FINANCIAL NEEDS ASSESSMENT · KATAZA PROGRAM

Financing the Next Harvest: Youth MSMEs in *Agriculture, Tourism & Hospitality*

A district-level assessment of financing gaps, barriers and product preferences among youth- and women-owned micro and small enterprises across Rwanda's 15 Kataza intervention districts — commissioned to guide tailored loan products for Participating Financial Institutions.

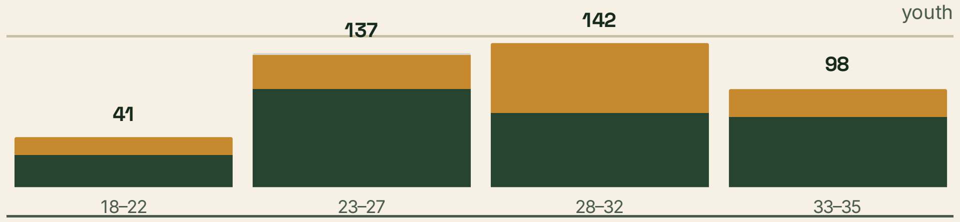
Kigali, October 2024

Submitted to — Association of Microfinance Institutions in Rwanda (AMIR), Kataza Program

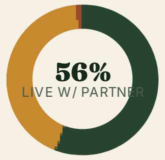
418 Youth entrepreneurs surveyed across 15 districts, 4 provinces	**65%** of respondents are women-led MSMEs	**65.8%** operate in agriculture value chains; 34.2% in tourism & hospitality	**49%** cite working capital as their top financing need	**80.6%** want loan interest rates below 5% per annum	**27.8%** are locked out of finance for lack of a bank account

01 Who was surveyed

Stratified random sample, n=418, adjusted for 15% dropout & oversampled for refugee & disabled youth



Female — 65% overall · Male — 35% overall · Peak age band: **27–32 yrs (34%)**



Living with spouse/partner	56.0%
Single	42.6%
Divorced	1.0%
Widowed	0.5%

02 Geographic spread

Share of the 418 respondents by province — **female** vs. male

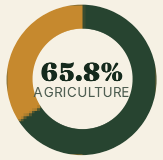
West	27.8%
South	27.3%
East	25.4%
North	19.6%

Strongest female share: **Nyamasheke (10.4%)** & **Nyaruguru (8.9%)**

Maize peaks in **Nyagatare (81.8%)** · Irish potato in **Nyabihu (95.8%)**

03 Business activity profile

86.4% individually owned · 3.6% cooperatives · 1.2% Ltd



Agriculture value chains	65.8%
Tourism & hospitality	34.2%

Tomatoes	16.5%
Food & beverage tourism value chain	16.3%
Maize	15.6%
Accommodation eco-lodges, guesthouses	2.2%

04 Financial needs & loan size

Nearly half need under RWF 1M — micro-scale demand dominates

Working capital	49.0%
Equipment financing	16.0%
Expansion financing	15.8%
Start-up capital	13.2%

< RWF 1M needed: **48.8%** · RWF 1–5M needed: **43.3%**

Most wanted loan features

Lower interest rates **61%** · Flexible payments **39%** · Longer repayment **34%**

05 Barriers to access

Top reported obstacles to formal financial services

No bank account	27.8%
Limited literacy / numeracy skills	25.7%
Complex application processes	23.7%

Informal alternatives in use

Group savings & loans	57.4%
Mobile money savings	34.4%

06 Confidence & inclusion

93% confident or very confident they can repay a loan if granted

99.8% report no gender-based discrimination — yet targeted products remain scarce

Very confident: **43.5%** · Confident: **49.5%**

07 Supply-side gap

From interviews with SACCOs, MFIs & district officers

- Most PFIs offer only basic savings & agricultural loans — youth-, refugee- and disability-specific products remain rare.
- Constrained working capital and high-cost external funding limit PFIs' ability to lend affordably to youth.

08 Recommendations for the Kataza Program

Five priority actions to close the financing gap for youth- and women-owned MSMEs

01
Tailor financial products
Seasonal loans, collateral substitutes (future harvests, group guarantees) and sub-5% long-term loans matched to cash-flow cycles.

02
Go digital & mobile-first
Partner with fintechs (e.g. MVend) for collateral-free, alternative credit-scored loans and mobile savings in rural areas.

03
Hedge for women & PWDs
Design gender-sensitive products — risk guarantees, longer terms and lower rates for women- and disability-owned MSMEs.

04
Expand financial literacy
Loan-process, cash-flow and business-management training delivered with AMI & RWAMREC's gender-transformative approach.

05
Grow tourism & hospitality
Seasonal asset-based loans, microinsurance and formalization support for food & beverage, accommodation and retail MSMEs.

METHODOLOGY
Stratified random sample of n=418 (Z=95% CI) across 15 Kataza districts; electronic surveys plus key-informant interviews with SACCOs, MFIs and district officers; refugee and disabled-youth cohorts reached via snowball sampling.

SCOPE
East: Nyagatare, Gatsibo, Kirehe, Ngoma · North: Burera, Gakenke, Musanze · South: Huye, Nyamagabe, Nyanza, Nyaruguru · West: Nyabihu, Nyamasheke, Rubavu, Rusizi.

SOURCE
A Financial Needs Assessment for Youth in the Agriculture, Tourism and Hospitality Sectors in Rwanda. Prepared for AMIR's Kataza Program by Eugene Byansi, Individual Consultant, October 2024.