

Rwanda: Enabling the Future of E-commerce

# Supporting Rwandan enterprises grow their business online

## Accelerated digital transformation: the shift to e-business

Technology fundamentally altered the way we purchase and consume goods and services. Today, this is more evident than ever: the COVID-19 pandemic pushed companies of all sizes and sectors into the digital realm at an unprecedented speed. Globally, patterns and possibilities of trade took new shape. The transformation towards e-commerce brings to the fore its special role beyond the crisis and presents unique opportunities for inclusive sustainable growth.

Rwanda has been at the forefront of the shift towards e-commerce in Africa - actively seeking to become a digital champion in the region and a pilot country for innovative digital solutions. For this, the Government of Rwanda embraced new policies, strategies and investments in infrastructure for information and communication technologies, which will be leveraged for the success of e-commerce.

Nonetheless, **Rwanda's local e-commerce ecosystem remains fragmented**. This constitutes a key barrier to using the internet as a sales channel by small and medium-sized enterprises (SMEs) that commonly lack access to the same infrastructure and resources as larger players. In order to trade successfully online, SMEs need to consider many elements besides just launching websites. These include warehouse management and logistics systems, transportation networks, online payment solutions and building customers' trust. Much of this cannot be designed by SMEs, who need to rely on an existing ecosystem.



## Collaborating to create an enabling environment for e-commerce

The Rwandan Ministry of Trade and Industry (MINICOM), with the support of the Special Initiative on Training and Job Creation, currently implements the initiative '**Rwanda: Enabling the Future of E-Commerce**' as one of many measures to build an enabling ecosystem for e-commerce in Rwanda.

The first pillar of the initiative is to set up a one-stop marketplace for e-commerce to **enable at least 600 SMEs across Rwanda to sell goods and services online at minimum upfront costs**. In 2021, the project has developed the domestic online marketplace, [www.rwandamart.rw](http://www.rwandamart.rw), and soon an international version will follow.

The second pillar, a physical e-commerce service centre, was created through a close collaboration with key public and private partners including national and international logistics providers, private sector representation and responsible ministries and authorities.

Benefiting from a public private partnership and a platform of shared technologies and services - from marketing, ordering and payment to logistics and customer service - SMEs will access everything they need to make a success of e-commerce.



Implemented by

## Enabling the future of e-commerce through different layers

**The E-Commerce Centre (ECC)** – a building located in the capital city Kigali provides the infrastructure that SMEs require to start selling online but usually cannot afford. By giving them access to Infrastructure-as-a-Service, SMEs can quickly move their business online, promote their goods and create new sales in Rwanda and beyond.



The ECC includes:

**An e-fulfilment warehouse:** Consumers want free, fast and green logistics. The ECC offers a warehouse where SMEs can store inventory and delegate the costly activities of picking, packing and shipping small orders. Using state-of-the-art equipment such as robotic pickers, packaging machines, e-motorbikes, the ECC allows for great savings on delivery times and costs.

**A trader lab:** The ECC offers rapid prototyping and pre-industrial productions thanks to a 3D-printing farm, and equipment to recycle local plastic waste into 3D-printing filament. The lab also offers packaging and semi-automated labelling machines, so that SMEs can upgrade the quality and compliance of their packaging according to Rwanda Standard Board compulsory guidelines.

**A digitisation studio:** Here, SMEs can digitise their products and tell their business's story in high resolution and 360-degrees, immersing potential buyers into their journey.

**A training facility:** For each offering that the ECC provides – be it physical or digital, service or piece of equipment – practical training and coaching are offered on site to entrepreneurs and local players. The ECC passes all the essential know-how on how to be successful in e-commerce on to the local community.

## RWANDA MART

The Marketplaces are based on simple, open-source and cost-efficient technologies that can be maintained by the local community. The system caters for Business-to-Consumers (B2C) as well as Business-to-Business (B2B) sales. It handles bookings, services as well as subscriptions.

The marketplaces are further empowered by:

**A legal, fiscal and logistics setup:** Using a local company and foreign registrations in the EU and or the US, the project allows for aggregating and facilitating export and import procedures for SMEs while opening direct access to foreign payment solutions and listing on foreign online marketplaces.

**A marketing strategy:** The project has invested in the know-how and production of high-quality and rich-media content, to be used to drive traffic and sales in the long term with minimal investment from SMEs.

**RwandaMart** is the first sales channel and was officially launched by the Rwandan Ministry of Trade and Industry in December 2021. It is now online and people living in Rwanda can buy and sell online. So far, 180 SMEs have been onboarded, among which almost 100 have an active store on the platform.

**Under the Invest for Jobs brand**, the German Federal Ministry for Economic Cooperation and Development (BMZ) has put together a package of measures to support German, European and African companies engaging in Africa. **The Special Initiative on Training and Job Creation** – the official title – offers comprehensive advice, contacts and financial support through its implementing organisations to overcome investment barriers.

### Please get in touch!

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**Published by:**  
Deutsche Gesellschaft für  
Internationale Zusammenarbeit  
(GIZ) GmbH

**Registered offices**  
Bonn and Eschborn  
Germany

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**As at:**  
05/2022

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**Programme/project description:**  
Job Partnerships and SME Promotion in  
Rwanda - Special Initiative on Training  
and Job Creation (Invest for Jobs)

**On behalf of**  
German Federal Ministry for Economic  
Cooperation and Development (BMZ)