The Minister of Finance and Economic Planning Dr. Uzziel Ndagijimana, today presented to Parliament, the 2022/2023 revised budget on behalf of the Government.

Minister Ndagijimana announced that the proposed budget revision will increase the Government spending by Frw 106.4 billion, a 2.3% increase to Frw 4,764.8 billion from Frw 4,658.4 billion announced in the original budget in June, 2022.

This revised budget will support continued economic recovery, supplement job creation efforts and continue to facilitate businesses to recover from covid-19 impact. Additional Investments in education, healthcare, ICT, and agriculture will be at the forefront of the ongoing government effort to invest in Rwanda's future, through the National Strategy for Transformation (NST1).

"Despite persistent challenges stemming from COVID-19 effects, global supply chain issues, inflationary environment and impact of climate shocks, our economy continues to show strong signs of recovery. Over the first three quarters of 2022, the economy registered an 8.5% growth, with signs of beating projections. This budget revision reflects these successes, and the effectiveness of the economic recovery plan in keeping businesses afloat, encouraging new investments, creating jobs, and maintaining strong social protection for vulnerable citizens", Minister Ndagijimana said.

Key changes in the 2022-2023 Revised Budget

Resources

The proposed revised budget contains several important adjustments, such as an increase of domestic revenues by Frw 115.2 billion from Frw 2,372.4 billion in the original budget to Frw 2,487.6 billion – a 5 % rise, while domestic financing increased by Frw 39.4 billion from Frw 282.6 billion in the original budget to Frw 322 billion.

A stronger recovery has increased government revenues, including Frw113.2 billion increase in tax revenue from Frw 2,067.7 billion in the original budget to Frw 2,180.9 billion representing 5.1% increase. Furthermore, non-tax revenue is expected to increase by Frw 2 billion from Frw 304.6 billion to Frw 306.7 billion, thanks to the continued recovery through increased internally generated revenue streams.

Expenditure

In the revised budget, the Government expects to increase spending by Frw 106.4 billion from Frw 4,658.4 billion to Frw 4,764.8 billion. The expenditure envelope has been revised to reflect the changes for some items under recurrent spending, capital expenditure and net lending outlays.

Recurrent Expenditure

On the original budget estimate of Frw 2,543.2 billion is being raised to Frw 2,705.5 billion showing a net increase of Frw 162.3 billion, while on capital expenditure, there will be a decrease in capital spending of Frw 66.5 billion from Frw 1,847.2 projected in the original budget to Frw 1,780.8 billion to support key recurrent expenditures, such as increase of the number of teachers and their salaries, supporting universal school feeding program, and additional fertilizers to boost coffee production.