



Country Profile & Business Prospects for Rwanda





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ACRONYMS

AGOA	Africa Growth and Opportunity Act
AU	African Union
CDSC	Central Depository and Settlement Corporation
CMA	Capital Market Authority
CMAC	Capital Markets Advisory Council
COMESA	Common Market for Eastern & Southern Africa
DFQF	Duty Free and Quota Free
DRC	Democratic Republic of the Congo
DSE	Dar es Salaam Stock Exchange
EAC	East African Community
EASEA	East African Securities Exchange Association
EBA	Everything-But-Arms
EU	European Union
GDP	Gross domestic product
HIPC	Heavily Indebted Poor Country
ICT	Information and Communication Technology
IMF	International Monetary Fund
IPO	Initial Public Offering
MINECOFIN	Ministry of Finance and Economic Planning
MINICOM	Ministry of Commerce, Industry, Investment Promotion, Tourism and Cooperatives
OAU	Organisation of African Unity
OECD	Organisation for Economic Cooperation and Development
ORG	Office of the Registrar General
RDB	Rwanda Development Board
RSE	Rwanda Stock Exchange
PSI	Policy Support Instrument
R&D	Research and Development
RPF	Rwandan Patriotic Front
RRA	Rwanda Revenue Authority
RSE	Rwanda Stock Exchange
RSESI	Rwanda Stock Exchange Share Index
RwF	Rwandan Franc
SADC	Southern Africa Development Community
SEZ	Special Economic Zone
SME	Small and Medium Enterprises
USE	Uganda Securities Exchange
VAT	Value Added Tax



1. RWANDA AT A GLANCE

Population	12,337,138 (2014 estimate)	GDP Purchasing Power Parity (PPP; 2013 Estimate)	
Capital	Kigali (0,9 million) 1°56.633'S 30°3.567'E	Total GDP (PPP)	\$ 16.368 billion
Largest city	Kigali Population 2.863 million (2009)	Per capita GDP (PPP)	\$1,538
Official language	<ul style="list-style-type: none"> • Kinyarwanda • French • English 	GDP (nominal) 2013 estimate	
Demonym	Rwandan Rwandese	Total	\$ 7.431 billion http://en.wikipedia.org/wiki/Ghana_-_cite_note-IMF-5
Government	Unitary semi-presidential constitutional republic	Per capita	\$ 698
President	Paul Kagame	Currency	Rwandan franc (RWF) 1 RWF is 0.00106447073451 € 1 RWF is 0.00147173723753 USD
Prime Minister	Pierre Habumuremyi	Time zone	CAT (UTC+2)
Independence	From Belgium 1 July 1962	Drives on the	Right
Ethnic groups (2007 census)	<ul style="list-style-type: none"> • 84% Hutu • 15% Tutsi • 1% Twa 	Religions	Roman Catholic 49.5%, Protestant 39.4% (includes Adventist 12.2% and other Protestant 27.2%), other Christian 4.5%, Muslim 1.8%, animist 0.1%, other 0.6%, none 3.6% (2001), unspecified 0.5% (2002 est.)
Total Area	26,338 km ²	ISO 3166 code	RW
Water (%)	5.3%	Calling code	+250
		Internet TLD	.rw
Greek Mission accredited to Rwanda		Rwanda's Embassy in Belgium	
Competent Authority: Greek Embassy in Nairobi, Kenya Address : Kimathi Str., Nation Tower, 7th floor (P.O.Box 30543-00100), Nairobi Tel. : (0025420) 340722, 340744 Fax : (0025420) 2216044 E-mail : gremb.nai@mfa.gr Web site : www.mfa.gr/nairobi Head of Mission : Eleftherios Kouvaritakis		Embassy of Rwanda in Brussels, Belgium 1 Avenue des Fleurs, 1150 Brussels, Belgium Tel:(+32-2) 7630738, 7630721, 7630702, 7630705 Fax (+32-2) 7630753 http://www.ambarwanda.be Email ambarwanda@skynet.be , ambabruxxeles@minaffet.gov.rw See http://embassy.goabroad.com/embassies-of/rwanda for Rwandan Embassies and Consulates.	
		Delegation of the European Union to Rwanda	
		1807 Umuganda Boulevard, Aurore Building 515 Kacyru - Kigali Telephone: +250-252-585738 / -39 / -40 /-41 Fax: +250-252-585734 / -36	



2. INTRODUCTION

In 1959, three years before independence from Belgium, the majority ethnic group, the Hutus, overthrew the ruling Tutsi king. Over the next several years, thousands of Tutsis were killed, and some 150,000 driven into exile in neighboring countries. The children of these exiles later formed a rebel group, the Rwandan Patriotic Front (RPF), and began a civil war in 1990. The war, along with several political and economic upheavals, exacerbated ethnic tensions, culminating in April 1994 in a state-orchestrated genocide, in which Rwandans killed up to a million of their fellow citizens, including approximately three-quarters of the Tutsi population. The genocide ended later that same year when the predominantly Tutsi RPF, operating out of Uganda and northern Rwanda, defeated the national army and Hutu militias, and established an RPF-led government of national unity. Approximately 2 million Hutu refugees - many fearing Tutsi retribution - fled to neighboring Burundi, Tanzania, Uganda, and former Zaire. Since then, most of the refugees have returned to Rwanda, but several thousand remained in the neighboring Democratic Republic of the Congo (DRC, the former Zaire) and formed an extremist insurgency bent on retaking Rwanda, much as the RPF did in 1990. Rwanda held its first local elections in 1999 and its first post-genocide presidential and legislative elections in 2003. Rwanda in 2009 staged a joint military operation with the Congolese Army in DRC to rout out the Hutu extremist insurgency there, and Kigali and Kinshasa restored diplomatic relations. Rwanda also joined the Commonwealth in late 2009. In January 2013, Rwanda assumed a nonpermanent seat on the UN Security Council for the 2013-14 term.

2.1 Historic overview

Rwanda is a land-locked country with a surface area of 26 338 km² and a population of 12 million at the heart of the Great Lakes region in Central Africa. Perched along the Albertine Rift and bordered by some of the most active volcanoes in the region, the fertile soils and temperate climate of Rwanda provides favourable conditions for settlement. Bordered by the Democratic Republic of Congo, Uganda, Tanzania and Burundi, Rwanda features the largest population density in Africa with over 400 inhabitants per square kilometre.

Rwanda gained independence from Belgium in 1962 and has long suffered from ethnic tensions culminating in the Genocide of the Tutsi in April 1994. Since then, the Government has made significant progress in stabilising the country and in achieving socio-political and economic development, but great challenges remain. Regional integration has since become a priority issue to facilitate access to supplies and markets in the neighbouring countries and mend strained relations with neighbouring countries.

The presence of the European Union in Rwanda was established in the mid-1980s and formalised in 1991 with the signature of an "accord de siege" with the Rwandan Government. In the period since then, Rwanda has been making significant progress. It is realising steady and high economic growth rates and is making rapid progress towards the achievement of the Millennium Development Goals. Universal primary education is a reality, and child and maternal mortality have been reduced significantly. Rwanda's medium term development orientations are spelled out in the Economic Development and Poverty Reduction Strategy 2008 – 2012.

Governance issues in the post-genocide context deserve special attention. Consolidation of democracy is crucial, particularly in view of the 2013 parliamentary elections and the 2017 presidential elections.

As one of the first two countries to agree to a peer review under the NEPAD African Peer Review Mechanism, Rwanda was successfully reviewed by its peers at the 5th summit of the African Review Forum in Banjul, The Gambia in June 2006. Rwanda also went through the United Nation's



Universal Periodic Review process on Human Rights in January 2011. The EU continues to support Rwanda's implementation of the recommendations in the areas of press freedom and political rights.

2.2 Economy - overview

Rwanda is a poor rural country with about 90% of the population engaged in (mainly subsistence) agriculture and some mineral and agro-processing. Tourism, minerals, coffee and tea are Rwanda's main sources of foreign exchange. The 1994 genocide decimated Rwanda's fragile economic base, severely impoverished the population, particularly women, and temporarily stalled the country's ability to attract private and external investment. However, Rwanda has made substantial progress in stabilizing and rehabilitating its economy to pre-1994 levels. GDP has rebounded with an average annual growth of 7%-8% since 2003 and inflation has been reduced to single digits. Nonetheless, a significant percent of the population still live below the official poverty line. Despite Rwanda's fertile ecosystem, food production often does not keep pace with demand, requiring food imports. Rwanda continues to receive substantial aid money and obtained IMF-World Bank Heavily Indebted Poor Country (HIPC) initiative debt relief in 2005-06. In recognition of Rwanda's successful management of its macro economy, in 2010, the IMF graduated Rwanda to a Policy Support Instrument (PSI). Rwanda also received a Millennium Challenge Threshold Program in 2008. Africa's most densely populated country is trying to overcome the limitations of its small, landlocked economy by leveraging regional trade. Rwanda joined the East African Community and is aligning its budget, trade, and immigration policies with its regional partners. The government has embraced an expansionary fiscal policy to reduce poverty by improving education, infrastructure, and foreign and domestic investment and pursuing market-oriented reforms. Energy shortages, instability in neighboring states, and lack of adequate transportation linkages to other countries continue to handicap private sector growth. The Rwandan Government is seeking to become regional leader in information and communication technologies. In 2010, Rwanda neared completion of the first modern Special Economic Zone (SEZ) in Kigali. The SEZ seeks to attract investment in all sectors, but specifically in agribusiness, information and communications technologies, trade and logistics, mining, and construction. The global downturn hurt export demand and tourism, but economic growth has recovered, driven in large part by the services sector, but inflation has grown. On the back of this growth, government is gradually ending its fiscal stimulus policy while protecting aid to the poor.

GDP - composition, by sector of origin:

agriculture: 31.9%

industry: 14.8%

services: 53.3% (2013 est.)

Agriculture - products:

coffee, tea, pyrethrum (insecticide made from chrysanthemums), bananas, beans, sorghum, potatoes; livestock

Industries:

cement, agricultural products, small-scale beverages, soap, furniture, shoes, plastic goods, textiles, cigarettes

**Industrial production growth rate:**

6% (2013 est.)
country comparison to the world: 43

Labor force:

4.446 million (2007)
country comparison to the world: 86

Labor force - by occupation:

agriculture: 90%
industry and services: 10% (2000)

Unemployment rate:

NA%

Population below poverty line:

44.9% (2011 est.)

Exports:

\$538.3 million (2013 est.)
country comparison to the world: 171
\$512 million (2012 est.)

Exports - commodities:

coffee, tea, hides, tin, ore

Exports - partners:

Kenya 30.5%, Democratic Republic of the Congo 12.2%, China 12.1%, Malaysia 10.7%, US 5.8%, Swaziland 4.9% (2012)

Imports:

\$1.937 billion (2013 est.)
country comparison to the world: 166
\$1.871 billion (2012 est.)

Imports - commodities:

foodstuffs, machinery and equipment, steel, petroleum products, cement and construction material

Imports - partners:

Kenya 17.3%, Uganda 15.6%, UAE 8.9%, China 7.2%, India 5.6%, Tanzania 5%, Belgium 4.5%, Canada 4.1% (2012)



Reserves of foreign exchange and gold:

\$1.354 billion (31 December 2013 est.)
country comparison to the world: 128
\$847.8 million (31 December 2012 est.)

Debt - external:

\$1.656 billion (31 December 2013 est.)
country comparison to the world: 148
\$1.153 billion (31 December 2012 est.)

Stock of direct foreign investment - at home:

\$900.1 million (31 December 2013 est.)
country comparison to the world: 103
\$743.3 million (31 December 2012 est.)

Stock of direct foreign investment - abroad:

\$12.9 million (31 December 2013 est.)
country comparison to the world: 92
\$12.9 million (31 December 2012 est.).

2.3 Top five reasons to do business in Rwanda

According to the Rwandan Government¹, Rwanda offers an attractive environment to operate in or to run a business from. The top 5 reasons to invest in Rwanda include:

Sustained High Economic Growth

- 7.1% average year-on-year GDP growth since 2004, stable inflation and exchange rate.
- 3 year GDP growth rate highest among major African economies and neighbouring countries.

Robust Governance

- A clear vision for growth through private investment set out by President Kagame (Vision 2020)
- Politically stable with well functioning institutions, rule of law and zero tolerance for corruption

Investor friendly climate

- Fastest global reformer of business regulations based on World Bank Doing Business Survey.
- Most competitive place to do business in East Africa and 6th in Africa (WEF Global Competitiveness Report).
- Country credit rating upgraded to B by Fitch.
- Among top 3 African countries in terms of internet connectivity (Ookla).
- Simple taxation, development of industrial parks and free trade zone, and creation of stock exchange.
- Increasingly attractive destination for FDI – USD118 million in 2009 represents 14x increase from 2004.

¹ See: <http://www.gov.rw/Invest-in-Rwanda>



Access to markets

- Market of over 10 million people with a rapidly growing middle class
- A hub for rapidly integrating East Africa: located centrally bordering 3 countries in East Africa which has an existing Customs Union and a Common Market in 2010 for 550 million people in total Untapped Opportunities
- Potential opportunities for investment abound, particularly in the following sectors:
 1. Infrastructure: Opportunities in rail, air transportation to further develop Rwanda as an EAC hub
 2. Agriculture: Investment in tea and horticulture. Tea quality and tea growing conditions among the best in the world
 3. Energy: Power generation, off grid generation and significant methane gas opportunities
- Tourism: Unique assets creating booming sector; growth potential in birding and business (conference) tourism

Other attractive sectors include Real estate and construction, Financial services and Mining

Business in Rwanda

Radical reforms which have made it easier for businesses to get credit, pay taxes, starting a business have boosted Rwanda's ratings in the World Bank's 'Doing Business Report'.

Rwanda is the 2nd most reformed country in the World , over six years, after Georgia (2005-2011).

It came in 45th on the overall list, up from 58th last year.

In 2011, Rwanda introduced about reforms to ease doing business in the country. It now takes 1 day to start business compared to 45-days average on the African continent, and 13-days for the rich countries to start a business.

In 2012, the World Bank Doing Business report reflects Rwanda the 3rd easiest to do business in Africa after Mauritius, and South Africa.

Rwanda is the easiest country to do business in East Africa.

For more information, log onto <http://www.rdb.rw/about-rwanda/economy.html>

Radical reforms which have made it easier for businesses to get credit, pay taxes, starting a business have boosted Rwanda's ratings in the **World Bank's 'Doing Business Report'**.

Rwanda is the most improved economy worldwide since 2005 (World Bank Doing Business Report 2014).

It came in **32nd** out 189 countries as per 2014 Word Bank Doing Business Report

In 2012, Rwanda introduced about reforms to ease doing business in the country. It now takes **6 working hours to register your business.**

In 2013, the World Bank Doing Business report reflects Rwanda the **2nd** easiest to do business in Africa after Mauritius.

Rwanda is the easiest country to do business in East Africa.



2.4 Rwandan Stock Exchange

The **Rwanda Stock Exchange (RSE)**, is Rwanda's principal stock exchange. It was founded in January 2011. The is operated under the jurisdiction of Rwanda's **Capital Market Authority (CMA)**, previously known as **Capital Markets Advisory Council (CMAC)**, which in turn reports to the Ministry of Finance and Economic Planning (MINECOFIN).

Having successfully launched Bralirwa as its pioneer Initial Public Offering (IPO), RSE's second IPO was [Bank of Kigali](#), launched on 31 June 2011. In February 2011, the [National Bank of Rwanda](#), the country's Central Bank, contracted **Central Depository and Settlement Corporation (CDSC)**, a Kenyan company, to serve the Rwanda Stock Exchange for one year and to train Rwandan staff until Rwanda can start and operate its own securities registry. On 7 December 2012, RSE launched the *Rwanda Stock Exchange Share Index (RSESI)*, an independently calculated, rules-based, market capitalization weighted performance benchmark for Rwanda Stock Exchange's equities.

As of April 2014, the **RSE** trades five listed local and [East African](#) companies and also carries out trading of three government and one corporate fixed income instruments. The exchange, which is open five days a week, is a member of the [African Stock Exchanges Association](#). The **RSE** operates in close association with the [Nairobi Stock Exchange](#) in [Kenya](#), the [Dar es Salaam Stock Exchange](#) in [Tanzania](#) and the [Uganda Securities Exchange](#) in [Uganda](#). There are plans to integrate the four stock exchanges to form a single East African bourse.

As of April 2014, the following companies are traded in the Rwanda Stock Exchange.

Number	Symbol	Company	Notes
1.	BRL	Bralirwa	Brewing, Bottling
2.	KCB	Kenya Commercial Bank Group	Banking, Finance
3.	NMG	Nation Media Group	Publishing, Printing, Broadcasting, Television
4.	BOK	Bank of Kigali	Banking, Finance
5.	UCHU	Uchumi Supermarkets	Supermarkets

RWANDA STOCK EXCHANGE OWNERSHIP STRUCTURE

Government of Rwanda	20%
Faida Securities Rwanda	10%
African Alliance Rwanda	10%
CDH Capital Ltd	10%
Baraka Capital	10%
MBEA Brokerage & Financial Services Rwanda	10%
Dyer & Blair Rwanda	10%
Rwanda Social Security Board (RSSB)	10%
BRD	2%
SONARWA	1%
MAGERWA	6%
SORAS	1%



The Table below is showing a comparative African Stock Market Performance (US Dollar-Adjusted Returns) as of April 30, 2014².

Market Index	1-Month Return	6-Month Return	1-Year Return	3-Year Return	5-Year Return	Year to Date Return	Avg Weekly Trade Volume
Botswana Stock Exchange	-0.6%	-1.2%	-6.2%	-5.7%	22.3%	-2.5%	\$5.2m
Bourse Régionale des Valeurs Mobilières	-0.4%	16.9%	32.0%	41.1%	79.7%	3.2%	\$5.1m
Dar es Salaam Stock Exchange	3.7%	8.1%	31.3%	58.7%	37.9%	5.5%	\$9.6m
Ghana Stock Exchange	-9.8%	-16.4%	-12.4%	-10.3%	N/A	-12.4%	\$2.4m
Johannesburg Stock Exchange	1.3%	2.2%	4.5%	-11.7%	76.2%	4.0%	\$3,550m
Lusaka Stock Exchange	4.7%	4.6%	17.1%	15.4%	145.9%	0.9%	\$1.4m
Malawi Stock Exchange	5.1%	6.8%	107.4%	N/A	N/A	13.4%	\$0.6m
Nairobi Securities Exchange	4.1%	11.3%	22.9%	55.6%	142.4%	9.6%	\$37.3m
Namibian Stock Exchange	0.3%	-0.6%	-0.3%	16.1%	78.6%	2.7%	\$0.5m
Nigerian Stock Exchange	1.9%	1.0%	13.1%	47.2%	67.0%	-7.3%	\$126.1m
Rwanda Stock Exchange	-1.2%	N/A	N/A	N/A	N/A	11.3%	\$0.9m
Stock Exchange of Mauritius	-0.4%	3.1%	11.7%	-4.9%	112.3%	-0.7%	\$7.1m
Uganda Securities Exchange	8.5%	0.1%	7.9%	24.0%	94.8%	7.3%	\$1.1m
Zimbabwe Stock Exchange	-1.9%	-17.6%	-8.8%	5.0%	73.2%	-14.5%	\$7.3m
S&P 500	0.6%	7.3%	17.9%	38.2%	115.6%	1.9%	N/A

The RSE ranks 2nd in year to date return with 11.3% after the first Malawi stock Exchange.

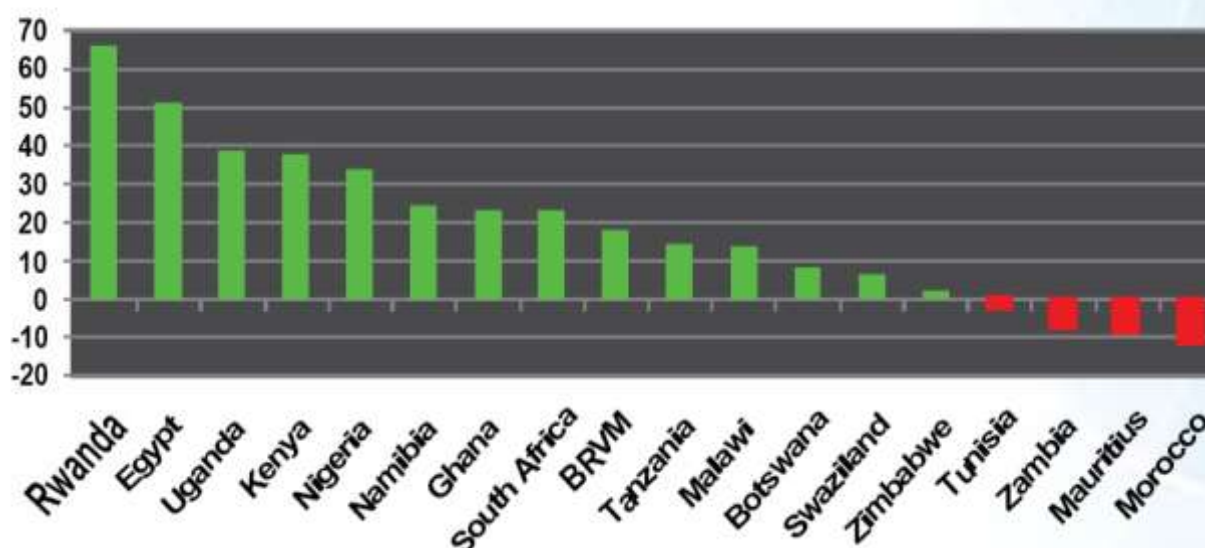
<http://www.investinginafrica.net/african-stock-markets/rwanda-stock-exchange/>

² See: <http://www.investinginafrica.net/african-stock-markets/african-stock-market-performance/>



For 2012, Rwanda scored first in indices of the African stock market.

AFRICAN MARKET INDICIES



According to the ASEA Yearbook 2013³, generally the African market showed very good results with Rwanda coming in first with a year end growth rate of 65%.

2.4.1 Member of the East African Securities Exchanges Association (EASEA)

The RSE also remains an active member of the East African Securities Exchange Association (EASEA), whose aim is to standardize regulations and operations within the region to make cross border investing easier for citizens of the East African Community.

The members of EASEA are the Dar es Salaam Stock Exchange (DSE), the Rwanda Stock Exchange (RSE), the Uganda Securities Exchange (USE), and the Central Depository and Settlement Corporation (CDSC).

The NSE is also represented in the East African Community Consultative Forum on the Capital Markets whose long term goal is to establish a regional capital market.

Section Two : Trading Statistics

Currency: USD

Table 2: Trading Equity Statistics

Indicators	2009	2010	2011	2012
Total value traded	20,871.00	83,500	35,274,455	28,783,994
Total volume traded	76,300	24,128	118,134,400	103,575,220
Total number of transactions	49	50	1,856	3,939
Number of listed companies	1	2	4	4
Number of traded companies	1	2	4	4
Market Capitalization (Millions) end of year	635.80	1,169.80	1,589.30	1,696
Market Capitalization as % of GDP	12.18%	21.00%	26.19%	N/A

* Turnover Ratio (%) = value traded of listed securities/market capitalization

Source: ASEA Yearbook 2013

³ See: <http://www.mondovisione.com/assets/files/ASEA-Yearbook-2013.pdf>



2.5 Exchange rates

The following charts depict the Rwandan franc (RWF) currency rate history for up to 10 years compared to US\$⁴ and Euro (€)⁵.

RWF per 1 USD

31 May 2004 00:00 UTC - 28 May 2014 11:48 UTC
USD/RWF close:680.50357, low:528.92000, high:682.59386



RWF per 1 EUR

31 May 2004 00:00 UTC - 28 May 2014 11:50 UTC
EUR/RWF close:926.33158, low:625.95648, high:949.36948



⁴ See: <http://www.xe.com/currencycharts/?from=USD&to=RWF&view=10Y> Accessed 28 May 2014

⁵ See: <http://www.xe.com/currencycharts/?from=EUR&to=RWF&view=10Y> Accessed 28 May 2014



3. LAWS AND REGULATIONS

The **Rwanda Development Board (RDB)**⁶ aims to play the role of a one stop shop for all investors. The RDB was set up by bringing together all the government agencies responsible for the entire investor experience under one roof. This includes key agencies responsible for business registration, investment promotion, environmental clearances, privatization and specialist agencies which support the priority sectors of ICT and tourism as well as SMEs and human capacity development in the private sector.

The RDB is independent and influential. It reports directly to the President and is guided by a Board that includes all the key Ministers (e.g., finance, commerce, infrastructure, agriculture)

The RDB is built with global expertise. It is modeled on international best practice examples of Singapore and Costa Rica. It has advisory and hands-on support from global entrepreneurs and experts from Singapore Development Board, World Bank, IFC and the Office of Tony Blair.

The **Office of the Registrar General (ORG)**⁷ was established in 2008 to continue the functions of the Rwanda Commercial Registration Agency. ORG is housed in the RDB as a division under the Investment Promotion and Implementation Department.

The ORG is tasked with facilitating investment through developing and maintaining a world class efficient business register and promoting a business friendly regulatory framework. In particular the Office of the Registrar General has the responsibility to initiate, implement and follow up the activities relating to registering and striking from the register; businesses, secured transactions and intellectual property rights.

The Office of Registrar General has the following responsibilities:

- Implement and develop the laws relating to companies, secured transactions, commercial recovery and settling of issues arising from insolvency
- Monitor and supervise activities relating to commercial recovery and settling of issues arising from insolvency,
- Maintaining registers, data and all records of the Office of the Registrar General,
- Publicizing all information relating to business registration;
- Examining, on a regular basis the laws that need to be implemented by the Office of the Registrar General to determine areas for review and development;
- Designing training, information and sensitization programs for economic operators on regulations that govern them as provided for by the commercial laws;
- Daily management of Intellectual Property rights.

The main laws implemented by the Office of the Registrar General:

- The Companies Act (Law No 07/2009 of 27/04/2009 relating to companies).
- The Mortgage Law (Law No 10/2009 of 14/05/2009 on mortgage)

⁶ See: <http://www.rdb.rw/>

⁷ See: <http://org.rdb.rw/>



- Security Interests in Movable Property Law (Law No 11/2009 of 14/05/2009 on security interests in movable property)
- Insolvency Law (Law No 12/2009 relating to commercial recovery and settling of issues arising from insolvency)
- Intellectual Property Law,
- Negotiable Instruments Law.

Some of the services offered by ORG are the following:

- Registration of Individual Enterprises,
- Registration of Companies,
- Registration of additional business activities,
- De-registration of individual enterprises and companies,
- Issuing certificates of non-bankruptcy to traders and companies,
- Registration, administration and transferring security interests on movable and immovable property,
- Registration and protection of intellectual property rights

3.1 Laws Related to Investments:

The following site offers some information for laws, policies and regulations regarding investments in Rwanda: <http://minirena.gov.rw/index.php?id=187>

3.1.1 Environmental Laws

[Prime Minister's Instructions No 005/03 of 27/12/2007 Preventing air pollution caused by vehicular Emissions and Machines using Petroleum Products in Rwanda](#)

[Prime Minister's order on the establishment of National Man and Biosphere Committee](#)

[Ministerial order on the list of works activities and projects that have to undertake an EIA](#)

[Ministerial instruction on the use and manufacturing of plastic bags in Rwanda](#)

[Ministerial order establishing the list of protected animal and plant species](#)

[Ministerial order regulating the importation and exportation of ozone layer depleting substances](#)

[Ministerial order governing the importation and exportation of wild animals](#)

[Prime Minister's order determining the list of chemicals and other prohibited pollutants](#)

[Loi Organique sur l'Environnement](#)

[Ministerial order establishing special regulations relating to baring toxic wastes](#)

[Ministerial order determining the list of prohibited plains to constructions](#)

[Ministerial order establishing internal rules and procedures for Rwanda Environment Authority](#)



3.1.2 Mining Laws

[Ministerial order determining taxes applicable to mines and quarries.pdf](#)

[Ministerial regulations fighting smuggling in mineral trading.pdf](#)

[Law on mining and quarry exploitation.pdf](#)

[Ministerial order determining the procedures of requesting licences.pdf](#)

3.1.3 National Water Resources Policy

Law regulating the use, conservation, protection and management of water resources (Law No 62/2008 of 10/09/2008)

3.1.4 Land Laws

[Law creating and organizing condominiums and setting up procedures for their registration.pdf](#)

[Ministerial Instructions related to fees paid for systematic land registration.pdf](#)

[Ministerial order determining modalities of land registration.pdf](#)

[Ministerial order determining the procedure to obtain a free hold land title.pdf](#)

[CONSERVATEURS DES TITRE FONCIERS AU RWANDA.pdf](#)

[Presidential order determining boundaries of urban areas in Rusizi District.pdf](#)

[Presidential order determining the exact number of years of land lease.pdf](#)

[Law governing land in Rwanda](#)

[Ministerial order determining the reference land prices in the City of Kigali.pdf](#)

[Ministerial Order determining the models of land consolidation and its productivity.pdf](#)

[Law on mortgages.pdf](#)

[LOI D'EXPROPRIATION.pdf](#)

[Law modifying the law on mortgages.pdf](#)

[Ministerial order determining the modalities of land sharing.pdf](#)

[Special Instructions on land distributed to the farmers and breeders in Eastern Province.pdf](#)



3.1.5 Labour Laws

National legislation

C122 - Employment Policy Convention, 1964 (No. 122) - 05 Aug 2010

C029 - Forced Labour Convention, 1930 (No. 29) - 23 May 2001

C182 - Worst Forms of Child Labour Convention, 1999 (No. 182) - 23 May 2000

<http://www.migration.gov.rw/index.php?id=61>

3.1.6 Nationality and Immigration Laws

LAW N° 04/2011 OF 21/03/2011 ON IMMIGRATION AND EMIGRATION
IN RWANDA

ORGANIC LAW N° 30/2008 OF 25/07/2008 RELATING TO RWANDAN NATIONALITY

PRESIDENTIAL ORDER N° 21/01 OF 27/05/2009 ESTABLISHING THE FOR THE
APPLICATION AND ACQUISITION OF RWANDAN NATIONALITY

MINISTERIAL ORDER N° 02/01 OF 31/05/2011 ESTABLISHING REGULATIONS AND
PROCEDURES IMPLEMENTING IMMIGRATION AND EMIGRATION LAW

MINISTERIAL ORDER N°03/01 OF 31/05/2011 DETERMINING THE FEES CHARGED ON
TRAVEL DOCUMENTS, RESIDENCE PERMITS, VISAS AND OTHER SERVICES
DELIVERED BY THE DIRECTORATE GENERAL OF IMMIGRATION AND EMIGRATION

LAW N°05/2012 OF 17/02/2012 GOVERNING THE ORGANISATION AND FUNCTIONING OF
INTERNATIONAL NON GOVERNMENTAL ORGANISATIONS

MINISTERIAL ORDER N°04/001 OF ON 31/01/2012 THE DIPLOMATIC PASSPORT

MINISTERIAL INSTRUCTIONS N° N°003/19.18 of 04/04/2013 DETERMINING
OCCUPATIONS IN DEMAND LIST



4. INVESTMENT OPPORTUNITIES IN RWANDA

The website of RDB⁸ is listing numerous investment opportunities in the following sectors:

- Infrastructure
- Agriculture
- Energy
- Tourism
- Information and Communication Technology
- Mining
- Financial Services
- Real estate and Construction.
- Manufacturing

5. TAX REGIME AND INVESTMENT

The Government encourages foreign investment through outreach and tax incentives. The only difference in treatment between foreign and domestic companies is the initial capital requirement for official registration – US\$ 250,000 for foreign investors; US\$ 100,000 for domestic investors⁹. There are no reports of foreign investors declining to invest due to these differing treatments. Foreign investors can start a new business irrespective of the initial capital requirement.

Foreign investors can acquire real estate, but there is a general limit on land ownership. Although land is owned by the state, both foreign and local investors can acquire land through lease-hold agreements that extend to a maximum of 99 years.

The government established the Privatisation Secretariat and the Rwanda Public Procurement Agency to ensure transparency in government tenders and divestment of state-owned enterprises. Rwanda's ranking in Transparency International's "Corruption Perception Index" has improved significantly, falling from 102 in 2008 to 49 in 2011. The index rated Rwanda as the "least corrupt" country in East Africa. Despite the strong improvement in these rankings, the most recent Auditor General report to Rwanda's Parliament highlighted that over US\$2.6 million of tenders were awarded in breach of Rwandan procurement law in 2010. Some of the entities applying inappropriate procurement methods were the Ministry of Infrastructure, the Prime Minister's Office and the Office of the Ombudsman.

There are no laws requiring private firms to adopt articles of incorporation or association which limit or prohibit foreign investment, participation, or control.

Approved investors are entitled to a range of benefits and incentives provided for in the Investment Code¹⁰, including:

⁸ See: <http://www.rdb.rw/departments/investment.html>

⁹ See: <https://www.kpmg.com/Africa/en/KPMG-in-Africa/Documents/RWanda.pdf>

¹⁰ See: <http://www.rwandahc.org/trade-and-investment/investment-incentives-and-tax-codes/>



Exemption from import duties and sales taxes on imports of plant, machinery and equipment. Items which are zero import tax rated are exempted from sales tax otherwise payable on those goods, while, for items which are not zero import tax rated, a single flat fee of 5% of the value of the imported items is payable in lieu of all taxes and duties which would normally be imposed on such goods.

Investment allowances of 30% of the value of invested capital during the first year of operations.

Additional deduction from taxable income of 50% of training, research and product development costs.

The right to fully offset the cost of providing infrastructure to the site of the business operations; and Duty drawback for all duties and taxes paid on imported raw materials if the investor is an exporter who is operating outside a free export economic zones.

100% write off of R&D costs.

Common external tariff: 0% on Raw materials and Capital Equipment: 15% on intermediate goods: 25% on finished goods.

Constitutionally protected free repatriation of capital and profits.

Additional fiscal incentives in strategic sectors.

Investors who demonstrate capacity to add more value, technology transfer, and invest in priority sectors may also receive enhanced tax and investment incentives, while there are additional incentives for an investor operating in a Free Export Economic Processing Zone including greater tax benefits.

5.1 Major Investment Incentives

5.1.1 Investment Incentives

Unless stipulated in a memorandum of understanding that characterises the purchase of privatised enterprises, performance requirements are not imposed as a condition for establishing, maintaining, or expanding other investments. They are mostly imposed as a condition to access tax and investment incentives.

Investors who demonstrate capacity to add value and invest in priority sectors enjoy more tax and investment incentives including Value Added Tax (VAT) exemptions on all imported raw materials, 100 percent write-off on research and development costs, five to seven percent reduction in corporate income tax if the company exports products and services valued from USD three to five million, duty exemption on equipment, and a favourable accelerated rate of depreciation of 50 percent in the first year. The government offers grants and special access to credit to investors developing rural areas. There are no import quotas for investors.

Although there are no legal obligations regarding these matters, the government encourages foreign investors to transfer technology and expertise to local staff, in order to help develop



Rwanda's human capital. RDB has been increasingly successful developing investment incentives and publicising investment opportunities. Registered investors obtain certificates that bring benefits, including exemption from value-added tax and duties when importing machinery, equipment, and raw materials. However, some investors have complained that coordination between RDB and Rwanda Revenue Authority is limited. Registered investors have noted that taxes were assessed by Rwanda Revenue Authority despite RDB's assurances that their investments qualified for tax-exempt or tax-incentivized status. This was particularly the case with regards to importing machinery and equipment.

There is no legal requirement that investors in general must purchase from local sources or export a certain percentage of their output.

However, to benefit from incentives in a planned export zone, investors will be required to export a certain percentage of the finished product.

The Government gives preferential tax incentives to investors who create significant export-oriented growth. The government determines eligibility for such incentives upon request based on several factors: exports must total at least 80 percent of production (or exports total at least 10 percent if manufacturing under bond); capital investment is at least US\$ 100,000 (local investors and Common Market for East and Southern Africa – COMESA – member states) or US\$ 250,000 (non-COMESA investors). There is no legal obligation that nationals own shares in foreign investments or that shares of foreign equity be reduced over time.

However, the government strongly encourages local participation in foreign investments. The government does not impose conditions on transferring technology.

The Government is not involved in assessing the type and source of raw materials for performance, but the National Bureau of Standards determines quality standards. The government does not require investors to disclose proprietary information to government authorities.

5.2 Investment guarantee and protection

5.2.1 Guarantee against expropriation

According to KPMG¹¹, the Government reserves the right to expropriate property “in the public interest” and “for qualified private investment” under the expropriation law of 2007. The government and land owner negotiate compensation directly depending on the importance of the investment and the size of the expropriated property. RDB may facilitate expropriation in cases where the expropriation is potentially controversial.

Valuation of expropriated property is often opaque and controversial.

In the past several years, a number of property owners have protested expropriation of their property by the city of Kigali and claimed the compensation offered was below market value and not in accordance with the expropriation law. Currently, implementation of the Kigali City Master Plan is creating additional threatened expropriations, with property owners being compelled to construct multi-story commercial developments or face potential eviction from their property.

¹¹ See: <https://www.kpmg.com/Africa/en/KPMG-in-Africa/Documents/RWanda.pdf>



Rwanda's 2007 Law Relating to Expropriation in the Public Interest requires compensation to be paid to property owners prior to relocation or expropriation. In practice, however, this procedure has not always been followed.

There are no laws that require local ownership, but the Organic Land Law allows the Government to expropriate land that is "underutilised."

5.2.2 Remittance of funds

<https://www.kpmg.com/Africa/en/KPMG-in-Africa/Documents/RWanda.pdf>

There is no difficulty obtaining foreign exchange, or transferring funds associated with an investment into a freely usable currency and at a legal market clearing rate. In 1995, the government established a market-determined exchange rate system under which all lending and deposit interest rates were liberalized. The central bank holds daily foreign exchange sales freely accessed by commercial banks.

Investors can remit payments only through authorised commercial banks. There is no limit on the inflow of funds, but the central bank requires justification for all transfers over US\$ 20,000 to facilitate the oversight of potential money laundering. Additionally, there are some restrictions on the outflow of export earnings. Companies generally must repatriate export earnings within three months after the goods cross the border. Tea exporters must deposit sales proceeds soon after auction in Mombasa. Repatriated export earnings deposited in commercial banks must match the exact declaration the exporter used crossing the border. Rwandans working overseas can freely make remittances to their home country.

It usually takes two to three days to transfer money using SWIFT financial services. Other financial services companies such as Western Union and Money Gram are also available to investors seeking to transfer funds.

Since January 2007, the Rwandan Franc (RwF) has been convertible for essentially all business transactions. Rwanda has a liberal monetary system and complies with International Monetary Fund (IMF) Article VIII and all Organisation for Economic Cooperation and Development (OECD) convertibility requirements.



6. BUSINESS REGISTRATION

6.1 Licensing and Registration Services

The following services are rendered by the Rwanda Development Board (RDB)¹²:

Steps required to obtain investment certificate:

- Application for investment registration;
- Notice of acceptance or refusal;
- Issuance of investment registration certificate;

The application for investment registration involves the following:

1. Application letter to the CEO of RDB requesting for investment registration;
2. Submission of a business plan or a feasibility study;
3. Shareholding structure sheet
4. Certificate of company incorporation

Your investment application letter should clearly indicate following:

1. The name and address of the proposed business enterprise, and its legal form;
2. The nature of the proposed business activity and the level of planned capital investment;
3. The estimated number of persons to be employed and categories of jobs to be created;
4. The nature and volume of waste which shall be generated by the enterprise's operations and the proposed methods, of its management;
5. The nature of support and facilitation which the investor is seeking from RDB.

Your investment business plan or feasibility study should clearly indicate following:

1. Executive summary of the project
2. Profile of the project promoter(s);
3. The project background;
4. Market study or market analysis;
5. Investment plan over five year period;
6. The level of loan and equity financing;
7. Projected statement of income and expenditure 5 years;
8. Projected balance sheet (5 years)
9. Projected statement of cash flows (5 years)
10. Payback period, NPV and IRR
11. Loan amortization schedule for the bank loan (if any);
12. Project implementation plan/ schedule)
13. Notes on assumption made in the business plan.

Notice of acceptance or refusal Once your application for investment registration is approved we will send to you acceptance letter for your project.

¹² See: <http://www.rdb.rw/one-stop-centre/investment-registration.html>

**The acceptance letter will contain the following:**

- A request to pay a fee of US\$ 500 to the RDB account
- Advise to comply with EIA requirement before actual implementation of your project
- Submission of proof of payment

If your investment application is refused we will send you a notice of refusal and the reason for the refusal. In case the documents are not in order or information provided is inadequate we will advise for improvement.

Issuance of investment registration certificate

Upon the receipt of proof of payment RDB will issue investment registration certificate. The investment certificate allows you to access the investment incentives provided in the investment code.

It will take two days to process your application and issue the certificate of investment registration if all documents are submitted and are in order.

Some of criteria for investment project evaluation

- Level of investment
- Non trading activity
- Creation of quality jobs
- Transfer skills and technology
- Use of local raw materials
- Potential for export
- Potential to create backward and forward linkages
- Innovation and creativity

Facilitation of construction projects

Article 28 of Investment Code, Law N° 26/2005 Provides for investment incentives for building or construction projects that fulfill following conditions:

1. If it is a construction project worth at least one million and eight hundred thousand American Dollars (US\$1,800,000);
2. If it is a project to be completed at least within a period of twenty four (24) months;
3. If it uses materials available in the country;
4. If it concludes contracts with registered companies which pay taxes and which employ nationals of the country;
5. If it rationally uses the allocated land;
6. If it engages in activities that do not degrade environment.

Building and finishing materials that are imported shall be those that are not produced in Rwanda on international standards or those in line with developer's specifications. Before they are imported, such materials shall be approved by the Agency.

Tax incentives certificates on imported building materials shall only be accepted to construction projects which reach second storey upwards or in case activities of constructing foundation are over to large horizontal commercial complexes if it is clear that they shall not have skyscrapers and property developers who construct many dwelling houses on the approval of the Agency.

Additional documents for assessing projects that meet the above criteria

- Bills of quantities (confirmed by district councils)
- Architectural drawing and perspectives of the building(s)



- Authorization to build and location contract and
- Any other documents that support property ownership or the right use.

6.2 Requirements for investment permit: Foreign Investor

All people wishing to enter Rwanda must possess a valid passport or other internationally recognized travel documents, which, in principle, contains a visa corresponding to his/her purpose of entry into Rwanda obtained in advance from the nearest Rwandan embassy abroad.

Visa is required by all visitors to Rwanda excluding nationals of the United States of America, Canada, United Kingdom, Germany, Sweden, Hong Kong, Mauritius, South Africa, Kenya, Uganda, Tanzania, Democratic Republic of Congo and Burundi.

At the point of entry, a 15 days temporary permit is granted. Persons living far from Rwandan Embassies or diplomatic mission can apply for entry facility at www.migration.gov.rw.

VISA TYPE	FOR WHOM	COST	REQUIREMENTS
Visitors (Tourist) Visa	All persons visiting Rwanda whether for business or leisure Validity and Duration Valid for 90 days Renewable once with justification. Multiple entries Issued within two days of submitting all required documents	RWF 25,000 (equivalent to USD 42)	<ul style="list-style-type: none"> • Passport valid for at least six months • One Clear Coloured photo • Receipt of payment of RWF 25,000 • Application letter to the Director General of Immigration and Emigration • Completed application form
Working Visa	All persons undertaking employment in the Republic Validity and Duration Valid for 1 year Renewable. Multiple entries Issued within two days of submitting all required documents	RWF 50,000 (equivalent to USD 83) for category A permit – workers earning a gross salary of at least RWF 500,000 (USD 830) RWF 10,000 (equivalent to USD 17) for category B permit - workers earning a gross salary of at less than RWF 500,000 (USD 830)	<ul style="list-style-type: none"> • Valid passport • One Clear Coloured photo • Receipt of payment of RWF 50,000 for Category A workers and RWF 10,000 for Category B Workers • Application letter to the Director General of Immigration and Emigration • Completed application form • Employment contract signed by both the employer and employee • Notarized copy of academic certificates • Police clearance in English or French • Signed CV of applicant • A copy of INGO certificate for NGO employees • A copy of accreditation card for journalists
Business Visa	All persons undertaking commercial pursuits in the Republic	RWF 50,000 (equivalent to USD 83)	<ul style="list-style-type: none"> • Valid passport • One Clear Coloured photo • Receipt of payment of RWF 50,000 for Category A workers and RWF



	Validity and Duration Valid for 1 year Renewable. Multiple entries Issued within two days of submitting all required documents		10,000 for Category B Workers <ul style="list-style-type: none">• Application letter to the Director General of Immigration and Emigration• Completed application form• Police clearance in English or French• Signed CV of applicant• A copy of business trading license• A copy of annual tax certificate• A memorandum of understanding for companies or associations
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For application forms see: http://org.rdb.rw/?page_id=13

AFTERCARE

Registering an investment project and investing in Rwanda is just the beginning of a long fruitful relationship with the RDB. Once you have registered your business, we offer assistance in ensuring that your business project is implemented free of avoidable impediments.

POST INVESTMENT ASSISTANCE

For any bottlenecks that may arise, an aftercare officer will be assigned to follow up and fix the problem especially those that relates to issues arising between the investor and government authorities. Issues related to land, utilities and points of interaction with government bodies are mediated and resolved with the least possible impact to the investor.

INVESTOR RECOGNITION

The RDB hosts the annual investor awards in recognition of the contribution our valued investors make towards the shared goal of building more robust industries and a more prosperous country. This is an opportunity to highlight those who excel. This awards also provides valuable marketing mileage for investors.

INVITATION TO CONFERENCES AND NETWORKING OPPORTUNITIES WITH POTENTIAL INDUSTRY PARTNERS

The RDB invites industry participants to a series of high level investment conferences that bring together leaders of government and captains of industries. These offer valuable networking opportunities and help in finding a common solution to common problems.



7. LABOUR / EMPLOYMENT

Rwanda has a government-mandated minimum wage, and no worker in Rwanda can be paid less than this mandatory minimum rate of pay¹³. Employers in Rwanda who fail to pay the Minimum Wage may be subject to punishment by Rwanda's government.

Rwanda's minimum wage rate ranges from 500 to 750 Rwandan francs per day in the tea industry and 1000 to 1500 francs a day in the construction industry. Rwanda's minimum wage was last changed in N/A.

Rwanda's yearly minimum wage is \$496 in International Currency. International Currency is a measure of currency based on the value of the United States dollar in 2009. There are countries with a higher Minimum Wage than Rwanda, and Rwanda is in the top 0 percent of all countries based on the yearly minimum wage rate.

Typical private sector salaries faced by investors are indicated in the table below.

	Unit	Value	Year	Comment
Senior manager	USD	1500-3000	2012	per month
Middle manager	USD	800-1500	2012	per month
Graduate entry	USD	300-700	2012	per month
Engineer	USD	300-700	2012	per month
Office assistant	USD	200-600	2012	per month
Highly skilled technician	USD	150-200	2012	per month
Shop assistant	USD	100-200	2012	per month
Driver	USD	100-200	2012	per month
Unskilled labourer	USD	80-100	2012	per month
Security guard	USD	70-90	2012	per month

Source: iGuide Rwanda¹⁴.

¹³ See: <http://www.minimum-wage.org/international/en/Rwanda>

¹⁴ See: <http://www.theiguides.org/public-docs/guides/rwanda>



Cost of life in Rwanda in Euros is as follows¹⁵:

	[Edit] Avg	Range
Restaurants		
Meal, Inexpensive Restaurant	2.96 €	2.15 - 3.68
Meal for 2, Mid-range Restaurant, Three-course	15.08 €	8.62 - 21.54
Combo Meal at McDonalds or Similar	5.38 €	3.23 - 8.82
Domestic Beer (0.5 liter draught)	1.09 €	0.86 - 1.62
Imported Beer (0.33 liter bottle)	2.15 €	2.15 - 3.23
Cappuccino (regular)	1.18 €	1.08 - 1.29
Coke/Pepsi (0.33 liter bottle)	0.45 €	0.37 - 0.54
Water (0.33 liter bottle)	0.33 €	0.32 - 0.37
Markets	[Edit] Avg	
Milk (regular), (1 liter)	0.84 €	0.43 - 1.08
Loaf of Fresh White Bread (500g)	0.84 €	0.61 - 0.86
Rice (white), (1kg)	0.81 €	0.70 - 0.88
Eggs (12)	1.12 €	0.91 - 1.29
Local Cheese (1kg)	3.30 €	2.79 - 4.31
Chicken Breasts (Boneless, Skinless), (1kg)	3.23 €	-
Apples (1kg)	1.32 €	1.32 - 1.32
Oranges (1kg)	0.64 €	0.59 - 0.75
Tomato (1kg)	0.56 €	0.54 - 0.59
Potato (1kg)	0.22 €	0.22 - 0.22
Lettuce (1 head)	?	-
Water (1.5 liter bottle)	0.55 €	0.37 - 0.65
Bottle of Wine (Mid-Range)	9.04 €	9.04 - 9.04
Domestic Beer (0.5 liter bottle)	0.82 €	0.65 - 1.10
Imported Beer (0.33 liter bottle)	2.38 €	1.62 - 3.38
Pack of Cigarettes (Marlboro)	1.10 €	1.10 - 1.10
Transportation	[Edit] Avg	
One-way Ticket (Local Transport)	0.22 €	0.22 - 0.32
Monthly Pass (Regular Price)	11.25 €	-
Taxi Start (Normal Tariff)	3.38 €	2.69 - 4.31
Taxi 1km (Normal Tariff)	0.65 €	-
Taxi 1hour Waiting (Normal Tariff)	0.43 €	-
Gasoline (1 liter)	1.10 €	1.00 - 1.13
Volkswagen Golf 1.4 90 KW Trendline (Or Equivalent New Car)	5,859.50 €	-
Utilities (Monthly)	[Edit] Avg	
Basic (Electricity, Heating, Water, Garbage) for 85m2 Apartment	41.83 €	22.64 - 61.03
1 min. of Prepaid Mobile Tariff Local (No Discounts or Plans)	0.05 €	0.03 - 0.06
Internet (6 Mbps, Unlimited Data, Cable/ADSL)	27.46 €	22.62 - 32.31
Sports And Leisure	[Edit] Avg	
Fitness Club, Monthly Fee for 1 Adult	25.49 €	16.15 - 37.69
Tennis Court Rent (1 Hour on Weekend)	3.77 €	-
Cinema, International Release, 1 Seat	5.38 €	-
Clothing And Shoes	[Edit] Avg	
1 Pair of Jeans (Levis 501 Or Similar)	21.72 €	11.32 - 32.31
1 Summer Dress in a Chain Store (Zara, H&M, ...)	?	-
1 Pair of Nike Shoes	33.13 €	32.31 - 33.96
1 Pair of Men Leather Shoes	40.20 €	32.31 - 46.20
Rent Per Month	[Edit] Avg	
Apartment (1 bedroom) in City Centre	441.00 €	367.50 - 514.50
Apartment (1 bedroom) Outside of Centre	367.50 €	367.50 - 367.50
Apartment (3 bedrooms) in City Centre	845.25 €	651.25 - 1,102.50
Apartment (3 bedrooms) Outside of Centre	637.00 €	588.00 - 736.00

¹⁵ See: http://www.numbeo.com/cost-of-living/country_result.jsp?country=Rwanda&displayCurrency=EUR



Buy Apartment Price	[Edit] Avg.	
Price per Square Meter to Buy Apartment in City Centre	?	
Price per Square Meter to Buy Apartment Outside of Centre	?	
Salaries And Financing	[Edit] Avg.	
Average Monthly Disposable Salary (After Tax)	338.10 €	<div style="width: 100%; height: 10px; background-color: green;"></div>
Mortgage Interest Rate in Percentages (%), Yearly	17.00	16.00 <div style="width: 100%; height: 10px; background-color: green;"></div> 18.00

8. TAXES

8.1 Tax Incentives

The tax law n°16/2005 of 18/08/2005 on direct taxes on income provides many tax incentives to investors in Rwanda¹⁶:

8.1.1 Investment allowance

An investment allowance of forty percent (40%) of the invested amount in new or used assets may be depreciated excluding motor vehicles that carry less than eight (8) persons, except those exclusively used in a tourist business is deductible for a registered investor in the first tax period of purchase and/or of use of such an assets if:

1° the amount of business assets invested is equal to thirty million (30,000,000) Rwandan francs; and,

2° the business assets are held at the establishment for at least three (3) tax periods after the tax period in which the investment allowance was taken into consideration.

The investment allowance becomes fifty (50%) if the registered business is located outside Kigali or falls within the priority sectors determined by the Investment Code of Rwanda.

The investment allowance reduces the acquisition or construction cost, as well as the basic depreciation value of pooled business assets.

If the business asset that is granted an investment allowance is disposed before the end of the period mentioned in point 2° paragraph one, the reduction of income tax caused by the investment allowance, increased by an interest and penalties applicable to taxpayers who do not pay tax on time, starting from when that investment allowance was granted to the time of disposal, must be paid back to the Tax Administration unless such an asset is removed due to natural calamities or other involuntary conversion.

8.1.2 Training and research expenses

All Training and Research expenses incurred and declared as agreed by a taxpayer and declared and earlier agreed and which promote activities during a tax period are considered as deductible from taxable profits in accordance with provisions of Article 21 of this law.

Expenses on training, research and on promotion of activities as applied in this Article do not concern the purchase of land, of houses, of buildings and other immovable properties including refining, rehabilitation and reconstruction as well as exploration expenses and other assets.

¹⁶ See: http://www.rra.gov.rw/rra_article280.html



8.1.3 Loss carried forward

If the determination of business profit results in a loss in a tax period, the loss may be deducted from the business profit in the next five (5) tax periods, earlier losses being deducted before later losses.

However, foreign sourced losses can neither reduce domestic sourced business profits nor can they reduce future domestic sourced business profits.

Loss sustained by a taxpayer whose shares are not traded in the stock market, is not allowed to be carried forward when changes of ownership occur by more than 25%. This applies to losses incurred in the tax period the change of ownership happened and the previous tax period.

8.1.4 Tax discount and exemption

A registered investment entity that operates in a Free Trade Zone and foreign companies that have their headquarters in Rwanda that fulfil the requirements stipulated in the Rwandan law on Investment Promotion is entitled to:

- 1° pay corporate income tax at the rate of zero per cent (0%);
- 2° exemption from 15% withholding tax mentioned in Article 51 of the law n° 16/2005 of 18/08/2005 on direct income;
- 3° tax free repatriation of profits.

8.1.5 Profit Tax Discount

A registered investor shall be entitled to a profit tax discount of:

- 1° two percent (2%) if the investor employs between one hundred (100) and two hundred (200) Rwandans;
- 2° five percent (5%) if the investor employs between two hundred and one (201) and four hundred (400) Rwandans;
- 3° six percent (6%) if the investor employs between four hundred and one (401) and nine hundred (900) Rwandans;
- 4° seven percent (7%) if the investor employs more than nine hundred (900) Rwandans.

The tax discount mentioned in the previous paragraph is granted to the investor only if he or she maintains the employees for a period of at least six (6) months during a tax period, and are not in the category of employees who pay at the rate of zero percent (0%) as stipulated in Article 50 of the law n° 16/2005 of 18/08/2005; . If a taxpayer exports commodities or services that bring to the country between three million (3,000,000) US dollars and five million (5,000,000) US dollars in a tax period, he or she is entitled to a tax discount of three percent (3%).

If he or she exports commodities or services that bring to the country more than five million (5,000,000) US dollars in a tax period, he or she is entitled to a tax discount of five percent (5%).

Companies that carry out micro finance activities approved by competent authorities pay corporate income tax at the rate of zero percent (0%) for a period of five (5) years from the time of the approval of the activity. However, this period may be renewed by the order of the Minister.



8.2 Doing Business World Bank project

Below is a detailed summary of the taxes and mandatory contributions that a medium-size company must pay or withhold in a given year, as well as measures of administrative burden in paying taxes.

This information was collected as part of the *Doing Business* project¹⁷, which measures and compares regulations relevant to the life cycle of a small- to medium-sized domestic business in 189 economies. The most recent round of data collection was completed in December 2012.

Tax or mandatory contribution	Payments (number)	Notes on Payments	Time (hours)	Statutory tax rate	Tax base	Total tax rate (% profit)	Notes on TTR
Corporate income tax	4		19	30%	taxable profit	21.9	
Social security contributions - employer	4		36	3%	gross salaries	5.6	
Business license	1			RWF 150,000	fixed fee	1.9	
Road Maintenance Levy	1			RWF 62.17 per litre		0.2	
Property transfer tax	1			RWF 10,000	fixed fee	0.1	
Property tax	1			0.1%	Value of building	0.1	
Accident insurance	0	paid jointly		2%	gross salaries	0	
Fuel tax	1			fee per liter	fuel consumption	..	small amount
Value added tax (VAT)	4		58	18%	value added	..	not included
Totals:	17		113			29.9	

¹⁷ See: <http://www.doingbusiness.org/data/exploreeconomies/rwanda/paying-taxes/>

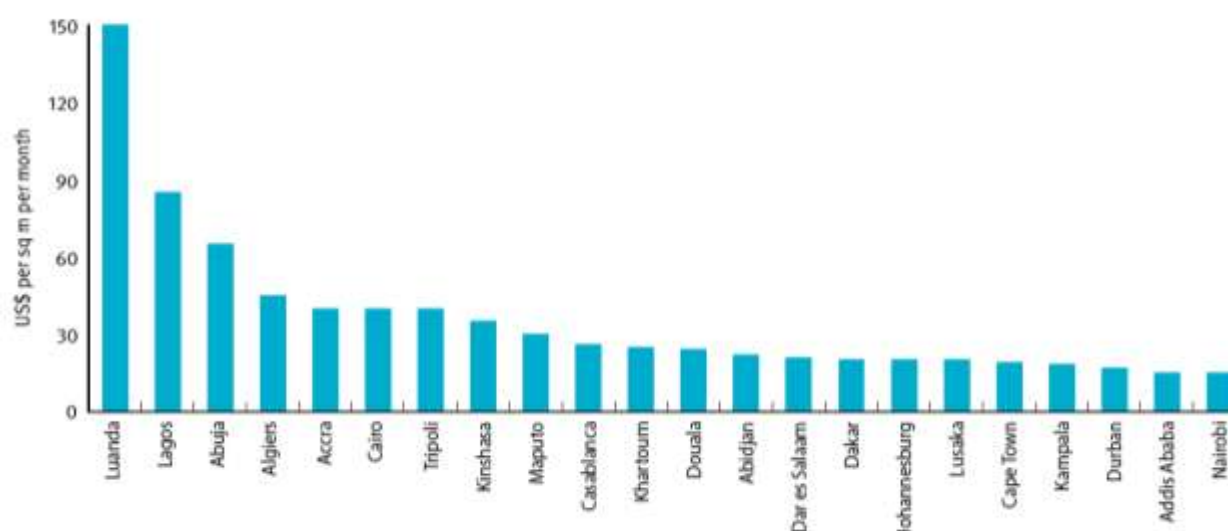


9. RENT

9.1 Office Rent

Rwanda ranks among the cheaper countries in Africa with office rents of about 18 US\$/month.

Prime office rents



Source: Knight Frank Research

Source: Knight Frank Research, Africa Report 2013. <http://my.knightfrank.com/research-reports/africa-report.aspx>

Kigali prime rents and yields

	Prime rents	Prime yields
Offices	US\$18 per sq m per month	11%
Retail	US\$22 per sq m per month	11%
Industrial	US\$3 per sq m per month	14%
Residential	US\$2,800 per month*	7%

Source: Knight Frank LLP

*4 bedroom executive house – prime location

Source: Knight Frank Research, Africa Report 2013. <http://my.knightfrank.com/research-reports/africa-report.aspx>

9.1.1 Office Market

The increase of foreign direct investment in Rwanda has led to greater occupier demand for Grade A office space providing fully equipped facilities and utilities. This has translated into high occupancy levels for office space in Kigali. Rental terms remain ad-hoc with monthly rents being in the region of US\$18 per sq m per month in top-end new offices and between US\$12-15 per



sq m per month for the majority of the other buildings. The city has adopted the Kigali Master Plan, which focuses on the redevelopment of outdated and obsolete buildings within the CBD. This has caused a construction boom which is anticipated to increase the supply of office space in 2013/2014.

9.1.2 Retail Market

Rwanda has recorded some of the strongest economic growth in the East Africa region in recent years, which has attracted regional businesses to the country, particularly to Kigali. The city is seen as a potential gateway of the thriving East African Community market into the untapped Central African market. Returnees and the expansion of regional businesses into Rwanda have increased the number of sophisticated shoppers in Kigali, greatly influencing the demand for upper-end retail space. New retail developments are often pre-let with full occupancy levels reported for the available units. Rents for high quality retail space in and around the CBD are in the US\$20-25 per sq m per month range.

9.1.3 Industrial Market

Rwanda's industrial market is still at an embryonic stage, particularly in Kigali, and it remains largely owner-occupied. It is estimated that approximately 60-70% of all manufactured products are imported from Kenya and Uganda. However, as part of the Kigali Master Plan, the government has proposed to relocate industrial developments at its own cost from Gikondo, which is to be preserved as a wetland, to a special economic zone in Nyarugunga sector, near Masaka. The relocation is expected to take some time, but should lead to the growth of the industrial market in Kigali.

9.1.4 Residential Market

The residential market in Rwanda is very fragmented with a large part of it comprising of spontaneous settlements which the government is keen to reduce. A number of substantial parcels of land previously occupied by shanties have been cleared and made available for investment by the government. The majority of planned projects are undertaken by private developers, which are fast taking over the market. However, the difficulty of financing large projects and the affordability of the finished products remain the major constraints of the market. Stand-alone units are preferred to apartments and gated communities with shared facilities, due to cultural beliefs, ownership complexities and undeveloped legal and management systems for apartments and gated developments with shared facilities.

10. MARITIME SECTOR IN RWANDA

As Rwanda is a landlocked Country, there is no maritime activity in this Country.



11. THE REGIONAL DIMENSION OF RWANDA

Rwanda is a member of a regional trade grouping – The Common Market for Eastern & Southern Africa (COMESA) – a region inhabited by more than 420 million people. Ethiopia also enjoys a Duty Free and Quota Free (DFQF) privilege extended by, among others, USA – Africa Growth and Opportunity Act (AGOA), EU – Everything But Arms (EBA), other preferential duty treatment from countries such as China, India, Austria, Finland, Japan, Norway, Switzerland and Sweden. The market access privileges allow investors to reap the benefits of the preferential markets giving them the chance to get competitive edge for their products compared to those outside of the scheme.

11.1 African Union

The **African Union (AU)** is a union consisting of 54 African states. The only all-African state that is not a member is Morocco. The AU was established on 26 May 2001 in Addis Ababa and launched on 9 July 2002 in South Africa to replace the Organisation of African Unity (OAU). The most important decisions of the AU are made by the Assembly of the African Union, a semi-annual meeting of the heads of state and government of its member states. The AU's secretariat, the African Union Commission, is based in Addis Ababa, Ethiopia.

The objectives of the AU are:

1. To achieve greater unity and solidarity between the African countries and the people of Africa.
2. To defend the sovereignty, territorial integrity and independence of its Member States.
3. To accelerate the political and socio-economic integration of the continent.
4. To promote and defend African common positions on issues of interest to the continent and its peoples.
5. To encourage international cooperation, taking due account of the Charter of the United Nations and the Universal Declaration of Human Rights.
6. To promote peace, security, and stability on the continent.
7. To promote democratic principles and institutions, popular participation and good governance.
8. To promote and protect human and peoples' rights in accordance with the African Charter on Human and Peoples' Rights and other relevant human rights instruments.
9. To establish the necessary conditions which enable the continent to play its rightful role in the global economy and in international negotiations.
10. To promote sustainable development at the economic, social and cultural levels as well as the integration of African economies.
11. To promote co-operation in all fields of human activity to raise the living standards of African peoples.
12. To coordinate and harmonise the policies between the existing and future [Regional Economic Communities](#) for the gradual attainment of the objectives of the Union.
13. To advance the development of the continent by promoting research in all fields, in particular in science and technology.
14. To work with relevant international partners in the eradication of preventable diseases and the promotion of good health on the continent.

For additional information please see <http://www.au.int/en/>.



11.2 Common Market for Eastern and Southern Africa (COMESA)

The **Common Market for Eastern and Southern Africa** is a [free trade area](#) with nineteen member states stretching from [Libya](#) to [Swaziland](#). COMESA was formed in December 1994, replacing a Preferential Trade Area which had existed since 1981. Nine of the member states formed a [free trade area](#) in 2000 ([Djibouti](#), [Egypt](#), [Kenya](#), [Madagascar](#), [Malawi](#), [Mauritius](#), [Sudan](#), [Zambia](#) and Zimbabwe), with [Rwanda](#) and [Burundi](#) joining the FTA in 2004, the [Comoros](#) and [Libya](#) in 2006, and [Seychelles](#) in 2009.

COMESA is one of the pillars of the [African Economic Community](#).

In 2008, COMESA agreed to an expanded free-trade zone including members of two other African trade blocs, the [East African Community](#) (EAC) and the [Southern Africa Development Community](#) (SADC). COMESA is also considering a common visa scheme to boost tourism

For additional information please see: <http://www.comesa.int/>



12. TRADE

Rwanda's main export partners are Brazil, Germany, Belgium, Pakistan, Spain, and Kenya. Most of Rwanda's coffee and tea are shipped to Germany and other European countries. Rwanda's main import partners are Kenya, Tanzania, the United States, the Benelux countries, and France. Rwanda imported motor vehicles, textiles, fuels and machinery. Tea and coffee continue to be the country's most important exports. Lately, Rwandan businesses have been exploring other agriculturally-based exports that would be equally suited to the country's small farms, steep slopes, and cool climates. The feasibility of many of these new proposals to expand the agriculture industry is limited by the country's high transportation costs.

At regional level, Kenya is currently the main destination of exports of Rwandan products (53.9%) consisting of products such as black tea and coffee totaling US\$ 96.6 millions although Tanzania was the main destination in the last three quarters of 2012 and first quarter of 2013¹⁸.

Imports 2013			Exports 2013		
AMA/NAMA product Groups					
Product	Value (Mio €)	Share (%)	Product	Value (Mio €)	Share (%)
Agricultural products (WTO AoA)	25	92.6	Agricultural products (WTO AoA)	14	7.4
Fishery products			Fishery products	0	0.0
Industrial products	2	7.4	Industrial products	172	92.5
TOTAL	27	100.0	TOTAL	186	100.0
SITC product Groups					
Product	Value (Mio €)	Share (%)	Product	Value (Mio €)	Share (%)
Primary products	25	94.5	Primary products	21	11.4
Manufactures	1	3.3	Manufactures	163	87.5
Other products	1	2.2	Other products	2	1.0
Other	0	0.0	Other	0	0.1
Top 5 - HS sections					
Product	Value (Mio €)	Share (%)	Product	Value (Mio €)	Share (%)
II Vegetable products	25	92.3	XVI Machinery and appliances	63	34.0
XXII Not classified	1	2.2	VI Products of the chemical or allied industries	49	26.4
XVI Machinery and appliances	0	1.2	XVII Transport equipment	16	8.6
V Mineral products	0	0.8	XVIII Optical and photographic instruments, etc.	13	7.1
XIV Pearls, precious metals and articles thereof	0	0.7	XI Textiles and textile articles	9	5.0
Top 5 - SITC sections					
Product	Value (Mio €)	Share (%)	Product	Value (Mio €)	Share (%)
0 Food and live animals	24	90.1	7 Machinery and transport equipment	80	42.8
2 Crude materials, inedible, except fuels	1	4.3	5 Chemicals and related prod, n.e.s.	55	29.4
9 Commodities and transactions n.c.e.	1	2.2	8 Miscellaneous manufactured articles	19	10.2
7 Machinery and transport equipment	0	1.9	0 Food and live animals	12	6.4
6 Manufactured goods classified chiefly by material	0	0.7	6 Manufactured goods classified chiefly by material	10	5.4

Share: share in Total with Total defined as all products

Growth: relative variation between current and previous period

Source: http://trade.ec.europa.eu/doclib/docs/2011/january/tradoc_147367.pdf

¹⁸ See: <http://statistics.gov.rw/node/866>



However, the major re-exports of Rwanda were jet fuel, gasoline and other gas during the same period while the the main exports of Rwanda continued to be directed to the East African Communities partner states and the Democratic Republic of Congo. Rwanda's imports mainly come from various trading blocs with Commonwealth members states taking the lion's share of US\$ 144.6 millions, while Comesa (US\$ 91.6 millions), European Union (US\$ 966.8 millions) and SADC (US\$ 26.2 millions).

Total exports grew by 29% to \$672 million in 2012/13. Rwanda's traditional exports of minerals, coffee and tea accounted for 48% of the total, down from 56% in 2011/12 and indicating a more diverse set of exports driven mainly by the agro-processing sector.

Informal exports made up 18% of all revenues. Almost half of exports went to the region, with exports to D.R. Congo reaching \$150 million (including informal). The number of exporters increased from 851 in 2011 to 1,294 in 2012/13, although the 13 largest exporters (exporting more than 10 Mn USD) account for 49% of all exports, according to data from RRA.

Formal and informal imports grew by 15% to US\$ 2.26 billion in 2012/13, giving a trade deficit (goods) of \$1.59 billion. Consumer goods represented the biggest share of imports, whilst intermediary goods have seen the highest growth rate over the four-year period. The trade deficit for services has been decreasing continuously.

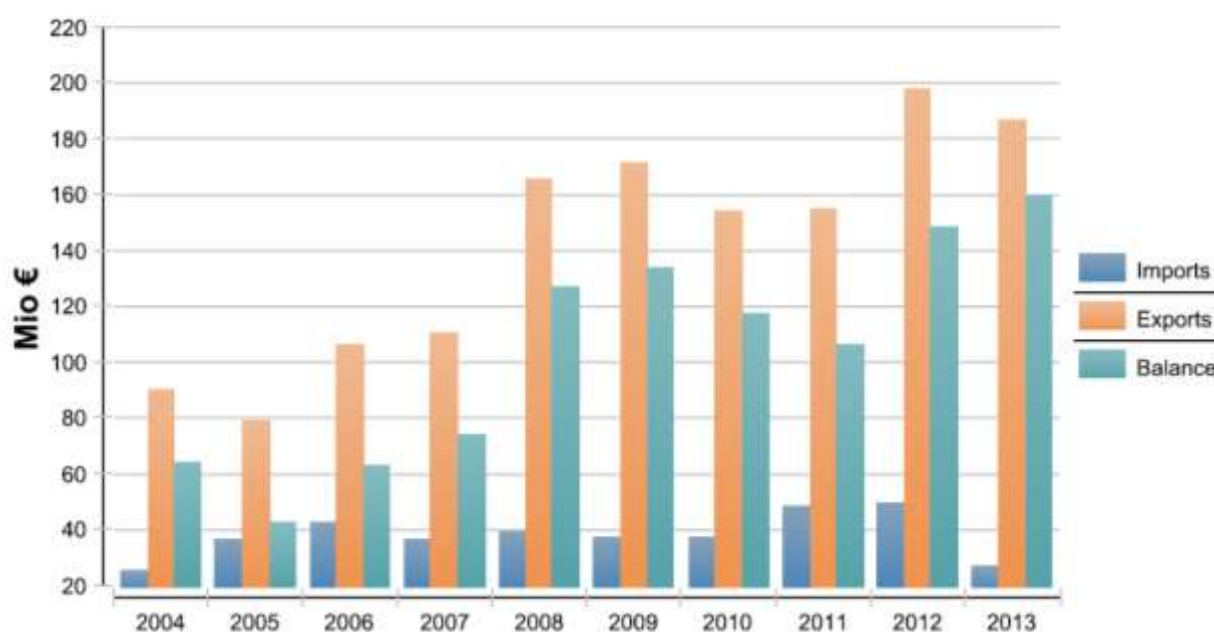
Estimates from MINECOFIN suggest that the deficit will have decreased with 8.3% between 2012 and 2013, down to US\$ 96 million. Services exports were expected to grow by around 27% between 2012 and 2013, with the share of tourism being relatively steady at approximately 64% of services exports.

MINICOM set 3 priority outputs for the year, with 70% of targets fully achieved under these. The rest were partially achieved. Six cross-border sites were selected for market infrastructure development to boost trade, and MINICOM led export promotion efforts through a series of trade missions and exhibitions abroad (Turkey, Congo-Brazzaville, Gabon). Detailed feasibility studies of the different projects to implement the Trade Logistics and Distribution Services Strategy are at final stage.

European Union, Trade with Rwanda

Total goods: EU Trade flows and balance, annual data 2004 - 2013

Source Eurostat Comext
Statistical regime 4



Source: http://trade.ec.europa.eu/doclib/docs/2011/january/tradoc_147265.pdf



12.1 Trade between Greece and Rwanda

The following Tables depict the trade between Greece and Rwanda, based on the UN Comtrade database:

Rwanda's imports from Greece

Unit : US Dollar thousand

Product Code	Product label	Value in 2013
TOTAL	All products	316
'85	Electrical, electronic equipment	142
'84	Machinery, nuclear reactors, boilers, etc	126
'76	Aluminium and articles thereof	41
'30	Pharmaceutical products	4
'87	Vehicles other than railway, tramway	2
'73	Articles of iron or steel	1

Sources: [ITC calculations based on UN COMTRADE statistics.](#)

Greece's imports from Rwanda

Unit : US Dollar thousand

Product code	Product label	Value in 2013
TOTAL	All products	10
'09	Coffee, tea, mate and spices	10

Sources: [ITC calculations based on UN COMTRADE statistics.](#)

13. GREEK CHURCH AND PARISH

In Rwanda there is Orthodox Church belonging to the Patriarchate of Alexandria and All Africa and is under the jurisdiction of the **Holy Diocese of Burundi and Rwanda**¹⁹.

His Grace Innokentios, is the Bishop of Burundi and Rwanda. The Holy Diocese of Burundi and Rwanda was established by Patriarchal and Synodal Decree on 6th October 2009. It includes in its jurisdiction the countries of Burundi and Rwanda as well as a great area of the eastern Congo

Contact details:

Église Orthodoxe de Burundi
B.P. 3569 BUJUBURA
BURUNDI, AFRICA

Tel. Bishop 0025722275335

Mission 0025722257800

¹⁹See: <http://www.patriarchateofalexandria.com/index.php?module=content&cid=004002>



14. SOURCES OF INFORMATION

- African Securities Exchanges Association (ASEA), Yearbook 2013: http://www.mondovisione.com/_assets/files/ASEA-Yearbook-2013.pdf
- Delegation of the European Union to the Republic of Rwanda: http://eeas.europa.eu/delegations/rwanda/index_en.htm
- COMESA (Common market for Eastern and Southern Africa): <http://www.comesa.int/>
- Exchange rates: http://ec.europa.eu/budget/contracts_grants/info_contracts/infoeuro/infoeuro_en.cfm
- KPMG. Rwanda – Country Profile: <https://www.kpmg.com/Africa/en/KPMG-in-Africa/Documents/RWanda.pdf>
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- Office of the Registrar General in Rwanda: <http://org.rdb.rw/>
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- World Investment Report 2013, UNITED NATIONS PUBLICATION: http://unctad.org/en/PublicationsLibrary/wir2013_en.pdf



15. CONTACTS IN RWANDA

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National Institute of Statistics: <http://www.statistics.gov.rw/>

The Government of Rwanda : <http://www.gov.rw/>

Rwanda Development Gateway : <http://www.rwandagateway.org/>

The New Times: <http://www.newtimes.co.rw/news/>