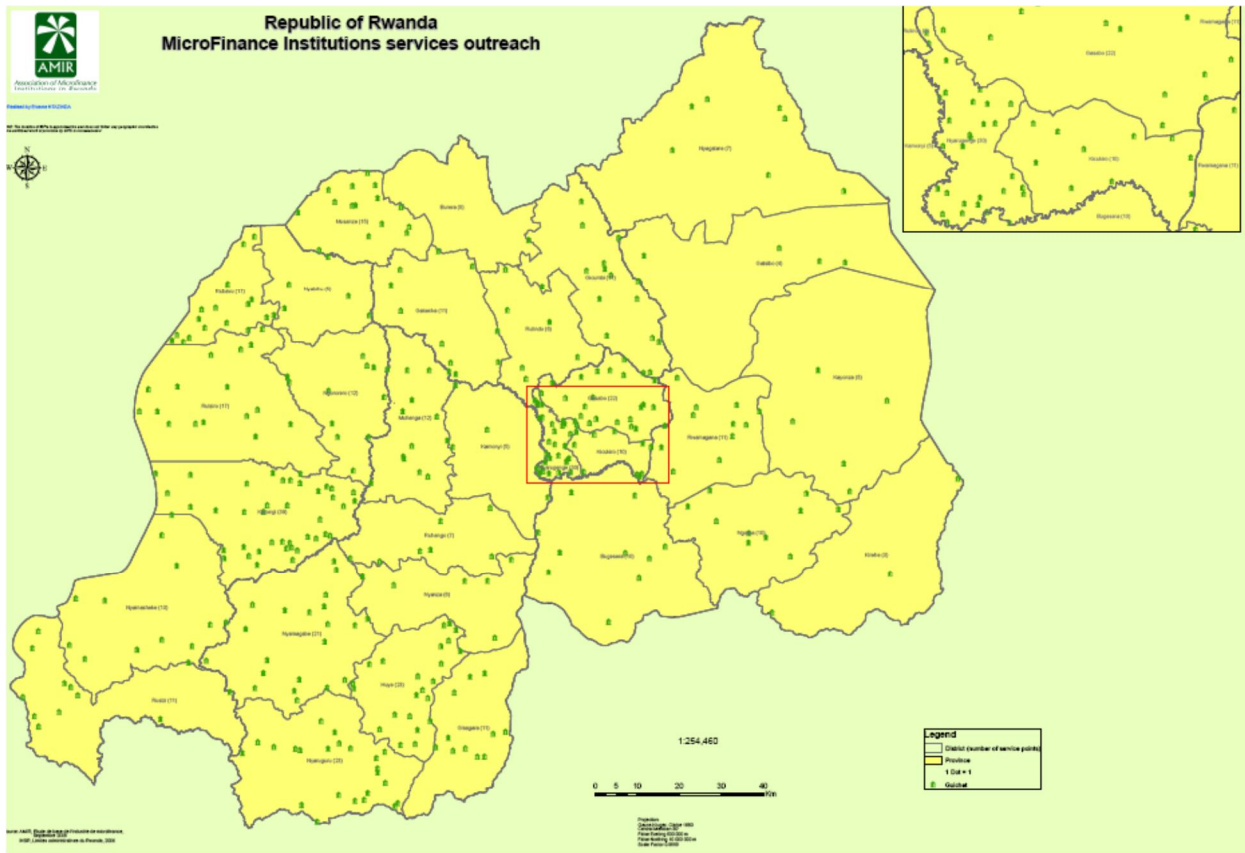




Association of Microfinance Institutions in Rwanda

ANNUAL REPORT, 2012



A WORD FROM THE CHAIRPERSON

2007-2012 was an important period for AMIR as we were celebrating achievements realized in 5 years. This journey was not simple but as a great proverb from Asian continent, "a journey of 1000 miles starts with a one step". That has been AMIR's story.

In 2007 when 32 MFIs came together to start this association, it was a humble beginning and after 5 years is built on a solid foundation that was laid by its members and we are on the course of fulfilling our mission of becoming a strong and efficient organization that contributes to the development of the micro finance industry through the promotion of transparent management systems in MFIs and of innovative and market led financial services and products.

I am glad to note, on behalf of Association of Microfinance Institutions in Rwanda (AMIR), that in last five years , we have lived up to our mission of building an efficient and strong organization and I am honored to present to you AMIR's 2012 annual report which I trust that it clearly captures main activities and achievements of the organization in 2012 as well as its 2013 planned activities.

Let me take this opportunity to sincerely congratulate AMIR members, my fellow Board of Directors, Supervisory committee and staff of the association for their unwavering commitment to serve the microfinance industry which has brought us this far.

Its again my sincere hope that we will work with everyone in 2013 to achieve more results as we are winding up our 2008-2012 strategic plan and putting in place a new one that will take us through 2017.

We are very grateful to all our supporters and friends all over the country and elsewhere in the world for their constant inspiration and encouragement.

I thank you all for your continued support.

ZIHIGA K. Faustin

EXECUTIVE SUMMARY

AMIR is the only professional microfinance association in Rwanda with currently 62 members. It is guided by the vision of becoming a strong and efficient organization that contributes to the development of the microfinance industry. Therefore to fulfill this vision AMIR has the mission of offering diversified services to the micro finance institutions that enable them to work professionally and contribute to poverty reduction in a sustainable manner.

In 2012 microfinance sector registered impressive performance whereby formal financial inclusion doubled from 21% to 42% and informal inclusion increased from 39% to 58%. Overall financial inclusion (formal and informal) increased from 48% to 72% over this period. In other words: in 2008 more than half of the Rwandan adult population (52%) were financially excluded, but by 2012 this had been reduced to 28%, or 1.3 Million Rwandan adults not yet having access to either formal or informal financial services.

There are 416 Imirenge Saccos and currently in the process developing 30 District consolidated Saccos, which at the end will form the Cooperative Bank.

The Umurenge SACCOs, together with older SACCOs and microfinance institutions (MFIs), have contributed substantially to increasing financial inclusion and to mobilizing of savings. They have played a crucial role in the significant increase in financial inclusion from 48% in 2008 to 72% in 2012 as according to Fin-scope report of 2012.

The total outstanding portfolio (UMURENGE SACCOs included) increased by 90 percent from 2010 to 2011, from RWF 36.7 billion to RWF 59.1 billion.

Total deposits increased by 65% percent from 2010 to 2011 and increased by 84% from 2011 to 2012. Total number of MFIs and Saccos decreased though not significantly from 502 to 490 simply because of amalgamation of CAPEC with Imirenge Sacco and graduation of 2 limited MFIs to MF Banks.

Total Number of loan clients have increased with a trend that shows an increase in financial inclusion. Portfolio at Risk (PAR) has shown an improvement from 12% to 8.5% and the efforts by the Government through national recovery program contributed significantly.

AMIR supported the Microfinance industry with a variety of interventions:

Advocacy and networking activities centered on creating an enabling environment that is favorable for microfinance activities. AMIR represented the Rwandan microfinance sector nationally and internationally in several conferences and stakeholder meetings as well as through its membership in international networks. Furthermore AMIR supported its members through exchange of experiences. During this operational year, AMIR was instrumental in advocating for concerted efforts to assist MFIs/SACCOs in arrears recovery whereby a committee on national level was formed and instructions on recovery process were released by the government in 2011.

Capacity building for strengthening AMIR's own institutional capacity in terms of trainings and study tours were organized for members, staff and the board of directors.

Training programs on governance, risk management, business planning and management systems tools were also organized for Board members and staff of MFIs.

Research and Development

During the year 2012, AMIR conducted various research papers according to the identified research problems like identification of members needs and legal and regulatory issues affecting MFIs/SACCOs. Through this department, Promoting social performance and financial education within the industry was also enhanced. AMIR promoted transparent pricing and production of financial education materials. Savings mobilization magazines and brochures for young people have been developed.

AMIR has maintained media presence through newspaper articles, television interviews and press kits.

In 2013, AMIR will develop a new strategic plan to meet the new needs of members but it will remain imperative to strengthen AMIR's main components of Advocacy and Communication, research and development and Capacity building. AMIR will continue to spearhead financial education and social performance management, training its staff and BoD in different fields so that they can have enough and broader knowledge to serve members effectively. Also the topics social performance management, rating, financial literacy-more particularly savings mobilization, consumer protection, promotion of best practices within the industry, benchmarking and promotion transparent pricing will be covered in the new strategic plan to support the development of the Microfinance industry.

1. BACKGROUND

Microfinance is one of the important sub sector in achieving vision 2020 goals. It acts as a catalyst contributing towards transforming Rwandan economy into middle income country. It plays a crucial role in changing the country's economy from subsistence agriculture to knowledge based society through various financial products and services, financial literacy and education programs. As a result there is improved savings which cultivates private investments.

Association of Microfinance institutions in Rwanda (AMIR) has been in existence since 2007 and as the only microfinance network, it has wide mandate and important key role in the development of microfinance sector in Rwanda. It represents more than 90% of registered microfinance institutions, excluding Imirenge Saccos although they are being served by AMIR in various capacities. AMIR looks forward to recruit them as members when they are consolidated at the district level.

AMIR as a professional umbrella organization currently consists of 62 members, 3 microfinance banks, 11 MFIs limited by shares, 47 cooperatives and Saccos, and 1 NGO supporting various microfinance initiatives. This means that AMIR membership extends to Microfinance banks and NGOs that are promoting village savings Banks. Currently UOB, Unguka, Agaseke Bank are members of AMIR while Care international is an associate member.

AMIR is directed by the vision of becoming a strong and efficient organization that contributes to the development of the microfinance industry through the promotion of transparent management systems in MFIs, and the introduction of innovative and market led financial services and products.

Therefore; to fulfill this vision AMIR has the mission of offering various services to the microfinance institutions that enable them to work professionally and contribute efficiently to poverty reduction in a sustainable manner.

Rwanda Microfinance sector is developing fast mainly due to the Government support in creating enabling environment for MFIs to operate their business.

At macro level, there is national economic development and poverty reduction strategy (EDPRS), National Microfinance policy, National microfinance strategy, microfinance law and regulation.

Rwanda is among the East African countries with the best microfinance environment because it has microfinance law catering for both microfinance limited companies and Sacco's. There is well functioning Credit Bureau that caters for both microfinance and Banks.

In keeping the Rwandan microfinance sector vigilant, AMIR connects the sector to rest of others in Africa through enrolling and effectively participating in the activities of Africa Microfinance Network (AFMIN). AMIR is also a member of SEEP network that is a prominent professional organization of all MFI sector stakeholders in world.

AMIR participates in the Government efforts of implementing the National microfinance strategy and EDPRS. This is through attending different meetings and also coordinating the MFIs towards providing their views to any issue related to policies and legal frame work.

1.1 GOVERNANCE, MANAGEMENT AND PARTNERS

AMIR consists of 3 organs; The General Assembly which is the highest organ of the association. All the powers of the association are vested in the general assembly and according to newly approved constitution, once in 3 years, the General Assembly elects a Board of Directors, which is the second organ, headed by the chairman, to provide policy guidance and drive the strategic direction of association. General Assembly also elects supervisory and reconciliation committees that are made up of 3 members each for a mandate of 3 years.

The secretariat is in charge of daily management of the association and is headed by the Executive Secretary. It is also organized in the departments: Advocacy and

Communication, capacity building, research and development, and finance and administration.

In 2012, AMIR worked with a dynamic group of partners including Ministry of Finance and Economic Planning, Ministry of Education, Ministry of Trade and Industry, Rwanda Cooperative Agency, TERRAFINA Microfinance, Trocaire, CGAP, AQUADEV, Central Bank, Private Sector federation, Rwanda Development Board, Savings Banks Foundation for International Cooperation (SBFIC), Rabo Bank, Innovation for education project through MINEDIC/DFID project, OXFAM and Access to Finance Rwanda.

2. OVERVIEW OF MICROFINANCE INDUSTRY IN RWANDA

The Rwandan microfinance sector is young and very dynamic. The market for microfinance services and products develops quickly due to increased income levels of the poor, enhanced levels of financial literacy of the population, new ICT technologies becoming available and regional open borders permitting foreign operators to enter Rwandan financial market.

Microfinance sector growth is associated with the Government efforts in creating an enabling environment for the microfinance sector to work towards providing the financial services needed by people at grass root level. This is through developing several strategic documents to provide direction and policy orientation to ensure financial inclusion is achieved as planned. There is Financial Sector Development Program II that stresses importance of microfinance in financial inclusion, EDPRS, The National Savings Mobilization strategy, Umurenge SACCOS Strategy, Financial Literacy Strategy and National microfinance policy and strategy.

The evaluation report on the national microfinance policy implementation strategy 2008 -2013 was conducted and achievements identifies are the Microfinance law and regulations that create a well defined regulatory and

supervisory framework for all microfinance operations in Rwanda, important progress has been made in the field of legal and tax issues relevant for microfinance, although several challenges still remaining and AMIR will continue with the advocacy work to ensure that the remaining challenges are solved by concerned stakeholders.

At Meso level, Insufficient MFI refinancing mechanisms continue to remain the major challenge as access to commercial funding was minimal as commercial banks were reluctant to offer wholesale finance to MFIs because of lack of collateral.

To further streamline wholesale lending to the microfinance sector and the access to guarantee funds, the Business Development Fund (BDF) was designated to provide the refinancing service to the MFIs and other private businesses. There are other social investors that are providing the refinancing services such as SMGF, Rabo Bank and Oiko Credit.

The evaluation report also mentioned that lack of exchange between MFIs on their clientele and the ensuing risk of several MFIs attending the same clients has been partly resolved through the participation of microfinance providers in the Credit Reference Bureau. This is because the some financial institutions are not fulfilling their obligations to ensure smooth running of the Credit Bureau.

At micro level the report also identified challenges regarding the low capacity to professionally and sustainably manage MFIs, lack of capacity to support MFIs product development, diversification and outreach services. This is because of the growth of the microfinance sector that continues to be a large gap between the supply of individuals with technical financial training and the needs of the MFIs and SACCOs. There has been a lot of efforts from AMIR, RCA and the development partners to support with the capacity building of the MFIs staff though the problem remain to be the high turnover of the trained staff from the MFIs to the well paid jobs leaving the gaps in the microfinance sector.

In line with the growth in outreach, there has been an important growth in financial inclusion. The FinScope surveys of 2008 and 2012 clearly illustrate this as can be seen in the figures below.

Between 2008 and 2012, formal financial inclusion doubled from 21% to 42% and informal inclusion increased from 39% to 58%. Overall financial inclusion (formal and informal) increased from 48% to 72% over this period. In other words: in 2008 more than half of the Rwandan adult population (52%) were financially excluded, but by 2012 this had been reduced to 28%, or 1.3 Million Rwandan adults not yet having access to either formal or informal financial services.

There are 416 Imirenge Saccos and currently in the process developing 30 District consolidated Saccos, which at the end will form the Cooperative Bank.

The Umurenge SACCOs, together with older SACCOs and microfinance institutions (MFIs), have contributed substantially to increasing financial inclusion and to mobilizing of savings. They have played a crucial role in the significant increase in financial inclusion from 48% in 2008 to 72% in 2012 as according to Fin-scope report of 2012.

2.1 MICROFINANCE SECTOR PERFORMANCE IN 2012

The microfinance sector is comprised of 11 limited companies microfinance institutions and 490 SACCOs. The sector continued to demonstrate good performance during the period under review mainly driven by the growth of UMURENGE SACCOs.

The total outstanding portfolio (UMURENGE SACCOs included) increased by 90 percent from 2010 to 2011, from RWF 36.7 billion to RWF 59.1 billion.

Total deposits increased by 65% percent from 2010 to 2011 and increased by 84% from 2011 to 2012. Total number of MFIs and Saccos decreased though not significantly from 502 to 490 simply because of amalgamation of CAPEC with Imirenge Sacco and graduation of 2 limited MFIs to MF Banks.

Total Number of loan clients have increased with a trend that shows an increase in financial inclusion. Portfolio at Risk (PAR) has shown an improvement from 12% to 8.5% and the efforts by the Government through national recovery program contributed significantly.

Microfinance Sector performance indicators

| INDICATORS | 2010 | 2011 | 2012 |
|--|-----------------|----------------|----------------|
| Total number of regulated MFIs and Saccos | 502 | 490 | 490 |
| Total outstanding loan portfolio | 36,788,747,624 | 40,723,908,172 | 59,194,204,082 |
| Total number of loan clients | 46,567 | 110,555 | 167,326 |
| Average outstanding loan | 790,018 | 368,359 | 353,766 |
| PAR>30days | 12.6% | 12% | 8.5% |
| Number of depositors | 1,041,758 | 1,527,941 | 1,959,654 |
| Total Deposits | 29,758,087, 305 | 45,861,761,055 | 54,472,505,085 |
| Average deposits | 28,565 | 30,015 | 27,792 |
| Number of service points | 815 | 774 | 842 |
| Number of MFIs submitted audited report to BNR | NA | 30 | 23 |

Source: BNR Report October 2012

NB =

- 1) Figures include Imirenge Sacco and they started issuing loan from 2011.*
- 2) Drop in outstanding loans/nr of clients in 2010 due to CSS reporting as a commercial bank since 2010.*

3) Number of service points include main offices and branches. In 2010 CSS ZIGAMA not included; in 2011 UNGUKA, AGASEKE and CAPECS not included

3) MFIs (SACCOs) in Category 2 are not required to submit audited reports. Some MFIs in the higher categories failed to comply.

2.3 CHALLENGES FACING MICROFINANCE INDUSTRY IN RWANDA

2.3.1 Low capacity to professionally and sustainably manage MFIs

In the year 2012, several institutions have deployed great efforts to offer training and capacity building for the microfinance sector notably AMIR, RCA, Terrafina, Aquadev and BDF. Irrespective of these efforts the challenge is still prevailing partly because of the growth of the microfinance sector there continues to be a large gap between the supply of individuals with technical financial training and the needs of the MFIs and SACCOs. These institutions have an unmet need for cashiers, clerks and loan officers with basic financial training. At the same time there is also insufficient professionally trained management and lack of capacity at the governance level.

Rapid growth in the SACCO sector has created a great demand for trained individuals to serve as officers and managers, especially in the rural Umurenge SACCOs. This is clearly a case of "work in progress". The efforts to establish an institute of Microfinance, entrepreneurship and Cooperatives RICEM is expected to have long lasting solution to this challenge.

2.3.2 Lack of capacity to support MFI product development, diversification and outreach services

There is little evidence of innovation and diversification of products since the sector was revived five years ago. MFIs tend to copy each others' products and services. In particular, the sector lacks marketing innovations and skills. More

demand driven products need to be developed, and MFIs should adopt a more client oriented approach. The lack of effort to develop demand-led savings and credit products that meet specific targeted clients, results in lack of differentiation between competitors, whereas strong diverse product range would enhance organizational image and branding.

AMIR has done a lot in product development in areas of leasing, agri-lending products like "warrantage" and savings products for young people but a challenge in this area remains which calls for MFIs to change the way of working and become innovative

2.3.3 Limited use of management information systems and use of tools of information technology

Transparency especially on reporting systems has improved in 2012, although is still a challenge. The Saccos that were manual are using the CGAP management tools mainly in Imirenge Sacco. More than 200 Saccos are using the CGAP tools and 20 members of AMIR are using the tools.

2.3.4 Taxes charged on savings

The Government charges 15% tax on savings interest earned, which is withheld by the MFI. While it is not a big charge, it is a real problem for MFIs because it has a large impact on its deposits and sustainability. This tax scares off savers who find no real financial benefit in saving their money thus hindering the efforts of mobilizing savings from the population.

The issue of tax issues affecting micro leasing is still under discussion and the follow up was made through the dialogue of private sector and Rt. Hon. Prime Minister and microfinance sector and financial sector at large looks forward to a conducive leasing law passed. Other issues legal issues affecting MFIs were

submitted to the Government authorities for consideration. The follow up is also done closely with the relevant authorities.

2.3.5 Insufficient MFI refinancing mechanisms

Rwanda's rate of saving is very low, and the propensity to save was further damaged by the closure of 9 MFIs in 2006. Access to commercial funding was minimal as commercial banks were reluctant to offer wholesale finance to MFIs. Banks reported that they would need to see 100% collateral and an adequate business plan in order to offer lines of credit to MFIs.

The access to external funding was also very limited and in 2007 hardly any social investor or Microfinance Investment Vehicle (MIV) was funding MFIs in Rwanda.

SMGF and BDF are the reliable refinancing facilities available but for the former is very limited according to its small capital and the latter is very limited due to certain conditions that MFIs are failing to comply.

3. AMIR'S ACTIVITIES AND ACHIEVEMENTS IN 2012

2012 was the last year of the strategic plan of AMIR, which has been in operation for 5 years since 2008. To implement the activities underlined in this strategic plan each year, there was the development of the annual operational plans that consisted of action plans of each key areas of focus that is capacity building, research and development and, communication and advocacy.

The annual plan was prepared integrating the recommendations from the first AMIR assessment that was financially supported by UNCDF Rwanda office in 2010, which were fundamental for improving AMIR's performance in general. 2012 financial year operating plan considered also the research recommendations done on the needs assessment of the MFIs that was conducted in 2011.

AMIR sustainability was also emphasized in implementing FY 2012 plan by margin charged from selling of management tools that were developed by AMIR and

CGAP, ten percent of total payments of AMIR local trainers and training fees from the participants of different trainings conducted by AMIR. There are some earnings from consultancy done by AMIR in conjunction with another private firm that also earned some small income which set the precedent for future collaboration of that kind as AMIR thinks to establish its economic arm.

3.1 Summary of key achievements

3.1.1 Advocacy, representation and governance

AMIR acquired good reputation within and outside the country as a result won the 4 years grant from SEEP after writing an appealing proposal which started on September 2012 and will end in 2016 September.

The aim of the grant is to provide SEEP support in drawing technical assistance from all over the world and support AMIR in professionalizing its activities and therefore providing better services to its members and the microfinance sector in general.

SEEP started by conducting assessment of AMIR done in November 2012 and come up with recommendations that were included the new 2013 - 2017 strategic plan that is currently being developed. In the assessment which is the second one to be conducted, AMIR got good rating of 2.5 out of 4 and graded as expanding network. The highest ranking is mature network and the recommendations given aimed at helping AMIR to improve into this level.

Advocacy and networking activities centered on creating an enabling environment that is favorable for microfinance activities, they included working with various partners like government agencies and development partners on activities like loans recovery process, discussing microfinance laws and holding various meetings where issues affecting MFIs/SACCOs are discussed.

During this operational year, AMIR was instrumental in advocating for concerted efforts to assist MFIs/SACCOs in arrears recovery with a strong voice in the National recovery committee. However achievements remain low as they depend to the power of influence of AMIR and Government. AMIR continued to strengthen external relations as a way of grabbing global motion and strengthening its capacity of representation of MFIs in Rwanda.

3.2 The following are other major achievement attained in advocacy and representation

- ✓ Through advocacy the Overall PAR reduced by 4% after the national recovery campaign done in collaboration with the Government ministries. One meeting for recovery was organised with national steering committee and another with the National financial sector technical committee.
- ✓ 50% of AMIR members are linked to commercial Banks and development bank of Rwanda
- ✓ Refinancing of SACCOS and MFIs from SMGF, Rabo bank and Oiko Credit and other social investors is ongoing.
- ✓ To build Capacity of MFIs and Saccos, AMIR worked closely with BNR , MINICOM and SBFIC in the establishment of RICEM.
- ✓ AMIR Built a good public image as a result more partnership with AMIR was achieved in 2012.
- ✓ AMIR has several contributions on Newtimes website focusing on advocacy of the issues affecting Saccos and MFIs. Moreover AMIR has its own online newsletter, which is produced quarterly. There is also microfinance magazine mainly for financial education and first edition was circulated freely all over the country.
- ✓ AMIR continues to work in collaboration with MIX market, MFT and SEEP network to promote AMIR achievements through and out of the country. AMIR and MIX market signed an agreement to promote transparency within the MFIs and Saccos through reporting to the MIX market both financially and socially. So far Rwanda is among the best in reporting to the mix market. 20 MFIs and Saccos are reporting to the mix market.
- ✓ AMIR is an active member of the following organizations :MAIN,AFMIN, EAMFNET and SEEP. AMIR represents Rwanda microfinance sector in different forums organized by these organization.

- ✓ AMIR has updated constitution and bylaws with modified sections to accommodate the current development of AMIR. The predominant changes were the annual membership fees and welcoming other microfinance stakeholders to be AMIR members in associate capacity.
- ✓ AMIR has Auditor's committee in overseeing the operations of the board of Directors and the Executive secretariat for review and purposes of doing internal control.
- ✓ Board became more active in designing, delivery, monitoring and evaluation of services by organizing technical committees and executive committees at the board level. Board met regularly on quarterly basis to review the operations of the secretariat.
- ✓ A general assembly was organized along side the celebrations of AMIR achievement for last 5 years which was graced by the Minister of Trade and industry with the Governor of the Central Bank of Rwanda.

3.3 Capacity Building

AMIR's institutional capacity building in terms of trainings and study tours were organized with a steady emphasis on members to meet several researches' findings which require immediate capacity building of MFIs personnel. AMIR's staffs participated in different trainings thus building their capacity to serve the Microfinance institutions.

Training conducted in 2012 focused on CGAP Tools management, product development, risk management and business planning. Computerization and rating of MFIs.

During 2012, AMIR continued to work with different partners to increase capacity of its governance and management team. The following are the major achievements related to MFIs capacity building:

- ✓ 4 trainers were certified in product development and other 4 are still in process of being certified.
- ✓ 12 people were trained as trainers in Financial education.
- ✓ 20 AMIR members and more than 200 Imirenge SACCO are using CGAP management tools after being trained and coached.
- ✓ 50 staffs of MFIs were trained on Risk management

- ✓ 30 loan officers, 15 Members of credit committee were trained on loan management.
- ✓ 11 MFIs rated in 2012
- ✓ Continuous assistance work through mentoring MFIs to handle different issues they face.
- ✓ In 2012. COOPEC Umutanguha and its 5 branches are computerized, 3 others are ongoing up to end in March 2013.
- ✓ In promoting the learning of best practices, 5 AMIR staff were trained and Board members did a study tour outside Rwanda for exchange visits

3.4 Research and Development department's activities and Achievements

During the year 2012, a program to spearhead research and development of AMIR registered numerous achievements with mainly the introduction of new partners to fund and also different components newly introduced in AMIR: an example of OXFAM which partnered with AMIR for the development of middle range products.

A paper of benchmarking study was developed, development of agri-lending product, boosting efforts in financial education program. Through this department, more MFIs were connected to the refinancing organizations and they are accessing the needed funds at a reasonable price.

Promoting social performance and financial education within the industry was also enhanced. AMIR worked with Microfinance Transparency to promote transparent pricing and production of financial education materials as well as communication papers like magazines and newsletters.

AMIR has partnered with Terrafina and Microfinance Center (MFC) to promote social performance management among Rwandan microfinance sector and various activities in client protection principles and consumer protection were carried out.

Savings mobilization magazines for young people, AMIR newsletter were produced supported by SBFIC. The visibility in media has also been a priority to value our work.

3.4.1 The following are achievements for Research and Development department:

- ✓ AMIR has developed the strategy for the cooperation between MFIs and funders so as to solve the refinancing challenge in MFIs: Several meetings with investors were organized between MFIs and refinancing organizations like MYC4 and SMGF. The connection of Banks with MFIs and SACCOs has been established for refinancing and capacity building. In this case, The Kenya Commercial Bank (KCB) has signed MOU with MFIs. More than 50 % were linked with refinancing agencies
- ✓ MFIs benchmark report was produced after conducting a benchmarking study and final report is available.
- ✓ 2 savings publications were produced in 2012 and distributed with close collaboration with SBFIC
- ✓ AMIR has promoted financial literacy by training more than 3 MFIs in financial education, training teachers who will train others.
- ✓ AMIR Managed to publicize its first edition of Rwanda Microfinance Magazine and was distributed country wide.
- ✓ Sustainability Study was carried out and sustainability committee is in place to take forward the establishment of AMIR economic arm.
- ✓ In upscaling the SPM activity to MFIs, a campaign was done to MFIs to re-aligning their social goals and also train them in social reporting. As result, 20 MFIs reported to MIX Market both financial and social data.
- ✓ In a way of introducing new product four MFIs have started offering Micro-leasing products as a pilot phase.
- ✓ AMIR has got new Partners: Aflatoun and Oxfam are new partners added.
- ✓ Initiated partnerships, wrote proposals and mobilized more than 650 Million in Rwandan francs
- ✓ AMIR worked with MFT to carry out a research on financial education in Rwanda and emphasis was put on transparent pricing

- ✓ Revision of MF law and regulation with MFIs and submit the proposal to BNR
- ✓ There was Redesigning and updating of AMIR website to look more attractive as it is internationally used by many people who wants to learn about Rwanda Microfinance sector.
- ✓ AMIR is well represented in the steering committee of RICEM and has important role in the establishment of RICEM.

4. 2013 Action Plan

It's obvious that the elapsed year's achievements tap into the 2009-2012 strategic plans. This strategic plan was sometimes quoted as an ambitious one. This has given a room of review by the executive body and later the general assembly. One of the big awaited achievements of AMIR in 2013 is to develop a new 5-year strategic and business plan.

The new plan will mainly put an emphasis on effective services to the microfinance sector in Rwanda. It will as such cover the traditional areas of capacity building, research, development, information dissemination and advocacy and representation. Additional areas to explore will be: transparency, consumer protection and financial education among others deemed to be important as MFIs have reached a certain level of maturity and solidness. The Business Plan will focus much on financial sustainability of the organization, developing and upgrading the personnel.

AMIR has been, and will remain to be very alert on issues that may negatively affect the performance and image of its members. It will assist its members in product development, application of technological and technical innovations, social performance management and client protection. The latter areas are relatively new in the country. Capacity building remains a major area of interventions in the face of increased competition and new client demands. Yet most training and coaching activities will be outsourced to a new structure.

Advocacy, communication and networking especially lobbying government authorities to deploy more efforts in reducing non-performing loans and non-repayment culture among the population will continue to be at the forefront of all AMIR's interventions.

In general 2013 will focus on delivering of demand driven products and services to its members, AMIR sustainability and transparency for both in AMIR and its members.

Statement of income and expenditure for the year ended 31

December 2012

See detailed Audited report-

ANNEXES

List of AMIR Members

| N° | INSTITUTION |
|----|-----------------------------|
| | S.A |
| 1 | AL HALAAL Ltd |
| 2 | AMASEZERANO CB Ltd |
| 3 | CAF-ISONGA Ltd |
| 4 | AGASEKE Bank Ltd |
| 5 | DUTERIMBERE IMF Ltd |
| 6 | UNGUKA Bank Ltd |
| 7 | INKINGI MICRO FINANCE Ltd |
| 8 | RIM Ltd |
| 9 | URWEGO OPPORTUNITY BANK Ltd |
| 10 | VISION FINANCE COMPANY Ltd |
| 11 | GOSHEN FINANCE Ltd |
| 12 | SWOFT Ltd |
| 13 | RWANDA MICROFINANCE LIMITED |
| 14 | COOPEC UBAKA |
| 15 | COOPEC ABADAHIGWA |
| 16 | COOPEC COMICOKA |

| | |
|----|---|
| 17 | COPECYA |
| 18 | COOPEDU |
| 19 | C.S.P.KI |
| 20 | COOPEC INKUNGA |
| 21 | COOPEC ITI |
| 22 | COOPEC KOZIBI |
| 23 | COOPEC INGASHYA |
| 24 | ZIGAMA CSS |
| 25 | COOJAD |
| 26 | INZIRA VILLE BUTARE |
| 27 | INZIRA VILLE KIBUNGO |
| 28 | INZIRA SAVE |
| 29 | ISHEMA MULINDI |
| 30 | COOPEC ZAMUKA |
| 31 | COOPEC CODEMARU |
| 32 | COOPEC DUKORERURWANDA |
| 33 | COOPEC TWIZIGAMIRE |
| 34 | COOPEC TWITEZIMBERE |
| 35 | COOPEC IMPAMBA |
| 36 | COOPERATIVE DE SOLIDALITE DES THEICULTEURS CYOHOHA-RUKERI |
| 37 | UMWALIMU SACCO |

| | |
|----|-------------------------------|
| 38 | UNION DES CLECAMS WISIGARA |
| 39 | UNION CMF-UMULIMO |
| 40 | UNIONS DES COOPECS UMUTANGUHA |
| 41 | UNION DES CLECAMS EJOHEZA |
| 42 | UNION DES CEA |
| 43 | CT RUSIZI |
| 44 | CT NYAMAGABE |
| 45 | CT MURAMBI |
| 46 | CT KACYIRU |
| 47 | CT MUHANGA |
| 48 | CT MUGAMBAZI |
| 49 | CLECAM GASEKE |
| 50 | CLECAM KAYOVE |
| 51 | CLECAM IBAKWE |
| 52 | CLECAM ZAMUKA |
| 53 | CLECAM BIRUYI |
| 54 | CLECAM GISENYI |
| 55 | CLECAM NYAMYUMBA |
| 56 | CLECAM NYARUTOVU |
| 57 | COOPEC TRACO |

| | |
|----|--------------------|
| 58 | CPF Ineza |
| 59 | COOPEC Urukundo |
| 60 | CEA Gisenyi |
| 61 | CEA Musanze |
| 62 | CARE International |

List of Board of Directors (as of September 2011)??

| NAMES | Title |
|-------------------------|----------------------------------|
| ZIHIGA Faustin | Chairperson |
| MUREBWAYIRE Denise | 1 st Vice Chairperson |
| NZAKAMWITA Jean | 2 nd Vice Chairperson |
| NIKUZE Victoire | Administrator |
| DUSABUMUREMYI Merchias | Administrator |
| MUNYANKUMBURWA Innocent | Administrator |
| NZAGAHIMANA JMV | Administrator |

Supervisory Committee Members (as of August 2010)

| NAMES | Title |
|----------------------|------------------|
| MUNYESHYAKA Alphonse | Chairperson |
| NGAMIJE Delphin | Vice Chairperson |
| MUKAMANA Céline | Secretary |