

**MICROFINANCE PRODUCTS AND SOCIO-ECONOMIC DEVELOPMENT OF
WOMEN IN RWANDA
A CASE OF UOB CLIENTS IN KICUKIRO DISTRICT**

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ABSTRACT

Since the 1997's a number of Micro Finance Institutions in Rwanda have sprang up with objective of empowering women. The national microfinance policy recently enacted (2007) emphasizes that Microfinance services should assist in the socio-economic development and should be available to all sections of the community, particularly to the women who are the most vulnerable members of society. This shows the governments concern for need to further reach more of its women business with microfinance. This prompted the researcher to undertake this study to assess the impact of microfinance products on socio-economic development of women in Kicukiro district Rwanda. The study has examined the following key impact variables: increase of business income situation, improved employment and productivity, improved family health and welfare and increased children education. The study was a case study of UOB clients in eight sectors out of ten of Kicukiro districts in Rwanda. The main objective was to assess the impact of microfinance products on socio-economic development of women in Kicukiro district Rwanda. The study attempted to find out whether microfinance products impact or does not impact the socio-economic development of women. This study has used both quantitative and qualitative methods, a questionnaire and interview guide have been designed and administered to women clients that have accessed microfinance products. This research has come up with the information valuable for the microfinance and financial institution management, government of Rwanda and the development stakeholders in their efforts to enhance microfinance institutions outreach to socio-economic development of women. The study results contribute to the academic discourse on whether microfinance is away out to impacting socio-economic development of women. The findings revealed that 65.6% of the respondents accessed microfinance services and this has given them the opportunity to get access to capital to start small enterprises, expand the existing enterprises and as a result increase their incomes. The research revealed that 90.1% of the women who have over the time participated in borrowing loans from UOB have accumulated wealth in terms of assets. The study reveals that 84.38% of the respondents mentioned that majority of the women have access to community-based health insurance. However, 50% of the respondents mentioned that they have children who are already at school, 15.63% mentioned that they have children who have recently completed their secondary education, and 9.38% mentioned that they also have children have children who are in colleges. The researcher indicated that majority of the respondents mentioned that they have employed nearly 2 employees to take care of the business in one way or another. Further research has to be carried out on the impact of MFI on the small-scale industry in Rwanda, the factors that lead to people joining more than one MFI and the possibilities of providing asset loans rather than cash loans for some beneficiaries.