

THE REPUBLIC OF UGANDA

**CLOSING REMARKS AT A WORKSHOP FOR
CRYSTAL CLEAR SOFTWARE LIMITED**

HOTEL AFRICANA

**BY COMMISSIONER FOR MICROFINANCE
MINISTRY OF FINANCE, PLANNING AND ECONOMIC
DEVELOPMENT**

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Mr. Chairman
Distinguished Participants
Ladies and Gentlemen, all
Protocol observed.

I bring you greetings from the Hon. Minister of State for Microfinance to whom the organizers extended an invitation to close this workshop. He has had other National Commitments since before Easter and therefore asked me to join you today.

On behalf of the Ministry of Finance, Planning and Economic Development, I would like to note with appreciation of the effort by Crystal Clear Software Ltd. to build an infrastructure encompassing essential elements for credible and efficient financial management in the Microfinance Industry with reliable data.

Over the years, the Government has implemented and learnt lessons from a number microfinance programmes, notably the Rural Farmers Scheme (RFS), Programme for the Alleviation of Poverty and Social Costs of Adjustment (PAPSCA) the Entandikwa Programme, Youth Entrepreneurs Scheme, (YES) and the Poverty Eradication Project (PAP) among others. On the hand, the private sector financial service providers have operated mainly in the urban areas and along the highways.

A review of the previous microfinance interventions has indicated that the critical issues of deepening the outreach of rural finance services and the development of a strong network of rural financial infrastructures, especially those owned and managed by the people have not been adequately addressed. In addition, the rural people who are mainly engaged in agricultural enterprises have not benefited from the interventions as the financial terms were not suitable for agriculturally- based enterprises.

After taking stock of the implementation of the previous microfinance programmes, the Government has drawn lessons that guide the implementation of its Rural Finance Strategy in support of the “Prosperity for all” (the Bonna bagaggawale programme).

In recognition and response to the foregoing constraints, the Governance adopted an approach to rural microfinance development with a strategic focus on the development of Savings and Credit Cooperatives Organizations (SACCOs) and on ensuring access to financial services in all sub-counties throughout the Country.

In this endeavor, the government will facilitate the creation of new SACCO (in sub-counties without) to increase accessibility of rural finance. Government will also build capacity and consolidate existing SACCOs in the respective sub-county, to enable it:

- (i) operate efficiently as a business (e.g. in terms of governance, financial management and accountability) in the interest of sustainability
- (ii) Attain financial worthiness to transact with an identified link bank, in case of need.
- (iii) Reduce the cost of accessing financial services.

Governance is aware of the Management Information System (MIS) challenge that the SACCOs face, in their bid to profile and track their transactions. In this respect, the capacity building support to the stronger SACCOs would therefore have to embody management information tools, if they are to operate competitively in the formal financial system.

From the foregoing, Government looks towards Crystal Clear Software Ltd and such entrepreneurial organizations, to address the MIS needs, especially of the mature SACCOs. The result could be improved quality of performance of the SACCOs, increased productivity and capacity to preempt fraud in the institutions.

However, Governance encourages competition into the software development enterprise, as a way of making the tools more affordable to the users, including the SACCOs. As business people, you should note that SACCOs will soon form a big market for the Loan Performer as vibrant microfinance management software.

As is expected, computerization of rural SACCOs is constrained by poor rural electrification. Governance is addressing this constraint through the Rural Electrification Project, among other efforts.

The various awards you have already won attests to the genuineness of your product and the success path that Crystal Clear Software Ltd has taken. Congratulations!

Lastly, I am aware that today you crown the 175th active user of Loan Performer,..... Congratulations again!

I am privileged and greatly honored to welcome and induct this new organization to the family of active users of Loan Performer.

On behalf of Crystal Clear Software Ltd, I would like to welcome you to the Loan Performer family and to hand over to you this welcome cake. We wish you success in introducing Loan Performer in your organization.

With these remarks, I would like to thank you for inviting the Ministry to the workshop which I am pleased to declare it closed.

Thank you.