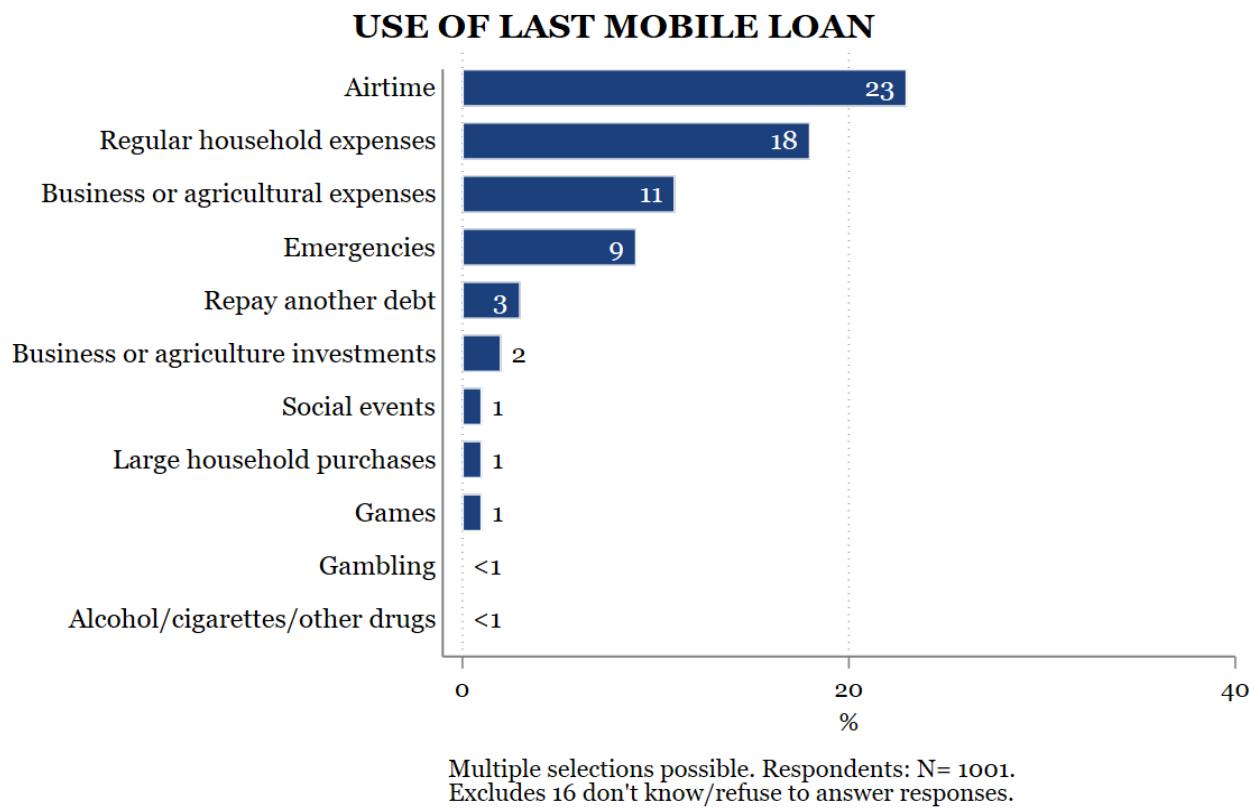
PRIMARY REASON FOR USING LOAN SOURCE



N= 670. Excludes 11 don't know/refuse to answer response.

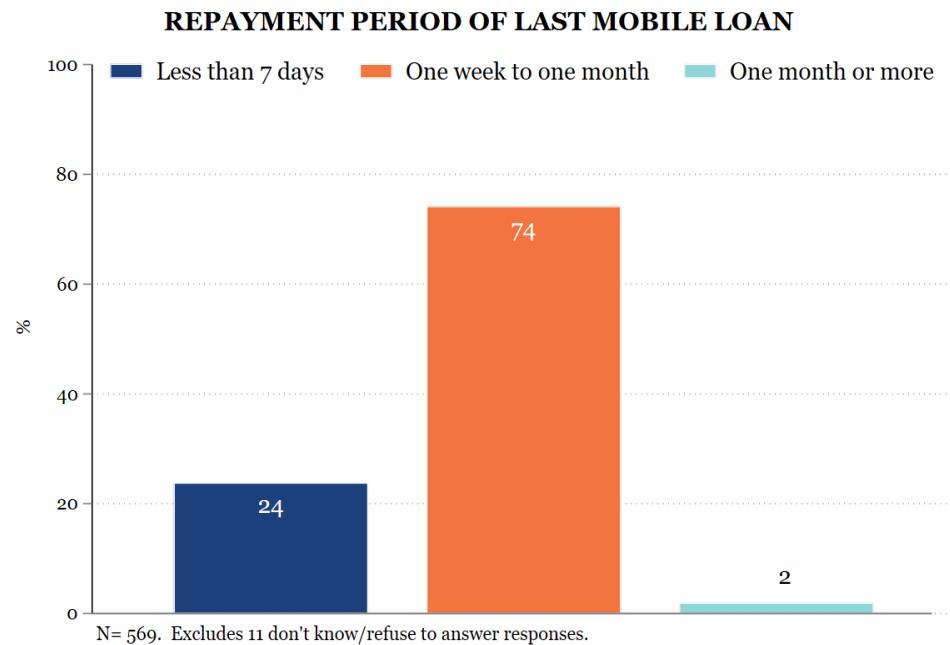
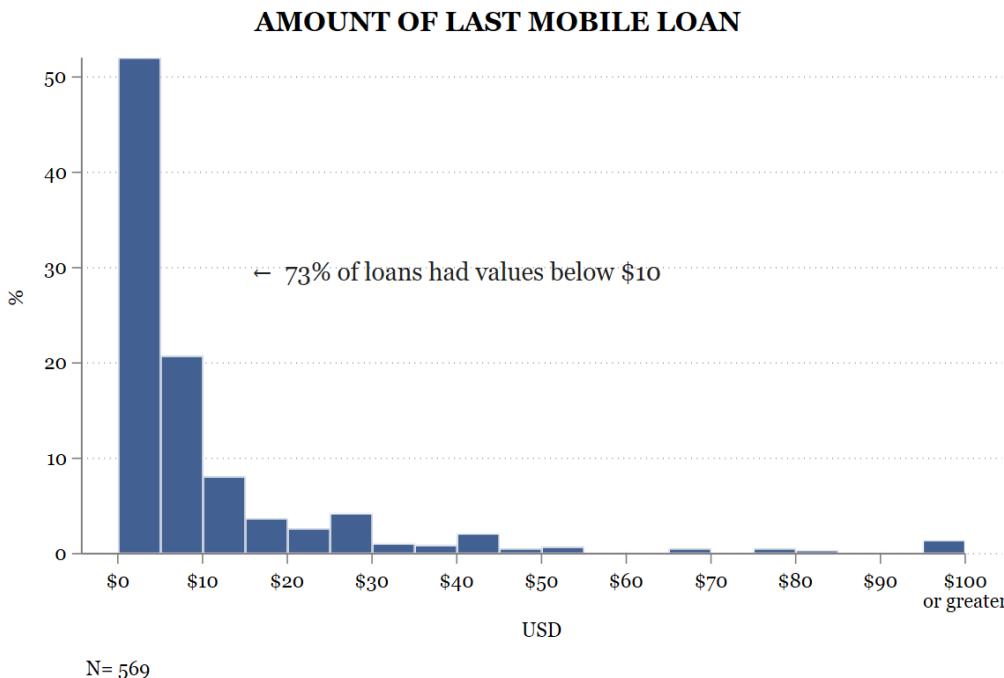
Mobile loans are mostly used for airtime and routine household and business needs—not investments.

16 percent used it to cover emergency expenses, and 5 percent to repay other debt.



## MOBILE LOANS

Mobile loans are typically low value and short tenure.



## Early repayment is common, but it doesn't usually reduce fees.

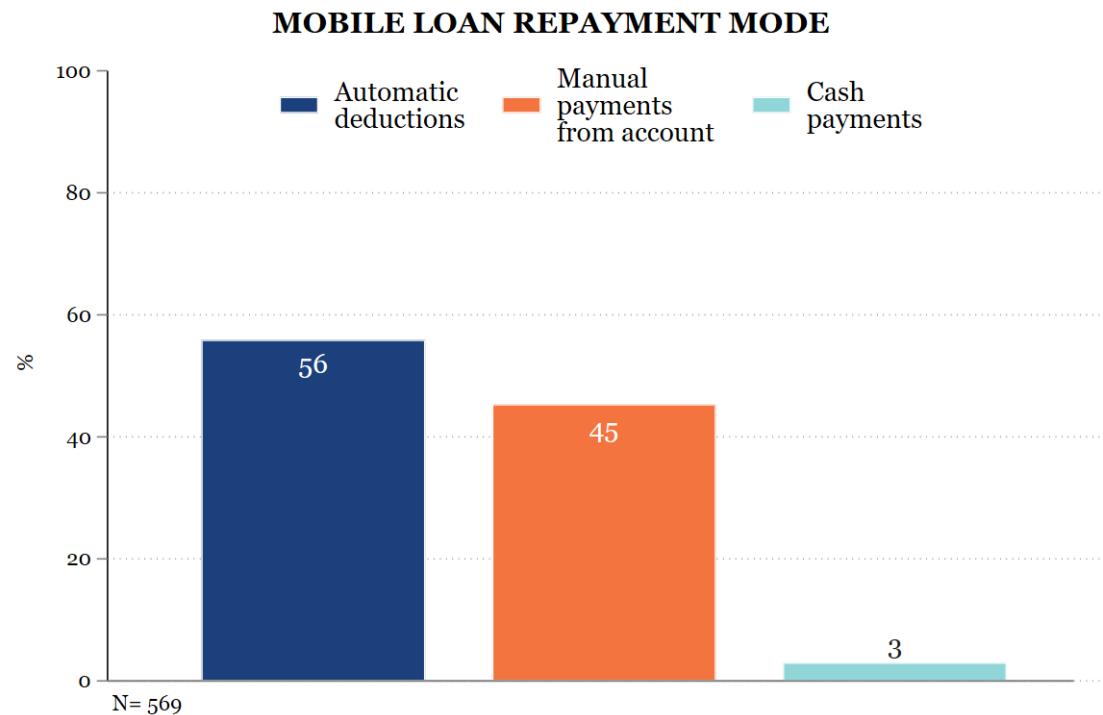
**56 percent**

of loan users repaid their last loan before the due date.

Amongst those that did,

**23 percent**

reported paying less in fees or interest because of it.



# Challenges and Risks

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62      Fraud

75      Over-indebtedness

82      Challenges with agents

86      Other types of financial loss

90      Service quality challenges

93      Financial abuse

# Key Findings

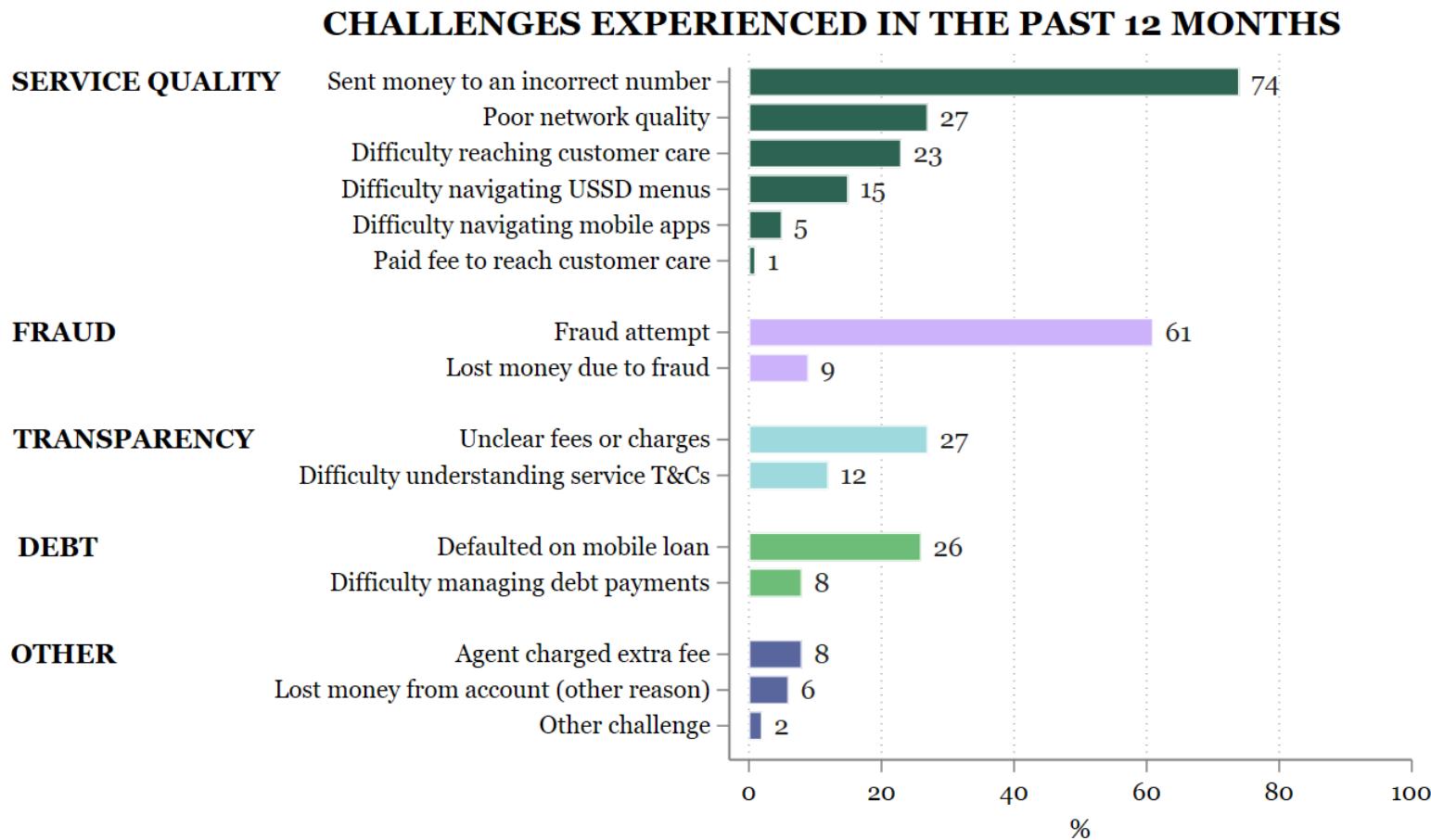
**1. Fraud exposure:** 85 percent of respondents experienced fraud attempts, with 61 percent targeted in the past year and 22 percent losing money due to fraud. The median loss in the last incident among fraud victims was USD 22, representing 23 percent of median monthly household income.

**2. Over-indebtedness:** 45 percent of mobile loan users defaulted in the past year, with one third holding multiple active loans simultaneously. 31 percent reduced food expenditure and 22 percent experienced debt collector harassment to repay loans.

**3. Price transparency:** Only 53 percent consistently knew fees before transactions, while 27 percent experienced unclear account deductions. Consumers rarely seek formal redress when problems occur, even when money is lost from their accounts.

**4. Service quality and agent reliability:** 83 percent encountered any type of service quality challenge, with 74 percent experiencing poor network quality affecting DFS usage. 27 percent of agents lack visible price lists, and are not always able to complete transactions.

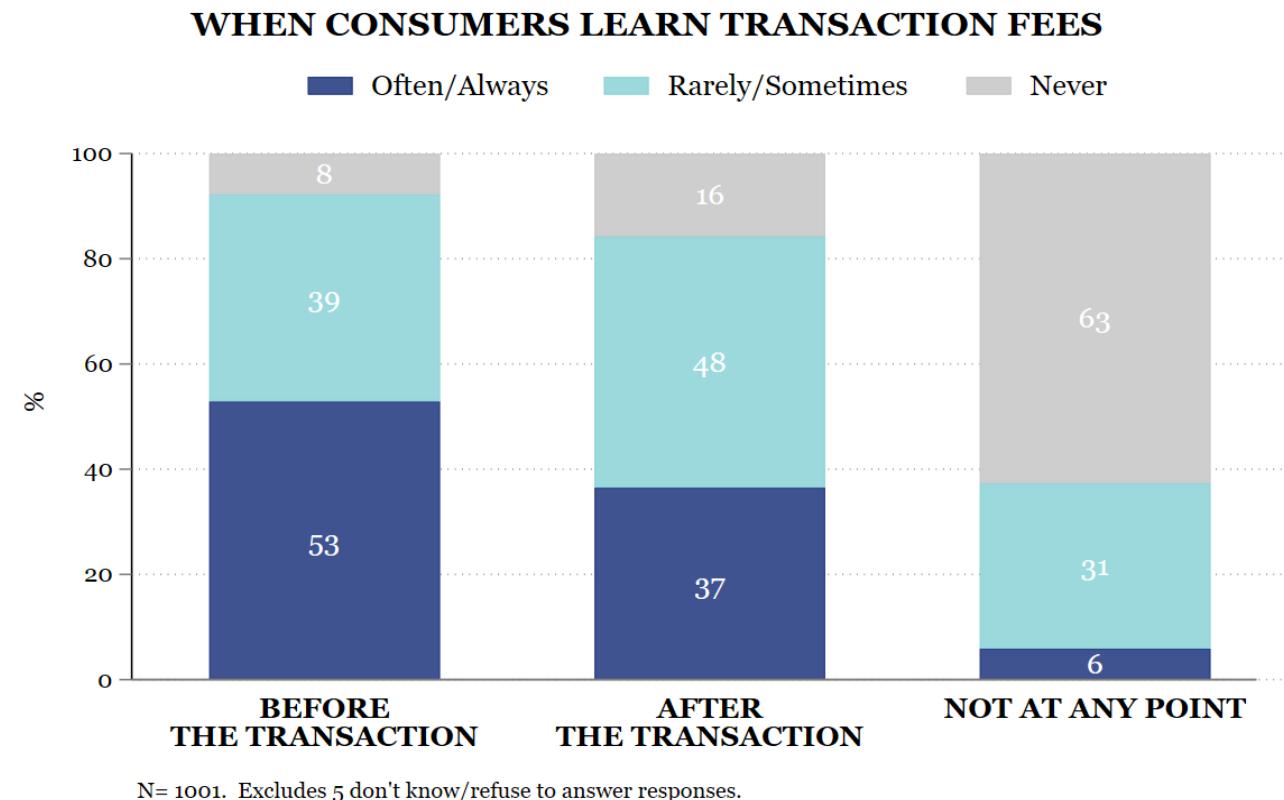
# Challenges experienced in the past 12 months.



## LACK OF PRICE TRANSPARENCY

Half of respondents consistently knew fees before completing transactions.

6 percent said they did not learn prices at any point.

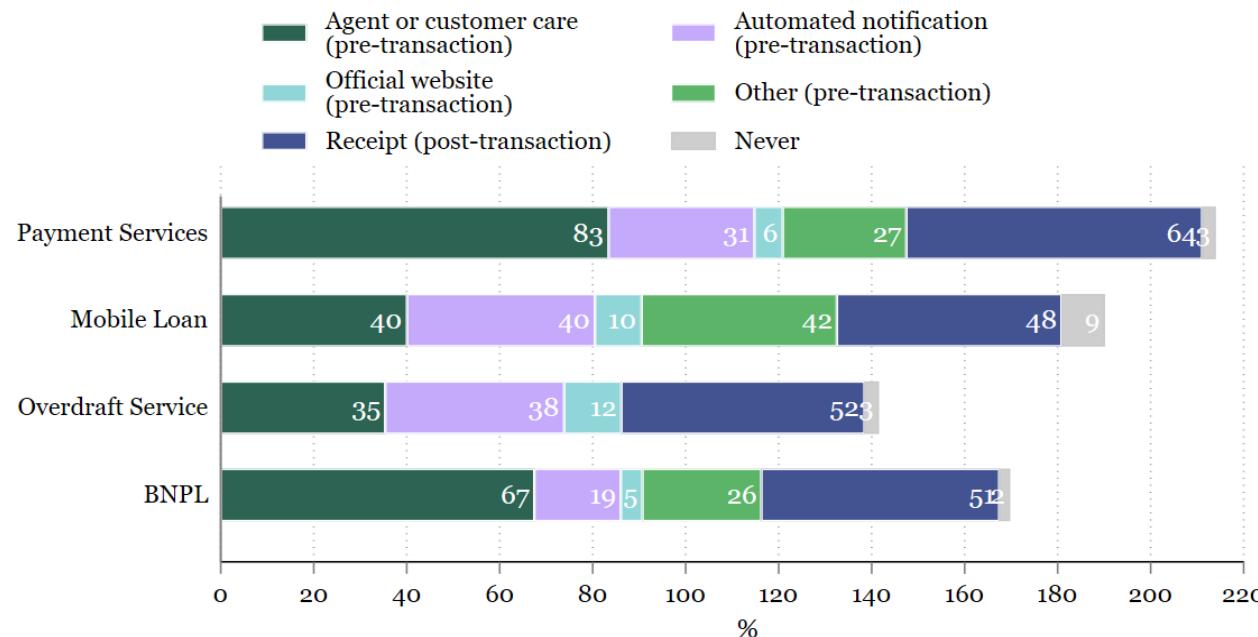


## LACK OF PRICE TRANSPARENCY

Most respondents learned about prices at agent locations or from receipts after the transaction had been completed.

Only 8 percent usually looked up prices online.

### HOW RESPONDENTS LEARN ABOUT PRICES



Respondents: Payment services: N=1001, Mobile loan: N=569, Overdraft service: N=65, BNPL: N=43. Totals may add to greater than 100% because respondents could select more than one source of pricing information. Credit card omitted due to small sample size (N=6).

## UNCLEAR FEES

In our sample, 27 percent of respondents had ever experienced a fee or deduction on their account that they did not understand at first.

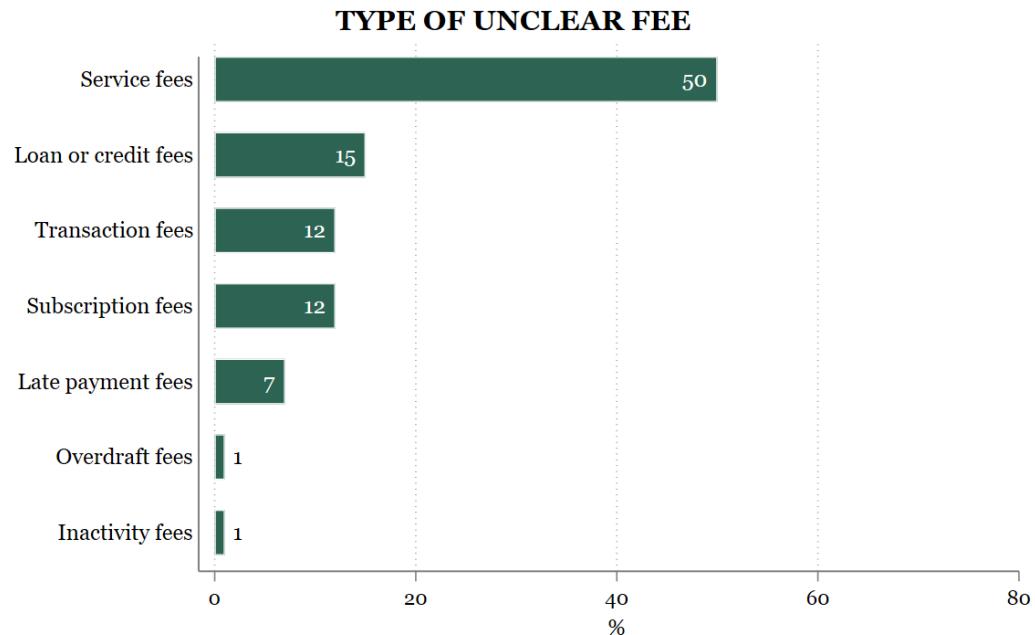
25 percent had experienced such a fee in the past 12 months. This is an increase from 21 percent in 2021.

### AMOUNT PAID IN UNCLEAR FEES LAST 12 MONTHS



N= 271

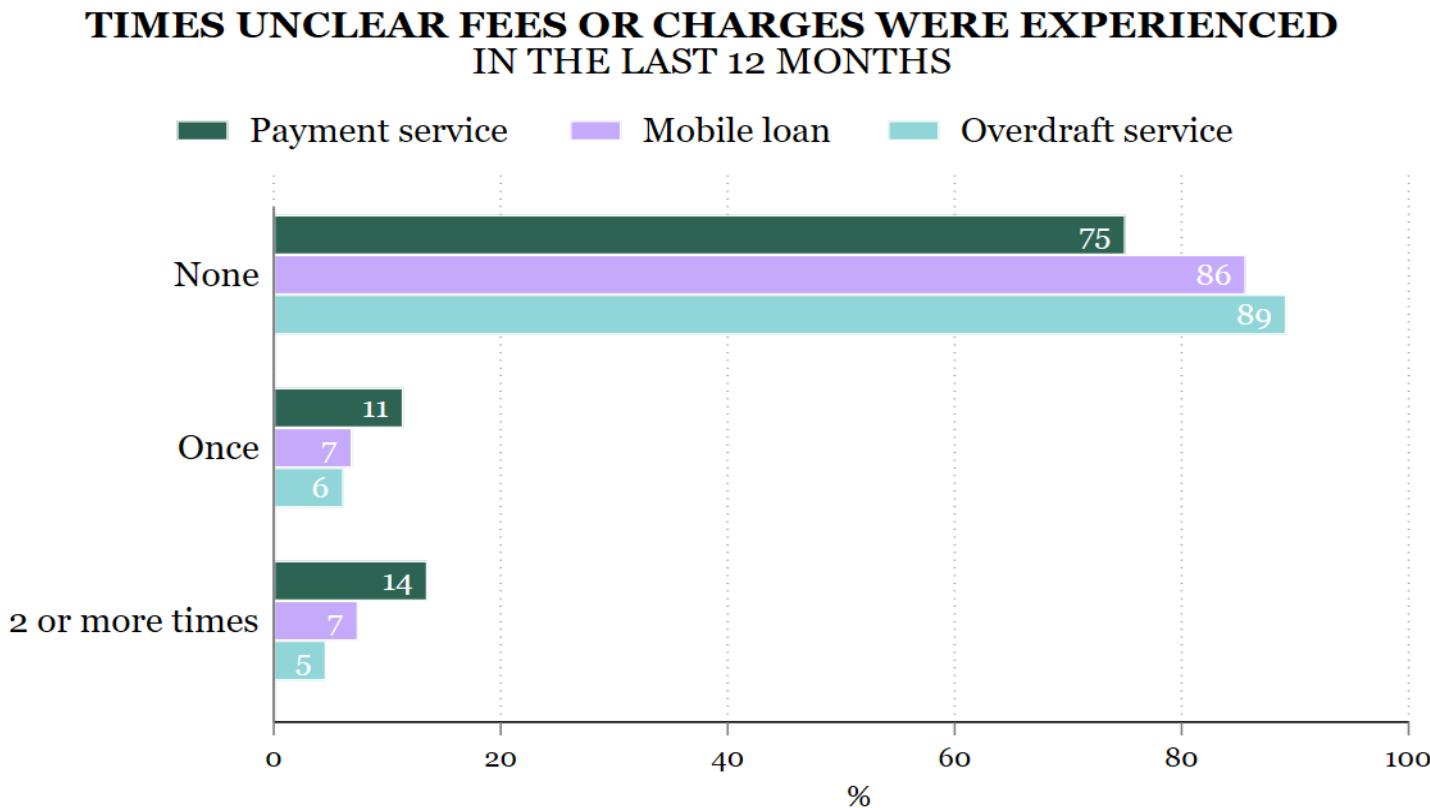
Among consumers who later identified a provider fee as the cause of an unclear deduction, service fees were the most common type.



N= 74. Excludes 1 don't know/refuse to answer response.

## UNCLEAR FEES

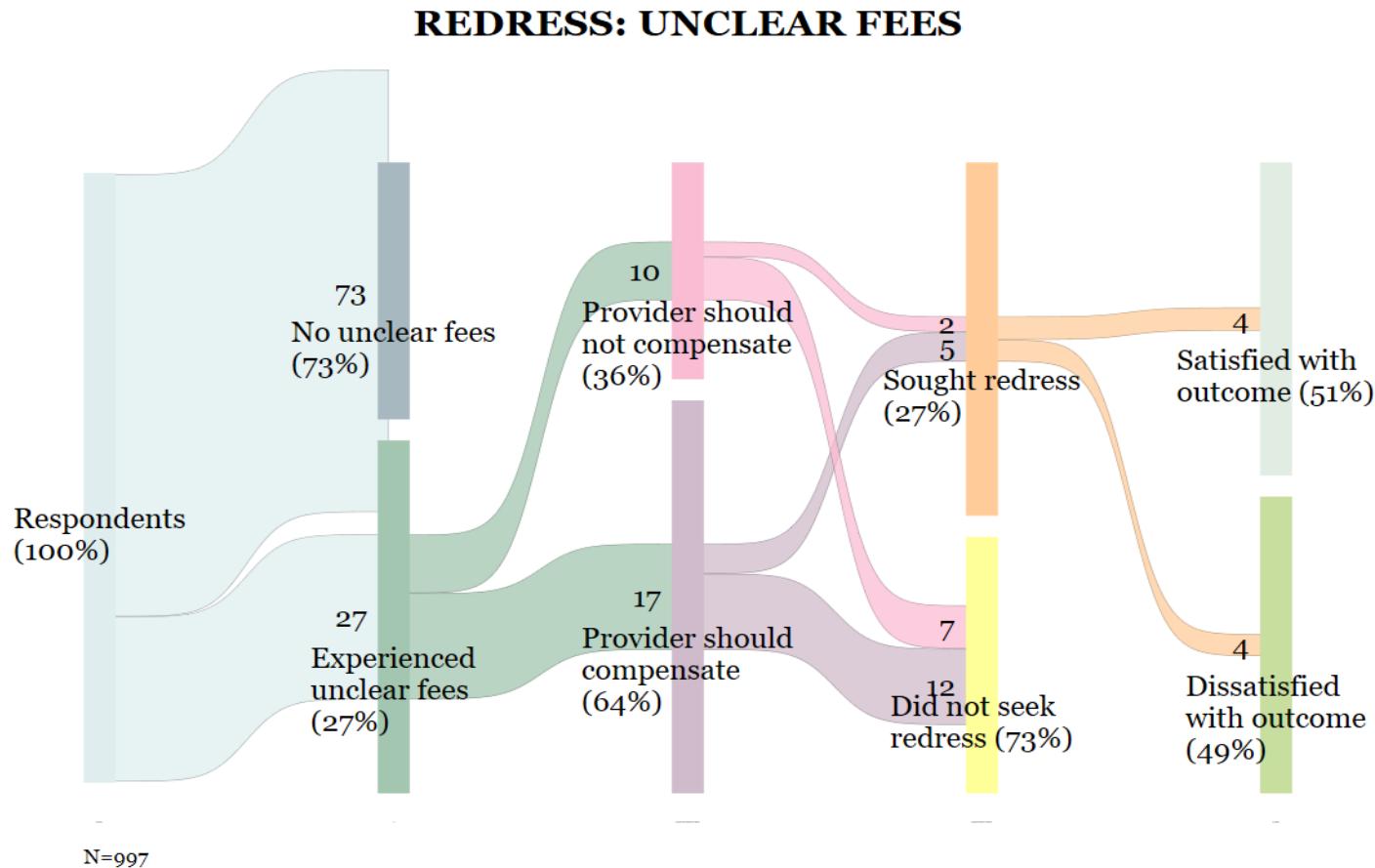
Users of payment services reported more frequent incidents of unclear fees compared to other types of DFS.



Payment services: N= 990, Mobile loan: N= 565, Overdraft services: N= 65.  
Excludes 3 don't know/refuse to answer responses.

## UNCLEAR FEES

Few consumers seek formal redress for issues involving unclear fees.



## UNCLEAR FEES

# 32 percent of consumers never found out the cause of the unclear fee.

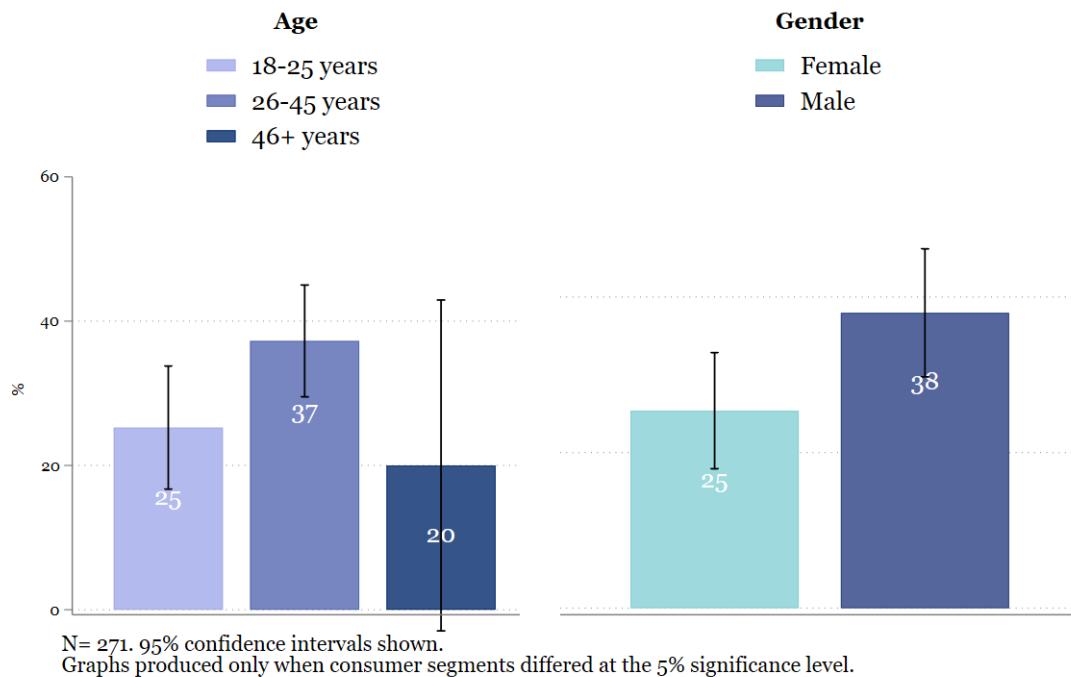
Middle-aged adults and male respondents were somewhat more likely to find out the cause.

The fee was usually charged directly by the provider (in 88 percent of cases) as opposed to a payment or transfer made to another person or business.

**37 percent**

believed that this charge was not allowed under their account's rules.

### FOUND OUT WHAT CAUSED THE UNCLEAR FEE

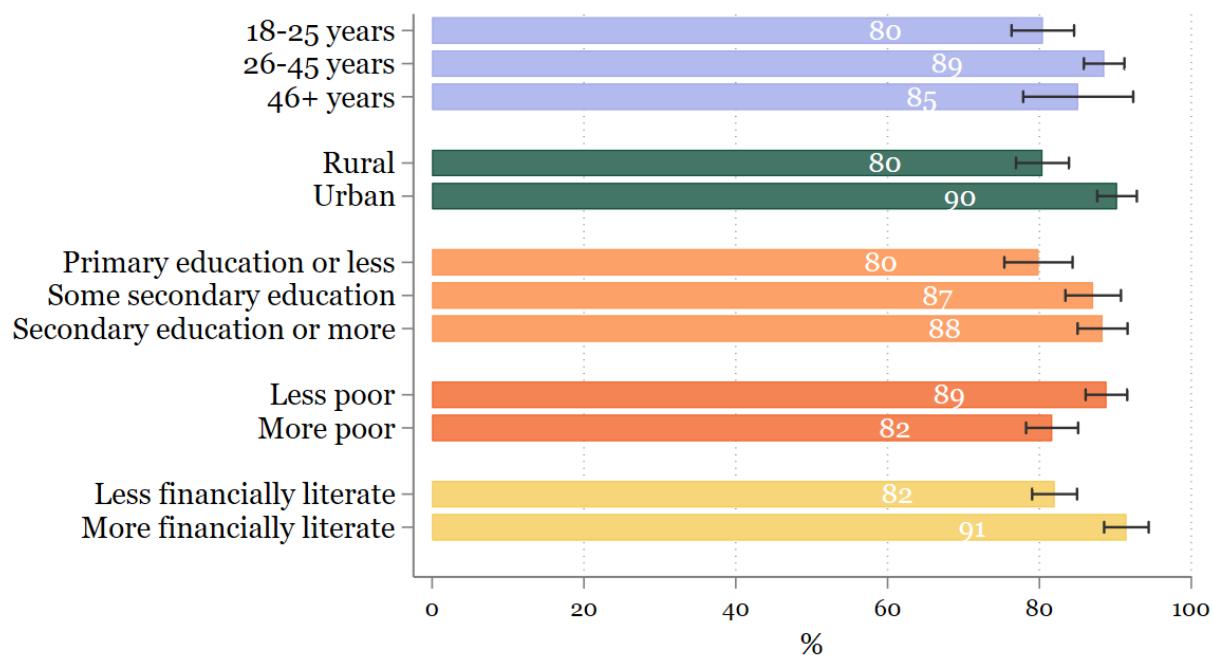


## ATTEMPTED FRAUD

# The vast majority of respondents had experienced a fraud attempt.

85 percent said they had been contacted by someone attempting to deceive them into sharing personal financial information or authorizing a transaction, and 61 percent said that it had happened in the past 12 months.

### EVER EXPERIENCED A FRAUD ATTEMPT



N= 1001. 95% confidence intervals shown.  
Graphs produced only when consumer segments differed at the 5% significance level.

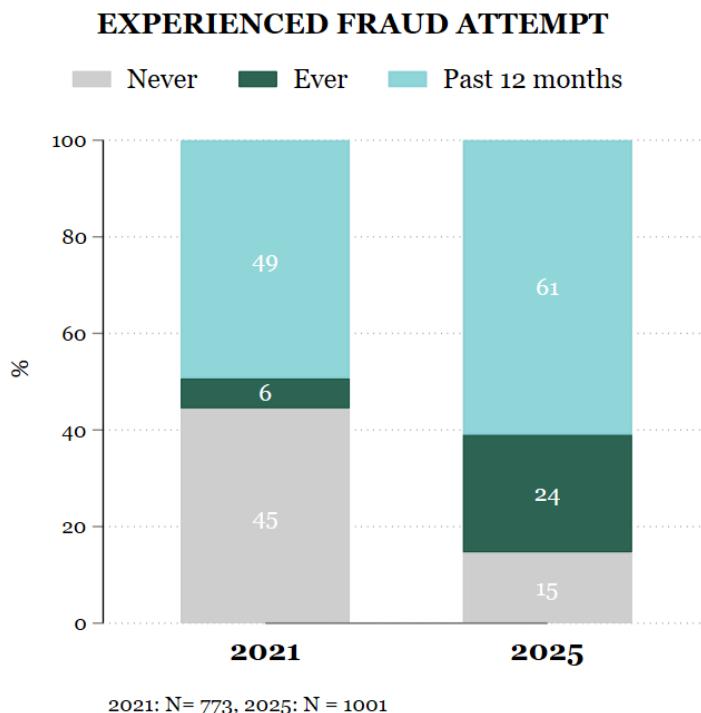
Middle-aged, urban, higher educated, less poor, and more financially literate consumers reported higher incidents of fraud attempts.

We did not observe any significant differences in reported fraud attempts by gender.

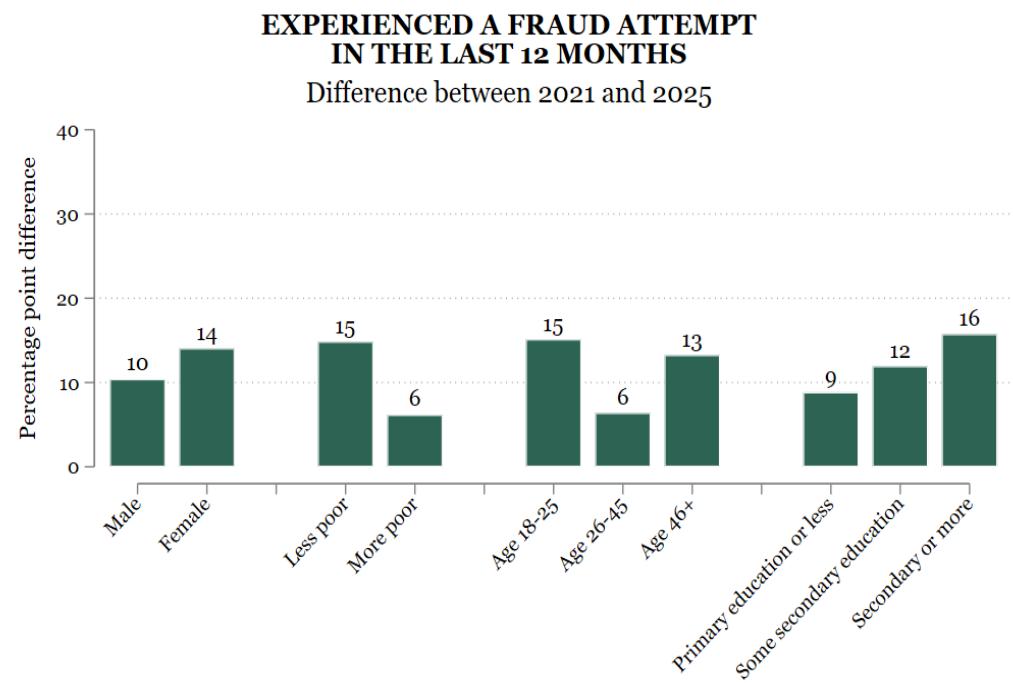
## ATTEMPTED FRAUD

# Incidents of fraud increased by 12 percent between 2021 and 2025.

In 2021, 49 percent of surveyed DFS consumers said they had experienced a fraud attempt in the last 12 months, compared to 61 percent in 2025.

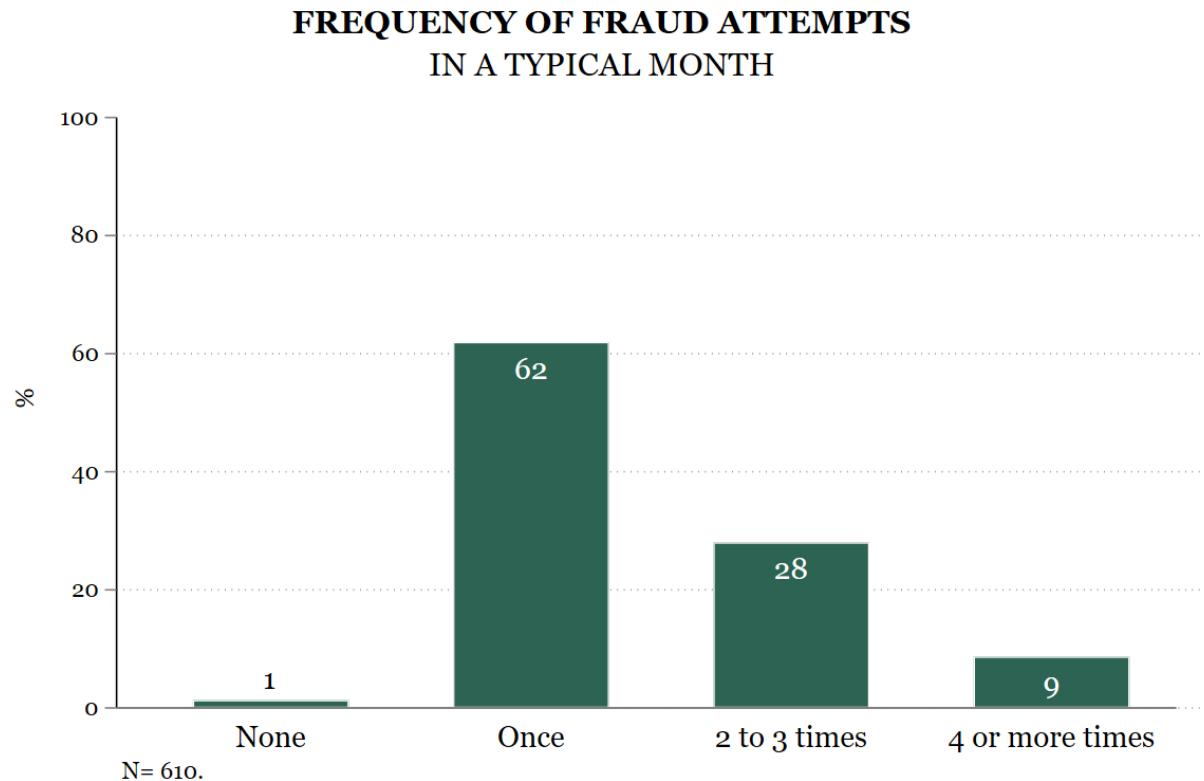


While fraud attempts became more common across consumer segments, the greatest increase was reported by younger, less poor, and higher educated consumers.



## ATTEMPTED FRAUD

Fraud attempts happen once in a typical month.



**37 percent**  
of respondents were typically targeted  
more than once a month.

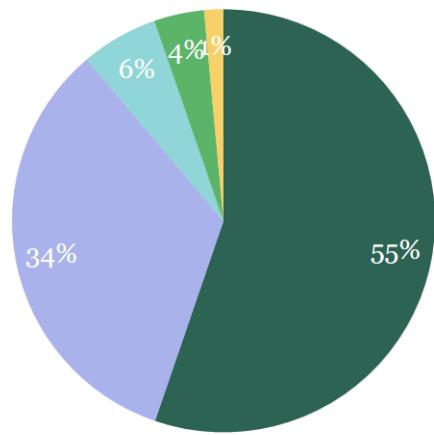
Female respondents were significantly  
more likely to experience fraud attempts  
more than once a month compared to  
male respondents.

## ATTEMPTED FRAUD

# Most fraud attempts occur by phone or SMS.

### FRAUD CHANNEL

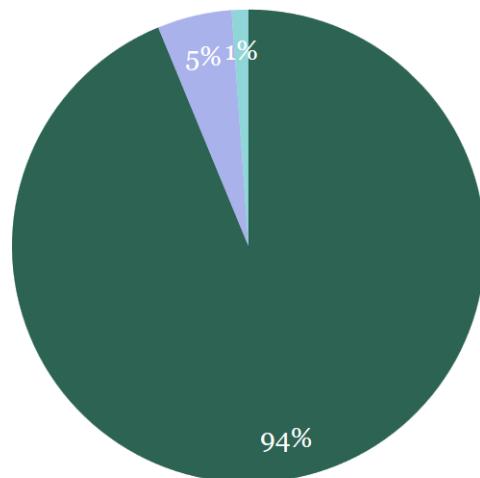
- Phone call
- Text message
- Messenger app
- Social media
- Email



Multiple selections possible. Responses: N = 3047.  
Excludes 3 don't know/refuse to answer responses.

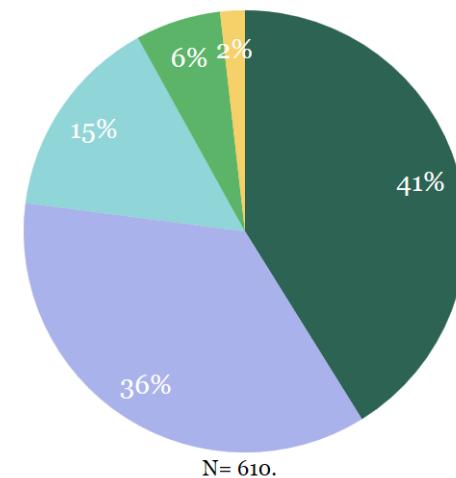
### SERVICE TYPE INVOLVED IN LAST FRAUD ATTEMPT

- Mobile money
- Not related to specific service
- Financial account/digital credit



### IDENTITY ASSUMED BY FRAUDSTERS IN LAST FRAUD ATTEMPT

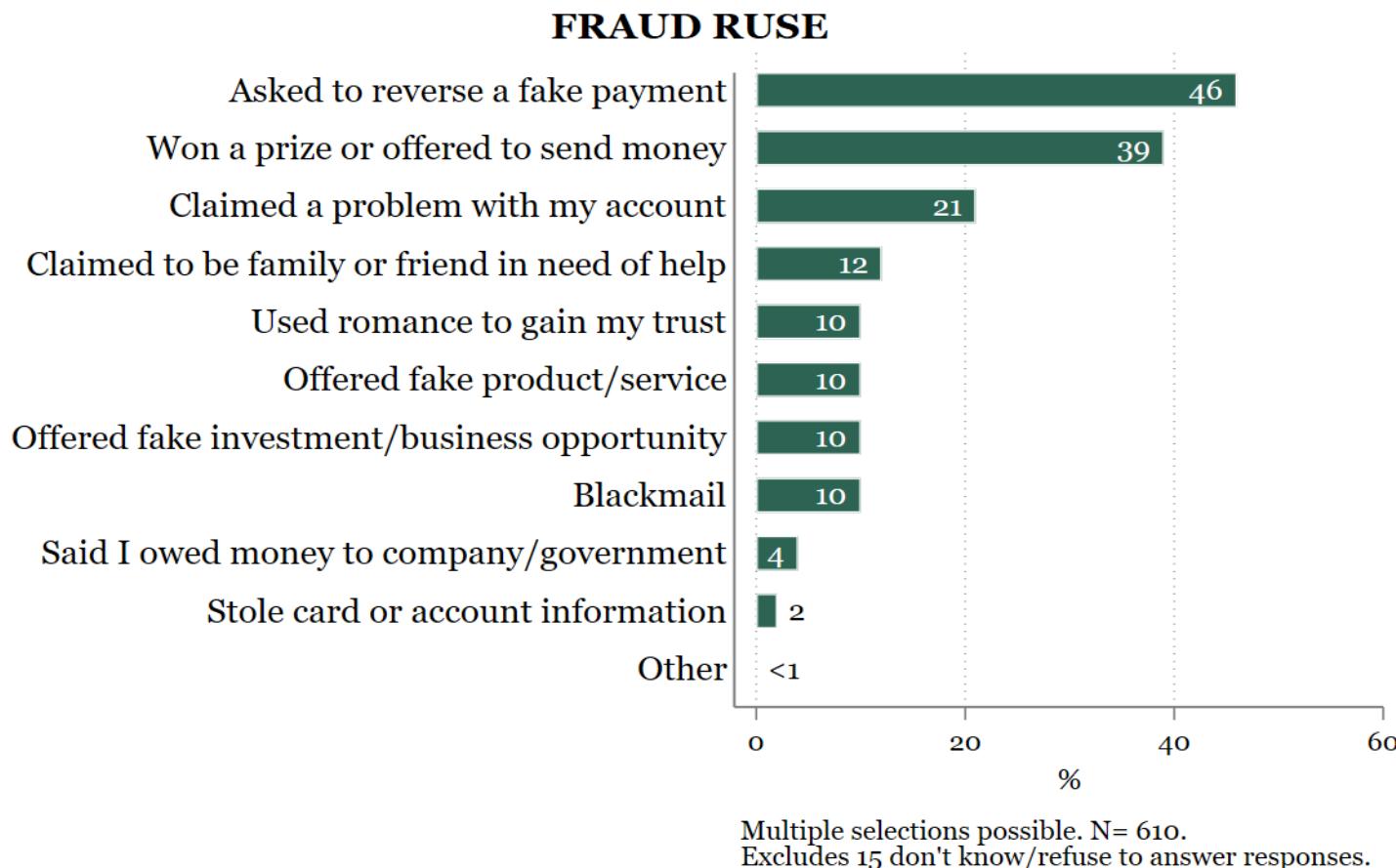
- Service provider representative
- They did not identify themselves
- DFS agent
- A friend or family member
- Other



All graphs refer to the last fraud attempt experienced, except for fraud channel which due to a survey error refers to fraud attempts experienced in the last 12 months, and allows for multiple selections.

## ATTEMPTED FRAUD

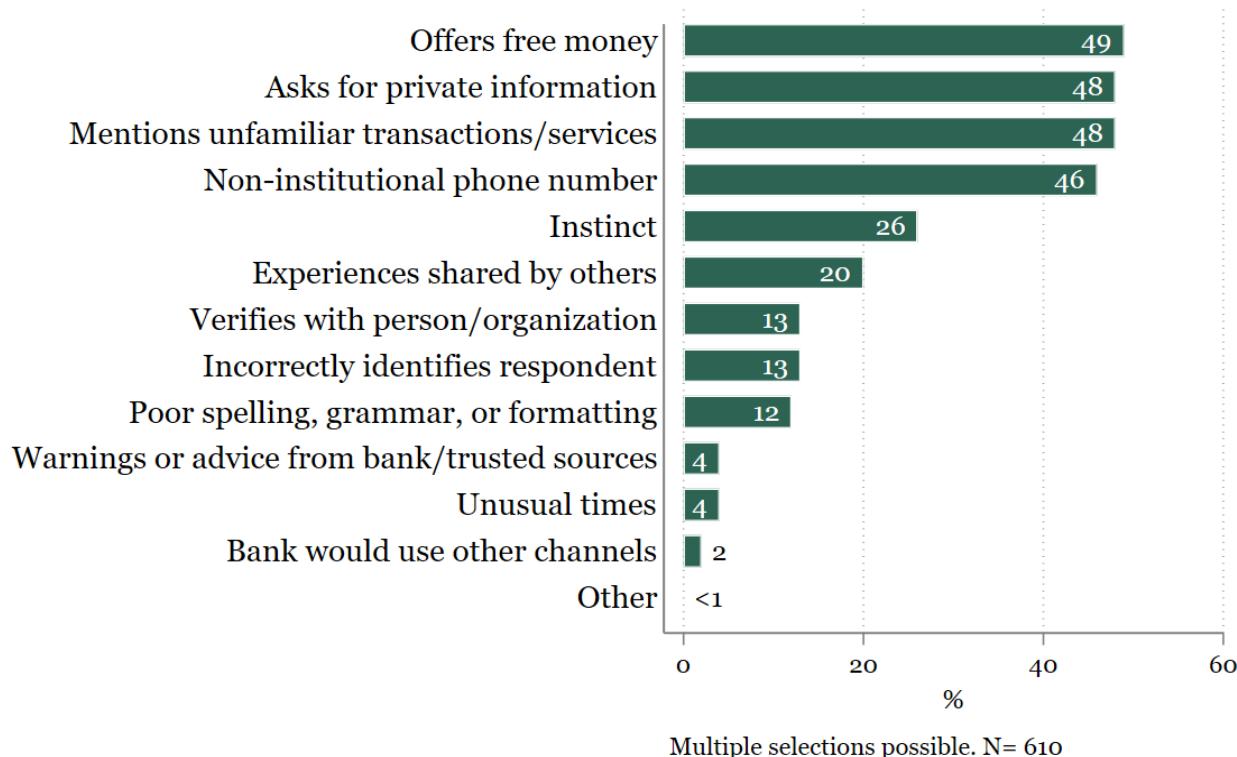
Fraudsters most commonly try to trick respondents into reversing a payment, or offer them free money.



## ATTEMPTED FRAUD

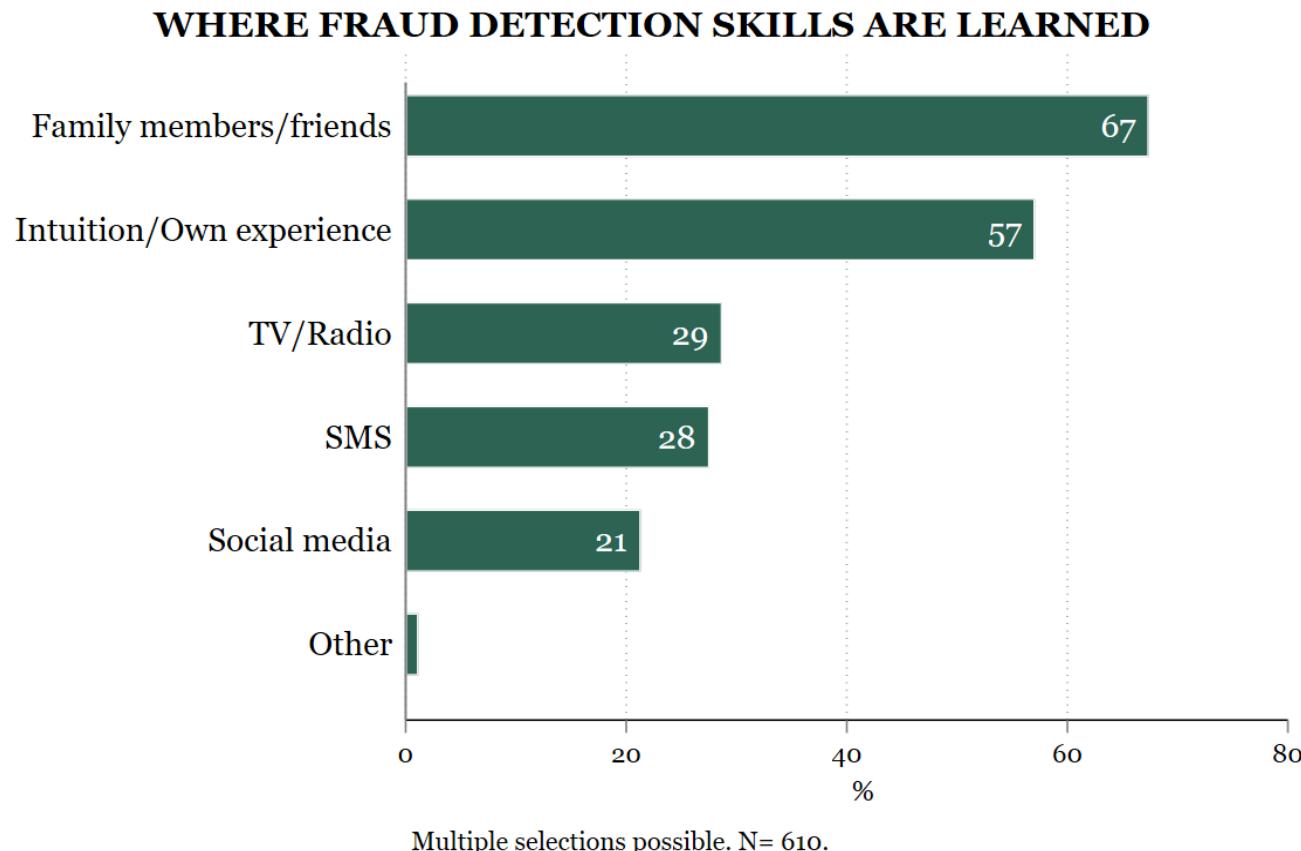
Nearly half of respondents report that they identified scams by four common suspicious behaviors: offers of free money, requests of private information, references to unfamiliar transactions, and calls from regular numbers.

### HOW THE FRAUD ATTEMPT IS DETECTED



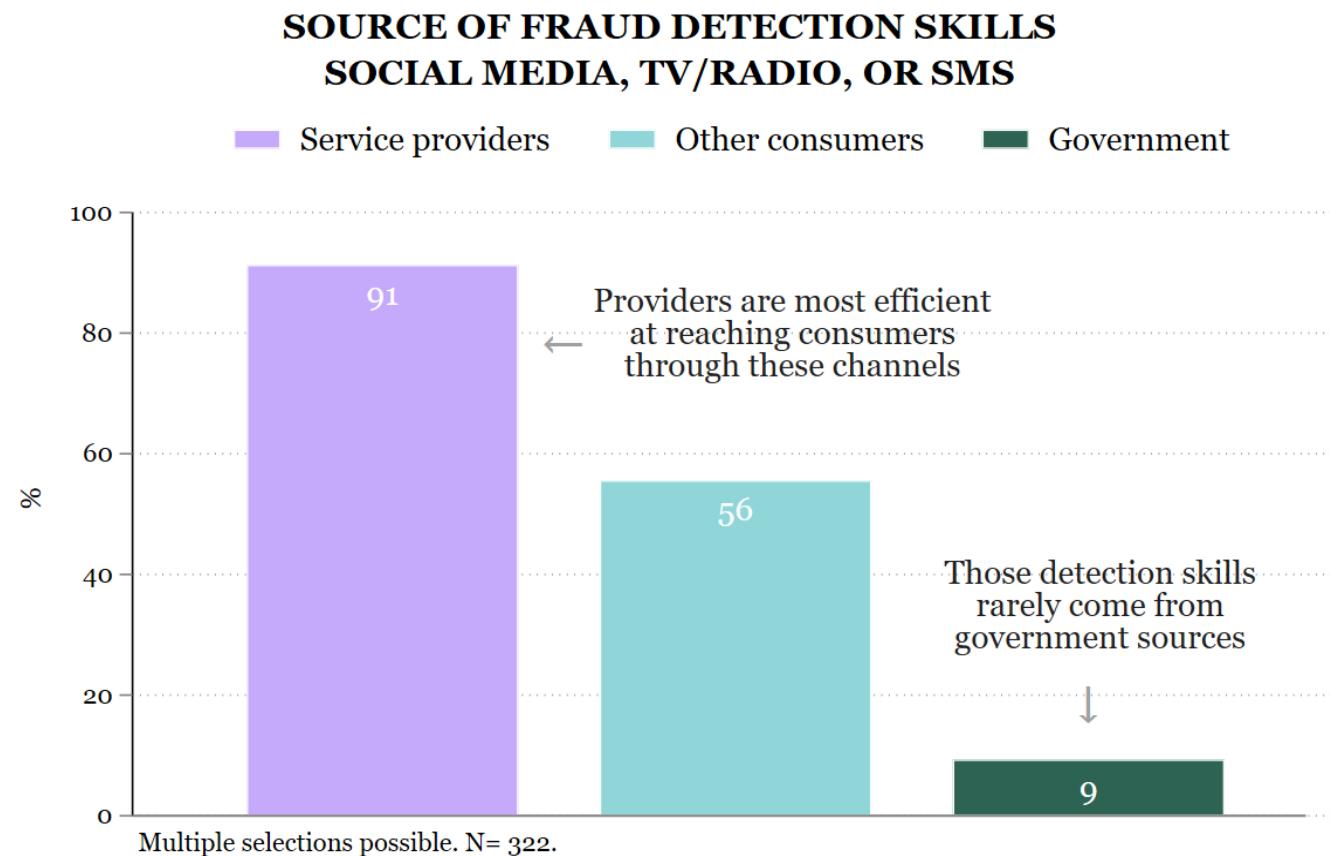
## ATTEMPTED FRAUD

Respondents often learn to detect scams based on own experiences or those of their social network.



## ATTEMPTED FRAUD

When fraud detection skills are learned through social media, TV, radio, or SMS, the source is often service providers.



## ATTEMPTED FRAUD

Only 22 percent formally reported the last fraud attempt they experienced.

The majority of respondents warned friends and family. 41 percent took no action at all.

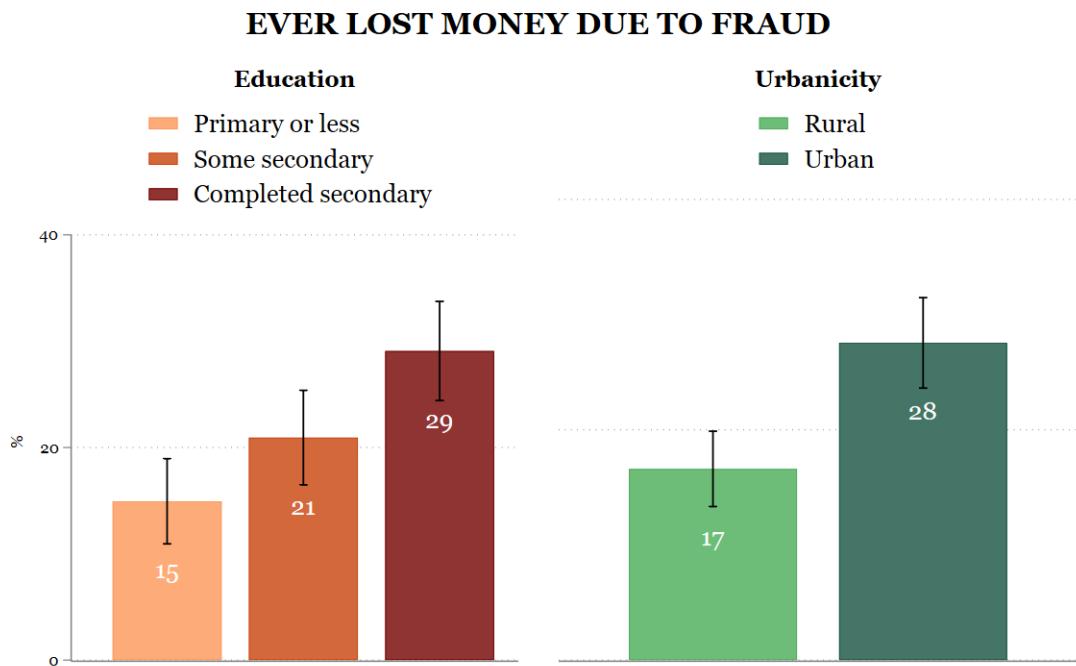


## SUCCESSFUL FRAUD

# More than one in five DFS users had lost money due to fraud.

22 percent of respondents had ever lost money, and 9 percent had lost money in the past 12 months.

Higher educated and urban consumers were more likely to say that they had been defrauded.



N= 1001. 95% confidence intervals shown.  
Graphs produced only when consumer segments differed at the 5% significance level.

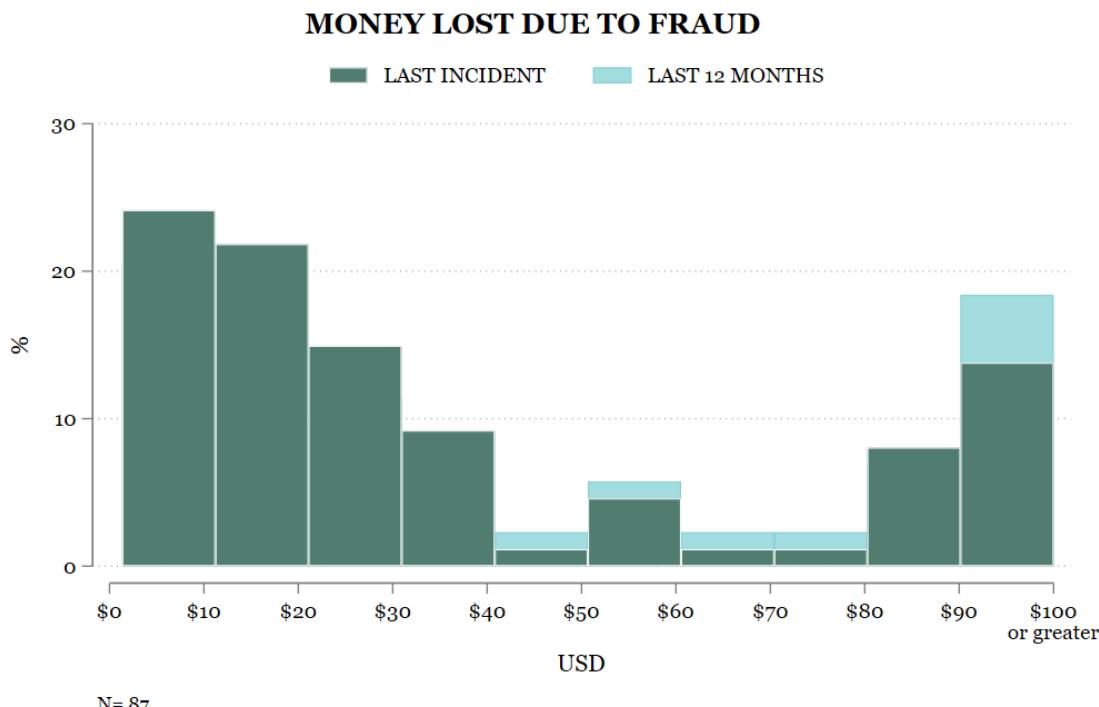
**3 percent**

of respondents had lost money specifically due to fraudulent fintech smartphone applications in the past 12 months.

## SUCCESSFUL FRAUD

The median respondent lost \$22 the last time they were defrauded.

This corresponds to 23 percent of median monthly household income in our survey regions.



\$27.00

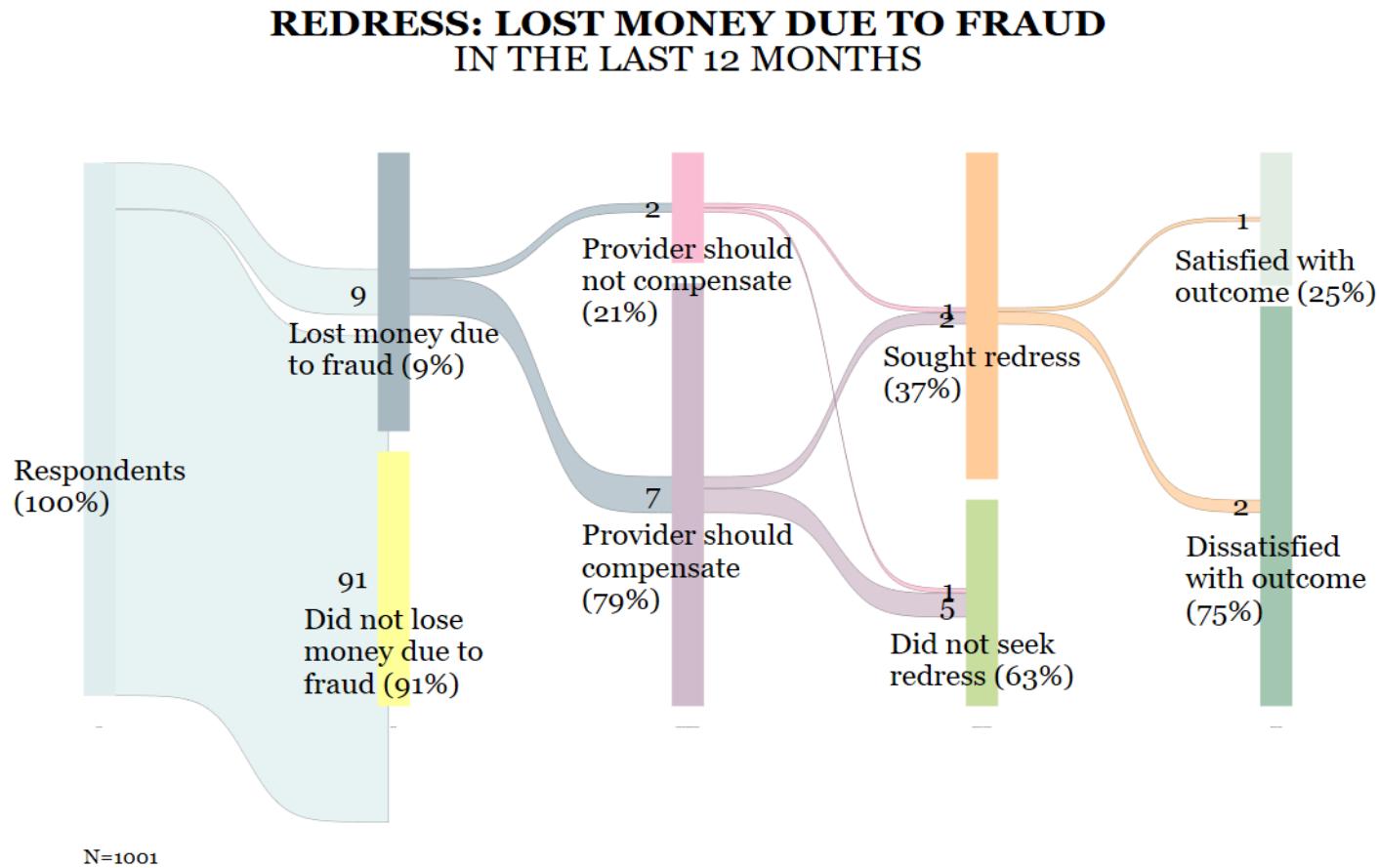
Median annual financial loss due to fraud among fraud victims in our sample

\$106 million

Estimated total annual loss due to fraud among all Ugandan DFS users.\*

\*Calculated by multiplying the mean amount lost due to fraud across our entire sample (including those who did not lose money to fraud) – \$5.54 – by the total number of Ugandan DFS consumers (reported by Findex 2025) – 19,094,484.

# When consumers lose money due to fraud, they rarely seek redress.



## SUCCESSFUL FRAUD

Fraud victims become more cautious, reduce their DFS usage, and experience negative impacts on their well-being.

Female, rural, less financially literate and younger respondents were more likely to experience negative psychological impacts.

### IMPACTS ON DFS USAGE

**88%**  
became more cautious or vigilant when making transactions

**45%**  
changed their PIN or password

**10%**  
decreased their DFS usage across all services

**9%**  
stopped using the service provider

**7%**  
stopped using the service entirely

### IMPACTS ON WELL-BEING

**93%**  
felt anxious or worried

**100%**  
felt angry or frustrated

**72%**  
lost confidence

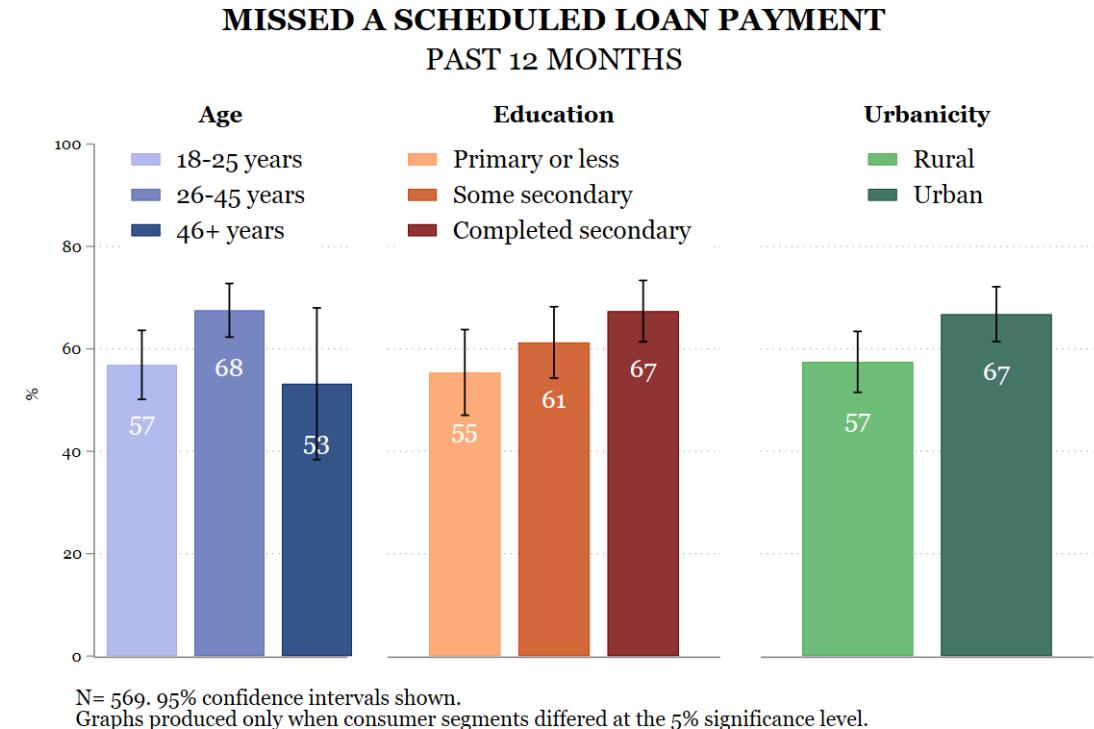
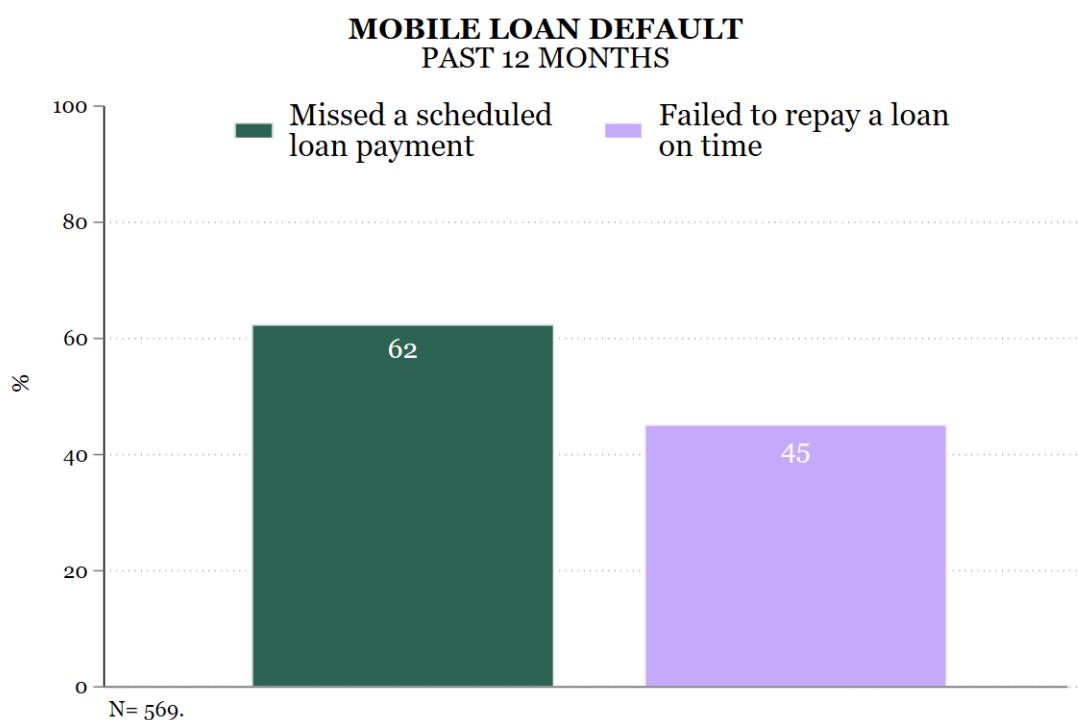
**75%**  
felt helpless or vulnerable

**70%**  
felt embarrassed or ashamed

## OVER-INDEBTEDNESS

45 percent of mobile loan users reported failing to repay on time in the last year.

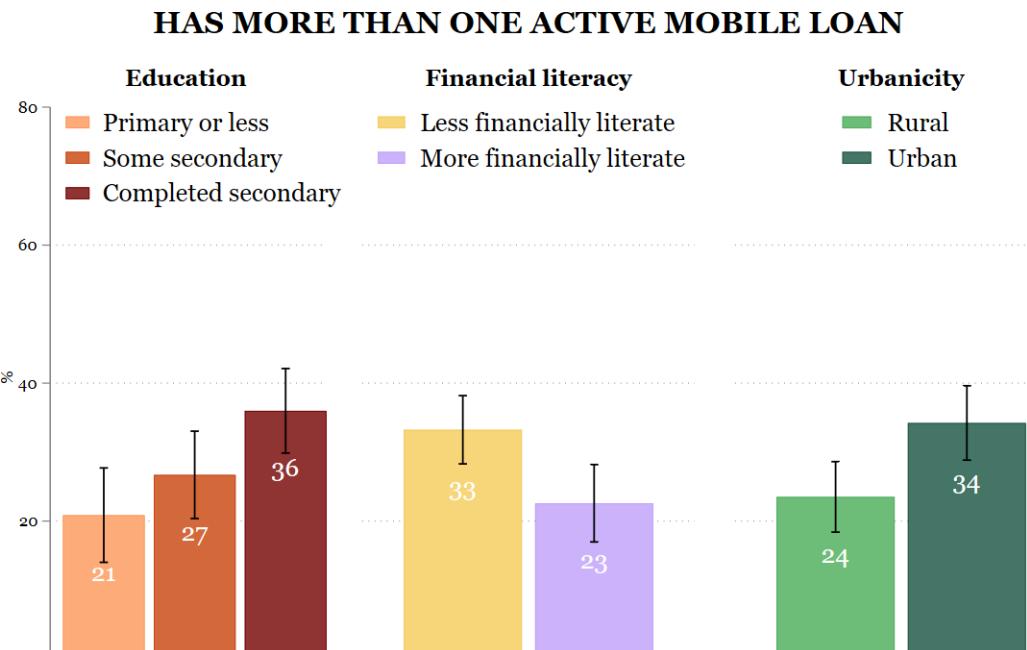
Middle-aged, higher educated and urban consumers were more likely to miss a loan payment.



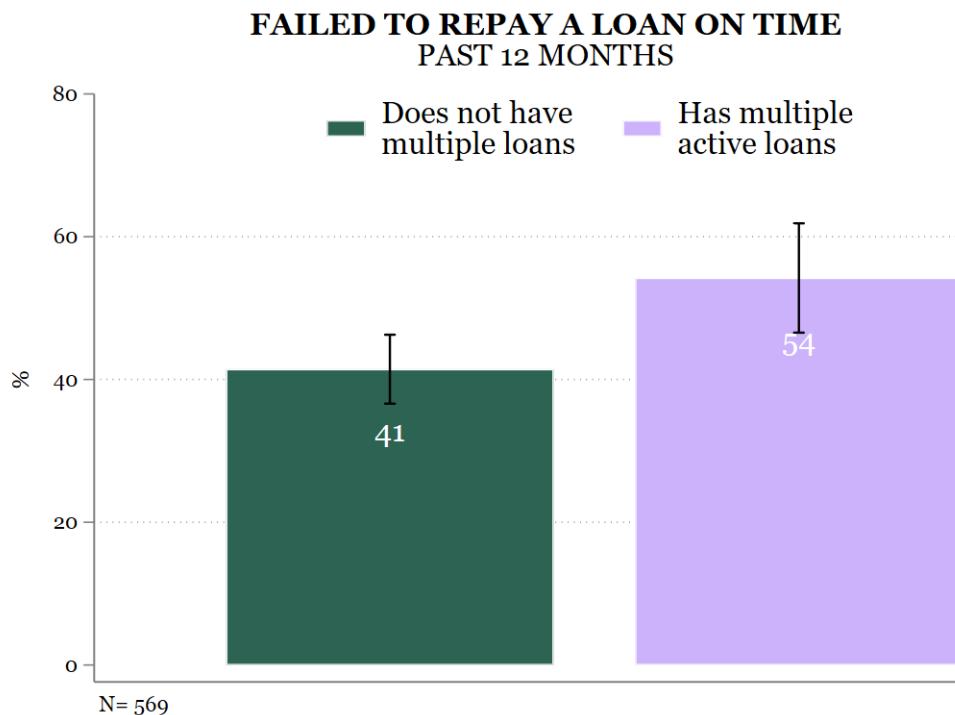
## OVER-INDEBTEDNESS

# One in three mobile loan users had multiple active loans.

Higher educated, less financially literate and urban consumers were more likely to have multiple loans.



Consumers with multiple loans were significantly more likely to have experienced loan default.



## OVER-INDEBTEDNESS

Credit cards, overdraft services, and buy-now-pay-later remain relatively rare forms of credit.

### CREDIT CARDS



had used a credit card in the past 12 months.



of credit card users had missed a scheduled credit card repayment.

### OVERDRAFT SERVICES



had used overdraft services in the past 12 months.



overdraft users were enrolled without their knowledge.

### BUY-NOW-PAY-LATER



had used buy-now-pay-later in the past 12 months.



of BNPL users were charged an unexpected fee for the service.

## OVER-INDEBTEDNESS

Signs of over-indebtedness are relatively common among users of mobile loans, credit cards, overdrafts, and buy-now-pay-later services.

Proportion of debt services users reporting in the last 12 months...

27%

...regretting taking on debt.

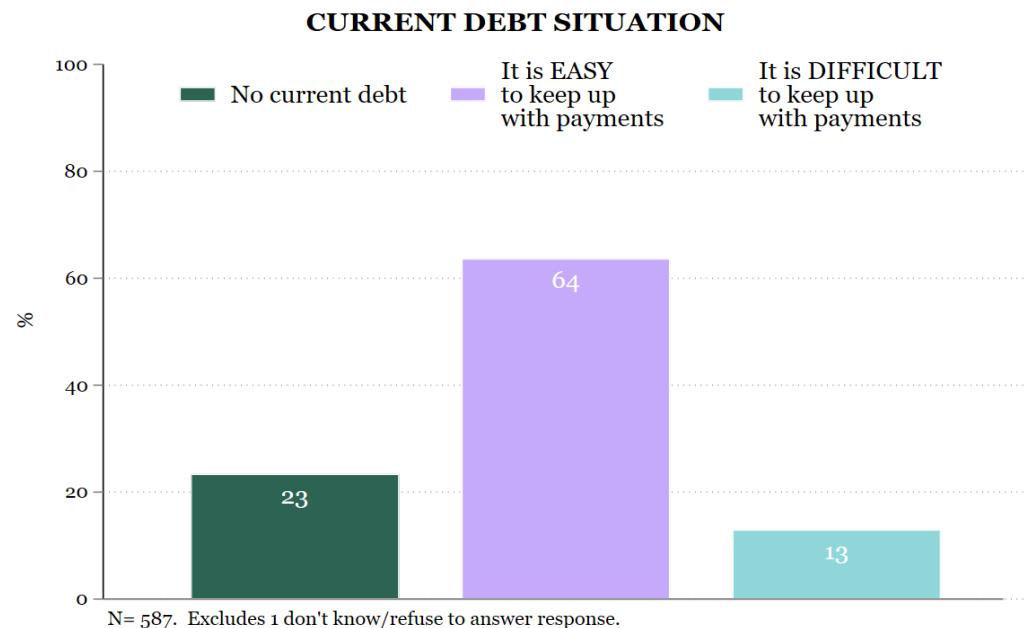
15%

...using a loan to repay another debt.

22%

...losing access to one of their accounts due to unpaid debt.

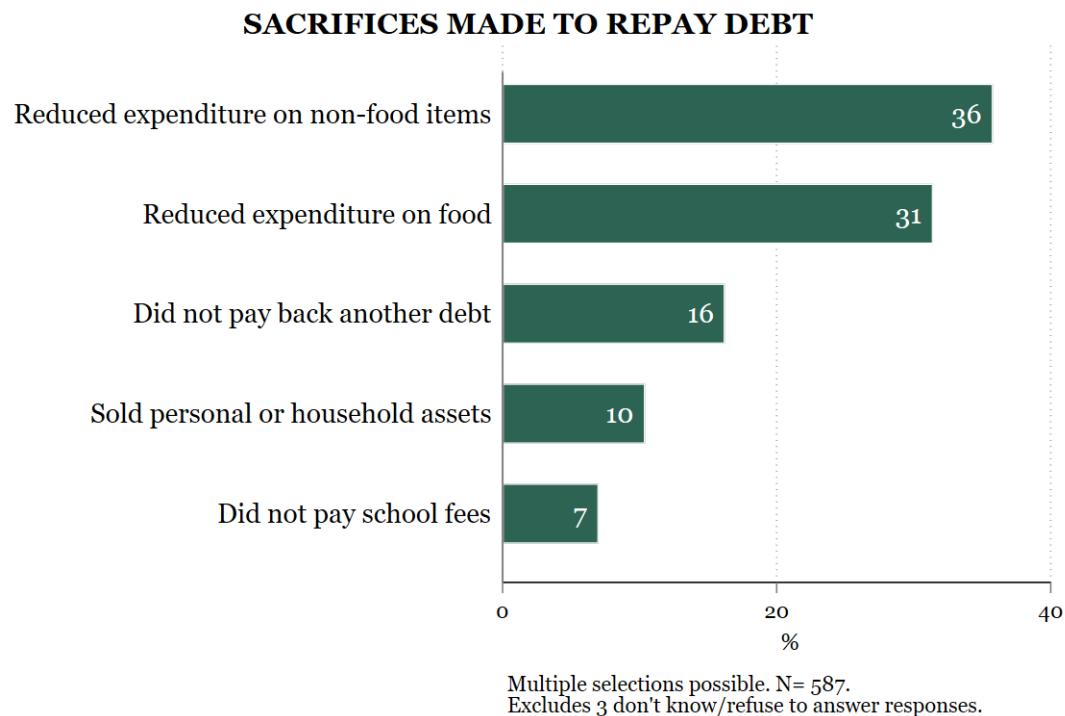
Among respondents that used debt services in the past 12 months, **13 percent** found it somewhat or very difficult to keep up with their debt payments.



## OVER-INDEBTEDNESS

Among users of mobile loans, credit cards, overdrafts, and buy-now-pay-later services, a third of respondents had cut back on food expenditure to repay their debt in the past 12 months.

Older adults are significantly more likely to make a sacrifice to pay back a loan. Poorer respondents are more likely to sell assets and not pay school fees.



**32 percent**  
of debt users used two or more strategies to  
cope with their debt situation.

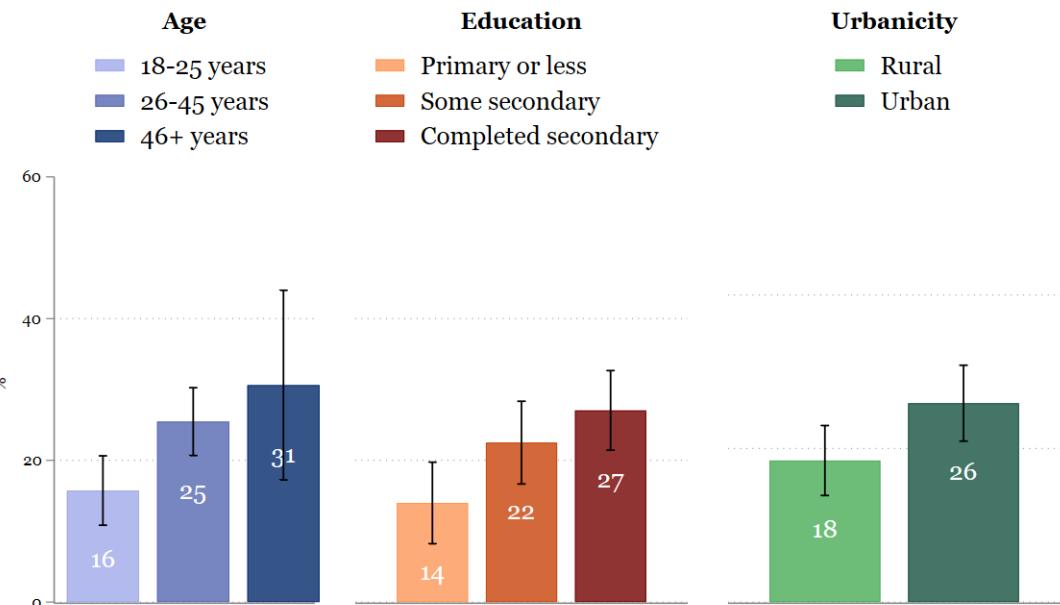
**17 percent** used three or more coping  
strategies.

## OVER-INDEBTEDNESS

Users of mobile loans, credit cards, overdrafts, and buy-now-pay-later services commonly experience harassment by debt collectors.

22 percent had experienced harassment by debt collectors. Middle-aged, more educated, and urban consumers were more likely to have experienced harassment.

### EXPERIENCED HARASSMENT BY DEBT COLLECTOR

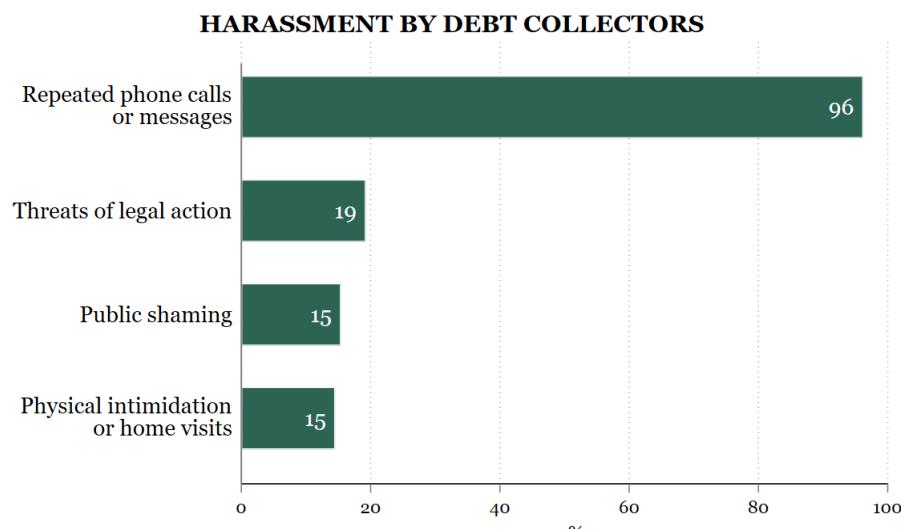


N= 587. 95% confidence intervals shown.

Graphs produced only when consumer segments differed at the 5% significance level.

The most common form of harassment was through **phone calls or text messages**.

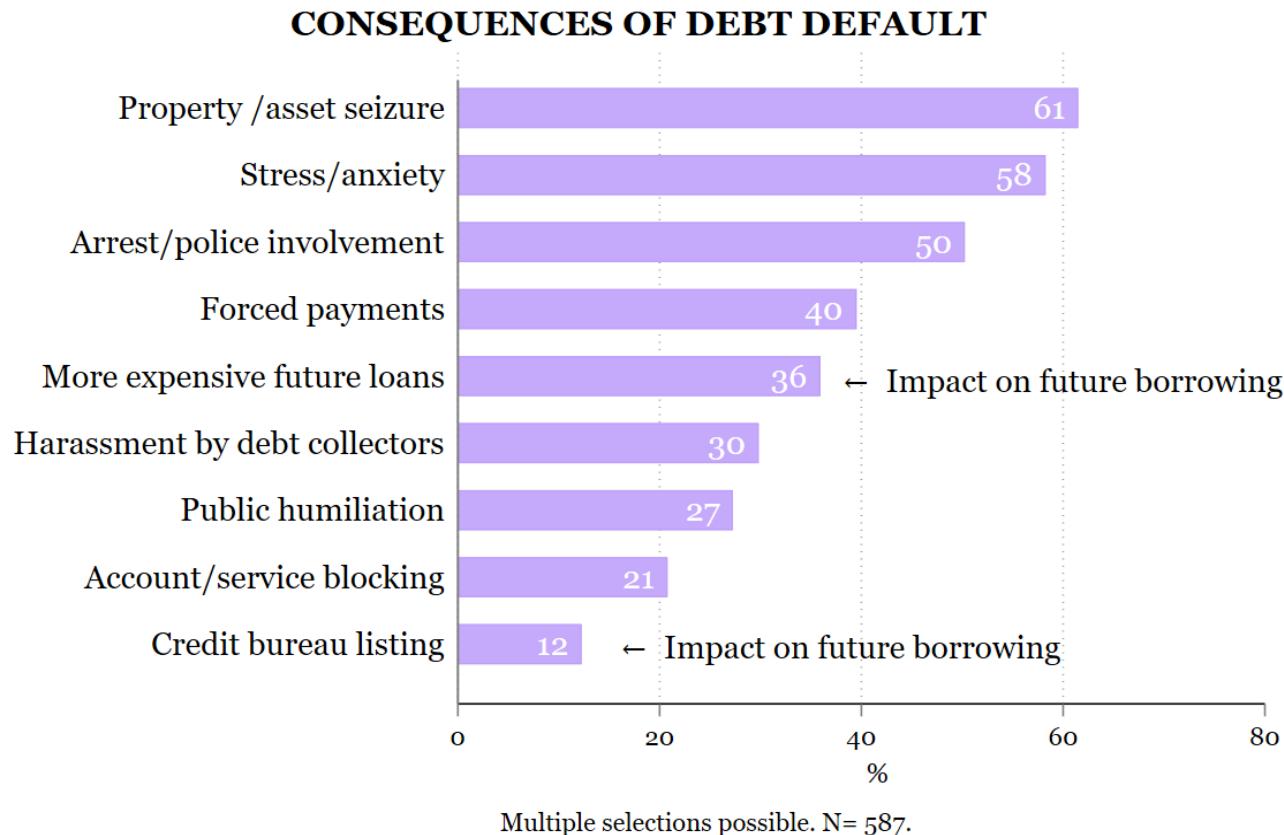
15 percent had been publicly shamed or physically intimidated.



Multiple selections possible. N= 131.  
Excludes 2 don't know/refuse to answer responses.

## OVER-INDEBTEDNESS

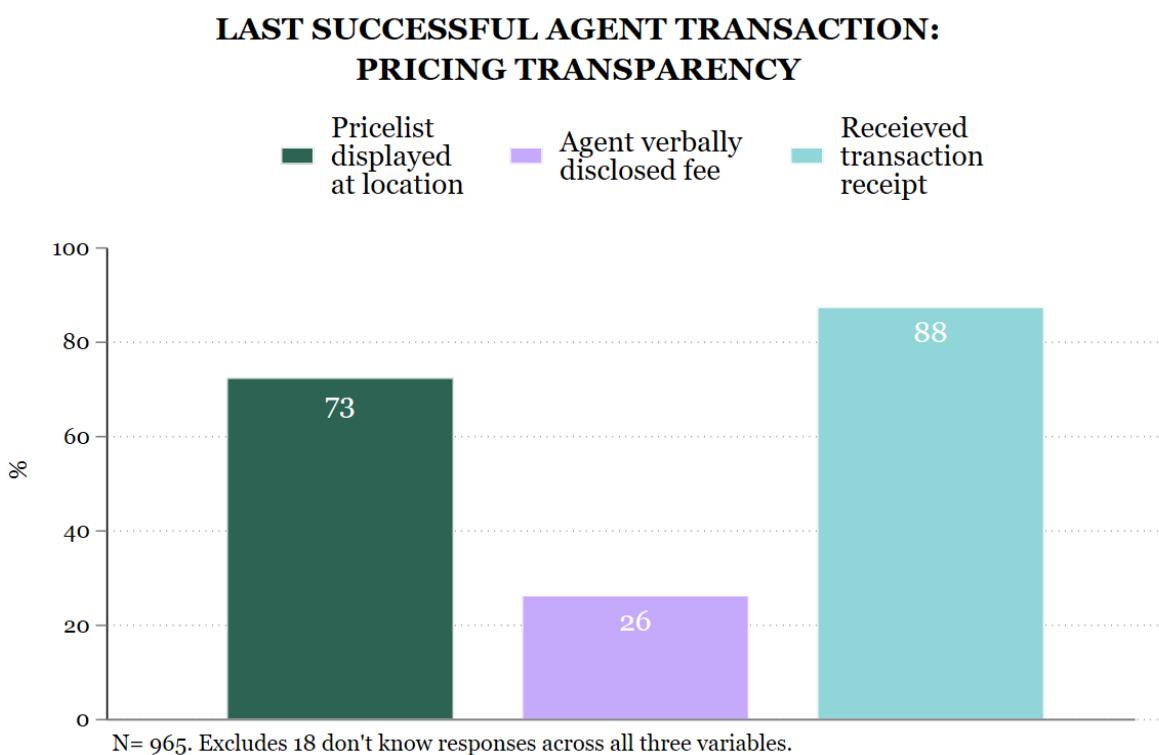
Consumers identified the negative consequences a borrower might face if they default on their debt.



Less than half of mobile loan users mentioned impacts on future credit (see more expensive future loans and credit bureau listing).

## CHALLENGES WITH AGENTS

Agents typically do not disclose prices and 27 percent do not have price lists visible to consumers.



Most consumers stated that they received transaction receipts.

Rural and poorer respondents were significantly less likely to report seeing pricelists at agent locations.

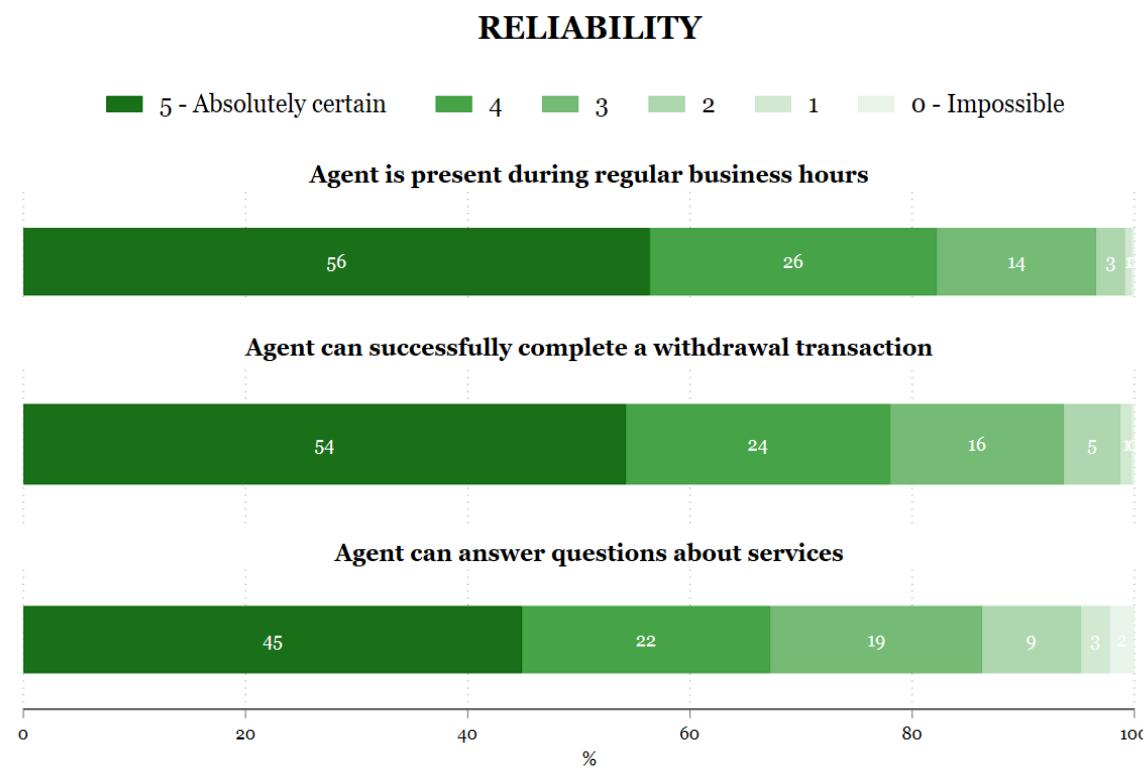
Rural and male respondents also reported significantly lower rates of fee disclosure.

A separate mystery shopping study\* found that agents disclosed fees verbally 4 percent of the time, price lists were displayed 58 percent of the time, and customers received receipts 99 percent of the time, suggesting that respondent recall may lead to overestimates of some of these outcomes.

\*IPA (2025) conducted mystery shopping visits at agent locations in rural and urban markets in Uganda.

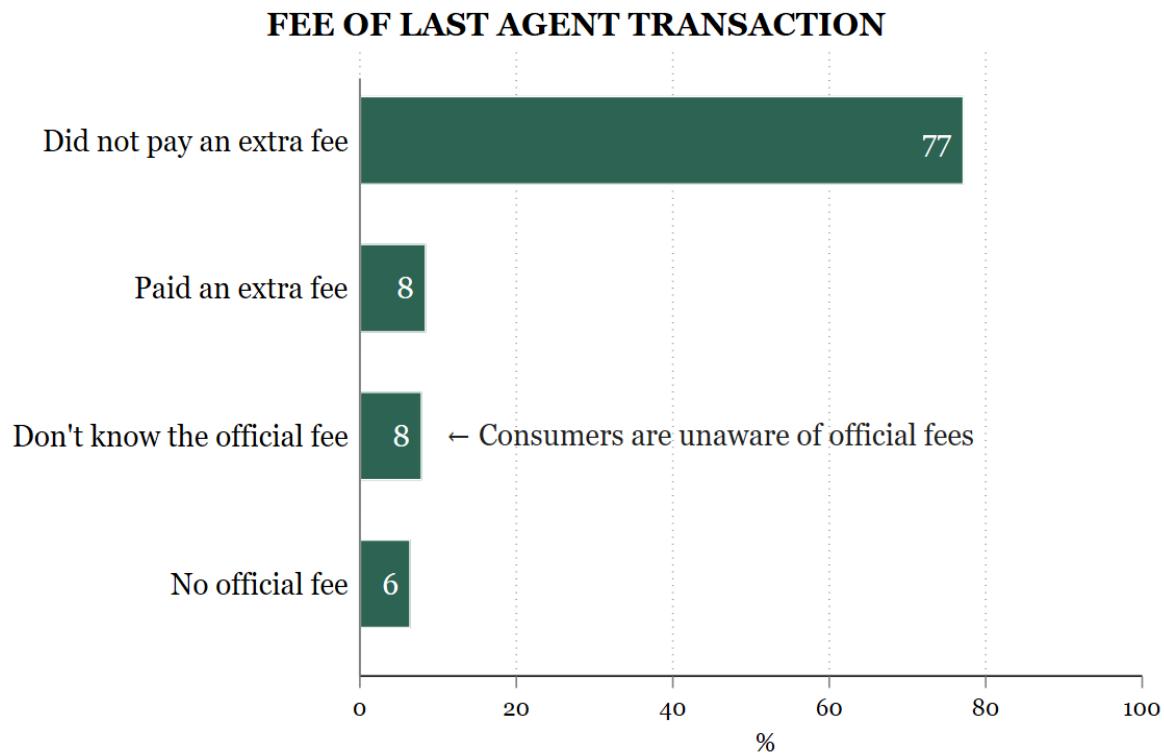
# Agents do not always provide reliable service.

Agents are not always present or able to complete transactions successfully. Less than half of respondents were absolutely certain that an agent could help them answer questions related to their services.



## When agents overcharge, consumers rarely seek redress.

Few sought formal redress after having been overcharged, even if they thought the provider should be held accountable.



Amongst the respondents that were overcharged,

**53%**  
thought that the provider should compensate them for the money that was lost

**18%**  
would know how to seek formal redress

**4%**  
sought formal redress for the issue

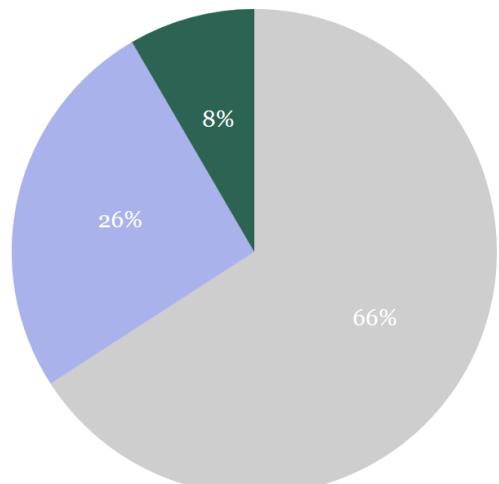
## CHALLENGES WITH AGENTS

8 percent of respondents said that agents often or always treat them differently because of their gender, age, ethnicity, or religion.

Poorer consumers and those with some secondary education were more likely to report experiences of discrimination. There were no differences by gender.

**AGENT DISCRIMINATES**  
BASED ON GENDER, AGE, ETHNICITY, OR RELIGION

Never    Rarely/Sometimes    Often/Always



N= 965. Excludes 1 don't know/refuse to answer response.

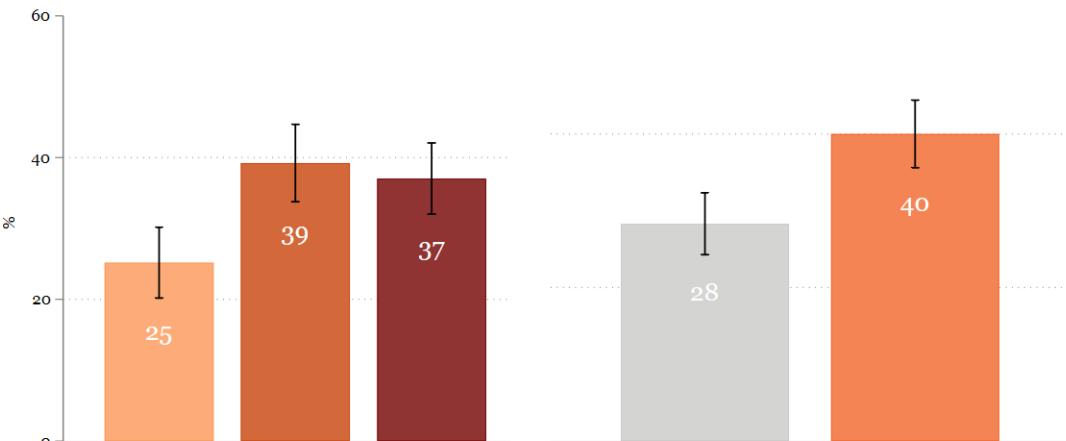
**EXPERIENCED DISCRIMINATION BY AGENT**

**Education**

Primary or less  
Some secondary  
Completed secondary

**Poverty**

Less poor  
More poor

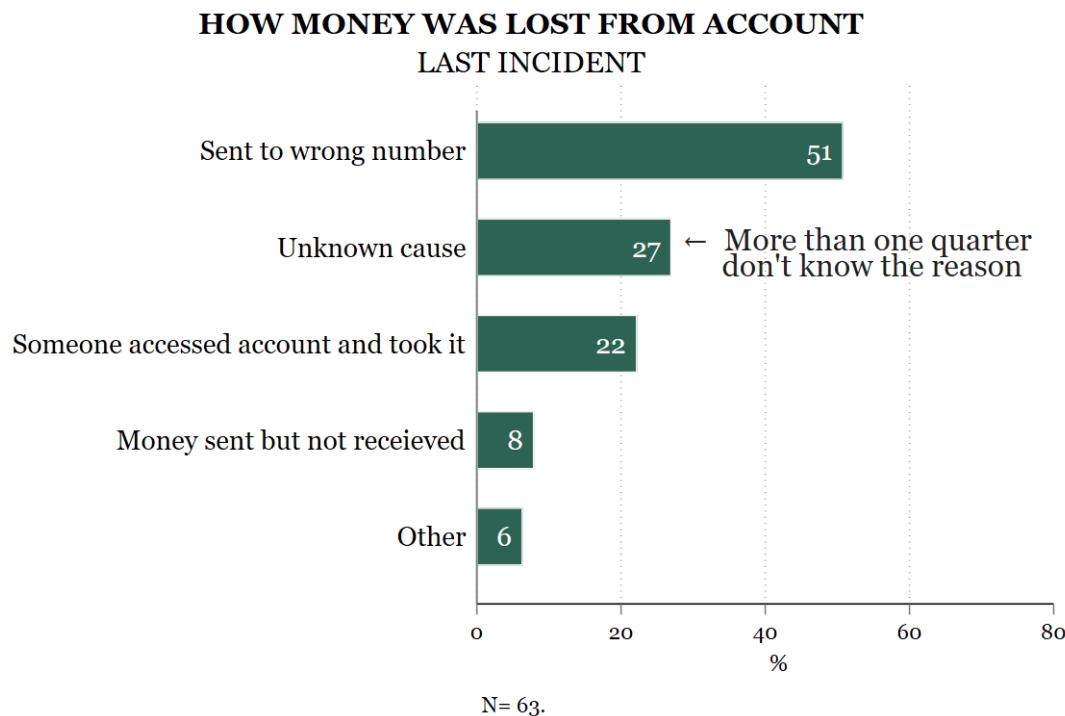


N= 964. 95% confidence intervals shown.  
Graphs produced only when consumer segments differed at the 5% significance level.

## OTHER TYPES OF FINANCIAL LOSS

In the last 12 months, 6 percent of respondents lost money from their account for reasons other than fraud, unexpected fees, or agent overcharging.

More than a quarter of affected respondents could not say what caused the disappearance of funds. Half of respondents that lost money from their account had sent money to the wrong number.



## OTHER TYPES OF FINANCIAL LOSS

When money was lost for reasons other than fraud, unexpected fees, or agent overcharging, typically it happened once in a 12 month period.

### AMOUNT LOST FROM ACCOUNT LAST INCIDENT

AVERAGE  
\$10.95

MEDIAN  
\$5.40

MINIMUM  
\$0.54

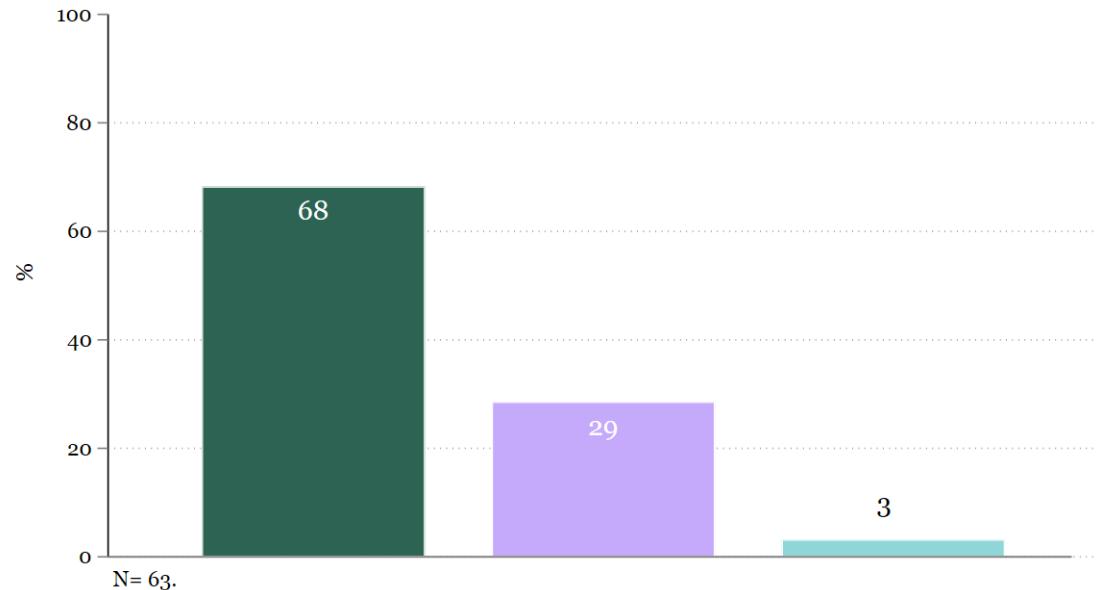
MAXIMUM  
\$37.80

N= 63

In 32 percent of cases, it happened two times or more.

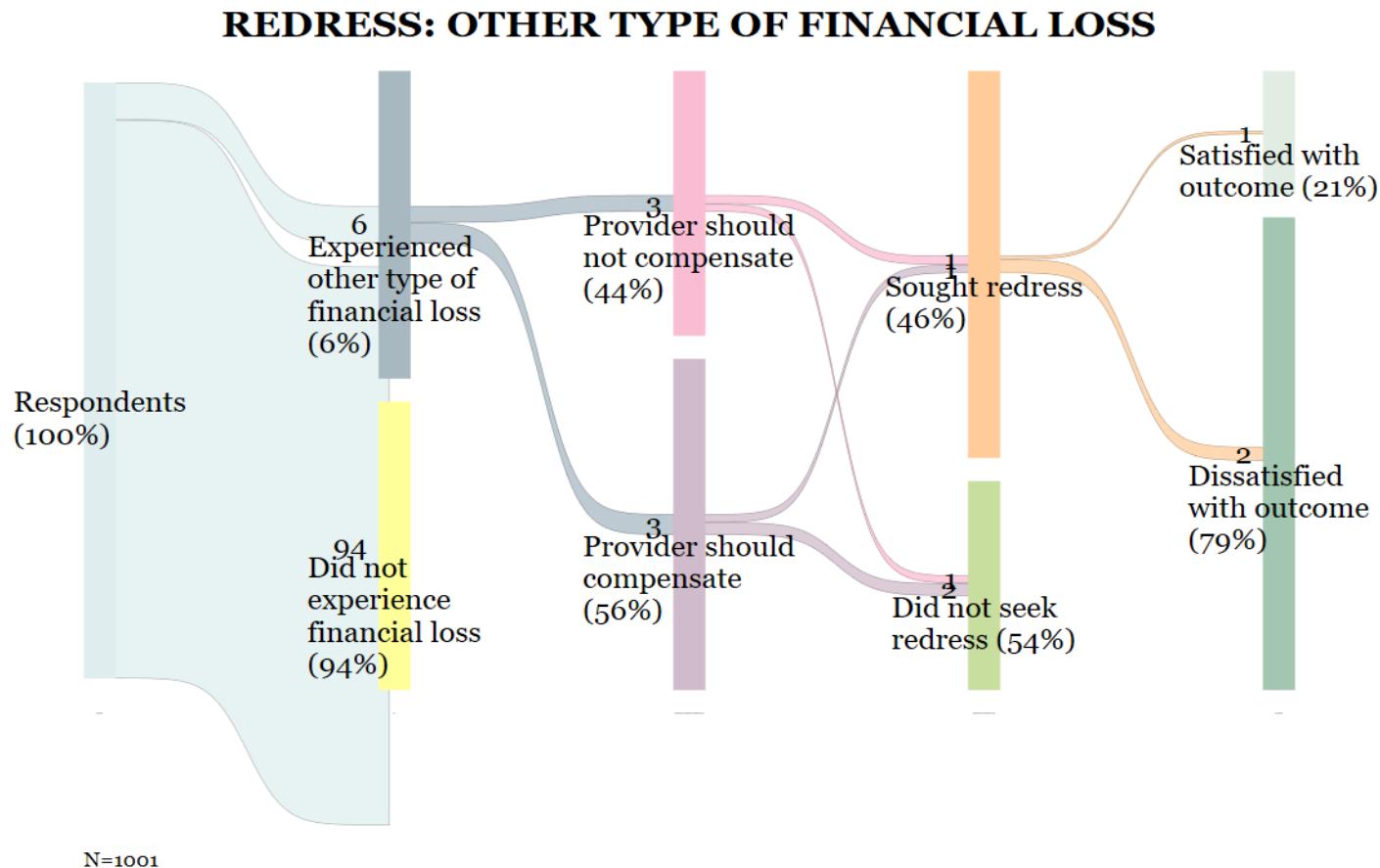
### HOW OFTEN MONEY WAS LOST

Once      2 to 3 times      More than 3 times



## OTHER TYPES OF FINANCIAL LOSS

Less than half of consumers sought redress when money was lost from their account.



## SENT MONEY TO WRONG NUMBER

Despite safeguards, sending money to the wrong number is common. Most are not able to recover the funds.

81 percent of respondents said that there was an extra verification step they had to complete before sending money to a new phone number. Nonetheless,

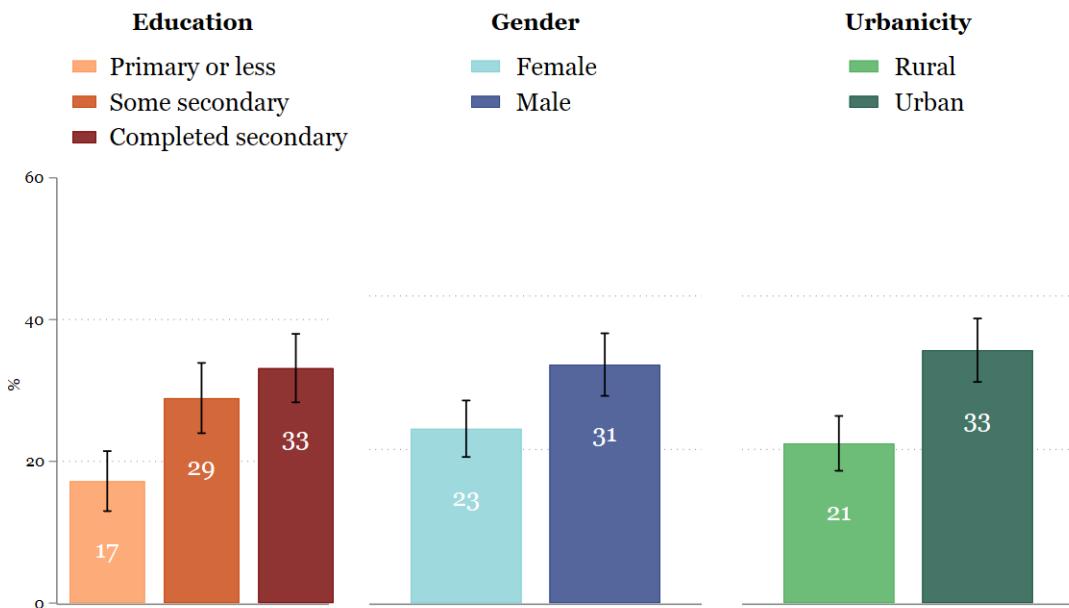
**27 percent**  
of payment services users had ever sent money to a wrong number. Of those,

**42 percent**  
were not able to recover the money.

The share of DFS consumers that incorrectly sent money in the **last 12 months** in 2021 was **17 percent**.

Higher educated, male, and urban respondents were more likely to experience the challenge.

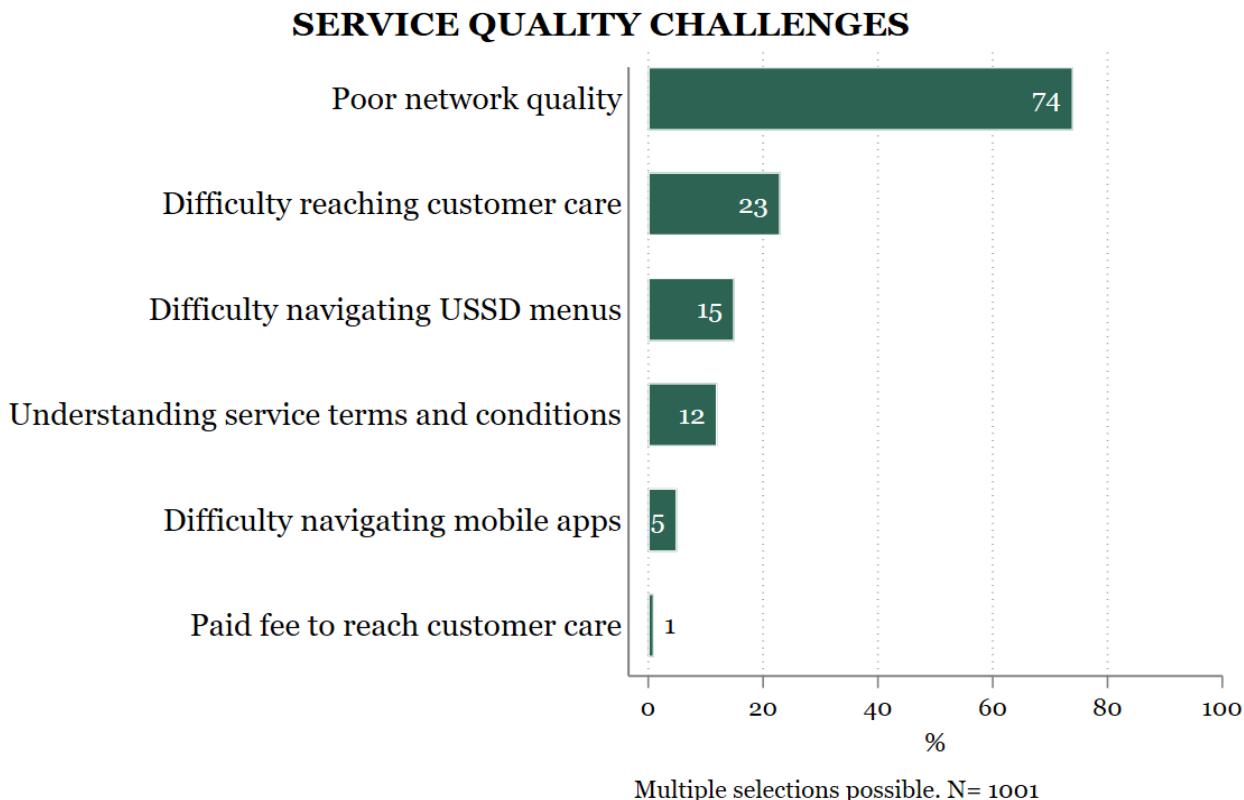
## EVER SENT MONEY TO INCORRECT NUMBER



## SERVICE QUALITY CHALLENGES

Most consumers encounter challenges related to the quality of a service.

83 percent had experienced such a challenge in the past 12 months.



The vast majority had experienced poor network quality that impacted their usage of DFS. More than one in five had struggled to reach customer care when needed.

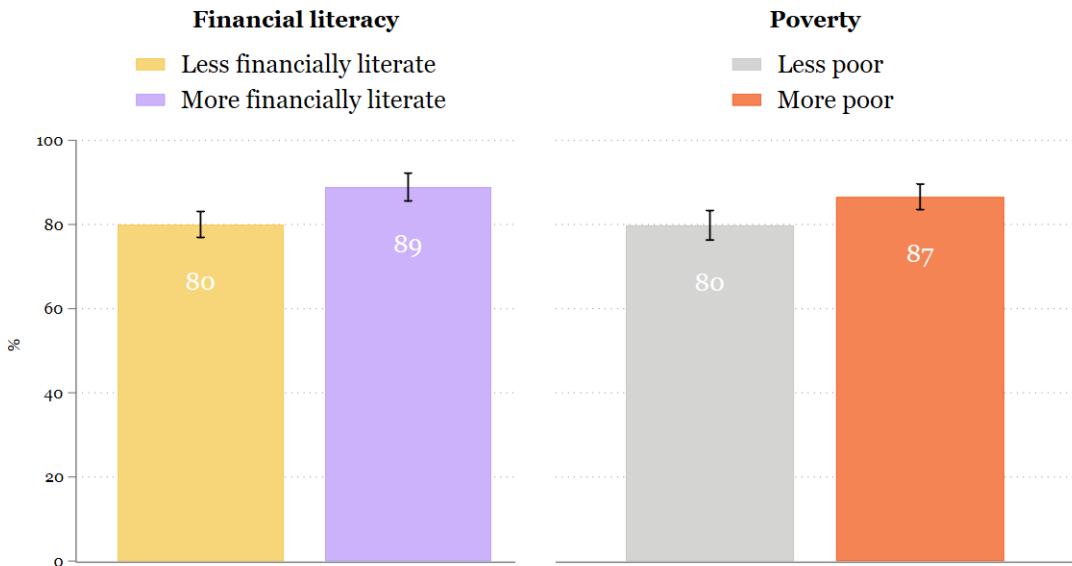
The share of consumers that find it **difficult using USSD menus or mobile applications has increased:**

10 percent said they had ever experienced this challenge when asked in 2021, compared to 18 percent in 2025 that had done so in the last 12 months.

## SERVICE QUALITY CHALLENGES

Poorer and more financially literate respondents were more likely to report having experienced any type of service quality challenge.

### EXPERIENCED A SERVICE QUALITY CHALLENGE IN THE PAST 12 MONTHS



N= 1001. 95% confidence intervals shown.  
Graphs produced only when consumer segments differed at the 5% significance level.

Urban and less financially literate respondents reported significantly higher rates of **not understanding a service or how to use it.**

Among all respondents experiencing these difficulties,

**6 percent**

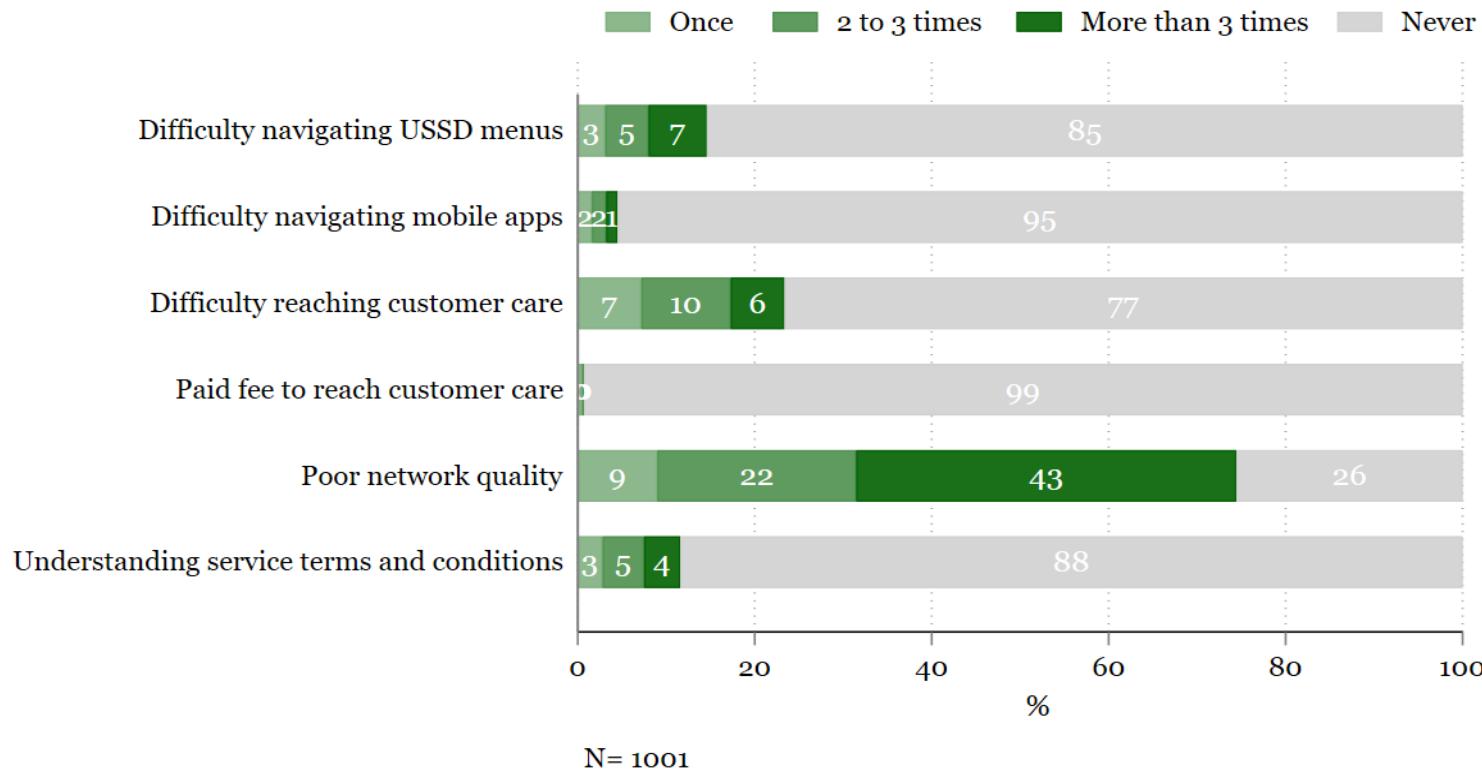
lost money as a result, losing on average

**\$2.32.**

## SERVICE QUALITY CHALLENGES

Some types of service quality challenges were encountered frequently.

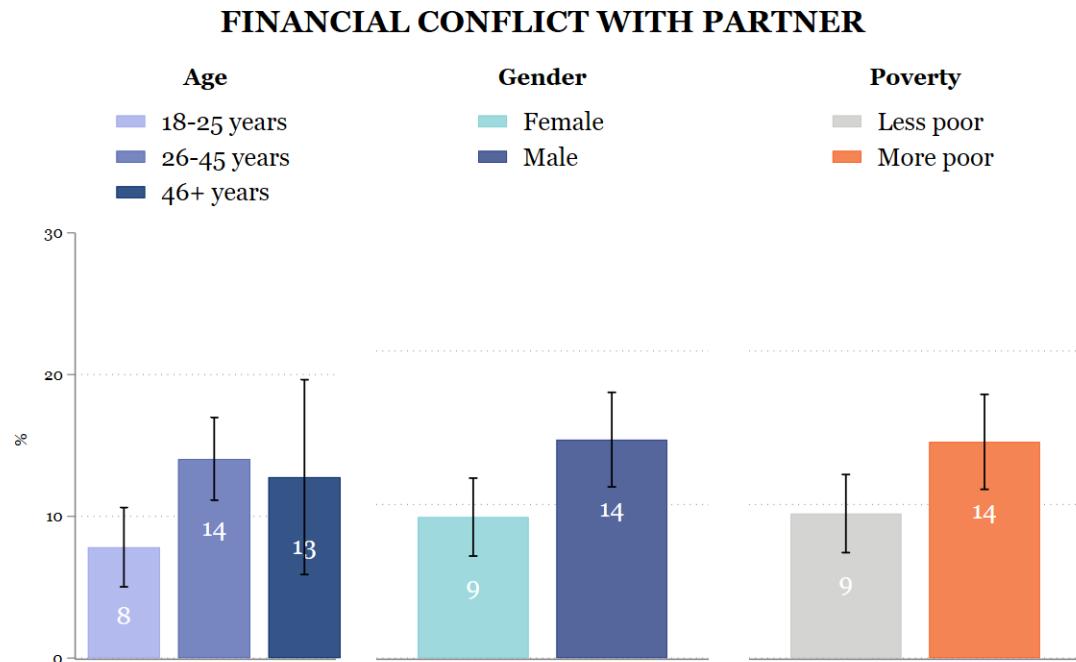
### FREQUENCY OF SERVICE QUALITY CHALLENGES IN THE LAST 12 MONTHS



## FINANCIAL ABUSE

12 percent had experienced a financial disagreement with a partner or household decision maker, a potential indicator of financial abuse.

Middle-aged, male, and poorer respondents reported higher rates of intra-household financial conflicts.



N= 1000. 95% confidence intervals shown.  
Graphs produced only when consumer segments differed at the 5% significance level.

**4 percent**

said that a spouse or decision maker had accessed their financial account without their permission.

**3 percent**

had been prevented from using money stored in their account.

**3 percent**

said a spouse or decision makers had taken out a loan in their name without their permission.

# Complaints Redress

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96      Seeking redress

100      Complaints resolution

104      Impact on usage

# Key Findings

**1. Redress-seeking rates:** Of respondents who lost money due to fraud, unexpected fees, or service quality challenges in the past 12 months, only 27 percent sought redress to resolve the issue. Male respondents were more likely to seek redress.

**3. Complaints resolution:** Among redress seekers, 61 percent reported satisfaction with outcomes, and complaint resolution consistently took longer than expected. Nearly one fifth spent money averaging USD 4.32 on resolution processes.

**2. Recovery of funds:** While half of redress cases involved lost funds, only 20 percent of those who lost money recovered some or all of it. Older adults, higher educated, and more financially literate respondents were more likely to recover funds.

**4. Impact on service usage:** 23 percent of redress seekers changed their DFS usage patterns after their complaint experience. Dissatisfied complainants and those experiencing financial losses were more likely to reduce their DFS usage.

## Respondents rarely sought redress for a DFS challenge.

**19 percent**

of all respondents had sought redress for an issue in the past 12 months.

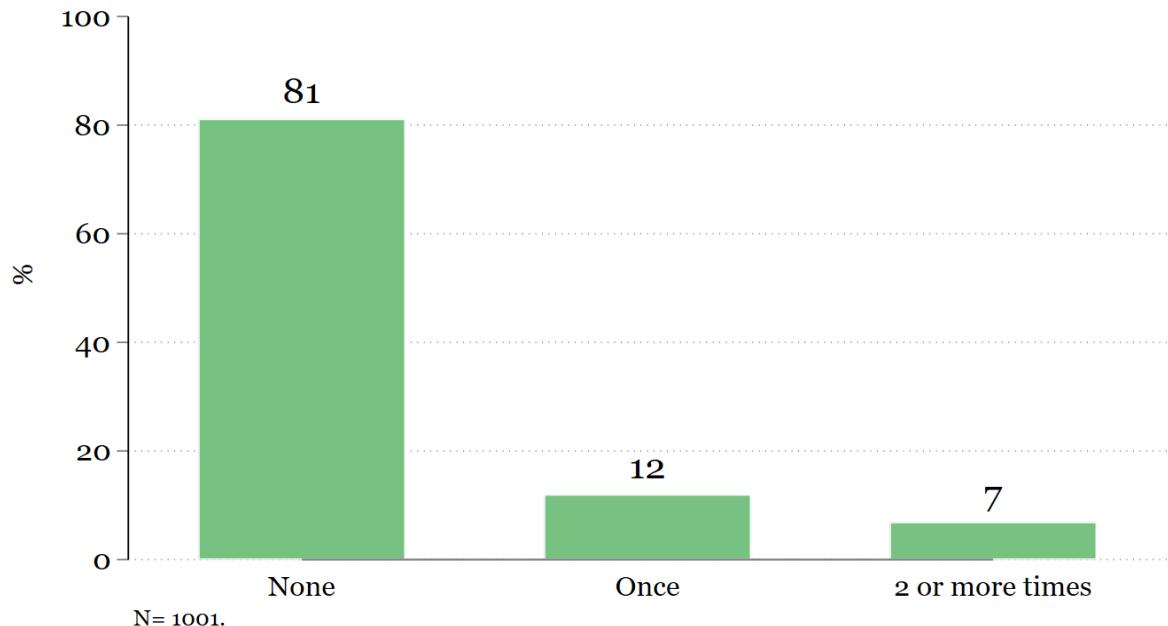
**7 percent**

had sought redress for an issue more than one time in the past 12 months.

**27 percent**

of respondents who had lost money due to fraud, an unexpected fee, or a service quality challenge had sought redress in the past 12 months.

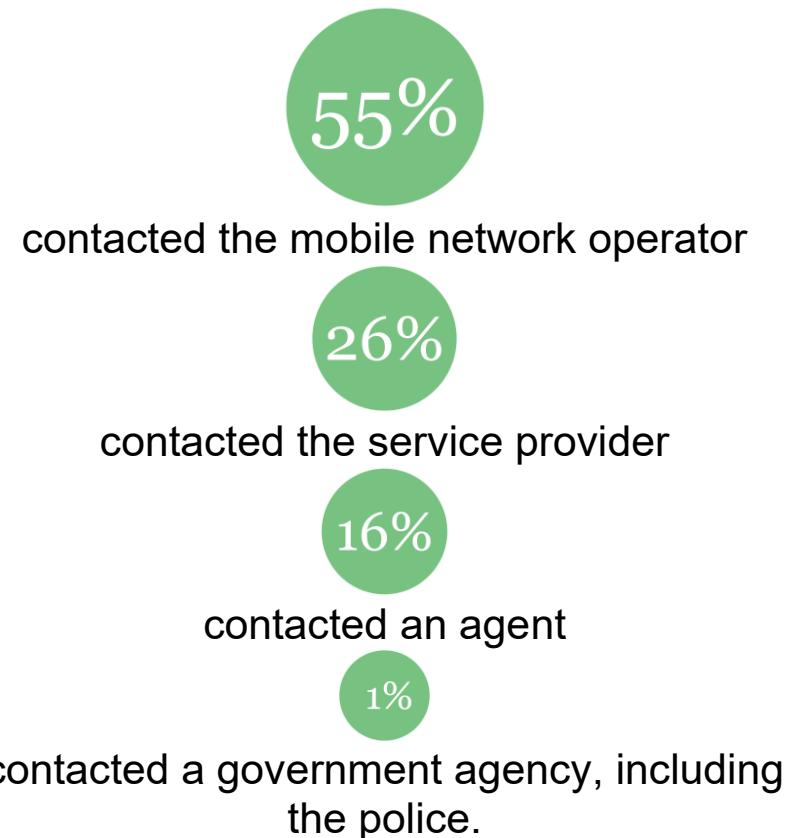
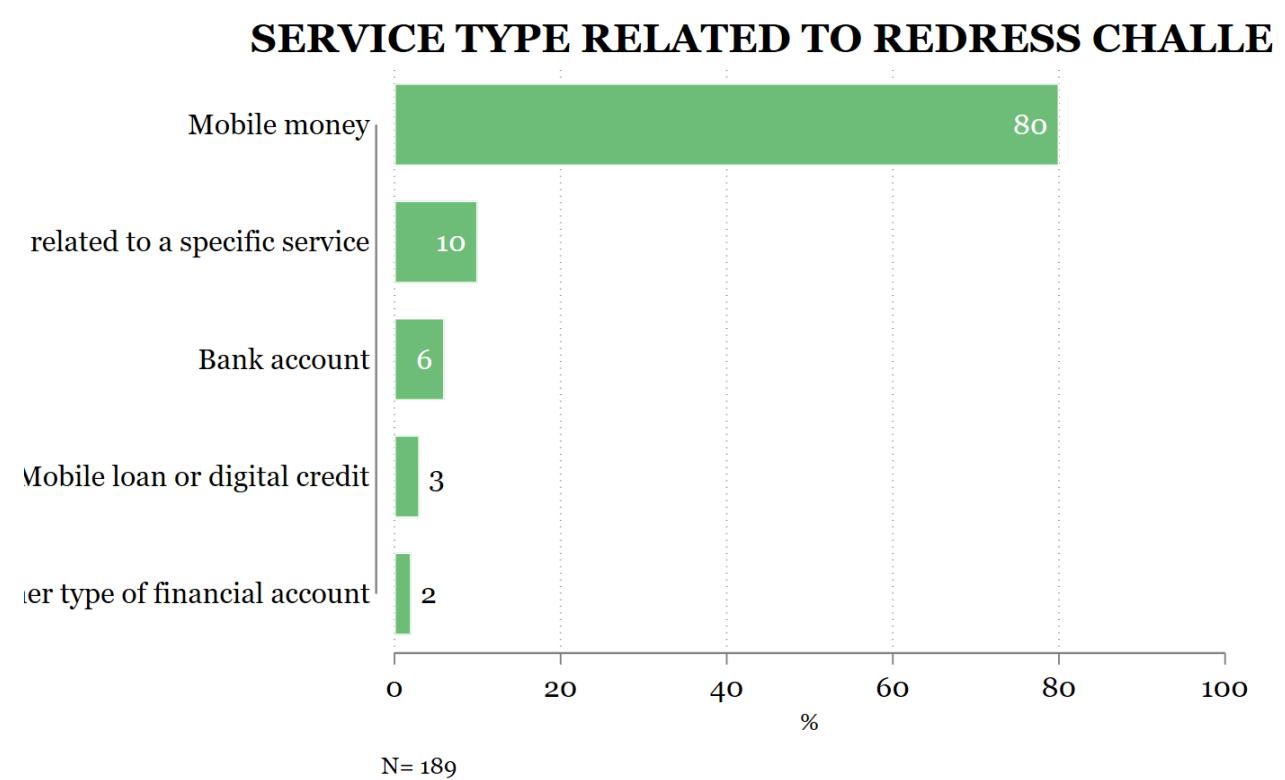
**FREQUENCY OF SEEKING REDRESS  
LAST 12 MONTHS**



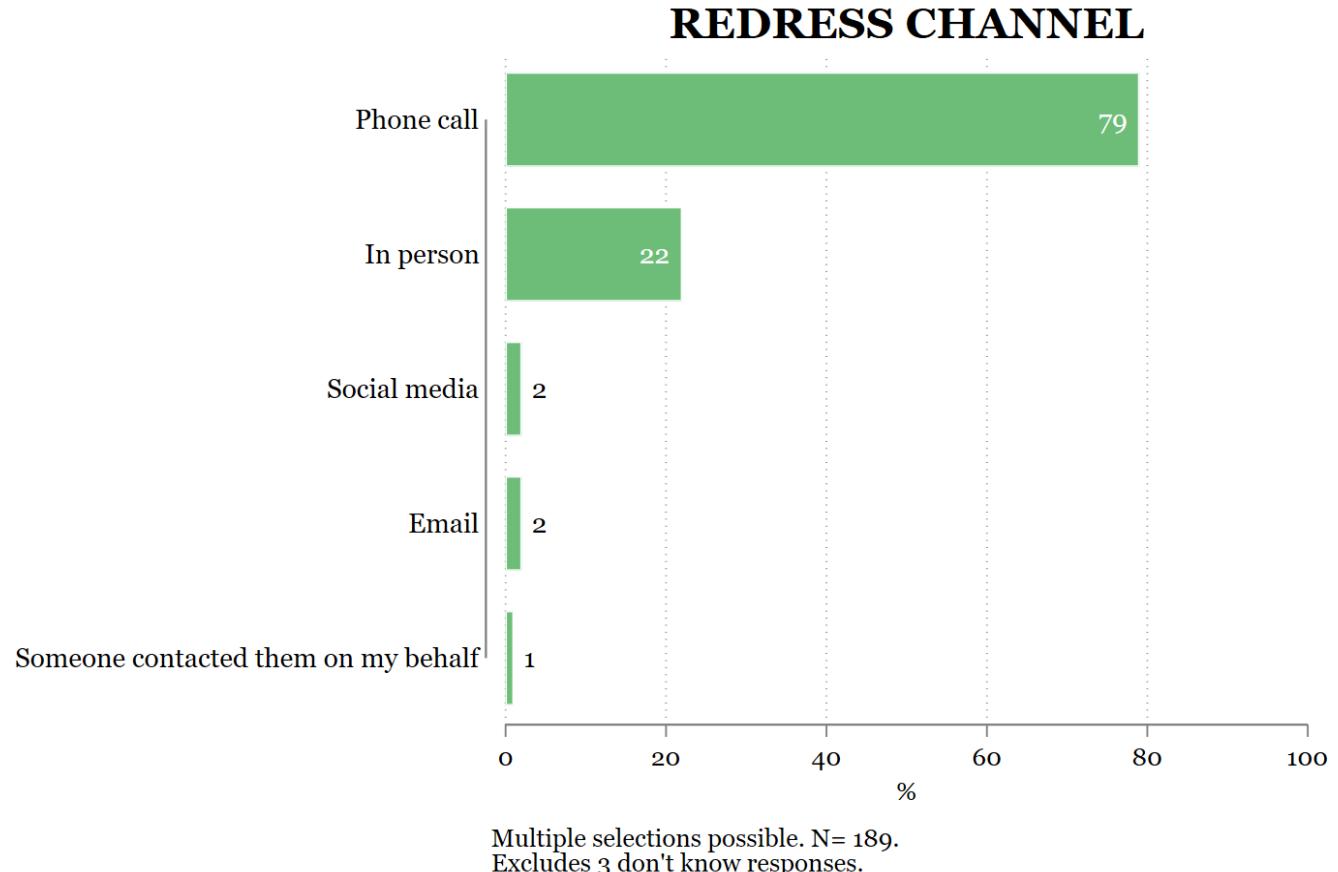
Of those that lost money due to a DFS challenge, male respondents were more likely to seek formal redress.



Mobile money was usually involved in the last challenge for which redress was sought.



# Phone call was the most common mode of seeking redress.

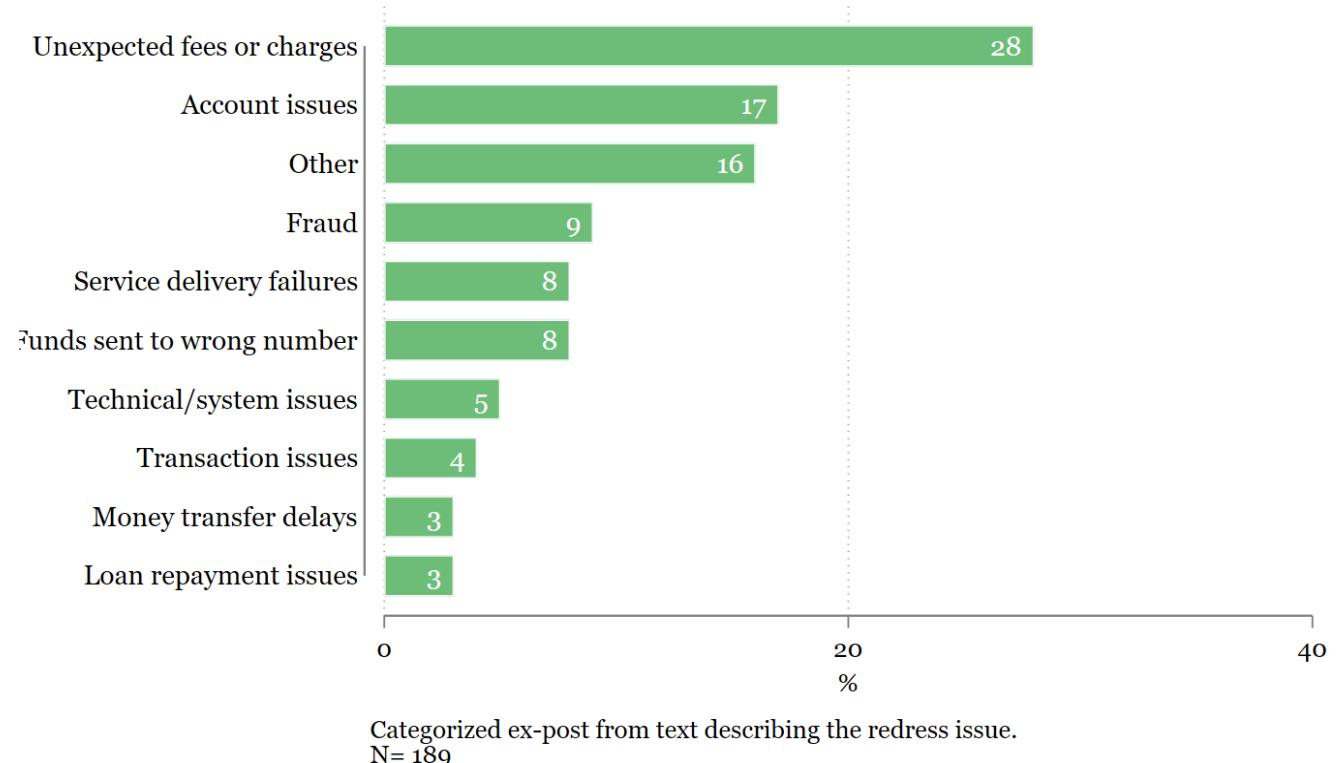


Poorer respondents were more likely to seek redress in person and less likely to use phone call.

Female respondents sought redress more frequently by phone compared to males.

# Unexpected fees was the most common issue for which redress was sought.

## LAST CHALLENGE REDRESS WAS SOUGHT FOR

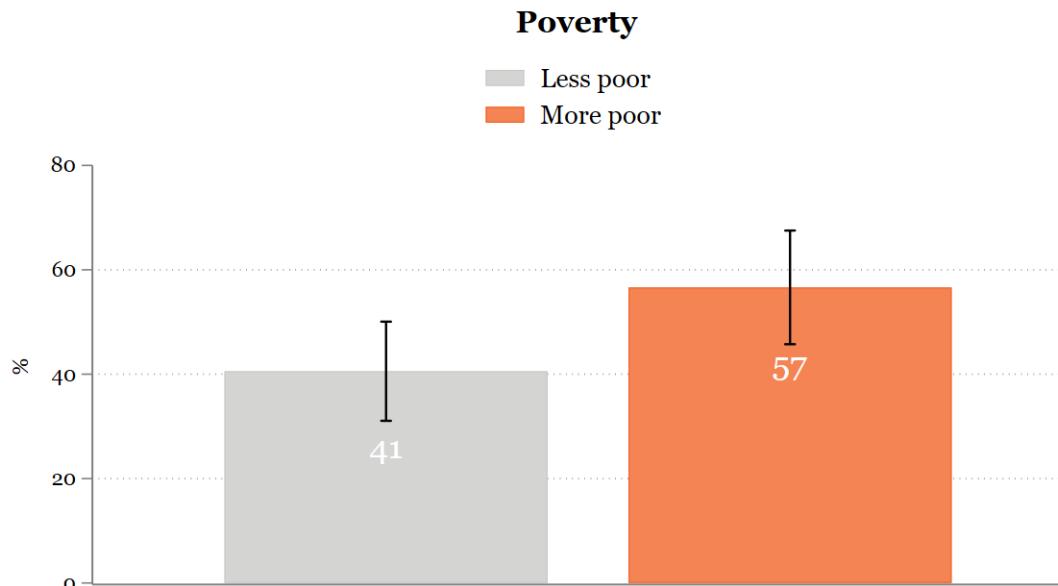


Less educated respondents were more likely to have sought redress for issues relating to unclear fees and charges, while more financially literate respondents sought redress for transaction issues to greater extent, and urban respondents for service requests.

## Half of redress cases involved loss of funds.

Poorer respondents were more likely to seek redress for issues concerning loss of funds.

### REDRESS INCIDENT INVOLVED LOSS OF MONEY



20%

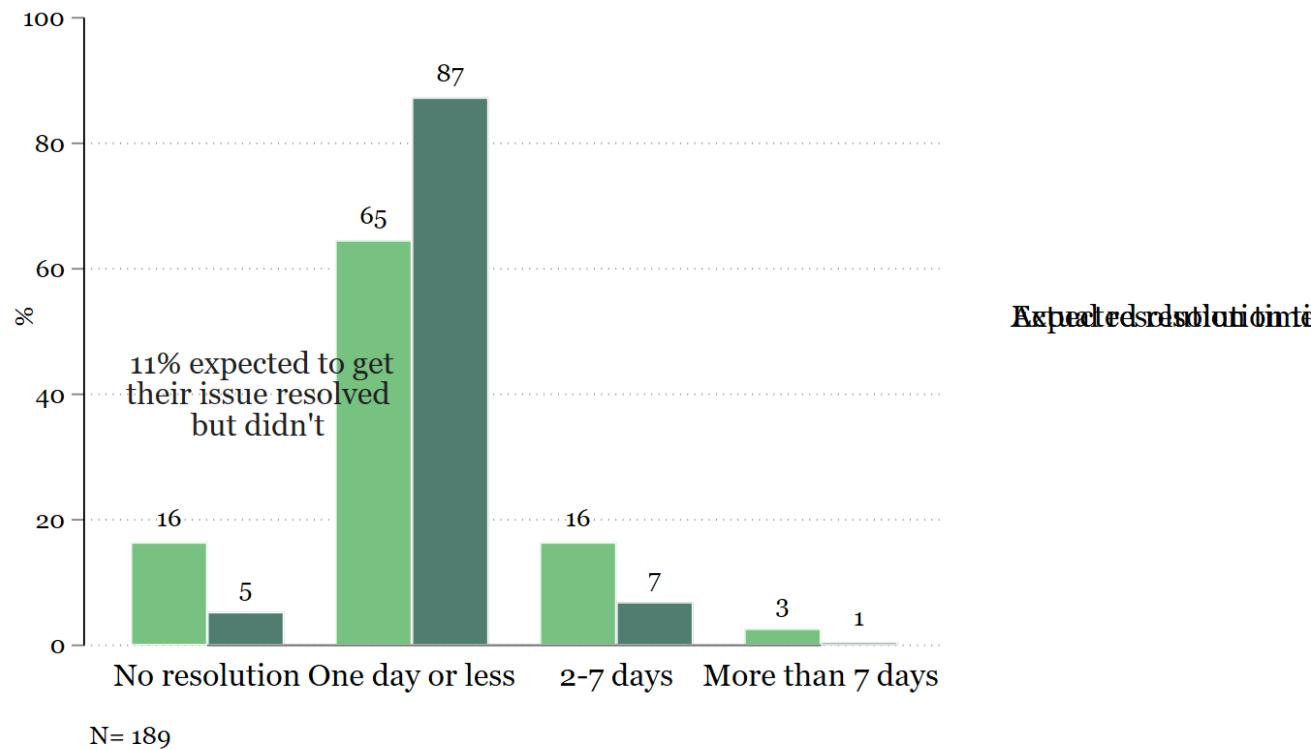
of respondents that lost money were able to recover some or all of it.

Older adults, higher educated, and more financially literate respondents were significantly more likely to recover some or all of the money that was lost.

## Resolution times are longer than respondents expected.

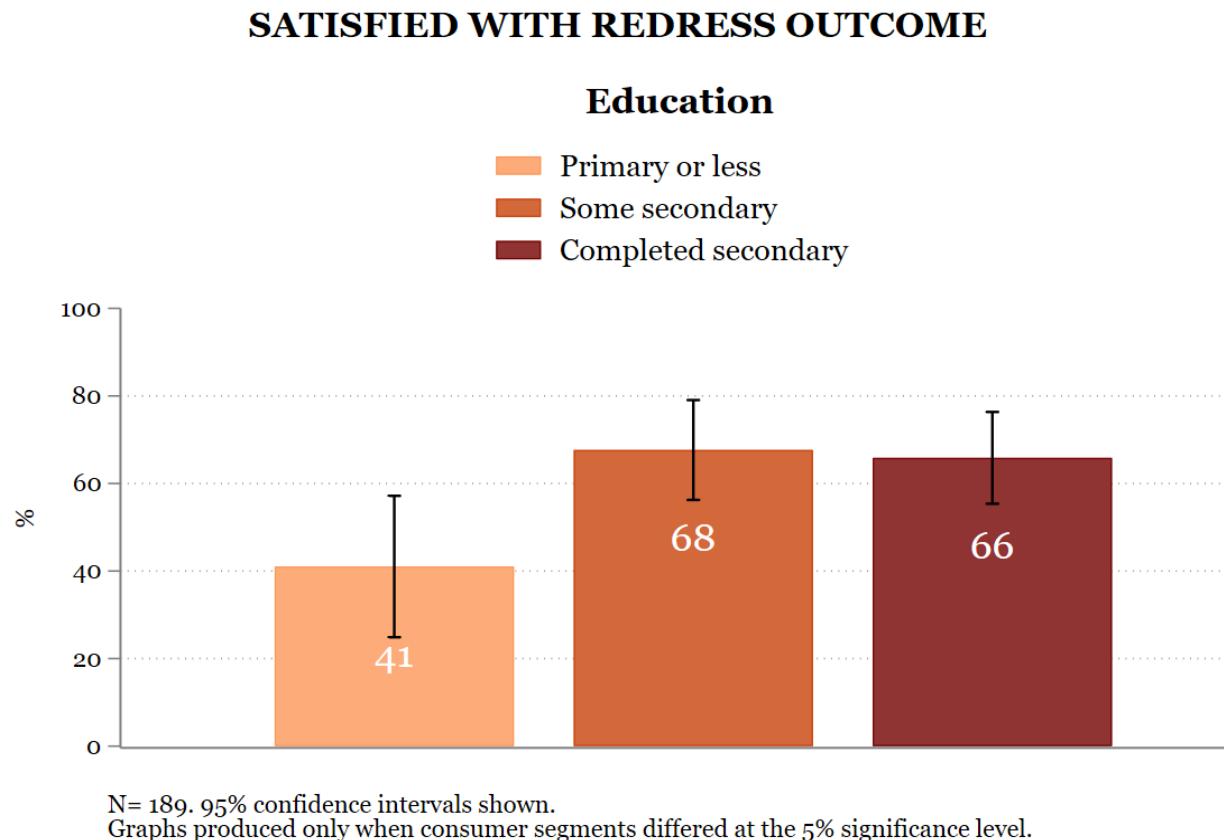
Nearly one in five respondents spent money to resolve their issue, for example in airtime fees or travel expenses when reports were made in person. On average, they spent \$4.32 on the resolution.

### RESOLUTION TIME OF LAST REDRESS INCIDENT



61 percent were somewhat or very satisfied with the redress outcome.

Lower educated respondents were less likely to be satisfied with the outcome.

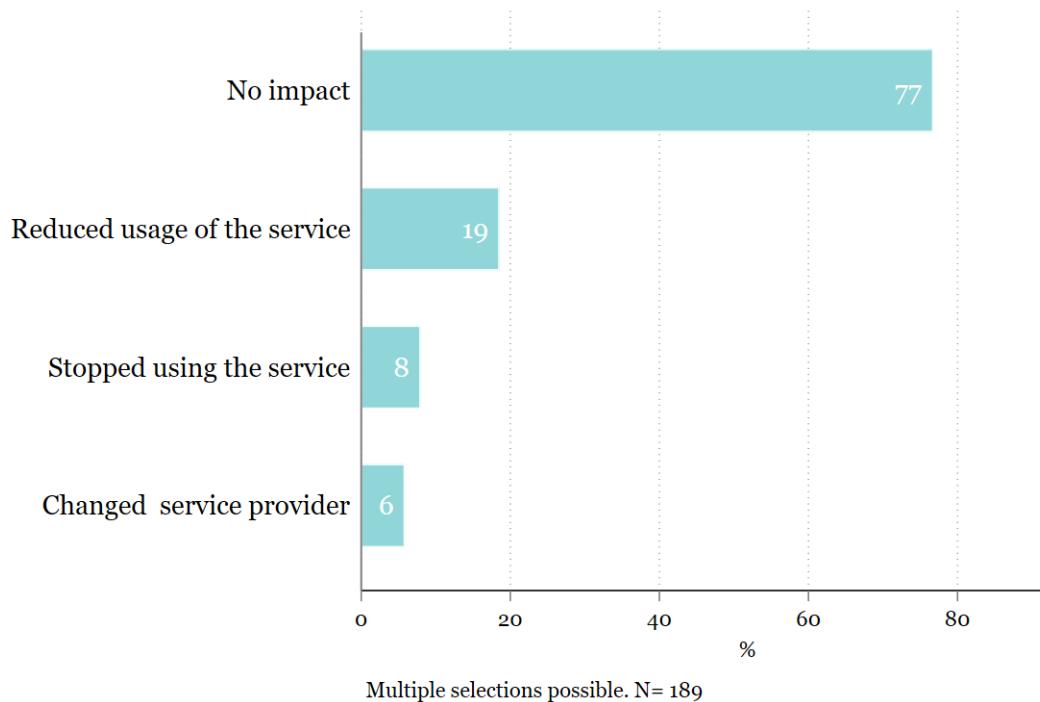


## EFFECT ON DFS USAGE

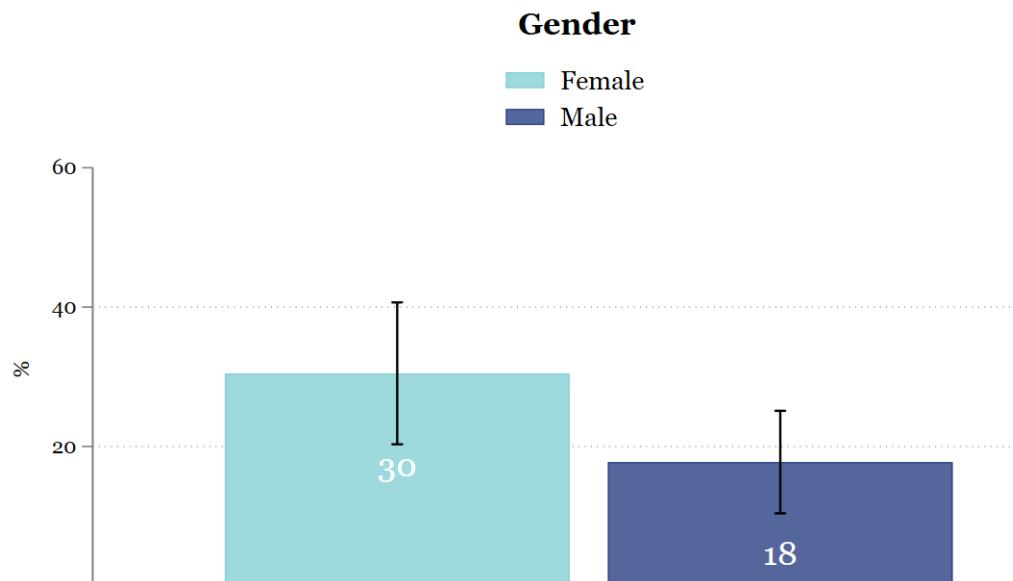
Amongst redress seekers, 23 percent made a change to their DFS usage as a result of the challenge they had experienced.

Female respondents were more likely to make a change.

**IMPACT ON USAGE:  
CHALLENGE FOR WHICH REDRESS WAS SOUGHT**



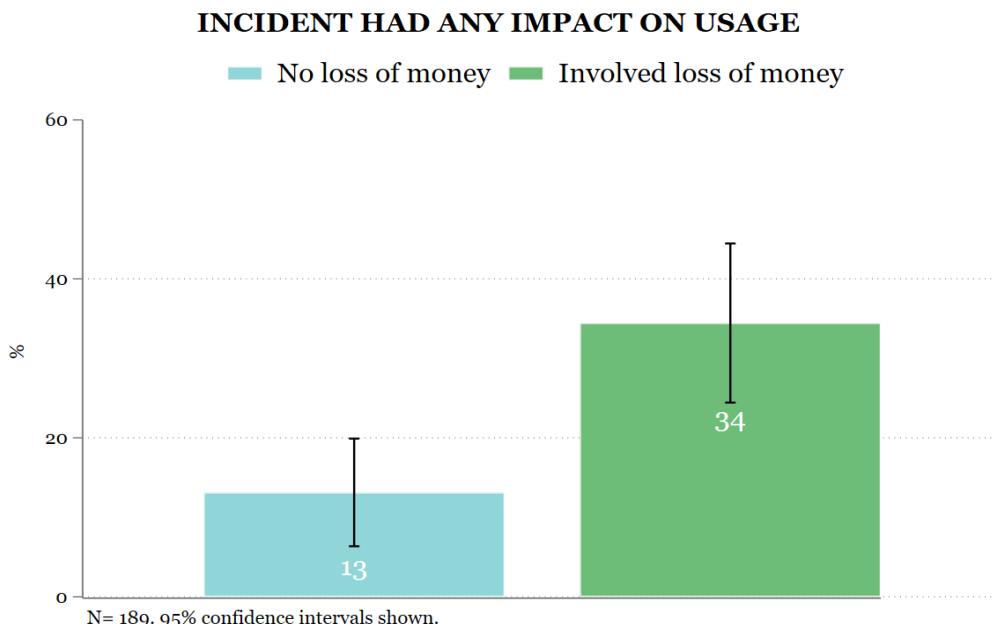
**REDRESS INCIDENT HAD ANY IMPACT ON USAGE**



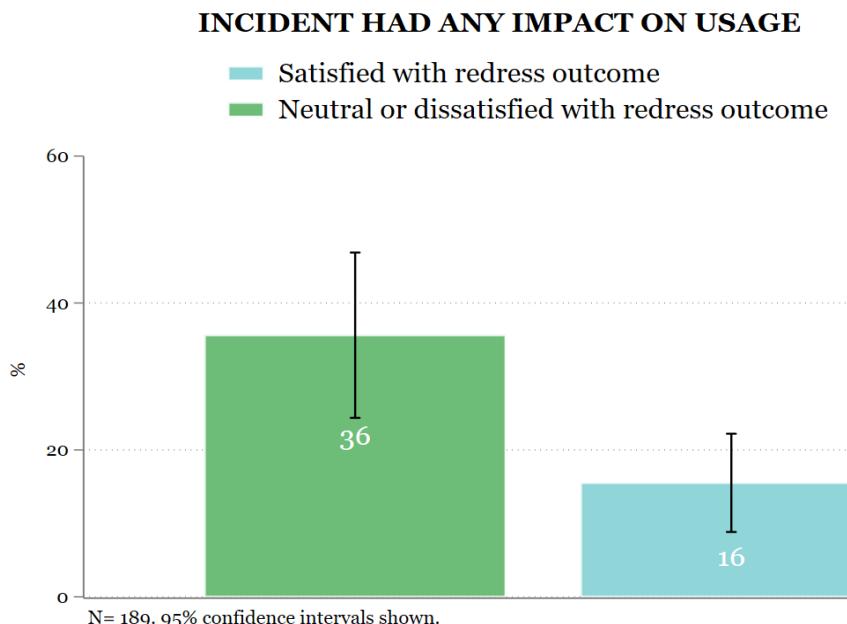
N= 189. 95% confidence intervals shown.  
Graphs produced only when consumer segments differed at the 5% significance level.

Complainants reporting lost money or dissatisfied with the redress process tend to reduce their DFS usage.

Respondents were more likely to reduce their DFS usage when the challenge involved **loss of funds**.



**Those dissatisfied with the outcome** of their complaint were also more likely to reduce their DFS usage.



# Trust in Digital Financial Services

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108 Trust in DFS

109 Trust by consumer segments

110 Impact of challenges on trust

# Key Findings

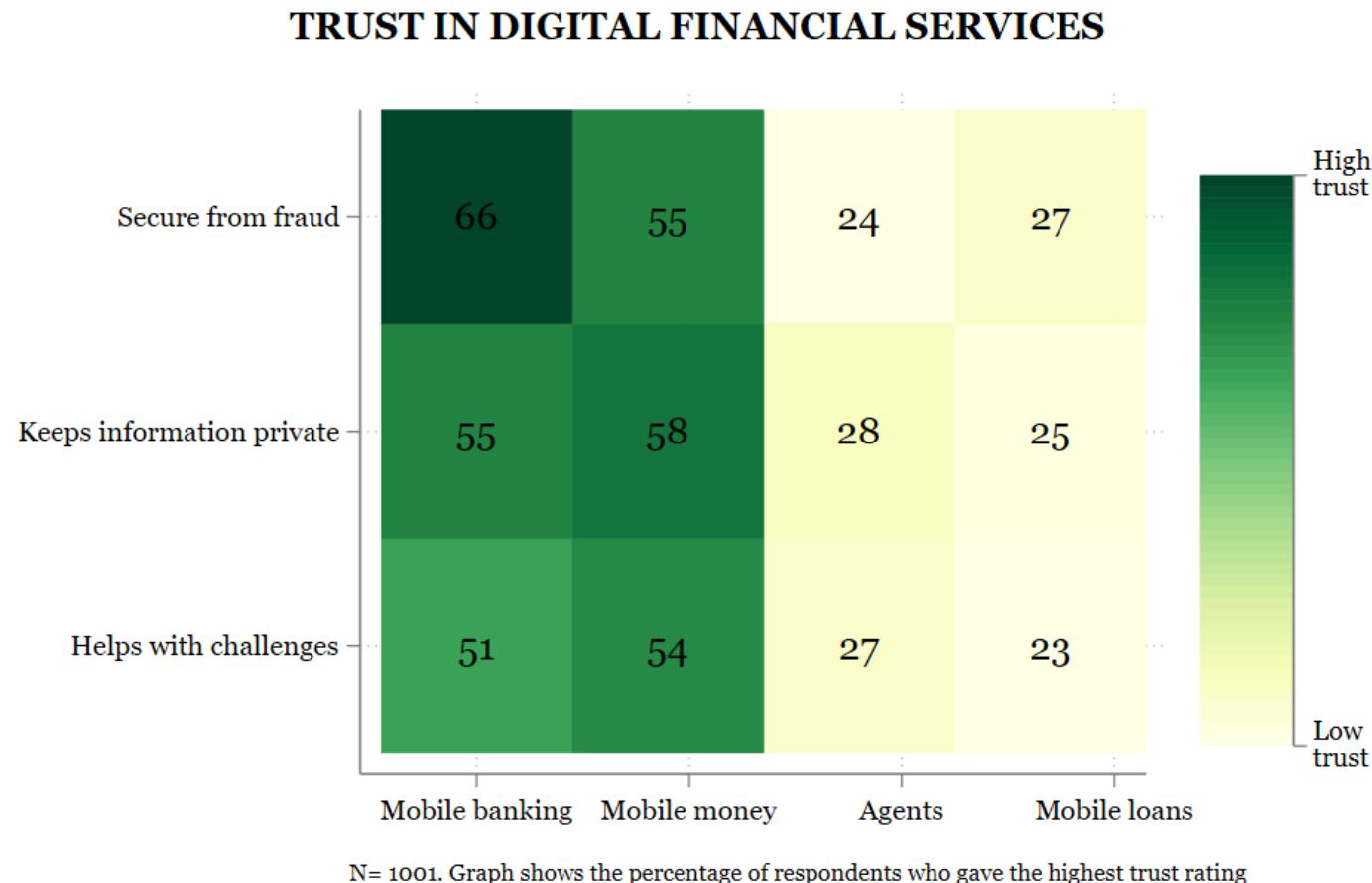
**1. Trust levels by provider:** Consumer trust was highest in mobile money and mobile banking providers, with between 51 percent and 66 percent giving them full trust ratings. Only 23 percent to 28 percent trusted fully in mobile loan providers and agents.

**3. Demographic trust patterns:** Urban, female, higher educated, and middle-aged consumers tended to be less trustful, as measured by a trust index score constructed from all trust indicators.

**2. Help with challenges:** Across all services, consumers were least confident in providers' ability to help them resolve challenges related to DFS usage, and most confident in their ability to keep money safe from fraud, with ability to keep information private between the two.

**4. DFS challenges and impact on trust levels:** Consumers who experienced DFS challenges show markedly lower trust scores, with particularly strong negative correlations for agent overcharging, customer care problems, and fraud experiences.

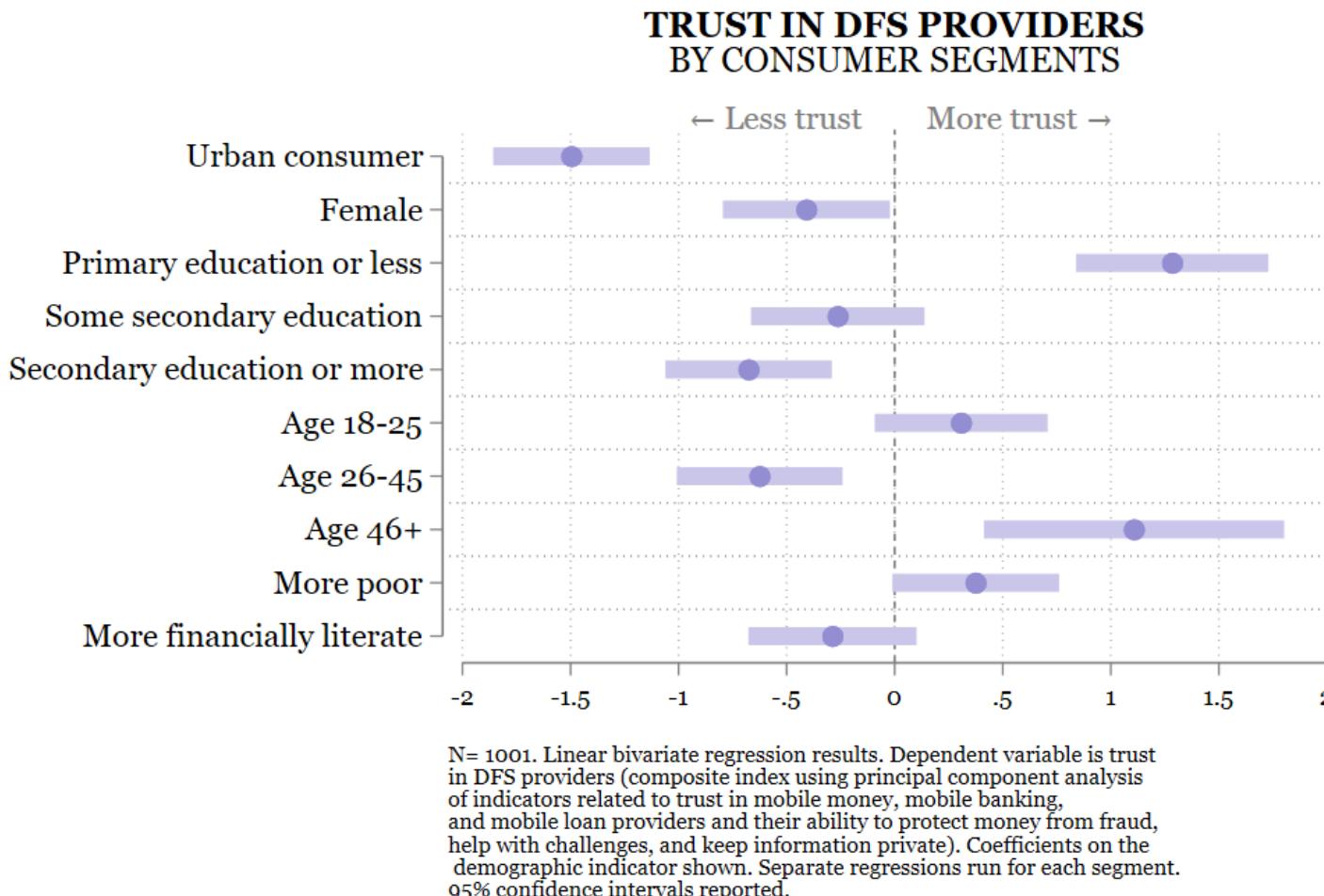
Consumer trust is highest for mobile money and mobile banking services.



## TRUST BY CONSUMER SEGMENTS

# Trust in DFS providers varies by consumer segments.

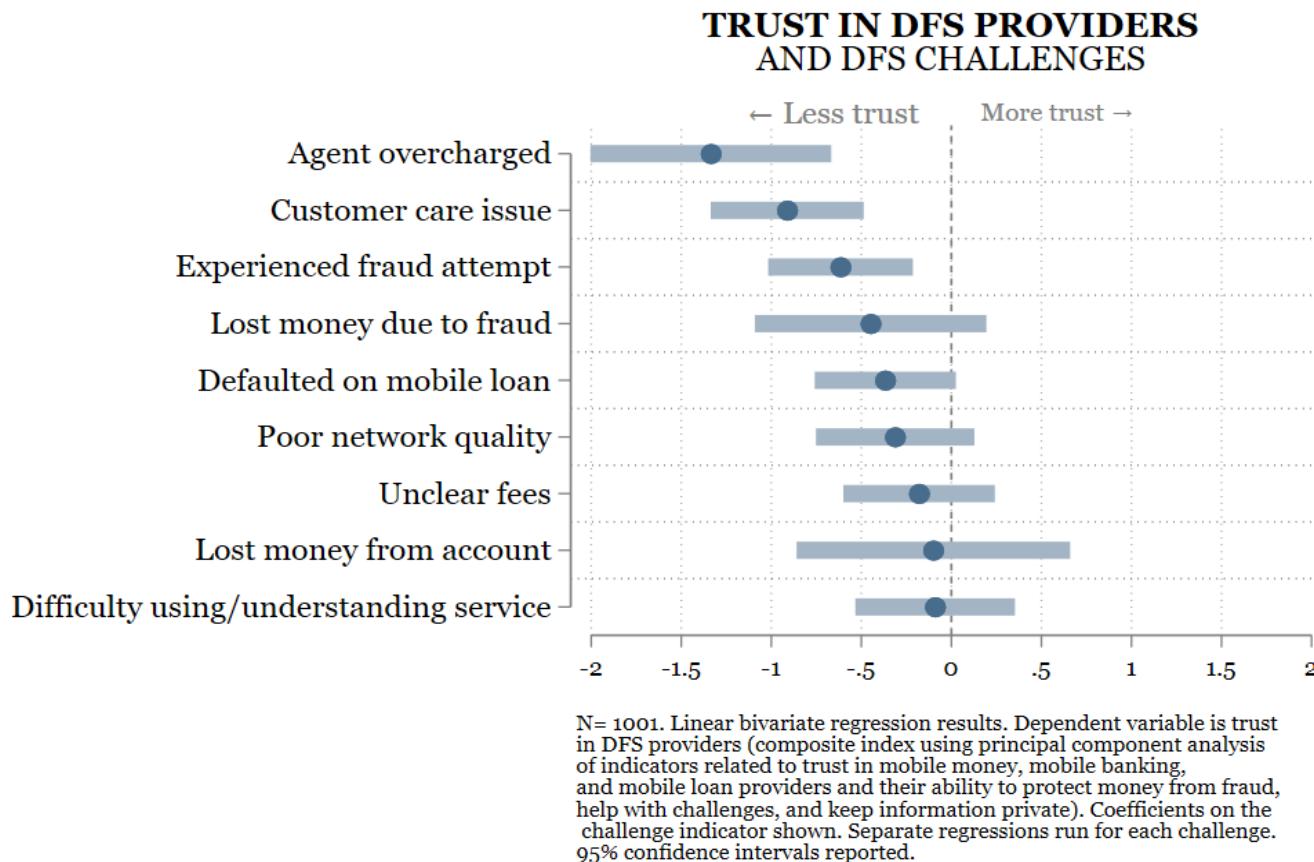
Urban, female, higher educated, and middle-aged respondents are more mistrustful.



## IMPACT OF CHALLENGES ON TRUST

Consumers who have experienced DFS challenges tend to have lower trust in DFS providers.

Most challenges experienced are associated with lower levels of trust. Provider trust is particularly strongly correlated with issues related to agent overcharging, customer care challenges, and fraud.





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