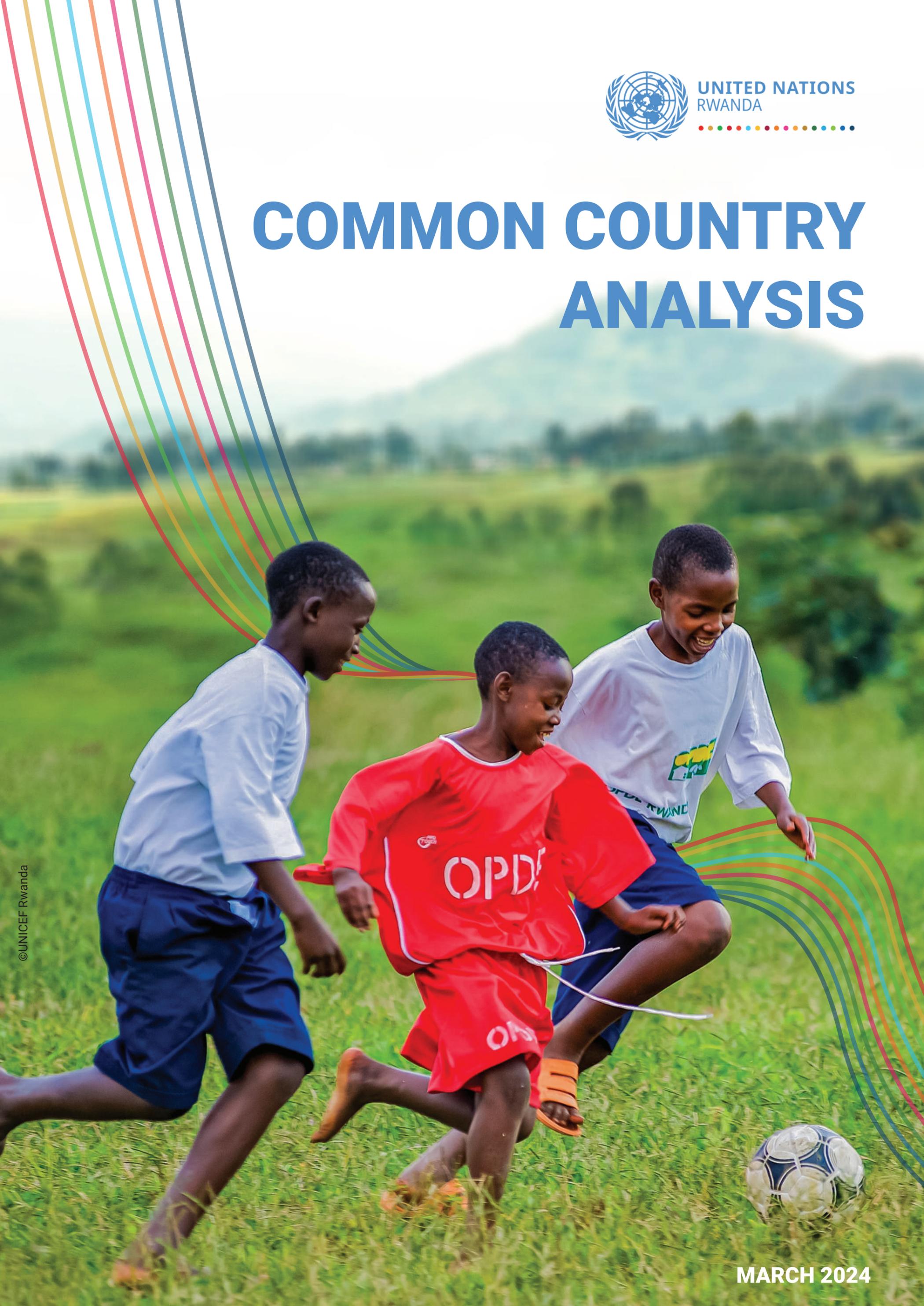




UNITED NATIONS
RWANDA



COMMON COUNTRY ANALYSIS



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FOREWORD

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I am pleased to present the UN Rwanda's 2023 Common Country Analysis (CCA). This is a collaborative effort of the UN Country Team (UNCT) aimed at comprehensively assessing the progress and challenges of Rwanda's socioeconomic development journey, taking stock on the progress towards the Sustainable Development Goals (SDGs), and offering recommendations to strengthen the country's socio-economic transformation efforts that are at the core of national development planning.

Rwanda has made remarkable strides in recent years towards its national vision of becoming an inclusive middle-income country by 2035 and achieving the SDGs by 2030. The country's commitment to a development agenda anchored in resilience, inclusivity, and sustainability is commendable and aligns with the global aspirations for a better world. As we move forward, these aspirations demand substantial domestic and international resources, and prioritization is key given resource constraints. Therefore, foundations for transformative change must be enhanced, and investments should strengthen institutions and promote inclusive, green, and resilient economic growth – leaving no one behind.

This analysis serves as a critical tool for both reflection and action, as it offers an in-depth assessment across various dimensions of development, highlighting areas where notable achievements have been recorded and, equally importantly, where challenges persist. Specifically, the CCA employs the five dimensions of the 2030 Agenda, providing an integrated and system-wide analysis of the context. The analytical process and content align with the "5P's" of the 2030 Agenda, encompassing: People: Focusing on the social dimension. Planet: Emphasizing the environmental dimension.

Prosperity: Addressing the economic dimension. Peace: Highlighting the ethical dimension, with a commitment to ideals such as equality, freedom, human dignity, and justice. And Partnership: Underscoring the significance of collaboration and cooperation. The challenges identified through the 5 Ps analysis are multi-faceted and require integrated responses and concerted efforts from all stakeholders.

As the UN system in Rwanda, we are committed to supporting the country's progress toward Vision 2050 and SDG achievement. In this regard, the next Cooperation Framework must address root causes of inequalities and vulnerabilities, promoting inclusive growth, and building resilience, adopt innovative and upstream approaches, leveraging partnerships and collaborations across sectors.

In addition, the UN is now seeking to shift from assistance to collaboration as a core principle, focusing on catalysing and promoting transformative, evidence-based, people-centred, equity-oriented, and risk-informed development actions. On our part, it is imperative that we shift from assistance to collaboration as we work together to accelerate progress toward the SDGs. This analysis will therefore provide valuable insights to guide policymaking and programme development, aligning our efforts with Rwanda's second generation of the National Strategy for Transformation.

I express deep appreciation for the valuable contributions of all involved in preparing this assessment, especially the overall leadership of UNCT in Rwanda, the technical leadership of the Program Management Team, and the Office of the UN Resident Coordinator. Gratitude also extends to UN colleagues from the Department of Political and Peacebuilding Affairs, the Office of the Special Envoy of the Secretary-General for the Great Lakes, and the United Nations Regional Office for Central Africa for providing a crucial regional perspective. Lastly, I want to acknowledge the exceptional support of Independent Consultant Mr. Arthur Byabagambi for all the backstopping work he rendered in the elaboration of this CCA.

We remain steadfast and resolute to supporting the Government of Rwanda and all its citizens and look forward to a future where Rwanda continues to thrive, and every citizen enjoys the benefits of progress. Together, we can achieve the Rwanda we want and make significant strides towards a more equitable and sustainable world.

This is an independent assessment, and the UN Rwanda team welcomes feedback on the content of this CCA.

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Ozonnia Ojielo

UN Resident Coordinator in Rwanda

EXECUTIVE SUMMARY

Rwanda has made significant progress in improving various aspects of human capital development complemented with an average annual GDP growth rate of around 8% over the past three years. This growth has primarily been driven by services, industry and to some extent agriculture though its growth has slowed recently. Investments are evident in infrastructure development, including roads, energy, and ICT.

These investments have not only facilitated economic activities but also improved connectivity and access to public services in remote areas. The private sector, a vital engine of growth, has received substantial support: a conducive business environment, attracting investments, and fostering entrepreneurship, particularly in the areas of technology and innovation and expansion of the Meetings, Incentives, Conferences and Exhibitions (MICE) drive. The country's commitment to environmental sustainability is evident through initiatives such as the Rwanda Green Fund (FONERWA) and climate resilience projects, supported by interventions in adapting to and mitigating the impacts of climate change. Regarding the social indicators, there has been an increase of life expectancy to 69.6 years in 2022 from 51.2 in 2002, demonstrating improved access to healthcare and education.

There has also been notable progress in reducing child mortality rates and enhancing school enrolment, including the provision of school feeding. Initiatives for gender equality and women's empowerment continue to yield positive results.

However, poverty remains a fundamental challenge, income inequality persists, and the reliance on subsistence agriculture among low-income households contributes to the persistence of poverty particularly in rural areas where a significant percentage of children live in multidimensional poverty. The COVID-19 pandemic, inflation, regional instability, and climate crises have further exacerbated poverty rates. To address these issues effectively, Rwanda needs continued efforts to reduce poverty, improve education and quality healthcare, and promote economic opportunities, particularly in rural areas and for the most vulnerable groups: women, children, elderly, people with disabilities, refugees, asylum seekers, migrants, and stateless persons. This CCA provides an overview of the country's economic and social situation, highlighting progress made, key areas of concern and opportunities for transformative action.

PEOPLE:

The "People" Pillar provides an overview of the current state of human capital development in Rwanda, emphasizing progress, challenges, and factors affecting various age and vulnerable groups. Rwanda has made commendable progress in healthcare, education, and gender equality. Still, challenges persist, particularly in addressing poverty, improving healthcare outcomes, preventing violence, enhancing family planning, and stunting and malnutrition, especially with one-third of children under 5 years still stunted as well as strengthening of the enjoyment of civil and political rights.

The people pillar underscores the need for increased investment in human capital, poverty reduction, and strengthening key sectors like healthcare, education, and water, sanitation, and hygiene. Additionally, addressing harmful social norms, enhancing legal frameworks, and improving financing mechanisms are crucial. The multifaceted nature of the factors and challenges impeding human capital development in Rwanda calls for a coordinated and integrated approach across sectors.

Consequently, the adoption of multisectoral strategies, targeted investment in key sectors, and collaborative efforts to combat poverty are deemed indispensable to ensure that all Rwandans can reap the benefits of the nation's ongoing progress. Government also has an opportunity to strengthen institutions that are charged with promotion and protection of human rights and the rule of law. To surmount these challenges and maintain the momentum of progress, Rwanda must embrace a comprehensive, multisectoral strategy, ensure efficient and equitable allocation of resources, and accord the highest priority to human capital development. This approach is fundamental to ensure that every Rwandan citizen can partake in the positive outcomes of the country's continued advancements.

PROSPERITY:

The Prosperity Pillar delves into both the achievements and challenges, aiming to provide a holistic understanding of Rwanda's current economic and social landscape. In the face of unprecedented global challenges, Rwanda has shown resilience and unwavering commitment in maintaining economic growth, enhancing inclusivity, and navigating external shocks. The country records commendable economic growth, per capita income increase, and strides in digital transformation. These achievements have positioned Rwanda as a regional success story. However, this journey has not been without its challenges. High inflation rates, fiscal deficits, and persistent unemployment, particularly among youth and women, underscore the need for continued efforts to ensure that the benefits of growth are truly inclusive and sustainable.



Moreover, external shocks, including the COVID-19 pandemic and volatile global markets, have tested the resilience of Rwanda's economy. The agriculture sector has been vulnerable to fluctuations, experiencing more pronounced contraction over the last 6 quarters partly due to the negative impact of adverse climatic conditions, including prolonged droughts and floods. The path forward must address these challenges, from managing economic recovery and curbing inflation to fostering employment, entrepreneurship and decent work, supporting a stronger role for the private sector in economic development and transformation. Whilst, addressing the challenges facing Rwanda's agriculture sector, and enhancing skills development, digital access and literacy. Ensuring economic inclusivity and resilience in the face of crises is paramount for Rwanda's continued success.

PLANET:

The "Planet" Pillar concludes that Rwanda has made commendable strides in addressing climate change and environmental sustainability while actively engaging with various global, regional, and national commitments to ensure a sustainable and resilient future. The country has embarked on ambitious green initiatives, resulting in notable achievements such as progress in reforestation, renewable energy expansion, and innovative waste management solutions.

The ratification of international agreements, including the Paris Agreement, further signifies Rwanda's dedication to mitigating climate change. However, while these environmental efforts have yielded positive outcomes, the country faces challenges related to population growth, climate impacts on key sectors, and limited resources. Mitigating these challenges requires continued prioritizing ongoing investment in climate resilience, sustainability, and green growth to mitigate climate-related challenges and promote economic prosperity.

Strengthened international cooperation is essential for effectively addressing shared environmental issues. Enhancing private sector engagement and building capacity for sustainable projects will unlock the potential for a vibrant and eco-friendly economy. By promoting comprehensive hazard analysis, disaster risk reduction, and digital integration, Rwanda can enhance its resilience. Additionally, addressing climate-induced security concerns, health threats, air pollution, and food insecurity will safeguard the population's well-being, securing Rwanda's path toward a sustainable and prosperous future.

PEACE:

The "Peace" Pillar finds that the country has made significant strides towards strengthening its governance, democratic processes, and commitment to human rights. Notable achievements include high scores in democratic rights and freedoms, political representation, access to public information, and respect for human rights. However, areas of concern include limitations on media freedom, an increase in reported incidents of corruption, and persistent issues related to the promotion of human rights. Pillar provides an overview of the progress made and the key challenges that Rwanda faces in political governance, democratic governance, local governance and decentralization, accountability, human rights, sustainable peace, and the humanitarian-peace-development nexus. To redress the challenges, the analysis highlights the need for addressing limitations on media freedom to foster a more open and transparent society, supporting democratic governance and public accountability; enhancing active participation of non-state actors, particularly civil society, media, and academia, in governance, fostering inclusion, and ensuring a more diverse and participatory political landscape and improving Accountability and Anti-Corruption Measures: Implement measures to reduce case backlogs, lower high court fees, and enhance awareness of legal policies. Address corruption concerns, particularly in the private sector and traffic police, to bolster public trust and integrity.

PARTNERSHIPS:

Effective cooperation and collaboration among stakeholders are essential for realizing the broader spectrum of SDGs. Rwanda has progressed in mobilizing resources and fostering partnerships to achieve the SDGs. However, challenges such as tax revenue decline, remittance channelling, and climate finance gaps require more attention and innovative solutions. Rwanda should prioritize a strategic boost in domestic resource mobilization, streamline the formalization of remittance flows, and encourage private sector engagement with a specific focus on micro, small, and medium enterprises (MSMEs).

Bridging the SDG financing gap, especially in critical areas like healthcare and education, is a top priority, and Rwanda should tap into United Nations support and the Rwanda Sustainable Finance Roadmap for this purpose. Furthermore, leveraging green finance and enhancing triangular and South-South cooperation will be key. Collaborations with civil society organizations and academia should be strengthened, offering more sustainable financing and funding models, while volunteer-involving organizations (VIOs) should play a central role in mobilizing both funds and volunteers to accelerate SDG progress. Rwanda's commitment to forging effective partnerships is crucial in its journey towards sustainable development.

OVERALL SDGS PERFORMANCE

Rwanda's progress towards the 2030 SDG targets has mostly stagnated in the last three years resulting in a global ranking of 126 out of 166 countries. Of the 16 domesticated SDGs, four show moderate improvement including: Gender Equality; Infrastructure and innovation; climate action, and affordable clean energy. Only one, SDG 8: decent work and economic growth shows a decrease. The remaining nine SDGs are stagnating. This low progress presents high to moderate risk of impact of the low achievement of the SDG targets.

The low performance is mostly attributed to the volatile and unpredictable environment in the last three years that have severely impacted Rwanda's developmental progress trajectory and call for concerted efforts that address the root and persistent causes of stagnation, develop robust early warning systems that ensure preparedness, timely and responsive action. Supported by efforts that can scale up and sustain gains made in previous years and continue to build resilience to shocks for especially the most vulnerable and ultimately deliver sustainable development.



ACHIEVING AGENDA 2030

EMERGING PRIORITIES AND ENTRY POINTS

In conclusion, to sustain the gains and accelerate Rwanda's journey towards sustainable development and the SDGs requires inclusive, multisectoral and collaborative approaches. The CCA identifies the following emerging priorities and entry points, as pivotal in accelerating the country's progress towards its national vision and the achievement of Agenda 2030, ensuring that no one is left behind.

Human Development:

To leverage the demographic dividend, Rwanda should significantly enhance its investment in human capital development, specifically, health, education, and upskilling, with a focus on groups that are being left behind and delivering this change through transformative partnerships and innovative financing.

Agriculture Transformation:

Agriculture as a critical pathway out of poverty for majority of the population should be supported to mostly transition from subsistence to commercialization by ensuring the sector's value chain is market-driven, climate resilient, and linked to sustainable agri-food systems. This will require strengthening implementation of policies and interventions that promote and provide equitable access to land resources, innovative financing, affordable climate-smart technologies, extension services and research and development outputs. Strengthening agriculture value chains will promote exports, entrepreneurship as well as on and off-farm employment, inevitably contributing to national development while uplifting the livelihoods of majority of the population, leaving no one behind.

Competitiveness and Integration:

Enhance competitiveness through adoption and scaling up modern technologies, innovation, infrastructure, and lowering costs of doing business, which integrally increase productivity, entrepreneurship and job creation. With increased productivity and diversification, instruments to exploit market opportunities offered by new trade environment under AfCFTA, COMESA, and EAC common market should be prioritised.

Inclusive and Sustainable Urbanization:

Urbanization presents opportunities for scaling up economic transformation but for sustainable development to happen, this should be inclusive and must integrate climate adaptation and mitigation actions that deliver green cities and affordable housing solutions.

Accountable and Inclusive Governance:

Strengthening public institutions systems and capacities to deliver services, promoting transparency and accountability, enhancing rule of law, protecting and monitoring human rights, increasing access to justice, strengthening anti-corruption measures, and facilitating meaningful citizen participation in decision making processes at all levels remain essential for stability, peace, and security.

Cross-Cutting Issues:

Cross-cutting accelerators of development should continue to be prioritised. These include production and use of high-quality, disaggregated data for timely and evidence-based policy formulation; a massive focus on digitalization across board, expansion and strengthening of strategic partnerships for development as well as prioritising implementation of innovative financing models should be explored to catalyse SDG financing.

In response, the GoR has implemented sizeable stimulus packages that have enabled the economy to rebound to a growth rate of 7.5% in the third quarter of 2023, though growth in the agriculture sector has been low.

Rwanda's dual classification as a Least Developed Country (LDC) and a Landlocked Developing Country (LLDC) is crucial for understanding and addressing the unique challenges faced by the country. Recognizing this status is critical for aligning national development strategies with the SDGs and ensuring that efforts are focused on addressing the specific challenges faced by the country in achieving sustainable development. Limited access to seaports increases transportation costs and hinders the competitiveness of Rwandan exports in global markets. Acknowledging Rwanda as an LLDC underscores the importance of addressing trade-related infrastructure development, such as improving transportation networks and enhancing trade facilitation measures, to mitigate the constraints posed by its geographical location.

Rwanda's landlocked status necessitates a high level of dependency on its neighbouring countries for transit trade routes. Instabilities or disruptions in these neighbouring countries can severely impact Rwanda's trade flows and economic stability. Recognizing Rwanda's LLDC status underscores the importance of fostering regional cooperation and diplomatic relations to ensure reliable access to external markets.

The combination of being both an LDC and an LLDC exposes Rwanda to heightened vulnerability to external shocks, such as fluctuations in commodity prices, natural disasters, or global economic downturns. Recognizing these vulnerabilities is essential for designing effective policies and strategies to enhance Rwanda's resilience and mitigate the impact of external shocks on its economy and society. This CCA elaborates further on these perspectives from the 5Ps approach.

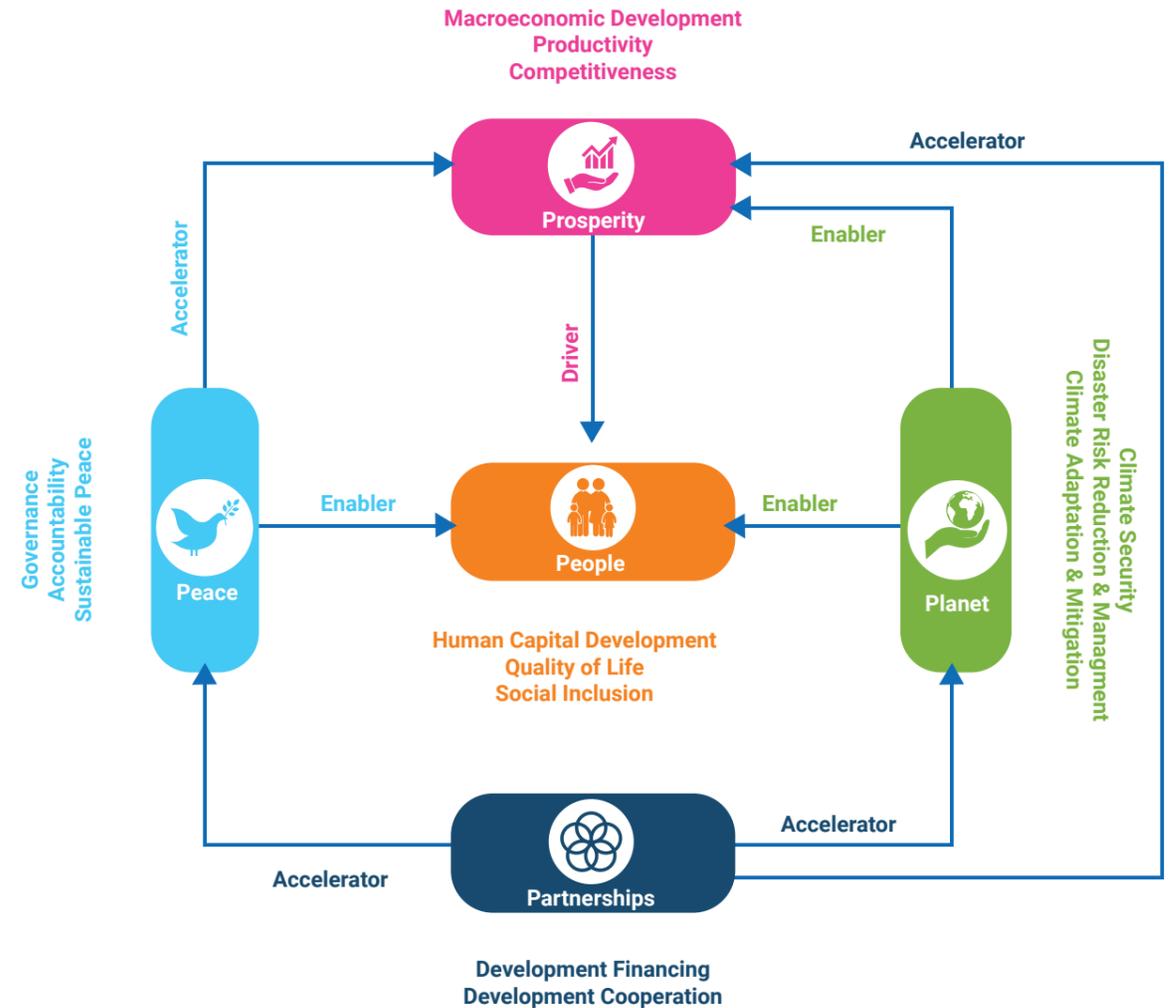
Overall, the country has remained largely peaceful with sustained political stability. Presidential and legislative elections are slated for July 2024 and there is no indication of instability as the current Government continues to prioritise equitable dispensation of accountable and democratic governance, and respect of human rights although there are gaps in civil and political rights that still require attention. Most significant threats to peace and stability are externally driven by regional tensions especially with the Democratic Republic of the Congo (DRC) and quite recently, Burundi.

Deterioration of relations with DRC since November 2021 have been marked by several incidents of insecurity in the border towns that have affected cross-border trade and livelihoods of people in these areas.

Progress on the SDGs has been further disrupted by tightening of global financing conditions that exacerbate domestic and external imbalances on account of the food, commodity, and energy price crises, especially in the last three years. Worsened by catastrophic floods Rwanda faced in the May 2023, negative impacts of climate change are stifling progress and socio-economic development targets and sustainability. The geopolitical tensions with the latest being the ongoing war in the Middle East conflict also presents a significant risk to the outlook.

3. THEMATIC ANALYSIS

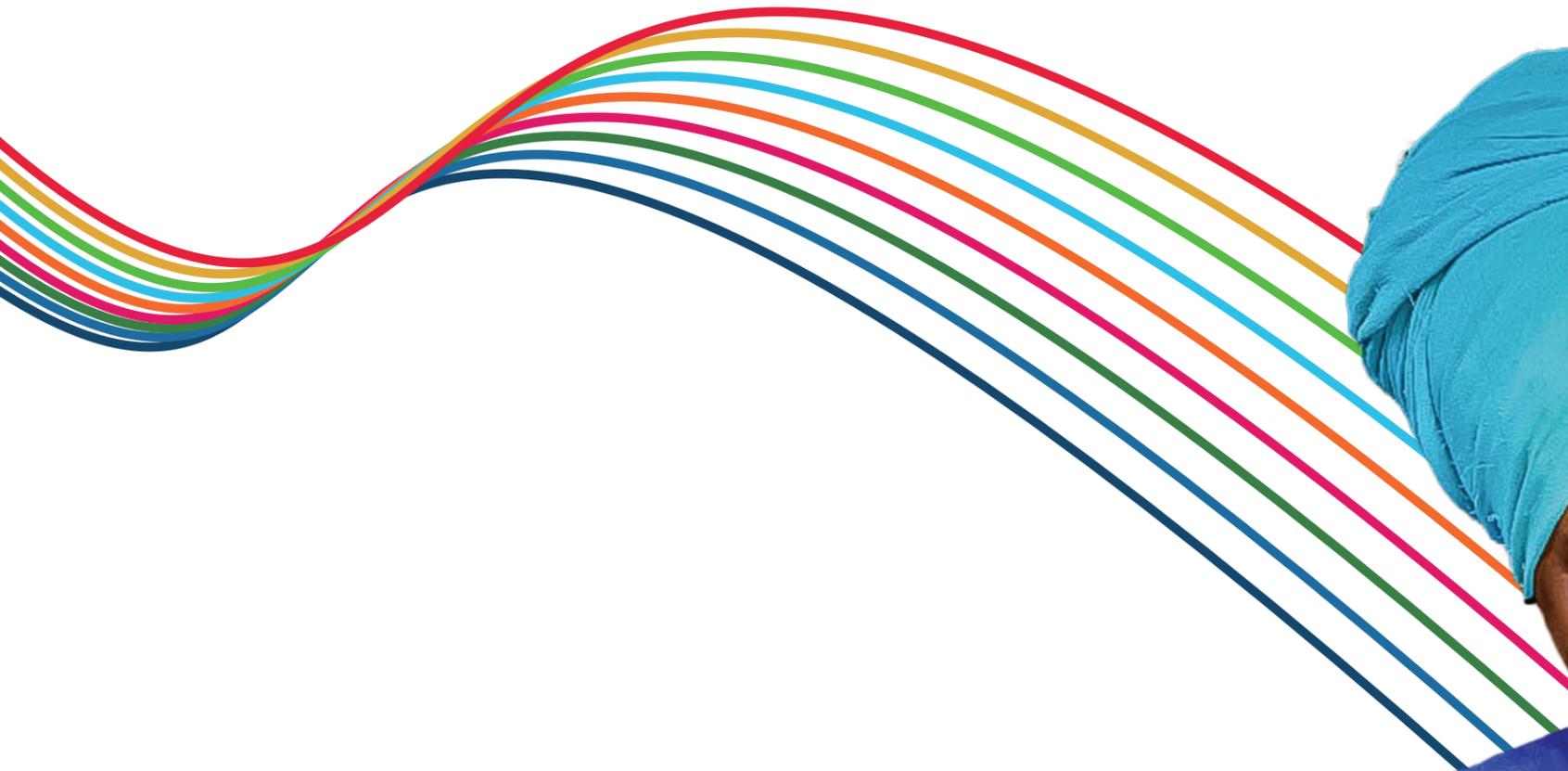
This CCA uses the five dimensions of the 2030 Agenda for an integrated and system-wide context analysis presented in line with the "5P's" of the 2030 Agenda: People: social dimension, Planet: environmental dimension; Prosperity: economic dimension; Peace: ethical dimension emphasizing ideals and values of equality, freedom, human dignity, and justice; and Partnership: underscoring the importance of collaboration and cooperation.



Through integrated analysis, the CCA positions the People pillar at the top of the analytical framework, considering citizens, refugees, migrants, and all other people in Rwanda as rights-holders of whom no one should be left behind in the development journey. The CCA's placement of people at the pinnacle of the analytical framework signifies that the CCA revolves around individuals, with the other four Ps intricately connected to them. It explicitly emphasizes that positioning the People Pillar at the top is more than symbolic; it underscores a genuine commitment to prioritizing people in the analysis and future programming.

For socio-economic development to be realised, the Prosperity pillar is situated as the key driver of inclusive economic development, therefore focusing on macro and micro-economic issues impacting people's livelihoods. The Planet and Peace pillars are positioned as enablers of development that ensure sustainability of all gains, while the Partnerships pillar underpins progress in all four pillars as the accelerator of sustainable development.

This approach to the CCA ensures that the next Cooperation Framework is fit for purpose and UN policy, programming and advocacy priorities are relevant, and their effective implementation will contribute significantly to achievement of domesticated SDGs through coherent, integrated, scalable and efficient approaches.



PEOPLE



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3.1 PEOPLE

The “People” pillar focuses on human development¹ cross cutting SDGs 1, 2, 3, 4, 5, 6, 10 and 11. Adopting a life-cycle approach from pregnancy/early childhood, school-age children/adolescents, youth, to adults/elders; the pillar highlights achievements made and remaining deprivations in fulfilment of people’s rights related to health, nutrition and food security, education, and the right to live free from poverty.

Box 1: Key Achievements in Human Capital Development at a Glance:

- People are registered and live longer: Birth registration for children under five years increased from 56% to 86% between 2015 and 2020. Life expectancy at birth rose from 64 to 69.6 years between 2012 and 2022 and the total fertility rate (TFR) decreased from 4.0 (2012) to 3.6 (2022)¹.
- Less people are poor: Poverty/extreme poverty rates decreased from 44.9%/24% to 38.2%/16% respectively between 2011 and 2017¹.
- More people have access to health care: The country's innovative community-based health insurance system expanded coverage to over 93% of the population with equal access by urban and rural populations. Over 97% of persons with disabilities are covered⁵. Approximately 94% of births are attended by skilled birth attendants¹. The country has maintained high levels of vaccination, 96% of children aged 12-23 months received all basic vaccination⁵. The healthcare system's capacity to respond to epidemic diseases was also strengthened and Rwanda achieved a 75% full vaccination rate against COVID-19.
- People have better access to learning opportunities: Primary school enrolment rates have increased from 97.7% (2016) to 98.9% (2022)¹ and achieved gender parity in primary and secondary education. Rwanda has prioritized technical and vocational training to boost employability and curb unemployment. Additionally, championed digital literacy, set up tech hubs, and cultivated a tech-inclined youth, aiming to establish Rwanda as a top ICT innovator in Africa.
- Improved gender equality and women's empowerment achieved: The 2023 Gender Gap Index, assessing economic, political, education and health-based criteria, ranks Rwanda 12th globally¹. Gender mainstreaming policies have been instrumental in advancing women's participation in all sectors of society

This pillar also examines critical elements that shape the quality of life, including those related to water, sanitation, and hygiene services, housing, and urbanization. Finally, it explores progress on the overall priority of social inclusion and leaving no one behind, particularly focusing on gender equality and women’s empowerment, social protection, youth engagement, socioeconomic integration of refugees and migrants, and inclusion of people with disabilities.

3.1.1 HUMAN CAPITAL DEVELOPMENT

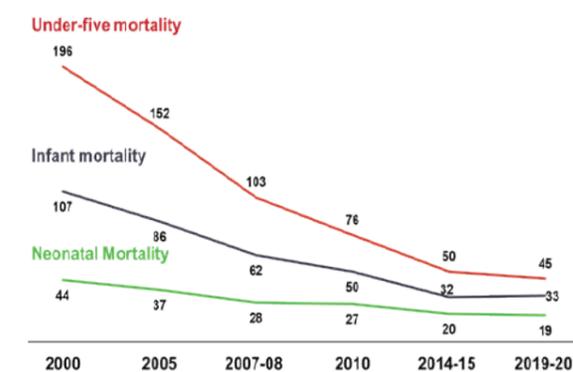
– A Life Cycle Approach

I. Pregnancy and young children in early childhood – A good start to life

The first 1,000 days (0-2 years old) and the second 1,000 days (3-5 year old) are the critical period for early childhood development (ECD), a critical time period for influencing human capital development, brain capacity, emotional intelligence, and learning potential. Rwanda counts about 2 million children in early childhood³. A Nurturing Care model composing five pillars of good health, adequate nutrition, responsive care, opportunities for education and safety and security describes the core child rights during the early childhood period. **Child and maternal mortalities stagnated⁵**. Since 2000, maternal and early childhood health saw marked improvement: with almost 98% of pregnant women receiving at least one antenatal care visit and 96% coverage of basic vaccination (RDHS 2019/20).

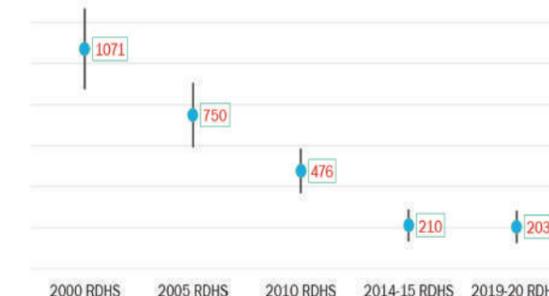


Figure 1: Under-5, infant and neonatal mortality rates, 2000-2020



Source: NISR, RDHS 2000 - 2020

Figure 1b: Maternal deaths per 100,000 live births, 2000-2020



Source: NISR, RDHS 2000 - 2020

¹ The focus in this section is directly related to progress towards the achievement of Sustainable Development Goal (SDG) 1 (no poverty), SDG 2 (zero hunger), SDG 3 (good health and wellbeing), SDG 4 (quality education), SDG 5 (gender equality); SDG 6 (clean WASH), SDG 10 (reduced inequalities) and SDG 11 (sustainable cities & communities).

III. Youth

Youth are pivotal agents of change for the 2030 Agenda. They represent 27% of Rwanda's total population (3.6 million aged 16-30, from whom 1.76 million are female), 35% of the urban populace and 30% of these youth have experienced migration at some point in their lives³. Ensuring that they are empowered to make informed decisions and contribute to decision making while having access to opportunities is a shared priority for both the GoR and development partners.

Over one-third of youth are currently not in employment, education or training including 43% of youth in rural areas and 32% of those in urban areas who require great investment and support. Around 1.42 million youth (of 40%) are currently employed. Among them, 45.8% are involved in the agriculture, forestry or fishing sectors; 9.7% in the service sector; and 7.1% in construction .

Relevant skills development for all youth are required. The 2022 Census revealed low educational attainment among youth: 50.6% completed primary education (53% male; 48.3% female), 21.9% lower secondary (19.8% male; 24% female), 16.2% upper secondary (15.0 male; 17.5% female) and 5.1% university (5.1% male, 4.8% female). Literacy rates stand at 89% in Kinyarwanda, 33% in English, and 5.4% in French⁸. A significant challenge is bridging the skills gap between educational institutions and labour market demands. Emphasis is needed on flexible learning modalities, alternative learning pathways, skills development, and TVET opportunities. Addressing social and gender norms is also crucial to deter early pregnancies, unpaid domestic work or subsistence agriculture.

Sexual and reproductive health and rights (SRHR), SGBV, HIV and mental health are key concerns among youth. The Total fertility rate (TFR) has been reduced from 4.0 to 3.6³. The use of modern contraceptives has risen from 10% in 2005 to 58% in 2020⁵, although it remains low at 2.9% among girls aged 15-19. There is a 14% unmet need for family planning⁹ (59.1% among sexually active unmarried adolescents 15-19 years). Early childbearing is more common among less educated youth^{IV}.

Around 8% of girls from less financially secure households versus 3% of those from the higher wealth quintiles are vulnerable to SGBV, while negative social and gender norms continue to drive SGBV affecting youth in both urban and rural settings. Only 59% of young women and 57% of young men have comprehensive knowledge of HIV and SRHR⁵, and just under half have been tested for HIV. Consequently, 18.3% of young people living with HIV (PLWHIV) are not aware of their status and 22% of adolescents living with HIV are not on treatment. Yet, adolescent girls and young women account for 67% of new HIV infections in the 15-24 age group¹⁰. Among the 230,000 PLWHIV, 14,000 are adolescents (10-19 years) and 20,000 are young people (15-24 years). Mental disorders among adolescents are estimated at 11.7%¹¹ increasing to 17.2% for 19-25 year olds^V.

IV. Adults and Older People

34.7% of Rwanda's population is over 30 years (16.2% male; 18.6% female) of which 6.5% are people aged 60 years and above (2.7% male; 3.8% female)³. Many face food insecurity and malnutrition, increase in non-communicable diseases, reproductive tract cancers, cardiovascular diseases and diabetes and social insecurity hindering access to quality social and health services. These result in increase in mortality and morbidity beyond other challenges in ensuring their optimal health and wellbeing. Given the increase in the number of older people and life expectancy, the health and social systems are required to be ready to respond to the needs of this population and also address the social security issues.

Improving nutrition through food security and dietary practices: Rwanda faces the triple burden of malnutrition, encompassing undernutrition, micronutrient deficiencies, and overweight and obesity. In 2021, 73.3% of households had adequate food consumption, while 3% had poor and 23.7% had borderline Food Consumption Scores. However, only 32% of women (15-49 years) meet the minimum diet diversity, while 26% of them are overweight (up from 12% in 2005). 20.6%¹² of households are food insecure, ranging from 36% in the West to 5% in Kigali. Heads of food-insecure households are more often single, women or less educated.

Preventing non-communicable diseases (NCDs): NCDs accounted for 41% of deaths in 2021/22, up from 27.9% in 2019/20¹³. They increasingly affect younger people, having become most prevalent in people over 40 in 2021/22, compared to people over 50 in 2019/20. Breast and cervical cancers represent 27% of all cancers¹⁶. Limited awareness of prevention and management of NCDs in the general population is a constraint to good health and wellbeing¹⁴. Mental disorders rose to 23% among women and 17% among men after 2018¹⁶. Research has shown that 8.7% of women have three to five combined NCDs risk factors, compared to men (5.6%), which also exacerbates negative health outcomes¹⁵. It has been further shown that NCDs have become more prevalent among PLHIV on ART as they live longer. Only 11.7% of the 1.6 million women aged 30-49 (eligible for cervical cancer screening) have ever undergone a screening test for cervical cancer¹⁸. Gaps also persist in the awareness and availability of mental health and psychosocial support services, which can have particularly negative consequences for vulnerable groups: women, children, elderly, people with disabilities, refugees, asylum seekers and stateless persons.

Preventing maternal mortality and morbidity: The trend in maternal mortality has been close to stagnant, declining from 210/100,000 live births in 2015 to 203/100,000 live births in 2020⁵. Most causes of maternal death are preventable, with post-partum haemorrhage being the leading direct cause of death (22.7%), followed by obstructed labour (12.3%). Indirect causes accounted for 25.7% of maternal deaths, with malaria as the leading cause (7.5%)¹⁶. Other causes of maternal death are hypertensive disease in pregnancy.

Preventing Sexual Transmitted infections (STIs), including HIV: RDHS 2019/20 estimates that about 4.4% of the general population between 15–49 years old reported having at least one STI symptom during the last 12 months before the survey. Between 2014-2020, the prevalence of STI syndromes amongst individuals screened at health facilities varied between 2.4% to 4.2% at national level. Among the provinces, Kigali city had the highest prevalence for the whole 6 years ranging from 3.5% in 2014-2015 to 8% in 2019-2020¹⁷. STIs have a direct impact on sexual and reproductive health and reproductive rights through stigmatization, infertility, cancers and pregnancy complications and can increase the risk of HIV.

The national HIV prevalence has remained low at 3%; however it should be noted that it varies by age, gender, population group and geographical location. Kigali records a higher prevalence of 4.3% in comparison to other provinces (RPHIA 2018-2019). This provides fertile grounds for further spread of HIV, if programs are not scaled-up in cities and secondary cities and further focused on key population groups that are most affected. Overall, HIV prevalence continues to be much higher among female sex workers (35.5%) and men who have sex with men (4.3%), for whom stigma and discrimination contribute to limiting access and use of HIV testing and treatment services. There is also low coverage of Anti-retroviral treatment within some population groups like female sex workers at 75% despite a high overall national coverage of 95%¹⁸. Knowledge on HIV is still limited, with 68% of women and 56% of men knowing that HIV can be transmitted during pregnancy, delivery, or breastfeeding. However, 94% of women and 92% of men know that the risk of mother-to-child transmission can be reduced by the mother taking drugs.

Preventing unintended pregnancies and promoting family planning choices and bodily autonomy: There are variations in the total fertility rate (TFR) across provinces and educational levels, with higher rates in humanitarian settings such as refugee camps. The Government has integrated family planning into national policies and strategies, leading to an increase in modern contraceptive prevalence rate among married women from 10% in 2005 to 58% in 2020. However, it should be noted that 48% of unmarried women have never used any family planning methods. The unmet need for family planning among currently married women is 14%⁵.

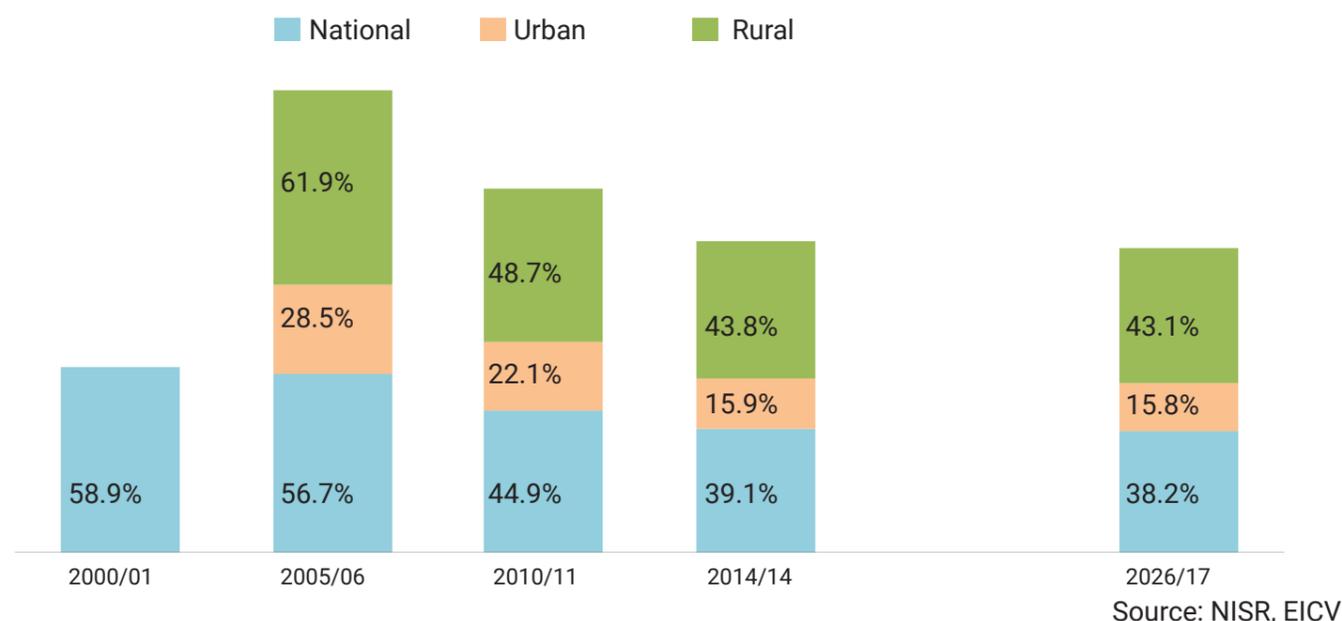
^{IV}63.8% of women (16-30 years) with no or only primary education have already given birth, compared to 36.2% among women with at least some secondary education.
^V2018 Rwanda Mental Health Survey or the 2020 UNICEF Landscape Analysis

Poverty

Poverty is the fundamental cause of the human capital development deprivations. The latest available data from the EICV 2016/17 indicates that 38.2% of people (and 44% of children) lived in poverty (down from 58.9% in 2001), with significant urban/rural disparities (highest at 47.1% in the Western Province where people rely mostly on rain-fed agriculture). Over the past decade, growth has averaged an impressive 7.5%¹⁹. However, inequality, estimated by the Gini index, remained high at 43.7% in 2016. This growth inelasticity of poverty is mostly associated with households' reliance on subsistence agriculture, where 80% of households living in poverty derive most of their income from agriculture and ecosystem services through e.g., the provision of environmental assets to meet basic needs (fuel, fresh water).

Households within the lower income quintiles are mostly headed by females (77%), with low levels of education (less than 4% completed secondary education), are large households¹¹, and more likely to be food insecure¹⁵. Those worst affected by poverty are children under 5 years living in rural areas where 70.4% of rural children are multidimensionally poor, compared to 43.4% in urban areas²⁰. With the impacts of local and global crises, the COVID-19 pandemic, inflation, regional instability and climate crises, the World Bank projects that poverty rates may have risen to 41.9% in 2020/2021²¹. While Rwanda was commended by the UPR Working Group in 2021 for the tremendous efforts taken by government to integrate vulnerable people and historically marginalized communities, including the Batwa, into mainstream development programs, the Working Group recommended that government continue efforts to integrate vulnerable people into the development process²².

Figure 2:
Rwanda Poverty rates 2000 - 2017



3.1.1.1 FACTORS AND CHALLENGES AFFECTING HUMAN CAPITAL DEVELOPMENT

I. Supply- and service-related bottlenecks

To accelerate progress towards the SDGs, development actors must be aware of the following persistent bottlenecks that undermine the equity and quality of services essential to human capital development.

| | |
|---|---|
| Capacities and workforce development | <ul style="list-style-type: none"> The lack of sufficient workforce and capacity within the healthcare system, particularly within the public system and in decentralized facilities such as health centres, health posts and refugee camp health clinics, contributes to delays in service delivery and reduced quality of services. E.g., insufficient capacities among healthcare staff to deliver quality life-saving interventions lead to a high number of caesarean deliveries (23%)²³. Poor referral system also contributes to delayed access to emergency care services. There is limited capacity to provide youth-friendly and disability-inclusive services (health, nutrition, education, child protection). There is a significant need to strengthen the capacity of community health-care workers in delivering maternal and child health including nutrition and sexual and reproductive health and reproductive rights counselling. There is no child protection workforce on the civil service structure, and this significantly impacts prevention and response to all protection violations, including through child protection case management. Insufficient number of qualified English-speaking teachers, including in TVET. 64% of schools (particularly in lower primary) still operate double-shifts, reducing contact time with children and impacting learning. Teacher absenteeism and attrition is driven by low motivation due to poor conditions of services, including salaries. |
| Inclusive and resilient infrastructure & commodities | <ul style="list-style-type: none"> Shortage of infrastructure within the health-care system, including equipment/materials, and non-compliance with standards/ guidelines impede the quality of health care. Some facilities lack relevant infrastructure and overall accessibility. Food insecurity is the major supply gap in reducing stunting and improving nutrition of especially young children, adolescent girls, and pregnant/lactating mothers. Insufficient age-appropriate and inclusive early learning schools and resources for teachers/caregivers; 33% of primary schools and 27% of secondary schools have limited or no access to basic sanitation, undermining adolescent girls' menstrual health and hygiene. |
| Availability, accessibility, and relevance | <ul style="list-style-type: none"> Youth's access to the labour market is constrained by limited skills development or the mismatch between acquired skills versus the labour market, limited alternative education pathways for employability, apprenticeship opportunities and career guidance services, limited volunteer deployment opportunities particularly in rural areas leading to early marriages, teen pregnancy, prostitution and drug abuse. Limited access to health care services, especially in rural areas, contributes to the prevalence of many diseases including reproductive health issues. Limited services with specialized professionals to prevent and respond to all forms of violence, particularly at the local level. |

II. Demand, social norms and behaviours

Social norms and behaviours have a significant impact on multiple human rights deprivations. Social determinants of health (SDH), non-medical conditions in which people are born, grow, work, live, and age, and the wider set of forces and systems shaping the conditions of daily life, influence health outcomes. The forces and systems include economic policies and systems, development agendas, social norms, social policies and political systems. Some notable challenges in this regard are:

| | |
|------------------------------------|--|
| Social norms and behaviours | <ul style="list-style-type: none"> ● SDH have been shown to account for between 30-55% of health outcomes, and its estimates sectors outside health contribute more to population health outcomes than the health sector. ● Health and nutrition practices that stifle dietary practices to reduce malnutrition (stunting, obesity, micronutrient deficiency) ● Harmful gender norms including a patriarchal social structure that lead to unequal social power relations between men and women, boys and girls, which expose girls and women to SGBV and coercion and enable adolescent pregnancies that leads to unequal access to education and social and economic opportunities. ● Stigma associated with HIV prevents young people from seeking testing and treatment services. ● Stigma against people (including children) with disabilities leads to discrimination and exclusion. <p>Lack of knowledge and capacity among vulnerable populations about their rights and available services undermines their effective access, including by victims of violence, persons with disabilities, refugees and migrants.</p> |
| Financial access | <ul style="list-style-type: none"> ● Financial barriers undermine effective access to services (travel cost to access services, fees, out of pocket payments, opportunity costs). ● Economic vulnerability plays a major role in food¹⁵ insecurity. 29.5% of households spend over 65% of their total expenditure on food¹⁵. Households are vulnerable to rising food prices, which diminishes their buying power. ● School feeding programmes present a strategy to reduce costs for families and strengthen equity. |

III. Enabling environment

Rwanda's model of inclusive development serves as a testament to the effectiveness of these measures in driving sustainable human capital growth. To complete its support to the development of human capital and to bridge the gap to achieve SDG targets, pending bottlenecks in the enabling environment should be addressed:

| | |
|--|--|
| Legal and policy frameworks | <ul style="list-style-type: none"> ● The operationalization of legal instruments and policies related to child protection and access to SRHR services by adolescents and young people is suboptimal, including to ensure child-sensitive justice and access to preventive SRHR services by adolescents, young people and persons with disabilities. ● The operationalisation and enforcement of some gender responsive laws such the law on matrimonial regime, liberalities and succession and law governing people and family. |
| Sustained, adequate and equitable financing | <ul style="list-style-type: none"> ● Despite improvements in the allocation of resources to social services, gaps remain to be filled if these services are to meet demand. This includes health-care financing to ensure the sustainability of the community-based health insurance scheme (42% of health expenditures are externally financed)²⁴, financing quality education and early learning (infrastructure, commodities, and sufficient qualified personnel). |
| Coordination & management | <ul style="list-style-type: none"> ● Planning, budgeting, coordination, implementation, and monitoring capacity at decentralized levels needs to be improved. |
| Evidence and data systems | <ul style="list-style-type: none"> ● Gaps exist in generating evidence to inform policy and decision-making, including about the situation of people with disabilities; on sexual and gender-based violence, on the cost-effectiveness of health insurance, user fees, transaction costs and private service providers; among others. |

3.1.2 QUALITY OF LIFE

I. Water, sanitation and hygiene (WASH)

The proportion of households using an improved source of drinking water^{vi} increased from 73% in 2014/15⁵ to 82% in 2022³, those with an improved sanitation facility^{vii} increased from 54% in 2014-15 to 92% in 2022, and those with a basic sanitation facility increased from 54% in 2014-15 to 72% in 2022, while access to basic hygiene increased from 4% in 2014/15 to 25% in 2019-20⁵. Yet, access to WASH services remains inadequate and unequal. Considerable disparities exist in service coverage between rural and urban areas and between Kigali and other areas, particularly the Western and Southern Provinces. Only 55%⁵ of the population (85% urban; 48% rural) have access to basic drinking water services^{viii}, 72% (56% urban; 79% rural)³ to a basic sanitation facility^{ix}; and 25% (37% urban; 23% rural) to a handwashing facility with soap and water. In 2021, 73%, 6% and 65% of health-care facilities had access to basic water supply, basic sanitation, and basic hygiene services respectively²⁵. Similarly, 64%, 68% and 52% of schools had access to basic water supply, sanitation, and hygiene services respectively. Poor WASH services and practices are most prevalent in rural areas and low-income settlements in urban areas.

The lack of adequate access to WASH services places people at risk of WASH-related diseases (cholera, dysentery, typhoid, intestinal worms) and is a leading contributor to child mortality and morbidity, undernutrition, stunting, and infections in mothers and newborns. It is a barrier to education for girls and particularly to those living with disabilities, and from low-income households. It impacts girls and women, who are mostly responsible for fetching water, other hygienic related activities and traveling long distances. Lack of WASH services in healthcare facilities also poses the risk of preventable infections among health care staff, patients, and the wider community. At the same time improving nutrition requires action across several sectors including health, WASH, agriculture, education, and social protection. A growing body of evidence suggests strong links between poor WASH and nutrition than previously thought and subsequently educational attainment²⁶.

The key sector challenges include insufficient investment in WASH to meet demand and strengthen climate resilience; gaps in legal and policy frameworks and data on coverage of WASH services, especially for basic and safely managed services at the district and sub-district levels; gaps in effectiveness and clarity of sector governance and coordination; and issues in water tariff structure. There is a need to strengthen capacities of human resources in the sector (design, implementation, operation, maintenance) and on climate resilience, and to build efficient and sufficient climate-resilient and quality WASH infrastructure. Provision of disability-inclusive and gender-transformative WASH services is limited and the supply chain for WASH/menstrual hygiene and health (MHH) products and services should be strengthened. Social and behaviour change interventions and capacity building can help improve hygiene practices (handwashing, MHH practices), increase awareness on water conservation, and enhance demand for, maintenance of and feedback on WASH services.

II. Housing and settlement

The population has increased by 2.3% per year over the last 10 years, reaching 13,246,392 people living in 3,312,743 households, increasing population density from 415 to 503 people per square kilometre³. With urbanization and improvements in economic wellbeing in urban areas, rural-urban migration has increased, especially in the past five years when the City of Kigali saw in-ward migration of 354,970 people³. Consequently, there is growing demand for planned housing, while unplanned settlements are on the rise, especially in urban areas and secondary cities. Poor housing and informal settlements are predominantly located in 79 informal sites in the City of Kigali and in Rubavu district²⁷. Around 65.4% of Rwanda's population lives in planned rural settlements, 6.9% in modern planned urban housing and 0.8% in integrated model villages. Meanwhile, 14.9% of households live in dispersed isolated housing while 8.9% live in spontaneous or squatter housing. Around 55% of the urban population lives in poor housing and informal settlements²⁸.

^{vi}Improved water supply refers to use of drinking water from sources that have the potential to deliver safe water by nature of their design and construction, and include piped water, boreholes, or tube wells, protected dug wells, protected springs, rainwater, and packaged or delivered water.

^{vii}Improved sanitation facilities are those designed to hygienically separate excreta from human contact and include flush/pour flush toilets connected to piped sewer systems, septic tanks, or pit latrines; pit latrines with slabs (including ventilated pit latrines), and composting toilets.

^{viii}Basic drinking water supply, which represents a higher service level than improved, is defined as use of water from an improved source, provided collection time is not more than 30 minutes for a roundtrip including queuing.

^{ix}Basic sanitation, which represents a higher service level than improved, is defined as use of improved facilities which are not shared with other households.

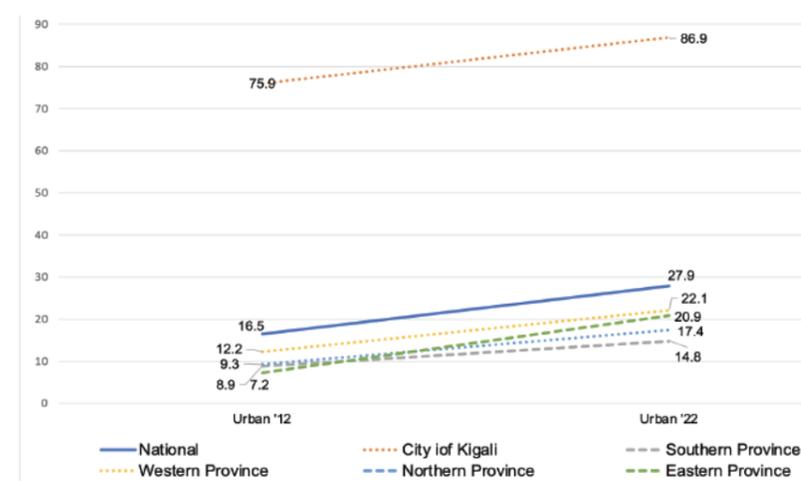
The country needs an annual delivery of 150,000 dwelling units between 2020 and 2050 (3.2 million units by 2050)²⁹. To keep up with the growing demand for housing, especially in urban areas and particularly among the low-income urban populations, the Government has employed a variety of instruments to encourage alternative housing supply, mostly focusing on increasing access to decent and affordable housing, which is predominantly presented in terms of house price-to-income ratios. However, the average cost of housing remains considerably higher than median incomes of the population. Moreover, at 16-17% interest rates on mortgage facilities, and less than 50,000 mortgages, access to finance is highly limited.

The mortgage to GDP ratio is 3.35%, but mortgage lending is concentrated at the upper end of the income pyramid³¹. While Rwanda's microfinance sector is an important source of finance for lower income segments of the market, microfinance providers' products and services are not typically addressed towards housing. Despite commendable improvements in urban planning, the supply of sustainably planned and developed areas for habitation remains lower than the demand for housing. In its 2021 Universal Periodic Review (UPR) recommendations, the UPR Working Group, while recognizing great strides taken to provide affordable and adequate housing, recommended that Rwanda should continue taking necessary measures to improve access to adequate housing, safe drinking water and adequate sanitation²².

III. Urbanisation

Approximately 27.9% of Rwanda's population resides in urban areas, up from 16.5% in 2012³. Urbanization is driven by in-ward migration, natural population increase, economic growth and structural transformation. Over the past 4 years, the Government led the implementation of considerable policy and infrastructure interventions to support spatial equity by promoting investments in six secondary cities. The 2020-2050 national land use and development master plan classified three towns neighbouring the city of Kigali as satellite cities^x with the potential to grow and support the capital city's population pressure dynamics and socioeconomic development demands. Eight secondary or peripheral cities are Nyagatare, Musanze, Rubavu, Rusizi, Huye, Karongi, Kirehe and Kayonza; playing the role of cross-border opportunities and trade.

Figure 3:
Change in urban population by province 2012 - 2022



Source: NISR, RPHC

^xRwamagana, Muhanga, Nyamata/Bugesera

3.1.3 SOCIAL INCLUSION AND LEAVING NO ONE BEHIND

Social exclusion can be based on several factors, including geographical location, population group, migratory status, age, ethnicity, gender, education level, socioeconomic status, disability and the nature of one's job. Ensuring that inequalities are addressed is crucial to promoting social inclusion (leaving no one behind) and preventing the rise of social discontent that can radicalize populations, create conflict, and compromise peace, security, and sustainable development.

I. Social protection

80% of the population are living on Rwf 245 or less per day. Most Rwandans are therefore experiencing some form of poverty or are at risk of slipping into it following economic or climate shocks. Ensuring access to social protection is a critical priority towards achieving SDGs 1 and 10. The social protection system has grown in coverage and comprehensiveness in recent years and is built on four complementary pillars: social security, social care services, short-term social assistance, and linkages to complementary services. Exclusion and inclusion targeting errors remain a major challenge as well as limited awareness among the population on social assistance and social insurance entitlements and complementary services. This is exacerbated by fragmented channels for community engagement and weak complaints and feedback management.

Social protection (SP) coverage through different programmes under the social security pillar, including the Vision Umurenge Programme (VUP) and Rwanda Social Security Board (RSSB) schemes, continues to grow while social health protection coverage is almost universal thanks to the vast reach of the CBHI. Rwanda's flagship VUP programme had an estimated coverage of 11.6% of the population in 2022 against a target of 17% for end 2024³⁰. Around 72% of households without labour capacity that enrolled in the Nutrition-Sensitive Direct Support (NSDS) were women-headed households and the NSDS reached 25,035 pregnant women and 141,040 children in 2022³¹. However, significant gaps in coverage remain. The VUP covers only 35% of the poorest quintile and 14% of the second poorest quintile. It covers only 9.7% and 8.3% of women and men with disabilities, respectively. In addition, VUP transfer values are too low, currently covering only 16-24% of the basic consumption needs of households engaged in classic public works, 36% of those in expanded public works, and 57% for direct support households³³.

Regarding contributory social security, less than 20% of those considered working are active contributors to the mandatory schemes⁶. This situation is likely to have been exacerbated by COVID-19 and the cost-of-living crisis. Whilst, institutional capacity gaps, especially in multi-sector coordination at central and local government levels, hinder the efficient operationalization of programmes. The persistent lack of a robust system-wide monitoring and evaluation framework and systematic evidence generation limit timely, routine, and periodic learning for improved programming and constrain the potential for unlocking financing opportunities.

The Government adopted measures to respond to challenges in the sector and increase coverage and effectiveness of social protection, including major reforms in 2022 to operationalize the shift to a life-cycle-based approach (categorical grants for children, older persons and PWD)³²; a structural reform of RSSB to strengthen compliance and effectiveness of its operations; and the launch of the Ejo Heza long-term saving scheme, with a focus on informal workers. Under the new reform agenda, shock-responsive social protection will be rolled out in 2023/24 to strengthen short-term social assistance. Digital transformation will be a key enabler of the reforms on the roll-out of an integrated social registry system. Financing^{xi} remains limited and insufficient to cover vulnerable households against lifecycle risks and risks associated with environmental, health and economic shocks. In 2022/23, the revised budget for the social protection sector amounted to Rwf 241.5 billion, equivalent to 5% of the national budget or around 2% of GDP^{xii}.

^{xi}SP does not currently have a financing strategy, a crucial gap that needs filling in view of the many on-going reforms and scale up.
^{xii}Revised Finance Law for 2022/23. The latest ILO World Social Security Report notes Rwanda spends 1.8% of Government expenditures on social protection.

Box 2: Social protection as a strategic priority

The National Social Security Policy, the National Social Protection Policy, the Revised VUP programme document and the National Strategy for Sustainable Graduation adopted by Cabinet in 2022 offer a robust and comprehensive framework with clear pathways for providing support to vulnerable families based on a life-cycle approach and a package of livelihood enhancement interventions and complementary services that will complement cash assistance. To ensure successful implementation, multisector coordination at central and local government levels and resource mobilization will be key for timely and adequate funding of interventions in a synchronized manner. Continued investment in operational systems such as the roll-out of the (dynamic) social registry, complaints and feedback mechanisms, and monitoring, evaluation and learning will be essential ingredients to guarantee the accuracy of targeting and effective service delivery.

Synopsis on Social Spending

To reach national and international social sector goals Rwanda needs to invest more in social sectors. Climate Change; Early Childhood Development (ECD); Education; Health; Nutrition; Social Protection; and Water, Sanitation, and Hygiene (WASH) have been identified as seven social sectors that require Fiscal Space Analysis (FSA). Over the past four years (2017/18 to 2020/21) spending within the seven sectors has risen nominally, and as a share of GDP, but relative to non-social sectors it has declined as a share of General Government Expenditure (GGE). The same trends hold for child-focused social sectors, although the GGE share has remained stable.

However, the impact of the COVID-19 pandemic, and the war in Ukraine, has put the NST-1 social transformation agenda off track. A Fiscal Space Analysis (FSA) for social sectors was carried out to simulate projections of available government funds for the social sector and to identify options for increasing financing. The FSA shows that current levels of funding are insufficient to reach national and international goals and gaps will widen further over time.

Figure 4:
Projected Financing Gap for Social Sectors (Billion Rwf)

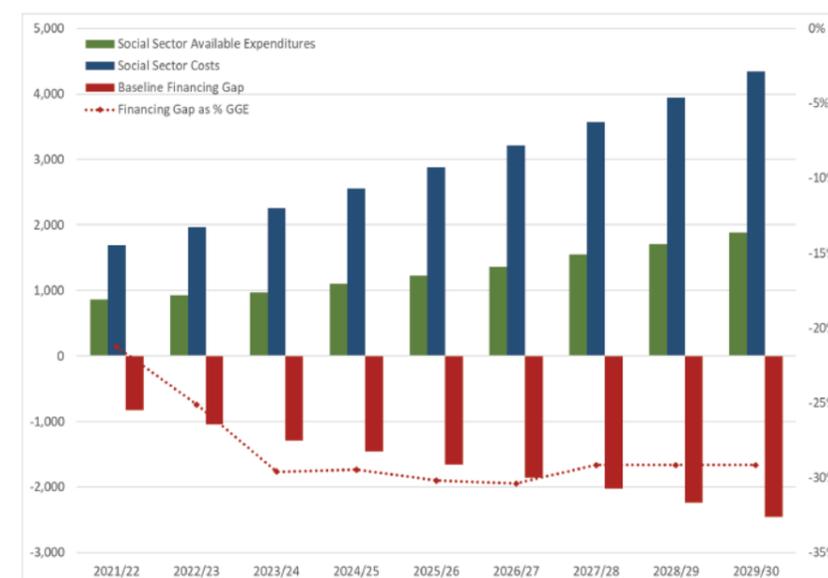
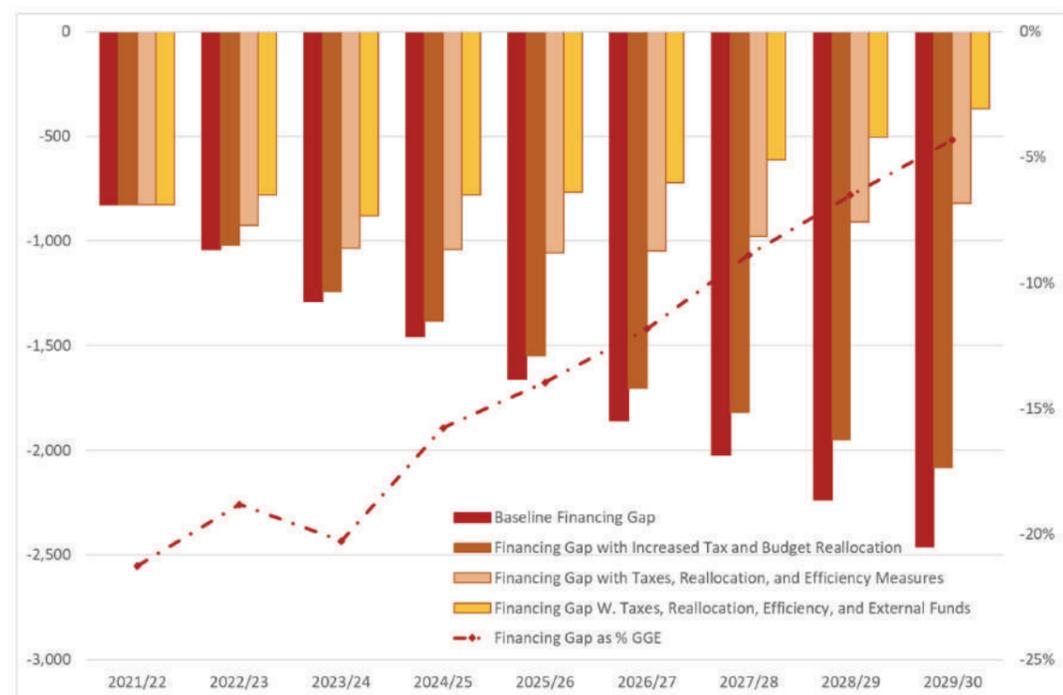


Figure 5:
Potential Fiscal Space for Social Sectors (Billion RWF and as a % of GGE)



Using a number of financing options could almost close the financing gap by 2030. This is in the case of an overly optimistic scenario where the Government prioritizes all additional fiscal space to the social sectors. However, it is an illustration that if this was the case closing this gap could be possible. The general recommendations of the FSA include the following:

- A mix of financing options (including increased tax, reprioritisation of the social sector, external financing, and efficiency savings) have the potential to almost close the financing gap by 2030, and it is possible to close the gap completely for child-specific expenditures.
- Whilst these projections are optimistic given the substantial financial, technical, and political effort they would require, the FSA demonstrates that fiscal space can be found without detriment to fiscal deficit and macro instability.

II. Youth participation and engagement

Guided by the national youth policy, youth participation includes active and meaningful youth engagement in societal transformation through participation in and influencing processes, decisions and initiatives that address issues affecting youth and wider society. The Government puts considerable emphasis on youth economic empowerment, focusing on unemployment and underemployment, limited skills, low access to finance and markets, and the mismatch between current education curricula and skills required on local and global labour markets³³. Youth civic engagement and socioeconomic empowerment initiatives are thus being used as mechanisms to enhance youth participation and leadership alongside youth-led accountability initiatives. Interventions include the YouthConnekt series, Rwanda youth volunteers and the national civic education programme (Itorero), among others³⁴.

Youth participation, especially in civic engagement, is still suboptimal, youth participation in decision making platforms including the National Youth Council (NYC) activities is low (39.7%) as is their participation in local-level assemblies, where community issues, needs, priorities, and solutions are identified (34.9%)³⁵. This is due to the need of capacitating youth and empowering them alongside constraints in financial and human resources, including technical capacities within the NYC to advocate, promote, coordinate, monitor and facilitate youth mobilization, empowerment, and participation³⁶, particularly at village level, and capacities within youth-led organizations and networks.

³⁴Note. National men engage transformative strategy for gender equality launched in June 2022

Volunteerism remains the most common means of youth engagement and participation in development and peacebuilding processes³⁷. In 2022, youth volunteers represented 72% of all volunteers (638,241 of 891,781 – MINALOC). Youth volunteers are mostly involved in activities meant to improve the environment, health, and social wellbeing of the population. They are among the first responders during crises and disasters (COVID-19, recent landslides and floods). Despite their important contributions, youth volunteer initiatives still lack sufficient and sustainable financing.

III. Gender equality and women's empowerment

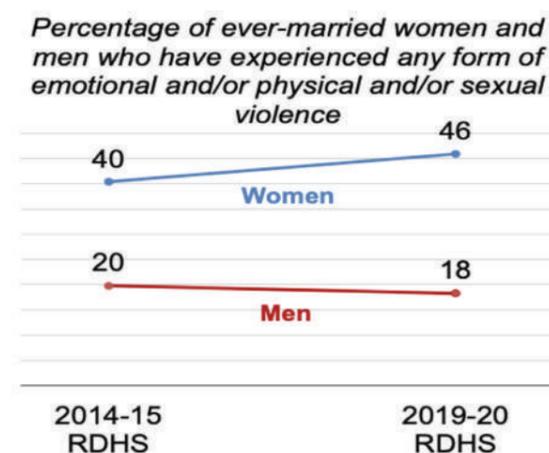
Progress in gender equality and women's empowerment (GEWE) is attributed mainly to improvements in political empowerment, educational attainment, health and survival as well as the intensified efforts in men engagement^{xiii}. Women representation at the ministerial level is at 55% and 61.3% at the parliamentary level³⁸. The gender gap in tertiary education decreased by 2.9 percentage points, while parity remained in basic and secondary education.

Parity was not achieved in labour force participation (64.1% among men; 48.8% among women)³⁹. Women have limited opportunities in income-generation and salary-based occupations. Around 73.5% of females participate in agricultural activities (vs 54.8% of males), yet women have limited control over productive resources such as land and finance, which constrains them to remain in non-commercial agriculture and informal businesses. Unpaid care work is predominantly done by women (3.7/3.3 hours per day in urban/rural areas compared to men's 1 /1.1 hour per day)⁴⁰. On household level, due to persisting gender-related norms, women may not secure support from their spouse in seeking employment and may instead be confronted with conflict/distrust. On organisational level, once employment has been secured, women may experience a less accommodating work environment, limited power and agency and prevalence of gender-based corruption⁴¹. This contributes to the fact that 62.5% of MSMEs are male-owned⁴²; the portion of women-owned enterprises competing in public tenders is low (13%) compared to men (85%) and only 5% of the total value of tenders was won by women, compared to 91.5% by men⁴³.

Tolerance of violence against women and girls (VAWG) and Gender-Based - Violence (GBV) persist, stemming from patriarchy, negative social norms and exacerbated by the silence around it, as well as the limited male engagement in GBV prevention and response.

This results in limited agency and bodily autonomy for many women and girls. Available data from RDHS show that the prevalence of intimate partner violence (IPV) among married women increased from 40% in 2014 to 46% in 2019, but declined slightly from 20% to 18% among men over the same period. Overall, the percentage of women who have experienced physical violence since age 15 increased from 35% in 2014 to 37% in 2019, while for men, the percentage decreased from 39% to 30%. The high acceptance of IPV among the female population, is also worrisome, with 65% of women aged 15-49 and 39% of men agreeing to wife-beating by husbands for a number of reasons. From 2010 to date, there have been no significant changes in GBV trends.

Figure 6:
Trends in spousal violence



Source: NISR, RDHS

For instance, the trend on physical violence shows a decline of only 11.5% (from 26% to 23%), similar to the 22.2% decline for sexual violence (from 9% to 7%). With increased access to technology, there is a potential risk for tech-facilitated GBV through current lack of data on this matter. Women and girls who experience GBV and intersectional forms of vulnerability are more likely to report incidents than men and boys. Data from IOSC indicate that 80% of all GBV cases from at IOSC and health centres were reported by women and girls. However, men and boys too, experience violence, but are less likely to report it due to gender norms. Regarding GBV case management, a number of challenges come into play; these include inter alia; the lack of referral pathways and social reintegration of victims/survivors due to limited resources and negative social norms⁴⁴. Additional challenges stem from gaps in the implementation of existing gender-responsive legislations inadequate technical skills and capacities in GEWE at central and decentralized levels, as well as in the private sector, including limited enforcement of existing accountability mechanisms⁴⁵.

IV. Persons with disabilities

The Government has put in place policies, legal instruments and institutional frameworks to protect the equal rights of persons with disabilities (PWD). The National Council of Persons with Disabilities (NCPD) was established in 2011 to advocate for issues affecting PWD, build their capacity and ensure their participation in national development, which has been instrumental in driving the inclusion of PWD in many social and economic development initiatives. Despite the robust National Policy of PWD and four-year strategic plan adopted in 2021, implementation remains challenging, which contributes to delayed inclusive participation of PWD in various spheres (education, employment, sports and leisure and national development processes, mostly at community level). PWD continue to experience adverse socioeconomic outcomes often being excluded from society, economic activity and, in some cases, government benefits, such as employment opportunities.

Persistent bottlenecks include limitations in financial resources to implement disability-responsive policies and programme, including building inclusive infrastructure; low awareness of the legal provisions and requirements to guarantee the inclusion of PWD; limited knowledge of the rights of PWD among the affected groups; and limited mainstreaming of PWD guidelines in sector and district strategies. In 2021, the Working Group of the Universal Periodic Review made several recommendations aimed at strengthening the promotion and protection of rights of persons with disabilities. These included recommendations for Rwanda to adopt necessary measures to protect the integrity of persons with disabilities in all settings, including the prevention of forced treatment and forced sterilization of persons with disabilities²². The country also lacks sufficient disability-sensitive data to inform targeted decision making and planning to systematically address the specific needs of PWD.

In response, a comprehensive Disability MIS was designed and piloted in 2022 and is expected to be rolled out to 15 districts in 2023/24. UN has supported GoR on various initiatives such as establishment of a multistakeholder disability platform in 2022, disability mainstreaming strategy with PSF to help mainstream disability in private sector employment. Revision of the legal and policy framework to be in harmony with the UN CRPD as well as comprehensive capacity building of CSOs, private sector and government on disability inclusion.

V. Refugees, asylum seekers and stateless persons

Over the past two decades, Rwanda has experienced several mass influxes of refugees and asylum seekers, primarily from neighbouring countries such as DRC and Burundi. Approximately 50,700 Burundian refugees still reside in Rwanda, while more than 30,000 have voluntarily repatriated since 2020. The country has also been hosting around 75,000 refugees from the DRC who fled during different waves since 1996. In 2023, the refugee population continues to grow, driven by protracted instability and conflict in Eastern DRC. Between mid-November 2022 and mid-July 2023, over 10,000 individuals arrived in Rwanda from the DRC, bringing the total refugee population in Rwanda to 133,671.

In addition to Burundian and Congolese, over 100 individuals from varied nationalities reside in urban areas, as well as over 600 individuals of various nationalities within the Emergency Transit Mechanism. See Annex 7 for detailed breakdown of refugee population statistics. Refugees have freedom of movement within Rwanda, with over 90% of refugees and asylum seekers accommodated in five refugee camps and the Nkamira Transit Center. However, most of them are in need of humanitarian support, mainly provided by the Ministry in charge of Emergency Management (MINEMA), the UN system, Development Partners and international NGOs.

The Government has made significant pledges within the Global Compact on Refugees, focusing on documentation, civil registration, education, socioeconomic inclusion and addressing statelessness. While refugees have the right to employment under article 18 of Law n°13er/2014 of 21/05/2014 relating to refugees, barriers to employment persist, including limited knowledge among employers regarding the acceptance of a refugee identification card for employment, as well as economic factors impacting the availability of suitable job opportunities. Meanwhile, with the increasing demands, assistance to refugees and asylum seekers to meet their basic food, non-food and nutrition needs is facing critical funding challenges. Rwanda also has an estimated 9,500 individuals of undetermined nationality and/or at risk of statelessness. The Government has made eight pledges at the High-Level Segment on Statelessness to resolve their situation and integrate them into Rwanda's social protection mechanisms.

VI. Migrants

Rwanda is currently home to 366,785 migrants, 65,762 of whom immigrated to the country in the last 5 years, with most lifetime migrants originating from the DRC (38.5%), Uganda (24%), and Burundi (22.7%). Policies on migration are forward-looking, and facilitate the registration of third national countries, open visa policies, free movement for EAC nationals, hosting refugees, and open-for-business policies for foreign investors. Rwanda is also advanced on discussions of the portability of social benefits, including through its bilateral agreement signed with Burundi (1978), and was the first and one of only four countries to ratify the AU Continental Free Movement of Persons Protocol (FMP).

From a gender-based lens, according to the 5th housing census (NISR, 2023), women predominate in rural migration, while men predominate in urban migration. As the majority of economic activities, and thus job opportunities and particularly decent jobs in the formal sector are in Kigali, this means there are associated demographic and sex imbalances in rural and urban areas that are associated with imbalances in socio-economic welfare. Women's ability to access decent work is also weakened by the disproportionate burden placed on women to engage in unpaid care/domestic work (UCW). Women spend, on average, 6 hours a day on UCW in rural areas, compared to 2 hours a day in urban areas. According to a OECD/ILO report (2018), foreign-born workers appear to fare far worse than their Rwandan-born counterparts in all metrics related to labour force participation, which is most marked among women. For instance, the difference between labour force participation rates of Rwandan-born versus foreign-born men in 2012 was 10.5 percentage points in favor of Rwandan-born men, whereas the difference for women was 17.8 percentage points in favor of Rwandan-born women.

To date, while Rwanda has supported the Global Compact on Migration (GCM), it is yet to have a national coordination committee on migration and an operational plan elaborated for the implementation of the GCM in the country. The national migration policy is outdated, and does not include emerging migration issues, such as the migration-environment-climate change (MECC) nexus, although it is currently under review. Greater steps could also be taken to implement the right to residence and establishment beyond the right of entry as part of the FMP, and to strengthen the portability of social benefits within the EAC.



PROSPERITY

3.2 PROSPERITY

The “Prosperity Pillar” assesses Rwanda’s economic transformation by reviewing progress towards SDG 8 Decent work and economic growth; SDG 9 Industry, innovation, and infrastructure; and SDG 10 Reduced inequalities. This section analyses macroeconomic developments, productivity, competitiveness, persistent challenges, emerging issues and opportunities.

3.2.1 MACROECONOMIC DEVELOPMENT

Rwanda has been on a steady positive post-pandemic growth in 2022, however, the economy is under pressure from multiple, complex and interconnected crises: starting from the lingering effects of the COVID-19 pandemic, elevated inflation, climate change, spill over and adverse effects from the war in Ukraine and the ongoing middle east conflict. The outlook is subject to high uncertainty, mainly stemming from the risks of deepening geopolitical fragmentation, volatility in global energy and fertilizer prices, a steeper-than-projected decline in trading partners growth, or a funding squeeze⁴⁶. In addition, the costs of humanitarian response and reconstruction following the recent floods will generate further spending demands. Overall progress towards the SDGs is being disrupted by the tightening of global financing conditions that exacerbate domestic and external imbalances tilted more heavily and negatively towards the most vulnerable groups.

I. Economic growth

Per capita GDP increased from US\$ 674 in 2013 to US\$ 1,004 in 2022⁴⁷. After a sharp contraction of growth -3.4% in 2020, mostly attributed to the COVID-19 pandemic, in 2021 growth rebounded to reaching a five-year high of 10.9% owing mainly to a strong performance of the services sector. However, economic growth declined to 8.2% in 2022, mostly attributable to volatile global markets and high energy, food, and fertilizer prices; together with weak external demand for exports⁴⁹.

In 2023, the economy continues a steady path of economic recovery growing by 9.2% in the first quarter and by 7.5% in the third quarter⁴⁸. This marked the eleventh quarter of solid growth, mostly supported by the services sector, driven by hotel and restaurants, trade, and transport which generated approximately 44% of total real GDP growth⁴⁹. For example, in the third quarter transport services increased by 16% mainly due principally to a 23% surge in air transport. Meanwhile, agricultural activity showed some improvement on the back of a poor harvest growing by 3% (from 1%, 0% in the preceding quarters) and contributed 0.7 percentage points to overall GDP growth. Within agriculture, food crops production increased by 3% after consistently declining at about 2% throughout 2022 and 2023⁴⁵, this trend has been a concerning as it implies adverse effects on livelihoods, especially in rural areas.

Table 2:
Gross domestic product trends, 2010 – 2022

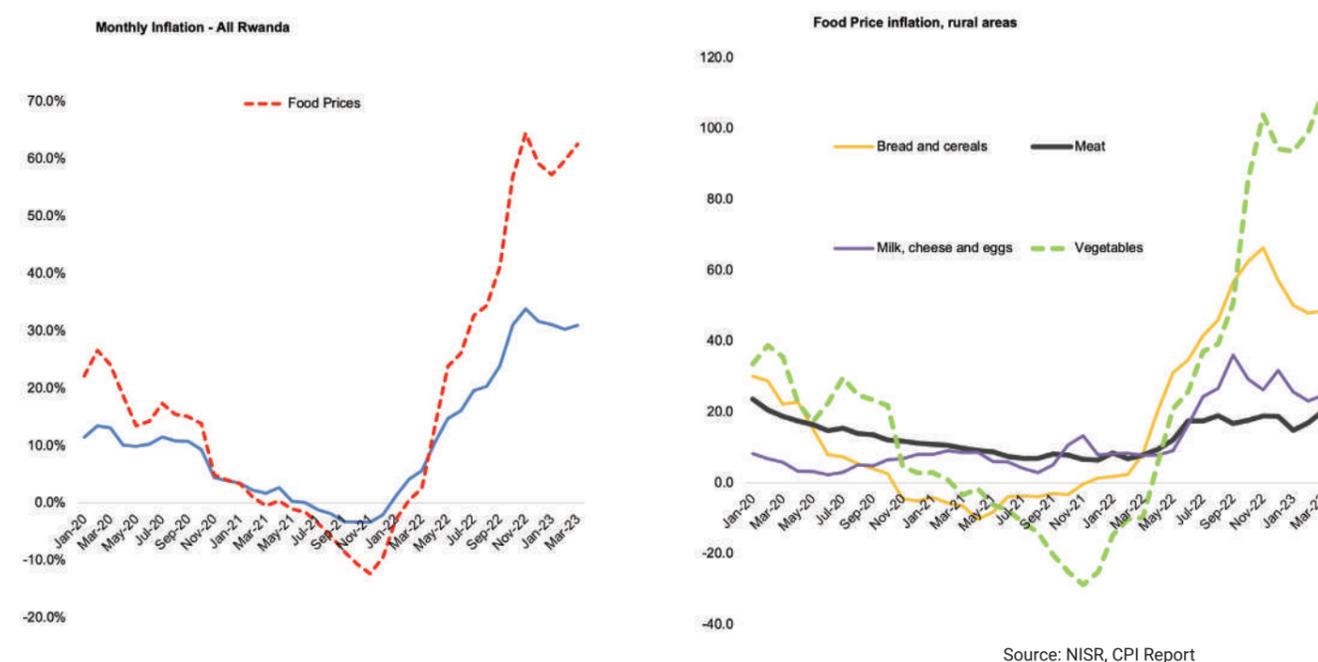
| Variables | 2010 | 2015 | 2020 | 2021 | 2022 |
|---|-------|-------|-------|--------|--------|
| GDP at current prices (Rwf billions) | 3,571 | 6,150 | 9,596 | 10,930 | 13,716 |
| Growth rate (%) | 7.3 | 8.9 | -3.4 | 10.9 | 8.2 |
| GDP per capita US (\$) | 615 | 759 | 803 | 853 | 1,004 |
| Percentage value add by: Agriculture (%) | 24 | 24 | 27 | 24 | 25 |
| Industry (%) | 16 | 18 | 19 | 20 | 21 |
| Services (%) | 50 | 50 | 47 | 48 | 47 |
| Adjustment ^{xiv} | 10 | 9 | 8 | 8 | 7 |

^{xiv}The percentage in this row is attributed to adjustment for taxes less subsidies on products.

II. Inflation

Inflation reached historic highs in 2022, with urban inflation reaching a thirteen-year high of 21.7%, year-on-year, in November 2022, and headline inflation recorded at 13.9% for 2022 up from 0.8% in 2021. Headline inflation rose from 5.8% in February 2022 to 20.1% in October 2022, year-on-year⁵⁰. The rising inflation (figure 15) is mostly driven by food inflation that reached 39.7% in October 2022 attributed to poor performance of the agriculture sector. Core inflation was also high at 14.4%, largely reflecting the rise in the cost of imported production factors, especially fertilizers⁷⁰.

Figure 7:
Monthly headline inflation rates vs Food price inflation plus in rural areas



Source: NISR, CPI Report

The GoR has implemented sizable policy packages to combat inflationary pressures affecting consumers’ purchasing power, and to protect the most vulnerable. GoR introduced subsidies for fuel, fertilizer, and public transport in 2022. In April 2023 value added tax was removed from maize flour and rice, and the price ceiling for Irish potatoes reduced⁵¹. The central bank raised the policy rate to 6.5% by November 2022 and reinstated the reserve requirement ratio to the pre-COVID level of 5%. The policy rate was further raised to 7% in February then by 0.5 percentage points in August 2023 and maintained at 7.5% in 2023⁵².

Consequently, the CPI that stood at 31.1% at the beginning of the year fell to 20.4% at mid-year 2023 and further to 6.2% in December. Food price inflation is mostly affecting households in rural areas, particularly female headed households and refugees in remote areas where food price inflation is almost double that in urban areas and food constitutes 48% of the weighting for CPI compared to 27% in urban CPI⁵². This presents a higher risk of exposure for particularly women, children, elderly, people with disabilities, refugees, asylum seekers and stateless persons.

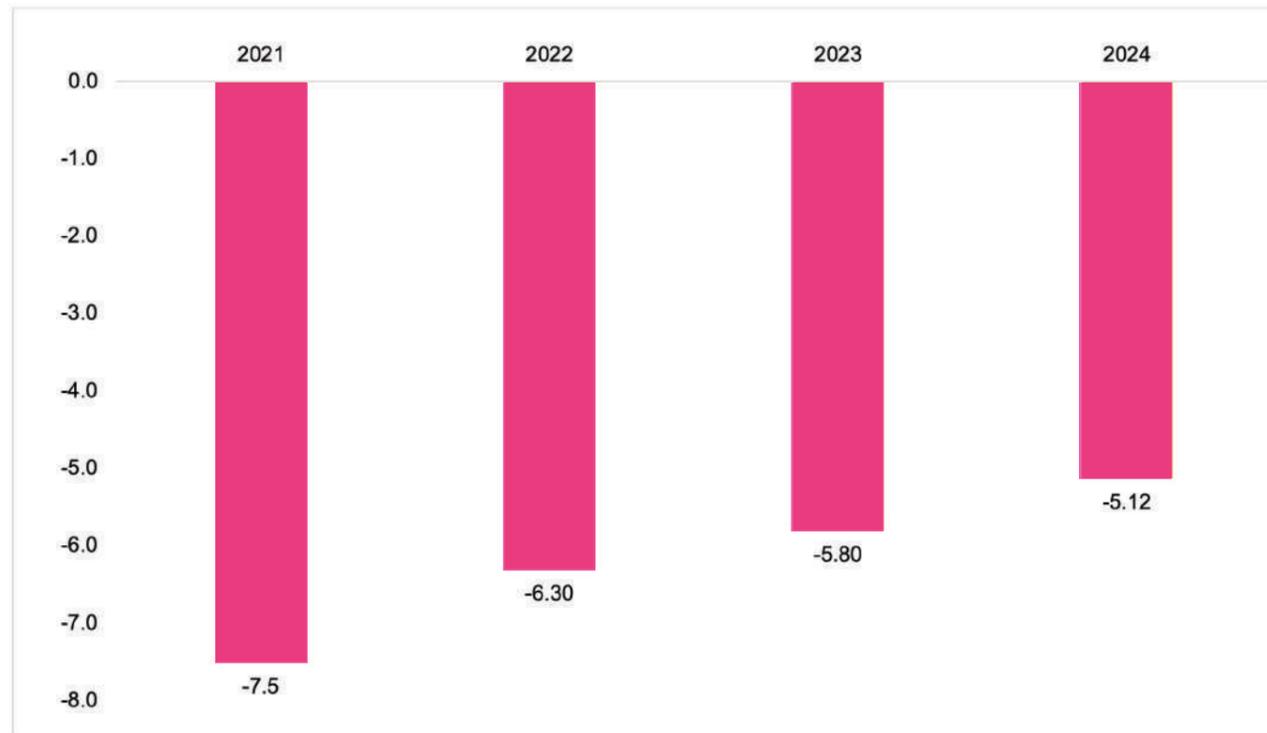
However, food inflation is expected to ease following the decline in international food prices and the expected normalization of domestic agricultural production, which will not exert pressures on domestic inflation. The Central Bank project headline inflation of 14.3% in 2023 and 6.1% in 2024 on account of imported inflation.

III. Fiscal Policy

Rwanda's public debt declined from 73.4% in 2021 to an estimated 67.1% of GDP in 2022⁴³. Most of the public debt is concessional from multilateral and bilateral partners, which helps Rwanda's public debt remain sustainable. The IMF/WB Debt Sustainability Assessment maintains a rating of moderate risk of external and overall public debt distress. Primary fiscal deficit continues to be the key driver of public debt accumulation, warranting a credible fiscal consolidation⁷⁰.

Moreover, Rwanda's public sector-led development has shown limitations with the country's heavy reliance on large public investments, 12.2% of GDP by 2021⁷⁰, contributing to substantial fiscal deficits. Potential risks to debt sustainability stem from high uncertainty and a difficult external environment in the form of declining concessional financing, U.S. monetary policy tightening, US dollar appreciation, and terms-of-trade shocks.⁴³

Figure 8:
Fiscal deficits as a percentage of GDP 2021 - 2024



Source: ECA January 2023 estimates

Total national revenues (including grants) are thus increasing steadily. The trend in 'own revenue' has exceeded the pre-COVID-19 level by 9.3% from 2018/19 to reach 25.9% of GDP in 2021/22. Correspondingly, total expenditure is also steadily increasing, most notably on capital account, which shows a steady rise over the period from 29.6% of GDP in 2018/19 to 32.2% of GDP in 2021/22⁵³. Owing to the global economic down-turn, the GoR's fiscal policy has in the last three years sought to stimulate demand while battling inflationary pressures to sustain monetary stability. This resulted in widening of Rwanda's fiscal deficit from 5.9% of GDP in 2018/19 to 7.9% in 2019/20 at the peak of the pandemic and down to a three-year low of 6.35% in 2021/22.

This decline is mostly attributed to the reduction in capital expenditure by 0.6% of GDP, while maintaining current expenses consistent with recent trends⁵⁶. Additionally, grants from donor support also contributed to reducing the deficit to 4.5% of GDP. Tax policy changes and administrative measures have maintained tax revenues roughly in relation to GDP. The fiscal deficit is projected to decline to 8.0% of GDP in 2023 and 6.8% in 2024 due to continued fiscal consolidation and higher domestic revenue.

Nonetheless, overlapping global economic shocks and disruption in regional trade have constrained the fiscal space compounded further by the floods in 2023. Both are also subsequently negatively impacting sources of income and livelihoods of the most vulnerable, especially those mostly reliant on smallholder-rainfed agriculture in rural areas, female headed households and others living in high-risk zones in urban and rural areas. All points to the importance of reshaping the financing architecture for development, to which the Integrated National Financing Framework (INFF) and subsequent development of the Integrated National Financing Strategy (INFS) provides potential solutions.

Box 3: INFF, a Complementary Tool for Mobilizing Financing

Rwanda launched the INFF work in September 2020, with the UN facilitating the INFF Assessment and Diagnostic Report that provided a roadmap for the INFS. This was followed by a sector-level diagnostic that covered social sectors, and provided annual budget briefs as well as a sustainable WASH financing strategy that all informed the INFF financing strategy. The final INFS is under review by the GoR as of September 2023. The set up and implementation of the INFF provides a mechanism for GoR to holistically assess the financing landscape and identify and tap into capital flows for national development priorities and the SDGs. Part of the INFF building blocks, the Financing Strategy (INFS), is structured around four pillars:

I. Accelerated Private Finance Initiative: Leverages public and private sector resources to fund diverse projects, emphasizing Public-Private Partnerships (PPPs) and gearing them towards impactful investment opportunity areas.

II. Increased Domestic Resource Mobilization: Enhances tax revenue collection and expenditure management, streamlines tax incentives, and strengthens tax institutions. Focuses on sustainable debt management and development of a comprehensive domestic revenue mobilisation strategy.

III. Mobilization of Official Development Assistance: Utilizes ODA for institutional building, fostering south-south cooperation, business environment enhancement, and leveraging public resources for de-risking and crowding in private capital. Advocates for partners to commit 0.7% of GNI to ODA, and greater aid effectiveness.

IV. Innovative Sources of Finance: Explores novel financing avenues, including climate finance, carbon credits, philanthropy, climate-risk financing, and green bonds. Leverages global platforms like COP27 to access funds for national initiatives.

The UN Country Team recognizes the critical importance of the INFF and has agreed to adopt UN-system wide approach to mainstreaming the INFF in our development work.

3.2.2 PRODUCTIVITY

I. State of Agriculture in Rwanda

Transformation of the agri-food system will be critical to maintain food security as the population grows and with this the increased demand for food and agriculture land, pressure for economic development and job creation. Farming is predominantly small-scale occupying over 98% of the cultivated land⁵⁴. Average landholdings has reduced from 0.6 ha. to 0.4 ha. between 2012 and 2022³ and more than half of farming households own less than 0.1 ha¹⁰. About 3 million are involved in subsistence farming, and more than half of them rely on subsistence farming for their main source of livelihood. Among the unemployed youth 29% are engaged in subsistence agriculture³⁶. Moreover, commercial farming is also predominantly practiced on a small-scale, less than 1% of the po farm on more than 2 ha¹⁰.

Land-fragmentation continues to exacerbate suboptimal farming outcomes and leave households and the country vulnerable to economic shocks. Smallholder farmers have persistent lower yields, utilise fewer inputs including fertilizers, and their land is less protected against climate risks⁵⁰. Furthermore, they are less likely to access high-income markets and financing⁵⁵, and the estimated average income in agriculture production is as low as RWF 21,000 per month³⁶. The small-landholdings and over reliance on subsistence farming renders most households, especially in rural areas, vulnerable to shocks. Furthermore, sub-optimal yields have national implications, especially in the event of global price shocks, where other countries reduce their food exports. Therefore, it is paramount to address the land-fragmentation among other issues in the coming strategy period.

Population pressure also underscores the need for increasing land productivity and creating employment opportunities in the wider agri-food system in areas such as post-harvest handling, inputs supply, agro-services, logistics, trade, agro-processing, hospitality, and others. Currently these sub-sectors employ about 10% of those in agriculture, whilst the remaining 90% work in primary production⁵⁶.

Box 4: Food Systems in Rwanda

Food Systems embrace the entire range of actors and interlinked value-adding activities in production, aggregation, processing, distribution, consumption, and disposal of waste products from agriculture, livestock, and fisheries. This makes it vital in ensuring food security and nutrition, as well as fundamental to economic growth and climate change adaptation. Over the last 20 years Rwanda's agriculture sector has undergone radical transformation in three phases: I. Stabilizing food supplies by increasing production area and use of improved varieties; II. Optimizing productivity and efficiency through crop and livestock intensification programmes; and III. Environmental sustainability, resilience, food safety and nutrition. Nevertheless, challenges impacting effectiveness and efficiency of food systems persist, including suboptimal agricultural productivity and diversification, widespread food and nutrition insecurity, weak market linkages and value chains, low industrial development, high vulnerability to climate change, underdeveloped infrastructure, low financing, and investment among others.

To address these challenges, Food Systems is recognized as a key entry point for achieving the SDGs. Food systems acknowledge the challenges are complex, multidisciplinary, and interinstitutional, therefore require integrated, coherent multisectoral efforts by all relevant stakeholders to achieve effective, sustainable solutions (see annex 4). The country's Food systems pathways aim to:

- Ensure availability, accessibility, affordability, and safety of nutritive food for all.
- Develop food systems that contribute to environmental sustainability.
- Enable all food value chain actors to have decent livelihoods that are resilient to shocks.
- Enhance contributions from women, youth, and financing for food systems' transformation.
- Improve child nutrition and relevant supply chains through policy guidelines and standards.
- Improve children's food environment including where they live, learn, and meet.
- Improve children's feeding practices through frameworks that promote positive behaviour.

II. Employment and decent work

Rwanda's working age population (16 years and above) reached 7,963,586 people (46% female, 54% male) in 2022³. 83.9% of people in employment work in the informal sector earning low wages, with median incomes at Rwf 26,000. Unemployment rates continue to grow, reaching 20.5% and underemployment is at 57.5%. Unemployment levels are highest among youth (25.6%) and women (23.7%) compared to men (17.9%), and there are no significant differences between urban (20.4%) and rural (20.6%) areas. However, labour underutilization is much higher in rural areas (61.9%) compared to urban areas (42.1%) as shown in figure 7 below.

Figure 9:
Structure of Rwanda's working age population, 2022

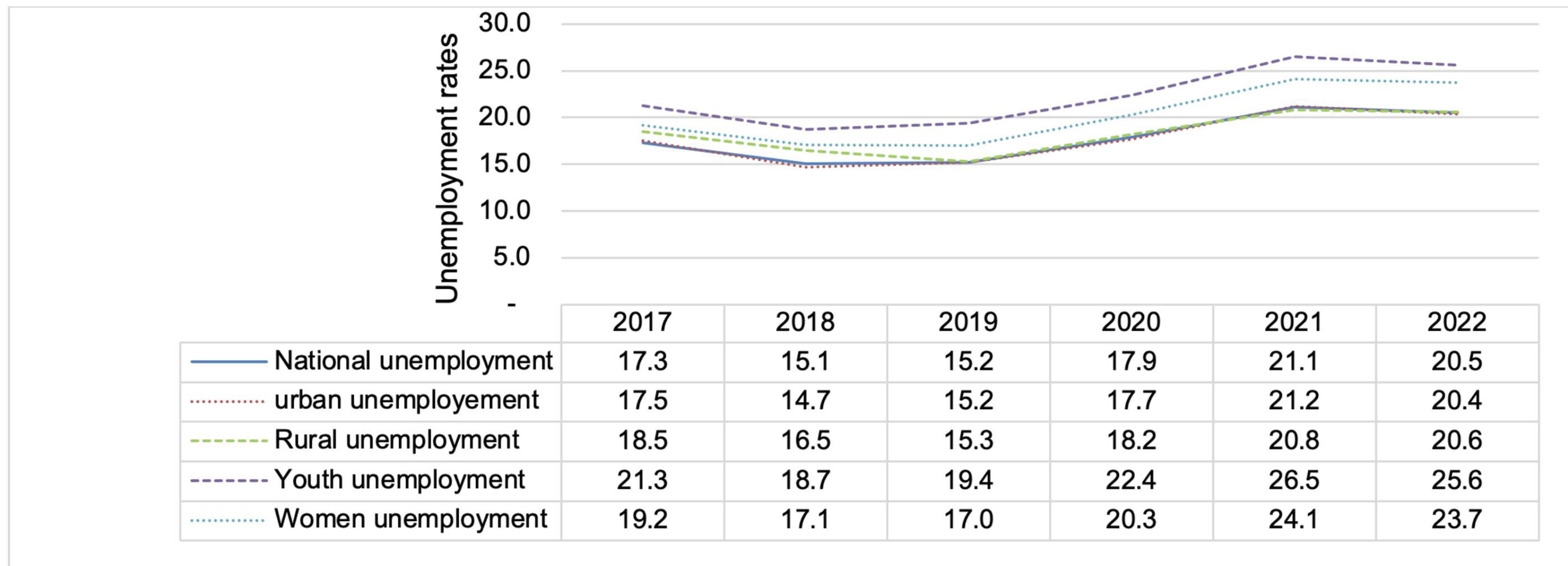
| Working age population 16 years old and over 7,963,586 persons | | | | | | |
|--|---|---|-------------------|-------------------|---|---|
| Outside the labour force: 3,500,290 persons | | Labour force: 4,463,296 persons Labour force participation rate: 56.0% | | | | |
| Subsistence foodstuff producers: 37.5% | Others outside the labour force: 62.5% | Employed (All who worked for pay or profit) 3,546,352 persons Employment to population ratio: 44.5% | | | Unemployed (All not employed but seeking and available to work for pay or profit) 916,944 persons Unemployment rate: 20.5% | |
| Primary or below: 79.6% Secondary (Lower and Upper): 14.4% Tertiary: 1.0% | | Agriculture excluding subsistence foodstuff production 44.5 % | Industry 11.5% | Services 44.0% | Primary education or below 70.4 % | Secondary education (Lower and upper) 24.0 % |
| Tertiary education 5.6% | | | | | | |
| Supplied weekly labour: 107 million hours. | | | | | | |
| Labour underutilization (3,288,473 persons): Unemployed (916,944) + Time-related underemployed (1,125,425) + Potential labour force (1,246,103) Composite measure of labour underutilization (57.6 %) | | | | | | |

Source: NISR, RLFS, 2022

Labour Dynamics:

- The rate of job creation lags behind the growth of the labour force. NST1 targets to create 1.5 million jobs by 2024, translating to 214,000 jobs annually⁵⁷.
- The private sector's growth is insufficient to meet job demand, creating only about 38,000 jobs annually⁵⁸, primarily for the youth.
- Higher educational attainment is paradoxically linked to higher unemployment rates among youth. Specifically: No education: 21.2% unemployment; Secondary education: 39.4% unemployment; University education: 32.4% unemployment⁵⁹.
- While unemployment among people with disabilities is 17.7%, a staggering 82.3% are excluded from the labour force altogether⁵⁹.
- The pandemic severely impacted sectors with high employment, notably tourism, hospitality, transport, and education, which contracted by 47% in 2020. Meanwhile, agriculture, employing 46.8% of the workforce, grew by 2% in 2022⁵⁹.

Figure 10:
Unemployment rates including most vulnerable groups 2017 – 2022.



Source: NISR, RLFS, 2022

Structural imbalances between skills demand and supply exist, largely due to the formal education curriculum's limited relevance and limited available and scarce opportunities for practical job training⁶⁰. Rwanda monitors the labour market demand through the Occupation in Demand List (ODL) and has a progressive skills migration regime to encourage highly skilled migrants to fill labour gaps. The GoR also aims to promote the ethical recruitment of migrant workers through the National Labour Mobility Policy (2019). Some bilateral labour migration agreements (BLMA) and schemes are in place to support skills development and provide livelihood opportunities. However, greater efforts are needed to enhance labour mobility schemes and skills development programmes to attract highly skilled foreigners, including migrants and members of the RCA, to address skills shortages, while ensuring these skills are imparted on local workers. In addition, it is crucial to fully operationalize and update the 2019 National Labour Mobility Policy, to update diaspora engagement strategies and the 2009 Diaspora Policy, and to strengthen formal remittance schemes.

Women, refugees and migrants continue to face structural challenges in accessing livelihood opportunities, decent job opportunities, entrepreneurship, and formal financial services among others. To harness the full potential of women, refugees and migrants in Rwanda's economy, there is a pressing need to bridge the awareness gap about inclusion regulations, recognize and value their skills, enhance their entrepreneurship and financial literacy.

Challenges also persist in occupational safety and health which has been identified by the Ministry of Public Service and Labour as one of the decent work indicators. The informal sector remains the primary source of employment. However, this sector is often characterized by limited worker protection, low wages, productivity, and job instability, creating persistent deficits in decent work. Consequently, although 3.546 million people are employed, only 678,713 (19%) are registered with the RSSB⁵⁹.

The minimum wage has not been updated in the last four decades despite provisions in the labour law. Combined with a lack of strong social dialogue and collective bargaining, these decent work deficits put many workers at risk of working poverty and sexual harassment and exploitation at the workplace especially for women and girls. The absence of effective dialogue stems from a lack of awareness of labour rights, limited capacities of labour inspectors and low organisation of workers and employers. In 2022, trade union membership was estimated at 233,6262 employees⁶¹.

III. Private sector development

Rwanda's private sector showed resilience post-pandemic, with significant investments and growth in key sectors. Investments reached \$3.7 billion led by revamped tourism growing by 25% and exports by 9.4% in 2021⁶². However, global, and regional challenges in 2022 affected the economy. The services sector growth remained at 12%, agriculture growth dropped by 4 percentage points to 2% and industry dropped by 8 percentage points to 5%.

Tenacity in industry is attributed to 11% growth in manufacturing activities, 15% in mining and quarrying, but the significant decline from 2021 is mostly because of a 6% reduction in construction activities. Growth in manufacturing is mostly driven by 21% growth in textile, clothing, and leather goods manufacturing⁶². Although progress in services plateaued, the sector's contribution to GDP growth remained the highest and resilience continues to be driven by the hospitality sub-sector that grew by 87%⁴⁹. Other key drivers of the services sector are transport (22%) and ICT (20%) – but it should be noted that these remain male dominated areas.

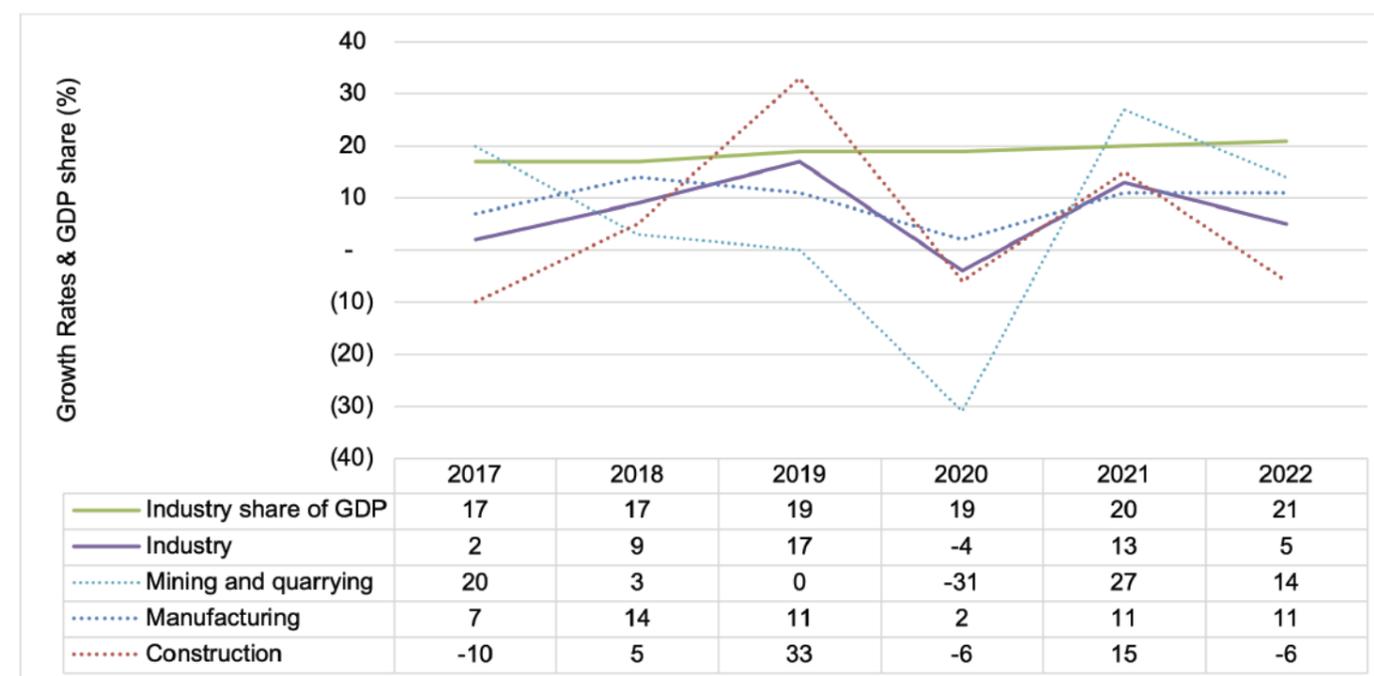
The banking sector continues to be profitable and well-capitalized. Credit quality improved after the peak of the pandemic, with non-performing loans in commercial banks dropping from 5.1 to 4.1%, and microfinance institutions from 6.4% to 2.4% between 2021 and 2022⁶⁹. Subsequently, growth in the private sector tapered off largely due to the decline in new authorised loans following the weaker economic conditions in 2022/23. One of the NST1 priorities is continuing to facilitate women to access finance, especially formal financing where currently figures show that only 34% of women vs 39% men use banking services while 19% women vs 12% men use exclusively informal financial products/services (FINSCOPE 2020).

GoR initiatives, including the Economic Recovery Fund (ERF) and the Manufacture and Build to Recover Programme (MBRP), have been pivotal in supporting post-pandemic private sector recovery. From the ERF's \$250 million capital, significant loans were disbursed to micro-businesses and larger companies through the Business Development Fund and Rwanda Development Bank⁴⁸. However, to achieve the national target of 6.5% annual GDP growth and the SDGs, infrastructure investment needs a significant boost, especially in transport, electricity, telecom, and water.

IV. Industrialization

The industry sector grew by 5% between 2021 and 2022, rebounding from a -4% dip in 2020 due to the pandemic (figure 9). By Q1 2023, growth reached 9%, increasing its GDP contribution to 22%. The primary contributors to the sector's growth are mining (21%), food processing (10%) and construction (8%). This growth has continued through the first quarter of 2023, where industry grew by 9% and increased its contribution to GDP to 22%⁶². The MBRP initiative and infrastructure projects like the Bugesera International Airport are expected to further boost growth in 2023. The MBRP, in particular, has approved 97 applications, offered tax incentives and attracted over \$1.7 billion in investments that is projected to create over 36,000 jobs⁶³.

Figure 11:
Industry share of GDP and growth rate of sub-sectors, 2017 – 2022



Source: NISR, GDP Accounts 2022

Despite the investments and efforts to accelerate and sustain industrialization, high costs in finance, energy, and transport are hampering manufacturing productivity and competitiveness⁶⁴. The share of manufacturing in the last decades stagnated at about 6% level, thus Rwanda is not on track to achieve the NST1 target of the sector contribution reaching 15.2% by 2024⁵⁷ or transitioning towards higher income levels. In 2022, only 4.8% of the employed population was engaged in manufacturing, declining from 6.4% in 2019.

Major business obstacles by formal manufacturing firms in the country include: access to finance, tax rates, limited advanced technologies and electricity, together with competition from the informal sector and inadequate skilled labor force⁶⁵. Furthermore, the limited size of domestic markets makes it challenging for companies to achieve economies of scale or compete with larger foreign firms⁷⁰. Moreover, global disruptions such as the pandemic and the Ukraine war, have affected supply chains and reduced mineral demand, impacting prices and overall production.

Consequently, vulnerable groups such as temporary workers, low-wage labourers and artisanal miners are either laid-off or have their work hours reduced by cut-down operations with ripple effects to the families and dependents of miners and construction workers. The industry sector also remains male dominated necessitating gender mainstreaming efforts.

V. Digital Transformation

The past three years witnessed a significant digital transformation, primarily driven by the need to digitize processes and services during the pandemic lockdowns. The most notable advancements in digitalization have been observed in financial transactions, trading, and accessibility of social and public services. The ICT sector experienced a robust growth of 84% from 2019 to 2022, contributing Rwf 307 billion to the GDP. During this period, the sector's growth rate increased from 9% to 20%, see table 5⁴⁹.

Table 3:
ICT sector growth trends, 2017 - 2022

| Volume and Growth rates | 2017 | 2018 | 2019 | 2020 | 2021 | 2022 |
|------------------------------|------|------|------|------|------|------|
| ICT sub-sector (Billion Rwf) | 134 | 144 | 185 | 194 | 215 | 201 |
| ICT share of GDP | 2 | 2 | 2 | 2 | 2 | 2 |
| ICT growth rates | 11 | 14 | 9 | 29 | 19 | 20 |

Source: NISR, GDP Accounts 2022

Box 6: Key Achievements in digital transformation

- Internet penetration increased from 5% to 60% in the last 12 years & mobile penetration: 78.1%³.
- e-Government is transforming public service delivery with 103 services digitized by June 2023 via the Irempo portal, aiming for 400 by June 2024⁶⁶.
- Financial inclusion gaps are being addressed through mobile money platforms and other financial technologies (FinTech).
- Innovation hubs including the Rwanda Innovation Fund (RIF) and Norrsken support start-ups by providing resources and financing for digital solutions, and enabling access to networks, knowledge, research and development, and scaling.
- ICT Legal frameworks have been updated including the personal data protection and privacy laws with many provisions such as registration of all individuals and institutions that process personal information⁶⁷.
- e-Commerce has the potential to contribute to economic transformation, its readiness is nascent. Only 26 online marketplaces existed in 2020, but the number grew after the pandemic-induced surge in web-based transactions. MINICOM has published 62 working e-commerce related websites in 2023⁶⁸.

Despite technological advancements uptake remains low due to limited digital literacy (11.1%)⁵⁷, internet usage (22.8%), with some areas as low as 16.1% in the southern province (figure 20) and smartphone penetration (15%)³. As fixed telephony and fixed broadband internet access remain negligible in comparison with mobile penetration, opportunities relating to B2B and B2C e-commerce^{xv} will need to be delivered over narrowband or broadband mobile services.

In order to expand such opportunities to greater numbers of small businesses and individuals, high charges for the use of Unstructured Supplementary Service Data (USSD) codes need to be addressed and the cost of fixed broadband Internet reduced. Revenue sharing models for business IT services would allow small businesses to defer the cost of IT implementation over a period of use⁶⁷.

^{xv}B2B stands for 'business to business' while B2C is 'business to consumer'

In addition, while mobile money agents are largely available across the country, they tend to be subjected to high commission rates. Also there exists a lack of integration between different mobile money systems. For greater financial inclusion, the interoperability between mobile money platforms needs to be promoted to avoid high costs and duplication of platforms for receiving payments⁶⁷.

Gender disparities also persist in tech access, with more males (26.7%) owning smartphones and accessing the internet than females (21.7%). In contrast, more females (77%) than males (72.5%) own ordinary phones. In relation to access to internet, at national level, males (16.6%) are more likely to access internet than females (11.2%)⁶⁹. Low penetration is mostly because of limitations in affordability of internet and devices and is exacerbated by relatively high levels of illiteracy.

On the other hand, the COVID-19 pandemic further accelerated digital adoption, with some MSMEs transitioning to e-commerce, although e-commerce remains nascent. The introduction of digital tools for trade further bolstered this trend. These positive trends towards greater economic transformation, regional integration, and the use of digital technologies hold enormous potential to improve the lives and livelihoods of small-scale cross-border traders (SSCBTs), with positive impacts across a range of SDGs. However, challenges persist; at the macro level, policy frameworks enabling cross-border digital trade require alignment with regional best practices. At the meso level, the expansion of digital financial services has not fairly reached rural and vulnerable communities, with 43% of people in rural areas excluded from DFS, compared to 7% in urban areas. At the micro level, challenges affect SSCBTs, who remain vulnerable and lack the skills, capacities, and access to resources to effectively trade digitally. Women, who make up between 70-80% of all SSCBTs, and 90% of whom rely on CBT as their sole source of income, are disproportionately affected.

Fortunately, there have been recent improvements to the legal and regulatory framework for ICT, the adoption and implementation of the E-commerce Policy is also currently under review. Implementing the E-commerce Strategy would contribute to strengthening the private sector's potential to contribute to national growth, including by enhancing their ability to exploit opportunities for Rwandan SMEs into international and regional markets.

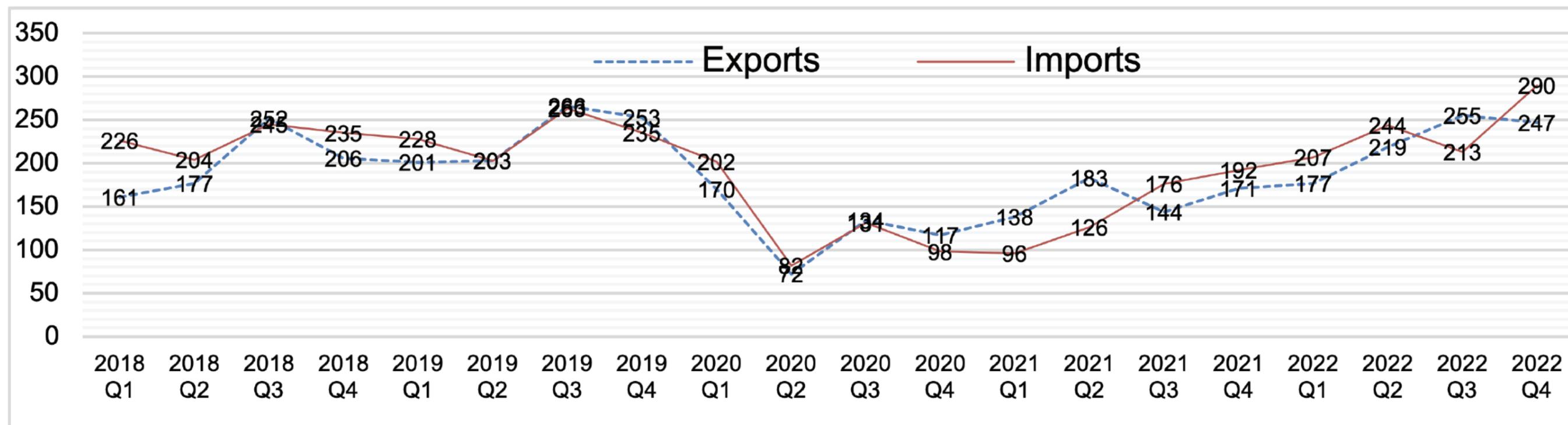
Going forward, continued concerted efforts of both public and private sectors, supported by development partners, will be critical to ensure that affordability and literacy challenges are addressed and that marginalized groups particularly the uneducated, illiterate, and those in rural areas, as well as older persons are integrated in the digital revolution. In addition to expanding digital financial inclusion for the SSCBTs especially women, and empowering SSCBTs to transact digitally while bolstering social cohesion.

3.2.3 COMPETITIVENESS

I. External sector performance

Rwanda's current account deficit (CAD) narrowed from 11.2% to 9.8% of GDP in 2022 falling below 10% for the first time since 2018 driven by the public sector. This trend is attributed to higher export revenues on account of higher re-exports and revived tourism activities as well as remittances. Exports of goods and services increased by about 40% percent, whilst imports expansion was lower at about 28%⁴³.

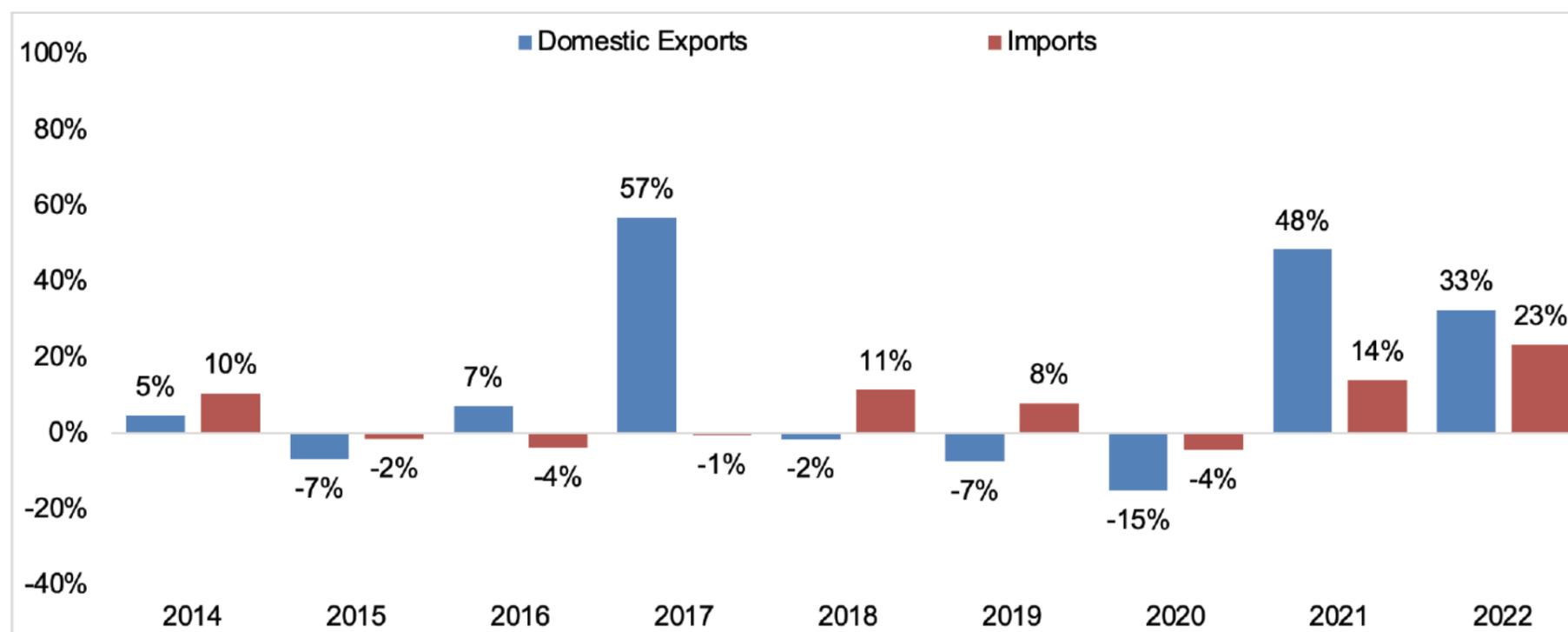
Figure 12:
Quarterly services trade, Q1 2018 – Q4 2022



Source: BNR Data

However, the overall current deficit is mostly because of the trade imbalance with large reductions in exports and increase in imports in the last two years (figure 10)⁷⁰. Imports continue to dominate trade with an increase of 40.8% reaching US\$ 1,493 million in 2022. This has led to a substantial increase of the deficit in traded goods that increased by 55.1% from 2021. Total imports of goods constitute 74% of total trade in goods, while domestic exports constituted 18% and re-exports constituted 8%⁷¹.

Figure 13:
Change in exports and imports growth 2014 - 2022



Source: BNR Data

In 2023, the CAD widened, driven by merchandise trade deficit on high food and capital goods imports as exports growth moderated. However, the deficit from merchandise trade was lessened by recovering service exports and resilient remittances. Looking at January to September 2023, the trade deficit expanded by 12.2% year-on-year as both merchandise exports and imports increased by 5.6% and 9.4% respectively. This, together with the strengthening of the USD due to the US Federal Reserve's monetary policy tightening, resulted in the depreciation of the Rwandan franc by 13.5% against the US dollar⁷².

Going forward, the CAD is expected to widen to 11.3% of GDP in 2023 due to reduction in external concessional and non-concessional financing, increased fuel import bill, and strong domestic demand for imports – exerting foreign exchange pressures⁷⁰. The Government plans to reduce its spending in the future, but private businesses and foreign investment will likely keep the investment going, especially with the construction of the new Bugesera airport. In addition, the import bill is expected to increase because of the recovery efforts required after the floods that occurred in April and May 2023⁴³.

In the medium term, the trade balance and the current account are expected to improve; foreign reserves should remain adequate as concessional borrowing and construction activities for the Bugesera Airport are expected to lead to a higher FDI increase over 2024–2025. Complemented by fiscal consolidation and monetary policy tightening coupled with some real effective exchange rate depreciation in 2023. However, going forward the lingering effects from the overlapping crisis that Rwanda has been exposed to plus the heightened uncertainties in the global economy make for a challenging environment.

II. Continental and Regional Integration

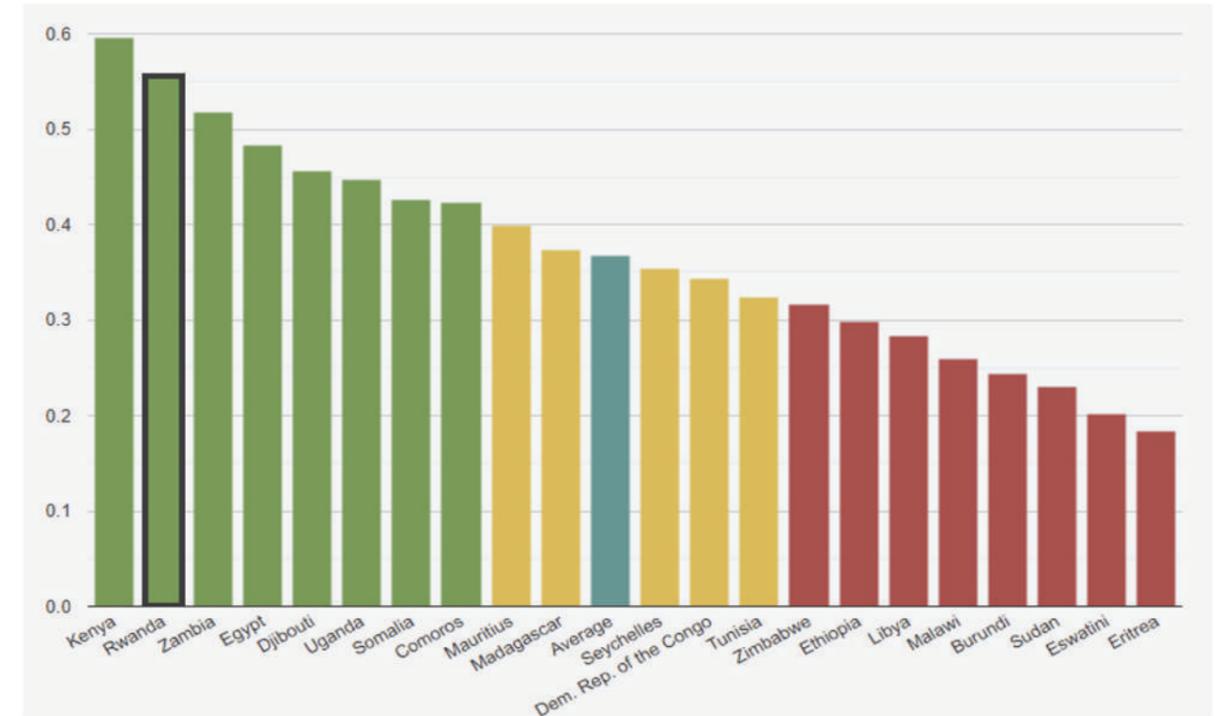
The cost of trading is currently 20% – 30% of the total cost of production in Rwanda⁷¹. Lowering the cost of trade will be achieved through heavy investments in regional infrastructure, concerted efforts to facilitate trade and integration into the East African Community (EAC) and the wider continent. Rwanda's integration into continental and global value chains is a national priority as it is part of the pathway to move from a landlocked to a land-linked country⁷³.

Several regional and continental agreements aimed at promoting regional integration also exist, which are realized through various means including regional infrastructure projects, establishing One stop Border Posts (OSBP), harmonizing customs and immigration processes including by adopting an Integrated Border Management (IBM) approach, leveraging digital technologies, and using electronic cargo tracking systems and others that aim to remove tariff and non-tariff barriers for free movement of goods, services, and capital.

In addition to the EAC that provides a combined population of 170 million people, and the recent addition of DRC with a population of 90 million⁷⁴, Rwanda is also a member of the Economic Community of Central African States (ECCAS) composed of 12 Central African countries and the Common Market for Eastern and Southern Africa (COMESA), which has 40 times Rwanda's population and 80 times its GDP⁷⁵. The country also ratified the African Continental Free Trade Area (AfCFTA) with a potential combined population of more than 1.2 billion and GDP of more than US\$2 trillion⁷⁶.

The African Union Commission's Africa Regional Integration Index 2021 (RII) provides quantitative assessments of African countries' performance in five dimensions of regional integration. Rwanda performed strongly in trade integration, macroeconomic integration, and free movement of people and goods. For the overall index, Rwanda ranks among the best performers within the COMESA region. Areas of weakness are identified as infrastructural and productive integration.

Figure 14:
Rwanda's positioning in the AU's regional integration index



Source: AUC, AIR

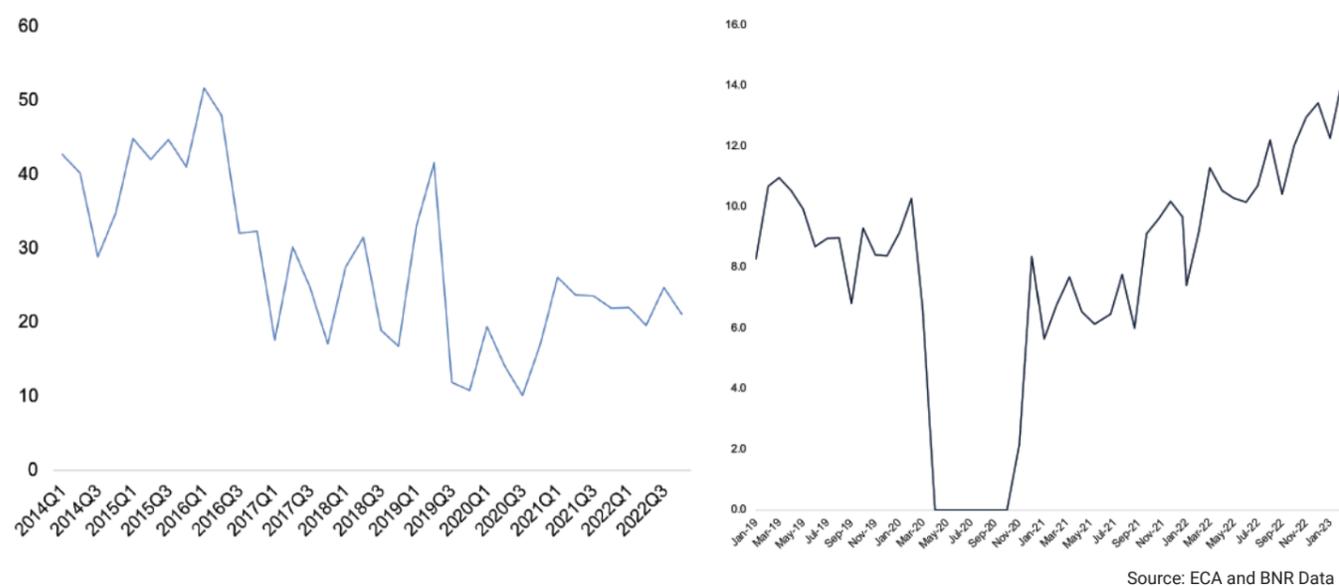
Since Rwanda joined the EAC in 2009, exports to the region increased by 23%, but have mostly stagnated since 2012, and dropped to below 12% from 2019, despite the country's total exports increasing by 17.8% per year on average from 2010 to 2022⁶⁹. This indicates that the country has not been able to benefit from regional integration beyond price reduction conferred by tariff reduction.

The situation is mostly attributed to similarities in export products among other EAC countries that have comparative advantage to produce and export almost the same set of products⁷³. Whilst disputes over the last few years that have significantly reduced trade with Burundi, Uganda and (more recently) DRC.

Nevertheless, exports to DRC from Rwanda have increased substantially over the last 10 years, exceeding exports to EAC. After United Arab Emirates (26%) and India (17%), DRC (12%) is the third top destination of Rwanda's exports, and the top re-export (94%) destination as of the last quarter, 2022⁷¹.

Moreover, regional trade has been impacted more than exports to global partners during the pandemic and global crises in the last three years. Exports to EAC declined by 41% during the 2020 peak of the pandemic, while exports to the world increased by 40% in the same period, mostly due to the substantial increase in gold exports⁷³.

Figure 15:
Share of domestic exports to Africa 2012/22 and ICBT trade estimate 2019/23



Informal cross-border trade (ICBT) is a significant share of exports with countries that share a border with Rwanda. In 2019 informal exports share was 9.7% of total exports of goods, and provides a main source of revenue for many small traders, many of which are women, and has offered an important way to reduce poverty in border towns⁷⁷. While CBT is the main source of income for many and a source of employment for women and youth, the capacity of CBT cooperatives is low due to several security, political and economic challenges. For example, MINICOM reports, only about 1.2% have over Rwf 70 million of capital, about 29.3% have Rwf 3 million and 13.5% have between Rwf 1 million to 500,000.

The majority also lack collateral security to obtain loans from commercial banks and micro finance institutions. Cross-border traders, the majority of whom are women working in the informal sector, also experience mental health and psycho-social challenges, and remain vulnerable because of several security, political and economic challenges, which has weakened the capacity of the CBT cooperatives. The majority also lack collateral security to obtain loans from commercial banks and micro finance institutions⁷⁸.

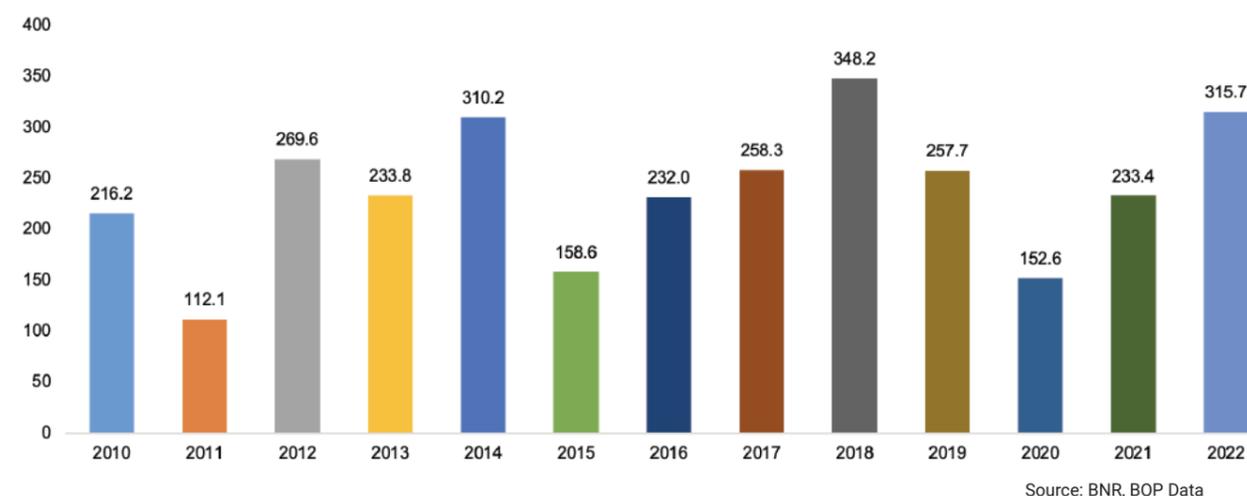
AfCFTA opens markets in regional blocs to which Rwanda does not belong such as Economic Community of West African States (ECOWAS), SADC and the Maghreb regions. This not only boosts regional trade but also provides the opportunity to attract greater foreign investment flows. Under the AfCFTA trade scenario, Rwanda's real income increases by 3.3% by 2035, lifting 80,000 and 320,000 people from poverty using the PPP\$1.90 and PPP\$3.20 a day poverty lines, respectively⁷³. However, prior to unlocking potential gains from the AfCFTA, Rwanda must implement comprehensive policy reforms to meet the treaty legal and regulatory requirements and well as build the capacities of relevant state and non-state actors to ensure full implementation of the commitments. Moreover, strengthened private sectors' export capacities will be a priority need for Rwanda to competitively participate in the AfCFTA.

III. Foreign Direct Investment (FDI)

FDI plays a critical role in Rwanda's economic development by not only contributing to narrowing national account deficits but also accelerating progress towards the SDGs. Recognising this fundamental contribution, the GoR has made concerted efforts to attract FDI including preferential tax rates to investors undertaking investments consistent with SDGs 7, 8, 9 and 11; including exports, manufacturing, energy, ICT, mining, transport, construction, affordable housing, tourism, horticulture, creative arts and skills development⁷⁸. Adopted laws are also providing incentives for reducing operational costs, attracting talent and promoting innovation.

Also in 2021, the Investment code was revised, introducing new priority sectors and activities, as well as new tax incentives for philanthropic investors, angel investors and strategic investment projects⁷⁹. Owing to such incentives and continued political and economic stability, FDI in Rwanda increased exponentially, from 2005 (0.3% of GDP) to peak at 3.8% of GDP in 2018, though this has dropped substantially in the last three years to 1.5% in 2020, following the COVID-19 pandemic, and has only started to recover at a slower pace to reach 1.9% of GDP in 2021⁸⁰. FDI flows and stock reached US\$ 399 million and US\$ 2.9 billion, respectively, as of 2021, recovering from the drop of US\$ 274 million and US\$ 2.7 billion in 2020⁸¹.

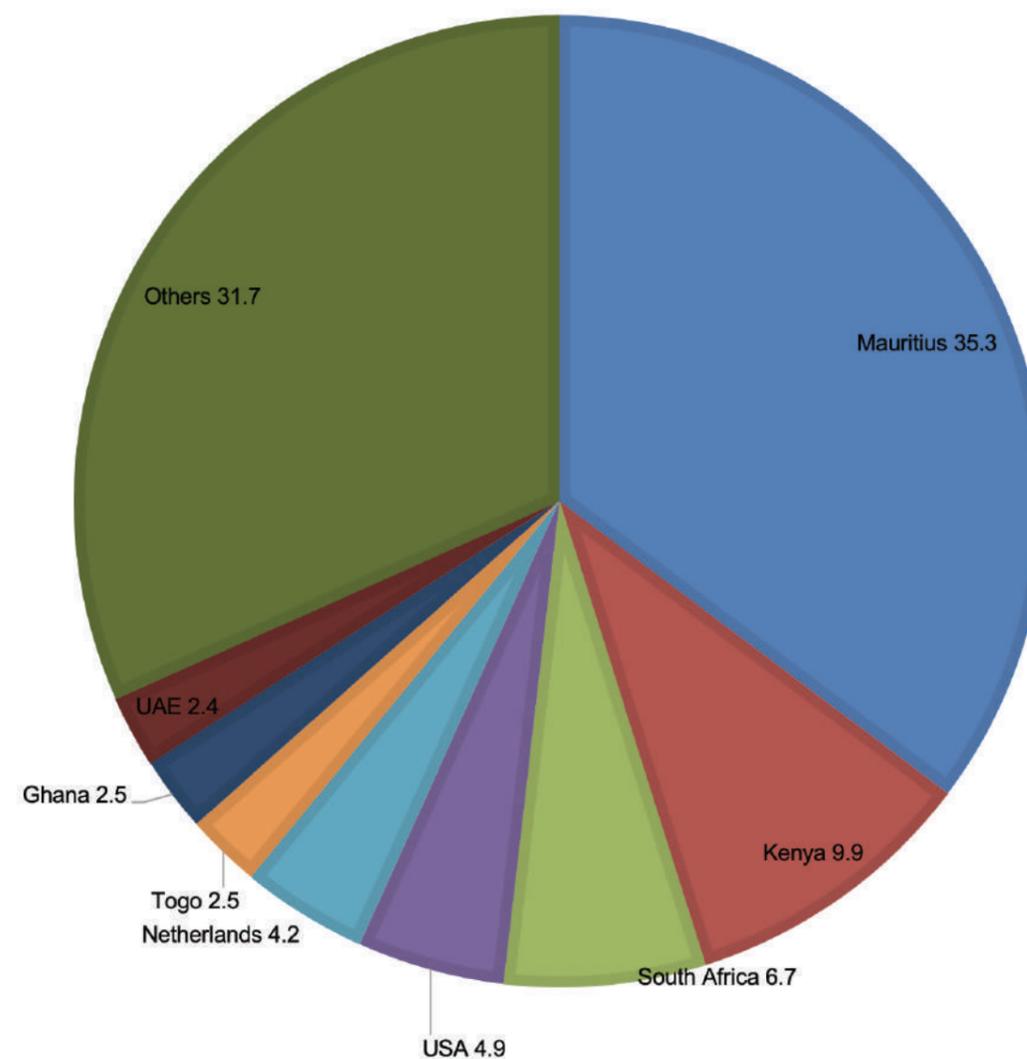
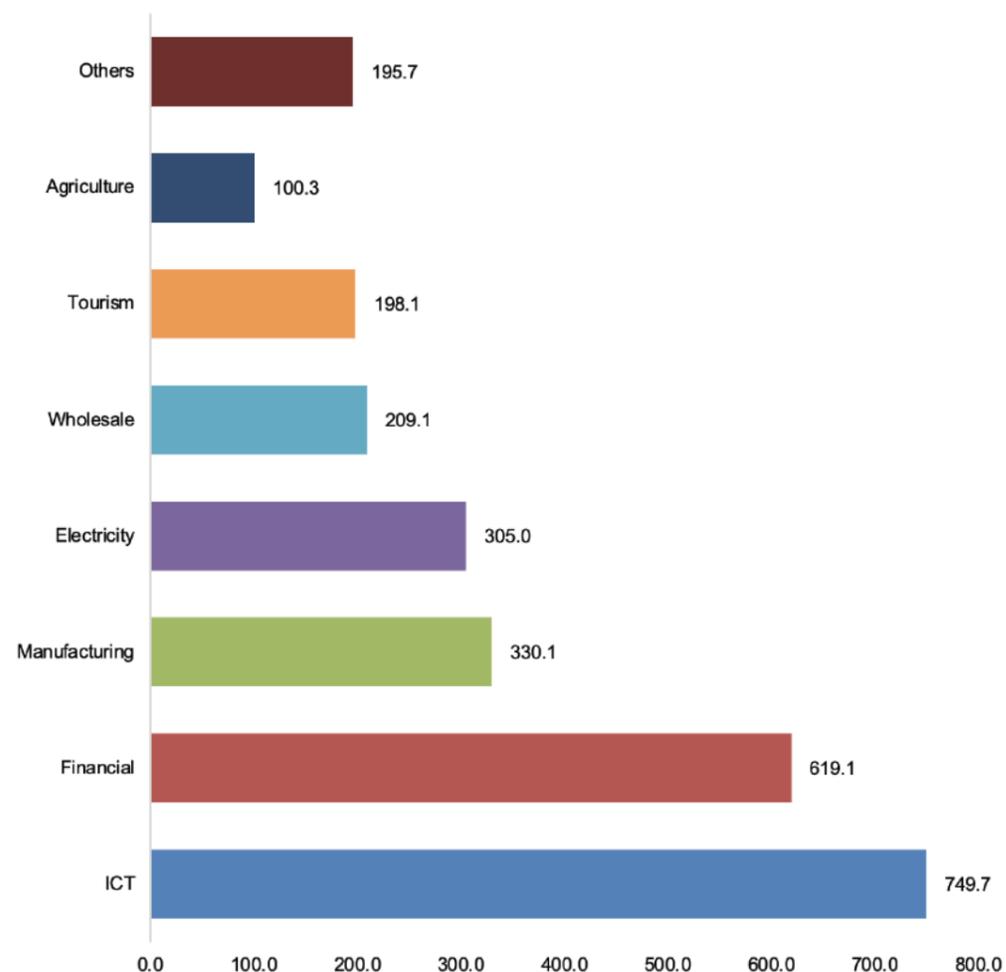
Figure 16:
Foreign direct investment inflows 2010 - 2022



The financial sector received the most FDI inflows in 2021 accounting for 26.2% of the total, followed by 16.7% in construction, 16.1% in tourism, 13.6% in manufacturing and 7.3% in ICT⁸⁰. Additionally, strategic investments such as BioNTech (Germany) construction of a vaccine production facility in Rwanda will initially result in a direct investment cost of approximately US\$ 79 million. Mauritius leads with the largest FDI inflows share of 30.5%, mainly invested in financial, ICT, manufacturing, and electricity sectors. This is followed by India with 17.9% in construction and China with 17.6% invested in tourism and manufacturing.

In terms of FDI stocks by origin, Mauritius, Kenya, South Africa, USA, and India remain the major sources, with a combined share of 60.3% of the total FDI stock in Rwanda. As of 2021, the average return on equity on FDI in Rwanda was at 11.8%, up from 9.7% in 2020⁸⁰ and higher than the global average of 4.9%⁷⁶. The total turnovers of foreign private capital (FPC) companies reached US\$ 2.297 million, accounting for 24.6% of GDP in 2021, up from 22.6% in 2020, following improvements in domestic economic activities. Highest returns were realised in financial (45.9%), tourism (36.2%), construction (32.5%) and agriculture (25.6%) sectors⁸⁰. The new investments are estimated to have created 48,669 jobs in 2021, up from 24,703 jobs in 2020⁸².

Figure 17:
FDI stock by sector (US\$ millions) and region of origin



Source: BNR BOP Data

VIII. Crises' impact on economic growth, productivity, and competitiveness

Limited resources, climate disasters, and global economic crises continue to raise the costs of production, lower productivity, especially in agriculture, and are making it more difficult Rwanda to maintain financial assistance to the most vulnerable households and MSMEs worst hit by the crises. While GDP is close to the pre-pandemic levels, the employment to population ratio has dropped 8% points and the unemployment rate is more than 13% points above levels at the beginning of 2020. Limited opportunities to gain work experience and practical job skills, including through formal labour mobility schemes, also contribute to unemployment and under-employment, including for vulnerable groups. Women continue to be most affected by the growing unemployment and the ripple effects on those most vulnerable to shocks, especially children will be worsened if the recovery process is not sustained prudent fiscal measures being implemented to contain persistent issues such as rising inflation and costs of living. Growth in 2023 is projected to remain below the country's pre-pandemic levels as it is weighed down by protracted global economic slowdown, sustained short-term global supply-chain issues and expected monetary tightening over the remainder of the year.

3.2.3.1 FACTORS AND CHALLENGES AFFECTING INCLUSIVE ECONOMIC GROWTH

The New Impetus for UN Programming

Rwanda’s evolving economic landscape and increased uncertainty requires more buoyant macroeconomic and financial fundamentals. Going forward, UN interventions must ensure a semblance of the following:

| | |
|--------------------------------|--|
| | |
| Addressing Income inequalities | <ul style="list-style-type: none"> Interventions that address income inequalities and promote inclusive growth geographically, by sex, and those groups which may be at risk of being left behind in the inclusivity agenda. Curbing poverty and social inequality remain prerequisites to meeting the SDGs. This will require rethinking equitable resource distribution, investing in human capital development at scale, and implementing effective social protection measures. |
| Scaling job creation | <ul style="list-style-type: none"> Rwanda’s demographic dividend remains sub optimally leveraged. The working age population is underutilized, either unemployed or underemployed. There is urgent need to scale-up and redirect investment into labour-intensive productive sectors and upskill the labour force. |
| Socio-economic resilience | <ul style="list-style-type: none"> Interventions that build resilience of both communities and the economy. The slowdown reemphasized the importance of preserving macroeconomic stability, fiscal sustainability, and the need for greater resilience against future shocks. |
| Partnerships and collaboration | <ul style="list-style-type: none"> UN positioning for multilateralism. Today’s economies being more interconnected and integrated offer new opportunities for strengthening international cooperation in financing for development, infrastructure, energy, education, climate change and others. The UN must leverage its convening power and be the partner of choice for the Government. |

Table 4:
Prosperity multidimension risk analysis

| Thematic Area | Current and emerging risks that can affect national development | High Risk | Medium Risk | Low Risk |
|---|---|-----------|-------------|----------|
| Macroeconomic growth and stability | Vulnerability to exogenous shocks remains a major risk to fiscal slippages, raising public expenditure, reducing revenues, and affecting overall macro-economic stability. Although, GoR has put in place robust monetary policies that are managing to curb growing inflation, and rebounds in sectors such as tourism are contributing to continued quarterly GDP growth, other critical sectors, especially agriculture and exports are not recovering at the rate require to restore required macroeconomic growth and stability. | | ● | |
| Employment and decent work | Rate of job creation continues to not much the growth rate of the labour force, contributing to rampant unemployment especially among the youth. The economic downturn over the last 3 years is affecting public and private investment in job creation, and the nature of jobs being delivered to date remain mostly informal and do not meet criteria to be defined as decent jobs. Much as there are several initiatives to increase mostly women and youth employment there is limited evidence of adequate responses to address the decency of work. | ● | | |
| Private Sector Development | The current growth rate of the private sector is inadequate to ensure delivery of a private sector-led economy, partly explaining the reliance on public sector investment for macro-economic growth. However, the political will and passion to stimulate rapid economic growth, domestic and FDI, and economic recovery support to the private sector remain prioritized in the current and likely future policy and strategic reforms and are reducing risks associated with private sector attrition. | | ● | |
| Productivity and competitiveness | Industry has seen a recovery from -4% to 5% growth rate over the last 3 years indicating a rebound to pre-pandemic levels. However, growth in industry remains restricted to sub-sectors with limited diversification. Shortages in technology, disruptions in supply chains, and high cost of energy raise costs of production and continue to impact productivity, scale of production, output pricing and overall competitiveness. | ● | | |
| Continental and regional integration | Low diversification of locally manufactured products limits Rwanda’s capacity to leverage continental and regional trade. While regional tensions continue to adversely affect cross-border trade. Moreover, policy reforms required to meet treaty legal and regulatory requirements need to be fast-tracked to take full advantage of the AfCFTA. | | ● | |

3.3 PLANET

The “Planet Pillar” reviews the situation of climate change, environment and natural resources management in Rwanda focusing on progress, emerging and persistent challenges, and their underlying causes. The analysis under this pillar concentrates on issues and opportunities related to implementation of particularly SDG 7 affordable and clean energy; SDG 13 climate action; and SDG 15 life on land.

3.3.1 CLIMATE ADAPTATION AND MITIGATION

I. Global, regional and national commitments

Climate adaptation and mitigation are critical agenda that are being addressed at global, regional, and national levels. Through various global, regional, and national commitments, Rwanda is actively participating in most efforts to ensure a sustainable and resilient future. These commitments include:

Global Commitments:

- **Paris Agreement:** The most significant global commitment aims to limit global warming to well below 2°C, above pre-industrial levels, with an aspirational goal of 1.5°C. It also aims to increase the ability to adapt to adverse impacts and foster climate resilience.
- **Sustainable Development Goals (SDGs):** Specifically, Goal 13 focuses on taking urgent action to combat climate change and its impacts.

Regional Commitments:

- **African Union's Agenda 2063:** A strategic framework for the socio-economic transformation of the continent over the next 50 years, which includes climate change mitigation and adaptation as key components.
- **African Adaptation Initiative (AAI):** Aims to enhance climate adaptation actions across Africa, including the mobilization of financial resources.
- **COMESA-EAC-SADC Tripartite:** Regional economic communities working on a joint approach to climate change adaptation and mitigation.
- **The Continental Kampala Ministerial Declaration on Migration, Environment and Climate Change (KDMECC):** A comprehensive and action-oriented framework addressing the challenges and opportunities of climate-induced mobility in Africa.

National strategies:

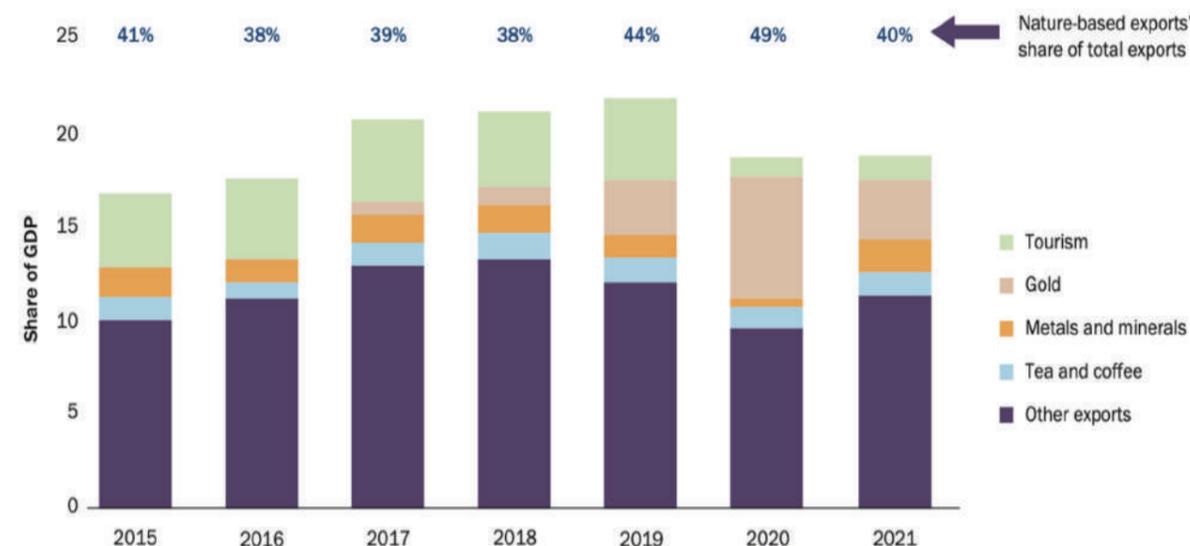
- **Green Growth and Climate Resilience Strategy (GGCRS):** Rwanda's long-term development plan that aims to transition to a green and climate resilience economy by 2050.
- **Nationally Determined Contributions (NDCs):** Rwanda has committed to reducing its greenhouse gas emissions by 16% below business-as-usual levels by 2030.
- **Vision 2050:** Aims to achieve middle-income status by 2035 and high-income status by 2050, with sustainability and climate resilience as key pillars.
- **National Disaster Risk Reduction and Management Policy (2023)** that commits to cross-sectoral disaster risk reduction and management.
- **Urban Resilience:** Kigali, the capital, is part of the 100 Resilient Cities initiative, aimed at building climate resilience.
- **Rwanda Environmental Management Authority (REMA):** The agency responsible for the oversight, monitoring, and coordination of all environmental activities in the country.

II. Natural resource management

With the third highest population density in Africa and population projected to reach 25 million in 2050³, as well as heightened effects of climate change – pressure on Rwanda’s environment and natural resources can only grow. Despite the strong policy frameworks, key issues and challenges persist including habitation of high risk zones (HRZs), water, air and soil pollution, land degradation, soil erosion, fossil-fuel dependency, high-carbon transport systems, irrational exploitation of natural ecosystems, lack of low-carbon materials for housing and green infrastructure development, inadequate waste treatment for both solid and liquid waste, increase of electronic, hazardous chemicals and materials waste, among others⁸³.

The increasing vulnerability of the country to climate change will result in cumulative impacts across the country’s social, economic, and environmental structures. It is estimated that the additional net cost (on the top of existing climate variability) could be equivalent to a loss of almost 1% of GDP each year by 2023⁸⁴. These persistent challenges reflect the country’s dependence on climate sensitive sectors such as nature-based tourism, rainfed agriculture, extractives, and other weather-sensitive industries, which in 2021 accounted for an estimated 65% of employment, 45% of GDP and 40% of exports as shown in figure 16 below⁸⁵.

Figure 18:
Composition of exports 2015 - 2021



Source: World Bank CCDR,2022

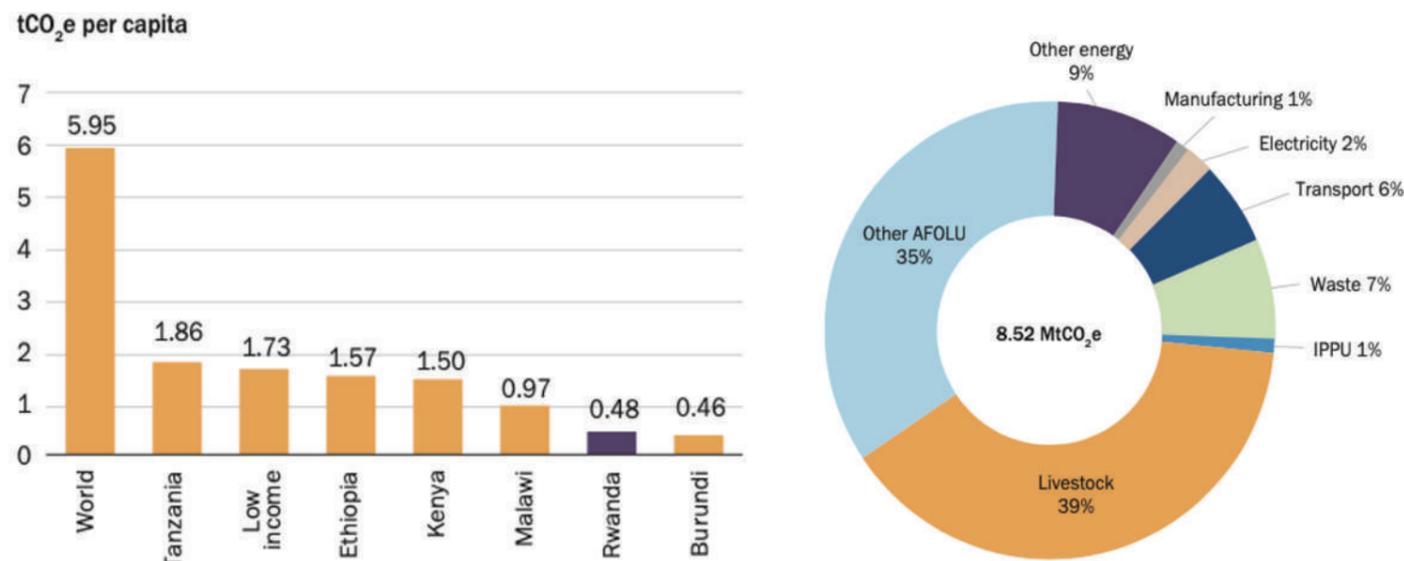
To address challenges in sustainable management of Rwanda’s nature-based resources, several initiatives such as reforestation have been implemented, increasing forest cover to 30.4% in 2022 from 20.7% in 2019. However, 45% of Rwanda’s land surfaces remains at high risk of soil erosion, depleting soil fertility, undermining food security and increasing climate insecurity associated with land conflicts⁸⁶.

Modern and sustainable farming practices are promoted by the GoR and its partners; there is an on-going shift towards encouraging climate-sensitive farming methods such as conservation agriculture, with a target of covering 50% of land in the coming years.

Additionally, on 19 September 2023, Nyungwe National Park was officially designated as a UNESCO World Heritage Site by the World Heritage Committee. It is the first site in Rwanda to be featured on the UNESCO World Heritage list. The inscription of Nyungwe National Park serves as a vital step in ensuring its long-term conservation, preserving its natural heritage for future generations, and promoting sustainable development for neighboring communities.

Rwanda has very low emissions, contributing only 0.003% of global greenhouse gas (GHG) emissions, with a per capita emission of 0.5 tCO₂e (tonnes of carbon dioxide equivalent) which is 1/5th of the regional average and 1/12th of the global average. Livestock, agriculture, and land use together account for 74% of total emissions, while energy, waste sector and industrial processes and product use (IPPU) accounts for 18%, 8% and 1% of total emissions⁸⁴.

Figure 19: Regional comparison of emissions per capita and sources, 2015



Source: World Bank CCDR, 2022

Although emissions remain low, the GoR is cognisant of the country's vulnerability to climate change. According to the Notre Dame index, Rwanda is the 32nd most vulnerable country in the world and has therefore prepared measures for a green, inclusive, and growth-oriented development pathway. Priority adaptation and mitigation measures are outlined in the NDCs revised in 2020 together with costed investments. Some of the key measures including investments in conservation, agriculture, animal husbandry, soil and water conservation, aim to mitigate emissions, while enhancing resilience to shocks.

Rwanda has set targets to reduce the use of wood and other biomass fuels from 80% of households to 41% by 2024 and achieve clean cooking by 2030. A range of solutions and private sector businesses are beginning to take on this challenge. For example, more than 40 solar companies, more than seven hydro companies, more than 14 liquefied petroleum gas (LPG) companies, and more than nine clean cookstove companies are operational⁸⁴. However, limited public awareness, availability and affordability of alternative energy sources, high cost of investment in technologies and inadequate scaling up of best practices in key sectors like agriculture continue to slow down progress.

While comparing policy options on mitigation is aided by easier measurement, comparing adaptation options is challenging⁸⁴. Without a way to compare contributions to climate resilience across projects, GoR has little basis for choosing among competing proposals, on budgetary allocations or evaluating performance ex-post. Yet, developing public investment programs for climate-smart development requires robust information about how effective investment spending is at reducing expected climate damages (elasticity of damage reduction with respect to spending). Through the Resilience and Sustainable Trust (RST) program, Ministry of Finance and Economic Planning (MINECOFIN) has developed new appraisal and selection guidelines that consider climate change and environment concerns following the approval of the new national investment policy. Climate resource mobilization us a top GoR priority, having recently established both Intego and Ireme facilities to support both public and private investments in the climate space.

III. Green economic growth

The GoR recognizes that sustaining high growth rates will require building resilience to shocks, including weather-related ones. The 2022 Rwanda Country Climate and Development Report (CCDR) estimates that climate change will erode Rwanda's GDP by 0.6 - 2.6% in 2022–50, and by 5 - 7% than the baseline in bad years⁸⁴. To mitigate this risk, the GoR updated the GGCRS in 2023 including to transform Rwanda into a low carbon circular economy. The Strategy prioritises four main Thematic Programme Areas, underpinned by a fresh, consolidated set of eight Programmes of Action (PoAs) to ease and improve implementation planning and monitoring as below:

Table 5: Rwanda's green growth and climate resilience strategy points of actions

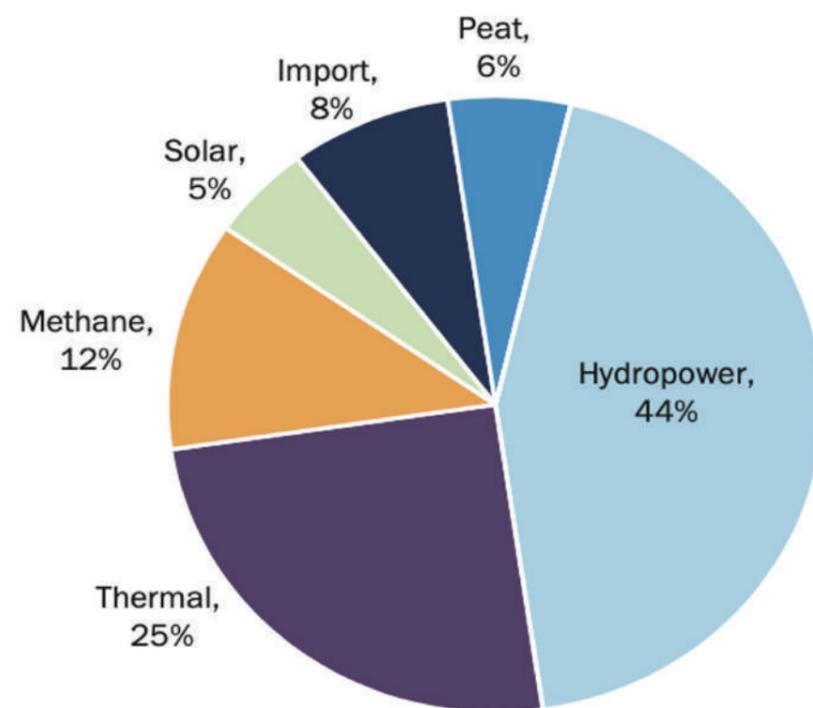
| PoA | Area |
|-----|--|
| 1 | ● Green industrialisation and trade |
| 1.1 | ● Low carbon, climate resilient energy and transport networks |
| 1.2 | ● Green industry and private sector participation |
| 2 | ● Green urban transition and integration |
| 2.1 | ● Low carbon and SMART urban infrastructure and services |
| 2.2 | ● Integrated and resilient urban landscapes |
| 3 | ● Sustainable land use and natural resource management |
| 3.1 | ● Adaptive and resilient land use management and spatial development |
| 3.2 | ● Integrated water resources management |
| 4 | ● Vibrant resilient green rural livelihoods |
| 4.1 | ● Sustainable agriculture, forestry and conservation |
| 4.2 | ● Green and climate resilient rural settlements |

Source: RGGCRS 2020

Rwanda Green Fund (FONERWA) was established in 2012 as a government vehicle for providing strategic financing for a climate resilient economy⁸⁷.

Under the GGCRS, the greening economic transformation agenda has been shaped to focus on resource efficiency, low carbon, circular economy, green technology and procurement, green urbanisation and settlement and green mobility. The actions in this transformation are gradually diversifying energy sources (figure 18) with a low-carbon energy grid, promoting green technologies and resource-efficient industries throughout all value chains. This stretches from primary production, mining and manufacturing to secondary and tertiary public and private sector activities as well as transport and urban development.

Figure 20:
Rwanda's energy mix, 2021



Progress in these sectors is slower than required for various reasons including hindered by: limited availability of low-carbon materials for housing and green infrastructure development, insufficient treatment plants for industrial effluents, inadequate storm-water drainage systems, large populations in unplanned settlements, high density of old vehicles in urban areas especially Kigali, limited traffic management systems, lack of mass and low-carbon transport system, insufficient disposal of electronic and radioactive waste⁸⁸, with the only service provider, enviroserve, recycling only e-waste. This undermines the transition of Rwanda's development model to one based on lower GHG emissions and a green and circular economy.

Of the US\$11 billion required to implement NDCs, US\$ 4.5 billion has been mobilised. The financing gap is a major challenge to the green growth agenda. Moreover, even where funding has been availed, absorption capacities are low. Private sector capacity to leverage opportunities availed through the mobilised funding is inadequate, limiting for example projects to generate carbon credits for sale in international markets, exploiting new green economy opportunities and creating green jobs⁸². In this context, Rwanda has joined the UN Partnership for Action on Green Economy (UN PAGE) programme since March 2022 and is committed to building an inclusive green economy through fostering policy coherence.

Mainstreaming environment, weather and climate information as well as climate change considerations into the behaviour of industries and consumers is not rapidly changing consumption and production patterns.

Box 7: Rwanda's Environmental Governance Framework at a Glance

- To support its commitment in addressing environmental challenges, the GoR has put in place robust policy frameworks and institutional arrangements that are largely guided by 23 global and regional multilateral environmental agreements (MEAs) it has ratified⁸². The MEAs are primarily operationalised through the GGCRS and NDCs. These national strategies are mostly mainstreamed in sector strategic plans and District Development Strategies, with national guidance provided by the Ministry of environment and its implementing agencies^{xxi}. Despite this strong environmental policy and governance framework, notable challenges exist:
- Lack of appropriate and effective mainstreaming responses to provisions of the policies in many sectoral activities. For example, continued unsustainable use of wetlands, poor land use and farming systems, limited use of weather and climate information in development activities of agriculture, water resources, health and energy, limited response to initiatives that promote green technologies, and inadequate environmental budgeting in sectoral plans and budgets⁸⁹.
- Migration, environment, climate change nexus, which refers to migration in the context of climate change, environmental degradation, and natural disasters, and to immobile populations unable or unwilling to move from HRZs is largely lacking in policies and plans.
- Limited financing is slowing realisation of the GGCRS and NDCs. The financing gap for the NDC is estimated at US\$6.5 billion for the period 2020-2030⁸⁴.
- Effective implementation is largely affected by inadequate skills, knowledge and experience required to effectively address climate change mitigation and adaptation strategies⁸⁸. There is a severe shortage of local expertise in climate change and related resilience building strategies and actions.
- Climate change understanding and technical skills are mostly concentrated at the central levels and in the MoE. This partly contributes to ineffective institutional collaboration, reducing coherence in effective implementation of the GGCRS and NDCs. Consequently, awareness and commitment to climate change targets across MDAs and local government levels affects the political will and innovation to integrated mitigation and adaptation measures across sectors, in districts and at grassroot levels.
- Low community involvement in decision-making around ENR efforts limits ownership and responsibility. Moreover, the role of women in environmental governance and sustainable energy access is critical. Thus programmes to enhance women's participation in environmental protection to reduce impact of ENR exploitation should be a priority.

^{xxi}Rwanda Environment Management Authority (REMA), Rwanda Green Fund (FONERWA), Rwanda Water and Forestry Authority (RWFA), Rwanda Land Management and Use Authority (RLMUA) and Meteo Rwanda

3.3.2 DISASTER RISK REDUCTION AND MANAGEMENT

Rwanda boasts a nationally led disaster risk reduction and management (DRRM) system and a unique shock profile with diverse hazards comprising particularly droughts, floods, landslides, and earthquakes (see annex 5 for Rwanda Climate risks analysis). The complexity, frequency and severity of shocks is increasing due to climate change compounded by natural resource and environmental degradation, population growth and urbanisation⁹⁰. The resulting loss of lives, infrastructure, assets, and livelihoods and breakdown and destruction of essential services such as health, nutrition, education, water and sanitation and social protection, especially for children, erodes SDG achievement and DRRM has therefore become an increasingly important policy focus.

To strengthen the understanding of the fluid risks the country is facing, investment in hazard and risk analysis systems, research and digitisation is central in the coming years. Disaster risk mapping and hazard analysis systems, tools, and products, including the National Risk Atlas, require revision and better links to climate data and analyses. Early warning coverage, accuracy, analysis, and utilisation require strong cross-ministerial coordination to move towards effective impact-based early warning for all by 2027. This will require strengthening the strategic and coordination framework, the observation and monitoring network and data management of hydrometeorological services and early warning systems (EWS). Additional technologies and solutions for more accurate, timely multi-hazard and impact-based early warning are required, and the EWS should be continually improved based on research, lessons learnt, drills and simulations.

There is a strong push for digital transformation in the DRRM sector, calling for innovation in technologies and systems, for example, for the use of big data and upgrades to existing systems such as the Emergency Management Information System. The learning agenda and research partnerships for DRRM are nascent and require dialogue with academia. The recently approved National DRRM Policy aligns with the Sendai Framework and bolsters risk governance. It prioritises risk analysis, cross-sectoral DRRM burden sharing, disaster risk financing and stronger partnerships and innovation, among others. The Policy's implementation will be enabled by a Strategic Plan and a Disaster Risk Governance Strategy focused on cross-sectoral engagement. MINEMA's staffing has substantially increased, boosting central capacity. However:

- The National Emergency Command Centre and DRRM committees across levels of Government continue to need strengthening.
- Internal coordination of the UN to support preparedness and response requires strengthening.
- Inter-ministerial and multi-stakeholder collaboration in DRRM is increasingly important in view of the magnitude of disasters and innovations such as the shock-responsive component of VUP.
- At decentralised level, DRRM plans and officers are present in all districts but require further empowerment, resourcing and operationalisation support.
- Local capacity and community based DRRM have arisen as a top priority, for effectively managing the small shocks that constitute most disasters. Efforts around raising disaster risk knowledge and awareness among institutions and citizens are called for.

The cost of disasters is rapidly rising and exceeding the DRRM budget allocation, calling for a strategic approach to pre-arranged financing, and more investment in risk reduction, mitigation, preparedness and early action: The 2018 floods caused losses valued at Rwf 201 billion and economic losses of Rwf 21 billion, or 2.7% of GDP⁸⁴, while the 2-3 May 2023 floods and landslides cost Rwf 222 billion or 1.5% of GDP in a single two-day event. A severe disaster can cost up to 4.4% of GDP in a year⁸⁴.

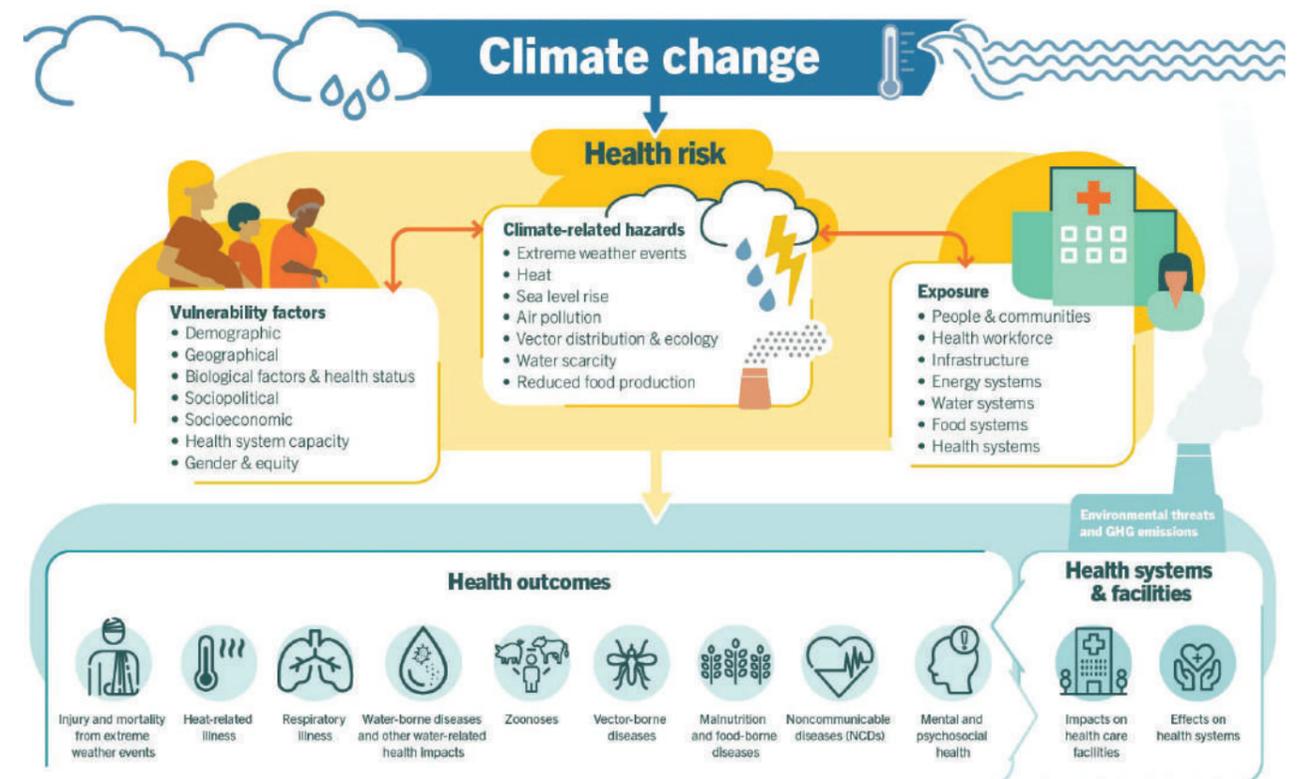
Rwanda plans to develop a Disaster Risk Financing Strategy to layer various pre-arranged instruments, including a potential Disaster Response Fund. Building back better, combined with enhanced land use and infrastructural planning and leveraging investments in natural resource management for reducing risk, could also save considerable resources. Existing programmes, including agricultural, climate and social protection programmes, could be more systematically leveraged for cost-efficient disaster risk reduction. Cost-efficiencies and innovations in response delivery will include exploring anticipatory action to avoid disaster damages from escalating, cash assistance and efficiencies in humanitarian supply chain management.

3.3.3 CLIMATE SECURITY

Climate change will profoundly affect health systems and the efforts to improve and sustain human health for decades to come. It is widely recognized as one of the largest threats and challenges to human health and well-being and is jeopardizing the realization of universal health coverage (UHC) and increasing the burden of climate-sensitive health outcomes which increase the burden of diseases. Natural resource-based livelihoods are being undermined by climate change, potentially exposing young women and men to engage in criminal activities due to limited alternatives to sustain livelihoods. The increasing drought risk in Rwanda could lead to increased exposure of women and children to violence while sourcing water.

In particular, food price volatility will undermine livelihoods and coping strategies, potentially contributing to fragility, inequality, and marginalisation, especially for children and women. The large number of households being relocated from high-risk areas may destabilise livelihoods, coping strategies, and community cohesion, calling for more integrated livelihood restoration and resettlement action plans to better mitigate associated security risks. Government services for disaster assistance and management of displacement will remain under strain, and more attention on grievance management and community participation and sensitisation will enable the state to meet the needs of the citizenry. Addressing this will require systems approach to address the multiple dimensions of impacts of climate change on health. Whilst investments in stronger climate and disaster risk management will be instrumental in preventing possible climate-related security risks across technical sectors.

Figure 21:
General Overview: climate change risks to health and health systems, and outcomes



3.4 PEACE

The "Peace Pillar" assesses the state of governance through an examination of institutions, political processes, citizen participation, justice, human rights, and non-state actors. It also evaluates the humanitarian-peace and development nexus as well as the regional and transboundary context. The analysis delves into progress, challenges, and their root causes in these areas, with a special focus on implementing SDG 16 (peace, justice, and strong institutions), SDG 10 (reduced inequalities), and SDG 5 (gender equality) and identifies opportunities therein.

3.4.1 TRANSFORMATIVE GOVERNANCE

I. Political governance

Rwanda ranks 12th for governance in the 2022 Mo Ibrahim Index. But rankings are low in areas of participation, rights and inclusion where the country scores 49th out of 54 African states⁹¹. National performance measured through the Rwanda Governance Score Card (RGS) rank the country's political rights and civil liberties high with a score of 87.84% in 2022, up from 83.80% in 2021⁹². Highest performance in political governance is in the areas of democratic rights and freedoms (84.30%), political organisations' representation (93.2%), access to public information (89.8%), and respect of human rights (94.75%). Areas still lagging are in the active participation of non-state actors in governance (77.07%), especially civil society, media and academia, and overall effectiveness of the media, specifically media rights and freedoms, media access to information and coverage.

Although the RGS provides a sound assessment of accountable governance, the report's policy recommendations mostly focus on enhancing engagement of non-state actors in good governance and anti-corruption actions. There is not much analysis or recommendations on critical aspects including political rights and civil liberties, yet this is where most external assessments score governance low in Rwanda. Indeed, the 2021 UPR Working Group noted gaps in the enjoyment of civil and political rights and recommended that Rwanda should endeavour to promote an enabling environment for independent media and civil society organizations, in particular by bringing laws on civil society and media into conformity with the right to freedom of expression as it is set out in article 19 of the International Covenant on Civil and Political Rights²². Going forward, these are areas the Rwanda Governance Board (RGB) and relevant institutions need technical support in enhancing their analytical capacities and reporting to better provide tailored policy recommendations to both state and non-state actors.

II. Democratic governance

Rwanda presidential elections are slated for 15 July 2024. Following the amendments to the constitution in 2015, new amendments were proposed in 2023 that provided for the synchronisation of both parliamentary and presidential elections for efficiency in the organisation of both elections⁹³.

More specifically, the proposed synchronisation is expected to save both the time and the budget spent on the elections. This shows continued focus by the GoR on effectiveness of democratic processes while still ensuring sustainable development and efficient resources utilisation are not separated from good governance. Therefore, democratic rights and freedoms score high in the RGS at 84.3% with the highest scores in democratic rights and political organisations (93.20%), while citizen participation in elections is at 94.3%⁹¹. The GoR has made concerted efforts to improve democratic governance, such as introducing the organic Law N° 005/2018 of 30/08/2018 governing political organisations and politicians, which eased restrictions on opposition parties and allowed them to operate more freely⁹⁴.

Additionally, several prisoners incarcerated for different crimes and associated with political organisations, have been released in the last two years⁹⁵, demonstrating the political will to open political space. Subsequently the 2022 RGS rates power sharing and inclusiveness at 90.75% and citizen satisfaction with power sharing is at 81.5%⁹¹.

However, some shortcomings still persist in the democratic governance system with issue such as limitations in media freedom reported by the Mo Ibrahim Index⁹⁰ and constitutional amendments that, though not mandatory, inherently oblige political parties to be part of and follow guidelines set by the national political party forum still perceived as stifling political competition and public debate by political organisations⁹⁶. Also, participation of non-state actors, particularly civil society organisations (CSO), continues to score low at 71%, and journalists access to information at 46%⁹¹.

These shortcomings are linked to legislation constraining diverse political discourse and self-censorship, rooted in Rwanda's history, notably events leading to the 1994 genocide against the Tutsi, where political space was misused for harmful ideologies under the guise of freedom.

III. Local governance and decentralization

Decentralization is a pillar in the government's efforts for inclusive sustainable development and improved service delivery to citizens. The 2012 national decentralisation policy was revised in 2021 to shift focus from governance to imperatives of socio-economic transformation, sustainable development, and to better align with changes focusing on evolving development priorities⁹⁷.

The revised strategy aims to deepen and sustain citizen-centred governance and promote equitable local development for socio-economic transformation. Since 2000, Rwanda has made significant progress in political, administrative, fiscal and financial decentralisation. Progress has mostly been realised in initiation of home grown solutions (HGS) to address context-specific social, economic, and governance challenges⁹⁶; Local development partners coordination was strengthened through Joint Action for Development Forums (JADF)⁹⁸; and between 2006 and 2018 District's own source revenues grew by 786% to Rwf 440 billion, increasing local government discretionary spending on local priorities⁹⁹, among other successes.

Despite these achievements, various issues still affect the effectiveness and efficiency of the decentralisation process and results. This has contributed to the moderate performance rating of decentralised entities (district – villages) that scored 77.67% in the last RGS⁹¹. Critical challenges include:

- Imbalance of functions, financial and human resources, especially at Cell levels that remain extremely understaffed with only two staff expected to serve growing expectations of citizens, and evolving diversity and complexity of services¹⁰⁰.
- Public service salary scales for local government and remoteness of many locations make it difficult to attract professionals with advanced skills and experience capable of handling the growing complexity of solutions, contributing to technical capacity gaps across all levels of local government.
- Sectoral decentralisation remains fragmented and coherence of intergovernmental coordination problematic in for example joint performance contracts (joint imihigo) planning and implementation, affecting optimal utilisation of public resources and efficient service delivery¹⁰¹.

- Gaps still exist in local government's ability to maximise own revenue potentialities, meanwhile more than 60% of central government transfer are earmarked¹⁰², limiting districts' discretionary funding to locally identified priorities.
- Engagement of non-state actors in inclusive participation for transformational governance remains low at 77.88% and meaningful participation of citizens in decision-making spaces has not realised its full potential despite high scores⁹¹.
- Inclusive citizen participation is partly attributed to financial and technical resource constraints that limit local government staffs' capacities to effectively facilitate citizen consultations at scale¹⁰³.
- Non-state actors (CSOs and media), similarly tend to lack the financial and human resources required to provide the required support to facilitate inclusive citizen engagement in planning, budgeting and decision-making processes.
- Even with disability-inclusive policies, gaps in effective implementation persist at local levels. These gaps are mostly attributed to limited physical accessibility, limited awareness and sensitization, and communication barriers.
- Women representation at local level also remain limited compared to national level (Women Governor of the province (40%); women district mayors (30%), women vice mayors in charge of economic affairs (15%), District Executive Secretary (8%). (NEC 2022)

3.4.2 ACCOUNTABILITY

I. Rule of law and access to justice

Rwanda's score for overall rule of law improved from 0.61 in 2019 to 0.63 in 2022, ranking the country 42nd out of 140 countries globally, and 1st out of 34 Sub-Saharan countries¹⁰⁴. Locally, the 2022 RGS scored the rule of law at 90.81%, a 3.73% improvement from 2021⁹¹. The high performance is attributed to the GoR commitment to strengthening Judiciary organs and expanding access to justice to reach all districts and grassroots levels.

Access to justice has been strongly augmented through, among others, enhancing efficiencies in the court system mostly by leveraging ICTs to accelerate court process through for example the integrated electronic case management system (IECMS) and e-courts where at least 624 cases were tried virtually in 2022¹⁰⁵ ensuring continuity of judiciary services during the peak of the COVID-19 pandemic. Others include, provision of legal aid services, efficient functioning of mediation committees (Abunzi), strengthened bailiffs and bar association, privatisation and expansion of notary services, concerted focus on GBV and institutionalisation of access to justice coordination at district level¹⁰⁶.

The role played by Abunzi mediation committees is critical in bridging the justice access gaps. For instance, the ministry of justice reports that in 2020¹⁰⁷ that 40,111 cases were received in 2014/2015; 47,966 cases in 2015/2016; 51,061 cases in 2016/2017; 50,878 received in 2017/2018 and 48,989 cases received in 2018/2019 fiscal years. It is reported that the cases handled by Abunzi committees volunteer mediators ranged above 90% each year. In addition to having handled disputes and restored unity, justice, and reconciliation; Abunzi community mediators have been found to be highly trusted by the population¹⁰⁸.

Challenges to rule of law and access to justice persist, affecting overall performance of the judiciary that scored lowest (78.19%) in 2022⁹¹. Low satisfaction in the judiciary is strongly associated with delays in hearing court cases which is mostly a result of the ever-increasing case backlog in the justice system that reached 62% in 2023¹⁰⁹.

With only 318 judges and 235 registrars, the system is overwhelmed by the sharp increase in cases, from 37,116 in 2005 to 91,381 in 2022 which far outpaces judicial capacity. This has equally affected juvenile justice where juveniles' appeals are taking long to be heard as there are only 5 high court chambers serving as appeal courts for 12 intermediate courts that hear juveniles' cases at first instance. In addition, children's cases are mostly going before judges without necessary social background inquiry to inform child sensitive decision-making. This requires strong interface with child protection sector to allow social enquiries to be completed by qualified social workers.

High court fees and limited legal aid perpetuate inequality, disproportionately affecting populations from poor backgrounds including children, women victims of GBV and teen mothers. Moreover, the country is financially constrained in its capacity to construct court buildings, hire new personnel, and provide the required infrastructure to offset the growing backlog. To address this challenge, in 2022, two important policies, the criminal justice policy¹¹⁰ and the alternative dispute resolution (ADR) policy¹¹¹ were adopted by cabinet and officially launched in 2023. The two policies propose strategies that will help address delays in accessing justice services as well as the over-crowding in correctional facilities.

However, there is limited awareness of these policies among the general population and their realisation will require large-scale, intensive sensitization for their wide dissemination as well as assessment of required capacities and infrastructure support, including establishment of ADR Centres countrywide.

Critical gaps also remain in ensuring full benefits provided by new technologies to enable access to justice for all. The IECMS still needs an upgrade to align with the evolving needs of the justice system, establishment of e-courts are fully established in only 4 correctional facilities out of the 13 countrywide, while ICT infrastructure and internet coverage also remain a bottleneck for remote courts. While leveraging technology through e-courts, the IECM and Artificial Intelligence, new and emerging crimes like human trafficking and cybercrimes also require urgent attention.

II. Corruption

Recognising the potential negative and debilitating effects of corruption on national development, undermining confidence in public institutions, eroding legitimacy of the state and rule of law, raising costs of doing business, discouraging foreign investment, and contributing to poor service delivery, among others, the GoR has continually demonstrated commitment to preventing and fighting corruption.

By establishing an anti-corruption policy, formulating a legal framework, an institutional framework led by the office of the ombudsman and being signatory to relevant international treaties, GoR has implemented various anti-corruption measures that have together with political will and public support contributed to lowering impunity¹¹². The 2022 corruption perceptions index (CPI) ranked Rwanda 54th out of 180 countries globally with a score of 51%, and 4th in Africa¹¹¹.

There are still pockets of corruption that increased incidence of corruption from 18.5% in 2019 to 29.1% in 2022, while prevalence increased from 2% to 4.5% over the same period. The prevalence of corruption is highest in the private sector (10.8%) and in traffic police (8.3%). The low level of reporting incidents of corruption is the main bottleneck to fighting corruption, with only 12.5% reporting incidents¹¹¹.

Understanding underlying causes of corruption is quite complex, but it is strongly associated with poverty and inequality that create a suitable environment¹¹³. Limited awareness and access to information among citizens especially for women and people with disability on how to address incidents of corruption make it difficult for citizens to hold public officials accountable for their actions, and those in remote areas that are the most vulnerable tend to be those worst affected by the adverse effects of corruption through compromised service delivery and widen disparities in distribution of political and economic power.

III. Human rights

The GoR continues to demonstrate its commitment to respect, promote and protect human rights in laws, policies, and practice. Enshrined in chapter four of the constitution, rights and freedoms of all Rwandans are articulated and limitations are provided for by laws that ensure no infringement on the fundamentals of Rwanda as a democratic society. Rwanda has ratified 8 out of the 9 principal international UN human rights treaties, except for the Committee on Enforced Disappearances (CED), and is party to several conventions and protocols on governance and human rights¹¹⁴.

During the third review of Rwanda under the Universal Periodic Review (UPR), several voices were expressed in favour of ratification of 6 conventions^{xviii}, to which Rwanda is not party. The UN continues to dialogue and advocate with the GoR on this issue.

In line with ratified international commitments, nine special rapporteurs^{xix}, requested to visit Rwanda to review the human rights situation under their mandate. The rapporteurs, independent experts and working groups are awaiting responses to the requests.

The GoR's satisfactory reporting record against the statutory reporting requirements for the treaties and conventions continues to ensure transparency and accountability in the state's commitment to respect and protection of human rights for all men, women, and children. There are however outstanding reports for the International Convention on Civil and Political Rights (ICCPR) from 2019 and Committee on the Elimination of Racial Discrimination (CERD) from 2020¹¹⁵. These two reports have been compiled and are pending validation prior to submission.

Effective protection of human rights is essential for building a stable society. The National Commission for Human Rights (NCHR) and CSOs have the mandate to monitor and investigate human rights violations. Their work deserves substantial reinforcement and support from partners including the UN. It is equally important to assess the operating conditions of these actors to meet their needs. Reinforcement of human rights protection requires development of capacity building programmes for Judges, Prosecutors, Lawyers, Law Enforcement and Security Force Officers. In this respect, an inter-agency programme is essential.

The GoR is strengthening capacities of institutions that make up the institutional framework for human rights promotion and protection, with the NHRC at the helm re-accredited with 'A' status in 2018. The Commission possesses legal independence. However, strengthening of its administrative independence must be pursued. A significant addition to this framework was the establishment of the Court of Appeal in 2018 to adjudicate on appeal level cases initially handled by high court, commercial high court and military high courts¹¹⁶.

Moreover, several reforms have been implemented to expand media freedoms through for example decriminalising press offenses, creating citizen-centred media, increasing investment in media industry and strengthening self-regulation. Consequently, the media sector has realised remarkable growth in the last 10 years, coming from 1 TV station, 23 radio stations and 73 print and online media houses in 2011 to 19 TV stations, 34 radio stations and 161 print and media houses in 2019¹¹⁷.

Rwanda has made progress in implementing most of the recommendation from the 2nd UPR, whose progress is well articulated in the 3rd UPR, inter alia, improving detention conditions, gender equality, fighting GBV, access to justice, promoting unity and reconciliation, child protection, access to basic social and economic services, protection of refugees and countering human trafficking¹¹³.

^{xviii} I. International Convention for the Protection of All Persons from Enforced Disappearance, II. Optional Protocol to Convention on the Rights of the Child on a communications procedure, III. Optional Protocol to International Covenant on Civil and Political Rights, IV. Optional Protocol to the International Covenant on Economic, Social and Cultural Rights, on an individual complaints' mechanism, V. International Labour Organization Domestic Workers Convention, 2011 (No. 189), and VI. Rome Statute of the International Criminal Court.

^{xix} I. Issue of human rights obligations relating to the enjoyment of a safe, clean, healthy, and sustainable environment, II. The right to safe drinking water and sanitation, III. Independent Expert on the enjoyment of all human rights by older persons, IV. Working Group on enforced or involuntary disappearances, V. The situation of human rights defenders, VI. Torture, and Other Cruel, Inhuman or Degrading Treatment or Punishment, VII. The independence of judges and lawyers, VIII. The promotion and protection of the right to freedom of opinion and expression, IX. Working Group on Business and Human Rights.

During its dialogue with the Human Rights Council (UNHRC) the GoR deferred response to 49 recommendations and noted 75 recommendations. Two years after the dialogue with the UNHRC, improvements have been noted on some issues discussed. Against this background, the UNCT through the Resident Coordinator has requested the Minister of Justice to undertake measures to discuss the re-examination of noted or deferred recommendations. The objective is to review how the GoR could reconsider its position on some of these recommendations.

Despite concerted efforts to promote and respect human rights and freedoms, as shown in table 7 below, Rwanda encounters low ranking and negative perceptions around its democracy and civic space reportedly constrained by restrictions and limitations to rights to free expression, peaceful assembly and freedom of association all guaranteed by the constitution and ratified treaties¹⁰³.

Table 7:
World Justice Project rule of law index Rwanda performance 2021

| Factor | Global Rank /139 | Regional Rank /33 |
|----------------------------------|------------------|-------------------|
| Civil justice | 31 | 1 |
| Order and security | 33 | 1 |
| Absence of corruption | 40 | 1 |
| Regulatory enforcement | 41 | 3 |
| Constraints on government powers | 42 | 4 |
| Open government | 46 | 2 |
| Criminal justice | 48 | 4 |
| Fundamental rights | 90 | 14 |

Source: WJP, RLI 2021

The UPR Working Group in 2021 noted allegations of human rights violations including unlawful or arbitrary killings, enforced disappearances, instances of torture, harsh and life-threatening conditions in some detention facilities, arbitrary detention of individuals, interference with privacy, restrictions on freedom of expression, press, and the internet, including threats of violence against journalists, censorship, and website blocking. The Working Group recommended that Rwanda should ensure an independent, impartial investigation of all allegations of extrajudicial, arbitrary or summary executions and enforced disappearances, as well as the prosecution of those found guilty. It was also recommended that Rwanda should carry out independent investigations into all allegations of human rights violations such as forced disappearances, arbitrary and prolonged detentions, extrajudicial executions and torture and ill-treatment in detention centres and ensure the prosecution of alleged perpetrators²².

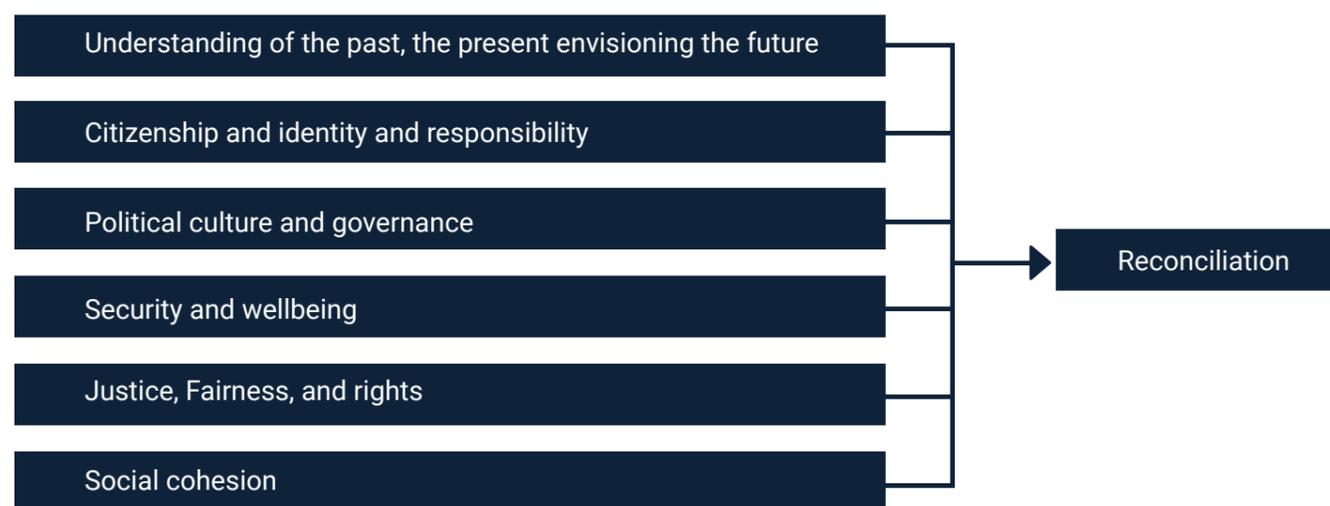
Some of these perceptions tend to be driven by limited awareness of progress of the fundamentals of human rights in the context of Rwanda, and or human-rights approaches (HRBA) to issues among state and non-state actors, including some of those responsible for safeguarding human rights. This is further exacerbated by limited technical capacities in HRBA to work across all sectors that contributes to some of the shortcomings highlighted in the UPR and NCHR assessments¹¹⁸. Moreover, limited financial resources to facilitate compliance with some of the international treaty requirements, such as prison population management contribute to the shortcomings. There are also limitations in data and information management process in human rights protection and promotion. Rwanda does not have an IT-based system to collect information on the status of implementation of various human rights recommendations¹¹⁹ as well as limited disaggregation to discern the situation among different group such as the most vulnerable, e.g., refugees and migrants, and there is no framework for regular dialogue with institutions in the human rights institutional framework that can enable robust monitoring of the status of implementation of recommendations¹¹⁸.

3.4.3 SUSTAINABLE PEACE

I. Unity and reconciliation

Unity and Reconciliation have been central to Rwanda's post-genocide recovery efforts. After the 1994 Genocide against the Tutsi, which left deep divisions, the Government prioritized measures to unite and reconcile the people, aiming to prevent future violence and build social cohesion for peace and development. Over the past 29 years, Rwanda has implemented policies, laws, and institutional frameworks to promote and sustain unity and reconciliation. It should be noted that memorial sites of the Genocide: Nyamata, Murambi, Gisozi and Bisesero were inscribed in the World Heritage List, to commemorate the genocide and help safeguard memory, counter denial and strengthen genocide prevention efforts globally. Also used in the Rwanda Reconciliation Barometer (RRB) is the framework below to analyse reconciliation.

Figure 22:
The conceptual framework of reconciliation in Rwanda, 2020



Source: NURC, RRB 2020

The most significant reform to institutional landscape was creation of the Ministry of national unity and civic engagement (MINUBUMWE) in 2021 that took on the roles and responsibilities of the National Commission for the Fight Against Genocide, National Unity and Reconciliation Commission, National Itorero Commission, and the Genocide Survivors Assistance Fund¹²⁰. MINUBUMWE is now both setting policies while implementing programmes in collaboration with partners and beneficiaries of the former institutions. The ministry primarily focuses on: National unity and citizenship education; research and policy development; memory and genocide prevention; and community resilience¹²¹. In line with these pillars, the GoR continues to implement civic education programs on genocide prevention among different groups of society, public awareness raising on genocide prevention and combating its ideology, also the law punishing genocide ideology and related crimes was revised in 2018 and a national policy of unity and reconciliation was updated in 2020¹²².

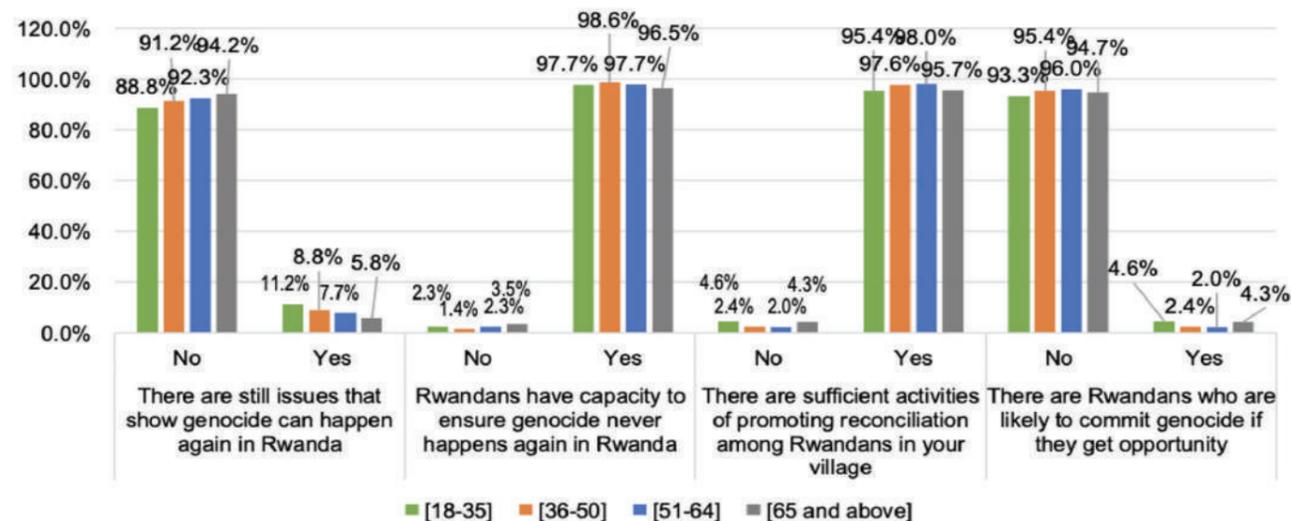
Reintegration and rehabilitation of former genocide convicts who complete their sentences remains a priority programme for the government as a key to sustainable peace. Meanwhile, in partnership with non-state actors' joint pre-release programs have been instrumental in providing more than 6,000 former genocide perpetrators with assistance in socio-therapy healing as well as skills development and upgrading, with the aim to facilitate their socio-economic reintegration once released, with most of them scheduled to be released in 2024, following 30 years of incarceration¹²³.

Itorero and Ndi Umunyarwanda Programs continue countrywide to emphasize national unity. The programs are important in creating platforms for all categories of Rwandans to engage in dialogue that builds national identity and fosters a society based on trust and unity. It has proven its relevance in strengthening the solidarity of the Rwandan people, uphold their moral and spiritual values¹²⁴. These efforts have contributed to the level of reconciliation, social cohesion and unity reaching 94.58% in 2022¹²³.

Despite this progress, genocide ideology persists within segments of the population. This is often revealed in acts of genocide ideology related offenses, especially during the annual commemoration period. In 2023, during the 29th 100 days commemoration period, a total of 234 people were arrested for genocide ideology and related crimes by the Rwanda Investigation Bureau¹²⁵. The last RRB in 2020 revealed that 9.8% of Rwandans believe hatred and division continues to be taught in families and 8.6% believe some Rwandans continue to inculcate genocide ideology in society. Moreover, individual healing declined from 88.6% to 86.7% between 2015 and 2020, while "Unhealed wounds" caused by the genocide and divisive politics increased from 4.6% in 2015 to 26.9% in 2020¹²³.

These are contributing to persistence of individual and societal inter-generational trauma and proliferation of mental health conditions across generations. Members of society most affected by the genocide ideology, trauma and struggle with healing and forgiveness are those that were most directly affected by the 1994 Genocide against the Tutsi. These include families of survivors, inmates convicted of genocide crimes, youth (figure 20) most exposed to genocide ideology, especially genocide denial mostly broadcast over social media platforms, ex-combatants, returnees and their families, and demobilised soldiers.

Figure 23:
Citizen envisioning the future disaggregated by age, 2020



Source: NURC, RRB 2020

As Rwanda prepares to release about 20,000 genocidaires to ensure peaceful, sustainable social and economic reintegration in their communities of origin, a pre-release programmes are needed to address psycho-social healing, civic education, vocational training and after-release socio-economic accompaniment packages.

II. Regional & transboundary issues

After 3 years of resumption of harmonious relations between the governments of Rwanda and DRC, following the election of President Tshisekedi in 2019, there has been a marked deterioration of relations between Rwanda and DRC since November 2021¹²⁶. On the other hand, good relations with Uganda were revived in 2022 following the end of a 3-year impasse between the two countries. Land borders were reopened in January 2022, trade and movement across the border is slowly returning to pre-pandemic levels¹²⁷. Following a failed military coup in Burundi in 2015, tensions with Rwanda arose.

There are marked improvements in bilateral relations since 2020 following election of President Ndayishimiye. Borders returned to full operationalisation after 7 years with less restrictions to movement of people and goods in 2022¹²⁸. Unfortunately, the borders with Burundi were closed again at the beginning of 2024, following allegations that Rwanda has been supporting the Red Tabara militia against the Government of Burundi. The recurring and long-standing tensions with neighbouring countries, particularly the DRC and now eased tensions with Uganda, continue to stifle security, inter-state commerce and generally national and regional peace and security.

Resumption of the M23 rebellion and increasing insecurity in Eastern DRC is the main cause of igniting revived tensions between Rwanda and DRC in 2021. One reason for the recurring and protracted tension between the two countries is the continued rebel activities of the Democratic Forces for the Liberation of Rwanda (FDLR) that is mostly composed of remnants of the former genocidal regime, in Eastern DRC. The FDLR repeatedly commits atrocities on Rwandan territory since 1994, that destabilise peace and security in Rwanda, mostly in the western¹²⁹ and northern regions¹³⁰. The effects of regional and transboundary conflict are most adverse along the land borders of Rwanda – DRC/Burundi borders, in Rusizi district; Rwanda – DRC border in Rubavu and Rusizi districts; and Rwanda – Uganda border in Gicumbi and Nyagatare districts. Informal cross-border traders and their families in these districts are often among the most affected groups, as they derive most of their livelihoods from cross-border trade.

III. Humanitarian-peace-development nexus

The triple nexus efforts in Rwanda are crucial to address the needs of vulnerable populations and achieve sustainable peace, particularly as vulnerabilities arise from social and economic inequality, regional insecurity and climate-related events like floods and failed crop yields. Recently, the crisis in Eastern DRC has disrupted cross-border trade with Rwanda, impacting borderland communities and has resulted in the movement of over 11,500 individuals into Rwanda in 2023. While the Government promotes socio-economic integration for over 134,000 refugees¹³¹, a significant majority, 87%, remain highly vulnerable, emphasizing the continued need for humanitarian assistance in addition to development support due to the growing number of refugees¹³². Rwanda has progressive policies to support refugee self-reliance, including the right to work, education, property ownership, and financial inclusion.

However, economic integration remains slow due to non-legal barriers and lack of economic opportunities in refugee-hosting areas. Most social protection programmes are also not available to refugees, while refugees can have structural challenges in accessing social protection benefits, decent jobs, entrepreneurship opportunities, and formal financial services among others. This is partly because the wider society, especially employers and service providers, in for example the financial sector are not fully aware of socio-economic inclusion regulations and initiatives¹³³. This limits for example employers' outreach to attract skills and knowledge available within the refugee communities to reinforce the diversity of their workforce. Moreover, the low levels of financial literacy and capabilities among refugees limits their potential to engage productively in economic activities¹³⁴. This means that overall, the economic integration of refugees is slower than would be required to achieve the optimal realisation of the triple nexus¹³⁵.

Meanwhile, greater support is also needed to support border communities and low-skilled migrants, including those that rely on cross-border and small-scale trade for their livelihood, who are often adversely affected by cross-border conflict. This includes expanding social protection, particularly among informal workers who may not be included in formal social protection programmes to improve their resilience and minimize the disruption of conflict, climate-related events, or other shocks on their daily lives. Investing in services and supporting dialogue between cross-border communities can also help to foster mutual understanding and social cohesion, for sustained peace.

Table 8:
Peace multidimension risk analysis

| Thematic Area | Current and emerging risks that can affect national development | High Risk | Medium Risk | Low Risk |
|--|---|---|---|---|
| Political stability and good governance | By prioritizing accountable governance, GoR is ensuring stability. Even with elections in 2024, there is no indication of instability risk to the political situation. | | |  |
| Democratic governance | Reforms are deepening democratic governance by reinforcing space for engagement with non-state actors. External criticism of political freedoms, and divergent perspectives continue but present low risk to the dispensation of democratic governance. | | |  |
| Local governance (LG) and decentralization | Evolving complexity of public service offerings, increasing demands on LG and growing expectations from increasingly informed citizenry outweigh resources available in decentralized entities, presenting moderate risk of deficient service delivery. | |  | |
| Unity and reconciliation | Elements of genocide ideology persist within the region and in the diaspora as well as among the older generations that pose a low risk of inculcating such negative beliefs in young people. | | |  |
| Justice and Rule of Law | The most significant risk to the justice sector services is the growing backlog that can contribute to delayed access to justice. | |  | |
| Human Rights | Isolated incidents of human rights violation and abuses taint progress and perceptions disrupt advancements. Cost of compliance with some international commitments is high, contributing to risk of lower ratings. | |  | |
| Gender equality | Gains in gender equality risk being lost, or progress retarded if concerted efforts do not address persistent issues such as societal norms that proliferate barriers to advancement of gender equality. | | |  |
| Regional and transboundary peace and security | Surges in regional tensions with DRC, present a high risk of conflict that could compromise internal security and gains made in sustainable development that have already been affected by reduced economic activity mostly in areas bordering DRC in Western Rwanda. |  | | |
| Humanitarian and peace development nexus | Although initiatives for refugee integration are on-going, demand for humanitarian assistance continues to outweigh development assistance. Influx of refugees from DRC presents higher risk of more vulnerability and less realization of the HPD nexus. |  | | |

PARTNERSHIPS

3.5 PARTNERSHIPS

The “Partnerships Pillar” reviews the financing for development landscape and situation of partnerships across the UN system in Rwanda, primarily to assess national progress towards SDG 17: partnerships for the goals. In essence, the ambitions of the SDGs cannot be achieved without cooperation and partnerships between stakeholders across the broad range of goals. Therefore, the analysis first examines the situation of internal financing focusing on domestic resource mobilisation, remittances, and private sector engagement. Then external financing analyses SDG financing, official development assistance, green financing. The second part reviews partnerships through development co-operation, CSO and academia engagement in development.

3.5.1 INTERNAL FINANCING

I. Domestic resource mobilisation

Domestic resource mobilization is the cornerstone of financing GoR investments and fostering economic growth for a higher quality of life for all citizens. In Rwanda, domestic resources comprise 54% of development financing and include various sources: taxes, private investments, treasury bills, bonds, and non-tax revenues¹³⁶. Taxes are a primary revenue source for central and local government. In 2021/22, tax revenues amounted to Rwf 1852.3 Bn, a 13% increase from the previous fiscal year.

Key taxes contributing to domestic collections include value-added tax (32%: Rwf 593 Bn), income tax (23.1%: Rwf 427 Bn), and profit taxes (22.9%: Rwf 425 Bn)¹³⁷. Despite these positive trends, there are challenges. Rwanda faces a decline in the tax-to-GDP ratio over the past three years, falling from 15.9% in 2019/20 to 15.8% in 2021/22, missing the 2023/24 target of 16.8%¹³⁸. The decrease is attributed to various factors, including high inflation in non-vatable products, revenue reporting standard changes, and government subsidies.

Moreover, most taxpayers are micro, small, and medium enterprises (MSMEs), constituting 99.9% of the tax register. Despite their vast numbers, they contribute only 28.7% of total taxes collected¹³⁹. MSMEs often operate informally, complicating tax collection efforts. Additionally, decentralized entities struggle with tax collection, with local governments relying heavily on intergovernmental transfers for financing development. Challenges persist due to limited revenue sources in rural settings and inadequate resources for tax enforcement.

The COVID-19 pandemic and global supply chain disruptions have further hampered domestic revenue mobilization, particularly in the services and manufacturing sectors. Despite these hurdles, Rwanda is determined to enhance domestic resource mobilisation by accelerating the Medium-Term Revenue Strategy (MTRS), promoting tax compliance, and utilizing tax incentives to attract foreign investment.

To address these challenges and enhance domestic resource mobilization, Rwanda has developed the INFF. The INFF serves as a critical strategic framework to align and coordinate financing efforts in Rwanda. It provides an integrated approach that encompasses all sources of financing, including government funds, private sector investments, and international contributions and aims to harmonize these resources for sustainable development. Integrating domestic resource mobilisation into the INFF strengthens its effectiveness by ensuring that optimal utilisation of domestic resources.

II. Leveraging Remittances and the Diaspora for Sustainable Development

Rwanda's extensive diaspora, shaped by historical events, has generated a substantial resource pool. While significant repatriation occurred between 1994 and 2013, nearly 588,544 Rwandans reside abroad today, with a notable presence in Europe, East Africa, and beyond¹⁴⁰. Recognizing this potential, Rwanda has established numerous overseas community associations worldwide.

Remittances have surged, nearly doubling from US\$ 211 million in 2018/19 to US\$ 419 million in 2021⁶⁹, contributing 3.5% of GDP¹⁴⁵. However, the challenge lies in channelling these remittances effectively due to informal transfer channels and limited investment opportunities.

To unlock the full potential of remittances, Rwanda can use its INFF. Within this framework, strategies can be developed to formalize remittance flows, reduce transaction costs, and direct these funds toward productive sectors, driving sustainable economic development.

Furthermore, INFF facilitates the systematic engagement of the diaspora. By mapping diaspora skills and assets and updating the diaspora policy, Rwanda can harness this valuable resource for investment in national socio-economic development. An updated 5-year Diaspora Strategy, informed by INFF principles, can provide incentives and promote innovative investments, aligning the diaspora's contributions with Rwanda's development goals.

Incorporating remittances and diaspora engagement into INFF ensures Rwanda maximizes these resources for sustainable development.

III. Private Sector Engagement

The private sector plays a pivotal role in Rwanda's development financing, contributing 33% of total funds, with 13% from external sources and 20% domestically¹⁴¹. However, despite positive trends in Foreign Private Investment over the past decade, the sector faced a decline, plummeting to 1.5% of GDP in 2020/21¹⁴² due to COVID-19 and global uncertainties, including the Ukraine conflict.

Rwanda's private sector landscape is predominantly comprised of MSMEs. However, development financing has primarily centred on public-private partnerships and large corporations, side-lining MSMEs and limiting their awareness of sustainable development practices.

There exists a knowledge gap among development actors on how to effectively engage with the private sector, hindering partnerships, advocacy, and financing negotiations.

Realising these gaps, the INFF has defined how the private sector will engage in the overall financing for development landscape, including ensuring a holistic approach to development financing, such as through more corporate debt instruments and non-sovereign treasuries¹⁴³. Within INFF, strategies can be formulated to engage MSMEs. By integrating private sector engagement into the INFF, the nation can bridge the gap between development financing and MSMEs, facilitate SDG alignment, and equip development actors with the skills and knowledge required for fruitful private sector partnerships. INFF emerges as a vital tool in unlocking the full potential of the private sector for Rwanda's sustainable development.

3.5.2 EXTERNAL FINANCING

IV. SDG Financing in Rwanda

Rwanda has incorporated its commitment to the SDGs in its national development agenda, Vision 2050. SDG financing encompasses funding for environment, social, and economic goals aligned with Rwanda's development priorities. It integrates various sources, including government, private sector, and other stakeholders. Initially, Rwanda estimated a financing need of Rwf 41.735 Bn from 2017/18 to 2023/24, with 59% from public funds and 41% from private resources¹⁴². This demand is projected to rise to 31.1% of GDP in 2024, requiring annual investments of 21.3% of GDP beyond NST1 to achieve the SDGs by 2030¹⁴².

The SDG financing gap, if not addressed comprehensively, will have the most adverse effects on healthcare systems, education, WASH, transport, and energy infrastructure¹⁴⁴. To address this, the United Nations, through the INFF, provides technical and financial support to Rwanda. Initiatives like the Rwanda Sustainable Finance Roadmap¹⁴⁵, led by the Kigali International Finance Centre (KIFC), aim to reduce the SDG financing gap. Rwanda's interest in the UN-led Global Accelerator on Jobs and Social Protection for Just Transition further enhances UN technical assistance for integrated policies with broad socio-economic impact.

V. Official Development Assistance (ODA)

ODA, which includes grants and concessional loans, plays a significant role in Rwanda's development. Over the last eight years, ODA to Rwanda has increased by 26%, with a shift towards more loans than grants¹⁴⁶. In 2021/22, ODA sources included multilateral bodies, foreign private investment, remittances, bilateral donors, international organizations, non-OECD bilateral sources, and UN agencies.

While diversification in financing sources is occurring, multilateral development banks are increasing their contributions, reflecting confidence in Rwanda's economic stability. There is also a growing focus on sustainability and climate resilience, with 36% of investments targeting private sector development and youth employment and 29% directed at the financial sector¹⁴². In 2022, The IMF Executive Board approved for Rwanda under the newly established Resilience and Sustainability Facility (RSF) amounting to US\$319 million, the first for an African country. The RSF is supporting Rwanda's efforts to build resilience to climate change and help to catalyze further financing.

On its part, the African Development Banks' 2022-2026 Strategy for Rwanda contributes to NST1 transformation agenda and to achieving related SDGs – in addition to the cross-cutting themes gender, job creation and youths, capacity building, and climate change mainstreamed into the priorities. For example, Priority Area 1: "Strengthening Physical Infrastructure to Enhance the Productive Resources and Reduce the Cost of Doing Business". will support Rwanda to achieve the SDGs (particularly Goal 6 'Ensure access to water and sanitation for all' and Goal 7 'Ensure access to affordable, reliable, sustainable and modern energy for all'). Priority Area 2: "Improving skills and financial capabilities to foster private sector and productivity-led growth" will support particularly Goals 8 and 9. Specifically, they will help support the government's efforts towards the creation of jobs, enhancing inclusive growth and poverty alleviation, promoting a knowledge-based economy, and enhancing the economic dividend through increased access to quality education.

In October 2023, the Development Bank of Rwanda (BRD) issued its first Sustainability-Linked Bond (SLB) with support from the World Bank, marking a significant milestone. This innovative financing mechanism aims to mobilize private capital by de-risking investor funds and releasing resources for other projects.

The SLB issuance, totaling US\$24 million as part of a larger \$120 million Medium Term Note program, aims to minimize lending costs, contribute to domestic capital market development, and support sustainable development goals. Unlike traditional bonds, SLBs tie interest repayments to specific sustainable development targets. The bond issuance was oversubscribed, attracting interest from over 100 investors, and the credit enhancement mechanism received positive feedback. This initiative not only diversifies funding for the BRD but also contributes to Rwanda's domestic market development and sets a precedent for other potential issuers. The World Bank played a key role in structuring and funding the credit enhancement mechanism, providing technical assistance, and supporting the SLB framework, thus showcasing its commitment to innovative financing solutions for sustainable development. This approach holds the potential to be scaled up and replicated in other low-income countries, driving the much-needed impactful financing solutions for the SDGs.

VI. Green Finance

Rwanda recognizes the importance of green finance to address climate change challenges. To implement climate strategies, the country requires US\$ 11 billion but faces a deficit of US\$ 6.5 billion¹⁴⁷. Climate finance aims to bridge this gap through investments in adaptation, mitigation, green growth, and blended finance solutions.

The Rwanda Green Fund (FONERWA) has been instrumental in financing low-carbon projects and has mobilized US\$ 216 million, supporting 44 projects that assisted approximately 118,000 people to cope with climate change¹⁴⁸. The government has increased environmental and climate change budget allocations and introduced measures to mainstream these priorities across sectors. The RSF supports climate-proofing national investments and aids low-income and vulnerable middle-income IMF member countries in addressing long-term climate change challenges with low-cost, long-term financing, potentially attracting additional climate finance¹⁴⁹. Ireme Invest mobilized \$104 million to support the private sector in accessing green finance¹⁵⁰. Intego focuses on public sector-led climate mitigation and adaptation projects, with €46 million from KfW development bank¹⁵¹.

Despite these efforts, Rwanda faces challenges due to a lack of funding to meet its climate goals, limited coordination, and global disagreements on financial responsibilities for climate change. However, the challenge lies in the scale of financing required, exceeding recorded inflows of ODA and FDI. Access to climate financing at the community level also remains limited. Inadequate information, capacity constraints, coordination issues, and a lack of regional collaboration further complicate mobilizing climate finance. Addressing these challenges is crucial to meeting Rwanda's climate and sustainability goals.

3.5.3 DEVELOPMENT COOPERATION

LEVERAGING DEVELOPMENT COOPERATION FOR PROGRESS IN RWANDA

I. Triangular and South-South Cooperation

Development cooperation in Rwanda extends beyond financing and aligns with national and international development priorities, as outlined in documents like NST1 and the SDGs. Within the country, development cooperation is facilitated through the Development Partners Coordination Group (DPCG), jointly chaired by the Minister, MINECOFIN and the UN Resident Coordinator. Through an annual retreat and routine meetings, development partners and the GoR openly engage in dialogue on major policy issues and provide strategic orientation to development cooperation and partnerships in a coordinated framework. At the second level, the UN Rwanda through the UNRC is permanent chair of the Development Partners Group; bringing together multilaterals, IFIs and bilaterals which has been a key platform to ensure the SDGs are placed front and center of policy dialogue. This framework promotes open dialogue, policy alignment, efficient use of development resources, strengthened partnerships and collaboration – reducing fragmentation and inefficiencies.

Rwanda also utilizes regional, continental, and global cooperation mechanisms, such as south-to-south cooperation and triangular partnerships. The Rwanda Cooperation Initiative (now Rwanda Cooperation) focuses on south-south cooperation and multicultural diplomacy. It has hosted over 400 delegations from more than 41 countries, facilitating knowledge sharing, technical advisory, and project support¹⁵².

Triangular cooperation, facilitated by Rwanda Cooperation in collaboration with UN agencies and other partners, expands Rwanda's access to knowledge, expertise, and best practices. In 2022, Rwanda Cooperation signed an MoU with the Chandler Institute of Governance (CIG) in Singapore to enhance public sector capabilities¹⁵³.

Despite significant progress in development cooperation, challenges persist. These include limited financial resources, weak institutional capacities, limited technology access, regional conflicts, and misaligned development priorities. Effective cooperation is crucial for addressing these challenges and ensuring that vulnerable communities benefit from technological advancements and market access.

II. Civil Society Organization (CSO) Partnerships

Rwanda recognizes the importance of partnerships between the government and CSOs to drive national development. The UN has also partnered with CSOs, especially umbrella organizations, through various mechanisms, including grants and capacity building¹⁵⁴. For example, collaboration exists with Refugees international NGOs as well as Youth, Human Rights, People with Disabilities and GEWE CSOs and women's rights advocates. These are important partnerships to advance SDGs localization and implementation of the UN's normative work. However, there is no comprehensive institutional framework for these partnerships, limiting coherence and effectiveness of strategic CSO partnerships.

Many CSO partnerships are grant-based, focusing on predetermined outputs driven by donor interests. This can hinder independent CSO work and the identification of genuine needs. Moreover, CSOs still face challenges related to citizen participation and limited resources and capacity.

To strengthen the registration and operation of NGOs and CSOs, the UPR Working Group in 2021 recommended that Rwanda should consider reviewing the registration requirements for both national and international NGOs with a view to simplifying the process. It was also recommended that Law No. 04/2012 and Law No. 05/2012 should be amended in consultation with civil society organizations, in order to remove existing restrictions on their legal registration²².

III. Academia Partnerships

Academia, including universities and research institutions, plays a vital role in achieving the SDGs. Rwanda has leveraged partnerships with academia in various forms, including research collaboration, educational collaboration, and academic entrepreneurship. For instance, Rwanda transitioned to a competence-based education curriculum in collaboration with academia, civil society, the private sector, and development partners.

Research collaboration is the most common form, often executed through formal contractual arrangements or memoranda of understanding. These partnerships focus on areas like science, technology, research, and development for national development. STEM fields are a priority, while most collaboration extends to social sciences through consultancies.

Despite these efforts, barriers persist, including limited awareness of development needs within academia, funding constraints, and private sector reluctance to engage with academia.

IV. Volunteer Involving Organizations for SDGs

Volunteerism plays a crucial role in achieving the SDGs in Rwanda. Strengthening partnerships with Volunteer Involving Organizations (VIOs) is essential to mobilize funding and deploy more volunteers, accelerating progress towards the SDGs. The Volunteerism National Situation Analysis Report underscores the significant impact of volunteerism on SDG achievement in Rwanda. Specifically, volunteers have made commendable contributions to the SDGs 2, 3, 4, 5, 6, 7, 9, 11, 13, 15 and 17

Table 9: Partnerships multidimension risk analysis

| Thematic Area | Current and emerging risks that can affect national development | High Risk | Medium Risk | Low Risk |
|---|--|-----------|-------------|----------|
| PEOPLE | | | | |
| Internal financing for development | Internal financing for development largely relies on domestic taxes which have declined as a % of GDP in the last 3 years. With the current economic downturn and rising costs of living, slower than required recovery of national revenues presents moderate risk of increased reliance on external borrowing, adversely impacting national debt and development trajectory. | | ● | |
| External financing for development | The SDG financing deficit is widening because of the recurring reduction in economic output since 2020. Although ODA to Rwanda has increased over the last decade, there are increases in loans and less in grants which is increasing the national debt burden risk while reducing resources available to social sectors that risks slowing development progress. | ● | | |
| Development cooperation | Triangular cooperation is leveraged by domesticating solutions to challenges. But partnerships with CSOs and academia, are not optimized. Moderate risk of ineffective knowledge transfer limits opportunities to accelerate development through local development cooperation. | | ● | |

3.6 SDG PERFORMANCE AND RISKS ANALYSIS

Rwanda ranks 126/166 countries in SDG performance, with an SDG index score of 60.2% for all 17 SDGs and positive spillover effect of 98.6%. Of 16 domesticated SDGs, 4 show moderate improvements, 9 are stagnating and 1 decreased¹⁵⁵. Against this progress, a risk analysis is done to establish the potential level of impact posed by the risks identified in the multidimensional risk analysis tables. The potential level of impact is categorised as high (red), moderate (yellow) and low (green) to illustrate the severity of impact if risks identified materialise in the remaining years to 2030.

Mitigating risks identified to prevent/reduce the impact levels on SDG progress and achievements requires robust EWS and response mechanism that address root causes of risks and manage adverse effects effectively. Implementation of a robust risk response systems requires sound capacity in forecasting, data collection, analysis and sharing. This also entails preparedness and rapid response to risks.

More coherent indicators are needed to enable risks and response monitoring. Annex 6 provides a set of risk indicators that can be used to monitor processes, outcomes, events and actions that serve as signals that inform upstream policy and strategic support to mitigate or adaptively respond to potential and actual materialisation of risks

Table 10: SDGs-based risk analysis

| SDGs | | Thematic Risk Areas | | Risk Level |
|--------|-----------|--|--|------------|
| Trends | Dashboard | | | |
| | | ● Poverty | | High |
| | | ● Nutrition and food security | | High |
| | | ● Health and wellbeing | | Moderate |
| | | ● Human Capital Development | | High |
| | | ● Gender equality | | Low |
| | | ● Infrastructure, housing, and access to social services | | Moderate |
| | | ● Infrastructure, housing, and access to social services | | Moderate |
| | | ● Employment and decent work ● Private Sector Development | ● Continental and regional integration | High |
| | | ● Productivity and competitiveness | | High |

| SDGs | | Thematic Risk Areas | | Risk Level |
|--------|-----------|---|--|------------|
| Trends | Dashboard | | | |
| | | ● Poverty | ● Macroeconomic growth and stability | High |
| | | ● Infrastructure, housing, and access to social services | ● Green economic growth | Moderate |
| | | ● Green economic growth | | Moderate |
| | | ● Climate adaptation and mitigation ● Green economic growth | ● DRRM ● Resilience and climate security | Moderate |
| | | ● Climate adaptation and mitigation | ● Green economic growth | Moderate |
| | | ● Political stability and good governance ● Democratic governance ● Local governance and decentralization ● Unity and reconciliation | ● Justice and Rule of Law ● Human Rights ● Regional and transboundary peace and security ● Humanitarian and peace development nexus | Moderate |
| | | ● Internal financing for development ● External financing for development | ● Development cooperation | Moderate |

Trends:



Dashboards:



4. CONCLUSION: ACHIEVING AGENDA 2030

The 2023 CCA has provided the latest analysis of Rwanda's progress towards SDGs, highlighting areas where progress has been recorded, as well as where the country is lagging, groups left behind or at risk of being left behind (see annex 3), multi-dimensional risks and development financing challenges and opportunities to accelerate the 2030 Agenda. Notably, the systemic issues impacting development progress are multi-faceted and require system-wide, integrated, innovative, scalable and strategic responses by all stakeholders: Government, communities, civil society, private sector, humanitarian, and development actors.

Moving forward, Rwanda's vision of an inclusive middle-income country by 2035 and achieving the SDG targets by 2030 requires significant domestic and international resources. Careful prioritization will be required given the limited resources envelope available to the Government to anchor foundations for transformative change. Importantly, resources need to further strengthen and reform systems and institutions to ensure vulnerable groups are not left behind and investments promote transformative change and generate resilient, green, inclusive economic growth.

Considering this context analysis and summative conclusion above, the UN System in Rwanda will continue to focus on sustainable development cooperation to accelerate the country's progress towards Vision 2050 and achievement of SDGs. This will involve building on the progress made while at the same time protecting development gains achieved. When developing the next Cooperation Framework, it is imperative that the UN acknowledges and sensitively responds to root causes and intersecting economic, environmental, political, and social drivers of inequalities and vulnerabilities experienced among different groups of people. While recalibrating to a primarily upstream approach to programming, the UN should leverage opportunities that strengthen developmental partnerships and innovative collaborations across Government, development partners, private sector, civil society, volunteer involving organizations and communities.

The UN system will need to shift from assistance to collaboration as a core principle in its new cooperation framework. Guided by national priorities expressed in the second generation of the National Strategy for Transformation (2024–2029), UN should focus on catalysing development actions that are transformative, grounded in human rights principles and standards, evidence-based, people-centred, participative, equity-oriented, resilience-responsive, and risk-informed, focusing first on people furthest behind.

4.1 EMERGING PRIORITIES AND ENTRY POINTS

Considering key findings in the context analysis and enabling pathways to Agenda 2030, the mid-term goal of middle-income status by 2035 and the "Rwanda we want" articulated in the country's vision 2050, increased and intensive focus should be placed on building a socially and economically inclusive population. Inclusive socio-economic empowerment in turn, requires strengthening of human capabilities and generation of sustainable economic opportunities, while harnessing innovation to accelerate attainment of the SDGs. In recent years, Rwanda has placed technology and innovation as a key driver for the country's national transformation through economic growth and is actively building an ecosystem for innovation.

This will have a catalytic effect on the growth of sectors positively impacted by this development including the Creative Economy. Sustaining gains made and building on mutual and dynamic interactions between social, political, cultural, economic, and ecological factors of the Rwandan context provide a pathway through leveraging the people's collective assets and capabilities to engage in catalysing change and strengthening their own resilience. Based on this rationale, the following opportunities for engagement are considered among the key entry points to accelerate change:

Human development: Rwanda's population is projected to reach 23 million by 2052, with a working age population making up 65.7%, reaping the demographic dividend should remain a priority. This can be realised by containing the fertility rate and ensuring substantial investments are made into human capital development and transformative economic policies and programmes that deliver a healthy, well-educated, and highly skilled labour force that is gainfully employed - as informed by the 4Es Policy Framework - Empowerment, Employment, Entrepreneurship and Education.

Given the resource constraints articulated in this CCA that limit delivery of essential services including quality education, healthcare, and WASH among others, scaling up efforts, leveraging technology and building long-term resilience, including from climate change should be a priority. This will require that focus is placed on strengthening systems and catalysing collaborative and transformative partnerships, not only with the Government but also with critical players including development partners, local authorities, the private sector, civil society, and communities to deliver inclusive, innovative and home-grown solutions to the identified issues including innovative financing.

Potential opportunities and accelerators for human capital development include: Ensuring equitable access to comprehensive quality healthcare especially for vulnerable and marginalised groups, advancing quality education and foundational skills with a focus on innovation and digital technologies, strengthening and scaling up social protection systems and other safety nets, advancing gender equality, women's empowerment and child protection, facilitating economic integration of refugees and migrants and strengthening national and sub-national systems to ensure they possess and retain the capabilities to deliver required inclusive quality services and remain resilient to internal and external shocks including effective disaster risk management and response.

Agriculture transformation: With 69% of Rwanda's households practicing agriculture, more than 50% relying solely on it as a primary source of income and sustenance of their livelihoods, enhancing agriculture production and productivity should remain a priority going forward as it is undoubtedly a critical pathway out of poverty for most of the population. Moreover, agriculture has important implications for food security, nutrition, exports, and has backward and forward linkages to industry and services sectors. Therefore, transformation of agriculture from largely subsistent, low production economic activity to a commercialised and professional sector that leverages innovation and technology is a priority. For this to happen, agriculture should be market-driven, linked to urbanisation and trade and 15 times more productive than it is today⁷². Given the agriculture sectors' high vulnerability to climate change, climate proofing should be a top priority.

Potential opportunities and accelerators of agriculture transformation include building on the five action points from the 2021 Food systems summit, focus should be concerted on adoption and scaling nutritious food policies, supporting local markets and food supply chains, increasing agriculture financing, facilitating smallholder farmers and women's access to productive resources, and expanding social safety nets and climate data systems. These action points can be addressed through strengthening implementation of policies and interventions that promote sustainable food systems, promoting climate-smart agriculture, and integrated water resource management. This should be complemented with facilitating innovative financing mechanisms including blended finance for adaptation and mitigation in the agriculture sector.

Investing in key drivers of agricultural growth such as extension services, irrigation, digitalisation, research and development and support physical and technological infrastructure to stimulate real agricultural growth and development, developing and/or strengthening agricultural value chains, and supporting creation of framework and platforms for the transferability of land to unlock investment and productivity in the sector.

Competitiveness and integration: Realisation of middle-income status in the midterm and developed country status in the long-term hinges on Rwanda's ability to compete favourably in the region, on the continent and globally. Economic competitiveness is required at individual and firm levels (micro) and at systemic and sectoral levels (macro) that need to transform from business as usual. This can be achieved through prioritising adoption of modern technologies, leveraging digital transformation, investing in innovation and research, scaling up climate-resilient quality infrastructure and lowering costs of doing business, which integrally will contribute to increased productivity and entrepreneurship. Given Rwanda's small market size, increased diversification, production, and productivity will require mechanisms to expand markets beyond the country's land borders. Therefore, priority should be given to regional integration in the bid to build larger markets that will foster cross-border and intra-Africa trade, spur investments in infrastructure and key economic sectors. This will further enhance Rwanda's collaboration with the rest of Africa in addressing challenges associated with the country's geography, moving from a landlocked to a land-linked country.

Potential opportunities and accelerators of inclusive economic transformation should ensure adequate quantity and quality job creation, equitable distribution of income and wealth and environmental protection. These include: supporting beneficiation of key value chains to enhance export competitiveness, strengthening frameworks that enforce sharing of benefits from returns on investments with communities in geographical locations of ventures. In the same light, manufacturing is an engine of sustained and resilient growth, with its capacity to create backward and forward linkages, its impulse for innovation and its capacity to generate economies of scale.

The Industrial Diagnostic Study⁶² analysed detailed manufacturing industries on the basis of criteria such as employment, exports and imports, and the capacity of industries to generate employment, to be competitive in international markets and to create policy space for import substitution strategies. The study identifies a set of priority industries (food and beverages, textile, wearing apparel, leather, paper, and refined petroleum, chemicals, non-metallic minerals, basic metals, motor vehicles, other transport equipment). In addition, supporting articulation of development strategies on sustainable, climate-resilient infrastructure including greening and financing options remains key.

Complemented by supporting transition of MSMEs from informal to formalisation including accelerating access to finance, upskilling and market linkages, leveraging digitalisation of economic activity, and facilitating frameworks and capacity strengthening of systems and institutions positioned to exploit opportunities offered by new trade environment under AfCFTA, COMESA, EAC common market and others.

Inclusive and sustainable Urbanisation: Urbanisation is considered by the government as a key pathway to scaling up economic transformation and development. Urbanisation presents several opportunities for increased access to services, markets, employment among others. For inclusive economic development there is a need for strategies to identify and create synergies between the elements of urbanisation that result in agglomeration and enhance the socio-economic benefits of urbanisation. With the establishment of secondary cities and the emergence of satellite cities, opportunities abound for the spillover effects of the urbanisation agenda to address the complex challenges faced by those most left behind in rural areas.

For example, the establishment of infrastructure such as telecommunications, roads, water and electricity will inherently contribute to the addressing challenges such as access to WASH facilities, expansion of technology to remote schools and accessibility of health facilities among others. Given the agglomeration created by urbanisation effects of climate change including increased emissions and pollution, higher demand for housing leading to informal settlement and the potential loss and damage of infrastructure resulting from increased climate variability and incidence of disasters, ensuring urbanisation considers climate adaptation and mitigation is essential for sustainable development.

Potential opportunities and accelerators of inclusive and sustainable urbanisation will include support to elaboration and implementation of a green cities' agenda. This will include technical assistance in inclusive spatial planning, creation of frameworks and solutions for proper waste management, lowering carbon emissions including but not limited to renewable energy sources and green transport, support to digital transformation, research and innovation in developing green affordable housing solutions and creating opportunities for entrepreneurship and job creation with a focus on green jobs.

Accountable and inclusive governance: Accountable and effective institutions constitute a key pillar of Rwanda's socio-economic transformation journey. Capable state institutions are prerequisite towards achieving the national agenda in all sectors as well as building citizen's trust that inherently contributes to stability, peace, and security. The GoR aims to see its institutions and governance becoming modernised, innovative, accountable, citizen-centric and rooted in the rule of law. To this end, catalysts that should be prioritised are those which consolidate the gains made, enhance citizen-centred reforms enshrined in local innovations and home-grown solutions.

Transformational governance support should reinforce national unity by addressing structural challenges elaborated in this CCA that relate to promotion of constructive dialogue on contentious political, social and economic policy, fair and transparent electoral processes, exclusion, human rights, rule of law, delivery of equitable justice, fight corruption, meaningful citizen participation and good service delivery. Through integrated approaches and processed this combination of dimensions will go a long way in fostering unity, peace and security in the country, with spillover effects to the region.

Potential entry points and accelerators for inclusive and accountable governance include upstream support to enhancing alignment of national laws and policies with the Constitution of the Republic and international standards that promote full realisation of constitutional values and rights. While legal frameworks get enhanced to promote and protect fundamental human rights, concurrent focus should be placed on strengthening capacities and independence of key governance, judicial, legislative and oversight institutions, as well as accountability mechanisms and systems among state and non-state actors such as the media, volunteer groups and civil society, and institutions in the law-and-order sector. Conflict prevention and peacebuilding through deepening foundations for social cohesion, unity and reconciliation and enhancing national and community dispute resolution mechanisms should underpin all governance work. Leverage ICTs to enhance transparency, increase citizen engagement and improve public service delivery.

Cross-cutting issues should remain among the key enablers and accelerators of sustainable development. Cross-cutting accelerators will include continuous improvement in the collection, analysis, synthesis and use of high quality, timely and reliable data, disaggregated by gender, location and any other dimensions that will enhance targeted policy formulation and action. Strengthened data and information systems are essential to ensuring no one is left behind. UN Rwanda's relationship with academia should evolve by addressing barriers that hinder effective partnerships, expanding cooperation networks, joint research, and fostering private sector collaboration to enhance the effectiveness of academic partnerships in advancing Rwanda's development objectives. Lastly, strengthening partnerships with private sector, civil society, academia, research institutions to deliver innovative and sustainable results should be prioritised in tandem with expanding regional and international collaboration and knowledge-sharing for effective triangular cooperation.

The partnerships and collaborations should also aim to form and implement novel financing solutions including innovative financing models that blend development objectives with commercial considerations to catalyse financing for SDGs.

ANNEXURES

ANNEX 1: THE CCA METHODOLOGY AND CONCEPTUAL FRAMEWORK

This 2023 CCA update is led by the UN in Rwanda Programme Management Team (PMT) in collaboration with the Resident Coordinators office (RCO), under the oversight of the UNCT. It uses a mixed-methods approach that included desk reviews of relevant background information, collecting both secondary and primary data through a systematic secondary review of latest available evidence, statistics, analyses, and research reports. This is complemented by in-depth and semi-structured interviews, and consultative technical workshops with staff from UN agencies and strategic workshops with members of the UNCT.

Consultations were also conducted with development partners representing key the sector working groups in Rwanda as well as with key Ministries, civil society, and the National Institute of Statistics of Rwanda (NISR). See Annex 8 for the list of consulted institutions. To the extent possible, data is analysed and presented by disaggregation not only by income, sex, geography, and age but also by special groups such as disability and nationality as in the case with refugees and migrants. Social, cultural, economic, political, legislative, and other systemic drivers of exclusion are examined and described.

The CCA analyses existing evidence and data gaps for the Country’s SDG indicators, transcending beyond official national statistics to big data from the SDG dashboard, updated Voluntary National Review (VNR) 2023 and academic research. The conceptual framework embedded in the 2030 Agenda vision for sustainable development grounded in international human rights standards guides this analysis.

The framework placed emphasis on equality and non-discrimination at the centre of its efforts clustered around the UN principles of Cooperation Framework’s integrated programming approach. These principles referred to both the process as well as content—in line with the “5P’s” of the 2030 Agenda (People, Prosperity, Planet, Peace and Partnerships): People (the social dimension), Planet (the environmental dimension), Prosperity (the economic dimension), Peace (the ethical dimension emphasizing ideals and values of equality, freedom, human dignity and justice) and Partnership (underscoring the importance of collaboration and cooperation). The overarching conceptual and analytical principles included:

A Human Rights-Based Approach (HRBA) as a normative framework for the process of sustainable development, based on principles of international human rights standards and as operationally directed to promoting and protecting human rights. The CCA anchors its analyses on national development plans, ratifications, policies, and processes within a system of rights and corresponding obligations established by international law, including all civil, cultural, economic, political, and social rights, and the right to development. To guide the CCA, the HRBA focused on equality and non-discrimination, participation and accountability principles earmarking opportunities for both ‘duty-bearers’ to meet their obligations and ‘rights-holders’ to claim their rights.

Using **Leaving no one behind (LNOB)** as a guiding principle, the CCA analysis engenders discrimination and inequalities to understand barriers that undermine the agency of people as rights holders. LNOB analysis not only entails consideration of who is furthest behind in development progress, but also analysed efforts in combating discrimination and rising inequalities and their root causes. The LNOB diagnostic approach encompasses inclusion of both disaggregated data and qualitative analysis to identify who is being excluded or discriminated against, how and why, as well as who is experiencing multiple and intersecting forms of discrimination and inequalities in outcomes and opportunities in law, policies, and practice.

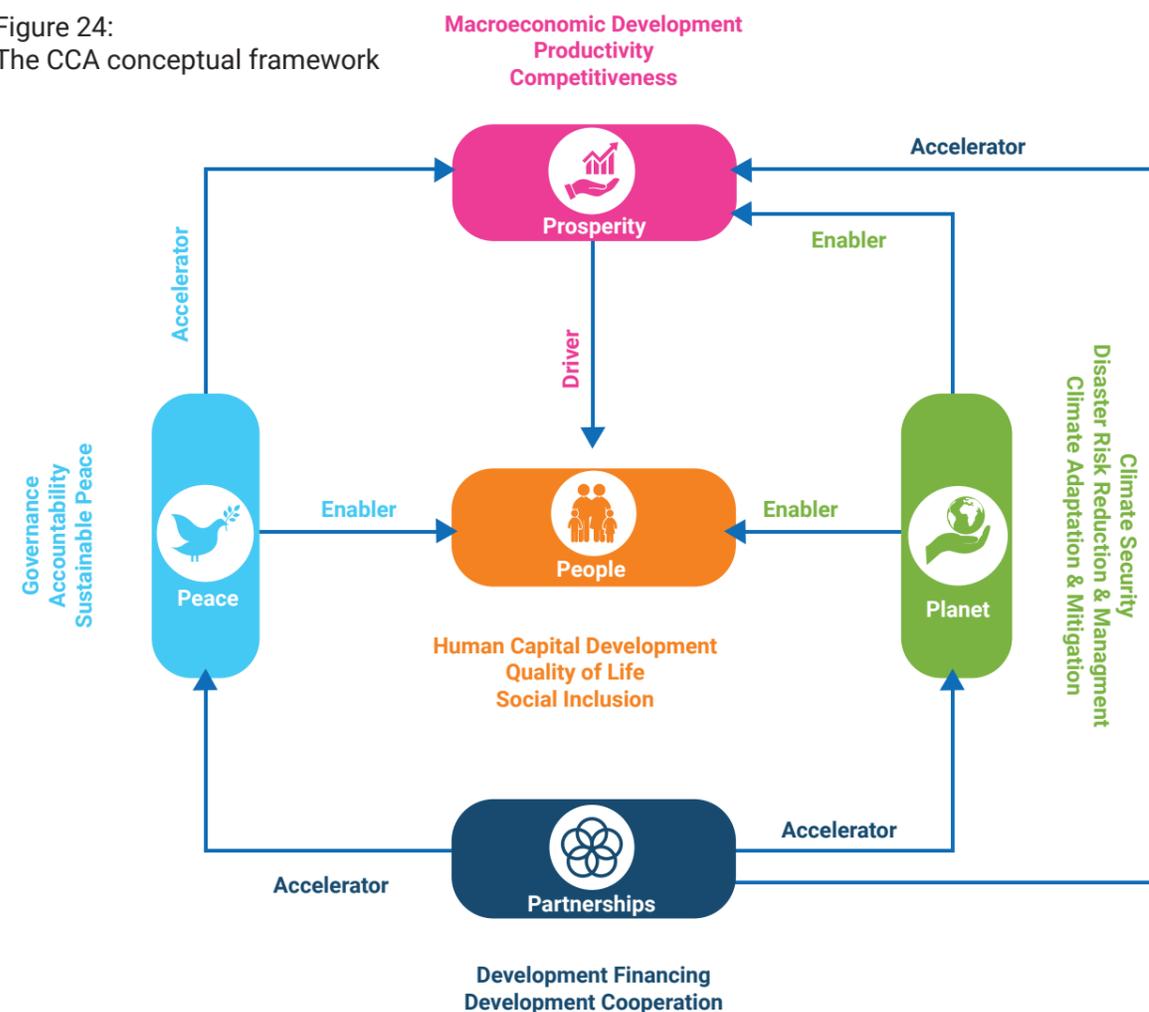
The UNCT System-wide Action Plan (SWAP) on **Gender equality and women’s and girls’ empowerment** guides the gender equality dimension. Gender equality is central to analyses with attributes assessing gender mainstreaming programming to take into consideration the needs, experiences and concerns of men, women, boys, and girls in all development sectors.

Consideration of aspects driving the active and meaningful participation of both women and men, and explaining notions of empowering women and girls, in line with the commitments and obligations made through the GEWE international, continental, and regional conventions and protocols.

Resilience/Multidimensional risk analyses guided by the UN Resilience Framework¹⁵⁶. The CCA analyses risks as those associated with natural and human- induced hazards, conflict, epidemics and pandemics, financial systems, political stability, monetary stability, and food security among others. Determinants driving risks are assessed and particularly how they act together to unleash cascading impacts across multiple dimensions, causing loss of life and livelihoods, and setting back progress towards productive, sustainable, and peaceful societies. Based on these risks, linkages to SDG progress are drawn and early warning measures to shape mitigation plans in strategic planning are provided through the analyses.

As part of this risk and mitigation analysis, an appraisal of the political-economy landscape is done in the identification of mostly public institutions that shape the interactions on specific areas that the UN system should strategically engage with to address the early warning indicators aligned to the risks.

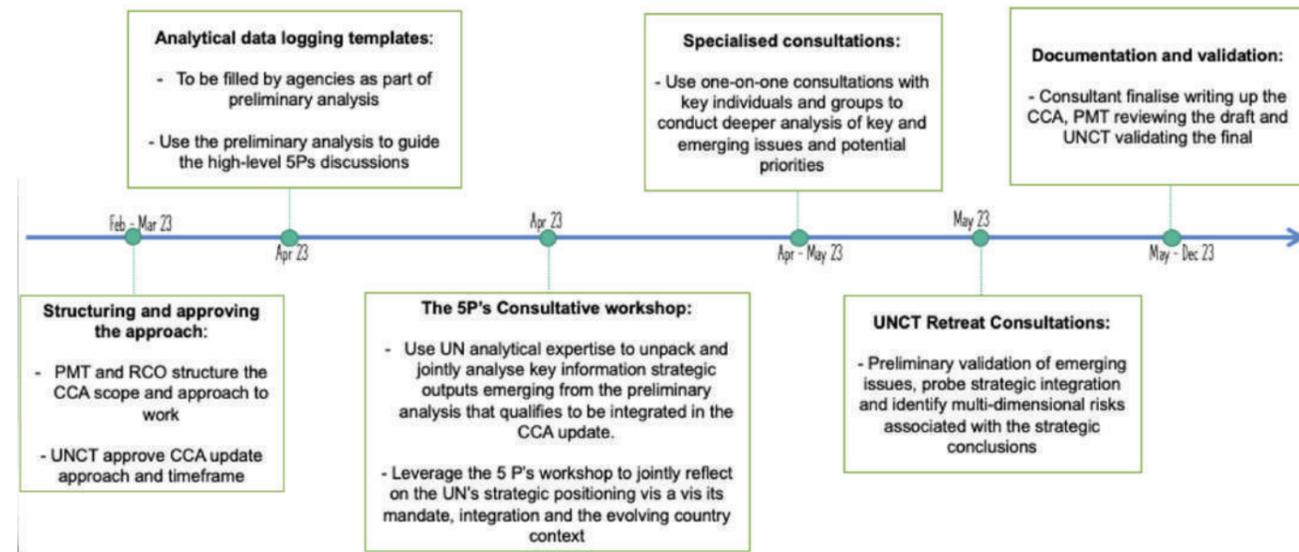
Figure 24:
The CCA conceptual framework



ANNEX 2: THE CCA PROCESS AND TIMELINES

The 2023 CCA was conducted in four successive phases including the planning and strategizing phase; Data gathering; Data analysis and report synthesis, presentation, and validation illustrated in the figure below.

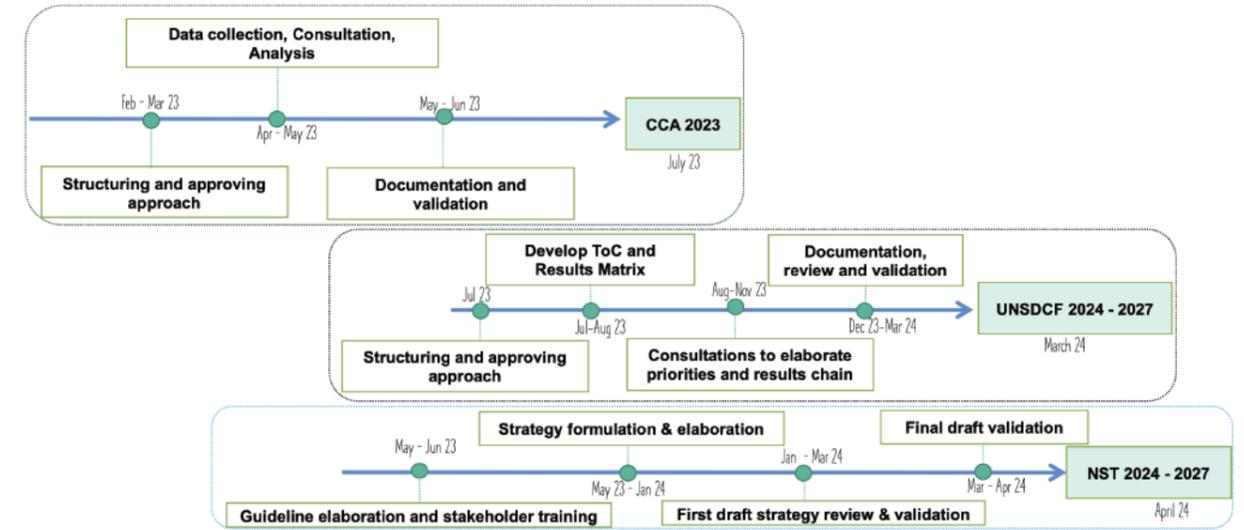
Figure 25:
The CCA process and approach



Given that the 2023 CCA is developed at a critical point in Rwanda's development cycle the analysis and reporting is systematically aligned to the national mid-term framework planning cycle. The NST1 concludes in June 2024, elaboration of the second generation of the National Strategy for Transformation commenced in March 2023 and is schedule to conclude in April 2024.

Concurrently, elaboration of the UN Cooperation framework, required by UNSDG guidance to strategically align with the NST, commences in December 2023 with plans to conclude in March 2024. Therefore, the CCA is timely in providing the strategic evidence necessary to complement the UNSDCF formulation. The roadmap of the concurrent processes is provided in the figure below.

Figure 26:
The CCA timeline in the national context



ANNEX 3: TRACKING LIVING NO ONE BEHIND 2023

| Who is left behind? | Furthest Behind/Most at Risk? | Why? (Drivers) | What and how to respond? (Recommendations) | Supporting Institutions |
|----------------------------------|---|--|---|---|
| Women | Rural poor women, women with disabilities, FHH | Culture, poor targeting, violence | Scaling up GEWE at all levels, policy addressing drivers of women vulnerabilities | UN agencies UNWOMEN, MIGEPROF, INGOs |
| Youth | Youth living with disability, young women and vulnerable youth from rural areas. | Labour market imperfections, lack of proper skills | Overseeing implementation of existing policies, involving all UN agencies in JPs | UN agencies, UNDP, FAO, UNICEF, KOICA, MYCULTURE, MIFOTRA, BDF, |
| Young girls | Pregnant minors, drug abusers, orphans | Lack of guidance, weak family bonds, technology/internet, bad men, boys | Scaling up national and family support schemes and enforcing law enforcement frameworks | MIGEPROF, UNWOMEN, UNICEF |
| Persons With Disabilities | Rural areas, refugees in all categories | Stigma, discrimination, poor enforcement of laws and conventions, poor knowledge of disability | Strategies to enforce laws and regulations, education on rights and access to justice | UNDP, UNICEF, NUDOR |
| Infants and Children | Infants and children with disabilities, chronic or acute illnesses and/or with undernutrition including Low Birth Weight babies | Extreme poverty, food insecurity limited access to health services and vaccination, low education of mothers and sensitisation | Increased support to vulnerable infants because of disability and diseases | UNICEF, MIGEPROF, MoH, ECDC |
| Refugees | Widow, women, young refugees, refugee children, disabled refugees | Stigma, poverty, exclusion | Integration in national programme initiatives | UNHCR, MINEMA |
| Migrants | Irregular migrants, victims of trafficking in person | Poverty, political forces, trafficking, child labour, organ trade | Laws on abuse of migration principles and enforcing conventions on migration | IOM, MINEMA |
| Aging population | Rural areas, those with terminal illnesses | Poverty, exclusion, minority | Policy framework | MINALOC, RSSB, UNFPA |
| Internally Displaced People | In hilly areas, in informal settlements in Kigali | Climate change effects, floods, | Early warning schemes, and planning for disaster management adaptation and mitigation of effects of climate change | MINEMA, IOM, UNHCR |
| Urban poor | In high-risk zones and informal settlements, mostly in urban areas | Climate change effects, floods, | Early warning schemes, and planning for disaster management adaptation and mitigation of effects of climate change | MININFRA, UNHABITAT |
| Small-holder farmers | In rural areas owning mostly less than, 0.4ha of arable land | Climate change effects, poverty, food insecurity, social security | Early warning schemes, and planning for disaster management adaptation and mitigation of effects of climate change | MINAGRI, UNDP, FAO |
| People Living with HIV | Female Sex workers and men who have sex with men | Stigma, poverty, exclusion, drug abuse | More inclusive and friendly, differentiated testing and treatment services including long acting injectables. Focused HIV precision prevention programs. Targeted social protection interventions empowering sex workers to mitigate health and safety risks afferent to sex work | UN Women, UNAIDS, UNICEF, RBC, MoH, MIGEPROF |
| Historically marginalised people | All categories including children, youth, women and men located in urban or rural settings | Culture, Extreme poverty, inadequate representation in governance structures, low education, landlessness. | Integrated programming that factors historical and cultural differences that drive poverty of the HMP group. | All UN agencies, MINUBUMWE, MYCULTURE |
| LGBTQ | In refugee camps and rural societies and those living with HIV | Poverty, Stigma and discrimination that drives them deep underground and limits their access to services | Cultural education and counselling with support through programmes that have access to the group | RBC, MoH, UNAIDS, UNHCR |

ANNEX 4: FRAMEWORK FOR FOOD SYSTEMS ENTRY POINTS FOR THE UN IN RWANDA

| A1. Selected food system initiatives and programmes | | |
|---|--|---|
| Food Production Systems | Food and Nutrition Security SafetyNet | Access to Finance in Agriculture |
| <ul style="list-style-type: none"> ▪ Crop Intensification Programme (CIP) ▪ Agriculture Subsidy Programme with different components (SSI, Seeds, and Inputs) ▪ Innovative and community participation extension Models such as FFS and TWIGIRE MUHINZI with support from RAB. ▪ Investment in Agriculture Infrastructure: Productive infrastructure, post-harvest, and Processing. ▪ Climate resilient and regenerative agriculture (e.g., Climate Smart Agriculture best practices, conservation of agricultural land). ▪ Livestock Intensification Programme. ▪ Commercialization of key traditional and non-traditional crops. ▪ Smart or precision agriculture to improve agriculture farming activities. ▪ Improved access and utilization of animal source food specifically eggs ▪ Innovations – egg powder, small fish powder, LSFF (Large Scale Food Fortification), bio-fortification and food market regulations/standards | <ul style="list-style-type: none"> ▪ National Strategic Grain Reserve ▪ One Cow per poor Family ▪ Social Protection Programme – Subsidy for production ▪ School Feeding Programme ▪ School Aged Children and Adolescent Nutrition ▪ Early Child Development Programme ▪ Nutrition responsive agriculture and social protection programs | <ul style="list-style-type: none"> ▪ Crop Insurance Programme ▪ Access to finance initiatives (e.g., Special Financial Products from commercial and Development banks, BDF products, etc.) ▪ Cooperative membership (e.g., Village Savings and Loan Associations) ▪ Incentivize production of safe and affordable nutritious products |
| A2. Pilot food systems transformation programmes | | |
| 1. Climate resilient production systems (both food and animals) <ul style="list-style-type: none"> ▪ Strengthen the Implementation of CIP and LIP by: <ul style="list-style-type: none"> ○ Establishment of Special Agribusiness Zones to operationalize the food system's approach and the PPP model in agriculture. ○ Enhancing climate-smart agriculture ○ Integrate best practices in food systems through Customised Agriculture Extension Services (CAES) and strengthening linkages between research, extension, and institutionalization of CAES/RAB/FFS. ○ Research and development to generate new technologies supporting agri-food systems by enhancing effective collaboration with research and academia. | | |
| 2. Inclusive Markets and Value Chain Development <ul style="list-style-type: none"> ▪ National strategic diversified food reserves (go beyond the food grains and consider other nutritious food supplements including diversified animal source food) ▪ Improved market access (e.g., feeder roads, PHH, processing, information sharing platforms, cold chains incentives) ▪ Food safety programmes (e.g., quality testing and compliance to standards, market regulations and mandatory fortifications) | | |
| 3. Special Programmes for Youth and Women's Empowerment in Agriculture <ul style="list-style-type: none"> ▪ Agripreneurship development, e.g., specific skills and capacity development. ▪ Access to finance, e.g., de-risking products and support services, collateral substitutes, revolving funds. ▪ Digitization of agriculture, e.g., User-friendly Monitoring system: Climate Change, market conditions, use of drones to manage pests and disease among other usages. | | |
| 4. Governance of the Food Systems <ul style="list-style-type: none"> ▪ Effective coordination of multi-stakeholders through established specific cross-sectoral coordination organ / entity. ▪ Ensure coherence of the Food Systems Transformation to the national Policies, Laws, and sector strategies. ▪ Rebranding agriculture, e.g., education, data, incentives to attract more investment and job creation, increase agriculture industrialization. | | |

| <ul style="list-style-type: none"> ▪ Costed National Multi-sectoral Food and Nutrition Policy/Strategy coordinated at highest level. ▪ Digitalization of agriculture through strengthening MINAGRI management information systems, market monitoring, food security assessment and M&E systems, etc. | | |
|--|---|--|
| A3. Coordination of Food Systems | | |
| Level of Coordination | Roles | |
| Ministerial Steering Committee | <ul style="list-style-type: none"> ▪ Strategic guidance and advisory role in implementation of Rwanda's food systems transformation agenda. ▪ Advise on evidence-based policy actions towards a sustainable and inclusive food systems transformation. ▪ Monitor national progress towards this transformation. | |
| PS Forum | <ul style="list-style-type: none"> ▪ Approve domesticated food systems plans, monitor, and evaluate the sectors progress | |
| Sector Working group | <ul style="list-style-type: none"> ▪ Convene Food systems stakeholders' clusters, those in the public sector who play a major role as custodians of the national policies, development partners, private sector, civil society organizations, academia, etc. | |
| A4. Selected Game Changers and Priority programmes | | |
| Selected Game Changers | Priority Programmes | |
| Game Changer #1: Nutritious Food Programmes. | <ul style="list-style-type: none"> ▪ National School feeding Programme. ▪ School Aged Children and Adolescent Nutrition. ▪ Early Childhood Development Programme (ECD). ▪ Social food safety nets. | |
| Game Changer #2: Food Waste and Loss Management. | <ul style="list-style-type: none"> ▪ Enabling environment for private sector led food loss and waste management. | |
| Game Changer #3: Inclusive Markets and Food Value Chains. | <ul style="list-style-type: none"> ▪ National strategic Diversified food reserves. ▪ Improved market access. ▪ Food safety programs ▪ Large Scale Food Fortification | |
| Game changer #4: Sustainable and resilient food innovation systems. | <ul style="list-style-type: none"> ▪ Climate resilient and regenerative agriculture. ▪ Knowledge exchange and customised extension services. | |
| Game changer #5: Inclusive innovative financing/investment | <ul style="list-style-type: none"> ▪ Inclusive and innovative financing schemes for small scale farmers ▪ Public Private Partnerships (PPPs) for investment in food systems (Processing, transport, storage/upstream components of value chains). ▪ Digital Climate Smart Agriculture introducing tools like sensors, drones, satellites imagery. ▪ Innovative approaches to safe and affordable nutritious products like egg powder and fish powder. | |
| Game Changer #6: Youth and women Empowerment | <ul style="list-style-type: none"> ▪ Entrepreneurship Skills development ▪ Access to finance | |

ANNEX 5: RWANDA CLIMATE STRESSORS AND RISKS PROFILE

| Climate Stressors | Risks |
|--|--|
| Agriculture <ul style="list-style-type: none"> Rising temperatures Increased duration of dry spells Increased frequency and intensity of heavy rainfall | <ul style="list-style-type: none"> Reduced tea and coffee production due to heat stress and shifting agro-ecological zones. Increased pest and disease incidence in crops and livestock Damage to crops, roads, and agricultural infrastructure; degraded agricultural lands; and loss of livestock from heavy rainfall, flooding, landslides, and soil erosion. |
| Water resources <ul style="list-style-type: none"> Rising temperatures and increased duration of dry spells Increased frequency and intensity of heavy rainfall | <ul style="list-style-type: none"> Warmer surface water temperatures accelerate bacterial growth and diminish water quality. Longer dry spells lead to water shortages and reduced flow increases contamination of rivers. Increased flooding from heavy rainfall events threatens water infrastructure and quality. |
| Human health <ul style="list-style-type: none"> Rising temperature Increased duration of dry spells and heat waves Increased heavy rainfall | <ul style="list-style-type: none"> Expanded area and duration of transmission of vector-borne diseases, e.g., malaria. Flooding leads to increased drowning, displacement, and diarrheal and other waterborne disease. Damage to health infrastructure due to flooding and landslides |
| Ecosystems <ul style="list-style-type: none"> Rising temperature Increased duration of heat waves and dry spells Increased frequency and intensity of heavy rainfall | <ul style="list-style-type: none"> Reduced and shifted ranges for native species leading to biodiversity loss. Increased physiological stress and disruption of wildlife and plant relationships. Increased wildfire severity. Habitat degradation from heavy rainfall events, particularly following longer dry spells. Decreased tourism revenue as wildlife and habitats are impacted. |
| Energy <ul style="list-style-type: none"> Increased duration of dry spells Increased frequency and intensity of heavy rainfall | <ul style="list-style-type: none"> Decreased hydropower production during dry spells. Increased siltation reduces hydropower production capacity and damages turbines. |

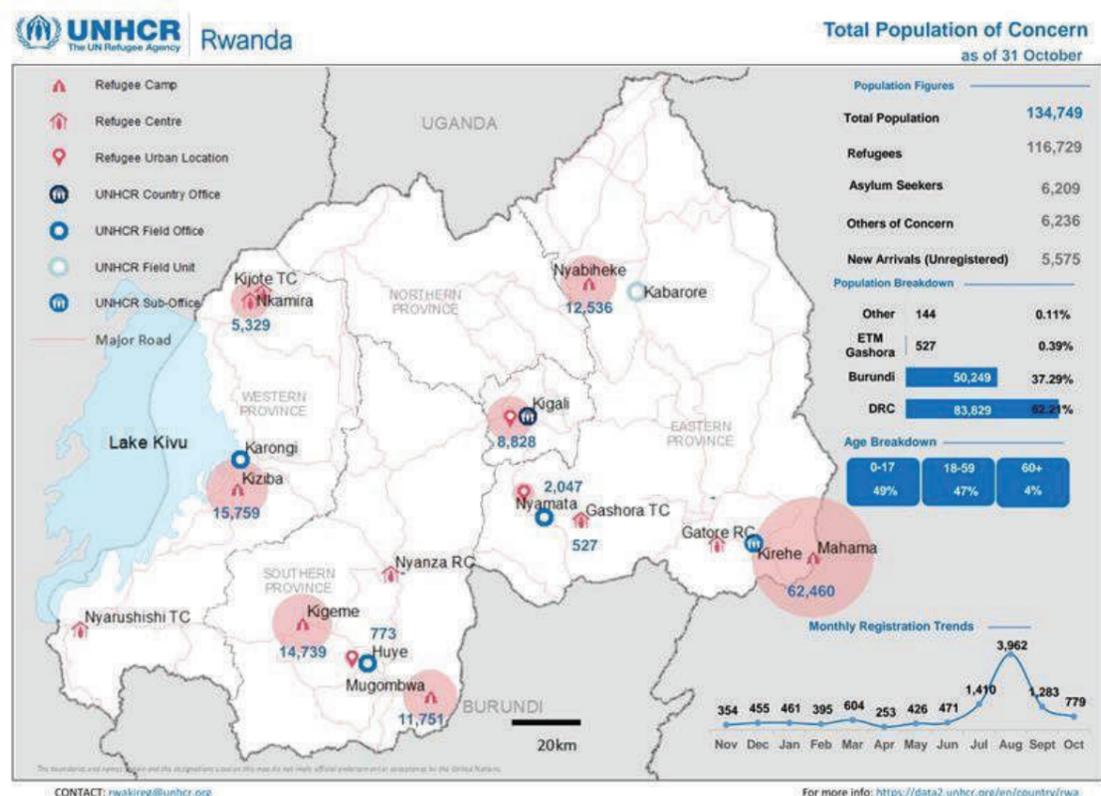
Source: Rwanda Risk Atlas

ANNEX 6: PROCESS AND EARLY WARNING INDICATORS FOR RISK MITIGATION

| Thematic risk areas | Processes | Early warning indicators | Data Sources |
|--|---|---|---|
| Poverty | Population structure, dynamics and growth and quality of life | Population growth rate, poverty head count ratio, GDP per capita, Gini Coefficient, MPI | MINECOFIN, UNFPA NISR: EICV, RPHC |
| Nutrition and food security | Food systems and land ownership by categories of people | Food insecurity measure, Stunting rates | MoH, MINAGRI, FAO, WFP, NISR: CFSVA, DHS, AHS |
| Health and wellbeing | State of health, human capital development, life expectancy | Child and maternal mortality rates, NCD prevalence | MoH, RBC, WHO NISR: RDHS |
| Human capital development | State of quality of education, human capital development | National examination pass rates, drop out and repetition rates, learning outcome scores | MINEDUC, UNICEF, UNDP HDI, LARS |
| Gender equality | Women participation in economic, social and governance spheres | Prevalence of VAWG, unemployment rates, women representation in leadership (public and private) | GMO, MIGEPROF, UN Women NISR: RDHS, WEF: GGI |
| Infrastructure, housing, and access to social services | Budgets allocations and affirmative social services improvements | Status of social infrastructure (Roads, health, WASH, facilities, schools, planned housing) | MININFRA, UNHABITAT Sector working group reports |
| Employment and decent work | Women and youth employment | Unemployment and underemployment rates. | MINIYOUTH, UNDP, NISR: LFS |
| Productivity and competitiveness | Performance of industry, agriculture, and services sectors | Growth rates of the 3 sectors, sub-sectors and sub-activities, change in sector contribution to GDP | MINECOFIN, UNECA NISR: GDP Accounts |
| Macroeconomic growth and stability | Macroeconomic performance, monetary and fiscal stability, budget and trade trends | Macroeconomic indicators, inflation, debt sustainability, trade and budget deficit. | MINECOFIN, MINICOM, BNR, IMF, WB: REU |
| Climate adaptation and mitigation | implementation status of NDCs, review of GGCRS | State of the Environment Report: GHG emissions, forest cover, agriculture output | MoE, FONERWA, REMA, NISR, UNDP, UNEP |
| Green economic growth | Advancements in green energy, transport, construction, and waste management. | State of the Environment Report: GHG emissions, forest cover, agriculture output | MoE, FONERWA, REMA, NISR, UNDP, UNEP |
| Disaster risk reduction and management | Implementation status of the DRM policy | Weather forecast capacities and trends, incidence, and severity of disaster damages. | MINEMA, Meteo Rwanda, WFP |
| Resilience and climate security | Implementation status of the RSI | State of social protection, graduation from poverty. | MINECOFIN, UNECA RSI report |
| Political stability | Dispensation of political rights and freedoms | Number of internal political instability incidents | UN peace and security reports. |
| Democratic governance | Electoral processes across at national and local levels | Level of citizen participation in elections, non-state actors' engagement with government | NEC, RGB, UNDP Civil Society reports |
| Local governance and decentralisation | Public service delivery, capacity building for local administration | Citizen satisfaction with public service delivery from local government | MINALOC, RGB, UNDP: CRC |
| Unity and reconciliation | Civic engagement peacebuilding and reintegration initiatives | State of social cohesion and national unity, incidence of genocide ideology related crimes. | MINUBUMWE, RGB, UNDP: RRB |
| Justice and Rule of Law | Dispensation of equitable and timely justice and access to justice | Citizen satisfaction with JROLS sector, case backlog in the justice system | MINIJUST, RGB, UNDP CRC and RGS |
| Human rights | NCHR promotion and protection monitoring and implementation activities | Status of implementation of UPR recommendations and incidence of human rights abuses | NCHR, MINIJUST, OHCHR UPR reports |
| Regional and transboundary peace and security | Implementation of the UN Great Lakes Regional Strategic Framework (UN GLRSF) | Status of implementation of the UNGLRSF and incidence of transboundary conflicts, tensions and acts of aggression across state lines. | RCO, UNGLRSF Progress reports |
| Humanitarian and peace development nexus | Disaster monitoring, regional peace and stability frameworks and migrant and refugee influxes | Status of internally displaced persons, refugees, and migrants. | MINEMA, IOM, UNHCR |

| Thematic risk areas | Processes | Early warning indicators | Data Sources |
|------------------------------------|---|--|---|
| Internal financing for development | Balance of payment and national revenue, budget deficits, and INFF implementation | Status of NST finance mobilisation and deficits including domestic revenue, remittances and private borrowing. | MINECOFIN, RRA, BNR BOP reports, INFF status reports |
| External financing for development | ODA financial flows and status of blended financing. | Status of ODA, SDG financing, green financing and other external sector financing | MINECOFIN, BNR, External Financing Annual report |
| Development cooperation | Implementation of triangular cooperation and formal partnerships with private sector and civil society. | Status of south to south, south to north and triangular cooperation. | Rwanda cooperation, UNDP |

ANNEX 7: REFUGEE POPULATION STATISTICS



ANNEX 8: LIST OF CONSULTED INSTITUTIONS

| Institution | Focus Areas |
|--|---|
| 1 Swiss Agency for Development Cooperation (SDC) | Governance and Decentralisation |
| 2 Swedish International Development Agency (Sida) | Gender and Inclusion |
| 3 Foreign Commonwealth and Development Office (FCDO) | Public policy engagement |
| 4 German Corporation for International Cooperation (GIZ) | Governance and Decentralisation |
| 5 The world Bank | Urbanisation and Rural Settlement |
| 6 Norwegian Peoples Aid | Citizen Participation |
| 7 Never Again Rwanda | Unity and Reconciliation and CSO engagement |
| 8 Transparency International Rwanda | Public Accountability |
| 9 Ministry of Finance and Economic Planning | National planning, monitoring, and evaluation |
| 10 Ministry of Local Government | Local socio-economic development |
| 11 Ministry of Cabinet Affairs | National planning and implementation |
| 12 Ministry of Agriculture and Animal Resources | Agriculture development |
| 13 Ministry of Health | Health, nutrition and child development |
| 14 Ministry of ICT and Innovation | Digital transformation |
| 15 National Institute of Statistics of Rwanda | Performance contracts (Imihigo) |
| 16 Gender Monitoring office | Gender mainstreaming |
| 17 Rwanda Governance Board | Transformational governance |

ANNEX 9: REFERENCE DOCUMENTS

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ABBREVIATIONS

| | | | | | |
|---------|---|-----------|---|-----------|--|
| AfCFTA | African Continental Free Trade Area | LODA | Local Administrative Entities Development Agency | RRB | Rwanda Reconciliation Barometer |
| AU | African Union | M&E | Monitoring and Evaluation | SDGs | Sustainable Development Goals |
| CCA | Common Country Analysis | MIGEPROF | Ministry of Gender and Family Promotion | SGBV | Sexual and Gender Based violence |
| CF | Cooperation Framework | MINAGRI | Ministry of Agriculture and Animal Resources | SWG | Sector Working Groups |
| CoK | City of Kigali | MINALOC | Ministry of Local Government | SRHR | Sexual and reproductive health and rights |
| COMESA | Common Market for Eastern and Southern Africa | MINECOFIN | Ministry of Finance and Economic Planning | ToC | Theory of Change |
| COP | Conference of Parties | MINEDUC | Ministry of Education | ToR | Terms of Reference |
| CCA | Common Country Analysis | MINEMA | Ministry of Emergency Management | UN | United Nations |
| CSO | Civil Society Organisation | MINICOM | Ministry of Trade and Industry | UNAIDS | Joint United Nations Programme on HIV/AIDS |
| RDHS | Rwanda Demographic Health Survey | MINICT | Ministry of ICT & Innovation | UNCDF | United Nations Capital Development Fund |
| DP | Development Partners | MININFRA | Ministry of Infrastructure | UNCG | United Nations Communication Group |
| DPCG | Development Partners Coordination Group | MINIYOUTH | Ministry of Youth & Culture | UNCT | United Nations Country Team |
| DRC | Democratic Republic of Congo | MINIJUST | Ministry of Justice | UNCTAD | United Nations Conference on Trade and Development |
| DRM | Disaster Risk management | MINUBUMWE | Ministry of National Unity and Civic Engagement | UNDAP | United Nations Development Assistance Plan |
| EAC | East African Community | MoE | Ministry of Environment | UNDG | United Nations Development Group |
| ENR | Environment and Natural Resources | MoH | Ministry of Health | UNDP | United Nations Development Programme |
| ERF | Economic Recovery Fund | MSMEs | Micro Small and Medium Enterprises | UNECA | United Nations Economic Commission for Africa |
| FAO | Food and Agricultural Organisation | NCDA | National Child Development Agency | UNEG | United Nations Evaluation Group |
| FGD | Focus Group Discussion | NDCs | Nationally Determined Contributions | UNEP | United Nations Environment Programme |
| FONERWA | Rwanda Green Fund | NGM | National Gender Machinery | UNESCO | United Nations Educational, Scientific and Cultural Organization |
| GBV | Gender Based Violence | NGO | Non-Government Organisation | UNFPA | United Nations Population Fund |
| GEWE | Gender Equality and Women's Empowerment | NISR | National Institute of Statistics of Rwanda | UNHabitat | United Nations Human Settlements Programme |
| GGCRS | Green Growth and Climate Resilience Strategy | NST 1 | National Strategy for Transformation 2017 - 2024 | UNHCR | United Nations High Commissioner for Refugees |
| GoR | Government of Rwanda | OHCHR | Office of the United Nations High Commissioner for Human Rights | UNICEF | United Nations Children's Fund |
| HDP | Humanitarian-Development-Peace nexus | PBF | Peace-Building Fund | UNIDO | United Nations Industrial Development Organization |
| HR | Human Rights | PMT | Programme Management Team | UNSDCF | United Nations Sustainable Development Cooperation Framework |
| HRBA | Human Rights Based Approach | PSC-F | Peace, Security and Cooperation Framework | UNV | United Nations Volunteers |
| HRZ | High Risk Zone | PSEA | Prevention of Sexual Exploitation and Abuse | UNW | UN Women |
| IECMS | Integrated Electronic Case Management System | PSF | Private Sector Federation | UPR | Universal Periodic Review |
| IFAD | International Fund for Agricultural Development | RAB | Rwanda Agriculture Board | VNR | Voluntary National Reporting |
| ILO | International Labour Organisation | RBC | Rwanda Biomedical Council | WASAC | Water and Sanitation Corporation |
| INFF | Integrated National Financing Framework | RC | Resident Coordinator | WASH | Water, sanitation, and hygiene |
| INGO | International Non-Government Organisation | RCO | Resident Coordinator's Office | WFP | World Food Programme |
| IOM | International Organisation for Migration | RDB | Rwanda Development Board | WHO | World Health Organization |
| ITC | International Trade Centre | REB | Rwanda Education Board | | |
| JP | Joint Programme | REMA | Rwanda Environment Management Authority | | |
| JRLOS | Justice, Reconciliation, Law and Order Sector | RNP | Rwanda National Police | | |
| KPI | Key Performance Indicators | | | | |
| LNOB | Leave No One Behind | | | | |





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