

ICT SECTOR



THE RWANDA ICT AND BPO SECTORS – INVESTMENT POTENTIAL

- The ICT private sector is growing, especially in mobile applications, networking and software development
- An increasing number of Rwandan companies serving local and export markets
- For international investors, there are huge potential first-mover benefits
- Rwanda is investing \$24 m. in regional communication infrastructure to ensure connectivity to the global network
- Rwanda is also investing heavily in ICT skills development and has partnered with Carnegie Mellon University to establish an ICT Center for Excellence
- Estimated current domestic demand for BPO services is \$50 million, which will increase to almost \$200 million by 2020
- Rwanda can achieve further estimated BPO revenues of around \$275 million by 2020 by accessing local and regional customers

MAJOR OPPORTUNITIES FOR INVESTMENT IN INFORMATION TECHNOLOGY AND BUSINESS PROCESS OUTSOURCING

ICT & BPO

The ICT and BPO sectors in Rwanda offer significant investment opportunities. Despite recent growth, the sectors are relatively under-invested. As a result, there are excellent prospects in skills acquisition and cost advantage for first movers.

- Cheap labor compared to other countries in EAC
- Young and dynamic workforce
- Most favorable business environment in the Region
- Low levels of corruption - Zero tolerance
- Upgraded ICT infrastructure
- Strong & visionary leadership
- Bi-lingual business environment

The ICT Sector in Rwanda

ICT in Rwanda has been steadily developing and has attracted \$550 million investment over the last 3 years. In addition, government has invested in developing ICT infrastructure to enable service delivery:

1. A 2,500km optic fiber network installed, connecting all 30 districts and with 9 regional links to neighboring countries;
2. A state-of-the-art Tier 3 Internet Data Center



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3. Wireless broadband in Kigali, extendable elsewhere
4. An Innovation Centre where start-ups combine innovation and entrepreneurship to produce knowledge.

The ICT sector includes mobile and fixed telephony, VoIP, DSL, VSAT, ISDN, GPRS, Broadband Internet, software development, hardware assembly and repair, applications integration and capacity building. There are four key players in the telecom industry: MTN Rwanda, Rwandatel, TIGO Rwanda and Bharti Airtel internet and mobile telephony services providers. Today, there are over 4.76 million mobile telephony subscribers, representing 44.81% penetration .

The BPO Sector in Rwanda

The Rwandan BPO cluster is a diverse array of firms providing both IT and back office services in finance and administration to a range of clients inside and outside.

Estimated current domestic demand for BPO services is \$50 million, which will increase to almost \$200 million by 2020 with the regional market potential predicted to be \$1900 million in 2020. Rwanda can achieve further estimated BPO revenues of around \$275 million by 2020 by accessing local and regional customers, with the potential for further overseas markets.

The telecoms, tourism, finance and government sectors offer BPO providers the greatest growth and investment potential.

Investment Opportunities in the ICT & BPO Sectors

- Software development
- Cloud computing
- Mobile applications
- E-government
- ICT education and training
- ICT business financing
- ICT related services i.e. systems integration, web management, data processing, application development, cloud computing etc.;
- Financial and accounting services,
- Call centers
- Human resources related services, for example, payroll, recruitment and staffing etc.;
- Communication and media services;
- Banking and Insurance services
- Distribution and logistics services

