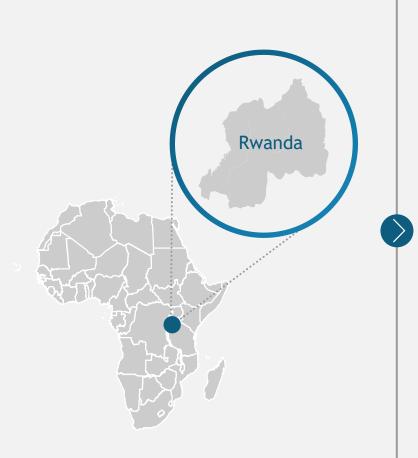


Rwanda at a glance





Population size 12.1 million



Govt. & Parliament
Presidential republic
Bicameral parliament



Official languages Kinyarwanda, French, English, Swahili



GDP per capita
USD 774 (3.8x since '02)



Literacy/Unemployment 68% / 16%



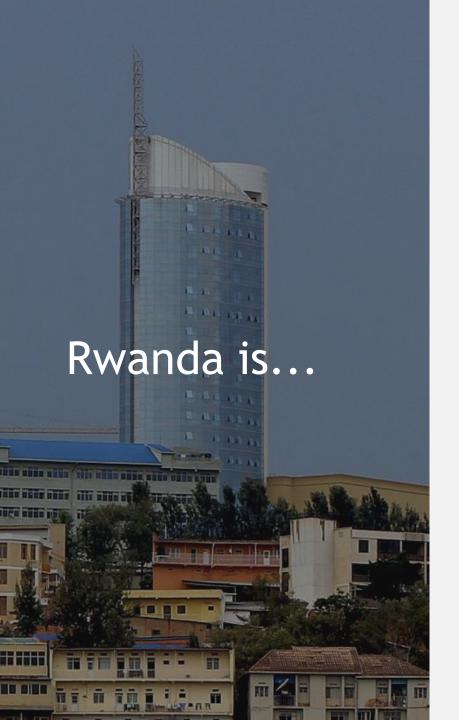
GDP (10 yr growth) USD 9.1bn (7.5% p.a.)



Currency/exchange rate Rwanda Francs (RWF) ~RWF 875/USD¹



Ratings B+, "stable" - Fitch B, "stable" - S&P





- 2nd fastest growing economy in Africa (7.5% p.a. since 2007)
- Most improved nation in human development in the world
- Young and growing population (~70% of population under 30)



...low risk

- 5th safest country to walk at night worldwide
- Lowest debt ratio in region & stable credit ratings
- Stable currency



...business friendly & modern

- 2nd for doing business in Africa¹
- 1st for Government transparency in Africa
- Most women in Parliament and in a gender-balanced Cabinet in the world (respectively 61% and 50%)



...a regional platform

- Strong African hub potential; highly connected African airline
- 3rd MICE ranking in Africa; +18 ranks in 3 years
- Growing bilingual, educated workforce (~50k tertiary grad./vr)



...IT ready

- 1st in the EAC for network readiness; 5th in Africa
- 95% 4G LTE network coverage
- 7,000km of fiber domestically and 3 international fiber optic routes provide reliable connectivity to Seacom

1. Doing Business 2019
Sources: UN (UN-HDI), World Bank, WEF, Global and Africa Competitiveness Report, ICCA, Global Gender Gap report, Gallup, ICCA, RDB, BSC (majority 2017)

Rwanda has top quality hides and skins

and has the potential for



Competitive advantages for Green Leather investment in Rwanda

Premium quality raw hides and skins, thanks to Rwanda's zero grazing and no identification marking policy and naturally higher thickness

Conducive business environment. Rwanda ranks 2nd for ease of doing business in Africa

Highly supportive Government committed to help investors in the growth of the green leather sector including:

- development of a green tannery park in Bugesera
- Gako beef project
- skills training project for the meat value chain (MINICOM)
- imposition of 85% levy on export of raw hides and skins to encourage local value addition

Challenges faced in the green leather sector include lack of established supply chain, limited infrastructure and in-country know-how



Lack of established supply chain

Fragmented supply chain with limited integration between farmers, abbatoirs, traders and tanners hampering traceability of leather from farm to tannery



Limited infrastructure

Poor infrastructure between Kigali and smaller rural towns which affects transportation and storage of hides and skins



Poor expertise

Limited tanning expertise with only 1 operational tannery

Limited knowledge of advanced technical and environmental practices given nascent industry

Rwanda would need to meet the highest sustainability and quality standards to access attractive international markets ...



Primary drivers of change to tap into this opportunity include:

Establishment of green manufacturing units with

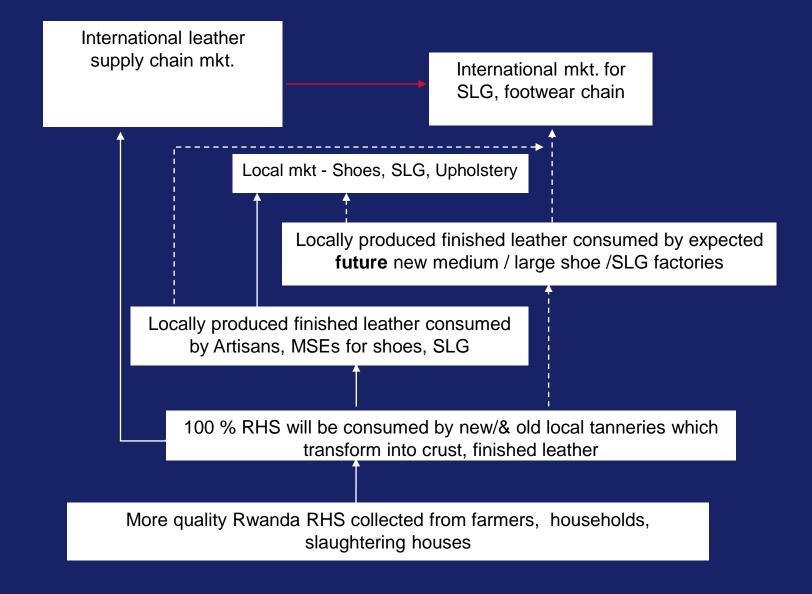
- Central effluent treatment plant (CETP)
- Training & product development center

Develop the skills and capacity of local human resources including on the use of appropriate technologies for green leather production

Develop a standard and traceability system across the value chain

... Rwanda's pathway to reach to its ultimate goals ...

This model would lead to maximized value addition; increased exports; import substitution and new job creation



Development of the green leather industry will require coordinated action by a range of key government and other stakeholders, will take at least 3 - 5 years

Critical challenges

Livestock rearing	Slaughter & storage	Tanning & finishing	Distribution
No traceability system in place Limited knowledge of proper animal husbandry practices	Use of salt for hides preservation (~60% of dissolved content in waste water) Poor slaughtering techniques (e.g., hide cuts)	Use of harmful chemicals (e.g., Chromium VI) Use of poor quality chemicals (e.g., insufficient concentration) Limited knowledge of advanced tanning processes Limited monitoring & handling of waste treatment No set facilities for green leather production meeting industry standards	Use of open vans affecting leather quality Limited local value addition for high quality finished goods
Implement latest LWG¹ traceability recommendations (under development, including hide markings from slaughterhouse) Training on practices to maximise hide quality Set up joint rearing facilities (wherever possible) can benefit both sustainability + quality	on proper slaughtering	6 Adopt favourable import duties on tanning chemicals 7 Build a common government funded effluent plant 8 Attract experienced leather investors with knowledge of advanced tanning techniques 9 Develop standard operating procedures for monitoring waste treatment 10 Develop Bugesera park and tanneries meeting industry standards	11) Provide technical training for MSMEs and local artisans (12) Grow local leather goods production in Rwanda

3 – 5 years

Challenges

Potential solutions

^{1.} Leather Working Group

Key stakeholders have committed to a roadmap for developing the industry

PRELIMINARY - TO BE REVIEWED WITH INDUSTY STAKHOLDERS

				Long-term 3+ years
			Mid-term 1 – 3 years	
Stak	eholder	Short-term 0 – 1 years		
	Min. of Agriculture/ MINICOM / MININFRA	2 Rearing, slaughtering and storage training3 Develop joint rearing facilities	1 Implement traceability 10 Develop Bugesera tannery park	11) MSME training
	Min. of Environment/ REMA	9 Support development of standard operating procedures		
	NIRDA	Develop standard operating procedures		
	Min. of Finance		6 Implement favourable import duties on green tanning chemicals 7 Build common effluent plant	
	RDB	8 Attract investment		
	Dev. Partners (e.g.	2 Rearing, slaughtering and storage training3 Support joint rearing facilities development -	———	11) MSME training
\sim	UNIDO, GIZ, UNEP)		Support building common effluent plantSupport Bugesera development	
	Large private investors	1	5 Offer quality-based pricing8 Invest in green leather production	Cold transport and storageInvest in leather goods production (Timberland)
	MSMEs		Source local leather for production	12 Set up production facilities in park