

### Rwanda celebrated world savings day/week in October, 2019



**AMIR and SBFIC staff, the executive secretary of Cyungo sector/Rulindo District, the Vice-Mayor in charge of Economic affairs attending the open day in Coopec ITI Cyungo sector.**

After the cabinet meeting held on 10th October 2019 and set the WSW 2019 to take place from 23rd -31st October 2019 under the theme: Save for a Better Future, AMIR and its members MFIs and SACCOs started the preparations to fully participate in the savings week at the national level. The savings week/day aims at sensitizing the Rwandan population on the importance of savings not only to an individual, household but also the country at large. Specifically, the savings week was an opportunity for raising awareness and promoting different financial products offered in the country with an aim to increase the access, uptake and usage of available financial products (specifically saving products) and services.

Secondly, it is aimed at creating room for interaction between the clients and providers of financial services/products. As a result, service providers are expected to develop services/products that will meet the needs of various segments of the population.

#### Main activities performed by AMIR and its members supported by The German Savings Banks Foundation for International Cooperation (SBFIC)

349 MFIs/SACCO partnered with AMIR/SBFIC in sensitization during Saving Week and used the opportunity to reach potential clients by encouraging the public to open saving accounts.

AMIR managed to visit 35 MFIs/SACCOs during open days all over the country and all 349 members received Banners and other promotional materials to facilitate the sensitization.

AMIR organized meetings with selected 35 SACCOs/MFIs

Sensitizing members to participate in savings week and organize some activities; All AMIR members were encouraged to participate effectively in different activities of the week as planned by MNECOFIN.

Distribution of promotional materials to all AMIR members: Apart from banners that were given to all members, 35 selected SACCOs were visited and supported with Caps, T-shirts, School bags, Umbrellas, and brochures

Tinyika-Wigire, a financial product which was designed for poor women was also sensitized during the week

AMIR participated in UMUGANDA from Rwamagana District/ Kigabiro sector.

Around 15000 people were reached and sensitized on saving culture during the opening days, big event and Umuganda in the World Savings Week campaign

In all the MFIs, over 3000 children have been awarded as best savers, different awards have been given, provided by AMIR/SBFIC.



Children in Nyamasheke District after receiving their prizes as the best savers



### Go, share, learn and create an impact

**AMIR and members participated in the African Regional Summit and The SEEP Network annual conference**



**A team from Rwanda with Bintou Ka Niang during the SEEP Conference 2019**

Every year, AMIR, the Association of Microfinance Institutions in Rwanda, a member of SEEP Network participates in **The SEEP Network** annual conference. This year the annual conference and African Microfinance Summit took place from 21-23/October, 2019, in Arlington, Virginia USA.

AMIR and members participated in both AMS and SEEP Network annual conference. AMIR was able to send 4 members, which are three CEOs and 1 AMIR staff to participate in both events with the support of SEEP Network and MasterCard Foundation.

AMIR and its members had a critical role to present about client protection principles (CPPs) application in Rwanda. AMIR members that participated in the conference and AMS include Goshen, Umutanguha Finance and Inkunga finance Ltd.

#### Lessons learned

- Smart Certification and compliance with client protection practices more broadly, has benefits for MFI clients, the microfinance sector and the MFI itself.
- It is therefore relevant and valuable for MFIs to comply with client protection practices.
- MFIs should assess their readiness for Smart Certification and the availability of financial resources to determine whether to undertake a self-assessment, an accompanied self-assessment or a Smart Assessment.
- Prior to doing a Smart Assessment, MFIs should do a self-assessment as an internal check of their client protection practices to identify areas for improvement in a timely and efficient manner
- A 'compliance committee' or 'compliance champions' should be established to guide the certification process. This should include representation from senior management and should meet regularly.
- MFIs should document all policies, practices, training sessions and systems like these that will be required in the certification process. Regardless of whether the MFI is prioritizing Smart Certification at this time, such processes are valuable for optimal operations.
- MFIs should allocate sufficient time, together with the required human and financial resources, to the certification process.
- Once certified, MFIs should prioritize on-going engagements and check-ins with clients to ensure that they continue to understand their clients' needs and continue to meet these.
- MFIs should embed client protection practices into staff performance Key Performance Indicators (KPIs) to ensure on-going commitment to client protection throughout the organization.
- The world has turned to digital finance as the quickest solution towards global financial inclusion
- Savings groups have been identified as the potential tool towards financial inclusion and access to financial especially through MFIs and SACCOs
- Women and youth have the potential to work with financial institutions to increase employability and eradicate poverty

## Fight over-indebtedness, promote credit score and reporting

Rwanda boasts to have one of the most vibrant financial sectors in Africa with a population of only 12 million (including about 6 million adults), the country counts 472 microfinance institutions and 17 banks. This leads to strong competition in the financial sector, which in turn, makes financial services customers prone to temptation to borrow from multiple sources where multiple lending one of the major causes of over-indebtedness in the sector

Over-indebtedness is one of the serious risks that the microfinance sector is exposed to and can affect both the social impact and the stability of the industry. Competition increases over-indebtedness since it makes information sharing more difficult, creates pressure for MFIs to over-lend, and incites lenders to “gamble”, given the options of alternative sources. For these reasons; AMIR is very caring and committed to considering the consequences that competition might have on the micro-finance sector and customers. Again this is why the credit bureau exists.

The Association of Microfinance Institutions in Rwanda (AMIR), being the only umbrella body that represents the micro-finance sector in Rwanda, is participating in the implementation of the Responsible Finance through Local Leadership and Learning (RFL3) Program, in partnership with the SEEP Network and supported by MasterCard Foundation. This program is aimed at scaling up the application of consumer protection (CP) principles for low-income financial service customers. Microfinance institutions being not able to report regularly to Transunion (CRB), penalties charged by BNR for not reporting, this is due to the fact that there are gaps like low skills, infrastructures, etc.... Through the program, AMIR is committed to investing resources to build the capacity of its members to use CRB effectively to be able to overcome the mentioned challenges. With this strong initiative, AMIR and CRB/Transunion have collaborated to conduct training to 126 members; this includes 46 from MUSANZE district, 33 Karongi District 29 from Kayonza District, 8 from Muhanga and 10 from Huye district 5 provinces.



AMIR and Transunion are preparing more training and awareness campaigns covering the whole country by 2020. It is planned that around 200 will be trained and all clients and citizens will be sensitized on building good credit scores hence this will minimize risks for asking unneeded loans, loan diversion and other bad financial behaviors.

## Upcoming Events for November and December 2019



Assisted Smart assessment in KAZO SACCO-  
**Ngoma District; December 2019**

Assisted Smart assessment in SANGWA SACCO  
Gahengeri- **Rwamagana District; December 2019**

Continued technical assistance to 7 MFIs going  
through CP certification process

AMIR members General Assembly on 6<sup>th</sup>  
December 2019

Rwanda Microfinance Day 20<sup>th</sup> November  
2019

East Africa Microfinance Summit 21<sup>st</sup>, 22<sup>nd</sup>  
November 2019

SPI4 Training 27<sup>th</sup>, 28<sup>th</sup>, 29<sup>th</sup> November 2019



Kindly read our bulletin for the months of April, May, June, July and August and Sep 2019 through the link below:  
<http://www.amir.org.rw/media-center/news/>