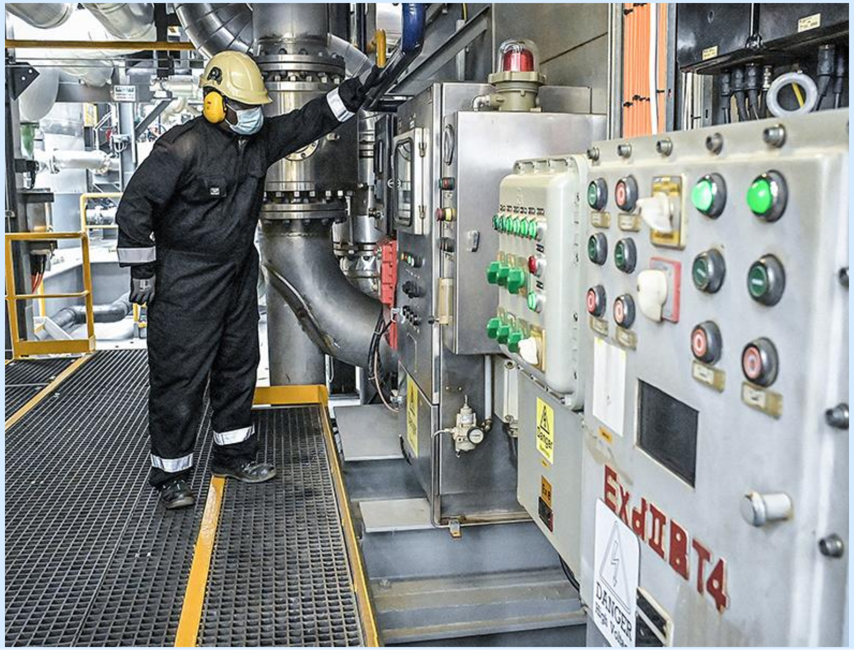


Republic of Rwanda – Credit Update

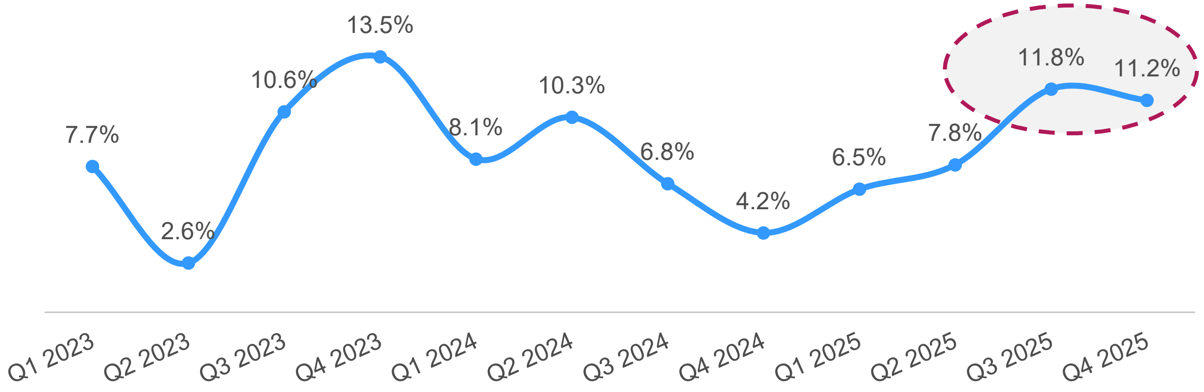
April 2026

Republic
of Rwanda

Key Recent Developments

Policy continuity, higher growth and implementation of fiscal measures reflected in our numbers; recognized by rating agencies as well

Continued High Real GDP Growth (YoY %)



Reached IMF Staff Level Agreement on an Extended Credit Facility (ECF) Arrangement

38-month ECF arrangement* of SDR 185.031 million (equivalent to USD 250 million) to support Rwanda's economic policies and reforms

Aims to support sound macroeconomic adjustment, rebuild policy buffers, and sustain reform momentum

Three key pillars: strengthening the macroeconomic policy mix, managing fiscal and debt risks to sustain growth, and promoting private sector-led growth with transparent fiscal oversight of SOE's

New Tax Reform Targets Exceeded for H1 2025/26

- Total tax revenue collected was USD 1.27 billion, versus the target of USD 1.24 billion
- New tax reforms generated ~USD 91 million, exceeding projections/target by ~3%

Key drivers included:

- VAT on fossil fuels; due to a highly efficient customs-point collection mechanism
- The fuel levy, VAT on ICT equipment, and excise duty on beer

Ratings on Stable Outlook

"Fitch has revised Outlook on Rwanda's Rating to Stable from Negative and affirmed it at 'B+'.

The Outlook reflects **reduced uncertainty over Rwanda's access to external funding sources,** amid increased diplomatic engagement that has supported a de-escalation in the regional security conflict, and **greater confidence that government debt/GDP will stabilise in the next few years.**"

Fitch **Mar 2026**

"The stable outlook indicates balanced risks to Rwanda's rating.

The credit challenges are balanced against the country's **strong growth dynamics**, relatively **solid institutions and governance** compared to similarly rated peers with a **track record of policy implementation**, and strong support from development partners."

MOODY'S **Apr 2026**

*Subject to approval by the IMF management and its Executive Board

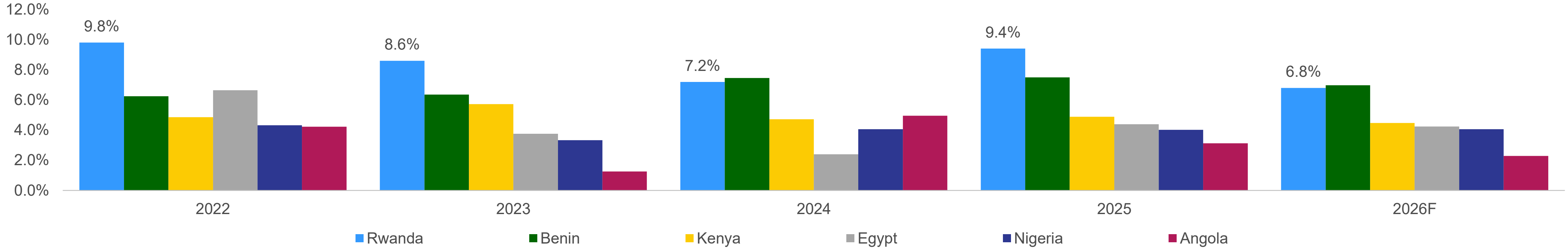
Sources: MINECOFIN, National Institute of Statistics of Rwanda, Fitch and Moody's

Peer Comparison

Rwanda compares favorably to peers across growth, fiscal and debt indicators

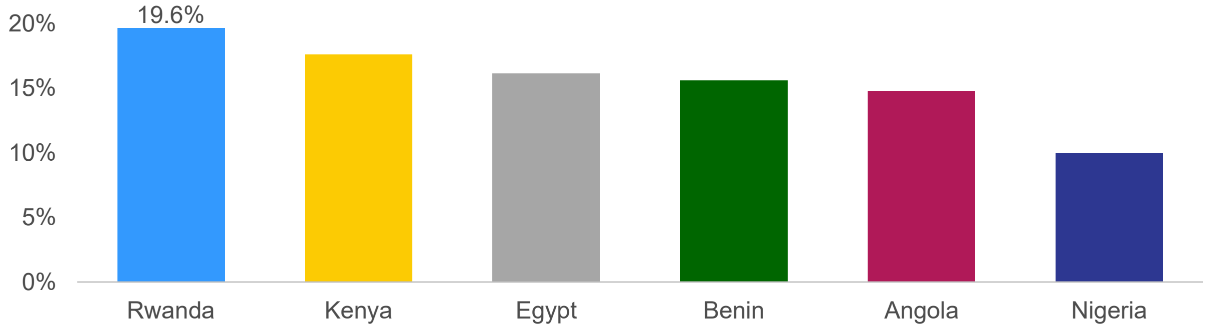
Rwanda stands out amongst peers for exceptionally strong growth, supported by rapid investment expansion

Real GDP Growth (%)



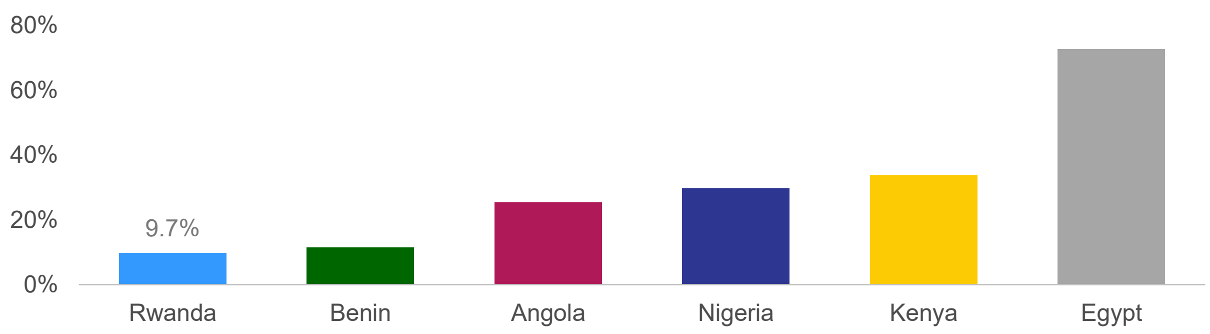
Strong revenue mobilization underpin Rwanda's fiscal strength…

Revenue (% GDP), 2025



… while low interest cost supports debt affordability

Interest (% of Revenue), 2025



Sources: MINECOFIN, National Institute of Statistics of Rwanda, Peers data for Real GDP Growth and Revenue / GDP from WEO (Apr'26), for Interest / Revenue from S&P Sovereign Risk Indicators (Apr'26)

Section

1

Key Credit Highlights

Key Credit Highlights

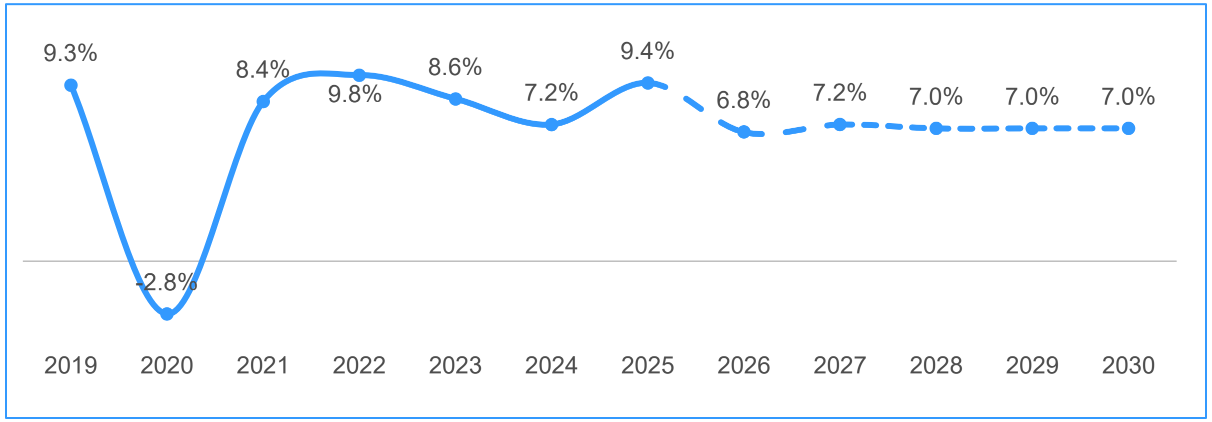
Rwanda has a track record of economic growth, significant improvements in governance and an investment friendly environment

- Strong Banking Sector
- Monetary Policy Targeting Inflation
- Enhancing Institutional Framework
- Continued Strong Growth
- Strengthening Fiscal Resilience
- Policies Supporting Debt Trajectory

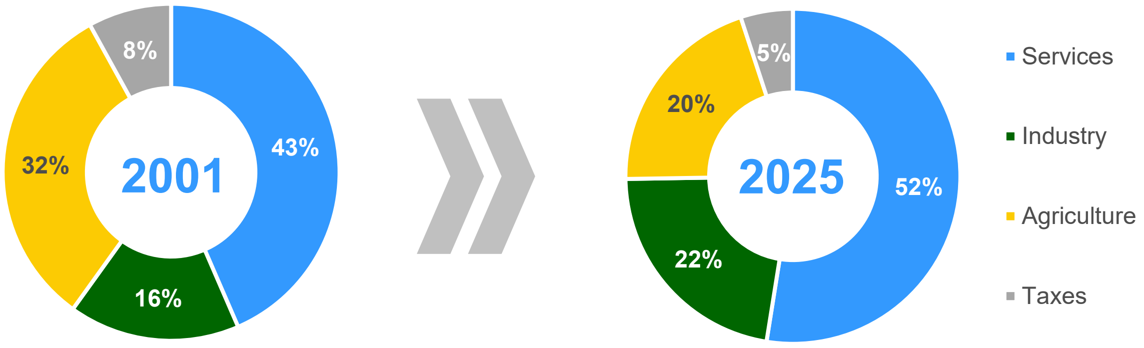
1 Continued Strong Growth Demonstrates Economic Diversification Efforts

Sound economic policies helped deliver above average economic growth historically; expected to continue going forward

Real GDP % Change (2024 = 100)



Economic Transformation Over the Years: Sector Contribution to GDP



Sectors	2025 Real GDP Growth	Key Contributors
Services	9%	Sustained growth from trade services and transport activities
Industry	11%	Driven by increase in mining and construction activities
Agri	7%	Resilient coffee exports; increase of ~60% in the production of coffee

Medium term: achieve 6.8% in 2026 and 7.2% in 2027 from:

- **Industry/construction:** priority infrastructure investments
- **Industry/manufacturing:** metals & cement production amongst others

2028-30: 7% growth momentum:

- **Services** associated with NKIA operations and other projects
- **Industry/construction:** driven by key private construction activities

Sources: MINECOFIN, National Institute of Statistics of Rwanda,

1 New Kigali International Airport: Update

Strategic project not just for Rwanda but also for connectivity across the African continent

Key Milestones

	Forecast	Progress
WS1 Construction completion	March 2025	100%
WS2 Construction completion	October 2027	12.26%
Airport Operation Date	March 2028	

Funding in line with MTDS

- **GoR's contribution for the airport project will come from the general budget allocation**
- **GoR will finance the infrastructure projects in line with its medium-term debt strategy, i.e. prioritising concessional funding**
- **Blended Finance structure – utilising guarantees and / or similar credit enhanced instruments**

Source: MINECOFIN

2 Strengthening Fiscal Resilience (1/2)

Government is taking a proactive stance in financing its development agenda – actively working to broaden its revenue base

Revenue Mobilization Plan

#	Particulars	June 2024/25	FY 2025/26	FY 2026/27	FY 2027/28	FY 2028/29	FY 2029/30
1	Registration fees for imported vehicles	■					
2	Road maintenance and strategic fuel reserve levies	■					
3	VAT on mobile telephones	■					
4	VAT on ICT equipment	■					
5	VAT on fee-based financial services		■				
6	Reinstatement of VAT on Fossil Fuels		■				
7	Reinstatement of VAT on Road Freight Transport Services		■				
8	Reinstatement of Taxes on Hybrid Vehicles		■				
9	Introduce an environmental levy (0.2% of CIF)		■				
10	Introduction of annual motor vehicle road user charge		■				
11	Introduce a tourism tax (3%) on accommodation		■				
12	Excise duty on Cosmetic and beauty products (15% of CIF)	■					
13	Adj. of Excise Duty on Cigarettes (Frw 230 per pack + 36% of Retail Price)	■					
14	Adjustment of Excise Duty on Beer (65% of Factory Price)	■					
15	Excise tax on airtime (gradual increases to 12%, 14% and 15%)	■					
16	Increased the tax on GGR for gambling operators (13% to 40%)		■				
17	Increased Withholding on gambling winnings (15% to 25%)		■				
18	Revised Capital Gain Tax from 5% to 10%		■				
19	Introduction of Digital Services Tax			■			
20	Investment Code revision			■			
21	Rationalization of VAT Exemptions on Business Inputs			■			
22	Introduction of 15% Excise Duty on Financial Transaction Fees				■		
23	Set sunset VAT exemptions for zero-emission vehicles (EVs)					■	
24	Sunset close for energy equipment (solar panel…)						■

Performance of new tax policies (July 2025 to Feb. 2026)

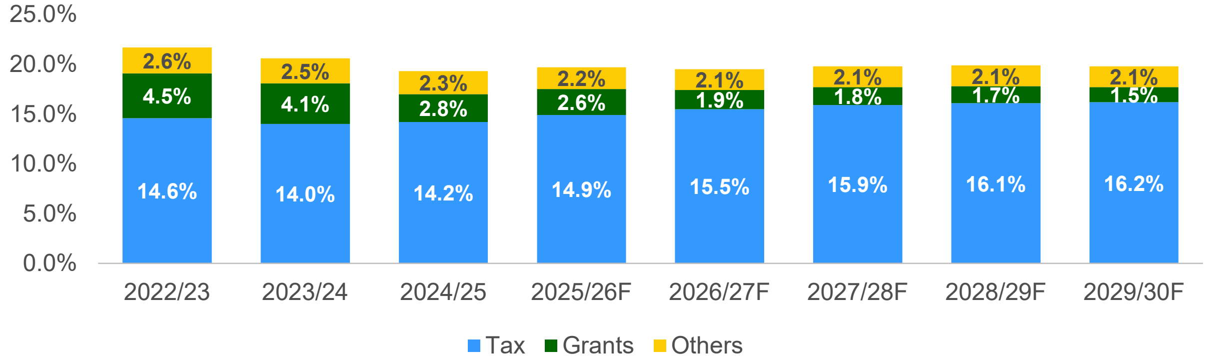
Tax Policy	Jul-Feb 2025/26 Target (FRW bn)	Jul-Feb 2025/26 Collection (FRW bn)	Performance
Excise Tax on Beer	7.5	9.8	126.9%
Excise on Cigarettes	1.5	1.7	115.4%
Excise Tax on Airtime	2.5	2.3	90.9%
Excise on Cosmetic and beauty product	2.8	3.3	108.3%
Other Policies on Excise	1.4	1.3	92.3%
VAT on Telephones	9.5	4.4	48.8%
VAT on ICT Equipment	12.1	12.9	103.7%
VAT on Fossil Fuel	54.6	78.7	149.5%
Tax on Hybrid Vehicles	15.0	8.3	52.7%
Fuel levy	15.3	18.4	121.5%
Strategic Reserve Levies	5.5	6.8	122.4%
Capital Gains Tax	1.9	2.1	116.7%
Tourism Tax	3.2	3.2	98.6%
Environmental Levy	0.1	0.1	92.6%
Motor Vehicle Registration Fees	3.5	3.5	90.9%
Annual motor vehicle road user charge	5.7	5.3	90.6%
VAT on transport service of goods by road	10.1	1.4	8.2%
VAT on fee-based financial services	6.0	3.3	60.4%
Increase the tax on GGR for gambling operators (13% to 40%)	6.7	5.1	74.1%
Increase Withholding on gambling winnings (15% to 25%)	3.1	2.0	60.7%
Total	**168.3**	**173.9**	**103.1%**

Source: MINECOFIN

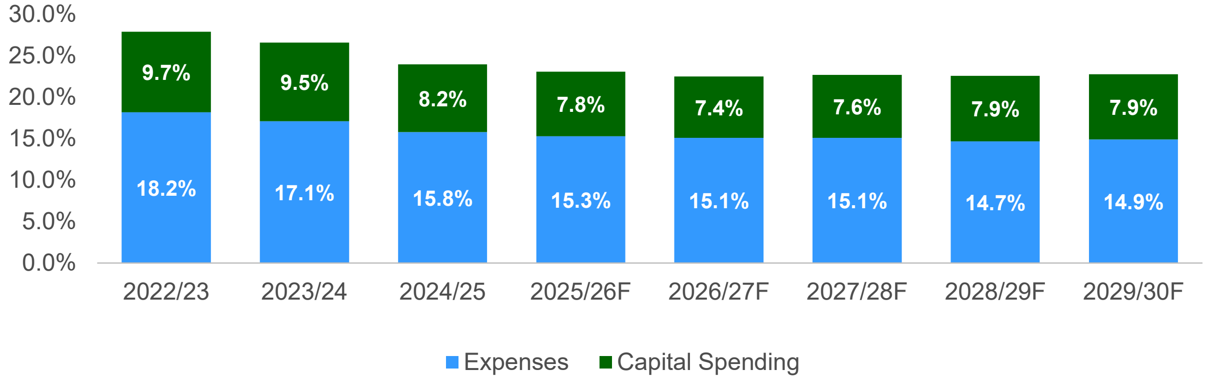
2 Strengthening Fiscal Resilience (2/2)

Policy reforms introduced coupled with focus on timely execution of the same to support Rwanda in improving its fiscal profile going forward

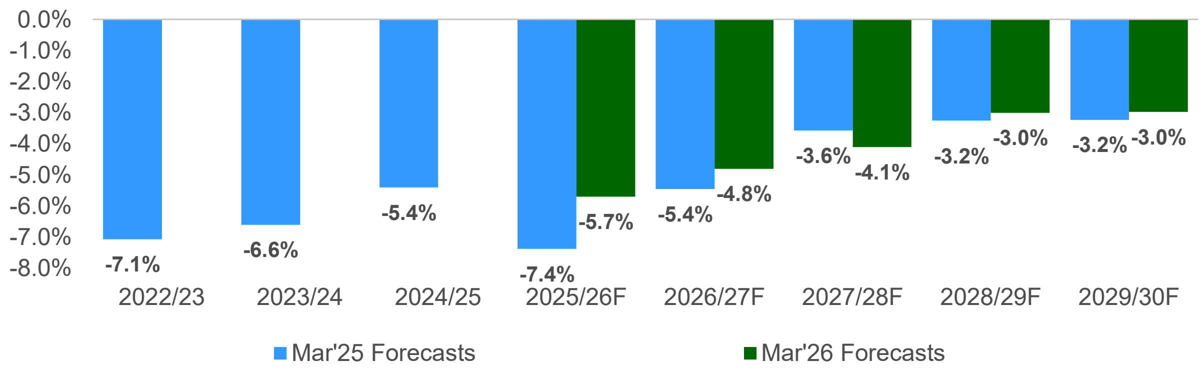
Revenue
(% of GDP)



Expenditure[1]
(% of GDP)



Fiscal Balance
(% GDP)



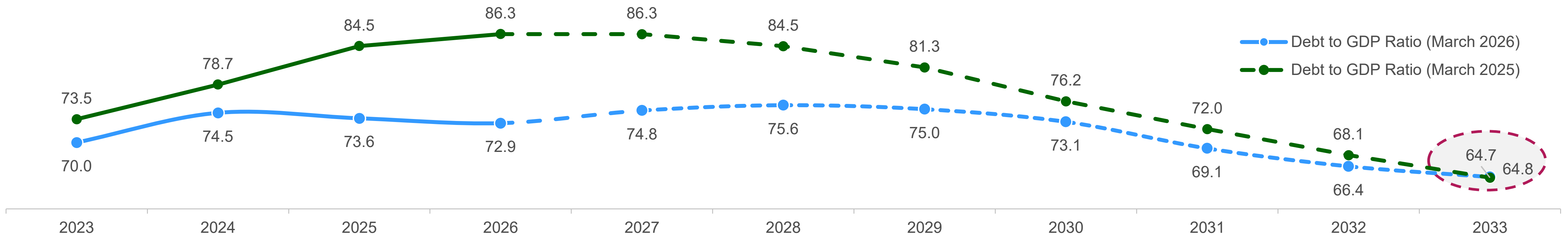
- The fiscal deficit in FY25/26 is estimated at 5.7 percent of GDP — 0.1 percentage point lower than at the time of the last PCI review, reflecting early yields from the revenue measures implemented at the beginning of the year and an upward revision of the nominal GDP.
- In FY26/27, the deficit is projected to narrow to 4.8 percent of GDP. Additional spending pressures stemming from the war in the Middle-East, will be partly offset by ongoing fiscal efforts including compression of non-essential use of good and services, domestically financed capital alongside continued stronger GDP growth.
- In the Medium-term GoR will continue to implement fiscal consolidation, supported by on going domestic revenue mobilization and expenditure management with the overall deficit declining further to 3 percent of GDP by FY28/29.

Source: MINECOFIN
Notes: [1] Does not include Other expenditure items, which are relatively minor

3 Strong Growth and Fiscal Prudence to Support Debt Trajectory

Despite conservative assumptions, Rwanda is projected to remain below all IMF debt sustainability thresholds

Debt to GDP Ratio gradually returning to 65% anchor by 2033



Key Ratios Monitored and Criteria

(Latest Debt Sustainability Indicators)

Ratios	2025	2026 F	2027 F	2028 F	2029 F	Threshold
Debt to GDP ratio	73.6%	72.9%	74.8%	75.6%	75.0%	
PV of public debt-to-GDP ratio	54.4%	54.3%	56.7%	57.8%	57.8%	< 70%
PV external debt-to-GDP ratio	39.3%	40.7%	41.5%	41.7%	40.8%	< 55%
PV external debt-to-Exports ratio	180.1%	185.5%	185.9%	180.4%	173.1%	< 240%
External debt service-to-exports ratio	9.8%	10.0%	10.9%	12.2%	12.2%	< 21%
External debt service to revenue ratio	13.0%	12.7%	13.7%	15.6%	15.7%	< 23%

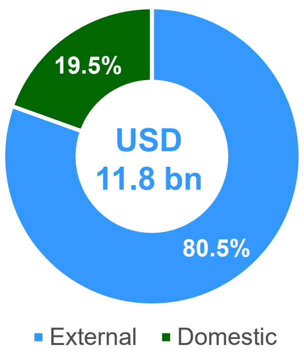
Source: MINECOFIN Staff Estimates

3 High Access to Concessional Financing Ensuring Debt Affordability

The Government of Rwanda's high share of concessional debt means debt servicing remains affordable

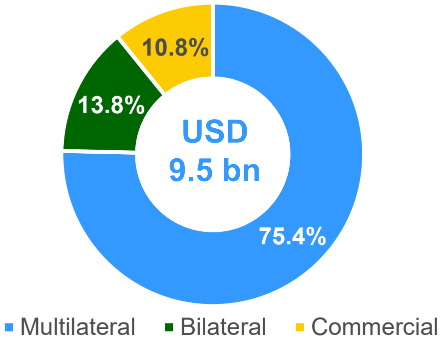
Debt Breakup (as of Dec'25)

(% of Total Public & Publicly Guaranteed Debt)



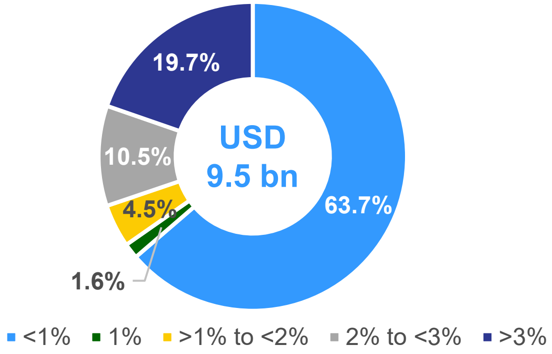
Favourable Debt Structure (as of Dec'25)

(% of Total External Debt exc SOE's)



Debt Breakup by Interest Rate (as of Dec'25)

(% of Total External Debt exc SOE's)



Average time to maturity (Gross Debt)

13.7 years

Fixed Rate Debt incl T-Bills (% of total)

84.3%

Bilateral Lending Partners

中国进出口银行 The Export-Import Bank of China	USD 380 mn
AFD Agence Française de Développement	USD 319 mn
JICA	USD 229 mn

Multilateral Lending Partners

IDA International Development Association, World Bank Group	USD 4,135 mn
International Monetary Fund	USD 938 mn
African Development Fund	USD 871 mn

Commercial Lending Partners

Eurobond Institutional Investors	USD 620 mn
Afreximbank	USD 176 mn

Blended Finance Partners

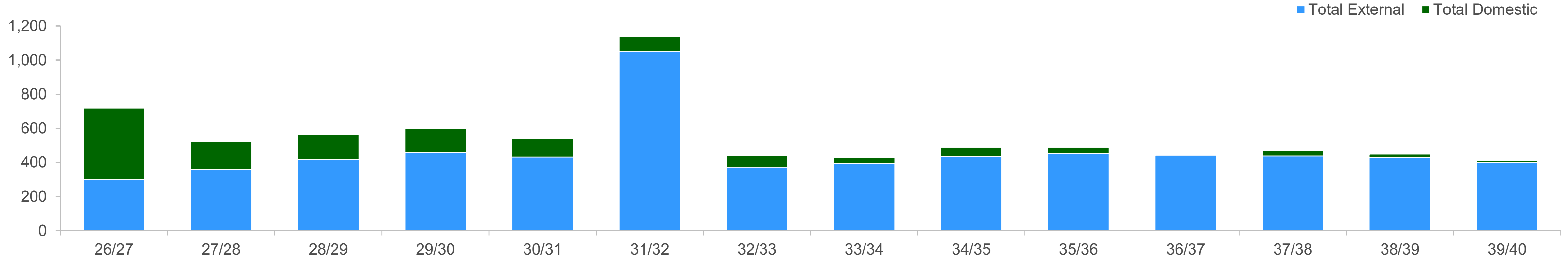
J.P.Morgan, African Development Fund	USD 235 mn
Societe Generale, Standard Chartered, IDA International Development Association (World Bank Group), MIGA Multilateral Investment Guarantee Agency (World Bank Group)	USD 255 mn

3 Prudent Medium Term Debt Strategy

We have successfully maintained access to long term concessional financing and aim to continue doing so

Debt Maturity Profile (as of Jun'26)

(USD million)



Medium Term Debt Strategy (2026/27 to 2028/29)

- Rwanda's Medium Term Debt Strategy focuses on :
  - Maximising both concessional and semi-concessional financing and also prioritizing innovative or blended instruments
  - Develop domestic market through the issuance of long-term domestic debt securities
- Strategy combines traditional concessional creditors and sustainable financing solutions to maintain a sustainable debt level while deepening the domestic capital market

The main objectives of the strategy is as follows:

1 **Financing**
Diversify financing sources by using different debt instruments; prioritize concessional / semi concessional debt before commercial borrowing

2 **Managing Risk**
Maintain an upward trend of the average time to maturity and refixing

3 **Debt Markets**
To promote an active domestic debt market; keep FX debt to no more than 95%

Source : MINECOFIN

3 New IMF Program - Extended Credit Facility

Rwanda's continuous 60-year engagement with the Fund is renewed through a funded program

USD 250mn 38 month ECF program to support stability, fiscal discipline, and private sector-led growth amid global uncertainty

Strengthening Macroeconomic Stability

- Data-driven monetary policy to bring inflation toward 5% target
- Exchange rate flexibility to absorb external shocks
- Focus on rebuilding foreign reserves and policy buffers

Fiscal Discipline & Debt Sustainability

- Medium-term fiscal strategy (MTRS-2) to boost domestic revenues
- Stronger control of public spending and foreign-financed projects
- Enhanced oversight of fiscal risks, especially from SOEs

Private Sector-Led Growth

- Structural reforms to crowd in private investment
- Improved transparency and governance of state-owned enterprises
- Support for export growth and economic diversification

Program reinforces Rwanda's resilience while positioning the economy for sustainable, private sector-driven growth

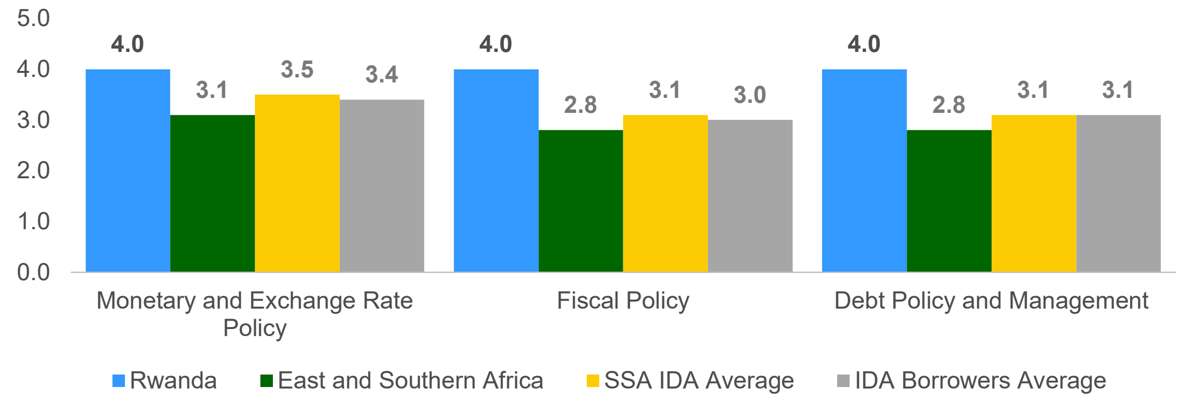
Sources: International Monetary Fund

4 Policies Being Implemented to Further Enhance Oversight

Stronger fiscal institutions and more transparent risk management are reinforcing Rwanda's policy credibility

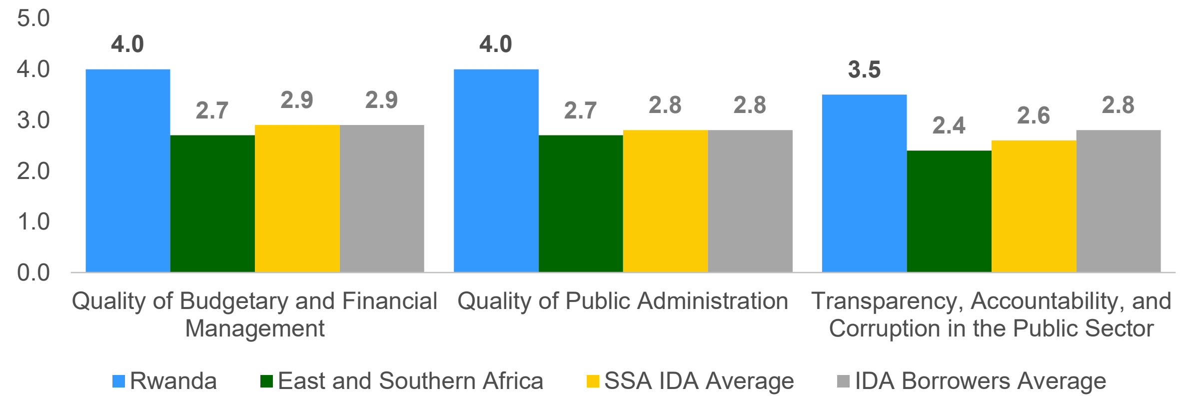
Country Policy and Institutional Assessment: Economic Management

Indicator scores, 2024



CPIA: Public Sector Management and Institutions

Indicator scores, 2024



Efforts to strengthen fiscal risk management, fiscal transparency, and public financial management continue:

- Fiscal risk oversight, particularly for SOEs and priority investment projects, has been strengthened, supported by the rollout of a **new SOE legal framework** and completed **forward-looking assessments for five SOEs**.
- A **PFM[2] digitalization** and **fiscal data strategy** adopted in April 2025 is supporting more **data-driven policymaking**.
- **Transparency efforts** continue through the planned transition from **e-GDDS to SDDS[2]** and updates to the action plan in line with upcoming IMF discussions.
- A **Fiscal Transparency Evaluation (FTE)** conducted in August 2025 highlighted improvements in fiscal reporting, budgeting, and risk management, underpinned by PCI and RSF[2] reforms, including enhanced budget execution reporting, publication of the project pipeline, and an expanded Fiscal Risk Statement covering natural disaster risks.
- **Public investment and PFM reforms** are also progressing to improve spending efficiency and returns.

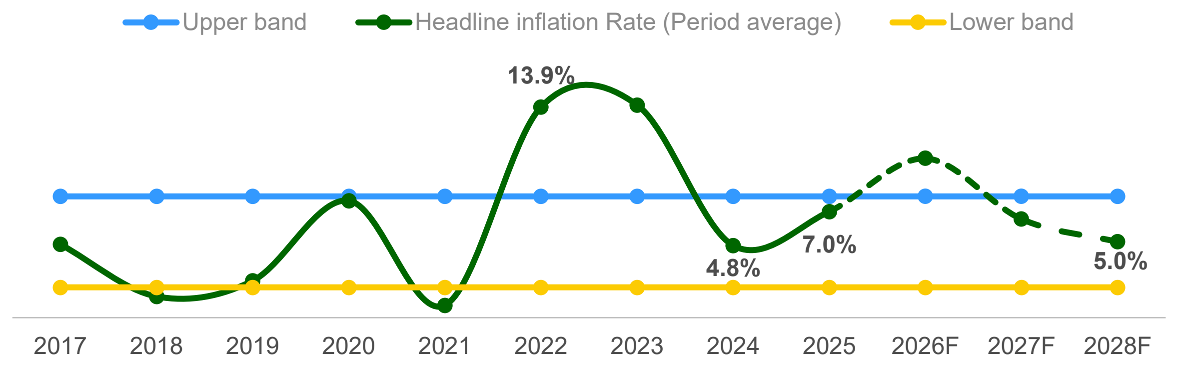
Source: World Bank – CPIA 2024

Notes: [1] SSA: Sub-Saharan Africa, IDA: International Development Association. [2] PFM: Public Financial Management; SDDS: Special Data Dissemination Standard; PCI: Policy Coordination Instrument; RSF: Resilience and Sustainability Facility

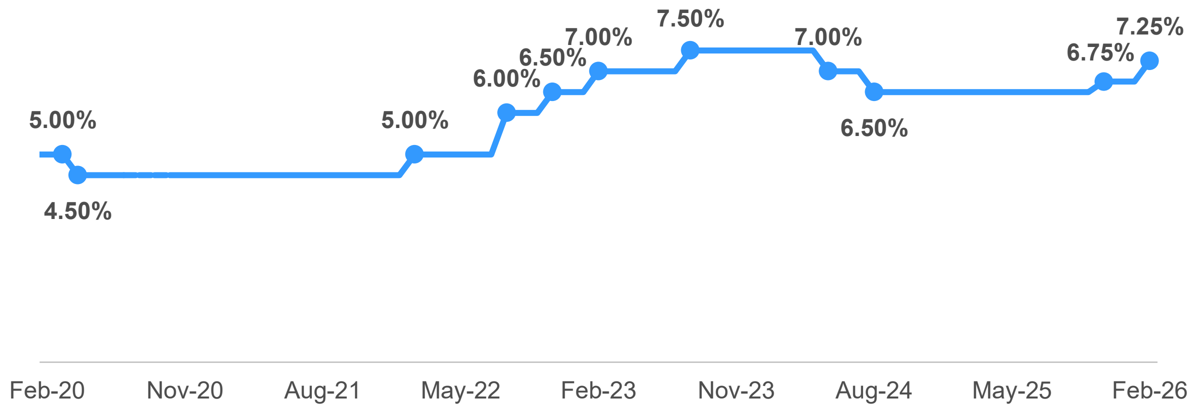
5 Monetary Policy Targeting Inflation

Objective: To stabilize inflation within the 2–8% target band, with a focus on 5%. Monetary policy is data-driven and forward-looking

Inflation Rate
(Annual average % change)



Central Bank Policy Rate
(%)



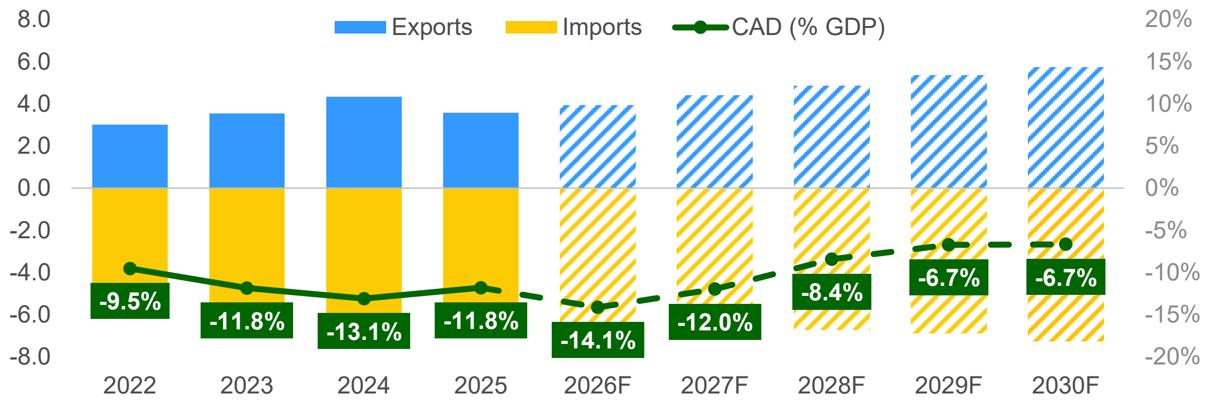
- **Monetary policy** has been tightened pre-emptively, with the CBR raised to 7.25% in February 2026 to contain inflation pressures
- Rwanda is steadily deepening its domestic capital market to reduce **external financing dependence**
- In FY2024/25, the government issued FRW 246 bn, up 27% year-on-year, with an average **293% subscription rate**
- Pursuing **market-making** and **buybacks** to improve local-market liquidity and resilience

5 Improving Current Account over Medium Term

Rwanda's foreign exchange reserves are expected to grow again in following years, enhancing the economy's capacity to absorb shocks

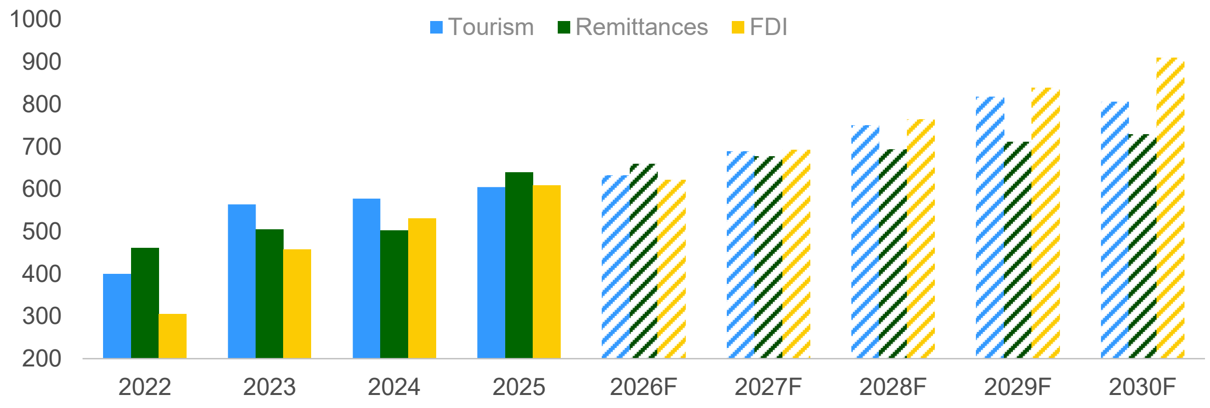
Current Account Balance

Exports and imports in USD billion (LHS), CAD in % GDP (RHS)



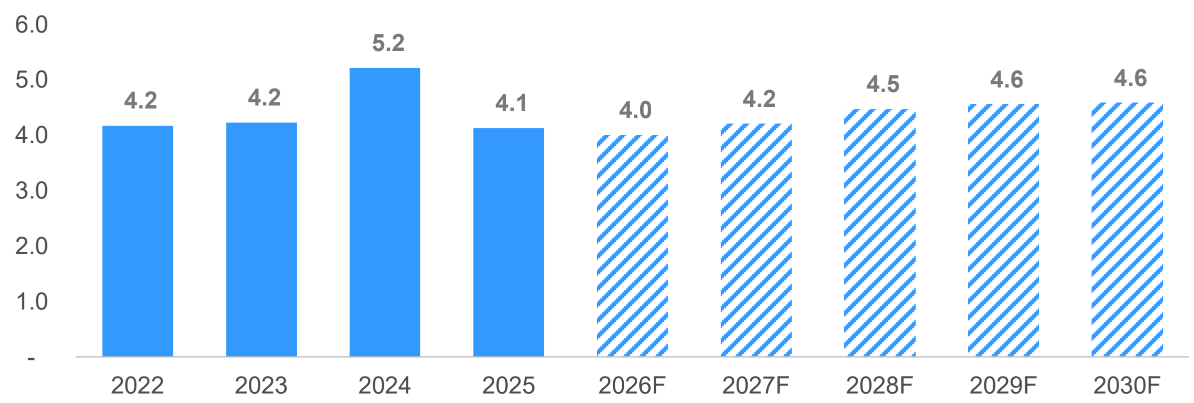
Remittances, Tourism, and FDI

(USD million)



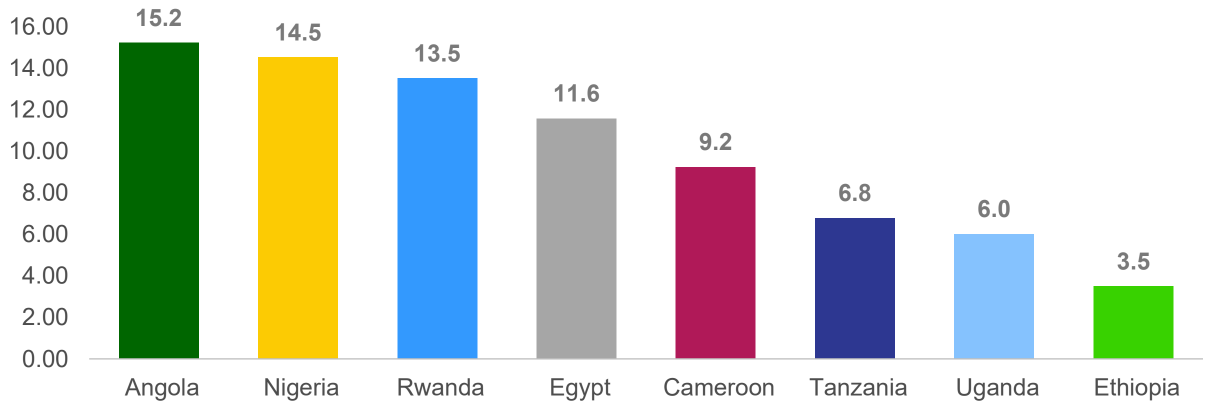
Foreign Reserves

(In months of import cover)



Reserves relative to peers

(Reserves as % GDP)



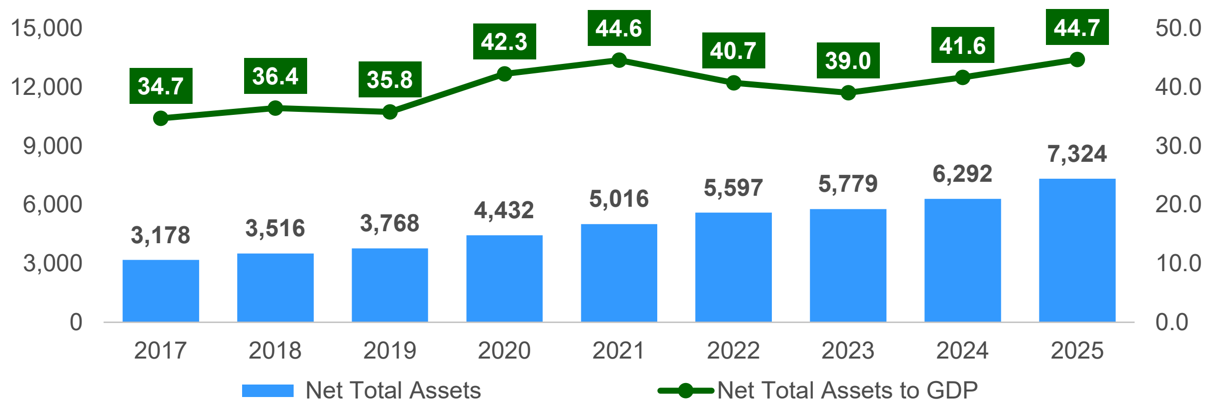
Sources: IMF, National Bank of Rwanda, National Institute of Statistics, MINECOFIN; Peers data from their respective IMF Article IV

6 Strong Banking Sector

Banking sector continues to grow and remains sound and stable with sufficient liquidity and capital to absorb any shocks

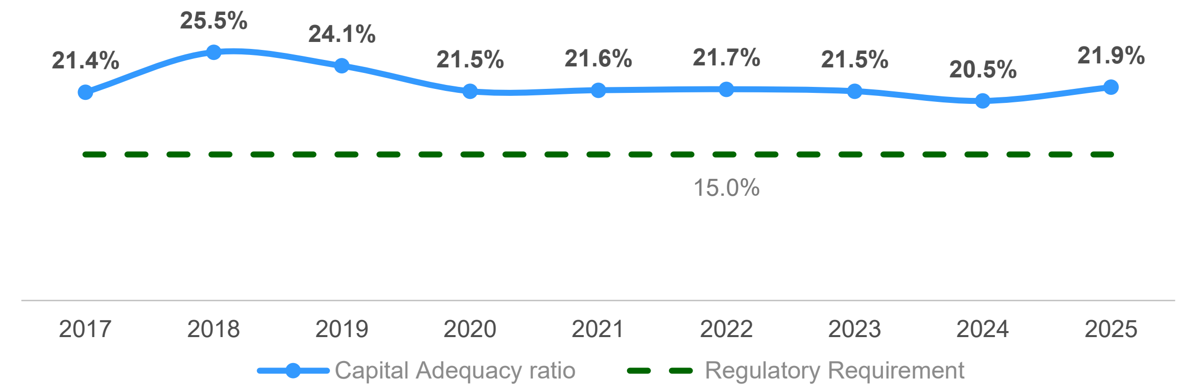
Bank Assets

(USD million (LHS), % of GDP (RHS))



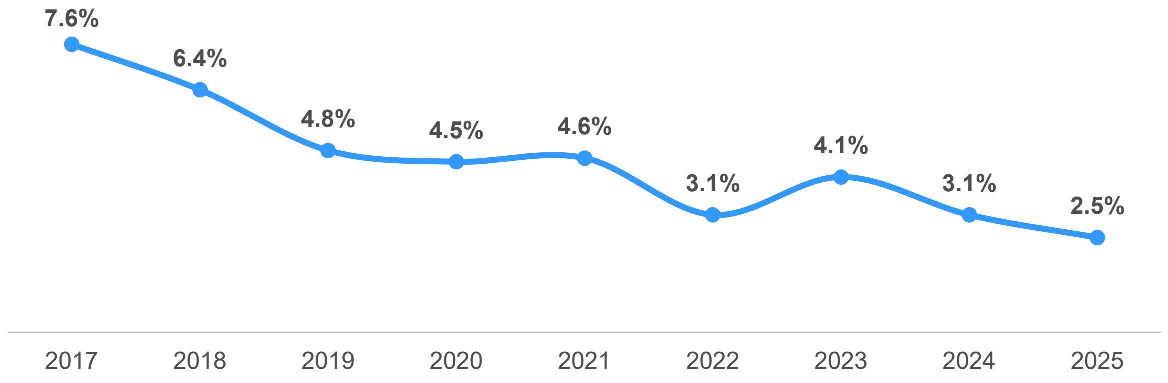
Total (Qualifying) Capital to Risk Weighted Assets

(%)



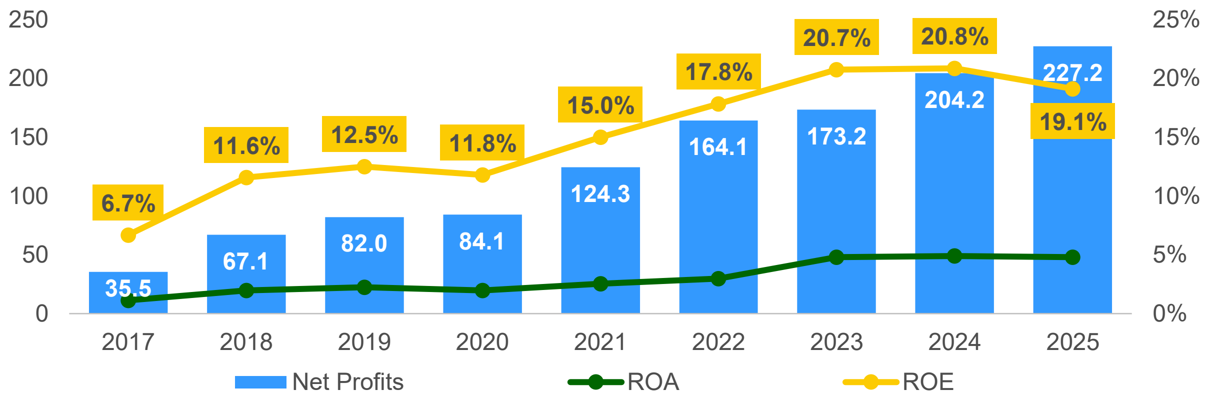
Non-Performing Loans

(%)



Profitability Metrics

(USD million (LHS), % (RHS))



Sources: National Bank of Rwanda

2

ESG

ESG Strategy: Sustainable Growth & Fiscal Resilience

Rwanda pairs ambitious climate targets with measurable progress in restoration, resilience, and inclusive conservatism

Embedded Policy Framework

- Sustainable Finance Framework, 2024
- NDC 3.0
- NST2 2024-2029
- Revised Green Growth and Climate Resilience Strategy (GGSRS)
- Climate, Environment and Natural Resources Sector Strategic Plan 2024-2029

Sturdy Foundation: These strategies together frame sustainability around climate resilience, low-carbon growth, disaster-risk reduction, sustainable land and water management, biodiversity protection, and stronger resource mobilisation

Development Model Integration

The **revised GGSRS** is explicit that Rwanda's climate agenda will directly support sustainable growth and poverty reduction

- NDC 3.0
- CENR Sector Strategic Plan
- Climate Nature Finance Strategy (CNFS) & Policy Work

[Ecosystem Restoration] [Climate-Smart Ag] [Water Security]

[Flood Management] [Forestry] [Community Resilience]

NST2 Transformation Agenda: Mainstreaming disaster-risk reduction and sustainable resource management

Disaster Risk Financing (DRF)

Shifting the sovereign from reactive post-disaster funding to a proactive framework

Resilience Shield	Diagnostic Matrix
Catastrophic events	Sovereign insurance to transfer and pool risk
Large shocks	Fast-disbursing, pre-approved loans from development partners
Small Frequent Events	Strengthened National Disaster Risk Fund for rapid response

53%
Net emission reduction by 2035 (NDC 3.0)

>1 mil. hectares
Agroforestry plantings by 2030 (NDC 3.0)

$450 mil.
Pledged by government over the next 4 years to improve preparedness for future shocks

>40,000 hectares
Forests restored by 2030 (NDC 3.0)

10%
National park revenues reinvested in local communities (Rwanda Development Board)

Section

3

Appendix


A Rapidly Growing, Politically Stable, Diversified Economy

Rwanda is building a foundation for increased economic competitiveness on the back of significant structural reforms that have helped sustain its growth rates

Key Facts

Population
14.4 million (2026)

Real GDP Growth
8.7%
(2021-2025
Post-Covid Average)

Global Innovation Index
Ranked # 1 of all LICs*
(2025)

Life Expectancy at Birth
70.5 years
(2026)

Unemployment Rate
11%
(Q1 2026)

Financial Center
Ranked 3rd in Africa
(2024)

Literacy Rate
79%
(2022)

Female Seats in Parliament
63.8% (2025)

Order and Security
Ranked #1 in Africa
28th Globally (2025) **

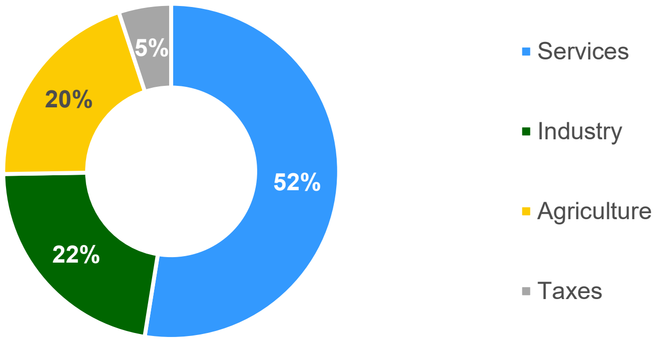
Access to Improved Sanitation
94%
(2024)

Business Ready Report by World Bank
Ranked # 1 in Africa
(2025)

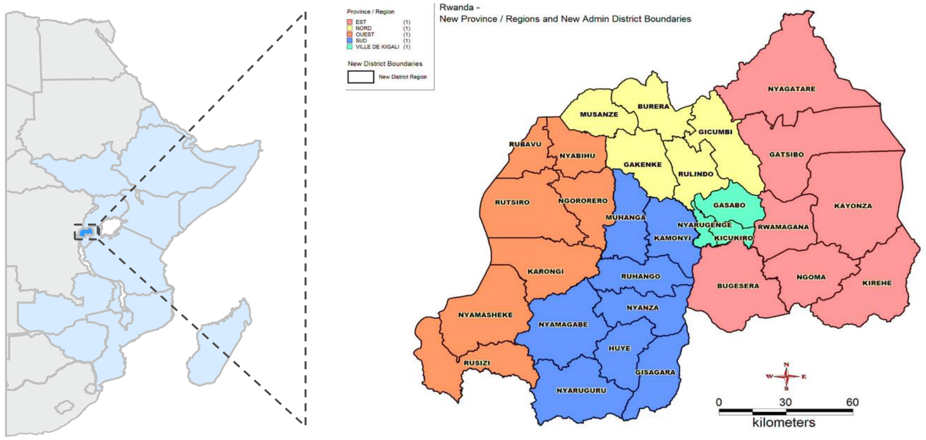
Sovereign Rating
Fitch: B+ (Mar 2026)
S&P: B+ (Nov 2025)
Moody's: B2 (Mar 2026)

GDP Breakdown by Sector

(2025, % of Total)



Rwanda at the Heart of Africa



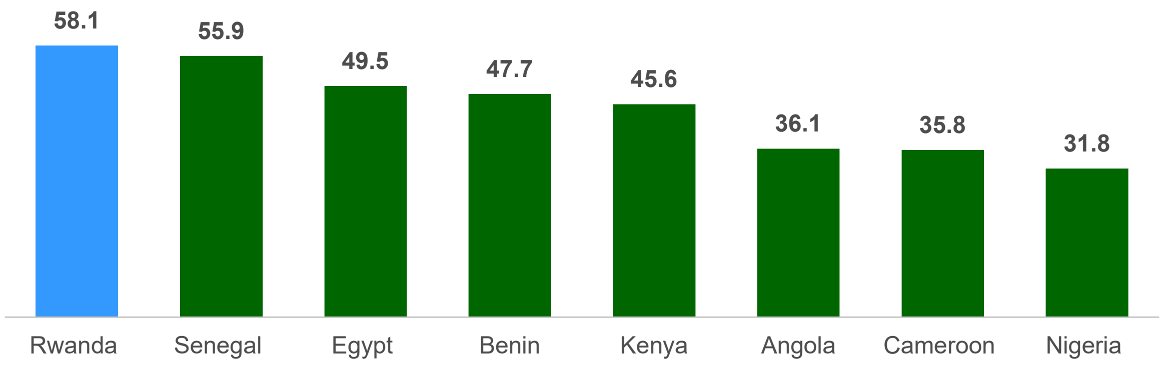
Sources: IMF, World Bank, National Institute of Statistics of Rwanda, World Bank Governance Indicators, Global Innovation Index 2025, World Justice Project Rule of law Index 2025, Global Financial Centers Index 2024
*LIC = Low Income Country ** By World Justice Project (Rule of Law Index)

Strong Governance and a Capable State

Rwanda has built a reputation of political and institutional stability and outperforms similarly rated peers in its quality of institutions and governance

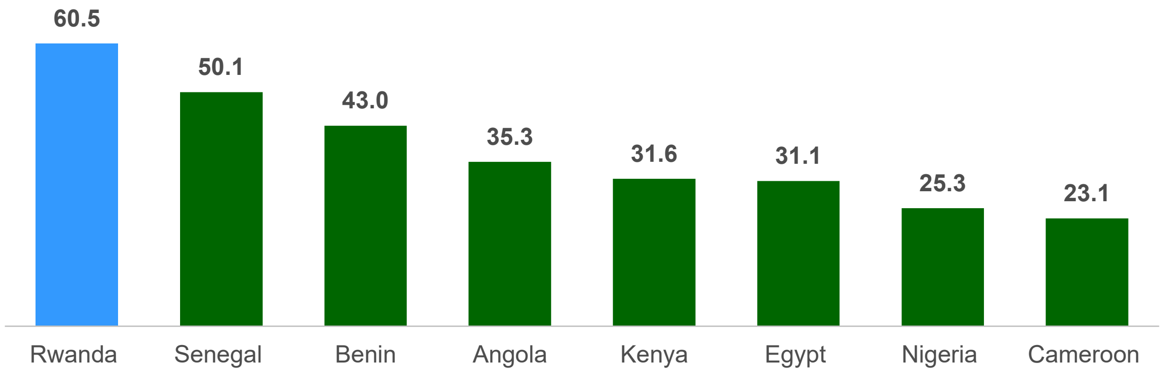
Government Effectiveness

(2024, Score)



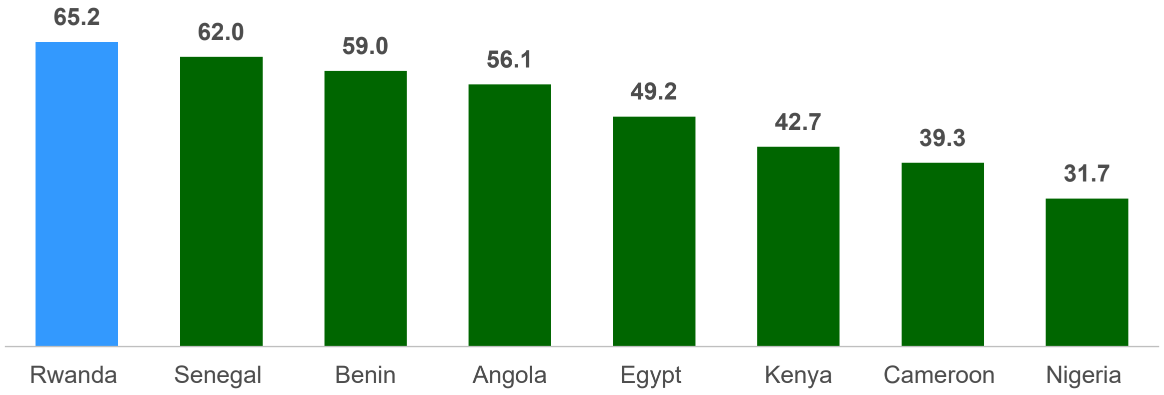
Control of Corruption

(2024, Score)



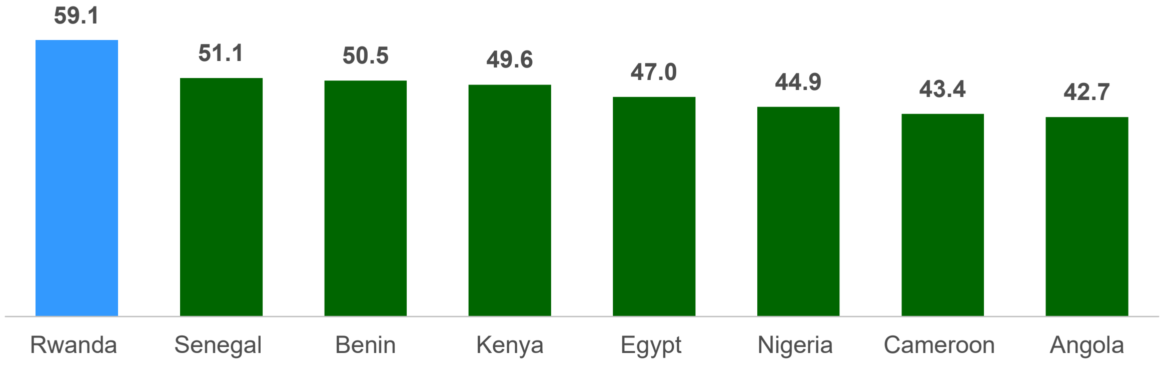
Political Stability and No Violence

(2024, Score)



Regulatory Quality

(2024, Score)



Sources: World Bank Governance Indicators

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