Rwanda Microfinance Sector Status Report 2012-2014

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List of Acronyms

AFR : Access to Finance Rwanda
AFDB : African Development Bank
AMIR : Association of Microfinance Institutions in Rwanda
BNR : Banque Nationale du Rwanda
CRB : Credit Reference Bureau
EDPRS : Economic Development and Poverty Reduction Strategy
4RPHC : Fourth Rwanda Population and Housing Census
FSDP : Financial Sector Development Program
FSIs : Financial Soundness Indicators
FSP : Financial Service Provider
FSS : Financial Sector Strategy
GDP : Gross Domestic Product
GNI : Gross National Income
GOR : Government of Rwanda
IFAD : International Fund for Agricultural Development
MFI : Microfinance Institution
MINECOFIN : Ministry of Finance and Economic Planning
MINEDUC : Ministry of Education
MIX : Microfinance Information Exchange
NFES : National Financial Education Strategy
NPL : Non Performing Loans
OSS : Operational Self Sufficiency
PAR : Portfolio at Risk
ROA : Return on Asset
ROE : Return on Equity
SACCO : Savings and Credit Cooperatives
SBFIC : Savings Banks Foundation for International Cooperation
SME : Small Medium Enterprise
SPM : Social Performance Management

Acknowledgements

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We also appreciate feedback from Anne-Laure Behaghel and Straton Habyalimana on earlier versions of the report.

Foreword

The Association of Microfinance institutions in Rwanda (AMIR) was launched in 2007 as a network of Rwandan microfinance institutions and practitioners. Our mission is to offer diversified services to Micro finance Institutions (MFIs) to enable them to work professionally and contribute to poverty reduction in a sustainable manner. We do this through *training* facilities and other forms of institutional and financial supports, the promotion of the micro finance sector in Rwanda, using information exchange and experience sharing as an important strategy. We also advocate for the development and enforcement of conducive environment for microfinance to prosper.
Currently, AMIR has 230 members, spread all over the national territory.
This report is the second produced on the microfinance sector in Rwanda. It provides a broad assessment of key performance indicators for the period 2012 to 2014. It was made possible thanks to the support from different stakeholders, particularly the Small Enterprise Education and Promotion network (SEEP).

The report is based on information from the Mix Market and the Central Bank reports. While the report analyses the performance of MFIs at the general level, it goes further to analyze the performance of MFIs relative to their peer groups (SACCOs or limited companies). The analysis herein is intended to help stakeholders to make informed decision about key priority areas.

I am hopeful it will be useful for the managers, staff and other actors in the microfinance sector.
AMIR is looking forward to the next edition, which will be more based of first-hand information collected from the performance monitoring tools and reports.

Let us together work for a sustainable and professional sector in Rwanda!
Let us bring our brick to the work towards Vision 2020.

Peter Rwema
Ad Executive Secretary
AMIR

Introduction

Background

Since the 2006-2008 microfinance crisis in Rwanda, different stakeholders have put an emphasis on sector coordination and monitoring, as a way to guarantee sustainable financial inclusion for all Rwandans. The Central Bank has strengthened the microfinance sector supervision and regulation, and a microfinance providers' umbrella, the Association of Microfinance Institutions in Rwanda (AMIR) was established in 2007.

One of the mandates of AMIR is to promote exchange of information and experience between microfinance institutions (MFIs) active in Rwanda. It is believed that through exchange of information and experience, the MFIs will improve their performance and practices, as a result of a continuous learning loop.

This report was developed in an attempt to track key performance indicators in the sector. The more microfinance institutions are able to monitor and measure their performance and share information with key stakeholders, the higher the likelihood of increased transparency, client satisfaction, and cross-fertilization for best practices.

This report is a second in a series that will support annual performance monitoring in the microfinance sector. This report depicts results from January 2012 to December 2014. It is based on desk review of existing reports and data bases, such as the annual *Banque Nationale du Rwanda* (BNR) reports for 2012, 2013 and 2014; as well as data from The Mix Market and World Bank Findex database.

What is the Association of Microfinance Institutions in Rwanda (AMIR)?

The Association of Microfinance Institutions in Rwanda (AMIR) is a professional umbrella organization of more than 230 microfinance institutions, including microfinance banks, non-bank limited companies, and cooperatives. AMIR was founded in 2007 and remains the only microfinance network in Rwanda. It represents 94% of non-Umurenge SACCO registered microfinance organizations. Recently, a number of Umurenge SACCOs has also joined AMIR, and constitute so far the largest membership base.

AMIR works closely with the Rwandan Government, regulatory bodies as well as regional and international organizations to professionalize the microfinance industry in Rwanda.

Mission

The mission of AMIR is to offer diversified services to Micro finance Institutions (MFIs) to enable them to work professionally and contribute to poverty reduction in a sustainable manner.

Vision

The vision of AMIR is to become a strong and efficient organization that contributes to the development of the micro finance industry through the promotion of transparent management systems in MFIs, innovative and market led financial services and products.

Objectives

The objectives of AMIR are to -

- Improve the access of MFIs to training facilities and other forms of institutional and financial supports
- Support the promotion of the micro finance sector in Rwanda
- Promote the exchange of information and experience between MFIs and its partners at national and international level
- Advocate and represent micro finance institutions interests in various *fora*

- Facilitate the setup of an auto regulation system

Values

As an apex body, AMIR is committed to carrying out its mandate based on the following interrelated core values in the provision of all of its services: **professionalism, accountability, transparency, integrity and unity of AMIR members.**

Products and services

AMIR's products and services to members include advocacy, institutional development, building the capacity of boards of directors, management and staff; product innovation, performance monitoring and reporting, as well as research to promote knowledge enhancement.

Rationale

AMIR is convinced that reporting on the microfinance performance will contribute to enhancing transparency, and the culture of self-regulation in the sector. In addition, a number of stakeholders will benefit from the report that maps out progress in sector for the last couple of years. The management and boards of Rwandan MFIs may use the report to assess their institution strengths and weaknesses and, hopefully, use the information for an improved and more informed decision-making.

Target audience

This report is mainly targeted towards microfinance managers, who may wish to use it for benchmarking purposes. However, it can also be useful for other stakeholders who need to keep abreast of the state of microfinance industry in Rwanda, such as students, donors, investors, and capacity building institutions.

The methodology

This report is mainly based on secondary data. The main source of information is BNR reports and The Mix Market data. Information from BNR is more accurate, as it is drawn from firsthand information in the reports submitted by microfinance institutions. Data from the Mix Market are gleaned from only the institutions that report to the platform. Those institutions make up a sizeable market share (1,193,945 clients in 2013, or 54%[1]). However, data from the Mix Market are not exhaustive, as only 25 microfinance institutions submitted data for 2012 (and only 20 for 2013), out of 77[2] (excluding Umurenge SACCO), or 37%.

Structure of the report

Chapter one provides an overview of the country and the financial sector in Rwanda. Chapter two describes the status of key performance indicators between from 2012 to 2014, and the report ends with a conclusion.

[1] Caution: the total number of accounts in MFIs at the end of 2013 was 2,213,396 (BNR report 2014). However, this does not indicate the number of clients, as one client may hold more than one account. However, it gives a good proxy on the representativeness of the sample for the analysis.

[2] The total number of licensed microfinance institutions was 77 (13 limited companies, and 64 SACCOs), in 2013 (BNR, 2014), Umurenge SACCOs not included (in 2012 and 2013.

Chapter 1: Country and Financial Sector Overview

1.1. Country Overview

Known as “The Land of Thousand Hills”, Rwanda is located in central Africa with a total resident population of 10,515,973 inhabitants, and a slightly higher representation of women (51.8%) (NISR, 2014).[3] The country had 415 inhabitants per km^2 in 2012, the highest population density in Africa (IFAD, 2014)”[4] The county economy relies heavily on agriculture, which employs 70% of the total population and contributes 32% of GDP (AFDB, 2014)[5].

Table 1: *Selected economic and development indicators for Rwanda*[6]

Indicators	2010	2011	2012	2013
GNI per capita, PPP (current US $)	1 230	1 310	1 390	1 430
Population, total	10.8 million	11.1 million	11.5 million	11.8 million
GDP (current US $)	5.6 billion	6.4 billion	7.1 billion	7.5 billion
GDP growth (annual %)	6,26	7,46	7,31	4,58
Life expectancy at birth, total (years)	62,21	62,92	63,49	

Source : http://data.worldbank.org/country/rwanda

1.2. The financial sector development policy framework

1.2.1. Vision 2020

Rwanda’s development is guided by vision 2020 (MINECOFIN, 2000), a Government long term development program launched in 2000. Its main objective is to transform the country into a knowledge-based middle-income country, thereby reducing poverty, health problems and making the nation united and democratic. This program consists of a list of goals which the government wants to achieve before the year 2020:

- Good governance
- An efficient state
- Skilled human capital, including education, health and information technology
- A vibrant private sector
- A world-class physical infrastructure
- Modern agriculture and livestock

1.2.2. Economic Development and Poverty Reduction Strategy II (EDPRS II)

Rwanda’s Economic Development and Poverty Reduction Strategy II (EDPRS II) provides a medium-term framework to achieve the country’s long term development aspirations as embodied in Rwanda Vision 2020, the seven year Government of Rwanda (GoR) program, and the Millennium Development Goals (MINECOFIN, 2007). EDPRS I was a five-year strategy plan guiding the Government of Rwanda from 2008

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[3] According to the 4RPHC : http://statistics.gov.rw/

[4] IFAD-Investing in rural people in Rwanda: http://www.ifad.org/operations/projects/regions/Pf/factsheets/rwanda_e.pdf

[5] AFDB: http://www.afdb.org/fileadmin/uploads/afdb/Documents/Publications/Rwanda_-_2014_-_Country_Profile_-_Improving_economic_competitiveness_to_bring_about_shared_growth_-_Full_Report.pdf

[6] http://data.worldbank.org/country/rwanda

to 2012. EDPRS II (2013-2018) has been developed based on lessons learned from EDPRS I, through a participatory process that involved major stakeholders from local entities up to national level. EDPRS II was also developed based on District Development Strategies, City Development Plan for Kigali City, Sector Strategies, and Thematic Area Strategies. EDPRS II has four pillars: economic transformation, productivity and youth employment, accountable governance, fundamental and cross-cutting issues. Key targets pertaining to the financial sector in EDPRS II are-

- Increased ratio of credit to the private sector/GDP from 15.16% in 2012 to 20.2% by 2018
- Increased value of credit to SMEs by banks, microfinance institutions and SACCOs from FRW 161 billion in 2012 to FRW 882billion by 2018
- Increased proportion of adult population accessing financial services from 72% in 2012 to more than 85% by 2018
- Increased payment transactions done electronically from 41.5% in 2012 to 75% by 2018 (MINECOFIN, 2013).

Some of the priority areas listed by the EDPRS II pertaining to financial sector will be to achieve and increased and sustained graduation from core social protection programmes for male and female headed households by connecting them to economic opportunities and financial services; supporting effective informal financial services, that are useful for the poorest, to increase inclusion; supporting financial products for the Rural Poor and developing a National Financial Education and Literacy Strategy and strengthen Umurenge SACCOs (MINECOFIN, 2013).

In addition, EDPRS II envisages achieving accelerated structural changes in the financial sector, in particular measures to increase long-term savings and access to international finance, with the objective of increasing credit to the private sector to 20% of GDP by 2017. Commercial bank lending will be increased thereby strengthening the current credit guarantee programme and reducing collateral obligations. The Government of Rwanda (GoR) also envisages creating a creditor profile electronic system that will enable commercial banks to verify potential lenders' credit history (MINECOFIN, 2013).

1.2.3. The Financial Sector Development Plan (FSDP)

The FSDP was developed to enable the implementation of Rwanda Economic Development and Poverty Reduction Strategy (EDPRS II). The main objective of the FSDP is 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 (MINECOFIN, 2013 a).
FSDP II comprises four pillars:

- Financial inclusion
- Developing financial institutions, markets and the supporting infrastructure
- Investment and savings to transform the economy
- Protecting consumers and maintaining financial stability

1.2.4. National Financial Education Strategy (NFES)

I a bid to promote financial inclusion (one of four pillars of FSDP), the Ministry of Finance and Economic Planning (MINECOFIN) and the National Bank of Rwanda (BNR), with support from Access to Finance Rwanda (AFR), have developed the National Financial Education Strategy in 2013. The main objective of NFES is to improve the financial capabilities of Rwandans so that they can make appropriate financial decisions, including what financial services they use, depending on their context . The NFES is targeting 6 market segments: children, youth, urban adults, rural adults, women and staff of Financial Service Providers (FSPs). On the supply side, the government wants to promote the consumer protection principles and educate the staff of FSPs on those principles (MINECOFIN 2013 b).

The implementation of the financial sector policy framework described in the previous sub-sections is guided by a regulatory framework described in the following section.

1.3. The regulatory framework for Microfinance sector in Rwanda

There are two supervisory bodies for microfinance institutions in Rwanda: Rwanda Cooperative Agency (RCA) and the National Bank of Rwanda (BNR). In its mandate to regulate, supervise and build the capacity of cooperatives, RCA plays that role also SACCOs. However, the ultimate supervisory body for the microfinance industry, including SACCOs, is BNR, whose mandate is regulate and supervise the financial sector in the country.

The most prominent texts that constitute the regulatory framework of microfinance institutions in Rwanda are-

- Law n° 50/2007 of 18/09/2007determining the establishment, organization and functioning of cooperative organizations in Rwanda
- Law n° 40/2008 of 26/08/2008 establishing the organization of micro finance activities
- Regulation n° 02/2009 on the organization of microfinance activity

The following table lists key rules in the framework:

Table 2: Summary of key rules of the legal and regulatory framework for MFIs in Rwanda

Legal/regulatory provisions	Description
Law n° 40/2008 **Article 5** **Regulation n° 02/2009** **Article 2**	Categories of microfinance institutions: Four categories: • microfinance institutions which do not require prior licence; • microfinance institutions which are governed by laws on saving and credit cooperatives ; • microfinance institutions which accept public deposits; • microfinance institutions which do not accept public deposits. The first category includes informal micro finance institutions constituted as tontines, of any type, and which only operate on the basis of the contributions made by their members: no legal status or licensing from BNR The second category includes MFIs registered as SACCOs, with a total savings deposit under Frw 20 million (US $ 28,000). The third category is constituted of MFIs collecting deposits from the public that have adopted a legal status of corporation or of a SACCO and whose deposits total or exceed Frw 20 million. They are required to observe all rules of management and prudential norms defined in the microfinance law and its applicable regulations. The fourth category is constituted of MFIs that do not accept deposits from the public.
Law n° 40/2008 **Article 9, §4: mobility between categories**	Any modification of legal status of the micro finance institution is subject to prior approval from the Central Bank.
Regulation n° 02/2009 **Article 26; Law n° 40/2008** **Article 14**	Requirement to seek prior authorization from the Central Bank in order to establish a branch office, agency or offices.

Regulation n° 02/2009 Article 14; Law n° 40/2008, article 53	Obligation to maintain at all times a minimum cash ratio of at least 30%; ½ of it is kept in treasury bills or term deposits and certificates kept with BNR
Regulation n° 02/2009 Article 27 Law n° 40/2008, article 55	Obligation to maintain a net worth corresponding to a minimum of 15% of total assets.
Law n° 40/2008, article 56; 64; 65: prudential risk	Individual risk cannot exceed 10% of total net worth for savings and credit cooperatives (if NPL kept under 5%); or 2.5% of total deposits. A microfinance institution is not authorized to utilize more than 75% of its net worth.
Regulation n° 02/2009 Article 28; Law n° 40/2008, article 25: open and flexible pricing system	Pricing and costing: "*Every licensed micro finance institution shall be obliged to adopt an interest rate structure that will allow it to recover its operating expenses, including the cost of capital and losses on loans to ensure the stability of its activities*"
Law n° 40/2008, article 17; 19: obligation to shareinformation	Obligation to report to Credit Reference Bureau, for any loan exceeding RWF 200,000; weekly disclosures
Law n° 40/2008, article 22: internal controls	*"Every micro finance institution…* *is required to appoint a person or service to be responsible for internal control coherence and efficiency and to report on the exercise of the mission to the board of directors of the institution"*
Law n° 40/2008, article 27; 33 (§b)	An obligation to submit to BNR an internal control report including, among others: an inventory of inquiries carried out showing major lessons and, more particularly, the main inadequacies noted, as well as a follow up of corrective measures taken; a description of important changes made in the field of internal control during the period under examination; at least by March 31st of each year.
Law n° 40/2008, article 28: risk management system	Requirement to establish risk management mechanisms including, among others, procedures manuals; develop documentation specifying the resources assigned to ensure proper functioning of internal control (different levels of responsibility, the duties involved in and resources assigned to internal control operations; the procedures related to the security of information and communication systems; a description of risk measuring systems).
Regulation n° 02/2009 Article 43; 44	Prohibition against sharing reserve funds; Allocation of operating surplus
Law n° 40/2008, article 63	Obligation to liquidate collaterals within 2 years
Law n° 50/2007; article 26; §1	Age limit for eligibility to microfinance services: at least 16; or at least be an emancipated child
Law n° 50/2007; article 10	"*No person shall be a member of more than one Cooperative Organization with similar activities operating in the same area*".
Law n° 50/2007; article 38; 49, 62	Equal rights to vote for all members; "*a member of a primary*

	Cooperative Organization shall have one vote, which shall be exercised in person and not by proxy". Equal rights to participate in the general assembly: ". *Every member shall have the right to attend or to be represented in all its meetings*"
Law n° 50/2007; article 41	Ceiling to the return on share: 6% maximum
Law n° 50/2007; article 65	"*The term of office of the Board of Directors shall be three (3) years. No member of the Board of Directors shall hold office of a Cooperative Organization for a continuous period of more than two (2) terms of office*"; 2 years for the members of the supervisory committee
Law n° 50/2007; article 79	SACCO services exclusively to members: *"a Cooperative Organization may only receive deposits from its members".*
Law n° 50/2007; article 107	Transformation: "*General Assembly meeting where a three quarters (3/4) majority of registered members attending and voting shall resolve on the matter."*

Source: compiled by the authors

1.4. The financial landscape and status of financial inclusion in Rwanda

1.4.1. The financial system in Rwanda

The financial sector in Rwanda can be divided into three categories of players: the banking sector, the microfinance sector, and the non-banking financial institutions.

1.4.1.1. The banking sector

The banking sector was strong of ten commercial banks; four microfinance banks; one development bank and one cooperative bank in December 2014 (BNR, 2015). It is the most important component of the financial sector in Rwanda, with 67.6% of the system's total assets (BNR, 2014)

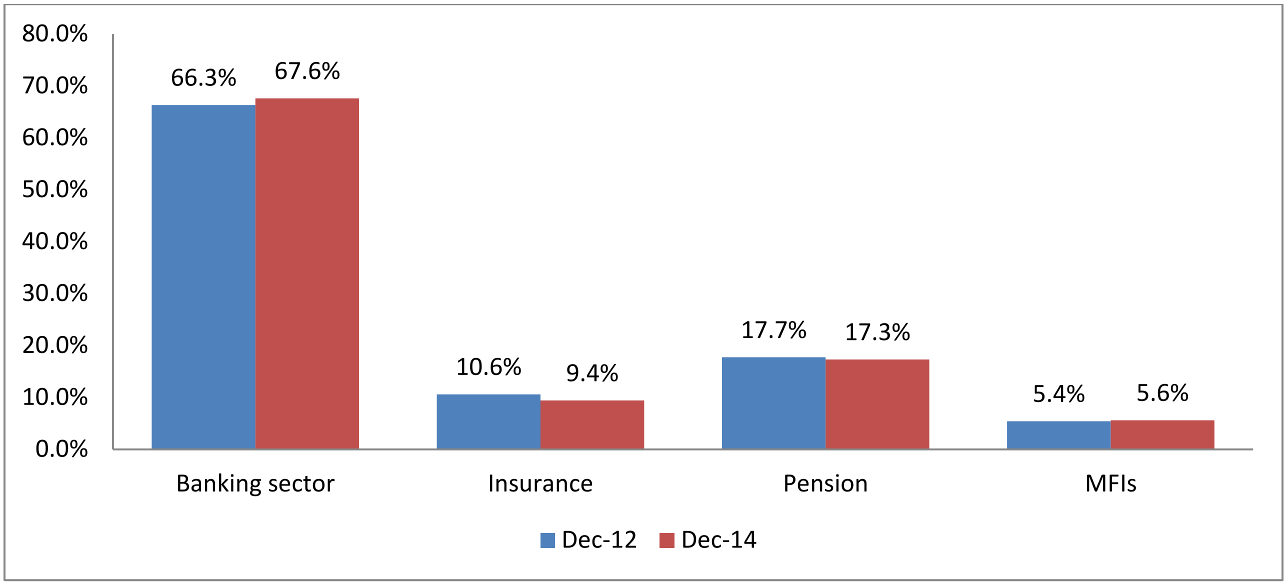
1.4.1.2. The microfinance sector

The microfinance sector in Rwanda counts 493 licensed institutions (13 limited companies, 64 non-UMURENGE SACCOs and 416 Umurenge SACCOs) (BNR, 2015). They represent 5.6% of the Rwandan financial system's total assets (BNR, 2014).

1.4.1.3. The Non-Bank Financial Institutions

The Non-Bank Financial Institutions (NBFIs) and the non-banking financial institutions include insurance companies, and the pension fund. They account for 26.7% (insurance 9.4% and pension 17.3%) of the financial system's total assets (BNR, 2014). In December 2014, there were "*eight non-life insurers, four life insurers , two public medical insurers, ten insurance brokers, three hundred and twelve insurance agents , twelve loss adjusters , one pension/ social security fund and fifty three private pension schemes but not yet regulated by BNR*" (BNR, 2015)

Figure 1: *Market share of financial sectors in Rwandan financial system*



Source : compiled from BNR reports 2012 and 2014

1.4.2. The status of financial inclusion

With regards to financial inclusion, the FinScope 2012 reports that-

"The goal of financial sector development is to improve the lives of all Rwandans, and more especially to enable the poor to build financial security, manage financial shocks and to invest in opportunities to generate income through access to secure savings facilities and other financial services"[7].

The target of the government of Rwanda is to increase the proportion of formally served adults to 80% by 2017 (MINECOFIN, 2013a). The findings from the Finscope Rwanda 2012 survey revealed that 72% of Rwandan adults were financially included: 42% were formally served (23% served by commercial banks and 33 % served by non-bank formal financial institutions) and 58% used informal financial mechanisms[8]. Overall financial inclusion increased from 47% in 2008 to 72% in 2012 (FinScope Rwanda 2012).

While the status is in a relatively better position with regards to savings (the percentage of the population aged 15 plus who save at a financial institution in the past year was 25.5% in Rwanda, versus 15.9% in South Saharan Africa and 9.9% in low income countries, respectively), Rwanda still fares poorly in comparison to its peers in access to credit from financial institutions: only 8.2% of people aged more than 15 years borrowed from a financial institution in the past year (8.6% in low income countries). There has been a slight decline in access to borrowings from a financial institution between 2011 (the proportion was 8.4% of people aged more than 15 years) and 2013 (8.2% of the population aged 15 plus). The trend has rather been encouraging for savings (from 17.8% to 25.5% of the population aged 15+ who saved at a financial institution in the past year), possibly due to the introduction of Umurenge SACCO (World Bank, 2014)(figure 2).

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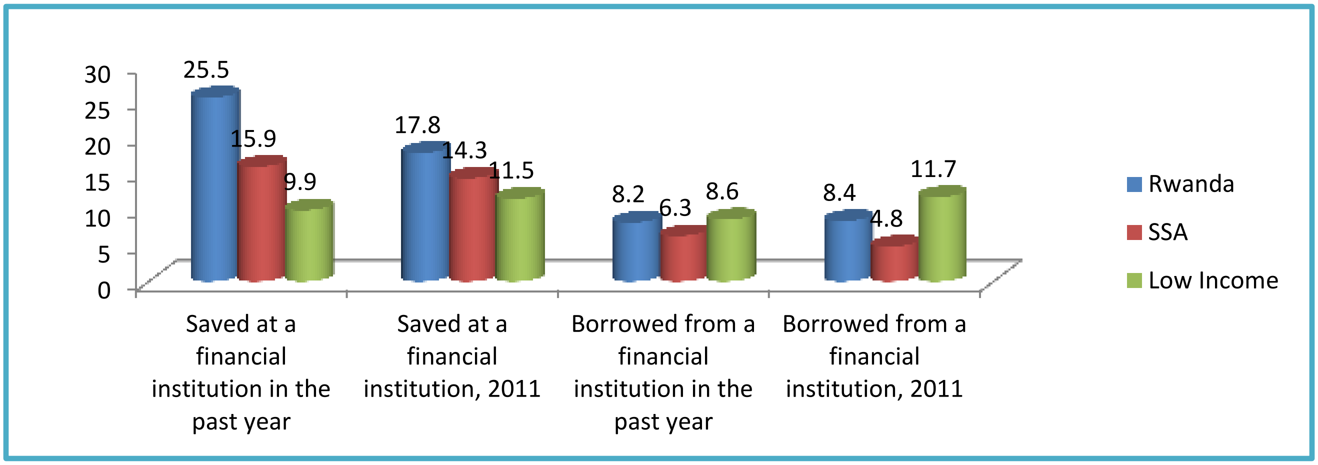
[7] Finscope Rwanda 2012

[8] idem

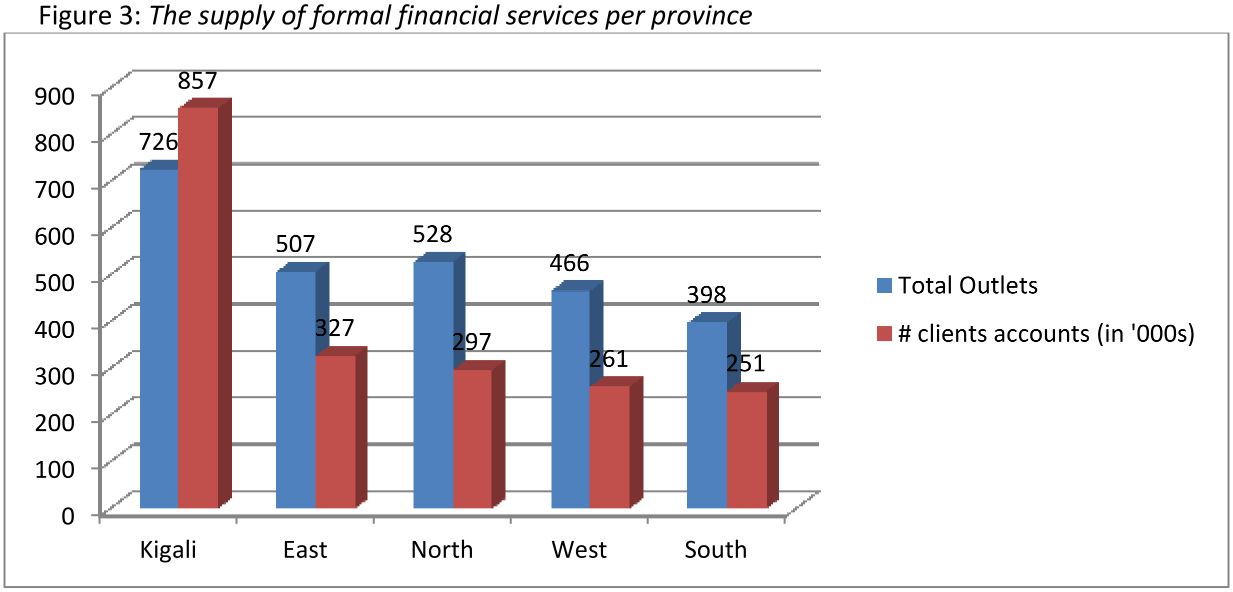
Figure 2: *Comparison of level of access to financial services between Rwanda and it peers*



Source: Compiled from World Bank Findex Data (2014)

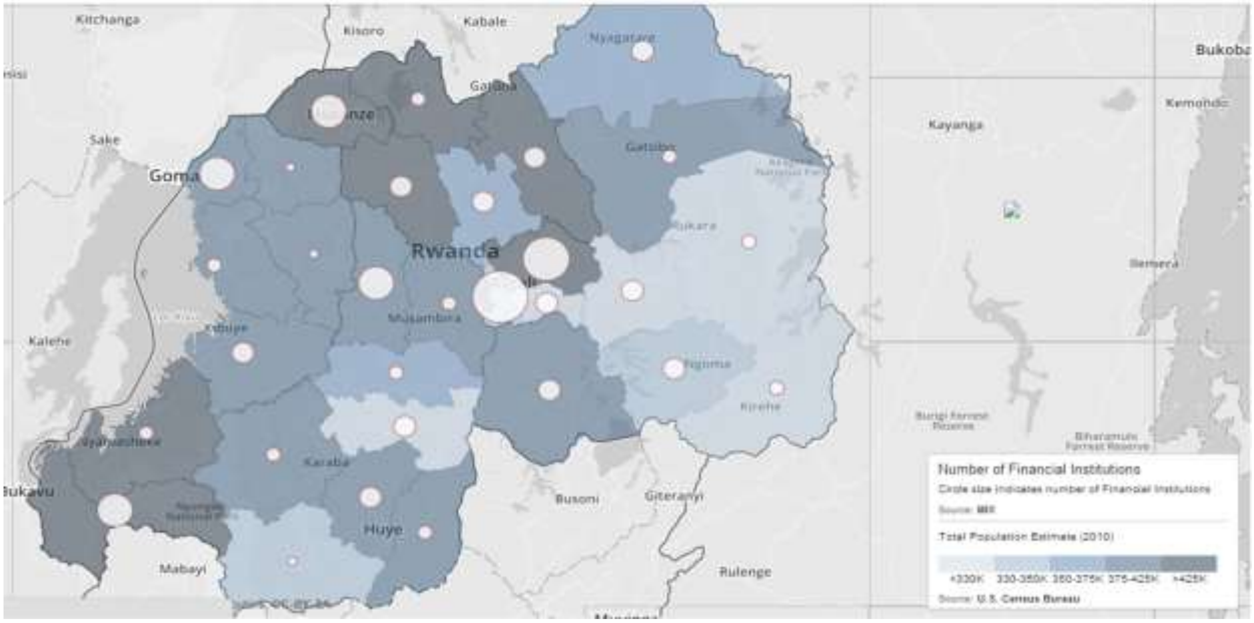
The level of access to financial services is in most cases correlated to the supply of such services in a specific area: Kigali City tops all provinces in terms of access points (branches, sub-branches and banking agents) , with 726 points, and has the highest number of clients accounts (857). The least covered province is South Province with only 398 outlets, and only 251,000 clients' accounts (figure 3).
The Mix Market map of financial inclusion (figure 4) confirms this status, particularly with regards to supply. Indeed, there is high level of concentration of the supply in Kigali, Rwamagana, Muhanga, Musanze, Gisenyi and Rusizi urban areas. However, when individual districts are considered, there is a stark discrepancy between urban areas and rural areas such as Nyabihu, Ngororero, Nyaruguru, and Kirehe (figure 4).

Figure 3: *The supply of formal financial services per province*



Source: Data from BNR Annual Report 2014 (http://www.bnr.rw/index.php?id=310)

Figure 4: *The financial inclusion map of Rwanda*

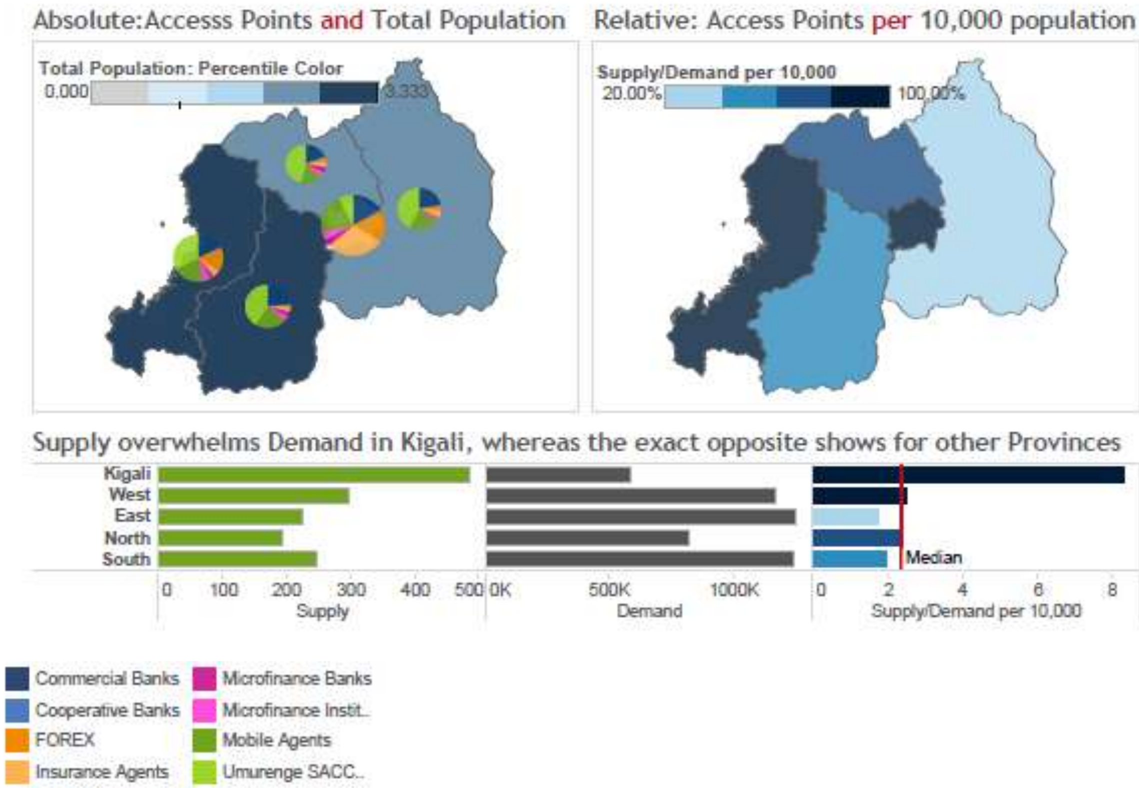


Source: http://maps.mixmarket.org/rwanda/

Taking into account the relative access to financial services (figure 5), Kigali City and West Province fare better than any other province, with more than 80% supply/demand ratio per 10,000 people. The least served province with relative access is East Province. In any case, there is a gap between the supply and the demand in all provinces, except Kigali City (Mix Market, 2014)(figure 5).

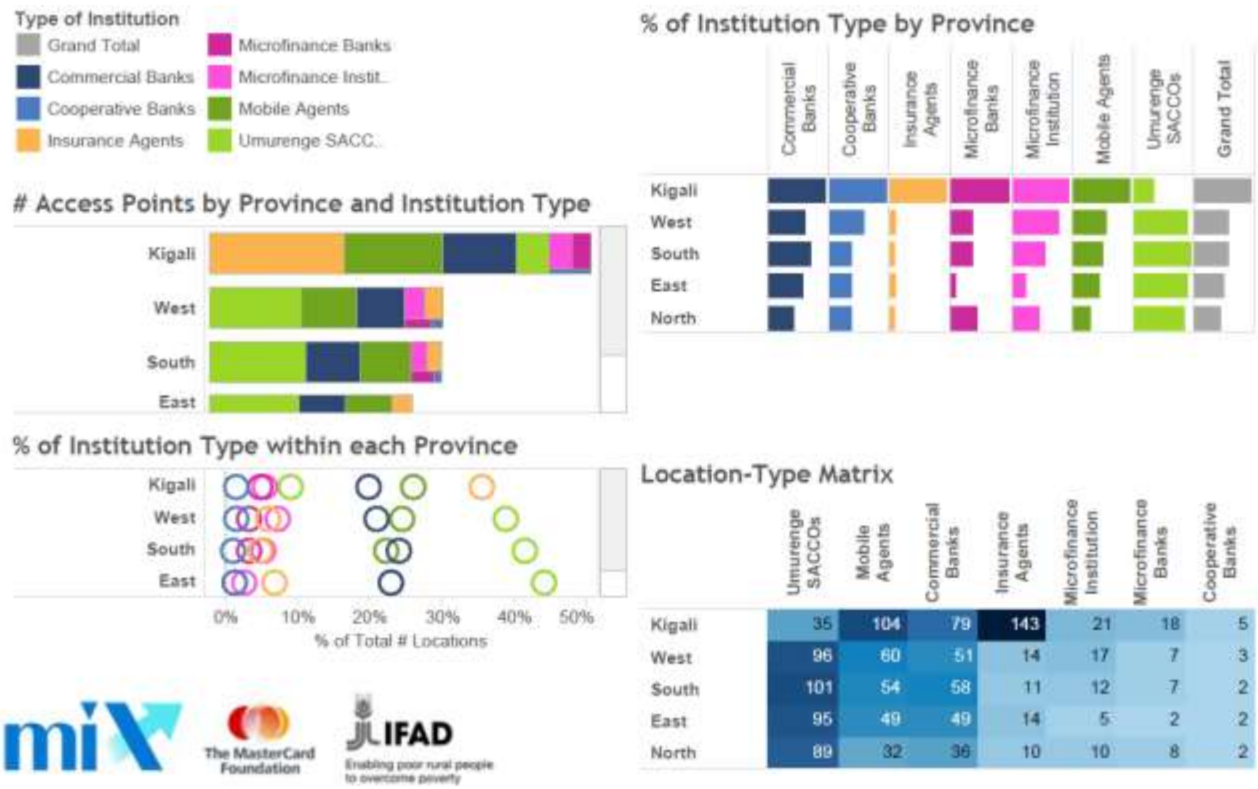
Umurenge SACCO remains the main provider of financial services (in terms of outreach: figure 6) in all provinces, except Kigali (Mix Market, 2014)

Figure 5: *Supply and demand of financial services per province*



Source: http://finclusionlab.org/country/Rwanda/analytics

Figure 6: *Access to finance per institution type and per province*



Source: http://finclusionlab.org/country/Rwanda/analytics

With respect to youth inclusion, 30.4% of total loans distributed to individuals in 2013 were directed to youth. 30.3% of loans to individuals were granted to women in the same period (BNR, 2014).

The following chapter gives more details about major performance indicators across the microfinance industry in Rwanda.

Chapter 2: The Performance of Microfinance Institutions in Rwanda

Monitoring performance indicators has a double objective: first, it helps to track trends over time, and identify areas that need more attention from stakeholders. Second, it helps to benchmark the industry internally and externally, through a comparative analysis, which is also important for individual institutions, as well as for different other actors, to make informed decisions on priority areas to focus on.
This chapter provides the status of key performance indicators of Rwanda microfinance sector, for the period from January 2012 to December 2014.

2.1. Institution characteristics[9]

It is important to group microfinance institutions into categories, in order to make comparative analysis between categories, and track performance within categories. Indeed, "*benchmarking allows MFI management and board members to understand their performance relative to that of other MFIs that are similar in terms of age, legal structure, lending methodology, outreach, region, and scale*"(CGAP, 2017). However, it is difficult to establish a clear cut typology of microfinance institutions in Rwanda.
The first possibility is to classify them into tiers (or categories), as per the BNR regulations (Law n° 40/2008, article 5 and Regulation n° 02/2009 article 2):

- *Tier I*: Informal microfinance services providers: hard to identify and list, as they are mostly volatile by nature, these providers are found everywhere in the country, and there has been so far no documented efforts to quantify their share in the market. The World Bank (2014) estimates that 24.1% of Rwandan population aged 15+ save using these mechanisms or persons outside the family network; and 36.6% borrow from family and friends, including these types of clubs/associations[10].
- *Tier II*: this category includes microfinance schemes, mostly in the form of savings and credit cooperatives/associations, which collect savings, but of which the total savings do not go beyond FRW 20 million. There is no requirement for such scheme to regularly report to the Central Bank, which means that there is a limited supervision of such schemes. There is no comprehensive study so far that can quantify the size of their market share.
- *Tier III*: these are the usual microfinance institutions, collecting deposits from the public, of which the volume is larger than FRW 20 million. They are mostly in the form of savings and credit cooperatives, and sometimes under the legal status of corporations (SA), which can also be put into different sub categories:
  - *The small ones* with total deposits under USD 300,000 (e.g. CODEMARU, COMICOKA, Ingashya, Twizigamire, CPF Ineza, CT Murambi, CSTR, ITI, SACCO Murunda, and most of Umurenge SACCOs)
  - *The medium ones* with total deposits between USD 300,000 and 1,000,000 (e.g. Amasezerano Community Bank, CAF Isonga, CLECAM Wisigara, CMF Umurimo, COOJAD, COOPEC Ubaka, COOPEC Inkunga, Sager Ganza, and Vision Finance Company)

[9] This section is solely based on the author's asessment.
[10] http://datatopics.worldbank.org/financialinclusion/country/rwanda

○ *The large ones* with total deposits larger that USD 1million (e.g. AB Bank Rwanda, CFE Agaseke, COPEDU, Duterimbere, CLECAM Ejo Heza, Equity Bank Rwanda, Goshen, RIM, Umutanguha Finance, Umwalimu SACCO, Unguka Bank and Urwego Opportunity Bank).

- *Tier IV:* is composed of institutions that do not collect savings from the public. This category is getting less popular, as savings are definitely the cheapest source of funding for microfinance institutions in Rwanda. Letshego, the only institution which was licensed under this category[11], has recently moved away into Tier III and has started collecting savings.

Another simplistic typology (which is used in the following section) is to categorize microfinance institution by their legal status: those that are registered as corporations (limited companies)[12]and those registered under the form of savings and credit cooperatives (SACCOs). The first category includes two major subgroups: those which transformed into/were established as microfinance banks (e.g. AB Bank, Equity Bank, Urwego Opportunity Bank) or mixed[13] banks (e.g. *Banque Populaire du Rwanda*) and those which have not yet obtained the status of bank (e.g. CAF Isonga, Duterimbere, Letshego, etc.). The SACCOs are also in two types: those initiated by the government at sector level (Umurenge SACCOs), and those resulting from private initiatives.

2.2. Key Performance Indicators in the microfinance sector of Rwanda

This section discusses the performance of microfinance sector in Rwanda with regard to outreach and growth, productivity, portfolio quality and efficiency.

2.2.1. Outreach and growth

Outreach is arguably the easiest indicator to measure the extent to which microfinance industry is contributing to the government objective to increase access to financial services as defined in EDPRS II. This report focuses on the following indicators:

- Number of active borrowers
- Number of clients deposit accounts
- Gross loan portfolio
- Savings
- Average loan size per GNI per capita
- Average savings balance per GNI per capita

2.2.1.1. Number of active borrowers

This indicator tracks "*the number of individuals who currently have an outstanding loan balance with the MFI or are responsible for repaying any portion of the gross loan portfolio*" (MicroRate, 2002).

[11] Letshego was known as Rwanda Microfinance Limited (RML), and was registered as an SARL (or a company limited by guarantee, as opposed to the company limited by shares).

[12] Often referred to as *Société Anonyme* (SA)

[13] Mixed banks are those offering microfinance products to a specific market segment meeting the microfinance criteria (low income and business turnover, use of non-traditional approaches such as solidarity groups and alternative collateral etc).

Table 3: *Active borrowers per type of microfinance institution in Rwanda (2012)*

	SACCOs	SAs
Average	1,289	11,595
Median	627	4,128
Lowest	151	2,466
Highest	3,901	42,412

Source: data from the Mix Market (http://www.mixmarket.org/mfi/country/Rwanda)

According to data available on the Mix Market, the number of borrowers per institution was between 151 and 3,901 among savings and credit cooperatives (SACCOs, N=13) in 2012. The average was 1,289 and the median 627. In the same period, the average number of borrowers per institution registered as a limited company (SA, N=5) was 11,595 (the number of borrowers per institution varies between 2,466 and 42,412) in the same period, nine times larger than the average number of borrowers from SACCOs (table 3).

BNR reports don't provide details about the number of active borrowers.

2.2.1.2. Number of savers

This indicator depicts "*the total number of individuals who currently have funds on deposit with an MFI, which the MFI is liable to repay*". (MicroRate, 2002).

Table 4 makes comparison between savers in institutions with the legal status of cooperative (N=12) and those with the legal status of limited companies (N=7) that submitted reports for the fiscal year 2013 to the Mix Market[14]. The table shows that corporations have a larger outreach than the cooperatives, the former reaching on average 146,692 and the later only 13,925 on average. It means that limited companies in Rwanda reach more than 10 times on average than cooperatives. This is possibly due to the limitation imposed by the law (see table 2) for microfinance institutions registered as cooperatives to provide services exclusively to members[15]

The largest microfinance institution in Rwanda, as per the number of savers, is among the limited companies, with 369,784 savers, more than five times the outreach of the largest cooperative in the country, which has 67,321 savers.

The median is 4,836 and 44,759 savers among the cooperatives and the limited companies respectively (table 4).

Table 4: *Comparison between cooperatives and limited companies with regard to the number of savers*

	Savers in Cooperatives (N=12)	Savers in corporate MFIs (N=7)
Average	13,925	146,692
Median	4,836	44,759
Lowest	2,449	12,099
Highest	67,321	369,784

Source: data from the Mix Market (http://www.mixmarket.org/mfi/country/Rwanda)

At country level, there has been a mixed trend in the number of clients' deposit accounts with an increase between December 2012 and December 2013 (36%), and a decrease in the following year (-

[14] There not enough information on 2012 an 2014 to make similar analysis for this indicator.

[15] Members are those who have successfully subscribed t the institution and paid up the membership fee in total. They have equal rights to vote and to be voted.

17%). However, the overall trend in the period under review is positive, with an overall increase of 12% between December 2012 and December 2014 (figure 7).

2.2.1.3. Gross loan portfolio

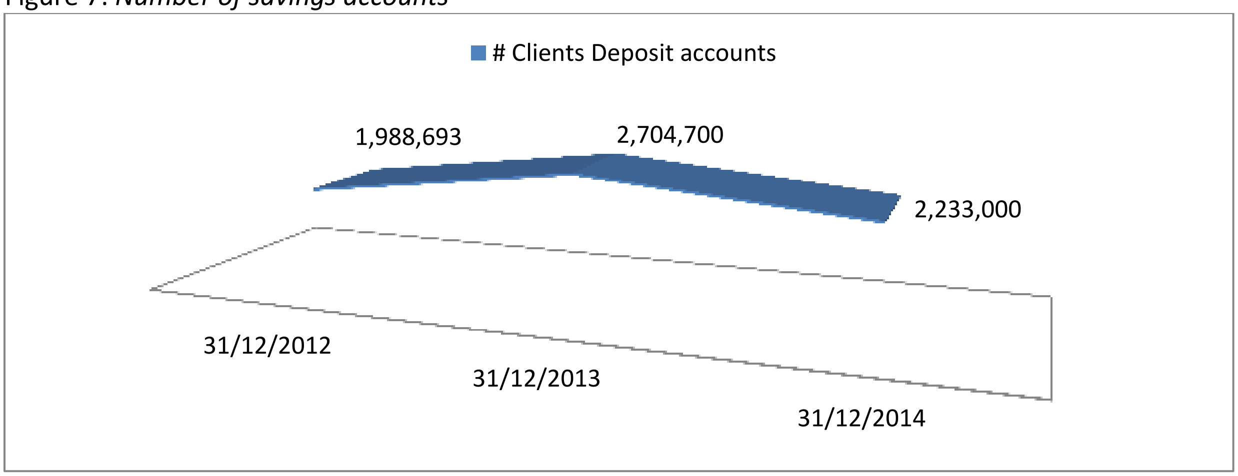
Table 5: *Comparison between gross loan portfolio volumes (in USD) per category of MFI*

Gross Loan Portfolio, in USD (2012)		
	SACCOs (N=16)	Sas (N=7)
Average	2,115,809	7,108,656
Median	361,933	1,967,005
Lowest	85,013	350,096
Highest	21,659,163	20,123,583
Standard deviation	5,359,147	8,288,431

Source: data from the Mix Market (http://www.mixmarket.org/mfi/country/Rwanda)

In terms of gross loan portfolio volumes, the average gross loan portfolio was USD 2,115,809 in 2012 for SACCOs (N=16), and USD 7,108,656 for limited companies (N=7)[16], or more than 3 times. However, the largest SACCO (in terms of gross loan portfolio volume) in the country has also the largest gross loan portfolio volume across the microfinance sector in Rwanda, outscoring the largest limited company by more than USD 1.5 million (or 7.6%). The smallest gross loan portfolio was USD 85,013 in the same period, and the largest was over USD21 million, with a standard deviation of 5,359,147 in the SACCOs group. As for limited companies, the smallest gross portfolio in the sample was USD 350,096 and the largest over USD 20 million, and a standard deviation of 8,288,431. This shows the gross loan portfolio volumes are more disperse among limited companies than among SACCOs (figure 8).

Figure 7: *Number of savings accounts*[17]

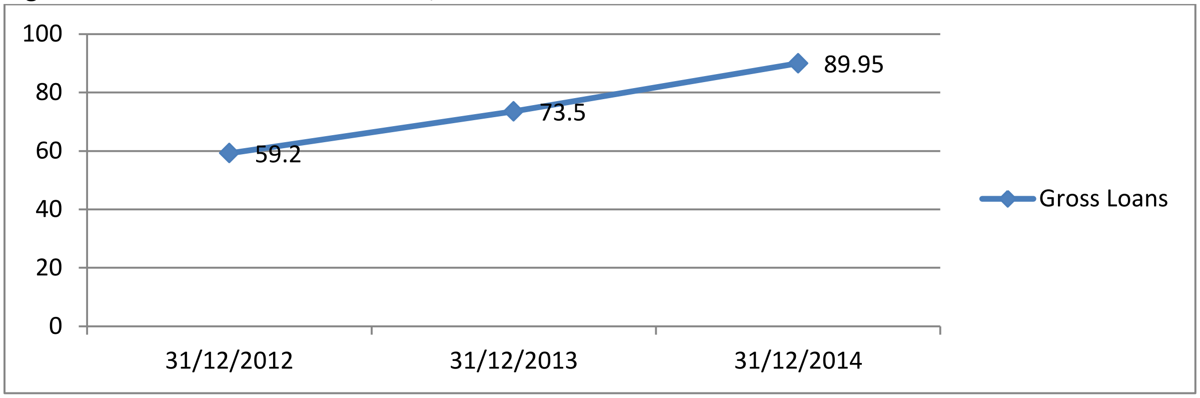


Source: Compiled from BNR Monetary policy and financial stability statement, February 2015 and BNR Annual Report 2013.

[16] The exchange rate is roughly FRW 716 to the dollar at the time of reporting.

[17] Reports from BNR, which are used as the major source of information on national status in most cases, do not provide data on the number of savers. The indicator which is used in BNR reports that may be used as a proxy on the trend in the number of savers is the number of clients' deposit accounts. However, this indicator should be used cautiously: some deposit accounts are used by more than one individual, and one individual may open more than one account. However, the indicator gives a good picture of the trend in the outreach at national level.

Figure 8: *Gross loans in RWF billions, 2012-2014*

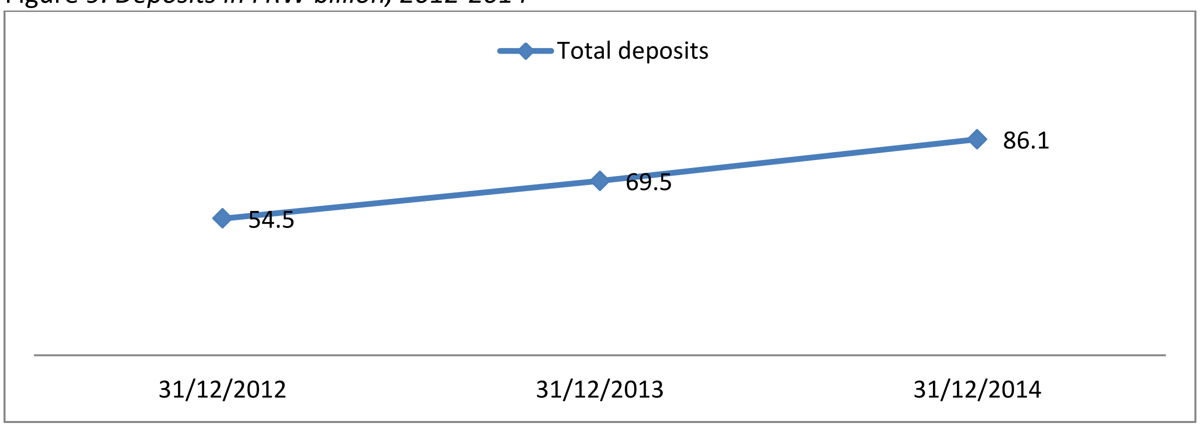


Source: Compiled from BNR Monetary policy and financial stability statement, February 2015 and BNR Annual Report 2013.

The overall trend in the growth of the gross loan portfolio has been positive over the period under review, with an overall increase of 52%, between December 2012 and December 2014 (figure 8).

2.2.1.4. Savings

Figure 9*: Deposits in FRW billion, 2012-2014*



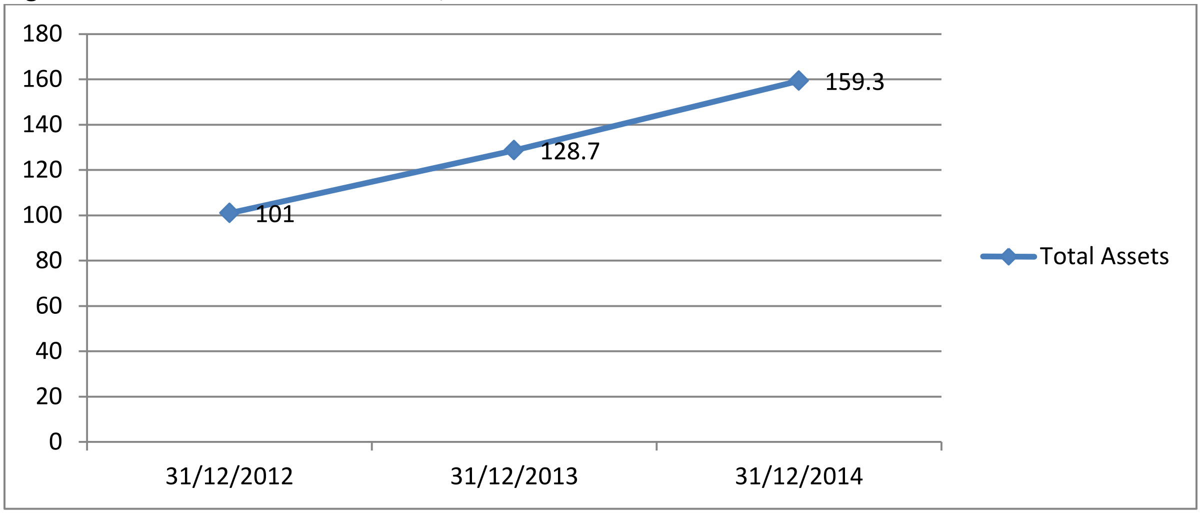
Source: Compiled from BNR Monetary policy and financial stability statement, February 2015 and BNR Annual Report 2013.

Similarly, the savings have had also a positive growth over the period under review, with an overall growth rate of about 58% between December 2012 and December 2014. This remarkable growth is probably linked to the overall improvement of Umurenge SACCO performance during the period under review (figure 9). Indeed, Umurenge SACCOs represented 52.9% of MFIs deposits at the end of 2014, and their deposits grew by 23.6% between December 2013 and December 2014 (BNR, 2015)

2.2.1.5. Total Assets

The trend observed in savings and deposit indicators was also similar to that of total assets positive over the period under review. Indeed, the total assets of MFIs grew by 57.7% between December 2012 and December 2014, probably also driven by the growth of Umurenge SACCO, of which the total assets grew by 26% in the period December 2013 and December 2014 only (BNR, 2015)

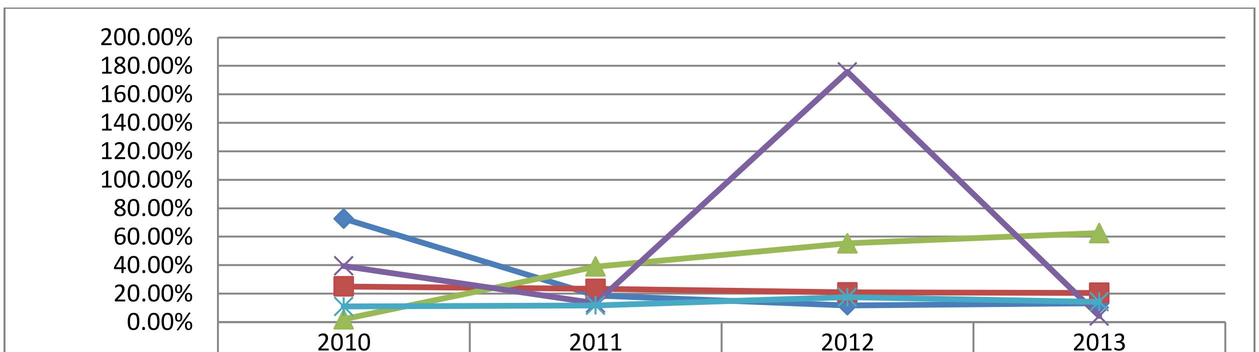
Figure 10: *Total Assets in FRW billion, 2012-2014*



Source: Compiled from BNR Monetary policy and financial stability statement, February 2015 and BNR Annual Report 2013.

2.2.1.6. Depth of outreach

Figure 11: *Average deposit account balance/GNI per capita (weighted average) in East Africa Community 2010-2013*

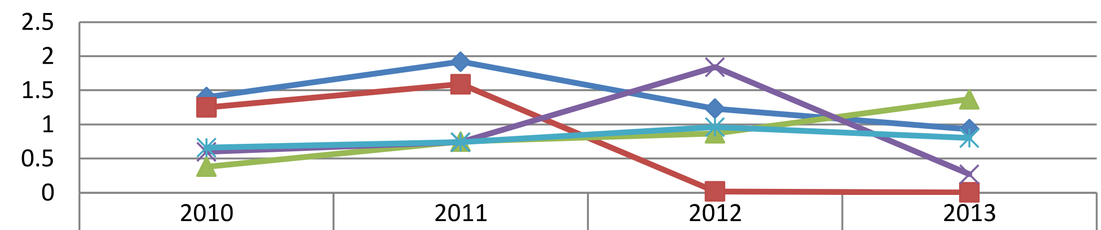


	2010	2011	2012	2013
Burundi	72.70%	18.59%	11.72%	13.24%
Kenya	25%	23.36%	20.85%	20.50%
Tanzania	2%	39%	55.30%	62.50%
Uganda	39.40%	13.25%	175.78%	4.26%
Rwanda	11%	11.80%	17.55%	14.20%

Source: Data from the Mix Market (http://reports.mixmarket.org/crossmarket#)

Rwanda has the lowest average deposit account balance per GNI per capita in the East African community, fluctuating between 11% and 14.20% between 2010 and 2013 (figure 11). This means that MFIs in Rwanda microfinance sector mobilize savings from poor people than in any other country in the region. In 2010, Tanzanian MFIs were the most poverty-focused in the region, but the trend changed in favor of Rwanda in 2011, possibly due to the introduction of community-based Umurenge SACCOs which started operations in 2011 in most districts[18]. However, Rwanda was second to Burundi in 2012 and third after Uganda and Burundi in 2013.

Figure 12: *Average loan balance per borrower /GNI per capita (weighted average) in East Africa Community 2010-2013*

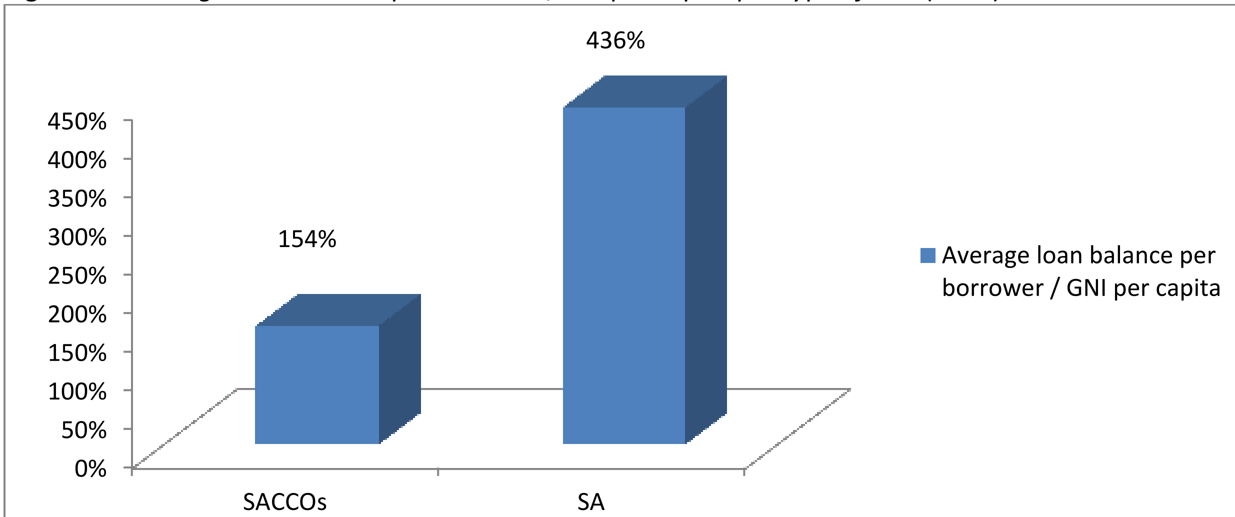


	2010	2011	2012	2013
Burundi	1.4	1.92	1.23	0.93
Kenya	1.25	1.59	0.02	0.005
Tanzania	0.38	0.75	0.87	1.37
Uganda	0.6	0.74	1.84	0.27
Rwanda	0.66	0.74	0.96	0.8

Source: Data from the Mix Market (http://reports.mixmarket.org/crossmarket#)

With regard to lending, Tanzania was more poverty-focused in 2010, and Rwanda was ranked third in the East African Community block. In 2011, was the most poverty focused (0.736) followed by Uganda (0.737), but during the period under review (2012-2014), Kenyan microfinance industry has been the most poverty-focused in the region, with the average loan balance per borrower to the GNI per capita ratio declining from 159% in 2011, to 2% and 0.5% in 2012 and 2013 respectively (figure 12).

Figure 13: *Average loan balance per borrower/GNI per capita per type of MFI (2012)*



Source: Data from the Mix Market (http://reports.mixmarket.org/crossmarket#)

[18] The causality between the trend in poverty reduction focus and the introduction of Umurenge SACCO cannot be demonstrated using the Mix Market data, since none of those SACCOs submitted reports to the platform during the period under review.

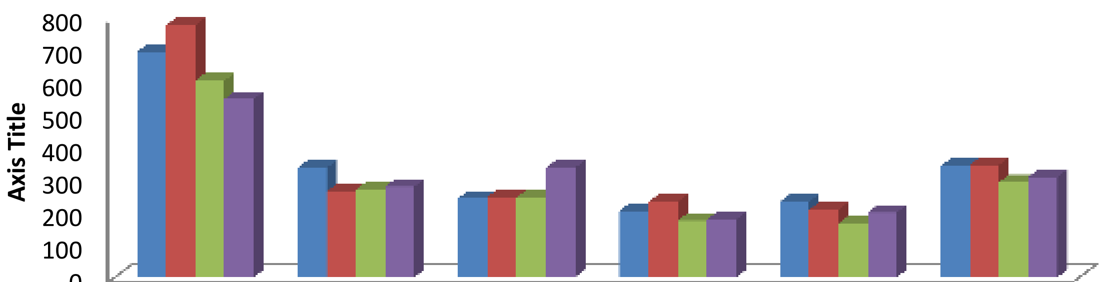
However, the sample of MFIs reporting to the Mix Market have on average higher score than the national standard, and therefore are relatively less poverty reduction oriented. SACCOs fare better than limited companies in terms of targeting the poor, with a ratio of average loan balance per borrower/GNI per capita equivalent to 1.54, versus 4.36 among the limited companies (figure 13)

2.2.2. Productivity

This section analyses the productivity of microfinance institutions in Rwanda, through one indicator: the number of active borrowers per loan officer.

This ratio tracks the productivity of loan officers[19] and indicates how well the microfinance institution has adapted systems and procedures to the main purpose of lending money (MicroRate, 2003).
In the East African Community block, the ratio varies between 178 and 547 borrowers per loan officer, on average (figure 14). The highest productivity is located in Burundi, where the ratio varies between 545 and 775 on average.
Rwanda productivity was below EAC standards before the fiscal year 2013. However, it is improving, and the ratio has registered and net increase of 37% between the 2012 and 2013.
Considering the productivity of loan officers per type of microfinance institution, the sample of institutions that reported to the Mix Market in 2012 and 2013 shows that SACCOs have improved their productivity between 2012 and 2013, and have register a better ratio (table 6).

Figure 14: *The average number of active borrowers per loan officer in EAC (2010-2013)*



	Burundi	Kenya	Rwanda	Tanzania	Uganda	EAC
2010	691.6	335.92	242.7	204.67	232.7	341.518
2011	774.9	263.8	247.2	232.12	207.79	345.162
2012	604.07	269.8	245.85	175.01	166.11	292.168
2013	547.96	278.96	336.02	178.11	199.59	308.128

Source: Data from the Mix Market (http://reports.mixmarket.org/crossmarket#)

[19] Loan officers are the personnel whose major responsibility is to manage a portion of loan portfolio (MicroRate, 2003)

Table 6: *Comparison of average number of active borrowers per loan officer by microfinance type*

Number of active Borrowers/Loan officer				
	2012		2013	
	SACCO	SA	SACCO	SA
Average	338.0274455	381.3374	413.9	246.4853571
Least	75	61	68	80
Largest	817	1025	1181	424
Median	300.0769	295.928	380	185.7889
Standard deviation	244.5421393	350.9745142	314.9312761	151.024895

Source: Data from the Mix Market (http://reports.mixmarket.org/crossmarket#)

The highest productivity among the SACCOs was 817 active borrowers per loan officer in 2012, and 1,181 in 2013, versus 1,025 and 424 respectively for limited companies.

2.2.3. Efficiency

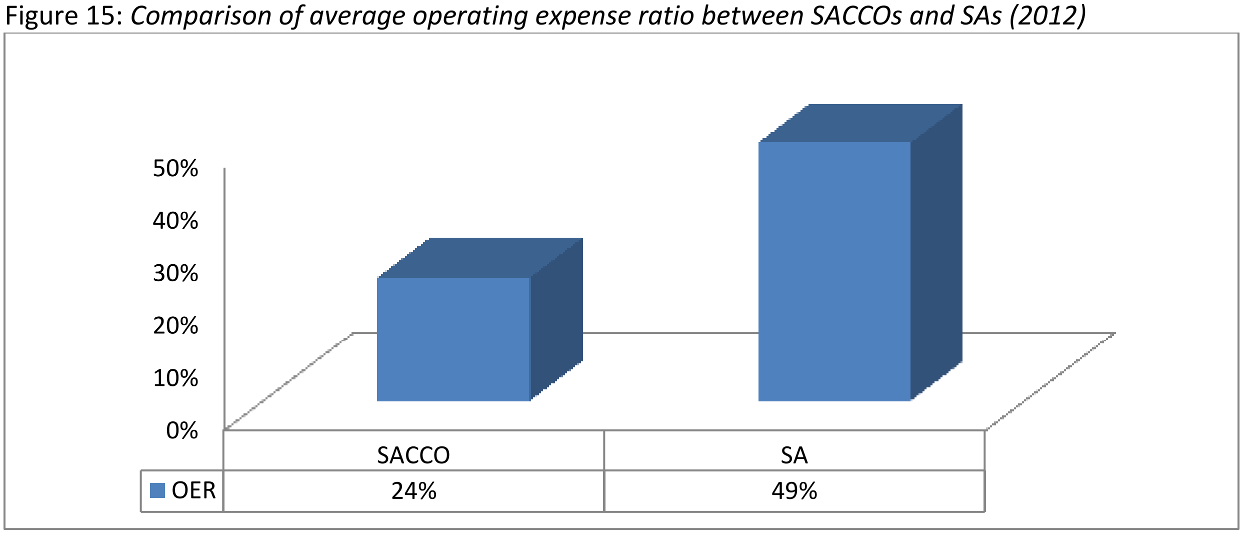
This section analyses the efficiency of Rwandan MFIs using two indicators:

- The operating expense ratio
- The cost per borrower

2.2.3.1. Operating expense ratio

This ratio measures the cost of every franc lent, and is calculated by dividing all expenses related to the operations of the MFI (administrative, personnel and other similar expenses, excluding the financial expenses) by the average gross portfolio of the period (MicroRate, 2003). The ratio varied between 14% and 37% among SACCOs in 2012, with an average of 24% in 2012, more than 100 percent lower than the average recorded by limited companies in the same period, using estimations from the Mix Market (N=5 for SACCOs and N=5 for limited companies) (figure 15).

Figure 15: *Comparison of average operating expense ratio between SACCOs and SAs (2012)*



Source: Data from the Mix Market (http://reports.mixmarket.org/crossmarket#)

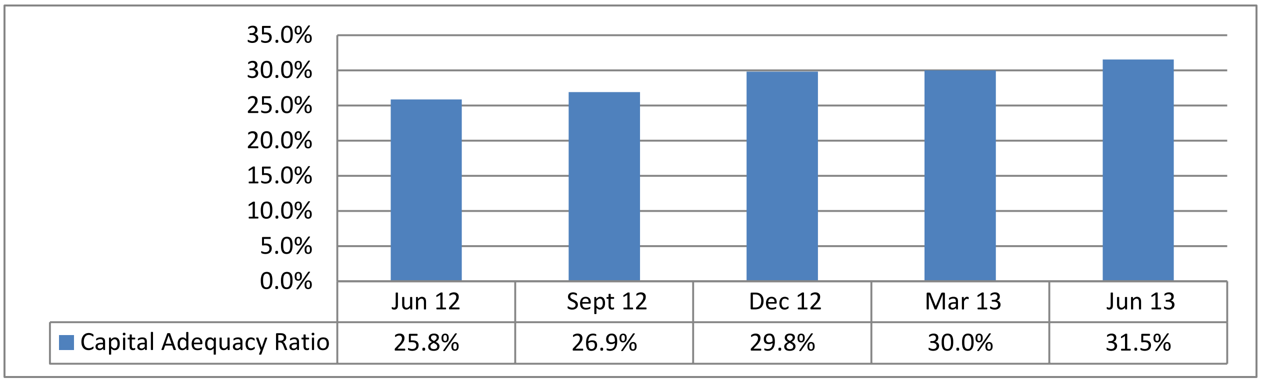
2.2.3.2. The cost per borrower

This indicator measured by comparing (dividing) all operational expenses with the average number of active borrowers in a particular period, helps to show the average cost of maintaining an active borrower (MicroRate, 2003). In 2012, it varied between USD 57 and USD 156 among SACCOs that had submitted data on this indicator (N=3), and between USD 71 and USD 158 (N=3[20]).

2.2.4. Financial management[21]

2.2.4.1. Capital adequacy ratio

Figure 16: *Equity to net assets ratio (June 2012- June 2013)*



Source: BNR Annual Report 2014

The capital adequacy ratio (equity to net assets) refers to the institutions ability to cover expected and unexpected losses, and still survive. This is important as a financial cushion is needed to protect deposits and ensure the stability of the institution. The Central Bank requires a minimum regulatory capital adequacy ratio of 15 percent, for all microfinance institutions, to ensure they maintain adequate capital position.

As of end June 2013, the Rwandan microfinance industry was well capitalized (figure 16). The total capital (Equity) increased by 57.1 percent from RWF 24.4 billion in June 2012 to RWF 38.4 billion in June 2013. The capital adequacy ratio increased from 25.8 percent as at June 2012 to 31.5 percent as at June 2013, well above the minimum regulatory ratio of 15 percent

2.2.4.2. Asset quality

The Non-Performing Loans[22] ratio and gross loans to total assets ratio are used to assess the quality of loans in microfinance sector. Non-performing loans to gross loans indicate a slight decline of the sector's quality of assets. The ratio increased from 8.4 percent in June 2012 to 8.9 percent as at June 2013. The

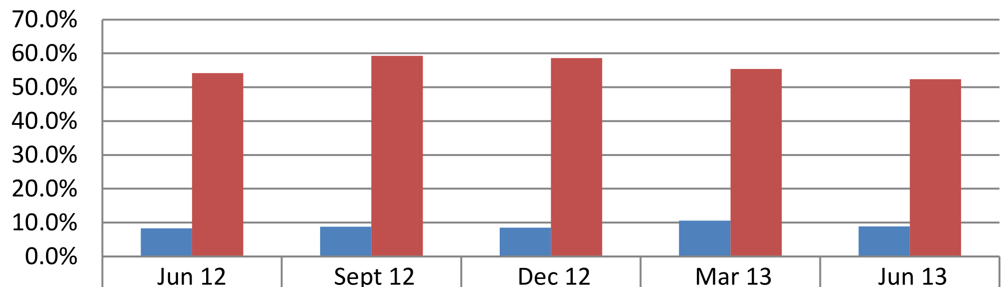
[20] The comparison has excluded one limited company, considered as an outlier, of which the cost per borrower was exorbitantly high (USD5, 804), because it was still establishing itself on the market (setting up offices and branches).

[21] This section borrows heavily from BNR Annual Report 2014: data and the analysis were kept as in the original report, which the reader can access and download (for free) on www.bnr.rw)

[22] Non-Performing Loans as of 30 days past due is measured using (non-performing loans >30 days +value of renegotiated loans)/gross loan portfolio (Ledgerwood et al. (2013)

gross loans to total assets ratio, an indicator of the share of loans in the sector's assets, went on decreasing to 52.3 percent as at June 2013 from 54.2 percent in June 2012 (figure 17).

Figure 17: *Asset quality indicators for microfinance institutions (June 2012-June 2013)*



	Jun 12	Sept 12	Dec 12	Mar 13	Jun 13
NPLs ratio	8.4%	8.8%	8.5%	10.6%	8.9%
Gross Loan/total Assets	54.2%	59.3%	58.6%	55.4%	52.3%

Source: BNR Annual Report 2014

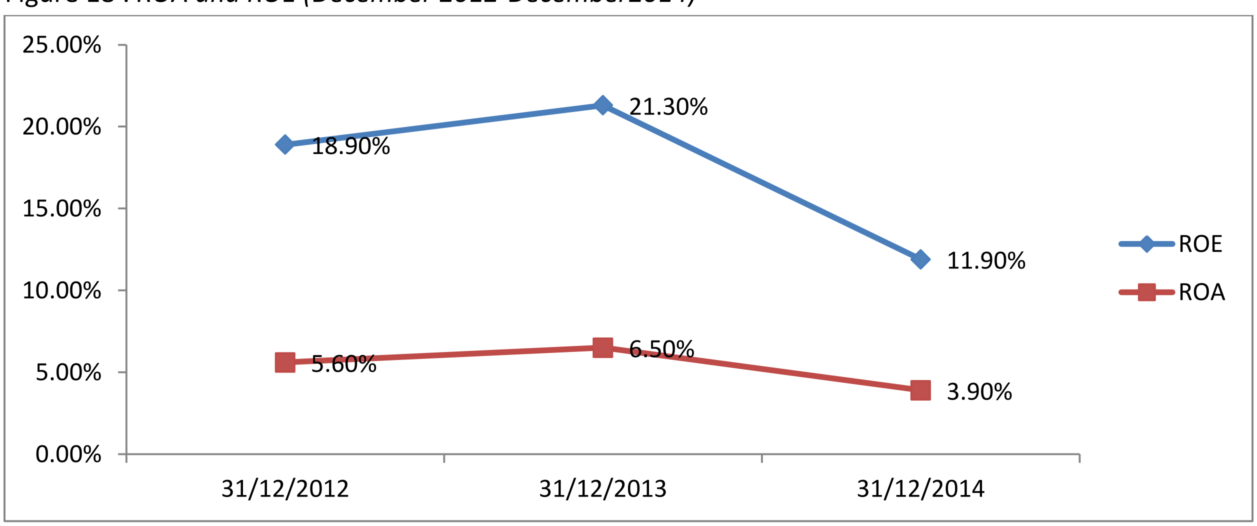
2.2.4.3. Earnings and Profitability

The return on equity (ROE) and return on assets (ROA) were the main indicators to assess the quality of earnings and profitability in Rwandan microfinance sector. ROE is a rapport between adjusted net income and period average equity. It measures the return on investment in the institution, and is often used as a proxy for commercial viability (MicroRate, 2003).

As for the ROA, it is a rapport between net income after tax and donations to the average assets, and measures how well an MFI puts its assets to good use (MicroRate, 2003).

There has been a decrease in both indicators during the period under review, which is may be explained by the increasing completion from new entrants (new microfinance institutions and Umurenge SACCO) (figure 18).

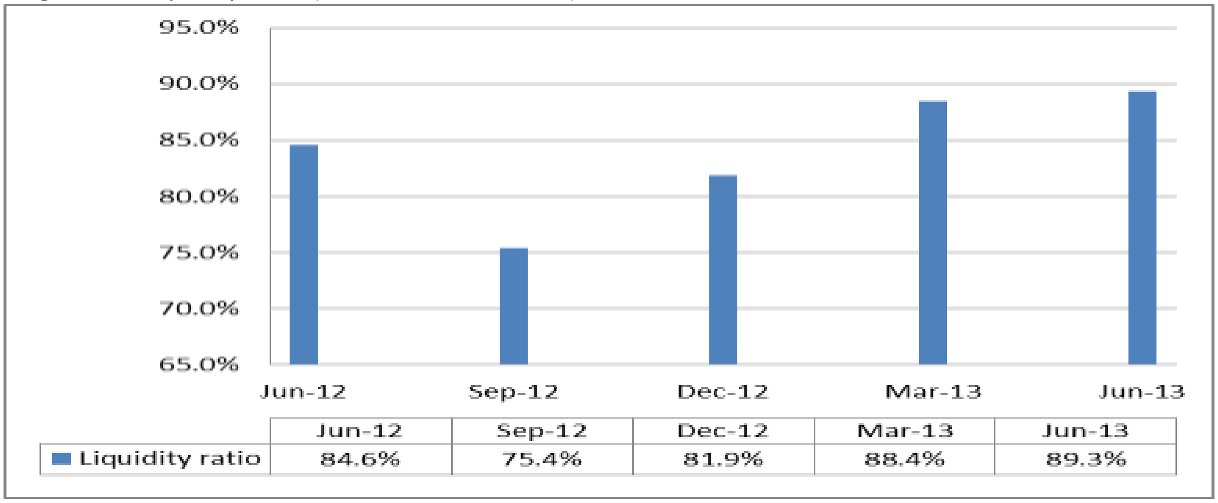
Figure 18 : *ROA and ROE (December 2012-December2014)*



Source :Compiled from BNR Annual reports 2013 and 2014

2.2.4.4. Liquidity

Figure 19*: Liquidity ratio (June 2012-June 2013)*



Source: BNR Annual Report 2014

The liquidity ratio is used to assess the ability of the sector to meet current withdrawals of funds. The quick ratio is the best measure of such position though gross loans to gross deposits ratio are also important measures.

The ability of the sector to meet current demand is at 89.3 percent as at June 2013 increasing from 85.0 percent as at June 2012. The gross loans to gross deposits ratio has also increased from 90.9 percent in June 2012 to 92.6 percent as at June 2013. This increase resulted much from the high proportion of increase in deposits which were followed by low proportional increase on loan portfolio.

2.2.5. Social performance management

The Social Performance Task Force defines Social Performance Management (SPM) as: "*an institutionalized process of translating social mission into practice*"[23].

Monitoring social performance indicators is of paramount importance in Rwanda, to prevent the sector from falling into the crisis it face in middle of the decade. Indeed, in 2006, 9 MFIs were liquidated due to consistent losses and mission drift and one of the identified root causes of this closure of MFIs was lack of transparency within the sector, due to lack and limited skills among MFI management and governance to determine measurable social goals. This affected outreach of the MFIs and at the client level, a negative impact was felt due to limited loan products, unethical treatment of clients and a large number of clients who became over indebted, leading to high non-performing loans. All these problems resulted into reputational risk of MFIs. Some measures have been taken into account by different microfinance stakeholders, especially the regulator (BNR).

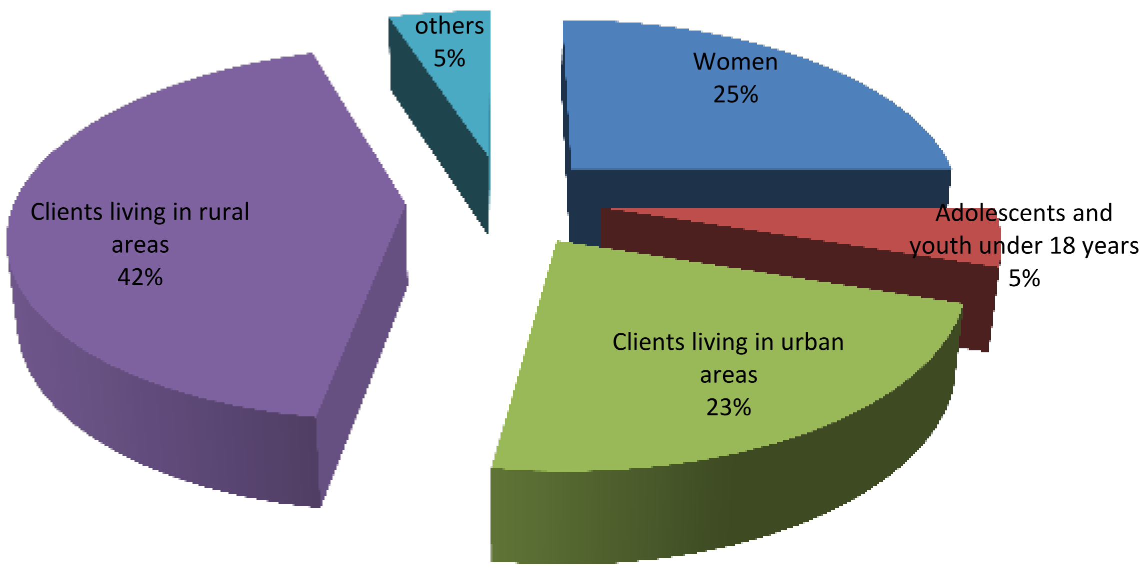
In 2011, AMIR identified SPM as an important topic due to its significance in improving operations of its member institutions and properly addressing clients' needs and expectations. AMIR started the social performance awareness through MFIs, in a bid to help them avoid the mission drift and to motivate them to serve poor people who are the target market of microfinance. According to AMIR[24], the majority of MFIs are reflecting the social mission in their mission statements as they are targeting the

[23] Social Performance Task Force

[24] AMIR, Social performance project narrative report 2012

underserved market like women, rural areas, excluded people and low income clients (figure 20). However, MFIs are still having the problem of developing the products that meet the needs of the poor.

Figure 20: *Target market segments for Rwanda MFIs*



Source: AMIR/ Social performance Project narrative report 2012

Different activities have been carried out for promoting social performance in Rwanda microfinance environment and these are some of the important achievements:

- Social rating of Lesthego (former RML) in 2009 by Micro Rate rating agency[25]
- Transparency in reporting: 25 MFIs have reported their social and financial reports to MIX Market in 2012.
- Promotion of Client protection principles and institutional code of conducts: awareness training workshop has been attended by 66 MFI staff and stakeholders. It was conducted by an expert from SMART Campaign.
- Baseline survey was conducted by AMIR on the implementation of the institutional code of conduct and consumer protection principles.
- MINECOFIN has supported AMIR to reinforce the implementation of CPP through different workshops attended by MFI staff.
- The BNR has incorporated the social performance indicators in MFI monthly reporting format.

[25] The rating report can be found here: http://www.microrate.com/uploads/ratings/rwanda_microfinance_limited_rml/RML1208%20Social%20Rating%20Report%20Summary.pdf

In addition, new innovative products have been developed to meet the needs of underserved people with the efforts from various stakeholders:

- *Youth inclusive financial services:* Through innovation for education project, the child social and financial education trainings were given to the children in primary and secondary school by AMIR supported by DFID, MINEDUC, UOB and RABOBANK FOUNDATION. Indeed, with the technical support of SBFIC, the culture of savings has been incubated in primary school. Through this partnership, a lot of savings products for children have been developed by MFIs and more than 28 000 children individual accounts have been opened, and FRW 140, 000, 000 Rwf (or about 201 438 USD) of deposits mobilized in the process. In addition, more than 30 000 youth have created social enterprises and have been linked to the MFIs[26] for access to financial services. On the other hand, 200 to 900 of youth (aged between 12-24 years) have received the savings and credit facilities from UMUTANGUHA Finance in partnership with UNCDF/ youth start project[27].

- *Adult and rural inclusive financial services*: new innovative products have been designed and introduced to increase the depth of outreach and financial inclusion. They include the village saving and loan associations (VSLAs) and micro leasing products targeting the poor who lack collateral. According to AMIR[28], more than 4,000 VSLAs have been linked to the formal financial services. Through tripartite partnership between AMIR, Rabobank Foundation and a Dutch leasing company, MFIs have been supported to develop micro leasing products for excluded people without collateral. In order to promote job creation and access to finance for rural people, the SMEs involved in horticulture have been linked to the MFIs and they have received a package of business development services for working properly and creating a good and benefiting environment in their working areas.

[26] AMIR annual report 2013
[27] http://www.e-mfp.eu
[28] AMIR annual report 2013

Conclusion

The microfinance sector in Rwanda is undeniably establishing itself as an important player in the fight against poverty and the achievement of the Vision 2020 goals. The industry is poised for growth, and there is still room to increase on the depth and breadth of outreach and this report provide yard sticks against which to measure progress by looking back at what was achieved so far.

This report has offered a picture of Rwanda microfinance industry for the past three years. The objective of this report was to give an overview that can be useful for various stakeholders: government entities, investors, and national and international microfinance partners.

The report has highlighted key points that need more attention from all stakeholders:

- There is a need to improve on the reporting system, and make first hand data available for deeper analyses of the sector performance. The newly introduced social performance monitoring framework and the performance monitoring tool will improve on this, and the next volume of this report will be much more improved
- Promoting access to finance for the women because need more attention: the report has pointed to the fact that their level of access to financial services is still low compare to men.
- Improving the credit management policy to reduce the portfolio at risk because it is high compared to national and international standards (above 5%).
- Conducting a research to find the cause of nonperforming loans especially for Umurenge SACCOs that have above 8% of PAR30 from 2012 to 2013.
- Continue supporting the implementation of the code of conduct and the promotion of client protection principles.
- Put in place a system that would solve the problem of data collection.
- Encourage MFIs to submit their social and financial reports to the MIX Market
- Incorporate the information of microfinance banks in microfinance activities not in commercial banks.

AMIR, with support from all stakeholders, will continue to provide its support towards efficient operations, effective products development, and achieving a positive bottom line.

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The Mix Market Reports used

2012								
MFI Name	Currency	Administrative expense / assets	Borrowers per loan officer	Capital /asset ratio	Loans per loan officer	Operational self sufficiency	Yield on gross portfolio (nominal)	Number of depositors
Amasezerano	USD		375.2727	0.2993	981.5455	0.8396	0.3012	
CAF Isonga	USD		1025.8333	0.3682		0.5962	0.3824	
CLECAM Wisigara	USD		152.125	0.2088		1.0656	0.3189	
CMF Umurimo	USD		341	0.2913		1.3592	0.2997	
CODEMARU	USD			0.1602	136	0.8987		
COMICOKA	USD		627		627			2603
COOPEC INGASHYA	USD		178	0.1565		1.3962		
COOPEC TWIZIGAMIRE	USD		176.5	0.7607	176.5	0.6908		
COOPEC UBAKA	USD		122.5	0.4049	105	1.0137	0.2805	
CPF Ineza	USD		306	0.2464	306	1.2657		
CSTCR	USD		817	0.3759		1.6842		
CT-MURAMBI	USD			0.4466		0.8158		
Duterimbere	USD			0.4738		1.0641		
Ejoheza	USD		300.0769	0.2819		1.3657		
Equity Bank Rwanda	USD		61.65	0.2176	61.65	0.5745	0.1488	124939
Goshen	USD		216.5833	0.2148	216.5833	1.0841		
Inkunga	USD		622.6	0.3092	622.6	1.1901	0.2533	
Iti	USD		75.5	0.1543	85	1.0213		
Kozibi	USD			0.0659		2.5006	0.4808	
Letshego RWA	USD		132.1458	0.3538	132.1458	1.2068	0.4935	
Sager Ganza	USD			0.6244	103.125	1.173		
UMWALIMU SACCO	USD			0.4031		1.3605		
UOB	USD		476.5393	0.2138	476.5393	1.1001	0.4684	165170
Umutanguha	USD	0.0951		0.511		1.1129	0.309	
Unguka	USD	0.0717		0.39		1.1531		19901

2013								
MFI Name	**Currency**	**Administrative expense / assets**	**Borrowers per loan officer**	**Capital /asset ratio**	**Loans per loan officer**	**Operational self sufficiency**	**Yield on gross portfolio (nominal)**	**Number of depositors**
BK	USD			0.1675		1.4131		
CAF Isonga	USD	0.1613	365.3333	0.2946	365.3333	0.5569	0.4331	18652
CMF Umurimo	USD	0.0863	407.4	0.4355	407.4	0.9061	0.3278	16005
COMICOKA	USD		548	0.3743	548	1.0016	0.2864	2449
COOPEC INGASHYA	USD	0.0948	201	0.2104	201	1.3269	0.2556	3949
COOPEC TWIZIGAMIRE	USD	0.1252	193	0.6955	193	0.75	0.2715	8383
CPF Ineza	USD	0.1144	380	0.1835	380	1.1376	0.3034	2542
CSTCR	USD	0.0577	621	0.6482	621	1.7334	0.3161	2654
Coojad	USD			0.2256		0.8472		6685
Duterimbere	USD	0.1011	104.7857	0.4256	106.5714	1.0692		44759
Ejoheza	USD	0.0779	233.2667	0.2641	233.2667	0.9789	0.2732	44768
Equity Bank Rwanda	USD	0.1117	80.8431	0.1512	80.8431	0.8605	0.1955	314096
Goshen	USD	0.0586	145.5	0.2036	145.5	1.004	0.1978	18853
Inkunga	USD	0.0497	570.3333	0.4115	570.3333	1.1667	0.2695	3422
Iti	USD	0.2324	68.5	0.1992	68.5	0.5245	0.2619	3201
Sacco Murunda	USD		149	0.2916	149	1.5565		5723
Sager Ganza	USD	0.1276	424.4444	0.6117	424.4444	1.1225	0.4247	12099
U SACCO	USD		185.7889	0.3142	185.7889	1.5216		369784
UMWALIMU SACCO	USD	0.0402	1181.4	0.4249	1235.3143	1.4579	0.1512	67321
UOB	USD	0.1378	418.7021	0.2572	418.7021	0.9538	0.4044	248600

Cross-Market Analysis											
Country	As of Date	MFI Count	Assets (Sum)	Average deposit account balance / GNI per capita (Weighted Average)	Average loan balance per borrower / GNI per capita (Weighted Average)	Borrowers per loan officer (Weighted Average)	Gross Loan Portfolio (Sum)	Operational self sufficiency (Weighted Average)	Portfolio at risk > 30 days (Weighted Average)	Return on assets (Weighted Average)	Return on equity (Weighted Average)
Burundi	2,010	10	7,327,410.27	0.73	1.40	691.57	28,674,984.07		0.02		
Burundi	2,011	11	8,606,849.75	0.19	1.92	774.91	34,769,898.57	1.12	0.04	0.02	0.07
Burundi	2,012	17	480,875.33	0.12	1.23	604.07	29,665,812.21		0.05		
Burundi	2,013	21	-	0.13	0.93	547.96	41,667,793.84		0.05		
Kenya	2,010	24	2,023,375,606.27	0.25	1.25	335.92	1,205,373,673.33	0.80	0.06	0.02	0.09
Kenya	2,011	24	306,732,276.27	0.23	1.59	263.80	1,695,442,000.56	0.95	0.03	(0.02)	(0.17)
Kenya	2,012	22	26,620,327.99	0.21	0.02	269.79	24,250,504.08	1.08	0.17	0.01	0.03
Kenya	2,013	11	-	0.20	0.00	278.96	448,691,669.99		0.02	-	-
Rwanda	2,010	19	16,575,534.32	0.11	0.66	242.70	32,839,687.37		0.05	(0.07)	(0.21)
Rwanda	2,011	19	1,772,073.03	0.12	0.74	247.21	40,162,787.12		0.02	0.07	0.14
Rwanda	2,012	24	-	0.18	0.96	245.85	71,911,457.15		0.00		
Rwanda	2,013	16	-	0.14	0.80	336.02	373,278,505.55		0.03		
Rwanda	2,014	3	-	0.07	0.43	223.64	14,462,066.12		0.07		
Tanzania	2,010	13	87,505,159.06	0.02	0.38	204.67	775,463,218.75	0.73	0.00	(0.13)	(1.74)
Tanzania	2,011	12	120,180,659.83	0.39	0.75	232.12	966,267,777.58	1.14	0.00	0.00	0.01
Tanzania	2,012	9	127,634,585.72	0.55	0.87	175.01	133,356,612.99	0.99	0.02	(0.00)	(0.03)
Tanzania	2,013	9	-	0.62	1.37	178.11	1,217,275,510.95		0.00		
Uganda	2,010	11	460,398,530.56	0.39	0.60	232.71	256,452,238.74	1.24	0.04	(0.01)	(0.02)
Uganda	2,011	10	387,434,462.47	0.13	0.74	207.79	313,937,998.77	1.38	0.03	0.05	0.29
Uganda	2,012	10	26,673,418.08	1.76	1.84	166.11	196,177,021.74	1.22	0.22		
Uganda	2,013	7	-	0.04	0.27	199.59	315,174,552.08		0.03		