

TDB finances RwandAir's acquisition of two Airbus aircraft

The Trade and Development Bank (TDB) and Germany's KfW-IPEX collaborated to provide \$171.6 million to Rwandair for the purchase of two wide-bodied Airbus aircrafts with inflight connectivity. To facilitate the purchase of the aircraft, the Bank has also financed a pre-delivery payment of USD 88 million.

RwandAir is executing an aggressive growth strategy as part of Rwanda's Vision 2020 which aims to transform Rwanda into a knowledge based middle income country by the year 2020. Investment in the aviation industry, and more broadly in the transportation sector, is a pillar of this strategy as it enables connectivity to key markets and supports trade through more affordable transport options—a key consideration for this landlocked country

The first aircraft A330-200, nicknamed "Ubumwe" (Unity), landed at the Kigali International airport on September 28, 2016 and the A330-300 "Umurage" (Heritage) was delivered on December 1, 2016. These new acquisitions allow RwandAir, one of Africa's youngest airlines, to expand its flight networks while also increasing passenger capacity.

In this deal, TDB served as the mandated arranger, bookrunner and lender while KfW-IPEX served as the funding agency. The transaction, which benefited from an Airbus guarantee, is aligned with TDB's mandate to provide development capital and to promote regional integration.

The airline aims to add a new Boeing 737-800 Next Generation this May 2017 to its eleven strong fleet and has announced that its flight network will expand to Harare, Zimbabwe and Mumbai, India by April 2017.

RwandAir currently flies to twenty cities in east, west and southern Africa. It will soon add London, New York City and Guangzhou to its destination list. The airline is a certified IOSA operator and IATA member.

TDB has previously provided RwandAir with USD 60 million for the acquisition of two Boeing aircrafts in addition to USD 13 million for two CRJ900 aircraft.

