



MININFRA- t-SWAp

January 2016

**Bulletin Q2**

**CONTENTS:**

**1- INTRODUCTION ..... 3**

**2- SECTOR HIGHLIGHTS ..... 3**

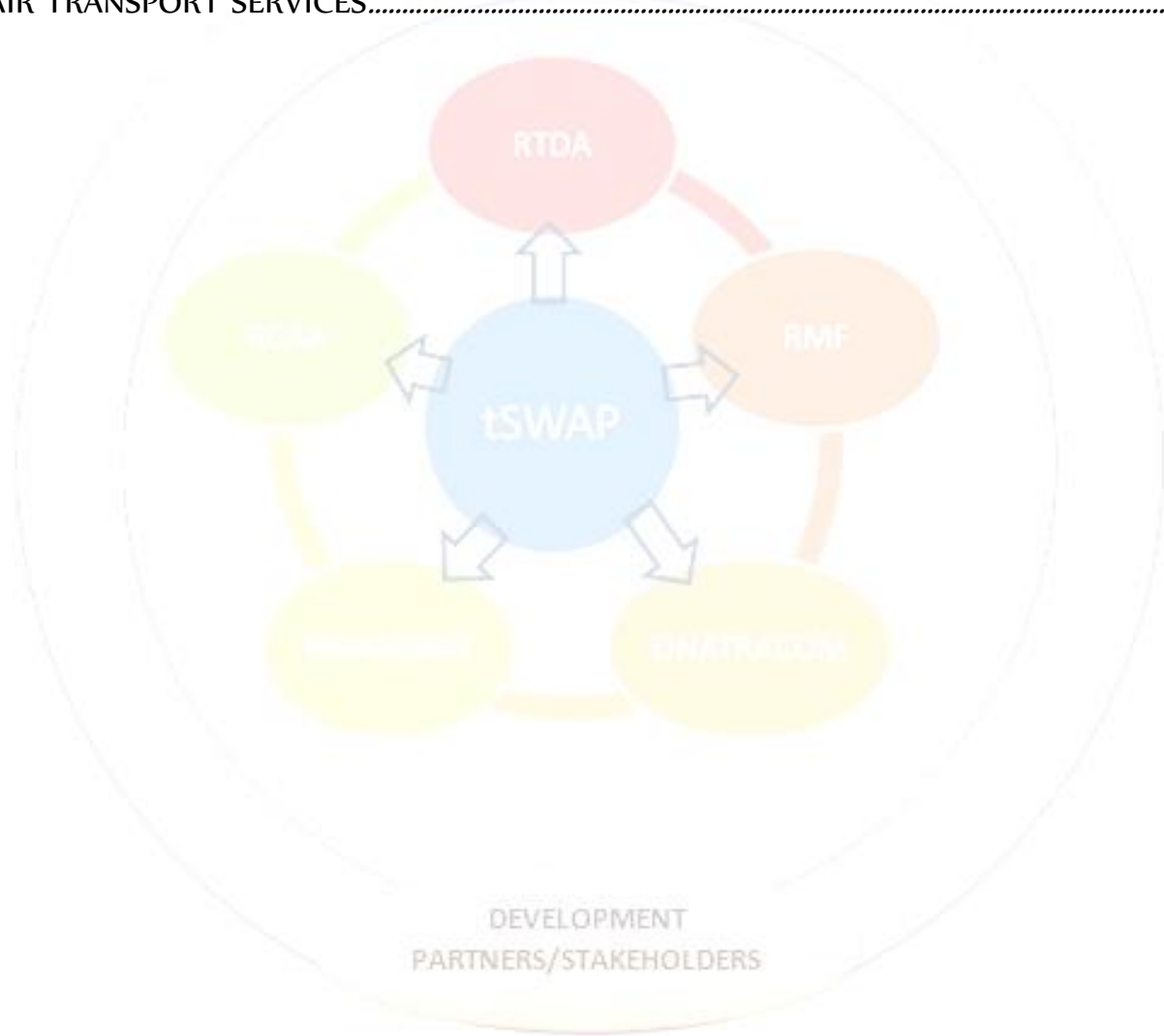
    ROAD INFRASTRUCTURES ..... 3

*Government in Partnership with the Arab Funds..... 3*

*Government in Partnership with the African Development Bank.....4*

    PUBLIC TRANSPORT ..... 5

    AIR TRANSPORT SERVICES..... 5



# 1-Introduction

Transport Secretariat t-SWAp takes the pleasure to wish you a Prosperous New Year 2016 as it presents to you its Bulletin Version 3 that follows the second bulletin for 2015-16. The bulletin highlights achievements and milestones in the sector- Road Infrastructure Projects, Regional Initiatives in the transport sector, Air transport services. The

Secretariat acknowledges the valuable inputs from the Sector Working Group (SWG) members and invites feedback at sectorial level for continual improvement, coordination and information sharing on how this quarterly bulletin could further be improved. Please forward your suggestions to the Secretariat address on [tSWAP@mininfra.gov.rw](mailto:tSWAP@mininfra.gov.rw)

## 2- Sector Highlights

### Road Infrastructures

#### Government in Partnership with Arab Funds

#### Kuwait Fund for Arab Economic Development (KFAED)

#### Nyagatare- Rukomo Road Project

On the 11<sup>th</sup> December, 2015, the GoR signed a concessional agreement of \$ US 15 Million between Kuwait Funds for Arab Economic Development (KFAED) to support construction of the road. The project Nyagatare – Rukomo is an existing earth road of 73.3 kilometers length and a corridor width of a 6-8 meters. This road project is a segment of Nyagatare - Byumba-Base- 124.8 kilometer road network which is expected to cost US\$ 88.5 million (approximately RWF 65 billion and co-financed by ARAB Funds. The Government of Rwanda has already signed concessional financing agreements with the OPEC Fund for International Development (OFID), Kuwait Fund and Saudi Fund for the construction of project.

Upon completion, the road will provide a direct link between the eastern and northern regions in Rwanda; two of the country's rich agricultural center. This is expected to enhance trade opportunities and farmers' access to a wide market of more than 1.2 million people, reduce the cost of transportation and improve accessibility to social services.

**Signing of Concessional Financing Agreement between the GoR and Kuwait Funds for Arabs Economic Development (KFAED) with \$ US15**



**Figure 1: Signing ceremony between MINECOFIN and KFAED**

## Contribution from Saudi Fund to Finance Nyagatare-Rukomo Road with \$US15m

The Government also received \$15 Million (11.2 billion) from the Saudi Fund for Development (SFD) to finance the construction of Nyagatare – Rukomo road project. The signing of the concessional loan agreement took place on 29th December 2015 in Kigali between Claver Gatete, the Minister of Finance and Economic Planning and Hassan Al-Attas, the director general of operations at SFD.

The Government of Rwanda recognizes the importance of this fund's support as essential in the implementation of sustainable development goals (SDGs) which focus on infrastructure development and the project is expected to be completed by mid-2019.



Fig 2: Signing Ceremony between MINECOFIN and Saudi Fund

## Government in Partnership with Arab Bank for Economic Development (BADEA)

On 25<sup>th</sup> November 2015, the Government of Rwanda and the Arab Bank for Economic Development (BADEA) signed a US\$ 15 million (approximately RwF 11.2 billion) concessional loan to construct Rukomo -Nyagatare road.

The signing event was overseen by Mr. Shayka Kajugiro Ismail, Rwanda's charge d'affaires to the Republic of Sudan and the Director General of BADEA Dr. Sidi Ould Tah at the bank's headquarters in Khartoum.

## Government in Partnership with African Development Bank (AfDB)

### Upgrading of Karongi – Rubengera Multi-national road Project (17km)

The Government of Republic of Rwanda received financing from the African Development Bank towards the cost for Consultancy services for supervision of Karongi-Rubengera road rehabilitation (17km). This financing was part of the cost of the Multi-national Nyamitanga-Ruhwa-Rusizi-Ntendezi-Mwityazo Road Project connecting Rwanda to Burundi.

Both Works and Supervision contracts were signed on 12th November, 2015 and the project implementation is on-going. Upon completion, the road will not only have significant impact by linking western to neighboring regions of the country but will also reduce the costs of transport and mobility in general, and improve the road security and safety as well as raise the standards of living of the population in the area. The road will further will lead to market access for agricultural production and is expected to increase employment opportunities and in general lead to poverty reduction.



Fig 3: Construction of Retaining wall

Nyagatare– Rukomo road is an existing earth road of 73.3 kilometers length which is a segment of the Nyagatare-Rukomo-Byumba-Base 124.8 kilometer road.



Fig 4: Existing Nyagatare – Rukomo Earth Road

## 2. Public transport

### Creation of New Public Transport Company

The Government has established a new public transport company (Rwanda Inter-Link Transport Company Ltd (RITCO) to replace the existing ONATRACOM. After assessing the performance of the company, which has experienced financial and operational problems since 2009, the Cabinet Meeting of 16th December 2015 resolved to place ONATRACOM with a new company in order to improve its operational efficiency.

The new company will keep serving the primary mission of ONATRACOM which is to curb internal isolation of different regions of the country, with the aim of facilitating the population (especially in those in rural areas) in accessing not only developmental activities but also the socio-economic amenities (Hospital, public institutions, schools, churches, market, etc...) at an affordable price.



Fig 5: Existing ONATRACOM Bus

## 3. Air Transport Services

### Aviation Travel and Logistics “ATL Holding Ltd”

The Government established a Holding company that will merge all Air Transport, Logistics and Travel Services and Products in Rwanda under one Common Management referred to as Aviation Travel and Logistics “ATL Holding Ltd”.

The holding company (ATL holding Ltd) brings together five major subsidiaries namely:

- i) The National Carrier (RwandAir)
- ii) A National Logistics Company
- iii) A Hospitality and Travel Management Ltd
- iv) The Rwanda Airports Management Ltd and
- v) Akagera Aviation

The holding company (ATL holding Ltd) will provide a platform that is expected to elevate the position of Rwanda as a regional aviation hub that brings together all air transport products and related services into one stop center. This will not only improve sustainability of RwandAir’s financial performance and its market position as both passenger and cargo traffic volumes increase, but will also ensure that Rwanda’s economy benefits from the catalytic benefits from the development of the aviation business as a whole.

### Bilateral Air Service Agreement (BASA)

On 4th November, 2015, a Bilateral Air Service Agreement (BASA) was signed between Hon. Minister in charge of transport, Rwanda and Minister of Transport and Civil Aviation from the Republic of Central Africa. The agreement means the national carrier, RwandAir,

can fly to the Republic of Central Africa without any limitation (granted the fifth freedom). It also allows the two countries to establish and strengthen bilateral cooperation in air transport industry while facilitating the ease of doing business between Rwanda and Central Africa.



Figure: 5 Signing Ceremony

The agreement provides a business opportunity to strengthen our commercial aviation and make it more profitable for our people to trade and share experiences without any limitations.

Other Bilateral Air Service Agreements (BASAs) signed with GoR in December 2015 include; Ivory Coast, South Sudan and Uganda.

Existing BASAs between Rwanda and Namibia, Zambia, Greece and Russia were reviewed and 8 New BASAs between Rwanda and Norway, Denmark, Sweden, Sri Lanka, Mauritius, Egypt, Switzerland and Oman were negotiated and concluded/initialed.

**The United Nations commends RwandAir's safety record.**

Kigali, October 26th 2015 - The United Nations commended RwandAir's safety record and lifted its ban for official staff travel. **Mr. Lamin Manneh, the UNDP Resident Representative and UN Resident Coordinator in Rwanda** said "I am pleased to note that after our strong advocacy underpinned by RwandAir's excellent safety

record, the UN has declared its unrestricted use by its staff". RwandAir is committed to operating at international safety standards and its safety records are at the highest levels in the industry. It's with this same spirit that RwandAir pursued the IOSA certification and successfully passed the stringent IATA Operational Safety Audit in 2014. Consequently RwandAir became a fully certified IATA member.

