

Equity Bank reaffirms support for SACCOs, small businesses

OUR REPORTER

Equity Bank Uganda has reaffirmed its commitment to advancing financial inclusion by strengthening support for Savings and Credit Cooperative Organisations (SACCOs), micro businesses and grassroots entrepreneurs through tailored financing, financial literacy training and sustainability focused products.

Speaking at the Uganda Central Co-operative Financial Services Ltd (UCCFS) Annual General Assembly, held at Silver Springs Hotel Bugolobi on Friday, the bank highlighted its transformation from a small savings society into a regional banking powerhouse, underscoring its continued focus on empowering SACCOs and small businesses as key drivers of economic growth.

Olivia Mugaba, Equity Bank's Head of SMEs, said: "We started as a society formed by ordinary farmers who could not access traditional banking because they lacked financial history and collateral." She explained that small-scale farmers came together to create a financial system where members could save, borrow, pay school fees, and invest in farming activities through mutual trust and shared responsibility.

"That journey is proof that SACCOs and cooperatives can grow into strong institutions when supported with the right leadership, discipline, and partnerships," Mugaba added.

Mugaba noted that Equity Bank's partnership with the cooperative body is aimed at strengthening financial inclusion at the grassroots level by designing products and services tailored to the realities faced by SACCO members.



Equity bank head office

"If a customer walks into a bank and is turned away because they do not meet standard requirements, then we have not served them. We want to understand people's challenges first so we can create solutions that work for them," she said.

Mugaba further revealed that Equity bank has dedicated budgets for free financial literacy and capacity-building programs for SACCOs across the country.

"If your SACCO needs governance training, financial literacy, or leadership support, call us. We will come and train your members at our own cost," she emphasized.

The bank also showcased its sustainability agenda through green financing products targeting renewable energy, waste management, and environmentally friendly projects.

"We provide green financing at reduced interest rates because sustainability matters. In some cases, our partners even pay up to 33 per cent of the loan value on behalf of the customer," Mugaba said.

Equity bank's Segment Head of Micro Business, Bob Paul Lusembo, described SACCOs as the foundation of economic transformation at the grassroots level.

"The start of transformation at the grassroots is the SACCO because

members know and trust one another. The biggest challenge they face is liquidity, and that is where Equity bank comes in," Lusembo said.

He explained that the bank offers financing to SACCOs ranging from as low as Shs 1 million to Shs 100 million under the micro segment, depending on the institution's growth stage and borrowing capacity.

"We do not only provide loans. We also strengthen governance structures and train both SACCO leaders and members to ensure sustainability," he said.

Lusembo added that Equity bank has financial literacy trainers stationed in every region to support SACCOs free of charge.

The bank also announced specialised financing solutions for agriculture, green energy projects, distributors, suppliers, and school fees support.

Under its agribusiness financing program, Equity bank provides unsecured short-term loans ranging between Shs 10 million and Shs 500 million for farmers and suppliers with verified produce contracts.

"If you are supplying companies such as Nile Breweries Limited or are an accredited distributor for companies such as Pepsi, we can finance you without requiring traditional security," Lusembo explained.

For larger businesses and growing SACCOs, Mugaba said the bank offers SME financing ranging from Shs 1 million up to Shs 6 billion.

The officials concluded by reaffirming Equity bank's long-term commitment to cooperatives and encouraged SACCO leaders to continuously engage the bank with suggestions on how to improve services.

"Our partnership with UCCFS is for the long term. We are here to listen, support, and grow together with cooperatives across Uganda," Mugaba said