

Supporting Sustainable Growth and Employment

In Rwanda's Wood Value Chain



Why we invest in the wood value chain

The Government of Rwanda identified the wood industry as a key sector for employment and sustainable growth. However, Rwandan forests have been threatened by deforestation and continuous degradation. In addition, most wooden products are currently being imported. Moreover, the sector's competitiveness is still low due to insufficient market orientation and business models, low productivity and a lack of management competencies.

In line with the Government's 'Made in Rwanda' policy, the Promotion of Economy and Employment project (Eco-Emploi) promotes sustainable forestry and strengthens the local wood sector's competitiveness to increasingly substitute imported with locally produced products. Therefore, micro, small and medium enterprises (MSMEs) and cooperatives along the wood value chain are supported in improving their skills, structures and processes for more sustainable and efficient production.

A few of our interventions

Eco-Emploi supports the Ministry of Trade and Industry (MINICOM) in developing a standard management model for Integrated Crafts Productions Centres (ICPCs). A national pilot project for ICPCs aims at improving the management capacities, profitability and self-reliance of woodworking-related businesses.

The Promotion of Economy and Employment (Eco-Emploi) project is a joint Rwandan-German Development Cooperation Project implemented by the Deutsche Gesellschaft für Internationale Zusammenarbeit (GIZ) GmbH and commissioned by the German Federal Ministry for Economic Cooperation and Development (BMZ). It aims at creating jobs and strengthening micro, small and medium-sized enterprises (MSMEs) and cooperatives in the film, tourism and wood value chains through technical and vocational education and training (TVET), private sector development and improvement of labour market interventions.

To enhance the wood sector's innovation and production capacity, Eco-Emploi provides technical assistance to the National Industrial Research and Development Agency (NIRDA) to establish and run a twin Incubator and Accelerator Facility (I/AF). The main objective of the I/AF is to improve the competitiveness of start-ups and companies in the wood value chain. To that end, the I/AF offers a general and tailored set of services for start-ups, companies, and cooperatives from the wood sector, such as business advice, entrepreneurship and business management training, coaching and mentoring.

Eco-Emploi supports the Rwanda Standards Board (RSB) in raising awareness about the progressive standardisation of wood products for more rationalised chain production processes to increase the productivity and competitiveness of MSMEs and cooperatives. Notably, the development, implementation and dissemination of standards for timber, wooden furniture and fixtures are supported.



L to R: Carpenters polishing wood before building a door; Carpenters putting together a wooden door



L to R: With her protective glasses and mask, a carpenter at the VKMAN Ltd. polishes a cupboard; A carpenter spray-paints a cupboard

Eco-Emploi strengthens the institutional capacities of key-value chain actors, such as the Rwanda Wood Value Chain Association (RWVCA), to improve sustainability and quality at different stages of the value chain. The project specifically supports RWVCA and the Integrated Polytechnic Regional College Kitabi to set up a Wood Innovation Centre that acts as a hub for high-quality industry-based training sessions for wood manufacturing private sector operators. The centre prepares students for careers in the forestry and woodworking industry and promotes and strengthens the capacity of the RWVCA in providing services to its members.

The Rwandan wood sector is relatively weak and exposed to the risk of exogenous shocks. The capacity development of the RWVCA will enable the association to efficiently provide quality services to private sector operators in the wood value chain. In addition, the Incubator and Accelerator Facility will promote the development of new business to business networks at the local and regional level and facilitate consolidating the wood sector. These joined interventions are expected to improve sustainability and ensure the long-term growth of the Rwandan wood economy.

What we expect

Strengthening the capacities and competencies of MSMEs and cooperatives along the wood value chain to better plan and implement operational improvement measures is expected to raise their productivity, turnover, and expand the local production of high-quality wood products. Combined with efficiently managed companies and cooperatives and a skilled workforce, the sector will be able to compete with international companies, thereby gradually replacing imports and increasing the demand for local products. Consequently, increased revenues will allow businesses to expand and generate employment opportunities for more skilled workers.

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