Rwanda: a country with high potential for investment

On 15 October, interprofessional organisation promoting sustainable horticultural trade COLEACP, in close collaboration with the World Bank Group, the Rwanda Horticultural Development Authority (RHODA) and the Rwanda Development Board (RDB) held in Brussels a half-day event with the title “Rwanda creates new business and investment opportunities on fruit, vegetable and tea sectors”.

The objective of this business conference was to present and discuss Rwanda’s unique value proposition in the horticulture sector and answer any questions potential investors may have regarding the overall investment climate conditions, recent developments and investment opportunities in Rwanda’s horticulture and tea sectors. “We are committed to attract investors who would be interested in the whole value chain, which includes production, processing, transportation, and marketing” said John Gara, CEO of Rwanda Development Board.

RDB’s mission is to “fast tracking economic development in Rwanda by enabling private sector growth”. According to its CEO, demand for horticultural produce from East Africa is showing positive trend. Rwanda, like other countries in East Africa, benefit from changing patterns in global markets: consumer demands for health, convenience, pleasure and sustainability favour producers in low cost environments in equatorial regions. There is a growing appetite for tropical health-promoting products and other exotics, an increasing demand for labour-intensive convenience products (e.g. pre-cut, pre-washed, pre-cooked); a demand for longer and off-season supply of traditional products; and a preference for organic and fair-trade and sustainable products that low latitude producers are able to supply competitively.

“In Rwanda, we have the climate, the sites, the transport links, and the business environment to enable successful investment” points out Dr. M. Ndambe Nzaramba, Director General of the Rwanda Horticulture Development Authority (RHODA). The mission of this is agency is to promote the growth and development of horticulture products with export potential through the promotion of appropriate production and post harvest technology, out growers organization, the necessary infrastructure, marketing information systems, export compliance mechanism and advisory and extension services.

Agriculture sector in this country accounts for over 85% of employment and is the main source of income and survival of population. Horticulture exports are still small by regio-

**COLEACP (Europe-Africa-Caribbean-Pacific Liaison Committee) was established in 1973. It represents and defends the collective interests of African, Caribbean and Pacific (ACP) exporters/producers and EU importers of fruit, vegetables, flowers and plants. The objective of the association is to reinforce the competitiveness of the horticultural industry of African, Caribbean and Pacific countries by fostering more links between all actors along the supply chain and to facilitate the flow of trade between developing countries and the EU by, for example, promoting good practice, building capacities of both producers/exporters and service providers (public & private), lobbying and advocating on behalf of the industry, etc.**

*Rwanda Prime Minister Bernard Makuza and Obiageli Ezekwesili, Vice President for the World Bank’s Africa Region.*
nual standards (USD 13m in 2008) but growing steadily with a spectacular 80% CAGR over the period 2001-2008. Rwanda cultivates a wide range of fresh produce, including avocados, bananas, mangos and papaya, as well as sweet potatoes, beans, corn and peas. Tea production and revenues have grown strongly at 15% annually over the period 2003-2009, consistent with competitors with 18.3% increase in production in the first half of 2010 relative to the same period in 2009. The combined exports from Kenya, Rwanda, Uganda and Tanzania, have grown the World average at an annual 17% in the period 2004-2008 within this group, Rwanda’s share has gone from 3% in 2004 to 11% in 2008.

Following the Brussels’ meeting, Rwanda Development Board, in collaboration with the Ministry of Agriculture and World Bank group (IDA, IFC and MIGA) organized a high level agribusiness forum in Kigali on the 3rd November. Officiating at the opening of the forum, Rwanda’s Prime Minister Bernard Makuza said a range of tropical fruits and vegetables exists in Rwanda: “We need investors to process and establish strategic linkages between Rwanda and lucrative markets in Europe, Asia and the United States.” Mentioning the fact that at least 15,000 hectares of land have been identified in different parts of the country, Dr. Agnes Kalibata, Minister of Agriculture and Animal Resources said that Rwanda has what’s needed to attract investors in the agriculture sector. To attract foreign investments, financial and tax breaks have been set up: a free trade zone, no restrictions for repatriation of capital, support in securing plants and facilities, and subsidies to support investments, education and improved training.

WANT TO COMBINE BUSINESS AND SUSTAINABLE DEVELOPMENT?

Sustainable businesses need good long-term suppliers. Thanks to its network of members operating in Africa, the Caribbean and Europe, the COLEACP can help you to source safe tropical and off-season fresh fruit and vegetables produced with due regard to the environmental and social standards expected by your customers.