

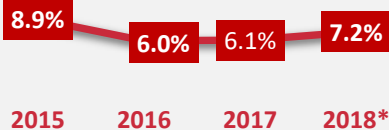
# Country Factsheet : RWANDA



## RWANDA

### KEY FACTS

- **Population:** 12.1 million
- **Demographic growth:** 2.37%
- **Current GDP :** US\$ 8.1billion (2016)
- **GDP per capita:** US\$ 703 (2016)
- **Life Expectancy:** 67 years
- **Literacy Rate:** 70.5%
- **Inflation:** 4.8%
- **Human development index (over 188 countries) :** 159<sup>th</sup>
- **FDI (Net Inflows):** \$366 million(2017)
- **Current accounts:** -6.8%
- **Primary export:** Gold (\$178M)
- **Last elections:** 2017
- **GDP Growth (%) :**



\* Source : World Bank data, IMF and Reuters Eikon

Rwanda’s development goals are defined in “[Vision 2020](#),” a strategy that seeks to transform the country from a low-income, agriculture-based economy to a knowledge-based, service-oriented economy with middle-income country status by 2020.

Leading sectors include energy, agriculture, trade, and financial services. Rwanda’s economy is rural and heavily dependent on agriculture. Strong growth in the services sector, particularly construction and tourism, has contributed to overall economic growth.

### ATTRACTIVE INDUSTRIES

Key sectors of the economy include services (48%), agriculture (30%) and industry (17%).

4. Register employees at the Social Security Office ( less than 1 day, online procedure, no charge)
5. Obtain a trading license (1 day, RWF 90,000)

### TOP 5 COMPANIES :

1. Bank of Kigali (FS)
2. Bralirwa (Consumer goods)
3. Crystal Telecom ( telecommunications)
1. Equity Group ( FS)
2. I&M Bank Rwanda ( FS)

### WORK PERMIT

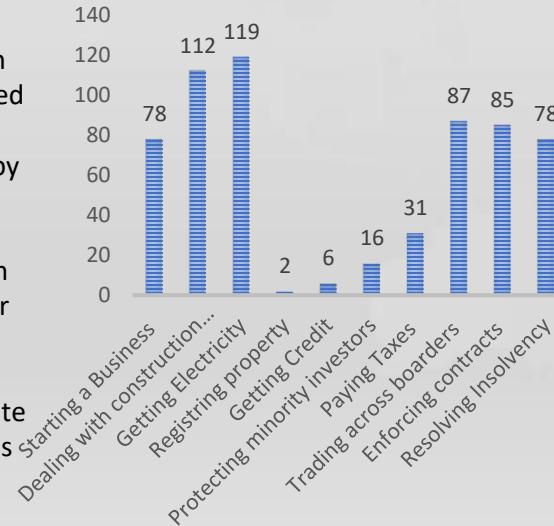
Foreign nationals must obtain a work permit before undertaking employment in Rwanda. The application for a work is made to the director General of immigration and Emigration and consists of:

1. A completed application form
2. An application letter addressed to the Director General of immigration and Emigration by the employer.
3. Curriculum Vitae
4. Original police clearance from the country you have lived for the last 6 months
5. RDB’s investment certificate
6. Business registration certificate
7. Trading license (Patente). It is needed while renewing the work permit



For more information, visit [www.immigration.gov.rw](http://www.immigration.gov.rw)

### DOING BUSINESS 2018 – 41 out of 190



## CORPORATE TAXES

### Corporate tax

**Corporate tax rate in Rwanda is 30%**

**Withholding tax (WHT):** A withholding tax of 15% is levied on the following payments made by resident individuals or resident entities including: Dividends, interests, royalties, service fees...

**Dividends:** Dividends are subject to a final withholding tax at a rate of **15%**. However, a reduced 5% rate applies to dividends received by Rwandan and East African Community citizens from entities listed on the Rwanda Stock Exchange.

A **withholding tax of 5%** of the value of goods imported for commercial use shall be paid at customs on the CIF (cost insurance and freight value) value before the goods are released by customs.

A **withholding tax of 3%** on the sum of invoice, including the value added tax, is retained on payment or by public institutions to those who supply goods and services based on public tenders.

**Value Added Tax (VAT):** The standard VAT tax rate is **18%**, with exemptions and zero-rating available in certain cases.

## INVESTMENT INCENTIVES

- **0% preferential corporate income tax** for international companies planning to set up regional headquarters in Rwanda – **minimum required investment of USD 10 million.**
- **15% preferential corporate income tax** for: strategic economic sectors ie: energy, transport, affordable housing, ICT and financial services; businesses that export more than **50%** of annual turnover of goods and services.
- **7 year tax holiday:** Seven year corporate income tax holiday for large projects in strategic sectors i.e energy, exports, tourism, health, manufacturing and ICT – **minimum required investment of USD 50 million.**
- Accelerated depreciation of **50% in the first year** of asset use for key priority sectors i.e. tourism, energy, construction, manufacturing, agro-processing, transport etc.
- Exemption of capital gains tax on sale or transfer of shares.
- Repatriation of capital and assets.
- Fast tracking of VAT refunds
- Customs duty exemption for special economic zone users
- Registered investment entities that operate in a **Free Trade Zone (FTZ)** and foreign companies that have their headquarters in Rwanda that fulfill the requirements stipulated in the Rwandan Law on Investment Promotion are entitled to:
  - Pay Corporate income tax at a rate of **0%**
  - An exemption from the **15% WHT on interest** and
  - **Tax-free** repatriation of profits

- Companies that carry out micro-finance activities, as approved by the competent authorities, pay CIT at a rate of **0% for a period of five years** from the time of the approval of the activity. However, this period may be renewed by the order of the relevant minister
- A registered investor investing in products used in Export Processing Zones is **exempt from customs taxes and duties**, according to the provisions of the customs rules and the regulations of the EAC.

## INTERESTS AND CURRENCY EXCHANGE

### Monetary Policy rate

Key repo rate: **5.5%**

Average lending interest rate **17.56%** (July 2018) (Source: National Bank of Rwanda)

### Currency

**Rwanda's currency is the Rwandan Franc (RWF)**

**USD 1 = RWF 874.53 (July 2018)**

**EUR1 = RWF 1023.31 (July 2018)**

**Source: National Bank of Rwanda**

### USEFUL LINKS / SOURCES :

[Rwanda Development board](#)

[National Bank of Rwanda](#)

[Deloitte Guide to fiscal information 2017](#)

[EY Worldwide corporate Tax Guide](#)

[CIA – The World Fact Books](#)

[International Monetary Fund](#)

[The World Bank Data](#)

[Doing Business Ghana – The World Bank](#)

[Rwanda work permits](#)

[World Investment Report](#)