

**MICROFINANCE AND SOCIO-ECONOMIC DEVELOPMENT IN BYUMBA SECTOR.
A CASE STUDY OF RESEAU INTERDIOCESAIN DE
MICRO FINANCE (RIM S.A)**

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ABSTRACT

The research on Micro- finance and socio –economic development in Byumba sector, a case study of RIM S.A was carried out to know if there was a relationship between services given by RIM SA and poverty alleviation among its members . The general objective of the study was to assess the role of RIM S.A microfinance in the promotion of socio- economic development in Byumba sector. The specific objectives of this study was designed as follows: To investigate how credit service of RIM SA have increased income of its clients, to explore how training in financial skills rendered by RIM S.A have reduced vulnerability of people in Byumba sector, to examine the challenges faced by clients of RIM S.A micro finance in accessing services. In this study, the researcher used different methods for collecting data as follows: Questionnaire, interview, personal participative observation and documentation techniques in the process of gathering information. The researcher in this study used a sample size of 351beneficiaries of RIM S.A and 4 staff members from 4573 beneficiaries of RIM S.A Byumba. The researcher found that RIM S.A Micro finance participated in poverty alleviation among its borrowers through improving their well being like school fees payment for children, health insurance payment, food security payment and enterprise expansion among others. The study findings indicate that microfinance alone cannot meet all the needs and resolve a wide range of difficulties of the poor. It was suggested that the government may increase its involvement in the provision of regulations to govern the microfinance programs, credit management, the interest rate and safe guard the property of the membership. However further research should be carried out on The Impact of Microfinance on the Small Scale Industry in Rwanda; The Possibilities of Providing Asset Loans Rather than Cash loans for some Beneficiaries; Financial Accessibility and Poverty Eradication, Education and Performance of Small Scale Business Enterprises.