



# Building an Inclusive Financial Sector in Rwanda

- *Striving to bridge the financial inclusion gaps in Rwanda*

## WHAT IS 'BIFSIR'?

Under UNDP 2013-2018, MDGs and EDPRS 2, BIFSIR is funded by UNDP, UNCDF and ROK-UNDP MDG Trust Fund to scale up entrepreneurship and financial inclusion opportunities for un-served population in Rwanda. The beneficiaries of this project include government ministries, National Bank of Rwanda, private sector players, microfinance institutions, Saving and Credit Cooperatives (SACCOs) and individual clients with the main target put on youth and women.

## WHAT IS THE OBJECTIVE OF THE PROJECT?

- **Macro level:** Support the coordination and the regulatory framework of the sector, with a view to promoting financial inclusion in Rwanda
- **Meso level:** Contribute to capacity building and to the consolidation of the sector, and develop the financial infrastructure in order to support the sustainability of inclusive financial services
- **Micro level:** Support the professionalization of MFIs and innovations to promote sustainable access to financial services
- **Client level:** The capacity of women and youth to manage MSEs and access to finance is built.

## BIFSIR ACHIEVEMENTS IN 2013

### 1. Capacity building of 416 Umurenge SACCOs

Since 2011 this project has provided technical and financial assistance to the central bank and to the Ministry of Finance to establish and supervise 416 U SACCOs throughout the country. In 2013, the project provided 88

computers to 88 U SACCOs as a basis for computerization and institutional capacity building. So far, the number of adult population accessing financial services in Rwanda has increased from 21% in 2008 to 42% in 2012. The government target remains to achieving 80% financial inclusion by 2017.

### 2. Refinancing of SACCOs and MFIs

BIFSIR project support two local refinancing agencies to offer line of credits to 78 MFIs and SACCOs. As a result, those 78 institutions were able to lend to 24,106 new clients. In addition, other 2 local MFIs were provided a grant to scale up lending opportunities to MSEs. As of December 2013, those 2 MFIs reached 36,671 new borrowers of which 60% are rural women entrepreneurs.

### 3. Promotion of entrepreneurship among women and youth in Rwanda

The Ministry of Trade and Industry initiated a program called Hanga Umurimo Program to ignite entrepreneurialism among Rwandans in order to create employment, increase exports and widen the tax base. BIFSIR has supported this initiative since 2013. By the end of the funding agreement, 1,440 apprentices should have acquired apprenticeship trainings, 200 TVET graduates and 120 informal saving groups be trained on entrepreneurship with a focus on youth and women.

### 4. Advancing technology based financial services to the rural population

Funded by BIFSIR, Urwego Opportunity Bank implemented a mobile banking and agent banking system which has made tremendous contribution of extending financial services to the poor population in Rwanda. So far at least 17,000 clients have accessed mobile banking facilities and this number continues to increase overtime.

## Contact information:

Arthur SABITI (National Technical Advisor) [arthur.sabiti@uncdf.org](mailto:arthur.sabiti@uncdf.org)  
Yoon Kyung LEE (M&E Officer) [yoony.lee@undp.org](mailto:yoony.lee@undp.org)



Ministry of Trade and Industry



## Hanga Umurimo Program

- "Start Small, Grow Big"

### WHAT IS HANGA UMURIMO PROGRAM?

Initiated by Ministry of Trade and Industry (MINICOM), HANGA UMURIMO Program (HUP) has been conceived with a purpose to nurture an entrepreneurial culture among Rwandans and foster the emergence and growth of a local based business class in pursuit of the Vision 2020 aspiration to transform Rwanda into a middle income country.

With the support that UNDP acquired from the Republic of Korea to scale up entrepreneurship in Rwanda through BIFSIR, in 2013 BIFSIR steering committee approved to fund Hanga Umurimo activities with budget of 970,402 USD to be disbursed in two years (2013 & 2014) covering 9 districts.

### KEY FEATURES

- **Apprenticeship training**
- **Entrepreneurship training**
- **Provision of SACCO start-up kits**
- **Capacity building for SACCO managers on MSEs lending**
- **Institutional capacity building of MINICOM and RICEM**

### BRIEF DESCRIPTION ON THE FIELD VISIT

#### Carpentry Training site in AGAKIRO JENDA

The center was established in 2013. It was constructed by MINICOM in partnership with local artisans. The center works as artisan houses and vocational training for basic vocational skills. It is also a market place for

artisan and handcraft products. Currently, BIFSIR Project is supporting 15 apprentices in carpentry for the period of 3 months. During our visit, we meet 12 apprentices and the other 3 apprentices were already returned home since they live far from the training site. Among 15 trainees, 5 of them are women.

#### Tailoring workshop in Mukamira Town

The tailoring workshop was established in 2006 by Mrs. Ayinkamiye Charlotte, a young lady who graduated from RYSBOC trainings. The workshop has 5 part time employees (4 women and 1 man). BIFSIR Project is supporting 8 apprentices in the center. All of them are women.

#### MUKAMIRA Welding Site

The workshop was established in 1992 by Niyigaba Jean Pierre. BIFSIR Project is supporting 13 apprentices in welding for a 3 months training.

#### SACCO MUKAMIRA

Established in December 2010, it has 5,122 members with total loan portfolio of Rwf 62,035,000 and Non-Performing Loan (NPL) rate of 0.57%. BIFSIR will provide a credit funds to facilitates graduate apprentices to start their own businesses (50% loan and 50% grant).

**Murakoze Cyane.**  
**Thank you.**  
**감사합니다.**

#### Contact information:

Arthur SABITI (National Technical Advisor) [arthur.sabiti@uncdf.org](mailto:arthur.sabiti@uncdf.org)

Yoon Kyung LEE (M&E Officer) [yoony.lee@undp.org](mailto:yoony.lee@undp.org)