REPUBLIC OF RWANDA

MEDIUM TERM DEBT STRATEGY

MINISTRY OF FINANCE AND ECONOMIC PLANNING

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ABBREVIATIONS

ADF	African Development Fund
ATM	Average Time to Maturity
AfDB	African Development Bank
BNR	BanqueNationale du Rwanda
CIRR	Commercial Interest Reference Rates
DSA	Debt Sustainability Analysis
EDPRS	Economic Development and Poverty Reduction Strategy
EUR	European Euro
EU	European Union
FY	Fiscal Year
GoR	Government of Rwanda
GDP	Gross Domestic Product
GDF	Gross Domestic Financing
GE	Grant Element
GEF	Gross External Financing
HIPC	Highly Indebted Poor Countries
IFAD	International Fund for Agricultural Development
IDA	International Development Association
JPY	Japanese Yen
KWD	Kuwait Dinar
LIBOR	London Interbank Offered Rate
MINECOFIN	Ministry of Finance and Economic Planning
MDRI	Multilateral Debt Relief Initiative
NPV	Net Present Value
NV	Nominal Value
OBL	Organic Budget Law
OECD	Organization for Economic Cooperation and Development
OPEC	Organization of the Petroleum Exporting Countries
PIP	Public Investment Policy
PPP	Public-Private Partnership
RWF	Rwandan Franc
SAR	Saudi Riyal
SDR	Special Drawing Rights
USD	United States Dollar
XR	Exchange Rate

INTRODUCTION

The present document aims at offering an orientation for the management of Rwanda's public debt during the period 2015/16 up to 2017/18. It will focus on designing a strategy which ensures that government's financing needs and payment obligations are met at the lowest cost and risk levels while developing the domestic capital market.

This strategy is also developed in a context whereby the government is committed to focusing its efforts in mobilizing of domestic revenues, the diversification of traditional exports into non-traditional products, and the financing of strategic and high return projects, in order to address key vulnerabilities like: high dependence on donor aid, low government revenues, narrow export base, and weak infrastructure.

The debt sustainability analysis conducted in March 2015, revealed that Rwanda's debt levels remained sustainable and well below the indicative thresholds for debt distress. Rwanda's debt is at low risk of debt distress as a result of improved macroeconomic prospects (especially strong export growth in the recent past) and sound macroeconomic and debt management. The implication of an improved status in the risk of debt distress creates additional room for borrowing, which needs to be managed carefully with particular attention to the financial instruments used when a new debt is incurred.

The Rwanda Medium Term Debt Strategy will provide a clear roadmap for government to achieve a desirable mix of financing instruments in order to implement its public investment program based on the minimal cost and risk associated with the prevailing market and macro conditions.

It will also review the cost and the risks relative to the existing portfolio, after Rwanda accessed the international bond market for the first time in May 2013, and will examine the context in which the country is evolving in order to achieve its Economic Development and Poverty Reduction Strategy.

BACKGROUND AND DEVELOPMENT OF THE DEBT PORTFOLIO

The overall fiscal deficit (including grants) during fiscal year 2014/2015 represented Frw 262.6 billion or approximately 4.4 per cent of GDP. It was partly financed through external debt and through issuance of T-bills and T- Bonds.

As a result of these developments, the total public and publicly guaranteed debt for FY 2014/15 rose to 33.0 per cent of GDP of which 25. per cent is external and 8.0 per cent domestic. The table below sets out the composition of the total debt for the period 2012/13-2013/2014.

Table 1 Rwanda Public Debt Stock _ in millions of USD (unless otherwise indicated)

	June-14			June-15(proj)		
	Million (USD)	**% of GDP**	**Share of total debt (%)**	**Million (USD)**	**% of GDP**	**Share of total debt**
Total public debt	2,295.5	30.5	100.0	2,719	33.0	100.0
External	1,754.2	23.3	76.4	2059	25.0	75.8
Concessional	1,279.0	17.0	55.7	1396	16.9	51.4
Commercial	475.20	6.3	20.7	663	8.0	24.4
o/w Eurobond	400.0	5.3	17.4	400.0	4.8	14.7
o/w other[1]	75.2	1.0	3.3	263	3.2	9.7
Domestic	541.3	7.2	23.6	659	8.0	24.2
in billion RWF	369.5			454		
o/w short-term (RWF bn)	152.6			152.6		
Memorandum items						
Nominal GDP (RWF bn)	5,137			5682.5		
Nominal fiscal year GDP (USD mn)	7,526			8250		
Exchange rate	682.5					

Over the last three years the main composition of the debt portfolio continued to be concessional for loans denominated in foreign currency, and treasury bills for loans denominated in Rwandan francs. However, it is evident that the share of concessional loans as a total of external debt has decreased from 55.7 per cent at end June 2014, to 51.4 per cent as of end June 2015 due to higher borrowing in concessional funding especially from IDA and AfBD as a result of lower risk of debt distress which implied a shift from a grant and credit mix to credit only which

represented 11 per cent of total external debt disbursed. The main areas where fund were used are transport, construction, energy, poverty reduction and rural development.

Guarantees provided by government constitute 9.7 per cent of total debt or 3.2 per cent of GDP, due to Rwandair borrowing of $188 million for the purchase of two wide-body aircrafts and the lease of one bombardier.

Box 1. Post-launch performance of the Eurobond

Since it has been issued, Rwanda's international bond yield has achieved better terms compared to its peers including Ghana, Kenya, and Zambia with its two bonds. The figure bellow sets out clearly, how emerging market bonds performed for the last 14 months.

The yield started at a level of 6.625% in April 2013 increased up to a level of 8.93 per cent by September 2013, as a result of the withdraw by the Federal Reserve of the quantitative Easing program which made emerging markets bonds like Rwandan Eurobond unattractive to investors.

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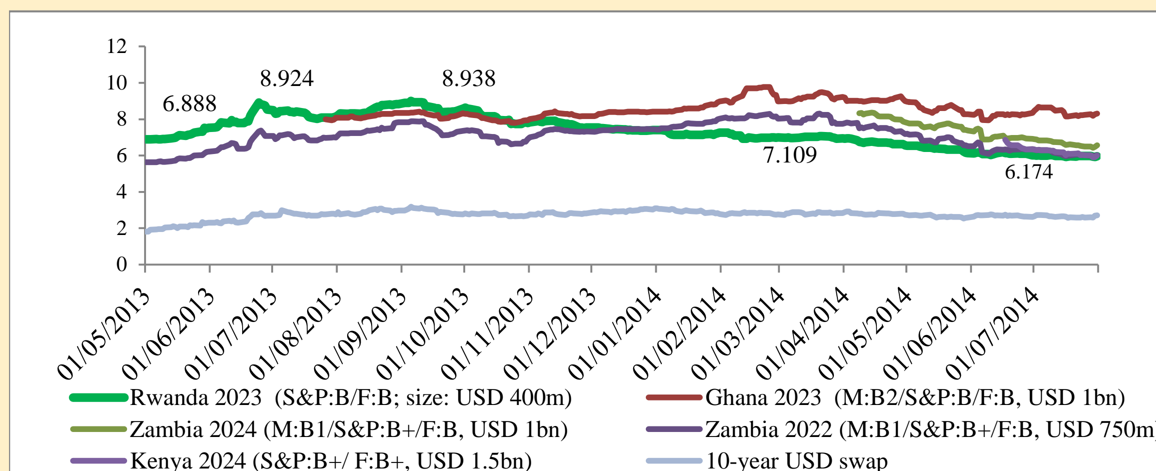
By the end of 2013 the yields started to fall again following a statement by the Fed that they would gradually taper the Quantitative Easing (QE) policy throughout 2014. Investors became more comfortable with the idea of a reduction in QE which led to an increase in the price of Emerging market bond and a decrease in the yield.

Figure 1: Yield to maturity (%)



ANALYSIS OF RISKS IN THE PUBLIC DEBT PORTFOLIO

Table 2 presents the main risks associated with the Rwandan debt portfolio including its sustainability, interest rates, exchange rates, and refinancing.

Table 2: Risks Indicators of Public Debt (in %)

	Jun-12				Jun-14		
	External debt	**Domestic debt**	**Total debt**		**External debt**	**Domestic debt**	**Total debt**
Amount (in millions of USD)	1,233.2	250.2	1,483.4		1,745.4	541.4	2,286.77
Nominal debt as % GDP	18.9	3.8	22.8		24.2	7.5	31.8
Sustainability							
PV as % of GDP	12.8	3.8	16.6		17.3	5.4	22.7
PV as % of Exports	110.0	…	…		94.0	…	…
Weighted Av. IR (%)	0.9	7.2	1.9		2.5	8.2	3.8
Refinancing risk							
ATM (years)	15.3	5.0	13.5		15.0	3.7	12.5
Debt maturing in 1yr (% of total)	6.3	45.5	12.9		1.6	63.0	15.4
Interest rate risk							
ATR (years)	15.3	5.0	13.5		15.0	3.7	12.5
Debt refixing in 1yr (% of total)	6.3	45.5	12.9		1.6	63.0	15.4
Fixed rate debt (% of total)	100.0	100.0	100.0		100.0	100.0	100.0
FX risk							
FX debt (% of total debt)			83.1				77.5

Sustainability

Rwanda's public and publicly guaranteed debt remains sustainable with all the risks indicators positioned well below the indicative thresholds established by the World Bank and IMF Debt Sustainability Analysis tool. This is the case under both the baseline scenario and most extreme shock, meaning Rwanda's debt is at low risk of debt distress. A sustainability analysis conducted in March 2015, revealed that Rwanda's PV of debt to export stood at 134.1 per cent by end December 2014 compared to the level of 101.7 per cent in 2013. The main reason for this deterioration is an increase in the level of non-concessional borrowing for Rwandair fleet plan expansion while a slowdown was observed in exports of goods .

Going forward, a high growth is expected for exports of minerals, but also non-traditional products in horticulture, and floriculture. Such growth will ensure Rwanda has the foreign exchange space required to meet its debt servicing requirements.

Another aspect which contributes to a sustainable level of debt is a the debt management capacity, which observed an improvement as per the CPIA (Country Policy and Institutional Assessment by the World Bank) score of 3.9 on a scale of 6, making Rwanda one of the top performers like Cap Verde and Kenya[1].

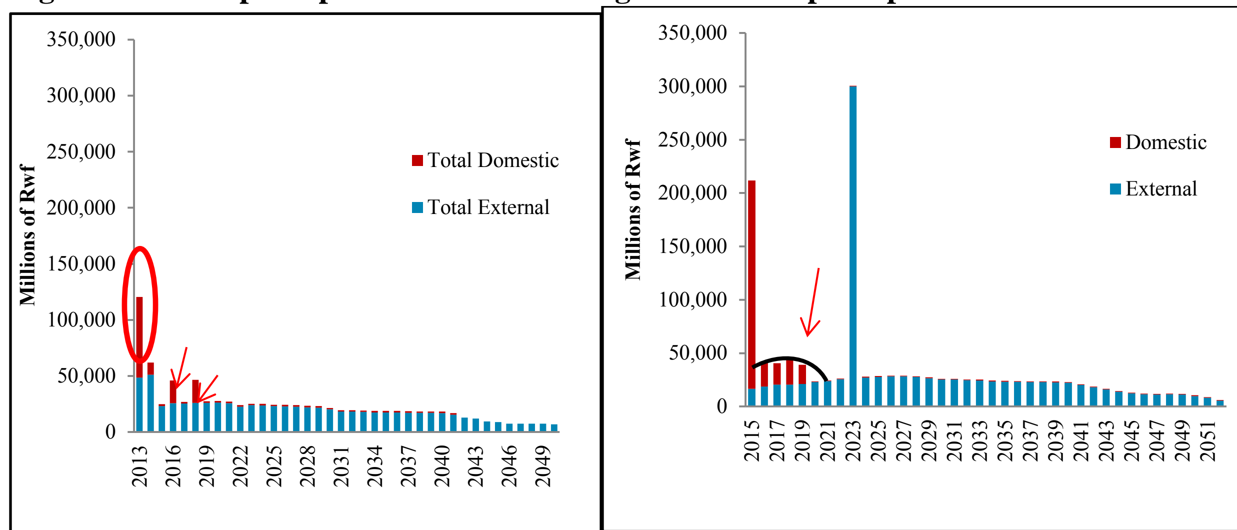
[1]CPIA report_ June 2014.

Refinancing Risk

The average time to maturity (ATM) of the entire portfolio was 11.8 years by end June 2014 against 13.5 years in June 2012. This is an indication that ATM has worsened between 2012 and 2014. The ATMs for external and domestic debts was 15 and 5 years, respectively in 2012. The sharp drop in the ATM of the entire debt portfolio was caused the dominance of short-term debt in the portfolio, indicating the presence of high refinancing risk.

The redemption profile is another measure of refinancing risks exposure of the debt portfolio. When the debt profile is not as smooth as possible, it may increase the risk of refinancing very large volumes of debt in unfavorable market conditions. Figure 2 and 3 shows a comparison of the current 2013/2014 redemption profile against 2011/2012.

Figure 2: Redemption profile 2011/2012 Figure3: Redemption profile 2013/2014



It is quite evident from the above figures that the current redemption profile (2013/2014) implies a higher level of refinancing needs compared to 2012/2013. This is due to a higher level debt which is maturing in a year, and USD 400 million (representing 28 per cent share of external debt) maturing in 2023. The debt maturing in a year represents 63 per cent of total domestic debt against the level of 45 per cent in 2011/2012.

Interest rate

The total debt portfolio is entirely constituted of loans with fixed interest rates. This means that the portfolio is not subject to risks related to variable interest rates.

The debt portfolio recorded an increase in the implied interest rate cost, from 1.9 per cent in June 2012 to 3.8 per cent in June 2014 due to a Eurobond issuance in April 2013.

The use of a Eurobond as a funding instrument in the medium term debt strategy was critical in achieving strategic objectives which includes purchase of Rwandair aircraft and completion of the Kigali convention center.

The interest rate analysis also reveals that the proportion of total public debt which is subject to interest rate re-fixing in one year has not reduced as the previous strategy was suggesting. The government faced difficulties in meeting its objectives for reducing the short-term instruments as a result of the aid cut shock which emerged in the second half of 2012, but also domestic revenue targets which were not achieved during the Year 2014/15. The issuance of treasury bills became therefore instrumental to the management of recent cash flow needs.

Exchange Rate Risk

In June 2014, the foreign risk exposure stood at 77 per cent against 83 per cent in June 2012. This indicates a lower exposure of the total debt portfolio to exchange rate fluctuations as a result of a higher share of loans denominated in local currency.

Figure 4: Currency Composition of Public Debt Portfolio as at June 2014

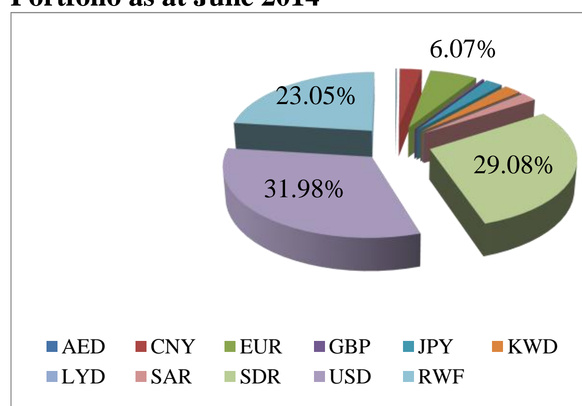
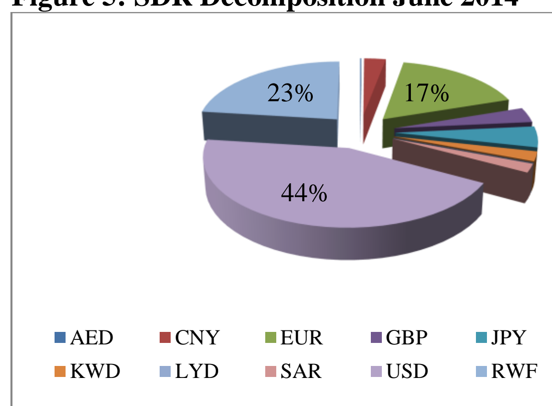


Figure 5: SDR Decomposition June 2014



Source: MINECOFIN

Within the foreign currency debt portfolio, the composition is in favor of the U.S. Dollar with the share of 31.9 percent. However a considerable share of foreign currency debt is denominated in SDR by 29.08 percent. When the SDR is decomposed, the risk exposure to the US dollar becomes more prominent as the share of foreign debt denominated in US dollar increases to a level of 44 per cent.

SUMMARY OF KEY FINDINGS

The previous medium term debt strategy 2011/12 -2013/14 contains the following objectives:

1. The PV of debt to exports shall reduce to 100.3 per cent from a level of 110.3 per cent. This objective was achieved with a level of 94.2 per cent in June 2014.

2. The additional borrowing other than financing of high return projects shall be done with concessional loans, and domestic issuance of treasury bills and bonds. The objective was achieved with a successful issue on the international market in order to finance strategic projects while concessional loans mainly from IDA and AfDB continued to constitute high share of the debt portfolio.

3. However, the objective of reducing the issuance of short term notes in favor of longer term debt in the domestic market was not achieved due to the aid cut shock which characterized the second half of 2012 and domestic revenue targets which were not achieved.

OBJECTIVES AND SCOPE IN THE MEDIUM TERM

Based on the organic law n° 12/2013/OL OF 12/09/2013 on state finances and property, and its regulations, the objective of Rwandan debt management is to ensure that “all the financing needs and settling of obligations meet the medium term objective of low borrowing costs, prudent risk exposure and promotes an active domestic debt market”.

The scope of the strategy includes the debt issued by the central government as well as the public guarantees of private debt. However, it is important to note that although the guarantees are considered in the formulation of the strategy, they do not have a direct and definite implication for the budget. They are only considered for the risk that they represent for the central government, which will have to honor the payment obligations of the guaranteed entity under the terms of the loan agreement in the event of its default.

MACRO- MARKET ENVIRONMENT AND FUTURE FUNDING NEEDS

Economic growth in the medium term is expected to slow down be higher than 2013. Real GDP growth in 2014 is projected to be 6.5 per cent, and gradually recover to 7-8 per cent over the medium term. The main risk is a weak second agricultural season, based on below-average rainfall so far in 2015, and further delays in large government projects.

A key source of growth in the medium-term will be regional integration, notably within the northern corridor of the EAC (Uganda, Kenya and Rwanda). High growth rates are expected in agriculture, mines, tourism and services.

It is in that context that the government of Rwanda plans to implement its substantial infrastructure investment in order to achieve the targets set in the second generation of EDPRS.

It is also in that view that a debt sustainability analysis was conducted while taking into account required financing of $ 1.9 billion USD (representing,49 per cent of the total required funding of $ 3.9 billion excl. Railway project) of infrastructure investment.

The analysis revealed that the low risk of debt distress status will be maintained, if the state achieves to borrow only $1.9 billion of concessional debt, $ 400 million of non-concessional debt, and $ 188 million of borrowing from Rwandair over the next 5 years. However, according to an analysis conducted by the Planning department, there is still an amount of $ 3.9 billion (if we exclude $ 800 million for the Railway project) of unfunded projects that will need to be prioritized in order to use the remaining space efficiently.

The low risk status is important to keep the new financing windows which are currently available to Rwanda (i.e: AfDB window, IBRD, and also bilateral creditors like Japan, Exim Korea and others);

However, liquidity ratio would reflect a peak in 2023 (maturing date of current Eurobond), and in 2025(year of repayment of other commercial debt like Rwandair). It is also important to note that exports growths were assumed cautious (6 per cent over the medium to long term), as a result of lower than expected performance in 2014.

The table below sets out the additional burden of debt to be accumulated over the next 5 years as well as its implied servicing under a scenario where the state is contracting $ 400 million Non-concessional debt + borrowing of $188 million for Aircraft purchase by Rwandair:

Table 3: Debt ratios (Solvency & Liquidity)

Indicators	2015	2016	2017	2018	2019	2020	2023	Threshold
PV Debt to GDP	25.2	26.4	28.6	30.3	31.3	30.7	24.6	**50**
PV Debt to exports	141.4	144.9	153.4	158.2	160.1	153.2	107.7	**200**
PV Debt to revenues	137.0	134.1	125.5	124.2	120.4	114.7	72.9	**300**
PV Debt service to Exports	4.6	5.0	5.0	5.0	4.9	5.7	18.4	**25**
PV Debt service to Revenues	4.4	4.6	4.1	3.9	3.7	4.2	12.5	**22**

Table 4: Total additional debt service burden- Scenario I $ 588 mio Non-Concessional borrowing:

Years	2013	2014	2015	2016	2017	2018	2019	2020
Debt Service – NCB $ 588 mio								
Principal	0	0	0.0	0.0	17.0	17.0	17.0	17.0
Interest	0	0	18.6	38.1	42.6	45.8	45.0	43.7
Debt Service – Existing Debt Stock End 2014								
Principal	19.26	20.7	24.3	28.2	28.3	28.2	29.1	34.5
Interest	32.33	40.5	38.8	38.8	38.4	38.1	37.7	37.3
Debt Service – Projected Debt disbursements 2015-2020								
Principal	-	-	-	-	-	-	-	-
Interest	-	-	1.2	4.4	9.2	15.8	22.9	27.5
Total Debt Service as % of exports/ domestic revenues								
Debt service as % of Exports of G& S	4%	5%	6%	7%	9%	9%	8%	8%
Debt service as % Domestic Revenues (Taxes)	5%	5%	6%	7%	8%			

Potential sources of financing from abroad were identified, and strategies were designed in order to ensure that funding plans are achieved while minimizing the possible impact on the costs and risks of the debt portfolio. The expected costs (interests and exchange rates) and the risks have been calculated for each of the borrowing strategies. Further detail is provided in the annexes.

1. **Strategy 1** focuses on concessional-multilateral funding as external debt, while domestic financing continues with the issuance of treasury bills and bonds. This strategy is the most sustainable and less costly but highly exposed to exchange rate fluctuations. Concessional funding is preferable, but limited to specific projects.

2. **Strategy 2** aims at more long-term domestic debt instruments combined with a reduction of short term debt. Domestic financing is limited to one per cent of GDP in order to avoid crowding out of the private sector. A higher share of domestic debt would lower the exposure to exchange rate risk, and contribute to domestic capital market development. On the external debt side, a higher share of bilateral creditors is assumed.

3. **Strategy 3** assumes new commercial borrowing in the foreign market complemented with expected financing of multilateral and bilateral creditors at concessional terms (below 2 per cent). This strategy may only be valid if strategy 1 and 2 fail to cover the funding needs, and if high return projects are identified. Domestic debt continues to favour long term instruments.

4. **Strategy 4** suggests external borrowing to be dominated by multilateral-concessional borrowing, with a slightly lower share of commercial debt than in Strategy 3. Domestic financing continues through treasury bonds while reducing bills.

The risk indicators associated to the four strategies are displayed in the table below:

Table 5: Risks Indicators of Public Debt (in %)

	Jun-14	Jun-17	Jun-17	Jun-17	Jun-17
	Current strategy	Targeted strategy 1	Targeted strategy 2	Targeted strategy 3	Targeted strategy 4
Sustainability incl.					
Nominal debt as % GDP	31.8	39.5	39.7	40.8	40.2
PV as % of GDP	22.1	24.7	27.3	30.4	27.0
PV as % of Exports	94.2	130.1	147.3	164.3	146.3
Cost					
Weighted Av. Implied Interest rate (%)	3.8	2.7	3.0	4.5	3.6
Refinancing					
Duration (years)	12.5	17.8	11.2	10.2	11.2
Debt maturing in 1yr (% of total)	15.4	3.7	3.6	6.3	5.1
Exchange rate					
FX debt (% of total debt)	77.5	89.1	88.4	86.7	87.6

Source: MINECOFIN

Strategy 1: Status Quo and no Eurobond

This strategy is similar to the current debt portfolio, but does not include a Eurobond. Under these circumstances, the risk indicators perform better than other strategies. The ATM is higher than in the current strategy by an additional 6 years, which is explained by the fact that commercial borrowings are not part of the strategy.

The exposure to exchange rate risk in this strategy is higher (89 per cent) than other strategies due to a high level of debt denominated in foreign currency. However the cost implied by this strategy is the lowest at 2.7 per cent because it is characterized by concessional funding.

With regards to the short term performance, the high share of treasury bills assumed in this strategy implies a higher refinancing risk for debt maturing in one year of 3.7 per cent against 3.6 per cent in strategy 2.

Strategy 2: Bilateral and T-bonds

In this strategy the focus is more on the development of the domestic capital market as it suggests more long term domestic debt, in replacement of short term notes. On the external side more concessional-bilateral debt is assumed.

This strategy indicates that major developments are required in the structure of the domestic debt instruments in order to improve the existing indicators of risks related to refinancing of debt maturing in one year. Bonds issued since the beginning of 2014 have indicated that there is market appetite for long maturity instruments as opposed to short term notes. As an example, the three year and five year bond issued since the beginning of 2014 were oversubscribed by 140 per cent and 238 per cent respectively.

When compared to the first strategy, this strategy ensures the lowering of the refinancing risk for debt maturing in one year to 3.6 per cent and the exposure to exchange rate fluctuations to 88.4 per cent. However, it increases the cost implied by interest rate payments to 3 per cent, but this remains moderate. This strategy could be ideal, but concessional funding has been limited over the last three years, and domestic funding is constrained to one per cent of GDP, in order to avoid crowding out of credit to the private sector.

Strategy 3: Commercial, and Bilateral

According to this strategy, the new borrowing demand is met through external non-concessional borrowing complemented with concessional-bilateral debt and issuance of bills and bonds on the domestic market.

The key point of this strategy is the foreign commercial borrowing, mainly through the financing of high return projects. The risk indicators associated with this strategy are relatively accentuated compared to other strategies, especially the ATM which reduces to 10.5 years, the cost implied by the interest payments which increases to 4.5 per cent and the PV of debt to export ratio which increases to 164.3 per cent.

Strategy 4: Multilaterals and Commercial

This strategy focuses on concessional-multilateral and non-concessional debt, complemented with short and medium domestic financing for the new borrowing. The average maturity is estimated to reach the level of 11.2 years, and costs implied by the strategy are lower than the third strategy as its share of additional non-concessional debt is lower.

MAIN RECOMMENDATIONS AND CONCLUSION

Referring to the strategy analysis it is evident that the portfolio suggested in strategy 3 is with high risk because non-concessional borrowing constitutes a considerable share, hence implying high interest costs. The borrowing option indicating lower risk is strategy 1 which uses a high share of concessional instruments although this may be an unrealistic assumption. Strategies 2 and 4 have similar outcomes, but different debt instruments.

The analysis of the costs related to the existing strategy indicates the importance of reducing short term domestic debt and increasing long term domestic debt; otherwise the financial negative effects shall be considerable, causing higher payments for the debt service. All strategies intend to reduce the amount of short-term debt, except strategy 1 which keeps the status quo.

Going forward, the government’s large investment agenda will require funding between 2014 and 2017 that remains within sustainable limits. All four strategies achieve this outcome but some strategies may have conditions attached to it or, take longer to materialize.

Strategy 3 could be the most appropriate and feasible financing option, but given the fact that it is the riskiest, it should only be considered if other cheaper funding options are exhausted. Furthermore, the funds should only be invested in high return projects which are consistent with government prioritization.

Annex 1: Potential Sources of Funding

Instrument Nr.	Instrument Type / Name	Concessional / Mkt instrument	Maturity (y)	Grace (y)	Nominal IR
USD_1	IDA	Concessional	40	10	0.75%
USD_2	AfDF	Concessional	50	10	0.75%
USD_3	Multilateral-Fixed	Concessional	30	10	1.75%
USD_4	Bilateral-Fixed	Concessional	20	5	2.00%
USD_5	Eurobond	Mkt	10	0	8.00%
RWF_6	MARKET-T-bill	Mkt	1	0	9.00%
RWF_7	MARKET -Tbond 2&3 yrs	Mkt	3	9	11.00%
RWF_8	MARKET -T-bond 5yrs	Mkt	5	4	12.25%
RWF_9	Non- MARKET	Mkt	20	0	8.00%
RWF_10	MARKET -T-bond 7yrs	Mkt	7	0	14.00%
RWF_11	MARKET -T-bond 10yrs	Mkt	10	0	16.00%

Annex 2: Potential Sources of Funding

Strategy 1: Status Quo and no Eurobond

Strategy		FY2014/15	FY2015/16	FY2016/17
USD_1	External	52.0%	54.2%	54.2%
USD_2	External	16.7%	16.7%	16.7%
USD_3	External	13.7%	13.3%	13.3%
USD_4	External	17.6%	15.8%	15.8%
USD_5	External	0.0%	0.0%	0.0%
RWF_6	Domestic	61.6%	61.6%	61.6%
RWF_7	Domestic	24.1%	24.1%	24.1%
RWF_8	Domestic	4.1%	4.1%	4.1%
RWF_9	Domestic	10.3%	10.3%	10.3%
RWF_10	Domestic	0.0%	0.0%	0.0%
RWF_11	Domestic	0.0%	0.0%	0.0%
RWF_12	Domestic	0.0%	0.0%	0.0%
RWF_13	Domestic	0.0%	0.0%	0.0%
RWF_14	Domestic	0.0%	0.0%	0.0%
RWF_15	Domestic	0.0%	0.0%	0.0%
Total	**External**	**100%**	**100.00%**	**100.0%**
Total	**Domestic**	**100%**	**100%**	**100%**

Strategy 2: High share of Bilateral +Reduced T-bills, additional T-bonds

Strategy		FY2014/15	FY2015/16	FY2016/17
USD_1	External	20.0%	35.3%	38.5%
USD_2	External	10.0%	11.0%	12.0%

USD_3	External	20.0%	18.0%	17.0%
USD_4	External	50.0%	35.7%	32.5%
USD_5	External	0.0%	0.0%	0.0%
RWF_6	Domestic	53.9%	53.1%	49.4%
RWF_7	Domestic	10.6%	6.5%	5.6%
RWF_8	Domestic	20.3%	0.0%	0.0%
RWF_9	Domestic	10.8%	26.9%	20.5%
RWF_10	Domestic	2.3%	6.8%	11.9%
RWF_11	Domestic	2.3%	6.8%	12.5%
RWF_12	Domestic	0.0%	0.0%	0.0%
RWF_13	Domestic	0.0%	0.0%	0.0%
RWF_14	Domestic	0.0%	0.0%	0.0%
RWF_15	Domestic	0.0%	0.0%	0.0%
Total	**External**	**100.0%**	**100%**	**100%**
Total	**Domestic**	**100%**	**100%**	**100%**

Strategy 3: High share of commercial, increased bilateral and lower multilaterals

Strategy		**2015**	**2016**	**2017**
USD_1	External	7.5%	16.0%	18.5%
USD_2	External	7.5%	41.0%	12.2%
USD_3	External	7.5%	18.0%	17.0%
USD_4	External	7.5%	25.0%	52.3%
USD_5	External	70.0%	0.0%	0.0%
RWF_6	Domestic	53.9%	44.1%	49.4%
RWF_7	Domestic	10.6%	6.5%	5.6%
RWF_8	Domestic	20.3%	0.0%	0.0%
RWF_9	Domestic	10.8%	26.9%	20.5%
RWF_10	Domestic	2.3%	6.5%	11.9%
RWF_11	Domestic	2.3%	16.0%	12.5%
RWF_12	Domestic	0.0%	0.0%	0.0%
RWF_13	Domestic	0.0%	0.0%	0.0%
RWF_14	Domestic	0.0%	0.0%	0.0%
RWF_15	Domestic	0.0%	0.0%	0.0%
Total	**External**	**100.0%**	**100.0%**	**100.0%**
Total	**Domestic**	**100.0%**	**100.0%**	**100.0%**

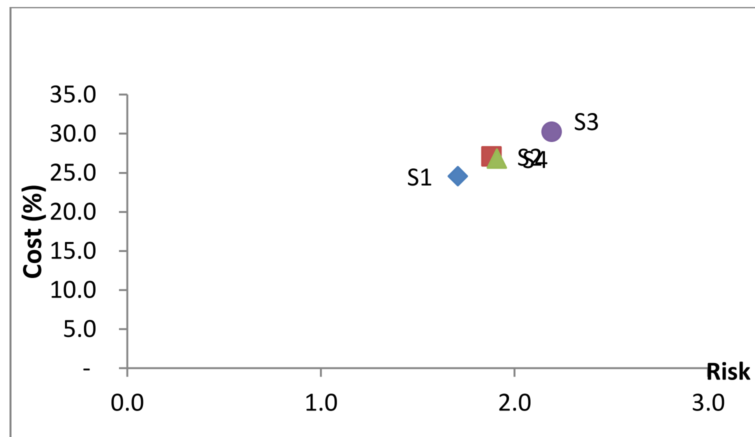
Strategy 4: High Share of concessional -multilateral, and commercial. Bilateral are minimal.

Strategy		**2015**	**2016**	**2017**
USD_1	External	52%	54%	54%
USD_2	External	3%	17%	17%

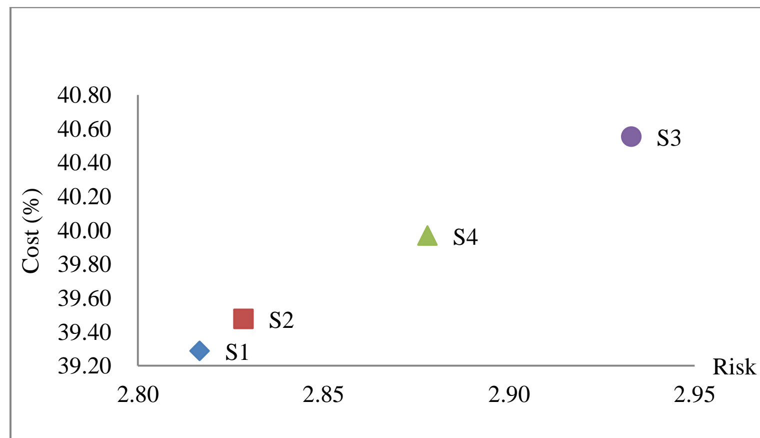
USD_3	External	3%	13%	13%
USD_4	External	3%	16%	16%
USD_5	External	40%	0%	0%
RWF_6	Domestic	54%	53%	49%
RWF_7	Domestic	11%	6%	6%
RWF_8	Domestic	20.3%	0.0%	0.0%
RWF_9	Domestic	10.8%	26.9%	20.5%
RWF_10	Domestic	2%	7%	12%
RWF_11	Domestic	2%	7%	13%
RWF_12	Domestic	0%	0%	0%
RWF_13	Domestic	0%	0%	0%
RWF_14	Domestic	0%	0%	0%
RWF_15	Domestic	0%	0%	0%
Total	**External**	**100%**	**100%**	**100%**
Total	**Domestic**	**100%**	**100%**	**100%**

Annex 3: Cost& Risk Indicators_ Graph

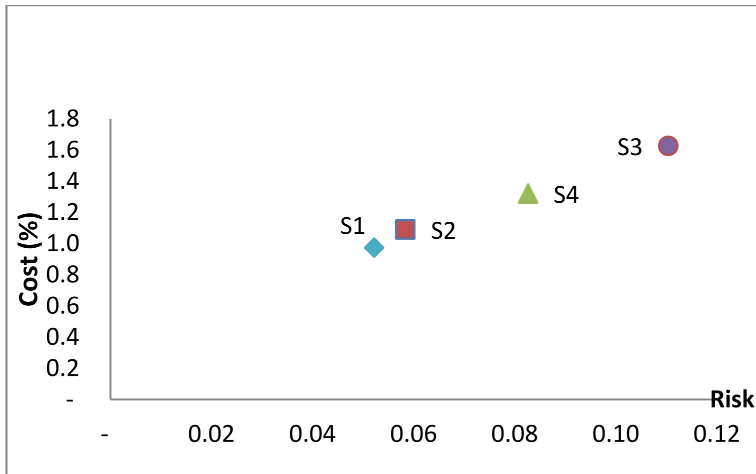
PV of Debt to GDP



Debt to GDP



Interest to GDP



Annex 4: Redemption Profile_ Graph

Strategy 2

Domestic
External

800,000 700,000 600,000 500,000 400,000 300,000 200,000 100,000 0

2018 2022 2026 2030 2034 2038 2042 2046 2050 2054 2058 2062 2066

Strategy 1

Domestic
External

800,000 700,000 600,000 500,000 400,000 300,000 200,000 100,000 0

2018 2022 2026 2030 2034 2038 2042 2046 2050 2054 2058 2062 2066

Strategy 3

Domestic
External

800,000 700,000 600,000 500,000 400,000 300,000 200,000 100,000 0

2018 2022 2026 2030 2034 2038 2042 2046 2050 2054 2058 2062 2066

Strategy 4

Domestic
External

800,000 700,000 600,000 500,000 400,000 300,000 200,000 100,000 0

2018 2022 2026 2030 2034 2038 2042 2046 2050 2054 2058 2062 2066