

The government has proposed a budget for 2023/2024 that injects an additional Rwf85.6 billion, bringing the total expenditure to Rwf5,115.6 billion.

As the Minister of Finance, Uzziel Ndagijimana noted at the presentation of the proposed national budget for 2023/2024 to Parliament on Thursday, February 8, this 1.7 percent increase reflects a daring push for progress amid lingering global uncertainty, leaving many to wonder if Rwanda can stay on track with its growth.

Investing in the Seeds of Tomorrow:

Agriculture, the lifeblood of the nation, receives a Rwf12.2 billion boost. An estimated 2.5 million farmers may benefit from fertilizer subsidies, potentially increasing crop yields by 15 percent.

“This not only bolsters food security,” notes Agricultural Minister Nyirahabimana, “but also empowers rural communities, creating a ripple effect throughout the economy.”

Building Bridges, Creating Jobs:

Infrastructure projects get a shot in the arm with Rwf83.7 billion, promising improved transportation networks and an estimated 10,000 new jobs in construction alone. Additionally, Rwf3 billion ensures fairness by compensating citizens whose properties were affected by development.

Investing in Stability, Securing the Future:

The budget doesn't neglect social needs. Recurrent spending is anticipated to increase by Rwf12.2 billion, from the Rwf2,901.4 billion allocated in the initial budget, to Rwf2,913.6 billion, as Minister Ndagijimana pointed out. This increase bridges the salary gap for public servants, impacting the well-being of over 85,000 individuals and potentially boosting morale. Furthermore, RWF2 billion is allocated to support veterans, ensuring their continued contribution to society.

Walking a Tightrope of Uncertainty:

However analysts have warned that, this increased spending unfolds amidst a global landscape riddled with uncertainties. The lingering pandemic, supply chain disruptions, and rising inflation, particularly concerning food prices, pose significant risks.

Despite Minister Ndagijimana's acknowledgement of headwinds, some experts remain cautious about sustaining growth. There is a significant risk of unchecked cost overruns in specific projects in this budget, even though they say that agriculture investments are positive. Their proposal is that growth aspirations and long-term financial stability must be balanced.