

*EMBASSY OF THE REPUBLIC  
OF RWANDA IN BRUSSELS*



Statement

by

**H.E. Olivier Jean Patrick NDUHUNGIREHE**  
Ambassador

At the signing of the International Energy Charter

***As delivered***

Brussels, 21 September 2016

✚ **Dr Urban Rusnák**, Secretary General of Energy Charter Secretariat;

✚ **Mr David Kramer**, representing the Kingdom of the Netherlands, Depositary of the International Energy Charter;

✚ Members of the Energy Charter Conference and Secretariat;

✚ Ladies and gentlemen;

1. I am honoured and delighted to be here with you this morning for the signing of the International Energy Charter. I am particularly pleased that, by this signing, Rwanda will now participate in the work of the Energy Charter Conference and its subsidiary bodies, as an observer. And I hope that, in the near future, Rwanda will also be able to sign the Energy Charter Treaty and be a full member of this Conference.
2. As you may know, Rwanda is one of the fast-growing economies in Africa, since the end of the Genocide perpetrated against the Tutsi in 1994. We are a resilient, forward looking country with a vision to elevate to a middle income, service and knowledge based economy by the year 2020. The economy has been growing at an average GDP of 8% for the past decade and our country is a top global consistent reformer since 2008, as per World Bank Doing Business Reports. We are the most competitive place to do business in the East African Community (EAC) and the 3<sup>rd</sup> in Africa, as indicated by the Global Competitiveness Index Report 2015-2016 of the World Economic Forum.
3. But sustaining this economic growth required a proactive action by the Rwandan Government to increase power generation, diversify energy sources and promote renewable energy. Currently, the primary energy source for Rwandans is biomass (wood energy), which accounts of 86.3%. Power generation is at 190 MW and electricity access has improved over the past years. At the moment, there are approximately 570,000 households (equivalent to 23% of the population) connected to the grid. Focus has been on extending the grid to productive users, including industries. The World Bank Doing Business report 2015 also reported an improvement in getting electricity in Rwanda and was ranked 62<sup>nd</sup> (from 72<sup>nd</sup> in 2014). In the region Rwanda is at the 1<sup>st</sup> position but still through energy sector reforms the target is to continuously improve power quality, reliability, efficiency and better services to the consumers.
4. In that regard, Rwanda's energy sector offers exceptional investment opportunities as the country drives its vision 2020 programme. The government's ambitious goals for the energy sector by 2020 include reducing biomass-energy use from 86.3% to 50% of the energy mix, increasing Rwanda's energy-generation capacity to 563 MW, and boosting electricity access to 70% of households and 100% of public institutions.

5. To achieve this goal, the Government is also developing regional interconnections with Uganda, Kenya and Ethiopia and is diversifying energy sources by developing domestic sources and phasing out fossil-fuel generation. In that regard, Rwanda is exploiting the methane gas in the Kivu Lake. In May this year, H.E. Paul Kagame, President of the Republic of Rwanda, inaugurated a methane gas power plant in that Lake (Kivuwatt), which adds 26MW to the national grid this year and is estimated to be sufficient to generate 700MW of electricity (equally shared by Rwanda and DRC) over a period of 55 years.
6. The Government is also committed to partnering with investors in harnessing energy potential in Rwanda by offering generous incentives and guarantees, both through Public Private Partnership (PPP) and Independent Power Producer (IPP) structures. In this regard, the 2015 Law related to investment promotion and facilitation provides for several tax incentives, which include a preferential corporate income tax rate of 15% (half of the regular corporate tax) for registered investors operating in the energy sector and a seven (7) year corporate income tax holiday for energy projects producing at least 25 MW.
7. As energy is Rwanda's top priority to sustain its economic growth, the signing of the International Energy Charter could not have been more timely. Rwanda is committed to strengthen energy cooperation between signatory states and to promote international energy principles on trade, investment, transit and energy efficiency, with a view to achieving energy security, environmental protection and universal energy access. And I am convinced that this observer status to the Energy Charter Conference will enable Rwanda to learn from your experience and to achieve the aforementioned goals.
8. With this, I thank you for your kind attention.