

Policy Dialogue about “Rwanda Debt Status and Policy”

Date and Venue: 07/05/2019

Organized jointly by EPRN and MINECOFIN/CE Department

1. Background

Across Sub-Saharan Africa debt levels are going up rapidly. This is for different reasons. In some cases, some big oil exporters are avoiding taking measures to avoid a crisis and are taking more debt. That is a bad debt to be accruing. There are other countries, some of them in East Africa that are taking debt for infrastructure but this can be in some cases not sustainable.

The international Monetary Fund (IMF) has noted Rwanda’s prudent management of its debt while it continues to register notable progress in sustaining high and inclusive growth.

In March 2019, speaking at the conclusion of a two week IMF staff mission to Rwanda, Laure Redifer, the IMF mission chief pointed out that Rwanda’s debt levels have been carefully managed despite capital intensive projects the country has undertaken.

Careful management of Rwanda’s debt is mainly attributed to the fact that the Government has made to choice to keep a low risk of debt distress status as an anchor to its fiscal policy. This has been achieved through a process of careful prioritization and selection of projects and the country’s debt strategy to maximize concessional borrowing in favor of commercial borrowing. On the other hand, the ongoing implementation of the National Strategy for Transformation has resulted in strong investment inflows and increased exports diversification.

Rwanda’s economy grew by 8.6% in 2018 driven by robust activities in all sectors of the economy. At the same time inflation remained very low reflecting ample food supplies and low inflationary pressures.

Growth is projected at 7.8% in 2019, and over the medium term at around 8%. Large investments such as Bugesera airport and other infrastructure projects are expected to bolster growth. Over the long term, extensive private and government investments in manufacturing, tourism, agriculture ICT, health and education among others, are expected to transform Rwanda’s Economy to high- value added activities, and boost per capita incomes and living standards.

2. Objective

The objective of this dialogue is to present the current situation in relation to Rwanda's Debt and brainstorm on what necessary policy actions and strategies to be taken to keep debts manageable.

3. Participants

100 participants are expected to this policy dialogue: officials from public institutions, private sector, academicians, NGOs, development partners, Embassies, individual researchers and media houses.

4. Agenda

The public dialogue will last for half a day from 2:00PM to 5PM and shall be characterized by topic presentations and panel discussion. Cocktail and networking time from 5pm to 6pm.

Time	Activity	Responsible
14:00 - 14:30	Registration	EPRN
14:30-14:50	Opening remarks	Prof Thomas Kigabo, CE BNR and EPRN- Chairperson PS MINECOFIN (TBC)
14:50-15:20	Presentation about "Rwanda Debt Status and Policy"	Amina Rwakunda, CE MINECOFIN
15:20-15:45	Q&A Session	ALL
15:45-16:45	Panel Discussion Moderator: EPRN	CE-MINECOFIN MINICOM RDB CE-BNR
16:45-17:00	Closing and key recommendations	EPRN Chief Guest MINECOFIN
17:00-18:00	Cocktail and networking opportunity	