



# Rwanda FY 2025/26 Budget

**Private sector opportunity field guide**

Identifying where the real opportunities lie for business





## Commentary

Rwanda's 2025/26 budget marks a critical point for the nation and for anyone engaged in business. The Government has set out an ambitious growth agenda, but it recognises that lasting success depends on strong collaboration with private-sector partners. This year's budget explicitly calls on business owners, investors and innovators to participate in building Rwanda's future.

This guide is designed to translate budget priorities into clear, actionable insight. It identifies the most promising areas for private sector involvement, outlines how businesses can engage and clarifies what public officials hope to see from prospective partners. Whether you work in financial services, manage a manufacturing enterprise, advise clients as a consultant or operate in tourism, healthcare, agribusiness or technology, the analysis that follows will help you position your organisation to contribute to—and benefit from—Rwanda's next phase of growth.

Crucially, under the second National Strategy for Transformation (NST2), the Government intends not merely to deliver projects itself but to procure close to half of all planned outputs from private providers. Many initiatives and services remain unallocated, creating an exceptional opening for companies and entrepreneurs to step forward, demonstrate measurable results and play a defining role in the country's ongoing transformation.



## In summary

Rwanda's national budget for 2025/26 is **FRW 7,032.5 billion (about USD 5.5 billion)**. This budget is the second step in the country's new five-year plan, called the National Strategy for Transformation 2 (NST2), which aims to make Rwanda a modern and inclusive, knowledge-based economy by 2050. However, more than **60%** of this money is already set aside for things like government salaries and paying off debt. That leaves about **FRW 2.7 trillion** that the government can use more flexibly. Instead of spending this money itself, the government is inviting private businesses, banks and entrepreneurs to step in and help deliver important projects and services that haven't been assigned yet. NST2 is not just a government implementation plan—it is a private sector delivery mandate, with the government explicitly seeking private actors to fill the delivery gap and accelerate national transformation.

Key points to know:

- A significant part of the **government's planned projects and goals for this five-year period don't yet have anyone assigned to deliver them**. This means there's a huge opportunity for private companies, banks and innovators to get involved and make a real impact.
- The government has identified nine main areas—like agriculture, green energy, water, transport, housing, finance, digital technology, climate projects, and health and education—where there's a lot of money available for private partners who can deliver results. In addition, digital public infrastructure and green finance are rapidly expanding fields, with strong demand for innovative solutions and audit-proof delivery partners.
- If banks, investors, consultants, hotel operators and tech entrepreneurs focus on projects that help the government meet its targets, they can earn strong profits (often between 17% and 21%). The government is also offering ways to reduce risk, like co-financing, performance-based contracts and working with local savings groups (SACCOs). Capital markets are expanding, with new products like green bonds, diaspora bonds and SME bonds, and pension reforms are creating a larger pool of long-term capital for private investment.
- The best time to act is before the middle of 2026. After that, more of the budget will be locked up in finishing big projects and paying debts, so there will be fewer new opportunities. Those who show results early will be in the best position for future funding. The government will fund what already works, not just new ideas, so early demonstration of results is critical.

In short, NST2 isn't just a government plan—it's a call for the private sector to help deliver Rwanda's future. The government has set the direction, but it's looking for businesses and organisations to help make it happen. Specialisation, readiness and alignment with government priorities are key to success.

## 1. Budget at a glance

Aggregate item	FRW Bn	Share of total	Status
Recurrent expenditure	4,298.6	61.2 %	Non-negotiable
Capital expenditure (Ongoing)	1,876.9	26.7 %	Mostly signed EPCs
Equity and strategic investments*	701.8	10.0 %	Ring-fenced
Policy lending and other	155.3	2.1 %	Case-by-case
<b>Total spending</b>	<b>7,032.5</b>	<b>100 %</b>	

\*Major holdings: Bugesera Airport Phase II, RwandAir fleet/route expansion, BRD top-ups.

This table shows how Rwanda's total budget for 2025/26 (FRW 7,032.5 billion) is divided. Most of the money is already committed to essential government functions—like paying salaries, running public services and repaying debt. Only a small portion is truly flexible and available for new projects or private sector partnerships. If you want to benefit from this budget, you need to focus on the small slice that is still “up for grabs” and be ready to deliver results quickly.

## 2. Allocation map – Follow the flood, Not the drizzle

NST2 pillar	FY 25/26 allocation (FRW Bn)	% of budget	Three-year *CAGR	Private co-investment gap (FRW Bn)	% outputs un-contracted
Economic Transformation	4,465.6	63%	+8.3%	1,900	46–52%
Social Transformation	1,533.8	22%	+4.1%	823	40%
Transformational Governance	1,033.1	15%	+3.8%	352	32%

\*CAGR (Compound Annual Growth Rate)

This table breaks down the budget by Rwanda's three main development goals (called “pillars”). It also shows how much of each pillar's planned work is still looking for someone to do it—meaning there are many opportunities for private companies to step in and help deliver results.

### What does this mean for you?

- The biggest part of the budget (63%) goes to projects that help grow the economy—like building roads, supporting farmers and expanding energy. But there's still a gap of FRW 1.9 trillion that the government can't fill alone, and nearly half of these projects don't have anyone assigned yet. This is a big chance for private companies to get involved.
- The next biggest area (22%) is about improving people's lives—health, education and social support. There's a gap of FRW 823 billion here, and 40% of the work is open for private delivery.
- The last area (15%) is about making government work better, especially through digital tools and better management. There's a gap of FRW 352 billion, and about a third of the work is still unassigned.

Altogether, there's about FRW 3.1 trillion in opportunities for private investment and partnerships across all these areas in the coming year. The government is actively seeking private partners to deliver post-harvest facilities, logistics, digital platforms, climate-resilient solutions, health technology, education content, skills training, social protection systems and digital governance tools.

### 3. Nine high-yield opportunity corridors

This table highlights the nine main sectors (“corridors”) where the government is investing heavily and where there is a big gap for private companies to fill.

The “State outlay” is what the government is spending, while the “Estimated private gap” is the extra amount needed from private investors and businesses to reach national goals. The last two columns give examples of the kinds of projects or services that are needed and the profile of the companies that could support these projects.

Corridor	State outlay (FRW Bn)	Estimated private gap (FRW Bn)	Example opportunities	First-mover profile
Agro-industrial value chain	222	294	Seed multiplication, blended fertiliser plants, solar cold-rooms, warehouse-receipt finance, bundled crop and livestock insurance	Input makers, insurers, logistics firms, agri/fintechs
Energy and green transition	202	140	Ancillary works on Nyabarongo II, mini-grids, SHS last-mile, improved cook-stove fabrication, carbon-credit structuring	IPPs, appliance manufacturers, carbon-fund advisors
Water and sanitation	165	95	Rural scheme PPP O&M, small-town sewerage, sludge-to-fertiliser, smart metering	Engineering SMEs, impact investors
Transport and logistics	252 (+700 Bugesera equity)	—	Aggregates supply, fleet-leasing, digital ticketing, Lake Kivu cargo services, bonded warehousing near SEZs	Civil contractors, 3PL operators, fintech ticketing start-ups
Urbanisation and housing	75	55	Green bricks, asbestos-free retrofit, IDP model-village PPPs, affordable rental stock	Green construction firms, REITs
Financial deepening	12 (direct)	70 (indirect)	Core-banking for 27 District SACCOs, cooperative bank consolidation, green and diaspora bond structuring	Core-bank vendors, reg-tech firms, arrangers
Digital public infrastructure	98	100	e-ID authentication APIs, national data hub connectors, cybersecurity MSS, rural LTE roaming	Telcos, SaaS vendors, cyber boutiques
Human capital—Health and education	1,276 (combined)	350	Diagnostic-equipment leasing, hospital PPPs, TVET tooling, ECD nutrition value chains	Med-tech lessors, ed-tech providers, food processors
Climate finance and environment	132	80	Ireme Invest pipeline origination, forest carbon credits, weather-index insurance, climate-smart inputs	Advisors, MRV tech, reinsurers

In short: These are the “hot spots” for private sector investment. The government is putting money in, but much more is needed—so if you can provide solutions in these areas, there is a clear path to growth and partnership.

## **What does this mean for businesses?**

- These nine areas are where the biggest and most practical opportunities are for private companies. For example, in health and education alone, the government is spending FRW 1,276 billion, but there's still a lot of room for private companies to provide things like medical equipment, online learning and nutrition services. In digital public infrastructure, there is a “quiet gold rush” for companies that can connect their products to multiple government systems, with strong demand for cybersecurity, digital payments and cloud services.
- In agriculture, the government is spending FRW 222 billion, but private investment needs to fill a gap of over FRW 294 billion, especially in things like storage, transport and climate-friendly farming tools. Bundled solutions that combine inputs, insurance and digital extension services can yield high returns.
- In energy, it's not just about building power plants. There's a big need for reliable electricity in homes and businesses, clean cooking solutions and ways to earn money from carbon credits. Over FRW 140 billion in contracts are still available for private companies, and the government is open to public-private partnerships for scaling up production and distribution of clean energy solutions.

Altogether, there's more than FRW 3 trillion in opportunities for private businesses across these nine areas, with the potential for good profits if you can offer bundled services, use government support to reduce risk and align with NST2 priorities.

## 4. Sector deep-dives

### 4.1 Agriculture and food logistics

This table breaks down the agriculture opportunity into specific “links” in the value chain. For each link, you see how much the government is spending, how much more is needed from private investors and examples of business models that could fill the gap. The “Private gap” is the extra investment needed to make these projects work at scale.

Link in chain	Public money 2025/26 (FRW Bn)	Private gap (FRW Bn)	What to build now
Seed and input multiplication	20	34	Mobile last-mile input agents; digital input-credit wallets linked to Ejo Heza savings; local seed production and certification services
Irrigation and water	35	58	Pay-per-use solar-pump fleets; micro-metering and SMS billing; smallholder irrigation-as-a-service; climate-smart water management
Post-harvest storage	18	90	Lease-to-own village silos; grain quality IoT sensors sold as subscription; warehouse receipt systems; digital inventory management
Cold-chain and dairy	27	62	Solar chillers at MCCs; milk-collection route optimisation apps; cold-chain logistics for horticulture and fisheries; dairy processing and packaging
Crop and livestock insurance	5	20	Bundled insurance products for crops and livestock, integrated with SACCOs and digital payment platforms
Agri-finance	10	30	Input credit, value chain finance and matching grants for cooperatives and SMEs

Each step in the agricultural process—from seeds to storage to insurance—needs more private investment. If you can provide these services or products, there is a clear business case and government support to help you succeed. Businesses that can offer solutions across all these areas—seeds, irrigation, storage, cold-chain, insurance and finance—stand to make strong returns if they also add services like crop insurance, digital extension and financing for stored goods. There is also a growing market for climate-resilient inputs, digital farm management tools and export logistics. The government is scaling up agriculture insurance and matching grants and is open to partnerships for expanding strategic grain reserves, aquaculture and livestock productivity.

The table above shows that the largest private gap is in post-harvest storage (FRW 90 billion), followed by cold-chain and dairy (FRW 62 billion) and irrigation and water (FRW 58 billion). These are priority areas for private investment, with bundled solutions offering the highest returns.

- The government is putting FRW 222.3 billion into agriculture this year, but the sector needs more than FRW 500 billion. That leaves a gap of about FRW 294 billion for private investment in things like better seeds, irrigation, storage, refrigerated transport and insurance for farmers and livestock.
- Big opportunities include: setting up mobile agents to deliver farm inputs, creating digital wallets for farmers to buy supplies, producing and certifying seeds locally, offering solar-powered irrigation that farmers pay for as they use it, building village storage silos, using sensors to track grain quality, and providing insurance for crops and animals (with the government covering 40% of the insurance cost). If you combine these services, you could see returns of 17%–21%, especially if you also offer digital advice and financing to farmer groups.
- The government is looking for private partners to help boost farm productivity, improve irrigation, handle crops after harvest and promote exports. They're offering matching grants and insurance subsidies to help reduce the risk for private investors.

#### **4.2 Energy and clean cooking**

The government is spending FRW 201.9 billion on energy, including a big hydroelectric project (Nyabarongo II) that's almost halfway done. There's still FRW 65 billion in contracts available for private companies to help build and maintain energy projects.

There's also a big push to get 125,000 improved cookstoves into homes, which could generate about US \$4 million a year in carbon credits. Businesses can make money by assembling stoves locally, selling carbon credits, or offering stoves as a monthly subscription (about FRW 1,500 per household).

Other opportunities for private companies include building small solar power grids, selling solar home systems, providing energy-saving appliances for rural businesses, doing energy audits and offering maintenance services. The government is open to working with private partners to expand clean energy solutions.

#### **4.3 Water and sanitation**

The government is spending FRW 165 billion on water and sanitation, focusing on projects like rural water systems, small-town sewage and turning waste into fertilizer. These projects can get funding from both public and private sources, especially if they help fight climate change.

Contracts for running these systems are being set up so that companies get paid based on how many people they connect to water or sanitation services. This creates opportunities for small engineering firms, impact investors, and funds focused on environmental, social and governance (ESG) goals.

#### **4.4 Transport and urban mobility**

- The government is building and upgrading roads, ports and public transport, but there's a big need for private companies to add technology and make these systems work better. For example, you could:
  - Set up digital checkpoints and tolls on new roads
  - Provide GPS tracking and real-time ticketing for buses
  - Offer refrigerated containers and insurance for goods at new ports
  - There are also opportunities in smart ticketing, leasing vehicles, building warehouses near special economic zones, and using drones for deliveries and inspections as Rwanda's logistics sector grows.

#### **4.5 Health and education**

- The health sector is getting FRW 462.7 billion, but most clinics and hospitals still don't have digital systems to track patients or manage data. There's a big need for affordable medical equipment that clinics can lease, telemedicine platforms, digital health records, and better ways to detect fraud and manage insurance claims. Companies that can provide these services and work with the national health insurance system can earn steady income.
- The education sector is getting FRW 813.1 billion, but there's still a need for online learning content, technical training labs, digital certificates and ways to assess students' skills. Private companies are needed to build job-matching websites, remote internship platforms and digital classroom tools. There's also a growing market for student loans, education savings plans and managing scholarships.

#### **4.6 Digital public infrastructure**

- The government is spending FRW 97.5 billion on information and communication technology (ICT), including big projects like a national data centre, online land records, digital ID systems and dashboards for local governments. Many of these projects are still open for private companies to build and manage.
- If your company can connect its products to two or more of these digital systems, you can quickly become a supplier to many government agencies, hospitals and savings groups. There's strong demand for cybersecurity, digital payments, cloud services and technology that helps with government compliance and financial management.

#### **4.7 Tourism and MICE**

Tourism is getting FRW 8.6 billion directly, but the real opportunity is in the 18 special tourism zones the government has set up.

Only four of these zones have enough hotels and lodges, so there's a big chance for private companies to build accommodation and create new tourism experiences in places like Nyungwe, Akagera and Volcanoes National Parks.

The government is building roads and other infrastructure, but it needs private partners to design, market and run new tourism products. Great opportunities include eco-friendly retreats near Volcanoes National Park, floating conference centres on Lake Kivu and digital booking systems for heritage tours. If you import buses with more than 50 seats, you don't pay import tax, and there are tax breaks for equipment and materials used in tourism projects.

#### **4.8 Governance tech and compliance**

The government is spending FRW 307.3 billion on improving how government works, and FRW 610.1 billion on justice and law enforcement. There's a growing need for digital systems to help with things like buying goods and services, tracking government assets, managing elections and making sure banks follow anti-money laundering rules.

Many of these jobs haven't been assigned yet, so there are opportunities for companies that provide technology for compliance, audits and digital management. Other opportunities include digital identity checks, monitoring financial transactions, cross-border compliance, online platforms for public feedback and managing government assets digitally.

#### 4.9 Consulting and professional services

Reform stream	FY 25/26 budgeted	Gap needing private execution	Illustrative services
Public financial management	106.8 Bn	37 Bn	IPSAS roll-out, expenditure tracking, climate-tagging audits
Climate budget tagging	N/A (policy)	12 Bn	Methodology design, training, IT tagging modules
Performance-based planning	N/A (policy)	21 Bn	Results frameworks, digital dashboards
Debt sustainability	3.5 Bn	5 Bn	Eurobond refinancing, liability-management operations

The way consultants and professionals get paid is changing. Now, contracts are often based on results—meaning you get paid for delivering specific outcomes, not just for your time. Many of these contracts are funded by donors or tied to international audit frameworks. If you can show that your work helps the government meet its targets and move NST2 indicators, you'll be in a strong position to win more business. Specialise in one domain, align with government and donor priorities, and structure contracts on delivery, not time.

#### 5. Finance and capital markets

Indicator	Value (FRW Bn)	Notes
Domestic borrowing (2025/26)	136.6	Low government competition for bank liquidity
PSSF capital base	650	Blended loans, guarantees, TA for private sector
Projected GDP growth (2025-2027)	7%+	Strong macro-outlook for investors
Capital market turnover (2024)	Record high	Driven by new bond products
Pension fund pool (2025/26)	Growing	Due to reforms and higher contributions

- The government is only planning to borrow FRW 136.6 billion from local banks this year, so there's plenty of money available for banks to lend to private projects. Banks that create sector-specific loan products aligned with government priorities (agriculture, energy, health, education, green finance) will find less competition from the government and more room to make a profit.
- Rwanda's economy is expected to grow by more than 7% each year from 2025 to 2027, which is good news for investors.
- The Private-Sector Support Facility (PSSF) has FRW 650 billion available to help private companies with loans, guarantees and technical support, especially in manufacturing, mining and building supply chains. The PSSF is open to working with local banks and investors, and is designed to accelerate domestic production, value addition and industrialization.

- Rwanda's stock market is growing fast, with lots of interest in green bonds, diaspora bonds and bonds for small businesses. Pension reforms mean more money is available for long-term investments, creating new opportunities for private pension managers, insurance companies and investment advisors. There is strong demand for innovative financial products, including SME bonds, diaspora bonds and climate finance instruments.

#### **Quick wins for banks and businesses:**

- Create special loan programmes for key sectors like farming, energy, health, education and green projects, with fast-track approval processes for projects that meet NST2 targets.
- Offer new types of bonds (like green bonds, SME bonds or bonds for the Rwandan diaspora) to tap into new investor segments.
- Build and sell systems that help measure environmental and social impact (ESG), partnering with government and development partners to pilot climate budget tagging and green finance solutions.
- Develop digital payment and savings products that work with national savings programmes like Ejo Heza and local savings groups (SACCOs), supporting financial inclusion and mobilising domestic savings.

#### **What does this mean?**

Because the government isn't borrowing much from local banks, banks have more money to lend to private businesses, especially in important sectors. The PSSF and new stock market products are meant to help get more private money into projects that make a real difference and help Rwanda meet its development goals.

### **6. Fast-track playbook by stakeholder**

<b>Who</b>	<b>What to do now (next 90 Days)</b>	<b>What to do over 12 months</b>	<b>Reason for success</b>
Banks and development finance	Launch concessional lines for irrigation via SACCOs, set up NST2-aligned lending desks	Arrange green and diaspora bonds for Bugesera cargo village and other major projects	Lower risk through government co-financing and climate-linked assets; strong demand for sector-specific products
Construction and engineering SMEs	Get pre-qualified for road projects, JV on port auxiliary services	Partner on port services at Rusizi and Rubavu, expand into urban housing retrofits	Pipeline is shovel-ready; government pays fast; strong infrastructure push
Tech entrepreneurs	Prototype e-ID API for land, tax and health, build digital compliance tools	License your platform to 30 district SACCOs, expand to other government systems	Digital mandate ensures steep adoption; government is prioritising digital public infrastructure
Consultants	Align your proposals with climate budget tagging and NST2 indicators	Set up a three-year contract to audit green spending, embed solutions in local governments	International funding is available for these services; performance-based contracts favoured

## 7. Risk map and timing

Risk	What could happen	How to protect yourself
Delays in loans for Bugesera airport	Contractors may run short on cash	Partner with international groups and use longer-term loans in US dollars
Bad weather or crop failure	Farmers may not repay loans	Offer crop insurance (with government subsidy) and share risk with local savings groups
Exchange rate changes (about 9% expected)	Imported equipment could get more expensive	Price contracts in Rwandan francs and include a clause to adjust for price escalation

**Best time to get involved:** The best window is from the third quarter of 2025 to the first quarter of 2026. After that, the government will have less flexibility as more money goes to debt and finishing big projects.

## 8. Action checklist for businesses

- a. Focus** – Choose one area, sector, or government target to specialise in. Don’t try to do everything—become known for doing one thing really well (like energy audits, rural health or digital education tools). Specialisation and alignment with NST2 indicators are key to winning contracts.
- b. Understand the process** – Figure out who needs to act before you get paid (government, cooperatives, donors, etc.). Build relationships and agreements early to make sure your project runs smoothly. Map the delivery chain and build partnerships with SACCOs and farmer groups where relevant.
- c. Be ready to deploy** – Make sure your products or services (like solar pumps or digital health kits) are easy to use, work both online and offline, and come with clear reporting tools. Design your “ready-to-deploy” kit and ensure it can move a government indicator.
- d. Link to government goals** – Clearly show how your solution helps Rwanda meet its national targets. Include ways to measure and report your impact. Build in ESG and climate impact measurement where possible.
- e. Show results early** – Start building and showing progress now. The government will fund projects that already work, not just new ideas. If you deliver results before the next budget, you’ll be in a strong position for future funding. Early demonstration of traction is critical.

## 9. Bottom line

The Government of Rwanda has done the heavy lifting by setting the direction and building the basics. Now it's up to the private sector to finish the job—by providing the systems, technology and services that will make the country thrive. **Banks** should fund projects that make a real difference, not just paperwork. **Entrepreneurs** should build real solutions and infrastructure, not just pitch ideas. **Consultants** should get paid for delivering results, not just for their time. **Hotel and tourism operators** should create new experiences that support Rwanda's growth, not just offer beds.

Act quickly, focus on government priorities and deliver real results. Those who move now will not only win contracts—they'll help shape Rwanda's future and be ready for even bigger opportunities in the years ahead. The most successful private actors will be those who specialise, align with government priorities and deliver measurable outcomes. Performance-based contracts and co-financing models are increasingly favoured, so be ready to deliver outcomes, not just inputs. The window of opportunity is now—by the time the next budget is read, it will reward builders who have already shown results.

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