ABSTRACT

The study examined cooperative as a tool for rural development and poverty Reduction in Rwanda. The case of Cooperative Abahuzamugambi ba Kawa based in Maraba sector, Huye district in Southern province. The sample consisted of the members, management and Board of Directors of the Abahuzamugambi ba kawa. The sample size was 75 respondents. A research questionnaire was used to gather data from respondents. The research questions focused on the principles of cooperatives; the effectiveness of cooperative and the impact of Abahuzamugambi’s Cooperative in term of Rural Development and Poverty Reduction. The findings of the study were on the rural cooperative and the need for education in the areas of cooperative member ownership and ways in which to increase participation in decision making. Some of findings were as follows: The cooperatives have proved to be the best tool to realize developmental goals and poverty reduction working at grass root levels. Cooperatives can participate directly in agriculture and industry thus creating employment and increasing productivity which are the major indicators for rural Development and Poverty reduction in general. It was also deduced that, cooperatives help farmers to market firm products. The cooperative Abahuzamugambi ba kawa was set up in Maraba Sector to collect coffee from farmers on behalf of members. This has contributed to the economic well – being of members as well as people within that area. Regarding the finding from this study, the researcher recommended to the Cooperative Abahuzamugambi ba kawa to organize and conduct regular trainings and sensitization of members to the value of good quality of coffee as requested the neoclassical theory. In addition, the cooperative Abahuzamugambi ba kawa should organize study visits for the management, Board of Directors and membership so that their performance could serve as model to other members and the community.