

## 2020-10 | Urwego Bank Mobile-Agent Banking Application Upgrade

|                                |  |                        |                      |
|--------------------------------|--|------------------------|----------------------|
| Partner Financial Institution: | <a href="#">Urwego Bank</a>                  | SCBF Contribution:     | CHF 110'000 (60%)    |
| Grantee:                       | <a href="#">Opportunity International UK</a> | Matching Contribution: | 40%                  |
| Country:                       | Rwanda                                       | Theme:                 | Financial Capability |
| Duration:                      | November 2020 – April 2022                   | Product:               | Multiple             |
| Potential Outreach:            | No. of clients 62'000                        | Target Group:          | Multiple             |
| Thereof Women:                 | 60%  |                        |                      |

### CONTEXT

The Government's Financial Inclusion strategy aims to increase the uptake and usage of financial services in Rwanda by creating an enabling environment for financial institutions in order to provide a broad range of low-cost financial services for historically excluded % of adult population. The goal is to increase the financially included population from 90% in 2018/19 to 100% by 2024. The aim of the requested upscaling support is to enhance the Mobile-Agent Banking application of Urwego Bank (UB) and to introduce a new web-based field application. These two technological advances will enable UB to provide its low-income client base with convenient and affordable access to a wide range of financial services, whilst also increasing the bank's outreach and reducing the cost of serving the most vulnerable and marginalised clients, particularly women and those living in hard to reach rural areas.

### CURRENT STATUS OF THE MFI

Urwego Bank (UB) is an MFI focussing on serving smallholder farmers and micro-entrepreneurs underserved by the formal banking sector. Headquartered in Kigali and with 17 full-service branches, UB is the largest MFI in Rwanda. It offers deposit accounts, savings accounts, individual loans, home improvement loans and education assistance. The bank also offers insurance services, and business, agriculture and HIV/AIDS training. SCBF support is sought in order to scale-up the digital financial services already offered and enable UB to reach more marginalised clients in rural areas where it is not feasible to build a branch.

### OBJECTIVES AND MAIN ACTIVITIES

UB's strategic intent to increase its focus on digital financial services, by moving beyond the bank branches and into the field. Mobile banking offers fast and contactless means of making payments and transferring funds; for clients without a mobile handset, agent banking allows them to transact close to home without having to use public transport to travel to a branch; a new, innovative mobile solution (FLOW) will enable remote client registration, verification (KYC), account opening and loan applications and sync directly with the core banking system.

#### Major steps:

1. Mobile Banking Application Technical Design (by April 2021);
2. Mobile Banking Application Roll Out (by September 2021);
3. Digital Field Application Technical Design (by March 2021);
4. Digital Field Application Roll Out (by August 2021)

Upon completion, the financial institution should be in a position of providing a full range of formal financial services to over 62'000 currently underserved clients (60% of whom women) and therefore contributing to enhancing lives and livelihoods in some of the most remote and underdeveloped areas of Rwanda.

#### Partnering with:

