From invisible assets to national wealth

How IPSAS is helping Rwanda understand what it owns and owes

When Rwanda published its annual report for the year ended 30 June 2025 in May 2026, the country had determined the value of its national assets at around RWF 22.2 trillion. The real story was not the number itself.

The real interest lay in the journey behind it, a journey that moved through government offices, into national parks, across construction sites, and even into conversations about how to place value on various complex assets. It was a process that forced a simple but powerful shift in thinking and a deeper understanding of the International Public Sector Accounting Standards (IPSAS).

For many years, discussions around public finance have focused primarily on annual budgets. This is how much government plans to collect and spend within a financial year. While budgets remain essential, they capture only part of the picture. IPSAS introduces a broader perspective by helping governments understand the resources they control, the obligations they carry, and the overall financial position of the nation. As reflected in Rwanda's consolidated financial statements, the Government reported total assets of RWF 22.2 trillion and total liabilities of RWF 20.7 trillion with net assets of RWF 1.5 trillion. Public debt formed a significant part of the liability side, with loans and borrowings amounting to RWF 15.4 trillion.

Behind these reported figures was a practical exercise that started with understanding what the Government actually owns, a question that sounded simple at first but proved more demanding in practice. Across various institutions and government agencies, answering this question required more than pulling together existing records. In many cases, it meant building a structure from the ground up. This called for the design of standardised templates, which were rolled out to various entities to help them consistently capture information across a wide range of asset categories, including infrastructure assets, heritage items, natural resources, biological assets, and other public resources under their management.

What appeared straightforward on paper quickly became an exercise in interpretation and alignment, as different institutions and entities had to translate what they physically managed into something that could be formally recognised and reported.

Infrastructure offered one of the clearest examples of how IPSAS turns everyday public investment into visible national wealth. The consolidated financial statements reported road infrastructure valued at approximately RWF 3.8 trillion, buildings at approximately RWF 3.6 trillion, and land at approximately RWF 3.1 trillion.

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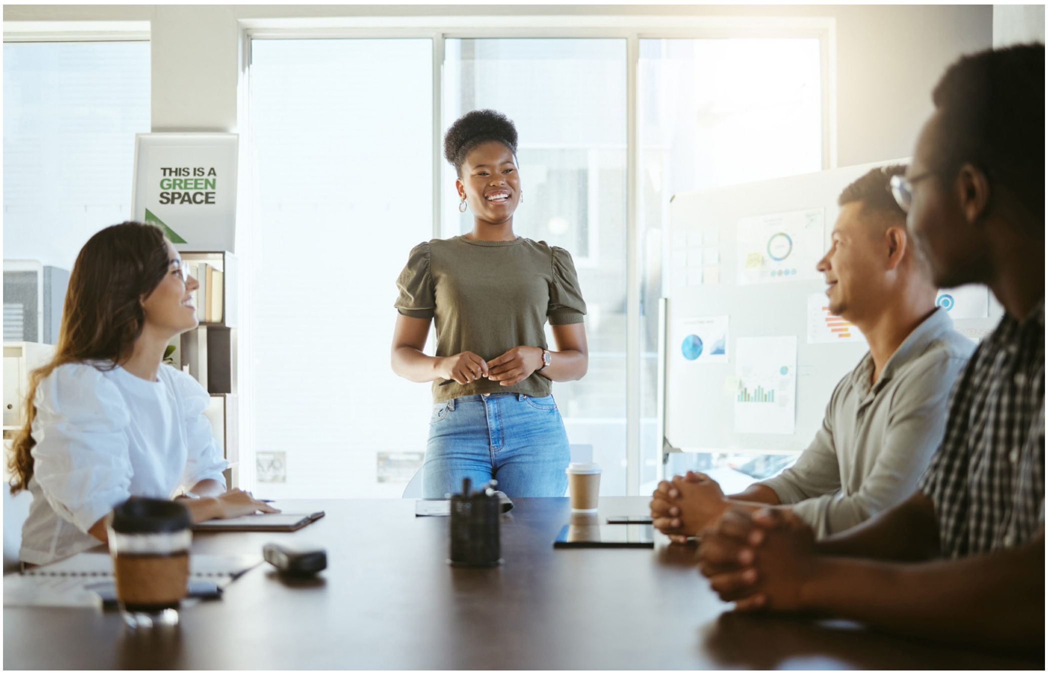
These figures tell a powerful story that public spending does not only meet today's needs but also often creates long-term national assets that support development for years to come. Behind these numbers are different institutions playing their part in Rwanda's public asset story, from road infrastructure bodies such as RTDA, to agencies managing public buildings, and land administration institutions such as the National Land Authority. What may have sounded like technical conversations about costing, valuation, and reporting was, in many ways, something much bigger, Rwanda choosing to better understand the value it has built. Led by the Government, the move towards IPSAS was not simply about changing accounting rules; it was about bringing important public assets into clearer view.

The IPSAS journey also encouraged the Government of Rwanda to look beyond traditional assets. Rwanda's financial statements recognised heritage assets, showing that some public resources carry historical, cultural, and national importance even when their financial value may be lower than that of typical assets such as roads, buildings, or land. Recognising these assets brought attention to the challenge of measuring value when an asset's importance cannot be fully captured in monetary terms. Unlike a road or a building, heritage and similar assets may contribute through identity, conservation, culture, and public memory. This makes valuation more complex, not because their importance is in doubt, but because that importance must be measured in a way that is reliable and meaningful for financial reporting.

While asset recognition often receives the most attention, a country's financial position cannot be understood through assets alone. Liabilities form an equally important part of the story. Rwanda's consolidated financial statements reported total liabilities of approximately RWF 20.7 trillion, including public debt, payables, and other obligations. This is one of the most significant contributions of accrual-based reporting. Instead of focusing only on what Government owns or only on what it owes, IPSAS brings both sides together, creating a more balanced understanding of public finances.

Assets and liabilities can be viewed alongside each other, allowing policymakers, oversight institutions, development partners, and citizens to assess the country's overall financial position more comprehensively.

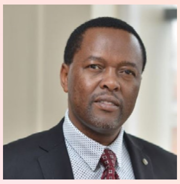
Public debt formed a significant part of Rwanda's financial position, with loans and borrowings amounting to approximately RWF 15.4 trillion. This figure may appear concerning when viewed in isolation. However, one of the key insights offered by accrual-based IPSAS reporting is that debt should be considered alongside the assets and development capacity it helps create. Across the country, investments in transport infrastructure, public facilities, technology, and other strategic projects have contributed to the accumulation of long-term national assets. This has allowed the conversation to move beyond simply asking how much government owes, to understanding how these borrowed resources are being transformed into assets that support national development, thus encouraging a more balanced assessment of public finances.



Unlike ordinary assets, these do not have a readily observable purchase price or directly attributable historical cost.

It is important to recognise that Rwanda's IPSAS transition is still a journey rather than a completed destination. The first accrual-based consolidated financial statements represent a major milestone, but they also mark the beginning of continued improvements in data quality, asset valuation methodologies, systems, and institutional capacity. While many assets have already been identified and reported, others remain more challenging to measure and require further analysis before they can be reliably reflected in the financial statements. Some of the most thought-provoking discussions emerging during the implementation process involved complex assets that are difficult to capture within traditional accounting frameworks. These included Rwanda's iconic mountain gorillas and golden monkeys. There were extensive conversations around how their value might be assessed for financial reporting purposes. Unlike ordinary assets, these do not have a readily observable purchase price or directly attributable historical cost. This led to consideration of alternative valuation approaches, including methods that would draw on the economic benefits generated through tourism activities associated with these conservation assets. These experiences illustrate that accrual accounting is not simply about producing numbers but about developing a stronger framework for identifying, understanding, and managing public wealth.

The announcement about what Rwanda owns and owes was an important milestone, though the real significance of IPSAS lies beyond those headline figures. The country's financial statements provide a more complete picture of public finances by presenting both assets and liabilities together. They show not only what Rwanda has built and accumulated over time, but also the obligations that accompany those resources. Ultimately, IPSAS helps shift the public finance conversation from annual spending alone to a broader understanding of stewardship. It allows governments and citizens alike to ask not only how much was spent, but also what was built, what is owed, and what financial position is being passed on to future generations. That may be the most meaningful achievement of all.



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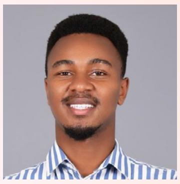

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