

RWANDA's

FINANCIAL INCLUSION JOURNEY



CORE VALUES

Integrity, Mutual Respect & Team
Work, Accountability and Excellence



The Financial Inclusion Journey

in Rwanda



Pre-1994



1994-2000

**Emergency
Period**



2000-2008

**Rebuilding the
Financial Sector**



2008-2012

**Laying the
Foundation of
Financial Inclusion**



2012-to date

**Deepening
Financial
Inclusion**

Rebuilding the Financial Sector

2000-2008



Assessments

- Finscope 2008 triggered policy response



Policies and Strategies

- Vision 2020
- Financial Sector Development Program
- Economic Development and Poverty Reduction Strategy
- National Micro-finance Policy and its Implementing Strategy



Laws and regulations

- Microfinance Institutions Law
- Insurance Law
- Central Bank Law
- Banking Law



More focus on financial stability



Basic Payment Infrastructure established

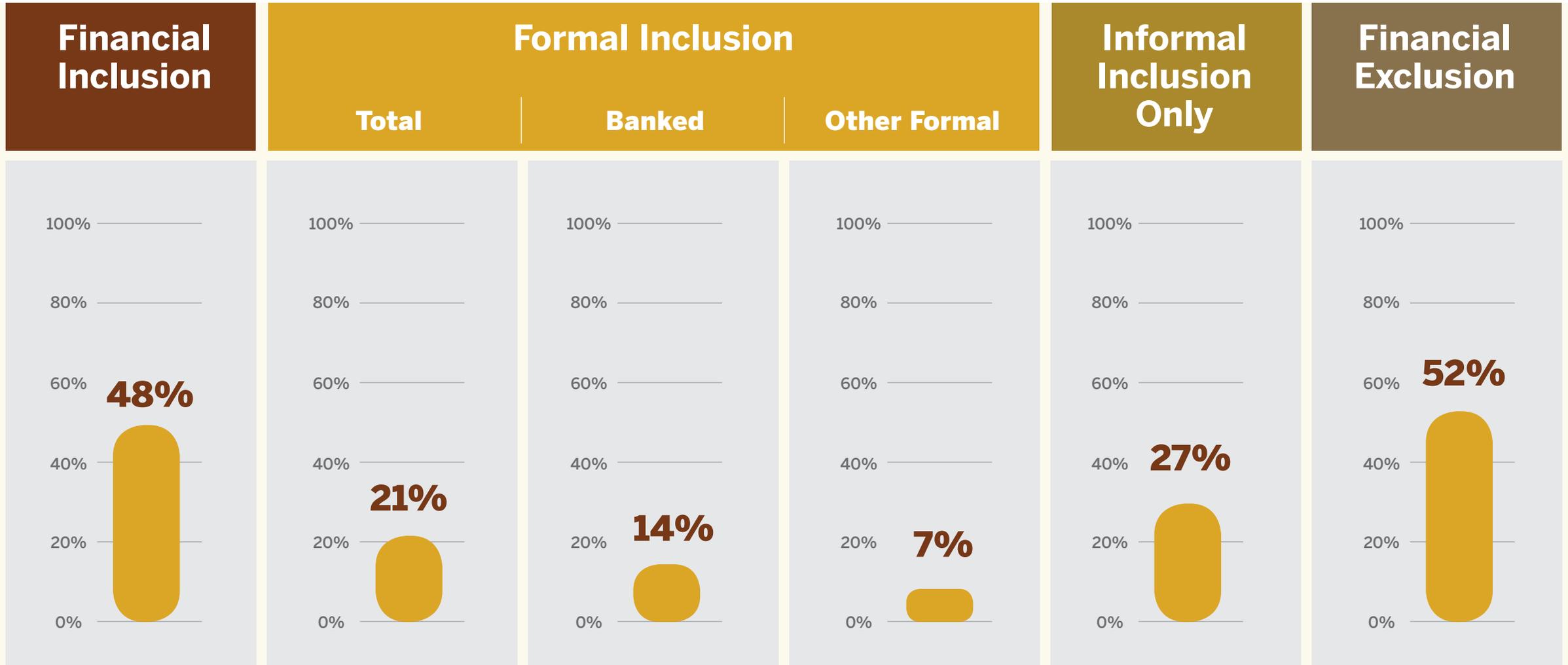
- Automation in Banks. E.g: BPR



Financial Inclusion Level in 2008



♂ ≠ ♀ Gender Gap: ?



Laying the Foundation of Financial Inclusion

2008-2012



Policy and Regulatory initiatives

SACCOs policy and strategy:

1. National dialogue led by H.E Paul Kagame discussed the idea of Umurenge SACCO
2. Rwandan National Savings Mobilization Strategy

Other policies:

1. Vision Umurenge Program
2. Community based health insurance (Mutuelle de Sante)

MFI Legal framework

Recognition of informal organizations working as MFIs

Payment systems legal framework:

1. Protection of payment system
2. Book entry security
3. Open payment service to non bank institution

Law on Credit Information System



UMURENGE SACCO

- One UMURENGE SACCO in each sector



Digital Products/ services

- Mobile Money
- POS and ATMs



Capital market products



Infrastructure:

- Telco infrastructures
- Financial Infrastructure (RIPPS.CSD,...)
- National ID infrastructure
- Credit Reference Bureau



Youth targeting fund

- Business Development Fund

Financial Inclusion Level in 2012

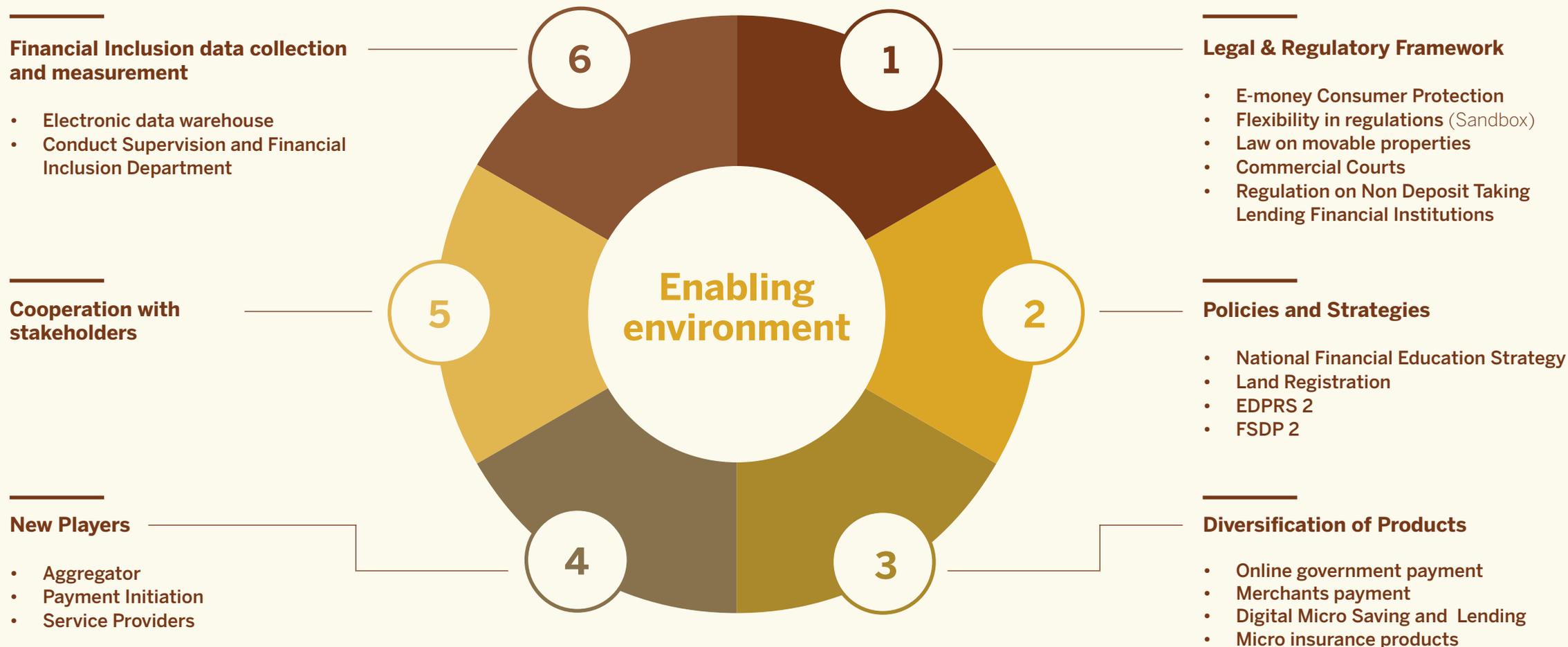
Gender Gap • Formal Financial Inclusion: 15%



● 2008 ● 2012

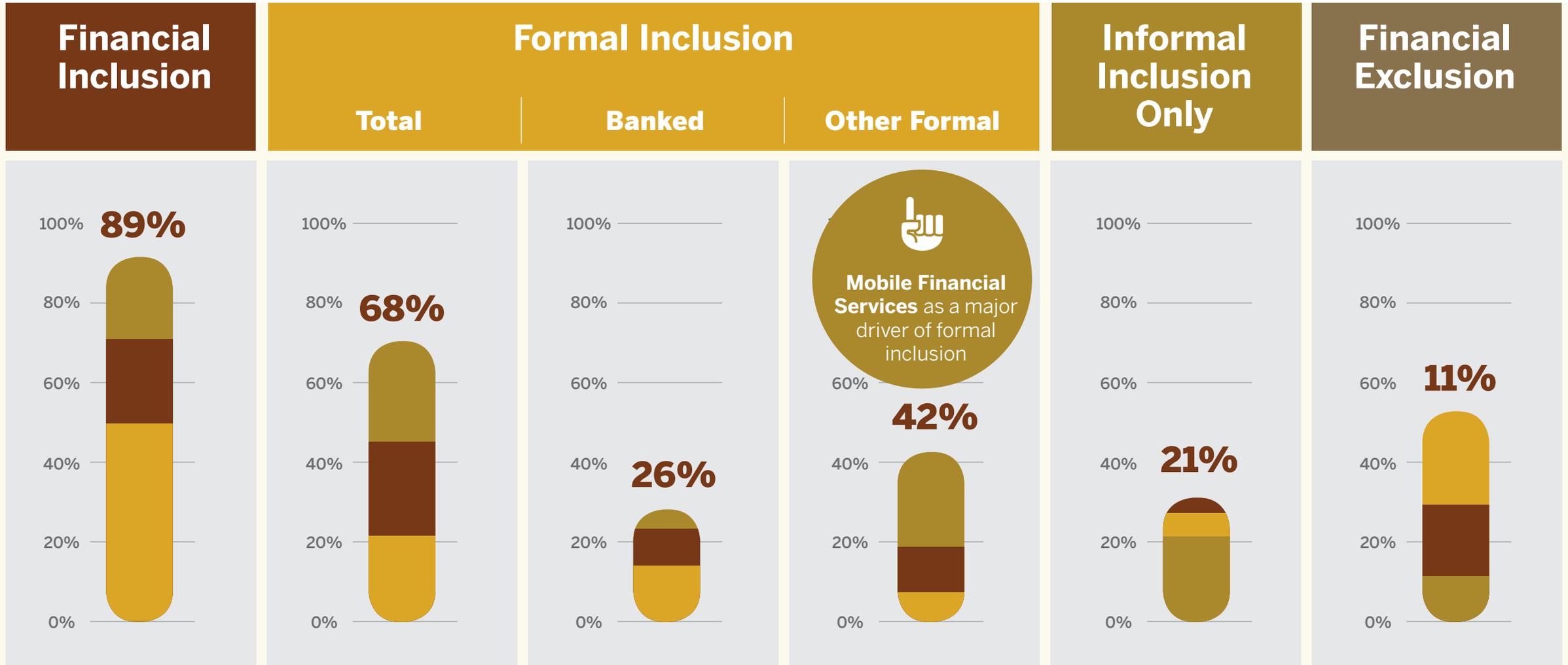
Deepening Financial Inclusion

2012 to date



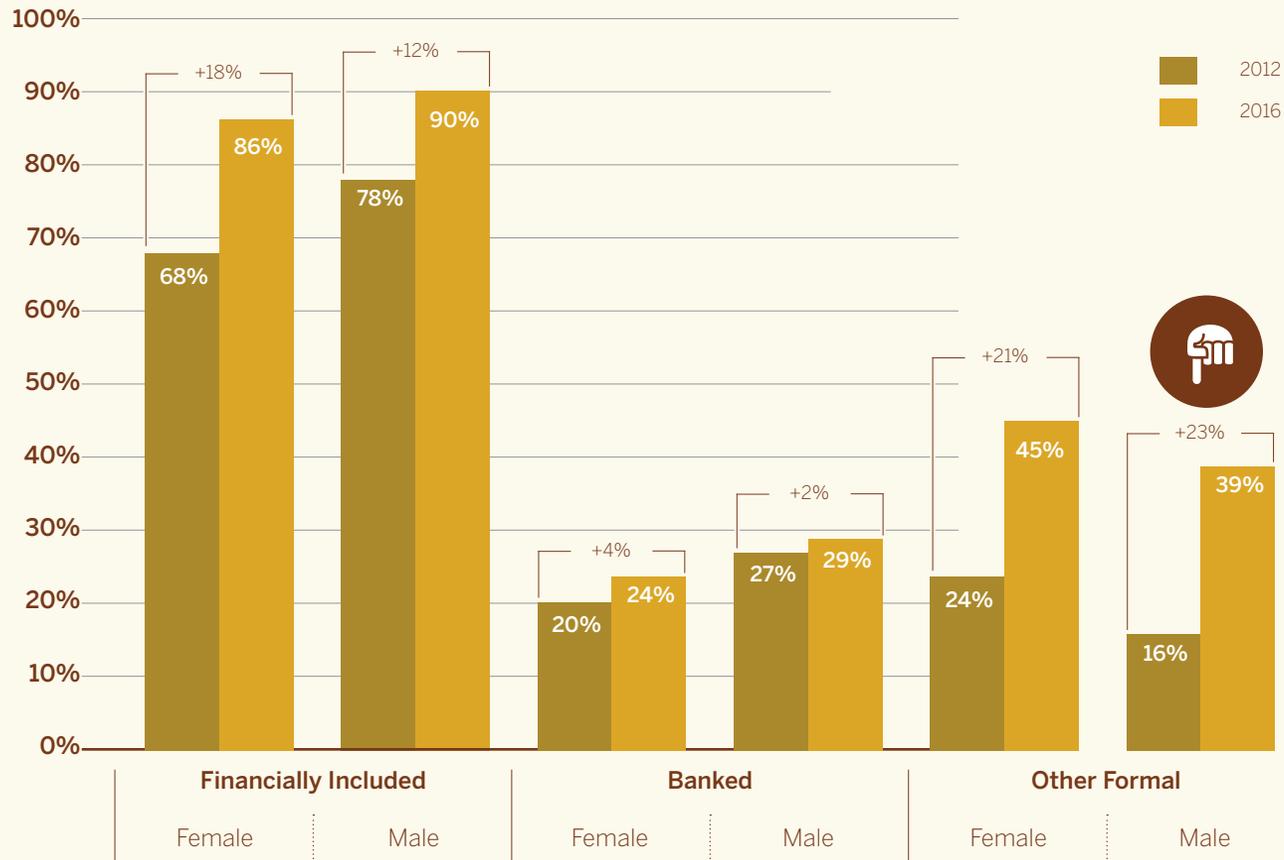
Financial Inclusion Level in 2016

♂ ≠ ♀ Gender Gap • Formal: 11% • Informal: 4%



● 2008 ● 2012 ● 2016

Gender Gap



Drivers of gender gap closure



Saving and Credits Groups



Mobile Payment



SACCOs



Policies

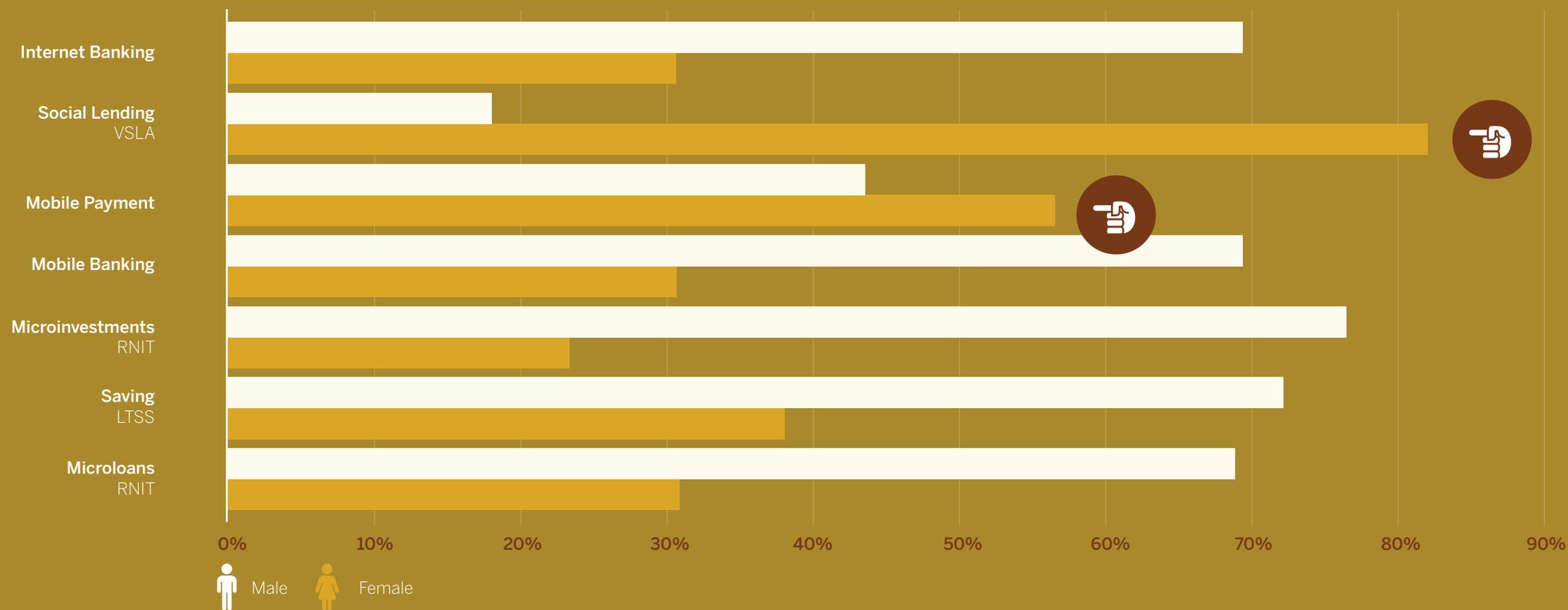
such as: 1) VUP, 2) GMO and 3) Data availability

Financial Inclusion Level:

Gender Gap Analysis



Financial Services per Gender



Enabling Environment

2016 to date



Innovative products



-  Digital Lending and savings
-  Micro-insurance
-  Long term saving schemes

New players



-  Investment Trusts
-  Private Pension schemes
-  Complementary pension schemes

Policy and regulatory framework



-  National Agriculture Scheme
-  National Payment System Strategy

Strategies and laws in approval process



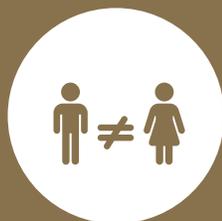
-  National Financial Inclusion Strategy
-  Financial Services Consumer Protection Law

Data and Measurement



-  Electronic Data Warehouse and big data
-  Finscope 2020

Maya Commitments



Reduce the gender gaps by at least half

by 2020 from 11% in 2016 to at most 5.5% in 2020.



Increase the number and membership of saving groups by 20%

by 2020, from 36,571 groups and 925,005 members of whom 711,841 women in 2016, and link 64% of them to formal channels through Digital Financial Services and Fintech by 2020.



Complete Electronic Data Warehouse

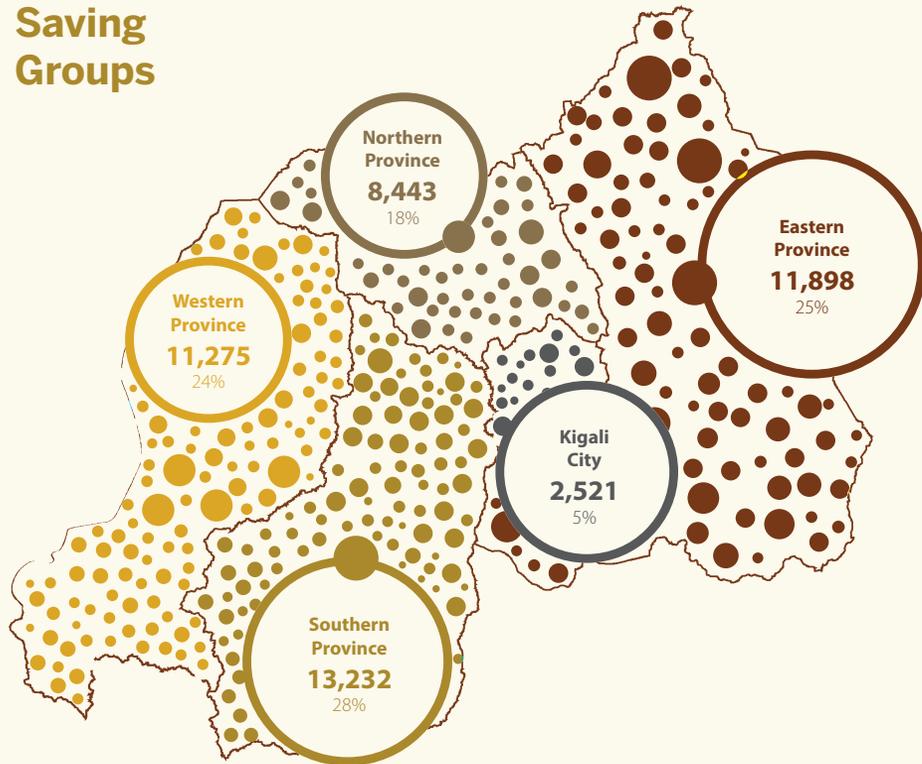
and start automatically pulling supply-side, sex-disaggregated, financial and non-financial data on financial inclusion from banks, microfinance and non-bank financial institutions by June 2018.

Informal Sector: Role of Saving Groups

2018



Saving Groups



Saving Groups • Informal



Total number of savings groups

47,369
2018

29.5%
increase

36,571
2016



Total number of SG members

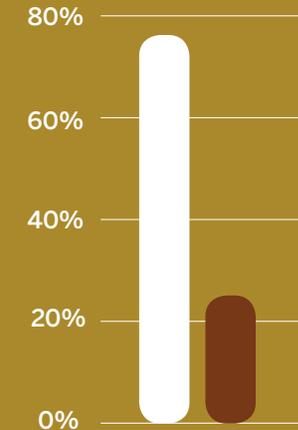
1,169,732
2018

20.89%
increase

925,394
2016



Gender distribution



Recordings of surveyed SGs
(Dec 2018)

SAVINGS
RWF31
BILLION
(~ \$33 MILLION)

OUTSTANDING
LOANS
RWF24
BILLION
(~ \$25 MILLION)

Current actions:

Savings Groups
Electronic map updated



Digitization of
savings groups



Stakeholders
engagement



Linking Savings Groups and
Financial Service Providers

Challenges and Way Forward



Challenges

- **High reliance on informal sector**
 - **Low financial literacy (especially digital and insurance)**
 - **Financial Inclusion gap for Women and Youth**
 - **Disabled and Ubudehe Category 1 segment exclusion**
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Way Forward

From access and Usage to Resilience:

- **Agriculture Insurance**
 - **Long Term Saving Scheme (LTSS)**
 - **Increase formal inclusion to 90%**
 - **Reduce gender gap from 11% to 2% in 2024**
 - **Establish inclusive interoperable infrastructure**
 - **Focus on Financial Education**
 - **Establish Financial Service Consumer Protection framework**
 - **Youth adoption of DFS from 54% to 70% in 2024**
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THANK YOU