

The Government of Rwanda has successfully raised US\$ 620 million through the issuance of a 10-year Eurobond.

Announcing the results, the Minister of Finance and Economic Planning Dr. Uzziel Ndagijimana said that, “Rwanda has a strong track record of sound economic policies and reforms that have led to sustained high economic growth, a conducive investment climate, prudent debt management and strong recovery prospects despite the impact of the COVID-19 pandemic.”

“We are pleased with the positive response from investors in this 2021 Eurobond issuance. The lower yield of this issue will result in a reduction in our annual interest payments over the next 10 years, strongly contributing to our debt sustainability strategy. The funds raised will accelerate strategic projects in productive sectors that will further boost the country’s economic transformation efforts.” The Governor of the National Bank of Rwanda, John Rwangombwa added.

The proceeds of the bond will be used partly to retire Rwanda’s existing Eurobond which is due in May 2023, in line with the country’s debt management strategy to proactively address the upcoming debt burden while taking advantage of the current conducive market.

The rest will fund priority projects that will support recovery from the economic downturn triggered by the COVID-19 pandemic, and finance strategic investments in health and in agriculture to enable export growth, safeguard environmental protection and mitigate adverse effects of climate change.

The bond was oversubscribed with orders of \$1.6billion and issued with a final price of 5.5%. A significant part of the demand for the bond came from existing bondholders of the 2013 bond who tendered 84.5% of their existing holdings. This shows continued strong investor appetite and confidence in the Rwandan economy, underscored by the strong performance and growth of the economy over more than two decades.

Economic growth in Rwanda averaged 7.8% over the last two decades and the economy is expected to grow by 5.1% this year, with prospects of returning to the pre-COVID-19 high growth path by 2023. Rwanda is currently ranked by the World Bank as the 38th easiest place to do business globally and 2nd easiest in Africa