

PRODUCT UP-SCALING SUPPORT – FACTSHEET

Product Up-scaling Support	SCBF 2014-08: Building Capacity to expand Housing Microfinance in the Great Lakes Region
Country / Region	Great Lakes Region: Rwanda, Burundi, and eastern DRC
Partner Financial Institution/s	Letshego Rwanda and IMF Hekima SC
Grantee	Nadacia Habitat for Humanity International (HFHI), Europe, Middle East and Africa Area
Overall Budget	CHF 185'069 (30% self-contribution)
SCBF Contribution	CHF 130'334 (70% SCBF funding share)
Date of Approval	19.09.2014 & 13.04.2015
Duration	05.2015 until 04.2016, extended to 9.2016, and again to 9.2017
Context	<p>In Sub Saharan Africa, changes in policies and regulations related to the microfinance sector are increasing financial inclusion among the population at the Base of the Pyramid (BOP). Financial institutions are implementing strategies such as being more flexible in loan requirements and ensuring that guaranties are aligned to the needs, preferences and capabilities of the target population and access channels.</p> <p>Through this intervention, demand-driven products will be taken up by the target market, which will enable the acquisition of improved shelter and the accumulation of durable shelter assets, therefore improving their quality of life. SCBFs support will enable Habitat's Center for Innovation in Shelter and Finance (CISF) to provide the needed technical assistance required by the identified financial institutions to design/redesign their Housing Micro Finance (HMF) products, and increase the potential of taking these products to scale in a sustainable manner.</p>
Current Status of the MFI	<p>Letshego Rwanda Limited has a diversified product range and is interested in expanding its housing portfolio. The vision of Letshego Rwanda is to be an industry leader in the provision of profitable and sustainable credit and financial services to lower income salaried individuals and entrepreneurs in Rwanda. Housing microfinance in Rwanda is very limited and few institutions have the capacity and institutional ability to develop and launch HMF products. Letshego Rwanda can be instrumental in demonstrating how housing microfinance can work in countries such as Rwanda to reach populations that are not currently being served.</p> <p>Hekima aims to serve the economically active poor with quality services, giving special attention to female entrepreneurs and its products are focused on the group lending methodology, which allows for disbursement of loans to clients lacking conventional collateral. Hekima's mission is to contribute to the transformation of the economic, social, and spiritual lives of the economically active poor of the Democratic Republic of Congo (DRC) as a sustainable, innovative microfinance institution of the highest quality. By offering women the opportunity to be entrepreneurs and leaders within their Solidarity Groups, Hekima is empowering them to become change agents in their community. They choose to also work in rural Kavumu in order to serve poor women farmers. Targeting these geographies has allowed them to reach their intended clientele; 100% fall below the \$1 a day poverty line and 94% of them are women.</p>
Objective and Main Activities	<p>This intervention aims to build capacity in two financial institutions in the Great Lakes Region (one in Rwanda and one in the DRC) already serving the poor. Globally, the CISF has trained over 100 financial institutions in HMF product development, has provided technical assistance to more than 45 partner financial institutions and has helped more than 35 institutions develop HMF products. HFHI and the CISF have implemented other projects through grants from the SCBF including projects in Cambodia, Honduras and El Salvador.</p> <p>Upon completion, the financial institution should be in a position to diversify their products by the design, pilot test, and roll-out of HMF products with non-financial housing support services according to the needs, preferences, and capacities of the BOP.</p>



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Factsheet shall not be longer than 1 page!