Early Warning System

AIIB-000483

Rwanda: Support to COVID-19 Economic Recovery Fund for Private Sector

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Quick Facts

Countries	Rwanda
Financial Institutions	Asian Infrastructure Investment Bank (AIIB)
Status	Approved
Bank Risk Rating	B
Voting Date	2021-06-24
Borrower	Government of Rwanda
Sectors	Finance, Industry and Trade, Law and Government
Investment Type(s)	Loan
Investment Amount (USD)	$ 100.00 million
Loan Amount (USD)	$ 100.00 million
Project Cost (USD)	$ 257.50 million

Project Description

According to AIIB website, the project aims to address the liquidity and financing constraints of private sector businesses in response to and during the recovery from the COVID-19 crisis in Rwanda. This will, in turn, sustain MSMEs during the crisis period, and in post-crisis recovery, maintaining and creating employment.

The Project will comprise 4 components:

- Component 1 – Liquidity and recovery facility
- Component 2 – Risk-sharing facility, to provide partial credit guarantees and de-risking mechanisms to MSMEs, in support of Component 1
- Component 3 – Institutional strengthening and implementation, in support of Component 1
- Component 4 – Contingency Emergency Response Component

Early Warning System Project Analysis

The AIIB categorized the project E&S risk as 'FI', adding that the World Bank categorized the project E&S risk as 'Substantial', which is equivalent to Category B/FI if AIIB's ESP were applicable.

Investment Description

- Asian Infrastructure Investment Bank (AIIB)

According to the AIIB, the IDA (part of the World Bank Group) will contribute to the project with an investment of US$ 157.5 million.

Financial Intermediary

Financial Intermediary: A commercial bank or financial institution that receives funds from a development bank. A financial intermediary then lends these funds to their clients (private actors) in the form of loans, bonds, guarantees and equity shares. Financial intermediaries include insurance, pension and equity funds. The direct financial relationship is between the development bank and the financial intermediary.

- Development Bank of Rwanda (BRD) PLC (Financial Intermediary)

Private Actors Description

As stated on the bank's website, Development Bank of Rwanda (BRD), is a Public Company Limited by Shares, with a share capital of RWF 57,808,931,000, registered at the Officer of the Registrar General, whose company code n° 100003547.
The Bank was incorporated on August 5, 1967; however, its incorporation certificate was issued on 7/7/2011 while a banking license n°003 was issued by the National Bank of Rwanda on August 11, 2009.
For more than four decades, BRD has been the sole provider of long term finance and has significantly facilitated the emergence of different productive enterprises in the private sector.

Contact Information

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ACCESS TO INFORMATION

You can submit an information request for project information at: https://www.aiib.org/en/contact/information-request/index.html

ACCOUNTABILITY MECHANISM OF AIIB

The AIIB has established the Accountability Mechanism for Project-Affected People (PPM). The PPM provides Òan opportunity for an independent and impartial review of submissions from Project-affected people who believe they have been or are likely to be adversely affected by AIIBÕs failure to implement the ESP in situations when their concerns cannot be addressed satisfactorily through Project level GRMs or AIIB Management processes.Ó Two or more project-affected people can file a complaint. Under the current AIIB policy, when the bank co-finances a project with another development bank, it may apply the other bank's standards. You can refer to the Project Summary Information document to find out which standards apply. You can learn more about the PPM and how to file a complaint at: https://www.aiib.org/en/about-aiib/who-we-are/project-affected-peoples-mechanism/how-we-assist-you/index.html

The complaint submission form can be accessed in Arabic, Bahasa Indonesia, Bengali, Chinese, English, Tagalog, Hindi, Nepali, Russian, Turkish, or Urdu. The submission form can be found at: https://www.aiib.org/en/about-aiib/who-we-are/project-affected-peoples-mechanism/submission/index.html

Bank Documents

- Environment and Social Commitment Plan (WB website)
- Project Document (June 24, 2021)
- Project Implementation Monitoring Report (August 2023)
- Project Implementation Monitoring Report (February 2024)
- Project Implementation Monitoring Report (June 2022)
- Project Implementation Monitoring Report (May 2023)
- Project Implementation Monitoring Report (November 2022)
- Project Summary (April 19, 2021) [Original Source]
- Stakeholder Engagement Plan (WB website)

Corporate Documents

- Environmental and Social Commitment Plan (BRD website)
- Stakeholder Engagement Plan (BRD website)

Media

- AIIB Supports Resilience and Recovery of Private Sector in Rwanda

Other Related Projects

- WB-P179999 ADDITIONAL FINANCE-ACCESS TO FINANCE FOR RECOVERY AND RESILIENCE PROJECT (AFIRR)