

# CLIMATE RISK MANAGEMENT & BUSINESS OPPORTUNITIES - THE MANUFACTURING INDUSTRY IN RWANDA - Why adaptation to climate change matters for businesses!



„Climate action is not about sacrificing growth, but rather making sure that development gains can be sustained for generations to come.”

**Dr. Vincent Biruta**

Rwandan Minister of Natural Resources

## Climate change is ALREADY taking place in Rwanda...



The mean annual temperature has risen by about 1.4°C since 1971.



Unusually heavy rains occurred in the North and more severe droughts in the East and South in the last two decades

## ...and will become more severe in the future



Annual temperatures are projected to increase up to 2.5°C by 2050 and up to 4°C by 2080



Most parts of Rwanda are projected to experience an increase in precipitation with more intense rainfalls.



The rainy seasons will be shorter and more intense. Rainfall is likely to become more erratic.



The South and South-East of Rwanda is expected to have more intense and frequent droughts

## A changing climate puts the manufacturing industry at RISK

- **Floods** on premises due to heavy rain can **destroy stored materials** and cause **enormous cleaning efforts**. This may lead to delays in production processes.
- **Heavy rains** can cause **landslides**, which can damage roads and cause delays of transport of products as well as input materials.
- Availability and/or **costs of energy sources** for companies might be affected by droughts, heat waves and flooding.
- **Dry periods** might lead to shortages in water supply resulting in production stops
- **Storms** may harm the electricity and telecommunication network and limit electricity supply

Source for climate data is the [Rwanda Baseline Study on climate change adaptation in the private sector](#) from 2014 which is accessible through the adelphi website.

## What ADAPTATION to climate change means for ENTERPRISES



Ensuring **BUSINESS CONTINUITY** by **BUILDING RESILIENCE** to negative climate impacts



Creating **COMPETITIVE ADVANTAGE** through **positive side-effects** of adaptation measures, e.g. by increasing efficiency, creating reputational effects



Creating **BUSINESS OPPORTUNITIES** from climate change through **NEW PRODUCTS & SERVICES**

## Climate change adaptation MEASURES are available for the manufacturing industry

### Short- and medium-term measures



**Capacity building** of employees / workers on climate change impacts and risk management

Investing in **resource efficient machinery** or shifting to **energy efficient production processes** to

**Calculating potential damage costs** for extreme weather events as well as long-term climate change

**Diversification of input suppliers** (also regionally) to hedge against interruptions of the supply chain caused by extreme weather events

### Long term measures



Rainwater harvesting system

Replacement of machinery through more **heat resistant machines** to reduce the number of days when production volumes decrease due to overheating machinery

**Reducing water consumption in the production process** and investing in **rain water harvesting** and storing

Investing in **pumps, dams** as well as **drainage systems** that protect company premises against flooding in case of heavy rain events

## COMPANIES in RWANDA are already adapting to climate change



The old **industrial park** in Kigali has been **relocated** partly **due to frequent flooding** of the premises during heavy rain.

Companies have **installed diesel generators** to cope with power cuts.

Companies have **installed storage racks** that allow storing materials above the ground preventing them to be damaged in case of floods.



## PREPARE for climate change – TAKE ACTION and adapt

The self-assessment tool for climate change adaptation for companies is accessible on [www.climate-expert.org](http://www.climate-expert.org)



## Building RESILIENCE and increasing COMPETITIVENESS of the private sector in RWANDA

### GIZ supports private sector in Rwanda in its adaptation efforts

The GIZ global programme 'Strengthening the Capacities of the Private Sector to Adapt to Climate Change' (from 2014 until 2017) supports associations, private enterprises and consultants in their efforts for climate change adaptation. Under the project pilot activities with private sector actors will be implemented in Bangladesh, Central America, Morocco, and Rwanda.

#### Our offer for businesses

- Individual climate change adaptation assessments
- Trainings on climate change adaptation and access to adaptation finance
- Value chain analyses on adaptation

#### Our offer for public authorities

- Providing awareness raising materials on climate change adaptation in the private sector
- Dialogue rounds with private sector actors on climate change adaptation

#### Our offer for associations

- Training of Trainers on climate change adaptation assessments of companies
- Providing awareness raising materials on climate change adaptation in the private sector

#### Our offer for financial institutions

- Dialogue round on financing needs of private sector actors
- Matchmaking between companies seeking funding for adaptation measures and financing institutions



### Get in touch

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