

**FINAL REPORT OF THE STRATEGY ON WOMEN AND YOUTH
ACCESS TO FINANCE (2016-2020)**

BY MIGEPROF

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List of Abbreviations and Acronyms

AfDB	: African Development Bank
ATM	: Automated Teller Machine
BDC	: Business Development Centre
BDF	: Business Development Fund
BNR	: National Bank of Rwanda
BRD	: Banque Rwandaise de Development
EDPRS	: Economic Development and Poverty Reduction Strategy
EICV	: Enquête Intégrale Sur les Conditions de Vie des Ménages
FinScop	: Financial Inclusion Surveys
FSDP	: Financial Sector Development Programme
GMO	: Gender Monitoring Office
ICBTS	: Informal Cross Border Trade Survey
ICPC	: Integrated Craft Production Centers
ID	: Identity Card
ILO	: International Labour Organisation
MFIs	: Micro Finance Institutions
MIFOTRA	: Ministry of Public Services and Labour
MIGEPROF	: Ministry of Gender and Family promotion
MINICOM	: Ministry of Commerce and Industry
MSME	: Micro, Small and Medium Enterprise
MYICT	: Ministry of Youth and ICT
NEP	: National Employment Program
NGO	: Non Governmental Organizations
NWC	: National Women Council
NYC	: National Youth Council
RCA	: Rwanda Cooperative Agency
RIF	: Rural Investment Facility
RDB	: Rwanda Development Board
SACCOs	: Savings and Credit Co-operatives
TVET	: Technical Vocational Education and Training
UoB	: Urwego Opportunity Bank
VSLA	: Village Savings and Loan Association
WDA	: Workforce Development Authority
WGF	: Women Guarantee Fund

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Executive summary

Rwanda aspires to become a middle-income country by 2020 which entails socio-economic transformation through the creation of a productive middle class and entrepreneurship development among others. For this objective to be attained, there is need of putting in place a conducive policy environment that promotes inclusive access to finance as a critical pillar of socio-economic empowerment of the population particularly the most disadvantaged groups such women and youth.

Different strategies have been put in place aimed at promoting financial inclusion including the establishment of SACCOs at sector level and a commitment of ensuring that at least 50% of all loans from Umurenge SACCO, Microfinance institutions and Banks be used by women¹. In addition, pro-poor programs such as VUP and Ubudehe that provide among other things financial services such as loans to the most vulnerable population mainly women and youth as well as Financial Sector Development Program (FSDP) with an ambitious target of ensuring that 80% of the population has access to formal financial services by 2017 have been put in place. Women and youth access to finance strategy was also developed and implemented since 2012.

Other initiatives to facilitate access to finance in general and women and youth in particular include the National Employment Program, Microfinance Policy and National financial literacy education strategy.

These initiatives have resulted in increase of women accessing formal finance from 36% in 2012 to 63% in 2016 but still low compared to men who increased access from 51% in 2012 to 74% in 2016. In terms of access to informal financing, women have decreased access to informal financial services from 32% in 2012 to 24% in 2016 while the rate for men decreased from 27% in 2012 to 17% as stressed by FINSCOPE 2016.

With regard to addressing financial exclusion, the FINSCOPE 2016 showed that females' financial exclusion reduced from 32% in 2012 to 13% in 2016 compared to a decrease from 22% to only 9% for males in the same period. Despite this decrease, while considering the total number of Rwandans financially excluded which is equivalent to seven hundred thousand, the majority are women representing 65% (455,000) compared to only 35% (245,000) men.

With regard to youth access to finance, the FINSCOPE 2016 revealed that among the youth only, two distinct groups have been identified namely the youth aged 16-17 years and 18-30 years.

¹ Republic of Rwanda, Government seven years program (2010-2017), October 2010

For the 16-17 age group, access to finance stands at 59% while the 18-30 age group has a comparatively higher access to finance rate of 70%. Furthermore, the latter group is served by informal finance sector by a higher proportion of 19% compared to the youth group between 16-17 years which is informally served at comparatively lower rate of 14%. In terms of financial exclusion, it was noticed that the 16-17 age group experiences a more severe exclusion of 27% compared to only 11% of the 18-30 age group. This may result in the fact that at the age of 16-17 years, the majority of the youth are still in secondary education level and more dependent on their parents and schools in terms of living conditions and payment of tuition fees is done through school bank accounts thus limiting this youth group to have a direct relationship with any financial institution/mechanisms. The 16-17 youth out of school are eligible to employment according to the Rwandan Labour law 2009 but this age bracket is not eligible to hardship employment. In addition, for opening a bank account, the person is required to have a national identity Card (ID) which most of the members of this group do not have.

Despite the overall improvement in women and youth access to finance over the years as highlighted above, they are however still constrained by a number of challenges which limit their effective financial inclusion namely: limited access to formal financial services, limited collaterals, limited financial literacy, limited availability of financial products and services tailored to women and youth needs and priorities, persistence of negative mindsets and beliefs that hinder women and youth access to finance, limited access to relevant information, limited entrepreneurial skills and capacity to innovate among the women and youth and fully participate in private sector development, Limited penetration of insurance services in the country especially in rural areas as well as inadequate coordination of different initiatives that promote women and youth access to finance.

Underlying the above mentioned challenges are structural, social cultural constraints such as unpaid care work, high women's economic dependence on their spouses, low self esteem and confidence among women and persistence gender stereotypes among the male counterparts that require continuous assessment for advocacy taking into account that gender related issues need comprehensive approach to effectively address them.

In view of the above, the revised women and youth access to finance is built on four main pillars which are: Advisory, Mentorship/Coaching and Capacity building programs, Financial Access and Credit enhancement, Financial Products tailored to women and youth needs and priorities as well as Coordination, Monitoring and Evaluation.

It is proposed that these pillars will be implemented from the second half of 2016 up to 2020, a period that coincides with the end of the vision 2020 and a shift to another country long term vision where probably new development ideas and orientation will be brought in.

CHAPTER 1: GENERAL INTRODUCTION

I.1 Background and context

The Government of Rwanda is committed to gender equality and the empowerment of women at all levels and across all sectors. The economic empowerment of women is critical for achieving inclusive economic growth and sustainably improving the quality of life for all (women, men, boys and girls). According to NISR (2012), women represent 52% of the Rwandan population and 53% of the rural population. In addition, more than three quarters of the Rwandan population is composed of youth aged 14 to 35 who represent 4.16 million (39.6%) out of a total resident population of 10.51 million inhabitants. Among them female youth slightly outnumber males representing 2.13 million (51.2%) compared to 2.03 million (48.8%).

However, despite women and youth high proportion in Rwandan population, they remain poor mainly due to their limited access to finance which partly leads to their limited economic empowerment and therefore limited participation in the private sector development.

The government of Rwanda has initiated different strategies aimed at reducing gender inequalities in access to finance and economically empowering women. The Youth and Women Access to Finance Strategy developed in 2012 is one of these strategies intended to facilitate women and youth's access to credit and other financial services, as well as training to improve their financial literacy and provision of business advisory services². Following this strategy, a guarantee fund was established, it operates under Business Development Fund (BDF) and provides up to 75% of credit guarantee. In addition, a grant of 15 % of the total loan disbursed is also provided which would easily stimulate women and youth to access funds for development.

However, despite these good initiatives, women and youth remain financially excluded or disproportionately served compared to other segments of the population. The Government of Rwanda through its 7-year Government programme (2010-2017) has committed to reach at least 50% of women borrowers in SACCO and MFIs by 2017 and reach at least 80% of the population benefiting services from financial institutions by 2017. In order word, the government has committed to reach 80% of formal financial inclusion by 2017.

It is against this background that MIGEPROF has commissioned this study to revise and update the Women and Youth Access to Finance strategy (2012) and ensure its alignment to other initiatives including the National Employment Program, aimed at increasing women and youth's access to finance. Different institutions are key partners in the formulation and implementation of this strategy, among others, the Ministry of Gender and Family Promotion which is the lead ministry, the Ministry of Youth and ICT, the co-lead and other facilitating Ministries and institutions such as MINICOM, MINALOC, MINECOFIN, Business Development Fund (BDF), Rwanda Cooperative Agency (RCA), NWC, NWC and NYC committees, RDB, BRD, financial institutions including MFIs and SACCOs, and NGOs such as Care International/Global community among others.

I.2 Objective the assignment

The overall objective of this assignment is to review and update the existing strategy to facilitate the Government of Rwanda through the Ministry of Gender and Family Promotion and other participating institutions to implement youth and women economic empowerment programs tailored to access to finance.

Specifically the assignment will seek to cover the following:

- Make a systematic assessment of the existing women and youth access to finance strategy focusing on the achievements and gaps to inform the development of the updated strategy;
- Review the existing initiatives aimed at youth and women access to finance, citing duplications where applicable and mapping synergies between all programs related to youth and women economic empowerment;
- Develop an appropriate institutional framework that enables implementation, coordination, monitoring and evaluation of women and youth access to finance;
- Review and develop performance indicators to women and youth access to finance strategy in line with National Employment Program and EDPRS2;
- Propose appropriate mechanisms that facilitate youth and women to acquire loans in light of their economic empowerment;

I.3. Key deliverables

The key deliverables for the assignment will include the following:

- An inception report that includes a methodology, background information, understanding of the assignment and a realistic work plan within which the assignment will be accomplished

- A first draft strategy within 25 working days after the inception report, mapping projects and initiatives, identifying gaps, defining the strategic direction and expected results and proposing a framework within which youth and women economic empowerment can be enhanced.
- A second draft strategy shall be delivered within 15 working days after the first draft report, it will have a detailed implementation plan defining the roles and responsibilities of every participating institution in the implementation of women and youth access to finance. It shall also include a proposed coordination mechanism and M&E framework for measuring the achievement of the goals and targets of the strategy.
- The final draft strategy will be delivered within 10 working days and validated in a workshop involving all relevant stakeholders; this will be organized by MIGEPROF. The comments, inputs and recommendations from the stakeholders' workshop will be incorporated to inform the final strategy.

I.4. Scope of the assignment

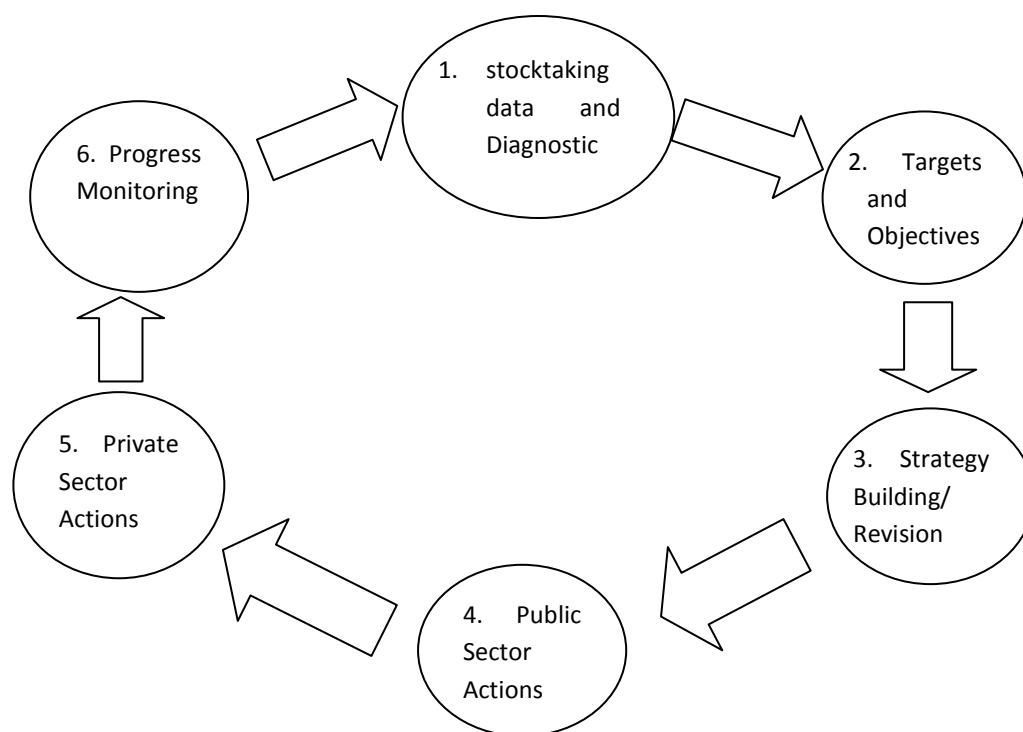
Since the strategy is implemented country wide, this midterm review will be cover information from all provinces of Rwanda. Emphasis will be made on access to finance and employment promotion initiatives across sectors and institutions.

I.5 Methodology and Approach

The proposed methodology for the review and update of the Strategy of Women and Youth access to Finance followed the steps included in the “reference framework” developed by the World Bank for financial inclusion strategies³. The framework suggests the following components:

³ www.worldbank.org/financialinclusion . Though the framework concerns financial inclusion strategies in general, we believe it to remain very relevant for a strategy to increase women and youth access to finance.

Figure 1 : Women and Youth Access to Finance Strategy Components



- **Component 1: Data and Diagnostics**

For the first step, the team of experts undertook a **literature review** to understand and determine the baseline situation. This included gathering and analyzing data from various sources: FINSCOPE surveys 2008, 2012 and 2016 and indicators used in them, the EICV 4 (2013/14) results, Central Bank financial inclusion and access to finance periodic reports, BDF reports, RCA reports as well as other relevant documentation for this assignment.

The literature review allowed the determination of a **set of indicators** used globally to measure access to finance for women and youth that is applicable to Rwanda (or can be adapted). It is on the basis of these indicators that measurable objectives and targets were set.

The review has also allowed the comparison of existing indicators and targets to the international good practice and thereby assisted in identifying gaps at the level of measurement concept. The diagnostic literature review and existing indicators and targets as well as assessment of achievements against targets were complimented by interviews with key stakeholders (e.g. informants from BDF, from Banks, MINECOFIN, MIGEPROF, MYICT, MINICOM,

MIFOTRA, RCA, etc.). This qualitative collection of information shed light on some of the interpretation of the primary data collected and helped to gain comprehensive overview of how the women and youth access to finance strategy should look like.

- **Component 2: Targets and Objectives**

Rwanda is signatory to the Maya Declaration, as such, the country is committed to 80% access to finance by 2020. This will be the starting point. But inclusion is not for the sake of inclusion, it is to allow better living conditions for people.

As such, after having assessed progress against the existing strategy and after having determined the baseline for indicators, based on the literature review and interviews mentioned above, the team of consultants has proposed objectives, indicators to measure progress and targets for those indicators.

Those objectives and targets have been discussed and validated by the client/MIGEPROF and key stakeholders during the validation workshop as they need to ensure ownership of those targets against which they will be required to deliver.

- **Components 3, 4 and 5: Formulating the revised strategy, including both public sector and private sector actions**

Designing the revised strategy was based on the steps below:

- Assessing the current strategy and the lessons learned from the exercise literature review and diagnostic)
- Learning lessons from other successful countries (literature review)
- Objectives and Targets agreed between all stakeholders (literature review, diagnostic and targets validation workshop)

The workshop to validate the targets between all stakeholders was also used to collect opinions of stakeholders on the best ways to achieve the targets adopted vis a vis gaps identified.

Under components 4 and 5, the revised strategy has determined, based on the gaps, the actions that are expected from the public sector in terms of policies, regulations and infrastructure but also the actions expected from the private sector in terms of creating new products that address the needs and priorities of women and youth. The draft strategy has been discussed and validated by key stakeholders who will also be the implementers of this strategy.

During interviews and the workshop, insights on the reasons why some schemes under the previous strategy didn't work or why some others worked very well as well as expectations on the revised one were given.

- **Component 6: Progress monitoring:**

The institutional framework for monitoring progress in implementing the strategy has taken into account the existing institutional set up and the most optimal way of ensuring adequate monitoring has been decided, allowing corrective measures in a timely manner.

An example could be the need to establish a sub-group on access to finance for women and youth as subdivision of the Sector Working Group on Financial Sector Development – this would ensure that all stakeholders (who are already part of the SWG) will be monitoring on a regular basis (at least quarterly) the implementation of the strategy. Of course this choice has also other implications, hence the need for stakeholders to decide in adopting one of the many options that the team of consultants has proposed.

CHAPTER 2: OVERVIEW OF YOUTH AND WOMEN'S ACCESS TO FINANCE IN RWANDA

2.1 Policy context for women and youth access to finance

Rwanda aspires to become a middle-income country by 2020 which entails socio-economic transformation through the creation a productive middle class and entrepreneurship development among others. For this objective to be attained, there is need of putting in place a conducive policy environment that promotes inclusive access to finance as a critical pillar of socio-economic empowerment of the population particularly the most disadvantaged groups such women and youth.

The government of Rwanda is committed to promoting inclusive financial access to all segments of Rwandan population in line with vision 2020, government seven years programme, EDPRS2 and financial sector strategy (2013-2018). Vision 2020 has set the platform for financial sector reform process in Rwanda. The Rwandan Financial Sector Development Programme (FSDP) that was launched in 2006 has the vision 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”.

The FSDP has set a target to ensure that 80% of the population has access to formal financial services by 2017. Furthermore, Rwanda has signed the Maya Declaration of the Alliance for Financial Inclusion and as a signatory country it commits itself to financial inclusion efforts to ensure that all people are included in their country's financial sector.

At national level and through government seven year programme (2010-2017), the government of Rwanda has committed itself to ensure that at least 50% of all loans from UMURENGE SACCO, Microfinance institutions and Banks be used by women⁴.

Several other government strategies have been developed to facilitate access to finance in general and women and youth in particular including the National Employment Program, Micro Finance Policy, National financial literacy education strategy and others. One of the recommendations provided by MINECOFIN through the National Microfinance Policy Implementation Strategy (2013-2017) to increase women and youth access to finance is to facilitate the National Women's Council and the Youth League to identify systematically the needs and priorities for financial services amongst their members and communicate these to the relevant institutions.

⁴ Republic of Rwanda, Government seven years program (2010-2017), October 2010

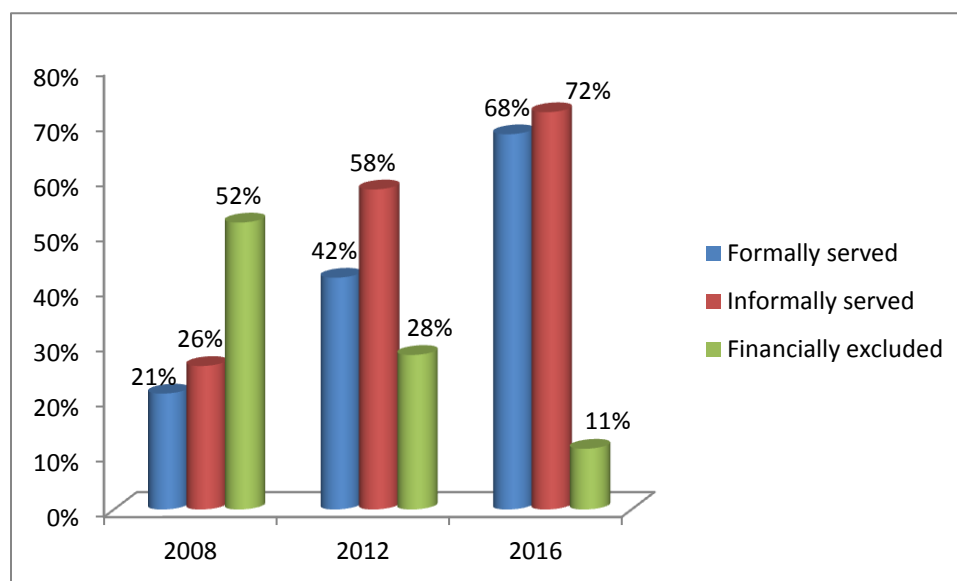
2.2 Current status on women and youth access to finance

Following the high political will and government initiatives, women and youth have continuously gained opportunities to access finance including loans over time although there is still long way to go. The following section highlights the key achievements and challenges in relation to women and youth access to finance as well as lessons learnt.

2.2.1 Key achievements

The Rwandan financial sector has grown impressively over the years and is currently composed of 9 commercial banks, 3 microfinance banks, 1 development bank and 1 cooperative bank, 490 microfinance institutions of which 11 are limited companies and 479 SACCOs (including 416 Umurenge SACCOs)⁵. Effort has continually been made to ensure that the Rwandan population is financially served for improved livelihoods. The figure 1 below provides the trends overtime from 2008 to 2016.

Figure 2 : Progress on financial access in Rwanda from 2008 to 2016



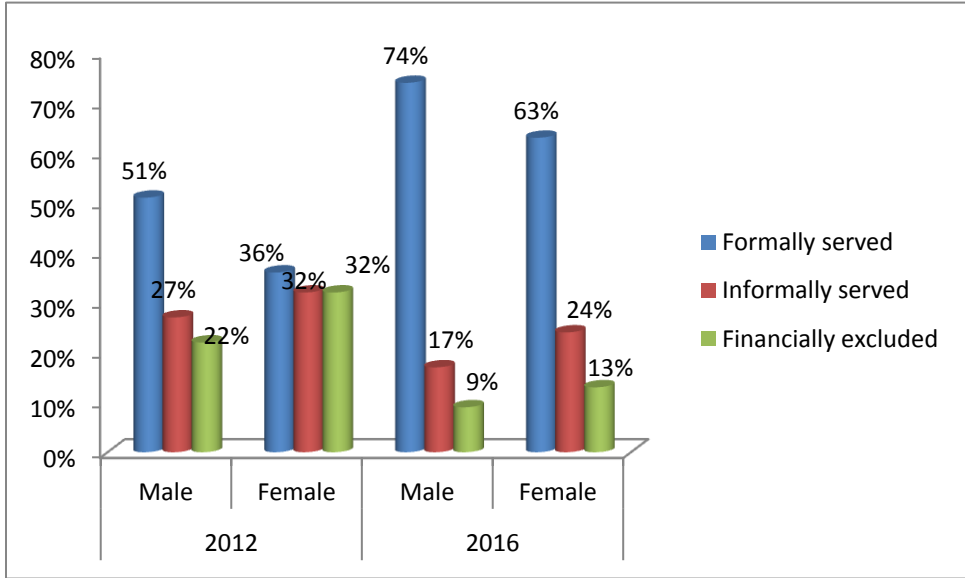
Source: FINSCOPE 2008, 2012& 2016

⁵ <http://www.rdb.rw/rdb/financial-services.html> consulted on 12March 2016

In fact, while 52% of Rwandan adults (18 years or older) were financially excluded, 21% formally served and 26% relied on informal mechanisms only in 2008, the proportion of people financially excluded dropped to 28% in 2012, (1.3million) , formally and informally served increased to 42% and 58% respectively⁶. This positive trend has continued so that today, the financial exclusion in Rwanda stands at only 11% (0.7million) and about 68% of adults (around 4 million individuals) in Rwanda are formally served while 72% of Rwandans use informal financial mechanisms as revealed by the FINSCOPE 2016. However, the Government of Rwanda’s target of increasing the formal financial inclusion to 80% by 2017⁷ has not yet been achieved and probably will not be reached in only one year to come.

In all this development trends, women and youth have not been left out despite the fact that the pace of progress is still slow compared to their male counterparts. The figure 2 below summarises the progress made on women and men’s financial inclusion from 2012 to 2016.

Figure 3 : Women’s progress in access to finance in Rwanda from 2012 to 2016



Source: AFR, FINSCOPE 2016

⁶ AFR, Financial inclusion in Rwanda (FINSCOPE) 2012, January 2013

⁷ Republic of Rwanda, Government seven years Program (2010-2017), Kigali, October 2010

The figure 2 shows that while 36% of females benefited from formal financial services in 2012 compared to 51% of males, this proportion has almost doubled in 2016 and has been 63% for females compared to 74% males. In terms of informal financing, women having access to informal financial services decreased from 32% in 2012 to 24% in 2016 which is 8% decrease compared to 10% decrease for males who are currently at 17% compared to 27% in 2012 as found out by FINSCOPE 2016.

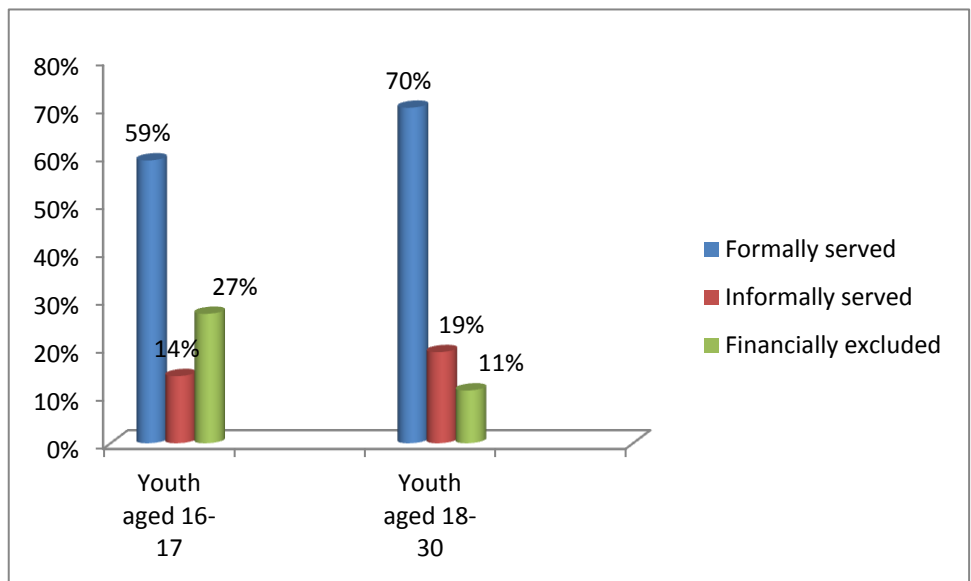
With regard to addressing financial exclusion, tremendous efforts have been deployed to reduce the proportion of Rwandans without access to any financial products or services (neither formal nor informal). In fact, as the FINSCOPE 2016 showed females' financial exclusion reduced from 32% in 2012 to 13% in 2016 compared to a decrease from 22% to only 9% for males in the same period. These dramatic achievements in only four years is a result mainly of introducing innovative approaches of improving finance service delivery to the majority of Rwandans including the most vulnerable and disadvantaged groups such as women and youth in both urban and rural areas.

The above initiatives include Mobile money services, Umurenge SACCOs, agent banking, pro-poor programs such as Ubudehe and Vision 2020 Umurenge Programs (VUP) that among other things give priority to promoting financial services to the poor such as opening and managing bank accounts including saving accounts. Specifically, looking at the establishment of Umurenge SACCO countrywide and at each administrative sector, they have increased both proximity, customer friendly procedures and conditions have contributed to increased access to financial services to the population in general and women and youth in particular. However, considering the total number of Rwandans financially excluded which is equivalent to seven hundred thousand, the majority are women representing 65% (455,000) women compared to only 35% (245,000) men.

With regard to the youth access to finance, the FINSCOPE 2016 revealed that among the youth only, two distinct groups have been identified namely the youth aged 16-17 years and 18-30 years. For the 16-17 age group, access to finance stands at 59% while the 18-30 age group has a comparatively higher access to finance rate of 70%. Furthermore, the latter group is served by informal finance sector by a higher proportion of 19% compared to the youth group between 16-17 years which is informally served at comparatively lower rate of 14%. In terms of financial exclusion, it was noticed that the 16-17 age group experiences a more severe exclusion of 27% compared to only 11% of the 18-30 age group. This may result in the fact that at the age of 16-17 years, the majority of the youth are still in secondary education level and more dependent on their parents and schools in terms of living conditions and payment of tuition fees through school bank accounts thus limiting this youth group to have a direct relationship with any financial institution/mechanisms.

The 16-17 youth out of school are eligible to employment according to the Rwandan Labour law 2009 but this age bracket is not eligible to hardship employment. In addition, for opening a bank account, the person is required to have a national identity Card (ID) which most of the members of this group do not have. On the other hand, the 18-30 years category is advantaged in terms of accessing employment opportunities, belonging to mutual support groups and enjoys better access to networking and information.

Figure 4: Youth access to finance in Rwanda



Source: AFR, FINSCOPE 2016

Looking at data on the distribution of total adult Rwandan population (16 years and above) as shown by FINSCOPE 2016, it is observed that the 18-30 age category has the highest exclusion rate of 33% compared to 13% of the 16-17 age group, 14% for 31-40years and 10% for 41-50 age bracket.

Some studies have shown that ownership and control of assets plays an important role for someone to access finance. For example, land and houses registration certificates have been used as tools of facilitating access to bank loans. According to the GMO (2014), females that used land certificates to access loans represented 38% in 2011 compared to 25% in 2006. Those using house certificates to access loans represented 25% in 2011 compared to 19% in 2006.

Government initiated facilities such as guarantee fund provided by Business Development Fund (BDF) to owners of SMEs have also contributed to an increase of women access to finance although the amount provided are below compared to men as shown in the table below.

Table 1: Proportion of amount received by female and male’s owner of SMEs as guarantee loan by BDF (000 FRW)

Year	Male	%	Female	%	Total	%
2011	2,230,550	77.4	651,500	22.6	2,882,050	100
2012	4,285,101	74.6	1,458,146	25.4	5,743,247	100
2013	3,873,342	64.1	2,171,334	35.9	6,044,676	100
Total	10,388,993	70.8	4,280,980	29.2	14,669,972	100

Source: BDF annual reports 2011, 2012, 2013

Although there has been a continuous increase in the amount of funds provided to women as a guarantee fund, the amount received by females owners of SMEs were largely lower compared to males’ representing 29% and 71% respectively as the table above shows. An evaluation done by Central Bank of Rwanda (BNR) has shown that only 8% of the beneficiaries of Rural Investment Facility phase 1 (RIF1) were women and this increased to only 9% in phase 2 (RIF2). Additionally, the loans provided under the Women Guarantee Fund (WGF) showed that only 12% were utilised in the agriculture sector by March 2010 compared to 63% in commerce⁸. This shows an imbalance in terms of allocation of funds to agricultural based activities which are predominantly managed by women.

The results from the EICV4 (2013/2014) showed that the overall percentage of persons aged 18 years and above with a saving account has risen from 19% in 2010/2011 to 30% in 2013/2014. There has been an improvement in terms of male and female persons owning a saving account. For instance, in 2006 male ownership of saving account was 14.1% and it more than doubled in 2011 to 29% while in 2014, the figure increased to 39.6%. For females, the ownership of savings account was 5.1% in 2006 and almost tripled to 14% in 2011 while in 2014, the figure increased to 21.8%.

The Microfinance sector including SACCOs has played a vital role in promoting women’s access to finance. The number of accounts opened in microfinance institutions increased by 13.4% in one year from 2.3 millions in June 2014 to 2.7million in June 2015, Umurenge SACCOs representing 75% of the total number of accounts opened, women’s owned accounts have increased from 919,400 in June 2014 to 1,045,993 accounts in June 2015 representing an 13.8% increase while for men, their number of accounts increased from 1,286,000 to 1,440,791 in the same period representing an 12% increase⁹.

⁸ MINAGRI, *Agriculture Gender Strategy*, November 2010, page 17

⁹ BNR, Annual report 2014/2015, October 2015

Therefore, as highlighted by Kerosi et al. (2014) Umurenge SACCOs have opened various chances to women participation in leadership, access to finance thus contributing to the goal of empowering women economically as well as improving their social wellbeing¹⁰.

Despite the overall improvement in women and youth access to finance over the years as illustrated above, they are however still constrained by a number of challenges which limit their effective financial inclusion. The section below highlights some of the key challenges that continue to hinder women and youth access to finance.

2.2.2 Key challenges

This section highlights some of the key challenges that continue to hinder women and youth access to finance. These are grouped into nine categories namely: limited access to formal financial services, limited collaterals, limited financial literacy, limited availability of financial products and services tailored to women and youth needs, persistence of negative mindsets and beliefs that hinder women and youth access to finance, limited access to relevant information, limited entrepreneurial skills and capacity to innovate among the women and youth, Limited penetration of the insurance services in the country especially in rural areas as well as inadequate coordination of different initiatives that promote women and youth access to finance.

Underlying the above mentioned challenges are structural, social cultural constraints such as unpaid care work, high women's economic dependence on their spouses, low self esteem and confidence among women and persistence gender stereotypes among the male counterparts that require continuous assessment for advocacy taking into account that gender related issues need comprehensive approach to effectively address them.

a) Limited access to formal financial services

As highlighted in the section of achievements, women and youth access to finance is still limited by women's heavy dependence in informal finance services which are directly linked to women's high representation in informal economic activities. In fact, 24% of women have access to informal financial services compared to 17% of men¹¹.

¹⁰ Dr Kerosi J., Iyikirenga M. and Msaki J., *Umurenge SACCO as a tool for financial inclusion: A Case Study of Nyaruguru District, Rwanda*, International Journal of Information Technology and Business Management 29th Sept 2014. Vol.29 No.1

¹¹ AFR, Financial inclusion in Rwanda (FINSCOPE) 2016

As highlighted in the table below, women representation in non wage employment and family work are still disproportionally high compared to men. Women in non wage employment and family workers represent 75.8% and 43.2% respectively compared to 52.7% and 11.5% for men. This implies that women are still disadvantaged in terms of accessing finance through existing employment set up.

Table 2 : Distribution of employment by wage, non-wage and sex in 2010/11

National	Percent age	Male	Percent age	Female	Percent age
Wage	34.7%	Wage	47.3%	Wage	24.2%
Agriculture	12.1%	Agriculture	11.7%	Agriculture	12.5%
Non agriculture	22.5%	Non agriculture	35.6%	Non agriculture	11.8%
Public wage	4.0%	Public wage	5.6%	Public wage	2.7%
Private formal	6.0%	Private formal	9.4%	Private formal	3.1%
Private informal	24.7%	Private informal	32.4%	Private informal	18.3%
Non wage	65.4%	Non wage	52.7%	Non wage	75.8%
Non wage self employment	36.5%	Non wage self employment	41.2%	Non wage self employment	32.6%
Family worker	28.8%	Family worker	11.5%	Family worker	43.2%

Source: AfDB, Analysis of Gender and Youth Employment in Rwanda, ESTA & RWFO, May 2014

In terms of employment by key sectors, the table above shows that despite women's higher representation of 82% in agriculture sector compared to 63% men, the remuneration derived in the form of wages is lower and almost equal to that of men representing 12.5% and 11.7% respectively. Additionally, the disparity in terms of wages between men and women is even higher in non agricultural employment where men receive 35.6% of non agricultural wage compared to 11.8% for women. These structural imbalances between women and men require urgent attention.

b) Limited collateral

According to NISR 2015 Statistics, 25% of all registered parcels of land were for women only, 19% for men only and 54% for married couples. This implies that the total proportion of women eligible to use land as collateral represent 79%. However, the figures from GMO (2014) show that less than a half (38%) has used land certificates to access loans.

BNR (2015)¹² showed that the authorised loans to women for the financial year 2014/2015 represent 67% lower than that of men. In fact, while the authorised loans for men were Rwf 214.3 billion compared to only 68.7 billion for women. As the governor of the central bank of Rwanda pointed out on 8 March 2016, key challenges hindering women's access to finance are: Limited financial knowledge, lack of collateral, societal norms where men are head of the family, risk averseness and always concentrated in informal sector, financial services not tailored to women's needs and proper risk assessment of borrowers by banks¹³.

Women are still informally financially served. In fact, as stressed by MINECOFIN (2013)¹⁴, women continue to rely on informal financing mechanisms such as Village based Savings and Loan Associations (VSLA) where they are represented at around 70%.

c) Limited financial literacy and education

Financial literacy is defined as the ability to use knowledge and skills to manage financial resources effectively for a lifetime of financial well-being while financial education is the process by which people improve their understanding of financial products, services and concepts, so they are empowered to make informed choices, avoid pitfalls, know where to go for help and take other actions to improve their present and long-term financial well-being¹⁵.

Financial literacy requires set of prerequisite skills (which importantly include literacy and numeracy); knowledge of how to access information and resources. Financial literacy and inclusion are issues of critical importance as we all strive for a more transparent, robust and sustainable economy, and a fairer society. FINSCOPE 2016 revealed that 86% of adult Rwandans need information on different aspects of managing money. Some districts have expressed a high need of financial informal such as Rutsiro, Rubavu, Nyamasheke and Karongi all in western province who registered more than 95% of adult population that expressed need for more financial education. The table 3 below provides more details for need of financial literacy.

¹² BNR, Annual report 2014/2015, October 2015

¹³ Honorable John Rwangombwa, closing remarks, enlightening women's minds and empowering women worldwide, Serena hotel, 8March 2016

¹⁴ MINECOFIN, National Microfinance Policy Implementation Strategy 2013-2017, Kigali, August 2013

¹⁵ ANGELA A. HUNG et al. Defining and Measuring Financial Literacy, Working Paper, September 2009

Table 3 : Financial literacy information needs by province and district

District number	Province and District	Need of financial literacy (%)	No need of financial literacy (%)
	Total Rwandan adult population	86	14
	Kigali City	85	15
1.	Nyarugenge	84	16
2.	Gasabo	85	15
3.	Kicukiro	86	14
	Southern Province	86	14
4.	Nyanza	85	15
5	Gisagara	84	16
6	Nyaruguru	88	12
7	Huye	88	12
8	Nyamagabe	93	7
9	Ruhango	74	26
10	Muhanga	84	16
11.	Kamonyi	89	11
	Western Province	92	8
12.	Karongi	94	6
13	Rutsiro	96	4
14.	Rubavu	96	4
15.	Nyabihu	85	15
16.	Ngororero	84	16
17.	Rusizi	93	7
18.	Nyamasheke	95	5
	Northern Province	87	13
19	Rulindo	84	16
20	Gakenke	86	14
21	Musanze	90	10
22	Burera	88	12
23	Gicumbi	85	15
	Eastern Province	81	19
24	Rwamagana	81	19
25	Nyagatare	77	23
26	Gatsibo	82	18
27	Kayonza	78	22
28	Kirehe	79	21

29	Ngoma	80	20
30	Bugesera	90	10

Source: AFR, FINSCOPE 2016

In terms of ranking the needs by type of knowledge required, 45% of the population expressed their need to know how to budget which underpins the limited entrepreneurial skills among Rwandan population as a whole. The second most important financial educational need is about how to save and how to invest money. The survey revealed that this category of need accounted for 40% of the adult population. Confidence in one's own skills and knowledge; and a set of values relating to personal financial responsibility. With these figures, it is evident that lack of entrepreneurial skills is a major challenge in Rwanda where almost half of the adult population lacks fundamental business skills.

d) Limited availability of financial products and services tailored women and youth needs

For financial product to have the desired impact on intended beneficiaries namely women and youth, there is need to undertake an appraisal of women and youth current status and their actual needs. Currently, there are many initiatives with many products aimed at improving women and youth access to finance. However, from the inception up to the implementation of these initiatives, little has been done to engage beneficiaries in terms of creating the necessary awareness among them as well as understanding their actual needs.

Taking the example of village saving and loan associations (VSLAs) as well as many other women and youth mutual self help groups which are active throughout the country especially in the area of cooperatives. These initiatives are beneficial from the point of view of cost, convenience and coverage especially to the poor. However, they remain informal and limited capacity in their management. Building on these experience, Bank and non bank financial institutions should innovatively package appropriate products that suit women and youth needs in a manner that there are efficient with minimum cost and risks.

e) Negative mindsets and beliefs that hinder women and youth access to finance

The government of Rwanda has put in place policies and programmes through different institutions to educate Rwandans on issues and values that pertain to treating men and women as equal citizens.

Some progress has been made in this regard but there is still need to address the persistence of negative stereotypes and perceptions especially against women and girls in particular and the community in general.

For example, there are widespread assumptions that women fear to take risks, women are not expected to lead and take decisions. These negative perceptions pretend to be manifested among women and girls themselves and financial service providers which therefore directly affect women's opportunities in accessing loans through formal financial institutions.

Regarding negative mindsets among the youth, the latter regard themselves as dependent on their parents for their wellbeing while the community negatively perceives them as people who are not motivated to work with a tendency to mismanage their time on leisure and other unproductive activities such as movies, betting, etc. These negative mindsets tend to limit the trust and opportunity of exploiting their own potentials including access to finance for development.

On the other hand, the patriarchal socioeconomic structure in Rwandan society has continued to render women more dependent on their spouses. This has tendered to be perceived as an acceptable social norm. This among other things has contributed to women's persistent vulnerability, low self esteem and confidence as well as limited powers in decision making including access to finance.

f) Limited access to information related to finance

Access to information is key for anyone to be aware of existing and potential opportunities pertaining to access to finance. In Rwanda, information is mostly channelled from mouth to mouth with limited reading culture and limited time and access to radio and TV especially in rural areas and among women who are constrained by domestic chores. This was illustrated by the FINSCOPE 2016, which showed that only 1% of adult Rwandan population access financial information from newspapers and 25% get it from radio/Television. Additionally, FINSCOPE 2016 revealed that only 10% of the adult population seeking financial information and advice obtained them from financial institutions and financial advisors except in Kigali City where the rate is 20%. These figures highlight a big gap in disclosing information from official service providers to beneficiaries who still rely heavily on spouses/partner, family members and friends at a rate of 70%.

However, one important area through which financial information can be channelled to reach the population is via saving groups and government organised meetings which stand at 18% each¹⁶. Important opportunities and initiatives related to finance have been put in place including Women and youth guarantee fund, Rural Investment Facility, etc. by the government of Rwanda but remain little known by intended beneficiaries.

¹⁶ AFR, FINSCOPE 2016

Given the vital importance of strategic communication in business, a lot need to be done to bridge the gap between finance information providers and end users (population) that comprises mostly of women and youth. There is therefore a need to intensify awareness raising campaigns across the country and reaching different networks and structures of women and youth in order to provide them with information on existing resources and guidance on how to access different financial opportunities.

g) Limited entrepreneurial and innovation skills

There is a strong correlation between access to finance, entrepreneurship and private sector development. Women and youth entrepreneurship culture remains weak limiting their saving and investment as well as their working relationships with the financial sector. A woman entrepreneur is defined as the female head of a business who has taken the initiative of launching a new venture, who is accepting the associated risks and the financial administrative and social responsibilities, and who is effectively in charge of its day to day management¹⁷.

The FINSCOPE 2016 shows that among the people who are financially excluded, 43% of them rely on earning income from farming activities which in general generate low revenues compared to off farm activities and 46% rely on money from a piece of work or casual labour employment. These categories are mainly composed of women. The Rwandan Census 2012 showed that 73% of the Rwandan population are employed in the Agriculture sector with women representing 82% compared to 63% men and in rural areas, women in agriculture represent 92% compared to 77% of men. Similarly, female youth are predominantly employed in agriculture sector. As shown by the AfDB (2014), in 2010/11, 74% of employed women aged 20 to 24 were in agriculture, compared to 55% of employed men. As already shown in the table 2 above, the agriculture sector tends to provide limited wages compared to off farming employment.

Further to the above, the establishment census conducted by NISR in 2014 found that, out of a total number of 493,302 workers in-establishments¹⁸ countrywide, only 36.3% are females and this figure is even much lower in some districts such as Rulindo, Rutsiro and Gakenke where they represent 26.7%, 27% and 30.9% respectively¹⁹.

¹⁷ Wale Akinyanmi, Making of the African woman entrepreneur, principles, potentials and prospects, unpublished

¹⁸ An establishment is an enterprise or part of an enterprise with constant site, performing one or more economic activity under one administration as defined by NISR

¹⁹ NISR, Establishment Census 2014, June 2015

Gender stereotypes are still predominant in some economic activities which are mostly male dominated such as mining, and quarrying, construction, transport and storage where women workers in these key economic sectors are as low as 12.7%, 15.5% and 13.1% respectively as the census indicated.

In terms of distribution of establishments by age of the owner, the 2014 census revealed that 55.9% of sole proprietors are youth aged (14-35 years) with slightly over one third of them engaged in the category of whole sale and retail trade, repair of motor vehicles and motorcycles. In as far as establishments' distribution by sex is concerned; the census indicated that only 26.8% of sole establishments are owned by women compared to 73.2% owned by men.

The limited entrepreneurial and innovation skills maybe partly attributed to low level of education among the population. For instance, 33% of women do not have any formal education while 35% have only primary 4-6 level of schooling. In addition, 31.7% of females aged 15 and above are illiterate compared to 27.6% men and in rural areas, women who are illiterate represent 38.8% compared to 30.2% men. In some districts such as Burera and Ngororero, women who are illiterate represent as high as 47% and 44.8% respectively compared to 28.9% and 33% men respectively.

Furthermore, the same census revealed that only 55% of women have attained primary school compared to 58% men, 10% females attended secondary school compared to 11% for males and only 1.5% have attended university level compared 2.4% men.

Regarding the situation of the youth, majority of youth aged 14-35 in Rwanda who have either never been to school or have not yet completed primary represent 62.2% while only 31.5% have completed primary school and 4.9% have completed post-primary, vocational, secondary, or higher education²⁰.

These figures above indicate that the low level of women's education attainment may also be a key contributing factor to women's limited access finance especial formal financial services which requires some basic skills.

h) Limited penetration of the insurance services in the country especially in rural areas.

As stated in the FINISCOPE 2016, Rwanda's insurance penetration is still low representing 9% (0.5million) adult Rwandans having/using insurance products.

²⁰ NISR, EICV3 2010/2011

This makes an increase of 3.6% from 2012 which was standing at only 5.4%. The insurance uptake is still driven by medical insurance (excluding mutuelle de santé) and social security under RSSB. Rwanda has inadequate innovation products/services. Currently there are only two mandatory insurance products and these are motor insurance and health insurance. To these types of insurance, compulsory insurance on private commercial buildings and government buildings have also been introduced.

It is evident from the above that insurance services with the exception of the health insurance are still exclusively dominated by people with high income brackets. The low income earners especially those in farming and piece work activities, majority of them being women and youth are not served by the insurance companies.

This was highlighted by FINSCOPE 2016 which shows that the main perceived barriers relate to low, no and/or insufficient income combined with lack of consumer awareness and knowledge about available insurance products.

Since majority of women and youth who are economically active are engaged in agriculture sector which is greatly affected by climatic hazards especially drought and heavy rain as well as associated pests and diseases, there is a strong need to advocate for agriculture insurance that takes into consideration special needs of farmers especially women and youth.

i) Inadequate coordination of different initiatives that promote women and youth access to finance

As found out by the AfDB (2014), apprenticeship, access to finance and business advisory services programme for youth and women are implemented by a number of institutions with less coordination. MINICOM, RDB, MIFOTRA, MIGEPROF have been implementing at least a total of 6 programmes which provide training to youth and/or women in apprenticeship/internship. However, their coordination at local district level is still limited including the existing business services at district level such as Business Development Centres (BDCs), Telecenters and Youth Employment for Global Opportunities (YEGO) centers which could provide the necessary entrepreneurship skills for women and youth.

In addition to the above mentioned actors, other national and international organisations including CSOs, faith based organisations implement different programmes/initiatives aimed at promoting women and youth access to finance. However, the main challenge is the limited coordination, information sharing, duplication of efforts, unequal distribution of interventions in districts and regions.

Furthermore, there is a limited systematic monitoring, evaluation and reporting of interventions and impact they have generated. This challenge raises the issue of accountability among different actors and between service providers and beneficiaries.

l) Limited follow up and mentorship services

Feedback from key informants especially service providers such as BDF, ILO, UoB, NEP Secretariat, City of Kigali among others have stressed that there is still limited follow up and mentorship services for women and youth initiatives in order to empower them in accessing finance in systematic and sustainable manner.

Women and youth have demonstrated a strong desire to have greater access to finance through different initiatives. However, they remain hampered by a number of constraints including low levels of education, limited financial literacy, limited management and entrepreneurial skills among others. Evidence from consultations from stakeholders have shown that facilitating women and youth to access finance alone cannot lead to the desired results given the complexity of the above mentioned constraints. For example, one of the success stories from Urwego Opportunity Bank (UoB) is to lift women from a very poor financial status of borrowing as little as Rwf 15,000 to a level of economic empowerment where an individual woman is able to obtain a bank loan of Rwf 30million. This outstanding success story is attributed mainly to the highly effective approach of close follow up, mentoring and financial education by the banker's technical staff. This unique success is summed up in the Banker's philosophy of *"carrying a business person's hat and a pastor's heart"*. Therefore, women need compassion in order to move from a helpless mindset to a position of hope" (Director of Operations, UoB). This challenges banking institutions as the lead providers of financial services to deliberately balance the profit motive with corporate responsibility values vis a vis the community.

2.3 Mapping of projects and initiatives

The Government of Rwandan has put in place a number of initiatives and projects aimed at promoting access to finance for both women and youth which are implemented by different stakeholders. Below is a mapping of these initiatives/programs with their target groups.

2.3.1 Regulatory Frameworks

a) National Bank of Rwanda (BNR)

The National Bank of Rwanda as a regulatory financial body, in collaboration with other financial institutions has set a target of reaching at least 80% of Rwandans accessing formal financial services by 2017.

Although this target has not yet achieved and still even ambitious to be achieved, the central bank has requested financial institutions to increase outreach and their proximity to the population as well as strengthening ties between mobile service providers and commercial banks which would avoid the cost of setting a new financial branch.

In addition, the central bank has facilitated the establishment of the credit reference bureau to compile all information related to loans as seen below.

b) Credit Reference Bureau (CRB)

Credit Reference Bureau (CRB) is an entity that collects and compiles information concerning the repayment behaviour of individuals and businesses; for resale to banks, micro-finance institutions, insurance companies and other credit providers. The law governing credit information systems in Rwanda came into force on the 14May 2010. The purpose of the establishment of private credit reference bureau was the sharing of credit information among financial institutions, to ease the credit assessment and improve decision making before granting any loan.

The benefits of CRB's include the rate of loan defaulting is slated to reduce drastically because lenders using credit reports provided by CRB's avoid lending to serial defaulters. With the advent of CRB's, borrowers with good credit ratings will be rewarded for their good behaviour with lower interest rates charged by lenders based on the fact that they are lower defaulting risk and this concerns all Rwandans including women and youth.

A part from regulatory frameworks, different programmes have been initiated as highlighted in the section below

2.3.2 Programmes that promote women and youth access to finance

a) Savings and Credit Cooperatives (SACCOs) Programmes

A SACCO is a financial institution under the cooperative form. As such it is a cooperative which operates in the financial system, in which individuals save their money and can get loans in order to invest in various activities. In Rwanda, Umurenge SACCO is a new institution recommended by the National Dialogue Meeting held in December 2008 at the level of each Administrative Sector (UMURENGE). The National Bank of Rwanda has registered 416 Umurenge SACCOs scattered in all administrative sectors of the country.

The basic structure of the SACCOs and credit unions is what differentiates them from banks; they are user-owned financial intermediaries.

Members typically have a “common bond” based on geographic area, employer, community, industry or other affiliation. Each member has equal voting rights regardless of their deposit amount or how many shares they own.

With their easy structure and location, it is easy for SACCO institutions to reach members especially the underserved, unattractive to banks who are mostly women and youth in rural areas and at every administrative sector level. They can provide access to members of the population who would not normally be served in the formal sector, nor be able to physically access a traditional financial institution, especially commercial, due to locality and deposit restrictions. Although they are still new, there is optimism that SACCOs when well functioning can easily increase rural financial inclusion, increase credit needed to support rural-based micro businesses and projects, and play a key role in the support of the agriculture industry where the vast majority of women are represented. This is evidenced by the 2012 MINICOM report which found that Umurenge SACCOs triggered increased credit extension to rural based agrobusinesses to Rwf 5.2 billion (US\$8.7 mil) by November 2011 from Rwf 818 million (US\$1.4 mil) in 2010.

SACCOs and credit unions hold some real advantages for microfinance outreach and development. Since the nature of a SACCO is local, it mobilizes savings locally, within the community, and then the profits are returned to members in the form of loans. The money stays and works within the membership and the area. This mutually achieved success helps to not only build a sense of ownership and pride in an area, it also creates a culture of saving and investing in the same community.

b) Cooperatives Institutions

The International Cooperative Alliance (ICA) defines a cooperative as an autonomous association of persons united voluntarily to meet their common economic, social, and cultural needs and aspirations through a jointly-owned and democratically-controlled enterprise, according to internationally recognized co-operative values and principles.

The principles encourage the Cooperative members to manage their organization democratically where men and women have equal voting rights (one member, one vote). Members contribute equitably to, and democratically control, the capital of their cooperative. At least part of that capital is usually the common property of the cooperative. They usually receive limited compensation, if any, on capital subscribed as a condition of membership. Members allocate surpluses for any or all of the following purposes: developing the cooperative, possibly by setting up reserves, part of which at least would be indivisible; benefiting members in proportion to their transactions with the cooperative; and supporting other activities approved by the membership.

The Rwandan cooperative strategy observed that the marginalized groups of the population that include women, youth, physically challenged members of the community and the demobilized soldiers among others are not active members of the cooperative movement. To encourage groups of women and youth to join the movement, efforts have been made through sensitization programmes, research on new areas that they could benefit from, exchange of experiences, affirmative action, provision of skills and gender balance through the Rwanda Cooperative Agency (RCA). Specifically, a youth Savings and Credit Cooperative Society (COOJAD-Coopérative de la Jeunesse pour l'Auto Emploi et le Développement) has been established by the government of Rwanda with the intention of helping youth to easily access loans to create self-employment.

On the other hand, the women cooperatives (i.e COOPEDU Ltd) in collaboration with various stakeholders mainly (BDF, RCA, PSF, WDA, RDB) and in particular the national gender and youth machineries (MIGEPROF, MYICT, Gender Monitoring Office, National Women's and National Youth Council) participate in the identification of women and youth beneficiaries for expansion of the provision of loans for improved economic empowerment of these segments of the Rwandan population. Besides the above mentioned function of women cooperatives, the latter give loans directly to women and youth without involving the stakeholders stated.

Furthermore, many cooperative countrywide provide additional financial support to their members through their respective mutual support groups (amashyirahamwe yo kubitsa no kuguriza).

c) Microfinance Institutions

The microfinance sector in Rwanda is relatively small in terms of coverage and portfolio to satisfy the needs of the entire Country. However, it is important to note that MFIs continue to play a key role in promoting women entrepreneurship and access to finance despite numerous challenges they continue to cope with. For example Duterimbere MFI which started as a local NGO advocating for women's economic empowerment has overtime developed and expanded to include a Microfinance institution aimed at promoting women's access to finance. Other examples of Microfinance institutions that continue to make significant contribution towards women's access to finance include Banque Populaire du Rwanda (BPR) which has a specific branch for women. Other microfinance institutions pursuit a policy of providing loans to the poor, majority of whom are women and youth. With a regulatory role of the national bank of Rwanda and the coordination role of AMIR, the services of these institutions continue to improve women and youth access to finance.

d) Commercial Banking

Although, traditionally, commercial banks serve big businesses, it is found that in Rwanda some commercial banks that started as MFIs continue to provide important avenues for access to finance for women. This is an important opportunity for women's access to finance as they continue to grow and spread their operations in rural areas of the country. These banks include Agaseke Bank Limited, Urwego opportunity Bank, Unguka Bank Limited, etc. and provide facilities for poor women and youth on flexible conditions.

Commercial banks play an important role by availing innovative and convenient financial products to the community such as mobile money, mobile banking and agency banking. These have among other things created access to finance for women and youth even in remote areas without branches of existing banks, MFIs or financial cooperatives.

e) Mobile Money

The mobile phone market in Rwanda has three main operators namely, MTN, Airtel and Tigo with high competition between themselves. This intense competition has forced the operators to become highly innovative through designing appropriate sales promotion campaigns, unique services, and/or products. Among these unique services is the mobile money service such as MTN Mobile Money, Tigo Cash, Airtel Money which are run by the three telecommunication companies in collaboration with licensed financial institutions.

According to FINSCOPE 2016, around 2.3 million adults in Rwanda use mobile money and around 34% of adults are registered for mobile money accounts while 10% use someone else's mobile money account. When considering multiplicity ownership of mobile money accounts, the FINSCOPE 2016 estimates that there are around 2.7 million (46%) mobile money accounts and about 12% (0.7 million) adults have more than one mobile money account.

However, Mobile money awareness and product knowledge remains a key barrier in product uptake and usage as highlighted by FINSCOPE 2016 which showed that 32% of those who do not use mobile money did not know of mobile money and a further 46% showed signs of lack of product knowledge (24% reported that they did not have smart phones, 13% did not know where to register and 11% had challenges in using the channel).

Among the services available to the users of mobile money are money transfers, payments and mobile banking. The mobile phone is increasingly being used to extend financial services and by providing more convenient and affordable financial services, mobile money offers promise for reaching unbanked adults traditionally excluded from the formal financial system such as women, poor people, young people, and those living in rural areas.

f) National Employment Program (NEP)

The National Employment Program (NEP)'s objectives are in line with EDPRS2 to create 200,000 new off-farm jobs every year between 2013 and 2018. Almost all of the additional jobs to be created in the future will come from the private sector, particularly Micro, Small, Medium Enterprises (MSMEs) and the informal sector. Initiatives under the NEP program aim at the growth of MSMEs and informal sector firms and promote linkages between MSMEs and large firms among others. There are at least 8 initiatives that fall under this theme, some of which target young people and women and provide training to instil a culture of entrepreneurship, enhance financial literacy skills, assist them to develop business plan and thereby secure sources of funding for their businesses. Others are geared towards providing business development services to the private sector.

Under NEP, the pillar on entrepreneurship promotes business development through Business Development Centres (BDC) led by RDB with the aim of providing business advice, market access, technology and product development, training and technical assistance, information on access to finance, IT services and tax advisory services, with a great focus on women and youth. There are currently 60 BDCs countrywide which are being privately run and the above mentioned range of services to the private sector²¹. NEP provides an orientation of the education system, particularly TVET, to close existing skills gaps and encourage entrepreneurship among young people in Rwanda. MSMEs Start-ups for youth and women are one of the programs aimed at establishing and strengthening existing Business Development Centers and increase access to finance. One of the key challenges pointed out by NEP (2014) however, is that BDC staff and advisers are not well-equipped to effectively provide the intended services.

g) Business Development Fund (BDF)

As part of the strategy to promote SMEs, BDF was established in 2011 as a wholly owned subsidiary of the Development Bank of Rwanda (BRD), with the objective of assisting SMEs to access finance, particularly those without sufficient collateral to obtain credit from traditional financial institutions at reasonable rates. BDF's role is to promote alternative financing avenues at reasonable costs to help small businesses access credit by providing credit guarantees, Quasi-Equity support to start-up business, managing matching grants, SACCO Refinancing, and business development advisory services.

The Government of Rwanda also consolidated the different funds provisioned for SME financial support that had been spread across various ministries and agencies under BDF.

²¹ Republic of Rwanda, five Year National Employment Program for Rwanda(2013-2018), January 2014

These included the SME Guarantee Fund, the Agricultural Guarantee Fund, the Rural Investment Facility, the Women's Guarantee Fund and the Retrenched Civil Servants Guarantee Fund. BDF has since harmonized the management of these funds and delivered through comprehensive agreements with the financing institutions.

Given the privatization of BRD, a new ownership structure and strategic plan has been formalized for BDF to deliver on its mandate of supporting SME development. Moreover, with the introduction of the National Employment Program (NEP), BDF has been designated as the key implementing agency for NEP Pillar 2 on entrepreneurship, and its functions need to be aligned with this role.

Beneficiaries of BDF products and services are Micro, Small and Medium Enterprises, individuals, youth associations and women dominated cooperatives with projects that enhance employment, profitable and eco-friendly. It is imperative that when people participate in the financial system through BDF services, they are better able to start and expand businesses, invest in education, manage risk, and absorb financial shocks.

The following sections provide the key facilities provided by BDF meant to improve access to finance in Rwanda:

- **Credit Guarantee**

The initiative of BDF with financial institutions (Banks, MFIs and SACCOs) to cover between 50 and 75% of collateral required by the lending institution strengthens the financial inclusion and is broadly recognized as critical in reducing poverty and achieving inclusive economic growth. In fact, the maximum guaranteed amount is 500 million francs for Agriculture campaigns and 300 million francs for other sectors within a maturity period of 10 years. These funds are meant for easing loan repayment. There are 4 types of grants provided at different amounts through the financial institutions but most of them are meant for agriculture campaigns and projects initiated by Women and Youth.

Under women and youth access to finance, BDF has five types of incentives which are as follows²²:

- ✓ Increasing guarantee risk coverage for women and youth loans to 75%,

²² BDF, Annual report 2014

- ✓ The introduction of a 60% guarantee risk cover on working capital loans limited to Rwf 5 million for individuals and Rwf 10 million for women and youth cooperatives and associations;
- ✓ women and youth grant facility equivalent to 15% of a loan amount capped at Rwf 10 million which has benefited 1,284 individuals;
- ✓ Interest rate rebate of 1% on SACCO refinancing loans if the SACCO portfolio to women and youth is 30% or more
- ✓ 75% of the capacity building fund to target women and youth

- **Sacco Refinancing**

This fund is designed to increase SACCOs' capacity in lending to as many Rwandan as possible with emphasis on lending of women and youth businesses. This facility started in the six poorest districts of Rwanda which are Nyaruguru, Nyamasheke, Nyamagabe, Ruhango, Gisagara and Karongi, but it has now expanded to all the SACCOs which have already signed agreement with BDF in order to benefit this product. In addition to the above, BPR has also benefited because of its wide branch network and Duterimbere MFI was also financed under three projects i.e. the Rural Small and Micro-Enterprises Promotion Project (PPMER II), NEPAD Women in Cross Border Trade project (WICBT) and the Women and Youth Access to Finance (W&Y – A2FP). They provide a loan limit to 1million RWF for individuals and 5million for cooperatives at an annual interest rate not exceeding 12% at a repayment period of 2years. This facility is also meant to assist women and youth in payments of the loans that were acquired to finance their projects and is only applicable to women and youth aged between 18years and 35 years. Those eligible for this facility receive 15% of grant and can acquire a maximum loan amount of 10 million Rwandan francs for cooperatives and 5million RWF for individuals.

The program teaches women and youth to save a minimum amount of money which will be matched by a micro loan of up to three (3) times the amount saved. Individuals participate in micro-enterprise financial management training that includes budgeting, debt repayment, banking products, and basic financial planning by BDF and its partner agencies. The underlying premise of the program is that women and youth can save and accumulate enough capital to break out of the cycles of dependency and integrate into the broader Rwandan economic society. The savings also act to serve as part-guarantees for the residual 50% collateral cover required for working capital loans by women and youth.

- **Quasi –Equity**

Quasi-Equity is a product designed to small & medium enterprises (both start-ups and those already operating) given through a mixture of debt and equity whereby the debt portion pays a subsidize interest rate and Equity portion charges are based on the annual percentage sales that

pays every year to BDF to ensure self-liquidation of the equity portion up to a certain agreed period. The Community Processing Centres (CPCs) are also beneficiaries of Quasi Equity. This means that the client only pays the annual equity charge only when he/she makes sales.

- **Advisory Services**

BDF provides advisory services which mainly depend on the needs of the clients. The Advisory services provided by BDF are three fold:

Investment advisory: This is when the client has business ideas and thinks about starting Business and BDF comes in to help in writing business plan for especially those who don't know how to write business plan of any projects.

Capacity Building: BDF provides trainings in different areas of investments including trainings to MFIs & SACCOs, trainings to individual and group of entrepreneurs.

Microfinance Development: BDF works with microfinance institutions in different areas, including management information system, trainings on how making auditing and accounting standards and how they can manage their business sufficiency.

- **Start up Toolkit Loan Facility**

The purposes of this product are to create new jobs especially for youth through facilitating graduates from TVET and apprentices to access finance, establish their small enterprises and increase SACCO's capacity to extend small loans to new businesses. Under the facility, an eligible candidate gets from his SACCO 100% funds necessary to cover the cost of necessary toolkit/Equipment to start his/her small enterprise. A percentage of the funds varying between 20% and 50% constitute a BDF Grant to the beneficiary and the remaining is a SACCO loan to the beneficiary which has to be paid back according to the terms of a loan contracted and signed with the SACCO.

- **Integrated Craft Production Centers (ICPC) Equipment Leasing facility**

Integrated Craft Production Centers (ICPCs), also known as "Agakiriro" are established in every District to provide hands on skills training and a conducive environment for technical start-ups. The main purpose of this product is to invest through quasi equity funding in ICPCs with exit strategies and the funding is used to purchase equipment according to ICPCs needs.

h) Cross Border Trade.

Cross Border Trade (CBT) plays an important role in poverty reduction as it provides trading opportunities for a good number of people in society, particularly women, who are the most active traders along Rwanda's borders representing 74%²³. Among them, 90% rely on cross border trade as the sole source of income²⁴. With the aim of helping informal cross-border traders to formalise and scale up, the Government of Rwanda through MINICOM has initiated a number of interventions as outlined in the National Cross-Border Trade Strategy including improving access to finance for informal traders and support grouping ICBTs into cooperatives.

MINICOM realised that majority of the people involved in informal cross-border trade in Rwanda lack knowledge of formal and proper channels to use while transacting their businesses and many of them have been making illegal transactions like smuggling goods inside and outside the country to evade taxes.

In order to respond to those challenges, the Ministry in collaboration with its stakeholders provides training on entrepreneurship, Rwanda's tax and customs procedures, sensitization on the regional integrations including simplified trade regime (STR) and its uses. Particularly, a component on creating awareness on financial facilities to WICBT available in different institutions such as micro finance institutions (MFIs), Umurenge SACCO and the Banque Populaire du Rwanda (BPR) through business development fund (BDF) which provide guarantee fund of 75% for women and youth was also introduced.

The BDF financial facilities are intended for SACCO refinancing to support the women who carry out commercial trade in border areas and who belong to cooperatives. BDF is administering the program called "NEPAD Gender Program – Support to Women in informal Cross-border Trade (WICBT)" and executing it through refinancing Umurenge SACCOs at the borders. The pilot program has concentrated on the border districts of Rubavu, Rusizi and Gisagara, which have been highlighted to have considerable potential to upscale micro business in CBT.

²³ MINICOM, Cross-border trade strategy, 2012

²⁴ UN Women and International Alert, Baseline study on women in informal cross-border trade in the Great lakes region, January 2012

This is a two year grant program worth Rwf 266 Million that has been financed by NEPAD through MINICOM and aims to reach and improve opportunities for WICBT to access micro-loans. We have so far financed 10 SACCOs worth Rwf 115 Million under this program²⁵. Accessibility follows the guidelines below;

- Under this program, SACCO is given a maximum amount of 5,000,000 Rwf to distribute to each women cooperative that requests for a loan and meets existing criteria
- This fund is given by BDF to SACCO without any interest charges (0% interest) for a 3-5 year period
- Cooperatives that receive this loan facility from SACCO, receive a grant of 50% from BDF.
- The cooperative pays 50% of the loan to SACCO with 10% annual interest rate.

Requirements:

- A beneficiary should be a member of women cooperatives doing trade in border areas.
- The cooperatives should be on the list of those selected by MINICOM
- The cooperative should be a member of a SACCO that has signed contract with BDF.

i) Building an Inclusive Financial Sector in Rwanda Program (BIFSIR/UNCDF):

Under the BIFSIR program, BDF has been supported with a two-year grant worth \$ 720,000. The objective of the funding is to support selected SACCOs to reach more un-served but bankable SMEs through credit and capacity building by lending them on fair terms and conditions tailored to the market. With this funding provided, BDF agreed to support 25 SACCOs and 5,725 new clients of whom at least 60% will be women and 30% youth TVET graduates²⁶.

j) Vision 2020 Umurenge Program(VUP)

The Vision 2020 Umurenge Programme (VUP) is one of the nationwide public works interventions and social protection programme spearheaded by the Ministry of Local Government (MINALOC). The VUP provides limited term employment to poor households and through income transfer, the programme aims to safeguard consumption and promote asset accumulation and investment.

²⁵ BDF, Annual report 2014

²⁶ BDF, Annual report 2014

It has three main components such a regular cash transfer for very poor households with no labour capacity (VUP Direct Support), a public works programme for very poor households who are able to work (VUP Public Works) and a microcredit scheme that provides small loans at low interest rates to individuals or groups (VUP Financial Services).

As indicated by the EICV4 (2013/2014), by July 2014, 330 out of 416 sectors (almost 80%) were participating in the VUP, of which 121 offered Direct Support only; 30 offered Direct Support and Financial Services and the other 179 offered all the three components.

The Public Works is the component of VUP which deals with the community asset development projects that generate employment to the local population in the poorest Sectors especially women and youth²⁷. The public works is built on Labour Intensive public works experience which was designed to provide employment to community in order to gain an income, begin the process of moving out of extreme poverty and create productive sustainable community assets. The public works initiative promotes the culture of using banks through the use of bank accounts for payments of remunerations to their beneficiaries.

Among the beneficiaries of public works who are paid in cash, 55.4% are women and 44.6% are men while in terms of age, 11.6% are aged 16 to 24 and 23.6% have an age bracket of 25-34. In relation to financial services, the program provides micro credits and loans to poor individuals, groups of people and cooperatives for running small income generating projects and pays back the loans at interest rate of 2% per year. The loan varies from Rwf 75,000 per person to Rwf 85,000 per group of 30 if at least 70% of the group is female²⁸.

Through Financial Services component of VUP, MINALOC and MINECOFIN sensitize the population on financial literacy skills especially the culture of saving and working with banks, micro-finance institutions as well as SACCOs. Financial Services component acts as a complementary service to social protection and provides investment loans to poor households.

k) UBUDEHE

Ubudehe is one of the home grown initiatives in Rwanda which operates at the Village - “Umudugudu” level.

²⁷ MINALOC, Local democracy and local governance, benchmarking Rwanda against the Aberdeen principles, Kigali, April 2013

²⁸ NISR, Integrated household living conditions Survey 2013/2014: Social protection and VUP report, November 2015

Through this process government ensures that every Village has access to some funds to engage in collective action to solve local problems. In addition, through this process the population living in the same village selects one poorest person among them who benefits from a small amount of money to finance selected income generating project of his/her choice.

It emphasizes on assessing local problems/needs, participatory planning and solving problems of local people, by local people, for local people with support from local government, NGO's, local resource people and donors. Through "Ubudehe" process, women and youth are trained in bakery, hair dressing and different life skills to empower them economically. This facilitates women and youth to generate income and to build relationships with financial institutions.

In conclusion, the different initiatives discussed above have played an important role in introducing poor women and youth to working for money and managing it on day to day basis. This provides an entry point for strengthening interaction with financial institutions through savings, acquiring loans and investment for economic growth and sustainability. Furthermore, community based initiatives presented above have contributed to socio-economic welfare of vulnerable groups especially women and youth thereby providing an important channel for similar initiatives to develop and to inspire other communities within or outside their localities.

By taking stock of how far women and youth have come to where they are today in terms of accessing finance, it is possible to project a positive image if new initiatives and approaches are conceived and implemented for stronger and more sustainable socio-economic empowerment. Given the positive policy and legal framework and different institutions and mechanisms already in place to promote women and youth access to finance, it becomes imperative to think of how to scale up and accelerate the necessary changes to move women and youth from the informal to the formal financial sector. This requires concerted effort of different stakeholders as well as innovative approaches to overcome the remaining challenges affecting women and youth access to finance. This forms the essence of the update of the existing women and youth access to finance strategy.

2.4 SWOT Analysis of women and youth access to finance in Rwanda

A SWOT analysis was conducted mainly from the existing literature to identify the areas within the current environment which require immediate attention and areas that can be strengthened and focused on. The analysis shows that in spite of the weaknesses and threats among the women and youth access to finance, there are a number of opportunities that exist which are necessary to bring about expected changes for the next five years. Table 4 below highlights the SWOT analysis

Table 4 : SWOT Analysis of women and youth access to finance

Strengths	Weaknesses
<ul style="list-style-type: none"> • Women and youth are have strong will and readiness for engagement in economic empowerment programmes • Women and youth are well organized from grassroots to national level through their respective councils and cooperatives • Women and youth have diverse skills and values that are contributing to developing their potential (conflict resolution, civic and leadership education, etc.) • Values of integrity and credit worthiness that characterize most women provide an asset for access to finance • Youth and women have experience of working with informal financing mechanisms (Tontine and other VSL) • More tendency to work with little start-up capital and save with a spirit of resilience among poor women • Women own land as a legal economic asset 	<ul style="list-style-type: none"> • High illiteracy rate among women and low of formal levels of education and training • Limited technical and vocational training skills especially among women and girls • Limited knowledge in managing money and businesses among women and youth • Limited access to financial related information • Lack of knowledge about insurance services • Limited knowledge about their legal rights enshrined in the existing laws and other women and youth legal instruments • Limited capacity/skills to develop bankable projects • Low savings and investment among women and youth • Limited planning and budgeting skills • Heavy burden of unpaid work especially among women and girls • Low self esteem among women • Looking down upon jobs considered inferior among the youth • Spirit of living beyond one’s economic ability among the youth • High vulnerability of youth resulting from rural-urban migration • Limited innovation among women and youth • Limited usage of financial products
<p style="text-align: center;">Opportunities</p> <ul style="list-style-type: none"> • Strong political will to economically empower women and youth as a way of poverty alleviation and country’s economic development 	<p style="text-align: center;">Threats</p> <ul style="list-style-type: none"> • Persistence of negative perception and attitudes towards women and girls economic empowerment • Low penetration of financial institutions particularly in rural areas

<ul style="list-style-type: none"> • Existence of many pro-poor initiatives which have generated economic benefits besides the social protection objectives • Conducive environment for businesses promotion including MSMEs • Favourable policy and legal environment • Mechanisms in place to facilitate business start ups and growth • Strategies in place to support women and youth access to finance • Increased decentralization of financial services through MFIs/SACCOs • Availability of low cost and convenient facilities/services through mobile money, agency banking, mobile banking, internet banking, etc. • Performance contracts (Imihigo) to ensure accountability are part of governance • Availability of guarantee funds to ease collateral security for women and youth • Free movement of people and goods within the framework of regional integration 	<ul style="list-style-type: none"> • Limited product innovations among financial institutions (single products ‘fit all’- mentality, lack of demand driven products) • High rate of interest • Limited financial education on financial products and services • Lack of diversified financial products • Lack of skilled and specialized professionals including limited skills in gender • Limited safety especially among women between homes and places of work • Volatile international markets(imports and exports) that may lead to financial crisis • Unpredictability of donor budgetary support • Inadequate coordination mechanisms of different existing initiatives and actors.
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CHAPTER 3: STRATEGIC FRAMEWORK ON WOMEN AND YOUTH 'S ACCESS TO FINANCE

3.1 Overall goal, vision and mission

3.1.1 Overall goal

The overall goal of this strategy on women and youth access to finance is to deepen inclusive access to finance in Rwanda leading to economic empowerment of women and youth in Rwanda.

3.1.2 Vision

To get women and youth out of poverty through access to finance

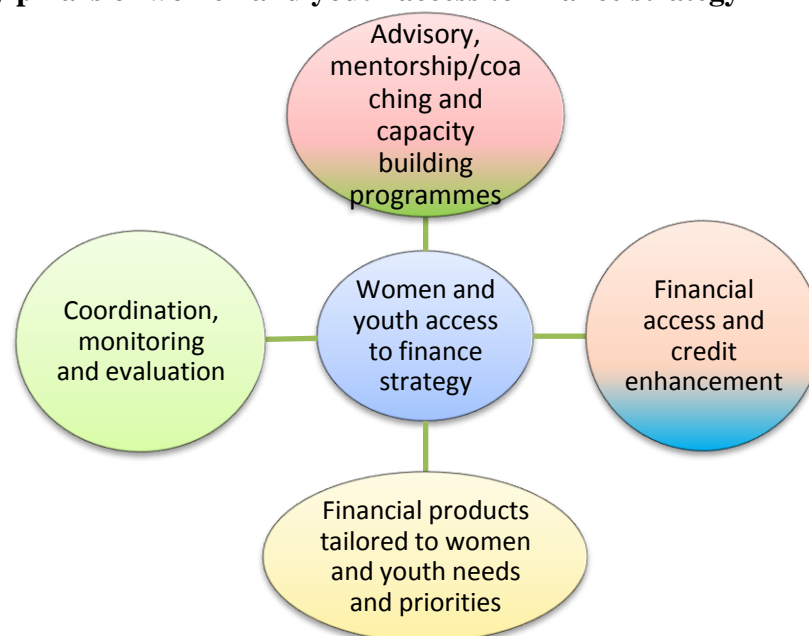
3.1.3 Mission

- ✓ To reach out to women and youth especially the most economically disadvantaged groups with low cost and convenient financial product and services necessary to boost their socioeconomic potentials and sustainable development of the country
- ✓ To streamline and strengthen the coordination, monitoring and evaluation of existing and new initiatives related to women and youth access to finance in an efficient and effective manner.

3.2 Strategic framework of women and youth access to finance

In order to achieve the above mentioned goal, vision and mission, this Strategy outlines four key pillars as illustrated in the figure below:

Figure 5: Key pillars of women and youth access to finance strategy



- **Advisory, Mentorship/coaching and capacity building programs:**

This pillar encompasses elements related to technical skills and knowhow in business and finance, behaviour and attitude change among women and youth as well as service providers, providing advisory services and follow up, exposure and peer learning as well as inspiration for discovering one's potentials to be used for improved quality of income generating projects.

- **Financial Access and credit enhancement:**

The above pillar focuses on financial literacy among women and youth, information sharing among stakeholders and beneficiaries of existing financial opportunities, saving schemes for women and youth, procedures and requirements regarding loan disbursement and repayments as well as risk management and mitigation.

- **Financial products tailored to women and youth needs and priorities:**

This pillar is centred on issues of diversification of financial products for women and youth, responsiveness to different needs and priorities of different segments among women and youth, management and control of different solidarity groups as well as knowledge generation and dissemination of information, research, etc. pertaining to women and youth access to finance. There is need to learn from existing good practices of promoting saving culture among the poor along the model of One Dollar Campaign, Igiceri programme, Girubucuruzi, Village Saving and Loan Associations. This would facilitate low income groups to easily access financial services and the culture of working with financial institutions.

- **Coordination, monitoring and evaluation:**

This pillar highlights different aspects related to harmonisation and synergy of interventions, performance based monitoring and evaluation, reporting and information sharing among actors and beneficiaries.

The table below presents each pillar with corresponding strategic objectives:

Table 5 : Pillars and related strategic objectives

Pillar	Strategic objectives
Advisory, Mentorship/coaching and capacity building programs	<ul style="list-style-type: none"> ✓ Increased availability of advisory services by financial institutions and other stakeholders ✓ Increased capacity of financial institutions and other actors to address capacity needs of beneficiaries (women and youth) ✓ Improved financial mentorship/coaching program for women and youth ✓ Improved entrepreneurship and innovation skills among women and youth ✓ Improved business knowhow ✓ Increased self confidence and esteem among women and youth ✓ Improved capacity of women and youth to comply to Market needs by exposing them to relevant business opportunities and regional trade standards ✓ Improved facilities including infrastructure such as accessible markets as well as BDCs and youth centres aimed at providing support to women and youth in informal sector to be able to establish, grow and expand their business leading to increased access to formal financial services
Financial access and credit enhancement	<ul style="list-style-type: none"> ✓ Enhanced capacity of women and youth in financial literacy ✓ Improved proximity of women and youth to formal financial services ✓ Improved mechanisms and channels for communicating vital business and financial information to women and youth ✓ Improved flexibility of financial institutions regarding

	<p>loan disbursement and repayment</p> <ul style="list-style-type: none"> ✓ Improved savings schemes for women and youth for improved financial accessibility ✓ Improved risk management and mitigation
Financial products tailored to women and youth needs and priorities	<ul style="list-style-type: none"> ✓ Increased diversification and availability of financial products and services for different segments of women and youth ✓ Improved responsiveness of financial service providers to different needs, vulnerabilities and potentials of women and youth ✓ Improved management and control of existing financial solidarity groups among women and youth ✓ Improved knowledge management and dissemination related to women and youth access to finance
Coordination, monitoring and evaluation	<ul style="list-style-type: none"> ✓ Well defined roles and responsibilities among key actors ✓ Improved performance monitoring and evaluation ✓ Improved efficiency in the use of human and financial resources ✓ Improved system of information sharing and exchange related to women and youth access to finance among key stakeholders ✓ Improved system of reporting on women and youth access to finance ✓ Improved joint planning among different actors in relation to women and youth access to finance

CHAPTER 4: COORDINATION, MONITORING AND EVALUATION FRAMEWORK FOR THE YOUTH AND WOMEN ACCESS TO FINANCE STRATEGY

4.1 Coordination and Consultative arrangements

There is a strong need for a coordination mechanism to support the implementation of the strategy on women and youth access to finance and to link it with financial inclusion interventions in order to ensure coherence and cost-effectiveness of implementation as well as facilitating tracking and reporting on progress. The aim of this coordination arrangement is to amplify and strengthen the coordination of access to finance Initiatives through the establishment of a framework for better planning, implementation and optimising impact from different stakeholders. Such a coordinating mechanism may take the form of inter-agency coordination steering committee entrusted with the responsibility for directing, coordinating and following up the implementation of women and youth access to finance at national level. It is strategic that this mechanism is co-chaired by MIGEPROF and MYICT as the lead policy institutions.

Over the years the main challenge facing the promotion of economic empowerment of Rwandans especially women and youth has been linked to the scattered interventions of various institutions. NEP was established to close this gap. One of the strategies to deal with this challenge was the establishment of the National Employment Program (NEP). The program currently runs 8 initiatives that target the youth and women and provides them with training to instil a culture of entrepreneurship, enhance financial literacy skills and develop their capacities to secure sources of funding for their businesses²⁹.

The Women and Youth Access to Finance Strategy is coming to enhance the NEP initiatives in terms of response rate to the needs and priorities of the most vulnerable groups of women and youth, coordination and oversight of relevant access to finance related interventions.

A national steering committee with clear terms of reference will coordinate and follow up the implementation of all activities outlined in the monitoring and evaluation framework. MINICOM, MINECOFIN, MIFOTRA, MINALOC, BNR, GMO, NWC, NYC, WDA, BDF, RDB and PSF, CSOs, AMIR will participate in the implementation of this strategy.

Specifically, MIGEPROF and MYICT will jointly undertake the following specific roles:

- Coordination of all activities towards women and youth mobilization and sensitization;
- Mobilization of resources for financing the implementation of this strategy;

²⁹ NEP Programme document 2014.

- Joint monitoring and evaluation of the implementation of this strategy to ensure accountability and evidence based performance of this strategy.
- Advocacy towards lending institutions and other stakeholders to embrace alternative collaterals with specific focus on solidarity guarantees
- Advocacy for policy change where necessary to ensure that legal and regulatory frameworks are conducive to women and youth access to finance
- Put in place a multidisciplinary think tank on women and youth access to finance to regularly discuss on how to accelerate and sustain women and youth access to finance
- Put in place a steering committee for information sharing, coordination and orientation on the implementation of women and youth access to finance

Roles and responsibilities of other key institutions

a) National Bank of Rwanda:

- Continue to strengthen the policy frameworks to ensure that women and youth are not left out of financial businesses.
- Oversight role for financial institutions notably banks, microfinance institutions, SACCOs, insurance companies, social security institutions, collective investment schemes, and Rwanda Social Security Fund to ensure that women and youth are part of their businesses
- Regular publications of progress on women and youth access to finance countrywide

b) MINALOC

- Monitoring and ensuring that the strategy is known and implemented at grassroots level
- Use MINALOC organs and affiliated institutions such as Access to Finance Forums, ITORERO and other forums as a delivery vehicle for mobilization and awareness at grass roots level
- Participate in District Access to Finance Forums
- Review quarterly reports of Village Saving and Local Associations and share them with other key stakeholders.

c) National Women's Council (NWC) and National Youth Council (NYC): will play the following roles:

- Identification, mobilization and sensitization of eligible women and youth;
- Sensitize women and youth to form cooperatives and clusters;
- Follow up how the granted loans are paid back and make sure that the payback period is respected.
- Identify challenges in the implementation of the strategy and share them with key stakeholders

d) Business Development Fund (BDF):

- Capacity building of women and youth in entrepreneurship and financial literacy
- Provide mentorship/coaching and advisory services to women and youth
- Strengthen the capacity of BDCs and Youth Centres to effectively respond to the needs and priorities of women and youth from different areas
- Monitoring and evaluation of the program implementation and performance
- Through different financial institutions, provide collaterals to eligible women and youth to increase their access to finance
- In collaboration with MIGEPROF and MYICT, mapping eligible women and youth and facilitate their linkage with different financial institutions
- Sensitize and mobilize SACCOs, MFIs and Banks about different facilities available for women and youth and create partnerships with them to ease women and youth access to finance
- Put in place follow up mechanisms for women and youth who have been provided with alternative collaterals
- Produce regular reports on the performance of the program and share it with key stakeholders

e) Rwanda Cooperative Agency (RCA):

- Organize women and youth into cooperatives and clusters and facilitate them to comply with law requirements;
- Mobilize and build capacity of SACCOs and women and youth cooperatives;
- Supervise and ensure monitoring and evaluation of SACCOs and women and youth cooperatives;
- Provide technical support to SACCOs, women and youth cooperatives to fully participate and perform in this program.

f) SACCOs, MFIs and Banks:

- Introduce special products which facilitate affordable access to finance for women and youth;
- Sensitize women and youth towards the newly developed special products and the benefits they might gain from them;
- Provide technical support to promote financial literacy among women and youth
- Provide and share vital information on how to increase women and youth saving and investment skills
- Sensitize the general public on how to increase access to finance
- Introduce a systematic approach for loan recovery within this program;
- Proper coordination and collaboration with BDF for successful performance and implementation of this program.

g) MINICOM and MIFOTRA

- Assure the implementation of the program in line with NEP orientation
- Regularly report on the implementation progress vis a vis indicators and arising challenges
- Consolidate achievements from government and private institutions as well as CSOs and share with key stakeholders
- Resource mobilization

h) GMO

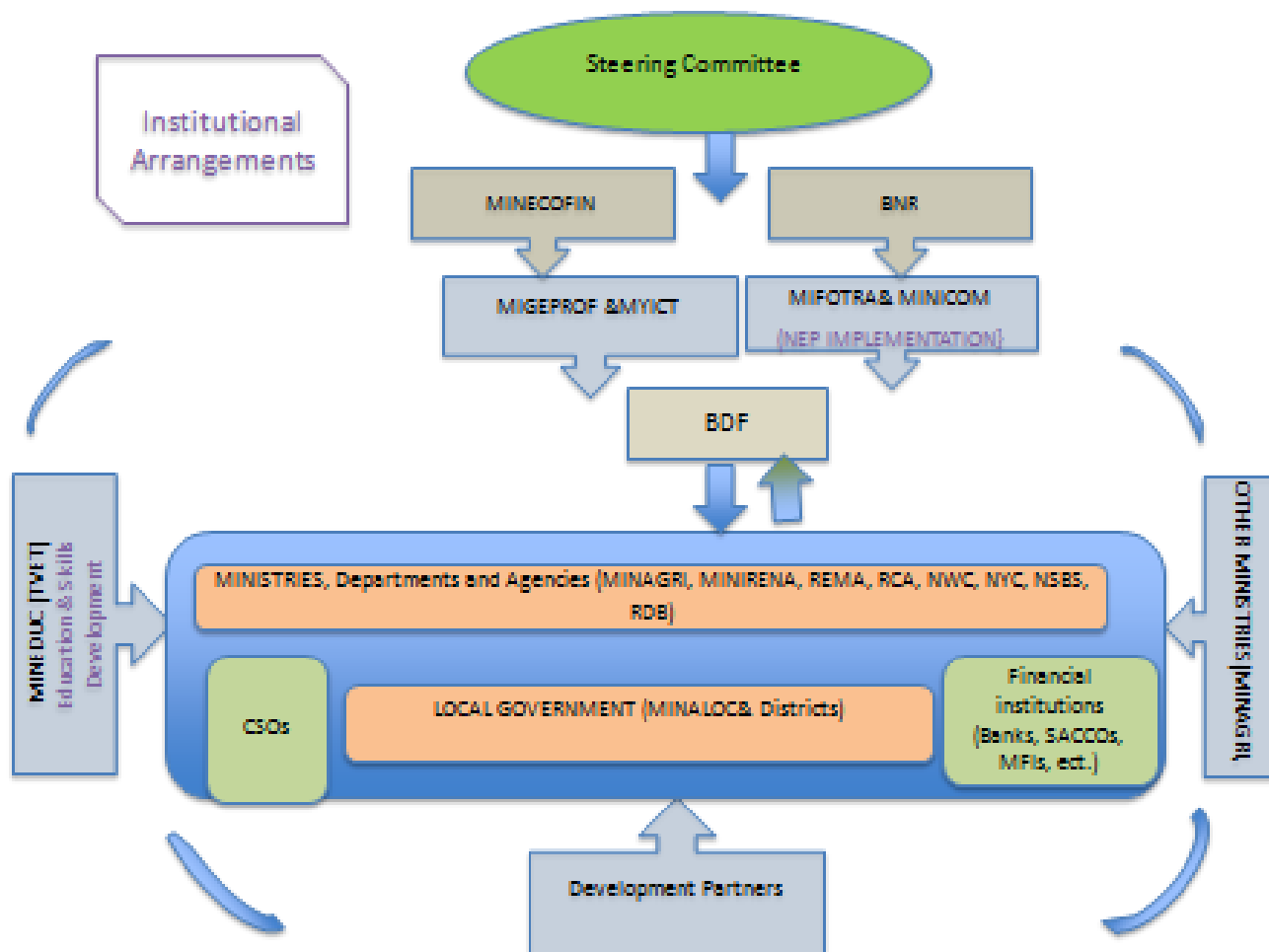
- Ensure and support accountability mechanism for the implantation of women and youth access to finance strategy

i) Civil Society Organizations

- Mobilize women and youth to increase saving and access financial services
- Conduct advocacy for women and youth increased access to finance
- Develop and disseminate best practices related to women and youth access to finance that can be scaled up or replicated especially in areas related to supporting informal groups to graduate to formal financial initiatives

The access to finance strategy for women and youth will require a clear coordination mechanism and strong commitment from stakeholders. It is therefore imperative to clearly define roles and responsibilities of key stakeholders towards delivery of the strategy. The figure 5 below summarises the coordination and consultative arrangement.

Figure 6 : Coordination and consultative arrangement for women and youth access to finance



4.2 Monitoring and Evaluation Framework

The Youth and Women access to finance strategy (2016 – 2020) aims to deepen inclusive access to finance for both youth and women in Rwanda leading to their economic empowerment. The strategy will make a significant impact on different categories of women and youth especially the lives of poor and disadvantaged groups.

The M&E Framework is a tool that presents how the program works in terms of outcomes, outputs, indicators, baseline and targets as well as planned activities to be implemented and responsibility. Furthermore, it helps to monitor and manage progress through reporting to different authorities and stakeholders on delivery. It sets out actual outputs that key Stakeholders will deliver against which they can be held accountable. By measuring results, the organization gets a much better idea of what works and what does not so as to refine targets and intended results accordingly. It also helps to manage resources to deliver these results.

The achievements of access to finance strategy for women and youth will be directly linked to national targets as set out in the EDPRS2, the Financial Sector Strategy, National Employment Program (NEP) and other national development programs as well the Sustainable Development Goals (SDGs).

Table 6 : Monitoring & Evaluation Framework

Pillar 1: Financial Literacy, Accessibility and credit enhancement						
Impact: Women and youth participate and benefit equally from formal finance sector						
Outcome 1: Women and Youth capacity to access financial services and products is enhanced						
Outcome Indicators:						
<ol style="list-style-type: none"> 1. No of women and youth with bank accounts from formal financial institutions by area of residence 2. No of women and youth projects that have benefited from credits in formal financial institutions. 3. Proportion of loan portfolio allocated to women and youth needs by area of residence 						
Outputs	Indicators	Activity	Timeframe	Means of Verification	Assumptions/Risks	Responsible
Output 1.1 Increased and sustainable graduation of women and youth from VSLA to formal financing mechanisms	No of women and youth opening new bank accounts in formal financial institutions annually	Put in place incentive packages to enable low income earners to open and manage bank accounts in formal financial institutions	2016-2020	Financial institutions client records BNR and BDF Annual reports	Financial institutions are willing to adhere to corporate responsibility of supporting women and youth financial inclusion agenda	MINICOM, RCA, NWC, BDF, Formal financial institutions, AMIR
	Proportion of women and youth bank accounts that are in use	Provide basic financial literacy to women and youth through awareness	2017-2010	Bank accounts existing in various banks for women and youth	Financial Institutions are willing to support the access to finance initiatives	Banks, BDF, Women and Youth, MFIs, SACCOs

		raising and sensitization campaigns				
	No of women and youth projects that benefited from guarantee fund	Mobilize and train Women and Youth to start up bankable projects	2016 -2020	Agreements/contracts signed between women/Youth groups and financial institutions		Banks, BDF, Women and Youth, MFIs, SACCOs
	Proportion of Youth and Women accessing financial services and products annually disaggregated by (Credit, information, Mobile money services ...)	Engage Financial institutions to provide affordable products for disadvantaged women and youth	2016-2020	Credit approvals, Annual Financial statements of women and youth groups and individuals	Women and Youth eligibility to financial products (loans, overdrafts, etc.)	Banks, BDF, Women and Youth, MFIs, SACCOs

Output 1.2: Increased financial literacy by Women and Youth	Number of women and youth exposed to financial education opportunities	Conduct a comprehensive financial literacy needs assessment among women and youth	2016 -2017	A validated financial literacy needs assessment	Responsible institutions remain committed to develop to financial literacy promotion Resources to support financial literacy are available	MIGEPRO, MYICT, MIFOTRA, MINEC OFIN, BDF, AMIR, AFR, NWC&NYC
	No of women and youth accessing information on financial opportunities	Develop and use appropriate financial literacy educational tools adapted to the needs of different categories of women and youth	2016-2020	Financial literacy for women and youth tools	Willingness of local financial institutions and stakeholders to share relevant information	
	% of trained Women and youth eligible to access available financial services disaggregated by own account, credit,	Conduct a regular training sessions on financial literacy for women and youth to improve opportunities	2017-2020	Training Reports	Willingness of target groups to actively participate in training sessions	Banks, BDF, Women and Youth Councils, MFIs, SACCOs, Private sector, CSO, Public sector

	overdrafts,					
Output 1.3: Women and youth increased access to loans	Number of women and youth who received loans and paid back on time	Conduct a mapping exercise of women and youth by socio economic categories and their different financial lending needs Mobilize financial institutions to package their procedural requirements in a customer friendly manner targeting the most financially excluded categories	Continuous 2017 onwards	Mapping report Annual Reports User friendly Procedures by financial institutions	Continued funding of guarantee funds Active involvement of all stakeholders in supporting the targeted women and Youth groups	MINICOM, NWC, BDF, MINALOC,MIGEP ROF,MYICT, MIFOTRA,BNR
	Number of women and youth accessing loans by category (micro, small, medium	Mobilize financial Institutions to equitably extend credit to women	2017 -2020	Loan agreements between financial institutions and beneficiaries (Women and	Sustainable commitment of financial institutions to women and youth	MINICOM, NWC, BDF, MINALOC,MIGEPR OF,MYICT, MIFOTRA,BNR

	and large enterprises)	and youth		Youth)	financial inclusion	
	At least 50% Loan portfolio to women and youth among MFIs, SACCOS and Banks	Establish guarantee funds and communicate their availability to women and youth groups through different channels	2017-2020	Financial Guarantees communication to women and youth groups	Buy in of MFIs and SACOs and Other Financial Institutions	BNR, Other financial institutions, BDF

Pillar 2: Financial products and services tailored to women and youth needs and priorities

Outcome 2: Financial Products and services are developed and aligned to the needs and priorities of Women and Youth

Outcome Indicators:

1. Number of financial institutions with innovative products and services to support the needs and priorities of women and youth
2. Number of women and youth in different economic categories who accessed financial services disaggregated by financial institution

Outputs	Indicators	Activity	Timeframe	Means of Verification	Assumptions/Risks	Responsible
Output 2.1 Awareness is	Number of local financial institutions with	Conduct awareness and advocacy	2016-2020	Annual reports	The government of Rwanda remains	MIGEPROF, MYICT, BDF, BNR, MINECOFI

<p>created among financial institutions about the needs and priorities of Women and Youth</p>	<p>commitment to support the strategy for women and youth access to finance</p>	<p>campaigns to increase understanding and commitment of financial institutions towards women and youth promotion</p> <p>Compile and disseminate different available products and services for women and youth through different channels</p>	<p>2016-2018</p>	<p>Booklet on available financial products & services for women and youth per financial institution</p>	<p>committed to women and youth access to finance</p> <p>Stakeholders buy in and implement women and youth access to finance strategy</p>	<p>N, AMIR</p>
<p>Output 2.2: Innovative initiatives are provided to support women and youth access to finance</p>	<p>Number of innovative initiatives supporting women and youth access to finance disaggregated by government, private, non for</p>	<p>Strengthen partnership and Collaboration amongst key stakeholders to support innovative initiatives for women and youth access to</p>	<p>Ongoing</p>	<p>Signed MoUs, Cooperation agreements</p>	<p>Public, Private and CSO invest in innovative initiatives and programs to support Women and youth access to finance</p>	<p>BDF,MINICOM, MIFOTRA, MIGEPROF &MYICT</p>

	profit organizations	finance				
	No of women and youth accessing finance through each innovative initiative	Mobilize and sensitize target groups of women and youth to embrace new ideas and innovations once available	Continuous	Mobilization sessions	Adaptability of Women and youth to new innovations and ideas	BDF,MINICOM, MIFOTRA, MIGEPROF &MYICT, Targeted women and Youth

Pillar 3: Advisory, Mentorship/coaching and capacity building programs

Outcome 3: Advisory and mentorship/coaching Programs are strengthened to support women and youth access to finance

Outcome Indicators:

1. No of individual women/youth and women/youth cooperatives who benefited financial services as a result of advisory services
2. No women and youth projects which survive beyond one year

Outputs	Indicators	Activity	Timeframe	Means of Verification	Assumptions/Risks	Responsible
Output 3.1 Coaching and Mentoring sessions organised for financial literacy	Number of mentorship and coaching programs aimed at enhancing access to	Strengthen capacity of BDCs and Youth Centers to effectively provide business guidance and	2017 -2018	Coaching and mentoring reports	Responsiveness of targeted groups of women and youth to participate in coaching and mentoring sessions	MIGEPROF, MYICT, MIFOTRA, MINICOM, WDA

and accessibility	finance.	coaching to women and youth				
	Proportion of disadvantaged Women and Youth with knowledge and skills to access financial services and products	Train and sensitize targeted groups of women and youth on accessibility to finance and available services/products	2016-2019	Records/Data on accessibility from beneficiaries and/or financial institutions	Willingness of all stakeholders to collaborate	BDF, SACCOs, MFI, Banks, MIGEPROF,
Output 3.2 Advisory centers established and advisory desks available within financial institutions to support women and youth access to finance	Number of Advisory centers established per district	Establish new business development centers for improved proximity of the centers to women and youth	2016-2020	Record of Youth and women visitors to the advisory centers and desks Quarterly and Annual reports Reports on mentoring and advisory sessions including attendance lists	Resources and collaboration to set up advisory centers and desks	BDF, MINICOM, MIFOTRA, MIGEPROF& MYICT
	No of financial	Strengthen	2017-2019	Record of Youth	Resources and	DBF, MINICOM,

	institutions with advisory desks	capacity of BDCs and Youth Centers to effectively provide business guidance and coaching to women and youth		and women visitors advisory centers and desks	collaboration to set up advisory centers and desks	MIFOTRA, MIGEPROF&MYICT
	Number of Advisory and mentoring sessions organized annually for women and youth rural/urban	Organize advisory and mentoring sessions on a quarterly basis for women and youth	2017- 2019	Quarterly and Annual reports Mentorship toolkits and materials	Capacity and willingness to regularly report on progress	DBF, MINICOM, MIFOTRA, MIGEPROF&MYICT, Districts
Output 3.4 Awareness and knowledge of women, youth and stakeholders on access to finance increased	Knowledge products on women and youth access to finance regularly disseminated	Sensitize women and youth to use different services available at BDCs, youth centers and financial institutions	2016-2020	Reports on the Think thank Reports on the sensitizations campaigns Knowledge products disseminated	A knowledge Management Center on access to finance	MIGEPROF, MYICT, MIFOTRA, MINICOM, WDA

				Innovations validated by steering committee members		
	Think tank for women and youth access to finance established and operationalized	Set up a think tank comprising of public, private , CSOs, women and youth groups to regularly discuss on how to expand and accelerate women and youth access to finance				
Output 3.5 Women and youth are capacitated to access finance	Number of youth and women benefiting from the capacity building programs	Plan and organize capacity building programs for targeted women and youth groups Provide Training	2016-2020	Capacity Building sessions and reports Toolkits and training materials on	Resources available to invest in capacity building programs	BDF, MINICOM, MIFOTRA, MIGEPROF, MYICT, NWC & NYC

		materials and toolkits for reference to women and youth		specific topics		
Pillar 4: Coordination, monitoring and evaluation						
Outcome 4: Improved Coordination mechanisms of the access to finance strategy implementation						
Outcome Indicators:						
1. A set of clear coordination roles and responsibilities among stakeholders						
2. A coordination mechanism approved by stakeholders						
Outputs	Indicators	Activity	Timeframe	Means of Verification	Assumptions/Risks	Responsible
Output 4.1 Clear Coordination structure in place and validated by stakeholders	Minutes of Steering and technical committee meetings	Organize high level meetings with key stakeholders for decision making and sharing of information as per the set schedule	2016-2020	Meeting reports	Stakeholders active involvement in the initiatives and programs Regular steering committee meetings to track and guide the strategy implementation and	MIGEPROF & MYICT
	Field visit reports	Curry out regular joint monitoring and evaluation of	2016-2020	Field visit reports		MIGEPROF, MYICT, MIFOTRA, BDF, BNR,

		the implementation of the strategy				MINECOFIN
Output 4.2 A user-friendly manual developed with a set of guidelines on how the strategy shall be coordinated and implemented	An approved Manual with guidelines and tools A set of tools to operationalize the strategy	Hire a resource person to develop the user friendly manual Organize a stakeholders workshop to review and validate the manual	2016-2017	A validated manual with user-friendly tools	Buy in from other stakeholders Availability of expertise to develop a user friendly manual	MYICT, MIGEPROF, BDF
Output 4.3: M&E Framework developed with SMART indicators	An approved M&E framework with a set of SMART indicators	Hire a Competent expert to develop M&E framework for the strategy	2016/2017	Timely and quality M&E reports	Ownership of the strategy by key stakeholders and their participation in the M&E processes	MIGEPROF & MYICT
Output 4.4: Internal M&E capacity enhanced to track the implementation of the strategy	Number of M&E staff dedicated to tracking and follow up of the implementation of the strategy	Produce quarterly and annual Reports on the implementation of the strategy and share it with key stakeholders	2016-2020	Timely and quality M&E reports	Internal capacity M&E	MIGEPROF, MYICT, MIFOTRA, MINICOM and BDF

	% of staff with a stake on the strategy trained to enhance their capacities	Regular data collection on the indicators related to women and youth access to finance strategy	2016-2020	Authentic data on access to finance of women and youth	Capacity to keep records and manage data on the access to finance activities	
		Conduct a baseline survey on women and youth access to finance	2016	Baseline survey report	Availability of resources to build staff capacities in coordination and M&E	MIGEPROF, MYICT

4.3 Key messages and Opinions gathered during the primary data collection that are shared/expressed by most of the stakeholders interviewed

1. Conduct a mapping exercise to identify women and youth needs and priorities in different areas of access to finance
2. Categorize women and youth by socioeconomic status and geographical locations. This can be led by MINALOC using the model of UBUDEHE and NWC economic empowerment strategy approach
3. Using the model of Urwego Opportunity Bank (UoB) to empower women and increase their participation in business and finance by developing, replicating and innovating the social guarantee model that is very successful with women groups who started borrowing 15,000frw and are now able to borrow up to 30 million frw to purchase durable assets such as houses. Look at the different case studies for inspiration
4. Strengthen and scale up savings along the model of VSLAs by CARE International and other agencies
5. Promote innovative and pro-poor approaches of enabling women and youth access to finance
6. Set up think tank comprising of public, private, CSOs, women and youth groups on how to expend and accelerate women and youth access to finance
7. Introduce innovative initiatives such “igiceri” (100frw) program as one of the successful model initiated by the women in Nduba sector of Gasabo District and “Girubucuruzi initiative” in Nyarugenge District in Kigali city
8. Identify and address the critical missing links in the current strategy implementation
9. The Social Guarantee fund is effective but quite expensive to run because it requires intensive training of beneficiaries in different skills and constant follow up, mentoring and coaching. This requires full time committed people to mentor and accompany them throughout the process
10. What women lack most is not money or start up capital, but serious monitoring and mentorship is what is needed most (Faustin Zihiga, Director of Operations; UoB)
 - j) What is lacking is not money but the follow up and mentoring of women and youth to facilitate them to graduate from informal to formal financial inclusion
 - k) The capacity to save and invest is the backbone of financial inclusion for women and youth
 - l) MIGEPROF and MYICT need to make maximum use of national women and national youth council structures for effective implementation and monitoring of access to finance initiatives
 - m) MIGEPROF and MYICT need to strengthen resource mobilisation efforts to step up and sustain access to finance for women and youth
 - n) MIGEPROF and MYICT will need to effectively house their coordination role
 - o) The focus of the strategy should be to unlock the enormous potential of women and youth in informal sector

These views and opinions are summarised by the figure 7 below.

Figure 7 : What stakeholders think is important to focus on to accelerate women and youth access to finance



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ANNEXES

List of people contacted

Name	Institution	Function	Telephone
1. John Bosco Murangira	MIGEPROF	Director, Economic Empowerment	078808811
2. Jean Pierre Habimana	MIGEPROF	Project Monitoring Officer	078187224
3. Gedeon Bahimbayandi	MIGEPROF	Acting Procurement Officer	0788415377
4. Leonard Rugwabiza	MINECOFIN	Chief Economist	078860010
5. Monica Umugwaneza	BDF	Legal, Monitoring and Evaluation Manager	0788304809
6. Faustin Nyirinkwaya	NWC	Acting Executive Secretary	
7. Florent Niyodusenga	NEP Secretariat	Monitoring and Evaluation Officer	078858331
8. Caleb Tumwine	MIFOTRA	In charge of Employment Policy and Strategies	0783717898
9. Patrick Mico	RWAMREC	Monitoring and Evaluation Officer	0788489312
10. Violet Kabarenzi	Women for Women International	Former Country Director	0788434326
11. Justine Mbabazi	Women for Women International	Life Skills Manager	0788667683
12. Mutware Emmanuel	Kigali City, Agaseke Project	Mobilization and monitoring Officer	0788352162
13. Judith Aguga Acom	Access to Finance Rwanda (AFR)	Technical Director	0787830040
15. Jaqueline Mukamazera	CNF	Capacity Building programme Officer	
16. Patrick	Parlement de Jeunes	Managing Director	0788308577

Karangwa	Rwandais (PAJER)		
17.Kanani Esperance	Women Export and Import Network(WIEN)	President	0785101075/0787557087
18.Tarsis Mutaka	MYICT/MINECOFIN	Country Partnership Manager	0788468504
19. Eugene Rutabagaya	UN Women	Women's Economic Empowerment Program Manager	0788304537
20. Jude Muzale	ILO	National Program Officer	0788308512
21. Janviere Mukantwali	UN Women	Program Coordinator	0788410471
22.Gakwaya Titus	TK Engineering and Agro technology	CEO and MD	0788520650

INTERVIEW GUIDE

INTERVIEW GUIDE FOR POLICY AND REGULATORY INSTITUTIONS

- ✓ MINECOFIN
- ✓ MINICOM
- ✓ MIGEPROF
- ✓ MYICT
- ✓ BNR
- ✓ MIFOTRA

1. What is your assessment of the situation of access to finance in general and women and youth in particular?
2. What are the existing initiatives aimed at improving women and youth access to finance?
3. How are the above initiatives coordinated to ensure effective and efficient response to needs and priorities of the beneficiaries?
4. What can be done to improve women and youth access to finance?
5. What challenges do you see in relation to access to finance?
6. What do you see as the missing link in current strategy of women and youth access to finance?
7. What has worked most and what has not worked in the current strategy?
8. What do you recommend in the new strategy?

INTERVIEW GUIDE FOR SERVICE PROVIDERS

1. What financial products or services does your organization offer to women and youth?
2. Which groups of women and /or youth do you specifically work with and how do you select them?
3. Which other stakeholders offer similar or supplementary financial products/services?
4. What are the key achievements with regard to women and youth access to finance?

5. What are the challenges that affect women and youth access to finance?
6. How coordination, monitoring and evaluation is collectively carried out?
7. What do you think are the key gaps in the current coordination mechanisms that need to be addressed in the revised one?

TERMS OF REFERENCE

TERMS OF REFERENCE FOR RECRUITMENT OF A LOCAL CONSULTING FIRM TO REVIEW AND UPDATE WOMEN AND YOUTH ACCESS TO FINANCE STRATEGY

The Government of Rwanda is committed to empower Women through various initiatives and programmes that aim at promoting the equality and economic empowerment of men and women. This is done through introduction of home grown initiatives and programmes including Women access to finance Strategy. All of those initiatives promote the economic empowerment of women as they respond to many serious challenges which constrained women to have an open opportunity to financial services, mainly backed by lack of collateral, starting capital and a limited financial literacy; plus the negative mindset of MFI towards women.

It is in this context, that a strategy popularly known as Women and Youth Access to Finance was developed as a solution to women and youth who are lacking credit guarantees and other financial opportunities. The strategy itself aims to establish a sound, enabling financial environment for women and youth, encourage lending institutions to provide credit to women and youth for enabling them to increase economic activities and this strategy was launched on 28th November 2012.

In order to facilitate women to start their businesses and encouraging SMEs, women who want to open their business are facilitated to have a credit guarantee amounted to 75 percent of the total loan and women are only requested to pay the remaining 25 percent to cover the guarantee of the total loan. This is not the only benefit of this program because the strategy offers a grant of 15 percent of the total loan disbursed and women beneficiary is required to pay back the 85 percent of the loan disbursed.

Different institutions are key partners in the implementation of this strategy, among others, the Ministry of Gender and Family Promotion, the chair, the Ministry of Youth and ICT, the co- chair through Business Development Fund, Rwanda Cooperative Agency and other key partner institutions.

In order to facilitate many women and youth to have access to finance, the strategy of women and youth access to finance will be reviewed and make sure that it is aligned to all existing initiatives like National Employment Program and other initiatives. It is in this framework that the strategy will be reviewed and come up with the new updated one.

1. General Objective

The general objective is to review and update the existing strategy with appropriate strategies that will facilitate the Government of Rwanda through the Ministry of Gender and Family Promotion and other participating institutions to implement women empowerment program tailored to access to finance

2. Specifically the assignment will cover the following :

- Make a systematic assessment of women and youth access to finance strategy mainly on the achievements and gaps;
- Review the existing initiatives aimed at women access to finance, citing duplications where applicable and mapping synergies between all programs related to women economic empowerment;
- Develop an appropriate institutional framework that enables implementation, coordination, monitoring and evaluation of women and youth access to finance Strategy;
- Review and develop performance indicators to women and youth access to finance strategy in line with National Employment Program and EDPRS2;
- Propose an appropriate way that facilitate women to acquire loans in the light of women economic empowerment;

3. Deliverables:

1) **Inception report:** within 10 working days after signing of the contract. It should include the mapping of women owned projects facilitated by BDF to acquire loans through credit guarantee, SACCOs refinanced, loans paid back and the extent of financial literacy among women and youth.

2) **First Draft Report:** within 20 working days after the inception report, the consultant must submit a first draft report with projects and initiatives mapped, gaps identified, defining the strategic direction and expected results and propose a framework within which women economic empowerment can be enhanced.

3) **Second draft report:** Within 30 working days after the first draft report must be submitted with a detailed implementation plan defining well the roles and responsibility of every participating institution in the implementation of women and youth access to finance, with a proposed coordination mechanism and M&E for measuring the achievement of the goals and targets of the strategy.

4) The report will be validated in a workshop bringing together all relevant stakeholders; this will be organized by the consultant with the support of the technical team.

5) Final with approved recommendations, comments and suggestion will be submitted to the client in four copies both hard and soft copies.

4. Duration of the consultancy

The consultancy will be for a period of 3 months that is 90 calendar days. The consultant will be required to work closely with the MIGEPROF and will report to a designated person at the Ministry of Gender and Family Promotion.

5. Professional qualifications and required skills:

- Proven experience in areas of economic empowerment of women and related gender issues especially in policy designing;
- Proven consulting experience in reviewing similar programs
- Have proven experience in development of Small and Medium Enterprises as well as good knowledge in business environment, Financial services, macroeconomics, labour market policies and interventions and institutions, policies and the respective impact on empowerment of women;
- Ability to work under frequent pressure and to meet deadlines;
- Ability to plan, prioritize and deliver tasks effectively and on time;

6. Education:

The consultants must have at least Master's Degree and five years of working experience in Business Administration, Project Planning and Management, Gender Economics and or any other closely related field.

7. Teamwork: As this assignment involves a number of stakeholders the consultant must have:

- The consultancy team/the consultant should possess strong interpersonal skills with ability to establish and maintain effective work relationships with people of different national and cultural backgrounds
- Proven experience and skills to facilitate workshops and bringing people to reach consensus;
- Ability to take initiative and to work independently, as well as part of a
- Team members should have excellent communications skills with ability to express ideas clearly, logically and effectively, both orally and in writing;

8. Scope

Since the strategy is implemented country wide, this midterm review will be undertaken in all provinces with selected Districts.

9. Payment arrangements

The Consultant will be paid in three instalments as follows:

- 20% upon presentation of inception report, methodology and work plan;
- 30% upon delivery of an acceptable draft document
- 50% upon acceptance of the final work (Both hard and soft copies)

10. Supervision and reporting

Under the supervision of the Directorate of Women Economic Empowerment in MIGEPROF, the Consultant shall work independently but closely with the Ministry of Gender and Family Promotion which is responsible for coordination and supervision of the work.