

country profile	
government structure	<ul style="list-style-type: none"> • Executive: The president is the head of state, and the prime minister leads the day-to-day functioning of the government. The president is directly elected by the general population by simple majority vote, for a five-year term and is eligible for a second term. The prime minister and cabinet are appointed by the president. • Legislature: Rwanda has a bicameral Parliament. • Judiciary: The highest court is the Supreme Court. The subordinate courts are the Court of Appeal, High Court, Intermediate Courts, and Primary Courts. Specialised courts comprise of Commercial Courts and Military Courts. • Next presidential elections: July 2029.
economic data	<ul style="list-style-type: none"> • Nominal GDP (USD billions): 13.85 • GDP per capita (USD): 999.12 • Inflation rate (% change): 5.00 • Government revenue (% of GDP): 20.90 • Government gross debt (% of GDP): 67.02 <p><i>*Source: IMF (August 2024 estimates)</i></p> <ul style="list-style-type: none"> • Rwanda's main sources of foreign exchange are tourism, minerals, coffee, and tea. • The main industries include cement, agricultural products, small-scale beverages, soap, furniture, shoes, plastic goods, textiles, and cigarettes. • Rwanda's main export partners are the United Arab Emirates, the Democratic Republic of the Congo, Thailand, the United States, and Ethiopia. The main export commodities include gold, tin ores, coffee, malt extract, and rare earth ores. • Rwanda's main import partners are China, Tanzania, Kenya, the United Arab Emirates, and India. The main import commodities include refined petroleum, gold, palm oil, rice, and raw sugar.
risk ratings	<ul style="list-style-type: none"> • S&P Global Overall Country Risk (Q3 2024): 80/211 • Corruption Perceptions Index (2023): 49/180

international treaties and memberships	
international and regional organisations and customs unions	<ul style="list-style-type: none"> • African Continental Free Trade Area Agreement • African Development Bank Group • African Union • Common Market for Eastern and Southern Africa ("COMESA") • Commonwealth • East African Community ("EAC") • Economic Community of Central African States (ECCAS) • Economic Community of the Great Lakes Countries • Group of 77 • International Monetary Fund • Nile Basin Initiative • Organisation of African, Caribbean and Pacific States ("OACPS") • United Nations • World Bank Group • World Customs Organization • Rwanda receives preferential treatment under the agreements listed here: http://ptadb.wto.org/Country.aspx?code=646
bilateral investment treaties	<ul style="list-style-type: none"> • Rwanda has bilateral investment treaties with the Belgium-Luxembourg Economic Union, Germany, the Republic of Korea, Singapore, the United Arab Emirates, and the United States. • Treaties have been signed with the Central African Republic, the Democratic Republic of the Congo, Djibouti, Mauritius, Morocco, Qatar, South Africa, and Türkiye, but these have not yet entered into force.
investment-related agreements / institutions	<ul style="list-style-type: none"> • African Growth and Opportunity Act • Samoa Agreement (succeeding the Cotonou Agreement and its provisional application commencing on 1 January 2024. The Agreement will enter into force upon consent by the European Parliament and ratification by all European Union member states and at least two thirds of the OACPS members) • Multilateral Investment Guarantee Agency • World Trade Organization
dispute resolution	<ul style="list-style-type: none"> • Convention on the Recognition and Enforcement of Foreign Arbitral Awards (New York Convention) • Convention on the Settlement of Investment Disputes between States and Nationals of Other States (ICSID Convention) • Permanent Court of Arbitration • United Nations Commission on International Trade Law (UNCITRAL) Model Law

intellectual property ("IP") treaties	<ul style="list-style-type: none"> A comprehensive list of IP-related treaties signed by Rwanda is available at: https://wipolex.wipo.int/en/legislation/members/profile/RW?collection=treaties See the trade marks section below for further detail.
legal regime	
applicable legal regime	<ul style="list-style-type: none"> Rwanda's legal system is based on French / Belgian civil law and customary law, but there has been a gradual introduction of the Anglo-Saxon common law system. The current Rwandan legal system is predominantly a civil law system with common law features.
dispute resolution	<ul style="list-style-type: none"> In the event of a dispute arising between a foreign investor and the Rwanda Development Board ("RDB") or the government in respect of a registered investor, all efforts are made to settle the dispute through negotiations towards an amicable settlement. If the dispute is still not settled through negotiations, it may be submitted for arbitration in accordance with the following methods, as may be mutually agreed upon by the parties involved: <ul style="list-style-type: none"> within the framework of a bilateral or multilateral agreement on investment protection to which the government and the country of which the investor is a national are parties; or in accordance with any other international procedure for the settlement of investment disputes. Disputes between companies may be resolved through amicable settlement or out of court settlement (conciliation and arbitration), either under an ad hoc or institutional arbitration, with the Kigali International Arbitration Centre serving as a platform for arbitrations (in the latter case). Recourse to an arbitration body/institution based outside Rwanda is also possible. Alternatively, disputes may also be resolved through the specialised court system (the Commercial Court, the Commercial High Court, the Court of Appeal, and the Supreme Court).
land acquisition, planning, and use	<ul style="list-style-type: none"> The use and management of land are governed by Law No. 27/2021 of 10/06/2021 Governing Land. In terms of this law, foreigners are entitled to an emphyteutic lease or land concession for a maximum period of 99 years or 49 years as the case may be, but only for investment purposes. Foreigners may be granted freehold titles by a presidential order in exceptional circumstances.
competition	
<i>merger control</i>	<ul style="list-style-type: none"> The Rwandan Competition and Consumer Protection Law, 2012 (the "Competition Law") governs competition law and regulates merger control in Rwanda.

	<ul style="list-style-type: none"> The Competition Law defines a merger as the direct or indirect acquisition or establishment of a controlling interest by two or more persons in the whole or part of the business of a competitor, supplier, or any other person in case there is such an interest to be controlled. A merger of enterprises is further defined as occurring when (i) two or more enterprises join together to form a new enterprise; and/or (ii) one or more enterprises join together and directly or indirectly merge their assets through the purchase of equity shares or part of the assets of another company. The Competition Law provides that thresholds for a notifiable merger (to be based on combined annual turnover) will be determined by the competition authority. However, no such thresholds have yet been published. The competition authority is also yet to set any filing fees. The competition authority is required to take into account public interest considerations in making a determination on a merger. Rwanda is a pre-implementation regime, therefore approval must be sought from the competition authorities prior to implementation of the proposed transaction. An enterprise that concludes a merger in violation of the Competition Law may receive an administrative penalty of between 5% and 10% of the enterprise's annual turnover in the fiscal year preceding the year in which the offence occurred. Further, the competition authority may (i) order a party to the merger to sell any shares, interest, or other assets it has acquired pursuant to the merger; or (ii) declare void all the provisions of a merger agreement. Rwanda is a member of the regional competition bodies, COMESA and the EAC. While the EAC has an operational competition law regime and a partially operational regulator, it is understood that its merger control regime is not yet functional. COMESA has an operational merger control regime. Merger activities in Rwanda should thus be conducted with these regional competition bodies in mind.
<i>prohibited practices</i>	<ul style="list-style-type: none"> The Competition Law prohibits horizontal and vertical agreements, decisions, and concerted practices between undertakings which have, as their object, the undermining, prevention, restriction, or distortion of competition, unless they are exempt or form part of a single economic entity. Cartel conduct (such as price fixing, market division, and collusive tendering) and minimum resale price maintenance are prohibited by the Competition Law. The Competition Law prohibits abuses of dominance. A firm engaging in a restrictive horizontal or vertical agreement, or abusing its dominant position, commits an offence and may face sanctions, including administrative fines ranging from 5% to 10% of the enterprise's annual turnover for the fiscal year preceding the year in which the offence occurred.

	<ul style="list-style-type: none"> COMESA and the EAC regulate prohibited practices within their respective common markets. Activities in Rwanda should thus be conducted with these regional competition bodies in mind.
employment	
<i>immigration</i>	<ul style="list-style-type: none"> Expatriates may work in Rwanda, provided they have a work permit issued by the Directorate General of Immigration and Emigration. Work permits are usually granted to foreign enterprises approved to operate in Rwanda if the applicants are key personnel. However, any enterprise may recruit any category of expatriate skilled labour if Rwandans are not available. The enterprise will be required to prove that it has conducted a labour market test and were unsuccessful in obtaining local candidates who meet the requirements. Any enterprise investing at least USD250 000 and registered as an investor in Rwanda is automatically granted the right to appoint three expatriates, without demonstrating that their skills are lacking or insufficient on the labour market in Rwanda. A foreigner who has a contract of employment of more than 90 days must apply for a work permit within 15 working days from the day of entry in Rwanda. A foreign employee may also be allowed to change employers and renew his/her work permit by informing the Directorate General of Immigration and Emigration in writing.
<i>local employment vs secondment</i>	<ul style="list-style-type: none"> In terms of Rwanda's employment legislation, an employee may be seconded to Rwanda, as it is not a legal requirement for the employee to be employed by a local entity in Rwanda when performing services in Rwanda. In terms of Rwanda's immigration legislation, employment by a local entity may be a prerequisite for applying a work permit.
<i>fixed-term contracts and temporary employment services</i>	<ul style="list-style-type: none"> Fixed-term contracts are allowed, specifying a fixed period of employment, at the end of which the contractual relationship is automatically terminated. Labour broking is allowed in Rwanda, subject to the labour broker being registered as a private employment agency with the Minister of Labour under Law No. 66/2018 of 30/08/2018 Regulating Labour in Rwanda.
<i>payment in local currency</i>	<ul style="list-style-type: none"> Remuneration must be paid in local currency unless an authorisation is obtained from the Central Bank.
<i>restraint of trade agreements</i>	<ul style="list-style-type: none"> The law is silent about the validity and enforceability of restraint of trade agreements.

foreign investment regime	
investment regime	<ul style="list-style-type: none"> The Investment Law, 2021 governs foreign investment in Rwanda. The RDB operates a one-stop shop for purposes of business registration and to enhance investor service delivery. At the one stop centre, investors are able to apply for all relevant business registrations, operational and export & export licenses, and permits.
registration / licensing requirements	<ul style="list-style-type: none"> It is not compulsory for investors to register their investment with the RDB and obtain an investment registration certificate, but registration is required in order to benefit from incentives available to priority sectors.
non-industry registration / licences	<ul style="list-style-type: none"> The following general non-industry specific registrations / licences may also be required: <ul style="list-style-type: none"> <i>Rwanda Revenue Authority ("RRA")</i> <ul style="list-style-type: none"> All taxpayers must register with the RRA. Upon incorporation, a company is automatically registered with the RRA, and its company code serves as its Tax Identification Number (TIN). If an enterprise's turnover exceeds the VAT registration threshold (see 'tax' below) it should also specifically apply for VAT registration. Every company must register for a trading licence (<i>patente</i>) at the tax administration, sector level, where the company is located for the purpose of paying a trading licence tax. <i>Rwanda Social Security Board ("RSSB")</i> <ul style="list-style-type: none"> Every employer must register itself and its employees with the RSSB.
industry-specific licences	<ul style="list-style-type: none"> Industry-specific licences may also be required.
incentives	<ul style="list-style-type: none"> Incentives include: <ul style="list-style-type: none"> various incentives introduced by the Investment Law for registered investors; reduced corporate income tax rates applying for a period of five years to newly listed companies; tax exemption available to an international company which has its headquarters or regional office in Rwanda; a seven-year tax holiday and reduced corporate income tax rate of 15% available to registered investors in priority sectors; a five-year tax holiday available to microfinance institutions and specialised industrial and innovation parks developers; tax exemption available to entities registered in Rwanda by a philanthropic investor; a preferential corporate income tax rate of 3% available to registered investors licensed to operate as a pure holding, collective investment scheme, a global trading or paper trading

	<p>company, intellectual property company, and special purpose vehicles registered for investment purposes meeting certain requirements;</p> <ul style="list-style-type: none"> • preferential corporate income tax rates applicable to registered investors exporting goods and services; • customs duties exemption for a registered investor investing in products used in Export Processing Zones (EPZs); and • specific incentives available to start-ups, the film industry, and registered small and medium investors or emerging investors.
exchange control regulation	<ul style="list-style-type: none"> • Rwanda does not impose any foreign exchange controls.
types of entities available for foreign investment	<ul style="list-style-type: none"> • Public limited company; • company limited by shares; • company limited by guarantee; • company limited by shares and by guarantee; • an unlimited company; • protected cell company; and • registered branch of a foreign company.
private limited liability company	
minimum number of shareholders	<ul style="list-style-type: none"> • A minimum of one shareholder is required and the maximum allowed is 100. • There is generally no requirement for local shareholding, but it may be required in specified industries such as mining.
minimum share capital	<ul style="list-style-type: none"> • There are no minimum share capital requirements in Rwanda, except for companies in the banking and financial services sector. • In practice, companies are generally registered with a share capital of between RWF100 000 and RWF1-million.
directors	<ul style="list-style-type: none"> • A private company must have at least one director who is a resident of Rwanda but does not need to be a Rwandan citizen.
company secretary	<ul style="list-style-type: none"> • A private company is not required to appoint a company secretary.
auditor	<ul style="list-style-type: none"> • A private company must appoint an auditor.
registered address	<ul style="list-style-type: none"> • Every private company must have a registered office in Rwanda to which all communications and notices may be addressed, and which may constitute the address for service of legal proceedings on the company. • A company may have its registered address at the office of its accountants, lawyers, or a third party.
shelf companies	<ul style="list-style-type: none"> • Shelf companies are not available for purchase in Rwanda.

registration process	<ul style="list-style-type: none"> • Companies are registered with the Registrar of Companies at the RDB, and it takes approximately two days to complete registration once all the required documents have been submitted. 		
tax			
tax system	<ul style="list-style-type: none"> • Rwanda has a residence-based tax system in terms of which residents are subject to tax on their worldwide income and non-residents are subject to tax only on their Rwandan-sourced income. 		
corporate residence	<ul style="list-style-type: none"> • A company is deemed to be resident in Rwanda if it: <ul style="list-style-type: none"> • is established according to Rwandan law; or • has its place of effective management in Rwanda. 		
corporate tax rate	<ul style="list-style-type: none"> • Resident companies and permanent establishments of foreign companies are subject to corporate income tax at a rate of 28%. • Preferential rates apply to qualifying registered investors, newly listed companies, venture capital companies, international companies, and micro-finance companies. 		
capital gains tax ("CGT")	<ul style="list-style-type: none"> • Capital gains arising on the sale of business assets are included in ordinary taxable income and subject to tax at the standard rate. • Capital gains realised on the direct or indirect sale or transfer of shares is subject to CGT at the rate of 5%. 		
withholding tax ("WHT") rates	WHT rate		
	payment to	residents	non-residents*
	branch profits	0%	0%
	dividends	15% 5% (for dividends distributed by listed companies)	15% 5% (for dividends distributed by listed companies to EAC resident beneficiaries or beneficiaries not resident in EAC where the paying listed company is registered as an investor)
interest	15% 5% (on listed and government securities)	15% 5% (on listed security paid to EAC resident beneficiaries and treasury bonds with a maturity of three years and more)	

	royalties	15%	15%
	management and technical services fees	15%	15%
	*The withholding tax rate may be reduced in terms of a relevant double tax agreement.		
double tax agreements (“DTAs”)	<ul style="list-style-type: none"> Rwanda has DTAs with Barbados, Belgium, China, the Democratic Republic of the Congo, Jersey, Luxembourg, Mauritius, Morocco, Qatar, Singapore, South Africa, Türkiye, and the United Arab Emirates. 		
losses	<ul style="list-style-type: none"> Losses may be carried forward for five years (10 years in the mining sector), which may be extended. Taxpayers can apply to the RRA for permission to carry forward losses for a period exceeding five years, provided they fulfil certain requirements. Foreign-source losses may not be offset against domestic-source business profits. 		
transfer pricing	<ul style="list-style-type: none"> In terms of Rwanda’s transfer pricing rules, transactions between related parties must be entered into on an arm’s length basis. Related parties are defined as any persons who act or are likely to act in accordance with directives, opinions, or wishes communicated or not communicated. The following persons are <i>inter alia</i> particularly regarded as related: <ul style="list-style-type: none"> one of the persons participates directly or indirectly in the management, control, or capital of the other; or a third person participates directly or indirectly in the management, control, or capital, or in both the control and capital, of another person. 		
limitations on interest deductibility	<ul style="list-style-type: none"> In terms of Rwanda’s thin capitalisation rules, the maximum accepted debt-to-equity ratio for interest deductibility purposes is 4:1 for related party loans. The restriction does not apply to commercial banks, financial institutions, and insurance companies. 		

employee taxes	<p>The income tax rates applicable to resident individuals are:</p> <table border="1"> <thead> <tr> <th>annual chargeable income (RWF)</th> <th>tax rate</th> </tr> </thead> <tbody> <tr> <td>up to 720 000</td> <td>0%</td> </tr> <tr> <td>720 001 – 1 200 000</td> <td>10%</td> </tr> <tr> <td>1 200 001 – 2 400 000</td> <td>20%</td> </tr> <tr> <td>above 2 400 000</td> <td>30%</td> </tr> </tbody> </table>	annual chargeable income (RWF)	tax rate	up to 720 000	0%	720 001 – 1 200 000	10%	1 200 001 – 2 400 000	20%	above 2 400 000	30%
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social security contributions	<ul style="list-style-type: none"> Both employees and employers must make monthly social security contributions to the RSSB. The employer contribution rate is 12.8% of the employee’s gross salary, made up as follows: <ul style="list-style-type: none"> medical insurance: 7.5%;¹ occupational hazards: 2%; pension scheme: 3%; and maternity leave benefits: 0.3%. The employee contribution rate is 10.8% of the employee’s gross salary, made up as follows: <ul style="list-style-type: none"> medical insurance: 7.5%;¹ pension scheme: 3%; and maternity leave benefits: 0.3%. Local and expatriate employees must contribute to the mandatory pension scheme managed by the RSSB, with no exemption available for expatriate employees working in Rwanda. However, employees seconded to work in Rwanda for a period not exceeding 12 months may remain subject to the pension scheme to which they are affiliated. Local and expatriate employees are obliged to contribute 0.5% of their net salaries to the Community-based Health Insurance Scheme on a monthly basis. Employers are required to deduct the contributions from the employees’ salaries and pay over such contributions to the RSSB. 										
payroll taxes	<ul style="list-style-type: none"> There is no payroll tax in Rwanda. 										
stamp duty	<ul style="list-style-type: none"> There is no stamp duty in Rwanda. With effect from 14 September 2023, property tax at rate of 2% on the sale value of immovable property used for business purposes applies if the seller is registered for income tax and a rate of 2.5% applies if the seller is not registered for income tax. 										

¹ Instead of contributing to the RSSB, the employer and employee may subscribe for medical insurance with a private insurance company.



valued added tax ("VAT")	
<i>taxable supplies</i>	<ul style="list-style-type: none"> VAT is levied on the supply of goods and services in Rwanda and on the importation of goods and services.
<i>VAT rate</i>	<ul style="list-style-type: none"> 18%
<i>registration threshold</i>	<ul style="list-style-type: none"> Any person whose annual turnover exceeds RWF20-million in the previous fiscal year or RWF5-million in the preceding calendar quarter or is likely to exceed such thresholds in the coming year, must register for VAT purposes.
<i>reverse VAT on imported services</i>	<ul style="list-style-type: none"> Resident companies are required to account for output VAT in respect of imported services rendered by non-resident companies in terms of the VAT reverse charge mechanism. Such VAT may be claimed as an input credit by the recipient of the imported services only if the same or similar services are not available in Rwanda.
trade marks	
international conventions, treaties, and arrangements	<ul style="list-style-type: none"> African Regional Intellectual Property Organization ("ARIPO") (Rwanda has not yet acceded to the Banjul Protocol of ARIPO.) Berne Convention Harare Protocol Lusaka Agreement Madrid Protocol Paris Convention World Intellectual Property Organization Convention World Trade Organization / Trade-Related Aspects of Intellectual Property Rights (TRIPS)
first-to-file jurisdiction	<ul style="list-style-type: none"> Yes. This means that the first person or entity that applies for a trade mark, will obtain registration, and may prevent others from using it. This person or entity will have the rights thereto, regardless of whether another has built a reputation using the trade mark in that country without trade mark registration.
classification	<ul style="list-style-type: none"> The International Classification of Goods and Services (Nice Classification) applies. A multi-class trade mark filing system is followed.
categories of trade marks	<ul style="list-style-type: none"> Provision is made for: <ul style="list-style-type: none"> ordinary trade marks (goods and service trade marks); certification trade marks; and collective trade marks.

filing requirements	<ul style="list-style-type: none"> Full particulars of the Applicant; Power of Attorney duly executed and notarised – must be submitted within seven days of the date of filing; a representation of the trade mark; a list of goods and/or services; and certified copy of priority document (where applicable), with a verified English translation.
procedure	<ul style="list-style-type: none"> Applications are examined as to formal and substantive requirements.
oppositions and non-use cancellations	<ul style="list-style-type: none"> Opposition may be lodged within 60 days following the date of advertisement of the trade mark application. A registered trade mark may be cancelled on action by an interested party if it has not been used for a continuous period of three years after the date of registration and up to one month prior to submission of the request for non-use.
duration and renewal	<ul style="list-style-type: none"> A trade mark registration is effective for an initial period of 10 years from the date of filing and is thereafter renewable for further periods of 10 years.

ENS is a full-service law firm with significant experience and specialist expertise that spans all commercial areas of law, tax, forensics, and IP across Africa. For more information or assistance please contact:

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