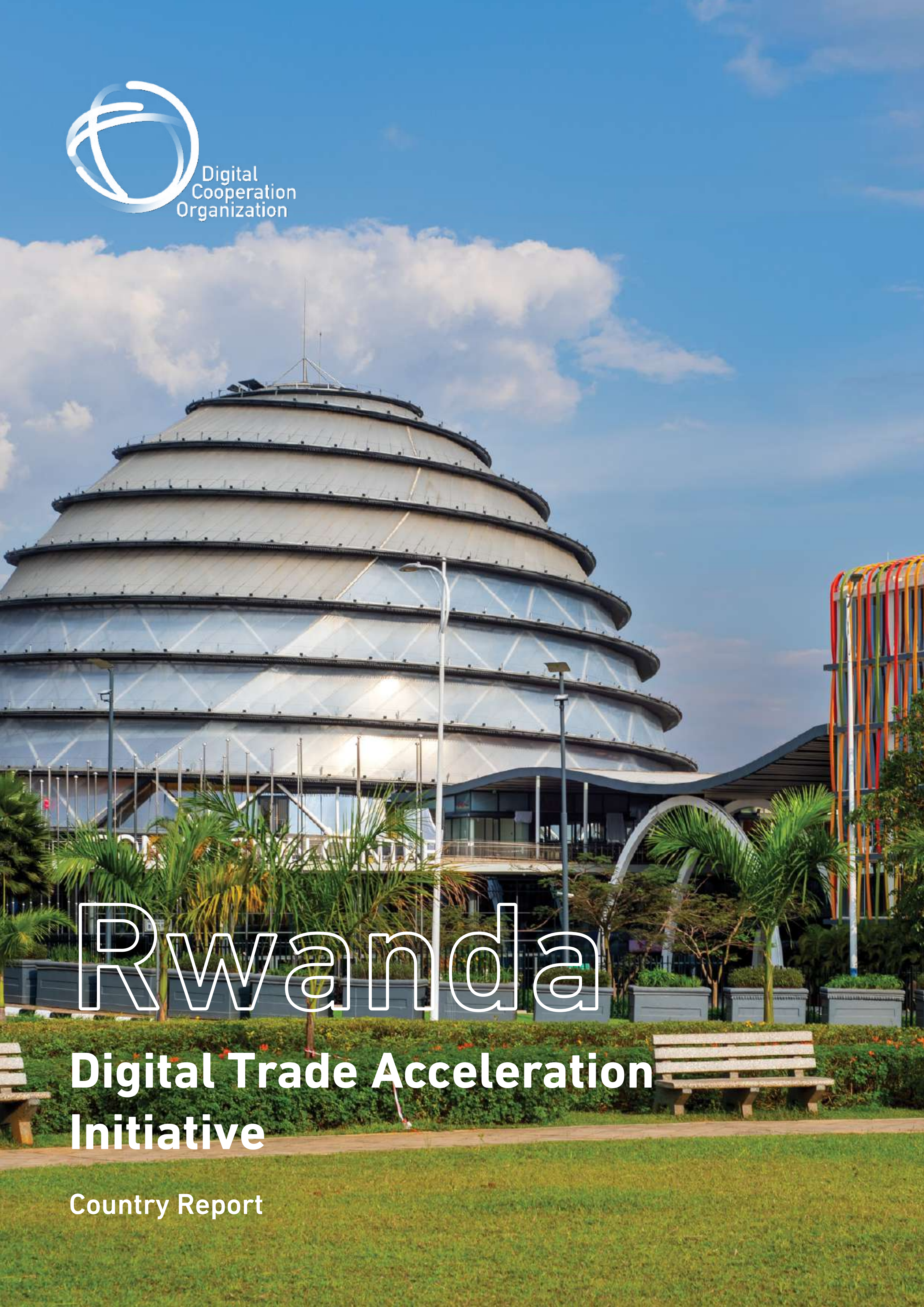
Digital Cooperation Organization



Rwanda

Digital Trade Acceleration Initiative

Country Report

Disclaimer

The following legal disclaimer ("Disclaimer") applies to this document ("Document") and by accessing or using the Document, you ("User" or "Reader") acknowledge and agree to be bound by this Disclaimer. If you do not agree to this Disclaimer, please refrain from using the Document.

This Document is prepared by the Digital Cooperation Organization (DCO). While reasonable efforts have been made to ensure accuracy and relevance of the information provided, DCO makes no representation or warranties of any kind, express or implied, about the completeness, accuracy, reliability, suitability or availability of the information contained in this Document.

This Document and any map included herein are without prejudice to the status of or sovereignty over any territory, to the delimitation of international frontiers and boundaries and to the name of any territory, city or area.

Additionally, every effort was made to collect comprehensive data for this Document, which was shared with each of the DCO Member States and, through them, with relevant government agencies. The data collected was current as of September 2024, and there may have been developments or updates since that time. DCO does not undertake any responsibility for such subsequent developments or the use of data that may no longer be current.

The information provided in this Document is intended for general informational purposes only and should not be considered as professional advice. DCO disclaims any liability for any actions taken or not taken based on the information provided in this Document.

DCO reserves the right to update, modify or remove content from this Document without prior notice. The publication of this Document does not create a consultant-client relationship between DCO and the User.
The use of this Document is solely at the User's own risk. Under no circumstances shall DCO be liable for any loss, damage, including but not limited to, direct or indirect or consequential loss or damage, or any loss whatsoever arising from the use of this Document.

Unless expressly stated otherwise, the findings, interpretations and conclusions expressed in this Document do not necessarily represent the views of the Digital Cooperation Organization. The User shall not reproduce any content of this Document without obtaining DCO's consent or shall provide a reference to DCO's information in all cases. By accessing and using this Document, the Reader acknowledges and agrees to the terms of this Disclaimer, which is subject to change without notice, and any updates will be effective upon posting.

How to Read This Report

This comprehensive report is structured to guide readers to the information that interests them most. Three sections illuminate the regulatory assessment from different perspectives:

Section A is the core of this report. It assesses the domestic regulatory environment across twelve policy areas, with three subsections for each.

1. Our guiding questions analyse how each policy area interacts with digital trade.
2. Our summaries condense the regulatory environment through brief descriptions of the main legal frameworks and oversight authorities.
3. Our source lists provide a repository of official sources to facilitate further analysis.

Section B provides a factsheet that describes the local digital economy across four key dimensions: size and activities, digital infrastructure and connectivity, digital skills, and digital government.

Section C outlines international commitments and references the international fora in which it engages on digital issues.

Table of Contents

EXECUTIVE SUMMARY

The purpose of this report is to provide a detailed description of the regulatory environment affecting businesses and consumers engaging in digital trade.

We illuminate the regulatory environment from three perspectives:

01 A comprehensive regulatory assessment explains the regulatory environment across twelve policy areas.

02 A factsheet describes the local digital economy across four dimensions: size and activities, digital infrastructure and connectivity, digital skills, and digital government.

03 An overview of existing international commitments characterises efforts to accelerate digital trade.

The regulatory assessment is the main contribution of this report and provides the following findings:

Data Protection:
Consent is a lawful basis for the processing of personal data. Data subjects are granted the right to access, information, rectification, deletion, portability, and object, among others. Processors must register, appoint a data protection officer, and designate a local representative.

Cross-Border Data Transfers:
Cross-border transfers are allowed if the transferor receives authorisation from the supervisory authority, after providing proof of appropriate safeguards, or if the data subject has consented to the transfer. Transfers are also allowed if necessary to perform a contract, to uphold a public interest, or to protect vital interests, among other exceptions.

Location of Computing Facilities:
Rwanda generally requires personal data to be stored locally. The storage of data abroad is only permitted with a valid registration certificate by the supervisory authority. Specific data localisation mandates cover telecommunications data and sovereign data.

Online Consumer Protection:
Online consumers are protected through the general consumer protection framework. It prohibits misleading information and unfair contractual clauses, among others. Sending unsolicited messages repeatedly or to a large number of persons through computers without authorisation is prohibited.

Electronic Transactions:
Rwanda recognises the equivalence of electronic transactions and grants them validity even in legal proceedings, albeit with exceptions. Electronic signatures, differentiating between electronic signatures and secure electronic signatures, are also recognised.

Trade Facilitation with Digital Means:

Rwanda provides trade administration documents for imports in electronic form and enables electronic submissions. The Electronic Single Window portal has been operational since 2012 and is internationally aligned through the ASYCUDA world system.

Cybersecurity:

Rwanda criminalises various cyber offences but does not establish risk-based cybersecurity obligations. Electronic communications service providers must inform clients of cybercrimes trends which may affect them. Personal data breaches must be notified to authorities.

Artificial Intelligence:

Rwanda has not adopted a specific regulatory framework regarding AI. The National AI Policy focuses on ethical guardrails for ethical AI and recommends the establishment of a Responsible AI Office.

Source Code:

Rwanda's intellectual property law protects computer programs and grants authors economic rights to their reproduction and adaptation, with exceptions. Rwanda does not require source code sharing.

Digital Economy Taxation and Customs Duties:

Rwanda does not impose customs duties on digital services/products but subjects them to value-added tax. E-commerce imports are subject to both customs duties and value added tax.

Electronic Payments:

Know-your-customer, anti-money-laundering, and counter-terrorism-financing rules apply to digital payment providers. Digital payment providers must also obtain a licence from the national bank and record all electronic money transactions for auditing purposes.

SMEs and Digital Inclusion:

Rwanda's digital transformation agenda recognises the importance of supporting SMEs and disadvantaged groups in leveraging digital technologies. The country's Vision 2050 emphasises the need for SMEs to "create, adopt, adapt and use" technological innovation and highlights the potential for farmers to digitalise their production.

01 Domestic Regulatory Environment Assessment

Domestic Regulatory Environment Assessment

For thriving digital trade among the members of the Digital Cooperation Organization, their regulatory environment should be comprehensive and adaptive. Absence of fundamental regulatory building blocs, regulatory divergence, or explicit barriers can hinder the DCO MS's digital trade reaching its potential.

This section assesses the regulatory environment across twelve policy areas on three layers. First, we answer guiding questions to analyse each policy area's impact on digital trade. Second, we summarise the regulatory environment through brief descriptions of the main legal frameworks and oversight authorities. Third, we provide a repository of official sources to facilitate further analysis.

We conduct this assessment for the following policy areas:

01 Data Protection
02 Cross-Border Data Transfers
03 Location of Computing Facilities
04 Online Consumer Protection
05 Electronic Transactions
06 Trade Facilitation with Digital Means
07 Cybersecurity
08 Artificial Intelligence
09 Source Code
10 Digital Economy Taxation and Customs Duties
11 Electronic Payments
12 SMEs and Digital Inclusion

Data Protection

The purpose of this section is to comprehensively characterise the conditions for domestic data collection and processing. Alignment with international best practices in data protection is important for fostering trust whilst facilitating market access. Deviation from these practices could potentially impact digital trade. If the data protection requirements within the member state are too low, that diminishes trust. If data protection requirements are too high, that may delay market entry from international service providers.

Guiding Questions

We analyse whether user consent is required for the processing of personal data. We then delineate the rights of data subjects and obligations for those processing data, specifically on local representation and registration. Finally, we identify the authority responsible for overseeing and enforcing data protection regulations.

Rwanda's data protection law requires consent for the processing of personal data but foresees other lawful bases for processing, including compliance with a legal obligation or public interest. Data subjects are granted the right to access, information, rectification, deletion, portability, and object, among others. Processors must register, appoint a data protection officer, and, if they are not based in Rwanda, designate a local representative. The Data Protection and Privacy Office (DPO), under the auspices of National Cyber Security Authority (NCSA) is in charge of oversight.

Summary

- The Constitution of the Republic of Rwanda guarantees citizens' privacy rights, as outlined in Article 23, which ensures the protection of personal and family privacy, and the inviolability of correspondence and communications.

- The Law on Data Protection and Privacy, enacted in 2021 generally requires consent for the processing of personal data but foresees alternative legal bases. Alternatives to consent include compliance with a legal obligation and public interest, among others. The Law grants data subjects the right to information, as well as to access, rectify and delete their data.

- Data subjects also have the right to data portability and to object to data processing, among others. Registration is required for data processors and must be executed by an appointed data protection officer. Processors based outside of Rwanda must designate a local representative.

- Other primary legislation contains provisions related to data protection.The Law Governing Information and Communication Technologies states that electronic communication platforms must implement privacy and data protection measures to maintain their data confidential.

- The Law Governing the Payment System states that payment service providers can only access, process, and retain the personal data necessary for delivering their services, with explicit consent from the user and in full compliance with data protection rules.

- The Data Protection and Privacy Office (DPO), under the auspices of National Cyber Security Authority, is responsible for overseeing data protection and registering data controllers and processors. It collaborates with the Ministry of ICT and Innovation. The DPO can initiate investigations, impose fines, draft rules, provide guidance, and monitor compliance.

Other relevant authorities include:

01 The Rwanda Utilities Regulatory Authority, which oversees data protection compliance within the telecommunication sector.

02 The Rwanda Information Society Authority, which rules over ICT policies.

03 The National Bank of Rwanda, which oversees data protection in financial institutions.

Different ministries and regulatory bodies have issued regulations and guidelines on data protection:

01 The DPO's website contains two sections: for 'Frequently Asked Questions for Institutions' by institutions and 'Frequently Asked Questions for Individuals'. The website also has a "news" section but currently does not contain any enforcement cases related to online data protection.

02 The Rwanda Utilities Regulatory Authority established rules under the Law Governing Information and Communication Technologies, stipulating that users' voice and data communications via electronic means are subject to data privacy protections.

03 The Ministry of Information Technology and Communication released the ICT Hub Strategy and the ICT Sector Strategic Plan 2018-2024, aimed at enhancing the country's digitalisation. Its main goal is the establishment of open data, privacy and cybersecurity strategies. The strategy seeks to establish Rwanda as an ICT hub and emphasises the need to enhance data protection. To this end, it calls for a review of data protection rules.

04 The Ministry of Youth and ICT released the National Data Revolution Policy 2017, which calls for harmonisation of data protection and privacy regulations across industries. The policy is aligned with the country' data regulations and the Smart Rwanda 2020 Master Plan.

SOURCES

Primary Legislation

- Constitution of the Republic of Rwanda
- Law No. 58/2021 Relating to the Protection of Personal Data and Privacy 2021 [third party source]
- Law No. 24/2016 Governing Information and Communication Technologies
- Law No. 61/2021 Governing the Payment System [third party source]

Secondary Legislation

- Regulation Relating to Credit Reporting System (Regulation 27 of 2019)
- Rwanda Utilities Regulatory Authority: Regulation on Promotion by Telecommunication Operators Regulation (1-R-CAMCA of 2021)

Guidelines

- ICT Hub Strategy 2024
- ICT Sector Strategic Plan 2018-2024
- National Digital Inclusion Strategy 2022
- Guidelines for Quality Assessment of Administrative Data 2018
- Fintech Strategy 2022–2027

Registration Guide for Data Controllers and Data Processors 2023

- Data Protection and Privacy Office: Frequently Asked Questions by Institutions
- Data Protection and Privacy Office: Frequently Asked Questions by Individuals

Oversight Authorities

- Ministry of ICT and Innovation
- National Cyber Security Authority (NCSA)
- Rwanda Utilities Regulatory Authority (RURA)
- Rwanda Information Society Authority (RISA)
- National Bank of Rwanda (BNR)

International Frameworks

- Convention on the Cyber Security and Personal Data Protection (Malabo Convention) [other government source]

Cross-Border Data Transfers

The purpose of this section is to analyse the conditions for the cross-border transfer of personal information. On the one hand, data flows are the bloodline of the digital economy. On the other hand, data flows are a controversial subject in geopolitical discussions, as governments worry that transferring data across borders may jeopardise its protection. How a government regulates data transfers reveals the balancing act between free data flows and protection of data abroad.

Guiding Questions

We differentiate whether the framework treats cross-border transfers differently from in-country transfers. We then analyse the specific conditions for cross-border transfers, ranging from data subject consent, to governmental adequacy decisions, to certification and contractual mechanisms. Finally, we delineate conditions for specific types of cross-border transfers and distil public policy objectives invoked by the government, where explicitly stated.

Rwanda has established specific obligations for cross-border transfers. Specifically, cross-border transfers are allowed if the transferor receives authorisation from the supervisory authority, after providing proof of appropriate safeguards, or if the data subject has consented to the transfer. In addition, transfers are allowed if they are necessary to perform a contract, to uphold a public interest, or to protect vital interests, among other exceptions. The transferor and recipient must sign a contract, for which the government has drafted standard clauses. Finally, no conditions are established for specific types of cross-border transfers.

Summary

- The Law on Data Protection and Privacy establishes three mechanisms for cross-border data transfers.

  01 First, the supervisory authority can provide authorisation, after receiving proof of appropriate safeguards.

  02 Second, the data subject can consent to the transfer.

  03 Third, an exception in which the transfer is necessary applies, for example to perform a contract, to uphold a public interest, or to protect vital interests, among others.

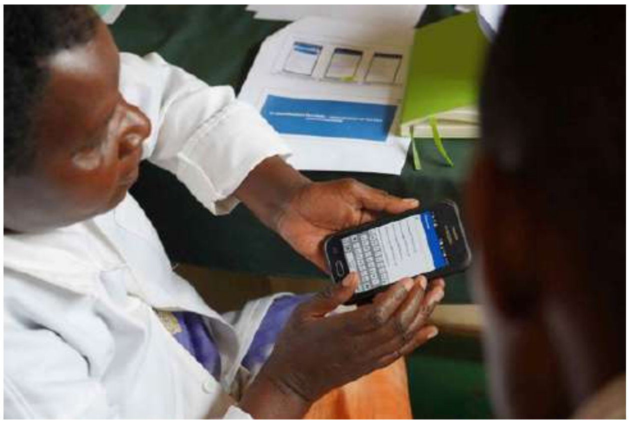
- Generally, the transferor and recipient must sign a contract, for which the government has drafted standard clauses. In addition, the supervisory authority may establish new mechanisms for data transfers.

  The Data Protection and Privacy Office of the National Cyber Security Authority issued the Standard Contractual Clauses For Personal Data Transfer outside Rwanda 2024.

  The Office provides an application form for authorisation to transfer personal data outside Rwanda.

  The National Cyber Security Authority (NCSA) released the Registration Guide for Data Controllers and Data Processors 2023, which allows the storage of personal data outside Rwanda if the supervisory authority authorises the Data Controller or the Data Processor.

- The Guidance on Personal Data Inventory and Readiness Checklist Tools contains a questionnaire with a section regarding cross-border data transfer. The questions include the description of the purpose of the transfer, if there is a contract or authorisation for the transfer and data subject consent.



SOURCES

Primary Legislation

- Law No. 58/2021 Relating to the Protection of Personal Data and Privacy 2021 [third party source]

Secondary Legislation

- Data Protection and Privacy Office: Standard Contractual Clauses For Personal Data Transfer Outside Rwanda Under the Law No. 58/2021 Relating to the Protection of Personal Data And Privacy 2024

Guideline

- National Data Revolution Policy 2017
- Data Protection and Privacy Office: Guide on Contractual Provisions for Processing of Personal Data 2024
- Guidance on Personal Data Inventory and Readiness Checklist Tools 2023
- Registration Guide for Data Controllers and Data Processors 2023

International Frameworks

- Convention on the Cyber Security and Personal Data Protection (Malabo Convention) [other government source]

Location of Computing Facilities

The purpose of this section is to crystallise instances in which data must be stored in local computing facilities. Data localisation mandates require foreign providers to invest in or rent local infrastructure.

This can create a significant barrier to digital trade due to burdensome procedural requirements or costs. Such requirements are thus subject to international scrutiny regarding their justification and scope.

Guiding Questions

We analyse whether the framework generally requires data to be stored in the national territory. We then analyse whether data localisation requirements apply to specific data types, such as infrastructure or health data. For each identified localisation requirement, we distil the public policy objective invoked by the government, if it is explicitly stated.

Rwanda generally requires data controllers and data processors to store personal data locally. The storage of personal data abroad is only permitted with a valid registration certificate by the supervisory authority. In addition, specific data localisation is required for telecommunications data and sovereign data. Objectives include data sovereignty and data protection.

Summary

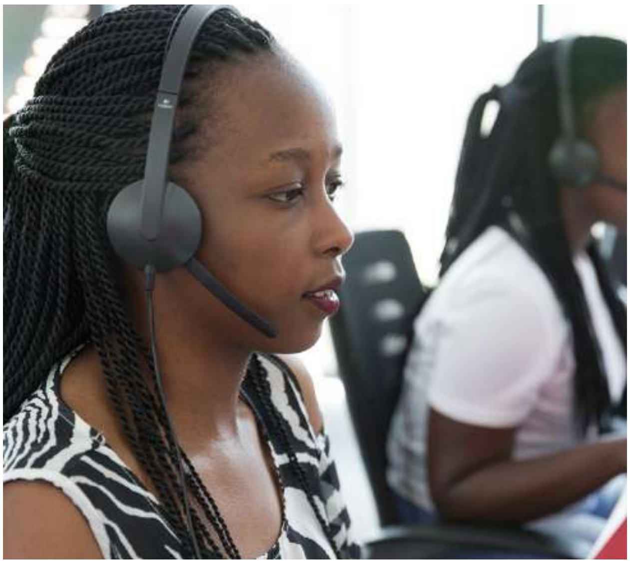
- The Law Relating to the Protection of Personal Data and Privacy 2021 aims to provide personal data protection protection of personal data in Rwanda. The Law states that a data controller or data processor should store data within Rwanda.

  The storage of personal data outside Rwanda is only permitted if the data controller or the data processor holds a valid registration certificate authorising them to store personal data outside Rwanda. Certificates are issued by the supervisory authority. (see section on data transfers for more details).

- The National Data Revolution Policy 2017 states that Rwanda maintains sovereignty over its data and calls for all critical information data within the government to be hosted in one national data centre.

  The Policy advocates for the principle of national data sovereignty, ensuring that Rwanda maintains exclusive sovereign rights, control, and authority over its national data. In addition, the storage of personal data abroad is only permitted with a valid registration certificate by the supervisory authority – although this provision predates the Law Relating to the Protection of Personal Data and Privacy 2021.

  The Policy further emphasises that, regarding hosting, a ministerial order requires all critical government data should be hosted in one central national data center.



- The Regulations Governing Telecom Network Security in Rwanda, later replaced by the 2020 cybersecurity regulation (see section on cybersecurity), stated that subscribers' information, including voice, SMS, data including call data records and billing information, shall not be transferred, stored, or processed outside of Rwanda. In 2017, MTN Rwanda was fined FRW 7.03 billion for violating this requirement.

SOURCES

Primary Legislation

- Law No. 58/2021 Relating to the Protection of Personal Data and Privacy 2021 [third party source]

Secondary Legislation

- Board Decision No. 001/Bd/Rura/2017 Imposing Regulatory Sanctions to MTN Rwanda Ltd
- The Regulations Governing Telecom Network Security in Rwanda

Guidelines

- ICT Sector Strategic Plan 2018-2024
- National ICT4RAg Strategy 2016-2020 [third party source]
- National Data Revolution Policy 2017
- Health Sector Policy 2015

International Frameworks

- Convention on the Cyber Security and Personal Data Protection (Malabo Convention) [other government source]

Online Consumer Protection

This section provides a detailed overview of the approach to protecting online consumers. A well-regulated online consumer protection framework is crucial for fostering trust and confidence in online transactions. I

n the context of international trade, the implementation of strong online consumer protection regulations enables secure cross-border transactions and promotes the expansion of e-commerce.

Guiding Questions

We contour whether the online consumer protection framework is specific to online consumption or applies general rules thereto. We then delineate the practices that are considered violations of consumer protection and distil any special obligations for e-commerce platforms. We further analyse the regulatory approach regarding spam. Finally, we explain which authority oversees online consumer protection.

Online consumer protection is regulated through the general consumer protection framework, mainly the law on competition and consumer protection. The law prohibits providing deceiving and misleading information to consumers as well as tangibly unfair contractual clauses. E-commerce platforms are required to establish consumer mechanisms.

Spam is regulated under the cybercrime law, which criminalises sending unsolicited messages repeatedly or to a large number of persons through computers without authorisation. The Rwanda Inspectorate, Competition and Consumer Protection Authority (RICA) was established to oversee consumer protection.

Summary

- Rwanda has established a comprehensive legal framework for consumer protection. The Law Relating to Competition and Consumer Protection 2012 prohibits anti-competitive practices and promotes consumer protection across sectors. The Laws does not explicitly address online consumer protection but its provisions are still applicable to online activities. The Law is currently being reviewed, with emphasis on digital trade.

- The Competition and Consumer Protection Policy specifies the duties of enterprises, including online marketplaces, including to establish (online) consumer rights mechanisms. Other relevant laws include:

01 The Law Relating to Financial Service Consumer Protection, in force since 2021, which contains provisions on the fair treatment of consumers and the need for finance institutions to handle consumer complaints.

02 The Law Governing the Payment System, which states that payment service providers must protect consumers and comply with local consumer protection regulations.

03 The Law on Prevention and Punishment of Cybercrimes, which imposes a penalty for spamming (imprisonment for 3-6 months and a fine of FRW 300,000-500,000).

- The Rwanda Inspectorate, Competition, and Consumer Protection Authority under the Ministry of Trade and Industry is responsible for overseeing consumer protection matters in Rwanda. It handles consumer complaints, enforces consumer rotection laws, and provides guidance on consumer rights. Other relevant authorities include:

01 The Rwanda Utilities Regulatory Authority, which regulates consumer protection issues within the telecommunication and utilities sectors.

02 The Rwanda Information Society Authority, which oversees ICT policies.

03 The National Bank of Rwanda, which ensures consumer protection within the financial sector, focusing on fair practices and transparency in financial services.

04 The Rwanda Inspectorate, Competition and Consumer Protection Authority's website contains a section with "news" but it currently does not contain any enforcement cases related to online consumer protection.

SOURCES

Primary Legislation

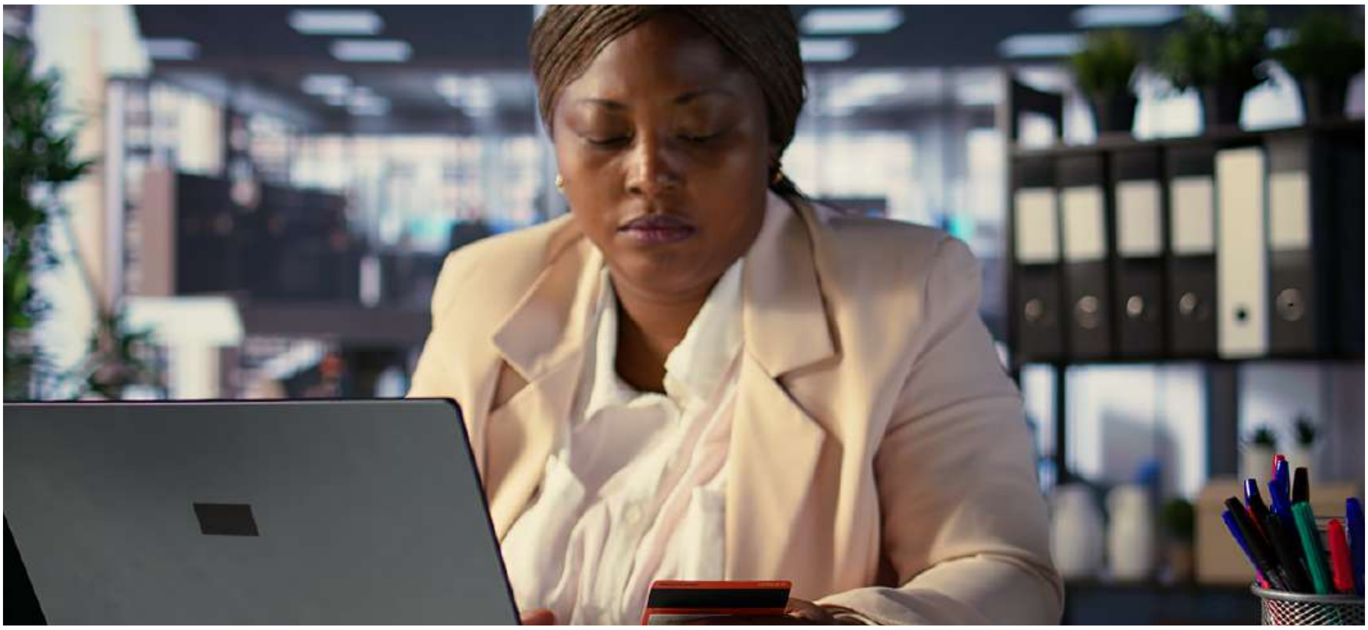
- Law No. 36/2012 Relating to Competition and Consumer Protection
- Law No. 61/2021 Governing the Payment System
- Law No. 17/2021Relating to Financial Service Consumer Protection
- Law No. 60/2018 on Prevention and Punishment of Cybercrimes
- Law No. 24/2016 Governing Information and Communication Technologies
- Law No. 09/2013 Establishing Rwanda Utilities Regulatory Authority (RURA) and Determining Its Mission, Powers, Organisation and Functioning

Secondary Legislation

- Competition and Consumer Protection Policy
- Regulation on Promotion by Telecommunication Operators Regulation 1-R-CAMCA of 2021 [third party source]
- Regulation on Financial Service Consumer's Internal Complaints Handling 2022
- Regulation No. 27/2019 of 09/09/2019 Relating to Credit Reporting System [third party source]
- Regulation Governing the Electronic Money Issuers (Regulation 8 of 2016) [third party source]

Guidelines

- Guidelines on Consumer Complaints Handling Procedures 2017
- Rwanda Utilities Regulatory Authority: Compliance and Enforcement Guidelines 2023
- Fintech Strategy 2022–2027
-
- Oversight Authorities
- Ministry of Trade and Industry (MINICOM)
- The Rwanda Competition and Consumer Protection Authority (RCCPA)
- Rwanda Utilities Regulatory Authority (RURA)
- Rwanda Information Society Authority (RISA)
- National Bank of Rwanda (BNR)



Electronic Transactions

The purpose of this section is to identify whether there are any regulatory hurdles to electronic transactions compared to paper-based or face-to-face transactions of equivalent substance.

A transaction contains different aspects such as the validity of the contract, signature, and authentication.

Guiding Questions

We focus on whether the electronic transactions framework is binding and whether it recognises electronic transactions as equivalent to paper-based transactions. We then differentiate the various types of electronic signatures in the framework. Finally, we distil whether electronic authentication is permitted and whether the government provides such authentication.

Rwanda has established a binding domestic electronic transactions framework through the Law Governing Information and Communication Technologies 2016 has, which replaced the Law on Electronic Messages, Electronic Signatures, and Electronic Transactions. The law generally recognises the equivalence of electronic "messages" and establishes that they shall not be considered invalid for being in electronic form, even in legal proceedings. The law states that a ministerial order would specify the types of transactions that cannot be concluded electronically, although no order was issued to date.

The law establishes the recognition of electronic signatures, differentiating between electronic signatures and secure electronic signatures, and allows for the recognition of foreign-issued electronic signatures. The government launched the Single Digital ID System (SDID) in 2023 to access government services.

Summary

- Rwanda's original domestic electronic transactions framework was the Law on Electronic Messages, Electronic Signatures, and Electronic Transactions of 2010. It provides the legal framework for electronic transactions and electronic signatures in Rwanda. It also defines the requirements for the validity of electronic signatures and regulates the conduct of parties involved in electronic transactions.

- If the electronic signature is linked to the electronic message, the signature shall be treated as a secure electronic signature. Foreign electronic signatures are permitted in the country. The law stipulates that a certificate or electronic signature issued abroad will hold the same legal effect as one issued domestically, provided it meets the country's legal requirements.

- The Law Governing Information and Communication Technologies 2016 has replaced the Law on Electronic Messages, Electronic Signatures, and Electronic Transactions and specifies two types of electronic signatures:

01 Electronic Signature: This basic form of electronic signature is used for general purposes and provides a fundamental level of authentication for electronically signed documents.

02 Secure Electronic Signature: This advanced form of electronic signature offers a higher level of security and requires additional authentication measures.

- It ensures the identity of the signatory and maintains the integrity of the signed document, making it suitable for transactions that demand greater verification and trust.

- Notably, the law states that a ministerial order would outline which transactions could not be concluded electronically. To date, no ministerial order or sectoral framework was issued in this regard, although the Ministry of Justice issued an order on e-notarisation.

- The Law Governing Population Registration in the National Single Digital Identity System 2023 regulates the registration of individuals in the national single digital identity system. It outlines the need to implement safeguards in the system and emphasises the importance of authentication when conducting services or transactions, physically or electronically.

- The Law governing the Payment System mandates that the National Bank of Rwanda to issue relevant regulations, instructions, and other measures to address issues related to payment orders and transfers made by electronic messages. It states that electronic fund transfers and records have legal enforceability and evidential value under relevant laws in Rwanda.

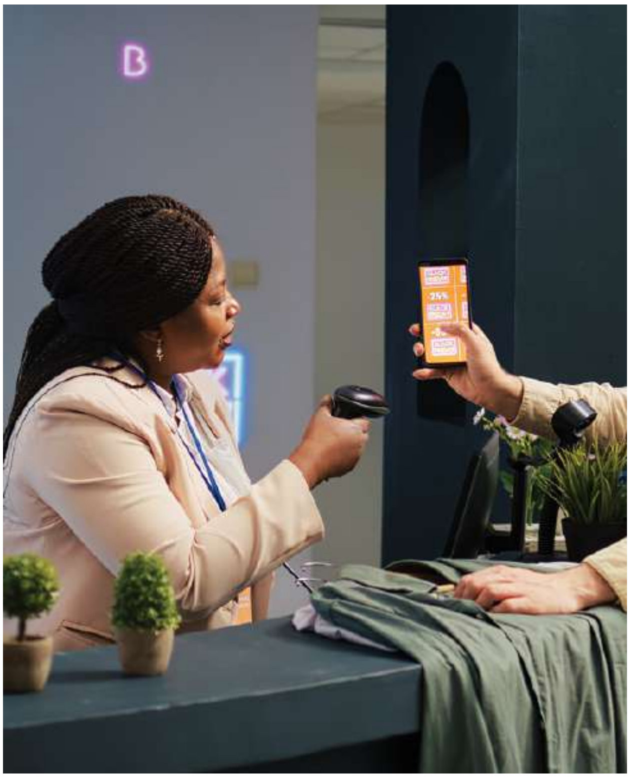
- In Rwanda, the oversight of electronic transaction laws falls under the National Bank of Rwanda. The National Bank is responsible for regulating and supervising electronic fund transfers and electronic money transactions. It ensures that electronic transactions comply with relevant laws and standards, overseeing their security and effectiveness.

- Other authorities include the Rwanda Information Society Authority (RISA) and the Rwanda Standards Board (RSB). The RSB issues standards, which act as guidance and can be adopted by RISA, transforming them into obligations.

- Rwanda's legislative framework on electronic transactions is characterised by multiple decrees issued by different ministries and regulatory bodies across various sectors. The Regulation of the National Bank of Rwanda on electronic fund transfers and electronic money transactions 2010 states that an electronic fund transfer is deemed authorised only when the originator has provided consent for the transfer to be executed.

- Finally, the relevant guidelines that contain provisions related to electronic transactions are the Smart Rwanda Master Plan and the Fintech Strategy 2022-2027. One of the proposed projects in the Master Plan is to create ICT business opportunities through a streamlined electronic trading system.

  This project is a high priority and is overseen by the Ministry of Trade and Industry. The Fintech Strategy highlights the country's advancements in increasing the number of electronic payment transactions. It suggests using technologies such as blockchain to create a safer environment for e-commerce and international financial transactions.



SOURCES

Primary Legislation

- Law No. 24/2016 Governing Information and Communication Technologies
- Law No. 18/2010 Relating to Electronic Messages, Electronic Signatures and Electronic Transactions – replaced by Law No. 24/2016 [other government source]
- Law No. 29/2023 Governing Population Registration in the National Single Digital Identity System
- Law No. 61/2021 Governing the Payment System [third party source]

Secondary Legislation

Regulation No. 07/2010 of 27/12/2010 of the National Bank of Rwanda on Electronic Fund Transfers and Electronic Money Transactions [third party source]

Guidelines

- Smart Rwanda 2020 Master Plan
- Fintech Strategy 2022–2027

Trade Facilitation with Digital Means

This section analyses how well the domestic regulatory environment is set up to welcome goods and services trade made possible through digital tools.

This includes the use of electronic trade documentation, as well as measures designed to support "trade in parcels" and streamline cross-border transactions in the digital economy.

Guiding Questions

We analyse whether trade administration documents for imports are available and can be submitted in electronic form. We then focus on single windows, enabling persons to submit documentation for import, export, or transit through a single entry point to authorities.

Specifically, we outline whether a single window system is operational for trade documentation and whether this system supports international data or document exchange. Finally, we highlight expedited or simplified customs procedures for low-value shipments.

Rwanda provides trade administration documents for imports in electronic form and enables electronic submissions. The Electronic Single Window portal has been operational since 2012 and is internationally aligned through the ASYCUDA world system. Simplified customs declarations are possible for dutiable goods whose value does not exceed FRW 500,000.

Summary

- There is no comprehensive legislation on paperless trade in Rwanda. However, relevant provisions can be found in the Law Relating to Electronic Messages, Electronic Signatures and Electronic Transactions 2010 (which was replaced by the Governing Information and Communication Technologies).

- This law states that electronic documents can fulfil the same requirements as physical documents, provided they meet standards for safety retention and proceeding with authenticity checking. Although there are no provisions specifically related to trade, this law facilitates digital transactions and documentation, which are key components of paperless trade systems, including the Electronic Single Window.

- The responsible authorities involved in paperless trade are the Ministry of Trade and Industry, which is the primary authority responsible for trade facilitation and policy development and the Rwanda Revenue Authority, which oversees customs and tax administration. Other relevant authorities include:

  01 The National Trade Facilitation Committee, which coordinates the trade implementation in Rwanda.

  02 The Customs Services Department, under the Rwanda Revenue Authority, which has the primary function of collecting and accounting for import duties and taxes on imports.

- Import declarations and associated documents can be digitised and submitted electronically through the customs administration's system. The scanned version of the original documents needs to be uploaded in the Rwanda Electronic Single Window system and be accessible for verification purposes, formatted as per the customs administration's requirements, and unless otherwise authorised. Rwanda implements a pre-clearance process that facilitates trade by allowing the requested documents to be submitted to customs and processed before the goods arrive.

- The declarations and documents must contain handwritten signature or electronic signature using certified electronic signature creation devices provided by approved service providers, in accordance with Rwanda's legal framework. In case of system failures, paper submissions are temporarily allowed to the Rwanda Revenue Authority or the relevant customs office, but documents must be resubmitted electronically once the system is restored.

- Rwanda has an operational Single Window for the exchange of electronic documents. This system, known as the Rwanda Electronic Single Window, facilitates electronic data exchange among various stakeholders including the national port authority, freight forwarders, banks, insurance companies, and other entities.

  The system allows simplified customs declarations for dutiable goods below FRW 500,000. Rwanda also uses ASYCUDA World to enhance its customs operations and trade facilitation.

- Rwanda's legislative framework for paperless trade is defined by multiple policies and guidelines. The Rwanda Export Guide provides suggestions for companies looking to sell goods electronically. It recommends establishing a corporate website that offers an online mechanism for safe and secure electronic transactions both within Rwanda and across borders.

- The Rwanda Trade Policy provides detailed guidance on streamlining trade within the country. It suggests that Rwanda should focus on implementing an efficient customs process and developing one-stop shops for business, using electronic methods and administrative simplification, to enhance cross-border trade within the African region.

- The Revenue Authority issued the Strategic Plan 2024/2025-2028/2029 and the Action Plan 2024/2025, which emphasise the need to enhance paperless trade in the country. The strategic plan highlights the importance of promoting and expanding trade infrastructure in Rwanda, noting the need to improve the electronic tax system and address its current risks.

- The action plan suggests that the Electronic Single Window system must implement enhanced business requirements for clearing agencies, warehouse operators, and transporters by 2025.

SOURCES

Primary Legislation

- Law No. 24/2016 Governing Information and Communication Technologies
- Law No. 18/2010 Relating to Electronic Messages, Electronic Signatures and Electronic Transactions – replaced by Law No. 24/2016 [other government source]

Guidelines

- Rwanda Trade Policy
- Rwanda Export Guide 2021
- Rwanda Revenue Authority: Strategic Plan 2024/25-2028/29
- Rwanda Revenue Authority: Action Plan 2024-2025
- Rwanda Trade Portal: Clearance of Consignment at Rusizi I border (Simplified Declaration)

Cybersecurity

This section aims to assess whether the cybersecurity requirements of the member state broadly align with international best practices. While cybersecurity is a critical component of digital policy, its relevance to digital trade is limited. Cybersecurity primarily concerns national defence, critical infrastructure, cybercrime prevention, and system integrity. However, alignment with international cybersecurity standards is essential for creating a secure environment conducive to digital trade. Insufficient cybersecurity standards can undermine trust, while overly stringent requirements may hinder market entry for international service providers.

Guiding Questions

We outline whether there is a regulatory framework regarding cybersecurity. We explain whether this framework is risk-based, creating tiered obligations depending on the extent of cybersecurity risk. We then analyse whether and to whom incident notification is required. Finally, we explain which authority oversees cybersecurity.

Rwanda has enacted the law on prevention and punishment of cybercrimes. The law criminalises a series of cyber offences but does not establish risk-based obligations. The risk-based rationale of the cybersecurity framework is, however, visible in the establishment of sectoral cybersecurity rules, which distinguish obligations for different providers.

Furthermore, Electronic communications service providers must inform clients of cybercrimes trends which may affect them. In addition, the data protection law requires the notification of personal data breaches to the supervisory authority within 48 hours. The National Cyber Security Authority (NCSA) oversees cybersecurity in collaboration with sectoral authorities.

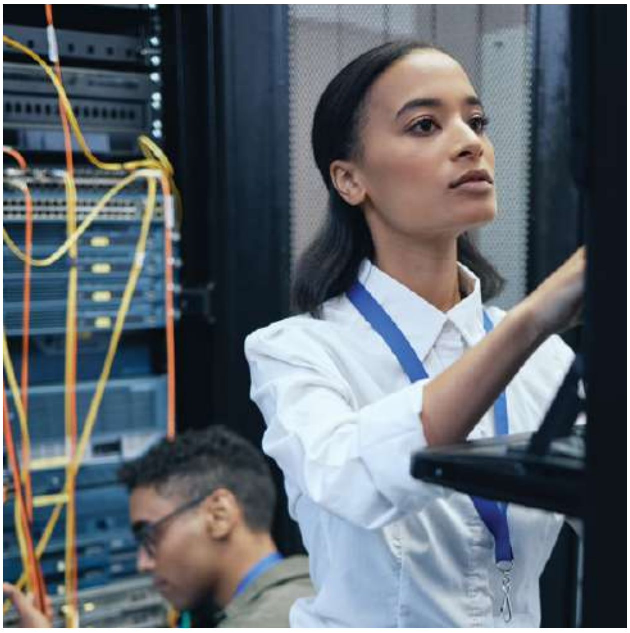
Summary

- Rwanda has established a comprehensive legal framework for cybersecurity. The Law on Prevention and Punishment of Cybercrimes, in force since 2018, applies to cybercrimes committed within Rwanda or outside Rwanda but with an impact within its borders. The Law mandates that, in the event of a cyber incident, the electronic communications service provider must immediately report it to the cybersecurity authority. If a cybercrime is not reported, the service provider is subject to imprisonment and fines.

- The Law on Information and Communication Technologies previously mandated the creation of rules on cybersecurity through a special ministerial order. The Law states that, in case of security risks, the licensed electronic communications service providers must inform users, without specifying a timeline.

- The Law on Data Protection and Privacy establishes personal data protection rules, including on data breaches. Specifically, in the event of a personal data breach, the data controller must inform the supervisory authority within 48 hours of becoming aware of the incident.

  Rwanda's cybersecurity framework establishes different standards for different sectors, reflecting a risk-based approach since standards adapt to the risks posed by each sector. In addition, sectoral regulators classify the in-scope entities by risk and establish tiered obligations, for instance based on the size of covered entities.



- The National Cyber Security Authority is responsible for managing cybersecurity matters in Rwanda, including overseeing cybersecurity. It collaborates with the Ministry of ICT and Innovation and coordinates cybersecurity at the national level, working with sectoral regulators. The NCSA can initiate investigations, impose fines, draft rules, provide guidance, and monitor compliance.

- The National Cyber Security Authority's website contains a section with "news" but it currently does not contain any enforcement cases related to cybersecurity. Other relevant authorities include:

01 The Rwanda Utilities Regulatory Authority, which oversees cybersecurity within the telecommunications sector.

02 The Rwanda Information Society Authority, which governs ICT policies, including aspects of cybersecurity.

03 The National Bank of Rwanda (BNR), which regulates the financial sector and enforces cybersecurity regulations related to financial institutions.

04 The Rwanda National Police, specifically the Cybercrime Unit, which handles cybercrime cases.

05 The Rwanda Investigation Bureau, which investigates complex crimes, including those involving cybersecurity-related matters.

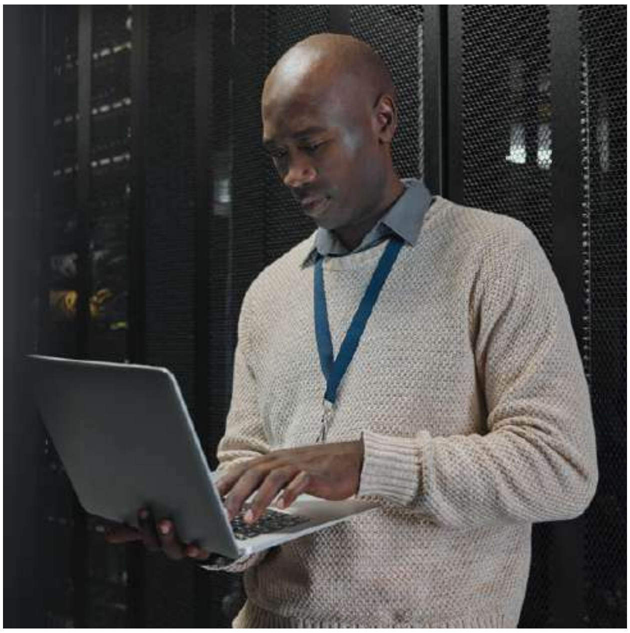
06 Several cybersecurity regulations specify obligations.

07 The Rwanda Utilities Regulatory Authority's regulation on cyber security requires regulated institutions to conduct a periodic risk assessment for information systems. In the case of an incident, regulated institutions must inform and submit a report to the supervisory authority.

08 The National Bank of Rwanda's cybersecurity regulation establishes an administrative fine for licensees who fail to implement relevant security measures to avoid service interruptions.

- Recent government policy documents consistently highlight concerns about cyber threats. The Rwanda Vision 2050 emphasises the need to develop cybersecurity services to drive innovation.

  Both the ICT Sector Strategic Plan 2018-2024 and the ICT Hub Strategy 2024, also from the (MINICT) stress the importance of strengthening cybersecurity regulatory frameworks and implementation efforts within the ICT sector.



- The National Cyber Security Authority issued the National Cybersecurity Strategy 2024-2029, outlining strategic pillars of Rwanda's cybersecurity vision through 2039, including the development of the national cybersecurity industry.

- It also issued the Minimum Cybersecurity Standards for Public Institutions 2023, the Minimum Cybersecurity Standards for Financial Sector 2023, and the Minimum Cybersecurity Standards for Essential Service Providers 2023. These standards focus on enhancing cybersecurity measures for public institutions, the financial sector, and essential service providers.

SOURCES

Primary Legislation

- Law No. 60/2018 on Prevention and Punishment of Cybercrimes
- Law No. 58/2021 Relating to the Protection of Personal Data and Privacy 2021 [third party source]
- Law No. 24/2016 Governing Information and Communication Technologies
- Law No. 26/2017 establishing the National Cyber Security Authority and Determining its Mission, Organisation and Functioning [third party source]
- Law No. 73/2013 determining the Powers, Mission, Organisation and Functioning of the National Intelligence and Security Service [third party source]

Secondary Legislation

- Rwanda Utilities Regulatory Authority: Cybersecurity Regulation N. 010/R/CR-CSI/RURA/020 of 29/05/2020
- Regulation on Cyber Security in Regulated Institutions (Regulation 50 of 2022) [third party source]

Guidelines

- ICT Hub Strategy 2024
- National Broadband Policy and Strategy 2022
- ICT Sector Strategic Plan 2018-2024
- National Cybersecurity Strategy 2024-2029
- Fintech Strategy 2022-2027
- National Strategy for Transformation (NST 1) 2017-2024 [other government source]
- Rwanda Vision 2050
- Ministry of ICT and Innovation: The National Digital Inclusion Strategy 2022
- Minimum Cybersecurity Standards for Public Institutions 2023
- Minimum Cybersecurity Standards for Financial Sector 2023
- Minimum Cybersecurity Standards for Essential Service Providers 2023
- Rwanda Child Online Protection Policy 2019

Oversight Authorities

- Ministry of ICT and Innovation
- National Cyber Security Authority (NCSA)
- Rwanda Utilities Regulatory Authority (RURA)
- Rwanda Information Society Authority (RISA)
- National Bank of Rwanda (BNR)
- Rwanda National Police (RNP)
- Rwanda Investigation Bureau (RIB)

Artificial Intelligence

This section offers an overview of how artificial intelligence (AI) is regulated in the member state. The focus is on the policy response to the rise of widely accessible AI, covering both AI-specific regulatory frameworks and the application of existing laws to AI technologies.

From a digital trade perspective, the key consideration is whether the member state aligns with emerging international practices.

Guiding Questions

We outline whether there is a specific regulatory framework addressing AI. If so, we analyse whether the framework is risk-based, meaning it establishes obligations based on the level of AI risk. We also analyse whether the framework is technology-based, meaning it establishes rules based on specific AI technologies. Finally, we reference guidance released by regulatory agencies on how the existing, non-AI-specific framework, applies to AI providers.

Rwanda has not adopted a specific regulatory framework regarding AI. Accordingly, there are neither risk-based nor technology-based AI rules. The National AI Policy focuses on ethical guardrails for ethical AI and recommends the establishment of a Responsible AI Office. No regulatory agencies have issued guidelines on how existing rules apply to AI providers.

Summary

- There is currently no AI-specific primary or secondary legislation in Rwanda, but several other policies and frameworks touch upon AI.

  The Ministry of Information Communication Technology and Innovation (MINICT) released the National AI Policy, which includes recommendations to establish a Responsible AI Office. The office operates under the auspices of the MINICT.

  The National AI Policy is the main document on artificial intelligence in Rwanda. The document contains a roadmap to address the benefits of AI and mitigate its risks.

- The Rwanda Information Society Authority is responsible for managing AI regulations in Rwanda, including overseeing national AI initiatives. It operates under the MINICT. The Authority can draft and implement measures to ensure the ethical and secure use of AI technologies. Other relevant authorities include:

06 The Ministry of Information Communication Technology and Innovation, which drafts AI-related regulations.

07 The Rwanda Utilities Regulatory Authority, which oversees AI-related regulations within the telecommunications sector.

- The AI Readiness and Maturity Framework for Rwanda was drafted as an outcome of the “AI for Africa” blueprint. The document provides a detailed assessment of Rwanda’s AI development landscape. It also recommends solutions to improve the country’s global AI indexes.

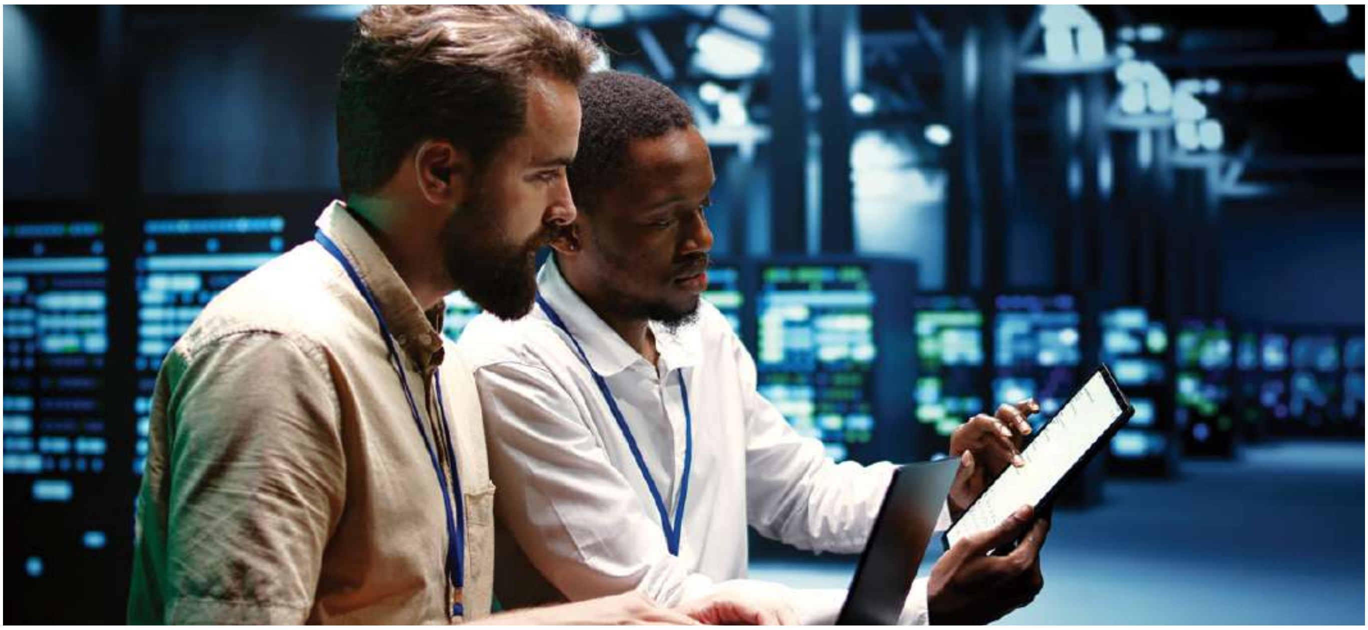
SOURCES

Guidelines

- The National AI Policy 2024
- AI Readiness and Maturity Framework for Rwanda
- ICT Sector Strategic Plan 2018-2024
- ICT Hub Strategy 2024
- Fintech Strategy 2022-2027

Oversight Authorities

- Ministry of Information Communication Technology and Innovation (MINICT)
- Rwanda Information Society Authority (RISA)
- Rwanda Utilities Regulatory Authority (RURA)



Source Code

Source codes are among the essential trade secrets of the digital economy. Potential disclosure requirements toward the government or domestic private companies can be a major hurdle to market access. The purpose of this section is to identify regulatory or enforcement requirements that risk the required disclosure of source code.

Guiding Questions

We explain whether source code is generally protected under the intellectual property framework and whether there are exceptions to this protection. We then identify potential source code sharing requirements, explaining the circumstance and specific software to which they apply. Where explicitly stated, we reference the public policy objective invoked by the government.

Rwanda's intellectual property law recognises computer programs as works expressed in writing, providing exclusive economic rights to their reproduction and adaptation, among others.

Exceptions to these rights include the reproduction of a computer program by the lawful owner of a copy, for the intended use of the computer program or archival purposes. These exceptions do not require authorisation by or remuneration of the author. In addition, the law does not provide patent and utility model protections for innovations directed by computers. Rwanda does not require any form of source code sharing.

Summary

- The Protection of Intellectual Property Law provides general protection for literary works, including computer programs. However, it states that certain computer-related innovations are not covered by copyright rules.

- These exceptions include process innovations controlled by computer programs and product innovations, such as machine-readable code or computers with novel combinations of software. Patents for these innovations cannot be granted to applicants.

- Article 200 on Economic Rights suggests that the author of the work shall have the exclusive right to carry out or grant authorisation for specific purposes stated in the Law, including, but not limited to, reproduction, adaptation, and rental.

- The Law does not allow the rental of computer programs where the program itself is not the essential object of the rental.

- The Law permits computer program owners to make one additional copy or adaptation without needing the author's permission if it is necessary for using the program or for backup purposes.

- This copy or adaptation must be destroyed if it is no longer lawful to possess the original, within six months of the contract ending.

SOURCES

Primary Legislation

- Law No. 31/2009 of 26/10/2009 on the Protection of Intellectual Property
- Law amending Law on the Protection of Intellectual Property (No. 50/2018)
-

Guidelines

- Revised Policy on Intellectual Property in Rwanda

Digital Economy Taxation and Customs Duties

The purpose of this section is to identify how the digital economy is taxed domestically and at the border. This covers direct taxes, indirect taxes, and customs duties, applicable to both digital services/products and e-commerce imports.

We focus on whether a) requirements are applied identically to digital services/products as to their analog equivalents and b) requirements are applied identically to domestic and foreign suppliers.

Guiding Questions

We explain whether customs duties apply to digital services/products as well as e-commerce imports. We then analyse whether indirect taxes, such as value-added-tax, apply to digital services/products as well as e-commerce imports. In addition, we identify any direct taxes imposed specifically on providers of digital services/products, such as digital service taxes. For each tax or duty, we mention whether electronic registration is possible for foreign providers.

Rwanda does not impose customs duties on digital services or digital products but subjects them to value-added tax (VAT). E-commerce imports are subject to both customs duties and VAT. Simplified customs procedures duties apply for goods valued below RWF 500,000, while VAT registration is mandatory for businesses with an annual turnover exceeding RWF 20 million.

Rwanda does not impose a specific direct tax to digital service providers, relying instead on its corporate tax regime.

Summary

- Customs duties on commercial imports range from 5% to 35%, depending on the type of goods, as per the East African Community (EAC) Common External Tariffs 2022. Certain products are exempt from customs duties, including raw materials. Simplified customs procedures apply to goods valued under RWF 500,000, while goods valued above this threshold require customs clearance by the Revenue Authority.

- The value-added-tax (VAT) applies to both goods (including e-commerce imports) and services (including digital services), with a standard rate of 18%. Businesses with an annual turnover exceeding RWF 20 million must register for VAT and charge it on taxable supplies.

- Rwanda does not impose specific direct taxes on the digital economy, relying on corporate income tax instead. The standard rate is 30%, while micro-enterprise companies and small businesses pay a lump sum tax at the rate of 3% of turnover. The Rwanda Revenue Authority issued the Taxing Rwanda Digital Economy, a paper which analysed the challenges of implementing a digital service tax for companies operating in Rwanda. It analysed the potential financial strain this tax could impose on businesses that do not achieve profitability.

- The Revenue Authority's website contains a comprehensive online tax payment system for the declaration and filing of various types of corporate taxes. Corporates can utilise various digital payment forms, including mobile money, bank transfers, and debit or credit cards.

- The Ministry of Finance and Economic Planning and the Rwanda Revenue Authority has issued several guidelines on taxation, including those related to Corporate Income Tax, Value Added Tax, and Income Taxes. The Tax Procedure and VAT Laws detail the scope of application, define what transactions are taxable, outline exemptions, and explain the standard VAT rate. The Ministry of Finance and Economic Planning issued the Medium Term Revenue Strategy (2021-2024) which states the need for tax reform in the digital economy to avoid tax avoidance and profit relocation. With it, digital services became subject to VAT.

- The Rwanda Revenue Authority is the primary authority responsible for overseeing customs duties and related processes in Rwanda. It ensures compliance with national customs laws and regulations. Other relevant authorities include:

  01 The National Bank of Rwanda, which plays a significant role in overall financial management, including the regulation of monetary policy and ensuring financial stability.

  02 The Ministry of Finance and Economic Planning, which oversees fiscal policy, including the implementation of regulations related to customs, VAT, and other tariffs.

- Rwanda has double tax treaties with a diverse list of countries including Barbados, Belgium, the People's Republic of China, the Democratic Republic of Congo, Jersey, Luxembourg, Mauritius, Morocco, Qatar, Singapore, South Africa, Turkey, and the United Arab Emirates.

SOURCES

Primary Legislation

- Law No. 27/2022 Establishing Taxes on Income
- Law No. 37/2012 Establishing the Value Added Tax
- Law No. 49/2023 Establishing Value Added Tax
- Law No. 20/2023 on Tax Procedures

Guidelines

- Medium Term Revenue Strategy 2021 - 2024
- Basic Information on Taxation Before Starting any Business 2024
- EAC Common External Tariffs 2022
- Government Announces Key Tax Policy Reforms for 2024/2025
- Rwanda Trade Portal: Clearance of Consignment at Rusizi I border (Simplified Declaration)

Oversight Authorities

- Rwanda Revenue Authority

Electronic Payments

This section evaluates the key aspects of the

regulatory environment governing electronic payments and its openness to processing payments across borders. Electronic payments are a critical enabler of digital and digitally facilitated trade. While data protection, data flows, and electronic transactions play a significant role in electronic payments, they have been addressed previously. This section focuses on whether a) digital payment services/products are subject to the same requirements as their analogue equivalents, and b) whether these requirements are applied equally to domestic and foreign providers.

Guiding Questions

We outline whether there is a regulatory framework specifically addressing electronic payments. We then distil know-your-customer, anti-money-laundering, and counter-terrorism-financing rules that apply to electronic payments. In addition, we delineate licensing requirements and procedures for entities that offer electronic payment services. Finally, we reference special regulatory requirements for cross-border electronic payments.

Digital payments are governed by general rules for payment providers as well as specific regulation on electronic fund transfers and electronic money transactions, and on electronic money issuers. Know-your-customer, anti-money-laundering, and counter-terrorism-financing rules, enshrined in law, apply to digital payment providers. Digital payment providers must also obtain a licence from the national bank and record all electronic money transactions for auditing purposes. Finally, for cross-border electronic payments, the ordering financial institution must include the full originator's information in the payment form accompanying the wire transfer.

Summary

- Rwanda has issued the Law Governing the Payment System 2021, which applies to the oversight, supervision, management, operation, and administration of the payment system in Rwanda. According to the Law, digital payments and traditional payments have the same status. In addition, the Regulations Relating to Anti-Money Laundering, Combating the Financing of Terrorism, and Financing of Proliferation of Weapons of Mass Destruction state that individuals must report any electronic money transaction equal to or above FRW 1 million or its equivalent in foreign currency to the Financial Intelligence Centre.

- The National Bank of Rwanda is responsible for the national payment system and sets the regulations for the operation of payment system providers within the country. These regulations cover activities such as money transfers, issuance and management of payment instruments, and other related financial transactions. Several regulations have been recently issued by the Bank to keep pace with the evolving payment system landscape in Rwanda.

- The Regulation Governing Payment Service Providers 2023 specifies requirements for the issuance of large electronic money and small electronic money. Requirements for large electronic transfers include having a customer wallet limit exceeding FRW 50,000 and having outstanding electronic money liabilities amounting to or more than FRW 1 billion for six consecutive months. Requirements for small electronic transfers include having a customer account limit not exceeding FRW 50,000 and having outstanding electronic money liabilities of less than FRW 1 billion for six consecutive months.

- The Regulation Governing Electronic Money Issuers 2016 applies to electronic payment service providers. It states the need to store the monetary value in electronic form, to the extent that the value stored on such devices falls under the definition of electronic money. Additionally, it adopts a risk-based approach to know-your-customer (KYC) requirements, which include: Tier 1 for individual customers, Tier 2 for individual customers with higher limits, Tier 3 for legal entities, Tier 4 for basic agents, Tier 5 for super agents, and Tier 6 for merchants.

- The Regulation of the National Bank of Rwanda on Electronic Fund Transfers and Electronic Money Transactions aims to protect natural persons as users of electronic payment systems. The regulation mandates that all electronic money transactions must be recorded and made available for auditing purposes to enhance security. Consent is required for electronic fund transfers to be considered authorised.

- The National Bank of Rwanda oversees the Rwanda Integrated Payments Processing System (RIPPS), a financial infrastructure that includes a Real-Time Gross Settlement system and an Automated Clearing House. This system enables the secure and efficient processing of payments and settlements between financial institutions in Rwanda. The RIPPS was established to enhance the speed and reliability of financial transactions within the country.

- The Rwanda Fintech Strategy 2022–2027 is one of the main government strategic documents that aims to modernise and digitalise the country's payment system. The document also recognises that digital payments help reduce transaction costs, particularly in the agricultural sector. The government's goal for digital payments is to promote customer-centric financial inclusion and drive economic and social transformation.

SOURCES

Primary Legislation

- Law No. 061/2021 Governing The Payment System [third party source]

Secondary Legislation

- Regulation Governing Payment Service Providers 2023
- Regulation Governing the Electronic Money Issuers (Regulation 8 of 2016) [third party source]
- Regulations Relating to Anti-Money Laundering, Combating the Financing of Terrorism, and Financing of Proliferation of Weapons of Mass Destruction [third party source]
- Regulation No. 07/2010 of 27/12/2010 of the National Bank of Rwanda on Electronic Fund Transfers and Electronic Money Transactions

Guidelines

- Fintech Strategy 2022–2027

SMEs and Digital Inclusion

Digital trade holds the potential to open global markets to SMEs and disadvantaged groups. By leveraging digital technologies, small businesses, rural enterprises, and minority-owned businesses can overcome traditional barriers to international trade, such as high costs, limited market access, and logistical challenges. E-commerce platforms, digital payment systems, and online marketing tools enable these businesses to reach international customers, integrate into global value chains, and attain economies of scale previously limited to larger corporations. This section highlights recent support measures targeted to helping SMEs and disadvantaged groups capitalise specifically on the opportunities of the global digital economy.

Guiding Questions

We analyse whether the government has established specific programs or initiatives to support SMEs or disadvantaged groups in participating in the digital economy or digital trade. For each program, we distil the objective of the support, the form of support provided, and the target group of the program.

Rwanda's digital transformation agenda recognises the importance of supporting SMEs and disadvantaged groups in leveraging digital technologies. The country's Vision 2050 emphasises the need for SMEs to "create, adopt, adapt and use" technological innovation and highlights the potential for farmers to digitalise their production.

To realise this vision, the ICT Sector Strategic Plan (2018-2024) prioritises the promotion of broadband services for SMEs, while the Smart City Rwanda Master Plan (2017) aims to develop new ICT business opportunities for entrepreneurs, including e-commerce portals for SMEs.

Summary

The government has implemented several initiatives specifically targeting SMEs and minority-owned businesses in the digital economy. A significant focus has been placed on e-commerce:

01 The MSMEs Go Digital pilot project 2021 aims to onboard at least 1,000 new MSMEs onto e-commerce platforms through subsidies and digital education.

02 The "Enabling the Future of E-Commerce" initiative launched the rwandamart online platform, targeting 600 SMEs to sell goods online, and established a physical e-commerce service centre for technical assistance.

03 The iHuzo initiative, launched by Access to Finance Rwanda, aims to integrate up to 1,500 non-digital local SMEs into digital commerce platforms.

04 Rwanda also actively collaborates with international partners to support digital inclusion:

05 The Rwanda Economy Digitalisation Programme, in collaboration with the Mastercard Foundation, provides data to support "an inclusive, digitalised economy" for small retailers and agricultural producers.

06 In 2023, the Ministry of Trade and Industry joined the Pan-African e-Commerce Initiative by the German Development Agency GIZ, which aids SMEs in adopting e-commerce and electronic payment systems and improving technical skills.

07 GIZ's Digital Transformation Centre Rwanda has launched a programme to develop digital literacy skills among 20,000 farmers, predominantly women.

Financial support for SME digitisation is available through various channels. The National Agricultural Export Development Board aids agricultural SMEs in digitalisation and e-commerce projects, while the Rwanda Innovation Fund includes "SME productivity and digitalisation" as an eligible sector for investment.

To further strengthen its approach, Rwanda has developed an e-commerce strategy in collaboration with UNCTAD. The 2023 publication "Towards an E-commerce Strategy for Rwanda" commits to reducing barriers to financing for technology adoption and establishing a framework for digital skills training.

SOURCES

- Republic of Rwanda: Vision 2050
- Ministry of Information Technology and Communications: ICT Sector Strategic Plan 2018-2024
- Smart City Rwanda Master Plan
- UNCTAD: Towards an E-commerce Strategy for Rwanda
- UN Capital Development Fund: MSMEs Go Digital
- Ministry of Trade and Industry: Rwanda: Enabling the Future of E-Commerce
- Access to Finance Africa: iHuzo (Accelerating growth of Micro and Small Enterprises (MSEs) through expanding the e-commerce sector in Rwanda
- Ministry of Information Technology and Communications: Rwanda Economy Digitalisation Programme
- Pan-African e-Commerce Initiative
- Digital Transformation Centre: Digital Literacy for 20,000 Farmers
- National Agricultural Export Development Board: Rwandan Agri-Exporters Go Digital
- Ministry of Information Technology and Communications: Rwanda Innovation Fund

02 Digital Economy Factsheet

Digital Economy Factsheet

This factsheet describes Rwanda's digital economy across four key dimensions: digital economy size and activities, digital infrastructure and connectivity, digital skills, and digital government.

Size and Activities of the Digital Economy

To describe the size and activities of Rwanda's digital economy, we used data provided by the World Trade Organization and conducted our own calculations. We specifically analyzed the share of advanced technology products in total trade, cross-border trade in telecommunications, computer, information and audiovisual services, and total digitally delivered services.

Advanced technology products accounted for 9.89% of Rwanda's imports. The share of advanced technology products in exports was lower at 1.21%, indicating a technology trade imbalance.

Figure 1: Telecommunications, Computer, Information and Audiovisual Services.

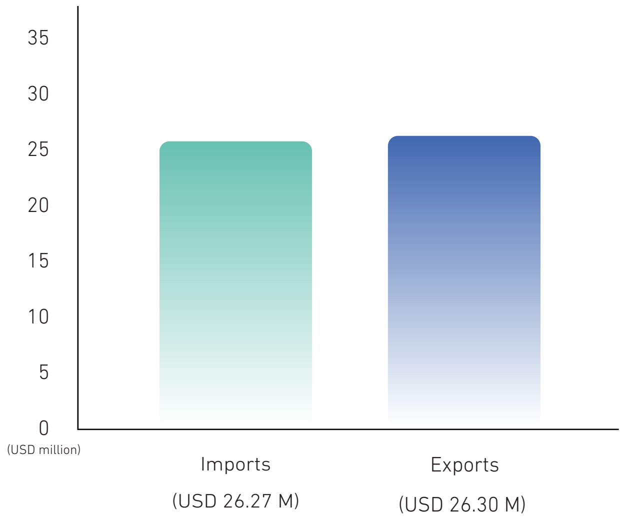


Figure 1 provides data for Rwanda's telecommunications, computer, information, and audiovisual services in 2022.

Figure 2: Digital Delivered Services

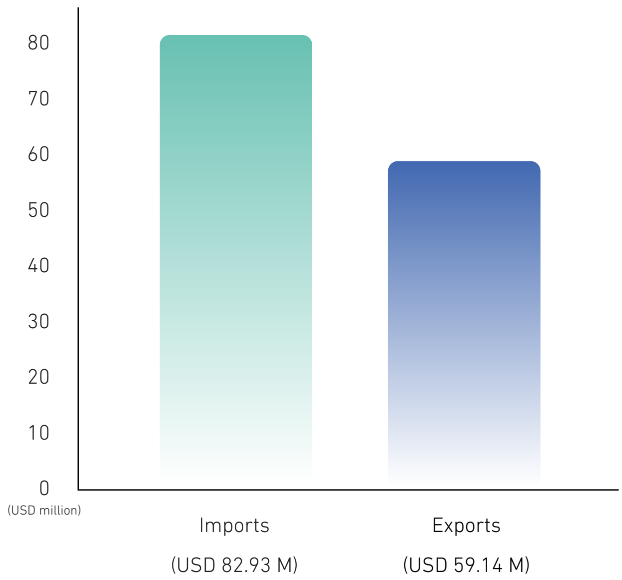


Figure 2 provides data for the total digitally delivered services in 2023.

Digital Infrastructure and Connectivity

To analyze Rwanda's digital infrastructure and connectivity, we analyzed data provided by the International Telecommunications Union. We focused on internet access, broadband coverage, and traffic, as well as mobile phone ownership.

Figure 3:
Digital Infrastructure and Connectivity

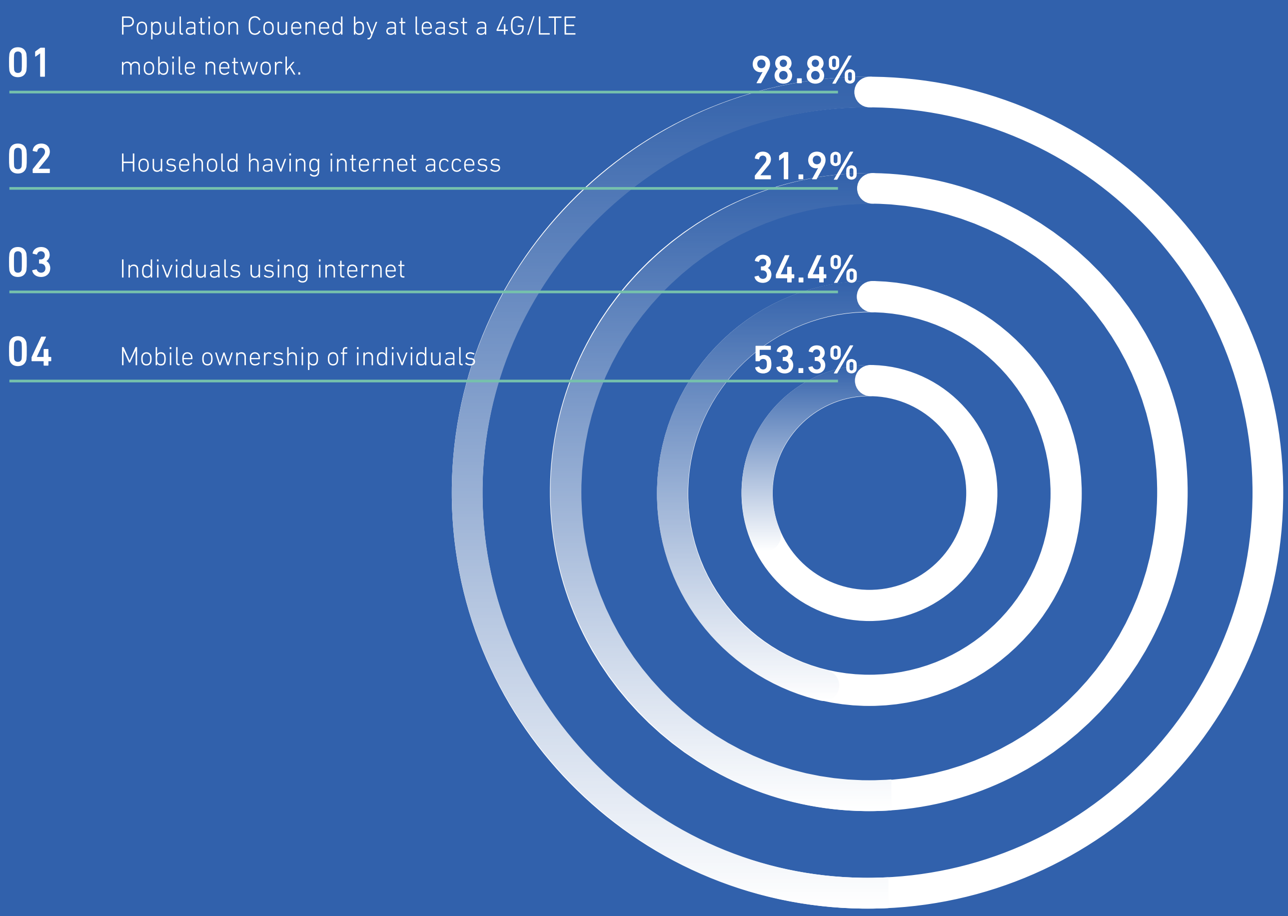


Figure 3 provides data to analyze Rwanda's digital infrastructure and connectivity in 2022.

Digital Skills

To document Rwanda's digital skills, we draw on data by UNESCO. We use data points relevant to general education, since no data points on specific digital skills (for instance on creating electronic presentations, copying files, or downloading software) were available in the UNESCO dataset for Rwanda.

The upper secondary education completion rate in Rwanda was 20.70% in 2020. Gross tertiary education enrollment ratio stood at 8.89% in 2023, indicating relatively low participation in higher education. The adult literacy rate was 79% in 2022. Government expenditure on education as a percentage of GDP was 3.23% in 2020.

Digital Government

To examine the state of digital government in Rwanda, we rely on the World Bank's GovTech dataset. Specifically, we analyze how Rwanda provides digital government services, establishes institutions, and drafts strategies.

In terms of digital government services in 2022, Rwanda did not have a government cloud platform. It had implemented a government interoperability framework. It did not have a government open-source software policy or action plan. Rwanda maintained both an open government portal and an open data portal.

Regarding institutional frameworks for digital government in 2022, Rwanda had established a government entity focused on government technology or digital transformation. It had established a government entity focused on public sector innovation. Rwanda had institutionalized a whole-of-government approach to public sector digital transformation.

Finally, Rwanda had drafted various strategies to advance digital government in 2022:

01 It had a government technology or digital transformation strategy that needed to be updated

02 It had both a strategy and program to improve digital skills in the public sector

03 It had either a strategy or program to improve public sector innovation

03 International Commitments and Collaboration

International Commitments and Collaboration

The purpose of this section is to outline the existing international commitments of the member state and the international fora in which it engages. We focus on international commitments and collaboration with a digital component, meaning a connection to the pertinent policy areas explained above.

To outline international commitments, we analyse binding free trade agreements and conventions, as well as non-binding guidelines/recommendations/principles and model laws. We also reference other commitments, both binding and non-binding. For each commitment, we explain to which policy area(s) it is pertinent. Regarding international fora, we analyse participation in discussions at the pluri- and multilateral level.

Commitments

Free Trade Agreements

Rwanda has not signed any free trade agreements, which include provisions related to digital trade.

Conventions

Rwanda is party to the following conventions and agreements:

01 International Covenant on Civil and Political Rights (Data Protection)

02 African Union Convention on Cyber Security and Personal Data Protection (Cybersecurity, Data Protection, Data Transfers)

03 Council of Europe Convention on Cybercrime (Budapest Convention, ETS No. 185) (Cybersecurity)

04 Council of Europe Additional Protocol to the Convention on Cybercrime, concerning the criminalisation of acts of a racist and xenophobic nature committed through computer systems (ETS No. 189) (Cybersecurity)

05 Council of Europe Second Additional Protocol to the Convention on Cybercrime on enhanced cooperation and disclosure of electronic evidence (CETS No. 224) (Cybersecurity)

06 Berne Convention for the Protection of Literary and Artistic Works (Source Code)

Guidelines, Recommendations, and Principles

Rwanda is a member state of the United Nations, which has adopted the following frameworks:

01 United Nations Guidelines for Consumer Protection (Online Consumer Protection)

02 United Nations Educational, Scientific and Cultural Organisation Recommendation on the Ethics of Artificial Intelligence (Artificial Intelligence)
Rwanda is a member state of the African Union,

that participates in the Group of 20 countries (G20), which has adopted the following frameworks:

01 G20/Organisation for Economic Co-operation and Development High-Level Principles on SME Financing (SMEs and Digital Inclusion) (Note:

02 The Principles on SME Financing were adopted in 2015 before the African Union joined the G20 in 2023.)

03 G20 Artificial Intelligence Principles (G20 Ministerial Statement on Trade and Digital Economy, 2019) (Artificial Intelligence) (Note: The G20 AI Principles were adopted in 2019 before the African Union joined the G20 in 2023.)

Models

Rwanda has adopted or been influenced by the following model frameworks:

01 United Nations Commission on International Trade Law Model Law on Electronic Commerce (Electronic Transactions)

02 United Nations Commission on International Trade Law Model Law on Electronic Signatures (Electronic Transactions)

03 Commonwealth Model Law on Computer and Computer Related Crime (Cybersecurity)

04 Commonwealth Model Provisions on Data Protection (Data Protection)

05 East African Communications Organisation Model Policy on Electronic Transmissions (Electronic Transactions)

Other Commitments

01 Rwanda is a member of the World Trade Organization and as such is subject to the Moratorium on Customs Duties on Electronic Transmissions (Customs Duties), the Trade Facilitation Agreement (Trade Facilitation) and the Agreement on Trade-Related Aspects of Intellectual Property Rights (Source Code).

02 Rwanda is a member of the African Union, which has adopted the Continental Artificial Intelligence Strategy (Artificial Intelligence) and the Digital Transformation Strategy for Africa (Cross-cutting).

03 Rwanda is a member of the African Continental Free Trade Area, which has published the draft Protocol to the Agreement establishing the African Continental Free Trade Area on Digital Trade [Third party source (leak)] (Cross-cutting).

04 Rwanda has implemented the United Nations Conference on Trade and Development Automated System for Customs Data. (Trade Facilitation with Digital Means)

05 Rwanda is a member of the Smart Africa Alliance, which has adopted the Artificial Intelligence for Africa Blueprint. (Artificial Intelligence)

01 Rwanda is a member of the African Commission on Human and People's Rights, which has passed a Resolution on the need to undertake a Study on human and peoples' rights and artificial intelligence (AI), robotics and other new and emerging technologies in Africa - ACHPR/Res. 473 (EXT.OS/ XXXI) 2021 (Artificial Intelligence).

02 Additionally, Rwanda is a signatory of the Bletchley Declaration on AI Safety. (Artificial Intelligence) Rwanda is a member of the International Organization for Standardization, which has issued various technical standards including:

03 ISO/IEC 22989:2022 (Information technology — Artificial intelligence — Artificial intelligence concepts and terminology) (Artificial Intelligence)

04 ISO/IEC 42001:2023 (Information technology — Artificial intelligence — Management system) (Artificial Intelligence)

05 ISO 22376:2023 (Security and resilience — Authenticity, integrity and trust for products and documents — Specification and usage of visible digital seal data format for authentication, verification and acquisition of data carried by a document or object) (Cybersecurity)

06 ISO 31700-1:2023 (Consumer protection — Privacy by design for consumer goods and services) (Consumer protection)

07 ISO 13491-1:2024 (Financial services — Secure cryptographic devices (retail) (Cybersecurity)

08 ISO/TS 23526:2023 (Security aspects for digital currencies) (Cybersecurity)

09 ISO 23195:2021 (Security objectives of information systems of third-party payment services) (Electronic payments)

10 ISO 32111:2023 (Transaction assurance in E-commerce — Principles and framework) (Electronic transactions)

Fora

Rwanda participates in the following international fora that touch upon digital issues:

01 United Nations Global Digital Compact (Cross-cutting)

02 European Union - African Union Digital Economy Task Force (Cross-cutting)

03 Smart Africa Alliance (Cross-cutting)

04 African Digital Compact (Cross-cutting)

Digital
Cooperation
Organization

@dcorg | www.dco.org