

**SAVING AND CREDIT PROJECTS AND COMMUNITY DEVELOPMENT IN
RWANDA
CASE STUDY OF SAFI PROJECT**

**BY
NIKUZE LAURE ARIANE
MBA/2120/11**

ABSTRACT

Upon identifying the fact that there is little access to finance among the world of the poor, a persistent factor that gives rise to poverty, the Rwandan Government chose micro-credit as one of its strategy for poverty reduction. However, though micro-credit is known to be a powerful instrument for poverty reduction, it still leaves a lot to be desired owing to the fact that there is no or very little access to financial products by micro-businesses. Therefore, this study was conducted in order to analyze the contribution of saving and Credit projects for community life quality development, the increase and use of savings was assessed and how VSL help poor people to work in teams. The target population is beneficiaries of SAFI Project (Sustainable Access to Financial Services for Investment). The data of this study is collected from two types of sources, primary and secondary sources. Primary sources involve questionnaires, conversations and observations. Secondary sources include documentation and internet. Findings of the study revealed that the establishment of a small credit and savings scheme has played a positive role on the development of a rural place in Rwanda. This study found that the SAFI project has had a profound impact on the life of its beneficiaries. Beneficiaries enjoy being in groups and they appreciate the methodology used for saving and they also continue to increase their saving amount. From the numbers of respondents and from the many successful stories we heard during our interactions with the groups beneficiaries are very appreciative of the project and can see the difference it has made in their lives. The study recommended that in order to attain full development and financial accessibility in rural areas, the government should facilitate the uneducated people with adult literacy services,. Finally FASI project should value more inclusion of the needy like the widows, teenagers and the divorced.