



Project Information Document (PID)

Concept Stage | Date Prepared/Updated: 28-Jan-2025 | Report No: PIDDC01104

This document has a restricted distribution and may be used by recipients only in the performance of their official duties. Its contents may not otherwise be disclosed without World Bank authorization.

Disclaimer: THE FOLLOWING IS A SUMMARY OF A PROJECT WHICH IS SUBJECT TO COMPLETION AND AMENDMENT. IT IS NOT AN OFFER OR INVITATION TO SELL THE NOTES OR A SOLICITATION OF AN OFFER TO BUY THE NOTES, NOR DOES IT CONSTITUTE ANY FORM OF ADVICE. THIS SUMMARY IS SEPARATE FROM, AND SHOULD NOT BE READ IN COMBINATION WITH, ANY OFFER OR SALE OF THE NOTES, WHICH WILL BE MADE IN COMPLIANCE WITH APPLICABLE LAWS AND UNDER ENTIRELY SEPARATE LEGAL DOCUMENTATION AND OFFERING MATERIALS AT THE TIME OF OFFER. POTENTIAL INVESTORS SHOULD NOT SUBSCRIBE FOR ANY NOTES REFERRED TO IN THIS SUMMARY EXCEPT ON THE BASIS OF INFORMATION CONTAINED IN SUCH ENTIRELY SEPARATE LEGAL DOCUMENTATION AND OFFERING MATERIALS AT THE TIME OF OFFER. THIS SUMMARY IS VERY HIGH LEVEL FOR SIMPLICITY AND LEAVES OUT MATERIAL INFORMATION AND DOES NOT INLCUDE ANY LEGAL DOCUMENTATION THAT WOULD GOVERN THE NOTES.



BASIC INFORMATION

A. Basic Project Data

Project Beneficiary(ies) Rwanda	Operation ID P505213	Operation Name Rwanda: Wildlife Conservation Bond	
Region EASTERN AND SOUTHERN AFRICA	Estimated Appraisal Date 21-Apr-2025	Estimated Approval Date 09-Sep-2025	Practice Area (Lead) Environment, Natural Resources & the Blue Economy
Financing Instrument Investment Project Financing (IPF)	Borrower(s) MINECOFIN	Implementing Agency Rwanda Development Board, African Parks	

Proposed Development Objective(s)

Protect endangered chimpanzee populations and restore ecosystems in target conservation areas in Rwanda.

PROJECT FINANCING DATA (US\$, Millions)

Maximizing Finance for Development

Is this an MFD-Enabling Project (MFD-EP)? Yes

Is this project Private Capital Enabling (PCE)? Yes

SUMMARY

Total Operation Cost	14.60
Total Financing	14.60
Financing Gap	0.00

DETAILS

Non-World Bank Group Financing

Trust Funds	11.00
Global Environment Facility - IBRD as Implementing Agency	9.00
Climate Investment Funds	2.00
Other Sources	3.60



Foundation/s (identified)	3.60
Environmental and Social Risk Classification	Concept Review Decision
High	The review did authorize the preparation to continue

A. Country Context

1. Rwanda is a low-income country that has been one of the fastest growing economies in Africa. After averaging 8.2 percent in 2022-2023, real GDP increased by 9.7 percent in the first quarter of 2024. Robust private consumption—reflecting some improvements in employment—as well as strong investment drove the growth in 2023 and early 2024. GDP is projected to grow by around 7.7 percent over 2024–26. With recent inflationary pressures, the BNR is maintaining a tighter monetary policy stance with no monetization of the financing requirement. The GoR is committed to prudent fiscal management largely through streamlining and gradually reducing subsidies particularly those related to energy and fuel, spending rationalization, and increased transparency and efficiency. Continued reliance on concessional financing will maintain debt sustainability.

2. Rwanda has successfully reduced poverty in recent decades, from 60.4 percent of the population in 2000 to 38.2 percent in 2017. Over the past couple of decades, the country has recorded the second-fastest GDP growth in Africa, enabled by adept governance and strategic use of developmental aid. This growth has, in turn, markedly improved the standard of living for Rwandans, as many social indicators are converging towards those of lower-middle-income countries. An emergent middle class is driving consumer demand and becoming a pivotal force in the economy, reflecting the broader socio-economic advancements. This track record underscores the nation's potential, rooted in a young demographic and fertile agricultural land.

3. Previous growth phases heavily relied on public investment, but limited fiscal space coupled with low productivity requires a shift to private investment. Moreover, prevailing poverty levels, alongside a significant reliance on agriculture, underscore an urgent need for transformative economic strategies to propel quality job creation and diversification. 38 percent of the population still lives in poverty, 69 percent are primarily engaged in agriculture, and an average of 189,000 Rwandans entered the labor force every year for the period 2017–2022, highlighting the urgent need to create productive jobs.¹ Lastly, the threat of climate change looms large, as evidenced by Rwanda’s vulnerability to droughts and floods. Therefore, adaptive measures are imperative to mitigate the impacts of climate shocks on the economy. To this end, despite relatively low greenhouse gas emissions,² Rwanda has committed to reducing its Nationally

¹ International Finance Corporation. 2019. Country Private Sector Diagnostic.

² According to the GGCRS, Rwanda’s total GHG emissions in its baseline year of 2015 were 5.3 million metric tons of CO2e (MtCO2e). If emissions trajectories continue to rise on a Business-as-Usual trajectory, this pathway would lead Rwanda to annual GHG emissions of 7.42 MtCO2e in 2020, 9.61 MtCO2e in 2025, and 12.1 MtCO2e in 2030.



Determined Contributions (NDCs) by 38 percent compared to business-as-usual (BAU) by 2030. With the revised Rwanda's Green Growth and Climate Resilience Strategy (GGCRS), it has also committed to carbon neutrality by 2050.³

4. Rwanda's Country Climate and Development Report (2022) estimates that if climate risks materialize, Rwanda's GDP levels could drop by 5–7 percent below baseline in multiple years by 2050. Droughts and floods are region-specific problems, with droughts occurring mainly in the east of the country and floods in the western, central, north, and south of the country. According to analysis from the German Climate Service Center (GERICS) of 32 Global Climate Models (GCMs), temperatures across Rwanda are expected to increase and projections show a change in annual mean temperature from 1.1°C to 3.9°C by end of the century. There is also the strong likelihood of increased duration of heatwaves by as much as 85 days through the end of the century; cold spells are also expected to reduce. Rwanda's Green Growth and Climate Resilience Strategy (GGCRS) and its updated Nationally Determined Contribution (NDC) (May 2020) define its vision to become a developed, climate-resilient, and low-carbon economy by 2050.

5. Climate-induced changes to the environment coupled with extreme hydrometeorological events will have adverse effects on productivity of climate-sensitive sectors. This includes agriculture, which, if less productive, will negatively impact food security and water availability, potentially leading to famine, population displacement, conflicts, biodiversity loss, increased incidences of diseases and much more in certain regions. Due to its geographic location and topography, the country is also at high risk of erosion and landslides, some 42 percent of the land is moderately or severely susceptible to landslides.⁴ These hazards constitute serious obstacles to the country's continued development and sustainable management of its natural resources and its important nature-based tourism sector. Vulnerability is further exacerbated due to the country's low level of socio-economic development, rapid population growth and urbanization, environmental degradation, pollution, and high economic dependence on climate-sensitive sectors.

6. The proposed project supports broader World Bank climate-related commitments and national policies for climate resilience and sustainable landscape management. The project strengthens climate resilience and contributes to scaling up climate action in accordance with the World Bank Group Climate Action Plan 2021–2025 and the Country Climate Development Report. The project supports Rwanda's Climate and Nature Finance Strategy, GGCRS, Environmental Vision to 2030, Biodiversity Strategy, and the National Policy on Water Resources. The project will contribute to reducing the frequency and impact of water-related disasters.

7. The proposed project will strengthen Rwanda's implementation of multilateral environmental agreements aimed at producing global environmental benefits. Rwanda is a committed signatory to multilateral environmental agreements, including implementation of the Kunming-Montreal Global Biodiversity Framework.

B. Sectoral and Institutional Context

8. Rwanda has well-established legal and policy for governance and policies for environment and climate resilience. The Vision 2050, the National Strategy for Transformation, NST-1 (2017-2024) and the recently approved NST-2, the 2020 revised NDC, Rwanda National Water Resources Master Plan (2015), the National Policy on Environment and Climate (2019), Wildlife Policy (2013), Rwanda Irrigation Master Plan 2020, the Environment and Natural Resources Sector

³ Under BAU projections, Rwanda's emissions are projected to more than double between 2015 and 2030. Its NDCs are therefore equivalent to mitigation of up to 4.6 million tCO₂e in 2030 (Updated NDC, May 2020).

⁴ World Bank Climate Change Knowledge Portal. (2022) Rwanda. ([link](#)).

⁵ Rwanda has set a goal of becoming a carbon neutral and climate resilient economy by 2050. Although Rwanda's share of GHG emissions is small, agriculture, land use change, and forestry were responsible for around 62% of the country's total GHG emissions in 2020.



Strategic Plan (2018-2024), the Strategic Plan for Agricultural Transformation (PSTA-4) (2018-2024), the Urbanization and Rural Settlement Sector Strategic Plan (2018-2024) and the Transport Sector Strategic Plan (2018-2024).

9. Rwanda is a global leader in climate and nature finance investments and public private partnerships for the conservation sector. Rwanda is a leader in climate and nature finance and has established a country platform to coordinate climate finance, including mobilize private sector resources. Rwanda was the first country in Africa to tap into IMF’s Resilience and Sustainability Facility (RSF) and completed all RSF reform measures six months early. Innovations Rwanda has pioneered to implement these public-private-partnerships (collaborative management partnership (CMP) in the conservation sector) are a model globally. The Government of Rwanda has executed agreements with African Parks for two of its four national parks (Akagera National Park and Nyungwe National Parks, – signed in 2010 and 2020 respectively). CMPs encompass 92% of Rwanda’s national park estate in terms of size. In 2023, Akagera earned US\$4.8 million (compared to US\$203,000 in 2010) in revenues, making the park 92% self-sufficient and putting it on track to become 100% financially sustainable by 2025, and paid \$316,000 to local communities.

10. Conservation and nature-based tourism, and the services sectors supporting these natural resource-based sectors such as the hospitality industry and transport, have significantly contributed to Rwanda’s economic development. The number of visitors to the national parks increased by more than 2,800 percent during 2000–2019. In 2019, tourism generated foreign exchange earnings of US\$498 million, a 17 percent increase from 2018 and a 280 percent increase from 2006. In 2019 revenues from tourism constituted 50.1 percent of all service exports. Tourism revenues in 2023 were US\$620 million (including nature-based tourism and meetings, incentives, conferences, and events from 1.4 million visitors) and reached over US\$800 million in 2024.⁶ In 2023, Rwanda's national parks attracted 135,869 tourists, generated US\$36M, an increase of 26% and 31%, respectively, compared to 2022.

11. Tourism is a major source of Rwanda’s foreign exchange earnings and tends to generate a higher proportion of formal sector jobs than other sectors and could make a substantial contribution to growth. Nature-based tourism, which accounts for 80 percent of leisure and conference visitors in Rwanda, helps protect biodiversity and advance Rwanda’s efforts to adapt to climate change. For example, the gorilla tourism industry is a major driver of high-end tourism in Rwanda, and in 2023 Rwanda welcomed 25,927 gorilla visitors, a 29.4% increase from 2022 and the highest number of visitors ever recorded. Conservation and nature-based tourism are also important for sustainable and inclusive development of the communities surrounding tourist destinations. For every \$1 million (about Rwf 1,050 million) that nature-based tourism activities inject into the economy, it is estimated that an additional 1,328 new jobs could be created. This has raised community awareness and support for conservation.

C. Relationship to CPF

12. The project is fully aligned with the World Bank Group Country Partnership Framework (CPF) (2021–2026) (Report No. 148876-RW). The proposed project will contribute to the cross-cutting objective of the CPF which aims to address climate change. The CPF recognizes that Rwanda is vulnerable to climate change and associated disaster risks, which can undermine its growth prospects and slow efforts to reduce poverty. The project will help mitigate climate change and reduce risks of flooding and contribute to objective four of the CPF, which focuses on increased agriculture productivity and commercialization, with investments in climate-smart agriculture and erosion control.

D. Proposed Development Objective(s)

⁶ World Bank, Global Program on Sustainability, and the GoR. 2021. “A post-pandemic nature-based tourism and conservation recovery plan for Rwanda,” 2021, April. ([link](#)).



Protect endangered chimpanzee populations and restore ecosystems in target conservation areas in Rwanda.

D. Concept Description

13. The Wildlife Conservation Bond (WCB) is an innovative financial instrument that leverages impact investments to deliver wildlife conservation and ecosystem restoration outcomes. The project raises funds from institutional investors, bringing a shift in conservation financing from investing in inputs and outputs to outcomes. The WCB transfers risks of achieving outcomes from governments or donors to investors. The WCB is an innovative structure which was successfully tested in South Africa in 2022, where the World Bank issued a US\$150 million bond to raise ~US\$10 million for black rhino conservation. WCB investors agree the ordinary bond coupon from the World Bank-issued bond to be diverted to finance conservation activities at the parks. There are various efforts underway to replicate the WCB for different species and landscapes. This instrument can be piloted in the Rwanda context, in a new geography, ecosystem type, and socio-economic context – a first for an IDA country which is a significant precedent for financing public goods globally. An important feature is the **WCB raises conservation financing from institutional investors and high-net worth individuals without increasing Rwanda’s debt burden.**

14. The World Bank intends to issue a structured bond to support conservation in Rwanda, targeting the Gishwati-Mukura National Park (GMNP) and the Nyungwe National Park - UNESCO World Heritage Centre, which includes a small remnant forest patch part of Nyungwe and buffer zones. GMNP and Nyungwe National Parks are part of the Albertine Rift, which according to Conservation International is a high priority ‘Biodiversity Hotspot’. These parks lie within the Congo-Nile Divide, one of six landscapes of the Albertine Rift. The parks are important links in a chain of ecological sites within this region. The operations’ outcomes will not only contribute to the biodiversity of these national parks, but to the broader ecological landscape of the Congo-Nile Divide.

15. The project will support an evidence-based and adaptive management approach that uses data-supported interventions to dynamically respond to changes in performance risks. It will invest in site-based biodiversity conservation (component 1), promotion of nature-based solutions (component 2), enhance landscape sustainability and habitat connectivity (component 3), and project management and M&E support (component 4 – MRV paid by WCB foregone coupons and USAID EFO) to execute project activities effectively and efficiently, including the environmental and social framework (ESF). The WBG will transfer funds (i.e. bond coupon payments) to the project-specific bank accounts at Partner Sites (RDB for Gishwati-Mukura and African Parks at Nyungwe. These project partners will then use the funds to implement site-specific activities. Grant Agreements between the WBG and the two project partners will specify conservation payments that will be available to the park management for conservation investments every 6 months for ongoing implementation of the site-specific workplans. Each Partner Site will work with local communities to optimize social and gender inclusion and benefit sharing to support long-term biodiversity conservation, ecosystem integrity, and livelihoods objectives. KPI calibration will be done during project preparation to ensure the viability of project indicators and build in sufficient ambition to deliver value to broader conservation efforts. Tools and methodologies used to monitor the results will ensure attribution and sufficient precision for the expected changes compared to baseline.

Legal Operational Policies	
Policies	Triggered?
Projects on International Waterways OP 7.50	No



Projects in Disputed Area OP 7.60

No

Summary of Screening of Environmental and Social Risks and Impacts

CONTACT POINT

World Bank

Elisson M. Wright
Senior Environmental Finance Specialist

Hisham Mohammed Salih Osman Mohammed
Senior Environmental Engineer

Borrower/Client/Recipient

MINECOFIN

Gerald Mugabo
Director General for External Financing
gerald.mugabe@minecofin.gov.rw

Implementing Agencies

Rwanda Development Board

Eugene Mutangana
Interim MD Conservation Company
eugene.mutangana@rdb.rw

African Parks

Protais Niyigaba
Park Manager/CEO
protaisn@africanparks.org

FOR MORE INFORMATION CONTACT

The World Bank
1818 H Street, NW
Washington, D.C. 20433
Telephone: (202) 473-1000
Web: <http://www.worldbank.org/projects>



APPROVAL

Task Team Leader(s):	Elisson M. Wright, Hisham Mohammed Salih Osman Mohammed
----------------------	---

Approved By

Practice Manager/Manager:	Paul Jonathan Martin	16-Sep-2024
---------------------------	----------------------	-------------

Country Director:	Sahr John Kpundeh	28-Jan-2025
-------------------	-------------------	-------------
