Rwanda’s trade deficit narrowed in the second quarter of 2025 as both exports and imports declined, signaling a slowdown in cross-border trade, according to the National Institute of Statistics of Rwanda (NISR).

Total trade during April to June reached $1.73 billion, down 13% from the first quarter. Domestic exports stood at $346 million, a 28% drop from Q1 and 36% lower than in the same quarter of 2024. Re-exports of foreign goods totaled $142 million, declining 13% year-on-year, though slightly higher than the previous quarter.

Key export destinations were the United Arab Emirates ($97.94 million, 28.3%), DR Congo ($69.86 million, 20.2%), China ($40.88 million, 11.8%), Belgium ($14.40 million, 4.2%), and Luxembourg ($13.64 million, 3.9%), collectively accounting for 68.4% of domestic exports.

Re-exported goods were dominated by food and live animals ($51.59 million), mineral fuels and related materials ($31.94 million), and beverages and tobacco ($13.34 million). The main destinations were DR Congo, Ethiopia, the UAE, Burundi, and Germany, with DR Congo alone receiving 94.5% of re-exports.

Imports fell to $1.25 billion, down 20.5% from Q2 2024 and 9.55% from Q1 2025. Major categories included machinery and transport equipment ($249.02 million), food and live animals ($224.67 million), manufactured goods ($172.23 million), mineral fuels and lubricants ($162.79 million), and chemicals ($137.61 million). The top sources of imports were China ($275.63 million), Tanzania ($178.94 million), India ($107.83 million), Kenya ($78.17 million), and the UAE ($70.45 million), together accounting for 57% of total imports.

Analysts say the narrowing of Rwanda’s trade deficit, which fell 12.5% year-on-year, reflects the overall decline in imports relative to exports, highlighting cautious trade activity. “While the reduced deficit eases pressure on foreign currency, slower export growth remains a concern for local producers,” said a trade expert.

The report underscores the need to diversify export markets and strengthen domestic production to improve trade resilience, particularly as Rwanda relies heavily on a few key countries for both exports and imports.