

How to facilitate credit access for forcibly displaced persons (FDPs) in Uganda?

Examining the barriers to inclusion in the financial services landscape and the potential of cross-border data sharing and alternative host-country data, in order to support the economic integration of FDPs, in Uganda.

Background: Financial inclusivity for FDPs in Uganda

In Uganda, forcibly displaced Congolese and South Sudanese people make up over 80% of forcibly displaced persons (FDPs) and have limited access to financial services. This study examined the barriers to inclusion in the financial services landscape and the potential of cross-border data sharing—such as credit histories—and alternative host-country data to expand financial services and credit access in order to support the economic integration of the FDP population.

Conducting the research

The study was conducted over two months using qualitative research methods, including in-depth interviews (IDIs) and focus group discussions (FGDs), with the primary objective to identify behavioral and structural barriers to the financial inclusion of FDPs.

IDIs- A total of 14 IDIs were conducted, with an equal representation of men and women from various locations. These interviews were evenly split between banked and unbanked FDPs of Congolese and South Sudanese origin.

FGDs- Two FGDs were conducted at the Nakivale FDP camp for unbanked individuals, two since the Congolese and S.Sudanese refugees speak different languages. The FGDs were for unbanked FDPs. Separate FGDs were needed because the Congolese and S.Sudanese refugees speak different languages. Each focus group discussion comprised of at least 10 people.



Image credit: Midjourney V7, Adobe Photoshop 2025

Project facts

Key words

Financial inclusion, forcibly displaced persons, Refugee ID

Behavioral themes

Cognitive load, friction

Research design

Qualitative study - with in-depth interviews and focus group discussions

Scope

Start date: September 2023

End date: December 2023

Location

Uganda, Kampala & Nakivale FDP settlement

Partner

Caribou Digital, IFC

Ethics approval

Blanket IRB

- » In 2023, Uganda passed a legislation allowing FDPs to open bank accounts using their refugee card. However, in practice, unclear guidance among bank staff and law enforcement often meant the card was not accepted, thus limiting access to financial services.
- » Most FDPs come from rural areas with little to no formal financial history to transfer across borders. Furthermore, alternative data sources that could support credit access—such as digital transactions or formal service usage—are scarce, as FDPs generate limited formal or digital data trails. As a result, the gap between inclusive policy and actual financial inclusion remains significant.

Implications

Implications for policy makers:

Cross-border data flows between Uganda, South Sudan, and the Democratic Republic of Congo are likely to meaningfully improve financial inclusion for FDPs, when ecosystem efforts address structural barriers.

Efforts toward holistic financial inclusion must first address structural barriers, ensure broad recognition of existing identification documents available to FDPs (by various financial sector providers), and digitizing non-digital financial records. This creates the foundation for data-driven inclusion and strengthens FDP profiles of credit-worthiness.

Banks must ensure their branch staff are informed of updated laws and policies that permit refugees to open accounts using only their refugee identification. This awareness is essential to expanding FDPs' access to formal banking services.

Recommendations for future research

Future research must advocate for refugee IDs to serve as universal documentation across the financial services sector, especially for cash-outs, remittances, and bank accounts. Additionally, it must also enable financial service providers to access the UNHCR–Government of Uganda refugee database for real-time “Yes/No” ID verification. This would ensure compliance with data protection, privacy, and cybersecurity standards while expanding inclusion opportunities.

Further reading

Dhawan, S. M., Wilson, K., & Zademach, H. (2023). From financial inclusion to financial health of refugees: urging for a shift in perspective. *Third World Quarterly*, 45(5), 1–20. <https://doi.org/10.1080/01436597.2023.2264780>

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