



# Rwanda

## *Growth is up in rising African star*

One of Sub-Saharan Africa's rising economic stars, Rwanda has seen rapid GDP growth and declining poverty rates in recent years.

The country's policies towards new technologies are relatively friendly. Rwanda imposes few restrictions on ridesharing or short-term rentals, which are used mostly on an informal basis. Self-driving vehicles have yet to make a significant impact in Rwanda, although not due to any formal restrictions.

Drones, on the other hand, have become an active priority in both the public and private sector. In fact, Rwanda is the only country in the African region to embrace drone technology.

At the World Economic Forum in February 2018, Rwandan Minister for Informations and Communications Technology Jean de Dieu Rurangirwa said, in reference to the drone sector, "As we look to the future, we will continue to put in place the infrastructure and policy frameworks that accelerate the adoption of emerging technologies to transform people's lives." How this plays out in real time: California-based drone company Zipline partnered with the Rwandan government to deliver blood to rural hospitals using drones, cutting down delivery time from hours to a matter of minutes.

Improved IT infrastructure will make it easier to use these kinds of emerging technologies to creatively solve social problems. Rwanda earned a "C+" in Broadband, in part because it has fixed broadband costs several times higher than other countries in the region, although prepaid mobile costs are well below those in other African nations.

Sources: (World Bank) (WeForum) (Technology Review) (New Times) (BBC)

## WHAT DID WE DO RIGHT?

Rwanda supports ridesharing across the country, allows short-term rentals to operate unburdened by federal regulations and encourages widespread use of drones.

## WHAT CAN WE DO BETTER NEXT YEAR?

Rwanda can try to increase the number of highly-skilled workers; just 3.9 percent of Rwanda's employees meet this criteria. The country can also formulate policies to support self-driving vehicles and improve personal and political freedom, currently among the lowest of any country on the Scorecard.

|                          |     |
|--------------------------|-----|
| Diversity                | B   |
| Freedom                  | D-  |
| Broadband                | C+  |
| Human Capital            | D   |
| Tax Friendliness         | B+  |
| R&D Investment           | N/A |
| Entrepreneurial Activity | D+  |
| Drones                   | B   |
| Ridesharing              | A   |
| Short-Term Rentals       | B   |
| Self-Driving Vehicles    | F   |
| Environment              | D-  |



### Entrepreneurial Activity

An annual new business rate of just 1.49 per 1,000 people lags behind most other countries, but Rwanda performed well in measures of ease of starting a business.



### Broadband

Rwanda’s fixed mobile broadband costs are the highest in the region, but prepaid mobile costs are more affordable than any other country on the Scorecard.



### Diversity

Rwanda’s gender parity is the highest of any country in the Scorecard.



### Tax Friendliness

At 30 percent, Rwanda has a high corporate tax rate, but its absence of a streaming tax earned it a ‘B+’ in Tax Friendliness.

## KIGALI

With the launch of the Rwanda 2020 initiative in 2000, the Rwandan government signaled a plan to move the nation away from its agrarian roots and toward a knowledge-based economy. The country’s leaders have turned to technology to propel that change.

The nationwide plan helped foster a spike in the number of students in higher education from 4,000 students in 1996 to 86,000 in 2016.

Aspects of the plan specific to Kigali, the capital city, including connectivity and infrastructure improvements. Innovation City, launched in 2016, will be based just east of Kigali’s business district, in a special economic zone designed to entice homegrown and international businesses to open doors.

In addition to luring incubators and companies to a new tech hub, the program has already led to the spread of fiber optic infrastructure in the city, with plans to deliver 4G LTE capability to nearly all Kigali residents.

Innovation City will also build on the city’s existing education centers, including the African Institute for Mathematical Sciences and a Carnegie Mellon campus to strengthen the local workforce.



Rwanda has steadily increased its human capital, boosting the number of students in higher education from 4,000 in 1996 to 86,000 in 2016. Near the capital city of Kigali, the Innovation City program aims to make use of that talent by attracting homegrown business ventures with a special economic zone.

Sources: (National Geographic) (QZ) (All Africa)