

Rwanda



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What's happening

57%

Population below international poverty line

€2

per month

National minimum wage

€124

per month

Rural living wage

€158

per month

Rural living income

62%

Agricultural workforce

24%

Agriculture share of GDP

3

medium

Risk to workers' rights

Context

The population of Rwanda is 12.6 million,^[1] with nearly 83%^[2] of the population living in rural areas. Agriculture is Rwanda's main economic activity, accounting for 24%^[3] of the nation's GDP and with over 62%^[4] of the population employed in agriculture. Poverty is extremely high in Rwanda with more than half of the population living below the international poverty line of \$1.90 a day.^[5] Approximately 90% of Rwandan land is sloped, which enhances soil erosion and fertility loss. In addition, Rwandan agriculture is particularly vulnerable to climate change as most farmers rely on rainfall for irrigation.^[6]

The top produced commodities in Rwanda are bananas, sweet potatoes, cassava, potatoes, beans and maize.^[7] Rwanda's top commodities in terms of export value are coffee, tea, wheat flour and beans, respectively.^[8]

Wages

Minimum wage

The minimum wage in Rwanda is set at 100 Rwandan francs (0.1 EUR) per day or 2,440 Rwandan francs (2 EUR) per month, based on 24.4 workdays per month.^[9] Families working in most sectors

typically need to supplement their incomes and do so through subsistence agriculture and other jobs in the informal sector. About three-quarters of all workers in Rwanda are employed in the informal sector. In addition, violations of wages and overtime prevail in both the formal and informal sectors.^[10]

The Global Living Wage Coalition has developed **2 Reference Value** studies for rural Rwanda, one for [living wage](#) and one for [living income](#), based on the Anker methodology.

Living Wage

The Anker Living Wage Reference Value for rural Rwanda has been estimated at 147,111 Rwandan francs (124 EUR) per month. This is the wage required for workers in a typical rural area of Rwanda to afford a basic but decent standard of living. The estimated reference value turned out to be 3.5 times the average agricultural wage and 60 times the national minimum wage, which has not been revised since 1974.^[11]

Living Income

The Anker Living Income Reference Value for rural Rwanda is 187,633 Rwandan Francs (158 EUR) per month. This is the living income estimate for a typical family in rural Rwanda in 2020 to cover the monthly cost of a basic but decent standard of living. The estimated reference value turned out to be 2.6 times the income of a typical rural family of 5 with 1.69 full-time workers earning the average agricultural wage.^[12]

What's happening

INITIATIVE

[Improving farmer incomes](#)

The Ethical Tea Partnership runs a full range of programmes to help tea farmers in Rwanda to improve their economic standing.

RESOURCE

[Assessing coffee household income](#)



Assessment of household income of coffee farmers in seven origins to improve strategy, policy and Fairtrade's Minimum Price.

RESOURCE

[Living Wage Reference Value, Rural Rwanda](#)



Living wage estimate for workers in a typical rural area of Rwanda to afford a basic but decent living standard. Global Living Wage Coalition, 2020.

RESOURCE

[Living Income Reference Value, Rural Rwanda](#)



Living income estimate to cover the estimated monthly cost of a basic but decent standard of living for a typical family in rural Rwanda. Global Living Wage Coalition, 2020.

Footnotes

1. World Bank (2019). <https://data.worldbank.org/indicator/SP.POP.TOTL?locations=RW>
2. World Bank (2019). <https://data.worldbank.org/indicator/SP.RUR.TOTL.ZS?locations=RW>
3. World Bank (2019). <https://data.worldbank.org/indicator/NV.AGR.TOTL.ZS?locations=RW>
4. World Bank (2019). <https://data.worldbank.org/indicator/SL.AGR.EMPL.ZS?locations=RW>
5. World Bank (2016). <https://data.worldbank.org/indicator/SI.POV.DDAY?locations=RW>
6. FAO (2015). <http://www.fao.org/rwanda/our-office-in-rwanda/rwanda-at-a-glance/en/>
7. FAOSTAT (2018). http://www.fao.org/faostat/en/#rankings/commodities_by_country

8. FAOSTAT (2018). http://www.fao.org/faostat/en/#rankings/commodities_by_country_exports
9. WageIndicator Foundation (2021). Minimum Wage-Rwanda. <https://wageindicator.org/salary/minimum-wage/rwanda>
10. U.S. Department of State (2019). <https://www.state.gov/reports/2019-country-reports-on-human-rights-practices/rwanda/>
11. Global Living Wage Coalition and Anker Research Network (2020). Anker Living Wage Reference Value: Rural Rwanda 2020. <https://www.globallivingwage.org/wp-content/uploads/2020/07/Rwanda-LW-Reference-Value-FINAL-1.pdf>
12. Global Living Wage Coalition and Anker Research Network (2020). Anker Living Income Reference Value: Rural Rwanda 2020. <https://www.globallivingwage.org/wp-content/uploads/2020/08/Rural-Rwanda-LI-Reference-Value.pdf>