National Bank of Rwanda

FOREIGN PRIVATE INVESTMENT IN RWANDA 2012

RDB | RWANDA DEVELOPMENT BOARD

National Institute of Statistics of Rwanda

PSF FSP BEYOND ADVOCACY

IGN PRIVATE INVESTMENT IN RFWANDA 2012

FOREWORD

On behalf of partner institutions, Rwanda Development Board, National Institute of Statistics of Rwanda and Private Sector Federation, the National Bank of Rwanda leading this activity takes this opportunity to thank all companies that participated in the exercise by providing the requested information. We also thank the Rwanda Foreign Private Capital working group for their commitment to make this census a success. We commend the Macroeconomic and Financial Management Institute of Eastern and Southern Africa (MEFMI) for spearheading these surveys in the region.

This report presents the fourth cycle of Foreign Private Capital Census results for the calendar year 2012. The census covered 163 companies including new companies registered as foreign direct investments by Rwanda Development Board in 2012 as well as those which declared Foreign Assets and Liability (FAL) in the previous census.

The information presented in this report was provided by senior management of companies visited during the census, including Managing Directors, Chief Executive Officers and Finance Managers. In addition to completed questionnaires, companies provided financial statements used to validate provided information.

The Foreign Private Investments census is an important activity for the Government of Rwanda in its efforts to attract and retain foreign private capital in the country. The findings of the census shall contribute to update foreign private capital policies and will be used to improve Rwanda's Balance of Payments and International Investment Position statistics.

RWANGOMBWA John
Governor, National Bank of Rwanda

LIST OF ACRONYMS

BNR:	National Bank of Rwanda
BOP:	Balance of Payments
BV:	Book Value
COMESA:	Common Market for Eastern and Southern Africa
EAC:	East African Community
FAL:	Foreign Assets and Liabilities
FDEI:	Foreign Direct Equity Investment
FDI:	Foreign Direct Investment
FPC:	Foreign Private Capital
FPEI:	Foreign Portfolio Equity Investment
GDP:	Gross Domestic Product
MEFMI:	Macroeconomic and Financial Management Institute
NISR:	National Institute of Statistics of Rwanda
OECD:	Organization for Economic Co-operation and Development
PCMS:	Private Capital Monitoring System
PFA :	Private foreign asset
PSED:	Private Sector External Debt
PSF:	Private Sector Federation
RDB:	Rwanda Development Board
RIEPA:	Rwanda Investment and Export Promotion Agency
RWF:	Rwandan Franc
RWG:	Rwanda Working Group (on Private Capital Monitoring)
SADC:	Southern African Development Community
TNC:	Transnational Corporations
WEF:	World Bank Economic Forum

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EXECUTIVE SUMMARY

The Government of Rwanda continues to promote a private sector development, aiming at fostering both local and foreign investment by undertaking reforms with the objective of making the country a favorable place for investment.

Since 2010, with the objective of effectively monitor and manage foreign private capital, the National Bank of Rwanda in collaboration with Rwanda Development Board (RDB), National Institute of Statistics of Rwanda (NISR) and Private Sector Federation (PSF) conduct the Foreign Private Capital Census, collecting related annual data. During the year 2013, data for the year 2012 were collected. A total of 163 enterprises were enumerated, of which 153 responded, representing a response rate of 93.9 percent.

The objectives of this census include setting up the Foreign Private Capital Flows database in conformity with international standards, and determining the magnitude and trends of Foreign Private Capital (FPC) and providing actual foreign investment statistics in Rwanda for the year 2012.

In 2012, private sector foreign liabilities inflows to Rwanda increased by 14.8 percent to $ 409.3 million compared with $ 356.6 million recorded in 2011. The capital inflows were dominated by FDI, amounting to $ 255.0 million, and accounting for 62.3 percent of total inflows, followed by other investments of $ 153.3 million, accounting for 37.5 percent and foreign portfolio equity investment of $ 1.0 million.

Sectors which attracted the highest flows were ICT with 41.4 percent, followed by mining with 13.8 percent, tourism with 12.3 percent and manufacturing with 10.8 percent.

The findings of the census indicate that from collected stock of $315.73 million in 2008, $ 446.28 million in 2009, $ 590.5 million in 2010, and $ 832.3 million in 2011 the total stock of foreign private capital amounted to $ 1,109.0 million in 2012. Stock of foreign investment in ICT was 40.0 percent followed by finance and insurance with 20.4 percent and manufacturing with 14.6 percent.

European Union (EU) countries held the highest stock amounting to $ 318.7 million (28.9 percent) up from $ 266.3 million recorded in 2011followed by COMESA (Non- EAC) with $ 240.0 million (21.8 percent) increasing from $ 117.4 million in 2011. EAC had $ 139.7 million (12.7 percent) up from $ 121.7 million in 2011, SADC (Non EAC & COMESA) had $ 117.5 million (22.0 percent) up from $ 110.8 million in 2011 and OECD (Non-EU) had $ 135.9 million (13.0 percent) up from $ 76.8 million in 2011. Asia accounted for $ 43.8 million (4.0 percent) increasing from $ 41.6 million in 2011. Others countries had $46.5 million from $ 37.1 million in 2011. Stock of investment from international and regional organizations was $ 67.4 million (6 percent).

Total inflows of foreign private liabilities originated mainly from Mauritius ($ 143.6 million), USA ($ 55.2 million), Switzerland ($ 54.1 million) and Luxembourg ($ 43.2 million) accounting for 72.3 percent in 2012. For stock, Mauritius, South Africa, Kenya, Luxembourg, United Kingdom and USA were leading with 51.6 percent. Mauritius is the larger investor due to the fact that it hosts many holding companies even though the ultimate controlling companies are from different parts of the world.

The stock of Private Sector External Debt (PSED) as at end 2012 stood at $ 593.2 million increasing from $ 420.7 million in 2011, mainly driven by loans from unrelated sources with share of 60.1 percent.

Return on equity (ROE) in 2012 was 20.6 percent up from 19.5 percent in 2011, transport and storage had the highest return on equity of 130.6 percent, followed by administrative and support services with 73.5 percent, Electricity, gas and air conditioning with 59.8 percent, mining with 54.0 percent and Agriculture with 28.2 percent. Comparing the year 2012 to the year 2011, the overall net profit increased to $ 59.9 million in 2012 from $ 21.8 million in 2011.

Other findings on majority foreign owned companies indicate that compared to the year 2011, combining local investments and foreign investments in companies that declared foreign investments, actual investments in assets decreased by 16.5 percent from $ 1083.8 million to $ 905.million, entity turnovers grew by 13.1 percent from $ 995.0 million to $ 1,073.4 million, employment grew by 6.9 percent from 30,717 to 32,834 and corporate social responsibility increased by 33 percent from $ 3 million to $ 4 million.

FDI to Gross Fixed Capital Formation (GFCF) shows that it is becoming increasingly important as a source of investment funds as the ratio FDI/GFCF rose from 16.0 percent in 2009 to 28.0 percent in 2012; increasing by 23.8 percent per year on average over the last 4 years. The share of FDI stock to GDP during the four years went up from 7.1 percent in 2009 to 17.4 percent in 2012, showing how much FDI contributes to GDP.

In brief, foreign private investments in Rwanda continued to grow and contribute to sustained economic growth. The increase in inflows (14.8 percent) of foreign liabilities from $ 356.7 million declared in 2011 to $ 409.3 million in 2012 and the growth of retained earnings by 95.4 percent, reflect high confidence of foreign investors in the Rwandan economy and the country's capacity of foreign investment attraction from abroad responding to continuously improving business environment and existence of investment opportunities within the country. The Government is committed to continue accurately and consistently capture and monitor these flows to assess the responsiveness to policies made in the area and their impact on the country's development and their capacity to complement local resources.

CHAPTER I. INTRODUCTION

Foreign Private investment (FPI) refers to inwards investments in terms of equity or/and non-equity (debts) from nonresidents into Rwanda and outward investments of Rwandan residents to the rest of the world. It comprises foreign direct investment which is the most important component, portfolio and other investments. Foreign private investment flows have become an important source of investment for many developing countries, although they tend to be sometimes volatile and less predictable due to changing international environment. FDI is less volatile and growing sources of finance for investment in developping countries as indicated by its share in gross fixed capital formation (GFCF). In 2012, Latin America had the highest FDI/GFCF with 20.9 % followed by Africa with 12.3 % , developed economies with 9.0 % and Asia with 6.5%. During the last three years (2010-2012) FDI inflows to the developing economies were around USD 690 billion of which 60% invested in Asia, while the average outflows from this region were around USD 420 billion of which 72% originating from Asian developing countries (UNCTAD , 2013). Compared to portfolio, FDI are less volatile with long term investment horizon attracted by high economic growth rates and strong macroeconomic fundamentals while Portfolio investment tend to be attracted by high relatively short term returns.

1.1. Global Trends in Foreign Direct Investment (FDI)

Despite turmoil in global economy, FDI flows reached $ 1.5 trillion in 2011, exceeding the pre-financial crisis average but remaining below their 2007 peak of $ 1.8 trillion. However, the sovereign debt crisis in Europe and the uneven global recovery have led to a decline by 18% in global FDI flows to $ 1.35 trillion in 2012. In 2013, global FDI are projected to remain close to the 2012 level, slightly increasing to $1.45 trillion as macroeconomic conditions improve and investors regain confidence in the medium term, TNCs may convert their record levels of cash holdings into new investments. FDI flows may then reach the level of $1.6 trillion in 2014 and $1.8 trillion in 2015. However, significant risks to this growth scenario remain. Factors such as structural weaknesses in the global financial system, possible deterioration of the macroeconomic environment, and significant policy uncertainty in areas crucial for investor confidence might lead to a further decline in FDI flows (UNCTAD, 2013).

1.2. FDI flows to developing economies

In 2012, FDI flows to developing economies exceeded those to developed countries by $ 142 billion amounting to $703 billion in 2012 from $ 735 billion in 2011 and representing 52 percent of global FDI inflows. Asia and Latin America continued to be the best destination of FDI with $ 407 billion and $ 244 billion respectively, while FDI inflows to Africa slightly increased to $ 50 billion in 2012 from $ 48 billion in 2011.

Foreign Direct Investment flows to developing Asia decreased by 7 percent to $ 407 billion in 2012. This decline was reflected across all sub regions but was most severe in South Asia, where FDI inflows fell by 24 percent. China and Hong Kong (China) were the second and third largest FDI recipients worldwide while Singapore, India and Indonesia were among the top 20. Driven by continued intraregional restructuring, lower-income countries such as Cambodia, Myanmar, the Philippines and Viet Nam were attractive as FDI locations for labor-intensive manufacturing.

In 2012, FDI inflows were driven partly by investments in the extractive sector in countries such as the Democratic Republic of the Congo, Mauritania, Mozambique and Uganda. At the same time, there was an increase in FDI in consumer-oriented manufacturing and services, reflecting demographic changes. Between 2008 and 2012, the share of such industries in the value of Greenfield investment projects grew from 7 percent to 23 percent of the total.

Developing economies' outflows reached $426 billion in 2012, representing 30.6 percent of the world total out flows of $ 1,391 billion the same year. Despite the global downturn, TNCs from developing countries continued their expansion abroad dominated by Asian countries.

The BRICS countries (Brazil, the Russian Federation, India, China and South Africa) continued to be the leading sources of FDI among emerging investor countries. Flows from these five economies rose from $7 billion in 2000 to $145 billion in 2012, accounting for 10 percent of the world total flows. In the ranks of top investors, China moved up from the sixth to the third largest investor in 2012, after the United States and Japan.

Total outward FDI from developing Asian countries remained stable at $308 billion, accounting for 22 percent of global flows, the same share as the European Union. The moderate increase of FDI outflows in East and South-East Asia by 1.5% was offset by a 5.2 percent decrease in inflows from South Asia during the year 2012. Outflows from China continued to grow, reaching $84 billion in 2012 from $ 79 million in 2011. Turkey has emerged as a significant investor, with its outward investment growing by 73 percent in 2012 to reach $ 4 billion.

Table 1: FDI flows by region, 2010–2012 (billions $)

Region	FDI inflows			FDI outflows		
	2010	2011	2012	2010	2011	2012
World	1 409	1 652	1 351	1 505	1 678	1 391
Developed economies	696	820	561	1 030	1 183	909
Developing economies	637	735	703	413	422	426
Africa	44	48	50	9	5	14
Asia	401	436	407	284	311	308
East and South-East Asia	313	343	326	254	271	275
South Asia	29	44	34	16	13	9
West Asia	59	49	47	13	26	24
Latin America and the Caribbean	190	249	244	119	105	103
Oceania	3	2	2	1	1	1
Transition economies	75	96	87	62	73	55
Structurally weak, vulnerable and small economies	45	56	60	12	10	10
Least developed countries	19	21	26	3.0	3.0	5.0
Landlocked developing countries	27	34	35	9.3	5.5	3.1
Small island developing States	4.7	5.6	6.2	0.3	1.8	1.8
Memorandum: percentage share in world FDI flows						
Developed economies	49.4	49.7	41.5	68.4	70.5	65.4
Developing economies	45.2	44.5	52.0	27.5	25.2	30.6
Africa	3.1	2.9	3.7	0.6	0.3	1.0
Asia	28.4	26.4	30.1	18.9	18.5	22.2
East and South-East Asia	22.2	20.8	24.1	16.9	16.2	19.8
South Asia	2.0	2.7	2.5	1.1	0.8	0.7
West Asia	4.2	3.0	3.5	0.9	1.6	1.7
Latin America and the Caribbean	13.5	15.1	18.1	7.9	6.3	7.4
Oceania	0.2	0.1	0.2	0.0	0.1	0.0
Transition economies	5.3	5.8	6.5	4.1	4.3	4.0
Structurally weak, vulnerable and small economies	3.2	3.4	4.4	0.8	0.6	0.7
Least developed countries	1.3	1.3	1.9	0.2	0.2	0.4
Landlocked developing countries	1.9	2.1	2.6	0.6	0.3	0.2
Small island developing States	0.3	0.3	0.5	0.0	0.1	0.1

Source: *UNCTAD, World Investment Report 2013*

Besides the UNCTAD reports on the global foreign private flows, countries around the globe have committed to collect this information following international standards data collection methodology and share their information with UNCTAD for comparability and communication. Rwanda has also committed to annually conduct this exercise and share the results.

1.3. Monitoring foreign investment in Rwanda

With the objective of complementing internal resources, Rwanda has actively attracted FDI by creating and sustaining a high conducive investment climate through important reforms which make it easier for businesses to get started, get loans, pay taxes, etc.

A whole package for investment promotion in general can be found within Rwanda Development Board. The package for investment promotion includes among others: regulatory framework, registration facilities and requirements, change of registered businesses, closing businesses, disclosure requirements, and other facilities such as working permit, government's protection of investments, settlement of disputes, transfer of funds, special economic zone facilitations, public private partnership (PPP) where RDB is chief negotiator between public and private sectors.

The World Economic Forum's Global Competitiveness Report 2013- 2014 ranked Rwanda the 2nd easiest place to do business in Africa. The table 2 below shows the Rwanda rank across 11 indicators of doing business compared to other African countries for the Year 2013-2014.

Table 2: Top Ten Countries in Doing Business in Sub-Saharan Africa 2013-2014

Economy	Ease of Doing Business Rank	Starting a Business	Dealing with Construction Permits	Getting Electricity	Registering Property	Getting Credit	Protecting Investors	Paying Taxes	Trading Across Borders	Enforcing Contracts	Resolving Insolvency
Mauritius	20	2	22	1	7	7	2	1	1	7	2
Rwanda	32	1	14	2	1	1	3	3	31	2	22
South Africa	41	7	1	27	15	5	1	4	7	12	8
Botswana	56	12	11	13	2	11	7	6	23	14	1
Ghana	67	20	37	6	4	5	5	9	8	4	16
Seychelles	80	16	10	25	9	40	9	2	2	13	3
Zambia	83	6	7	29	17	1	12	9	32	20	5
Namibia	98	23	2	4	43	9	12	18	20	10	9
Cape Verde	121	8	28	28	6	14	24	11	4	1	38
Swaziland	123	39	5	34	24	9	21	7	13	41	4

Source: *World Bank Doing Business Report 2013-2014*

During the period under review, Rwanda eased access to construction permits by passing new building regulations and implementing new time limits for the issuance of various permits.

Access to credit was enhanced by allowing banks the right to inspect borrowers' credit situation and mandating that loans of all sizes be reported to the central bank's public credit registry. In addition, Rwanda reduced the number of trade documents required and enhanced its joint border management procedures with her neighbors, leading to an improvement in the trade logistics.

Table 3: Rwanda's Doing Business Performance by Category 2013 and 2014

	DB 2013	DB 2014	Change in rank
Rwanda Ranking	**52nd**	**32nd**	**20**
Starting a Business	8	9	-1
Dealing with construction permits	98	85	13
Getting Electricity	49	53	-4
Registering property	63	8	55
Getting credit	23	13	10
Protecting Investors	32	22	10
Paying Taxes	25	22	3
Trading Across Borders	158	162	-4
Enforcing Contracts	39	40	-1
Resolving Insolvency	167	137	30

Source: *World Bank Doing Business Report 2013-2014*

In the past, data on foreign capital flows were estimated using information provided by banks. However, it was not possible to capture non-cash types of investment such as investment in form of equipment, expertize and reinvested earnings and distinction between current, capital and financial accounts transactions. Therefore, a census based approach of compiling statistics on FPI was adopted in 2007 by BNR jointly with the Rwanda Investment and Export Promotion Agency (RIEPA), now RDB. The census provides information that contribute to improve the formulation of national investment policies and to assess the impact of all efforts made in facilitating foreign investments.

Inter-Institutional Agreement for monitoring and analyzing the foreign assets and liabilities, corporate social responsibility and related data in Rwanda was initiated. This agreement led to the establishment of Rwanda Working Group (RWG) under the memorandum of understanding signed between the National Bank of Rwanda (BNR), the National Institute of Statistics of

Rwanda (NISR), the Rwanda Development Board (RDB) and the Private Sector Federation (PSF).

The mandate of this working group includes among others, collecting and producing good quality statistics, compliant with international data reporting standards and meeting the needs of various policy makers and users. BNR and NISR collect this information for Balance of Payments and National Account compilation while RDB and PSF need it for monitoring purposes.

1.4. Reasons for investing in Rwanda

Indicator	Reasons
Good macroeconomic environment	Rwanda enjoyed a year-on-year average real GDP growth rate of 8.1 percent between 2007 – 2012, among the highest in major African economies and neighboring countries, a moderate inflation of one digit and stable exchange rate.
Good governance	The country is politically stable with well-functioning institutions, rule of law and zero tolerance for corruption, clear vision for growth through private investment support and development
Investor friendly climate	World Bank Doing Business Report 2013 ranked Rwanda the 2nd top global reformer for six consecutive years and 3rd easiest place to do business in Africa. It is among the best competitive place to do business in Africa and 1st in East African Community. On credit ranking by Fitch in 2012-2013, Rwanda was upgraded to B. Rwanda is among top 4 African countries in terms of internet connectivity according to Oracle in 2012.
Access to markets	Rwanda is a Market of 10.5 million people with a rapidly growing middle class. It is located centrally bordering with 3 countries in East Africa and the huge market of Democratic Republic of Congo. The country adhered to EAC Common Market and Customs Union with market potential of over 125 million people with all trade facilities the EAC bloc offers.
Untapped investments opportunities	Potential investment opportunities abound, particularly in the following sectors: - Infrastructure: Opportunities in rail, air , water transportation to further develop Rwanda as an EAC hub; - Agriculture: Potential for agriculture productivity growth and value addition; - Energy: Power generation, off grid generation and significant methane gas opportunities; - Tourism: Unique assets creating booming sector, growth potential in birding & business/conference tourism - Information and Communication Technology: Priority sector for Vision 2020; new ICT Park to be developed. - Other attractive sectors include real estate and construction, financial services and mining.
Rwanda is Highly Competitive	Rwanda is now the third most competitive country in Sub-Saharan Africa after Mauritius and South Africa Globally, Rwanda is in the upper half of the WEF's Global Competitiveness Index after jumping 10 places, ahead of many historically stronger countries in Europe and America
Excellent Business Environment	Rwanda has the third strongest regulatory framework in Sub-Saharan Africa, only slightly behind South Africa and is ranked 8th globally by the World Bank doing business report in starting a business

Source: RDB, 2013

CHAPTER II. CENSUS FINDINGS

2.0. Introduction

As mentioned, Foreign Private Investment is composed of Foreign Direct Investment (FDI), other investments and Portfolio investment. FDI are made of investments of non-residents in resident companies with a shareholding of at least 10% of the company's total capital and debt from fellow (related) enterprises but excludes debt among related financial intermediaries. Portfolio investment are tradable instruments and other investments which are borrowing from outside as well as non-tradable shareholding of less that 10% to total capital of the company. All these categories are analyzed by type of liability or instrument, relationship, sector of investment, and source country. They are of two main categories which are liabilities made of inward investment flows and stocks as well as assets made of outwards investments flows and stocks.

The fourth private investment (FPI) census in Rwanda aimed at capturing information on FPI for the year 2012 where one hundred and sixty three (163) companies made of all new companies registered as foreign direct investments by Rwanda Development Board in 2012 and the ones which declared Foreign Assets and Liabilities in the previous census. These companies operate in different sectors such as Agriculture, Construction, Energy, Financial services, Food processing, Fuel, Hotel, ICT, Insurance, Manufacturing, Mining, Real Estates, Retail and Wholesale trade, Tourism, Transport, etc.

One hundred and fifty three (153) responded to the questionnaire used in the census (annex 4); a response rate of 93.9 percent. This good rate of response was due to awareness campaign directed to Managing Directors, Chief Executive Officers and Finance managers of companies. It was done together with the dissemination of the third round results of the year 2011. The objective was to maximize the chance of reporting complete and reliable data.

Table 4: Response rate per sector in 2012.

Sector	Distribution	Collection	Response rate
Tourism	10	9	90.0
Administrative and support service activities	5	5	100.0
Agriculture, forestry and fishing	10	10	100.0
Construction of buildings	4	3	75.0
Electricity, gas, steam and air conditioning supply	3	3	100.0
Financial and insurance activities	24	24	100.0
Information and communication	16	14	87.5
Manufacturing	23	22	95.7
Mining and quarrying	15	14	93.3
Postal and courier activities	1	1	100.0
Professional, scientific and technical activities	8	7	87.5
Real estate activities	6	6	100.0
Transportation and storage	10	9	90.0
Water supply; sewerage, waste management	1	1	100.0
Wholesale and retail trade	27	25	92.6
Total	**163**	**153**	**93.9**

Source**:** *Foreign Private investment 2012*

Looking at the performances in terms of investment attraction and registration, for the last five years (2008-2012), a total of 260 investments projects fully owned by foreign investors or in joint ventures with local investment has been registered with pledged investment value of $ 2,285.98 million and planning to create 34,318 new jobs. Of 260 pledged projects, 131 are operational, 69 are in implementation phase, 22 have closed or stopped, while 38 are still committed to start their activities. The following table presents the pledged investments in value, number of projects and annual planned new jobs for the period of 2008-2012.

Table 5: Foreign Private Investments pledges (2008 – 2012)

	2008	2009	2010	2011	2012	Total
Number	39	46	41	60	74	260
Value($ million)	564.24	531.32	201.37	398.89	590.15	2,285.98
Jobs	3,548	3,748	3,971	5,553	17,498	34,318

Source: *Rwanda Development Board, 2013.*

Foreign Private Investments in Rwanda have been increasing overtime. In 2012, FPC inflows to Rwanda increased by 14.8 percent to $ 409.3 million compared to $356.6 million recorded in 2011. They were dominated by FDI, amounting to $ 255.0 million, and accounting for 62.3 percent of total inflows, followed by other investments at $ 153.3 million, accounting for 37.5 percent and portfolio investments of $ 1.0 million. In 2011 with the starting of Rwanda Stock exchange, portfolio investments flows were particularly high ($ 87.3 USD) compared to other years.

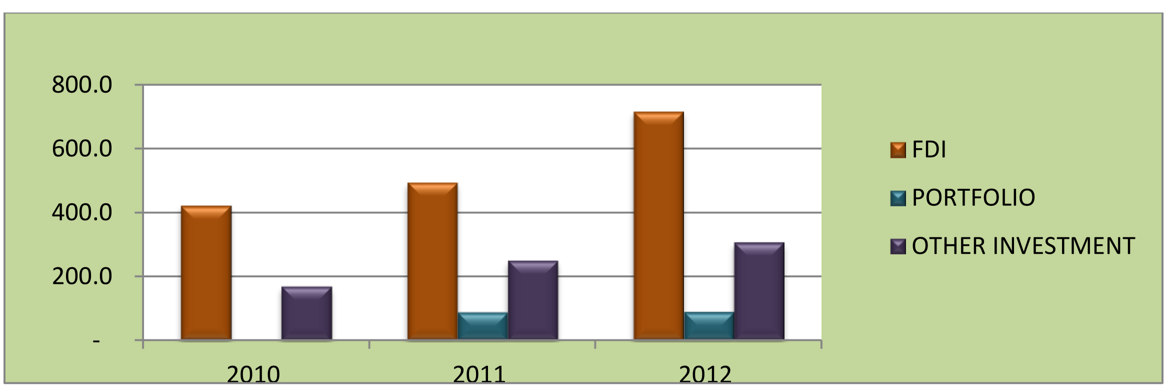
Table 6: Foreign private investments inflows by category 2008-2012($ million)

Years	**2008**	**2009**	**2010**	**2011**	**2012**
FDI	66.9	103.3	250.5	119.1	255.0
Portfolio	1.1	0.7	1.5	87.3	1.0
Other investment	77.9	35.7	91.0	150.2	153.3
Total	**145.9**	**139.7**	**343.1**	**356.6**	**409.3**

Source: *Foreign Private investment 2012*

In terms of stock, total foreign private investment increased by 24.5 percent reaching $ 1,109.0 million in 2012 from $ 831.3 million recorded in 2011 of which FDI amounting to $ 715.5 million followed by other investments of $ 305.0 million and portfolio investments of $ 87.8 million.

Figure 1: Foreign Private Investment Stocks 2010-2012 ($ million)

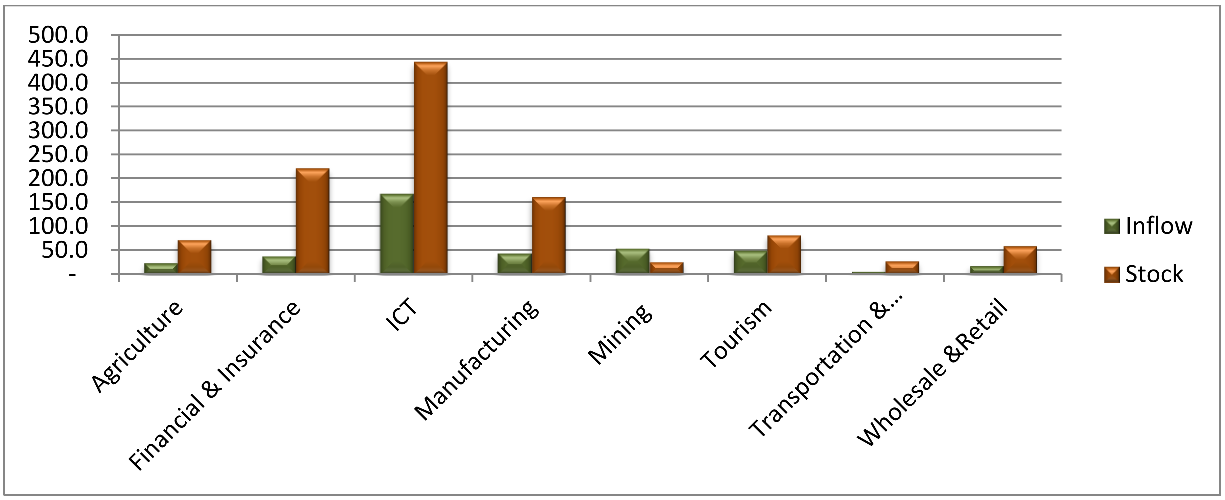


Source: *Foreign Private investment 2012*

2.1. Foreign Private Investment by sector of economic activity

Considering foreign liabilities by recipient sectors, 41.4 percent of total FPI in 2012 were channeled to ICT, followed by mining with 13.8 percent, tourism with 12.3 percent, manufacturing with 10.8 percent and other sectors had 21.7 percent The stock of foreign investment in ICT amounted to $ 444.0 million followed by finance and insurance with $ 221.6 million and manufacturing with 161.5 million. The investment in agriculture is directed to sub sectors of support activities to agriculture such as post-harvest crop activities, support activity for crop production, etc. with 38.0 percent farming with 19.0 percent dominated by growing of tea with 12.6 percent growing of coffee with 6.0 percent and the remaining part to others.

Figure 2: Foreign Private Investment Inflows and Stocks by sector ($ million), in 2012.



Source: *Foreign Private investment 2012*

2.2. Foreign Private Investment by country of origin

Most of the flows were mainly from Mauritius ($ 143.6 million) followed by United States ($ 55.2 million), Switzerland ($ 54.1 million) and Luxembourg ($ 43.2 million) accounting for 72.3 percent of total FPI in 2012. Flows from Mauritius were mainly to ICT, manufacturing and finance and insurance services sectors, while investments from USA were directed to agriculture and manufacturing sectors. Funds from Switzerland were invested in mining sectors while those from Luxembourg were mostly invested in finance, insurance and ICT activities.

In terms of stocks, Mauritius, South Africa, Kenya, Luxembourg, United Kingdom and USA were leading accounting for 51.6 percent of the total stock. Mauritius is the largest investor as hosting many holding companies even though the ultimate controlling companies are from different parts of the world. The census took into consideration only the immediate relationship (immediate investor). Beside countries of origin, loan from financial institutions such as Exim bank and PTA bank were important with more than $ 23 million in 2012 against $ 10.2 million and $ 9.3 million in 2010 and 2011 respectively. Sectors such as tourism, finance and insurance borrowed from these institutions.

Table 7: Inflows and stocks by origin in 2012 ($ million)

Source	2012			
	Inflow		Stock	
	Amount ($ m)	% Share	Amount ($ m)	% Share
Mauritius	143.6	35.5	181.0	16.4
USA	55.2	13.7	75.1	6.8
Switzerland	54.1	13.4	22.1	2.0
Luxembourg	43.2	10.7	82.3	7.5
United Kingdom	14.7	3.6	63.2	5.7
Kenya	14.5	3.6	113.4	10.3
Netherlands	14.5	3.6	64.8	5.9
PTA	13.6	3.4	32.6	3.0
EXIM	10.5	2.6	23.4	2.1
Other	45.4	10.0	451.0	40.4
Total	**409.3**	**100.0**	**1,109.0**	**100.0**

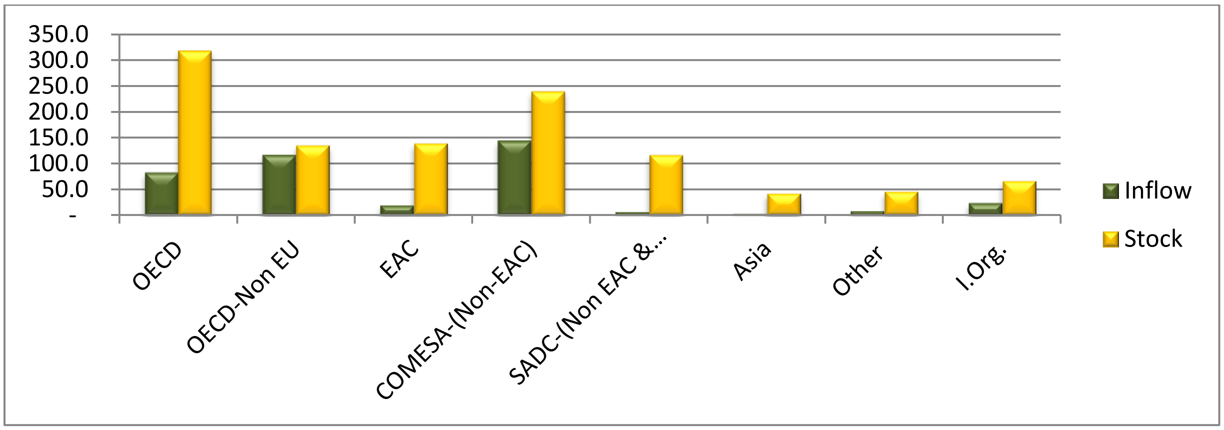
Source: *Foreign Private investment 2012*

With regard to foreign private capital stock by regional economic grouping, the European Union (EU) countries held the highest stock amounting to $ 318.8 million (28.9 percent) up from $ 266.3 million recorded in 2011 and dominated by investments from Luxembourg and Netherlands, COMESA (Non- EAC) accounted for $ 240.0 million (21.8 percent) increasing from $ 117.4 million in 2011 dominated by investments from Mauritius while EAC had $ 139.7 million (12.7 percent) up from $ 121.7 million in 2011coming mostly from Kenya.

SADC (Non EAC & COMESA) had $ 117.5 million (11.0 percent) up from $ 110.8 million in 2011 and dominated by investments from South Africa. OECD (Non-EU) had $ 135.9 million

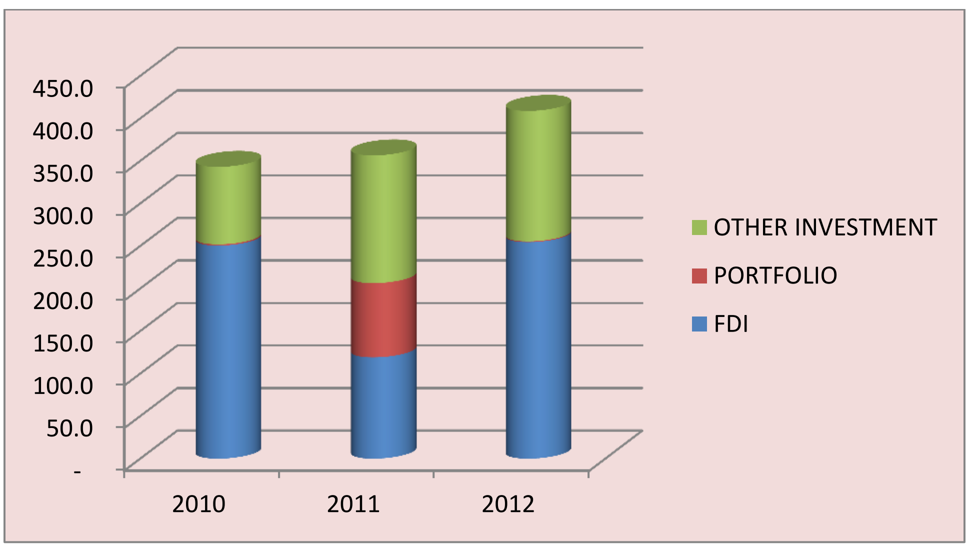
(13.0 percent) up from $ 76.8 million in 2011. Stock of investment from international and regional organizations was $ 67.4 million (6 percent). Asia accounted for $ 43.8 million (4.1 percent) increasing from $ 41.6 million in 2011. Other countries had $46.5 (4. Percent) million from $ 37.1 million in 2011.

Figure 3: Foreign Private Investment stocks & inflows by Region in 2012 ($ million)



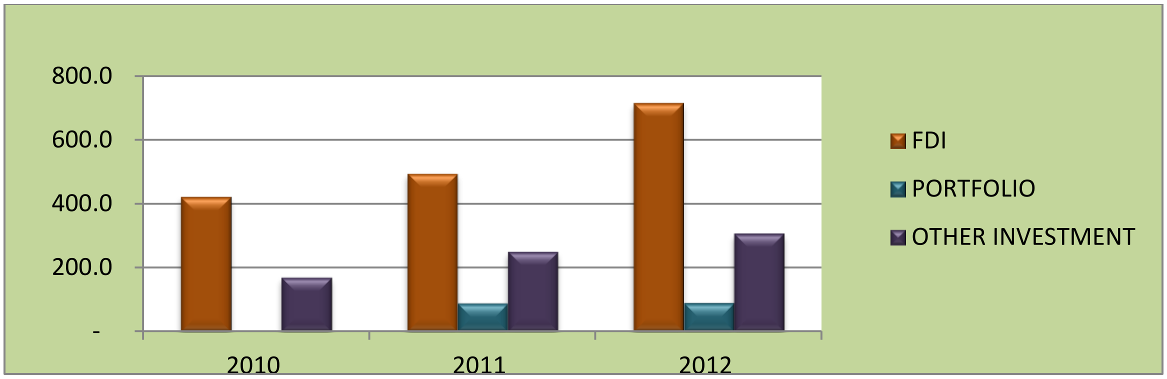
Source: *Foreign Private investment 2012*

Figure 4: Foreign Private Investment inflows 2010-2012 ($ million)



Source: *Foreign Private investment 2012*

Figure 5: Foreign Private Investment Stocks 2010-2012 ($ million)



Source: *Foreign Private investment 2012*

2.3. Foreign Direct Investment

2.3.1. Foreign Direct Investment inflows and stock

Foreign direct investments are made of three categories: equity capital which is new investment in a company, loan from affiliates or from shareholders and retained earnings. In 2012, the FDI inflows increased from $ 119.1 million in 2011 to $255.0, dominated by loans from shareholders representing 58.1 percent and equity capital accounting for 33.3 percent while retained earnings were 8.6 percent.

Out of the profit of $ 59.9 million made in 2012, reinvested earnings were $ 22.0 million, an increase of 95.4 percent from $1.3 million registered in 2011, mostly in manufacturing, financial and insurance as well as wholesale and retail trade sectors, denoting a good investor's confidence in Rwandan economy. Borrowing from affiliates increased to $145.2 million from $91.6 million in 2011, and equity capital also increased from $ 26.3 in 2011 to $ 87.4 million registered in 2012. FDI stock increased from $ 495.1 million in 2011 to $ 715.9 million in 2012.

Table 8: Inflows and Stocks of FDI by type ($ million)

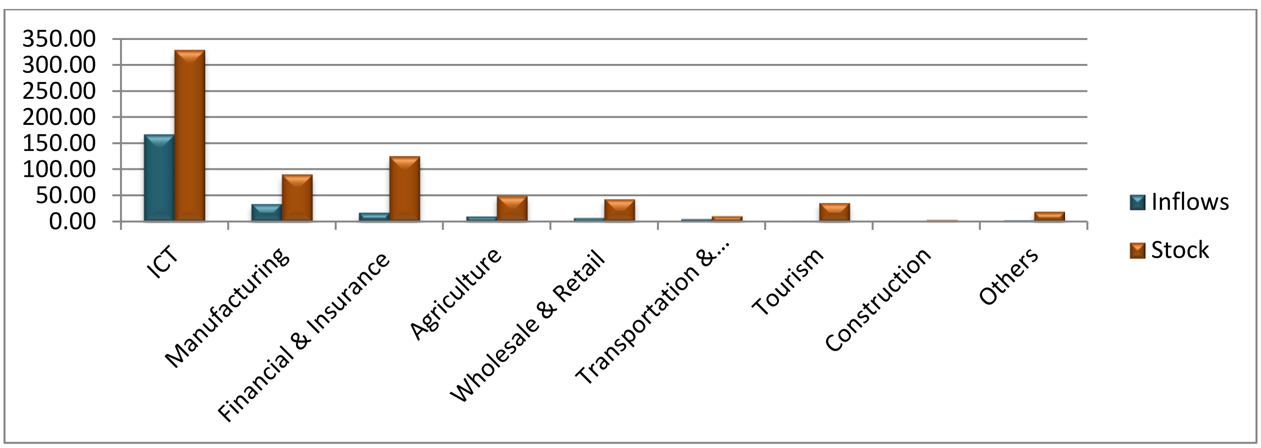
	2010		**2011**		**2012**	
	Inflows	**Stock**	**Inflows**	**Stock**	**Inflows**	**Stock**
Equity capital	133.1	-	26.3	316.7	87.4	236.6
Loans	165.2	-	91.6	196.8	145.6	365.5
Retained earnings	(47.7)	-	1.2	31.9	22.0	53.8
Other changes	NA	-	NA	-50.3	NA	60.0
Total	**250.54**	**422.1**	**119.1**	**495.1**	**255.0**	**715.5**

Source: *Foreign Private investment 2012*

2.3.2 Foreign Direct Investment Inflows and Stock by sector

In 2012, most of the Foreign Direct inflows were directed to ICT with $ 167.3 million, followed by Manufacturing sector with $ 37.9 million and Finance & Insurance sector with $ 22.2 million. In terms of stocks, the same sectors also dominate where ICT has $ 329.1 million, Finance and Insurance $ 125.1 million and manufacturing $ 90.8 million.

Figure 6: **Foreign Direct Investment Inflows and Stocks by Sector in 2012 ($ million)**



Source: *Foreign Private investment 2012*

2.3.3. Foreign Direct Investment Flows and Stocks by origin

Considering the origin of FDI, Mauritius, Luxembourg, United Kingdom and Netherlands are the major source of FDI inflows, collectively accounting for 84.3 percent of total inflows in 2012.followed by South Africa, Togo, France and Nigeria.

Table 9: Foreign Direct Investment Flows and Stocks by origin ($ million)

Source	2012	
	Inflow	**Stock**
Mauritius	143.5	177.3
Luxembourg	43.2	74.8
United Kingdom	14.7	12.1
Netherlands	13.4	49.2
South Africa	6.3	116.1
Togo	4.8	19.6
France	4.1	9.3
Nigeria	3.6	22.9
Other	21.3	234.6
Total	**255.0**	**715.9**

Source: *Foreign Private investment 2012*

2.4. Foreign Portfolio Investment

Portfolio investment which involves the purchase of stocks, bonds, commodities, or money market instruments by non-residents, remain the lowest component of foreign investment in Rwanda mainly due to the low level of financial market development. Portfolio stock increased from $ 86.8 million in 2011 to $ 87.8 million in 2012 and account for 0.3 percent of the total liabilities inflows in 2012.

This small increase compared to the previous year was due to lack of new listed companies on Rwandan Stock Exchange as the portfolio inflows amounted to only $1 million in 2012 compared to $ to 87.3 million in 2011.

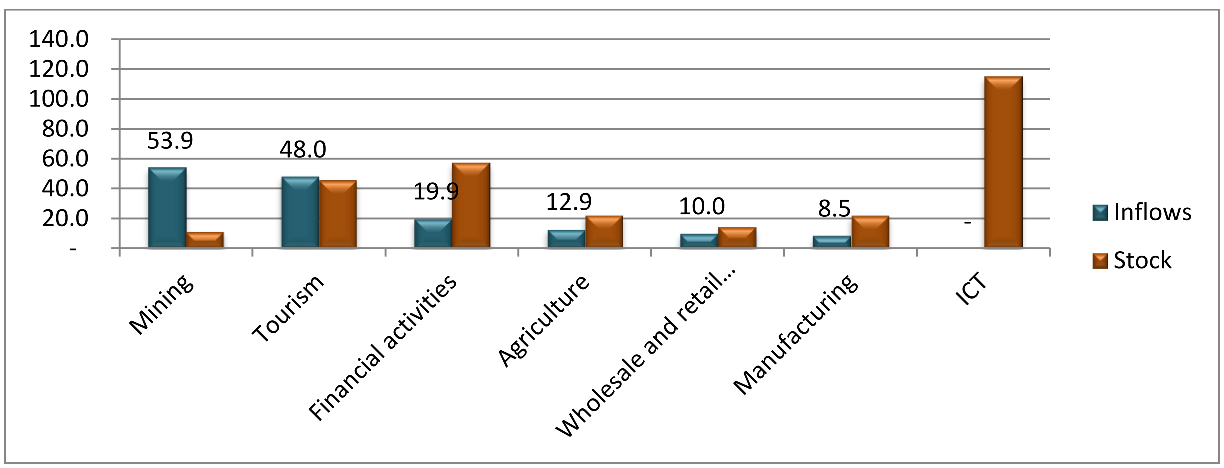
2.5. Other investments

Other investments accounting for 37.9 percent of the overall liability inflows are long term and short term loans from unrelated sources. In 2012, a total of $ 153.3 million of loans inflows were reported of which $ 88.7 million (57.8 percent) were long term (more than 1 year), $ 62.9 million (41.0 percent) in form of trade credits and others with $ 1.3 million (1.0 percent).

2.5.1. Other investment inflows and stocks by Sector

The sectorial distribution of other foreign investment inflows show that they were mainly concentrated in the mining sector at $ 53.9 million followed by tourism $ 48.0 million and finance and insurance $ 19.9 million. The ICT sector, even if characterized by low unrelated borrowing in 2012 have the highest stock in 2012 due mainly to inflows of 2010 ($ 46.3million) and 2011($ 49.2 million).

Figure 7: **Other investments inflows and stocks by sector in 2012 ($ million)**



Source: *Foreign Private investment 2012*

2.5.2. Other Investments Inflows and Stock by Source

In 2012, Switzerland was the major source of other investment inflows with $ 53.9 million, followed by the Preferential Trade Area (PTA) with $ 52.2 million, and UK, $ 12.8 million. Inflows from Kenya and Canada were $ 11.2 million and $ 5.8 million, respectively. In terms of stock, UK was the major source, with $ 56.8 followed by the PTA $ 27.5 million, and the Netherlands, with $14.1 million, Switzerland $ 13.6 million and EXIM Bank $ 12.9 million. Many companies contracted loans from Netherlands and UK financial institutions while Switzerland was mainly the source of trade credits.

Table 10: Other Investments Inflows and Stock by Source ($ million)

Country	2012	
	Inflow	**Stock**
Switzerland	53.9	13.6
United States of America	52.2	1.2
Preferential Trade Area (PTA)	13.6	27.5
United Kingdom	12.8	56.8
Kenya	11.8	1.4
Export Import Bank (EXIM)	10.5	12.9
Canada	5.8	-
Belgium	3.5	3.4
Netherlands	1.1	14.1
Other	84.8	174.0
Total	**250.1**	**305.0**

Source: *Foreign Private investment 2012*

2.6. Income on Equity

Comparing the 2012 to 2011, the overall net profit increased to \$ 59.9 million in 2012 from \$ 21.8 million in 2011 reflecting globally higher positive results of foreign investment. The ratio of dividends declared to net profit was 63.3 percent and the ratio of retained earnings to net profit was 36.7 percent. This shows a slight difference in profit remitted and reinvestments. The ratio of reinvested earnings to net profit increases from the level of 5.9 % in 2011 to 36.7 % in 2012.

Table 11: Income on equity (\$ million)

Item	Amount (\$ m)		
	2010	2011	2012
Net Profit/Loss	(34.0)	21.8	59.9
Dividends Declared	15.1	21.0	37.9
Dividends Paid	14.2	14.8	22.9
Retained Earnings/Loss	(49.1)	1.3	22.0

Source: *Foreign Private investment 2012*

2.6.1. Income on equity distribution by sector

The sectorial distribution of income on equity in 2012 shows that all the sectors that have made profits reinvest a portion of 36.7 % on average. The big sectors are the ones with huge profits distributed. As it is seen in table 12, there is an indication that the more the company make profits, the more shareholders benefit from their investments. It is also seen that many sectors are not yet making profits due to the new investments in them. The ratio of dividends declared to net profit was 63.3 percent.

Table 12: Income on equity distribution by sector in 2012 ($ million)

Sector	Net Profit/Loss (After Tax)	Dividends declared	Dividends paid (Profit remitted)	Reinvested Earnings/Loss
Agriculture, forestry and fishing	4.9	2.0	1.3	2.9
Mining and quarrying	1.1	-	-	1.1
Manufacturing	33.1	11.5	11.4	21.6
Electricity, gas, steam and air conditioning supply	0.2	0.0	0.1	0.2
Construction	1.5	0.5	0.4	1.0
Wholesale and retail trade	3.5	0.1	0.1	3.4
Transportation and storage	0.5	-	-	0.5
Tourism	1.7	0.1	-	1.7
Information and communication	(5.4)	7.5	5.8	(12.9)
Financial and insurance activities	6.4	3.4	3.9	3.0
Other sectors	(0.4)	12.8	-	(0.4)
Total	**59.9**	**37.9**	**22.9**	**22.0**

Source: *Foreign Private investment 2012*

Manufacturing sector dominated by activities such as manufacturing of food products and beverages has 65% of the total income, followed by Finance and Insurance with 22% and agriculture, dominated by support activities to agriculture, growing of coffee and tea with 8%. ICT sector registered a loss equivalent to 9% of net income due to new important investments. The sector is expected to show positive return in the future.

Dividends paid to foreign shareholders increased from $ 14.8 million in 2011 to $ 29.8 million in 2012 of which 50% from manufacturing sector, followed by ICT 25% distributed by old companies in the sector and Financial and insurance sector 17%.The ratio of dividends declared to net profit was 63.3 percent, mostly from manufacturing sector 27% followed by ICT 13% and Finance and Insurance 10%.

2.7. Return on equity by sectors in 2012

Return on equity is the amount of net income returned as a percentage of shareholders equity. It measures company's profitability by revealing how much profit a company generates with the money shareholders have invested. Net income is for the full fiscal year (before dividends paid to common stock holders but after dividends to preferred stock.) Shareholder's equity does not include preferred shares which are Company stock with dividends that are paid to shareholders before common stock dividends are paid out. In the event of a company bankruptcy, preferred stock shareholders have a right to be paid company assets first. Preference shares typically pay a fixed dividend, whereas common stocks do not. And unlike common shareholders, preference share shareholders usually do not have voting rights. ROE is useful for comparing the profitability of a company to that of other firms in the same industry.

$$\mathbf{ROE} = \frac{\boldsymbol{Net\ Profit}}{\boldsymbol{Average\ FDI\ Equity\ Stock}}\ \boldsymbol{X}\ \mathbf{100}$$

During the period under review, the overall return on equity attributable to foreign direct investments was 20.6 percent increasing from 19.5% in 2011. The following table shows the profitability of some sectors (2011-2012).

$$\mathbf{Avg\ FDI\ Equity\ Stock} = \frac{\boldsymbol{FDI\ Opening\ Equity\ Stock + FDI\ Closing\ \ Equity\ Stock}}{\mathbf{2}}$$

The net profit is the net income made for the fiscal year, in our case we use the calendar year (31 December 2011-31 December 2012) before dividends paid to common stock holders, whereas FDI Stock includes accumulated equity capital and accumulated retained earnings as presented in table 8.

Table 13: FDI profitability of some sectors (2011-2012) (percent)

SECTOR	2012			2011		
	Net Profit/ Loss (FDI)	Av. Stock FDI	ROE	Net Profit/ Loss (FDI)	Av. Stock FDI	ROE
Agriculture	4.8	17.2	28.2	5.7	27.0	20.9
Mining	1.1	2.0	54.0	(3.3)	4.2	(78.5)
Manufacturing	38.8	96.7	40.1	23.6	50.2	47.0
Construction	1.5	8.1	18.5	1.7	3.3	50.3
Wholesale and retail trade	3.5	26.4	13.4	4.0	26.4	15.3
Transportation and storage	0.5	0.4	130.6	0.2	1.7	14.2
Tourism	1.7	7.2	24.2	(0.2)	19.3	(1.0)
ICT	(5.4)	35.9	(15.0)	(13.3)	83.2	(16.0)
Financial and insurance activities	13.6	95.4	14.3	3.7	107.6	3.4
Real estate activities	(0.8)	(1.1)	-	0.1	0.9	14.2
Administrative and support service	0.3	0.5	73.5	0.2	0.1	170.7
Other sectors	0.8	(2.0)	(0.3)	2.7	(2.1)	(1.3)
Total	59.9	290.4	-	30.3	348.6	-
Weighted average			**20.6**			**19.5**

Source: *Foreign Private investment 2012*

Looking at sectors with more than $ 10 million average FDI stock, except for ICT sector which registered new big investments in the recent past years others registered positive returns on equity.

2.8. Private Sector External Debt (PSED) 2012

Private Sector External Debt is the amount of current and not contingent liabilities that require payment (s) of interest and/or principal by the debtor at some point(s) in the future and owed to non-residents by private residents of an economy (IMF Debt Guide, 2009). Private sector external debt flows and stocks are made of borrowing from affiliates included in FDI and from non-affiliates included in other investments as well as debt securities.

2.8.1. Private Sector External Debt inflows 2012

Disbursements of the PSED in 2012 amounted to $ 298.4 million from $ 241.9 million in 2011, an increase of 23.4 percent. Debt inflows from related companies, included in foreign direct investments, totaled $ 145.1 million showing a strong support of our foreign investment companies by their sisters/ mothers abroad. Debt inflows from unrelated companies were $ 153.3 million in 2012 against $ 241.9 million recorded in 2011 and $ 257.9 million in 2010. The debt from non-affiliates represents 51.4 percent of total debt from abroad in 2012. The repayment of principal was $ 132.6 million in 2012 of which 44% for trade credit.

Table 14*: Private Sector External Debt flows 2010 – 2012 ($ million)*

Type	Maturity	Disbursement			Repayment		
		2010	2011	2012	2010	2011	2012
AFFILIATES		**166.2**	**91.6**	**145.1**	**55.2**	**11.5**	**34.1**
Loans	LT	124.3	81.1	131	14.3	3.9	31
	ST	41.9	10.5	14	40.9	7.7	3
NON AFFILIATES		**91.7**	**150.3**	**153.3**	**64.9**	**67.2**	**98.5**
Loans	LT	48.6	137.3	89	13.1	55.2	41
	ST	-	0.2	0	-	0.0	0
Trade Credits	ST	41.2	12.4	63	39.7	11.9	58
Other	LT	1.9	0.4	2	12.1		-
TOTAL		**257.9**	**241.9**	**298.4**	**120.1**	**78.7**	**132.6**
Of which:	**LT**	**174.8**	**218.8**	**221.8**	**39.5**	**59.1**	**71.6**
	ST	**83.1**	**23.1**	**76.6**	**80.6**	**19.6**	**61.0**

Source: *Foreign Private investment 2012*

2.8.2. Private Sector External Debt stocks 2012

Private Sector External Debt (PSED) stock includes both long and short term borrowing from affiliates (FDI related borrowing) and non-affiliates (non-related entities abroad). Private sector external debt is largely in form of loans, trade credits, debt securities, currency and deposits and other accounts payable. In this section, the stock of PSED is presented and analyzed according to type, maturity and relationship. According to the census, the Private Sector External Debt (PSED) stock has been increasing since 2010, standing at $ 593.2 million end 2012; 29.0 percent higher than the amount recorded end 2011.

Table 15: **Private Sector External Debt stocks 2010-2012 ($ million)**

Type		STOCKS		
		2010	2011	2012
AFFILIATES		**136.0**	**177.0**	**287.9**
Loans	LT	121.0	160.0	260.3
	ST	15.0	16.9	27.6
NON AFFILIATES		**162.1**	**243.7**	**305.3**
Loans	LT	146.6	228.6	276.7
	ST	0.1	0.2	0.2
Trade Credits	ST	15.3	14.4	19.4
Other	LT	0.1	0.5	2.2
TOTAL		**298.1**	**420.7**	**593.2**
Of which:	LT	283.0	403.5	553.7
	ST	15.1	17.2	39.5

Source: *Foreign Private investment 2012*

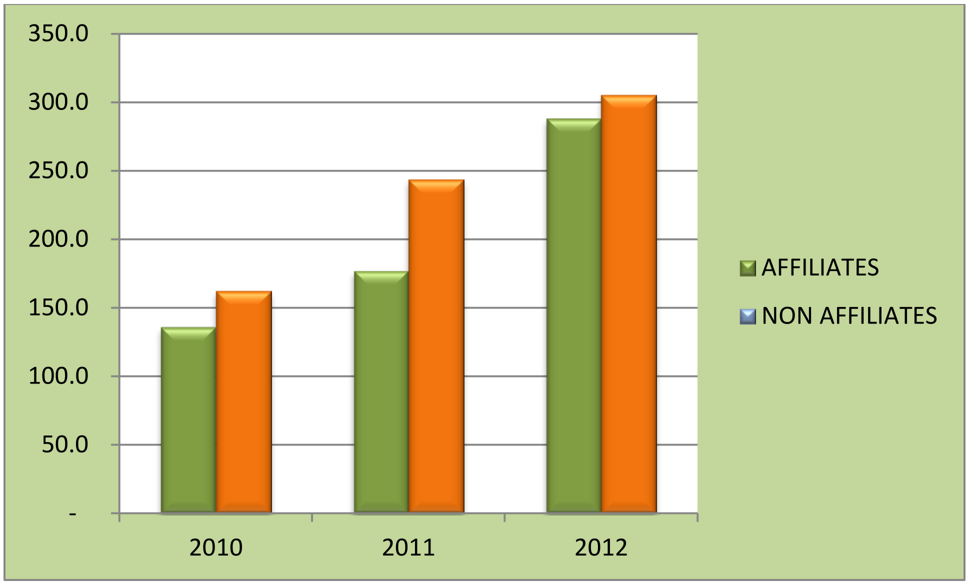
2.8.2.1. Private Sector External Debt Stock by Maturity and Type

In 2012, 93.3 percent of the stock of PSED were in form of long term borrowing while 6.7 percent was short term borrowing, same trend as in 2011 where 96.0 percent of stock of PSED was long term, and 4.0 percent was short-term. Loans (excluding trade credits and others) amounted to $ 564.9 million, representing 95.2 percent of the overall debt stock and dominated by loan from affiliates with share of 51%, while trade credits represented 3.2 percent and others accounted for 1.6 percent.

2.8.2.2. Private Sector External Debt by Credit Type

Globally, the stock of PSED end of 2012 was largely from non-affiliates amounting to $ 305.3 million, increasing by 20.0 percent from $243.7 million recorded at end of 2011. Debt from affiliates increased by 38.5 percent from $ 177.0 million recorded end of 2011 to $ 287.9 million in 2012.

Figure 8: Private sector external debt by relationships ($ million)



Source: *Foreign Private investment 2012*

2.9. Private Foreign Assets (PFA)

This section provides analysis of the stock of Private Sector Investments abroad (Foreign Assets). Foreign assets refer to holding of equity shares or lending to non-residents in form of loans, debt securities and trade credits or any other acquired assets by a resident entity in non-resident entities.

The census showed that PFA were in form of foreign direct equity, foreign portfolio equity and other investments. Foreign investments assets amounted to $ 74.2 million in 2012. The big share was in form of FDI loans and trade credits for 54.1 percent, other loans and trade credits to unrelated companies accounted for 46.9 percent. Sectors with foreign assets were mining (74.6 %), wholesale and retail trade (8.4. %) as well as Finance and insurance (18.0). Most of the assets are invested in Kenya, Switzerland and Tanzania with 78.9 percent of total stock of assets.

2.10. Macro-economic analysis of survey findings

Table 16 shows some key analytical ratios of foreign assets and liability flows and stocks. In terms of flows, FDI became increasingly important as a source of investment funds rising from 16.0 percent of Gross Fixed Capital Formation (GFCF) in 2009 to 28.0 percent in 2012; an average growth of 23.8 percent per year. The ratio FDI/GFCF shows the contribution of FDI in country's financing of capital formation. The importance of FDI to the economy is also shown by the increasing share of FDI stocks to GDP during the last four years, growing from 7.1 percent in 2009 to 17.4 percent in 2012.

The share of debt stock to GDP shows a similar increasing trend from 3.6 percent in 2009 to 6.8 percent in 2012. However, despite the rise in the share of debt stock to GDP, the ratio of debt service to debt stock fell from 11.1 percent in 2009 to 5.8 percent in 2012 showing dominance of long term loans of more than 90%.

Table 16: Some analytical ratios of FDI flows and stocks (percent)

	2009	2010	2011	2012
FDI Inflows/GFCF	16.0	36.4	14.6	28.0
FDI Inflows/GDP	3.5	7.6	3.1	6.1
FDI stock/GDP	7.9	12.9	12.9	17.4
Debt stock/GDP	3.6	5.8	6.5	6.8
Debt service / Debt stock	11.1	9.5	8.8	5.8
Debt service/Exports of goods and services	4.0	5.5	4.3	2.3
Return on assets of non-residents	2.2	2.8	1.2	2.4
Return on equity of non-residents	9.1	13.4	19.5	20.6

Source: *Foreign Private investment 2012*

Using the world available data on FDI return on equity, in 2012 the rate of return on FDI in Rwanda compared to main economic regions was higher. The global rate of return on FDI was 7.2 percent, up slightly from 6.8 percent in 2011.

Rates of return remained low since 2009 in developed economies while in developing and transition economies FDI rates of return were increasing.

While the global average rate of return on FDI for 2006–2011 was 7.0 percent, the average inward rate for developed economies was 5.1 percent and the average rates for developing and transition economies were 9.2 percent and 12.9 percent, respectively. The African and transition economies consistently contribute to higher rates of return. According to the world investment report (2014), the first in return on FDI for the year 2011 was Angola with 87 percent, Bahrain with 50 percent and Rwanda would rank 8th with 19.5 percent. Rwanda is doing well in FDI profitability as shown in the table

Table 17: Economic regional comparisons in FDI Return on Equity 2009-2012 (percent)

Years	2009	2010	2011	2012
Transition economies	10.7	10.8	13	NA
Developing economies	8.7	9	8.4	NA
Developed economies	4	4.6	4.8	NA
Africa	10.8	8.8	9.3	NA
World	**7**	**6.8**	**7.2**	**6.6**
Rwanda	**9.1**	**13.4**	**19.5**	**20.6**

Source: World Investment Report, 2013

2.11. Other transactions

Beside the information directly showing inwards and outwards transaction of companies concerned by the census, it is also good to show other transactions performed by the same companies. This part presents the aggregate findings on companies' turnover, trade, levels of employment, compensation of employees and corporate social responsibility.

2.11.1. Entity turnover

The country's declared total turnover increased by 13.1 percent in 2012 compare to the level of 2011 from $ 3,187.1million to $ 3,604.3 million. The total turnover of the companies considered in this exercise increased by 7.9 percent from $ 995.0 million in 2011 to $ 1,073.4 million in 2012; contributing for 29.8% of the country's total turnovers in 2012, dominated by manufacturing, wholesale and retail trade, finance & insurance and ICT sectors accounting for 61.7 percent of censured companies turnover.

Table 18: Entity turnovers by sectors in 2012 ($ million)

Sector	2011	2012
Manufacturing	229.8	246.8
Wholesale	222.3	223.4
ICT	182.5	185.7
Mining	86.5	59.5
Agriculture	36.0	38.4
Tourism	22.8	18.4
Transportation	7.4	8.6
Financial & Insurance	187.6	192.3
Construction	11.4	3.7
Others	8.4	96.5
Total	**994.6**	**1,073.4**

Source: *Foreign Private investment 2012*

2.11.2. Exports-Imports 2012

In 2012, the census findings showed globally a net import of $ 145.7 million resulting from $ 221.1 million of exports and $ 366.8 million of imports made by the majority owned Foreign Companies. The agriculture and mining sectors recorded trade surplus of $ 56.4 million and $ 35.4 million respectively. Manufacturing sector, whole sale and retail trade as well as ICT were dominating the import side as shown in the following table. The main manufactured products exported are food products such as maize and wheat flour while exports from whole sale and retails trade are dominated by coffee and tea. The trade deficit of manufacturing sector shows the importance of raw material imports.

Table 19: Exports-Imports in 2012 ($ million)

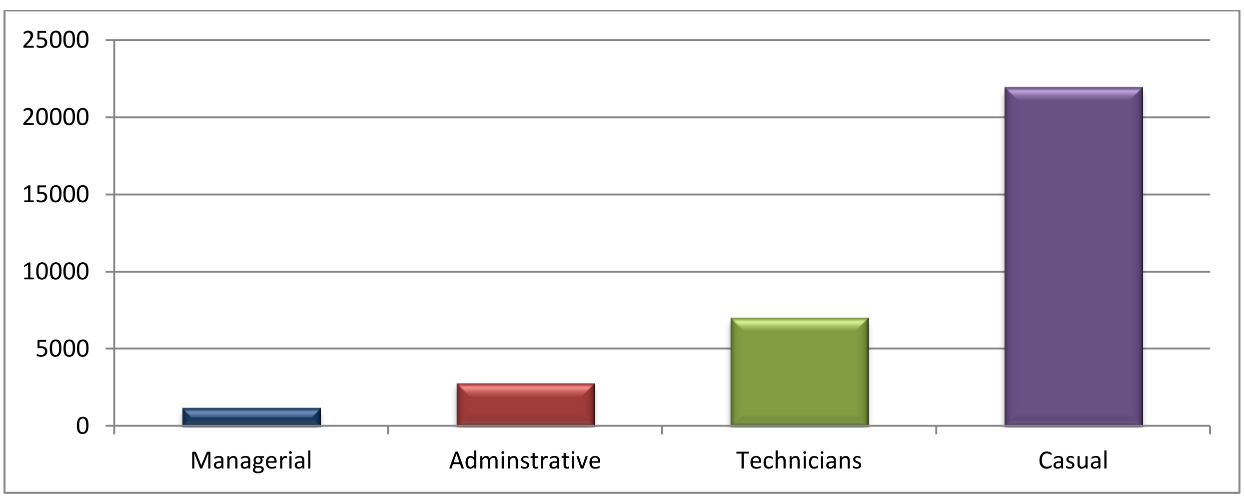
Sector	Imports	Exports	Trade balance
Manufacturing	119.3	35.6	(83.7)
Wholesale and retail trade	121.9	86.9	(35.0)
ICT	52.5	-	(52.5)
Mining	3.0	59.4	56.4
Agriculture	1.6	36.9	35.4
Tourism	2.0	-	(2.0)
Transportation and storage	0.7	0.1	(0.5)
Financial and Insurance	7.5	-	(7.5)
Others	58.4	2.1	(56.2)
Total	**366.8**	**221.1**	**(145.7)**

Source: *Foreign Private investment 2012*

2.11.3. Employment

The total employment in foreign owned investments grew from 16,302 in 2010 to 30,717 in 2011 and 32, 834 in 2012, an increase of 6.9 percent between 2011 and 2012. Rwandans accounted for 98.0 percent of the total employment and the remaining 2.0 percent were foreigners. Foreign workers are mostly in managerial position representing 54.0 percent of total foreign workers.

Figure 9: Distribution of employment by type in 2012



Source: *Foreign Private investment 2012*

Regarding sector distribution of employment, mining had the highest number with 21.3 percent, followed by agriculture with 20.2 percent of total number of employees, real estate 20.1 percent; manufacturing 18.0 percent and finance and insurance activities have 13.0 percent.

Table 20: Distribution of employment by sector in 2012

Employment	**2011**	**2012**
Agriculture, forestry and fishing	8015	4274
Real estate activities	6183	6183
Mining and quarrying	4875	4756
Financial and insurance activities	3944	4083
Manufacturing	2817	5832
Administrative and support service activities	1509	1445
Information and communication	846	651
Wholesale and retail trade	808	770
Other services	1,720	4,840
Total	**30,717**	**32,834**

Source: *Foreign Private investment 2012*

2.11.4. Compensations of employees.

Annual declared value of total compensation of employees was $ 139.5 million of which salaries and wages where dominating with a share of 82.0 percent. Local employees had a bigger share of 85.4 percent of total compensation due to their big number.

The best remunerating sectors were finance and insurance with 58.7 percent of total remuneration, followed by manufacturing 12.9 percent and ICT for 12.0 percent.

Table 21: Total compensation of employees in 2012 ($ million)

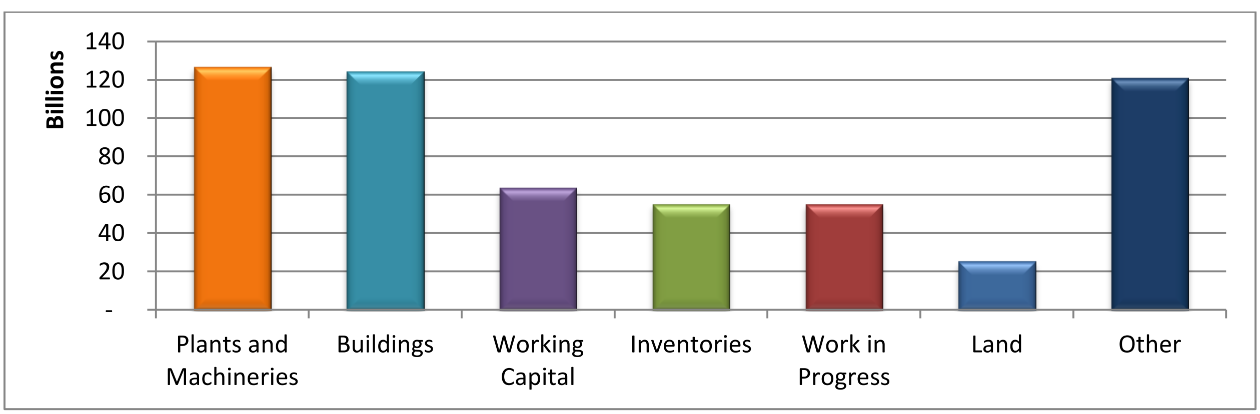
Compensation	**2011**	**2012**
Financial services	43.0	81.9
ICT	20.0	14.2
Manufacturing	12.9	18.0
Wholesale & Retail trade	4.5	4.8
Tourism	4.0	2.0
Agriculture	3.4	4.6
Transportation	1.9	1.5
Mining	1.7	2.1
Other sectors	3.6	10.0
Total	**95.0**	**139.5**

Source: *Foreign Private investment 2012*

2.11.5. Actual investment

Actual investment is in land, buildings, machinery, vehicles, equipment and working capital. During the period under consideration, total actual investment was $ 905.1 million. Plant and machinery accounted for 22.2 percent followed by building and civil works with 21.9 percent. This pattern is due to growing construction activities in different sectors and new green field investment in mining and manufacturing sectors.

Figure 10: Investments in assets in 2012 ($ million)



Source: *Foreign Private investment 2012*

In terms of sectorial distribution, ICT accounted for 34.4 percent remaining the highest followed by manufacturing with 20.1 percent and financial and insurance with 15.0 percent.

Table 22: Investments in assets by sector in 2012 ($ million)

ASSETS	**2011**	**2012**
ICT	414	312
Financial	282	136
Manufacturing	211	182
Mining	75	15
Tourism	35	26
Agriculture	32	26
Wholesale and retail trade	26	83
Transportation	4	4
Others	3	64
TOTAL	**1,084**	**905**

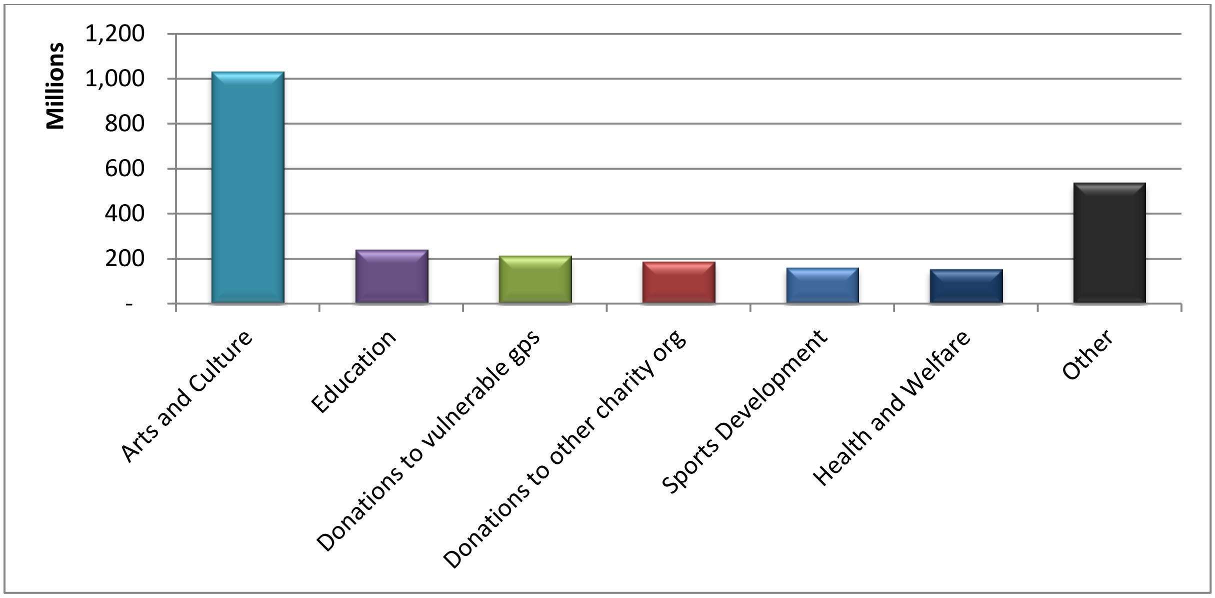
Source: *Foreign Private investment 2012*

2.11.6. Corporate social responsibility

Corporate social responsibility is a corporate initiative to take responsibility for the company's effects on the environment and impact on social welfare. Those initiatives are directed to environment, infrastructure, educational programs, health and other social, cultural or community services that benefit the population. The contributions of companies to corporate social responsibility stood at $ 4.0 in 2012 from $ 3.0.million in 2011 and $ 2.0 million in 2010.

On average, most of the corporate social responsibility expenditures were dedicated to arts and culture (41.0 percent) - the big chunk went in Primus Guma- Guma. Donations to education were (9.4 percent), vulnerable groups (8.4 percent) and donation to other charity organization (7.4 percent). Manufacturing was the main contributing sector.

Figure 11: Corporate social responsibility by type of recipient in 2012 ($ million)



Source: *Foreign Private investment 2012*

Table 23: Corporate social responsibility by distributing Sector in 2012 ($ million)

Sector	**2011**	**2012**
Manufacturing	1.5	2.2
Financial	0.4	0.5
ICT	0.3	0.4
Agriculture	0.2	0.2
Tourism	0.2	0.3
Wholesale and retail trade	0.1	0.1
Mining	0.1	0.1
Professional	0.1	0.0
Others	0.0	0.2
Total	**2.8**	**4.0**

Source: *Foreign Private investment 2012*

CONCLUSION

The foreign private capital results revealed that, foreign private investments in Rwanda have continued to grow and provide a drive for sustained economic growth. In 2012, private sector foreign liabilities inflows to Rwanda increased by 14.8 percent to $ 409.3 million from $356.6 million recorded in 2011, indicating increased attraction of foreign investments from abroad.

The Rwandan FDI profitability expressed in rate of return on equity continues to be above the world average of 6.6 percent and among the highest in the world with 20.6 percent in 2012 up from 19.5 percent in 2011.

Foreign Private Capital inflows into Rwanda in 2012 were in form of foreign direct investment, portfolio investment and other investments. They were dominated by foreign direct investment inflows and characterized by high retained earnings. The level of other investments inflows remained more or less the same as in 2011, while Portfolio equity investment inflows significantly decreased compared with the big jump recorded in 2011 with the first listing of companies on Rwanda Stock Exchange. In terms of country of origin, FDI inflows were mostly from Mauritius, USA and Switzerland with a share of 62.5 percent and investing mostly in ICT sector accounting 41.4 percent of total inflows. The stock of PSED was 41.0 percent higher than recorded in 2011 level and was largely long-term borrowing mainly from affiliates and benefiting mostly to ICT, manufacturing and mining sectors.

In addition, foreign flows were becoming increasingly important in terms of investment and economic performance as evidenced by the growth of FDI in relation to gross fixed capital formation and gross domestic product and contribution to employment. Actual investments decreased by 16.5 percent, entity turnover grew by 13.1 percent and compensation of employees by 43.5 percent globally showing a positive trend of all these indicators.

The country needs to continue sustain the achievements registered in the attraction and retention of private investments. The results of this study should be used as an indication of foreign private investment sectorial performance and as an evaluation tool of current interventions as well as the design of new policies and programs focusing on priority investment issues.

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ANNEXES

Annex 1: Foreign Private capital inflows and stock by country in 2012 ($ million)

	2012	
Country	**Inflow**	**Stock**
Mauritius	143.60	181.05
US	55.17	75.14
Switzerland	54.06	22.10
Luxembourg	43.16	82.30
United Kingdom	14.72	63.20
Kenya	14.54	113.37
Netherlands	14.48	64.78
Preferential Trade Area (PTA)	13.60	32.59
Export Import Bank (EXIM)	10.50	23.36
Canada	6.33	8.73
South Africa	6.33	117.08
Belgium	5.59	20.21
Togo	4.84	14.71
France	4.34	11.85
Nigeria	3.65	22.98
Tanzania	3.27	18.37
Uganda	1.91	6.65
United Arab Emirates	1.11	9.28
India	1.10	10.96
China (mainland only) People`s Republic of	1.02	3.96
Cyprus	0.79	23.77
Libya	0.77	58.97
Israel	0.71	0.71
Italy and Vatican City	0.68	2.09
Germany	0.51	49.76
Others	**2.15**	**65.93**
Grand Total	**409.3**	**1,109.0**

Annex 2: Rwanda Working Group on Foreign Private Investment Monitoring and Analysis

Coordination

1.KAYITESI Vivian, Director Investment Promotion and Implementation, RDB

2.MANZI Sebastien, Director of Economic Statistics Unit, NISR.

3.MWITIREHE Viviane, Director Statistics department, BNR.

Technical team

1. BAJIJI Innocent, RDB
2. HABIMFURA BADAGA Tite, BNR
3. KAVUTSE Emmanuel, RDB
4. MPAYIMANA Fabien, NISR
5. MUHORAKEYE Josephine, RDB
6. MUHOZA Modeste, RDB
7. MUYUMBU Innocent, RDB
8. NDWANIYE Desire, BNR
9. NKEJUWIMYE Clet, BNR
10. NTIRUSHWAMABOKO Dominique, BNR
11. NZASINGIZIMANA Tharcisse, NISR
12. SHYAKA Chris Picton, RDB
13. TUGEZAHIMANA Michel, BNR

Annex 3: Questionnaire

Foreign Private Investments Census 2013

(Covering period 2012)

Please help us monitor economic development and formulate better policies

June 2013

Foreign Private Investment Census 2013

Dear Investor

The Government of Rwanda is conducting an enterprise census to obtain data on foreign assets, liabilities, and investor perceptions on the investment climate in Rwanda. The census is undertaken jointly by the National Bank of Rwanda, National Institute of Statistics of Rwanda, Rwanda Development Board and Private Sector Federation are officially empowered to collect this data. Your cooperation in completing this census questionnaire is highly appreciated.

Why do we need to collect this information and how do you benefit?

The collected information will be used in national, regional and international economic analysis for investment promotion and facilitation. The information you provide is essential for foreign exchange, debt and reserve management, and for enhancement of economic growth, maintenance of price and financial system stability, and improving the ease of doing business in Rwanda.

Completing the Questionnaire

Given the importance of this exercise, we would appreciate the Director of Finance or Chief accountant fill the Foreign Assets and Liabilities part and the perception part be completed by the Chef Executive Officer. Do not hesitate to contact us if you have any difficulty completing the questionnaire our contacts are provided below. ***Please attach your financial statements for the year ended December 2012***. Our staff will be visiting you and we would be most grateful if you would provide them with your cooperation. We would appreciate the filled in questionnaire to be ready within ***ten (10) days from the date of delivery.***

Mandate and Confidentiality

The ***National Institute of Statistics of Rwanda*** under the Law n^{0}09/2005 of 14/07/ 2005, ***The National Bank of Rwanda*** under the Law n^{0}55/2007 of 30/11/2007 and ***Rwanda Development Agency*** under the organic Law n^{0}53/2008 of 02/09/ 2008 mandate the implementation of this exercise. The information you supply will be kept strictly confidential and will be used for statistical and policy purposes only. Publication will only be in aggregate form. As a way of promoting dialogue we will share with you the results of this census in aggregate form and seek your further involvement.

THANK YOU FOR YOUR COOPERATION

Guidelines and Definitions

1. ***Who needs to complete this questionnaire?***
   The Chief Executive Officer, Chief Finance Officer or a representative shall fill the questionnaire.

2. ***Do you need assistance?***

   Our interviewers are available for guidance on how to complete this questionnaire. In addition, the following offices are open for any inquiries;

Names	Institution	Telephone	E-mail address
Director of Statistics	BNR	0788309163	vmwitirehe@bnr.rw
Director of economic statistics	NISR	0788762655	manzigdp@gmail.com
Director of Investment promotion and Implementation	RDB	0788306191	vivian.kayitesi@rdb.rw

Part 1 Should be completed by ***ALL*** respondents.

3. **Reporting period**

   This questionnaire requests for stock data on a calendar year basis (i.e., from 1st January to 31st December) for Parts 1 – 4 and transactions within the calendar year 2012. If your entity's financial statements are prepared on any other financial year basis other than on the calendar year, please take one of the following steps. If you produce:
   Quarterly or semi-annual accounts please consolidate these so that the data you submit is consistent with the specific period requested for.

4. **Currency of reporting**

   Please provide data in ***Rwandan Francs (RWF).***

5. **Units of Reporting**
   Please report all data in ***actual amounts*** (to the last unit). For example, enter six million seven hundred eighty five thousand seven hundred forty one as 6,785,741 (and <u>not</u> as 6.786m). ***Please report all data in <u>units</u>.***

6. **Residency**

In this questionnaire, residency considers the centre of the economic/business interest. You are a resident individual or enterprise if you have lived or operated (or intend to live or operate) in Rwanda for a year or more, regardless of your nationality. Non-resident individuals or entities are basically the rest of the world.

7. Investment (Enterprise) relationships

A direct investment relationship arises when an investor resident in one economy makes an investment that gives control or a significant degree of influence on the management of an enterprise that is resident in another economy.
Control is determined to exist if the direct investor owns more than 50 per cent of the voting power in the direct investment enterprise (also called a subsidiary). A significant degree of **influence** is determined to exist if the direct investor owns from 10 to 50 percent of the voting power in the direct investment enterprise (also called associate).
Therefore, Direct Investment is defined as any ownerships stake held by a non-resident in your entity that is 10% or more of total equity. The control or influence may be immediate (through ownership of voting power) or indirect (through ownership of enterprises that in turn have voting power).
Ownership in your entity by non-residents that is less than 10% of the total equity and tradable is considered as **Portfolio Investments** (PI).

However, there are other investment relationships that are also of interests. These include your entity owning more than 10% of the total equity of a non-resident investor that in turn holds less than 10% of your equity stake. The 10% holding by such a non-resident investor is referred to as **reverse investment** and the non-resident investing enterprise is called a **Direct Investment Enterprise/Entity** (DIE).
A resident **fellow enterprise** is an enterprise resident in Rwanda that is in a direct investment relationship with a non-resident enterprise because they have a common parent that is a **Direct Investor (DI)** in at least one of the enterprises; and neither of the fellow enterprises holds 10 percent or more of the equity in the other.

Dividends Declared and paid/received and Profits Remitted

Dividends are earnings distributed to shareholders or equivalent equity holdings for incorporated private entities, cooperatives and public corporations after payments of interest on debts and taxes.

i). ***Dividend Paid/Profits remitted:*** Dividends are declared returns on a shareholders' equity whereas profits remitted/paid apply to transfer of net earnings from a branches (unincorporated entities) to its non-resident parent enterprise. The payment of the dividends or remittance of profit may be executed during the following financial year depending on the entity's policy and cash flow.

8. Net Profits and Retained (Reinvested) *Earnings*

Net profits are the gross profits less corporation tax. Retained (reinvested) earnings are undistributed profits that are capitalised in the entity. Retained earnings/losses are computed by taking the net profit/loss fewer dividends declared for the period. Net profits and retained earnings/losses are requested for in ***Tables 2.3 and 3.3 for*** all entities.

9. Financial Instruments

Financial instruments consist of Equity and Non-equity

i) ***Equity*** refers to all shares held in entities or the equivalent ownership interest in an incorporated entity. (Paid-up share capital, share premium reserves, accumulated retained earnings, revaluation and any other financing item of an entity.)

ii) ***Non-equity*** refers to all other financial instruments including loans, trade credits (for goods and services), bonds, debentures, notes, money market instruments, shareholder and inter-company loans, arrears of debtor interest, currency, deposits etc.

10. Other Claims other than equity and loans

These include: insurance, pension and standardised guarantee schemes, employee stocks options, custody accounts or administered funds, outstanding franchise fees, and other claims not mentioned here. These consist of the following:

i) ***Nonlife insurance technical reserves:*** These are provisions for unearned insurance premiums or outstanding insurance claims identified by the Insurance Corporation to cover what they expect to pay out arising from events which the claims are not yet settled.

ii) ***Life insurance and annuity entitlement:*** These consist of reserves of life insurance companies and annuity of providers for prepaid premium or accrued liabilities to life insurance policyholders and beneficiaries of annuities.

iii) ***Pension entitlement:*** These show the extend of financial claims that both existing and future pensioners hold against either their employer or a fund designed to pay pensions earned as part of the compensation agreement between the employer and employee.

iv) ***Provisions under standardised guarantee schemes:*** These are usually guarantees schemes provided by government or financial corporation such as export credit guarantees and student loan guarantee. You are required to report any claim due if your entity has acted as a guarantor.

v) ***Employee Stock Option:*** These are options to buy the equity of a company, offered to employees of the company as a form of remuneration. It is commonly offered to Chief Executive Officer (CEO) and employees of listed companies as bonus remuneration or rewards. You are required to report the employee stock options offered to non-residents and vice-versa.

vi) ***Custody Accounts / Administered Funds:*** These are accounts/funds created at a bank, brokerage firm or mutual fund company that are managed on behalf of a group of clients. Transactions and positions should be recorded at book value.

vii) ***Outstanding franchise fee:*** These are payments made for the use of trademarks or brand names. Any outstanding claim should be reported.

PART 1

General Information

(All respondents should complete Part 1, while for Parts 2 and 3; the filtering questions will guide you on which parts to fill)

1.1 Name, Contacts and other information

1.1a Name of Entity: ____

1.1b Contact Person and Position ____

1.1c Alternative Contact Person and Position ____

1.1d Physical Address:________________________________ Postal Address: ____________________________

Tel: ____Fax:_________________

E-mail: ______________________________________Website: ____

1.1e Date of Commencement of Operation:____

1.1f Status of Company (tick): 1.Greenfield investment, 2. Acquisition; 3. Extension of capital (Additional new investment); 4. Financial restructure; 5. Mergers; Purchase/Sale of existing equity in the form of mergers; 6. Others

1.1g. Investment Certificate Number (if any): ____

1. Table 1.2. Shareholding Structure of the enterprise as at 31st December 2011, 31st December 2012

Name of shareholder*	Country of residence	Investment Relationship: Direct Investor (DI), Direct Investment Entity (DIE), or Fellow Enterprise (FE), PI	Percentage (%) shareholding	
			31 Dec. 2011	31 Dec.2012
1.				
2.				
3.				
4.				
5.				
6.				

7.				
8.				
Total			**100**	**100**

Table 1.3: Total Turnover for the year ended 2012

Please enter the total turnover of your entity for the year 2012

	31st December 2012
Total Turnover *including* Other Income	

Table 1.4: Industrial Classification (Sector)

Please tick in the box to indicate the Industrial Classification, and also enter the percentage contribution of the Industrial Classification on the turnover (2012)

Industrial Classification	**Tick sector**	**% share contribution to entity's turnover 2012**
1. Agriculture, forestry and fishing		
1.1. Crop and animal production, hunting and related activities		
1.1.1 Growing of non-perennial crops		
1.1.2 Growing of coffee		
1.1.3 Growing of tea		
1.1.4 Growing of other perennial crops		
1.1.5 Plant propagation		
1.1.6 Animal production		
1.1.7 Mixed farming		
1.1.8 Support activities to agriculture and post harvest		
1.2. Forestry and logging		
1.3. Fishing and aquaculture		
2. Mining and quarrying		
2.1 Mining of coltan		
2.2 Mining of tin		
2.3 Mining of tungsten		
2.4 Mining of coal and lignite		
2.5 Extraction of crude petroleum and methane gas		
2.6 Mining of metal ores		
2.7 Other mining and quarrying		
2.8 Mining support service activities		
3. Manufacturing		
3.1. Manufacturing of food products		
3.2. Manufacture of beverages		
3.3. Manufacture of tobacco products		
3.4 Manufacture of textiles		
3.5. Manufacture of wearing apparel		
3.6. Manufacture of leather and related products		
3.7. Manufacture of wood and of products of wood and cork		
3.8. Manufacture of paper and paper products		
3.9. Printing and reproduction of recorded media		
3.10. Manufacture of chemical and chemical products		
3.11. Manufacture of pharmaceuticals, medicinal chemical and botanical		

3.12. Manufacture of rubber and plastic products		
3.13. Manufacture of other non-metallic mineral products		
3.14. Manufacture of basic metals		
3.15. Manufacture of fabricated metal products, except machinery		
3.16. Manufacture of computer, electronic and optical products		
3.17. Manufacture of electrical equipment		
3.18. Manufacture of machinery and equipment		
3.19. Manufacture of motor vehicles, trailers and semi-trailers		
3.20. Manufacture of other transport equipment		
3.21. Manufacture of furniture		
3.22. Other manufacturing		
3.23. Repairs and installation of machinery and equipment		
4. Electricity, gas and air conditioning supply		
4.1. Electric power generation, transmission and distribution		
4.2. Manufacture of gas; distribution of gaseous fuels through mains		
4.3. Steam and air conditioning supply		
5. Water supply; sewerage, waste management and remediation activities		
5.1. Water collection, treatment and supply		
5.2. Sewerage		
5.3. Waste collection, treatment and disposal activities		
5.4. Remediation activities and other waste management services		
6. Construction		
6.1. Construction of buildings		
6.2. Civil engineering		
6.3. Specialized construction activities		
7. Wholesale & retail trade; repair of motor vehicles and motorcycles services		
7.1. Trade and repair of motor vehicles and motorcycles		
7.2. Whole sale trade		
7.3. Retail trade		
8. Transportation and Storage		
8.1. Land transport and transport via pipeline		
8.2. Water transport		
8.3. Air transport		
. Warehousing and support activities for transportation		
. Postal and courier activities		
9. Accommodation and food service activities		
9.1 Accommodation		
9.2 Food and beverage service activities		
10. Information and communication		
10.1. Publishing activities		
10.2. Motion picture, videos and television programme production , sound		
10.3. Programming and broadcasting activities		
10.4. Telecommunications		
10.5. Computer programming, consultancy and related activities		
6. Information service activities		
11. Finance and Insurance activities		
11.1. Financial service activities		
11.2. Insurance, reinsurance and pension funds		
11.3. Activities auxiliary to financial service and insurance activities		
12. Real estate activities		
12.1. Real estate activities		
13. Professional, scientific and technical activities		
13.1. Legal and accounting activities		

13.2. Activities of head office; management consultancy activities		
13.3. Architectural and engineering activities		
13.4. Science research and development		
13.5. Advertising and market research		
13.6. Veterinary activities		
13.7. Other professional, scientific and technical activities		
14. Administrative and support service activities		
14.1. Rental and leasing activities		
14.2. Employment activities		
14.3. Travel agency and tour operator activities		
14.4. Security and investigation activities		
15. Education		
15.1. Education		
16. Human Health and Social work activities		
16.1. Human health activities		
16.2. Residential care activities		
17. Arts, entertainment and recreation		
17.1. Creative, art and entertainment activities		
17.2. Libraries, archives, museum and other cultural activities		
17.3. Gambling and betting activities		
17.4. Sports, amusement and recreation activities		
18. Others		
18.1. Others (specify)		

1.5.1 Entity's Activities (Describe main activities your entity is involved in)

………
………

Table 1.5: Actual employment for 2012.

Please enter the exact number of employees for each nature of employment or category.

Categories of Employment	Local	Foreign	
Duration of the employee(s) stay in Rwanda	*Permanent resident*	*Short term (less than 12 months)*	*Long term (more than 12 months)*
Number of Managerial/Supervisory			
Number of Administrative/ Accounts			
Number of Skilled Technicians			
Number of Casual labourers			
TOTAL			

Table 1.6: Gains/Loss from Foreign Exchange and sales of Fixed Assets during the year 2012 in Rwf.

Item	2012
Gain/Loss in Foreign Exchange	

Gain/Loss on the sale of Fixed Assets	
Total	

NOTE:

a) Managerial/Supervisory

Workers who formulate policy, regulations and plan, organize, coordinate and direct undertakings within their establishments or organizations,

b) Administrative/Accounts

This typically includes general office administration, personnel (such as hiring, safety, training, benefits, and employee relations), and budget, fiscal and organizational analysis.

c) Skilled/ Technical

Workers who can conduct research and apply scientific knowledge to solve a variety of problems in various fields or disciplines.

d) Unskilled/ Casual

Workers who perform manual tasks having simple and routine nature and requiring mainly physical effort and little or no previous experience.

Table 1.7: Compensation of Employees during 2012 (RWF) (*Please enter the values (in Rwf) of compensation of employees for the years 2012)*

Type of Compensation	**Local**	**Foreign**	
Duration of the employee(s) stay in Rwanda	***Permanent resident***	***Short term (less than 12 months)***	***Long term (more than 12 months)***
Salaries and Wages (Net)			
Fringe Benefits			
NSSF/Pension			
Directors Fees			
Other (specify)			
TOTAL			

Table 1.8: Values of Imports and Exports as at 31st December 2012 in RWF

Imports/Exports		**31st December 2012**
Total Import of goods and Services *(a)*		
o/w	Merchandise	
	Services	
Total exports of goods and services (b)		
o/w	Merchandise	
	Services	
Net position {Exports *(b)* – Imports *(a)*}		

Imports of merchandise should be reported at cost insurance and freight (CIF) value while Exports are reported at Free on Board (FOB) value

1.9 Assets at 31st December 2012 in RWF

Please enter the net Book Values (in RWF) of assets under each type of investment.

Table 1.9: Actual assets as at 31^{st} December, 2012 in RWF

Type of Assets	31^{st} December 2012
Land	
Building and Civil Works	
Plant and Machinery	
Vehicles	
Computers and accessories	
Furniture and Fittings	
Pre-Start-up Expenses	
Work in progress	
Working Capital	
Inventories	
Other (specify)	
Total	

1.10. Corporate Social Responsibility during 2012

Please enter the values (in Rwf.) of your entity's Corporate Social Responsibility.

Table 1.10: Please enter the value of the activities you performed (where applicable)

No.	Item	Amount Spent (RWF) 2012
1	Education	
2	Health and welfare	
3	Safety and Security	
4	Arts and Culture	
5	Sports Development	
6	Environment	
7	Water	
8	Road	
9	Religious	
10	Donations to vulnerable groups	
11	Donation to other charity org.	
12	Other (Specify)	
	Total	

1.11. Please, indicate which parts (2 or 3) of this questionnaire are relevant to you by Answering the five questions below?

The table below provides filtering questions that will help you decide the parts to answer, please tick in the appropriate box.

Table 1.11: Filtering Questions (FQ)

Filtering Questions (FQ)		Yes	No
FQ1	Do non-resident entities, governments or individuals hold shares (equity or other equity) in your entity? If yes, please complete Tables 2.2 and 2.3		
FQ2	Does your entity borrow from non-resident entities/individuals or have outstanding loan commitments? If yes, please complete Table2.4.		
FQ3	Do non-resident entities, governments or individuals hedge for risk for your financial instruments (financial derivatives) If yes, please complete Table 2.5		
FQ4	Does your entity own shares (equity or other equity) in non-resident entities? If yes, please complete Tables 3.1 and 3.2.		
FQ5	Has your entity lent money to non-resident entities or individuals or has unpaid amounts outstanding? If yes, please complete Tables 3.3.		
FQ6	Does your entity hedge risks for other financial instruments (financial derivatives) in non-resident entities, governments or individuals If yes, please complete Table 3.4		

NB: If you ticked **'no'** for every question, do not go further. Thank you.

PART 2

Foreign Investment in your Enterprise
(Liabilities)

Section1. Foreign Equity Liabilities

Table 2.1 Investment Relationships

Relationships	Symbol
Direct Investor	DI
Direct Investment Enterprise	DIE
Fellow Enterprise	FE
Foreign Portfolio Investor	FPI
Other Equity Investor	Other
Investment Fund Shareholder	IFS

Table2.2. Equity and Investment Fund Shares in Your enterprise by Non-resident Investors

Equity Type	Source Country (Continue on separate sheet if necessary)	Percentage Shareholding	Relationship: DI , DIE, or FE, FPEI, Other and IFS	A Closing Balance 31 Dec 2011	B Purchase/ Increase in 2012	C Sales/ Decrease in 2012	D Changes due to 'Other' changes D=E-(A+B-C)	E Closing Balance 31st Dec 2012
Paid-up Share Capital	1.							
	2.							
	3.							
	4.							
	5.							
	6.							
Share Premium	1.							
	2.							
	3.							
	4.							
	5.							
	6.							
Reserves (*include Capital, Statutory, revaluation, & Other*)	1.							
	2							
	3.							
	4.							
	5.							
	6.							
Other Equity (*e.g. Equity Debt Swaps, Shareholders Deposits*)	1.							
	2							
	3.							
	4.							
	5.							
	6.							
Accumulated Retained Earnings/Loss	1.							
	2							
	3.							
	4.							
	5.							
	6.							
Investment Fund Shares (*Shares*)	1.							
	2							
	3.							
Investment Fund Shares (*Accumulated Retained Earnings*)	1.							
	2							
	3.							

Table2.3. Dividends, Profits Remitted and Retained Earnings

A **Net Profit (*or Loss*) After Tax in 2012**	**B** **Source country**	**C** **(%) shareholding**	**D** **Relationship:** **DI , DIE, or FE, FPEI, Other and IFS**	**E** **Net Profit (*or Loss*) After Tax in 2012attributable to=A*C**	**F** **Dividends Declared**	**G** **Dividends Paid/Profits Remitted**	**H** *Official Use Only* Retained Earnings = (E-F)
	TOTAL						

Section2. Foreign Non-Equity Investment

Table 2.4 Non-Equity liabilities from Non-resident Investors

Types of non-equity liabilities	**Source Country** *(Continue on separate sheet if necessary)*	**Relationships** **DI , DIE, or FE, Other**	**Original Maturity** **LT**-12months or more **ST**-Less than 12 months (Indicate LT or ST)	**A** **Closing Balance 31 Dec 2011**	**B** **Disbursements received during 2012**	**C** **Principal Repayment during 2012**	**D** **Changes due to 'Other' changes D=E-(A+B-C)**	**E** **Closing Balance 31 Dec 2012** (Including Accrued interest Not Paid)	**G** **Interest Paid (in 2012)**
Loans (Including Financial Leases, Repos)	1.								
	2								
	3.								
	4.								
Debt securities *(Including Money Market Instruments, Bonds).*	1.								
	2								
	3.								
	4.								
Trade Credits & Advances	1.								
	2								
	3.								
	4.								
Currency and Deposits	1.								
	2								
	3.								

	4.								
Life & Non-Life Insurance Technical Reserves	1.								
	2								
	3.								
	4.								
Pension Entitlements/Claims	1.								
	2								
	3.								
Standardised Guarantees	1.								
	2								
	3.								
Other Accounts Payable	1.								
	2								
	3.								
	4.								

If any question about type of investment above please refer to definition 10.

Table2.5. Financial Derivatives (Liabilities)

Type of Financial derivative	**Source Country** *(Continue on separate sheet if necessary)*	**A Closing Balance 31 Dec 2011** (Value)	**B Increase in 2012** (Value)	**C Decrease in 2012** (Value)	D Other Changes **D=E-(A+B-C)**	**E Closing Balance 31 Dec 2012** (Value)
Forwards	1.					
	2.					
	3.					
	4.					
	5.					
	6.					
Options	1					
	2					
	3					
	4					

Note:

A **forward-type** contract (forward) is an unconditional contract by which two counterparties agree to exchange a specified quantity of an underlying item (real or financial) at an agreed-on contract price (the strike price) on a specified date.

Options-In an option contract (option), the purchaser acquires from the seller a right to buy or sell (depending on whether the option is a call (buy) or a put (sell)) a specified underlying item at a strike price on or before a specified date.

PART 3
Investment in foreign enterprise
(ASSETS)

Section1. Foreign Equity Assets

Table 3.1 Equity and Investment Fund Shares in non-resident entity by your enterprise

Equity Type	Country of destination (Continue on separate sheet if necessary)	Percentage Shareholding	Relationship: DI , DIE, or FE, FPEI, Other and IFS	A Closing Balance 31 Dec 2011	B Purchase/ Increase in 2012	C Sales/ Decrease in 2012	D Changes due to 'Other' changes D=E-(A+B-C)	E Closing Balance 31st Dec 2012
Paid-up Share Capital	1.							
	2.							
	3.							
	4.							
Share Premium	1.							
	2.							
	3.							
	4.							
Reserves (***include Capital, Statutory, revaluation, & Other*****)**	1.							
	2							
	3.							
	4.							
Other Equity (*e.g. Equity Debt Swaps, Shareholders Deposits*)	1.							
	2							
	3.							
	4.							
Accumulated Retained Earnings/Loss	1.							
	2							
	3.							
	4.							
	1.							

Investment Fund Shares *(Shares)*	2							
	3.							
Investment Fund Shares *(Accumulated Retained Earnings)*	1.							
	2							
	3.							

Table3.2. Dividends, profits received and retained earnings arising from investments abroad.

A **Net Profit (*or Loss*) After Tax in 2012**	**B** **Country of investment**	**C** **(%) shareholding**	**D** **Relationship: DI , DIE, or FE, FPEI, Other and IFS**	**E** **Net Profit (*or Loss*) After Tax in 2012attributable to you investment abroad.**	**F** **Dividends Declared**	**G** **Dividends Received**	**H** *Official Use Only* Reinvested abroad = (E-F)
	TOTAL						

Section2. Non-Equity Assets

Table 3.3 Non- Equity Assets

Types of non-equity assets	**Country of destination** *(Continue on separate sheet if necessary)*	**Relationships** **DI , DIE, or FE, Other**	**Original Maturity** **LT**-12months or more **ST**-Less than 12 months (Indicate LT or ST)	**A Closing Balance 31 Dec 2011**	**B Disbursements abroad during 2012**	**C Principal Repayment received during 2012**	**D Changes due to 'Other' changes D=E-(A+B-C)**	**E Closing Balance 31 Dec 2012** (Including Accrued interest Not Paid)	**G Interest Paid (in 2012)**
Loans (Including Financial Leases, Repos)	1.								
	2								
	3.								
	4.								
Debt securities *(Including Money Market Instruments, Bonds).*	1.								
	2								
	3.								
	4.								
Trade Credits & Advances	1.								
	2								
	3.								
	4.								
Currency and Deposits	1.								
	2								
	3.								
	4.								
Life & Non-Life Insurance Technical Reserves	1.								
	2								
	3.								
	4.								
Pension Entitlements/Claims	1.								
	2								
	3.								
Standardised Guarantees	1.								
	2								
	3.								
Other Accounts receivable	1.								
	2								
	3.								
	4.								

Table 3.4 Financial Derivatives (Assets)

Type of Financial derivative	**Country of destination** *(Continue on separate sheet if necessary)*	**A Closing Balance 31 Dec 2011** (Value)	**B Increase in 2012** (Value)	**C Decrease in 2012** (Value)	D Other Changes **D=E-(A+B-C)**	**E Closing Balance 31 Dec 2012** (Value)
Forwards	1.					
	2.					
	3.					
	4.					
	5.					
	6.					
Swaps	1					
	2					
	3					
	4					

Once again we wish to assure you that the information you have provided will be treated with strict confidentiality.

Kindly certify this information.

Name: ____

Address: ____

Signature: _____________________**Date:** _________________ **Stamp:** _____________________________

THANK YOU FOR YOUR COOPERATION AND FOR PROVIDING YOUR FINANCIAL STATEMENTS.