



PRESS RELEASE

RWANDA CLOSES DUAL-CURRENCY EUR/JPY COMMERCIAL LOAN FACILITY

Innovative Transaction Featuring Currency Diversification and Record-Low Pricing Showcases Prudent Debt Management Strategy of Rwanda Authorities Amid Challenging Market Conditions

Kigali 25 August, 2026 - The Ministry of Finance and Economic Planning of the Republic of Rwanda (B+/B2/B+) announces the successful closing of a dual-tranche commercial loan facility comprising EUR 82 million and JPY 15 billion, with a 15-year maturity and a 6-year grace period. The JPY portion of the deal marks Rwanda's first-ever yen-denominated issuance, diversifying its currency base and signaling its readiness for deeper engagement with JPY-denominated capital and investors in Asia.

This funding exercise reflects Rwanda's broader debt management strategy, which leverages multilateral guarantees to access international capital on competitive terms, in pursuit of a low cost of debt, a smoother repayment profile, and enhanced access to stable funding sources over the long term.

The transaction builds Rwanda's established track record in blended finance. Earlier this year, the country closed a EUR 213 million Policy Based Guarantee (PBG) loan facility. In 2024, it completed its inaugural blended finance transaction, a EUR 200 million ESG loan backed by a partial credit guarantee from the African Development Fund (ADF). The current dual-tranche EUR/JPY PBG loan facility, backed by the World Bank Group, extends this strategy by deepening Rwanda's engagement with a wide range of multilateral guarantee providers.

Similarly, to the first PBG transaction, the guarantee structure was enabled by the World Bank Group Guarantee Platform, housed at the Multilateral Investment Guarantee Agency (MIGA), combining an International Development Association (IDA) Policy-Based Guarantee (PBG) as first-loss coverage with a MIGA Non-Honouring of a Sovereign Financial Obligation policy as second-loss cover.

The transaction closed against a backdrop of continuing emerging market credit volatility driven by heightened geopolitical tensions. Rwanda's ability to secure favorable terms in this environment underscores strong investor confidence in its credit fundamentals and fiscal trajectory.

The repayment structure was designed for sustainability: the 6-year grace period was negotiated so that principal repayments begin only after Rwanda's outstanding Eurobond matures, avoiding a refinancing wall, while the 15-year tenor further smooths debt service obligations. Together with the competitive pricing, this arrangement demonstrates Rwanda's commitment to preserve both debt and fiscal sustainability.

Proceeds of the facility will be applied to General Budgetary 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 in key areas including Infrastructure, Health & Nutrition, Education, Agriculture, Social Protection and Industry Development.

The closing follows recent positive credit developments: Moody's revised Rwanda's rating outlook from Negative to Stable on 19 September 2025, followed by Fitch on 13 March 2026 both reflecting improving fiscal metrics and continued structural reform implementation.

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

“ This second PBG+ transaction demonstrates Rwanda's unwavering commitment to innovative, best-practice funding solutions, as we proactively diversify our borrowing sources while maintaining prudent debt management. The facility's Yen-Dominated tranche marks our entry into a new pool of capital that the country intends to build on in the near future. More broadly, blended semi-concessional finance, structured through our ever-growing partnership with the World Bank Group, remains the hallmark of our borrowing strategy, helping us maintain a smooth repayment profile and safeguard debt sustainability. We appreciate our lending partners Société Générale and Standard Chartered Bank, for their trust and collaboration, as well as Alvarez & Marsal and White & Case for their valued advice throughout this process.”