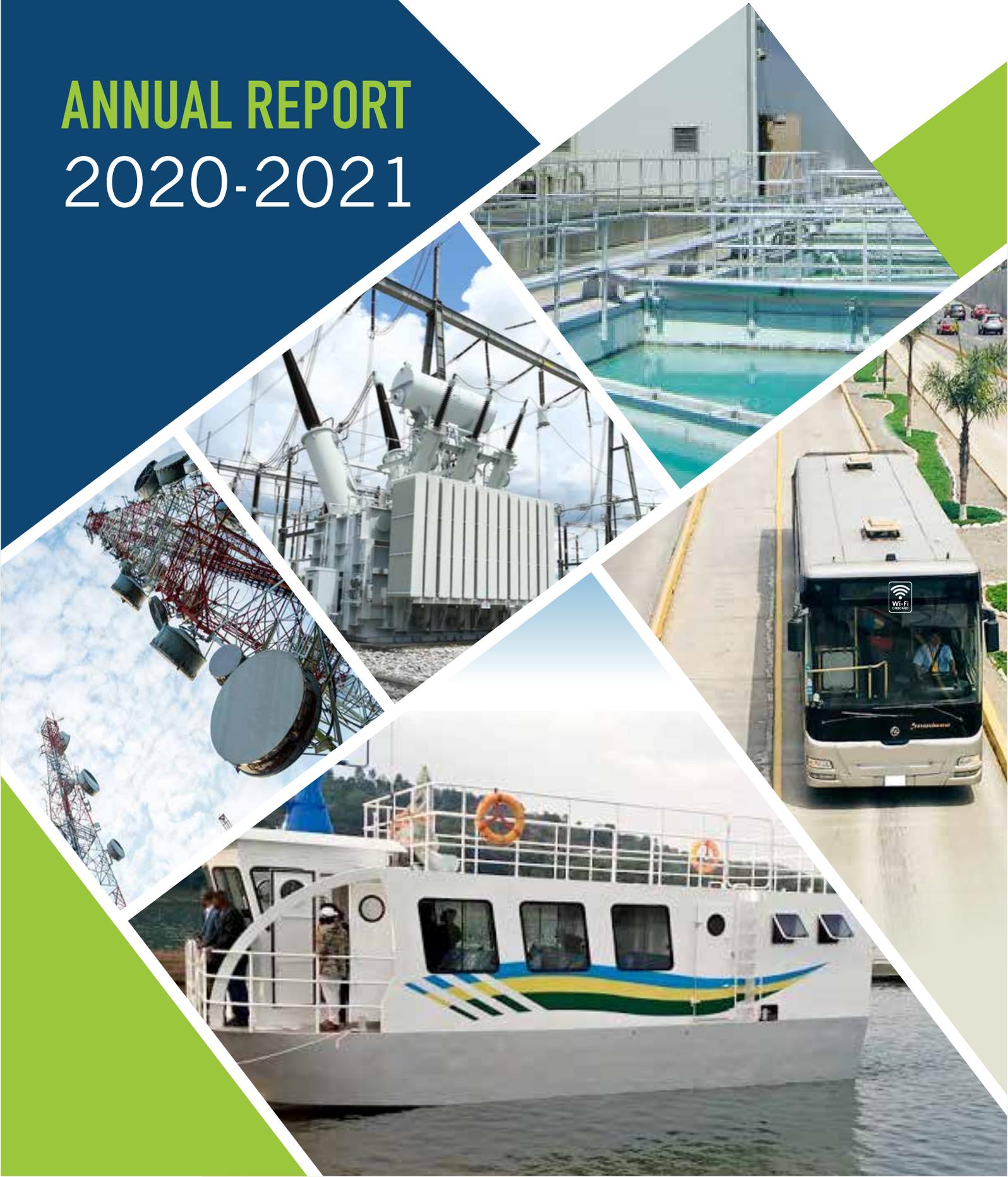


ANNUAL REPORT 2020-2021





OUR VISION

To be a leading global regulator of public utilities.

OUR MISSION

In regulating public utilities, RURA:

- promotes free and fair competition;
- protects the rights of consumers and balances the interest of all stakeholders;
- promotes availability of affordable, quality services to all; and
- leads in the development of the public utilities sectors.

OUR VALUES

The Authority upholds the following core values:

- Independence
- Transparency and Accountability
- Fairness
- Integrity
- Professionalism
- Innovation
- Sustainability

OUR MOTO

Inspiring Development

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ABBREVIATIONS

| | |
|----------------|---|
| AGO | Automotive Gas Oil |
| AI | Artificial intelligence |
| BSC | Broadband Systems Corporation |
| CAPEX | Capital Expenditure |
| CLMS | Converged Licensing Management System |
| CoK | City of Kigali |
| CSI | Cybersecurity Strategic Integration |
| DOA | Digital Object Architecture |
| DRC | Democratic Republic of the Congo |
| DSL | Digital Subscriber Line. |
| DVCMs | Driver's Vocational Card Management System |
| EMF | Electromagnetic Field |
| EUCL | Energy Utility Corporation Limited |
| EWATSAN | Energy, Water and Sanitation |
| FM | Frequency Modulation |
| FSM | Faecal Sludge Management |
| FY | Financial Year |
| Gbps | Gigabits per second |
| GSM | Global System for Mobile Communications |
| HPP | High Pressure Processing |
| IAEA | International Atomic Energy Agency |
| IGTVS | International Gateway Traffic Verification System |
| ILPD | Institute of Legal Practice and Development |
| ISP | Internet Service Providers |
| KTRN | Korea Telecom Rwanda Networks |
| LPG | Liquefied Petroleum Gas |
| LTE | Long Term Evolution |
| MB | Megabyte |
| MINICOM | Ministry of Trade and Industry (MINICOM) |
| MINICT | Ministry of Information Communication Technology and Innovation |
| MNO | Mobile Network Operator |
| MW | Megawatt |
| MWh | Megawatt-hour |
| NCSA | National Cyber Security Authority |
| NCST | Rwanda National Commission of Science and Technology |
| NIDA | National Identification Agency |
| NOT | Notification of Nuclear Accidents |
| OAG | Office of the Auditor General |

| | |
|--------------------|--|
| OPEX | Operating Expenditures |
| OSYCOMOTTAC | Organisation Syndicale des Conducteurs des Motos Taxis Tricycles Assimilés du Cameroun |
| PMS | Premium Motor Spirit |
| PoS | Point of Sale |
| PSF | Private Sector Federation |
| QoS | Quality of Services |
| RADW | Radioactive Waste Management |
| RBA | Rwanda Broadcasting Agency |
| REMA | Rwanda Environment Management Authority |
| RIB | Rwanda Investigation Bureau |
| RISA | Rwanda Information Society Authority |
| RMC | Rwanda Media Commission |
| RTDA | Rwanda Transport Development Agency |
| RURA | Rwanda Utilities Regulatory Authority |
| SIM | Subscriber Identity Module |
| UAF | Universal Access Fund |
| WCDMA | Wideband Code Division Multiple Access |
| WHO | World Health Organization |
| WSIM | Water Supply Infrastructure Management |

THE REGULATORY BOARD



Dr. GATARE IGNACE
Chairperson

Dr. Ignace GATARE currently serves as the Principal of the College of Science and Technology of the University of Rwanda. Before his appointment, he served as the Director General of Rwanda National Commission of Science and Technology (NCST). From November 2009 until April 2012, he served as Minister in Charge of Information and Communications Technology. He is a member of governing bodies for various national and international institutions and projects.



PEACE ABABO
Vice-Chairperson

Ms. Peace ABABO specialized in Urban Planning and Environmental Science. She has over 15 years of working experience in Quality Assurance and Quality Management Systems, Compliance and has corporate governance experience of more than five years. She is currently a consultant in Quality Management Systems implementation schemes.



FORTUNE MUKANDOLI
Member

Ms. Fortune MUKANDOLI is a permanent Lecturer at the University of Lay Adventists of Kigali (UNILAK), Faculty of Law, with 13 years of experience. She is a researcher in the Field of Law and has previously served in the Ministry of Public Works and Energy for nine years.



MIREILLE UMWALI
Member

Ms. Mireille UMWALI is a regional Project Management Consultant. Previously, Mireille served in different positions such as Chief Operations Officer, Chief Finance Officer and Managing Director of Ultimate Concepts Ltd; Resident Director of Prime Holdings Ltd; National Coordinator in Urban Infrastructure City Management Project – UICMP. Mireille is a registered arbitrator and a member of the Kigali International Arbitration Center (KIAC).



Dr. DANIEL UFITIKIREZI
Member

Dr. Daniel Ufitikirezi is a Strategic consultant with a specialty in Investment. Previously, he has served in different capacities as Director General of Rwanda Social Security Board, Deputy Director General in charge of Funds Management of the same institution, Head of Assets and Investment Management at Rwanda Development Board; Deputy CEO, Head of Business Incubation Services and General Manager of Horizon Group.



Dr. KAYIHURA MUGANGA DIDAS
Member

Dr. KAYIHURA is the Rector of the Institute of Legal Practice and Development (ILPD). He has experience of over 15 years in Academia, including more than ten years in Academic management positions. He has over 11 years of Practice in Law, and an equivalent number of years of experience in the practice of Arbitration. Dr. Didas has more than twelve years of Board membership practice and over 11 years of Law Firm Senior management practice.



Dr. ERNEST NSABIMANA
D G / Member

Since December 2020, Dr. Ernest Nsabimana has been serving as the Director General of RURA. Prior to his appointment, he served as the Vice Mayor in charge of the Urbanization and Infrastructure of the City of Kigali (CoK).

From September 2015 to November 2018, he served as Senior Lecturer of Civil Engineering at IPRC-Kigali and Coordinator of Rwanda TVET Trainer Institute (RTTI) at Rwanda Polytechnic and later as Principal of IPRC Karongi.



FOREWORD

It is my pleasure to present the Annual Report 2020-2021 to our stakeholders and our readers in general.

During this financial year, despite the continued challenges caused by the COVID-19 pandemic, RURA has managed to implement its action plan at a variable level depending on the sector and considered parameters.

The ICT sector has contributed significantly to the adoption of protective measures to limit the spread of the COVID-19 pandemic by enhancing online transactions in all domains. During this period, the ICT has proven its importance in moving forward our country's social and economic development. Working from home, virtual meetings, and digital payments have become a new way of conducting business. In this context, the Regulatory Authority has endeavoured to ensure the availability and quality of ICT services. While the ICT services are becoming ubiquitous, RURA has collaborated with key stakeholders to strengthen the prevention of fraud and crimes committed using SIM-cards. In the same vein, RURA has contributed to the development of a legal environment assuring data protection and privacy. Although the COVID-19 Pandemic has negatively affected many sectors of the economy, it is worth noting that this pandemic has instead boosted the ICT services demand. Rwanda has also embarked in the exploitation of its dedicated space and has issued the first license for satellite filing.

During the Financial Year 2019-2021, the Energy sector was marked by the increase in the number of connections to the grid, the installed power capacity and the electricity demand. It is also worth mentioning that the Rwandans are increasingly using Liquefied Petroleum Gase (LPG) for their cooking. The report gives an in-depth sight of the energy sector.

Considering that the nuclear and radiation protection was added to the regulatory mandate of RURA in 2018, the main activity in this sector is still the development of Regulatory tools. During this financial year, RURA has also stated conducting inspection to establish an inventory of radiation sources across the country. The report gives valuable information on the legal and regulatory framework of this sector that encompasses great opportunities.

In the Water and sanitation sector, readers will be delighted to learn that a water treatment plant of 40,000 m³/day was commissioned during the financial year 2020-2021. Through licensing and inspection activities, RURA has continued to ensure that clean water is available and that the quality is maintained. Furthermore, the Regulatory Authority has reviewed the regulatory environment of the sanitation sector to ensure that the business model is aligned with the urban growth while keeping the clean image of the country.

In the transport sector, the financial year 2020-2021 was marked by the implementation of Government measures to curb the spread of COVID-19 among all the users of public transport services. In particular, public transport was affected from time to time by the lockdown and the reduction of carrying capacity. However, the Government has provided financial support to ensure service continuity without increasing the fare while avoiding the collapse of the transport sector. In addition to the Government subsidy, the complete digitalisation of the licensing processes kept the transport sector performing at a commendable pace.

I take this opportunity to thank my fellow Board Members of the Regulatory Authority, the Management and the entire RURA staff for their commitment to delivering towards the RURA mandate and for always finding innovative ways for overcoming challenges. I also appreciate the collaboration with various stakeholders whose inputs were invaluable to our achievements. My great appreciation goes to the Government of Rwanda for its support and guidance in our regulatory mandate.

I am looking forward to a more “inspiring development” 2021-2022 in line with RURA's motto.

Dr Ignace GATARE
Chairperson of the Regulatory Board

EXECUTIVE SUMMARY

This report describes achievements and challenges throughout the financial year 2020-2021. During this period, RURA continued to play a significant role in many different aspects of developing regulations to ensure efficient and effective compliance of all Regulated sectors.

In ICT Sector, more effort has been put into building internal capability through training to enable the team become fully equipped with the monitoring knowledge of the quality of service for Mobile Network Operators through the usage of the acquired Quality-of-Service measurement system. Besides this, Regulations were initiated and developed in the sector to enable a conducive environment for the service providers and to ensure the protection of consumers' interests.

In line with its mandate to license service providers in regulated sectors, MTN Rwandacell Plc License was renewed for ten years, licensed OQ Technology Africa Ltd for satellite filing to get recognition at the International level, and One (1) Pay TV operator and two (2) FM radio stations were licensed among other ICT service providers.

The mobile-cellular telephone subscriptions per 100 inhabitants recorded an increase of 6.4 percentage points to 84.3, and the number of fixed telephone subscriptions increased to 11,806 at the end of June 2021.

Also, the total number of internet subscriptions for both mobile and fixed increased, marking an overall increase of 2.2%.

During the year under review, the Universal Access Fund focused on strengthening the network coverage in rural areas whereby, sixty-eight (68) sites were completed and are now operational. Also, for the increase of the network coverage in NYUNGWE National Park, the construction of the two (2) more sites were completed.

In Energy Sector, the grid extension activities resulted in the increase of the low and medium voltage lines from 16,108.93 Km to 16,869.5 Km and from 9,205.8 Km to 10,186.86 Km, respectively. Consequently, the number of grid connections has increased from 1,092,168 to 1,255,080 connections. Also, the grid installed power capacity increased from 228.102 MW to 238.052 MW.

In the Gas and Downstream Petroleum sub-sector, the LPG experienced an increase of 32% in importation while the total storage capacity of commercial LPG facilities has expanded by 1.44 % due to the additional 10 MT LPG plant installed in Kamonyi District.

Imports of diesel, gasoline, kerosene, Jet A-1, and heavy fuel oil decreased by 32.14%, 35.96 %, 13.46%, 35.6%, and 38.45%, respectively, mainly due to preventive measures against the Covid-19, which severely affect the transportation sector.

Under Water and Sanitation Sector, the water production and the quantity supplied increased by 11.8% and 9.1%, respectively. This fiscal year also recorded the commissioning of Kanzenze Water Treatment Plant to supply 40,000 m³/day.

The Non-Revenue Water slightly increased by 0.1% from 42.2% to 42.3%. Nonetheless, the high non-revenue water remains a key challenge in the water sector and strong measures need to be put in place to ensure effective and productive use of water entering the distribution networks by reducing water losses and ensure sustainable service delivery.

In the Transport Sector, two (2) new operators were licensed, and twenty-seven (27) licenses were renewed under the public transport subsector, while two (2) new licenses were issued in the transport of goods. One (1) new taxi cab operator in the Taxi Cabs subsector and four (4) new operators in Car Rental Services was licensed while twenty (20) rental operators renewed their licenses.

In Driving Schools, three (3) new driving schools were licensed, and forty-eight (48) licenses were renewed. And in the moto transport sub-sector, a new platform to supplement Irembo in providing licensing services to the motorcyclists was established and now motorcyclists are able to get their authorizations without necessarily coming to RURA.

The sector was greatly affected by the Covid-19 pandemic, especially public transport, where the carrying capacity fluctuated between 50% and 75% while cross-border passenger transport services completely closed. Generally, transport sector was closed during lockdown except transport of goods sub-sector.

As RURA strives to become a point of reference in the regulation of public utilities, different delegations from two countries conducted their study tours to learn from our experience. A delegation from the Institute of Communications of Angola was received to learn from Rwanda's digital transformation journey, specifically regulating ICT and the postal market, consumer protection issues and implementation of an international telecommunications gateway in Rwanda.

Also received a delegation from Organisation Syndicale des Conducteurs des Motos Taxis Tricycles Assimilés du Cameroun was also received to gain experience in regulation of motorcycle taxi services.

RURA is grateful for the cooperation received from all stakeholders, Government of Rwanda, utility service providers, consumers of regulated services, Regulatory Board and staff. The Authority counts on the continued support of key players in the regulated activities in its mission to provide a reliable and sustainable utility regulatory regime in Rwanda.

Thank You!
RURA Management

01

INTRODUCTION



1.1 RURA'S OPERATIONAL FRAMEWORK

RURA was created by Law N° 39/2001 of 13th September 2001 as a multi-sector Regulatory Agency to regulate certain public Utilities. This law was repealed and replaced by Law N° 09/2013 of 01/03/2013, establishing RURA and determining its mission, powers, organization, and functioning.

RURA has the mandate to regulate:

1. Telecommunications, information technology, broadcasting, and converging electronic technologies including the internet and any other audio-visual information and communication technology;
2. Postal services;
3. Renewable and non-renewable energy, industrial gases, pipelines, and storage facilities;
4. Water;
5. Sanitation;
6. Transport of persons and goods;
7. Radiation Protection and;
8. Other public utilities, if deemed necessary.

RURA has a legal personality, financial and administrative autonomy in the fulfilment of its mandate. RURA plays a pivotal role between policymakers, licensed service providers, and consumers. It reports to the Office of the Prime Minister, the supervising organ of RURA.

In executing its duties, RURA also coordinates with line ministries responsible for each regulated sector under the Prime Minister's Order No 89/03 of 11/09/2014, determining modalities of which Ministries in charge of regulated sectors shall coordinate their activities with RURA in implementing their Respective Mandate.

1.2. CORPORATE GOVERNANCE

1.2.1. REGULATORY BOARD

The Law N°09/2013 of 01/03/2013 establishing RURA and determining its mission, powers, organization, and functioning makes the Regulatory Board the top management and decision-making organ of RURA with full powers and responsibilities to manage the property of RURA for it to fulfil its mission.

The Regulatory Board comprises seven members, including the Director-General, who also acts as rapporteur. The Director-General, who is entrusted with executive powers, coordinates and directs the daily activities of RURA and is answerable to the Regulatory Board on how its decisions are implemented.

The Regulatory Board convenes ordinary meetings monthly. However, when deemed necessary, extraordinary meetings may be convened by the Chairperson or the Vice-Chairperson where the Chairperson is absent, upon their own initiative or upon proposal by the supervising authority or, by two-thirds (2/3) of the members of the Regulatory Board or by the Director-General of RURA.

During its meetings, the Regulatory Board reviews and approves regulatory instruments, license applications, tariff changes, and any other regulatory directives. It may also take administrative sanctions in case of violation of legal or regulatory provisions on regulated sectors or in case of non-compliance with licenses terms and conditions. The Regulatory Board also has the responsibility of approving RURA's action plan and budget. Likewise, it adopts the financial statements and the annual report.

The Regulatory Board conducted seven (7) ordinary meetings during this financial year and four (4) extraordinary meetings where several decisions were taken and regulatory instruments adopted. Decisions taken include, among others, the approval of:

- a. Eight (8) regulations on different regulated sectors;
- b. Sixteen (16) licenses;
- c. Annual Report for the Financial Year 2019/2020;
- d. RURA and Universal Access Fund (UAF) Budget for the Financial Year 2020/2021;
- e. Receivables and payables write-offs;
- f. RURA and UAF financial statements for the Financial Year 2019/2020;
- g. Management of financial support for public transport users;
- h. Public transport tariffs;
- i. The individual license of MTN Rwandacell Plc.

1.2.2. BOARD COMMITTEES

For efficiency, the Regulatory Board comprises three specialized committees that meet regularly to deliberate on different agenda items before their consideration by the full Board. Those specialized committees are Corporate Governance and Human Resource Committee; Economic, Finance and Audit Committee; and Technical, Legal and Regulatory Committee. Each committee is composed of three (3) Regulatory Board members.

1.2.2.1. CORPORATE GOVERNANCE AND HR COMMITTEE

This Committee oversees issues on Corporate Governance and Human Resource of RURA. The Committee reviews all human resource related policies and the items on human resource management to be considered by the Regulatory Board.

The Corporate Governance and Human Resource Committee held three (3) meetings towards discharging its mission during the financial year. Among other key achievements, the Committee assessed the RURA recruitment policy and the internship policy, which the Regulatory Board approved.

1.2.2.2. ECONOMIC REGULATION, FINANCE AND AUDIT COMMITTEE

This Committee reviews all matters relating to economic regulation, including tariffs setting in all regulated sectors, financial statements, and internal control systems of RURA, and makes appropriate recommendations to the Board.

The Economic Regulation, Finance, and Audit Committee held eight (8) meetings in the financial year under review. During these meetings, the key activities were the assessment of the action plan and the budget execution, the follow up of implementation of Office of Auditor General (OAG)'s recommendations, the evaluation of receivables and payables to be written off, the internal auditors' reports, implementation status of RURA Procurement Plan and the public transport tariff.

1.2.2.3. TECHNICAL, LEGAL AND REGULATORY COMMITTEE

The Technical Legal and Regulatory Committee is reviews all technical and legal issues from all sectors regulated by RURA, including new regulations to be approved and the licenses to be issued, and makes appropriate recommendations to the Board.

During this financial year, the Technical Legal and Regulatory Committee held six (6) meetings and submitted many regulations and licenses for the Regulatory Board.

02

**CORPORATE
PERFORMANCE
REVIEW**



As a corporate entity and as an Independent Regulatory Authority, RURA needs financial and human resources as well as adequate processes and procedures to efficiently and effectively execute its mandate. RURA's performance Financial Year 2020-2021 was affected by the outbreak of the Covid-19 pandemic, which continued to prevail throughout the financial year. Despite this challenge, RURA performed reasonably well, as described in this chapter.

During the reporting year, the institution focused on the following:

- Facilitating and working with the external auditors during the auditing period.
- Improving collaboration with external stakeholders where various MoUs have been initiated, drafted, and signed.
- Enhancement of legal and regulatory framework by adopting and reviewing various policies, regulations and guidelines
- Improvement of quality of service in all regulated sectors
- Sector growth based on research and development guidance
- Digitization of RURA services
- Enhancement of rural connectivity through sponsorship of construction of passive infrastructure in 86 sites
- Enforcement of compliance mechanisms and recovery of outstanding arrears

2.1. RURA Workforce

The number of RURA staff by June 2021 reduced to One Hundred and Sixty (160) where by 68% are male and 32% female compared to one hundred and sixty-six (166) of the previous year.

The figure 1 below illustrated the distribution of RURA staff by gender.

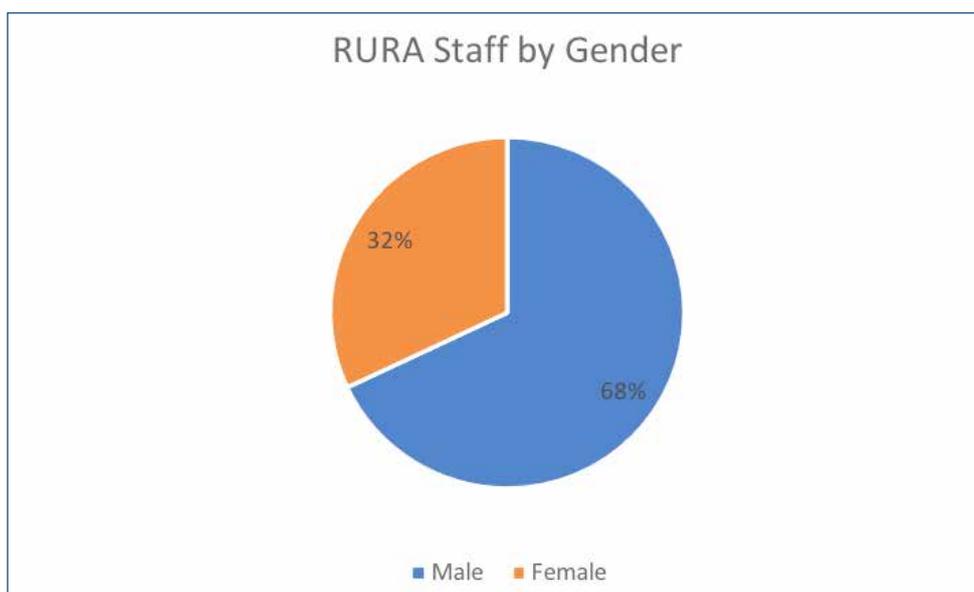


Figure 1: Distribution of RURA staff by gender

2.1.1. Distribution of RURA staff by education levels in 2020-2021

RURA, through its training policy, is committed to equipping its staff with the required skills towards the achievement of the RURA's vision, mission, and strategic goals so that we inspire development.

The figure below shows the distribution of RURA staff by education qualifications:

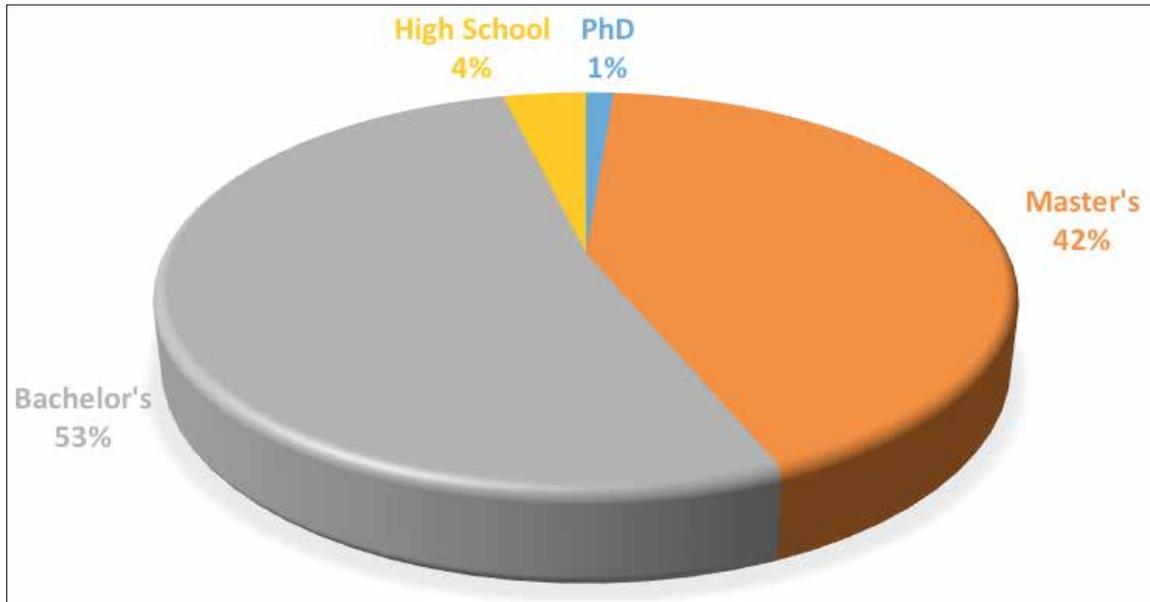


Figure 2: Distribution of RURA staff by education levels (Source: RURA)

2.1.2. Distribution of RURA staff by age groups

The composition of RURA staff by age group shows that most RURA staff are aged between 36 and 45 years, as illustrated in the figure below, which means that RURA has a relatively young workforce.

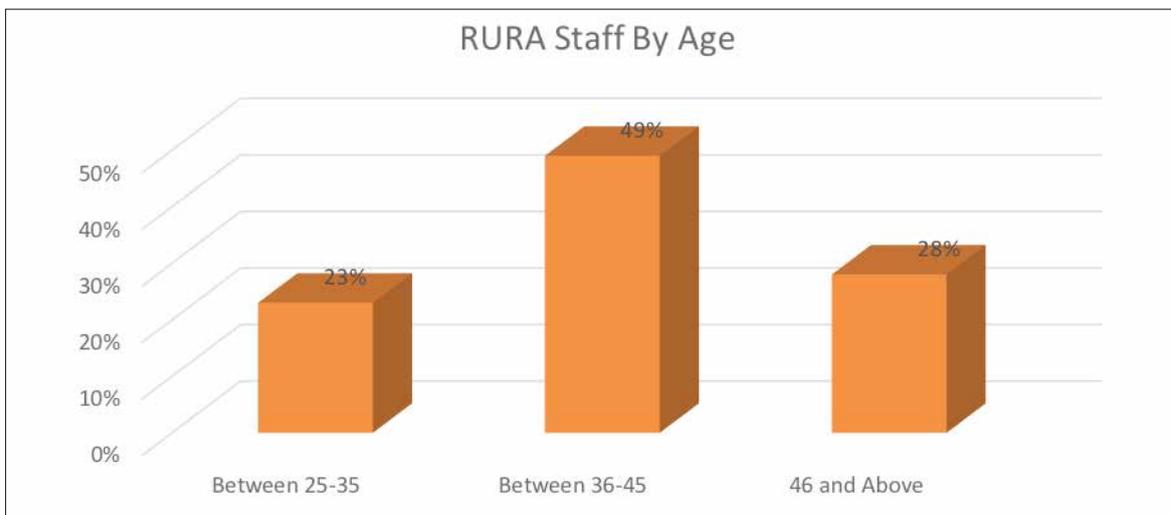


Figure 3: Distribution of RURA staff by age

2.1.3. Training and Development

RURA continued to implement its strategic plan to improve its human resource capacity and promote a learning culture. However, unlike the previous years, the training program was affected by the measures against the spread of Covid-19 Pandemic. Netherless, Seventeen (17) staff members were trained during this financial year.

2.1.4. Knowledge Transfer

Every year, RURA receives both professionals and academic interns for knowledge sharing and transfer to help them practice the theoretical knowledge acquired from schools. During the year, twenty-nine (29) professional interns were trained.

2.1.5. Health and Safety

In compliance with covid-19 measures, RURA enhanced its health and safety measures by adopting new work arrangements, working from home, and facilitating online meetings.

In addition, different measures were taken including social distancing, monitoring of temperature, facilitating regular washing and sanitizing people accessing RURA premises, provision of personnel protective mask for staff, and ensuring all RURA Staff members are vaccinated,

2.1.6. Service Delivery

Among the key tools to a best institutional management is a good information management that facilitates the regulatory performance.

To promote paperless and implement zero trip as Government policy, some licensed services were fully digitized and accessed via online platform called Converged License Management System.

During this financial year, RURA registered an improvement of online services offered from the reported 60% last year to 76%, as a result of digitization of RURA services, an activity that was funded by Trademark East Africa.

- Internet Service Provider
- Short code
- Type Approval
- Multimedia
- Print media
- Pay-Tv
- Broadcasting TV content Provider
- Broadcasting FM Radio
- Signal Distribution License
- Towers and Fibre Optic Installation Authorization
- Radio Frequency
- E-waste license
- National Telecommunication License

Accordingly, during this financial year, RURA registered an improvement of online services offered from the reported 60% last year to 76%, as a result of digitization of RURA services, an activity that was funded by Trademark East Africa.

2.2. Public Relations

RURA is committed to building solid relationships with stakeholders, operators, and consumers in all regulated sectors to make its visibility to the public to promote, establish and maintain credibility and good reputation.

During the fiscal year 2020-2021, RURA organized different events and campaigns as follows:

2.2.1. Visit to Kigali Genocide Memorial Site

Under the framework of corporate social responsibility, RURA visited Kigali Memorial Site on 19th May 2021 to honour and pay tribute to the victims of the 1994 Genocide against the Tutsi, and contributed five million Rwandan Francs for the maintenance of Kigali Memorial Site in Gisozi.



Picture 1: RURA visited Kigali Genocide Memorial

2.2.2. Visit of different delegations to RURA

As RURA strives to become a point of reference in regulation of public utilities, different countries organize study tour to RURA to learn from its experience.

It is in this framework that on 10th May 2021, RURA received a delegation from the Institute of Communications of Angola. This delegation was on a mission to learn from Rwanda's digital transformation journey, specifically regulating ICT, consumer protection issues, and implementing an international telecommunications gateway in Rwanda.



Picture 2: RURA received a delegation from the Institute of Communications of Angola.

On 3rd December 2020, RURA received a delegation from OSYCOMOTTAC (Organisation Syndicale des Conducteurs des Motos Taxis Tricycles Assimilés du Cameroun). The purpose of their visit to Rwanda was to learn from RURA's experience in regulating motorcycle taxi services.



Picture 3: RURA received a delegation from OSYCOMOTTAC (Organisation Syndicale des Conducteurs des Motos Taxis Tricycles Assimilés du Cameroun).

2.2.3. Engagement with stakeholders

In executing its mandate, RURA works closely with both national and international stakeholders through consultations, participating in national and international forums relating to regulated sectors among others. Due to Covid-19 pandemic, most of stakeholders' consultations were held online, and few were held physically where possible.

It is this framework that on 17th November 2020, RURA held a meeting with public transport operators to discuss Driver's Vocational Card Management System (DVCMS) and measures in place to prevent illegal transport operations.



Picture 4: RURA held a meeting with public transport operators

On 12th November 2020, RURA, in conjunction with Enviroserve Rwanda, GIZ Eco-Emploi Programme, and REMA, launched a nationwide awareness campaign to build a sustainable e-waste management ecosystem in Rwanda. The launch took place in Rubavu District, Western Province.



Picture 5: A nationwide awareness campaign to build a sustainable e-waste management ecosystem

From 21 to 25 September 2020, RURA participated in the 64th IAEA General Conference in Vienna, Austria



Picture 6: RURA participated in the 64th IAEA General Conference in Vienna, Austria

2.3. Financial Performance Review

RURA's financial performance for the year 2020-2021 marked an 6.3% escalation in revenue, from 12,944,066,503 Frw to 13,763,296,375 Frw; the increase is due to strong enforcement measures where the majority of the operators timely made their payments and the introduction of the Converged Licensing Framework System.

The table below illustrates the Revenues from the regulated sectors against the projections.

Table 1: The Revenues from the regulated sectors against the projections

| Sector | Revenues for 2020-2021 (Frw) | Projections 2020-2021 (Frw) |
|----------------|------------------------------|-----------------------------|
| ICT | 7,388,745,731 | 7,050,000,000 |
| Transport | 2,843,828,551 | 2,900,000,000 |
| EWATSAN | 3,251,776,605 | 2,800,000,000 |
| Other revenues | 278,945,488 | 0 |
| Total | 13,763,296,375 | 12,750,000,000 |

Source: RURA

2.3.1. CAPEX AND OPEX for 2020-2021

As of 30 June 2021, the overall OPEX execution was at 78.9% and CAPEX at 52.4% of the corresponding budgeted amounts. Therefore, the expenditure on both the CAPEX and OPEX during the year was 66.9%, with some of the planned activities not realized due to COVID-19.

Table 2: Operating Expenditure Execution

| Description | Budgeted Amount for 2020-2021 (Frw) | Expenditures for 2020-2021 (Frw) |
|--------------|-------------------------------------|----------------------------------|
| OPEX | 9,692,416,344 | 7,647,100,280 |
| CAPEX | 7,986,739,334 | 4,181,112,429 |
| Total | 17,679,155,678 | 11,828,212,709 |

2.4. UAF Financial Performance Overview

The UAF contributions for the financial year 2020-2021 were Frw 5,301,355,698 against the budget of Frw 6,372,536,516, whereas actual expenditures were Frw 3,828,837,334. A considerable percentage of these expenditures (91%) was used to sponsor the development of telecommunication towers so as to increase the network coverage in underserved areas.

03

**CONSUMER
PROTECTION
IN REGULATED
SECTORS**



3 CONSUMER PROTECTION IN REGULATED SECTORS

One of the core mandate of RURA is to promote and protect the interests of consumers in all sectors regulated by RURA. In this regard, the Authority focuses to consumer education, inspections to monitor the Quality of Service (QoS), investigations on raised consumer issues, complaints handling, combating anti-competitive behaviours, putting in place appropriate consumer protection tools, and approval of promotions from Telecom Operators to avoid consumer exploitation.

During this year, RURA produced consumer awareness messages and published talk shows on various media platforms. Due to the Covid-19 pandemic, awareness on the field was limited, but we created consumer awareness messages through spots and stickers.

3.1 Complaints Handling

RURA received 390 complaints, where the 96.4% of them were successfully resolved. Whereas the remaining 3.6% are still pending due to lack of evidence or their complexity.

The table below shows the total number of complaints in each regulated sector and their status.

Table 3: Total number of complaints in each regulated sector and their status.

| S/N | Sector | Received complaints | Solved complaints | Pending |
|--------------|-------------|---------------------|-------------------|-----------|
| 1 | Transport | 211 | 201 | 10 |
| 2 | ICT | 164 | 162 | 2 |
| 3 | Water | 2 | 2 | 0 |
| 4 | Electricity | 9 | 8 | 01 |
| 5 | Gas | 2 | 1 | 1 |
| 6 | Petroleum | 1 | 1 | 0 |
| 7 | Sanitation | 1 | 1 | 0 |
| Total | | 390 | 376 | 14 |

In the ICT sector, most of the complaints are related to the abrupt loss of airtime, mobile money fraud, poor quality of service primarily related to purchase data bundles and its usage where the customer perception is that telecom operators are unfairly appropriating their money. Many complaints were lodged against telecom operators by their agents for several reasons, including but not limited to locked SIM cards due to non-compliance with COVID-19 preventive measures, receiving less commissions than what they should have received, and the issue of restricting mobile money transactions to 10 in a day.

The complaints in the transport sector were mainly related to the use of Irempo online application platform, which was new to motorcyclists and has brought a lot of issues including delays in issuing licenses and authorizations.

In the water sub-sector, the two leading causes of complaints are billing issues resulting from not respecting billing cycle in which WASAC should collect meter indexes.

The complaints in the electricity sub-sector were also mainly related to bills from the Utility. While in the Gas & petroleum sub-sector, two (2) complaints were related to suppliers charging abnormal LPG prices and one (1) complaint was inadequate service delivery at a petrol station.

3.2 Approval of promotions

The analysis of promotions from Telecom operators is meant to remove exploitative clauses in all launched promotions. During the year under review, 18 promotions were analyzed and approved. Seventeen (17) promotions were from MTN Rwanda Cell Plc and One (1) promotion of Airtel Rwanda Ltd.

04

ICT SECTOR



4 ICT SECTOR

4.1 Sector Profile

One of the core mandate of RURA is to create an enabling regulatory environment for telecommunications, information technology, broadcasting, postal services and converging electronic technologies. RURA also plays an advisory role to policymakers to ensure that ICT contributes to the growth of other sectors in the country.

In 2020-2021, RURA put more effort into building internal capability to monitor the quality of service for Mobile Network Operators services. RURA acquired a Quality-of-Service measurement system which is under final acceptance tests to ensure system stability, and the team in charge of the quality of service has been trained.

Furthermore, RURA, in collaboration with telecom operators, migration and immigration office, NIDA, NCSA, Rwanda Investigation Bureau, Rwanda National Police and other stakeholders, developed new procedures to follow in SIM cards registration with the aim of preventing crimes and frauds committed while using SIM Cards.

In Space technologies, RURA licensed OQ Technology Africa Ltd for satellite filing to get recognition at the international level and later launch their satellites in the name of the Rwanda Administration. This has attracted companies to invest in satellites internet provisions and increase social-economic development

4.2 Regulatory Environment

4.2.1 Legal and Regulatory Framework

Within the 2020-2021 year, several regulations were initiated and developed in ICT Sector to enable a conducive and playing level environment for service providers, to ensure interests of customers are protected and setting- up minimum operating requirements for the best of the sector.

RURA initiated the development of legal and regulatory tools in the aim of aligning them with the current reality in the sector, market conditions and ensure a level of the playground; some are on consultation level, and others have already approved the Regulatory tools.

In the ICT sector, the following regulations have been developed and approved by the Regulatory Board:

- The regulation governing the use of unlicensed and light licensed frequency spectrum bands to improve the quality of Wi-Fi services; The regulation governing the use of 2.4GHz, 5GHz and 60GHz frequency spectrum bands.
- Regulation governing Cybersecurity;
- Regulation governing Licensing in Electronic Communication;
- Amendment of the Telecom Network Security regulation

RURA also contributed greatly in the drafting of Personal Data Protection and Privacy Law which was enacted during this year.

4.2.2 Implementation of Government Policies

During the year under review, RURA provided technical support to the Ministry of ICT and Innovation in the implementation of different policies and initiatives:

- The establishment of Rwanda Digital Acceleration Project. The project aims to accelerate country-wide digital transformation focusing on critical digital enablers that “future-proof” economic growth and build on existing digital foundations.
- Rwanda National Digital Payment System (R- NDPS): The National Payment System (RNPS) Strategy 2018-2024 guides the Government of Rwanda and industry stakeholders towards accomplishing a cashless economy and a financially included population.
- Giga School Internet Connectivity: Giga aims to bring the power of meaningful connectivity to fast track young people’s access to educational resources and opportunities in Rwanda. Giga will ensure every young person is equipped with the digital public goods they need and empowered to shape the future they want. Giga also serves as a platform to create the infrastructure necessary to provide digital connectivity to an entire country, every community, and every citizen, using schools to identify demand for connectivity.
- The purpose of this comprehensive assessment was to determine the status of cross-border e-commerce in EAC and generate actionable recommendations to guide further development of e-commerce in the region with emphasis on cross-border e-commerce. Following the invitation of the EAC secretariat through the Ministry of foreign affairs, RURA participated in this exercise and provided contribution on the topic of “Policy, Legal and Regulation

Furthermore, RURA provided technical support in the drafting of E-commerce policy and strategy spearheaded by MINICOM and MINICT.

4.3 Licensing

In line with its regulatory mandate to license service providers in regulated sectors, including ICT (Telecommunication, Broadcasting, and postal services), RURA has licensed a number of service providers in the sector with the primary objective of increasing competition, expanding the customer choice and setting also a minimum operating standards for service providers to ensure safety and services of quality to customers. During the year 2020-2021 the following were the major licenses issued:

- i. Mobile Operator: MTN Rwandacell Plc License was renewed for ten years
- ii. Space technologies: RURA licensed OQ Technology Africa Ltd for satellite filing to get recognition at the International level in the ITU database.
- iii. Broadcasting Sector: One (1) Pay TV operator and two (2) FM radio stations were licensed.
- iv. Postal and courier services sub-sector: One (1) domestic courier, International courier, Inter-city courier and International inbound courier license.

- v. Internet Service Providers: One (1) for Network Service Provider, 4G Retail services license
- vi. Electronic Waste Management: Two (2) licenses for recycling and one (1) for Collection and Transportation
- vii. General Authorization: One (1) license

4.4 Compliance and Enforcement

RURA's Compliance activities focused on ensuring that no service provider operates without a valid license, all licensees pay required fees on time, and all arrears are fully recovered. Regular inspections were also carried out to check compliance with operating standards as well as technical requirements as specified in regulations and licenses obligations.

4.4.1 Interference impacting radio communication services

A number of interferences have occurred in the year 2020-2021 and solved. These include Country FM interfered with DRC radio, Isangano radio interfered with DRC radio, Isano radio interfered with RBA in Rubavu District, Isango Star radio interfered with Royal FM radio, aeronautical ground communication interfered with radio Karagwe in Tanzania, Magic FM interfered with Isanganiro radio from Burundi, Umwezi radio interfered with RFI radio from Burundi.

4.4.2 Electromagnetic fields complaints around residential areas

RURA received two complaints of EMF radiations concerns around residential areas of Nyarugunga and Masaka Sectors in Kicukiro District. RURA, in collaboration with Kigali City, did measurements of the EMF radiations around the mentioned area and found complaints with in the set values in the RURA guidelines limiting Human Exposure to electromagnetic fields.

4.4.3 Cross-border frequency coordination

In collaboration with DRC Regulator, there was cross-border frequency coordination along Rubavu-Rusizi border and forced roaming on telecommunication services were minimized significantly.

Further, on the border of Burera and Gicumbi Districts, networks optimization was done, and this led to the minimization of forced roaming from Uganda.

4.4.4 Awareness campaigns and inspections

As part of compliance with different policies, laws and regulations, RURA initiated awareness programs with the objective of informing/reminding licensees and the general public of some of their obligations and rights on the different components of the sector, such as.

- An awareness campaign on the right and obligations of the public in line with information sharing and consumption through different media channels was carried out.
- Awareness campaign for the public to know parental control mechanisms in order to protect children against harmful and inappropriate TV content on Pay TV Platforms.

- Inspections were conducted country-wide for the 15 licensed TV stations and 27 FM radio stations to check compliance with license obligations and operating standards.
- Awareness on E-waste was conducted country-wide to educate retailers on how to manage the e-waste

4.4.5 Numbering Resources Management

In a process to manage the number of customers requiring new SIM cards, MTN was assigned a new numbering block 079.... in addition to 078... for customer satisfaction.

4.4.6 Type approval of Electronic Communication Equipment

In the course of the year 2020-2021, 5,000 models of electronic communication equipment were approved to be compliant with Rwanda technical requirements, while 200 were rejected by the regulator due to no-compliance.

4.4.7. Cybersecurity Compliance

After the establishment of Cybersecurity Regulation which apply to all licensees, RURA has conducted compliance security audits which are Regulatory audits conducted on annual basis and during the period (2020- 2021), the audit was carried out among all telecom operators and 4G network service provider to assess their level of compliance with established cybersecurity regulation. The results were communicated to the Operators with recommendations on areas of non-compliance. Operators submitted plans to address all areas of non-compliance and subsequent monitoring activities were carried out to monitor progress in addressing areas of concern.

4.5 Quality of Service Monitoring

4.5.1 Cellular Quality of Service

According to RURA QoS Regulations, MNOs (MTN, Airtel and KTRN) have obligations to conduct the Drive Test twice a year to verify the quality of service experienced by their customers. Accordingly, during the fiscal year 2020 – 2021, MNOs conducted QoS measurement campaigns from October 16th to December 18th, 2020. The conducted measurement campaigns focused on:

- Measuring and evaluating the QoS perceived by customers while using “Voice, SMS and Data services” on Mobile Networks Technologies (GSM, WCDMA and LTE). This exercise covered the City of Kigali and All Provinces.
- Identifying network problems for network optimization purposes.

In general, Mobile networks Operators suffered severe Quality of Service degradations due to the unprecedented growth of voice and internet traffic as a consequence of the pandemic and network performance. Despite the challenges caused by the pandemic, RURA provided the necessary support to ensure service continuity and minimize network degradation.

RURA kept monitoring all licensed operators to ensure that the operators implement corrective measures with the objective to improve the quality of service and experience and enforcement measures initiated for non-complying mobile telecom operators (MNOs).

4.5.2 In building Coverage

In this year, RURA continued monitoring the compliance of the Guidelines on requirements for Indoor Building Solution - Distributed Antenna System (IBS-DAS) Installation and provides clarifications on different matters raised by operators.

4.5.3 Radio and Television coverage and compliance

In addition, a joint inspection together with Rwanda Broadcasting Agency was conducted in Northern Province, Gicumbi District to assess and initiate improvement of Radio and TV signal coverage of the Public Broadcaster, assisting as well in frequency interference handling issues and monitor the compliance with must-carry and free to air transmission obligations.

4.5.4 Broadband traffic

The financial year 2020-2021 has been dominated by the COVID-19 pandemic, during which most of Government and business activities have migrated to home working. This situation resulted in huge internet consumption due to working from home. The table below illustrates the broadband traffic during this fiscal year.

Table 4: Broadband traffic for 2020-2021

| Broadband traffic in GBs | 2019-2020 | 2020-2021 |
|---|--------------------|--------------------|
| Fixed (Wired)-broadband internet traffic | 85,171,918 | 107,084,357 |
| Mobile- Broadband internet traffic (Within the country) | 60,717,273 | 91,384,857 |
| Mobile- Broadband internet traffic for roaming-out | 9,234 | 16,638 |
| Mobile- Broadband internet traffic for roaming-in | 65,952 | 9,812 |
| Total | 145,964,377 | 198,495,664 |

4.5.5 Mobile Networks Expansion

Considering the current Voice and Data Traffic growth observed across the City of Kigali, and in other Provinces, all licensed Mobile Networks Operators (MNOs) and the 4G-LTE Wholesaler have rolled out a significant number of Sites to improve their respective coverage and capacity to improve the Quality of Service. The following section highlights the new Sites built in the financial year 2020-2021.

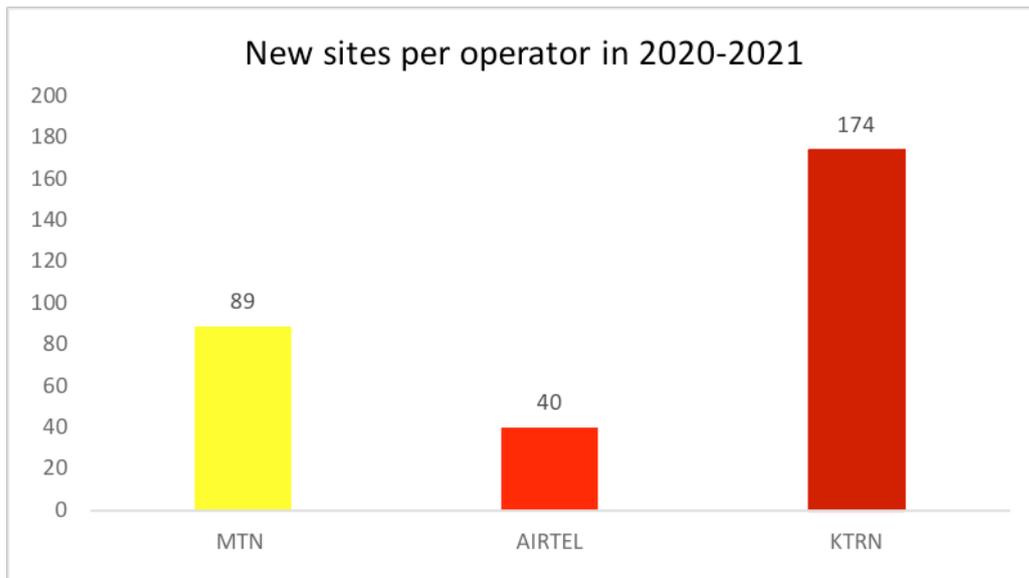


Figure 4: Operators' new sites
 Source: Operators' reports

Among the above, RURA introduced and implemented a new type of tower named “Palm tree”, which are eco-friendly, reduce visual pollution and embrace the surrounding environment.

4.5.6 Fixed Broadband Networks Access

During the 2020-2021 Fiscal year, the Fiber to the Home (FTTH) subscribers have significantly grown especially in the City of Kigali. The new connected sectors across the City of Kigali are Kimironko, Kacyiru, Kimihurura, Rusororo, Ndera, Bumbogo, Kinyinya, Nyamirambo, Rwezamenyo, Nyarugenge, Niboyi, Kagarama, Gatenga, Kanombe, Masaka, Gikondo, Kicukiro Sectors.

4.5.7 International Traffic Capacity

To improve the Internet speed, it is paramount that Rwanda procures enough International Capacity to allow fast and reliable internet across the country. During the 2020-2021 Financial Year, Operators Increased International Capacity as follows:

Table 5: Operators Increased International Capacity

| Operators | 2019-2020 | 2020-2021 |
|-----------|-----------|-----------|
| MTN | 12.5 Gbps | 20 Gbps |
| AIRTEL | 5.8 Gbps | 11.1 Gbps |
| KTRN | 9.8 Gbps | 10 bps |

4.5.8 IGTVS Fraud Management

RURA has worked hard to contain telecom fraud. The 254,906 test calls were received in 2020, of which 20,264 were identified as fraudulent. Those fraudulent calls accounted for 7.95% of the total number of test calls received for the year, as opposed to 13.57% in the previous year.

4.5.9. Mobile Money Monitoring System

Mobile technology continues to play a big role to enhance electronic payments. The mobile money platform transformed from a simple person-to-person money transfer service, to a platform through which an array of financial transactions can be executed. These services include withdrawal, transfers, deposit of cash to bank accounts, getting loans, utility payment, purchase of goods and services and payment of school fees.

During this fiscal year, the number of all mobile money transactions increased by 36.6%, from 584,762,600 to 922,902,063 and the value from all transactions increased from 6,027 to 14,943 billion Frw which represents an increment of 59.6%.

4.6 Market performance and statistics for ICT sector

4.6.1 Mobile and Fixed Telephone Services

Mobile and fixed telephone subscriptions

At the end of June 2021, the number of active mobile-cellular telephone subscriptions was 10.9 million SIM cards. As a result, the mobile-cellular subscriptions were 84.3 registered for every 100 people, while fixed telephone subscriptions were 0.1%. In comparison with the situation of June 2020, the mobile-cellular telephone subscriptions per 100 inhabitants recorded an increase of 6.4 percentage points, from 77.9 to 84.3.

The table below provides details regarding the number of mobiles and fixed Telephone service subscribers per telecom operator as of June 2021

Table 6: Subscriptions for mobile and fixed Telephone service per telecom operators as of June 2021

| Name of Operator | Active subscriptions ¹ | | Fixed telephone subscriptions per 100 inhabitants ² | Mobile telephone subscriptions per 100 inhabitants ³ |
|--------------------|-----------------------------------|-----------------|--|---|
| | Mobile –cellular telephone | Fixed Telephone | 0.1 | 84.3 |
| MTN Rwanda Ltd | 6,878,349 | 172 | | |
| Airtel Rwanda Ltd | 4,048,629 | 9,521 | | |
| Liquid Telecom Ltd | - | 852 | | |
| BSC Ltd | - | 1,261 | | |
| Total | 10,926,978 | 11,806 | | |

Source: Operators' reports, June 2021

Figure 13 shows the trends of the mobile-cellular telephone subscriptions from June 2012 up to June of the year 2021.

¹ Active subscriptions mean the number of SIM cards or fixed telephone lines that generated revenues to the operator within 90 days

² Fixed-telephone subscriptions per 100 inhabitants are computed with reference to the sum of active number of fixed-telephone lines over the Rwandan population as projected by National Institute of Statistics of Rwanda

³ Mobile-cellular telephone subscriptions per 100 inhabitants also known as the mobile phone penetration rate, are computed with reference to the sum of active SIM cards over the Rwandan population as projected by National Institute of Statistics of Rwanda

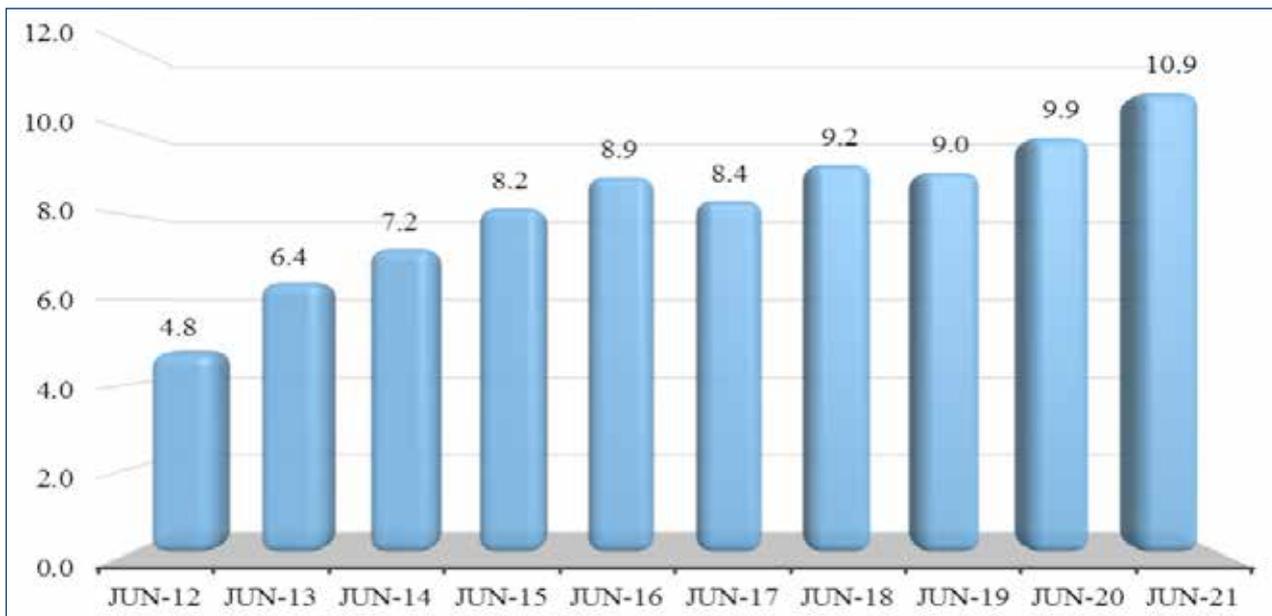


Figure 5: Trends of the mobile-cellular telephone subscriptions from June 2012 to June 2021 (Source: Operators' reports, June 2021)

On the other side, the number of fixed telephone subscriptions has also increased to 11,806 at the end of June 2021 compared to 11,626 subscriptions recorded as of June 2020.

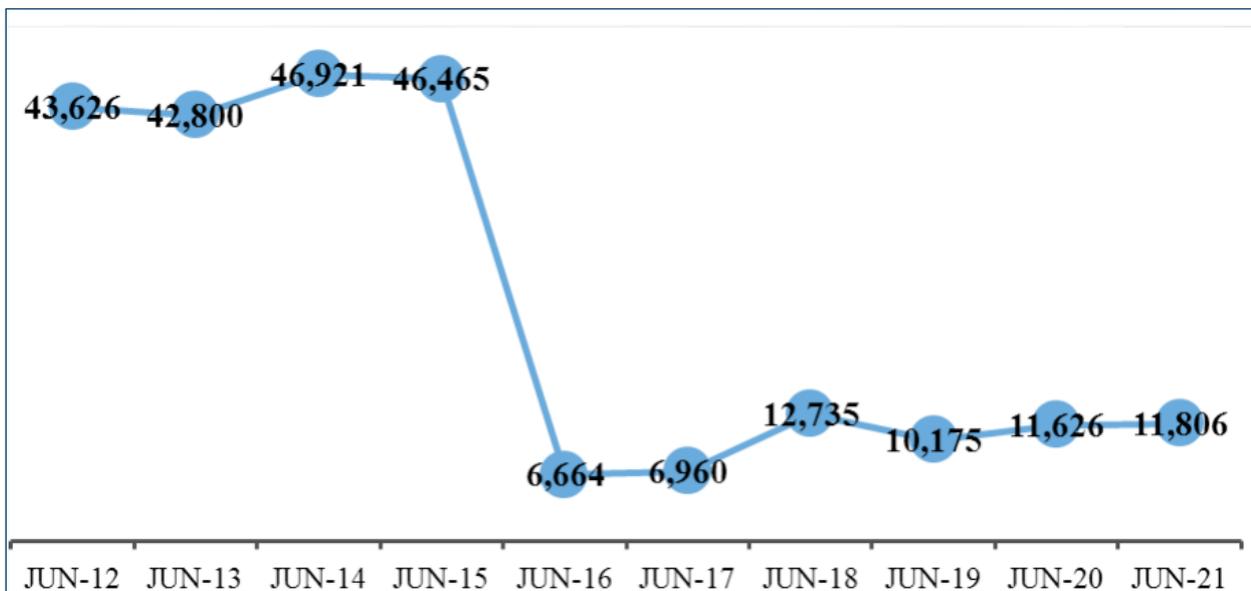


Figure 6: Trends of fixed telephone subscriptions for the period June 2012-June 2021 (Source: Operators' reports, June 2021)

Market share for active mobile-cellular subscriptions

At the end of this fiscal year, the mobile-cellular telephone subscriptions market shares for MTN Rwanda Ltd increased by 3.1 percentage points up to 62.9 per cent, whereas Airtel Rwanda Ltd declined by the same margin sand at 37.1 per cent.

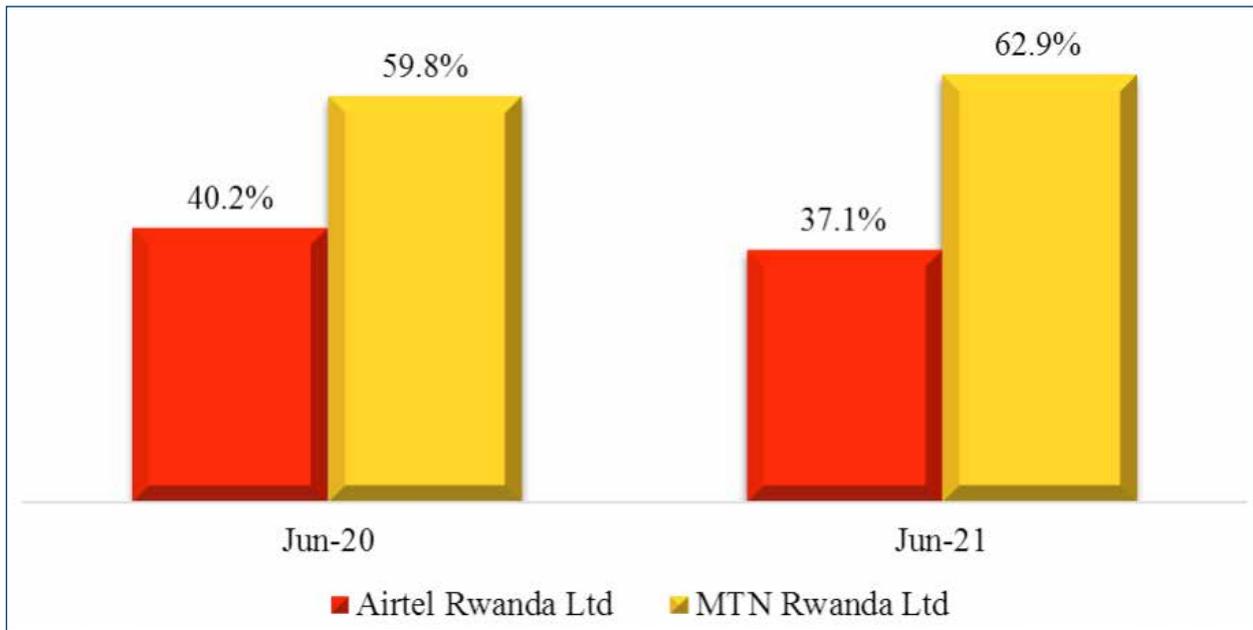


Figure 7: Market share for active mobile-cellular telephone subscriptions (Source: Operators' reports, June 2021)

Market share for fixed telephone subscriptions

During the year under review, the market shares in fixed telephone subscriptions for Airtel Rwanda Ltd decreased by 1.3% up to 80.6%, and that for Liquid Telecom Ltd increased by 0.3% up to 7.2%. The market shares MTN Rwanda Ltd remained at 1.5%.

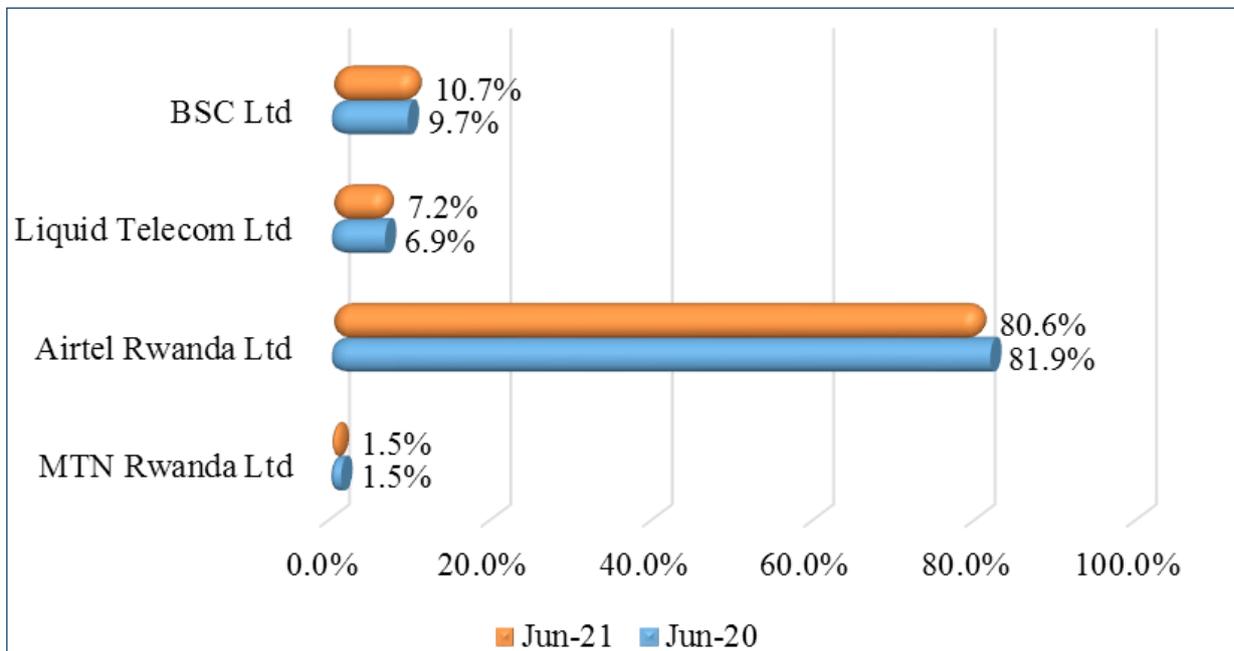


Figure 8: Market share for fixed telephone subscriptions (Source: Operators' reports, June 2021)

4.6.2 Retail Tariffs for Mobile and Fixed Telephone Service

The licensed service providers freely determine and publish tariffs for the use of their networks and services. RURA monitors the implementation of voice, SMS, and internet retail prices. During the year under review, there were different voice and internet packs which are convenient and available for consumers.

Table 7: Fixed Voice Telephone Tariff Trend in FRW

| | MTN Rwanda Ltd | | | Liquid Telecom Ltd | | | Airtel Rwanda Ltd | | |
|---------|----------------|--------|--------|--------------------|--------|--------|-------------------|--------|---------|
| | Jun-19 | Jun-20 | Jun-21 | Jun-19 | Jun-20 | Jun-21 | Jun-19 | Jun-20 | June 21 |
| On net | - | 45 | 45 | 20 | 10 | 10 | 22 | 35 | 35 |
| Off-net | - | 45 | 45 | 60 | 30 | 30 | 22 | 35 | 35 |
| ONA | - | 70 | 90 | 135 | 408 | 408 | 70 | 70 | 90 |

Source: Operators' reports, June 2021

Table 8: Mobile voice tariff in FRW

| Destination | MTN Rwanda Ltd | | | Airtel Rwanda Ltd | | |
|-------------------------------|----------------|--------|--------|-------------------|--------|--------|
| | Jun-19 | Jun-20 | Jun-21 | Jun-19 | Jun-20 | Jun-21 |
| On net | 45 | 45 | 45 | 35 | 35 | 35 |
| Off net | 45 | 45 | 45 | 35 | 35 | 35 |
| One Area Network (ONA) | 70 | 70 | 90 | 70 | 70 | 90 |
| US/Canada/China/India/Belgium | 51 | 51 | 51 | 50 | 50 | 51 |

Source: Operators' reports, June 2021

During the last three years, the standard tariff for calling by MTN Rwanda Ltd and Airtel Rwanda Ltd within and between telecom operators remains unchanged at 45 Frw and 35 Frw per minute, respectively. The tariff for calling in One Area Network on MTN Rwanda Ltd and Airtel Rwanda Ltd increased up to 90 Frw per minute from 70 Frw per minute in the previous years.

Table 9: Mobile internet tariff per MB in FRW

| Operator | Jun-18 | Jun-19 | Jun-20 | Jun-21 |
|-------------------|--------|--------|--------|--------|
| MTN Rwanda Ltd | 10 | 10 | 10 | 10 |
| Airtel Rwanda Ltd | 51 | 51 | 51 | 5 |

Source: Operators' reports, June 2021

The standard internet tariff for mobile internet per MB was stable at 10 Frw on MTN Rwanda Ltd, while Airtel Rwanda Ltd decreased drastically its internet tariff from 51 Frw per MB to 5 Frw per MB.

Table 10: Mobile internet tariff on bundles in FRW as of June 2021

| Characteristics | | MTN Rwanda Ltd | | Airtel Rwanda Ltd | |
|-----------------|-----------------|-------------------------|--------|------------------------|--------|
| Bundle prices | Validity Period | Bundle Name | MBs | Bundle Name | MBs |
| RWF 100 | 24 hours | 3G_15MB_Daily Bundle | 15 | ISANZURE-INTERNET 100 | 250 |
| RWF 200 | 24 hours | 3G_50MB_Daily Bundle | 50 | ISANZURE-INTERNET 200 | 500 |
| RWF 500 | 24 hours | 3G_200 MB_Daily Bundle | 200 | ISANZURE-INTERNET 500 | 1,536 |
| RWF 1,000 | 7 days | 3G_500 MB_Weekly Bundle | 500 | Surf_WEEKLY_1000 | 1,024 |
| RWF 2,000 | 7 days | 3G_1.5 GB_Weekly Bundle | 1,536 | ISANZURE-INTERNET 2000 | 3,072 |
| RWF 5,000 | 30 days | 3G_3 GB_Monthly Bundle | 3,072 | Surf monthly 5000 | 7,168 |
| RWF 10,000 | 30 days | 3G_10 GB_Monthly Bundle | 10,240 | Monthly_10000 | 30,720 |
| RWF 21,000 | 30 days | 3G_30 GB_Monthly Bundle | 30,720 | Monthly_21000 | 66,560 |
| RWF 30,000 | 30 days | 3G_90 GB_Monthly Bundle | 92,160 | Monthly_30000 | 97,280 |

Source: Operators' reports

This table includes some comparable bundles packaged by MTN Rwanda Ltd and AIRTEL Rwanda Ltd according to the bundle prices and their respective validity periods.

4.6.3 INTERNET SERVICE PROVISION

The total number of internet subscriptions for both mobile and fixed increased from 7,886,771 subscriptions by June 2020 to 8,061,373 as of June 2021, marking an overall increase of 2.2%. The internet subscriptions per 100 inhabitants decreased by 0.1% up to 62.2% from 62.3% recorded at the end of June 2020. The decrease of internet subscriptions per 100 inhabitants was due to the difference between the increase of internet subscriptions and Rwanda population with reference to the previous year.

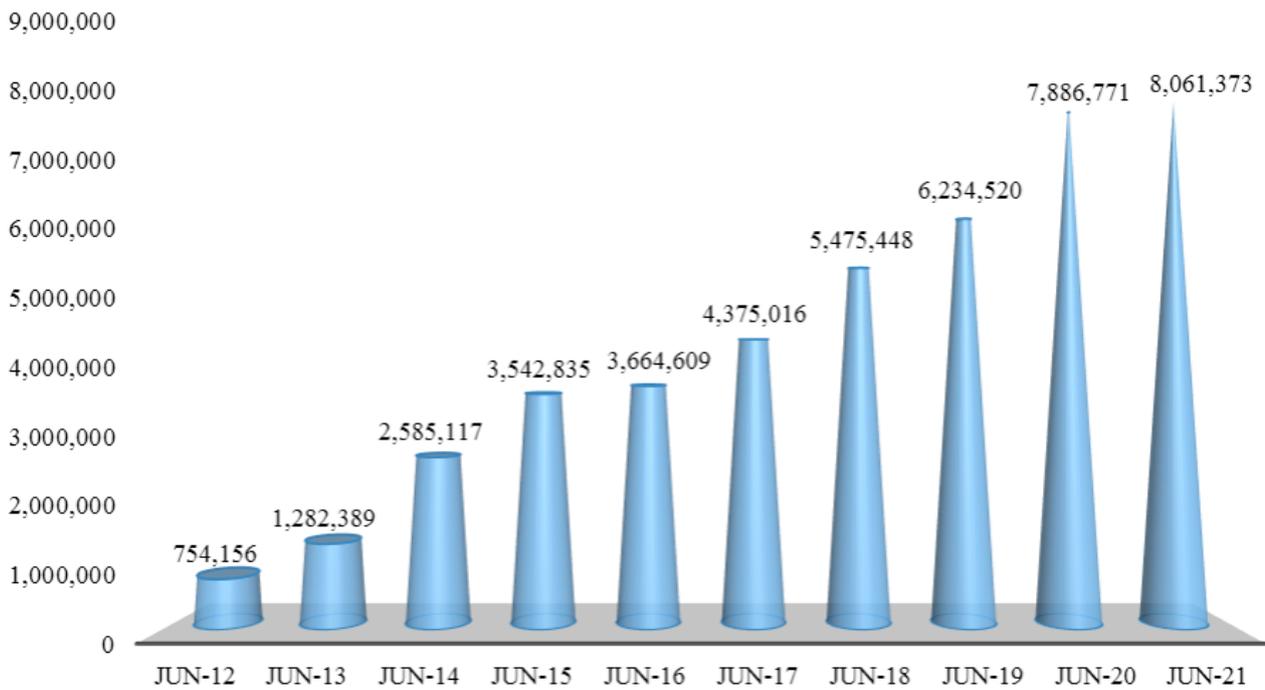


Figure 9: Trend of Internet subscription for the period June 2012-June 2021
 (Source: Operators’ reports, June 2021)

International Internet Bandwidth

The total volume of equipped international bandwidth capacity increased by 20.0% from 111,870 Mbps recorded at the end of the previous fiscal year up to 134,190 Mbps as of June 2021. This positive trend is always driven by increased internet subscriptions, customers’ traffic security protection, and minimizing customers’ links outages.

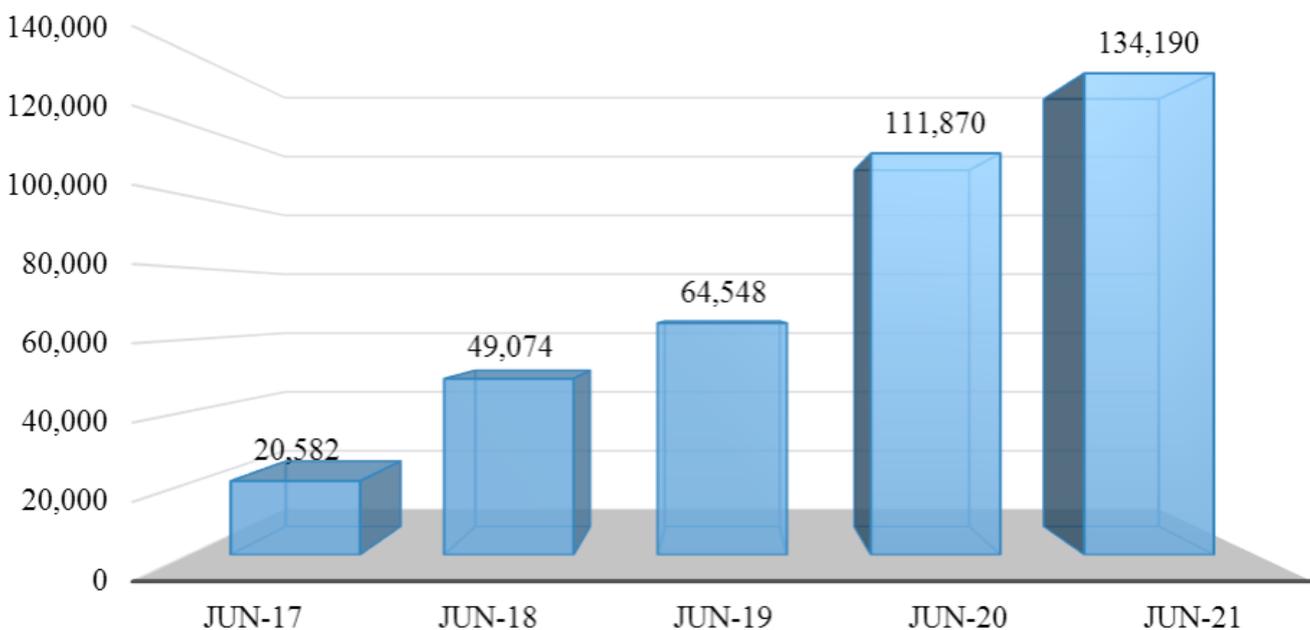


Figure 10: Trends of equipped International Internet bandwidth in Mbps
 (Source: Operators’ reports, June 2021)

Fixed Internet Subscriptions

During the period under review, the highest number of fixed internet subscriptions was connected to the fibre-to-the-home/building. In contrast, the lowest fixed internet subscriptions are on satellite and DSL technology.

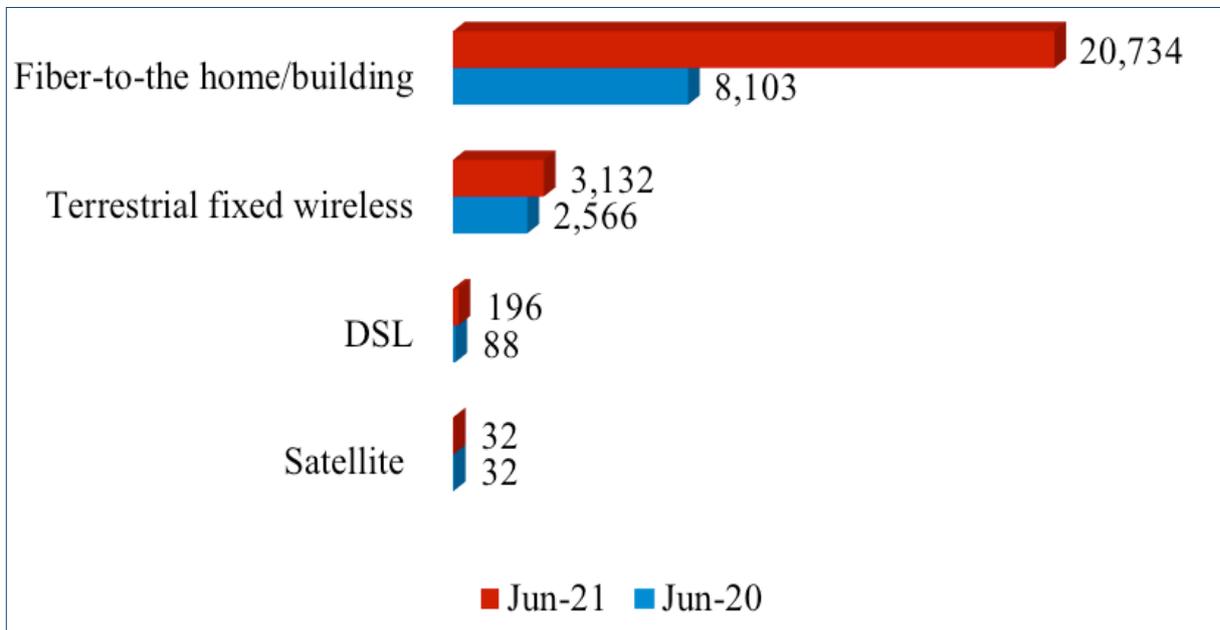


Figure 11: Fixed internet subscriptions by technology
(Source: Operators' reports, June 2021)

4.6.4 Courier and postal services

As of June 30th, 2021, the distribution of licensed service providers according to the type of license within postal and courier services sub-sector is as follows:

Table 11: Licensed operators in postal and courier services

| Type Of License | Licensed operators | Percent |
|--|--------------------|-------------|
| Public Postal operator license | 1 | 4% |
| International Courier License | 6 | 25% |
| Regional Courier License | 3 | 13% |
| Domestic courier License | 9 | 38% |
| International in-bound courier license | 2 | 8% |
| Intra – City courier License | 3 | 13% |
| Total | 24 | 100% |

Source: RURA

The 38% of licensed operators in postal and courier services sub-sector hold Domestic courier license, 25% have International Courier license whereas other type of licenses occupy 37%.

4.7 UNIVERSAL ACCESS

4.7.1 Introduction

The Universal Access and Service Fund (UAF) seeks to ensure that all Rwandans have access to a set of basic yet essential telecommunications/ICT services at affordable prices. While guarding against market distortions, the Fund focuses its assistance on areas which are beyond the reach of telecommunications/ICT services, enabling underserved and unserved communities to connect with other populations and take advantage of the opportunities, and benefits that come with access to broadband Internet and other ICT services.

During the year under review, the Universal Access Fund focused on strengthening the network coverage in rural areas. Sixty-eight (68) sites were completed and are now operational. Also received the request from local authorities to increase the network coverage in NYUNGWE National Park, and the construction of the two (2) sites is completed. The below are initiatives financed by UAF in this fiscal year 2020-21:

4.7.2 Subsidizing the cost of internet in rural and remote areas

To ensure access to affordable Internet services and broader penetration of ICTs services to the public and private institutions in rural and remote areas of the country, RURA, through UAF, has adopted a scheme of subsidizing the Internet bandwidth acquisition to the rural communities in underserved remote areas of Rwanda. During the year under review, a total of 193 sites from public and private institutions have benefited from this initiative, and the Broadband Systems Corporation (BSC) provides Internet Service to all UAF subsidized areas through different access technologies. The sponsorship is valued at one hundred million Rwandan francs (100,000,000 FRW) per year.

4.7.3 Construction of passive infrastructure for Mobile Network Operators in remote Areas

As per Presidential Order, no 05/01 of 15/03/2004 determining the functioning of the Universal Access Fund and Public Operators' contributions, RURA agreed to sponsor the cost for operations expenditure (OPEX) of passive infrastructure. During the year under review, RURA sponsored the OPEX to construct passive infrastructure in all identified sixty-eight (68) sites, and the project is completed. The cost of the subsidy has a value of 2,698,636,500 Frw. In the spirit of providing equal opportunity and access to telecommunication/ICT services to all Rwandans, through UAF, RURA continued to support MNOs to increase their network coverage countrywide.

To bridge the mobile network connectivity gaps and provide coverage in different uncovered and underserved areas of the country, RURA and mobile telecom operators conducted a joint survey to look for suitable positions to install telecom sites required to cover identified areas. The team identified forty-five (45) candidate sites as the nominal points to cover the significant and accessible parts of the survey conducted.

After the survey, the Telecom Operators requested intervention from RURA for the OPEX of passive infrastructure to cover some areas with less justifiable business cases, especially for this particular coverage requirement. The project value is at a tune of 1,158,668,676 FRW. Universal access is also funding the construction of two new sites in Nyungwe National parks to improve the area's network coverage. The total cost of the project is valued at 96,000,000 FRW.

4.7.4 Supporting the acquisition of quality of services equipment

During the year under review, RURA acquired the quality-of-service equipment used to measure the quality of services provided by different telecom operators and Internet services providers (ISPs). The system is able to measure the existing technologies and emerging technologies, including 4G LTE qualities of services. The project cost is five hundred million Rwandan francs (500,000,000 FRW). With the use of this newly acquired system, there is a hope that it will help identify the performance of services providers and increase the quality of services of voice and data in different areas countrywide.

4.7.5. Supporting the organization of Rwanda Internet Governance Forum

In partnership with stakeholders, RURA sponsored the organization of Rwanda Internet Governance Forum, 2020. The Rwanda Internet Governance Forum (RWIGF, 2020) edition was held on 30 September 2020 at GIZ DIGI Centre, Kigali. The theme was "Internet for ICT and Innovation in the time of COVID-19", gathered the local Internet community and beyond to discuss merging challenges and opportunities resulting from the COVID-19 crisis. The activity was sponsored by two million (2,000,000 FRW).

4.7.6. Monitoring of Rwanda Internet Exchange Point

The table below shows that the average and maximum traffic at the Rwanda Internet Exchange Point during the last three financial years:

| Direction | ISP/CS ISP/CSP/Route Server | | | | | |
|-----------|-----------------------------|----------|------------|----------|-----------|----------|
| | 2018-2019 | | 2019- 2020 | | 2020-2021 | |
| | Average | Maximum | Average | Maximum | Average | Maximum |
| Inbound | 1.89 Gbps | 2.43Gbps | 1.41Gbps | 2.08Gbps | 1.53Gbps | 3.48Gbps |
| Outbound | 1.89 Gbps | 2.38Gbps | 1.37Gbps | 2.30Gbps | 1.97Gbps | 3.99Gbps |

4.7.7. Monitoring of broadband performance of different institutions

RURA inspected thirty-three (33) hotels in the City of Kigali. The hotels improved their broadband capacity. Most of them are using Fiber optic, point to point, and 4G LTE. Thirty (30) hotels meet the requirement set in the guidelines, like broadband capacity and wireless coverage, whereas others plan to upgrade the capacity and achieve the requirements. Three (3) non-compliant hotels were requested to establish a roadmap to achieve the required standards.

05

ENERGY SECTOR



5.1 Sector Profile

Energy is among the sectors regulated by RURA under its mandate. It covers Electricity, Renewable Energy, Gas, and Downstream Petroleum sub-sectors. The core regulatory responsibilities include establishing regulatory tools, licensing, ensuring compliance of licensees with regulatory instruments, tariff setting, monitoring, advisory role to the government, promoting continual service delivery, affordability, and accessibility of energy supply to all consumers.

In line with the National Strategy for Transformation (NST1), under the priority of industrialization and to reduce the cost of doing business and facilitate trade, Rwanda continues to improve the regulatory environment with the aim to accelerate economic growth by ensuring affordability, reliability, availability and improved quality of energy supply.

During the year under review, the energy sector in Rwanda has incurred more or less significant progress.

In the Electricity and Renewable Energy industry, and relative to the previous fiscal year of 2020 - 2021, the national grid registered the following annual improvement;

- The number of connections has increased by 16.37%
- The annual peak demand grew by 8.8%
- The installed power capacity increased by 4.36%
- The electricity sold grew by 9.18%, while generation increased by 9.4%

However, the national grid overall losses increased by 0.16%.

Five (5) power plants were licensed, and two licenses were renewed according to the regulatory requirement.

5.2 Legal and Regulatory Framework

During the year under review, RURA started the process of reviewing and updating the Electricity Licensing Regulations N 002/EL/ENERGY/RURA/2012 of 25th July 2013 as well as the Electrical Installations Regulations N 002/EL/ENERGY/RURA/2012 of 4th October 2012. The review process is expected to be completed in the year 2021/2022.

Besides, a new regulation on Distributed Energy Resources is currently at the final stage of development and is expected to be completed in the year 2021/2022.

In the petroleum industry, a review of the existing petrol service station regulation was initiated to address current challenges and improve the petrol service stations business in general. In addition, a draft of the regulation governing fuel quality control was developed. These two

regulations are expected to be completed during the FY 2021/2022.

To enhance the institutional regulatory framework governing the medical gases business in Rwanda and given the necessity and relevance of regulating this specific energy sub-sector, a draft regulation on medical gases was developed by RURA and handed over to Rwanda Food and Drug Authority for further actions.

5.3 Licensing

5.3.1 Electricity and Renewable Energy

The Regulatory Board approved (5) licenses for electricity production activities and renewed two licenses of EUCL to carry out domestic and international trade as indicated below.

Table 12: Licensed electricity generation plants during 2020-2021

| S/N | Licensee | Project name | Capacity (MW) |
|-----|------------------------------|-------------------|---------------|
| 1 | EUCL | Mukungwa | 12 |
| 2 | EUCL | Ntaruka | 11.25 |
| 3 | EUCL | Nyabarongo | 28 |
| 4 | Rukarara VI Hydropower Ltd. | Rukarara VI | 9.76 |
| 5 | RGE Africa Energy Rwanda Ltd | Nyirabuhombohombo | 0.65 |

Source: RURA

Table 13: List of renewed licenses

| SN | Licensee | Type of license |
|----|----------|------------------------|
| 1 | EUCL | Domestic trade license |
| 2 | EUCL | International Trade |

Source: RURA

During the period under review, the total number of licensed power plants increased from 34 to 39 in electricity generation, of which 76.9% are operated by Independent Power Producers (IPPs) and 23.1% are government owned power plants.

Furthermore, the number of accredited electrical installations practitioners with valid electrical installation permits increased from 90 to 122.

The current electricity supply industry which is still vertically integrated with EUCL as the only company that possess the electricity transmission license, distribution license, domestic trade license and international trade license.

5.3.2. Gas and Downstream Petroleum

To ensure compliance with the regulations in place, RURA assessed during this fiscal over 200 applications requesting authorizations and licenses from potential investors in the petroleum supply chain.

The table below illustrates different licenses and authorizations granted for activities related to importation, transportation, storage, wholesale and retail of petroleum products during this fiscal year.

Table 15: Types of licenses and authorizations

| S. N | Type of License / Authorization in the Gas and Downstream Petroleum Subsector | Number |
|------|---|--------|
| 1 | Licenses for Liquefied Petroleum Gas (LPG) plants/skids installation | 1 |
| 2 | Authorizations for Liquefied Petroleum Gas (LPG) plants/skids upgrade | 1 |
| 3 | Licenses for Liquefied Petroleum Gas (LPG) plant operations | 1 |
| 4 | License for wholesale of Liquefied Petroleum Gas (LPG) | 18 |
| 5 | License for transportation of Liquefied Petroleum Gas (LPG) | 23 |
| 6 | License for installation of new petrol service stations | 17 |
| 7 | Retail license for Petrol Service Station | 6 |
| 8 | Fuel importation licenses | 5 |
| 9 | Authorization for transportation of fuel using road tankers | 14 |
| 10 | Fuel depot operation license | 1 |
| 11 | Authorization for petrol service station upgrade | 2 |
| 12 | Installation for Bulk Fuel Delivery | 1 |

5.4 Market performance

5.4.1 Electricity and Renewable Energy

5.4.1.1 Access to electricity

The grid extension activities resulted in the increase of the low and medium voltage lines from 16,108.93 km to 17,389.6 km and from 9,205.8 km to 9,944.3 km, respectively. Consequently, the number of domestic grid connections has increased from 1,092,168 to 1,270,964 connections.

Residential customers occupy the largest share of the grid connections, as shown in the figure below.

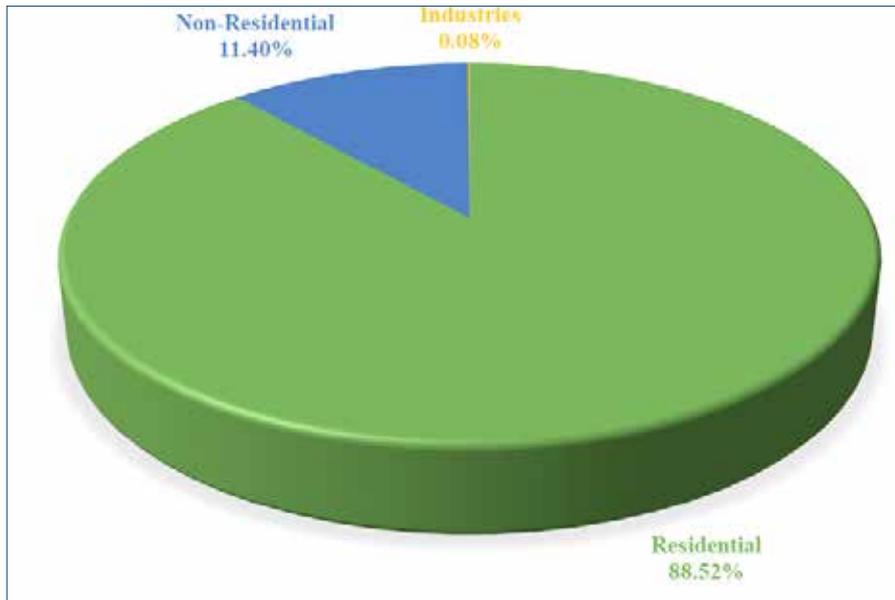


Figure 12: Shares of Grid Electricity Customers as of June 2021 (Source: EUCL)

5.4.1.2 Electricity supply

The grid installed power capacity increased, in comparison with the previous fiscal year, from 228.102 MW to 238.052 MW. The increment arose from the commissioning of Giciye III HPP of 9.8 MW and the upgrade of Nyirabuhombohombombo HPP from 0.5 MW to 0.65 MW.

Generally, the electricity demand and generation have increased during the year under review relative to the previous fiscal year. The annual peak demand attained 164.38 MW compared to 151.02 MW for the previous year, and the annual grid electricity generation increased to 954,643.84 MWh from 872,646.14 MWh. Domestic and regional shared power plants covered 96.9% of the annual generated grid electricity.

The shares of different sources in the electricity production and installed power capacity are detailed in the figures below.

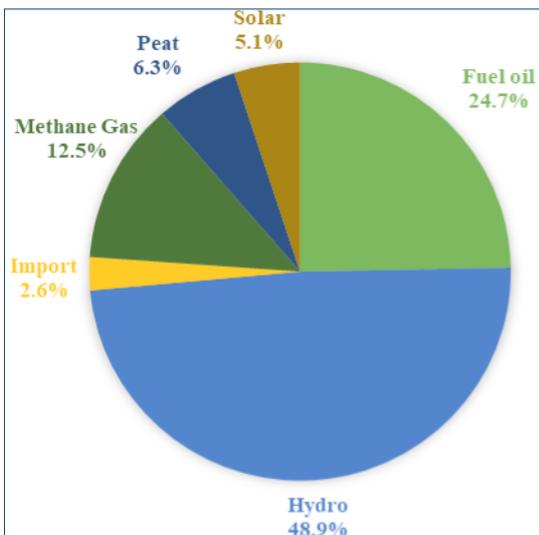


Figure 13: Energy mix per installed power capacity (Source: EUCL)

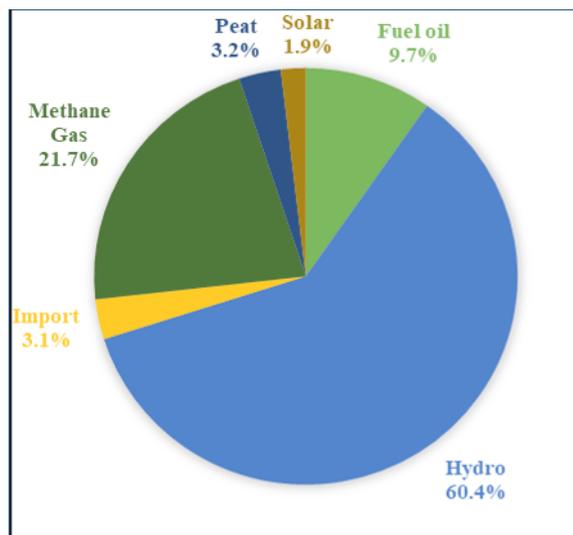


Figure 14: Electricity generation mix (Source: EUCL)

The share of renewable resources in electricity generation increased to 62.3% from 54.3% in the previous fiscal year. The hydro percentage incorporates domestic hydropower plants and Rusizi II, while the imports include importation from Gatuna and Rusizi I.

The table below illustrates the share of renewable energy resources relative to the other resources per installed capacity and the actual electricity produced during the year under review.

Table 16: Renewable resources versus conventional resources & Imports

| | Renewable resource | Conventional resource | Imports |
|---------------------------------|--------------------|-----------------------|---------|
| Installed power capacity | 53.9% | 43.5% | 2.6% |
| Electricity generation | 62.30% | 34.6% | 3.1% |

The annual electricity sold increased to 770,769.80 MWh from 705,968.37 MWh., representing an increase of 9.18%.

Among the grid connections, non-residential customers have the highest consumption share with 49.02%, followed by industries and residential with 31.6% and 18.45%, respectively, as shown in the figure below.

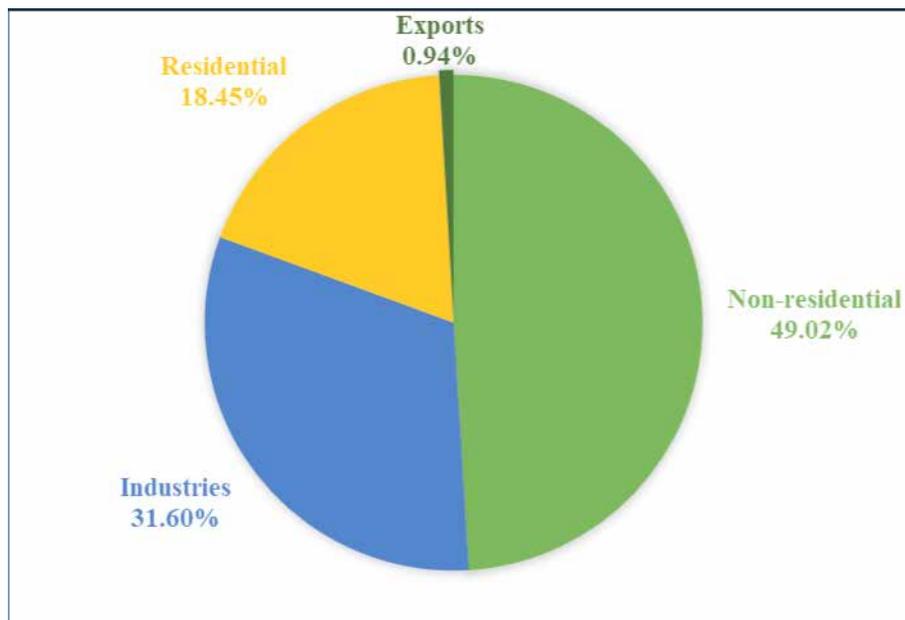


Figure 15: Electricity sold per customer's categories
Source: EUCL

Compared to the previous fiscal year, while the annual consumption of non-residential customers reduced by 3.34%, the consumption of industries and residential customers increased by 3.14% and 0.06%, respectively. The decrease of consumption from non-residential customers is mainly due to the measures taken by the Government to prevent the spread of COVID-19 which significantly affected business activities.

5.4.1.3 Efficiency and reliability

The figure below shows that the grid power interruptions were slightly reduced by 3.9% in terms of duration but increased occurrence frequency by 22.7%.

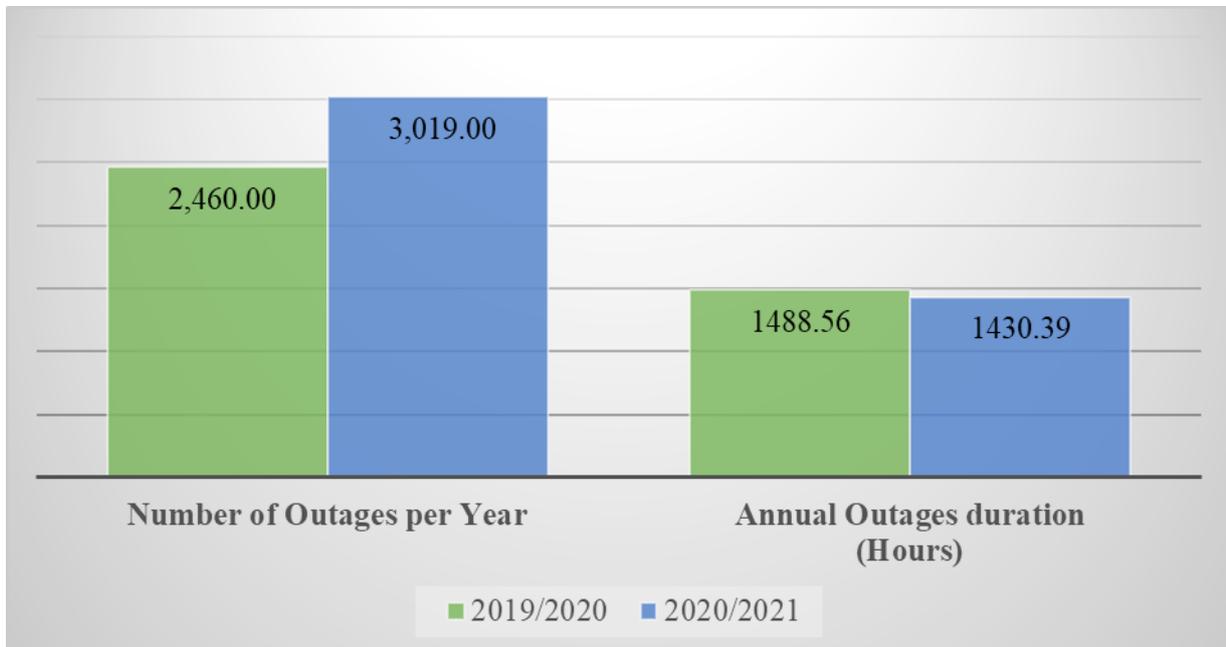


Figure 16: Grid outages frequency and duration
Source: EUCL

The overall network losses combining both commercial and technical slightly increased from 19.10% to 19.26% of the total generation.

5.4.2 Gas and Downstream Petroleum

The total storage capacity of commercial LPG facilities has expanded by 1.44 % from 693.7 to 703.7 Metric Tons (MT), arising from the additional 10 MT LPG plant installed by Hashi Energy in Kamonyi District.

The table below shows all the LPG filling plants in the country and their respective capacity.

Table 17: LPG storage facilities, capacity and location

| District | LPG storage facilities | Sector, cell, and village | Capacity (MT) |
|----------|-----------------------------|--------------------------------|---------------|
| Gasabo | Kobil Petroleum Rwanda | Gatsata, Nyamugari, Akisoko | 103 |
| | Abbarci Petroleum Marketing | Jabana, Akamatamu, Cyeyere | 95.2 |
| | Rwanda Oxygene | Ndera, Kibenga, Ururembo | 100 |
| | Mount Meru Gas | Rusororo, Kabuga II, Ruhangare | 150 |
| Kicukiro | Sulfo Rwanda Industries | Gatenga, Karambo, Ihuriro | 28.5 |
| | Societe Petroliere | Kanombe, Kabeza, Giporoso I | 10 |

| | | | |
|--------------|-----------------------|--------------------------------|--------------|
| | Merez Petroleum | Gahanga, Gahanga, Rinini | 23 |
| Kamonyi | Lake Petroleum Rwanda | Rugarika, Sheli, Ntebe | 23 |
| | Hashi Energy Rwanda | Runda, Muganza, Nyagacyamu | 10 |
| Muhanga | Societe Petroliere | Nyamabuye, Gitarama, Nyarutovu | 10 |
| Rusizi | Societe Petroliere | Kamembe, Kamashangi, Badura | 10 |
| Musanze | Societe Petroliere | Muhoza, Mpenge, Gikwege | 20 |
| Rwamagana | Societe Petroliere | Muhazi, Nyarusange, Plage | 60 |
| Rubavu | Societe Petroliere | Gisenyi, Nengo, Gikarani | 10 |
| Bugesera | Standard Gas | Ntarama, Kanzenze, Kabaha | 51 |
| Total | | | 703.7 |

Source: RURA

The rise of LPG importation arose from increasing demand from households and institutions, namely, hotels, schools, refugees camp, prisons, and restaurants. The processing and manufacturing industries also contributed to the increase in LPG demand since some have shifted from diesel to LPG as a source of heat for their boilers. The total LPG imports increased by 32% from 24,873,425 kg to 32,931,501 kg

Imported diesel, gasoline, kerosene, Jet A-1, and heavy fuel oil decreased by 32.14%, 35.96 %, 13.46%, 35.6%, and 38.45%, respectively, compared to last year. This decrease is mainly due to preventive measures against the Covid-19, which heavily affect the transportation sector. The figure below illustrates the trend of imported products since July 2018.

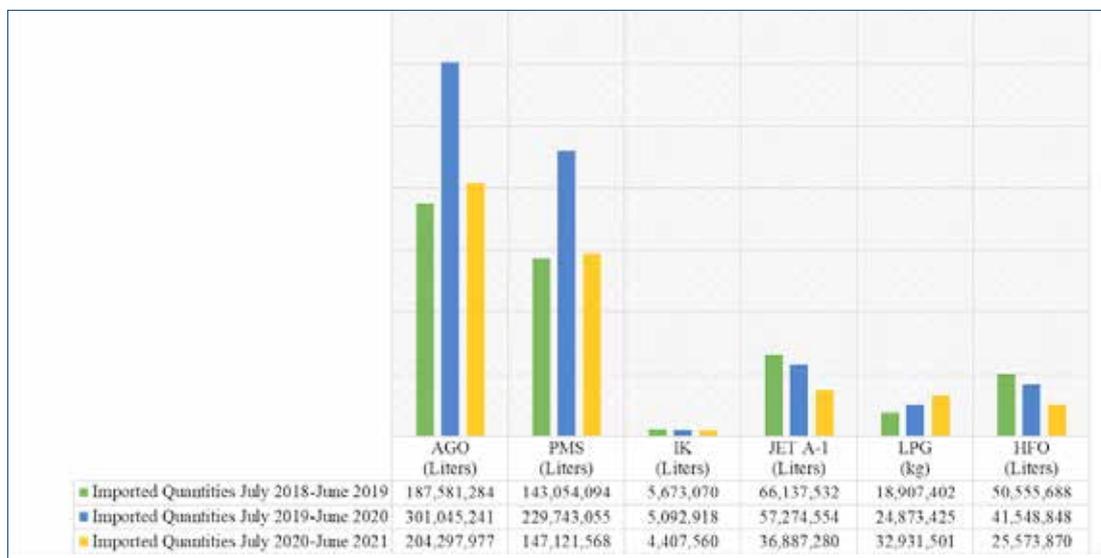


Figure 17: Trend of Petroleum products importation for home consumption since (Source RRA)

5.4.3 Fuel Pricing

RURA has continued to periodically review fuel pump prices to absorb global events and international oil price fluctuations. The pump price for gasoline and diesel is reviewed every two

months, while the cost of Jet A-1 is reviewed every month.

The flat Pump price observed from the PMS and AGO from March to June 2021 resulted from the Government taxes reduction applied to the fuel pump price to curb the rapid international increase in fuel prices caused by the Covid-19 pandemic impact on the global fuel supply market.

Below is the chart showing monthly variations of public pumps (Gasoline and Diesel) and Jet A1 retail prices.

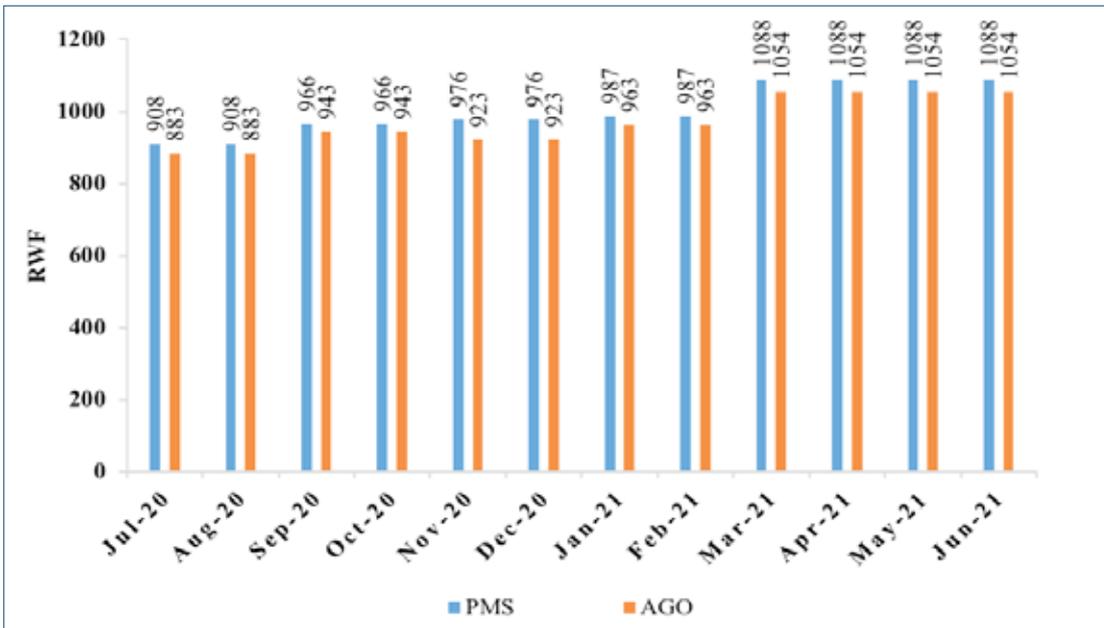


Figure 18: Kigali Public Pump Price (Frw/Liter)
Source: RURA

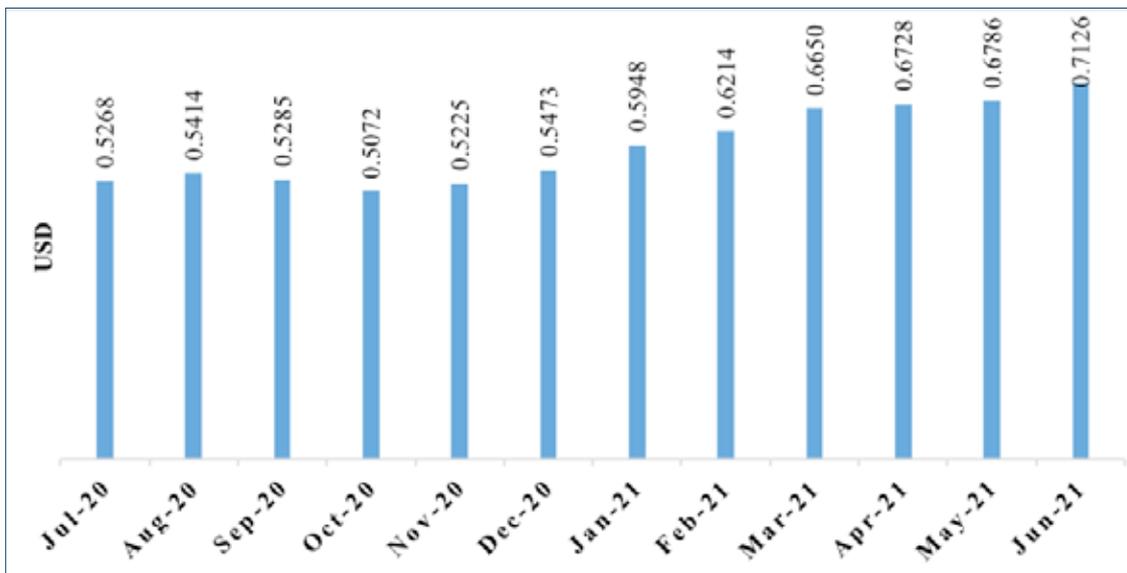


Figure 19: Jet A1 Retail Price (USD/ Liter)
Source: RURA

5.5 COMPLIANCE MONITORING

5.5.1 Electricity and Renewable Energy

During the year under review, RURA continued to conduct inspections on electricity quality of service inspection (QoS) to check compliance with regulatory tools in place.

The QoS inspection mainly aimed to examine the customers' satisfaction and monitor the Utility's service delivery rules and regulations. Generally, it was realized that customers' connection and technical assistance timeframes were not fully complied with. Furthermore, some customers were found wrongly categorized according to the tariff structure in place. Subsequently, RURA requested the power utility company to comply with the regulatory tools in place by addressing all issues identified.

A market survey inspection was conducted to isolated grids specifically intended to assess different tariff structures from other mini-grid developers. The findings shall be used as a baseline for developing the isolated grid tariff methodology.

5.5.2 Gas and Downstream petroleum

Regular site inspections were conducted to Liquefied Petroleum Gas (LPG) operators in the City of Kigali to evaluate the market performance and compliance with LPG regulations at retail, wholesale and plants premises.

During the year under review, RURA also conducted regular inspections on fuel depot facilities and different petrol stations to monitor safe operations and ensure efficient utilization of the storage capacity, particularly during and after the lockdown period.

5.5.3 Opportunities

Considering that the downstream petroleum sector has recorded progress in newly constructed infrastructures but also the number of imported petroleum products, it is paramount that preventive safety measures considered as a priority and LPG equipment such as LPG tanks and cylinders as well as their accessories be available on the market at affordable prices. In that regard:

- Revalidation centres should be in place to certify cylinders through an inspection, testing, and repairing process. This will allow validating the cylinders with a new lifespan of usage.
- The setting up of LPG strategic reserve of at least 19 million Kgs to be used for two months in case of severe shortage. The main challenges include the lack of sufficient bulk storage to enhance LPG penetration on the Rwandan Market.

06

**NUCLEAR
AND RADIATION
PROTECTION**



6 NUCLEAR AND RADIATION PROTECTION

6.1 SECTOR PROFILE

RURA functions in this new sector come from the mandate given by the Law N°59/2017 of 24/1/2018 Governing Radiation Protection in Rwanda. Specifically, the law as above mentioned entrusting RURA with the mandate to:

1. Protect people and the environment against harmful effects of radiation;
2. Develop regulations pertaining to Nuclear and Radiation Protection;
3. Assess in due diligence submitted documents by operators and service providers,
4. Issue licenses about nuclear and radiation use, their transport, import, and export;
5. Control the use of radiation in medicine, agriculture, industry, mining, and dealing with any other activities related to its attributions

In addition, according to Articles 5, 6, and 7 of the Law Governing Radiation Protection, RURA also has to establish, maintain and update a national register of ionizing radiations sources and identify ionizing radiations places, material or sources available in the country premises.

6.2 LEGAL AND REGULATORY FRAMEWORK

The following regulation were developed and approved during the year 2020-2021

- Regulation No. 002/R/NSNRP/RURA/2020 of 29/09/2020 Governing Security of Radioactive Materials during Manufacturing, Use and Storage and of Associated Facilities in Rwanda
- Regulation N°003/R/RS-NRP/RURA/2021 of 25/02/2021 Governing Radiation Protection in Radiotherapy in Rwanda
- Regulation No.004/R/RS-NRP/RURA/2021 of 04/05/2021 Governing Radiation Protection in Diagnostic and Interventional Radiology
- Regulation on the transport of Nuclear and other radioactive material
- Regulation on nuclear and radiological emergency preparedness and response

6.3 LICENSING

During this period, RURA issued different licenses to the operators to carry out various activities, mainly importation of radiation and radioactive sources, after fulfilling the requirements of related regulations.

- Shema Power Lake Kivu Ltd - Authorization to Transport Radiation Device(s)/ Materials
- Shema Power Lake Kivu Ltd - Authorization to Import Radiation Devices(Sealed)
- Yumn Ltd - License for Radiation Sealed Source
- Kigali Convention Centre Ltd - License to use Radiation generator
- Shema Power Lake Kivu Ltd - Authorization to transport Radiation Materials
- Shema Power Lake Kivu Ltd - License for Radiation Sealed Source

07

**WATER AND
SANITATION
SECTOR**



7.1 SECTOR PROFILE

Water supply and sanitation services are key development pillars that contribute significantly to socio-economic welfare. However, waterborne and related diseases from unclean water supply and poor sanitation are the main cause of deaths in children under five (WHO, 2020) coupled with the loss of productivity. So, adequate access to clean water and sanitation provides the opportunity to avoid exposure to numerous diseases. In this regards, the Government of Rwanda has committed to achieve targets of the Sustainable Development Goal 6 by 2024 in order to protect the public health and environment. RURA therefore contributes to this commitment by promoting fair competition through licensing and ensuring that service providers operate in a conducive enabling regulatory environment that foster quality services through monitoring.

Despite noted challenges and negative socio-economic impacts of COVID-19 pandemic, the water and sanitation sector recorded the following improvement during the year under review:

- In urban and peri-urban areas, the production of water has increased by 11.8% and the number of customers increased by 14.4%;
- In rural areas, all rural water supply schemes are currently under private management by licensed operators through PPP contracts with Districts;
- With regard to licensing, twenty-four (24) licenses were issued to operators in the course of 2020-2021. Three (3) licenses were granted to private operators for the management of simple water supply systems, one (1) license in sanitation for liquid waste collection and transportation, twelve (12) licenses were approved for cleaning services while eight (8) were approved in Solid waste management;
- During the fiscal year, the licensing was fully automated and currently done online through RURA platform for all water and sanitation services.
- The year also recorded the commissioning of Kanzenze water treatment plant that will supply additional 40,000 m³/day to supplement the production capacity in Kigali and Bugesera networks.
- This period also recorded various inspections paid to different licensed operators to assess the quality of services and compliance with laws and regulations.

This fiscal year recorded great improvements in the sector managed that correctly handled the water shortage by commissioning new water treatment plant and upgrading various networks. The Non-Revenue Water slightly increased by 0.1% from 42.2% to 42.3%. Nonetheless, the high non-revenue water remains a key challenge in the water sector and strong measures need to be put in place to ensure effective and productive use of water entering the distribution networks by reducing water losses and ensure sustainable service delivery.

7.2 LEGAL AND REGULATORY FRAMEWORK

In the course of last year, the Regulatory Board has approved the updated regulation governing solid waste collection and transportation. The update was initiated to mainly target the improvement of service provision and address compliance by service providers.

RURA has also developed guidelines for Faecal Sludge Management (FSM) that are at the final stage of approval that will specifically provide the basis for the regulation of None-sewer sanitation.

7.3 LICENSING

The Regulatory Authority issued licenses to different operators in various sub-sectors: In water supply, three (3) new licenses were issued for the management of simple water supply systems during this fiscal year making a total of a total of 58 licensed operators in water supply.

The number of other licenses categories remained the same: One for the Urban & peri-urban Water Utility (WASAC), one for Kigali Water for Bulk water supply and one for the management of complex water system (AQUAVIRUNGA in Rubavu).

In sanitation and waste management, the following was recorded:

- Sanitation: one (1) new license was approved for liquid waste collection and transportation.
- Solid waste management: Three (3) new licenses were issued to operators for solid waste collection and transportation and two (2) licenses renewed while three (3) new licensed were approved for hazardous waste management.
- Cleaning service: Twelve (12) licenses were granted to cleaning service providers of which Ten (10) licenses were new and two (2) licenses renewed.

The changes recorded in licensing is illustrated in the chart below.

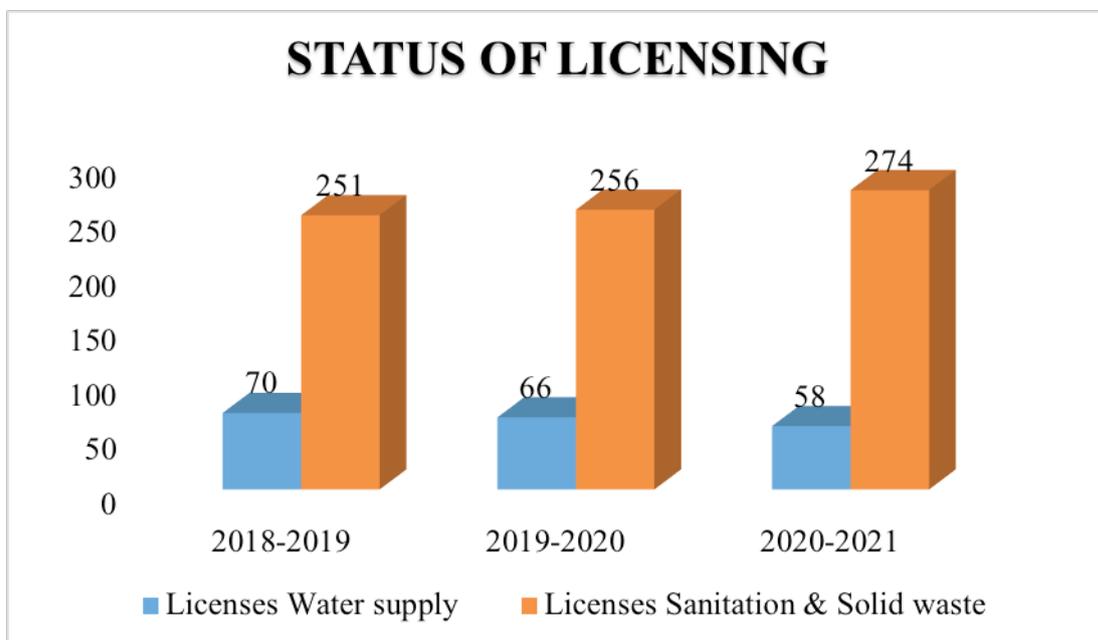


Figure 20: Changes recorded in the number of licensed operators in water and sanitation
 Source: RURA

The decrease in the total number of active licensed service providers is a result of revoked cleaning service licenses due to non-compliance and surrendered licenses by rural water supply service providers without management contracts.

7.4 MARKET PERFORMANCE

The fiscal year 2020-21 recorded a slight performance compared to the previous years in terms of water produced and supplied, as well the number of customers.

The water production increased by 11.8% from 53,245,484 m³/year for 2019/2020 and 2020/2021 respectively. This increase of production was mainly due to the commissioning of Kanzenze Water treatment Plant. The quantity of water supplied recorded an increase of 9.1% from 50,985,445 m³ to 55,634,657 m³ in 2020/2021.

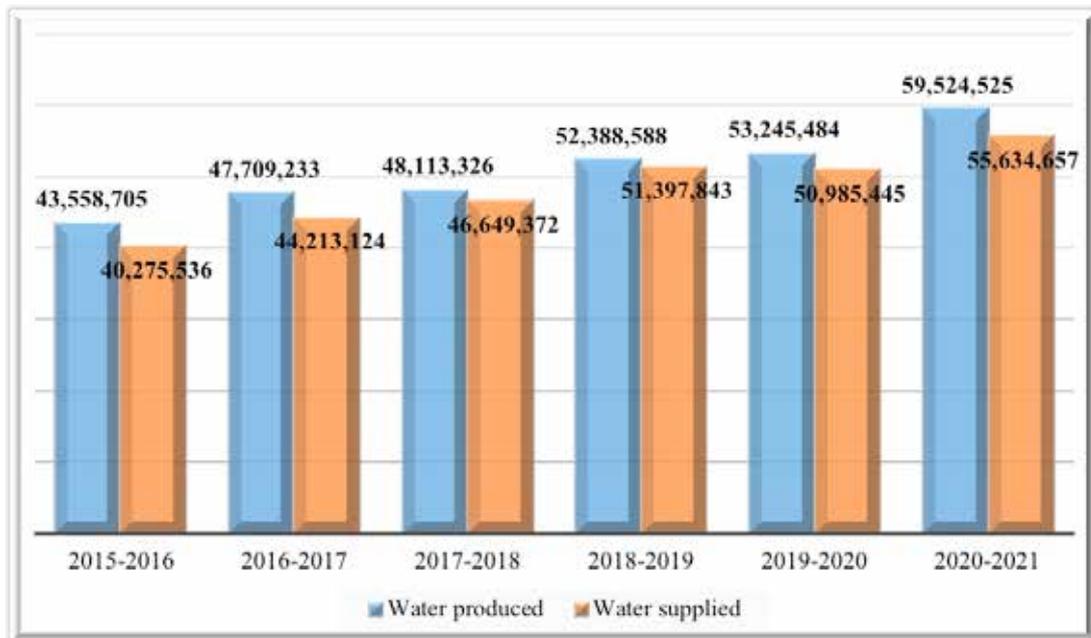


Figure 21: Trend of the Quantity of water produced versus supplied per year
Source: WASAC

The number of water subscribers in the service areas has also increased by 33,154 customers representing an increase of 14.4% during the year 2020-2021 which brought the number of customers to 263,344.

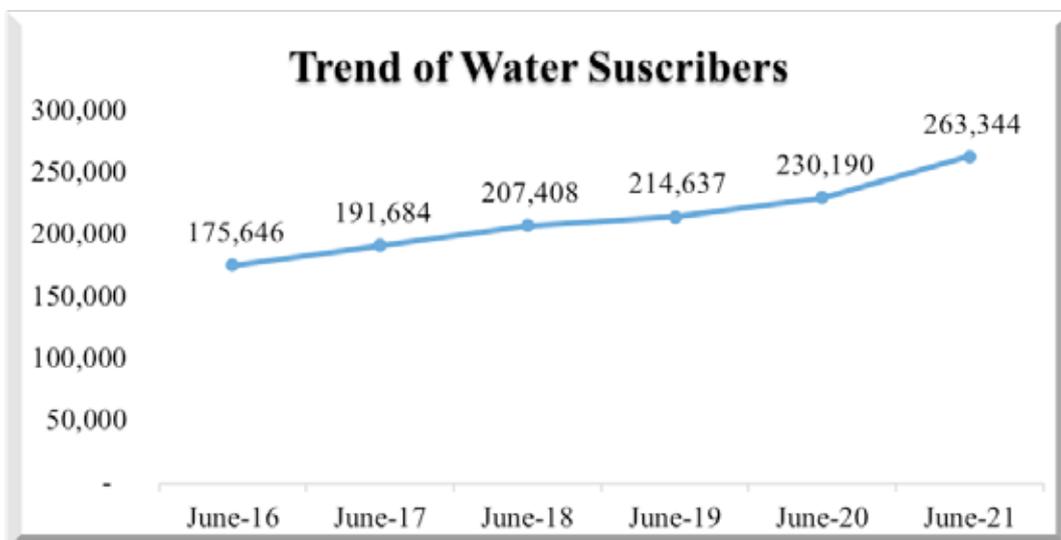


Figure 22: Trend of Water subscribers since June 2016
Source: WASAC

During the under review, the Non-Revenue Water increased from 42.2% of previous year to 42.3%, which represents an increase of 0.1%. Nonetheless, the high non-revenue water remains a major challenge for the sector and strong measures need to be put in place to reduce water losses in the distribution networks which are caused by leakages in the pipe networks, water theft, improper metering and billing errors.

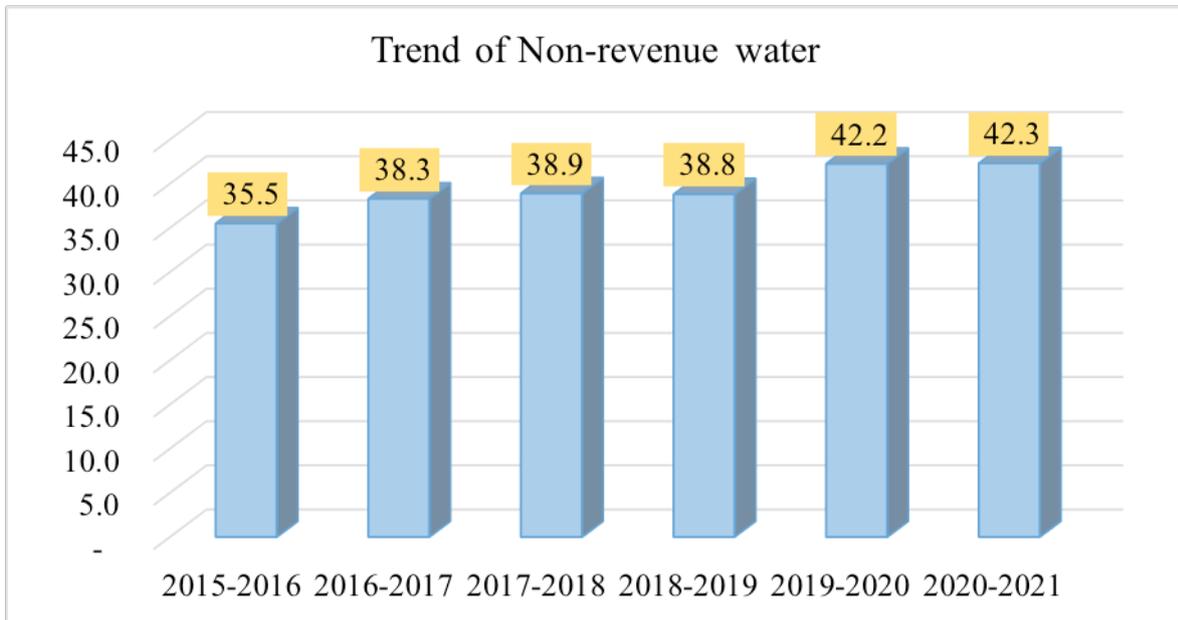


Figure 23: Trend of Non-Revenue Water
Source: WASAC

The fiscal year also recorded the commissioning of Kanzenze Water Treatment Plant to supply 40,000 m³/day to WASAC. The pictures below show the status of this water treatment plant.



Picture 7: Kanzenze Water treatment Plant owned by Kigali Water Ltd

7.5 COMPLIANCE MONITORING

In the framework of monitoring the quality of service and ensure compliance with legal and regulatory provisions, inspections were paid to licensed operators to assess the level of compliance and the following were recorded:

In water supply, inspections were conducted to service providers operating in the City of Kigali and in the Districts of Huye, Nyamagabe and Gisagara. These inspections were paid to WASAC in various branches (Kanombe, Nyarugenge, Remera, Kicukiro and Kacyiru) in Kigali,

Huye and Nyamagabe branches as well as Kadahokwa and Gisuma Water Treatment Plants. In rural areas, inspections were paid to REDEC in Huye, NKUNDIMANA JMV and NIBWBUZIMA in Nyamagabe and PSF GISAGARA GESTION D'EAU in Gisagara Districts.

Inspections revealed that Water Treatment Plants operate properly but face challenges related to the lack of equipment to test the level of heavy metals (Hg, As, Cd, Pb) and pesticides in treated water. Other shortcomings recorded concern the lack of restriction of unauthorized access to water infrastructure (reservoirs), faulty water level indicators at reservoirs, lack of sanitary facilities and shelters to security personnel to reservoirs within networks and the lack of water meters at water sources.

In waste management, inspections were conducted twelve licensed solid waste collection and transportation service providers operating in the City of Kigali. These are COPED Ltd, AGRUNI LTD, Ubumwe Cleaning Services, Baheza General Services, Isuku Kinyinya Company, Real Environmental Protectors, Inzira Nziza Company Ltd, New Life NT&MV Ltd, Keen Kleeners Ltd, Indatwa Gitega Cooperative, CESCO LTD and Umurimo mwiza company Ltd. Findings include the following:

- Operators comply with waste collection schedules. However, in rainy season, access to households as well as the disposal site was difficult due to muddy roads;
- The number of households that paid services declined dramatically from 80.1% recorded last year to 71.5%. This decrease of 8.6% was mainly due to restrictions tied with Covid 19.

In cleaning service provision, inspections were conducted in seventeen (17) Districts' offices and seventeen (17) district hospitals as well as Nine (9) operators providing road cleaning and gardening services in the City of Kigali. The purpose of these inspections was to assess the compliance with regulation governing cleaning service. The findings of inspections recorded improvement in service provision and compliance with regulation notably:

- only one operator was recorded in operation without a license;
- Cleaners were well trained and given full package of personal protective equipment with exception in some offices.

The defaulting operators were given warning letters with recommendations to address the identified non-compliance issues.

08

**TRANSPORT
SECTOR**



8 TRANSPORT SECTOR

8.1 SECTOR PROFILE

Transport regulation in Rwanda focuses mainly on the transport of persons and goods on both road and maritime. In road transport, regulated services include public transport service by buses within and across the country, motorcycle transport, taxicab transport, rental vehicles, and trucks. RURA also regulates waterways transport of persons and goods by boats as well as driving schools.

Licensing services in all transport sub-sectors have been entirely digitized, and the applicants no longer come to RURA for licenses and authorizations.

Even if the transport sector was greatly affected by COVID 19 pandemic, the sub-sector of transport of goods performed well. This was due to the Government directives allowing the movement of goods during the covid-19 lockdown, for people to continue getting the basic needs such as food.

Lodged complaints and raised queries were addressed through the hotline and other electronic means without necessarily coming to RURA.

The sector was also strengthened by the effective collaboration with stakeholders, fair competition among service providers, which enabled some operators' car rentals to continue operating amidst the pandemic period.

However, the sector was greatly affected by the Covid-19 pandemic, especially public transport, where the carrying capacity was fluctuating between 50% and 75% while cross-border public transport services completely closed. Generally, transport sector was closed during lockdown except transport of goods sub-sector.

In light of the COVID – 19 challenges, RURA in collaboration with other stakeholders such as MININFRA, CoK, RTDA, RNP, and MINECOFIN made efforts to address the above challenges.

8.2 LEGAL AND REGULATORY FRAMEWORK

During the year under review, the Public Transport Regulation was approved by the Regulatory Board

8.3 LICENSING

In this financial year, the passenger transport subsector saw two new operators licensed and 27 licenses renewed. In the transport of goods, two new licenses were issued.

In Motorcycle Taxi Services, during the year under review, RURA established a new platform to supplement Irembo in providing services to the moto transport sub-sector. As a result, motorcyclists now get their authorizations without necessarily coming to RURA.

In Taxi Cabs subsector, one (1) new taxi cab operator was licensed. In Car Rental Services, four (4) new operators were licensed while twenty (20) rental operators renewed their licenses.

In Driving Schools, three (3) new driving schools were licensed and forty-eight (48) renewed their licenses.

In Waterways Transport Services, RURA in collaboration with Rwanda National Police Marine worked together to review the current regulation governing waterways transport sector.

8.4 Market Performance

Generally, the transport sector registered an increase in the newly licensed operators in goods transport, Car rental services, driving school, taxi cabs and waterways subsectors.

In addition, the transport department carried out an inventory of underserved areas and worked closely with stakeholders to increase the number of routes in urban and rural areas.

Seven routes were identified and are operational in rural areas, and were issued to operators as follows:

- GICUMBI-CYURU-NGARAMA to be operated by Gicumbi Transport Cooperative and Different Ltd
- RUBAVU-KANEMBWE operated by Rubavu Transport Cooperative
- RUBAVU-MAHOKO operated by Rubavu Transport Cooperative
- NYABUGOGO-NASHO via KABARONDO operated by Kayonza Transport Cooperative and Ngoma Transport Cooperative;
- KAGEYO-(NYANKORA)-NYABUGOGO operated by Ngoma Transport Cooperative;
- KAYONZA-(NGOMA)-BUTAMA operated by Ngoma Transport Cooperative
- RUKIRA-(NGOMA)-NYABUGOGO operated by Ngoma Transport Cooperative.

Four other extensions were also made to unserved routes in CoK:

- NYABUGOGO-(BATSINDA)-GASANZE operated by Jali Transport Ltd in Zone 3;
- NYABUGOGO-KARAMA operated by Jali Transport Ltd in Zone 4;
- REMERA-KIBAYA VIA KANOMBE operated by Kigali Bus Services;
- NYABUGOGO-KANYINYA (TABA) operated by Jali Transport Ltd in

To increase awareness of transport services, several TV/ Radio Talk shows, and print media interviews were conducted.

To improve Drivers' performance, RURA initiated Driver Vocational Cards Management System. Transport Licensing System was upgraded where digitization now covers all regulated transport sub-sectors. Authorizations and licenses are now issued using Converged Licensing Management System (CLMS).

8.4.1. Tariff Structure

During the year under review, public transport fares were reviewed according to the increase of fuel price beyond the pre-set margin of variation.

The tariffs for Public Transport for Intercity and City of Kigali were reviewed from time to time to consider the cost of providing transport service, including the impact of COVID-19 and the modernization of the sector.

Despite the tariff increases due to varying capacities, the passenger kept paying the pre-COVID fare, and the government paid the top-up.

8.4.2. Monitoring and Enforcement

In collaboration with MINEDUC and stakeholders, RURA facilitated the transport of students to and from schools. In this process, all taxi parks and more than 180 schools were visited to ensure the safe transportation of students. The photos below show how the exercise was going in Nyamirambo stadium:



Picture 8: The exercise conducted to facilitate the transport of students to and from schools

As per its mandate of ensuring compliance with laws and regulations, RURA conducted enforcement inspections across the Country to check operators' status.

The transport sector registered some achievements despite Covid-19 challenges. Such challenges include stopping public transport services during the lockdown, as well as reducing bus carrying capacity in line with social distancing measures which affected revenue generation and service delivery in the transport sector.

The digitization of services in the transport sector has made public transport services easy to access since operators can now apply and receive authorizations/licenses without coming to RURA.

In partnership with stakeholders, RURA shall continue with innovations geared toward modernizing transport services in the country.



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