Rwanda’s unemployment rate dropped to 13.4 percent in the third quarter of 2025, continuing a five-year downward trend as more citizens find work in agriculture, industry, and services, according to new figures from the National Institute of Statistics of Rwanda (NISR).

The data show that about 754,312 Rwandans are currently unemployed, meaning roughly one in seven people in the labor force has no job. This represents a 1.9-percentage-point decline from the same period in 2024, when unemployment stood at 15.3 percent, signaling ongoing recovery in the country’s labor market.

Out of 8.57 million people of working age, 5.64 million — or 65.8 percent — are active in the labor market, up 1.7 percent from a year earlier. Of these, 4.89 million are employed, representing 57 percent of the working-age population, up from 54.3 percent in 2024. NISR noted that employment increased across genders, with men gaining 1.8 percent and women 3.6 percent.

Still, the data reveal persistent disparities. Women’s unemployment remains higher at 15.9 percent, compared to 11.2 percent for men. Youth between 16 and 30 years old continue to face the toughest job market, with 15.5 percent unemployed compared with 11.7 percent among older adults. Rural areas are also more affected, with unemployment at 14.2 percent, higher than 11.8 percent in cities.

Dr. Emmanuel Rukundo, an economist and lecturer at the University of Rwanda, said the decline reflects the impact of national job creation strategies, including the *Made in Rwanda* initiative and the *National Employment Program (NEP)*, but added that deep-seated challenges remain.

“The drop in unemployment shows that Rwanda’s policies to promote local production and entrepreneurship are beginning to pay off,” Rukundo said. “However, most new jobs, especially in rural areas, are still informal and low-paying. To build a resilient labor market, the country must focus on decent job creation, particularly for women and youth who remain at a disadvantage.”

According to NISR, 66.1 percent of men are employed compared to 49 percent of women, a gap of 17.1 percentage points that, while narrowing, continues to highlight gender inequality in the labor market.

Most Rwandans with jobs are employed in services (44.9%), followed by agriculture (35.1%) and industry (20%). Among the unemployed, 53.7 percent are engaged in

subsistence farming, while 46.3 percent have no income-generating activity.

The report also found that 56.7 percent of Rwanda’s working-age population is underutilized — either unemployed, working fewer hours than they would like, or employed below their skill level. The rate is higher among women (64.7 percent) than men (48.3 percent), and particularly pronounced among young people (57.8 percent).

Over the past five years, Rwanda’s unemployment rate has declined from 19.4 percent in 2021 to 13.4 percent in 2025, while employment rose from 41 percent to 57 percent. Economists attribute the improvement to growing investment in manufacturing, innovation hubs, and youth entrepreneurship programs supported by government and private sector partnerships.

Experts say sustaining this progress will depend on strengthening technical and vocational education, boosting access to finance for startups, and expanding gender-responsive employment policies in both urban and rural areas.