

This section contains publications on performance by Financial Institution that are engaged in the business of dealing with monetary transactions. It also contains publications on the situation of business establishments in the country.

The Establishment Census provides information on all economic activities by size of establishments in Rwanda. This information is used to classify establishments according to their size (micro, small, medium, and large) but also into formal and informal establishments. For each establishment census round, the methodology used for data collection and data analysis is quite similar; this helps in carrying out the comparative analysis of the information found in the latest and previous censuses.

## **Number and characteristics of establishments**

In 2023, the total number of establishments was 269,326, including 261,549 enterprises (head offices or single unit establishments). Wholesale and retail trade accounted for 53.5 percent of the establishments, followed by accommodation and food services by 23.0 percent.

The three districts of the City of Kigali have the highest concentration of establishments: 9.3 percent for Gasabo, 8.4 percent for Nyarugenge and 6.3 percent for Kicukiro. In addition, apart from the City of Kigali; Musanze (4.9 percent), Rubavu (4.8 percent), Bugesera (4.2), Rwamagana (3.6 percent), Nyagatare (3.5 percent), Rusizi (3.3 percent), Kamonyi (3.3 percent), Gicumbi (3.2 percent), and Muhanga (3.1 percent) are the ones with the highest number of establishments. Almost all establishments (95.9 percent) are private and 92.0 percent are owned by one person (sole proprietorship) and a great number of enterprises employ less than 4 workers (92.2 percent being of micro-enterprises).

### **Employment**

The Establishment Census results showed a total of 927,739 workers across all establishments, with females accounting for 43.6 percent. The four main economic activities accounting for 66.3 percent of total employment are wholesale and retail trade and repair of motor vehicles and motorcycles (26.2 percent), education (17.4 percent), accommodation and food service activities (12.9 percent), and manufacturing (9.8 percent).

Economic activities with more than 75 percent of male workers out of the total number of employees are classified as male dominated. These include Mining and quarrying (75.3 percent), and construction (85.6 percent).

### **The trend of the number of establishments since 2020**

A comparison of 2020 and 2023 Establishment Censuses shows that there was a growth of 15 business-oriented establishments since 2020. The results have shown that the noticeable change overtime in terms of the number of establishments was in the urban areas (+44.6 percent) vis-à-vis the rural areas (-3.4 percent); specifically, the business-oriented establishments have increased by 44.7 percent in urban areas and decreased by 3.7 percent in rural areas. The most significant increases in business-oriented establishments were seen in the following economic activities: Information and communication activities (120.3 percent), Agriculture, forestry and fishing activities (75.0 percent), and Financial and insurance activities (69.8 percent).

Regarding the size of the enterprise, there was an increase in all size categories. However, the highest increase was observed in large enterprises while the lowest increase was observed in small enterprises.

In regard to the change in employment level, business-oriented establishments experienced 30.2 percent increase in employment size between 2020 and 2023. Significant increase in employment size has been extremely high in electricity, gas, steam and air conditioning supply (140.9 percent), Arts, entertainment and recreation (134.7 percent), Mining and quarrying (108.1 percent), Information and communication (89.9 percent), Construction (81.6 percent), and Professional, scientific and technical activities (77.6 percent), and Financial and insurance activities (60.0 percent).

### **Formal and informal sector**

As adopted in the 2014, 2017, and 2020 establishment censuses, the formal or informal establishment was defined according to the criteria of maintaining operational accounts and Rwanda Revenue Authority (RRA) registration in addition to the production of goods or services for sale or barter in non-agricultural activities. Based on the above definition criteria, the size of formal enterprises amounts to 31,072 enterprises equivalent to 11.9 percent at national level. The informal enterprises are greater than formal enterprises in terms of numbers. In addition, the mean and median size of formal enterprises in terms of workers (15.5 and 2) exceed those of informal enterprises (1.5 and 1).

The formal enterprises are concentrated in urban areas (67.3 percent). The reverse pattern is observed for informal enterprises where their distribution is 47.8 percent in urban areas and 52.2 percent in rural areas.

The employment size in all enterprises amounts to 904,562 persons of whom 545,588 (about 60.3 percent) work in formal enterprises. This means that although the prevalence of formal enterprises in the country is as low as nearly 13.0 percent, it absorbs a large proportion of employed persons. Comparing the formal and informal sectors combined between 2020 and 2023 reveals an overall growth of 19 percent over the three-year period. Urban enterprises experienced a substantial increase of 46 percent, while rural enterprises experienced a slight decline of 1 percent.

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