

Rwanda's Minister of Finance and Economic Planning Dr. Uzziel Ndagijimana and Dr. Thomas Kurz, Germany Ambassador to Rwanda on Friday signed a financing agreement through KFW Development Bank worth €10 million (Approximately Rwf.10 billion).

The grant agreement will support the project: Sustainable Urban Development in Rwanda- Green City Kigali. For this project, the German government had committed by end of December 2019 additional funding amounting to €20 million.

The Green City Kigali is a flagship project that will be developed on 600 Ha in Kinyinya sector, Gasabo District estimated at USD 1.5 billion. The Green City Kigali Pilot project is an innovative initiative to enhance a paradigm shift in green urbanisation and create a model community. The project will demonstrate the viability of green cities in Rwanda, and relevant for replicability for the development of Green Secondary Cities at the national level. Phase I, Of The Green City Kigali City will pilot the construction of 1,749 house units on 18 hectaers with an estimated cost of US\$ 103.8 million for five years.

Speaking after the signing event, Minister Ndagijimana said the financing signed today (EUR 10 Million) and subsequent EUR 20 Million to be signed later with Government of Germany will contribute to the financing of the enabling environment/infrastructure part of the pilot phase of the city. This will include mainly the construction of roads, electricity and water and sanitation supply network to not only leverage and catalyze the private sector investment but also increase the affordability of houses in the Green city.

“Rwanda has decided to fundamentally change the way cities are built by following a holistic and integrated approach to green planning that builds on innovate and future-oriented technologies just as much as on home grown solutions, Minister Ndagijimana said.

The German Ambassador expressed his appreciation of Rwanda's development results in the past and encouraged them to continue staying ambitious in implementing the new National Strategy for Transformation in partnership with the private sector and civil society. He emphasized that the strong partnership in planning and implementing this new sustainable and innovative neighborhood in Kigali, offering affordable housing for about 14.000 persons, was essential for the success of the endeavor.

The Division of Labor allows Germany development cooperation programme to be active in Education (including TVET); Decentralization and Good Governance, Private Sector Development and Youth; Public Financial Management (PFM); Financial Development. Germany also supports Regional Projects: Centre of Excellence for Health, Improvement of the Investment Climate, Microfinance sector- MIFSSA, ICGLR and Energy.