

**REPUBLIC OF RWANDA**



# **National Microfinance Policy Implementation Strategy 2013-2017**

A Roadmap to Financial Inclusion

Ministry of Finance and Economic Planning (MINECOFIN)

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# Table of Contents

<b>TERMINOLOGY AND ACRONYMS</b> .....	<b>3</b>
<b>1 INTRODUCTION</b> .....	<b>5</b>
<b>2 BACKGROUND</b> .....	<b>6</b>
<b>3 THE POLICY FRAMEWORK</b> .....	<b>8</b>
3.1 The Financial Sector Development Program II .....	8
3.2 Rationale.....	8
3.3 The Vision .....	9
3.4 The Objectives .....	9
3.5 Core principles .....	10
<b>4 THE MICROFINANCE MARKET IN RWANDA</b> .....	<b>12</b>
4.1 The achievements in the period 2007 - 2012 .....	12
4.2 Segmentation of the market .....	13
4.3 Projections 2013 - 2017 .....	15
<b>5 STRATEGIC DRIVERS</b> .....	<b>16</b>
5.1 Strategic Driver #1: Improving the legal and regulatory framework.....	17
5.2 Strategic Driver #2: Strengthening of microfinance support structures .....	21
5.3 Strategic Driver #3: Strong and sustainable providers offering financial services clients need .....	26
5.4 Strategic Driver #4: Access to funding for MFIs for improved outreach .....	29
5.5 Strategic Driver #5: Responsible finance, consumer protection and financial education.....	31
<b>6 THE ROLE OF INTERNATIONAL PARTNERS</b> .....	<b>35</b>
<b>7 MANAGEMENT AND MONITORING OF THE NMPIS</b> .....	<b>36</b>
7.1 Organizational set up.....	36
7.2 The National Microfinance Consultative Committee .....	36
7.3 Planning .....	37
7.4 Monitoring and Evaluation .....	37
<b>8 DISSEMINATION AND COMMUNICATION</b> .....	<b>39</b>
8.1 Communication strategy at stakeholder level.....	39
8.2 Communication strategy at the level of the general public .....	40

## **Annexes**

1. Methodology leading to the Strategy
2. Overview of Strategies related to the financial sector
3. List of BNR licensed MFIs as per 31<sup>st</sup> January 2013
4. Actors involved in the supervision and promotion of SACCOs
5. Overview of specialized microfinance training
6. Initial gap analysis of laws which might hamper the growth of microfinance
7. NMPIS 2013 – 2017 indicative planning

## Terminology and Acronyms

Key terms used in this document	
Microfinance	Microfinance offers the economically active poor people access to basic financial services such as loans, savings, money transfer services and micro-insurance. People living in poverty, like everyone else, need a diverse range of financial services to run their businesses, build assets, smooth consumption and manage risks (CGAP).
Microfinance Institution	<p>A Microfinance Institution (MFI) is an organization that provides financial services to the poor. This very broad definition includes a wide range of providers that vary in their legal structure, mission and methodology. However, all share the common characteristic of providing financial services to clients who are poorer and more vulnerable than traditional bank clients (CGAP).</p> <p>In this document the term is used to refer to the different types of providers of microfinance operating in Rwanda: microfinance banks and the four categories mentioned in the Microfinance Law:</p> <ol style="list-style-type: none"> <li>1. Informal MFIs</li> <li>2. SACCOs with collected deposits of less than RWF 20 million.</li> <li>3. Limited companies or SACCOs with deposits over RWF 20 million.</li> <li>4. Non-deposit taking MFIs.</li> </ol>
Financial inclusion	The goal of financial inclusion is to provide access to a range of quality financial services at affordable prices, delivered with convenience and dignity, while ensuring the right tools and protections are in place. This can change the course of an individual's, family's or community's future and build stronger and more resilient economies (Center for Financial Inclusion).
Government (GOR)	<p>Government Ministries</p> <p>The Central Bank : Banque Nationale du Rwanda (BNR)</p>
Service Providers (SPs)	Companies, institutions, trainers and consultants providing specialized services (training, advice, MIS, auditing) to the microfinance sector
Donor projects	Foreign funded initiatives (multilateral, bilateral, NGO type) aimed at strengthening the provision of (micro) financial service and at educating consumers in their use. One of the donor initiatives is "Access to Finance Rwanda", AFR, who provided the funding to draft the present Strategy.

ADECOR	- Association for the Defense of Consumers Rights
AFR	- Access to Finance Rwanda
ATM	- Automated Teller Machine
BCR	- Commercial Bank of Rwanda
BDF	- Business Development Fund
BNR	- National Bank of Rwanda
BPR	- Banque Populaire du Rwanda
BRD	- Rwanda Development Bank
CAMELS	- Capital adequacy, Asset quality, Management, Earnings, Liquidity, Sensitivity to market risk
CAR	- Capital Adequacy Ratio
CHF	- Cooperative Housing Foundation (now: Global Communities)
CoP	- Certificate of Proficiency
CRB	- Credit Reference Bureau
CPP	- Client Protection Principles
CSS	- Credit and Savings Society
EDPRS2	- Second Economic Development and Poverty Reduction Strategy
FSDP I	- First Financial Sector Development Program
FSDP II	- Second Financial Sector Development Program
FSDS	- Financial Sector Development Secretariat
FOREDEM	- Microfinance Refinancing and Development Fund
GDP	- Gross Domestic Product
IFRS	- International Financial Reporting Standards
IT	- Information Technology
MINAGRI	- Ministry of Agriculture and animals resources
MINALOC	- Ministry of Local Government
MINECOFIN	- Ministry of Finance and Economic Planning
MINICOM	- Ministry of Industry and Trade
MYICT	- Ministry of Youth and Information and Communication Technology
MIS	- Management Information System
NISR	- National Institute of Statistics Rwanda
NMCC	- National Microfinance Consultative Committee
NMPIS	- National Microfinance Policy Implementation Strategy
POS	- Point of Sale
PPP	- Public Private Partnerships
PDCRE	- Projet de Développement des Cultures de Rente et d'Exportation
P2P	- Person to Person
RCA	- Rwanda Cooperative Agency
RDB	- Rwanda Development Board
SFB	- School of Finance and Banking
SBFIC	- Savings Bank Foundation for International Cooperation
SMGF	- Société Mutuelle de Garantie et de Financement
TSP	- Technical Service Providers
UNCDF	- United Nations Capital Development Fund
UOB	- Urwego Opportunity Bank
UPBR	- Union des Banque Populaires du Rwanda
USD	- United States Dollar
VSLA	- Village Savings and Loan Association
VUP	- Vision 2020 Umurenge Program
WOCCU	- World Council of Credit Unions

# 1 Introduction

After the completion of the evaluation of the National Microfinance Policy Implementation Strategy (NMPIS) for 2008 – 2012, the present document is the second major output of an initiative jointly taken by the Financial Sector Development Secretariat (FSDS) of the MINECOFIN and Access to Finance Rwanda (AFR) to redesign Rwanda's National Microfinance Strategy.

This redesigned National Microfinance Policy Implementation Strategy covers the period 2013 -2017 and has been prepared taking into account the findings from the evaluation and the global framework for the development of the financial sector as laid down in the second Financial Sector Development Program (FSDP II). Financial inclusion is one of the four main programs of the FSDP II. In turn the development of an inclusive financial sector is one of the key components of the Economic Development and Poverty Reduction Strategy (EDPRS II).

While preparing the redesigned NMPIS, care has been taken to align it with other national strategies related to the financial sector. These include the National Savings Mobilization Strategy, the Agricultural and Rural Finance Strategy, the Women and Youth Access to Finance Strategy, the Financial Literacy Strategy and Umurenge SACCO strategy. The country's Financial Services Center Strategy was also taken into account as a point of reference.

In most of these strategies MINECOFIN is the Ministry responsible for the coordination of their implementation. This contributes to the alignment of policies and can ensure that the different strategies are mutually reinforcing.

This document is the result of a process that took several months and involved public and private stakeholders who were interviewed by a team of consultants and who took part in several workshops organized by AFR and by MINECOFIN<sup>1</sup>.

This Strategy document contains the following parts:

- The overall view on the Strategy required to increase financial inclusion and how it fits into Rwanda's wider social and economic development
- The rationale and the objectives of the Strategy
- The challenges for the further increase of financial inclusion
- The Strategic Drivers that will be developed to solve these challenges
- The Lines of Action that will support each of the Strategic Drivers
- An indicative timeframe for the execution of the Lines of Action
- The management and monitoring system to ensure the implementation and oversight of the Strategy
- The outline of a communication and divulgation plan

Over the next years the present document will offer guidance to all stakeholders in the microfinance sector and will be a crucial point of reference for national and international actors interested in Rwanda's progress towards growing financial inclusion.

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<sup>1</sup> See Annex 1 for more details on the methodology applied in the drafting of the NMPIS.

## 2 Background

The ultimate objective of Rwanda's long term development plan is to transform the country into a middle-income country and an economic trade, communication and financial hub by the year 2020<sup>2</sup>. Towards the achievement of this the Government of Rwanda has adopted an Economic Development and Poverty Reduction Strategy (EDPRS II), with Financial Sector Development as one of its key components.

The present document is the National Microfinance Policy Implementing Strategy, NMPIS, for the period 2013 – 2017. It is a continuation of the NMPIS 2008 – 2012 which was evaluated in the beginning of 2013. The findings and lessons learned of this evaluation were taken into account in the formulation of the revised NMPIS.

The subtitle of this document, a **Roadmap to Financial Inclusion**, emphasizes the client perspective and reflects the main orientation of the Strategy : that of bringing adequate financial services to the whole population, building upon what has been achieved in the past years. The government is considering increased access to financial services in terms of financial inclusion, whereby financial inclusion is defined as universal access to a broad range of financial services, at a reasonable cost, provided by a diversity of well managed and sustainable institutions.

The purpose of formulating the NMPIS 2013 - 2017 is to define and align the vision about the development of the microfinance sector, to clearly formulate the objectives and to indicate approaches and sub strategies to achieve them . In order to ensure the buy in of all stakeholders care has been taken to involve them in all the phases of the process, from the evaluation of the former Strategy to the formulation of and commitment to the revised Strategy. This overall participation is required to ensure a nationwide support for the Strategy and to enable the identification of the institutions involved with the actions assigned to them. The process of formulating and discussing the principles underlying the Strategy, its sub strategies and actions also contributes to communication and coordination on the implementation of the Strategy. Good coordination is crucial to avoid duplication of efforts and to ensure efficient partnerships between stakeholders.

As pointed out by the Evaluation of the NMPIS<sup>3</sup>, in the period 2008 - 2012 outreach has increased considerably, leading to an important growth in financial inclusion. Formal financial inclusion doubled from 21% to 42% and informal inclusion increased from 39% to 58%. Overall financial inclusion (formal and informal) increased from 48% to 72%. The density of microfinance service points has grown throughout the country and by the end of 2012 more than 90% of adult Rwandans lived within 5 kilometres of a formal financial institution<sup>4</sup>. Still 1.3 million Rwandan adults have as yet no access to financial services and one of the challenges of the new Strategy is to contribute to a further decrease of the number of financially excluded.

In view of the above, the challenge for the coming five years is twofold:

- Further reduce financial exclusion, by including substantial parts of the 1.3 million Rwandan adults not yet having access to financial services;
- Deepen and diversify the service provision to the families and individuals already included.

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<sup>2</sup> MINECOFIN: Vision 2020.

<sup>3</sup> Triodos Facet: Evaluation report of the 2008-2012 NMPIS. 2013.

<sup>4</sup> Finscope Rwanda 2012 Technical Report. Draft, 2013

In order to achieve this, two strategic goals stand out:

- There is a need for more appropriate financial products that serve the needs of (potential) clients. This requires product development and continued innovation in products and processes.
- These products have to be offered by sustainable institutions and through efficient delivery channels.

In line with international best practices, the Strategy takes into account the country context and is consistent with national macroeconomic and developmental goals. In particular the Strategy is aligned with the overall government strategies for social and economic development as outlined in the EDPRS 2 (Second Economic Development and Poverty Reduction Strategy) and is aligned with the FSDP 2 (Second Financial Sector Development Program). This Program states that having access to products and services is only one part of financial inclusion as individuals require sufficient understanding of financial concepts and products to make effective use of the services offered to them by the growing number of (micro)finance institutions.

In preparing the Strategy, attention was also given to relevant sector strategies that have been elaborated in recent years and touch upon or explicitly mention the provision of financial services. These include (see also Annex 2):

<b>Strategy</b>	<b>Entity responsible</b>
Financial Sector Development Strategy	MINECOFIN
National Savings Mobilization Strategy	MINECOFIN
Financial Education Strategy	MINECOFIN
Financial Services Center Strategy	MINECOFIN
Agricultural and rural finance strategy	MINAGRI
Umurenge SACCO Strategy	RCA
Women and youth access to finance Strategy	MIGEPROF

As the Rwanda microfinance sector is very dynamic and stakeholders constantly develop new initiatives, some proposed lines of action might already be in execution by the time the present Strategy is formally approved. These might have solved binding constraints or might have caused other bottlenecks to become visible.



## 3 The Policy Framework

### 3.1 The Financial Sector Development Program II

The overarching vision of FSDP II continues unchanged from FSDP I: to develop a stable and sound financial sector that is sufficiently deep and broad, capable of efficiently mobilizing and allocating resources to address the development needs of the economy and reduce poverty.

To achieve that, FSDP II comprises four main programs:

- Financial inclusion
- Developing financial institutions, markets and the supporting infrastructure
- Investment and savings to transform the economy
- Protecting consumers and maintaining financial stability

The financial inclusion program provides the background for the Microfinance Strategy that is being outlined in the present document. Microfinance and financial inclusion continue to be a top priority for Rwanda. The recent document outlining the second Financial Sector Development Program (FSDP II) states: "All the programs and sub-programs of FSDP II are important, but the most crucial are<sup>5</sup>:

- Broadening and deepening financial literacy
- The Umurenge SACCO strengthening program
- Increasing investment in small enterprises, agriculture and housing
- Building capacity in the financial sector
- Strengthening RSSB governance, administration, investment and risk management."

The two first priorities clearly point at microfinance as they refer to the development of financial services and to the financial integration of the whole population. Item three is also related to microfinance as it mentions sectors with a high presence of low income people. The capacity building item implicitly also refers to the micro finance sector: over 90% of the financial institutions in Rwanda focus on microfinance and are by excellence the providers that require capacity building.

Another proof of the high priority given to microfinance and to financial inclusion are the numerous policy and strategy documents related to this important issue (see chapter 1).

### 3.2 Rationale

The rationale for formulating a redesigned NMPIS is to provide Rwanda with a realistic framework that defines the principles, objectives, sub-strategies and key lines of action for the country's microfinance subsector for the next five years. The NMPIS has to ensure that growth of the microfinance sector continues and increasingly contributes to financial inclusion, thus facilitating economic growth and poverty reduction. By defining the principles and priorities concerning the provision of microfinance services, it will contribute to addressing the multiple challenges affecting the subsector and provide strategic guidelines to enable the further exploitation of opportunities.

The NMPIS provides highlights on means and ways of contributing to the inclusion of 1.3 million financially excluded Rwandans through promoting social performance management that will reinforce the microfinance

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<sup>5</sup> Financial Sector Development Program II. Page XIII.

institutions to focus their mission, objectives and operations towards offering appropriate services that attend the needs of the poorer part of the population.

### 3.3 The Vision

The National Microfinance Policy Implementation Strategy for Rwanda presents a comprehensive framework for the further growth of a dynamic national microfinance sector in which all stakeholders work towards a common goal of achieving financial inclusion for an increasing number of people.

### 3.4 The Objectives

The goal of the National Microfinance Strategy is to achieve substantial progress towards the **formal financial inclusion of 80% of the population by 2020**<sup>6 7</sup>. This has to be achieved through the efficient and responsible provision of a broad variety of microfinance services by sustainable financial institutions to a wide range of clients, including the economically active poor, urban and rural microenterprises and other groups in a dynamic microfinance market. To identify opportunities to increase formal financial inclusion, financial service providers and decision makers need to look at those individuals who were not formally served. This would be the people who were informally served only, and those who were financially excluded.

The different elements of the Goal are explained below:

- **Financial Inclusion:** No one should be excluded from the possibility to access financial services because of her/his social or economic status. Financial services should be accessible throughout the country. Loan amounts and minimum balances for savings accounts should take into account the financial needs and the income levels of the poor.
- **Efficient service provision :** Efficient operations by the microfinance institutions are a prerequisite for deeper and wider access to financial services at reasonable costs. Applying modern communication and information technology can contribute to efficiency. Branchless banking will become increasingly common.
- **Responsible provision:** Microfinance institutions must avoid selling financial products that do not fit the client needs and must fully disclose their characteristics. They can play an important role in financial education.
- **Broad variety of services.** Microfinance is more than micro credit and there is no “one loan size fits all”. As the microfinance industry develops, it will be able to expand and diversify its offer whereby providers can specialize and/or serve different market segments. As competition increases, the delivery mechanisms and the product range available to clients become more diversified. Special attention will be given to the introduction of financial products for the agricultural sector.
- **Sustainable:** In order for the financial inclusion to prevail, the institutions offering the services should be financially and socially sustainable, allowing the providers to make a profit while at the same time respecting the principles of responsible finance.

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<sup>6</sup> This is the target set in Vision 2020.

<sup>7</sup> As per Finscope definitions, individuals are regarded as formally served or included if they are 18 years or older and they have/use financial products, services or mechanisms provided by a regulated financial institution, i.e. commercial banks, MFIs, SACCOs, insurance companies, mobile money service providers, money transfer service providers such as Western union etc.

Individuals are regarded as informally served if they are 18 years or older and use financial services or mechanisms not provided by regulated financial institutions i.e. agricultural associations/co-operatives, savings groups, VSLAs, money lenders in the community, etc. These categories are NOT mutually exclusive – individuals can use both formal and informal products and services.

- **Economically active poor:** The clients are the women and men who have some income and skills and who can use financial services to improve their economic and social situation. Their rational use of financial services should be promoted by increasing their level of financial literacy.
- **A dynamic microfinance market:** This refers to the providers of microfinance who continuously improve and innovate products, processes and delivery channels, to offer the best possible financial products in a competitive environment.

Taking into account the national development priorities, the findings of the Evaluation and the international best practices in microfinance, the 2013 – 2017 National Microfinance Policy Implementation Strategy will pursue the following objectives:

- Promote an adequate enabling environment at the macro level.
- Refine and improve where needed the regulation and supervision of the microfinance subsector.
- Strengthen the subsector’s meso infrastructure to enable the microfinance providers to offer their services more efficiently.
- Strengthen the training and professional advice to microfinance institutions and their personnel.
- Strengthen the professional capacities of the microfinance institutions with a view to improve their governance, efficiency and sustainability.
- Contribute to the mainstreaming of microfinance, by increasing the participation of the banks in the sub sector and by further professionalizing the operations of microfinance institutions.
- Promote the flow of commercial funding to the sector to enable sustainable growth of the loan portfolios.
- Improve the transparency and the international visibility of the microfinance sector, allowing internal and external investors and the donor community to better focus their resources and support.
- Improve consumer protection and promote financial education of the microfinance clientele.
- Contribute to the development of diversified financial services and smart delivery techniques based on modern technology, with a focus on improving service efficiency and provision of financial services to rural areas.

### 3.5 Core principles

The NMPIS 2008 – 2012 presented a framework for the development of the microfinance sector and defined seven key principles<sup>8</sup>:

- The role of the Government is to create a favourable environment for microfinance, without being a provider.
- The Government is charged with creating favourable conditions for the establishment and growth of sustainable and self-sufficient MFIs.
- The Government supports a complete integration of the MF sector into the financial system framework.
- Supervision and regulation are required to ensure safety of deposits. Prudential regulation is required for some categories of MFIs.
- Local, national and international partnership and networking to spread best practice and professionalism is encouraged.
- The people of Rwanda will be best served by professional, sustainable MFIs that offer affordable and diverse products and services.
- MFIs should assist in the empowerment of women and should be available to all sections of the community particularly the poor and vulnerable.

<sup>8</sup> MINECOFIN: NMPIS 2008-2012. Page 22.

Overall these principles are in line with the internationally accepted best practices and can continue to be leading principles in the period 2013 – 2017. However they did not include a reference to the demand side of microfinance. The redesigned Strategy focuses on financial inclusion and over the past years there has been a growing consensus that financial inclusion is a multi-dimensional pro-client concept, encompassing a better supply, better access, better services and better use of the services<sup>9</sup>. Without the fourth element, the other elements are incomplete as increased access does not automatically translate into effective use and can even lead to a situation whereby the supply push from MFIs can lead to over indebtedness or to clients buying a financial service they do not need or do not understand. The consumer of the financial services needs to be financially literate to be able to understand and select the appropriate service and to fully understand the implications of acquiring a loan, of depositing money on a savings account or of transferring money by cell phone.

Also related to the demand is the importance of social performance. Social performance, or the social bottom line, is about making an organization's social mission a reality. It is the effective translation of an institution's social mission into practice in line with accepted social values<sup>10</sup>.

Finally it is important to clearly define the role of the donor community when it comes to supporting the MF sector.

In view of the above, four principles have been added to the original list:

- Microfinance providers have to treat their clients fairly and have to promote their financial education. Financial inclusion is not only about access to financial services but also about financial literacy: the awareness, knowledge and skills of the clients to make decisions about savings, investments, borrowings and expenditure in an informed manner.
- Clients will strive to use financial services responsibly and to comply with their obligations towards the institutions that provide them with these services. They will participate in initiatives to increase their financial literacy.
- The performance of microfinance providers, and of the whole sector, will not only be measured by their financial performance but also by their social performance.
- The donor community should act in line with the priorities of the NMPIS, using appropriate grant, loan and equity instruments to contribute to the development of the MF sector, strengthen institutions and support innovation.

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<sup>9</sup> Cohen, M. and Nelson, C.: Financial literacy: a step for clients towards financial inclusion. 2011 Microcredit Summit Campaign.

<sup>10</sup> <http://www.microfinancegateway.org/p/site/m/template.rc/1.11.48260/>

## 4 The microfinance market in Rwanda

### 4.1 The achievements in the period 2007 - 2012

Table 1 presents an overview of the growth in the supply of microfinance between 2007 and 2012<sup>11</sup>:

**Table 1: Rwanda – Key Indicators of Microfinance 2007 - 2012 (a)**

INDICATORS	2007	2008	2009	2010	2011	2012
A Total nr regulated MFIs & SACCOs (b)	100	90	514	502	490	490
B Total outstanding loan portfolio	27,383,632,713	42,321,005,508	50,143,928,763	36,788,747,624	40,723,908,172	59,194,204,082
C Total number of loan clients (borrowers)	N/A	33,447	96,376	46,567 (c)	110,555	167,326
D Average outstanding loan (B/C)	N/A	1,265,315	520,295	790,018	368,359	353,766
E PAR > 30 days (%)	8.2%	5.0%	9.2%	12.6%	12.0%	8.5%
F Number of deposit accounts with MFIs	631,689	688,822	714,154	1,041,758	1,527,941	1,959,654
G Total deposits	28,588,412,353	38,316,945,380	48,929,836,562	29,758,087,305	45,861,761,055	54,472,505,085
H Average deposit (F/H)	45,257	55,627	68,514	28,565	30,015	27,797
I Number of service points (c)	N/A	N/A	N/A	815	774	842
J Number of Mfis with automated MIS	N/A	N/A	N/A	N/A	N/A	N/A
K Nr of MFIs submitted audited reports to BNR (e)	N/A	N/A	N/A	N/A	N/A	30
(a) Amounts are in RWF						
(b) Figures include Umurenge SACCOs since their inception in 2009. They started issuing loans in 2011.						
(c) Drop in outstanding loans/nr of clients in 2010 due to CSS reporting as a commercial bank since 2010.						
(d) Number of service points include main offices and branches. In 2010 CSS ZIGAMA not included; in 2011 UNGUKA, AGASEKE and CAPECS not included.						
(e) MFIs (SACCOs) in Category 2 are not required to submit audited reports. Some MFIs in the higher categories failed to comply.						

The table shows a robust growth of the microfinance sector, both in terms of outreach (number of clients) as well as in terms of the number of providers. This growth and the changes in the institutional landscape are the result of a range of government as well as private sector initiatives.

- The Microfinance Law of 2008 (Law n° 40/2008) created new categories of regulated microfinance Institutions and encouraged institutional transformation and growth (e.g. MFIs transforming into banks, like BPR and CSS, as well as NGOs transforming into regulated deposit-taking MFIs, like UOB).
- The Umurenge SACCOs Strategy of the Government of Rwanda (2009) aimed at the creation of at least one SACCO in each administrative sector (Umurenge). The NMPIS 2008-2012 foresaw the creation of Financial Extension Workers (FEWs) at district level as a key activity to increase outreach. In actual implementation, this was replaced with the Umurenge SACCOs strategy, resulting in 416 registered SACCOs by the end of 2012.
- The creation of the Umurenge SACCOs was in line with the importance the Strategy gives to savings mobilization and to the establishment of an inclusive financial system. The Umurenge SACCOs are regulated by the same laws and policies as other microfinance institutions.
- The Umurenge SACCOs, together with older SACCOs and MFIs, have contributed substantially to increasing financial inclusion and to mobilizing of savings. They have played a crucial role in the important increase in financial inclusion from 48% in 2008 to 72% in 2012<sup>12</sup>.
- The Umurenge SACCOs are still very young, having been formed in 2009-2010, and in need of strengthening to achieve sustainability and financial soundness.
- The active promotion and establishment of informal savings and credit groups (e.g. VSLAs) by organizations like CARE, CHF and Hope.
- Financial Education and savings mobilization with children in schools as promoted by AMIR and SBFIC.

<sup>11</sup> Source: BNR, Microfinance Supervision Department.

<sup>12</sup> SEEP network: AMIR. Network Capacity Assessment. 2012. Page 11.

- Entry and downscaling of commercial banks into microfinance and SME finance (e.g. Equity Bank).
- The introduction of mobile payment systems by MTN (2010) and Tigo (2011), as well as by several commercial banks is significantly increasing outreach. For example, MTN had 900,000 active mobile money users, 1,000 agents nationwide and 6.1 Billion RWF transacted overall since 2010<sup>13</sup>.

As a result of the above, the number of (microfinance) deposit accounts has increased significantly from 630,000 to almost 2 million. The number of microfinance borrowers grew from 33,000 in 2008 to 167,000 in 2012, with a sharp drop in 2010<sup>14</sup>. Comparing the width of outreach of savings with credit shows that less than one out of 10 deposit holders has a loan.

## 4.2 Segmentation of the market

The 2013-2017 Microfinance Strategy will base the focus and opportunities for increased financial inclusion on the market segmentation presented by the 2012 FinScope study<sup>15</sup>.

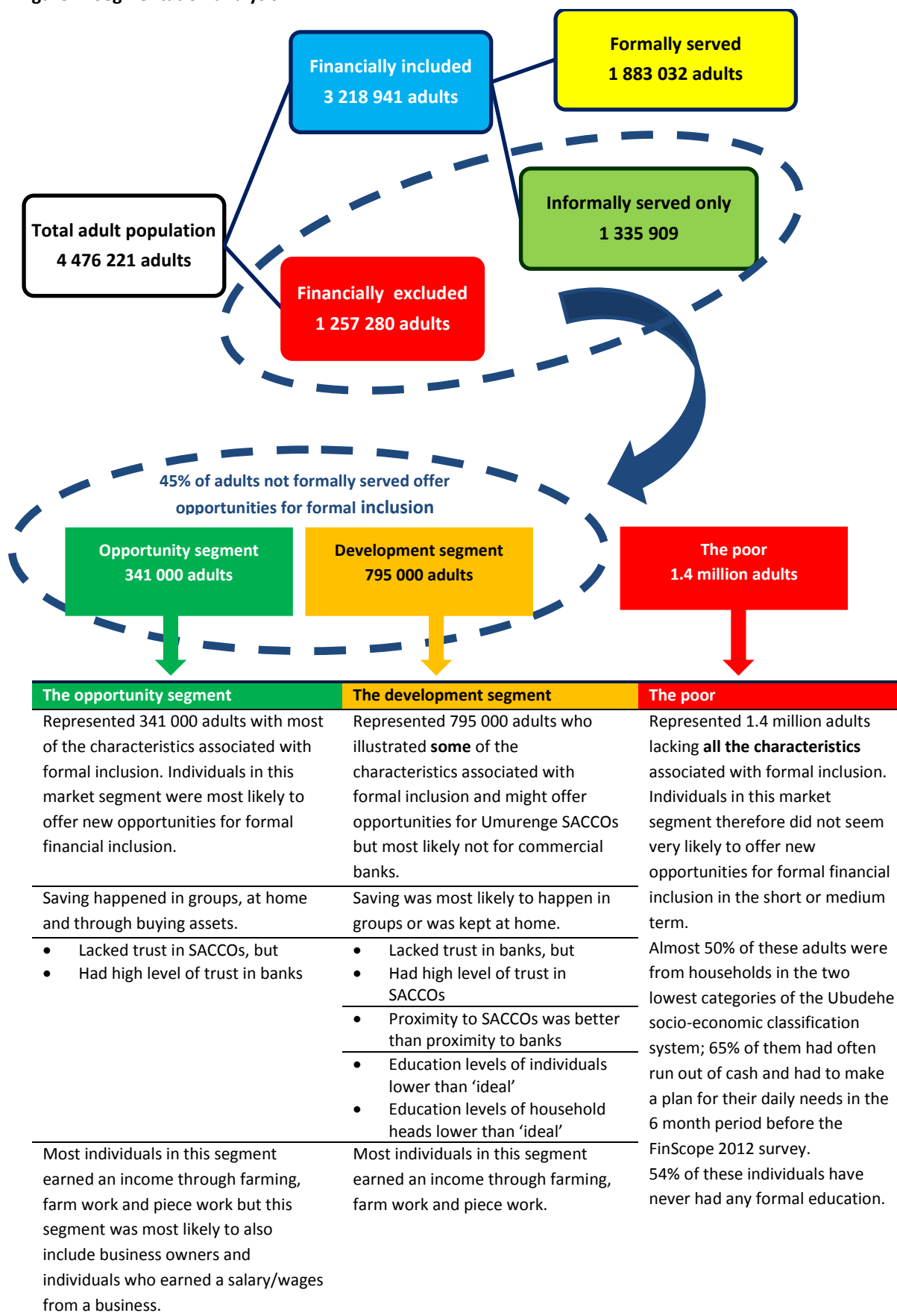
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<sup>13</sup> Source: MTN Mobile Money Presentation, December 2012.

<sup>14</sup> According to the BNR (e mail of 18<sup>th</sup> February to the mission, this drop is mainly due to CSS (Zigama) reporting from 2010 as Bank.

<sup>15</sup> Finscope: Financial Inclusion in Rwanda 2008 – 2012. Page 30.

Figure 1: Segmentation analysis



A significant barrier to the uptake of formal financial products and services is consumers' lack of awareness or understanding of how the uptake and usage of financial products would improve their lives. This underscores the need for financial education. As for the 1.4 million poor who are not formally served and are not very likely to offer new opportunities for formal financial inclusion in the short or medium term, their first step towards inclusion can be the access to informal finance, participating in informal schemes like village based Savings and Loan Associations.

### 4.3 Projections 2013 - 2017

The growth of microfinance and of its key indicators (including portfolio, deposits, number of clients, PAR, number of service points) depends on a lot of factors. The projection of that growth requires the input of the stakeholders, in the first place of the MFIs.

To set a first step, this document includes preliminary growth projections for the period covered by the present Strategy. These projections and the assumptions have to be further refined taking into account the growth plans of the different categories of MF providers and other economic and financial factors.

The input of the providers and of actors such as AMIR and RCA is crucial in view of at least two objectives:

- To obtain realistic growth projections,
- To further ensure their buy in on the Strategy.

The further refinement of country wide projections of the microfinance sector for the period 2013(14)-2017 will be one of the first tasks of the Microfinance Unit to be established in the MINECOFIN.

**Table 2: Projection of key microfinance indicators 2013 - 2017**

INDICATORS (b)	2011	2012	2013	2014	2015	2016	2017
Outstanding loan portfolio: ,000 R	40723,908	59194,204	73992,755	92490,944	115613,680	144517,100	180646,375
Outstanding loan portfolio USD	62,652	91,068	113,835	142,294	177,867	222,334	277,917
Number of loan clients	110,555	167,326	192,425	221,289	254,482	292,654	336,552
Average outstanding loan: ,000	368	354	385	418	454	494	537
Average outstanding loan: USD	567	544	592	643	699	760	826
PAR > 30 days (%)	12.0%	8.5%	7.0%	5.0%	5.0%	5.0%	5.0%
Number of deposit accounts	1527,941	1959,654	2057,637	2160,519	2268,544	2381,972	2501,070
Deposits: ,000 RWF	45861,761	54472,505	62643,381	72039,888	82845,871	95272,752	109563,664
Deposits USD	70,557	83,804	96,374	110,831	127,455	146,573	168,559
Average deposit: ,000 RWF	30	28	30	33	37	40	44
Average deposit: USD	46	43	47	51	56	62	67
Total of MFIs and SACCOs (c)	490	490	490	490	490	490	490
Number of service points (d)	774	842					

(a) 2011 and 2012: historical data based on information obtained from BNR. See

(b) Amounts RWF and USD. USD 1= 650

(c) Evolution of number of Umurenge SACCOs will depend a.o. on type of consolidation process

(d) To be defined based on expansion strategy of MFIs, SACCOs and MF banks

#### Assumptions

Annual growth of loan portfolio	25%
Annual growth of number of loan cl	15%
Annual growth of total deposits	15%
Annual growth of deposit accounts	5%
PAR >30 days	5%



## 5 Strategic Drivers

To achieve the Goal and objectives listed in chapter 3, and taking into account the guiding principles described above, the NMPIS 2013 – 2017 will be put in practice according to the Strategic Drivers outlined below. They will enable a focused and systematic approach to take advantage of the opportunities for improved service provision and market development, and will allow solving the challenges that affect the increase of financial inclusion.

For each of the Strategic Drivers this chapter presents first the challenges and binding constraints that microfinance stakeholders have to address in the next five years in order to further enhance financial inclusion in Rwanda. Some of these have been existing, others are relatively new, arising from the growth of the microfinance sector and ongoing changes in the market.

The Strategic Drivers cover the macro, meso and micro levels of the microfinance sector.

### **Five Strategic Drivers to achieve Financial Inclusion**

#### **Macro level:**

1. Improving the legal and regulatory framework

#### **Meso level:**

2. Strengthening of microfinance support structures

#### **Micro level: supply side**

3. Strong and sustainable providers offering financial services clients need
4. Access to funding for Microfinance Institutions for improved outreach

#### **Micro level: demand side**

5. Responsible finance, consumer protection and financial education

Each Strategic Driver will contribute to the global goal of the NMPIS which is to foster financial inclusion through the efficient and sustainable provision of a broad variety of microfinance services to the economically active poor and to urban and rural microenterprises in a dynamic microfinance market.

The five Strategic Drivers are presented according to a standard sequence:

- Expected output of the Driver
- Overview of the related challenges and opportunities
- Lines of Action to tackle the challenges and to exploit the opportunities
- Indication of the primary responsible institutions for each line of action as well as the key support institution(s).

The planning and the responsibilities of the multiple Lines of Action are detailed in Annex 7. This planning is indicative and will be refined by the National Microfinance Consultative Committee (NMCC) during the inception period of the Strategy.

## 5.1 Strategic Driver #1: Improving the legal and regulatory framework

### 5.1.1 Expected Output

**A legal and regulatory environment that encourages the growth of the microfinance sector and promotes financial inclusion without putting at risk the trust in the financial sector.**

In order to foster the sound development of microfinance, the Government of Rwanda is committed to promote an enabling environment, including macroeconomic stability and a transparent and fair legal system. A conducive, stable macroeconomic and policy environment provided by the appropriate government entities is necessary to underpin a proper financial system. The primary macro-level entities are the MINECOFIN, the BNR and the RCA.

The government is also committed to support improvements in the legal framework for collateral, taxation, and business registration and promotes the enforcement of contracts. Where needed, it will build the capacity of key government institutions and expose its staff to information concerning the relevance, possibilities and limitations of microfinance.

The prevailing view of regulation and supervision of financial institutions centers on protecting the financial system as a whole, and financial institutions' ability to repay their depositors in a cost-effective manner. Adding a further objective of promoting financial inclusion introduces three new vectors of responsibility and risk: new service providers, new customers (who may be unfamiliar with formal financial institutions), and new products and delivery methods, such as branchless channels. To craft appropriate regulation and to supervise effectively, regulators need to understand the particular characteristics and risks of microfinance, including the clients and their needs, the products and services, and the institutions providing them.

The National Bank of Rwanda (BNR) is mandated to regulate and supervise Microfinance Institutions. Microfinance institutions include Savings and Credit Cooperatives (SACCOs) and limited companies that operate microfinance activities. The supervision is conducted through three main activities: licensing of MFIs, off-site surveillance and on-site inspection of MFIs thus licensed.

The activity of supervising Microfinance Institutions by the BNR is based on the Law n° 55/2007 of 30/11/2007 governing the Central Bank of Rwanda, the Law n° 40/2008 of 26/08/2008 establishing the organization of microfinance activities (known as the Microfinance Law) and its implementing Regulation n°02/2009 of 27/05/2009<sup>16</sup>

The Microfinance Law provides a good basis for the further development of the Categories 2, 3 and 4 while Category 1 (informal MFIs) is exempted from licensing and supervision.

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<sup>16</sup> <http://www.bnr.rw/index.php?id=197>

**Category 1** is constituted of informal MFIs constituted as tontines, of any type, and which only operate on the basis of the contributions made by their members. They require no legal status or licensing from the Central Bank to exercise their activities. However, they must register with the nearest local administrative entity.

**Category 2** is constituted of MFI having the legal status of savings and credit cooperatives and whose collected total deposits is less than RWF 20 million. These institutions may not have more than one point of service or service outlet. This category has a light regime of supervision.

**Category 3** is constituted of MFIs collecting deposits from the public that have adopted a legal status of private limited companies or of a savings and credit cooperative (SACCO) and whose total deposits exceed RWF 20 million. They are required to observe all rules of management and prudential norms defined in the Microfinance Law and its applicable regulations. The minimum capital requirement for these two types of MFI is:

- million FRW for a SACCO, and
- 300 million FRW for a Private Limited company.

**Category 4** is constituted of non-deposit taking MFIs. The minimum capital requirement set for this category is 300 million FRW.

It is critical to ensure that the legal framework for SACCO regulation and supervision properly considers:

- The level of risk presented by the sector (including the relative risk presented by SACCOs of different sizes);
- The capacity of the institutions to meet prescribed regulatory requirements;
- The ability of the regulator to supervise a diverse group of SACCOs.

Direct supervision of all SACCOs, especially if the sector is characterized by a large number of individual institutions which is the case in Rwanda, creates a strain on supervisory capacity, and delegation of supervision can have advantages.

### *5.1.2 Challenges and opportunities*

A key element of the NMPIS is creating an enabling environment for financial institutions and other parties to provide a broader range of low-cost financial services to households and enterprises. This includes savings and deposit products for historically excluded clients, mobile money transfers (MMT), mobile and internet banking, agent banking, micro insurance and micro leasing<sup>17</sup>.

Parallel to this enabling environment, the sector requires an adequate regulatory and supervisory framework, the responsibility of which lies in the hands of the BNR (the Central Bank). The RCA supervises the compliance of the SACCOs with the Cooperative Law.

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<sup>17</sup> Financial Sector Development Program II. Page IX.

Challenges to fully achieve these objectives are outlined below.

- It is important to have clear insight into the legal barriers still affecting the growth and diversification of the microfinance industry.
- Towards the end of 2012 the number of fully licensed Microfinance Institutions stood at close to 500, including the 416 Umurenge SACCOs operating in all districts of the country. This puts a heavy burden on the BNR and on its capacity to carry out effective off-site and on-site supervision<sup>18</sup>.
- For reporting and other regulatory requirements to be effective, SACCOs must have the capacity to meet such requirements. In practice, hundreds of newly-established Umurenge SACCOs struggle to comply with reporting requirements under the Microfinance Law, partly because they lack the human resources and the information systems.
- As the microfinance sector evolves further regulation or adjustment of the Microfinance Law is required in a number of fields.
- Microfinance providers are not always aware of the legislation affecting (micro)finance nor of the changes in laws and procedures that might affect their business .
- The need for clarity about the consolidation of the Umurenge SACCO sector and the challenge to strike a balance between the development goal of having a dense network of micro finance providers and financial sustainability.
- In terms of supervision of the SACCO sector, the key issues identified include the need to clarify the roles of several actors involved (BNR, RCA, District Cooperative Officers), the capacity of the BNR to effectively supervise 416 Umurenge SACCOs and the need to define appropriate reporting requirements for them. See Annex 4 for an overview of the actors involved in the promotion and supervision of the Umurenge SACCOs.
- In the coming years the technology based changes in the provision of financial services, the growth of Alternative Delivery Channels (ADC) and the entry of new types of financial service providers (e.g. mobile phone operators) pose special challenges to the regulatory framework as they change the regulatory frontiers.
- The need for a clear commitment at the policy level (national and local) when it comes to the implementation of the supervisory framework and the support to microfinance institutions in debt recovery.

### 5.1.3 Lines of Action

The Lines of Action of this Driver are outlined below.

1. Analysis and adjustments of the legal framework affecting the development of the MF sector
2. Adjustments and further regulation concerning the Microfinance Law
3. Strengthen BNR's capacity for on-site and off-site supervision of MFIs
4. Development of a framework to cope with the entry of new financial service providers
5. Legislate and implement a Deposit insurance scheme
6. Dissemination of legislation affecting microfinance
7. Ensure the political support needed for a sound and sustainable microfinance sector

<sup>18</sup> See Annex 3 for a list of all licensed MFIs and SACCOs as per January 2013. Copy from <http://www.bnr.rw/index.php?id=197>

### **1. Analysis and adjustments of the legal framework affecting the development of the MF sector**

Although there has been substantial progress in the legal framework concerning or influencing micro finance and financial inclusion, there are still a number of issues that might negatively affect the further development of the sector. This matter requires attention throughout the coming years. As a first step towards resolving the issues, Annex 6 contains an overview of major legal constraints. Under the guidance of the NMCC this gap analysis will be completed during the Inception Phase of the redesigned NMPIS and will lead to a targeted action plan to systematically address the constraints.

### **2. Adjustments and further regulation concerning the Microfinance Law**

Issues to be tackled include:

- The contribution of supervision to the strengthening of governance in MFIs: how to apply the “fit and proper” requirements for board members and senior managers of licensed financial institutions in view of the lack of people with financial experience?
- The evolution of the minimum capital requirement for category 3 MFIs, now 5 million FRW, equivalent to approximately USD 8,000.
- How to combine the objective of having a dense network of providers of microfinance while at the same time guaranteeing their solvability and assuring the protection of the depositors?
- Some issues in the Microfinance Law that could affect the growth and sustainability of the SACCO sector<sup>19</sup>.
- How to avoid the exclusion of low-income customers when applying the internationally imposed regulatory and supervisory principles (Basel II and III)?

### **3. Strengthen BNR’s capacity for on-site and off-site supervision of MFIs**

- On-site supervision: the BNR will further improve the number and quality of on-site visits to the financial institutions operating under the Microfinance Law by an introduction of a risk oriented approach of supervision with a risk based supervision tailored to MFIs. This is crucial to allow it to take the necessary action against weak and poorly governed MFIs (from early warning to cancellation of the license) and to protect the integrity and credibility of the microfinance sector. Actions could include the elaboration of annual supervision plans assuring that each year a sample of MFIs receives on-site supervision and a training program to increase the productivity of the inspectors.
- Off-site supervision: consolidation of the use of the FINA framework (automation of financial analysis and web-based reporting). With other stakeholders the BNR will promote the introduction of computerized management information systems in the MFIs to ensure adequate reporting and to fully exploit the potential of the FINA framework.

### **4. Development of a framework to cope with the entry of new financial service providers**

The BNR will continue with the development of an adequate framework to cope with the entry of new financial service providers like mobile phone operators and with the innovations in financial service delivery mechanisms like non-bank agents. Regulations already issued in this field are the regulation on Payment system providers (Regulation No 06/2012) and on Electronic Money Transfer (Regulation No 07/2012).

### **5. Legislate and implement a Deposit insurance scheme**

The NMPIS 2008-2012 mentioned the importance of deposit insurance and called upon MINECOFIN and BNR to examine the possibility to create a deposit insurance scheme that would function as a safety net for depositors in case institutions fail. As of today, deposit insurance is mentioned in the Microfinance Law but no such facility has been created yet. The BNR has examined the feasibility of this scheme and has accordingly

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<sup>19</sup> Oxford Policy Management. Rwanda SACCO Sustainability Study. Page 16-18. While the regulatory framework generally supports SACCO development, the study identified a few issues in the Microfinance Law and the Law on Cooperatives that could affect the growth and sustainability of the SACCO sector.

drafted the relevant law. The participation in such a scheme will not be a free ride and careful selection of participating institutions is required.

## **6. Dissemination of legislation affecting microfinance**

Since 2010 several laws directly or indirectly relevant for microfinance have been amended and have resulted in advantages for microfinance providers. They include the Law on procedures of Civil, Commercial, Labor and Administrative and the Law on Contract and Obligations. Microfinance providers, in particular small ones, are not always aware of these changes. To assure a level playing field, a dissemination effort is required whereby MF providers receive regular updates on changes in the law or new laws. This would be a task of AMIR, complementing its focus on advocacy, thus contributing to the access of its members to important information.

## **7. Ensure the political support needed for a sound and sustainable microfinance sector**

This line of action covers different issues, including:

- Ensure the willingness and the political support to enforce regulatory requirements and interventions by the BNR, for example when rescinding a license to operate.
- Strengthen the effectiveness of the 'District Microfinance Fora', committees at district level in charge of assisting MFIs in the recovery of arrears from defaulters (Ministerial Instruction governing this was published in the Official Gazette in August 2011)<sup>20</sup>.

## **5.2 Strategic Driver #2: Strengthening of microfinance support structures**

### **5.2.1 Expected Output**

**A professional offer of sustainable support services for growing microfinance institutions allowing them to increase their efficiency and outreach, thus contributing to financial inclusion.**

Professionally operating microfinance support structures are an essential component of a thriving microfinance industry. Individual MFIs need these meso level structures to fulfil functions they cannot carry out themselves or can only carry out at a high cost, which in turn increases the cost of their services. Sector associations are needed to represent MFIs and to defend their interests. Technical service providers (TSP) provide MFIs with training and consultancy. Market infrastructure is required to reduce transaction costs, increase outreach, build capacity, and foster transparency. A good infrastructure allows a microfinance institution to concentrate on its core business as the meso structures take care of the "environment". Meso level service providers include microfinance networks and associations, auditors, rating agencies, consultants and trainers, providers of information technology and credit bureaus.

The refinancing mechanisms will be treated under Strategic Driver 4.

Building markets for these support services, and sharing the risk of creating such markets, is vital for the long-term viability of retail financial institutions. Decisions and plans about the type and scope of the service providers should realistically take into account the size of the Rwandese microfinance market. In other words the meso infrastructure should be in line with what the users of the services can support.

At all levels this Strategic Driver will focus on "filling the human resources gap" through training, technical assistance, exchange activities and technology sharing. To ensure the long-term availability of knowledgeable

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<sup>20</sup> Article 3 of the instruction instituting the Committee in charge of Recovery of debt arrears of MFI. (Official Gazette No: 33 of 15/08/2011).

human resources for the sector, special training programs will be developed and the integration of a microfinance curriculum into formal education will be promoted.

### *5.2.2 Challenges and opportunities*

Some of the meso level binding constraints have been adequately tackled under the 2008-2012 NMPIS, a typical example being the creation of the Credit Reference Bureau, while others still require additional work or remain unsolved.

Key challenges at the meso level of the microfinance sector are outlined below.

- The consolidation and role of AMIR. As the microfinance industry is growing it needs a strong and well focused association. AMIR as the only MF network faces the key challenge to balance the numerous needs of the microfinance sector and of its actors with AMIR's institutional capacity and with the search for financial sustainability. In the search for this balance, the representation of the sector and the defence of its interests on legal and regulatory issues (advocacy) will be a key priority. AMIR has decided to invite Umurenge SACCOs to be member. .
- Development of Human resources and organizational capacity. As the sector grows so does the need for capable and specialized human resources. There continues to be a large gap between the supply of individuals with the adequate technical and financial training and the needs of the MFIs. Training is required in areas such as general and risk management, accounting, internal audit, marketing, and customer care. In view of the supervisory and reporting requirements, the BNR would like to see improved skills in reporting, governance, MIS and internal control. Furthermore, with new developments being introduced the demand for specialized human resources will even become bigger. This includes expertise in micro insurance, social performance management, client protection, financial education, and product development for example for agricultural and sustainable energy lending. Capacity building at individual level alone may not be sufficient. Key areas where Rwandese MFIs need advice and consultancy include governance, information systems, loan appraisal and recovery, asset and liability management, rural finance and diversification of products, interest rate setting and financial education.
- Financial constraints and dependency. Most MFIs lack the financial means to pay for external training and consultancy. MFIs are dependent on the free or almost free trainings offered by AMIR, RCA and others. Practically all the offer of training and capacity building is funded with donor money.
- There is no vocational training in the field of microfinance in the country. The establishment of the RICEM (see 4.2.3) is seen as an opportunity to improve the availability of trained professionals.
- In a rapidly expanding market, the exchange of loan client information is crucial for risk management and contributes to maintaining sound loan portfolios. With banks, insurance companies, telecom providers and MFIs reporting to it, the Credit Reference Bureau has become a successful part of the meso infrastructure. According to the CRB the key challenges include addressing the correctness of data submitted and the timeliness of submissions. Adequate provision of loan information also requires MFIs to have installed portfolio software.
- The need of the MFIs to access support services creates opportunities for service providers and can be a thriving market given the large number of institutions requiring professional service. Professions and specializations in demand include BNR licensed auditors, specialized consultants, trainers and providers of Management Information Systems.

### 5.2.3 Lines of Action

The Lines of Action of this Driver are outlined below.

1. Strengthening and positioning of AMIR
2. Strengthening and positioning of the RCA
3. Development of human resources for the MF sector
4. Develop the market for service providers to the MF industry nationally and abroad
5. Increase coverage of the Credit Reference Bureau to include MF clients

#### 1. Strengthening and positioning of AMIR<sup>21</sup>

- An immediate priority is the definition of AMIR's strategic areas of work and of their relative importance: advocacy and lobbying; training and capacity building for which segments of the MF industry; entry point for development partners and investors; "home" for programs and innovations; provider of information on the MF sector.
- Carry out the segmentation of membership and the overall market in terms of service needs and willingness/ability to pay for services. AMIR could then tailor training and other services for different segments of its membership. AMIR needs to take and communicate a clear decision about the further growth of the membership including that of the Umurenge SACCOs.
- Continue to play a linking role between members and third parties such as investors, development partners and international service providers<sup>22</sup>. Be their entry point into the Rwanda MF sector and support them in the introduction of international best practices and innovations while avoiding engaging in too many projects or in initiatives that deviate AMIR from its strategic areas of work.
- Continue to be the regional and international representative of Rwanda's microfinance sector, with membership of the East Africa Network of microfinance institution, the Africa microfinance network and the SEEP network

#### 2. Strengthening and positioning of the RCA

The RCA is a key support structure of the cooperative movement. The Agency is in charge of the registration, regulation, inspection and audit of cooperatives, including SACCOs and Umurenge SACCOs. It cooperates with local authorities to encourage SACCO membership. The creation of 416 Umurenge SACCOs has substantially increased the workload and responsibility of the RCA. One of its key areas of work will continue to be capacity building of the Umurenge SACCOs. In doing this RCA is getting support from different development partners.

In the field of microfinance and for the years to come RCA will provide technical support to the (Umurenge) SACCOs and financial support to the Umurenge SACCOs that have not reached financial sustainability. An important role of the RCA is supporting the consolidation process of the Umurenge SACCOs.

#### 3. Development of human resources

Enhancing the supply of basic and advanced microfinance training is a key priority. Ideally, training programs are demand driven and distinguish between advanced and less advanced MFIs as well as between staff, management and board members. Also, trainings should be accessible to MFIs within and outside Kigali. We foresee different roles for the different stakeholders to offer a suitable and complete training offer. The

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<sup>21</sup> For a detailed assessment of AMIR, including recommendations see: SEEP Network: AMIR Network Capacity Assessment. 2012.

<sup>22</sup> This includes institutions, initiatives and networks such as CGAP, the SEEP network, the Social Performance Task Force and the SMART Campaign.



general lines of action for these groups of stakeholders are outlined below. The more specific lines of actions for these parties will be based on their internal strategies and work plans.

- a. **AMIR and RCA:** based on AMIR and RCA's redefined strategic areas of work as mentioned above and the segmentation of membership and members' service needs and willingness/ability to pay for services, a MFI training plan should be developed for both organizations that covers the most important training needs as mentioned above. Care should be taken that different levels of training are to be offered to ensure the training satisfies the varied requirements of MFIs. A CGAP study<sup>23</sup> revealed that being customized is actually the most important about capacity building services. Furthermore the training plan should allow for quick adaptations to accommodate for the dynamics of the microfinance sector and for the resulting shifts in training needs.
- b. **RICEM:** AMIR, MINICOM, RCA, and BNR with the support of SBFIC have established the Rwanda Institute for Cooperatives, Entrepreneurship and Microfinance (RICEM). RICEM will be a vocational training center, composed of two pillars: microfinance and non-financial services. RICEM's microfinance pillar will train board members, managers and staff of MFIs. RICEM's non-financial pillar will provide training on general entrepreneurship topics like managerial knowledge, accounting, governance and marketing to MSMEs and non-financial cooperatives. The training institute is likely to contribute to solving the gap between the supply of individuals with technical financial training and the demand throughout the microfinance and small enterprise (support) sectors. Once the number of RICEM graduates increases MFIs will be able to recruit professionally trained staff reducing the need for in-house training of new staff in basic microfinance skills. Eventually this will allow a shift in the training offer by AMIR and RCA from basic to more advanced topics
- c. **RBA:** There is a role for the Rwanda Bankers Association (RBA) to further contribute to the skills development within the Rwandan financial sector in cooperation with the Rwanda Institute of Bankers. The association's tasks may include the design of appropriate course material to be offered by Rwandan training institutes and/or universities, the certification of students and trainings providers, and maintaining a register of industry staff with appropriate certification. RBA may cooperate closely with RICEM to ensure efficiencies.
- d. **Donor initiatives such as Aquadev, Terrafina, WOCCU and SBFIC:** Several international organizations offer a range of training programs for MFIs including Umurenge SACCOs in Rwanda. Some of these training programs are overlapping with RCA and AMIR training. Under the NMPIS a special effort will be made to coordinate the multiple capacity building efforts to ensure an optimal use of resources. Capacity building will also be brought in by international microfinance networks, for example through the creation of Rwandese affiliates.

The majority of MFIs in Rwanda rely on external financial support for capacity building services and a large part of the capacity building service providers have a substantial part of their costs covered by external parties. On the one hand, many MFIs see capacity building services as a cost to doing business as opposed to an investment in growing their businesses. In order for this mindset to shift, it is key for capacity building service providers to demonstrate results through change and improved performance. On the other hand, many MFIs simply do not have the financial means available to pay for capacity building services. Funds should be made available to support these MFIs in accessing capacity building services. This could be achieved by setting up a capacity building matching grant fund for the sector.

Over the years there should be a gradual shift away from this dependence as MFIs will start to pay (part of) the capacity building and training costs. This will allow the institutions to directly select their provider and be more demanding about the results. It will also contribute to making funding of the service provision sustainable.

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<sup>23</sup> CGAP Survey on Capacity Building Services, 2013

Providing training and technical assistance to MFIs will increasingly be done through performance based contracts. That is, SPs will have to work directly with the MFIs who, through a co-payment arrangement, will have a say on whom to contract.

Training alone might not be sufficient. On the job coaching, exchange between MFIs and study tours will further enhance MFIs' learning curves. Coaching can be carried out by experienced consultants.

The current staff capacity building challenges faced by many MFIs will not be easily and quickly overcome. In the short term the training offer by locally present stakeholders may not be sufficient. It will therefore be worthwhile for MFIs to make use of online training materials. A wide range of organizations, including the Rural Finance Learning Center, Microsave, UNCDF, Smart Campaign, Social Performance task force, and Microfinance transparency offer free online training courses. These courses cover among others the following topics: agrifinance, financial management and accounting, governance and strategic planning, human resource management, marketing, product development, financial education, risk management and sustainable finance. Online training may not be as effective as real life training but it will have a positive contribution to staff development. Annex 5 contains an overview of online training courses.

#### **4. Develop the market for Service Providers to the MF industry nationally and abroad**

Service Providers (SP) to the microfinance industry will play an increasingly important role in strengthening MFIs. They include trainers, consultants, auditors and technology companies specialized in MIS, back office systems and communication.

These parties have to bring in state of the art know-how and have to be willing and able to work closely with the MFIs. Technical support operations have to go deep, with the SPs willing to work alongside their client MFI and not limiting themselves to training courses or the writing of a new manual without assuring its effective implementation. The SPs in turn need access to worldwide best practices and international training opportunities in their fields of work since they are an important channel to transmit knowledge to the national MFIs. Ways to obtain that access include exchange visits, partnerships with international or regional consultancy companies and participation in international training activities and conferences.

Besides serving the local microfinance sector, the Strategy to make Rwanda a Financial Services Centre aims at serving the regional market and become an international key provider of capacity building for the microfinance sector. "Rwanda and its service providers should aim to be the capacity building provider of choice, at least in the region"<sup>24</sup>.

The quality of the capacity building offered should be of the highest quality not only to surpass what is on offer regionally but to match even international programs<sup>25</sup>. To ensure this quality and become the desired regional or international key provider the involved stakeholders should carefully benchmark their programs to international best practices. The Rwanda Institute of Cooperatives, Entrepreneurship and Microfinance (RICEM) will be the initiatives flagship institution.

#### **5. Increase coverage of the Credit Reference Bureau to include MF clients**

Over the next two years the smaller microfinance providers will be included in the information sharing with the CRB. A project has been launched to support smaller MFIs to install the MIS and the communication technology allowing them to report to the CRB.

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<sup>24</sup> Maxwell Stamp: Development of the Strategy to make Rwanda a Financial Services Centre. 2012. Page 61.

<sup>25</sup> Maxwell Stamp: Development of the Strategy to make Rwanda a Financial Services Centre. 2012.

Under the 2013 – 2017 Strategy, MFIs will be encouraged and eventually obliged to continue sharing information about their clientele, their performance and their financial soundness. Client information will be shared with the Credit Reference Bureau (CRB), contributing to nationwide coverage by the end of 2015<sup>26</sup>.

The main reporting line for financial information will be to the BNR. A selected part of this information will be shared with AMIR and with the RCA, to avoid increasing unnecessarily the reporting burden for the supervised institutions.

### **5.3 Strategic Driver #3: Strong and sustainable providers offering financial services clients need**

#### **5.3.1 Expected Output**

**A range of efficient and sustainable providers of microfinance sell a growing and diversified offer of client oriented financial services and in doing that contribute to the financial inclusion goals of Vision 2020. The success of these providers is measured by both their financial as well as their social performance.**

Retail financial institutions are the backbone of an inclusive financial system. They have to operate efficiently, increase outreach and provide clients with quality services in order to increase financial inclusion and to ensure their own institutional and financial sustainability. In the case of Rwanda these retail institutions include banks and specialized microfinance banks and different categories of MFIs.

To augment efficiency the financial institutions can increasingly make use of branchless banking techniques (cell phone based) or can apply an agent banking approach. BCs are service points set up at non-banking facilities, such as shops or petrol stations or other types of product and service retail shops<sup>27</sup>. The application of this kind of solutions not only contributes to the efficiency of bringing the service to the client, it also reduces the transaction cost for the latter as she or he can do "banking at home". The low administration and personnel costs associated with these technology based models increases efficiency and can lead to lowering of interest rates, thus contributing to the competitiveness of the MFI and to more versatile and cheaper access to financial services.

Some of the binding constraints mentioned in the NMPIS 2008-2012 remain unsolved while new challenges have become (more) visible, partly as a result of ongoing international developments in the microfinance sector. Key challenges at the supply side level of the microfinance sector are outlined below.

#### **5.3.2 Challenges and opportunities**

- Between 2008 and 2012 formal inclusion doubled from 21% to 42%, a result of an increased uptake of banking products and of products offered by Umurenge SACCOs. Still 58% of the population depends on informal mechanisms or is excluded and their gradual inclusion is the key challenge for the years to come.
- As a result of the high density of microfinance providers 90% of the Rwandan population lives within 5km of a microfinance outlet. A majority of these outlets are Umurenge SACCOs. It is as yet not clear if the rural markets can generate enough business volume to sustain all of these individual institutions. The sustainability of the Umurenge SACCOs is a matter of concern.
- The Umurenge SACCOs can continue to increase their important contribution to financial inclusion conditioned upon their becoming financially and institutionally sustainable. For the time being they continue to depend on government support (which is channelled through the RCA). In 2012 none of the Umurenge SACCOs was able to operate independently<sup>28</sup>.

<sup>26</sup> Between 2010 and 2012 the number of credit records has grown from 50,000 to 1.2 Million.

<sup>27</sup> See <http://www.ictformicrofinance.org/sites/default/files/11.pdf>

The Role of ICT in the Microfinance Model of Brazilian Banks and the Use of Banking Correspondents. 2008.

<sup>28</sup> Oxford Policy Management: Rwanda SACCO sustainability study (final report). 2012. Page 6.

- The severe capacity constraints among SACCOs, especially among Umurenge SACCOs, need to be addressed in order to improve SACCOs' performance. Many suffer from weaknesses in their governance, which is rooted in a poor sense of cooperative ownership among members. There is a need for people capable and willing to operate at board and management level and to ensure good governance, professional operations and adequate risk analysis when it comes to loan approval.
- The rapid growth in the SACCO sector has created a great demand for trained individuals to serve as managers, loan officers and cashiers, especially in the rural Umurenge SACCOs. MFIs also face high staff turnover and see their trained staff move on to better paying institutions.
- There is a lack of understanding of the levels of sustainability and efficiency of the microfinance providers and the causes affecting it, although there are indications that the efficiency is lower than in other sub-Saharan countries<sup>29</sup>. A coordinated effort is required to synthesize the information available on this crucial issue (AMIR report, international ratings, and annual reporting data available at the BNR) and to orient actions towards performance improvement.
- There is a gap in product development and diversification. In the past years there have been limited achievements in product diversification with some experiments in the field of micro-leasing, micro-insurance and warrantage.
- Weak Management Information Systems limit the possibilities for the management of MFIs to fully understand the state of their operations and to act timely to correct weaknesses. It also leads to poor reporting to the BNR. The lack of information negatively affects transparency and makes it difficult for social investors and Microfinance Investment Vehicles to understand the opportunities and risks of investing in the Rwandan microfinance industry.
- An important challenge for the coming years is the further development of Alternative Delivery Channels (ADC) and related mobile banking products to widen and deepen outreach by linking mobile payment systems (MTN, Tigo) with microfinance banks, MFIs and SACCOs.
- There is a growing presence of Village based Savings and Loan Associations (VSLA) which include some 300,000 members currently and AFR is providing funding for an additional 300,000 members. These savings and loans groups are providing primarily the poorest with informal financial services. VSLA members are around 70% women.
- Social Performance Management and related reporting is still in its infancy in the Rwandan microfinance sector.

### 5.3.3 Lines of Action

The Lines of Action of this Driver are outlined below.

1. Increasingly efficient and adequately governed MFIs ensure a steady growth in financial inclusion
2. Consolidation of the Umurenge SACCO network
3. Promotion of informal inclusion mechanisms and initiatives
4. Client oriented product development and diversification
5. Introduction of information and communication technology at all levels
6. Promotion of Alternative Delivery Channels (ADC)
7. Bring Social Performance Management into the mainstream of Rwandese microfinance

<sup>29</sup> Oxford Policy Management: Rwanda SACCO sustainability study (final report). 2012. Page 7.

### **1. Increasingly efficient and adequately governed MFIs ensure a steady growth in financial inclusion**

Growth will be measured in terms of the number of people having access to financial services, the contribution of this access to their economic and social wellbeing and in terms of "access points"<sup>30</sup>. The aim is to achieve an 80% inclusion by the end of 2020.

With 500 institutions offering microfinance, the majority Umurenge SACCOs, Rwanda has a very high density of microfinance providers. By the end of 2012 these institutions had more than 800 service points, contributing to a situation whereby more than 90% of adult Rwandans live within 5 km of a(n outlet of) formal financial institution. With 12 million inhabitants there is one service point per 15,000 inhabitants. Through the strengthening and capacity building of these outlets, the Strategy will exploit this strong point and increase the width (i.e. the number of clients) and depth (i.e. the provision of financial services to poorer segments of the population) of outreach of both urban-and rural-based providers. In line with this is improved service provision for the clients already included. The key improvements include more efficient service delivery, increased diversification of the product offer to better respond to the individual needs of clients and the introduction of collateral requirements that take into account the limited assets clients can put up as pledge.

Each MF provider is ultimately responsible for assuring its good governance. Capacity building of MFIs in this area will focus on issues such as board composition, fiduciary responsibility, transparency and the relation between management and the board. Under the NMPIS a dedicated governance oriented training program could respond to this nationwide need. Ownership and governance are especially important for member-owned and member-managed institutions, such as Umurenge SACCOs and Savings and Loan Associations.

### **2. Consolidation of the Umurenge SACCO network**

The Umurenge SACCOs need to be strengthened to ensure that the overall program and the individual SACCOs attain stability and sustainability in order to further contribute to financial inclusion. This includes strengthening their equity base through gradually increasing membership contributions. Developing a framework that will encourage consolidation is required to facilitate the achievement of economies of scale in the provision of services. After comparing alternatives<sup>31</sup> it was decided to create a Cooperative Bank. The (Umurenge) SACCOs will be members of the bank while the membership is also open to other actors. The Umurenge SACCOs will continue to offer financial services at their local level. Eventually Umurenge SACCOs can operate as local outlets of the Cooperative Bank<sup>32</sup>.

### **3. Promotion of informal inclusion mechanisms and initiatives**

The growing presence of locally based Savings and Loan Associations (informal groups) can play an important role in deepening of financial inclusion and in particular of including the poorest segments of the population. It is envisaged to foster the possibilities to link these informal groups to financial institutions, primarily MFIs, whereby the latter have to offer products that respond to the funding needs of these groups.

### **4. Client oriented product development and diversification**

Crucial to the success of MFIs is their capacity to offer the financial products that clients need and are willing to pay for. To achieve this, the institutions need to understand the market they are operating in and know the money management habits of their (potential) clients. An initial action will be the systemization of the lessons learned in the initiatives and experiments with new products carried out over the past years. This included work with micro leasing, micro insurance and warehouse receipt financing. Divulging the good (and bad)

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<sup>30</sup> An access point is any physical entity where an individual can perform cash-in and cash-out transactions with a regulated financial institution. This can be bank or MFI branches, agents or correspondents, ATMs and POS devices.

<sup>31</sup> An analysis of advantages and disadvantages of the different options is included in Oxford Policy Management: Rwanda SACCO sustainability study. 2012. Pages 23-27.

<sup>32</sup> Based on communication from the FSDD.

practices will give insight into what works and will allow interested microfinance providers in making informed decisions about product development and diversification. Process and product innovations can be piloted (including value chain finance) and rolled out, eventually with international support.

## **5. Introduction of information and communication technology at all levels**

The NMPIS will promote the use of information and communication technology at various levels including the introduction of MIS for loan tracking and portfolio management, the introduction of computers in rural based MFIs (for accounting and portfolio quality management) once they reach a certain threshold, and the use of internet to achieve online contact and data transmission to the BNR, to the Credit Reference Bureau, to the RCA and to AMIR.

Information technology can help microfinance institutions reduce costs, improve efficiency and increase outreach. A good MIS provides access to accurate and up-to-date information. For example, loan officers get information on loans that need follow-up, branch managers can monitor daily progress of the branch, senior management can get a full picture of the portfolio performance and quality and board members can keep track of the state of affairs of the MFI. Customers also get timely information on their accounts, payments and loan balances. For supervised institutions a good information system is also key to providing the supervisory authorities with the required reports.

## **6. Promotion of Alternative Delivery Channels (ADC)**

The NMPIS will promote branchless and mobile banking technologies. The use of agent networks can be a commercially viable way to offer financial services to rural and excluded population groups. The advancement in understanding branchless banking business models can be used to get a Rwanda specific insight into how such models could be used to meet the specific financial services needs of (poor) smallholder households.

## **7. Bring Social Performance Management into the mainstream of Rwandese microfinance**

The Strategy will see to it that MF providers pay attention to social performance, the necessary complement of financial performance. Social performance measures how well an institution translates its social goals into practice, allowing it to comply with its objectives like reaching excluded clients and improving their lives. To ensure the importance of the social values in microfinance, the Strategy will promote the measurement and management of social performance and will offer mechanisms and projects to help MF providers to improve and measure their social performance. The BNR will gradually include SPM indicators in the reporting format to be used by the MFIs.

## **5.4 Strategic Driver #4: Access to funding for MFIs for improved outreach**

### *5.4.1 Expected Output*

**Microfinance providers achieve the mobilization and rational use of the financial resources required to fund their portfolio growth while maintaining a sound balance between deposits and external funding sources.**

Between 2007 and 2012 the growth of the total microfinance portfolio of the MF industry and the total amount of deposits have globally run parallel (see Table 1 above). The loan portfolio increased from 27 billion to 59 billion RWF while deposits increased from 28 billion to 54 billion RWF. This reflects in principle a sound situation as it indicates that the microfinance providers fund their portfolios with savings generated locally. It also reflects the limited use of the refinancing facilities offered by the BDF, the lack of access to bank funding and the incipient presence of international social investors and microfinance investment vehicles.

### 5.4.2 Challenges and opportunities

- Funding Gap: as the MF loan portfolio grows, so will the funding needs. There is little systemized information about these needs.
- Most of Rwanda's microfinance providers (MF banks, SACCOs) have a license to mobilize savings. This strength can be fully exploited and at the same time requires caution and close supervision to protect depositors.
- The Business Development Fund (BDF) manages several existing funds. The procedures for applying to these are the same and the access conditions have become more transparent. In the coming years the BDF can fully exploit the fact that it has already signed MOUs with almost 200 institutions involved in microfinance.
- The integration of microfinance with mainstream financing is still limited. Increase the refunding by commercial banks is a major challenge
- International funding. The involvement by international microfinance funds and social investors in the Rwandan microfinance industry has so far been limited. International funding can cover both debt funding as well as strengthening of equity.

### 5.4.3 Lines of Action

The Lines of Action of this Driver are outlined below.

1. Understanding the funding gap
2. The mobilization of savings
3. Wholesale funding by the Business Development Fund (BDF)
4. Integration with the mainstream financial sector
5. Attract international partners for portfolio and equity funding

#### 1. Understanding the funding gap

One of the first actions under the redesigned NMPIS will be an in depth study into the funding needs for MFIs in the period 2014 - 2017. This study will provide information about the relative importance of the standard funding sources: equity, deposits and debt. The latter category will be refined into (commercial) bank funding, funding from national wholesale sources and international funding, including from social investors.

#### 2. The mobilization of savings

Savings are a key source of funding for microcredit and can be mobilized by category 2 and 3 MFIs and by SACCOs. The NMPIS is aware of the importance of mobilizing savings in urban and rural areas and of promoting their use for on-lending to income generating activities. In order to make savings attractive for clients, MFIs will develop adequate savings products. Special attention should be given to further exploit the savings mobilization potential of Umurenge SACCOs, to turn around the decrease in average savings and to ensure that savings accounts remain active. The BNR will closely supervise the deposit taking institutions and will define and apply clear standards for minimum liquidity levels to be kept.

The NMPIS will work in line with the priorities formulated in the **National Savings Mobilization Strategy** and will not develop separate actions.

#### 3. Wholesale funding by the BDF

The BDF will actively offer its refinancing options to the microfinance industry. It will ensure the generation of deals under the multiple MOUs signed with financial institutions in the past years, taking into account the

results and recommendations of the study into the funding needs of the MF sector (see Action Line 1). The NMPIS will promote the role of the BDF as the government backed private institution in charge of intermediating wholesale funding for the sector. The BDF will be very careful when it comes to offering special conditions (lower interest rates, waived collateral requirements) for women and youth. Overall the BNR should see to it that the MFIs control their dependency on external funding.

#### **4. Integration with the mainstream financial sector**

- In line with one of the principles guiding this Policy, microfinance will increasingly be integrated into the country's mainstream financial system. Such integration in principle allows for greater access to capital on the part of institutions serving the poor, better protection of poor people's savings, and increased legitimacy and professionalization of the subsector. As a result, a greater number of people including poorer and more remote clients will have access to financial services.
- Linkage banking schemes. Some banks have already explored partnerships with MFIs and will be stimulated to close on-lending deals. The challenge is to bring these relationships to a next level, beyond that of the banks tapping the savings and shares mobilized by the SACCOs and to cross-sell some of the services they provide (e.g. money-transfer and cash collection services). Further areas of cooperation include making ATMs available in SACCO branches, providing training to SACCO staff and appointing SACCOs to act as agents for money transfer and remittances..

#### **5. Attract International partners for portfolio and equity funding**

External funding sources can provide MFIs with long term funding, a scarce type of liability in the Rwandan financial market. Several Microfinance Investment Vehicles also offer equity investment. Better information provision and transparency about Rwanda's microfinance subsector will make it more visible internationally and will contribute to funders and investors scouting for opportunities. Under this Action Line, MFIs and their representative bodies will work towards greater information provision and transparency. In order to increase the transparency of the microfinance subsector, the NMPIS will promote the systematic gathering and publication of information about portfolios, financial performance, outreach and impact (social performance measuring). At the national level this information will be available to the public while at international level AMIR will support the more mature microfinance institutions to publish their information, in particular at the MIX Market ([www.mixmarket.org](http://www.mixmarket.org)). It will also promote benchmarking and ratings by internationally recognized rating agencies.

### **5.5 Strategic Driver #5: Responsible finance, consumer protection and financial education**

#### **5.5.1 Expected Output**

**The demand side of microfinance becomes a key driver of the sector and alongside a client oriented supply contributes to the expanded and more appropriate financial inclusion of particularly the poorer and vulnerable segments. Moreover, responsible and sustainable financial inclusion will be achieved.**

The NMPIS aligns itself with the worldwide developments that focus on the importance of the demand side of the microfinance market equation<sup>33</sup>. A sustainable development of the industry and a continued orientation to social performance require a strong and informed clientele, who can be an equal partner to the suppliers of the services.

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<sup>33</sup> CGAP has published a number of documents about demand side issues and is dedicating an increasing portion of its funding to demand side activities. See <http://www.cgap.org/site-search/demand%20side>



To strengthen the demand side, the NMPIS will promote a range of interventions. These include the direct strengthening of microfinance clients through financial education, work with institutions oriented at protecting clients' interests as well as studies to improve understanding of the demand side.

The NMPIS aims at promoting responsible and sustainable financial inclusion. Responsible microfinance means providing clients with the services they really need and protecting them from inappropriate services that may bring unnecessary risks or even may undermine their financial health (e.g. over indebtedness). The sustainability refers to offering services the clientele can afford in the long-run and the suppliers can provide sustainably. Financial services have to improve lives, not complicate them.

#### **Responsible finance**

According to CGAP, responsible finance has two dimensions: client protection and social performance management.

- Client protection is about respecting the rights of the client and avoiding harm through the provision of financial services. It extends to all providers of financial services to lower-income and otherwise vulnerable consumers, including those who may not have a social mission focused on financial inclusion. For purely profit-motivated providers, regulation might be the most practical solution to achieving client protection.
- Social performance management applies to those institutions that profess to have a double bottom line. It is reasonable to expect these institutions to operationalize their mission into specific social or development goals assess their performance against those goals and adjust their strategies and services accordingly. While missions may vary, the most common social goals are outreach to underserved people, poverty reduction and empowerment of women<sup>34</sup>.

#### **5.5.2 Challenges and opportunities**

- A number of organizations deploy activities in Rwanda in the field of financial education, applying amongst others financial literacy models. A key challenge is achieving scale and to roll-out these experiences cost-effectively.
- In Rwanda there are a number of institutions representing the interests of client groups such as the National Women's Council and the Youth League. The financial inclusion of these groups is a priority for the government. These representative institutions can be facilitated to identify systematically the needs and priorities for financial services amongst their members and communicate these to the relevant institutions.
- Rwanda has signed the Maya Declaration of the Alliance for Financial Inclusion. As a signatory country it commits itself to "Recognizing consumer protection and empowerment as key pillars of financial inclusion efforts to ensure that all people are included in their country's financial sector".
- By the end of 2012 eight Rwandan institutions had signed the Smart Campaign with its internationally recognized Client Protection Principles (CPPs). These principles describe the type and level of protection clients should expect from providers. They include the Avoidance of Over-Indebtedness, Transparent Pricing, Appropriate Collection Practices, Ethical Staff Behaviour, Availability of Mechanisms for Complaints and Privacy of Client Data<sup>35</sup>. Through the NMPIS a much wider adherence to the CPPs can be achieved.

<sup>34</sup> Based on CGAP: Responsible Finance. 2013.

<sup>35</sup> <http://www.cgap.org/p/site/c/template.rc/1.26.4943/>

- Rwanda already counts with a Competition and Consumer Protection Policy<sup>36</sup> which the NMPIS can build on to develop specific Consumer protection regulation regarding financial services. Rwanda has a consumer protection association, but as yet it has not focused strongly on the financial sector.
- At present MFI client recourse mechanisms appear to be largely limited to putting in place some complaint boxes. There is no adequate client recourse mechanism in place within most MFIs and for the sector as a whole.
- Responsible finance and sustainability are relatively unknown issues amongst microfinance clients in Rwanda. These can be included in the proposed financial education activities.
- AFR has commissioned a financial diaries research of which the report was recently published. The report provides good insights into the specific demand and priorities of several client segments.

### 5.5.3 Lines of Action

The Lines of Action of this Driver are outlined below.

1. Support coordination and scaling up of financial education
2. Improve client protection generalizing the use of a Code of Conduct in MFIs and SACCOs
3. Ensure transparency of the microfinance sector
4. Understanding and spreading information about financial behaviour (financial diaries)

#### 1. Support coordination and scaling up of financial education

The NMPIS will build on the present activities of financial education and financial literacy. It will support the initiative for a Financial Education Forum which can play a coordinating role in this field. Ongoing initiatives will be supported to achieve cost-effectiveness and scale, e.g. through using technology like SMS messages, and mass communication like radio.

The NMPIS will work in line with the priorities formulated in the **National Financial Education Strategy** and will not develop separate actions.

#### 2. Improve client protection generalizing the use of a Code of Conduct in MFIs and SACCO

The protection of microfinance clients from unfair practices, such as interest rates and fees that were not explained properly, shall be ensured through public disclosure and transparency in the operations of institutions and through the implementation of the consumer protection principles of the Alliance for Financial Inclusion.

The NMPIS will support the formulation of financial sector consumer protection regulation (by making current consumer protection regulation specific to the financial sector) and stimulate consumer protection organizations to communicate this and achieve awareness amongst actual and future microfinance clients. These organizations can develop a mechanism whereby microfinance clients can communicate their experiences of lack of consumer protection or of violation of consumer protection rules.

A Code of Conduct for the MFIs with client protection principles has been developed and AMIR and RCA will promote adherence to it by MFIs and SACCOs. This can be complemented by a project to assist MFIs and SACCOs to put the Code of Conduct in practice.

<sup>36</sup> [http://admin.theiguides.org/Media/Documents/Competition%20Law%202011\\_1.pdf](http://admin.theiguides.org/Media/Documents/Competition%20Law%202011_1.pdf)

Under the NMPIS a public awareness campaign will take place to inform microfinance clients about the issues covered in the CPP. AMIR should consider the conduct of SMART Campaign CPP audits in selected members.

### **3. Ensure transparency of the microfinance sector**

An important element in consumer protection is transparency. The full disclosure of interest rates and fees will become standard practice. Interest rates will be calculated according to the principles developed by Microfinance Transparency ([www.mftransparency.org](http://www.mftransparency.org)). Moreover, all MFIs will need to communicate this information prominently to all their clients, e.g. in each branch.

The BNR will publish at regular intervals the interest rates applied by the different MF providers (web-site, national media), the way this is already being done in countries such as Bolivia. AMIR may consider setting annual targets for the number of members displaying transparent pricing.

### **4. Understanding and spreading information about financial behaviour (financial diaries)**

MF providers need to understand the demand for financial services. The initiative to conduct financial diaries research in Rwanda in 2012/13 has been a first step towards achieving this understanding of the demand. Other actions will be developed to deepen the understanding of financial behaviour and the reasons behind it. Future work on financial diaries will dig deeper into the comprehension of the financial behaviour and the financial needs of different client groups (women versus men, young versus middle-aged and elderly, urban vs. rural, handicapped or people affected by HIV/Aids).

## 6 The role of international partners

In the past years, different types of international partners have contributed to the development of microfinance in Rwanda. They include multilateral agencies and development banks, bilateral development partners, international NGOs, specialized agencies such as CGAP and the SEEP network, social investors, consultants and trainers. To carry out the 2013-2017 Microfinance Strategy, the contribution of these international partners is required. It is however necessary to coordinate their actions and to make sure that their interventions are aligned with the priorities and lines of action of the Strategy. The principles of the Paris declaration apply<sup>37</sup>.

The Government expects all donor programs supporting microfinance in the country to comply with the NMPIS. Development partners will coordinate with each other and with the government to ensure that their programs embody common standards and complement other Government and donor activities. Care will be taken by development partners to ensure that the MFIs they support operate in accordance with best practices in microfinance, strive to be sustainable and pay attention to financial and social performance.

The approved Strategy will be presented to the international partners (donor community) to allow them to get insight into the priorities and lines of action and to motivate them to orient their support effort and interventions in accordance with the national priorities.

It is proposed to include a representative of the donor community in the National Microfinance Consultative Committee (NMCC). This representation can be rotated on a two yearly basis.

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<sup>37</sup> <http://www.oecd.org/development/effectiveness/34428351.pdf>

## 7 Management and monitoring of the NMPIS

### 7.1 Organizational set up

A well-defined organizational set-up and a clear definition of responsibilities are required for the Strategy to be successfully implemented.

The overall responsibility for the implementation of the National Microfinance Strategy lies with the **Ministry of Finance and Economic Planning (MINECOFIN)**. The Ministry has to ensure that the National Microfinance Policy Implementation Strategy is being implemented and that this is being done in line with the Second Financial Sector Development Program (FSDP II).

Within the Ministry the operational responsibility for implementation of the Strategy lies with the **Financial Sector Development Directorate - FSDD** (formerly the Financial Sector Development Secretariat - FSDS). It is proposed that the responsibility for managing the NMPIS will be in the hands of three staff of the FSDD: the Director General, the Director of the Banking & Non-Banking Sector unit and the Policy analyst/microfinance & SACCO. The latter will operate as a secretariat to the **National Microfinance Consultative Committee (NMCC)** which is the representative body of the microfinance sector stakeholders, the actors who jointly work towards financial inclusion. This Committee will be chaired by MINECOFIN.

The NMCC will incorporate high level representatives of the (groups of) stakeholders in the sector, including:

- The Ministry of Finance and Economic Planning (presiding)
- The Ministry of Agriculture
- The Ministry of Local Government
- The Ministry of Industry and Trade
- The Ministry of Youth and Information and Communication Technology
- The Central Bank (BNR)
- Rwanda Cooperative Agency (RCA)
- Association of Microfinance Institutions in Rwanda AMIR
- The Business Development Fund BDF
- The Rwanda Bankers Association
- Service Providers (e.g. RICEM)
- The donor community
- Associations of clients or consumer groups

### 7.2 The National Microfinance Consultative Committee

The key responsibilities of the NMCC are:

- Ensure the monitoring of the execution of the Lines of Action of the Strategy.
- See to the coherence of the NMPIS with other national strategies related to the financial sector.
- See to the coherence of microfinance support (donor) projects and interventions with the principles and priorities of the NMPIS.
- See to the coherence of the interventions in the subsector with other government policies.

- Organize a bi-yearly microfinance conference to systemize lessons learned, review the progress in achieving the outputs under the five Strategic Drivers and obtain inputs to adjust the NMPIS where relevant.
- Assure the execution of a “Financial Inclusion in Rwanda 2013 – 2017” study by FINSCOPE.

Members of the Committee will have the authority to represent their institution or their constituency and shall be committed to actively participate in its work. They constitute a fundamental link between the Strategy and the public and private institutions responsible for its implementation. Within the institution or group they represent, the members are expected to promote, propose and develop appropriate implementation mechanisms for the relevant Lines of Action.

It is the responsibility of each of the public entities to ensure that the design and implementation of their microfinance related initiatives, programs and strategies is in line with the NMPIS and with best practices in financial inclusion.

The NMCC has to ensure that the stakeholders work together in a coherent and efficient way and carry out the tasks assigned to them.

The NMCC also can take initiatives to carry out or launch activities related to the Strategy. This can be the execution of studies on issues related to financial inclusion, the organization of round tables and master classes to share best practices or the introduction of new developments that become relevant over the years.

### **7.3 Planning**

The NMPIS 2013 – 2017 covers the period between its formal approval by MINECOFIN and the 31<sup>st</sup> of December 2017. During that period it will be the guiding document for all national actors and for the development partners involved in Rwanda in the promotion of microfinance.

The planning and the responsibilities concerning the Lines of Action are detailed in Annex 7. This planning is purely indicative and will be refined by the National Microfinance Consultative Committee (NMCC) in coordination with the sector stakeholders during the inception period of the Strategy.

In November of each year, the FSDD of MINECOFIN will elaborate an Operational Plan for the year to come. This Plan will be approved by the NMCC and will be the guiding document for government actions, for projects and new initiatives and for the interventions by development partners.

### **7.4 Monitoring and Evaluation**

The FSDD is in charge of the Monitoring and Evaluation (M&E) of the implementation. The Directorate can internally assign this task to a staff member (the Policy analyst/microfinance & SACCO) or to a specialized unit. Based on the information it gathers from the stakeholders, it will closely monitor the execution of the Lines of Action and prepare and disseminate half yearly progress reports. The latter will be based on a monitoring system that will keep track of the key variables of financial inclusion and performance of the microfinance sector. This system will take into account the monitoring experience of microfinance strategies of other countries.

The progress reports will include the following indicators<sup>38</sup>:

- Loan portfolio (value)
- Number of outstanding loans
- Average loan
- Percentage of rural loan clientele
- Percentage of female loan clients
- Deposits (value)
- Number of deposit accounts
- Average deposit
- Percentage of rural savings clientele
- Percentage of female savings clients
- Number of successfully introduced new credit and savings products
- Number of MFIs and SACCOs licensed by the BNR
- Number of on-site and off-site inspections by the BNR
- Number of sanctions imposed to MFIs and SACCOs by the BNR
- Number of outlets offering microfinance
- Operational and financial self sufficiency of the MF providers
- Operational cost ratio
- Liquidity ratio
- Return on equity
- PAR > 30 days
- Investment (equity, debt) in the MF sector by social investors and microfinance investment vehicles
- MFIs and SACCOs adhering to the consumer protection Code of Conduct
- MFIs and SACCOs offering financial education to their clients
- Number of clients having had access to financial education
- Indicators on social performance management
- Number of Rwandan MFIs and SACCOs with actualized information in the MIX Market
- Number of ratings by internationally recognized rating agencies

The progress reports will be drafted with the inputs of all stakeholders whereby the FSDD has the authority to demand their cooperation and the NMCC ensures that all stakeholders contribute with information about their activities and achievements. In order to avoid multiple reporting obligations for the MFIs, the FSDD staff or unit in charge of monitoring will have direct access to the information these institutions provide to the BNR and to the RCA.

In 2018 a third FINSCOPE study will be carried out. It will focus on measuring and analyzing the nationwide progress in financial inclusion.

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<sup>38</sup> During the inception phase this indicative list will be refined.

## 8 Dissemination and Communication

In order for the NMPIS to be successfully implemented it is essential to have a well laid out awareness campaign and associated communication strategy. This communication strategy has two broad target audiences: the macro-, meso- and micro-level stakeholders on the one hand, and the general public on the other hand.

The awareness campaign serves two critical objectives. First of all, an effective communication of the contents of the NMPIS document to all stakeholders is critical to attain the necessary buy-in. This applies to stakeholders at the macro-, meso- and micro-levels. Secondly, at end-consumer level, the communication strategy serves to inform the wider public about microfinance.

For both target audiences the communication strategy specifies the message to be conveyed (what should be said), the communication channel (how to say it) as well as the responsible for sending the message (who says it).

The responsible body for the definition of the contents (i.e. the messages) to be conveyed is the National Microfinance Consultative Committee (NMCC).

### 8.1 Communication strategy at stakeholder level

It is important that the NMCC informs all stakeholders on the contents of the strategy and on their respective roles and responsibilities. This process already started in early 2013 when the stakeholders were involved in the evaluation of the NMPIS 2008 – 2012 and continued throughout the first and second quarter of 2013 during the redesign of the Strategy. The stakeholders have been part and parcel of the development of the NMPIS itself. To further strengthen their buy-in, a formal launch of the Strategy will take place. This could be done in a National Microfinance Conference. It should be noted, and this links up with the communication at the level of the general public, that during the launching Conference the national media should be briefed on the NMPIS as well.

Also at stakeholder level, information packages need to be compiled informing microfinance practitioners about (i) what their roles and responsibilities are, (ii) how they should implement these roles and responsibilities, and (iii) what kind of support they can expect from whom and at what cost. These information packages should be as specific as possible. For example, the package should not only inform meso- and micro-level stakeholders what the consumer protection principles entail, but also provide guidelines on how to implement those principles.

Finally, it is important that during the 2013 – 2017 NMPIS implementation period, stakeholders are briefed regularly on progress. To this end, MINECOFIN will be responsible for the organization of a bi-yearly microfinance conference.

These conferences will present the progress on the implementation of the Strategy and the achievement of its objectives. Furthermore, success stories will be shared, focusing on microfinance providers. It will be a forum to allow practitioners to present how they included new client segments, improved portfolio quality, modernized their MIS, obtained a MIX market notation or developed a new financial product. To a certain extent, the bi-yearly conferences will also aim at capacity building of MFIs and Service Providers, one of the means being the invitation of international speakers who will share best practices and new trends in financial inclusion.



In summary, the NMPIS communication strategy at stakeholder level calls for:

- Strengthen the involvement of the stakeholders.
- Launching the NMPIS at a National Microfinance Conference.
- Informing journalists on how to report on the NMPIS in the national media.
- Developing of information packages for microfinance practitioners, including on the laws relevant for the sector.
- Organizing bi-yearly microfinance conferences on NMPIS implementation.
- Compiling and publishing of NMPIS implementation success stories.

## **8.2 Communication strategy at the level of the general public**

In addition to informing stakeholders, there is a need to continue raising awareness about microfinance at the level of the general public. In this respect, the NMCC will decide on a coherent message to be conveyed to the population.

To a large extent this message will reflect the guiding principles of the NMPIS, in particular those principles closely related to the demand side of microfinance. This especially applies to principles 8 and 9 (see chapter 2.5) which refer to financial education, financial literacy and the responsible use of financial services.

The communication strategy will also call for a good repayment culture. In this respect, by stressing clients' obligations to repay microcredit when due, the communication strategy will also contribute to the quality of the loan portfolios and in the end to the sustained supply of services. Once better informed about client obligations, a mechanism of self-selection could prevail in which (ideally) only those clients who think they can fulfil debt service requirements will apply for a microcredit.

Once the message has been defined in more detail, the services of a professional marketing company should be procured to translate the messages into a communication package. This company, given the available PR-budget, would advise the NMCC on the most efficient and effective manner to phrase the message and on the most appropriate communication channels to be used. The communication channels will likely be a mix of radio programs, television spots, messages through social media (Facebook) and posters. The marketing company will also be responsible to prepare press-clippings to be sent to the national media in order to ensure that journalists convey the right message about microfinance and financial inclusion. That is, the messages journalists send out should correctly state the objectives and principles of the NMPIS as well as its achievements. They would be encouraged to visit rural areas to obtain insight into the interaction between microfinance providers and their clients and to document the economic and social impact of access to financial services and the achievements in terms of financial literacy.

Once a year – and in line with the NMPIS general monitoring strategy – the effect of the awareness campaign on public perceptions regarding microfinance should be measured.

In summary, the NMPIS communication strategy for the general public calls for:

- The NMCC to decide on messages regarding:
  - Encouraging savings mobilization at MFIs
  - The costs of lending and how to deal with micro-credit (financial education)
  - Clients' rights and corresponding obligations of the providers
  - Clients' obligations (timely repayment)
  - The benefits of microcredit for social and economic improvement
- A market study to identify possible public misperceptions or communication bottlenecks in microfinance.
- The selection of a marketing bureau to develop the PR-package (including the choice of channels).
- The launch of the PR-campaign.
- Monitoring of the effects of the campaign.

## ANNEXES

## **Annex 1**

## **Methodology leading to the Strategy**

**The Strategy document has been elaborated according to the following methodology**

1. Starting point has been the 2008 – 2012 Strategy (NMPIS).
2. The evaluation of that Strategy (carried out in February-March 2013) provided insight into what has been achieved and revealed remaining challenges. The meetings with more than 40 institutions contributed to the understanding about the expectations of the stakeholders.
3. Study of guiding policy documents, in particular the Economic Development and Poverty Reduction Strategy (EDPRS II) and the Financial Sector Development Program (FSDP II), to make sure that the microfinance Strategy is in line with these overarching documents reflecting overall national policies.
4. Study of other sector strategies and policy documents which include references to or focus on the financial sector.
5. The introduction of new elements (not or marginally covered by the 2008 -2012 Strategy) into the new Strategy, taking into account changing market realities and recent best practices in microfinance. Such elements include for example financial education and Alternative Delivery Channels.
6. Presentation of the first draft of the Strategy to MINECOFIN and AFR who in turn submitted the document to a number of selected stakeholders who provided their comments.
7. Further refining of the draft document by the consultants.
8. Presentation of the draft Strategy to a Workshop with the presence of key stakeholders. Two objectives: ensure the buy in of the stakeholders and ensure that each line of action has a clearly defined responsibility for its execution.
9. The contributions and agreements reached in the Workshop are taken into account in the final version of the Strategy.

## **Annex 2**

# **Overview of Strategies related to the financial sector**

Situation as of end of February 2013

## Overview of Strategies related to the financial sector

Strategy	Responsible Ministry or entity	Status
Financial Sector Development Strategy II	MINECOFIN	Approved
National Savings Mobilization Strategy	MINECOFIN	Approved
Financial Literacy Strategy	MINECOFIN	Due soon
Financial Services Center Strategy	MINECOFIN	Approved
Agricultural and rural finance strategy	MINAGRI	Approved
Umurenge SACCO Strategy	MINECOFIN	Approved
Women and youth access to finance Program	MIGEPROF	Approved

## **Annex 3**

### **List of BNR licensed MFIs**

as per 31<sup>st</sup> January 2013





**National Bank of Rwanda**  
**Banki Nkuru y'u Rwanda**

Po. Box 531 Kigali - Rwanda  
Tel: (+250) 252 59142200 /  
252 59142231 (30 Lines) /  
0788172200 / 0788172231 (30 Lines)  
Fax: (+250) 252 572551 / 252 577391  
E-mail: info@bnr.rw  
Website: www.bnr.rw

*Microfinance Supervision Department*

**MFIs as per Jan 2013**

No	Code	Name	STATUS	E-mail	Phone	DISTRICT	SECTOR
1	649	ABADAHIGWA	SACCO	abadahigwa@yahoo.fr		KICUKIRO	KIGARAMA
2	320	ABAKUNDANA COOPEC	SACCO	cecaabakundana@gmail.com		RUSIZI	KAMEMBE
3	308	AL HALAAL LTD	LTD	al.halaal.sa@gmail.com	252576298	NYARUGENGE	NYARUGENGE
4	312	AMASEZERANO COMMUNITY BANKING LTD	LTD	amasezerano@rwanda1.com		KICUKIRO	KICUKIRO
5	311	CAF	LTD	caf_isonga@yahoo.fr		MUHANGA	NYAMABUYE
6	694	EJO HEZA KAMONYI	SACCO	uniclecamejoheza@yahoo.fr		KAMONYI	GACURABWENGE
7	693	EJO HEZA NDIZA	SACCO	uniclecamejoheza@yahoo.fr		MUHANGA	KIYUMBA
8	614	CLECAM EJO HEZA KABAGALI	SACCO	uniclecamejoheza@yahoo.fr	252562173	RUHANGO	BWERAMANA
9	613	CLECAM EJO HEZA MUHANGA	SACCO	uniclecamejoheza@yahoo.fr	252562173	MUHANGA	NYAMABUYE
10	615	CLECAM EJO HEZA RUHANGO	SACCO	uniclecamejoheza@yahoo.fr	252562173	RUHANGO	RUHANGO
11	612	CLECAM EJO HEZA UNION	SACCO	uniclecamejoheza@yahoo.fr		MUHANGA	NYAMABUYE
12	692	CLECAM WISIGARA BIRUYI	SACCO	clecambiruyi@yahoo.fr		RUTSIRO	MUSHONYI
13	656	CLECAM WISIGARA BUKONYA	SACCO	clecamja2008@yahoo.fr		GAKENKE	JANJA
14	608	CLECAM WISIGARA GASEKE	SACCO	clecamgaseke@yahoo.fr		NGORORERO	KABAYA
15	607	CLECAM WISIGARA KAYOVE	SACCO	clecamkayove@yahoo.fr		RUTSIRO	RUHANGO
16	658	CLECAM WISIGARA NYAMUGALI	SACCO	clecanyaburera@yahoo.fr		BURERA	NEMBA
17	609	CLECAM WISIGARA NYAMYUMBA	SACCO	cnyamyumba@yahoo.com		RUBAVU	NYAMYUMBA
18	657	CLECAM WISIGARA NYARUTOVU (CYERU & GAKENKE)	SACCO	clecamn@yahoo.fr		GAKENKE	GAKENKE
19	606	CLECAM WISIGARA RUBAVU	SACCO	clecamgisenyi@yahoo.fr		RUBAVU	GISENYI
20	684	CLECAM WISIGARA ZAMUKA	SACCO	clezamuka@yahoo.fr		RUBAVU	KANAMA
21	325	CMF NGWINUREBE	SACCO	ngwinurebecmf@yahoo.com		RUSIZI	KAMEMBE
22	321	CMF TUZAMURANE	SACCO	cmftuzamurane@yahoo.fr		NYAMASHEKE	KAGANO
23	323	CMF TWITEGANYIRIZE	SACCO	cmftwiteganyirize@yahoo.fr		NYAMASHEKE	MACUBA
24	324	CMF UMWETE	SACCO	umwetecmf@yahoo.fr		RUSIZI	RWIMBOGO
25	317	CODEMARU	SACCO	coopecodemaru@yahoo.fr		RULINDO	BUSHOKI
26	603	COMICOKA	SACCO	comicokacoopec@yahoo.fr		RUBAVU	KANAMA
27	337	COOJAD BUGESERA	SACCO	coojadbugeserac@yahoo.fr		BUGESERA	NYAMATA
28	674	COOJAD REMERA	SACCO	coojad07@yahoo.com		GASABO	REMERA
29	602	COOPEDU	SACCO	coopedu@rwanda1.com	252570143	KICUKIRO	KICUKIRO
30	347	CPF INEZA	SACCO	cpfineza@gmail.com		MUHANGA	NYAMABUYE
31	610	CSPKI	SACCO	tcsпки@yahoo.fr		RULINDO	TUMBA
32	340	CSTCR	SACCO	coopecstcr@yahoo.fr		RULINDO	KINIHIRA
33	338	CT GIKONDO	SACCO	ctgikondo@yahoo.fr		KICUKIRO	GIKONDO
34	696	CT KACYIRU	SACCO	ctkacyiru@yahoo.fr		GASABO	KACYIRU
35	681	CT MUGAMBAZI	SACCO	ctmugambazi@yahoo.fr		RULINDO	MURAMBI
36	123	CT MULINDI	SACCO			GICUMBI	KANIGA
37	683	CT MURAMBI	SACCO	ctmurambi@gmail.com		GATSIBO	KIRAMURUZI
38	677	CT NYAMAGABE	SACCO	ctnyamagabe04@yahoo.fr	0252535109	NYAMAGABE	GASAKA
39	678	CT RUSIZI	SACCO	ctrusizi2012@yahoo.com		RUSIZI	KAMEMBE
40	339	DUKORERURWANDA	SACCO	microfinec@yahoo.fr		GASABO	KIMIRONKO
41	301	DUTERIMBERE IMF LTD	LTD	dut_i.m.f@rwanda1.com		NYARUGENGE	MUHIMA
42	673	GOSHEN FINANCE LTD	LTD	goshenfinance@yahoo.com		NYARUGENGE	NYARUGENGE
43	335	IMPAMBA	SACCO	saccoimpamba@yahoo.fr		GISAGARA	GIKONKO
44	660	INGASHYA	SACCO	coopingashya09@yahoo.fr		RWAMAGANA	KARENGE
45	306	INKINGI MICROFINANCE LTD	LTD	mfinkingi@yahoo.fr	255100251	NYARUGENGE	MUHIMA



**National Bank of Rwanda**  
**Banki Nkuru y'u Rwanda**

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Tel: (+250) 252 59142200 /  
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0788172200 / 0788172231 (30 Lines)  
Fax: (+250) 252 572551 / 252 577391  
E-mail: info@bnr.rw  
Website: www.bnr.rw

**Microfinance Supervision Department**

**MFIs as per Jan 2013**

No	Code	Name	STATUS	E-mail	Phone	DISTRICT	SECTOR
46	621	INKUNGA	SACCO	inkungacoopec@yahoo.fr		KARONGI	RUBENGERA
47	627	INZIRA BUTARE	SACCO	inzirabutareville@yahoo.fr		HUYE	NGOMA
48	624	INZIRA KIBUNGO	SACCO	coopecinzirakibungo@yahoo.fr		NGOMA	KIBUNGO
49	659	ISHEMA MULINDI	SACCO	ishematea@yahoo.fr		GICUMBI	KANIGA
50	630	ITI =Isanduka Twizigamire Iwacu	SACCO	iticoopec@yahoo.fr		RURINDO	CYUNGO
51	661	KOZIBI	SACCO	kozibi@yahoo.fr		RWAMAGANA	RUBONA
52	299	RIM LTD	LTD	rimsa@rwanda1.com	252 503 616	NYARUGENGE	NYARUGENGE
53	296	RML	LTD	info@rml.com	0788309126	NYARUGENGE	NYARUGENGE
54	302	SAGER GANZA LTD	LTD	sagerganza@yahoo.com		NYARUGENGE	GITEGA
55	342	TRASO=Travailleurs de la SORWATE	SACCO	coopectraso@yahoo.fr		RULINDO	KINIHIRA
56	336	TWIZIGAMIRE	SACCO	coopectwizigamire@yahoo.fr		NYAMAGABE	GASAKA
57	611	UBAKA	SACCO	coopecubaka@yahoo.fr		GASABO	KIMIRONKO
58	643	UMUTANGUHA CAISSE CENTRALE	SACCO	ucurw@yahoo.fr		NYARUGENGE	NYAMIRAMBO
59	648	UMUTANGUHA GASARENDA	SACCO	cugasarenda@yahoo.fr		GASARENDA	TARE
60	646	UMUTANGUHA KABAYA	SACCO	cukabaya04@yahoo.fr		NGORORERO	KABAYA
61	644	UMUTANGUHA KIGALI	SACCO	ucurw@yahoo.fr		NYARUGENGE	NYAMIRAMBO
62	645	UMUTANGUHA MAHOKO	SACCO	cumahoko@yahoo.fr		RUBAVU	KANAMA
63	647	UMUTANGUHA VUNGA	SACCO	umutanguhavunga@yahoo.fr		NYABIHU	SHYIRA
64	698	UMWALIMU SACCO	SACCO	sacco_umwalimu@yahoo.com	252580426	GASABO	REMERA
65	297	VISION FINANCE LTD	LTD	info@vfc Rwanda.com		NYARUGENGE	MUHIMA
66	697	ZAMUKA	SACCO	coopeczamuka@yahoo.fr		KICUKIRO	GATENGA
67		SMGF LTD	LTD	smgfltd@yahoo.fr		GASABO	KIMIHRURA
68		PTFW	SACCO	pfundatea@yahoo.fr			
69		MTG (Mulindi Tea Growers)	SACCO	mtgsacco@yahoo.fr			
70		CEA MUSANZE (+VUNGA)	SACCO	ceamusanze@yahoo.fr			
71		CEA GISENYI	SACCO	ceagisenyi@gmail.com			
72		CT KABUGA	SACCO	ctkabuga@yahoo.fr			
73		CLECAM WISIGARA BUKONYA					
74	605	CLECAM WISIGARA DIRECTION	SACCO	uclecam@yahoo.fr			
75		CMF UNION	SACCO				

SACCO = Savings and Credit Cooperative

Ltd= Limited Company

CAF= Caisse des Affaires Financières

CSPKI=Caisse de Solidarité de la Population de KINIHIRA)

CSTCR=Caisse de Solidarité de Theiculteurs CYOHOHA-RUKERI

SMGF=Société Mutuelle de Garantie et de Financement

CT= Coopérative des Travailleurs

CAF= Caisse des Affaires Financières

CLECAM= Coopératives Locales d'Épargne et de Crédit Agricole Mutuel

COOJAD= Coopérative de la Jeunesse pour l'Auto Emploi et le Développement

CODEMARU= Coopérative de Développement de la Masse Rurale

CMF= Coopérative de Microfinance

COMICOKA=Coopérative pour la Mise en Commun de Kanama

CPF= Cooperative of Progress and Finances

RIM= Réseau Interdiocésain De Microfinance LTD

RML=RWANDA MICROFINANCE LIMITED LTD

KOZIBI= Koperative Zigama Bigufashe

PTFW = Pfunda Tea Farmers and Workers

## LIST LICENSED UMURENGE SACCOs (31-Jan-2013)

On 31st January 2013 eight SACCOs were not yet licensed, on the list they are shaded in red color

PROV.	DISTRICT		SECTOR	SACCO'S NAME
KIGALI	NYARUGENGE	1	MUHIMA	HOPE SACCO MUHIMA
KIGALI	NYARUGENGE	2	KIGALI	KIGALI SOLIDARITY FOR VISION
KIGALI	NYARUGENGE	3	NYARUGENGE	EJO HEZA NYARUGENGE
KIGALI	NYARUGENGE	4	GITEGA	ICYIZERE SACCO GITEGA
KIGALI	NYARUGENGE	5	MAGERAGERE	SACCO MAGERAGERE ICYEREKEZO
KIGALI	NYARUGENGE	6	KANYINYA	INDATWA SACCO KANYINYA
KIGALI	NYARUGENGE	7	NYAKABANDA	KUNGAHARA SACCO NYAKABANDA
KIGALI	NYARUGENGE	8	rwezamenyo	URUGWIRO SACCO RWEZAMENYO
KIGALI	NYARUGENGE	9	KIMISAGARA	DVS
KIGALI	NYARUGENGE	10	NYAMIRAMBO	TRUST SACCO NYAMIRAMBO
KIGALI	<b>TOTAL NYARUGENGE</b>			
KIGALI	GASABO	1	Gisozi	Gisozi Sacco
KIGALI	GASABO	2	Rusororo	Ru -Sacco
KIGALI	GASABO	3	Bumbogo	Zamuka Bumbogo
KIGALI	GASABO	4	Kacyiru	Kacyiru Sacco
KIGALI	GASABO	5	Kimironko	Home Basket
KIGALI	GASABO	6	Jabana	sacco Jabana
KIGALI	GASABO	7	Remera	Ijabo Remera
KIGALI	GASABO	8	Gashyata	Amizero Sacco
KIGALI	GASABO	9	Nduba	Kozigundu
KIGALI	GASABO	10	Kimihurura	Indatsikira
KIGALI	GASABO	11	Ndera	Ndera Sacco
KIGALI	GASABO	12	Jali	Umunara Sacco
KIGALI	GASABO	13	Gikomero	Kopekukugi
KIGALI	GASABO	14	Rutungu	Sacco Rutunga
KIGALI	GASABO	15	Kinyinya	Icyerekezo
KIGALI	<b>TOTAL GASABO</b>		<b>Total</b>	
KIGALI	<b>KICUKIRO</b>	1	KANOMBE	KANOMBE SACCO
KIGALI	KICUKIRO	2	NYARUGUNGA	IMBONEZA SACCO
KIGALI	KICUKIRO	3	GIKONDO	ABAHIZI SACCO
KIGALI	KICUKIRO	4	KIGARAMA	IJABO SACCO
KIGALI	KICUKIRO	5	KICUKIRO	IJABO SACCO
KIGALI	KICUKIRO	6	GAHANGA	VISION SACCO
KIGALI	KICUKIRO	7	MASAKA	ICYEREKEZO SACCO
KIGALI	KICUKIRO	8	GATENGA	GATENGA SACCO
KIGALI	KICUKIRO	9	KAGARAMA	KAGARAMA SACCO
KIGALI	KICUKIRO	10	NIBOYE	INDAHIGWA SACCO
KIGALI	<b>TOTAL KICUKIRO</b>			
EAST	<b>BUGESERA</b>	1	JURU	ZAMUKA
EAST	BUGESERA	2	RILIMA	RILIMA
EAST	BUGESERA	3	RUHUHA	RDS
EAST	BUGESERA	4	MUSENYI	MUSENYI
EAST	BUGESERA	5	MAYANGE	MAYANGE
EAST	BUGESERA	6	SHYARA	SHYARA
EAST	BUGESERA	7	MWOGO	MWOGO
EAST	BUGESERA	8	NTARAMA	NTARAMA
EAST	BUGESERA	9	MAREBA	MAREBA
EAST	BUGESERA	10	NGERUKA	IJABO
EAST	BUGESERA	11	RWERU	RWERU
EAST	BUGESERA	12	GASHORA	TWIYUBAKE
EAST	BUGESERA	13	NYAMATA	NYAMATA
EAST	BUGESERA	14	KAMABUYE	KAMABUYE
EAST	BUGESERA	15	NYARUGENGE	ICYEREKEZO
EAST	<b>TOTAL BUGESERA</b>			-
EAST	<b>RWAMAGANA</b>	1	KIGABIRO	IMBONI
EAST	RWAMAGANA	2	MUHAZI	IMBANDUKO
EAST	RWAMAGANA	3	GISHARI	ICYEREKEZO
EAST	RWAMAGANA	4	MUNYIGINYA	MYSACCO
EAST	RWAMAGANA	5	MWURIRE	IMPORE MWURIRE SACCO
EAST	RWAMAGANA	6	MUSHA	UMUSARE
EAST	RWAMAGANA	7	GAHENERI	SANGWA
EAST	RWAMAGANA	8	FUMBWE	FUMBWE
EAST	RWAMAGANA	9	MUYUMBU	UMUGISHA
EAST	RWAMAGANA	10	NYAKARIRO	UBUMWE
EAST	RWAMAGANA	11	KARENGE	GWIZA
EAST	RWAMAGANA	12	NZIGE	IZIGAMIRE
EAST	RWAMAGANA	13	RUBONA	IZERE
EAST	RWAMAGANA	14	MUNYAGA	TWIYUBAKE
EAST	<b>TOTAL RWAMAGANA</b>			-

### LIST LICENSED UMURENGE SACCOs (31-Jan-2013)

On 31st January 2013 eight SACCOs were not yet licensed, on the list they are shaded in red color

PROV.	DISTRICT		SECTOR	SACCO'S NAME
EAST	KAYONZA	1	MURUNDI	MURUNDI SACCO
EAST	KAYONZA	2	MURAMA	DUKIRE
EAST	KAYONZA	3	GAHINI	GASACCO
EAST	KAYONZA	4	MUKARANGE	ICYOGERE
EAST	KAYONZA	5	KABARE	KUNGAHARA
EAST	KAYONZA	6	NYAMIRAMA	ABANZUMUGAYO
EAST	KAYONZA	7	RURAMIRA	ICYERECEZEZO
EAST	KAYONZA	8	RUKARA	UMUCYO
EAST	KAYONZA	9	MWILI	MWILI SACCO
EAST	KAYONZA	10	NDEGO	DUKIRE
EAST	KAYONZA	11	KABARONDO	DUKIRE
EAST	KAYONZA	12	RWINKWAVU	TWIFATANYE
<b>EAST</b>	<b>TOTAL KAYONZA</b>			<b>0</b>
EAST	NGOMA	1	GASHANDA	KOPABIGA
EAST	NGOMA	2	JARAMA	KOPAJA
EAST	NGOMA	3	KAREMBO	CIMEKA
EAST	NGOMA	4	KAZO	KSCC
EAST	NGOMA	5	KIBUNGO	KOZIKI
EAST	NGOMA	6	MUGESERA	KOPIMU
EAST	NGOMA	7	MURAMA	KOTIMU
EAST	NGOMA	8	MUTENDEI	KOZIMU
EAST	NGOMA	9	REMERA	REPSACCO
EAST	NGOMA	10	RUKIRA	KOKURU
EAST	NGOMA	11	RUKUMBERI	KOZIRU
EAST	NGOMA	12	RURENGE	REPSACO
EAST	NGOMA	13	SAKE	KOZISA
EAST	NGOMA	14	ZAZA	KOZINTU
<b>EAST</b>	<b>TOTAL NGOMA</b>			
EAST	KIREHE	1	Gahara	JYAMBERE GAHARA
EAST	KIREHE	2	Gatore	VISION SACCO GATORE
EAST	KIREHE	3	Kigarama	SHINING DEVELOPMENT SACCO
EAST	KIREHE	4	Kigina	CASACOKI
EAST	KIREHE	5	Kirehe	SACCO RUGERO
EAST	KIREHE	6	Mahama	SACCO IMBERE HEZA MAHAMA
EAST	KIREHE	7	Mpanga	HAGURUKA UKORE SACCO MPANGA
EAST	KIREHE	8	Musaza	UMURUNGA SACCO MUSAZA
EAST	KIREHE	9	Mushikiri	MUSHIKIRI SACCO DEVELOPMENT(MSD)
EAST	KIREHE	10	Nasho	SACCO MENYIBANGA
EAST	KIREHE	11	Nyamugari	TWUNGURANE SACCO
EAST	KIREHE	12	Nyarubuye	NYARUBUYE SACCO VISION
<b>EAST</b>	<b>TOTAL KIREHE</b>			<b>-</b>
EAST	NYAGATARE	1	KATABAGEMU	ZAMUKA
EAST	NYAGATARE	2	RWIMIYAGA	TURWANYE UBUKENE
EAST	NYAGATARE	3	MUKAMA	INGOBOKA
EAST	NYAGATARE	4	KAZANGAZI	KARANGAZI
EAST	NYAGATARE	5	MATIMBA	MATIMBA VISION SACCO
EAST	NYAGATARE	6	MIMULI	UMURABYO
EAST	NYAGATARE	7	KIYOMBE	KIYOMBE
EAST	NYAGATARE	8	MUSERI	MUSACCO
EAST	NYAGATARE	9	RUKOMO	KARIBU
EAST	NYAGATARE	10	RWEMPASHA	RWESACCO
EAST	NYAGATARE	11	KARAMA	ISANGE SACCO
EAST	NYAGATARE	12	NYAGATARE	NYAGATARE DEVELOPMENT
EAST	NYAGATARE	13	GATUNDA	IMBARUTSO
EAST	NYAGATARE	14	TABAGWE	TABAGWE
<b>EAST</b>	<b>TOTAL NYAGATARE</b>			
EAST	GATSIBO	1	KIRAMURUZI	UKURI SACCO
EAST	GATSIBO	2	KIZIGURO	ISONGA SACCO
EAST	GATSIBO	3	NYAGIHANGA	TERIMBERE SACCO
EAST	GATSIBO	4	RUGARAMA	URUMURI SACCO
EAST	GATSIBO	5	RWIMBOGO	TUGANEHEZA SACCO
EAST	GATSIBO	6	NGARAMA	ISUNGE SACCO
EAST	GATSIBO	7	REMERA	GIRIBAKWE SACCO
EAST	GATSIBO	8	KABARORE	ISONGA SACCO
EAST	GATSIBO	9	GASANGE	TURWUBAKE SACCO
EAST	GATSIBO	10	MURAMBI	INGENZI SACCO
EAST	GATSIBO	11	KAGEYO	IZIGAME SACCO
EAST	GATSIBO	12	MUHURA	UMUHIGO SACCO
EAST	GATSIBO	13	GITOKI	IZERE SACCO
EAST	GATSIBO	14	GATSIBO	UMURAGE SACCO
<b>EAST</b>	<b>TOTAL GATSIBO</b>			<b>-</b>

### LIST LICENSED UMURENGE SACCOs (31-Jan-2013)

On 31st January 2013 eight SACCOs were not yet licensed, on the list they are shaded in red color

PROV.	DISTRICT	SECTOR	SACCO'S NAME
SOUTH	KAMONYI	1	MUGINA MUGINA JYAMBERE
SOUTH	KAMONYI	2	MUSAMBIRA MBONEZISONGA
SOUTH	KAMONYI	3	KAYENZI SIUKA
SOUTH	KAMONYI	4	RUGALIKA ICYUZUZO
SOUTH	KAMONYI	5	KARAMA KIRAKARAMA SACCO
SOUTH	KAMONYI	6	RUNDA URUFUNGUZO RWUBUKIRE
SOUTH	KAMONYI	7	RUKOMA URUYANGE
SOUTH	KAMONYI	8	GACURABWENGE IBONEMO SACCO
SOUTH	KAMONYI	9	NYAMIYAGA ISHEMA RYUMURYANGO
SOUTH	KAMONYI	10	NYARUBAKA DUSIZE UBUKENE
SOUTH	KAMONYI	11	KAYUMBU INYUMBA YA KAYUMBU
SOUTH	KAMONYI	12	NGAMBA IMARABUKENE NGAMBA
<b>SOUTH</b>	<b>TOTAL KAMONYI</b>		-
SOUTH	MUHANGA	1	MUSHISHIRO SACCO ICYEREKEZO
SOUTH	MUHANGA	2	KIBANGU SACCO IMBANGUKIRAGUKIRA
SOUTH	MUHANGA	3	SHYOGWE SACCO TERIMBERE
SOUTH	MUHANGA	4	RONGI SACCO AMIZERO
SOUTH	MUHANGA	5	NYAMABUYE SACCOKORA-UTEGANYA
SOUTH	MUHANGA	6	NYABINONI TUGANE SACCO
SOUTH	MUHANGA	7	NYARUSANGE SACCO DUKIRE
SOUTH	MUHANGA	8	KIYUMBA SACCO ICYEREKEZO
SOUTH	MUHANGA	9	KABACUZI SACCO IZIGAMIRE
SOUTH	MUHANGA	10	MUHANGA SACCO WISIGARA
SOUTH	MUHANGA	11	RUGENDABARI SACCO AMIZERO
SOUTH	MUHANGA	12	CYEZA SACCO INGERI
<b>SOUTH</b>	<b>TOTAL MUHANGA</b>		-
SOUTH	RUHANGO	1	MBUYE Imbonezacyerekezo
SOUTH	RUHANGO	2	BYIMANA Ingenzi
SOUTH	RUHANGO	3	KINIHIRA Coopec Urubuto
SOUTH	RUHANGO	4	RUHANGO Baturebereho
SOUTH	RUHANGO	5	KINAZI Imboni y'amajyambere
SOUTH	RUHANGO	6	BWERAMANA Jyambere
SOUTH	RUHANGO	7	KABAGALI Coopec Kabagali
SOUTH	RUHANGO	8	NTONGWE Nkunganire
SOUTH	RUHANGO	9	MWENDO Abahizi Dukire
<b>SOUTH</b>	<b>TOTAL RUHANGO</b>		-
SOUTH	NYANZA	1	CYABAKAMYI JYEJURU
SOUTH	NYANZA	2	KIGOMA UMURAVA
SOUTH	NYANZA	3	NTYAZO URUMURI RW'AMAJYAMBERE
SOUTH	NYANZA	4	NYAGISOZI EJO HEZA NYAGISOZI
SOUTH	NYANZA	5	MUKINGO TUZAMURANE-MUKINGO
SOUTH	NYANZA	6	BUSORO SAVIBU
SOUTH	NYANZA	7	MUYIRA SACCOMUDU
SOUTH	NYANZA	8	RWABICUMA IGISUBIZO RWABICUMA
SOUTH	NYANZA	9	KIBIRIZI EJO HEZA TUZAMURANE
SOUTH	NYANZA	10	BUSASAMANA SATEBU
<b>SOUTH</b>	<b>TOTAL NYANZA</b>		-
SOUTH	HUYE	1	GISHAMVU Coopec Ingeri Gishamvu
SOUTH	HUYE	2	HUYE Tuhyane Huye Sacco
SOUTH	HUYE	3	KARAMA Tugereheza Karama
SOUTH	HUYE	4	KIGOMA Teganya Kigoma Sacco
SOUTH	HUYE	5	KINAZI Kinazi Amizero Sacco
SOUTH	HUYE	6	MARABA Kira Maraba Sacco
SOUTH	HUYE	7	MUKURA Umbwugamo Mukura Sacco
SOUTH	HUYE	8	RUHASHYA Tugendane n'igihe Ruhashya
SOUTH	HUYE	9	RUSATIRA Shishoza ukire Rusatira Sacco
SOUTH	HUYE	10	RWANIRO Hirwa Rwaniro
SOUTH	HUYE	11	SIMBI Dukire Simbi Sacco
SOUTH	HUYE	12	MBAZI Isonga Mbazi Sacco
SOUTH	HUYE	13	NGOMA Isange Ngoma Sacco
SOUTH	HUYE	14	TUMBA Ratwa Tumba Sacco
<b>SOUTH</b>	<b>TOTAL HUYE</b>		-

## LIST LICENSED UMURENGE SACCOs (31-Jan-2013)

On 31st January 2013 eight SACCOs were not yet licensed, on the list they are shaded in red color

PROV.	DISTRICT		SECTOR	SACCO'S NAME
SOUTH	GISAGARA	1	KIBIRIZI	SACCO TERIMBERE
SOUTH	GISAGARA	2	GIKONKO	SACCO IZERE
SOUTH	GISAGARA	3	MUGOMBWA	SACCO URUGERO
SOUTH	GISAGARA	4	MAMBA	SACCO URUMURI
SOUTH	GISAGARA	5	KIGEMBE	SACCO INDATWA
SOUTH	GISAGARA	6	NDORA	SACCO IMBEREHEZA
SOUTH	GISAGARA	7	MUGANZA	SACCO INDASHYIKIRWA
SOUTH	GISAGARA	8	SAVE	SACCO INTWARI
SOUTH	GISAGARA	9	NYANZA	SACCO DUKIRE
SOUTH	GISAGARA	10	GISHUBI	SACCO TUGANEHEZA
SOUTH	GISAGARA	11	MUKINDO	SACCO UMUCYO
SOUTH	GISAGARA	12	KANSI	SACCO ISHYAKA
SOUTH	GISAGARA	13	MUSHA	SACCO ITEGANYIRIZE
<b>SOUTH</b>	<b>TOTAL GISAGARA</b>			-
SOUTH	NYAMAGABE	1	BURUHUKIRO	SACCO KIRA BURUHUKIRO
SOUTH	NYAMAGABE	2	CYANIKA	IMBERE HEZA CYANIKA SACCO
SOUTH	NYAMAGABE	3	GASAKA	INGENZI GASAKA SACCO
SOUTH	NYAMAGABE	4	GATARE	JYAMBERE SACCO GATARE
SOUTH	NYAMAGABE	5	KADUHA	URUFUNGUZO RW'UBUKIRE KADUHA SACCO
SOUTH	NYAMAGABE	6	KAMEGERI	SACCO INDAHIGWA KAMEGERI
SOUTH	NYAMAGABE	7	KIBILIZI	SACCO INDATWA KIBILIZI
SOUTH	NYAMAGABE	8	KIBUMBWE	INDANGAMIRWA KIBUMBWE SACCO
SOUTH	NYAMAGABE	9	KITABI	TWITEGANYIRIZE KITABI SACCO
SOUTH	NYAMAGABE	10	MBAZI	ICYEREKEZO MBAZI SACCO
SOUTH	NYAMAGABE	11	MUSANGE	INDASHYIKIRWA MUSANGE SACCO
SOUTH	NYAMAGABE	12	MUSANGE	URUMURI RWA MUSANGE SACCO
SOUTH	NYAMAGABE	13	MUSEBEYA	INDATWA MUSEBEYA SACCO
SOUTH	NYAMAGABE	14	MUSHUBI	INDASHYIKIRWA MUSHUBI SACCO
SOUTH	NYAMAGABE	15	NKOMANE	TUBWAMBUKE NKOMANE SACCO
SOUTH	NYAMAGABE	16	TARE	TUZAMURANE TARE SACCO
SOUTH	NYAMAGABE	17	UWINKINGI	SACCO IBYIRINGIRO UWINKINGI
<b>SOUTH</b>	<b>TOTAL NYAMAGABE</b>			-
SOUTH	NYARUGURU	1	NYAGISOZI	NYAGISOZI
SOUTH	NYARUGURU	2	NYAGISOZI	EJO HAZAZA
SOUTH	NYARUGURU	3	KIBEHO	IMBONI
SOUTH	NYARUGURU	4	KIVU	INKINGI Y'ITERAMBERE
SOUTH	NYARUGURU	5	RUSENGE	INOZAMIHIGO
SOUTH	NYARUGURU	6	MATA	ITEZIMBERE
SOUTH	NYARUGURU	7	BUSANZE	JYAMBERE
SOUTH	NYARUGURU	8	RURAMBA	KORUKIRE
SOUTH	NYARUGURU	9	NYAGISOZI	NYAGISOZI
SOUTH	NYARUGURU	10	NGERA	TWIZIGAMIRE
SOUTH	NYARUGURU	11	NYABIMATA	UKURI
SOUTH	NYARUGURU	12	MUGANZA	UMURAVA
SOUTH	NYARUGURU	13	MUNINI	WISIGARA
SOUTH	NYARUGURU	14	NGOMA	ZAMUKA
<b>SOUTH</b>	<b>TOTAL NYARUGURU</b>			-
NORTH	RULINDO	1	BASE	IZUBA
NORTH	RULINDO	2	BUREGA	IMBADUKO
NORTH	RULINDO	3	BUSHOKI	COPEDEBU
NORTH	RULINDO	4	BUYOGA	GIRUBUKIRE
NORTH	RULINDO	5	CYINZUZI	IGISABO
NORTH	RULINDO	6	CYUNGO	TERIMBERE
NORTH	RULINDO	7	KINIHIRA	KOTUKI
NORTH	RULINDO	8	KISARO	UMITE
NORTH	RULINDO	9	MASORO	COPEBAMU
NORTH	RULINDO	10	MBOGO	MDECO
NORTH	RULINDO	11	MURAMBI	IJABO
NORTH	RULINDO	12	NGOMA	SHIRUBUKENE
NORTH	RULINDO	13	NTARABANA	INGANZA
NORTH	RULINDO	14	RUKOZO	COPEGARU
NORTH	RULINDO	15	RUSIGA	IMBARUTSO
NORTH	RULINDO	16	SHYORONGI	BADUKA
NORTH	RULINDO	17	TUMBA	ABAHIZI
<b>NORTH</b>	<b>TOTAL RULINDO</b>			-

### LIST LICENSED UMURENGE SACCOs (31-Jan-2013)

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PROV.	DISTRICT		SECTOR	SACCO'S NAME
NORTH	GAKENKE	1	BUSENGO	SACCOBUS
NORTH	GAKENKE	2	COKO	REBAKURE
NORTH	GAKENKE	3	CYABINGO	CYABINGO
NORTH	GAKENKE	4	GAKENKE	KUNGAHARA
NORTH	GAKENKE	5	GASHENYI	SACCOGASE
NORTH	GAKENKE	6	JANJA	UZAZUREBE
NORTH	GAKENKE	7	KAMUBUGA	IZIYIGIHE
NORTH	GAKENKE	8	KARAMBO	KAVABU
NORTH	GAKENKE	9	KIVURUGA	GIRINTEGO
NORTH	GAKENKE	10	MATABA	SIGARABUKENE
NORTH	GAKENKE	11	MINAZI	INDASHYIKIRWA MINAZI
NORTH	GAKENKE	12	MUGUNGA	NEW HOPE
NORTH	GAKENKE	13	MUHONDO	TWAMBUTSANYE
NORTH	GAKENKE	14	MUYONGWE	KATAZA MUYONGWE
NORTH	GAKENKE	15	MUZO	IBANGA RY'UBUKIRE
NORTH	GAKENKE	16	NEMBA	ISANE
NORTH	GAKENKE	17	RULI	IMBONERA
NORTH	GAKENKE	18	RUSASA	TUGIRE UBUKIRE
NORTH	GAKENKE	19	RUSHASHI	UMUSINGI
<b>NORTH</b>	<b>TOTAL GAKENKE</b>			-
NORTH	BURERA	1	BUNGWE	SONGA
NORTH	BURERA	2	BUTARO	NDORWA
NORTH	BURERA	3	CYANIKA	IYUNGURE
NORTH	BURERA	4	CYERU	UMURUNGA W'ITERAMBERE
NORTH	BURERA	5	GAHUNGA	AKABANDO
NORTH	BURERA	6	GATEBE	DUKIRE
NORTH	BURERA	7	GITOVU	GITOVU SACCO
NORTH	BURERA	8	KAGOGO	KAVISACCO
NORTH	BURERA	9	KINONI	KINONI SACCO
NORTH	BURERA	10	KINYABABA	INDORERWAMO
NORTH	BURERA	11	KIVUYE	ICYEREKEZO KIZIMA
NORTH	BURERA	12	NEMBA	DUHORANE IJABO
NORTH	BURERA	13	RUGARAMA	IMBERE HEZA
NORTH	BURERA	14	RUGENGABALI	UMURAGE
NORTH	BURERA	15	RUHUNDE	RUHUNDE SACCO
NORTH	BURERA	16	RUSARABUYE	REBAKURE
NORTH	BURERA	17	RWERERE	RUGEZI
<b>NORTH</b>	<b>TOTAL BURERA</b>			-
NORTH	GICUMBI	1	MUKARANGE	IBAKWE MUKARANGE
NORTH	GICUMBI	2	MIOVE	IZIGAMIRE SACCO
NORTH	GICUMBI	3	KANIGA	TUGENDANE NIGIHE
NORTH	GICUMBI	4	NYAMIYAGA	UMURABYO
NORTH	GICUMBI	5	NYANKENKE	MFASHANKIRE
NORTH	GICUMBI	6	RUKOMO	IMIRASIRE YITERAMBERE
NORTH	GICUMBI	7	RWAMIKO	HASHYUBUKENE
NORTH	GICUMBI	8	BYUMBA	BYUMBA SACCO
NORTH	GICUMBI	9	RUSHAKI	WISIGARA RUSHAKI
NORTH	GICUMBI	10	RUBAYA	TUVUDUKE SACCO
NORTH	GICUMBI	11	SHANGAHS	TSIMBURA SACCO
NORTH	GICUMBI	12	BWISIGE	BWISIGE SACCO
NORTH	GICUMBI	13	CYUMBA	HIRWA CYUMBA
NORTH	GICUMBI	14	GITI	IMBARUTSO SACCO
NORTH	GICUMBI	15	MANYAGIRO	AGASHYA MANYAGIRO
NORTH	GICUMBI	16	MUTETE	KIRAMUTETE
NORTH	GICUMBI	17	MOKO	INDATWA SACCO
NORTH	GICUMBI	18	BUKURE	BUKURE SACCO
NORTH	GICUMBI	19	RUTARE	ITEGANYIRIZE SACCO
NORTH	GICUMBI	20	KAGEYO	IMBONI SACCO
NORTH	GICUMBI	21	RUVUNE	SHIRUBUKENE
<b>NORTH</b>	<b>TOTAL GICUMBI</b>			-



### LIST LICENSED UMURENGE SACCOs (31-Jan-2013)

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PROV.	DISTRICT		SECTOR	SACCO'S NAME
NORTH	MUSANZE	1	BUSOGO	IHIRWE SACCO BUSOGO
NORTH	MUSANZE	2	SHINGIRO	NEZERWA 2020
NORTH	MUSANZE	3	GATARAGA	GATARAGA TWIBUMBE SACCO
NORTH	MUSANZE	4	KINIGI	SACCO ABIHUTA KINIGI
NORTH	MUSANZE	5	MUSANZE	UMUTUZO SACCO
NORTH	MUSANZE	6	NYANGE	INYANGE SACCO
NORTH	MUSANZE	7	CYUVE	INYONERA SACCO
NORTH	MUSANZE	8	MUHOZA	ABAMUHOZA SACCO
NORTH	MUSANZE	9	GACACA	NEW VISION SACCO
NORTH	MUSANZE	10	NKOTSI	IGIHONDOHONDO
NORTH	MUSANZE	11	MUKO	IRENGERE SACCO
NORTH	MUSANZE	12	KIMONYI	KIMONYI SACCO
NORTH	MUSANZE	13	RWAZA	UMUSINGI SACCO
NORTH	MUSANZE	14	REMERA	ITEGANYIRIZE SACCO REMERA
NORTH	MUSANZE	15	GASHAKI	COOPEC UMURAVA GASHAKI
<b>NORTH</b>	<b>TOTAL MUSANZE</b>			-
WEST	NYABIHU	1	SHYIRA	SANGA
WEST	NYABIHU	2	RUGERA	COECRU
WEST	NYABIHU	3	MURUNDA	INDASHYIKIRWA
WEST	NYABIHU	4	MURINGA	DUKIZANYE
WEST	NYABIHU	5	BIGOGWE	UMURAVA
WEST	NYABIHU	6	JENDA	KARISIMBI
WEST	NYABIHU	7	RUREMBO	COECR
WEST	NYABIHU	8	MUKAMIRA	ISOKO Y'AMAJYAMBERE
WEST	NYABIHU	9	KARAGO	TIWIHUTE
WEST	NYABIHU	10	JOMBA	IMBARUTSO Y'UBUKIRE
WEST	NYABIHU	11	RAMBURA	IFUMBA Y'UBUKIRE
WEST	NYABIHU	12	KABATWA	KIRA
<b>WEST</b>	<b>TOTAL NYABIHU</b>			-
WEST	RUBAVU	1	BUGESHI	TURAHUMURIJWE
WEST	RUBAVU	2	BUSASAMANA	INTOZAMUCO
WEST	RUBAVU	3	CYANZARWE	ISANGANIRO
WEST	RUBAVU	4	GISENYI	SERUKA
WEST	RUBAVU	5	KANAMA	ICYEZA
WEST	RUBAVU	6	KANZENZE	ABADAHARANA
WEST	RUBAVU	7	MUDENDE	IMBONERA
WEST	RUBAVU	8	NYAKILIBA	UMUSHYIKIRANO
WEST	RUBAVU	9	NYAMYUMBA	ISHAKWE
WEST	RUBAVU	10	NYUNDO	UMWIMERERE
WEST	RUBAVU	11	RUBAVU	INKERAGUTABARA
WEST	RUBAVU	12	RUGERERO	INTARUTWA
<b>WEST</b>	<b>TOTAL RUBAVU</b>			-
WEST	NGORORERO	1	BWIRA	TERIMBERE SACCO
WEST	NGORORERO	2	GATUMBA	UMUSINGI SACCO
WEST	NGORORERO	3	HINDIRO	HINDIRO SACCO
WEST	NGORORERO	4	KABAYA	JYAMBERE SACCO
WEST	NGORORERO	5	KAGEYO	UMUKORE SACCO
WEST	NGORORERO	6	KAVUMU	TUGANEHEZA SACCO
WEST	NGORORERO	7	MATYAZO	MATYAZO SACCO
WEST	NGORORERO	8	MUHANDA	HAGURUKA SACCO
WEST	NGORORERO	9	MUHORORO	MUHORORO SACCO
WEST	NGORORERO	10	NDARO	JYAMBERE SACCO
WEST	NGORORERO	11	NGORORERO	MAGIRIRANE SACCO
WEST	NGORORERO	12	NYANGE	INYANGE SACCO NSIBO
WEST	NGORORERO	13	SOVU	GIRUBUKIRE SACCO
<b>WEST</b>	<b>TOTAL NGORORERO</b>			-
WEST	RUTSIRO	1	GIHANGO	ABESAMIHIGO
WEST	RUTSIRO	2	RUHANGO	DUKUNGAHARE
WEST	RUTSIRO	3	MUSASA	IMBANZAMIHIGO
WEST	RUTSIRO	4	BONEZA	IBAKWE
WEST	RUTSIRO	5	NYABIRASI	NYABI-RU
WEST	RUTSIRO	6	MANIHIRA	IMBEREHEZA
WEST	RUTSIRO	7	MUSHONYI	TERIMBERE
WEST	RUTSIRO	8	KIGEYO	NGWINO UREBE
WEST	RUTSIRO	9	MUSHUBATI	DUFITUMURAVA
WEST	RUTSIRO	10	MUKURA	TUGENDANE N'IGIHE
WEST	RUTSIRO	11	RUSEBEYA	ICYEREKEZO
WEST	RUTSIRO	12	MURUNDA	INDASHYIKIRWA
WEST	RUTSIRO	13	KIVUMU	TUZIGAMIRE ABACU
<b>WEST</b>	<b>TOTAL RUTSIRO</b>			-



### LIST LICENSED UMURENGE SACCOs (31-Jan-2013)

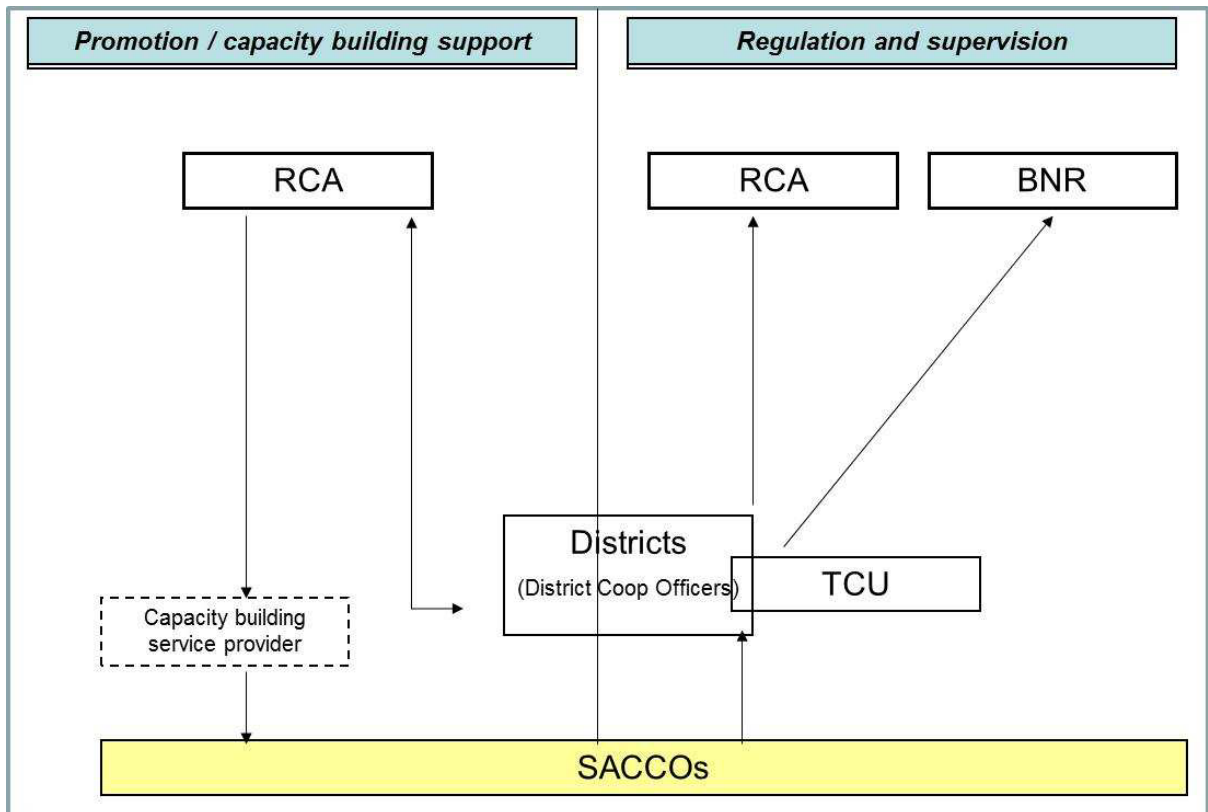
On 31st January 2013 eight SACCOs were not yet licensed, on the list they are shaded in red color

PROV.	DISTRICT		SECTOR	SACCO'S NAME
WEST	KARONGI		1 RUBENGERA	RUBENGERA SACCO
WEST	KARONGI		2 GITESI	GITESI SACCO
WEST	KARONGI		3 RUSHYURA	RUSHYURA SACCO
WEST	KARONGI		4 MUBUSA	MUBUSA SACCO
WEST	KARONGI		5 GISHYITA	GISHYITA SACCO
WEST	KARONGI		6 RUGANDA	SACCO ISONGA RUGANDA
WEST	KARONGI		7 RUKANUBA	RUKANUBA SACCO
WEST	KARONGI		8 TWUMBA	TWUMBA SACCO
WEST	KARONGI		9 MUTUNTU	MUTUNTU SACCO
WEST	KARONGI		10 RUGABANO	RUGABANO SACCO
WEST	KARONGI		11 GASHALI	INDATSIKIRA SACCO GASHALI
WEST	KARONGI		12 MURAMBI	IMPARANIRAKURUSHA SACCO
WEST	KARONGI		13 MURUNDI	NGWINO UREBE SACCO MURUNDI
<b>WEST</b>	<b>TOTAL KARONGI</b>			-
WEST	NYAMASHEKE		1 Bushenge	Bushenge
WEST	NYAMASHEKE		2 Ruharambuga	Terimbere Ruharambuga
WEST	NYAMASHEKE		3 Bushekeri	Bushekeri
WEST	NYAMASHEKE		4 Karengera	Dufataye Karengera
WEST	NYAMASHEKE		5 Macuba	Amizero Macuba
WEST	NYAMASHEKE		6 Nyabitekeri	Nyabitekeri
WEST	NYAMASHEKE		7 Shangi	Shangi
WEST	NYAMASHEKE		8 Cyato	Cyato
WEST	NYAMASHEKE		9 Kagano	Kagano
WEST	NYAMASHEKE		10 Gihombo	Unguka gihombo
WEST	NYAMASHEKE		11 Rangiro	Wisigara Rangiro
WEST	NYAMASHEKE		12 Kilimbi	Twitezeimbere kilimbi
WEST	NYAMASHEKE		13 Mahembe	Twisungane Mahembe
WEST	NYAMASHEKE		14 Kanjongo	Kanjongo
WEST	NYAMASHEKE		15 Karambi	Karambi vision
<b>WEST</b>	<b>TOTAL NYAMASHEKE</b>			-
WEST	RUSIZI		1 BUGARAMA	URUYANGE
WEST	RUSIZI		2 BUTARE	IMBATURABUKUNGU
WEST	RUSIZI		3 BWEYEYE	TUBEHO
WEST	RUSIZI		4 GASHONGA	TUBEKWISONGA
WEST	RUSIZI		5 GIHEKE	IREMBO
WEST	RUSIZI		6 GIHUNDWE	UMUSINGI
WEST	RUSIZI		7 GIKUNDAMVURA	UBUMWE
WEST	RUSIZI		8 GITAMBI	INDATWA
WEST	RUSIZI		9 KAMEMBE	NKAMIRA
WEST	RUSIZI		10 MUGANZA	MASHYUZA
WEST	RUSIZI		11 MURURU	HUZA
WEST	RUSIZI		12 NKANKA	REBIMBERE
WEST	RUSIZI		13 NKOMBO	NGIRANKUGIRE
WEST	RUSIZI		14 NKUNGU	NTUKABUMWE
WEST	RUSIZI		15 NYAKABUYE	NTUSIGARE
WEST	RUSIZI		16 NYAKARENZO	ABESAMIHIGO
WEST	RUSIZI		17 NZAHAHA	INTSINZI
WEST	RUSIZI		18 RWIMBOGO	BAHO
<b>WEST</b>	<b>TOTAL RUSIZI</b>			-
<b>Total Country</b>		<b>416</b>		

## **Annex 4**

# **Actors involved in the supervision and promotion of SACCOs**

Actors involved in the supervision and promotion of SACCOs



## **Annex 5**

# **Overview of specialized microfinance training**

## Overview of specialized microfinance training

Training topic	Training title
Agrifinance	<a href="#">Financing Agricultural Value Chains</a>
Agrifinance	<a href="#">Agricultural Cooperative Management</a>
Agrifinance	<a href="#">Agricultural lending</a>
Financial Education	<a href="#">Financial Education transforms poorest lives - developing money management skills</a>
Financial Management	Advanced Accounting and Financial Management ( <i>Under Development</i> )
Financial Management	<a href="#">Basic Financial Accounting</a>
Financial Management	<a href="#">Basic Financial Management and Ratio Analysis</a>
Financial Management	<a href="#">Capital Structuring and Equity Valuation</a>
Financial Management	<a href="#">Strategic Business Planning for Market-led Financial Institutions</a>
Financial Management	<a href="#">Accounting for microfinance institutions</a>
Financial Management	<a href="#">Finance for microfinance</a>
Financial Management	<a href="#">Interest rates and self-sufficiency</a>
Financial Management	<a href="#">Liquidity management</a>
Governance and Strategic Planning	<a href="#">Board and Governance for Microfinance Institutions</a>
Governance and Strategic Planning	<a href="#">Strategic Business Planning for Market-led Financial Institutions</a>
Governance and Strategic Planning	<a href="#">Strategic Marketing for Microfinance Institutions</a>
Human Resources Management	<a href="#">Designing Staff Incentive Schemes</a>
Human Resources Management	<a href="#">Human Resource Management</a>
Human Resources Management	<a href="#">Training of Trainers</a>
Individual Lending	<a href="#">Individual Lending for Credit Managers</a>
Individual Lending	<a href="#">Individual Lending for Credit Officers</a>
Market Research	<a href="#">Market Research for Microfinance</a>
Marketing Financial Services	<a href="#">Corporate Brand and Identity</a>
Marketing Financial Services	<a href="#">Customer Service</a>
Marketing Financial Services	<a href="#">Product Marketing</a>
Marketing Financial Services	<a href="#">Strategic Marketing for Microfinance Institutions</a>
Marketing Financial Services	<a href="#">Marketing financial services</a>
Microfinance general	<a href="#">Certified Expert in Microfinance</a>
Microfinance general	<a href="#">Making microfinance work</a>
Microfinance general	<a href="#">The Sean Foote Microfinance Simulcast</a>
Microfinance general	<a href="#">Microfinance lessons</a>
Microfinance general	<a href="#">Microfinance Distance Learning Program</a>
Operations	<a href="#">MFI Out of A Box</a>
Product Development	<a href="#">Costing and Pricing</a>
Product Development	<a href="#">Planning, Conducting and Monitoring Pilot-Tests for MFIs – Loans</a>
Product Development	<a href="#">Planning, Conducting and Monitoring Pilot-Tests for MFIs – Savings</a>
Product Development	<a href="#">Product Marketing</a>
Product Development	<a href="#">Product Roll-out</a>
Risk Management	<a href="#">Certified Expert in Risk Management</a>
Risk Management	<a href="#">Delinquency Management</a>
Risk Management	<a href="#">Institutional and Product Risk Management</a>
Risk Management	<a href="#">Internal Audit and Controls for MFIs</a>
Risk Management	<a href="#">Loan Portfolio Audit</a>
Risk Management	<a href="#">Process Mapping</a>
SME finance	<a href="#">Certified Expert in SME Finance</a>
Sustainable finance	<a href="#">Understanding the Price Curve in Microfinance</a>
Sustainable finance	<a href="#">Client Protection Principles Training Series</a>
Sustainable finance	<a href="#">SPM Essentials</a>
Village Savings and Loan model	<a href="#">Different tools</a>

## **Annex 6**

### **Initial gap analysis of laws which might hamper the growth of microfinance**

## Initial gap analysis of laws which might hamper the growth of microfinance

No	Law	Issue	(Potential) Impact on the development of the microfinance sector
<b>Law regulating micro-finance</b>			
1	Law on MFI (see article 5 of Law on MFI)	MFIs are upset by the legal limitation for the average SACCOs to open branches outside their principal place of operation. This limitation is incompatible with the spirit of business and growth as well as increased value added to the welfare of their members.	This is not facilitating the mobilization of more members from other regions.
2	Law on MFI (article 1 and 47) and Law on Cooperative	The MFI Law defines only “unions” and “confederations”, while the Law on Cooperatives defines “unions”, “federations”, and “confederations”. Furthermore, Art. 47 of the MFI Law refer to ‘unions’, ‘federations’ (not ‘confederations’), and unnamed higher financial organs.	<p>Conflicting definitions – both between the MFI Law and the Law on Cooperatives and within the MFI Law itself – may lead to confusion regarding the type and number of tiered institutions that are permitted.</p> <p>There is a need to revise the MFI Law (and the Law on Cooperatives, if necessary) to harmonize terms and ensure clarity.</p>
3	Law on MFI (article 21) and BNR Regulation (article 11)	<p>Article 21 of MFI Law requires prior approval by BNR of all directors and officers/managers of an institution.</p> <p>Prior approval of all changes of management and the Board of Directors is burdensome, both for MFIs and for the BNR. Furthermore, there is an inconsistency between Art. 21 of the MFI Law – which requires prior approval – and Art. 11 of the MFI Regulations, which requires notification within 10 days of a change, along with submission of relevant documents to allow BNR to ensure that the MFI has conducted proper due diligence. The latter approach is more feasible and less burdensome, yet it would not appear to fully comply with the prior approval requirements of the MFI Law.</p>	<p>Conflicting provisions may confuse MFIs when they need to change their management. More over the provisions of regulations should not contradict those of the law.</p> <p>Therefore there is a need to harmonize the two provisions.</p>
4	Law on MFI (article 24) and BNR regulation (article 37)	Prohibition on serving as a director of multiple MFIs or as director of an MFI and of any other enterprise.	<p>There is already a limited pool of potential volunteer board directors, particularly in rural areas. Prohibiting board members from serving as a director of any other enterprise will discourage volunteers.</p> <p>The conflict of interest concern is already addressed in the MFI Regulations, Art. 37, which provides procedures for recusal and for avoiding influencing decisions in which a director has a conflict of interest. Therefore, the Law can be amended to remove the prohibition on serving as director of another enterprise.</p>
5	Law of MFI (Article 30)	Addresses the circumstances under which Category 2 MFIs may not be able to comply with certain prudential norms.	<p>The text refers to “prudential” norms defined in Articles 29 and 30’. However, it appears that the text is referring to Articles 26 and 27.</p> <p>There is a need to revise text accordingly (for all three languages)</p>

6	Law on MFI (article 46).	Requires the BNR to approve both the decision of a SACCO to disaffiliate from a union and the decision of a union to remove a SACCO from its union.	Limiting the ability of a SACCO to disaffiliate from a union would have anti-competitive effects. If a member SACCO is able to meet all prudential requirements without union support or would prefer to affiliate with a different union, it should be permitted to do so.  The provision of article 46 may be revised to limit prior approval to cases where the union decides to remove a SACCO from the union. Note that this should be done in conjunction with the elimination of the Art. 45 requirements to cover member SACCOs' operating deficits.
7	Law of MFI (article 6,7,8 and 91)	The provisions of these articles are referring to the type of companies, which no longer exist.	There is a need to amend and harmonize the provision of the law of MFI with that of regulating Companies.
<b>Law regulating cooperatives</b>			
8	Law of cooperative (see article 10)	Prohibition to members of same family to form a cooperative or to be member of more than one cooperative	This prohibition negates the inherent commercial character of cooperative and consumers choices.
9	Law establishing RCA (article 3, 3) and Law of MFI (article 40)	There is a duplication role to regulate and supervise SACCO by RCA and BNR. This situation may create confusion as to which institution should have precedence to the other or the two institutions may take divergent decisions on one issue.	To avoid a waste of resource, RCA should focus on its prime mission, which is more educative than regulative and supervisory.  Therefore this provision should be amended to avoid duplication.
<b>BNR Regulation on MFI</b>			
10	BNR regulations (article 2)	Official recognition of ibimina, considering as silent competitors by MFIs. They are not regulated by BNR and thus not obligation to subscribe to CRB.	Limited volume of transactions of microfinance, the treat for macro-economic stability is limited and where necessary the central bank should be flexible to certain non-prudential regulatory norms.
11	BNR Regulations (article 1 of regulation No:03/2008 on licensing conditions of Banks)	The new categories of MF Banks do not have specific regulations; they are in between commercial banks and MFIs. Micro-Finance Bank is considered by the Regulator as a commercial bank while the products of this financial institution are micro finance oriented and the clients served are in the category of poor population	For a better oversight of the financial sector, BNR should specify a specific regulation for this category of MFI.
12	BNR regulation (see article 2)	The MFI's category is based on deposit portfolio. However, this indicator is dynamic and can change over time.	The regulator should find stable indicators to base for categorization of MFIs
13	BNR Regulation, (article 61)	The BNR regulation provides that when Non-Performing Loans (NPL) is more than 10%, an MFI is no longer allowed to give out new loans. This constitutes a disadvantage for the institution as this affects relationship and service delivery to the clients. Therefore most of the good clients of the MFI are forced to leave to other MFIs, which are willing to extend loan.	This provision affects the service delivery as good client are forced to look for alternative solution. There is a need to clearly revisits or redefine the said provision by leaving a window to the MFIs, which have enough liquidity to continue to extend loans to their clients.
14	BNR Regulation (article 6)	SACCO doesn't have enough capacity to lend due to the weakness of the minimum capital. There is a need to increase the minimum capital	A low level capital of SACCO may hamper the service delivery and the growth of the institution.



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requirement from Rwf 5 Million to Rwf 15 Million.

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**Other laws and regulations**

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15	Law No 16/2005 of 18/08/2005 on Direct income tax	The withholding tax charged on savings. This is a fiscal tax of 15% imposed to saving interests.	This tax has an effect to discourage savers who find no real meaning in saving their money if it shall be taxed. Therefore, the lack of culture of saving has a consequence of reducing the amount of deposits hence reducing the liquidity ratio.
16	Law on mortgages and movable properties as amended to date.	The cost associated to the registration of mortgage are is thus practically prohibitive, discouraging and moralizing prospective clients of MFIs .	As result, such client shall not borrow money to fund their small business and will remain in perpetual poverty.
17	Presidential decree establishing District sources of income	Tax imposition of Frw 200.000 per year imposed in a district on each branch operated by a MFI is higher and costly for many MFI	This tax has been considered by MFIs as being inconsistent to the national MFIs policy and its national expectations and an impediment to the growth and expansion of MFIs to rural areas to reach and serve the real poor hence responding to the national strategies of poverty reduction and economic development

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## **Annex 7**

# **NMPIS 2013 – 2017: indicative planning**

**Strategic Driver #1: Improving the legal and regulatory framework**

**Output:** A legal and regulatory environment that encourages the growth of the microfinance sector and promotes financial inclusion without putting at risk the trust in the financial sector.

1	LINES OF ACTION	RESPONSIBLE	SUPPORT	2013		2014				2015				2016				2017			
				Q3	Q4	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4
1.1	Analysis and adjustments of the legal framework affecting the development of the MF sector	MINECOFIN	AMIR																		
1.2	Adjustments and further regulation concerning the Microfinance Law	BNR	MINECOFIN																		
1.3	Strengthen BNR's capacity for on-site and off-site supervision of MFIs	BNR	RCA																		
1.4	Completion of the framework to cope with the entry of new financial service providers	BNR	MINECOFIN																		
1.5	Legislate and implement a Deposit insurance scheme	BNR	MINECOFIN																		
1.6	Dissemination of legislation affecting microfinance	AMIR & RCA	BNR																		
1.7	Ensure the political support needed for a sound and sustainable microfinance sector	MINECOFIN																			

**Strategic Driver #2: Strengthening of microfinance support structures**

**Output:** A professional offer of sustainable support services for growing microfinance institutions allowing them to increase their efficiency and outreach, thus contributing to financial inclusion

2	LINES OF ACTION	RESPONSIBLE	SUPPORT	2013		2014				2015				2016				2017			
				Q3	Q4	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4
2.1	Strengthening and positioning of AMIR	AMIR	Development partners																		
2.2	Strengthening and positioning of the RCA	RCA	Development partners																		
2.3	Development of human resources for the MF sector	AMIR & RCA	RICEM																		
2.4	Develop the market for service providers to the MF industry nationally and abroad	PSF	Development partners																		
2.5	Increase coverage of the Credit Reference Bureau to include MF clients	CRB	BNR																		





### Strategic Driver #5: Responsible finance and financial literacy

**Output:** The demand side of microfinance becomes a key driver of the sector and alongside a client oriented supply contributes to the expanded and more appropriate financial inclusion of particularly the poorer and vulnerable segments. Moreover, responsible and sustainable financial inclusion will be achieved.

.5	LINE OF ACTION	RESPONSIBLE	SUPPORT	2013		2014				2015				2016				2017			
				Q3	Q4	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4
5.1	Support coordination and scaling up of financial education	Covered by the National Financial Education Strategy																			
5.2	Improve client protection generalizing the use of a Code of Conduct in MFIs and SACCOs	AMIR MFIs	Alliance for Financial Inclusion Smart Campaign Consumer protection organisations																		
5.3	Ensure transparency of the microfinance sector	BNR	AMIR Microfinance Transparency																		
5.4	Understanding and spreading information about financial behaviour (financial diaries)	?	MFIs and SACCOs Development partners Consultants																		

	<i>Permanent or repetitive action</i>
	<i>Project type action with specific time frame</i>