IndiKit

INDEBTEDNESS - EXISTENCE AND LEVELS

Impact indicator, Outcome indicator

Indicator Phrasing

English: average amount of debts among the target beneficiaries

French: montant moyen des dettes parmi les bénéficiaires cibles

Portuguese: montante médio das dívidas dos beneficiários-alvo

Czech: průměrná výše dluhů cilových domácností

What is its purpose?

The indicator assesses the prevalence and levels of debts among the target population - an important proxy indicator of its economic status.

How to Collect and Analyse the Required Data

Collect the following data by interviewing a representative sample of the target group members:

RECOMMENDED SURVEY QUESTIONS (Q) AND POSSIBLE ANSWERS (A)

Q1: *Do you owe any money to banks or micro-finance institutions? If so, what is the amount you owe to banks or micro-finance institutions?*

Q2: *Do you owe any money to your friends or family? If so, what is the amount you owe to your friends or family?*

Q3: *Do you owe any money to informal moneylenders? If so, what is the total amount you owe to informal moneylenders?*

Q4: *Do you owe any money to shop keepers? If so, what is the total amount you owe to shop keepers?*

Q5: *Do you owe any money to anyone else? If so, what is the total amount you owe to other people?*

A1-5: no / yes: .... [specify the amount + currency] / did not respond

As the next step, **count the total amount** of the household's debts from all the different sources.

Calculate the indicator's value by summing up the total debts and dividing the amount by the number of respondents who reported having debts.

Disaggregate by

[Disaggregate](#) the data by [wealth](#), gender, age group and other relevant categories.

Important Comments

1) **Use and report on a complementary indicator**: "*% of indebted households*" or "*% of households with debt(s) higher than* [specify the minimum amount + currency]".

2) While asking about households' debts is less sensitive than enquiring about their savings, it is important that the data collectors **explain carefully why they are asking about it**, how the provided data will (not) be used and why it is important that the information the respondent provides is correct.

3) Be aware that **debts do not necessarily need to be a negative thing**: loans are providing millions of people with the required start-up capital for expanding their businesses and improving livelihoods and should not, therefore, be seen as a "negative indicator" only. Consider including the **additional sub-question**: "*What did you use the borrowed money for?*" and pre-define answers according to the local context.

E-Questionnaire

- [XLS form for electronic data collection - indicator Indebtedness - Existence and Levels](#)