



Annual Report

1st July 2023 - 30th June 2024

24
Years **BOLD**
of Creating Impact

Building Strong SACCOs and Groups



www.msc.co.ug

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2023 - 2024

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Foreword

It is with great pride that we present the 2023/2024 Annual Report, a testament to our unwavering commitment to socio-economic transformation through building of SACCOs and groups. Over the past year, we have made significant strides in strengthening financial cooperatives, expanding access to affordable microcredit, and improving the livelihoods of the economically active poor.

At the core of our mission is the drive to build resilient financial institutions that serve as catalysts for wealth and job creation. Through capacity-building initiatives, digital transformation, and strategic market linkages, we have equipped SACCOs and groups with the tools to navigate an evolving financial landscape. By forging strong partnerships, we have broadened opportunities for sustainable economic growth, ensuring that no one is left behind.

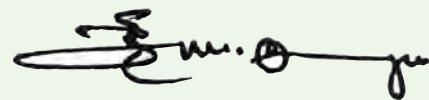
Our efforts align seamlessly with national priorities outlined in the National Development Plans (NDP) III and IV, reinforcing Uganda's vision for inclusive growth and prosperity. Globally, our initiatives contribute to the realization of the Sustainable Development Goals (SDGs), particularly those focused on financial inclusion, poverty alleviation, and economic empowerment.

This report highlights the profound impact of our work—stories of transformation, strengthened institutions, and empowered communities. As we look to the future, we remain steadfast in our commitment to fostering a financially inclusive society where SACCOs and groups continue to drive sustainable development.

In the 2023/2024 financial year, MSC played a pivotal role in the livelihoods of nearly 10,000,000 Ugandans. This includes 1.84 million beneficiaries engaged in self-employment and 1.1 million individuals gainfully employed through the administration

and operation of MSC-funded SACCOs and groups or hired by MSC beneficiaries to support their businesses. With job creation and domestic savings as key pillars of Uganda's Vision 2040 and NDP IV, MSC's impact aligns closely with the nation's development agenda. Additionally, MSC has achieved 22.5% youth inclusivity and 3% participation of Persons with Disabilities (PWDs) within its programs. During the reporting period, MSC maintained an impressive brand awareness rate of 93%.

We extend our deepest gratitude to our partners, stakeholders, and beneficiaries who have walked this journey with us. Together, we are not just financing enterprises—we are transforming lives and shaping a prosperous future.



John Peter Mujuni
Executive Director/ CEO
The Microfinance Support Centre (MSC)

Board Chair's Message



As we reflect on the achievements of the year 2023/2024, we take immense pride in the transformative strides we have made in deepening financial inclusion and fostering economic empowerment across Uganda. Our unwavering commitment to strengthening SACCOs and cooperative groups has remained the cornerstone of our mission, enabling us to uplift the livelihoods of the economically active poor and catalyze sustainable growth.

Key pillar of our strategy has been empowering the economically active poor, women, persons with disabilities the vibrant youth at the heart of our communities. By facilitating access to affordable financing, enterprise development, and capacity-building initiatives, we have provided them with the tools to transition from dependency to self-sufficiency, becoming key drivers of economic progress.

This journey of transformation has been made possible through the collective efforts of our esteemed stakeholders. We express our profound appreciation to His Excellency, Gen. Yoweri Kaguta Museveni Tibuhaburwa, President of the Republic of Uganda, for his outstanding visionary leadership and unwavering commitment to Uganda's socio-economic transformation agenda.

His Excellency's foresight and dedication to inclusive development have been instrumental in establishing microfinance as a key pillar for grassroots empowerment. We are particularly grateful for his strategic guidance in entrusting the Microfinance Support Centre (MSC) with its transformative mandate—to uplift the livelihoods of the economically active poor by offering affordable and inclusive microcredit solutions. We also extend our deep appreciation to Hon. Matia Kasaija, Minister of Finance, Planning, and Economic Development, for his astute leadership in advancing Uganda's economic policy and development architecture. Special thanks to Hon. Haruna Kasolo, State Minister for Microfinance, for his unwavering commitment and pivotal role in expanding financial inclusion throughout the country. We further recognize the Rt. Hon. Justine Lumumba Kasule, Minister of General Duties in the Office of the Prime Minister, for her strategic coordination and relentless pursuit of national priorities.

We commend Mr. Ramathan Ggoobi, Permanent Secretary and Secretary to the Treasury, for his technical excellence and fiscal discipline in managing public financial resources. Our appreciation also extends to the Office of the Prime Minister, the Ministries of Trade, Industry, and Cooperatives, Local Government, Agriculture, Animal Industry, and Fisheries, and all government agencies and departments whose collaborative efforts continue to promote inclusive growth and drive sustainable socio-economic development across Uganda.

Our interventions have delivered significant socio-economic dividends, substantially enhancing household incomes, fostering wealth creation, and expanding employment opportunities. Over the past year alone, we have facilitated access to affordable financing for 8,110 SACCOs and cooperative groups, directly impacting more than 609,891 individuals and enterprises. These efforts have spurred the growth of micro and small enterprises, generating over 389,478 direct and indirect jobs while unlocking pathways to financial independence.

Beyond financial access, our work is a pivotal enabler of Uganda's Social Economic Transformation Agenda. By strengthening financial institutions and expanding access to affordable credit, we are accelerating the transition of communities from subsistence livelihoods to full participation in the money economy. Through structured savings, strategic investments, and financial literacy initiatives, we are enhancing economic resilience and positioning Uganda on a trajectory toward sustainable middle-income status.

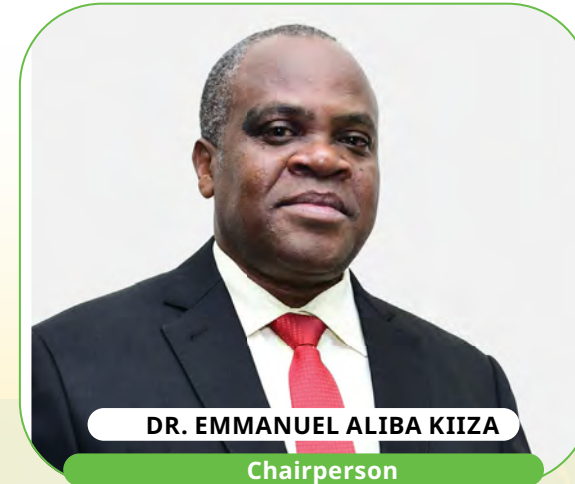
As we look to the future, our resolve remains unshaken. We will continue championing financial empowerment, fortifying inclusive economic systems, and driving impactful change. Together, we are building a Uganda where every individual, regardless of their socio-economic background, has the opportunity to thrive.

Dr. Kiiza Aliba Emmanuel

Board Chairperson

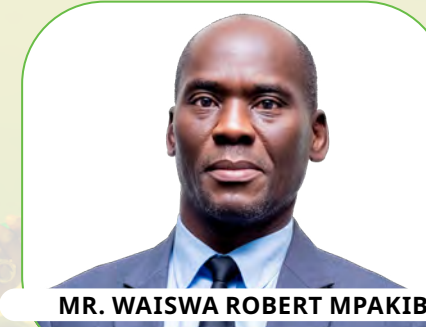
The Microfinance Support Centre (MSC).

Board of Directors



DR. EMMANUEL ALIBA KIIZA

Chairperson



MR. WAISWA ROBERT MPAKIBI

Director



AMB. AGNES KADAMA KALIBBALA

Director



MR. KALULE JOHN

Director



DR. DIANA NANDAGIRE NTAMU

Director



CPA. ODONGO AMAYA

Director



DR. FREDRICK TABURA

Director



JOHN PETER MUJUNI

Executive Director/CEO

Executive Director's Message



I am honored to present the 2023/2024 Annual Report, a testament to our unwavering commitment to building resilient SACCOs and groups as engines of socio-economic transformation. Over the past year, we have propelled financial inclusion forward, expanded access to affordable microcredit, and fortified microfinance institutions to drive sustainable prosperity.

During the financial year, the Microfinance Support Centre (MSC) continued to play a pivotal role in advancing access to affordable credit for grassroots economic transformation. A total of UGX 37.2 billion was successfully disbursed in affordable microcredit at a competitive annual interest rate of 8%, directly supporting 437 client projects across the country. These investments enabled individuals, groups, and enterprises to unlock productive potential and improve household incomes.

The Centre's interventions under the Presidential Initiative on Wealth and Job Creation (Emyooga) further strengthened our impact. Through strategic funding and capacity building, MSC expanded the cumulative fund portfolio under this initiative to UGX 281.3 billion. This growth has significantly scaled up our client outreach, benefitting 9,035 SACCOs (6,810 Emyooga SACCOs and 2,225 SACCOs under the Conventional Credit services).

These achievements reflect MSC's continued commitment to inclusive financing and sustainable livelihoods. By increasing access to low-cost capital, MSC is enabling communities to participate meaningfully in the economy and contribute to national development goals.

John Peter Mujuni
Executive Director/ CEO
The Microfinance Support Centre (MSC).



Senior Management Team



JOHN PETER MUJUNI

Executive Director/CEO



HELLEN PETRONILLA MASIKA

Deputy Executive Director



JULIET DOREEN ASINGWIRE

Head, Internal Audit Dept.



JOSEPH TUKAMUSHABA

Head, Business Technology/
Emyooga Secretariat



MARIAM NDIUUZA

Head, Legal Department



JOHN MWEBEMBEZI

Head, Finance and Admin



GIDSON AINAMANI

Head, Business Dev't Services



CLARE LOUISE ATUHEIRWE

Head, Human Resources



PETER KIBIRANGO

Ag. Head of Credit



Who We Are:

MSC is a Government-owned development finance agency, incorporated in 2001 as a company limited by guarantee. We facilitate access to affordable financial services and strengthen the management capacities of Cooperatives, Groups, and Village Savings and Loans Associations. We support the Government to deliver financial inclusion and livelihood-enhancing programs in line with national, regional, and international strategic development plans such as the National Development Plan, Uganda Vision 2040, Sustainable Development Goals (SDGs), and aspirations of the African Union (AU) and the East African Community (EAC). The Strategic Plan is also guided by Presidential Strategic Guidelines aimed at social and economic transformation. We trace our roots to the Rural Microfinance Support Project (RMSP, 2000-2008), which was implemented with support from the African Development Bank (ADB).

MSC's overarching goal is to increase productivity, household incomes, and employment opportunities through the provision of affordable financial services.

Since 2001, The Microfinance Support Center has modeled bold strategies to create social-economic transformation systems that support millions of vulnerable Ugandans to live quality lives through accessing affordable and appropriate financial support that creates social-economic transformation. MSC's efforts aim to build the resilient local capacity of households and communities we serve to take charge of their life purpose and financial well-being. Through affordable financial innovations, we create bold impact.

Our Commitment:

Creating bold impact demands us to be highly accountable to the people we serve, the government of Uganda, and the partners that support the work we do. We do this by ensuring the delivery of quality, effective services and maximizing the impact of each shilling invested in our work. Over the years, we have established internal systems and values that we believe will spur us to an even greater level of accountability. We commit to adhere to our values. We commit to transforming the livelihoods of the economically active poor.

Our target beneficiaries:

We transform the livelihoods of the Economically Active poor through Savings and Credit Cooperative Societies (SACCOs), Cooperative Unions (CUs), Area Cooperative Enterprises (ACEs), Village Savings and Loans Associations (VSLAs), and Microfinance Institutions (MFIs).

How we work:

We believe in modeling and supporting households and communities through the SACCOs and Groups to use what they already have to strengthen their capacity through offering affordable financial support, building their financial capacity, and building resilient financial systems to support wealth and job creation for total economic transformation.

We believe that to ensure the sustainability of our impact, every intervention we undertake, we have listened to all our stakeholders from government priorities buttressed on A Transformed Ugandan Society from a Peasant to a Modern and Prosperous Country within 40 years, ministries, private sector, civil actors, and beneficiary communities. We believe that once households and communities are empowered with knowledge and skills, and offered affordable financial startup, their sustainable social-economic transformation is unstoppable!



Over 70% of the MSC credit funds are disbursed to support Agriculture, which employs the majority in Uganda. By prioritising lending to the agricultural sector, MSC demonstrates significant potential for economic impact, fostering sustainable growth and job creation across the nation.





ABOUT US

Vision



As the development of a microfinance institution transforming the livelihoods of the economically active poor for attaining sustainable development.

Mission



To provide affordable microfinance services through effective management and delivery of Government of Uganda (GOU) & Partner Development (PD) funds, increased access, and strengthening the capacities of institutions of the economically active poor.

Values



MSC upholds:

1. Equity
2. Accountability
3. People Centeredness
4. Professionalism

The Microfinance Support Center has modeled bold strategies to create social economic transformation systems that support millions of vulnerable Ugandans to live quality lives through accessing affordable and appropriate financial support that triggers social-economic transformation.

Transforming Livelihoods through affordable Finance, Bold Impact

"I have a good life and a better life ahead of me. My family is happy, and I can see the changes in my family income. I know our future is secure. We are financially stable."

— Nsubuga Henry, Chairperson, Nyendo Mukungwe Youth Emyooga SACCO.

The Microfinance Support Centre (MSC), through bold and strategic financial interventions under the **Presidential Initiative on Wealth and Job Creation (Emyooga)**, has championed the transformation of livelihoods for the **Economically Active Poor** across Uganda. Central to this success is the empowerment of communities through **6,810 community-led SACCOs**, now functioning as engines of grassroots economic growth in over **60% of rural Uganda**.

MSC disbursed **500 Billion under Grant and Credit** through existing local structures, reinforcing its commitment to sustainable community financing. This financing model continues to bridge the gap between subsistence and sustainable living by catalyzing income-generating activities and fostering inclusive financial systems.

The Emyooga initiative reached and economically activated over **609,891 Ugandans**, among them:

- **30% of youth**, whose entrepreneurial potential is now being realized,
- **50% of women**, who are reclaiming their financial agency,
- and **7% of persons with disabilities**, empowered to join and thrive in the money economy.

Through **strategic trainings and capacity building**, MSC has also enhanced leadership and financial governance by equipping:

- **381,416 Association Leaders**, and
- **49,374 SACCO Leaders** with practical financial skills and institutional management knowledge.

Despite a slight performance dip in 2023/2024—attributed to a strategic realignment from SME-centric models to **SACCO and Group-centered financing**—MSC's unwavering mandate and inclusive financial vision remain intact. This strategic shift lays a stronger foundation for a **significant resurgence in impact in the 2024/2025 period**, as SACCOs mature and ripple benefits through households and communities.

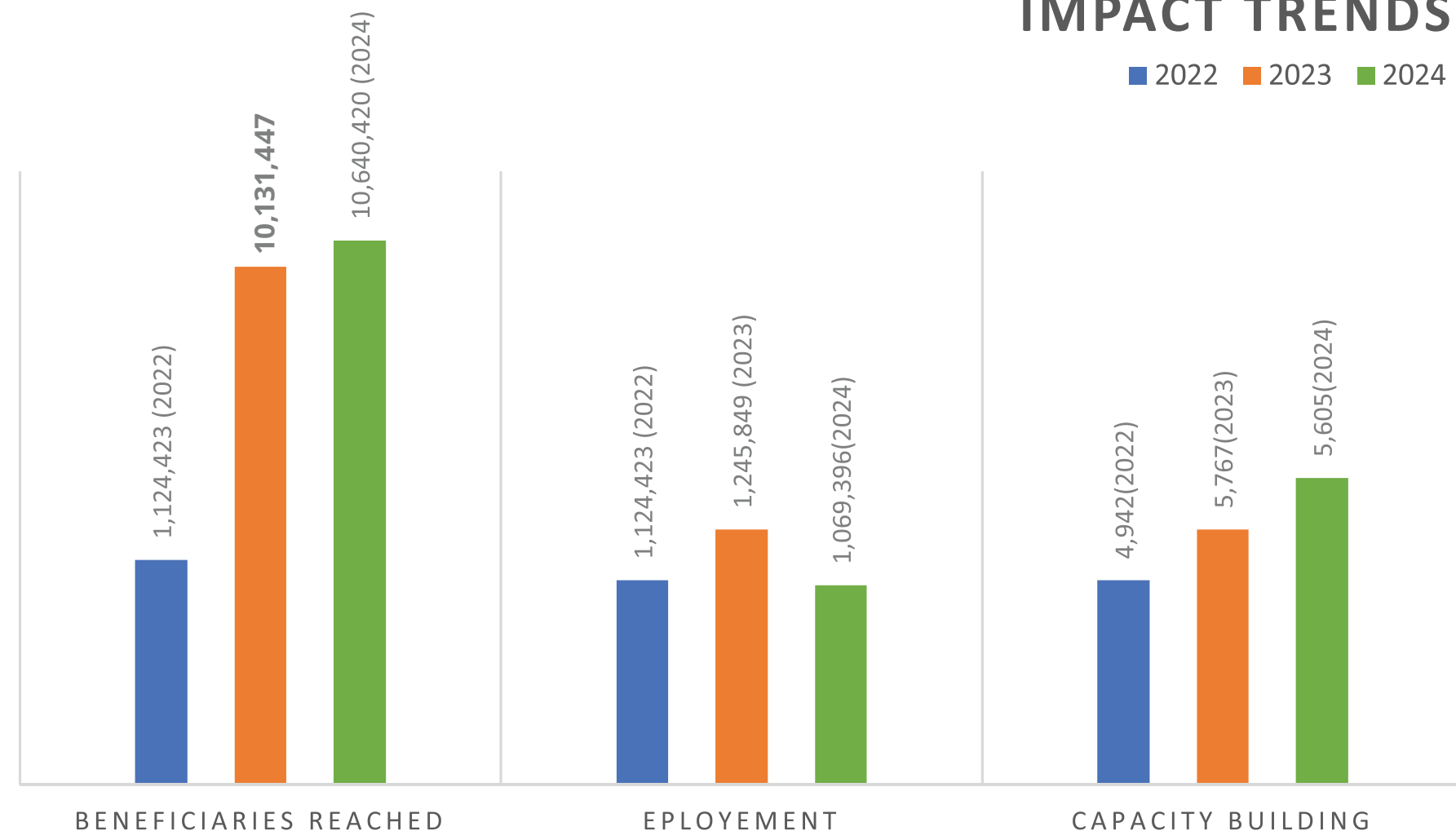
Through MSC's intentional investments and the resilience of Uganda's community-based financial systems, a new narrative of prosperity is emerging—one SACCO, one family, one livelihood at a time.

Impact Trends

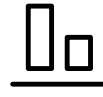
Beneficiaries for the Year:

IMPACT TRENDS

■ 2022 ■ 2023 ■ 2024



Impact at a Glance:



Our Impact Reach: **10,640,447** (Cumulative) Individuals reached with at least one of our services. Our proven interventions created **3,000,000** Employment Opportunities New jobs (National Planning Authority report 2024). The Microfinance Support Centre creates sustainable impact through strategic pillars.



PILLAR I: Coverage and Depth

Coverage and Depth: Expanding the reach and depth of MSC services is crucial for ensuring the broadest possible inclusion of millions of economically active, low-income Ugandans, empowering them to sustainably lift themselves out of poverty. This pillar is supported by three strategic objectives:

- 1 Increase coverage and depth of microfinance services to the economically active poor
- 2 Strengthen the development impact of the MSC by integrating socio economic measures in its activities.
- 3 Support implementation of the GoU development agenda.



PILLAR II: Partnership Development

Partnership Development: MSC executes its initiatives via partner organizations, placing significant emphasis on bolstering the organizational capacity of client institutions. This enhancement is pivotal to the success of MSC's mission and operations, resulting in improved performance of clients, which fortifies MSC's overall impact. This pillar is supported by two strategic objectives:

- 1 Strengthen partnerships.
- 2 Strengthen client institutional capacity



PILLAR III: Product and Service Innovation

Product and Service Innovation: MSC is committed to expanding its market presence by introducing new products and services that complement its current offerings. By creating innovative business models and optimizing existing value chains with a client-focused approach, the MSC aims to reach new customers and penetrate new markets. This pillar is supported by one strategic objective:

- 1 Promote the development of innovative client-centric products and services.



PILLAR IV: Organizational Sustainability

Organizational Sustainability: MSC boosts organizational sustainability and ensures continued operation by enhancing governance, upgrading staff skills, increasing operational efficiency, improving portfolio quality, and mobilizing resources effectively. This pillar is supported by four strategic objectives:

- 1 Enhance business growth and efficiency for sustainability.
- 2 Improve resource mobilization and impactful usage of resources.
- 3 Improve governance, performance management and accountability.
- 3 Enhance organizational reputation.

Overall performance against the National and SDGs indicators

The Microfinance Center is focused on helping Uganda improve the quality of life of Ugandans in alignment with the National Development Goals as well as the Sustainable Development Goals.

MSC has contributed UGX 909 billion to Uganda's domestic savings—almost five times the customer deposits mobilized by other financial institutions. With job creation and domestic savings at the heart of Uganda's Vision 2040 and NDP IV, MSC's impact strongly aligns with national priorities.

MSC's programs are tailored to serve both men and women equitably, with a gender distribution of 54% female and 48% male. Strengthening female participation across all MSC programs presents a significant opportunity for increased financial inclusion.

Youth represent 22. 5% of MSC's beneficiaries, while persons with disabilities (PWDs) account for 3%. Considering that youth comprise 28% of Uganda's population and PWDs 16%, MSC has contributed greatly to financial inclusion efforts both national and global development level.

MSC's financing plays a crucial role in advancing education by providing affordable credit to SACCOs and Groups. Members have been empowered to access quality learning opportunities, especially in underserved communities due to improved household incomes.

The company also promotes environmental sustainability by supporting green enterprises, climate-smart agriculture, and eco-friendly technologies. By funding projects that encourage afforestation, renewable energy, and responsible waste management, MSC contributes to environmental conservation and climate resilience.

Through financing responsible consumption and production enterprises, MSC has empowered businesses to adopt sustainable practices, reduce waste, and enhance resource efficiency. By supporting value addition in agriculture and manufacturing, MSC promotes a circular economy that minimizes environmental impact while maximizing productivity.



No Poverty

609,891 Households served through Emyooga. 6810 SAC-COS reached with Economic strengthening.



Zero Hunger

6,552 individuals received agribusiness skills, linked to the agricultural chain as a result of Financial support.



Decent Work and Economic Growth

In 2023/24 - 389,478 Households attained gainful employment (joined the money economy) through locally based affordable innovations within the available resources, with financial support from MSC.



MSC remains a vital driver of decent work and economic growth by fostering entrepreneurship, enhancing job creation, and formalizing small businesses. By providing affordable credit to MSMEs, cooperatives, and farmer groups, MSC strengthens Uganda's economic backbone and enhances livelihoods nationwide.



Gender Equality

609,891 individuals received gender mainstreaming or empowerment through the SACCOs and Groups supported by MSC.



Responsible consumption and production

6,810 households through SACCOs and Groups that are engaged in social economic enterprises that are increasing consumption and production at household, and community levels

Expanding Microfinance Coverage and Deepening Financial Inclusion

In the past year, the Microfinance Support Centre (MSC) has made significant strides in increasing the coverage and depth of its microfinance services, reinforcing its commitment to socio-economic transformation. Recognizing the critical role of financial accessibility in fostering inclusive growth, MSC has expanded its reach through a structured network of head, zonal, and satellite offices, as well as reference institutions (SACCOs) and district offices.

As part of its strategic expansion, MSC has deepened its footprint at the grassroots level by establishing additional satellite offices and strengthening partnerships with SACCOs. This deliberate approach ensures that financial services are accessible even at the parish level, bringing affordable financing closer to economically active but underserved communities.

Beyond expansion, MSC has focused on increasing the depth of financial support to beneficiaries. By scaling up financing to both primary and secondary customers, more individuals and enterprises have accessed capital to boost household incomes, create

employment opportunities, and drive enterprise growth. The ripple effect of these interventions has been evident in improved livelihoods, enhanced financial resilience, and sustainable wealth creation across various regions.



 Formed **8,110 SACCOs**

Emyooga SACCOs and Groups formed: 8,110
Reference Institutions: 185

 Districts **146**

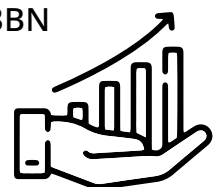
Number of districts with reference institutions: 185
Number of loans disbursed: 18.6BN (Annual)

Reference Institutions: **185.**
Constituencies: **148**



UG 500BN Disbursed

Disbursement to Emyooga SACCOs: UGX 281.3BN (cumulative)



Through these efforts, MSC has not only broadened financial inclusion but also contributed meaningfully to the national agenda of job creation and economic empowerment. The impact of this strategic expansion is visible in thriving businesses, strengthened SACCOs, and a more financially independent population, reinforcing MSC's role as a key driver of Uganda's socio-economic transformation.

Strengthening MSC's Development Impact by Integrating Socio-Economic Dimensions



55%
Women



30%
Youth



7%
PWDs

Through its strategic focus on financial inclusion and empowerment, The Microfinance Support Centre (MSC) enhanced socio-economic transformation by extending micro-loans and grants to women, youth, and persons with disabilities (PWDs). These interventions stimulated enterprise growth, resulting in the creation of direct and indirect employment opportunities.

In the 2023/2024 period, MSC's financial and capacity-building services reached a diverse pool of beneficiaries, with 55% being women, 30% youth, and 7% PWDs. This commitment to inclusive financing not only improved livelihoods but also strengthened the resilience of marginalized groups, fostering sustainable development and economic independence across communities.

Supporting the Implementation of the Government of Uganda (GOU) Development Agenda Skilling for Social Economic Transformation

Capacity building
Interventions directly impacted over

1608

6,552

of people that visited MSC demonstration centers for skilling in various on farm management skills

80%

of corporate institutions that were strengthened

Building Strong SACCOs for Socio-Economic Transformation

Sustainable social-economic transformation is only possible when people are empowered with the right skills to drive development. The Microfinance Support Centre (MSC) remains committed to strengthening local economic networks—particularly SACCOs—by equipping individuals with practical skills that enhance productivity, entrepreneurship, and self-reliance.

Through our skilling initiatives, we identify and enroll individuals passionate about using their expertise to create change. We nurture their potential, guiding them to become entrepreneurs and change agents within their communities.

In the reporting period, our capacity building interventions directly impacted over 1,608 individuals through structured

skilling programs in financial fields. These efforts have not only fostered economic resilience but also contributed to the broader national agenda of socio-economic transformation.

MSC continues to be a key player in building a skilled, financially empowered population ready to drive Uganda's development.

In pursuit of deepening financial inclusion and catalyzing grassroots economic growth, our efforts in strengthening Savings and Credit Cooperative Organisations (SACCOs) have yielded remarkable results. Through targeted capacity building, governance enhancement, and systems strengthening, we have empowered SACCOs to become resilient institutions that support the socio-economic aspirations of their members.

Over the reporting period, a total of 6,918 SACCOs were trained, comprising 2,625 Credit SACCOs and 4,293 Grant-supported

SACCOs. This nationwide intervention was designed to promote sustainable SACCO operations, compliance, and institutional self-reliance. Today, 64% of trained SACCOs are holding Annual General Meetings (AGMs), a clear sign of improved governance and member engagement. Furthermore, 83% have fully established and functioning Boards, 63% have audited financial accounts, and 57% have adopted standard accounting systems, laying a strong foundation for transparency and financial integrity.

Notably, 61% of the SACCOs are recording tangible growth in member incomes, asset accumulation, and equity value, signaling that the intervention is directly contributing to the economic well-being of grassroots communities.

To ensure continued SACCO excellence, MSC invested heavily in human capital development. A total of 6,502 staff and Board members under Credit SACCOs, and 15,393 under Grant SACCOs, received training in governance,

financial management, and operational efficiency. These trainings have been pivotal in enhancing leadership, decision-making, and service delivery capacity at the institutional level.

The outreach impact has been extensive, with a growing client base of 22,684 members served by Credit SACCOs and 118,237 members supported under Grant SACCOs, reflecting the rising trust in SACCOs as credible financial partners and development drivers.

These achievements underscore MSC's unwavering commitment to building a strong, accountable, and inclusive SACCO sector that leads socio-economic transformation across Uganda. With empowered institutions, trained leadership, and an expanding client base, SACCOs are becoming a vital force in accelerating rural development, reducing poverty, and creating sustainable livelihoods.

Today, 64% of trained SACCOs are holding Annual General Meetings (AGMs), a clear sign of improved governance and member engagement. Furthermore, 83% have fully established and functioning Boards, 63% have audited financial accounts, and 57% have adopted standard accounting systems, laying a strong foundation for transparency and financial integrity.

Transforming Lives through the Local Economic Growth Support (LEGS) Program

During the financial year, 100% of the funds allocated under the LEGS project were successfully disbursed, driving tangible socio-economic transformation among the target beneficiaries. Over 57,929 individuals benefited from agro-based machinery, enhancing agricultural productivity, boosting household incomes, and fostering job creation. This strategic intervention not only strengthened rural livelihoods but also contributed to sustainable economic growth within the communities.

The Local Economic Growth Support (LEGS) project is a government initiative designed to uplift rural communities by providing essential infrastructure, agro-based machinery, inputs, and access to affordable microfinance. Through its targeted interventions, MSC established and served 252 Client Projects within the Agricultural value chain, reaching 57,929 individual beneficiaries within the agricultural value chain including production, aggregation processing and distribution.

+48 %
of employment opportunities
created,

14.8B, 252

Client Projects within the Agricultural value chain, reaching

57,929

individual beneficiaries within the agricultural value chain including production, aggregation processing and distribution.

+77 %
of farmers that accessed qual-
ity agricultural inputs

Strategic Engagement with Development Partners: LLF Donor Visit to Uganda

During the financial year, The Microfinance Support Centre Ltd (MSC) had the privilege of hosting a high-level delegation of development partners from the Lives and Livelihoods Fund (LLF), who visited Uganda from August 13th to 18th, 2023. The delegation comprised representatives from the Islamic Development Bank (IsDB), Abu Dhabi Fund for Development (ADFD), Bill and Melinda Gates Foundation, King Salman Humanitarian Aid and Relief Centre, Islamic Solidarity Fund for Development, and Qatar Fund for Development.

These partners, who jointly support the LLF, are instrumental in the implementation of the Local Economic Growth Support (LEGS) Project—an initiative executed by MSC in collaboration with the Ministry of Local Government (MoLG) and the Ministry of Public Administration (MPA). The primary objectives of their visit were to explore new funding opportunities and to assess the on-ground impact of the LEGS Project across selected districts, namely Kabarole, Bunyangabu, Ntoroko, and Kyenjojo.

A major highlight of the mission was the High-Level Conference held on Monday, August 14, 2023, at Serena Hotel Kampala. During the event, beneficiaries of the LEGS Project shared powerful testimonies on how the initiative has transformed their livelihoods, particularly in improving farming practices and expanding market access for agricultural produce. These stories reinforced the value and effectiveness of the project's approach to inclusive rural development.

MSC was ably represented at the conference by the Board Chairperson, Dr. Aliba Emmanuel Kiiza; Board Member, Mr. Walusimbi; the Head of Finance and Administration; and the LEGS Project Implementation Unit (PIU). Their participation demonstrated MSC's strategic commitment to accountability, stakeholder engagement, and sustaining impactful partnerships.

The successful hosting of the LLF delegation not only reaffirmed Uganda's development cooperation with international partners but also positioned MSC as a credible and results-driven institution in the delivery of socio-economic transformation initiatives.



Through its targeted interventions, MSC established and served 252 Client Projects within the Agricultural value chain, reaching 57,929 individual beneficiaries within the agricultural value chain including production, aggregation processing and distribution.



Government initiative designed to uplift rural communities



Empowering Rural Communities through Mechanized Agriculture: Her Excellency Major (Rtd) Jessica Alupo Hands Over Tractors to SACCOs and Farmer Groups

In a landmark stride toward rural socio-economic transformation, Her Excellency Major (Rtd) Jessica Alupo officially handed over six tractors worth 1.4 Billion, to SACCOs and farmer groups under the Local Economic Growth Support (LEGS) program. This initiative, targeting 17 districts across Uganda, seeks to bridge infrastructure gaps, promote mechanized agriculture, and empower rural communities.



Game-Changer for Agriculture

Speaking at the event, Her Excellency described the LEGS program as a “game-changer,” emphasizing its potential to revolutionize Uganda’s agricultural landscape.

“By prioritizing mechanized agriculture, the program enhances productivity, reduces drudgery, and accelerates the transition from subsistence to commercial farming. This distribution of tractors to cooperatives is a pivotal milestone, empowering farmers to access modern tools, improve yields, and create a ripple effect of economic growth within their communities,” she stated. She urged beneficiaries to see the tractors as tools for wealth

creation, job generation, and economic empowerment. “Let these tractors symbolize hope, progress, and prosperity in your communities,” she added.

Empowering Beneficiaries for Sustainable Growth

The six beneficiaries include Ongogonja Fruit Growers Cooperative Society Ltd, Albertian Intervention for Development Ltd, Adjumani Tree Nursery Limited, Kijura SACCO, Arumundo Mixed Farm, and Sao Ziobwe. With access to mechanized tools, these organizations can boost productivity, reduce labor costs, and enhance agricultural yields, driving economic resilience and food security.

Strategic Collaboration for Development

The event attracted high-profile stakeholders, including Hon. Raphael Magezi, Minister of Local Government; John Peter Mujuni, Executive Director of the Microfinance Support Centre (MSC); and representatives from the Islamic Development Bank (IsDB). Their presence underscored the significance of multi-sector collaboration in realizing Uganda’s development goals.

Hon. Raphael Magezi affirmed the government’s commitment to expanding the program nationwide, stating, “We will empower the communities to attain socio-economic transformation.”



MSC’s Role in Financial Inclusion

As the lead implementer of Component B of the LEGS Project, MSC facilitates affordable, Sharia-compliant financing, supporting VSLAs, SHGs, cooperatives, market vendor associations, and agricultural SMEs. This financing empowers rural entrepreneurs, enabling job creation and improved household incomes.

The Local Economic Growth Support (LEGS) project is designed to uplift livelihoods in 17 districts across Uganda by providing essential infrastructure, machinery, inputs, and rural microfinance to economically active individuals. In collaboration with the Ministry of Local Government, The Microfinance Support Centre (MSC) plays a vital role in implementing Component B of this initiative, facilitating access to affordable, Sharia-compliant financing for enterprises. Through Village Savings and Loan Associations (VSLAs), Self-Help Groups (SHGs), cooperatives, market vendor associations, and agricultural Small and Medium Enterprises (SMEs), MSC fosters sustainable economic growth across the region.



A Vision for a Prosperous Future

MSC expressed gratitude to the Ministry of Local Government, IsDB, and technical partners for their unwavering support and shared vision.

MSC reaffirms its commitment to fostering financial inclusion, enterprise growth, and socio-economic transformation. As Uganda’s development microfinance institution, MSC remains dedicated to expanding its reach and deepening its impact—one empowered community at a time,” John Peter Mujuni emphasized.

A New Dawn for Rural Uganda

Agriculture remains the backbone of Uganda’s economy, providing livelihoods for over 70% of our population and contributing significantly to our GDP. However, the full potential of this sector remains untapped due to

challenges such as limited access to modern technology, inadequate financing, and the predominance of subsistence farming practices.

The LEGS Program, which seeks to address these barriers, is a game-changer. By prioritizing mechanized agriculture, the program enhances productivity, reduces drudgery, and accelerates the transition from subsistence to commercial farming. This distribution of tractors to cooperatives is a pivotal milestone, empowering farmers to access modern tools, improve yields, and create a ripple effect of economic growth within their communities.

From Struggle to Success: The Can Oponya Farmers Group's Journey with LEGS

In the heart of Nwoya District's Anaka Town Council, a group of determined farmers set out on a mission to change their fortunes. For years, the Can Oponya Farmers Group faced the harsh realities of subsistence farming—unpredictable yields, limited market access, and financial constraints. However, their resilience and unity paved the way for a remarkable transformation when they accessed support through the Local Economic Growth Support (LEGS) program.

With UGX 5,000,000 in financing from the Microfinance Support Centre (MSC), the group ventured into cultivating the high-yielding Nabe 17-bean variety on a 10-acre communal farm. Armed with a shared vision and a strategic approach, they maximized every opportunity, optimizing resources and improving their farming techniques. The results were astonishing—five tons of produce, a testament to their hard work and the impact of structured support.

Selling their harvest collectively at UGX 1,950 per kilogram, they generated UGX 9,750,000. After repaying UGX 5,256,000 to MSC, they reinvested UGX 4,750,000 into their farm and community initiatives. Through land and labor pooling, they minimized costs and increased their earnings. MSC's additional support in record-keeping training further empowered them, equipping them with vital financial management skills.

Encouraged by their newfound success, the group has applied for additional financing

to expand operations. Their story highlights the power of structured support in achieving sustainable livelihoods and community transformation.

The LEGS program, implemented by MSC in partnership with the Ministry of Local Government, is revitalizing rural economies across 17 districts in Uganda. By providing essential infrastructure, machinery, inputs, and affordable microfinance, it is fostering self-sufficiency and economic resilience. Under Component B, MSC extends Sharia-compliant financing to various enterprises, including VSLAs, SHGs, cooperatives, market vendors, and agricultural SMEs.

Today, the Can Oponya Farmers Group stands as a beacon of hope. Their journey from struggle to success exemplifies the life-changing impact of financial empowerment and capacity-building. Their story inspires countless others, proving that with vision, collaboration, and access to the right resources, even the smallest seeds can yield the most bountiful harvests.



UGX 9,750,000

After repaying UGX 5,256,000 to MSC, they reinvested UGX 4,750,000 into their farm and community initiatives.

Transforming household incomes and status through the Presidential Initiative on Wealth and Job Creation (Emyooga)

The Presidential Initiative on Wealth and Job Creation (Emyooga) continues to be a game-changer in transforming household incomes and uplifting livelihoods across Uganda. Throughout the 2023/2024 financial year, Emyooga has strengthened local economies by empowering artisans, traders, and service providers with affordable financial support, business skills, and cooperative structures that foster self-reliance.

With strategic interventions in financial inclusion, enterprise development, and savings culture, Emyooga SACCOs have enabled thousands of individuals to access capital, expand businesses, and improve household income. This initiative has spurred job creation, enhanced productivity, and cultivated a culture of resilience among micro-entrepreneurs.

By the close of 2024, the program's impact is evident in higher household incomes, improved social status, and strengthened economic independence among beneficiaries. Through continuous capacity building and financial empowerment, Emyooga remains a pillar in Uganda's journey toward socio-economic transformation and inclusive growth.



SACCO members empowered through the Presidential Initiative in Wealth and Job Creation proudly showcase products from their thriving enterprises at the 2nd National Microfinance Conference, demonstrating real progress in grassroots economic transformation.



UGX 281.3BN

Amount of seed capital disbursed:



UGX 85.6BN

Total amount of savings by Emyooga SACCOs:



6,810

Number of Emyooga SACCOs established:



146

Number of districts covered:



Emyooga SACCOs have enabled thousands of individuals to access capital, expand businesses, and improve household income. This initiative has spurred job creation, enhanced productivity, and cultivated a culture of resilience among micro-entrepreneurs.

Empowering Youth Through Emyooga: The Success Story of Mbarara's Chalk Makers through Emyooga

“

By offering accessible financing, the program empowers individuals and groups to overcome barriers, expand their businesses, and positively impact their communities.

”

In Mbarara, a group of dynamic young entrepreneurs has revolutionized their chalk-making business, thanks to the support of the Mbarara City South Women Entrepreneurs Emyooga SACCO. This group, consisting of eight young women and two men, exemplifies how microfinance initiatives can drive entrepreneurial success and community development.

Overcoming Initial Struggles

Before joining the Emyooga program, the group faced significant obstacles in securing the capital necessary to scale up their chalk production and meet client demands. Financial limitations hindered their ability to expand operations and enhance product quality.

Their fortunes changed with the introduction of the Presidential Initiative on Wealth and Job Creation (Emyooga), administered by The Microfinance Support Center (MSC). Seizing this opportunity, the group secured a loan of one million shillings. Through financial discipline and strategic management, they repaid this loan within three months and subsequently borrowed an additional three million



shillings to invest in a chalk drying machine. This key investment drastically reduced spoilage during the drying process, improving efficiency compared to their previous method using tarpaulins.

With enhanced production capabilities and increased confidence, the group took out another loan of four million shillings. They used this to design custom packaging and launch a marketing campaign, which has proven highly successful. Their expanded market now includes schools in Kabale and Kyenjojo, alongside their base in Mbarara. In the last school term of 2023 alone, they sold an impressive 2,000 boxes of chalk, each containing 150 pieces.

Employment Creation and Market Expansion

The business's growth has also created employment opportunities. The group has hired two additional youths to assist with production and marketing, thus contributing to the local economy and providing valuable jobs.

The Broader Impact of Emyooga

This success story underscores the broader impact of the Emyooga program. By offering accessible financing, the program empowers individuals and groups to overcome barriers, expand their businesses, and positively impact their communities. The Mbarara City South Women Entrepreneurs Emyooga SACCO exemplifies how collective financial support can drive significant entrepreneurial and social progress.

Turning Ambition into Reality: Emyooga Transforms Youth Leaders in Nyendo Mukungwe

In Nyendo Mukungwe Constituency, 110 young leaders united with a shared vision—to transform their community through the Presidential Initiative on Wealth and Job Creation (Emyooga). With their initial seed capital, they established a business hub in Masaka town, a vibrant center for their aspirations.

Armed with financial literacy training and a comprehensive understanding of SACCO governance, they began offering loans to members, creating a wave of entrepreneurship that would change lives. For Nsubuga Henry, the chairperson, Emyooga was the catalyst that brought his long-held dreams within reach.

An IT professional with a dream of owning an electronics and secretarial service shop, Nsubuga had worked multiple jobs to make ends meet. With a loan from the Youth Leaders SACCO, he built a brick-and-mortar

store on land inherited from his father, equipped with a desktop computer, printer, and photocopier.

As his business thrived, Nsubuga expanded into internet services, turning his shop into a crucial community hub. He left his side hustles behind and dedicated himself to his passion, watching his income soar. Today, he runs a successful electronics, mobile phone, and secretarial business—a testament to the transformative power of Emyooga.

His gratitude extends beyond his success. Every month, he travels to villages and sub-counties across his region, sharing the Emyooga story with other young people. “This is my gift to President Museveni,” he says, his voice brimming with emotion. “I give my time to sensitize other youths about Emyooga and how it can transform their lives through hard work. It is the only way I can express my gratitude.”



“I give my time to sensitize other youths about Emyooga and how it can transform their lives through hard work. It is the only way I can express my gratitude.”

Products through Agroprocessing interventions through SACCOs and Associations

From Teacher to Agroprocessing Entrepreneur

Daniel Tumukunde’s journey began in the classroom, teaching agriculture to secondary school students. When the pandemic struck and schools closed, he turned to his long-held passion—agro-processing and value addition. He began producing a range of spices, herbs, and peanut butter, utilizing Masaka’s local produce.

As schools reopened, Tumukunde expanded his business, supplying products to schools and supermarkets across the region. Today, he leads a team of 14, including farmers, casual laborers, and fellow young people. Although his venture is still in its early stages, he envisions a future with more funding, commercial grinders, and increased production to meet surging demand.

For Tumukunde, as for many young Ugandans, Emyooga has been a lifeline. It has provided him with the tools and confidence to turn his ideas into reality, building a business that sustains him and contributes to his community’s vitality.



Extraordinary



Creative Youth



Empowered



Transformation



Created better



Bright future

A New Era of Opportunity

COVID-19 pandemic left deep scars, yet it has also revealed the extraordinary resilience and creativity of Masaka’s youth. Amidst the devastation, they have found a way to rise, build, and create a future filled with hope and possibility. Emyooga has ignited this transformation, empowering young people to become architects of their destiny.

As we look to the future, one thing is clear: the best is yet to come. With Emyooga by their side, these young leaders will continue to innovate, persevere, and build a nation that is stronger, more vibrant, and more just than ever before. The pandemic may have shaken the world, but it has not diminished the spirit of these young leaders. They embody a timeless truth—that even in the darkest times, there is always a path forward, a chance to create a better tomorrow.



Amidst the devastation, they have found a way to rise, build, and create a future filled with hope and possibility. Emyooga has ignited this transformation, empowering young people to become architects of their destiny.

Strengthening Partnerships for Socio-Economic Transformation

In the 2023/2024 financial year, the Microfinance Support Centre (MSC) deepened its commitment to fostering strategic partnerships that drive socio-economic transformation. Through collaborative engagements with key stakeholders—including government agencies, financial institutions, development partners, and community-based organizations—MSC expanded access to affordable and Sharia-compliant financing, catalyzing economic growth at the grassroots level.

By strengthening linkages with SACCOs, cooperatives, and enterprise groups, MSC enhanced financial inclusion, enabling micro and small enterprises to thrive. These partnerships facilitated capacity-building initiatives, improved access to productive assets, and empowered communities to achieve sustainable livelihoods.

As a result, MSC's strategic alliances contributed to increased investment in priority sectors, bolstered rural enterprise development, and reinforced Uganda's journey toward inclusive economic prosperity. Through continued collaboration, MSC remains steadfast in its mission to transform lives and transform communities across the country.

During the reporting period, The Microfinance Support Centre (MSC) deepened its commitment to evidence-based programming by developing a strategic partnership with the Economic Policy Research Centre (EPRC). As a leading independent think tank in Uganda, EPRC brings on board a wealth of expertise in generating high-quality, research-driven policy insights. This collaboration is expected to enrich MSC's research agenda, particularly in evaluating

the impact of innovative models, interventions, and best practices tailored to accelerate social and economic transformation. By leveraging EPRC's analytical capacity, MSC aims to strengthen the formulation and evaluation of its programs, ensuring that its interventions are not only responsive to prevailing development challenges but are also anchored in empirical evidence.

In addition to this research-driven collaboration, MSC continued to build a robust network of strategic partnerships to drive inclusive financial development. Notably, through engagements with the Uganda Development Bank, MSC has developed tools and systems designed to better serve the economically active poor, ensuring that development finance is both accessible and impactful. Furthermore, MSC sustained collaborative efforts with key financial institutions such as Centenary Rural Development Bank and Post Bank, among others. These partnerships have been instrumental in expanding financial inclusion, promoting sustainable enterprise development, and delivering tailored financial solutions aligned with MSC's mandate of fostering socio-economic empowerment across Uganda. Next year, MSC will develop more strategic partnerships to drive its mandate, guided by the priorities and objectives outlined in the new strategic plan.

Bold Impact Results

Reference SACCOs: **133**

Collaborating Partners: **34**

District partners: **146**

As a result, MSC's strategic alliances contributed to increased investment in priority sectors, bolstered rural enterprise development, and reinforced Uganda's journey toward inclusive economic prosperity. Through continued collaboration, MSC remains steadfast in its mission to transform lives and transform communities across the country.



During a strategic benchmarking visit, MSC collaborated with the Uganda Development Bank (UDB) to leverage its effective model of development finance. Hosted by UDB Managing Director Patricia Adongo Ojangole, the session highlighted customer-centric service delivery and UDB's crucial role in promoting Uganda's socio-economic transformation agenda.



Mr. John Peter Mujuni, Executive Director/CEO of The Microfinance Support Centre, engages with Dr. Sarah N. Ssewanyana, Executive Director of EPRC, in a strategic dialogue to deepen institutional collaboration—unlocking new pathways for financial inclusion and community empowerment through innovative and evidence-based financial solutions.

Transforming Livelihoods Through Demonstration (Project) Learning Sites

Over the 2023/2024 period, the Microfinance Support Centre (MSC) has remained committed to improving the livelihoods of the economically active poor by establishing and operating demonstration learning sites in partnership with strategic stakeholders. Through these initiatives, 18,656 clients have gained invaluable knowledge and hands-on experience in wealth creation at the Rukungiri Piggery Demonstration Farm, the Rabbit Demonstration Farm-Busiika, MSC Mini Livestock Demonstration Farm, Piggery Demonstration Farm in Mukono and St. Theresa demonstration farm.

Under the Special Projects initiative, MSC has significantly increased employment opportunities, empowered rural communities to build sustainable wealth, and integrated them into the money economy. In 2023/2024 alone, over 18,656 clients were distributed as seed capital to farmers, and beneficiaries participated in learning sessions, equipping them with the skills to improve productivity and financial independence.

The projects cover Kampala, Mukono, Luwero, Wakiso, Rukungiri, Kiruhura, Mbale, Fort Portal, Jinja, Amolator, and Kibaale. MSC remains dedicated to scaling up such impactful initiatives, ensuring that more individuals and communities achieve sustainable economic empowerment.

Number of individual households received Seed Capital (in the form of pigs).

2,285
Clients

clients have gained invaluable knowledge and hands-on experience in wealth creation at the Rukungiri Piggery Demonstration Farm, the Rabbit Demonstration Farm-Busiika, MSC Mini Livestock Demonstration Farm in Kiruhura and the Piggery Demonstration Farm in Mukono.

18,656
Clients



Success in Action: The Story of Alimugonza Benard

One of the many lives transformed is that of Alimugonza Benard, a farmer from Kibaale District, who received a piglet from the St. Theresa Demonstration Farm under the Catholic Diocese of Hoima, supported by MSC. With the knowledge he acquired on pig rearing, Bernard has successfully expanded his piggery project, significantly increasing his household income. As a result, he can now afford quality education for his children, has boosted his savings, and improved his family's welfare. His success exemplifies the transformative power of MSC's initiatives in fostering financial stability and economic growth among rural communities.



Enhance the Development and Promotion of Innovative Client Centric Products and Services

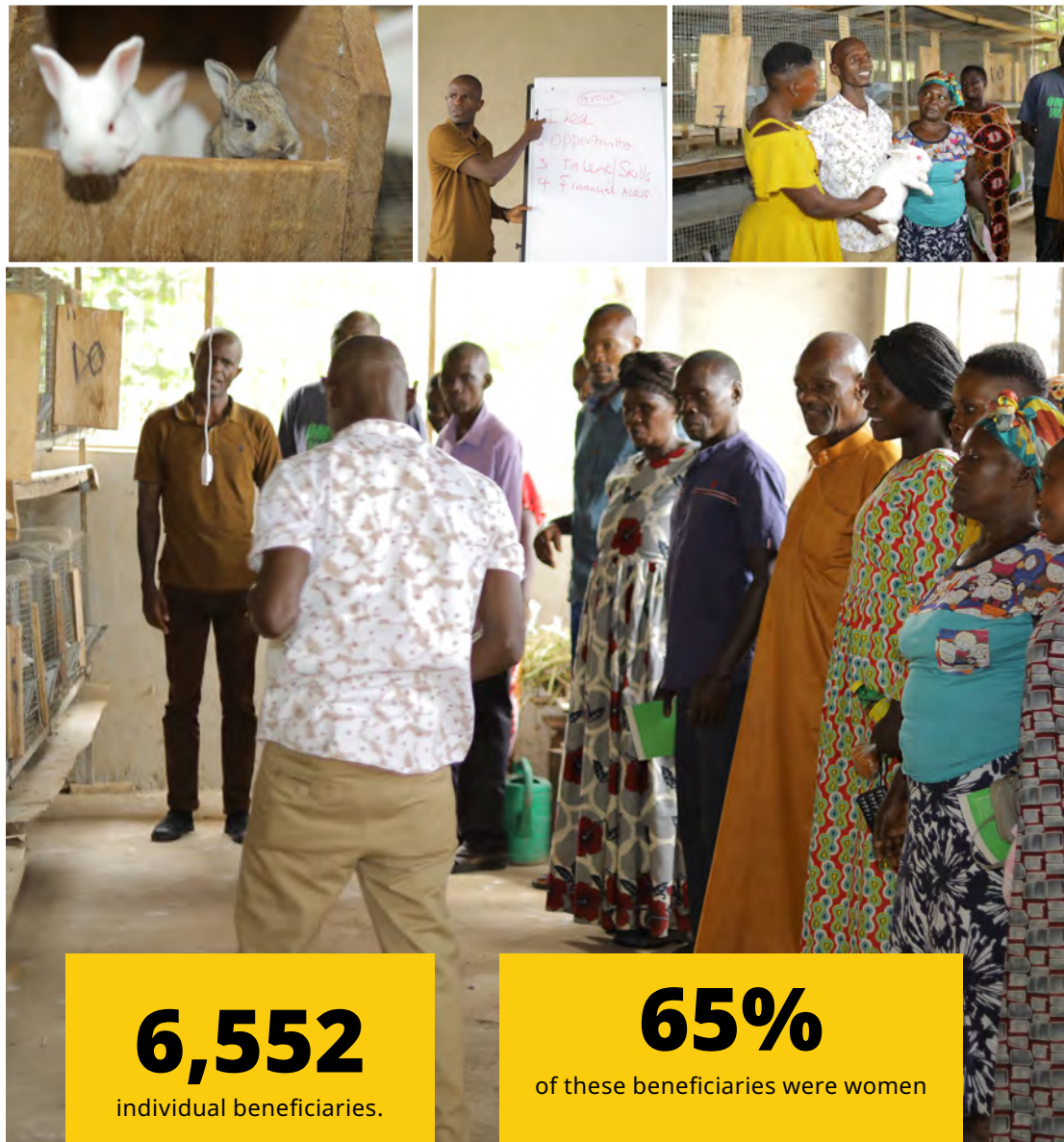
By June 30th, 2024, The Microfinance Support Centre (MSC) successfully implemented a transformative initiative across its demonstration centers, positively impacting 6,552 individual beneficiaries. Notably, over 65% of these beneficiaries were women, while 78% were youth actively engaged in farming and skill-ing projects. This achievement marks a significant milestone, reflecting a 7.2% increase in the number of individuals trained in essential areas such as on-farm management, best farming practices, and financial management. Through this initiative, MSC has empowered local communities, particularly women and youth, enhancing their capacity to drive sustainable economic growth and improving livelihoods.

78%

were youth actively engaged in farming and skilling projects.

7.2%

increase in the number of individuals trained in essential areas such as on-farm management, best farming practices, and financial management.



6,552

individual beneficiaries.

65%

of these beneficiaries were women

MSC Empowers Rural Communities for Socio Economic Transformation: The MSC in perspective



Hon. Matia Kasaija, Minister of Finance, Planning and Economic Development, engages with the Karacunas during their insightful learning visit to his farm in Kibaale District, inspiring the youth with practical lessons in agribusiness and self-reliance.

Seventy leaders and Karacunas from the Karamoja Sub-region embarked on a transformative learning exchange visit to Kibaale, aimed at equipping them with modern farming, livestock management, and agribusiness skills. This initiative, spearheaded by the Microfinance Support Centre (MSC), is part of a broader strategy to drive socio-economic transformation through sustainable agricultural enterprises and mindset change.

During the visit, participants explored best practices in livestock breeding, crop cultivation, and farm-based value addition. They gained firsthand insights into innovative and sustainable farming techniques that can be replicated in their communities to enhance productivity and food security. The exchange provided practical knowledge on enterprise selection, financial management, and the benefits of organized cooperative structures in wealth creation.

Addressing the delegation, Hon. Matia Kasaija, Minister of Finance, Planning, and Economic Development, emphasized that peace and stability are fundamental to economic growth in Karamoja. He encouraged the leaders and youth to adopt a proactive development mindset and fully embrace government-supported wealth-creation initiatives.

MSC remains committed to supporting rural communities with accessible financing and capacity-building programs that empower individuals and groups to thrive economically. With the skills acquired from this exchange, Karamoja's leaders and Karacunas are now better positioned to champion socio-economic transformation in their region, fostering a culture of resilience, innovation, and self-reliance.

Improve Resource Mobilization and Impactful Usage of Resources

To enhance sustainable growth and socio-economic development, MSC strengthened its resource mobilization efforts by diversifying funding sources, building strategic partnerships, and optimizing resource allocation. By focusing on the impactful and efficient usage of resources, MSC aim to maximize the return on investment for every initiative, ensuring long-term benefits for the communities we serve. Through transparent management, targeted interventions, and continuous monitoring, MSC drives measurable outcomes that contribute to the empowerment of individuals, the development of strong institutions, and the transformation of local economies.

In the 2023/2024 period, MSC successfully mobilized resources through new funding partnerships, increasing base resource. This enabled MSC to scale key programs, resulting in a improvement in community outreach, with over more individuals directly benefiting from the initiatives. The strategic allocation and impactful use of resources led to the establishment of new community-based enterprises, contributing to local economic growth. Additionally, The company introduced a robust monitoring system that ensured optimal resource utilization, achieving a 95% efficiency rate in program execution. These achievements reflect MSC's commitment to fostering sustainable development and creating lasting impact.



10,640,420

Individuals directly benefiting from our initiatives.



7,810

New community-based enterprises, contributing to local economic growth.

95%

Efficiency rate in program execution.

more about us



Ush. 453.7 Bn – Credit Fund
All grant funds for the FY 23/24 were received.

Ush 453.7BN

As of June 2024, the company had mobilized UGX364.3BN.
This amount is committed through signed agreements but has not yet been actualized.

Ush 364.3BN



Human Capital Development for Social Economic Transformation

In the 2023/2024 financial year, MSC's commitment to strategic human resource development has been instrumental in transforming the livelihoods of the economically active poor. By investing in staff capacity building, The company strengthened its ability to deliver impactful programs that enhance financial literacy, enterprise development, and access to affordable financial services.

Through continuous training, leadership development, and skills enhancement, The staff have been empowered to provide tailored support, innovative solutions, and effective mentorship to beneficiaries. This has

resulted in sustainable business growth, increased household incomes, and stronger financial inclusion among the communities we serve.

MSC's investment in human capital—both within the organization and among the economically active poor—has reinforced our mission of driving socio-economic transformation. By equipping staff with the expertise to build resilient and self-sufficient communities, we ensure that our impact is not only immediate but also sustainable for generations to come.

During the reporting period, staff capacity was significantly strengthened, with over 85% of the team completing specialized training in key areas such as development finance, credit analysis, delinquency management, financial performance analysis, Islamic financing, ESG, and risk management. Additionally, 63 staff members earned international certification in sustainable finance from Frankfurt, positioning the institution to deliver more resilient, inclusive, and forward-looking financial solutions.



Strategic Corporate Governance, Risk and Compliance.

In the year under review, the Microfinance Support Centre (MSC) operated under the stewardship of a fully constituted Board, upholding the highest standards of corporate governance. The Board provided strategic direction and oversight through a robust governance framework comprising policies, structures, and practices that ensured transparency, accountability, and effective decision-making. MSC remained fully compliant with all statutory obligations while diligently safeguarding the interests of both internal and external stakeholders. The composition of the Board, including the committees served by each member, is detailed in the accompanying table/infographic.

Composition of Full Board and Board Committees

Members	Full Board	Finance and Administration Committee	Human Resource Committee	Governance and Audit Committee	Strategy and Information Technology Committee
Dr. Kiiza Emmanuel Aliba					
Mr. Waiswa Robert Mpakibi					
Amb. Agnes Kadama Kalibbala					
Mr. Kalule John					
Dr. Diana Nandagire Ntamu					
CPA. Odongo Amaya Moses					
Dr. Fredrick Tabura					
Mr. John Peter Mujuni					

Board Committee Meetings

S/NO	Description	No. meetings held
1.	Full Board	08
2.	Finance	12
3.	Human Resource	10

4.	Governance and Audit	09
5.	Strategy and Information Technology	02

Effective Risk Management

Risk management remains a critical component of the Microfinance Support Centre’s (MSC) decision-making processes and daily operations. It is firmly integrated into the MSC’s strategic plan and embedded in the job descriptions of all staff. During the reporting period, monthly and quarterly risk assessments were systematically conducted across projects, processes, and systems to ensure alignment with MSC’s strategic objectives.

Identified risks were categorized and documented in a comprehensive risk register, which was regularly reviewed and monitored to ensure the effectiveness of the risk management framework and to reinforce a culture of proactive risk awareness among staff.

Findings from the risk assessments were thoroughly analyzed and reported to the Senior Management Team (SMT) and the Board of Directors. In addition, staff were engaged in risk sensitization sessions held during departmental meetings and through personalized one-on-one engagements, further strengthening institutional risk consciousness and response.

Compliance with Policies and Regulations

During the reporting period, several key institutional documents were developed and formally approved. These included the Resource Mobilization Strategy 2024–2030, Internal Audit Charter, Expected Credit Loss (ECL) Policy, Communication, Branding and Marking Strategy, Institutional Development Policy and Procedures Manual, Islamic Financing Policy and Procedures Manual (Second Edition), and the Microgrants Policy and Procedures Manual. To ensure effective implementation and compliance, staff were consistently sensitized through various channels such as general staff meetings, departmental briefings, email communication, and one-on-one engagements. A Compliance Register was maintained and regularly updated to monitor and report adherence to internal policies, procedures, and MSC’s operational guidelines.



Her Excellency Major (Rtd) Jessica Alupo, Vice President of the Republic of Uganda interacts with Beneficiaries supported through MSC Mandate



Cost of our Response:



Our intervention is designed to deliver high-impact outcomes at an affordable cost. Through low cost, high-impact financial innovations, MSC has significantly improved the quality of life for individuals through affordable credit. This is achieved through our unique business model of building strong SACCOs and groups, which are the cornerstone of Social Economic Transformation. By ensuring the continuity of well-being through savings and investments, MSC demonstrates commitment to building the capacity of SACCOs for long-term sustainability. Through this model, MSC empowers communities to achieve socio-economic transformation and support their journey toward lasting impact.



Financial Statements

July 1st, 2023 - June 2024



THE REPUBLIC OF UGANDA

REPORT OF THE AUDITOR GENERAL ON THE
MICROFINANCE SUPPORT CENTRE LIMITED
FOR THE AUDIT YEAR ENDED DECEMBER 2024

OFFICE OF THE AUDITOR GENERAL

DECEMBER 2024

REPORT ON PERFORMANCE EVALUATION

In accordance with Schedule 2 of the Public Finance Management Act Cap 171 on the presentation of financial statements, and Section 18 of the NAA Cap 170, I undertook an evaluation of the Company's actual performance in comparison with its planned activities and outputs for the year as well as its mandate. This section presents the findings from the evaluation of the performance.

3.1 Implementation of the Approved Budget

Paragraph 2 of schedule 5 of the PFMA Cap 171, requires Accounting Officers to prepare an Appropriation Account showing the services for which the moneys expended were voted, the sums actually expended on each service, and the state of each vote compared with the amount appropriated for that vote by Parliament.

Entities prepare budgets every year which provide expected revenue and expenditure for the year. The budgets are supported by work plans that show what specific activities and out-puts the funds will be spent on in order to deliver services to citizens.

In arriving at my findings, I reviewed documents such as work plans, budgets and performance reports. I also conducted interviews and physical inspections to corroborate my findings from the review of documents.

Microfinance Support Centre Limited (MSCL) is mandated to facilitate access to affordable financial services. This mandate is met through ten (10) strategic objectives as below;

- i. increased coverage and depth of microfinance services to the economically active poor;
- ii. strengthening the development impact of the MSC by integrating socioeconomic measures into its activities;
- iii. supporting the implementation of the GoU development agenda;
- iv. strengthening partnerships;
- v. strengthening client institutional capacity;
- vi. promoting the development of innovative client-centric products and services;
- vii. enhancing business growth and efficiency for sustainability;
- viii. improving resource mobilization and impactful usage of resources;
- ix. improving governance, performance management accountability and
- x. to enhance organizational reputation.

During the financial year 2023/2024, the entity had an operations budget of UGX.144.5Bn for which UGX.117Bn was realized as shown below;

Table showing approved budget for operations for FY 23/24

SN	Details	Approved Budget (UGX Bn)	Amount Realized (UGX Bn)	% Realized
1	Recurrent(wage)	19,936	13,216	66.3
2	Recurrent (Non-wage)	28,020	30,797	79.2
3	Capital Expenditure	9,595	3,597	37.5
4	Emyooga grants and Technical Support	87,000	87,000	100
	Total	144,551	117,535	81.3

The Microfinance Support Center Limited (A company limited by Guarantee) Annual report and financial statements for the year ended 30th June 2024

STATEMENT OF DIRECTORS' RESPONSIBILITIES

The Ugandan Companies Act, 2012 requires the directors to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the Company as at the end of the financial year and of its profit or loss for that year. It also requires the directors to ensure that the Company keeps proper accounting records that are sufficient to show and explain the transactions of the Company; and that disclose, with reasonable accuracy, the financial position of the Company and that enables them to prepare financial statements of the Company that comply with the International Financial Reporting Standards (IFRS) and the requirements of the Ugandan Companies Act, 2012. The directors are also responsible for safeguarding the assets of the Company and for taking reasonable steps for the prevention and detection of fraud and other irregularities.

The directors accept responsibility for the preparation and fair presentation of the financial statements in accordance with the International Financial Reporting Standards (IFRS) and in the manner required by the Ugandan Companies Act, 2012. They also accept responsibility for;



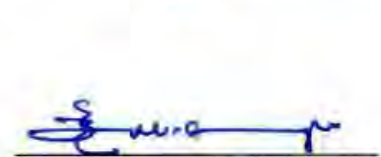
- i. Designing, implementing and maintaining such internal control as they determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error;
- ii. Selecting and applying appropriate accounting policies; and
- iii. Making accounting estimates and judgements that are reasonable in the circumstances.

The directors are of the opinion that the financial statements give a true and fair view of the financial position of the Company as at 30 June 2024 and of its financial performance and cash flows for the year then ended in accordance with the International Financial Reporting Standards (IFRS) and the requirements of the Ugandan Companies Act, 2012.

In preparing these financial statements the directors have assessed the Company's ability to continue as a going concern. Nothing has come to the attention of the directors to indicate that the Company will not remain a going concern for at least the next twelve months from the date

The directors acknowledge that the independent audit of the financial statements does not relieve them of their responsibilities.

So far as each of the directors is aware, there is no relevant audit information which the auditor is unaware of, and each of the directors has taken all the steps that ought to have been taken in order to become aware of any relevant audit information and to establish that the auditor is Approved by the board of directors on 20th Dec 2024 and signed on its behalf by;

 CHAIRPERSON
  DIRECTOR
  EXECUTIVE DIRECTOR/CEO

**REPORT OF THE AUDITOR GENERAL ON THE FINANCIAL STATEMENTS OF
THE MICROFINANCE SUPPORT CENTRE LIMITED FOR THE FINANCIAL YEAR
ENDED 30TH JUNE, 2024**

THE RT. HON. SPEAKER OF PARLIAMENT

Opinion

I have audited the financial statements of the Microfinance Support Centre Limited, for the Financial Year ended 30th June 2024, which comprise the Statement of Financial Position as at 30th June 2024, the Statement of Financial Performance, Statement of Changes in Equity and Statement of Cash flows, together with other accompanying statements for the year then ended, and notes to the financial statements, including a summary of significant accounting policies.

In my opinion, the Financial statements present fairly in all material respects, the financial position of the Microfinance Support Centre Limited, as at 30th June 2024 and its performance and cash flows for the year then ended, in accordance with International Financial Reporting Standards (IFRS), and the requirements under the Companies Act Cap.106 of the Laws of Uganda.

Basis for Opinion

I conducted my audit in accordance with the International Standards of Supreme Audit Institutions (ISSAIs). My responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of my report. I am independent of the Microfinance Support Centre Limited in accordance with the Constitution of the Republic of Uganda 1995 (as amended), the National Audit Act, Cap 170 of the Laws of Uganda, the International Organization of Supreme Audit Institutions (INTOSAI) Code of Ethics, the International Ethics Standards Board for Accountants Code of Ethics for Professional Accountants (Parts A and B) (IESBA Code), and other independence requirements applicable to performing audits of Financial Statements in Uganda. I have fulfilled my other ethical responsibilities in accordance with the IESBA Code, and in accordance with other ethical requirements applicable to performing audits in Uganda. I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my opinion.

Report on the Audit of Compliance with Legislation

In accordance with Section 18 of the NAA Cap. 170, I have a responsibility to report material findings on the compliance of the Company Management with specific matters in key legislations. I performed procedures primarily to identify findings but not to gather evidence to express assurance.

There were no material findings in respect of the compliance criteria for the applicable subject matters for me to report.

Other Legal and Regulatory Requirements

As required by the Companies Act, Cap.106 of Uganda, I report to you, based on my audit, that;

- I have obtained all the information and explanations which, to the best of my knowledge and belief, were necessary for the purposes of the audit;
- In my opinion, proper books of account have been kept by the Company, so far as appears from my examination of those books; and
- The Company's statement of financial position and statement of comprehensive income are in agreement with the books of account.



Edward Akol
AUDITOR GENERAL

Kampala

23rd December 2024

Annex A: Key MSC Engagements and Communication Events Convened by MSC in FY2023/2024

S/NO	Event	Venue	Date
1.	Program monitoring field visits by Hon. Haruna Kasolo Kyeyune, Minister of Finance, Planning and Economic Development, in charge of Microfinance	Eastern Region	April and May 2024
2.	Launch of the Kibaale Satellite Office by Hon. Matia Kasaija, Minister of Finance, Planning and Economic Development	Kibaale District	1 st May 2024
3.	Launch of the St. Theresa Demonstration Farm by Hon. Matia Kasaija, Minister of Finance, Planning and Economic Development	Kibaale District	12 th May 2024
4.	Learning Exchange Visits by the beneficiaries of the Presidential Initiative on Wealth and Job Creation	Western Region	April -June 2024
5.	National Microfinance Conference	Hotel Africana	July 17-18, 2024
6.	MSC Annual General Meeting	7 th Floor, Ministry of Finance, Planning and Economic Development	14 th March 2024 & 4 th December 2024,
7.	Local Economic Growth Support (Legs) Project Lives & Livelihood Fund Development Partners Mission	In Kampala, Kyenjojo, Kabarole, Bunyangabu & Ntoroko Districts	14 th – 19 th August 2023

Our partners:

Funding Partners Engaged



Ministry of Water & Environment (MWE)/ Ministry of Agriculture, Animal Industry and Fisheries (MAAIF)

A tripartite MOU between MSC, MWE and MAAIF was cleared by the Solicitor General for the 'Empowering Novel Agri-Business-Led Employment for Youth in Uganda's Agriculture' (ENABLE Youth Uganda) Program. The project, worth Ush. 2.5 Bn, is funded by Nordic Development Fund (NDF) and the African Development Bank.

- Four (4) boreholes and four (4) solar security lights were installed, two (2) drainage channels were rehabilitated, ten (10) culverts were laid and one (1) waste management collection centre was established.
- Trained 90 Project Affected Persons in enterprise management and financial literacy.



Ministry of Kampala Capital City and Metropolitan Affairs (MKCC-MA)

Based on the experience acquired from implementing the KJE-NOWO Project funded by Cities Alliance, MSC sought partnership with the management of MKCC-MA for the implementation of the Slum-Upgrading Project to promote new settlements for poor families in support of GOU's goal of achieving inclusive growth. The Project, worth USD 450m, will be implemented with funding from the World Bank.



Cities Alliance/ United Nations Office for Project Services (UNOPS)

MSC fully implemented the community upgrading component of the 'Kampala Jinja Express Way- 'No-One -Worse- Off' (KJE-NOWO) Project in Kasokoso and Kinawataka in which the following was achieved:



Islamic Development Bank (IsDB)

MSC continued to engage the IsDB and the Ministry of Finance, Planning and Economic Development on the SERVE Project, worth USD 1 million.



National Alliance of Agricultural Cooperatives in Uganda Ltd (NAAC)/ East African Farmers Federation (EAFF)

MSC was represented at the NAAC regional conference organized in Kigali in search of opportunities as a manager of agricultural projects funds to cooperatives.



Food & Agricultural Organization (FAO)

MSC was a beneficiary of Ush. 95 million to develop proposals for the 'Innovations for Enhancing Easy Access to Alternative, Low-cost and Cleaner Energy Options for Rural and Urban Households'. At the same time, MSC pursued a successor project aimed at strengthening savings and credit schemes across Farmer Field Schools in Central and Western regions, following the successful implementation of the initial project that targeted West Nile and Karamoja Sub regions in which 120 FFSs were trained.



Goal Development & Relief Organization (GOAL)

MSC received funds for the implementation of two GOAL projects namely:

Uganda Youth Engine

- Linked agents to 15 Business Savings Groups (BSGs) to prepare them for financing.
- Conducted 16 trainings for 2,040 members (70% female) from 53 VSLAs and 15 BSGs on financial literacy, VSLA methodology, enterprise development, safeguarding, and gender inclusion.

Young Africa Works Markets for Youth Project (YAW-M4Y) & MasterCard/ GOAL

MSC trained 179 Community Based

Extension Workers (CBEWs) in Hoima, Kamwenge, Kabarole and Kyegegwa to support the Young Africa Works Project.



Ministry of Local Government (MoLG) - LEGS Project

IsDB Supervisory Mission; The Islamic Development Bank (IsDB) Kampala Hub undertook a supervision mission to 4 project districts of Kibuku, Kumi, Katakwi and Alebtong between 12th and 16th September 2022. The mission comprised of implementing partners from the Ministry of Local Government, Millennium Promise Alliance, Microfinance Finance Support Centre and District Local Governments in the 4 districts.

The mission also noted the need for extension of the Last date of disbursement for the IsDB Loan for one more year from December 31, 2022 to December 31, 2023 to ensure that all these pending activities are accomplished under this component.



Mercy Corps

MSC continued to implement the Apolou program in collaboration with Mercy Corps in five (5) districts of Karenga, Kaabong, Kotido, Amdat and Moroto in Karamoja Sub region. This program was designed to develop livelihoods by enhancing financial inclusion through mobilization, training, digitalization and financing of



various farmer groups. With support from the partner, the following were accomplished:

- MSC facilitated TOTs training sessions where 31 selected groups and 173 group leaders were trained.
- Through the Kotido Satellite, MSC mobilized and assessed 61 groups; 17 groups in Kotido, 14 in Kaabong, 9 in Amudat 12 groups and 9 groups in Moroto. Out of the 61 groups, 24 groups were found eligible for financing and applied for Credit facilities. By quarter end, the loan application files for the 24 groups files were being appraised by Moroto Zonal Office for financing.
- Fifty-three (53) groups were digitalized through the Fintech partner, Ensibuko Technologies. The Digitalization will increase transparency, reduce cost of transaction by the group the risk of loss of members' funds. Digitalization will also help to simplify applications of credit facilities to MSC.



MAAIF

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