

Data Sheet

USAID Mission:	Rwanda
Program Title:	Rural Economic Growth
Pillar:	Economic Growth, Agriculture and Trade
Strategic Objective:	696-007
Proposed FY 2004 Obligation:	\$3,310,000 DA
Prior Year Unobligated:	\$0
Proposed FY 2005 Obligation:	\$3,414,000 DA
Year of Initial Obligation:	FY 2004
Year of Final Obligation:	FY 2008

Summary: USAID's new program to expand economic opportunities in rural areas builds on investments and lessons learned under the previous food security and economic growth program, while integrating development assistance and P.L. 480 resources. With a broader range of value-added opportunities to link on-farm gains to other parts of Rwanda's rural economy, the new program aims to expand and diversify economic opportunities in the rural sector by focusing on product transformation, increased incomes, market development, and improved livelihoods.

Inputs, Outputs, Activities:

FY 2004 Program:

Expand adoption of improved agriculture and business practices (\$3,310,000 DA). USAID partners will introduce improved technologies and practices for the production of market-oriented commodities, mainly through community-based grower associations and institutions, including the research and extension arm of the Ministry of Agriculture. Such efforts will include promoting the production and processing of nutritionally-fortified crops that will improve the well-being of vulnerable groups, including households affected by HIV/AIDS. In addition to crops, USAID will expand the geographic coverage of its dairy development project to improve nutrition and incomes at the household level. In order to address bottlenecks that inhibit the ability of farmers to produce and market targeted commodities and to improve the analytical capacity of Rwandan institutions such as the National University of Rwanda, USAID will support policy development activities to identify, assess, and alleviate agricultural production and marketing constraints.

In addition to working with agricultural producers and grower cooperatives, USAID will support the efforts of agricultural processors and traders in the agribusiness sector to add value to products. This will be accomplished by improving the quality, processing, and marketing of competitive, strategic products such as specialty coffee, passion fruit, chili pepper and pyrethrum. USAID partners will carry out feasibility assessments and develop business plans with a targeted group of agro-enterprises in order to stimulate and leverage bank financing. Implementing partners will forge public-private alliances with US-based partners such as specialty coffee importers and roasters, who are well-positioned to assist in marketing efforts, thereby complementing USAID inputs in production and quality control. To expand agribusiness opportunities and market linkages, USAID will link to regional programs managed by REDSO/Nairobi including the Regional Agricultural Trade Expansion Support (RATES) Project and the East and Central Africa Global Competitiveness Trade Hub. Principal contractors and grantees: the International Center for Tropical Agriculture, Texas A&M University, Michigan State University and Chemonics International.

Through USAID/Washington-funded P.L. 480 food-for-work, food monetization, and institutional feeding activities, USAID partners, along with other USG agencies' support, will use food distribution and sales proceeds to promote soil and water conservation, improve rural infrastructure, develop agribusiness, increase agricultural productivity, and improve food security for families affected by HIV/AIDS and other vulnerable groups. Principal contractors and grantees: World Vision International (WVI), Catholic Relief

Services (CRS), and Agriculture Cooperative Development International/Volunteers in Overseas Cooperative Assistance (ACDI/VOCA).

FY 2005 Program:

Expand adoption of improved agricultural and business practices (\$2,203,000, DA). USAID plans to expand successful efforts in the production and processing of commodities that have a high potential for rural employment. It is anticipated that partners may identify and support other competitive enterprises and sub-sectors such as eco-tourism and handcrafts. Principal contractors and grantees: to be determined.

Increase access to rural finance (\$1,000,000, DA). USAID/Rwanda plans to scale-up “best practices” in rural finance that both diversify the portfolios and expand the client base, particularly in underserved sectors like agriculture, and among underserved borrowers, notably women. In partnership with the Development Credit Authority, USAID plans to establish new mechanisms to support the banking sector and its support for agriculture, including a loan guarantee facility. Principal contractors and grantees: to be determined.

Improve rural infrastructure (\$211,000, DA). USAID/Rwanda plans to improve rural infrastructure that promotes farm-to-market access, productivity, and conservation. Through prospective food-for-work activities, USAID plans to focus on the domain of rural public works that can optimize broad-based public benefits. Principal contractors and grantees: to be determined.

Under new and forthcoming food aid program designs and activities, USAID/Rwanda plans to further integrate P.L. 480 resources to expand economic opportunities in the rural sector.

Performance and Results: At the end of the five-year program, there will be increased off-farm productive enterprises, increased agricultural productivity, increased household level incomes and employment, and a greater diversity of income generating activities and corresponding rural financial services for targeted communities.

US Financing in Thousands of Dollars

Rwanda

696-007 Rural Economic Growth	DA
Through September 30, 2002	
Obligations	0
Expenditures	0
Unliquidated	0
Fiscal Year 2003	
Obligations	0
Expenditures	0
Through September 30, 2003	
Obligations	0
Expenditures	0
Unliquidated	0
Prior Year Unobligated Funds	
Obligations	0
Planned Fiscal Year 2004 NOA	
Obligations	3,310
Total Planned Fiscal Year 2004	
Obligations	3,310
Proposed Fiscal Year 2005 NOA	
Obligations	3,414
Future Obligations	14,583
Est. Total Cost	21,307