

BANDARU IRENE (2014-M092-20040).

The Role of Microfinance Institutions in the Socio-economic Development of Congolese Urban Refugees in Kampala Central Division.

The study aimed at establishing the role played by Microfinance Institutions (MFIs) in the socio-economic development of Congolese urban refugees in Kampala central division. The objectives of the study were to find out how access to microfinance institutions has impacted the livelihoods of Congolese urban refugees, led to economic empowerment and examined the challenges involved in accessing services offered by microfinance institutions. The researcher employed a qualitative approach and a case study design was used. Using interviews, questionnaires and focus group discussions as data collection tools, 139 Congolese urban refugees took part, four MFIs as well officials from Kampala Capital City Authority, Office of the Prime Minister and Association of Micro-Finance Institutions of Uganda took part in the research. The findings of the research showed that Congolese urban refugees who had access to MFI services enjoyed better standard of living manifested in better housing, improved health care, were able to take their dependants to school and their sources of livelihood were more stable. This also implied that they enjoyed levels of self-reliance and were no longer at the mercy of humanitarian aid. The challenges that they faced ranged from attitudes and perceptions as regards issues such as lack of collateral security and elimination and discrimination when it comes to government programmes. Recommendations included identifying partnerships between MFIs and United Nations High Commissioner for Refugees and acknowledgement of the fact that no single strategy can be used to achieve development. The development process is a concerted effort and the need for partnerships with all implementing partners is very important. The conclusion of the study was that despite numerous challenges in accessing services offered by MFIs, they do play a vital and crucial role in the socio-economic development of this group of people.

Key Words: Microfinance Institutions, Socio-economic Development, Congolese Urban Refugees, Kampala Central Division