

Rwanda has secured a 213 million euro (\$230 million) loan under a blended finance arrangement aimed at supporting development programs and maintaining sustainable public debt levels.

The financing combines public and private sector resources and will be repaid over 15 years, including a six-year grace period before principal payments begin, easing the country's repayment burden.

The loan follows a similar 200 million euro agreement Rwanda obtained in 2024, which was structured around environmental, social and governance (ESG) principles and backed by the African Development Fund.

The latest financing is guaranteed by the International Development Association, part of the World Bank Group, and the Multilateral Investment Guarantee Agency. The two institutions provide layered guarantees with IDA offering primary coverage and MIGA secondary coverage, a structure designed to boost lender confidence and reduce borrowing costs.

Rwanda is the first country to benefit from this combined guarantee mechanism.

The agreement comes at a time of global financial uncertainty driven by geopolitical tensions, yet Rwanda secured the loan at relatively low interest rates, reflecting continued confidence from international investors.

To avoid overlapping debt obligations, the government agreed to begin repayment after the maturity of an existing Eurobond, ensuring that major repayments do not coincide.

Funds from the loan will be channeled into the national budget and used to support infrastructure, health care, education, agriculture, social protection and industrial development.

Rwanda has recently received positive assessments of its economic outlook. In March 2026, Fitch Ratings revised the country's outlook to "stable," a move later echoed by Moody's in April.

Finance and Economic Planning Minister Yusuf Murangwa said the deal highlights Rwanda's efforts to adopt innovative financing strategies.

"This blended finance approach allows us to access long-term financing at lower

cost while safeguarding debt sustainability and supporting national development priorities," he said.