

THE RWANDA WE WANT: TOWARDS 'VISION 2050'

Claver GATETE

Minister of Finance and Economic Planning, Rwanda
National Dialogue Presentation

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- Moving from Vision 2020 to Vision 2050 including Lessons
- Vision 2050: High Standards of Living
- Requirements for High Standards of Living
 - Potential Income Targets
- Lessons from Successful High Income Countries for Rwanda
- Key Requirements for Transformation
- Process for Elaboration and Discussion Questions

From Vision 2020 to Vision 2050



- Much progress has been made on Vision 2020
- New global commitments have been made :
 - Addis Ababa Action Agenda (Financing for Development) - 2030
 - Sustainable Development Goals (SDGs) - 2030
 - Paris Declaration on Climate Change (2030)
 - EAC Vision 2050
 - African Union Agenda 2063
- **All the above will inform Vision 2050 elaboration**

Vision 2050:

High Standards of Living for Rwandans



- Vision 2050 is **about ensuring high standards of living for all Rwandans.**
- Elaboration of the Vision 2050: **society we live in** and the **society we want**
 - Five main areas :
 1. Quality of Life
 2. Modern Infrastructure and livelihoods
 3. Transformation for prosperity
 4. Values for Vision 2050
 5. International cooperation and positioning

I. Quality of Life

- Expected standards for all Rwandans:
 - Sustained food security and nutrition for all households and age groups
 - Universal, sustainable and reliable access to water (in houses) and sanitation
 - Affordable, sustainable, reliable and modern energy
 - Universal access to:
 - ✓ quality health care and services
 - ✓ quality education
 - ✓ financial services
 - ✓ dignified and SMART housing (with high speed internet)
 - ✓ pension, medical insurance and savings
 - Environmentally friendly and climate resilient surroundings
 - Sustained national security

II. Modern Infrastructure and livelihoods



- Modern and SMART cities (optimal space utilization, connected cities, broadband, internet of things)
- Green/Eco-friendly cities and neighborhoods;
 - ✓ e.g. powered by renewable energy, recycling, etc.)
- SMART towns and rural settlements
- Modern transport facilities and services (efficient public transport, reliable infrastructure)
- Efficient public and private services

III. Transformation for prosperity



- **Increased productivity and competitiveness while providing jobs for Rwandans.**
 - ✓ Diversified tourism
 - ✓ High value IT and tech services/industry: e.g. electronics
 - ✓ Business and financial services
 - ✓ Logistics and aviation: airline, airport, drones, ports, etc.
 - ✓ Agro-processing: advanced food industry, technology intensive agriculture with a commercial focus
 - ✓ Scientific and technological innovations: e.g. nanotechnology and biotechnology
 - ✓ Construction industry; e.g. housing, local materials development and expansion)
 - ✓ Extractive industries (mining, oil and gas): with focus on value addition

IV. Core Values

- **What will define Rwandans in 2050? What are the aspirations and shared values as a society?**
 - Self-determination, including self-sufficiency as a Nation (Kwigira), Solidarity and Dignity (Agaciro)
 - Unity and Rwandan Identity/culture
 - Integrity
 - Equity (including gender)
 - Transparency and openness
 - Accountability
 - Community participation and contributing to local innovation
 - National stability

V. International cooperation and positioning

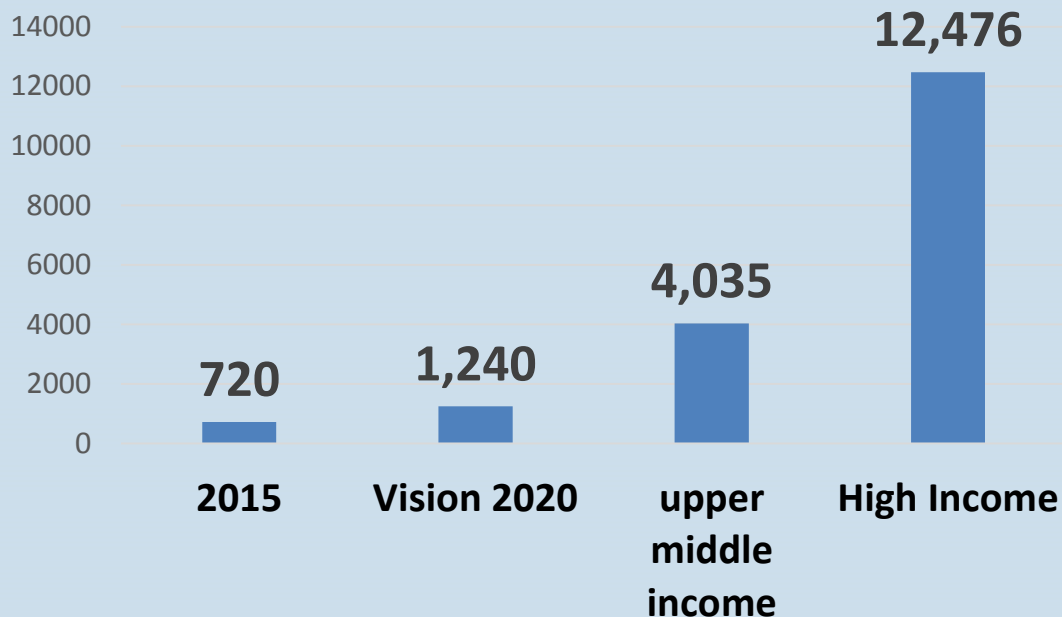


- Regional integration
- Multi-lateral and bilateral cooperation
- Positioning abroad (Public and Private)
- Freeing ourselves from aid dependency sooner

- These high standards of living will require:
 - High and sustained growth of the economy
 - Building on Positive Rwandan Values
 - Building on successful foundations e.g. use of ICT, ease of doing business, etc.

Prospective Income levels for Rwanda by 2050

Income Classification - GDP per Capita in USD



Rwanda's Population will double the current number by 2050 to around 22 million

Target

- To reach Upper Middle Income by 2035 and High Income by 2050
- This will require average annual growth of above 10% (**doubling current growth**)

Transitioning from Low to Upper Middle Income

| Country | Start year | Time taken to Upper middle Income | GDP growth average | Main drivers |
|---------------------------|------------|-----------------------------------|--------------------|---|
| Belize | 1960 | 44 | 5.9% | Tourism in tiny population |
| Botswana | 1972 | 19 | 11.4% | Diamonds: 62% exports |
| China | 1993 | 16 | 10.1% | Largest internal market in world, surrounded by high-growth countries |
| Dominican Republic | 1960 | 50 | 5.4% | Balance of manufacturing, services& tourism. |
| Equatorial Guinea | 1995 | 3 | 80.1% | Large oil reserves in 1996; about 98% of exports are oil |

Transitioning from Low to Upper Middle Income (2)

| Country | Start year | Time taken to upper middle income | GDP growth average | Main drivers |
|------------------|------------|-----------------------------------|--------------------|---|
| Indonesia | 1977 | 37 | 5.6% | Large internal market, balance of manufacturing & services |
| Malaysia | 1960 | 34 | 7.1% | Largest producer of rubber & tin in the world – 60% of exports, surrounded by high growth countries |
| Sri Lanka | 1979 | 36 | 5.1% | High education rates, tourism, surrounded by high-growth countries |
| Thailand | 1970 | 32 | 6.3% | Raw materials & gold, tourism and balance with services |

Lessons from successful High Income Countries: Korea

| Country | 2015 (GNI per capita) | Innovations undertaken |
|---------|-----------------------|---|
| Korea | 27,440 | <ul style="list-style-type: none">➤ Continuous investment in education and innovation<ul style="list-style-type: none">➤ R&D of 4.1% of GDP in 2013 and ranking 19th in innovation globally➤ High levels of savings and investment➤ Continuous “technological upgrade” towards competitiveness➤ Political and social consensus on reforms➤ Attracting FDI and growing exports |

Lessons from successful High Income Countries: Finland & Estonia

| Country | 2015 (GNI per capita) | Innovations undertaken |
|---------|-----------------------|--|
| Finland | 46,360 | <ul style="list-style-type: none">• Attracting big FDI e.g. NOKIA• Replaced wood and paper industry with electronics |
| Estonia | 18,480 | <ul style="list-style-type: none">• Technology• SKYPE HQs• Internet access as a human right• Developed E-Estonia for service delivery |

Lessons from successful High Income Countries: Singapore & Israel



| Country | 2015 (GNI per capita) | Innovations undertaken |
|-----------|-----------------------|---|
| Singapore | 52,090 | <ul style="list-style-type: none"> • Attracting talent and FDI • Focus on value addition & Research • Economic Development Board operates swiftly to attract investors e.g. NESTLE, PHILLIPS, HP, etc. • Introduced a productivity tax credit • Policies for long term savings; Constitution forbids budget deficits |
| Israel | 35,440 | <ul style="list-style-type: none"> • High tech firms • R&D center for big firms like MICROSOFT, APPLE linked to local SMEs • Science based industry: Office of Government Chief Scientist established in 1978 • Venture capital markets linked to the US (highest investment per capita in venture capital) • Innovation in defense motivated by adversity following embargo on arms dealing imposed by France following 1967 'Six Days War' |

Common Success Factors across successful High Income Countries



- Well-governed and fast growing countries with **Visionary Leadership**
- **High investment in human capital** (with focus on Research and Development)
- **Labor intensive industries** that later moved into **technology intensive industries and services**
- Attracting and **expanding FDI with swiftness**
- High focus on **productivity** (productivity of labour, competitiveness of firms led to increased productivity of the economy)
- A shared **national mindset for development**
- Development of **long term savings**

Rwanda: Key Success Factors in Development Progress



- **Visionary Leadership**
- **Good Governance and accountability**
- **Inclusive development model** – gender equality, pro-poor, unity and solidarity
- **Home grown initiatives (e.g. Umuganda, Gacaca, Agaciro, Kwigira, Ubudashyikirwa,) etc.**
- **Determination to succeed** after a tragic past following the Genocide against the Tutsi
- **Investment in human capital** – mainly capacity building from a low base
- **Results oriented institutional framework** – performance contracts

Key Requirements for Transformation



1. **High Level of Commitment and Sacrifice**
2. **Transformation of Rwandan society (Attitudes and Behaviour) :**
 - Culture of excellence, integrity + sense of urgency in delivery
 - Thinking BIG, Implementing BIGGER + FASTER + SMARTER
 - Focus on key priorities and ensuring long term consistency
 - Adopting a **national development mindset**
 - Developing a **culture of saving and sacrifice** for a better future
 - **Strong accountability** ensuring value for money
3. **Prolonged National Stability** (Good Governance, Inclusive development, Security)

Process for elaboration of Vision 2050



- Through a consultative process engaging all stakeholders:
 - ✓ General public (at all levels from grassroots)
 - ✓ Diaspora
 - ✓ Private sector
 - ✓ Civil society organizations and faith based organizations
 - ✓ Development partners
 - ✓ Academia and research institutions,
 - ✓ Political parties
- The aim is to complete the Vision 2050 by the end of 2017 (including targets for 2035)

Questions for Discussion



- What **TRANSFORMATIONAL** things can be included in the Vision 2050 to accelerate our development?
- Which **VALUES** are critical to accelerate long term development building on our core values?
- How do we prepare and engage the **YOUTH** to take the Vision 2050 forward? – To Bridge the inter-generational gap and ensure sustainability

Thank you