



UGAFODE Microfinance Limited (MDI)

“We Listen We Care”

Happy International Women's Day!



CEO Mr. Wilson Twamuhabwa

As we celebrate International Women's Day, Mr. Wilson Twamuhabwa – CEO UGAFODE Microfinance Ltd. (MDI) spoke to New Vision on how the institution has been promoting Women's empowerment through access to inclusive financial services and other plans they have for women in the nearest future.

New Vision: March 8, 2016 is International Women's Day (IWD) and to celebrate the day is to celebrate social, economic, cultural and political achievements of women. How is UGAFODE Microfinance Limited (MDI) part of this celebration?

Twamuhabwa: World Bank global research in 2012 indicated that an estimated 2.5 billion women, more than 50% of the total adult population—have no access to the types of formal financial services delivered by regulated financial institutions (are excluded from the finance sector). Instead, they depend on informal mechanisms for savings and for protecting themselves against risk.

The initial structures for access to formal financial services by women were intimidating, the requirements for opening a simple savings account did not protect the financial privacy of a woman to the extent that a woman;- married or not, could not operate a personal account without the consent of her spouse husband in addition to cultural practices that constrained women from owning titled property thus lack collateral as a main requirement to access financial services like loans from banks.

At UGAFODE Microfinance Limited (MDI), we know that the empowerment of a woman through Financial Access is very important in all development activities. After realizing that majority of these women especially in rural areas do not have property/assets to use as security, we relaxed the collateral requirement with the traditional group-based guarantee and introduced flexible repayment terms: weekly and monthly to help women form groups to access formal financial services. The participation of women in the access to credit and savings services at UGAFODE Microfinance Limited (MDI) increased from as below 25% to 45% as at end of December 2015 of which 49% of group clients are now women and in the new groups formed 70-90% are women. 49% of our staff at UGAFODE Microfinance Limited (MDI) are females against 51% males and we continue to employ more female staff and avail others through internships with us.

New Vision: Any tailored financial products and services that help women and girls achieve their ambitions or the desired development?

Twamuhabwa: It has become apparent that women require more than just micro-credit and that they need a range of financial services to generate income, build assets, smooth consumption, and manage risks. We have tailored products and services aimed at creating employment, raising family incomes and reducing poverty and these are helping many women especially in the rural. Our loan products like Agriculture Loans (supported by USAID), Micro Business Group Loans, Flexible Housing Loans to enable women

get decent shelter, Junior Savings Account and School Fees Loans are tailored to meet the specific financial needs of our customers especially women in the rural.

With the majority of the rural women belonging to Village Savings and Loan Associations (VSLA's) and our new GroupSave account enables women groups and individuals to access affordable, secure and convenient savings services from UGAFODE Microfinance Limited (MDI). We have introduced AirSave mobile banking channel to promote financial inclusion that enables the rural populations especially women to make small but regular deposits on their savings accounts through their mobile phones from any MTN or Airtel mobile money agent to meet their future financial goals, household demands and emergencies in addition to access to other savings products that include Ordinary Savings Account, Junior Savings Account and Target Savings Account.

Vision: Your work involves eradication of poverty and women play a big role as agents of development. Are they part of UGAFODE Microfinance Limited (MDI)'s focus in fighting poverty?

Twamuhabwa: Our mission is to transform lives and livelihoods of our people socially and economically by availing to them inclusive financial services that meet their expectations. Statistics show that 85% of Uganda's population live in the rural areas and majority are women who have no access to formal financial services and have informal ways of banking in Village Savings and Loans Associations (VSLA's), SACCOs, under the mattress, etc but these come with risks of theft and abuse by their husbands.

Through our group lending methodology, women are taught simple business management techniques, Project Management, Record Keeping, to enable them operate their enterprises and educate them about financial services as a way of uplifting their standards and those of their families and communities to increase productivity and incomes thus empowering them to break the iron grip of poverty on



UGAFODE's CEO Mr. Wilson Twamuhabwa leading his team to donate household items to a Women run Orphanage in Mbarara.

their lives and their households.

New Vision: Your day's message?

Twamuhabwa: UGAFODE Microfinance Limited (MDI) continues to expand her outreach and increase financial inclusion through rural branch network in Uganda with tailored, affordable, innovative savings and loan products that will facilitate easy access to financial services and empower communities especially women to achieve personal financial and social needs and goals.

I would like to wish all Women and our esteemed customers a happy International Women's Day and at the same time take the opportunity to welcome all Ugandan women and men, young and old to come for inclusive and tailored financial services at UGAFODE Microfinance Limited (MDI).