



WORLD RANK: **120** | REGIONAL RANK: **20**

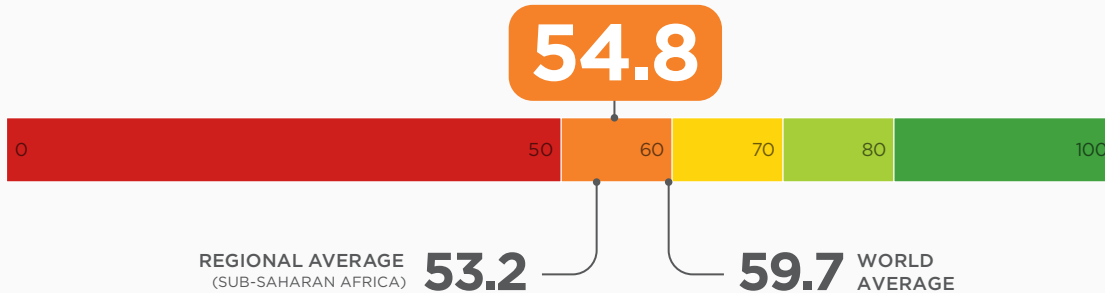
ECONOMIC FREEDOM STATUS: **MOSTLY UNFREE**

# RWANDA

Rwanda's economic freedom score is 54.8, making its economy the 120th freest in the 2025 *Index of Economic Freedom*. Its rating has increased by 3.2 points from last year, and Rwanda is ranked 20th out of 47 countries in the Sub-Saharan Africa region. The country's economic freedom score is lower than the world average and higher than the regional average. Rwanda's economy is considered "mostly unfree" according to the 2025 *Index*.

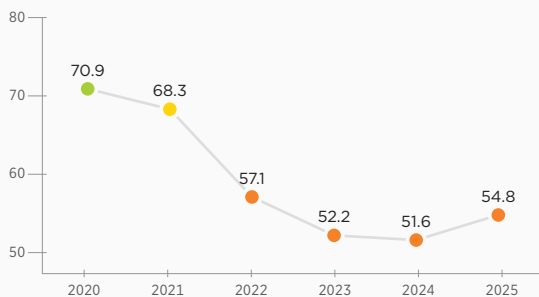
Reforms have supported economic expansion and the gradual reduction of poverty, but corruption and weak rule of law discourage long-term economic development. Accelerated judicial reform and continued efforts to streamline public administration would help to sustain economic growth and broaden improvements in living standards. Despite some improvement in the business environment, the pace of reform is slower than in previous years. Labor regulations are relatively flexible, but a more vibrant formal labor market has not developed. Inflationary pressures continue.

## ECONOMIC FREEDOM SCORE



HISTORICAL INDEX SCORE CHANGE (SINCE 1997): +16.5

## RECENT FREEDOM TREND



## QUICK FACTS

**POPULATION:**  
13.5 million

**GDP (PPP):**  
\$47.4 billion  
8.2% growth in 2023  
3-year average growth rate: 9.1%  
\$3,511 per capita

**UNEMPLOYMENT:**  
14.9%

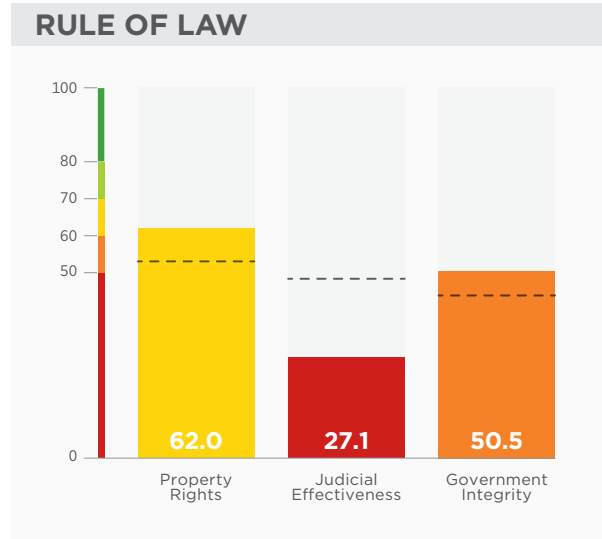
**INFLATION (CPI):**  
14.0%

**FDI INFLOW:**  
\$399.0 million

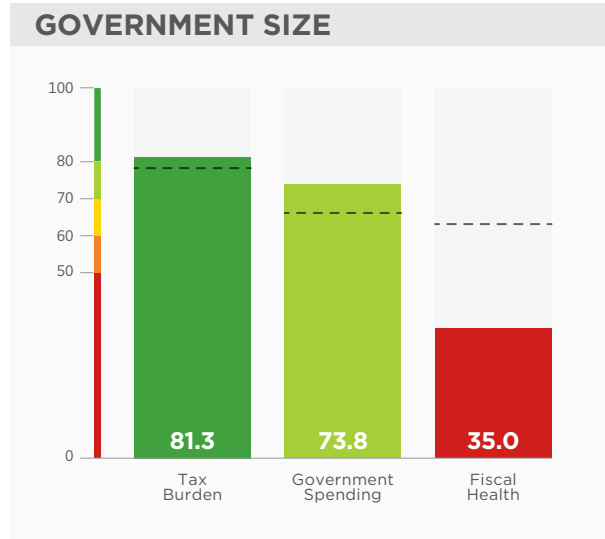
**PUBLIC DEBT:**  
64.5% of GDP

2023 data unless otherwise noted. Data compiled as of November 2024.

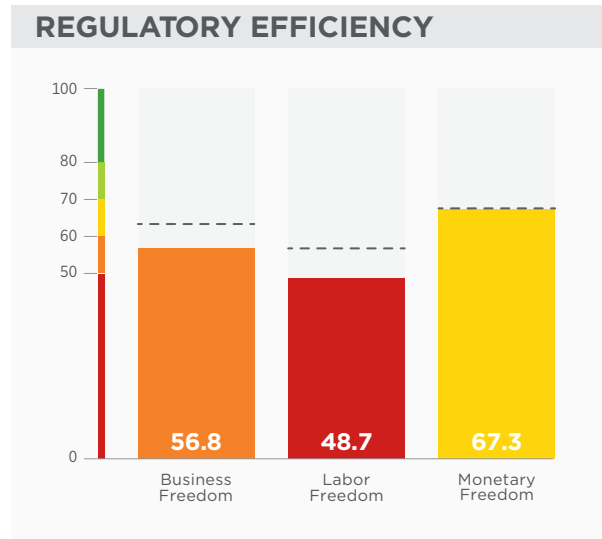
# 12 ECONOMIC FREEDOMS | RWANDA



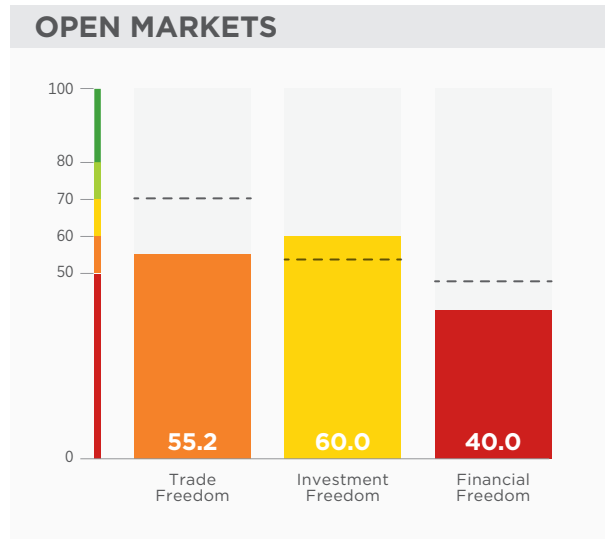
The overall rule of law is weak in Rwanda. The country's property rights score is above the world average; its judicial effectiveness score is below the world average; and its government integrity score is above the world average.



The top individual income tax rate is 30 percent, and the top corporate tax rate is 28 percent. The tax burden equals 13.5 percent of GDP. Three-year government spending and budget balance averages are, respectively, 29.6 percent and -6.0 percent of GDP. Public debt amounts to 64.5 percent of GDP.



Rwanda's overall regulatory environment is not well institutionalized and lacks efficiency. The country's business freedom score is below the world average; its labor freedom score is below the world average; and its monetary freedom score is slightly below the world average.



The trade-weighted average tariff rate is 17.4 percent. Foreign investment is generally welcome, and the investment code provides for equal treatment of foreigners and nationals for many types of activity. The financial sector is dominated by banking and expanding, albeit slowly.