

AKAGERA SACCO KAYONZA

**BUSINESS PLAN, FINANCIAL PROJECTIONS,
AND BUDGET 2026–2028**

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ACRONYMS

Acronyms	Description
AFR	Access to Finance Rwanda
AGA	Annual General Assembly
AMIR	Association of Microfinance Institutions in Rwanda
ATMs	Automatic Teller Machines
BDF	Business Development Fund
BK	Bank of Kigali
BNR	National Bank of Rwanda
BoD	Board of Directors
BPR	Banque Populaire du Rwanda
BRD	Rwanda Development Bank
CAR	Capital Adequacy Ratio
CC	Credit Committee
CMP (Certification)	Certified Microfinance Professional
CORDAID	Catholic Organization for Relief and Development Aid
COVID	Coronavirus Disease
CRB	Credit Reference Bureau
SACCO	District SACCO
DCO	District Cooperative Officer
DDC	District Development Strategy
DFS	FinTech and Digital Services
DSIK	German Sparkassenstiftung Eastern Africa
DTMFI	Deposit Taking Microfinance Institution
EDPRS	Economic Development and Poverty Reduction Strategy
EICV	Enquête Intégrale sur Conditions de Vie
FSDP	Financial Sector Development Program
GA	General Assembly
GDP	Gross Domestic Product
GNI	Gross National Income
GoR	Government of Rwanda
HIV/AIDS	Human immunodeficiency viruses/ Acquired Immune Deficiency Syndrome
HR	Human Resource
ICT	Information, Communication and Technology
IT	Information Technology
KCB	Kenya Commercial Bank
KPI	Key performance Indicators
LODA	Local Administrative Entities Development Agency
MFI s	Microfinance Institutions
MINECOFIN	Ministry of Finance and Economic Planning
MIS	Management Information System

Acronyms	Description
NBFIs	Non-Bank Financial Institutions
NFIS	National Financial Inclusion Strategy
NGO	Non-Governmental Organization
NPL	Non-performing Loans
NST	National Strategy for Transformation
NST	National Strategy for Transformation
PAR	Portfolio at Risk
PESTEL	Political, Economic, Social, Technological, Environment and Legal
PSF	Rwanda Sector Federation
RCA	Rwanda Cooperative Agency
RDB	Rwanda Development Board
REMA	Rwanda Environmental Management Authority
RFSDS	Rwanda Financial Sector Development Strategy
RICEM	Rwanda Institute of Cooperatives, Entrepreneurship and Microfinance
RIM	Réseau Interdiocésain de Microfinance
ROE	Return on Assets
RPSS	Rwanda Payment System Strategy
RWF	Rwandan Francs
SACCO	Saving and Credit Cooperatives Organization
SC	Supervisory Committee
SCO	Sector Cooperative Officer
SMC	Senior Management Committee
SME	Small and Medium and Enterprise
SMS	Short Message Service
SO	Specific Objective
SWOT	Strength, Weakness, Opportunity and threat
UMIC	Upper-middle income country
USD	United States Dollar
VSLA	Village and Savings Loan Association
KAYONZA D-SACCO	AKAGERA SACCO KAYONZA

Executive Summary

AKAGERA SACCO KAYONZA was established as a district-level financial cooperative through the full consolidation of twelve U-SACCOs operating across Kayonza District. These include Gahini, Kabare, Kabarondo, Mukarange, Murama, Murundi, Mwiri, Ndego, Nyamirama, Rukara, Ruramira, and Rwinkwavu. This strategic merger is guided by Law No. 057/2024 of 20/06/2024 governing cooperatives and the BNR's microfinance prudential standards. The SACCO aims to enhance financial stability, governance, and operational efficiency while expanding access to inclusive financial services savings, credit, and digital products for small traders, farmers, cooperatives, and savings groups in both urban and rural areas of Kayonza District.

The institutional rationale for AKAGERA SACCO KAYONZA centers on centralizing operations to improve governance, resource mobilization, and service delivery. By leveraging economies of scale and digitization, the SACCO will expand access to financial services while fostering entrepreneurship, promoting financial literacy, and supporting the district's socio-economic transformation. This approach aligns with Rwanda's cooperative development framework and Vision 2050, emphasizing sustainability, innovation, and community empowerment.

As of 30 June 2025, the SACCO reports a consolidated membership of 135,743, including 99,500 fully paid members. Financially, it holds total assets of RWF 11.53 billion, equity of RWF 3.26 billion, and a gross loan portfolio of RWF 4.99 billion. Deposits stand at RWF 7.56 billion, resulting in a loan-to-deposit ratio of 45%. The SACCO maintains a liquidity ratio of 73.29% and a capital adequacy ratio of 29.96%, both exceeding BNR's minimum thresholds. Profitability is positive, and the SACCO is financially sound, with only one branch Dukire Murama below CAR requirements, scheduled to receive a RWF **68.18 million subsidy** to restore compliance.

Rwanda's supportive political climate, strong regulatory framework, and financial sector reforms create a favorable environment for AKAGERA SACCO KAYONZA. Economic opportunities in agriculture, trade, and microenterprises drive demand for inclusive financial services. However, infrastructure gaps, inflationary pressures, and limited digital literacy require tailored products, capacity building, and outreach strategies to ensure equitable service delivery and member engagement.

Technological growth, environmental risks, and legal protections present both opportunities and challenges. Digital tools can expand outreach and efficiency, but climate vulnerabilities and limited ICT infrastructure call for resilience-focused solutions. Legal provisions such as tax incentives, the Deposit Guarantee Fund, and cooperative law protections reinforce financial stability, member trust, and governance, supporting AKAGERA SACCO KAYONZA's sustainable growth.

A comprehensive SWOT analysis reveals the SACCO's strategic position. Its strengths include a large member base, strong liquidity, and government support, which provide a solid foundation for growth. The consolidation of twelve branches enhances operational reach and member engagement. However, weaknesses such as limited automation, low loan-to-deposit ratio, and staff capacity gaps constrain efficiency and profitability. Governance and oversight mechanisms require strengthening to ensure compliance and strategic execution.

Opportunities for AKAGERA SACCO KAYONZA include digitization, financial inclusion initiatives, and proximity to communities. These factors offer significant growth potential, especially through partnerships with development agencies, donor support, and government programs. Product diversification and outreach to youth, women, and cooperatives can further expand the SACCO's impact. Nonetheless, threats such as competition from MFIs and commercial banks, inflation, credit risk exposure, and climate-related risks must be proactively managed to safeguard operations and member trust.

The SACCO's vision is to become a leading, member-owned financial institution in Kayonza District that promotes financial inclusion, economic empowerment, and sustainable community development. Its mission is to empower farmers, entrepreneurs, women, and youth through tailored savings, credit, and digital financial services that expand economic opportunities and foster inclusive development.

AKAGERA SACCO KAYONZA is guided by six core values. Integrity ensures transparency, honesty, and ethical conduct in all operations. Inclusiveness guarantees equal access to financial services for all, especially marginalized groups. Accountability reinforces responsible decision-making and trust. Member-centered service prioritizes member needs and satisfaction. Sustainability promotes long-term financial resilience and community development. Confidentiality safeguards member information through secure systems and restricted access.

To guide its growth, the SACCO has developed four strategic objectives. The first objective focuses on institutional stabilization and market expansion. By 2028, the SACCO aims to increase active borrowers to 30,000, expand membership to 161,672, grow deposits to RWF 10.89 billion, and increase gross loans to RWF 8.98 billion. These targets will be achieved through digitized services, branch consolidation, and enhanced outreach.

The second objective emphasizes financial sustainability and operational viability. The SACCO seeks to achieve a net profit margin of 22%, ROE of 15%, OSS of 144%, CAR of 32%, liquidity ratio of 38%, and fixed asset ratio of 13% by 2028. Diversifying income sources and optimizing cost structures will be key to achieving these targets and ensuring long-term financial health.

The third objective focuses on product innovation and service delivery enhancement. AKAGERA SACCO KAYONZA will upgrade existing products and introduce new offerings such as microinsurance, agricultural loans, mobile credit, and climate-resilient financing. Automated loan processing and mobile banking systems will improve efficiency and member experience. The SACCO will also conduct customer satisfaction surveys and reactivate dormant accounts to boost engagement.

The fourth objective centers on capacity building and governance strengthening. The SACCO will invest in staff training, governance development, and member education. Operational manuals will be updated, and performance monitoring systems will be implemented to ensure high service standards and regulatory compliance. Financial literacy programs will empower members to make informed decisions and participate actively in SACCO governance.

Monitoring and evaluation will be guided by key performance indicators. These include maintaining PAR >30 days below 5%, loan loss ratio below 2%, rolling out five new savings and seven credit products within three years, and achieving membership growth to 161,672 with 30,000 active borrowers. Financial targets include deposits of RWF 10.89 billion, loans of RWF 8.98 billion, and equity of RWF 4.5 billion. Compliance with prudential norms and achievement of target financial ratios will be tracked to ensure strategic alignment and institutional resilience.

Key Performance Indicators

AKAGERA SACCO KAYONZA will ensure full operationalization of its head office and branch network, staffed with trained personnel across all departments. This includes onboarding qualified staff, conducting induction programs, and establishing clear roles and responsibilities to support efficient service delivery and compliance with regulatory standards.

Operational manuals and product portfolios will be upgraded to reflect the SACCO's new structure, digitized systems, and strategic priorities. Revised manuals will guide financial operations, credit management, member services, and internal controls, ensuring consistency and alignment with BNR and RCA guidelines.

To measure member satisfaction and service quality, the SACCO will conduct two customer satisfaction surveys within the three-year period. These surveys will inform product refinement, staff training needs, and member engagement strategies, contributing to continuous improvement.

Portfolio at Risk (PAR) greater than 30 days will be maintained below 5%, and the loan loss ratio will be kept under 2%. These targets reflect the SACCO's commitment to sound credit risk management, timely loan recovery, and prudent provisioning practices.

Automated loan processing and mobile banking systems will be implemented to enhance efficiency, reduce turnaround times, and improve member access to financial services. These digital tools will support real-time transactions, remote account management, and streamlined approvals.

The SACCO will roll out five new savings products and seven new credit products within the three-year period. These offerings will be tailored to the needs of farmers, youth, women, cooperatives, and microenterprises, promoting financial inclusion and product diversification.

By 2028, AKAGERA SACCO KAYONZA targets 161,672 members, 30,000 active borrowers, RWF 10.89 billion in deposits, RWF 8.98 billion in loans, and RWF 4.5 billion in equity. It will maintain key prudential ratios including NPL below 5%, OSS at 144%, ROE at 15%, CAR at 32%, liquidity at 38%, fixed asset investment at 13%, and a resource transformation ratio of 74%.

Chapter 1. Introduction

The Government of Rwanda (GoR) aims to transform the country into a high-income country and an economic trade, communication, and financial hub by the year 2050. Financial inclusion has experienced significant developments. The 2008 adoption of the Financial Sector Development Program (FSDP I) and the resulting National Savings Mobilization Strategy (2009- 2013) contributed to catalyzing a dramatic increase in formal financial inclusion. The drivers of this big achievement include the adoption by the government of Rwanda of one of the resolutions of National Dialogue of December 2008 of establishing at least one Saving and Credit Cooperative (SACCO) in each of the 416 called Umurenge SACCO as per reference to the administrative sector or Umurenge in Kinyarwanda.

The strategy's objective was:” To have at least one SACCO by the end of Q1 2009, thus, to mobilize additional savings for at least 10% of rural production” (p.52 of the Strategy). The strategy identified the SACCO model as an effective tool for mobilizing savings by creating SACCOs at sector level. In 2020, about 77% of the adult population (5.5 million adults) in Rwanda have/use formal financial products/services including banking sector and other formal (non-bank) financial products/services from insurance firms and mobile network operators (Finscope, Financial Inclusion, Rwanda, 2020, p20 Rwanda Access Strand). This is marked increase from 21% formal financial inclusion recorded in 2008 (FinScope Rwanda 2008, p.28). Umurenge SACCOs are the second driver of non-bank formal products/services uptake, with 2.4 million adults with UMURENGE SACCO accounts in 2020 compared to two million in 2016.

The fifth priority of the 7 Years' Government National Strategy for Transformation (NST 1) proposes the increase of domestic savings and positioning Rwanda as a hub for financial services to promote investments. Among other actions proposed, the strategy proposed the automation of Umurenge SACCOs and the implementation of awareness building activities to increase uptake of electronic and digital financial services. However, the Umurenge SACCOs struggled to reach their full potential because of the challenges. The lack of automated management systems, weak risk management frameworks, governance mechanisms and human resource issues, and a limited number of products and service offerings are among the challenges UMURENGE SACCOs should address. To address these challenges, the GoR initiated a professionalization program in 2015 consisting of automating U-SACCOs, consolidating them at district level and establishing a Cooperative Bank.

1.1 The rationale of the business plan of AKAGERA SACCO KAYONZA

The purpose of this business plan is to provide a “roadmap” to AKAGERA SACCO KAYONZA Board of directors and management, its partners, and other interested parties. This roadmap shows where the SACCO wants to go, and how it will get there over the next three years (2026-2028). Particular attention is paid to financial projections and how AKAGERA SACCO KAYONZA will

emerge as a financial self-sufficient and become a key player in the financial services sector hence contributing to the Rwandan economy particularly the population of Kayonza district.

This business plan will guide the Management in allocating optimal scarce resources with efficiency to ensure effectiveness that will lead to financial self-sufficiency. This document will also provide guidance on feedback mechanisms. The document can be used to raise funds from potential financial providers and other strategic actors for implementing specific programs. This document will also help have a common understanding focused on achievement of overall objectives and to provide guidance to departments in AKAGERA SACCO KAYONZA in implementation and preparing respective individual plans. Finally, the document is sent to National Bank of Rwanda as requirement to seek a license.

1.2 Methodology of Elaboration of the Business Plan

The development of the AKAGERA SACCO KAYONZA business plan followed a structured and participatory methodology designed to ensure technical rigor, stakeholder ownership, and alignment with national regulatory frameworks. The process was led by RSK Associates Consultants in collaboration with Kayonza District officials, U-SACCO representatives, and relevant financial sector stakeholders.

Review of the Business Plan Concept Note and Due Diligence Reports: The initial step involved a thorough review of the concept note guiding the formation of AKAGERA SACCO KAYONZA. This was complemented by an in-depth analysis of the data validation and due diligence reports for each of the twelve U-SACCOs in Kayonza District. The objective was to assess institutional readiness, financial health, and governance structures. Based on this review, the team provided technical input and reached consensus on the implementation approach for the business plan.

Consolidation of Financial and Non-Financial Data (2021–2025): To establish a credible baseline for planning, the consultants consolidated five years of financial data (2021–2025) and relevant non-financial information from all twelve U-SACCOs. This included balance sheets, income statements, membership statistics, loan and savings product portfolios, and staffing profiles. The consolidated dataset served as the foundation for financial forecasting and strategic planning.

Stakeholder Workshops and Participatory Design A series of workshops were designed and conducted with governance bodies, management teams, and staff from the twelve U-SACCOs, along with district officials and other stakeholders. These sessions facilitated joint validation of the SACCO's vision, mission, governance structure, and strategic priorities. They also enabled inclusive dialogue on operational challenges and opportunities, ensuring that the business plan reflects local realities and aspirations.

Elaboration of the Business Plan and Financial Forecasts: The core deliverable was the elaboration of the AKAGERA SACCO KAYONZA business plan, which includes detailed strategic objectives, operational plans, and a three-year financial forecast. The financial model

incorporates assumptions on membership growth, deposit mobilization, loan portfolio expansion, cost structures, and profitability. It aligns with prudential standards and cooperative law requirements.

Support for Registration and Licensing: The consultants provided technical support for the registration of AKAGERA SACCO KAYONZA with the Rwanda Cooperative Agency (RCA). This included preparing required documentation and facilitating compliance with cooperative law. In parallel, the team supported the licensing process with the National Bank of Rwanda (BNR), ensuring that the SACCO meets all regulatory conditions for deposit-taking microfinance institutions.

Compilation of Final Report and Institutional: The final phase involved compiling a comprehensive report of the mission, including all supporting documents, financial models, and stakeholder inputs. A formal review was conducted with the AKAGERA SACCO KAYONZA management and Board of Directors, who validated and adopted the business plan. This step ensured full institutional ownership and readiness for implementation.

1.2.1 Documents Review

In this phase, AKAGERA SACCO KAYONZA undertook a systematic review of national policies, laws, and regulations relevant to the microfinance sector and the socio-economic context of Kayonza District. This ensured that the business plan is grounded in the current legal and policy environment.

Key documents reviewed include:

- **Monetary Policy and Financial Stability Statement (March 2024):** Provided macroeconomic context and financial sector priorities.
- **FinScope Surveys (2008, 2012, 2016, 2020, 2024):** Offered insights into financial inclusion trends and consumer behavior.
- **Kayonza District Development Strategy (DDS) 2019–2024:** Aligned the SACCO’s objectives with district-level development goals.
- **Fifth Population and Housing Census (August 2022):** Informed demographic and market segmentation analysis.
- **Law No. 024/2021** governing cooperatives and **Law No. 072/2021** governing deposit-taking microfinance institutions: Established the legal framework for SACCO operations.
- **BNR Regulations (2023):** Covered licensing, governance, risk management, credit classification, and prudential norms for deposit-taking microfinance institutions.

This document review ensured that the business plan complies with all relevant legal instruments and reflects current policy directions.

1.2.2 Field Data Collection and Market Analysis

RSK Associates Consultants conducted extensive field data collection and market analysis to inform the business plan. This involved engaging multiple stakeholders and triangulating data from various sources.

- **From the 12 U-SACCOs**, the team collected detailed financial statements (balance sheets and income statements), membership data, product portfolios, and staffing information. This enabled a granular understanding of institutional performance and operational capacity.
- **From competitors**, the consultants gathered intelligence on product offerings, pricing strategies, branch networks, and market positioning. This helped define AKAGERA SACCO KAYONZA's competitive advantage and strategic positioning.
- **From the National Bank of Rwanda**, the team received clarifications on the legal framework governing deposit-taking cooperatives and feedback on regulatory compliance. BNR personnel also provided observations on specific aspects of the business plan.
- **From government administrative entities**, including Kayonza District and its sectors, consultants conducted interviews using a structured protocol. These discussions allowed local officials to contribute to the business plan and ensured alignment with district development priorities.

This multi-source data collection enriched the business plan with contextual insights and stakeholder perspectives.

1.2.3 Structure of the Document

The business plan is organized into ten chapters, each addressing a critical dimension of AKAGERA SACCO KAYONZA's strategic and operational framework. The business plan outlines the strategic formation and operational roadmap of a newly consolidated district-level financial cooperative. It begins with the Executive Summary, which presents the SACCO's formation, financial position, strategic objectives, and projected performance. The Introduction sets the context for the merger and explains the rationale behind the business plan. The Methodology describes the participatory and evidence-based approach used, including data consolidation, stakeholder workshops, and regulatory consultations. The Vision, Mission, and Governance chapter defines the SACCO's guiding principles, legal form, and organizational structure.

The Environmental Analysis examines political, socio-economic, regulatory, and technological factors influencing SACCO operations. The Market Analysis assesses U-SACCO performance, competitive landscape, target market, and includes a SWOT analysis of the new entity. The Financial Consolidation chapter details the accounting standards and valuation methods used to merge the twelve U-SACCOs, ensuring IFRS compliance. The Marketing Plan outlines strategies for brand development, product innovation, and pricing. The Strategic Objectives and Activities section presents the SACCO's priorities over the next three years, informed by environmental and market insights. Finally, the Financial Projections chapter provides key assumptions and projected financial statements, demonstrating sustainable growth in assets, equity, profitability, and

membership. This structure ensures that the business plan is comprehensive, coherent, and aligned with best practices in cooperative financial planning.

1.3 Summary of Strategic Objectives (2026–2028)

Based on the findings of Kayonza District’s market analysis, AKAGERA SACCO KAYONZA has identified five overarching strategic priorities to guide its institutional development and service delivery over the 2026–2028 planning period:

- Enhancing the role of AKAGERA SACCO KAYONZA in financial intermediation and strengthening asset-liability management. The SACCO will deepen its role as a financial intermediary by expanding access to credit and savings products, improving liquidity oversight, and aligning its asset and liability structures to support sustainable growth and regulatory compliance.
- Consolidating viable branches to optimize operational efficiency. The SACCO will assess the performance of its twelve branches and prioritize investment in those that demonstrate financial viability. This consolidation will reduce operational redundancies, improve service delivery, and ensure optimal resource allocation.
- Strengthening the quality of the loan portfolio and supporting the recovery of written-off loans. Efforts will be made to improve credit appraisal, monitoring, and recovery processes. The SACCO will implement targeted strategies to reduce non-performing loans and recover previously written-off balances, thereby enhancing portfolio performance and institutional profitability.
- Reinforcing the capacity of employees and members of governing bodies. Capacity-building initiatives will be launched to equip staff and board members with the skills needed to manage operations effectively, uphold governance standards, and deliver high-quality financial services.
- Positioning and branding AKAGERA SACCO KAYONZA as a strong, reputable, and resilient player in the local financial ecosystem. The SACCO will invest in brand development, stakeholder engagement, and community outreach to build trust, visibility, and member loyalty across Kayonza District.

To operationalize these priorities, AKAGERA SACCO KAYONZA will implement the following seven specific objectives (SOs):

- **SO1: Revision of the characteristics of existing loan and savings products and development of new products through a customer-centric approach.** The SACCO will refine its current offerings and introduce new products tailored to the needs of farmers, youth, women, and entrepreneurs. This will be guided by member feedback and market research to ensure relevance, affordability, and accessibility.
- **SO2: Institutionalization of asset-liability management.** Formal ALM frameworks will be established to monitor liquidity, interest rate exposure, and capital adequacy. These systems will support financial planning and risk mitigation, ensuring the SACCO’s stability and responsiveness to market dynamics.
- **SO3: Reinforcement of sustainability by capitalizing on initially viable branches and achieving BNR prudential norms by the end of 2027.** The SACCO will focus on

strengthening high-performing branches and implementing corrective measures where needed. By 2027, all branches are expected to meet BNR's regulatory standards, including capital adequacy and governance benchmarks.

- **SO4: Achievement of operational sustainability by the end of 2028.** Operational sustainability will be pursued through cost control, revenue growth, and improved service efficiency. The SACCO aims to operate independently of external subsidies and generate sufficient income to support its expansion and modernization.
- **SO5: Reinforcement of the capacity of senior managers, staff, and board committee members.** Training programs will be rolled out to enhance competencies in financial management, customer service, governance, and digital systems. This will ensure that leadership and operational teams are equipped to drive institutional performance.
- **SO6: Development of appropriate risk management and compliance frameworks.** Robust policies and internal controls will be established to manage credit, operational, and regulatory risks. Regular audits and compliance reviews will be conducted to safeguard member assets and institutional integrity.
- **SO7: Development of marketing, communication, and partnership campaigns to foster community ownership.** Strategic campaigns will be launched to promote the SACCO's services, build brand recognition, and strengthen partnerships with local government, NGOs, and telecom providers. These efforts will enhance member engagement and expand outreach.

By the end of 2028, AKAGERA SACCO KAYONZA is expected to achieve several measurable targets. The SACCO will recruit new staff at the head office and rationalize staffing across branches to align with operational needs. It will maintain all twelve branches (including existing outlets) while establishing a centralized headquarters. Product refinement will continue, with enhancements to both loan and savings offerings. The SACCO anticipates a growth of 33,405 new voluntary depositors, with total deposits increasing from RWF 7.56 billion in 2026 to RWF 11.44 billion in 2028.

The number of active borrowers will rise from 3,165 to 4,094, and the gross loan portfolio will expand from RWF 4.99 billion to RWF 8.98 billion over the same period. Loan performance will improve, with a Portfolio at Risk (PAR >30 days) projected at 4.3% and loan write-offs limited to 1.0% by 2028. Additionally, total assets are expected to grow significantly, from RWF 11.53 billion in 2026 to RWF 17.60 billion in 2028. Throughout the planning period, AKAGERA SACCO KAYONZA will ensure full compliance with BNR's prudential norms, reinforcing its credibility and operational soundness.

Chapter 2. Vision, Mission, Main Objectives and Core Values of AKAGERA SACCO KAYONZA

Legal Form and Shareholding Structure

AKAGERA SACCO KAYONZA is legally constituted through the amalgamation of twelve Umurenge SACCOs operating within Kayonza District. This merger results in the formation of a new legal entity, whereby all former members of the twelve U-SACCOs automatically become members of the newly established District SACCO. In accordance with cooperative law in Rwanda, AKAGERA SACCO KAYONZA will be registered as a deposit-taking cooperative. All assets and liabilities of the former U-SACCOs are transferred to the District SACCO, and the original U-SACCOs will be formally dissolved. The twelve former SACCOs will now function as branches under the unified structure of AKAGERA SACCO KAYONZA, ensuring continuity of service and local accessibility.

2.1 Vision Statement

- **“To be a leading SACCO that delivers innovative community-centric and inclusive financial services in a sustainable manner.”**

The SACCO envisions becoming a leading, member-owned financial institution in Kayonza District that promotes financial inclusion, economic empowerment, and sustainable community development. This vision underscores the SACCO’s commitment to transforming lives through equitable access to financial services and contributing meaningfully to the district’s socioeconomic progress.

2.2 Mission statement

“To provide inclusive financial services for the socio- economic sustainable growth of empowered community.”

The SACCO is dedicated to empowering farmers, entrepreneurs, women, and youth by offering tailored savings, credit, and digital financial products and services. These offerings are designed to expand economic opportunities, improve household welfare, and foster inclusive development across Kayonza District. The mission statement serves as a guiding framework for all institutional decisions, ensuring that the SACCO remains focused on delivering value to its members and stakeholders.

2.3 Core Values of AKAGERA SACCO KAYONZA

The SACCO's operations and relationships are guided by seven core values that define its institutional culture and ethical standards:

Integrity and Ethical Conduct

AKAGERA SACCO KAYONZA operates with unwavering integrity, ensuring that all financial activities are transparent and ethically sound. Members are kept informed about policies, decisions, and financial performance, fostering trust and accountability. Ethical conduct is embedded in every aspect of service delivery, reinforcing the SACCO's role as a principled and dependable financial institution.

Customer Centricity

Members are the foundation of AKAGERA SACCO KAYONZA's mission. Every product, service, and interaction is designed to meet their needs and aspirations. Staff are trained to engage respectfully, respond promptly, and deliver solutions that enhance member wellbeing. The SACCO prioritizes accessibility, financial literacy, and personalized support, ensuring that each member feels valued and empowered.

Accountability

Accountability is central to SACCO's governance and operations. Leadership and staff are held to high standards of performance and transparency. Members are regularly updated on SACCO activities and have access to feedback channels that ensure their voices are heard. This culture of responsibility strengthens institutional credibility and member confidence.

Sustainability

AKAGERA SACCO KAYONZA is committed to long-term financial and social sustainability. It promotes responsible lending, inclusive growth, and community investment. By integrating environmental awareness and future-focused planning into its operations, the SACCO ensures that its services remain relevant and resilient for generations to come.

Professionalism

Professionalism defines how the SACCO engages with its members and stakeholders. Staff uphold high standards of conduct, competence, and courtesy. Processes are streamlined, communication is clear, and service delivery is consistent. This commitment to excellence ensures that every member interaction reflects the SACCO's values and builds institutional trust.

Innovation

Innovation drives SACCO's ability to adapt and grow in a dynamic financial landscape. Whether through digital platforms, new financial products, or improved service models, the SACCO

continuously seeks smarter ways to serve its members. Innovation is embraced not just as a tool, but as a mindset that fosters creativity, efficiency, and member satisfaction.

Confidentiality and Data Privacy

Protecting member information is a top priority. AKAGERA SACCO KAYONZA enforces strict data protection protocols and trains staff to uphold confidentiality standards. Members can trust that their personal and financial data is handled securely and ethically, reinforcing the SACCO's role as a responsible and trustworthy institution.

Teamwork and Cooperation

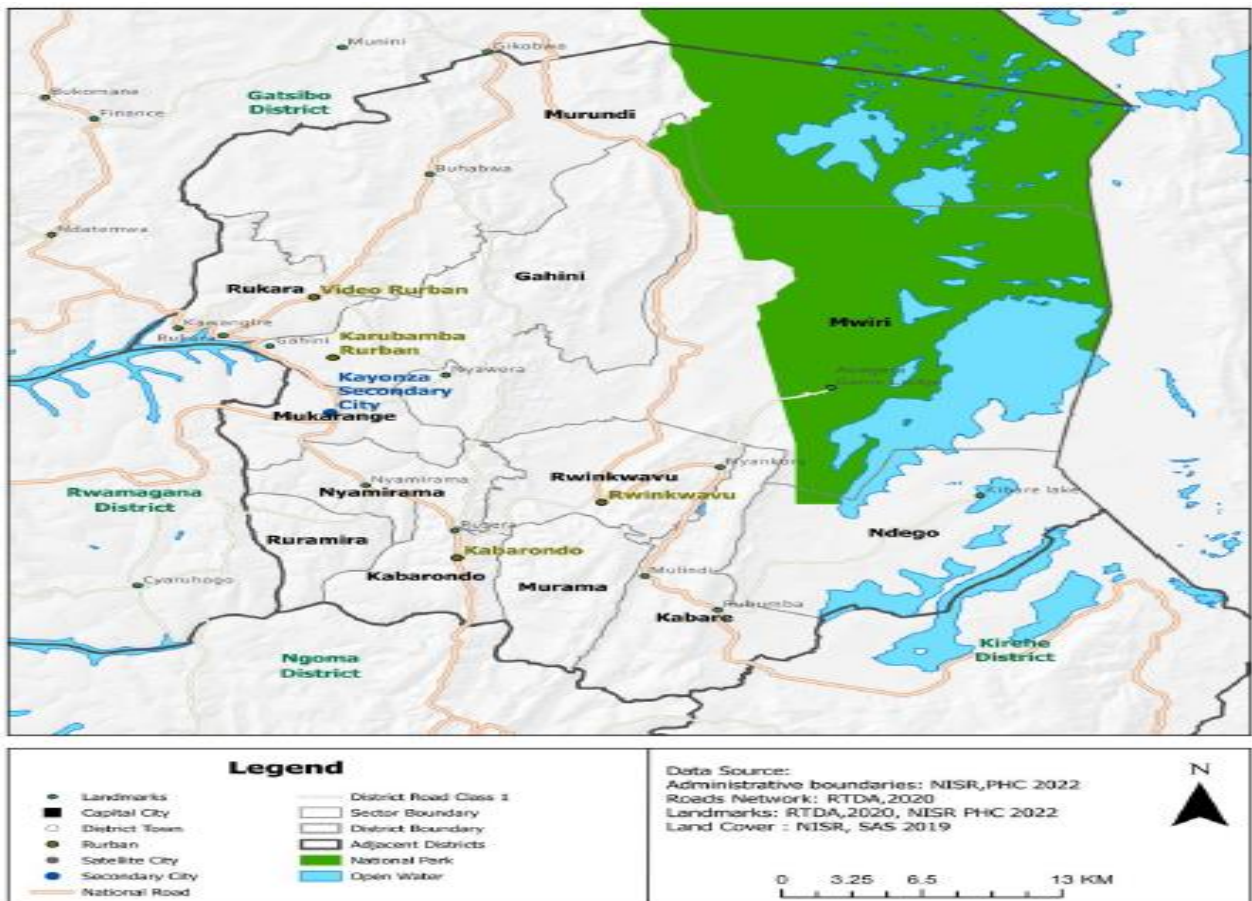
Collaboration is key to SACCO's success. Internally, staff work together to ensure seamless service delivery. Externally, the SACCO partners with members, community leaders, and stakeholders to strengthen financial inclusion and institutional growth. This spirit of cooperation fosters shared ownership and collective progress.

Chapter 3. Environmental Analysis

The overall objective of an environmental analysis is to assess the Political, Economic, Social, Technological, Legal, and Environmental factors relevant to the subject under discussion. In this case, the factors pertinent to the establishment and sustainable performance of AKAGERA SACCO KAYONZA are identified and then assessed for their impact on designing and developing the AKAGERA SACCO KAYONZA

3.1 Kayonza District Analysis

Figure 1: Administrative Map of Kayonza District



Source: Rwanda fifth Population and Housing Census, 2022 (NISR)

Geographical Situation

Kayonza is one of the seven districts comprising Rwanda’s Eastern Province. It is administratively subdivided into 12 sectors: Gahini, Kabare, Kabarondo, Mukarange, Murama, Murundi, Mwiri, Ndego, Nyamirama, Rukara, Ruramira, and Rwinkwavu. These sectors are further divided into 52

cells and 421 villages, forming a dense network of rural settlements and trading centers. According to the 2022 Population and Housing Census, Kayonza District has an estimated population of 457,156, reflecting steady demographic growth and its role as a key agricultural and commercial hub in the province.

The district spans approximately 1,935 km², making it one of the largest districts in Rwanda by land area. Its administrative headquarters is located in Mukarange Sector, which also serves as a service and coordination center for district-level governance and development initiatives. Kayonza is bordered by Rwamagana District to the west, Kirehe District to the south, Gatsibo District to the north, and Ngoma District to the east. The district shares proximity with Akagera National Park, which influences land use, tourism potential, and conservation efforts. Its location along the Kigali - Rusumo highway positions Kayonza as a strategic corridor for trade, transport, and agricultural commercialization.

Topographically, Kayonza lies within the Central Plateau and Eastern Savanna zones, with elevation ranging from 1,200 to 1,600 meters above sea level. The landscape features rolling hills, marshlands, and lowland plains, suitable for both crop cultivation and livestock grazing. Key hydrological features include the Nyabarongo tributaries, Rwankuba marshland, and seasonal wetlands that support irrigation and buffer seasonal production.

Climatically, Kayonza experiences a semi-arid savanna climate, with annual rainfall averaging 850–1,000 mm, distributed in Rwanda’s bimodal pattern (long rains: March - May; short rains: September–December). Temperatures range between 20–23 °C, with relatively stable conditions year-round. However, seasonal droughts and erratic rainfall patterns pose risks to rain-fed agriculture and water-dependent livelihoods.

Soils in Kayonza vary from sandy loams to clay-rich alluvial, with moderate fertility. The district is part of the Bugesera - Kayonza - Kirehe cattle corridor, supporting mixed farming systems that include livestock (cattle, goats, poultry) and staple crops such as maize, beans, cassava, bananas, and increasingly horticultural crops like tomatoes and onions. Land degradation and soil erosion remain challenges, especially in hillside zones and overgrazed areas.

Strategically, Kayonza is earmarked for agro-industrial transformation, with initiatives such as the National Tomato Processing Plant (NTPP) in Rwinkwavu and cold chain infrastructure in Kabarondo. These anchor the district’s role in value addition, cooperative formalization, and regional agricultural commercialization.

Social Situation

Kayonza District presents a dynamic social landscape shaped by demographic growth, agro-pastoral livelihoods, expanding service hubs, and resilient community structures. As of 2022, the district hosts approximately 457,156 residents across 52 cells and 421 villages, with a population density of 236 inhabitants/km² - below the Eastern Province average, reflecting land availability and rural settlement patterns. The population is predominantly youthful, with 45.2% aged 0–17,

27.1% youth (16–30), and 57.8% economically active (16+), offering both a development challenge and a strategic opportunity for labor-intensive sectors, vocational training, and inclusive entrepreneurship.

Education infrastructure spans primary schools in all sectors, secondary schools in urbanizing centers, and tertiary institutions such as *Rukara College of Education* and *Gahini Nursing School*, supporting workforce development. Health services are anchored by *Gahini Hospital*, complemented by sector-level health centers and posts, with Mutuelle de Santé coverage exceeding 85%, ensuring broad access to basic care and workforce stability.

Livelihoods are primarily agriculture-based, with over 80% of households engaged in farming. The district’s crop profile is diverse and strategically segmented:

- **Commercial Crops:** *Beans, maize, cassava, bananas, Irish potatoes, and vegetables* are widely grown across most sectors. Sector-specific crops include *sorghum, coffee, and soya* (Murama, Gahini, Rwinkwavu), *tea* (Kabare), and *rice* (Mukarange, Murama, Rwinkwavu). Niche crops such as *peas, avocado, mangoes, groundnuts, macadamia, pineapple, wheat, and pepper* are cultivated in select areas.
- **Food Crops:** Staples like *maize, beans, cassava, bananas, sweet potatoes, and Irish potatoes* dominate household consumption, with moderate presence of *peas, mangoes, avocado, and sorghum*.

Livestock rearing complements crop production and is widespread across the district:

- **Commercial Livestock:** *Cattle (milk), pigs, goats, and chickens* are kept in all sectors, forming the backbone of dairy and meat value chains. *Fish farming* is active in *Nyamirama, Mukarange, Murama, Rwinkwavu, and Rukara*, while *rabbits, ducks, and sheep* are present in select sectors. *Beekeeping* is concentrated in *Murundi*, offering niche opportunities in honey production.

These agricultural and livestock activities are supported by a strong cooperative ecosystem, with 8–20 cooperatives per sector and 50–380 VSLAs, particularly concentrated in *Rwinkwavu*. Cooperatives facilitate savings mobilization, input distribution, and market access, making them ideal platforms for inclusive agribusiness development.

Kayonza’s social fabric is reinforced by community resilience, faith-based institutions, and participatory governance. However, persistent challenges in financial literacy, youth unemployment, and gender disparities in asset ownership and decision-making highlight the need for inclusive business models, financial education, and gender-responsive enterprise development. These social dynamics offer fertile ground for agribusiness ventures, cooperative-based scaling, vocational partnerships, and service innovations tailored to local strengths and demographic realities.

Health and Living Standards in Kayonza District

a) Health Infrastructure: Kayonza District’s health system is anchored by Gahini Hospital, a major referral facility that serves not only Kayonza but also neighboring districts. This central institution is complemented by a decentralized network of sector-level health centers and health posts, which ensure basic health service coverage across all twelve sectors of the district. Facilities such as Rwinkwavu Health Center and Kabarondo Health Post play pivotal roles in delivering maternal health services, outpatient care, and community-based health outreach. These institutions are instrumental in bridging the gap between rural populations and essential healthcare.

Government-led initiatives have significantly expanded access to health services. Programs such as Mutuelle de Santé, Rwanda’s community-based health insurance scheme, and the Race to the Top initiative have improved affordability and coverage of key health interventions. These include maternal and child health services, family planning and reproductive health, and vaccination campaigns coupled with nutrition screening. Together, these programs have contributed to improved health outcomes and reduced barriers to care for vulnerable populations.

b) Persistent Health Challenges Despite notable progress, Kayonza District continues to face several health-related challenges. Malnutrition, particularly stunting among children under five, remains a serious concern in sectors such as Murama, Mwiri, and Murundi, where food insecurity and poor dietary diversity are more prevalent. Additionally, water access disparities persist between well-serviced trading centers and remote villages, limiting hygiene and sanitation practices in rural areas. Another critical issue is the limited availability of specialized medical care, which often necessitates referrals to larger facilities in Kigali or Rwamagana, placing financial and logistical burdens on affected households.

c) Water and Sanitation: Access to safe drinking water is relatively high in urbanizing sectors like Mukarange and Kabarondo, where households benefit from piped water systems and public taps. These improvements have been driven by infrastructure investments and urban expansion. However, in more rural and remote areas, communities often rely on boreholes, protected and unprotected springs, and seasonal streams or rainwater harvesting, which are less reliable and pose health risks during dry seasons.

Sanitation coverage has seen gradual improvement through government and NGO interventions, yet significant gaps remain. Open defecation is still practiced in some remote villages due to lack of infrastructure and awareness. Many households continue to use unimproved latrines, which contribute to the spread of waterborne diseases. Moreover, hygiene education and waste management systems are underdeveloped in low-income zones, limiting the effectiveness of sanitation efforts and posing public health risks.

d) Poverty, Inequality, and Vulnerability: According to the EICV6 survey (2019/20), poverty incidence in Kayonza District remains above the national average, driven by structural and environmental factors. A significant portion of the population depends on subsistence agriculture, which is vulnerable to climate shocks and market volatility. Additionally, low levels of asset ownership and limited financial literacy restrict economic mobility and resilience among households.

Several groups are particularly vulnerable, including women-headed households, land-poor farmers, youth, and persons with disabilities. These populations face compounded challenges in accessing resources, services, and opportunities. Episodes of food insecurity are common during lean seasons, especially in sectors lacking irrigation infrastructure. To cope, households often turn to informal savings groups, Umurenge SACCOs, or engage in seasonal migration to urban centers like Kigali, neighboring countries such as Tanzania, or mining zones to diversify income sources.

Cultural and Social Dynamics: Kayonza communities uphold strong traditions of collective action, which play a vital role in fostering social cohesion and community development. Umuganda, the monthly community work initiative, mobilizes residents for public service and infrastructure maintenance. Faith-based groups and cooperatives are active in social support and economic empowerment, while genocide memorial sites in Rwinkwavu and Gahini serve as focal points for reconciliation and remembrance, reinforcing unity and healing.

The district also benefits from a relatively strong savings culture, supported by formal and informal mechanisms. Umurenge SACCOs, Ibimina (informal savings groups), and women's and youth cooperatives provide platforms for financial inclusion and community-based economic resilience. However, challenges remain. Repayment discipline varies by sector, affecting SACCO performance and trust. Gender barriers continue to limit women's access to land, collateral, and larger loan facilities. Furthermore, financial literacy gaps hinder the uptake of digital and formal financial products, especially among rural and low-income populations.

3.2 Economic Environment

Rwanda's economy continues to demonstrate resilience and inclusive growth, providing a favorable macroeconomic backdrop for SACCO development in Kayonza District. In 2024, the country recorded a robust real GDP growth of 8.9%, followed by 7.8% growth in the first quarter of 2025. This expansion was driven by strong performance in agriculture, services, and infrastructure sectors that directly align with Kayonza's rural economy and SACCO clientele.

Monetary conditions have remained stable, with the BNR policy rate held at 6.5% through mid-2025, supporting credit access and investment. Inflation has been contained within the 2–8% target range, preserving purchasing power for low-income households and enhancing the viability of savings and loan products. These macroeconomic indicators create a conducive environment for SACCO operations, particularly in Kayonza's rural and peri-urban sectors.

Rwanda's financial inclusion landscape is among the most advanced in Africa. According to FinScope 2024, 96% of adults are financially included, with 92% formally included through banks, SACCOs, mobile money, and agent banking. Even in remote sectors of Kayonza, clients are increasingly familiar with digital financial services, enhancing the feasibility of mobile banking, agent networks, and e-channel expansion.

Sector-Level Economic Activities in Kayonza

Kayonza's economy is deeply rooted in agriculture and livestock, with sector-specific specializations that shape SACCO product demand and investment potential:

Sector (Umurenge)	Dominant Crops	Livestock & Related Activities
Mukarange	Maize, beans, rice, vegetables	Cattle, goats, pigs, poultry, fish farming, milling, fish trade
Murama	Rice, sorghum, coffee, vegetables	Cattle, pigs, poultry, fish farming, tailoring, agro-processing, mining
Rwinkwavu	Rice, coffee, vegetables	Goats, pigs, poultry, fish farming, tailoring, fish trade, mining
Gahini	Coffee, sorghum, vegetables	Goats, pigs, poultry, tailoring, tourism, coffee processing
Kabare	Tea, beans, maize	Cattle, goats, poultry
Rukara	Maize, beans, vegetables	Cattle, goats, poultry, fish farming
Nyamirama	Maize, beans, vegetables	Cattle, goats, poultry, fish farming, agro-processing
Murundi	Maize, beans, cassava	Cattle, goats, pigs, poultry, beekeeping, mining
Mwiri	Maize, beans, cassava	Cattle, goats, pigs, poultry
Ndego	Maize, beans, cassava	Cattle, goats, pigs, poultry, mining
Kabarondo	Maize, beans, vegetables	Cattle, goats, pigs, poultry, retail, transport, tailoring
Kigina	Maize, beans, cassava	Cattle, goats, pigs, poultry

Table 1: Level Economic Activities in Kayonza

Key Observations:

- **Maize, beans, cassava, and vegetables** are foundational crops across all sectors, supporting food security and agribusiness.
- **Rice, coffee, and tea** offer niche opportunities for value addition and export, concentrated in Murama, Rwinkwavu, Gahini, Kabare, and Mukarange.
- **Livestock** is widespread, with cattle, goats, pigs, and poultry forming the backbone of dairy and meat production.
- **Fish farming** is active in five sectors, while beekeeping is unique to Murundi.
- Agro-processing, tailoring, milling, and mining are emerging activities in Murama, Mukarange, and Rwinkwavu.

This sectoral diversity provides a strong foundation for SACCO product design, cooperative engagement, and localized investment strategies. It also highlights the importance of aligning financial services with the economic realities and growth potential of each Umurenge.

3.2.1 Kayonza District – Local Economic Structure, Drivers, and Constraints

a) Agriculture-Led Economy: Kayonza District’s economy is predominantly agriculture-based, with over 80% of households engaged in farming and livestock activities. The district exhibits diverse agricultural production, including tomato farming in Rwinkwavu, Murundi, and Mwiri, and staple crops such as maize, beans, cassava, and bananas cultivated across all sectors. Livestock farming particularly cattle, goats, and poultry is concentrated in Ndego, Murama, and Mwiri, contributing to household income and food security.

Supporting infrastructure such as milk collection centers and agro-dealer networks in Kabarondo and Mukarange facilitate market access and input distribution. However, farming remains largely seasonal and rain-fed, exposing households to climate risks and income volatility. The expansion of irrigation schemes in marshlands and hillside zones offers opportunities for productivity gains and year-round cultivation, which SACCOs can support through tailored financial products.

b) Agro-Industrial Transformation: Kayonza is emerging as a hub for agro-industrial development, anchored by the National Tomato Processing Plant (NTPP) in Rwinkwavu. This flagship project has catalyzed the growth of contract farming models, input distribution systems, and cold chain infrastructure, particularly in Kabarondo. It has also accelerated the formalization and aggregation of cooperatives, enabling smallholder farmers to access structured markets and negotiate better terms.

AKAGERA SACCO KAYONZA is well-positioned to support this transformation by financing input credit, facilitating group lending, **and** promoting post-harvest savings and investment. These interventions will enhance agricultural productivity, stabilize incomes, and deepen member engagement in value chains.

c) Infrastructure and Basic Services: Kayonza’s infrastructure landscape significantly influences SACCO service delivery. The Kigali–Rusumo highway and feeder roads connect most sectors, improving mobility and market access. Electrification is expanding, with both grid and off-grid solutions reaching trading centers, enabling digital operations and branch functionality. Mobile network coverage exceeds 90%, supporting mobile banking, agent networks, and digital onboarding.

However, water access remains moderate, with disparities across sectors, and ICT access is growing but limited in remote areas, which may constrain digital literacy and uptake of e-financial services. These infrastructure conditions shape the feasibility of SACCO innovations such as agent banking, mobile onboarding, and digital loan repayment, which require reliable connectivity and user familiarity.

d) Household Welfare and Income Patterns: Household incomes in Kayonza are diverse but modest, with seasonal peaks during harvest periods and livestock sales. Small-scale trade is

common in urbanizing sectors like Kabarondo, Mukarange, and Nyamirama, while remittances from youth working in Kigali or Tanzania supplement rural incomes. This income variability creates demand for flexible financial products.

AKAGERA SACCO KAYONZA must tailor its offerings to match seasonal cash flow cycles, including school-fee savings accounts, emergency loans, and group-based financial products. Special attention should be given to youth entrepreneurship and women's financial inclusion, ensuring that products are accessible, affordable, and responsive to the needs of vulnerable groups.

3.3 Financial Behavior, Constraints, and Risk Landscape

3.3.1 Financial Behavior and Digital Adoption

Kayonza District demonstrates a high level of mobile money penetration, with residents actively using platforms such as MTN Mobile Money and Airtel Money for a range of financial transactions. These include domestic remittances, utility payments, and micro-savings, often facilitated through airtime-based mechanisms. Digital finance has become embedded in daily life, particularly in urbanizing sectors like Kabarondo, Mukarange, and Gahini, where mobile agents and telecom infrastructure support widespread usage. Even in rural sectors such as Murama and Mwiriri, informal digital networks and mobile agents play a critical role in extending financial access to underserved populations.

Umurenge SACCOs remain the preferred financial institutions for many residents, especially for larger savings deposits, agricultural and business loans, and group-based financial services such as those offered to cooperatives and women's groups. However, repayment discipline is periodically affected by external shocks, including crop failure due to erratic rainfall, livestock disease outbreaks, and seasonal income volatility. These challenges underscore the need for climate-smart credit design, which may include flexible repayment schedules, weather-indexed insurance, and input-linked loan products that align with agricultural cycles and risk exposure.

3.4 Constraints and Risks

Kayonza District operates within a favorable national economic context, supported by Rwanda's strong macroeconomic performance, stable monetary policy, and high financial inclusion. However, several structural and external constraints aligned with PESTEL dimensions must be considered in SACCO planning and risk management.

Political

SACCO operations are sensitive to shifts in agricultural policy and government programs. Changes in input subsidies under the Crop Intensification Program (CIP), delays in irrigation infrastructure rollout, and interruptions to agro-industrial initiatives such as the National Tomato Processing Plant (NTPP) can directly affect member incomes and loan repayment behavior. Close coordination with district authorities is essential to anticipate and adapt to policy changes.

Economic

Kayonza's agriculture-dependent economy is vulnerable to climate shocks droughts, floods, and pest infestations that disrupt household incomes and loan servicing. Land scarcity and soil degradation, especially outside irrigated marshlands, further constrain productivity. In livestock-rearing sectors like Ndego and Murundi, disease outbreaks among cattle and goats reduce cash flow and repayment capacity. These risks necessitate robust mitigation strategies within SACCO lending frameworks, including insurance, flexible repayment models, and seasonal loan structuring.

Social

Market access remains uneven across the district. Poor feeder roads in sectors such as Mwiri and Murama limit farmers' ability to transport goods and reach buyers. Inadequate storage and post-harvest handling infrastructure lead to spoilage and income loss, while fluctuating farm-gate prices undermine financial planning. These constraints affect household savings behavior and creditworthiness, requiring SACCOs to design responsive financial products and localized support mechanisms.

Technological

While digital finance uptake is growing, some SACCOs and cooperatives face institutional capacity gaps. Weak record-keeping, inadequate internal controls, and inconsistent compliance with RCA and BNR standards threaten financial integrity and member trust. Addressing these gaps requires targeted capacity-building, digital system upgrades, and regular audits to strengthen governance and operational resilience.

Environmental

Climate variability remains a persistent threat to Kayonza's agro-pastoral economy. Seasonal unpredictability affects crop yields, livestock health, and water availability, with direct implications for SACCO portfolio performance. Environmental risks must be factored into loan pricing, product design, and member education to ensure sustainability.

Legal

Compliance with national financial regulations is essential but uneven across SACCOs. Strengthening internal governance and aligning with RCA and BNR standards will be critical to maintaining operational legitimacy and protecting member assets.

Despite these constraints, Kayonza's agro-industrial positioning, expanding digital finance ecosystem, and strong cooperative culture offer a solid foundation for SACCO-led inclusive growth. With adaptive strategies and targeted innovations, AKAGERA SACCO-KAYONZA can thrive and contribute meaningfully to the district's development.

3.5 Political Assessment

Governance and Political Stability

Kayonza District operates under Rwanda’s decentralized governance framework, led by the District Mayor and Council, along with Sector, Cell, and Village Administrators. This structure ensures alignment between national development priorities and local implementation, particularly in areas such as cooperative oversight, agricultural transformation, and financial inclusion. Rwanda’s broader political environment is characterized by stability, policy consistency, and a strong emphasis on citizen-centered service delivery, reinforced through performance contracts (Imihigo).

Political risks for SACCO operations are considered low, supported by robust oversight from institutions such as the Rwanda Cooperative Agency (RCA) and the National Bank of Rwanda (BNR). However, governance gaps in some cooperatives including weak internal controls and limited financial literacy require ongoing training, monitoring, and strengthened audit and compliance systems to ensure institutional integrity.

Citizen Participation and Social Cohesion

Community participation in Kayonza is strong, anchored by initiatives such as Umuganda (monthly community work), Umudugudu-level consultations, and faith-based and cooperative planning forums. Memorials and reconciliation programs related to the 1994 Genocide against the Tutsi play a vital role in shaping community identity and reinforcing inclusive development. Trust in local institutions is high, which supports SACCO outreach, member mobilization, and financial literacy campaigns.

Risks and Challenges

While political stability is robust, SACCO operations must navigate several challenges. These include cooperative governance gaps, such as weak internal controls and limited financial literacy among members; regulatory enforcement variability, with uneven monitoring across sectors; and climate and policy dependency, which affects SACCO performance in response to shifts in input subsidies and irrigation schemes. Nonetheless, Kayonza’s political environment remains highly supportive of SACCO growth, anchored by Rwanda’s governance model of accountability, decentralization, and long-term planning.

3.6 Technological Environment

National ICT and Digital Finance Backbone Rwanda’s national investments in ICT have laid a robust foundation for SACCO digitalization, particularly in districts like Kayonza. Flagship programs such as the Smart Rwanda Master Plan, Connect Rwanda, and the Irempo platform for e-government services have accelerated digital transformation across sectors. These initiatives have led to expanded broadband coverage, increased smartphone penetration, and greater affordability of digital devices, especially in rural and peri-urban areas. Additionally, they have promoted digital literacy, enabling citizens to engage with mobile platforms and e-services more confidently. This national momentum creates a favorable environment for SACCOs to adopt digital tools and expand their reach.

Youth and Digital Uptake

Youth in Kayonza exhibit strong adoption of digital financial services, presenting opportunities for SACCOs to innovate and expand their reach. Products such as nano-loans via mobile platforms, savings accounts linked to school fees, agribusiness, and entrepreneurship, and gamified financial literacy tools are increasingly relevant for onboarding and retaining young members. To remain competitive and relevant, SACCOs must integrate with USSD platforms, agent banking systems, and mobile onboarding solutions, ensuring that digital channels are accessible, secure, and tailored to youth preferences.

Local Digital Ecosystem

In Kayonza District, the local digital ecosystem is rapidly evolving. Mobile network coverage exceeds 90%, even in remote sectors, providing a strong backbone for mobile-based financial services. Agent banking is growing, particularly in urbanizing centers such as Kabarondo, Mukarange, and Gahini, where telecom infrastructure and commercial activity support digital transactions. Digital SACCO services, including USSD interfaces and mobile applications, are beginning to emerge, although adoption remains uneven across sectors.

Youth and traders are increasingly using mobile platforms for payments, savings, business transactions, and remittances, including airtime-based credit. These trends highlight the need for SACCOs to integrate with mobile money platforms, digital onboarding tools, and automated loan tracking systems to remain competitive and responsive to member needs.

Connectivity and Network Coverage

Kayonza District benefits from Rwanda's near-universal 2G, 3G, and 4G network coverage, with strong signal strength in urbanizing sectors such as Kabarondo, Mukarange, and Gahini. These areas support reliable mobile banking platforms, internet-based SACCO operations, and agent banking services. However, remote rural cells in sectors like Murama, Mwiri, and Ndego experience bandwidth limitations, slower connectivity during peak hours, and constraints on data-heavy applications such as mobile apps and cloud-based SACCO systems. In these areas, USSD, SMS, and offline-capable applications remain more practical for SACCO-client interactions, ensuring inclusivity and continuity of service.

Electrification and Energy Access

Access to electricity in Kayonza has improved significantly through grid expansion under the national electrification strategy and off-grid solar solutions supported by NGOs and private providers. Recent government statistics indicate that over 65% of households in Eastern Province have some form of electricity access, with Kayonza's rates steadily rising. Electrification is highest in trading centers such as Kabarondo, Mukarange, and Rukara, as well as agro-industrial zones near Rwinkwavu and Gahini. However, scattered villages in sectors like Murundi, Mwiri, and Ndego still face intermittent power supply and limited grid connections. Reliable electricity is essential for charging mobile phones, using digital devices, and operating SACCO branches and agent banking points, making energy access a key enabler of digital financial services.

Digital Financial

Services (DFS) Uptake Rwanda’s DFS adoption is among the highest in Africa, with FinScope 2024 reporting 92% formal financial inclusion and widespread use of mobile wallets. Kayonza mirrors this national trend, with residents using mobile money for remittances, merchant payments, and school fee transactions. Clients typically rely on SACCOs for larger savings and loan products, while using mobile wallets for daily financial activities. This hybrid usage pattern reinforces the need for SACCOs to integrate mobile disbursements and collections, offer interoperable services with banks and telecom platforms, and develop digital group accounts and nano-loan products that reflect member behavior and preferences.

Digital Literacy and User Gaps

While DFS adoption is high, digital literacy remains uneven across Kayonza. Youth and traders are generally adept at using mobile apps and wallets, while older and less literate residents tend to prefer in-person transactions. This necessitates the deployment of agent-assisted services and blended delivery models that combine digital and face-to-face interactions. SACCOs must also invest in financial literacy training to educate members on mobile-based savings schemes, digital loan products, and consumer rights and data protection. These efforts will help bridge the digital divide and ensure that all members can benefit from modern financial services.

Technological Opportunities and Constraints

The digital landscape presents several strategic opportunities for AKAGERA SACCO KAYONZA. The SACCO can leverage mobile penetration to offer nano-loans and micro-savings products, especially to youth and informal traders. Digital tools can be used for member registration, credit scoring, and loan monitoring, improving efficiency and reducing operational costs. Partnerships with fintech companies can enhance interoperability and foster innovation in service delivery.

However, constraints persist. Digital literacy gaps in remote sectors limit uptake of mobile services, while device affordability remains a barrier for low-income households. Additionally, cybersecurity and data protection risks must be addressed through robust systems and member education. Strategic investment in digital SACCO infrastructure, staff training, and community sensitization will be critical for sustainable digital rollout.

3.7 Opportunities and Challenges for SACCO

Kayonza District presents a dynamic environment for SACCO innovation, particularly in the realm of digital finance. Nationally, Rwanda’s policy framework supports financial inclusion through interoperability systems that allow seamless transfers between banks, telecom platforms, and SACCO accounts. This creates a favorable political environment for SACCOs to expand mobile-enabled services and integrate with broader financial ecosystems. However, policy delays in rural connectivity programs may hinder digital penetration in underserved sectors such as Murama and Mwiri, requiring SACCOs to maintain close coordination with district authorities.

Economically, the widespread use of mobile money and digital wallets across Kayonza offers strong momentum for SACCOs to introduce nano-loans, digital savings accounts, and group-based

financial products. These can be tailored to youth, informal traders, and cooperatives, enabling flexible access to credit and savings. Yet, income volatility among agriculture-dependent households poses a risk to digital loan uptake and repayment reliability. SACCOs must respond with flexible loan structuring and risk-adjusted pricing models to ensure sustainability.

Socially, Kayonza's youth and cooperative groups are increasingly tech-aware, providing a promising base for digital engagement. However, low smartphone ownership among poor and older populations limits access to app-based services. Many households still rely on basic phones, which restrict interaction with advanced digital platforms. SACCOs must therefore prioritize USSD-compatible services and inclusive outreach strategies to ensure equitable access.

Technologically, the district is well-positioned to benefit from ICT tools that streamline SACCO operations. Digital platforms can automate member registration, enable remote credit assessments, and monitor repayment behavior in real time, improving efficiency and transparency. Nonetheless, limited ICT capacity among SACCO staff remains a critical constraint. Without targeted training in platform management, troubleshooting, and data security, digital transformation efforts may falter. Capacity-building must be embedded in SACCO growth strategies.

While environmental factors are not directly tied to digital finance, climate-related disruptions such as power outages and infrastructure damage can affect service continuity, especially in remote areas. SACCOs should consider backup systems and offline service options to maintain operational resilience.

Legally, Rwanda's regulatory environment supports digital financial services, enhancing SACCO legitimacy and member trust. However, non-compliance with data protection and financial reporting standards can expose SACCOs to legal and reputational risks. Strengthening internal controls and digital governance is essential to safeguard member data and ensure regulatory alignment.

In summary, Kayonza's technological and institutional landscape offers strong potential for SACCO-led digital innovation. Success will depend on a blended strategy that combines mobile-enabled services with inclusive design, staff capacity-building, and adaptive risk management. SACCOs must ensure that digital tools enhance not replace personalized member engagement, particularly in rural and low-connectivity areas.

3.8 Environmental Risks

Climate and Weather Patterns

Kayonza District lies within Rwanda's semi-arid savanna zone, characterized by a bimodal rainfall pattern long rains from March to May and short rains from September to December. Annual rainfall ranges between 850–1,000 mm, which is below the national average, and temperatures typically range from 20–23°C, accompanied by high evapotranspiration rates.

The district is highly exposed to climate variability, including prolonged dry spells, heavy downpours, and erratic rainfall patterns. These fluctuations negatively impact crop yields,

livestock productivity, and rural livelihoods, posing direct risks to food security and SACCO loan repayment stability. Members dependent on agriculture may struggle to meet financial obligations during adverse weather conditions.

Natural Resources and Land Use

Kayonza forms part of Rwanda's cattle corridor, with extensive grazing lands in sectors such as Ndego, Murundi, and Mwiri. The district supports mixed crop-livestock systems across all sectors, contributing to diversified rural incomes. Soils range from sandy loams to clay-rich alluvials, which are moderately fertile but vulnerable to erosion and degradation due to overuse and poor land management practices.

The expansion of farmland into wetlands and hillsides has placed stress on local ecosystems, leading to reduced soil fertility, water retention capacity, and biodiversity. These environmental pressures threaten long-term agricultural productivity and the sustainability of rural livelihoods.

Environmental Hazards and Risks

Kayonza faces several environmental hazards that affect both agriculture and infrastructure. Seasonal droughts reduce harvests and limit livestock feed availability, while soil erosion accelerates fertility loss. Localized flooding damages crops, roads, and SACCO facilities, disrupting service delivery. Livestock disease outbreaks and overgrazing in high-density cattle zones increase vulnerability, and bushfires during dry seasons pose risks to vegetation and community assets.

Policies and Adaptation Programs

Rwanda's national climate resilience strategy provides a framework for addressing these risks. Key policies include the Green Growth and Climate Resilience Strategy, Nationally Determined Contributions (NDCs), and Vision 2050. In Kayonza, adaptation interventions include irrigation schemes linked to the NTPP, marshland rehabilitation, agroforestry and terracing programs, livestock vaccination, and pasture improvement. The promotion of solar irrigation and renewable energy further supports climate-smart agriculture.

International partners such as FAO, IFAD, UNDP, and IUCN contribute to local resilience through programs focused on water harvesting, community-based watershed management, and climate-smart farming techniques.

Community Adaptation and Resilience

Local communities in Kayonza have demonstrated resilience through cooperative-based irrigation schemes, tree planting campaigns, and the adoption of improved livestock breeds supported by veterinary services. SACCOS play a vital role in buffering climate shocks by offering livestock loans, group insurance products, and other financial tools tailored to rural needs.

However, resource-poor households, particularly women, youth, and landless families, often lack the means to adopt climate-smart technologies. SACCOs must respond by offering affordable loans for irrigation kits, drought-tolerant seeds, rainwater harvesting tanks, and small livestock packages. These targeted products can enhance resilience and promote inclusive adaptation across vulnerable groups.

3.9 Legal and Regulatory Environment

The operations of the proposed District SACCO will be guided by the national legal and regulatory framework governing the financial cooperative sector in Rwanda. The SACCO will ensure full compliance with all applicable laws, regulations, and supervisory directives issued by the National Bank of Rwanda (BNR) and the Rwanda Cooperative Agency (RCA). Key laws and regulations relevant to the establishment and operation of the SACCO include:

Law Governing the National Bank of Rwanda

Law No. 016/2021 of 03/03/2021 amending Law No. 48/2017 of 23/09/2017 governing the National Bank of Rwanda. This law defines the supervisory and regulatory roles of the National Bank of Rwanda (BNR) over financial institutions, including SACCOs and microfinance institutions. It empowers BNR to ensure financial stability, prudential supervision, and protection of depositors.

Law Governing Cooperatives in Rwanda

Law No. 057/2024 of 20/06/2024 governing cooperatives in Rwanda. This law provides the legal framework for the registration, governance, and operation of cooperatives, including financial cooperatives (SACCOs). It outlines cooperative principles, membership rights, management structures, and accountability mechanisms under the oversight of the Rwanda Cooperative Agency (RCA).

Law Governing Deposit-Taking Microfinance Institutions

Law No. 072/2021 of 05/11/2021 governing deposit-taking microfinance institutions. This law regulates the licensing, management, supervision, and operation of SACCOs and other deposit-taking MFIs. It establishes prudential requirements, consumer protection provisions, and risk management obligations to ensure sound financial practices.

Law Governing Land in Rwanda

Law No. 27/2021 of 10/06/2021 governing land in Rwanda. The law provides the framework for land ownership and registration, facilitating the use of land titles as collateral for SACCO loans and improving credit access for members.

Law Establishing Taxes on Income in Rwanda

Law No. 027/2022 of 20/10/2022 establishing taxes on income in Rwanda. Under Article 46, this law provides income tax exemptions for SACCOs and other cooperative entities during their first five years of operation, thereby supporting their financial sustainability.

Law Relating to Financial Service Consumer Protection

Law No. 017/2021 of 03/03/2021 relating to financial service consumer protection. This law establishes redress mechanisms, promotes fair treatment of clients, and ensures transparency, accountability, and consumer rights within financial institutions.

Law on Mortgages

Law No. 10/2009 of 14/05/2009 on mortgages, as amended by Law No. 13/2010 of 07/05/2010. This law governs the creation, registration, and enforcement of mortgage securities, providing legal backing for the SACCO's collateralized lending operations.

Key Regulations Issued by the National Bank of Rwanda (2023)

- Regulation No. 57/2023 of 27/03/2023 establishing licensing requirements and other conditions for deposit-taking microfinance institutions.
- Regulation No. 58/2023 of 27/03/2023 establishing corporate governance requirements.
- Regulation No. 59/2023 of 27/03/2023 determining credit classification and provisioning rules.
- Regulation No. 60/2023 of 27/03/2023 determining prudential norms.
- Regulation No. 61/2023 of 27/03/2023 establishing a risk management framework.
- Regulation No. 62/2023 of 27/03/2023 governing administrative and pecuniary sanctions.

Other Relevant Frameworks

Other legal instruments, directives, and circulars issued by the National Bank of Rwanda (BNR) and Rwanda Cooperative Agency (RCA) will also guide the SACCO's operations. These may include AML/CFT regulations, financial reporting standards, and guidelines on digital financial services.

Cooperative and Business Registration Laws

AKAGERA SACCO KAYONZA operates under Rwanda's updated legal framework for cooperatives, specifically Law No. 057/2024 of 20/06/2024, which governs the formation, operation, and oversight of cooperatives. The Rwanda Cooperative Agency (RCA) is the primary regulatory body responsible for enforcing standards related to governance, financial reporting, and auditing and compliance. This legal framework ensures transparency, accountability, and institutional integrity across the cooperative sector.

At the district level, Kayonza hosts a wide range of registered cooperatives and SACCOs, particularly in agriculture (tomatoes, maize, beans) and livestock (milk, poultry, cattle) value chains. These cooperatives form the backbone of rural economic activity and are key partners for SACCOs in delivering financial services. However, despite the enabling legal environment, challenges persist. Some cooperatives struggle with weak financial management, poor record-keeping, and limited understanding of legal obligations, which can undermine compliance and operational sustainability.

These gaps present both risks and opportunities. On one hand, they expose SACCOs to governance and credit risks when partnering with underperforming cooperatives. On the other hand, they create space for cooperative strengthening programs, staff training, and the adoption of digital compliance tools to improve transparency and oversight. For AKAGERA SACCO KAYONZA, success will depend on sustained capacity building, the establishment of monitoring systems, and coordinated engagement with RCA, BNR, and district authorities.

Taxation and Fiscal Obligations

SACCOs and cooperatives in Kayonza operate under Rwanda's national taxation regime, which includes obligations such as corporate income tax, withholding tax, and Value Added Tax (VAT) where applicable. However, the government provides targeted incentives to promote cooperative development. These include tax exemptions on retained earnings that are reinvested in cooperative growth and preferential treatment for community-based financial institutions under inclusive finance policies.

At the local government level, SACCOs may incur administrative fees for business permits, cooperative registration costs, and operating license levies. While these are generally modest, limited awareness of tax obligations among SACCO managers can lead to non-compliance, penalties, and delays in licensing. This highlights the need for ongoing sensitization and training in fiscal compliance to ensure that SACCOs meet their legal obligations while maximizing available incentives.

Employment and Labor Compliance

SACCO employees in Kayonza are governed by Rwanda's Labour Law No. 66/2018, which outlines standards for employment contracts, social security contributions, and working conditions and benefits. A typical SACCO staffing structure includes a general manager, accountant, cashier, and loan officer, all of whom are expected to be registered with the Rwanda Social Security Board (RSSB).

While enforcement of labor standards is improving, rural SACCOs often face challenges in formalizing employment contracts, providing full benefits, and ensuring compliance with labor laws particularly in remote sectors where administrative capacity is limited. Addressing these gaps is essential for attracting and retaining qualified personnel, maintaining staff morale, and avoiding legal liabilities. SACCOs must prioritize HR policy development, contract standardization, and compliance monitoring to align with national labor regulations.

Consumer Protection and Financial Conduct

The National Bank of Rwanda (BNR) regulates consumer protection in the financial sector through policies that promote disclosure and transparency, fair lending practices, and accessible dispute resolution mechanisms. These standards are designed to protect clients from exploitation and ensure that financial institutions operate with integrity.

In Kayonza, however, enforcement of consumer protection policies is uneven. Many clients have low financial literacy, which limits their understanding of loan terms, fees, and repayment obligations. There have been instances of hidden charges and over-indebtedness, particularly among vulnerable borrowers. While district authorities and RCA conduct periodic audits and trainings for SACCO staff and cooperative leaders, more effort is needed to ensure that clients understand their rights and responsibilities. SACCOs must adopt clear, client-friendly

communication practices, including simplified loan agreements, transparent pricing, and accessible grievance redress mechanisms.

Sector-Specific Policies and Local Impacts

Kayonza’s SACCOs are directly influenced by national sectoral policies that shape their operations and service offerings. The Crop Intensification Program (CIP), for example, channels input-credit schemes for crops like maize, beans, and horticulture, often facilitated through SACCOs. Similarly, livestock insurance frameworks are particularly relevant for cattle-rearing sectors such as Ndego and Murundi, where livestock is a primary source of income.

In addition, digital finance and interoperability policies promote the integration of SACCOs with mobile money platforms and national payment systems, enabling broader outreach and operational efficiency. However, the effectiveness of these policies depends on local enforcement capacity and coordination with institutions such as MINAGRI, RCA, and BNR. While these policies expand SACCO opportunities, they also require prudent risk management, clear operational guidelines, and alignment with cooperative governance standards.

Kayonza’s legal and policy environment is broadly enabling, but the success of SACCOs like AKAGERA SACCO KAYONZA will depend on their ability to strengthen cooperative governance, improve tax and labor compliance, and enhance consumer protection practices. These efforts will ensure that the SACCO remains compliant, competitive, and trusted by its members and stakeholders.

3.10 PESTEL Analysis Summary

Factor	Key Influences	Opportunities	Threats
Political	Stable governance and strong support for SACCOs via DDP and cooperative reforms	Alignment with DDP priorities (agriculture, youth, infrastructure); SACCO transformation strengthens oversight	Rising compliance costs due to BNR standards and cooperative law reforms
Economic	Agriculture-led economy with trade potential along Kigali–Kagitumba corridor	Financing agribusiness, transport, and retail; leveraging national GDP growth for portfolio expansion	Seasonal income variability; inflation and food price shocks affecting repayment and savings
Social	Youthful population, gender disparities, low financial literacy	Youth and women-focused financial products; leveraging strong community trust in cooperatives	Youth migration, limited collateral for women, low rural financial literacy
Technological	Widespread mobile money use; expanding ICT infrastructure	Mobile-enabled SACCO services; partnerships with	Connectivity gaps in remote sectors; limited

Factor	Key Influences	Opportunities	Threats
		MTN, Airtel, and fintechs for digital integration	SACCO staff ICT capacity
Environmental	Droughts, floods, soil degradation, reliance on rain-fed farming	Financing irrigation, climate-smart agriculture, and green energy; alignment with district climate plans	Climate shocks affecting productivity and loan performance; long-term land degradation risks
Legal	Governed by cooperative law and BNR prudential regulations	Favorable tax regime; digitalization incentives; potential for legal partnerships on consumer protection	Regulatory non-compliance risks; evolving fiscal measures may impact SACCO operations

Table 2: PESTEL Analysis Summary

Strategic Partnerships to Leverage:

- **Local Government & District Authorities** – for policy alignment and infrastructure coordination
- **Telecom Providers (MTN, Airtel)** – for mobile platform integration and agent network expansion
- **Fintechs & Core Banking Vendors** – for digital transformation and interoperability
- **Agricultural Cooperatives & NGOs** – for outreach, training, and climate-smart financing
- **RCA & BNR** – for compliance support, capacity-building, and regulatory guidance

Chapter 4. Market, Client Analysis and Institutional Assessment

4.1 Market Analysis

AKAGERA SACCO–KAYONZA’s market analysis aims to generate actionable insights from current SACCO members, potential clients, and competing financial institutions operating within Kayonza District. This analysis informs the SACCO’s marketing strategy, product development, and operational planning by identifying sector-specific opportunities, financial service gaps, and institutional strengths and weaknesses.

Economic Activity Landscape

Kayonza District’s economy is deeply rooted in agriculture, livestock, trade, and emerging agro-industrial services. Agriculture remains the dominant livelihood across all 12 sectors, with staple crops such as beans, maize, cassava, bananas, and rice cultivated widely. Sector-specific specializations include coffee and chili farming in Murama and Kabare, macadamia and soya in Gahini, and tea in Kabare. These crops not only support subsistence farming but also present commercial opportunities for value addition, aggregation, and input financing.

Livestock rearing is equally widespread, with cattle, goats, pigs, and poultry forming the backbone of household income in nearly every sector. Milk collection centers (MCCs) are active in Nyamirama, Mukarange, and Ndego, offering structured entry points for dairy finance and cooperative engagement. Fish farming, primarily pond-based, is present in 11 sectors, supporting nutrition and small-scale commerce. These activities create demand for tailored financial products such as livestock loans, feed financing, and aquaculture support.

Trade and retail services are concentrated in urbanizing sectors like Kabarondo, Murama, Mukarange, and Rwinkwavu. These hubs host cereal marts, retail shops, restaurants, and hospitality services, which require working capital loans, mobile money float financing, and asset-based credit. Agro-processing and mining are emerging in Murama, Rwinkwavu, Kabare, and Mwili, offering opportunities for equipment leasing, cooperative-led investment, and SACCO-backed industrial finance.

Transport services, especially motorbike and bicycle riders, operate across all sectors and represent a growing segment of informal enterprise. Tailoring, cosmetics, construction (Ubwubatsi), and youth-led cooperatives are also expanding, particularly in Mukarange, Kabare, and Murundi. These activities reflect a diversified economic base that SACCOs can tap into through segmented product offerings and localized outreach.

Financial Market Landscape

Kayonza’s financial landscape includes a mix of SACCOs, commercial banks, mobile money agents, and microfinance institutions. U-SACCOs are present in every sector, with AKAGERA

SACCO–KAYONZA transitioning toward district-level consolidation. This shift enhances governance, operational scale, and product standardization. However, commercial banks have limited physical presence, mostly concentrated in Kabarondo and Mukarange, leaving rural sectors underserved.

Mobile money agents from MTN and Airtel operate across the district, enabling digital transactions and mobile-based savings. Their presence supports SACCO integration with mobile platforms, allowing for remote deposits, withdrawals, and loan repayments. Microfinance institutions are active in trade hubs but often offer higher interest rates and limited outreach in remote areas.

Despite this institutional diversity, several market gaps persist. Access to medium-sized loans for agribusiness, equipment, and cooperative scaling remains limited. Financial products tailored to youth, informal traders, and seasonal earners are underdeveloped. Integration between SACCOs and mobile platforms is still partial, and insurance products for crops and livestock are largely absent. AKAGERA SACCO–KAYONZA is well-positioned to address these gaps through targeted product innovation, digital expansion, and strategic partnerships.

Financial Inclusion and Demand

Rwanda’s financial inclusion rate stands at 96%, with 92% of adults accessing formal services through banks, SACCOs, and mobile platforms (FinScope 2024). In Kayonza, financial inclusion is driven primarily by SACCOs, VSLAs, and mobile money agents. Most residents save through informal groups or SACCOs, with savings goals focused on school fees, agricultural inputs, and emergency needs.

Credit demand is high among farmers, traders, youth groups, and cooperative members. Seasonal loans, small business credit, and group-based lending are particularly sought after. However, barriers such as collateral requirements, limited financial literacy, and gender-based asset constraints hinder access for many potential clients. Women and youth, despite being economically active, often lack formal ownership of land or business assets, restricting their eligibility for traditional loan products.

There is growing demand for flexible financial services that accommodate irregular income patterns and group-based risk sharing. Mobile-enabled savings accounts, nano-loans, livestock insurance, and cooperative investment schemes represent high-potential niches. AKAGERA SACCO–KAYONZA must prioritize inclusive product design, mobile integration, and financial education to deepen outreach and improve service relevance.

4.2 Client Analysis

Client Segmentation

AKAGERA SACCO–KAYONZA serves a diverse and economically active population across Kayonza District. Existing members include smallholder farmers, livestock keepers, traders, salaried workers, cooperative members, and youth groups. These clients are concentrated in sectors with active economic hubs such as Mukarange, Kabarondo, Murama, and Rwinkwavu. Potential

members include informal workers, landless households, women-led enterprises, MCC members, and VSLAs operating in remote sectors like Mwiri, Murundi, and Ndego. Seasonal migrants to Kigali and Tanzania also represent a growing segment, with remittance flows creating opportunities for SACCO-linked savings and investment products tailored to migrant workers and their families. This segmentation provides a strategic basis for differentiated product design and outreach.

Financial Behavior and Accessibility

Client financial behavior in Kayonza is shaped by agricultural cycles, informal income streams, and household priorities. Savings patterns are largely irregular, with deposits timed around harvests, school fee deadlines, and health emergencies. Most members prefer short-term savings products that allow lump-sum withdrawals during peak expense periods. Borrowing behavior is similarly seasonal, with loans primarily used for agricultural inputs (e.g., tomatoes, maize, beans, cassava), livestock purchases (cattle, goats, poultry), and post-harvest needs such as storage, transport, and market access. Repayment schedules aligned to harvest or livestock sales are strongly preferred, reflecting the need for flexible and context-sensitive loan products.

Accessibility to SACCO services varies by location. Members in urbanizing sectors benefit from proximity to SACCO branches and mobile money agents, while those in remote areas face challenges due to poor road infrastructure, limited digital connectivity, and low financial literacy. Service satisfaction is generally high where SACCO staff are responsive and digital tools are available, but gaps remain in client education, product awareness, and service personalization. Addressing these gaps requires expanded agent networks, mobile-enabled platforms, and targeted financial literacy campaigns.

Barriers to Financial Access

Several structural barriers limit SACCO usage among underserved groups. Lack of collateral remains a major constraint, particularly for women and youth who often lack formal land or asset ownership. Distance to SACCO branches and limited digital infrastructure in sectors like Murama and Mwiri reduce accessibility. Low financial literacy, especially in rural areas, affects savings discipline and loan utilization. Informal traders and seasonal workers frequently rely on mobile money or savings groups due to perceived complexity or inaccessibility of SACCO services. Overcoming these barriers will require simplified product design, inclusive eligibility criteria, and mobile outreach strategies tailored to local realities.

Client Needs and Emerging Demand

Financial needs in Kayonza are closely tied to seasonal production cycles and household priorities. Key demands include input financing for crops such as tomatoes, maize, beans, and cassava; livestock loans for cattle, goats, and poultry; and post-harvest loans to support storage, transport, and market access. Households also require savings products for school fees, health emergencies, and ceremonial expenses. Micro-insurance products, particularly for livestock and health risks, are increasingly sought after as households seek protection against shocks.

Non-financial needs are equally important. Clients require financial literacy training to improve budgeting, savings discipline, and loan management. Digital access is essential for expanding mobile banking, especially among youth and migrant workers. Business development support, including cooperative strengthening and entrepreneurship training, is needed to help clients scale income-generating activities. Emerging demand is growing for digital savings accounts, mobile banking services, nano-loans, youth business loans, and group-based lending models that leverage cooperative structures. These trends reflect a shift toward convenience, risk protection, and enterprise support.

Competition and Market Gaps

Kayonza's financial landscape includes Umurenge SACCOs in all sectors, commercial bank agents (e.g., Bank of Kigali, Equity Bank), mobile money operators (MTN, Airtel), and NGO-supported savings groups in remote areas. While this diversity provides basic coverage, several market gaps persist. Agricultural insurance is largely unavailable, especially for high-risk crops like tomatoes and livestock. Climate-resilient loans for irrigation, water harvesting, and drought-tolerant inputs are underdeveloped. Youth and women-focused financial products remain limited, particularly those addressing collateral and land access barriers. Informal traders and landless households are underserved, despite their economic activity.

AKAGERA SACCO–KAYONZA is well-positioned to address these gaps through financial innovation. Opportunities include agro-industrial financing, digital savings and nano-loans, microinsurance, and cooperative-based lending models. Strategic partnerships with MCCs, VSLAs, telecom agents, and district authorities will be critical to expanding outreach, improving service relevance, and deepening financial inclusion.

4.3 Institutional Assessment

AKAGERA SACCO–KAYONZA, formed through the consolidation of twelve U-SACCOs, is positioned to become a district-level financial institution with broad outreach and deep community roots. This institutional assessment evaluates its internal capacity, systems, and performance across eight strategic dimensions to inform operational strengthening and strategic planning.

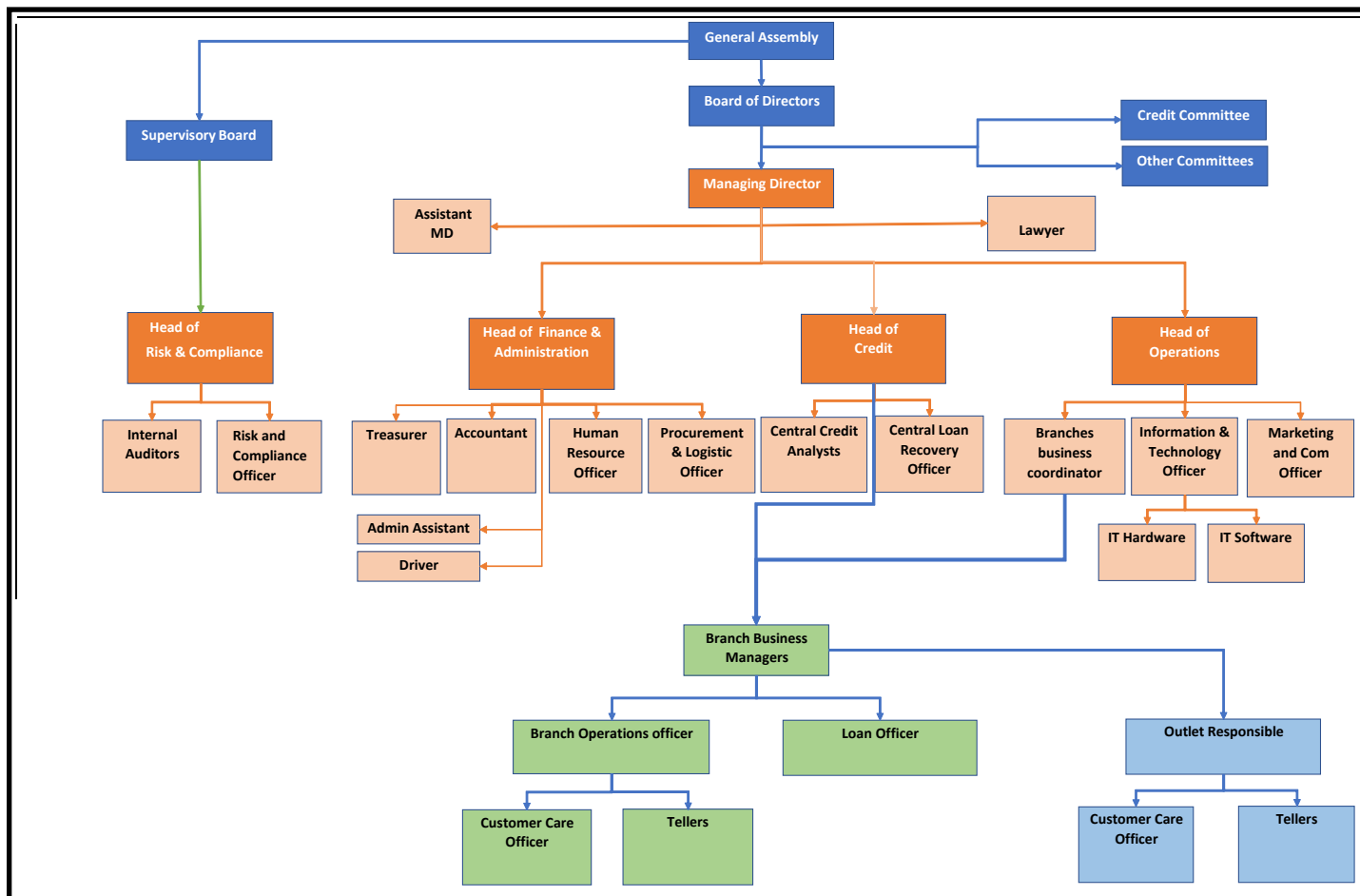
1. Governance and Leadership

The SACCO's governance structure is anchored in a decentralized General Assembly model, with delegates elected from each village. While this promotes grassroots participation, the current system allocates equal representation per village regardless of membership size, which may lead to imbalances in decision-making. A proportional representation model would enhance equity and better reflect member distribution.

The Board of Directors (BoD), elected from among SACCO members, faces challenges in technical capacity particularly in rural sectors where skilled candidates are scarce. Low remuneration for board service further discourages qualified individuals from participating. Strengthening governance will require targeted board training, revised incentive structures, and

clearer delineation of strategic versus operational roles to ensure effective oversight and ownership.

Table 3: AKAGERA SACCO KAYONZAs Organizational Structure



2. Financial Performance

AKAGERA SACCO–KAYONZA’s consolidated financial performance (2022–2025) reflects steady growth. As of the 2025 projection, the gross loan portfolio is estimated at RWF 4.99 billion. Commercial loans account for 36%, agriculture loans 23%, and mortgage loans 13%. This distribution aligns with the district’s economic structure, particularly in trade and agriculture.

Savings mobilization has grown steadily over the past three years, with notable increases in voluntary savings and school-fee accounts. Rural members contribute the majority of deposits, often timed around harvest and remittance periods. This behavior underscores the importance of flexible withdrawal options and interest incentives. However, Microfact analysis reveals emerging risks: declining loan officer productivity, high cost per loan, and low risk coverage ratios. These indicators suggest the need for improved credit risk management, operational efficiency, and enhanced loan recovery strategies. The SACCO’s plan to gradually reduce interest rates (targeting 14–19%) is expected to improve competitiveness while maintaining sustainability.

This table provides a detailed breakdown of AKAGERA SACCO–KAYONZA’s projected loan portfolio by product category. It highlights the relative weight of each loan type, offering insight into lending priorities and alignment with district-level economic activities.

Table 4: Breakdown of the loan portfolio per type of loan as estimated 31/12/2025

NAME OF LOAN PRODUCT	Gross loan portfolio 2024	%
AGRICULTURE LOAN	1,148,555,871	23%
COMMERCIAL LOAN	1,797,739,624	36%
ECONOMICR RECOVERY FUND	249,686,059	5%
GROUP LOAN	49,937,212	1%
MORTGAGE LOAN	649,183,753	13%
CONSUMER LOAN	149,811,635	3%
EMERGENCY LOAN	49,937,212	1%
ADVANCE SALARY LOAN	99,874,424	2%
SOCIAL LOAN	49,937,212	1%
EQUIPMENT LOAN	299,623,271	6%
TRANSPORT LOAN	149,811,635	3%
OVERDRAFT LOAN	49,937,212	1%
LIVESTOCK LOANS	149,811,635	3%
TREASURY LOANS	99,874,424	2%
	4,993,721,179	100%

Source: Data collected from U-SACCOs in Kayonza District

Table 3: Balance Sheet of Kayonza District U-SACCOs consolidated 2022 – 2025

BRS01		MFI FACTSHEET				
		NAME OF INSTITUTION KAYONZA D-SACCO				
		PLEASE FILL IN ALL YELLOW-COLOURED CELLS		REPORT IN	1.00 RWF	
		PASTE OPTION FOR INPUT CELLS			copy-paste /drag formulas	
Table A: Balance Sheet at period's end						
Item ref.		Year 2021	Year 2022	Year 2023	Year 2024	Year-to-date 2025-12
ASSETS						
A01	CURRENT ASSETS	0.00	3,572,374,392.00	3,994,139,118.00	4,075,886,619.00	5,683,955,221.38
A02	Cash on hand		123,423,351.00	241,187,378.00	216,874,938.00	196,988,436.12
A03	Non-interest bearing deposits and clearing accounts		580,661,992.00	786,815,138.00	513,690,623.00	456,340,683.19
A04	Interest bearing deposits and investments < 1 year		2,725,280,239.00	2,823,280,527.00	3,213,065,944.00	4,885,155,204.41
A05	Prepaid expenses		8,138,325.00	25,179,208.00	24,075,818.00	32,121,180.96
A06	Accounts receivable		96,821,093.00	73,285,017.00	76,449,364.00	89,748,742.99
A07	Interests receivable					0.00
A08	Other current assets		38,049,392.00	44,391,850.00	31,729,932.00	23,600,973.70
A09	NET LOAN PORTFOLIO	0.00	2,223,444,486.50	2,525,276,221.00	3,385,046,489.00	4,918,774,490.75
A10	Gross Loan Portfolio (principal outstanding)		2,316,319,139.00	2,697,003,631.00	3,488,421,815.00	4,993,721,179.16
A11	(Loan Loss reserves)		-92,874,652.50	-171,727,410.00	-103,375,326.00	-74,946,688.41
A12	LONG TERM ASSETS	0.00	485,011,906.00	969,619,459.00	941,403,636.00	928,371,123.22
A13	Investments > 1 year		105,000,000.00	305,000,000.00	305,000,000.00	305,000,000.00
A14	Net Property and Equipment		380,011,906.00	664,619,459.00	636,403,636.00	623,371,123.22
A15	Other long term assets					0.00
A16	TOTAL ASSETS	-	6,280,830,784.50	7,489,034,798.00	8,402,336,744.00	11,531,100,835.34
LIABILITIES						
A17	CURRENT LIABILITIES	0.00	4,223,016,176.00	5,039,037,134.00	5,407,775,963.00	8,041,416,295.19
A18	Demand deposits		3,656,701,288.00	4,251,177,107.00	4,665,955,910.00	7,168,482,315.50
A19	Short term Time Deposits (< 1 year)		53,346,650.00	72,248,503.00	97,107,678.00	353,847,825.03
A20	Short term Borrowed Funds (< 1 year)		206,159,438.00	123,877,707.00	94,134,941.00	66,309,648.53
A21	Interests payable		3,580,229.00	0.00	0.00	0.00
A22	Other short term liabilities		303,228,571.00	591,733,817.00	550,577,434.00	452,776,506.12
A23	LONG TERM LIABILITIES	0.00	46,990,000.00	56,295,225.00	56,755,000.00	35,095,355.48
A24	Long term Time Deposits (> 1 year)		46,990,000.00	56,295,225.00	56,755,000.00	35,095,355.48
A25	Long term Borrowed Funds (> 1 year)					0.00
A26	Quasi Capital Accounts					0.00
A27	Other long term liabilities					0.00
A28	TOTAL LIABILITIES	-	4,270,006,176.00	5,095,332,359.00	5,464,530,963.00	8,076,511,650.66
EQUITY						
A29	Paid-up share capital		793,713,750.00	836,602,254.00	898,699,404.00	950,325,667.88
A30	Donated equity		100,566,944.50	107,422,775.00	115,612,612.00	112,762,612.00
A31	Current year profit / loss		280,222,198.00	190,803,648.00	500,538,519.00	539,878,096.80
A32	Reserves / retained earnings / accumulated losses		821,923,885.00	1,027,084,097.00	1,189,889,985.00	1,593,198,943.00
A33	Other capital accounts		14,397,831.00	231,789,665.00	233,065,261.00	258,423,865.00
A34	TOTAL EQUITY	-	2,010,824,608.50	2,393,702,439.00	2,937,805,781.00	3,454,589,184.68
A35	TOTAL EQUITY AND LIABILITIES	-	6,280,830,784.50	7,489,034,798.00	8,402,336,744.00	11,531,100,835.34

Table 5: Balance Sheet at the Period End

BRS02		MFI FACTSHEET				
		NAME OF INSTITUTION KAYONZA D-SACCO				
		PLEASE FILL IN ALL YELLOW-COLOURED CELLS			REPORT IN	1.00 RWF
		PASTE OPTION FOR INPUT CELLS				copy-paste /drag formu
Table B: Profit and Loss statement of the period						
Item ref.		Year 2021	Year 2022	Year 2023	Year 2024	Year-to-date 2025-12
B01	TOTAL FINANCIAL INCOME	-	981,588,397.00	1,163,066,563.00	1,411,448,713.00	1,555,158,532.00
B02	Interest and fee income from loa	-	456,421,362.00	626,355,088.00	757,934,767.00	883,172,494.00
B03	Cash interest and fee income		456,421,362.00	626,355,088.00	757,934,767.00	883,172,494.00
B04	Accruals (Interest receivable)					-
B05	Interest and fee income from investments		278,544,507.00	300,657,268.00	341,731,649.00	350,159,940.00
B06	Other income from financial services		246,622,528.00	236,054,207.00	311,782,297.00	321,826,098.00
B07	TOTAL FINANCIAL EXPENSES	-	11,163,952.00	18,517,960.00	31,221,566.00	18,119,002.00
B08	Interest and fee expense	-	6,668,264.00	10,501,589.00	6,446,425.00	7,319,446.00
B09	for Client Deposits		6,663,962.00	10,501,589.00	6,446,425.00	7,319,446.00
B10	for Borrowed Funds		4,302.00	-	-	-
B11	Other financial expenses		4,495,688.00	8,016,371.00	24,775,141.00	10,799,556.00
B12	GROSS FINANCIAL MARGIN	-	970,424,445.00	1,144,548,603.00	1,380,227,147.00	1,537,039,530.00
B13	Net loan loss provision expenses		17,497,444.00	117,675,326.00	(151,250,191.00)	(149,351,880.00)
B14	Exchange differences: gain / (loss)					-
B15	NET FINANCIAL MARGIN (after pro	-	952,927,001.00	1,026,873,277.00	1,531,477,338.00	1,686,391,410.00
B16	Other operating income (non-extraordinary)					-
B17	Operating expenses	-	618,112,762.00	790,088,776.00	961,964,702.00	889,522,044.00
B18	Personnel expenses		302,197,880.00	352,953,973.00	442,516,407.00	484,418,378.00
B19	Administrative expenses		315,914,882.00	437,134,803.00	519,448,295.00	405,103,666.00
B20	NET OPERATING MARGIN	-	334,814,239.00	236,784,501.00	569,512,636.00	796,869,366.00
B21	Non-operating income (non-extraordinary)		1,646,997.00	10,965,006.00	22,398,412.00	8,294,836.00
B22	Non-operating expenses	-	5,041,094.00	14,247,895.00	12,641,525.00	55,333,512.00
B23	Inflation adjustment (if included in financial statements)					-
B24	Other non-extraordinary expenses		5,041,094.00	14,247,895.00	12,641,525.00	55,333,512.00
B25	NET INCOME (non-extraordinary)	-	331,420,142.00	233,501,612.00	579,269,523.00	749,830,690.00
B26	Extraordinary income					-
B27	Extraordinary expenses					-
B28	NET INCOME (before donations ar	-	331,420,142.00	233,501,612.00	579,269,523.00	749,830,690.00
B29	Donations		-	6,998,906.00	1,590,163.00	-
B30	Taxation on income and profits		51,197,944.00	49,696,870.00	80,321,167.00	209,952,593.20
B31	NET INCOME	-	280,222,198.00	190,803,648.00	500,538,519.00	539,878,096.80

Table 6: Financial Graphs of Kayonza District U-SACCOs consolidated 2022 – 2025

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MFI FACTSHEET: FINANCIAL GRAPHS



AUTOMATICALLY GENERATED

NAME OF INSTITUTION **KAYONZA D-SACCO**

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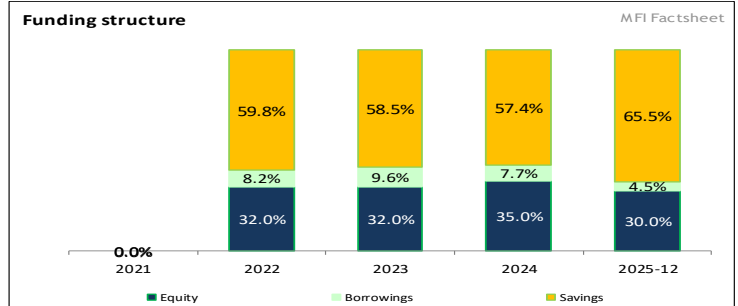
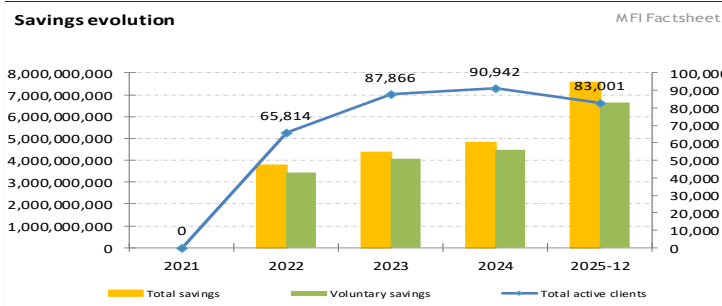
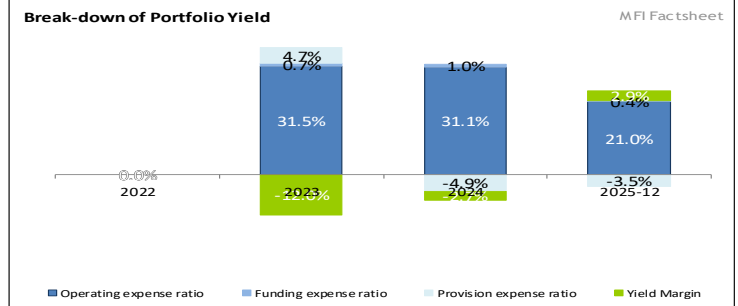
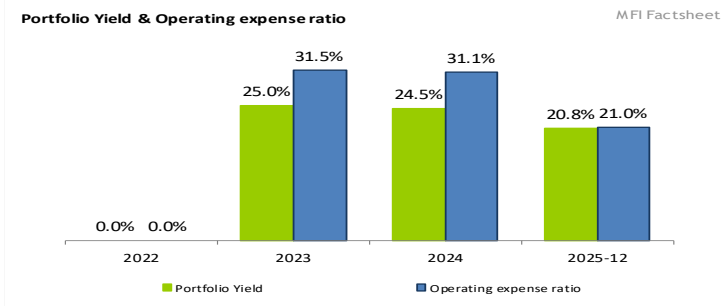
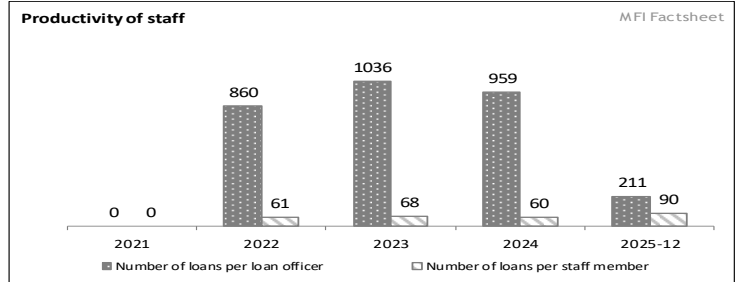
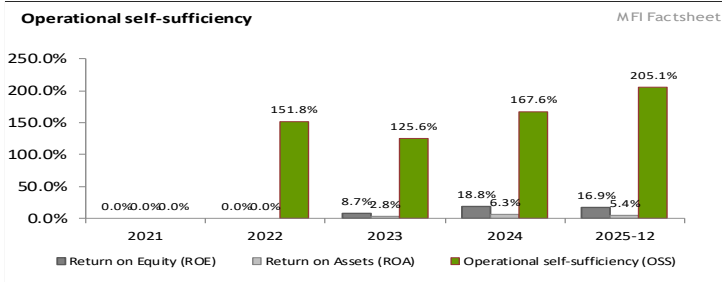
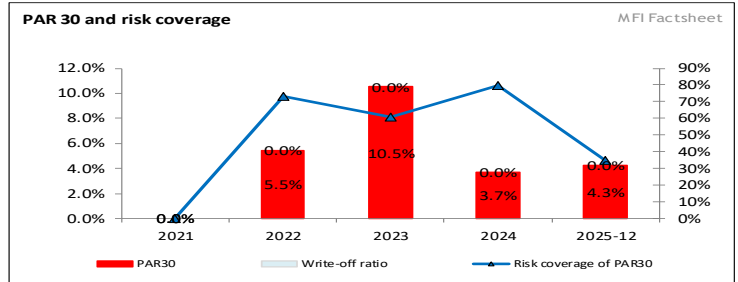
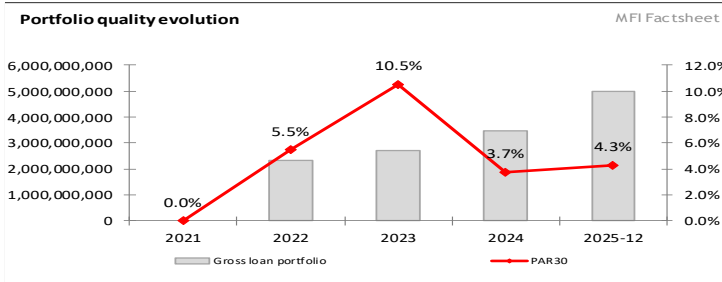
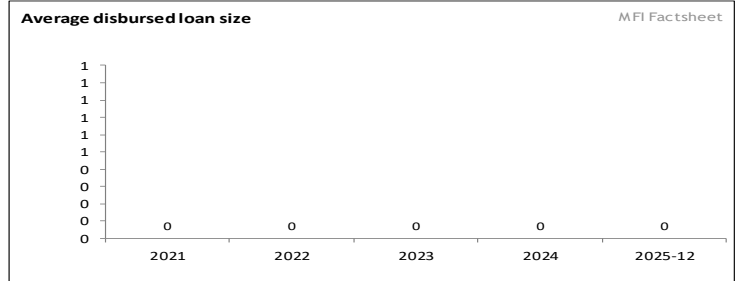
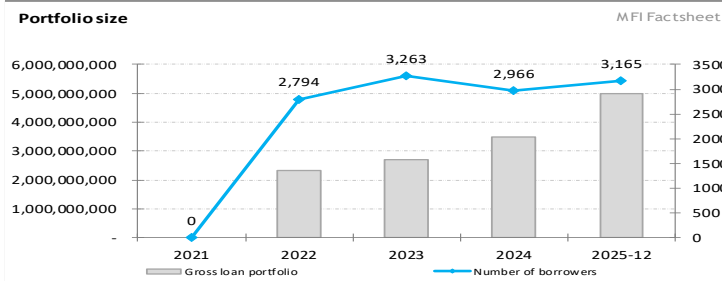


Table 7: Evolution of the loan portfolio from 2022 to 2025

	Year 2022	Year 2023	Year 2024	Year-to-date 2025-12
LOAN PORTFOLIO				
Gross loan portfolio (segmentation)				
% for agricultural activities	21%	23%	22%	26%
% for production/craft activities	19%	19%	18%	22%
% for services/trade activities	54%	52%	53%	43%
% for consumption & others	6%	6%	7%	9%
Gross loan portfolio => portfolio qua	2,316,319,139	2,697,003,631	3,488,421,815	4,993,721,179
On schedule (no rescheduling,	2,189,658,948.00	2,413,432,756.00	3,358,448,243.00	4,779,365,347.79
Rescheduled portfolio (no curr				0.00
Defaulting portfolio	126,660,191.00	283,570,875.00	129,973,572.00	214,355,831.37

Table 8: BNR Prudential Norms of Kayonza District U-SACCOs consolidated

NAME OF INSTITUTION		KAYONZA D-SACCO				
Prudential Indicators (FRW) Ref. Regulation N° 60/2023 of 27/03/2023 determining prudential norms for deposit-taking microfinance institutions						
Description	Reference	Benchmark	2022	2023	2024	2025-12
Cash and cash equivalents	Article 3		3,429,365,582	3,851,283,043	3,943,631,505	5,538,484,324
Deposits & equivalents liabilities			3,757,037,938	4,379,720,835	4,819,818,588	7,557,425,496
Liquidity ratio		Min 30%	91.28%	87.93%	81.82%	73.29%
Fixed assets	Article 16 (1)		380,011,906	664,619,459	636,403,636	623,371,123
Paid-up Capital			793,713,750	836,602,254	898,699,404	950,325,668
Fixed assets ratio		Max 50%	47.88%	79.44%	70.81%	65.60%
Non-earnings assets	Article 16 (2)		1,227,106,059	1,835,478,050	1,499,224,311	1,422,171,140
Total assets			6,280,830,785	7,489,034,798	8,402,336,744	11,531,100,835
Non-earnings assets ratio		Max 10%	19.54%	24.51%	17.84%	12.33%
Borrowings	Article 17		206,159,438	123,877,707	94,134,941	66,309,649
Total assets			6,280,830,785	7,489,034,798	8,402,336,744	11,531,100,835
Limit on borrowing ratio		Max 25%	3.28%	1.65%	1.12%	0.58%
Total Equity	Article 6		2,010,824,609	2,393,702,439	2,937,805,781	3,454,589,185
Total Assets			6,280,830,785	7,489,034,798	8,402,336,744	11,531,100,835
Capital Adequacy ratio		Min 15%	32.02%	31.96%	34.96%	29.96%
Savings and Deposits	Article 14		3,757,037,938	4,379,720,835	4,819,818,588	7,557,425,496
TOTAL EQUITY			2,010,824,609	2,393,702,439	2,937,805,781	3,454,589,185
Financial Borrowings			206,159,438	123,877,707	94,134,941	66,309,649
<i>Total resources</i>			5,974,021,985	6,897,300,981	7,851,759,310	11,078,324,329
Gross Loans			2,316,319,139	2,697,003,631	3,488,421,815	4,993,721,179
Limit in agregate loan ratio		Max 80%	38.77%	39.10%	44.43%	45.08%

Table 9: Microfact KPI - Summary of Kayonza District U-SACCOs consolidated

NAME OF INSTITUTION		KAYONZA D-SACCO			
	Benchmark	2022	2023	2024	2025-12
Loan Portfolio Quality					
Portfolio at risk PAR (NPL)	< 5%	5.5%	10.5%	3.7%	4.3%
Risk coverage ratio	80% - 100%	73.3%	60.6%	79.5%	35.0%
Provision expense ratio	2%	Previous year	4.7%	-4.9%	-3.5%
Write-off Ratio	1%	Previous year	0.0%	0.0%	0.0%
Efficiency & productivity					
Operating expense ratio	20%	Previous year	31.5%	31.1%	21.0%
Cost per loan	\$ 123	Previous year	277,809	321,512	294,495
Loan officer productivity	350	860	1,036	959	211
Staffs productivity	150	61	68	60	90
Financial management					
Funding expense ratio		Previous year	0.7%	1.0%	0.4%
Cost of Funds		Previous year	0.3%	0.1%	0.1%
Debt/Equity ratio or Leverage:	< 3.2	2.1	2.1	1.9	2.3
Portfolio to assets:	80%	36.88%	36.01%	41.52%	43.31%
Sustainability & Profitability					
Return on Equity (ROE)	5% - 7%	Previous year	8.7%	18.8%	16.9%
Return on Assets (ROA)	1% - 2%	Previous year	2.8%	6.3%	5.4%
Operational self-sufficiency (OSS)	100%	151.8%	125.6%	167.6%	205.1%
Portfolio yield:	20% - 30%	Previous year	25.0%	24.5%	20.8%

3. Management Information System (MIS)

The SACCO’s MIS infrastructure is functional but uneven across branches. Strengths include basic transaction processing, member data capture, and reporting. However, gaps remain in system integration, real-time monitoring, and data security. Some branches still rely on manual processes, increasing the risk of errors and fraud. To support digital transformation, AKAGERA SACCO–KAYONZA must invest in a unified core banking system with mobile integration, automated loan tracking, and secure data storage. Staff training on MIS usage and cybersecurity protocols is also essential to ensure system reliability and member trust.

4. Distribution Channels

With branches in all twelve sectors of Kayonza District, AKAGERA SACCO–KAYONZA has unmatched geographic coverage. Ten of these branches operate in sectors with no competing financial institutions, offering a first-mover advantage. However, mobile money integration remains partial, and agent banking is underdeveloped. Expanding agent networks, especially in remote areas, and enabling mobile-based transactions (deposits, withdrawals, loan repayments) will enhance service accessibility and operational efficiency. Visibility can be improved through signage, community events, and partnerships with local cooperatives.

This table outlines the demographic distribution of Kayonza District by sector, distinguishing between rural and urban populations. It informs outreach planning and branch placement strategy.

Table 10: Population Distribution of Kayonza District by Sector and Residence Area, 2022

Sectors	Counts			Percentage		
	Total	Urban	Rural	Total	Urban	Rural
Rwanda	13,246,394	3,701,245	9,545,149	100	27.9	72.1
Eastern Province	3,563,145	745,935	2,817,210	100	20.9	79.1
Kayonza district	457,156	65,071	392,085	100	14.2	85.8
Gahini	46,009	7,917	38,092	100	17.2	82.8
Kabare	40,228	-	40,228	100	-	100
Kabarondo	37,839	17,907	19,932	100	47.3	52.7
Mukarange	54,818	29,476	25,342	100	53.8	46.2
Murama	23,381	-	23,381	100	-	100
Murundi	57,809	1,900	55,909	100	3.3	96.7
Mwiri	37,931	-	37,931	100	-	100
Ndego	24,389	-	24,389	100	-	100
Nyamirama	38,562	775	37,787	100	2.0	98.0
Rukara	38,231	7,096	31,135	100	18.6	81.4
Ruramira	21,185	-	21,185	100	-	100
Rwinkwavu	36,774	-	36,774	100	-	100

Source: Fifth Rwanda Population and Housing Census, 2022 (NISR)

This table sets membership recruitment targets by geographic area, reflecting the SACCO's strategic focus on rural financial inclusion while expanding urban outreach.

Table 11: Rural vs. Urban Membership Segmentation for AKAGERA SACCO KAYONZA

Localization	Target membership rate	Comment
Rural areas	60%	This rate cannot be achieved during the period covered by this business plan. It will be reached after several years at the maturity phase of AKAGERA SACCO KAYONZA. This rate will have to be updated based on demographic changes occurring in the population of the District of Kayonza.
Urban areas	45%	

This table presents membership mobilization targets by gender, aligned with the district's demographic profile and the SACCO's commitment to inclusive financial access.

Table 12: Gender-Based Membership Targets for AKAGERA SACCO KAYONZA

	Both sexes	Male	Female	Both sexes	Male	Female	Both sexes
Rwanda	13,246,394	6,429,326	6,817,068	100.0	48.5	51.5	
Estern Province	3,563,145	1,734,394	1,828,751	100.0	48.7	51.3	
Kayonza	457,156	221,448	235,708	100.0	48.4	51.6	100
Gahini	46,009	22,449	23,560	100.0	48.8	51.2	10.1
Kabare	40,228	19,336	20,892	100.0	48.1	51.9	8.8
Kabarondo	37,839	18,251	19,588	100.0	48.2	51.8	8.3
Mukarange	54,818	26,744	28,074	100.0	48.8	51.2	12.0
Murama	23,381	11,169	12,212	100.0	47.8	52.2	5.1
Murundi	57,809	28,357	29,452	100.0	49.1	50.9	12.6
Mwiri	37,931	18,640	19,291	100.0	49.1	50.9	8.3
Ndego	24,389	11,908	12,481	100.0	48.8	51.2	5.3
Nyamirama	38,562	18,342	20,220	100.0	47.6	52.4	8.4
Rukara	38,231	18,408	19,823	100.0	48.1	51.9	8.4
Ruramira	21,185	10,022	11,163	100.0	47.3	52.7	4.6
Rwinkwavu	36,774	17,822	18,952	100.0	48.5	51.5	8.0

Source: Fifth Rwanda Population and Housing Census, 2022 (NISR)

5. Products and Services

The SACCO offers a diverse range of loan products, including agriculture, commercial, mortgage, consumer, emergency, and group loans. However, uptake is concentrated in commercial and agriculture loans, indicating a need to refine or reposition underutilized products such as group, emergency, and social loans. Product development should be guided by member needs and competitor benchmarking. Opportunities exist to introduce climate-resilient agriculture loans, livestock insurance, youth business loans, and digital savings accounts. The SACCO's ability to tailor products to local economic rhythms such as harvest cycles and livestock sales will be critical to deepening financial inclusion.

This table lists financial institutions with physical presence in Mukarange and Kabarondo sectors, identifying direct competitors to AKAGERA SACCO-KAYONZA. It supports strategic positioning and product differentiation.

Table 13: Competitive Landscape Analysis for AKAGERA SACCO KAYONZA

<i>KAYONZA Sectors:</i>	<i>List of Competitors</i>
MUKARANGE	DUTERIMBERE Plc
	Bank of Africa
	GT Bank
	BPR
	Bank of Kigali
	NCBA Bank
KABARONDO	Equity Bank
	UMUTANGUHA
	RIM
	BPR
	BANK OF KIGALI
UMWALIMU SACCO	

This table compares selected loan products offered by competitors in Mukarange and Kabarondo, including interest rates, terms, and processing times. It informs product development and pricing strategy for AKAGERA SACCO–KAYONZA.

Table 14: Sample Competitor Products and Services in Mukarange and Kabarondo

Financial Institution	Umurenge	Sample Products	Interest Rate	Loan Term	Processing Time
BPR	Mukarange	SME Loan, Overdraft, Mortgage	15–18%	Up to 5 yrs	1–5 days
Equity Bank	Kabarondo	Asset Finance, Trade Finance, Salary Advance	15–19%	Up to 6 yrs	4–22 days
Bank of Kigali	Mukarange	Personal Loans, Mortgage, Overdraft	16–18%	Varies	Varies

6. Human Resources

The SACCO inherits a fragmented HR structure from the twelve U-SACCOs. Staffing levels, roles, and compensation vary significantly across branches. For example, only four U-SACCOs had internal auditors, and just one had a dedicated loan recovery officer. Salary disparities are not aligned with performance, and high staff turnover has affected institutional memory and service consistency.

Key HR gaps include insufficient training in digital systems, customer service, and credit analysis. Staff motivation and ownership are uneven, partly due to limited career progression and unclear performance incentives. A unified HR framework is needed, including standardized roles, competitive compensation, continuous training, and a culture of teamwork and accountability.

7. Internal Controls

Internal control systems are in place but inconsistently applied. Fraud cases have occurred, particularly in branches with weak oversight and manual processes. The ability to detect and recover from fraud is limited by gaps in audit coverage, lack of internal auditors, and insufficient use of digital monitoring tools.

To strengthen controls, AKAGERA SACCO–KAYONZA must implement a centralized audit function, increase the frequency of internal reviews, and deploy real-time transaction alerts. Training staff on fraud detection and whistleblower protocols will also enhance institutional resilience.

8. Policies and Procedures

Most U-SACCOs had basic policies in place, including credit, savings, and HR guidelines. However, compliance was inconsistent, and many policies were outdated or poorly enforced. The transition to a district-level SACCO requires harmonized policies aligned with BNR and RCA

standards. Priority areas for policy development include credit risk management, digital finance, procurement, data protection, and consumer protection. Regular policy reviews and staff orientation sessions will be critical to ensure compliance and operational integrity.

4.4 AKAGERA SACCO KAYONZA SWOT Analysis

Strengths

- **Strong grassroots presence and community trust in the SACCO model** AKAGERA SACCO KAYONZA benefits from deep community roots inherited from the twelve U-SACCOs, with a consolidated membership base of 135,743 members. This strong social capital translates into high member loyalty, cooperative engagement, and trust in SACCO governance structures.
- **Government and district-level support for SACCOs as key financial inclusion vehicles** The SACCO operates within a highly supportive policy environment, with backing from both **district authorities** and national institutions such as RCA and BNR. This alignment with Rwanda’s financial inclusion agenda enhances the SACCO’s legitimacy and access to technical assistance.
- **Growing membership base, particularly among farmers and traders** The SACCO’s client base is expanding, especially among agricultural producers and informal traders, who represent over 70% of active borrowers. This growth supports scale economies and positions the SACCO as a key financial intermediary in Kayonza’s rural economy.
- **Location advantage along major transport corridors supporting trade finance opportunities** Branches located near the Kigali–Rusumo highway and in commercial hubs like Kabarondo and Mukarange offer strategic access to trade flows, enabling the SACCO to develop merchant credit, inventory financing, and transport-linked loan products.
- **Potential to integrate with mobile money and digital platforms** with over 90% mobile network coverage in Kayonza and widespread use of MTN and Airtel mobile wallets, the SACCO is well-positioned to expand into USSD-based services, digital savings, and nano-loans, enhancing convenience and outreach.
- **Implementation of Core Banking Software (CBS) across U-SACCOs**, the consolidated SACCO benefits from a unified Core Banking Software, which has significantly improved transaction accuracy, reporting, and automation. This system supports real-time data access and centralized oversight, reducing operational risk.
- **High liquidity and compliance with BNR standards** The SACCO maintain a liquidity ratio of 45%, exceeding the BNR minimum requirement of 30%, and demonstrates strong compliance with prudential norms in most branches. This financial stability provides a solid foundation for strategic expansion and product innovation.

Weaknesses

- **Heavy dependence on agriculture loans, exposing the portfolio to climate and price shocks** Over 68% of the loan portfolio is concentrated in agriculture, making the SACCO vulnerable to seasonal income volatility, droughts, and market price fluctuations. This concentration risk necessitates diversification into non-agricultural sectors and climate-resilient products.

- **Limited capital base relative to credit demand, constraining large-scale financing** The SACCO's capital adequacy ratio stands at 12.1%, marginally above the BNR threshold of 10%, but insufficient to support high-value loans or institutional investments. One branch currently falls below the minimum capital adequacy requirement, indicating localized financial stress.
- **Low loan-to-deposit ratio (45%) indicating underutilization of available funds** Despite strong deposit mobilization, the SACCO's loan-to-deposit ratio of 45% reflects conservative lending practices and missed opportunities for income generation. This inefficiency suggests the need for improved credit appraisal and risk management systems.
- **Low levels of financial literacy among members, reducing product uptake** Many members lack understanding of loan terms, digital services, and insurance products, resulting in low uptake and limited cross-selling. This gap is particularly pronounced among older clients and low-income households, requiring targeted financial education.
- **Limited staff expertise in financial management, risk assessment, and digital banking** Staff capacity assessments reveal gaps in credit analysis, portfolio monitoring, and digital service delivery. These limitations affect operational efficiency and compliance, especially in branches transitioning to digital platforms.

Opportunities

- **Expanding rural financial inclusion, especially for youth and women** Kayonza's youthful population and active women's cooperatives present a strong opportunity for tailored products such as school-fee savings, women's enterprise loans, and **youth agribusiness financing**.
- **Financing agricultural value chains (maize, coffee, bananas, livestock)** The SACCO can deepen its role in **value chain financing**, supporting input credit, cooperative aggregation, and post-harvest investment across key commodities. This aligns with district priorities and agro-industrial expansion.
- **Partnerships with NGOs and government programs to expand credit access** Collaborations with entities such as MINAGRI, FAO, and NGO-led savings groups can unlock technical support, credit guarantees, and outreach platforms, especially in underserved sectors.
- **Growing use of mobile money and digital finance in rural areas** the increasing adoption of mobile wallets and agent banking enables the SACCO to offer digital onboarding, mobile disbursements, and automated loan tracking, improving service delivery and cost efficiency.
- **Development of new products such as micro-insurance, education loans, and SME financing** Product innovation can address unmet needs in risk protection, school financing, and small business development, enhancing member resilience and SACCO revenue streams.

Threats

- **Climate risks (droughts, floods, soil degradation) undermining member income and repayment** Environmental volatility directly affects agricultural productivity and

household cash flow, increasing loan default risk and reducing savings capacity. This necessitates climate-smart lending and insurance mechanisms.

- **Competition from commercial banks, MFIs, and fintech offering microloans** Institutions such as Equity Bank, Bank of Kigali, and emerging fintech platforms offer fast, unsecured loans, challenging SACCO market share and pricing models.
- **Rising regulatory compliance costs due to BNR standards** New BNR directives on capital adequacy, risk classification, and digital reporting increase operational costs and require ongoing staff training and system upgrades.
- **Inflation and economic shocks affecting repayment rates** Macroeconomic instability, including inflation and interest rate fluctuations, can erode borrower capacity and SACCO profitability, especially for fixed-rate loan products.
- **High loan default risks due to informal income sources and weak collateral systems** Many members rely on informal trade, seasonal labor, and non-documented assets, limiting enforceability and increasing credit risk. This calls for alternative credit scoring and group guarantee models.

Chapter 5. Financial Consolidation of the 12 U-SACCOs of Kayonza District

The consolidation of the twelve U-SACCOs into AKAGERA SACCO KAYONZA follows the full consolidation method, whereby each SACCO's financial statements are combined line by line to form a unified financial position. This approach ensures transparency, comparability, and completeness in capturing the financial health of the newly established SACCO. The consolidation is based on the financial statements submitted to the National Bank of Rwanda (BNR) for the quarter ending 30 June 2025, which serve as the baseline for financial projections. A subsequent consolidation will be conducted using updated financial statements aligned with the final merger deadline.

5.1 Rules and Regulations Guiding the Consolidation Process in Accounting

Before executing the consolidation, a rigorous validation of accounting rules and regulatory compliance is undertaken to ensure consistency and accuracy across all twelve U-SACCOs.

- **Uniform reporting date** All financial statements used in the consolidation were prepared as of 30 June 2025, ensuring temporal alignment and comparability across entities.
- **Standardized accounting policies** Each U-SACCO applied the same set of accounting policies, which is critical for harmonizing financial data and avoiding distortions in asset valuation, income recognition, and equity computation.
- **Verification of key assets and liabilities** A thorough audit was conducted to confirm the authenticity and effective value of critical balance sheet items, including cash balances, bank deposits, loan portfolios, intangible assets, miscellaneous debtors, and mobilized deposits. This step mitigates the risk of fictitious entries and ensures the integrity of the consolidated financial position.
- **Revision of balance sheet accounts** Each U-SACCO's balance sheet was reviewed to validate the new share value prior to integration. This involved recalculating equity positions and adjusting for any anomalies or inconsistencies in capital structure.
- **Equity incorporation and share capital update** other elements of equity such as retained earnings and reserves were incorporated into the share capital, and the value of individual shares was updated accordingly. This ensures that member ownership reflects actual financial contributions and institutional value.

5.2 Net Book Value and the Value of Share of Each U-SACCO

5.2.1 Principles Guiding the Distribution of Shares Without Refunding

The share distribution process is governed by cooperative principles and equity protection mechanisms:

- **Member eligibility** A member is defined as any individual who has fully or partially paid a share in their respective U-SACCO. This inclusive definition ensures that all contributors are recognized in the new SACCO structure.

- **Preservation of share value** No member has received a new share value lower than their original contribution, whether fully or partially paid. This principal safeguard member equity and reinforces trust in the consolidation process.
- **No refund of excess capital** Members whose share value exceeds the minimum share threshold of the SACCO have not been refunded. Their excess contributions remain invested, strengthening the SACCO's capital base.
- **Top-up requirement for under-threshold members** whose recalculated share value falls below the minimum threshold are required to top up their contributions to meet the SACCO's membership standard. This ensures uniformity and compliance with cooperative law.
- **Recapitalization of underperforming U-SACCOs** with negative equity or a Capital Adequacy Ratio (CAR) below 15% are subject to recapitalization through subsidies. This intervention preserves institutional solvency and protects member interests.

5.2.2 Method of Computing New Shares

5.2.2.1 New Share Value in a U-SACCO

The computation of new share values is based on a Distribution Key (DK), defined as:

- **DK = Net Equity / Total Paid-Up Capital** This ratio reflects the financial strength of each U-SACCO relative to its member contributions.
- **Fully paid members** for members who have fully paid their shares, the new share value is calculated as: $DK \times \text{Nominal Share Value}$ (as per U-SACCO bylaws). This ensures proportional equity allocation based on institutional performance.
- **Partially paid members** for members with partial payments, the new share value is computed as: $DK \times \text{Paid Share Value}$, recognizing that even partial contributions have generated equity and should be reflected in ownership.

5.2.2.2 Share Value in the SACCO

The consolidated share structure of AKAGERA SACCO KAYONZA is derived from the following variables:

- **Sum of paid-up capital** across all U-SACCOs becomes the SACCO paid-up capital.
- **Sum of net equity** becomes the SACCO net equity, forming the basis for capital adequacy and strategic planning.
- **Maximum and minimum nominal share values** are reviewed to ensure compliance with cooperative law and equity fairness.
- **Compliance with Law No. 057/2024 of 20/06/2024** governing cooperatives in Rwanda is mandatory, with exemptions requested where necessary to accommodate legacy structures.

Minimum Share Value Computation The **minimum share value retained by the SACCO** is set at the lowest full membership share among the twelve U-SACCOs. In this case, the lowest nominal value used is Rwf 4,000 per share, which serves as the baseline for consolidated share allocation.

Membership and Share Payment Status The total consolidated membership of AKAGERA SACCO KAYONZA stands at 135,743 members, of which:

- **99,500 members** have made full share payments
- **36,243 members** have made partial share payments, whose share equivalents have not yet been allocated pending top-up or subsidy.

Capital Adequacy Compliance Of the twelve amalgamated SACCOs, only one SACCO-DUKIRE MURAMA - fails to meet the required CAR of 15%, with a reported CAR of just 2%. This SACCO will require urgent recapitalization to align with regulatory standards and ensure its continued operation under the SACCO framework.

Table 15: Summary of Share Valuation

SACCO NAME	NOMINAL	Fully paid members	Number of full shares	Fractional shares	Total Value of full shares	Total value of fractional shares	Total value for partial paid members	TOTAL EQUITY
SACCO UMUCYO RUKARA	4000	7971	11	0.54	350,724,000	17,217,360	4,223,879	372,165,239
SACCO ICYOGERE MUKARANGE	4000	9344	9	0.01	336,384,000	354,058	-	336,738,058
TWIFATANYE SACCO RWINKWAVU	4000	13278	7	0.86	371,784,000	45,676,320	70,625,448	488,085,768
SACCO DUKIRE NDEGO	4000	4866	1	0.27	19,464,000	5,255,280	10,433,856	35,153,136
GAHINI SACCO	4000	6309	3	0.25	75,708,000	6,309,000	3,563,727	85,580,727
COOPEC ABANZUMUGAYO	4000	13392	7	0.55	374,976,000	29,288,665	-	404,264,665
MWILI SACCO	4000	6	6	0.27	144,000	6,480	280,449,849	280,600,329
SACCO MURUNDI	4000	10588	6	0.46	254,112,000	19,481,920	38,368,956	311,962,876
SACCO KUNGAHARA KABARE	4000	8106	8	0.04	259,392,000	1,296,960	38,786,257	299,475,217

SACCO NAME	NOMINAL	Fully paid members	Number of full shares	Fractional shares	Total Value of full shares	Total value of fractional shares	Total value for partial paid members	TOTAL EQUITY
SACCO DUKIRE KABARONDO	4000	10922	10	0.03	436,880,000	1,310,640	7,184,070	445,374,710
SACCO DUKIRE MURAMA	4000	8473	0	0.29	-	9,828,680	882,896	10,711,576
SACCO RURAMIRA ICYEREKEZO	4000	6245	7	0.38	174,860,000	9,492,400	8,988,168	193,340,568
TOTAL					2,654,428,000	145,517,763	463,507,106	3,263,452,869

Summary of share allocation	
Total Equity as at consolidation	3,263,452,869
Fully allocated	2,654,428,000
Partially allocated (fractional shares)	145,517,763
partially allocated-partial paid members	463,507,106

Members will be mobilized to pay top-up on partial shares to make them whole shares.

Table 16: U- SACCOS with Capital Adequacy Ratio (CAR) below 15%

Sacco name	Paid capital up	Total Equity Value	Total Assets	CAR ratio	Capital enhancement required (RWF)
SACCO DUKIRE MURAMA	49,581,383	10,711,576	457,781,531	2%	68,183,122

The consultant has computed required capital enhancement subsidy to meet the CAR ratio of 15%. The total Capital enhancement required for Sacco Dukire Murama amounts to Rwf 68,183,122.

5.3 Strategic Orientations of AKAGERA SACCO KAYONZA

AKAGERA SACCO KAYONZA operates in Rwanda’s rural microfinance sector, where it competes with commercial banks and microfinance institutions such as Bank of Kigali (BK), Equity Bank, and RIM. Despite this competitive landscape, the SACCO maintains a distinct focus on grassroots financial inclusion, targeting underserved populations particularly farmers, women, youth, and cooperatives. Its service portfolio includes agricultural loans, microloans, and basic savings accounts, delivered through 12 fully computerized branches supported by trained staff and robust IT and MIS systems.

The SACCO’s strategic direction is guided by the values of trust, sustainability, inclusivity, and member-centered service. Its priorities include growing membership, diversifying financial products, and enhancing financial literacy, with a strong emphasis on community empowerment and operational efficiency. Financially, AKAGERA SACCO KAYONZA aims to expand its deposit and loan base, manage operational costs effectively, and leverage internal savings and strategic partnerships to fill product gaps. The strategy integrates community-focused inclusion with digitally enabled operations to sustain growth and diversify services.

Strategic Orientation 1: Enhancing Financial Intermediation and Asset-Liability Management

AKAGERA SACCO KAYONZA will strengthen its role as a financial intermediary by mobilizing member savings and channeling them into productive lending activities. This will deepen the SACCO's impact on local economic development while enhancing its financial sustainability. To safeguard liquidity and optimize interest margins, the SACCO will institutionalize asset-liability management (ALM) practices. These include regular liquidity assessments, interest rate monitoring, and balance sheet optimization to protect member funds from financial shocks.

- **Specific Objective 1.1:** Revise the characteristics of existing loan and savings products and develop new offerings through a client-centric approach, ensuring that products are responsive to member needs and seasonal income patterns.
- **Specific Objective 1.2:** Institutionalize asset-liability management by integrating ALM tools into financial planning and reporting systems, enhancing risk mitigation and operational stability.

Strategic Orientation 2: Consolidating Viable Branches

To improve operational efficiency and maximize outreach, AKAGERA SACCO KAYONZA will prioritize strengthening branches that demonstrate financial viability and growth potential. Underperforming branches will be subject to restructuring, integration, or closure, based on performance metrics and strategic relevance. This consolidation strategy will reduce operational costs, improve service quality, and ensure that resources are allocated to high-impact areas.

- **Specific Objective:** Reinforce the sustainability of AKAGERA SACCO KAYONZA by capitalizing on initially viable branches and ensuring that all branches meet the prudential norms set by BNR by the end of 2027. This includes achieving minimum capital adequacy ratios, liquidity thresholds, and governance standards across the network.

Strategic Orientation 3: Strengthening Loan Portfolio Quality and Institutional Capacity

AKAGERA SACCO KAYONZA will focus on enhancing the quality of its loan portfolio by improving credit appraisal, monitoring, and collection systems. This will reduce the portfolio-at-risk (PAR) and prevent further loan losses. Special initiatives will be launched to recover previously written-off loans, supported by risk-based lending practices and digital tools that improve portfolio oversight and member engagement.

Simultaneously, the SACCO will invest in capacity-building programs for staff and governing bodies. Training will cover credit management, customer service, risk management, and digital finance, while board members will receive guidance on corporate governance, strategic oversight, and regulatory compliance. These efforts will ensure that the SACCO is equipped with the human capital needed to drive performance and accountability.

- **Specific Objective 3:** Achieve operational sustainability by the end of 2028 through improved loan performance, reduced defaults, and enhanced recovery mechanisms.

- **Specific Objective 4:** Reinforce the capacity of senior managers, staff, and board committee members to support strategic execution and compliance with prudential standards.

Strategic Orientation 4: Positioning and Branding AKAGERA SACCO KAYONZA as a Resilient and Trusted Financial Institution

To ensure long-term sustainability and competitive relevance, AKAGERA SACCO KAYONZA will pursue a dual strategy that integrates robust risk management with strategic branding and community engagement. This orientation aims to reinforce the SACCO's identity as a stable, modern, and member-focused financial institution capable of withstanding economic shocks and expanding its footprint across Kayonza District.

On the resilience front, the SACCO will strengthen its risk management framework by improving internal controls, provisioning practices, and compliance systems. This includes developing a comprehensive risk and compliance architecture aligned with BNR prudential standards and cooperative law. These measures will safeguard member assets, reduce exposure to loan defaults, and enhance institutional credibility.

Simultaneously, the SACCO will implement a comprehensive branding and communication strategy to reposition itself in the local financial ecosystem. This will involve targeted marketing initiatives, community sensitization, and partnership development to increase visibility and member engagement. The SACCO will highlight its value proposition reliability, efficiency, and inclusivity through outreach programs, digital platforms, and local events.

- **Specific Objective 5:** Develop and implement an integrated risk management and compliance architecture, alongside a marketing, communication, and partnership strategy, that collectively contribute to the operational sustainability and community appropriation of AKAGERA SACCO KAYONZA by the end of 2028.

Strategic Orientation 5: Positioning AKAGERA SACCO KAYONZA as a Resilient and Trusted Financial Institution

To ensure long-term sustainability and competitive relevance, AKAGERA SACCO KAYONZA will pursue a dual strategy that integrates robust risk management with strategic branding and community engagement. This orientation aims to reinforce the SACCO's identity as a stable, modern, and member-focused financial institution capable of withstanding economic shocks and expanding its footprint across Kayonza District.

On the resilience front, the SACCO will strengthen its risk management framework by improving internal controls, provisioning practices, and compliance systems. This includes developing a comprehensive risk and compliance architecture aligned with BNR prudential standards and cooperative law. These measures will safeguard member assets, reduce exposure to loan defaults, and enhance institutional credibility. Collaboration with regulators, apex institutions, and strategic partners will be prioritized to ensure that AKAGERA SACCO KAYONZA remains a reliable actor in Rwanda's financial ecosystem.

Simultaneously, the SACCO will implement a comprehensive branding and communication strategy to reposition itself in the district as a modern and inclusive financial institution. This will involve targeted marketing campaigns, community sensitization, and partnership development to increase visibility and member engagement. The SACCO will highlight its value proposition reliability, efficiency, and inclusivity through outreach programs, digital platforms, and local events. These efforts will foster member loyalty, attract new clients, and reinforce the SACCO's contribution to local economic development.

- **Specific Objective 6:** Develop and implement an integrated risk management and compliance architecture, alongside a marketing, communication, and partnership strategy, that collectively contribute to the operational sustainability and community appropriation of AKAGERA SACCO KAYONZA by the end of 2028.

5.4 AKAGERA SACCO KAYONZA Business Strategy

AKAGERA SACCO KAYONZA's business strategy focuses on expanding membership and market reach, targeting farmers, women, and youth to increase active members, deposits, and borrowers. It also emphasizes diversifying financial products with flexible loans, digital savings, and innovative services to meet members' varied needs and attract tech-savvy clients.

The SACCO strengthens operational efficiency and technology through upgraded IT and MIS systems, streamlining branch operations for faster, reliable service. Simultaneously, it enhances risk management and financial stability by reducing non-performing loans, increasing paid-up share capital, and managing dormant accounts, ensuring sustainable growth and long-term economic empowerment for rural communities.

Market Penetration Strategy

AKAGERA SACCO KAYONZA's market strategy prioritizes growing its customer base by reaching underserved rural populations through targeted financial literacy programs, user-friendly products, and improved service delivery. It seeks to boost member retention and attract new savers and borrowers by building on trust, accessibility, and member-centric solutions while strengthening its competitiveness through partnerships and greater district-wide visibility.

To broaden its portfolio, AKAGERA SACCO KAYONZA plans to improve both the quality and diversity of its financial products across all branches, ensuring they align with members' evolving needs while enhancing efficiency and ease of access to services. The SACCO will apply a market segmentation strategy to appeal to various groups, designing tailored solutions for women, youth, VSLAs, cooperatives, and associations. This approach will expand its outreach, deepen member engagement, and increase its overall market share.

Enhanced Outreach Strategy

AKAGERA SACCO KAYONZA's outreach strategy will focus on deepening its presence in rural communities by conducting regular financial literacy campaigns, village meetings, and school-

based sensitizations. These initiatives will raise awareness of SACCO services, build trust, and encourage new memberships, especially among farmers, women, and youth.

The SACCO will strengthen collaboration with local leaders, cooperatives, associations, Village Savings and Loan Associations (VSLAs) and community groups to expand its network and gain referrals. By leveraging existing social structures, it will enhance credibility, reduce mobilization costs, and reach underserved populations more effectively.

AKAGERA SACCO KAYONZA will adopt digital outreach tools such as SMS campaigns, social media, and mobile banking platforms to reach tech-savvy youth and remote members. This blend of community engagement and digital communication will drive membership growth and improve service accessibility.

(i) Agriculture, Livestock Financing and Sector-Specific Financial Solutions

AKAGERA SACCO KAYONZA aims to introduce tailored financial solutions that boost rural livelihoods, including post-harvest loans, crop risk protection, and contract farming credit for farmers, as well as specialized loans and insurance for livestock keepers, all designed to enhance productivity, income stability, and financial inclusion. AKAGERA SACCO KAYONZA will develop sector-focused financial products tailored to the needs of key industries such as healthcare, forestry, transport, and micro-enterprises, aiming to improve access to affordable capital for both individuals and cooperatives while driving broader economic inclusion.

It will prioritize financing for agricultural value chain activities, especially equipment for maize and rice processing, to promote local agro-processing and value addition. Through these targeted solutions, the SACCO seeks to boost rural enterprise growth, create employment opportunities, and strengthen the local economy.

(ii) Customer Growth and Product Diversification

a. Customer Growth

AKAGERA SACCO KAYONZA's customer growth strategy focuses on expanding its membership base by reaching underserved rural populations, particularly farmers, women, youth, cooperatives, and small business owners. This involves conducting financial literacy campaigns, strengthening community outreach through local leaders and cooperatives, and offering simplified onboarding processes to attract new members. By fostering trust, improving customer service, and leveraging its 12 fully computerized branches, the SACCO aims to boost active membership, increase depositors, and grow its borrowing clientele, thereby enhancing financial inclusion and community engagement.

AKAGERA SACCO KAYONZA can grow its borrowing clientele by designing flexible, sector-specific loan products that align with members' income cycles especially for farmers, youth, and small businesses while streamlining loan approval processes, offering competitive interest rates, and providing financial literacy training to build borrower confidence and creditworthiness.

b. Product Diversification

To meet the diverse and evolving needs of its members, AKAGERA SACCO KAYONZA plans to diversify its financial products beyond traditional savings and loans. This includes introducing sector-specific loan products tailored to agriculture, small trade, and youth entrepreneurship, as well as flexible savings options such as digital savings accounts and group savings schemes. The SACCO also seeks to partner with insurance providers to offer microinsurance and risk-mitigation products, ensuring members can access comprehensive financial solutions that match their income cycles and reduce their vulnerability to shocks.

c. Integrated Impact

By combining customer growth and product diversification, AKAGERA SACCO KAYONZA aims to increase its market share while improving member satisfaction and loyalty. A wider product portfolio will help attract and retain different market segments, while an expanding membership base will boost deposit mobilization and loan uptake, strengthening the SACCO's financial performance. This integrated approach positions AKAGERA SACCO KAYONZA as a competitive, member-centered institution capable of driving sustainable economic empowerment across rural communities.

Addressing the Dormant Account Challenges

AKAGERA SACCO KAYONZA will revitalize account activity by combining client re-engagement initiatives with innovative savings solutions tailored to members' diverse financial goals. This will include targeted campaigns to reactivate dormant accounts using incentives, the introduction of specialized savings products aligned with milestones like education or business growth, and loyalty programs that reward consistent savers. Additionally, the SACCO will expand digital access through mobile and online banking platforms, enabling members to conveniently manage their accounts anytime.

To strengthen saving habits, AKAGERA SACCO KAYONZA will invest in financial literacy programs and community outreach that highlight the benefits of regular saving and sound financial planning. These efforts will be delivered through workshops, village meetings, and peer learning groups to build trust and equip members with practical money management skills.

The SACCO will also partner with employers and cooperatives to facilitate automated payroll deductions, ensuring seamless contributions to savings accounts. Combined with consistent communication and localized promotional activities, these strategies will increase member engagement, encourage long-term saving behavior, and build stronger relationships between the SACCO and its clients.

Recruitment for Head Office Roles including Managing Director and Office Setup

Effective coordination between the head office and branches will be strengthened through a structured training plan in collaboration with RICEM, ensuring staff and leadership attain CMP

Certification. This will enhance operational consistency and build the capacity needed to support institutional growth. Internal training for the Board, Supervisory Committee, and loan officers will be prioritized, supported by robust internal controls, member education programs, and the recruitment of skilled senior leaders to boost performance and uphold institutional standards.

Maintenance of Good Portfolio Quality

To reduce high non-performing loans, AKAGERA SACCO KAYONZA should conduct a comprehensive loan portfolio audit to pinpoint weaknesses and implement corrective measures, while adopting a computerized loan processing system with built-in credit scoring to enhance risk assessment and decision-making. Strengthening loan monitoring through automated reminders, improving delinquency follow-up procedures, and providing continuous training for staff and the credit committee will further enhance their capacity to manage loans effectively and maintain a healthy portfolio.

Increased Outreach and Recruitment of New Clients

AKAGERA SACCO KAYONZA can expand its membership by creating a dedicated sales team focused on attracting clients through competitive interest rates, flexible loan repayment plans, and tailored financial solutions. Complementing this with educational workshops on borrowing benefits and financial literacy will address diverse member needs while building trust and informed participation. Enhancing the customer experience through high-quality service, digital banking platforms, and targeted promotional campaigns will boost engagement and satisfaction. Additionally, implementing referral programs, loyalty rewards, and leveraging digital marketing insights to reach cooperatives, associations, and village savings groups will attract new members, retain existing ones, and strengthen the SACCO's overall outreach and community impact.

Chapter 6. MARKETING PLAN OF AKAGERA SACCO KAYONZA

The marketing plan of AKAGERA SACCO KAYONZA resulting from its market analysis (chapter 5) constitutes a roadmap for AKAGERA SACCO KAYONZA which shall allow it to start from its current position on the market and achieve the objectives set in terms of customer mobilization, product development, and differentiation, services delivery development.

The market analysis shows that the marketing is weak within the 12 U-SACCOs that form AKAGERA SACCO KAYONZA however, as other financial institutions are on the market and competition increases, AKAGERA SACCO KAYONZA will inevitably move away from the supply-driven approach from U-SACCOs that have a narrow range of products and services to a wide range of products and services, towards a demand-driven and customer-oriented approach. To achieve this, AKAGERA SACCO KAYONZA will have a marketing plan presented succinctly through the following strategies: Product strategy, Pricing strategy, Promotion strategy, Place strategy and People strategy.

6.1 Product strategy

AKAGERA SACCO–KAYONZA will pursue a phased product strategy to align financial services with member needs while ensuring operational sustainability.

Phase I will retain the existing loan and savings products inherited from U-SACCOs, with revised features and tariffs as detailed in Chapter 10. These will serve as the foundation for continuity and operational stability during the transition period.

Phase II will involve a district-level market survey to assess member preferences and identify demand-driven product adjustments. Based on the findings, the SACCO will refine its existing offerings modifying terms, pricing, and delivery mechanisms to better serve farmers, youth, women, cooperatives, and informal traders.

Phase III will introduce new, inclusive financial products tailored to the evolving needs of members. These will include:

- **Children Savings Account** – to promote early financial literacy and household saving discipline
- **Term Deposit Savings Account** – offering competitive returns for medium- to long-term savers
- **Education Loan** – supporting school fees and academic expenses across all levels
- **Agriculture Loan** – designed for seasonal input financing, livestock, and post-harvest needs

This phased strategy will be continuously refined through member feedback and performance monitoring, enabling AKAGERA SACCO–KAYONZA to expand its reach, enhance member satisfaction, and attract new clients through community engagement and service innovation.

6.2 Pricing Strategy

In the development and implementation of the pricing strategy, it is considered that members join AKAGERA SACCO KAYONZA to access to affordable loan facilities and to save or invest their income. This includes competitive interest rates, longer repayment periods, flexible repayment schedules. The prices of AKAGERA SACCO KAYONZA services and products are based on the results of AKAGERA SACCO KAYONZA competitors' landscape analysis. The proposal of these new prices is detailed in AKAGERA SACCO KAYONZA competitors landscape analysis as well as in the financial projections. The application of the new tariffs within AKAGERA SACCO KAYONZA will be done in two phases as follows:

Over the business plan period of three years, AKAGERA SACCO KAYONZA will apply the same interest rates varying between 14% and 19% depending on the type of loan. The main goal is to harmonize the different approaches within branches and to ensure that AKAGERA SACCO KAYONZA applies the same pricing that ensures the financial sustainability of the SACCO. This step will allow actual and potential customers to pay the same interest rate lower than those applied currently by many U-SACCOs.

In the pricing strategy of AKAGERA SACCO KAYONZA, the reduction of tariffs will be supported by the improvement of the customer care service. This includes ensuring that members are served promptly, their queries are resolved quickly, and their needs are met. For instance, make the loan application processes simple and quicker, offer members a mobile banking platform that they can access for different applications.

6.3 Promotion strategy

The promotion strategy of AKAGERA SACCO KAYONZA will be executed through the actions categorized in the following points:

- Corporate branding,
- Provide financial literacy to members and the public,
- Establish strategic partnerships and
- take part in social responsibility programs.

Corporate branding

A corporate brand is the essence of what the institution stands for in the market: the organization's image. It will reflect who AKAGERA SACCO KAYONZA is and differentiates it from the others

in a competitive environment. The corporate branding covers several aspects including the choice of AKAGERA SACCO KAYONZA colors, logo, and slogan.

In corporate branding, some materials will be developed for AKAGERA SACCO KAYONZA. These materials include flyers and billboards. Currently, some U-SACCOs in Kayonza DISTRICT have attempted to develop their own logos and even slogans. These logos and slogans specific to certain U-SACCOs must be phased out and replaced by a new logo and slogans common to its Head office and its branches. The logo as well as the slogan will be developed from the vision, mission, and values of AKAGERA SACCO KAYONZA.

The corporate branding will be supported by communication and public relations which will be prepared and coordinated. Indeed, communication must be uniform and coherent from the Headquarters of AKAGERA SACCO KAYONZA to the branches. AKAGERA SACCO KAYONZA will put into place its corporate communication strategy, which will depend on its products and its target market. In this communication strategy, it will be appreciated when it is necessary to use the following methods:

- Advertising on TV, radios, posters.
- Marketing campaign through door-to-door activities
- Digital marketing or online marketing which uses IT tools such as social media and web-based advertising.

The marketing department at headquarters level will play a crucial role in supporting the branches in promoting existing and new products/services.

Provide financial literacy to members and the public

One of the ways of AKAGERA SACCO KAYONZA increases its memberships is to improve member's education and awareness, especially on matters of financial literacy and investments. It will be provided to AKAGERA SACCO KAYONZA members useful information on the benefits of joining and using its services. This shall be done through various channels, whether social media, brochures, and educational workshops.

Establish strategic partnerships

AKAGERA SACCO KAYONZA shall reinforce or establish strategic partnerships with other organizations to expand its footprint and attract new members. This could include partnerships with local government, Non-Government Organizations (NGO), businesses companies, schools, and community groups. These partnerships will help AKAGERA SACCO KAYONZA to increase its visibility and build trust within the community.

AKAGERA SACCO KAYONZA will approach organizations and traders operating in Kayonza District and then recruit the employees of those organizations and the business owners as members. It will be possible also to approach them with products that address their various needs.

Take part in social responsibility programs

AKAGERA SACCO KAYONZA will implement social responsibility programs that demonstrate its commitment to the community. This could include supporting local charities, sponsoring community events, and promoting environmental sustainability. By doing so, AKAGERA SACCO KAYONZA will build trust and goodwill within the community, which can lead to increased memberships.

6.4 Place strategy

The place refers to the location where customers can purchase the product or service and how they will access it. It includes AKAGERA SACCO KAYONZA location, branches network, market coverage and levels of service. AKAGERA SACCO KAYONZA will ensure that the product is easily accessible and available at the right time and place for the right people. At the beginning, AKAGERA SACCO KAYONZA will continue to sell its product through its Headquarters and branches, but it may develop some online services.

6.5 People Strategy

Lastly but not less important, the people element is about the individuals who engage in the marketing plan implementation. Indeed, businesses and brands do not run by themselves. It must create a positive relationship between the company and its stakeholders and ensure that everyone's needs and wants are being met. At this point, AKAGERA SACCO KAYONZA Board of Directors members and all the staff will play a critical role in implementing the marketing plan. This will start with an appropriation of vision, mission, and goals throughout Board of Directors members and staff meeting and other surveys. Also, the following actions will be implemented:

Employees training and customers collaboration

AKAGERA SACCO KAYONZA will invest in employees training and development to improve the quality of its product, service delivery and customer care service. It will gather customer feedback to improve the product and address any member's issues or concerns.

Make membership on boarding processes easier.

It will be necessary to streamline AKAGERA SACCO KAYONZA membership application processes to make it easier for potential members to join. This includes simplifying the application

forms and providing online application options. This will make it more convenient for potential members to join the SACCO.

Start a referral program

AKAGERA SACCO KAYONZA will assess the establishment of a referral program to incentivize existing members to refer their friends and family to join the AKAGERA SACCO KAYONZA. This could include offering rewards, such as cash bonuses or interest rate discounts. By doing so, AKAGERA SACCO KAYONZA can tap into the power of word-of-mouth marketing and attract new members.

Chapter 7. AKAGERA SACCO KAYONZA- OPERATIONAL PLAN FOR 2026 – 2028

Considering the information collected as part of AKAGERA SACCO KAYONZA's market analysis and desk research, the following six (6) strategic objectives will be prioritized as part of the 2026 – 2028 plan:

- I. Enhancing the role of AKAGERA SACCO KAYONZA in financial intermediation and strengthening asset liability management.
- II. Consolidating AKAGERA SACCO KAYONZA's viable branches
- III. Strengthening the quality of the loan portfolio and supporting the recovery of written-off loans.
- IV. Reinforcing the capacity of employees and members of governing bodies.
- V. Position and brand AKAGERA SACCO KAYONZA as a strong, reputable, and resilient player in the local financial ecosystem.”

Establish and promote the AKAGERA SACCO KAYONZA brand as a leading financial institution in the district. Below is the breakdown of the strategic objectives into seven (7) specific objectives and thirty-eight (38) related activities that will be implemented:

Table 17: Breakdown of Strategic Objectives into Specific Objectives and Activities

Strategic Objectives to Activities	2026	2027	2028	Expected Results	Responsible
I. Enhancing the role of AKAGERA SACCO KAYONZA in financial intermediation and strengthening Asset Liability management.					
SPECIFIC OBJECTIVE 1-1: Revision of the characteristics of existing loan products and savings and develop new products (loans and saving) through a client centricity approach.					
S.1.1.1. Revise and harmonize the characteristics of current loan products (interest rate, fees, and maturity).	X			By the end of 2026, the characteristics of all loan products are harmonized throughout AKAGERA SACCO KAYONZA	MD & Head of Ops,
S.1.1.2. Identify loan products that will continue to bear security deposit and specify whether interest should be paid on such deposit.	X				MD & Head of Ops,

Strategic Objectives to Activities	2026	2027	2028	Expected Results	Responsible
S.1.1.3. Revise the loan and savings policies and procedures to consider the potential changes of characteristics and new products developed.				Updated policies and procedures to support the growth of AKAGERA SACCO KAYONZA	MD & Head of Internal Audit, Head of Credit
SPECIFIC OBJECTIVE 1-2: Institutionalization of Asset Liability management					
S.1.2.1. Attract and retain 4,094 active borrowers at end of 2028				10,747 borrowers benefit from tailored loans.	MD & Head of Ops, Head of Credit
S.1.2.2. Develop and manage a gross loan portfolio of RWF 8,980,817,125 by end of 2028				Portfolio management is strengthened at branch and headquarters level with high quality and sustainable lending.	MD & Head of Ops, Head of Credit
S.1.2.3. Mobilize RWF 11,439,739,069 deposits by end of 2028				RWF 11,439,739,069 of savings mobilized to cover the whole loan portfolio	MD & Head of Ops, Head of Credit
S.1.2.4. Implement Asset/Liability management with an objective of allocating 67% of resources (deposits mobilized + borrowing + equity) to gross loan portfolio by the end of 2028				Improved Asset/Liability management and comply with BNR regulation	MD, Asset/Liability Management Committee
S.1.2.5. Centralize the surplus of cash from branches at headquarter level for better liquidity management (financing loan portfolio and financial investment)				Daily monitoring of liquidity and smooth allocation of liquidity within all branches	MD, Head of Finance, Branch Managers

Strategic Objectives to Activities	2026	2027	2028	Expected Results	Responsible
S.1.2.6. Ensure the coverage of long terms loans by long term resources (savings, deposit, and equity				As of end of each fiscal year, long terms loans are financed by long term resources	MD, Head of Credit, Head of Finance
S.1.2.7. Identify branches with higher suspense accounts and develop action plan regularize them				The existing balance of suspense accounts are regularized and all new suspense amount recorded are cleared by the audit team	MD & Audit
II. Consolidating AKAGERA SACCO KAYONZA's viable branches.					
SPECIFIC OBJECTIVE 2: Reinforcement of the sustainability of AKAGERA SACCO KAYONZA by capitalizing on branches initially viable and to reach the prudential norms set by BNR by the end of 2027.					
S.2.1.1. Implement loan portfolio risk management strategy to maintain the PAR > 30 days and Loan write off below 2.5% and 0,7% respectively				Improved quality of the loan portfolio and income generation	MD, Head of Finance, Head of Audit, Branch Managers
S.2.1.2. Monitor loan portfolio on monthly basis with Key Performance Indicators for each branch and at Headquarters level				Key performance indicators (PAR> 30 days, write off ratio, % growth per type of loan, risk appetite per type of loan) are monitored monthly and action plan implemented as part of the risk management program.	MD, Head of Internal Audit, Head of credit, Branch Managers

Strategic Objectives to Activities	2026	2027	2028	Expected Results	Responsible
S.2.1.3. Implement recovery strategy for written off loans and apply strict write off policy embedded to the risk management system				Improved write off and recovery policy	MD, Head of Internal Audit, Head of credit, Branch Managers
III. Strengthening the quality of the loan portfolio and supporting the recovery of written-off loans.					
SPECIFIC OBJECTIVE 3: Achievement of operational sustainability of AKAGERA SACCO KAYONZA by end of 2028					
S.3.1.1. Finalize the recruitment of staff at headquarter level and branch level by end of 2026				Organizational chart filled with experienced staff at Head Office and branches level	BoD, MD, Head of Finance
S.3.1.2. Harmonize staff salaries at branch level				New HR policies available with harmonized salaries	BoD, MD, Head of Finance,
S.3.1.3. Develop and implement performance-based incentives for employees				Performance based scheme is developed and approved by the BoD	BoD, MD, Head of Finance
S.3.1.4. Develop and implement new staff induction program and ongoing training sessions on AKAGERA SACCO KAYONZA's internal policies and procedures				Induction program for newly hired available and updated periodically	MD, Head of Finance, Head of Internal Audit, Head of Operation, Head of Credit
S.3.1.5. Identify capacity building needs for staff, committees, and board members (thematic areas, policies, and procedures)				Skill and staff need assessment approved by the management team	MD, Head of Finance, Head of Internal Audit, Head of Operation, Head of Credit
S.3.1.6. Develop and implement capacity building program for board members and staff				Annual training program is available, and staff performance increased.	MD, Head of Finance

Strategic Objectives to Activities	2026	2027	2028	Expected Results	Responsible
IV. Reinforcing the capacity of employees and members of governing bodies					
SPECIFIC OBJECTIVE 4: Reinforcement of capacity of senior managers, staff, board committee, members to achieve operational sustainability by end of 2028					
S.4.1.1. Identify and implement relevant board committees (risk committee, asset and liability committee, HR committee)				Relevant committees implemented and periodic meetings institutionalized	BoD, MD
S.4.1.2. Develop and implement risk management training session for relevant staff and board members				Risk management program developed and improved capacity of staff and board members	MD, Head of Internal Audit, Head of Operation, Head of Credit
S.4.1.3. Institutionalize the three lines of defense as part of the risk management strategy (Cf. annex 1)				Increased awareness of staff regarding the three lines of defense	MD, Head of Internal Audit
S.4.1.4. Elaborate risk matrix, action plans, and responsibilities of different actors in AKAGERA SACCO KAYONZA				Risk matrix available and action plan implemented	MD, Head of Internal Audit
S.4.1.5. Centralize all procurement activities at headquarter level (office supply, equipment, all risk insurance)				Economy of scale and improved efficiency in purchasing office supply and equipment.	MD, Head of Finance, Procurement and Logistic Officer, Head of Internal Audit
V. Positioning AKAGERA SACCO KAYONZA as a resilient player in the financial ecosystem.					
SPECIFIC OBJECTIVE 5: Development of appropriate risk management and compliance architecture that contribute to the achievement of the operational sustainability by end of 2028					
S.5.1.1. Design supporting materials related to AKAGERA	X			Supporting material available and widely	MD, Communication, Head of Finance, Branch Managers

Strategic Objectives to Activities	2026	2027	2028	Expected Results	Responsible
SACCO KAYONZA vision, mission, values, and brand.				disseminated throughout the district	
S.5.1.2. Conduct staff meetings to instill the vision, mission, values, and brand of AKAGERA SACCO KAYONZA	X			Increased awareness of AKAGERA SACCO KAYONZA	MD, Communication
S.5.1.3. Harmonize institutional and marketing documents throughout the D-SACCO (logo, flyers, posters, roll up, documents for credit, loan, business card)	X			Better products awareness	MD, Communication, Head of Finance, Head of Operations, Head of Credit, Branch Managers
S.5.1.4. Elaborate and implement marketing and communication strategy through different channels (community radio, events, social media, marketing tours)				Increased awareness of AKAGERA SACCO KAYONZA activities	MD, Communication, Head of Finance, Head of Operations, Head of Credit
S.5.1.5. Develop interactive and user-friendly website for AKAGERA SACCO KAYONZA	X			Website operational with increasing traffic	MD, Communication, Head of Operations
S.5.1.6. Finalize the office layout of all branches in accordance with the new design and graphic chart	X				Board of Directors, MD, Head of Finance, Communication
S.5.1.7. Implement and disseminate client protection principles	X			Increased client's capacity and loyalty	MD, Head of Operations
VI. Branding the AKAGERA SACCO KAYONZA as a New Financial Institution in the District					

Strategic Objectives to Activities	2026	2027	2028	Expected Results	Responsible
SPECIFIC OBJECTIVE 6: Development of marketing, communication, and partnership campaign for the appropriation of the AKAGERA SACCO KAYONZA by the local population in the district					
S.6.1.1. Develop a marketing and communication strategy (branding guide, messaging, logo, materials).	X			Branding and communication plan approved and adopted.	Management Team + Board of Directors
S.6.1.2. Launch a public awareness campaign through radio, local meetings, social media, and community events.	X	X	X	Increased visibility of AKAGERA SACCO KAYONZA and improved community trust.	Marketing/Communications Officer + Branch Managers
S.6.1.3. Produce promotional materials (flyers, brochures, posters, newsletters, branded items).	X	X	X	Promotional kits distributed across the district.	Marketing/Communications Officer
S.6.1.4. Organize community sensitization meetings with local leaders, cooperatives, and youth/women associations.	X	X		Local population understands the role of the SACCO; membership base expands.	Branch Managers + Local Authorities
S.6.1.5. Develop partnerships with local businesses, cooperatives, schools, and NGOs to expand outreach.	X	X	X	Strategic partners engaged to support growth and visibility.	General Manager + Board of Directors
S.6.1.6. Launch corporate social responsibility (CSR) initiatives (financial literacy sessions, support to community events).		X	X	AKAGERA SACCO KAYONZA positioned as a trusted, community-driven financial institution.	Management Team + Staff

Strategic Objectives to Activities	2026	2027	2028	Expected Results	Responsible
S.6.1.7. Monitor and evaluate the impact of branding and communication (surveys, membership growth, customer satisfaction).	X	X	X	Increased membership by 80% and improved customer satisfaction levels.	Internal Audit/Monitoring Unit

Chapter 8. Financial Projection for 2026–2028

The financial projections for AKAGERA SACCO KAYONZA cover the fiscal years 2026 to 2028, and are based on the consolidated quarterly financial statements of the twelve U-SACCOs ending June 2025, extrapolated to December 2025 as the base year. These projections include:

- Projected Statement of Comprehensive Income
- Projected Statement of Financial Position
- Projected Statement of Changes in Equity
- Projected Statement of Cash flows

The projections are developed in full compliance with the National Bank of Rwanda’s regulatory framework for microfinance institutions, particularly regarding prudential norms such as capital adequacy, liquidity, and portfolio quality. The financial outlook reflects a robust asset structure, with income primarily derived from interest on loans extended to members. Below is a breakdown of the key factors influencing both financial and operational projections:

Outstanding Gross Portfolio by Type of Loan

The composition of the gross loan portfolio including agricultural loans, microenterprise loans, and consumer loans directly influences projected interest income and risk exposure. Agricultural loans, which form a significant portion of the portfolio, are seasonal and require tailored repayment schedules. The SACCO will monitor loan type distribution to ensure balanced growth and mitigate concentration risk.

Pricing of Loan Products

The interest rates and fee structures applied to different loan products determine revenue potential and member affordability. Loan pricing will be adjusted based on risk profiles, repayment behavior, and market benchmarks, ensuring competitiveness while maintaining profitability. Differential pricing strategies may be introduced for youth, women, and cooperative groups to promote inclusion.

Revenues to Be Generated by Type of Loan

Each loan category contributes differently to revenue. Agricultural loans generate seasonal income, while microenterprise loans offer more consistent returns. The SACCO will project income streams by loan type, factoring in expected disbursement volumes, repayment rates, and interest margins to optimize its revenue model.

Revenues Generated from Fees and Other Charges Paid When Processing Loans

In addition to interest income, the SACCO earns non-interest revenue from loan processing fees, application charges, and penalties for late payments. These fees are projected to grow in line with

loan volumes and will be reviewed periodically to ensure they remain fair, transparent, and compliant with BNR guidelines.

Revenues Generated from Deposits with Financial Institutions

The SACCO maintains liquid reserves with commercial banks and other financial institutions, generating interest income from these deposits. The projected revenue from this source depends on prevailing market interest rates and the SACCO's liquidity management strategy. Optimizing deposit placements will enhance passive income and support operational stability.

Quality of the Loan Portfolio

The portfolio quality, measured by indicators such as Portfolio at Risk (PAR) and loan recovery rates, significantly affects financial performance. The SACCO will implement enhanced credit appraisal and monitoring systems to maintain a healthy portfolio. Provisions for doubtful debts will be factored into projections to ensure realistic net income estimates.

Operating Expenses

Operating expenses including branch overheads, utilities, technology costs, and administrative expenses are projected based on historical trends and planned expansions. Cost control measures will be implemented to maintain efficiency, and budget allocations will be aligned with strategic priorities such as digitization and outreach.

Number of Depositors

The growth in depositor base is a key driver of liquidity and financial sustainability. Projections assume a steady increase in membership, supported by marketing campaigns, financial literacy programs, and product innovation. The SACCO aims to expand its depositor base across all 12 sectors, with special focus on youth and informal traders.

Average Amount by Type of Savings

The **average savings per member**, segmented by product type (e.g., voluntary savings, fixed deposits, school-fee accounts), informs liquidity forecasts and interest obligations. The SACCO will promote savings mobilization through targeted campaigns and incentives, aiming to increase average balances and deepen member engagement.

Savings to Be Mobilized

Total savings mobilization is projected to grow annually, driven by increased membership and improved product offerings. The SACCO will leverage its branch network and digital platforms to attract deposits, ensuring sufficient liquidity to support lending activities and meet regulatory requirements.

Interest Payable on Deposits

Interest expenses on member deposits are projected based on deposit volumes, product types, and prevailing interest rates. The SACCO will balance competitive rates with cost management, ensuring that interest payable does not erode net margins. Tiered interest structures may be introduced to reward long-term savers.

Changes in Paid-Up Capital

The SACCO's paid-up capital is expected to increase through new member contributions, top-ups from existing members, and recapitalization of underperforming branches. Capital growth will enhance financial stability and support compliance with BNR's capital adequacy norms. Projections include adjustments for equity restructuring post-consolidation.

Recruitment of Staff at Headquarters and Branch Level

To support operational expansion and service quality, the SACCO will recruit additional staff at both headquarters and branch level. Projections include costs for salaries, onboarding, and training. Staffing plans are aligned with strategic goals such as digital transformation, credit management, and member outreach.

Personnel Expenses

Personnel expenses, including salaries, benefits, and training costs, represent a significant portion of operating costs. These are projected to rise moderately in line with recruitment and capacity-building initiatives. The SACCO will ensure that staff productivity and service delivery justify personnel investments.

Investments in Fixed Assets at Headquarters and Branch Level

Capital investments in fixed assets such as office equipment, IT infrastructure, and branch renovations are planned to support modernization and operational efficiency. These investments will be phased and prioritized based on strategic needs, with depreciation factored into financial projections.

8.1 Assumptions for number of active borrowers

Due to a good political environment and pro financial policies and support from Rwanda government, the number of active borrowers has been steadily increasing from 2794 in 2022 to 3,263 in 2023, slightly decreasing to 2,966 in 2024, increasing again in 2025 to 3165.

From the stakeholder engagements and strategies adopted in this business plan, the consultants have projected positive active borrower increments of 6% in 2026 then 10% and 11% during 2027-2028. Indeed, the branches will receive constant support from the Head Office through the Credit

Department, the Operations Department, and the Marketing and Communication to develop the new attractive loan products coupled with branding as a marketing strategy.

Currently the ratio of active borrowers to depositors/ members is too low (3%). Thus, AKAGERA SACCO KAYONZA management shall implement strategies that will interest its members to take loans and improve this ratio. (Strategies agreed upon during the stakeholder workshop and included in this business plan)

Table 18: Number of active borrowers

Active borrowers	2024	2025	2026	2027	2028
		Actual	(Projected)	(Projected)	(Projected)
Males	2,106	2,264	2,390	2,632	2,929
Females	860	901	951	1,047	1,165
Total	2,966	3,165	3,341	3,679	4,094

8.2 Assumptions for gross loan portfolio

Gross loan portfolio from the consolidated historical financial data of 12 U-SACCOs for fiscal years 2022, 2023 and 2024 increased by 16% in 2023 from Rwf 2.31billion in 2022 to Rwf 2.67 billion in 2023.increasing by 29% in 2024 to Rwf 3.48 billion. We have projected 43% growth rate for the year ending December 2025, 29% in 2026, 19 % in the year 2027, then to 16% in 2028. The established head office will provide strong asset management and mobilize clients to take up more loans at competitive rates. In addition, with a strong credit department customer management and effective credit monitoring will enable the district SACCO manage loan performance to required BNR requirement and set internal performance goals.

Table 19: Gross Loans

Gross loan portfolio	2024	2025	2026	2027	2028
<i>AGRICULTURE LOAN</i>		1,148,555,871	1,466,824,519	1,776,098,728	1,913,091,317
<i>COMMERCIAL LOAN</i>		1,797,739,624	1,850,415,623	1,914,262,517	2,219,593,919
<i>ECONOMICR</i>		249,686,059	345,371,387	532,055,304	716,329,806
<i>GROUP LOAN</i>		49,937,212	56,646,030	64,363,989	72,645,458
<i>MORTGAGE LOAN</i>		649,183,753	1,005,212,826	1,100,427,147	1,405,928,458
<i>CONSUMER LOAN</i>		149,811,635	223,075,734	258,952,057	273,971,506
<i>EMERGENCY LOAN</i>		49,937,212	83,315,415	107,930,653	139,991,689
<i>ADVANCE SALARY</i>		99,874,424	339,846,832	379,533,027	424,653,478
<i>SOCIAL LOAN</i>		49,937,212	133,459,814	220,053,568	271,625,403
<i>EQUIPMENT LOAN</i>		299,623,271	433,717,640	512,064,381	585,096,965
<i>TRANSPORT LOAN</i>		149,811,635	307,262,667	300,514,707	348,518,788

Gross loan portfolio	2024	2025	2026	2027	2028
<i>OVERDRAFT LOAN</i>		49,937,212	51,433,473	69,206,586	93,361,670
<i>LIVESTOCK LOANS</i>		149,811,635	105,843,677	109,971,580	114,260,472
<i>TREASURY LOANS</i>		99,874,424	63,506,206	65,982,948	68,556,283
New Loan 1				134,634,798	147,543,200
New loan 2				173,546,100	185,648,712
Gross Outstanding Portfolio	3,488,421,815	4,993,721,179	6,465,931,843	7,719,598,090	8,980,817,124
Growth rate		43%	29%	19%	16%
Average loan per borrower	1,176,137	1,577,795	1,935,328	2,098,287	2,193,653

8.3 Assumptions for the quality of the loan portfolio

According to regulation No. 59/2023 of 27/03/2023 determining credit classification and provisioning rules for deposit taking microfinance institutions issued by the National Bank of Rwanda, this regulation requires management of these financial institutions ensure that there is prompt identification, monitoring plus other adequate measures of managing credit risk.

The consultant believes that AKAGERA SACCO KAYONZA management will comply with this regulatory requirement. Thus, to ensure loan quality our assumptions are;

- ✓ Loans will be classified into 3 main categories; normal, (watch, substandard, doubtful)-non –performing loans and loss.
- ✓ Normal loans make up 95% of the gross loan portfolio
- ✓ Non- Performing loans are at 5% of the gross loan portfolio
- ✓ Provision for loan loss computed as required by the regulation.

Table 20: Projected Loan Provisionen

	2025	2026	2027	2028
Current loans	4,744,035,120	6,142,635,251	7,333,618,186	8,531,776,268
Non-Performing Loans	249,686,059	323,296,592	385,979,905	449,040,856
Gross Loan	4,993,721,179	6,465,931,843	7,719,598,090	8,980,817,124
1-29 days	125,605,761	162,635,891	194,169,029	225,892,141
30-89 days	46,042,513	59,616,414	71,175,318	82,803,860
90-179 days	24,121,590	31,232,933	37,288,622	43,380,795
> 180 days	53,916,194	69,811,354	83,346,934	96,964,060

	2025	2026	2027	2028
General provision				
Normal loan (1% current loan)		61,426,353	73,336,182	85,317,763
Watch (5% of 1-29 days)		8,131,795	9,708,451	11,294,607
Sub Total		69,558,147	83,044,633	96,612,370
Specific Provisions				
Substandard (25% of 30to 89 days)		14,904,104	17,793,830	20,700,965
Doubtful (50% of 90 to 179 days)		15,616,467	18,644,311	21,690,397
Loss (100% of > 180 days)		69,811,354	83,346,934	96,964,060
Subtotal		100,331,924	119,785,075	139,355,423
General total		169,890,071	202,829,709	235,967,792

The Credit, Operations and Audit departments at Head Office level will have a crucial role to play in the management of the loan portfolio and the implementation of sound loan risk management protocols. In addition, loan portfolio monitoring will be conducted in relation to compliance with the BNR's regulatory requirements regarding the classification of loans in arrears, their provisioning, and write off recording.

8.4 Assumptions for loan pricing

From one U-SACCO to another, the interest rates applied differ but are on average in a range of 20% to 60% (20% for agriculture loan and 60% for Treasury Loan-Overdraft). For the development of the Strategic Plan of AKAGERA SACCO KAYONZA, the consultants are proposed reducing these rates to an average of 18-19% across the loan products save for overdraft facility at 36%. For these financial projections, the consultant has adopted and applied 18% as a rate for computing interest revenues generated during fiscal years 2026 to 2028. Fees and commissions on loans have been aggregated at 5% of gross loan portfolio.

Table 21: Nominal Interest Rate

Annual Percentage rate	2024	2025	2026	2027	2028
Other (Treasury Loan)	60,0%	60,0%	36,0%	36,0%	36,0%
Equipment Loan	22,0%	23,0%	18,0%	18%	18,0%

Annual Percentage rate	2024	2025	2026	2027	2028
Consumer Loan Commerce, Restaurants, Hotels	24,0%	24,0%	18%	18%	18,0%
Public Works (Construction), Buildings, Residences/Homes	23,0%	23,0%	18,0%	18,0%	18,0%
Agriculture, Livestock, Fishing	18,0%	18,0%	18,0%	18,0%	18,0%
Transport, Warehouses, Communications	24,0%	24,0%	18,0%	18%	18%
New Loan 1				18%	18%
New Loan 2				18%	18%

8.5 Assumptions for resource mobilization

a. Savings and Deposits

Members' savings (current account, savings accounts, term deposits) are the main financial resources of the 12 U-SACCOs that will form KAYONZA SACCO. As of 30th June 2025, the transformation rate of financial resources (client deposits, borrowings, and equity) into loan portfolio stood at 45%, which is far below the required threshold of 80%. The consultant has projected to having this ratio improve to 60% over the next three years to better consolidate financial intermediation by making greater use of savings to finance the loan portfolio of KAYONZA SACCO.

This will be achieved through reduction of dormant accounts, increasing number of borrowers plus new members that will be attracted to subscribe to the district SACCO. With the creation of KAYONZA SACCO, the twelve (12) branches will continue mobilizing members’ saving with support from the Marketing and Communication department at headquarter level. Joint activities between the marketing and communication department and branches will be implemented to raise awareness on the importance of savings as a mean to smoothen income fluctuation in case of distress. KAYONZA SACCO will also:

- ✓ Strengthen the partnership with the district
- ✓ Review of the pricing of savings accounts and term deposits, and
- ✓ Develop a new savings product as part of its saving mobilization strategy.
- ✓ Price loan products competitively to attract new customers.

- ✓ Loan processing time, shall be reduced drastically from 30 days (average currently) to 7 days.
- ✓ District sacco will roll out digital finance (use of mobile money)

The consultants have forecasted an average growth rate of 10% in 2026, 2027 and 2028. This is in line with the projected increase in membership.

Table 22: Number of depositors

Depositors	2025	2026	2027	2028
Current account	100,326	110,359	121,394	133,534
Children account	551	606	667	733
Term deposits	43	47	52	57
Security deposit	3,165	3,341	3,679	4,094
Grand Total	104,085	114,353	125,792	138,419
Growth rate		10%	10%	10%

Table 23: Projections of Deposits

Projection of deposits (FRW)	2025	2026	2027	2028
Current account	6,918,768,823	7,956,584,146	8,902,095,099	9,970,346,511
Children account	5,058,893	5,817,727	6,508,873	7,289,938
Term deposits	231,053,039	265,710,995	297,277,461	332,950,756
Security deposits	402,544,742	462,926,453	517,922,116	580,072,770
Total Deposit	7,557,425,497	8,691,039,322	9,723,803,549	10,890,659,975
Projected deposit growth rate		15%	12%	12%
Average deposit per client (RWF)	72,608	76,002	77,301	78,679

As shall be emphasized in the validation workshop, AKAGERA SACCO KAYONZA will carry out vigorous marketing and promotions to attract new members to the district sacco. In addition, existing members will also be engaged to actively save and take loans from the district sacco.

b) Share capital

As a deposit taking cooperative, the number of new members will impact the equity base, especially the paid-up capital. The annual new paid-up capital is projected according to additional membership with a nominal share price of Rwf 4,000 per share.

	2025 Actual	2026 (Projected)	2027 (Projected)	2028 (Projected)
Members				
Number of members	135,743	143,888	152,521	161,672
Growth rate		6%	6%	6%
New members		8,145	8,633	9,151
Shares Rwf 4,000 with @ member 1 share		32,578,320	34,533,019	36,605,000
Top up for fractional shares		84,083,808	84,083,808	84,083,808

	2025 Actual	2026 (Projected)	2027 (Projected)	2028 (Projected)
Members				
Total shares amount	1,180,886,259	116,662,128	118,616,827	120,688,808

Table 24: Table Share Capital

8.6 Summary of share assumptions

- ✓ Membership shall grow at 6% during the projected period (2026-2028)
- ✓ Existing members with full share payment will top up payment on the fractional shares that were not allocated to get full shares.
- ✓ Amount due from top-up of fractional shares to full shares for existing members' amount to Rwf 252,251,424. This amount is projected to be realized in the three years.
- ✓ Existing members that at amalgamation had made partial payment will be contacted to regularize membership and top up.
- ✓ Each of the new members will subscribe and pay for at least a share @ Rwf 4000.
- ✓ Movement in shares and other equity elements is summarized in the statement of changes in Equity.

8.7 Assumptions for the recruitment at branch and headquarters level

The tables below provide the assumptions considered for staff and salary projections at branches and Head Office levels.

Table 25: Staff Salary Projections of AKAGERA SACCO KAYONZA

	2025	2026	2027	2028
Positions				
Managing director	-	34,560,000	35,907,840	37,308,246
Heads of departments	-	73,872,000	73,872,000	73,872,000
Officers	-	163,800,000	163,800,000	170,188,200
Branch Managers	110,626,819	132,272,155	137,430,769	142,790,569
IT officers	-	35,100,000	35,100,000	36,468,900
Loan officer	70,194,139	94,789,901	129,297,205	149,606,362
MD assistant, Admin assistant,	-	22,815,000	23,704,785	24,629,272
Loan recovery, Accountants, Head cashier, Internal Auditor	95,098,027	97,192,437	100,982,942	123,436,796
Cashiers, Customer care	112,701,161	155,662,374	161,733,207	168,040,802
Planton, Cleaners,	49,401,000	43,298,601	44,987,247	46,741,749
Other staff costs, medical etc.	46,397,231	58,262,332	68,440,293	75,026,745
Total salaries & benefits	484,418,378	911,624,800	975,256,287	1,048,109,640

Assumptions Used;

- The consultant computed the mean salary for each of the existing branch positions
- The consultant then computed the mean of positive deviations from the mean value
- Added the mean to mean of the positive deviations to get the projected position salary (branch positions).
- The monthly salary figure computed is the total salary cost to the D-DACCO, includes RSSB and maternity contributions by the employer.
- The consultant has also included costs related to recruitment of head office staffs and staff capacity development
- Medical insurance cover costs as a key HR policy are also included under the staff costs.
- Staff payroll costs are remaining the same for the first three years then revised as per the human resources policy.

Table 26: Staff and Salary Projections at Head Office

Staff position	Number	Basic salary	monthly gross salary	Additional payroll cost(RSSB&Martenit y)-.053)	Total monthly cost	Annual cost
Managing director	1	2,016,000	2,880,000	181,440	3,061,440	36,737,280
Head finance and administrative	1	1,077,300	1,539,000	96,957	1,635,957	19,631,484
Head credit	1	1,077,300	1,539,000	96,957	1,635,957	19,631,484
Head operations	1	1,077,300	1,539,000	96,957	1,635,957	19,631,484
Head Risk and compliance	1	1,077,300	1,539,000	96,957	1,635,957	19,631,484
Internal auditors	2	682,500	975,000	61,425	2,072,850	24,874,200
compliance officer	1	682,500	975,000	61,425	1,036,425	12,437,100
Accountant	1	682,500	975,000	61,425	1,036,425	12,437,100
Treasurer	1	682,500	975,000	61,425	1,036,425	12,437,100
HR officer	1	630,000	900,000	56,700	956,700	11,480,400
Procurement and Logistics officer	1	630,000	900,000	56,700	956,700	11,480,400
Credit analyst	2	682,500	975,000	61,425	2,072,850	24,874,200
Credit recovery officer	2	682,500	975,000	61,425	2,072,850	24,874,200
Branch business coordinator	1	682,500	975,000	61,425	1,036,425	12,437,100
Marketing and communication	1	682,500	975,000	61,425	1,036,425	12,437,100
Lawyer	1	682,500	975,000	61,425	1,036,425	12,437,100
MD assistant	1	443,625	633,750	39,926	673,676	8,084,115
Admin asstant	1	409,500	585,000	36,855	621,855	7,462,260
IT officer	1	682,500	975,000	61,425	1,036,425	12,437,100
IT hardware officer	1	682,500	975,000	61,425	1,036,425	12,437,100
Driver	1	409,500	585,000	36,855	621,855	7,462,260
IT software officer	1	682,500	975,000	61,425	1,036,425	12,437,100
Total	25		24,339,750	1,533,404	28,982,429	347,789,151

The consultants have maintained the number of branches and outlets throughout the business planning period. The main reason is to allow the new KAYONZA SACCO to consolidate its activities and to support branches adequately. During the stakeholder workshop, Staff skills gaps within the branch staffs were noted to require enhancement if the district sacco is to achieve its mission. The consultant has provided for this cost as staff capacity development.

The projected staff requirements for AKAGERA SACCO KAYONZA are as per the table below

STAFF REQUIREMENTS	2025	2026	2027	2028
Nr of management staff	16.0	34.0	34.0	34.0
Managing director	0.0	1.0	1.0	1.0
Head finance and administration, Head credit, Head operations, Head Risk and compliance	0.0	4.0	4.0	4.0
Internal auditors, compliance officer, Accountants, Treasurers, HR officer, Procurement and Logistics officer, Credit analyst, Credit recovery officer, Branch business	4.0	14.0	14.0	14.0

STAFF REQUIREMENTS	2025	2026	2027	2028
coordinator, Marketing and communications officer, Lawyer,				
Branch Managers	12.0	12.0	12.0	12.0
IT officer, IT hardware officer, IT software officer,	0.0	3.0	3.0	3.0
Nr of non-management staff	96.0	99.6	104.2	109.2
Loan officer	12.0	12.6	17.2	19.2
MD assistant, Admin assistant, Driver,	0.0	3.0	3.0	3.0
Loan recovery, Accountants, Head cashier	17.0	17.0	17.0	20.0
Cashiers, Customer care	37.0	37.0	37.0	37.0
Planton, Cleaners, Other (specify)	30.0	30.0	30.0	30.0
Total staff	112.0	133.6	138.2	143.2

Table 27: The Projected Staff requirements for AKAGERA SACCO KAYONZA

8.8 Assumptions for the fixed assets requirements at branch and headquarters level

- ✓ Consolidated existing fixed assets (net book value) as at 30 June 2025
- ✓ Projected assets need of the head office plus assets required to enhance branch operations
- ✓ Sourced proformer invoices from suppliers of the identified assets and costed the assets
- ✓ Inventory of assets

8.9 Assumptions for the administrative and operating expenses

- ✓ Administrative and operating expenses are projected to increase due to head office set up costs and running expenses.
- ✓ We adopted Rwanda revenue Authority allowable / recommended depreciation method when computing the depreciation of assets.
- ✓ Asset needs of the head office and district sacco were analyzed and costed
- ✓ Other office running costs were costed with comparisons with data from related business entities that we were able to access.
- ✓ The summary is in the table below;

Table 28: Projected Operating Expenses

	2025	2026	2027	2028
Administrative expenses				
Taxes expenses	5,740,997	7,754,365	8,056,785	8,370,999
Security costs & money transportation by ISCO	31,857,280	36,285,442	37,700,574	39,170,897
Communications and internet	28,195,275	38,083,358	39,568,609	41,111,785
Utilities (electricity and water)	5,314,181	7,177,864	7,457,801	7,748,655
Repair and maintenance	11,845,800	16,000,122	16,624,127	17,272,468
Marketing and promotion	14,105,600	26,380,293	27,409,125	28,478,080

	2025	2026	2927	2028
Professional fees, consultants and audit fees & other external services	16,592,906	31,032,053	32,242,303	33,499,753
Governance bodies costs	8,176,533	15,291,752	15,888,130	16,507,767
Office supplies (consumables)	76,374,536	87,288,457	90,692,707	94,229,723
Other administrative expenses	126,562,509	131,498,447	136,626,886	141,955,335
Depreciation of fixed assets	80,338,049	62,325,804	108,528,304	99,380,742
Total	405,103,666	459,117,957	520,795,351	527,726,204

Table 29: Projected Statement of Comprehensive Income; 2026-2028

Year	2025	2026	2027	2028
TOTAL FINANCIAL INCOME	1,555,158,532	2,135,732,691	2,137,773,066	2,473,081,219
Interest and fee income from loan portfolio	883,172,494	1,280,241,680	1,459,166,100	1,720,310,006
Interest and fee income from investments	350,159,940	458,200,050	241,586,909	272,049,152
Other income from financial services	321,826,098	397,290,960	437,020,056	480,722,062
TOTAL FINANCIAL EXPENSES	18,119,002	12,484,096	12,245,430	12,118,835
Interest and fee expense	7,319,446	12,484,096	12,245,430	12,118,835
for Client Deposits	7,319,446	7,842,420	8,963,102	10,243,930
for Borrowed Funds		4,641,675	3,282,328	1,874,905
Other financial expenses	10,799,556			
GROSS FINANCIAL MARGIN	1,537,039,530	2,123,248,595	2,125,527,636	2,460,962,384
Net loan loss provision expenses	149,351,880	15,576,357	44,668,721	69,019,531
NET FINANCIAL MARGIN (after provisions)	1,686,391,410	2,107,672,237	2,080,858,915	2,391,942,853
Operating Expenses	889,522,044	1,370,742,757	1,496,051,638	1,575,835,844
Personnel expenses	484,418,378	911,624,800	975,256,287	1,048,109,640
Administrative expenses	405,103,666	459,117,957	520,795,351	527,726,204
NET OPERATING MARGIN	796,869,366	736,929,480	584,807,277	816,107,010
Non-operating income (non-extraordinary)	8,294,836			
Non-operating expenses	55,333,512			
PROFIT BEFORE TAX	749,830,690	736,929,480	584,807,277	816,107,010
Taxation on income and profits	209,952,593	206,340,254	163,746,038	228,509,963
NET PROFIT FOR PERIOD	539,878,097	530,589,226	421,061,240	587,597,047

- Revenue is projected to increase to Rwf 2.135 billion in 2026, 2.137 billion in 2027 and to Rwf 2.47 billion by 2028. The bulk of this revenue will be from the interest fees charged on loans to customers, projected to contribute; 60%, 68% and 70% of total revenue for the periods; 2026 to 2028 respectively.
- Operating expenses are also projected to increase by 54 % in 2026 from Rwf 889 million (2025) to Rwf 1.37 billion in 2026. This projected increase is because of new head office staffs and operational costs of the head office plus the proposed salary at branch level. In 2027 and 2028 operational costs are projected to increase slightly by 9% in 2027 because of the additional staffs that will be recruited plus changes in the market as a result of inflation.
- AKAGERA SACCO KAYONZA is projected to breakeven and be profitable in first year of operation with projected net profit of Rwf 530 million in 2026, Rwf 421 million and Rwf 587 million in 2027 and 2028 respectively.
- AKAGERA SACCO KAYONZA Management shall write to MINICOFIN requesting for Income Tax waiver to the District SACCO for a five (5) year period as provided for in the current Rwanda Tax laws.

Table 30: Projected Statement of Financial Position 2026-2028

Year	2025	2026	2027	2028
ASSETS	11,531,100,835	13,404,438,385	15,009,815,761	16,921,526,277
CURRENT ASSETS	5,683,955,221	5,957,726,472	6,375,116,926	7,110,225,328
Cash on hand, non-interest bearing deposits	653,329,119	1,522,483,189	1,554,309,670	1,585,169,142
Interest bearing deposits and investments < 1 year	4,885,155,204	4,249,706,543	4,624,600,010	5,315,617,346
Receivables	145,470,898	185,536,740	196,207,246	209,438,840
NET LOAN PORTFOLIO	4,918,774,491	6,394,806,594	7,626,962,914	8,846,104,868
Gross Loan Portfolio (principal outstanding)	4,993,721,179	6,465,931,844	7,719,598,091	8,980,817,125
(Loan loss reserves)	74,946,688	71,125,250	92,635,177	134,712,257
LONG TERM ASSETS	928,371,123	1,051,905,319	1,007,735,921	965,196,081
Investments > 1 year	305,000,000	316,895,000	329,253,905	342,094,807
Net property and equipment	623,371,123	735,010,319	678,482,016	623,101,274
EQUITY AND LIABILITIES	11,531,100,835	13,404,438,385	15,009,815,761	16,921,526,277
LIABILITIES	8,076,511,651	9,234,414,724	10,300,114,033	11,503,538,694
Client deposits	7,557,425,496	8,691,039,320	9,723,803,549	10,890,659,975
Borrowed funds	66,309,649	72,940,614	87,528,737	105,034,484
Other liabilities	452,776,506	470,434,790	488,781,747	507,844,235
EQUITY	3,454,589,185	4,170,023,661	4,709,701,728	5,417,987,584
Paid-up share capital	3,263,452,869	3,380,114,997	3,498,731,824	3,619,420,632
Capital subsidy		68,183,122	68,183,122	68,183,122
Retained earnings	191,136,316	456,430,929	666,961,549	960,760,073
Legal reserves		265,294,613	475,825,233	769,623,757

Table 31: Projected Statement of Change in Equity 2026-2028

	Share capital	Retained earnings	Legal reserves (50%)	Subsidies	Total
2028	Rwf	Rwf	Rwf	Rwf	Rwf
As at 1 January 2028	3,498,731,824	666,961,549	475,825,233	68,183,122	4,709,701,728
issued shares	120,688,808				120,688,808
Profit for the year		587,597,047			587,597,047
Transfer to legal reserve (50%)		-	293,798,524		-
As at 31 December 2028	3,619,420,632	960,760,073	769,623,757	68,183,122	5,417,987,583
2027					
As at 1 January 2027	3,380,114,997	456,430,929	265,294,613	68,183,122	4,170,023,661
issued shares	118,616,827				118,616,827

	Share capital	Retained earnings	Legal reserves (50%)	Subsidies	Total
Profit for the year		421,061,240			421,061,240
Transfer to legal reserve (50%)		- 210,530,620	210,530,620		-
As at 31 December 2027	3,498,731,824	666,961,549	475,825,233	68,183,122	4,709,701,728
2026					
As at 1 January 2026	3,263,452,869	191,136,316			3,454,589,185
issued shares	116,662,128				116,662,128
Capital enhancement				68,183,122	68,183,122
Profit / (loss) for the year		530,589,226			530,589,226
Transfer to legal reserve (50%)		- 265,294,613	265,294,613		-
As at 31 December 2026	3,380,114,997	456,430,929	265,294,613	68,183,122	4,170,023,661

- Additional share capital issued and paid up is projected to be Rwf 116,662,128 in 2026, increasing slightly to Rwf 118,616,827 in 2027 and 2028 to Rwf 120,688,808.
- AKAGERA SACCO KAYONZA will comply with the existing Cooperative Law that require 50% of net profit to taken to a non -distributable Legal reserve. We have computed this reserve and reported in the statement of changes in Equity.
- Total Equity is projected to increase from Rwf 4.17billion in 2026 to Rwf 4.7 billion in 2027 and Rwf 5.4 billion in 2028.
- The District SACCO will receive (get) subsidy amounting to Rwf 68,183,122, as enhancement for SACCO DUKIRE MURAMA whose Capital adequacy ratio (CAR) of 2% is far below the required minimum of 15%.

Table 32: Projected Statement of Cashflows 2026-2028

PROJ CASH FLOW SHEET			
Year	2026	2027	2028
Opening balance	5,538,484,324	4,249,706,543	4,624,600,010
From Operating Activities	608,491,387	574,258,264	755,997,320
Net Operating Margin (B20)	736,929,480	584,807,277	816,107,010
Depreciation of fixed assets (see Fixed Investments)	62,325,804	108,528,304	99,380,742
Net loan loss provision expenses	15,576,357	44,668,721	69,019,531
Taxation on income and profits	206,340,254	163,746,038	228,509,963
From Financing Activities (Eq & Liab)	1,126,250,907	1,345,610,770	1,510,107,970
From Liabilities	1,150,227,192	1,288,414,770	1,446,976,370
Change in borrowed funds	16,577,412	17,406,283	17,779,275
Change in savings	1,149,146,320	1,287,474,096	1,445,693,157
Change in other short- and long-term liabilities	17,658,284	18,346,957	19,062,488
From Equity	184,845,250	118,616,827	120,688,808

PROJ CASH FLOW SHEET			
Year	2026	2027	2028
Change in share capital	116,662,128	118,616,827	120,688,808
Donated equity	68,183,122		
From Asset Allocation	3,023,520,075	1,544,975,567	1,575,087,954
Change in GLP	1,491,608,460	1,276,825,042	1,288,161,485
Change in property & equipment	173,965,000	52,000,000	44,000,000
Change in client deposits in reserve	1,305,985,772	193,121,114	216,853,974
Change in long-term investments	11,895,000	12,358,905	12,840,902
Change in other assets, incl. interest receivable	40,065,842	10,670,506	13,231,594
Cash ending balance, before Auto Credit Line	4,249,706,543	4,624,600,010	5,315,617,346
Ending balance, cash and short-term deposits	4,249,706,543	4,624,600,010	5,315,617,346
Allocated to cash	1,305,985,772	1,499,106,887	1,715,960,860
Allocated to short-term deposits	2,943,720,771	3,125,493,123	3,599,656,486

Table 33: Current Prudential Key Performance Indicators -BNR

Description	Reference	Benchmark	2022	2023	2024	2025-12
Cash and cash equivalents	<i>Article 3</i>		3,429,365,582	3,851,283,043	3,943,631,505	5,538,484,324
Deposits & equivalents liabilities			3,757,037,938	4,379,720,835	4,819,818,588	7,557,425,496
Liquidity ratio		Min 30%	91.28%	87.93%	81.82%	73.29%
Fixed assets	<i>Article 16 (1)</i>		380,011,906	664,619,459	636,403,636	623,371,123
Paid-up Capital			793,713,750	836,602,254	898,699,404	950,325,668
Fixed assets ratio		Max 50%	47.88%	79.44%	70.81%	65.60%
Non-earnings assets	<i>Article 16 (2)</i>		1,227,106,059	1,835,478,050	1,499,224,311	1,422,171,140
Total assets			6,280,830,785	7,489,034,798	8,402,336,744	11,531,100,835
Non-earnings assets ratio		Max 10%	19.54%	24.51%	17.84%	12.33%
Borrowings	<i>Article 17</i>		206,159,438	123,877,707	94,134,941	66,309,649
Total assets			6,280,830,785	7,489,034,798	8,402,336,744	11,531,100,835
Limit on borrowing ratio		Max 25%	3.28%	1.65%	1.12%	0.58%
Total Equity	<i>Article 6</i>		2,010,824,609	2,393,702,439	2,937,805,781	3,454,589,185
Total Assets			6,280,830,785	7,489,034,798	8,402,336,744	11,531,100,835
Capital Adequacy ratio		Min 15%	32.02%	31.96%	34.96%	29.96%
Savings and Deposits	<i>Article 14</i>		3,757,037,938	4,379,720,835	4,819,818,588	7,557,425,496
TOTAL EQUITY			2,010,824,609	2,393,702,439	2,937,805,781	3,454,589,185
Financial Borrowings			206,159,438	123,877,707	94,134,941	66,309,649
<i>Total resources</i>			<i>5,974,021,985</i>	<i>6,897,300,981</i>	<i>7,851,759,310</i>	<i>11,078,324,329</i>
Gross Loans			2,316,319,139	2,697,003,631	3,488,421,815	4,993,721,179
Limit in aggregate loan ratio		Max 80%	38.77%	39.10%	44.43%	45.08%

Table 34: Projected Prudential Key Performance Indicators -BNR

Description	Reference	Benchmark	2026	2027	2028
Cash and cash equivalents	<i>Article 3</i>		5,772,189,732	6,178,909,680	6,900,786,488
Deposits & equivalents liabilities			8,763,979,934	9,811,332,286	10,995,694,459
Non- Performing Loans (NPL)		Max 5%	5%	5%	5%
Liquidity ratio		Min 30%	65.86%	62.98%	62.76%
Fixed assets	<i>Article 16 (1)</i>		735,010,319	678,482,016	623,101,274
Paid-up Capital			3,380,114,997	3,498,731,824	3,619,420,632
Fixed assets ratio		Max 50%	21.75%	19.39%	17.22%
Non-earnings assets	<i>Article 16 (2)</i>		2,443,030,248	2,428,998,932	2,417,709,256
Total assets			13,404,438,385	15,009,815,761	16,921,526,277
Non-earnings assets ratio		Max 10%	18.23%	16.18%	14.29%
Borrowings		<i>Article 17</i>		72,940,614	87,528,737
Total assets			13,404,438,385	15,009,815,761	16,921,526,277
Limit on borrowing ratio		Max 25%	0.54%	0.58%	0.62%
Total Equity	<i>Article 6</i>		4,170,023,661	4,709,701,728	5,417,987,584
Total Assets			13,404,438,385	15,009,815,761	16,921,526,277
Capital Adequacy ratio		Min 15%	31.11%	31.38%	32.02%
Savings and Deposits	<i>Article 14</i>		8,691,039,320	9,723,803,549	10,890,659,975
TOTAL EQUITY			4,170,023,661	4,709,701,728	5,417,987,584
Financial Borrowings			72,940,614	87,528,737	105,034,484
<i>Total resources</i>			<i>12,934,003,595</i>	<i>14,521,034,014</i>	<i>16,413,682,042</i>
Gross Loans			6,465,931,844	7,719,598,091	8,980,817,125
Limit in aggregate loan ratio		Max 80%	49.99%	53.16%	54.72%

Table 35: Kayonza SACCO Budget 2026 (Rwf)

: KAYONZA SACCO BUDGET 2026 (Rwf)															
DESCRIPTION	Q1			Q2			Q3						Q4	TOTAL	
	Budget	Actual	variance	Budget	Actual	variance	Budget	Actual	variance	Budget	Actual	variance	Budget	Actual	variance
REVENUE															
Interest and fee income from loan portfolio	320,060,420			320,060,420			320,060,420			320,060,420			1,280,241,680		
Interest and fee income from investments	114,550,013			114,550,013			114,550,013			114,550,013			458,200,050		
Other income from financial services	99,322,740			99,322,740			99,322,740			99,322,740			397,290,960		
TOTAL REVENUE	533,933,173			533,933,173			533,933,173			533,933,173			2,135,732,690		
EXPENSES															
Staff expenses -Head office															
Managing Director	8,640,000			8,640,000			8,640,000			8,640,000			34,560,000		
Senior management team (head of department)	18,468,000			18,468,000			18,468,000			18,468,000			73,872,000		
Officers at head office	40,950,000			40,950,000			40,950,000			40,950,000			163,800,000		
Branch manager	33,068,039			33,068,039			33,068,039			33,068,039			132,272,155		
IT officers	8,775,000			8,775,000			8,775,000			8,775,000			35,100,000		
Loan officer	23,697,475			23,697,475			23,697,475			23,697,475			94,789,901		
MD assistant, Admin assistant, Driver	5,703,750			5,703,750			5,703,750			5,703,750			22,815,000		
Loan recovery, Accountants, Head cashier	24,298,109			24,298,109			24,298,109			24,298,109			97,192,437		

: KAYONZA SACCO BUDGET 2026 (Rwf)															
DESCRIPTION	Q1			Q2			Q3						Q4	TOTAL	
	Cashiers, Customer care	38,915,594			38,915,594			38,915,594			38,915,594				
Planton and Cleaners	10,824,650			10,824,650			10,824,650			10,824,650					43,298,601
Other staff costs	14,565,583			14,565,583			14,565,583			14,565,583					58,262,332
Subtotal staff cost	227,906,200			227,906,200			227,906,200			227,906,200					911,624,800
Administrative expenses-															
Taxes expenses	1,938,591			1,938,591			1,938,591			1,938,591					7,754,365
Security costs & money transportation by ISCO	9,071,361			9,071,361			9,071,361			9,071,361					36,285,442
Communications and internet	9,520,840			9,520,840			9,520,840			9,520,840					38,083,358
Utilities (electricity and water)	1,794,466			1,794,466			1,794,466			1,794,466					7,177,864
Repair and maintenance	4,000,031			4,000,031			4,000,031			4,000,031					16,000,122
Marketing and promotion	6,595,073			6,595,073			6,595,073			6,595,073					26,380,293
Professional fees, consultants and audit fees & other external services	7,758,013			7,758,013			7,758,013			7,758,013					31,032,053
Governance bodies costs	3,822,938			3,822,938			3,822,938			3,822,938					15,291,752
Office supplies (consumables)	21,822,114			21,822,114			21,822,114			21,822,114					87,288,457
Other administrative expenses	32,874,612			32,874,612			32,874,612			32,874,612					131,498,447

: KAYONZA SACCO BUDGET 2026 (Rwf)																
DESCRIPTION	Q1			Q2			Q3						Q4	TOTAL		
Depreciation of fixed assets	15,581,451			15,581,451			15,581,451				15,581,451				62,325,804	
subtotal admin costs	114,779,489			114,779,489			114,779,489				114,779,489				459,117,957	
Total	342,685,689			342,685,689			342,685,689				342,685,689				1,370,742,757	
CAPITAL EXPENDITURE BUDGET 2026																
DESCRIPTION	Q1			Q2			Q3						Q4	TOTAL		
	Budget	Act ual	varia nce	Budget	Act ual	varia nce	Budget	Act ual	varia nce	Budget	Act ual	varia nce	Budget	Act ual	varia nce	
MOTOR VEICLE/CYCLE																
Moror vehicle- double cabin							55,000,000								55,000,000	
Motor cycles (14) @ Rwf 2,600,000										39,000,000					39,000,000	
Computers & IT equipment																
projector				1,200,000											1,200,000	
hp computer				18,700,000											18,700,000	
hp desktop	1,360,000														1,360,000	
Office furniture and equiment																
office desk	5,160,000														5,160,000	
office chairs	4,680,000														4,680,000	
filing cabinets	4,290,000														4,290,000	
visitor chair	1,500,000														1,500,000	
reception desk	575,000														575,000	

: KAYONZA SACCO BUDGET 2026 (Rwf)															
DESCRIPTION	Q1			Q2			Q3						Q4	TOTAL	
	conference table							850,000						850,000	
conference chairs							1,650,000						1,650,000		
machinery															
Power generators													-		
Total	17,565,000			19,900,000			57,500,000						133,965,000		

Chapter 9. CONCLUSION AND RECOMMENDATIONS

9.1 Conclusions

This Business Plan has demonstrated that a microfinance institution is viable, profitable and sustainable even after an institutional transformation that may lead to financial and operational disruptions. This is a condition for highlighting the dynamism of AKAGERA SACCO KAYONZA, mobilizing internal resources and ensuring a steady management of resources and also of these usages, in particular credits. The analysis of the market and its institutional environment has allowed a draft of financial projections that show profitability and sustainability.

This is an encouraging step towards its operational and financial profitability thus an institutional growth; it is also a strong motivating factor for both staff and organs of the institution in their involvement in all the actions planned through this plan. The purpose of producing this plan is not only to apply for the license or for funding, but it is and must also serve as a working document (operational tool), a "vade mecum" for the organs and all staff, as well as the different partners.

This is why it must be regularly revised to adapt it to the environment and situation of AKAGERA SACCO KAYONZA. It can also be used as a valuable negotiating tool for certain opportunities and support. In order to translate the ambitious content of this plan into action, AKAGERA SACCO KAYONZA needs various supports and assistance, particularly from all staff, organs, clients/members and the different partners. To this end, we make the following relevant recommendations for various stakeholders.

9.2 Staff's Recommendations

Based on the operational experience, consultations with members, and review of the SACCO's performance, the staff team proposes the following recommendations to ensure the successful implementation of the Business Plan:

Strengthen Governance and Leadership

- Provide continuous training for the Board of Directors, Supervisory Committee, and staff to enhance governance, compliance, and decision-making capacity.
- Improve communication between management and members through regular feedback channels and general assemblies.

Enhance Financial Capacity

- Mobilize additional share capital contributions from members to expand the lending base.
- Establish partnerships with commercial banks, microfinance institutions, and development partners to access lines of credit for on-lending to members.

Diversify Product Offerings

- Develop innovative products targeting youth, women, and farmers to address their specific financial needs.
- Introduce insurance-linked savings and loan products to mitigate risks related to agriculture, health, and climate change.

Accelerate Digital Transformation

- Invest in a core banking system and integrate with mobile money platforms to improve efficiency and convenience.
- Train staff in ICT, cybersecurity, and digital customer service.
- Digitize records and introduce electronic member identification systems.

Strengthen Risk Management and Compliance

- Adopt a comprehensive risk management framework with emphasis on credit, liquidity, and climate-related risks.
- Enhance loan appraisal, monitoring, and recovery procedures to reduce non-performing loans.
- Ensure strict compliance with BNR reporting requirements and internal audit controls.

Promote Member Growth and Retention

- Launch targeted membership recruitment campaigns in schools, trading centers, and cooperatives.
- Conduct financial literacy programs to encourage a stronger savings culture and responsible borrowing.
- Offer incentives to loyal and consistent savers as a way to retain existing members.

Improve Operational Efficiency

- Streamline administrative processes to reduce costs and improve service delivery.
- Strengthen staff motivation through performance-based appraisal systems, training, and career development opportunities.

Annex:

Questionnaire for environment assessment

	NYAMIRAMA	KABARONDO	MURAMA	NDEGO	GAHINI	RURAMIRA	MUKARANGE	KABARE	<i>MURUNDI</i>
1									
1.1	8 Ares		0.5		0.5,1/4	157 hk	0.25 Are	200sqm	0.5 HECTARE
1.2									
1.2.1									
1.2.1.1	Yes	yes		yes	yes	yes	yes	NO	YES
1.2.1.2	No	no		yes	no	yes	no	YES	YES
1.2.1.3	Yes	yes		yes	yes	yes	yes	NO	YES
1.2.1.4	No	no		no	no	no	no	YES	NO
1.2.1.5	No	no		no	no	yes	no	NO	NO
1.2.1.6	Yes	no	TRUE	yes	yes	no	yes	NO	YES
1.2.1.8	Yes	yes	TRUE	no	no	no	no	YES	YES
1.2.1.10	Yes	yes	TRUE	yes	yes	no	yes	NO	YES
1.2.1.9	No	no		no	no	no	no	NO	NO
1.2.1.10	No	yes		no	no	no	yes	NO	NO
1.2.1.11	No	yes		no	yes	no	yes	NO	NO
1.2.1.12	No	no		no	no	no	no	NO	NO
1.2.1.13	No	no		yes	no	no	no	NO	NO
1.2.1.14	Yes	no			yes	yes	yes	NO	YES
1.2.1.15	Yes	no		no	no	no	no	NO	YES
1.2.1.16	No	no		no	no	no	no	NO	YES
1.2.1.17	Yes	no	TRUE	no	yes	no	yes	YES	YES
1.2.1.18	No	no		no	no	no	no	NO	NO

Questionnaire for environment assessment

	NYAMIRAMA	KABARONDO	MURAMA	NDEGO	GAHINI	RURAMIRA	MUKARANGE	KABARE	<i>MURUNDI</i>
1.2.1.1 9	No	yes		no	no	no	no	NO	<i>NO</i>
1.2.1.2 0	No	no		no	no	no	no	NO	<i>YES</i>
1.2.1.2 1	No	yes		no	yes	no	yes	YES	<i>YES</i>
	No	no		yes	no			NO	
1.2.1.2 2	Yes	no		yes	yes	yes	yes	NO	<i>YES</i>
1.2.1.2 3	No	no			yes	no	no	NO	<i>YES</i>
1.2.1.2 4									
1.2.2.1	Yes	yes		yes	yes	yes	YES	YES	<i>YES</i>
1.2.2.2	Yes	yes	TRUE	yes	yes	yes	YES	YES	<i>YES</i>
1.2.2.3	Yes	no	TRUE	no	no	yes	YES	NO	<i>YES</i>
1.2.2.4	Yes	no		yes	no	no	YES	YES	<i>YES</i>
1.2.2.5	No	yes		no	no	yes	NO	YES	<i>NO</i>
1.2.2.6	Yes	yes		no	no	no	YES	NO	<i>NO</i>
1.2.2.7	Yes	yes	TRUE	yes	yes	yes	YES	YES	<i>YES</i>
1.2.2.8	No	yes		yes	no	yes	YES	YES	<i>NO</i>
1.2.2.9	No	yes		no	no	no	YES	NO	<i>NO</i>
1.2.2.1 0	No	yes		no	yes	no	NO	YES	<i>NO</i>
1.2.2.1 1	No	no		no	no	no	NO	NO	<i>NO</i>
1.2.2.1 2	Yes	yes	TRUE	yes	yes	yes	YES	YES	<i>YES</i>

Questionnaire for environment assessment

	NYAMIRAMA	KABARONDO	MURAMA	NDEGO	GAHINI	RURAMIRA	MUKARANGE	KABARE	<i>MURUNDI</i>
1.2.2.1 3	No	yes		no	no	no	NO	NO	<i>NO</i>
1.2.2.1 4	No	no		no	no	no	NO	NO	<i>NO</i>
1.2.2.1 5	No	yes	TRUE	yes	no	yes	NO	NO	<i>YES</i>
1.3									
1.3.1									
1.3.1.1	Yes	YES	TRUE	yes	yes	yes	YES	YES	<i>YES</i>
1.3.1.2	Yes	yes	TRUE	yes	yes	yes	YES	YES	<i>YES</i>
1.3.1.3	Yes	yes	TRUE	yes	yes	yes	NO	YES	<i>YES</i>
1.3.1.4	No	yes		no	yes	no	NO	NO	<i>NO</i>
1.3.1.5	Yes	yes	TRUE	yes	yes	yes	YES	NO	<i>YES</i>
1.3.1.6	No	no		no	no	no	NO	NO	<i>NO</i>
1.3.1.7	No	yes		yes	no	no	NO	NO	<i>NO</i>
1.3.1.8	No	yes		no	no	no	NO	NO	<i>NO</i>
1.3.1.1 0	No	yes	TRUE	yes	yes	no	NO	NO	<i>NO</i>
1.3.1.1 1	No	no		no	no	no	NO	NO	<i>NO</i>
1.3.1.1 2	Yes	yes		yes	no	no	NO	NO	<i>YES</i>
1.3.1.1 3	No	no		no	no	no	NO	NO	<i>YES</i>
1.3.2									
1.3.2.1	Yes	yes	TRUE	yes	yes	yes	YES	NO	<i>YES</i>
1.3.2.2	Yes	yes	TRUE	yes	yes	yes	YES	NO	<i>NO</i>
1.3.2.3	Yes	yes	TRUE	yes	yes	yes	YES	NO	<i>YES</i>

Questionnaire for environment assessment

	NYAMIRAMA	KABARONDO	MURAMA	NDEGO	GAHINI	RURAMIRA	MUKARANGE	KABARE	<i>MURUNDI</i>
1.3.2.4	No	yes		yes	yes	no	NO	YES	<i>NO</i>
1.3.2.5	Yes	yes	TRUE	yes	yes	yes	YES	YES	<i>YES</i>
1.3.2.6	No	no		no	no	no	NO	NO	<i>NO</i>
1.3.2.7	No	yes		no	no	no	NO	NO	<i>NO</i>
1.3.2.8	No	yes		no	no	no	NO	NO	<i>NO</i>
1.3.2.9	No	yes	TRUE	yes	yes	no	YES	NO	<i>NO</i>
1.3.2.10	Yes			yes	no	no	NO	YES	<i>YES</i>
1.4									
1.4.1	Yes								
1.4.1.1		yes	TRUE	yes	no	no	NO	NO	<i>YES</i>
1.4.1.2									
1.4.1.3									
1.4.1.4									
1.4.1.5									
1.4.1.6									
1.4.1.7									
1.4.2									
1.4.2.1	Yes	yes		yes	no	no	NO	NO	<i>YES</i>
1.4.2.2									
1.4.2.3									
1.4.2.4									
1.4.2.5									
1.4.2.6									
1.4.2.7									

Questionnaire for environment assessment

	NYAMIRAMA	KABARONDO	MURAMA	NDEGO	GAHINI	RURAMIRA	MUKARANGE	KABARE	<i>MURUNDI</i>
2									
2.1									
2.1.1		3	30	7	3	12	40	1	4
2.1.2	2	0	0	2	0	0	2 Hotel&5Motel	2	0
2.1.3	0	0	0	0	0	0	0	0	0
2.1.4	10	16	0	0	12	60	23	6	10
2.1.5	1	200	0	0	9	0	89	0	10
2.1.6	0	290	100	0	1	0	323	37	100
2.1.7	1	6	5	0	2	1	8	2	2
2.1.8	1	1	1	1	2	1	5	0	1
2.1.9	1	3	0	100	20	0	93	11	100
2.1.10	0	1	0	0	0	0	5	1	10
2.1.11	0	1	0	5	1	0	8	0	5
2.2									
2.2.1	0	0	0	0	0	1	0	0	0
2.2.2	1	0	0	0	1	3	4	0	4
2.2.3	0	0	0	0	0	0	0	0	0
2.2.4	1	3	0	0	1	0	9	1	8
2.2.5		1	3	0	0	0	4	0	2
2.3									
2.3.1	0	0	0	0	0	0	0	0	0
2.3.2	1	7	0	4	0	2	11	0	0
2.3.3	6	13	0	4	8	4	21	1	7
2.4									
2.4.1	0	12	0	0	0	0	11	3	1

Questionnaire for environment assessment

	NYAMIRAMA	KABARONDO	MURAMA	NDEGO	GAHINI	RURAMIRA	MUKARANGE	KABARE	<i>MURUNDI</i>
2.4.2	0	290	7	40	0	0	323	132	1551
2.4.3	0	200	1	70	0	90	0	37	10
2.5									
2.5.1	3	0	2	0	1	0	2	0	1
2.5.2	0	0	0	1	0	0	3	0	0
2.5.3	0	0	0	0	0	0	3	0	0
2.5.4	1	1	0	0	0	0	1	2	1
2.6									
2.6.1	70	1	40	500	0	0	0	0	74
2.6.2	0	1	1	5	0	0	0	0	74
2.6.3	2	30	1	7	0	0	0	1	0
2.7									
2.7.1	0	0	Itini	2	0	gasegereti	0	0	2
2.7.2	0	0	2	2	0	1 company	0	0	3
2.8							0	0	
2.8.1	0	3	0	0	0	0	0	0	1
2.8.2	0	0	0	0	0	0	2	0	0
2.8.3	0	90	50	50	120	30	97	57	50
2.8.4	0	524	20	20	104	12	55	15	0
2.8.5	0	0	0	0	0	0	12	0	0
2.8.6	1	0	0	5	0	2	7	0	1
2.8.7	0	0	0	0	1	0	5	1	1
2.8.8	0	0	0	0	2	0	0	12	5
2.8.9	0	0	0	0	0	0	3	2	4
2.9									

Questionnaire for environment assessment

	NYAMIRAMA	KABARONDO	MURAMA	NDEGO	GAHINI	RURAMIRA	MUKARANGE	KABARE	<i>MURUNDI</i>
2.9.1	0	14	0	10	4	0	20	12	15
2.9.2	0	50	20	20	7	4	47	26	50
3									
3.1	0	2	0	0	2	0	2	0	10
4									
	0	4	0	0	3	0	4	2	10
	0	8	20 (MTN Agents)	10	6	75	3	4	25
5									
5.1	0	6	0	0	0	0	6	2	15
6									
6.1	0	1	0	0	0	0	0	0	1
6.2	0	1	0	5	0	20	0	3	8
7									
7.1	0				0	0	0		
7.2	0				0	0	5		
7.3	0				0	0	0		
7.4	0				0	0	0		
7.5	0				0	0	1		
7.6	0				0	0	2		
7.7	0				0	0	29		
7.8	0				0	2	1		
7.9	0				0	0	0		
8	0				0	0	25		
	0				0	0	15		

Questionnaire for environment assessment

	NYAMIRAMA	KABARONDO	MURAMA	NDEGO	GAHINI	RURAMIRA	MUKARANGE	KABARE	<i>MURUNDI</i>
	0				5	0	12		
	0				0	0	15		
	0				0	0	0		
	0				0	0	23		
8.1	0				0	0	3		
9	0				0	0	0		
8									
8.1	0	0	0	0	0	0	1	1	<i>1</i>
8.2					2 days in week		1	2 DAYS IN A WEEK	
8.2.1	-					0	0		
8.2.2	-			yes		Wednesday/Friday/Sunday	0		<i>1 THURSDAY/BUHABWA</i>
8.2.3	Yes	yes			yes		1 Tuesday /Friday		<i>2 MONDAY&FRIDAY/KARAMBI CENTER</i>
8.2.4						0			<i>1(2MONTHS)/IGI KOMERA CYABUHABWA</i>
8.3									
8.3.1	12	17	11	20	12	8	19	15	<i>15</i>
8.3.2	200	216	150	50	100	90	231	106	<i>170</i>
9									
9.1						0	0		
9.2		yes		yes		0	YES		
9.3						0	0		
9.4						0	YES		

Questionnaire for environment assessment

	NYAMIRAMA	KABARONDO	MURAMA	NDEGO	GAHINI	RURAMIRA	MUKARANGE	KABARE	<i>MURUNDI</i>
9.5						0	YES		
9.6	Yes			yes		0	YES	YES	<i>YES</i>
9.7						0	0		
9.8						0	0		
9.9				yes		0	YES		
						0	YES		
						0	YES		
						0	YES		
			TRUE			0	YES	YES	<i>YES</i>
						0	0		
						0	YES		
							YES		<i>YES</i>
10									
10.1	yes		TRUE	yes	yes	yes	YES	YES	<i>YES</i>
10.2	-		TRUE	yes	yes	yes	YES		<i>YES</i>
10.3	-				yes	yes	YES		<i>YES</i>
10.4	-					yes	YES		<i>NO</i>
10.5	-		TRUE			no	NO		<i>YES</i>
10.6	Yes		TRUE	yes	yes	yes	YES	YES	<i>YES</i>
10.7	-		TRUE		yes	no	YES		<i>NO</i>
	-					no	NO		
	-						NO		
	-						YES		<i>YES</i>

Questionnaire for environment assessment

NYAMIRAMA	KABARONDO	MURAMA	NDEGO	GAHINI	RURAMIRA	MUKARANGE	KABARE	MURUNDI
-						YES		
-						NO		YES
						YES		

	MUKARANGE				KABARONDO						
	SACCO	BANK 1	BANK 2	BANK 3	SACCO	BANK 1	BANK 2	BANK 3	BANK 4	BANK 5	BANK 6
PRODUCT 1		DUTERIMBERE Plc	Bank of africa	GT Bank		EQUITY BANK	BANK OF KIGALI	BPR	RIM	UMUTANGUHA	UMWALIMU SACCO
Financial products and services offered	TOOLKIT	Commercial loan	Commercial Loan	Employment Loan/commercial	business loan	ASSET FINANCE LOAN	SECURED PERSONAL LOAN	OVERDRAFT LOAN	COMMERCIAL LAON	COMMERCIAL LAON	SALARY ADVANCE
Product pricing range	15%	21%	16%-21% depend on loan category	12.99%-17.95%	24% per annum	18% Per annum		15.50%	24% PER ANNUM	1.9% PER MONTH	13%-14%

	MUKARANGE				KABARONDO						
	SACCO	BANK 1	BANK 2	BANK 3	SACCO	BANK 1	BANK 2	BANK 3	BANK 4	BANK 5	BANK 6
loan term	2 YEARS				5years	6 years		1-12 MONTHS	3 MONTHS	5 YEARS	5YEARS
loan processing time	1 DAY /3MONTHS FOR NEW CLIENT WHO HAVE ACTIVE ACCOUNT	1 day /2months	one months	two weeks	14days	12-22 days		1HRS	14 DAYS	14 DAYS	1DAY
Product 2		BPR	Bank of Kigali	NCBA Bank							
Financial products and services offered	OTHER LOANS	All loan	All kind of Loan	Commercial loan	Overdraft	SALARY ADVANCE	OVERDRAFT	BUSINESS LOAN	AGRICULTURE LOAN	AGRICULTURE LOAN	OVERDRAFT LOAN
Product pricing range	24%	18%	16%-18%	18%-21%	2% per month	15.5 PER ANNUM		18%	24PER ANNUM	1.9% PER MONTH	30%
loan term	6 MONTHS				3months	3 MONTHS		5 YEARS	3 MONTHS	3 YEARS	1 MONTH
loan processing time	1 DAY /3MONTHS FOR NEW CLIENT WHO				1day	4 DAYS		2-9 DAYS	14 DAYS	14 DAYS	1 DAY

		MUKARANGE			KABARONDO							
		SACCO	BANK 1	BANK 2	BANK 3	SACCO	BANK 1	BANK 2	BANK 3	BANK 4	BANK 5	BANK 6
		HAVE ACTIVE ACCOUNT										
Product 3												
Financial products and services offered	AGRIBUSINESS					construction loan	TRADE FINANCE LOAN	MORAGAGE CONSTRUCTION LAON	PERSONAL MORGAGE /PURCHASE	YOUTH LOAN	OVER DRAFT LOAN	EMERGENCY LOAN
Product pricing range	24%					18% per year	19% per annum		18%	20% PER ANNUM	5%	14%
loan term	5 YEARS					5years	3 years		3 YEARS	5 YEARS	6MONTH	2 YEARS
loan processing time	1 DAY /3MONTHS FOR NEW CLIENT WHO HAVE ACTIVE ACCOUNT					14 days	12-22 days		3DAYS	14 DAYS	14 DAYS	1DAY
Product 4												
Financial products and services offered	COMMERCIAL LOANS					Agricultural loan	MICRO BUSINESS LOAN	HOME PURCHASE LOAN	PERSONAL MORGAGE /CONSTRUCTION	TRADE ASSISTANCE LOAN	EQUIPMENT LOAN	MOR GAGE LOAN

	MUKARANGE				KABARONDO						
	SACCO	BANK 1	BANK 2	BANK 3	SACCO	BANK 1	BANK 2	BANK 3	BANK 4	BANK 5	BANK 6
Product pricing range	24%				16%	18% per annum		14%	21% PERAN NUM	1.90%	11%
loan term	5 YEARS				5years	3 years		5 YEARS	3 MONTHS	1 YEAR S	12 YEAR S
loan processing time	1 DAY /3MONTHS FOR NEW CLIENT WHO HAVE ACTIVE ACCOUNT				14days	12-22 days		3 DAYS	7 DAYS	7 DAYS	1 DAYS
Product 5											
Financial products and services offered	MORTGAGE LOANS				EQUIPMENT LOAN	ASSET FINANCE LOAN	HOME EQUITY LOAN	SME LAON		GROUP LOAN	PROJECT LOAN
Product pricing range	24%				18%	18%		18%		1.9% PER MONTH	11%
loan term	5 YEARS				5years	6 YEARS		5 YEARS		3YEARS	5 YEAR S

	MUKARANGE				KABARONDO						
	SACCO	BANK 1	BANK 2	BANK 3	SACCO	BANK 1	BANK 2	BANK 3	BANK 4	BANK 5	BANK 6
loan processing time	1 DAY /3MONTHS FOR NEW CLIENT WHO HAVE ACTIVE ACCOUNT				14days	12-22 DAYS		3-5 DAYS		7 DAYS	
Product 6	OVERDRAFT LOANS				SALARY ADVANCE		AFFORDABLE HOUSING LOAN			MORTGAGE LAON	
Product pricing range	30%				18%		50% OF NET SALARY			1.9% PER MONTH	
loan term	6 MONTHS				3 YEARS		5 YAERS			5 YEARS	
loan processing time	1 DAY /3MONTHS FOR NEW CLIENT WHO HAVE ACTIVE ACCOUNT				14 DAYS						
Product 7											

	MUKARANGE				KABARONDO						
	SACCO	BANK 1	BANK 2	BANK 3	SACCO	BANK 1	BANK 2	BANK 3	BANK 4	BANK 5	BANK 6
Financial products and services offered	EQUIPMENT LOANS										
Product pricing range	24%										
loan term	5 YEARS										
loan processing time	1 DAY /3MONTHS FOR NEW CLIENT WHO HAVE ACTIVE ACCOUNT										
Product 8											
Financial products and services offered	SALARY ADVANCE LOAN										
Product pricing range	24%										
loan term	5 YEARS										
loan processing time	1 DAY /3MONTHS FOR										

	MUKARANGE				KABARONDO						
	SACCO	BANK 1	BANK 2	BANK 3	SACCO	BANK 1	BANK 2	BANK 3	BANK 4	BANK 5	BANK 6
	NEW CLIENT WHO HAVE ACTIVE ACCOUNT										
Product 9											
Financial products and services offered	ECONOMIC RECOVERY FUND										
Product pricing range	8%										
loan term	5 YEARS										
loan processing time	1 DAY /3MONTHS FOR NEW CLIENT WHO HAVE ACTIVE ACCOUNT										
Product 10											
Financial products and	WATER TANKS, GAZ, HOME										

	MUKARANGE				KABARONDO						
	SACCO	BANK 1	BANK 2	BANK 3	SACCO	BANK 1	BANK 2	BANK 3	BANK 4	BANK 5	BANK 6
services offered	EQUIPMENTS										
Product pricing range	24%										
loan term	1 YEAR										
loan processing time	1 DAY /3MONTHS FOR NEW CLIENT WHO HAVE ACTIVE ACCOUNT										
PRODUCT 11											
Financial products and services offered											
Product pricing range											
loan term											
Loan processing time											

Sources and References

National Regulatory and Policy Frameworks

- **Law No. 057/2024 of 20/06/2024 Governing Cooperatives in Rwanda** – Legal foundation for SACCO registration, governance, and compliance.
- **National Bank of Rwanda (BNR)** – Prudential norms, financial reporting standards, and consumer protection guidelines for microfinance institutions.
- **Rwanda Cooperative Agency (RCA)** – Oversight body for cooperative registration, audit, and governance.
- **Vision 2050** – Rwanda’s long-term development blueprint guiding financial inclusion and agro-industrial transformation.
- **National Strategy for Transformation (NST1 & NST2)** – Strategic framework for inclusive growth, infrastructure, and financial sector development.
- **Green Growth and Climate Resilience Strategy** – National climate adaptation and sustainability roadmap.
- **Nationally Determined Contributions (NDCs)** – Rwanda’s commitments under the Paris Agreement for climate resilience.

District-Level and Sectoral Data

- **Kayonza District Development Strategy (DDS)** – Local development priorities including SACCO consolidation, agro-industrial investment, and infrastructure expansion.
- **National Institute of Statistics of Rwanda (NISR)** – Demographic and socio-economic data (e.g., Kayonza population estimate of 457,156 in 2022).
- **FinScope Rwanda 2024 Survey** – National financial inclusion metrics, mobile money penetration, and SACCO usage trends.

Financial and Operational Inputs

- **Consolidated Quarterly Financial Reports of 12 U-SACCOs (June 2025)** – Base year financial data used for projections and equity restructuring.
- **BNR Microfinance Performance Reports** – Sector-wide benchmarks for capital adequacy, liquidity, and portfolio quality.
- **Core Banking Software (CBS) Implementation Reports** – Technology integration and operational efficiency assessments.

Development and Technical Partners

- **FAO, IFAD, UNDP, IUCN** – Support for climate-smart agriculture, irrigation, and cooperative strengthening.

- **MINAGRI (Ministry of Agriculture and Animal Resources)** – Sectoral programs such as Crop Intensification Program (CIP) and livestock insurance.
- **NGO-supported savings groups and financial literacy initiatives** – Community-based financial empowerment programs.