

COUNTRY PROFILE

RWANDA

JANUARY 1, 2022

FEDERATION OF INDIAN CHAMBERS OF COMMERCE AND INDUSTRY
Federation House, New Delhi

India – RWANDA Bilateral Economic Relations

1. Executive Summary

1. In the financial year 2020-21, India - RWANDA bilateral trade was US\$140.96 billion, showing a growth of 9.99%, however, in the year 2021-22 it stands at US\$54.48 billion, showing a decline of -61.35%.

India's exports to RWANDA were US\$134.29 billion (in 2020-21) declining to US\$51.55 billion (in 2021-22), a fall of -61.62%.

On the other hand, India's imports from RWANDA have also shown a decline of US\$6.67 Billion (in 2020-21) to US\$2.93 Billion (in 2021-22), a fall of -56.05%.

2. Political set-up

- **Government type:** Rwanda is a republic with an executive president and a multiparty democratic system. The president is head of state, head of government and commander-in-chief of the defence forces. He or she is directly elected by universal adult suffrage for a seven-year term and serves a maximum of two terms.
- **Chief of State:** H.E Paul KAGAME, The President of the Republic of Rwanda Khalifa bin Zayed Al Nahyan, President of UAE.
- **Legislative Branch:** bicameral Parliament consists of: Senate or Senat (26 seats; 12 members indirectly elected by local councils, 8 appointed by the president, 4 appointed by the Political Organizations Forum - a body of registered political parties, and 2 selected by institutions of higher learning; members serve 8-year terms)
Chamber of Deputies or Chambre des Deputes (80 seats; 53 members directly elected by proportional representation vote, 24 women selected by special interest groups, and 3 selected by youth and disability organizations; members serve 5-year terms)
- **Next elections:**
Senate - last held on 16-18 September 2019 (next to be held in 2027)
Chamber of Deputies - last held on 3 September 2018 (next to be held in September 2023)

3. Quick Statistics of India and RWANDA (Year: 2020; Unit: US\$)

India		RWANDA	
GDP (PPP)	10.21 trillion	GDP (PPP)	23.92 billion
GDP (Official Rate)	3.05 trillion	GDP (Official Rate)	10.4 billion
GDP Growth Rate	12.5%	GDP Growth Rate	2.0%
Consumer Price	4.5%	Consumer Price	136.50%
Population	1380.004 million	Population	12.95 million
EoDB Ranking	63	EoDB Ranking	2

Source: IMF Data Mapper, World Bank & CIA Factbook

4. Trade & Investment indicators with world (Year: 2020; Unit US\$ million)

India		RWANDA	
Merchandise Exports	276,227	Merchandise Exports	1400
Merchandise Imports	371,920	Merchandise Imports	3410
Services Export	203,253	Services Export	560



Services Imports	153 925	Services Imports	597
Top trading partners	US, UAE, China, Singapore	Top trading partners	UAE, Dem. Rep. of the Congo, Turkey, Pakistan and USA
Prime Exports	Food items, Ores & metals, manufactured goods, fuels	Prime Exports	Food items, Ores & metals, manufactured goods, fuels
FDI outflows as % of GDP	0.4 %	FDI outflows as % of GDP
Key sectors of economy	textiles, chemicals, food processing, steel, transportation equipment, software, pharmaceuticals	Key sectors of economy	Extraction of crude oil & natural gas, wholesale & retail trade, real estate, business services, construction, manufacturing

Source: UNCTADSTAT & WORLD BANK

5. Multilateral engagements

UAE: UAE has joined the United Nations and the Arab League and has established diplomatic relations with more than 60 countries, including China, Japan, South Korea, Pakistan, Russia, India, Nepal, United States, and most Western European countries.

It has played a moderate role within the Organization of Petroleum Exporting Countries (OPEC), the Organization of Arab Petroleum Exporting Countries (OAPEC), the United Nations, and the Gulf Cooperation Council (GCC).

India: India has engagement with UN, ADB, WTO, ASEM, BIMSTEC, BRICS, G-20, G8+5, IBSA, IOR, ACD, Dialogue partner with ASEAN, East Asia Summit etc, where it regularly presents its perspective.

6. Major Economic Agreements With world

- The UAE is a member of the following international organizations: UN and several of its specialized agencies (ICAO, ILO, UPU, WHO, WIPO); World Bank, IMF, Arab League, Organisation of Islamic Cooperation (OIC), OPEC, Organization of Arab Petroleum Exporting Countries, and the Non-Aligned Movement.

With India:

- UAE enjoys close economic and cultural relations with India. Close maritime contact between India and the Arabian Peninsula date back to 3rd and 2nd millennium BC. and textile and spice trade between the two countries flourished during most of 1st millennium AD.
- The discovery of oil allowed the UAE to increase and diversify its trade relations with India. UAE and India are each other's main trading partners.
- The trade totals over \$75 billion (AED275.25 billion). During the first half of 2010, non-oil trade between India and the UAE stood at US\$20.4 billion.
- UAE is home to more than 1.75 million Indian expatriates, making Indians the second largest ethnic group in the nation.

7. Recent Bilateral visits

- Shri Arun Yadav, Hon'ble Minister of State for Agriculture and Food Processing Industries visited Rwanda in May 2011 to advance and strengthen sectoral cooperation.
- A high-level delegation led by Smt. Praneet Kaur, Hon'ble Minister of State for External Affairs visited Rwanda in February, 2012.

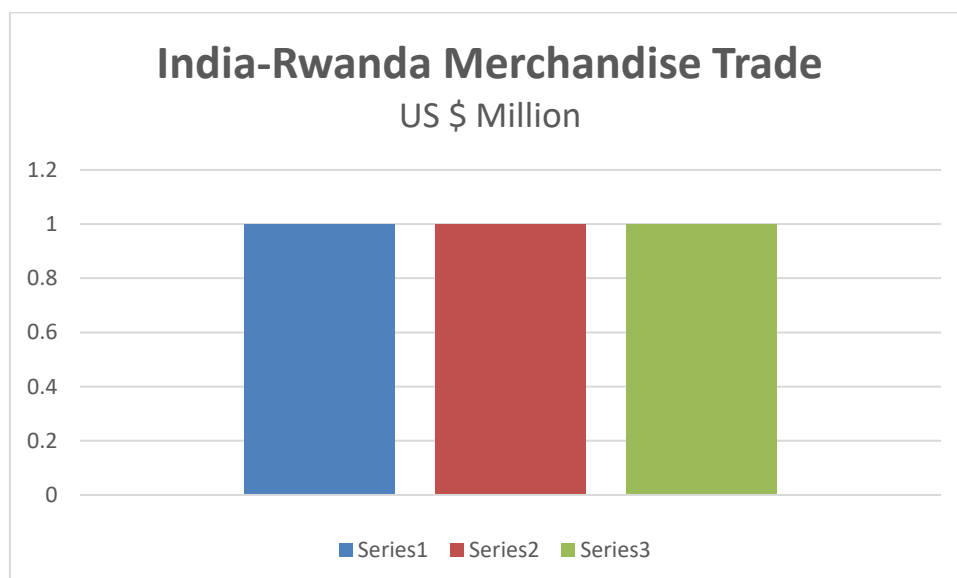
- In November 2013, Shri K.H. Muniyappa, Hon'ble Minister of State (Independent Charge), Ministry of Micro, Small and Medium Enterprises, led a business delegation to Kigali to participate in Technical and Vocational Education and Training Expo and Symposium.
- Shri Kalraj Mishra, Hon'ble Minister for Micro, Small and Medium Enterprises visited Kigali in January 2015 to inaugurate the Vocational Training Institute set-up under GOI assistance.
- Shri Sudarshan Bhagat, the Minister of State for Rural Development visited Rwanda in July 2015 as PM's Special Envoy to extend invitation to the President and the Foreign Minister of Rwanda for IAFS-III.
- Shri Anil Madhav Dave, Minister of State of Environment, Forest and Climate Change visited Rwanda in October 2016, to participate in the 28th Meeting of the Montreal Protocol.
- The Vice-President of India, Shri M. Hamid Ansari visited Rwanda from 19-21 February 2017.
- The first state visit of Hon'ble Prime Minister of India to Rwanda took place on 23-24 July, 2018. Several strategic MOUs were signed during this visit.

8. India- RWANDA bilateral Trade

India-RWANDA Merchandise Trade (US\$ million)

	2017-2018	2018-2019	2019-20	2020-21	2021-22
EXPORT	90.60	144.90	124.05	134.29	51.55
%Growth		59.94	-14.39	8.26	-61.62
IMPORT	5.34	6.68	4.10	6.67	2.93
%Growth		25.03	-38.56	62.49	-56.05
TOTAL TRADE	95.94	151.58	128.15	140.96	54.48
%Growth		57.99	-15.46	9.99	-61.35

Source: Department of Commerce

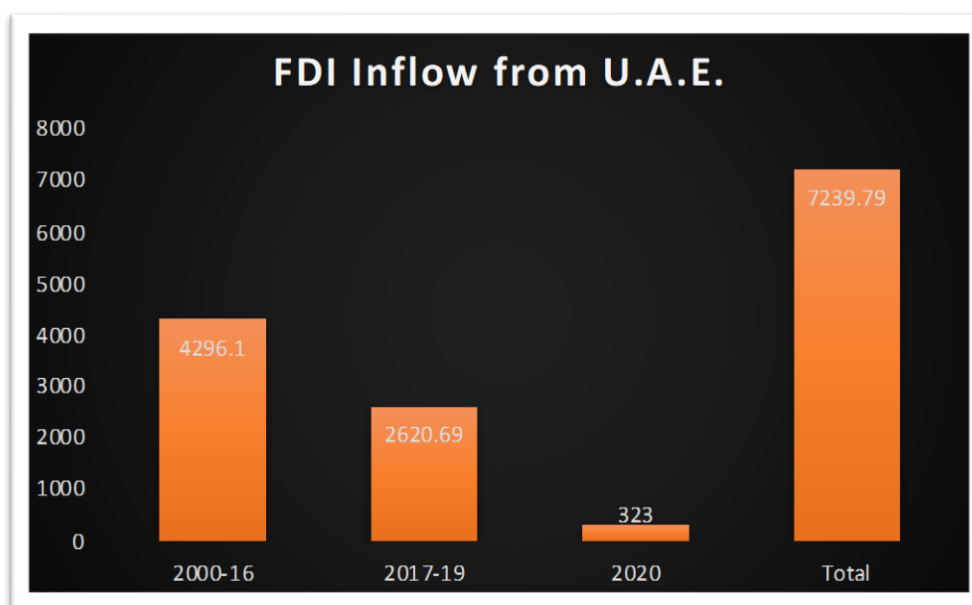


Top 10 Export items:

Top 10 Import items:

9. Bilateral Investments

- FDI from U.A.E. to India:



Value in USD million

Financial Year	FDI Inflow from U.A.E.
2000-16	4296.10
2017-19	2620.69
2020	323
Total	7239.79

Source: DPIIT

- **Top 5 sectors for U.A.E. investment:** Services Sector (15.78%), Sea Transport (8.80%), Power (8.34%), Construction (Infrastructure) Activities (7.15%) and Construction Development: Townships, Housing, Built-Up Infrastructure and Construction-Development Projects (7.08%)
- **Focus States for U.A.E. investors:** Maharashtra, Gujarat, Andhra Pradesh, Madhya Pradesh,
- **FDI from UAE to India:** USD 7.23 billion
- **Top sectors for Indian investment:** real estate, manufacturing, wholesale and retail trade, transportation, logistics, construction, financial and insurance activities
- **Top Indian companies in U.A.E.:** HCL Infosystems, Wipro, TATA, Nagarjuna Construction Company Limited, Danube, L&T, ESSAR, Dodsar, Punj Lloyd, EIL, Sobha Group, Indian Oil Corporation, Reliance Industries

10. Potential sectors of cooperation

- Agriculture
- Information and communication technology
- Healthcare
- Tourism

11. Cooperation in Start-ups and Innovation

- The United Arab Emirates (UAE) is making headway as a significant incubator of technology startups.
- In September 2020, voice-centric social platform Yalla Group became the first Dubai-based tech unicorn to list on the New York Stock Exchange and became the latest homegrown company to achieve unicorn status.
- In recent years, two unicorn companies valued at over \$1B each were created in the UAE: the e-commerce website Souq.com (acquired by Amazon in 2017) and the ride-hailing platform Careem (acquired by Uber in 2019).

12. Trade and Investment Issues (including NTB's)

- 100% ownership of a trading entity by a Foreign Company not allowed in UAE
- Trademark laws weak in UAE
- Enforcement of Copyright laws in UAE
- 5% VAT on essential commodities

13. FICCI Platforms

- MOU partners in UAE: Dubai Chamber of Commerce,

14. Other Key institutional engagements

- **Think Tanks, Research institutions, universities in country:**
- **Universities:** Abu Dhabi University, Khalifa University, Zayed University, University of Sharjah, University of Dubai, Emirates Diplomatic Academy
- **Media:** Gulf Times, Al Khaleej, Akhbar Al Arab, Khaleej Times, Gulf Today, Arab News, Oman Tribune

15. Indian Diaspora

- There are approximately 3000 Indian nationals and PIOs in Rwanda.
- Rwanda's only sugar refinery, its only modern textile mill as well as a soap and cosmetic factory are PIO-owned.
- The Government of Rwanda has a positive attitude towards the Indian community.
- During the genocide of 1994, no Indian national was killed or injured. The evacuation of Indian nationals by the Indian Government from Rwanda to Bujumbura and Nairobi was also not interfered with by RPF or the Government forces.
- The positive role that the Indian community plays in the Rwandan economy is well appreciated by the Rwandan Government.