Affordable small business financing in Rwanda

Context
• Capital is needed for small business growth and development.
• Flexible terms are required to adapt to business and development conditions.

Strategy/Opportunity
• Create a partnership loan structure that pays back on the basis of gross revenues.
• Loan is secured by asset being financed and corporate guarantee.
• Payback is a multiple of loan, but less than traditional equity.

Need/Challenges
• Loans are expensive and short term.
• Equity is limited and takes ownership.

Project and Partners
• ICT Chamber in Kigali and the Rwandan Capital Market Authority can sponsor project and financial structure.
• DFI and market rate investors are blended
• Portfolio of partnership loans can be securitized and sold on capital market.