



Republic of Rwanda
**Ministry of Finance and
Economic Planning**

Presentation on NST2 (2024 – 2029)

MINECOFIN, NDPR “National Development Planning & Research Department”

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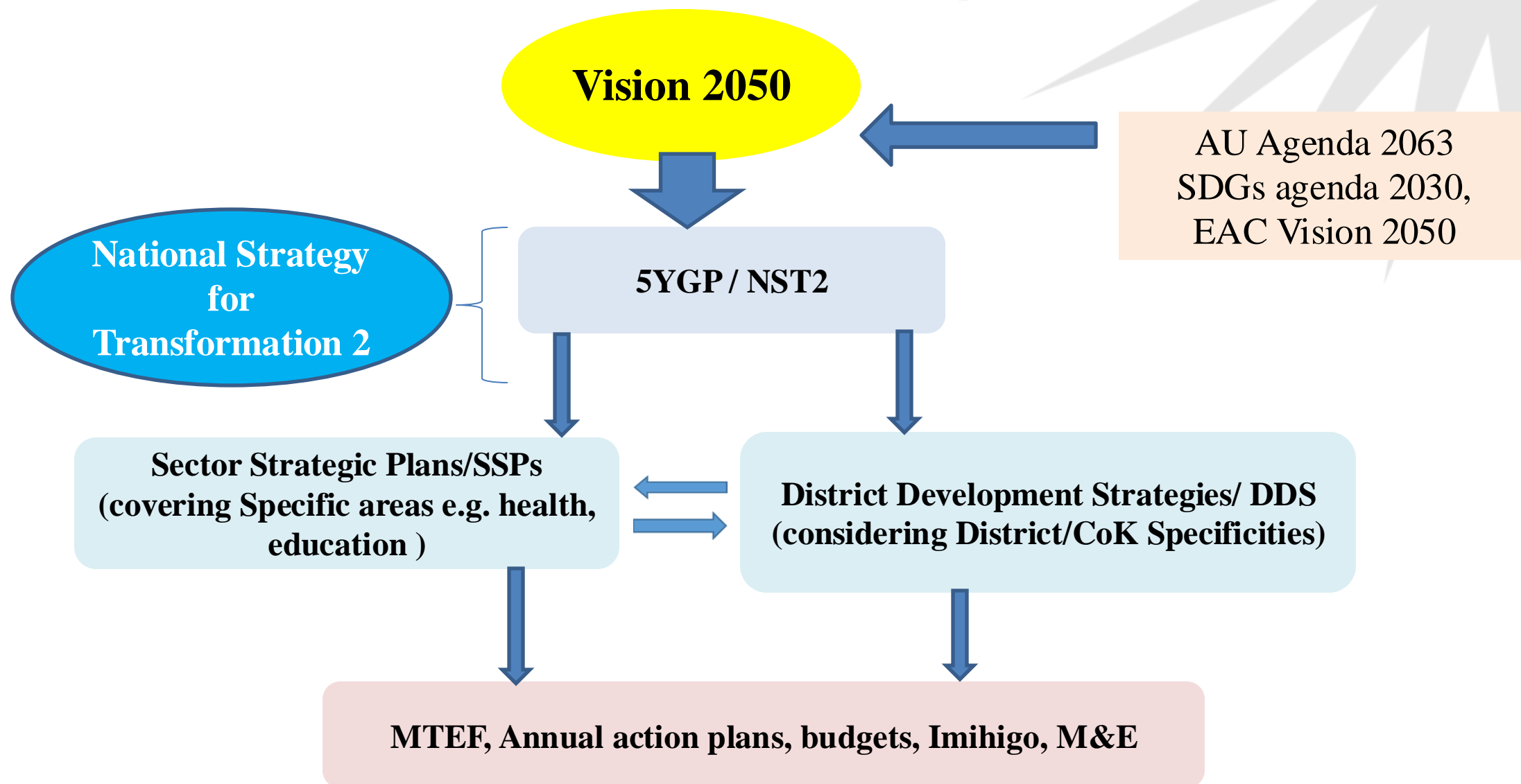
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National Strategic Planning Framework



Context & Background for NST2 elaboration

- ❑ NST2 is aligned with Vision 2050 (**2035 targets + SDGs**) and picks up from where NST1 ended.
- ❑ NST2 integrates lessons from the NST1 Performance
 - Achievement of NST1 was affected by a combination of shocks (Covid-19, Disasters and Inflation crisis) and implementation challenges
 - NST 2 focuses on **changing the way of doing business i.e. quality, building resilience, implementing faster and better, enhanced coordination and engagement of citizens**
 - The strategy was developed through a consultative process involving stakeholders via different forums

Context & Background for NST2 elaboration

- ❑ NST2 leverages existing and emerging opportunities, including a **growing youthful population** (56% of whom are of working age of 16–64 years, and 65.3% are under 30),
- ❑ The **increased adoption of technology and innovation**,
- ❑ The development of **high growth potential sectors** such as mining, agro-processing, horticulture, aviation, sports, creative arts, tourism, and MICE.
- ❑ An **engaged citizenry**, grounded in core developmental and cultural values, also plays a significant role in this strategy.
- ❑ NST2 is organized around 3 pillars: **Economic Transformation, Social Transformation and Transformational Governance**



Macroeconomic Considerations for NST2

- ❑ The macroeconomic framework for NST2 targets an **average annual real GDP growth of 9.3%** over the five-year period
- ❑ Underpinned by; **6% agriculture growth and over 10% growth in industry and services**
- ❑ Catalyzed by **high investment levels** of 31.2% of GDP by the end of the period, **driven primarily by private investment.**
- ❑ Private investment is expected to increase from 15.9% of GDP (USD 2.2 Billion) in 2023 to 21.5% (USD 4.6 Billion) by 2029.
- ❑ Annual **export growth** of 13% annually through reinforcing ‘Made in Rwanda’
- ❑ This growth will be supported by efforts to **mobilize national savings** from 12.4% in 2023 to above 25% of GDP by 2029



NST2 Strategic Orientation

NST2 is designed deliver the following high impact outcomes:

1. Building **resilience to climate change** and ensuring sustainable development
2. Creating **decent and productive jobs** with a particular emphasis on youth and women (to address high youth unemployment at 20.8%)
3. Boosting **exports** (to reduce the widening trade deficit)
4. Enhancing **nutrition and early childhood development** to reduce stunting (to reduce the high under-5 stunting rates: 33%)
5. Improving the **quality and market relevance of education** (low enrolment in pre-primary education : 35% and low proficiency in key subjects, high unemployment among graduates)
6. Enhancing **service delivery and citizen participation** (Low quality of service delivery: 78%)

Key enablers: Technology and digitalization; data, research and innovation; capacity development



NST2 Economic Transformation Priorities

1. Achieve **over 6% annual Agriculture growth** and ensure modernization of the sector
 - Scale up access to modern inputs, technology and extension services
 - Improving animal resources production through professional farming, improved breeds, extension services and feeds and raise milk production to meet industry demand i.e. Milk Powder Plant
 - De-risking the sector through addressing value chain issues, post-harvest, insurance and scaling up financing
2. Achieve **10% annual growth in Industry** (with focus on manufacturing) and **double export revenues from \$3.5 billion to \$7.3 billion** and increase **tourism revenues by 80% to over \$1Bn.**
 - **Exports diversification** and promotion of **Made in Rwanda** to reduce the trade deficit with focus on key industries
 - Develop logistics and support standards for MSMEs to export
 - Double private investment from \$2.2 billion (15.9% of GDP) to \$4.6 billion (21.5% of GDP)



NST2 Economic Transformation Priorities

3. Create **1.25 million (250k per year) productive and decent jobs**

- Increase access to finance for Youth, Women and MSMEs
- Implement an integrated business advisory service model tailored to promote entrepreneurship and growth of MSMEs
- Mainstream employment creation in Public and private investments with high impact and labor intensity
- Optimize employment opportunities and skills development from major investment and flagship projects [in public & private sector such as Nyagatare Milk powder factory, Bugesera International Airport, Aviation Skills Academy, Gabiro agri-hub, and sports complexes, etc.,]
- Develop a talent pool for emerging critical sectors of the economy [including Global Business Services companies, financial services center, e-mobility, health, Biotechnology, aviation, ICT, CCI and engineering]
- Mobilize and facilitate private sector to develop and optimize cultural and creative industries for job creation



NST2 Economic Transformation Priorities

4. Enhance connectivity, urbanization and settlements for growth

- Improving public transport services in urban and rural areas and promote e-mobility
- Expanding transport infrastructure (including marine transport) with focus on productive areas
- Complete Bugesera Airport and scale up RwandAir capacity (passengers and cargo)
- Develop affordable houses for rental and purchase in urban areas working with private sector
- Reduce informal settlements through upgrading and rehousing working with communities



NST2 Economic Transformation Priorities

5. Renewable energy transition and **universal access to electricity** for productive uses

- Ensure access to electricity in all cells of the country
- Increase electricity generation with focus on renewable energy
- Scale up adoption of clean and biomass efficient cooking solutions
- Develop nuclear technology for productive uses

6. **Reduce greenhouse gas emissions by 38% and build resilience to climate change and disasters**

- Complete the development Land Use masterplans and strengthen implementation of existing ones
- Mobilize climate finance for mitigation and adaptation initiatives across public and private sector
- Invest in disaster risk reduction, early warning systems and preparedness with focus on disaster prone areas



NST2 Economic Transformation Priorities

7. Accelerate digital transformation, digital skills and widescale adoption of technology across sectors

- Roll out of a Single Digital ID and target universal Digital literacy
- Develop digital skills through training 1 Million coders and 500k youth in advanced ICT Skills
- Foster adoption of digital and emerging technologies in public and private sector

8. Enhance financial sector services for private sector growth

- Continue positioning Kigali as a Financial services center and develop sub-sectors of Capital Market, Pension, Fintech, etc.
- Double domestic savings from 12.4% to above 25% and consolidate Umurenge SACCOs into a Cooperative Bank
- Diversify sources for financing for the Private sector i.e. Crowdfunding, Venture Capital, Blended finance, etc.



NST2 Social Transformation Priorities

1. Improve quality of education at all levels

- Increasing Pre-primary net enrollment from 35% to 65%
- Improving quality in basic education through providing adequate learning materials, enhancing teachers capacity and school infrastructure.
- Equipping TVET and HLIs to enhance STEM learning and alignment to market demands

2. Enhanced quality of health, strengthened health systems, and reduced stunting

- Reduce the stunting rate for children under the age of five years from 33% to 15%
- Improving maternal, infant and child health to reduce related mortality
- Quadruple registered health workers to improve quality of healthcare
- Improve CBHI services
- Construct, rehabilitate and upgrade health facilities to provide high-quality health services
- Promote healthy lifestyles for disease prevention



NST2 Social Transformation Priorities

3. Reduce poverty and enhance graduation

- Reducing poverty through empowering households to sustainably graduate from poverty with multi-sectoral approach
- Enhancing tracking and monitoring for effectiveness of social protection interventions

4. Scaled up access to clean water, sanitation, and hygiene (WASH)

- Accelerating universal access to WASH services for both productive use centers and to all villages countrywide
- Construction and operationalization of modern waste treatment plants and landfills in various districts
- Completion of central sewage system



NST2 Transformational Governance Priorities

1. **Enhancing the judiciary**
 - Reduce backlog cases in the justice system by half (from 62% to 30%)
2. **Enhancing service delivery, governance and implementation**
 - Increase citizen's satisfaction with public services delivery to above 90%
 - Public service reform for efficient delivery
 - Enhancing PFM to strengthen transparency and accountability
3. **Strengthening National unity, resilience and community-based healing**
3. **Strengthening economic diplomacy** to accelerate the country's economic development
4. **Sustaining and strengthening crime prevention, public order, safety and security**



Conclusion and way forward

Prerequisites for this positive change across the entire country include:

- Continuing to foster an **inclusive development model leaving no one behind** (PwD, youth, women, etc)
- Continuing to enshrine **Rwandan culture and values** in our development
- Ensuring **value for money and accountability**
- Adopting a **positive developmental mindset** founded on the **unity of Rwandans**
- Strengthening mechanisms for **implementation and delivery**



THANK YOU

