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NATIONAL BANK OF RWANDA

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## 1. GLOBAL ECONOMY

The global economy faces renewed tests as the conflict in the Middle East threatens to disrupt growth and disinflation. After withstanding higher trade barriers and elevated uncertainty last year, global growth now faces a major test from the outbreak of conflict in the Middle East. Assuming that the conflict remains limited in duration and scope, global growth is projected to slow to 3.1 percent in 2026 and 3.2 percent in 2027. Global headline inflation is projected to rise modestly in 2026 before resuming its decline in 2027. Slowdown in growth and increase in inflation from 3.4 recorded in 2025 are expected to be particularly pronounced in emerging market and developing economies.

Downside risks dominate the outlook. A longer or broader conflict, worsening geopolitical fragmentation, a reassessment of expectations surrounding artificial-intelligence-driven productivity, or renewed trade tensions could significantly weaken growth and destabilize financial markets. Elevated public debt and eroding institutional credibility further heighten vulnerabilities. At the same time, activity could be lifted if productivity gains from AI materialize more rapidly or trade tensions ease on a sustained basis.

## 2. DOMESTIC ECONOMIC GROWTH AND LABOR MARKET

Rwanda's economy continued to show strong growth momentum in 2025, with GDP growing by 9.4 percent. This performance was broad-based, with strong contributions from services, particularly trade and transport, construction, manufacturing, and agriculture, supported by export crops.

The sectoral performance shows that the Services sector expanded by 9 percent, contributing 4.4 percentage points to GDP. This performance is explained by a 15 percent increase in wholesale and retail trade, 7 percent rise in transport, and 15 percent growth in information & communication activities. The Industrial sector grew by 11 percent, contributing 2.5 percentage points to GDP, with mining and quarrying, metals and chemicals manufacturing, and construction. The Agriculture sector expanded by 7 percent, adding 1.5 percentage points to total GDP, with a notable 32 percent increase from export crops, mainly coffee and tea.

Economic growth is expected to slow to 6.8 percent in 2026, due to the direct and indirect impacts of the Middle East conflict on commodity prices, trade, transport, and financial and tourism flows. It is predicted to bounce back to 7.2 percent in 2027 and stabilise around 7.0 percent in the medium term.

In 2026 Q1, Rwanda's labour market continued to recover, and the unemployment rate declined to 11.0 percent, slightly lower than 11.1 percent in 2025 Q1. This improvement was driven by employment in the agriculture and service sectors. The employment-to-population ratio increased by 1.2 percentage points, from 56 percent in 2025 Q1 to 57.2 percent in 2026 Q1, underscoring stronger job creation relative to the working-age population. Meanwhile, the labour force participation rate increased from 63 percent to 64.3 percent, indicating sustained engagement in economic activity. Employment gains were notable in agriculture, forestry and fishing (6.9 percent), wholesale and retail trade; repair of motor vehicles and motorcycles (4.9 percent), construction (8.1 percent), transportation and storage (10.2 percent), and manufacturing (7.8 percent).

## 3. INFLATION AND MONETARY POLICY

In 2025, headline inflation averaged 7,0 percent, remaining within the

targeted range of 2–8 percent, supported by effective monetary policy and government measures.

In 2025Q4, year-on-year headline inflation rose to 7.4 percent, from 7.2 percent in 2025Q3, driven by higher core and energy inflation, which offset declines in fresh food prices. Core inflation rose, driven by increases in housing, health, education, and transport, which more than offset easing pressures in core food, hotels, and restaurants. At the same time, energy inflation increased sharply due to higher costs of solid and liquid fuels as well as electricity, while fresh food inflation declined, mainly reflecting lower prices for vegetables and fruits. More recently, in March 2026, inflation rose to 9.2 percent year-on-year, driven by additional pressure on solid fuels.

Headline inflation is projected to remain above 8 percent in the near term, before gradually declining and returning to the medium-term target of 5 percent over the projection horizon. Inflation is expected to return to the 2–8 percent target range by 2027. However, inflation risks remain tilted to the upside, driven primarily by the impact of the Middle East crisis on energy prices as well as adverse weather conditions that could further constrain agricultural output and push food prices higher.

In its February 2026 meeting, prior to the escalation of the Middle East crisis, the National Bank of Rwanda's Monetary Policy Committee (MPC) raised the central bank rate to 7.25 percent. This decision was taken in response to already rising inflationary pressures and to support the disinflation process. In this period of heightened global uncertainty, the MPC will continue to closely monitor inflation and economic developments, update its outlook, and stand ready to take further action as necessary to ensure inflation returns to the 5 percent medium-term target.

In the fourth quarter of 2025, money market interest rates followed the tight monetary policy stance. The interbank rate moved slightly above the Central bank rate of 6.75 percent, rising by 9 basis points to 6.87 percent in 2025Q4, up from 6.78 percent in 2024Q4, indicating effective liquidity management, which helped contain the impact of the tight liquidity conditions observed in the last quarter of 2025.

Meanwhile, both deposit and lending rates decreased. The average deposit rate dropped by 152 basis points to 8.98 percent in the fourth quarter, down from 10.5 percent a year earlier, while the average lending rate fell by 13 basis points to 15.72, compared to 15.85 percent in the same quarter of 2024.

Monetary aggregates continued to grow in the fourth quarter of 2025, with broad money and credit to the private sector increasing by 18.2 percent and 21.6 percent, respectively. While Broad money and Credit to the private sector are expected to rise by 16.5 percent and 17.3 percent, respectively, in 2026.

## 4. EXTERNAL SECTOR

The external sector continues to show growth in imports, while strong exports and supportive policies are expected to help improve the current account balance in the medium term.

In 2025, the trade deficit, excluding gold, worsened by 4.4 percent year on year. This was mainly due to a 7.2 percent increase in imports, which outpaced a 11.1 percent rise in exports. Export growth was largely driven by traditional sectors, particularly higher demand for coffee and minerals, supported by favourable global prices. Non-traditional exports also grew significantly, especially in processed cooking oil and wheat flour, which positively impacted overall export performance.

imports of goods rise was largely driven by higher imports of capital goods, such as transport materials, machines, devices and other industrial tools, as well as imports of intermediary goods, including metallics construction material, cement and other industrial inputs, indicating strong domestic demand and investment. However, energy imports fell by 12.8 percent, primarily due to a 21.9 percent decline in fuel imports.

The Current Account Deficit (CAD) narrowed from 13.1 percent of GDP in 2024 to 11.8 percent in 2025, driven by good performance in tourism receipts and remittances. Owing to increased imports related to the New Kigali International Airport (NKIA) construction and fuel imports due to the Middle-East conflict, the current account deficit is expected to further widen in 2026, but is likely to improve thereafter. It is expected to be financed by foreign direct investments and concessional debt inflows. Reserves are expected to remain above the benchmark of 4.0 months of imports. Continued implementation of sound macroeconomic policies will help maintain external stability.

## 5. FISCAL SECTOR

On the fiscal side, performance in the first half of FY2025/26 was stronger than projected. Total revenue, including grants, exceeded the forecast, mainly due to robust tax collections from domestic consumption and international trade, driven by new tax reforms and enhanced compliance measures. Grants also surpassed projections, driven by increased disbursements in the education and health sectors. These positive results offset weaker performance in other revenue categories due to delays in Peace Keeping Operations (PKO) reimbursements.

Total expenditures were lower than projected, reflecting a change in the financing structure of New Kigali International Airport (a shift from Eurobond to semi-concession and domestic financing), and delays in PKO spending linked to delayed reimbursement. As a result, the overall fiscal deficit was lower than projected, owing to revenue performance and better expenditure management.

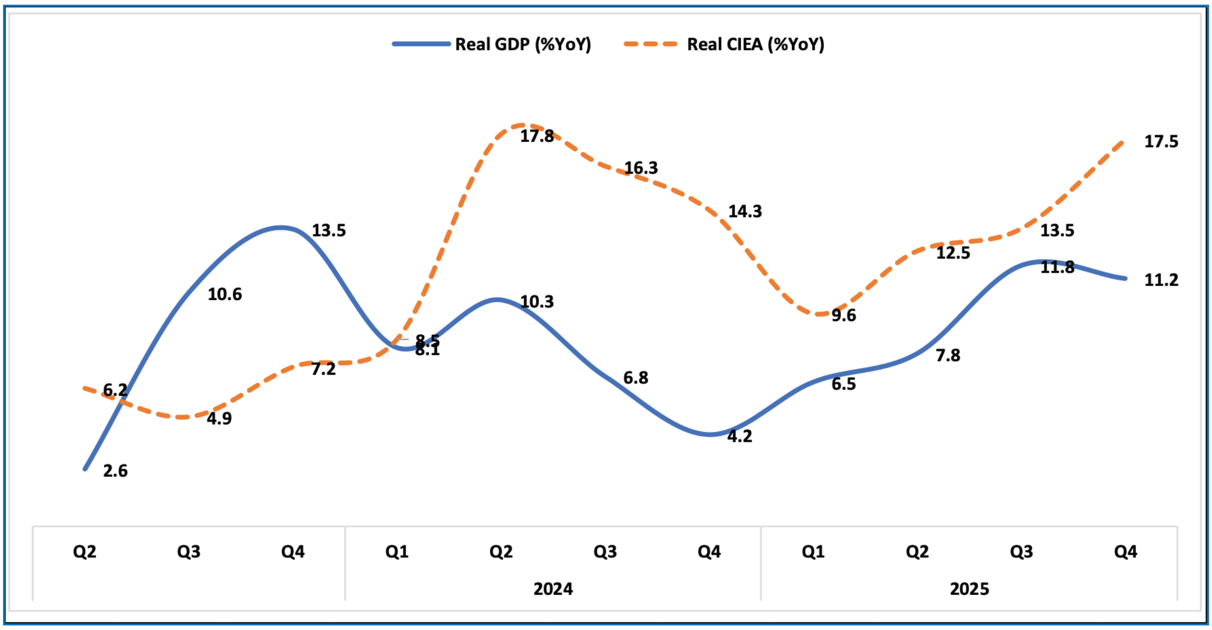
The government remains dedicated to its fiscal consolidation efforts, focusing on increasing domestic revenue by raising the tax-to-GDP ratio from 15.5 percent in 2026/27 to 16.1 percent in 2028/29. This approach includes spending reprioritisation and careful debt management. Even with increased spending on priority projects and responses to the Middle East conflict, the fiscal strategy remains on course to maintain a deficit that keeps the debt-to-GDP ratio at or below 65 percent by 2033. The projected fiscal deficit for FY 2025/26 is 5.7 percent, decreasing to 4.8 percent in 2026/27, 4.1 percent in 2027/28, and 3 percent in 2028/29.

Rwanda's public debt remains sustainable, with a moderate risk of debt distress. The provisional Debt Sustainability Analysis (DSA), conducted in March 2026 indicates that the public debt-to-GDP ratio will slightly decrease to 72.4 percent by the end of December 2026, down from 73.6 percent at the end of December 2025, reflecting fiscal consolidation and effective debt management. The rise in debt levels since 2020 was mainly caused by expanded development spending and policy responses to global shocks, such as health emergencies, geopolitical issues, climate, and macroeconomic shocks. Despite this, as of December 2025, public debt in present value (PV) terms was 54.4 percent of GDP, remaining well below the 70 percent threshold for debt sustainability.

The present value (PV) of the external debt-to-GDP ratio stood at 39.3 percent in 2025. Meanwhile, the PPG external debt service-to-exports and debt service-to-revenue ratios were recorded at 9.8 percent and 13 percent, respectively, well below their indicative thresholds of 21 percent and 23 percent. These indicators are expected to remain within sustainable bounds over the medium term, supported by continued improvements in domestic revenue mobilisation following the implementation of new tax measures.

Rwanda's debt management strategy will continue to be guided by a clear debt path, aiming to reduce the public debt-to-GDP ratio to the anchor level of 65 percent by 2033.

Chart 1: Quarterly real GDP growth vs CIEA (% change, y-o-y)



| Rwanda: Selected Economic Indicators, 2022-31 | | | | | | | | | | |
|---|---|---|---|---|---|---|---|---|---|---|
| | 2022 | 2023 | 2024 | 2025 | 2026 | 2027 | 2028 | 2029 | 2030 | 2031 |
| | | Act. | | | | | Proj. | | | |
| **Output and prices** | | | | | | | | | | |
| Real GDP | 9.8 | 8.6 | 7.2 | 9.4 | 6.8 | 7.2 | 7.0 | 7.0 | 7.0 | 7.1 |
| GDP deflator | 15.9 | 11.7 | 8.1 | 7.3 | 10.0 | 6.0 | 5.0 | 5.0 | 5.0 | 5.0 |
| CPI (end of period, eop) | 21.6 | 6.4 | 6.8 | 8.0 | 9.5 | 6.0 | 5.0 | 5.0 | 5.0 | 5.0 |
| CPI (period average, pa) | 13.9 | 14.0 | 4.8 | 7.0 | 10.5 | 6.5 | 5.0 | 5.0 | 5.0 | 5.0 |
| **Monetary indicators (%YoY)** | | | | | | | | | | |
| Net foreign assets | 2.7 | 33.4 | 56.2 | -0.5 | 1.2 | 7.2 | 17.2 | 18.0 | 16.9 | -4.8 |
| Net domestic assets | 38.3 | 19.9 | -4.7 | 37.4 | 27.9 | 18.0 | 11.8 | 16.9 | 17.6 | 26.5 |
| Credit to the private sector | 13.6 | 19.9 | 14.3 | 21.6 | 17.3 | 16.3 | 13.2 | 14.5 | 13.9 | 17.7 |
| Broad money | 22.9 | 24.8 | 18.8 | 18.2 | 16.5 | 14.0 | 13.7 | 17.3 | 17.3 | 15.2 |
| Reserve money, annual percentage growth) | 29.0 | 10.1 | 11.0 | 10.4 | 14.2 | 10.2 | 11.2 | 15.1 | 15.2 | 14.1 |
| **Budgetary central government, FY basis % of GDP** | **2021/22** | **2022/23** | **2023/24** | **2024/25** | **2025/26** | **2026/27** | **2027/28** | **2028/29** | **2029/30** | **2030/31** |
| Revenue & grants | 25.1 | 21.7 | 20.5 | 19.3 | 19.7 | 19.4 | 19.8 | 19.9 | 19.9 | 19.9 |
| Taxes | 15.2 | 14.6 | 14.0 | 14.2 | 14.9 | 15.5 | 15.9 | 16.1 | 16.2 | 16.3 |
| Grants | 6.7 | 4.5 | 4.1 | 2.8 | 2.6 | 1.9 | 1.8 | 1.7 | 1.5 | 1.5 |
| Other revenue | 3.2 | 2.6 | 2.5 | 2.3 | 2.2 | 2.1 | 2.1 | 2.1 | 2.1 | 2.1 |
| Expense | 20.0 | 18.2 | 17.1 | 15.8 | 15.3 | 15.1 | 15.1 | 14.7 | 14.9 | 15.2 |
| Net acquisition of nonfin. assets | 12.9 | 9.7 | 9.5 | 8.2 | 7.8 | 7.4 | 7.6 | 7.9 | 7.9 | 7.6 |
| Net lending (+) / borrowing (-) {deficit/Surplus} | -7.7 | -6.2 | -6.0 | -4.7 | -3.4 | -3.1 | -2.9 | -2.8 | -2.9 | -2.9 |
| excluding grants | -14.4 | -10.8 | -10.1 | -7.5 | -6.0 | -4.9 | -4.7 | -4.5 | -4.4 | -4.5 |
| Net acquisition of financial assets | 3.0 | 0.0 | 0.5 | 1.7 | 3.0 | 2.1 | 1.6 | 0.5 | 0.5 | 0.4 |
| Domestic | 3.0 | 0.4 | 0.5 | 1.7 | 2.9 | 2.2 | 1.6 | 0.5 | 0.5 | 0.4 |
| Foreign | 0.0 | -0.4 | 0.0 | 0.0 | 0.1 | -0.1 | 0.0 | 0.0 | 0.0 | 0.0 |
| Net incurrence of liabilities | 10.1 | 6.1 | 6.9 | 6.4 | 6.4 | 5.2 | 4.5 | 3.3 | 3.3 | 3.3 |
| Domestic | 1.8 | 0.9 | -0.1 | 0.2 | 0.6 | 0.0 | 0.8 | 0.5 | 1.4 | 1.1 |
| Foreign | 8.3 | 5.2 | 7.0 | 6.3 | 5.7 | 5.2 | 3.7 | 2.9 | 2.0 | 2.2 |
| Overall fiscal balance (incl. grants, policy lending) | **-9.0** | **-7.1** | **-6.6** | **-5.4** | **-5.7** | **-4.8** | **-4.1** | **-3.0** | **-3.0** | **-3.0** |
| **External sector** | **2022** | **2023** | **2024** | **2025** | **2026** | **2027** | **2028** | **2029** | **2030** | **2031** |
| Exports (goods and services) % chg | 40.0 | 17.8 | 22.1 | -17.7 | 10.2 | 11.7 | 10.4 | 10.3 | 7.2 | 8.3 |
| Imports (goods and services) % chg | 26.5 | 16.7 | 13.4 | -12.3 | 14.3 | 2.9 | -2.7 | 2.3 | 5.7 | 6.0 |
| Current account balance (incl. official transfers) as % of GDP | -9.5 | -11.8 | -13.1 | -11.8 | -14.1 | -12.0 | -8.4 | -6.7 | -6.7 | -6.2 |
| Gross official reserves | | | | | | | | | | |
| (mln USD), in months of next year's imports of goods & services | 4.2 | 4.3 | 5.2 | 4.1 | 4.0 | 4.2 | 4.5 | 4.6 | 4.6 | 4.5 |
| **Memorandum items:** | | | | | | | | | | |
| GDP at current market prices | | | | | | | | | | |
| Rwanda francs (billion), CY basis | 14,164 | 17,177 | 19,918 | 23,387 | 27,490 | 31,249 | 35,089 | 39,427 | 44,302 | 49,816 |
| nominal growth | 27.3 | 21.3 | 16.0 | 17.4 | 17.5 | 13.7 | 12.3 | 12.4 | 12.4 | 12.4 |

Sources: MINECOFIN and BNR staff estimates.

| GDP Growth (constant prices 2024) | | | | | | | | | | |
|---|---|---|---|---|---|---|---|---|---|---|
| | Actual | | | | Projection | | | | | |
| | 2022 | 2023 | 2024 | 2025 | 2026 | 2027 | 2028 | 2029 | 2030 | 2031 |
| **GDP** | **9.8%** | **8.6%** | **7.2%** | **9.4%** | **6.8%** | **7.2%** | **7.0%** | **7.0%** | **7.0%** | **7.1%** |
| | | | | | | | | | | |
| **AGRICULTURE** | **0%** | **5%** | **3%** | **7%** | **3.7%** | **4.8%** | **5.3%** | **5.4%** | **5.6%** | **5.6%** |
| Food crops | -2% | 5% | 0% | 3% | 1.4% | 3.1% | 3.4% | 4.1% | 4.3% | 4.0% |
| Export crops | -3% | -1% | 2% | 32% | 5.6% | 5.7% | 6.4% | 5.2% | 5.4% | 5.8% |
| Livestock & livestock products | 7% | 7% | 14% | 9% | 8.7% | 9.4% | 10.5% | 9.6% | 9.5% | 9.8% |
| Forestry | 7% | 5% | 6% | 6% | 5.7% | 5.6% | 5.7% | 5.7% | 5.7% | 5.7% |
| Fishing | 0% | -4% | -2% | 33% | 5.9% | 5.1% | 5.4% | 5.5% | 5.4% | 5.4% |
| **INDUSTRY** | **22%** | **9%** | **8%** | **11%** | **11.5%** | **11.1%** | **8.3%** | **8.1%** | **8.1%** | **8.1%** |
| **Mining & quarrying** | **28%** | **8%** | **8%** | **17%** | **8.4%** | **9.8%** | **9.6%** | **8.4%** | **8.4%** | **8.9%** |
| **TOTAL MANUFACTURING** | **9%** | **10%** | **6%** | **10%** | **7.2%** | **8.7%** | **7.7%** | **7.3%** | **8.0%** | **7.6%** |
| Manufacturing of food | 14% | 13% | 2% | 9% | 3.9% | 5.0% | 4.8% | 4.9% | 5.0% | 4.8% |
| Manufacturing of beverages & tobacco | 12% | -1% | 6% | 2% | 5.2% | 5.4% | 6.0% | 4.8% | 4.6% | 5.1% |
| Manufacturing of textiles, clothing & leather goods | 9% | 13% | 10% | -1% | 8.2% | 6.9% | 7.2% | 7.3% | 7.0% | 7.1% |
| Manufacturing of wood & paper; printing | 36% | 18% | 18% | 13% | 10.7% | 15.1% | 11.2% | 10.0% | 11.6% | 11.9% |
| Manufacturing of chemicals, rubber & plastic products | -5% | 43% | 9% | 24% | 10.8% | 19.2% | 12.1% | 13.2% | 12.8% | 12.8% |
| Manufacturing of non-metallic mineral products | 7% | 17% | -4% | 34% | 12.9% | 9.0% | 8.6% | 7.3% | 13.5% | 8.7% |
| Manufacturing of metal products, machinery & equipment | 18% | 13% | 21% | 21% | 11.9% | 13.0% | 12.6% | 10.9% | 11.1% | 10.4% |
| Furniture & other manufacturing | -10% | -8% | 6% | 2% | 5.0% | 4.3% | 4.5% | 3.8% | 3.4% | 2.5% |
| **Electricity** | **14%** | **7%** | **20%** | **14%** | **14.2%** | **12.1%** | **11.7%** | **12.7%** | **11.2%** | **10.3%** |
| **Water & waste management** | **6%** | **3%** | **5%** | **5%** | **4%** | **5%** | **5%** | **5%** | **4%** | **3%** |
| **Construction** | **33%** | **8%** | **8%** | **11%** | **15.1%** | **13.0%** | **8.3%** | **8.3%** | **8.0%** | **8.3%** |
| **SERVICES** | **10%** | **12%** | **9%** | **9%** | **6.1%** | **6.5%** | **7.0%** | **7.2%** | **7.2%** | **7.4%** |
| **Trade and Transport** | **13%** | **14%** | **9%** | **12%** | **4.6%** | **5.5%** | **7.1%** | **7.8%** | **7.8%** | **8.5%** |
| Maintenance & repair of motor vehicles | 14% | 14% | 13% | 30% | 7.8% | 8.5% | 9.9% | 9.1% | 6.8% | 8.6% |
| Wholesale & retail trade | 8% | 13% | 11% | 15% | 5.2% | 6.7% | 7.7% | 8.6% | 8.2% | 8.9% |
| Transport services | 19% | 14% | 6% | 7% | 3.6% | 3.8% | 6.1% | 6.7% | 7.3% | 8.0% |
| **Other services** | **9%** | **11%** | **9%** | **7%** | **6.9%** | **7.1%** | **7.0%** | **6.8%** | **6.9%** | **6.7%** |
| Hotels & restaurants | 22% | 15% | 11% | -2% | 3% | 9% | 8% | 7% | 7% | 6% |
| Information & communication | 21% | 32% | 21% | 15% | 11.8% | 11.3% | 7.3% | 9.7% | 7.4% | 9.5% |
| Financial services | 11% | -2% | 12% | 7% | 7.5% | 7.1% | 8.5% | 7.6% | 7.7% | 7.7% |
| Real estate activities | 1% | 5% | 4% | 3% | 4.0% | 3.3% | 3.7% | 3.4% | 3.3% | 3.2% |
| Professional, scientific and technical activities | 9% | 10% | 14% | 18% | 9.8% | 9.8% | 12.0% | 11.4% | 10.8% | 10.0% |
| Administrative and support service activities | 13% | 13% | 14% | 8% | 9.0% | 11.6% | 11.5% | 11.2% | 10.9% | 10.4% |
| Public administration and defence; compulsory social security | 10% | 11% | 10% | 6% | 5.4% | 4.9% | 4.3% | 3.1% | 3.6% | 3.6% |
| Education | 5% | 5% | 4% | 5% | 4.9% | 3.3% | 3.3% | 3.3% | 3.7% | 4.0% |
| Human health and social work activities | 10% | -1% | 17% | -13% | 4.9% | 3.3% | 3.3% | 3.3% | 3.7% | 4.0% |
| Cultural, domestic & other services | 6% | 29% | -4% | 13% | 11.2% | 8.8% | 7.4% | 7.2% | 8.6% | 7.0% |
| | | | | | | | | | | |
| **Taxes less subsidies on products** | **5%** | **-4%** | **8%** | **19%** | **6%** | **6.1%** | **6.3%** | **6.0%** | **5.0%** | **4.6%** |
| **Source: MINECOFIN and BNR Staff Estimates** | | | | | | | | | | |

| Labor Market indicators (percentage) | | | | | | | | | | | | | |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| | 2023 | | | | 2024 | | | | 2025 | | | | 2026 |
| | Q1 | Q2 | Q3 | Q4 | Q1 | Q2 | Q3 | Q4 | Q1 | Q2 | Q3 | Q4 | Q1 |
| LU1-Unemployment rate (%) | 17.2 | 16.8 | 18.0 | 16.8 | 12.9 | 16.8 | 15.3 | 14.7 | 11.1 | 13.4 | 13.4 | 11.7 | 11.0 |
| Labour force participation rate(%) | 57.6 | 59.5 | 59.8 | 60.0 | 61.0 | 62.5 | 64.1 | 64.0 | 63.0 | 62.2 | 65.8 | 64.1 | 64.3 |
| Employment % chgQoQ | | | | | | | | | | | | | |
| Total | 6.5 | 4.7 | -0.3 | 2.6 | 7.1 | -1.4 | 5.1 | 1.4 | 3.2 | -3.1 | 6.7 | 0.0 | 1.7 |
| Agriculture | 8.9 | -0.5 | -15.2 | 26.9 | 8.8 | -17.4 | -12.8 | 27.6 | 9.7 | -15.7 | -1.5 | 13.0 | 14.1 |
| Industry | -7.2 | 17.4 | 31.6 | -31.9 | 2.1 | 20.6 | 38.4 | -25.1 | -9.4 | 11.1 | 29.7 | -22.4 | -3.7 |
| manufacturing | 13.3 | 12.5 | 12.3 | -14.8 | -4.2 | 19.0 | 30.2 | -17.0 | -10.2 | 13.3 | 19.7 | -18.3 | -2.8 |
| Construction | -12.2 | 23.5 | 46.1 | -45.1 | 6.1 | 17.9 | 56.0 | -32.8 | -9.5 | 4.7 | 46.5 | -28.4 | -1.6 |
| service sector | 10.7 | 6.4 | 2.3 | -2.1 | 8.2 | 11.2 | 9.7 | -4.8 | 1.7 | 4.4 | 6.9 | 0.1 | -8.3 |
| Trade service | 30.7 | 8.6 | 1.8 | -9.8 | 2.9 | 18.1 | 14.7 | -3.2 | -3.7 | 11.9 | 6.9 | -3.0 | -9.6 |
| Transport | -3.3 | 25.2 | 4.5 | -24.4 | 35.4 | 6.8 | 12.3 | -5.3 | -0.2 | -0.4 | 10.5 | 9.1 | -8.2 |
| Hotels and restaurants | 17.5 | 4.8 | 3.9 | 17.8 | -4.5 | 24.6 | 1.5 | -19.8 | 22.0 | 8.1 | 10.6 | -2.6 | -11.3 |

Source: National Institute of Statistics of Rwanda

| FISCAL GFS 2014 - SUMMARY % GDP | | | | | | | | | | |
|---|---|---|---|---|---|---|---|---|---|---|
| | 2021/22 | 2022/23 | 2023/24 | 2024/25 | 2025/26 | 2026/27 | 2027/28 | 2028/29 | 2029/30 | 2030/31 |
| | Act | | | | Proj. | | | | | |
| REVENUE | 25.1% | 21.7% | 20.5% | 19.3% | 19.7% | 19.4% | 19.8% | 19.9% | 19.9% | 19.9% |
| Taxes | 15.2% | 14.6% | 14.0% | 14.2% | 14.9% | 15.5% | 15.9% | 16.1% | 16.2% | 16.3% |
| Taxes on income, profits, and capital gains | 6.9% | 6.5% | 6.4% | 6.3% | 6.2% | 6.4% | 6.4% | 6.4% | 6.4% | 6.5% |
| Taxes on payroll and workforce | 0.0% | 0.0% | 0.0% | 0.0% | 0.0% | 0.0% | 0.0% | 0.0% | 0.0% | 0.0% |
| Taxes on property | 0.1% | 0.1% | 0.2% | 0.2% | 0.2% | 0.3% | 0.3% | 0.3% | 0.3% | 0.3% |
| Taxes on goods and services | 7.1% | 6.6% | 6.4% | 6.6% | 7.4% | 7.7% | 8.0% | 8.2% | 8.3% | 8.2% |
| Taxes on international trade and transactions | 1.1% | 1.4% | 1.0% | 1.1% | 1.1% | 1.1% | 1.2% | 1.2% | 1.2% | 1.2% |
| Grants | 6.7% | 4.5% | 4.1% | 2.8% | 2.6% | 1.9% | 1.8% | 1.7% | 1.5% | 1.5% |
| Other revenue | 3.2% | 2.6% | 2.5% | 2.3% | 2.2% | 2.1% | 2.1% | 2.1% | 2.1% | 2.1% |
| EXPENSE | 20.0% | 18.2% | 17.1% | 15.8% | 15.3% | 15.1% | 15.1% | 14.7% | 14.9% | 15.2% |
| Compensation of employees | 2.6% | 2.3% | 2.5% | 2.6% | 2.6% | 2.6% | 2.6% | 2.6% | 2.6% | 2.6% |
| Use of goods and services | 5.6% | 4.7% | 4.3% | 3.7% | 3.4% | 3.4% | 3.5% | 3.6% | 3.6% | 3.7% |
| Interest | 1.8% | 1.9% | 2.3% | 2.2% | 2.3% | 2.3% | 2.1% | 1.9% | 1.7% | 1.9% |
| Subsidies | 3.1% | 1.9% | 1.7% | 1.5% | 1.5% | 1.5% | 1.2% | 1.0% | 1.0% | 1.0% |
| Grants | 5.3% | 6.2% | 5.4% | 4.7% | 4.5% | 4.6% | 4.8% | 4.8% | 5.2% | 5.1% |
| Social benefits | 0.5% | 0.3% | 0.3% | 0.3% | 0.3% | 0.3% | 0.3% | 0.3% | 0.3% | 0.3% |
| Other expense | 1.2% | 0.8% | 0.8% | 0.7% | 0.6% | 0.6% | 0.6% | 0.6% | 0.6% | 0.6% |
| NET OPERATING BALANCE | | | | | | | | | | |
| including grants | 5.1% | 3.5% | 3.4% | 3.5% | 4.4% | 4.3% | 4.7% | 5.1% | 5.0% | 4.7% |
| excluding grants | -1.5% | -1.1% | -0.6% | 0.7% | 1.7% | 2.4% | 2.9% | 3.5% | 3.4% | 3.2% |
| Net acquisition of nonfinancial assets | 12.9% | 9.7% | 9.5% | 8.2% | 7.8% | 7.4% | 7.6% | 7.9% | 7.9% | 7.6% |
| Foreign financed | 6.4% | 4.9% | 5.9% | 5.3% | 5.2% | 4.3% | 4.1% | 3.9% | 3.7% | 3.7% |
| Domestically financed | 6.5% | 4.8% | 3.5% | 2.9% | 2.6% | 3.0% | 3.5% | 4.0% | 4.1% | 4.0% |
| Net lending (+) / borrowing (-) {deficit/Surplus} | | | | | | | | | | |
| including grants | -7.7% | -6.2% | -6.0% | -4.7% | -3.4% | -3.1% | -2.9% | -2.8% | -2.9% | -2.9% |
| excluding grants | -14.4% | -10.8% | -10.1% | -7.5% | -6.0% | -4.9% | -4.7% | -4.5% | -4.4% | -4.5% |
| Net acquisition of financial assets | 3.0% | 0.0% | 0.5% | 1.7% | 3.0% | 2.1% | 1.6% | 0.5% | 0.5% | 0.4% |
| Domestic | 3.0% | 0.4% | 0.5% | 1.7% | 2.9% | 2.2% | 1.6% | 0.5% | 0.5% | 0.4% |
| Foreign | 0.0% | -0.4% | 0.0% | 0.0% | 0.1% | -0.1% | 0.0% | 0.0% | 0.0% | 0.0% |
| Net incurrence of liabilities | 10.1% | 6.1% | 6.9% | 6.4% | 6.4% | 5.2% | 4.5% | 3.3% | 3.3% | 3.3% |
| Domestic | 1.8% | 0.9% | -0.1% | 0.2% | 0.6% | 0.0% | 0.8% | 0.5% | 1.4% | 1.1% |
| Foreign | 8.3% | 5.2% | 7.0% | 6.3% | 5.7% | 5.2% | 3.7% | 2.9% | 2.0% | 2.2% |
| o/w Budget Loan | 6.7% | 3.4% | 4.3% | 3.6% | 3.9% | 3.9% | 2.8% | 2.0% | 1.4% | 1.7% |
| o/w Project Loan | 3.3% | 2.7% | 3.5% | 3.4% | 3.1% | 2.8% | 2.6% | 2.6% | 2.5% | 2.3% |
| o/w Amortization | 0.8% | 0.5% | 0.7% | 0.8% | 1.3% | 1.6% | 1.6% | 1.7% | 2.0% | 1.9% |
| Statistical discrepancy | -0.3% | -0.1% | 0.4% | 0.0% | 0.0% | 0.0% | 0.0% | 0.0% | 0.0% | 0.0% |
| **Overall fiscal balance (incl. grants, policy lending)** | **-9.0%** | **-7.1%** | **-6.6%** | **-5.4%** | **-5.7%** | **-4.8%** | **-4.1%** | **-3.0%** | **-3.0%** | **-3.0%** |
| Nominal GDP | 12,359 | 15,671 | 18,548 | 21,653 | 25,439 | 29,370 | 33,169 | 37,258 | 41,864 | 47,059 |
| Exchange rate | 1,008 | 1,081 | 1,257 | 1,383 | 1,462 | 1,534 | 1,616 | 1,703 | 1,790 | 1,870 |

Sources: MINECOFIN staff estimates.

| Summary BOP Output (USD mn) | | | | | | | | | | |
|---|---|---|---|---|---|---|---|---|---|---|
| | Act | | | | Proj | | | | | |
| | 2022 | 2023 | 2024 | 2025 | 2026 | 2027 | 2028 | 2029 | 2030 | 2031 |
| **A. Current Account** | **-1,306.9** | **-1,753.9** | **-1,969.6** | **-1,933.3** | **-2,599.5** | **-2,379.4** | **-1,780.8** | **-1,516.9** | **-1,611.1** | **-1,614.5** |
| *Balance on goods and services* | *-2,036.1* | *-2,343.9* | *-2,347.5* | *-2,295.9* | *-2,771.7* | *-2,505.6* | *-1,864.1* | *-1,517.0* | *-1,521.9* | *-1,479.7* |
| **Goods (Trade Balance)** | **-2,046.0** | **-2,444.8** | **-2,425.9** | **-2,380.0** | **-2,796.9** | **-2,587.1** | **-2,084.0** | **-1,811.7** | **-1,829.3** | **-1,809.2** |
| Exports | 2,129.4 | 2,495.6 | 3,245.6 | 2,446.1 | 2,768.1 | 3,140.5 | 3,513.0 | 3,924.3 | 4,260.9 | 4,636.0 |
| Of which: coffee | 105.0 | 87.8 | 90.4 | 139.2 | 142.0 | 144.8 | 147.7 | 151.4 | 155.1 | 159.0 |
| tea | 106.7 | 106.3 | 113.1 | 117.5 | 113.7 | 118.3 | 123.0 | 127.9 | 133.0 | 138.4 |
| minerals (3 Ts) | 203.8 | 201.4 | 231.3 | 338.2 | 444.9 | 448.2 | 448.6 | 448.9 | 450.7 | 453.1 |
| Imports | 4,175.4 | 4,940.4 | 5,671.4 | 4,826.1 | 5,564.9 | 5,727.6 | 5,597.0 | 5,736.0 | 6,090.2 | 6,445.2 |
| **Services (net)** | **9.9** | **100.9** | **78.4** | **84.1** | **25.2** | **81.6** | **219.9** | **294.7** | **307.3** | **329.5** |
| Services: credit | 886.4 | 1,057.0 | 1,093.6 | 1,125.1 | 1,167.1 | 1,253.3 | 1,335.5 | 1,425.4 | 1,476.6 | 1,577.9 |
| o/w Air Transport | 215.0 | 144.1 | 166.6 | 192.1 | 148.3 | 158.9 | 168.5 | 179.1 | 182.2 | 193.4 |
| o/w tourism | 400.2 | 563.8 | 577.4 | 604.5 | 631.7 | 688.5 | 750.5 | 818.1 | 861.5 | 939.0 |
| Services: debit | 876.5 | 956.1 | 1,015.2 | 1,041.0 | 1,141.9 | 1,171.7 | 1,115.6 | 1,130.7 | 1,169.3 | 1,248.4 |
| **Primary income (net)** | **-248.5** | **-308.1** | **-402.2** | **-407.5** | **-500.1** | **-552.6** | **-626.0** | **-705.4** | **-781.2** | **-878.4** |
| **Secondary income (net)** | **977.7** | **898.1** | **780.1** | **770.0** | **672.2** | **678.8** | **709.2** | **705.6** | **692.0** | **743.7** |
| Secondary income: credit | 1,058.1 | 959.9 | 848.7 | 841.9 | 751.0 | 762.1 | 796.1 | 796.4 | 787.3 | 844.7 |
| o/w workers' remittances | 461.2 | 504.7 | 502.4 | 639.8 | 659.3 | 676.5 | 694.0 | 711.3 | 728.5 | 746.2 |
| **B. Capital Account** | **321.8** | **397.6** | **383.0** | **337.3** | **337.3** | **293.5** | **293.5** | **293.5** | **293.5** | **381.1** |
| *Net lending(+)/ net borrowing (-)* | *-985.1* | *-1,356.3* | *-1,586.6* | *-1,596.0* | *-2,262.2* | *-2,085.8* | *-1,487.3* | *-1,223.3* | *-1,317.6* | *-1,233.4* |
| **C.Financial Account:Net lending(+)/ net borrowing (-)** | **-670.8** | **-1,508.1** | **-1,918.7** | **-1,097.9** | **-2,208.2** | **-2,116.9** | **-1,644.9** | **-1,382.3** | **-1,467.4** | **-1,154.0** |
| **Direct investment** | -305.1 | -445.2 | -518.0 | -595.5 | -992.0 | -1,115.9 | -860.4 | -822.9 | -890.5 | -961.7 |
| Direct investment: assets | 0.0 | 12.5 | 13.2 | 13.7 | 15.1 | 16.1 | 17.2 | 18.4 | 19.6 | 20.9 |
| Direct investment: liabilities (i.e. FDI) | 305.1 | 457.6 | 531.1 | 609.2 | 1,007.1 | 1,132.1 | 877.6 | 841.3 | 910.1 | 982.6 |
| **Portfolio investment** | **91.5** | **51.6** | **21.3** | **-9.2** | **0.0** | **0.0** | **0.0** | **0.0** | **0.0** | **0.0** |
| **Other investment** | **-457.2** | **-1,114.5** | **-1,422.0** | **-493.2** | **-1,216.2** | **-1,001.0** | **-784.5** | **-559.4** | **-576.9** | **-192.3** |
| **D. Net Errors and Omissions (minus is outflow)** | **184.9** | **-45.0** | **243.4** | **199.7** | **0.0** | **0.0** | **0.0** | **0.0** | **0.0** | **0.0** |
| **E. Overall Balance** | **-129.4** | **106.8** | **575.5** | **-298.4** | **-53.9** | **31.1** | **157.5** | **158.9** | **149.7** | **-79.4** |
| **F. Reserves assets (change in net foreign assets - minus is a drop)** | **-129.4** | **106.8** | **575.5** | **-298.4** | **-53.9** | **31.1** | **157.5** | **158.9** | **149.7** | **-79.4** |
| Gross official reserves (mln USD), in months of next year's imports of goods & services | 4.2 | 4.3 | 5.2 | 4.1 | 4.0 | 4.2 | 4.5 | 4.6 | 4.6 | 4.5 |

Sources: BNR staff estimates.

Summary MON Output

| | Act | | | | Proj | | | | | |
|---|---|---|---|---|---|---|---|---|---|---|
| | 2022 | 2023 | 2024 | 2025 | 2026 | 2027 | 2028 | 2029 | 2030 | 2031 |
| Annual growth rates | | | | | | | | | | |
| Reserve money | 29.0% | 10.1% | 11.0% | 10.4% | 14.2% | 10.2% | 11.2% | 15.1% | 15.2% | 14.1% |
| Net foreign assets | 2.7% | 33.4% | 56.2% | -0.5% | 1.2% | 7.2% | 17.2% | 18.0% | 16.9% | -4.8% |
| Net domestic assets | 38.3% | 19.9% | -4.7% | 37.4% | 27.9% | 18.0% | 11.8% | 16.9% | 17.6% | 26.5% |
| **Credit to the private sector** | **13.6%** | **19.9%** | **14.3%** | **21.6%** | **17.3%** | **16.3%** | **13.2%** | **14.5%** | **13.9%** | **17.7%** |
| Broad money | 22.9% | 24.8% | 18.8% | 18.2% | 16.5% | 14.0% | 13.7% | 17.3% | 17.3% | 15.2% |
| Deposits | 23.4% | 26.6% | 19.8% | 18.5% | 15.1% | 14.1% | 13.7% | 17.3% | 17.3% | 15.2% |
| Contribution to broad money growth | | | | | | | | | | |
| Net foreign assets | 1.1% | 12.0% | 21.6% | -0.3% | 0.5% | 2.7% | 6.0% | 6.5% | 6.1% | -1.7% |
| Net domestic assets | 21.8% | 12.7% | -2.9% | 18.5% | 16.0% | 11.3% | 7.7% | 10.8% | 11.2% | 16.9% |
| Central government (net) | 19.9% | 2.9% | -1.6% | 10.0% | -1.3% | -1.0% | -0.4% | -0.5% | 0.6% | 3.9% |
| Credit to the private sector | 13.3% | 18.0% | 12.4% | 18.0% | 14.8% | 14.1% | 11.6% | 12.7% | 11.9% | 14.7% |
| Other items net | -13.1% | -11.8% | -15.0% | -9.8% | 2.5% | -1.8% | -3.5% | -1.4% | -1.3% | -1.7% |
| Broad money | 22.9% | 24.8% | 18.8% | 18.2% | 16.5% | 14.0% | 13.7% | 17.3% | 17.3% | 15.2% |

Sources: BNR staff estimates.

Debt Sustainability Analysis

| Ratios | 2025 | 2026 P | 2027 P | 2028 P | 2029 P | Threshold |
|---|---|---|---|---|---|---|
| Debt to GDP Ratio | 73.5% | 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 of PPG external debt-to-GDP ratio | 39.3% | 40.7% | 41.5% | 41.7% | 40.8% | < 55% |
| PPG External debt service-to-exports ratio | 9.8% | 10.0% | 10.9% | 12.2% | 12.2% | < 21% |
| PPG External debt service to revenue ratio | 13.0% | 12.7% | 13.7% | 15.6% | 15.7% | < 23% |

Source: MINECOFIN Staff Estimates

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