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Examining the Contribution of Access to Loans Services to the Empowerment of Women Entrepreneurs in Rwanda: A Case Study of Gasabo District.

Although the Rwandan constitution endorses equal rights for women and men in the access to economic and productive resources, significant gender gaps remain and have been slowing down the empowerment of women. Therefore, this thesis aims to examine the contribution of access to loans to the empowerment of women entrepreneurs in Rwanda. The specific objectives of the study are to examine how access to loans contributes to the empowerment of women entrepreneurs; to assess the challenges faced by these women while trying to access loans; and to explore the strategies they use to overcome those challenges. The study uses a feminist methodology by which women entrepreneurs have been given voice to allow them to talk about their own experiences in running business and access to loans. The research design for the study was the case study that primarily uses a qualitative approach and the convenient sampling methods used are the cluster sampling technique, the snowball technique and the purposive sampling technique. The methods of data collection that have been used are documentation; interviews; focus group discussions as well as observation.

The findings of the study revealed that access to loans has enabled women entrepreneurs in Gasabo district to increase their income and consequently their socio-economic status has also been improved. Besides this, these women have experienced a range of challenges while trying to access loans for running and/or grow their businesses. These included: the lack of collateral security, the high interest rates and the undermining attitude of bank officials towards women requesting loans as well as protracted and expensive bank procedures and requirements. The small amounts available and the lack of financial literacy and self-confidence of the women, the lack of business information and fear to take risk towards women owned business also contributed to their negative experiences. However, women found creative strategies to confront these barriers like dealing with microfinance institutions and other informal financial lenders like ROSCA, VSLAs, moneylenders and shop credit. The study provides recommendations in order to improve women entrepreneurs' accessibility to loans, thus their empowerment. These include: the Rwandan Government should strengthen the mainstreaming of gender in the financial sector, build women's business capacity and emphasise more on the awareness of women on the existing financial facilities. In addition, the Rwandan financial sector should simplify the requirements & procedures and develop new products that can meet women's financial needs, while women are encouraged to change their negative perception of themselves and to challenge their traditional gender roles in their families as well as in the community.

Key Words: Loans Services, Empowerment, Women Entrepreneurs, Rwanda