



## PRESS RELEASE

# RWANDA SUCCESSFULLY CLOSES EUR 213 MILLION BLENDED FINANCE FACILITY

*Landmark Transaction Illustrates Rwanda's Prudent Debt Management Strategy, Achieving Record-Low Pricing Amid Challenging Market Conditions*

**April 14, 2026**

Rwanda (B+/B2/B+) announces the successful closing of a EUR 213 million commercial loan facility with a 15-year maturity and a 6-year grace period.

This transaction is a cornerstone of Rwanda's prudent and proactive approach to sovereign debt management. The Country intends to systematically favor blended finance solutions—leveraging credit enhancement from multilateral institutions to access international capital on competitive terms—to achieve three strategic objectives: a low cost of debt, a smooth repayment profile, and enhanced access to stable sources of funding. By anchoring its borrowing strategy in these principles, Rwanda continues to set a benchmark for responsible fiscal stewardship among emerging and frontier market sovereigns.

This new facility builds on Rwanda's established track record in blended finance. In 2024, the Country successfully closed its inaugural blended finance transaction—a EUR 200 million ESG loan backed by a partial credit guarantee from the African Development Fund (ADF), the concessional lending arm of the African Development Bank Group. The present Transaction, backed by the International Development Agency (IDA), part of the World Bank Group, represents a natural evolution of this strategy, deepening the Country's engagement with the full spectrum of multilateral guarantee providers and further reinforcing its commitment to innovative, sustainable borrowing.

In a landmark transaction, the World Bank Group Guarantee Platform, housed at the Multilateral Investment Guarantee Agency (MIGA), has enabled the combination of an IDA Policy-Based Guarantee (PBG) and a MIGA guarantee. The IDA PBG provides a first-loss coverage and is complemented with a MIGA Non-Honoring of a Sovereign Financial Obligation policy, serving as a second-loss cover. This follows MIGA's recent relaxation of its eligibility criteria for second-loss cover where IDA provides a first-loss guarantee. Rwanda is the first country to benefit from this revised investment policy.

The transaction was executed against a backdrop of significant volatility in emerging market credit markets, driven by heightened global geopolitical tensions. Rwanda's ability to close this financing on highly favorable terms in such an environment underscores strong international investor confidence in the country's credit fundamentals and fiscal trajectory.

Consistent with Rwanda's emphasis on maintaining a smooth and sustainable debt repayment profile, a 6-year grace period was negotiated with Lenders so that principal repayments commence only after the maturity of Rwanda's outstanding Eurobond, thereby avoiding the creation of refinancing walls and preserving a sound repayment profile. Also, the extended 15-year tenor further smoothens the Country's debt service obligations while the low cost of funding negotiated provides fiscal space to support Rwanda's development priorities. Taken together, the combination of a long maturity, an extended grace period, and exceptionally competitive pricing illustrates how the blended finance approach directly translates into tangible benefits for Rwanda.

Proceeds of the facility will be applied to General Budget Purposes in line with the World Bank's Rwanda Inclusive and Resilient Job Creation Development Policy Financing Operation. The Transaction supports reform policies and investments across Infrastructure, Health & Nutrition, Education, Agriculture, Social Protection, and Industry Development.

The closing follows recent positive credit developments for the Country. In March 2026, Fitch revised Rwanda's rating outlook to Stable, followed by Moody's affirmation of a Stable outlook in April 2026. These actions reflect improving fiscal metrics and the continued implementation of structural reforms under the Government's medium-term development program.

Commenting on the transaction, Yusuf Murangwa, the Minister of Finance and Economic Planning, stated:

*"This landmark financing demonstrates Rwanda's unwavering commitment to innovative and prudent debt management. Blended finance is at the heart of our borrowing strategy, enabling us to secure long-term funding at an exceptionally competitive cost, while maintaining a smooth repayment profile and safeguarding our debt sustainability. The layered guarantee structure—combining IDA and MIGA instruments through the World Bank Group Guarantee Platform—is a testament to the strength of our partnership with the World Bank Group and a model for future transactions. We are grateful for the confidence of our lending partners, Société Générale and Standard Chartered Bank, and the expert guidance of Alvarez & Marsal and White & Case throughout this process."*