

The Arab Bank for Economic Development in Africa (BADEA) has granted Rwanda a \$45 million loan (estimated Rwf.65 billion) to support water infrastructure and small- and medium-sized enterprises (SMEs).

The funding will be split into two parts. \$20 million (28.96 billion Rwf) will help Karenghe water processing plant expand operations and improve distribution, while \$25 million (36.2 billion Rwf) will be channeled through the Development Bank of Rwanda (BRD) to support SMEs, particularly women and youth entrepreneurs.

The Karenghe plant in Rwamagana District is expanding its capacity, with work already 18% complete. The project includes increasing water output and extending pipelines across the Eastern Province and Kigali. The additional funds will speed up construction and delivery.

Dr. Asaph Kabaasha, CEO of the Rwanda Water and Sanitation Corporation (WASAC Group), said the loan will also support storage tanks and pipelines to bring water to communities.

“When we increase storage capacity, we can store water when it is abundant and release it when needed, especially during the dry season,” Kabaasha said. “The Karenghe plant currently processes 12,000 cubic meters, and expansion will add 36,000 cubic meters. This loan will help us reach more people.”

BRD will use its portion to provide financing for private businesses, making it easier for entrepreneurs to export goods and expand industrial operations. BRD CEO Kampeta Sayinzoga said the loan will strengthen Rwanda’s business sector.

“Some funds flow through government channels, but others must pass through BRD to reach entrepreneurs,” Sayinzoga said. “We are working to fill this gap and ensure access to capital.”

The agreement was signed by Minister of State for National Treasury Kabera Godfrey, and on behalf of BADEA by CEO Abdullah Almusaibeeh and Board Chairman Fahad Abdullah Aldossari.

Kabera described the loan as concessional and said Rwanda is well positioned to repay it. “All our debts are being serviced on time, and we have the capacity to meet obligations without concern,” he said.

Aldossari noted that BADEA has supported Rwanda since 1974 with about \$300

million in development projects, particularly in infrastructure.

“Positive results are visible, and we will continue supporting small- and medium-sized enterprises that benefit many Rwandans,” he said.

Rwanda and BADEA have a long-standing partnership, backing key projects including the Huye-Kitabi, Nyagatare-Rukomo, and Rubengera-Gisiza roads, which are expected to advance further in the near future.