

As of June 8, 2020 eligible businesses are called to apply for funding under the Economic Recovery Fund (ERF), a two-year facility established by the Rwandan government to cushion businesses affected by the COVID-19 Pandemic.

The ERF was created to support businesses highly impacted by the crisis so they can survive, restart work/production and safeguard employment. It is also expected to facilitate domestic production of essential goods such as masks, gloves, sanitizers, disinfectants, and others that may be deemed necessary during and post COVID-19 period.

The ERF is being launched with Frw 100 billion to be distributed towards; hotels sector loan refinancing as the sector have lost over 90% of revenues from cancellations of events and bookings due to global lockdown and travel restrictions; businesses in manufacturing (including agri-processing), transport and logistics as well as small and medium enterprises linked to domestic and global supply chains. There is a possibility of additional funds as the target is to mobilize at least Frw 200 billion in total.

“The private sector has been adversely affected by the crisis which has disrupted priority sectors of our economy. The Economic Recovery fund in addition to other recovery measures will help to overcome the significant hardship brought on by COVID-19 on businesses and individuals and allow them to be in a position to play a meaningful role in our economic recovery.,” said Dr. Uzziel Ndagijimana, the Minister of Finance and Economic Planning.

The Fund funding will be deployed by the Central Bank to commercial banks, microfinance institutions and SACCOs who will then lend to eligible businesses.

Eligible businesses will have to demonstrate the negative impact of COVID-19 on their operations, that they were commercially viable prior to the pandemic, and that they can return to viability, preserve jobs and contribute to the recovery of the economy. To ensure that funds are used appropriately to achieve the impact expected, the Economic Recovery Fund Technical Steering Committee will govern the fund. It will review the performance of the Fund on a monthly basis and report to the Economic Recovery Fund High Level Steering Committee of Ministers, NBR Governor and CEOs (RDB and PSF).

The technical steering committee is composed of Ministry of Finance and Economic Planning, Ministry of Trade and Industry, Rwanda Development Board, National

Bank of Rwanda, Private Sector Federation, Rwanda Bankers' Association,  
Association of Microfinance Institutions of Rwanda and Business Development Fund.