

### RIM, ADHERING TO CLIENT VOICE IN MICROFINANCE SECTOR IN RWANDA



The Interdiocesan Microfinance Network - RIM Ltd (RIM) has been in existence for 15 years providing micro-financial services to low-income earners. RIM was created by the Catholic Church of Rwanda on May 6, 2004. RIM Ltd currently has 11 branches across the country, this includes 4 provinces and the city of Kigali but in only 28 districts of the country. In line with their mission to contribute to the poverty reduction through savings and credit activities, and also contribute to the country's economy, early 2017, RIM started a journey of responsible finance and adhering to Smart Campaign's consumer protection principles. This institution has been a member of the Association of Microfinance Institutions in Rwanda (AMIR) for 12 years.

Supported by AMIR and The SEEP Network under the Responsible Finance through Local Leadership and Learning project (RFL3, RIM has been part of the 7 MFIs that are being assisted technically to improve on the financial services by adopting to consumer protection principles standards in their policies and daily practices. RIM is also part of MFIs that are committed to not only improving best practices in responsible finance but also going for smart certification in consumer protection by Smart Campaign.

As part of best practices, like other 6 MFIs Inkunga Finance plc, Duterimbere, Umutanguha Finance company, CPF-Ineza, Umwalimu SACCO and Goshen Finance), RIM is now committed to being fully transparent in pricing, terms, and conditions of all financial products. RIM is putting in place mechanisms so that clients do not borrow money than they can pay or use a financial product they do not need. They have trained staff in respectful collection practices and adopts high ethical standards in the treatment of clients. RIM is providing clients with different channels to address their complaints or suggestions and ensures clients' data are kept privately, clients are, protected, treated safely and their voices are heard.



#### Developed mechanisms for collecting and handling customer complaints

By December 2019, a lot had been done to improve on best practices, these include, training of staff, board members, revision of policies and internal documents, client training and campaign and publications. RIM has in place different channels including a toll-free line (2004), Email, what sup numbers, suggestion box, register book, face to face meetings, and a telephone number 0788320675. All these channels are in place to facilitate the institution to receive and provide timely responses to clients and will use these mechanisms both to resolve individual problems and to improve their products and services

### AMIR MEMBERS ARE COMMITTED TO CONTRIBUTE TO NATIONAL SANITATION POLICY

With reference to the National Sanitation Policy and the associated human security issues, and current efforts made by different stakeholders to ensure that hundreds of thousands own improved latrines, the Association of Microfinance institutions in Rwanda (AMIR), believe that through micro-finance services there can be a significant contribution in improving household sanitation through providing affordable loans. Microfinance institutions and SACCOs are mainly responsible for the social-economic welfare of low-income households.

It is in this context, the apex body of microfinance institutions in RWANDA signed a partnership agreement with the SNV-IsukuIwacu project aimed at implementing sanitation loan products with AMIR member MFIs and SACCOs. Ever since the partnership agreement was signed, a lot has been done, including designing loan products, designing communication tools (brochures) and meeting with district Deans.

AMIR and SNV have selected 8 Districts to participate in the pilot phase and intervene on the human security issues. This initiative is targeting 84000 households to own improved latrines. The participating in the pilot phase include; Kicukiro and Nyarugenge in Kigali City, Nyabihu in Western province, Ruhango and Nyanza in Southern province as well as Ngoma, Kayanza, and Rwamagana in Eastern province.

In line with the above, AMIR and SNV organized an official launch of the product in December 2019 from 23rd to 27th in all the 8 districts. The main objective of this launch was to meet with SACCO managers, chairpersons of the board of directors and Executive Secretaries of administrative sectors in order to agree on the loan sanitation product and launch it officially. This was mainly aimed at increasing ownership by the lending institutions (SACCOs and MFIs) as well as the local authorities.

Moving forward to 2020, AMIR is planning to continue following up with SACCOs that have not signed the acceptance forms, conducting training on the sanitation loan management and conducting awareness campaigns through radios and TVs.

### A general overview of the technical assistance program

Living alone the story of RIM, this technical assistance program has contributed much to the improvement of financial services and client treatment in other MFIs. Some of the key highlights/ achievements includes but not limited to:

- 📌 We have on the list MFIs that are committed for Smart Campaign CPP certification and they have started conducting regular assessments including social rating
- 📌 Board members from different institutions are now aware of SPM and they were trained to introduce the responsible finance framework. This has contributed a lot to the good and responsible governance in microfinance institutions in Rwanda
- 📌 MFIs in Rwanda have established CPP and SPM committees, which are in charge of tracking the MFIs compliance with the CPP international standards on a daily basis.
- 📌 MFIs have decided to put in place mechanisms to collect and receive client's complaints and suggestions; address these problems quickly and effectively and use complaints as feedback for improving operations. These mechanisms include but not limited to; toll-free line, social media channels, office lines, suggestion boxes, register books.....
- 📌 MFIs have invested in revising their internal policies and procedures so that they are aligned with social performance management international standards and are client protection centric
- 📌 Those who had no specific staff responsible for Social Performance ad client treatment, they have now hired them with key tasks and responsibilities.
- 📌 AMIR has brought a customer care system with a view to increasing microfinance client protection and satisfaction. This system also helps the MFIs to record, store, process, validate and produce a periodic report (statistics) for strategic decisions and management. AMIR is calling this system AMIR/Satis customer care system
- 📌 The staffs of MFIs are now equipped with professional training in line with SPM and CPP.
- 📌 Microfinance Institutions in Rwanda have already produced information, education and communication materials to promote key messages in consumer rights and protection.
- 📌 Institutions have put SPM and CPP compliance in their operating plans assorted with a dedicated budget;
- 📌 Organizing learning trips for the purpose of improving social performance.

Going forward for 2020, AMIR <http://www.amir.org.rw/> supported by The SEEP Network <https://seepnetwork.org/> and Master Card Foundation <https://mastercardfdn.org/> is committed to continuing accompanying the TA process and, to make sure that, the responsible and inclusive finance is reinforced not only in 7 MFIs but in RWANDA microfinance sector.

According to The Smart Campaign, <https://mastercardfdn.org/> more than 115 financial service providers have been awarded the Smart Certification seal. More than 45 million clients globally are served by providers that have demonstrated their commitment to treating customers with fairness and respect. Investors have adopted the standards into their due diligence and social impact assessments. Regulators have relied on the principles and the Campaign's research to design policies that balance client risk, market sustainability, and take the voices of both providers and clients into account. The Campaign has facilitated collaboration between our communities to create a world in which clients can better access a range of financial services with confidence.

Given the fact that, among 115 FSPs that have been awarded by the Smart Campaign, only 1 financial institution is from EAC. AMIR is fully committed to making the RWANDA microfinance sector shining on the world's map by having some of the MFIs in Rwanda certified by the <https://www.smartcampaign.org/> as one of the best MFIs that treats customers fairly and with respect by the end of 2020.

Kindly read our bulletin for the months of April, May, June, July and August, Sep and Oct & Nov, 2019 through the link below:

<http://www.amir.org.rw/media-center/news/>