With the country heading to elections, the economy is off to a roaring start in 2024, with a stellar 9.7% growth in the first quarter. This impressive performance is largely due to a significant rebound in the agricultural sector, which had been struggling in recent years.

The good news comes from the latest GDP update jointly announced by the National Institute of Statistics of Rwanda (NISR) and the Ministry of Finance and Economic Planning on Wednesday. While the services sector remains a key driver, growing by 10% in Q1, agriculture's turnaround is a welcome development.

Previously facing challenges like climate change and geopolitical instability, agriculture bounced back with a 7% increase in Q1. This strong performance contributed a significant 25% to the economy's's overall GDP. Food crop production, in particular, saw an 8% rise, fueled by the successful 2024 season A harvest.

However, export crop production remained stagnant, with coffee experiencing a 13% decline. This was offset by a 21% increase in tea harvests

The industrial sector also witnessed a robust 10% growth, fueled by a surge in mining and quarrying (22% increase) and construction activities (16% increase). Manufacturing saw a more modest 4% growth, although there were bright spots within the sector. The production of metal products, machinery, and equipment rose by 12%, while wood and paper printing increased by 25% and non-metallic minerals by 9%.

Newly appointed Finance Minister Yusuf Murangwa is optimistic about the economy's trajectory. He projects a 6.6% growth for 2024, following the impressive 8.2% achieved in 2023. This continued growth is expected to be driven by strong performances in services, industry, and the recovering agricultural sector.

However, Murangwa acknowledges potential risks like climate change and geopolitical crises, prompting a cautious approach.

The report also highlights a rise in private final consumption (73% of GDP), government consumption (15%), and gross capital formation (36%). Additionally, total final consumption expenditure increased by 23%, exports by 50%, imports by 123%, and gross capital formation by 77%.