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Kigali 13 MAR 2020
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To: Chief Budget Manager of the City of Kigali and District (All)

Re: Guidelines for preparation of Decentralized Administrative Entities budget estimates for the FY 2020/21 and Medium Term Expenditure Framework for the period 2020/21 – 2022/23.

A. Introduction

1. In line with Organic Law on State Finances and Property as well as the Ministerial Order No 001/16/10/TC of 26/01/2016 relating to Financial Regulations, the Ministry of Finance and Economic Planning issued the First Planning and Budgeting Call Circular (PBCC) N°0806/10/19/NDPR on 23rd October, 2019. The circular provided advance information to facilitate the process of preparing the 2020/21 budget on time. This second Budget Call Circular is envisioned to provide detailed guidelines and instructions to facilitate decentralized administrative entities to prepare and submit detailed budget estimates for the FY 2020/2021, and the Medium Term Expenditure Framework.

B. The Macroeconomic Context of 2020/21 Budget Preparation

2. Rwanda's policies and strategies for 2020/21 and over the medium term are built on Government's ambition to raise Rwandans high living standards and reach the upper middle income status by 2035 and high income by 2050. This is reflected in the blue print of the Vision 2050 under development. The National Strategy for Transformation (NST1) provides the direction of the policy objectives over the medium term. The real GDP growth is estimated at 8.0% in the medium-term. Inflation is expected to remain not higher than 5% in the medium-term.
3. To support the achievement of the projected economic growth, priority interventions planned in 2020/21 and in the medium term should be drawn from District Development Strategies (DDSs) contributing to the National Strategy for Transformation (NST1) and Vision 2050 in the long term.