

The Ministry of Finance and Economic Planning has announced plans to develop the country's financial sector so that it contributes 12% of national GDP by 2050, up from the current 2%, creating more jobs and supporting economic growth.

Under the Financial Sector Development Strategy (FSDS) 2025–2030, the government aims for the sector to reach 3% of GDP by 2030 and 5% by 2035, while providing formal employment to more citizens. Currently, the financial sector employs 42,000 people, representing 0.9% of Rwanda's workforce.

The announcement came during a stakeholder meeting organized by the Ministry, in collaboration with Mastercard Foundation and PwC Rwanda, to launch the FSDS, which seeks inclusive, sustainable, and resilient financial sector growth aligned with Rwanda's Vision 2050 of a high-income economy.

The strategy targets seven key areas: capital markets, fintech, pensions, banking, microfinance, insurance, and financial management services, aiming to increase access, strengthen institutions, and attract investment.

Rwanda's capital market is valued at \$2.66 billion, about 21% of GDP, compared with 38% in Kenya and 177% in South Africa. The FSDS seeks to expand the market through project-linked investments and by educating citizens on investment opportunities. Early initiatives include the Prime Energy Green Bond (\$6.8 million) and the BRD Sustainability-Linked Bond (\$24.8 million). By 2030, the government expects the capital market's value to reach 30% of GDP, with domestic investment increasing from 12.4% to 25.9%.

Financial technology adoption is high, with 96% of Rwandans using financial services, 92% of them through regulated providers, mainly mobile money. The FSDS promotes digital payments, AI-powered fraud detection, and secure access to financial services, aiming to increase financial usage by 40% and contribute at least 0.5% to GDP through new businesses and jobs.

Long-term savings are also a focus, with participation in the Ejo Heza scheme growing from 7% of GDP in 2020 to 25% in 2024. Regis Rugemanshuro, CEO of the Rwanda Social Security Board (RSSB), said contributions are safely invested to ensure secure returns for members. By 2030, pensions are expected to contribute 12% of GDP.

Banks remain central, providing 22% of GDP in loans, projected to reach 30% by

2029 to boost trade and investment. Microfinance institutions and SACCOs currently serve over 7.8 million citizens, supporting savings and small loans, with plans to improve efficiency and technology integration.

Insurance participation is low at 2%, expected to rise to 4% by 2030 through technology and climate-related products, contributing an additional 0.2% to GDP.

Digital payments and cashless systems such as RIPPS and eKash, along with exploration of a central bank digital currency (CBDC), aim to reduce transaction costs, increase efficiency, and support Rwanda's goal to become a regional financial hub through the Kigali International Financial Centre (KIFC).

"Developing a strong financial sector is building the engine of Rwanda's economic growth," said Herbert Asimwe, Director General of the Financial Sector in the Ministry of Finance.

Nick Barigye, Deputy Governor of the National Bank of Rwanda, added that implementing FSDS will create a modern, inclusive, and resilient financial system, driving sustainable national development.