

FINANCIAL INCLUSION

FINANCIAL INCLUSION is the availability and usage of affordable financial products and services provided by professional institutions to all society segments including vulnerable and low-income population groups, and small businesses.

Financial inclusion is increasingly being recognised by the UN and other development partners as one of the most powerful tools to fight poverty. Access to finance is essential for enabling individuals and families to invest in their lives and shape their future as well as it is essential for businesses to invest, employ people, and grow. Formal financial systems strengthen the financial sector on a national level and enable resource mobilisation at household level.

THE BIFSIR PROGRAMME

THE BIFSIR PROGRAMME (2010-2015) seeks to tear down the barriers for financial inclusion in Rwanda by contributing to capacity building of stakeholders at the macro, meso, micro and client levels, with an overall objective to make sustainable, high quality and diversified financial services accessible to the less advantaged. With a total budget of USD 8,038,364, BIFSIR is implemented with support from Republic of Korea-UNDP MDG Trust Fund, UNDP and UNCDF under the leadership of the Ministry of Finance and Economic Planning (MINECOFIN). Key partners include Ministry of Trade and Industry (MINICOM), National Bank of Rwanda (BNR), Rwanda Cooperative Agency (RCA) and private sector players like the Association of Microfinance Institutions (AMIR), Microfinance institutions (MFIs), SACCOs and individual clients.



FINANCIAL INCLUSION IN RWANDA



FINANCIAL PRODUCTS AND SERVICES

Usage among adult population



Sources: data.worldbank.org/country/Rwanda and the FinScope Rwanda Report 2016

PROGRAMME APPROACH:

CATALYTIC CAPITAL LEVERAGE LOCAL AND EXTERNAL CAPITAL THROUGH INITIAL INVESTMENTS	POLICY ADVICE CREATE ENABLING POLICY ENVIRONMENTS FOR MICROFINANCE INSTITUTIONS AND LOCAL GOVERNMENTS	TECHNICAL SUPPORT TRANSFORM CAPABILITIES FOR MORE EFFECTIVE AND EFFICIENT BASIC SERVICE DELIVERY
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BIFSIR IS ALIGNED TO:

UNDAP RWANDA UNITED NATIONS DEVELOPMENT ASSISTANCE PLAN (2013-2018)	EDPRS II ECONOMIC DEVELOPMENT AND POVERTY REDUCTION STRATEGY	FSDP II FINANCIAL SECTOR DEVELOPMENT PROGRAMME	NMPIS II NATIONAL MICROFINANCE POLICY IMPLEMENTATION STRATEGY
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The BIFSIR project is made possible through a partnership between the Government of Rwanda, the Government of the Republic of Korea, UNDP and UNCDF.

BUILDING AN INCLUSIVE FINANCIAL SECTOR *in Rwanda*

ACHIEVEMENTS OF THE BIFSIR PROGRAMME

2010-2015



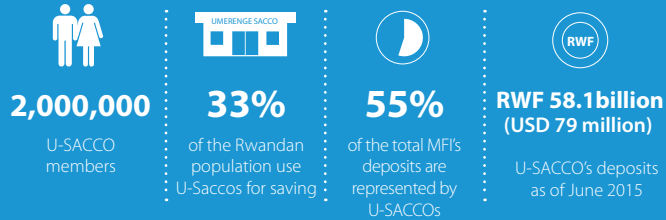
Empowered lives. Resilient nations. Unlocking Public and Private Finance for the Poor



THEMATIC AREAS

UMURENGE SACCOs

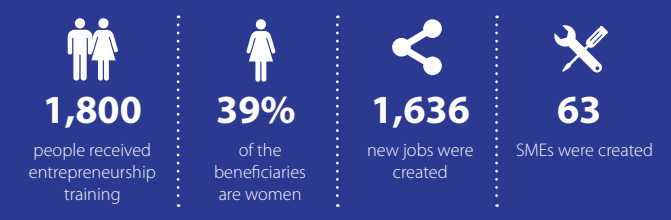
The 416 U-SACCOs have significantly changed the landscape of access to formal financial services in Rwanda. By serving more than two million people, the U-SACCOs have proven to be one of the most effective channels to reduce vulnerability among financially excluded populations. BIFSIR has supported strengthening U-SACCO governance and control systems, and the establishment of sustainable re-financing mechanisms. On a national level:



Sources: FinScope Rwanda Report 2016 and BNR 2015 Annual Report

ENTREPRENEUR SKILLS DEVELOPMENT

Creating more and better quality jobs is key to accelerating inclusive growth and reducing poverty. BIFSIR has complimented MINICOM's Hanga Umurimo Programme since 2013 by equipping primarily women and youth with vocational and entrepreneurship skills to enable them to create small businesses. BIFSIR has also supported the graduates in accessing financial services to obtain seed capital for their new businesses. With the support from BIFSIR:



DIGITAL FINANCIAL SERVICES

Mobile phones have evolved to become one of the most user friendly tools of economic empowerment. Mobile Money and Agent Banking systems enable even remotely located communities and very poor people to access and benefit from formal financial services. BIFSIR has supported Urwego Opportunity Bank (UOB) and Umutanguha Finance (FU) in expanding the availability of branchless digital financial services all over the country. With the support from BIFSIR:



VSLAs

For many poor people a Village Savings and Loan Association (VSLA) is the first encounter with financial services and products. VSLAs form an entry point that allows people to develop from being financially excluded to understanding and properly using formal financial services. BIFSIR has supported a local NGO, PAJER, to establish and train new VSLAs in Gatsibo, Bugesera, Musanze and Ngoma districts. With the support from BIFSIR:

