

# **WORLD TRADE ORGANIZATION**

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**Committee on Trade and Development**  
**Integrated Framework for Trade-Related Technical Assistance**

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**TRADE-RELATED TECHNICAL ASSISTANCE NEEDS-ASSESSMENT  
PRESENTED BY RWANDA**

**INTEGRATED RESPONSES BY WORLD BANK, ITC, UNCTAD,  
IMF, WTO, AND UNDP<sup>1</sup>**

RWANDA

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**TRADE-RELATED TECHNICAL ASSISTANCE NEEDS-ASSESSMENT  
PRESENTED BY RWANDA**

A. TRADE POLICY

(a) **What are the sectors that you believe have unexploited or underexploited export potential?**

|                                 |                |
|---------------------------------|----------------|
| - Fruit, flowers and vegetables | Underexploited |
| - Pyrethrum extract             | Unexploited    |
| - Minerals: kaolin              | Underexploited |
| - Hides and skins               | Underexploited |
| - Textiles                      | Unexploited    |
| - Tomatoes and soya bean oil    | Underexploited |

With respect to the development of these products, the Ministry of Trade, Industry and Cooperatives is currently preparing an action plan to promote exports.

(b) **Could you please define your country's perspective of the reasons for any changes in the structure and direction of exports and imports?**

There have been no significant changes in the structure of imports and exports. Nor have there been changes in the direction of our exports. However, Uganda, the United Arab Emirates and South Africa have gained strength as Rwandan suppliers. Their shares of our imports have grown respectively from 0.22 per cent, 0.95 per cent and 0.38 per cent in 1992 to 6.7 per cent, 6 per cent and 0.8 per cent in 1996. This is apparently due to better knowledge of these markets by Rwandan economic operators.

(c) **What have been the objectives of trade policy in the most recent period, compared to, say, two decades ago?**

Recent trade policy objectives have been:

- Reduction in the current external deficit through the promotion of non-traditional exports. These products include fruit, flowers and vegetables and different industrial products (textiles, beverages, hides and skins, minerals, etc.).
- The liberalization of the entire economy beginning in 1995 has permitted many trade policy objectives to be achieved, as compared with previous years.

Policies have been designed to diversify exports and promote non-traditional products.

The following are the most important:

- Removal of monopolies in the export of traditional products.
- Removal of the obligation to dispose of export earnings in foreign exchange on the foreign exchange market, with the goal of attracting more investors to the export sector.

- Removal of the 0.4 per cent commission on funds borrowed abroad to finance Rwandan exports, except on funds obtained at the time export receipts are repatriated, although that commission is also being removed.
- Relaxation of certain fiscal constraints to the benefit of investors in non-traditional exports and the establishment of a special fund to guarantee or mutually support efforts to increase export earnings.

Liberalization of imports has been completed by delegating to the commercial banks the power to validate bank import declarations and payments.

- Diversification of the production sector under an economic liberalization policy that involves the withdrawal of the State from productive and commercial activities and the establishment of a legal and regulatory framework to promote the private sector.
- The work under way with respect to the competitiveness of each product, production logistics, shipping and marketing will help to establish a new approach to export development. The ensuing plan of action will permit the Ministry of Trade, Industry and Cooperatives to design development programmes for the different lines of business.

The Government has withdrawn from export-oriented sectors such as coffee, tea and minerals.

With respect to the legal and regulatory framework and incentives for the private sector, the current tax code and the customs tariff that has revised duties on equipment and raw materials can be mentioned.

A whole series of other incentives are planned under legislation to establish a Rwandan investment promotion bureau.

**(d) What are the Ministries in charge of trade policy matters, including formulation, implementation, enforcement and monitoring? How is coordination made? What are the respective roles of the relevant Ministries (give particular attention to tariff policies and other policies directly affecting exports and imports of goods and services)?**

A number of ministries and agencies are involved in formulating and implementing trade policy:

1. The Ministry of Trade, Industry and Cooperatives: general policy and strategy, particularly export promotion strategy and policies to support private sector development.
2. The Ministry of Finance and Economic Planning: customs tariffs, tax code, privatization of public companies.
3. The National Bank of Rwanda (Central Bank): exchange regulation (import and export procedures for factor and non-factor goods and services, management of the exchange market), monetary policy (interest rates, price of financial services), and control of financial institutions.

**(e) How are the private sector and academic institutions associated with the formulation and conduct of trade policy?**

The private sector is consulted in the process of preparing the texts of laws and regulations governing trade. Draft texts are sent to private sector representatives for comments. Seminars/workshops

or meetings to provide feedback are organized when reports and trade policy and strategy documents are issued.

The private sector entities regularly involved include the Rwandan Chamber of Commerce and Industry, the Rwandan Association of Industrialists, the Exporters' Association, etc.

Meetings are held to organize concerted action by all these institutions. A permanent structure for discussion between the public and private sectors will be established in future, and a study in that regard is under way.

Universities occasionally participate through consultations/councils.

**(f) What are the institutions in your country that can play a role in implementation of a trade-related project at the local level? State their respective roles.**

- The Ministry of Trade, Industry and Cooperatives;
- The Ministry of Justice;
- The Rwandan Chamber of Commerce and Industry (CCIR);
- The Rwandan Association of Industrialists (AIR);
- The Association of Rwandan Banks (ABR);
- The Rwandan Development Bank (BRD);
- The Ministry of Transport and Communications;
- The Private Sector Development Project.

**(g) What are the main laws and regulations dealing with trade policy - on exports and imports? Please provide a short description of each.**

| Law or regulation              | Purpose  | Date of promulgation |
|--------------------------------|--|----------------------|
| - Law 06/88                    | Organization of trading companies                                      | 12 February 1988     |
| - Law 036/91                   | Trade registry   | 5 August 1991        |
| - Law 32/91 amending Law 43/90 | Export promotion   | 5 August 1991        |
| - Law 34/91                    | Organization of foreign trade  | 5 August 1991        |
| - Exchange regulations         | Organization of exports and imports, management of the exchange market | March 1995           |

**(h) What are the main instruments of trade policy - on exports and imports? Please elaborate (e.g. on import restrictions, the questions might be: on what products are there any import bans; on what products are there quantitative import restrictions; licensing requirements etc.; what is the highest tariff rate currently in use; are there any excise taxes, other "domestic" taxes that are applied differentially to imported goods, or to goods of a type that are principally imported?).**

The main instruments are: exchange regulations, directives of the Ministry of Trade, Industry and Cooperatives, customs tariffs.

There are no import restrictions. The exchange regulations in effect have replaced import permits with bank import declarations.

Imports of certain products require authorization from the pertinent ministry. Imports of the following products are banned unless permission is obtained from the Minister of Defence:

- Ammunition, weapons and war materials;
- explosives and pyrotechnic devices.

Imports of pharmaceuticals require advance authorization from the Ministry of Health.

Licensing requirements are:

- It is necessary to be registered as an importer to obtain a bank import declaration. For occasional imports, authorization is required from the ministry responsible for trade;
- with respect to taxation, particularly customs tariffs, more up-to-date information will be available when the new tariff is adopted;
- there is virtually no sanitary or phytosanitary protection organized at the borders;
- a service responsible for intellectual property is also responsible for industrial standards;
- the Department of Foreign Trade issues certificates of origin in accordance with the applicable regulations;
- prior to all shipments of merchandise, customs performs an inspection focusing particularly on export classification.

**(i) In case you are a WTO Member or are in the process of acceding, how is your country preparing itself to comply with the WTO Agreements?**

Rwanda has acceded to WTO and expects to quickly ratify the Agreements. It has undertaken to respect the general obligations and rules such as transparency, economic integration, market access, etc.

**(j) What is the state of familiarity with the WTO framework:**

- **among government and government-related agencies?**
- **in the private sector?**

Rwandan Government and government-related agencies are relatively familiar with WTO and its predecessor GATT, and with the different negotiations that have taken place under the Uruguay Round. The same holds true in the private sector. Extensive dissemination of information on the WTO framework would be desirable.

**(k) What are your technical assistance requirements with regard to your compliance with the WTO Agreements?**

- Establishment of a centre to coordinate WTO activities in Rwanda. The centre would compile and disseminate information on WTO, export market opportunities and sources of supply. In short, it would collect and process information on foreign trade. It would be supervised by the ministry responsible for trade.
- Organization and financing of seminars for government managers and economic operators to raise awareness of the WTO Agreements.

- Introduction of modern technologies and financial expertise to develop efficient financial markets.

**(l) In which specific areas of the WTO Agreements do you have technical assistance needs (e.g. market access, agriculture, rules (anti-dumping, subsidies, import licensing, rules of origin, safeguards etc.), TBT and SPS, Services, TRIPS)?**

- Use of TBT and SPS systems.
- Other areas for assistance:
  - Access to export markets based on market for each product line;
  - phytosanitary control and sanitary protection;
  - anti-dumping rules.

**(m) What is your assessment of your existing trade analysis and negotiating capacities, both multilateral and bilateral, in areas already covered by the WTO Agreements and other trade-related areas, e.g. competition policy and trade and environment?**

Capacities are still weak but potential exists that could be tapped with WTO support. Some manager staff from the Ministry of Trade, Industry and Cooperatives has attended the WTO's trade policy courses.

To boost the country's negotiating capacity, Rwandan managers could participate in the courses to be organized by WTO in 1998 and 1999 for least-developed French-speaking countries.

## **B. OBSTACLES TO TRADE EXPANSION**

Obstacles to trade encompassing problems in export markets, infrastructure, human capacities, institutional bottlenecks, trade financing problems and gaps in trade information can inhibit a least-developed country from taking full advantage of trading opportunities.

Supply constraints, including institutional bottlenecks

**(a) What are the main bottlenecks inhibiting the development of sustained export capacity of goods and services (e.g. customs facilitation, freight charges, quality management, elimination of cumbersome legal and administrative procedures, paucity of human skills, access at international prices to imported inputs, or inadequate telecommunication, port and transport facilities etc.)?**

- **Land-locked countries may face additional problems, such as having to ship using costly or unreliable transport and ports systems. In case this applies to your country, please indicate such problems. What kind of technical assistance would help you work out these problems?**

Main bottlenecks inhibiting the development of sustained export capacity in goods and services:

- The land-locked situation of Rwanda and its distance from the main maritime ports on the continent, which make for expensive inputs for companies (the costs of shipping, transit and storage raise the prices of raw materials, fuel and semi-finished or finished export products).

- The high cost of public utilities such as electricity, water and telecommunications. The infrastructure is generally in poor condition.
- Lag in competitiveness in comparison with the other countries of the subregion, which widened owing to the major import-substitution bias in trade policy in the past.
- Scant direct foreign investment in non-traditional exports, lack of professionals in the field of exports.

**(b) Are there any institutional bottlenecks, which may impede the efficient conduct of your country's trade policies? Provide details. For example, what are the problems perceived by the different actors, e.g. exporters, producers, service providers (banks, insurance companies, quality control, transporters, etc.), professional associations and Ministries? Are problems mainly perceived in the area of:**

- (i) human resources;**
  - (ii) management of the institution;**
  - (iii) financial and material resources;**
  - (iv) communication.**
- High cost of credit owing to weak competition in the banking system. However, the following changes in the banking system should be noted.

#### Credit controls

Following the economic liberalization policy that the country has been pursuing for some time, there was no dearth of credit for the economy and this led to the removal of all credit controls.

#### Interest rates

Interest rates (borrowing and lending) have been completely liberalized and the banks can set them freely. The average lending rate has been falling (18.51 per cent in March 1997 compared with 16.22 per cent in December 1997) owing to the reduction in the inter-bank and money market rates. For long-term investment financing, investors can obtain loans under favourable conditions from the IDA line of credit or the Rwandan Development Bank's lines.

#### Outdated banking system

Rwanda's banking system is adapting gradually to the modern banking system through the use of modern instruments for prudential supervision, as illustrated by Directive 10/96 of 24 December 1996 on risk coverage and monitoring commitments.

- Mismatch between existing financial products and the needs of the export sector; lack of long-term resources from banks.
- Absence of an effective guarantee fund to favour the appearance of dynamic entrepreneurs.
- Lack of management skills.
- Inappropriate legislation and delay in establishing an export-promotion framework.

- Lack of an efficient communication system.

**(c) What are the main bottlenecks to export diversification?**

Main bottlenecks to export diversification:

- The scant complementarity of investments in the subregion and the protectionist practices of certain trading partners;
- the absence of a true private entrepreneurial class and mechanisms for providing risk capital;
- the absence of resolute exploration of production possibilities and available resources;
- difficulties in access to foreign markets; lack of regular and timely information on business opportunities; lack of qualified personnel; lack of incentives;
- poor competitiveness of Rwandan manufactures in comparison with those of the subregion;
- high cost of transport for perishable products such as vegetables and flowers.

**(d) If investment in the production of goods and services is inadequate, what are the main reasons? Please elaborate them (e.g. structural constraints, difficulties in attracting foreign investment, limited enterprise development, financing, lack of appropriate technology, etc.).**

Main reasons for inadequate investment in the production of goods and services:

- Structural reasons such as the narrow domestic market and the poor condition of basic infrastructure;
- lack of entrepreneurship and qualified personnel for project management;
- shortcomings in policies to attract foreign investment;
- poor development services for small and medium-sized enterprises;
- outdated laws and regulations; bureaucratic red tape.

**(e) Is there a national policy to encourage export-related investment opportunities? Please elaborate. What arrangements are in place for reviewing, drafting and negotiating contractual arrangements with foreign investors?**

National policy to encourage export-related investment:

- Rwanda has begun to identify key sectors and goods with strong export potential in order to lay the groundwork for achieving comparative advantages in those goods and sectors;
- rationalization and privatization of public companies;
- promotion of joint ventures with foreign investors;



- increased competitiveness in the trade sector through a reduction in the anti-export bias thanks to lower effective protection (rationalization and lowering of customs tariffs, removal of non-tariff barriers, pursuit of the objective of the Regional Cross-Border Initiative to have just three import duty rates by 1999);
- project to create a modern free zone;
- project to create a 'one-stop window' for priority investors.

**(f) What are the main obstacles to the transfer, development and acquisition of technology? Is there any national policy/strategy in this area? Please elaborate.**

Main obstacles to the transfer, development and acquisition of technology:

- Absence of a national policy on research and development;
- absence of a framework for cooperation between businesses and educational institutions;
- Rwanda's scant attractiveness as a destination for foreign investment in the subregion;
- the high cost of acquiring technology.

Rwanda has not yet formulated a strategy in this field.

**(g) What are your technical assistance or other assistance needs with respect to supply constraints?**

Technical assistance needs with respect to supply constraints:

- Studies on strategic industrial and services sectors to develop feasible projects;
- establishment of a national research and development programme and strengthening/rehabilitation of existing research institutions;
- design and introduction of a training and information programme for enterprises; specific in training in running a business; establishment of special mechanisms to foster entrepreneurship;
- financial support for companies to participate in trade fairs and exhibitions and international business events;
- identification of opportunities for joint ventures and contacts with foreign investors.

Trade promotion and trade support services

Trade promotion comprises an integrated set of technical and financial services to enhance the global competitiveness of enterprises and thus facilitate their entry and increasing participation in international trade.

**(h) Do your enterprises, especially small and medium enterprises, experience difficulties in expanding their exports? What are these problems in the major export sectors?**

Problems encountered by enterprises in expanding their exports:

- Tea:
  - Lack of skilled rural workers;
  - f.o.b. sales conditions at port of exit are not favourable for exporters;
  - replacement parts for the industry are taxed at between 40 per cent and 60 per cent.
- Coffee:
  - Shortcomings in distribution logistics that have an adverse effect on quality and quantity;
  - lack of organization by coffee exporters for the purpose of sharing marketing costs and gains; shipping logistics, etc;
  - processing technology should be improved.
- Fruit, flowers and vegetables:
  - Strict sanitary and phytosanitary standards;
  - just-in-time production techniques; difficulties in exporting and shipping;
  - major investment needs.
- Pyrethrum:
  - Difficulties in rehabilitating the existing unit (OPYRWA).
- Minerals:
  - Outdated mining regulations;
  - poor organization by small-scale miners;
  - critical financial situation in the public unit (REDEMI);
  - lack of investments.
- Manufactured products:
  - Poor competitiveness (price and quality) and products that are in competition with those of neighbouring countries;
  - lack of prospecting of foreign markets.
- Skins and hides:
  - High shipping costs to Mombasa;

- identical investments in the subregion.
- Textiles:
  - High cost of power (about 20 per cent of production costs);
  - costs of labour and raw materials higher than in neighbouring countries;
  - financial costs and import duties on inputs higher than in neighbouring countries.

**(i) What are the problems for your enterprises in obtaining reliable and up-to-date information on export/import business opportunities?**

Problems of enterprises in obtaining reliable and up-to-date information on export/import business opportunities:

- Unfamiliarity with information sources and lack of experience in using information;
- scant use of modern information technologies.

**(j) Can your enterprises offer products of internationally acceptable design, quality and packaging to foreign buyers? If not, what are the problems?**

Problems in the design, quality and packaging of products:

- Lack of organized quality control and lack of proficiency in standardization;
- inadequacies of local packaging manufacturers (quality, diversity).

**(k) What problems, other than in terms of trade policy, do you anticipate in developing the export of services (e.g. computer software, tourism)?**

Problems relating to the export of services:

- Paucity of computer skills;
- not enough attractive tourism products and poor management of existing sites;
- poorly developed international transportation (weaknesses, lack of incentives, structural problems in the Rwandan economy).

**(l) What are the technical/professional problems encountered by trade support institutions (e.g. trade promotion council, chamber of commerce, exporters association, etc.) in your country in providing their services to export/import enterprises?**

Technical/professional problems encountered by trade support institutions:

- Scant dynamism of existing trade support institutions;
- insufficient material and human resources;
- slowness in restructuring the Rwandan Chamber of Commerce and Industry.

**(m) What problems and deficiencies are experienced by enterprises in their international purchasing and inventory management?**

- Lack of expertise in inventory management;
- lengthy and unpredictable delays in purchasing make it necessary to keep large, and therefore expensive, stocks on hand;
- exchange risk.

**(n) What are the present availability and arrangements for trade finance facilities (e.g. export credit guarantees, etc.)? Are there any perceived deficiencies in this area?**

Present availability and arrangements for trade financing facilities:

- Import financing is fairly accessible (basically letters of credit);
- export credits benefit from refinancing facilities from the National Bank of Rwanda at the bank's lending rate (lower than the rate on the money market).

**(o) What are the main problems in the way of improving export/import management skills of your business enterprises? Do you have training programmes in the country? What are the deficiencies?**

Problems in improving export/import management skills:

- Absence of specialized national training centres; high cost of training abroad;
- low levels of education.

There are no training programmes in this field in Rwanda.

**(p) Does your trade representation service actively promote your trade? What are the weaknesses?**

Rwanda has no trade representation service. Diplomatic and consular offices, where they exist, deal with matters relating to international trade.

**(q) Briefly describe your technical assistance needs in the area of trade promotion and support services.**

Technical assistance needs in the area of trade promotion and support services:

- Preparation and financing to promote the "Rwanda" product;
- material assistance and training for trade-support and promotion structures;
- establishment of a national quality control structure.

Market access

**(r) What are your main market access problems?**

- Scant diversification of exports.

- Lack of competitiveness of manufactures.
- Poor packaging of Rwandan products.
- Lack of knowledge of markets.
- Protectionist measures by trading partners.
- Non-tariff barriers erected by trading partners (different technical obstacles, quality requirements).

(s) [Deleted]

**(t) Regional and sub-regional trading arrangements (RTAs): please list RTAs to which your country belongs. Are you satisfied with the performance with these RTAs? Please state the problems of each. Do you have suggestions on how to solve these?**

Regional and subregional trade arrangements:

- Economic Community of the Great Lakes Countries (CEPGL): Rwanda, Burundi and Zaire;
- Organization for the Management and Development of the Kagera River Basin (OBK): Rwanda, Uganda, Tanzania, Burundi;
- Economic Community of Central African States (CEEAC) which includes the countries from the Central African Zone and the CEPGL countries;
- Common Market for Eastern and Southern Africa (COMESA);
- Cross-Border Initiative (regional integration initiative whose purpose is tariff reduction and removal of non-tariff barriers to trade in goods and services).

With the exception of COMESA, whose compensation and payments agreements have made for significant growth in trade between Rwanda and the countries of the region, the other arrangements have not been satisfactory, particularly with respect to complementary investments and free movement of persons and goods.

Mention should also be made of development institutions such as the Development Bank of the Great Lakes States (BDEGL), which has participated in a consortium to finance several projects in Rwanda, and the Energy Organization of the Great Lakes Countries (EGL).

**(u) Are there any problems in utilizing the existing market access preferences, such as GSP, GSTP? Please state the nature of problems relating to each of these.**

Problems encountered in using the existing market access preferences, such as GSP, GSTP:

- Total ignorance of these systems.

**(v) What are your technical assistance needs with respect to market access?**

Technical assistance needs with respect to market access:

- Techniques for prospecting and winning foreign markets;
- organization and financing of seminars on export marketing and on the preparation of trade fairs and exhibitions;
- training in market access preferences, GSP and GSTP.

C. TECHNICAL ASSISTANCE

Technical assistance is normally provided to developing and least-developed countries to build or enhance their human resources and institutional capacities, provide market intelligence and trade-related legal support, as well as improve their supply capabilities in order to make them more active players in the field of multilateral trade.

**(a) To the extent this kind of information is easily available, could you please briefly describe what trade-related assistance you have received over the past five years from bilateral and multilateral sources and what projects/programmes are presently under consideration in this area?**

Trade-related assistance received over the past five years from bilateral and multilateral sources:

- Financing for participation by two Rwandan managers in the workshop on market access organized by WTO in Abidjan (13-19 July 1997);
- financing for the export promotion project by UNDP in 1993 (implementation by ITC-UNCTAD/GATT);
- export promotion is currently included in the Private Sector Development Project financed by the World Bank (IDA 5421-RW).

**(b) Please summarize your technical assistance needs as well as other needs as reflected in this check-list. Please rank them in terms of priority.**

Rwanda has technical assistance needs in the following areas to enable it to take full advantage of the multilateral trading system under the WTO Agreements:

1. Study and implementation of training programme for managerial staff from ministries and agencies responsible for trade, in the fields of trade analysis and negotiation, implementation of the WTO Agreements and new information technology tools.
2. Study and implementation of a material assistance and training programme for structures to support the private sector and trade promotion organizations such as the Chamber of Commerce and Industry, the Exporters' Association, the Rwandan Association of Industrialists, and the one-stop window being established, etc.
3. Strategic sectoral studies on industry (apart from the agri-food industry) and services to produce a relatively complete inventory of production possibilities for each line of business.
4. Design and financing of a training and information programme for businesses (running a business, entrepreneurship).
5. Techniques for prospecting and winning foreign markets; training in GSP and GSTP.

6. Establishment of a national research and development programme to bolster existing research institutions.
7. Organization and financing of seminars on export marketing and support for participation in trade fairs and exhibitions.
8. Preparation and financing to promote the "Rwanda" product in international investment circles.
9. Establishment of a national quality control structure.
10. Identification and promotion of opportunities for joint ventures with foreign investors.

**(c) In light of the information you have been able to provide so far in response to the questions in this check-list, what types of information are, in your view, still missing or could be improved upon? In order to assist you in providing this missing information, would you need technical assistance?**

Rwanda has very limited technological capacity. Only a very few people are able to operate the new information and communication tools such as CD-ROM and the Internet. Specialized training in this field is becoming increasingly indispensable.

**INTEGRATED RESPONSES BY WORLD BANK, ITC, UNCTAD,  
IMF, WTO AND UNDP**

RWANDA

| Technical assistance needs identified in the questionnaire  | Organization | Response   |
|---|--------------|--|
| <p>In reply to question A(k):</p> <p><u>Technical assistance requirements as regards compliance with WTO Agreements</u></p>   |              |  |
|   | IMF          | <p>The IMF is already providing tax policy-related technical assistance. Rwanda is moving to adopt the regional Cross-Border Initiative. Under the forthcoming Fund ESAF, this is to be a two-stage process: both stages will be completed during the three-year ESAF period. In the first stage, and designed with Fund assistance, some tariffs will be reduced subject to fiscal constraints. Additional assistance has been requested for a follow-up phase of the reform.</p> |
|   | UNDP         | <p>Under programme RAF/96/001 seminars will be held in the region on the WTO Agreements and Rwandans will be invited to attend.</p>  |
| <p>Establishment of a centre to coordinate WTO activities in Rwanda. The centre would compile and disseminate information on WTO, export market opportunities and sources of supply. In short, it would collect and process information on foreign trade. It would be supervised by the ministry responsible for trade.</p> |              |  |
| <p>Organization and financing of seminars for government managers and economic operators to raise awareness of the WTO Agreements.</p>  | WTO          | <p>A seminar was organized in January 1998. Participants from Rwanda will be invited to regional seminars and to short courses on trade policy organized by WTO for least-developed French-speaking countries in 1998 and 1999.</p>  |



| Technical assistance needs identified in the questionnaire  | Organization | Response  |
|---|--------------|---|
| <p>Question A(k) (cont'd):</p> <p>Introduction of modern technologies and financial expertise to develop efficient financial markets.</p> | WTO          | See C(d).   |
|   | World Bank   | The technical assistance component of the Bank's Emergency Recovery Project will provide technical assistance to strengthen financial institutions and improve bank supervision. The study conducted by the Bank on the performance of the financial sector corresponds to this need. |

| Technical assistance needs identified in the questionnaire  | Organization | Reply  |
|---|--------------|--|
| <p>In reply to question A(l):</p> <p><u>Technical assistance needs as regards specific WTO Agreements</u></p> |              |  |
| Use of TBT and SPS systems  | WTO          | Participants from Rwanda will be invited to regional seminars and to short courses on trade policy organized by WTO for least-developed French-speaking countries in 1998 and 1999.                          |
| Other areas for assistance:   |              |  |
| - Access to export markets based on market studies for each product line.                                     | ITC          | ITC will provide the Government with selected market studies.  |
|   | World Bank   | The private sector development project includes a study and a seminar on barriers to exports. Another study will be conducted by the Bank on Rwanda's competitiveness on regional and international markets. |
| - Phytosanitary control and sanitary protection   | ITC          | ITC will provide interested parties with the necessary documentation.  |
| - Anti-dumping rules  | WTO          | Participants from Rwanda will be invited to regional seminars and to short courses on trade policy organized by WTO for least-developed French-speaking countries in 1998 and 1999.                          |

| Technical assistance needs identified in the questionnaire   | Organization            | Reply  |
|--|-------------------------|--|
| <p>In reply to question A(m):</p> <p><u>Assessment of the existing trade analysis and negotiating capacities</u></p>   |                         |  |
| <p>Capacities are still weak, but potential exists that could be tapped with WTO support. Some managerial staff from the Ministry of Trade, Industry and Cooperatives has attended the WTO's trade policy courses. To boost the country's negotiating capacity, Rwandan managers could participate in the courses to be organized by WTO in 1998 and 1999 for least-developed French-speaking countries.</p> | <p>IMF</p>              | <p>The IMF is already providing tax policy-related technical assistance. Rwanda is moving to adopt the regional Cross-Border Initiative. Under the forthcoming Fund ESAF, this is to be a two-stage process: both stages will be completed during the three-year ESAF period. In the first stage, and designed with Fund assistance, some tariffs will be reduced subject to fiscal constraints. Additional assistance has been requested for a follow-up phase of the reform.</p> <p>In addition technical assistance is planned in fiscal year 1999 to improve balance-of-payments statistics.</p> |
|  | <p>WTO</p>              | <p>Rwandan officials will be invited to participate in the short trade policy courses to be organized by WTO in 1998 and 1999 for least-developed French-speaking countries.</p>   |
|  | <p>UNCTAD/<br/>UNDP</p> | <p>Possibility of participating in subregional seminars on trade negotiations. * This will be done under programme RAF/96/001.</p>   |

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\*Financing to be requested.

| Technical assistance needs identified in the questionnaire   | Organization            | Reply   |
|--|-------------------------|---|
| <p>In reply to question B(g):</p> <p><u>Technical assistance needs as regards supply constraints</u></p>   | UNCTAD                  | <i>UNCTAD stands ready to provide assistance in the fields of transportation and transit if the government wishes.*</i>                 |
| Studies on strategic industrial and services sectors to provide ideas for feasible projects  | UNCTAD                  | A study on services could be undertaken under the CAPAS programme.*   |
|  | ITC/<br>UNCTAD/<br>UNDP | Under project RAF/96/001, UNDP could help the Rwandan Government to address part of this need.  |
| Establishment of a national research and development programme and strengthening/rehabilitation of existing research institutions  |                         |   |
| Design and introduction of a training and information programme for enterprises; specific training in running a business. Establishment of special mechanisms to foster a spirit of entrepreneurship | UNCTAD                  | The EMPRETEC programme could respond to this need.*   |
| Financial support for companies to participate in fairs and exhibitions and international business events.   |                         |   |
| Identification of opportunities for joint ventures and contacts with foreign investors.  | IMF                     | The Fund is providing extensive advice with regard to the draft investment code, which deals extensively with taxation of traded goods. |

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\*Financing to be requested.

| Technical assistance needs identified in the questionnaire   | Organization         | Reply   |
|--|----------------------|---|
| <p>In reply to question B(q):</p> <p><u>Technical assistance needs in the area of trade promotion and support services</u></p> |                      |   |
| <p>Preparation and financing to promote the "Rwanda" product</p>   |                      |   |
| <p>Material support and training for trade promotion structures</p>  | <p>ITC/<br/>UNDP</p> | <p>The reinforcement of trade support and promotion structures is envisaged under the COMESA and Regional Expansion of Trade in Africa Projects. Activities to train managers and develop the trade information network and the regional trading capacity of enterprises will be carried out in 1998-1999.*</p> |
| <p>Establishment of a national quality control structure</p>   | <p>ITC</p>           | <p>ITC will hold discussions with the Government on the possibility of establishing a national quality control structure.*</p>  |

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\*Financing to be requested.

| Technical assistance needs identified in the questionnaire   | Organization            | Reply  |
|--|-------------------------|--|
| In reply to question B(v):<br><br><u>Technical assistance as regards market access</u>                           | World Bank              | See A(l)   |
| Techniques for prospecting and winning foreign markets   |                         |  |
| Organization and financing of seminars on export marketing and on the preparation of trade fairs and exhibitions | ITC/<br>UNDP            | See B(q)   |
| Training in market access preferences, GSP and GSTP  | UNCTAD                  | A training mission on GSP could be mounted. *  |
|  | ITC/<br>UNCTAD/<br>UNDP | Under project RAF/96/001, UNDP could assist the Rwandan in addressing part of this Government need. In particular, subregional seminars are planned on this topic and two or three Rwandan managers could participate. |

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\*Financing to be requested.

| Technical assistance needs identified in the questionnaire   | Organization                     | Reply                     |
|--|----------------------------------|---------------------------|
| <p>In reply to question C(b):</p> <p><u>Summary of technical assistance needs according to priority</u></p>  |                                  |                           |
| <p>To take full advantage of the multilateral trading system governed by the WTO Agreements, Rwanda requires technical assistance in the following fields:</p>   |                                  |                           |
| <p>1. Study and implementation of a training programme for managerial staff from ministries and agencies responsible for trade, in the fields of trade analysis and negotiation, implementation of the WTO Agreements and new information technology tools</p>   | <p>WTO</p>                       | <p>See A(l) and A(m).</p> |
|  | <p>ITC/<br/>UNCTAD/<br/>UNDP</p> | <p>See A(m).</p>          |
| <p>2. Study and implementation of a material assistance and training programme for structures to support the private sector and trade promotion organizations such as the Chamber of Commerce and Industry, the Exporters' Association, the Rwandan Association of Industrialists, and the one-stop window being established, etc.</p> | <p>ITC</p>                       | <p>See B(q).</p>          |

| Technical assistance needs identified in the questionnaire  | Organization | Reply   |
|---|--------------|---|
| Question C(b) (cont'd):   | World Bank   | <p>The Private Sector Development Project (PSD) executed by the Ministry of Commerce was approved in 1993 but started operations in 1995. The project supports the following:</p> <p>a line of credit for private sector term loans;</p> <p>the establishment of a Private Sector Support Fund to provide matching grants for technical assistance to private establishments;</p> <p>technical assistance to privatize the Chamber of Commerce, strengthen other private sector institutions, and enhance public/private dialogue on development policy issues;</p> <p>The establishment of the Rwanda Investment Agency which will promote investment, business development and exports.</p> <p>The project will close in 1999 and a follow-on project is planned.</p> |
| 3. Strategic sectoral studies on industry (apart from the agri-food industry) and services to produce a relatively complete inventory of production possibilities for each line of business | UNCTAD       | See B(g). CAPAS   |
|   | World Bank   | Bank projects are supporting the development of an agricultural strategy, transport strategy, energy strategy, and water and sanitation strategy.   |
| 4. Design and financing of a training and information programme for businesses (running a business, entrepreneurship)   | UNCTAD       | See B(g). EMPRETEC  |
| 5. Techniques for prospecting and winning foreign markets; training in GSP and GSTP   | UNCTAD       | See B(v).   |



| Technical assistance needs identified in the questionnaire   | Organization | Reply     |
|--|--------------|-----------|
| <p>Question C(b) (cont'd):</p> <p>6. Establishment of a national research and development programme to bolster existing research institutions.</p> |              |           |
| <p>7. Organization and financing of seminars on export marketing and support for participation in trade fairs and exhibitions</p>                  | ITC          | See B(q). |
| <p>8. Preparation and financing to promote the "Rwanda" product in international investment circles</p>  |              |           |
| <p>9. Establishment of a national quality control structure</p>  | ITC          | See B(q). |
| <p>10. Identification and promotion opportunities for joint ventures with foreign investors</p>  |              |           |

| Technical assistance needs identified in the questionnaire  | Organization | Reply  |
|---|--------------|--|
| <p>In reply to question C(d):</p> <p><u>Technical assistance needs in the area of information technology including training of human resources</u></p>  |              |  |
| <p>Rwanda has very limited technological capacity. Only a very few people are able to operate the new information and communication tools such as CD-ROM and the Internet. Specialized training in this field is becoming increasingly indispensable.</p> | WTO          | <p>WTO will equip the focal point on the multilateral trading system with reference works, a computer and a printer.</p> <p>WTO will also establish an Internet link to its own web site. Training will be provided for users.</p> |