

**FINANCING SMES FOR INNOVATIVENESS AND COMPETITIVENESS IN RWANDA  
A CASE STUDY OF URWEGO OPPORTUNITY BANK PERIOD (2008-2011)**

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**ABSTRACT**

This research aimed financing SMEs for innovativeness and competitiveness in Rwanda. The first specific objective is examine financing SMEs innovativeness and competitiveness situation. The second specific objective was to analyze whether financing SMEs have significant influence on competitiveness and innovativeness. The third one was to investigate if SMEs innovativeness and competitiveness are a result of financing other factors than others? Total population is 271. Simple random sampling technique was employed in selecting the 54 respondents from UOB staffs and SMEs that constituted the sample size of the research. Structured questionnaire will be designed to facilitate the acquisition of relevant data which will be used for analysis. Descriptive statistics which involves simple percentage graphical table and illustrations is tactically applied in data presentations and analysis. The findings of the study reveal that significant number of the SMEs benefitted from the MFIs loans even though only few of them were capable enough to secure the required amount needed. Interestingly, majority of the SMEs acknowledge positive contributions of MFIs loans towards promoting their market share, product innovation achieving market excellence and the overall economic company competitive advantage. Other than tax incentives and financial supports such as it is recommended that Government should try to provide sufficient infrastructural facilities such as electricity, good road network and training institutions to support SMEs in Rwanda.