Datasource:

Integrated Business Enterprise Survey

Period:

June, 2023 to September, 2023

In 2022, the total number of business enterprises was estimated to be 245,291. The survey results show that, business-enterprise activities in Rwanda are overwhelmingly informal, with informal business enterprises accounting for 91.9% of total business-enterprises. The number of formal businesses grew by 49% between 2017 and 2022, while the number of informal businesses increased by 67 percent. In 2022, the number of formal businesses expanded by 12% year on year, while informal businesses increased by 10%

The Kigali of City accounts for the highest concentration of formal business enterprises with 72.4% of total formal businesses. The Northern and Southern have each 7.3%; while Western and Eastern provinces have 7.1%, and 5.9% of total formal businesses respectively.

Micro business enterprises are backbone of business enterprise activities in Rwanda (Graph 1.4). Micro business enterprises, which employ 1 to 3 people, account for 85.2% of business activities in Rwanda. They are largely informal accounting for 91.4% of all informal businesses and around 84.1% of total business activities in Rwanda.

Formal business enterprises are mainly characterized by small business enterprises which employ 4 to 30 people. Formal small business enterprises account for almost half of total formal business enterprises (49%) and about 33% of total small business enterprises.

Wholesale and retail trade activities dominate the economic activity landscape with 59% of all business enterprises in Rwanda, followed by accommodation and food services with 21%.

Formality by economic activity declines as the number of business enterprises per category increases (Figure 1.6). While the wholesale and retail sub-sector generally dominates the economic activity landscape, the sub sector is only 7.0% formal.

Business Environment Factors

In general, formal and informal business enterprises face different challenges regarding the nature of the business environment.

Formal business enterprises rank problems in affordability of finance (16.8%), transport cost (15.4%), unavailable working space (14.3 %), and limited land (13.9%) as their most pressing challenges.

On the other hand, informal business enterprises rank access to finance, marketing problems, water, and transport costs, as their primary concerns. Almost a third (31.3%) of informal business enterprises report difficulties in accessing loans and credit.

Reference document (PDF & Excel)

- IBES2022_Imbonerahamwe nigaragazashusho.xlsx (xlsx, 58.25 KB)
  LAST UPDATED: 12 Jun 2025
- Incamake ya IBES 2022.pdf (pdf, 1.32 MB)
  LAST UPDATED: 12 Jun 2025
- IBES 2022_Tables.xlsx (xlsx, 32.03 KB)
  LAST UPDATED: 12 Jun 2025
- IBES2022 Report.pdf (pdf, 1.15 MB)
  LAST UPDATED: 12 Jun 2025

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