WOMEN GUARANTEE FUND AS STRATEGY FOR POVERTY REDUCTION
A CASE STUDY OF NATIONAL WOMEN’S COUNCIL
IN KAYONZA DISTRICT

A THESIS
PRESENTED TO THE SCHOOL OF
POSTGRADUATE STUDIES AND RESEARCH
KAMPALA INTERNATIONAL UNIVERSITY
KAMPALA, UGANDA

A RESEARCH THESIS SUBMITTED TO THE SCHOOL OF POST GRADUATE
STUDIES IN PARTIAL FULFILLMENT OF THE REQUIREMENTS FOR THE
AWARD OF A DEGREE OF MASTERS IN BUSINESS ADMINISTRATION OF
KAMPALA INTERNATIONAL UNIVERSITY

BY

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AUGUST 2010
DECLARATION

I Jackline mukesha, hereby declare that this work is a result of my own effort and has not been presented for the award in any other University.

Signature: ..................................................  Date: 4/10/2010
This dissertation entitled "Women Guarantee Fund as Strategy for Poverty Reduction
a case study of National Women's Council in Kayonza District" prepared and
submitted by MUKESHA Jackline in partial fulfillment of the requirements for the
degree of Master of Business Administration has been examined and approved by the
panel on oral examination with a grade of PASSED.

Name and Sig. of Chairman

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Name and Sig. of Panelist

Name and Sig. of Panelist

Date of Comprehensive Examination: _____________________
Grade: _____________________

Name and Sig of Director, SPGSR

Name and Sig of DVC, SPGSR

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DEDICATION

I dedicate this work to my dear husband Wycliffe MIKEKEMO who tirelessly supported me with patience and understanding throughout this course of study. I also dedicate the same work to my siblings for all the time they missed me during the time of study.
ACKNOWLEDGEMENT

I am thankful to the almighty God for seeing me all through, though life has not been a simple matter. But because his mercies are new every morning, that is why I have reached this point of submission of this work.

I am grateful to my husband for honoring my academic success, for a warding me a great sponsorship to undertake my masters.

Special and great thanks go to my supervisor Musa NYAKORA ,Ph.D. who opened my career to the world of academics. I thank him for his tireless efforts, support all through my research study. God bless him all the time.

Great thanks go to my Family members for their entire support both spiritually and financially especially Mrs. Mwimuka Flavia, my sisters and brothers who cared about my kids in my absence.

I am also grateful to all my peers whom we shared tough and easy moments with, for their support, care and concern at every point of need.
LIST OF ACRONYMS

AIDS: Acquired Immune Deficiency Syndrome

BPR: Bank Populaire du Rwanda

CEDAW: Conventional on the Elimination of all forms of Discrimination against Women

CBR: Community-Based Recovery Programme.

CCUs: Corporative Credit Unions. NGO: Non Governmental Organizations


GDP: Gross Development Product

GNP: Gross National Product

HIV: Human Immune Virus

IGAs: Income generating activities.

KWFT: Kenya Women Finance Trust.

MDGs: Millennium Development Goals.

MIGEPROF: Ministry of Gender and Family Promotion.

NBR: National Bank of Rwanda


RNC: Rwanda National Census.

RWF: Rwandan Francs

SPGS: School of Post Graduate Studies.

UNDP: United Nations Development Programs.

UN: United Nations.

WGF: Women Guarantee Fund
ABSTRACT

This report is a result of an academic research entitled the role of Women Guarantee Fund as a strategy for poverty reduction a case study National Women Council in Kayonza district. The objectives of the study were to identify the ways in which women are financed to overcome poverty, to find out the contribution of Women Guarantee fund offered to the socio-economic welfare of beneficiaries and to find out the limitations faced by the beneficiaries in accessing the credit.

To test hypothesis, purposive sampling was used to sample the population of the study. Instruments used to collect primary data included the questionnaire and interview guide while tables were used in presentation and analysis of data.

It was discovered that Women Guarantee is not known to women. The researcher found out that the fund contributed a lot the improvement of socio-economic conditions of the beneficiaries because they afforded education, employment, medical insurance, food security, improvement of living standards and empowerment. The limitations faced by the beneficiaries include among others collateral securities, high interest rates, low or no savings, low skill of business management, illiteracy and many others.

The researcher recommended among others to train and sensitize women on Women Guarantee Fund so as to make it known beneficiaries and recommended to the government to review interest rates and collateral policy to ease the poor women so as to access the loan/credit.
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CHAPTER ONE
INTRODUCTION

1.0 Overview

This chapter describes the background of the study, statement of the problem, purpose of the study, Hypothesis, objectives of the study, scope of the study and conceptual frame work.

1.1 Background of the study

The fight against women’s poverty is global and national priority, which provides funding opportunities. This is in line with both international and national commitments as transpired in key instruments including Conventional on the Elimination of all forms of Discrimination Against Women (CEDAW), the 1995 Beijing Declaration and Platforms for Action and the Millennium Development Goals (MDGs).

To translate these internal commitments into action, Rwanda Government has put in place national instruments including National constitution, vision 2020, Economic Development and Poverty Reduction Strategy (EDPRS), National Gender policy, Decentralization policy and Investment Framework. These are frameworks for planning and development of programs aimed at addressing poverty in general and women’s economic empowerment in particular. Active participation of women in economic activities is an opportunity that needs to be given the attention it deserves. In actual fact women participation in economic activities in the proportions of 56.4% against 43.6% of men of whom 57.3% are in rural areas (NISR, 1
The existence of networks or forums of women is another important factor influencing the fight against women’s poverty. As a matter of fact, international and national. Anti-poverty networks provide opportunity for synergy and partnership to fight against feminization of poverty.

After the 1994 Rwandan Genocide Poverty continues to affect majority of women as compared to men. This confirms the universal sad reality that women bear the face of poverty. Access to and controls over resources by women remain a serious challenge, which is one of the reasons underlying the economic dependence of women to men. Working conditions in number of work places need improvement to accommodate specific women’s economic needs (Migeprof, 2007).

Limited access of women to gainful employment: although women (62.7%) are more involved in economic activities than men (58.7%), women remain majority in agriculture that is less paying. Men are the vast majority in non agricultural employments which are more rewarding. The same scenario replicates among the youth whereby paid work occupies more boys (28%) than girls (17.5%). Limited technical and professional skills, paired with limited access to bank credits are some of the major factors confining women in agriculture where they receive little training and extension services, which handicap their race to international market that requires competitive production both quantitatively and qualitatively. As result of 1994 Genocide women are as the majority population as 52.3% according to Rwanda National Census (RNC: 2003). This explains that majority of women heads the families where these roles were traditionally for men. Rwanda is in the process of reconstructing, establishing stability and economic growth as business women are fully to participate in this process by fighting against poverty as it is stimulated in the Poverty Reduction Strategy Paper (PRSP: 2001).
It’s in this context that in 1998, women guarantee fund was designed to become an investment instrument for the government in the implementation of development goals by focusing on income generating activities (IGAs) undertaken by women who are often excluded from the banking system due to lack of guarantees. The resources are delivered from the development budget allocated to the ministry of Gender and Family promotion (MIGEPROF). The guarantee fund covers all income generating micro-projects by women (Individual, associations and cooperatives) whose loan is equal 5 million Rwandan Francs for Individual, 10 million Rwandan francs for women association which is the principal plus 3 years interest.

1.2 Statement of the problem

According to Elson and Rearson (1981), there is no state in the world that considers women equal to men. This may also be backed-up by the biological argument which states that men are from XY chromosomes and female from XX chromosomes. In the same case in Rwanda like in many countries, still harbor perceptions of past whereby culture consider women as weak sex. They are discriminated against in different ways and levels in economic matters. Even if they compose the majority Rwandese population, a huge number live in rural areas with less or no income at all. Most women are household heads and their livelihood depend on agricultural activities due to 1994 Tutsi genocide. Although the government of Rwanda has a number of ways of initiating constitution and laws against women discrimination ever since 1994, struggled to elevate Rwandan women to a high position in society is still a big obstacle such as (lack of educational, technical, entrepreneurial, managerial skills, poverty, decision making, and other elements of cultural prejudice against women that hinder their emancipation and equal participation). As quoted by the International women’s tribunal center
(1985) which says "without money-making skills, all about emancipation for women is legal nicety...." women therefore, need to be empowered at all levels so as to attain a personal and community development (MIGEPROF 2003).

Despite all these obstacles, however women cannot afford to sit back and relax. They endeavor to contribute in setting up small businesses to try and fight against poverty within their families. The main focus of this research is therefore, to find out how women guarantee fund can contribute to the empowerment of women that can lead to poverty reduction.

1.3 Objective of the study

1.3.1 General Objective

Generally, the objective of the research is to find out how Women guarantee fund contribute to the poverty reduction.

1.3.2 Specific Objectives.

1. To identify the ways in which women are financed to overcome poverty.
2. To find out the contribution of Women Guarantee fund offered to the socio-economic welfare of beneficiaries.
3. To find out the limitations faced by the beneficiaries in accessing the credit.

1.4 Hypothesis of the study

Ho: Women guarantee fund has no significant contribution on poverty reduction.

1.5 Scope and Area of study

The study is intended to investigate the role of Women Guarantee Fund as a poverty reduction strategy. The study will be limited to National Women’s Council in Kayonza District. It will
cover some issues related to the factors that led to the introduction of Women Guarantee Fund.

1.6 Significance of the study

The research findings will provide the National Women’s Council the empirical data as regards the nature and intensity of the role of Women Guarantee Fund as a poverty reduction strategy.

This research also will provide a scientific proposition which may enrich women with locally information on the role of Women Guarantee Fund as a poverty reduction strategy.

The researcher also will gain a lot of knowledge and experience in data collection, analysis and reporting; this knowledge and a bench mark for the researcher’s future research and consultancy ventures. In addition, this research will be carried out in partial fulfillment for the award of a degree in Business Administration.

1.7 Organization of the study

This thesis is divided of five chapters. The first chapter will deal with introduction, second chapter will be comprised of literature review, third chapter will include research methodology fourth chapter will present the findings, fifth and the last chapter will provide the conclusion and the recommendations for further research.
1.8 CONCEPTUAL FRAMEWORK

Figure 1.1 shows conceptual framework

Independent Variable. Dependent Variable

Women Guarantee Fund

- Access to credit
- Entrepreneurial skill
- Management skills
- Savings

Poverty reduction

- Empowerments, employment creation, change in assets
- Change in income and expenditure.
- Improve standards of living
- Access to basic necessity such as water, energy, housing.

Intervening variables

- Methods of training
- Credit control
- Regulatory framework
- Investment climate

Source: Researcher/Author

The conception framework shows the Independent variables (women guarantee fund) which provide various services such as access to credit, entrepreneurial skills, and savings and management skills. The quality and the way services are offered influence the conditions of the beneficiaries (dependent variables) that may include empowerment, employment creation, changes in assets, change in income and expenditure, improve standards of living, access to basic necessity such as water, energy and housing. Therefore, some intervening conditions (methods of training, credit control, investment climate and regulatory framework) may occur and interfere between independent variables and dependent variables and their relationship.
CHAPTER TWO
LITERATURE REVIEW

2.0 Overview

This chapter focuses and reviews the related literature on the role of women guarantee fund in poverty reduction, definitions of the key terms. Therefore, it reveals the literature available in the area of study carried out by different Authors and in tested reports and published documents from the area of the study. The overall purpose of the literature review is to identify gaps that the study will fill.

2.1 Identify the ways in which women are finance to overcome poverty.

a) WOMEN GUARANTEE FUND

The Guarantee Fund for Women was set up within the framework of the national strategy for the fight against poverty. The Fund was designed to become an investment instrument for the Government in the implementation of development goals by focusing on income generating activities undertaken by women who are often excluded from the banking system due to lack of guarantees and will be done down from the grassroots level. The resources are derived from the development budget allocated to the Ministry of Gender and Family Promotion (MIGEPROF). The initial provision was RWF 255 million (two hundred fifty five million of Rwanda francs) (NBR Report 2008).

The Guarantee Fund covers all income generating micro-projects by women (individual, association and cooperatives) whose loan is RWF 5 million for individuals and RWF 10 million for women’s associations. The Fund covers up to 50% of the bank risk which is the principal plus 3 years interests. This fund is being managed by NBR and it’s from here
women prepare the projects submit them to the financial institutions that have signed agreement with the ministry of Gender and Family Promotion to verify these project after that viable projects are taken to the central bank so as to be financed (Kanamugire Martin, 2004).

b) Conditions of eligibility to the Funds

The eligibility to the financing of this fund concerns medium and long-term loans for agricultural and agro-industrial (including animal husbandry) projects, which are considered bankable by participating banks and that result into easily measurable net economy of foreign reserves. This includes activities of import-substitution that are financially sustainable. Nevertheless, the priority will be given to activities of exports in case resources are deemed insufficient to cover all potential needs.

c) Processing of Credit inquiry

The inquiry that the bank participating in the management of the Fund presents at the Central Bank should prove that the project is technically feasible and financially sustainable, and is based on a convincing market research. The inquiry should include loan agreement, repayment schedule and interest rate applied.

d) How does it work?

Women individuals, women association and women cooperatives present a viable project to Bank or financial institutions that signed agreements with NBR. The bank and financial institutions undertakes its usual credit analysis including the viability of the project and the integrity of the applicant. Once the bank’s analysis is done and the project is found viable then the file is sent to BNR which will approve the project’s eligibility for the guarantee fund. If BNR approves the eligibility, then the project will benefit: -50% guarantee for an individual project (one woman), 70% guarantee for a project on an association, cooperatives of women.
Other financial conditions

AVEGA – GUARANTEE FUND

This fund is intended to help women who became widows due to the genocide.

How does it work?

Women, widows of the genocide present income generating projects to BPR for financing; BPR does its usual analysis of the loan applications; viable projects are sent to BNR which ascertains the eligibility of the projects for the guarantee fund. Selected projects are funded at a special interest rate of 12% per annum. Such loans are mostly micro-credits repaid generally in 12 months. [www.bpr.rw/spip.php?article 154](http://www.bpr.rw/spip.php?article 154)

Table 2.1 Banks and Microfinance institutions that signed agreement with NBR in provision of the women guarantee fund

<table>
<thead>
<tr>
<th>BANKS</th>
<th>MICROFINANCE INSTITUTIONS</th>
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<tr>
<td>COMMERCIAL BANK OF RWANDA</td>
<td>COOPEC COMICOKA</td>
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<tr>
<td>FINA BANK</td>
<td>AMASEZERANO COMMUNITY</td>
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<td>BANQUE POPULAIRE DU RWANDA</td>
<td>BANKING</td>
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<td>BANK OF KIGALI</td>
<td>ASEC</td>
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<td>ZIGAMA CSS</td>
<td>COOJAD</td>
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<td>UNICOOPEC JYAMBERE</td>
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<td>CAF ISONGA</td>
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2.2 Contribution of women guarantee fund on socio-economic welfare.

Women Guarantee Fund aim at improving socio-economic conditions of beneficiaries of the Guarantee Fund who are actually people without income.

According to Zeller, Lapenu and Greeley (2003), the measurement of social performance involves the investigating the structure of an organization (i.e mission, ownership, management principles, relation to and care for its staff) and its conduct in the local market, and wider community. Thus the dimension of socio-economic performance with respect to Women Guarantee Fund are summarized in the following table:
**Figure 2.1 Dimension of socio-economic performance WGF.**

<table>
<thead>
<tr>
<th>Global performance of the fund</th>
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<th>Economic issues</th>
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<td>- Outreach to the poor and extended: who are the beneficiaries?</td>
<td>- Economic and productivity</td>
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<td></td>
<td>- Adaptation of the services to the target beneficiaries.</td>
<td>- Financial management</td>
<td></td>
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<tr>
<td></td>
<td>- Empowerment</td>
<td>Profitability</td>
<td></td>
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<tr>
<td></td>
<td>- Social responsibility of the community</td>
<td>Quality and diversity of the financial services offered.</td>
<td></td>
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<tr>
<td>Outcome</td>
<td>- Employment creation for the excluded population</td>
<td>- change in income and expenditure</td>
<td></td>
</tr>
<tr>
<td></td>
<td>- Empowerment: position of individual in their family and communities</td>
<td>- change in assets and standards of living</td>
<td></td>
</tr>
<tr>
<td></td>
<td>- Health services</td>
<td>- food security</td>
<td></td>
</tr>
<tr>
<td></td>
<td>- Child education</td>
<td>- Employment creation at community level.</td>
<td></td>
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**Source:** Zeller, Lapenu and Greeley (2003)
a) Importance of credit in the development promotion

Credit is a stimulus in the production. Credit investment permits investors the means of production and consequence it increases the quality and quantity of their products. The credit provokes the consumption products and it encourages the production sector. So in few words the credit is a stimulus of the production.

We cannot ignore the role of credit in the creation of funds where credit is an instrument for creating money in large quantities and for collecting interests like counter parties in durable time which is utilized by the entrepreneurs. Credit permits exchange, stimulates the production which improves development (Nduwayo G. Isaac, 2002).

b) Economic Empowerment for rural Women in Rwanda.

- To facilitate and support the enhancement of rural women’s entrepreneurial skills
- To ensure that women’s products’ are given greater value through quality improvement of their products and skills development.
- To promote private and public sector partnership aimed at creating markets for women’s products in different sectors.
- To enhance women’s participation in different stages in the development of key export products.
- To ensure that rural women access and benefit from tourism related initiatives.
- To ensure employment creation, change in assets, change in income and expenditure.
- Improve standards of living of rural women
- Access to basic necessity such as water, energy, housing
Women comprise 54 percent of Rwanda’s population of nine million. Although there are no statistics available for women-owned businesses, the Rwandan government acknowledges that the majority of employees in both the formal and informal sectors are women. The registration effort focuses on enterprises earning a minimum daily income equivalent to US$ 20 and makes the process of registering as short and simple as possible. The costs have also been drastically reduced, from the equivalent of about US$ 600 to just US$ 43. One of the key objectives of the Rwanda Development Board, the agency tasked with the registration process, is the sensitization and mobilization of women to invest in doing business. But registration does not automatically guarantee loans for women-owned businesses. Many women in rural areas complain they still face difficulties in accessing loans under the Women’s Guarantee Fund, established last year.

2.5 THE POSITION OF A WOMEN IN SOCIETY

According to Elson and Reason, (1981). It is hard to understand fully the position of a woman without referring to the culture from which it emanates. There is no state in the world that considered woman equal to men. From time immemorial, women have been considered an inferior sex.

According to Newell, (1997). Women in Ghana have been excluded in the decision-making process affecting their lives, their families and their communities, accepting social attitude and expectations with resignation and surrender. When a man dies, a woman must mourn her dead husband for one year before remarrying. During this period, custom demands that she wears a black cloth. On the other hand, when a woman dies, the widower is subjected to no time barrier to stop him from remarrying or wearing what he likes after the funeral. This
traditional unfairness to women in Ghana is further shown in some of their sayings. In order to maintain the psychological suppression of women, the Akan (one of the languages spoken in Ghana) sayings instruct women to respect men’ counsel in all aspects of life.

According to MIGEPROF and UNDP (2000). In the traditional Rwandan society before independence, the role of women was considered albeit implicit. Women were for instance not allowed to sit and the floor in the traditional tribunal ‘Gacaca’ yet they were discreet but precious councilors. the level of management of family property before 1960 women managed household property a party from cattle, being highly valued in traditional Rwanda, were considered too precious to be entrusted to be the inferior sex.

Other studies conducted by (MIGEPROF 2002). On beliefs, attitudes and social-cultural practices related to gender, show that patriarchal nature the Rwandan society favor boys against girls. Pre-colonial, colonial, and post-colonial Rwandan society perpetuated the traditional legacy in which girls and women were given inferior roles to play and were in general subordinated to boys and men. The advent of colonial education did little to change this negative social trend. Traditional education in Rwanda prepared boys for leadership roles while the same school (Itorero) that gave them good public skills, and other values related to leadership. The girls on the other hand were trained to be good mothers and housewives and were educated to be submissive, polite, obedient and respectful.

Schooling and the advent of the economy, however, did not change much. Relations in the management household property have changed. The control of resources by men has become more frequent and women have lost of some powers. This lack of access to resources is the source of women’s poverty. They lack access to loans and other means of investments.
Despite this, however, education still looks to be the only hope for women to make a positive change in their lives. Indeed, UNICEF, (2004). quotes Koffi Annan, the secretary general for the United Nations, as saying, “study after study has taught us that there is no tool for development more effectively than the education of girls . No other policy is likely to raise economic productivity, lower infant mortality, improve nutrition and promote health including helping to prevent the spread of AIDS/HIV, etc than the policy of educating girls.”

Millet K, (1970). Observes that his speaking of femininity, Freud notes that regardless of their class, women are more concerned with personal matters their families and have little solid sense, they also lack self-confidence, fear success, risk and venture. The author further shows the conservatism of Freud’s theory in Hitler’s words: “for a woman’s world is her husband, her family, her children and her home. The man upholds the nation as the woman upholds the family. The equal rights of women are the fact that the realm of life determined for nature; she experiences the high esteem that is her due. Women and men represent quite different types of beings. Reason is dominant in men; Feelings in contrast, are more stable than reason and is the feeling, and therefore the stable element”.

According to Ncebere, (1999). Whereas the men are free to go into business, women are not as free to do so. The latter has family responsibilities that should take priority or at least cannot be ignored. In most cases, when running a business interferes with your family life, then that is not right. A mother with a young family knows that she can do business that does not take too much of her time or take her far from her home.
2.6 MECHANISMS OF EMPOWERING WOMEN IN OTHER COUNTRIES

2.6.1 Ghana: Empowering Rural Women and Alleviating Poverty.
Shea butter has been traditionally acknowledged as a women's work in Northern Ghana and an important source of livelihood. The project aims to empower rural women in Northern Ghana and alleviate poverty by developing a mechanism for sustainable business for the women.

In close partnership with JETRO, JICA and Tree of Life, the project supports local women's producers groups in Walewale and Sagnarigu to 1) improve the quality of the shea butter products; 2) provide business management skills; 3) explore new markets; and 4) provide educational trainings for women in literacy and basic math needed for business management.

The first independent association run by women, Pagsung Shea Cutter Producers and Shea Nut Pickers Association was also formed through its support.

2.6.2 Economic Empowerment of Women in Liberia.
Ongoing in a post-conflict and impoverished setting, women in Liberia play crucial roles in the process of reintegration at the family and community level; on the other hand, are excluded from access to local governance structures and formal economic opportunities. Further, women suffer from human rights violation such as sexual and gender based violence. This project aims to promote economic empowerment of women and girls by reducing their poverty and providing them with life skills, and promote social reintegration and reconciliation at community level. It is implemented in close collaboration with an on-going post conflict project "Community-Based Recovery Programme (CBR)".

In partnership with the Ministry of Gender and Development, NGO Secretariat, District Development Communities and Women's groups, the project is being implemented in two
counties of Bong and Nimba through Corporative Credit Unions (CCUs) formed by women at the community level. Training workshops are organized for CCU management committees and women beneficiaries to build capacities of business management and skills. Women and girls who do not have basic literacy skills also receive basic life skills trainings. Those who successfully completed the trainings receive micro credit loans to start economic activities. The project also supports rehabilitation into their local communities by conducting psychosocial counseling of victims of conflict, particularly women and girls who suffered from human rights violation. This is particularly important in order to promote community reintegration and reconciliation in the post-conflict areas.

Skill Trainings/Micro Credit Loan: Training workshops on business management skills were organized for CCU management committee and 10 women's groups. All women members of CCUs in 7 districts of the above two counties were provided with micro credit loans after successfully completed their trainings. With the seed money, women who acquired new skills choose their own activities and develop microenterprises, farms and/or micro credit facilities. As such, they become economically independent, building a better community environment for other women to develop their own independency.

2.6.3 Successful loan in Kenya.

In Kenya, the UN Development Programme (UNDP) has partnered with Equity Bank to set up a fund to provide $81m in loans exclusively to women. “We call the loans fanikisha [“make successful”] and it has been one of our most successful products yet,” Equity Bank Chief Executive Officer James Mwangi told Africa Renewal. “Fifty-four per cent of the customers at our bank are women, and they have the best loan-repayment reputation.”
In Kenya, 61 per cent of household entrepreneurs are women, but two decades ago getting the necessary financing to expand businesses was difficult for them. In 1981, a group of women came together and formed the Kenya Women Finance Trust (KWFT). Initially, KWFT relied on limited donor funds and loans from commercial banks. The latter often came with high interest rates, a cost KWFT had to pass on to its clients. According to KWFT’s chief executive, Jennifer Riria, the trust faced many defaults and became heavily indebted.

But as commercial banks have realized that lending to women can be profitable, loans to organizations like KWFT have become cheaper, enabling it to lend at lower rates and expand its reach. Today, it is the largest microfinance institution for women in East and Central Africa.

2.7 POVERTY

What should be clear is that, there is no single universally accepted definition of poverty. The concept of poverty is a relative phenomenon. Its experience and effects are unique for each individual, household and community and that no experiences it in the same way. However, one can understand that definitions of poverty are almost similar.

Jhingan,(1998). Defines poverty in the following words, “in low developed countries poverty is abysmal. It is a human condition: it is despair (feeling of no hope and even no way of improving), grief and pain. He stresses that poverty is the longing of a young boy outside a village school but unable to enter because his parent lack a few cash needed to buy a text book. Poverty is grief of parents watching a three year old child die of a routine disease they cannot afford any medical care.
Hussan, (1986). States that "poverty is not only distressing but also demoralizing. A poor man is not only a disgrace to society but also a case of humiliation to the person himself. World Bank has defined poverty as un acceptable human deprivation in terms of economic opportunities, education health and nutrition, as well as lack of empowerment and security. In low developed countries, poverty is largely a rural phenomenon where groups that are most affected by poverty are women-headed households, child-headed households, unemployed, unskilled, casual laborers, the elderly and the disabled. Urban poverty is also increasing as large numbers of people migrate from village to urban areas in search of opportunities. (world Bank,1995).

While Urayeneza T. and Gatera F, (1999). Defined poverty as "lack of or inaccessibility to resources that allow satisfying basic needs of human development. Those needs can be spiritual materials, social, political or ecological. By basic needs we mean food, shelter, medical care, clothes and education in their use that contribute to the human welfare. Indicators of this welfare are: life expectancy, health, access to social services, housing, revenue and patrimony.

Major causes of poverty identified by ubudehe survey were lack of land, poor soils, unpredictable weather, lack of livestock, ignorance, inadequate infrastructure, inadequate technology, sickness, polygamy, and lack of access to water, Ignorance population pressure and others (minecofin 2007).
2.7.1 The concept of poverty in developing countries

Large sections of the population in developing countries are poor in more ways than one. Their economies are fragile, they have agricultural based industries that are not mechanized, or driven by technology in any great extent. Most of the countries are struggling with the inflation and the balance of payments problems. When resources are in short supply people become restive. There is real possibility of social dislocation and rising crime, making governance difficult and threatening freedom and democracy.

Poverty can be reduced in this regard, by multinationals loans by the IFIs, development assistance, and international private flows of goods and capital (Hettne and Oden 2000). But more so, they stressed that to escape poverty depends critically on the availability and type of opportunities that are accessibility to the poor: available social services, include educational policies that make easy access to high-technology jobs, high-skill economic sectors, safety nets, access to credit for micro-entrepreneurs to help the poor take up new opportunities in the private sector.

2.7.2 Measurement of poverty.
Finding a suitable measure, which captures the depth and breadth of poverty at national and individual level, is a difficult challenge. There difficulties with each of the following commonly used methods. Collecting data is difficult and costly and definition may vary greatly and comparisons between countries may not be reliable. (Rwanda Development Indicators August 2003).

The most common way of measuring a country's wealth or poverty is GDP OR GNP per capita. Gross Domestic Product (GDP) measures the value of goods and services that a country produces while Gross National Product (GNP) measures the value of goods and services
produced by assets that a country and its citizens own, even if the production takes place elsewhere. So GDP/GNP tell us how much income a country has in total, but it does not work perfectly as a measure of poverty of poverty and wealth. It measures the cost which may not impact on household level, and it fails to consider such costs as unpaid labor and environmental damage. Income per person, however, gives no indication of actual distribution of the income within a nation. Few people may be extremely rich while the majority may be poor.

Also international comparison require conversions into a common currency usually US$ using the average exchange rate by international monetary fund. This may produce inaccurate results and does not take proper account of how prices vary between countries. Sometimes GDP/GNP figures are adjusted to take account of price differences. This is known as purchasing price party (PPP). However it difficult to measure accurately the difference between countries or communities where consumption patterns are very different.

A country’s total GDP/GNP is often divided by the population to give an indication of the average. The figure also does not measure how well-off people are in terms of their human development or standards of living. Subsistence farmers may be to provide most of their own needs even though they contribute only small amount to the GDP/GNP.

Another way to measure poverty is by the percentage of the population whose income or consumption falls below a certain line and such level is called poverty line. The figure of $1 was chosen because it is typical of the poverty lines in low income countries; but it is much lower than the poverty lines found in middle or high-income countries.(Rwanda Human Development Report 2007/2008)
CHAPTER THREE: METHODOLOGY

RESEARCH METHODOLOGY

3.1 Overview

This chapter outlines the methods the researcher used to obtain the required data to achieve the stated objectives. It focuses on the research design, sampling design, study area, research procedures used in the study. It states data collection instruments and data analysis techniques as well as limitations that the researcher encountered while conducting the research.

3.2 Study population

Grinnell, Williams, (1990; 118). Defined population as the totality of persons or objects with which a study is concerned. The study population under study was 140 which was comprised of the Beneficiaries, staff of Kayonza District, and the Bank populaire du Kayonza. Kayonza district counts 60 employees and 70 active women beneficiaries with more than 1 year in transactions with Banque populaire du Kayonza Branch while staff of Bank de Kayonza is 10.
3.3 Sampling design

Due to the nature of the study, purposive sampling or judgmental sampling regarded as the use of common sense regarding the participants from whom the information will be collected (Amin, M.E. 2005) was used to identify and select staff members of both Kayonza district, Beneficiaries and the Bank populaire de Kayonza branch. It’s in this way that only staffs of Kayonza district, Bank populaire de Kayonza branch and the beneficiaries were with more than 1 year working with this Bank were only considered as respondents.

3.4 Sample size

Three staffs of Kayonza district include the coordinator of National Women’s Council Kayonza district, Vice Mayor in charge of Economic planning and the Vice Mayor in charge of social affairs. Among 10 employees of Bank populaire de Kayonza, only 3 staffs were considered. Total women beneficiaries of Bank populaire de Kayonza with more than 1 year were 70. The sample size can be illustrated in the table below.
Table 3.1 shows Sample Size

<table>
<thead>
<tr>
<th>Respondents</th>
<th>Population</th>
<th>Sampled Respondents</th>
</tr>
</thead>
<tbody>
<tr>
<td>Staff of Kayonza District</td>
<td>60</td>
<td>3</td>
</tr>
<tr>
<td>Beneficiaries</td>
<td>70</td>
<td>70</td>
</tr>
<tr>
<td>Bank Populaire de Kayonza</td>
<td>10</td>
<td>3</td>
</tr>
<tr>
<td><strong>TOTAL</strong></td>
<td><strong>140</strong></td>
<td><strong>76</strong></td>
</tr>
</tbody>
</table>

*Source*: Primary Data

The researcher interviewed 6 staffs (3 from Kayonza district and 3 from Bank populaire de Kayonza) and prepared 70 questionnaires to the beneficiaries and among whom 50 completed and returned questionnaires. The response rate of returned questionnaires was 74% and was considered by the researcher enough in attainment of the objectives of the study.

### 3.5 Research Design

Maicibi, (2007). Said that research design tries to discover a unique feature and common traits shared by members of the group or classification. The researcher will use qualitative research to avoid inconsistency and insufficient information with other associated weaknesses. This is
where by primary data were from staff of Bank populaire du Kayonza, Beneficiaries and the staff of Kayonza district. It was obtained through the use of questionnaires supplemented by interviews and other observation. Secondary data was obtained from records of Kayonza district, Bank populaire de Kayonza and other relevant documents.

3.6 Data collection Instruments

The researcher used questionnaires, observations and interviews through which primary data was obtained. Documentary reviews were also important for obtaining recorded information from various sources.

3.7 Procedure

A research problem was presented to the department of Business in school of post Graduate studies (SPGS) in form of topic before embarking on research proposal that was submitted thereafter to the supervisor. The deputy director of SPGS availed a letter of introduction as legitimacy to conduct research in the identified field. The letter helped the researcher to introduce herself wherever she would enter for research purposes.

According to the appointments of the respondents, the questionnaires were distributed and interviews scheduled. Documentary data were collected from libraries, Kayonza district, Bank Populaire du Rwanda Kayonza Branch and internets were important sources.

3.8 Data Processing and Analysis Techniques

After data collection using different instruments described above, the researcher concentrated on data analysis. Data analysis was done in a logical way following the research objectives. It’s in this way that, literature review and data collected were discussed in compliance with the research objectives. The data collected were processed and edited concurrently in order to
transform raw data into ways that facilitated the appropriate conclusions; coding frames, editing tabulations and graphics were included where necessary.

3.9 Limitations of the study

- Although the researcher had an introductory letter, the Administration of Kayonza district and Bank populaire de Kayonza Branch were hesitated to give the researcher full access to all requested documents and reports. This led the researcher to the hard conditions of accessing the information hence delaying.

- The researcher met another change where by 20 people of the population did not respond to the questionnaire and this hindered the researcher from getting sufficient data hence delaying.

3.10 Summary

This chapter was comprised of the research methodology used in conducting this research. It focused on the research design, sample size study area, research procedure used along with the study. Methods of data collection, data processing and instruments were discussed.
CHAPTER FOUR

PRESENTATION AND ANALYSIS OF THE FINDINGS

4.0 overview

Chapter four deals with the systematic presentation and the analysis of the study findings. Note that the aim of the study was to find the role of women guarantee fund in the poverty reduction as a strategy. Using a case study of National Women’s Council in Kayonza District. The presentation and the analysis of the study findings is in accordance with the objectives set in chapter one. The identification of ways in which women are financed to overcome poverty, is followed by the evaluation of the performance of women guarantee fund and lastly, to measure the impacts of women guarantee fund in poverty reduction.

Table 4.1 shows ways in which women are financed to overcome poverty.

<table>
<thead>
<tr>
<th>Ways</th>
<th>Sample</th>
<th>Respondents</th>
<th>Percentage %</th>
</tr>
</thead>
<tbody>
<tr>
<td>Women Guarantee Fund</td>
<td>76</td>
<td>25</td>
<td>33</td>
</tr>
<tr>
<td>Credit fund</td>
<td>76</td>
<td>0</td>
<td>0</td>
</tr>
<tr>
<td>One cow</td>
<td>76</td>
<td>20</td>
<td>26</td>
</tr>
<tr>
<td>Micro Project</td>
<td>76</td>
<td>15</td>
<td>20</td>
</tr>
<tr>
<td>Agricultural guarantee fund</td>
<td>76</td>
<td>16</td>
<td>21</td>
</tr>
</tbody>
</table>

Source: Primary data.
The table 4.1 shows that a sample of 76 clients, 33% of women has access to women guarantee fund while 0% of women access credit fund and 20% use micro projects. This shows that women do not have confidence to utilize their chances and this is due to the reason that many of them lack skills. There is also other means of financing women like one cow which has 26% where by poor women got a cow and this cow would help them to fight malnutrition, to get manure, school fees of their children and many others. Lastly there is agricultural guarantee fund 21% whereby people carrying out cultivation are given a guarantee which could help them to acquire credit from banks and micro finance institutions and it is in this way that even women cultivators may be financed.

4.1 Types of Business financed by Bank Populaire du Rwanda Kayonza Branch

The information collected from the manager and the credit controller revealed that business presented by clients when applying for a credit/loan is in two categories: commerce, agriculture.

Table 4.2 shows the business financed by Bank populaire du Rwanda Kayonza branch

<table>
<thead>
<tr>
<th>Area of Investment</th>
<th>No. Owner</th>
<th>Percentage%</th>
</tr>
</thead>
<tbody>
<tr>
<td>Agriculture</td>
<td>55</td>
<td>72</td>
</tr>
<tr>
<td>Business</td>
<td>21</td>
<td>28</td>
</tr>
<tr>
<td>Total</td>
<td>76</td>
<td>100</td>
</tr>
</tbody>
</table>

Source: Primary data.
Table 4.1 shows that women inject their credits most especially in the Agriculture as 72% and this is due to the reasons that most of them are experienced in agricultural activities so they see agriculture as an easy activity compared to other activities. While 28% shows that women engage in business. As you can see, women invest in business at a lower rate only because they lack skills of business.

**Table 4.3 level of satisfaction with women guarantee fund**

<table>
<thead>
<tr>
<th>Satisfaction</th>
<th>Frequency</th>
<th>Percentage</th>
</tr>
</thead>
<tbody>
<tr>
<td>High satisfaction</td>
<td>26</td>
<td>34</td>
</tr>
<tr>
<td>Medium satisfaction</td>
<td>20</td>
<td>26</td>
</tr>
<tr>
<td>Low satisfaction</td>
<td>12</td>
<td>16</td>
</tr>
<tr>
<td>Dissatisfaction</td>
<td>18</td>
<td>24</td>
</tr>
<tr>
<td>Total</td>
<td>76</td>
<td>100</td>
</tr>
</tbody>
</table>

*Source: Primary data*

This table shows the level of satisfaction of clients of Bank Populaire du Rwanda Kayonza branch on women Guarantee Fund. 34% expressed a high satisfaction, 26% shows a medium satisfaction while 16% had a low satisfaction and 24% were totally dissatisfied. It has been noticed that with high and medium satisfaction is made of those who are already from credits.
National Women Council should make sure that those with low satisfaction and dissatisfaction are sensitized and trained so as they may access the credit basing on the Women Guarantee Fund.

4.2.1 Income Growth

According to FIDA (2006), to understand the process by which socio-economic objectives are achieved the researcher need to enquire the business expands or income increases or if skills develop.

Table 4.5 shows the income growth per month

<table>
<thead>
<tr>
<th>Income range (RWF)</th>
<th>Before joining BPK</th>
<th>After joining BPK</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Frequency</td>
<td>Percentage</td>
</tr>
<tr>
<td>0-30,000</td>
<td>14</td>
<td>18</td>
</tr>
<tr>
<td>30,000-60,000</td>
<td>26</td>
<td>34</td>
</tr>
<tr>
<td>60,000-90,000</td>
<td>10</td>
<td>13</td>
</tr>
<tr>
<td>90,000-120,000</td>
<td>15</td>
<td>20</td>
</tr>
<tr>
<td>120,000 and over</td>
<td>11</td>
<td>15</td>
</tr>
<tr>
<td>Total</td>
<td>76</td>
<td>100</td>
</tr>
</tbody>
</table>

Source: Primary data

This shows a significant improvement of income of beneficiaries of Women Guarantee fund after joining the Bank. The percentage of people with monthly income range from 0-30,000 has decreased from 18% before joining Bank Populaire de Rwanda Kayonza branch to 19%
after joining the same bank. The percentage of people with monthly income range from 30,000-60,000 has kept the pace as 34% before joining Bank populaire du Rwanda kayonza branch same as 38% after joining bank populaire du Rwanda Kayonza branch, the percentage of people with monthly income range from 60,000-90,000 has increased from 13% to 14% after joining the bank. The percentage of people with monthly income range from 90,000-120,000 has decreased from 20% to 16% after joining bank populaire and 10% after joining the bank where it also kept the pace. This shows that after joining the bank, the income range from 30,000-60,000 has changed where there is 19% and the income range from 90,000-120,000 is 20% and 16% and has decreased 4%. Here the greatest income range is 30,000-60,000 which has the percentage change of 38% and the lowest income range of 120,000 and above has 13%.

4.3 Contribution of WGF on socio-economic development of Kayonza District.

As discussed before, Women Guarantee Fund aims at improving socio-economic conditions of beneficiaries who are actually poor or with little income. In order to analyze the contribution of Women Guarantee Fund on socio-economic development of its beneficiaries, so the researcher saw it necessary to compare the situation before and after joining Bank Populaire de Rwanda kayonza branch in terms of monthly income. In order to assess the effect of women guarantee fund on socio-economic development of Kayonza, the researcher interviewed the key staffs in planning and development and socio-affairs department of Kayonza district. The purpose was to examine how women guarantee fund has contributed to their socio-economic indicators.
Table 4.6 show achievements from women guarantee fund

<table>
<thead>
<tr>
<th>Things achieved thanks to Women Guarantee Fund</th>
<th>Respondents</th>
</tr>
</thead>
<tbody>
<tr>
<td>Education</td>
<td>35</td>
</tr>
<tr>
<td>Employment</td>
<td>46</td>
</tr>
<tr>
<td>Medical Insurance (Healthy care)</td>
<td>48</td>
</tr>
<tr>
<td>Food Security</td>
<td>45</td>
</tr>
<tr>
<td>Empowerment</td>
<td>25</td>
</tr>
<tr>
<td>Improvement of living standards</td>
<td>25</td>
</tr>
<tr>
<td>Others</td>
<td>30</td>
</tr>
</tbody>
</table>

**Source:** primary data

The table above indicates that Women Guarantee Fund have contributed to the improvement of education at 70%, Employment creation at 92%, Medical Insurance at 96%, Food security at 90%, Empowerment at 50%, Improvement of living standards 50% and others at 60%. The pattern shown in the table implies that people joining microfinance and banks are able to acquire basic needs using banks and microfinance particularly savings and credits. As they make savings they can gather huge amount of money for investment. Savings helped people taking collateral they can obtain credit/loans for their investment. Savings helped people taking medical insurance (Mutuelle de Santé), payment of school fees for their children, increase the number of meals per day and acquire more property and equipments needed in their daily life. This is in compliance with Lapenu & Greeley (2003) theory that the outcome measurements of socio-economic performance with respect to Women Guarantee Fund include among other things employment creation, empowerment, health improvement and education. Socio-economic role of Women Guarantee fund may be
assessed using a variety of common and well established indicators, including education, number of children in schools, diet: number of meals per day and house hold assets.

4.3.1 Limitations expressed by the management of Bank populaire du Rwanda Kayonza branch

The management of Bank populaire du Rwanda Kayonza branch said that government encourages them to give loans to the people who lack trainings on how to manage their business, who does not have knowledge and skills on how to prepare viable projects, who does not even have a single coin in a bank as savings and in so doing the banks end up in losses.

Table 4.7 Limitations identified by users of Women Guarantee Fund

<table>
<thead>
<tr>
<th>Limitations</th>
<th>Frequency</th>
<th>percentage</th>
</tr>
</thead>
<tbody>
<tr>
<td>Lack of collateral securities</td>
<td>20</td>
<td>26</td>
</tr>
<tr>
<td>High interest rates</td>
<td>5</td>
<td>7</td>
</tr>
<tr>
<td>Low or no savings</td>
<td>10</td>
<td>13</td>
</tr>
<tr>
<td>Low skills of business management</td>
<td>6</td>
<td>8</td>
</tr>
<tr>
<td>Lack of information</td>
<td>10</td>
<td>13</td>
</tr>
<tr>
<td>Illiteracy</td>
<td>25</td>
<td>33</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td><strong>76</strong></td>
<td><strong>100</strong></td>
</tr>
</tbody>
</table>

Source: primary source
From the table, we can notice that the greatest limitation include lack of collateral securities with 26% this is due to the reasons that many women do not own assets on their own to present into the banks as collateral securities they just wait to beg to their husbands and to this a bank could not provide a credit to someone who has no security hence no access to Women Guarantee Fund., Illiteracy with 33% come up as the second limitation due to the reasons that a lot of Rwandans do not know how to read and write in a sense that it could not be easy for them to prepare viable projects so as to access the credit hence a limitation., followed by Low or no savings 13%, low skills of business management with 8%, high interest rates, 7% where by banks charge 18% per month to women who have got a credit and beneficiaries to fear the interest rate hence not access credit or sometimes access the credit but she pays back badly, and lack of information with 13% because of the problems of illiteracy to majority women, so accessing information that may support them in their socio-economic development is not easy.

Book keeping is another limitation where by beneficiaries have no books of accounts which make it difficult to assess whether their activities are making profits or losses. Most of the activities are undertaken without specialized training, many of the respondents use the traditional methods.
4.3.3 Mechanisms used by Kayonza district to overcome the limitations

While Morduch & Armndariz (2005) suggest group lending, dynamic incentives, social programs, trainings and collateral substitutes as a way of minimizing risks of nonpayment.

The district has started training women to work in associations, cooperatives so that they may get collateral security, also its training women on the ways of preparing projects and business plans to those who knew how to read and write and then teach how to read and write to those who don’t know. Other women are supported to join technical schools whereby they may acquire skills support to their families. Government also has opened Umurenge sacco whereby beneficiaries may open account using small amount depending on her income. These also will help women to have savings hence accessing credit/loans. Also there are Women credit funds that are being restructured so as to work as microfinance institutions so that they may help women to up lift their families.

4.4 Summary

This chapter was about the presentation of the findings. To identify the ways in women are financed to overcome poverty, contribution of women guarantee fund on socio-economic welfare and as well as impacts of women guarantee fund in the poverty reduction.
CHAPTER FIVE

DISCUSSIONS, CONCLUSION AND RECOMMENDATIONS

5.0 Overview

The emphasis of this study was put on the role of Women Guarantee Fund as a strategy for poverty reduction with a case study of National Women’s Council in Kayonza District. In this chapter the discussion of the findings, general conclusion, recommendations and as well as the areas for further research are given below.

5.1 Discussion of the Findings

The findings indicate that Women Guarantee Fund with the help of other ways of financing One Cow, Credit Fund, Agricultural guarantee scheme and all these are used to empower women to develop themselves through overcoming poverty as it is shown by the table 4.1. Although women guarantee fund is used to empower women, it is still on low level as it is indicated as 33% and this is due to the reasons that some women are very poor to the extent that they can’t get their own collateral security, others don’t have information on women guarantee fund, the problem of illiteracy, lack of confidence.

The credit retained from Bank Populaire du Rwanda Kayonza branch was invested in income generating activities of different areas of business and agriculture as shown by table 4.2. these activities led the beneficiaries to be employed, school fees for their kids, medical insurance, improvement of standards living as its shown in the table 4.6.
The researcher found out that due to the reasons shown in the table 4.7 many women don’t work with banks or microfinance institutions. While (Holvoet, 2005) said that women are amongst the poorest and the most vulnerable of the underprivileged and thus helping them should be a priority. women need training on how to use banks, how to prepare the viable projects, how to manage business hence utilizing their chances this was confirmed by the manager of the bank populaire du Rwanda Kayonza branch who went on saying that, “women should be trained on how to make viable projects which will empower them hence poverty reduction”.

Business and agriculture invested in have increased the income of the beneficiaries as shown in the table 4.5 and this shows that as women work with the banks or microfinance institutions the income grows up. Also as women use credits in their daily life they achieve many things like employment, medical insurance (health care), food security, improvement of standards of living this is shown by the table 4.6. This has greatly contributed to the improvement of their socio-economic conditions. Women Guarantee Fund has contributed a lot to the improvement of socio-economic where women’s income has increased to the extent that they have achieved their own income and property and this reduced the habit of dependency. This was confirmed by the officials of the district.
Table 4.6 shows the impact of women guarantee fund to the women who have utilized it as employment, empowerment, food security, education, medical insurance, improvement of standards of living and many others. This will lead women to have gender equality in decision making, to have investment and to improve their literacy level and self confidence. So due to all of these impacts poverty will be reduced hence development.

Table 4.7 show the limitations expressed by the beneficiaries and the bank populaire du Rwanda Kayonza branch where by beneficiaries met limitations that hinders them from accessing the credit of the bank due to lack of collateral security which is caused by the reasons that the women do not possess assets and property where women has no savings. So that they can pledge it as security. There is also Illiteracy of the women where more women don’t know how to read and write due the historical background and culture of our country where they could not afford preparing a viable project which they present to the banks for requesting a credit. Beneficiaries face the problem of high interest rate where women with little income or no income could not access the credit with such an interest rate. Bank populaire du Rwanda meet some limitations like giving credits to women who do not have skills of managing their business so as they could payback the bank on time and because of such problems the bank suffers the losses.
5.2 Conclusion

The purpose of the study was to establish the role of women guarantee fund as a strategy for poverty reduction as a case study of National Women’s Council in Kayonza district.

The objectives of the study were to identify the ways in which women are financed to overcome poverty, to find out the contribution of Women Guarantee fund offered to the socio-economic welfare of beneficiaries and to find out the limitations faced by the beneficiaries in accessing the credit.

The researcher found out that the women Guarantee Fund seem not to be known to the whole population. Beneficiaries got a credit basing on women guarantee fund invested indifferent areas (agriculture and business) and make profit. Moreover incomes gained helped in achieving things that improved their socio-economic conditions. Among achievements include education, medical insurance, food security, empowerment and improvement of standards of living. Women guarantee fund has played a crucial role in improvement of socio-economic development and this shows that poverty is reducing.

Despite the significant effect in socio-economic development, beneficiaries faces limitations among others include the lack of collateral security, illiteracy, high interest rate, lack of information, low skills of business management, low or no savings, and others. This limits the beneficiaries to the extent that few people managed to request for the credit. Besides Bank populaire de Rwanda Kayonza branch complains about the low skills of business management which caused the bank to the losses due to the slow or no reimbursement of the credit.
5.3 Hypothesis tested

The hypothesis of the study have been tested on basis of the research findings that shows the women guarantee fund has significantly contributed to poverty reduction where the researcher found out that women got employed, they educated their kids, there is food security, empowerment, medical insurance, improvement of standards of living and many others. This proves that the hypothesis positive or women guarantee fund has a significant contribution to poverty reduction.

5.4 Recommendations

Based on the findings on the role of women guarantee fund as a strategy for poverty reduction with a case study of National Women’s Council in Kayonza district, the researcher recommends the following:

1) The government should formulate policies towards the women guarantee fund that aims at facilitating outreach of the credit to the poor women. This can be done through revising interest rates down so that the poor women with low income may access the credit and assist the banks and microfinance institutions in giving credits/loans without collaterals or with affordable collateral to the poor women who have no assets like (houses, land, forests and others).

2) The government should organize sensitization to the women on women guarantee fund so that they may weak-up and work for the development and fight poverty. That is: what it is, how it works, it’s for whom.

3) Should be trained on how to prepare viable projects and skills for business management so as to make profits.
4) Banks should be flexible and quick in analyzing the projects and even be precise on what to collect so as they may be viable project for accessing credit/loan.

5.5 Areas for Further Research

It is the researcher's view that there is more to learn the top. For example it would be interesting further study should be carried out to investigate on "the role of women guarantee fund as a strategy for investment."
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APPENDIX
QUESTIONNAIRE ADDRESSED TO THE NATIONAL WOMEN COUNCIL.

1. What are the factors that led to the introduction of women guarantee fund?
   i. ............................................................................................................................
   ii. ............................................................................................................................
   iii. ............................................................................................................................
   iv. ............................................................................................................................

2. What are the objectives of women guarantee fund?
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   ............................................................................................................................
   ............................................................................................................................
   ............................................................................................................................

Do you think women guarantee fund is an appropriate strategy for poverty reduction?

Yes □
No □

If yes, explain
   ............................................................................................................................
   ............................................................................................................................

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4. What qualifications should a woman fulfill so as to have access on guarantee fund?

5. What is a criterion used by banks to provide a credit to a woman?

6. On which interest rate do banks charge women who have got a credit on basis of guarantee fund?
7. Does women guarantee fund known by women from the grassroots level?

8. What are the major limitations do women meet in accessing women guarantee fund? ...

9. What measures can be taken to overcome those limitations?
10. Is it an effective measure that contributes to the poverty reduction?

Yes □

No □

If yes, how

If no, explain
11. Do women respond positively to women guarantee fund?

Yes □

No □

If no, what are the reasons?

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12. What other mechanisms do you use in empowering women to reduce poverty?

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13. What are the impacts of guarantee fund on women?

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14. What mechanisms do you use in order to ensure that women guarantee fund is effectively and efficiently utilized?

a) .................................................................................................................................

b) .................................................................................................................................

c) .................................................................................................................................
Dear Sir/Madam,

RE: REQUEST FOR MUKESHA JACKLINE, REG. NO. MBA/10023/81/DU TO CONDUCT RESEARCH IN YOUR INSTITUTION.

The above mentioned is a bonafide student of Kampala International University pursuing a Masters of Business Administration.

She is currently conducting a field research the title of which is "The Role of Women Guarantee Fund as a Strategy for Poverty Reduction: A Case Study of National Women’s Council in Kayonza District". As part of her research work she has to collect relevant information through questionnaires, interviews and other relevant reading materials.

Your institution has been identified as a valuable source of information pertaining to her research project. The purpose of this letter is to request you to avail her with the pertinent information he may need.

Any information shared with her will be used for academic purposes only and we promise to share our findings with your institution. Rest assured the data you provide shall be kept with utmost confidentiality.

Any assistance rendered to her will be highly appreciated.

Yours truly,

Yara Tunde, PhD
Deputy Director Academics, SPGSR