Rwanda’s economy grew faster in the 2025/2026 financial year, driven by strong performance in industry, agricultural and service sectors, according to latest figures released by the Rwanda Statistics Agency (NISR).

The new data offers one of the clearest snapshots yet of how the economy is performing at a time when the 2026/2027 national budget was recently released, at the same time, when households, businesses, and policymakers are closely watching whether economic growth is translating into incomes, jobs and improved living standards.

In a statement issued on June 17, NISR said Rwanda’ Gross Domestic Product (GDP), the total value of goods and services produced in the economy, is estimated to have expanded by 10% during the 2025/2026 financial year, up from 7.8%, a slight increase of 2.2% the previous year.

This increase means the economy continues to grow despite a challenging international environment, marked by geopolitical uncertainty, fluctuations in the commodity markets and slow pace and uneven global growth.

In a clear sign of economic expansion, Rwanda’s overall size of economy climbed to Frw 6,346 billion at current market prices, (nominal terms) up from Frw 5,276 billion in Q1 2025. The increase was heavily anchored by the services sector, which commanded a 52% share of output. Industry and agriculture generated 24% and 19% respectively, while net indirect taxes made up the final 5%.”.

For many Rwandans, these figures can feel distant from daily life especially at times when prices at the market have increased. But economic growth matters because it provides an indication of whether businesses are expanding, investment is increasing, and the production sector is generating more output. Sustained growth can create conditions for higher incomes, more employment opportunities, and stronger government revenues to find public services.

The latest figures suggest that Rwanda’s overall economy remains heavily driven by industry, which continues to be the country’s largest economic sector. The figures point to a continued investment in infrastructure which took a large share in the 2026/2027 national budget.

NISR said that the industrial sector overall growth was 13%, a minor deceleration in pace from 9% last year. The sector growth contributed 3.1% points to the GDP

growth rate. Mining and quarrying increased by 20%, construction activities increased by 11%, while manufacturing activities increased by 15%.

Overall Manufacturing: Increased by 15% (pulled up by a massive 52% explosion in metal products and machinery fabrication, and a 57% rise in non-metallic mineral products), construction activities stayed strong at 11%.

While Q1 2025 was a difficult period for the agricultural sector, marked by a 1% drop in local food production that squeezed household pockets, the fresh figures show a powerful turnaround of 8% overall GDP growth rate.

Another indicator is that local food production crawled back to a stable 3% growth, while export cash crops like tea and coffee completely surged with a historic 39% boom.

While the industry sector remains dominant, followed by agriculture, the service sector also grew by 7% this quarter, injecting 3.9 percentage points directly into Rwanda’s overall GDP growth.

Business and tech services led the charge, headlined by a 22% leap in ICT, a 20% rise in administrative support, and steady 11% expansions across transport, banking, and retail trade.

On the flip side, hospitality and social infrastructure felt a noticeable squeeze: hotels and restaurants contracted by 16%, health services fell 18%, and public administration edged down by 1%.

All eyes will be on how these economic trends unfold in the coming months.

While the agency’s current metrics are still preliminary estimates that will likely change as more detailed figures surface, the underlying message is clear: Rwanda has entered this new financial stretch heavily reliant on industrial growth to power through its remaining economic hurdles.

Contribution and additional reporting by Jejje Muhinde