



EUROPEAN
MICROFINANCE WEEK 2013

THE FUTURE OF MICROFINANCE:
INVESTING IN INCLUSIVE GROWTH

ROLE OF SUBSIDIES

DUTERIMBERE EXPERIENCE

DUTERIMBERE-IMF, LTD

- The official launching of Duterimbere MFI, Ltd was held on March 6, 2004 and given the final approval by the National Bank of Rwanda on September 15, 2005.
- **Mission:** « To provide financial services tailored to low-income entrepreneurs, primarily women, to help them improve their socio-economic conditions. »;
- **Presence:** DUTERIMBERE MFI, LTD is operational in 114 Sectors which are being serviced by 6 branches and 17 sub branches;
- **Target Group :** Customers of Duterimbere are primarily low-income who are economically active;
- **Clients:** 62,000 and 70% of the clients women;
- **Finance :** The main activities financed by Duterimbere are categorized as follow: - trade and production (57%); agricultural (39%) and consumer loans (4%).

(K/EUR)	2009	2010	2011	2012
Total Assets	2.381	3.121	3.962	4,363
Total Liabilities	932	1,730	2.016	3,594
Total Equity	1.450	1.392	1.946	2,067
Net Loan Portfolio	1.932	2.480	3.110	3.318
Net income	161	105	144	182

BACKGROUND

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Since its launching DUTERIMBERE-MFI, LTD has received grants and technical assistances by different partners and had as **TERRAFINA** main partner. The types of grants received are:

- Training of staff and organs;
- Coaching;
- Credit funds;
- Study tours.
- etc

And today DUTERIMBERE-MFI, LTD recognizes that its rapid growth and its improvement are the fruit of AT and grants received.

IMPORTANCE OF TA FOR DUTERIMBERE

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The importance of TA can be summarized as:

- Institutional capacity building and staff;
- Gain experience from other for more professionalism;
- Understand the advantage actual need of customers;
- Enable to mitigate risks;
- New product development;
- Promotion transparency;
- Value chain finance promotion;
- Etc.

Technical assistance is very important but unfortunately most of them actually are more focused on customer protection without considering the capacity of MFI. To ensure the sector grows in a stable way, we must strengthen the internal Capacities of MFIs, promote transparency and then customer protection.

Participation au AT

- The burden-sharing is not a problem because DUTERIMBERE has already begun in this direction with Ex-Change ASBL of Belgium but the problem is when the technical Assistance cost expensive because the consultant must come from very away with exorbitant rates.
- There is one AT that we are missed in 2012 because our contribution should cover around 23,000 \$. The board of directors had refused to approve that contribution;
- That why it can be a serious problem to suspend the AT. The management of MFI is very complex and challenging that need really the continuity of TA.

SUGGESTION

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- The AT should be for sensitive domain of MFI like the strategic orientation, staff capacity, MIS, knowledge management, product development, governance capacity, internal control system;
- it is important to strengthen local technical assistance networks and have more permanent structures, able to follow the IMF in the long term



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Thanks