Republic Rwanda

Rwanda is a small landlocked country in the East African region and is one of the smallest and most densely populated countries on the African continent. Located west of Lake Victoria, it is characterized by a hilly plateau with a varied landscape.

The country’s largest city is its capital, Kigali, which has over one million inhabitants.

The genocide in 1994 and the civil war that followed have had a lasting impact on the country's social and economic development. More than two decades later, it can be observed that Rwanda has made progress in development and has been able to recover slowly from this economic slump. Particularly since the last few years, strong growth rates have been achieved. Even though Rwanda’s economy has grown faster than the average of other African countries in recent years, the developing country still has many weaknesses and faces major challenges that need to be overcome.

The main agricultural export products include coffee, tea and cut flowers. Despite fertile soils, however, the production of food is not sufficient for the local growing population. This has led to Rwanda having to import agricultural products from other countries, such as Uganda and India. An important basis for further economic development is the modernization of the agricultural sector. Its productivity is to be increased by modern machinery. The government of the country has recognized the challenge and is trying to counteract this by making use of swamplands and introducing advanced fertilizers. Other important reform measures include in particular the promotion of the economy and the creation of incentives for domestic and foreign investors. Above all, Kigali is to be made attractive for companies as a modern city with the appropriate infrastructure. Hotels, restaurants, shopping-center and offices are already being built there. One example is the planned further expansion of the infrastructure, especially in road construction. Kigali is also one of the cleanest capitals on the African continent. Strict environmental protection regulations are in place there.

In addition to environmental protection as part of the “Vision 2020” development strategy, the expansion of the subsistence economy is also part of a commercial industry.

This shows that the country has a strong will to reform for strong economic growth and sustainable prosperity and is thus well on the way to achieving its goals.

Rwanda’s geographical location also makes it a strategic hub with access to a major market of more than 140 million people in the surrounding region.
| Location | It lies east of Central Africa (highlands) and borders Uganda to the north, Tanzania to the east and Burundi to the south and the Democratic Republic of Congo to the west. |
| Altitude | 1,600 to 2,000 m above sea level |
| Highest peak | Volcano Mountain “Karisimbi” (altitude: 4,519 m) |
| Form of government | Presidential republic |
| President | Paul Kagame since 2000 |
| Capital | Kigali |
| Climate | Mild climate (Average temperature 20 degrees celsius) |
| Surface (km²) | 26,338 (Comparison Brandenburg: 29,479) |
| Population | Around 13 million (84% of the ethnic group belong to the “Hutu” and 16% the “Tutsi”) |
| Percentage of population below 25 years | About 61% |
| Official language | Kinyarwanda (Bantu language), English (increasingly), French (less) and Swahili, among others |
| Religions | Protestants, Catholics, Muslims and others |
| National Parks | “Nyungwe”, “Virunga” and “Akagera” |
| Independent of Belgium since | Juli 1, 1962 (National day and public holiday) |
| Currency | Rwanda Franc (RWF) |
| Gross Domestic Product | 9.1 billion USD 2017 (Forecast 2020: 10,2 billion USD) |
| Economic growth | 6.1 (2017); 8.6% 2018 (Forecast 2020: 8.1%) |
| Inflation rate | 3.5% (Forecast 2019) |
| Unemployment rate | 1% |
| Illiteracy rate | 28% |
| Mobile phone connections | About 79% (2018) |

PUBLIC PRIVATE PARTNERSHIPS (PPPS)
These are basically possible. PPPs can strengthen the economy and contribute to achieving the development goal “Vision 2020”, for example in the areas of infrastructure, energy, environment, water and waste management. Domestic and foreign investors are sought for participation in such projects.

DOUBLE TAX TREATY WITH GERMANY
Non-existant

INVESTMENT PROTECTION TREATY WITH GERMANY
Effective since February 2nd, 1969
### Ease of Doing Business
- 38th place of 190 countries

### Corruption Perceptions Index
- 51st place of 180 countries

### Hermes country category
- Risk category 6

### Significant sectors within the GDP
- Agriculture and construction sector

### Increasingly important sectors
- Services
- Tourism
- Information and communication technology
- Renewable energies

### Main export products
- Raw materials
- Coffee
- Tea
- Cut flowers
- Cereals
- Oil and petroleum products

### Main import countries
- China
- Uganda
- UAE
- Kenya
- India

### Main export countries
- UAE
- Democratic Republic of Congo
- Kenya
- USA
- China

### German export products
- Mainly machinery
- Chemical products
- Measurement and control technology

### German import products
- Mainly raw materials and food

### Trading volume
- Germany to Rwanda: 62.5 Mio. EUR

### German local companies
- Some German companies or institutions are already represented in the capital.

### ADVANTAGES / MARKET CHANCES
- Natural mineral resources, e.g. Gold, tantalum, wolframite and cassiterite
- Kigali is considered a hub for aviation transport within Africa.
- Kigali has also become an important location for conferences within the African continent.
- Relatively high security in the capital
- Comfortable business environment (combating corruption)
- The active construction sector offers opportunities for German suppliers and investors.
- Infrastructure projects offer opportunities for German suppliers and consultants.
- Development of the consumer goods and food industry (Opportunities for German suppliers).
- Supplying producers also in neighbouring countries.
- Diversification (private sector)
WEAKNESSES / CHALLENGES
- Still a small market with low purchasing power
- Feeding the Rwandan population
- Strong dependence on imports
- Difficult traffic situation (no direct access to the sea and port) and largely unpaved roads (expensive and long transport). The isolated location makes trade more expensive (sea transport).
- Only a small proportion have access to electricity.
- A large part of the energy supply demand is covered by charcoal.
- Still very high transport and electricity costs.
- Slight political uncertainty in the region (neighboring Burundi and Democratic Republic of Congo).
- There are very strict tax audits with high claims for small faults.

OBJECTIVES OF THE GOVERNMENT
- Economic development and expansion of road infrastructure
- New railway lines should facilitate the connection of the country to the distant ports of Dar es Salaam in Tanzania or to the port of Mombasa.
- In addition to the further expansion of Kigali Airport, another airport construction is planned near the existing airport.
- Combating corruption and reduction of poverty
- The subsistence economy is to be developed into a commercial industry by 2020 (the private sector as economic driver).
- Additional energy sources are to be developed. There is potential for wind power and geothermal energy for electricity generation.
- Social reconciliation

OPPORTUNITIES FOR GERMAN COMPANIES
- Consulting services for the new airport project and general consulting services
- The supply of machinery and equipment for the new airport construction project
- Supply of machines for road construction
- Supply of hotel equipment
- Supply of machines for mini power plants and renewable energy projects

MEMBERSHIP IN ECONOMIC AND INTERNATIONAL ALLIANCES
- African Union (AU)
- East African Community (EAC)
- Non-Aligned Movement (NAM)
- Commonwealth of Nations
- Common Market for Eastern and Southern Africa (COMESA)
- United Nations (UN)
- UNESCO
- UNCTAD
- World Trade Organization (WTO)

MEDIA
- Inside Rwanda
- East African Business Week
- All Africa Rwanda
- La Nouvelle Relève du Rwanda
- Rwanda-info.net