

BNR says banks, insurers, and microfinance institutions remain stable amid expansion

Rwanda's financial sector is expanding steadily, with nearly 504 institutions now operating, the National Bank of Rwanda (BNR) said, reflecting growing investor confidence in the country's economy.

Bernard Nsengiyumva, BNR's director of the financial sector, told the talk show *Dusangire Ijambo* that the sector includes banks, insurance companies, microfinance institutions, pension providers, and credit-only institutions.

"The sector is increasing in number and is stable, as shown by the indicators we monitor," Nsengiyumva said.

BNR tracks financial stability using several key measures. The **capital adequacy ratio** assesses whether institutions have sufficient funds to operate or meet obligations during financial stress. Liquidity ratios ensure banks and insurers can meet withdrawals, claims, or loans. Profitability metrics confirm that investors can earn returns, while non-performing loan ratios track whether loans are being repaid.

Recent BNR data show the sector is performing well. Non-performing loans stand at 2.6% in banks and 2.9% in microfinance institutions, below the 5% benchmark.

The sector's total assets have reached 15 trillion Rwandan francs, a milestone that underscores its growing role in the economy. Much of the capital comes from deposits, insurance contributions, and pension funds, which are reinvested in loans and other assets.

"This growth contributes significantly to national wealth," Nsengiyumva said.

Currently, the sector accounts for about 2% of Rwanda's gross domestic product (GDP) and employs 42,000 people, or roughly 0.9% of the workforce. Government projections indicate the sector will expand to 3% of GDP by 2030, 5% by 2035, and 12% by 2050.

BNR said it will continue monitoring financial institutions to maintain stability and investor confidence as Rwanda's economy grows.