



REPUBLIC OF RWANDA



RURA



ANNUAL REPORT 2011-2012

CONTENTS

List of Tables	iv
List of Figures	v
Abbreviations	vi
Foreword	1
Executive Summary	3
The Regulatory Board	7
I. CORPORATE AFFAIRS	8
1.1 Introduction	9
1.2 Values	9
1.3 Vision	9
1.4 Mandate	9
1.5 RURA'S Organisational Structure	10
1.5.1 RURA Work Force	10
1.5.2 Distribution by Age	12
1.6 Public Awareness And Consumer Education	12
1.7 Regional and International Partnerships	13
1.7.1 Regional and International Meetings/Coferences	13
1.7.2 Benchmarking	14
1.8 Corporate Social Responsibility	14
1.9 Financial Performance Review	14
II. ICT SECTOR	17
2.1 Profile of the Sector	17
2.2 Sector Components	17
2.3 Legal and Regulatory Frameworks	17
2.4 Developments Relating to Consumer Issues	19
2.4.1 Review of Contracts Between Consumers and Operators	19
2.4.2 Inspections and Monitoring of the Operators' Compliance	19
2.4.3 Complaints Handling	19
2.4.4 Assessment and Follow Up of Telecom Promotions	19
2.5 Licensing, Monitoring and Enforcement Of License Obligations	20
2.5.1 Licensing	20

2.5.2	Monitoring and Enforcement of License Obligations	22
2.6	Projects To Boost Quality of Service And ICT Scarce Resources Management	22
2.7	Market Performance and Statistics	23
2.7.1	Mobile and Fixed Telephony	23
2.7.2	Internet Service Provision	26
2.7.3	Trends in Revenues	27
2.7.4.	Retail Service Prices	28
2.7.5	The Interconnection Relations Among Operations	29
2.8	ICT Universal Access Fund	30
2.8.1	Major Projects Under Universal Access Fund	30
2.8.2	Universal Access Fund and Broadband Penetration	31
2.9	Sector Specific Challenges	31

III. ENERGY SECTOR 33

3.1	Profile of the Sector	33
3.2	Sector Components	33
3.2.1	Electricity Sub-Sector	33
3.2.2	Gas Sub-Sector	34
3.2.3	Petroleum Sub-Sector	34
3.2.4	Bio-Energy Sub-Sector	35
3.3	Legal and Regulatory Frameworks	35
3.4	Developments Relating to Consumer Issues	36
3.5	Performed Regulatory Activities	36
3.5.1	Electricity Sub-Sector	36
3.5.2	Gas, Petroleum And Renewable Energy Sub-Sector	37
3.6	Market Performance and Statistics	38
3.6.1	Subscribers	38
3.6.2	Tariff Structure	38
3.6.3	Revenues	39
3.7	Sector Specific Challenges	39

IV WATER AND SANITATION SECTOR 41

4.1	Profile of the Sector	41
4.2	Sector Components	42

4.2.1	Water Sub-Sector	42
4.2.2	Sanitation Sub-Sector	42
4.3	Legal and Regulatory Frameworks	42
4.4	Developments Relating to Consumer Issues	45
4.5	Performed Regulatory Activities	45
4.5.1	Water Sub-Sector	45
4.5.2	Sanitation Sub-Sector	46
4.6	Market Performance and Statistics	46
4.6.1	Water Sub-Sector	46
4.6.2	Sanitation Sub-Sector	48
4.7	Sector Specific Challenges	49

V. TRANSPORT SECTOR 51

5.1	Sector Profile	51
5.2	Sector Components	51
5.3	Legal and Regulatory Frameworks	51
5.4	Licensing in Road Transport Sub-Sector	52
5.5	Developments In Air and Water Ways Transport	53
5.6	Developments Relating to Consumer Issues	53
5.7	Performed Regulatory Activities	53
5.7.1	Road Transport of Persons	53
5.7.2	Road Transport Of Goods	54
5.7.3	Waterways Transport	54
5.7.4	Freight Forwarders and Travel Agencies	54
5.8	Market Performance and Statistics	54
5.9	Sector Specific Challenges	56

VI. CONCLUSION AND WAY FORWARD 58

ANNEX	59
-------	----

LIST OF TABLES

Table 1: Qualifications of RURA Staff	11
Table 2: Training programs Conducted during the Fiscal Year 2011 -2012	11
Table 3: Financial Performance in Rwf/Recurrent Budget	15
Table 4: Financial Performance in Rwf/Universal Access Fund	15
Table 5: ICT Regulations and Guidelines Issued In 2011-2012	18
Table 6: Telecommunication Operators (Fixed and Mobile Telephony Service)	20
Table 7: Internet Service Providers (ISPs) In Rwanda - 2011 - 2012	20
Table 8: Licensed Pay TV operators in Rwanda	21
Table 9: Radio-Communication Licenses issued and Revoked in Different Services	21
Table 10: Regulatory Sanctions	22
Table 11: Number Of Mobile and Fixed Telephone Service Subscribers Per Operator	23
Table 12: Ownership Of Mobile Telephones by Province	24
Table 13: Mobile Telephone Network Coverage as of June 2012	26
Table 14: Electricity Generation Capacity	34
Table 15: Petroleum Products Importation	35
Table 16: List Of Ips Provisional Licenses Renewed	36
Table 17: Electricity End-User Tariff Structure	38
Table 18: Energy Feed-In-Tariff (in USD cents)	39
Table 19: Law and Policy for Water and Sanitation Sub-Sector	42
Table 20: Water Guidelines and Standards in Place	43
Table 21: Issued and Renewed Licenses in Sanitation Sub-Sector	43
Table 22: Distribution of Water Tariff per Category of Consumption	47
Table 23: Distribution of Monthly Meter Fee per Category of Consumer	48
Table 24: Initial Connection Fees	48
Table 25: Licensed Taxi Cab Operators	52
Table 26: Licensed Operators per Category in the Transport Sector	55

LIST OF FIGURES

Figure 1: Male and Female Distribution as of June 2012	10
Figure 2: Distribution of Staff per Age	12
Figure 3: Trend in Mobile Telephones and their % Increase	24
Figure 4: Trend In Fixed Telephones Subscriptios And % Change	25
Figure 5: Development of the Subscriber Base for the Period 2002 - 2012 per Type of Telephone	25
Figure 6: Internet Connection	26
Figure 7: Trend in Revenues From 2001 to June 2012 ¹	27
Figure 8: Applicable Mobile Voice Communication Tariff	28
Figure 9: Trend In Investment From 2005 to June 2012 ²	29
Figure 10: Projected Interconnection Rates for the Period 2011-2015	30
Figure 11: Status of PPP Contracts in Rural Water Supply	46
Figure 12: Number of Subscribers to Water Service as of June 2012	47
Figure 13: Average Tariff//hh//month-Kicukiro District	48
Figure 14: Average Tariff//hh//Month-Gasabo District	49
Figure 15: Average Tariff//hh//month-Nyarugenge District	49
Figure 16: Number of Driving School Companies or Cooperatives	52
Figure 17: Market Share per Type of Cars Used	55
Figure 18: Trend in Individual Licenses as of June 2012	56

ABBREVIATIONS

ACAPE	:	Action Coopérative pour la Conservation de l'Assainissement et la Protection de l'Environnement
ADS	:	Australian Development Scholarship
AFUR	:	African Forum for Utility Regulators
AGRUNI	:	Action des Agriculteurs Unis pour l'Hygiène, la Propreté et la Protection de l'Environnement
APSF	:	Aboveground Petroleum Storage Facilities
ARTEL	:	African Rural Telecommunications
ATU	:	African Telecommunications Union
BTS	:	Base Transceiver Station
BSC	:	Broadcasting System Corporation
CcTLD	:	Country Code Top Level Domain
CCK	:	Communication Commission of Kenya
CDVI	:	Coopérative pour le développement des vétérans Intwari
CLEVS	:	Cleaning Vision Solution
CREPA	:	Centre Régional pour l'Eau Potable et l'Assainissement
CRC	:	Connecting Rural Communities
CoK	:	City of Kigali
COOCEN	:	Coopérative pour La Conservation de L'environnement
COMESA	:	Common Market for Eastern and Southern Africa
COPEP	:	Compagnie pour l'Environnement et le Développement
CSC	:	Commonwealth Scholarship Commission
CSR	:	Corporate Social Responsibility
DG	:	Director General
DRC	:	Democratic Republic of Congo
DVB-T	:	Digital Video Broadcasting –Terrestrial
DW	:	Deutsche Welle
EAC	:	East African Community
EACO	:	East African Communications Organization
EAPP	:	Eastern Africa Power Pool
EDPRS	:	Economic Development & Poverty Reduction Strategy
EMF	:	Electromagnetic Field

ERA	:	Electricity Regulatory Authority
EWSA	:	Energy, Water and Sanitation Authority
EWURA	:	Energy and Water Utilities Regulations Authority
GoR	:	Government of Rwanda
HF	:	High Frequency
HFO	:	Heavy fuel Oil
HH	:	House Hold
HV	:	High Voltage
ICASA	:	Independent Communications Authority of South Africa
ICT	:	Information Communication Technologies
IDTV	:	Integrated Digital Television
IGTVS	:	International Gateway Traffic Verification System
IPP	:	Independent Power Producer
ISP	:	Internet Service Provider
IT	:	Information Technology
ITU	:	International Telecommunications Union
JICA	:	Japan International Cooperation Agency
KCC	:	Korea Communication Commission
KIST	:	Kigali Institute of Science and Technology
KP	:	Kibuye Power
LPG	:	Liquefied Petroleum Gas
LV	:	Low Voltage
MDG	:	Millennium Development Goals
MININFRA	:	Ministry of Infrastructure
MTN RWANDACELL	:	Mobile Telecommunications Network RWANDACELL
MV	:	Medium Voltage
MW	:	Megawatt
NCA	:	National Communications Authority of Ghana
NICI	:	National Information and Communication Infrastructure
ORINFOR	:	Office Rwandais d'Information
PPP	:	Public Private Partnerships
QoS	:	Quality of Service
RBA	:	Rwanda Broadcasting Agency

REC	:	Rwanda Energy Company
REFIT	:	Rwanda Renewable Energy Feed-in Tariff
RFTC	:	Rwanda Federation of Transport Cooperatives
RICTA	:	Rwanda ICT Association
RURA	:	Rwanda Utilities Regulatory Agency
RWF	:	Rwandan Francs
S.A	:	Société Anonyme
S.A.R.L	:	Société à Responsabilité Limitée
SAT-PHONE	:	Satellite Phone
SMMS	:	Spectrum Management and Monitoring System
SIM	:	Subscriber Identification Module
SSP	:	Sanitation Service Provider
STBs	:	Set-Top-Boxes
ToR	:	Terms of Reference
ToU	:	Time of Use
UA	:	Universal Access
UAF	:	Universal Access Fund
UCC	:	Uganda Communications Commission
UCS	:	UBUMWE Cleaning Services
UNDP	:	United Nations Development Program
USAID	:	United States Agency for International Development
USD	:	American dollar
WDA	:	Workforce Development Authority
WIPO	:	World Intellectual Property Organization
ZIGAMA CSS	:	ZIGAMA Credit and Saving Society



FOREWORD

On behalf of the Regulatory Board Members, I am greatly honoured to present to you the annual report of Rwanda Utilities Regulatory Agency (RURA) for the year ended 30 June 2012 as required by the Law N° 39/2001 of 13/09/2001 establishing the Agency (RURA) in its article 26.

RURA, an independent Multi-sectoral-Regulator, aims essentially at improving quality of service, promoting a level playing field in utility service provision and contributing to the development of regulated sectors by fostering a conducive environment for investments.

The year under review has been again another opportunity to experience considerable and commendable achievements in our endeavour to facilitate access to utility services in the regulated sectors through an enabling regulatory environment as a catalyst for the Rwanda's

socio-economic development.

The year started with a reform to amend the RURA's organisational structure initiated to appropriately respond to some challenges relating to the global financial turmoil that did not spare RURA.

Though the restructuring saw the number of RURA Staff reduced from 166 to 102 staff by end of November 2011, the registered achievements are a result of this deliberate move and related positive adjustments as well as the diligence and commitment of both RURA's management and Staff.

In order to fulfil the noble task of contributing towards bridging the digital divide in the country, during the year under review, RURA awarded a third national telecom operator license to the India based company Bharti Airtel after MTN Rwandacell Ltd and TIGO Rwanda Ltd. This license was awarded after the Libyan Government owned Rwandatel S.A. license was revoked due to its non compliance with license obligations.

The telecoms sector also registered significant achievements through the deployment of the Spectrum Management and Monitoring System (SMMS) and the Network Performance and Quality of Service (QoS) Monitoring system.

During the year under review, RURA issued Regulations on the establishment, operation and management of an International Gateway Traffic Verification System (IGTVS), the first of its kind in the East African region.

Countrywide, Rwanda registered outstanding efforts by increasing the electricity penetration from 9.5% in 2010 to 14% by June 2012, well beyond the year's target of 12%.

Within the framework of creating a more conducive enabling environment for private investments in the generation of electricity, RURA has put in place the Rwanda Renewable

Energy Feed-in Tariff (REFIT) for micro and mini hydropower plants for capacity ranging from 50 kW up to 10 MW.

Besides, the end-user domestic tariff was reviewed along with the introduction of the Time of Use (ToU) tariff for commercial and industrial customers as an encouragement to shift their electricity use to off-peak periods.

RURA also developed the National Grid Code which will enable licensees to operate according to appropriate and agreed upon standards and conditions.

Furthermore, apart from enforcement measures through inspections and sites visits, a good number of regulations, rules and guidelines were promulgated during the period under review and these contribute to ensuring a level playing field for all stakeholders in Energy, Water and Sanitation and Transport Sectors.

On the international scene, RURA continued participating actively in relevant meetings and forum hosted by regional and international organisations to which the Agency is affiliated with a view to harmonise Rwandan regulatory framework with the international norms and best practices.

In conclusion, I would like to thank the GoR, our esteemed stakeholders and the general public for their usual support during the year 2011-2012. I would also like to commend the RURA Management and Staff for their diligence and commitment under the stewardship of the Director General. My deep appreciation is also extended to my fellow Regulatory Board Members for the invaluable guidance they have extended to the RURA's leadership.

2

Eugène KAZIGE

Chairperson of the Regulatory Board



EXECUTIVE SUMMARY



In a bid to find durable solutions to challenges relating to the global financial crisis that negatively affected economies of the world, in the middle of the fiscal year, a reform aiming to enable the management to effectively align available resources with the expected targets was initiated. This reform culminated into an organizational restructuring initiated to put in place a system that could significantly improve employees' focus, involvement and accountability and streamlining RURA's operations to meet available financial resources. The registered success, as depicted throughout this report, are the fruits of that restructuring move.

As per the requirements of the Law N° 39/2001 of 13/09/2001, establishing RURA, this report summarizes achievements registered in the

regulation of ICT, Energy, Water and Sanitation as well as the Transport sectors. The same Law gives RURA the mandate of ensuring that the above utilities are available throughout the country, accessible at affordable cost and in a good quality. It further empowers RURA to monitor compliance of utility providers to Laws and Regulations governing the regulated sectors as well as create conducive environment that encourages private investments in the utilities provision.

3

The present report is outlined in three rubrics. The first introduces the Agency's current structure set up and steps put forward to build RURA's vibrant and delivering team. It also presents the achievements of the Agency with regard to the public awareness, consumer education and empowerment as well as international cooperation. It further gives a summary of the Agency's financial performance. The second describes the current regulated sectors profile, components, legal and regulatory frameworks and highlights performed regulatory activities. The third deals with challenges and way forward. The paragraphs below highlight out registered developments.

The ICT which is the leading sector of RURA's regulatory activities is organized in three sub-components; Media and Postal Regulation, ICT Standards and Quality of Service regulation and ICT Scarce Resources Management and Monitoring. In this sector, much emphasis was put in laying down missing key legal and regulatory tools relevant for the regulation and development of the sector. It is in this context that RURA closely followed up activities of adopting ICT bill, the Media Law, and amended RURA Law by the Parliament. While awaiting the adoption of the above tools, RURA has put in place regulations and guidelines to cater for ever-growing ICT regulation issues.

The legal and licensing frameworks have been reinforced by a good number of regulations to streamline the development of this sector. The regulations that have been introduced include the Regulations for International Gateway Traffic Verification system, Guidelines for sharing of fibre and duct infrastructure, East African Communication organisation guidelines on roaming services as well as Board Decision on charging mechanism of numbering resources in the Republic of Rwanda.

The consumer education, protection and empowerment have also been accorded much

importance whereby contracts between three licensed operators and their customers have been reviewed to prevent abusive clauses against the consumer rights. Several field visits and media programs were conducted to increase public awareness on consumer rights and obligations. These initiatives were coupled with regular inspections and monitoring of operators' activities to assess the quality of service and their compliance.

It is to be noted that during the year under review, an individual third telecom license has been granted to Airtel Rwanda Ltd while another license was granted to Rwanda Tower Ltd for provision of Network facilities.

The above developments and many others as mentioned in the body of this report contributed to attracting significant investments in the sector, thus increasing access and affordability of the ICT services as illustrated by the statistics below.

Airtel Rwanda Ltd pledged to invest US\$ 100 Million over the next three year. An increase of 17.8% for mobile telephony and 1% for fixed telephony was registered. The internet penetration has risen from 5% in June 2011 to 7% by June 2012. With more incoming investors in ICT sector, the retail tariffs have steadily scaled down for both voice and data. This decrease has been encouraged by the decrease of interconnection rate which fell from Rwf. 35.08 to Rwf. 32.08 per minute.

In addition RURA registered success in operationalising the International Gateway Traffic Verification System (IGTVS) Project which allows RURA to get real information on international traffic volume, reduce telecom fraud and monitor the international inbound voice quality of services.

Furthermore, RURA deployed the Quality of Service (QoS) Monitoring Tools at the selected internet customers in Rwanda to measure the QoS of Broadband Internet provided by ISPs. So far, twenty eight (28) monitoring tools have been deployed in Kigali City, Western and Northern provinces. Consequently, the quality of telecom services and ISPs has generally increased.

Besides, RURA undertook the SIM registration project. It spearheaded the stakeholder's consultation process and a regulatory framework for the project is already in place. According to the project plan, the SIM registration is to start in February 2013.

The Frequency Coordination process has been initiated within the EAC member states which resulted into getting 20 new channels in DVB-T frequencies. This has reduced the cross-border interference whereby whoever wants to put a transmitter around the border has to inform the other side to avoid interference.

In Energy Sector, outstanding efforts have been deployed to increase access to electricity from 9.5% in 2010 to 14% by June 2012. The electricity generation industry registered a good number of small power projects which were mainly developed under the Public Private Partnership Framework. Those projects generate up to 10MW.

The Energy Sector was also strengthened by the enactment of the Law No 21/2011 governing electricity which came to bridge the vacuum of the legal and regulatory framework that hampered the energy sector regulation for a long period. In addition, the long-awaited grid code was developed.

In addition, after consultation with all concerned stakeholders, the Aboveground Petroleum Storage Facilities Regulations as well as the Liquefied Petroleum Gas Regulations were adopted by the Regulatory Board.

Much has also been done in the Gas subsector. The phase 1 of Kivu Watt Project is expected to generate 25MW by early 2013. Developments have been registered in both domestic and institutional biogas plants installation whereby the consumption of wood has reduced by 60% and 40% in prisons and schools respectively.

RURA also regularly monitored and quarterly reported on the national power system; Power plants production capacities, network peaks values, consumption statistics, lake levels, blackouts, accidents, electricity losses, etc.

Within the framework of fostering an enabling environment for private investments in the generation of electricity, on 9th February 2012, RURA set the Rwanda Renewable Energy Feed-in Tariffs applicable for 3 years for hydropower plants up to 10 MW. In June 2012 the end user electricity tariff was also reviewed.

In Water & Sanitation sector, regular audits and inspections were conducted to water treatment facilities throughout the country. There are currently 83 operators managing 261 water systems which represent 30% of water systems under Public Private Partnership against 40% target in water supply and sanitation policy.

Even though there is still a long way to go, Rwanda can be proud of good indicators of water access in rural and urban areas and access to sanitation facilities. Currently, urban households can access drinking water at the rate of 86% while rural areas can access it at 72%. The same households in urban areas can access sanitation services at 83% while for rural areas they can access them at 73%.

In a bid to address regulatory challenges relating to prevailing weak sanitation legal and regulatory framework, RURA introduced a number of regulatory tools to streamline the service delivery in the subsector; the guidelines on minimum service level for water service provision have been put in place along with guidelines on minimum requirement for solid waste management. On licensing side, 20 sanitation service providers have been licensed.

After considering the crying need to set the end user tariff for solid waste collection and transportation, RURA carried out a tariff study which came up with a new tariff structure for solid waste collection and transportation for residential premises in the City of Kigali (CoK).

In the transport sector, this period under review has been characterized by a significant increase in the number of companies and cooperatives which integrated the market. This is attributed to consistent sensitization programs conducted by RURA encouraging transport operators to work as companies or cooperatives.

RURA also kept the momentum in checking whether licensed operators met the minimum standards in providing transport services. As an illustration, among 23 licensed companies, 19 were visited and inspected. In presenting achievements of the Regulator for this period, we have to mention the successes registered by efficiently monitoring and setting public transport tariffs due to fuel price fluctuations that occurred many times during the course of this ending year.

The transport sector in Rwanda is however suffering from lack of legal framework. Nevertheless, RURA has put in place regulations and guidelines to help regulate this industry. Some concerns are still being observed in the air transport subsector regulation whereby there is so far no clear legal demarcation between players intervening in this sector and the Regulator. Consultations are being held to tackle pending issues.

Other development registered during this period is an increase of 446% of transport operators since December 2009 to June 2012. In this respect therefore, the number of registered individual minibuses reduced by 40% as a result of the policy that encourages transport operators to work in cooperatives.

In general, the transport of persons is steadily being organized and developed. In a short period, two satellite offices will be operating on provincial level. In the coming years, RURA will put much more emphasis on transport of goods and on waterways and air transport regulation.

All the above achievements could not obviously be realized without the contribution and support of our key partners. That is why, we do acknowledge the tireless support of the Rwandan Government in general and particularly the Ministries with regulated sectors in their portfolios for the support they have manifested to all RURA activities. We also extend our sincere gratitude to all utility providers for their cooperation and dedication to the cause of utilities development. We cannot conclude without thanking the general public, particularly consumers of utilities, for their unwavering support and feedback to the Agency's activities and their involvement in different consultation forums.

To all of you we say thank you!

Maj. François Régis GATARAYIHA

Director General



6

THE REGULATORY BOARD



Mr. Kazige Eugene
Chairman



Mr. Bagamba Innocent Muhizi
Vice-Chairperson



Ms. Umutoni Gatsinzi Nadine
Member



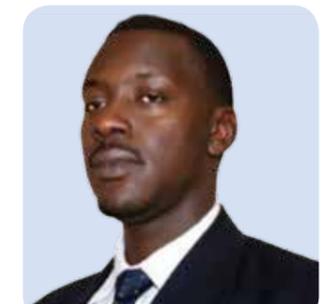
Dr. Twagira Elias
Member



Mr. Sarabwe Pierre Damien
Member



Ms. Kente Liliane Sandra
Member



Mr. Sudadi Senganda Kayitana
Member

7



1.1 INTRODUCTION

The Rwanda Utilities Regulatory Agency (RURA) was created by law n° 39/2001 of 13th September 2001 published in the Official Gazette n° 20 of 15th October 2001 with the mission to regulate certain public utilities, namely:

1. Telecommunications network and/or Telecommunications services
2. Electricity;
3. Water;
4. Removal of waste products from residential or business premises;
5. Extraction and distribution of Gas;
6. Transport of goods and persons;

The Regulatory Agency was established as a national institution with legal personality and autonomy in the management of its finances, assets and employees and with its own official seal.

From its creation to date, the Regulatory Agency has considerably grown and at the beginning of the year under review, RURA was counting 164 employees and 17 units. However, during the same year, RURA has undergone a significant restructuring which brought about the retrenchment of 38% of its employees.

Despite the challenges encountered due to that lay-off, the Agency managed to achieve most of its targets.

1.2 VALUES

RURA believes in: Fair Competition, Quality of Service and Development

1.3 VISION

To be the leader, point of reference and pace setter in the field of modern utilities regulation not only within the sub region but internationally.

1.4 MANDATE

The Regulatory Agency has the responsibility to:

1. Ensure that utilities provide goods and services throughout the country to meet in transparency all reasonable demands and needs of all natural persons and organizations;
2. Ensure that all utility suppliers have adequate means to finance their activities;
3. Continually promote the interest of users and potential users of the goods and services provided by utilities so that there is effective competition when competition is introduced in each utility sector and protection of users from abuses of monopoly positions is ensured due to the fact that certain Public utility sectors have a monopoly over the market;
4. Facilitate and encourage private sector participation in investments in public utilities;
5. Ensure compliance by public utilities with the laws governing their activities.

1.5 RURA'S ORGANISATIONAL STRUCTURE

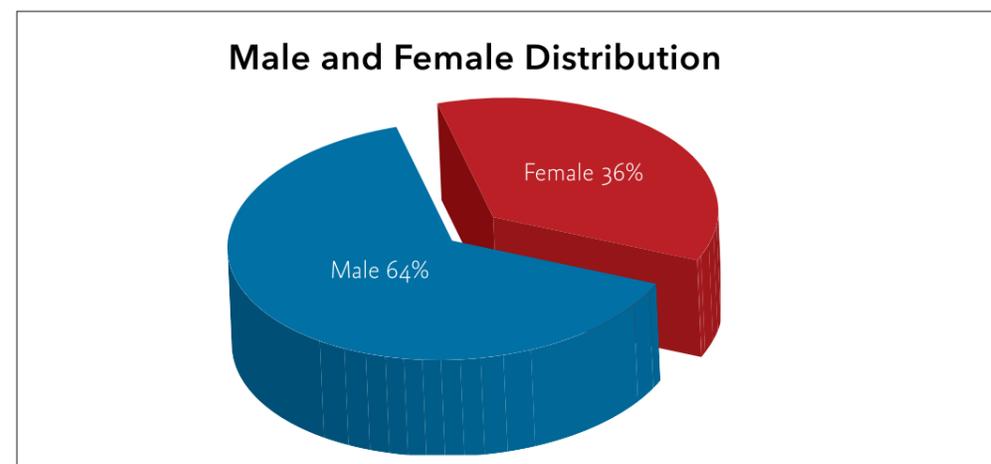
RURA's new structure as revised and adopted in November 2011 is currently based on a four-tier system. At the apex is the Regulatory Board, which by virtue of the law is the principal management organ. The second layer is the office of the Director General who is a secretary to the Board. The third layer consists of the four Departments. The fourth and last layer comprises of units representing the different regulated utilities, cross-cutting and support units. Annex 2 gives details of the new organisational structure of RURA.

1.5.1 RURA WORK FORCE

The current organisational structure of RURA (Annex 2) gives an indication on how functions within RURA are grouped departmental wise.

The number of RURA staff decreased from 164 at the end of June 2011 to 104 at the end of November 2011. This decrease followed a restructuring which occurred in the mid of the fiscal year. By June 2012, the percentage of male and female employees in RURA was respectively 64% and 36% as shown by the graph below.

Figure 1: Male and Female Distribution as of June 2012



As indicated in its Human Resource Development policy, RURA regularly develops and trains its staff to meet the needs of a continually changing regulatory environment, while responding to the factors which may have an influence on both the Agency and staff. It is in this regard that RURA invested in the development of its staff by providing them with opportunities for on-job trainings, study visits in sister regulatory authorities as well as for academic programs.

Compared to the last year, the number of staff holding master's degrees has increased from 23% to 43% while the number of those holding secondary school certificates and advanced diploma decreasingly shifted from 7% to 2%. The table below illustrates further the issue.

Table 1: Qualifications of RURA Staff

	Year 2010-2011	Year 2011-2012
Secondary school certificate + advanced diploma	7%	2%
First Degree (Bachelors Degree)	60%	41%
Second Degree (PGD, Masters, etc)	23%	43%
Ongoing Second Degree	10%	14%
Total	100	100

The table No 1 clearly indicates that RURA is committed to building the capacity of its employees. Within the fast changing regulatory environment, the Management of RURA set a strategy of continuously improving the skills of its employees through diversified and tailored training programs.

RURA focussed on academic qualifications, but it also prioritized short term trainings conducted either locally or abroad, study tours and attachments as well as international, regional and national workshops and conferences to sharpen the skills and knowledge of employees. The table below summarizes the types of training programs conducted during the year under review.

Table 2: Training Programs Conducted during the Fiscal Year 2011 -2012

Type of training	Number of Beneficiaries
Long-term training	7 Staff
Short-term training	20 Staff
Study tours and Attachments	24 Staff
Workshops, Meetings and Conferences (International)	70 Staff
Four (4) in house trainings	

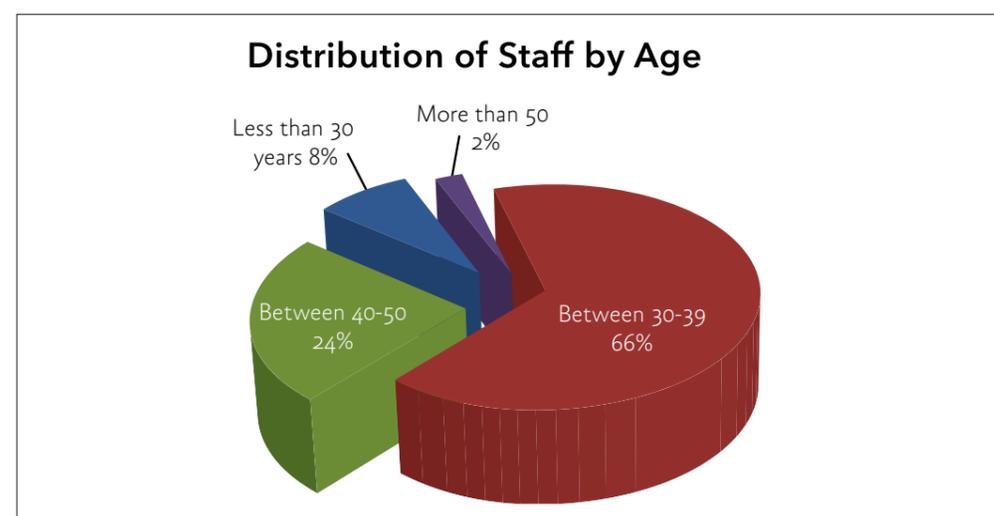
RURA could not attain such commendable achievements without the assistance of and partnership with local and international partners. During the period under review, RURA benefited from the support of the Government and international partners to build the capacity of its employees. Some of the organizations which contributed to the capacity building of its employees, to whom RURA is greatly thankful, are International Telecommunications Union (ITU), Commonwealth Scholarship Commission (CSC), Powering Progress Project, United Nations Development Programme (UNDP), Korea

Communication Commission (KCC), Common Market for Eastern and Southern Africa (COMESA), African Forum for Utility Regulators (AFUR), Australian Development Scholarship (ADS), Japan International Cooperation Agency (JICA), United States Agency for International Development (USAID), African Telecommunications Union (ATU), East Africa Community (EAC), World Intellectual Property Organization (WIPO), Centre Régional pour l'Eau Potable et l'Assainissement (CREPA), Workforce Development Authority (WDA) and Eastern Africa Power Pool (EAPP).

1.5.2 DISTRIBUTION BY AGE

RURA is also reputed of having a young and dynamic workforce. As indicated in the graph N° 2 below, the majority of RURA staff is between the ages of 30-40 years (66%). By June 2012, the average age of RURA staff was 37.

Figure 2: Distribution of Staff per Age



The statistics above show that RURA has a young and energetic workforce to work for the institution for more than 20 years.

1.6 PUBLIC AWARENESS AND CONSUMER EDUCATION

By virtue of the Law, RURA has three key stakeholders; operators, consumers and policy makers who need to be regularly updated on the developments in the regulated sectors.

In the ICT sector, an awareness campaign was organized to inform consumers on type approval and related issues. This campaign was completed by a Consumer Forum on consumer rights and quality of telecom services in Rwanda which took place on 17th May 2012.

In the Sanitation sub-sector, radio and TV programs were broadcasted on different topics related to the collection and transportation of solid wastes services and applicable tariffs for residential customers.

A consumer awareness workshop was also held with civil servants in charge of sanitation in Nyarugenge, Kicukiro and Gasabo District. In addition to that, quarterly meetings and workshops were organized with rural district authorities and private operators in the framework of improving the collaboration, information sharing and improving the quality of water service delivery.

In the water sub sector, in collaboration with the Ministry of Infrastructure, Ministry of Local Government and EWSA, RURA organized workshops in the four provinces to discuss with local authorities on water infrastructures protection, quality of service as well as benefits and options of Public Private Partnerships (PPP) in rural water supply. As a result, it was agreed to cluster water systems within districts and recruit professional operators to manage them in order to ensure an effective functioning and sustainability of water infrastructures.

In the transport sector, a TV and radio program on basic elements in determining public transport tariffs was conducted whereby operators were sensitized to comply with set tariffs while the consumers were also asked to observe their obligations. A Transport Consumer Forum on the quality of service in transportation of persons was also organized on 15th March 2012. In order to create public awareness about the regulation of transport of goods, RURA organized workshops across the country to brief operators on the transport of goods licensing requirements and process.

1.7 REGIONAL AND INTERNATIONAL PARTNESHIPS

In line with its statutory mandate, RURA continued to represent the country in regional and international meetings and fora on issues pertaining to the regulated utility sectors.

1.7.1 REGIONAL AND INTERNATIONAL MEETINGS/COFERENCES

During the year under review, RURA was privileged to chair and provide the Headquarters' Office to the Secretariat of the East African Communications Organization (EACO). This is a regional public and private partnership organization that brings together National ICT Regulators, Operators and Service Providers in the communications sector from the five Member States of the East African Community (EAC) namely Rwanda, Burundi, Kenya, Uganda and Tanzania.

RURA participated in regional meetings and forums on issues relating to the regulatory and cooperation framework in Telecommunications, Energy, Water and Sanitation and Transport sectors. Meetings and conferences attended include the meeting to consolidate Rwanda's comments and positions on draft EAC Protocol for Cooperation in the communications sector, the 6th Connecting Rural Communities (CRC) Africa Forum, the 5th Stakeholders workshop on the Study of Preparation on an EAC Transport Strategy and Road Sector Development Program, Standardization Capacity Building Workshop, the meeting on Harmonization of EAC draft Standards on Petroleum Products, the 6th Preparatory Meeting of the EACO Task Force on WRC-12, EACO working Committees, EREA Legal, Technical and Economic Portfolio Committees Meetings, the 19th EACO Congress, the Technical Committee Meeting and stakeholders' workshop for the cross-Border Electrification Policy and Model Power supply Agreement, Air transport regional consultative meetings, etc.

On the international scene, RURA took part in ITU Study groups 1, 2, 9, 15, 16 and 19 meetings, the ITU Telecom World 2011 and ITU World Radio-communication 2012.

RURA also actively participated in other international meetings and conferences that took place in different countries and continents such as the ACP-Europe ICT Roundtable 2011, CERP-COMESA meeting, the Digital Convergence Technology & ICT Expert meeting, World Telecommunication/ICT Indicators Meetings, the 16th Meeting of the TDAG, 3Ts and Innovative Financial Mechanisms in Water Sector in Africa meeting, etc.

1.7.2 BENCHMARKING

During the year under review, RURA sent delegates to other sister regulatory authorities in different countries for benchmarking purposes and sharing experiences on utility regulation including among others, the QoS monitoring, broadcasting regulation and digital TV migration, geothermal regulatory framework, feed in tariff (REFIT), operators-Regulator relations management, consumer issues handling, etc. The visited regulatory authorities include Energy and Water Utilities Regulatory Authority (EWURA) of Tanzania, Electricity Regulatory Authority (ERA) of Uganda, Independent Communications Authority of South Africa (ICASA), Uganda Communication Commission (UCC), Communication Commission of Kenya (CCK), National Communications Authority of Ghana (NCA), etc.

1.8 CORPORATE SOCIAL RESPONSIBILITY

During this financial year, RURA continued its Corporate Social Responsibility actions to Kagitarama Genocide orphans' village which was identified as a village that needs special support since 2010.

In May 2011, RURA staff donated 5 computers to Kagitarama orphans and committed itself to providing installation of an "internet Café" and basic computer training. Apart from the 5 computers, RURA also donated three million four hundred fifty six thousand francs (RwF 3,456,000) to enable them to start an income generating project Of their choice.



RURA as a responsible corporate citizen committed itself to accompany Kagitarama Genocide orphans in the planning and implementation of their income-generating activities.

1.9 FINANCIAL PERFORMANCE REVIEW

The level of performance for the financial year 2011/2012 is quite satisfactory compared to set objectives. RURA collected a total amount of Rwf 4,600,853,600 from regulatory levies and licence fees. This represents a rate of performance of 89% compared to the projected revenues collection target.

The above rate of financial performance for the financial year 2011/2012 indicates an increase of 15% compared to the previous financial year.

On the expenditure side, RURA spent a total amount of Rwf 4,151,121,176 representing a rate of execution of 80% compared to estimated expenses for achieving planned programs. The overall expenditure shows an increase of 20% compared to the previous financial year due to the purchase of a plot for modern building for RURA and EACO headquarters.

Regarding the Universal Access Fund (UAF), an amount of Rwf 3,807,701,879 was collected from Telecommunication operators, representing a rate of performance of 74% compared to the projected budget of the UAF. The above rate indicates an increase of 47% compared to the previous year. This is due to the payment of 2010 pending contributions from TIGO which was granted the mobile licence in 2008.

By end of June 2012, the Universal Access Fund had spent 47% (Rwf 899,329,913) of its total budget, registering a 27% decrease compared to the previous financial year due to a number of projects which were still in progress. A summary of the financial performance is shown in the table below:

Table 3: Financial Performance in Rwf/Recurrent Budget

ITEM	2011/2012	2010/2011	VARIATION
Income from Levy and Licence	3,198,363,076	2,649,321,793	20%
Mobile Licence fees	784,503,530	-	-
Grant	76,850,460	70,744,024	-9%
Total resources	4,059,717,066	2,720,065,817	-49%
Expenditure	4,027,883,066	3,271,600,707	-23%

TABLE 4: Financial Performance in Rwf/Universal Access Fund

ITEM	2011/2012	2010/2011	INCREASE
Universal Access Contribution from Telecommunication operators	2,100,441,757	1,425,306,345	47%
Expenditure	899,329,913	1,245,771,970	-27%



II ICT SECTOR

II. ICT SECTOR

2.1 PROFILE OF THE SECTOR

In the last few years, Information and Communication Technologies (ICTs) are used more and more extensively for social and economic development. Considering the revolutionary changes that ICTs are bringing to our global society, institutions worldwide continue to develop more sophisticated ways to digitize their operations and processes so that they can offer to the public access to their services in more effective and efficient ways. It is in that context that with the ongoing media reform, the Government mandated RURA to regulate Broadcasting content.

Increase in the use of ICT requires a proper regulatory framework to create an environment that promotes public confidence and ensures stability, transparency, competition, investment, innovation, and growth in the ICT sector.

RURA, as the ICT national regulator, has the mandate of setting up the regulatory framework that stimulates economic growth, attracts more investments, favours affordable prices and better quality of service, increases penetration and stimulates rapid technological innovation and fair competition in the sector.

During the financial year under consideration, the Government has also decided to grant an individual license to a third mobile telecommunications operator. The entire licensing process was led by RURA and eventually a license was issued to AIRTEL Rwanda Ltd.

Besides, another company named Rwanda Tower Limited was licensed for the provision of network facilities.

Other licenses issued in the period under review were for radio-communications operators whereby 17 new licenses were granted, 41 licenses renewed while 11 licenses were revoked.

2.2 SECTOR COMPONENTS

The purpose of the ICT sector regulation is to provide a favourable environment for the development of communication and media services; to promote fair competition and ensure better quality of services offered by operators at reasonable prices. The ICT sector regulation in Rwanda includes: Media and Postal regulation, ICT Standards and Quality of Service regulation and ICT Scarce Resources Management and Monitoring

The Media and Postal regulation aims at developing the media and postal industry, and at ensuring effective internet resources management and governance.

In ICT Standards and Quality of Service regulation, RURA oversees the regulatory and standardization aspects to be observed by both consumers and network/service providers. RURA also strives to bridge the digital divide by advancing the use of ICT-based networks, services and applications, enhance security and build confidence in the use of ICT resources.

With regards to ICT scarce resources management and monitoring regulation, RURA deals with frequency spectrum and numbering resources management and monitoring.

2.3 LEGAL AND REGULATORY FRAMEWORKS

The ICT sector regulation stems from the law n°44/2001 of 30/11/2001 governing telecommunications, Law n° 39/2001 of 13/09/2001 that establishes RURA, Law n° 18/2010 of 12/05/2010 relating to Electronic messages, electronic signatures and electronic transactions. It is worth mentioning that quite a number of secondary legislations are

in place to operationalise the aforementioned laws. Those include Presidential orders, Ministerial Orders, Regulations and Guidelines issued by the Regulatory Board.

With the current transformational developments in technology and their impacts on the definitions and the nature of the various service delivery platforms, a need was felt to review both the existing legal and regulatory framework and the institutional framework so as to address the new challenges brought about by the revolutionary changes being witnessed in ICTs. By June 2012, the laws in pipeline are:

ICT Bill which covers five (5) parts namely; ICT legislative framework, electronic communication, information society and broadcasting and postal services. Once this law is promulgated, it will repeal the current law n°44/2001 of 30/11/2001 governing telecommunications, and the law n° 43/76 of 01/12/1976 on the organization of the postal service. It will equally complement the Law no 18/2010 of 12/05/2010 relating to Electronic messages, electronic signatures and electronic transactions.

The Law No 39/2001 of 13/09/2001 establishing RURA has equally been revised and unanimously adopted by the chamber of Deputies and forwarded to the chamber of Senate for further examinations. Once this Law is adopted, it will replace the current one and will respond to a number of rising regulatory challenges.

The Law establishing a public broadcaster from State Broadcaster (ORINFOR) to the Rwanda Broadcasting Agency (RBA) is underway.

Furthermore, RURA has put in place a number of Regulations and Guidelines to promote the use of electronic transactions and the use of ICTs as shown by the list below:

TABLE 5: ICT Regulations and Guidelines Issued in 2011-2012

No.	Regulations and guidelines issued in 2011-2012
1.	Regulations no 003/ICT/RURA/2011 of 09/08/2011 governing certification authorities
2.	Regulations N°004/ICT/RURA/2012 of 7/05/2012 for International Gateway Traffic Verification System
3.	Board Decision n°011/ICT.SCRE- RURA/2011 of the 09th August 2011 Introducing Short Code Fee And Determining Short Code Allocation Procedure
4.	Guidelines for Sharing of Fibre and Duct Infrastructure issued on 01/04/2012

The following regulations, guidelines and procedures are under elaboration

- Regulations on SIM card registration
- Regulations on the importation and type approval for radio and electronic communications equipments
- Regulations on Digital broadcasting
- Regulations on Minimum technical specifications for STBs and iDTVs
- Guidelines for Fibre Optic Cables underground installation
- Guidelines for quality of service of basic telephone (wire line) and cellular mobile telephone service
- Country Code Top Level Domain (ccTLD) policy procedures and registration rules.



2.4 DEVELOPMENTS RELATING TO CONSUMER ISSUES

From July 2011 to June 2012, the following activities were carried out to protect and empower consumers in ICT sector:

- Review of contracts between consumer and telecom operators;
- Inspections and monitoring of the operator's compliance.
- Complaints handling
- Assessment and follow up of telecom operators promotions

2.4.1 REVIEW OF CONTRACTS BETWEEN CONSUMERS AND OPERATORS

From July 2011 to June 2012, RURA reviewed 3 contracts between licensed operators and consumers. The reviewed contracts were for Airtel, Altech and Canalsat. The objective of this exercise was to improve the quality of service and reduce abusive clauses since the contracts are normally prepared by the service providers without negotiating terms and conditions with the other party.

2.4.2 INSPECTIONS AND MONITORING OF THE OPERATORS' COMPLIANCE

By June 2012 an inspection of internet cafés operating in Kigali City, Muhanga, Ruhango and Huye districts was carried out. The aim of that inspection was to monitor compliance with the guidelines developed by RURA and at the same time educate internet service providers on the quality of service they have to offer to their customers.

2.4.3 COMPLAINTS HANDLING

During the financial year under review, 181 complaints were registered and handled. They were related to SIM swap related robbery, poor quality of service for mobile (poor signal, blocked calls, dropped calls, speech quality), noise and damages inflicted by power generators from different sites of MTN, disconnection, low speed of internet, etc.

In response to these complaints, on 1st March 2012 RURA issued an enforcement notice to MTN Rwanda Ltd for non compliance with its license obligations relating to quality of service.

2.4.4 ASSESSMENT AND FOLLOW UP OF TELECOM PROMOTIONS

In most cases, consumers face a big challenge of being misled and exploited by telecom operators with aggressive promotions on products and services without clear, accurate and complete information helping them to make an informed choice. RURA introduced a mechanism of prior approving promotions before their introduction to the market.

In relation to this, seventy five (75) applications for promotions were received from licensed telecom operators. Based on Regulations N° 002/RURA/2011 of 6th May 2011, the applications were assessed and out of 75, four (4) were rejected due to the non compliance with regulations governing promotions.

2.5 LICENSING, MONITORING AND ENFORCEMENT OF LICENSE OBLIGATIONS

2.5.1 LICENSING

A part from individual licenses referred to in previous paragraphs, a good number of licenses were issued in ICT sector. Most of them were for radio communications operators. Requests for additional frequency bands by some operators and renewal of internet cafés licenses were also processed.

The table below shows the licensed operators in telecommunication, internet provision, Pay TVs and radio communication services.

TABLE 6: Telecommunication Operators (Fixed and Mobile Telephony Service)

Company	Type of services	License - year
MTN Rwandacell S.A.R.L	Fixed	2006
	Mobile	2008 (Renewal)
RWANDATEL S.A	Fixed	2008
TIGO Rwanda S.A	National (Mobile and Fixed)	2008
AIRTEL Rwanda Ltd	Mobile	2011

The network roll-out and coverage requirements in the licenses of operators are meant to effectively offer a full national coverage.

With the recent developments of access to the submarine cables from the East Coast through fibre optic networks, RURA championed negotiations for cross-border arrangements and encouraged the use of one path and sharing of infrastructure ducts that are to follow the national infrastructure master plan under gradual development.

Furthermore, there are ten (10) licensed Internet service providers (ISPs) and these include the three main licensed operators providing telecoms services (fixed and mobile) countrywide. Below is the list of all licensed ISPs:

TABLE 7: Internet Service Providers (ISPS) in Rwanda - 2011 - 2012

NO.	Company	Type of Services	Year of License
1.	MTN Rwandacell	National Telecom Operator	2006
2.	Rwandatel	National Telecom Operator	2008
3.	Tigo Rwanda	National Telecom Operator	2008
4.	Airtel Rwanda Ltd	National Telecom Operator	2011
5.	New Artel	Rural Telephony	2004
6.	ISPA	ISP	2006
7.	Altech Stream	ISP	2007
8.	4G NETWORKS	ISP	2009

9.	Broadcasting System Corporation Ltd (BSC)	ISP	2010
10.	4G Rwanda	ISP	2011

Up to now, only two (2) Pay TV operators are licensed to provide Pay TV Services in Rwanda. These are Star Times and Tel 10 Rwanda.

With the ongoing process of migration from analogue to digital broadcasting and the implementation of Broadcasting and Media Policies, RURA started preparing a new licensing framework for digital broadcasting whereby licenses will be issued to the whole broadcasting value chain. The table below shows the two (2) Pay TV licensees.

TABLE 8: Licensed Pay TV operators in Rwanda

Company	Year of license issuance
Star Africa Media	2007
Tele 10 Rwanda	2008

A series of monitoring and enforcement exercises were conducted and resulted into revocation of some licenses due to the licensees' failure to comply with their obligations or as requested by the licensees. The table N° 9 gives the list of all licenses issued and revoked.

TABLE 9: Radio-Communication Licenses Issued and Revoked In Different Services

Services	Number of licensees by December 2011	Licenses issued between January 2012 and July 2012	New licenses	Renewed licenses	Revoked
HF	9	4	0	4	2
VHF	22	20	7	13	3
UHF	1	2	1	1	1
VSAT	6	8	1	7	2
SATPHONE	2	1	0	1	0
BROADCASTING	12	14	6	8	2
ISP	10	0	0	0	1
Mobile Operators	3	0	0	0	0
Aircraft	12	6	0	6	0
Amateur Radio	2	3	2	1	0
TOTAL	79	58	17	41	11

In addition, a provisional authorization was granted to Holy Multimedia Ltd to provide the internet streaming and multimedia broadcasting services.

Furthermore, 1,000 certificates for type approval were granted and 200 permits for fibre optic installation were issued to three (3) fibre optic cable owners.

2.5.2 MONITORING AND ENFORCEMENT OF LICENSE OBLIGATIONS

One of the key functions of the Regulatory Agency is to monitor if the licensed operators of regulated services comply with the laws governing their activities as well as their license obligations and to take sanctions in the case of failure. It is in this perspective that the Regulatory Board took a series of decisions imposing regulatory sanctions to non-compliant operators as indicated in the table below:

TABLE 10: Regulatory Sanctions

No	Name of the decision
1	Board Decision 005/CMR-RURA/2012 of 07th May,2012 revoking the radio-communication license of VICTORY RADIO
2	Board Decision 006/CMR-RURA/2012 of 07th May,2012 revoking the radio-communication license of ROYAL MEDIA SERVICES LTD
3	Decision n°002/LEG.-RURA/2012 of 01st march 2012 on issuance of Enforcement Notice to MTN Rwanda Ltd

2.6 PROJECTS TO BOOST QUALITY OF SERVICE AND ICT SCARCE RESOURCES MANAGEMENT

RURA undertook a number of projects to foster an effective management and monitoring of ICT scarce resources and ensure the quality of service provision.

Repatriation of .rw: This project aimed at speeding up the repatriation of .rw domain and ensuring that it is well managed in compliance with international standards and best practices. A related Memorandum of Understanding to manage the domain name was signed between RURA and the Rwanda ICT Association (RICTA). It is worthw recalling that this top level domain was previously managed by NIC Congo, a Switzerland based company.

Creation of a Data base on Fibre Optic: a database on fibre optic has been developed and is currently in use.

Survey on IPV6 migration readiness: The purpose of this survey was to assess the readiness of ISPs and Telecommunication operators to provide IPV6 based services. The findings and the final report were availed for further policy and strategy considerations.

International Gateway Traffic Verification System (IGTVS) Project: This project was initiated to help RURA get real information on international traffic volume, reduce telecom fraud and monitor the international inbound voice quality of services.

Deployment of Quality of Service (QoS) Monitoring Tools: This project was initiated to measure the Quality of Service (QoS) of Broadband Internet provided by ISPs. Twenty eight monitoring tools (28) have been deployed in Kigali City, Western and Northern provinces. Consequently, the quality of services of telecom and ISPs has remarkably improved.

SIM Card Registration Project: RURA spearheaded the stakeholders' consultation process which resulted in putting in place the related regulatory framework. According to the project plan, the SIM Card registration is to officially start off in February 2013.

Frequency Coordination Project: RURA led negotiations within the EAC stakeholders to secure sufficient digital broadcasting frequencies for Rwanda. This process resulted into getting 20 new channels in DVB-T frequencies. It further contributed to reducing the cross-border interferences.



Review of Spectrum Fees Structure: In the framework of reviewing spectrum fees, RURA conducted several consultative meetings whereby a project document on spectrum fees structure was agreed upon by all concerned stakeholders.

Measurement of Rooftop BTS Radiations: RURA provided technical assistance to measure radiations of the rooftop BTS and exposure to Electromagnetic fields (EMF) around the high power broadcasting transmitters at KIST, MININFRA, ZIGAMA CSS, Kinyinya DW and Jali towers using the selective radiation meter (NARDA SRM-3006). The results showed that these places and surroundings are not endangered.

Spectrum Monitoring System: A system was put in place to monitor and inspect the use of radio-communication frequencies in all provinces of Rwanda for Fixed, Mobile, and Transportable stations. This system also assists in verifying compliance with license parameters by operators.

2.7 MARKET PERFORMANCE AND STATISTICS

The ICT sector in Rwanda recorded a general growth in terms of subscriptions, revenues and investments during the course of financial year 2011/2012. Despite the revocation of Rwandatel mobile license in April 2011, the licensing of an additional telecom operator (Bharti AIRTEL) in September 8th 2011 has brought about more competition in the sector as well as more and more affordable telecom services in Rwanda. Airtel pledged to invest US\$ 100 Million in its operations over the next three years. More than USD 11 Million were already invested by June 2012.

2.7.1 MOBILE AND FIXED TELEPHONY

As of June 2012, the major players in mobile telephony included MTN Rwandacell Ltd, TIGO Rwanda Ltd and AIRTEL Rwanda Ltd which is the new entrant. The penetration rate continued to grow while the fixed telephone subscriptions growth remained almost stagnant.

TABLE 11: Number of Mobile and Fixed Telephone Service Subscribers Per Operator

Operators	Active subscribers		Fixed Teledensity	Mobile Teledensity	General teledensity
	Mobile Active subscribers	Fixed Telephony			
MTN Rwandacell Ltd	3,033,421	12,255	0.41%	44.4%	44.81%
TIGO Rwanda Ltd	1,615,585				
AIRTEL RWANDA LTD	10,304				
RWANDATEL Ltd	-	31,371			
Total	4,759,310	43,626			

Source:RURA, Operators' returns.

Consistent and attractive voice promotions and special offers coupled with competitive retail tariffs could have contributed to the increase in subscriptions. Mobile penetration

rate increased to 44.4-per 100 inhabitants by June 2012 against the 36.5% in June 2011 representing an annual increase of 7.9%.

The following table illustrate the mobile penetration per province:

TABLE 12: Ownership of Mobile Telephones By Province

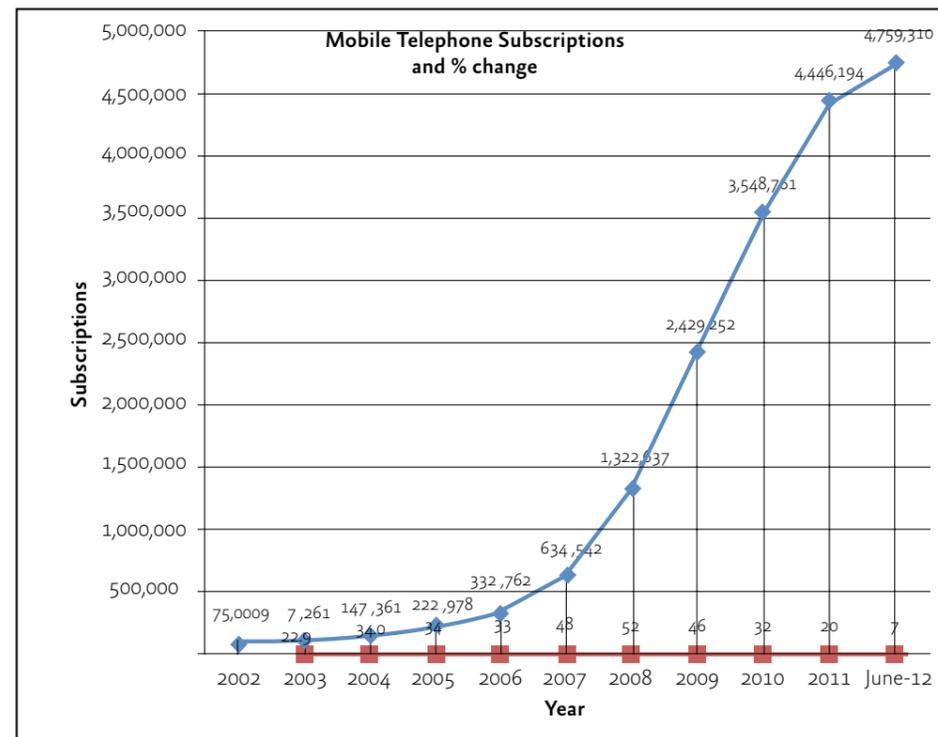
Kigali City	79.6
Southern Province	35.0
Western Province	40.4
Northern Province	41.9
Eastern Province	48.4

Source: EICV 3

From the above table, it is shown that 79.6% of people who live in Kigali City, 35% of people who live in Southern Province have mobile phones, 40.4% of people who live in Western Province have mobile phones, 41.9% of people who live in the Northern Province have mobile phones and 48.4% of people who live in Eastern Province have mobile phones.

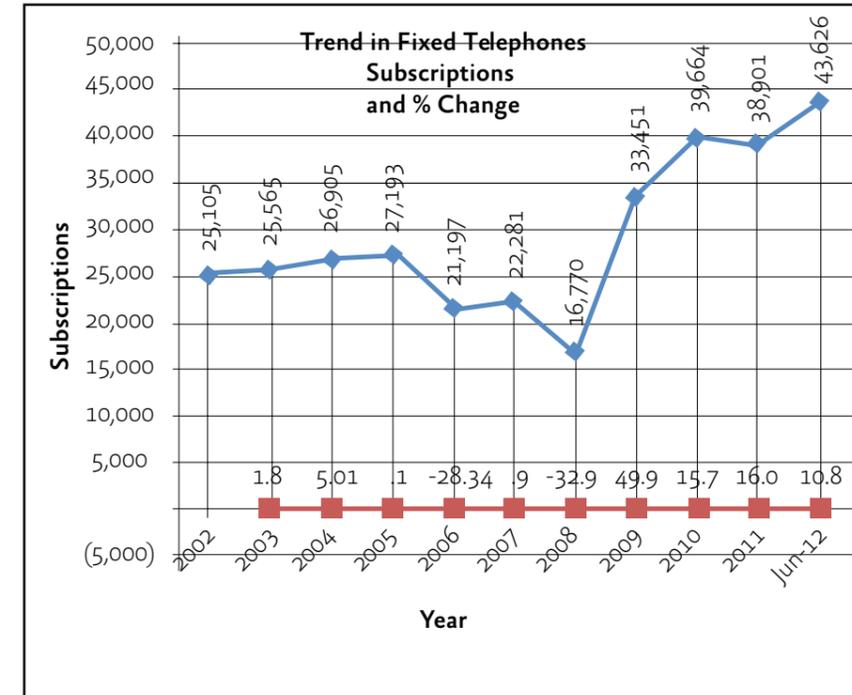
The ownership of mobile telephones in all provinces of the Rwanda could be attributed to the increase if Value-added services such as the money transfer as this provides advantages for even those that previously owned mobile telephones. Secondly one cannot forget to mention the role of operators' network roll out in all parts in the whole country as shown in table 13 below.

FIGURE 3: Trend in Mobile Telephones and their % Increase



Source: RURA, Operators' returns.

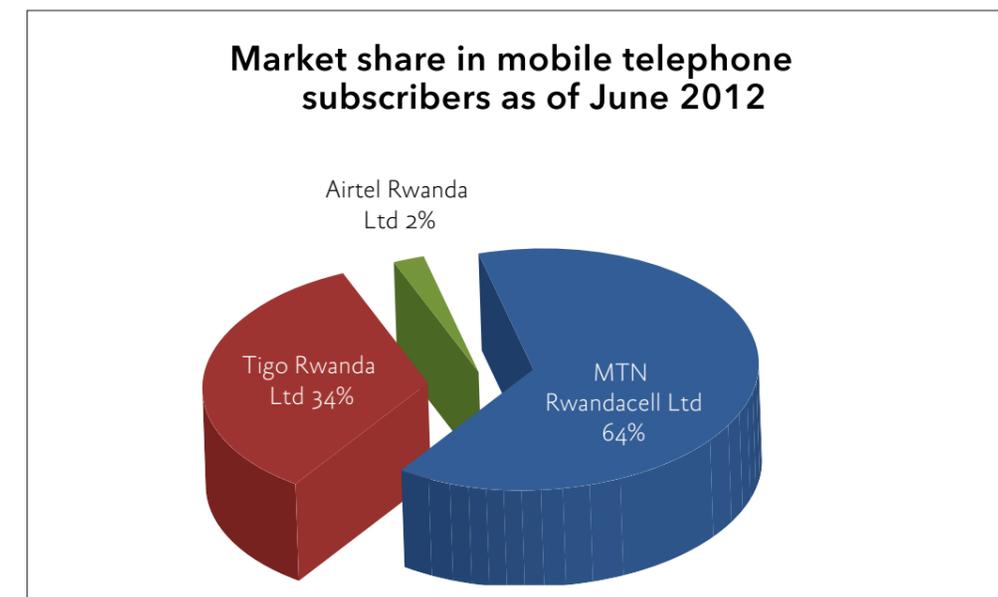
FIGURE 4: Trend in Fixed Telephones Subscriptions and % Change



Source:RURA, Operators' returns

The fixed telephones showed an increasing trend of 10.8%. There were a total of 38,901 subscribers in 2011 which increased to 43,626 fixed telephone subscribers.

Figure 5: Development of the Subscriber Base for the Period 2002 - 2012 per Type of Telephone



Source:RURA, Operators' returns.

Over the preceding periods, the level of market shares measured by subscription experienced marginal change. MTN Rwanda Ltd market share by subscription dropped marginally from 71% as of June 2011 to 64% during the period under review. Contrary, Tigo Rwanda Ltd market share increased from 29% to 34% and Airtel Rwanda Ltd gained 2% market share. The increase in market share by Tigo and gaining market share by Airtel explains the loss in market share by MTN Rwandacell.

MTN Rwandacell is still therefore leading in terms of mobile subscribers with 63.7% of the market share, respectively followed by Tigo which has 33.9% and, Airtel Rwanda the new entrant in the telecom sector that has the lowest market share of 2.3%. The coverage for each network is depicted in the table below:

Table 13: Mobile Telephone Network Coverage as of June 2012

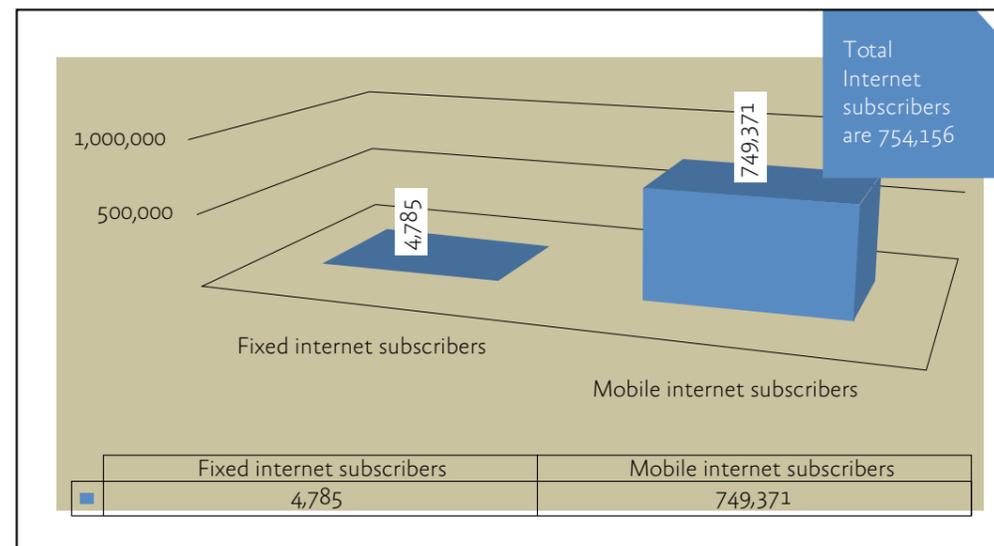
Company name	Geographical coverage	Population coverage
MTN Rwanda	97.9%	97.73%
TIGO	74.37%	90.90%
Airtel Rwanda LTD	3%	9%

2.7.2 INTERNET SERVICE PROVISION

As of June 2012, there were ten (10) licensed Internet Service Providers in the country including national telecommunication service operators (fixed and mobile). The internet penetration rose up from 5% in June 2011 to 7% by June 2012, i.e 40% increase.

The slow growth of internet subscribers is mainly attributable to its high cost as compared to the purchasing power of the population. It is also important to note that since one subscriber can connect many users, the internet users were estimated to be around 30% by June 2012. The graph below depicts the number of internet subscribers per type of connection.

FIGURE 6: Internet Connection



Source:RURA, Operators' returns

The above graph shows that 99% of internet subscribers are mobile internet subscribers.

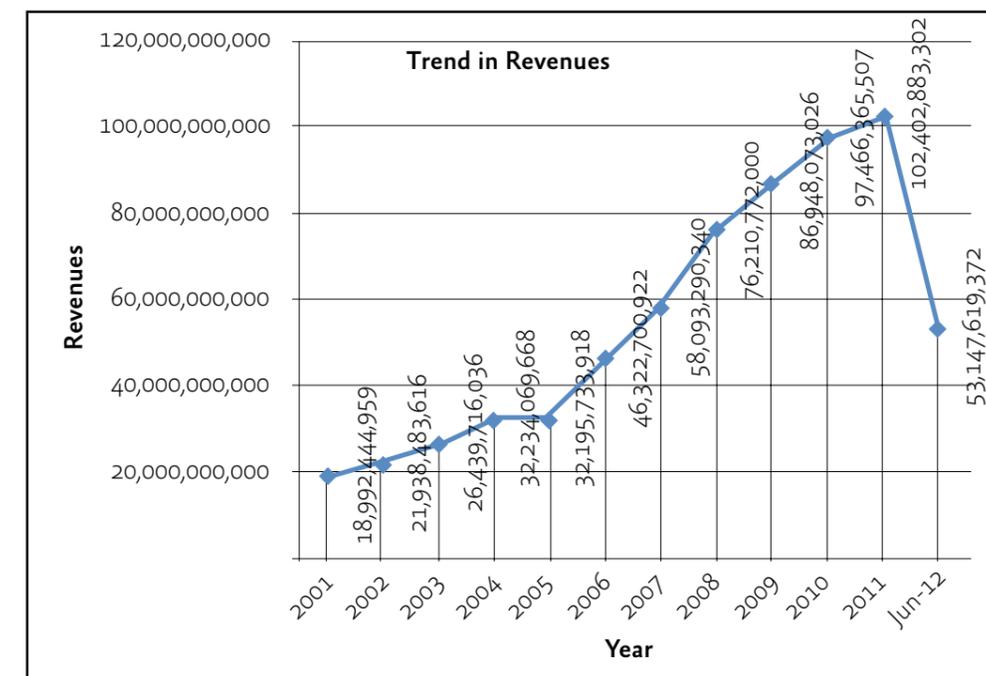
However, the licensing of one additional national telecom operator in September 2011 is expected to contribute towards boosting the internet penetration in the country.

As far as fixed broadband internet is concerned, among the six operational licensed ISPs, Rwandatel remains the main player with a 54% market share, followed by BSC with a 23% market share, MTN with 12% market share, ALTECH STREAM with 9% market share, while the other remaining two ISPs share the 2%.

2.7.3 TRENDS IN REVENUES

As of December 2011, the ICT sector has registered a significant investment growth and a steady growth in annual revenues. This was mainly due to the clear investment and rollout obligations set in the new licensing framework. These license obligations have been subject to effective monitoring and enforcement mechanisms established by RURA. The figure N° 5 shows the revenue trend in this sector from 2001.

FIGURE 7: Trend In Revenues From 2001 To June 2012¹

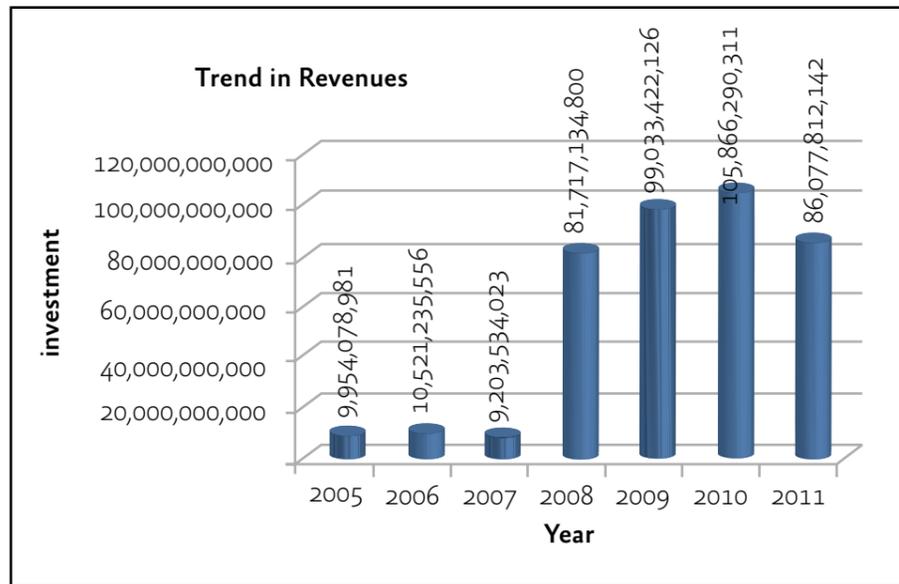


Source:RURA, Operators' returns

The above graph shows an almost stagnant increase of revenues since 2005. The decrease by June 2012 is only due to the fact that it is still in the middle of the year. which means that by December 2012, the figure is likely to double. It is important to mention that the telecommunication sector on its own has been contributing more than 2.5% to the Gross Domestic Product for more than three years.

¹The investment indicated as of June 2012 includes investment for only two Quarters 2012

FIGURE 8: Trend in Investment From 2005 to June 2012²



Source:RURA, Operators' returns.

The above figure shows that on average the telecommunication sector has been contributing towards boosting private investment on an increasing rate. The decrease of 18% in 2011 can be partly attributable to the Rwandatel bankruptcy that was declared in July 2011.

2.7.4. RETAIL SERVICE PRICES

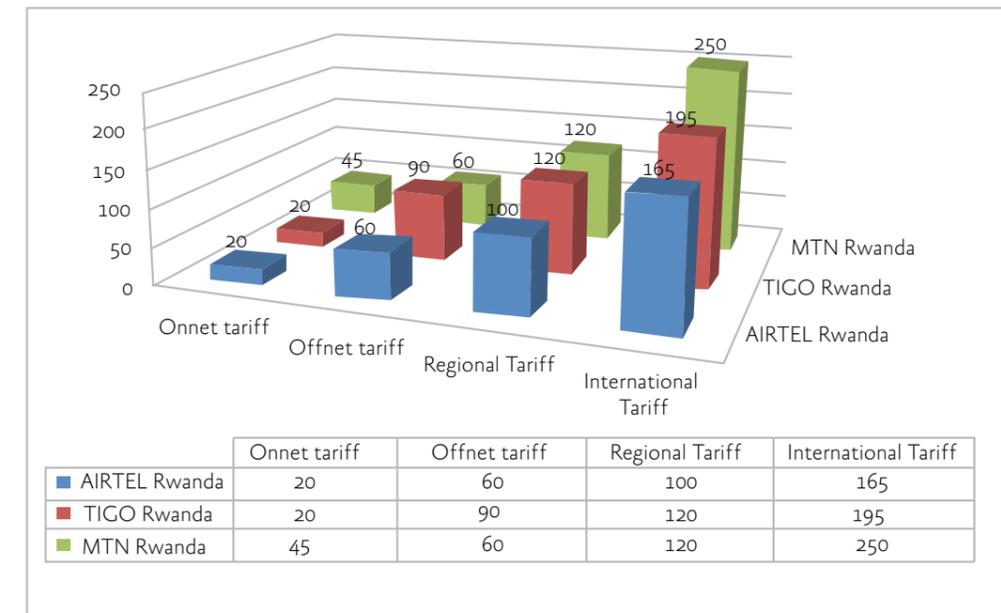
Although prices in retail services are freely set by licensed service providers, RURA reserves the right to intervene if it is observed that the operator with significant market power attempts to abuse its market position. Such an intervention is however yet to happen. With more competition within the ICT sector, especially after the licensing of AIRTEL, the prices in the retail tariffs have steadily reduced down for both voice and data, through various promotional packages.

Another important point to note is that the off net calls rate has also reduced down due to the recent review of the interconnection rates by the regulator as well as competition forces on the market.

Below is the summary of the applicable mobile voice communication tariff per minute in Rwf. as of June 2012.

² The investment indicated as of June 2012 includes investment for only two Quarters 2012

FIGURE 9: Applicable Mobile Voice Communication Tariff



Source:RURA, Operators' returns

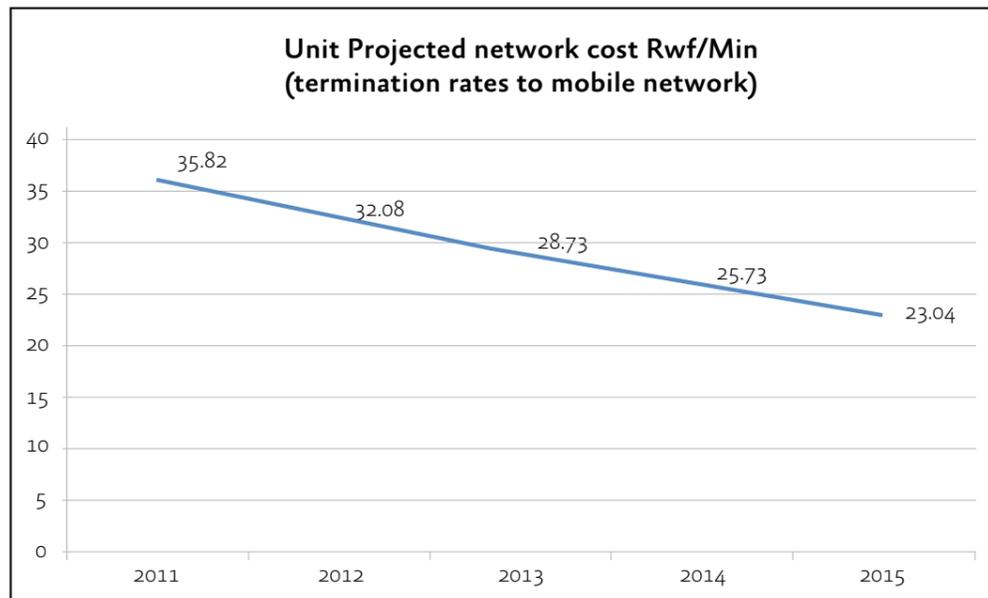
The average onnet voice tariff fell from 67.7 Rwf to 28 Rwf which is far from what was targeted in EDPRS 1. It was planned in EDPRS 1 that access costs will fall from 120Rwf per Minute to 60 Rwf per minute.

2.7.5 THE INTERCONNECTION RELATIONS AMONG OPERATIONS

Technical and commercial arrangements for interconnection are freely negotiated among licensed operators. However, RURA has the mandate to ensure that operators apply similar conditions to all organizations which they are interconnected with.

Following the review of applicable interconnection rates by the Regulator, the licensed telecom operators reviewed their interconnection agreements accordingly to reflect applicable wholesale rates as approved by the Regulatory Board.

Figure 10: Projected Interconnection Rates for The Period 2011-2015



Source:RURA, Interconnection tariff study 2011

The figure above shows the glide path for the new interconnection tariffs up to year 2015. The new interconnection tariffs started to be applied on 1st of July 2011.

The continuously decreasing interconnection rates will lead to the decrease of the per minutes end user tariff for local calls which in turn is expected to boost the penetration rate of mobile telephone services taking into account the purchasing power of the population. With the current wholesale tariff trend coupled with the continuously decreasing retail tariff, it is obvious that the target of 56% mobile penetration rate by the end of June 2013 will be achieved if not surpassed.

2.8 ICT UNIVERSAL ACCESS FUND

The GoR decided to promote and implement the concept of Universal Access (UA) in ICT sector as per the Presidential Order No 05/01 of 13/03/2004, which determines the functioning of the Universal Access Fund (UAF) and public operators contribution. The fund is financed by contributions from licensed operators who contribute 2% of their annual turnover. The Regulatory Board has the mandate to manage this fund in a way that favours the spread and take-up of ICTs in designated remote and under-served areas of the country. Projects under Universal Access complement and integrate the overall NICI policy framework for Rwanda.

As some projects require very important investments, the Government of Rwanda (GoR) has also contributed towards making accessible the broadband connectivity in rural areas by subsidizing the layout of fibre optic backbone networks up to districts level.

2.8.1 MAJOR PROJECTS UNDER UNIVERSAL ACCESS FUND

The Millennium Development Goals (MDG) on data penetration has set the 2015 deadline to have all villages (Imidugudu) connected to broadband services. To achieve the MDGs goals, more broadband infrastructure have to be deployed. The quickest way to implement

broadband to meet MDG goals is to use wireless technology as last mile solution to connect villages and homes.

The Universal Access Fund focused on connecting institutions in rural and remote areas to fibre network where VSAT technology is used. By June 2012, all districts in rural area, immigration services at the border posts, National Police, some High schools, all telecentres switched to fibre whereby out of 179 Sites subsidized by Universal Access, 112 sites already switched to Optic fibre.

2.8.2 UNIVERSAL ACCESS FUND AND BROADBAND PENETRATION

RURA in collaboration with other concerned institutions is implementing a considerable number of projects using the Universal Access Fund. Those include among others:

- Support ICT Literacy in rural areas by providing financial assistance to E-ICT in establishing e-learning and e-service centres in rural areas as a way of providing access to affordable ICT services to rural communities.
- Subsidising bandwidth acquisition to the rural communities where fibre is not yet operational to ensure affordable access to Internet services and wider penetration of ICT services in rural area for private and public institutions.
- Support people with disability to have equal opportunity and access to ICTs.

2.9 SECTOR SPECIFIC CHALLENGES

The amendment of RURA Law to cater for new developments in the ICT sector is yet to be adopted.

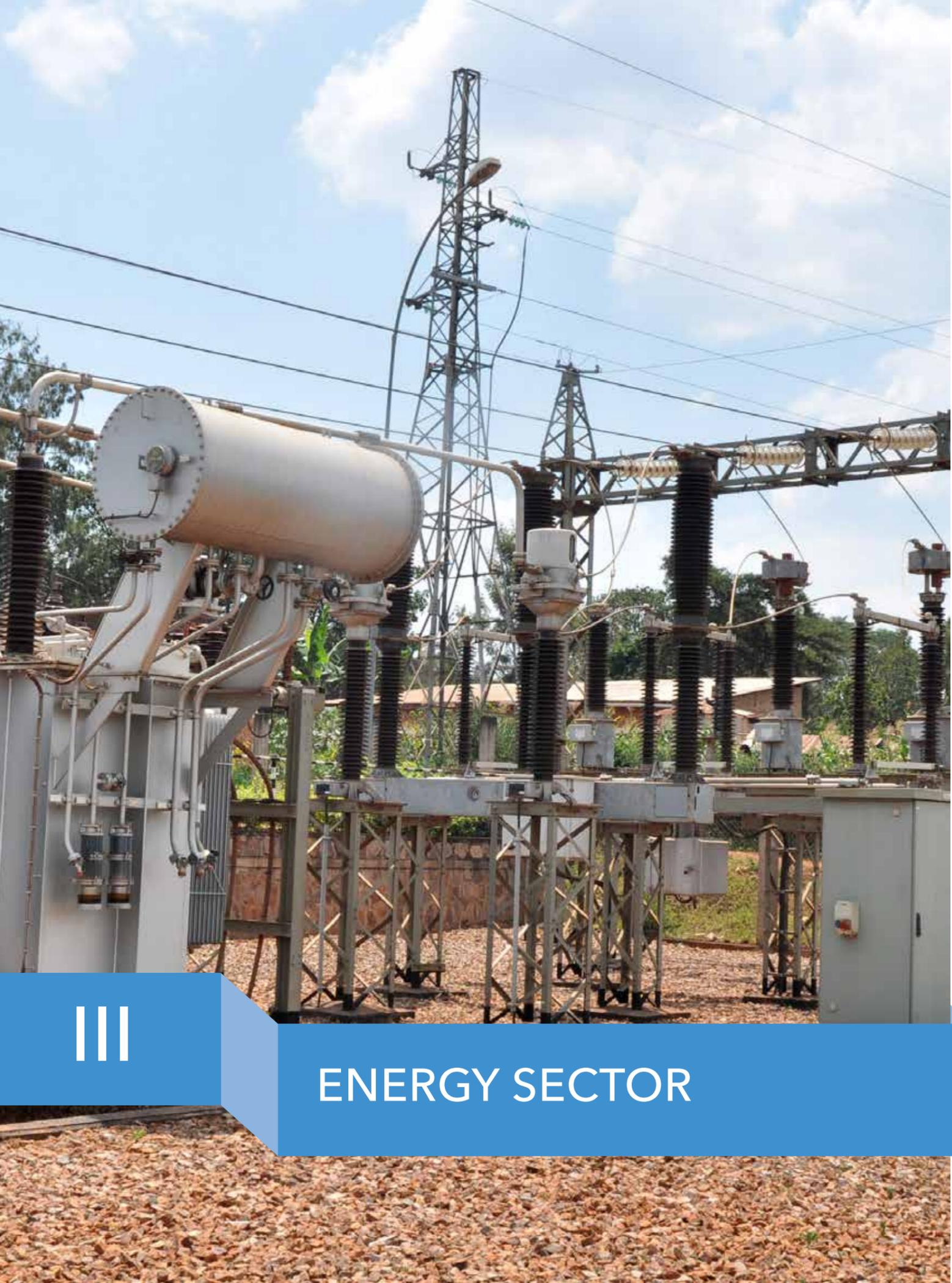
The process of adoption and promulgation of the ICT Bill took too long because of the size of the bill and the work schedule of the Parliament.

The Media law empowering RURA to regulate broadcasting content is yet to be enacted.

Though the end-user tariff for mobile voice telephony has reduced in general, the revocation of Rwandatel mobile license brought about a big gap in terms of both competition and market growth especially the mobile internet market.

There is still lack of monitoring equipments and tools to collect data, appropriate software, and content and hardware equipments for monitoring of broadcasting content.

Other challenges include the population relatively low level of literacy, affordability of ICT services, low coverage of electricity and broadband services in rural areas.



ENERGY SECTOR

III. ENERGY SECTOR

3.1 PROFILE OF THE SECTOR

Rwanda's energy consumption is dominated by biomass that accounts for about 85% of primary energy use while petroleum products account for 11% and electricity for the remaining 4%. The electricity production and consumption are still at a very low stage.

Dedicated efforts have been undertaken to develop the energy sector, to increase generation, improve transmission and distribution, diversify the energy sources and elaborate conducive legal and regulatory framework.

The Petroleum industry in Rwanda mainly relies on importation of petroleum products. Two corridors serve the purpose, the Northern Corridor through which petroleum products are transported from Kenya through Uganda, and the Central Corridor through which petroleum products are transported to Rwanda from Dar Es Salaam, Tanzania.

The Government's priority remains the production of electricity out of Lake Kivu methane Gas. Power production potentials from the lake have been estimated at 700 MW shared between Rwanda and DRC.

Commendable efforts have been made to increase access to electricity from 9.5% (mid 2010) to 16 % by June 2012. The Government has launched an aggressive program to increase electricity access through various projects among which the Electricity Access Roll Out Program (AERP)

So far, the outcomes of this electrification program are a good indication that the Government's ambitious target of 70% electricity access rate by 2017 can be eventually attained if the efforts are sustained.

3.2 SECTOR COMPONENTS

3.2.1 ELECTRICITY SUB-SECTOR

The electricity supply industry has remained vertically integrated with EWSA being a major player with its own electricity generation, transmission and distribution facilities operating in the country. The contribution from the already completed micro hydro power plants from 3 independent power producers (IPPs) namely REPRO, ENNY and STADTWERKE MAINZ AG in the generation of electricity is still insignificant. Other ongoing mini hydro projects from IPPs are being undertaken by Rwanda Mountain Tea, REFAD, SOGEMR and Contour Global.

The demand nationwide peaked at 78.21MW whereas the available capacity is 87 MW as shown in the table below:

TABLE 14: Electricity Generation Capacity

	Hydro (MW)	Thermal (Diesel, HFO and Methane gas-MW)	Solar (MW)	Total (MW)
Installed Capacity (Domestic and Export)	57.69	42.5	0.25	100.44
Available Capacity	47.15	39.6	0.25	87

The above existing power plants will be complemented by the ongoing methane-to-power project of 25 MW expected to be commissioned in the first quarter of 2013. Besides, the Nyabarongo hydro project with a design capacity of 28 MW represents another major plant which is under construction and is due for a complete commissioning in 2014.

The Government, in collaboration with the private sector and development partners, has embarked on promoting several small electricity projects as part of the efforts to increase renewable energy in the energy generation mix. In this regards, four (4) micro hydro projects (Keya, Nkora, Cyimbili and Mazimeru) have been commissioned and 10 mini and micro hydro projects are ongoing with a total combined capacity of 10.12MW. These are MUKUNGWA II (2.2 MW), JANJA (0.22MW), GASHASHI (0.2MW), MUSARARA (0.4MW), MAZIMERU (0.5MW), NYABAHANGA (0.2MW), RUKARARA II (2MW), NYIRABUHOMBOHOMBO (0.5MW). The NSHILI (0.4MW) and GICIYE (4MW).

The Rwanda's share of planned regional hydropower project is estimated at 170 MW of which Rusumo falls (90 MW) on the border with Tanzania and Rusizi III (145) MW and Rusizi IV (267 MW) on the border with the DRC. The above projects are being jointly undertaken with Tanzania/Burundi and Burundi/DRC respectively.

3.2.2 GAS SUB-SECTOR

Kivuwatt Ltd, a subsidiary of Contour Global, a US based company, plans to generate 25 MW from methane gas by early 2013 and that is anticipated to be followed by a second phase of 75 MW.

The Rwanda Energy Company (REC)'s plant of 3.6 MW is being rehabilitated. The Kibuye Power (KP1) with an originally designed capacity of 3.6 MW currently produces 1.3 MW. It is in the process of being handed to a private operator who will scale up its production capacity to 50 MW.

3.2.3 PETROLEUM SUB-SECTOR

The demand for petroleum products is forecasted to grow at an average of 10% each year between now and 2020 and the importation cost has important macro-economic impact, at present, oil products account for 25% of import costs. The proportion of export revenues spent on oil products is even higher at around 55%.

As illustrated in the table below, both Diesel and Petrol are the main petroleum imported products with Diesel being mainly used in the electricity generation and in the transport sector.

TABLE 15: Petroleum Products Importation

Petroleum product	Volume (litres p.a.)
Diesel	103,624,633
Petrol	74,025,910
Kerosene	12,006,010
Jet fuel	1,044,002
Heavy fuel Oil (HFO)	31,433,859
Other Heavy fuel Oils (HFO)	2,770,187
LPG	240 tonnes

Regarding the petroleum infrastructure, the Government has clear plans to increase its strategic storage capacity of an equivalent of four (4) months from the current one-month. The total targets reserves are 150,000 m³ by 2017.

3.2.4 BIO-ENERGY SUB-SECTOR

So far the domestic biogas plants have been installed in over 2,366 households and around 65 large biogas digesters have been constructed in 63 institutions in Rwanda.

The biogas systems installed in the schools and prisons have reduced firewood consumption to around 60% and 40% respectively, significantly improving hygienic conditions.

3.3 LEGAL AND REGULATORY FRAMEWORKS

The energy sector liberalization started with the Law N° 18/99 of 30/10/1999 which removed the monopoly of Electrogaz.

The regulation of the energy sector itself stemmed from the Law N° 39/2001 of 13th September 2001 establishing Rwanda Utilities Regulatory Agency, along with some secondary legislations and instruments such as the RURA guidelines and Rwanda Energy Policy and Strategy.

Some of the secondary legislations deriving from the law establishing RURA are the following:

Ministerial order N° 4/DC/04 of 7th June 2004 fixing 1% turnover payable annually by all regulated sectors.

Ministerial Order N° 8/DC/04 of 07/06/2004 on additional and specific types of Agreements, Decisions, Practices and Codes of Conduct considered to be anti- competitive or an abuse of a dominant position.

An important milestone in terms of energy legal and regulatory framework was the enactment of the Law N°21/2011 of 23/06/2011 governing the electricity in Rwanda which was published in the Official Gazette of the Republic of Rwanda on 12th July 2011. The main objectives of the said law include:

- 1° liberalization and regulation of electricity sector;
- 2° harmonious development of distribution of electric power for all categories of the

population and for all economic and social development sectors;

3° setting up conditions enabling electric power investments;

4° respect for the conditions of fair and loyal competition and for rights of users and operators.

With regard to the downstream petroleum industry, Liquefied Petroleum Gas (LPG) Regulations and the Aboveground Petroleum Storage Facilities (APSF) Regulations have been developed and approved by the Regulatory Board and their implementation has started with the registration of all LPG operators throughout the country for licensing purposes.

In the Bio-gas sub-sector, Provisional Guidelines for Construction of fixed dome biogas plants were drafted and published on RURA website for stakeholders' review.

3.4 DEVELOPMENTS RELATING TO CONSUMER ISSUES

During the financial year under review, five (5) complaints were received and handled; three (3) of them were related to Electricity Power shortage, one related to damages inflicted by the Electrical power cuts, and one related to operator's poor service delivery in rural areas.

3.5. PERFORMED REGULATORY ACTIVITIES

3.5.1 ELECTRICITY SUB-SECTOR

The Grid Code, a crucial technical regulatory tool in the power industry, was developed. It establishes technical and other requirements for the connection to and use of the Interconnected Power System in a manner that ensures its reliability and efficiency. The Grid Code provides assurance to the Regulator that the licensees operate according to the appropriate standards and conditions.

In addition, three other technical regulatory tools were drafted with the overall purpose of improving the safety and quality of electricity supply and services. These are the electrical installations regulations, the electricity safety regulations as well as the quality of service regulations. Furthermore, the electricity right-of-way guidelines were also drafted.

The Agency carried out due diligence on the eligibility and ability of IPPs that applied for power generation licenses. Site inspections were undertaken in seven (7) HPP (Rukarara, Keya, Rugezi, Cyimbili, Murunda, Gihira and Gisenyi) to assess the status of facilities used by the licensees in the provision of electricity services. Below is the list of renewed IPPs provisional licenses.

TABLE 16: List of IPPS Provisional Licenses Renewed

S/N	COMPANY NAME	LOCATION
1	RWANDA MOUNTAIN Tea	Nyabihu District
2	REFAD Rwanda	Nyamagabe District
3	STADTWERKE MAINZ AG Company	GASABO District
4	SOGEMR	Gakenke District

During the financial year under review, RURA continued monitoring the performance of the power sector in terms of quality of services and compliance to standards. In this framework, eight (8) site visits were carried out in the Eastern Province to inspect the quality of electricity supply from a newly introduced system of single phase distribution being used for rural electrification in Rwanda.

In addition, 16 manufacturing companies were inspected with the aim of evaluating the quality of electricity supply and its impact to their businesses.

Moreover, outlines of the electricity network performance (power plants production, network peak values, consumption statistics, lake levels, blackouts, accidents, losses) were assessed on a quarterly basis.

Moreover, two site visits to ten (10) HPP projects (Janja, Nyabahanga, Nyirabuhombo, Gashashi, Mukungwa II, Nshili, Musarara, Mazimeru, Giciye and Nyabarongo) under development were carried out in a bid to monitor the infrastructure development in the electricity sector.

3.5.2 GAS, PETROLEUM AND RENEWABLE ENERGY SUB-SECTOR

Technical site visits were carried out to methane gas extraction plants in Rubavu and Karongi districts. The reporting system to be used by operators was developed and it is to facilitate RURA to get regular information and data on their operations.

With regard to industrial gases (Industrial oxygen, Industrial Acetylene, Industrial Nitrogen and Industrial Argon) and medical gases (Oxygen, Carbon dioxide and Nitrogen), quite a number of standards were identified and eventually purchased with the view of incorporating them into the regulations for future enforcement.

Six sites inspections to petroleum storage facilities, petrol filling stations and LPG operators were regularly conducted in the City of Kigali and upcountry with the objective of getting updated information and developing a complete database that are to facilitate the licensing process in the coming future.

Two site visits to Solar PV installations in remote areas were conducted and recommendations were shared with stakeholders for an improved efficiency of those PV systems.

As far as Geothermal Energy is concerned, RURA participated in the workshop aimed at facilitating the common understanding of geothermal energy development process with policy makers involved in different development stages. The workshop discussed the way forward to efficiently and effectively exploit the geothermal resource.

Also RURA along with its key stakeholders (EWSA, MININFRA, REMA, MINIJUST, MINECOFIN) discussed the geothermal exploration development production draft act as well as geothermal draft regulations.

The finalisation of these two legal and regulatory instruments is stated for 2013. These are expected to facilitate participation of the private sector.

3.6 MARKET PERFORMANCE AND STATISTICS

3.6.1 SUBSCRIBERS

The total number of electricity subscribers was 310,845, which represents 14% penetration rate. This exceeded by 35.6% the targeted number in EDPRS 1 that aimed at connecting 200,000 households by 2012.

3.6.2 TARIFF STRUCTURE

ELECTRICITY END USER TARIFF

In June 2012, RURA reviewed the End User Tariff of Electricity in Rwanda whereby applicable average tariff was increased by 20% as follows:

Table 17: Electricity End-User Tariff Structure

Category	Rwf per kWh	
	VAT exclusive	VAT inclusive
Domestic	134	158
Time of use/Industrial and commercial		
Low : From 23h00 to 7h00	96	113
Medium : From 7h00 to 17h00	126	149
High : From 17h00 to 23h00	168	198

The time-of-use tariffs referred to in the above table are aimed at encouraging the industrial and commercial consumer to shift their electricity use to off-peak period.

RENEWABLE ENERGY FEED-IN-TARIFFS (REFIT)

Considering the fact that the feed-in-tariff rate was fixed at Rwf 60/kWh by EWSA without a proper study or consultation and within the framework of creating an enabling environment for private investments in the generation of electricity, in February 2012, RURA put in place the renewable energy feed-in-tariffs (REFIT) applicable for three (3) years. That was a technology specific Feed-In-Tariff (FIT) for small sized hydro-power plants of 10 KW capacities and below.

The boosting of private investment in the sector, is aimed at arriving at the ambitious target of the Government of Rwanda of 70% electricity penetration rate by the year 2017. The table below shows the Rwanda renewable energy feed-in-tariff.

TABLE 18: Energy Feed-In-Tariff (IN USD CENTS)

No	Tariffs (USD cents/kWh)	Plant Installed capacity
1	16.6	50 kw
2	16.1	100 kw
3	15.2	150 kw
4	14.3	200 kw
5	13.5	250 kw
6	12.9	500 kw
7	12.3	750 kw
8	11.8	1 Mw
9	9.5	2 Mw
10	8.7	3 Mw
11	7.9	4 Mw
12	7.2	5 Mw
13	7.1	6 Mw
14	7.0	7 Mw
15	6.9	8 Mw
16	6.8	9 Mw
17	6.7	10 Mw

3.6.3 REVENUES

The revenues collected from the sale of electricity by EWSA increased from RWF 42.5 billion in 2011 to 49.3 billion in 2012, including electricity and water revenues for year ended December 2011.

3.7 SECTOR SPECIFIC CHALLENGES

There are still inadequate investments leading to mismatch between power supply and demand. As a result, the system is operating without sufficient reserve margin that subsequently affects the reliability and stability of the power network.

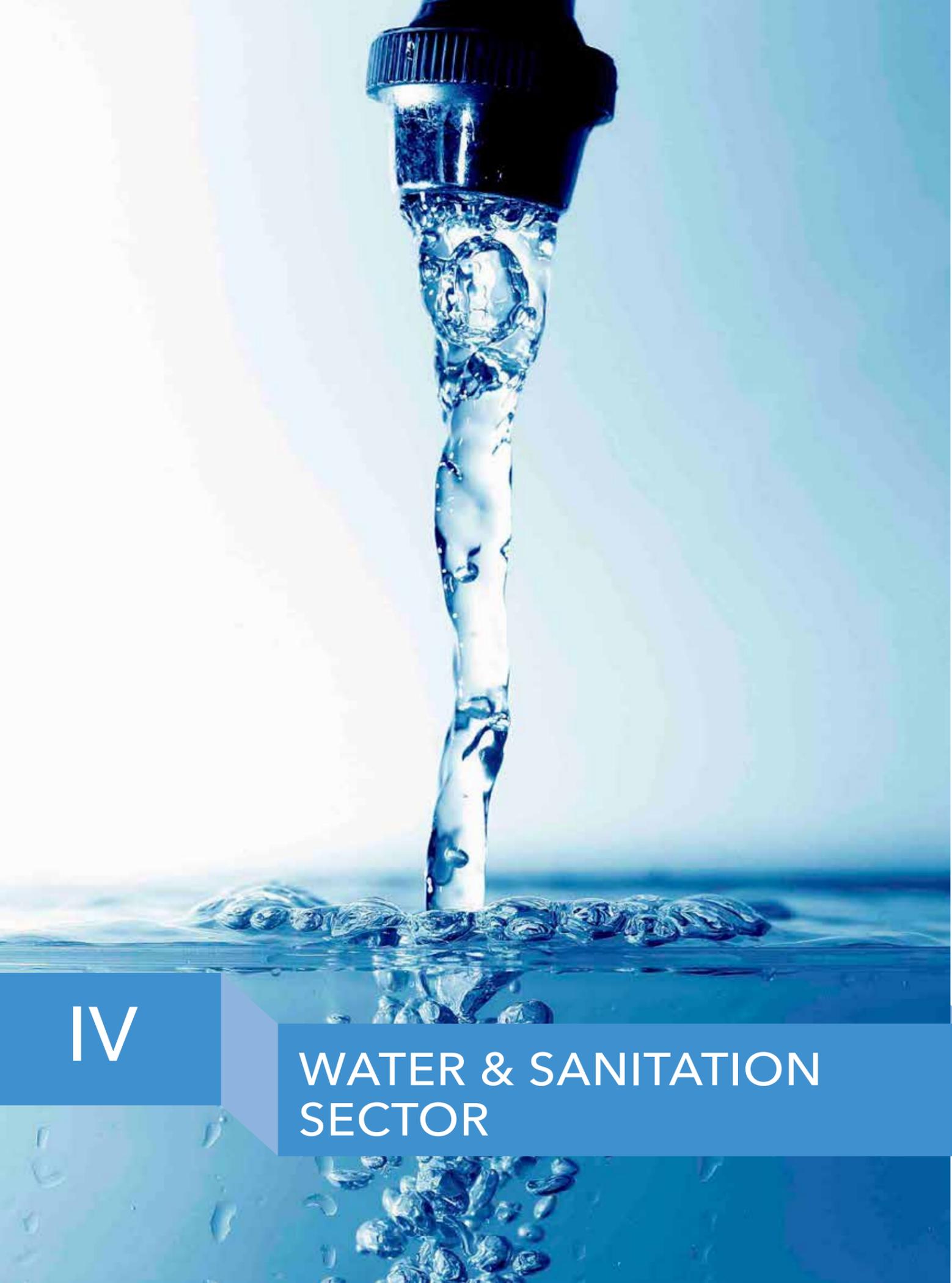
Although the Government has put a lot of efforts in the construction of new small hydro power plants as a remedy to the power shortfall, the operations of newly completed plants such as Rukarara, Rugezi, Keya and Cyimbili are far from being efficient as they repeatedly experience technical problems.

The system grid stability and reliability remain unsatisfactory with recurrent outages and technical incidents on the grid mainly due to aged or damaged equipment (underground cables, old wood poles, protection equipments, etc).

Apart from using its share of regional hydro plants - SINELAC and Rusizi I (SNEL), Rwanda is not connected to any other regional shared electricity transmission network. This limits the prospects for large scale trade as Rwanda's system expands and as development of domestic resources may provide additional capacity that can be profitably exported to the neighbouring countries.

There is insufficient coordination in the energy sector especially when it comes to sharing important information on real time basis as well as providing correct information in order for RURA to attain effective regulation.

There are gaps in the institutional framework in the petroleum and gas sub-sectors due to delayed enactment of both downstream petroleum and gas laws.



IV

WATER & SANITATION SECTOR

IV WATER AND SANITATION SECTOR

4.1 PROFILE OF THE SECTOR

Access to safe drinking water and improved sanitation is a fundamental human right approved by the United Nations in 2010 and well reflected in the National water and sanitation policy and strategy for Rwanda. This is mainly because the quality of drinking water and sanitation services has a direct impact on public health and both are key components of social and economic development.

The primary objective of the water and sanitation sector is to ensure sustainable and affordable access to safe drinking water and sanitation services to all and this is well stated in various national policies such as the EDPRS and vision 2020. Rwanda was recently ranked among countries that are on a good track towards the achievement of millennium targets (MDG) in the water and sanitation sector.

Statistics from the National Institute of Statistics for Rwanda (2012) show that urban households have improved access to drinking water and sanitation services than rural households, 86% and 72% for water and 83% and 73% for sanitation respectively. The same shows that improved sanitation has significantly increased by a larger extent for rural households (55 to 73%) relative to urban (75 to 83%) compared to 2010.

However, the sector is still facing challenges relating to operations and management of rural water and sanitation infrastructures. This sector still requires more investments to keep infrastructures in good working conditions to ensure an improved access to these basic amenities.

During the course of the financial year 2011-2012, commendable achievements were recorded in both rural and urban areas; coverage rates increased due to new water systems constructed and rehabilitated and increased number of both new connections and private operators.

As stated earlier, according to data from the NISR, water coverage stands at 86% for urban and 72% for rural areas. In regard to improvements registered, the Eastern Province had the relative largest increase for improved drinking water, rising from 58% in 2010 to 67% in 2012.

In urban areas, the coverage rate has improved as a result of extensions and new water connections from 79,250 in 2010 to 107,127 in 2011, implying an overall increase of 35.2%. This proves a good progress in terms of access to water services. Water production also showed a slight increase in 2011. The total production increased to 32,093,662 m³ in 2011 from 28,061,980 m³ in 2010.

Although the unaccounted for water has reduced significantly in 2010 from 62.1% to 31.1%, there was however an increase of 8.9% recorded in 2011, bringing the unaccounted for water to 40%. This has therefore reduced the chance to achieve the 26% targets set in the Water Supply and Sanitation policy.

During the financial year 2011/2012, RURA focussed on developing more regulatory tools to facilitate regulation of these services, monitoring the quality of service delivery, enhancing public awareness through various workshops as well as enforcing existing regulatory tools.

4.2 SECTOR COMPONENTS

4.2.1 WATER SUB-SECTOR

The water sub-sector is mainly classified into urban and rural water supply systems. The Urban water supply is still monopolized by the state-owned public Utility (Energy, Water and Sanitation Authority - EWSA). EWSA operates and manages 14 water treatment plants and 15 distribution networks in urban centres and the Nyamata distribution network with the Ngenda water treatment plant in Bugesera district.

The rural water supply service is provided either under private operators through management contracts in the form of Public-Private-Partnerships or without contracts through water committees known as "Regies", schools, health centres, Tea/coffee factories, etc.

4.2.2 SANITATION SUB-SECTOR

The sanitation regulation sub-sector looks after solid waste collection and transportation, septic wastes transportation and installation of decentralized wastewater treatment systems as well as cleaning services.

The mandate of the Regulator in sanitation regulation is to ensure availability, affordability and quality of service in the sub-sector.

4.3. LEGAL AND REGULATORY FRAMEWORKS

The legal framework governing the sector includes laws, policies and strategies as illustrated by table N° 18:

Table 19: Law and Policy for Water and Sanitation Sub-Sector

No	Name of the Law/policy
1	The Law n°39/2001 of 13/09/2001 establishing RURA
2	Organic Law n° 04/2005 determining the modalities of protection, safeguard and promotion of the environment in Rwanda
3	The Law no 08/2006 of 24/02/2006 determining the organization and functioning of the District
4	The Law N°62/2008 of 10/09/2008 Putting In Place The Use, Conservation, Protection And Management Of Water Resources Regulations
5	Law n° 16/2006 determining the organization, functioning and responsibilities of Rwanda Environment Management Authority
6	The National Policy and Strategy for Water Supply and Sanitation Services, as adopted by the Cabinet Meeting of 05 th 03, 2010
7	Rwanda vision 2020
8	The Economic Development and Poverty Reduction Strategy (EDPRS I, 2008-2012)

Apart from the above mentioned legal and policy tools, RURA has put in place a number of regulatory instruments in Water and Sanitation sector for effective regulation of the subsector. Following are the guidelines that are in place:

Table 20: Water Guidelines in Place

No.	Name of guidelines
1	Guidelines on Minimum Required Service Level for Water Service Provision
2	Decision N° 07/SAN- RURA/2009 of 17th July 2009 adopting Guidelines on Minimum requirements for Solid waste management
3	Decision N° 17/SA-RURA/2009 of 11th November 2009, on Requirements for Liquid waste disposal and treatment
4	Decision N° 18/SA-RURA/2009 of 11th November 2009, on Guideline for Management of Waste Disposal Sites/landfills

Further to the Board Decision N° 07/SAN-RURA/2009 of 17th July 2009, Guidelines on Minimum Requirements for Solid waste management, Sanitation service providers (SSPs) operating in solid waste collection industry were issued licenses for one year. Below is the list of licensed operators from 2010 to 2012:

Table 21: Issued and renewed Licenses in Sanitation Sub-Sector

No	Company Name	Activity	License number
1	Coopérative pour le développement des vétérans Intwari (CDVI)	Solid Waste Collection and Transportation	001/San/RURA/2010 (Renewed)
2	Action Coopérative pour la conservation de l'Assainissement et la protection de l'environnement (ACAPE)	Solid Waste Collection and Transportation	002/San/RURA/2010 (Renewed)
3	Compagnie pour l'environnement et le développement (COPED S.A.R.L)	Solid Waste Collection and Transportation	003/San/RURA/2010 (Renewed)
4	New Cleaners LTD	Solid Waste Collection and Transportation	006/San/RURA/2011
5	Action des Agriculteurs Unis pour l'Hygiène, la Propreté et la Protection de l'Environnement (AGRUNI Ltd)	Solid Waste Collection and Transportation	007/San/RURA/2011 (Renewed)

6	Cooperative Duhinduke de Gisozi	Solid Waste Collection and Transportation	008/San/RURA/2011
7	Coopadi-Duharane	Solid Waste Collection and Transportation	012/San/RURA/2011
8	Coopérative Isuku Kinyinya	Solid Waste Collection and Transportation	013/San/RURA/2011
9	Cooperative Ababerarugo ba Kicukiro	Solid Waste Collection and Transportation	014/San/RURA/2011
10	Coopérative pour La Conservation de L'environnement (COOCEN)	Solid Waste Collection and Transportation	015/San/RURA/2011
11	Cleaning Vision Solution LTD (CLEVS)	Solid Waste Collection and Transportation	016/San/RURA/2011
12	SOIMEX PLASTIC LTD	Solid Waste recycling	017/San/RURA/2011
13	Entreprise Action Propreté et Environnement	Solid Waste Collection and Transportation	018/San/RURA/2011
14	BAHEZA GENERAL SERVICES	Solid Waste Collection and Transportation	019/San/RURA/2011
15	UBUMWE CLEANING SERVICES (UCS)	Solid Waste Collection and Transportation	020/SAN/RURA/2011

16	COMPANY REUSE AND RECYCLES THE WASTE CLEANING SERVICES "C.R.W" LTD	Solid Waste Collection and Transportation	021/SAN/RURA/2011
17	The Real Environment Protectors	Solid Waste Collection and Transportation	023/SAN/RURA/2012
18	BENISUKU COMPANY LTD	Solid Waste Collection and Transportation	024/SAN/RURA/2012
19	027/SAN/RURA/2012	Solid Waste Collection and Transportation	025/SAN/RURA/2012

4.4. DEVELOPMENTS RELATING TO CONSUMER ISSUES

During the financial year under review, in a view to protect the consumer interests, the contract template and content between the Sanitation Service Providers and the consumers has been developed.

In addition, in the water subsector, seventeen (17) complaints were received and handled. They were mainly related to water shortage and malfunctioning of water meters. In sanitation sub sector two (2) complaints were received and all resolved. They were related to some operators misleading information provided to RURA.

4.5 PERFORMED REGULATORY ACTIVITIES

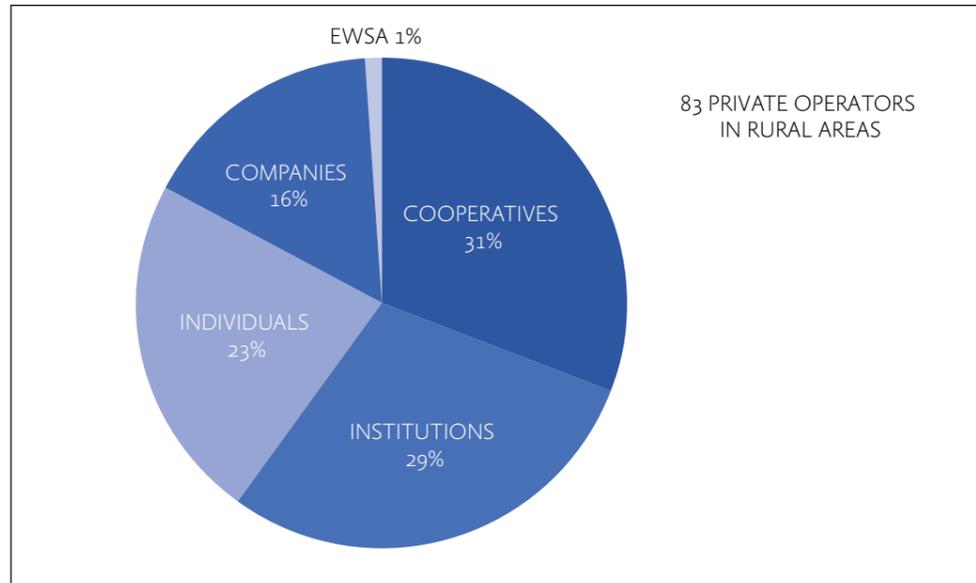
4.5.1 WATER SUB-SECTOR

Within the framework of monitoring the quality of service provided by EWSA, regular audits and inspections were conducted to water treatment facilities to evaluate the implementation of formulated recommendations. Improvements were noticed in terms of water quality, laboratories equipments, reduction of unaccounted for water, installation of water meters, reduction for water used for backwashing.

In rural areas, improvements were recorded in terms of the number of new water systems installed and rehabilitated as well as in terms of increased number of operators. There are currently 83 operators managing 261 water systems through Public-Private-Partnerships.

Although there was an increase of the number of operators from 54 to 83, 28 PPP contracts were breached in eight districts. This brought the number of water systems under PPP contracts to 30.1% which is still far compared to the target of 40% set in the water supply and sanitation policy.

FIGURE 11: Status of PPP Contracts In Rural Water Supply



Water services licensing regulations were drafted and approved by the Regulatory Board.

4.5. 2 SANITATION SUB-SECTOR

Within the framework of enforcing regulatory tools, regular audits and inspections were conducted to sanitation operators to assess the quality of service and recommendations were provided for improvement in service delivery.

Inspections were also conducted to district dumping sites across the country to assess the current status of waste management. These inspections were sanctioned by tailored recommendations pertaining to solid waste management strategies.

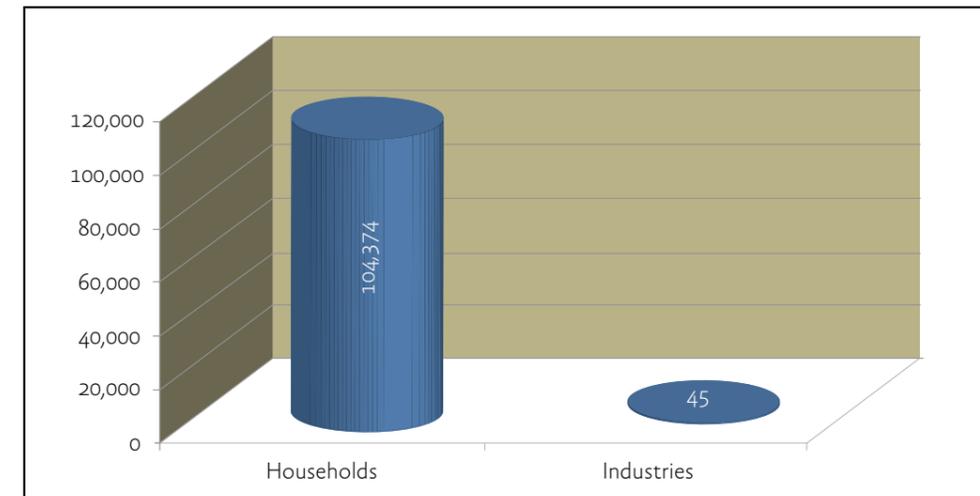
4.6 MARKET PERFORMANCE AND STATISTICS

4.6.1 WATER SUB-SECTOR

In the water sub-sector, urban water supply is still dominated by the EWSA with a monopoly over towns and urban centres.

The following figure shows the number of subscribers to EWSA water network. As of June 2012, the total number of water subscribers was 104,419 of which 60% are based in Kigali City and 40% based in other parts of the country.

FIGURE 12: Number of Subscribers to Water Service as of June 2012



Source; RURA, EWSA returns

The above figure shows that almost 100% of water subscribers belong to the household category.

TARIFF STRUCTURE IN THE WATER SUB-SECTOR

The water tariff remained unchanged in the course of 2011-2012. The following table illustrates the tariff structure of EWSA.

TABLE 22: Distribution of Water Tariff Per Category of Consumption

Monthly Consumption	Water tariff per m ³ VAT exclusive
At Public Water Kiosk	Rwf 240
Between 0 and 5 m ³	Rwf 240
Between 6 and 20m ³	Rwf 300
Between 21 and 50m ³	Rwf 400
Between 51 and 100m ³	Rwf 650
Above 101 m ³	Rwf 740
Industries	Rwf 593

TABLE 23: Distribution of Monthly Meter Fee Per Category of Consumer

Meter rent		Tariff excluding VAT (18%)	Tariff VAT inclusive (18%)
Monthly Fee for Meter Rent (ordinary consumption)	Water Meter	Rwf 100	Rwf 118
Monthly fee for meters (industries/customers with high consumptions)	Water Meter	Rwf 500	Rwf 590

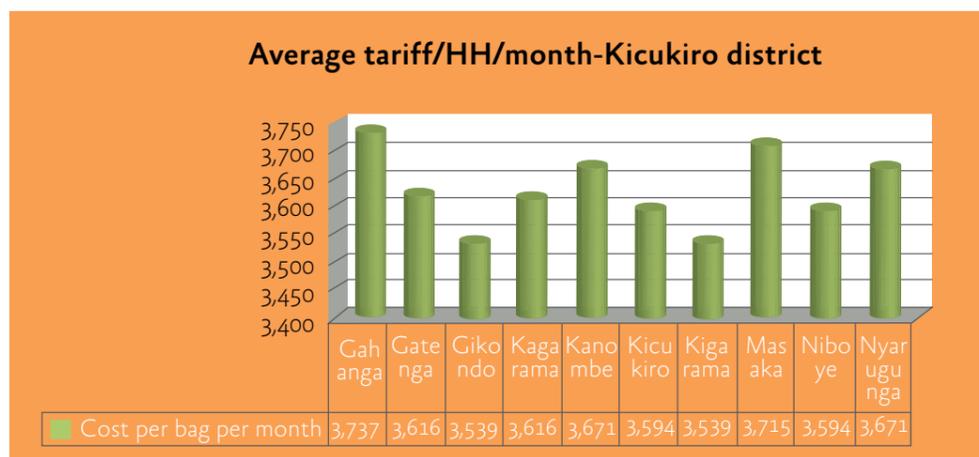
TABLE 24 : Initial Connection Fees

Type	Tariff (Rwf)
Study fee	6,000
Refundable deposit	5,000
Connection fee	18,000

4.6.2 SANITATION SUB-SECTOR

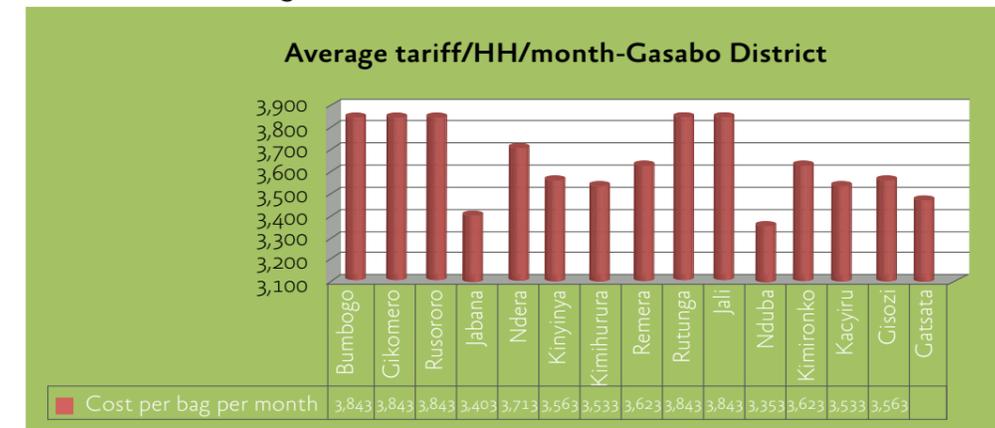
Considering the need to set the end user tariffs for the solid waste collection and transportation, RURA undertook a tariff study and came up with a tariff for solid waste collection and transportation from residential premises in Kigali-City. The tariff structure contains a level of cross subsidy among the three categories of households borrowing the concept used in the "Mutuelle de santé" households' classification whereby some categories pay below the cost while others pay well above the economic cost of supply.

FIGURE 13: Average Tariff//Hh//Month-Kicukiro District



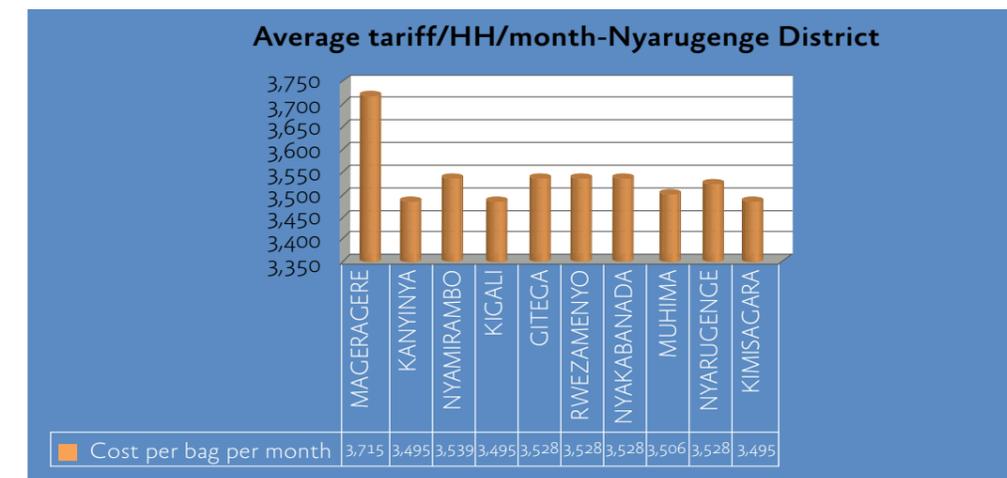
Source: RURA

FIGURE 14: Average Tariff//Hh//Month-Gasabo District



Source: RURA

FIGURE 15: Average Tariff//Hh//Month-Nyarugenge District



Source:RURA

The above tariff structure has the advantage of taking into consideration the purchasing power of the population whereby the household with low income will be paying less while people earning more will be paying more in order to cater for the loss incurred by the operator for the low income earners.

4.7 SECTOR SPECIFIC CHALLENGES

The following are challenges being faced in the water and sanitation sector:

- Limited Private sector investments in the sector,
- Absence of water supply and sanitation law,
- Water quality control remains a big challenge in rural areas,
- Limited professionalism of operators in rural areas (cooperatives),
- Affordability of the service cost in Low Income Communities remains a barrier for investors especially,
- Water tariffs in rural areas tend to be relatively high, in particular where pumping system is used.
- Lack of professionalism among service providers which leads to inaccurate financial data submitted to the Regulator for analysis.
- Affordable water tariff in rural areas need to be worked out.



V

TRANSPORT SECTOR

V. TRANSPORT SECTOR

5.1 SECTOR PROFILE

The transport sector being a significant segment of the country's socio economic development, there is a need to ensure that a solid regulatory foundation is in place. RURA regulates the three modes of transport, namely road, waterways and air.

In this sector, RURA has the mandate to ensure that transport services are provided throughout the country to meet, in transparency all reasonable demands and needs of all natural persons and organizations. It also insures that Interests of users and potential users of transport services are catered for while ensuring compliance of transport service providers to laws and regulations governing their activities.

5.2 SECTOR COMPONENTS

As earlier mentioned the transport regulation includes the regulation of all the three modes of transport, namely; air, road and waterways. In the road transportation mode, RURA regulates all providers of commercial transport services. These are public bus and minibus operators, taxi cab operators, taxi motorcycle operators, driving schools, as well as goods transport operators.

On the other hand, in Waterways and Air transport Regulation, RURA has the mandate to promote effective competition and economic efficiency, to protect consumer interests and ensure business financial viability and availability of regulated services to consumers of waterways and air transport services.

5.3 LEGAL AND REGULATORY FRAMEWORKS

The transport sector generally suffers from the absence of primary legislative tools. Apart from the law decree of 30th March 1913 on the responsibilities of transporters, public transport is regulated since 2008 under the Board Decision N° 16/TR-RURA/2008 of 17th December 2008 governing the transport of persons in Rwanda.

Due to certain legal constraints faced during its implementation, this Board Decision was equally revised and amended by the Regulatory Board on 26th August 2011. And as way to bridge the legal vacuum, RURA put in place a number of regulatory instruments to enable the regulation of the whole sector while waiting for the enactment of the law governing the sector. The following are the regulatory instruments put in place:

The Board decision N° 005/TRANS-RURA/2011 of 26/08/2011 governing public transport in Rwanda;

The Board decision N° 006/TRANS-RURA/2011 of 16/09/2011 governing transport of goods in Rwanda;

The Board decision N° 13/TR-RURA/2009 of 4 September 2009 regarding the functioning of driving schools in Rwanda;

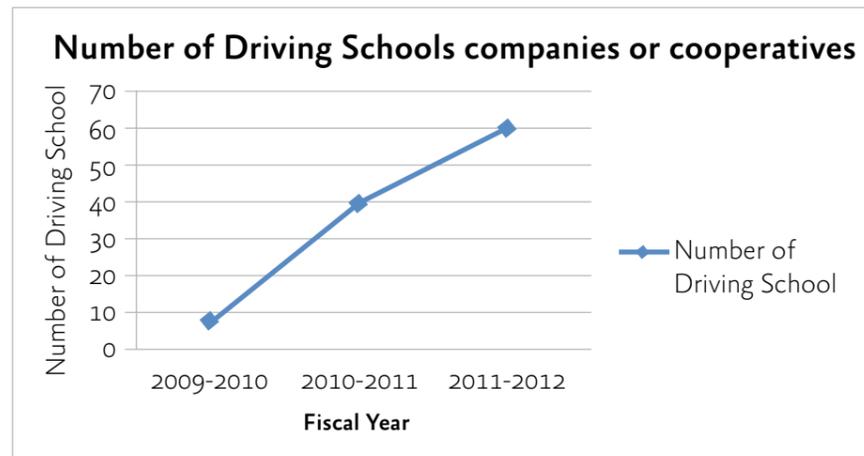
Board decision N° 2/A.TR-RURA/2009 of 4/09/2009 governing the licensing of freight forwarders and air travel Agents;

Board Decision N° 19/W.TR-RURA/2009 of 11/11/2009 on Boat Driving in Rwanda.

5.4 LICENSING IN ROAD TRANSPORT SUB-SECTOR

During the financial year 2011/2012, five (5) companies were licensed to operate the public transport market; these are ATAK, COCTAKI, CONDOR, K.T.S and NYARUGENGE TRAVEL COMPANY. Regarding driving Schools, out of 63 licensed Companies, 20 secured their licenses during the year under review, representing 46.5% increase. The chart hereunder shows that trend:

FIGURE 16: Number of Driving School Companies or Cooperatives



Source: RURA, operators returns

During the period under review, 17 companies renewed their licenses. Apart from companies' licenses, 612 individual authorizations were issued as shown in the table 25. The table No 24 indicates the licensed taxi cabs companies and the number of their vehicles.

TABLE 25: Licensed Taxi Cab Operators

	COMPANIES	NUMBER OF CARS
1	ATAK	21
2	CO.T.V.K	29
3	COCTAKI	14
4	CODACE	12
5	COKITA	15
6	CONDOR	10
7	COOPERATIVE UMUBANO	9
8	COTAHAMA	15
9	COTAVOKA	8
10	COTAVONYA	32
11	EJO HACU HEZA	10
12	INTUMWA TRANSPORT COMPANY	7
13	K.T.S	9

14	K.T.V.CO	15
15	NYARUGENGE TRAVEL COMPANY	13
16	NYUNGWE CHIMPS TRAVEL AGENCY	15
17	QUICK TAXI SERVICES Ltd	13
	TOTAL	247

5.5 DEVELOPMENTS IN AIR AND WATERWAYS TRANSPORT

Several consultative meetings with stakeholders were organised with both Waterways and Air Transport operators to put in place the missing regulatory frameworks in these subsectors.

In the Air Transport sub-sector, RURA participated in regional consultative meetings to discuss the facilitation and harmonization of Air transport policies and regulation. As a result, a consultative committee was established with the mandate of pursuing the objectives of facilitating the completion of border clearance formalities at the airports with respect to aircrafts, crew, passengers, luggage and cargo.

In the Waterways transport sub-sector, RURA carried out on-shore boat and equipments inspections to assess the capacities of boats, their functioning, safety and sea worthiness capacity. Consequently, guidelines governing the sub sector were developed and eventually implemented.

In addition, waterways transport operators were registered and the capacity of their water carriage was assessed. This exercise contributed to reducing the number of informal operators in the subsector. Furthermore, the registration of operators was followed by a capacity building programme for boat drivers on code of conduct.

5.6 DEVELOPMENTS RELATING TO CONSUMER ISSUES

During the financial year under review, 366 complaints were received and handled. The complaints were related to the non-compliance with the tariff set by RURA, luggage losses, and poor customer care, non compliance to assigned routes, cutting the assigned route half way, and overcharging passengers during peak hours.

5.7 PERFORMED REGULATORY ACTIVITIES

At the beginning of the year, RURA had planned to monitor and enforce transport regulations and guidelines, put in place framework for transport of goods, establish the Road Transport licensing system, establish new offices in provinces, promote the use of ticketing in Road transport sector, contribute to the harmonization of Rwandan Waterways Laws with the East African Community regulations, participate in air transport forums for information sharing and conduct site inspections to ensure compliance with standards in Waterways transport. The level of achievement of these planned programs are covered in the paragraphs below.

5.7.1 ROAD TRANSPORT OF PERSONS

Compared to the fiscal year 2010-2011, the current year was characterized by an increase in the number of licensed Companies and Cooperatives which came from 20 to 33 Companies and /or Cooperatives, representing approximately a 40% increase. The increase was mainly due to the sensitization programs in various meetings with the operators encouraging them to work as companies or cooperatives. This resulted in the

establishment of the Rwanda Federation of Transport Cooperatives (RFTC), a profit-oriented body which replaced the former ATRACO.

Apart from the two private Companies (i.e Camel Travel and Tours Agency and Rwinyana ltd), the remaining eleven (11) new entrants in the public transport industry are Cooperatives under the umbrella of RFTC.

Among the twenty (20) licensed companies during the fiscal year 2010 - 2011, eighteen (18) renewed their licenses. The companies which did not renew their licenses were reminded and warned for their failure to comply with regulations.

In addition, 612 individual authorizations were issued to taxi cabs operators, 18,502 motorcycles and 1,973 motorbikes operators.

Sixty one (61) site visits were conducted to assess compliance of driving schools operators with regulations.

In a bid to monitor the compliance level of public transport operators with the existing regulations, inspections were conducted to 23 companies and cooperatives out of which nineteen (19) were found not complying with regulations. Inspections focused mainly on compliance of operators with fares set by RURA, their abidance with the routes allocated as well as complying with the license obligations such as observing the commercial vehicles technical reports.

5.7.2 ROAD TRANSPORT OF GOODS

The Regulatory Board issued the decision N° 006/TRANS-RURA/2011 of 16/09/2011 governing transport of goods in Rwanda to deal with quality of service and fair competition in the market. As a result, RURA started issuing transport of goods authorizations.

5.7.3 WATERWAYS TRANSPORT

In the waterways sub-sector, RURA established a licensing framework to start the regulation of the sub sector. However, since the adoption of these regulations, no Individual or company has been licensed because of lack of clear policy and legal framework on issuance of seaworthiness in Rwanda. The Ministry in charge of transport, in close collaboration with RURA and other key stakeholders in this sub- sector, has initiated a policy and a draft law is currently being worked out in order to overcome this challenge.

5.7.4 FREIGHT FORWARDERS AND TRAVEL AGENCIES

With regard to the regulation of freight forwarders and travel agencies, RURA issued five licenses in 2010 which are still valid. Considering that this number of licensed operators is very small compared to the non licensed operators in the market, RURA plans to further sensitize and encourage non-licensed freight forwarders operators to comply with regulations governing their business. A consultation meeting with the operators through their association is envisaged as a way of sensitizing them to apply for a license. The Air travel agencies are yet to be licensed and RURA is planning to initiate a high-level discussion with some key institutions to properly address this issue.

5.8 MARKET PERFORMANCE AND STATISTICS

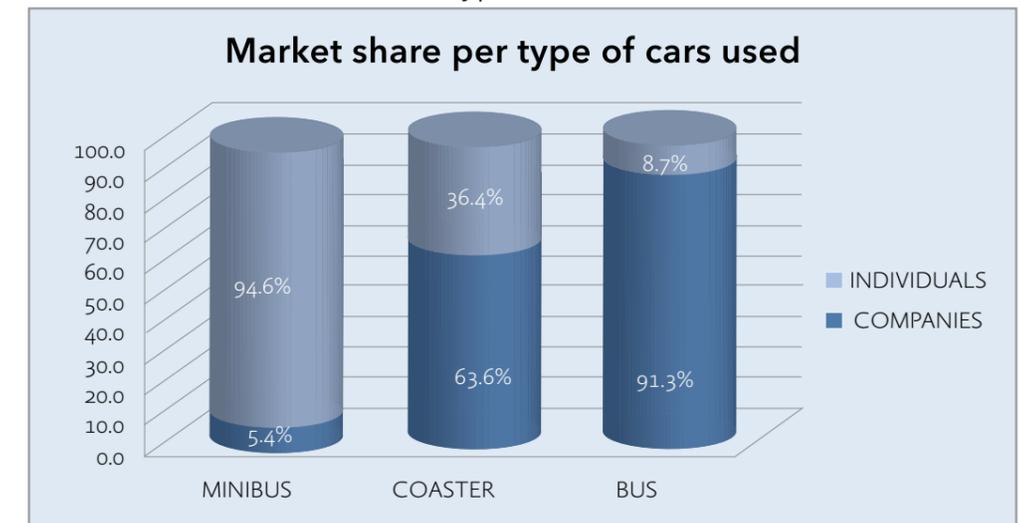
As previously mentioned, the year under review was characterized by a 40% increase of transport companies compared to the last year. The table below N° 24 illustrates the number of licensed transport operators per category by June 2012.



TABLE 26: Licensed Operators Per Category in the Transport Sector

CATEGORY	NUMBER
DRIVING SCHOOLS	50
PUBLIC TRANSPORT OF PERSONS COMPANIES	33
TAXI CABS COMPANIES/COOPERATIVES	17
INDIVIDUAL TAX CABS	612
INDIVIDUAL MOTORCYCLES	18502
INDIVIDUAL MOTORBIKES (Vélo-moteur)	1,973

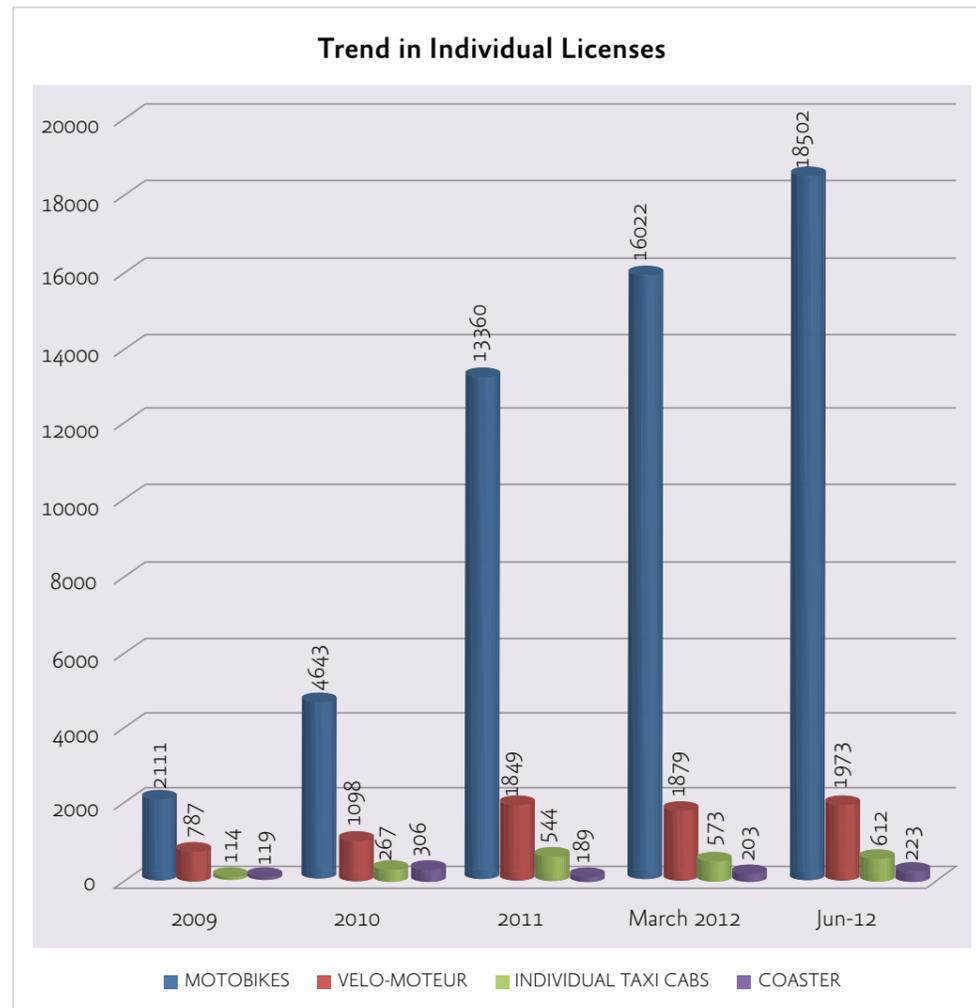
FIGURE 17: Market Share Per Type of Cars Used



Source: RURA, operators returns

The number of minibuses used in the transport by companies increased from 2.7% to 5.4% due to the establishment of transport cooperatives by former individual operators, as depicted by the figure N° 17.

FIGURE 18: Trend in Individual Licenses as Of June 2012



Source: RURA, Operators returns

As per the graph above, despite the increase of licensed companies, individual operators also increased from 44 to 612 for taxi cabs and from 189 to 223 for coasters among others.

Regarding tariff regulation, RURA reviewed the public transport tariff. In January 2012, the tariff per KM for public transport was reduced by 5%. The tariff review considered a fuel price cap of Rwf 1,000/liter and consequently the cost/km/person was reduced from RWF 20 to RWF 19.

5.9 SECTOR SPECIFIC CHALLENGES

The transport sector is facing a number of challenges, mainly relating to insufficient service providers to satisfy the market demand and to unprofessionalism of some licensed operators, especially in driving schools where a good number of operators have limited infrastructure facilities and do not comply with their licenses' obligations.

Some routes are not well served and the road sub-sector is still facing challenges of a big number of informal operators;

Though RURA envisages opening liaison offices in two provinces, transporters from other provinces expressed a need for decentralized RURA Services.

In addition, the sector still lacks an appropriate legal and regulatory framework. This continues to hinder an effective regulation of this sector, especially in water and Air transport sub-sectors, where RURA has limited capacity in terms of staff to carry out regular technical inspections.

Moreover, the lack of detailed statistics on market performance constitutes a hindrance in measuring investments needs and in determining the sector's contribution to the GDP.

Lastly, the level of demand for public transport is not well known and that leads to inadequate route allocation to licensed operators.

VI. CONCLUSION AND WAY FORWARD

Following the organisational re-structuring undertaken during this year, the Agency performed relatively well in terms of implementation of its action plan that is estimated at 70.5%. As extensively discussed in this report, a good number of programs aiming at ensuring consumer rights protection, consumer education and empowerment, regional and international partnerships as well as building high quality delivering team were undertaken. The Agency also pursued its mission of monitoring the market performance and ensuring that each regulated sector has proper legal and regulatory frameworks.

The universal access continued to spearhead the broadband connectivity in rural areas by subsidizing the layout of fibre optic backbone networks up to districts level.

Until now, the utilities regulation is generally facing two types of challenges; firstly, despite continuous efforts of the Agency and other key stakeholders to promote the efficiency of utilities, regulated sectors still need considerable investments for increased and equitable accessibility and affordability of the whole population to those utilities.

Secondly, some regulated sectors like Transport, Energy, Water and Sanitation are still in dire need of comprehensible and complete legal and regulatory framework to govern the regulation of the sectors' activities.

In order to address those challenges and bring lasting solutions, the Agency intends to put in place various strategies and initiate new projects. Apart from its regular regulatory activities including but not limited to performance monitoring and compliance of utility providers to their licenses obligations, consumer education, empowerment and protection, below is summary of key projects and programs that the Agency intends to focus on in the year to come:

In ICT sector regulation, RURA foresees fully operationalisation of the use of the SMMS, IGTVS, and Mobile Networks and broadband internet QoS Monitoring systems as well as the purchase and installation of equipments for Root CA as well as monitoring tools for content broadcasting for a better monitoring and evaluation of operators compliance to their license obligations.

In addition, RURA will continue to follow up the adoption process of the ICT Bill and introduce required guidelines and/or regulations for the effective regulation of the sector.

RURA will continue to engage all stakeholders to implement some initiated projects like the number portability, migration from analogue to digital broadcasting and ensure a universal access of ICT services throughout the country, with an emphasis to specific groups such as Military, hospital, schools, universities and people with disability.

In Energy Sector, RURA will strive to complete all regulations for the operationalisation of the electricity law as well as on the follow-up of the adoption process of the laws governing Gas and Petroleum. It will also continue promoting investments and better utilization of renewable energy resources in line with regional and international regulatory best practices.

In the transport sector, as a way of decentralising its services, RURA will open two liaison offices in the Eastern and Southern provinces so as to bring transport services near the consumers.

Studies to streamline the regulatory functions of the Agency, especially in public transport of persons will be carried out and relevant regulatory tools in this sector will be introduced.

RURA plans to put in place all missing regulatory tools and secondary legislations in the Water and Sanitation sub-sectors.

In order to strategically streamline its operations, RURA will initiate the elaboration of a three-year strategic plan, and put in place operational guides and manuals governing the Human and Financial resources management, Monitoring and Evaluation. Finally, RURA will not only initiate the construction activities of its own office building, but also will continue assisting EACO Secretariat in its starting up phase by providing required logistics for the first six months.

ANNEXES

1. LIST OF LICENSED OPERATORS

A. ICT SECTOR

I LICENSED TELECOMMUNICATION OPERATORS

1	MTN RWANDA
2	TIGO RWANDA
3	RWANDATEL
4	AIRTEL

II INTERNET SERVICE PROVIDERS

1	MTN RWANDA
2	TIGO RWANDA
3	RWANDATEL
4	AIRTEL
5	New Artel
6	ISPA
7	Altech Stream
8	4G NETWORKS
9	BSC
10	4G Rwanda

III LICENSED PAY TV OPERATORS

1	TELE 10
2	STAR AFRICA MEDIA

IV LICENSED RADIOS

1	Authentic Ministries and Zion Temple
---	--------------------------------------

2	CITY RADIO
3	CONTACT FM
4	FLASH FM
5	ISANGANO RADIO
6	ISANGO STARS
7	ORINFOR (RADIO RWANDA)
8	RADIO 10
9	RADIO MARIA RWANDA
10	RADIO SALUS
11	RADIO UMUCYO
12	SANA RADIO
13	VICTORY RADIO
14	VOICE OF AFRICA
15	VOICE OF HOPE

V LICENSED TV

1	TV RWANDA
---	-----------

VI FREQUENCY USERS

1	RWANDAIR
2	Deutsche Welle
3	Sulfo Rwanda Industries
4	CICR
5	Amazing Grace Christian Radio
6	Wolfram Mining & Processing
7	The Canadian Embassy
8	UNPFA
9	Centre de Recherche de KARISOKE
10	AKAGERA AVIATION
11	RGL security

12	AGESPRO SECURITY
13	Blue Hackle RWANDA Ltd
14	Brussels Airlines
15	CENTRE DE CHIRURGIE ORTHOPEDIQUE PEDIATRIQUE ET DE REHABILITATION SAINTE MARIE DE RILIMA
16	Comium Data RWANDA Ltd
17	MTN RWANDACELL
18	International Monetary Fund
19	Intersec Security
20	RWANDAIR/VHF/AS
21	RECO- RWASCO
22	WORLD VISION
23	RTUC
24	RWANDATEL S.A
25	ISPA
26	Isango Stars
27	STAR AFRICA MEDIA
28	NEW ARTEL
29	KK Security
30	HUGUKA ASBL
31	RDB/ORTPN
32	RWANDA RED CROSS
33	SITA
34	SNV RWANDA
35	SDV TRANSAMI
36	SOUTH AFRICAN EMBASSY
37	SWISS CONFEDERATION-DDC
38	CONSOLATO D'ITALIA
39	Embassy of the United State of America

40	AUGERE RWANDA
41	BRALIRWA
42	KENYA AIRWAYS
43	UNITED STATES PEACE CORPS
44	TOPSEC INTERNATIONAL
45	DR. FELIX. K AKORLI
46	SAG
47	SANA RADIO
48	KENYA COMMERCIAL BANK
49	ANGELIQUE INTEL. LIMITED.
50	ECOBANK
51	G4S GROUP
52	OXFAM GB
53	VOICE OF HOPE
54	UN RWANDA
55	TELE 10
56	RADIO MARIA RWANDA
57	CONTACT FM
58	RADIO UMUCYO
59	NATIONAL MEDIA GROUP.
60	RADIO 10
61	RADIO SALUS
62	VICTORY RADIO
63	VOICE OF AFRICA
64	CITY RADIO
65	FLASH FM
66	Authentic Ministries and Zion Temple
67	ORINFOR (RADIO RWANDA)
68	ORINFOR (TVR)
69	TIGO RWANDA

70	JAPANESE EMBASSY
71	4GNETWORKS
72	Catholic Relief Services
73	HOTEL DES MILLE COLLINES
74	MINISTRY OF HEALTH
75	KLM ROYAL AIRLINES
76	GLOBAL SECURITY COMPANY
77	International Gorilla Concervation Programme
78	ISANGANO RADIO.
79	FHI RWANDA
80	BSC
81	Kabuye Sugar Works
82	ISHINGIRO RADIO
83	JICA RWANDA OFFICE
84	RWANDAIR VHF

B. ENERGY, WATER AND SANITATION

I. INDEPENDENT POWER PRODUCERS

1	ENNY
2	REPRO
3	SOTIRU
4	REFAD
5	STADTWERKE MAINZ AG
6	RWANDA MOUNTAIN TEA

II. LISENCE OPERATORS IN SANITATION SECTOR

1	CDVI
2	ACAPE
3	COPEL S.A.R.L
4	Sukura Company Service LTD
5	New Cleaners LTD
6	AGRUNI Ltd

7	COODUGI
8	SOIMEX
9	COOCEN
10	COOPADI DUHARANE
11	NEW ADVENTURES
12	ISUKU KINYINYA
13	Gold Project Company
14	COCENECO
15	ABABERARUGO
16	CLEVS
17	C.R.W LTD
18	ACTION PROPLETE ENVIRONNMENT
19	BAHEZA
20	UBUMWE CLEANING SERVICES
21	ABAKORISUKU
22	REAL ENVIRONMENT PROTECTORS
23	INZIRA NZIZA
24	BENISUKU

C. TRANSPORT

I. LICENSED TRANSPORT COMPANIES IN TRANSPORT OF PERSONS

1	VIRUNGA EXPRESS
2	SOTRA TOURS & TRAVEL AGENCY
3	VOLCANO EXPRESS
4	HORIZON EXPRESS
5	RUGALI TRAVEL AGENCY
6	KIGALI SAFARIS
7	IMPALA TRAVEL SERVICES
8	MATUNDA EXPRESS
9	OMEGA SARL

10	BELVEDERE LINES
11	INTERNATIONAL EXPRESS
12	KIGALI BUS SERVICES
13	PRINCE EXPRESS
14	STELLA EXPRESS
15	INTASHYA EXPRESS
16	AFRICAN TOURS EXPRESS
17	CAPITAL
18	ROYAL EXPRESS
19	YAHOO CAR EXPRESS
20	KAMPALA COACHES
21	AKAMBA COACHES
22	STARWAYS
23	JAKOBU

II. LICENSED TAXI CABS ASSOCIATIONS

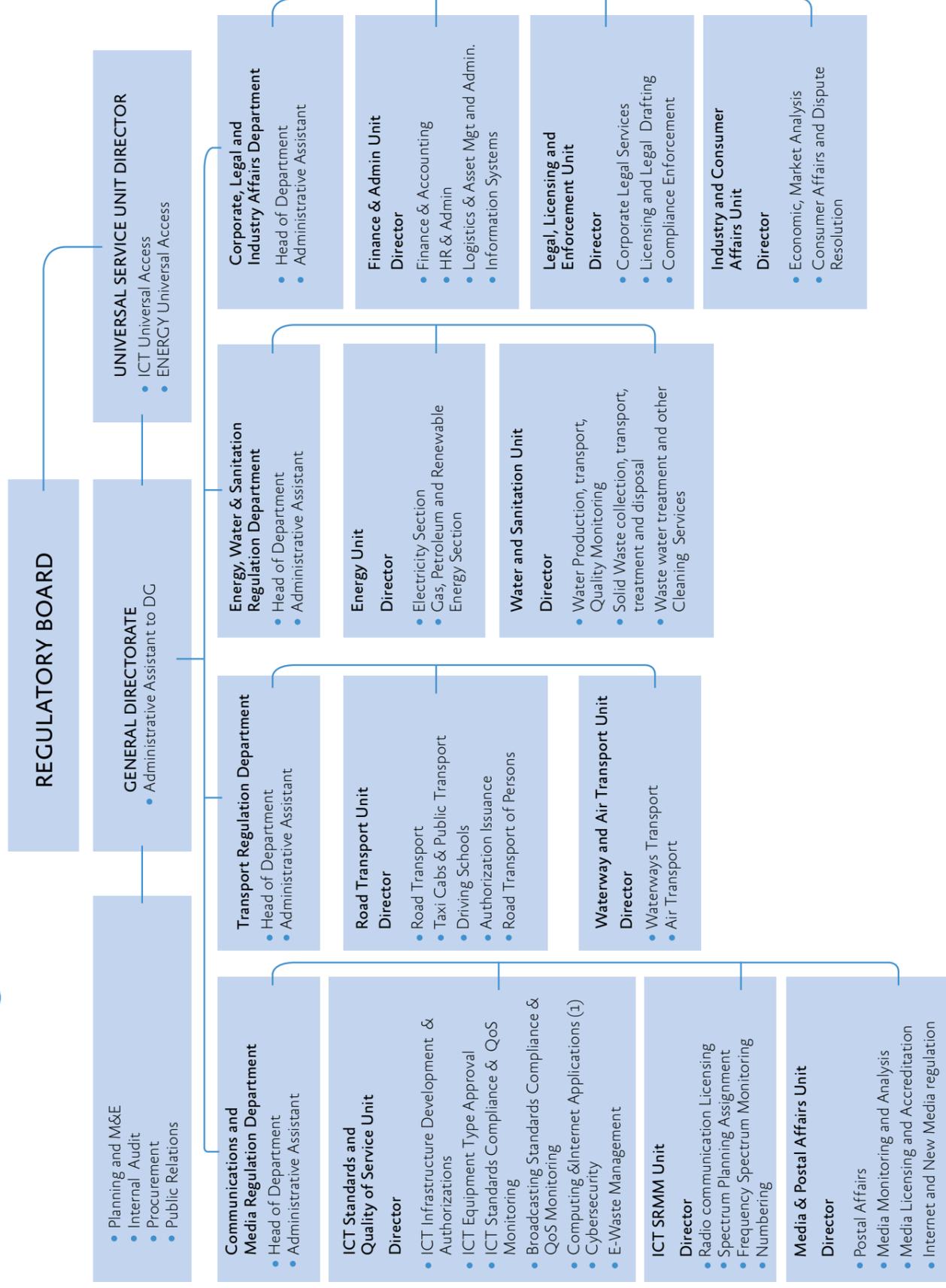
1	CODACE
2	NYUNGWE CHIMPS
3	QUICK TAXIS SERVICES
4	CO.T.V.K
5	COOPERATIVE UMUBANO
6	COTAHAMA
7	COTAVONYA
8	K.T.V CO
9	INTUMWA
10	COTAVOKA
11	UCOOPETAVORWA

12	EJO HEZA
13	COKITA
14	ATAK
15	COCTAKI
16	NYARUGENGE TRAVEL COMPANY Ltd
17	KIGALI TAXI SERVICE
18	CONDOR

III. LICENSED DRIVING SCHOOLS

1	AUTO ECOLE SAINTE FAMILLE
2	SAFETY ROAD LTD
3	AUTO ECOLE MIDLAND LTD
4	CAMPUS DRIVING SCHOOL LTD
5	KARIBU DRIVING SCHOOL
6	AUTO ECOLE LA CONFIANCE LTD
7	FRATERNITY DRIVING SCHOOL LTD
8	AUTO ECOLE KABARONDO LTD
9	NOUVELLE VISION S.AR.L
10	AMANI DRIVING SCHOOL LTD
11	UNITED DRIVING SCHOOL COOPERATIVE
12	NEW HOPE DRIVING SCHOOL LTD
13	YOUTH DRIVING SCHOOL LTD
14	COOPRORU
15	AUTO ECOLE NYAMIRAMBO LTD
16	AUTO ECOLE GATSATA LTD
17	RAFIKI DRIVING SCHOOL LTD
18	KACYIRU DRIVING SCHOOL COMPANY LTD
19	RUHANGO DRIVING SCHOOL LTD

20	BETTER DRIVING SCHOOL LTD
21	LA STAR CONFIDANTE LTD
22	LA DIFFERENCE CHEZ NOUS A MUSANZE LTD
23	AUTO ECOLE LA LUMIERE LTD
24	AUTO ECOLE BONNE ROUTE LTD
25	AUTO ECOLE MORIYA LTD
26	SHILO DRIVING SCHOOL LTD
27	SUPERIOR DRIVING SCHOOL LTD
28	RUBAVU DRIVING SCHOOL LTD
29	CO.D.S.RWA DRIVING SCHOOL
30	COOPERATIVE KORUJYIMBERE
31	LUCKY DRIVING SCHOOL LTD
32	AUTO ECOLE LA LUMIERE DU SOLEIL
33	AUTO ECOLE ISIMBI
34	AUTO ECOLE GICUMBI LTD
35	AUTO ECOLE LA CONNAISSANCE LTD
36	AUTO ECOLE LA CHARITE LTD
37	AUTO ECOLE LA REFERENCE LTD
38	KARONGI NICE DRIVING SCHOOL LTD
39	KIBUNGO DRIVING SCHOOL LTD
40	NYAMATA DRIVING SCHOOL LTD
41	ECONOMAT GENERAL
42	ALPHA DRIVING SCHOOL LTD
43	KIVU DRIVING SCHOOL LTD
44	IMENA DRIVING SCHOOL LTD





RURA

Kiyovu-Rue Bigogwe, ex-Fair House
PO Box 7289 KIGALI | Tel: (250) 252 584562
Fax: (250) 252 584563 | Hotline: 3988 | Email: info@rura.gov.rw | Website: www.rura.gov.rw