Datasource:

Integrated Business Enterprise Survey

Period:

February, 2025 to March, 2025

In 2023, the total number of business enterprises was estimated to be 260,780. The survey results show that, business enterprise activities in Rwanda are overwhelmingly informal, with informal business enterprises accounting for 88 percent of total business enterprises.

The number of formal businesses grew by 12.6 percent between 2020 and 2023, while the number of informal businesses increased by 96.8 percent. In 2023, the number of formal businesses expanded by 59.5% year on year, while informal businesses increased by 1.7 percent.

Business formality rates have been dropping since their peak in 2017, when 8.9% percent of business enterprises were formal. In 2023, the rate of business formality keeps rising from the lowest level of 7.3% in 2020 to 12.0%.

Kigali of City accounts for the highest concentration of formal business enterprises with 65.8% of total formal businesses. The Southern and Eastern provinces have 8.7 percent each; while Western and Northern provinces have 8.5%, and 8.2% of total formal businesses respectively.

Micro business enterprises are backbone of business enterprise activities in Rwanda. Micro business enterprises, which employ 1 to 3 people, account for 83.9% of all business activities in Rwanda. They predominantly operate informally, accounting for 93.7% of businesses in the informal sector and approximately 12.5% of activities in the formal sector 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 (46.6%) and about 50.5% of total small

business enterprises.

Distribution of Business Enterprises by Economic activity

Wholesale and retail trade activities dominate the economic activity landscape with 54.6% of all business enterprises in Rwanda, followed by accommodation and food services with 23.5%.

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 10.0% formal.

Reference document (PDF & Excel)

- IBES2023 Report.pdf (pdf, 1.26 MB)
  LAST UPDATED: 29 Sep 2025
- IBES 2023_Tables and Figures.xlsx (xlsx, 439.92 KB)
  LAST UPDATED: 29 Sep 2025
- IBES2023_Imbonerahamwe nigaragazashusho.xlsx (xlsx, 59.46 KB)
  LAST UPDATED: 12 Jun 2025
- Incamake ya IBES 2023.pdf (pdf, 1.31 MB)
  LAST UPDATED: 12 Jun 2025

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