

**Accounting Utilisation Efficiency of the Rwanda Green Fund and Economic Performance
in Rwanda (2015–2024)**

Galibwa Rubasha John;

Kigali Independent University ULK Rwanda

Dr. Obiora Peters, Emeka.

Kigali Independent University ULK, Rwanda

ABSTRACT

This article examines the impact of banking financial institutions on the promotion and growth of Small and Medium Enterprises (SMEs) in Rwanda, focusing on Banque Populaire du Rwanda (BPR) in the Gisozi sector. The purpose of the study was to find out the impact of banking financial institutions on promoting of SMEs in Rwanda using BPR bank as a case study. The study was based on two specific objectives, that is, to examine the services and products provide by BPR BANK to SMEs in Gisozi sector. to evaluate the effects of financial services provide by BPR BANK in promotion of SMEs in Gisozi sector. To achieve these objectives, the research adopted descriptive study design. Data were collected through questionnaires, face to face interviews and direct observation methods. Data were analyzed by use of statistical methods, (descriptive statistics, Correlations). The findings revealed that according to the objective Table 4.5 presents the respondents' perceptions on stakeholders' engagement, respondents agreed that banking institutions play a significant role in promoting the growth of your SMEs.as shown by a mean of 4.44 (very strong) which is in the range between $4.3 \leq \mu \leq 5.0$: The standard deviation .512 implies Heterogeneity of answers from respondents on banking institutions play a significant role in promoting the growth of your SMEs. The same table indicated that banking institutions adequately understand the financing needs of your SMEs. as shown by a mean of 4.56 (very strong), which is in range between $4.3 \leq \mu \leq 5.0$: Such a very strong mean implies that Banking institutions adequately understand the financing needs of your SMEs. The standard deviation .516 implies Heterogeneity of answers from respondents on stakeholders feel included and valued. The effects of banking financial institutions on promoting SMEs in Rwanda and correlation matrix shows that independent variable has positive high correlation to dependent variable equal to .928** and the p-value is .000 which is less than 0.01. When p-value is less than significant level, therefore researchers concludes that variables are correlated and the hypotheses are confirmed. This means that there is a significant relationship between banking financial institutions on promoting SMEs in Rwanda. Therefore, it is through this the second specific

objective of this study was analysed and of course the above results allowed researchers to confirm the second hypothesis stipulating that “banking financial institutions has positive effects on promoting SMEs in Rwanda

Keywords: Banking financial institutions, SMEs, financial inclusion, BPR Bank, Rwanda, economic development.

CHAPTER ONE: GENERAL INTRODUCTION

1.0 Introduction

This chapter describes the Background of the study, problem statement, study objectives scope, research questions, research hypothesis, and scope of the study, significance of the study and organization of the study.

1.2. Background of the study

Small business enterprises exist in every country. But in a developing country like India , USA the small scale sector occupies a special place in the industrial structure . In India manpower is abundant but capital is relatively scarce. Small scale industries are better suited to the country’s resource potential. In view of the vast potential of small scale sector, the Government of India is encouraging the growth of the sector (Khanka, 2021)

Small and medium enterprises have become the originator and prime backbone of trade and commerce across all the nations of the world. About a century ago, the USA was an ocean of only SMEs, which grew into large and also global giants and an entrepreneurial nation was born.

A few decades ago, China was also an ocean of SMEs. Now, observe its industrial powers; just a decade ago, India created oceans of SMEs, and how it may become the global driver. Now awaits Indonesia, Nigeria, and dozens of other nations, precisely carving their crafts and improving entrepreneurial transformations to change the global economic maps.

Asia has a billion SMEs, whereas China and India added 500 million SMEs to the pool.

Brand-new math is needed to figure out how to cope with such numbers (Javed, 2023)

Rwanda's economy has witnessed significant growth in recent years, driven in part by the emergence of small and medium enterprises (SMEs) as key contributors to employment

“Accounting Utilisation Efficiency of the Rwanda Green Fund and Economic Performance in Rwanda (2015–2024)”

generation, innovation, and economic development. However, SMEs in Rwanda face various challenges, including limited access to finance, which impedes their growth and sustainability (annual report of African union development ,2022).

According de the Annual report of African union development 2022 , Small-and-medium size enterprises (SMEs) are crucial towards contributing to Africa's inclusive socio-economic development and growth. This is because SMEs are generating work opportunities, income, and wealth creation, and thereby, enhancing poverty reduction.

Notably, there is no standard international definition of small medium enterprise (SME) that exists. SMEs are variably defined in the legislation across countries. This is because the dimension “small” and “medium” of a firm is dependent to the size of the domestic economy.

1.2 Problem statement

The economic development of any nation relies heavily on the growth and sustainability of its Small and Medium Enterprises (SMEs). In the case of Rwanda, SMEs play a crucial role in driving employment generation, fostering innovation, and contributing to overall economic growth. Despite the significant contributions of small and medium enterprises (SMEs) to economic growth and development, they often face numerous challenges in accessing finance, particularly in developing countries like Rwanda. The problem statement of this dissertation revolves around the investigation of the role played by financial institutions in promoting the growth and sustainability of SMEs within the Rwandan context. While financial institutions are crucial in providing funding and support to SMEs, there is a need to understand the effectiveness of their strategies, the challenges encountered by SMEs in accessing finance, and the overall impact of financial interventions on SME development in Rwanda (Levine, 2021)

According to annual report of BPR BANK bank Plc , 2022 I have seen that financial institutions help small and medium enterprises between 2021 and 2022, there was a change of 18% in the loans they offered to SMEs, 10% of customers who deposited and 3% as savings, even refugees have access to the loan in BPR BANK Bank Plc to start their small business between 2021 to 2022 they had a change of 5 %.

Based on this report of BPR BANK bank Plc ,2022 I realized that few people have access

“Accounting Utilisation Efficiency of the Rwanda Green Fund and Economic Performance in Rwanda (2015–2024)”

to loan so that they can start their own small business. While financial institutions are crucial in providing funding and support to SMEs, there is a need to understand the effectiveness of their strategies, the challenges encountered by SMEs in accessing finance, and the overall impact of financial interventions on SME development in Rwanda. This study aims to address these gaps in knowledge by conducting a comprehensive case study analysis, thereby contributing to the existing literature on SME finance and development in Rwanda (Cull, 2020).

This lack of access to finance hampers their ability to invest in technology, expand operations, and create employment opportunities, ultimately hindering their contribution to the national economy. The problem statement for the topic "Banking financial institutions and promotion of SMEs in Rwanda" would typically address the challenges and opportunities related to how banking and financial institutions can effectively support and promote Small and Medium enterprises in Rwanda. This would include examining factors such as access to finance, the role of regulatory frameworks, the impact of banking services on SME growth, and strategies to enhance financial inclusion for SMEs in the country.

Furthermore, existing financial products and services offered by traditional banks and lending institutions may not be tailored to the unique needs and characteristics of SMEs. These enterprises often require flexible financing options, tailored risk management solutions, and advisory. Regardless of (annual report of ministry of trade and Industry, 2022).

1.3. Research objectives .

The study will be guided by two categories of objectives including general objectives and specific objectives .

1.3.1. General objectives

The overall objectives of this research is to make an assessment of the contribution of financial institutions in promoting SMEs .

1.3.2. Specific objectives

The specific objectives of this study are the following:

- i. To examine the services and products provide by BPR BANK to SMEs in Gisozi sector.
- ii. To evaluate the effects of financial services provide by BPR BANK in promotion of SMEs in Gisozi sector.

1.4. Research questions

The following are the research questions which was guided the researchers to carry out the study:

- i. What are the services and products provide by BPR BANK to SMEs in Gisozi sector?
- ii. What are the effects of financial services provide by BPR BANK in promotion of SMEs in Gisozi sector?

1.5. Research hypothesis

According to Burgess (2017), hypothesis states the expected answer to the research question. It presents the researcher’s expectation about the relationship between variable within the problem. Hence it is put forth as suggested solution to the problem, with the understanding that the ensuing investigation may lead either to its tentative retention or its tentative reduction this study concerned with the hypothesis which are formulated as follow:

- i. BPR BANK offers various financial services to SMEs in Gisozi sector.
- ii. BPR BANK contributes to SMEs development in Gisozi sector..

1.6. Scope of the study

This study will have limits in space content and time, also entering in the domain in order to minimize constraints. It is not easy for the researcher to carry out the study. That’s why this research will be limited in both geographical and timely points to point out the accurate information.

1.6.1 Content Scope

This study will cover the content containing the contribution of promoting small medium enterprises in Kigali headquarter of BPR BANK bank to customer’s satisfaction in regards

to what they offer to its customers.

And the study will have a limit to BPR BANK bank headquarter in Gasabo district .

1.6.2 Time scope

This study will be limited to 3 years; from (2021-2023). The researcher will conduct research and consult documents and findings which will be provided within that time limit.

Time scope is significant to this study because it will help researcher to focus on those years and compare data in different periods, and establish clear boundaries for the study.

1.6.3 Geographical scope

The location of the study will be held in Kigali at BPR BANK bank as the case study, the geographical scope of the study significance align with the research objectives, and contribute to the body of knowledge in field of researcher.

1.7 Significance of the study

The result of this study is expected to provide insight on the importance of ULK students, BPR BANK bank , I did not choose this study randomly , the study is justified by certain difficulties which arise in the work environment in connection with the financial institutions and which exert and incidence on the promoting of SMEs. For this study , the importance that made me to choose this topic is to analyze and show the contribution of financial institutions in Rwanda.

CHAPTER TWO: LITERATURE REVIEW

2.0 Introduction

This chapter consists of different information about the topic from different authors identified and looks at the global view on the theories in relation with the topic of the study.

This chapter presents the key concepts and theories from different authors/thinkers , articles related to the topic of the research . Literature review is a critical look at the existing research that is significant to the work that a person is carrying out . This chapter

is concerned with the conceptual framework on the key concepts of the topic at hand .

The main purpose of this chapter is to review the recorded literature of the key concept in order to facilitate the understanding of contribution of commercial bank in promoting SMEs.

2.1 Conceptual review

This section is about the definition of the main terms of my research topic namely, Banking Financial institutions , SMEs , Intermediation Theory, Transaction Cost Theory , SMEs, characteristics of SMEs , Advantages of SMEs problem faced SMEs , SMEs bank ruptey , Social Responsibility , the background of SMEs , contribution of promoting SMEs according to different authors. Its main purpose is to help the reader to easily have a general understanding of bankers concepts .

2.1.1. Banking

Banking refers to the umbrella of services provided by financial institutions, such as accepting deposits and providing loans. Banking provides essential financial services like depositing, lending, and asset protection to support the economy . banking in the context of managing wealth volatility as the function of financial intermediaries that provide services such as deposit-taking, lending, and risk management. It also facilitate smoothing out wealth fluctuations through various mechanisms like savings products, loans, and investment vehicles. This helps individuals and businesses stabilize their financial positions over time despite fluctuations in income, expenses, and asset values (Krishnamurthy, 2023)

2.1.2. Banking Financial Institutions

According to (Smith J. , 2022) banking financial institutions as organizations that provide financial services to individuals, businesses, and governments. These institutions accept deposits from customers, facilitate loans and mortgages, offer investment services, and provide various other financial products and services. They play a crucial role in the economy by channeling funds from savers to borrowers and by facilitating economic transactions and investments.

“Accounting Utilisation Efficiency of the Rwanda Green Fund and Economic Performance in Rwanda (2015–2024)”

Banking financial institutions as entities that serve as intermediaries between savers and borrowers in the economy. These institutions include commercial banks, investment banks, credit unions, and other financial intermediaries. They play a vital role in providing liquidity, managing risks, and allocating capital efficiently within the financial system. Additionally, they are subject to regulatory oversight to ensure financial stability and consumer protection (Garcia, 2021)

According to the module of financial markets and institutions studied in 2024, Financial Institutions An establishment that focuses on dealing with financial transactions, such as investments, loans and deposits. Conventionally, banking financial institutions as organizations that provide financial services to individuals, businesses, and governments. These institutions accept deposits from customers, facilitate loans and mortgages, offer investment services, and provide various other financial products and services. They play a crucial role in the economy by channeling funds from savers to borrowers and by facilitating economic transactions and investments. financial institutions are composed of organizations such as banks, trust companies insurance companies and investment dealers. Almost everyone has deal with a financial institution on a regular basis.

Everything from depositing money to taking out loans and exchange currencies must be done through financial institutions. Since all people depend on the services provided by financial institutions, it is imperative that they are regulated highly by the federal government. For example, if a financial institution were to enter into bankruptcy as a result of controversial practices, this will no doubt cause wide-spread panic as people start to question the safety of their finances.

Also, this loss of confidence can inflict further negative externalities upon the economy and can have different meaning according to the domain of research (Saunders, 2021)

2. 1.2. Small and Medium enterprises

According to (Lopez, 2022) SMEs as businesses that meet certain criteria regarding their size, revenue, and number of employees. These enterprises typically have fewer resources

“Accounting Utilisation Efficiency of the Rwanda Green Fund and Economic Performance in Rwanda (2015–2024)”

and a smaller scale of operations compared to large corporations. SMEs play a significant role in driving economic growth, innovation, and job creation in many countries. They are often characterized by their flexibility, adaptability, and ability to respond quickly to market changes

SMEs as enterprises that fall within a specific range of criteria related to their size, revenue, and workforce. These businesses are crucial drivers of economic development and employment generation, particularly in emerging economies. SMEs often face unique challenges such as limited access to finance, regulatory constraints, and market competition. However, they also possess strengths such as agility, innovation, and closer connections to local communities (Khan, 2021)

2.2. Theoretical review

This section will cover theories related to the financial institutions as an independent variable in my topic. financial institutions come in many different forms. I find it necessary to refer to other documents relating to my topic in order to have a background of my key words for my topic like commercial bank

2.2.1. Intermediation Theory

According to (Santomero, 2021) Intermediation theory suggests that financial institutions serve as intermediaries between savers and borrowers. They collect funds from savers and then lend these funds to borrowers, earning a profit from the spread between the interest rates they pay to savers and the rates they charge borrowers.

2.2.2. Transaction Cost Theory

Transaction cost theory argues that financial institutions exist to reduce transaction costs associated with financial transactions. These costs include search and information costs, bargaining costs, and enforcement costs.

Financial institutions provide economies of scale and expertise, enabling them to reduce these costs compared to individual transactions in the open market (Williamson, 2022)

2.2.3. Principal-Agent Theory

"Accounting Utilisation Efficiency of the Rwanda Green Fund and Economic Performance in Rwanda (2015–2024)"

Principal-agent theory focuses on the relationship between the owners (principals) and managers (agents) of financial institutions. It suggests that conflicts of interest arise between principals and agents because agents may act in their own interests rather than in the best interests of the principals. Financial institutions are established to mitigate these agency problems through mechanisms such as incentive alignment, monitoring, and performance evaluation. These theories provide different perspectives on the role and function of financial institutions in the economy, contributing to our understanding of their significance and behavior (William, 2022)

2.3.0. Role of banking financial institutions

2.3.1. Intermediation and Credit provision

Intermediation and Credit Provision Banking financial institutions act as intermediaries between savers and borrowers, facilitating the flow of funds in the economy. They provide credit to individuals and businesses, which is essential for financing investments, consumption, and economic growth. According to (Calomiris, 2022)

2.3.2. Loan

According to (Richard, 2022) Loan in banking and financial institutions refers to a sum of money borrowed by an individual, business, or entity from a lender, with the agreement to repay the principal amount along with interest over a specified period of time.

Loans are one of the primary services offered by banks and other financial institutions, and they serve as a crucial source of funding for various purposes such as purchasing a home, financing education, starting or expanding a business, or covering unexpected expenses.

2.3.3. Investment service

Investment services in banking and financial institutions typically refer to a range of offerings aimed at helping clients manage their investment portfolios, make informed financial decisions, and achieve their financial goals. These services can include investment advisory, brokerage services, asset management, wealth management, retirement planning, and various types of investment products such as stocks, bonds,

mutual funds, and alternative investments (Jonathan, 2021)

2.3.4. Foreign Exchange Services

Foreign exchange services in banking and financial institutions refer to the provision of services related to the conversion of one currency into another for various purposes such as international trade, investment, tourism, remittances, and speculation. These services typically include currency exchange, forward contracts, options, swaps, and other hedging instruments to manage currency risk (DeRosa, 2022)

2.3.5. Treasury services

According to (Goldman, 2023) Treasury services in banking and financial institutions refer to a suite of financial products and services provided to corporate clients, financial institutions, and governments to manage their cash, liquidity, and financial risk. These services typically include cash management, liquidity management, trade finance, foreign exchange services, interest rate risk management, and other related financial solutions.

2.3.6. Trade finance

Trade finance refers to the financial instruments and products used to facilitate international trade transactions. It involves various financial services such as financing, risk mitigation, and payment facilitation for importers and exporters (Buzza, 2021)

2.3.7. Credit Card

A credit card is a payment card issued by a financial institution, typically a bank, allowing the cardholder to borrow funds to make purchases or to access a line of credit.

The cardholder agrees to pay back the borrowed amount along with any applicable interest and fees according to the terms and conditions outlined by the issuer (Morris, 2021)

Risk Management: Banks engage in risk management activities to assess and mitigate various types of risks, including credit risk, interest rate risk, liquidity risk, and operational risk. Effective risk management practices are crucial for maintaining the stability and soundness of the financial system.

2.3.8. Payment Services

Payment Services Banks offer a variety of payment services, including checking accounts,

“Accounting Utilisation Efficiency of the Rwanda Green Fund and Economic Performance in Rwanda (2015–2024)”

savings accounts, debit cards, and electronic funds transfers. These services enable individuals and businesses to conduct transactions, make payments, and manage their finances efficiently. (Smith J. , 2022)

2.3.9. Financial Intermediation

Financial Intermediation banks serve as financial intermediaries by pooling funds from savers and allocating them to borrowers through loans, mortgages, and other financial instruments. This intermediation process enhances the efficiency and liquidity of the financial markets.

Facilitating Economic Growth: Banking financial institutions play a significant role in promoting economic growth and development by providing credit, financial services, and capital to individuals and businesses. They support entrepreneurship, investment, and innovation, which are essential drivers of economic prosperity (Smith, 2022)

2.4. Small and medium enterprises According to (Lewis, 2019)SMEs

are typically

“Accounting Utilisation Efficiency of the Rwanda Green Fund and Economic Performance in Rwanda (2015–2024)”

defined as businesses that maintain certain characteristics regarding their size, revenue, and employee count. Authors often delve into various aspects of SMEs, including their role in the economy, challenges they face, and strategies for their growth.

What constitutes SMEs varies widely around the world. SMEs are normally privately owned corporation, partnerships, or sole proprietorships. The legal definition of “small” varies by country and by industry.

In the United States the SMEs Administration establishes SMEs size standards on an industry –by –industry basis, but generally specifies a SMEs as having fewer than 100 employees for manufacturing business and less than \$7 million in annual receipts for most non-manufacturing businesses. (World Bank, 2021)

The legal definition of “Small” varies by country and industry. In United States, the SMEs administration establishes SMEs size standards on an industry basis, but generally specifies SMEs as having fewer than 500 employees for manufacturing business and less than \$7 million in annual receipts for most non-manufacturing businesses (Todaro, 2019)

2.4.1. Characteristics of Small and medium Enterprises

According to report of International Labour Organization (ILO), 2022 Size: SMEs are smaller in terms of employees, revenue, and assets compared to large corporations. The exact definition of what constitutes an SME can vary by country, but they generally have fewer than 250 employees.

Ownership and Management: SMEs are often privately owned and operated, with ownership frequently held by individuals or families. Management structures tend to be less hierarchical compared to larger organizations, allowing for more flexibility and quicker decision-making (ILO, 2022)

Flexibility and Adaptability: SMEs are known for their ability to quickly adapt to changes in the market environment. They can respond more swiftly to customer demands and changes in industry trends compared to larger enterprises.

Limited Resources: SMEs typically have limited financial resources, which can impact their

“Accounting Utilisation Efficiency of the Rwanda Green Fund and Economic Performance in Rwanda (2015–2024)”

ability to invest in research and development, marketing, and other areas. As a result, they may rely more heavily on creativity, innovation, and resourcefulness to compete effectively (Nazarian, 2022)

Role in Employment: SMEs are significant contributors to employment, particularly in developing economies. They provide opportunities for entrepreneurship and job creation, playing a crucial role in economic development and poverty reduction (Todaro, 2019)

2.4.2. Advantages of SMEs

According to (Anthony, 2021) Small and medium sized enterprises (SMEs) offer various advantages that contribute to economic growth, innovation, and job creation such as : Independence is one of the advantages of owning a SMEs . one survey of SMEs owners showed that 48 % of those who left their jobs at other companies said their main reason for leaving was that they wanted to be their own bosses . Freedom to operate independently is a reward for SMEs owners . In addition , many people desire to make their own decisions , take their own risks , and reap the rewards of their efforts (Anthony, 2021)

Flexibility and Adaptability: SMEs are often more agile in responding to market changes and adapting to new technologies compared to larger corporations. They can quickly implement changes in strategies, products, or services to meet evolving customer demands (Welter, 2021)

Innovation and Creativity: SMEs are known for their innovative approaches and entrepreneurial spirit. They often pioneer new ideas, products, and processes, driving overall innovation within industries (Lamastra, 2021)

According to (Piva, 2021) argue that SMEs play a crucial role in fostering innovation, particularly in high-tech sectors, through their risk-taking and experimentation.

Local Economic Development: SMEs are integral to local economies, contributing to employment, income generation, and community development. They often source inputs locally and engage with local suppliers, thereby circulating money within the

Job Creation and Employment Opportunities: SMEs are significant job creators, especially

“Accounting Utilisation Efficiency of the Rwanda Green Fund and Economic Performance in Rwanda (2015–2024)”

in emerging economies where they account for a substantial portion of employment

opportunities (Mickiewicz, 2023)

Highlight the role of SMEs in reducing unemployment and providing diverse job opportunities, including for vulnerable groups such as youth and women (Mickiewicz, 2022)

2.4.3 Problems faced by SMEs

According to International Monetary Fund (IMF) 2022, SMEs often face several problems related to their size . Digital Transformation: The rapid shift towards digitalization has created both opportunities and challenges for SMEs. Those unable to adapt to digital platforms for sales, marketing, and operations risk falling behind competitors who leverage technology more effectively. Market Competition: SMEs may struggle to compete with larger corporations that have greater resources, brand recognition, and market presence. Differentiating their products or services in a crowded marketplace can be a significant challenge.

Financial Constraints: SMEs often face challenges in accessing capital, especially during economic downturns or times of uncertainty. This can hinder their ability to invest in growth opportunities, technology upgrades, or even day-to-day operations.

Supply Chain Disruptions: The COVID-19 pandemic exposed vulnerabilities in global supply chains, leading to disruptions in sourcing raw materials, components, and finished goods. SMEs may struggle to adapt to these disruptions, leading to delays, increased costs, and loss of customers

2.4.4. SMEs bankruptcy

According to (Cohen, 2019), Bankruptcy is a legal process through which individuals or businesses who are unable to repay their debts seek relief from some or all of their financial obligations.

It is often initiated by the debtor (the person or entity owing money) and involves a court proceeding where the debtor's assets are evaluated and, if necessary, used to repay creditors (the individuals or entities to whom the money is owed). Bankruptcy can be filed

voluntarily by the debtor or involuntarily by creditors.

The primary goals of bankruptcy are to provide a fresh start to honest but unfortunate debtors and to ensure fair treatment of creditors. There are different types of bankruptcy filings, each with its own set of rules and procedures, typically governed by national or federal laws

Bankruptcy laws vary from country to country, and the process can be complex. It's advisable for individuals or businesses considering bankruptcy to seek the advice of legal and financial professionals to understand their options and navigate (David, 2019)

2.5. 0. Social Responsibility

SMEs can encounter several problems related to corporate social responsibility due to characteristics inherent in their construction . Owners of SMEs often participate heavily in the day- to day operation of their companies . This results in a lack of time for the owner to coordinate socially responsible efforts . Additionally , a SMEs owner's expertise often falls outside the real of socially responsible practices contributing to a lack of participation . SMEs also face a form of peer pressure from larger forces in their respective industries making it difficult to oppose and work against industry expectation . Furthermore , SMEs undergo stress from shareholder expectations (Stakes 2019)

2.5. Background of SMEs

Despite their significant importance and SMEs contribution to economic growth , SMEs across the whole world and in Rwanda in particular for this case study are still faced with numerous challenges that inhabit SMEs growth . In 2022, 82% of Small-Medium and Medium Enterprises supported through various labor market interventions, secured loans from financial institutions, representing an increase of 39.2% compared to 2021. This led to the creation of 2,145 new jobs and the empowerment of more entrepreneurs. (annual report of RDB 2022)

According to Rwanda Development Board (RDB) 2021 , Rwanda has been actively promoting SME development as a means to drive economic growth, reduce poverty, and

“Accounting Utilisation Efficiency of the Rwanda Green Fund and Economic Performance in Rwanda (2015–2024)”

create employment opportunities.

The government has implemented various initiatives to support SMEs, including access to finance, capacity building programs, and improving the business environment.

From 2021 to 2023, small and medium – sized Enterprises (SMEs) in Rwanda, continued to play a crucial role in the country's economic development. Here's an overview of the background of SMEs during this period:

Government Support and Policies: The Rwandan government has been proactive in supporting SMEs through various policies and initiatives.

These include financial support programs, capacity-building workshops, and streamlined regulatory processes aimed at fostering the growth of SMEs. In 2021, the government announced plans to further enhance support for SMEs as part of its broader economic development strategy.

Access to Finance: Access to finance remains a significant challenge for SMEs in Rwanda. Despite efforts by the government and financial institutions to increase lending to SMEs, many still struggle to access affordable credit. In 2022, the government introduced new measures to address this issue including the establishment of a dedicated fund to provide financing specifically tailored to SMEs' needs.

Digitalization and Technology Adoption: During this period, there has been a growing emphasis on digitalization and technology adoption among SMEs in Rwanda. With the government promoting initiatives to enhance digital literacy and provide access to digital tools and infrastructure, many SMEs have begun to leverage technology to improve their operations and reach new markets. This trend has been particularly evident in sectors such as e-commerce, fintech, and digital services.

Resilience Amid Challenges: Like SMEs globally, Rwandan SMEs faced numerous challenges during this period, including the economic impact of the COVID-19 pandemic, supply chain disruptions, and fluctuating market conditions.

However, many SMEs demonstrated resilience and adaptability, with some leveraging opportunities arising from shifts in consumer behavior and market dynamics.

2.5. International overview

While the importance of the SMEs sector and the informal sector is acknowledged internationally, defining an SMEs is a challenging task, as every country has its own definition. There is no single, uniformly accepted definition of a small firm (Storey,2019). Firms differ in their levels of capitalization, sales and employment, Hence definition which employ measures of size (e.g number of employees, Turnover, profitability and net worth) when applied to one sector might lead to all firms being classified differently. This section provides a broad overview of small enterprise definitions used across the globe with the objective of understanding what SME really is. This understanding will go a long way by developing some basics concerning the SME sector (Storey,2019).

2.5.1. Failure of SMEs

Because of their limited resources small businesses suffer a failure rate higher than larger established businesses. The major causes of business failure are poor management and inadequate BPR BANK bank.

Lack of Access to Capital: Many small businesses struggle due to limited access to financial resources, including loans, grants, or investments, which are essential for growth and sustainability.

Poor Management and Leadership: Incompetent or inexperienced management can lead to poor decision-making, ineffective operations, and ultimately business failure.

Market Competition: Intense competition within the market can make it challenging for small businesses to differentiate themselves, attract customers, and maintain profitability.

Inadequate Planning and Strategy: Lack of a solid business plan and strategic vision can leave small businesses vulnerable to unexpected challenges and hinder their ability to adapt to changing market conditions.

Insufficient Market Research: Failure to understand customer needs, preferences, and market trends can result in offering products or services that do not meet demand or are priced inadequately.

Regulatory and Compliance Issues: Complex and evolving regulatory requirements can

“Accounting Utilisation Efficiency of the Rwanda Green Fund and Economic Performance in Rwanda (2015–2024)”

pose significant challenges for small businesses, particularly in ensuring compliance with tax laws, licensing, and other legal obligations (annual report , RDB)

2.5.2. Importance of small business in economy.

According to (Yuan, 2020) Small businesses are the backbone of the US economy.

According to the Small Business Administration (SBA), there were over 31 million small businesses in the US in 2020.

Small businesses make up 99.9% of all businesses in the country and employ nearly half of the private-sector workforce. These businesses are essential to the economic vitality of local communities and the country as a whole.

Small businesses play a vital role in driving innovation and economic growth. They are often the first to introduce new products and services to the market, which can lead to increased competition, job creation, and economic growth. Small businesses also contribute to the diversity of the US economy, offering a wide range of products and services that cater to different markets.

According to (Karusisi, 2022) Small and Medium Enterprises (SMEs) play a crucial role in economies worldwide, contributing significantly to economic growth, innovation, and job creation.

Innovation and Creativity:

SMEs are known for their agility and innovation. They often drive technological advancements and introduce novel products and services to the market, fostering competition and pushing larger firms to innovate (European Commission, 2022)

Regional Development

SMEs play a vital role in fostering regional development by creating jobs and income opportunities in rural and underdeveloped areas, thereby reducing regional disparities.

(Reference: World Bank, 2023)

Resilience and Adaptability:

SMEs demonstrate resilience and adaptability, especially during economic downturns or crises. Their ability to quickly respond to changing market conditions helps stabilize the

“Accounting Utilisation Efficiency of the Rwanda Green Fund and Economic Performance in Rwanda (2015–2024)”

economy and mitigate the impact of shocks. (IMF, 2021)

Supply Chain Diversity:

SMEs contribute to supply chain diversity by offering specialized products and services.

They often serve as suppliers to larger corporations, enhancing the resilience and flexibility of supply chains. (UNCTAD, 2022)

According to (Nshuti, 2020) Small and Medium Enterprises (SMEs) play a significant role in Rwanda's economy, contributing to employment generation, poverty reduction, innovation, and overall economic growth. Several Rwandan authors have discussed the importance of SMEs in the context of the country's development.

2.5.3. Growth of SMEs

According to the International Council for Small Business (ICSB) ,2022 , SMEs contribute significantly to job creation and GDP growth in both developed and developing countries.

Technology Adoption: SMEs have increasingly adopted technology to streamline their operations, improve efficiency, and reach new markets. This includes the use of cloud computing, e-commerce platforms, digital marketing, and data analytics.

Access to Finance: Access to finance remains a challenge for many SMEs, particularly in developing countries. However, there has been a rise in alternative financing options such as crowdfunding, peer-to-peer lending, and financial Institution , which have helped SMEs to access capital.

Policy Support: Governments and international organizations have recognized the importance of SMEs and have implemented various policies and initiatives to support their growth. These include financial incentives, tax breaks, and capacity-building programs.

2.5.4 indicators of growth

According to (Jones, 2021) Evolution of Turnover links sales and assets, and measures the number of times the asset is recovered through sales, or the number of monetary units sold for each monetary unit invested -a measure of the efficiency in terms of use of assets in order to generate income

2.5.5. Role of the banking sector in SMEs

According to world bank 2021 , the banking sector plays a crucial role in supporting Small and Medium Enterprises (SMEs) by providing them with various financial services and products tailored to their specific needs.

From lending to advisory services, banks contribute significantly to the growth and development of SMEs. Here's an overview of the roles banks play in supporting SMEs.

Access to Finance: Banks offer SMEs access to different forms of financing such as loans, lines of credit, and overdraft facilities. This financial assistance helps SMEs to manage cash flow, fund expansion, invest in new equipment, or meet other business needs.

According to a report by the World Bank Group, access to finance remains a significant challenge for SMEs globally, and banks play a pivotal role in addressing this challenge (World Bank, 2021).

Advisory Services: Banks often provide advisory services to SMEs, offering guidance on financial management, risk mitigation, and strategic planning. These advisory services can be invaluable for SMEs, especially those lacking in-house financial expertise. Banks may also provide educational resources and workshops to help SME owners improve their financial literacy and business acumen (SME Finance Forum, 2023).

Trade Finance: Banks facilitate international trade for SMEs through trade finance services such as letters of credit, documentary collections, and trade finance guarantees. These services help SMEs engage in import and export activities, expand their market reach, and mitigate the risks associated with cross-border transactions (European Bank for Reconstruction and Development, 2022).

Digital Banking Solutions: With the increasing digitization of financial services, banks offer digital banking solutions that cater specifically to the needs of SMEs .These solutions include online banking platforms, mobile banking apps, and digital payment systems, enabling SMEs to manage their finances conveniently and efficiently (Financial Times, 2021).

2.5.6. Advantages of banking financial institutions

According to (Meslier, 2020) Financial institutions play a crucial role in the economy by providing various financial services to individuals, businesses, and governments. Here are some advantages of financial institutions:

Capital Formation: Financial institutions facilitate the efficient allocation of capital by collecting savings from individuals and channeling them into productive investments. This capital formation is essential for economic growth and development.

Risk Diversification: Financial institutions offer a wide range of financial products and services, allowing individuals and businesses to diversify their investment portfolios and manage risk effectively. Through instruments like mutual funds, insurance, and derivatives, investors can spread their risk across different assets and sectors (Meslier, 2020)

Liquidity Provision: Financial institutions provide liquidity to markets by offering various financial products that can be bought or sold easily. This liquidity ensures that investors can access funds when needed and helps maintain market stability.

Credit Intermediation: Banks and other financial institutions act as intermediaries between savers and borrowers, facilitating the flow of credit in the economy. They assess the creditworthiness of borrowers and allocate funds to those with viable investment opportunities, thereby promoting economic activity.

Payment Services: Financial institutions offer payment and settlement services, allowing individuals and businesses to conduct transactions efficiently. Services such as checking accounts, credit cards, and electronic funds transfers enable smooth commerce and trade.

Economic Stability: Financial institutions play a vital role in maintaining economic stability by managing risks and providing stability to financial markets. They monitor and regulate financial activities to prevent excessive speculation, fraud, and market manipulation, thereby reducing systemic risks.

Innovation and Efficiency: Financial institutions drive innovation in financial products and services, leading to increased efficiency and accessibility in the financial system.

“Accounting Utilisation Efficiency of the Rwanda Green Fund and Economic Performance in Rwanda (2015–2024)”

Technological advancements have enabled the development of new financial instruments, payment systems, and online banking platforms, improving convenience for customers.

Facilitating International Trade and Investment: Financial institutions facilitate cross-border transactions, trade financing, and foreign exchange services, enabling businesses to engage in international trade and investment. They provide the infrastructure and expertise necessary to navigate global markets and manage currency risks (Meslier, 2020).

2. 6.0. Relationship between Banking Financial Institutions and SMEs

The relationship between banking financial institutions and SMEs is primarily characterized by the phenomenon of credit rationing. Credit rationing occurs when banks limit the amount of credit they extend to SMEs, either due to risk aversion, regulatory constraints, or information asymmetry. The authors analyze microdata to investigate how credit rationing affects SME financing. They explore the factors influencing banks' lending decisions toward SMEs and examine the consequences of credit rationing on SME growth and performance. This research sheds light on the challenges SMEs face in accessing finance from banking financial institutions and provides insights into potential policy measures to address credit constraints a symmetry (Chen, 2023)

The relationship between banking financial institutions and SMEs is likely explored with a focus on the role of financial technology (fintech) in enhancing SME access to bank credit. based on the title you provided ("The Role of Financial Technology in Enhancing SME Access to Bank Credit"), here's a general outline of what the relationship between banking financial institutions and SMEs might entail according to this study

Introduction of Financial Technology (Fintech): how technological innovations, particularly in the realm of fintech, are reshaping the relationship between banks and SMEs, include the emergence of online lending platforms, digital credit assessment tools, and other fintech solutions aimed at improving SME access to bank credit (Lee, 2023)

Enhanced Accessibility: may argue that fintech solutions have the potential to make financial services more accessible to SMEs by reducing barriers to entry, streamlining

“Accounting Utilisation Efficiency of the Rwanda Green Fund and Economic Performance in Rwanda (2015–2024)”

application processes, and providing alternative sources of funding beyond traditional banking channels.

Improved Efficiency and Speed: The paper might highlight how fintech enables banking financial institutions to assess SME creditworthiness more efficiently and make lending decisions faster, thereby reducing the time and cost associated with accessing bank credit for SMEs (Kim, 2023)

2.7. Empirical review

Certainly, an empirical review outlining the significance of SMEs for economic development and the importance of understanding how banking institutions impact their growth

let emphasize several key points:

SMEs as Drivers of Economic Growth: The banking financial institutions underscore the vital role that SMEs play in driving economic development, job creation, innovation, and poverty reduction in both developed and developing economies. SMEs contribute to GDP growth, foster entrepreneurship, and stimulate local and regional economies (Lewis, 2020)

Despite the role of SMEs plays it also face some challenges and barriers that SMEs encounter in accessing finance, such as limited collateral, high interest rates, information asymmetry, and regulatory constraints.

The empirical review of the role of banking institutions in promoting SMEs in Rwanda highlights several key findings. Firstly, it underscores the significance of tailored financial products specifically designed for the unique needs of SMEs. These products can include flexible lending terms, collateral requirements, and financial education programs tailored to the smaller scale and diverse nature of SME operations.

Secondly, the review emphasizes the critical impact of regulatory frameworks on banking services for SMEs. Clear and conducive regulations can foster an environment where banks are incentivized to extend credit to SMEs while managing risks effectively.

Conversely, overly restrictive or ambiguous regulations may hinder access to finance for SMEs, stifling their growth prospects (Smith, 2023)

Lastly, the review underscores the vital role of government support programs in facilitating

“Accounting Utilisation Efficiency of the Rwanda Green Fund and Economic Performance in Rwanda (2015–2024)”

SME development. These programs can take various forms, such as credit guarantee schemes, technical assistance, capacity-building initiatives, and infrastructure development. By providing targeted support, governments can address some of the barriers that SMEs face in accessing finance and navigating the business landscape, thereby catalyzing their growth and contribution to the economy

Overall, an empirical review of banking financial institutions' promotion of SMEs in Rwanda could provide valuable insights into the challenges and opportunities facing SMEs in accessing finance and the role that banking sector policies and practices play in supporting SME development and economic growth (Lee, 2023)

2.7 Research gap

From the review of literature, the researcher concludes that very few studies have been conducted about the financial institutions and promoting small and medium enterprises. Therefore, the purpose of the research will be to find out the contribution of commercial bank in promoting SMEs in Rwanda . The gap has been found in some areas is lack of a specific empirical evidence . Despite the growing importance of banking and financial institutions in promoting Small and Medium enterprises(SMEs) in Rwanda there remains a significant gap in understanding the specific mechanisms and strategies employed by these institutions to effectively support SME growth. Existing literature tends to focus broadly on the role of financial institutions in SME development across various contexts, but there is limited specific research that examines the unique challenges and opportunities within the Rwandan context. Moreover, there is a lack of empirical studies that analyze the impact of banking practices, such as lending criteria, financial products, and advisory services , on the growth and sustainability ,(2018) of SMEs in Rwanda

2.8 . Conceptual framework

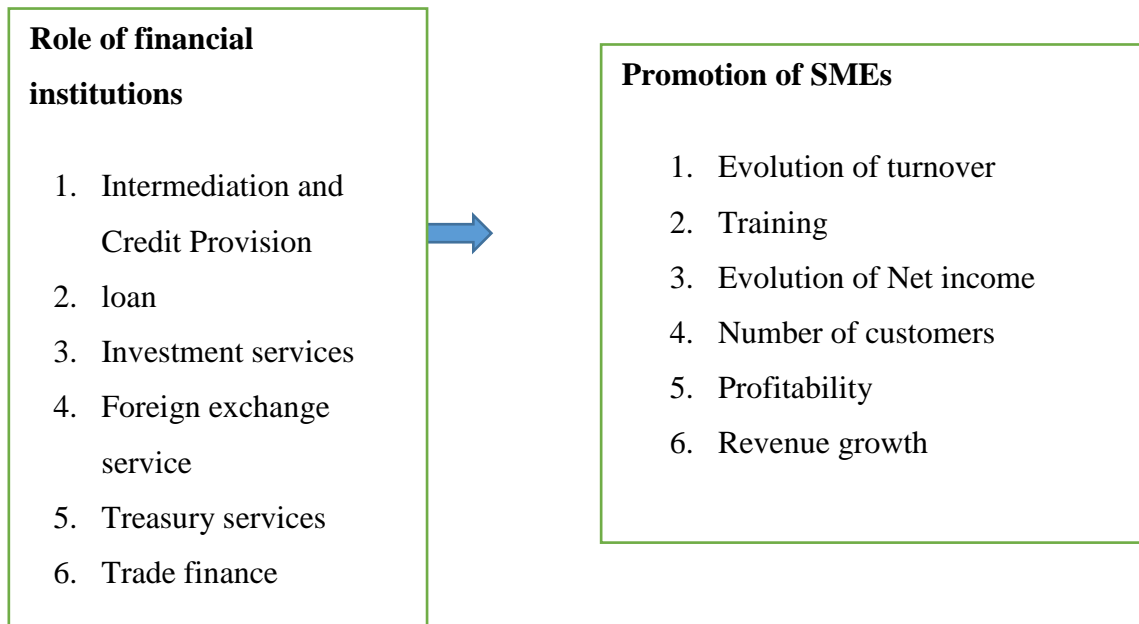
This is an organized structure of the research concept and variables that are fundamentals for the understanding, analyzing and discussing of my topic financial institutions in promoting small and medium enterprises . It provide a review in literatures that will help to clarify and define key

concept defined a conceptual framework as a research tool intended to assist a researcher to develop awareness and understanding of the condition from the discussion provided above.

Figure 1 : **conceptual framework**

Independent variable

Dependent variable



Source: Researcher, 2024

From figure 1, it is mentioned the independent variable of this research which is financial institutions and dependent variable which is promoting small medium enterprises. The financial institutions will contribute on promoting SMEs by providing loan to customers, investors et microcredit and will help commercial banks to achieve their objective effectively and customers are satisfied with that technique.

CHAPTER THREE: RESEARCH METHODOLOGY

3.0. Introduction

This chapter will highlight the methodology journey, setting out the basis for my research into the complex relationship between financial institutions and promoting small and medium business. This will be the fundamental aspect of my research, and directs the content of my review as an important part of the final result. Research methodology includes, research design, data collection techniques, which will be used in the research process of the study to collect data or information analyzing and interpreting it.

3.1 Research design

There are many types of research design such as: experimental, descriptive, exploratory and explanatory. From that, this study will use Descriptive research design in research. A research design is a framework that is created to find answers to research questions. The design of the study defines the study type. The study will use a descriptive research type among others because descriptive research involves gathering data that describe events and then organizes, tabulates, depicts, and describes the data collection. This study will need quantitative and qualitative methods, So, quantitative research is very well suited to establishing cause-and-effect relationships, to testing hypotheses and to determining the opinions, attitudes and practices of a large population, whereas qualitative research lends itself very well to developing hypotheses and theories and to describing processes .

3.2. The population of the study

According to Cooper, (2014), a population is the total collection of elements about which the researchers wish to make inferences. Population can be defined as the totality of persons with which a study is concerned (Grinnell, 2014). The study populations were 325 SMEs working in Gisozi sector and 5 staff members in charge of SMEs.

3.2.1. Sample Size

For the researchers, it consists of gaining the information from a small group as a subset of a total population in context that the knowledge drawn from it represents the total population (Cohen &Minion, 2017).The sample is all persons to be interviewed, from a larger population called percent population, population reference or simply percent population, (Javeau, 2011). To compute the sample size the formula of Dr. John Curry, (2016) called “Universal sampling” will used. It says that when the population is less than 100 units, a 100% of all population is included within the sample.

In this case, due to limited time and resources of researcher, sample size used was only 30 respondents representing all SMEs. The respondents were selected using purposive sampling technique and found in their places of businesses or where they live and others were found to BPR BANK offices.

3.3 Source of Data

As the research target the population from BPR BANK bank of Nyarugenge, as my case study, also will be the source of data and the information I will use both primary and secondary data by developing a questionnaire.

3.3.1 Primary data

(Marta Costa, 2022) Data collection is the process of gathering information to find a solution or outcome to a specific question or problem. Primary data collection is the process of gathering data directly from a first-hand source. In other words, its data that’s collected by the organization that expects to use it and it is authentic and rich information that may not be found in secondary sources. Primary data are data that researchers collect directly from firsthand sources using methods such as surveys, interviews, or observations.

3.3.2 Secondary Data

Secondary data refers to data that has been collected and analyzed previously by others for purposes other than the current research study. It is data that already exists and is readily available for researchers to use in their own investigations. Someone else has already collected the data, so the researcher does not have to devote money, time, energy, and other resources to this phase of research. This is why the secondary source of data will be needed in this research (Hair, 2020)

3.4 Data collection techniques

This will be also the basic aspect in my research to be used and I will need enough information to confirm if financial institutions has an impact on promoting SMEs and the interview will be the best way for me to collect necessary data with an organized sequence of questions which is a questionnaire to help me carry out the research.

3.4.1 Documentation technique

This technique will help me to get written materials like documents and records that people leave behind. This written material may help me to understand the concept and theories I want to acquire. I will consult the documents containing the information related to my topic including things from company records and reports, research from other documents like books from library, newspaper, magazines and electronic texts with citations and references.

3.4.2 Questionnaire technique

I will organize a number of questions to be asked during my research which I believe will give the important information that draws me to the conclusion of my research. I will refer to both two independent and dependent variables I have in my topic and the research questions I have. Through all of that I will be able to create a good questionnaire which will help me in findings from the field.

3.6 Data processing

With the information researcher will need to acquire, and develop descriptive questionnaires which will be addressed to Customers and staff from Telecommunication Company operate in Rwanda. The questions will be in the form of close format questions according to the research questions, and theoretical framework

Limitation of the study

During this research I expect to face many challenges of financial institution of promoting including limited access to data and information within the company. Through that, I will focus on building relationships within the organization. I will discuss with managers and explain more about the research objective as well as emphasize the importance of study to the company. I believe that this will lead to the granting of partial access to the necessary information under confidentiality agreement. Another challenge was and will be time constraint, because my research will undertake time limitation within 2021-2023. The procedure of gathering data and information took longer than expected. I will design the methods for gathering data and analyzing it, removing unnecessary steps.

3.7 Ethical consideration

By conducting this research I will consider the ethics in order to establish rapport with the respondents. I will ask permission from the respondents to participate in the research. For example I will request the staff and management of BPR BANK bank , in order to allow their employees and members to participate in the interview which requires the authority letter. Also, I will allow the respondents to be free when collecting the data and make sure they express themselves during the interview for better data or information collection.

CHAPTER FOUR: DATA ANALYSIS, PRESENTATION AND INTERPRETATION

4.0. Introduction

For easy understanding of collecting data, it is important to transform raw data into tangible forms, which allow easy interpretation. Qualitative and quantitative methods of data analysis were therefore used for this case. According to this section, the discussion, analysis and interpretation of data is basing on showing the explanation and understandings from the analysed data collected by the researcher basing on the responses given by the respondents. By explaining the results of findings, the researcher has used the statistical tables.

4.1. Profile of SMEs in Gisozi sector

Gisozi is one of the sectors (administrative subdivisions) within the Gasabo District in Kigali, the capital city of Rwanda. Gisozi is relatively urbanized, with a mix of residential, commercial, and small-scale industrial activities. Its proximity to the city center and major roads provides strategic advantages for businesses. Types of SMEs in Gisozi

Types of SMEs in Gisozi

Retail and Services:

Shops and Market Stalls: Small retail shops, including grocery stores, clothing shops, and household goods stores, are prevalent.

Service Providers: Businesses offering services such as hairdressing, tailoring, repair services, and small-scale consulting.

Food and Beverage:

Restaurants and Cafés: Small restaurants, eateries, and cafés cater to local residents and visitors.

Street Food Vendors: Street food is popular, with vendors selling items like grilled meats, snacks, and traditional Rwandan dishes.

Manufacturing and Production:

Small-Scale Manufacturers: SMEs involved in light manufacturing, such as furniture production, small-scale garment production, and artisanal crafts.

Local Producers: Businesses producing food items, beverages, and basic consumer goods.

Construction and Real Estate:

Construction Firms: Small construction companies engaged in residential and commercial building projects.

Real Estate Agents: Local real estate businesses dealing with property sales, rentals, and management.

Characteristics of SMEs in Gisozi

Size and Structure:

Small to Medium: Most SMEs are small enterprises with a few employees, though some may be medium-sized with a larger workforce.

Ownership: Typically family-owned or run by individual entrepreneurs, often with a close-knit management structure.

Financial Aspects:

Capital: Many SMEs start with limited capital and rely on personal savings, family support, or microloans. Access to larger financing may be constrained.

“Accounting Utilisation Efficiency of the Rwanda Green Fund and Economic Performance in Rwanda (2015–2024)”

Revenue: Revenue varies widely depending on the sector and business scale, but many SMEs operate with modest profit margins.

Market and Customers:

Local Focus: SMEs often serve local markets and are adapted to the specific needs and preferences of the Gisozi community.

Customer Base: Their customer base includes local residents, businesses, and occasionally tourists.

SMEs in the Gisozi sector are diverse, spanning retail, services, manufacturing, and construction. They face challenges such as limited access to finance and market competition but also benefit from opportunities provided by Kigali’s urban growth and supportive government programs.

4.2. Identification of respondents

The study investigated on social and demographic characteristics of the respondents. The reason was to establish whether such characteristics have a strong bearing on the role of financial institutions to the SMEs development in Rwanda. The findings are presented into the subsequent tables.

Table 4. 1: Gender of respondents

Gender	Frequency	Percent
Male	18	60
Female	12	40
Total	30	100.0

Source: Primary data (2024)

“Accounting Utilisation Efficiency of the Rwanda Green Fund and Economic Performance in Rwanda (2015–2024)”

The above table 4.1 presents the contribution of respondents on their gender where out of 100.0% respondents 60% respondents were males while, 40% respondents were females. which means that among respondents there are men and women. This means that both men and women have ability to operate the business.

Table 4. 2: Age group of respondents

Age group	Frequency	Percent
Between 25 and 30 years old	3	10
Between 31 and 35 years old	15	50
Between 36 and 40 years	9	30
Between 41 and 45 years	3	10
Total	30	100.0

Source: Primary data (2024)

Regarding age group of respondents 10% respondents were Between 25 and 30 years, 50% respondents were between 31 and 35 years old, 30% respondents were in range between 36 and 40 years old 10% of respondents were in range of between 41 and 45 years and . It is clear that, most of owners of SMEs are these lying in range Between 31 and 35 years old and this category is characterized by mature people who have ability performed their duties.

Table 4. 3: Marital status of respondents

Gender	Frequency	Percent
Single	9	30
Married	21	70
Total	30	100.0

Source: Primary data (2024)

Table 4.3 presents the distribution of respondents by marital status, out of 100.0% total respondents, 70% are married and 30% are single. The majority of respondents are married, they live with their families and work hard do satisfy their own and perform very well. Also this category is characterized by serious people who are able to manage any situation at work.

Table 4. 4: How long respondents have been working

working experience	Frequency	Percent
Less than 2year	2	6.6
Between 3-10 years	17	56.7
11 years and above	11	36.7
Total	30	100.0

Source: Primary data (2024)

The results show that 6.6% of the respondents have owned the business less than 2 year, 56.7% of the respondents indicated that they have owned the business between 3-10 years and 36.7% of respondents indicated that they have owned the business for 11 years and above. The results indicate that majority 56.7% of the respondents have owned the business for a long time.

4.2. Effectiveness of services provided by financial institutions

This section, present data on services offered by BPR BANK and the level at which SMEs owners attend their consumption as well as the how they are effective toward change of living conditions of the SMEs.

Table 4. 5: Perception of Respondents in term of Intermediation and credit

Statement	N	Mean	St .dev	Comment
Banking institutions play a significant role in promoting the growth of your SMEs.	30	4.44	.512	Heterogeneity
Banking institutions adequately understand the financing needs of your SMEs.	30	4.56	.516	Heterogeneity
Banking institutions offer sufficient support to your SMEs compared to larger businesses.	30	4.68	.546	Heterogeneity
The relationship with banking institutions positively impacted your SME's profitability.	30	4.88	.574	Heterogeneity
The developmental assistance provided by BPR BANK has had a positive impact on your SME's operational efficiency and business performance	30	4.44	.512	Heterogeneity
BPR BANK's mentorship programs are effective in guiding SMEs through their	30	4.53	.915	Heterogeneity

“Accounting Utilisation Efficiency of the Rwanda Green Fund and Economic Performance in Rwanda (2015–2024)”

growth and development phases

Access to financial services from banking institutions helped your SME grow. 30 3.77 .446 Homogeneity

Overall mean 4.471

Source: Primary data, 2024

Mean range: 1.00-1.80= Very low mean; 1.81-2.60=Low mean 2.61-3.40= moderate mean; 3.41-4.20=high mean; 4.21-5=Very high mean

Table 4.5 presents the respondents’ perceptions on stakeholders' engagement, respondents agreed that banking institutions play a significant role in promoting the growth of your SMEs.as shown by a mean of 4.44 (very strong) which is in the range between $4.3 \leq \mu \leq 5.0$: The standard deviation .512 implies Heterogeneity of answers from respondents on banking institutions play a significant role in promoting the growth of your SMEs. The same table indicated that banking institutions adequately understand the financing needs of your SMEs. as shown by a mean of 4.56 (very strong), which is in range between $4.3 \leq \mu \leq 5.0$: Such a very strong mean implies that Banking institutions adequately understand the financing needs of your SMEs. The standard deviation .516 implies Heterogeneity of answers from respondents on stakeholders feel included and valued.

For the Banking institutions offer sufficient support to your SMEs compared to larger businesses., for this question respondent agreed with a mean of 4.68 (very strong) indicated that the Banking institutions offer sufficient support to your SMEs compared to larger businesses..546 implies Heterogeneity of answers

Concerning the relationship with banking institutions positively impacted your SME's profitability, the result showed by mean of 4.88 (very strong) which is in range between $4.3 \leq \mu \leq 5.0$: indicated that the relationship with banking institutions positively impacted your SME's profitability.574 implies Heterogeneity of answers from respondents on the relationship with banking institutions positively impacted your SME's profitability.

“Accounting Utilisation Efficiency of the Rwanda Green Fund and Economic Performance in Rwanda (2015–2024)”

The developmental assistance provided by BPR BANK has had a positive impact on your SME's operational efficiency and business performance as shown by mean of 4.44 (very strong) indicate that respondents strongly agreed that 4.44 which is in range between $4.3 \leq \mu \leq 5.0$: Such a very high mean implies strong evidence of the existence of the fact exist in the case study. The standard deviation .368 implies Homogeneity of answers from respondents who agreed that Stakeholders express satisfaction with their involvement.

For the BPR BANK's mentorship programs are effective in guiding SMEs through their growth and development phases, for this question respondent agreed with a mean of 4.53 (very strong) indicated that the Banking institutions offer sufficient support to your SMEs compared to larger businesses.915 implies Heterogeneity of answers

About access to financial services from banking institutions helped your SME grow, for this question respondent agreed with a mean of 3.77 (very strong) indicated that the Banking institutions offer sufficient support to your SMEs compared to larger businesses.44.6 implies Heterogeneity of answers

All statements about Intermediation and credit provide a mean of 4.636 which is in the range between $4.3 \leq \mu \leq 5.0$: such a very high mean implies that strong evidence of the existence of the fact exist in the case study.

The findings of interview indicated that Engaging stakeholders is essential for driving sustainability in projects. By fostering collaboration, communication, and inclusivity, organizations can enhance the effectiveness of their sustainability initiatives and create lasting positive impacts. If you have specific projects or examples in mind, feel free to share, and we can explore tailored engagement strategies!

Table 4. 6: Perception of Respondents in term of loans offered by BPR BANK to SMEs in the Gisozi sector.

Statement	N	Mean	St .dev	Comment
BPR BANK provides accessible financial services tailored (loan, credit) to SMEs in the Gisozi sector.	30	3.46	.524	Heterogeneity
BPR BANK provides training and support programs to help SMEs improve their financial management skills	30	4.56	.526	Heterogeneity
BPR BANK actively promotes financial literacy among SME owners and managers	30	4.86	.564	Heterogeneity
The financial and advisory support from BPR BANK has been instrumental in the successful startup of your SME.	30	4.87	.547	Heterogeneity
Overall mean		4.636		

Source: Primary data, 2024

Mean range: 1.00-1.80= Very low mean; 1.81-2.60=Low mean 2.61-3.40= moderate mean; 3.41-4.20=high mean; 4.21-5=Very high mean

Table 4.6 presents the respondents’ perceptions on loans, respondents agreed that BPR BANK provides accessible financial services tailored (loan, credit) to SMEs in the Gisozi sector.as shown by a mean of 4.44 (very strong) which is in the range between $4.3 \leq \mu \leq 5.0$: The standard deviation .512 implies Heterogeneity of answers from respondents on banking institutions play a significant role in promoting the growth of your SMEs. The same table indicated that BPR BANK provides training and support programs to help SMEs improve their financial management skills. as shown by a mean of 4.56 (very strong), which is in range

“Accounting Utilisation Efficiency of the Rwanda Green Fund and Economic Performance in Rwanda (2015–2024)”

between $4.3 \leq \mu \leq 5.0$: Such a very strong mean implies that Banking institutions adequately understand the financing needs of your SMEs. The standard deviation .516 implies Heterogeneity of answers from respondents on stakeholders feel included and valued.

For the BPR BANK actively promotes financial literacy among SME owners and managers, for this question respondent agreed with a mean of 4.68 (very strong) indicated that the Banking institutions offer sufficient support to your SMEs compared to larger businesses..546 implies Heterogeneity of answers

Concerning the financial and advisory support from BPR BANK has been instrumental in the successful startup of your SME, the result showed by mean of 4.88 (very strong) which is in range between $4.3 \leq \mu \leq 5.0$: indicated that The financial and advisory support from BPR BANK has been instrumental in the successful startup of your SME.574 implies Heterogeneity of answers from respondents on The financial and advisory support from BPR BANK has been instrumental in the successful startup of your SME.

All statements about loans provide a mean of 4.636 which is in the range between $4.3 \leq \mu \leq 5.0$: such a very high mean implies that strong evidence of the existence of the fact exist in the case study.

Table 4. 7: Perception of Respondents in term of trade finance

Statement	N	Mean	St .dev	Comment
Banking institutions play a significant role in promoting the growth of your SMEs.	30	4.45	.568	Heterogeneity
Banking institutions adequately understand the financing needs of your SMEs.	30	4.72	.374	Heterogeneity
Banking institutions offer sufficient support to your SMEs compared to larger businesses.	30	4.97	.293	Heterogeneity
The relationship with banking institutions positively impacted your SME's profitability.	30	4.41	.568	Heterogeneity
The developmental assistance provided by BPR BANK has had a positive impact on your SME's operational efficiency and business performance	30	4.34	.424	Heterogeneity
BPR BANK's mentorship programs are effective in guiding SMEs through their growth and development phases	30	4.47	.471	Heterogeneity
Access to financial services from banking institutions helped your SME grow.	30	4.77	.436	Homogeneity
Overall mean		4.636		

Source: Primary data, 2024

Source: Primary data, 2024

Mean range: 1.00-1.80= *Very low mean*; 1.81-2.60=*Low mean* 2.61-3.40= *moderate mean*; 3.41-4.20=*high mean*; 4.21-5=*Very high mean*

Table 4.7 shows the perception of trade finance and it showed that banking institutions play a significant role in promoting the growth of your SMEs. As showed by mean of 4.45 (very strong) and standard deviation of .568 indicated that respondents appreciated banking institutions play a significant role in promoting the growth of your SMEs.

The result also indicated that Banking institutions adequately understand the financing needs of your SMEs. As shown by 4.72 (very strong) and standard deviation of .374 indicated that indicated that respondents agreed that Banking institutions adequately understand the financing needs of your SMEs.

The relationship with banking institutions positively impacted your SME's profitability, standard for this statement the study found a mean of 4.41 (very strong) indicated that respondents agreed that The relationship with banking institutions positively impacted your SME's profitability.. The standard deviation .568 implies Heterogeneity of answers from respondents who agreed that The relationship with banking institutions positively impacted your SME's profitability.

The developmental assistance provided by BPR BANK has had a positive impact on your SME's operational efficiency and business performance, standard for this statement the study found a mean of 4.34 (very strong) with standard deviation .428 implies Homogeneity indicated that respondents agreed that the stakeholders perceive a positive impact from The developmental assistance provided by BPR BANK has had a positive impact on your SME's operational efficiency and business performance, respondents agreed that BPR BANK's mentorship programs are effective in guiding SMEs through their growth and development phases as shown by a mean of 4.47 and standard deviation of .471 which means that BPR BANK's mentorship programs are effective in guiding SMEs through their growth and development phases.

“Accounting Utilisation Efficiency of the Rwanda Green Fund and Economic Performance in Rwanda (2015–2024)”

Last statement, respondents agreed that access to financial services from banking institutions helped your SME grow as shown by a mean of 4.77 and standard deviation of .471 which means that access to financial services from banking institutions helped your SME grow.

The overall mean was 4.571 (very strong) indicated that the majority of respondents appreciated with loan services provided to them.

Partial conclusion

Overall, financial institutions in Rwanda have made significant strides in providing effective services, contributing to increased access to finance, improved financial inclusion, and enhanced economic development. However, challenges such as limited access for certain SMEs, variability in service quality, and barriers to financial literacy persist. Addressing these challenges through targeted policies, improved financial products, and better infrastructure will be crucial for maximizing the effectiveness of financial services in Rwanda.

4.2.3 Perception of respondents about performance of small business enterprises

The customers of BPR BANK were asked to show their views about their performance of small business enterprises. The results are summarized in the following tables:

Table 4. 8: Respondents’ level of agreement about Expansion

Level of agreement	Mean	St. deviation	Interpretation
Expansion			
Ability to buy business material resources has increased due to get BPR BANK loans	3.133	1.227	Homogeneity
Material resources increased after joining BPR BANK PLC	3.934	.660	Homogeneity
Overall mean	3.433		

Source: Primary data (2022)

“Accounting Utilisation Efficiency of the Rwanda Green Fund and Economic Performance in Rwanda (2015–2024)”

Table 4.8, respondents were asked to provide information about expansion; mean of 3.133 (high mean) indicated that all respondents strongly agreed that ability to buy business material resources has increased due to get BPR BANK loans. Also respondents 3.934 (high mean) indicated strongly agreed that material resources increased after joining BPR BANK PLC.

According to Koppel (2005), Business expansion thus has two aspects. One is planned and carefully managed expansion at the business owner's initiative. The other, which can be much more problematical, is sudden and involuntary expansion that simply happens for various reasons among them economic expansion or simply because the business caught the market's eye with a novel product or service.

Table 4. 9: Respondents’ level of agreement on sales growth

Level of agreement	Mean	St. deviation	Interpretation
Sales growth			
Number of products sold per day increased after joining BPR BANK PLC	3.721	.443	Homogeneity
Demand for your enterprise's products or services increasing after joining BPR BANK PLC	3.225	1.067	Homogeneity
BPR BANK Loans help SBEs to make advertising in order to enhance sales growth	3.626	.487	Homogeneity
Overall mean	3.433		

Source: Primary data (2024)

The results in table 4.9, respondents 3.721 (high mean) indicated that agreed, and strongly agreed that number of products sold per day increased after joining BPR BANK PLC.

“Accounting Utilisation Efficiency of the Rwanda Green Fund and Economic Performance in Rwanda (2015–2024)”

Also respondents were asked to designate if demand for your enterprise's products or services increasing after joining BPR BANK PLC, the study found that agree and strongly agreed that demand for your enterprise's products or services increasing after joining BPR BANK PLC with mean of 3.225 (high mean). Third statement we found a mean of 3.626 (high mean) respondents agreed that demand for your enterprise's products or services increasing after joining BPR BANK PLC.

Table 4. 10: Respondents’ level of agreement about Profit growth

Level of agreement	Mean	St. deviation	Interpretation
Profit growth			
BPR BANK PLC services help to increase profitability of SBEs	3.941	.234	Homogeneity
BPR BANK loans help to enhance profit growth of small business enterprises of their customers	3.466	.9471	Homogeneity
Overall mean	3.9		

Source: Primary data (2024)

The results in table 4.10, customers of BPR BANK said that agreed and strongly agreed that BPR BANK PLC services help them an increase profitability of their SBEs with a mean of 3.941 (high mean). Also all customers strongly agree that BPR BANK loans help them to enhance profit growth of their small business enterprises with mean of 3.466 (high mean). Table4.1: Respondents’ level of agreement about an increase of customers

Table 4. 11: Increase of Customers

Level of agreement	St. deviation		
	Mean	Interpretation	
Increase of Customers			
Loyal customers increased after receiving BPR BANK loans	3.381	.4904	Homogeneity
After joining BPR BANK PLC your enterprise getting more new customers	3.304	.4637	Homogeneity
You are able keeping customer base after joining BPR BANK PLC	3.438	.493	Homogeneity
Overall mean	3.433		

Source: Primary data (2024)

The results in table 4.11, respondents indicated that agreed, and strongly agreed with mean of 3.381 (high mean) which means that respondents appreciated that loyal customers increased after receiving BPR BANK loans.

Also respondents were asked to appoint if after joining BPR BANK PLC their enterprises getting more new customers, means was 3.304 (high mean) respondent agreed that after joining BPR BANK PLC their enterprises getting more new customers. Also customers were asked if they are able **keeping customer base after joining** BPR BANK PLC mean was 3.438 (high mean) respondents agreed and strongly agreed that they are able **keeping customer base after joining** BPR BANK PLC.

Table 4. 12: Respondents’ level of agreement on how business increase number of employees

Level of agreement	Mean	St. deviation	Interpretation
Number Employees			
Your business recruit more employees after receiving BPR BANK Loans	3.181	.396	Homogeneity
After reaching BPR BANK services your enterprise increase number of employees in order increase profit	3.214	.4188	Homogeneity
Overall mean	3.193		

Source: Primary data (2024)

Table 4.12, explained the summary of the findings related to increase number of employees in order to achieve the second objective to assess the growth level of small business enterprises supported by BPR BANK PLC , respondents indicated that and strongly agreed that their business recruit more employees after receiving BPR BANK Loans representing by means of 3.181 (very high mean).

After reaching BPR BANK services enterprise increase number of employees in order to increase profit with a mean of 3.214 (very high mean) respondents indicated that agree and strongly agreed that after reaching BPR BANK services their enterprises increase number of employees in order to increase profit this shows growth of Small Business Enterprises of BPR BANK customers.

4.2.4 Performance of Small Medium Enterprise in figures

The results showed figures level of performance of small business enterprises in terms of capital, Sales performance, numbers of Employees and Profit growth. The results are summarized in the following tables:

Table 4. 13: Business expansion/ Capital

Capital	Frequency	Percent
Less 100,000	2	8.3
100,000 – 500,000	4	11.7
500,000 – 1,000,000	7	23.3
1000,000 – 5,000,000	14	46.7
5,000,000 +	3	10.0
Total	30	100.0

Source: Primary data, 2024

The table 4.13, above results explained the business expansion of small medium enterprise in terms of capital. The first statement, investor’s owners of small medium enterprise, 14 owners of SMEs (46.7%) said that they have got capital 1000,000 – 5,000,000 because of the partnership with BPR BANK PLC, 7 (23.3%) said that they have got capital 500,000 – 1,000,000 after starting work with BPR BANK, 3 (10.0%) they have 5,000,000 + and 2 (8.3%) they have less 100,000 capital. According to the above research findings, it shows high performance of SMEs, the majority of SMEs owners they have enough capital from the bank.

“Accounting Utilisation Efficiency of the Rwanda Green Fund and Economic Performance in Rwanda (2015–2024)”

Table 4. 14: Sales performance

Sales performance	Frequency	Percent
Less 200,000	5	15.0
200,000 – 600,000	8	28.3
600,000 – 1,200,000	13	43.3
1,200,000 +	4	13.3
Total	30	100.0

Source: Primary data, 2024

The majority of 43.3% of business said that their sales level are 600,000 – 1,200,000. 28.3% of business said that their sales level are 200,000 – 600,000. 15.0% of business said that their sales level are less 200,000 and 13.3% of business said that their sales level are 1,200,000 +. Sales are activities related to selling or the number of goods/services sold in a given targeted time period sales also showed level financial performance of small medium enterprise. Linked with the objective of this study to assess the performance of SMEs resulting from financial support of financial institution, the above results in table 4.15 showed that the majority of business supported by BPR BANK have high level of sales per months which showed performance of those SMEs.

Table 4. 15: Numbers of Employees

Numbers of Employees	Frequency	Percent
Below 3 employees	7	25.0
Between 3 – 6 employees	14	46.7
6 – 10 employees	8	25.0

“Accounting Utilisation Efficiency of the Rwanda Green Fund and Economic Performance in Rwanda (2015–2024)”

10 employees+	1	3.3
Total	30	100.0

As shown by the results in table 4.16, the majority of 46.7% of respondents testify that they have employees between 3– 6, the second group of respondents (25.0%) they have 3 employees and 6– 10 employees while only 3.3% have 10 employees+.

There are numerous indicators that show that employee engagement has a strong impact on the financial performance of a company. When employees like to do what they are assigned, they are completely involved in their job to perform their best and bring desired results. In line with the results in table 4.16, shown that all SMEs have sufficient employees which showed financial performance of those SMEs.

Table 4. 16: Profit growth

Profit growth	Frequency	Percent
Below 100, 000	7	25.0
100,000 – 500,0000	15	53.3
500,000 – 1,000,000	5	16.7
1000,000+	3	5.0
Total	30	100.0

Source: Primary data, 2024

The majority of respondents (53.3%) of respondents said that their profit level are 100, 000 – 500, 000. 25.0% of respondents said that their profit level are below 100, 000. 16.7% of respondents said that their profit level are 500,000 – 1,000,000 and 5.0% of respondents said that their profit level are 1000,000+.

“Accounting Utilisation Efficiency of the Rwanda Green Fund and Economic Performance in Rwanda (2015–2024)”

Trading accounts and [profit and loss statements](#) usually contain information on profit drivers for a particular business. Identifying and focusing on the profit drivers in your business can help maximise your profits and achieve better growth results. Profit level is one of the indicators that show the financial performance of SMEs, the research in table 4.17 shows that these SMEs have better performance because one hundred to five hundred thousand profit for SMEs is enough profit which showed financial performance of SMEs supported by BPR BANK.

Table 4. 17: Types of Loan

Types of Loan	Frequency	Percent
Commercial Loan	26	43.3
Individual loan	5	8.3
Agriculture Loan	24	40.0
Overdraft	3	5.0
Vehicle Loans	2	3.3
Total	60	100.0

Source: Primary data, 2024

The information from respondents shows that 26 of them who represent 43.3% confirmed that receiving commercial loan , 24 of them who represent 40.0% confirmed that receive agriculture loan, 5 of them who represent 8.3% confirmed that receive Individual loan, 3 (5.0%) received Overdraft loan and 2 (3.3%) received vehicle loans.

As can be seen from the table 4.18, the large number of clients involved in commercial and agricultural loans. Which is true because the majority of Rwandan citizens interested to do commercial activities and Agriculture activities.

4.2.5 Correlation analysis

Third object was to find out whether there is significant relationship between Relationship between Financial institutions and performance of SMEs by using Correlations services and performance of Small Business Enterprises

Correlation analysis helps to know relationship financial institution services and performance of small business enterprises.

Table 4. 18: Relationship between Financial institutions and performance of SMEs by using Correlations

Variables		Financial institutions	performance of SMEs
Financial institutions	Pearson		
	Correlation	1	.928**
	Sig. (2-tailed)		.000
	N	30	30
performance of Small Business Enterprises	Pearson		
	Correlation	.928**	1
	Sig. (2-tailed)	.000	
	N	30	30

** . Correlation is significant at the 0.01 level (2-tailed).

Legend Pearson

[0.01-0.10]: is when the Pearson of the correlation is weak.

[0.10-0.50]: is when the Pearson of the correlation is moderate.

[0.50-1.00]: is when the Pearson of the correlation is high.

“Accounting Utilisation Efficiency of the Rwanda Green Fund and Economic Performance in Rwanda (2015–2024)”

In order to know the correlation between two variables, researcher used data from SPSS, then merge the questions related to the independent variable which is Financial Institution Services and the questions related to the dependent variable which is performance of SMEs then correlation result showed that, as it is indicated by Pearson of the correlation where between [0.50-1.00] correlation is high, that is $.928^{**}$ is high correlation because $.928^{**}$ is between [0.50-1.00], therefore correlation between two variables is $.938^{**}$, that is evident to conclude that the correlation between Financial Institution Services and performance of SMEs is high correlation. The correlation coefficient of $.928^{**}$ with p-value of 0.000 is high and significant. This means that Financial Institution Services contributes on performance of SMEs.

Partial conclusion

The effects of banking financial institutions on promoting SMEs in Rwanda and correlation matrix shows that independent variable has positive high correlation to dependent variable equal to $.928^{**}$ and the p-value is .000 which is less than 0.01. When p-value is less than significant level, therefore researchers concludes that variables are correlated and the hypotheses are confirmed. This means that there is a significant relationship between banking financial institutions on promoting SMEs in Rwanda. Therefore, it is through this the second specific objective of this study was analysed and of course the above results allowed researchers to confirm the second hypothesis stipulating that “banking financial institutions has positive effects on promoting SMEs in Rwanda”

GENERAL CONCLUSION, SUGGESTIONS AND RECOMMENDATIONS**Summary of the findings**

The topic of our study was “the contribution of commercial bank in promotion of small and medium businesses in Gisozi sector. Case of study: Selected SMES Financed by BPR BANK in Gisozi sector for achieving the objective of this study, researchers tried to answer the following questions:

- i. What are the services and products provide by BPR BANK to SMEs in Gisozi sector?

- ii. What are the effects of financial services provide by BPR BANK in promotion of SMEs in Gisozi sector?

In order to answer the above questions researchers formulated the following hypotheses:

- i. BPR BANK offers various financial services to SMEs in Gisozi sector.
- ii. BPR BANK contributes to SMEs development in Gisozi sector.

Through these hypotheses we organized this study into three chapters with the general introduction at first in which we have presented the significance of the study, scope, problem statement, hypotheses and research objectives to attend.

Briefly the main objective of this research was is to analyze and demonstrate the contribution of commercial bank in promotion of small and medium businesses in Gisozi sector

Chapter one entitled “Literature review” presents a full description of the research topic related terms and concepts. Therefore, in virtue to the above objectives and hypotheses, the research designed an appropriate research methodology and used the documentary, and questionnaire techniques to collect and analyze relevant data. Historical, analytical, and statistical methods were used to analyze and interpret the useful information collected through the above mentioned techniques.

Looking at the table 4.5 presents the respondents’ perceptions on stakeholders' engagement, respondents agreed that banking institutions play a significant role in promoting the growth of your SMEs.as shown by a mean of 4.44 (very strong) which is in the range between $4.3 \leq \mu \leq 5.0$: The standard deviation .512 implies Heterogeneity of answers from respondents on banking institutions play a significant role in promoting the growth of your SMEs. The same table indicated that banking institutions adequately understand the financing needs of your SMEs. as shown by a mean of 4.56 (very strong), which is in range between $4.3 \leq \mu \leq 5.0$: Such a very strong mean implies that Banking institutions adequately understand the financing needs of your SMEs. The standard deviation .516 implies Heterogeneity of answers from respondents on stakeholders feel included and valued.

"Accounting Utilisation Efficiency of the Rwanda Green Fund and Economic Performance in Rwanda (2015–2024)"

For the Banking institutions offer sufficient support to your SMEs compared to larger businesses., for this question respondent agreed with a mean of 4.68 (very strong) indicated that the Banking institutions offer sufficient support to your SMEs compared to larger businesses..546 implies Heterogeneity of answers

Concerning the relationship with banking institutions positively impacted your SME's profitability, the result showed by mean of 4.88 (very strong) which is in range between $4.3 \leq \mu \leq 5.0$: indicated that the relationship with banking institutions positively impacted your SME's profitability.574 implies Heterogeneity of answers from respondents on the relationship with banking institutions positively impacted your SME's profitability.

The developmental assistance provided by BPR BANK has had a positive impact on your SME's operational efficiency and business performance as shown by mean of 4.44 (very strong) indicate that respondents strongly agreed that 4.44 which is in range between $4.3 \leq \mu \leq 5.0$: Such a very high mean implies strong evidence of the existence of the fact exist in the case study. The standard deviation .368 implies Homogeneity of answers from respondents who agreed that Stakeholders express satisfaction with their involvement.

For the BPR BANK's mentorship programs are effective in guiding SMEs through their growth and development phases, for this question respondent agreed with a mean of 4.53 (very strong) indicated that the Banking institutions offer sufficient support to your SMEs compared to larger businesses.915 implies Heterogeneity of answers

About access to financial services from banking institutions helped your SME grow, for this question respondent agreed with a mean of 3.77 (very strong) indicated that the Banking institutions offer sufficient support to your SMEs compared to larger businesses.44.6 implies Heterogeneity of answers

All statements about Intermediation and credit provide a mean of 4.636 which is in the range between $4.3 \leq \mu \leq 5.0$: such a very high mean implies that strong evidence of the existence of the fact exist in the case study..

"Accounting Utilisation Efficiency of the Rwanda Green Fund and Economic Performance in Rwanda (2015–2024)"

The findings in the table 4.6 presents the respondents' perceptions on loans, respondents agreed that BPR BANK provides accessible financial services tailored (loan, credit) to SMEs in the Gisozi sector.as shown by a mean of 4.44 (very strong) which is in the range between $4.3 \leq \mu \leq 5.0$: The standard deviation .512 implies Heterogeneity of answers from respondents on banking institutions play a significant role in promoting the growth of your SMEs. The same table indicated that BPR BANK provides training and support programs to help SMEs improve their financial management skills. as shown by a mean of 4.56 (very strong), which is in range between $4.3 \leq \mu \leq 5.0$: Such a very strong mean implies that Banking institutions adequately understand the financing needs of your SMEs. The standard deviation .516 implies Heterogeneity of answers from respondents on stakeholders feel included and valued.

For the BPR BANK actively promotes financial literacy among SME owners and managers, for this question respondent agreed with a mean of 4.68 (very strong) indicated that the Banking institutions offer sufficient support to your SMEs compared to larger businesses..546 implies Heterogeneity of answers

Concerning the financial and advisory support from BPR BANK has been instrumental in the successful startup of your SME, the result showed by mean of 4.88 (very strong) which is in range between $4.3 \leq \mu \leq 5.0$: indicated that The financial and advisory support from BPR BANK has been instrumental in the successful startup of your SME.574 implies Heterogeneity of answers from respondents on The financial and advisory support from BPR BANK has been instrumental in the successful startup of your SME.

All statements about loans provide a mean of 4.636 which is in the range between $4.3 \leq \mu \leq 5.0$: such a very high mean implies that strong evidence of the existence of the fact exist in the case study.

Secondly this bank do not finance clients' SMEs project only, but also they help them to give their business the fitted orientation due to their full analysis of the success of these business. Therefore, it is from that we conclude that the products of this bank under study facilitate the starting of SMEs.

“Accounting Utilisation Efficiency of the Rwanda Green Fund and Economic Performance in Rwanda (2015–2024)”

From the table 4.11, the status trade business growth in terms of turnover through comparison of turnover of the business before and after using services offered by BPR BANK, most of respondents represented by 46.6% declared that they got monthly turnover which is less than 1,000,000Rwf. 26.6% of respondents said that their monthly turnover was Between 1, 000,000-5,000,000 compared before working with financial institutions. 6.6% of respondents asserted that their monthly turnover was Between 5,000,000-55,000,000Rwf but after using BPR BANK services sales to SMEs were improved there is no one of respondents earned less than 1000,000 Rwf but the majority earns between 55,000,000Rwf and 100,000,000Rwf represent 46.6% of the respondents. This implies that the BPR BANK contributed to the promotion of SMEs as it enabled the trading services to increase the sales.

The table 4.13 shows that majority respondents 60% said that before using services of BPR BANK their saving was very low between 3,000,000-5,000,000 Rwf but after obtaining loans and other services of BPR BANK, SMEs’ savings was improved as the saving increased between 5,000,001-8000,000Frw and above 8000,000Rwf.

By the way after getting loans from BPR BANK the situation changed with significant promoting of savings where 53.4% and 42.7of respondents were saving Between 5,000,001-8,000,000Rwf. And Above 8000,000 Rwf It is confirmed that loans granted by BPR BANK have contributed to the promoting of savings of its SMEs the fact which significantly impact on economic promoting of SMEs and poverty reduction, because savings is one of the sources of investment that will further generate income. This means that BPR BANK loans and services contributed to the savings of SMEs and their business was rentable due

Therefore, it is based on the above findings that the first and second hypothesis which stated that there are different ways used by BPR BANK to support SMEs activities and BPR BANK contributes to the SMEs development was verified and confirmed.

Recommendations

To the bank

“Accounting Utilisation Efficiency of the Rwanda Green Fund and Economic Performance in Rwanda (2015–2024)”

There are needs for commerce banks to reduce the interest rate charged on loans so as to allow SMEs to increase the amount of loans they get from those banks and expand activities. To increase a high computerized system and increase many qualified employees for quickening services. Increase the partnership with SMEs by providing more trainings and advices on how the loans can be used effectively to avoid the default in paying back the loans.

To the Small and Medium enterprises

1. Before starting business, a proper business plan with a sound feasibility study so as to avoid business failure.
2. They should keep the books of account that could clarify their daily transactions and facilitate their decision making’