

**SAVINGS AND CREDIT COOPERATIVES (SACCOS) AND MEMBERS' POVERTY
REDUCTION IN RWANDA
A CASE STUDY OF SACCO RUBENGERA**

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ABSTRACT

The study set out to investigate relationship between Savings and Credit Cooperatives and members' poverty reduction in Rwanda. Saving is a key component in any development endeavour as it is believed to be the surest way of increasing income and boosting productivity in an attempt to break through the vicious cycle of poverty. The study has the three objectives: assess the activities of saving and credit cooperatives lead to members' poverty reduction, Analyze if the access to saving and credit cooperatives' services can enhance the quality standard life of its members, find out the expansion and diversification of members' income activities with supportive from Savings and Credit Cooperatives. To achieve the set objectives, the study used a sample of 63 members randomly selected from membership of Savings and Credit Cooperative Rubengera, 3 board members and 3 management staff depending on their availability and positions. Data were collected by using of questionnaire and interviews, observation and focus group discussions were analyzed and computed using tables, charts, codes and graphs to identify relationship of the variables to poverty reduction. As a contribution of this research is to establish whether savings and credit cooperatives can positively influence standard life of poor people towards improvement of access to financial services in the country and need to provide knowledge on Savings and Credit Cooperatives' effects on members' poverty reduction in Rwanda, this study investigated three variables: Savings and Credit Cooperatives' activities i.e. financial services, training and education, safety and security, proximity, interest, ownership and convenience, Poverty reduction as dependent variable and Intervening variables (dummy variables) i.e. education level, family size, number of children going to school, politics, government policy and income level .The results of findings helped to determine statistically the level of significant for all the four intervening variables although with relationship for education, income level and family size. Based on the findings, it therefore helped to conclude whether Savings and Credit Cooperatives' activities positively affect members' poverty reduction and helped to make major recommendations to savings and credit cooperatives as well as government in order to develop varied products that meet various categories of membership needs in the context of poverty reduction.