Promotion of Economy and Employment Programme

E-Commerce & Logistics Sector

Why we invest in e-Commerce & logistics

Internationally, e-Commerce has exhibited strong growth rates over the past years. The digitalization of retail provides small and medium-sized enterprises (SMEs) with unique opportunities to access new markets, reduce operational costs and increase competitiveness and customer service. With SMEs contributing significantly to the growth and the development of the economy, it is crucial to provide these key players with the digital solutions they need to keep up with consumer demands. A growing market needs smart logistic solutions to be successful and profitable: With support of the leading logistics provider DHL, Rwanda’s logistic sector will be up-to-date – essential for a successful e-Commerce market.

Our partners and governance

To implement this strategy, a comprehensive network of partners, amongst others, MINICOM, the International Trade Centre (ITC), the Rwandan Development Board, the Workforce Development Authority (WDA), several national logistics providers and DHL, formed a core group, which brings together all partners to coordinate all activities and to provide leadership and guidance.

Our strategy

Rwanda knows about the high potential of e-Commerce for its economic development, but is also aware of obstacles SMEs face when trying to tap into this promising sector. To address them, MINICOM created the ICT4COM policy to set the framework for an engaging ICT-driven economy. The Promotion of Economy and Employment Programme (Eco-Emploi) now supports MINICOM in revising the policy on legal issues, consumer protection and intellectual property related to e-Commerce models – taking the next step to successfully introduce them to Rwanda’s economy. Through close collaboration with the ICT-Chamber, online businesses formed the e-Commerce association to pool forces and speak with a unified voice.

Together with ITC, DHL and MINICOM, Eco-Emploi aims to boost understanding and usability of modern technologies among Rwandan producers and suppliers of goods and services. These factors will help SMEs to succeed in e-Commerce: access to markets and having the right tools and support.

A few of our interventions

‘Made in Rwanda’ is the new quality label to show the world how cutting edge Rwandan products are. With the new platform and over 150 products already online, www.madeinrw.rw is an effective management and distribution system and SMEs can start selling their products. By participating in Made in Rwanda Online, they are able to experience and learn about the benefits of e-Commerce first-hand. Rwanda’s first online platform for SMEs functions as a groundbreaking tool, combining training measures with direct effects on revenue increase for a sustainable establishment of e-Commerce in the country.

While using e-Commerce to showcase their work, SMEs are trained in online trading by ITC, learn how to engage with online service providers and become competent and ready for e-Commerce transactions. To guarantee best learning effects, they receive support through 20 specially educated e-Commerce coaches.
What works in the digital sphere with the Made in Rwanda Online platform is transferred to the ground: SMEs can be strong when they combine forces and work together. The e-Commerce Service Centres (ESCE) are the physical representation of teamwork shown online. Planned to be built in all five provinces of Rwanda, the first ESCE will be established in the City of Kigali and is a major factor in the reduction of costs for the SMEs. It acts as hub for national distribution and handles logistics arrangements like packaging and labelling of goods as well as storage space for national and international transportation. But it is not only about logistics: The ESCE’s objective is to make e-Commerce advisory services easily available to SMEs all over the country. By establishing four more centres equally distributed throughout the country, a nationwide accessibility of logistic and advisory services is guaranteed.

The growing market possibilities show first results: Enterprises of the export and logistics sectors identified the need for Trade Administration Experts. Similar to vocational and educational trainings (TVET), a commercial course for certified “Export Managers” is in the making. To match the needs and demands, WDA, the participating enterprises and Eco-Emploi develop the concept and curriculum for the course. By the end of the course, export and logistic enterprises in Rwanda will be equipped with certified export managers to improve their trade administration processes.

What we expect

The e-Commerce and logistics activities were launched very recently, in November 2017. Our previous success in working with cooperatives and SMEs to increase the product quality of locally produced goods and the worldwide experienced profitability of e-Commerce operations keeps us confident and optimistic. We expect a significant increase in business performance of cooperatives and SMEs who use the e-Commerce platform and an increase in the country’s connectivity to international markets. 30% of the over 50 in the online platform participating SMEs will report significant increases in their revenue and the number of SME’s with e-Commerce operations will rise consistently. 150 enterprises will be provided with capacity building on trading through e-Commerce and five ESCE’s are established at the end of the Programme’s period. MINICOM will have revised and updated the national policy framework on e-Commerce and the export managers will have received training and certification aligned with the national TVET system.