

Special Initiative on Training and Job Creation

Working together for sustainable growth and jobs in Rwanda

Strong growth and high potential

Rwanda is one of the **most rapidly expanding economies** in East Africa, with annual growth exceeding 10 per cent in 2019.

Subsistence farming still plays an important role in Rwanda, as two thirds of the population are engaged in this sector. Alongside diversification of this deeply rooted traditional sector in the 'land of a thousand hills', the Government is currently intensively promoting development of Rwanda's digital economy. Its intention is to develop the capital, Kigali, as an information and communications technology (ICT) service centre in Africa.

Rwanda ranks second highest among the African countries on the Ease of Doing Business Index, which rates countries on how welcoming they are to businesses and entrepreneurs.

There is high potential in Rwanda's growth and its Government's will to innovate. Between 2001 and 2014, the proportion of the population living below the national poverty threshold fell from 59 per cent to 39 per cent. Since then, however, progress has stalled.

The approach taken by the Special Initiative

To open up more prospects for the future, particularly for young people in the country, the **Special Initiative on Training and Job Creation** of the German Federal Ministry for Economic Cooperation and Development (BMZ) is encouraging long-term private investment. The aim of the Special Initiative, which is operating under the **Invest for Jobs** brand, is to create more and better employment. Thus, it contributes to the implementation of the Marshall Plan with Africa and the G20 investment partnership 'Compact with Africa'.

Key facts on Rwanda and the Special Initiative

Population	12.6 million*
Gross domestic product (GDP)	USD 10.2 billion*
GDP growth	10.1 %*
Unemployment rate / youth unemployment	1.0 % / 1.7 %**
Special Initiative clusters	The Kigali Special Economic Zone

Source: GTAI (2020), *estimates for 2019, **World Bank (2019)

Through **sustainable investment** and needs-based **cooperation with the private sector in Germany, Europe and Africa**, good-quality **jobs and apprenticeships** are to be created in the Special Initiative's **partner countries** – currently Côte d'Ivoire, Egypt (in preparation), Ethiopia, Ghana, Morocco, Rwanda, Senegal and Tunisia. During the ongoing coronavirus crisis, Invest for Jobs is also supporting local companies with economic stabilisation measures that are **ensuring business continuity and preserving jobs**.

We are supporting sustainable investment

Together with German, European and African companies and investors, we are developing demand-oriented projects – known as **training and job partnerships – across all industries**. These partnerships are intended to overcome investment barriers and create sustainable employment.

Example: In cooperation with the Rwandan training provider *STES Group Ltd.*, the Special Initiative has been training **around 300 young people** in the ‘internet of things’ in the agriculture, energy and transport sectors since early 2020. The ‘internet of things’ connects physical objects with the virtual world, opening up prospects for innovative business models. The objective of the project is to boost trainees’ employability through newly acquired skills and to improve the availability of skilled staff for international investors.

Grant funding worth between EUR 1 million and EUR 10 million is being awarded for **investment projects** in a competitive process. This funding is aimed at removing barriers to the creation of more and better jobs and training in the private sector. To this end, interested companies from Rwanda, other African countries and Europe will be able to submit proposals.

We are supporting attractive business locations and growth industries

Together with our Rwandan partners, we are developing **attractive business locations**, including business and industrial parks, and are promoting selected growth industries. In Rwanda, our work focuses on developing and expanding the **Kigali Special Economic Zone**. Formulating a sustainable business model and improving services for local companies broadens the potential the capital offers. Our support is, however, not limited to the Kigali Special Economic Zone.

We are strengthening Rwanda’s SMEs

We are supporting **small and medium-sized enterprises (SMEs)** in Rwanda and helping to establish business links, particularly between Rwandan and European – especially German – SMEs. Measures to improve the quality of Rwandan products are also boosting export potential and creating new jobs.

Example: The software academy *WeCode* launched its second series of training courses in mid-2020. *WeCode* trains female programmers who initially participated in courses online due to the coronavirus crisis. Once participants have acquired digital skills, they are supported in finding work, particularly in Rwandan companies. Of the 76 female participants completing the successful pilot programme, 46 went on to find employment immediately after they had finished their training. With the qualification of programmers the project supports the growth of SMEs in Rwanda’s IT industry.



Participants in a training course on the ‘internet of things’

Other offers of Invest for Jobs

Partnerships with chambers and business associations and vocational training institutions are improving vocational qualifications, education and training in Rwanda.

Within the framework of the **University-Business-Partnership Programme**, higher education with a practice-oriented focus is encouraged and labour-market relevant courses of study are developed. Since April 2020, the *Technische Universität Berlin* in Germany has been cooperating with the *University of Rwanda*. Working with private sector partners including *Volkswagen Mobility Solutions Rwanda*, *DB Schenker* and the *Kühne Foundation*, they aim to provide practical courses of study in the areas of logistics, mobility and sustainable urban development and to gear these courses to the logistical profile of Rwanda’s mobility sector. Company placements also give students an opportunity to get in contact with potential employers early on in their studies.

Under **partnerships between civil society and the private sector**, training and job creation is supported through joint projects with civil society organisations.

In all our activities, we set great store by **cooperation** between the companies and investors involved, the German Chambers of Commerce Abroad, civil society, the Government in the partner country and the German Government.

Please get
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