



Status Report COVID-19 Report

Exchange Rwanda

[Abstract](#)

Report on the effects of COVID-19 in Rwanda

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The information in this volume is destined to provide a description of the COVID-19 status and its impact on social and economic life in the 5 Sub-Saharan African countries with cooperation programmes of Exchange vzw. The ambition is to give insights, based on information gathered by Exchange’s business development managers based in these countries. Exchange vzw. can not be held responsible for errors, omissions or lack of accuracy and disclaims any liability in connection with the use of this information. Feedback is welcome at info@exchangevzw.be



1. Summary of the situation in Rwanda

Since the virus first emerged in Wuhan, China in December 2019, the Rwandan government has established a multidisciplinary team to assess and strengthen preparedness and response to the pandemic. A huge screen used to detect fever among incoming passengers was installed at Kigali International Airport. Passengers undergo mandatory checks and provide information about travel history. Similar screening started at all Rwanda's borders.

The first case of COVID-19 in Rwanda was confirmed on 14 March 2020. Four other people were tested after the first case tested positive, bringing the number of cases to five.

By 16 March 2020, Rwanda confirmed two more cases in Kigali, bringing the total number of cases in the country to seven. In an attempt to stop the spread of coronavirus, the Rwandan Ministry of Health announced on 18 March, via Twitter, that all international commercial passenger flights would be suspended for 30 days, with effect from 20 March. Less than a day later, on 21 March, officials announced a two-week lockdown. Both public and private employees were to work from home, under strict measures. All borders were also to be closed, cargo and Rwandan nationals being exempt, with a mandatory 14-day quarantine.

Health and safety measures also increased to help prevent the spread of the virus, including urging citizens to avoid shaking hands and close body contact such as hugging, covering one's mouth and nose when coughing or sneezing in public and refraining from unnecessary travel. The Ministry of Health also called on citizens to ensure regular washing of hands with soap, limit unnecessary movements and avoid large gatherings.

500 health care workers, including lab technicians from hospitals across the country, were trained on the coronavirus response. All hospitals were asked to set up isolation areas where patients suspected of having COVID-19 could be attended to away from other patients. Preventive measures were also put in place to protect health care workers in the line of duty.



Generally, handshakes and hugs are a common practice in Rwanda, meaning the idea of social distancing due to COVID-19 did not initially go well. But as the number of cases grew, Rwandan people have come to understand the seriousness of the matter. Rwandan President Paul Kagame popularized the elbow bump as a safe way of greeting when he met American philanthropist Howard Buffett at a public function in the country.

Until now Rwanda has deplored 53 COVID-19 deceases and lockdown measures had been partly relaxed as from 4th of May 2020 so business could restart its activity to restore the Rwandan economy. Domestic travel had been relaxed also. On the 18th of May, the 2nd and 30th of June Cabinet meetings were held to further relax lockdown measures. International travel to Rwanda could resume as from June 16th. Unfortunately numbers of COVID-19 cases started to rise in July. Land borders were again closed on the 15th of July and as from the 26th of August all hotels and restaurants had to close again. As from the 25th of September those measures have been gradually relaxed until now.



2. General overview and statistics

Situation 9^h of December 2020 (most recent figures available)

1. Infections : total cases is 6.278 persons
2. Active Cases : 510
3. Recovered : 5.715
4. Tested : 654.322
5. Deaths : 35
6. Test positivity rate : 1.1%

A timeline of Rwanda's policy response

Rwanda's public health response to COVID-19 has been robust and rapid, and has been backed by President Kagame. Beginning in January, medical staff were already stationed at Kigali International Airport and land borders to screen for high temperatures.

In early March a taskforce was assembled and guidelines were issued on 6 March on social distancing and handwashing, and hand sanitiser was placed outside all major public buildings and shopping centres. Testing began well before the first COVID-19 case, which was verified on 14 March. Once cases emerged, systematic tracing began, with assistance from security organisations.

On 20 March, the government instituted a nationwide lockdown and all non-essential transport outside homes was banned. The Government's priority has been containment as Rwanda's healthcare system is underprepared for a large number of serious cases as the country has very few intensive care unit (ICU) beds.

A range of social distancing and hygiene measures were set up for the essential parts of the economy that were still permitted to function, such as hand-washing equipment at agricultural collection centres. During the lockdown, all non-essential labour and business activities, mostly urban in nature, were stopped.

By 30 April, a Cabinet decision loosened the lockdown, mandating the wearing of masks outside and instituting an 8pm to 5am curfew, while allowing free movement within each province during the day. Manufacturing and construction sectors were re-opened, and hotels and restaurants were allowed to open until 7pm. Schools and places of worship remain closed at the time of writing.

On 30 April, the Cabinet also approved a "Social Economic Recovery plan to support activities affected by COVID-19". On 5 April, the Office of the Prime Minister announced that senior government officials had agreed to forfeit their April salary as a contribution to funds needed to fight COVID-19.

Another Cabinet decision on 18 May sustained the lockdown to the end of the month in similar form, but announced that both inter-province travel and normal moto taxi service could resume on 1 June, marking the end of ten weeks of lockdown. Unfortunately numbers started increasing in July. Measures have been reinforced as from 26th of August. Numbers went down again in September so the government gradually started to relax the measures again as from the 25th of September. See below for more details.



3. Current measures

The Rwanda Government approved the following measures to help contain the spread of the corona virus. As from the 25th of September the government gradually started to relax some of the measures. Below is a list of the most recent relaxed measures over the past two months (September 2020 and October 2020) , with the last ones taken on the **27th of November**. These measures will be reviewed after 15 days upon health assessment.

General preventive measures that still remain in place:

- Masks must be worn in public at all times.
- All resumed services must continue adhering to health guidelines from health authorities (hand hygiene, mask wearing and social distancing).
- All traders are required to accept digital payments as an alternative form of payment

Specific measures that still remain in place:

- Private transport between Kigali and other districts will continue but movements must be in adherence with health guidelines
- Malls and markets will operate at 50% capacity with vendors working on a rotational basis.
- Mass gatherings are prohibited except with special permission.
- Domestic and international tourism will continue however tourists must have valid reservations and possess valid negative COVID-19 test results
- Event organizers including conferences and meeting must comply with all COVID-19 measures.
- Tourism activities will continue
- Passengers arriving at Kigali International airport must present a negative COVID-19 PCR test taken within 120 hours prior to departure and should comply with health guidelines
- Non-contact outdoor sports is permitted however gyms shall remain closed.
- Places of worship shall operate upon compliance with COVID-19 preventive measures.
- Land borders will remain closed, except for goods and cargo, as well as returning Rwandan citizens and legal residents. All returnees will be subjected to mandatory quarantine in accordance with existing health guidelines at their own cost.

Relaxed measures on the 25th of September:

- Schools will resume with a gradual reopening in the coming weeks based on levels of education.
- Public transport between Kigali and other provinces will resume
- Public transport to and from Rusizi shall resume.
- Bicycle taxis will resume in permitted areas of operation in accordance with COVID-19 preventive measures as well as other precautionary safety measures including wearing helmets.

Relaxed measures on the 12th of October



- Movements are prohibited from 10 PM to 4 AM.
- Public transportation will continue with buses operating at full capacity for seated passengers and 50% for standing passengers
- Participants in meetings and conferences will not require proof of COVID-19 tests however event organizers must comply with health guidelines and must not exceed 50% of venue capacity

Relaxed measures on the 27th of October

- Offices of public and private institutions will operate at 50% capacity. Other employees will continue working from home on a rotational basis.
- Services at places of worship will increase to 50% of venue capacity
- Funeral gatherings should not exceed 75 persons.
- Church wedding ceremonies should not exceed 75 persons
- COVID-19 tests will not be required for wedding receptions with fewer than 5 guests
- Gaming operators may resume activities gradually, upon fulfilling COVID-19 preventive measures. The Ministry of Trade and Industry will provide detailed guidelines.

Relaxed measures on the 27th of November 2020

- Gyms and swimming pools shall resume operations upon assessment of compliance with COVID-19 preventive measures.
- Live performances and cultural shows will resume gradually upon fulfilment of COVID-19 preventive measures.

Fines for Non-Compliance:

- Violations of COVID-19 restrictions may face punishments ranging from fines of up to 50,000 RWF and/or to up to five days in police custody depending on the violation.

4. Impact

4.1. International travel

After a lockdown in March, April and May, international travel resumed as of June 16th.

Unfortunately numbers of COVID-19 cases started to rise in July. Land borders were again closed on the 15th of July and as from the 26th of August all hotels and restaurants had to close again. As from October hotels and restaurants could open again to welcome travellers.

As from the 15th of August following measures are in place for people arriving or departing from Rwanda:

- Currently, international visitors arriving by charter flight can visit Rwanda. There are no restrictions based on nationality or point of departure. These visitors can enter Rwanda on the condition of fulfilling the health and safety requirements.



- Together with the private sector, Visit Rwanda is offering attractive **all-inclusive tourism packages** for Rwandans and foreign residents. Visa on arrival remains available for all visitors to the country.
- All tourism activities, including primate trekking within Rwanda's national parks, have now resumed in line with enhanced COVID-19 prevention measures.
- Cancellations/postponement policies have been updated to accommodate travellers impacted during this time.

ARRIVAL

All travelers arriving in Rwanda must have a negative COVID-19 certificate. The only accepted test is a SARS-CoV 2 Real Time Polymerase Chain Reaction (RT-PCR) performed within 120 hours of departure (meaning travelers must be tested and get results within 5 days of their first flight). Other tests, such as Rapid Diagnostics Test (RDTs), are not accepted.

All travelers arriving in Rwanda must complete the passenger locator form and upload the COVID-19 test certificate prior to arrival. Please see passenger locator form and list of designated transit hotels on www.rbc.gov.rw.

All travelers arriving or transiting through Rwanda will be screened upon entry and take a second RT-PCR test to confirm the negative results of the test done prior to arrival.

All travelers are required to wait 24 hours for the results of their COVID-19 test in a designated transit hotel. All COVID-19 prevention measures announced by the Ministry of Health must be respected during waiting period.

The Government of Rwanda has negotiated special rates at designated transit hotels for the 24 hour waiting period. Should a guest wish to remain in the hotel after receiving negative test results, they are welcome to extend their stay at the hotel's applicable rates.

DESIGNATED HOTELS

Once at the hotel, the process is as following:

1. Travelers will be tested for COVID-19 and there will be a medical team to assist for a total cost of 60 USD (includes 50 USD for the test and a medical service fee of 10 USD). For further information on payment method for COVID-19 test please visit www.rbc.gov.rw
2. Test results will be received by SMS or email, and the turnaround time for results is 24hrs from the time a sample is collected.
3. Upon receiving a negative test result, travelers will be invited to check out or may extend their stay in the same hotel at applicable hotel rates.
4. If a traveler's test result is positive for COVID-19 (even if asymptomatic) while in Rwanda, they will be treated as indicated in the National Covid-19 Management Guidelines until they have fully recovered, at their own cost. We encourage all travelers to have international travel insurance.

DEPARTURE



All travelers departing from Rwanda must test negative for COVID-19. The only accepted test is a SARS-CoV 2 Real Time Polymerase Chain Reaction (RT-PCR) performed within 120 hours before departure. Other tests, such as Rapid Diagnostics Test (RDTs), are not accepted. We encourage travelers to book and pay for their tests at least 2 days prior to departure through the online platform available on www.rbc.gov.rw

Travelers from neighboring countries planning to start their international travel from Rwanda will be screened at points of entry and taken to transit hotels where samples will be taken for a COVID-19 test. They are requested to arrive at designated transit hotels at least 48 hours before departure where they will await their test results. There will be a medical team to assist for a total cost of 60 USD (includes 50 USD for the test and a medical service fee of 10 USD).

If travelers test results are positive for COVID-19 (even if asymptomatic) while in Rwanda, they will be treated as indicated in the National Covid-19 Management Guidelines until they have fully recovered, at their own cost. We encourage all travelers to have international travel insurance.

4.2. Economic impact

Rwanda has implemented a strict lockdown for several weeks in a bid to curb the spread of coronavirus, which has forced many low-income earners and unemployed people to struggle to get food and other basic necessities.

Rwanda's ministry of Local Government started distributing food to households and individuals most hit by the Covid19 lockdown.

Top Rwandan officials did not get their April salaries in one of the drastic measures the government has enforced to raise funds for social protection programmes aimed for the most vulnerable in the community.

In the context of the fight against Covid-19, and in solidarity with the most affected Rwandans, the Government of Rwanda has decided, over and above ongoing social protection initiatives, that all Cabinet Members, Permanent Secretaries, Heads of Public Institutions and other senior officials shall forfeit one month's salary (April),

Those who did not get their April pay are 34 Cabinet members, 26 senators, 106 members of Parliament, and hundreds of heads of public institutions – who earn an average of Rwf2 million (about \$2140) per month.

This is likely to generate close to \$1 million to be used to combat effects of coronavirus on the vulnerable.

The number of those needing government assistance has been rising since the food distribution began as many have lost jobs or been unable to make a living due to the lockdown.

In Kigali alone, the number of households eligible for food distribution grew from 26,572 to more than 50,000 in a matter of days, with more people expected to be identified.



The government is providing relief to households where individuals depended on daily income such as casual jobs workers and those whose work was suspended over the lockdown measures.

The exercise is supervised by the respective local leaders and involves distribution of basic food rations. The food distribution also aims at stopping the urban poor from trying to flee the city for the villages – a move that could lead to importation of the virus from the city to the rural areas.

Recovery

Two credible economic reports have shown that Rwanda is among the few African countries that will manage to recover quickly from the economic impact of the coronavirus crisis.

A supplement annual report on the “economic prospects in Africa in 2020” published Tuesday July 7, by the African Development Bank (AfDB) indicates that some African economies will still show some resilience in 2020.

The report showed that Rwanda will lead among the ten front runners that will exhibit a recovery with an economic growth from 4.2% in 2020 to 8.0% after Covid-19.

Similarly other top ten front runner countries will be Ethiopia (from 3.6 to 7.2%), Tanzania (3.6% to 6.4%), Côte d’Ivoire (3.0% to 7.2%) and Senegal (from 2.8% to 6.3%).

AfDB said that these projections based on a “baseline scenario” established by the Bank induce GDP losses of around \$ 145.5 billion out of the \$ 2,590 billion projected in 2020 for Africa before the onset of the pandemic.

According to the AfDB, growth should be “more resilient in resource-intensive economies”. Most of these countries have indeed entered the crisis with very high average growth rates, higher than 5.6% in 2019.

“Their resilience anchored in diversified economic structures and solid public investment efforts is put to the test by interruptions in supply chains and the invasion of locusts which have greatly disrupted agricultural production in certain countries,” the report said in part.

Though there has been a slow growth in quarter one (Q1) of 3.6%, Rwanda has launched an Economic Recovery Fund (ERF) to support businesses adversely affected by COVID-19 with an initial pool expected to move from \$100m (about Rwf100 billion to \$200m (Rwf200billion).

Source : KT press September 2020

Link : <https://www.ktpress.rw/2020/09/rwanda-financial-sector-blooms-amidst-covid-19-shocks/>

5.3 Consequences for private entrepreneurs



The COVID-19 crisis has demonstrated the effectiveness of the Government of Rwanda in mobilizing the population in a decisive and effective public health response. Even so, a number of very serious economic challenges lie ahead as the global economy braces itself for a recession. Consequently, Rwanda faces intensifying demand and supply-side shocks both in the domestic and external sectors.

5.3.1. Hospitality & tourism

All **hospitality** establishments, restaurants and cafes with valid tourism operating license or occupational permit from districts or City of Kigali, were able to reopen as from Monday 4th of May but were closed again on the 26th of August. As from October hotels and bars could reopen again (bars only if they are serving food).

Tourism is one of Rwanda's revenue sources. Rwanda targets \$800 million from tourism by 2024 from \$438 million in 2017.

The country had this year projected to generate \$88 million from about 147 international conferences under the Meetings, Incentives, Conventions, and Exhibitions (MICE). About 20 meetings which had been scheduled in March and April were indefinitely postponed. These meetings were expected to generate \$8 million, about 10% of the projected revenue from MICE this year.

Following the COVID-19 outbreak, several tourists cancelled bookings, leaving tour operators and other stakeholders counting losses.

This year's Nyungwe marathon -- an annual event that gathers more than 700 participants from Africa and Europe, attracted fewer participants leading organizers to register a loss of \$200,000. Organizers handed out just 300 medals instead of 600 because they could not import from China.

The tourism sector alone lost over \$45million as a result of closure of tourism activities and air transport services with the hotels and hospitality segments getting the hardest knock down dropping by 25.3% compared to an 8% growth in 2019.

In order to relaunch the tourism sector, it was recently decided that Tourism activities across the country can resume effective 17 June 2020 and that there will be promotion pricings in tourism activities (like a lower fee for gorilla trekkings until 31st of December 2020).

In July, the Rwanda Convention Bureau announced the resumption of meetings and conferences in an attempt to revive tourism and hospitality sectors and key foreign exchange contributors.

5.3.2 Agriculture

All food supply chain services are essential services and continued to operate during the lockdown. All agriculture construction projects resumed and in accordance with the Ministry of Health measures to prevent COVID-19 transmission.



All industries, farmers and exporters in the agriculture sector who travel to and from Kigali for work were required to write to the Ministry of Agriculture and Animal resources to obtain special clearance.

More info on www.minagri.gov.rw

5.3.3 Manufacturing

The manufacturing sector is experiencing big losses because of customers spending less and due to supply chain problems. Production in most workshops has fallen down up to 50% of the normal production.

5.3.4. Services, industry, and loans

A National Bank of Rwanda report from 30 April states that there has been a significant slowdown in the services and industry sectors, and that demand for loans is down 10.6% in the first quarter of 2020.

The service sector was most affected by the Covid-19 pandemic through its negative effect on trade services, passenger transport services and tourism services, which also had negative spillover on financial services,” BNR said.

However government has recently announced an economic recovery fund of \$100m of which \$50million of it which will be injected specifically in this sector as part of the revival process.

5.3.5. Imports and exports

Disruptions to trade and critical supply chain networks are already taking effect: Rwanda’s imports from China decreased 23% from January to February and are highly likely to have decreased further (TradeMark East Africa unpublished report, 2020). This will affect Rwandan industry, which will have reduced critical inputs. This will also affect exports as over 70% of Rwandan exporters are themselves importers.

5. Government support to local economy

Supporting workers and vulnerable people

The Government is providing food relief to at least 20,000 hard-hit households living in Kigali, followed by other urban centres. It also instituted zero charges on mobile money transfers and lifted the maximum transactions possible using this means of payment. Other social protection measures may be in the pipeline as part of the Economic Recovery Plan.

Supporting businesses

The National Bank of Rwanda (BNR) instructed commercial banks to ease loan repayment conditions to borrowers, introduced an Extended Loan Facility to banks of RWF 50 billion, and instituted other measures aimed at commercial banks.



The International Monetary Fund (IMF) approved a credit of USD 109.4 million to Rwanda to cushion the impact of lost foreign earnings from trade and tourism, and bolster foreign exchange reserves.

On 4 April, the Ministry of Finance reportedly began working on a fund to support access to capital for small and medium enterprises (SMEs) and facilitate recovery of the economy, and on 12 May the New Times reported the imminent launch of a USD 200 million fund. The Rwanda Revenue Authority also extended the deadline for businesses to file and pay income taxes from the end of March to the end of April, and relaxed other administrative requirements.

Sanctioning businesses for malpractice

The Government has worked to enforce measures to clamp down on exploitative business practices, such as price gouging, using unapproved weighing scales, and issuing illegal or no invoices. Many businesses have been fined for not adhering to these laws at the time of writing.

5.1. Rwanda COVID-19 Emergency Response Project

The Rwanda COVID-19 Emergency Response Project is designed to help the government prevent, detect and respond to the threat posed by the coronavirus and strengthen national systems for public health preparedness. It will support the COVID-19 National Preparedness and Response Plan by financing critical interventions, such as prompt diagnosis of suspected coronavirus cases; contact tracing to minimize risk of transmission; risk assessments to identify hot spot areas; and screening travellers at ports of entry. The emergency project will also bolster clinical care capacity and establish isolation capacity at a selected number of national and district hospitals responsible for triaging and treating COVID-19 cases.

The Rwanda COVID-19 Emergency Response project also focuses on harnessing digital solutions and data analytical tools that will improve the management and containment of the COVID-19 response. Building on the country's strong track record on digital solutions, several innovations will be explored, including digital maps that allow to visualize the spread of the disease in real time; mobile apps for sending health messages; and telemedicine capability to allow for suspected cases to be assessed without the need for physical movements by patients.

The Rwanda COVID-19 Emergency Response project has four components: **component one** will support the government to **enhance disease surveillance, improve sample collection and ensure rapid laboratory confirmed diagnoses** to promptly detect all potential COVID-19 (Coronavirus) cases and to carry out contact tracing to quickly contain COVID-19 (Coronavirus). **Component two** will fund the **reinforcement of public health policies** and measures and the establishment of critical clinical care capacity at a network of public sector district hospitals, promoting digital solutions to be explored during implementation. **Component three** will **support program coordination, management and monitoring; operational support and logistics; and project management**. Finally, **component four** will provide **support for future emergency responses**.



5.2. Financial support for Rwanda's response to COVID-19

On the 7th of April 2020 the **World Bank Group** approved \$14.25 million International Development Association (IDA) credit in immediate funding to support Rwanda's response to the global COVID-19 pandemic under the Rwanda COVID-19 Emergency Response project.

On the 2nd of April 2020 The Executive Board of the **International Monetary Fund (IMF)** approved the disbursement of about US\$109.4 million to be drawn under the Rapid Credit Facility (RCF). This will serve to meet Rwanda's urgent balance of payment needs stemming from the outbreak of the COVID-19 pandemic.

Other forms of support have also been coming in from different private sector entities like the **big corporate firms** that have donated money and supplies to be used by the national task force charged with stopping the spread of coronavirus in the country. Some of the big donors include the major banks.

On 5 April, a statement from the office of the prime minister announced that senior government officials had agreed to forfeit their April salary as a contribution to the funds needed in the fight against COVID-19.

In solidarity with the most affected Rwandans, the Government of Rwanda has decided, over and above ongoing social protection initiatives, that all Cabinet Members, Permanent Secretaries, Heads of Public Institutions, and other senior officials shall forfeit one month's salary (April).

On the **11th of November** approved a draft law **ratifying a loan agreement of USD 15 million between Government of Rwanda and OPEC fund** for international development (OFID) to support the COVID-19 economic recovery fund, signed in Kigali on November 5th 2020

On the **25th of November 2020** **The Development Bank of Rwanda (BRD)** and the **German Development Bank KfW** have signed a **financing agreement of a COVID-19 Emergency Program for SME** to support the exporting SMEs affected by the pandemic and the preservation of employment.

Under the project, the German Government through KfW Development Bank will provide a **total grant funding of EUR 5 million**, which BRD will deploy to partner financial institutions (PFIs) under the Export Growth Facility implemented by BRD. The **PFIs will then select export-oriented SMEs in their portfolios suffering from the negative effects of Covid-19** related restrictions for support. The program aims to enable the beneficiaries, namely export-oriented SMEs, to maintain the largest share of their employees and to support them in their economic recovery.

5.3. Support to the private sector and entrepreneurs

The Private Sector Federation on Monday, May 4, signed a Memorandum of Understanding with Access to Finance Rwanda in a new initiative aimed at supporting entrepreneurs in Rwanda to adjust to economic realities of COVID-19.

Both parties, seek to share their respective strengths, experiences, technologies, including technical assistance to facilitate Small and Medium Enterprises (SMEs) during the COVID-19 pandemic.



SME Response Clinic as its termed, is a digital platform that will translate new policies and financial advisory services and access to finance related information in a clear and straightforward language in English and Kinyarwanda.

The SME Response Clinic will provide and collect needed information that will enable key stakeholders to support resilience of the MSME Sector in this period of Covid-19.

The Rwandan Government and financial sector have taken several significant measures to support MSMEs during this challenging period, reads part of the joint statement.

The SME Response Clinic will ensure that these important measures are communicated to MSMEs in an accessible and timely manner.

I&M Bank

Over 200 Rwandan Small and Medium Enterprises are set to receive grants from I&M Bank (Rwanda) Plc in the coming days following an agreement between the lender and Investing for Employment (IFE), a subsidiary of the German Development Bank.

While the fund's disbursement will not be biased towards any sectors, beneficiaries will be required to showcase their plans and measures to preserve jobs and employment.

5.4. Medium and long term economic recovery and resilience plan

The government of Rwanda is working on a medium and long term economic recovery and resilience plan. Latest discussion on this plan were held on the 2nd of June during the last cabinet meeting. We expect to have more news on this plan in the following COVID-19 status report.

6. Conclusions and recommendations

The COVID-19 crisis has demonstrated the effectiveness of the Government of Rwanda in mobilising the population in a decisive and effective public health response. Even so, a number of very serious economic challenges lie ahead as the global economy braces itself for a recession. Consequently, Rwanda faces intensifying demand and supply-side shocks both in the domestic and external sectors.

Employment and operations

Continuing solvency of many businesses is a concern, as is the need to maintain the connection between businesses, workers, and customers. However, keeping workers on and maintaining essential operating costs is important. The crisis will undoubtedly increase private indebtedness.

Key challenges going forward

Fiscal space



Rwanda urgently needs both scaling up and expanding of support to include digital cash-based social protection measures. According to the IMF, the lockdown and deepening global recession has created an “urgent balance of payments need” in Rwanda. The national government faces significant losses in expected VAT and income tax revenue, while local government also faces a loss in revenue from various fees.

Congestion and sanitation in unplanned settlements

COVID-19 will continue to be a predominantly Kigali-based, or at least urban, phenomenon in Rwanda. Seventy-seven percent of Kigali households live in unplanned settlements that have narrow access pathways. 10% of houses in these settlements are seriously overcrowded. A quarter of Kigali households use shared toilets and only have access to shared, unimproved water sources. Even the improved water sources, such as public standpipes that serve 41% of Kigali households, are shared. This renders frequent handwashing a challenge. Queues for public or shared facilities may also pose challenges for social distancing.

Perhaps the greatest challenge the government faces is the need for enormous public resources to prevent COVID-19-related death, minimise rupturing of the economic fabric, and protect the vulnerable. Ongoing tracing and testing efforts are thus vital to isolate those with the virus, to stop the disease spreading.
