

THE EFFECT OF CREDIT PACKAGES OF VISION 2020 UMURENGE PROGRAMME IN POVERTY ALLEVIATION IN RULINDO DISTRICT, Case study of RUSIGA Sector: 2009-2011

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Abstract

This study assessed the effect of VUP Credit Packages in poverty alleviation in Rulindo District with Rusiga Sector as case study. The research used descriptive and correlational research designs. The target population included 6,791 beneficiaries of credit packages of Vision 2020 in Rusiga Sector where a sample of 97 people was chosen. In order to collect primary data, questionnaires, observation and interviews were administered and conducted.

By means of SPSS, data were coded, recorded, and edited to generate tables. Cronbach' s Alpha coefficient was used to test the reliability of the questionnaires. The statistical procedures of frequencies, percentages and Pearson' s Product moment coefficient(r) were used to analyze and interpret data. The study revealed that there was a change in income. Almost 100% of the respondents affirmed getting monthly income and above three quarters of them get more than \$ 40 (above \$1 dollar per day). The saving behavior was introduced and rooted deep as 100% of beneficiaries affirmed saving every month either in Umurenge SACCO, or in any other financial institution. They also affirmed buying goats or joining financial groups (ibimina). They said that the improvement of welfare was quickly and positively changing. There was a gradual change in job creation. Therefore the credit package of Vision 2020 Umurenge has a positive and very weak (a Pearson product moment coefficient (r) of 0.054) contribution to alleviating poverty among very poor families of Rusiga Sector.

Keywords: Credit package, Vision 2020, poverty alleviation, Sector, District.