

QUARTERLY NEWSLETTER



Strategic goal

To contribute to a deeper and more inclusive financial sector that supports the livelihoods and well-being of low-income people in Rwanda



Main objective

Low-income Rwandans, especially women and youth, benefit from use of a variety of appropriate financial services.

About AFR

AFR began its operations in 2010 with the core objective of stimulating the development of the financial sector in Rwanda. AFR's intention is to remove the systemic barriers that hinder access to financial services by putting the low-income people particularly the rural poor and women at the centre of its interventions. AFR supports the development and provision of financial services including savings, credit, insurance, payments and remittances. AFR is funded by DFID, Sweden, USAID, and the MasterCard Foundation.

To ensure long-term sustainability and consistency of its achievements, AFR supports the Government of Rwanda's development objectives and aligns all her interventions to the national policy frameworks such as the Financial Sector Development Programme (FSDP) II and the Economic Development and Poverty Reduction Strategy (EDPRS).

NEWS

AFR hosts the Global Savings Groups Conference 2018



Participants at the SG2018 Conference

In collaboration with the National Bank of Rwanda and The SEEP Network, AFR was delighted to host the Global Savings Groups Conference 2018 (SG2018) themed *The Power of Savings Groups*. With nearly 140 participating organisations and 500 individuals from Rwanda and abroad, the SG2018 took place in Kigali Convention Center on May 22-24. The conference provided a platform to connect, engage, and learn from each other about the challenges and opportunities they face in supporting Savings Groups worldwide. In this pursuit, AFR and its stakeholders encouraged greater use of a wide range of innovative session structures and methodologies that build on emerging and accepted best practices in learning and the dissemination of innovations. The Global Savings Groups Conference is a biannual event that engages a large and diverse community of stakeholders, develops and promotes improved standards of practice, mobilises knowledge, strengthens partnerships and alliances, and creates opportunities for cross-organisational learning.



AFR and BNR sets up a conversation on 'Open Banking'

In partnership with the National Bank of Rwanda (BNR), AFR hosted a breakfast meeting at Marriot Hotel in Kigali for about 40 representatives from commercial banks, mobile network operators, FinTech companies and key government agencies. The objective of the meeting was to explore the growth opportunities of Open Banking.

Open Banking provides third party service providers digital customer data for the design of more innovative, competitive and value adding services. AFR had invited Open Banking expert Ms. Cynthia Rudge to share experiences from the UK and Canada.

At the event, the participants sought clarification from the BNR on the new regulation, and interacted with the Open Banking expert. The meeting provided space for the participants to reflect on how Open Banking would affect their businesses. Participants also discussed their involvement in setting standards that would improve efficiency in implementation of Open Banking in Rwanda.

Knowledge transfer key to sustainable growth of the financial sector in Rwanda

Capacity building minimise the reliance on outside experts as sources of knowledge, resources, and solutions to community issues. By preventing dependency on external support, capacity building encourages local people to take action and gain control over the future. AFR applies capacity building as an approach to strengthen the confidence, skills, and knowledge of Rwandan consultants in the financial sector – and to enhance its partners' ability to envision and take action on other projects.



AFR recognises the need to enhance the capacity of Rwandan financial institutions to improve the quality of loan portfolios, to develop appropriate products and to increase deposits. AFR has therefore commissioned MicroSave, an international financial inclusion consulting firm with nearly 20 years of experience, operating across Asia and Africa, to build the capacity of employees and consultants in the financial sector. The focus is zoomed in on financial product development through Market Insights for Innovation and Design (MI4ID) approach, an exercise that has kicked off in Kigali, attracting Bank of Kigali, Umwalimu SACCO and COPEDU.

By the time this exercise comes to an end, it is expected that the sector will carry on the practice. It is further expected that the initiative will yield sustainable results because it will create an understanding among the participants of the theoretical and practical aspects of product design using the MI4ID approach. It will build capacities of financial institutions and financial sector consultants in market assessment and end-to-end product development cycle through an understanding of the needs and preferences of users of financial services. Last but not least, it will fine-tune the skills in market assessment, data analysis and the eventual design of responsive women-centric financial products.

As the implementation gets underway, a two-week seminar comprising both classroom sessions and field visits has been conducted in Kigali to set the tone in the development process of customer centred financial products. The seminar attracted 16 trainees including five financial services consultants, seven staff from three financial institutions (FIs) namely; Bank of Kigali, COPEDU, and Umwalimu SACCO, and four AFR staff.

The implementation is phased into four components:



Train local consultants on market research concepts and primary research for product development



Concept development, testing, and refinement



Training and pilot planning, training on pilot test and pilot test planning



Pilot launch, review, and project closure seminar.



AFR mainstreams gender

AFR is developing an organisational Gender Policy and a supportive operational strategy to ensure that gender is incorporated into policy formulation, project implementation and throughout all AFR programming.

The Gender Policy aims to ensure equal distribution of resources and equal treatment of women and men in all AFR supported interventions.

Mainstreaming gender involves AFR senior managers, staff and implementing partners. The process will be supported by the creation of suitable coordination structures, evaluation criteria, tools and procedures and the gathering of sex-disaggregated data and statistics as well as a gender-responsive monitoring plan with indicators to measure and monitor goals and strategies for their impact on gender equality and the empowerment of women.

As a starting point, AFR has organised a three-day training programme for all senior managers and staff to mainstream gender equality principles into the day-to-day work. The training focused on the principles of gender; gender-sensitive language, ensuring equal access to and utilisation of financial inclusion services and products, collection of sex-disaggregated data and equal involvement of women and men in decision making. As a follow-up to the gender training, several training and mentorship sessions for implementing partners are planned.

Going forward, AFR has started a cross-sectional process oriented towards more gender analysis and gender focused implementation in all programming.

Rwanda meets Zambia

Sharing experience and knowledge through the FSD Network continue to be a top priority for AFR. To explore new methods for improving AFR's monitoring and results measurement (MRM) framework – and to ensure that AFR's programming is aligned to the Making Financial Markets Work for the Poor (M4P) approach – MRM Manager Ms Janine Ampulire and deputy Ms Clare Munazirikazi made a four-day working visit (19th - 22nd June) to FSD Zambia (FSDZ).

Engaging with the FSDZ team has greatly improved AFR's level of awareness and knowledge on how to use MRM generated evidence-based data to ensure achievement of sustainable systematic market change and to inform future directions of AFR's programming. Back in Rwanda, the AFR MRM unit has embarked on bolstering its framework by applying the Results Chain model to monitor projects and guide the programme implementation. The team seeks to find more effective and efficient ways to structure AFR's project management models with a significant attention on identifying the problem (the market failure), the intervention approach and the anticipated systematic change. As such, AFR will continue to analyse and evaluate the impact pathway with a particular focus on registering intermediate and long-term results to beneficiaries in the financial sector.



AFR participates in Umuganda

AFR has embarked on increasing its visibility in rural communities where numbers of low-income people remain high. AFR staff, with its partners from SEEP Network, travelled to Bugesera District to participate in Rwanda's monthly communal work known as Umuganda. Together with residents and community leaders, AFR rehabilitated a feeder road in Kayumba Sector in Bugesera District.

Led by the Country Director Ms Waringa Kibe, AFR took the opportunity to speak to the gathering. After honouring the district leadership for accepting AFR's request to participate, she talked about AFR's mandate to facilitate the development of a financial sector that includes low-income people in Rwanda. She encouraged the residents of Bugesera District to take advantage of the available financial services to improve their welfare. She emphasised that embracing a culture of saving and investing is a path to improved lives.



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