Blue Financial Services opens Rwanda branch

Blue Financial Services announces yet another milestone in its vision to become a Pan-African micro financier, with the opening of its first Rwandan branch in Kigali on Tuesday August 26th, following the recent approval of a microfinance licence from the National Bank of Rwanda. This makes Rwanda the twelfth country on the continent where Blue has operations.

Grant Chittenden, CFO says there are several factors which make the expansion into Rwanda an exciting one for the group. “We will be the first micro financier to offer a range of financial solutions in this country. Interest rates varies on the kind of product as well as the client’s risk profile.”

The initial product offerings in Rwanda are 1 to 3 month salary advances, 3 to 24 month personal loans, and loans relating to home improvement, education and debt consolidation.

“All another advantage, which has enabled us to expand across the continent at such a rate, is that we have the most sophisticated ICT systems of any micro financier in Africa. This allows rapid loan approvals – clients have their loans approved in less than an hour – whilst business risk is mitigated through real time access to all loans and cash flows from Blue’s head office in Pretoria, South Africa.”

Chittenden highlights that Rwanda is a small country with the population concentrated in just a few regions. “This means that a large section of the population can be reached through a relatively small number of branches. We are currently doing viability studies in eight towns throughout Rwanda. The Rwandan government is strongly committed to economic recovery and attracting foreign investment and there is less regulatory red-tape than we find in other African countries.”

The Rwandan operation is headed up by South African Tony Henderson who is also responsible for operations in Uganda. The Blue staffing model is that the country director is usually an expat appointment but all other staff are sourced locally from that country and trained up to be consultants and branch managers.

Blue will implement its community development programmes and financial education campaigns in Rwanda, as it does in all countries where it operates. The establishment of operations in Rwanda follows on from Blue recently setting up base in Swaziland.
In addition, Blue will be opening up its Nigerian operation in mid September 2008.

Ends.

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Note to editors

Blue Financial Services (Pty) Ltd

Blue, the AltX listed pan-African financier, is currently one of the “big three” listed micro-financiers in South Africa. Of the three, Blue is the only micro-financier with a significant presence outside of South Africa, currently operating in twelve other countries and planning to open further African subsidiaries before the end of the year. Blue presently services its clients through 163 branches manned by more than 1 790 employees.

Blue offers formally employed people in the LSM 2–7 brackets access to credit solutions such as salary advances, home improvement loans, home loans and insurance. Blue is registered with the Finance Services Board (FSB) of South Africa and the central banks in each of its operating countries.