

**SAVINGS AND CREDIT COOPERATIVES A TOOL FOR THEIR MEMBERS'
PROJECTS SUCCESS IN NYAMASHEKE DISTRICT
A CASE STUDY OF AMIZERO SACCO.**

**BY
NIYONSABA SAMUEL
MBA 2131/11**

ABSTRACT

The use of SACCOs has been adopted by many countries as one of strategies to reduce the weight of poverty especially in rural areas. This is done through financing different projects initiated by their members. Rwanda is among the countries that adopted this strategy by promoting the establishment of savings and credit cooperatives in each of the 416 geographically defined sectors of the country. The researcher was meant to study how the SACCOs have been contributing to success of the projects of their members by financing them towards the reduction of poverty in Nyamasheke district by analyzing Amizero SACCO operating in this district. The researcher reviewed the literature of what different authors and researchers said about SACCOs and their critics about these cooperatives. The whole research population was made by 1965 members of Amizero SACCO and 5 staff members. Using the statistical formula the researcher took a sample of 95 members and two staff to be questioned. The researcher used questionnaire to collect primary data from selected members and SACCO's staff. Data was analyzed using statistical software packages and findings showed that SACCOs have a significant influence in success of projects of their members due to services they provide. In a period of 5 years Amizero SACCO disbursed 185,673,92 Rwf to finance different projects and accumulated savings of 120,976,573 Rwf from its members. Over than 87% members confirmed that Amizero SACCO has significantly contributed to implement their undertaken projects and 9.01% testified that their living conditions have significantly been improved due to services provided by Amizero SACCO. There were also some critical findings like the interest rate of 18% which has to be reduced, maximum amount of 1000,000 Rwf and repayment period of one year which need to be extended. Based on findings, the researcher recommended to government in collaboration with SACCOs to extend the repayment period, to emphasize the supervision of credit given and to increase the loan amount. To improve the performance of SACCOs in Rwanda.