



## Report Overview

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This report will outline the strongest industries in Rwanda and further evaluate niches in Kigali. The research will focus on the city previously mentioned and will have a focus on the top industries in those cities as well as a focus on the college's interest in South Africa.

## Rwanda at a Glance

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As Rwanda progresses in its economic status on the world stage, the private sector will play a bigger role in helping to ensure economic growth. Low domestic savings, skills, and the high cost of energy are some of the major constraints to private investment. Stronger dynamism in the private sector will help to sustain high investment rate and accelerate the growth. Promoting domestic savings is viewed as critical there is evidence of a huge demand for personal financing education as well as banks & consultants, since two-thirds of prospective students drop in child mortality and near-universal primary school enrolment. However, there is some light in the situation. The poverty rate dropped from 44% in 2011 to 39% in 2014. Lending commitments more than doubled from 201 in 2017 to 545 in 2018, indicating strong confidence in outside investment which usually leads to strong development in countries. There is a strong push against decentralization and privatization of sectors, creating a need for skilled labor in financial management.<sup>1</sup>

The GDP in Rwanda was worth 9.14 billion US dollars in 2017. The GDP value of Rwanda represents 0.01 percent of the world economy. GDP in Rwanda averaged 2.28 USD Billion from 1960 until 2017, reaching an all-time high of 9.14 USD Billion in 2017 and a record low of 0.12 USD Billion in 1961.<sup>2</sup> Services is the largest sector of Rwanda's economy and accounts for 53% of total GDP. Within services, the most important sub-sectors are real estate activities (8%), wholesale and retail trade (8%), cultural, domestic & other services (6%), administrative and support service activities and public administration/defence (5%) and compulsory social security (5%). Agriculture, forestry, and fishing account for 29% of GDP, with food crops contributing 17%. Exports of goods and services account for 19% of GDP while imports account for 39%, subtracting 20% of total GDP. The major source of foreign trade is coffee, tea, tin items, wolframite, and pyrethrum. On the expenditure side, household consumption is the main component of GDP and accounts for 76% of its total use, followed by gross fixed capital formation (28%) and government expenditure (16%).<sup>3</sup>

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<sup>1</sup> <https://www.worldbank.org/en/country/rwanda/overview>

<sup>2</sup> <https://tradingeconomics.com/rwanda/gdp>

<sup>3</sup> <https://tradingeconomics.com/rwanda/gdp-growth>

- Population: 12.4 million
- GDP per capita: (USD) 748.39 USD (2017)
- GDP: (USD) 9.136 billion (2017)
- Unemployment: 15.1%
- Youth unemployment: 22.6% (July 2018)
- Inflation: 4.8% (2017)

Leading sectors include energy, agriculture, trade and hospitality, and financial services. Rwanda's economy is overwhelmingly rural and heavily dependent on agriculture. Strong growth in the services sector, particularly construction and tourism, has contributed to overall economic growth. GDP per capita was (USD) 697 in 2015, according to the World Bank. Rwanda's small industrial sector contributes around 14% to GDP and employs less than three percent of the population. Rwanda is highly import-dependent, where main sectors such as the services sector, including tourism, generates almost half of GDP (47%) and has grown at an average annual rate of nine percent in recent years.<sup>4</sup>



## Kigali overview

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Kigali's official website highlights a plan to "bring forward the most cutting-edge ideas for city and infrastructure planning, based on the three prongs of sustainability: ecology, equity and economy. Sustainable management of land, water and biodiversity guided the development of the plan insofar as these elements are essential factors for integrated urban design." As with other sustainable cities, planning is key. Kigali's well-thought-out master plan was formally adopted in October 2013, and guides development until 2040 through five-year development phases. The current phase (2013 to 2018) prioritizes rapid and effective urban development through its administrative structure and financial hubs.<sup>5</sup>

**Population:** 745,261

**Unemployment rate:** 15.1%

**GDP per capita:** (USD) 724<sup>6</sup>

Key Employers in Rwanda are: U.S. Government Important Connections, Export.gov, Export/Import Bank of the U.S., National IPR Center, Office of the United States Trade Representative (USTR), Overseas Private Investment Corporation (OPIC), the U.S. Small

<sup>4</sup> <https://www.export.gov/article?id=Rwanda-Market-Overview>

<sup>5</sup> <https://www.un.org/africarenewal/magazine/april-2016/kigali-sparkles-hills>

<sup>6</sup> <http://www.africa.jll.com/africa/en-gb/Research/JLL%20Kigali%20City%20Profile%202016.pdf>

Business Associates, the U.S. Trade and Development Agency, Overseas Security Advisory Council, the U.S. Chamber of Commerce, Private Sector Federation (PSF), Rwanda Development Board (RBD), Minicom, and MINAFFET (Ministry of Foreign Affairs and Cooperation).<sup>7</sup> Organizations engaged in STEM in Rwanda are: African Institute for Mathematical Sciences, Her2Voice, Little Einstein's East Africa, WiSci: Girls STEAM Camp, and STEM Initiative.<sup>8</sup>

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<sup>7</sup> <https://rw.usembassy.gov/business/key-business-links/>

<sup>8</sup> [https://en.wikipedia.org/wiki/List\\_of\\_organizations\\_engaged\\_in\\_STEM\\_education\\_across\\_Africa](https://en.wikipedia.org/wiki/List_of_organizations_engaged_in_STEM_education_across_Africa)