



# INTEGRATED SDG INSIGHTS RWANDA

This initiative supports the articulation of national commitments to SDG transformation, towards accelerated SDG action in the second half of the 2030 Agenda.



# HOW TO READ THIS REPORT



Integrated SDG Insights provides an overview of a country's economic growth trajectory, highlighting potential conflicts between growth, environmental concerns, and societal well-being (referred to as the **SDG Moment**).



It builds from the foundation of national SDG progress through the lens of the 5Ps and uses machine learning to analyse national development ambition with an SDG lens (**SDG Trends & Priorities**).



Combined, these insights are mapped against SDG interlinkages to define policy choices that accelerate SDG progress, tailored to national context (**SDG Interlinkages**).



These policy choices are made against fiscal constraints and opportunities for stimulus to ensure choices translate to development impact and leave no one behind (**Finance & Stimulus**).

# SDG MOMENT: RWANDA

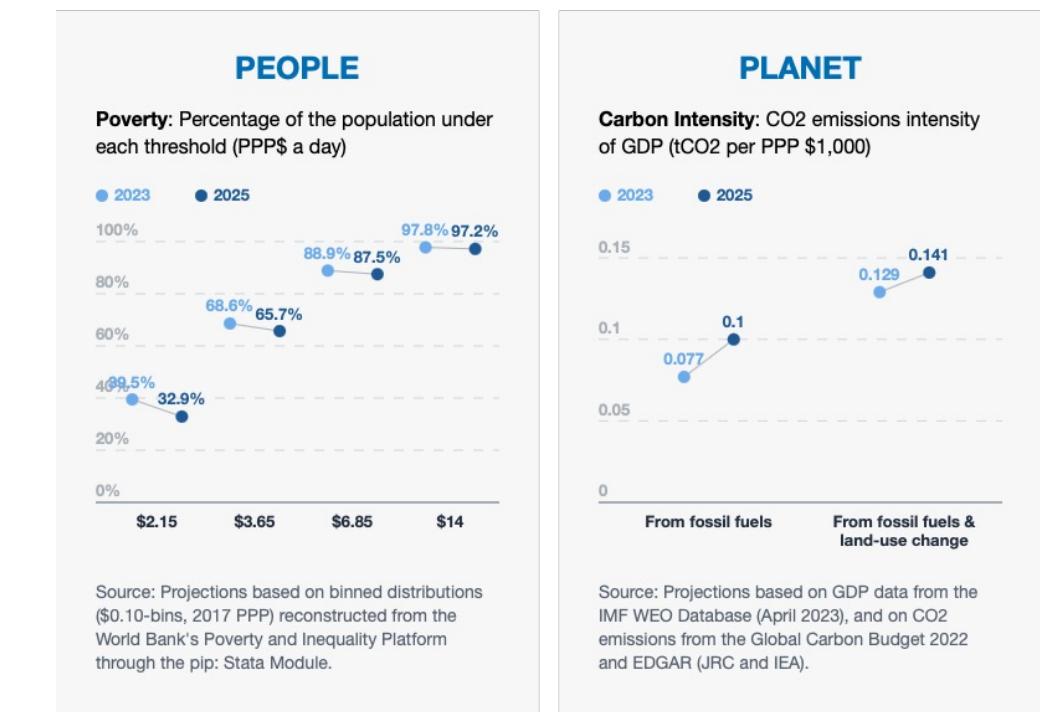
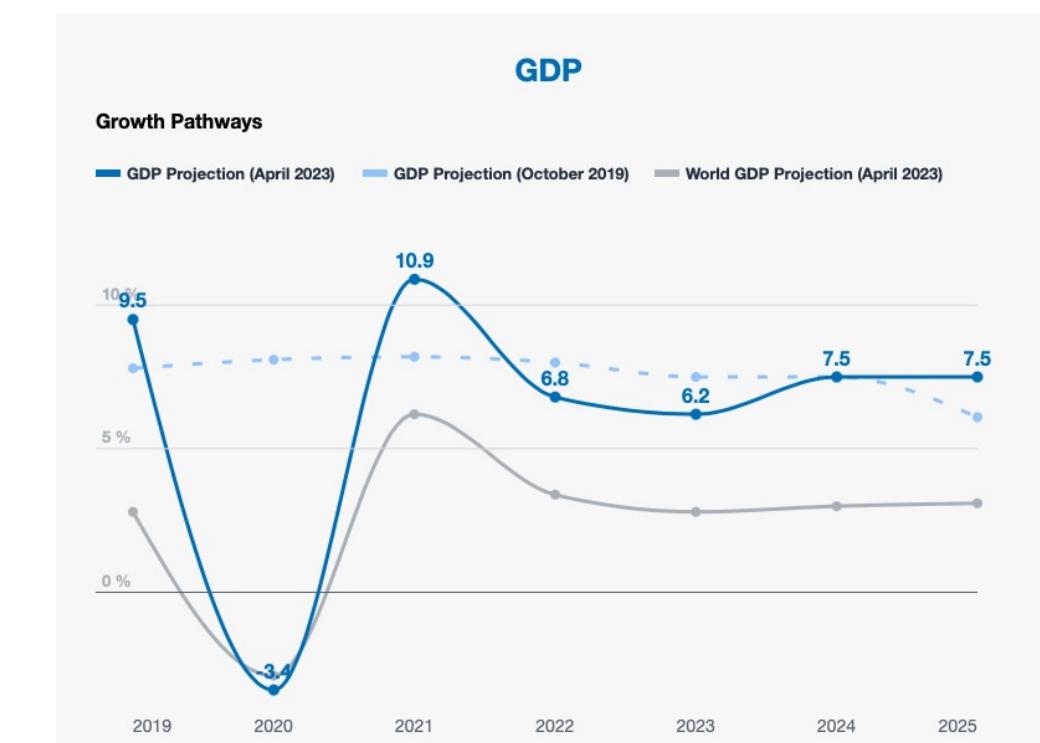
While economic growth is a key element in achieving the SDGs, many countries are intent on moving beyond growth as a yardstick for progress. In the short run, growth enables the SDGs; but in the long run, the SDGs aim to transform the pattern of growth itself.

Rwanda's pace of growth during the 2023-2025 cycle is in acceleration, projected to be more than twice the forecast for the world and to surpass by 2024 the country's growth trajectory expected in the absence of the pandemic.<sup>1</sup> Accordingly, Rwanda's commitments to achieving the SDGs are focused on transforming its economy and modernizing the lives of all Rwandans.

This rapid pace of growth would exert a positive impact on reducing poverty at \$2.15 a day, though there are still significant challenges to accelerate progress, especially when using the more stringent threshold of \$3.65 a day. On the other hand, Rwanda's economic expansion comes at the expense of the environment: the country's carbon emissions intensity of GDP (among the lowest in the world) is expected to increase at an annual rate of 15% due to fossil fuel usage, and of 4.7% when also considering land-use change.<sup>2</sup>

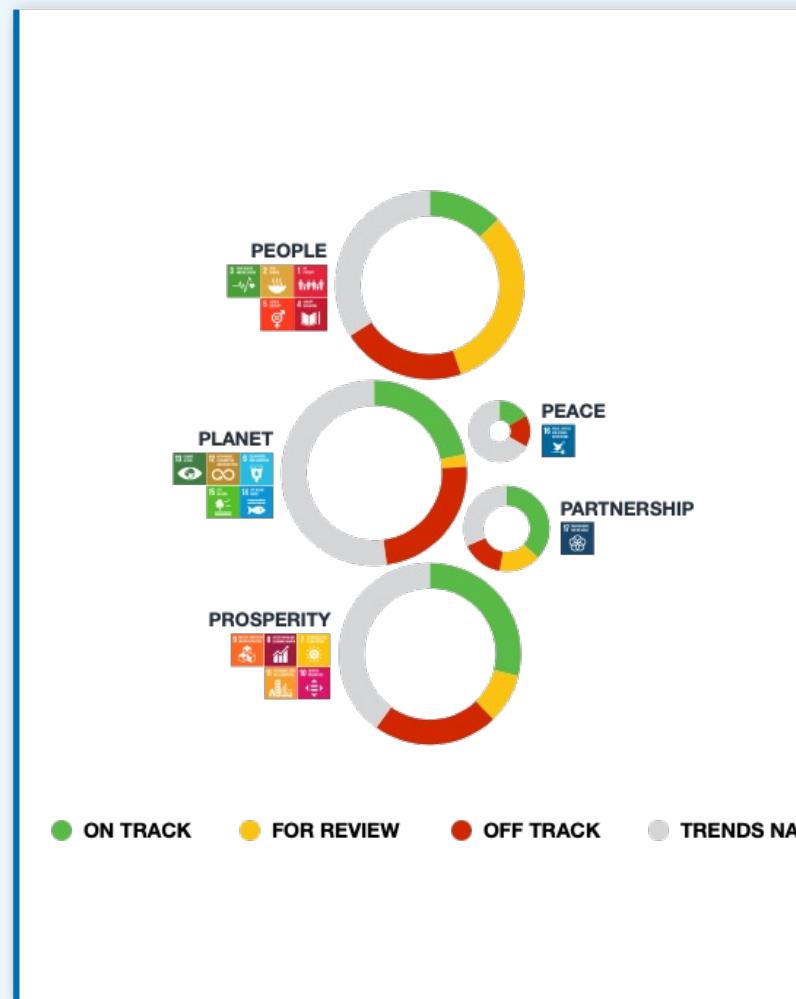
<sup>1</sup> The economic cycle is determined by adjusting the country's current GDP growth forecasts (April 2023) by their gap relative to the forecasts made before the pandemic and subsequent crises (October 2019). If the adjusted rates (not shown) are below 2%, the economy is considered in mitigation; it is coping if the adjusted rates range between 2%-4%, and it is in acceleration if they are above 4%.

<sup>2</sup> CO2 emissions intensity of GDP is computed as tonnes of CO2 per \$1,000 (2017 PPP).



# SDG TRENDS

Understanding how Rwanda performs against the SDG targets provides a baseline landscape against which to build integrated SDG pathways. SDG progress tracking follows [UN Stats](#) standards and [methodology](#), and is aligned with country profiles.



*Trends in detail:*

<https://data.undp.org/sdg-push-diagnostic/RWA/sdq-trends>

# SDG PRIORITIES

Rwanda's national priorities are analysed using machine learning to reveal the most prominent SDGs referenced in national policy documents. This analysis uses a custom-built model for SDG classification. It considers 100k+ terms, including phrases and expressions.



*Key documents for analysis:*

1. 7 Year Government Programme: National Strategy for Transformation (NST1) 2017 – 2024
2. Vision 2050 Rwanda

*Priorities in detail:*

<https://data.undp.org/sdg-push-diagnostic/RWA/current-priorities>

# SDG INTERLINKAGES

SDG interlinkages reveal how actions directed towards one SDG can impact others. Uncovering and understanding these interactions can help Rwanda to achieve the 2030 Agenda for Sustainable Development and to navigate trade-offs.

Based on a global framework for interlinkages, Rwanda's SDG progress is colour-coded at the target level.

Building from national trends and priorities, the following integrated SDG pathways reflect policy choices with the most potential to accelerate the SDGs for Rwanda:

- Target 8.5: Full employment and decent work with equal pay
- Target 9.2: Promote inclusive and sustainable industrialization
- Target 11.2: Affordable and sustainable transport systems



## ACCELERATION PATHWAYS



# SDG INTERLINKAGES

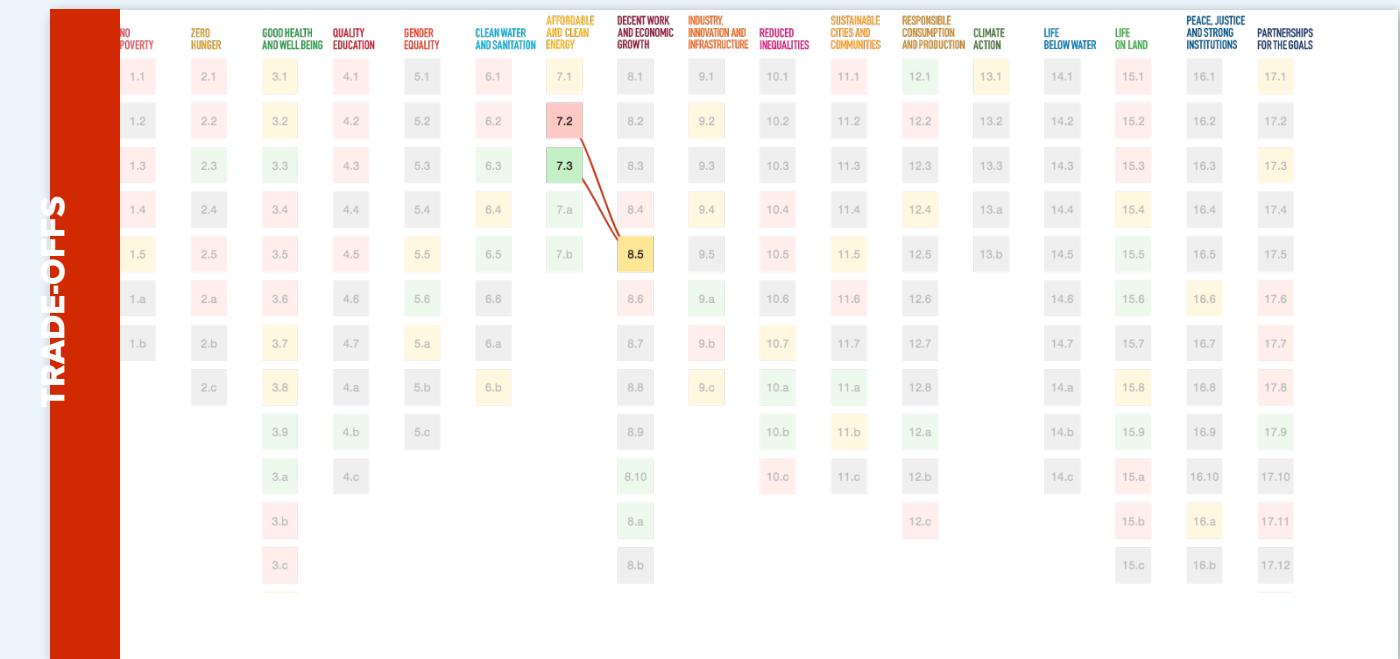
**8.5: By 2030, achieve full and productive employment and decent work for all women and men, including for young people with disabilities, and equal pay for work of equal value**

One priority of the 7 Years Government Programme, the National Strategy for Transformation (NST1) 2017–2024, is to create 1,500,000 (over 214,000 annually) decent and productive jobs for economic development.

Rwanda is undertaking a combination of reinforcing investments such as agriculture processing and light manufacturing (target 9.2), tourism (target 8.9), aviation and logistics (target 11.2); empowering youth and women (target 5.4) to create business through entrepreneurship and access to finance; scaling up the number of TVET graduates (target 4.3) with skills relevant to the labour market; and mainstreaming employment planning into all key sectors of the economy and strengthen the coordination.

Rwanda will continue to leverage the existing coordination mechanisms, including National Umushyikirano Council, the National Leadership Retreat, Ministerial Cluster meetings among others.

● ON TRACK      ● FOR REVIEW      ● OFF TRACK      ● TRENDS NA



Explore the interlinkages at:

<https://data.undp.org/sdg-push-diagnostic/RWA/synergies-and-tradeoffs>

# SDG INTERLINKAGES

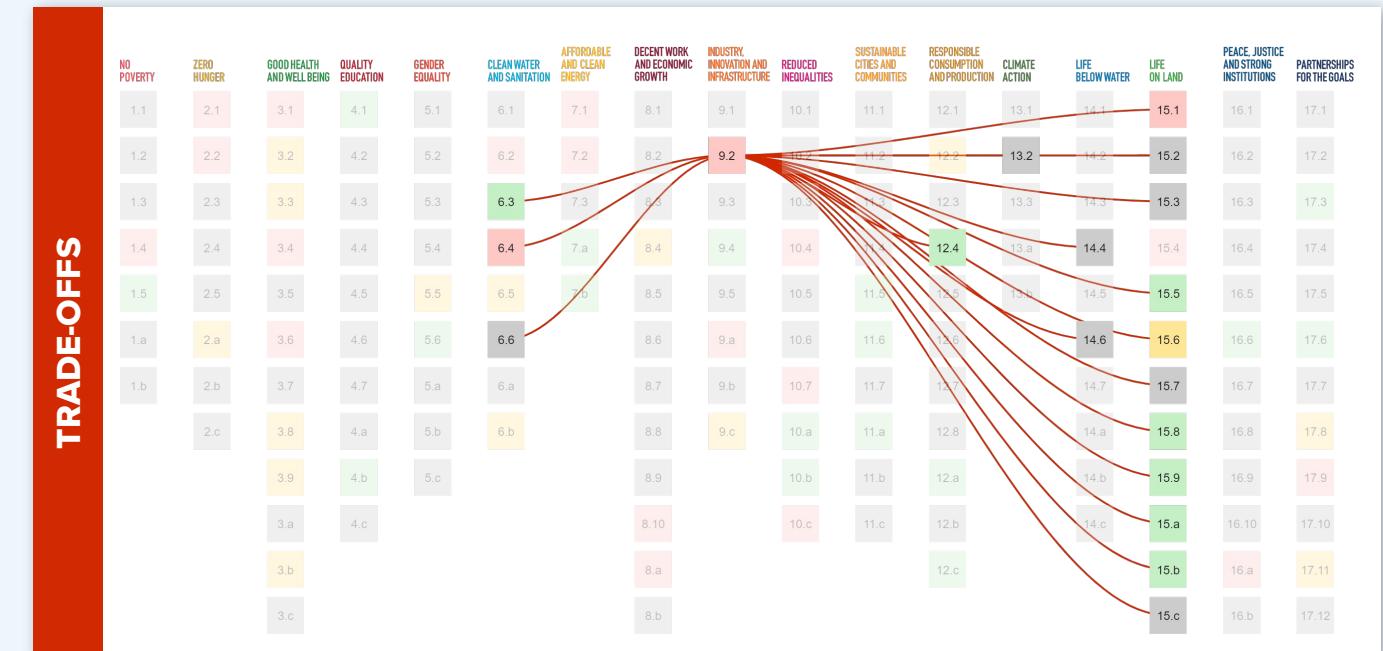
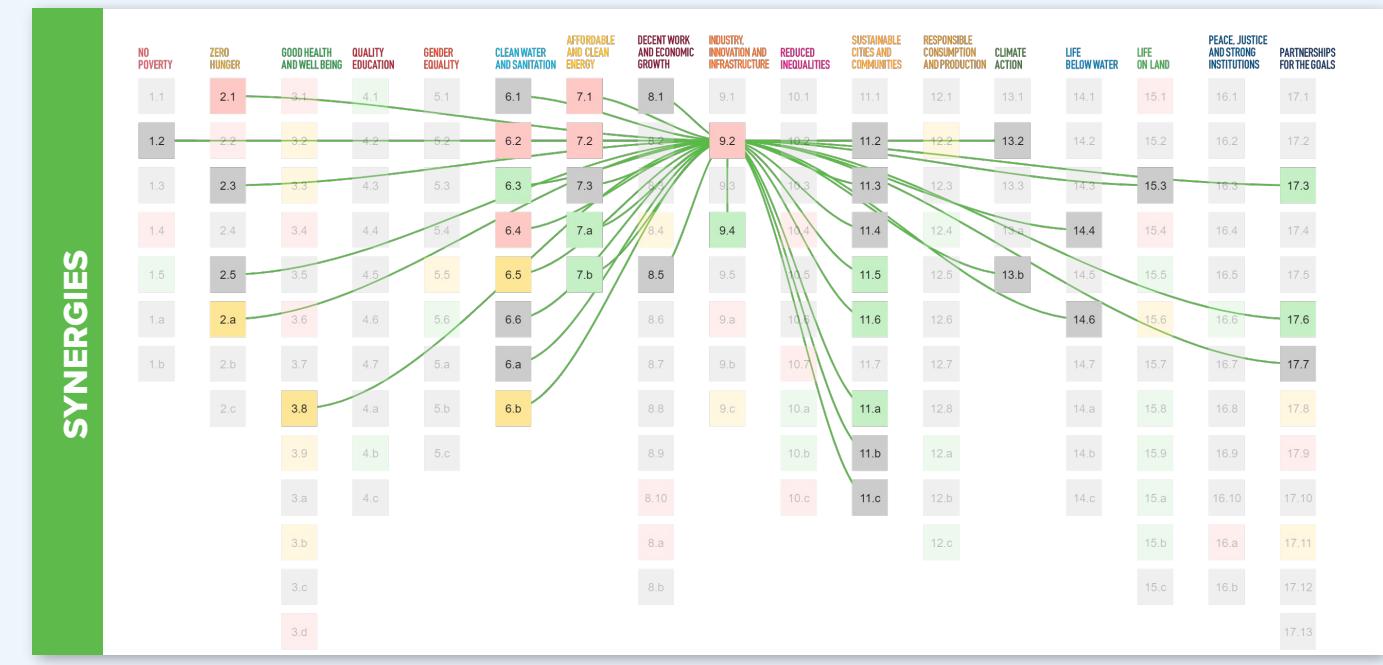
**9.2: Promote inclusive and sustainable industrialization and, by 2030, significantly raise industry's share of employment and gross domestic product, in line with national circumstances, and double its share in least developed countries.**

One of the priority areas for Rwanda is to promote industrialization and attain a structural shift in its export (target 17.11) base to high-value goods and services with the aim of growing exports. Promoting both the ‘Made in Rwanda’ brand and priority value chains are at the heart of inclusive and sustainable industrialization. Greening these efforts will also ensure that the likely trade-offs in terms of protecting the environment are addressed.

Investments in regional integration, will ensure that Rwanda continues to drive value addition as a signature solution together with its neighbours within the East African Community and beyond. Value addition will also trigger investments in health and education (for example through light manufacturing).

Finally, the idea of a diversified economy built upon future industries should not be lost. Therefore the special attention envisaged in Rwanda at 50 of nurturing new industries that are knowledge-based is indeed welcome.

● ON TRACK      ● FOR REVIEW      ● OFF TRACK      ● TRENDS NA



Explore the interlinkages at:

<https://data.undp.org/sdg-push-diagnostic/RWA/synergies-and-tradeoffs>

# SDG INTERLINKAGES

**11.2: By 2030 provide access to safe, affordable, accessible and sustainable transport systems for all, improving road safety, notably by expanding public transport, with special attention to the needs of those in vulnerable situations, women, children, persons with disabilities and older persons.**

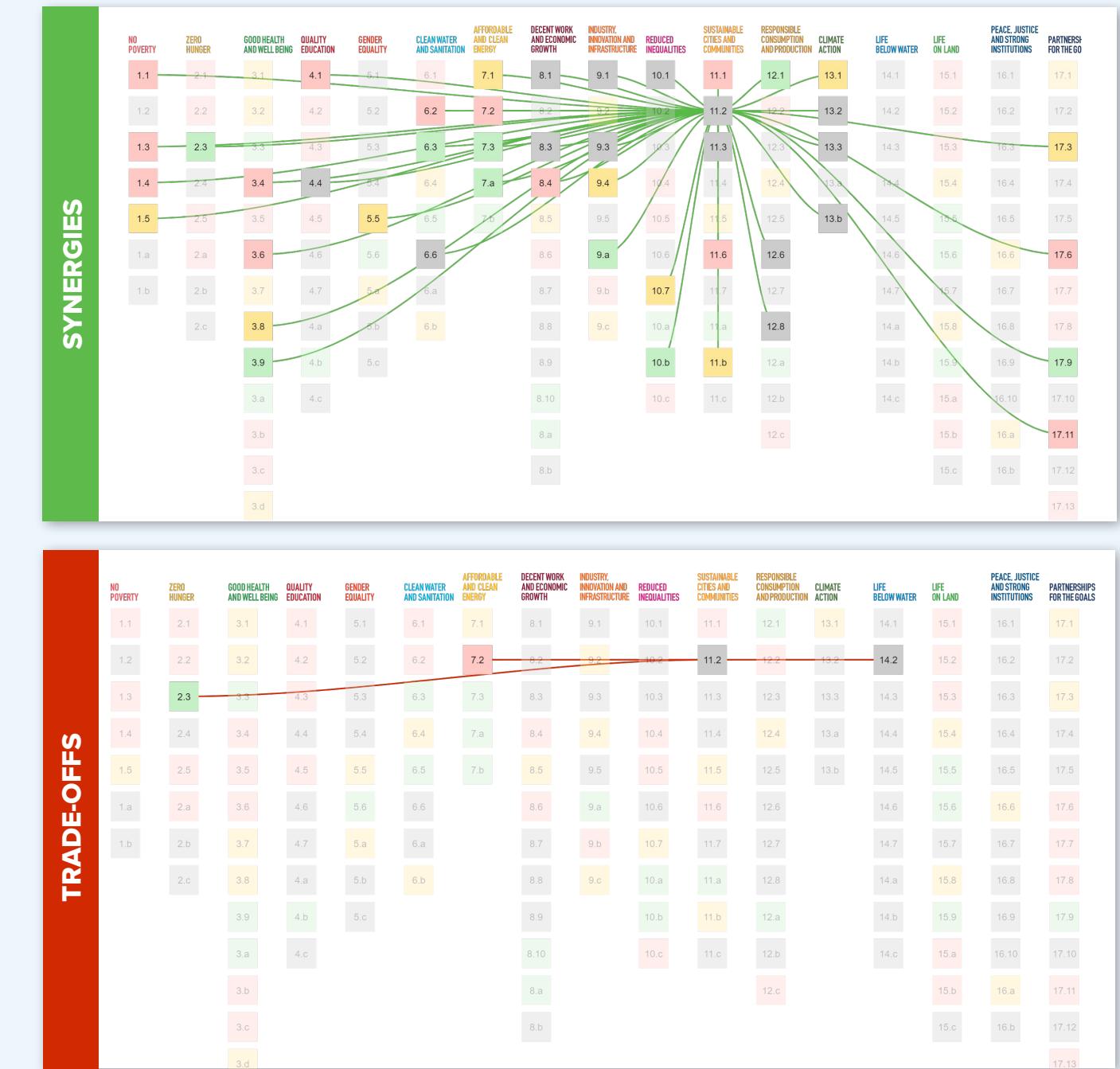
It is a priority of Rwanda to develop an integrated transport system – pipeline, railway, maritime, air and road – to ensure cost reductions in doing business, transit time and within reach of Rwandans. For instance, it is estimated that transport accounts for 40% of trade, and the commitment of Rwanda is to reduce this considerably.

Rwanda intends to strengthen its cooperation with the East African Community, the Common Market for Eastern and Southern Africa and other regional bodies to further improve connectivity.

Greening the transport systems (target 13.2) that will protect the environment, in addition to the positive multiplier effects on other SDG targets such as the creation of jobs.

Finally, working from home is becoming more fashionable. This will ease the pressure on the transport system. The planned investment is also to have more reliable and efficient transport system that is fit for purpose in the changing context.

● ON TRACK      ● FOR REVIEW      ● OFF TRACK      ● TRENDS NA



Explore the interlinkages at:

<https://data.undp.org/sdg-push-diagnostic/RWA/synergies-and-tradeoffs>

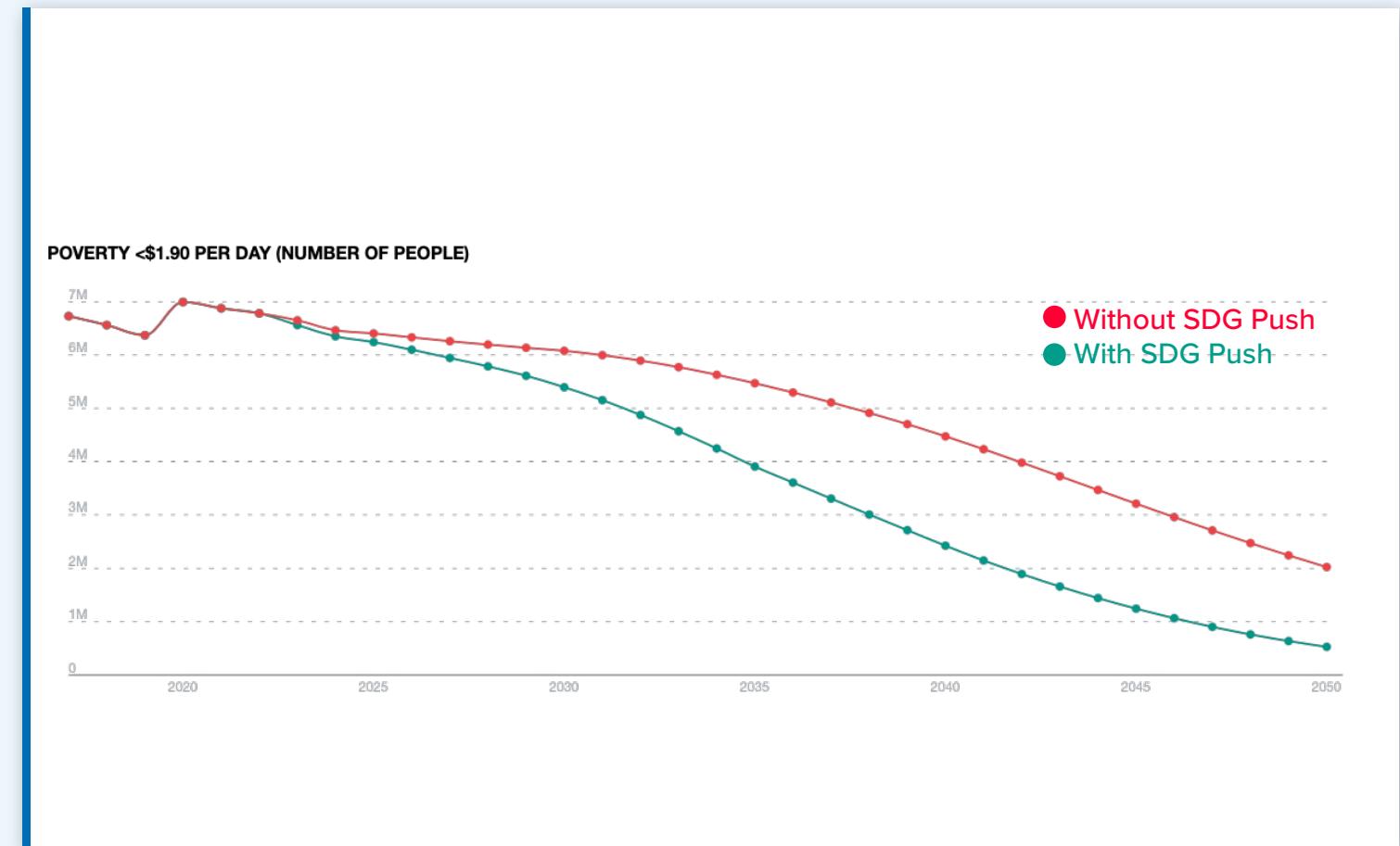
# FUTURES SCENARIOS

Achieving the SDGs is possible.

The ‘SDG Push’ is a futures scenario based on 48 integrated accelerators in the areas of Governance, Social Protection, Green Economy and Digital Disruption. It uses national data to explore the impact on human development by 2030 and by 2050 across key SDG indicators.

Incorporating ‘SDG Push’ accelerators into development interventions in Rwanda can reduce the number of people living in poverty over time.

People living in poverty	By 2030	By 2050
Without the SDG Push	6,100 000	2,000 000
With the SDG Push	5,400 000	530.000



Explore SDG Futures Scenarios at:

<https://data.undp.org/sdg-push-diagnostic/RWA/future-scenarios>

# FINANCE & STIMULUS

Many countries are facing reduced fiscal space, high debt levels, rising interest rates and downgrades on credit ratings. Fiscal and financial constraints tend to slow or even reverse SDG progress.

The radar diagram shows low frequency data points linked to government revenue and debt as a proportion of GDP, and the natural resource share of total revenue. The financial indicator graphs show external debt servicing relative to revenue, the sovereign credit rating and the country's latest Debt Sustainability Assessment (DSA) risk rating.

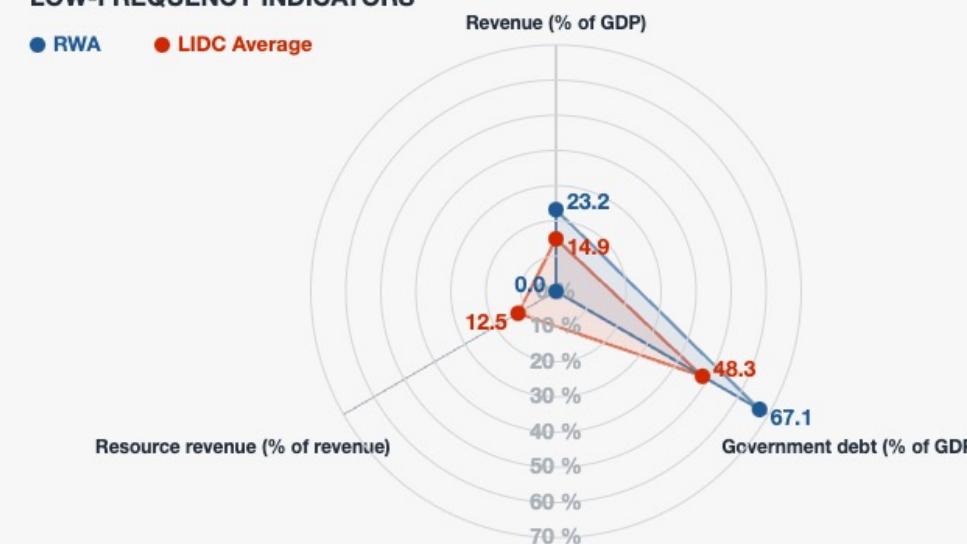
Rwanda's gross government debt, expected at 67.1% of GDP in 2023, is 18.8 percentage points (pp) above the low-income developing countries (LIDC) average of 48.3%. The country is expected to collect 23.2% of GDP in revenue this year, 8.3 (pp) more than the LIDC group's 14.9%.

Rwanda's public external debt servicing this year is expected to reach 8.4% of revenue compared to 14.1% for the LIDC average. Like the average LIDC country, Rwanda's credit rating is in the 'highly speculative' category. Due to the risk of less concessional financing, as well as Rwanda's susceptibility to climate-related shocks and adverse market conditions, the latest World Bank and IMF DSA from December 2022 rates the country 'in moderate risk of debt distress'.

Rwanda is using an Integrated National Financing Framework to address key fiscal and financial constraints and to build a more sustainable financial architecture at the national level. Priority actions include developing a medium-term revenue strategy, consolidating digitalization of tax administration efforts, streamlining incentive-driven tax expenditures around economic arrowheads, leveraging private investments in infrastructure PPP projects through strengthened capital markets, FDI promotion, and the mobilization of diaspora savings via the establishment of a diaspora fund.

## LOW-FREQUENCY INDICATORS

● RWA ● LIDC Average



## FINANCIAL INDICATORS

● RWA ● LIDC Average

Total external debt servicing (% of revenue)

8.4      14.1

Credit rating

6.5      7.7  
B+      B+

DSA Rating

MODERATE

**Notes:** External debt covers public and publicly guaranteed debt. The LIDC average of resource revenue (% of revenue) only includes the 38 countries that reported data for that indicator. The credit rating shows the numerical average of S&P's, Moody's, and FITCH's ratings, expressed in S&P's scale in brackets.

**Sources:** UNU-WIDER GRD (resource revenue, data from 2021), IMF WEO April 2023 (debt and revenue, forecasts for 2023), IDS (external debt, data from 2023), S&P, Moody's and FITCH (credit ratings, data from 2023), IMF/World Bank (DSA Rating as of 31 May 2023).

# SDG STIMULUS

The UN Secretary General's SDG Stimulus Plan lays out a blueprint for action within the existing financial architecture. It includes:

- Providing liquidity to support recovery in the near term
- Enhancing debt relief for vulnerable countries
- Expanding development financing by MDBs
- Aligning financial flows with the SDGs and the Paris Agreement, according to country-level priorities and needs, for example through the roll-out of the UN Integrated National Financing Framework (INFFs).

Given the projected fiscal and financial constraints faced by Rwanda, possible funding options for the investments derived from the identified interlinkages are as follows:

- Tax and revenue reform
- Climate finance
- Blended and public-private finance
- SDG-aligned business environment and investment
- Accessing financial markets and insurance
- Remittances, philanthropy and faith-based financing

## United Nations Secretary-General's SDG Stimulus to Deliver Agenda 2030

FEBRUARY 2023



# METHODOLOGY

Click [here](#) to view the Methodological Note for the Integrated SDG Insights



## SDG MOMENT

### Methodology

Assesses challenges and opportunities in national growth trajectories with insights on environmental sustainability and inclusiveness.

### Data Sources

Future trajectories to 2025 are based on IMF-WEO GDP projections, distributions of per capita income or consumption from the World Bank, and CO<sub>2</sub> emissions from the Global Carbon Budget 2022 and EDGAR (JRC and IEA).



## TRENDS & PRIORITIES

### Methodology

SDG trends tracks progress from 2015 to date for the 231 indicators. National priorities are analysed using machine learning to reveal the most prominent SDGs referenced in national policy documents.

### Data Source

Trends utilizes official [UN statistics](#) to assess [SDG progress](#), supplemented with national data when available. Priorities uses a custom-built model for SDG classification. The policy documents analyses are provided by Governments.



## INTERLINKAGES

### Methodology

Global target-level interlinkages are drawn from the [KnowSDGs Platform by European Commission](#). SDG interlinkages were retrieved through a structured literature review in Scopus and Google Scholar to tap both grey literature and peer-reviewed publications as a source of information.

### Data Source

The exercise globally considered a total of 454 documents published from 2015 to August 2022. ([Miola et al., 2019](#) updated in [2021-2022](#))



## FINANCE & STIMULUS

### Methodology

Provides insight into indicators of fiscal and financial stress with options (INFF) for stimulus and other means to accelerate progress.

### Data Source

Most recent resource data from UNU-WIDER GRD (between 2018 and 2021), debt and revenue from IMF WEO (between 2020 and forecasts for 2023), external debt from IDS (2023), yields from Haver Analytics (8 June 2023), credit ratings from S&P, Moodys and FITCH (2023), and DSA ratings from World Bank/IMF (31 May 2023).