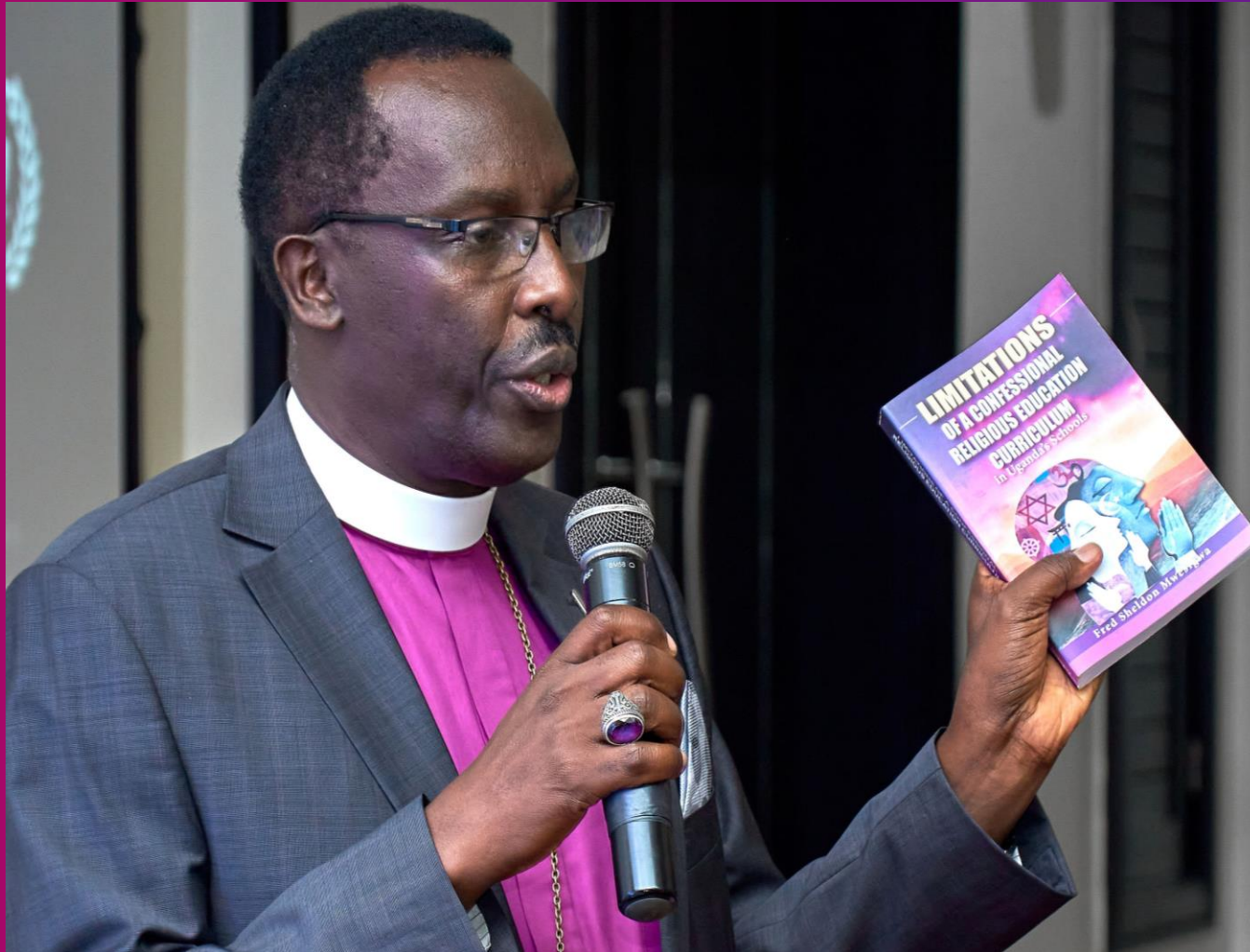


RELIGION & ENTERPRISE AFRICA SUMMIT 2022

Religion and Poverty Alleviation Using the Concept of Cooperatives (Sacco) As an Innovative Tool



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Outline of presentation

1.1 Introduction

1.2 Definition of key terms

1.3 How did Ankole Diocese begin a Sacco?

1.4 Why did Ankole Diocese begin a Sacco?

1.5 Why is the Millennium Sacco a successful story?

1.6 What are the challenges of running Millennium Sacco?

1.7 What are the lessons from Ankole Diocese Sacco?

1.8 Conclusion

1.1 Introduction

- a) There is a general misconception that religion and poverty are two sides of the same coin. Subscribers to this view may say, 'Our wealth is in heaven; Poverty gospel. (Luke 18:22)
- b) There is also another misconception that a godly person has to be materially rich at all costs. Subscribers to this view belong to the prosperity gospel. (Philippians 4:19)

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c) The third view is the middle course of respect for hard work and perceiving work as worship and enjoying the fruits of hard work. (Psalm 128:1-2)

d) The establishment of the millennium Sacco by Ankole Diocese was aimed at assisting Christians to exercise hard work through savings and gaining credit in order to improve members' livelihood.

1.2 Definition of key terms

- Religion is the collective human response to the awareness of the transcendental. Religion is expressed in terms of rituals and ethics (sunder Meier 1999:17).
- Poverty according to the World Bank (2000), is defined as pronounced deprivation in wellbeing. Deprivation can be in monetary terms, commodities needed for daily living and even housing, health conditions.

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- Poverty alleviation is the effort to improve the quality of life for those people currently living in poverty.
- Ankole diocese is one of the 37 Dioceses of COU and stands for Faith Based Institutions.
- SACCO is an abbreviation for savings and credit cooperatives, where members of these financial Institutions, pool resources mainly from members who pay membership fee, administration fee and buy shares. For Millennium Sacco for which am the Patron minimum entry is Shs. 30,000.
- Money is the major commodity of carrying out transactions. Money is a current medium exchange in the form of coins and banknotes collectively.

1.3 How did Ankole Diocese begin a Sacco?

- Among the projects I committed to do as a Bishop, in the Bishop's charge, a Sacco or financial institution was not one of them.
- However, on my first pastoral visit to over 100 parishes, I listened to a chorus complaint of the need for Anglicans to have a financial institution for economic empowerment.
- Apparently, there was a clergy cooperative savings scheme and some Christians had formed themselves into a pressure group to start a bank.
- The story is long but the two camps could not see eye to eye, till I implored members to the creation of a unitary Sacco for the whole Diocese.

1.4 Why did Ankole Diocese begin a Sacco?

- i) There was envy among many Christians of the success story of our brothers/cousins the Roman Catholics through their Centenary Bank.
- ii) There was an outcry for employment of many of our University and college graduates.
- iii) There was hunger for accessing of credit to embark on agricultural, business and other projects.

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iv) The Diocese looked at the Sacco as a vehicle of gaining more relevance to the Christians and the community.

v) The Diocese perceived the Sacco as an Engine for spurring Diocesan Development projects, parable of the talents. (Mathew 25:14-30)

vi) Why is the Millennium Sacco a success story?

Why is Millennium Sacco a success story?

I became a Bishop on 18th July 2010 and what was then Ankole Diocese Millennium Sacco was established on 12th December, 2012 and after ten years;

- a) We have an asset base of 15,129,418,289 billion*
- b) We made a gross profit of 2.035 billion and net profit of 1.205 billion 2021.*
- c) Each share of 10,000 Shs in 2021 earned 5200 Shs and the biggest shareholder bagged 8,632,750 shs in shares.*
- d) The Diocese and different churches have shares too.*

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- d) Currently we have 7 branches in four districts of Mbarara, Isingiro, Rwampara and Mbarara City, Total membership is 16,659.
- e) All our seven branches are net worked and we have closed circuit TV whereby at Mbarara Headquarters we monitor what is in Ibanda or Rugaaga etc. Using MSacco our customers no longer need to move with cash on them which is risky. We are planning to open a branch/service centre in Kampala.
- f) We are now employing 83 members of staff majority graduates.

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g) We recently constructed a two level business office building at Rugaaga branch which was opened by HE Rtd Maj. Jessica Alupo Vice President of Uganda on 14th January 2022.



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h) Following a recruitment of new members campaign powered by the Big Five consulting firm that organized a breakfast, at Sheraton Kampala and a business dinner in Mbarara, more membership, shares were bought and services used. Recently one client fixed with us 700m and bought shares worth 400m.

i) The Sacco's net worth stands at 15,129,418,289 as at 30th June 2022.



Con't

i) Business/women, commercial agriculture entrepreneurs, small artisans, priests e.t.c have been boosted in their resources and thereby income and livelihoods improved as a result of capital from Sacco.

1.6 What are the challenges/bottle necks of running the Sacco?

- i) Leadership succession challenge Vis a Vis cooperative constitution/guide-lines. Trust worthy and diligent Christians not many.
- ii) Lack of unity spirit in the church and among Christians Eph 4:1-6. A small man in a big thing syndrome.
- iii) Loan defaulting on part of some arising out of lack of Christian witness.

1.7 Lessons

- a) Religion is a powerful force that inculcates values like hard work, truth, and trustworthiness that are the backbone of running successful business enterprises.
- b) The Unity of brethren according to Christ, our Master, is an obligation not an option. (John 17:21) We are now called upon as Christians to exercise 'Unity in development' the motto for Millennium Sacco.

1.7 Lessons

c) Poverty is not a godly kingdom value and neither is glorification of material wealth at the expense of our spirituality.

d) Christians need to work very hard, be trustworthy and in process, reap fruits of hard-work by living life in full (john 10:10). It is for this reason that born again (balokore) in Ankole live longer than those who are not born again. (Books research)

1.8 Conclusion

- All hard work brings a profit, but mere talk leads only to poverty; (Prov 14:23)
- Religion is the best weapon of alleviating poverty since by its nature it promotes hard work, diligence and stewardship.
- Christians, especially the born again have a challenge of being united so as to form associations like Saccos, which are great catalysts for improving livelihoods of Christians and making the church, as an institution, strong and relevant.

**2021: Centenary Bank hits a record
UGX4.8 trillion in assets and
UGX211.5 billion net profit**

<https://www.pmldaily.com/business/2022/04/2021-centenary-bank-hits-a-record-ugx4-8-trillion-in-assets-and-ugx211-5-billion-net-profit.html>

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